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PROCEEDINGS AND DEBATES OF THE 81st CONGRESS
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SENATE

THURSDAY, MAY 5, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, unto our keeping Thou hast committed a national heritage luminous with freedom's glorious light. For all the glory which is America, we bless Thy name. For borders without guns, for frontiers which are swinging gates, for unity in diversity, for peace which spans a continent, and for the equality which beckons all to the summits. In this day of destiny for us and for the world, may we be worthy of our high calling as keepers of the sacred flame. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 4, 1949, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House has passed, without amendment, the bill (S. 270) to change the name of Culbertson Dam on the Republican River in the State of Nebraska to Trenton Dam and to name the body of water arising behind such dam Swanson Lake.

The message also announced that the House had passed a bill (H. R. 165) to authorize the American River Basin development, California, for irrigation and reclamation, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Downey
Brewster	Capehart	Eastland
Bricker	Donnell	Ecton
Ellender	Kilgore	O'Mahoney
Ferguson	Knowland	Reed
Flanders	Langer	Robertson
Frear	Long	Russell
George	McCarran	Saltonstall
Gillette	McCarthy	Schoeppel
Gurney	McClellan	Smith, Maine
Hayden	McFarland	Sparkman
Hendrickson	McGrath	Taft
Hickenlooper	McKellar	Thomas, Okla.
Hill	McMahon	Thomas, Utah
Hoey	Martin	Thye
Humphrey	Miller	Watkins
Hunt	Millikin	Wherry
Ives	Morse	Wiley
Jenner	Mundt	Williams
Johnson, Colo.	Murray	Young
Johnston, S. C.	Neely	

Mr. HILL. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate on official business.

The Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Maryland [Mr. O'CONOR], the Senator from Mississippi [Mr. STENNIS], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. LUCAS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] is absent on public business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on official business in the State of Florida.

The Senator from Oklahoma [Mr. KERR] and the Senator from Pennsylvania [Mr. MYERS] are absent by leave of the Senate on public business.

The Senator from Texas [Mr. CONNALLY], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Maryland [Mr. TYDINGS] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER] is absent by leave of the Senate on official business.

The Senator from Missouri [Mr. KEM] is absent on official business.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Connecticut [Mr. BALDWIN], the Senator from Washington [Mr. CAIN], the Senator from Oregon [Mr. CORDON], and the Senator from Massachusetts [Mr. LODGE] are detained on official business.

The VICE PRESIDENT. A quorum is present.

ANNOUNCEMENT AS TO CALL OF CALENDAR

Mr. HILL. Mr. President, there are a number of bills on the calendar in which Senators are interested and wish to have passed. We very much hope we can have a call of the calendar tomorrow. If we are to have a call of the calendar tomorrow we must pass the pending bill today. Therefore, I ask Senators to hold themselves available so the Senate may vote on the remaining amendments to the bill and take final action on the bill today.

LEAVE OF ABSENCE

Mr. THOMAS of Oklahoma asked and obtained consent to be excused from attendance on the Senate during the coming week.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. If Senators are going to ask to place routine matters in the RECORD, or introduce bills and joint resolutions, the Chair will recognize Senators for that purpose, before recognizing the Senator from Connecticut [Mr. MCMAHON] to discuss his amendment.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred, as indicated:

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF COMMERCE (S. Doc. No 67)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $175,000, Department of Commerce, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF COMMERCE (S. Doc. No. 66)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $432,384, Department of Commerce, fiscal

year 1949 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON WAR CONTRACT SETTLEMENT

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the nineteenth quarterly report on contract settlement, for the period January 1 through March 31, 1949 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF PHILIPPINE WAR DAMAGE COMMISSION

A letter from the Director of the Washington office of the Philippine War Damage Commission, transmitting, pursuant to law, the fifth semiannual report of that Commission for the period ended December 31, 1948 (with an accompanying report); to the Committee on Foreign Relations.

CLASSIFICATION OF PUBLIC LANDS IN ALASKA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the classification of the public lands in Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CIVIL GOVERNMENT FOR GUAM

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide a civil government for Guam, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CIVIL GOVERNMENT FOR AMERICAN SAMOA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide a civil government for American Samoa, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AUDIT REPORT OF THE VIRGIN ISLANDS COMPANY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Virgin Islands Company, for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Carmen Lopez or Carmen Lopez De Tovar or Carmen Lopez De Herrera from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on December 15, 1947; to the Committee on the Judiciary.

NATIONAL BULK CARRIERS, INC., V. LINDSAY C. WARREN, COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the case of *National Bulk Carriers, Inc.*, v. *Lindsay C. Warren, Comptroller General of the United States*, in the United States District Court for the District of Columbia, Civil Action No. 5202–48 (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF COMMODITY EXCHANGE ACT

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Commodity Exchange Act, as amended (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL LANDING CRAFT TO CITY OF PORTLAND, OREG.

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, that the city of Portland, Oreg., had requested the Navy Department to transfer five landing craft for use by the harbor patrol, bureau of police, department of safety of that city; to the Committee on Armed Services.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on the Judiciary:

"House Concurrent Resolution 26

"Concurrent resolution making application to the Congress of the United States in the calling of a convention to propose an amendment to the Constitution of the United States

"Whereas article V of the Constitution of the United States reads in part as follows: 'The Congress * * * on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States * * *'; and

"Whereas the Legislature of the State of Michigan, in view of the increasing tax problems of the State, caused in large part by the invasion of tax sources by the Federal Government, believes that its problems as well as the problems of other States similarly situated, can be solved only by some restraint upon present unrestrained exercise of the taxing power by the Federal Government; and

"Whereas the Federal Government is using and has been using for a number of years the taxing power to produce revenue beyond a legitimate necessity of a Federal Government, other than defense needs, and has been using the funds so raised to invade the province of legislation of the States and to appropriate in many fields that which amounts to a dole to the States of the money raised therefrom to accomplish many purposes, most of them worthy, but by the described process making the money available only under conditions which result in a control by the Federal Government from centralized agencies in Washington, in many cases unfit, and in other cases unable to administer the laws according to the local needs because of varying conditions in the country as a whole; resulting in inequities in the administration of the very benefits purported to be granted; and

"Whereas State and local needs are disadvantaged because the people are already taxed far beyond the real need for any purpose other than forcing the centralization of all government in Washington; and

"Whereas the framers of the Constitution of the United States clearly foresaw the possibility of a condition similar to that herein described, and made provision in the Constitution for safeguarding the States against any oppression or invasion of rights by the Federal Government: Therefore be it

"*Resolved by the Legislature of the State of Michigan*, That said legislature, hereby and pursuant to article V of the Constitution of the United States, makes application to the Congress of the United States to call a convention for the proposing of the following amendment to the Constitution of the United States:

"'ARTICLE—

"'SECTION 1. The power to levy taxes and appropriate the revenues therefrom heretofore granted to the Congress by the States in the several articles of this Constitution is hereby limited.

"'SEC. 2. This article shall be in effect except during a state of war, hereafter declared, when it shall be suspended. The suspension thereof shall end upon the termination of the war but not later than 3 months after the cessation of hostilities, whichever shall be earlier. The cessation of hostilities may be declared by proclamation of the President or by concurrent resolution of the Congress or by concurrent action of the legislatures of 32 States.

"'SEC. 3. Notwithstanding the provisions of article V, this article may be suspended for a time certain or amended at any time by concurrent action of the legislatures of three-fourths of the States.

"'SEC. 4. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid 25 percent of all taxes collected by authority derived from the sixteenth amendment to this constitution, except as provided in section 5, and 25 percent of all sums collected by the United States from any other tax levied for revenue.

"'SEC. 5. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid all sums received from taxes levied on personal incomes in excess of 50 percent thereof and from taxes levied on income or profits of corporations in excess of 38 percent thereof.

"'SEC. 6. Before paying any sums into the funds created by sections 4 and 5 hereof, the Treasurer of the United States shall deduct therefrom 20 percent which shall be used in payment of the principal of the national debt of the United States.

"'SEC. 7. No tax shall hereafter be imposed on that portion of the incomes of individuals which does not exceed, in the case of unmarried persons the sum of $600 per annum, and in the case of married persons the sum of $1,200 per annum jointly. A minimum deduction of $600 per annum shall be allowed for each dependent.

"'SEC. 8. The Treasurer of the United States shall once in each year, from the separate fund created by section 4 hereof, pay to each of the several States one-fourth of 1 percent of said fund and from the remainder of said fund shall pay to each State a portion of such remainder determined by the population of each State in ratio to the entire population of the several States according to the last Federal decennial census or any subsequent general census authorized by law.

"'SEC. 9. The Treasurer of the United States shall, from the separate fund created by section 5 hereof, pay to each State, once in each year, a sum equal to the amount of money in such fund which was collected from persons or corporations within such State.

"'SEC. 10. Any sums paid hereunder to the several States shall be available for appropriation only by the legislatures thereof. The legislatures may appropriate therefrom for any purpose not forbidden by the constitutions of the respective States and may appropriate therefrom for expenditures within the States for any purpose for which appropriations have heretofore been made by the Congress except such purposes as are specifically reserved by this constitution for the exclusive power of the Congress. The people of each State may limit the expenditures of funds herein made available to the legislature, but shall not direct the appropriation thereof.

"'SEC. 11. Each legislature shall have power by rule or resolution to provide for the assembly thereof in special sessions for the purpose of considering amendments to, the suspension of, or the ratification of amendments proposed to this article.

"'SEC. 12. Each legislature shall have power to elect one or more persons to represent such legislature in any council or convention of States created by concurrent action of the legislatures of 32 States for the purpose of obtaining uniform action by the legislatures of the several States in any matters connected with the amendment of this article.

"'SEC. 13. The Congress shall not create, admit, or form new States from the Territory of the several States as constituted on the 1st day of January 1949, and shall not create, form, or admit more than three States from the Territories and insular possessions under the jurisdiction of the United States on the

1st day of January 1949 or from Territory thereafter acquired without the express consent of the legislatures of three-fourths of the several States.

" 'SEC. 14. On and after January 1, 1949, the dollar shall be the unit of the currency. The gold content of the dollar as fixed on January 1, 1949, shall not be decreased.

" 'SEC. 15. Concurrent action of the legislatures of the several States as used herein shall mean the adoption of the same resolution by the required number of legislatures. A limit of time may be fixed by such resolution within which such concurrent action shall be taken. No legislature shall revoke the affirmative action of a preceding legislature taken therein.

" 'SEC. 16. During any period when this article is in effect the Congress may, by concurrent resolution adopted by two-thirds of both Houses wherein declaration is made that additional funds are necessary for the defense of the Nation, limit the amount of money required by this article to be returned to the several States. Such limitation shall continue until terminated by the Congress or by concurrent action of a majority of the legislatures of the several States. Upon termination of any such limitation the Congress may not thereafter impose a limitation without the express consent by concurrent action of a majority of the legislatures of the several States.

" 'SEC. 17. This article is declared to be self-executing'; and be it further

"Resolved, That attested copies of this concurrent resolution be sent to the Presiding Officers of each House of the Congress and to each Member of the Michigan delegation in Congress, and that printed copies thereof, showing that said concurrent resolution was adopted by the Legislature of Michigan, be sent to each house of each legislature of each State of the United States; and be it further

"Resolved, That this application hereby made by the Legislature of the State of Michigan shall constitute a continuing application in accordance with article V of the Constitution of the United States until at least two-thirds of the legislatures of the several States shall have made similar applications pursuant to said article V; and be it further

"Resolved, That since this is an exercise by a State of the United States of a power granted to it under the Constitution, the request is hereby made that the official Journals and RECORD of both Houses of Congress shall include the resolution or a notice of its receipt by the Congress, together with similar applications from other States, so that the Congress and the various States shall be apprised of the time when the necessary number of States shall have so exercised their power under article V of the Constitution; and be it further

"Resolved, That since this method of proposing amendments to the Constitution has never been completed to the point of calling a convention and no interpretation of the power of the States in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise and since the power to use such right in full also carries the power to use such right in part the Legislature of the State of Michigan interprets article V to mean that if two-thirds of the States make application for a convention to propose an identical amendment to the Constitution for ratification with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment and would be limited to such proposal and would not have power to vary the text thereof nor would it have power to propose other amendments on the same or different propositions; and be it further

"Resolved, That the Legislature of the State of Michigan does not, by this exercise of its power under article V, authorize the Congress to call a convention for any purpose other than the proposing of the specific amendment which is a part hereof; nor does it authorize any representative of the State of Michigan who may participate in such convention to consider or to agree to the proposing of any amendment other than the one made a part hereof; and be it further

"Resolved, That by its actions in these premises, the Legislature of the State of Michigan does not in any way limit in any other proceeding its right to exercise its power to the full extent; and be it further

"Resolved, That the Congress, in exercising its power of decision as to the method of ratification of the proposed article by the legislatures or by conventions, is hereby requested to require that the ratification be by the legislatures."

A joint resolution of the Legislature of the Territory of Alaska; to the Committee on Appropriations:

"House Joint Memorial 20

"To the President and Congress of the United States; the Secretary of the Interior; the Fish and Wildlife Service; and the Delegate from Alaska:

"Your memorialist, the Legislature of the Territory of Alaska, in nineteenth regular session assembled, espectfully submits:

"Whereas it is realized that Alaska's fur animals and game animals and noncommercial fish represent a unique and irreplaceable wildlife resource upon which a large part of our population is dependent for existence and which concerns every one in Alaska; and

"Whereas, the resource value of these assets, at present-day prices, may be conservatively estimated at $150,000,000 and the Territory's fur bearers are the only source of revenue in a large portion of Alaska; and

"Whereas, an alarming and persistent depletion of some of these wildlife species is occurring as the result of not only the obvious factors of predation, increased hunting pressure, etc., but also of certain unknown factors which can be discovered only through scientific investigations; and

"Whereas the Cooperative Wildlife Research Units now active at land-grant colleges in 14 States have, during the last 13 years, with a comparatively small investment, been highly successful in developing practical scientific answers to problems in wildlife management, have trained many young men to assume positions of responsibility in the field of wildlife conservation, have provided public education and guidance in this field, and have rendered continuing technical assistance to State game departments in their wildlife management problems; and

"Whereas the people of the Territory of Alaska keenly feel the need for, and greatly desire the establishment of, a Cooperative Wildlife Research Unit at the University of Alaska to accomplish these objectives in the Territory; and

"Whereas the Territory of Alaska and the Wildlife Management Institute are contributing their share toward the establishment of this unit:

"Now, therefore, your memorialist, the Legislature of the Territory of Alaska, urges that Federal funds be made available in the amount necessary to aid in establishing the proposed Cooperative Wildlife Research Unit at the University of Alaska.

"And your memorialist will ever pray."

Resolutions adopted by the National Society, Women Descendants of the Ancient and Honorable Artillery Company, at its annual meeting in Washington, D. C., relating to the North Atlantic Treaty, etc.; to the Committee on Foreign Relations.

The petition of Davie J. Gaul and Ronald Alitto, of Dubuque, Iowa, relating to the celebration of the new century in 2000; to the Committee on the Judiciary.

The petition of Emmet Arthur Hinkelman, of Chicago, Ill., relating to the establishment of certain Federal scholarships; to the Committee on Labor and Public Welfare.

The petition of James J. Lee, Joseph B. Anderson, and Reginald A. Hancock, of Pittsburgh, Pa., relating to socialized medicine; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Suffolk County (N. Y.) Dental Society; and the Trinity Hospital, of Ashland, and Bellin Memorial Hospital, of Green Bay, both in the State of Wisconsin, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A paper in the nature of a petition from Anicet Berard, of St. Martinville, La., relating to flood control; to the Committee on Public Works.

A letter in the nature of a petition from Alexander Ortiz, adjutant, the American Legion, Department of Puerto Rico, San Juan, P. R., expressing sympathy on the death of the late Representative Robert L. Coffey; ordered to lie on the table.

A resolution adopted by the Jefferson County CIO-PAC, of Louisville, Ky., relating to labor legislation now before the Congress; ordered to lie on the table.

MISSOURI RIVER AUTHORITY—EDITORIAL AND RESOLUTION

Mr. GILLETTE. Mr. President, I submit for appropriate reference and ask unanimous consent to have printed in the RECORD, an editorial and a resolution adopted by the Community Club of the city of Chamberlain, S. Dak., dealing with the Missouri Valley Authority.

There being no objection, the editorial and resolution were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

AFL COUNCIL ON MISSOURI VALLEY DEVELOPMENT PLEDGE MVA SUPPORT—DISPROVE UTILITY PROPAGANDA IN IMPORTANT MOVE TO BRING AREA PROSPERITY

Joining the growing ranks of folks in the Missouri River Basin who want this area developed according to sound principles, delegates to the important Missouri Valley Development Trades and Labor Council, AFL, voted approval of the Missouri Valley Administration last week.

Meeting in Sioux Falls, S. Dak., delegates to the council—which represents AFL groups in 10 States—gave the nod to a resolution which protested the difficulty and lack of success in dealing with numerous bureaus and divided authority under the Pick-Sloan plan.

Attending the meeting from Sioux City were Floyd T. Smith, business representative of the machinists union here and past president of the local trades and labor assembly; Clarence Fulton, of the carpenters union, present president of the assembly; Earl Stevens, of the building trades council; and Joe Snodgrass, of the plumbers, steamfitters union No. 18.

SIGNIFICANT MOVE

The labor group's move is decidedly significant in view of the pressure which has been exerted by private utilities to suppress any demonstration of MVA support. One of the utility's main war cries has been that no one in the valley wants MVA.

These delegates to the Missouri Valley Development Trades and Labor Council proved the utility propaganda—to be charitable—incorrect.

The council represents thousands upon thousands of AFL members in the following

States: Iowa, Minnesota, Colorado, Kansas, Missouri, Montana, Nebraska, Wyoming, North and South Dakota.

The resolution adopted by the council delegates is printed below:

"Resolution in favor of S. 1160, Missouri Valley Authority

"Whereas during the past several years, the Missouri Valley Development Trades and Labor Council has, from time to time, discussed the question of the so-called Pick-Sloan plan versus a Missouri Valley plan similar to the Tennessee Valley Authority; and

"Whereas up to the present time we have been primarily interested in the development of the basin and, therefore, have not pushed the question as to what set-up or plan under which the development should be carried out; and

"Whereas on March 2, 1949, the honorable Senators MURRAY from Montana, GILLETTE from Iowa, and HUMPHREY from Minnesota, saw fit to introduce S. 1160 which provides for a Missouri Valley Authority along the pattern of the Tennessee Valley Authority; and

"Whereas Senator HUMPHREY so ably pointed out the shortcomings of the Pick-Sloan plan both in its planning and the management thereof; and

"Whereas we have experienced great expense and difficulty and not much success in dealing with the numerous bureaus and divided authority which exists under the present set-up; and

"Whereas dealing with a centralized management would simplify the establishment of uniform conditions for all the different projects in the valley: Therefore be it

"*Resolved*, That this conference go on record in favor of S. 1160 as introduced in the Senate on March 2, 1949, by the above-mentioned Senators, and that we do everything possible to have said bill enacted into law; and be it further

"*Resolved*, That a copy of this resolution be sent to the President of the United States, and to the Senators and Congressmen representing the 10 States included in the Missouri Valley Basin; and to all building trades councils."

Whereas it is becoming more apparent every day to the residents and citizens of Chamberlain that the Pick-Sloan plan for the development of the Missouri River Basin—

1. Provides inadequate safeguards for our health in that the Hoover Commission reports that they have failed to consider the insanitary conditions that may prevail in the portions uncovered at low levels;

2. Threatens our only adequate natural recreational facilities in this section of the State in that the soil and vegetation on American Island cannot be duplicated in this area;

3. Threatens to lower property valuation of that property alongside future muddy and unhealthy areas without compensation therefor when the land is not condemned;

4. Appears to provide safeguards for land in States to the south at a sacrifice of our richest agricultural land in this sector of the State;

5. Fails to provide for water transportation to the area of possible manganese developments and, in fact, will cut off any possible water transportation to our State except for the extreme southeast corner;

6. Will, by virtue of the high head dam, effect a removal of much of the property on the tax lists at the present time with an increased burden cast on the other property within the county;

7. Appears in general to be an over-all detriment and not a benefit to this section of the State; and

Whereas the attitude of cooperation on the part of the present agencies has incurred the displeasure of the landowners and the other property owners in this area and has been poorly displayed and the community's attempts to secure modifications of the present plans; and

Whereas the press and various organizations within this State have indicated that there is little demand for a change in the present plans or in support of the MVA:

We of the Community Club of the City of Chamberlain, S. Dak., do hereby resolve to express our unified opposition to the continuance of any plan for development which will continue the seven objections in the first paragraph hereof and will permit a fluctuation of as great an amount as 65 feet in the water level which at high stage will flood a sizable portion of our city and at low level permit the vast expanse of mud and disease-producing putrid pools which appears the natural result of a continuation of the Pick-Sloan plan.

We ask specifically that further development of the basin as a whole as distinguished from individual construction projects be removed from the control of the Army engineers.

We hereby place ourselves on record as a group as resolved in favor of an MVA as being the only feasible alternative presented for the Pick-Sloan plan to date. Be it further

Resolved, That a copy of this resolution be sent to the two Senators and the two Members of Congress from South Dakota, a copy to the Senators from Minnesota, Iowa, North Dakota, Montana, and Wyoming, and that a copy be sent to the President of the United States with the express wish that a low head dam be established in lieu of the present one planned at Fort Randall, and that, at the very least, the recommendations of the Hoover Commission for the improvement of the present plan be adopted immediately.

GLEN GRIFFITH,
President.
LAUREL E. PEASE,
Secretary.

INCREASE IN CERTAIN POSTAL RATES—COMMUNICATIONS AND EDITORIALS

Mr. WILEY. Mr. President, one of the important issues facing the Senate and House is presented in the postage rate increase legislation now pending before both bodies. It has become quite clear in the course of the testimony heard on these measures that their net effect would be to do incalculable harm to many areas of American life. It has been pointed out how harmful the present drastic bills would be to our weekly newspapers, to business advertising, and so on. One of the features with which I am particularly concerned is that these bills would do severe damage to America's religious press—both religious magazines and religious books. In addition, many fraternal organizations, unions, and other groups would be similarly hard hit.

As an indication of the grass roots thinking on this important subject, I have before me several communications from my own State. Undoubtedly, they are similar to many of the other informative statements which my colleagues have received. I, for one, of course, oppose the postage rate increase legislation in its present form.

I ask unanimous consent that the text of the communications, together with a forthright editorial from the La Crosse edition of the noted Catholic newspaper The Register be appropriately referred and printed in the RECORD.

There being no objection, the communications and editorial were referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

BPOE,
WATERTOWN LODGE, No. 666,
Watertown, Wis., April 14, 1949.

Hon. ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: After a communication in regard to a proposed bill S. 1103 was read at our meeting last night, the members voted to adopt the following resolution:

"*Resolved*, That Watertown Lodge No. 666 of the Benevolent and Protective Order of Elks is definitely opposed to any material increase in the postal rates of the Elks magazine as incorporated in S. 1103;

"That this lodge is opposed to having the privileges it now enjoys from this nonprofit publication being taken away; and

"That, should the bill be enacted into law, we would hate to have the grand lodge curtail or even cease many of its worth-while features; and

"That a copy of this resolution be sent to the Congressman and Senators of this district."

Hoping that you will use your best judgment when this bill comes up for consideration, I am

Very truly yours,
Dr. R. V. HARTE, *Secretary.*

FRATERNAL ORDER OF EAGLES,
MANITOWOC AERIE, No. 706,
Manitowoc, Wis., April 5, 1949.

Hon. ALEXANDER WILEY,
United States House of Representatives,
Washington, D. C.

DEAR MR. WILEY: The Fraternal Order of Eagles of Manitowoc, No. 706, would like to have you consider bill H. R. 2945. We feel that if this bill would be passed it would, over the course of a year, cost us a considerable amount of money.

We are now spending between $30 and $40 a month in mailing to our members the news and ideas of our order, and a raise in postal rates would probably make the aerie try to save the rise in rates and the members would not receive the information they are entitled to.

Thank you.

Very truly yours,
JACOB L. STUEBER,
Secretary.

ST. MARY'S SPRINGS ACADEMY,
Fond du Lac, Wis., March 18, 1949.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: Before you now is bill S. 1103, a bill which would increase the postage rates on books.

If the evils of our times are ever to be corrected, we must be interested in the education of our people. Books are necessary tools of education. To increase rates on them is to penalize those who are making the greatest contribution to our culture. The principle involved sets us down as a Nation ready to sacrifice mental and spiritual values for material ones.

Since this is the fourth time in 7 years that books have been considered subject to increased postage rates, we believe that it is time for the voice of the people to be heard. Therefore, we protest most heartily against bill S. 1103, a bill which would increase the postage rates on books.

Yours very truly,
SISTER M. EMMA,
Principal.
(And sundry other members of the faculty.)

UNITED AUTOMOBILE, AIRCRAFT, AGRICULTURE IMPLEMENT WORKERS OF AMERICA (UAW-CIO),
Milwaukee, Wis., April 19, 1949.

Senator ALEXANDER WILEY,
Senate Building,
Washington, D. C.

HONORABLE SIR: Members of Auxiliary 2, UAW-CIO, are very much concerned about the bills H. R. 2945 and S. 1103. It is our opinion that these bills, if enacted, would cause the elimination of publications now published by churches, unions and other small organizations. We do not believe such publications could stand the increased mailing costs that would be necessary under the provisions of these bills.

Therefore, we hereby respectfully request that you use the influence of your good office in an endeavor to defeat these bills at such time as either of them may be presented to your House of Congress for consideration.

Yours truly,
JEANNETTA KEIM,
Recording Secretary, Women's Auxiliary No. 2, UAW-CIO.

[From the La Crosse (Wis.) edition of the Register]

WHAT OF INCREASED POSTAL RATES?

At present a bill is pending in congressional committee—H. R. 2945 and S. 1103—that for the sake of America's future security let's pray will die there and never be resurrected. It is a bill that would boost postal rates for all second-class matter to fantastic heights. We now feel quite certain that this bill will never become law. In studying the members of the Senate and House Post Office Committees, we note there are many level-headed legislators on both committees who see through the allurement of increased revenue for the Post Office to the devastating effects such a bill would have on America's well-being and life. We like to think, even though this proposal was repeatedly made in the past and never was successful, this latest bill again was a hasty move on the part of its originators who did not realize fully the disastrous results it would have.

Of course, this bill would affect all newspapers that reach their subscribers by mail. That includes practically all the religious press, Protestant, Jewish, and Catholic, as few of them have newsboy service, but use the mails from necessity since most are weekly publications. For some religious publications—the majority—this bill would be fatal—they could not stand up under the staggering increased costs. For all, it would mean that the subscribers would have to foot the bill that would increase postal rates up to 400 percent. The La Crosse Register as it is will be forced soon to increase its subscription rates—a move long delayed, but a move made imperative by a 100-percent rise in publication costs since 1940. But should this bill go through, an additional $1 increase in the subscription rate besides the raise already planned would have to go into effect. Otherwise your paper would go bankrupt overnight. What holds for the La Crosse Register is equally true of the other 400 Catholic, 400 Protestant, and 200 Jewish publications in this country.

This measure is being opposed almost universally by the American free press. True, there are the few, prompted by selfish motives (for their papers are delivered almost exclusively by carrier service), who favor the proposed measure. Not too strangely, such publications favoring the measure are those whose journalistic record has been anything but American. They surmise this bill would remove from the field of free competition the publications that still uphold the laws of morality and the sacred rights upon which this country is founded, and that ceaselessly carry on a noble fight against communism or any other force that is a danger to the American way of life and the basic rights of man.

The United States Post Office from its inception was never intended to be a money-making enterprise, no more than the Library of Congress was. It was meant to be a subsidy. It was meant to be the best security for a free America, for it would make an enlightened America. A democracy thrives on a free press. The Post Office, as ordained by its founders, brings into reality a free press that is enabled to spread the Government's message of truth and liberty to people the country over. From the records, what phase of America's press has done a nobler job in this respect than the religious press, whose aim is not profit but to disseminate truth and the great principles of morality? In those hard years when it was not popular to oppose the now world-wide menace, communism, when many publications practically were fellow travelers, the Catholic press fought the fight single-handed. The heart of the American press is the religious press—never advocating anything un-American, ever prompting loyalty to God and country, and to movements that lead to that goal. Readers are urged to watch carefully legislative moves of this type that are real and imminent threats to America's religious press and to express their disapproval of any such bill by writing to their Congressmen.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

S. 732. A bill providing for the taking of action in 1949 with respect to quotas for the 1950 crops of corn, wheat, cotton, rice, and tobacco; without amendment (Rept. No. 331).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. 715. A bill to amend the Agricultural Act of 1948; without amendment (Rept. No. 332);

S. 1089. A bill to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts; without amendment (Rept. No. 333); and

S. 1640. A bill to amend section 4 of the act of March 1, 1911 (36 Stat. L. 962; 16 U. S. C. 513), relating to membership of the National Forest Reservation Commission; without amendment (Rept. No. 334).

By Mr. HAYDEN, from the Committee on Rules and Administration:

S. Con. Res. 33. Concurrent resolution suspending legislative budget pending further study; with amendments (Rept. No. 335).

By Mr. GEORGE, from the Committee on Finance:

S. 811. A bill to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration; with amendments (Rept. No. 336).

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Lynn R. Edminster, of Illinois, to be a member of the United States Tariff Commission for the term expiring June 16, 1955 (reappointment).

By Mr. TYDINGS, from the Committee on Armed Services:

Vice Adm. John D. Price, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a presidential designation as Vice Chief of Naval Operations.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1769. A bill to reimburse the Stebbins Construction Co., to the Committee on the Judiciary.

By Mr. McKELLAR:

S. 1770. A bill to authorize payment of certain personal property claims of military personnel and civilian employees of the War Department or of the Army, or of the Navy Department or of the Navy, in the case of death, to their survivors; to the Committee on the Judiciary.

By Mr. THYE:

S. 1771. A bill to authorize the Maritime Commission to convert certain vessels to types suitable for use on the Great Lakes; to the Committee on Interstate and Foreign Commerce.

(Mr. LANGER (for himself, Mr. HUMPHREY, Mr. McKELLAR, Mr. ECTON, Mr. HENDRICKSON, Mr. FREAR, Mr. KEFAUVER, and Mr. BALDWIN) introduced Senate bill 1772, to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. BALDWIN:

S. 1773. A bill for the relief of Hildegarde Weber and Stefanie Pfister; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 1774. A bill to authorize the Secretary of the Army to make allotments for the collection and removal of drift in Hampton Roads and the harbors of Norfolk and Newport News, Va.; to the Committee on Public Works.

(Mr. MAYBANK introduced Senate bill 1775, to provide for supplemental reserve requirements for insured banks, and for other purposes, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mrs. SMITH of Maine:

S. 1776. A bill to amend the income limitation governing the granting of death-pension benefits to widows and children of veterans; to the Committee on Finance.

S. 1777 (by request). A bill to amend the Act entitled "An act to regulate the employment of minors within the District of Columbia," approved May 29, 1928; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina:

S. 1778. A bill authorizing the Secretary of the Army to furnish headstones to mark the actual or honorary burial places of deceased members or former members of the

military and naval forces; to the Committee on Armed Services.

By Mr. JOHNSON of Colorado:

S. 1779. A bill for the relief of Phil Meyers, also known as Gil Meyers; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 1780. A bill for the relief of Stephen A. Patkay; and

S. 1781. A bill for the relief of Alexander Konstantinovich Troutovsky and his wife, Inna Yakovlevna Troutovsky; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1782. A bill to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States; to the Committee on Interior and Insular Affairs.

S. 1783. A bill for the relief of Charles W. Miles; to the Committee on the Judiciary.

S. 1784. A bill for the relief of Victor H. Crouch; to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN:

S. 1785. A bill to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, in relation to extensions made pursuant to wage-earners' plans under chapter XIII of such act; to the Committee on the Judiciary.

By Mr. MAYBANK:

S. J. Res. 87. Joint resolution to extend the authority of the Board of Governors of the Federal Reserve System to exercise consumer credit controls; to the Committee on Banking and Currency.

ADDITIONAL BENEFITS FOR CERTAIN POSTMASTERS

Mr. LANGER. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Tennessee [Mr. MCKELLAR], the Senator from Montana [Mr. ECTON], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Delaware [Mr. FREAR], the junior Senator from Tennessee [Mr. KEFAUVER], and the Senator from Connecticut [Mr. BALDWIN], I introduce for appropriate reference a bill to provide additional benefits for certain postmasters, and so forth. I particularly invite any other Senators who care to join as cosponsors in the introduction of the bill to add their names.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1772) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

SUPPLEMENTAL RESERVE REQUIREMENTS FOR INSURED BANKS

Mr. MAYBANK. Mr. President, I introduce for appropriate reference a bill to provide for supplemental reserve requirements for insured banks, and for other purposes.

I might say that the bill calls for the continuation under permanent authority of the temporary power the Federal Reserve Board now possesses but which expires on June 30, 1949, to require member banks to maintain additional reserves of 4 percent on demand deposits and 1½ percent on time deposits. It also extends the same authority to increase reserve requirements to nonmember insured banks, provided that the maximum reserve requirements for member banks under the permanent reserve requirements of the Federal Reserve Act are in effect.

I wish to say further that a request was made that the bill should permit the Board to increase reserve requirements by 10 percent for demand deposits and 4 percent for time deposits, but after many conferences between Federal Reserve Board officials, particularly the Chairman, Mr. McCabe, and the chairman of the subcommittee on Federal Reserve matters of the Committee on Banking and Currency, the distinguished junior Senator from Virginia [Mr. ROBERTSON], we came to the conclusion that it was best at this time, with conditions as they are, to leave reserve ratios in the law as they are at present.

No doubt there are some sections of the bill which probably are controversial. Speaking for the Senator from Virginia [Mr. ROBERTSON], with whom I have just conferred, I may say that he expects to start hearings, inviting bankers and other interested persons throughout the United States, on or around May 15. I make this statement so that it will appear in the RECORD, and so that it will be generally known that the hearings on the Federal Reserve System will commence in the subcommittee of the Committee on Banking and Currency presided over by the junior Senator from Virginia [Mr. ROBERTSON] around May 15.

The bill (S. 1775) to provide for supplemental reserve requirements for insured banks, and for other purposes, introduced by Mr. Maybank, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF NATIONAL HOUSING ACT—AMENDMENT

Mr. THYE (for himself, Mr. BALDWIN, and Mr. IVES) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 712) to amend the National Housing Act, and for other purposes, which was referred to the Committee on Banking and Currency, and ordered to be printed.

AMENDMENT OF CONTRACT SETTLEMENT ACT OF 1944—AMENDMENTS

Mr. JOHNSON of Colorado submitted amendments intended to be proposed by him to the bill (S. 528) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, which were ordered to lie on the table and to be printed.

SUSPENSION OF LEGISLATIVE BUDGET—AMENDMENT

Mr. WHERRY. Mr. President, earlier today the Senator from Arizona [Mr. HAYDEN], from the Committee on Rules and Administration, reported Senate Concurrent Resolution 33, suspending the legislative budget pending further study, and it was placed on the Calendar. I now submit an amendment in the nature of a substitute intended to be proposed by me to the concurrent resolution, which I ask to have printed and lie on the table. I intend to submit my substitute when the concurrent resolution is taken up for consideration.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

HOUSE BILL REFERRED

The bill (H. R. 165) to authorize the American River Basin development, California, for irrigation and reclamation, and for other purposes, was read twice by its title, and referred to the Committee on Interior and Insular Affairs.

THE AMERICAN PRESS IN THE COLD WAR—ADDRESS BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD a press release of remarks made by him at a dinner sponsored by the Lehigh Valley Chapter of the American Newspaper Guild, at Allentown, Pa., which appears in the Appendix.]

CAN WE AFFORD OUR FREEDOM?—ADDRESS BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address on the subject "Can We Afford Our Freedom?" delivered by him to the thirty-seventh annual convention of the Linen Supply Association of America, at Atlantic City, N. J., May 4 1949, which appears in the Appendix.]

DANGER SIGNS IN THE ECONOMY—STATEMENT BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD a statement by him on the subject Danger Signs in the Economy, which appears in the Appendix.]

LABOR LAW OF VIRGINIA—ARTICLE BY JOHN KILPATRICK

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "Virginia Has a Labor Law for Public Utilities; It Works," by John Kilpatrick, which appears in the Appendix.]

FEDERAL AID TO SCHOOLS—EDITORIAL FROM THE RICHMOND NEWS-LEADER

[Mr. BYRD asked and obtained leave to have printed in the RECORD an editorial entitled "Federal Aid to Schools," from the Richmond News-Leader, which appears in the Appendix.]

SEMINAR FOR CONGRESS—EDITORIAL FROM THE WASHINGTON POST

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Seminar for Congress," published in the Washington Post of April 30, 1949, which appears in the Appendix.]

LABOR LEGISLATION—TELEGRAM FROM A. F. WHITNEY

[Mr. NEELY asked and obtained leave to have printed in the RECORD a telegram regarding labor legislation addressed to the President of the United States by A. F. Whitney, president of the Brotherhood of Railway Trainmen, which appears in the Appendix.]

DISTRICT DOCTORS WAGE WAR AGAINST PETS—EDITORIAL FROM THE WASHINGTON TIMES-HERALD

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Vivisection," published in a recent issue of the Washington Times-Herald, which appears in the Appendix.]

POSITION OF FEDERAL COUNCIL OF CHURCHES OF CHRIST IN AMERICA RESPECTING THE NORTH ATLANTIC PACT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a copy of a letter, dated April 22, 1949, from William Scarlett, chairman of the department of international justice and good will of the Federal Council of Churches, which appears in the Appendix.]

DUTCH POLICY IN INDONESIA

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter regarding the Dutch policy in Indonesia, addressed by Mr. J. J. Singh, president, India League of America, to the New York Herald Tribune, and published in that newspaper on April 20, 1949, under the caption "Dutch policy challenged," which appears in the Appendix.]

A TEST OF SINCERITY—EDITORIAL FROM THE WASHINGTON (IND.) HERALD

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "A Test of Sincerity," published in the Washington (Ind.) Herald of April 22, 1949, which appears in the Appendix.]

BASING POINT—EDITORIAL FROM THE WASHINGTON POST

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Basing Point," published in the Washington Post of April 29, 1949, which appears in the Appendix.]

COMMEMORATION OF POLAND'S NATIONAL DAY

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the statement I have prepared relating to the commemoration of Poland's National Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

We are happy to commemorate Poland's National Day, the anniversary of the birth of the democratic constitution, enacted by the Polish Parliament on May 3, 1791. The constitution states that: "All power in civil society is derived from the will of the people." It is the first truly democratic constitution in Europe and a milestone in the development of parliamentary democracy.

The constitution was adopted at a time when Poland was surrounded by the autocratic states of Russia, Austria, and Prussia, and already partitioned once by her aggressive neighbors (in 1772). The enactment of the constitution did not save Poland from further aggression; to the contrary, the totalitarian rulers of the neighbor states hurriedly completed the conquest. Afraid that the Polish democratic principles might contaminate their own subjects, the Empress of Russia, and the rulers of Prussia and Austria, ordered their troops to march into Poland in 1793 (second partition), and in 1795 (third and final partition).

Thus, Poland lost her independence for 123 years. She was restored again as a free and independent state in 1918, when the signatories of the Versailles Treaty adopted the thirteenth point of the declaration by President Woodrow Wilson providing for the reestablishment of a free Polish state with access to the sea.

The similarity of events during that period and the present one is truly astounding. Then as now a handful of quislings and foreigners were imposed upon the people of Poland as their Government, and the true Polish leaders were declared unrepresentative of their people. Ambassador Philip Mazzei wrote on May 23, 1792, to Thomas Jefferson: "The Empress of Russia had ordered her troops to enter Poland in order to assist the nation in reestablishing its Government. * * * The shameless and provoking insolence of that declaration has exasperated us. * * * She (the Empress) pretends that the nation consists of 11 refugees who are now in St. Petersburg, and that the King and the Diet who have enacted the constitution, and all the citizens of the kingdom are nothing more than a handful of factionists."

After a short period of independence (1918–39), Poland was partitioned again as the result of an aggression by Nazi Germany and Soviet Russia. Poland was the first to accept the challenge of Hitler and the first nation to resist with arms the onslaught of the Nazi war machine. President Roosevelt called Poland "the inspiration of nations."

Under the Nazi occupation, the Poles formed a complete underground state consisting of a government, parliament, judiciary, and an army of 300,000 men. At the same time, a government was functioning in exile (London) and an army of 200,000 men was organized abroad. This army fought side by side with its American and British allies on all battlefields of Europe and Africa.

In spite of this magnificent war effort, Poland did not regain her independence after the termination of hostilities in 1945. As a result of the Yalta Conference in February 1945, half of Polish territory was given to Russia, the legal Polish Government in London was abandoned, and a handful of Russians and Quislings were imported from Moscow to serve as the Polish Government in Warsaw.

At present Poland is a Soviet-occupied country and her Government serves the interests of Russia and international communism. The most recent proof of the true nature of the Government in Warsaw was presented in the documentary evidence given by a Polish general on March 31, 1949, before the House Un-American Activities Committee. It was proved conclusively during this hearing that the Warsaw Government organized in the United States an espionage net directed against the security of this country.

But, fortunately, the American people are aware that the people of Poland cannot be blamed for the activities of a government which was imposed upon them against their will and of which they strongly disapprove. President Truman made this clear when he told the new Polish envoy on February 5, 1947, that he realized the difference between the Polish people and the totalitarian government.

At present a momentous struggle is in progress in Poland, separated from the western world by an impenetrable wall of Soviet Army and secret police. A pall of silence, broken only by the salvos of execution squads, hangs over the country. It is a struggle for the souls of the people. Remembering their historic ties with the United States, Tadeusz Kosciuszko and Kazimierz Pulaski, the Poles, both at home and abroad, turn toward the United States for help.

The main problem for Poland today is physical and spiritual survival, for which she needs American aid. Until true liberation can be achieved, the people of Poland and their free leaders abroad should be assured of American support. Unequivocal statements by prominent Americans, declaring their sympathy and pledging their aid in the struggle for the liberation of Poland, are invaluable as regards the morale and the will to resist of the Polish people.

The Americans of Polish descent are doing great work in helping their old country both materially and politically. The celebrations they organize in commemoration of Poland's National Day prove their devotion to their mother country and to the cause of freedom. Such celebrations are particularly valuable in view of the fact that the Communist government in Warsaw abolished the National Day and replaced it by the Red May 1.

FEDERAL AID TO EDUCATION

The Senate resumed the consideration of the bill (S. 246) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. MCMAHON].

Mr. MCMAHON. Mr. President, I ask that the amendment be read by the clerk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 7, it is proposed to strike out the period following the word "State", and in lieu thereof insert a comma and the following: "*Provided, however,* That funds expended to provide school-bus transportation shall be available to all school children on a just and equitable basis, without regard to race, creed, or color, or nationality, or the location or character of the school which the child attends."

Mr. MCMAHON. Mr. President, I do not believe any Senator can have any difficulty in understanding this amendment. As can be seen, it provides that if a State is to use any of the funds which are to become available under this bill for bus transportation for any of the children of a State, then it shall be used for the transportation of all children alike.

In ascertaining the amount that shall be available to each State under the terms of the bill, as I understand the formula, it provides for the taking of a census of all children between the ages of 5 and 17. That means every single child in the State between those two ages. It counts every child, no matter whether he goes to a public or a nonpublic school, for the purpose of measuring the amount of money which shall be allocated and given to the State under this piece of legislation.

My amendment provides that since every child is included within the measure of allocation, a child shall not be counted in for the purposes of ascertaining the amount, and then, if he happens to attend a nonpublic school, be counted out when it comes to the enjoyment of the services which are clearly permitted under the Constitution and under the decisions of the Supreme Court.

In the Everson case, decided about 2 years ago, in which Mr. Justice Black wrote the opinion, it was held that the transportation of youngsters from their homes to their schools and back again was clearly not in derogation of the first amendment to the Constitution, which prohibits the establishment of a state church or state religion. It is difficult to see how anyone could take exception to that conclusion.

During the war years we developed what was known as the school-lunch program. In that program we provided certain funds to furnish hot lunches for the school children of the Nation, so that their bodies might be sustained and nourished, and so that the old maxim of Juvenal, "A sound mind in a sound body," could be promoted. I believe that every Member of the Senate agrees that that program, which we have supported, has resulted most beneficially to the children of the country, and therefore to the country itself.

Only a few days ago we passed what I think is a very beneficent piece of legislation, the so-called school-health bill. It will be remembered that the bill went through the Senate with very little debate, although I am sure that it was carefully considered and well understood by the membership of the Senate. That bill provides, to the extent the funds will allow, for taking care of the health of all the children of the Nation, regardless of where they go to school.

Long ago the Supreme Court ratified a natural right of citizens of this country, a right which they derive directly from the Supreme Being, the right to determine where their children shall be educated. Several years ago the State of Oregon decided that it would enact a statute which would make mandatory the education of every single child, regardless of the wishes of the parents, in a school directly operated and supported by the State. The case known as Pierce against Oregon went to the Supreme Court for a test of the validity of that statute. In its opinion the Court declared that the child belongs to its parents, as the trustees of God, and not to the State, and, of course, the parents of the Pierce child were permitted to determine where the child should receive its education.

So the obligation which the State imposes for compulsory education has been recognized over decades as being satisfied when the child attends a school chosen by his or her parents, and which complies with the standards established by the State for the educational process.

We have a situation in which the parents have the right to send the child to a school of their choice. We have a situation in which the Government is to make available money for current expenditures, which includes bus transportation. Therefore, I submit that it follows most logically that we should adopt the policy of saying to the State, "If you transport any children to and from school with any of these funds, then you must transport all children to and from school."

In connection with the school-health program, we made no distinction in the bill which we passed as to the kind of child, his creed, race, or religion. We did not establish any such test for participation in the benefits afforded by the funds provided under that measure for repairing their teeth, examining their eyes, or performing any of the other basic and necessary services to bring a sound citizen to adulthood.

The reason why the Senator from New York [Mr. IVES], the Senator from Colorado [Mr. JOHNSON], the Senator from Massachusetts [Mr. LODGE], and I are urging this proposal is that the transportation of all children to and from school is only an act of common decency to avoid discrimination against the parents of children. The parents are taxed for the support of the public schools and those taxes are drained into the Federal Treasury, from which this appropriation will come. To hold that the transportation of Johnny Jones from his house, 8 miles away in the county, to a public school can be paid for out of these funds, but that his sister cannot be transported a distance of 7 miles along the same route to a nonpublic school, to me, certainly seems to be straining at something which is so obviously wrong that I wonder how it can seriously be urged. If we were to carry that principle to its natural conclusion, I suppose we would put a stop to the performance of his duty by a traffic policeman who might be directing traffic outside a nonpublic school for the benefit of the safety of the children attending such school. Under that principle, it might be urged that the sewers should be cut off from nonpublic schools or that sidewalks could not be laid in front of nonpublic schools.

Mr. President, the United States of America has not grown great under that kind of philosophy. The United States has not become great and powerful upon the principle that the state must oppose religion. I sometimes wonder what might be the situation if some Senator endeavored to bring a quo warranto or mandamus against the Senate of the United States for paying the salary of the chaplain of the Senate. I wonder what the situation might be at some future time if it were seriously urged that we should abolish the chaplains in the armed forces and should tear down the chapels at West Point and Annapolis. If the day ever were to come when such a proposal was taken seriously, then I say the sun of the United States would definitely be dimmed if it would not disappear altogether.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I am glad to yield to the Senator from Idaho.

Mr. MILLER. Reverting to the observations the Senator from Connecticut made about the transportation of a boy living 8 miles from a public school which he attended and his sister living 7 miles from a nonpublic school which she attended, and the question of whether the cost of transporting the girl to the nonpublic school could be paid out of these funds, I ask whether the Senator from Connecticut knows of any instance in the adjudicated law of the Nation which would allow the cost of transporting the girl to the nonpublic school to be paid out of public funds, in view of the fact that some of the States have constitutional provisions against the making of such allowances or payments for such transportation?

Mr. McMAHON. I say to the Senator that 15 States have statutes explicitly authorizing the transportation of nonpublic-school pupils. Perhaps I had better read the list of those States into the RECORD. They are California, Illinois, Indiana, Kansas, Kentucky, Montana, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Oregon, Rhode Island, and Washington.

Four States give implicit authorization in their general transportation legislation. They are Connecticut, Louisiana, Maryland, and New Mexico.

In the third classification, we find that the courts in California, Kentucky, Maryland, New Jersey, and Washington have upheld the constitutionality of statutes authorizing bus service for nonpublic-school children. The decisions in California and Washington are being appealed.

The courts in Delaware, New York, and Oklahoma have declared such statutes unconstitutional.

The Supreme Court of the United States has ruled that the transportation of children to nonpublic schools does not violate the first and fourteenth amendments of the Federal Constitution.

I wish to say to my good friend the Senator from Idaho that what we are proposing to dispense under this bill are Federal funds, to be paid out of the Federal Treasury. There is no bar—and I emphasize the word "no"—to providing for the transportation of nonpublic-school children by the payment of funds raised by Federal taxes from citizens of the United States.

This amendment provides—I shall try to sum up its provisions as simply as I can—that if a State wishes to use any of this money for the transportation of any of the children living within its boundaries, then it must transport every child in the State who is attending any school which is approved by the State as being in compliance with the educational requirements of the State. I submit to the Senator from Idaho that this has as much to do with the teaching of religion, and it presents as much of a religious question—well, Mr. President, I hardly know where to find a sufficiently ludicrous comparison.

Mr. MILLER. Mr. President, I thank the Senator from Connecticut for his explanation. It is very good.

Mr. McMAHON. I can hardly think of a fit comparison to make, to show how absolutely absurd it is in any way to connect the transportation of children's bodies from point A to point B with any thought that that would involve a violation of the first amendment of the Constitution.

Of course it was that very plain situation which brought about the decision in the Everson case, in a supreme court which I may say to the Senator, as is evidenced in the Champaign case which came along a few months later, was certainly, to say the least, vigilant in what it regarded—as the distinctions which must be drawn under the first amendment.

So, Mr. President, for the Senate to say that as a matter of policy such funds coming from the Federal Treasury can be paid for the transportation of some children of American citizens, but not for the transportation of other children of American citizens, and to say that such a distinction should be made against

some parents simply because they are exercising their God-given right to send their children where they have a right to send them for their education, is something that I cannot understand or comprehend.

Mr. President, much more could be said about the amendment, but I feel that I have made clear what I regard the situation to be and what elemental justice should dictate.

I should like to close by saying something which perhaps it is not necessary for me to say. Like all other loyal Americans, I believe that the church and the state should not be controlled by each other. We have a very simple rule to guide our conduct, Mr. President. Christ himself enunciated it. He was asked:

Is it lawful to give tribute to Caesar, or not?

The Pharisees thought they had presented Christ with a crushing dilemma. But Christ said to them:

Bring me a penny, that I may see it.

When they did that, He said:

Whose is this image and superscription?

They replied:

Caesar's.

Then Christ said, answering them:

Render to Caesar the things that are Caesar's and to God the things that are God's.

So long as we adopt in our country and in our legislative halls the rule of conduct of rendering to Caesar the things that are Caesar's, and to God, the things that are God's, we shall not get into trouble. The pending amendment is clearly one that relates, I may say, to the material aspects of the bringing up of a child—the transportation of his little body across highways, in order that his body shall not be crushed under the wheels of an onrushing freight train or a roaring truck, the getting of that boy or girl safely to the point of education, chosen, mind you, by his parents under their God-given right. That is what I propose shall be done under the amendment. I can see no valid reason for its being rejected.

Mr. TAFT. Mr. President, I want to speak briefly with respect to the theory on which the bill was framed, and to try to explain why the amendment proposed by the Senator from Connecticut [Mr. McMAHON] as well as the amendment to be proposed by the Senator from Missouri [Mr. DONNELL], is in conflict with the basic theory of the pending bill. The theory is that of noninterference with the State either in the education it chooses to give its children or in the method by which the State administers its school system.

The question relating to parochial schools has always been one of our most difficult problems. Under the Constitution of the United States, the Supreme Court has held that public money may not be spent, either by the Federal Government or by the States, for sectarian educational purposes. But the Supreme Court has said that some of the incidents of education, such as school-bus transportation and, in some respects, school books, perhaps, may be paid for by the States for both types of schools. The decisions are somewhat uncertain. How they will ultimately be resolved I do not know. But what we propose under the pending bill is to say to each school, "We give you this Federal money, and you may spend it for any purpose for which you spend State money. If you spend State money for school-bus transportation for parochial and private schools, you may spend Federal money for that purpose also. If you do not spend your own money for that purpose, you may not spend Federal money for that purpose." In other words, we try to leave the system exactly as it is.

Most of the States prohibit, either by their constitution or by law, the spending of money for bus transportation for private and parochial schools. Therefore, if the amendment were adopted, we should be in effect attempting to nullify the laws of those particular States. If the amendment proposed by the distinguished Senator from Missouri were adopted, we should be taking the opposite position, trying to change the laws of certain of the States that permit the use of their own money for parochial schools, refusing to let them use Federal money for that purpose.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. TAFT. I yield to the distinguished Senator from Missouri.

Mr. DONNELL. I merely ask the Senator whether he understands that my silence gives consent to his statement regarding my amendment?

Mr. TAFT. No. I am delighted to yield, but the Senator no doubt will make a forceful presentation of the argument for his amendment.

The pending amendment, however, would operate in the following manner: Here is a State, under whose constitution and laws, perhaps by express vote of its people, the State is forbidden to use educational funds for bus transportation for private and parochial school pupils. The amendment proposes to say to that State, "If you pay money for bus transportation for public schools, you will have to pay money, in violation of your constitution, for bus transportation also for parochial schools." I do not think we can do that. As I see it, the effect of it would be really to bar that State entirely from aid. The State might wish to comply with the amendment by eliminating the use of public funds for bus transportation for public schools, but it is absolutely impossible for them to do that. Therefore, it seems to me the adoption of the amendment would make it impossible for such State to obtain aid at all. I think everyone agrees that we want to interfere as little as possible with the administration of educational affairs in each State throughout the United States. We want to let each State determine the method by which it will provide education for its children. We do not want to interfere. Last night the Senate rejected an amendment proposing that every State receiving Federal aid to education must pay certain salaries to teachers. That is one of the essential features of State administration. The amendment was rejected, not because we do not approve of $2,850 as the minimum for teachers' salaries, but because we would be interfering in the administration of the schools of any particular State. Once we start such interference, I can see no limit to the extent to which it may go.

I think we stand on safe ground when we say we propose that each State shall determine for itself the method by which the administration of its schools shall be handled and when we leave to each State the determination of how it is to handle the parochial school system. Under the bill as framed, if we do not adopt the amendment offered by the Senator from Missouri, the parochial schools in any State may bring about a change in the constitution of the State, or in the laws of the State. The whole question can be fought on a State basis. It will be a matter of State home rule, if you please, on each of the questions. I think that is the way we should leave it. I do not think we should say to a State, which today through its constitution or laws refuses to provide bus transportation for parochial school pupils, "You must give that assistance, if you are to receive Federal aid." Nor do I think we should say to States which have adopted the policy of giving bus transportation to parochial school pupils that they cannot use one cent of Federal money for that purpose, that the bus transportation must be provided for parochial schools entirely out of State funds. That is the basic principle.

Mr. McMAHON. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Connecticut?

Mr. TAFT. I yield to the Senator from Connecticut.

Mr. McMAHON. I realize that that is the position of the Senator from Ohio. Will the Senator explain for me and for other Senators the distinction in his mind between the health bill which we passed the other day, and the amendment which I propose?

Mr. TAFT. It rises out of the fact that there is no constitutional prohibition so far as I know that interferes with the power of a State to give health aid to any person anywhere. Health aid has nothing whatever to do with education. Education, under the Constitution, according to the decisions of the United States Supreme Court, must be provided on a public, nonsectarian basis. Health has no relation whatever, as I see it, to that particular principle, which has led to very violent differences of opinion in many States, and also in cases presented to the United States Supreme Court, as to how far Federal aid to education may be extended to parochial schools.

I think the health bill was entirely different. As a matter of fact, 3 years ago, in the hospital bill, we gave aid to private hospitals, including sectarian hospitals of all kinds. The hospital business has grown up largely on the basis of private sectarian hospitals. There is no question whatever of involving in any way an educational matter with a sectarian matter.

I think the health bill follows the principle of the hospital bill. But in the educational field a very different question is involved. When I was a member of the Ohio Legislature I fought very bitterly a bill which attempted to require the reading of the Bible in public schools, because it was felt generally by Catholics and others that the reading of the Bible would be done, in 9 cases out of 10, on a Protestant basis, and would give some sectarian color to education in the public schools. I was required to oppose it because of the provisions of the Ohio Constitution and the Constitution of the United States. But that has nothing to do with the question of health, so far as I can see.

Mr. McMAHON. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. McMAHON. I will say to the Senator from Ohio that in the health bill we anticipated the refusal of any State to give aid to all children, regardless of race, creed, or color, by inserting what is known as a withholding clause and providing that if the State would not take care of Johnny Jones because he attended a Seventh-Day Adventist school, or a German Lutheran school, or a Roman Catholic school, funds would be withheld. We inserted that provision so that the Federal Security Administrator could make the money available to all children.

I should like to ask the Senator from Ohio this further question: Is it the thought in his mind that there is any religious question involved in the transportation of an American child from point A to point B? Does the Senator believe that impinges at all upon the religious function?

Mr. TAFT. Many States think it does.

Mr. McMAHON. I did not ask what the States think.

Mr. TAFT. I have received protests from persons who believe very strongly that aid of that kind to private schools or parochial schools violates the Constitution, because transportation is one of the essential incidents of education today. If we consider the public school system as a whole, we find that transportation is regarded in many States as an essential feature of the whole educational system. Yes; I think that is very clearly true, and I think it will be found that it affects the whole system of education in this respect, that in Ohio, for instance, when the question of centralization arises, it might be considered that we would be able to give better education in the central schools and abolish the smaller schools. We would save money in that way, but we would have to have bus transportation as an additional expense. It is regarded in many States, and it certainly has been held by 4 or 5 members of the Supreme Court, that bus transportation is an integral part of the school system, as being an assistance to the schools. That is what has been held in a great majority of the States. I do not undertake to say whether it is right or wrong. But I say we should not interfere through the Federal Government, with the right of a State to handle its aid to education and the incidents of education, in such manner as the States shall see fit. I think bus transportation is an incident of education. If we once say to the States, "You can use Federal money only to operate your system this way," or "You must run it in some other way," I can think of many kinds of interference that might be superimposed on the system. The only fair way I can see is to say in the bill, "If you do not take this position regarding bus transportation, and if your State Constitution and your State laws permit you to, and you do, dispense money for bus transportation to parochial schools, then you may use Federal money for that purpose." If the State constitution and laws prevent it, we shall not say that the laws and constitution are wrong in that respect.

Mr. McMAHON. Mr. President, will the Senator yield further.

Mr. TAFT. I yield.

Mr. McMAHON. I should like to point out to the Senator that the amendment proposed by three other Senators and myself provides only that the State shall not use any of the funds for transportation if it does not use them to transport all children who are counted in for the purpose of making the allocation of Federal funds. I should like to ask the Senator, further, if he thinks, as apparently he does, that the health of the child is further divorced from the educational field than is the transportation of the child to school. It seems to me that if a child is not well and cannot go to school at all, he is certainly being totally deprived of an education. If however a child does not receive bus transportation, I suppose he can struggle over 10 miles of dangerous highway, in order to get to school. It seems to me, when we established the principle in the health bill—and I might remind the Senator that he was one of the sponsors——

Mr. TAFT. I might say to the Senator that I agreed to that at the earnest request of the Senator and because I thought it was not a violation of principle. I certainly do not think the fact that I believe very strongly that health has nothing to do with education and should be treated separately and on an entirely different basis, is any argument as to why I should give up the basic constitutional principles relating to education. I do not think my liberality, if the Senator wants to call it that, with regard to the health bill is an argument in favor of changing my views on the subject of education.

It is very important to keep the educational system of the States completely free from Federal domination and Federal direction. The great objection—and I recognize its force—to aid to education is the danger that sooner or later there will be Federal control. We do not want to start out by providing a little piece of Federal control here and a little piece of Federal control somewhere else. I think the educational question is an entirely different problem from the health problem.

Mr. McMAHON. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Ohio yield to the Senator from Connecticut?

Mr. TAFT. I yield.

Mr. McMAHON. I may say to the Senator from Ohio that I am delighted to have in the RECORD a testimonial as to my influence with him. My quarrel is not with his liberality, but with his logic. The Senator has, with great emphasis, stated that the health of the child presents a different question from that of carrying him to and from school. But I again point out—and perhaps the fault lies in the mind of the Senator from Connecticut—that I cannot see any essential difference between fixing a child's teeth and giving him a ride on a bus. There may be others who can make the distinction clear. At any rate, that is for the Senate to decide. I shall content myself with saying that it does not make sense to me, even though it does to the Senator from Ohio.

Mr. TAFT. If there were no other differences, there is this great difference, that the great majority of the States prohibit the use of their money for providing bus transportation to and from parochial schools. No State prohibits the use of its money for the improvement of the health of children, wherever the children may be found, because it has no relation to education. The health bill has no constitutional objection, whereas, if we agree to this amendment, it will mean that many States cannot accept Federal money. That would be the effect of it. It would simply throw out any Federal aid to any State which prohibits, by its constitution, the use of money for bus transportation to and from parochial schools. That alone is a sufficient difference, regardless of any logical difference between health and bus transportation. The fact is that bus transportation is part of the educational system, always dispensed by the educational department, and health is sometimes handled one way and sometimes another, but certainly can be handled without any constitutional violation.

Mr. McMAHON. Just to keep the record straight, I will say that the Senator's statement that the States almost universally have prohibited transportation of nonpublic-school pupils is not correct. I do not know whether the Senator heard me read the list of the States which explicitly authorize the transportation of nonpublic-school pupils.

Mr. TAFT. With due respect to the Senator, what has that to do with the matter? If a large majority of the States prohibit it, that is just as strong an argument as if one prohibited it.

Mr. McMAHON. Let us see if it is a large majority. There are 15 States, and I notice from reading the list that some of them are among the large States of the Union, 4 give explicit direction, which makes 19, then there are 5 others in which it has been held constitutional. However, they are included in the 15. There are about 20 States, I would say.

I would remind the Senator that in his argument with the junior Senator from Connecticut [Mr. BALDWIN], my colleague, he went to great pains to point out that the money was collected from all

the citizens of the United States, that it was not collected in Connecticut from citizens of Connecticut, but is being collected from citizens of the United States.

I wish further to point out to the Senator that his assertion, which he makes with his customary force, to the effect that the constitutions of the States permit the school authorities in those States to give health aid and health attention to nonpublic-school pupils, is not correct. That is why the committee inserted in the bill, and the Senate approved, a provision that if the States would not take care of Johnny Jones' health, if he went to a nonpublic school, then the money would be paid over by the Federal Security Administrator direct to the school in which he was sheltered and taught.

Mr. TAFT. Again, at the earnest request of the Senator, I agreed to that. I agreed to it because I felt that it meant nothing, that every State in the Union could do it. I would have had very serious question about that provision if I had not been satisfied that the States could do it anyway, regardless of the provision, if they desired to, under their constitutions and laws.

I may point out further that there is no answer that I can see to the other proposition; there is no answer to the contention that if we adopt this provision we cut State aid off from those States which have adopted the policy of refusing to give aid to parochial schools for bus transportation. I do not think that is fair to those States. I do not know why we should not let the people themselves decide what they want to do.

There is one basic fact of which I want to remind the Senator. Those States take the position that they are not discriminating between children of one faith and another. Those States are all prepared to give free public education to every child, no matter what his religion, his race, or his other characteristics. They are prepared to give free education in the public schools if the children wish to take it. So that basically there is no discrimination in those States between children. That is the position the States take, and it certainly is a perfectly logical position which they can take. Therefore, in my opinion, there is no discrimination in their action. That is their State policy, and it seems to me that if this question is a serious question it should be left to each State to determine for itself, and that is what the bill does.

Therefore, Mr. President, I ask the Senate to reject the pending amendment and let those States which do not give bus transportation to parochial schools do what they please. I also ask the Senate to reject the amendment offered by the distinguished Senator from Missouri, which provides that States which do give bus transportation to parochial schools cannot use Federal money for that purpose. Let us leave the matter in each case to the States.

Mr. HILL. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. HILL. Is it not true that both amendments do violence to the fundamental concept of the bill, which is to leave the administration, the operation, and the control of the schools entirely in the hands of the States?

Mr. TAFT. The States and their people.

Mr. HILL. In other words, if any State today is not providing bus transportation for its children, the people in the State, if they see fit, can provide the bus transportation. If they do, the Federal funds would go to help to provide bus transportation. Is not that true?

Mr. TAFT. That is correct.

Mr. HILL. And is not it true that either one of these amendments would open the door we have tried so assiduously to keep closed, namely, the door of Federal interference in the operation of the schools in the several States?

Mr. TAFT. The Senator states the proposition very forcefully.

The PRESIDING OFFICER (Mr. HOEY in the chair). The question is on agreeing to the amendment proposed by the Senator from Connecticut [Mr. MCMAHON].

The amendment was rejected.

Mr. LANGER. Mr. President, I call up my amendment, and ask that it be read by the clerk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out section 8 and to insert at the proper place in the bill the following:

SEC. 8. The United States Commissioner of Education shall cause an audit to be made of the expenditures of funds under the act by each State educational authority. Such audits shall at all times be available for public inspection. If either before or after an audit has been made any person shall complain to the Commissioner that he has reason to believe that any portion of the funds appropriated under this act have been expended by any State in a manner contrary to the provisions of this act, or have otherwise been lost or unlawfully used, the Commissioner shall afford such person a hearing on his complaint. If the Commissioner, after notice and hearing to the State charged with the improper expenditure or loss, upon either complaint filed by any person or upon the Commissioner's own complaint, finds that any portion of the funds appropriated under this act have been expended by any State in a manner contrary to the provisions of this act, or have otherwise been lost or unlawfully used, an equal amount shall, after reasonable notice, be withheld from subsequent payments to any such State unless such amount is replaced by such State and expended for the purposes originally intended: *Provided*, That the State educational authority shall have the right to appeal, within 30 days, from the decision of the Commissioner to withhold funds to a United States district court and such court shall have jurisdiction as to both fact and law. Any person who has filed a complaint before the Commissioner pursuant to this section shall likewise have the right to appeal, within 30 days from the decision of the Commissioner not to withhold funds, to a United States district court. If the Commissioner fails to provide a hearing on a complaint within 3 months after it has been filed with him or fails to issue a decision within 6 months after the close of the hearing on such complaint, the person who filed the complaint may file a suit in a United States district court which shall then try the case de novo. In either an appeal from a decision of the Commissioner not to withhold funds or a trial de novo of a suit filed after the Commissioner has failed to proceed to a decision within the time specified, if the court finds that any portion of the funds appropriated under this act have been expended by any State in a manner contrary to the provisions of this act or have otherwise been lost or unlawfully used, the court shall direct the Commissioner to withhold an equal amount from subsequent payments unless such amount is replaced by such State and expended for the purposes originally intended.

Mr. LANGER. Mr. President, on page 15 of the report of the committee on the pending bill it is stated that under the terms of the bill the State of California will receive for many years to come the sum of $8,435,000 a year, the State of Louisiana will receive $10,370,000 a year, and the State of Texas will receive $12,640,000 a year. It is true, as the distinguished senior Senator from Ohio [Mr. TAFT] said, that the Congress is not concerned with where the State obtains the money which it uses to match the money coming from the Federal Government, but I say, Mr. President, in view of what some of the States are trying to do with tidelands oil, the question now is whether or not a few States are ultimately going to receive from tidelands oil billions of dollars to aid the school children in their States while some of the inland States such as North Dakota, South Dakota, Kansas, Colorado, Utah and some other States are going to receive none of that money. If the decision of the Supreme Court of the United States in the California case is followed in the case of Texas and those of some other States, then, of course, all the money which comes from tidelands oil, instead of going to a few States, is going to be made available to all the States, and a good portion of it, I hope, will be used for the benefit of the school children, the school teachers and the taxpayers of the country.

Mr. President, now while we are in this Chamber, oil companies are taking oil from wells sunk off the coast of Texas, 54 miles in some instances, 27 miles in other instances. Humble Oil & Refining Co., Superior Oil Co., Standard Oil Co. of Kansas, Standard Oil Co. of Texas which is a subsidiary of the Standard Oil Co. of New Jersey, Stanolind Oil & Gas Co., Phillips Petroleum Co., Magnolia Petroleum Co., the Texas Co., Kerr McGee Oil Industries, Inc., of Oklahoma City, Standard Oil Co. of Ohio, Sun Oil Co., and Shell Oil Co., Inc., are busy taking oil far out in the ocean, from 27 to 54 miles.

The State of Texas has made leases with these companies. Texas says, "We own all land under this water miles and miles and miles out into the ocean." They do not limit it to 3 miles. We do not hear anything being said any more about the 3-mile limit, but various States claim to own the oil land far out into the ocean. The State of Louisiana, through its governor, has made leases similar to those made by the State of Texas, only the oil lands claimed by that State go farther out into the ocean than the lands claimed by Texas. Louisiana says ,"We own the oil lands at least 100 miles out into the ocean."

So, Mr. President, the companies I named are now taking oil from the ocean bed many miles from shore. How much money are the States receiving for this

oil? I have in my hand a circular sent out by a very distinguished citizen of Texas, in which he says that Texas is getting $1,000,000 a month from tidelands oil leases, and they have just gotten started. Think of it, Mr. President, $1,000,000 a month is being paid to the State of Texas for such leases. Texas has passed a law providing that that money shall be used for the benefit of the school children of Texas.

Mr. President, nowhere in the bill has any cognizance been taken of this vast amount of money which is coming into the State of Texas, or which in the past in some instances has gone into the coffers of the State of California, and which today is going into the Treasury of the State of Louisiana. The tideland States are not satisfied with the decision in the California case. From Texas came the circular I referred to, sent broadcast over the country, in which it is asserted that the people of Texas want to back up certain public officials who, they say, are going to see to it that Texas keeps on receiving this oil.

Mr. President, how much oil do Senators suppose lies off the coast of Texas alone? Ten billion barrels. The sale price today is $2.65 a barrel. So we find the prodigious sum of $26,500,000,000 in value of oil lying off the coast of Texas.

Mr. LONG rose.

Mr. LANGER. Mr. President, I prefer not to yield now. At the conclusion of my remarks I shall be glad to yield to the Senator from Louisiana or to any other Senator who desires to have me yield to him.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. Off the coast of Texas lies oil to the value of $26,500,000,000.

I have in my hand a statement made by Walter S. Hallanan, president of the Plymouth Oil Co., made at a joint meeting of the subcommittees of the Senate and House Committees on the Judiciary. It happens that Mr. Hallanan is a very prominent Republican. I believe he is the National Republican Committeeman from the State of West Virginia. His statement is available, because it is printed. I shall quote only parts of his statement. Mr. Hallanan said:

> May I say in the beginning that Plymouth Oil Co. has a substantial interest in leases acquired from the State of Texas through competitive bidding and covering approximately 120,000 acres of tidelands off the coast of Texas.

A few moments ago I read to the Senate a list of the other companies which are interested in and have leases off the coast of Texas. The president of one company, the Plymouth Oil Co., says his company has 120,000 acres under lease. He continues:

> It is the belief of the petroleum industry that the prompt exploration, development, and operation of the oil possibilities in the submerged lands of this continent will greatly assist us in meeting the greatly increased demands for petroleum and its products. The action which the Congress takes with respect to these submerged lands is of the greatest importance to our national economy and security.

I read from the second page of his statement as follows:

> In the recent war the oil industry established production, refining, and transportation records that had theretofore been regarded as fantastic, and now, in peacetime, it is producing crude oil at the rate of 5,370,000 barrels per day—an increase of 617,000 barrels per day over the peak production during World War II. This increased volume of crude oil is equal to twice the current production of the great east Texas fields and more than double the present output from the 28,000 producing wells in the State of Kansas. The increase in national crude-oil production of over 600,000 barrels daily is equivalent to the total quantity now being supplied from the States of Arkansas, Mississippi, New Mexico, Wyoming, and Illinois combined.

I am not putting the entire statement by Mr. Hallanan in the RECORD because some of it is not material. I am putting in the part about the submerged lands. The question is whether or not the school children, the taxpayers, the school teachers, and the school districts in the inland States are to receive any part of this money for school purposes, and whether or not Congress, in enacting a bill of this kind, which will be permanent legislation, should take cognizance of the decision of the Supreme Court.

Mr. Hallanan continues:

> The policy with respect to submerged lands should be predicated upon giving the greatest possible encouragement, with the least possible delay, to the findings of oil pools in them. The question which I know the members of this committee ponder is how that can best be done. Of equal importance to our national security in determining a policy concerning these submerged lands is the necessity for immediate development of any oil pools that may be discovered.

Secretary Forrestal said on January 19:

> The tidelands areas in particular are believed to hold great promise in adding oil to our available resources. It is the view of the National Military Establishment that development of the tidelands areas should proceed as rapidly as possible, and that all necessary action should be taken to permit rapid development of these areas. Delays in the development of the oil potentials in the tidelands is considered contrary to the best interest of the United States from the viewpoint of national security.

At another place in his testimony Mr. Walter Hallanan said:

> Since there is no legislation in effect providing for the development of these submerged lands—

And I call this particularly to the attention of the distinguished Senator from Utah [Mr. THOMAS]. Today there is no such legislation, and apparently there is going to be no such legislation in this bill, unless the distinguished Senator and his committee put it in somewhere.

> Since there is no legislation in effect providing for the development of these submerged lands, we do not know the conditions private industry would face in operating such lands under Federal control. However, we now have a realistic view of the intentions and desires of the Departments of Interior, Justice, and Defense as evidence by the Submerged Coastal Lands Act recently introduced in the Congress. Although this bill is not pending before this committee, it provides us with a guide to the problems a producer would encounter in dealing with Federal administration of these lands.

I turn now to the Republican platform adopted at Philadelphia last year. What does it say?

> We favor restoration to the States of their historic rights to the tide and submerged lands, tributary waters, lakes, and streams.

Progressive Republicans from all over the United States rebelled, as did the distinguished Senator from Missouri [Mr. DONNELL], who was a delegate to that convention. He protested before the platform committee of the Republican Party at having this plank placed in the Republican platform.

What did the Democratic Party do? It took the other view. I am proud of the view it took. It said that the submerged lands belonged to all the people of the United States, and not to a few States. The Democratic Party favored the decision rendered by the Supreme Court of the United States in the California case. In other words, in my judgment the Democratic Party took the position of all the people against the position taken by the Republican Party that those lands, and all the oil—$26,500,000,000 worth off the coast of Texas—should be exploited by the big oil companies, through private industry, by means of deals made with various State officials.

As I previously stated, the value of the oil runs into fantastic sums, if what the oilmen have said is true. Off the coast of Texas there is $26,500,000,000 worth of oil already discovered, and they have only made a beginning. According to the oilmen, off the coast of California there are hundreds of millions of dollars' worth of oil. Why should not the inland States, the school children and the school districts, get a part of that money? Why should not provision be made for it in a bill of this kind?

I have before me a release by the People's Lobby, issued by Benjamin C. Marsh, executive secretary, on the 5th of May 1948. It was sent to the United States Senate. Apparently no attention was paid to it. I became so interested in this question that approximately 10 days before election I wrote a letter to the President of the United States inviting his attention to the fact that this oil was being taken out by the States of Texas and Louisiana. I may say further that I consulted some of the very best lawyers in the country with a view to bringing an injunction proceeding in behalf of the school children and the people of the State of North Dakota. Upon looking into the question I found that a United States Senator could not bring an action of that kind. I was advised by counsel that such an action had to be brought by the Governor.

When I was so advised I went to the Attorney General of the United States, and then wrote to the President. President Truman replied to my letter and stated that he would bring the matter immediately to the attention of the Attorney General with the request that prompt action be taken.

I compliment the President of the United States. Just as soon as the elec-

tion was over and he had time to return to Washington for a few days, he called in the Attorney General, Mr. Tom Clark, and an action was brought against the State of Texas, which action is now pending in the Supreme Court of the United States. All the oil companies have been served and the States have been served, and an effort is being made to have the Supreme Court of the United States pass on this question, which involves Texas.

There is some difference between the States of Texas and California. California came into the Union by purchase, but Texas had been a republic. It had been a sovereign country. The Governor of Texas and other people in Texas claim that the decision of the Supreme Court involving the State of California does not apply to Texas at all. The Attorney General of the United States says otherwise. He says that in his opinion the oil in the lands off the coast of Texas belong to all the people of the entire United States, and not alone to the people of Texas.

The argument as between California and Texas runs somewhat along this line: Before California became a State it was simply a huge tract of land that was owned by the Federal Government, in the same way that the Federal Government today owns Alaska. So when California became a State it acquired only those rights that are appropriate to State governments. That is, when it became a State it acquired all kinds of political rights, but no property rights. In other words, the land in California still was owned by the United States, after California became a State, in the same way that it was owned before; and that was the basis for the various homestead laws. So the United States continued to own land; but it made provision, through Congress, for the disposition of the land. It gave some lands to individuals under the Homestead Act. It gave others to the railroads, under the railroad land grants. It gave others to States for educational purposes. It gave others to various groups, for a variety of dispositions.

But in Texas the situation was different. Texas, as history shows, was an independent nation for 9 years before it entered the Union. As an independent nation for 9 years, Texas made treaties with other countries and participated in international affairs. When Texas entered the Union, the United States did not automatically acquire any land which Texas owned. The only lands which the United States acquired were those it acquired by virtue of purchase, gift, or in other fashion. Therefore, there well may be a different picture or situation regarding the submerged lands off the coast of Texas, as compared with the submerged lands off the coast of California, which the United States purchased, or the submerged lands off the coast of Louisiana, acquired similarly, or the submerged lands off the coast of Alaska, if Alaska were made a State today. Mr. President, there is that possible difference; but as a matter of fact it is quite clear that the land off the coast of Texas is still owned by the United States Government, for the reason that the submerged lands in controversy are, to a certain extent, included within the 3-mile belt.

The 3-mile belt concept, as applied to lands off the coast of Texas, and as applied elsewhere in the United States, is a comparatively modern concept. Contrary to the popular assumption that that concept has existed for many years, actually it is comparatively new. The average person thinks that the 3-mile rule has been in effect almost from time immemorial, but as a matter of fact that is not so at all. As late as 1876, less than 100 years ago, the House of Lords reached the decision that the 3-mile belt had no validity off the coast of Great Britain, and so there had to be a special act of Parliament to provide a contrary resolve.

The 3-mile-belt principle has grown up over the years, and it has been only comparatively recently that it has been accepted in international law.

The argument would be, therefore, that at the time when the Constitution of the United States was adopted in 1789, there was no 3-mile belt whatsoever, and that the freedom of the seas operated right up to the low-water mark. Of course, the 3-mile-belt rule emerged as the years went by, but only by reason of the action of the United States in international councils and international law. It was the National Government which was responsible for bringing the 3-mile belt into existence as a reality; and that is true not only for such places as California, where we own the adjacent shore line, but for other States, such as Massachusetts, New York, or Texas, where the United States may not have owned the shore lines. But the submerged lands and the rights intended came into being as a result of the position of the United States as a sovereignty in international affairs. That would be as equally applicable to Texas as it would be to California.

There is some doubt whether in 1845, when Texas came into the Union, there was such a thing as the 3-mile belt. If it came into being at some later date as a result of some action of the Federal Government when participating in international affairs, the contention is available that the rights which thus emerged, did so on behalf of the Federal Government which produced them.

Mr. President, I know that my distinguished friend the Senator from Utah, is vitally interested in this matter, because if this law applies to all school children in the United States, instead of only to those in a few States, the result will be that in the State of Utah millions upon millions of dollars will be available, although such funds are not available at the present time, and of course they will not be available if the decision of the Supreme Court of the United States in the California case does not stand up.

As I said a moment ago, Texas entered the Union in 1845. It was much later, under international law—after the United States, together with and in consultation with other nations had been dealing with the question of whether vessels could sail within 3 miles of the coast line and still be within their rights in international law—that the 3-mile rule came into effect. But even assuming that Texas is entitled to the lands included within the 3-mile belt, that would be the limit of any such right on the part of Texas. However, the oil is being drilled for 27 miles off the coast or in some cases as far as 54 miles off the coast; and Louisiana has been leasing the ocean bed, where oil has been discovered, nearly 100 miles out into the ocean; and the officials of Louisiana and Texas are getting oil taxes and are saying that they will get one-eighth of all the oil, although it is set aside for the school children of Louisiana and Texas.

Mr. President, I think every Member of this body who was here when Burton K. Wheeler was a Member of the Senate recognizes what a fine lawyer he was and is today. All Senators know that he was one of the most capable lawyers who ever sat in this body. I have before me an opinion which was prepared by Senator Wheeler on December 4, 1947. It is very similar to an opinion which was given by the attorney general of Montana—one of the few States whose attorney general fought the claims of California to all this oil.

Mr. President, before I refer further to the opinion, I wish to read a statement by the People's Lobby, showing the enormous profits in this oil and the enormous amounts of money which will go to school districts, either for all the school children or for the school children of the favored States. This statement or letter by the People's Lobby was sent to the Members of the United States Senate on May 5, 1948:

TIDELANDS OIL BILL IS THREAT TO PROSPERITY, SECURITY, AND PEACE

To Members of the United States Senate:

The tidelands oil bill, to give States ownership of their coastal-waters oil and other natural resources, is a threat to our prosperity, security, and peace.

The Federal Government, through unemployment insurance, old-age pensions, parity prices for farm products, and so forth, has underwritten a standard of living, however low, for American producers; while it is unchallenged sponsor for measures of defense, to maintain world peace and avert threat of aggression.

This automatically vests in the Federal Government the right to retain control of raw materials essential to that maximum production upon which adequate distribution, general welfare, and defense rest.

The tidelands-oil bill ends that right, for while the Federal Government could continue to tax profits of exploiters of such natural resources, it would make most difficult if not impossible, the more important duty of the Government to conserve our depleted natural resources, allocate them where they will best serve the people of the United States and of the world, and fix the price thereof.

Only fear of such Federal action explains this bill.

The National City Bank—

That is, of New York City.

The National City Bank monthly letter for April gives the enormous profits of 41 leading oil and gas corporations in a few cases before depletion charges.

In 1947 their net profits, after taxes, were $69,983,000, an increase of 98.2 percent over 1946, and 19.9 percent on net worth compared with 12.1 in 1946.

The net return of 3,102 corporations is reported as 9.5 percent in 1946, and 12.2 percent in 1947—far below the net return in both years of exploiters of oil and gas.

The net worth of these 41 oil and gas corporations in 1947 was almost $352,000,000, an increase in the year of $59,000,000, or 20.1 percent—one-fifth.

I ask unanimous consent that the remainder of the statement be printed at this point in my remarks.

There being no objection, the remainder of the statement was ordered to be printed in the RECORD, as follows:

The Legislative Reference Service of the Library of Congress reports these profits before taxes of leading oil companies for the first 9 months of 1947 and 1939:

	Million
Amerada	$10.4 and $1.2
Atlantic Refining Co	10.8 and 5.0
Continental Oil Co	24.9 and 6.3
Shell Union	38.7 and 11.8
Phillips	25.7 and 9.8
Socony Vacuum	66.0 and 34.5
Standard California	66.5 and 17.9
Texas Co	78.4 and 32.9

Congress would be wholly inconsistent to vote billions for defense, and turn back to State exploitation, the resources essential to such defense.

Kill the tidelands oil bill to foster prosperity and peace.

Yours sincerely,

BENJAMIN C. MARSH,
Executive Secretary.

Mr. LANGER. Mr. President, I have here the opinion of the attorney general of the State of Montana. In Montana this subject is very important. Montana is the home of the Anaconda Copper Co. Billions of dollars of mineral wealth lies within the State. It becomes of vital importance who owns the minerals, whether the Federal Government is to have charge of them, or whether they are to be owned by a few people. The opinion is by R. V. Bottomly, attorney general of Montana. He had been requested by Mr. Walter R. Johnson, attorney general of Nebraska, to join in the action. He refused to join, and he tells why. He says:

MY DEAR GENERAL: I have had a great deal of correspondence with different attorneys general during the time of the preparation of briefs for the Supreme Court hearing on the matter of the ownership of lands beneath navigable waters along the coast of California. (*United States* v. *California*, law ed. advance opinions, vol. 91, No. 17, p. 1414.)

I took no part in regard to the rehearing on the matter in the Supreme Court because I felt that the decision of the Supreme Court is for the best interest of the State of Montana and all of the other so-called reclamation States.

I call the attention of the distingushed Senator from Utah to this statement which is that of the attorney general of Montana, who says:

I felt that the decision of the Supreme Court is for the best interests of the State of Montana and all of the other so-called reclamation States.

Of course, he is right. The opinion continues:

I took as active a part as I could to defeat House Joint Resolution 225 while it was before the Congress.

Your communication of recent date is before me, setting forth the National Association of Attorneys General campaign to have the Congress nullify the decision of our Supreme Court in the above-mentioned case.

For me, I cannot understand how any attorneys general, outside of perhaps Texas and Louisiana, and maybe California, and yet, even California needs reclamation moneys ever so badly, can take such a stand.

My reason for my attitude in this matter as you undoubtedly know, is as follows—

This explains why the people of Utah, North Dakota, and other States are so vitally interested. This is why:

Out of all oil royalties, rentals, and bonuses taken by the United States Government under its leases the 17 reclamation States receive 52½ percent of it for reclamation and irrigation.

Out of the hundreds of millions of dollars that some of the oil companies in California have drained out of the lands, under the offshore lands under the Pacific Ocean, the State of California alone receives 5 percent; no other State receives anything from this production.

For production off the coast of Texas, amounting to $25,500,000,000, Texas receives 12½ percent. The record shows that Texas for a long time has been getting $1,000,000 a month out of their oil, which, in my judgment, under decisions of the Supreme Court of the United States, belongs to all the school children of the country. The opinion continues:

Whereas, if this land and the oil therein is owned by the Federal Government—

I call this particularly to the attention of the distinguished Senator from Utah, because I may say to my distinguished friend that the people of North Dakota are going to rely upon the distinguished Senator from Utah to protect their interests in behalf of the school children. Also, I believe the school children all over the country, when they understand the situation, are going to rely upon him to protect them. If we cannot get protection at the hands of the distinguished Senator from Utah, then, indeed, the situation will be almost hopeless so far as these billions upon billions of dollars are concerned. I read further:

Whereas, if this land and the oil therein is owned by the Federal Government and leased for production by the United States Government, at least 12½ percent of these untold millions would go to the United States Treasury and out of such 12½ percent, 52½ percent would be segregated in the United States Treasury to be appropriated for irrigation and reclamation in the reclamation States, of which your State of Nebraska is one.

That, I may say, is for education, according to former Senator Wheeler, who goes into the educational feature of it very carefully and shows how much of the money is applied to educational purposes. The opinion continues:

If the decision of the Supreme Court of the United States is upheld and not modified by legislation of the Congress—

Mind you, Mr. President, after the Attorney General of the United States had won the case in the Supreme Court, a rehearing was requested, and the attorney general of Montana says:

If the decision of the Supreme Court of the United States is upheld and not modified by legislation of the Congress, millions of dollars will be paid into the United States Treasury for oil already taken out and for oil of untold worth that will be taken out, and 52½ percent of all such money can be and will be under the present law, appropriated by Congress for projects in your State and mine, and the other reclamation States which need this money so badly.

Besides the foregoing 37½ percent of all such bonuses, royalties and rentals are now returned and will be returned to the State of origin for credit to the State school funds, and the State highway fund as the legislature of such State may direct.

I cannot understand how the attorneys general of any of the reclamation States, can justify their stand, in the best interest of their respective States, in attempting, by legislation of the Congress, to nullify the decision of our Supreme Court.

For these reasons I am utterly opposed to any program or lobby to influence the Congress to again pass such an act as President Truman vetoed, and I am doing all in my power to influence what Congressmen I may to fight such a bill in the interests of our respective reclamation States.

I hope your recent letter reflects only the view of the National Association of Attorneys General and not your official view as attorney general of the State of Nebraska, and I hope you will join with me in pursuing a course which will illustrate to our National Congress the necessity of leaving the United States Supreme Court's decision undisturbed.

I therefore thought it was only right and proper that I notify you of my stand in this matter, and as president of the National Association of Attorneys General, I request that my name not be used in any way, shape or form in furthering the program which is now under way.

Sincerely yours,

R. V. BOTTOMLY,
Attorney General.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. LANGER. I prefer not to be interrupted until I get through. At that time I shall be glad to yield.

I may say further, Mr. President, I have had the matter very carefully briefed by Hon. Robert E. Lee Jordan, of Washington, D. C., and by Mr. Orin Walker, who appeared as attorney for Mr. Jordan in opposition to Senate bills 1988 and 2165. The brief goes back to the very beginning, when California was admitted into the Union as a State, in September 1850, at which time it possessed no land, but by virtue of the enabling act, became a sovereign political State, upon its admission. I recommend to anyone interested a study of the testimony given before the subcommittee, particularly with reference to questions which were asked by the distinguished Senator from Missouri [Mr. DONNELL] and the answers which were given; and also a study of the minority views, as I remember, made by the distinguished Senator from Missouri, submitted to the full Committee on the Judiciary. The report was made orally. In my opinion, it was one of the greatest masterpieces to which I have ever listened. The Senator spoke for approximately 2 hours, citing decisions, and, in some cases, even citing the line and the page. In my opinion, the report made by the distinguished Senator from Missouri is absolutely unanswerable.

Mr. President, I ask unanimous consent that at this point in my remarks the entire brief be printed, because I know of no other brief which has gone into the subject so fully, carefully, at length, and in detail as has this brief.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

STATEMENT OF ORIN DEMOTTE WALKER, ATTORNEY FOR ROBERT E. LEE JORDAN ET AL., IN OPPOSITION TO SENATE BILLS 1988 AND 2165

From opinions expressed by some of those, conducting this hearing, it would appear that those of us who are in opposition to the proposed bill S. 1988 should apply for a change of venue. We, however, do not believe the opinion and decrees of the Supreme Court in *United States* v. *California* (original 12), is fallacious or holds the implications or contain the elements, which the proponents and supporters of bill S. 1988 have alleged and presented to this committee.

It is always well in considering any measure, that first of all, the facts should be discovered and presented, then what laws are applicable, for the purpose of establishing legal rights and interests, if any.

With reference to bill S. 1988, now before the committee, I think it necessary to submit certain facts which are essential to full and fair consideration of the problem of protecting the natural resources of the Nation, which facts do not seem to me to have been disclosed, as a basis for action on the proposed bill. With your patient indulgence, I should like to present some facts and show or point out, if possible, the errors in fact which have been presented to the committee, and which do not sustain the deductions or conclusions which the proponents of the measure place upon them, or justify the forecast of confusion and disaster which will result, by the application of the opinion and decree in *United States* v. *California* to the States.

In 1848, that part of the territory, embraced in the action of the *United States* v. *California*, was ceded by the Republic of Mexico, under the terms of the Guadaloupe Hidalgo Treaty (vol. IX, U. S. Stat. L. 432), to the United States. This included all of the territory theretofore owned by Mexico, north of the line of the international boundary set by the commissioners, appointed for that purpose. This territory, including the islands offshore, to the west of California's coast line, was ceded, not to the State of California, which did not exist at that time as either State or Territory, but to the United States Government. This was a transfer of all rights, title, and interest in the territory to the Government.

California was admitted into the Union as a State in September 1850 at which time it possessed no land, but by virtue of the Enabling Act, became a sovereign political State, upon its admission. The land within the territory ceded, out of which California was created, contained certain grants made by the Governments of Spain and Mexico to their respective citizens, which, under the terms of the treaty the United States agreed to confirm, upon proof of grant and allowing 2 years within which the grantees were to establish their claims. As a consequence, on March 3, 1851, the Congress passed an act (vol. IX, U. S. Stat. L. 631), which provided in section 13, in part, as follows:

"*And be it further enacted*, That all lands, the claims to which have been finally rejected by the commissioners in manner herein provided, which shall be finally decided to be invalid by the District or Supreme Court, and all lands the claims to which shall not have been presented to the said Commissioners within 2 years after the date of this act shall be deemed, held and considered as part of the public domain of the United States."

We, therefore, have, first of all, the grant or cession by Mexico of all the land north of the international boundary, which contained the uplands, tide and submerged lands, and the islands off the coast, as well. This act of 1851 provided in the section of the law quoted above that "all lands the claims to which shall not have been presented to the said Commissioners within 2 years after the date of this act shall be deemed, held and considered as part of the public domain of the United States." We have, therefore, an appropriation by Congress of the land, and the taking of title to the whole territory, subject to the claims of the grantees of Spain and Mexico.

The Congress, by legislative act, provided that the new State of California should be granted 500,000 acres (U. S. C. A., title 43, ch. 20, par. 857–865, *Doll* v. *Meacher*, 16 Calif. 195), within the boundaries which the State set for itself. But, this grant was subject to certain restrictions in that California was not permitted to select any part of the 500,000 acres until after the territory composing that State had been surveyed by the Government surveyor; and, a further restriction that the selections of sections of land were to be made by the Legislature of the State of California. Brief 5, page 9, 8–9. This resulted in California being without any proprietary interests in any land in the State of California, from the date of its admission in 1850 until after the territory had been surveyed and the legislature had made selections of the land. The records of the Interior Department show that the first grant of land made under the grant of 500,000 acres was patented or certified to the State of California in 1865. Therefore, for 15 years, California had title to no lands within its boundaries and yet was a sovereign political State during all of that period of time. The point that I wish to emphasize is that proprietorship in land was not an essential element of State sovereignty and did not prevent the State functioning as a sovereign State.

The next question in our quest of title is, Did or did not California select any tide, submerged lands or inland waters as a part of the Government's donation of 500,000 acres, for only by selection, after survey, could title be acquired. The Department of the Interior states, under date of August 5, 1942, in a letter addressed to this office, that—

"This office in the past has not knowingly patented to the State of California any land, shown by our records to be tidal or submerged lands, and we do not find any record of any applications for tidelands as swamps and overflowed lands." We, therefore, come to the conclusion that inasmuch as the grant by Congress was limited to 500,000 acres which California was to select through its legislature, and that their selections did not include tidal or submerged lands as any part of the acreage donated to California, California acquired no legal title to the tidal or submerged lands within its boundaries. This is the third step in confirmation of title in the United States.

Under the Constitution, Congress, alone, has the power to dispose of the land of the Government. (U. S. Constitution, art. IV, par. 3). As Congress has not divested the title of the United States in the tidal or submerged lands, or inland waters, by any specific act, title still remains in the United States.

The fourth step in our chain of title—It, therefore, seems certain and beyond reasonable doubt that California did not acquire title to the tide, submerged lands, and inland waters, by virtue of any law covering the disposition of real property of the United States.

It having been shown that the title to the tide, submerged lands, and inland waters, still remains in the Government, and that by the act of 1851, Congress appropriated these lands and made them a part of the public domain. The questions of the alleged rights of California in and to them, have been definitely settled, and the decision of the Supreme Court does not in any way infringe upon her sovereignty with respect to the lands in suit, or the inland waters which were purposely omitted from the action.

The act under which California was granted 500,000 acres of land included the restriction that the selections could only be made after the territory had been surveyed. Further proof that California did not select any tidal or submerged lands will be found in the fact that there has been no survey, up to the present date, of the tidal or submerged lands, and no possible way of acquiring title without having made a selection of surveyed lands. California, thus, is unable to establish a claim of any right, title, or interest in the tidal or submerged lands of California. The recent decision of the United States Supreme Court in the case of the *United States* v. *Wyoming*, which was decided in June of last year, with reference to the rights of the State of Wyoming in certain unsurveyed lands which Wyoming claims were granted to it under the Enabling Act states:

"The interests of the State vest at the date of its admission into the Union only as to those sections which are surveyed at that time and which previously have not been disposed of by the Federal Government"; citing in support *Wisconsin* v. *Lane* (245 U. S. 427), *United States* v. *Stearns Lumber Co.* (245 U. S. 436). This finding by the Supreme Court definitely precludes any claim on the part of California to any particular lands or waters under the Enabling Act, and the title to any property in that State could only vest as to property surveyed at the time of the passage of the Enabling Act. To pass title there must be a conveyance, grant, or patent. Nothing passes by implication. (*Great Northern Ry.* v. *United States* (32 Fed. Sup. 654), *MacDonald* v. *United States* (119 Fed. (2) 821,825)).

Another step in our chain of title is confirmed by the decree of the Supreme Court, in the California case, which is the fact that the Court granted injunctive relief, to restrain the trespassers in California from continuing to drain the oil from the lands owned by the United States. It is hardly necessary for me to state to the eminent counsels for the States that it is impossible to secure an injunction or restraining order, to enjoin trespassers, unless the applicant for the order of injunction is the owner of the property. The Supreme Court, by granting the injunction to the Government to restrain the trespassers in California, was fully aware and advised in the premises that the title was in the United States Government, and so granted the injunction.

There was a further restriction with reference to the donation to the State of California of the 500,000 acres of land, which was set out in U. S. C. A. title 43, chapter 20, paragraph 865, which provided that in granting the land to the State of California, no minerals were included in that grant. It was, therefore, clear, that as far as the sovereignty of the State was concerned, reservations by the Government of minerals in the land donated to California did not in any way affect or destroy the sovereignty of the State. It has previously been shown that the ownership of land was not an essential element in the grant of State sovereignty to California, and to that was added the ownership of minerals in the State. Probably the best distinction between political and sovereign authority was made by Chief Justice Field in the case of *Moore* v. *Shaw* (17 Calif. 199), while he was on the bench of the Supreme Court of the State of California. He explains the difference as follows:

"To the existence of this political authority of the State—this qualified sovereignty, or to any part of it—the ownership of the minerals of gold and silver found within her limits is in no way essential. The minerals do not differ from the great mass of property, the ownership of which may be in the United States, or in individuals, without affecting in any respect the political jurisdiction of

the States. They may be acquired by the State, as any other property may be, but when thus acquired she will hold them in the same manner that individual proprietors hold their property, and by the same right: by the right of ownership, and not by the right of sovereignty."

It might be well at this point to consider just what sovereign rights could be granted to a new State coming into the Union, under the provisions of the Constitution. What did the Constitution grant to those new States? The Constitution, itself, will be our best guide, and in article IV, section 4, of the Constitution, we find:

"The United States shall guarantee to every State in this Union a republican form of Government, and shall protect each of them against invasion; and on application of the Legislature or the Executive (when the Legislature cannot be convened) against domestic violence."

Under this provision of the Constitution, there is no guaranty made by the Federal Government of any sovereign or proprietary ownership in any land or a guaranty that each new State shall be on an equal footing with the other States. The equal footing clause appears in the Enabling Act. In the words of that act, with reference to the declaration of the admission, appear these words: "shall be one and is hereby declared to be one of the United States of America, admitted into the Union on an equal footing with the Thirteen Original States in all respects whatsoever." The Thirteen Original States, or Colonies, which formed the Federal Union were each, at the time of entering the Union, owners of all of the territory within their respective borders. They retained their original State ownership of land and their rights or claims to the tide and submerged lands. These rights were not surrendered to the Federal Government as a consideration for joining the Union. The same facts exist with respect to the State of Texas, which was admitted to the Union as a sovereign State and it did not surrender its rights, title, or interest to any part of its land, including tide and submerged lands which formed its southern and eastern boundaries.

Did California, in law or fact, come into the Union on "an equal footing with the Thirteen Original States"? The Statutes at Large disclose that much the same language was used, "on an equal footing," in the Enabling Act, admitting many of the States to the Union regardless of whether or not they were States bordering on the ocean or landlocked States. The words "on an equal footing" surely were not meant to mean that the landlocked States, which had no tide or submerged lands, would have the same rights as the Thirteen Original States in tide and submerged lands of other States.

The rights of the States subsequently formed, and admitted into the Union, under the Constitution, were in no respects similar to the Thirteen Original States and Texas. These new States had no land and most of them had no coast lines. They were not sovereign or independent in themselves at the time of admission, and the powers which were granted to them under the Constitution carried no grant of property upon which to found the claim of ownership of land solely upon the basis of political sovereignty.

The Enabling Act was not a donation of land, a deed to any particular land, or a congressional grant, but on the contrary contained the following provision:

"California is admitted into the Union upon the express condition that the people of the State, through their legislature or otherwise, shall never interfere with the primary disposition of the public land within its limits and shall pass no law and do no act whereby the title of the United States and the rights to dispose of the land shall be impaired, or questioned."

In the light of this provision, a question very properly arises as to whether or not the State of California, since 1929, at least, is living up to the obligations which it assumed under the provisions of the Enabling Act. Has not California violated the provisions of the Enabling Act with reference to the rights of the Government in the public lands? Did it not appear before the Supreme Court, questioning title to certain parts of the territory, which by act of Congress were appropriated to the Federal Government? Has it not been and is it not now issuing leases for the taking of minerals, which it has been the policy of the Government to reserve, without respect to the provisions of the Enabling Act, and to the loss and damage of the Federal Government?

The Enabling Act also provides that:

"Nothing herein contained shall be construed as recognizing or rejecting the propositions tendered by the people of California as articles of compact in the ordinance adopted by the convention which formed the Constitution of that State." (9 Stat. L. 453.)

This unusual provision in the Enabling Act raises a very interesting question as to the validity of any claims which California might make as to property rights, in the State, under the Enabling Act, and that it has no rights which are not covered by the acts of 1841, 1851, and other specified acts relating to grants of property to California. Whether Congress was suspicious of the good faith of California, or not, it was definitely unwilling to go on record by confirming the provisions of its Constitution and ordinances, and certainly failed to do so. This action might even raise the question as to whether or not Congress intended to admit California to statehood on "an equal footing with the original States."

It does not appear that California has any rights to the submerged lands or minerals in them, which can be safely based upon the Enabling Act as being a grant of title to any land within the State.

The act of 1851, hereinbefore referred to (9 Stat. L. 631, sec. 13), provided that after all of the claims to the land within the boundaries of the State had been determined, that all lands "shall be deemed, held, and considered as a part of the public domain of the United States." If we are to aline the facts and the law, the land in California having been declared to be a part of the public domain and the Enabling Act provided that California shall not interfere with the disposal of the public domain, we must conclude that any acts which California has performed on land not selected by its legislature and certified to it by the Government was directly contrary to the provisions of the Enabling Act, of which they were advised and had due and full notice; and they are not now in a position to advance on their own behalf any claims against the Government or to set up any equities which do not conform with the law and the provisions of their admission to statehood.

I think the foregoing fully establishes the title of the United States in the tide and submerged lands and inland waters, and we now consider the law with respect to the leases of the public domain of the United States to its citizens for the development of the natural resources. But, before doing so, it might be well to consider the basis of the claim of the United States Government to ownership of minerals and follow with the policy of the Government in reserving minerals and how long this policy has been followed by the Government and sustained by the Court.

The mining code issued by Spain in 1783, title V, section 1, provides that "mines are the property of my royal crown." When the Spanish Government was succeeded by the Mexican Government, Mexico retained and maintained the same governmental right to the ownership of minerals in Mexico (54 I. D. 368–369). The United States courts have recognized the ownership of minerals by Spain and Mexico, and ruled that the United States succeeded to the Spanish and Mexican rights, at the time the territory, out of which California was created, was ceded to the United States (*U. S.* v. *Castillero* (67 U. S. 17), *U. S.* v. *Knight's Admrs.* (66 U. S. 227), *Chouteau* v. *Malony* (16 How. 203), *Boggs* v. *Merced Min. Co.* (14 Calif. 274), 54 I. D. 369–370, *Beecher* v. *Wetherly* (97 U. S. 517), *Friedman* v. *Goodwin* (Fed. Cas. 5119), *U. S.* v. *Midwest Oil Co.* (236 U. S. 479)).

When Congress created the office of Surveyor General to determine the claims of Mexicans and Spaniards to lands in the territory, minerals were expressly excluded (10 Stat. L. 308, sec. 4; 54 I. D. 369–370). No interest in minerals was accessory or incidental to the surface rights included in grants from Spain and Mexico; and that complete and unencumbered title to minerals in the land which was vested formerly in the Mexican Government passed to the United States, upon cession of the territory.

In the case of *San Pedro and Cannon del Aqua Co.* v. *U. S.* (1892, 13 S. Ct. 94, 146 U. S. 120) it was held that the paramount title to the mineral lands asserted by the United States was in keeping with the laws of other countries on the same subject and that superior title to mineral lands is in the United States and no State or territorial law can affect in any manner this superior title. That the United States is recognized as the proprietor of the minerals was determined in the case of *Gorman Min. Co.* v. *Alexander* (51 N. W. 346, 2 S. D. 557, 563).

In the case of *Ivanhoe Min. Co.* v. *Keystone Consol. Min. Co.* (102 U. S. 167) it was held:

"Mineral lands are, by the settled policy of the Government, excluded from all grants; therefore, the grant of the 16 and 36 sections of public lands to the State of California for school purposes made by the act of March 3, 1853 (10 Stat. L. 244), was not intended to cover mineral lands."

Congress, by the act of March 3, 1853 (10 Stat. L. 246), excepted from sale all mineral lands found within the public lands opened by the United States for sale in the State of California. By the act of July 4, 1866 (14 Stat. L. 83), Congress provided in all cases that lands valuable for minerals shall be reserved from sale except as otherwise expressly directed by law. This meant that there could be no sale or disposition of minerals except by an act of Congress.

Mineral lands include not only metalliferous lands but all such as are highly valuable for their deposits of a mineral character (*No. Pac. Ry.* v. *Soderberg* (188 U. S. 526) (R. 59)). The term "lands valuable for minerals" also applies to oil and gas deposits (*Webb* v. *American Asphaltum Min. Co.*, 157 F. 203, 205). The term "minerals" includes petroleum oils and gas (*Lovelace* v. *So. Wes. Petroleum Co.*, 267 F. 513). The acts of Congress do not reveal that it has altered its policy with respect to the reservation of minerals.

Under the settled policy of the Government, mineral lands, unless expressly included, are excluded from grants to States (*Dunbar Lime Co.* v. *Utah-Idaho Sugar Co.*, 17 F. (2d) 351; *United States* v. *Sweet*, 245 U. S. 563). Under U. S. C. A., title 43, ch. 20, sec. 865, in confirming certain lands selected by California, minerals are specifically reserved (*Mullan* v. *United States*, 118 U. S. 271).

The policy of Congress with respect to reservation of minerals was formulated by Congress as early as May 20, 1787. Congress passed an ordinance, with respect to the disposal of lands in the Northwest Territory, which provided in part as follows:

"It is ordered that there shall be reserved one-third part of all gold, silver, lead, and copper mines to be sold or otherwise disposed of, as Congress shall hereafter direct." The

deed to be given by the Commissioners of the Land Office, with a clause of reservation in the words of the act.

The mineral recources of the country at that time were little known. Gold and other metals, which were later found in the Northwest, were almost entirely within the domain of France and Spain. The reserve clause of the ordinance of 1787 suggests the reservation as to minerals by way of royalty or sovereign dues, and shows an existing doubt as to whether or not these mines should be leased or sold.

By resolution of April 16, 1800, Congress authorized the President to employ agents to collect information relative to the mineral resources of the country, and on March 3, 1807, Congress, by section 5 of an act for the sale of certain lands in which lead had been discovered, provided that these lands should be reserved for future disposal by the United States, and any grant which might hereafter be made for any land containing a lead mine, from the United States, should be considered fraudulent and null, thereby making it clear that minerals were to be reserved. This act inaugurated the policy of reserving minerals, and leasing lands containing mineral deposits.

On March 25, 1816, Congress passed an act which provided:

"Where a tract of land applied for includes a lead mine or salt spring, no permission to work the same shall be granted without the approbation of the President of the United States."

The House of Representatives on September 8, 1823, asked for information regarding the mining regions of the Northwest. In February 1839, the House of Representatives, by resolution, asked the President to prepare a plan which would show the amount of revenue to be derived from public mineral lands, and their value as public property.

On September 4, 1841, Congress passed an act, section 10 of which provided: "No lands on which are situated any known salines or mines shall be liable to entry under or by virtue of provisions of this act."

On December 2, 1845, President Polk, in his message to Congress, made certain recommendations regarding the reserved mineral land. By act of July 11, 1846, the reserved lead mines were ordered to be exposed for sale under prescribed regulations. Further action was taken on March 1, 1847.

President Fillmore in his annual message of December 2, 1849, said:

"I also beg leave to call your attention to the propriety of extending at an early day our system of land laws, with such modifications as may be necessary, over the State of California and the Territories of Utah and New Mexico. The mineral lands of California, will, of course, form an exception to any general system which may be adopted."

On December 3, 1849, the Secretary of the Interior, the Honorable Thomas Ewing, calling attention of Congress to the discovery of gold in California, said in part:

"The right to the mines of precious metal, which by the laws of Spain remained in the Crown, is believed to have been also retained by Mexico while she was sovereign of the territory and to have passed by her transfer to the United States."

It is a right of the sovereign in the soil as perfect as if it had been expressly reserved in the body of the grant, and it will rest with Congress to determine if, in those cases where lands duly granted contain gold, this right shall be asserted or relinquished. If relinquished, it will require an express law to effect the object, and if retained, legislation will be necessary to provide a mode by which it shall be exercised. For it is to be observed that the regulation permitting the acquisition of a right in the mines by registry or by denouncing was simply a mode of exercising by the sovereign the proprietary right which he had in the treasure as it lay in and was connected with the soil. Thus it appears that the deposits of gold, wherever found in the territory, are the property of the United States. Some legal provision is necessary for the protection and disposition of these mines and it is a matter worthy of much consideration how they should be disposed of so as best to promote the public interest and encourage individual enterprise. (Executive Documents, 3d sess., 46th Cong. 1880–81. vol. 25, p. 309).

The act of September 27, 1850, creating the office of surveyor general of Oregon and providing for surveys and donation of lands to settlers directs: "that no mineral lands or lands reserved for salines shall be liable to any claim under and by virtue of the provisions of that act."

All of these acts by Congress would indicate that from 1785 to 1850 there had been a very definite policy on the part of the Government to reserve minerals in the public domain.

California was admitted to the Union in September 1850. The conditions under which California was admitted and the plan for the disposal of the public land was different in California from other States. The constitutional convention held by Californians in 1849 discussed the question of the boundaries of the State and also minerals. The report of the debates in the constitutional convention are set out in a volume entitled "California Constitutional Convention, 1949." (Debates, compiled by J. Ross Browne, and published in Washington in 1850.) In discussing the question of education for the children and providing for a fund for education, it was suggested that these funds might be raised by having the school lands located in mining areas. Mr. Hoppe, on page 351, states: "Our Government has always reserved the mineral lands, and we have every reason to believe that the mineral lands of California will also be reserved."

On page 464, Mr. McCarver states: "I am in favor of any proposition that asks that the gold mines shall be granted to California; but I do not, at the same time, believe that Congress would be so likely to relinquish the gold mines as they would the public lands in any other part of the country."

On page 465, Mr. Sherwood states with reference to a resolution in relation to the public lands: "I shall vote against this resolution. I think these lands belong to the Government of the United States. They cost the General Government $15,000,000 and although it may be very well for us to ask Congress to grant them to the State of California, inasmuch as she has no appropriation for the support of a government, I think we cannot say that of right they belong to California."

Other sentiments of the same character were expressed and indicate clearly that the Californians were at the time of the Constitutional Convention aware of the policy of the Government in reserving minerals, that they had no right to ask the Government for a grant of the minerals to the State, and they had no desire to oppose the established policy of the Government with respect to the reservation of minerals.

Another point is that the act of March 3, 1853, definitely made a reservation of minerals in California. It might be well, in order to save the time of the committee, that certain provisions of that act as set out in the finding of the Court in *Ivanhoe Min. Co.* v. *Consolidated Min. Co.*, (1880) 102 U. S. 167, be cited.

The twelfth section grants to the State 72 sections for the use of a seminary of learning to be selected by the governor or someone appointed by him, in legal subdivisions of not less than a quarter-section, or any unsold, unoccupied, and unappropriated public lands;

"*Provided*, That no mineral lands or lands reserved for any public purpose whatever, or lands to which any settler may be entitled, under the provisions of this act, shall be subject to such selection."

The eighteenth section also grants the State 10 sections of land for the purpose of erecting the public buildings of the State, with the same proviso as the one to section 12.

The proviso to the third section is also relied upon as indicative of the purpose of Congress in regard to the minerals of California. That section contains the authority under which the surveyor general is to act in surveying the public lands in that State, and, after investing him with the powers conferred on other surveyors-general, and some specific directions for the survey of private land claims, it is

"*Provided*, That none other than township lines shall be surveyed where the lands are mineral, or are deemed unfit for cultivation; and no allowance shall be made for such lines as are not actually run and marked on the field, and were actually necessary to be run."

It is strongly urged by plaintiff's counsel that the language of the granting clause import a grant in praesenti, and that wherever by any survey of the Government thereafter made the location of the sixteenth and thirty-sixth sections of a township was ascertained, it establishes the title in the State from the date of the statute, namely: March 3, 1853.

It is quite unnecessary to enter upon this question, which has been before us in so many shapes; for, if it be conceded that such would be the effect of the statute if there were no words of exception in the grant, Congress has in nearly every case where the question has arisen made such specific exceptions to the operation of the grant as to decide the matter without resort to the rule of construction asserted by plaintiffs.

During this period, however, from 1849 to 1866, the system of the disposition of the public lands, in general, had to be introduced into California, and grants of land were made to the State for various purposes, also to railroad companies; and in all this the attention of Congress was, necessarily, turned to the distinction between mineral lands and the ordinary agricultural lands of the other Western States to which similar laws had applied. This distinction is nowhere more plainly manifested than in this act of 1853. As we have said in *Sherman* v. *Buick* (93 U. S., 209 (XXIII, 849)), the main purpose of that act was to provide for the survey and sale of the public lands and for the right of preemption to the settler on these lands; and there was embraced in this clause of preemption the grant of the sixteenth and thirty-sixth sections to the State for school purposes. In the very sentence which contains this grant in parentheses, and while introducing the new principle, that the public lands should be subject to the right of preemption, whether surveyed or unsurveyed, the mineral lands are excepted, in express terms, from this right and from public sale.

We say that this introduced a new principle in preemption law, for, except in a very few cases, no right of preemption had before existed until the lands were surveyed, so that the preemptor could designate, by the description of the congressional survey, the precise land to which his preemption attached.

But, this right of preemption on unsurveyed lands was, by this statute, to last but 1 year; and so careful was Congress to protect mineral lands from sale and from preemption that, as we have already shown by the proviso to section 3 of the act, the surveyors were forbidden to extend their surveys over mineral lands.

The effect of this was as Congress intended it should be, that as no surveys could be made of mineral lands until further order

of Congress, there could be no sale, preemption, or other title acquired in mineral lands until Congress had provided by law for their disposition. The purpose of these provisions was, undoubtedly, to reserve these lands, so much more valuable than ordinary public lands, and the nature of which suggested a policy different from other lands in their disposal, for such measures in this respect as the more matured wisdom of that body, which by the Constitution is authorized to dispose of the territory or other property of the United States, should afterward devise.

It is a strong corroboration of this view that Congress, in the section (12) of this same statute giving the State 72 sections for a seminary of learning, declares that no mineral lands shall be taken under the grant for the erection of public buildings in the State.

We find a similar provision in the grant to the Pacific railroad companies, whose road it was known would pass through some of these mineral regions. By the 4th section of the act of 1864, 13 Stat. L. 356, it is declared that neither that act nor the act of 1862, 12 Stat. L. 489, shall be held to include in the grant "any Government reservation or mineral lands or the improvements of any bona fide settler on any lands returned or denominated mineral lands."

Taking into consideration what is well known to have been the hesitation and difficulty in the minds of Congressmen in dealing with these mineral lands, the manner in which the question was suddenly forced upon them, the uniform reservation of them from survey, from sale, from preemption, and, above all, from grants, whether for railroads, public buildings, or other purposes, and looking to the fact that from all the grants made in this act they are reserved, one of which is for school purposes, besides the 16th and 36th sections, we are forced to the conclusion that Congress did not intend to depart from its uniform policy in this respect in the grant of those sections to the State.

The Oil Land Leasing Act of 1920 (41 Stat. L. 437) was passed for the purpose of enabling citizens of the United States to secure leases on land containing oil and other minerals for the purpose of development. The first paragraph of the Oil Land Leasing Act provides as follows:

"That deposits of coal, phosphate, sodium, oil, oil shale, or gas in lands containing such deposits owned by the United States * * * shall be subject to disposition in the form and manner provided by this act to citizens of the United States."

I wish to call particular attention to the fact that the Leasing Act covers the mineral resources of the Nation regardless of their location, provided the deposits are in lands owned by the United States. The opinion of the Secretary of the Interior, in view of the finding that California did not own the lands or oil, that the Leasing Act did not apply, because the deposits were in submerged lands, which are owned by the United States, is subject to a question of good faith on the part of the Secretary of the Interior in so ruling.

This committee has been advised that the litigation initiated by the Attorney General against the State of California was induced or caused by "ambitious applicants," with innuendos as to the standing of the attorneys which represented these claimants. It has been my privilege to represent a client whose interest is that of a patriotic citizen who has maintained that the title to the submerged lands was in the Government and subject to the provisions of the Leasing Act of 1920, as amended, and who has complied with all of the rules and regulations issued by the Department of the Interior, and whose application has been held up by the Department of the Interior since 1937, which Department refused to act upon his applications until there had been a court determination as to the title.

In view of the facts which have been heretofore presented to this committee, it may be understandable why the Secretary of the Interior had cause to question his earlier decision as to the ownership of the tide and submerged lands. In 1942, a suit was filed against the Secretary of the Interior, setting out, generally, the facts which appear in this statement, and in addition, a request that the Court direct the Secretary of the Interior to issue a lease to the applicant for that portion of the outer harbor of Long Beach where the applicant had filed his location, he being the first person who had made a filing in that particular section, which was on an unknown geological structure. This suit was unsuccessful, as one of the provisions of the Oil Land Leasing Act, which should be altered, provided that these leases were to be issued at the discretion of the Secretary. The applicant was without recourse by virtue of this provision of the act, the case was not considered on its merits.

It is believed that the facts as presented in that suit were, at least, one of the reasons which led the Secretary to urge the filing of a suit by the Government to determine the question of ownership of the oil, and as a result a suit was filed in California which was subsequently dismissed and the action known as *United States* v. *California*, original 12, was filed in the Supreme Court.

The complaint filed by the Government was so unrealistic, purporting, as it did, to represent the interests of the Government and the rights of the people under the law, that a motion was filed asking leave to intervene in this action, upon the grounds that the interests of the United States were not covered by the allegations of the complaint, and that the prayer of the complaint did not ask for an adjudication of ownership of the submerged lands and also failed to ask for an accounting, and damages from the trespassers who have been draining the oil from Government lands since 1937. The complaint alleged that the Government was the owner in fee of the lands, but excluded any claims to the inland waters of the State, and asked for injunctive relief. The Supreme Court denied the application for leave to intervene and a petition was filed, as amicus curiae, setting out the principal objections to the complaint of the Government and supplying certain evidence and citations of law which, the opinion and the decree of the Court indicate, were considered by the Court, as revealed in its finding, under which it states:

"The State of California has no title thereto or property interests therein."

The opinion of the Court was handed down on the 23d day of June 1947 and on July 26, 1947, the Attorney General and the Secretary of the Interior entered into two stipulations with the attorney general of California purporting to disclaim the interests of the United States to the State of California in certain lands in California. For the purpose of transferring the oil deposits of the State of California in those locations, the Attorney General, by the simple expedient of a red pencil, drew a line on a map from near Point Fermin to a spot on the coast in the southeastern part of the city of Long Beach, and thought that by drawing this line, he had created a bay and made it inland waters of the State. This would enable the State of California to claim the oil deposits in the harbor of Long Beach, in which the applicant, represented by this speaker, had located his claim. The applicant, on September 3, filed a brief, as amicus curiae, asking the Supreme Court to vacate the two stipulations on the grounds that:

1. The Attorney General and the Secretary of the Interior were without statutory authority to bind the United States by any stipulations or agreements purporting to alienate or surrender title to or dominion over any part of the submerged lands belonging to the Federal Government or the oil in them.

2. That the stipulations are contrary to public policy and the provisions of the Oil Land Leasing Act of 1920, as amended.

3. That the stipulations are contrary to the opinion of the Supreme Court, and in contempt thereof.

4. That the petitioner has a substantial, lawful, interest in the subject matter of the two stipulations, which deny to him his rights under the Oil Land Leasing Act of 1920, as amended.

Shortly after the decree of October 1947 was entered, California filed a motion asking for a rehearing and reconsideration of the majority opinion, to which the applicant filed a brief, as amicus curiae, in opposition to the motion for a rehearing and reconsideration of the majority opinion, upon the grounds that California failed to establish any rights in title to, or ownership of, the submerged lands off the coast of California or to the oil or minerals in them, and set out the failure on the part of California to have presented in its petition for rehearing any of the essential facts showing title necessary to justify the Court to rehear or reconsider its judgment. The Court denied the petition for rehearing and reconsideration of the majority opinion filed by the State of California.

On the 29th day of January 1948 the Attorney General filed a petition asking for a supplemental decree delimiting certain sections of the coast of California, and among them he sought the approval of the Court to the alienation of that tract of land, enclosed in his pencil-made bay, which, under his stipulation, he disclaimed to the State of California. To this petition, the applicant again filed a brief, as amicus curiae, calling attention to the lack of authority on the part of the Attorney General to alienate the land of the United States and to give away or surrender the interests of the United States in what is generally recognized as being the largest oil pool on the west coast. The Court, so far, has not acted upon the petition of the Attorney General.

I have briefly sketched the fight in the Supreme Court which has been made by a citizen of the United States in an effort to protect the interests of the United States for the benefit of the Nation. The fight has been made personally by the applicant, who represents only himself, and he has borne all the expenses in the litigation.

It is unfortunate that the petition of the Government was not so drawn as to limit the points to be submitted to the Supreme Court so that they applied specifically to the claims of the Government against the State of California. It is also interesting to note that in the presentation of the case that nowhere did the speaker find in the briefs submitted by the Government, or the briefs submitted by the State of California, the word "oil." Yet, this suit was brought primarily to determine the ownership of oil in the submerged lands and had it not been for the inquiries on the part of the Justices, the real purposes of the action would have never been presented to the Court in the arguments. The reason for the presentation of the case in the form it was submitted is conjectural, but the subsequent happenings have little doubt in the minds of those who followed the case that all was not well.

I should like, briefly, to speak of the opinion and decree of the Court. Objections have been raised by the proponents of bill 1988 to the lack of a definite ruling on the question of ownership. I do not find these objections as carrying any weight or as being well founded. The Court was advised in the premises that all of the territory ceded by Mexico belonged to the United States Government. The Court was advised

of the acts of 1841, 1851, and 1853. They were also advised as to the mineral reservation; they had just passed upon the case of *United States* v. *Wyoming*, with respect to the rights of the State in land which is unsurveyed and the fact that the State acquired no title to any land which is unsurveyed at the date of its admission into the Union. With these facts before the Court, it really does not seem that it is necessary for the Court to make any further declaration as to the title, and I would say that they were perfectly justified in letting the matter rest.

The committee has been told that the decree of the Supreme Court stating that the Government had paramount interest in the land cover : by the complaint and the statement by the Court that the rights and interest of the Government transcends ordinary property rights establish a new principle of property law. This opinion, as expressed by the proponents of bill 1988, is based upon something other than the facts in the case. The attorneys general of the various States have been misled into believing that California had certain rights and title to the tidal, submerged lands, and inland waters, and that this ruling of the Supreme Court would deprive California of those rights, and that an extension of the principle enunciated by the Court would place in jeopardy similar property in their respective States. When, however, the facts are revealed, and it is established that California had no title or rights in the property in suit, the theory falls to the ground, as being without foundation.

The use of the word "transcends" by the Supreme Court has also caused many of the proponents of Senate bill 1988 alarm and worry, but that, I think, is due to the fact that they are not entirely familiar with the pleadings and other briefs which have been filed in this case, and which were used by the Court in arriving at its decision. The facts definitely prove that California had no title and the Supreme Court evidently felt that it was unnecessary to include a definite statement of ownership in the decree as Congress had already appropriated the land by the act of 1851. It is not difficult to understand why the attorneys general of the various States were misled by the failure of the Court to definitely state that title is in the Government, and that power transcending ownership or the rights, which the Attorney General had asked this Court to pass upon, as revealed in the prayer of the complaint. A superior title transcends an inferior title. I can only reason that in order to reach those rights which are superior to ownership, I must pass through ownership to reach something which transcends it, and that, of course, is the superior power of the Government in all matters relating to its functions. The idea of paramount power has also been suggested as being something new and probably is to some of the attorneys general, but should not be so to the attorney general of the State of California, for in the case *Doran* v. *Central Pacific Ry. Co.* (24 Cal. 245), it was held "the General Government does not hold its land as a mere private proprietor, but its control and power of alienation and disposition of the land are uncontrolled, save by the Constitution of the United States, alone." This is the same doctrine which was enunciated by the Supreme Court in this case, and fully explains its position and reaffirms the paramount power of the Government.

It appears from all of the statements made by the various witnesses before this committee that they have all labored under a misconception of the facts and the law, produced largely by the most excellent and extravagant campaign of propaganda which I have ever seen, and primarily for the purpose of injecting into the decree of the United States Supreme Court of property-law principles which do not and cannot exist under the facts.

The purpose of this whole propaganda of misinformation is fully revealed by the stipulations. Since 1920, all oil operators, from the little wildcatter to the Standard Oil Co., drilling in Government-owned land, have been subject to the provisions of the Leasing Act and the accumulations of wealth by these great corporations and the little independent operator were derived by all observing the law. The little independent wildcatter could be sure of getting his permit, if he made a discovery and filed upon it, just the same as the oil company.

The stipulation referred to is not revealing and is contrary to the established principles of the Leasing Act. The territory basically in dispute was filed upon by an independent wildcatter under the Leasing Act. If the Leasing Act was held to apply, then the oil companies, under leases granted by California to steal the oil by whipstocking, would be enjoined by virtue of the decree of the Supreme Court and California would lose the royalty. There was only one way to defeat the lawful applicant and protect California and that was by declaring the Leasing Act not to apply to deposits of minerals in public domain, which happened to be in submerged lands, and this is what was done by agreement between counsel for the Government, the Secretary of the Interior, and the attorney general of California.

If the Leasing Act applied, the little fellow would get his chance, and lease, and the Government get the royalty. If the Leasing Act could be held not to apply, the Secretary of the Interior could cancel him out, which was just what he did. If the oil pool could be put in inland waters by making a bay with a red pencil, then California could claim the oil, and this procedure was supposed to give the Attorney General and Secretary of the Interior an out, so they could not be held to account by the people of the Nation. It must also be noted that the Attorney General has, for nearly a year, failed to enjoin the trespassers in the interest of the Government.

Honorable Senators and Congressmen, do or can you lend your support to a bill which is based upon these facts? Are you not revolted and disgusted at having been led into such a trap, in the name of the States' rights upon the mistaken idea that the Government was taking away property from California, which it had a title to, when California never had the vestige of a claim?

It was entirely unnecessary for the Supreme Court to make a specific finding declaring ownership, notwithstanding the fact that I submitted a petition suggesting certain additions to the decree, fearing just what had occurred; that is, an entire misunderstanding of the decree by most of the attorneys general of the various States, who have feared an extension of a policy which I hope I have made more understandable. I do not feel that the Court has inaugurated a new principle with respect to property rights, by its decree. It applies only to Government-owned property, in which the Government has paramount rights.

I do not wish, however, to be misunderstood as to the effect of the decree on property in any State, in which the State does not have title. Only those States which are without title have any cause for uneasiness and that uneasiness can only result in the fact that they have long been on notice of their lack of title, and if they have proceeded upon the theory that the Government is restrained by laches, prescriptions, as adverse possessions, they have only themselves to blame, as is everybody else, who is amenable to law.

I would suggest to those attorneys general who have relied upon the rule of *Pollard* v. *Hagan* (3 How. 212), to reread the case with particular reference to the case *City of Mobile* v. *Eslava* (16 Peters 234), and to note that the United States was not a party in the Pollard case, and that the land in suit had by act of Congress been previously transferred to the city of Mobile, Ala. The United States had neither title nor interest in the property and what was said by the Supreme Court in that case could or would not be binding upon the United States Government and must be regarded as pure dictum. Alabama certainly must have felt that the titles to the underwater lots were owned by the Government, otherwise there would have been no request for an act of Congrsss transferring them to Alabama. In the case in the Supreme Court, this fact was called to the attention of the Court, and it is believed that the expression of opinion made by the Supreme Court in that case considered the points raised in the brief filed by the Speaker.

In passing, I only wish to maintain that in the fifty-odd cases in the Supreme Court which are supposed to be based upon the Pollard case, that in only one or two of them was the United States a party, and that the judgment or decree of the Court in those cases did not bind the United States for that reason, and that the citation of all of those various cases by the proponents of bill 1988 are inapplicable in the California case, where there is no title as a foundation to the action, and the citations do not bind those who are not parties to the action.

In the California case the Government eliminated inland waters from the action, and went further in its brief to include harbors, bays, navigable rivers, etc., all without statutory or congressional authority. Please note the attempt made by the Attorney General, under the provision of one of the stipulations, to transfer to California, by the expedient of creating a bay by drawing a line upon a map, to give to California the largest oil pool on the coast, upon the grounds that he had made this particular segment of the coast inland waters. The Supreme Court in the past has handed down a number of opinions and decrees with respect to the ownership by various States of the inland waters in those States. However, these opinions and decrees, so holding, in many instances lack the essence of legal basis to confirm a grant of title. No title can be acquired by any State admitted to the Union under the Constitution by judicial decree or upon the basis or claim of State sovereignty, unless the inland waters have by specific act of Congress been conveyed to the State. The States admitted under the Constitution are restricted in their ownership of land within their boundaries by grants made them by Congress. Nothing passes by implication. All opinions and decrees to the contrary notwithstanding. *MacDonald* v. *United States* (119 Fed. 2, 821–825). The failure of the Attorney General to include inland waters in the California litigation does not, by its omission, transfer the inland waters not so granted to the defendant State.

The State of California realized that it did not own the tidal, submerged lands and inland waters, or at least did not own the minerals which might be found in them is confirmed by the action of the California Legislature in 1929, chapter 536, of the statutes of that State, which prohibited any State official or subdivision, or officials thereof, from granting any leases to drill upon the tidelands, either filled or unfilled, submerged lands, overflowed lands, or beds of navigable rivers, or lakes, and by so doing to extract mineral therefrom. I am quite sure that this committee and the attorneys general of the various States who have appeared before this committee had not been advised of the existence of this legislation, prior to appearing here.

Governor Warren of California stated to this committee:

"So far as my State is concerned, the oil issue is a minor one compared with other fundamental rights which are infringed." In view of the royalties of $3,000,000 a year which the State of California receives and has been receiving since 1938, I was surprised to hear the Governor state that the oil issue was a minor one. It has been established that California has no title or rights in any land which was not selected by it out of the 500,000-acre grant or conveyed by specific act of Congress; there is, therefore, nothing left in the way of property rights in California that can be infringed. On this point, the State of California may rest at ease. The oil being a minor issue may well be dismissed.

I fully appreciate that this committee and the Congress desire to pass legislation which will protect natural resources of the Nation in accordance with the policy which has been the rule since 1787. I feel quite sure that this committee will, regarding the best interests of the United States, make such recommendation to the Congress as will be in the interests of its citizens at large, and assume the responsibility of conserving natural resources for the advancement of our National welfare. I feel sure that they wish to preserve the laws which have been passed by Congress for the development of natural resources. I am sure that they desire to protect all citizens of the United States who have, under its laws, cooperated in the development of the natural resources of the country. I feel sure that, upon reflection, this committee is not going to recommend the giving and granting away of the property of the United States without having made a careful study of the interests of the United States in maintaining and controlling its property and resources. I feel quite certain that this committee desires to see that every State retains all of the property to which it has a legal right to hold and that no cloud be placed upon its titles. I also feel sure that this committee and the Congress will hold to account those who have knowingly violated the law or have slept upon their rights under any theory of laches upon the part of the Government. I also feel sure that this committee and those who prepared bill 1988, as expounded by the proponents, believe that the only solution to this problem is by quitclaiming to the States all rights of the Government to the marginal belt of the sea extending from low-water mark to the 3-mile limit, the tidelands, all navigable rivers, lakes, filled in or overflowed lands. Can the question be resolved by such action?

But, gentleman of the committee, there may be other ways by which these questions can be resolved in accordance with existing law and in conformity with the declaration of the Supreme Court in the California case, and there is a precedent for such a plan which has heretofore been acted upon by the Congress. As you have been advised, the development of the natural resources of minerals has been covered by the Leasing Act of 1920, as amended. This act provided that all resources in land owned by the Government was subject to lease by any citizen of the United States who was qualified to develop the properties and pay the Government a portion of the recovery, as royalty. In California, alone, under an act of the legislature of 1938 (State Land Act, 52d Leg., chap. 5), was license given by the State, so the oil companies could extend their drills from the uplands out into the tidelands and the ocean, and take oil from the bed of the ocean which did not belong to the State of California; but was definitely known by the State of California to belong to the Federal Government.

California has a law against whipstocking or slant-drilling, which is as you know, the slanting of the drill away from the perpendicular and extending into lands other than those of the owner. The California law provides that a man drilling for oil is confined to the boundaries of his own land and that if he accidentally or purposely slants his well into the land of another, he becomes a trespasser and liable in damages to the man whose land is invaded. In California, alone, does there seem to be a dual moral standard. It is unlawful for an individual to direct his drill outside of his own land, but the State of California has given licenses to the oil companies and independent operators to steal Government oil, so long as the drilling commences upon the uplands. This theft has continued from 1938 up to June 23, 1947. How many millions of barrels of oil have been extracted from the reserve of the United States Government would probably be difficult to discover. The value of that oil probably runs into billions. It is estimated by oilmen that there is still a reserve in the Long Beach Harbor area of at least 750,000,000 barrels of oil. Do you, gentlemen, in view of the world situation, in view of the needs for a reserve for national defense, the requirements of our domestic economy, wish to make a gift of those resources to one who has received all of the royalties from the oil extracted from 1938 to 1947? Are you, gentlemen, unfamiliar with the equity doctrine—that he who seeks equity must come into court with clean hands?

The attorneys general and representatives of the various States which have appeared before this committee have emphasized the amounts which their respective States have invested in improvements in their marginal seas, tidelands, inland waters, etc., and the State of California, in particular, has presented to the committee a full report on their expenditures for improvement. This committee probably has not seen the Annual Report of the Chief of Engineers of the United States Army, for the year 1944, in which it appears that from 1940 to 1944, if the total which I read on the expenditures of Government funds through the Army engineers is correct, harbors, breakwaters, flood control, rivers, and other improvements for the State of California amounted to over a half-billion dollars. This report only extends to the year 1944, and further expenditures have been made since that time. I have not secured from the Navy Department the expenditures made by them for docks, warehouses, and other installations in connection with the war since 1940, but I fancy they will reach a sizable amount.

I would suggest that the committee, before agreeing to the proposals of bill 1988, give consideration to the amount which the taxpayers of this country have expended through the Congress, that an investigation be made as to how much public money has been expended in internal improvements in the various States of the Union. This, I should think, would impress the committee with the fact that the taxpayers have definitely to be considered in the making of any gift by quitclaiming or otherwise, which is going to place upon them the raising of the additional amount which will be required to meet the deficit caused by a voluntary surrender of the proceeds under the Leasing Act. It seems to me that if the natural resources are to be quitclaimed, that all of the public lands in all of the States should likewise be quitclaimed, and we could then dispose of the Department of the Interior, which would reduce governmental expense in a sizable amount. Why should the Congress be niggardly in its gifts, as it owns some public land in nearly every State.

Another point I wish to make, in which California stands almost alone among the oil-producing States, is that there has been, in the past, an effort to conserve the oil deposits, to limit the amount of oil which can be withdrawn from the wells. California refused to join this oil compact, and the oil companies in California operating under State and municipal leases have been as busy as cats, extracting all the oil they possibly could from the Government-owned land, knowing that it could not last long and they were going to get all they could while the getting was good. I firmly believe that this policy was adopted because California knew it had no title to the land being drained and no rights in the oil being stolen, but on which they have exacted royalties since 1938.

There are no grounds for the fears expressed by the talented witnesses who have appeared before this committee that the decree of the Supreme Court in the California case is going to take away from the States any property to which they have title. The decree refers to the paramount right of the Government in property which the Government owns. The disinclination of the Supreme Court to make a direct finding of ownership is not due to the lack of ownership, which has been established; but I believe, in part to the form of the prayer of the Attorney General who failed to frame the Government's case in such a way as to get the rights and ownership of the marginal belt properly before the Court for adjudication. Eminent domain and condemnation proceedings are the actions of the Government and States, when they take the property of others and compensation is paid, but when you own the property you don't resort to such proceedings, you merely exercise your constitutional rights, and laches, prescription, adverse possession, or estoppel in pais do not run against the Government or your respective States. This is also the law in California. *Patton* v. *City of Los Angeles* (169 Cal. 521).

The question of title to the lands, tidal, submerged, under beds of navigable waters, lakes, etc., is really not vital, so long as the minerals, including gas and oil, are reserved in the Government. The natural resources of the Nation must be held intact, for the benefit of all, and no congressional action should be taken by or under which these most valuable assets of the people are to be dissipated and removed from the control of the Government, in such times as we are now facing. A wise policy of conservation has been established and maintained for a hundred years. It has proven itself so, and I believe Congress is not going to be stampeded by the false alarm which has brought so many of the Governors and attorney generals of the States here, as witnesses, to protest against a decision of the Supreme Court which can and does apply only to land owned by the Government, which takes no property away from any State which owns it.

It is my belief that the Nation is required to maintain and continue its policy of conservation of its natural resources and particularly oil, which is most vital at the present time; that the United States should not surrender its title to the property which it owns, but should continue, under existing laws, its policy of leasing. It is my opinion that the policy adopted by Congress on April 5, 1926, should be followed. This was an act contained in chapter 106 of the Sixty-ninth Congress, whereby the Board of Supervisors of Santa Barbara County, Calif., made an application for a lease of a part of the beach of Santa Barbara, Calif., for the purpose of creating a recreation ground. The board of supervisors was unwilling to expend any funds for the improvement of the beach because the Government owned the beach tidelands. Congress, therefore, gave them a permit to use the beach free, so long as the beach was maintained (ch. 106, 69th Cong., April 5, 1926):

"*Be it enacted, etc.*, That the Secretary of the Interior is authorized, in his discretion, upon application of the Board of Supervisors of Santa Barbara County, Calif., to issue to such board, for the benefit of such county, a free permit authorizing the use,

improvement, and maintenance of all that portion of northeast quarter, etc., lying south of the main slough as its northern boundary, such area being approximately 24 acres, for a free public bathing beach, under conditions which will allow the fullest use of the land for recreational purposes. Such permit shall remain in full force and effect as long as the county complies with the conditions therein and maintains such lands as a free bathing beach.

"Such lands shall not be subject to the mining laws of the United States, in the absence of an express order of the Secretary of the Interior restoring the land to such laws with such restrictions and limitations as the said Secretary may prescribe."

I am advised that the Secretary of the Interior in making the lease reserved the mineral rights in the tract granted.

It is my thought that each State, knowing well what it owns, as tidelands, submerged lands, inland waters, navigable rivers, lakes, etc., may apply to the Government for a permit or lease to use all properties on Government land, free, and the Congress can give them such a right so long as the properties are maintained by the various States reserving only the mineral rights. This plan will affect no title, will cause neither confusion nor pandemonium, as has been suggested; will maintain the rights of the Government in its land, will control the development of its natural resources and the rights of its citizens under laws passed by Congress, and sustain their belief that Congress will act in the interests of the Nation.

The Attorney General, in his remarks and in answer to questions put to him by the committee, stated he was going to protect the interests of the Government and the rights of the people. Let us for a moment examine his record in the California case.

I have previously mentioned the peculiar way in which this litigation was framed and that I had filed six briefs in this suit, by leave of the Supreme Court. After the opinion of the Court was handed down, and within a very short time thereafter, he and the Secretary of the Interior entered into two stipulations, the one alienating territory of the United States, and the other continuing State leases.

In order to protect the interests of the Government, he selected the greatest known oil pool on the coast, and disclaimed any interest of the United States in it, in favor of California. This was done on the theory that the inland waters belong to the State. As this particular bit of coast was in the open sea, it had to be made into a bay in order to make a prima facie case of regularity. Did the giving away or disclaiming of this oil pool to California represent his idea of protecting the Government and the interests of the people?

My client and about 600 other citizens of the United States, after securing legal advice, were convinced that the Government owned the submerged lands off the coast of California, and complying with the regulations of the Leasing Act of 1920, as amended, filed applications for permits to develop oil and gas, which they thought might be found in the marginal belt. It was, and is believed that the Leasing Act applied to this submerged land. If this act did apply then these citizens were entitled to permits and leases. This idea did not work out to the benefit of California, so some way had to be found by and under which these applications could be canceled, and the only way to protect the oil companies under their State leases, was to declare the submerged land not to be a part of the public domain. This, Secretary Krug has done, and his ruling was approved by the Attorney General. The interests of the applicants were thrown out of the window in order that California and the oil companies could be taken care of and time granted for congressional action. (See second stipulation.) You will also note in the decree that both these stipulations were stricken.

The idea of forgiving the trespassers, was not what was done to the Standard Oil Co. It is not the decision in the Wyoming Case. Does this forgiveness indicate a zeal for the rights of the Nation by an attorney General acting in good faith? When one acts in good faith, forgiveness can be considered. This is what the Wyoming Case has to say of good faith:

"An agreed premise is found in the rule that one who 'willfully' or 'in bad faith' trespasses on the land of another, and removes minerals, is liable to the owner for their full value computed as of the time the trespasser converted them to his own use, by sale or otherwise, but then an 'innocent' trespasser, who has acted 'in good faith', may deduct from such value the expenses of extraction. It is also clear that when suit is brought for the value of minerals wrongfully removed from the plaintiff's land, and the trespass and conversion are established, the burden of pleading and proving good faith is on the defendant. The 'good faith' contemplated by these rules is something more than the trespasser's assertion of a colorable claim to the converted minerals."

The Oil Land Leasing Act provides for the scale of royalties to be paid the Government for the granting of a lease. Why is not the Leasing Act good enough to be applied to the deposits of oil in land owned by the United States in California? Why does a new bureaucratic bureau have to be set up for California with added expenditures? Why should California benefit when the evidence of her bad faith is so patent in licensing the stealing of Government oil in the public domain? Why should the reclamation States suffer the loss of revenue for roads, schools, etc., just because it has been suggested by the oil companies and California, that it be given to California? Under what theory of protecting the interests of the Government do we pay gratuities to trespassers? No, gentlemen of the committee, this action against California was brought, in my opinion, with the idea that it should be lost by the Government. By the efforts of amicus curiae, the true facts were presented to the Supreme Court and it was won; the prayer for relief was so drawn as to make it possible for confusion to arise and it has arisen just as was intended.

Title to the marginal belt was not determined by the decree in this case. Title was granted by Congress. The restrictions on the transfer of property were made by congressional action. This question was entirely in the hands of Congress, which passed the laws creating California. It is my considered opinion, that whatever claims other States, which came into the Union under the Constitution and their respective enabling acts, may have, California has no such claim or rights. I believe that the States whose enabling acts actually confirmed their boundaries and made claims to inland waters, that the threat of suits by the Attorney General are idle threats and any such suit can be defeated.

As to the marginal belt, this suit, being based upon ownership by congressional appropriation of the territory, and the failure of California to select the lands in suit under the acts of Congress, making the grants; other suits against the States would not be maintainable if the lands were not owned by the United States. As the lands in the 13 original States and Texas were never owned by the United States, the decision in the California case would apply only to lands owned by the Government, and certainly not to land or waters, never owned.

The paramount powers and dominion, in the instant case, refers to land owned by the Government. The powers are in keeping with international law, for the purpose of navigation, defense, and national development. The fact, the opinion of the Court said, that the Thirteen Original States did not establish ownership of their marginal belt, does not estop or preclude those States from establishing their ownership, which I believe they can. It is not a final adjudication.

The Secretary of the Interior made one remark which is very pertinent to the matter before this Committee. In answering a question as to the finding of former Secretary Ickes that the State owned the submerged lands, he said, "Secretary Ickes had no right to make such a decision." I wish to point out that the Secretary of the Interior is in the same position with reference to his ruling that the Leasing Act does not apply to submerged lands and that they are not a part of the public domain, when Congress appropriated them in 1851.

The Attorney General stated no legislation was needed in this matter. I agree. The Leasing Act has served the Nation well. It is sufficient today. It is the expression of the will of the people through Congress which established the Mineral Reservation Policy in 1787. I think it unfortunate so few have appeared before this Committee in support of the law as it exists, and who might wish to maintain the integrity of law and the rights, which are believed to be possessed, under them. We do not believe the Bill of the Administration represents anything but a private, questionable, agreement between the Attorney General, the Secretary of the Interior, and the Attorney General of California, for the benefit of California and the oil companies. It is not in the interests of the Government or its citizens, or in accordance with existing applicable law.

We are also opposed to bill 1988. We think it inequitable, in that it purports to grant favors to certain States to the loss of others. We cannot agree that the proposed bill is not a donation of Government assets without due consideration of the rights of other States and the welfare of the people. Suppose you quitclaim the inland waters of the States, what will you do about the Commerce Clause, the Power Commission; will you change the Constitution and repeal the laws? These matters must be most seriously weighed. You might find your bill declared unconstitutional. It is definitely against public policy and against the interests of the Nation.

An investigation of the provisions of the Enabling Acts, alone, can determine what Congress gave each State and if title, rights, and ownership were granted to them, there is no reason to give them back; for they already have them; and, if they did not receive these grants, the acts of Congress will disclose the reasons and specific legislation for each, granting such relief as may be desirable, may be enacted.

My opinion as to the meaning of that portion of the opinion contained in the last sentence of the next to the last paragraph, that Congress will not execute its powers in such a way as to bring about injustices to States, is that any damage which may result, such as a claim based upon good faith, would be subject to congressional action for relief, and is not an invitation for Congress to override the opinion of the court.

The act of 1851 finally disposed of the theory of no man's land, which has been advanced for purposes of confusion, and not in a spirit of seeking a solution. The theory of inherent sovereignty interests me. This is a pure court doctrine. Where in the Constitution is any mention made of State sovereignty? What article grants it to the States? In order to make any claim, the proponents of the bill rely upon this court doctrine, because it seems to be the only theory upon which any claim might be founded, if the decision of the courts suits them, they quote them; but when they are

against their theories, they are the opinions of New Dealers and anything else. The Constitution provides, that powers not granted are reserved to the States. Does the Constitution state, in terms, that new States shall be sovereign States? What were their sovereign rights? They came into the Union on an equal footing with original States, but not original sovereign States. I find no constitutional basis for the inherent sovereignty theory.

I want to show you the maps which cover the situation at Long Beach.

There is definitely a lack of good faith in this whole case. Counsel for the Government failed to state the basis of ownership in the United States. They failed to ask for an adjudication to cover the points in controversy. California failed to tell the truth regarding their own legislation and thereby misled the attorneys general and Congress. Long Beach has also, in my opinion, failed to reveal the facts.

Since 1920 there have been no objections by the States to the operation of the leasing of the public domain under the Leasing Act. Why the pandemonium now?

I have been handed a letter written by E. W. Sawyer of Los Angeles, Calif., under date of March 5, 1948, a part of which states as follows:

"I notice city attorney, Irving Smith, of Long Beach testified that Long Beach has received $31,509,500 net from oil and gas produced from its municipal beaches.

"Arthur W. Nordstrom, assistant city attorney, of Los Angeles, testified that Los Angeles has received more than $2,000,000 from offshore wells.

"This is a total of $33,509,500, 27½ percent is $9,215,112, the amount which our State Junior College has lost; 52½ percent is $17,592,487, the amount which the reclamation in this State has lost by this set-up. That amount of cash would have built several dams for Santa Barbara and other areas that are now dying for lack of water.

"Los Angeles has about 40 percent of the State population, and if the $33,000,000 was divided in accord with the law, then Los Angeles would have benefited to the extent of $13,403,800, instead of the $2,000,000 which they have received."

I think it highly significant to consider how much in the way of harbor improvements in the city of Long Beach has been paid for out of United States Government oil, and how much has been lost to education; and, how much more Los Angeles would have received under the provisions of the Leasing Act.

It has not been my intention to make this statement upon any other basis than that of setting out the rights of the Government to minerals in the public domain, but inasmuch as my client, Robert E. Lee Jordan, has been called a speculator-promoter by the city attorney of Long Beach, I feel the committee should have the facts.

Mr. Jordan filed his application in the submerged land in the open or marginal sea, in front of the city of Long Beach, in April 1937. He filed his first application in that section and before anyone else thought there was any geological formation containing oil at that point. He was given a serial number of the Department of the Interior, and his filing does not overlap any other filing because he was the first. His application was canceled by Secretary Krug so Long Beach and its development company could continue to take Government oil.

It is revealing to consult the leases made by the city, with respect to drilling for oil. They contain the following provision:

"Warranty—Section 40.—It is agreed that neither said city nor said Board makes any covenant or warranty, express or implied, as to the title of said city, or the right of either said city or said Board to possession of said drill sites, or any portion thereof, or as to the condition thereof, or as to any easements, licenses, or privileges whatsoever pertaining thereto, and the permits and privileges of use and occupancy of said drill sites hereby created in favor of said contractor are so created by said Board without covenant of title, or right of possession, or for quiet enjoyment."

The claim to title urged so strongly before this committee fails to disclose the basis for its support. The leases establish the lack of any claim, and constitutes another proof of lack of title, of lack of justice of the claim, and the utter lack of good faith on the part of California and its subdivisions.

It is also to be noted that the Government sold them a $5,000,000 harbor installation for $1,000,000. It would appear that this continued bounty of oil and dollars should be ended, and the Leasing Act be enforced.

I certainly recommend for your serious consideration the preparation of a substitute bill, in line with the previous action of Congress in the Santa Barbara matter. It will, I feel sure, resolve all the difficulties which have been aired before the committee, and conform with the established principles of the law as expounded in the California case by the Supreme Court.

We believe the Government should control its own property. If Congress feels, after all the facts have been considered, that additional legislation is necessary, let Congress lease to the States the things they may feel they should have the use and enjoyment of; but, always maintain and reserve the mineral rights in all land owned by the Government and continue this governmental policy of reservation of minerals and other national resources, which has proved valuable and fair for our people and has stimulated individual enterprise and national preeminence.

It is also to be noted that the Government sold them a $5,000,000 harbor installation for $1,000,000. It would appear that this continued bounty of oil and dollars should be ended, and the Leasing Act be enforced.

Bill 1988, reduced to its last analysis is merely an assertion on the part of the proponents of the bill, to select the beneficiary who, or which, is to receive the natural resources of oil and gas in the public domain.

The bill, as pointed out yesterday, does not alter the decision of the Supreme Court as to the paramount rights of the United States Government in the marginal belt, and the bill does not reverse the decision of the Supreme Court. Nothing by way of overriding or setting aside the decision of the Supreme Court can be accomplished by the passage of bill 1968.

The Leasing Act was passed by Congress to cover the development of minerals in the public domain. I think a proper question would be whether or not the bill could legally deprive applicants of their rights to leases, by the passage of a subsequent act. We have no ex-post-facto laws and I think the rights of the applicants would ante-date the passage of any law with respect to the public domain. The courts would have to recognize all rights which accrued under the law, prior to the passage of a subsequent act; and, I think that Congress should be discouraged in pressing for an act which would, I believe, be unconstitutional on the foregoing grounds, if no other.

I earnestly recommend for your serious consideration the preparation of a substitute bill, in line with the previous action of Congress in the Santa Barbara matter. It will, I feel sure, resolve all the difficulties which have been aired before the committee, and conform with the established principles of the law as expounded in the California case by the Supreme Court.

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Mr. LANGER. Mr. President, I have here an article which appeared in the Utah Labor News, which is a newspaper published at Salt Lake City. The article is dated February 27, 1948, and is entitled "Two 'Tidewater Oil' Bills Placed Before Congress; Said To Be 'Heads I Win, Tails You Lose' for Oilmen. Billions Are at Stake of People's Property in Coastal States; Burton K. Wheeler Demands Interior Department Obey Law and Supreme Court Decision."

I ask unanimous consent that the entire article be printed at this point in my remarks. I particularly bring it to the attention of the senior Senator from Utah. I will say to the distinguished Senator that it was called to my attention by Mr. M. I. Thompson, editor and publisher of the Utah Labor News.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO "TIDEWATER OIL" BILLS PLACED BEFORE CONGRESS; SAID TO BE "HEADS I WIN, TAILS YOU LOSE" FOR OILMEN—BILLIONS ARE AT STAKE OF PEOPLE'S PROPERTY IN COASTAL STATES; BURTON K. WHEELER DEMANDS INTERIOR DEPARTMENT OBEY LAW AND SUPREME COURT DECISION

Secretary of the Interior Julius A. Krug last week sent to Congress a bill which, he said, is the right solution of the long dispute over the fabulously valuable oil lands, under the water off the coasts of California, Texas, and other coastal States, reported Labor, a national weekly paper published in Washington, D. C., by 15 standard labor unions.

Most Members of Congress have not yet had a chance to study the bill, but one Senator, who is familiar with the history of the dispute, said the measure might well have been written by the big oil companies which now have control of the underwater petroleum lands.

Billions of dollars are at stake in this fight over a natural resource which should be used for the benefit of all the people.

The Krug proposals can be better understood after a brief look at the problem the bill proposes to solve. Some light is furnished by a lawsuit which Burton K. Wheeler, former Democrat Senator from Montana, filed this week in the Federal district court at Washington.

REPRESENTS "PROSPECTOR"

Wheeler asked the court to compel the Interior Department to carry out the provisions of the Federal Leasing Act and a Supreme Court decision, by granting to his client, Deryl L. Mayhew, a "permit" to prospect for oil on 1,600 acres of the California underwater land.

Back of Wheeler's lawsuit is this story:

About 15 years ago, Mayhew asked the Interior Department for this permit. He was turned down by Harold L. Ickes, then Secretary of the Interior, although Ickes had authority to grant the permit under the Federal Leasing Act.

In August 1935, Congress passed a Leasing Act amendment which directed the Secretary of the Interior to grant permits to Mayhew and other prospectors who had filed applications. Mayhew then appealed again to Ickes.

IGNORED ORDER BY CONGRESS

Despite the direction from Congress, neither Ickes nor his successor Krug, took any action on Mayhew's plea for the next 10 years.

Meanwhile, big oil companies played a clever and profitable trick. From the California shore, they drilled out under the ocean, and extracted oil from the lands for which the prospectors sought the permits. The companies are still doing that.

They pay comparatively small royalties to the State of California, and fear they would not be treated so generously by Uncle Sam. To make sure the Federal Government could not interfere, they slipped through Congress, about a year ago, a bill surrendering all such lands to the States, which means to the oil companies.

VETOED BY TRUMAN

President Truman vetoed the bill, and the Supreme Court, in October 1948, ruled that these lands belong to Uncle Sam.

The Interior Department and Justice Department are supposed to work for Uncle Sam, and might be expected to welcome the decision that the Federal Government owns these oil lands.

On the contrary, they started "stalling" and quibbling about the meaning of the decision. Meanwhile, oil company lobbyists again introduced their bill, asking Congress to overrule the Supreme Court and declare that the underwater lands belong to the States.

HAVE POLITICAL POWER

The Interior Department got from the Justice Department a legal opinion that the lands claimed by the prospectors are not the kind the Supreme Court meant. On that ground, Krug again turned down Mayhew's application.

The Justice Department opinion was signed by Attorney General Tom Clark, who comes from Texas, where vast off-shore oil lands have recently been discovered.

The big oil companies are politically powerful in both Texas and California.

On February 23, a Senate committee began hearings on the bill to leave the underwater lands in the hands of the States and oil companies.

The latter, however, may not need this bill if Congress passes the legislation proposed by Krug.

WOULD SLAM DOOR

Men who have studied it say it would whitewash all the past sins of the oil companies, by granting them legal immunity for their trespasses. If the bill passes, neither Uncle Sam nor the States could take any action against the oil companies for anything they have done in the past.

The oil companies would get new Federal leases in exchange for their old State leases. If Uncle Sam refused to grant a lease, he would have to buy off the oil company by paying it money out of the public treasury.

Summing it all up, observers say the oil companies have a "heads I win, tails you lose" proposition in the two bills.

One would put the lands back under State governments, which shrewd oil men feel they can handle even better than they have the Interior and Justice Departments.

The other would put the lands under Uncle Sam, but force him to give the oil companies substantially what they want.

Mr. LANGER. Mr. President, I do not want unnecessarily to encumber the RECORD, but I have here the platform of the Republican Party to which I again refer. The State of Louisiana has legislation which claims all the oil-bearing lands under the ocean for a thousand miles. It is claimed that they belong to the State of Louisiana. The oil companies contribute 12½ percent, and the money goes to the school fund of Louisiana.

The States of Texas has leased all the land out to 54 miles, and the oil companies are pumping out there at this time.

The Humble Oil Co., for purposes incidental to lobbying, to be fair about it, threw into the jackpot $1,200,000. Some of the other oil companies have contributed. I gave their names when I read from the evidence of the Republican national committeeman from West Virginia.

So I can understand why my friend, the distinguished Senator from Missouri, appeared before the Republican platform committee and protested against the inclusion of this paragraph in the Republican platform. The only thing I am sorry for is that he did not get more help at the convention so as to be able to keep it out. The paragraph was placed in the platform at page 9, and it reads as follows:

We favor restoration to the States of their historic rights to the tide and submerged lands, tributary waters, lakes, and streams.

Mr. President, as a matter of fact, they had no historic rights. I made it quite plain from the decision I read that at the time Texas was admitted into the Union, in 1845, it did not have a 3-mile limit. That came in a great deal later.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from West Virginia.

Mr. NEELY. I heard the Senator use the name of a very distinguished West Virginian who has, for many years, been the Republican national committeeman for West Virginia. I could not hear what the Senator said, but I assume and hope that there was nothing disparaging in his remarks. Although Mr. Hallanan and I have vigorously fought each other in every political campaign for 30 years, I attest the fact that he has been a fair fighter and also one of the most courageous, uncompromising and effectual champions the Republican Party in West Virgina has had within the memory of living men.

Mr. LANGER. I say to my distinguished friend that all I did was to quote from his testimony, word for word, the way he gave it himself before a subcommittee of the Judiciary Committee.

Mr. NEELY. Mr. President, I am sure that Mr. Hallanan would not object to any testimony he ever gave being read here or in any other place.

Mr. LANGER. Nothing I said was in the least derogatory.

Mr. NEELY. I thank the Senator.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. THOMAS of Utah. As I understand the situation, the Senator quoted from the Republican and Democratic platforms.

Mr. LANGER. That is correct.

Mr. THOMAS of Utah. The Republican platform plainly advocated the return of the tidelands to the States, did it not?

Mr. LANGER. That is correct.

Mr. THOMAS of Utah. The Democratic platform advocated leaving the tidelands where they are, under the decision of the Supreme Court.

Mr. LANGER. That is correct.

Mr. THOMAS of Utah. What tideland State, by its vote, sustained the Republican platform?

Mr. LANGER. I do not think there was any.

In one of the articles which I have here there is a threat against President Truman. When the President vetoed the bill I complimented him and said he did a remarkably fine job for the common people of the United States of America. Ten days before the election I again wrote him. I have a copy of that letter, together with his reply. I again complimented him on the fine job he had done before, and asked him to direct the Attorney General to sue the States of Texas and Louisiana in the way in which he had previously sued the State of California. The President said he would do it. After the election was over the Attorney General filed suit against Texas, and, in my judgment, he will win the suit. The facts are not all presented. Permission has been given by the Supreme Court to bring an action. The pleadings are drawn up very much along the same line as the pleadings in the California case.

Mr. President, I think one of the finest things ever done by any President in behalf of the common people of America was accomplished by Harry Truman when he vetoed the bill to which I have referred, when it was passed by the Eightieth Congress, and, later, when he directed the Attorney General to bring suit against Texas. Of course he did a very fine job when he originally caused the State of California to be sued. As a matter of fact, he directed that suit be brought when some of his very best friends were interested to the extent of millions of dollars if the decision went otherwise in the California case. It was a great act on the part of the President.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. NEELY. Does not the distinguished Senator from North Dakota think that President Truman also rendered a great service when he vetoed the Taft-Hartley labor bill?

Mr. LANGER. I might add that I certainly agreed with him. I voted against the Taft-Hartley bill, and I voted to sustain the President's veto. I might say also that, with some of my Democratic friends of the Senate, I went to Madison Square Garden and made a speech upholding the President 2 or 3 days after he vetoed the bill. I think the Senator from West Virginia knows my attitude pretty well on that law.

Mr. Neely. I do. And the Senator's attitude on that measure is just another testimonial to the fact that he was, as usual, on the right side.

Mr. LANGER. I thank the Senator.

Mr. NEELY. Let me make the prediction that, in all probability, his attitude, as he has expressed it, will save him a

great deal of trouble in his next campaign in North Dakota, if his constituents share the views of the people of West Virginia on that subject.

Mr. LANGER. I would have very much less trouble if the Senator from West Virginia would come to North Dakota and make a few speeches there, because he ranks very high in North Dakota.

Mr. NEELY. I thank the Senator from North Dakota. I have my hands full in West Virginia, but I certainly have nothing but the best of wishes for the able Senator, or for any other Member of this body who has followed in his footsteps which have invariably led to progressive goals.

Mr. LANGER. I thank the Senator very much. Did the Senator from Louisiana have some questions he wished to ask?

Mr. LONG. Yes, Mr. President. The Senator has referred to $26,000,000,000 worth of oil off the coasts of Texas and Louisiana. I should like to ask the Senator if he has not overlooked the expense of going out and drilling to get that oil. As I understand, to go 50 miles out into the ocean and try to drill for oil is very expensive, and I am told that the chances are only about 1 in 16 of getting any oil. The best the State can hope to get out of the oil is one barrel in eight, it is said. So would it not be fair to divide the twenty-six billion by eight, to determine what the Federal Government would get if it were successful? Dividing $26,000,000,000 by eight would leave about $3,000,000,000.

Mr. LANGER. In the Hallanan statement, which I read, it was specifically stated that the State gets 12½ percent royalty. So it costs the State nothing. They get their royalty. So one-eighth of $26,500,000,000 would be one-eighth clear, without any expense to the State, whether it be Texas or Louisiana.

Mr. LONG. One-eighth of $26,000,000,000 would be something over $3,000,000,000. In other words, all the Federal Government could hope to realize clear would be around $3,000,000,000.

Mr. LANGER. That is what I said.

Mr. LONG. Which means that the Federal Government would not get $26,000,000,000 out of it. They would be getting only about $3,000,000,000 for all the oil produced.

Mr. LANGER. They would get 12½ percent clear. The distinguished Senator must remember that this is only one field.

Mr. LONG. That is, one State, the Senator means.

Mr. LANGER. One field.

Mr. LONG. One State.

Mr. LANGER. No, one field. And the geologists say they have not scratched the surface, that in their judgment they are going to find oil fields out in the Atlantic Ocean, as well as in the Pacific. They believe there is going to be billions of dollars worth of oil found off the coast of Alaska.

Mr. LONG. It is my understanding that off the shores of Texas or off the shores of Texas and Louisiana, going out to sea, there is estimated to be about $26,000,000,000 worth of oil, and it is the entirety of oil off the shores of those States, rather than one field. I never heard of one field that had $26,000,000,000 worth of oil in it.

Mr. LANGER. It is the richest oil field ever discovered in the history of the world.

Mr. LONG. As a matter of fact, the field the Senator is talking about has not been discovered, has it?

Mr. LANGER. I repeat, it is the richest oil field ever discovered in the history of the world, richer than the oil fields discovered in the interior of Texas, richer even than the oil fields in Iraq or Iran.

Mr. LONG. Is it not true that the oil field to which the Senator refers is an imaginary field, which has not yet been drilled? Is not that correct?

Mr. LANGER. I am referring to oil fields where the operators are now taking out oil. Mr. Hallanan said they were getting a million dollars a month in Texas right now from submerged tidal oil lands. Whether it be Alabama, Delaware, West Virginia, or Utah, I cannot see why under the law and the Supreme Court decision they should not be entitled to their share of the oil, whatever it may be.

I had hoped the distinguished Senator from Utah would take the amendment to conference, but he tells me that there may not be a conference, and that therefore he could not take it to conference. I wonder if he could accept it if there is to be a conference.

Mr. THOMAS of Utah. No, there is no way, and if the Senator presses me hard, I shall have to speak against his amendment, and urge the Senate to vote it down.

Mr. LANGER. Will the Senator suggest how it could be amended to accomplish the purpose? As I understand, the Senator from Utah objects to the provision in the amendment which, in lines 5 and 6, on page 1, says "any person." Would he be willing to take the amendment provided it said "officials of any school district"?

Mr. THOMAS of Utah. No, Mr. President, we have provided in the bill the proper appeal to be made to the proper authorities. Any amendment such as the amendment the Senator from North Dakota has offered is an amendment which results in an open invitation for some disgruntled person to make an appeal on practically any subject under the sun, which, of course, would make it possible to throw into litigation—not strictly litigation, but the equivalent of litigation—all the questions which we are trying to avoid. We want State supremacy and State control and we want no hindrance at all from anyone in regard to the way in which the bill is to be administered in the various States. It is because of that fact that it would be impossible to accept the amendment of the Senator from North Dakota. In fact, the amendment is so strong that it would probably interfere with the proper administration of the bill.

What the Senator has been saying about the tidelands oil—oil which belongs to the United States or to the various States, whichever way the case is ultimately determined—the Senator from Utah is in no sense adverse to the royalties from those oil fields being turned over to the schools of our country. But that, of course, is not provided in the bill.

I imagine the Senator from North Dakota is assuming that if, for instance, some person could make complaint about the way in which the bill was administered, he could continuously call attention to the fact that the royalties were not going to the proper place. If that were the only thing that might be done, of course, it would be very limited. But that is not what the amendment would do. The amendment would be an open invitation to what is ordinarily called a trouble maker in the administration of any law.

Mr. LANGER. I should like to ask the Senator a question: Assume there are 500 Mexican children in California who are ignored by the State and not permitted to come into the schools. Will the Senator say what, if anything, could be done about that without the amendment?

Mr. THOMAS of Utah. Very much could be done about it. For instance, if the State of California should not spend $55 per pupil upon a certain group, whether it be Mexican, whether it be Japanese, whether it be of Americans coming from Oklahoma—Okies, or Arkies, as the Californians called them a while back—then, of course, California would not be entitled to her share of the appropriation from the Government.

Mr. LANGER. Who could bring that to the attention of the Commissioner?

Mr. THOMAS of Utah. It would be brought to the attention of the Commissioner because it would be shown by the audit which is to be made every year.

Mr. LANGER. The audit made by the Federal Government?

Mr. THOMAS of Utah. I suppose the audit really and truly would be made by the State government, but it would be reviewed, of course, by the United States Commissioner of Education.

Mr. LANGER. Lines 1 and 2 of my amendment provide that the United States Commissioner of Education shall cause an audit to be made.

Mr. THOMAS of Utah. The Senator will find that audit provisions are contained in the bill and are not inconsistent with the suggestion the Senator has made.

Mr. President, are we ready to vote on the amendment, or does the Senator from North Dakota wish to press his amendment?

Mr. LANGER. I should like to have a vote on my amendment.

Mr. BYRD. Mr. President, I wish to speak briefly in opposition to the pending bill. The pending measure, if enacted, will start a new subsidy to the States. It begins with an annual appropriation of Federal funds of $300,000,000 to public education, but it opens up a Pandora's box of Federal spending, and no one can foresee the end. It will certainly increase year by year, and I predict it will be greater, in time, than the present grand total of all Federal subsidies to the States.

There has never before in our history been a more unpropitious time for the Federal Government to enter a long-range proposition such as is proposed in the pending legislation. Today we

are confronted with the certainty of a deficit in the fiscal years 1949, 1950, and 1951. The aggregate of these deficits may reach a total of at least $10,000,000,000. This will make a crushing increase in taxes inevitable, which may accelerate a recession into a real depression, as it now appears that these new taxation burdens will be placed upon a declining business prosperity. Taxes are burdensome at any time, but, when additional taxes are placed on the business of the country at a time when profits are being reduced, such action may be disastrous.

This is a new program, Mr. President, which we are undertaking at a time when no emergency exists with respect to it, and we are beginning something that will be permanent. I make the prediction that if we start the subsidy to the public schools it will be continued throughout the years and increased from time to time.

Let us remember also that we are making a deficit appropriation. We do not have the money to pay it. The proposed appropriation will increase the expected deficit for the fiscal year beginning July 1, 1949, by 10 percent, by $300,000,000. The distinguished Senator from Georgia [Mr. GEORGE], the chairman of the Finance Committee, and other members of the Finance Committee and members of the Ways and Means Committee of the House about this time next year will be struggling to find the money by imposition of additional taxes to take care of this appropriation, because I predict, and confidently predict, that the deficit for the year beginning July 1, 1949, which is right upon us, will not be less than three and one-half billion dollars. The deficit for the year beginning July 1, 1950, a year from now, will reach about $7,000,000,000. I predict that the deficit for the present year will be about $900,000,000.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ROBERTSON. In connection with the difficulty of the Federal Government in financing enterprises such as defense, which only the Federal Government can handle, and its accumulated debt of approximately $252,000,000,000, does the Senator from Virginia know of any State which is now facing such a financial handicap?

Mr. BYRD. To the contrary, Mr. President, most of the States have surpluses in their treasuries. Most of the States have reduced their indebtedness in the past few years. But the Federal Government has consistently increased its indebtedness.

Mr. President, tomorrow I am going to take the liberty of addressing the Senate at some length with respect to the fiscal condition of the country. I submit that we are in a perilous condition, because we are faced with declining business conditions of the country. I do not think anyone will question that. We are now collecting tax money on the highest level of prosperity this Nation has ever known. I do not think any sensible person can possibly think that this high level of prosperity and employment can continue indefinitely. With some ups and downs when we place taxes on a business whose profits are increasing, it is not so bad, but when we put huge taxes, as we will be forced to do a year from now, on a declining business economy we may easily accelerate, as I have said, a depression into a real disaster, because the business people are not going to be able to stand increased taxation when their profits decline.

Let us never forget, Mr. President, that the strength of America lies in a strong and virile system of free enterprise, which is not possible if taxes are so burdensome as to destroy initiative and the prospect of profits to those from whose business operations the Government obtains its funds to pay its costs.

This is certainly, as I have said, not the time to expend Federal funds in a new field, but we should conserve all our resources to meet the financial strain of the days to come. Particularly is this true at a time when we are assuming new and costly foreign obligations. We are already spending $7,000,000,000 abroad, and we will shortly be asked to arm 11 nations at a cost which no person can predict. It is estimated that the first year that cost will be $1,000,000,000 or $1,200,000,000, but that is just like a fly speck on the wall to what it will be in the future years to come, because these nations have about the same population that we have here, about 140,000,000 people. They are in a much more precarious geographical situation than we are. And to say that $1,000,000,000, plus $4,500,000,000 that these particular nations are now spending, will fortify them in such a way as to make them militarily secure seems to me little short of an absurdity.

I merely call that to the attention of the Senate because the new obligations are coming upon us. There are many Members of the House and of the Senate who believe it is necessary for the military security of this country to arm these foreign nations. That may be so; and it may not be so. Nevertheless, if it is so, then we certainly ought not to enter into a new spending field which will increase year by year in the years to come.

What I want to emphasize especially is that there is no way, regardless of what the pending bill provides, to guarantee that the Congress of the United States in future years will not prescribe the conditions and terms under which this fund can be expended. I want to warn my colleagues from the South especially that if they vote for this legislation no assurance or guaranty can be given to the effect that a future Congress will not attempt to use the instrument of this Federal appropriation as a means to control the operation of the schools in such specific ways as a majority of the Members of the Congress may desire. This control can be exercised by the simple expedient of an amendment to the annual appropriation bill, restricting the method in which the funds herein appropriated can be expended.

It has been said repeatedly on the floor of the Senate that the bill guarantees to the States that there will be no Federal control. As a matter of fact the bill itself sets up a Federal control, because it provides that no State can receive funds from the Federal Treasury unless they are already spending, I think, $55 per pupil. That is a standard. That is a direction from the Federal Government. That sum can be increased year by year. It can be made $100 per pupil consistent with the policy outlined in this very bill. The appropriation can be made upon the basis of what the school teachers are being paid. There are many ways by which the Federal Government can dictate to the States, if the States once accept this subsidy.

Some Members of the Senate who are present will recall that when a similar bill was before us for debate a year ago the Senator from Virginia requested the Presiding Officer to rule on the question whether or not such an amendment could be offered to future appropriation bills, regardless of any previous legislation to the contrary. This ruling was made by the then Presiding Officer, the distinguished Senator from Delaware [Mr. WILLIAMS], after consultation with the Parliamentarian of the Senate, and is found on page 3931 of the CONGRESSIONAL RECORD of April 1, 1948. It reads as follows:

> In the face of a point of order, Congress can only appropriate in an appropriation bill for purposes already authorized by law. The Congress can appropriate for all purposes authorized by law or appropriate for none of the purposes authorized by law. Within those limits, Congress can limit an appropriation. Congress can say that no part of an appropriation shall be expended for a part of the purposes which the law authorized. But a limitation must be absolutely negative. It must be in the nature simply of a veto. It cannot direct an executive officer in the discharge of his duties under existing law. Whenever it does it ceases to be a limitation and becomes legislation in violation of the rule.

That is the rule of the Senate. It will, therefore, be possible to amend any appropriation bill in the future to the effect that no part of the appropriation shall be used in States, for example, which practice segregation of the races in the schools. We could even go so far as to say that no part of the appropriation shall be used in States which use certain textbooks. The appropriation can be limited in any other way, in the discretion of Congress.

Again, Congress can amend this authorization act in any way it pleases in the future. So both by direct action and by the negative action of saying in the appropriation bills what this particular money can be spent for, Congress can exert any power it pleases over future appropriations made for this purpose.

The guarantee written into the bill, which is claimed by the proponents to be a permanent protection against Federal control of the schools, is not worth the paper on which it is written. A year ago, in the debate on this legislation, the Senator from Ohio [Mr. TAFT] admitted this. He said:

> Of course, some future Congress may try to exercise control. Future Congresses can do anything they want to do. They can refuse to stand on the ground on which we now propose to stand.

I point out that the report submitted on October 14, 1943, by the Senator from Ohio [Mr. TAFT], the late Senator Walsh of Massachusetts, former Senator Ball of Minnesota, and the Senator from Nebraska [Mr. WHERRY], in opposition to Federal aid to education, in connection with a similar bill, said this:

It is impossible to give Federal money without controlling to some extent the expenditure of that money and the administration of the schools which spend it. If the amount is increased it is inevitable that Congress and the Federal authorities will insist upon the natural right to state the conditions of administration on which Federal funds are provided. Of course, the report continues, the same thing is true of all Federal-aid programs, but the effect is much worse in the case of education. It is unnecessary to expand on the tremendous dangers of centralized control of education, because the authors of the bill agreed to those dangers when they wrote section 1. Centralized control of education gives a power to the Central Government far beyond that of any other control, as Hitler has illustrated in Germany. It places the whole character and knowledge of the people in the hands of a Federal bureau. That bureau is more than likely to be guided by some small group of men who believe in this method of education or that method of education. It transfers the control from the people of each district to a man or men wholly beyond the control of public opinion. The people don't want it. There is no matter upon which they are more insistent than local control of education. There has been difficulty in centralizing schools even on a township basis, because the people of each district want to run their own schools.

This report was signed by the Senator from Ohio [Mr. TAFT], and was written by him. This is what the Senator from Ohio said when the other bill was before the Senate several years ago. It is just as true today as it was then.

There is not a State in the Union which is unable to educate its own children if it is willing to assess taxes to do so. There is not a State in the Union which is unable to pay the taxes which the governing bodies of those States might assess in order to educate their own children. If the revenues of the State are not sufficient for all purposes, it should economize in other ways, as education is the primary function of any State. Under our system of a confederation of States, the greatest responsibility which rests upon the State is to educate its own children and control the method of their education.

Great increases have been made in appropriations for education. One would think, from listening to some of the statements which have been made, that nothing has been done in that direction. Between 1936 and 1947 State and local support for schools has increased from $1,656,000,000 to $3,124,000,000. The amount has doubled. This does not include increases in the year 1948 in a great number of States, counties, and cities. So far as I can observe, the greatest increase in appropriations for schools in any year was in 1948, and the figures which I have cited do not include that year.

The pending bill would give Federal aid to schools in States which do not need it. Only yesterday the Senate defeated the Tydings amendment by a large majority, thus giving Federal aid to States which do not need it. That answers the statement made by the proponents of this legislation that all they are doing is trying to prevent illiteracy. If a State is able to educate its children to prevent illiteracy, there is no justification whatever for the Federal Government giving to that State money out of the Federal Treasury and then collecting it back from the States in the form of taxation.

We hear it said from time to time that we must give grants to the States. Many people have been educated to believe that a grant from Washington is a gift. The distinguished Presiding Officer [Mr. HOEY], who has been a great Governor of a great State, knows that every dollar that comes to Washington must be collected from the people of the States in the form of taxation. There is no validity in the contention that States can obtain a grant from the Federal Government and not pay it back.

What happens? We send our money to Washington. We create a vast bureaucracy which is increasing its power day by day over the daily actions of the people. That bureaucracy takes its toll, which is 10 or 20 percent. It is difficult to estimate the cost of bureaus in handling funds which come from the States. Then the money is sent back to us in the States and we are told how to spend the money.

There is not a single appropriation that is made by the Federal Government for the States with respect to which standards under which the money may be spent are not established. We talk about other appropriations for education. They are minor compared to this program. I think there is an appropriation of $5,000,000 for the land-grant colleges, and about $26,000,000 a year for vocational training. But here we are giving the States $300,000,000. It is certainly reasonable to think that in years to come the Federal Congress, which gives this money to the States, will sooner or later say how the money is to be spent.

The distinguished occupant of the chair and the distinguished Senator from Maryland [Mr. O'CONOR], who was then governor, know that even in connection with the question of roads, the Federal Government establishes certain standards. At one time the standards were so restricted and so difficult to meet that when I became Governor of Virginia in 1926 I had difficulty in obtaining Federal funds from Washington, to which we were entitled, because of the very high standard which the Federal Department of Roads maintained at that time. I am not challenging it. I think perhaps that department has been as well managed as any other. But the fact remains that during that particular period, before we were entering into the construction of costly roads, there was a time when it was difficult for the States to match by 50 percent the Federal contribution by reason of the high standard established by the Federal Government.

So when we say that this is a gift, we are mistaken. It is not a gift, because we pay it back. It is said that there are to be no restrictions, and that no strings are to be attached to the grants. I have heard that expression a hundred times on the floor of the Senate. That is not correct. As I have pointed out, the bill itself contains restrictions, because a State cannot receive aid except under certain conditions.

Mr. President, as I have said, this bill, if passed, will take the Federal Government into a new venture in the field of appropriations. No one can foretell the end of that venture, once it is started.

I wish to say that one of the most serious things we are doing in many instances in the field of appropriations is to make long-range, permanent appropriations which cannot be changed, no matter what the situation of the Government may be in the years to come.

Mr. ROBERTSON. Mr. President, will the Senator yield at this point?

The PRESIDING OFFICER. Does the Senator from Virginia yield to his colleague?

Mr. BYRD. I yield.

Mr. ROBERTSON. Of course, the Senator recalls the fight that Thomas Jefferson made in Virginia for public education, and the fact that, although he failed to get public schools established, he did bring about the establishment of the University of Virginia, which he called the capstone of the educational system which he wished to have inaugurated; and the founding of that university was one of the three things he wished to have noted on his tombstone as an achievement of which he was distinctly proud.

Does the Senator know of anything in the writings of Thomas Jefferson or in the writings of any of the founding fathers that would show that they even remotely looked upon public education as being a proper function of the Federal Government?

Mr. BYRD. Mr. President, I do not have the quotations here, but I know that Thomas Jefferson said time and time again that public education was a function of the localities. He did not even regard it as a State function.

Let me continue for a moment to speak about the long-range appropriations the Federal Government is making. It seems to me that any appropriation that is made to the States, as State aid, and with the money thus provided being incorporated into the income of the States, should be regarded as a long-range appropriation, because it will never be changed. We will not give it to the States one year and take it away from them the next year, for to do so would be to disrupt the budgets of the States. To the contrary, the appropriations thus made would be increased.

For instance, we have begun a housing program, calling for an appropriation of $200,000,000 for this year. However, Mr. President, the ultimate cost of that program may be as much as $500,000,000 a year. That program may cost us as much as $20,000,000,000 over a period of 40 years. Yet when the Senators voted for that bill, it provided for a commitment of only $200,000,000 for 1 year.

Mr. President, a number of the Members of the Senate have been the Governors of their States. For instance, I might refer to the Senator from West

Virginia [Mr. NEELY] and to other Senators. They know that such permanent appropriations will be terribly burdensome when times of adversity come—and they will come. We will not stay on a high level of prosperity always, Mr. President, for history does not record that a nation has ever continued on a high level of prosperity for a continuous period. There are dips and there are valleys in the prosperity graph; and when such times come, these permanent appropriations cannot be changed. For instance, the interest on the public debt is a fixed charge. That interest is increasing all the time. Some slight payments on the public debt have been made from surpluses, but not from taxes or as a result of economies. We have a permanent long-range appropriation for the veterans which will amount to perhaps six billion or seven billion dollars, and that program is one we will have to maintain, because it is for the benefit of those who risked their lives and perhaps were maimed or injured in the service of their country.

Mr. President, some of our people talk about the prosperity we have now. There is a prosperity on the surface; but a 10 percent decline in the national prosperity of the United States would mean a $5,000,000,000 loss to the Federal Treasury. If we go back to where we were 18 months ago, we shall lose $5,000,000,000 of Federal Government tax income that we are receiving now, because the experts tell us that for every $4 of national income lost—and national income is the aggregate of the incomes of the 142,000,000 American people—the Federal Treasury loses $1 in tax revenues. So, Mr. President, instead of our being on a permanent long-range basis of prosperity, as many of our people think we are, we are actually living on a very shallow basis. We are living in a glass house, which may crack at any time because of a recession in business.

As I have said before, Mr. President, this is not the time to undertake a new burden like the one proposed by the pending measure. Our Federal debt is $252,000,000,000. The debts of the States are only $18,000,000,000. The Federal Government is faced with constantly increasing expenditures in the fields reserved entirely for Federal spending. The Federal Government has the sole responsibility for the defense of this country; and in that connection we shall spend, a year from now, $16,000,000,000. When I first came to the Senate, 16 years ago, the Federal Government was spending $500,000,000 for national defense, and the year before the war we were spending something more than $1,000,000,000 for national defense. Yet a year from now we shall be spending $16,000,000,000 for national defense, with no prospect whatever, so far as I can see, of a reduction in that expenditure for some time to come, except by way of economies, which I think can be effected, but not to the extent of making large reductions in expenditures. Of course the Federal Government assumes sole responsibility for the foreign aid which has increased so enormously.

The Federal Government is faced with constantly increasing expenditures, as I have said, in the fields reserved entirely for Federal spending. All the State budgets are in balance. I challenge any Senator to point to a single State which has a prospective deficit such as the Federal Government has. Today the budget of the Federal Government is out of balance. Nine hundred million dollars will be the deficit for this year at the lowest estimate. Yet there is not a single State of the Union that is facing the crisis of a deficit. To the contrary, most of the States have comfortable surpluses.

I shall not take the time of the Senate—although I did so a year ago—to read a statement of the surpluses which the States have, but there is not a single State which is without a sizable surplus. The Senator from Ohio [Mr. TAFT] said the other day that Mississippi and Arkansas—I have not heard the Senators from those States say this—cannot educate their own children. I have heard some other Senators make that statement. It is obvious that the States should use their surpluses to educate their children before they call upon the Federal Government for assistance in that connection.

Mr. President, at a meeting in Chicago which I attended as a representative of the Senate Finance Committee, to meet a similar committee representing the Governors Conference which was presided over by the distinguished Senator from Wyoming [Mr. HUNT], then the Governor of his State, a resolution was unanimously adopted by the Governors present. They recognized the evils of these constantly increasing grants from the Federal Government to the States, and that Conference of Governors, representing all the governors of the United States, adopted the following resolution, last September:

> Our States and our citizens must cease relying upon the Federal Government to do those things which they may do for themselves as well as or better than the Federal Government.

That resolution was adopted by the Governors' Conference.

The distinguished Senator from Pennsylvania [Mr. MARTIN] was with me at that time. Former Senator Hawkes of New Jersey was also there, and Mr. Knutson, then chairman of the House Ways and Means Committee, was there. That was the consensus of opinion of that meeting of the Governors—in other words, that there should not be any further expansion of Federal Government grants-in-aid to the States.

Mr. President, the Federal Government is already giving more than $2,000,000,000 to the States. In one form or another, the Federal Government is advancing to the States, now, approximately $2,225,000,000. I think the time has come for us to make a survey of the situation and see who is in a better financial condition to do these things—whether the Federal Government, which has to make such enormous expenditures in maintaining the armed services and maintaining our defense, and is contributing huge amounts to foreign aid, should finance the other programs now being discussed, or whether that should be done by the States and localities themselves. We could thereby greatly reduce our Federal bureaucracy.

Mr. President, as I have said, I have served as governor of my State and also as a Senator representing my State in the Senate of the United States. I do not think there is a State in the Union as inefficient and incompetent as is the United States Government, taking it as a whole. The Federal Government now has 1,192 bureaus which have been built up in the last two years, and it has 2,100,000 employees; and the number of Federal Government employees is increasing at the rate of 300 a day. No one can account for that; no one can say why 300 people a day are added to the Federal pay roll. Yet today—and the same situation has been true during the past 12 months—there is not a day, on the average, when 300 employees, in addition to those who may have been dismissed, have not been added to the Federal pay roll, at a cost of approximately $3,100 or $3,200 each. There is no prospect that I can see, Mr. President, of reducing that. We have tried it. The Congress fixed a ceiling. The distinguished Senator from North Dakota [Mr. LANGER] and myself were patrons of a bill which passed, requiring a ceiling to be placed on the different departments. Apparently it does not work.

Mark this: We have more than twice as many Federal employees as we had at the time of the attack on Pearl Harbor. Why should we have twice as many Federal employees as we had in 1941?

I shall conclude by reading very briefly from a report made by my distinguished colleague, the Senator from Ohio [Mr. TAFT]. I am reading it, not to embarrass the Senator, who has since changed his mind, because I have the highest admiration for him. I am reading it because it states in language I have never seen equaled the opposition, the proper and just and right opposition to this legislation. The Senator from Ohio submitted minority views on a bill which was introduced some years ago, a bill which was practically the same as the one now pending. He submitted the minority views for himself, for Senator Walsh, for Senator Ball, and for the Senator from Nebraska [Mr. WHERRY], in connection with Senate bill 637, which was then pending. I merely want to read some extracts from the minority views, because what was said by the Senator from Ohio at that time is just as true now as it was when he said it, and I predict it will be just as true in years to come. He said:

> Taking both parts of this bill together, it is a proposal to establish a Federal subsidy for common-school and high-school education, a function of the State governments and local governments for the last 150 years. There can be no doubt that common-school and high-school education is the obligation of the States and their local subdivisions under our constitutional system and that it is not an obligation of the Federal Government. There is nothing whatever in the Constitution which delegates to the Federal Government power to deal with questions of education. All authority for a Federal subsidy of education must be based upon the spending power, which is sufficiently broad to give a legal basis for the current bill, as for other subsidies to local government.

However, Federal subsidies to the States for matters which are clearly not within the jurisdiction of the Federal Government are certainly only justified on the ground that the States are unable to finance adequately the activities which are constitutionally assigned to them. It is undoubtedly true that the taxing powers of the States are somewhat limited, and that under some conditions the Federal Government may be in a better position to raise money where it should be raised than the States themselves. It was on this ground that the Federal Government went so extensively into the financing of relief in the great emergency of 1932. Here was a tremendous new expenditure for which no provision was made in the State systems of finance, calling for a very large sum which the States were wholly unable to raise. But as the emergency declined, the Federal Government has gradually withdrawn its aid, and relief today is again administered by the States.

The same conditions do not at all apply to education.

Said the Senator from Ohio [Mr. TAFT]:

The States have always financed education. In nearly every State it has been given a prior consideration in dividing the funds which are available. One-third of all State and local taxes are spent for education. If the States and localities can't finance education, they can't finance any State or local activities.

I agree with the Senator from Ohio in that statement. I repeat it: If the States and localities cannot finance education, they cannot finance any State or local activities.

He continued:

In many other States, school boards are independent of cities, towns, and counties, and answerable directly to the people. In Ohio and elsewhere the people of each community are authorized to vote additional tax levies on themselves for schools if they feel that more money is needed for good educational facilities. There is complete home rule in the field of education, and that is what the people want. A curious result of this bill would be to grant additional money to many public schools in such a State as Ohio, when often the people of the community have decided that the schools don't need any more money and have refused to vote extra levies for that purpose.

I shall not read it all. I shall not take the time of the Senate to do so, but it would be very enlightening to all Senators interested in the pending bill to read that report. It is a magnificent report in its denunciation and disapproval of what we are about to do. I recognize that my effort here this afternoon is only a forlorn hope. There is no chance of changing any votes. The bill is going to be passed by a large majority, and then, next year, a request for an increase may be passed by an even greater majority. I am only speaking today, Mr. President, in order to make my position clear and keep my record straight.

The Senator from Ohio continued:

The adoption of the present bill would undoubtedly embark the Federal Government in a gradually increasing expenditure from which it would never be relieved. If we once pay from $200 to $300 of the salary of every school teacher in the country, how can we possibly ever withdraw that support? Even if the States become richer, they will never be willing to take over this burden. Having yielded once to a very strong pressure, there will be no way in which to prevent a further yielding.

"The desires of the educators are almost without limit. The whole question of Federal aid to education is discussed in the report of the National Resources Planning Board for 1943, on page 68. That report takes the position that the Nation is now spending less than 50 percent of the amount needed to provide a justifiable minimum educational program. Current expenditures and capital outlay for education in the United States are shown to be approximately $3,200,000,000."

The "justifiable minimum annual expenditures in the postwar period"—

Said the Senator from Ohio in the report—

are said to be $7,385,000,000.

Just one more quotation, Mr. President, and I am through.

The Senator from Ohio said:

There is an even more important question. Can Federal subsidies to the public-school system be maintained without ultimately bringing about a nationalization of our educational facilities and federalized bureaucratic control? This is an eventuality which the proponents of the present bill insist is not intended and which they maintain can be avoided. They contend that by the provisions of section 1 the danger is removed. We seriously question this conclusion. We believe that in the complexity of reports, of plans, of State legislation to conform to Federal policies, of counsel and advice and joint participation of the Federal Government and the States, and all of the other manifold details of the operation of the contemplated program of Federal subsidies, our public-school systems would be gradually—

Mark this—

but no less inevitably, drawn more and more under the thumb of a Federal bureaucracy.

The Senator from Ohio, when he wrote that report, said words that will last through the ages. The Senate, I predict, will regret the time it passed the first appropriation, a subsidy for schools, when it is seen, as the years go on, that the Federal Government, through its bureaus, will send out its long arm, which it always has when it gives money to the States, and dictate the method and ways in which the States shall spend the money. The Senator from Ohio continued:

We have pointed out that the ultimate plans call for the Federal Government assuming perhaps half the cost of education.

That is the plan the Senator from Ohio says the National Education Association has.

Our experience with the social-security laws and many others lead to the definite conclusion that Federal subsidy in the end means Federal control. Those who put up the money and have the power to refuse it dictate the policies of the local officials. Federal bureaucrats travel the country, checking up on the expenditures and the policies of every school board and other local officials.

Now, just the concluding paragraph of the report by the Senator from Ohio [Mr. TAFT], and I close. He said:

We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare, they thereby become the proper concern and implied responsibility of the National Government.

Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain. They have on the whole been well managed and generously supported. We have today too much centralization of control over the affairs of our citizens in a Federal bureaucracy. We should not add to it by this new excursion into the field of education.

I submit, Mr. President, that this is the most powerful argument that has been uttered by anyone in this debate in opposition to the very action we are about to take.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. NEELY. Mr. President, with undivided attention, I have listened to the carefully prepared address of the distinguished Senator from Virginia [Mr. BYRD] in which, he has, with his usual vigor, voiced his opposition to Senate bill 246—the object of which is to provide the States $300,000,000 a year with which to increase and improve the educational service of their elementary and secondary schools.

The distinguished Senator referred to the fact that he was formerly the Governor of Virginia. He thus reminded me of another governor of that great State, namely, Gov. William Berkeley who, in the year 1671, made an official report of the conditions in Virginia to the British Commissioners of Colonies. That report is one of the unforgettable minor documents of American history. It contains a discussion of many matters, including religion, free schools, education, and printing. Governor Berkeley said, among other things:

Our ministers are well paid, and by my consent should be better if they would pray oftener and preach less.

That observation is not important in this debate. But hear what this eccentric governor said on the subject of free schools, learning, and printing:

I thank God there are no free schools, nor printing, and I hope we shall not have these hundred years; for learning has brought disobedience and heresy and sects into the world, and printing has divulged them, and libels against the best government. God keep from both.

That was a Virginia governor's evaluation of education, learning, and printing presses 278 years ago.

Upon the question whether the people of Virginia now share Governor Berkeley's opinion, I would not be a qualified witness, and consequently I refrain from speaking on this point. But, in my judgment, a vast majority of the people of the United States reject every word, syllable, and letter of the philosophy expressed by Berkeley, and wholeheartedly favor the Federal-aid-to-education proposal now before us.

The bill demonstrates a degree of Democratic and Republican, progressive and conservative cooperative statesmanship in this body that has seldom been equaled and probably never surpassed. The author of the measure is the eminent Senator from Utah [Mr. THOMAS]. But 14 others, representing almost every shade of political, economic and social

opinion in the Senate, joined the Senator from Utah as sponsors of this great instrumentality of education benefits. The names of the cosponsors are, in their alphabetical order, as follows: Senators AIKEN, CHAVEZ, ELLENDER, HILL, IVES, LONG, MCGRATH, MORSE, MURRAY, NEELY, PEPPER, SMITH of New Jersey, TAFT, and TOBEY.

Those who do the Senate the injustice of charging that its Members are constantly at war among themselves over their conflicting interests and beliefs should not fail to realize that the pending measure is an imperishable testimonial to the fact that on the important question of education there are cooperation, peace and progress in this great legislative body.

In every State that accepts the benefits of the proposed law, every boy and girl between the ages of 5 and 17 years—regardless of race or color or creed—will have at least $55 a year beneficently expended for the purpose of providing him or her an elementary or a secondary education.

The bill, if enacted, will mean that in every illiterate community in the country ignorance will cease to be bliss, learning will advance, the general welfare will be promoted, health will be improved, happiness will be increased and the Nation as a whole will be greatly enriched and blessed.

The Senator from Virginia referred to the necessity of maintaining a thrifty free economy in order to preserve the strength of the Nation. In this opinion I fully concur. But there is something else that is also indispensable to our national strength in peace as well as in war—and that is education. The great statesman, Edmund Burke, said: "Education is the cheap defense of nations." This, I conceive to be another way of saying that education is worth more than it costs.

Aristotle, one of the wisest of all philosophers, said:

> Education is an ornament in prosperity and a refuge in adversity.
>
> The educated are as superior to the uneducated as the living are to the dead.

The outstanding educator, Horace Mann, declared:

> The free school is the greatest discovery ever made by man.
>
> Education is our only political safety. Outside of this ark all is deluge.

And is education necessary to national defense? A celebrated French statesman attributed Germany's victory in the Franco-Prussian War to the superiority of Germany's educational system over that of France.

During the Second World War more than 676,000 of our youth who were called to the colors proved to be educationally deficient for selective service.

In a universal struggle for existence, no illiterate nation would have a shadow of a chance to survive. The American people must lead the educational procession, or lose their leadership in world affairs.

The Senator from Virginia said, in effect, that there is no emergency to justify the Federal Government in spending $300,000,000 a year for educational purposes. My answer to this observation is that there are more than 2,000,000 children of school age in the United States today who are destitute of any sort of education. There are approximately 2,000,000 other children of school age whose scanty educational opportunities are as inadequate as the fantastic method of teaching mathematics which Gulliver, on his visit to Laputa, found in operation in that imaginary land. It was as follows:

The proposition under consideration and its demonstration were written on a wafer with ink which contained a cephalic tincture. The pupil was required to swallow the wafer upon a fasting stomach and, for 3 days following, eat nothing but bread and drink nothing but water. As the wafer digested, the tincture circulated to the brain, carrying both the proposition and the solution with it.

But, as Gulliver mournfully complains, this method proved to be unsatisfactory because the children would run away from school and, in violation of instructions, eat to the satisfaction of their hunger before the digestion of the wafer had been completed, and thus entirely defeat the educational undertaking.

Under the operation of the proposed law, the 2,000,000 children who are without any educational opportunities and the other 2,000,000, whose educational opportunities are inadequate, would all be rescued from the flood of ignorance in which they are now perishing and taken into the commodious education ark of safety spoken of by Professor Mann.

The passage of the bill would mark the most momentous, praiseworthy action ever taken by a legislative body in the Western Hemisphere in favor of free education. The event should be commemorated in every State in the Union with storied urns or animated busts, or other appropriate monuments of undying gratitude.

Let us, by a decisive vote, account not to Governor Berkeley and his heartless philosophy, but to Aristotle, Edmund Burke, Horace Mann and the wise counsel they bequeathed us. Let us, unhesitatingly improve the present golden opportunity to save millions of American boys and girls from ignorance, despair, and ruin, and thus demonstrate our adherence to the sublime principle embodied in the Master's admonition:

> Suffer little children to come unto Me, and forbid them not: for of such is the kingdom of God.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. DONNELL. Mr. President, the pending question is still the amendment offered by the Senator from North Dakota, is it not?

The PRESIDING OFFICER. It is.

Mr. DONNELL. The Senator from North Dakota came by my desk, I should say possibly a half hour ago, and said he would be out of the Chamber for about an hour. I have an amendment I desire to present. I realize that the amendment of the Senator from North Dakota is pending at this time, and I would rather not talk on my amendment while his is pending. I am rather fearful that his amendment is going to be protected, and not voted on until his return, and I was contemplating, after other Senators speak, if they desire to speak, to move to lay aside temporarily the amendment of the Senator from North Dakota so that my amendment might be the order of business. I desire to give notice to that effect, so that the Senate may be so advised.

Mr. WHERRY. Mr. President, will not the Senator withhold his suggestion until those who desire to speak on the pending amendment may do so? We will see whether the Senator from North Dakota may not then be present on the floor of the Senate.

Mr. DONNELL. I shall be very happy to comply with the suggestion.

Mr. KILGORE. Mr. President, since the report of the Committee on Labor and Public Welfare bringing to the floor of the Senate the pending bill, my office has been in receipt of very heavy correspondence from my State, representing people in all walks of life, representing organizations of all kinds, supporting and urging the passage of the bill as reported to the Senate by the committee. The correspondence does not come from what might be called an educational lobby seeking money in the way of pay for teachers. It does not consist of petitions, but of personal letters, from bankers, from newspaper editors, from farmers, from merchants, from heads of civic clubs, practically without exception urging the passage of the bill in its original form.

Mr. President, we face a peculiar situation in the United States. We face an inequity of distribution of actual earnings. Many of the States—and my State is one of them, as are most of the Southern States—depend for income, largely upon the production of raw material and the major portion of such industries as are located within their borders is held by people outside the State, sometimes even people outside the United States. These States suffer from this inequitable distribution of income, and statistics show that the States which pay the lowest amount per pupil for the education of their children almost without exception pay most of the income of the State, percentagewise, for education. That is due to the fact that the major income in those States is by way of wages and salaries. On the other hand, other States pay much less than their per capita income for schools, yet are able to pay much more per pupil to educate their children.

I think the pending bill is aimed at a more equitable distribution of what I like to call fugitive income, and when I hear the representatives of some States speaking about the amount of Federal income tax paid from their States, I could go into the corporate index of my own State and show that a sizable proportion of the income tax paid there was earned from products originating in the State of West Virginia on which not one cent of the tax has ever come to help the school children of West Virginia.

I have sorted out the letters to which I have referred, and I intend to ask unanimous consent to have a few of them printed as a part of my remarks in the body of the RECORD. The first one, for instance, happens to come from a teachers' association, from the president of the West Virginia State Teachers' Association, endorsing the bill.

Another comes from a junior high school in my State, the principal of the high school endorsing the bill.

Another is from a taxpayer of the State at White Sulphur Springs.

Another is from the business manager of the Glenville Democrat, of Glenville, W. Va., endorsing the bill.

I have a letter from a mother in one of our communities endorsing the bill.

Another letter is from a rural section, from a farmer, urging the passage of the bill in order that his children may receive better schooling.

Another is from a businessman in the city of Fairmont, from which city my distinguished colleague, the junior Senator from West Virginia, comes, endorsing the bill.

Another is from a taxpayer and a worker in Weston, W. Va.

Another is from the assistant cashier of the Home National Bank of Sutton, W. Va.

One is from the principal of a grade school, who knows the problem of getting and paying teachers and keeping his school going.

One is from a stock raiser in my State.

Another is from the mayor of one of our municipalities.

Another is a letter from the Lions' Club of West Union, one of our communities.

Mr. President, I ask unanimous consent that these letters be printed as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WEST VIRGINIA STATE
TEACHERS' ASSOCIATION,
Logan, W. Va., February 28, 1949.

Hon. HARLEY M. KILGORE,
United States Senate,
Capitol Building,
Washington, D. C.

DEAR SENATOR KILGORE: The last world conflict probably proved beyond a doubt that the schools of our Nation were very short on personnel, facilities, and everything else needed to educate the majority of our citizens. We want to improve this condition, that should have never existed in a Nation as great as ours.

So at this time we are requesting your support and influence toward an early enactment of Senate bill 246, Federal aid to education.

I am quite sure the parents, teachers, and citizens in general will be very grateful for your consideration of this bill.

Very sincerely,
KNUTE W. BURROUGHS,
President.

BARNES JUNIOR HIGH SCHOOL,
Fairmont, W. Va., April 20, 1949.

Hon. HARLEY M. KILGORE,
Senator from West Virginia,
Washington, D. C.

MY DEAR MR. KILGORE: You have been honored and respected by the people of this community for your stand on many issues which have been dear to the hearts of the common man. I honestly believe that you have touched a tender spot in their affections in your support of Federal aid to education. You will not soon be forgotten for your stand on this most important piece of legislation, now before the American people.

Sincerely yours,
F. WALTER COX,
Principal.

WHITE SULPHUR SPRINGS, W. VA.,
April 26, 1949.

Senator HARLEY M. KILGORE,
Senate Office Building,
Washington 25, D. C.

DEAR SENATOR KILGORE: As a supporter of you and the Democratic Party since I became of age, I am writing to you to urge your unlimited support of Senate bill S. 246, covering Federal aid to education.

As a teacher in the elementary schools of Greenbrier County for the past 14 years, I am well aware of the shortcomings of our present educational system which have been fostered by a shortage of funds. I am acquainted with teachers who are only high-school graduates, with those who are seeking any kind of means to escape the profession, with those who lurch through a school year with a total lack of pupil interest, and it's easy to understand when I find that my yearly salary of $1,900 must compete in the markets with the common laborer earning $2,400–$2,500 in this little community, this despite the fact that he has made no preparation for his tasks. I am denied the benefits of social security. My only light is the meager pension which I may gain after half a lifetime of bare existence.

Can a system like this promote the urge in teachers to impart the necessary instructions to the pupils who are the real sufferers. Again I urge your support of S. 246.

Sincerely yours,
CAMILLA SNEDEGAR.

THE GLENVILLE DEMOCRAT,
Glenville, W. Va., April 22, 1949.

The Honorable HARLEY M. KILGORE,
Member, United States Senate,
Washington, D. C.

MY DEAR MR. KILGORE: I note with pleasure your interest in and sentiment for passage of bill S. 246, Federal aid to education.

From a layman's viewpoint, it would seem that your view on the matter is exactly right; I congratulate you and hope that you will continue to do all within your power to see that this bill gets the approval of your fellow colleagues.

Our schools need Federal aid, and it seems that the measure proposed is perhaps the most equitable means of helping all parties concerned. Only through this means will we ever be able to put on the type of building and rebuilding program so urgently needed here in our own county of Gilmer.

Again, thanks for your interest in behalf of the schools, and best wishes for a long, enjoyable stay as one of our Senators in our Nation's Capital.

Very truly yours,
LINN B. HICKMAN,
Associate Editor and Business Manager.

PRINCETON, W. VA., *April 26, 1949.*

Mr. HARLEY M. KILGORE,
United States Senator,
Washington, D. C.

DEAR SIR: I am writing on behalf of the Federal-aid-to-education bill which is to come before the Senate within the next few days. I want you to support the bill and do everything in your power to get it to pass. The schools in West Virginia, and teachers also, are in need of aid to meet the standards of living today. We are now living on a bare existence salary for 9 months. The other 3 we are not meeting expenses. The Senators from West Virginia supported the bill in the last Congress, and I hope they will do so again this time.

We teachers are counting on you to help us get a better standard of living.

Yours truly,
MRS. LENA PETTREY.

ROANOKE, W. VA., *April 19, 1949.*

DEAR SENATOR: I want to congratulate you on your interest in the Federal-aid-to-education bill. I, too, think it is a good bill and should be passed without doubt.

I have been a small local farmer for the past 40 years in West Virginia. I have seen much advancement in education, but not nearly enough. In many ways boys and girls of West Virginia have a hard time competing with boys and girls from other States which offer a higher standard of education.

With Federal aid all States will be equal in opportunity for an education, which will be a great thing for the United States. Residents of one State will not be looked down upon by another State, as they have formerly been.

I urge you to do all you can to speed up the passage of this bill.

Thank you.

Sincerely yours,
G. E. HAWKINS.

FAIRMONT, W. VA., *April 21, 1949.*

Hon. HARLEY M. KILGORE,
Senator from West Virginia,
Washington, D. C.

DEAR SIR: As a parent of children in Barnes School, Fairmont, W. Va.; wife of a teacher at Fairmont Senior High School, and member of the Bellview Community Club (combined PTA and civic organization), I wish to thank you and Mr. NEELY for your good work in helping to get the bill for Federal aid to education out of committee and ready for presentation before the Senate.

I hope you can successfully use the influence of your office to bring the bill to a quick and favorable vote.

We people of this community realize that it is not only in our own community school that these funds are needed but all over the Nation. But in our own school (Barnes) the plaster is falling off the walls and ceilings endangering the lives of many children.

So, first of all, for safety measures, we hope Federal aid will be forthcoming since our local boards are unable to raise enough money to take care of all the needs.

Yours truly,
GLADYS M. WHITE
(Mrs. R. Ryland White).

WESTON, W. VA., *April 22, 1949.*

Hon. HARLEY M. KILGORE,
Senate Office Building,
Washington, D. C.

DEAR MR. KILGORE: I wish to thank you for supporting the Federal-aid-to-education bill.

I am a farmer. I have 12 children, 8 of whom have already completed their education and 4 still in school. I would like for my children still in school to receive the special privilege and opportunities which myself and my older children were deprived of.

Please use your influence to bring this bill before the floor of the Senate.

Yours very truly,
ELDON BRIGHT.

THE HOME NATIONAL BANK,
Sutton, W. Va., April 22, 1949.

Hon. HARLEY M. KILGORE,
Senate of the United States,
Washington, D. C.

DEAR SIR: We here have received some indications that the Federal-aid-to-education bill may meet with some strong opposition when brought before the Senate for a vote.

While we fully realize your stand is favorable toward the bill it is somewhat of a worry to think that our children are to be left out of necessary building facilities and equipment because of a lack of money. We have moved to a state of mind in recent years that if the need is great enough there is always some way of securing funds to put a movement over the top. Certainly this is a case where the need is great.

We join with you in hoping that this bill will pass. If there is anything we can do to forward its passage call on us.

Sincerely,

M. B. JAMES.

SUTTON GRADED SCHOOL,
Sutton, W. Va., April 19, 1949.

Senator HARLEY M. KILGORE,
Senate of the United States,
Washington, D. C.

DEAR SENATOR KILGORE: We are certainly pleased to note that you are favorably inclined toward the passage of the Federal education bill (S. 246). You realize along with us the urgent need for additional funds to operate our schools at top efficiency.

I only wish it was possible in some way for the teaching group to bring to the public the ill effects of our crowded classroom conditions, our out-of-date buildings, and our below normal certified teaching group. All these conditions will be somewhat alleviated by the additional funds made possible through Federal aid to education.

Accept our thanks for your work in getting this bill through. We do feel it will go through when brought to that stage in the legislation program.

Sincerely,

ERNIE W. HARRIS,
Principal.

WESTON, W. VA., *April 21, 1949.*

Senator HARLEY M. KILGORE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: As a citizen of West Virginia I wish to express my appreciation for your loyalty and interest in the education of the youth of our State and I urge you to use your influence to have bill (S. 246) put on the calendar and passed by the Senate as soon as possible.

I am interested in raising the standards of education in West Virginia so that our young people will have a better chance of competing with others.

Yours for better education,

AUBREY W. JACKSON,
Farmer.

MUNICIPALITY OF MOOREFIELD, W. VA.,
April 21, 1949.

Senator HARLEY M. KILGORE,
Washington, D. C.

DEAR SENATOR: I am writing to thank you for your interest in Federal aid to education, and especially for your interest in S. 246, and to urge you to support this bill when it comes up for debate and vote.

I believe nothing the Eighty-first Congress can do will be of greater moment than passage of the Federal-aid-to-education bill. I need not state the reasons to you because you are more familiar with them than I am. But I wanted to express to you my great interest in this legislation and ask your continued support of it.

Sincerely yours,

P. W. CLARKE, *Mayor.*

LIONS CLUB OF WEST UNION, W. VA.,
April 29, 1949.

Hon. HARLEY M. KILGORE,
United States Senator, Senate
Office Building, Washington, D. C.

DEAR SENATOR KILGORE: The regular meeting of the Lions Club of West Union, W. Va., was held at West Union April 26, 1949. At this meeting it was unanimously agreed to inform you of our support of the Federal-aid-to-education bill as it is now written.

Respectfully yours,

R. C. HUDKINS,
President.

Mr. KILGORE. Mr. President, in voting on this bill I urge that none of us think of it as a charitable gesture to improvident States, but as a means of more equitably redistributing the money earned in those States but credited to the incomes of other and more fortunate States.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. DONNELL. Mr. President, I wish to address an inquiry to the minority leader, if I may do so without impropriety.

The PRESIDING OFFICER. The Senator may do so.

Mr. DONNELL. Is it the opinion of the Senator from Nebraska that the Senator from North Dakota would have any objection to his amendment being voted upon now?

Mr. WHERRY. In response to the question asked by the Senator from Missouri I will say that I have just spoken with the Senator from North Dakota, who is detaincd from the Senate on official business. He said it would be perfectly agreeable to him if the Senate were to vote on his amendment. He thought his amendment such a good one that it would be adopted unanimously, even though he were not present. I suggest that the question on the amendment be put, so Members of the Senate can do as they please respecting a unanimous vote for his amendment, as hoped for by the Senator from North Dakota.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

The amendment was rejected.

Mr. DONNELL. Mr. President, I now call up the amendment which I caused to be placed on the table on May 2, and ask if the Chair will be kind enough to have the clerk read it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, line 4, it is proposed to amend section 6 by inserting the word "public" between the words "for" and "elementary."

Mr. WHERRY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum? The amendment offered by the Senator from Missouri is a very important one, and before he begins discussing it, I should like to suggest the absence of a quorum, if he will yield to me for that purpose.

Mr. DONNELL. I yield to the Senator from Nebraska for that purpose, with the understanding that I do not lose the floor.

The PRESIDING OFFICER. With that understanding, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Johnson, Colo.	Myers
Baldwin	Johnson, Tex.	Neely
Brewster	Johnston, S. C.	O'Conor
Bridges	Kefauver	O'Mahoney
Byrd	Kilgore	Reed
Chapman	Knowland	Robertson
Cordon	Langer	Russell
Donnell	Long	Saltonstall
Ellender	McCarthy	Schoeppel
Ferguson	McClellan	Smith, Maine
Flanders	McFarland	Sparkman
George	McGrath	Taft
Gillette	McKellar	Taylor
Gurney	McMahon	Thomas, Utah
Hendrickson	Magnuson	Thye
Hill	Martin	Tydings
Hoey	Miller	Wherry
Humphrey	Morse	Wiley
Hunt	Mundt	Young
Ives	Murray	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

Mr. BALDWIN. Mr. President, will the Senator from Missouri yield to me for a unanimous-consent request?

Mr. DONNELL. I yield if I may do so without losing my position on the floor.

The PRESIDING OFFICER. Without objection, the Senator from Missouri may yield for that purpose.

Mr. BALDWIN. Mr. President, I ask unanimous consent that it may appear of record that the subcommittee of the Armed Services Committee investigating the Malmedy matter is holding a hearing this afternoon; that the Senator from Wyoming [Mr. HUNT], the Senator from Wisconsin [Mr. MCCARTHY], and the junior Senator from Connecticut are engaged in that hearing; and that we have unanimous consent of the Senate to do so.

The PRESIDING OFFICER. The RECORD will so indicate.

Mr. DONNELL. Mr. President, may I have the privilege of having my amendment again stated by the clerk?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, line 4, it is proposed to amend section 6 by inserting the word "public" between the words "for" and "elementary."

Mr. DONNELL. Mr. President, the title of Senate bill 246 reads as follows: "A bill (S. 246) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes."

It will be observed that in reading the title I have, in each of the two places in which the word "public" appears in the title, emphasized the appearance of that word therein by my voice. The fact that the word "public" appears in the title is to my mind of very great importance in determining the advisability or nonadvisability of adopting the amendment which I have proposed, which amendment would cause to be inserted that very word, namely, the word "public,"

between the words "for" and "elementary" on page 8, line 4 of the bill.

Not only does the word "public" appear in the two instances noted in the title of the bill, but it is of particular interest to observe that the same word "public" is mentioned in 31 places in the body of the bill, and that that word appears in each of those 31 instances as a part of the expression "public elementary school," "public secondary school," "public elementary," "public secondary schools," "public school jurisdictions," "public education agencies," "public schools," "public school jurisdiction," or "public education agency."

Yet, Mr. President, in the clause of the bill which designates the expenditures for which funds shall under the bill be available for disbursement, the word "public" is omitted.

It is of further interest to observe that in the very section of the bill in which appears the clause to which I have referred, in which clause the word "public" is omitted, the very selfsame word "public" appears twice shortly in advance of the portion of the bill which appears at line 4 on page 8.

It is not strange, Mr. President, in view of this extraordinary omission of the word "public" at the place indicated, that there appears in the Christian Century of March 23, 1949, a most interesting article entitled "A Weasel Omission." The article begins with these three sentences:

> Theodore Roosevelt coined the expression "the weasel word." A "weasel word" is one which by juxtaposition with a meaningful word sucks the meaning out of it. But the deliberate omission of a word in a certain context may sometimes perform the same trick.

Later in the article, after quoting this very section 6 to which my amendment applies, the writer of the article says:

> The absence of the word "public" in the place indicated above is a weasel omission. It sucks the meaning out of the purpose of the bill, as that purpose is consistently and meticulously guarded at every other point throughout the entire text. This weasel omission points the bill away from public education and makes possible the use of Federal money in aid of parochial schools in those States where the laws permit such use.

Mr. President, I hasten to mention that by quoting the word "weasel," I mean in no sense any dishonest or tricky imputation, for it was clearly the intention of the Committee on Labor and Public Welfare to omit that word, and that was done because of the views which that committee almost unanimously held. I use the word "almost" in that connection because I think I was the only member of the committee who voted in favor of an amendment designed to effect, generally speaking—with one rather notable exception—the purposes of the amendment which we are now discussing.

Under section 6 of the bill there is set forth the provision entitled "Availability of Appropriations." Obviously, that section constitutes the very heart of this bill, for although the bill elsewhere authorizes appropriations and refers to the mechanics of certification, payment, apportionment, and so forth, yet unless there be contained in the bill a section providing for the availability of such appropriations, the passage of the bill would be only an idle gesture.

So section 6, vitally important as it is, is the one in which it is of tremendous importance that the word "public" be used, if in fact the purpose of the bill is—as stated in the title—to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

Again, Mr. President, by my intonation I have emphasized as well as I could, and I now emphasize for the RECORD by my words, the fact that the bill contains in its title that expression in which the word "public" appears twice.

Yet what does section 6—the very heart of the measure, as I have indicated—say? It says this:

> SEC. 6. In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 3 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local public-school jurisdictions or other State public-education agencies, for any current expenditure—

For what? Not for public elementary or secondary school purposes exclusively, for the word "public" is not to be found in this section between the words "for" and "elementary"; but after the recital, twice contained in that section, of the word "public", yet when we reach the vital inner core of the heart of the bill, designating the current expenditures for which these funds may be disbursed, section 6 says, as the writer of the editorial to which I have referred has indicated—

> for elementary- or secondary-school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State.

Obviously the writer of the editorial in the Christian Century is correct in pointing out the fact that the absence of the word "public" does, to quote him again—

> suck the meaning out of the purpose of the bill, as that purpose is consistently and meticulously guarded at every other point throughout the entire text.

Mr. President, after my amendment is placed in effect—and it provides for the insertion of the word "public" between the words "for" and "elementary"—the current expenditures for which the bill would permit disbursement of these funds will be for "public elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State."

Again, Mr. President, I have emphasized by my voice, and I do now by these words which will appear in the printed RECORD, the word "public," which will appear in section 6 if my amendment be adopted. Indeed, Mr. President, the only change produced by my amendment will be the insertion of the word "public" in section 6.

Under the bill without my amendment the purposes for which the disbursement of Federal funds under the terms of Senate bill 246 could be made could include both public elementary or secondary school purposes and nonpublic elementary or secondary school purposes.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. CHAPMAN in the chair). Does the Senator from Missouri yield to the Senator from Vermont?

Mr. DONNELL. Mr. President, I would very much prefer to complete my argument without interruption, rather than to yield at this time.

Mr. FLANDERS. My question relates to a part of the argument.

Mr. DONNELL. Mr. President, I would prefer, if I may do so without impoliteness, to have the Senator permit me to proceed with my argument, and when I conclude it I shall be glad to answer any questions.

Mr. President, among the nonpublic elementary or secondary school purposes for which the disbursement of the funds provided under the bill may be made, unless my amendment is adopted, are religious nonpublic elementary or secondary school purposes, provided that such purposes are those for which "educational revenues derived from State or local sources may legally and constitutionally be expended in such State."

In 1948, I submitted and argued, and there was voted upon by the Senate, an amendment to Senate bill 472. In many respects, that amendment was similar to the amendment I now offer to Senate bill 246; in fact, in some respects, the amendments are identical. That amendment, submitted in 1948, provided for striking out the words "for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State," and would have inserted in lieu of those words a colon and thereafter the following:

> *Provided,* That no funds appropriated under this act shall be disbursed in any State for the support or benefit of any sectarian or private school.

Mr. President, the amendment I have just quoted was opposed at that time by the senior Senator from Vermont [Mr. AIKEN] because of the fact, as I understood, that he feared and, in fact, believed that the amendment would prevent the payment of funds to academies in the State of Vermont, which academies were used in that State for the purpose of educating children. He pointed out that the citizens of Vermont have, scattered throughout their State in the small towns, numerous small high schools or "academies," as they are called. He informed us that they are financed partly by private funds, by endowment. He stated that some of them are a hundred years or more old. The towns in which they are located utilize them as the local high school. They serve the purpose of a high school, so he stated. The town is

required by State law to pay tuition to the academies which are located within their boundaries. Thousands of boys and girls have received a high school education by attending these—I am quoting his language—"technically private but actually public schools."

Said the senior Senator from Vermont:

> If it were not for the privilege of attending these schools many of our children would never get to high school at all. Some of the towns where they are located are many miles from the nearest public high schools.

Mr. President, the amendment of last year prohibiting the disbursement of any fund appropriated under the act in any States for the support or benefit of any sectarian or private school may well have prohibited the payment of any such funds to the academies to which the Senator from Vermont alluded. To my mind the amendment which I have offered this year, and which I am now arguing, answers the point which was made by the Senator from Vermont. I may say to the Senate, as I do say, that the reason for offering the amendment in the form I have this year, is in order to meet the very objection to which the Senator from Vermont alluded last year. As I see it, the new amendment would not prohibit payment to the academies in Vermont, for I see no reason why Vermont or any other State could not carry on public-school purposes by engaging the use of facilities or the services of teachers in private academies. It will be observed that in the excerpt which I read from the remarks of the Senator from Vermont last year, he states expressly that the academies are "technically private but actually public schools."

So, Mr. President, the amendment which I have now offered and which would provide simply that the funds which may be disbursed may be for any current expenditure for public elementary or secondary school purposes, and so forth, to my mind would not prevent the application of any of those funds to the academies to which the senior Senator from Vermont last year alluded.

What is the effect of the amendment which I have offered? I have indicated that its effect is to grant Federal funds for disbursement for current expenditure for public—I emphasize the word "public"—elementary or secondary school purposes, and no other. At the risk of repetition I say that under the amendment, no moneys are to be used except for public-school purposes. I want it perfectly clear that that is the intent of the amendment.

Why should not moneys be given by the bill to any nonpublic school? Such nonpublic schools may be divided into two groups: One, private nonsectarian schools; the other, sectarian schools. As to moneys to be given from Federal funds to private nonsectarian schools, if, for illustration, any Member of the Senate were the proprietor of a school, whether conducted for or without financial profit, I take it that to give money to such a private school, nonsectarian as it is, is subject to two fundamental objections; at least, under the bill as written.

In the first place, such a gift to a private school would be contrary to the expressed purpose of the bill as set forth in the title, that is to say, "to assist States and Territories in financing a program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes."

In the second place, a gift to such a private school, even though nonsectarian, is objectionable on principle, as I see it, because I think for the Federal Government to make gifts to individuals is highly opposed to public policy.

We have illustrations in our own midst of gifts having been made, at least nominally so, as for illustration, to a servant of the Senate who has served with distinction throughout a period of years. For such gifts I can see some justification, a proper justification. As for instance, in the case of the old gentleman known to the Senator from Alabama, who is now listening so courteously to me, who served in the Senate for many, many years, now, because of infirmity, is compelled to retire. I can see how under circumstances such as that it is possible and advisable from the standpoint, even of encouraging others to work for us to give something for which we have not made a contractural obligation. But, Mr. President, as I see it, that is quite different from the Senate of the United States and the House of Representatives of the United States undertaking to give to a private nonsectarian school moneys out of the Public Treasury.

As to the second class of nonpublic schools, namely, sectarian schools, as I see it, there are three fundamental objections to the use of any funds under Senate bill 246 for that class of nonpublic schools, namely, sectarian schools. As is the case with respect to nonsectarian schools, such utilization of funds for sectarian school purposes would be contrary to the expressed purpose of the bill, as set forth in the title, which I have read, the assistance of States and Territories in financing "a program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes." Not only would the gift of moneys to a sectarian school be contrary to the expressed purpose of the bill, but in addition, just as is true in the case of private nonsectarian schools, it is objectionable on considerations of public policy to give public funds to private recipients.

But, Mr. President, there is a third, a very fundamental reason, which in my opinion is applicable to gifts of moneys from the Federal Treasury to sectarian schools. That is the fact that such a gift is violative of public policy for at least two reasons. I am not at the moment discussing the constitutional phase of the question. The points to which I refer with respect to public policy are these: First, to give such funds to a sectarian school would be to permit moneys derived from people of all religious beliefs—yes, or, in part, from people of no religious beliefs—to be used for the teaching of religious views held by specific groups. Thus it would follow that moneys paid into the Public Treasury by people of all religious beliefs, and by people in some instances, at any rate, of no religious beliefs, would be used for the teaching of religious views held by only a part of the people, and perhaps even contrary to the beliefs of other groups of the people.

In the second place, Mr. President, to permit moneys to be granted from the Treasury of the United States to sectarian schools would bring it about that if some sectarian schools are supported by public funds, other groups would doubtless ask that they also be supported by public funds.

Mrs. Agnes Meyer, of Washington, D. C., whose name is well known, not only in this Capitol, but elsewhere, writing in the March 1948 issue of the Reader's Digest, at page 68, says:

> Public support of one sectarian school system would bring many others into existence, thus undermining our public education system and the future development of our Republic.

But, Mr. President, not only do these two reasons of public policy to which I have referred argue irresistibly against the propriety and advisability of our public funds being paid to sectarian schools, but I submit a further reason in opposition to such payment, namely, not only is the giving of money to sectarian schools contrary to public policy, from the standpoint of the public itself, but it is also true that from the standpoint of the sectarian schools themselves support by public funds of sectarian schools is harmful; that is, harmful to the sectarian schools themselves. This follows from the fact that there is a very real danger that the Government which provides the funds will ultimately, even if not at the outset, attach conditions to the use of such funds. Thus it is reasonable to expect Government interference ultimately with the policies of such sectarian schools themselves.

In connection with the consideration of the harmful effects which may be expected from the application of public funds to sectarian schools by both the public and by such schools, I call attention to the observation made by the minority, namely, 4 out of 9 of the Justices of the Supreme Court of the United States, in Everson against Board of Education, decided February 10, 1943, No. 52, October term, 1946. At page 13 of the minority opinion of Mr. Justice Rutledge for himself and the other three dissenting members of the Court, the writer called attention to the objection of Madison and his coworkers to the imposition of a tax for religion. Mr. Justice Rutledge pointed out that the opposition was not to small tithes—and I emphasize the word "small"—but "it was to any tithes whatsoever."

Then follows this very significant sentence bearing on the proposition to which I am now addressing myself:

> And the principle was as much to prevent the interference of our law in religion as to restrain religious intervention in political matters.

Thus it is that Justice Rutledge, for himself and the three other dissenting Justices, emphasized the point that the

imposition of a tax for religion is injurious not only to the State but to the religious groups themselves.

Mr. President, someone may say that the quotation which I have just stated comes from the minority of the Supreme Court; but, to my mind, the decision of the Court clearly shows that on this point there is a unanimity of opinion between the minority and the majority.

In connection with the harmful effects which may be expected by both the public and the sectarian schools from the application of public funds to such schools, attention is called to the fact that the spokesman for the majority Justices in the Everson case, namely, Mr. Justice Black, sets forth, from the decision of the Court of Appeals of South Carolina in the Harmon case and cites as having been quoted with approval by the United States Supreme Court in *Watson* v. *Jones* (13 Wall. 679, 730), the following observation:

> The structure of our Government has for the preservation of civil liberty rescued the temporal institutions from religious interference. On the other hand—

Continuing, says the Court:

> On the other hand, it has secured religious liberty from the invasions of civil authority.

Thus it is that the spokesman for the majority of the Supreme Court in the Everson case indicates very clearly that the Supreme Court of the United States believes that the imposition of taxes for religion and the commingling of State and religious organizations is injurious both to the religious groups and to the Nation itself.

Mr. President, the expression of views which I have made thus far today is by no means confined to the Member of the Senate who now addresses it. Indeed, nearly every State in the Union has officially expressed itself to the effect that it is advisable either to prohibit or to restrict the use of public funds for sectarian school purposes.

It is very interesting to observe the development of the history of public education in the United States. In the early history of the Nation the education of the youth was a function carried on by the church. Professor Cubberley, dean emeritus, School of Education, Leland Stanford University, says:

> In Colonial times, too, and for some decades into our national period, the warmest advocates of the establishment of schools were those who had in view the needs of the church. Then gradually the emphasis shifted, as we have shown in chapter 4, to the needs of the State, and a new class of advocates of public education now arose. Still later the emphasis has been shifted to industrial and civic educational needs, and the religious importance has been almost completely eliminated.

I pause, Mr. President, to remark that the edition from which I am quoting is that of 1934. I now resume the quotation:

> This change is known as the secularization of America education. It also required many a bitter struggle, and was accomplished by the different States but slowly. The two main factors which served to produce this change have been (1) the conviction that the life of the Republic demands an educated and intelligent citizenship and, hence, the general education of all in the common schools controlled by the State, and (2) a great diversity of religious beliefs among our people which forced tolerance and religious freedom through a consideration of the rights of minorities.

Continuing, Professor Cubberley says, and I call special attention to this:

> The secularization of education with us must not be regarded either as a deliberate or a wanton violation of the rights of the church, but rather as an unavoidable incident connected with the coming to self-conscienticusness and self-government of great people.
>
> So long as there was little intercommunication and migration, and the people of a community remained fairly homeogeneous, it was perfectly natural that the common religious faith of the people should enter into the instruction of the school. When the schools were purely local and voluntary this was not a serious objection. With the rise of State support, and the widening of the units for maintenance and control from the lonely community or district to the town, the county, and the State, the situation changed. With the development of the West, after 1800, with its indifference as to distinctions still powerful in the older States of the East; the coming of foreign immigration, which began to be marked after about 1825; and the intermingling of peoples of different faiths in the rapidly evolving cities and towns, religious uniformity ceased to exist. Majority rule now for a time followed, but this was soon forced to give way to the still more important governmental principle of religious freedom.

Then, Mr. President, the writer Professor Cubberley concludes this observation to which I refer as follows:

> As necessity gradually compelled the State to provide education for its children, sectarian differences made it increasingly evident that the education provided must be nonsectarian in character.

Mr. President, I shall not detain the Senate by extensive consideration of the historical devlopment of this matter, but I think it is of importance in the development of this argument at least to mention a portion of the history of the development of public education in the United States. I quote again from Professor Cubberley at page 237. He is speaking at the moment of the conflict which was then on in Massachusetts on educational matters, and he said:

> By 1840 the Massachusetts conflict was on, and in that year Governor Seward, of New York, urged the establishment of schools in the cities of the State in which the teachers should be of the same language and religion as the foreign patrons. This dangerous proposal encouraged the Catholics, and they immediately applied to the New York City council for a division of the city school fund, and, on being refused, carried their demand to the legislature of the State. A Hebrew and a Scotch Presbyterian Church also applied for their share, and supported the Catholics in their demands. On the other hand, the Methodists, Episcopalians, Baptists, Dutch Reformed, and Reformed Presbyterians united with the Public School Society in opposing all such division of the funds.
>
> The legislature deferred action until 1842, and then did the unexpected thing. The heated discussion of the question in the city and in the legislature had made it evident that, while it might not be desirable to continue to give funds to a privately organized corporation, to divide them among the quarreling and envious religious sects would be much worse. The result was that the legislature created for the city a city board of education, to establish real public schools, * * * by enacting that no portion of the school funds was in the future to be given to any school in which "any religious sectarian doctrine or tenet should be taught, inculcated, or practiced."

Mr. President, I think it is of some interest to observe that this experience, in which one denomination after another sought to secure benefits, pointedly illustrates the wisdom of the observation quoted this afternoon from Mrs. Agnes Meyer, "Public support of one sectarian school system would bring many others into existence, thus undermining our public educational system, and the future development of our Republic."

Mr. President, Professor Cubberley further says, at page 239 of his work, Public Education in the United States, after reciting numerous other incidents and facts intermediate from where I left off:

> To settle the question in a final manner legislatures now began to propose constitutional amendments to the people of their several States which forbade a division or a diversion of the funds, and these were almost uniformly adopted at the first election after being proposed. The States, with the date of adoption of such a constitutional provision, are—

Mr. President, at the risk of some tediousness, I desire to read the list, because I think it is extremely interesting and important. The professor divides his book into two columns, one under the headline "States amending constitution." In other words, they already had constitutions, and they then amended the constitutions so as to "forbid a division or a diversion of the funds," meaning thereby, as I understand, to sectarian schools. I read from the list:

States amending constitution

New Jersey	1844
Michigan	1850
Ohio	1851
Indiana	1851
Massachusetts	1855
Iowa	1857
Mississippi	1868
South Carolina	1868
Arkansas	1868
Illinois	1870
Pennsylvania	1872
West Virginia	1872
Alabama	1875
Missouri	1875
North Carolina	1876
Texas	1876
Minnesota	1877
Georgia	1877
California	1879
Louisiana	1879
Florida	1885
Delaware	1897

The second column of Professor Cubberley's work, at page 239, contains a somewhat shorter list entitled "Adopted When Admitted." In other words, as an initial proposition, in these States whose names I shall read the constitutions contained a constitutional provision which forbade, as I understand the Professor's work, a division or diversion of the funds.

	Adopted when admitted
Wisconsin	1848
Oregon	1857
Kansas	1859
Nevada	1864
Nebraska	1867
Colorado	1876
North Dakota	1889
South Dakota	1889
Montana	1889
Washington	1889
Idaho	1890
Wyoming	1890
Utah	1896
Oklahoma	1907
New Mexico	1912
Arizona	1912

The States, the names of which I have read, total 38, and, as I have indicated, include those amending their constitutions and those which adopted a provision of this kind upon their admission.

Mr. President, Professor Cubberley referred, as Senators have doubtless noted, to the year 1875 in the course of his tabulation, and I think it is particularly of interest in the United States Congress to observe this historical fact which he recites at page 240 of his work:

In 1875 President Grant, in his message to Congress, urged the submission of an amendment to the Federal Constitution making it the duty of the States to support free public schools, free from religious teaching, and forbidding the diversion of school funds to church or sectarian purposes. In a later message he renewed the recommendation, but Congress took no action because—

And I call attention, Mr. President, to Professor Cubberley's reason, which he states—

because it considered such action unnecessary. That the people had thoroughly decided that the school funds must be kept intact and the system of free public schools preserved may be inferred from the fact that no State admitted to the Union after 1858—

I read that again—

that no State admitted to the Union after 1858, excepting West Virginia, failed to insert such a provision in its first State constitution.

Professor Cubberley continues:

Hence the question may be regarded as a settled one in our American States. Our people mean to keep the public-school system united as one State school system, well realizing that any attempt to divide the schools among the different religious denominations (the World Almanac for 1930 lists 79 different denominations and 160 different sects in the United States) could only lead to inefficiency and educational chaos.

So, Mr. President, the opinion which I have indicated in this historical development is the opinion not of the individual who now addresses the Senate alone, but is the official opinion as expressed by the people of the great majority of the States of the Union in their various State actions and, yes, not merely by some perfunctory State expression, but by the provision of the fundamental law of each of those States, namely, their constitutions.

In May of 1943 there was issued by the research division of the National Education Association of the United States, a pamphlet which sets forth under the heading of "Constitutional prohibitions against State aid to private schools" one or more excerpts from the constitutions of each of 46 of the 48 States. I may say that in the presentation of the amendment of last year I secured unanimous consent for insertion in the RECORD of these excerpts. There was also inserted the introduction which precedes them. They appear in the CONGRESSIONAL RECORD, volume 93, part 3, at pages 3591 to 3594, inclusive.

Mr. President, I regard it of such importance that we have connectedly at this time in the Eighty-first Congress of the United States this information, without the necessity of going back to and hunting up a previous book, that I ask unanimous consent that the same excerpts and introduction which appear in the CONGRESSIONAL RECORD, volume 93, part 3, at pages 3591 to 3594, inclusive, taken from the pamphlet of the National Education Association of the United States, be here incorporated as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The present report is an attempt to list constitutional provisions directly or indirectly permitting or prohibiting State aid to private schools and the court decisions which have interpreted these provisions.

Part I lists State by State the constitutional prohibitions against aid to private schools. Following the constitutional provisions are listed in each State the judicial decisions, briefly annotated. These court decisions have interpreted these provisions when situations have arisen which have been challenged as violating the prohibitions. The older cases deal with direct aid by way of paying the salaries of teachers in private schools or using private-school buildings for public-school classes. Seldom do such cases occur in recent years, although there was an Iowa case in 1940. Nowadays the more common issues are transportation and textbooks authorized by statutes which permit the extension of these services to pupils attending private schools.

PART I—CONSTITUTIONAL PROHIBITIONS AGAINST STATE AID TO PRIVATE SCHOOLS

ALABAMA

Constitution of 1901, as amended:

Article XIV, section 263: "No money raised for the support of the public schools shall be appropriated to or used for the support of any sectarian or denominational school."

ARIZONA

Constitution of 1912, as amended:

Article IX, section 10: "No tax shall be laid or appropriation of public money made in aid of any church, or private or sectarian school, or any public service corporation."

ARKANSAS

Constitution of 1874, as amended:

Article XIV, section 2: "No money or property belonging to the public-school fund or to this State for the benefit of schools or universities shall ever be used for any other than for the respective purposes to which it belongs."

Amendment No. 11 (providing for support of common schools by taxation): *"Provided further,* That no such tax shall be appropriated for any other purpose nor to any other district than that for which it is levied."

CALIFORNIA

Constitution of 1879, as amended:

Article IX, section 8: "No public money shall ever be appropriated for the support of any sectarian or denominational school or any school not under the exclusive control of the officers of the public schools. * * *"

Article IV, section 30: "Neither the legislature nor any county, city, * * * shall ever make an appropriation, or pay from any public fund whatever, or grant anthing to or in aid of any religious sect, church, creed, or sectarian purpose, or help to support or sustain any school, college, university, hospital, or other institution controlled by any religious creed, church, or sectarian denomination whatever, nor shall any grant or donation of personal property or real estate ever be made by the State, or any city * * * for any religious creed, church, or sectarian purpose whatever: *Provided,* That nothing in this section shall prevent the legislature granting aid pursuant to section 22 of this article."

COLORADO

Constitution of 1876, as amended:

Article IX, section 7: "Neither the general assembly, nor any county, city * * * or other public corporation shall ever make any appropriation, or pay from any public fund or moneys whatever, anything in aid of any church or sectarian society, or for any sectarian purpose, or to help support or sustain any school, academy, seminary, college, university, or other literary or scientific institution controlled by any church or sectarian denomination whatsoever."

CONNECTICUT

Constitution of 1818, as amended:

Article VIII, section 2: "The fund, called the school fund, shall remain a perpetual fund, the interest of which shall be inviolably appropriated to the support and encouragement of the public, or common schools, throughout the State, and for the equal benefit of all the people thereof."

DELAWARE

Constitution of 1897, as amended:

Article X, section 4: "No part of the principal or income of the public school fund, now or hereafter existing, shall be used for any other purpose than the support of free public schools."

Article X, section 3: "No portion of any fund now existing, or which may hereafter be appropriated, or raised by tax, for educational purposes, shall be appropriated to, or used by, or in aid of any sectarian, church, or denominational school."

Judicial decisions: *State ex rel. Traub et al.* v. *Brown et al.* (172 A. 835 (1934)). State appropriation for transportation of pupils to sectarian schools was declared unconstitutional.

GEORGIA

Constitution of 1877, as amended:

Article I, section 1, paragraph XIV: "No money shall ever be taken from the public treasury, directly or indirectly, in aid of any church, sect, or denomination of religionists, or of any sectarian institution."

Article VII, section XVI, paragraph 1: "The general assembly shall not by vote, resolution, or order grant any donation or gratuity in favor of any person, corporation, or association."

IDAHO

Constitution of 1890, as amended:

Article IX, section 5: "Neither the legislature nor any county * * * or other public corporation, shall ever make any appropriation or pay from any public fund or moneys whatever, anything in aid of * * * or to help support or sustain any school, academy, seminary, college, university, or other literary or scientific institution, controlled by any church, sectarian, or religious denomination whatsoever."

ILLINOIS

Constitution of 1870, as amended:

Article VII, section 3: "Neither the general assembly nor any county, city * * * or

other public corporation shall ever make any appropriation, or pay from any public fund whatever, anything in aid of any church or sectarian purpose, or to help support or sustain any school, academy, seminary, college, university, or other literary or scientific institution controlled by any church or sectarian, denomination whatever."

Judicial decisions:

People v. *McAdams* (82 Ill. 356 (1948)). A private charitable school cannot be authorized by the State legislature to levy tax for its support.

Millard v. *Board of Education* (10 N. E. 669 (1887)). The rental of a church school for public-school purposes when necessity arises was upheld as valid.

Cook County v. *Chicago Industrial School for Girls* (18 N. E. 183 (1888)). Direct aid to sectarian school was declared unconstitutional.

Cook County v. *Chicago Industrial School for Girls* (117 N. E. 735 (1917)). Payments to sectarian school were sustained as valid.

INDIANA

Constitution of 1851, as amended:

Article I, section 6: "No money shall be drawn from the treasury for the benefit of any religious or theological institution."

Article VIII, section 3: "The principal of the common school fund shall remain a perpetual fund * * * and the income thereof shall be inviolably appropriated to the support of common schools and to no other purpose whatever."

Judicial decisions: *State ex rel. Johnson* v. *Boyd* (28 N. E. (2d) 256 (1940)). Use of parochial school building and equipment for public-school pupils and payment of nuns as public-school teachers was upheld.

IOWA

Constitution of 1857, as amended:

Article I, section 3. "The general assembly shall make no law respecting an establishment of religion; or prohibiting the free exercise thereof; nor shall any person be compelled to attend any place of worship, pay tithes, taxes, or other rates for building or repairing places of worship, or the maintenance of any minister, or ministry."

Judicial decisions:

Scripture v. *Burns* (12 N. W. 760 (1882)). Rental of a church or sectarian school for public-school purposes when necessity arises was upheld.

Knowlton v. *Baumhover*, 166 N. W. 202 (1918). Use of parochial school building and teachers for public-school pupils was declared unconstitutional.

KANSAS

Constitution of 1861, as amended:

Article VI, section 8. "No religious sect or sects shall ever control any part of the common school or university funds of the State."

Judicial decisions:

Atchison, Topeka and Santa Fe Railroad Company v. *Atchison* (28 P. 1000 (1892)). Taxes cannot be levied for private and sectarian institutions.

KENTUCKY

Constitution of 1891, as amended:

Section 189. "No portion of any fund or tax now existing, or that may hereafter be raised or levied for educational purposes, shall be appropriated to or used by, or in aid of, any church, sectarian, or denominational school."

Judicial decisions:

Halbert v. *Sparks* (9 Bush. 259 1872)). Contract of school district with private academy for attendance of public-school pupils was invalid.

Underwood v. *Wood* (19 S. W. 405 (1892)). Legislature may not exempt from taxation parents of pupils attending private institution, nor divert public funds in aid of such private school.

Williams et al. v. *Board of Trustees, Stanton Common School District* (191 S. W. 507 (1917)). School district may not contract with sectarian school for attendance of public-school pupils even if no funds are paid to the eschool but merely to the teachers.

Crain et al. v. *Walker et al.* (2 S. W. (2d) 654 (1928)). School district contract with sectarian school for attendance of public-school pupils was upheld and distinguished from the Williams case on details of the circumstances.

LOUISIANA

Constitution of 1921, as amended:

Article XII, section 13: "No public funds shall be used for the support of any private or sectarian school."

Article IV, section 8: "No money shall ever be taken from the public treasury, directly or indirectly, in aid of any church, sect, or denomination of religion, or in aid of any priest, preacher, minister, or teacher thereof, as such, and no preference shall ever be given to, nor any discrimination made against, any church, sect, or creed of religion, or any form of religious faith or worship. No appropriation from the State treasury shall be made for private, charitable, or benevolent purposes to any person or community."

Judicial decisions:

Bordon et al. v. *Louisiana State Board of Education et al.* (123 So. 655 (1929)). Free textbook act was upheld in its provisions for furnishing books to pupils in attendance at the parochial schools.

Cochran v. *Louisiana Board of Educaiton* (123 So. 664; 281 U. S. 370 (1929)). On substantially the same facts as the Bordon case; decided on the same day and affirmed later by the United States Supreme Court.

MAINE

Constitution of 1820, 1876, as amended:

Article VII: "A general diffusion of the advantages of education being essential to the preservation of the rights and liberties of the people; to promote this important object, the legislature is authorized, and it shall be their duty to require the several towns to make suitable provisions, at their own expense, for the support and maintenance of public schools; and it shall further be their duty to encourage and suitably endow, from time to time, as the circumstances of the people may authorize, all academies, colleges, and seminaries of learning within the State; provided that no donation, grant, or endowment shall at any time be made by the legislature to any literary institution now established, or which may hereafter be established, unless, at the time of making such endowment, the legislature of the State shall have the right to grant any further powers to alter, limit, or restrain any of the powers vested in, any such literary institution, as shall be judged necessary to promote the best interests thereof."

MARYLAND

Constitution of 1867, as amended:

Article VII, section 3: "The school fund of the State shall be kept inviolate, and appropriated only to the purposes of education."

Judicial decisions: *Board of Education of Baltimore County* v. *Wheat* (199 A. 628 (1938)). Transportation for pupils attending sectarian schools was upheld.

MASSACHUSETTS

Constitution of 1790, as amended:

Article XLVI, amendment 2: "And no grant, appropriation or use of public money or property or loan of public credit shall be made or authorized by the Commonwealth or any political division thereof for the purpose of founding, maintaining, or aiding * * * any other school, or any college, infirmary, hospital, institution, or educational, charitable, or religious undertaking which is not publicly owned and under the exclusive control, order, and superintendence of public officers or public grants authorized by the Commonwealth or Federal authority or both."

Judicial decisions:

Barnes v. *Falmouth* (6 Mass. 401 (1810)). Massachusetts Constitution, until 1833, provided for the choice of a teacher with stated qualifications—a Protestant teacher of piety, religion, and morality, of some incorporated religious society, elected by such society. This case came up because a teacher was appointed from an unincorporated religious society and so was not entitled to any part of the funds raised by the towns for educational purposes.

Jenkins v. *Andover* (103 Mass. 94 (1869)). Statute authorizing a town to levy tax for private school is unconstitutional.

In re Opinion of the Justices (102 N. E. 464 (1913)). Public money may be appropriated for higher educational institutions under sectarian control as the constitutional prohibition refers to sectarian schools teaching the same branches as in the public schools.

MICHIGAN

Constitution of 1909, as amended:

Article II, section 3: "No money shall be appropriated or drawn from the treasury for the benefit of any religious sect or society, theological or religious seminary; nor shall property belonging to the State be appropriated for any such purpose."

MINNESOTA

Constitution of 1857, as amended:

Article VIII, section 3: "But in no case shall the moneys derived as aforesaid, or any portion thereof, or any public moneys or property, be appropriated or used for the support of schools, wherein the distinctive doctrines, creeds, or tenets of any particular Christian or other religious sect are promulgated or taught."

MISSISSIPPI

Constitution of 1890, as amended:

Article VIII, section 208, "No religious or other sect, or sects, shall ever control any part of the school or other educational funds of the State; nor shall any funds be appropriated toward the support of any sectarian school."

Judicial decisions:

Otken v. *Lamkin* (56 Miss. 758 (1879)). State aid on basis of inclusion of pupils attending sectarian schools is unconstitutional.

Chance et al. v. *Mississippi State Textbook Rating and Purchasing Board et al.* (200 So. 706 (1941)). Furnishing free textbooks to pupils in attendance at parochial schools was upheld.

MISSOURI

Constitution of 1875, as amended:

Article XI, section 11. "Neither the general assembly nor any county, city * * * or other municipal corporation, shall ever make an appropriation or pay from any public fund whatever, anything in aid of any religious creed, church, or sectarian purpose, or to help to support or sustain any private or public school, academy, seminary, college, university, or other institution of learning, controlled by any religious creed, church, or sectarian denomination whatever; nor shall any grant or donation of personal property or real estate ever be made by the State, or any county * * * for any religious creed, church, or sectarian purpose whatever."

MONTANA

Constitution of 1889, as amended:

Article XI, section 8. "Neither the legislative assembly, nor any county, city * * * or other public corporation, shall ever make, directly or indirectly, any appropriation, or pay from any public fund or moneys whatever, or make any grant of lands or other property in aid of any church, or for any sectarian purpose, or to aid in the support of any school, academy, seminary, college, university, or other literary, scientific institution, controlled in whole or in part by any church, sect or denomination whatever."

Article V, section 35. "No appropriation shall be made for charitable, industrial, educational, benevolent purposes to any person, corporation or community not under the absolute control of the State, nor to any denominational or sectarian institution or association."

NEBRASKA

Constitution of 1875, as amended:

Article VII, section 11: "Neither the State legislature nor any county, city, or other public corporation, shall ever make any appropriation from any public fund, or grant any public land in aid of any sectarian or denominational school or college, or any educational institution which is not exclusively owned and controlled by the State or a governmental subdivision thereof."

Judicial decisions: *State ex rel. Public School District No. 6 of Cedar County* v. *Taylor* (240 N. W. 573 (1932)). State aid cannot be given to a district in which the only school is sectarian.

NEVADA

Constitution of 1864, as amended:

Article XI, section 10: "No public funds of any kind or character whatever, State, county, or municipal, shall be used for sectarian purposes."

Judicial decisions: *State ex rel. Nevada Orphan Asylum* v. *Hallock* (16 Nev. 373 (1882)). Public funds cannot be used in aid of a school connected with a charitable sectarian orphan asylum.

NEW HAMPSHIRE

Constitution of 1784, as amended:

Part II, article 8, section 83: "Knowledge and learning * * * being essential to the preservation of free government * * * it shall be the duty of the legislators * * * to cherish * * * all seminaries and public schools, to encourage private and public institutions. * * * Provided, nevertheless, that no money raised by taxation shall ever be granted or applied for the use of the schools or institutions of any religious sect or denomination."

Judicial decisions: *Holt* v. *Town of Antrim* (9 A 389 (1887)). Statute authorizing a tax for a school building to be perpetually leased to an academy implies that all conditions necessary to give validity to the statute and lease will be met; mere exaction of tuition will not make the school private.

NEW JERSEY

Constitution of 1844, as amended:

Article IV, section 7: "The fund for the support of free schools * * * shall * * * remain a perpetual fund; and the income thereof shall be annually appropriated to the support of public free schools * * * and it shall not be competent for the legislature to borrow, appropriate, or use the said fund or any part thereof, for any other purpose, under any pretense whatever."

NEW MEXICO

Constitution of 1912, as amended:

Article XII, section 3: "No part of the proceeds arising from the sale or disposal of any lands granted to the State by Congress, or any other funds appropriated, levied, or collected for educational purposes, shall be used for the support of any sectarian, denominational, or private school, or college or university."

Article IV, section 31. "No appropriation shall be made for charitable, educational, or other benevolent purpose to any person, corporation, association, or community not under the absolute control of the State, but the legislature may, in its discretion, make appropriations for the charitable institutions and hospitals for the maintenance of which annual appropriation were made by the legislative assembly of 1909."

NEW YORK

Constitution of 1938, as amended:

Article XI, section 4. "Neither the State nor any subdivision thereof, shall use its property or credit or any public money, or authorize or permit either to be used directly or indirectly, in aid or maintenance, other than for examination or inspection of any school or institution of learning wholly or in part under the control or direction of any religious denomination, or in which any denominational tenet or doctrine is taught, but the legislature may provide for the transportation of children to and from any school or institution of learning." (Formerly sec. 4, art. IX, former constitution. Renumbered sec. 4 by constitution of 1938 which added provision relating to transportation of pupils.)

Article VII, section 8. "The money of the State shall not be given or loaned to or in aid of any private corporation or association, or private undertaking; or shall the credit of the State be given or loaned to or in aid of any individual, or public, or private corporation, or association, or private undertaking, but the foregoing provisions shall not apply to any fund or property now held, or which may hereafter be held by the State for education purposes." (Formerly sec. 4, art. XI, former constitution.)

"Subject to the limitations on indebtedness and taxation, nothing in this constitution contained shall prevent the legislature from providing for the aid, care, and support of the needy directly or through subdivisions of the State; or for the protection by insurance or otherwise, against the hazards of unemployment, sickness and old age; or for the education and support of the blind, the deaf, the dumb, the physically handicapped, and juvenile delinquents as it may deem proper; or for health and welfare services for all children, either directly or through subdivisions of the State, including school districts; or for the aid, care, and support of neglected and dependent children and of the needy sick through agencies and institutions authorized by the State board of social welfare or other State department having the power of inspection thereof, by payments made on a per capita basis directly or through the subdivisions of the State. The enumeration of legislative powers in this paragraph shall not be taken to diminish any power of the legislature hitherto existing." (Formerly sec. 1, art. VII, former constitution. Renumbered sec. 8 by constitution of 1938 and revised by including provisions of sec. 9, art. VIII of former constitution, relating to State aid for certain public welfare and educational purposes and by adding new provisions in last paragraph.)

Article VIII, section 1: "No county, city * * * shall give or loan any money or property to or in aid of any individual, or private corporation or association, or private undertaking, or become directly or indirectly the owner of stock in, or bonds of, any private corporation or association, nor shall any county * * * give or loan its credit to or in aid of any individual, or public or private corporation or association, or private undertaking, but this provision shall not prevent a county from contracting indebtedness for the purpose of advancing to a town or school district, pursuant to law, the amount of unpaid taxes returned to it.

"Subject to the limitations on indebtedness and taxation applying to any county * * * nothing in this constitution contained shall prevent a county, city, or town from making such provision for the aid, care, and support of the needy as may be authorized by law, nor prevent any such county, city, or town from providing for the care, support, maintenance, and secular education of inmates of orphan asylums, homes for dependent children, or correctional institutions and of children placed in family homes by authorized agencies, whether under public or private control, or from providing health and welfare services for all children. Payments by counties, cities, or towns to charitable, eleemosynary, correctional, and reformatory institutions and agencies, wholly or partly under private control, for care, support, and maintenance, may be authorized, but shall not be required, by the legislature. No such payments shall be made for any person cared for by any such institution or agency, nor for a child placed in a family home, who is not received and retained therein pursuant to rules established by the State board of social welfare or other State department having the power of inspection thereof. (Formerly section 10 in part, article VIII, former constitution. Renumbered section 1 by constitution of 1938, which revised the section generally and added most of the provisions of the second paragraph.)"

Judicial decisions:

People ex rel. Roman Catholic Orphan Asylum Society v. *Board of Education* (13 Barb. 400 (1851)). Catholic orphan asylum is not entitled to part of the common school fund.

Sargent v. *Board of Education* (76 Supreme Court, Appellate Division 588 (1902)). Payment of salaries of teachers in St. Mary's Boys' Orphan Asylum was upheld; wearing of religious garb was held not to be sectarian instruction.

O'Connor v. *Hendrick* (77 N. E. 612 (1906)). Wearing of religious garb by public-school teachers was held to be a sectarian influence and State superintendent's order forbidding same was upheld.

Smith v. *Donahue et al.* (195 N. Y. S. 715 (1922)). Free textbooks law was held not to apply to pupils attending parochial schools.

People ex rel. Lewis v. *Graves* (219 N. Y. S. 189 (1929)). Excusing pupils for 1 hour a week to attend religious instruction is not using public property or money in aid of denominational schools.

Judd v. *Board of Education of Union Free School District No. 2, Town of Hempstead, Nassau County* (15 N. E. (2d) 576 (1938)). Transportation of pupils of sectarian schools was unconstitutional under former constitution.

NORTH CAROLINA

Constitution of 1876, as amended:

Article IX, section 4. "The proceeds of all lands that have been or hereafter may be granted by the United States to this State * * * also all money, stocks, bonds, and other property now belonging to any State fund for purposes of education * * * shall be paid into the State treasury, and together with so much of the ordinary revenue of the State as may be by law set apart for that purpose, shall be faithfully appropriated for establishing and maintaining in this State a system of free public schools, and for no other uses or purposes whatsoever."

NORTH DAKOTA

Constitution of 1889, as amended:

Article VIII, section 152. "No money raised for the support of the public schools of the State shall be appropriated to or used for the support of any sectarian school."

Judicial decisions: *Gerhardt* v. *Heid* (267 N. W. 127 (1936)). Wearing of religious garb by public-school teachers was upheld.

OHIO

Constitution of 1851, as amended:

Article VI, section 2. "* * * No religious or other sect, or sects, shall ever have any exclusive right to, or control of, any part of the school funds of this State."

OKLAHOMA

Constitution of 1907, as amended:

Article II, section 5. "No public money or property shall ever be appropriated, applied, donated, or used, directly or indirectly, for the use, benefit or support of any sect, church, denomination, or system of religion, or for the use, benefit, or support of any * * * sectarian institution as such."

Article XI, section 5: "* * * And no part of the proceeds arising from the sale or disposal of any lands granted for educational purposes, or the income or rentals thereof, shall be used for the support of any religious or sectarian school, college, or university. * * *"

Judicial decisions:

Oklahoma Railway Company v. *St. Joseph's Parochial School* (127 P. 1087 (1912)). The constitutional prohibition against aid to public schools does not prevent the State from including in the franchise granted a railroad the provision that school tickets be furnished all pupils including those in attendance at parochial schools.

Guerney et al. v. *Ferguson et al.* (122 P. (2d) 1002 (1941)). Statute providing for transportation of pupils attending parochial schools was declared unconstitutional.

OREGON

Constitution of 1859, as amended:

Article 1, section 5: "No money shall be drawn from the treasury for the benefit of any religious or theological institution."

PENNSYLVANIA

Constitution of 1874, as amended:

Article X, section 2: "No money raised for the support of the public schools of the Commonwealth shall be appropriated to or used for the support of any sectarian school."

Article III, section 17: "No appropriation shall be made to any charitable or educational institution not under the absolute control of the Commonwealth, other than normal schools established by law for the professional training of teachers for the public schools of the State, except by a vote of two-thirds of all the members elected to each house."

Article III, section 18: "No appropriation shall be made for charitable, educational, or benevolent purposes to any person or community nor to any denominational or sectarian institution, corporation, or association. Provided, that appropriations may be made for pensions."

Judicial decisions:

Hysong v. *School District of Gallitzin Borough* (50 A. 482 (1894)). Wearing of religious garb by public-school teachers was declared lawful.

Commonwealth v. *Herr* (78 A. 68 (1910)). The statute (subsequent to previous case) prohibiting the wearing of religious garb or insignia by public-school teachers was upheld as valid.

RHODE ISLAND

Constitution of 1843 as amended:

Article XII, section 2: "The money which now is or which may hereafter be appropriated by law for the establishment of a permanent fund for the support of public schools, shall be securely invested, and remain a perpetual fund for that purpose."

SOUTH CAROLINA

Constitution of 1895 as amended:

Article XI, section 9: "The property or credit of the State of South Carolina, or of any county * * * or any public money, from whatever source derived, shall not, by gift, donation, loan, contract, appropriation, or otherwise, be used directly or indirectly in aid or maintenance or any college, school, hospital, orphan house, or other institution, society or organization, of whatever kind, which is wholly or in part under the direction or control of any church or of any religious or sectarian denomination, society, or organization."

SOUTH DAKOTA

Constitution of 1889, as amended:

Article VIII, section 16: "No appropriation of lands, money, or other property or credits to aid any sectarian school shall ever be made by the State, or any county or municipality within the State * * * and no sectarian instruction shall be allowed in any school or institution aided or supported by the State."

Judicial decisions:

Synod of Dakota v. *State* (50 N. W. 632 (1891)). Pierre University was unable to collect for expenses in teacher-training program after having been designated as a teacher-training institution by the board of education because it was a sectarian school.

Hlebanja v. *Brown* (236 N. W. 296 (1931)). County superintendent acted illegally in ordering public school closed and directing that costs of sending children to other schools would be borne by the district. Parents who sent children to parochial school could not collect for costs.

TENNESSEE

Constitution of 1870, as amended:

Article XI, section 12: "No law shall be made authorizing said (common school) fund or any part thereof to be diverted to any other use than the support and encouragement of common schools."

Judicial decisions: *Swadley* v. *Haynes* (41 S. W. 1066 (1897)). The rental of a church school for public-school purposes when necessity arises was upheld as valid.

TEXAS

Constitution of 1876, as amended:

Article VIII, section 5: "The available school fund shall be applied annually to the support of the public free school. And no law shall ever be enacted appropriating any part of the permanent or available school fund to any other purpose whatever; nor shall the same or any part thereof ever be appropriated to or used for the support of any sectarian school."

UTAH

Constitution of 1895, as amended:

Article X, section 13: "Neither the legislature nor any county, city * * * or other public corporation, shall make any appropriation to aid in the support of any school, seminary, academy, college, university, or other institution, controlled in whole, or in part, by any church, sect, or denomination whatever."

VIRGINIA

Constitution of 1902, as amended:

Article IX, section 141: "No appropriation of public funds shall be made to any school or institution of learning not owned or exclusively controlled by the State or some political subdivision thereof."

Judicial decisions: *Hall's Free School Trustees* v. *Horne* (80 Va. 470 (1885)). Public funds cannot be given in aid of a school established by a charitable bequest and under the control of the trustees of the corporation.

WASHINGTON

Constitution of 1889, as amended:

Article IX, section 4: "All schools maintained or supported wholly or in part by the public funds shall be forever free from sectarian control or influence."

Judicial decision: *Newman* v. *Schlarb* (50 P. (2d) 36 (1935)). Public schools were defined as those established under the laws, usually regulated in matters of detail by local authorities in various districts, towns, or counties, and maintained at public expense by taxation and open without charge to children of all residents of towns or other district. (Quoted from *Litchman* v. *Shannon* (155 P. 783 (1916).)

WEST VIRGINIA

Constitution of 1872, as amended:

Although there is no specific provision in the West Virginia Constitution, it has been reported by the State department of education that the provision requiring that the school fund be kept inviolately for public-school support is interpreted by the State as a prohibition against aid to private schools.

WISCONSIN

Constitution of 1848, as amended:

Article I, section 18: "Nor shall any money be drawn from the treasury for the benefit of religious societies, or religious or theological seminaries."

Judicial decisions: *Curtis' Adm'rs* v. *Whipple* (24 Wis. 350 (1869)). The legislature cannot authorize a town to raise money for a private school.

Dorner v. *School District No. 5* (118 N. W. 353 (1908)). The rental of a church school for public-school purposes when necessity arises was upheld as valid.

State ex rel. Van Straten v. *Milquet* (192 N. W. 392 (1923)). A transportation contract in which only 2 out of 30 pupils were attending the public schools was invalid.

WYOMING

Constitution of 1889, as amended:

Article VII, section 8: "Nor shall any portion of any public-school fund ever be used to support or assist any private school, or any school, academy, seminary, college, or other institution of learning controlled by any church or sectarian organization or religious denomination whatsoever."

Article III, section 36: "No appropriation shall be made for charitable, industrial, educational, or benevolent purposes to any person, corporation, or community and not under the absolute control of the State, nor to any denominational or sectarian institution or association."

Mr. DONNELL. Mr. President, one of the citations which I read from Professor Cubberley's book indicates very clearly that the movement toward the secular school and away from the carrying on by the church of the function of educating the young did not arise from hostility to religion as such. The amendment which I now propose and argue for is not brought about remotely, or in any manner, directly, indirectly, or otherwise, by any hostility to religion or to any branch of religion or to any church or organization. In the excerpts which I read a little while ago from Professor Cubberley along this line was this one sentence at page 231 of his book:

> The secularization of education with us must not be regarded either as a deliberate or a wanton violation of the rights of the church, but rather as an unavoidable incident connected with the coming to self-consciousness and self-government of a great people.

But Professor Cubberley has something further to say upon this point. At page 232 he quotes from Brown—S. W.—and he says:

> As Brown (S. W.) has so well said it, "Differences of religious belief and a sound regard on the part of the State for individual freedom in religious matters, coupled with the necessity for centralization and uniformity, rather than hostility to religion as such lie at the bottom of the movement toward the secular school.

Mr. President, there was mentioned this afternoon by the distinguished senior Senator from Connecticut [Mr. Mc-

MAHON] the McCollum case, or, as I believe he termed it, the Champaign case, which arose in connection with the Board of Education of School District No. 71, Champaign County, Ill. In connection with the point that the movement toward the secular school and away from the carrying on by the church of the function of educating the young did not arise from hositlity to religion as such, I ask to read the following from the majority opinion in the case of McCollum against the Board of Education, which is the case to which the Senator from Connecticut referred, namely, People of the State of Illinois ex rel. McCollum against the Board of Education of School District No. 71, Champaign County, Ill., et al., Supreme Court of the United States, No. 90, October term, 1947, appearing at page 4 of the opinion of Mr. Justice Frankfurter, in which Mr. Justice Jackson, Mr. Justice Rutledge, and Mr. Justice Burton joined. I may say that this was not a dissenting opinion. It was a further opinion concurring in the outcome of the case. Said Mr. Justice Frankfurter on behalf of himself and these other three Justices:

Separation in the field of education, then, was not imposed upon unwilling States by force of superior law. In this respect, the fourteenth amendment merely reflected a principle then dominant in our national life. To the extent that the Constitution thus made it binding upon the States, the basis of the restriction is the whole experience of our people. Zealous watchfulness against fusion of secular and religious activities by government itself, through any of its instruments, but especially through its educational agencies, was the democratic response of the American community to the particular needs of a young and growing nation, unique in the composition of its people. A totally different situation elsewhere, as illustrated, for instance, by the English provisions for religious education in State-maintained schools, only serves to illustrate that free societies are not cast in one mold. (See the Education Act of 1944, 7 and 8 Geo. VI, ch. 31.) Different institutions evolve from different historic circumstances.

Continuing, Mr. Justice Frankfurter said:

It is pertinent to remind that the establishment of this principle of separation in the field of education was not due to any decline in the religious beliefs of the people. Horace Mann was a devout Christian, and the deep religious feeling of James Madison is stamped upon the Remonstrance. The secular public school did not imply indifference to the basic role of religion in the life of the people nor rejection of religious education as a means of fostering it.

The claims of religion were not minimized by refusing to make the public schools agencies for their assertion. The nonsectarian or secular public school was the means of reconciling freedom in general with religious freedom. The sharp confinement of the public schools to secular education was a recognition of the need of a democratic society to educate its children, insofar as the State undertook to do so, in an atmosphere free from pressures in a realm in which pressures are most resisted and where conflicts are most easily and most bitterly engendered. Designed to serve as perhaps the most powerful agency for promoting cohesion among a heterogeneous democratic people, the public school must keep scrupulously free from entanglement in the strife of sects. The preservation of the community from divisive conflicts, of Government from irreconcilable pressures by religious groups, of religion from censorship and coercion however subtly exercised, requires strict confinement of the State to instruction other than religious, leaving to the individual's church and home indoctrination in the faith of his choice.

This development of the public school as a symbol of our secular unity was not a sudden achievement nor attained without violent conflict. While in small communities of comparatively homogeneous religious beliefs, the need for absolute separation presented no urgencies, elsewhere the growth of the secular school encountered the resistance of feeling strongly engaged against it. But the inevitability of such attempts is the very reason for constitutional provisions primarily concerned with the protection of minority groups. And such sects are shifting groups, varying from time to time, and place to place, thus representing in their totality the common interest of the Nation.

Enough has been said to indicate that we are dealing not with a full-blown principle, not one having the definiteness of a surveyor's metes and bounds. But by 1875—

I digress to comment again upon the fact that that was the year in which President Grant made his suggestion to Congress—

but by 1875 the separation of public education from church entanglements, of the state from the teaching of religion, was firmly established in the consciousness of the Nation. In that year President Grant made his famous remarks to the convention of the Army of the Tennessee:

"Encourage free schools and resolve that not one dollar appropriated for their support shall be appropriated for the support of any sectarian schools. Resolve that neither the State nor the Nation, nor both combined, shall support institutions of learning other than those sufficient to afford every child growing up in the land the opportunity of a good common school education, unmixed with sectarian, pagan, or atheistical dogmas. Leave the matter of religion to the family altar, the church, and the private school, supported entirely by private contributions. Keep the church and state forever separated." (The President's Speech at Des Moines (22 Catholic World, 433, 434–85 (1876)).

Continuing, Justice Frankfurter says:

So strong was this conviction, that rather than rest on the comprehensive prohibitions of the first and fourteenth amendments, President Grant urged that there be written into the United States Constitution particular elaborations, including a specific prohibition against the use of public funds for sectarian education, such as had been written into many State constitutions. By 1894, in urging the adoption of such a provision in the New York constitution, Elihu Root was able to summarize a century of the Nation's history: "It is not a question of religion, or of creed, or of party; it is a question of declaring and maintaining the great American principle of eternal separation between Church and State" (Root, Addresses on Governments and Citizenship, 137, 140). The extent to which this principle was deemed a presupposition of our constitutional system is strikingly illustrated by the fact that every State admitted into the Union since 1876 was compelled by Congress to write into its constitution a requirement that it maintain a school system "free from sectarian control."

Statutory references are cited by the Supreme Court for this assertion by Mr. Justice Frankfurter.

Because of the fact that my own home is in the State of Missouri, I should like at this point to read a portion of the new constitution of Missouri, which is a comparatively short paragraph on the subject of public aid for religion, religious purposes, and institutions, the constitution having been adopted only 4 years ago, or thereabouts—in the year 1945. My recollection is that the provisions I am about to read are substantially the same—perhaps exactly the same—as those in the constitution of 1875, though I may be in error in my recollection. The language is as follows:

SEC. 8. Prohibition of public aid for religious purposes and institutions. Neither the general assembly or any county, city, town, township, school district, or other municipal corporation shall ever make an appropriation or pay from any public fund whatever anything in aid of any religious creed, church, or sectarian purpose, or to help to support or sustain any public or private school, academy, seminary, college, university, or other institution of learning controlled by any religious creed, church, or sectarian denomination whatever. Nor shall any grant or donation of personal property or real estate ever be made by the State or any county, city, town, or other municipal corporation for any religious creed, church, or sectarian purpose whatever.

In February 1946, the National Education Association, which, as we of course realize, is a great organization of those who are engaged in the profession of teaching, issued a notable research bulletin consisting of about 44 pages, entitled "The State and Sectarian Education," being volume 24, part 1. The foreword to that research bulletin is signed by a gentleman who is doubtless well known to many Members of the Congress because of his distinction and his industry and integrity. I refer to Mr. Willard E. Givens, executive secretary of the National Education Association. The foreword is so clear and so modern—1946—and conveys so succinctly the views therein expressed, and comes from such an authoritative source, the executive secretary of the National Education Association, that I take the liberty at this moment of reading the foreword into my remarks. Mr. Givens says:

Perhaps no public moneys are collected, banked, spent, and audited with greater care than are those allotted to public education. Rarely indeed are charges made, and even more rarely are claims proved, that any school authority has failed to use school funds in accordance with law. This record of scrupulous observance of the law is a praiseworthy one. One reason why the law has been so carefully observed is that the people in each State have been vigilant. They have agreed that the State and its subdivisions should, at public expense, provide not less than elementary and secondary school opportunities for every child.

Mr. President, I pause at this point to state that after the argument made earlier today, in which the distinguished Senator from Ohio [Mr. TAFT] called attention to the fact that every State in the Union provides for its children public schools which can be availed of, if desired, I was greatly impressed by the fact that a gentleman met me outside of this Chamber, on the steps leading to this great building, and commented that

he had been pleased that that notation had been made in the argument. It emphasizes the fact, as Mr. Givens puts it, that—

The people in each State * * * have agreed that the State and its subdivisions should at public expense provide not less than elementary- and secondary-school opportunities for every child.

Then, proceeding, Mr. Givens says in this foreword—and I call particular attention to this sentence:

They have insisted—

In other words, the people in each State have insisted—

that the money appropriated for public education shall not be spent for private or church schools, no matter how socially worthy. Many State legislatures and courts have repeatedly set forth these traditionally American principles. It would be misleading, however—

Says Mr. Givens—

to assume that such American principles sprang into being all at one time. The standard that public funds should not be used to support any religion has been repeated again and again in State constitutions. But it has taken detailed legislation and court decisions to clarify the specific application of the general principle to time, place, and conditions.

Mr. President, I call especial attention to that last sentence, namely, that—

It has taken detailed legislation and court decisions to clarify the specific application of the general principle to time, place, and conditions.

Because probably I shall refer to that statement again, somewhat later in my argument, in reference to certain decisions of the Supreme Court of the United States.

Mr. Givens then says:

Furthermore, widespread as have been the restrictions against diverting public moneys to religious purposes, the principle continues to be challenged from time to time.

In recent years there have been several cases where the courts have appeared to rule that public funds could be used for pupils attending sectarian schools. Usually these cases have involved free text books and transportation. In some instances the courts maintained that the State laws as written did not forbid such aid. These cases illustrate the need for reexamination of the legal situation in every State, as is done in this bulletin.

In seeking to restrain the use of public-school funds, educators do not oppose the sectarian-school movement—

Says Mr. Givens; and Mr. President, I emphasize this statement. He further says:

Those who wish to support such schools in our country can do so without restriction. They meet opposition, however, when they maintain that all citizens of a State should be taxed to support any type of sectarian education.

Mr. President, I digress to say that obviously similar opposition would be met with if it were maintained that all citizens of the United States who pay taxes should be taxed to support any type of sectarian education.

I resume reading the foreword by Mr. Givens:

Such efforts to direct public funds to sectarian schools weaken the financial support of public education which in many States is not adequate to provide acceptable public educational opportunities. To no small degree the strength of America today has come through a program of public education which has minimized differences and emphasized unity among all citizens of the United States.

This research bulletin summarizes the facts with respect to State assistance to nonpublic education. It reviews the constitutional, statutory, and judicial bases underlying many types of relationship between church and state with respect to education. It provides the basis for further study and discussion in every State.

WILLARD E. GIVENS,
Executive Secretary, National Education Association.

Mr. President, in the booklet to which I have referred—the February 1946 bulletin in which Mr. Givens' foreword appears—at page 11 appear these two significant sentences:

However, during this period—

The period referred to in the preceding observation—

most of the States were including a constitutional provision prohibiting the use of tax revenues for sectarian purposes.

Then this sentence:

All States now so provide, directly or indirectly, except Maine and North Carolina, but in Arkansas, Iowa, and New Jersey the provisions are limited.

Mr. President, I digress at this point to observe that someone may suggest that if there are in practically all the States prohibitions against the use of public funds for sectarian purposes, it follows that in practically all the States Federal funds under Senate bill 246 will not be permitted to be used for sectarian schools. In answer to such a suggestion, I call attention to the fact that although there are, as I have stated, prohibitions in 46 of the 48 States, the National Education Association bulletin at page 43 states:

An appropriation of any public-school funds to a sectarian school would be unconstitutional in most States, and such an appropriation could not be made from certain funds in any State.

Mr. President, the word "any" and the word "certain" are italicized.

So the situation is, as pointed out in the bulletin, that an appropriation of public-school funds to a sectarian school can be made in some States from certain funds, even though there is a restriction, and thus a recognition, in the constitution of the State of the desirability of restricting such appropriations. Yet, Mr. President, as a matter of fact in every one of the minority of the States in which appropriations from certain funds—and I emphasize the word "certain"—can be made, I believe that if this bill shall pass in its present form, without the adoption of my amendment, undoubtedly an effort will be made to sustain the validity of the use of Federal funds for sectarian-school purposes; and in the second place, due to the differences in the statutes of the several States in this respect, separate litigation will be required to determine whether the Federal funds provided under this bill could be used in each respective State for sectarian schools.

Again I refer to the observation made by Mr. Givens, to which I paid special attention a little while ago:

It has taken detailed legislation and court decisions to clarify the specific application of the general principle to time, place, and conditions.

Mr. President, I hold in my hand a pamphlet entitled "Higher Education for American Democracy." This is an official document; it is a report of the President's Commission on Higher Education—and by the word "President," I refer to the President of the United States—issued in Washington, D. C., in December 1947, being volume V of the Commission's report. The letter of transmittal is quite brief, and I should like to read it. It comes from a very distinguished educator, George F. Zook, Chairman of that Commission, and widely known throughout the Nation:

WASHINGTON, D. C., *December 11, 1947.*

DEAR MR. PRESIDENT: On July 13, 1946, you established the President's Commission on Higher Education and charged its members with the task of examining the functions of higher education in our democracy and the means by which they can best be performed.

The Commission has completed its task and submits herewith a comprehensive report, Higher Education for American Democracy.

The magnitude of the issues involved prompted the Commission to incorporate its findings and recommendations in a series of six volumes, of which this is the fifth.

The Commission members and the staff are grateful for the opportunity which you have given us to explore so fully the future role of higher education, which is so closely identified with the welfare of our country and of the world.

Mr. President, the membership of the Commission speaks for itself. It consists, I think, of 28 members. I shall not read the list, but I ask leave at this point to have the list included in full in my remarks. It appears on one of the fly leaves of the booklet.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

President's Commission on Higher Education: George F. Zook, Chairman; Sarah G. Blanding; O. C. Carmichael; Arthur H. Compton; Henry A. Dixon; Milton S. Eisenhower; John R. Emens; Alvin C. Eurich; Douglas S. Freeman; Algo D. Henderson; Msgr. Frederick G. Hochwalt; Lewis W. Jones; Horace M. Kallen; Fred J. Kelly; Murray D. Lincoln; T. R. McConnell; Earl J. McGrath; Martin R. P. McGuire; Agnes Meyer (Mrs. Eugene); Harry K. Newburn; Bishop G. Bromley Oxnam; F. D. Patterson; Mark Starr; George D. Stoddard; Harold H. Swith; Ordway Tead; Goodrich C. White; Rabbi Stephen S. Wise; Francis J. Brown, executive secretary; A. B. Bonds, Jr., assistant executive secretary.

Mr. DONNELL. Mr. President, from my observations you will have noted that this notable Commission was dealing not with elementary—yes; not even with secondary education—but with higher education. I suggest, not as an expert upon education but merely as an individual, that it would seem to me that, if there should be any distinction in the preservation of the separation of church and state as between elementary and secondary education on the one hand, and higher education on the other, the greater care should be bestowed upon elementary and secondary education. The boys and

girls who have attained the age when they enter colleges and universities to receive higher education have at least progressed further, it is to be assumed, in their mental development than have the children who are in the elementary and secondary schools. I say, therefore, Mr. President, that, in my opinion, if there be any distinction in the care which should be bestowed to see that there shall be no intermingling of church and state in our schools, the greater part of that care should be bestowed upon the secondary and elementary schools.

But, Mr. President, this notable Commission, headed by Mr. Zook, appointed by the President, and reporting to him, considers, as you will note in a moment, that it is of high importance that the matter of separation shall be considered and observed in connection with higher education. I submit, a fortiori, that it should be considered with respect to elementary and secondary education. Here is the observation of the Commission to which I refer. It appears in bold-faced type at page 57 of the report:

Federal funds for the general support of current educational activities and for general capital-outlay purposes should be appropriated for use only—

I emphasize the word "only"—

only in institutions under public control.

It will be observed that he is referring to Federal funds, and he is referring to the general support of current educational activities, and for general capital-outlay purposes. I pause to say that this bill, it will be observed, does not include capital-outlay purposes. I believe I am correct. But the writer of the report, and the report itself, lays down the proposition that Federal funds for such general support of current educational activities should be appropriated for use only in institutions under public control. I call particular attention to this italicized sentence, which appears a little later in the report:

Nevertheless, any diversion by Government of public funds to the general support of nonpublicly controlled educational institutions tends to deny the acceptance of the fundamental responsibility and to weaken the program of public education.

Mr. President, someone may say, "Well, this was a merely perfunctory observation." I am pleased to say that the report in itself negatives that idea, for not only had the period between July 13, 1946, and December 11, 1947, ensued between the time of the establishment of the Commission and the rendition of the report, but the fact that this problem was seriously considered to be involved in the whole subject matter of the report, I take it, appears from the fact that there was a dissent to the opinion expressed by the distinguished majority members of the Commission. Of the 28 members, 2 dissented, and those 2 were Msgr. Frederick G. Hochwalt and Martin R. P. McGuire. Monsignor Hochwalt is director of higher education of the National Catholic Welfare Conference, and Dr. McGuire is, or was, dean of the Graduate School of the Catholic University of America. I do not mean by the word "was" to imply any possibility of his no longer being dean. I am not informed as to whether he is.

Mr. President, what was the reaction among the people of the Nation, or some of them at any rate, with respect to the report of the President's Commission on Higher Education? The Churchman, which is a religious publication, contained—and I quoted it last year—an article reading as follows:

WASHINGTON, D. C.—Action of President Truman's Commission on Higher Education to limit any Federal appropriations in aid of colleges and universities to public institutions was given warm approval by the recently formed Protestants and Other Americans United for Separation of Church and State.

In a statement directed to Dr. George F. Zook, Chairman of the Commission * * * the church-state organization commended the Commission's recommendation "to exclude private and church schools."

It said: "We are greatly concerned that religious training shall be widely and effectively disseminated among the people, but we hold with you that provisions for such inculcation must be privately supplied."

"This does not mean," the statement warned, "that tax-supported schools must be hostile or indifferent to religion, lacking in moral values, and pagan or atheistic in character.

"We would deplore the day," it added, "when church schools come to lean on the Government as a financial prop."

Declaring that state-supported church schools "would spell the end of our public-school system," the organization further warned that "to divide state-supported education into sectarian school systems would divide American society itself into hostile sectarian camps, intensify sectarian intolerance, and thrust a religious issue permanently into the political arena from which our Constitution was designed to exclude it.

"Next to the Constitution itself, our public-school system has been our strongest bulwark against the development of religious intolerance in our political life."

So, Mr. President, the reaction, at least, from this one organization, will thus be noted.

On July 17, 1947, the American Unitarian Association addressed a letter to me. I assume it doubtless went to other Members of the Senate, perhaps to all of them. The letter reads as follows:

AMERICAN UNITARIAN ASSOCIATION,
Boston, Mass., July 17, 1947.

Hon. FORREST C. DONNELL,
Senator from Missouri,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DONNELL: May we remind you, sir, that there is grave danger to the traditional and democratic principle of the separation of church and state in the amended Taft bill for $300,000,000 Federal aid to education. According to a late press release the Senate Labor and Public Welfare Committee has approved the bill on a basis which does not exclude nonpublic schools from financial aid under the bill, but leaves the question of distribution of such funds to private and religious schools to the discretion of the individual States.

Since a far greater number of nonpublic schools in the United States are parochial in nature, this bill, if passed in its present form, would be the beginning of the providing of public funds for church-operated schools.

We are deeply aware of, and sympathetic to, the financial needs of our American public school system, and hope that you will support the granting of aid to these institutions. But to give Federal funds to religious schools, whether Jewish, Catholic, or Protestant, is a direct violation of one of the fundamental tenets of our American democracy—a principle deemed important enough by our founding fathers that it was included in the first amendment to our United States Constitution.

We call your attention to the following resolution adopted at the one hundred and twenty-second annual meeting of the American Unitarian Association, composed of Unitarian churches in the United States and Canada, which passed without a dissenting vote on May 22, 1947:

"SEPARATION OF CHURCH AND STATE

"Whereas the American Unitarian Association has always stood for the separation of church and state; and

"Whereas the traditional historic position of the United States since Thomas Jefferson articulated the principle of religious freedom for the Commonwealth of Virginia and the enactment of the first amendment to the Constitution has been to establish and maintain the separation of church and state; and

"Whereas there are pending at present certain Federal and State proposals to provide public funds for nonpublic schools; and

"Whereas the Supreme Court of the United States in a 5 to 4 opinion decided in the case of *Arch Everson* v. *The Board of Education in the Township of Ewing* that the legislature in the State of New Jersey was constitutionally within its rights in providing for the use of public funds for the transportation of pupils to other than public schools, but not including schools operating for profit; and

"Whereas this decision may be interpreted as establishing a precedent which places many problems involving the issue of State support of sectarian institutions squarely upon the individual States; be it therefore

"*Resolved*, That the American Unitarian Association, assembled in its one hundred and twenty-second annual meeting, calls upon all Americans, both within and without the churches, to oppose all encroachment upon the principle of the separation of church and state, including the action of legislatures (at present particularly in Illinois, Indiana, Louisiana, Massachusetts, Michigan, New Jersey, and New York), local school boards, and other policy-making instrumentalities of government; and be it further

"*Resolved*, That we urge those States whose constitutions do not now guarantee the separation of church and state to incorporate such guaranties by constitutional amendments; and be it finally

"*Resolved*, That the executive officers of the American Unitarian Association be instructed to seek active cooperation with other denominations and organizations for the purpose of promoting unity of action to this end."

Because we feel that S. 472, in its present form, is contrary to a functioning, democratic educational system, we ask you to support the Federal aid bill only after it has been amended to exclude public aid to nonpublic schools.

Respectfully,

MERRILL E. BUSH,
Director, Department of Adult Education and Social Relations.

(At this point Mr. DONNELL yielded to Mr. MCKELLAR for the consideration of House Joint Resolution 226, and debate ensued, which by order of the Senate, appears at the conclusion of Mr. DONNELL's speech. Mr. DONNELL also yielded to Mr. WHERRY, and debate ensued, which likewise appears at the conclusion of Mr. DONNELL's speech.)

Mr. DONNELL. Mr. President, there occurred in Atlantic City, N. J., in the

month of March of last year, I believe, the seventy-fourth annual conference of the American Association of School Administrators. The magazine the Churchman, to which I recently referred, in its issue of March 15, 1948, contains an article headed "Public funds—School administrators oppose special aid." The article reads as follows:

ATLANTIC CITY, N. J.—The use of public funds for "direct or indirect" support of church schools was opposed here by the seventy-fourth annual conference of the American Association of School Administrators.

The resolution, one of 22 introduced by a committee, declared:

"We believe the American tradition of separation of church and state should be vigorously and seriously safeguarded. We reassert the right of special-interest groups, including religious denominations, to maintain their own schools as long as such schools meet the standards defined by the State in which they are located.

"We believe that these separate schools should be financed entirely by their own supporters. We therefore oppose all efforts to devote public funds either to the direct or indirect support of such schools."

One session of the conference was devoted to a discussion of religious training in the schools, including the released-time plan. However, no resolution on this subject was introduced.

Mr. President, I am unable to vouch to the Senate as to whether the resolution which I have read was adopted. The heading of the article reads, as I have indicated, "Public funds—School administrators oppose special aid." I call attention to the article itself, which merely states that the use of public funds for the direct or indirect support of church schools was opposed by the seventy-fourth annual conference of the American Association of School Administrators, and that the resolution to which I have referred, being one of 22 resolutions introduced by a committee, declared as I have read. I am unable to state whether the conference approved it, or whether that was the action of the committee.

An organization known as the National League Opposed to Sectarian Appropriations is referred to in a letter bearing the signature of Frank J. Batcheller, chairman of the national committee. I quote from an article appearing in the Christian Science Monitor of March 27, 1947, as follows:

BOSTON, March 27.—Strong protests against the inclusion in the Federal education bill now before Congress of any clause authorizing or permitting the use of public funds for the benefit of sectarian schools were mailed to all Members of Congress today by the National Committee of the League Opposed to Sectarian Appropriations.

Letters were addressed from the League's headquarters in Cambridge, Mass., calling upon the people's representatives to maintain the great fundamental American principle of complete separation of church and State by denying support of sectarian institutions at the expense of the general public.

The letter, bearing the signature of Frank J. Batcheller, chairman of the national committee, follows:

As chairman of the National Committee of the League Opposed to Sectarian Appropriations, an organization whose membership exceeds 8,000,000 citizens, and whose proposed constitutional amendment to prohibit all sectarian appropriatons has been unanimously endorsed by other organizations whose total membership is more than 20,000,000, I emphatically protest against the inclusion in the Federal education bill of any clause or provision authorizing or permitting the use for the benefit of sectarian schools of any money appropriated by this bill.

The appropriation of public money for sectarian schools, whether by Federal, State, or municipal governments, is a clear violation of the great basic American principle of the complete separation of church and state. This is equally true whether the schools in question are aided by direct payment of public money or by the furnishing of free transportation, free textbooks, or free supplies of any nature for their pupils. Any attempts to secure such grants or aid should be decisively defeated.

We are just as strongly opposed to any Federal education bill that would aid sectarian schools only in those States that make grants for the benefit of such institutions as we are to any legislative acts that would assist those schools in all States.

Because a number of States, as a result of political manipulation and political pressure, have violated the principle of the separation of church and state by furnishing free transportation for the pupils of parochial schools in no way justifies or excuses the Federal Government doing the same thing.

Mr. President, in the issue of the Churchman for March 15, 1948, are two articles, each of which I should like to place in the RECORD. One is in favor of the use of public funds for private institutions. I wish to place it in the RECORD in order that we may have here some expression from someone who favors such use, subject to our analysis.

The first article is headed "Deterioration—Public schools suffer if funds are diverted." It reads as follows:

CHICAGO.—The widespread deterioration of the public schools will be increased if funds are diverted to sectarian schools out of public funds, a committee reported here to the annual meeting of the Methodist Board of Education. Bishop W. Earl Ledden, of Syracuse, N. Y., headed the committee, which urged resistance to the never-ending campaign by a powerful religious organization for complete support of sectarian schools. It said collapse of the public-school system and weakening of the foundations of national unity will result from such a campaign.

"We recognize the public schools as the primary agency through which our society attempts to open up its culture to youth and to train them in the ideals and ways of living," the report stated. "We, as Protestants, are committed to the pulic schools as the most effective means of providing common education for all our children."

Religion, the report said, should be given "its rightful place in the public-school program, without violating traditional principles of separation of church and state, by presenting moral and spiritual values."

"The intellectual and spirtual affinity existing between Protestant churches and public schools" must be recognized and a more vital relationship between the two urged.

Mr. President, the other article in The Churchman, being the one advocating the use of financial aid from both Federal and State sources for private and parochial schools, reads as follows:

GRAND RAPIDS, MICH.—Federal and State financial aid for private or parochial schools to give equal opportunity to all and special privileges to none was recommended here by Dr. Henry VanZyl, professor of education at Calvin College, in an address before members of the Michigan Christian School Alliance.

"If we want to have a healthy social structure and preserve our democracy, and if private schools are among the best guaranties of liberty and freedom, then we ought to give private schools and private initiative more support," Dr. VanZyl asserted.

Parochial schools of all faiths are as entitled to governmental assistance as are public schools, under the American theory of justice to all and prejudice toward none, in Dr. VanZyl's opinion.

He sees no threat in private-school aid to the American principle of separation of church and state. "Government financial support to all schools, public and private, would be more in keeping with the spirit of democracy upon which this country was founded."

Mr. President, the Council of Bishops of the Methodist Church, as reported in The Churchman of May 15, 1947, has this to say:

We rejoice in the liberty this Nation grants churches to maintain schools if they so desire, but we hold that the support from public funds of sectarian education is fraught with danger and must be resisted and ended.

Mr. President, over a year ago there occurred in my own city of St. Louis, Mo., a notable convention of the Southern Baptist Church, attended by 7,900 persons from 19 States and the District of Columbia. The Christian Science Monitor of May 9, 1947, contains a statement, a portion of which I shall read. It is entitled "Baptists Against the United States Aid to Church Institutions" and it reads as follows:

ST. LOUIS, MO., May 9.—The Southern Baptist Convention, protesting what it described as a threat to the future of all public schools, went on record today against the acceptance of Federal aid by church-sponsored schools. The convention, attended by 7,900 persons from 19 States and the District of Columbia, adopted unanimously a resolution warning all Baptist schools and other institutions against accepting grants of money from the Government for any purpose, on the ground it weakened what it termed the traditional wall between the church and State.

Mr. President, I have on my desk certain other observations, a few of which I should like to read into the RECORD. Included among them are resolutions passed by the Associated Church Press on April 22, 1949. I am informed that the Associated Church Press comprises all the better-known Protestant newspapers in America. The resolution reads as follows:

Whereas the disparity in educational opportunity across the United States works injustice to a large number of children: Be it

Resolved, That the ACP endorse in principle Federal aid to public education.

Whereas increased efforts are being made to break down the traditional American separation between church and state: Be it

Resolved, That the ACP urge Congress to amend S. 246, the Thomas bill, so as to make impossible under any circumstances the grant of Federal funds to parochial and private schools.

I also have before me an extract which I am informed is from a letter written by Dr. W. O. Carver, professor, of the Southern Baptist Theological Seminary, Louisville, Ky., to the junior Senator

from Kentucky [Mr. WITHERS]. The letter contains this statement:

You direct my attention to the fact that the word "public" appears twice in section 6 of the bill.

I pause to say that section 6 of the bill, as I earlier observed, is the section to which my amendment proposes to add the word "public" in another place. Dr. Carver also says:

I was perfectly aware of that. I was also aware—and this was the one point of my communication—that at the third place where "public" should occur with the hyphen connecting it with "school," this vital word is omitted. It is entirely obvious that this omission was deliberate and has for its intention opening the door for the negation of the Federal Constitution. The plea of States' rights in justification of this evasion is, in my judgment, unworthy of Members of the United States Congress. My letter was for the purpose of making a plea that this evasion by omission should be corrected before the bill is passed.

I also quote the following resolution adopted on February 8, 1949, concerning Federal aid to education, by the Joint Conference Committee on Public Relations. I think I am correctly stating the name of that organization. The resolution appears in a booklet issued under the headline "Report from the Capital," Joint Conference Committee on Public Relations, 1628 Sixteenth Street NW., Washington, D. C.; the Northern Baptist Convention; the Southern Baptist Convention; the National Baptist Convention; the National Baptist Convention, Inc.; J. M. Dawson, executive secretary; E. Hilton Jackson, chairman; W. B. Lipphard, secretary.

The resolution reads as follows:

The issue of the separation of church and state immediately confronts us. The bill, S. 246, now pending in Congress, lends itself to an interpretation which makes possible the use of Federal funds for parochial schools. The Joint Conference on Public Relations for the Baptists of the United States respectfully calls upon the Congress to defeat the attempt of any church group to secure public funds for parochial schools, as permitted by S. 246, section 6. We further urge that in section 6, page 7, line 10, after the words "expenditure for", the words "tax-supported public" be inserted.

Mr. President, a letter dated April 14, 1949, upon the letterhead of the American Council of Christian Churches of California, Civil Affairs Committee, after stating the date, reads as follows:

The Honorable FORREST C. DONNELL,
Senate Office Building,
Washington, D. C.

DEAR SIR: We view with deep concern some of the trends which we see in our Nation today. There are some programs which at the outset may seem desirable, but if not carefully guarded, may prepare the way for the overthrow of the very thing that they are designed to promote. We fear that this is true with many of the Federal-aid-to-education bills. Almost all these bills that have come to our attention would allow the Federal aid moneys to be used for any educational purpose that is approved by the particular State. (Mrs. DOUGLAS' bill is a notable and praiseworthy exception.) At present there are at least 19 States in which State school funds are being used in one way or another to benefit private or parochial schools. Of course, we do not refer to the private specialized schools for the mentally or physically handicapped which educational authorities have found to be very helpful, but we do refer to such practices as school-bus transportation furnished to parochial school students, textbooks furnished to parochial school students, and other so-called indirect aid. All State constitutions forbid the use of tax funds for the benefit of any other than public schools, but by curious interpretations these constitutions have been made to allow the very action which they prohibit. With these incidental benefit and general welfare decisions we must disagree most strongly.

Right here may we say that in considering these decisions it is not our desire to single out any particular group, but rather that we are opposed in principle to any action that tends to breach the wall between church and state. Though I am a Baptist, I am as thoroughly opposed to any State aid that might come to Baptists as to any other religious denomination. We believe that the giving of any tax funds to aid directly or indirectly any church organization is wrong both legally and morally. We believe that any aid which assists any private or parochial school system in obtaining pupils, or lightens the financial burden of maintaining their pupils, is aid to that school system. And when a school system is operated by a church for the purpose of instructing in its dogmas and rituals, then aid to that school system is aid to that church and comes perilously close to establishment of that church. The history of education in many other lands reveals the consummate folly of entrusting one church with the authority for and responsibility of educating our children.

Now, we realize that this may seem quite far-fetched and suspicious on our part, but we feel that the loopholes in many of these bills may be used to establish practices which are and must remain foreign to our Nation. We cannot afford to risk wrecking the best educational system in the world—our public schools. Therefore we ask you to insist that any educational aid bill which Congress may consider be endowed with such safeguards as will prevent the aid going to any but public schools.

Very truly yours,

G. M. LANE,
Chairman.

Mr. President, I have also at hand a release of the Religious News Service, 381 Fourth Avenue, New York, N. Y., under date of May 2, 1949, which was Monday of this week. It reads:

METHODIST LEADERS WARNED AGAINST FEDERAL AID

(By Religious News Service)

ATLANTIC CITY, N. J.—

Unless some Senator wants it all read, I shall not undertake to do so, because some of it does not pertain to the question now being discussed. I shall read what I think applies. The entire communication is available if any Senator wishes to see it. It reads as follows:

ATLANTIC CITY, N. J.—Schools founded and fostered by church groups will make larger contributions to society if they do not receive governmental support, Dr. John C. Gross, head of the Methodist Church's division of educational institutions, declared here.

Dr. Gross addressed a meeting of the Methodist Board of Education, which comprises 109 ministers and laymen of the church. The division of educational institutions connects 127 Methodist-related universities, colleges, and schools, with a combined enrollment of 181,027 students, including 81,804 veterans.

Urging that church schools be kept independent and free, Dr. Gross said:

"The Methodist Church should not abandon its educational institutions upon the doorstep of the United States Treasury."

He warned that if a financial crisis developed which would make church schools dependent upon the Federal Government for support, "they will find it difficult to avoid governmental dictation and ultimate State domination."

Mr. President, I have also a letter, on the letterhead of the Council of Churches, St. Joseph Protestantism United for Service, Y. W. C. A. Building, St. Joseph, Mo., February 2, 1949, which I shall read into the RECORD:

The Honorable FORREST DONNELL,
Senate Office Building, Washington, D. C.

DEAR SENATOR DONNELL: I am writing to express my concern over the Senate bill No. 246 dealing with the matter of Federal aid to public education.

I realize the predicament in which public education finds itself in these days and sincerely hope that some method can be worked out which will undergird our educational system adequately. I think it is high time that this matter be considered thoroughly by the Senate body. My concern, Mr. DONNELL, is over the provision in the bill which throws the responsibility upon each State for the allocation of this Federal money between public and parochial schools. I think this is a proposed violation of the principle of separation of church and state and will open the doors of the Public Treasury to sectarian inroads.

I know many Protestant Christians will appreciate whatever effort you can put forth to undergird our public education without at the same time placing public money at the disposal of a system which is opposite to public education.

Very sincerely yours,

GEORGE H. WILSON,
Executive Secretary.

I referred earlier this afternoon to the article in the Christian Century of March 23, 1949. I think it is appropriate at this point to read a few of the sentences near the end of that article, and I do so, as follows:

So far as is known, S. 246 has not yet come from the subcommittee.

I pause, Mr. President, to say that is the bill which subsequently did come from the committee and is now being debated.

I resume the quotation:

There is, therefore, time for public opinion to express itself. Every Senator should be made aware that the weasel omission of this critical word, which puts the Federal Government in the position of gratuitously offering to subsidize parochial schools, is resented by patriotic citizens who are determined that the separation of church and state shall be maintained. The opinion of citizens should be registered by letter to their own Senators, strongly urging that, prior to voting on S. 246, this one word "public" should be inserted in line 10 of section 6 before the words, "elementary or secondary school purposes."

I may say, that obviously the print of the bill before the writer of this editorial was an earlier print, but it is the same line, as I understand, to which my amendment applies; and the amendment which I now propose is to insert the word "public" at the point indicated by the writer of the article.

Mr. President, what does this bill propose to do with respect to the use of Federal funds by either sectarian or private schools? Obviously, it does not contain any express prohibition against the use of the funds by either sectarian or private schools. We can search the bill from one end to the other and not find one single syllable of any prohibition of or opposition to the use of Federal funds by either sectarian or private schools, unless the language which is contained in section 6, "for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State" constitutes such expression of prohibition.

I shall discuss that language a little later.

What does the bill do? Let us examine it and see what it does; that is to say, section 6, which is the one under discussion. Instead of saying specifically the purposes for which Federal funds may be used; instead of using, as the bill elsewhere does in 31 places, the word "public"; instead of stating, as the title of the bill does, that it is "To authorize the appropriation of funds * * * in financing a minimum foundation education program of public elementary and secondary schools"; instead of stating as among the objects of the bill "reducing the inequalities of educational opportunities through public elementary and secondary schools", section 6 reads:

In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 3 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local public-school jurisdictions—

Note the word "public" there—

or other State public-education agencies—

Note the word "public" there—

for any current expenditure—

Note the omission of the word "public" at that point—

for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State.

Mr. President, I take it that the language "purposes for which educational revenue is derived from State or local sources may legally be expended in such State" is merely a legal conclusion and can lead to nothing else than extensive litigation from one end of the country to the other to determine what school purposes are there for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State. Of course, a final decision of the Supreme Court of the United States ultimately would be rendered and would set the question at rest, but this bill, by the use of such language as I have indicated, which I think any lawyer will state unhesitatingly constitutes a mere legal conclusion, does not set at rest the purposes for which these moneys may be used.

We were told last year by the distinguished Senator from Ohio, who argues today very clearly and vigorously in favor of the bill, of his opinion as to certain decisions of the Supreme Court of the United States. I quote from what he said on March 24, 1948, at page 3357 of the CONGRESSIONAL RECORD:

I might say that, so far as the parochial schools are concerned, the recent decisions of the Supreme Court make it—

Make it what, Mr. President?

almost impossible for any State to give aid to any parochial schools except possibly for bus transportation.

I admire the frank statement of the Senator from Ohio. It will be observed that he did not make that statement without qualification. The word "almost" is a very significant qualification of the language of the Senator from Ohio. The cases to which he referred were obviously the two cases the opinions in which he asked to be incorporated and which were incorporated in the CONGRESSIONAL RECORD, at page 3357 and following, namely, the cases of Everson, appellant, against Board of Education, previously mentioned in my argument this afternoon, and the other, the case of the State of Illinois ex rel. McCollum, which latter decision was delivered on March 8, 1948, the Everson decision having been delivered on February 10, 1947.

Mr. President, to my mind neither of these two decisions, or, so far as I know, no other decision of which I have heard, is decisive on the question involved here as to what purposes there are for which these funds may legally and constitutionally be expended in the respective States. I concede that there is certain language in each of them from which a strong argument may be made that none of these funds could be used for parochial schools; and I should not be at all surprised if the Supreme Court ultimately shall so hold. But, Mr. President, we have a situation today in which the Court has gone only as far as the Everson case and the McCollum case go, unless there are some other decisions later of which I am not advised; and neither of those decisions, notwithstanding the observations to which I refer, is decisive of the issue here at hand.

I say I concede the fact that certain of the language in each of these cases can be used very effectively in support of an argument, and possibly, and I might even say probably, a subsequent Court decision to the effect that no State can contribute to sectarian schools except possibly by way of a contribution to a pupil, or to his parents, for his transportation. For example, in the Everson case Mr. Justice Black said, at page 16 of his opinion, in speaking of the New Jersey situation:

The State contributes no money to the schools. It does not support them. This legislation as applied does no more than to provide a general program to help parents get their children, regardless of their religion, safely and expeditiously to and from accredited schools.

Also at page 14 of this opinion Mr. Justice Black, in the same case, said:

New Jersey cannot consistently with the establishment of religion clause of the first amendment contribute tax-raised funds to the support of an institution which teaches the tenets and faith of any church.

I shall a little later come to the McCollum case, and possibly cite certain language in it to which an advocate arguing to the effect that these funds cannot be used for sectarian schools might point in aid of his argument.

Mr. President, notwithstanding the language which I have read, in the Everson case the Court did not adjudicate the question whether such aid, other than transportation, could be given to sectarian schools. This follows from the fact that the question whether such other aid can be given such schools was not before the Court in the Everson case. The only question before the Court was whether parents who had paid bus fares for their children were legally and constitutionally entitled to reimbursement for those fares. That was the question before the Court, that was the only question decided by the Court, and anything not necessary to that decision was dictum by the Court, and not binding upon it. Any lawyer in this great body would join with me in the statement, I am sure, that the Court is not only not bound by dictum, but in many cases repudiates dicta.

I point out that although the only question in the Everson case was whether, if a parent shall pay transportation for his child to go to school, he can legally be reimbursed for it, Justice Rutledge and his adherents upon the Court had this significant observation to make as to the broad language of the Court in that case:

Neither so high nor so impregnable today as yesterday is the wall raised between church and state by Virginia's great statute of religious freedom in the first amendment, now made applicable to all the States by the fourteenth.

It is entirely conceivable that hereafter some type of aid or some aid under specific circumstances to sectarian schools, which aid the minority represented by Mr. Justice Rutledge would consider a further breach of the wall between church and state, may not be considered by the majority to be such breach at all. Indeed, apprehension to that effect is indicated in the Everson case by the four minority justices when, after the quotation which I gave but a moment ago, they said:

That a third, and a fourth, and still others will be attempted, we may be sure. For just as *Cochran* v. *Board of Education* (281 U. S., 370) has opened the way by oblique ruling for this decision, so will the two make wider the breach for a third. Thus with time the most solid freedom steadily gives away before continuing corrosive decision.

Let me recall that the Cochran case was one in which it was held that the furnishing of books to the school children, both in public and private schools, or wholly either sectarian or nonsectarian, from public funds in Louisiana, did not follow the Fourteenth Amendment as a taking of private property for a private purpose. It was held also by the Court that the taxing power of the State was there exerted for a public purpose.

Even the observations in the Everson case which may hereafter be used effectively in either an argument or a subsequent court decision, that no State can give aid to sectarian schools except possibly by way of contribution to a pupil

or his parents, may not be applicable to a future method of operation by a sectarian school. For example, such a school may hereafter be so operated as not to embrace those religious activities to which Justice Black alluded, or to teach the tenets or faith of any church, to quote substantially if not exactly his language. The activities of the school could be rearranged so as to embrace the teaching of ordinary school work in one building, thereupon adjourning the pupils to other nearby quarters for religious instruction after the hours for sectarian school, so that by some such arrangement the activities of the school could be arranged so as not to teach the tenets or faith of any church.

The primary point which I make as to the Everson case is that the question as to whether or not public funds from the Federal Government may be used for sectarian schools was not the question at issue, and that consequently the case itself does not justify the conclusion that the law is settled by the decision of the Court.

Mr. President, I am not alone in the view, as I judge from a certain incident which occurred on May 2, 1947, that the Everson case is not decisive to the effect that the use of public funds for sectarian purposes is barred. I call attention to the fact that the Everson case was decided by the Supreme Court of the United States on the 10th day of February 1947. On May 2, 1947, after widespread public discussion of the Everson case in newspapers and by word of mouth all over the United States, a significant thing occurred in the House of Representatives. Not only was the decision not accepted in the House as conclusive to the effect that Federal funds could not be used for sectarian schools, but to the contrary Representative JOSEPH R. BRYSON, of South Carolina, whom many of my colleagues doubtless know, introduced in the House of Representatives on May 2, 1947, a joint resolution proposing to amend the Constitution of the United States specifically prohibiting the use of public funds for sectarian purposes. If it had been decided in the Everson case, and if it was certain, that nothing else of a substantial nature could ever be turned over to sectarian schools because of the Everson case decision, obviously the amendment which Mr. BRYSON proposed would be unnecessary and superfluous.

The Christian Science Monitor of May 3, 1947 contained an article headed as follows: "Constitutional amendment would bar public funds for sectarian purposes."

I read from the article as follows:

WASHINGTON.—A proposed amendment to the United States Constitution, implementing its original intent of separation between the church and state by specifically prohibiting the use of public funds for sectarian purposes, was introduced in Congress May 2 by Representative JOSEPH R. BRYSON, Democrat, of South Carolina.

Speaking from the floor of the House of Representatives, Mr. BRYSON explained that it was "not directed at or against any particular faith or creed, but applies to all faiths and all creeds alike as was the original intention of the first amendment."

Mr. BRYSON continued: "Due to increasing tendencies on the part of State governments and the Federal Government to circumvent the article of the Constitution written by our founding fathers, establishing a wall of separation between church and state, it now seems necessary to give further expression—

I note that the language is not merely "advisable" but "necessary," 2⅔ months after the Everson decision—

it now seems necessary to give further expression to the meaning of the constitutional barriers against the appropriation of money for and to be used by sectarian educational institutions."

Not only should separation of church and state be maintained, the Representative insisted, but "it must be more definite and distinct."

The proposed amendment reads as follows:

"Neither the National Government nor any State, county, city, town, village, nor other civil division shall use its property or credit or any money raised by taxation or otherwise, or authorize either to be used, for the purpose of founding, maintaining, or aiding by appropriation, payment for services, expenses, or in any other manner, other than by remission of taxation, any church, religious denomination, or religious society or undertaking which is wholly or in part under sectarian or ecclesiastical control.

"Neither the National Government nor any State, county city town, village, nor other civil division shall pay any person or persons any money for services, expenses, or any kind or for any other purposes, or furnish free transportation, free textbooks, or free supplies of any kind or nature because of their connection with or attendance at, any school, institution, society, or undertaking, which is wholly or in part under sectarian or ecclesiastical control.

"Nothing herein contained shall in any way repeal or curtail the privileges, rights, and benefits of persons who served in the armed forces of the United States of America as set forth in House Document No. 772, of the Seventy-ninth Congress, second session."

Mr. President, I ask unanimous consent that the entire article from the Christian Science Monitor, from which I have quoted, may be incorporated in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL AMENDMENT WOULD BAR PUBLIC FUNDS FOR SECTARIAN PURPOSES

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TENDENCY TO SIDESTEP

Mr. BRYSON continued: "Due to increasing tendencies on the part of State governments and the Federal Government to circumvent the article of the Constitution written by our founding fathers, establishing a wall of separation between church and state, it now seems necessary to give further expression to the meaning of the constitutional barriers against the appropriation of money for and to be used by sectarian educational institutions."

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SPURS CIVIC DRIVES

Primed by the recent United States Supreme Court's 5-to-4 decision upholding the right of the State of New Jersey to pay for the transportation of parochial school children, Mr. BRYSON'S action spearheads a national movement by civic and church groups to clarify the democratic intent of the highest laws of the land.

Aroused organizations all over the country, who see in the Court's action an opening wedge for broader demands by sectarian groups, are tendering their support to the National League Opposed to Sectarian Appropriation at its headquarters in Cambridge, Mass., according to Frank J. Batcheller, chairman.

NAME IS CHANGED

Founded in 1903 as the American Minute Men, the organization recently adopted the more specific title of National League Opposed to Sectarian Appropriations.

Under that title the league claims to have gathered a membership of many millions who believe, "since it is the irrefutable intention of the Nation's bylaws to keep the church and state separate, that this intention should be projected into the Constitution in clear and irrefutable language," according to Mr. Batcheller.

Instead of discouraging the league, the Supreme Court's ruling merely has confirmed the original conviction of its members that the Constitution is too open to legal interpretations on the vital issue of the separation of church and state, Mr. Batcheller explained. Hence, he said, the time has now come to act.

The wide division of opinion in the highest court of the land on so vital an issue as "separation of church and state," the league spokesman warned, "indicates an entering wedge that might well cause one to wonder as to where it will stop."

MUCH BIGGER ISSUE

"The issue is much bigger than that of paying from public funds for the costs of transporting school children," Mr. Batcheller continued. "It implies the ultimate breakdown of one of the main bulwarks of democracy, namely, religious liberty, or the freedom from domination of the church by the state, or domination of the state by the church.

"That courts, legislatures, and conferences can show wide divergencies of opinion over the separation of church and state implies the dangers of legal ambiguities.

"The minority report of two of the Justices of the highest court in the land on the New Jersey issue attest to these dangers. For there is no plainly drawn provision in the Constitution upon which the Court could act positively in preserving the separation of church and state."

TEXT OF AMENDMENT

As introduced by Mr. BRYSON, the amendment specifically stated that "Neither the National Government nor any State, county, city, town, village, nor other civil division shall use its property or credit or any money raised by taxation or otherwise, or authorized either to be used, for the purpose of founding, maintaining, or aiding by appropriation, payment for services, expenses, or in any other manner, other than by remission of taxation, any church, religious denomination, or religious society, or any institution, school, society, or undertaking which is wholly or in part under sectarian or ecclesiastical control."

VET AID EXEMPTED

The proposed amendment continued: "Neither the National Government nor any State, county, city, town, village, nor any civil division shall pay any person or persons any money for services, expenses of any kind or for any other purpose, or furnish them free transportation, free textbooks, or free supplies of any kind or nature because of their connection with, or attendance at, any school, institution, society, or undertaking, which is wholly or in part under sectarian or ecclesiastical control. Nothing herein contained shall in any way repeal or curtail the privileges, rights, or benefits of persons who served in the armed forces of the United States of America as set forth in House Document No. 772 of the Seventy-ninth Congress, second session."

Clarifying the final sentence of the amendment that would appear to permit appropriations to sectarian colleges and schools, Mr. Batcheller stated: "Congress has passed certain emergency legislation providing for the education of veterans, with which we do not intend to interfere."

As a matter of fact, Mr. Batcheller explained, omission of the last sentence would have had little effect, if any, upon the funds appropriated for veterans' education since passage of the amendment, he said, will require several years, when most war veterans will have completed their educational benefits under existing appropriations.

Mr. Batcheller made it plain that the League Opposed to Sectarian Appropriations was neither anti-Roman Catholic, antisectarian, nor antianything. Rather, it is a pro-American organization, he said, of churchmen and representatives of civic groups throughout the country who believe "that the best way to handle this problem of taxpayers' money being used for the support of nonpublic schools and institutions is by the adoption of a constitutional amendment."

POPULAR TEST SOUGHT

The present legal rifts that permit the legal interpretation of this vital issue already have resulted in the use of public funds for the transportation of parochial school children in 14 States.

Yet, in only two instances, he pointed out, has the question been referred to popular vote—"once in New York, when the issue was lumped into an omnibus bill covering 24 other issues, and again in Wisconsin where appropriations for sectarian support were defeated by more than 100,000 votes.

"This issue has been strongly political," Mr. Batcheller stated. "In the 14 States mentioned, appropriations for parochial school transportation have been granted by the legislatures. The proposal even got through two sessions of the Wisconsin Legislature before it was slaughtered by a popular referendum.

"Hence, the attempt is being made to keep this issue in the legislatures and away from the voters. Yet I would predict that 75 to 80 percent of the people would vote against it if they had the opportunity."

Mr. DONNELL. Mr. President, a further indication that it will likely be contended that the Everson case does not settle the right of the Federal Government to extend aid to sectarian schools is found in a very interesting and very instructive article by Prof. J. M. O'Neill, chairman of the speech department at Brooklyn College and chairman of the Committee on Academic Freedom of the American Civil Liberties Union, in the June 1947 issue of the magazine called Commentary, in which article, although Professor O'Neill refers to and shows familiarity with the Everson case, he includes as the chief of what he considers two principal arguments for extending Federal aid to parochial schools, that which he terms the untenable position that the United States Constitution forbade such aid. The McCollum case likewise is not in point. It merely holds that in the tax-supported public schools in the State of Illinois religious instruction cannot be given. In this connection I call attention to the fact that the school district was using the compulsory process of its public-school system to provide religious classes for its pupils.

Mr. President, I submit that the effect of the bill is not conclusively determined by either the Everson or the McCollum cases.

We are told by the Senator from Ohio today that the amendment is in conflict with the theory of the bill. I submit that it is not. The very title of the bill, the very use of the word "public," the very reference to the program of "public elementary and secondary schools," and "the inequalities of educational opportunities through public elementary and secondary schools," indicate that a provision that these expenditures may only be made for public elementary or secondary school purposes is in line with the purposes of the bill. He says that this is a limitation upon the States. Mr. President, the very fact that the bill gives money only to educational purposes is in itself a limitation. It is not a gift for any purpose that the State may desire to use the money.

So, Mr. President, the amendment which I propose is in line with the purposes of the bill, is in line with sound public policy, and the amendment should be adopted.

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). The question is on agreeing to the amendment offered by the Senator from Missouri.

Mr. DONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Chapman	Ellender
Baldwin	Connally	Ferguson
Bricker	Cordon	Flanders
Bridges	Donnell	Frear
Butler	Douglas	Fulbright
Byrd	Downey	George
Cain	Eastland	Gurney
Capehart	Ecton	Hayden
Hendrickson	McCarran	Reed
Hickenlooper	McCarthy	Robertson
Hill	McClellan	Russell
Hoey	McFarland	Saltonstall
Humphrey	McKellar	Schoeppel
Hunt	McMahon	Smith, Maine
Ives	Magnuson	Sparkman
Jenner	Martin	Stennis
Johnson, Colo.	Maybank	Taft
Johnson, Tex.	Millikin	Taylor
Johnston, S. C.	Morse	Thomas, Okla.
Kefauver	Mundt	Thomas, Utah
Kilgore	Murray	Thye
Knowland	Myers	Vandenberg
Langer	Neely	Watkins
Lodge	O'Conor	Wherry
Long	O'Mahoney	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations was conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

Mr. FLANDERS. Mr. President, I should like to make a very brief observation on the amendment of the Senator from Missouri and ask one question. The observation is this:

While I find myself in sympathy with the purposes of this amendment, there is in the State of Vermont the situation of private academies which serve as high schools. They are nonsectarian. They are supported in considerable measure by endowments and private contributions, but they are also supported in large measure by the payment of tuition by the townships from which the students come, which townships have no high schools of their own.

As I read this amendment, it would not permit the use of Federal funds for institutions of that sort. If that is the case, I find I cannot support it. That is my observation.

Now I wish to ask a question. I assume that in some way the application of public funds to sectarian schools is based upon the Supreme Court decision in the New Jersey case. I should like to ask the Senator from Missouri, who is versed in the law, as I am not, whether that decision in any way limits the application of public funds to sectarian schools or whether it says that only funds for purposes of transportation can be so directed, or whether it permits in full the direction of the funds under this bill to any purposes for which the bill permits the application of the funds.

Mr. DONNELL. Mr. President, I am very glad the Senator from Vermont asked the question and made the observation. Early this afternoon, in the course of the discussion, I mentioned the fact that the reason why I changed the amendment from the form in which I presented it last year to the form in which I presented it this year was to take care of the very situation which exists in the State of Vermont. The Senator from Vermont, who now asks the question, doubtless recalls that he asked me a question earlier and left the floor shortly thereafter and did not hear my observation.

It was pointed out last year in connection with the amendment which I then presented, which contained an express provision that no funds appropriated under the act should be disbursed in any State for the support or benefit of any sectarian or private school, that in the opinion of the Senator from Vermont [Mr. AIKEN] that amendment would have prevented the payment of any funds to those academies in Vermont.

I have come to the conclusion that the Senator from Vermont was correct in his view, because obviously these academies are private schools—I do not know whether they are sectarian, but certainly they are private—and therefore the prohibition which I had placed in my amendment in that form would have prevented the funds from being applied to private schools.

But last year the Senator from Vermont pointed out that—

> Thousands of boys and girls have received a high-school education by attending these technically private but actually public schools.

To my mind and in my judgment—and I state it as the purpose of this amendment, in order that we may have a legislative record of the congressional intent—if money shall be paid to a State, let us say to the State of Vermont, and if, instead of having its own high schools in separate school buildings in each of the towns, it desires to engage the services or facilities, or both, of one of these academies, that is a public-school purpose of the State or municipality or school district, as the case may be; and therefore there is nothing in my amendment, as I construe it, which would prevent the State of Vermont, in the case I have mentioned, from using any or all, if it so desired, of the funds which would go to it, for the purpose of making payments to these academies. The only purpose I had in changing the form of the amendment was to cover that specific situation.

Mr. President, the Everson case, which arose in New Jersey, I discussed quite fully this afternoon, but I shall be pleased to attempt to restate very briefly my views regarding it.

The Everson case decides only one thing, namely, that if a parent pays money for the bus transportation of his child to and from school, a statute which authorizes the board of education to reimburse the parent for those expenditures does not violate the Constitution of the United States. The Everson case does not decide the question of whether it is possible for a State or for the Federal Government, or for both, to contribute moneys to a sectarian school.

I pointed out that in the Everson case there are strong observations which I regard as entirely dicta, as I construe the case, and therefore not binding on the Court, but nevertheless strong statements which I think can and will be availed of by counsel at the appropriate time in the Supreme Court in arguing that the State does not have any power to use public funds for sectarian schools. However, even though those dicta are in the case, the decision of the case itself was not based on them. The decision of the case was based solely on the facts which I have mentioned, namely, the payment by the parent of money for the transportation of his child, and the reimbursement of the parent by the board of education.

Mr. President, I believe that this bill is vague and uncertain when it declares in section 6 that the moneys to be appropriated may be used "for any current expenditure for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State."

So, I say that the law is not determined by the Everson case. I should not be at all surprised—indeed, I think it quite probable—that ultimately the Supreme Court will hold that public funds cannot be used for sectarian schools. But that has not been held in the Everson case. The observations in that case to which I have referred, and which I have quoted earlier in my argument, are dicta entirely.

If the Senator will permit me to do so, I shall say that the McCollum case, which came up from Illinois—and which was the second of the two cases relied upon last year by the Senator from Ohio as almost, although not entirely, making it impossible for public funds to be used for private or parochial schools, except for bus transportation—is likewise not decisive of the matter now under consideration. The McCollum case decided the sole point that where a school district uses the compulsory power of the State to bring the students to the public schools, public moneys cannot be used in the public schools for the teaching of sectarian classes.

The Court says this:

> Here not only are the State's tax-supported public-school buildings used for the dissemination of religious doctrines. The State also affords sectarian groups an invaluable aid in that it helps to provide pupils for their religious classes through use of the State's compulsory public-school machinery. This is not separation of church and State.

Likewise, in the McCollum case there are dicta upon which counsel may make strong arguments to the Court in the future that tax funds cannot be used for sectarian schools—as, for illustration, this language—

> This is beyond all question a utilization of the tax-established and tax-supported public-school system to aid religious groups to spread their faith.

And particularly this:

> Neither a State nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups, and vice versa.

Notwithstanding the dicta which I have read, and which I have tried to state fairly from these decisions, and which ultimately may be used and may be cited by the Court as its observations, I point out that they are dicta solely, and are not decisive or binding on the question of whether public funds can be used in sectarian schools.

Mr. President, I wish to conclude my remarks by this brief statement: It was said today upon the floor of the Senate by my friend the distinguished Senator from Ohio that not only the amendment of the Senator from Connecticut but my amendment conflict with the theory of this bill. I do not undertake to discuss the amendment of the Senator from Connecticut; but I say that my amendment not only does not conflict with the theory of the bill, but is in furtherance of it and carries it into effect.

Earlier today, I pointed out, at a time when only a few Senators were on the floor of the Senate, that the title of this bill is "To authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public"—I emphasize the word "public"; and then—"elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes."

Earlier today I also pointed out—I repeat it now only because there are many more Senators in the Chamber at this time than there were then—that in this bill the term "public" appears 31 times, in connection with other words which I cited—for instance, in such expressions as "public education," "public educational agency," "public school jurisdiction," and the like; but that when we get down to section 6, although it itself uses the term "public" twice, yet when it reaches the clause which tells us what current expenditure disbursements can be made from these funds, it omits the word "public."

Mr. President, it appears that the Reporter has doubtless taken for his own use, properly I am sure, the copy of the Christian Century from which I quoted. But I did quote several observations from that paper, a recent issue of March, this year, to the general effect that the omission of the word "public" totally changes the whole significance of the bill as set forth in its other sections. The insertion of the word "public," making the expenditures limited to public elementary and public secondary-school purposes, is not, as the Senator from Ohio says, in conflict with the bill. He tells us that it is in conflict, because it would undertake to interfere with the right of the State to determine for what the funds may be used. On the basis of that argument, the very fact that the moneys are limited to educational purposes would in itself violate what he considers the theory of the bill. I take it the Federal Government does not in the bill undertake to give carte blanche to the State to use the money for anything it desires. It must use it, not for travel, not for medicine, not for something else, but for educational purposes.

To my mind, when the bill is titled as it is, referring to a program of public schools, referring to a program of public elementary and secondary schools, and when throughout the bill 31 times the term "public" is used, for the Senate to omit the word "public" when it comes to the heart of the bill is violative of the terms of the bill, and of the theory of the bill, but to insert the word "public" is not in conflict with the theory of the bill; it is in consonance with it.

Mr. President, I earnestly insist that from the standpoint of public policy, from the standpoint of the interest of the Nation itself, from the standpoint of the sectarian schools themselves, which do not want and which should not want governmental interference of any kind, the amendment, which confines the use of the funds to public schools, should be adopted. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri [Mr. DONNELL]. On the amendment the yeas and nays have been ordered and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on official business in Florida.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Kentucky [Mr. WITHERS] is absent on official business.

If present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Florida [Mr. HOLLAND and Mr. PEPPER], the Senator from Illinois [Mr. LUCAS], the Senator from Idaho [Mr. MILLER], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Missouri [Mr. KEM] is absent on official business.

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

The Senator from Nevada [Mr. MALONE] is necessarily absent. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Wisconsin [Mr. WILEY], and the Senator from Delaware [Mr. WILLIAMS] are detained on official business. If present and voting the Senator from Delaware [Mr. WILLIAMS] would vote "nay."

The result was announced—yeas 3, nays 71, as follows:

YEAS—3

Cain	Donnell	McClellan

NAYS—71

Aiken	Hill	Morse
Baldwin	Hoey	Mundt
Bricker	Humphrey	Murray
Bridges	Hunt	Myers
Butler	Ives	Neely
Byrd	Jenner	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Chapman	Johnson, Tex.	Reed
Connally	Johnston, S. C.	Robertson
Cordon	Kefauver	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Eastland	Langer	Smith, Maine
Ecton	Lodge	Sparkman
Ellender	Long	Stennis
Ferguson	McCarran	Taft
Flanders	McCarthy	Taylor
Frear	McFarland	Thomas, Okla.
Fulbright	McKellar	Thomas, Utah
George	McMahon	Thye
Gurney	Magnuson	Vandenberg
Hayden	Martin	Watkins
Hendrickson	Maybank	Wherry
Hickenlooper	Millikin	

NOT VOTING—22

Anderson	Kerr	Tydings
Brewster	Lucas	Wagner
Chavez	McGrath	Wiley
Gillette	Malone	Williams
Graham	Miller	Withers
Green	Pepper	Young
Holland	Smith, N. J.	
Kem	Tobey	

So Mr. DONNELL's amendment was rejected.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1949

During the delivery of Mr. DONNELL's speech,

Mr. McKELLAR. Mr. President, I desire to make a unanimous-consent request. I think it will take only a moment or two. Will the Senator from Missouri yield for that purpose?

Mr. DONNELL. I yield, Mr. President, if it may be understood by unanimous consent that I do not lose my position on the floor, and that also what is said by the Senator from Tennessee and what is done by the Senate itself shall follow my remarks. I shall be glad to give my consent, with those provisos attached to it.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Mr. President, I ask unanimous consent to make a statement concerning the first deficiency bill in connection with our conference with the House on that bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. McKELLAR. Mr. President, we have had a conference with the House for 2 or 3 weeks on the first deficiency bill. The two items mostly contested were what is known as the White House repair item, and the reclamation item. A number of meetings have been held, the last one being for approximately 2 hours. We agreed on substantially everything except the reclamation proposal. The usual procedure is to report a disagreement back to the two Houses, but the House conferees refused to report the matter. Therefore we are in the position of not only not agreeing in conference, but in the position of not receiving a report of disagreement, so that the two Houses may pass upon the subject in the usual and customary manner. Under those circumstances, in order that the many employees of the Government, from the President on down, who are without their pay and who will probably have to borrow money in order to get along—it has been claimed that that is the situation which some—the House passed, on April 14, a joint resolution making temporary appropriations for the fiscal year 1949. It is what is usually termed a continuing resolution. I am asking unanimous consent that that resolution be considered at this time and that it be agreed to. I think the clerk should read it for the information of the Senate.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read the joint resolution (H. J. Res. 226) as follows:

Resolved, etc., That there are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenue, receipts, and funds, such amounts as may be necessary to permit Government departments, agencies, and corporations for which appropriations or other funds would be made available by the First Deficiency Appropriation Act, 1949 (H. R. 2632), as passed by the House of Representatives on February 16, 1949, or as passed by the Senate on April 13, 1949, to carry out their functions, until the approval of said act, at the rate which would be provided for in appropriations, funds, or other authority granted by said act: *Provided*, That in any case where the amount which would be made available under said act as passed by the House of Representatives is different from the amount which would be made available under the act as passed by the Senate, the rate herein provided for shall be based on the lesser amount: *Provided further*, That expenditures hereunder shall be charged to the appropriate appropriation or fund contained in the aforesaid act (H. R. 2632) when it becomes law: *Provided further*, That no funds appropriated pursuant to this paragraph shall be used for salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation.

Mr. WHERRY. Mr. President, reserving the right to object, I wish to say to the distinguished Senator from Tennessee that the members of the Appropriations Committee on this side of the aisle are in complete sympathy with attempting to resolve the situation. I know the Senator realizes that we have given our full cooperation.

Mr. McKELLAR. That is entirely true.

Mr. WHERRY. What the Senator has said, of course, is correct. The resolution was passed by the House prior to their recess over the Easter holidays. Is that correct?

Mr. McKELLAR. That is correct.

Mr. WHERRY. As I understand, without going into details, what the resolution really does is to preserve the status quo, if I may use that expression, of the

so-called Straus situation, and in passing the joint resolution we are not changing at all the provisions of the appropriation bill and the Senate's language in the bill remains in full force and effect.

Mr. McKELLAR. That is correct. The purpose of the joint resolution is to pay the employees of certain departments, bureaus, and organizations in the Government from the President on down.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. WHERRY. If the only issue is the question of the status of Mr. Straus, and the same thing is done in the continuing resolution which has been done in the bill, for the life of me, I cannot understand why there is any need for the joint resolution.

Mr. McKELLAR. I am frank to say that I cannot answer that question. The reason why it is being done is because the House conferees declined to take the matter back to the House for a vote, which is what should be done in the ordinary, everyday procedure, as we know.

Mr. WHERRY. The Senator from South Dakota [Mr. GURNEY] is the ranking member on the conference.

Mr. McKELLAR. Yes, and he has cooperated in every way.

Mr. WHERRY. I should like to have him make an observation. I did not want to have this joint resolution taken up until he was present, and he is now in the Chamber. I think what we would like to protect is the situation with reference to the Commissioner of Reclamation, and if the status quo is maintained, that is agreeable to me. I certainly hope the Senator from South Dakota will express himself.

Mr. McKELLAR. Before the Senator from South Dakota speaks, let me say that the law as it is will remain the same. The joint resolution merely tides over the payment of Government employees. The pay of many thousands of employees should not be held up because two are in controversy. We hope to have the whole controversy settled in the second deficiency bill. I am quite sure it can be done.

Mr. GURNEY. Mr. President, reserving the right to object, I should like to ask whether it is not the opinion of the Senator from Tennessee, the chairman of the committee that the only intention of the joint resolution is as expressed in the report which went to the House when the House passed it, in which it was stated categorically that the reason for passing it was to pay the salaries.

Mr. McKELLAR. Yes, that is my understanding.

Mr. GURNEY. Does not the Senator agree with me that where there is a change in language as between the House version and the Senate version, for instance in the force account provisions of a bureau of the Department of the Interior, the continuing resolution does not change the basic law?

Mr. McKELLAR. It does not change it at all.

Mr. GURNEY. Because the two Houses have not agreed how the exact change should be made.

Mr. McKELLAR. That is correct.

Mr. GURNEY. It is the Senator's interpretation, then, is it not, that the resolution does preserve the status quo on the force account provisions?

Mr. McKELLAR. It does, in my judgment, and practically the only effect of the joint resolution is to provide for paying the Government's obligations for work which has already been done to the many employees who have done the work.

Mr. GURNEY. I may say that is my interpretation, and I am glad the Senator from Tennessee agrees with me.

Mr. FERGUSON. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield to the Senator from Michigan.

Mr. FERGUSON. Reserving the right to object, in order that I may ask a question or two, on page 1 of the continuing joint resolution, beginning in line 6, is the language, "necessary to permit Government departments, agencies, and corporations for which appropriations or other funds would be made available by the First Deficiency Appropriation Act, 1949, (H. R. 2632)." That is the bill which is in conference, and the one, as I understand, on which the House will not even report a disagreement.

Mr. McKELLAR. That is correct.

Mr. FERGUSON. It might almost be said, in effect, that they have walked out of the conference.

Mr. McKELLAR. I would not say that, but they decline to take it back to the House for further instructions.

Mr. FERGUSON. That is what I mean. It is the bill "as passed by the House of Representatives on February 16, 1949, or as passed by the Senate on April 13, 1949"—that is the bill the Senate passed——

Mr. McKELLAR. That is correct.

Mr. FERGUSON. "To carry out their functions, until the approval of said act, at the rate which would be provided for in appropriation, funds"—this is the language to which I wish to call attention—"or other authority granted by said act." Does that mean that "other authority" would cover both the Straus-Boke case and the force-account cases?

Mr. McKELLAR. I think that is correct.

Mr. FERGUSON. When we go down to line 11, it is specifically provided in House Joint Resolution 226, "No funds appropriated pursuant to this paragraph"—and the words "this paragraph" would mean this act, would they not?

Mr. McKELLAR. They would.

Mr. FERGUSON. It provides, "No funds appropriated pursuant to this paragraph shall be used for salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties," and so forth. That would mean that they would not draw any money, even as provided in the Senate bill, or any money under this appropriation?

Mr. McKELLAR. That is true. As a matter of fact, that is the present law, and it is not interfered with at all. In other words, the joint resolution does not affect the two gentlemen in the Reclamation Service at all. While it does not affect them, it would permit some 15,000 or 16,000 Government employees to be paid, and in the opinion of the committee they should be paid. It seems a shame that our great Government should not pay the salaries of its employees when they are due. For that reason the Senate members of the conference unanimously agreed that the only thing to do was to take the joint resolution and have the Senate pass it in the exact words in which it was sent to the Senate from the House. It would tide over the present unfortunate situation.

Mr. FERGUSON. My reason for asking the questions is to build a legislative history. As I understand, the report in the House was very meager, and contains very little if any legislative history. That was the purpose in my asking the particular questions I have propounded.

As to the force account, is it the opinion of the able chairman of the committee that the force account would stand as in the original appropriation bill?

Mr. McKELLAR. That is my understanding and I do not think there can be any doubt about it. I sometimes refer to to senior Senator from Oregon [Mr. CORDON] as my lawyer, and I shall do so now. I ask him if it is his opinion, not as a legislator, but as a lawyer.

Mr. CORDON. Mr. President, will the Senator yield, not to answer that question, but to ask one?

Mr. McKELLAR. I yield.

Mr. CORDON. Has it not always been the practice in the Congress, in making additional, supplemental, or deficiency appropriations, merely to appropriate the supplemental, additional, or deficiency funds, and not to repeat in the bills making such additional appropriations any of the prohibitions or qualifications which were set forth in the original or general appropriation act, and as a result of that to have the funds appropriated, as deficiency or supplemental funds, to be expendable under the terms of the original general appropriation act? Has not that been the practice?

Mr. McKELLAR. That is my judgment. I think that is correct. I do not go further than to say that in my best judgment that is correct.

Mr. CORDON. Then the adoption of this joint resolution would do no more than provide funds expendable under the terms of existing law, unless the joint resolution itself expressly changed existing law?

Mr. McKELLAR. That is correct. I point to this example in the deficiency bill we are discussing, the first deficiency bill. On page 11 it says, "For an additional amount for 'Salaries and expenses, Office of the Housing Expediter'," so much money. That shows that the Senator is correct in the statement he has just made.

Mr. CORDON. The legal effect of the adoption of the joint resolution, then, would be that of appropriating funds for expenditure under existing law, with all the limitations, qualifications, and so forth, which such law contained?

Mr. McKELLAR. That is my understanding.

Mr. FERGUSON. Mr. President, will the Senator yield for one more question?

Mr. McKELLAR. Certainly.

Mr. FERGUSON. Then there cannot be any doubt, so far as the legislative history of the matter in the Senate is concerned, that any official who is excepted under the second "Provided further" on line 11, page 2, anyone who comes within that prohibition, will not be entitled to his salary?

Mr. McKELLAR. That is the present law.

Mr. FERGUSON. That is the present law. Nor would any such person be entitled to his salary under the joint resolution?

Mr. McKELLAR. That is true.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHERRY. Would the Senator from Tennessee be good enough to answer this question for the RECORD, so as to show the attitude of the conferees on the part of the Senate respecting the deficiency bill itself and the procedure in conference? There has been no disposition on the part of the Senate conferees to hold up final action on the deficiency bill, has there?

Mr. McKELLAR. Not only has there been no disposition on the part of the Senate conferees to do so, but the Senate conferees, representing both sides of the aisle, have tried faithfully and diligently, and almost every day, to get agreement on the bill in conference.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. McKELLAR. Yes.

Mr. WHERRY. Is it not also a fact that the reason the joint resolution was not acted upon before is because it was the hope of the Senate that the conferees could agree on the deficiency bill, and that it would be passed as it left the Senate, with whatever adjustments might be made in conference?

Mr. McKELLAR. Of course, I do not want to be put in the attitude of criticizing anyone.

Mr. WHERRY. No; I do not mean that.

Mr. McKELLAR. I know the Senator does not mean that. All I can say is that the Senator is absolutely correct.

Mr. WHERRY. My idea in asking these questions is not to be critical. I wanted the RECORD to show, however, that the Senate itself did not act upon the House joint resolution which was passed by the House prior to the time it took its Easter recess, because the Senate hoped the conferees could agree, and that the deficiency bill would be passed. The reason for asking for action on the House joint resolution now is that the conferees have not been able to agree.

Mr. McKELLAR. They have not been able to reach a conclusion. That is the only reason for the request that the joint resolution be passed.

Mr. WHERRY. Mr. President, I have no objection.

Mr. McKELLAR. I will say that the Senate conferees have tried in every way possible to have an agreement upon the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee for the present consideration of House Joint Resolution 226?

There being no objection, the joint resolution (H. J. Res. 226) making temporary appropriations for the fiscal year 1949, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. I thank the Senate for its consideration.

ORDER OF BUSINESS

During the delivery of Mr. DONNELL'S speech,

Mr. WHERRY. Mr. President, will the Senator from Missouri yield for one more question?

Mr. DONNELL. I yield on the same terms as before, that I shall not lose the floor by doing so, and that the matter will appear at the conclusion of my remarks. I ask unanimous consent, Mr. President, that I may yield upon those terms.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WHERRY. How long does the Senator from Missouri believe he might speak on his amendment?

Mr. DONNELL. My present judgment is from an hour to an hour and a half.

Mr. WHERRY. In view of the statement made by the distinguished Senator from Missouri, and also in view of the fact that the Senator from Colorado [Mr. JOHNSON] wishes to offer an amendment, I wish to address the inquiry to the acting majority leader, as to how long he expects the Senate will remain in session this evening.

Mr. HILL. I do not believe the Senator from Colorado will occupy much of the time of the Senate in discussing his amendment. After the Senator from Missouri has completed his speech, I do not believe it will require much time to take action on his amendment. I made the announcement earlier in the day that we wanted the Senate to remain in session today until action on the bill was completed, so, in view of that announcement, I should say that an effort will be made to have final action taken on the bill this afternoon.

Mr. WHERRY. Is it the idea that the Senate will continue in session tonight?

Mr. HILL. Mr. President, the Senator from Pennsylvania [Mr. MYERS], the acting majority leader, has just entered the Chamber, and I will ask him to reply.

Mr. MYERS. Mr. President, I have conferred with the Senator from Utah [Mr. THOMAS], chairman of the Committee on Labor and Public Welfare, and with the Senator from Alabama [Mr. HILL], who is a member of the committee and who also is interested in the legislation. As the Senator from Alabama has just said, he made the announcement earlier in the day that Senators should hold themselves available, since it was the intention that final action on the bill be taken today. It is now only a quarter after five. The pending amendment and one other amendment will have to be acted upon before final action is taken on the bill. It is not anticipated there will be much debate on the amendment following that of the Senator from Missouri. The committee is hopeful that we may complete action on the bill tonight. In view of the announcement previously made, and with the hope that we can complete action on the bill, we feel we should continue for the time being.

Mr. WHERRY. Mr. President, does that mean that it is the intention of the acting majority leader to complete action on the bill tonight?

Mr. MYERS. It is our hope that a final vote can be had on the bill tonight.

Mr. WHERRY. It is perfectly agreeable that the Senate should stay in session as long as the Senator feels it should do so, but I wonder if any firm commitment could be made relative to the hour the Senate might take a recess in the event it appears, after some further discussion has been had on it, that action cannot be completed on the bill.

Mr. MYERS. I do not know whether any such commitment can be made, in view of the announcement which was made earlier today that every effort would be made to complete action on the bill. Senators were put on notice that we might continue in session into the early evening.

Mr. WILEY. Mr. President, will the Senator from Pennsylvania yield?

Mr. MYERS. I yield.

Mr. WILEY. I suggest to the acting majority leader and the minority leader that perhaps a unanimous-consent agreement might be reached that a vote be taken on all amendments and the final passage of the bill not later than 2 o'clock tomorrow afternoon. Senators who have a great deal of work to attend to outside the Senate then would know what to expect, and would be able to govern themselves accordingly. I think such action would make for good legislation and at the same time would result in not tiring out Senators.

Mr. MYERS. I do not think that we on this side of the aisle would have any difficulty in agreeing to a unanimous-consent request, but I think that is a matter which should be discussed for a while before such a request is made. I think it is something which should be discussed particularly with the minority leader, because he is obliged to consult with some Members of the Senate on his side of the aisle. I believe it would be well for Senators to discuss the matter among themselves further, and in the meantime the Senator from Missouri continue his remarks on his amendment.

Mr. AIKEN. Mr. President, will the Senator from Missouri yield to me?

Mr. DONNELL. I yield, Mr. President, on the same conditions as I have heretofore yielded.

Mr. AIKEN. I should like to ask the majority leader if it would not be more ethical to have a quorum call before a request is made for the entering into of a unanimous-consent agreement. It seems to me we should not enter into a unanimous-consent agreement when there are only about a dozen Senators on the floor.

The PRESIDING OFFICER. A request for unanimous consent for fixing the time for a final vote on the passage of the bill would require a quorum call, unless that were expressly waived by the Senate.

FEDERAL AID TO EDUCATION

The Senate resumed the consideration of the bill (S. 246) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

Mr. JOHNSON of Colorado. Mr. President, I desire to call up my amendment "C."

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 11, after line 23, it is proposed to insert the following:

(4) Through its legislature shall provide that the State educational authority shall use not less than 75 percent of the funds allotted under this act to the State for the payment of salaries of teachers in the public elementary and public secondary schools.

On page 14, after line 24, insert the following:

(G) The word "teacher" means any person professionally certified in his State as eligible to teach, who is engaged in the conduct of educational work in direct relation to pupils.

Mr. JOHNSON of Colorado. Mr. President, at this late hour I shall not detain the Senate more than a moment, but not because I do not have a good amendment. I think I do have a good amendment. It makes it certain that the school teachers of the Nation will benefit if the bill, with my amendment contained in it, is enacted. We all know that no school is better than are its teachers. The teachers have anticipated that if the bill is enacted it will mean better opportunities for them. That is exactly what my amendment provides.

I sincerely hope that my amendment will be adopted. I shall not ask for a yea-and-nay vote, because of the lateness of the hour.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BRICKER. Mr. President, I offer an amendment in the nature of a substitute, to strike out all after the enacting clause of Senate bill 246 and to substitute therefor the provisions of Senate bill 1699.

I do not care to differ at this time with any Senator in regard to the needs of public schools for additional financial aid; but I think the aid needed could be furnished by the States and local communities. I would much rather have the building program which is essential and necessary in the years ahead carried on by the local governments and the States. I am confident that it could be so carried on by them if proper attention and determination were given to the problem and to the necessity of fulfilling the need. I am likewise confident that the responsibility will not be met by local and State governments. Many of them are financially cramped at the present time and have no available tax sources at their command. The Federal Government has absorbed the tax field to such a degree that they are limited in the amount of money they can raise for this purpose. In most communities it would require a bond issue, and in many localities such a bond issue can be authorized only by a vote of the community. In some communities, with 55 to 65 percent of the people voting favorably, the responsibility is a difficult one to meet on the part of local and State governments, even though I am confident it could be met.

Mr. President, this year there are 18,600,000 children in our elementary schools. In 2 years there will be 20,000,000; in 4 years there will be 22,000,000, and in 1957 it is estimated that because of the increased birth rate during the past few years, which is continuing, there will be 26,600,000 pupils in the public schools, which will be 8,000,000 more than 18,600,000 as of today, making nearly half again as many pupils in the public schools as are attending school this year.

The bill which I propose to substitute is one authorizing $250,000,000 a year for a period of 5 years, with an authorization for a survey to be made in the States to determine the needs of the various communities. The money is to be used for the construction of school buildings alone.

There is much merit in the proposal, and I think it will meet with favorable consideration on the part of many Senators, because it will obviate the objection which has been made on the floor of the Senate many times during the debate, both by the sponsors and by the opponents of the pending measure, because it will completely prevent any Federal control over the conduct of local schools. It will maintain the integrity of State and local administration of the public-school systems.

I am one who believes that the appropriation for operating expenses of the public schools made by the Federal Government, as authorized by the bill under consideration, will mean limiting and restricting the operation and administration of the schools by the States and local communities if the money is accepted. That is the inevitable result of Federal contributions in any field of Government activity. There is no reason to think that there will be an exception in the field of Federal contribution to the administration of the public schools. Ultimately, if this program is started today, there will be appropriations running into hundreds of millions of dollars, or even billions of dollars annually, with the condition that Federal supervision shall be had ultimately over the choice of teachers, their qualifications, the curriculum which will be used in the public schools and the textbooks which will be chosen by the local authorities. That is the inevitable result of such legislation as we have been considering.

In contrast, the building program which is proposed in Senate bill 1699 would end within a period of 5 years. There would be no Federal control over the buildings or their construction, but there would be sufficient contribution by the Federal Government for the local governments to enter into the field and give to the pupils the necessary facilities with which to acquire an education, leaving the pay of the teachers and the administrative costs entirely in the hands of the governments of the States and the political subdivisions thereof.

There are many provisions of the bill which I should like to discuss. I think it is very generally understood that there is a clear distinction between administration and the construction of buildings. My bill will meet the objection which many Senators have already expressed and about which they feel very keenly. The authorization is for $30,000,000 for surveys and plans to determine the needs. It will be administered under the Commissioner of Education, in the office of the Federal Security Agency. Then there is a provision for allotments to the various States of the Union. The amount is to be determined within the rules and regulations and the limitations laid down by the Commissioner of Education.

Then there is the provision for the expenditure each year for a period of 5 years of a quarter of a billion dollars for school buildings.

There are provided general regulations which the States would have to meet, and requirements for the Federal Government to follow in the administration of the fund itself. Plans are set forth definitely within the bill to be followed by States in order to enable them to come within the provisions of the contribution authorized.

Then provision is made for the approval of the plans and payment for the projects provided for within the bill, with proper authorization to the Federal Government for the control of the character of the construction that is to be done, and minimum requirements are set forth as to the payments which shall be made.

In addition to the statement I have made, I wish to submit as a part of my remarks, to be printed in the RECORD, an editorial from the Cleveland Plain Dealer under date of April 28, which delineates the provisions of my bill, and contrasts it favorably with Senate bill 246, which is now being considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DESIRABLE ALTERNATIVE

Senator JOHN W. BRICKER, of Ohio, and Representative CLARENCE J. BROWN, of Blanchester, representing the Seventh Ohio District, have presented to Congress a sound and sane alternative to the dangerous legislative proposal that the Federal Government subsidize the everyday operation of the Nation's public schools.

Senator BRICKER and Representative BROWN, Republicans, have jointly sponsored a bill to distribute among the States on the basis of proven need, $250,000,000 a year for 5 years, to help pay for new buildings to house the growing school population and to replace unsafe and unhealthful schoolhouses.

The legislation introduced by BRICKER and BROWN should be approved by Congress in preference to the educational subsidy bill

presented under the sponsorship of a bipartisan group of 15 Senators, including the senior Senator from Ohio, ROBERT A. TAFT, who is also a Republican.

The Bricker-Brown proposal is highly preferable to the educational subsidy bill. That bill would allocate to the several States for redistribution to local school systems for operating expenses, $300,000,000 a year for probably as long as the Government remained solvent—and allocate it under a formula that would give greatest benefit to States which have provided weak local and State support for their schools.

The Bricker-Brown bill provides a terminal point for the proposed Federal grant of $250,000,000 a year. But more importantly, the Federal money would be used only for school building construction purposes, and would not allow Federal control, along with Federal dollars, to extend into the classrooms of the public schools of the United States.

If Congress appropriated $250,000,000 for the construction of school buildings, local school districts would be relieved of an equivalent expenditure of local and State-aid funds for that purpose. The local and State funds thus conserved—instead of money doled out by a menacingly paternalistic central government—could be used for teachers' salaries and other operating expenses of our schools. That is the way it should be.

Passage of the bill sponsored by Senator BRICKER and Representative BROWN would help the schools surmount the building crisis that now confronts them and it would in no way jeopardize one of democracy's strongest points: local control over the administration and curriculums of the public schools. The school lobby, carried on by the National Education Association and its State affiliates, could give evidence of unselfish devotion to our locally controlled public schools by giving support to the Bricker-Brown proposal and forgetting about the other subsidy bill, for which it has been overzealously crusading.

Mr. ROBERTSON. Mr. President, will the Senator from Ohio yield?

Mr. BRICKER. I yield.

Mr. ROBERTSON. On what basis will the annual appropriation of $250,000,000 be allocated to the 48 States?

Mr. BRICKER. There is a maximum to go to any one State, to be allocated under rules and regulations prescribed by the Commissioner of Education, which will be subject to hearing upon application from any State, with an appeal to the Federal District Court, and finally the Supreme Court of the United States.

Mr. ROBERTSON. Then it is different from the allocation plan in my bill, which is to allocate on the basis of number of pupils of school age.

Mr. BRICKER. That is correct, the needs are to be determined by the Commissioner of Education. The allocation between the States and the Federal Government is to cost the Federal Government not less than 40 percent or more than 90 percent.

Mr. ROBERTSON. I did not catch that, the Federal Government's contribution is to be 40 percent?

Mr. BRICKER. Between 40 and 90 percent, and the State contribution would be from 10 to 60 percent, and that would be determined likewise by the rules and regulations, the basis of need to be fixed by a standard to be prescribed by the office of the Commissioner of Education.

Mr. ROBERTSON. That is likewise different from my bill, which would authorize a 50-percent grant and a 50-percent loan, if the State applied for it, from the RFC, at 2½-percent interest.

Mr. BRICKER. Yes.

Mr. ROBERTSON. I understood the Senator to say something about minimum requirements. Would the Federal Government control the architecture of the school buildings?

Mr. BRICKER. No; the plan is to be submitted by the State and approved by the Commissioner, and under the seventh paragraph, on page 10, section 43, there is provision for minimum standards—to be fixed in the discretion of the State—"for the maintenance and operation of schools which receive Federal aid under this part."

There is provision for "such methods of administration of the State plan, including methods relating to the establishment and maintenance of personnel standards on a merit basis (except that the Commissioner shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods), as the Commissioner prescribes by regulation under section 42 (e)."

Mr. ROBERTSON. In that respect it is again different from my bill, which leaves it to the States to decide what facilities they wish to provide.

Mr. BRICKER. Under my proposal, the original plan is submitted by the State, to be approved only by the Commissioner of Education.

Mr. ROBERTSON. Mr. President, if the Senator's amendment shall not be agreed to, I hope in due time he will give consideration to my bill, because it contains features which I think might appeal to him.

Mr. BRICKER. If the Senator from Virginia will indulge me, it has been suggested that my bill should be an amendment to the pending bill, and I have no doubt that many Senators would like to vote for the total appropriation. I am offering it merely as a substitute. Under it, there would not be the unlimited expense called for by Senate bill 246 by a recurrence year after year of the Federal contribution. The amendment fixes an end of Federal invasion of the public-school systems. It provides the facilities which are necessary to meet the increasing school population that is inevitable in the next 5 or 6 years. It leaves all control clearly and completely in the hands of the States and local governments.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. McCARRAN. Mr. President, I am very sympathetic with the substitute offered by the Senator for Ohio. I hope to support his amendment. For two sessions I have had a similar bill pending.

I now ask unanimous consent that there be inserted in the RECORD in connection with my remarks a copy of Senate bill 39, introduced in the present session.

There being no objection, the bill (S. 39) to authorize the Federal Works Administration, as an adjunct to the Federal public-works program, to make loans and grants for the construction, remodeling, improvement, and extension of school facilities, introduced by Mr. McCARRAN on January 5, 1949, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act is necessary to implement the policy herein declared.

SEC. 2. Declaration of policy: The Congress hereby declares that—

The welfare and security of our country depend on adequate and proper education of our citizens;

Educational opportunities must, therefore, be freely afforded to all citizens of the United States, and to all children of school age;

The Federal Government has a national obligation to assist the States in providing these educational opportunities and can best discharge this obligation through Federal financial aid to the school authorities of the States for the construction of schools and school facilities; and

Such schools and school facilities, when so constructed, shall be operated and maintained by the appropriate school authorities of the State in accordance with State law and customs and without interference by the Federal Government.

SEC. 3. Authority to make loans and grants: The Federal Works Administrator is hereby authorized to make loans and grants to local school agencies for the construction, remodeling, improvement, or extension of school facilities, including (a) proper approaches thereto and utilities therefor, and (b) materials, supplies, articles, equipment, and machinery necessary therefor.

SEC. 4. Amount of grant: Except as provided in section 10, any grant made hereunder shall be in an amount equal to 50 percent of the cost, as determined by the Administrator, of the school facilities provided therewith.

SEC. 5. Conditions of loan: Any loan made hereunder shall bear interest at the rate of 2½ percent per annum, payable semiannually. No loan shall be made hereunder to any local school agency for the provision of school facilities unless, in the determination of the Administrator, such local school agency will be unable otherwise to finance its share of the cost of providing such school facilities except upon terms less favorable to it than the terms of said loan.

SEC. 6. Approval of State authorities: No loan or grant shall be made hereunder unless the school facilities proposed to be provided therewith shall have been approved by such State educational authority as may have jurisdiction or control of such school facilities.

SEC. 7. Prohibition against Federal Government supervision: No department or agency of the United States shall exercise any supervision or control over any school facilities with respect to which any funds have been or may be expended pursuant to this act, nor shall any term or condition of any agreement under this act relating to, or any loan or grant made under this act to or on behalf of, any such school, prescribe or affect its administration, personnel, curriculum, instruction, methods of instruction, or materials for instruction.

SEC. 8. Method of construction; wages and hours: (a) The construction work and labor in each State shall be done in accordance with its laws, and under the direct supervision of the appropriate State agency, subject to the inspection and approval of the Administrator and in accordance with the rules and regulations made by him pursuant to this act: *Provided*, That all contracts pursuant to this act which involve labor shall contain provisions establishing minimum rates of wages, to be predetermined by the State, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or

bids for the work. Such rules and regulations shall require such cost and progress reporting by the supervising State agency to the Administrator as the Administrator may by regulation prescribe.

(b) All contracts let for construction projects and all loans and grants pursuant to this act shall contain such provisions as are necessary to insure (1) that no convict labor shall be employed on any such project; (2) that (except in executive, administrative, and supervisory positions), so far as practicable and feasible, no individual directly employed on any such project shall be permitted to work more than 40 hours in any one week; and (3) that in the employment of labor in connection with any such project (except in executive, administrative, and supervisory positions), preference shall be given, where they are qualified, first to persons honorably discharged from the military service of the United States, as defined in section 101 (1) of the Soldiers' and Sailors' Relief Act of 1940, and then to citizens of the United States and aliens who have declared their intention of becoming citizens, who are bona fide residents of the State in which the work is to be performed: *Provided*, That these preferences shall apply only where such labor is available and qualified to perform the work to which the employment relates.

(c) The acquisition of articles, materials, and supplies, wholly or in part with funds appropriated pursuant to this act, shall be subject to the provisions of section 2, of title III of the Treasury and Post Office Appropriation Act, fiscal year 1934; and all contracts let pursuant to the provisions of this act shall be subject to the provisions of section 3 of title III of such act.

(d) Any allocation, grant, or other distribution of funds for any project, pursuant to this act, shall contain stipulations which will provide for the application of title III of the Treasury and Post Office Appropriation Act, fiscal year 1934, to the acquisition of articles, materials, and supplies for use in carrying out such project.

SEC. 9. Apportionment of funds: (a) As soon as possible after any appropriation is made under section 11 (a), 75 percent of the amount thereof available for grants for projects in the several States shall be apportioned by the Administrator among the several States, one-half in the proportion which the population of each State bears to the total population of all the States and one-half in the proportion which Federal tax collections from all sources (exclusive of taxes on imports and exports) within each State during the fiscal year next preceding the calendar year in which such apportionment is made bears to the total of all Federal tax collections (exclusive of taxes on imports and exports) during such fiscal year. All sums so apportioned for a State shall be available only for payment of grants for the provision of school facilities located within such State. Upon making an apportionment as provided in this subsection, the Administrator shall inform the executive head of each State, and any public agency therein which has requested such information, as to the sums apportioned for each State. As used in this subsection, the term "population" means the population according to the latest decennial census of the United States.

(b) All moneys appropriated under section 11 (a) which are available for grants for school facilities and which are not apportioned as provided in subsection (a) of this section shall constitute a discretionary fund and may be used by the Administrator, in his discretion, for the making of grants for the provision of school facilities in States which shall have received as grants under this act less than one-fifth of 1 percent of the total theretofore made available for such grants, and on the basis of comparative need regardless of the States in which such facilities are located.

SEC. 10. School facilities and public-land States: In the case of any State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) exceeding 5 percent of the total area of all lands therein, the amount of any grant made under section 3 hereof shall be increased by whichever is the smaller of the following percentages thereof:

(a) 25 percent, or

(b) a percentage equal to one-half the percentage that the area of all such lands in such State is of its total area.

SEC. 11. Authorization of appropriations: (a) There are hereby authorized to be appropriated annually such sums as may be necessary for the making of loans and grants hereunder.

(b) There are hereby authorized to be appropriated annually such sums as may be necessary for administrative expenses in carrying out the provisions of this act.

SEC. 12. This act may be cited as the "School Construction Act."

Mr. THOMAS of Utah. Mr. President, I think it should at least be stated that, as the Senator from Nevada has suggested, there have been introduced several bills providing for school buildings. None of them has as yet been considered by the Committee on Labor and Public Welfare or the Public Works Committee. None of those bills has had committee consideration. If the amendment of the Senator from Ohio should be agreed to, it would completely destroy the pending bill. Therefore I trust it will be voted down.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. BRICKER] in the nature of a substitute. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on official business in the State of Florida.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Kentucky [Mr. WITHERS] is absent on official business.

If present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Florida [Mr. HOLLAND and Mr. PEPPER], the Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Missouri [Mr. KEM] is absent on official business.

The Senator from Nevada [Mr. MALONE] is necessarily absent and is paired with the Senator from New Jersey [Mr. SMITH], who is absent because of illness. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "yea" and the Senator from New Jersey [Mr. SMITH] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

The result was announced—yeas 11, nays 65, as follows:

YEAS—11

Bricker	Ecton	Vandenberg
Bridges	McCarran	Wherry
Butler	Martin	Williams
Capehart	Schoeppel	

NAYS—65

Aiken	Hill	Millikin
Baldwin	Hoey	Morse
Brewster	Humphrey	Mundt
Byrd	Hunt	Murray
Cain	Ives	Myers
Chapman	Jenner	Neely
Connally	Johnson, Colo.	O'Conor
Cordon	Johnson, Tex.	O'Mahoney
Donnell	Johnston, S. C.	Robertson
Douglas	Kefauver	Russell
Downey	Kilgore	Saltonstall
Eastland	Knowland	Smith, Maine
Ellender	Langer	Sparkman
Ferguson	Lodge	Stennis
Flanders	Long	Taft
Frear	McCarthy	Taylor
Fulbright	McClellan	Thomas, Okla.
George	McFarland	Thomas, Utah
Gurney	McKellar	Thye
Hayden	McMahon	Watkins
Hendrickson	Magnuson	Wiley
Hickenlooper	Maybank	

NOT VOTING—20

Anderson	Kerr	Smith, N. J.
Chavez	Lucas	Tobey
Gillette	McGrath	Tydings
Graham	Malone	Wagner
Green	Miller	Withers
Holland	Pepper	Young
Kem	Reed	

So Mr. BRICKER's amendment was rejected.

Mr. HILL. Mr. President, on last Friday, when the committee amendments to the bill were adopted, the Senator from Iowa [Mr. GILLETTE] raised a question as to the committee amendment to insert certain language, beginning in line 6 and ending in line 10, on page 9 of the bill. I suggested to the Senator from Iowa that the committee amendments be adopted, and then we could examine this particular committee amendment further, and if on further examination the Senator felt there should be some modification of it, I would ask for reconsideration of the vote by which the committee amendment was agreed to, so he could offer an amendment to the amendment. I have consulted with the Senator from Iowa and also with the senior Senator from Utah

[Mr. THOMAS], the chairman of the committee, and have also consulted with the distinguished ranking minority member of the committee, the Senator from Ohio [Mr. TAFT]. We are in agreement that it might be wise to modify the committee amendment. I therefore ask that the vote by which the committee amendment was agreed to on last Friday be reconsidered, in order that I may offer an amendment to the amendment on behalf of the Senator from Iowa.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment on page 9, beginning in line 6 and ending in line 10, was adopted, will be reconsidered.

Mr. HILL. Mr. President, on behalf of the Senator from Iowa I offer an amendment to the committee amendment on page 9, to strike out, in lines 9 and 10, the words "and give him upon request access to the records on which such reports are based." This language of the committee amendment would give to the United States Commissioner of Education in Washington access to the records upon which the report to the Commissioner, telling how the money has been expended, is based. What the amendment to the committee amendment does is simply to strike these words, so the Commissioner will have no right to have access to any records in a State. As I said, I have consulted with the chairman of the committee and the distinguished Senator from Ohio, and we are in agreement that the words may be eliminated. Therefore, I ask that the amendment to the committee amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] on behalf of the Senator from Iowa [Mr. GILLETTE], to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. McCARRAN. Mr. President, I think it would be enlightening to the Senate if there were inserted in the RECORD at this point a 10-column chart which I have prepared based on the bill.

The first column shows the States.

The second gives expenditures for public, elementary, and secondary education, 1945–46.

The third, the average daily attendance, white schools.

The fourth, the expenditures per pupil in average daily attendance, white schools.

The fifth, the average daily attendance, colored schools.

The sixth, the expenditures per pupil in average daily attendance, colored schools.

The seventh, percentage of colored race to total population in 1940 census.

The eighth, allotment under Senate bill 246, in thousands of dollars.

The ninth, amount required to be spent out of allotment for colored schools; and

The tenth, the resulting increase in expenditures per pupil in average daily attendance, colored schools, on basis of 1946–47 figures.

I ask unanimous consent that this chart, which I have worked out to the best of my ability based on the various reports from the Office of Education and from the report of the committee, may be inserted in the RECORD in connection with my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

State	Expenditures for public, elementary, and secondary education, 1945–46 (thousands of dollars)	Average daily attendance, white schools, 1945–46	Expenditures per pupil in average daily attendance, white schools, 1945–46	Average daily attendance, colored schools, 1945–46	Expenditures per pupil in average daily attendance, colored schools, 1945–46	Percentage of colored race in total population (1940 census)	Allotment under S. 246 (thousands of dollars)	Amount required to be spent out of allotment for colored schools (thousands of dollars)	Resulting increase in expenditures per pupil in average daily attendance, colored schools, on basis of 1946–47 figures (even dollars)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Alabama	36,531	345,500	$85.46	187,297	$37.59	34.7	17,390	6,034	$32
Arkansas	20,876	245,448	74.11	76,926	34.93	24.8	12,980	3,219	42
Delaware	5,490	29,935	158.04	6,073	125.12	13.5	280	38	6
Florida	34,582	244,411	134.76	90,332	61.75	27.1	2,365	641	7
Georgia	36,410	366,664	82.57	196,989	31.14	34.7	15,860	5,903	30
Kentucky	36,319	390,898	90.05	29,793	98.35	7.5	15,190	1,139	38
Louisiana	37,427	230,229	136.12	139,032	43.81	35.9	10,370	3,722	26
Maryland	31,435	195,998	130.40	53,116	110.66	16.6	2,010	334	6
Mississippi	20,560	231,893	75.19	212,032	14.74	49.2	16,980	8,354	39
Missouri	73,147	492,222	137.68	40,315	133.35	6.5	3,790	246	6
North Carolina	58,546	507,379	86.05	211,565	70.36	27.5	21,070	5,794	27
Oklahoma	43,775	360,294	111.30	31,043	118.32	7.2	8,350	601	5
South Carolina	26,681	204,914	100.38	154,174	39.64	42.9	13,980	5,997	38
Tennessee	38,234	417,515	80.30	84,914	55.74	17.4	13,220	2,300	27
Texas	121,671	873,005	123.14	157,109	91.22	14.4	12,640	1,820	11
Virginia	43,669	348,467	95.68	124,715	77.20	24.7	5,150	1,272	10
West Virginia	37,297	345,311	100.63	22,875	111.47	6.2	9,360	580	25
District of Columbia	13,507	43,690	190.36	34,740	149.42	28.2	580	164	5

Mr. McCARRAN. Mr. President, there are one or two questions I should like to propound for my own enlightenment. I was very much interested in the able remarks made by my good friend the Senator from Alabama [Mr. HILL] the other day when he opened the debate on the bill. I wonder if I may have his attention for a few questions.

Is it correct to state that under this bill any State, in order to secure its Federal allotment, must devote a total, including Federal, State, and local funds, of at least $55 per pupil in average daily attendance to the schools in each school district in the State, including both white and colored schools?

Mr. HILL. That is correct.

Mr. McCARRAN. Can the Senator say how many States now spend less than $55 per pupil in average daily attendance in colored schools?

Mr. HILL. I think I have the figures here. I do not have them at my finger tips, but if the Senator will pass to the next question we shall endeavor to obtain the information for him.

Mr. McCARRAN. What are the States, by name, and what do they spend per pupil? Does the Senator have that information?

Mr. HILL. Will the Senator repeat his question?

Mr. McCARRAN. Name the States; and what does each of those States spend per pupil?

Mr. HILL. Does the Senator mean the States now spending less than $55?

Mr. McCARRAN. Yes.

Mr. HILL. I cannot give the Senator that information offhand. As the Senator knows, it varies in the different school districts. A State might have some school districts in which $55 per child, or even more, is being spent; and it might have some school districts in which less than $55 per child is being spent.

Mr. McCARRAN. Let me say that from my study of the subject, I find that Alabama spends $37.59 per child. Kansas spends——

Mr. HILL. I do not know what the source of the Senator's information is, but I will say that the Senator's information is wrong if he means that that is the average expenditure in the State of Alabama. As I say, the expenditures in the different school districts vary. Some expend a great deal more than others; but the average expenditure in the State of Alabama today, according to the latest figures, is $66.

Mr. McCARRAN. I am taking my information from the reports of the Office of Education, and also from the report of the committee.

Mr. THOMAS of Utah. Mr. President, I think there is some misunderstanding. As I understand the Senator from Nevada, he asked what the expenditures were in the colored schools.

Mr. McCARRAN. That is correct. I am speaking of the colored schools.

Mr. HILL. I will say to the Senator that I do not have available at this moment the break-down as between the white schools and the colored schools.

Mr. McCARRAN. I have tried to get that break-down myself, to my own satisfaction, and I wish to read the information relating to the colored schools.

Alabama spends $37.59 per pupil.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HILL. Under the terms of the bill, if the figure of $37.59 be correct, if the State of Alabama is to receive Federal money and participate in the program, the $37.59 will have to come up to a minimum of $55.

Mr. McCARRAN. That is exactly what I am driving at. The figure for Arkansas is $34.93; for Georgia, $31.14; for Louisiana, $43.81.

Mr. LONG. Mr. President, will the Senator yield for a question at that point?

Mr. McCARRAN. I yield.

Mr. LONG. I suggest to the Senator that his figures are about 2 years behind the times. He will find that the Louisiana Legislature, in the last session, doubled the amount of State aid to colored education, with the result that at the present time the figure is about twice what the chart indicates. I worked it out a while ago. For State aid alone in colored education, per child between the proper ages for attendance at school in Louisiana, the figure is about $58 per colored child subject to education.

Mr. McCARRAN. I am glad to know that; but what I am driving at does not hinge so much on the answer of the Senator. My figures are taken from the report of the Office of Education for 1946 and 1947.

Mr. LONG. The only point I have in mind is that that does not take into account the great increase in Louisiana alone in the past year or so.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. JOHNSTON of South Carolina. I invite the attention of the Senator from Nevada to the fact that in South Carolina there has been put into effect a certification act, which applies equally to colored and white teachers. There is the same proviso, that they pass the examinations. It will be found that in the past 2 years that has increased the salaries of colored teachers considerably.

Mr. McCARRAN. Has increased what?

Mr. JOHNSTON of South Carolina. It has increased the salaries of the colored teachers considerably during the past 2 years.

Mr. McCARRAN. My figures are taken on a certain basis. The Senator from Louisiana is undoubtedly entirely correct as of the present date. I am leading up to a final question. I continue to read:

The figure for Mississippi is $14.74 per pupil; for South Carolina, $39.64.

I should like to ask one further question, and then I shall have concluded.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HILL. If those particular States participate in the program and receive the funds to which they are entitled, all those figures must come up to a minimum of $55.

Mr. McCARRAN. That is exactly what I am driving at. I think this will be my last question.

Is it not true that the States which now contribute less than $55 per pupil must go to their respective legislatures for the increase, if they have not already done so?

Mr. HILL. They will. They will have to come up to a certain standard, and they will have to go to their legislatures to do so. I will say to the Senator that the figure which I gave the Senator of $66 expenditure per child for Alabama was the figure for 1945–46. Today that expenditure is substantially higher.

Mr. FREAR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 3, line 8, it is proposed to strike out "each fiscal year thereafter" and insert in lieu thereof "the fiscal year ending June 30, 1951."

On page 5, beginning with line 5, it is proposed to strike out over through line 6 on page 6.

On page 6, line 7, it is proposed to strike out "(F)" and insert in lieu thereof "(E)."

On page 6, line 16, it is proposed to strike out "(G)" and insert in lieu thereof "(F)."

On page 10, beginning with line 7, it is proposed to strike out over through line 15 on page 11.

On page 11, line 16, it is proposed to strike out "(3)" and insert in lieu thereof "(2)."

Mr. FREAR. Mr. President, I gather that the Senate does not want to be delayed by further amendments, and I do not propose to take more than a minute and a half of the time of the Senate.

All this amendment does is to give the bill 2 years in which to operate. I feel that 2 years would give it a fair trial. If it is what Senators think it is, in 2 years I am sure they will extend it. If it is not what they think it is, it will require no action on the part of the Congress.

We have heard a great deal about economy. However, from the votes on the various amendments I gather that the Senate will pass Senate bill 246. But when it comes to economy, I think this is a good way to express some form of economy, by limiting the operation of the bill to 2 years.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. FREAR].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

Mr. WHERRY. Mr. President, I do not expect to detain the Senate very long. We are about to take a step which is decisive in the history of America. I am opposed to the pending bill. For that reason I wish to make my position clear. I think it should be made clear for the record. I want the people of Nebraska and the people of the United States to know how I feel about what is being done at this session of Congress.

We have already passed a public-housing bill. We know what that means. We are about to pass a Federal-aid-to-education bill. We know what that will lead to. We are going to have socialized medicine, and we are going to socialize industry. Then we shall be entirely over the line into state socialism.

Mr. President, Federal aid to education sounds good.

Mr. IVES. Mr. President, will the Senator yield?

Mr. WHERRY. I decline to yield until I finish my statement. Then I shall be glad to yield.

We are all for education—the more the better. It is like good health, good homes, good wages, good profits. We all want these things.

But Congress is being deluged with schemes to provide all this and more. They are attractively packaged. With the consent of the Senate, I have had inserted into the RECORD a series of articles from the Baltimore Sun, giving the cost of the social-welfare programs submitted by the President. The monetary cost over a period of 50 years would be $1,250,000,000,000.

Mr. President, I hope all Members of the Senate will remember those figures as long as they live—$1,250,000,000,000. As I said on one occasion, 1,250,000,000,000 silver dollars would make seven stacks of silver dollars reaching to the moon, with enough left over to pay all the taxes for a year, and pay off the national debt, which now totals a quarter of a trillion dollars. Yes; these are fantastic figures. But they are true. Mr. President, Senators should get used to the word "trillion." We are just about at the point of having to use that word; it will not be long before we will have to use it. When I first came to the Senate we used to speak in terms of millions of dollars. Later we came to use the word "billions." But now we are about to have to begin to use the words "trillions of dollars."

Mr. President, I think one of the finest statements of the over-all expansion program which we already have, and which is included in the Truman program, is revealed in that great newspaper, the Baltimore Sun, and should be studied by every Senator and every citizen of the United States.

I am opposed to this bill for another reason, namely, because I was brought up in a State with a basic background of pioneers. All of us know that the early pioneers learned while they lived across the ocean that mixing government and education is a bad thing. They knew from bitter experience the results which come when education is controlled and used for the propaganda of the government. I think the committee has

done as good a job as anyone could do, to try to avoid governmental control of education. Yet I say that, as a Congress, if we appropriate money for education, we cannot avoid Federal control of education. If we appropriate money, we do control. Although I disagree with the distinguished Senator from Utah, for whom I have the greatest respect, and whom I questioned yesterday on the floor of the Senate, yet I must say in regard to the provisions of the bill that I do not believe a better job can be done in trying to avoid Federal control. But, Mr. President, when the Congress appropriates money, Federal control is mandatory.

I wish to point out again the answer given by the distinguished Senator from Ohio in reply to a question asked about control. He said that the danger is that we shall have Federal control of education, regardless of the provisions we write into this bill; that regardless of what provisions we place in it, we shall be putting the Federal Government's foot in the door; that we cannot control the actions of future Congresses, of course; and that we can expect more power to be exercised by the Federal Government as more appropriations for this purpose are made by future Congresses.

In order to prevent that very thing from happening in their new world, the pioneers resorted to very effective checks; they separated public elementary and secondary education from political control, and I think they rightly did so. They separated them entirely from the functions of the Federal Government; and they placed education under State and local control, where I think it belongs. Some Senators may disagree with me, but that is my feeling about the matter. Indeed, Mr. President, the pioneers placed education still closer to the people, closer to the parents of the children in the schools, by establishing State and local school boards—home rule in the cities, home rule in the counties, home rule in the towns. Those far-seeing pioneers were alive to the importance of education. They exempted private and parochial schools from taxation. They acted wisely. All history proves the correctness of their decision. Their decision to keep education and politics separated was dictated by bitter experience. Such a decision is as correct today as it was when the pioneers defined the principles which were to govern our country.

As I said a moment ago, the power to tax is the power to destroy. Let us add to that the statement that the power to tax is the power to control. There is another old saying that applies here: "He who pays the fiddler calls the tune." Mr. President, Federal aid to education means Federal control. It is my humble opinion, speaking only for myself—of course, I realize that it is impossible to defeat this bill; nevertheless, I make this statement in voicing my utterly sincere belief, even if I am alone in voting against the bill—that in the years to come, Federal aid to education will mean Federal control of education. I cannot escape that conclusion; that is my honest belief in this matter. When I cast my vote against this bill, I shall do so because I do not want to have the Federal Government reach into the local communities and control the schools for such purposes as the Federal Government may see fit to use them. Of course, Senators may have their differences of opinion as to that matter, and some may say that I am mistaken. I realize that the opposition to the bill will be very small. Nevertheless, Mr. President, what I have stated is my honest belief. I fear that the time will come when the present Members of the Senate will rue the day when they voted for this bill. I warn against the proposed step, because it will be a far-reaching, decisive step in the history of the Nation.

The Federal Government should not tamper with the school systems of our States and municipalities. Just as sure as rain once the Federal Government starts putting money into the schools, it will, step by step, invade the rights and responsibilities of the States.

It is said that the pending bill provides safeguards against that very intrusion. I wish to say once again that the able Senator from Utah, for whom I have the highest respect, has done what appears to be as good a job as anyone could do in attempting to safeguard school systems of America from Federal intrusion and encroachment; and I entertain the opinion that he and the other Members of the Senate who share his views sincerely believe that this bill, when enacted, will not result in Federal encroachment upon local school control. However, I take a different view. I think experience with these matters indicates that once the principle of having the Federal Government attempt to equalize educational facilities across the Nation is adopted, the barriers provided in the pending bill will be whittled away. Ways will be found to intrude Federal control into the public-school systems of the States and local communities.

Education is a responsibility of the States under our Constitution, under our customs and long tradition. The Federal Government has no right to intrude in the field of education, because it is an intimate, family, and local community responsibility. Our people are jealous of that right and they should be. Parents want to keep close control over the schooling of their children.

Mr. President, I do not want to see the education of our youth planned by any bureaucrats in Washington, according to their ideas of what constitute a proper education.

It is my opinion that those States which are pleading for help from the Federal Government to pay their school bills some day will regret their action. I think they are selling their birthright for a mess of pottage. I think they will be annoyed by carpetbaggers from Washington, who will be looking into their books, looking into their accounts, checking on how they have divided the funds coming from the Federal Treasury. They will come as a plague, endeavoring to make all the children of the land conform to a common mold in their education. I believe it will not be long before they will prescribe the subjects that shall be taught, and how they shall be taught.

In course of time, with this bill enacted into law as the starter, we shall see federally appointed school teachers being ordered into this State or that State—all in the name of education, but all a perversion of education.

Mr. President, we have heard statements to the effect that some of the States are poor. However, let me say that a State is no poorer than the morale and fiber of its people. Any State can bring its education facilities up to standard if it has the will to do so and the determination to impose the necessary taxes upon its own citizens for the education of their own children. We have no backward States in America. They are all progressive and civic-minded. The pending bill puts upon some of the States a label they do not deserve.

During the past 16 years, and especially since last November's Presidential election, there has been an ever-increasing drive to centralize government and power in Washington. As I have said before, there have been drives for socialized medicine; federally subsidized homes; demands by the President for power to build and operate steel plants and other industries; power demanded by the President to issue edicts putting ceilings over prices and wages, and floors under prices and wages; power to control the farmers in the name of security and by means of hand-outs from the Federal Treasury—in all, a socialistic program, to have the Government at Washington take care of the people from the cradle to the grave, and to do the thinking and planning for the 148,000,000 free Americans.

It is naive to think such an administration would keep its hands off education, once it takes the taxpayers' money and distributes it by the millions of dollars across the land. Let us remember that.

We are told the appropriation is only $300,000,000. Are we to believe that is all it is to be? The $300,000,000 authorization of the pending bill is only a starter, it is only the beginning. I have only been in the Senate 7 years, but I have never seen a bureau become smaller. They want more and more power, more and more money. That is the experience I have had in Washington, and that is exactly what will occur in this matter. The $300,000,000 authorization is a small fraction of the educational cost of the Nation. But let the regimenters at Washington get their foot in the door, and they will expand the appropriation and, by stages, take over the school systems. Always, there will be a glowing argument—always we shall be told that it is being done for our own good.

Certainly Senators may disagree. There are those, just as sincere, who take the opposite view, that under the bill there will be encroachment on the part of the Federal Government. I am simply stating the way I feel about it. I come from a State of pioneers who believe in frugality, who believe in the protection of freedom of opportunity. They believe in their school system, and they believe it should be controlled locally, not by the Federal Government.

At this point in my remarks, I desire to read into the RECORD a resolution adopted in January 1949, by the legisla-

ture of the State of Nebraska, in its sixty-first session assembled. It bespeaks, I think, the feeling of the people of my State in their attitude toward Federal education—yes, or socialized medicine, or socialized housing, or any other socialization that may be proposed. As I cast my vote against the pending bill, I am proud of this expression by the legislature of my State:

A resolution of the Legislature of the State of Nebraska; to the Committee on Labor and Public Welfare.

"Legislative Resolution 5

"Resolution memorializing the Congress of the United States to defeat Federal aid to education

"Whereas there is pending in the Congress of the United States a bill, Senate file No. 246, providing Federal aid to elementary and secondary schools of the United States; and

"Whereas should this bill be enacted into law, there is reason to believe that it will lead inevitably to Federal control and supervision of the public schools of the Nation, thereby taking control out of the hands of the local districts; and

"Whereas the several States are now able through their own taxing powers to make ample provision for their elementary and secondary schools without Federal aid; and

"Whereas the Federal Government is already burdened with a staggering debt of more than $250,000,000,000, calling for retrenchment if the solvency of the United States is to be preserved: Now, therefore, be it

"*Resolved by the members of the Nebraska Legislature in sixty-first session assembled:*

"1. That Senate file No. 246, or any similar legislation now before the Congress of the United States, be defeated.

"2. That copies of this resolution be transmitted by the clerk of the legislature to the Vice President of the United States as Presiding Officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Member of the Congress of the United States from Nebraska."

I call particular attention to the statement contained in the resolution that, should the pending bill be enacted into law, it will, in the opinion of the legislature, lead inevitably to Federal control. I also emphasize this statement:

Whereas the Federal Government is already burdened with a staggering debt of more than $250,000,000,000.

I call it one-quarter of a trillion dollars.

Mr. President, I repeat what I said in the Eightieth Congress when a similar bill was pending, and I reaffirm everything I said at that time. I cannot bring myself to support the bill. Certainly, I want education, but I want something more—I want the school systems to remain free from encroachment by the Federal Government. I think education is a local responsibility and should always remain so.

SEVERAL SENATORS. Vote! Vote!

Mr. BRIDGES. Mr. President, I realize the hour is late, and a good many Senators who are present are clamoring for a vote. Let me say that Senators who are proposing now to do the political thing, the popular thing, will live to rue the day when they put the Federal Government into the field of education. We are dealing with an important, vital, matter. I care not that Senators cry "Vote, vote, vote!" I am going to talk as long as I want to on the subject here at hand. If Senators who are proposing to do the political thing and the popular thing today would listen to some of the words spoken at this time, perhaps a few years from now they would remember them and would change their tune.

Mr. President, there are very few of us who are not mindful of the problems peculiar to our educational systems and to the teaching profession. I have a special advantage in understanding the seriousness of the problems and the continuing need for attention to them. That special advantage is based upon personal experience. I began my public career as a school teacher. I taught for a period of several years. I believe I am as well aware as most other citizens of the burdens of the teaching profession and of the shortcoming and inadequacies of the educational systems of various towns, cities, and States. I am aware of the fact that there is a pressing need in many areas for a higher educational standard, and I am aware that in many areas there are lacking financial resources to meet that need.

The issue of Federal aid to education is a very serious one, and it touches the most sensitive convictions of many Senators. We know that in the communities throughout the country there is an increasing demand on the part of citizens themselves for Federal dollars, which would be made available to them under the terms of the pending legislation. In the face of such an increasing demand, we owe a certain responsibility to help the citizens adequately to pay the men and women who teach the young, the men and women who shoulder so great a responsibility for the kind of American generations which will follow our own.

I think, Mr. President, the committee which had under consideration the pending bill, a committee headed by the distinguished Senator from Utah [Mr. THOMAS], and including the ranking minority member, the Senator from Ohio [Mr. TAFT], have done an excellent job from their point of view. I think they have approached it in a conscientious manner, and I think that, from the point of view of today, they have written into the bill as many safeguards as they thought possible, safeguards which they believed to be adequate to control the course of events. But, Mr. President, when the Federal Government puts its foot in the door of education, it is taking a very, very long step. When the Federal Government starts interference with either education or religion, it is taking a step from which it may not be able to recede.

Tonight, as we are gathered in the Senate, Senator after Senator realizes the seriousness of the step. What has happened, I may say, so far as I, as a Senator, am concerned—and I think many other Senators have had the same experience—is that I have received, I venture to say, a hundred letters, telegrams, and other communications supporting the bill, for every one I have received opposing it. Naturally, if I desired to be a hero, if I desired to be popular, if I desired to do the political thing, I should vote for the bill. Apparently some Members of this body do not want to hear a few facts on this question, but, so far as I am concerned, they will hear them, and if the Senate is not in order I shall not attempt to proceed.

Mr. President, if a Senator had received 100 letters, telegrams, and communications in favor of the bill to 1 against it, and he wanted political success, or wanted to be a popular hero in the eyes of the general public, what would he do? He would vote for the bill.

I again pay tribute to the committee, because I think it has done a good job. I think the Senator from Utah, the Senator from Ohio, and other Senators have really done a conscientious job. This bill is far different from and far better than some of the bills on this subject which have been before this body in the past; but, nevertheless, and regardless of the kind of a job the committee did, regardless of the fine objectives sought, if the Senate shall pass this bill, as it will, I doubt if there are 18 votes against it, the Senators who stand up and vote "Nay" should have the appreciation of citizens generally for their courage and foresight.

In the face of such an increasing demand, we know there are certain responsibilities and a desire on the part of many people to help contribute to school expenses. We all want to help to pay adequately the men and women who teach the young. But as to whether this bill should pass and Federal aid should be given to assist in improving educational standards throughout the country, there are sincere and fundamental differences of opinion. Those differences prevail in the Senate and in every community which would benefit from favorable action by the Congress on this measure. In my State of New Hampshire, which is a fair cross section of the Nation, some of the finest, the most sincere, the most conscientious citizens are supporting this measure. Equally, some of the finest, the ablest, and most sincere citizens of my State are opposed to it. But there is a strong popular movement, Mr. President, to get the Federal Government into the field of education.

At first, education was a local problem. Then it became, in some places, a county problem, and then a State problem. We have gone a long way in the field of education, and there are many ways in which the Federal Government can help. For example, it can aid in building schools in communities which are unable to meet such a financial strain.

This bill is a different proposition from that. Each of us has learned by hard experience that the popular position is not always the wise position. We have learned by hard experience that worthy as some legislative proposals are when measured by need, they are not so worthy when measured by what is best for the future of our people.

When we examine history of countries which have succumbed to dictatorships, we find they were the ones that moved in the direction of central control by the government. They started with the youth. They set to work to mold the

minds of the youth, through education controlled by strong central governments, dictating the methods, the textbooks, and so forth. That is barred in this bill, but just so surely as the Presiding Officer is sitting in the chair we shall see it come about. That is a problem which should cause us to reflect.

Religion and education are two things in which the Federal Government should not participate. The church and the school should be separated from the Central Government. That has been true in the past, and it is true today.

The purpose of education, Mr. President, is to make men free and keep them free. There is little in the experience of the American people or other people who have acceded to paternal programs of national governments to indicate that the final result to the citizen in return for educational aid will be what we hold is the purpose of education today. I grant that such a danger is probably not inherent in the measure which we are now considering, but such a danger is seldom inherent in the first step of an undertaking of this kind. The real danger arises as the grants increase and the demands for control begin. If we live a normal life we shall see the Federal Government edge further and further into the picture of education.

Let me again make it clear that I appreciate the good intentions of most of those who defend Federal-aid-to-education programs. But what assurance can we have that such good intentions will always control? It may be that experience in connection with this particular undertaking will prove my position to be wrong. I hope so. It appears that the measure will pass. I hope that the potential dangers which I have mentioned will not arise; and if Federal aid to education is authorized and if experience over a proper period of time proves that it is administered with benefit to our people and without injury to their freedom, I shall be among the first to rally to the support of the program.

Mr. President, I shall not take more time tonight, but I simply want to say that when the roll is called here, in a short time, there will not be a Senator who votes "nay" on this measure who will not know he is doing an unpopular thing among people generally and a very unpolitical thing. Every Senator who votes "nay" knows that he is one of a small minority here. I want to commend the Senators who will stand up here tonight and vote "nay," because we are taking a far-reaching step tonight, starting down a road the end of which no one here knows. Some day, in my judgment, the average Senator of the United States who votes in favor of this bill, will rue the day he so voted. I think that day will not be many years distant.

Again, Mr. President, in closing, I pay tribute to the committee that worked on this bill; but I do not believe they realize the end results, and just what they are leading this country into.

Mr. President, I say I hope the bill will be defeated. I know it will not be defeated, because the rush will be on, and the vote will be overwhelming. But I merely wish to join with other Senators who tonight see the end results of the step we are about to take. I hope I will be around the Senate for some years to come, and I think I will be. I expect to be around as long as most of those who are here, and I expect in the years to come to have many of those who vote for this bill come and say that they regretted their action. I say with all sincerity, from the bottom of my heart that, I believe in lifting our educational standards; I want to work to the same objective the sponsors of this bill seek; I desire to help in every way possible; but I do not want my government, my Federal Government, the Central Government of the United States, to take two steps, one in the direction of the control of education, and the other of religion.

Mr. ECTON. Mr. President, it is with considerable reluctance that I rise to oppose the pending bill, after the very many able speeches which have preceded what I am about to say.

I think we are all in hearty accord with the objectives of the bill. We are all vitally interested in seeing the boys and girls of America have the best chances and the best education possible. We have no quarrel with those objectives at all.

There are some of us, however, who feel that the time has long gone by to advocate Federal aid for our public school system. This was first called to the attention of the Nation 13 years ago, when practically every State in the Union was in debt head over heels, and on the verge of bankruptcy. Many schools had to be closed. The teachers were underpaid. In many instances State warrants were not cashable. But did the people of the States, through their Representatives and Senators, come to Washington and demand and insist that they had to have Federal aid to conduct their public schools? No, they did not. They consolidated their schools. They went to work. Many mothers taught their own children, and taught neighbors' children, and got along during that precarious period.

Mr. President, I hope we will never have to suffer another experience such as that. Yet the American people got along some way, progressed, kept their schools intact, retained local control of their schools during that difficult time, and never once came to Washington and demanded that the Federal Government help them in their public school systems.

We have made tremendous progress in our schools during the past 13 years. We have better school houses; I think we have just as good or better teachers, and I know we pay them more, even though Heaven knows we still do not pay them enough. We are making progress.

I call the attention of the Senate to this factual evidence. Between 1936, when the first real drive, the first inkling that $300,000,000 were needed to support our schools, and 1947, the last year for which the Office of Education figures are available, State and local support for schools rose from $1,656,800,000 to more than $3,124,550,000. That is an increase of $1,467,750,000, or five times the $300,000,000 asked for in the pending bill.

If the proponents of the bill say that it is necessary to have this aid in order to equalize educational opportunities, in other words, that this is a bill for equalization, I say that it is indeed a poor equalization bill. The only way we can possibly have equalization effectively and efficiently is by having it on the State level, through the State superintendents of schools, and through the State boards of education and the State legislatures. Then we can go into every county in each and every district and thoroughly and properly equalize the educational facilities and advantages for every child in the State. That cannot be done from Washington.

What is being done here? Instead of having an equlization bill, we have really a State classification bill. We are classifying the States of the United States into a rich group and a poor group. That is grossly unfair to the States which are put in the rich category, and grossly unjust and unfair to the Southern States which are put in the poor group class, because in the United States every Commonwealth which has statehood under the American flag is most fortunate, and its people are the most fortunate in the entire world. Likewise, all the people of our States are the richest people in the world.

Mr. President, with all the fervency at my command, I say that, in my honest and humble opinion, any State that is not willing by some means or manner to look after its little children through the primary schools, is not worthy of statehood. There is no State in this country in such a category. I have not seen any States coming to Washington and telling us, as Representatives and Senators, that they must have this Federal aid to education, or all their children will grow up illiterate. It may be noted in connection with this attempted classification that the State of Texas, one of the richest States in the Union, has been classified in the category of a poor State. If that were not so ridiculous, it would be humorous, to say the least.

Mr. President, judging from the tone and temperament of the Senate there is no probability, in my opinion, that the bill will be set aside at this late moment. It seems that the Senate of the United States is bound and determined to make the newest and the most radical departure in our history as it pertains to our schools, our general education system. I say that we are considering a matter which is very serious. What is proposed to be done now is unfair to the States that do not need the money that would be given under the bill. It is grossly unfair to the States that will be the recipients of money provided by the bill, and yet do not need it.

The two eminent and distinguished Senators from Maryland yesterday told us on the floor of the Senate that their State did not want Federal aid to education. The senior Senator from Maryland submitted an amendment providing that his State and some other States be deleted from the bill. But no, the Senate would not accept his amendment. His State does not want Federal aid, but we are going to force it on that State,

whether it likes it or not. We are going to tell that State, and other States which do not need the money, "We have so much money we do not know what to do with it, so we are going to force you to take it whether you need or do not need it."

The very eminent and distinguished senior Senator from Virginia [Mr. BYRD] made a statement on the floor of the Senate this afternoon which should convince any man who reads and thinks that the United States Government certainly does not have any money to give away unnecessarily. He also demonstrated most clearly that the only possible way for the Federal Government to obtain one single dollar is to take it out of the very school districts the bill purports to help.

I know that teachers' associations throughout the country are back of the bill. I cannot blame them for the attitude they take, because they have been misled into believing that if the Federal-aid-to-education bill is passed their salaries will be increased. There is nothing in the bill, however, which guaranties that their salaries will be increased by a 5-cent piece. Did not the distinguished senior Senator from Colorado [Mr. JOHNSON] offer an amendment this afternoon which would require that 75 percent of these funds should go to raising the salaries of teachers? The Senate by an overwhelming vote defeated that amendment. I want the teachers of my State to know that if the bill is passed, they will have less chance than they have ever had to have their salaries increased. Why do I say that? For the simple reason that the Federal Government proposes to drag out of the State of Montana, my State, $575,000 a year. If the bill is passed Montana will be $575,000 poorer each year and will have that much less to support the schools and pay the teachers of the State.

California is in a worse fix than Montana. The Federal Government proposes to drag out of California $17,970,000 which California would have if we should kill the bill. If we kill the bill California would have $17,970,000 more to support its schools and to take care of teachers' salaries.

How about New York? New York would have $27,200,000 more to support its schools and pay its teachers if we should kill the bill.

Let us look at some of the so-called poor States. Take Mississippi, for instance. It is true that Mississippi would benefit under the bill. But Mississippi has made great strides in her educational system during the past few years since the war ended. She is doing excellent work in matters of education. If we kill the bill, and if we discount the extra money Mississippi would receive under the bill, she would have $2,262,000 more than she otherwise would have to support her schools.

How about Louisiana? If we kill the bill Louisiana would have $3,793,000 more with which to support her educational institutions.

Mr. President, I say that money does not grow on bushes in and around Washington. I say that every single dollar the Federal Government takes in must be dragged out of the school districts throughout the country, in the towns, and in the cities—the very school districts the bill is intended to help.

I have been profoundly impressed by the arguments advanced by the eminent Senators who have during the past week stood on the floor of the Senate and defended the Federal-aid-to-education bill. But to my memory not one single Senator omitted to express his fear of Federal control by reason of the provisions of the bill. That fear was recently expressed by the distinguished Senator from Nebraska [Mr. WHERRY] and the distinguished Senator from New Hampshire [Mr. BRIDGES]. In fact, the very able and distinguished Senator from Ohio [Mr. TAFT], who has done everything he could to see to it that there will be no Federal interference with the States, yesterday on the floor of the Senate in a debate with the distinguished Senator from Connecticut [Mr. MCMAHON] made a statement which appears in the CONGRESSIONAL RECORD of Wednesday, May 4, 1949, on page 5584:

> Furthermore, I do not think we should relax all control. I do not think the purpose is as stated by the Senator from Connecticut, in effect, to take off all Federal control so that the State can spend the money as if it were its own money. I think it would be a very unwise disposition of money collected by a Federal tax.

The Senator from Ohio said further:

> It seems to me we have done the best we could in the bill. I do not see how there can be a better protection against interference by the Federal Government with the States than that which we have in the bill. It provides that there shall be no interference. It provides for a State plan.

The Senator from Ohio continued:

> I think the Federal Government has an obligation to see that the money is spent for education. It has an obligation to see that each school receives a minimum amount. I think there should be that obligation. I think we should have a right to cut off the money if that particular obligation is not performed. It is a mechanical obligation.

Mr. President, I realize that the distinguished Senator from Ohio is fearful of Federal interference, and has done everything possible to protect the public-school system of the United States by language contained in the bill. Yet he admits that there is control. He goes further and admits that there must be some kind of control, even though it is only mechanical, so long as we are appropriating Federal funds.

Mr. President, there are many inherent evils lurking in this bill, which have been brought out not necessarily by the opponents of the bill, but admitted and explained by the advocates of the bill. There are so many inherent evils in the bill that the United States Senate, this evening at this late hour, should kill the bill deader than a doornail.

It is still fundamental that he who controls the purse strings controls the purse. The Supreme Court of the United States has handed down decisions supporting that statement. As soon as this bill goes into effect the clamor will begin for ever larger and larger appropriations. We all know that to be so. The propaganda to this end will be tremendous. Do Senators believe for a moment that in order to get more and more money the school districts and State educational authorities will not ultimately succumb to the temptation to surrender control for the sake of more money from the Federal Treasury? If Senators believe that, I ask them to reflect on what has happened in every other field of Federal financial assistance to the States.

What is going to keep the President or a political party from making a political issue out of more money for school aid? What is going to keep a President or a political party from going forth at campaign time and trying to scare the people into believing that if the other side wins the school money will be cut off, or if their side wins the assistance will be increased? If Senators say to me that this would not happen and could not happen, I must remind them that comparable things happened last year, and that they are happening even today.

I remind my distinguished colleagues that it would be most difficult to wage a campaign of any kind if they were up against a candidate or a political party who had no scruples, but would go to the length of even promising the moon to the people for votes. Our primary and secondary system of education would be dragged through the mire of politics at every election. The result might be to cause the absolute demise of the two-party system of government.

If we do not mend our ways, especially so far as the Federal Government is concerned, I venture to say that before too long we shall have a one-party system that will be in control of the country, and that party will be made up of a crowd of "gimmies" and "moochers."

Mr. President, as I have stated, there are a great many inherent evils lurking in this bill. It is a new and most radical departure. I beg of this able and eminent body yet to turn back before it is too late.

We can take care of our children. We have Federal aid for our colleges. We have vocational education. We are pouring Federal funds, in some form or other, into every State, every county, every community, and practically every hamlet. But let the people in the school districts, where they live and where their children grow up, take care of their school system themselves. Let us have at least one thing in these great United States with which the Federal Government is not interfering.

Mr. LANGER. Mr. President, the distinguished Senator from New Hampshire [Mr. BRIDGES] said that he would take all the time he wanted in order to present his side of the case. Therefore, I shall briefly present this matter of precedent of a State taking Federal money for education.

We have listened to the very able Senator from Montana [Mr. ECTON]. Unfortunately, my friend, the Senator from Montana, and I am very proud to call him my friend, is not as familiar with what happened in the State of Montana as is the senior Senator from North Dakota, and I can understand that, as he was not then holding public executive office. During the drought, time and time again the Federal Government gave

money to the drought-stricken States. President Roosevelt sent men out to North Dakota and other States similarly situated when we were absolutely destitute and could not keep our schools open, and assisted in having the Government furnish us money. We were told, "All we want you to do is to show that you have done the best you could." Our legislature passed a 2-percent sales tax, and we raised our rates of income taxes. The superintendent of instruction of the State of North Dakota came to Washington and met with the appropriate Federal officials.

One of the reasons why Franklin Delano Roosevelt was so popular in North Dakota in 1936 among the young folks was that time and time again, until I believe the total reached nearly $1,000,000, money was given to the State of North Dakota to match what we had raised.

I want to tell my friend, the distinguished Senator from Montana, that I feel satisfied Federal money went to Montana under similar conditions. They could have it for the asking. So could South Dakota, and so could Nebraska, in case Nebraska needed it; and I am satisfied that it was needed in the western part of the State. It may be that Nebraska, which has such a wonderful record in handling its finances, did not need it, but it could have obtained it.

In my State, I believe 1,178 school districts were insolvent or partially so. Many could not pay their school teachers. The school teachers received warrants and cashed them at discounts all the way from 10 to 50 percent. In Sioux County they could not even sell them at 50-percent discount. In Stark County, N. Dak., near Dickenson, N. Dak., when we got the money from the income and sales taxes, coal was furnished to the school district but the State of North Dakota received a bill for 85 cents. The school district could not even buy a shovel with which to handle the coal which was furnished and we had to furnish the shovel.

Mr. President, I wish to tell my friend the able Senator from Montana something that is not at all new. A delegation from Washington came out to our part of the country, headed, I believe, by Maj. Gen. Philip B. Fleming, who is still here. They went throughout the State, and throughout the drought-stricken area, and recommended that money be made available so that the schools of the various States in the drought-stricken area could be kept open—and also that our folks had work. I mention that so that the record may be kept clear. I believe that posterity is entitled to know exactly what President Roosevelt and the other Federal officials did in that great emergency.

In the entire State we produced only $32,000,000 worth of crops. For 4 years the railroads did not pay their taxes. The big corporations did not pay their taxes. The farmers were behind 5, 6, 7, 8, or 9 years, and could not pay their taxes. In that situation the Federal Government stepped in. I want everyone to know that as Governor of that State, and as a man born in North Dakota, I am eternally grateful to the Federal Government for seeing to it that the children of North Dakota at that time were kept in the schools and received their education. The teachers, the taxpayers, the State of North Dakota are overwhelming in favor of this bill and I shall support it.

The PRESIDING OFFICER (Mr. HOEY in the chair). If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. THOMAS of Utah. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THOMAS of Utah. Mr. President, I think I should suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Is the roll about to be called in connection with the suggestion of the absence of a quorum, or for the final vote on the bill?

The PRESIDING OFFICER. Unless the Senator from Utah insists upon suggesting the absence of a quorum, the roll will be called for the vote on the question of the passage of the bill.

Does the Senator from Utah insist upon suggesting the absence of a quorum?

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Mundt
Baldwin	Hoey	Murray
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Reed
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kilgore	Schoeppel
Cordon	Knowland	Smith, Maine
Donnell	Langer	Sparkman
Douglas	Lodge	Stennis
Downey	Long	Taft
Eastland	McCarran	Taylor
Ecton	McCarthy	Thomas, Okla.
Ellender	McClellan	Thomas, Utah
Ferguson	McFarland	Thye
Frear	McKellar	Vandenberg
Fulbright	McMahon	Watkins
George	Magnuson	Wherry
Gurney	Martin	Wiley
Hayden	Maybank	Williams
Hendrickson	Millikin	
Hickenlooper	Morse	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations was conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAIN (when his name was called). On this vote I have a pair with the senior Senator from Illinois [Mr. LUCAS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the junior Senator from Oklahoma [Mr. KERR]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. WILLIAMS (when his name was called). On this vote I have a pair with the junior Senator from New Hampshire [Mr. TOBEY], who is absent by leave of the Senate. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. CHAPMAN. Mr. President, I wish to announce that my colleague the Senator from Kentucky [Mr. WITHERS] is necessarily detained on an important mission to his home State. If present, he would vote "yea."

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on official business in the State of Florida.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Kentucky [Mr. WITHERS] is absent on official business.

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Oklahoma would vote "yea," and the Senator from Virginia would vote "nay."

The Senator from Florida [Mr. PEPPER] is paired on this vote with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Florida would vote "yea," and the Senator from Maryland would vote "nay."

The Senator from Illinois [Mr. LUCAS] is paired with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Washington would vote "nay."

If present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from Florida [Mr. HOLLAND], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Missouri [Mr. KEM] is absent on official business.

The Senator from Nevada [Mr. MALONE] is necessarily absent. If present and voting, he would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, he would vote "yea."

The Senator from Vermont [Mr. FLANDERS] and the Senator from North Dakota [Mr. YOUNG] are detained on official business. If present and voting the Senator from Vermont [Mr. FLANDERS] would vote "yea."

The result was announced—yeas 58, nays 15, as follows:

YEAS—58

Aiken	Ives	Murray
Brewster	Jenner	Myers
Capehart	Johnson, Colo.	Neely
Chapman	Johnson, Tex.	O'Mahoney
Donnell	Johnston, S. C.	Reed
Douglas	Kefauver	Russell
Downey	Kilgore	Saltonstall
Eastland	Knowland	Smith, Maine
Ellender	Langer	Sparkman
Ferguson	Lodge	Stennis
Frear	Long	Taft
Fulbright	McCarran	Taylor
George	McClellan	Thomas, Okla.
Hayden	McFarland	Thomas, Utah
Hendrickson	McKellar	Thye
Hickenlooper	McMahon	Vandenberg
Hill	Magnuson	Watkins
Hoey	Maybank	Wiley
Humphrey	Morse	
Hunt	Mundt	

NAYS—15

Baldwin	Connally	Martin
Bricker	Cordon	Millikin
Bridges	Ecton	O'Conor
Butler	Gurney	Schoeppel
Byrd	McCarthy	Wherry

NOT VOTING—23

Anderson	Kem	Smith, N. J.
Cain	Kerr	Tobey
Chavez	Lucas	Tydings
Flanders	McGrath	Wagner
Gillette	Malone	Williams
Graham	Miller	Withers
Green	Pepper	Young
Holland	Robertson	

So the bill (S. 246) was passed.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 226) making temporary appropriations for the fiscal year 1949, and for other purposes, and it was signed by the President pro tempore.

ADDITIONAL BILL INTRODUCED

Mr. JOHNSTON of South Carolina, by unanimous consent introduced a bill (S. 1786) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service, which was read twice by its title, and referred to the Committee on Post Office and Civil Service.

PRINTING OF REPORT OF BOARD OF ACTUARIES OF CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed as a Senate document the twenty-seventh annual report of the Board of Actuaries of the Civil Service Retirement and Disability Fund for the fiscal year ended June 30, 1947.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. CAPEHART asked and obtained consent to be absent from the session of the Senate tomorrow, Friday.

DISTRICT OF COLUMBIA REVENUE BILL

Mr. MYERS. Mr. President, I move that the Senate proceed to the consideration of the bill H. R. 3704, Calendar 240.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 3704) to provide additional revenue for the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3704), which had been reported from the Committee on the District of Columbia, with amendments.

ORDER FOR CONSIDERATION OF CALENDAR

Mr. MYERS. I ask unanimous consent that the unfinished business be temporarily laid aside, in order that the Senate may proceed to a call of the calendar, beginning with Calendar No. 223, Concurrent Resolution 29.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, is that the place on the calendar where the Senate left off the last time it was called?

Mr. MYERS. It is.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. MYERS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 8 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 6, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 5 (legislative day of April 11), 1949:

IN THE NAVY

Midshipman William C. Peterson (Naval Academy) to be an ensign in the Navy from the 3d day of June 1949, in lieu of second lieutenant in the Marine Corps, as previously nominated and confirmed.

The following-named Midshipmen (Naval Academy) to be ensigns in the Navy from the 3d day of June 1949, in lieu of ensigns in the Navy, as previously nominated and confirmed, to correct name:

Craig B. Aalyson	Lee McC. Ramsey
Arthur H. Mikles	Thomas B. Wood, Jr.

Midshipman Willard S. Peterson (Naval Academy) to be a second lieutenant in the Marine Corps from the 3d day of June 1949, in lieu of ensign in the Navy, as previously nominated and confirmed.

The following-named (Naval R. O. T. C.) to be ensigns in the Navy, from the 3d day of June 1949:

John F. Carver	John M. Luykx
Omni L. Gillette	Daniel P. MacLean, Jr.
Robert L. Haney	

The following-named (civilian college graduates) to be ensigns in the Navy, from the 3d day of June 1949:

Rollin W. Bloomfield	Carlyle "C" Merkley, Jr.
Earl L. Carter	Arthur L. Moberly
Rocco A. Cotroneo	Richard J. Munroe
Thomas E. Cox	Harry M. Parker, Jr.
Harvey Ferer	Alan Y. Smith
Kent DeL. Glover	Robert H. Tillson
David A. Hungerford	Leo A. Welcker
Merrill E. Labonte	Lisle R. Wills, Jr.
Steven M. Little	John C. Younie, Jr.
Frank S. Malm	
Donald "H" Mayo	

Ernest A. Golia (civilian college graduate) to be a lieutenant in the Medical Corps of the Navy.

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy, from the 3d day of June 1949:

Joseph R. Audino	Stanley J. Kulikowski
William W. Coons	Richard A. Nemeth
Charles D. Curriden	Jack M. Ratzlaff
Dick H. Francisco	Randolph E. Schroeder
Raymond W. Funk	Harold K. Scott
Harold E. Haas	

John J. Lynch (civil college graduate) to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Doris M. Allen	Lorraine A. Lane
Victoria P. Ascenzi	Katherine M. M. McGovern
Dorothy S. Ball	Mildred A. Malone
Cleo D. Best	Rose M. Mooney
Mary A. Brunner	Irene O'Brien
Martha J. Buckoski	Marion B. Philip
Gertrude A. Christ	Arlene E. Pinkham
Josephine F. Christian	Iris E. Register
Christine G. Courtney	Helen L. Smith
Elizabeth B. Diethart	Pauline E. Stack
Harriet M. Dimick	Barbara Tallmadge
Grace C. Dugan	Mabel H. Thompson
Stella M. Edgecomb	
Margaret S. Hanley	

The following-named officers to the grades indicated in the line of the Navy (women):

LIEUTENANTS

Harriet E. Ashworth	Rosalie W. Martin
Nancy H. Bach	Loretta E. Mersy
Catherine D. Callahan	Katherine B. Rash
Sarah E. Davis	Anna M. Scott
Anne L. Ducey	LaForrest W. Smith
Alma G. Ellis	Alma F. Stonesifer
Helengrace Lancaster	Jean F. Walker
Betty J. Lloyd	

LIEUTENANTS (JUNIOR GRADE)

Josephine St. M. Bates	Mary C. Bellas
Bessie A. Beeland	Lucy E. Boyd

Elizabeth T. Brown	Louise A. G. Platt
Joan M. Caldbeck	Margaret M. Polatty
Arline "C" Gorn	Millicent V. Polley
Elizabeth S. Harrison	Helen E. Pritchard
Mary C. Houck	Anita Ramos
Muriel S. Johnson	Doris E. Steeves
Violetta L. Johnson	Clara J. Streinz
Muriel J. Lewis	Virginia M. Thompson
Margaret A. B. Mairs	Helen R. Upson
Louise F. Merkle	Mary E. Ward
Sara E. Mitchell	

The following-named officers to the grades indicated in the Medical Corps of the Navy:

LIEUTENANT COMMANDERS

David Singer
Ralph Volk
Russell G. Witwer

LIEUTENANT

Francis "H" McCullough, Jr.

LIEUTENANTS (JUNIOR GRADE)

William G. Krech
Harold M. Peacock

The following-named officers to the grades indicated in the Supply Corps of the Navy (women):

LIEUTENANT COMMANDER

Beryl A. Catt

LIEUTENANTS

Joan E. Flickinger
Wilma E. Lewis

LIEUTENANTS (JUNIOR GRADE)

Jean M. Shaefer
Elizabeth J. Stover

The following-named officers to the grades indicated in the Dental Corps of the Navy:

LIEUTENANT

Sam T. Emery

LIEUTENANT (JUNIOR GRADE)

Thomas A. Michiels

The following-named officers to the grades indicated in the Medical Service Corps of the Navy:

LIEUTENANT

Jack P. Ramsey

LIEUTENANT (JUNIOR GRADE)

Theodore H. Conaway, Jr.

The following-named officer (woman) to the grade indicated in the Medical Service Corps of the Navy:

LIEUTENANT (JUNIOR GRADE)

Sara B. Butterfield

The following-named officer to the grade indicated in the Nurse Corps of the Navy:

LIEUTENANT (JUNIOR GRADE)

Margaret E. Doyle

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 5, 1949

The House met at 12 o'clock noon.

The Reverend Lloyd Gressle, of St. John's Episcopal Church, of Sharon, Pa., formerly of St. James' Church, Wooster, Ohio, offered the following prayer:

Almighty God, who hast given us this good land for our heritage, grant us the grace and wisdom to read Thy hand writ large upon the pages of its history. Grant us the grace to look back that we may go forward with courage and confidence. Grant us never to forget Thy promise and Thy will, and grant in all things that we may consider the common man and He whose desires and will we seek to fulfill. Grant to our leaders in government sound minds and strong wills that they may fulfill those things which Thou hast promised that they shall in all things. We ask Thy blessings upon our land. Grant that this Government may go forward from strength to strength under Thy kindly will. Through Jesus Christ Our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address by Hon. Cater Bowie on citizenship.

Mr. BREEN asked and was given permission to extend his remarks in the RECORD.

TRENTON DAM AND SWANSON LAKE

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 270) to change the name of Culbertson Dam on the Republican River in the State of Nebraska to "Trenton Dam," and to name the body of water arising behind such dam "Swanson Lake."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the dam under construction on the Republican River in the State of Nebraska, heretofore known, designated, and referred to as "Culbertson Dam," shall hereafter be designated and referred to as "Trenton Dam." Any law, regulation, document, or record of the United States in which such dam is designated or referred to under and by the name "Culbertson Dam" shall be held and considered to refer to such dam under and by the name of "Trenton Dam." The body of water arising behind such dam shall hereafter be designated and referred to as "Swanson Lake" in commemoration of Carl H. Swanson.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DOLLINGER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. ALLEN of Louisiana asked and was given permission to extend his remarks in the RECORD and include an address.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial from the Trainmen's News.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in four instances and include certain statements and extracts.

Mr. O'NEILL asked and was granted permission to extend his remarks in the RECORD and include an address by Assistant Secretary Warne.

Mr. SCRIVNER asked and was granted permission to extend his remarks in the RECORD and include a weekly letter on Federal health.

Mr. DONDERO asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. NORBLAD asked and was granted permission to extend his remarks in the RECORD in two instances and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. ANGELL asked and was granted permission to address the House today for 30 minutes following the regular business of the day and any other special orders heretofore granted.

SEVENTY-FIFTH RUNNING OF THE KENTUCKY DERBY

Mr. MORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MORTON. Mr. Speaker, surely the sun will shine on Saturday in old Kentucky. That day will make the seventy-fifth annual running of the greatest sports classic in America, the Kentucky Derby. One hundred thousand voices will join in the magic cry, "They're off," and 100,000 hearts will thrill to the hoofbeats of America's greatest thoroughbreds. It is always a great race and will be again this year, but one does not have to go to Kentucky to see a close race. We had one this week here on the floor of the House. The running in Kentucky may be the best, but we saw some pretty fancy running on the floor of the House in connection with labor legislation.

On Saturday at Churchill Downs, it may be Olympia by 10 lengths or it may be a photo finish between Kentucky Colonel and Palestinian. In any event, within 5 minutes after the end of the race, everyone will know who won and just what price the winner paid. In our race here on the floor of the House this week, no one knows just who won and no one knows just who owes what to whom.

Let me briefly review the happenings on the House floor during the Lesinski-Wood-Sims sweepstakes. A bill was brought to the House to repeal the Taft-Hartley Act and reenact the Wagner Act with amendments. It was substantially amended. The House then accepted these amendments. In accepting these amendments, the House wrote a bill which made some 20 changes in the existing Taft-Hartley Act. These changes were made in response to just criticisms which labor leaders have made against the Taft-Hartley Act. An overwhelming majority of the Members of the House believes that changes to the Taft-Hartley law are in order. After this was done, the bill was sent back to committee and again we find ourselves once more at the starting gate, just exactly where we were 4 months ago when the Eighty-first Congress convened for its first session.

On Wednesday, we witnessed a strange demonstration on the floor of the House.

The majority were cheering and congratulating themselves on the excellent job done in sending the bill back to committee and thereby effectively killing amendments to the Taft-Hartley Act and preserving that act unchanged as the law of the land. Leaders of organized labor who were present in large numbers in the gallery joined in this applause. The motives and the methods of men are at times difficult to understand.

There is in the House of Representatives a small group on both sides of the aisle who are thoroughly satisfied with the Taft-Hartley Act as written. When the House worked its will on Wednesday, these Members could sit squarely by with satisfied smiles. Theirs was the victory. Those of us who want to see some changes made in the Taft-Hartley law may now have to wait for many months before we will again have an opportunity to make such an effort. As a member of the Committee on Education and Labor, I will do what I can to expedite the drafting of a new bill. I hope I may be given the opportunity to at least offer my ideas, which I think reflect the wishes of a majority of the men and women in my district. In the past, that privilege has been denied to 12 of the 25 members of the committee. If we are allowed to participate in drafting this legislation, it may have better luck when it next reaches the floor.

It is unfortunate not only that legislation in the field of labor-management relations has been delayed, but that other important legislation before the Committee on Education and Labor is also indefinitely postponed. What price victory.

THE LATE GEORGE GORDON BATTLE

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I take this time to pause for a moment to pay my respects to a great American and a dear friend of mine, George Gordon Battle, who passed away suddenly a few days ago on his way to his home in Orange County, Va.

George Gordon Battle was one of the foremost members of the New York bar, where he practiced law with distinction for a number of years. He was a man of a great heart and in spite of the fact that he enjoyed a large and lucrative law practice, he was never too busy to aid the underprivileged and the less fortunate with his advice and counsel. He took many a case to defend the poor without any thought of recompense and his gifts to charity were many and anonymous.

George Gordon Battle was a Democrat high in the circles of Tammany Hall in New York City, and he taught me one of my first lessons in politics. I remember well when I was relieved as a deputy police commissioner of New York City by an appointee of Tammany Hall that I was considerably upset and Gordon Battle said to me, "Don't let the disappointments of politics ever make you bitter." That was wise advice and I have tried my best to follow it.

The country has lost a fine citizen; the little people have lost a great friend; and, those of us who were fortunate enough to know him realize that a great soul has left us.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. AUCHINCLOSS. I yield.

Mr. JAVITS. I knew Mr. Battle well, and practiced law with him and had many cases with him. I am deeply grieved to hear of his passing. He was a noble gentleman and a fine lawyer.

The SPEAKER. The time of the gentleman from New Jersey [Mr. AUCHINCLOSS] has expired.

PERMISSION TO FILE REPORTS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file several privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

QUO VADIS?

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the distinguished gentleman from Kentucky [Mr. MORTON] a few moments ago undertook to compare these meandering or mental somersaults that we have witnessed here in the last few days in the House to a horse race in Kentucky.

I do not think there can be any such comparison. When I look around and see what has happened here from day to day, and compare the roll calls, I think it can be more reasonably compared to the Snake Railroad that was described in this House by Mr. Wingo, of Arkansas, many years ago, when he said:

> It wiggled in and wobbled out
> And left the people all in doubt,
> Whether in its zig-zag track
> It was going west or coming back.

EXTENSION OF REMARKS

Mr. JONES of Alabama asked and was given permission to extend his remarks in the Appendix of the RECORD and include two articles on the subject of public housing.

THE DEBATE ON THE LABOR BILL

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, the distinguished gentleman from Mississippi has just been comparing the actions of this House to a certain snake that wiggled in and wiggled out, so that one could not tell which way it was going. I ask the gentleman from Mississippi to check the CONGRESSIONAL RECORD and check the voting record and see if he does not find something that is almost unparalleled in the history of this House. I found that every Democrat of the Missouri delegation—and we are all Democrats but one—voted exactly alike every time, and every one of us voted the same way during the entire consideration of the labor legislation before this House, and we voted right every time. Let me say to the gentleman from Mississippi that I am prouder of the action of the Democratic members of the Missouri delegation during this recent debate and voting than I have ever been of anything that has happened since I have been a Member of the House.

The SPEAKER. The time of the gentleman from Missouri has expired.

EXTENSION OF REMARKS

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the Appendix of the RECORD and include two articles.

Mr. FARRINGTON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous matter.

ANTI-POLL-TAX LEGISLATION

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I, too, was very much interested in the remarks of the gentleman from Mississippi about going west and coming back. I wish to mention that at the moment we are holding hearings on the anti-poll-tax legislation in the Committee on House Administration. This bill will be brought to the floor one of these days very soon and I think the gentleman then will get a good view of his colleagues over on the other side who have been supporting him in the last few days. Having been going west at that time, they will be coming back this time.

MANAGEMENT-LABOR RELATIONSHIPS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I have been greatly interested in the colloquy that has taken place between various Members of the House this morning. I have been wondering that if business and labor working together and trying to get harmony did so like the Members of this House whether we would ever be able to accomplish anything that would be for the best interests of our country.

Could we accomplish anything in harmony if we proceeded like the House has during the past week in connection with

consideration of labor legislation? Do you think labor and management would be able to get together and break bread together and really accomplish something? I doubt it very much. In my opinion, certain things that have happened in this House are about as bad, if not worse, than you will find in many of the controversies that we have between management and labor.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, will the gentleman give us the program for next week?

Mr. McCORMACK. Mr. Speaker, I intend to announce the program a little later. I should like to have this unanimous-consent request acted upon before the House resolves itself into the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement by radio station KFI and also certain tables.

Mr. KENNEDY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

AMERICA'S AGED CITIZENS BYPASSED

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, in the multitudinous duties crowding upon the Congress, are we not overlooking one of the most meritorious legislative proposals requiring immediate consideration? I refer to legislation providing for fair, equitable, and sufficient retirement annuities for the aged citizens of America who no longer are permitted or are able to participate in productive enterprise.

Soon after the Eighty-first Congress convened I introduced H. R. 2136, and our colleague, the gentleman from Minnesota [Mr. BLATNIK] introduced H. R. 2135, a companion bill, known as the Townsend legislation. Other Members have introduced identical bills. The purpose of the bills is to provide our unemployed elderly citizens 60 years of age or over with adequate annuities for their maintenance and also to provide protection in certain cases to widows and their children and the disabled. The bill has been pending before the Ways and Means Committee since February 2, 1949. Recently extensive hearings were held before the Ways and Means Committee on the legislation, and many persons, including many of our colleagues, testified in support of it. Eighty-three Members of the House signed petitions to the Ways and Means Committee urging that the bill be reported out for consideration on the floor. The following Members signed such petitions:

JOHN A. BLATNIK, Eighth, Minnesota; HOMER D. ANGELL, Third, Oregon; FRED MARSHALL, Sixth, Minnesota; VICTOR WICKERSHAM, Seventh, Oklahoma; ROBERT T. SECREST, Fifteenth, Ohio; THOMAS S. GORDON, Eighth, Illinois; FRANK A. BARRETT, at large, Wyoming; RAYMOND W. KARST, Twelfth, Missouri; RICHARD W. HOFFMAN, Tenth, Illinois; PAUL CUNNINGHAM, Fifth, Iowa; GORDON L. MCDONOUGH, Fifteenth, California; COMPTON I. WHITE, First, Idaho; MICHAEL J. KIRWAN, Nineteenth, Ohio; MICHAEL A. FEIGHAN, Twentieth, Ohio; LAWRENCE H. SMITH, First, Wisconsin; WALTER E. BREHM, Eleventh, Ohio; JOSEPH P. O'HARA, Second, Minnesota; GARDNER R. WITHROW, Third, Wisconsin; HAROLD C. HAGEN, Ninth, Minnesota; VITO MARCANTONIO, Nineteenth, New York; WAYNE N. ASPINALL, Fourth, Colorado; CHET HOLIFIELD, Nineteenth, California; MERLIN HULL, Ninth, Wisconsin; CHARLES A. WOLVERTON, First, New Jersey; DIXIE GILMER, First, Oklahoma; HERBERT A. MEYER, Third, Kansas; JAMES H. MORRISON, Sixth, Louisiana; A. L. MILLER, Fourth, Nebraska; WESLEY A. D'EWART, Second, Montana; ANTHONY CAVALCANTE, Twenty-third, Pennsylvania; JOHN PHILLIPS, Twenty-second, California; FOSTER FURCOLO, Second, Massachusetts; USHER L. BURDICK, at large, North Dakota; A. S. HERLONG, JR., Fifth, Florida; CLARE MAGEE, First, Missouri; THURMAN C. CROOK, Third, Indiana; J. HARRY MCGREGOR, Seventeenth, Ohio; WILLIAM LEMKE, at large, North Dakota; JACK Z. ANDERSON, Eighth, California; J. HARDIN PETERSON, First, Florida; BARRATT O'HARA, Second, Illinois; CLEMENT J. ZABLOCKI, Fourth, Wisconsin; DANIEL J. FLOOD, Eleventh, Pennsylvania; RAY J. MADDEN, First, Indiana; A. C. POWELL, JR., Twenty-second, New York; AUGUSTINE B. KELLEY, Twenty-seventh, Pennsylvania; ALVIN E. O'KONSKI, Tenth, Wisconsin; FRANCK R. HAVENNER, Fourth, California; GEORGE P. MILLER, Sixth, California; WILLIAM A. BARRETT, First, Pennsylvania; T. MILLET HAND, Second, New Jersey; CARROLL D. KEARNS, Twenty-eighth, Pennsylvania; WILLIAM S. HILL, Second, Colorado; BERNARD W. KEARNEY, Thirty-first, New York; TOBY MORRIS, Sixth, Oklahoma; EARL WILSON, Ninth, Indiana; THOR C. TOLLEFSON, Sixth, Washington; H. R. GROSS, Third, Iowa; REID F. MURRAY, Seventh, Wisconsin; EDWIN ARTHUR HALL, Thirty-seventh, New York; NORRIS POULSON, Thirteenth, California; EUGENE D. O'SULLIVAN, Second, Nebraska; GEORGE G. SADOWSKI, First, Michigan; WAYNE L. HAYS, Eighteenth, Ohio; JOHN H. MARSALIS, Third, Colorado; JOHN R. WALSH, Fifth, Indiana; MELVIN PRICE, Twenty-fifth, Illinois; CLINTON D. MCKINNON, Twenty-third, California; DEAN P. TAYLOR, Thirty-third, New York; C. W. (RUNT) BISHOP, Twenty-sixth, Illinois; WILLIAM T. GRANAHAN, Second, Pennsylvania; FRANK B. KEEFE, Sixth, Wisconsin; CLYDE DOYLE, Eighteenth, California; HENRY M. JACKSON, Second, Washington; RICHARD J. WELCH, Fifth, California; WALTER NORBLAD, First, Oregon; ROY W. WIER, Third, Minnesota; PHILIP J. PHILBIN, Third, Massachusetts; HARRY J. DAVENPORT, Twenty-ninth, Pennsylvania; ROBERT L. F. SIKES, Third, Florida; SID SIMPSON, Twentieth, Illinois; H. CARL ANDERSEN, Seventh, Minnesota; KATHARINE ST. GEORGE, Twenty-ninth, New York.

Mr. Speaker, ex-President Hoover, Chairman of the Commission for Organization of the Executive Department on April 25, 1949, wrote to the Honorable ROBERT L. DOUGHTON, chairman of the Ways and Means Committee of the House, a letter on old-age security, which appears in the Appendix of the CONGRESSIONAL RECORD at page 2438, and from which I quote as follows:

The following notes relating to the systems existing at present are based upon data collected by the Commission on Organization of the Executive Branch. That Commission did not deal with policy questions to be determined by Congress. The views on policy expressed herein, therefore, are solely my own.

I wish to say at once that I strongly favor governmental provision for protection of the aged and their dependents.

The problem before the Nation is to obtain a workable system, with a minimum of administrative cost, a minimum of bureaucracy, adjusted to the economic strength of the country, which gives an assurance of security to this group. In my view, we have not yet found that system.

I should like to make two general observations:

There is an illusion about the whole Federal old-age and survivors insurance. Because the taxes on pay rolls are paid into a trust fund and paid out without appropriation by Congress, there is an idea that these are neither taxes nor Federal expenditures. They are just as much a burden upon our national economy as any other tax or any other Government expenditure. Also, pay-roll taxes, however, justifiable, are, like all other taxes, a burden on the standard of living of the whole Nation. A considerable part of the pay-roll taxes paid by employers in the long run is passed to the people as a whole in prices, and a considerable part of the taxes paid by wage earners is passed on by demands for increased wages.

THE PRESENT SYSTEM

1. The old-age problem has been thrust upon the Federal Government largely by the great increase in longevity. Its dimensions are indicated by the fact that there will be by 1950 about 11,000,000 persons over 65 years of age. They will increase in numbers absolutely and relatively, both with the increase in population and with the constantly advancing protections to health.

2. The Nation today is undertaking to solve the problem from three different directions:

First is the joint Federal-State assistance to which I shall refer as "State systems." Forty-eight of the States and three other jurisdictions, with Federal aid, give old-age assistance, dependency, children's benefits, and other social services, based upon individual needs. The variations in the needs requirement are considerable, and in a few States are so liberally interpreted as to be practically universal old-age pensions. The total number of persons given assistance by the State systems is about 2,300,000.

The average amount of payments to the aged in need in all 48 States is $42.02 per month per person. In the 46 most typical States based on need, the average payment is about $39.50 per month per person. These monthly payments vary greatly among the States—ranging from a low of about $20 to a high of about $78 a month in one State. The annual cost averages about $1,200,000,000—about one-half of which is paid by the States and about one-half by the Federal Government.

Second is the Federal old-age and survivors insurance, based upon pay-roll taxes, to which I shall refer as the "Federal insurance system." Benefits are now being paid out to about 2,260,000 persons at an annual cost of about $556,000,000, and averaging about $25 per person per month, including their dependents. The payments being in-

sufficient for the needy, many must be supplemented by the State systems.

Third is a multitude of old-age pension and retirement systems in the country to which I shall refer as the "independent systems." They are in the main Federal veteran and military pensions and disability systems of this group which extend into the 65-year-age group: Federal civil-service retirement systems; the Railroad Retirement System; the old-age or retirement systems of the States and local governments; the old-age or retirement systems of universities, hospitals, fraternal organizations and other benevolent institutions, insurance companies, businesses, and industries. There is now a new form of old-age and retirement system emerging in particular industries as the result of collective bargaining. These systems, together with pensions to veterans, bid fair to be further extended.

The number of persons now receiving pensions or aid from these independent services is estimated at about 2,300,000. The monthly payments under these systems are much higher, on the average, than the other two systems.

Theoretically, there are about 7,000,000 persons now receiving benefits from all three systems. This, however, includes dependents less than 65 years old and there are duplications because in many cases the benefits from the Federal insurance system are inadequate and must be supplemented by the State systems.

FAULTS IN THE PRESENT FEDERAL INSURANCE SYSTEM

3. There are serious faults in the Federal insurance system.

(a) The original concepts, as embodied in the Social Security Act of 1935, were that the money to pay for the benefits would come from employees and employers by a tax on pay rolls, and that the system would be self-sustaining. The original actuarial basis of the system was faulty and was made worse by the legislation of 1939.

One of the methods of this system contemplated building up a reserve fund in the early years to compensate the subsequent increased benefits. The moneys collected from the pay rolls have been, and are at present, in excess of the payments to beneficiaries, and the trust fund of about $10,000,000,000 has been accumulated and invested in Government bonds. The growth of expenditures for benefits under the present act apparently will exhaust this reserve in from 5 to 10 years, and the general taxpayer will be forced to make up the annual deficit. This deficit, it is estimated, will rise ultimately to about $1,700,000,000 per annum.

(b) An additional burden, however, is thrust on the general taxpayer. Under the present system the Federal Government has used the surplus income of the trust fund (amounting to the $10,000,000,000) for its current expenses and placed its IOU (in the shape of Government bonds) in the trust fund for the money thus used. It is estimated that the benefits paid out will begin to exceed the receipts (upon the present basis of the pay-roll tax and benefits) in a few years. When this occurs, the Government must redeem its IOU's from the trust fund. The money to redeem them must come from the general taxpayer. Even if the bonds were sold to the public, ultimately they must be redeemed by the taxpayer. As those who have already paid the pay-roll deductions are also taxpayers, they will, to some extent, be paying for their insurance twice over.

I cannot agree with the economic arguments before your committee which are to the contrary. The simple fact is that the money has been raised by a tax, and except for benefits already paid, has been used as current expenditures by the Government, and must be replaced from somewhere—the taxpayer.

THE PROPOSED NEW LEGISLATION

4. I do not have the technical staff to analyze in detail the effect of the amendments to previous legislation implied in these two bills (H. R. 2893 and 2892). However, I make some over-all observations which may be worthy of consideration by your committee.

(a) I suggest that the committee consider abandoning the whole reserve fund concept and that the Federal Insurance System be put on a pay-as-you-go basis. It should be no more difficult to calculate for a year ahead the amount of pay-roll taxes required to meet the outgo than any other taxes. The present reserve fund of $10,000,000,000 could remain as a balance wheel. It could be drawn upon temporarily when advance calculations of the tax prove inadequate and then could be restored the following year. This procedure would enable the Congress to fix the tax as needed and to appropriate the budget annually. In the latter matter, it has no voice at all at present. Such a method of pay and collect as you go would avoid the faults pointed out in the paragraphs 3 (a) and (b) above.

I am aware it will be contended that this course would deprive the scheme of its purported actuarial basis. As a matter of fact, it has been abandoned under the present system. But more important, the basic fault of double payment by beneficiaries (3 (b) above) destroys all such actuarial contentions anyway. And the same situation will apply to the new legislation as it again proposes to increase reserves, and spend the increased money for current expenses of the Government, with ultimate replacement by the taxpayer.

SEARCH FOR A SIMPLER SYSTEM

6. The committee, in my opinion, should undertake to establish an independent research body to provide analyses of other possible systems. It should be given a year for study.

The reasons are:

(a) On the organizational side both the State systems and the Federal insurance system maintain expensive administrations of the same general problem. The administrative cost of the Federal insurance system is likely, under this bill, to rise eventually to over $100,000,000 per annum. The independent systems do not overlap so extensively in the administration field, and usually are managed more economically.

(b) In the financial support of these three systems the overlap is very great. Many of the independent systems and the Federal insurance system are based upon pay-roll contributions, and thus many contributors are in both systems, are being twice insured, and will receive benefits from both systems. The people do not need to be provided for twice over, and where they are in both systems their deduction burdens are very great and a menace to their families' standard of living.

(c) It is obvious that the State systems must be maintained for many years to come. It would be many, many years before complete and adequate coverage and benefits could be attained by the Federal insurance system. Its benefits, even under the new bill, are inadequate in many instances, and must, in any event, be supplemented by the State systems based upon need.

(d) A careful inquiry might disclose an entirely different system which would avoid the huge costs of administration and the duplication, which would substitute some other form of taxation, more simple and more direct for its support, and which would give more positive security to the aged than this complicated system.

It is worth looking into.

Mr. Speaker, the recommendations of Mr. Hoover are of great interest and particularly applicable to the discussion of H. R. 2135 and H. R. 2136. Mr. Hoover calls attention to the difficulties and inefficiencies in our present system of social security for the aged of America, and in the concluding excerpt from his letter which I have quoted suggests that an entirely different system should be considered on a pay-as-you-go basis, which would avoid the huge costs of administration, avoid duplication, and would substitute some other form of taxation more simple and more direct for its support and which would give more positive security to the aged than the complicated system we now have, which would also obviate the existing indefensible trust fund. The legislation we propose, in our opinion, would meet these objectives.

Mr. Speaker, our plan—H. R. 2136—meets these objections and is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to charity or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the pay-roll tax for financing old-age and survivors insurance.

Annuities should be offered with neither the stigma of charity nor the aroma of poverty. They should be offered as a matter of right as dividends from the national wealth the aged have helped to create. The system should be one to replace the complicated, arbitrary, and inequitable provisions of the existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make available jobs to all the young who will replace the aged as the latter move into retirement at a decent standard of living.

Only noncontributory pensions will meet the needs of those now grown old who are in need because of past neglect in providing an adequate contributory retirement system. Since at the time the system was adopted most of the States were financially unable to assume the burden of so many aged who moved from State to State and on to Federal relief rolls, it was deemed proper to continue to provide Federal aid to States to provide relief to those aged who were in need.

Much of the argument in support of our plan stems from the limited coverage and inadequate benefits of the present system. For example, most of today's aged who are not working left the labor force before they could build up rights to benefits under OASI. And even among the young and still employed, under the present OASI system, there is no coverage for jobs in agriculture, domestic service in private homes, Federal, State, and local government employees, and workers in religious, charitable, and certain other nonprofit organizations, the self-employed, and others as well. About one-third of the

workers engaged in employment are not covered by the system; and of the 78,700,000 living persons with OASI wage credits at the end of 1948, about 40,500,000 were neither fully nor currently insured on the basis of their wage records, and hence were not protected under the programs. In the Federal Security Agency, Social Security Administration, Annual Report, 1947, section 1, pages 7, 18, 39, it is said:

Under our present provisions it would be possible for an individual to work at some time during the course of his working life in jobs covered by Federal old-age and survivors' insurance, the Railroad Retirement Act, the Civil Service Retirement Act, and the retirement plan of a State or locality. According to the length and timing of such employments, he might become eligible to receive retirement benefits under one or more or all of these plans. Another man, with similar earnings under several of the programs, may go through a working life without ever acquiring retirement rights under any. Conceivably the survivors of a worker who dies might be eligible for benefits under a Federal old-age and survivors' insurance system as well as under a State workmen's compensation law and under general veterans' legislation. Another family, equally in need of income to replace the father's earnings, may have had no opportunity to gain protection under any of these programs.

No Federal provision is made to care for the disabled other than the needy blind. In the same report, pages 21 and 22, it is said:

The United States is unique among major industrial nations in its lack of a general disability insurance system. Compensation for wage loss due to incapacity is confined in this country to work-connected accidents or diseases in industry and commerce, to service in the armed forces, and to employment in the railroad industry or by government. Two States provide benefits for temporary disability under arrangements similar to unemployment insurance and with the same coverage. In June 1947 these special systems, in the aggregate, reached very few of the 2,000,000 to 2,500,000 persons disabled on an average day and recently in the labor force, who but for their incapacity would be working or seeking work.

The Social Security Administration in this report, pages 1 to 63, concedes the limitations of the present law and strongly urges extension of coverage. The present law was and continues to be considered simply as a cornerstone of a structure which was to be expanded.

Under the existing law under old-age and survivors insurance the average benefits are $25.28 per month, according to the latest data available from social-security records. To obtain this payment the worker and the employer would have to make contributions over a long period of time. On the other hand, the average of old-age assistance—not available to those under the retirement plan but given only on a claim of need—was some $16 more per month than the old-age and survivors insurance payments. According to late figures, payments in Colorado reached $78.29; in California, $61.25; in Washington, $60.33. It is thus shown that those receiving assistance who did not contribute to the program received very substantially more than those who through the years contributed taxes based on monthly incomes.

It is reported that recipients of relief now exceed by nearly 1,500,000 the insured workers who are drawing benefits. In the month of October last the number granted cash on the basis of need totaled 2,469,372 as against 1,016,303 retired workers receiving old-age insurance. This experience is directly opposite to that contemplated when the Social Security Act was enacted. It was believed that gradually all old-age beneficiaries would come under the provisions of the old-age and survivors insurance program and those receiving assistance on the basis of need would be gradually reduced and eventually eliminated.

A major defect in the present system is the smallness of individual payments, and their inadequacy in providing a decent standard of living. As one of our colleagues has said, the old-age insurance program is allegedly based, in respect to the payments to the recipients, upon the contributions made by the workers, the employees, and their employers. A vast actuarial scheme has been set up, requiring the attention and deliberation of highly trained actuaries. Great shelves are being filled with volumes of statistics, weighted averages, median lines, maximums, minimums, involved and intricate forms. At the end, what happens? At the end, the average worker comes out with about $25 a month, far less than he would get if he were under the old-age assistance program. This plan actually contemplates that these actuarial calculations will become effective against a boy 16 years of age who is in a covered occupation, and that for 50 years, until he is 65 years of age, the Social Security Board will keep track of his employers and of the tax payments made from his wages; also of his wife, his children, his job, and his compensation; and then, as a result of those calculations, it will determine what that young man will receive 50 years from now. In other words, these actuarial calculators are now calculating whether 50 years from now that boy will get $10.50, or $19, or $20. In the next 10 or 20 years we are going to have crisis after crisis; what these crises may be, no one can readily predict; but certain it is that many of them will bring widespread economic dislocation. And here is a group of men who solemnly assert that by means of this actuarial system they are at this time determining how much workers will be paid 10 to 20 to 50 or even 100 years from now. The sad and pathetic aspect of it is that these payments will amount to only approximately $10 a month, which is the minimum, or up to approximately $60 a month, which is the maximum. As a matter of fact, these payments are so meager and so low that they nauseate and sicken the human heart.

Mr. Speaker, the great objection to the public-assistance programs is that, being State administered, amounts paid vary greatly not only as between States but also as between localities within the same State. So far as our proposal is concerned, none of the foregoing would present a problem, but the proposal would have some problems of its own to be worked out. Some of the foregoing points I will now consider in further detail.

The Bureau of Internal Revenue is to collect the tax under the proposed plan. Every person having a personal income in excess of $250 and all other persons or corporations having any gross receipts would be required to make monthly returns. Much of this work of collection could be eliminated if some method of collection at the source were devised. Another administrative problem would be the sending out of the checks each month to the pensioners. A similar problem is now being met under the Social Security Act.

Under old-age and survivors insurance, the Social Security Administration, in the Federal Security Agency, administers the payment of benefits, while the Bureau of Internal Revenue collects the tax. The cost of administering this program is now running around $50,000,000 per year. Total costs through 1947 were about 15 percent of benefits paid out and a little more than 2 percent of total receipts, taxes plus interest on assets. For the fiscal year 1947, administrative costs were 2.5 percent of receipts and 9.6 percent of benefit payments. Part of the administrative chore is keeping the wage records of 78,700,000 living persons and determining the amount of benefit each—and his family—is entitled to if and when he or they become eligible for a benefit payment.

Though old-age and other public-assistance plans are State administered, the Federal Government contributes to the administrative costs. The contribution is 5 percent of the grant for old-age assistance and one-half the cost of administering aid to dependent children and the blind. The total Federal and State administrative costs in the fiscal year 1947 ran approximately as follows: Old-age assistance, $50,026,000; dependent children, $21,289,000; needy blind, $2,396,000. The costs ran higher for the year 1948 but the break-down is not yet available.

Proponents of our plan believe that the economy of the Nation will benefit by reason of the expenditure of the annuity within 30 days after its receipt. According to the bill—

(a) The annuity shall be spent within the confines of the United States, its Territories, and possessions.

(b) Each installment of the annuity shall be spent by the annuitant within 30 days after the time of its receipt.

(c) An annuitant shall not engage in any occupation, business, or other activity from which a profit, wage, or other compensation is realized or attempted, except that nothing in this title shall be construed to prohibit an annuitant from collecting interest, rents, or other revenues from his own investments. No annuitant shall support an able-bodied person in idleness except a spouse. * * *

(e) Any sum received by an annuitant which represents the proceeds of a sale of any real property acquired through the use of money received as an annuity under this title shall be expended by the annuitant within 6 months after the receipt of such proceeds of such a sale.

Mr. Speaker, there will be no incentive for elderly people of limited income to hoard their meager earnings as the haunting fear of old age and destitution will have been removed. The proceeds of the tax will go to people who will move out of employment. They will be required to spend the proceeds of their annuities within 30 days. This will stimulate production, production will promote employment, the younger will move into jobs vacated by the aged, and we will have prosperity.

The old-age and survivors insurance program, being a contributory plan based upon contributions by both employers and employees, each paying a tax of 1 percent of the first $3,000 of wages, to be increased to 1½ percent in 1950–51 and 2 percent thereafter, is, in effect, a tax on production and a burden on all citizens. The plan gives inadequate relief to those covered and is unjust to those not covered. These taxes go into what is called a trust fund which, on December 31, 1948, amounted to $10,721,714,000. The Government spends the trust funds as received for the regular expenses of government and replaces the funds with Government securities bearing interest paid by the Government, which encourages deficit spending. It follows that when these funds are needed, in lieu of the bonds, the Government will be obliged to levy another tax on all taxpayers to meet the demands upon the fund. Notwithstanding this huge balance in the trust fund on December 31, 1948, there had been paid to beneficiaries under the program up to that date only $2,328,606,000. The cost of administering this program is now running approximately $50,000,000 a year. For the fiscal year 1948 administrative costs were 10.8 percent of the benefit payments. A major part of the heavy administrative work is in keeping the wage records of 78,700,000 living people and determining the amount of benefits each—including his family—is entitled to if and when he becomes eligible for benefit payments. To be fully insured for life a worker must have 40 calendar quarters of covered employment. Minimum benefits for a worker are $10 a month, and for a worker and his wife, $15. Maximum benefits currently paid are $45.20 for a worker and $67.80 for a worker and his wife. The average payments as of December 1948 were $25.40 for a worker and $38.10 for a man and his wife. This old-age and survivors insurance plan contemplates these actuarial calculations would become effective for a boy 16 years of age in a covered occupation and that for 50 years, or until he is 65 years of age, the Social Security Board will keep track of his employer's and his tax payments made from his wages and other essential data covering the case, and based thereon will determine what he will receive in benefits 50 years from now which, according to present average payments, would be about $25 a month. With the ups and downs in the economic conditions of our Nation and the fluctuation in the value of the dollar, it is at once apparent that the whole scheme is unworkable and, in fact, offers little social security to our workers. These workers, who, with their employers, have been taxed through the years and who are now receiving only an average payment of $25 a month, are receiving less than many of the old-age beneficiaries who pay no tax to the fund. In the meantime the Federal Government is piling up a huge so-called reserve fund which, in reality, is only a paper fund, as the actual moneys are expended as received by Government bureaus and only I O U's are left in the fund.

All of these difficulties would be avoided by the enactment of legislation of the type we propose in H. R. 2135 and H. R. 2136, which, as I have said, is a pay-as-you-go plan and is financed from current receipts, to which all contribute who come within the tax formula. Particularly, it would eliminate the unsound reserve fund, the bureaucratic spenders' paradise for inflation and deficit spending. Furthermore, our proposal would be elastic, so that monthly annuities necessary to enable a recipient to maintain himself in decency and health would be determined currently, based on existing conditions and tax revenues collected, and which would be adequate to meet necessary living expenses.

The old-age assistance program under the present social-security law is also wholly inadequate to provide a decent annuity to old people of our Nation who come within its provisions. It is a starvation allowance. There is little uniformity in the payments made in the several States. Many old-age annuitants are suffering from malnutrition and starvation. In my own home city this news item appeared:

OLD-AGE PENSIONER FOUND CRITICALLY ILL

Leonard Dow, 79, Lind Hotel, old-age pensioner who was found seriously ill in his room Friday, was taken to the emergency hospital. Attendants said he is suffering from pneumonia and malnutrition. He later was admitted to Permanente Hospital, where his condition is reported critical. Dow is the third elderly person found this week in need.

Mr. Speaker, if we are to preserve the American way of life and our economic and democratic processes under free enterprise, we must find a solution not only for our unemployment problems but also for the problems of providing adequate care for the aged and disabled. With an accelerating advance in technology in the postwar era, and with the commercial development of atomic energy presaging more rapid transitions in mass production, the social risks and hazards of unemployment and old age are increased. Rather than see workers pushed from active labor force, hit or miss, the logical policy to follow is one of selection. The older group has earned retirement. Many of them are not covered by the Social Security Act. By covering the entire group, the whole process of business activity will be stabilized. Retirement payments will provide continuous buying power, will provide the needed balance in market demand, and will help to provide mass consumption without which our mass-production economy cannot function successfully. It will lead the way to greater prosperity in our Nation.

It was by reason of these deficiencies in the old-age security program that those of us in the Congress interested in the problem introduced the legislation which is embodied in H. R. 2135 and H. R. 2136. The aged, through no fault of their own, through the fiat of industry, are denied a part in production. They toiled the longest in production and should not, when old, be deprived of taking part in consumption. They are the victims of an industrial system for which they are not responsible. Society owes a duty to these old folks, and it can only perform this duty by establishing a national annuity system providing against the hazards of old age and disability. There are now millions among us, 60 years of age and over, who are not now being cared for in an honorable and just way by the present system of social security, and are receiving no support from any source or hopelessly inadequate support. Our plan would replace the complicated, arbitrary, and inequitable provisions of the existing law. It is financed by a gross income tax in which all participate. It is a pay-as-you-go system, and annuities will be paid currently each month out of currently raised revenues, and the sums so received by annuitants must be spent within 30 days. Under the plan the existing system of old-age and survivors insurance and old-age assistance will be abolished and a new program substituted therefor. This proposal gives recognition to the past labors of the aged and would offer them dividends from the wealth of American industry which they helped to create. These annuities are provided for those self-respecting American citizens as a matter of right, without reference to need or prior contributions, and with neither the stigma of charity nor the aroma of poverty.

Mr. Speaker, I most sincerely and respectfully urge that every Member of the House of Representatives give careful consideration to this legislation to afford security for our elderly citizens so that we may provide a Nation-wide Federal program which will deal justly with these forgotten elderly citizens so that they may spend their declining days without the fear of want and destitution. I urge you, my colleagues, to call upon the Ways and Means Committee to report out this legislation, so it may be enacted into law now.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2989, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday the gentleman from Nebraska [Mr. MILLER] had been recognized for 10 minutes. The Chair recognizes the gentleman at this time.

Mr. MILLER of Nebraska. Mr. Chairman, yesterday when the Committee rose I had been granted 10 minutes to

discuss the various phases of the pending legislation which sets up a Virgin Islands Corporation. I pointed out at that time that I should like to briefly review some of the things relative to the history of the Virgin Islands.

We bought those islands from Denmark in 1914 for $25,000,000.

In 1934, during the unemployment period, it was necessary to set up a relief program in the Virgin Islands. That was done through the Virgin Islands Company, which has been operating since that time. It was set up for the purpose of trying to rehabilitate the islands. During those 15 years they have been engaged in that purpose. I leave it to you to say if that has been done.

Now we have a bill before us that proposes to set up a Virgin Islands Corporation with power to borrow up to $9,000,000 from the Federal Treasury to continue the work of trying to rehabilitate the Virgin Islands. Yesterday there was some question brought up relative to the people of the Virgin Islands being willing to work. You will remember that in the latter part of 1947 and the early part of 1948 two Senate committees and myself went down and we investigated all of the economic conditions in the Virgin Islands. One paragraph of the report that was accepted by the House at that time reads as follows:

> One of the most disturbing situations is the apparent unwillingness of Virgin Islanders to perform menial labor. This was reported to us by many people, both in business and government. We were informed that on St. Thomas most of the house servants, hotel workers, and those required to do the dirtiest and hardest labor were immigrants from the British West Indies. A small spot-check of our own indicated this to be true. Tortolans and others have sought to enter the Virgin Islands because of the demand for their services. Until recent years this immigration was winked at by United States authorities. At the present time it has been discontinued. We have on file several letters stating that, while a certain amount of unemployment and relief work exists in the city, it is next to impossible to obtain farm labor. The proposal has been made that workers from the British West Indies be allowed to come to the Virgin Islands for 3 or 4 months each year in order to get crops planted and harvested. It does not seem that this suggestion should be followed so long as there are Virgin Islanders available for and needing work, regardless of their desire to avoid it. As previously mentioned, a part of their unwillingness to work may be traced to climate and part to malnutrition. The latter factor is one point on the vicious circle whereby failure to work produces poverty and poverty produces malnutrition. In full justice it must be mentioned, however, that there is not always the opportunity for gainful employment which the islanders would wish.

In this bill we propose to set up a corporation to continue the same work that they have been doing for the past 15 years. They raise some sugarcane in the islands. It is high-cost production. This gives employment to about 600 people the year round and about 600 others during the harvesting season and the grinding of cane. They also get some cane from 550 small farmers who provide about 40 percent of the tonnage of cane. The Virgin Islands have also been operating a distillery, producing rum. They give employment to about 35 people during the peak season. The report goes on to say that the amount of sugarcane that they produce varies from 2,900 tons, which they hope to increase to 5,500 tons this year. But, it says that the cost of cane production is very high; it is a costly production. The molasses that they use for rum does not necessarily come from the Virgin Islands; it generally comes over from Puerto Rico. So, they have a very high cost of production so far as rum is concerned. The rum has been a drug on the market and it is necessary to have tie-in sales. I think the Members of the Congress ought to know that they and their constituents are in the rum business and have been, and if this corporation goes into effect, they will continue to be in the rum business.

Mr. TAYLOR. The gentleman was also the author of a report, and as I read the report it states:

> It should be the purpose of the Federal Government to encourage local industries by loans and other measures rather than merely to provide work-relief projects.
>
> If private capital is lacking, the Government, through the Virgin Islands Company, might well make a substantial investment in this field.
>
> As in the development of the tourist trade, we recommend that the Government, through the Reconstruction Finance Corporation or indirectly through the Virgin Islands Company, provide loans for the establishment and maintenance of small industries.

Has the gentleman changed his mind since he made that report?

Mr. MILLER of Nebraska. No. I think it may be necessary, but I will tell the gentleman that the bill provides on page 2 for the encouragement of private capital for all of the activities of the Virgin Islands.

Then I would tell the gentleman to turn to page 5, where the bill provides that the corporation we are about to set up may have power "to acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation."

So I say to the gentleman that you cannot expect private industry to come in with private capital and set up a hotel or go into the business of farming or any other business in the islands, and then have the Government coming in and doing the same thing in competition with private business. The Government either ought to go into it all the way, which we are going to do in this bill, or encourage private business to go in and build hotels, tourist parks, go into farming, and so forth. They are not doing it now. They will not do it if the Government goes in in competition with the individual.

Mr. TAYLOR. Is there any other way the gentleman can think of that private industry could be started in the islands without the help of Federal funds?

Mr. MILLER of Nebraska. Now you can get Reconstruction Finance Corporation loans in the islands, but they will not do that under this bill. Besides this amount of money we are making available to the islands, the Seventy-eighth Congress made $10,000,000 available for reconstruction in the islands, for the building of sewers. The gentleman knows they built some 3 miles of sewers in two towns in the Island of St. Croix. They have 83 houses hooked up, but 50 of those houses are Government houses. In other words, we are setting up an economy in the Virgin Islands that the people themselves do not want and cannot support.

The thing we ought to do is encourage these people to go in and do the things for themselves. We should not be doing things for them that they cannot or will not do for themselves. They will not do it.

Most of this money is to be spent on the Island of St. Croix, where there are about 600 people employed, and we are asking for $9,000,000 loan power, or about $8,000 per person. I think it is too much. At the proper time, I am going to offer an amendment to reduce the amount and try to restrict some of their activities.

I realize there is a problem in the Virgin Islands. These people need some help, but this will not rehabilitate the islands any more than we have done since 1934. It has been a losing operation all the time, partly because the people will not go to work. As I said yesterday nothing will be of much avail unless the island people themselves, with their own hands, their own money, and their own energy, attempt to do something for these industries. The living standards of the islands cannot be supported by their economy. It is nice to have paved streets and automobiles and sewers, but if you cannot support them, then the approach of this Government has been all wrong.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. RICH. Has it not been a fact that since 1934, when the Virgin Islands Company was formed, it has been operated by the Federal Government, and no individual will go in there and do anything because he cannot compete with the Federal Government? He does not know what the Federal Government is going to do next with that corporation. Therefore, we are preventing private enterprise from trying to do anything in the Virgin Islands.

Mr. MILLER of Nebraska. That is right. I want the Members of the House to understand what they are going to vote upon. I do not believe you can encourage private industry to go in and set the Government up in competition with private industry. It just does not work.

Mr. PETERSON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. JACKSON].

Mr. JACKSON of California. Mr. Chairman, I thank the gentleman from Florida for his kindness. I ask the indulgence of the Committee to say a few words out of order.

Mr. Chairman, since the conclusion of hostilities of the last war, the United

States Marine Corps has been at work perfecting new landing techniques and the equipment essential to such operations. These new developments will be put on display for Members of Congress and their wives on next Monday, when the commandant of the Marine Corps and the staff of Marine Corps schools at Quantico, Va., will play host to Members of Congress and their wives.

Unfortunately, two postponements have been necessitated by prolonged House debate on labor-management relations but it is hoped that all who accepted the previous invitation will be able to arrange their schedule to permit attendance at the demonstration on next Monday.

Transportation to and from Washington will be provided and arrangements have been perfected for the delivery of telephone calls and other messages to Members at the demonstration.

The attack on a fortified position utilizing close air support will demonstrate dramatically the peculiar problems inherent in such an operation and all Members of the House are cordially invited to attend.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PETERSON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I have been in Congress ever since we incorporated the Virgin Islands Company in 1934, with the exception of 2 years. Every year since 1934 then we have been appropriating money for the operation of the Virgin Islands Company and trying to look after the people of the Virgin Islands. The corporation was composed of three directors, the former President of the United States, Secretary Ickes, and another member of the Department of Interior. Every year they have come here asking for additional funds amounting to thousands and thousands of dollars for these islands. It has been nothing but an item of expense. If, from 1934 to 1949, this corporation cannot be run without an annual request for funds to operate it, do you not think and do you not have reason enough to know that the thing is not working? How many more years do you need to determine in your own minds that a corporation loss is not functioning properly? It seems to me it is just about the most foolish thing that a Congressman can do, to think that they have to have 15 or 20 years to determine whether a thing is working or not. You know the Virgin Islands Company is not working, and so do I know it. Let us stop our fooling and let us try to do something that will be of benefit for the Virgin Islands. That is the first thing. Secondly, for goodness' sake, let us get the people of America out of the rum business. There are millions of people back in all of our districts who do not want to be in the rum business, and yet you Members of Congress vote every year to keep them in the business. I think it is wrong. I wish that every church member in your district would go out and fight every one of you who is going to vote for this legislation, because you know that they do not want it, and you are only sticking them in the rum business every time you vote to continue this corporation. I think it is a shame. I know that there are people in my district who do not want to be in the rum business, and I am not going to be the one who is going to vote them into the rum business. That is what you are doing when you vote for this legislation. It is time to stop and the quicker you learn that the better off you will be. I hope that the people back home will recognize the fact that you Members who are in favor of this corporation are only working to keep them in the rum business. Every citizen in your district and every citizen in this country is a stockholder, or at least a part owner in the operation of the rum business. Anybody who wants to get in the rum business can do so. I do not care about that. That is their business. But I do not want anyone to be sticking me in the rum business, because I just want to get out of it. As a citizen of the United States, along with other citizens, I have been in this business too long by virtue of the Virgin Islands Company, and I want to get out of it. This is my opportunity to try to relieve myself of the obligation. I want you Members to stop voting me and every other citizen into the rum business.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. RICH. I yield.

Mr. MILLER of Nebraska. The gentleman might be interested to know that it is a very uneconomical operation. They bring the molasses from Puerto Rico. They do not raise enough cane to produce the molasses for the rum factory on the island of St. Thomas. So we lose money on it every year, besides being in the rum business.

Mr. RICH. You have lost money on that rum business for years. I had a bottle of Virgin Islands Government House rum. I had a bottle of it here one day and I had my picture taken; it was sent all over the country. I do not want any more people telling me I have been in the rum business. Some of my people do not like it. Nor do I.

Mr. RIVERS. Will the gentleman yield?

Mr. RICH. I yield.

Mr. RIVERS. They must think the Virgins are rumdums.

Mr. RICH. The Virgins are rumdums, because you are keeping them in the rum business and they do not want that business over there in the Virgin Islands.

As the gentleman from Nebraska said, there are 600 people in the Virgin Islands employed in this business. Sometimes you get as many as 1,200 out of 25,000. That business is uneconomical, it is unsound, it is unethical. It is not good business for you and it is not good business for me. They say, "Why does not private enterprise do something over there?" Nobody will go over there and try to do business in competition with Uncle Sam, because nobody knows what Uncle Sam is going to do to them. That is because you Members are voting to keep this Corporation in operation. Now you are going to give $9,000,000. That is at the rate of seven or eight thousand dollars for every man, woman, and child on the Virgin Islands. That is just too much money. Where are you going to get the money?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

Mr. RICH. Will the gentleman from Michigan give me some time?

Mr. CRAWFORD. I would like to yield the gentleman 5 minutes, but I would like to have him yield for a question.

Mr. RICH. I will be glad to yield to the gentleman from Michigan if I get the time.

Mr. CRAWFORD. Mr. Chairman, I yield the gentleman from Pennsylvania five additional minutes.

Will the gentleman yield?

Mr. RICH. I yield.

Mr. CRAWFORD. My question is this: Is the gentleman a member of the Appropriations Committee?

Mr. RICH. No, I am not. If I were you would not get a nickel.

Mr. CRAWFORD. I think the gentleman made the statement that every year appropriations have been made for the Virgin Islands Company. I know the gentleman is truthful. I know he wants to be correct. But I will have to challenge that statement.

Mr. RICH. Well, if you do not give it to the Virgin Islands Company you are giving it to the people on the Virgin Islands, giving it to the municipalities on the islands.

Mr. CRAWFORD. Not for the operation of this Company.

Mr. RICH. Do you mean to tell me that we have not been appropriating thousands and thousands of dollars every year for the Virgin Islands?

Mr. CRAWFORD. Not for the operation of this Company.

Mr. RICH. Well, you have been trying to take care of the people over there in the operation of their government. You heard the gentleman from Nebraska [Mr. MILLER] say a while ago that there are more lazy people over there who will not do anything, than anywhere in the country. I am sick and tired of trying to take care of anybody, whether in America or the Virgin Islands, who will not do anything to earn his own living. It is about time that we took those sitters off of the Government pay roll. It is time for people to get out and work and earn and save and try to support the Government. The Government does not owe anybody a living if they do not work for it, unless they are too old to work or sick or crippled. We want to take care of those people but we do not want to take care of able-bodied people, able to take care of themselves. I do not want to take care of any more loafers.

Mr. CRAWFORD. Will the gentleman yield again?

Mr. RICH. I yield.

Mr. CRAWFORD. The gentleman from Pennsylvania is one of the most astute businessmen in the House. He knows business language. He knows corporate procedure. He knows what balance sheets and operating statements are. He knows that appropriations made to run the political affairs of a country have nothing to do with appropriations to make up deficits caused by operating losses of an industrial concern.

Mr. RICH. I thank the gentleman for the compliment, but I still want to say that the way we are operating the Virgin Islands is all wrong. I want the gentleman from Michigan and the members of this committee to get me out of the rum business, and the sooner you do it the better. There are thousands of people in my district who think the same way. I am speaking for them. I say it is a stench on the American people to force them into a business they do not want to be in. If I want to invest in the rum business, that is my money, but if my constituents want to get out of the rum business it is my business to help get them out.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. MILLER of Nebraska. The RECORD of Congress will show that the Virgin Islands Company got $500,000 last year for operation.

Every year the St. Thomas City Council or some representative of the government of the islands has been before the Committee on Appropriations seeking aid, and money has been appropriated not for the Company but for some phase of relief in the Virgin Islands, in order for them to carry on their economy. Besides that, we authorized in the Seventy-eighth Congress $10,000,000, of which $4,000,000 has already been appropriated to rehabilitate the islands.

Mr. RICH. That is right. I realize that the gentleman from Michigan [Mr. CRAWFORD], is one of the best businessmen in the House. I admire him, but I do not like for him or anybody else to put me into the rum business.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. REDDEN. I wish to ask the gentleman if he has been devoting as much time and energy trying to get his own State of Pennsylvania out of the liquor business? They have been in it for quite a while.

Mr. RICH. The liquor business has been legalized in Pennsylvania. Whatever the people do within the limits of the law is all right with me; if a citizen of Pennsylvania wants to get in the liquor business under the laws of the Federal Government that is his business and he has a right to do it, under the law of the State of Pennsylvania or any other State. But here is a case where you are putting Uncle Sam into the liquor business, into the rum business. Goodness gracious. What is the difference? Why! All the difference in the world. It is a matter of principle with me, a matter of principle, trying to operate those islands down there; and I would not compromise on principle with anybody. I think it is about time you men recognized that fact.

Mr. REDDEN. I agree with the gentleman from Michigan [Mr. CRAWFORD], in his statement of high respect for the views and business experience of the gentleman from Pennsylvania. I would remind the gentleman from Pennsylvania, however, that we are not here putting the Government into the rum business down in the Virgin Islands; it has been in that business for the past 14 years. It is a question of taking the Government out of the rum business with this money that is appropriated for that purpose.

Mr. RICH. Yes; you have been losing money every year in the rum business. You have been turning out rum in tremendous quantities, putting it in bottles and selling it to the American people, for you have not any other place to sell it. Those who drink rum tell me it is not very good rum.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I agree with those who say that we have a problem in the Virgin Islands which should be corrected. I have my serious doubt of the advisability of setting up a corporation of this nature, over which we place seven commissioners who are purely political appointees, to control with almost complete autocratic power the economy of a segment of our country; it is something that should cause us all to ponder. We remember a few years ago we had a governor down there who was doing his level best under every kind of adverse circumstance to help the people of the Virgin Islands, but he had a lieutenant governor who was doing everything he could do to socialize and communize the people of the Virgin Islands; that gentleman's name was Robert Morss Lovett of the Watson-Dodd-Lovett trio. Mr. Lovett admitted before the Interior Subcommittee on Appropriations, of which I am a member, that he belonged to 20-some organizations which had been cited as subversive by the attorney general, the FBI and other official Government bodies of the United States of America; he was even on the board of several of these organizations. But he said boldly he was sorry to say he had not had the time to work at it as much as he should. He was also a Presidential appointee. In fact, he had a newspaperman there who was writing up all of his socialistic ideas, indoctrinating the people of the Virgin Islands with that kind of stuff. I presume there are yet a lot of folks down there who still have the effect of that indoctrination in their blood.

To impose this kind of corporation with complete power over the people of the Virgin Islands is dangerous business to my way of thinking. The power of the purse will govern. No one will be able to operate a business unless they are beholden to this corporation. There is talk here about helping private industry. Of course, this will not help private industry because private industry will have to get their money from this corporation and will be under the complete domination of the seven members of this board.

So you will have a condition, as provided in this bill, which will impose on the Virgin Islands a superstate, regardless of anything the Governor can do. The present Governor is an able gentleman. He is one of their own people. He is a colored man with great ability. I do not believe that Governor Hastie will appreciate having most of his authority taken from him as is provided in this bill. It has been stated on the floor by members of the committee that this board will have complete supervision and authority over the government of the Virgin Islands. They will have complete authority over the cities of the Virgin Islands and over the councils of the cities and the people of the Virgin Islands; then it follows that they will also have full authority over the Governor of the Virgin Islands, even though he is a member of this said board. In effect we are setting up a 1-house government without checks or balances, which is not the American way.

In connection with the money that will be lent to people to go into private business, it will be such a small amount that it will be negligible. If this bill is made law, we socialize the Virgin Islands 100 percent in my opinion.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CRAWFORD. Mr. Chairman, I yield the gentleman one additional minute so that I may ask him a question.

The gentleman is level-headed. Does he want the Virgin Islands Company to continue under political control such as it has been during the past 14 years and perhaps make the Governor of the Virgin Islands president of the company so that he may rule with a ruthless hand, or does he want some businessmen to be put in this corporation and having a board of directors that is not subservient to the Governor of the Virgin Islands?

Mr. JENSEN. The gentleman from Michigan is a mighty good businessman and I have great respect for him. There is no man in this House who has greater respect for the gentleman from Michigan than I have. But the Governor of the Virgin Islands should not be a member of this commission because it will take from him the responsibility to govern. He will simply be just a member of the commission, in effect.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. PETERSON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Pennsylvania.

Mr. RICH. There is much talk about this being a political set-up. But the President of the United States is going to appoint four of these men. The President of the United States has said in the last day or so that he is going to make political appointments of those who do his bidding. It may be that somebody is going to get a job.

Mr. JENSEN. I was about to make that very statement in answer to the gentleman from Michigan. If there ever was a political set-up recommended in a bill, we have a political set-up 100 percent in this bill because the members of the commission are to be appointed by the President of the United States, and we know right now the type of men he will appoint.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. May I call attention to the fact that the law itself provides that

the Governor of the Virgin Islands shall be one of the board of directors set up for its management.

Mr. JENSEN. Yes; I am opposed to having the Governor be one of the Commissioners, because he will have just about exactly nothing to say; he will be sold a bill of goods by these appointive officers; they will run the show, that is a certainty, because they will have the political power in addition to the great power of the purse under the provisions of this bill. The Virgin Islands are primarily suited for recreation and an all-year-round resort. Resort concessionaires should be induced to set up business as we do in our national parks without too much Government control and no Government competition, then soon people from all over the world would flock there, on which the natives could prosper.

Mr. CRAWFORD. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I ask for this time in order to inquire of the majority leader what the program for next week will be, since many of the Members are quite interested in knowing as early as possible.

Mr. McCORMACK. I will be very glad to announce the program for the next week.

On Monday we will take up H. R. 2203, census of housing, which was scheduled for today. Following that will be H. R. 4392, payment of war damages to Switzerland. Tuesday, Wednesday, and Thursday we will take up H. R. 3005, the Federal employees' subsistence and mileage bill, taking care of the inequitable situation that exists, by raising the allowance from $6 to $9 a day. Following that will be H. R. 2682, a bill to amend the Commodity Credit Corporation Act. A rule has not been reported out on this bill, but when it is it will come up in this order. Then H. R. 3559, the State Department organization and administration bill. A rule will be reported out on that. Any further program will be announced later.

I might say that there will be no further program of legislation of a controversial nature set for next week. Consequently, any program to be announced later will not involve legislation that will be controversial. Of course, conference reports may be brought up at any time, but I hope that any conference reports will be available to be brought up not later than Thursday of next week.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Can the gentleman advise us as to when the bill upon which a rule has been granted to reform the court-martial procedure will come up?

Mr. McCORMACK. It is coming up right away.

Mr. BROWN of Ohio. This afternoon?

Mr. McCORMACK. Yes.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PETERSON. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the gentleman from Pennsylvania [Mr. RICH] has repeatedly stated that he wanted to get the Government out of the rum business. I agree with that statement. I think that this bill, if properly administered, will assist us toward that end, because repeatedly in the report we have tried to point out the fact that there were many other industries there and we have authorized research in order to try to develop other industries in that area.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is it not a fact that under this bill you are going to permit the corporation to continue in the rum business?

Mr. PETERSON. Yes, but we are already in it. As I said before, we are trying to point out ways to get out of it. We are trying to get them to build other industries, and if that program is carried out, I think we can effectuate it.

Mr. RICH. If you fell into a lake and you wanted to get out, how would you get out? You would swim and get out, and that is the way to get out of the rum business, and get out quick.

Mr. PETERSON. I would grab a log or whatever else I could find or swim.

On page 4 of the report we say definitely:

> The committee is of the opinion that a broadening of the economic base of the islands, and the development of the local resources, are the only alternatives to continuing annual subsidies, or relief appropriations on a large scale.

Then we say again:

> To encourage and promote investment of private capital in industrial, agricultural, commercial, and related enterprises; to engage in land-use planning; to encourage and engage in the business of providing, whenever adequate facilities are not otherwise available—

We have even gone in and tried to encourage the tourist trade there, which may be in competition with my own fine State. We are trying to point out to them many things it would be better for them to engage in than the one they have tried to engage in in the past. If you will carefully analyze that, you will find that is the trend.

In this House there are two men that both sides of the House can recognize as outstanding businessmen, cool-headed and business-minded. There are many others, of course, but the men to whom I have reference are the gentleman from Pennsylvania [Mr. RICH] and the gentleman from Michigan [Mr. CRAWFORD]. May I say also that by reason of long experience on the Committee on Public Lands I became expert in certain phases, but I was not on the Committee on Insular Affairs and do not know as much about insular affairs as I do about certain phases of public lands, although I have tried to inform myself since I have become chairman. However, without trying to disparage the ability of anyone else, the man who is outstanding in his knowledge of this situation is the gentleman from Michigan [Mr. CRAWFORD]. He has studied it. He has a sound business mind. When he makes a statement as a result of the hearings he held when he was chairman of the subcommittee—and at that time the House passed the bill by an overwhelming vote—his word carries great weight with me in the councils of the House as well as in the committee. They are not going to put anything over on the gentleman from Michigan [Mr. CRAWFORD], I assure you.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. ALLEN of Louisiana. What is the quickest way to get the Government out of the rum business in the Virgin Islands?

Mr. PETERSON. It is to develop other industries which will be more profitable for them and their economy.

Mr. ALLEN of Louisiana. If we do not pass this bill, will that get the Government out of the rum business?

Mr. PETERSON. If we do not pass this bill, the rum business is there, and it is an industry on which the economy has been based. It is not all they have left. We have to point out something else to them.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Reading from the committee report:

> It is the committee's opinion that the most profitable field for expansion of activities, in terms of widest benefits to the Virgin Islands, is tourism.

Mr. PETERSON. That is right. That is in competition with my own State.

Mr. RICH. If you have that, why not get out of the rum business and develop the tourist trade there?

Mr. PETERSON. We are trying to help them finance hotels and advertising so they will do that.

Mr. RICH. If our country gets into the hotel business you will get cut of the rum business?

Mr, PETERSON. That is what we are trying to do.

Mr. RICH. For 15 years we have been working on it. I have tried for 15 years to get the Government out of it, but I have not been successful. Now we are starting a new corporation. Let us get out of the rum business now and stay out of it.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. MILLER of Nebraska. I am sure the gentleman would not want the statement to stand that the principal business is the rum business. They employ only 35 people for a few months at the peak season. Not much of the molasses they use for the rum comes from the Virgin Islands. It is brought over from Puerto Rico. Except for 2 years during the war, the rum business has been carried on ever since the Government and the people of the United States have been in that business.

Mr. PETERSON. I agree with everybody we ought to get out of it. We are

trying to point out something else to them.

Mr. ALLEN of Louisiana. If it has been a losing business and has been distasteful to a lot of people, why not get out of it?

Mr. PETERSON. It is already there. This bill virtually sets up a little Reconstruction Finance Corporation. The powers are set forth in there.

Mr. ALLEN of Louisiana. I still do not see any argument for keeping the rum business going if we are losing money on it and it is distasteful to people besides.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from North Carolina.

Mr. REDDEN. I think the tourist business should be developed down there. For that reason, it will be necessary that we withdraw from the rum business very slowly because a complete shut-down in the rum business might retard the progress of the tourist business right now.

Mr. PETERSON. Mr. Chairman, I yield 7 minutes to the gentlewoman from Utah [Mrs. BOSONE].

Mrs. BOSONE. Mr. Chairman, we do not hear anyone speak about the Government having taken over the railroads, nor the banks. Yet I can remember a few years ago when we loaned some money to the banks and we loaned some money to the railroads. I want to say that I had to be convinced that this bill is good legislation. My friend on the Committee on Public Lands, our distinguished colleague from Michigan, convinced me. But with all the talk against this bill, I see that we have no other solution, other than the bill before us. Believe me, if this bill does not operate to the benefit of the United States in the next 2 or 4 years, I shall be the first to say that it was a mistake. But I shall always try to come before you with some solution rather than try to tear down what has already been done.

Mr. RICH. Mr. Chairman, will the gentlewoman yield?

Mrs. BOSONE. I yield.

Mr. RICH. For 15 years you have been doing just what you are going to continue to do under this bill—manufacture rum. And you have not made a success of it in 15 years. It is time to stop it, and stop it now.

Mrs. BOSONE. I do not believe so. I believe the bill is different.

When the United States bought the Virgin Islands from Denmark in 1917, they were purchased because of defense considerations only. They were not bought because they were an economic asset. Negotiations between the United States and Denmark started as early as 1867, and our interest on each occasion was to obtain a Caribbean naval base as protection for the Panama Canal. The islands had once been a valuable asset and source of income for Denmark in the days of sailing ships, high sugar prices, and slavery, but this prosperity had been gone for many years when the United States took over the islands.

While we have put considerable sums of money into the islands to improve social conditions, little has been done to bolster the economic base of the islands and to make them self-supporting. Living conditions have been improved, and, although the facilities are still primitive, the Virgin Islands are a healthy place to live for native and outsider alike. Illiteracy is practically nil. Even though equipment, buildings, and so on, are of low standard in continental terms and there are no institutions of higher education, progress in this field has been substantial. As to economic progress, however, the record has not been good. Poverty is still widespread, and the economy of the islands is still most precarious. Unfortunately, the revenues of the insular government are insufficient to meet even the minimum standards of government as we conceive them. Unfortunately, too, several Federal grants-in-aid programs which apply to our States and Territories are not operated in the Virgin Islands. This is a situation which should be corrected. For example, the old-age assistance title of the Social Security Act does not apply to the Virgin Islands and the insular government has had to provide for the crippled and the aged out of its meager revenues. On the Island of St. Croix there are only sufficient funds to provide individual grants of $2.55 per month. Federal grants for aid to the blind are not extended to the Virgin Islands and neither are grants for vocational education.

Because of this situation, in which the Virgin Islands are deprived of benefits extended to the States, The Virgin Islands Company has provided work for a substantial number of people who are physically incapable, because of age or some other incapacity, of producing a day's work for a day's pay. This is a demoralizing situation and its practice in the past has been an important factor in the losses sustained by the Company—but there was no alternative.

There is no question, however, but that this situation is infinitely better than a dole. At least 1,200 people are earning enough money to feed and clothe themselves, even though it is a meager living. Six hundred small farmers are dependent on the Company to grind their sugarcane, which is their only cash crop. Without the operations of the Company they would have no cash to buy the essentials of living that are required. Farming is of such a precarious nature on the islands that it is impossible for the farmer to grow his own food at all seasons of the year and he must rely on imports for at least part of it. More could be done in developing other cash crops, such as winter vegetables and tropical fruits for export, but the little farmer needs guidance and assistance in developing such new crops. Individually he would be unable to arrange for the transportation and marketing of the relatively small amounts that it is possible for him to raise, but with the assistance of the Company and by group action a new source of income will be open to him.

It is vital to the self-respect of these people that they be given the opportunity of earning for themselves a decent American standard of living. The activities of the Company at the present time, limited though they may be, have prevented complete economic and social collapse. The expanded activities of the Company as proposed in this bill will provide a means by which the people of the islands can raise their economic and social standards and provide an American way of life for a group of our citizens too long neglected. In the past our aid to the islands has been to alleviate social conditions caused by the depressed economy. We have neglected to provide a sound and stable base that would eliminate the need for charitable hand-outs and put the islands on a self-respecting, self-sustaining basis.

To the gentleman from Pennsylvania and in answer to a previous question of his, if I were left in the ocean to swim, I would sink, I am sorry to say.

Mr. RICH. Well, do you think the people of your district want to continue in the rum business?

Mrs. BOSONE. The State of Utah is already in the liquor business. We have the State-operated liquor stores in Utah.

Mr. RICH. That is under the State law, but here you are putting every one of your people in Utah, every Mormon out there, every one of the Presbyterians, the Methodists, the Lutherans, and the Catholics, and other Christian people into the rum business as a stockholder. That is what you are doing in this bill, and if you say that is going to raise the standard of living in Utah and you want to do the same thing in the Virgin Islands, then I think you had better go back to Utah and let the people out there say what they think about it.

Mrs. BOSONE. Of course, in Utah we have self-help. I think if this bill becomes law we shall probably get out of the rum business and find that there is something besides rum that is profitable.

Mr. RICH. You cannot get out of the rum business if you stay in it. You should write an amendment prohibiting the United States in the rum business.

The CHAIRMAN. The time of the gentlewoman from Utah [Mrs. BOSONE], has expired.

Mr. PETERSON. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. REDDEN].

Mr. REDDEN. Mr. Chairman, I am afraid we are somewhat confused about this rum question. I do not know how well qualified I am to speak on the subject, but I can tell you this; that personally and politically I have been just like my friend, the gentleman from Pennsylvania [Mr. RICH] all my life. So in that respect we agree. However, I do not agree with him in his statement that we are putting the Government in the rum business in the Virgin Islands. There is not a word in this bill which says that the Government is going into the rum business.

Mr. RICH. You are in the rum business now.

Mr. REDDEN. I did not yield to the gentleman.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield to me?

Mr. REDDEN. I yield to the gentleman.

Mr. BUCHANAN. The gentleman from Pennsylvania [Mr. RICH] comes

from the same State that I do, and we are both in the business up there.

Mr. REDDEN. You certainly are.

Mr. BUCHANAN. The State of Pennsylvania is in the liquor business.

Mr. REDDEN. I asked the gentleman from Pennsylvania [Mr. RICH] a while ago if he had done anything to get Pennsylvania out of the liquor business. I am sure he did not do anything to get Pennsylvania into the liquor business, of course; but we are begging the question by bringing up the rum issue in this bill.

This bill provides that the board of directors of this Corporation, five of whom are to be appointed by the President, shall do certain things, and they shall have certain authority. If in their judgment it is wise to continue the rum business that they are already in, the rum business that this Congress has authorized them to go into in years gone by, then I assume the board of directors will continue that business. But I would like to say this, that the Virgin Islands has a climate and a soil that is adaptable to particularly one product, and that is sugarcane.

There are certain sections of America that are better adaptable to certain things, such as my section and farther south are to cotton and tobacco. There are certain sections in this country that raise better corn and more corn than others and at less cost; there are other sections that raise better potatoes and wheat, rye, and so forth. The good Lord did not bless the Virgin Islands with all these natural conditions, but natural conditions in the islands are such that they are great producers of sugarcane, the byproduct of which might well be rum.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I cannot yield now; I wish to finish my statement.

I do not know whether they are going into the rum business or not, but if the spirit of this bill is carried out and if the President appoints the type of men this bill provides for, so far as I am concerned, if they say that business should be carried on a little longer I am willing to go along with them.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I cannot yield to anyone right now.

We have heard a lot about sectionalism in this Congress, about what ought to take place in the South, what ought to take place in the North, the East, and the West. I do not blame anyone because he has his particular views; and I am perfectly cognizant of the role that soil and climate play in creating views and problems. I regard it as somewhat similar to the story that is told up in my section of the mountains of western North Carolina about a preacher conducting an old-time mountain revival. After he had preached for half an hour he asked all those who wanted to go to Heaven to come up and sit on the front seats; nobody came. He was embarrassed and really vexed. Then he turned to the audience and said: "Well, all of you who want to go to Hell come up and have a front seat"; but nobody came. So he turned to the pastor of the church and he said: "Mr. Pastor, there is no need for me to stay here any longer; no one wants to go to Heaven; no one wants to go Hell; I might as well resign now." The pastor rose up in defense of his congregation and said: "Reverend, you just don't understand these people. They live here in the mountains of western North Carolina; they were born and reared here; they have never been anywhere else; they are perfectly satisfied, and they just don't want to move."

That is the way we are about our sectionalism; that is the thing that makes America great: Everybody is satisfied where he lives.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. PETERSON. Mr. Chairman, I yield two additional minutes to the gentleman from North Carolina.

Mr. REDDEN. We do not want to take away from those people down there the benefit of the things they can do and raise better than anything else. That is the thing, and if this board says these people should stay in the rum business—I do not participate in the rum business, I do not indulge in it directly or indirectly—but if these men say that is to the best interest of the natives of the islands, as far as I am concerned I will go along with them until they can do something better.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield.

Mr. ALLEN of Louisiana. I wish to correct the gentleman. I believe he said in substance a minute ago that Congress had authorized this rum business. I believe the gentleman is in error there, for I hold in my hand Public Law 510 of the Seventy-eighth Congress. Nowhere in that law do I find language—and I believe the chairman of the committee will bear me out—giving authority to the Government to enter the rum business.

Mr. REDDEN. It may be there is no statutory authority to do it specifically, but it is done by indirection. There is nothing in this bill that puts the Government in the rum business directly.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield.

Mr. RICH. The gentleman from Pennsylvania [Mr. BUCHANAN] a while ago said that Pennsylvania was in the liquor business. They are not in the liquor business in any sense of the word. The only connection with it is to regulate the liquor business. To regulate the liquor business does not mean that you are engaged in the manufacture of liquor; that is an entirely different thing. Here in this bill, however, you are directly putting the Federal Government into business as a stockholder in this Corporation to manufacture rum.

Mr. REDDEN. There may be a difference in the opinion of some people between being in the business of manufacturing liquor and being in the business of selling liquor and receiving the profits. As far as I am concerned I do not see any difference.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CRAWFORD. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Michigan has 18 minutes remaining, and the gentleman from Florida, 18.

Mr. PETERSON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. POULSON].

Mr. POULSON. Mr. Chairman, since we have got into this rum argument, I am wondering whether it is bay rum or whether there is any odor to it. It is rather interesting to note that the Members who are raising so much opposition to this rum business are the same Members who are offering the greatest objection to the funds that are being spent for ECA, for international cooperation, and so forth.

We are attempting by this bill to do the very things that you want us to do. For instance, we know that most of our eastern recreational money, the so-called lush money, is now being spent in the Bahamas for recreation, at the resorts, and so forth.

In the Virgin Islands we have one of the greatest natural places in the world for a real pleasure resort. I hope my esteemed colleague from Hawaii will not take offense when I say that, in my opinion, the Virgin Islands have comparable climatic conditions and that they are the equal of the great Hawaiian Islands to the west of us. All that it is necessary to do now is to develop the Virgin Islands and that is all we are attempting to do in this bill so that the money which is now being spent in the Bahamas by Americans may be spent in the Virgin Islands. In due time, this will not only sustain the present people down there but the population will increase and eventually we will have one of the great show spots of the world. Only by this bill can we accomplish that.

As far as rum itself is concerned, that is incidental to the entire problem. They are in that business now and this is a method by which they can get out of it. Therefore, I believe that the bill is definitely a progressive step so that we may accomplish something along business lines, just as has been stated by these businessmen who have spoken, and so that we may make the Virgin Islands one of the finest resort places in the world. They have all the natural facilities and advantages down there. All we have to do is to give them the opportunity to develop. This bill will do that very thing. As I am not an authority on rum, I cannot speak on that subject.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. POULSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is the gentleman in favor of socialism? That is what they are doing in this bill. We are socializing the Virgin Islands. If the gentleman is for socialization or socialism in any country, they are doing that very thing in this bill. If the gentleman is not in favor of socialism, for goodness sakes, do not vote for this bill.

Mr. POULSON. The gentleman has asked a very fine question. Of course, I am not in favor of socialism. However, the distinguished gentleman from Pennsylvania should realize that we are in

the rum business now and this is the only method by which we can help to create outside business and give us the opportunity to get out of it. It is the same as having a sick man on your hands. The gentleman would let the sick man die. We want to give him an opportunity to get well. And so with the Virgin Islands, we want to develop them so that American business may flourish right there in the islands.

Mr. RICH. How about trying to get some individuals down there and let them develop the islands on a private-enterprise basis, on the same basis that has made this country in 160 years the greatest country on the face of the earth?

What we are doing by this bill is one more step toward socialism. Then you will take over the railroads of this country, you will take over the coal mines; you will do in this country what has been done already in Great Britain. Why do we not get out of that sort of business? Keep America free.

Mr. POULSON. There are no laws which prohibit private capital going down there and attempting to go into business, is that right?

Mr. CRAWFORD. None whatsoever and private industry is going down there.

Mr. RICH. But private industry must compete with the Federal Government.

Mr. POULSON. Mr. Chairman, H. R. 2989 takes into account lessons learned from the history and operations of the present Virgin Islands Company.

The charter of that Company merely stated in general terms that its purpose was to accomplish the economic rehabilitation of the Virgin Islands. No specific directives were given as to the manner in which that rehabilitation might be accomplished and no funds were made available to the Company to carry out its objective. Actually, the Company was established for the purpose of operating the properties purchased by the United States, and for providing employment through that operation. This task has been accomplished. The Company has provided employment, directly or indirectly, for most of the working population of St. Croix, providing income for persons who would otherwise be on direct relief. Precisely because the providing of employment has been its objective, its operations have not been a noteworthy success from the financial standpoint. Persons have been employed who, because of their age or relatively low efficiency, would be unemployable by private industry. To assure that positions would be available for these persons and that the responsibilities and techniques required could be handled by them, the Company has not mechanized its operations to the extent desirable to bring costs of cane production down to a minimum, which would certainly be desirable from the financial standpoint in view of the fact that sugar production is unprofitable at its best. Nevertheless, as has been stated, the losses sustained by the Company totaled only $60,000 as of June 30, 1947.

For many years little attention was paid to the Company's activities. The Congress was virtually unaware of its existence since no direct appropriations for the Company were ever requested or made until 1947. The Department of the Interior had responsibility for supervision of the Company by virtue of the fact that the Secretary and Under Secretary were two of the three stockholders, and Interior Department officials served as members of the Company's board of directors. But this supervision was handicapped by the distance of the site of the Company's activities from Washington, and many decisions had to be made on the spot without consultation with Department officials.

During the war period, the Company had considerable difficulty in recruiting and retaining skilled employees. Much of this difficulty was due to the competition from other Federal agencies operating in the islands, which offered regular Government salaries plus a Territorial service differential. The compensation paid by the Company was not even up to Government standards, and employees were not under civil service, although their pay was subject to deduction for retirement.

Review and supervision of the Company's accounts and bookkeeping was sporadic. A thoroughgoing audit of the Company was made in 1945 by the General Accounting Office, which found that the Company was badly in need of permanent arrangements for financing working capital, and possible future operating losses, but concluded that any unsoundness in the financial and account organization and operation of the Company might be corrected by reincorporation under the Government Corporation Control Act of 1945. Such reincorporation would be accomplished by the enactment of H. R. 2989.

Since 1945, supervision of the Company's activities by the Department and by the Congress has been closer. The management of the Company has improved, by the appointment of a new President and the employment of new personnel.

H. R. 2989 would expressly place the new Corporation under the supervision of the President of the United States, or the head of such agency as he may designate as his representative. It would make clear that the new Corporation is to have much wider responsibilities than merely providing employment through the operation and maintenance of the federally owned properties, by expressly authorizing the Corporation to go into fields of land-use planning, transportation, promotion of tourism, and so forth. Funds would be supplied to the Corporation for the purposes of making loans to farmers and industrialists. The Corporation could call upon other agencies of the Federal or Virgin Islands Governments to assist it in carrying out programs. Proposed activities of the Corporation would be subject to review by the Congress through a requirement that they be spelled out in the annual budgets submitted to the Congress by the Corporation. Expenses that may be incurred in nonrevenue-producing programs are limited. Management would consist of a seven-member board of directors, of whom four would be appointed by the President of the United States. Others would be the Governor of the Virgin Islands, the President of the Corporation, and the representative of the President of the United States or his nominee. The object of these provisions is to assure a strong and responsible management and definite financial control by the Congress, as well as to facilitate coordination of proposed programs by the Corporation with related programs by other Government agencies and to insure consistency in over-all Government policy.

The financial provisions of the bill have been examined not only by various officials of interested Government agencies, but by Mr. Crawford, an expert accountant of many years' standing, in the light of methods of dealing with other Government corporations, and of the knowledge gained from the audit of the present Company's operations.

It is my opinion that the provisions of H. R. 2989 will insure proper management and financial control, and that the new Corporation will be able to accomplish considerably more for the islands than the present Company could. I, therefore, recommend the enactment of the bill.

Mr. CRAWFORD. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, for 4 years I served as a member of the Committee on Insular Affairs in which we annually struggled with this problem. I expect to support this bill continuing and improving the Virgin Islands Company which has been the most successful of the various approaches we have made to the economic problems of the islands. It is not ideal, and you can make a half dozen objections to it. But, the alternatives—and we examined and explored every alternative suggested—are worse. There are risks in this program; it may not do all we hope. But, those who know what is happening down there know that our present policies are not succeeding. We ought to make our effort adequate in the hope of finally removing this stain from our own good reputation and giving the best break possible to these people for whom we have a special responsibility.

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, I served for 10 years on the Committee on Insular Affairs and the Committee on Public Lands and served with my distinguished friend the gentleman from Georgia [Mr. PETERSON], the present chairman, and the previous chairman of the Committee on Public Lands. I know how sincerely and honestly he has labored during his many years in Congress to solve this problem. But, I believe he is on the wrong track in this bill.

Regardless of what may be said, this bill does continue the Government in the rum business, and Government in the rum business is reprehensible to thousands of American citizens. I think the answer to the problem in the Virgin Islands is to encourage private industry in our islands in the Caribbean Sea, and keep the Government out of business. For many years it has been a recognized

principle of economics that when the Government goes into business private industry cannot compete. The proposition in this bill, simmered down to its final analysis and in plain terms, is putting the Government in business of various kinds, if I analyze the bill correctly.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield to the gentleman from New York.

Mr. POWELL. I would just like to make a correction there. This does not put the Government in business.

Mr. LECOMPTE. It provides for a Government corporation which will furnish the capital for business.

Mr. POWELL. That is right. It provides for a corporation, like our RFC, to lend money to private investors, private individuals, private companies, to build up private enterprise. The Government will not be in business.

Mr. LECOMPTE. That is just what I am in favor of, and that is what we had before the committee in the last Congress and the previous Congress, and it was demonstrated in the hearings that where there is an opportunity for business in the islands for private enterprise, loans may be made from the Reconstruction Finance Corporation if a good showing is made that justifies a loan. That is what I am in favor of. In our hearings we went so far as to demonstrate that probably the best opportunity in the Virgin Islands is to encourage the tourist trade. With that thought in mind we went into the question of the erection of hotels. But the Virgin Islands Company wanted to build a hotel at twice what any private individual would put into a hotel of the same specifications. The representatives wanted to spend twice as much per room as private capital would have invested in a hotel, because it was easy money; that was the reason.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield to the gentleman from North Carolina.

Mr. REDDEN. I want to say that I do not concur in what the gentleman has said. I think that the gentleman has probably put a construction on this bill which is not altogether warranted. This bill does not authorize the Government to go into any business.

Mr. LECOMPTE. This bill authorizes the Government to furnish the capital for business. Whenever the Government furnishes the capital, the Government is in business.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield to the gentleman from New York.

Mr. COLE of New York. I think there should be no misunderstanding about the authority that is given to this Government corporation. If the gentleman will turn to section 3, subparagraph (h), which enumerates the authority of the corporation, he will find that it states that the corporation is empowered "to establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands."

If this does not authorize the Government corporation to go into business, I do not know what could.

Mr. LECOMPTE. I have in mind that amendments will be offered that will possibly take care of that. I am wholly in sympathy with the attitude of the gentleman from Minnesota [Mr. JUDD]. I have visited the Virgin Islands. I have felt chagrined that we have under the American flag conditions as they exist in the Virgin Islands. However, it occurs to me that the proposition we have before us is a grand experiment in socialism, and that the thing we ought to do under the American flag is encourage private enterprise. I believe the Reconstruction Finance Corporation will loan money to any free enterprise proposition in the Virgin Islands wherever the application shows that it is a sound business proposition. The way to get out of the rum business is to quit and get out of the manufacturing of rum. As to agriculture in the Virgins, I doubt if the entire group of islands produces as much as one good township in Iowa. Only three islands are occupied. Let us encourage a sound self-supporting economy in the islands.

Mr. PETERSON. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MORRIS].

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. May I ask if this does not put the Government of the United States in business when they underwrite this proposition and make their own rules and regulations, as was pointed out by the gentleman from New York?

Mr. MORRIS. The gentleman has asked a very fair and a very proper question. The answer is emphatically no, it does not put the Government in business. It seeks, as I see it, to take the Government out of business.

This is in effect a Reconstruction Finance Corporation for the Virgin Islands. We do not hear the good businessmen of this Nation and the good business corporations complaining about the Reconstruction Finance Corporation being government in business. They think it is very proper in this country, and why will it not be very proper down there?

Let me read from the bill itself, so there will be no mistake on that. I want you good folk who seem to be raising serious questions here to be advised about what is in the bill. If some of your questions should be answered in the affirmative, I would be against the bill, but I believe your questions should be answered in the negative. That is one of the main reasons why I am for the bill.

Page 2 of the bill states that one of the main purposes of this Corporation is—I quote—

> To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

In other words, not only does it encourage private capital but it seeks to encourage private capital among those people who are already there, and it seems just that they should be given a preference in the matter.

Subsection (g), on page 3, is as follows:

> To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources.

In other words, it does just what the RFC does here for private business. If private lending agencies cannot make loans to business, then the RFC comes along to make loans to help private business enterprises. I say that this is certainly a far cry from socialism.

Mr. MILLER of Nebraska. Will the gentleman read subsection (h) on page 4, and (f) and (g) on page 5?

Mr. MORRIS. I am sorry; I cannot just now as time will not permit. If the gentleman desires to read those sections later on, he may do so.

Mr. MILLER of Nebraska. It is putting the Government in business.

Mr. MORRIS. With reference to the question of the rum business, I have great respect for my colleague from Pennsylvania, who has been so insistent on that point. We all have great respect for him. As a matter of fact, I vote with him every once in a while. I think he contributes a great deal to the deliberations of the House of Representatives, and is a very valuable representative of the people. Sometimes I do not agree with him, but often I do, and always respect his opinion. But, that rum issue is begging the question I think, and has nothing in the world to do with this bill. It has nothing to do with it, in my judgment. As a matter of fact, we are not putting the Government in the rum business. This will help take it out of the rum business, and especially if certain amendments, that will no doubt be offered, are adopted. I suppose that rum has been there for a thousand years, if the islands have been inhabited that long, because they raise sugarcane down there. When we took the islands over from Denmark, and long before Denmark ever had them, no doubt they had rum there. That, as I understand it, has been a part of their business all of these years.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PETERSON. I yield the gentleman one additional minute.

Mr. MORRIS. Mr. Chairman, this bill will bring in capital to lend to private industries. I hope that those private industries will find other employment in other avenues of business and activities which will help to take them out of the rum business. I verily believe that this bill will help do that very thing. If we

leave it as it is now, they will, I believe, continue to stay in the rum business. If we pass this bill, there will be some opportunity for them to get out of the rum business. So if you want to take them out of the rum business, then you should vote for this bill as it probably will be amended.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. KEATING. Do I understand that the Government is now in the rum business down there?

Mr. MORRIS. It is hardly fair to say that the Government is in the rum business. We own the islands, and rum is there. I guess that they have made rum for a thousand years, if they have been there that long.

Mr. KEATING. But the Government is not making rum there, is it?

Mr. MORRIS. No. I do not understand that the Government is directly making rum there, and neither do I understand that there is any purpose nor proposal that the Government ever should make rum down there.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. CRAWFORD. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, together with a number of other Members, I also want to get the Government out of the rum business. I do not think it is fair. It was not right in the first place. At the proper time I shall offer an amendment to this bill that I hope will take the Government out of the rum business in the Virgin Islands. Can some member of the committee tell us approximately how much money we have already spent in the Virgin Islands during the years that we have been operating down there? I know that it has run into millions of dollars.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. REES. I am glad to yield.

Mr. CRAWFORD. Does the gentleman mean how much we have spent through this company?

Mr. REES. Yes. How much have we spent in the Virgin Islands?

Mr. CRAWFORD. Does the gentleman mean how much we have spent for all purposes?

Mr. REES. That is right.

Mr. CRAWFORD. You mean for national defense and otherwise?

Mr. REES. What is the total amount we have contributed to the Virgin Islands?

Mr. CRAWFORD. For national defense and for maintaining the political government? I suggest the gentleman refer that question to the Committee on Appropriations, over which this committee has no control.

Mr. REES. Then omit the amount for national defense.

Mr. MILLER of Nebraska. If I may direct the attention of the gentleman to page 5 of the committee report, we find the following:

> The company's working capital was obtained from emergency relief grants totaling $899,327, mainly in the years 1934 to 1938.

Then further, it says:

> Because of the lack of adequate capital, it was necessary for the company to borrow $250,000 from the United States Treasury in August 1947—

Then the company was authorized to borrow additional sums, not to exceed $500,000 from the Treasury to carry out its operations until June 30, 1949.

Under Public Law 510 we made $10,000,000 available, of which $4,000,000 has already been appropriated for public works. Every year we have appropriated money for the city council, so that they can carry out their functions.

Mr. REES. I thank the gentleman from Nebraska for the information. Mr. Chairman, I just do not believe that the Members of the House realize how much money the American taxpayers have spent on the Virgin Islands where there are only a few thousand people. So little has been accomplished. Mr. Chairman, I do not believe the Members of the House realize that.

I realize that although hundreds of thousands of dollars have been expended for relief and assistance to the people of the Virgin Islands, little progress has been made in helping these people to help themselves.

To me this legislation is extremely socialistic. The so-called corporation described in the bill is nothing more nor less than a Government corporation. It will be headed by the President and the directors are appointed by the President. All of the funds loaned or contributed come from the Federal Treasury. It is a sort of roundabout way of putting the Government in business just the same as if it were doing so directly under a board of directors appointed by the administration.

The gentleman from Oklahoma says we are getting the Government out of business. Then he read from the bill where this Company is going "to establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands."

That is the Government corporation we have been talking about. Then the bill goes on to say: "shall have power to acquire, in any lawful manner, any property, real, personal, or mixed, tangible or intangible, to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this bill."

In other words, this Board, which the President is going to appoint and of which he will be a member to control the corporation, is the organization that is going to operate this thing. Yet you insist it is sort of a private concern. If any member of this Committee can point to one paragraph or line that indicates that private industry or private individuals have anything to do with the operation of this so-called corporation, I would like to have him point it out to me. As I said before, all of the funds are provided by the Government and the operation is entirely under the control of the President and his appointees.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. REES] has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. PETERSON. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan [Mr. CRAWFORD].

The CHAIRMAN. The gentleman from Michigan is recognized for 16 minutes.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I have been listening to the comments about the Government being in the rum business. I think that looks very bad in the RECORD. Could we not all agree that the Government is subsidizing the rum business in the Virgin Islands, rather than saying the Government is in the rum business?

Mr. CRAWFORD. Mr. Chairman, during this debate the distinguished chairman of our committee and I have done all we could to yield time to those who are bitterly opposed to this bill. We wanted them to have every chance to kill the bill if they can; to say every nasty, mean thing they can in opposition, based on facts or otherwise, and to convince the Congress, if possible, that the Virgin Islands Company should no longer exist, and thus throw those people down there into economic oblivion. The opponents have made their arguments. I am not afraid to make the cold-blooded statement that all the arguments cannot be supported by the facts.

As an illustration, the gentleman from Nebraska [Mr. MILLER] a few moments ago referred to the language on page 5 of the committee report, where the language refers to a loan of $250,000 for the Corporation and a loan of $500,000 to the Corporation, and I think if you will read the gentleman's remarks, he spoke of those loans as appropriations. Can it be that the Members of this body do not know the difference between appropriations and loans made to a corporation? If we do not yet understand that kind of language, it is time we began to get better informed.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I do not yield at all. I have given the gentleman all the time he asked for, and I am not going to permit him to take up my time on this question at this moment.

The language in the report on page 5 speaks for itself. Suppose you are in business: If you have an operating deficit somebody has got to make it up, either the stockholders or somebody who wants to put in new money; but you can be making profits, plenty of them, the property can be reappraised, inventory values increased, and you go to the bank to borrow some money; borrowing money is no proof whatsoever that you have suffered an operating loss.

Some of this talk is absolutely childish, especially when we are dealing with cold-blooded facts that have to do with thousands of people who came in under the American flag not by their consent but simply because the United States reached out and said, "We want this particular area, the Virgin Islands, as a defense base to defend the Panama Canal." We approached the country of Denmark, purchased the islands, and made the people subject to our rules and regulations, subject to our Constitution and all that goes with it. Those are people we are responsible for; those are people that the Congress of the United States is responsible for, and this is the third year in succession this question has been brought to this floor and the Members of the Congress have not had the courage to meet it squarely on the nose and do the proper thing. You went down there in 1934 with the Virgin Islands Company to provide work for people so they would not starve. We killed their economy by closing the Virgin Islands as a coaling base; we took their living away from them. Then we went there in 1934 with the Virgin Islands Company and from 1934 to 1947 the people earned their own living, held their heads up, had some self-respect because they were not on relief rolls; they went into the fields, planting, harvesting, cultivating; they went into the factory making products, or worked in transportation and communication as mechanics and otherwise, just like we do up in our country. They were going along there as American citizens are entitled to go along, making money. Did you lose during that period? Operating losses? Do you want me to talk economics? I can discuss this with the gentleman from Pennsylvania in language that he can understand. Sixty thousand dollars. The cheapest assistance that you ever heard of this country giving any people; and then Members of this Committee stand on this floor and talk about the good people down there being lazy and refusing to work. That $60,000 did not include the depreciation on the factories which were not owned by the Company. The factories were owned by the Public Works Administration of the Department of the Interior and leased to the Virgin Islands Company as an operating company; so, of course, it did not include depreciation on the plants. What is depreciation of plant? If we had the time I could discuss the technicalities of depreciation all afternoon. What is depreciation? Why, the most learned men in industry have debated that question for years and nobody yet knows what depreciation is. But the plants have appreciated, based on replacement values, appreciated. What has happened to the land? You have some of the most valuable land on earth down there because of the natural advantages, the natural values due to the fact that that is one of the most glorious recreational spots under the heavens. We sit here and debate a question like this, yet we know today that we ought to have at least 300,000 tourists a year in the Virgin Islands producing revenue for that people there which would make this Company unnecessary.

Let me tell you what we have to do. You either extend the life of this company on a business basis, as set forth here, under the control of a sensible directorate, or you liquidate that Company just as quickly as you can and throw those people on relief; then take the consequences and the national and international disgrace that will go along with it. If that is what you want to do, you assume that responsibility. You assume that responsibility when you give every kind of a subsidy, every kind of a loan, every kind of a gift human ingenuity can design to every other people on earth, yet deny it to the people of the Virgin Islands.

What is the matter with us here anyway? It is about time we wake up and get a little sense into our think tanks. You talk about refusing to make legitimate loans down in the Virgin Islands under the same formula as voted by our friends that we make through the RFC in this country, and may I say to the gentleman from Nebraska that the RFC has had the authority during the past year to make loans to the Virgin Islands, but not one loan has been made. The RFC has no more idea of making loans down there than it has of flying to the moon and I told them so before the statute was enacted. They are just not going to do business down there.

Now, a moment about the tourist business. People are going down to the Virgin Islands and investing their private funds. Here is my old friend, Jane Withers, the ex-movie actress, now Mrs. Gottlieb, who goes down there with $8,000 in her hands. She sees a little place, she observes the tourist business, and she adds $52,000 to that $8,000. She puts up five or six beautiful apartments and has leased those apartments to the tourists who come down there. There is such a demand for rooms. We need five times the accommodations existing at the present time.

Mr. Chairman, we need those accommodations under the American flag, not over at Bermuda, not over at some other place like Habana, but under the American flag. We here criticize the Virgin Islands when we do nothing to help our own people. Shame on us—all of us.

Now a few remarks about this rum business. I think—I am not sure—my friend from Pennsylvania is a Methodist. If that is not correct I will let him correct it now.

Mr. RICH. I have been called worse than that.

Mr. CRAWFORD. The reason I say that is because I happen to be one of those, too, born and bred in me as far back as you want to trace it. I understand the gentleman's language when he condemns the liquor industry. Yet the American people are paying about $8,000,000,000 a year for liquor. What State is it that does not substantially depend upon revenue from liquor? What does the Federal Government get out of it? Why, our great Ways and Means Committee has provided a tax of about $9 per gallon, if I am not mistaken, on liquor to bolster Federal revenue. This may be a sinful way to get revenue, but the people seem to enjoy the tax levy.

Down in the Virgin Islands are some great sugar plantations and some sugar mills that make molasses. Molasses is a byproduct of sugar and molasses goes into the production of rum—an integrated industry. Do you want to throw the molasses into the ocean or do you want to work it up into rum? I will answer that question for you. If the price of rum is low and the price of molasses is high, you do not run the rum factory if you have good business judgment. The rum factory has not been running down there for months. Yet my friends over here says, "Let us get out of the rum business." He did not know he has been out of the manufacturing of rum for some time. I have told those people, "Do not make rum if you can get a high price for molasses. Sell the sugar that is in the molasses so the buyer can make alcohol, but do not put high price molasses into rum." I told them that if the price of molasses goes very low and rum is high to reverse the procedure. And what businessman would not make rum then if it is part of his business?

If you do not want rum manufactured, insert an amendment in this bill that the company must sell the rum factory, then give the molasses away and put some more red figures in the operating statement, if you want to do that.

Is that good business? No. You stand here and complain against losses of the company, but you do not want to do the things that will enable the company to make profits. If it is a bad undertaking, kill the thing, but assume the consequences. If it is a bad undertaking and can be improved, I suggest you improve it before you kill the company. But you have got until June 30 to make your decision.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is there not something greater in business enterprise than making profits?

Mr. CRAWFORD. Now, the gentleman happens to operate his business on a very profitable basis, and you invest money to make profits. When you can make money from your profits, you go over and create your social do-goodies, your welfare foundations, and so forth. But you run a business to make profits.

Mr. RICH. We take care of our employees first.

Mr. CRAWFORD. We are in business to make profits, and nobody knows that better than the gentleman from Pennsylvania; and if you go to him with a proposition that does not have profits, I will bet you dollars to doughnuts he will turn it down.

Mr. ENGLE of California. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. ENGLE of California. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following those of the gentleman from Michigan [Mr. CRAWFORD].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I want to ask the gentleman from Michigan, since he has talked about molasses, if he ever heard that sulfur and molasses went together and that the two together did more to take care of the health of this Nation than anything in the world?

Mr. CRAWFORD. I agree that sulfur and molasses are unbeatable. I have had to take some myself.

In this last minute let me say this: You have until June 30 to clean this thing up lock, stock, and barrel; otherwise the Company goes out of business. What do you want to do with it? If you want to kill this Company, defeat the bill. If you want to do something about it, you better pass this bill, let it go to conference, and find out what you want to do with it. You make your choice. I will not tell you what to do. I am going to support the bill and try to to put a little business sense into this proposition.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. COLE of New York. As the gentleman well knows, I have been interested in this problem with respect to the Virgin Islands for several years, and I want to compliment the gentleman for his zeal and his interest and his analysis of this problem and for the recommendations which he has submitted this afternoon. As to those who are fearful that this bill might be a positive step in the direction of socialism, that might be so, but I am sure there is no more ardent advocate of private enterprise, initiative, and all that sort of thing, than is the gentleman from Michigan, and when he asks for this kind of legislation, I am confident that he is convinced that it is the only proper solution for the people of the Virgin Islands.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ENGLE of California. Mr. Chairman, since I have been a member of the Public Lands Committee I have taken a keen interest in Virgin Islands matters. As Members of the House know, a bill to reincorporate the present Virgin Islands Company was considered by the last Congress. At that time considerable information with respect to the islands and to the Company was garnered by the committee. I think a brief review of the situation in the islands since their acquisition by the United States and of the part played in the local economy by the Virgin Islands Company will be of interest to the Members who are not familiar with Virgin Islands matters, and will be helpful to them in considering H. R. 2989.

The islands were acquired from Denmark in 1917 for $25,000,000. In acquiring the islands the United States assumed a moral obligation for the welfare of the Virgin Islanders, who then numbered about 22,000, and now number something over 30,000. The economy of the islands was predominantly agricultural. St. Croix, the largest island, produced sugar, rum, and cattle, and St. Thomas, the more industrial of the islands, thrived on the activities incident to its possessing the harbor of Charlotte Amalie, the most important commercial harbor in the Caribbean.

A severe blow was dealt to the economy of the islands in 1920, when prohibition was made applicable. St. Croix had been manufacturing rum for more than 150 years and the industry was thus suddenly brought to a standstill. Further, following the transfer of sovereignty from Denmark to the United States, Danish capital began gradually to withdraw from the islands and the most strenuous efforts of the United States to induce American capital to take its place were unavailing. In 1929 the West India Sugar Factory, Ltd., known as Bethlehem, and owned by Danish capital, closed down its factory, the largest in the islands, and took out of production its thousands of acres of caneland. Some 2,000 persons were without employment. Matters were made worse in 1930, when a long and severe drought set in, followed by periodic hurricanes. It became necessary for the American Red Cross to furnish food and other supplies to the people of St. Croix. About 40 percent of the island's population received food through the Red Cross during 1932 and 1933. It was no wonder that in 1931 President Hoover characterized the islands as an "effective poorhouse."

In 1934 the Federal Government realized that it must take the initiative in restoring the local economy or assume the alternative of a relief program of large proportions and long duration. Although every encouragement had been given to private industry in the 17 years that the islands had belonged to the United States, less than $20,000 of private American capital had been invested between 1917 and 1934. There was a great scarcity of private capital in the islands, accentuated by the withdrawal of the National Bank of the Danish West Indies, the only banking institution in the islands. Acreage devoted to sugarcane had declined considerably because the tremendous increase in world cane and sugar-beet acreage and the consequent reduction in the price that sugar could command, taken together with certain adverse factors in St. Croix, such as inadequate rainfall, high evaporation, and rapid run-off of water, likelihood of hurricanes and high freight tariffs, made sugar production in St. Croix unprofitable. Much of the former sugar acreage was turned over for cattle grazing, but this did not solve the island's economic problem because the cattle industry employed only 3 percent of available labor in St. Croix.

In determining what steps to take to restore the local economy, the Federal Government was motivated by the knowledge that the sugar industry, although unprofitable from a commercial point of view, could employ considerable workers, while the rum industry, although a smaller employer, was commercially more profitable now that prohibition had been repealed. These two industries had been the island's mainstays and there were many workers experienced in these fields. In the interests of providing the greatest number of employment opportunities in the shortest time and in rehabilitating the island's main industries, therefore, the United States, through the Public Works Administration, set up a project under the Department of the Interior. In all, something over $3,000,000 was expended by the Federal Government for the purchase of about 5,000 acres of land, a sugar mill, a distillery, warehouses, trucks, villages to house employees, tractors, cattle, mules and oxen, an abbatoir, a market and cold-storage plant, various buildings, and supplies and equipment. Most of these physical properties had belonged to the defunct West Indian sugar factory.

It became necessary to establish an agency empowered to put back into operating condition and then to operate the properties acquired by the United States. The Virgin Islands Company was created by ordinance of the local legislature in the municipality of St. Thomas and St. John, on April 9, 1934. The purpose of the company, as stated in the ordinance, was "to aid in effecting the economic rehabilitation of the Virgin Islands of the United States, and to promote the general welfare of the people." No particular program was outlined for the company, and no such specific authority was conferred on it as appears in section 2 of H. R. 2989. It was, however, recognized that the company's primary purpose was to provide employment through operation of the sugar properties and the distillery, as an alternative to paying a dole. It was provided in the ordinance that any income or profits derived by the company should be expended for the economic rehabilitation of the Islands and for the promotion of the general welfare of the inhabitants.

There were only three stockholders, the Secretary and Assistant Secretary of the Interior and the Governor of the Virgin Islands. These men held their shares as trustees for the benefit of the people of the Virgin Islands, and the ordinance provided that no dividends, salaries, or profits should ever be paid to any of the stockholders.

An agreement was entered into between the Secretary of the Interior, representing the United States, and the company, for the operation and maintenance of the properties. From time to time the agreement has been amended to include additional properties, and extended beyond its original expiration date of November 26, 1939, to November 26, 1944, and then to November 26, 1949. Under the terms of the agreement, the company is required to deposit any net profits in the Federal Treasury, the rationale of this provision being that the agreement is in effect a lease of the properties, in return for maintenance of the properties and the obligation to pay profits into the United States Treasury. Thus there have been, and can be, no profits which the company may devote to the economic rehabilitation of the Islands, as provided in the ordinance creating the company.

Until June 1947, not a single appropriation had been made to the company.

The Congress did not contribute up to that time a single penny toward meeting the company's pay roll or underwrite any of the company's obligations. All operations had been financed from operating revenues, and from loans made by Federal agencies or private banks. The sugar operation had never been profitable, but the production of rum, as those who planned the company had expected, was consistently profitable and almost carried the sugar operation. In fact, the total loss from the time the company was established until June 30, 1947, amounted to only $60,000, exclusive of depreciation on the properties, not charged to the company because the company did not own them. That is really an amazing record. During those years, to 1947, without direct aid from the Congress, the company gave direct employment consistently to 50 percent of the working population of St. Croix, paid sums in lieu of income, property and other taxes into the treasury of the Virgin Islands, and made it totally unnecessary for the United States to carry the burden of a relief program. Such a program would have cost millions of dollars over those 13 years. The depression in the rum market after the war, caused by the renewed availability of other liquors, made it necessary for the company to come to the Congress in 1947 and 1948 for authorization to borrow from the United States Treasury. But up until then, there had been not a single appropriation. Now, today, 15 years after the establishment of the company, the United States still owns the property it purchased for operation by the company. Some of the equipment is outmoded, of course, but most of it is in good operating condition. The mill and the distillery are going concerns, the buildings have been well maintained, the land purchased by the United States has been kept productive and has a high value today. The investment made by the United States has been safeguarded by the company.

There is no doubt that the judgment of those persons responsible for the establishment of the company was good. The company has been a necessity for the islands. My criticism of the company is only that it has not been permitted to go far enough. It would be a great mistake from the standpoint of the United States, and would work a great injustice as well as a great hardship on the people of the Virgin Islands, if the company were required to be liquidated now. The economic rehabilitation of the Virgin Islands remains a responsibility of the United States. Enactment of H. R. 2989 would keep alive the activities of the present company and would authorize a program of much wider economic implication for the islands. I urge that the bill be passed.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

Mr. RICH. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. RICH moves that the Committee now rise and report the bill back to the House with the recommendation that the enacting clause be stricken and the bill be returned to the Committee on Public Lands with instructions to remove the provision permitting the Government to manufacture rum.

The CHAIRMAN. The Chair will state that the motion as presented by the gentleman from Pennsylvania is not in proper form for a preferential motion.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, in order to promote the general welfare of the inhabitants of the Virgin Islands of the United States through the economic development of the Virgin Islands, there is hereby created a body corporate to be known as the Virgin Islands Corporation, hereinafter referred to as the "Corporation." The Corporation shall be subject to the general direction of the President of the United States, or the head of such agency as he may designate, hereinafter referred to as the "supervisory official", who shall represent the United States in its capacity as the sole owner of the Corporation.

SEC. 2. The Corporation shall have its principal offices in the Virgin Islands and in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be an inhabitant of each of these jurisdictions. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

SEC. 3. Subject to the provisions of the Government Corporation Control Act, the Corporation is authorized to engage in the following activities:

(a) To examine, investigate, and conduct research and experimentation in the marketing, distributing, advertising, and exporting of products or resources of the Virgin Islands, and to make known the results of such activities.

(b) To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

(c) To engage in land-use planning to the end that the most economic and socially beneficial use may be made of the soil of the Virgin Islands, and to encourage and assist prviate persons and organizations to act in accordance with the results of such planning.

(d) To encourage and engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property to and from the Virgin Islands, and from place to place in the Virgin Islands.

(e) To encourage, promote, and develop, and to assist in the encouragement, promotion, and development of, tourist trade in the Virgin Islands.

(f) To encourage the establishment and development of small farms and small farm communities in the Virgin Islands, and, for that purpose, to construct, equip, improve, administer, operate, and supervise such small farms or communities and to give other assistance to them.

(g) To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources. All loans so made shall be of such sound value or so secured as reasonably to assure repayment, taking into consideration the policy of the Congress that the lending powers of the Corporation shall be administered as a means for accomplishing the purposes stated in section 1 of this act, and shall bear interest at a rate calculated to reimburse the Corporation for its cost, but not exceding 6 percent per annum. The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

(h) To establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands.

SEC. 4. The Corporation shall have, and may exercise, the following general powers in carrying on the activities specified in section 3 of this act:

(a) To have succession until dissolved by act of Congress.

(b) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) To adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

(d) To sue and to be sued in its corporate name.

(e) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

(f) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation.

(g) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation, as may be deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation.

(h) To execute all instruments necessary or appropriate in the exercise of any of its functions.

(i) To appoint, without regard to the provisions of the civil-service laws, such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; to fix and pay such compensation to them for their services as the Corporation may determine, without regard to the provisions of the classification laws except to the extent that these laws may be extended to the Corporation by the President of the United States; and to require bonds from such of them as the Corporation may designate, the premiums therefor to be paid by the Corporation. The benefits of the Federal Employees Compensation Act of September 7, 1916 (ch. 458, 39 Stat. 712), as amended, shall extend to all persons given employment under this act, and the remedies afforded by such act of September 7, 1916, as amended, shall be exclusive and in lieu of any other remedy against the United States or the Corporation for the injury or death of any such person. Persons employed by the Corporation shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945,

as amended. The Corporation shall give due consideration to residents of the Virgin Islands in the selection and promotion of its officers and employees.

(j) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

(k) To have, in the payment of debts out of bankrupt or insolvent estates, the priority of the United States.

(l) To accept gifts or donations of services, or of property—real, personal, or mixed, tangible or intangible—in aid of any of the activities authorized by this act.

(m) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

(n) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

SEC. 5. The Corporation in carrying on the activities authorized by this act shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government, or of the government of the Virgin Islands; and shall not engage in any undertaking which substantially duplicate an undertaking previously initiated and currently being prosecuted within the Virgin Islands by any such agency or instrumentality.

SEC. 6. (a) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $9,000,000 outstanding at any one time. For this purpose appropriations not to exceed $9,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation: *Provided, however,* That said fund shall be subject to apportionment in the same manner as appropriated funds.

(b) As the Corporation repays the amounts thus obtained from the Treasury, the repayments shall be made to the revolving fund.

SEC. 7. (a) The Corporation is hereby authorized to use its funds, from whatever source derived, in the exercise of its corporate powers and functions: *Provided, however,* That the Corporation shall undertake no new types of activities not included in the budget program submitted to the Congress pursuant to section 102 of the Government Corporation Control Act, except when authorized by legislation enacted after said program is submitted, or except, upon finding made by the Corporation and approved by the President of the United States that an emergency exists which justifies the undertaking of new types of activities authorized by this act, but not included in the budget program. Such finding and emergency action shall be reported to the Congress by the President, and appropriations for the expenses of such emergency action are hereby authorized.

(b) The Corporation shall pay into the Treasury as miscellaneous receipts interest on the advances from the Treasury provided for by section 6 (a) of this act; on that part of the Government's investment represented by the value, at the time of transfer of the property and other assets transferred, less the liabilities assumed, pursuant to section 10 of this act; and on the net value, as approved by the Director of the Bureau of the Budget, of any property and assets, the ownership of which hereafter may be transferred by the Government to the Corporation without cost, or for consideration clearly not commensurate with the value received. The Secretary of the Treasury shall determine the interest rate annually in advance, taking into consideration the current average interest rate which the Treasury pays upon its marketable obligations.

(c) The Corporation shall after June 30, 1949, contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the Corporation's employees and their beneficiaries. The Corporation shall also after June 30, 1949, contribute to the Employees' Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the repective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

SEC. 8. (a) Appropriations are hereby authorized for payment to the Corporation in the form of a grant, in such amounts as may be estimated in advance in the annual budget as necessary to recover losses to be sustained in the conduct of its activities which are predominantly revenue producing. The Corporation's annual budget program shall specifically set forth any loss sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to the Corporation to cover such additional losses incurred.

(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, in such amounts as may be necessary to meet expenses to be incurred for specific programs included in the annual budget which are not predominantly of a revenue-producing character: *Provided however,* That in the case of activities of a predominantly nonrevenue-producing character the expenses shall not exceed the amounts of the grants for these activities.

(c) The Board of Directors shall have the power and duty to appraise at least annually its necessary working capital requirements and its reasonably foreseeable requirements for authorized plant replacement and expansions, and it shall pay into the Treasury of the United States any funds in excess thereof. Such payments shall be applied, first, to reduce the balance attributable to advances outstanding under section 6 (a) and, second, to the Government's investment represented by the value of the net assets transferred under section 10 of this Act and any subsequent similar investments by the Government in the Corporation.

SEC. 9. The management of the Corporation shall be vested in a Board of Directors consisting of five members, one of whom shall be the Governor of the Virgin Islands, and four of whom shall be appointed by the supervisory official. The Governor of the Virgin Islands shall be the President of the Corporation, and one of the other directors shall be designated as the Chairman of the Board by the supervisory official. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of three directors.

Subject to the foregoing limitation, vacancies in the membership of the Board shall not affect its power to act. The directors shall receive no salary for their services on the Board, but under regulations and in amounts prescribed by the Board, with the approval of the supervisory official may be paid by the Corporation reasonable per diem fees, and allowances in lieu of subsistence expenses, for attendance at meetings of the Board and for time spent on special service of the Corporation, and their travel expenses to and from meetings or when upon such special service, without regard to the Subsistence Expense Act of 1926, as amended, or the Standardized Government Travel Regulations. Nothing contained in this or any other act shall be construed to prevent the appointment and service of any officer or employee of the United States as a director, officer, or employee of the Corporation. The Board shall be responsible for over-all policy making and general supervisory responsibilities.

SEC. 10. (a) There is hereby transferred to the Corporation the following property:

(1) All property—real, personal, and mixed—now operated by the Virgin Islands Company on behalf of the United States, except the property now operated by that Company for the Department of the Interior which was conveyed to that Department by revocable permit from the Navy Department under agreement dated January 1, 1948. The value of the property so transferred shall be fixed at the depreciated cost as of June 30, 1947, shown in schedule 1 of the Comptroller General's report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1947, adjusted for all changes from that date to the date of transfer, including depreciation at the rates set forth in said schedule 1.

(2) All the assets and property—real, personal and mixed, tangible and intangible—of the Virgin Islands Company. The value of the property so transferred shall be fixed at the value shown on the books of the Virgin Islands Company at the date of transfer, subject to any adjustment deemed necessary as a result of the audit required to be made by the Comptroller General under section 105 of the Government Corporation Control Act.

(3) All of the interest of the United States in the property known as Bluebeard's Castle Hotel situated in the island of St. Thomas in the Virgin Islands. The value of the property so transferred shall be fixed at a value approved by the Director of the Bureau of the Budget.

(b) The Corporation shall assume and discharge all of the liabilities of the Virgin Islands Company: *Provided, however,* That such liabilities shall not be deemed to include the balances of relief grants held by the Virgin Islands Company which are invested in the assets and property embraced by paragraph (a) (2) of this section, and such balances shall become part of the investment of the United States in the Corporation.

SEC. 11. The Secretary of the Interior, the Under Secretary of the Interior, and the Governor of the Virgin Islands, who are the stockholders of the Virgin Islands Company, a Corporation created by ordinance of the Colonial Council for St. Thomas and St. John, Virgin Islands of the United States, are hereby authorized and directed to take such steps as may be appropriate to dissolve the said Virgin Islands Company.

SEC. 12. Section 5 of the act of May 26, 1936 (49 Stat. 1372, 1373; 48 U. S. C., 1946 edition, sec. 1401d), is hereby amended to read as follows:

"The Virgin Islands Corporation shall pay annually into the municipal treasuries of the Virgin Islands in lieu of taxes an amount equal to the amount of taxes which would be payable on the real property in the Virgin Islands owned by the Virgin Islands Corporation, if such real property were in private ownership and taxable, but the valuation placed upon such property for taxation purposes by the local taxing authorities shall be reduced to a reasonable amount by the Secretary of the Interior if, after investigation, he finds that such valuation is excessive and unreasonable, and any such reduction in valuation, together with the findings on which it is based, shall not be reviewable by any court. The Virgin Island Corporation shall also pay into the municipal treasuries of the Virgin Islands amounts equal to the amounts of any taxes of general application

which a private corporation similarly situated would be required to pay into the said treasuries. Similar payments shall be made with respect to any property owned by the United States in the Virgin Islands which is used for ordinary business or commercial purposes, and the income derived from any property so used shall be available for making such payments."

SEC. 13. Section 101 of the Government Corporation Control Act is hereby amended by striking out the words "The Virgin Islands Company" and inserting in lieu thereof the words "Virgin Islands Corporation."

SEC. 14. This act shall become effective on June 30, 1949.

SEC. 15. This act may be cited as the "Virgin Islands Corporation Act."

Mr. PETERSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD at this point, and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. COLE of New York. Mr. Chairman, reserving the right to object, I suggest to the gentleman from Florida that he modify that request to the end that having considered the bill as being read, that the Clerk then call the bill by section number for amendment so that it may be considered by the Committee consecutively and avoid jumping from one part of the bill to another.

Mr. PETERSON. That is very agreeable.

Mr. Chairman, I will modify my request that the further reading of the bill be dispensed with, to be printed in the RECORD at this point, be open to amendment, and that the Clerk call each section by section number.

The CHAIRMAN. Is there objection to the modified request?

Mr. RICH. Mr. Chairman, reserving the right to object, and I will not object, but not being a lawyer, and my preferential motion having been turned down by the Chair, I would like to get somebody who is a lawyer to write out a motion that will strike the Government out of the rum business, so that we can have a chance to vote on it. Can the gentleman do it?

Mr. ALLEN of Louisiana. Yes.

Mr. RICH. The gentleman says he has an amendment ready, and we will support it.

The CHAIRMAN. The Chair will state that if the gentleman from Pennsylvania will offer an amendment at the appropriate place in the bill he might be able to achieve his purpose.

Mr. RICH. My colleague on that side of the House has an amendment ready.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida [Mr. PETERSON] as modified?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment to section 1.

The Clerk read as follows:

Committee amendment: Section 1, on page 2, after "designate" strike out the remainder of line 1 and all of lines 2 and 3, and insert "as his representative."

The committee amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAWFORD. Mr. Chairman, there is at the desk one or more amendments written to change some of the committee amendments which are printed in italics in the bill. Is it in better order for us to proceed to adopt the committee amendments as they appear in the bill and then amend them, or to take care of the amendments first?

The CHAIRMAN. The Chair will state that the gentleman's amendments must be offered to the committee amendments prior to the approval by the Committee of the committee amendments.

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. I understand that the unanimous-consent request propounded by the chairman of the subcommittee provided that the bill should be considered as read and be open to amendment in consecutive sections.

The CHAIRMAN. The gentleman is correct.

Mr. KEEFE. Then, Mr. Chairman, I move to strike out the last word, the first section having been read.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. SABATH. Mr. Chairman, will the gentleman yield for an announcement?

Mr. KEEFE. I yield to the gentleman to make an announcement.

Mr. SABATH. Mr. Chairman, not realizing that so much time would be required on this bill, I called a meeting of the Committee on Rules at 2 o'clock. Because I have a rule to present, I ask that in case you get through here before that time I be notified so that I can come down here. The meeting will be held by the Committee on Rules now.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. KEEFE. I yield.

Mr. NICHOLSON. Would the motion that was made by the gentleman from Pennsylvania, if he moved to strike out the enacting clause to stop this from being a rum bill, be in order?

The CHAIRMAN. If the motion is properly submitted it will be in order as a preferential motion.

Mr. KEEFE. Mr. Chairman, I do not yield further.

Mr. Chairman, I want to discuss a few phases of this bill, if I may, which were raised yesterday and in which the committee itself indicated considerable interest as being some background that may assist the thinking of some of us in the consideration of this legislation.

Mr. BATES of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin be permitted to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEEFE. Mr. Chairman, I would like to have the attention of my distinguished friend from Michigan and the chairman of the committee, to see if we can get a few fundamental things straightened out. First of all, I would like to know, before I vote on this bill, what is the land ownership in the Virgin Islands at the present time?

Mr. CRAWFORD. Does the gentleman mean the number of acres owned by the Virgin Islands Company?

Mr. KEEFE. No; who owns the land in the Virgin Islands?

Mr. CRAWFORD. Does the gentleman mean the total area of land in the Virgin Islands?

Mr. KEEFE. Permit me to make myself clear.

Mr. CRAWFORD. I wish the gentleman would tell me what he wants to know.

Mr. KEEFE. I will tell the gentleman what I want to know. The law, under which we bought these islands from Denmark, specifically provided, and I quote section 1405 C (a) of title 48, United States Code, as follows:

All property which may have been acquired by the United States from Denmark in the Virgin Islands, under the convention entered into August 4, 1916, not reserved by the United States for public purposes prior to June 22, 1937, is placed under the control of the government of the Virgin Islands.

That is the law. Therefore, I assume, upon the passage of that law all of the land acquired from Denmark, which was not reserved by the United States Government for its own public uses, passed to the government of the Virgin Islands; is that correct?

Mr. CRAWFORD. All of the land which belonged to the Government of Denmark; yes. But suppose Mr. A had a private farm of his own.

Mr. KEEFE. Well, did Mr. A have a private farm of his own?

Mr. CRAWFORD. Certainly, and that land the United States did not buy.

Mr. KEEFE. That is what I want to know.

Mr. CRAWFORD. That is correct. He did have it, and the United States Government did not buy it, and the Government of Denmark did not sell it to the United States.

Mr. KEEFE. What was the total area of such land?

Mr. CRAWFORD. I do not know what it was. I just know what happened.

Mr. KEEFE. How much land actually passed, does the gentleman know, to the control of the Government of the Virgin Islands?

Mr. CRAWFORD. Does the gentleman mean in acres?

Mr. KEEFE. I mean in this transaction.

Mr. CRAWFORD. Does the gentleman mean how much land in acres passed from the Government of Denmark to the Government of the United States in the purchase?

Mr. KEEFE. No; I am asking how much land passed to the Government of the Virgin Islands, subject to the control of the Government of the Virgin Islands?

Mr. CRAWFORD. I think I understand the gentleman's question now. Of the amount of acreage owned by the Danish Government in public buildings and parks, and so forth, which was sold to the United States, and which the

United States did not preserve for its use exactly as in the case of Alaska when we bought that Territory from Russia, that land went to the Virgin Islands Government. In other words, the municipality took them over and operated them. I do not know what the acreage was.

Mr. KEEFE. How was that land disposed of?

Mr. CRAWFORD. The government there, the Virgin Islands municipality, still owns it. It has not been disposed of, or at least if they have not disposed of it, they still own it.

Mr. KEEFE. Do you know whether there are any extensive landholdings in the Virgin Islands that the government of the Virgin Islands now owns?

Mr. CRAWFORD. No, sir; there are no extensive lands there owned by the government of the Virgin Islands because, in the first place, there are no extensive lands in the Virgin Islands.

Mr. KEEFE. That does not clarify the situation. Is there any land owned by the government of the Virgin Islands that can be put up for sale to an investor who wants to go down there, or does an investor have to deal with landowners who have heretofore acquired that land. That is what I would like to know.

Mr. CRAWFORD. I should think the so-called Government House in St. Croix, for instance, where the municipal government meets and conducts its business, could be sold by the municipal council to a private individual through the act of the municipal government, provided that the President of the United States and the Congress approved.

Mr. KEEFE. Mr. Chairman, I see that in this short period of time I have not been able to obtain an answer.

Mr. CRAWFORD. Well, the gentleman is asking questions that have nothing to do with this bill.

Mr. KEEFE. Mr. Chairman, I refuse to yield further.

Mr. CRAWFORD. The gentleman's questions have nothing to do with the bill.

Mr. KEEFE. I asked some questions yesterday, and I received no answer—no answer at all.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. KEEFE] has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman may have five additional minutes, because this is very important legislation, and the gentleman from Wisconsin has something to say which I believe the Committee will be very much interested in.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEEFE. I do not want to oppose good legislation, but I am asking some questions to ferret out some of the things that lie behind this. I am going to tell you, my friends, if you study this legislation and study its provisions, you will find yourselves approving the strangest experimentation in government that I have ever heard of.

The argument is made by those who do not like rum that this Corporation should get out of the rum business. I am not going to get into that. I know that the present Virgin Islands Corporation, which is a Government corporation, the life of which will expire on June 30 of this year, according to present law, is engaged in the rum business. They say its engagement in the rum business is necessary in order to provide help for the employees on the Virgin Islands. The gentleman from Nebraska [Mr. MILLER] stated that at its height it never employs over 32 or 35 people. Nobody has denied that. Others have said, without denial, that the rum business is operated at a loss.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. In just a moment. Therefore it appears that the arguments being made that this new Virgin Islands Corporation that is being created is to take over the assets of the old company that is going out of business. Included in those assets is this rum business and a hotel, which they presently own, and which is operated at a loss, requiring them to come here from time to time and get bailed out by the people of the United States. The municipality operates at a loss. I do not know what the taxes are. I do not know what those people pay in taxes. Nobody has told us anything about it. There is provision for it here. All I know is that they come to the Appropriations Committee every year and ask for money to bail out the government down there that has been set up under this law. That I do know.

Now, somebody is interested in putting on a deal down there in the Virgin Islands, and they say we are going to have great management; that businessmen are going to take this thing over and operate it. What are they going to operate? What are they going to do? There is no authority in this bill that would permit this new Corporation to engage in a single activity of any kind or character beyond that which is authorized by the Congress of the United States. The only business they can carry on under this law is the rum business and this hotel, and a few other small enterprises. That is the only business they can carry on unless they come before the Appropriations Committee of the House when their budget is submitted—and that is right in the bill—and submit new activities that they propose to engage in.

Now, that is a frank confession, then, that they do not have any plan. That is a frank confession that they do not know what they intend to do. That is a frank confession that we are voting a grant of authority en blanc for this new Corporation to do anything under the sun they can pressure the Congress into permitting them to do, once this authority is granted.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. REDDEN. The gentleman referred to the number employed down there by this Company.

Mr. KEEFE. I referred to what Dr. Miller stated, without controversy.

Mr. REDDEN. That is the reason I was answering the gentleman. On page 4 of the report I see the following:

> In the years since its creation, the Company has, through various activities, given permanent employment each year to approximately 500 persons, and during the crop season, which lasts 4 to 5 months, it has employed about twice that number.

Mr. KEEFE. Well, that is in the sugar business. That is not in the rum business. The gentleman from Michigan [Mr. CRAWFORD] said the rum business has not been working for a long time; that they only run it when the price of molasses is low and it is more profitable to sell rum than it is to sell the molasses.

Now, I think these people have honestly tried to do a job here. But knowing how nations in handling their colonial affairs have heretofore treated the subjects of those countries that they have under control, and knowing how they have been exploited and how devious methods of exploitation find their way into the management of colonial affairs, I am just a little bit concerned about this situation to know if we are going to confess frankly here in this Congress that we can no longer have a government in the Virgin Islands that will permit those people any measure of self-government, and that we must adopt a socialistic or communistic set-up in order to carry on activities in these islands. That is what this plainly and truly amounts to.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Are we going to say that because we cannot make money some other way we should engage in a business that no government in the whole United States is engaged in despite what some may say? If this corporation needs money can it go into the slot-machine or gambling business? If, as the gentleman from Michigan says, "this is a wonderful climate and would make an attractive resort area," can it be possible that some interests expect to develop another Reno with quick divorces and gambling as the source of local revenue? I think this bill has implications in it, Mr. Chairman, that ought to call for more study—we ought to examine it pretty carefully before finally putting our seal of approval upon it. This is a bill that ought to be discussed at greater length than this House has been able to discuss it so far.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. PETERSON. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended 1 minute that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr PETERSON. The gentleman asked with reference to ownership of the land; all the land is in private ownership except approximately 100 acres or slightly less.

Mr. KEEFE. I am glad to have that information; then it is subject to tax, is it not?

Mr. PETERSON. Yes.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do not know of any better time on earth than today, this week, and next week, for us to learn something about our colonial possessions, and our subjects. My friend, the gentleman from Wisconsin, has referred to the limited time we have in which to debate this question. I do not know of anything more important for us to debate right now than this question; so I am in no hurry to get through with this bill. Let us talk this thing out, let us run through this afternoon, or run through tomorrow on this bill and educate ourselves a little bit about our island possessions. We have got this same question coming up on what we are going to do with Samoa, what we are going to do with Guam, what we are going to do with all of our mandated territories in the far Pacific.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. REDDEN. It has been suggested that this country ought not to have acquired these islands, but I should like to ask: If certain other countries of the world owned these islands, how many billions of dollars would we be appropriating to buy them now?

Mr. CRAWFORD. The gentleman is absolutely right. As I say, we have the same question coming up as to what we are going to do with Guam, what we are going to do with Samoa. You ask: What has that to do with this bill, what has that to do with the question as to how much land is owned by the Government? It may be only a hundred acres owned by the Government of the Virgin Islands. We have bills before us right now on all these areas in the far Pacific where we have had people under the heel of our Navy for 50 years without giving them any civilian administration. We stand up here as the great leader in the United Nations Organization, the great leader in the Atlantic Pact, sending billions and billions and billions away, forfeiting the lives of men and women to fight for the independence of other people. What about our own little kids, black, white, yellow, or whatever they may be? We do not need to be in too big a hurry to pass this bill. I want to hear all the opposition against this bill you can pile on this Congress; I do not care how bad it gets. Understand the bill. If this bill proposes to set up houses of ill-fame, you find the language. If you like it, vote for it; if you do not like it, vote to strike it out.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Of course, there was no such argument and the gentleman from Wisconsin did not make that argument. He asked the question. There is nothing to that effect in the bill.

Mr. CRAWFORD. Well, let us find out if it is in there.

Mr. McCORMACK. I am asking the gentleman as a member of the committee.

Mr. CRAWFORD. Of course, that is not in there. Why should it come into the debate?

Mr. McCORMACK. Let us have a flat denial, then.

Mr. CRAWFORD. Mr. Chairman, we are working with the emotions, the lives, the desires, and the souls of subjects of the Congress of the United States. They have some rights just the same as I have and I do not propose to be a party to continuing a program which will throw those people on to direct relief and tax the people of my district 5 to 10 times as much for the support of the Virgin Islands as they are being taxed at the present time.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Ever since 1934 have we not been feeding money into the Virgin Islands to try to take care of those people down there, whether it be for the corporation or whether it be through the various municipalities?

Mr. CRAWFORD. About $60,000 in the 14 years.

Mr. RICH. How much?

Mr. CRAWFORD. About $60,000.

Mr. RICH. Oh, no.

Mr. CRAWFORD. Oh, yes.

Mr. RICH. I will bet the gentleman a new suit of clothes he is wrong. He is absolutely wrong.

Mr. CRAWFORD. We have some Members on the floor from the Appropriations Committee. I will challenge any member of the Appropriations Committee to stand up here and state categorically whether or not the Appropriations Committee has during the 14 years made an appropriation for the Virgin Islands Company since the original one in 1934.

Mr. RICH. I was on the Appropriations Committee.

Mr. CRAWFORD. I do not yield any further.

Mr. RICH. I was on the Appropriations Committee at that time.

Mr. CRAWFORD. Go right ahead then.

Mr. RICH. I was a member of the Appropriations Committee when we made those appropriations.

Mr. CRAWFORD. For what?

Mr. RICH. Why, for the operation of those islands.

Mr. CRAWFORD. I am not talking about the operation of the islands.

Mr. RICH. Every year they went in the red.

Mr. CRAWFORD. I am talking about the operation of the Virgin Islands Company, which is the subject of this bill. What appropriation have you made?

Mr. RICH. Every year we have made an appropriation.

Mr. CRAWFORD. I challenge that statement and I ask the gentleman to refer to the clerk of the committee on the floor and bring in the evidence.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I think it is perfectly clear that the gentleman from Michigan is referring to the $60,000 appropriation made to bolster up and take care of certain deficits of the Virgin Islands Company. The gentleman from Pennsylvania is referring to appropriations that have been made to provide for the deficits in these municipal governments of the Virgin Islands.

Mr. CRAWFORD. Sure.

Mr. KEEFE. There is a great difference between the two.

Mr. CRAWFORD. There is.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request to the gentleman from Massachusetts?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, now that we have this matter of appropriations cleared up, let us take up the results of the operaiton of an industrial concern engaging in agriculture, manufacturing, transportation and selling. There has been an attempt to confuse the issues by referring to all of the appropriations for defense purposes during the war, before the war and since the war as if those were losses incurred by this Company. That is the thing I want to bring out here. Put the burden exactly where it belongs. If you voted $5,000,000 to go down there and build sewers, streets, hospitals and public schools, do not charge that up to the Virgin Islands Company.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I have been a member of a party that visited the islands in recent days and in recent years. The thing that stands out in our mind is the lack of cultivation in the Virgin Islands compared, say, with Puerto Rico, Santo Domingo and Haiti. Why is it that that vast area of land, which is tillable, is not put to productive use? The complaint seems to be there are large vested interests down there that will not permit the land to be used or sold so that employment may be had. What is the answer?

Mr. CRAWFORD. I will answer that question right straight on the nose.

Here is the situation: In Puerto Rico you have a mountain range that runs from the eastern end of the island to the western end of the island in somewhat of a southwesterly direction. The trade winds hit those islands. You have an immense rainfall on the north side of Puerto Rico. You have very little rainfall on the south side of Puerto Rico. The

south side of Puerto Rico is operated, agriculturally speaking, through irrigation. Over on San Domingo and Haiti you have a similar situation, with lots of rainfall, but when you get over to St. Croix, V. I., you do not have the high mountain range; you do not have the trade winds, affected as they are, by the mountains in Puerto Rico; therefore you do not have the rainfall, and therefore St. Croix of the Virgin Islands, that big agricultural area, is almost as dry as southwest Texas, and I have spent lots of time in both places and I know what I am talking about. St. Croix is practically a cattle territory. They have some of the most beautiful herds there I have ever seen. I am talking about cattle on the island of St. Croix where the sugar plantations and the sugar mill and the rum factory are located and where practically all operations of the Virgin Islands Company are carried on. But, we bought some plantations from the Danish people who operated those lands privately. The mills were there. That was in 1934. They have continued to operate, because you can grow good, substantial sugarcane on St. Croix, even as dry as it is.

This bill provides that we go in there and build earth dams to impound that water so that you have water during the dry season, which is 7 or 8 months a year. If you impound that water you can step up the production of agriculture practically double what there is at the present time. I say that as a practical farmer. I have made a study and I am convinced that it can be done. Those earth dams can be built that will impound anywhere from 5,000,000 to 15,000,000 gallons of water for as little as $2,000 to $3,500, because it is nothing but straight bulldozing work; no granite, no hardpan or rock, very little gravel, so that we can build them very cheaply. We should impound that water; we should put it out to irrigation; we should go in there and terrace that land and prevent the soil from being washed away and do some of the things down there that you have paid farmers in the United States millions of dollars to do.

But, the gentleman say, Why the dissimilarity in agricultural operations? It is on account of slight rainfall in the Virgin Islands. There is little well drinking water there. They use catch basins to impound rain water for drinking purposes. They do not have many wells of good water.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. KEATING. Does the Virgin Islands Corporation now exist and is it now existing?

Mr. CRAWFORD. The Virgin Islands Company has been operating since 1934. Here we change the name to the Virgin Islands Corporation.

Mr. KEATING. Then let me ask this question: Does this Virgin Islands Company now have substantially all the powers set forth in subdivision (h) on page 4?

Mr. CRAWFORD. Its powers at the present time are restricted primarily to agriculture, running the sugar plant, the sugar mill, the rum factory, disposing of the rum, and growing some cattle, growing some truck crops, and so forth.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. REDDEN. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CRAWFORD. This bill does three primary things: It extends those powers. It extends the powers; it broadens them considerably.

Mr. KEATING. Makes them general rather than specific.

Mr. CRAWFORD. Yes. No. 2, it provides the necessary funds to do a lot of this new work I am speaking about, and to rehabilitate the sugar mill, put some new machinery in there, bringing it to an efficient basis where you can efficiently get the sugar out of the sugarcane after it is grown. No. 3, $5,000,000 of this $9,000,000 that has been talked about is for lending purposes only. None of it can be used unless somebody makes application for a loan and collateralizes that loan. So, when you think of the $9,000,000, think of the $5,000,000 for loaning purposes as a little RFC.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from North Carolina.

Mr. REDDEN. There has been quite a lot of argument about the Government being engaged in the rum business down there. The gentleman from Louisiana [Mr. ALLEN] is going to offer an amendment on page 4, line 23, prohibiting the Government from engaging in the rum business, and the committee is going to accept that amendment, so that that will be eliminated. I want to say that in order to save some time.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes, out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FLOOD. Mr. Chairman, a few weeks ago I was privileged to visit the beautiful capital of our neighboring island of Cuba and to attend a solemn session of the Cuban House of Representatives in commemoration of Pan American Day.

It was a memorable and gratifying experience to have had the opportunity to meet the President of the Republic of Cuba, the Speaker of the Cuban House of Representatives, Members of the Congress, and officials of the Cuban Government. The warm and cordial reception accorded to me and to my colleagues, the gentleman from Nebraska, Representative STEFAN, and the gentleman from Georgia, Representative PRESTON, will always be gratefully remembered by us. It offers ample proof of Cuba's well-deserved reputation for hospitality and of the close and friendly ties which happily exist between the peoples of our two countries.

I know that I express the feelings of my two colleagues, as well as my own, when I say that we experienced very special satisfaction and pride in witnessing the heartfelt tribute which was rendered on that day to our great liberator, Abraham Lincoln. His memory was extolled with such sincere veneration that no American could be impervious to the glory reflected on all the citizens of our land by a man whose life is everywhere regarded as a symbol of heroic endeavor in defense of human rights. We were impressed by the fact that Cubans know our history; they study it and they seek to understand us through it. From early school age they become familiar with the names and the accomplishments of our great figures and they take pride in them, as in their own. And, believe me, gentlemen, Cuban history has its full share of heroic men; great sons of a small but proud island, whose devotion to a high cause, whose courage, sacrifice, and untiring effort made it possible for Cuba to take her rightful place in the community of free nations.

Among the many sterling men who conceived and shaped the Republic of Cuba none is rightfully more revered and loved, none surrounded by such an aura of immortal fame, as the man whose very name has become a symbol of the most exceptional human virtues: Jose Marti. He is referred to, with a reverence bordering on worship, as the Apostle, for from early youth he braved the rigors of prison, the vicissitudes of exile, and all the hardships to which the mind and flesh of man can be subject, to preach the gospel of a free Cuba. In the end he paid the supreme price; though not a warrior or a military man, he faced—even welcomed—the perils of the battlefield and he shed his life's blood on the soil of the beloved country whose freedom—which he did not live to see—had been his guiding aspiration.

Cuba—

He had said—

must be an altar on which to offer our lives, not a pedestal on which to raise ourselves.

Born in Habana in 1853 of poor and humble parents, Marti began to show evidence at an early age of the brilliance which was later to illuminate the entire firmament of Latin-American letters. Before reaching the age of 16 Marti had already written and published poems and newspaper articles in which he revealed his unmistakable revolutionary ardor and which led to his imprisonment under the most severe and trying conditions. This experience, which almost broke his health, fired him with increased zeal for the cause of liberation. Forced to leave for Spain, he started a lifetime of exile which took him to many countries, and which was broken only by a brief return to Cuba many years later, and by his final return in 1895, when he was to meet his death.

To Marti it was the bitterest of ironies that he should have spent the greater

part of his life away from the homeland he so dearly loved. His travels took him to Spain, to Mexico and Central America, to Venezuela, and for a period of many years to our United States. In Spain he pursued university studies and received degrees in law and in philosophy. He was an avid scholar and his quest for knowledge never ceased. In our country he diligently set himself to the task of mastering the English language, and for many years he contributed articles regularly to newspapers and publications, including the Sun. Everywhere he went he taught, he wrote, he spoke. His writings encompassed a wide variety of subjects, revealing amazing versatility and a wide range of knowledge. While Marti was in the United States, Argentina and Paraguay named him honorary consul, and Uruguay designated him as representative to an international monetary conference held in Washington, at which he read a paper on economic problems. If his prose is famed, his poetry has been hailed as among the finest in the Spanish language. Through his poetry Marti poured out his soul as an indefatigable rebel against oppression in all its manifestations. It has been said that, if liberty was almost a religion to him, poetry was his form of worship. Through his writings Marti is also revealed to us as a soul in which there is no room for hatred or animosity toward anyone, even toward his bitterest critics and enemies. The lesson of Marti's life has often been called a lesson of love—of the selfless pursuit of an ideal with no other thought of recompense than the welfare of his fellow man.

But Marti was no impractical dreamer, no armchair idealist. He was a born leader and organizer. He founded the famed Cuban Revolutionary Party while in exile; he planned and organized expeditions to colonial Cuba; he raised funds for the revolution; he obtained the sympathy and support of the people of foreign lands for the cause of Cuba. Marti excelled in all his undertakings—as a writer, a critic, a journalist, a poet, an economist, a politician in the noblest sense of the word—he was, above all, a man, a man of thought and a man of action.

Marti was a farsighted champion of pan-Americanism, of the unity of all the American people. He felt the voice of America, he knew how to express it, and he died in order for his dream to be realized.

America—

He said—

must promote everything that draws people together, and must abominate everything that pulls them apart.

He was forever building a bridge of friendship and understanding between the people of the American nations. He interpreted our history, our statesmen, our writers, and our poets, for the people of his tongue and his culture; conversely, he forever revealed to us the spirit of his own people. For the United States he had words of highest praise.

The greatest country ever engendered by liberty—

He described us, and he also said on another occasion:

It seems to me that in the United States all problems that concern and trouble the human race are to be met and resolved, that the free exercise of reason is going to save mankind much misery and doubt.

He wrote profusely about Lincoln, whom he greatly admired. It is, in fact, impossible to mention these two men without reflecting on the striking likeness between them—not in a physical sense, but in their ideals, their principles, their aspirations, even in their humble beginnings and their strenuous careers. "With malice toward none," is a phrase that could just as well have been spoken by Marti, while Lincoln might have found his own words echoed in the Cuban patriot's injunction that "the first law of our Republic must be the tribute of the Cuban people to the full dignity of man."

To Marti, the preeminent man of letters, the champion of human rights, the apostle of freedom, we render our homage of respect and admiration. He has scaled the heights of immortality, his glory and his attainments belong to history—they are the cherished possessions of Cuba, of America, of humanity.

The CHAIRMAN. Are there further amendments to section 2?

If not, the Clerk will read the committee amendments to section 3.

The Clerk read as follows:

Committee amendment: Page 4, line 2, strike out the words "of such sound value or."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 6, after the comma strike out the balance of line 6, all of line 7, and line 8 down to and including the word "per annum" and insert "and shall bear interest at a rate not exceeding 6 percent per annum. It shall be the general policy of the Corporation to establish interest rates on loans, subject to the foregoing limitations, that, in the judgment of the board of directors, will at least cover the interest cost of funds to the United States Treasury, other expenses of the lending activities of the Corporation, and a risk factor which, over all, should provide for losses that may materialize on loans."

The committee amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the language on page 3, line 10, and line 11.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD:

On page 3, line 10, after the word "property" strike out the words "to and from" and insert the word "between."

On line 11, strike out all after the word "Virgin Islands" and insert "and to and from the Virgin Islands, Puerto Rico, and Tortola."

Mr. CRAWFORD. Mr. Chairman, I think the amendment explains itself. The bill as written provides that "the Corporation may engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property to and from the Virgin Islands, and from place to place in the Virgin Islands."

The meaning of the amendment is to leave it so that the Corporation, if necessary, can operate its own small boat between the Virgin Islands and Puerto Rico, and from one Virgin Island to the other, and carry the commerce of the Corporation; and also, when required, to move produce and livestock from the Virgin Islands to Puerto Rico; and also from the Virgin Islands to Tortola, which is a British-owned island.

Mr. PETERSON. Mr. Chairman, the amendment is agreeable to the committee.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment on page 3, line 18.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: Page 3, line 18, strike out the words "administer, operate."

Mr. CRAWFORD. Mr. Chairman, that is to give the company the right to assist farmers owning small tracts of land which they purchased.

Mr. PETERSON. Mr. Chairman, we agree to that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer a further amendment on page 4.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 4, line 23, after the words "Virgin Islands", strike out the period, insert a colon and the following: *"Provided*, That such enterprise, undertaking, or activity shall not be in substantial competition with any existing private enterprise, undertaking, or activity."

Mr. PETERSON. Mr. Chairman, we consider that a good amendment and are glad to accept it.

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment to section 3.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: On page 4, line 18, strike out "$5,000,000" and insert "$2,500,000."

Mr. MILLER of Nebraska. Mr. Chairman, the language of the bill reads:

The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

I am asking to cut that down to $2,500,000, and I expect to do the same thing on page 9, where they permit them not to exceed a total of $9,000,000 at any one time. I believe these items are too large. There are only about 600 employed the year around and another 600 at the peak of the season. While we are merely enlarging the Corporation from the old Virgin Islands Company, we are giving them a full range of power. To me it will be an expanded socialistic dream giving the board full power and control with this Government going into every type of business. It is pure socialism. I am, therefore, offering this

amendment in good faith—that if we must go into this experiment in socialism that we take it in small doses. The amendment merely seeks to cut the authorization in half.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I have pointed out in the debate, five million of the nine-million-dollar structure which item appears at the top of page 9 of the bill is provided for lending purposes, not for operating purposes; in other words, the new Corporation is hereby authorized to lend up to $5,000,000 provided that people wish to engage in private enterprise, file applications for loans for that amount, and qualify for the loans. Furthermore, this entire operation is under the supervision, and the questioning, and the judgment of the Committee on Appropriations of the House of Representatives and of the Senate.

I feel we should do either one of two things, as I have said before: Put this Company on a sound basis, or kill the Company and liquidate it. I, therefore, object to the reduction of $2,500,000 in the $5,000,000 item which appears in line 18 on page 4 of the bill, and I hope the amendment will be voted down.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. GAVIN. While the gentleman is on his feet—I know he is a great student of economic affairs in Puerto Rico—I wonder if he can tell us something about the experiment we carried on several years ago in putting up a glass plant and other factories in Puerto Rico. Can he tell us what success we had with that venture?

Mr. CRAWFORD. Yes; I can tell the gentleman something about that. In the first place, the Congress of the United States had nothing to do with it whatsoever; it was a program operated entirely by the Government of Puerto Rico which has its own revenues, has its own budget to which we make no contribution if it has a deficit; and the funds for that experiment, the building of the glass factory, the building of the cement mill, the building of a textile mill, the building of a big tile factory, the building of a bottling plant and of a paper-box factory—those funds were provided primarily from remittances which the Federal Government made to the Government of Puerto Rico as provided in laws approved by Congress; funds coming from the export tax on rum produced in Puerto Rico and shipped out; taxes collected by our Federal Government and remitted to the Puerto Rican Government; all in accordance with law. Puerto Rican Government does, of course, have substantial revenue.

In the case of those enterprises, the cement mill, I think, has proven to be one of the most successfully operated plants of its kind in the world. I have had a chance upon numerous occasions to inspect the plants and the books of the company—and as late as the first week of this last January. The cement company has made what we sometimes term "fabulous profits." I am talking about the cement mill. It has been of great benefit to the people and to the Federal Government. The glass factory and some others have not yet gotten into the black.

Mr. GAVIN. Can the gentleman tell us what the capitalization of that enterprise was and approximately how much they have been losing each year?

Mr. CRAWFORD. I was coming to that. The glass factory, the tile factory, and the textile factory are all new operations. They have not yet gotten into the running channel and they are not on a profitable basis. They are running in the red and the Government of Puerto Rico through the taxpayers, are having to support those deficits which are being piled up. I am not making any forecast about what will happen hereafter. I opposed the establishment of those enterprises by the Puerto Rico Government in every way I knew how. My friend and colleague from New York [Mr. COLE], supported me in this opposition. We protested and we pled with the Ways and Means Committee of this House to put restrictions on handing to the Puerto Rican Government the export tax on rum, but we were unsuccessful in putting any kind of a bridle on those funds. Much of the funds went into these plants and the future will have to answer as to whether or not the operation will be successful.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PETERSON. Mr. Chairman, I move to strike out the last word.

Mr. STEFAN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. PETERSON. I yield to the gentleman.

Mr. STEFAN. Mr. Chairman, as I understand it, the gentleman from Nebraska has an amendment on page 4 and also an amendment on page 9. Are we working on both amendments?

The CHAIRMAN. The only amendment before the Committee at this time is the amendment on page 4, line 18, to strike the sum of $5,000,000.

Mr. STEFAN. We are not acting on the two amendments en bloc?

The CHAIRMAN. That is correct.

Mr. STEFAN. Merely on the $5,000,000 item on page 4?

The CHAIRMAN. That is correct; the amendment to line 18, page 4.

Mr. PETERSON. Mr. Chairman, what has been stated by the gentleman from Michigan in reference to this is correct and it goes to the whole gist of the situation. I hope the amendment will be voted down.

Mr. Chairman, in the interest of time may I say that the gentleman from Louisiana [Mr. ALLEN], the gentleman from Florida [Mr. BENNETT], the gentleman from Pennsylvania [Mr. RICH] and the gentleman from Kansas [Mr. REES], among others, have been very much interested in seeing an amendment adopted with reference to prohibiting the manufacture of rum or other intoxicating liquor. The gentleman from Louisiana [Mr. ALLEN], will offer such an amendment and I anticipate it will be adopted.

We want to save as much time as possible. I realize there are others who may wish to speak on this matter. But the chairman of the Armed Services Committee is standing by with another bill for consideration. May I ask at this time that such Members as may desire be permitted to extend their remarks in the RECORD following those of the gentleman from Louisiana [Mr. ALLEN] when he offers his amendment? That might save some time.

Mr. Chairman, I ask unanimous consent that after the address of the gentleman from Louisiana any Member may have permission to insert his remarks in the RECORD at that point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MILLER].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to section 3?

Mr. ALLEN of Louisiana. Mr. Chairman, I offer an amendment to section 3.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Louisiana: On page 4, line 23, after the word "Island" strike the period, add a semicolon and the following: "*Provided*, That the Corporation shall not engage in the manufacture of rum or other alcoholic beverages."

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Florida.

Mr. PETERSON. I will be glad to state to the gentleman that we on this side will accept that amendment.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Pennsylvania.

Mr. RICH. I congratulate the gentleman having this amendment adopted. I think it will cover a multitude of sins.

Mr. CRAWFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAWFORD. I wish to inquire what effect the adoption of this amendment will have on the amendment which was adopted some time ago.

The CHAIRMAN. The Chair will state that it is impossible for the Chair to make any attempt to interpret the effect or meaning of this or any other amendment. The gentleman may examine the amendment at the desk. The Chair would like to accommodate the gentleman in every way possible.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Do I understand that the gentleman's amendment applies to the language on page 4, line 23, following the words "Virgin Islands"?

Mr. ALLEN of Louisiana. Yes; that is right.

Mr. CRAWFORD. As I understand the situation, Mr. Chairman, that will upset the amendment that was adopted a few minutes ago.

The CHAIRMAN. The Chair will state that the amendment offered by the gen-

tleman from Louisiana follows the amendment previously offered by the gentleman from Michigan.

Mr. ALLEN of Louisiana. Mr. Chairman, I only have a word, and I do not want to take the time of the committee, because we have other important matters before us, but this, I think, settles the question of rum manufacture by the Government in the Virgin Islands. It has been a very distasteful matter to me and to a great many other Members that the Government was directly or indirectly engaged in the manufacture of rum for alcoholic beverages in the Virgin Islands. I want to stop that, and I think a lot of the Members want to stop it, and a lot of people want to stop it, and I think this amendment will stop it.

This rum-manufacturing business has been operated directly or indirectly by the Government in the Virgin Islands for some 14 or 15 years. The argument has been made that it was necessary to carry this on to help the economic situation in the islands. From the statements made here today on the floor, that position is absolutely untenable, in view of the fact that the business has been losing money. If it has been losing money, as they say, it has certainly not contributed to the economy of the islands. These islands were bought largely for military protection some years ago; and if the economy of the islands must be supported by our Government, as it must, then the remedy is to seek some other plan. I appreciate the fact that the people are to a great extent wards of this Government, and I have no desire to evade that responsibility, but that responsibility cannot be met by throwing the islands into the rum-making business.

I have long sought an opportunity to stop this liquor-manufacturing business by our Government, and I think some other Members of the House feel the same way about it, and my amendment offers the first opportunity to stop this iniquitous business. I am grateful to the chairman of this committee and other fine gentlemen on the committee who view this matter pretty much as I do and who have agreed to accept this amendment. I hope that the amendment passes and that it will remove this blot from our record of handling the Virgin Islands' affairs.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Kansas.

Mr. REES. The amendment offered by the gentleman is similar to one I submitted, excepting that the gentleman from the majority side was first called upon to offer it. I will be glad to support it.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am in sympathy with the amendment. The whole controversy is whether or not the Government is going to engage in the rum business or continue in the rum business, but the gentleman's amendment reads, "alcoholic beverages." What would prevent, in case of an emergency, that organization making alcohol for the purpose of making butadiene for rubber, or for war purposes? Would this stop it from making any alcohol for that purpose?

Mr. ALLEN of Louisiana. My amendment refers to making alcoholic beverages for drink.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Wisconsin.

Mr. KEEFE. As I understand, under the provisions of the pending bill all of the assets and property, real, personal, or mixed, tangible and intangible of the present Virgin Islands Company is transferred to this Corporation. Do I understand that among those assets is this rum-making plant there in the Virgin Islands?

Mr. ALLEN of Louisiana. Well, the chairman will have to answer that.

Mr. PETERSON. Yes.

Mr. KEEFE. Now, if the gentleman's amendment is adopted, and by the passage of this bill the Virgin Islands Company is put out of business, it will be out of business with a rum plant on its hands; will it not?

Mr. ALLEN of Louisiana. Well, the Government has no business with a rum plant.

Mr. KEEFE. My question is, What provision is there in the law to provide for the orderly liquidation of that part of the Virgin Islands Company business?

Mr. REDDEN. Mr. Chairman, if the gentleman will yield, there is an amendment on the desk which I think will be accepted by the committee providing for this equipment to be disposed of some time during 1951.

Mr. KEEFE. I find nothing in the bill as it is, and I raise the question because that ought to be taken care of.

Mr. REDDEN. It will be.

Mr. PETERSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent that in the Allen amendment the word "further" begin after the word "provided." That ties it in with the Crawford amendment, and we will be glad to accept it on that basis.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. REES. Mr. Chairman, I support the amendment of the gentleman from Louisiana [Mr. ALLEN]. It is similar to an amendment that I have also submitted for consideration of this committee.

There is no good reason or excuse why the taxpayers of this country should contribute to the production of rum in the Virgin Islands, or anywhere else. The situation is even more absurd when we are told by the members of the committee submitting this legislation that the manufacture of rum is a losing proposition financially. In any event, whether losing or not, the sooner we get out of the rum business in the Virgin Islands the better it will be for us, and it will also be better for the people of the Virgin Islands to engage in a more laudable business than that of manufacturing rum.

Mr. BRYSON. Mr. Chairman, the gentleman from Louisiana [Mr. ALLEN] is so right as he always is, in offering the amendment to H. R. 2989 preventing the proposed Corporation to be known as the Virgin Islands Corporation from continuing the manufacture of rum or other intoxicants on the Virgin Islands or elsewhere.

It is shocking to realize that the Government, at least indirectly, has been engaged in the manufacture of rum. It is not shocking that the Government has lost money in its rum manufacturing, but is typical, for in nearly every instance where the Government has gone into business, money has been lost. In this connection, I call attention to the following figures which are astounding:

During the United States Government's fiscal year which ended June 30, 1948, according to figures published in the Christian Advocate (Methodist weekly paper), the liquor traffic used the following huge quantities of grain, sugar, and fruit in the production of its alcoholic beverages: 39,295,948 bushels of corn, 64,678,107 bushels of barley, 302,281,030 pounds of rice, 368,824,066 pounds of rye, 366,007,385 pounds of sorghum, 193,275,206 pounds of sugar, 2,554,650 gallons of molasses, 1,969,966,181 pounds of grape and other fruits, 199,814,590 gallons of fruit juices.

The statistically minded editor of the Christian Advocate has calculated that the 39,295,948 bushels of corn would have produced 220,000,000,000 pancakes, enough to have given 25,000,000 hungry people a plateful of 5 pancakes for breakfast each morning for 1,760 consecutive days, almost 5 years. The reader can calculate for himself what the other quantities of food which the liquor traffic diverted and consumed in 1 year, would have contributed in feeding a desperately hungry world.

When the American people voted to repeal the prohibition amendment they were never told that 15 years later the liquor interests would have diverted in 1 year for the manufacture of alcoholic beverages enough corn to have given 5 breakfast pancakes to each of 25,000,000 hungry people each day for 5 consecutive years.

The gentleman from Louisiana is to be congratulated in offering his amendment, and I hope the majority of the Committee will vote to exclude or strike out such provisions in the bill as would permit the manufacture of rum.

I do not know what moneys are invested in the equipment or machinery for the manufacture of rum. However, I favor disposing of the equipment without delay at whatever price can be obtained therefor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. ALLEN].

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 36, noes 23.

So the amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 3?

It not, the Clerk will report the committee amendment to section 4.

The Clerk read as follows:

Committee amendment: Page 6, line 5, after "Corporation" insert a colon and the following: "*Provided*, That in no case shall the Corporation contract to undertake an activity for any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political

subdivision thereof, unless the latter is authorized by law to undertake such activity and furnishes the funds for such purpose."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 7, line 1, after "Corporation." strike out the remainder of line 1 and all of lines 2 to 7 down to and including the word "person" in line 8, and insert the following: "In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States or his representative to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board."

The committee amendment was agreed to.

The CHAIRMAN. Are there any other amendments to section 4?

Are there any amendments to section 5?

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 8, line 22, after "instrumentality" strike out the period and insert "or by any private corporation, partnership, or person."

Mr. CRAWFORD. Mr. Chairman, the purpose of this amendment is to further protect private industry and private operators in the islands.

Mr. PETERSON. We agree to the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 5?

If not, the Clerk will report the committee amendment to section 6.

The Clerk read as follows:

On page 9, line 6, after "Corporation" strike out the remainder of line 6 and all of lines 7 and 8.

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 6?

If not, the Clerk will report the committee amendments to section 7.

The Clerk read as follows:

Page 9, line 15, after "shall" insert "not."

Page 9, line 15, after "undertake" strike out "no" and insert "any."

Page 9, line 16, after "activities" insert "or major activities."

Page 9, line 20, after "except," insert "when the Congress is not in session."

On page 10, line 16, after "advance," insert "such rate to be calculated to reimburse the Treasury for its cost."

The committee amendments were agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: at page 9, line 19, after the word "enacted" insert "by the Congress."

Mr. CRAWFORD. Mr. Chairman, that is a clarifying amendment tying the language to the Acts of the Congress of the United States.

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 7? If not, the Clerk will report the committee amendments to section 8.

Mr. COLE of New York. Mr. Chairman, I ask unanimous consent that the committee amendments to section 8 be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Committee amendments:

Page 1, line 13, strike out "recover" and insert "cover."; line 14, after the word "are" insert "included in the annual budget as"; line 21, starting with (b) strike out all of lines 21, 22, 23, 24, 25 and all of lines 1, 2 and 3 on page 12, and insert:

"(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, to be accounted for as general funds of the Corporation, in such amounts as may be necessary to meet expenses to be incurred for specific programs which are included in the annual budget as not predominantly of a revenue-producing character: *Provided, however,* That (1) in the case of activities of a predominantly non-revenue-producing character the expenses shall not exceed the amounts of the grants for these activities, and that (2) the funds granted under this subsection shall be expended only upon certification by a duly authorized certifying officer designated by the Corporation, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the Act of December 29, 1941 (55 Stat. 875), as amended (31 U. S. C. 82b–g)."

The committee amendments were agreed to.

The CHAIRMAN. Are there any further amendments to section 8? If not, the Clerk will report the committee amendments to section 9.

Mr. PETERSON. Mr. Chairman, I ask unanimous consent that the committee amendments to section 9 may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Committee amendments: Page 13, line 6, after the period strike out the balance of the lines down to and including all of line 16, and insert:

"The management of the Corporation shall be vested in a Board of Directors consisting of seven members, including the Governor of the Virgin Islands, the President of the Corporation, the President of the United States representative or his nominee, and four others who shall be appointed by the President of the United States.

"The Board shall select its Chairman. The appointed directors shall serve for a period of 5 years, except that the terms of the members first appointed shall be shortened to provide for replacement or reappointment in number as nearly equal as possible each year. Qualifications of Board members shall include demonstrated ability, attachment to the public interest, impartiality, and diversified experience among its members. The Board shall include members who are not full-time employees of the United States, the government of the Virgin Islands or its municipalities. The Board shall be responsible for over-all policy making and general supervision. The Board shall meet at least quarterly, at least one of which meetings each year shall be held in the Virgin Islands. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of four directors."

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD to the committee amendment: Page 13, line 18, after the words "Governor of the Virgin Islands" strike out the remainder of the paragraph and insert "the designee of the President of the United States, as provided in section 1, and five others, who shall be appointed by the President of the United States."

Mr. CRAWFORD. Mr. Chairman, the purpose of this amendment is to clarify the language of the bill. The bill provides for a Board of Directors of seven. In view of the fact that the Virgin Islands were under the jurisdiction of the Department of the Interior, the committee felt that the Department of the Interior should be represented on the Board of Directors, acting for the President of the United States. The amendment inserts the proper language in the bill for that purpose.

Mr. PETERSON. That is agreeable.

The amendment to the committee amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer a further amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD to the committee amendment: On page 14, line 4, after the words "The Board shall", strike out "include" and insert "be composed of"; and on line 6, after "municipalities" strike out the period and insert a comma and the words "except the designee of the President of the United States and the Governor of the Virgin Islands."

Mr. CRAWFORD. Mr. Chairman, the purpose of this language is to provide that the Board of Directors of the Corporation shall consist of people who are not full-time employees of the United States or of the government of the Virgin Islands, with the exception of the Governor of the Virgin Islands and the designee of the President, or, we will say, someone of the Department of the Interior. In other words, the Board of Directors will consist of the Governor of the Virgin Islands, the representative of the President of the United States, and five other members to be selected by the President of the United States, thus constituting the Board of seven.

Mr. PETERSON. Mr. Chairman, that amendment is agreeable to the committee.

The CHAIRMAN. Without objection, the amendment to the committee

amendment offered by the gentleman from Michigan is agreed to.

There was no objection.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendments: Page 14, line 17, strike out "supervisory official" and insert "President or his representative"; line 21, strike out "special" and insert "official"; and after the word "their" insert the word "necessary"; line 23, strike out "special" and insert "official."

Page 15, line 2, after the word "service" insert "without additional compensation."

The committee amendments were agreed to.

The Clerk read as follows:

Committee amendment: Page 15, line 3, after the word "director" strike out the balance of the line and all of lines 4, 5, and 6, and insert "The administrative functions shall be centered in a staff of full-time executive officers headed by a President appointed by the Board. The President shall be responsible to the Board for the execution of programs and policies adopted by the Board and for the day-to-day operations of the Corporation. Between meetings of the Board, the Chairman shall see that the Corporation faithfully executes the programs and policies adopted by the Board."

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD to the committee amendment: On page 15, line 8, after the word "President" at the beginning of the line, strike out the remainder of the sentence and insert "elected by the Board from its members."

Mr. CRAWFORD. Mr. Chairman, the purpose of this amendment is to provide that the President of the Corporation shall be elected by the Board of Directors, and that he shall be one of the members of the Board.

Mr. PETERSON. Mr. Chairman, the committee is agreeable to that amendment.

Mr. NICHOLSON. Mr. Chairman, I do not want to object, but I am wondering why we have so many amendments to this bill that comes from the committee. Could not the committee take care of these things before they brought the bill to the floor?

The CHAIRMAN. The Chair would not like to undertake to answer that question.

Mr. PETERSON. Well, these are suggestions that certain members have made. They were not considered serious or worth objecting to. Any bill can be improved.

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The CHAIRMAN. Are there any additional amendments to the committee amendment to section 9?

Mr. REES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair is entertaining amendments to the committee amendment in section 9.

Mr. REES. Well, it follows the committee amendment in the bill, so I assume it is an amendment to the committee amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kansas.

The Clerk read as follows:

Amendment offered by Mr. REES to the committee amendment: On page 13, line 21, at the end of line 21 insert "At least two of said Directors shall be members of the minority party."

Mr. REES. Mr. Chairman, I am proceeding on the assumption that the intention of the Committee is to appoint at least a partially nonpartisan Board. This amendment provides that at least two of the members should belong to the minority party. I cannot see how there can be any objection on the part of the Committee to this amendment.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman and active member of the committee.

Mr. REDDEN. What minority party would that refer to? I would have no objection, personally, if you say "two members of the Republican Party." But when you say "minority party," there are so many minority parties that I do not know who you mean.

Mr. REES. I was thinking of the language used in other bills. The Republican Party is regarded as the minority party at the present time. Of course, it may be the majority party later on.

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield.

Mr. PETERSON. Ordinarily I would be heartily in favor of what the gentleman is attempting to do. However, we tried to make it entirely nonpolitical, and there is a provision in section 7 that in the appointment of officials and the selection of employees no political test or qualification shall be allowed. We tried to keep it altogether out of politics. Were it not for that, I would readily consent to the gentleman's amendment.

Mr. REES. I read the section to which the gentleman refers, but I think this is an additional protection that is proper to place in the bill.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. REES. I yield.

Mr. MILLER of Nebraska. I think the amendment the gentleman proposes is one that I suggested in committee. It follows the pattern set up in other boards and I see no reason why it should not be done because under the present bill these directors are appointed for a term of 5 years by the President. I see no reason why we should set up some board here the complexion of which might be totally of the party in power. I think it ought to be like the other boards.

Mr. REES. Mr. Chairman, I ask unanimous consent to offer a correcting amendment that will take care of the situation to which the distinguished chairman has referred.

The CHAIRMAN. Is there objection to the request from the gentleman from Kansas?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. REES: On page 13, line 21, insert "not more than four members of the board shall be from the same political party."

Mr. REES. Mr. Chairman, I think that takes care of the criticism of the chairman of the committee.

Mr. PETERSON. Mr. Chairman, I do not object to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. REDDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. REDDEN. Mr. Chairman, I made a statement to the gentleman from Wisconsin [Mr. KEEFE] that there was an amendment on the desk relating to the period of time granted to the Corporation to dispose of certain machinery in connection with the operation of the rum plant. I have not heard that referred to and I do not want it overlooked. I wonder if it is still on the desk?

The CHAIRMAN. Is it an amendment to section 9?

Mr. REDDEN. I do not know the section, but I do not want it to come up too late because that was understood in a general way.

The CHAIRMAN. The Chair, of course, has called off the sections and asked whether any amendments were to be offered. We are now on section 9 for the purpose of entertaining any amendments to be offered to that section.

Are there any other amendments to section 9? If not, are there any amendments to section 10?

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to be assured, in view of the tacit agreement with the chairman of the subcommittee, as to what place he proposes to offer an amendment to provide for the orderly disposition of the machinery and equipment that will be owned by this Corporation which it cannot pass to its successor? I think a very fair question was raised as precipitated by the adoption of an amendment offered by the gentleman from Louisiana. If we are going by that amendment to force the Virgin Islands Company out of the rum business, and that is what you voted to do, there ought to be some provision in this bill for an orderly disposition of that plant. The distinguished gentleman, Mr. Redden, assured me at the time that an amendment would be offered to take care of that situation.

Now, I simply ask the question. We are now on section 10 which provides for transfer of the property to the new corporation from the old one. Is that the section to which the gentleman will offer the amendment?

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from North Carolina.

Mr. REDDEN. Mr. Chairman, in order that the question might not be overlooked, I addressed the Chair a few moments ago. The Clerk stated that there is an amendment to that effect offered by the gentleman from Kansas [Mr. REES]. Of course, as the gentleman knows, that amendment will have to be offered by the gentleman from Kansas [Mr. REES].

As the gentleman knows, of course, the amendment will have to be called up by the gentleman from Kansas [Mr. REES]. I am just wondering if he intends to do that.

Mr. KEEFE. I will ask the gentleman from Kansas, who is here. There should be an amendment which will provide for the orderly disposition of the property, the factory, and the machinery, and so on, utilized in the rum-making business by the present Virgin Islands Company.

Mr. REES. In reply to the gentleman from Wisconsin, I might say that I have at the Clerk's desk an amendment very similar to the amendment offered by the gentleman from Louisiana, which simply said they should go out of the rum business by 1951. But I have been assured on the floor of this House by the Chairman of the Subcommittee in charge of the bill, that such an amendment was being submitted; and, assuming that the amendment would be offered I did not prepare one.

Mr. KEEFE. Thus it appears that there is no amendment pending on the Clerk's desk prepared by the gentleman from Kansas.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. COLE of New York. I wonder if the gentleman's attention has been directed to subparagraph 8 (f) of section 4 which authorizes this Corporation to sell, lease, or otherwise dispose of property which comes under its control? And I wonder if that is not sufficient authority to authorize the Corporation to dispose of this plant?

Mr. KEEFE. I may say to the gentleman from New York that I understand that that general language is the language whch is usually found in the charter of most corporations, and I did not think that it was by any chance put into this bill for the purpose of covering the situation that has now developed as a result of the adoption of the Allen amendment. Under any interpretation of the law it would be my position that it was not so intended or in contemplation at the time the bill was first written.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. REDDEN. I believe the gentleman's interpretation is correct, at the time the bill was written the Allen amendment was not in mind. Under that they are prohibited from engaging in the manufacture of rum. For that reason there can be no alternative but to dispose of the property.

Mr. KEEFE. As long as the record is clear, the legislative record made by the Congress as to the interpretation of this language is clear, that is what I want to make sure of. I understand now that the position of the committee is that having adopted the Allen amendment you consider that the bill as presently written contains sufficient language to authorize the new Corporation which gets possession of that property under the terms of this bill to dispose of it and do away with it in an orderly process of liquidation.

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. PETERSON. That would be the way I would construe the bill in the present situation. The gentleman from Kansas [Mr. REES], I understood, had an amendment, which the gentleman from North Carolina [Mr. REDDEN] referred to. The gentleman from Louisiana [Mr. ALLEN] offered an amendment which was adopted. The gentleman from Kansas did not follow up with his amendment. Under the general language of the bill they have ample authority to dispose of the property.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. REES. I have an amendment at the Clerk's desk which I believe will take care of the situation we have been discussing.

Mr. KEEFE. As far as my inquiry is concerned, the assurance of the chairman of the committee—and I take it that is the attitude also of the ranking minority member of the committee—that there is sufficient authority in the bill now to liquidate this property in an orderly manner and dispose of it without additional new language.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEEFE. Does the gentleman so understand it?

Mr. CRAWFORD. I can appreciate the gentleman's position in this but I will have to make this observation in self-defense: The rum industry is down on its knees at the moment; there is no market for rum; many companies are facing receivership, and I do not know how you can go out today and sell a rum plant in an orderly way as far as financial procedure is concerned. You could do it in an orderly way as far as the legal technicalities are concerned.

Mr. KEEFE. You could probably be able to sell it as junk; you could at least sell it for whatever you might get out of it.

Mr. CRAWFORD. Yes. If by "orderly manner" that is what the gentleman means.

Mr. KEEFE. I assume that this Corporation that we are setting up under this new business management will certainly have the authority. That is all I wanted to know, that you were not going to leave this property hanging up there in the air with nobody in charge of it when that situation comes about.

The CHAIRMAN. Are there any amendments to section 10?

Mr. REES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES: Page 15, line 21, after the period, insert *"Provided further*, That all investments and property which relate directly to the making of rum shall be sold or discontinued on or before July 1, 1951."

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from North Carolina.

Mr. REDDEN. The committee on this side will be glad to accept the gentleman's amendment.

Mr. REES. I appreciate the gentlemen's statement.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Michigan.

Mr. CRAWFORD. I have just stated that the rum industry is not very profitable at the present time.

Mr. REES. It never has been profitable using the Government's money, the taxpayers' money, to make rum.

Mr. CRAWFORD. If the gentleman will permit, I will talk a little business sense. The rum industry is not profitable now. This is no time to ask a board of directors to sell a plant, and my business judgment is such that I have to oppose the amendment.

Mr. REES. Under my amendment you will have until July 1951 to get out of the rum business and dispose of whatever equipment may be owned by the Government that is being used for that purpose.

The distinguished member of this committee, the gentleman from Michigan [Mr. CRAWFORD] has just told us that the rum industry is not profitable, so the sooner the better we get out of the rum business financially or otherwise.

Under my amendment, as I said before, you will have more than a year during which to dispose of this equipment. The amendment is in line with the suggestions that have been made this afternoon by other Members, including the gentleman from Wisconsin [Mr. KEEFE].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES) there were—ayes 9, noes 53.

So the amendment was rejected.

The CHAIRMAN. Are there any other amendments to section 10?

Are there any amendments to section 11?

The Clerk will report the committee amendments to section 12.

The Clerk read as follows:

Committee amendment: On page 17, line 18, strike out "Secretary of the Interior" and insert "Representative of the President of the United States."

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD to the committee amendment: Strike out "representative of the President of the United States" and insert "designee of the President of the United States as provided in section 1."

Mr. PETERSON. Mr. Chairman, we accept that amendment.

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 18, line 6, after the word "payments" insert a colon and the following: *"Provided, however,* That the payments authorized by this section shall not include payments in lieu of income taxes, capital stock taxes, or franchise taxes."

The committee amendment was agreed to.

The CHAIRMAN. Are there any amendments to section 13?

Are there any amendments to section 14?

Are there any amendments to section 15?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JACKSON of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, pursuant to House Resolution 185, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. NICHOLSON) there were—ayes 115, noes 11.

Mr. HULL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 273, nays 62, not voting 96, as follows:

[Roll No. 88]

YEAS—273

Addonizio	Forand	Marshall
Albert	Ford	Martin, Mass.
Allen, Calif.	Frazier	Merrow
Allen, La.	Fugate	Michener
Andersen, H. Carl	Furcolo	Miller, Calif.
Anderson, Calif.	Garmatz	Mills
Andresen, August H.	Gary	Mitchell
Andrews	Gathings	Monroney
Angell	Gavin	Morgan
Arends	Gillette	Morris
Aspinall	Golden	Morrison
Auchincloss	Gordon	Morton
Bailey	Gore	Moulder
Baring	Gorski, Ill.	Multer
Barrett, Wyo.	Gossett	Murdock
Bates, Mass.	Graham	Murray, Tenn.
Battle	Granger	Nelson
Beall	Grant	Noland
Beckworth	Gross	Norblad
Bennett, Fla.	Hagen	Norton
Bennett, Mich.	Hale	O'Brien, Ill.
Bentsen	Halleck	O'Brien, Mich.
Biemiller	Harden	O'Hara, Ill.
Blackney	Hardy	O'Neill
Blatnik	Hare	O'Sullivan
Boggs, Del.	Harris	O'Toole
Boggs, La.	Harvey	Passman
Bolling	Havenner	Patten
Bolton, Md.	Hays, Ohio	Peterson
Bolton, Ohio	Hébert	Philbin
Bosone	Hedrick	Phillips, Tenn.
Boykin	Herlong	Pickett
Brooks	Herter	Polk
Brown, Ga.	Heselton	Potter
Bryson	Hill	Poulson
Buchanan	Hoeven	Powell
Buckley, Ill.	Hoffman, Ill.	Price
Burdick	Holifield	Priest
Burke	Holmes	Rains
Burleson	Hope	Ramsay
Burnside	Howell	Redden
Byrnes, Wis.	Huber	Regan
Camp	Jackson, Wash.	Rhodes
Cannon	Jacobs	Ribicoff
Carlyle	James	Richards
Carnahan	Javits	Riehlman
Carroll	Jenison	Rivers
Case, N. J.	Jennings	Rogers, Fla.
Case, S. Dak.	Johnson	Sabath
Cavalcante	Jonas	Sadowski
Chatham	Jones, Ala.	St. George
Chelf	Jones, Mo.	Sasscer
Chesney	Jones, N. C.	Scudder
Christopher	Judd	Shafer
Cole, Kans.	Karst	Sheppard
Cole, N. Y.	Karsten	Sikes
Cooley	Kean	Sims
Cooper	Kearney	Spence
Cox	Kearns	Stanley
Crawford	Keating	Steed
Crook	Kee	Sullivan
Crosser	Kennedy	Sutton
Dague	Kilburn	Tackett
Davenport	King	Talle
Davies, N. Y.	Kruse	Teague
Davis, Tenn.	Lane	Thomas, Tex.
Davis, Wis.	Lanham	Tollefson
Dawson	Larcade	Trimble
Deane	Latham	Van Zandt
Delaney	LeFevre	Velde
Denton	Lemke	Vinson
Dollinger	Lesinski	Vorys
Dolliver	Lind	Wagner
Donohue	Linehan	Walter
Doughton	Lovre	Weichel
Douglas	Lucas	Welch, Calif.
Doyle	Lyle	Werdel
Durham	McCarthy	Wheeler
Eaton	McCormack	White, Calif.
Eberharter	McDonough	Wickersham
Elliott	McGrath	Wier
Elston	McGuire	Wigglesworth
Engel, Mich.	McKinnon	Willis
Engle, Calif.	McMillan, S. C.	Wilson, Ind.
Evins	McSweeney	Wilson, Okla.
Feighan	Mack, Ill.	Wilson, Tex.
Fenton	Mack, Wash.	Wolcott
Fernandez	Madden	Woodruff
Fisher	Magee	Yates
Flood	Mahon	Young
	Marcantonio	Zablocki
	Marsalis	

NAYS—62

Abernethy	Bramblett	Church
Bates, Ky.	Brehm	Colmer
Bishop	Chiperfield	Cotton
Cunningham	McMillen, Ill.	Reed, Ill.
Curtis	Mansfield	Reed, N. Y.
Davis, Ga.	Martin, Iowa	Rees
D'Ewart	Mason	Rich
Dondero	Meyer	Sanborn
Hall, Edwin Arthur	Miller, Md.	Scrivner
Hart	Miller, Nebr.	Secrest
Hull	Murray, Wis.	Simpson, Ill.
Jackson, Calif.	Nicholson	Smathers
Jensen	Norrell	Smith, Kans.
Keefe	O'Hara, Minn.	Smith, Wis.
Keogh	O'Konski	Stefan
Kunkel	Pace	Taber
LeCompte	Phillips, Calif.	Vursell
Lichtenwalter	Poage	Whitten
McCulloch	Preston	Williams
McGregor	Rabaut	Winstead
	Rankin	Withrow

NOT VOTING—96

Abbitt	Gwinn	Quinn
Allen, Ill.	Hall, Leonard W.	Rodino
Barden	Hand	Rogers, Mass.
Barrett, Pa.	Harrison	Rooney
Bland	Hays, Ark.	Sadlak
Bonner	Heffernan	Scott, Hardie
Breen	Heller	Scott, Hugh D., Jr.
Brown, Ohio	Hinshaw	Short
Buckley, N. Y.	Hobbs	Simpson, Pa.
Bulwinkle	Hoffman, Mich.	Smith, Ohio
Burton	Horan	Smith, Va.
Byrne, N. Y.	Irving	Staggers
Canfield	Jenkins	Stigler
Celler	Kelley	Stockman
Chudoff	Kerr	Tauriello
Clemente	Kilday	Taylor
Clevenger	Kirwan	Thomas, N. J.
Combs	Klein	Thompson
Corbett	Lodge	Thornberry
Coudert	Lynch	Towe
DeGraffenried	McConnell	Underwood
Dingell	Macy	Wadsworth
Ellsworth	Miles	Walsh
Fallon	Murphy	Welch, Mo.
Fellows	Nixon	Whitaker
Fogarty	Patman	White, Idaho
Fulton	Patterson	Whittington
Gamble	Perkins	Wolverton
Gilmer	Pfeifer, Joseph L.	Wood
Goodwin	Pfeiffer, William L.	Woodhouse
Gorski, N. Y.	Plumley	Worley
Granahan		
Green		
Gregory		

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney for, with Mr. Gamble against.

Mr. Wolverton for, with Mr. Hoffman of Michigan against.

Mr. Brown of Ohio for, with Mr. Macy against.

Mr. Fogarty for, with Mr. Plumley against.

Mr. Staggers for, with Mr. Thomas of New Jersey against.

Mr. Ellsworth for, with Mr. Short against.

General pairs until further notice:

Mr. deGraffenried with Mr. Towe.

Mr. Gilmer with Mr. Hand.

Mr. Rodino with Mr. Canfield.

Mr. Quinn with Mr. Jenkins.

Mr. Clemente with Mr. Gwinn.

Mr. Chudoff with Mr. Goodwin.

Mr. Abbitt with Mr. Coudert.

Mr. Gorski of New York with Mr. Corbett.

Mr. Tauriello with Mr. Wadsworth.

Mr. Walsh with Mr. Taylor.

Mr. Whitaker with Mr. Simpson of Pennsylvania.

Mr. Wood with Mr. Fulton.

Mr. Kelley with Mr. Lodge.

Mr. Lynch with Mr. Patterson.

Mr. Murphy with Mr. Hinshaw.

Mr. Heller with Mr. Horan.

Mr. Kirwan with Mr. Hugh D. Scott, Jr.

Mr. Granahan with Mr. McConnell.

Mr. Green with Mr. Hardie Scott.

Mr. Joseph L. Pfeifer with Mr. Sadlak.

Mr. Harrison with Mr. Stockman.

Mr. Hobbs with Mr. Clevenger.

Mr. Barrett of Pennsylvania with Mr. William L. Pfeiffer.

Mr. Fallon with Mr. Fellows.

Mrs. Woodhouse with Mrs. Rogers of Massachusetts.

Mr. Hays of Arkansas with Mr. Smith of Ohio.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

FEDERAL SECURITY AGENCY

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 202, Rept. No. 516), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 782) to constitute the Federal Security Agency a Department of Welfare. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DEPARTMENT OF STATE

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 203, Rept. No. 517), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3559) to strengthen and improve the organization and administration of the Department of State, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMPENSATION TO THE SWISS GOVERNMENT

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 204, Rept. No. 518), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by the United States armed forces in violation of neutral rights, and authorizing appropriations therefor. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SUBSISTENCE EXPENSES AND MILEAGE ALLOWANCES OF CIVILIAN OFFICERS AND EMPLOYEES OF THE GOVERNMENT

Mr. McSWEENEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 205, Rept. No. 519), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3005) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. PHILLIPS of California asked and was given permission to extend his remarks in the RECORD and include an article on Mother's Day by Dr. C. E. B. Ward.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Washington Post.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD in two instances and include a newspaper article.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD in three instances and include in each an editorial.

COMMUNISM IN AMERICA

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, information furnished us by FBI Director J. Edgar Hoover and the Un-American Activities Committee of Congress discloses there are approximately 825,000 American Communists and fellow-travelers in our own country, who would be spies, traitors, or saboteurs in time of war.

This morning we are informed that recent investigations of the FBI reveal that 8,881 employees have been dismissed from the Federal service within the last few months as a result of loyalty investigations. In the State Department alone the investigation brought to light 21 persons suspected of Soviet espionage, 45 members of the Communist Party, and 108 suspected of subversion. We are informed the Soviet Union and its satellites have 102 persons on the United Nations pay roll in New York City and nearby Lake Success. One of its members is now held on a suspicion of espionage. Communist leaders in the United States have joined in the declaration that in a conflict between the Soviet Union and this Country, they would support the Soviet Union.

We all recall that last fall President Truman and various candidates for Congress, including my opponent from the Seventeenth District of Ohio, ridiculed the Congressional spy investigation as a "red herring" designed to divert attention from the record of the Eightieth Congress. Mr. Speaker, the facts now disclosed would lead me to say the "red herring" of 1948 has reddened faces in 1949.

In my opinion, the Communists in America are traitors, agents of a foreign power. Mr. Speaker, their aim is sedition, espionage and treason and I believe a definite decision must be made by our Government at once and strong measures taken to protect our American way of life. It seems ridiculous to me to ask our American taxpayers to continue to pay high taxes in order to send money and materials to Europe to fight communism—approximately $28,000,000,000 sent since the closing of the war—and, at the same time, pamper and allow communism to spread here in our own country.

I contend, as I did during the recent campaign, that communism in America is not a "red herring," it is a menace and definite action should be taken to protect us against the invasion of communism. We have no place in this country for those who do not believe in the advantages of our free enterprise system and the blessings of American freedom.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD in two instances and include a letter to the editor.

UNIFORM CODE OF MILITARY JUSTICE

Mr. SABATH. Mr. Speaker, I call up House Resolution 201 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard and to enact and establish a Uniform Code of Military Justice. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order a bill which has been reported from the Committee on Armed Services. It aims to unify, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice. I know that will be pleasing and acceptable to all of us. The rule provides for 3 hours' general debate, and the bill will then be taken up, as usual, under the 5-minute rule. It is an extremely important bill, but the most important part, to my mind, is the section providing for a special Court of Military Appeals, which shall consist of three members to be appointed by the President, two of one party, and the third of the other party, which would have jurisdiction in all matters, instead of, as heretofore, having such matters under the control of the gentlemen of the Army and the Navy. I need not remind you of the many complaints that we have heard, and that the country has heard, relative to the unfair treatment accorded to enlisted men by those gentlemen. The gentlemen to be appointed to this court will be civilians, and will be appointed for life tenure. The salary will be comparable to that of a United States Court of Appeals justice. I think this legislation is a step in the right direction. In view of the fact that the extremely able chairman of the committee is present, as well as the members of his committee, who have heard the evidence, I know that they are in a much better position than I am to explain the bill in detail.

From what I have read of the bill and the evidence before our committee, I have come to the conclusion that it is a meritorious bill and really deserving of the unanimous support of the Members of the House who believe in justice to those who frequently get themselves in a little trouble, not because of their own fault, but because they disobeyed some of the unfair and arbitrary orders that some of these generals and colonels gave them, orders which they sincerely felt they were not obligated to comply with and which they felt were not germane to their draft status. But be that as it may, in this case those men will get justice in the future which has been denied them in the past.

Mr. Speaker, I reserve the remainder of my time, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore (Mr. CHELF). Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to my colleague from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I have no requests for time on the rule on this side. I yield back my time.

Mr. SABATH. Mr. Speaker, if there are no requests for time, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4080, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia [Mr. VINSON] is recognized for 1½ hours.

Mr. VINSON. Mr. Chairman, after 5 weeks of careful study on the part of the subcommittee, of which the distinguished gentleman from Louisiana [Mr. BROOKS] was chairman, that subcommittee reached a unanimous conclusion, and that was unanimously approved by the full committee.

This subcommittee has done an outstanding job. For 5 weeks the committee conducted hearings, oftentimes working 6 days a week.

This bill is endorsed and recommended by the Bureau of the Budget. It is approved by the National Military Establishment. It is approved by the administration, and it is unanimously approved, as I have said, by the Armed Services Committee.

No member of the committee is better qualified to explain this bill than the distinguished gentleman from Louisiana [Mr. BROOKS], and the other members of his subcommittee. Therefore, Mr. Chairman, I am turning this bill over for explanation to the distinguished and learned gentleman from Louisiana [Mr. BROOKS]. I yield the gentleman such time as he desires to use.

Mr. BROOKS. Mr. Chairman, I want to thank the chairman of the committee for the kind words he has said on behalf of the subcommittee which handled this bill. In the handling of the bill we always have the full cooperation of the chairman of the committee, the distinguished gentleman from Georgia [Mr. VINSON.] A number of times we had to appeal to him for guidance. He was always most cooperative. I feel that the cooperation he gave this subcommittee has gone a long way to make our labors pleasant and effective.

Mr. Chairman, to every member of the subcommittee, I wish to pay a personal tribute. The hearings by this committee, although extending over weeks, as the chairman of the full committee, the gentleman from Georgia [Mr. VINSON], has stated, oftentimes running 6 days a week and working late into Saturday afternoons, presented the unusual situation that instead of there being a falling off of attendance as the work went on, the attendance increased until during the last week of the hearings it was larger than at any previous time. All members of the committee participated actively in drafting this legislation, and it certainly was a most happy situation which presented itself when we finally voted on the bill and found every member of the committee in favor of it as reported, and all parts of it.

Mr. Chairman, the purpose of the proposed legislation is to establish a uniform code of military justice.

In July of 1948, Secretary of Defense Forrestal appointed a special committee to draft a uniform code of military justice, uniform in substance and uniform in interpretation and construction, to be equally applicable to all of the armed forces. Prof. Edmund Morgan, Jr., of the Harvard Law School, was designated chairman, the remainder of the committee being Assistant Secretary of the Army Gordon Gray, Under Secretary of the Navy John Kenney and Assistant Secretary of the Air Force Eugene Zukert. Supplementing the efforts of the main committee was a working group of approximately 15 persons, including officer representatives of each of the services and five civilian lawyers with service experience, under the chairmanship of Mr. Felix Larkin, assistant general counsel in the Office of the Secretary of Defense.

During the 7-month study which was conducted, the Morgan Committee and the working group considered the Revised Articles of War, the Articles for the Government of the Navy, the Federal Code, the penal codes of various States and voluminous reports on military and naval justice which have been made in recent years by various distinguished persons. The end result of this combined effort was H. R. 2498, a bill to provide a Uniform Code of Military Justice.

After 3 weeks of preliminary preparation, the committee conducted hearings 6 days a week for almost 5 weeks, during which time a total of 28 witnesses testified. They included representatives of the four major veterans' organizations, four bar associations, including the American Bar Association, the Reserve Officers Association, the National Guard Bureau and the National Guard Association, the Under Secretary of the Navy, the Assistant Secretary of the Air Force

and numerous other well-qualified witnesses. Upon the conclusion of all testimony the subcommittee gave detailed consideration to each article and section of this bill. Their deliberations, exclusive of two executive sessions, are embodied in a transcript of 1542 pages. As a result of committee amendments, H. R. 2498 was reintroduced. A clean bill, H. R. 4080, representing the final decisions, has been substituted for H. R. 2498.

The proposed code is presented in 14 sections and is further subdivided into 11 parts. Part 1 contains general provisions. Part 2 contains all of the provisions relating to apprehension and restraint. Part 3 pertains to nonjudicial punishment. Part 4 sets forth the jurisdiction of courts martial. Part 5 prescribes the manner of appointment and composition of courts martial. Part 6 prescribes pretrial procedure. Part 7 prescribes trial procedure. Part 8 relates to sentences by courts martial. Part 9 prescribes the provisions for appellate review. Part 10 sets forth and defines the punitive articles. Part 11 contains miscellaneous provisions. Section 1 of the bill contains 140 articles. These articles embrace all of the provisions of the proposed Uniform Code of Military Justice. The 13 remaining sections relate to the subject of military justice but are not germane to a uniform code of military justice and are, therefore, excluded from section 1 of the bill.

The proposed code is uniformly applicable in all of its parts to the Army, the Navy, the Air Force, and the Coast Guard in time of war and peace. It covers both the substantive and the procedural law governing military justice and its administration in all of the armed forces of the United States. If adopted, it will supersede the Articles of War, the Articles for the Government of the Navy and the disciplinary laws of the Coast Guard and will be the sole statutory authority for—

First. The infliction of limited disciplinary penalties for minor offenses without judicial action;

Second. The establishment of pretrial and trial procedure;

Third. The creation and constitution of three classes of courts martial corresponding to those now in existence;

Fourth. The eligibility of members of each of the courts and the qualifications of its officers and counsel;

Fifth. The review of findings and sentence and the creation and constitution of the reviewing tribunals; and

Sixth. The listing and definition of offenses, redrafted and rephrased in modern legislative language.

The code, while based on the Revised Articles of War and the Articles for the Government of the Navy, is a consolidation and a complete recodification of the present statutes. Under it, personnel of the armed forces, regardless of the Department in which they serve, will be subject to the same law and will be tried in accordance with the same procedures. The provisions of section 1 of the bill will provide, for the first time in the history of this Nation, a single law for the administration of military justice in the armed forces.

Among the provisions designed to secure uniformity are the following:

First. The offenses made punishable by the code are identical for all the armed forces;

Second. The same system of courts with the same limits of jurisdiction of each court is set up in all the armed forces;

Third. The procedure for general courts martial is identical as to institution of charges, pretrial investigation, action by the convening authority, review by the board of review, and review by the court of military appeals in all the armed forces;

Fourth. The rules of procedure at the trial including modes of proof are equally applicable to all the armed forces;

Fifth. The Judge Advocates General of the three Departments are required to make uniform rules of procedure for the boards of review in each Department;

Sixth. The required qualifications for members of the court, law officer, and counsel are identical for all of the armed forces;

Seventh. The court of military appeals, which finally decides questions of law, is the court of last resort for each of the armed forces and also acts with the Judge Advocates General of the three Departments as an advisory body with a view to securing uniformity in policy and in sentences and in discovering and remedying defects in the system and its administration.

Among the provisions designed to insure a fair trial are the following:

GENERAL COURTS MARTIAL

First. A pretrial investigation is provided, at which the accused is entitled to be present with counsel to cross-examine available witnesses against him and to present evidence in his own behalf.

Second. A prohibition against referring any charge for trial which does not state an offense or is not shown to be supported by sufficient evidence.

Third. A mandatory provision for a competent, legally trained counsel at the trial for both the prosecution and the defense.

Fourth. A prohibition against compelling self-incrimination.

Fifth. Provision for equal process to accused and prosecution for obtaining witnesses and depositions and a provision allowing only the accused to use depositions in a capital case.

Sixth. A provision giving an accused enlisted man the privilege of having enlisted men as members of the court trying his case.

Seventh. A provision whereby voting on challenges, findings, and sentences is by secret ballot of the members of the court.

Eighth. A provision requiring the law officer to instruct the court on the record concerning the elements of the offense, presumption of innocence, and the burden of proof.

Ninth. A provision for an automatic review of the trial record for errors of law and of fact by a board of review with the right of the accused to be represented by legally competent counsel.

Tenth. A prohibition against receiving pleas of guilty in capital cases.

Eleventh. A provision for the review of the record for errors of law by the court of military appeals. This review is automatic in cases where the sentence is death or involves a general or flag rank officer. A review may be requested by petition on the part of the accused in any sentence involving confinement of 1 year or more.

SPECIAL AND SUMMARY COURTS MARTIAL

Under present law and procedure there is great variation in the nomenclature, composition, procedure and powers of the intermediate military courts. This bill completely eradicates all of those differences and establishes complete uniformity.

The foregoing constitutes a general summary of the provisions of this bill. However, there are a few provisions which gave the committee much concern and to which the witnesses devoted a majority of their testimony, an explanation of those provisions being as follows:

Article 2, subdivision (2), of the bill, as introduced, apparently conferred very wide jurisdiction over Reserve personnel. Technically speaking, Reserve personnel in uniform or even when taking a correspondence course would have been subject to the jurisdiction of this code. While we do not feel that the Armed Forces desired such wide latitude, we were unanimous in the decision that the jurisdiction should be limited by statute and not left to regulations. Therefore, we substituted an entirely new subdivision which we feel is entirely proper. You will note that Reserve personnel do not become subject to this code when on inactive duty training unless such training is pursuant to written orders which are voluntarily accepted and which specifically state that the acceptance of such orders will subject that particular Reserve to the provisions of this code.

The original provisions of article 3 (a) provided for a continuing jurisdiction by the military over persons who had returned to an inactive-duty status but had committed an offense against military law while on an active-duty status. The Reserve components voiced strenuous objection to such proposals and it is admitted that those proposals went much further than existing law. As a matter of fact, the military authorities have been most reluctant to prosecute the average offender who succeeds in returning to a civilian status before the discovery of his crime. On the other hand, the military authorities have found themselves confronted with a lack of jurisdiction to try certain aggravated cases of this character. You will recall the Durant jewel case. That case involved the theft of the crown jewels of Hesse. At the time, Mrs. Durant, one of the accused, was apprehended, she was in a terminal-leave status. The point was raised by a petition for a writ of habeas corpus that the Army had ceased to have jurisdiction over the accused since her active service was terminated and she was only completing the unexpired portion of her terminal leave. A writ of habeas corpus was granted in

District Court but ultimately reversed on the theory that the terminal-leave status is a service status and subjects one to the Articles of War. If charges and specifications had not been served on the accused until after the expiration of her terminal leave, neither the military nor our Federal courts would have had any jurisdiction over the case. You will also recall the more recent Hershberg case. Hershberg was a Navy enlisted man who allegedly abused other American military personnel who were under his supervision while they were all prisoners of war of the Japanese. Hershberg's term of enlistment expired and after 1 day he reenlisted. The Navy then attempted to prosecute him for the alleged abuse of American persons. A writ of habeas corpus was granted in that case, not because it would be unconstitutional to provide for a continuing jurisdiction in such cases, but because the present Navy statute confers no such continuing jurisdiction.

We felt that there was a solution to this problem and our proposed solution is offered in article 3 (a) which is a committee amendment to H. R. 2498. It provides for a continuing jurisdiction provided the offense against this code is punishable by confinement of 5 years or more and provided further that the offense is not triable in a State or Federal Court of the United States. We feel that this will provide ample protection against any capricious action on the part of military authorities, will limit military jurisdiction to serious offenses that could not otherwise be tried by military or Federal courts and will likewise correct the absurd situation of permitting an honorable discharge to operate as a bar to a prosecution for murder or other serious offenses.

Article 15 replaces the present provisions of the Navy for Navy and Coast Guard mast punishment and the present provisions of the Army and Air Force for disciplinary punishment by commanding officers. We were of the opinion that a 50 percent pay forfeiture for 3 months was an excessive penalty for disciplinary infractions by officers. Therefore, we reduce the maximum forfeiture from 3 months to 1 month. We likewise disagreed with the original provisions of this article which permitted a forfeiture of one-half of an enlisted person's pay for 1 month. Enlisted persons are in a far different pay status than officers and we do not feel that a pay forfeiture is appropriate as punishment for disciplinary infractions by enlisted persons.

This article also provided for confinement for not to exceed seven consecutive days and confinement on bread and water or diminished rations for a period not to exceed five consecutive days. The Army and the Air Force have never used confinement, with or without bread and water, as a disciplinary punishment. On the contrary, it is a provision of long-standing in the Navy and Coast Guard. We are of the opinion that this type of disciplinary punishment should not be used ashore. However, we recognize that disciplinary matters aboard ship present an entirely different problem. Accordingly, we have authorized confinement for 7 days or confinement on bread and water or diminished rations for not to exceed 5 days when imposed upon a person attached to or embarked in a vessel. In view of the fact that Army and Air Force personnel are stationed throughout the world and must necessarily spend a portion of their time aboard ship in reaching or returning from such stations, it is intended that the present provisions for confinement on bread and water shall not be restricted to Navy enlisted personnel but shall be equally applicable to all other enlisted personnel of the Armed Forces when attached to or embarked in a vessel. As a result of our amendments we have achieved uniformity in the types of disciplinary punishments which may be adjudged.

Article 26 provides the authority for a law officer of a general court martial. Under existing law the Navy has no law officer. The Army and Air Force do have a law officer for general courts martial who, in addition to ruling upon points of evidence, retires, deliberates, and votes with the court on the findings and sentence. Officers of equal experience on this subject are sharply divided in their opinion as to whether or not the law officer should retire with the court and vote as a member. In view of the fact that the law officer is empowered to make final rulings on all interlocutory questions of law, except on a motion to dismiss and a motion relating to the accused's sanity, and in view of the fact that the law officer will now instruct the court upon the presumption of innocence, burden of proof and elements of the offense, we feel that he should not retire with the court with the voting privileges of a member of the court. Article 26, in our opinion, contains the appropriate provisions on this matter.

Article 67 contains the most revolutionary changes which have ever been incorporated in our military law. Under existing law all appellate review is conducted solely within the military departments. This has resulted in widespread criticism by the general public, who, with or without cause, look with suspicion upon all things military and particularly matters involving military justice. Every Member of Congress, both present and past, is well aware of the validity of this statement. The original bill provided for the establishment of a judicial council to be composed of at least three members. In view of the fact that this is to be a judicial tribunal and to be the court of last resort for courts-martial cases, except for the constitutional right of habeas corpus, we concluded that it should be designated by a more appropriate name. We likewise questioned the number of members to be provided. As a consequence we have substituted a new subdivision (a) which establishes the Court of Military Appeals, consisting of three members who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. Such appointees must be members of a State or Federal bar, shall hold office during good behavior and receive the same compensation, allowances, and retirement benefits as judges of the United States courts of appeals. We must frankly admit that it is impossible to ascertain with any degree of accuracy the case load which this tribunal must consider. You will note under subdivision (b) that it shall review the records of, first, cases affecting a general or flag rank or including the death sentence; second, cases which the Judge Advocate General may forward on his own motion, and, third, all cases reviewed by a Board of Review in which, upon petition of the accused and on good cause shown, the court has granted a review. Rather than provide for a greater number of members than three for the Court of Military Appeals, we have concluded that it would be sounder to limit the number to three until such time as the facts may warrant an increase in number. The article as presently written embodies those conclusions.

Perhaps the most troublesome question which we have considered is the question of command control. Under existing law commanding officers refer the charges in general, special, and summary courts martial and convene the courts; they appoint the members of the court, law officer for general courts and counsel for trial; and, retain full power to set aside findings of guilty and modify or change the sentence, but are not permitted to interfere with verdicts of not guilty nor to increase the severity of any sentence imposed. We have preserved these elements of command in this bill. On the other hand, we have included numerous restrictions on command. The bill provides that the convening authority may not refer charges for trial until they are examined for legal sufficiency by the staff judge advocate or legal officer; authorizes the staff judge advocate or legal officer to communicate directly with the Judge Advocate General; requires all counsel at a general court-martial trial to be lawyers or law graduates and, in addition, to be certified as qualified by the Judge Advocate General; provides a law officer who must be a lawyer whose ruling on interlocutory questions of law will be final and binding on the court and who must instruct the court on the presumption of innocence, burden of proof and the elements of the offense charged; provides that the staff judge advocate of the convening authority must examine the record of trial for sufficiency before the convening authority can act on a finding or sentence; provides legally qualified appellate counsel for an accused before a Board of Review and the Court of Military Appeals; establishes a civilian court of military appeals, completely removed from all military influence or persuasion; and makes it a court-martial offense for any person subject to this code to unlawfully influence the action of a court martial.

Able and sincere witnesses urged our committee to remove the authority to convene courts martial from command and place that authority in judge advocates or legal officers, or at least in a superior command. We fully agreed that such a provision might be desirable if it were practicable, but we are of the opinion that it is not practicable. We cannot escape the fact that the law which we are now writing will be as applicable and must be as workable in time of war

as in time of peace, and, regardless of any desires which may stem from an idealistic conception of justice, we must avoid the enactment of provisions which will unduly restrict those who are responsible for the conduct of our military operations. Our conclusions in this respect are contrary to the recommendations of numerous capable and respected witnesses who testified before our committee, but the responsibility for the choice was a matter which had to be resolved according to the dictates of our own conscience and judgment.

It may not be generally known, but there is no requirement under present law that the Judge Advocate General of any of the services be a qualified lawyer. We think that that is a deficiency which should be corrected. In view of these conclusions, we have added a new section to the bill which appears as section 13. You will note that it requires that the Judge Advocates General must be members of a Federal or State bar, must be judge advocates or law specialists, and must have at least 8 years' accumulative experience in a Judge Advocates Corps, Department, or Office, the last 3 years of which, prior to appointment, must be consecutive. Now, in order that there may be no misunderstanding by either the Navy or the Air Force, we point out that we are fully aware that the Navy has a number of unrestricted line officers who have law degrees and may qualify as law specialists as well as officers of the line. We do not intend that such officers shall be precluded from becoming Judge Advocates General as a result of this section. We do, however, insist that all Judge Advocates General be legally qualified, with a prescribed amount of experience, and that a substantial portion of that experience be obtained immediately prior to appointment to the Office of the Judge Advocate General.

If the Navy or the Air Force have officers who are not law specialists or judge advocates but are otherwise qualified under this section, they are not precluded from designating such officers as judge advocates or law specialists immediately prior to appointment. It is to be hoped, however, that neither the Navy or the Air Force will continue to relegate their legal personnel to positions of lesser importance and dignity than their counterparts in the line. We think it entirely sound and proper that the judge advocates general be chosen from those who have sacrificed the prerogatives of the line officer in order to follow a legal career in the services. We hope to see some revised thinking on this subject and will view future developments with interest.

In addition to the committee amendments to H. R. 2498 which appear as original provisions in H. R. 4080, two substantive amendments to H. R. 4080 which are worthy of comment have been adopted by the committee. The first amendment relates to the selection of judges for the Court of Military Appeals as provided in article 67. The committee is of the opinion that it is desirable to remove every possible criticism from the proposed code and that a limitation on the number of judges who may be appointed from the same political party is not only appropriate but highly desirable. The committee has adopted such an amendment to article 67.

The second amendment pertains to Article 2, page 5, subdivision 11, beginning on line 18, and subdivision 12, beginning on line 24. You will note that subdivision 11 confers jurisdiction over all persons serving with, employed by, or accompanying the armed forces without the continental limits of the United States and certain Territories. Subdivision 12 confers jurisdiction over all persons within an area leased by the United States which is under the control of the Secretary of the Department and which is without the United States and certain Territories. It has been discovered that the United States Navy occupies certain territory in the Subic Bay region of the Philippine Islands, which territory was acquired for the use of the United States by virtue of the 1898 Treaty with Spain. This property is under the control of the Secretary of the Navy. We find that under the provisions of subdivision 12, we will have no jurisdiction over persons not otherwise subject to this Code who enter this property and commit offenses while on the property. It is considered desirable to have such jurisdiction. On the other hand, we fully recognize the fact that certain limitations have been placed upon the jurisdiction of the United States by virtue of certain treaties and agreements and that this jurisdiction may be further curtailed by future agreements. Certainly, we do not desire to arouse the suspicion of any foreign governments by the use of any language in this Code which would appear to give the armed forces jurisdiction in excess of obligations which we have already or may in the future assume by treaty or agreement. In order that our intent be made perfectly clear, we have amended subdivisions (11) and (12) with clear and unmistakable language.

The adoption of the proposed amendments in subdivisions (11) and (12) will insure that the armed forces will have jurisdiction over both leased areas and areas otherwise reserved or acquired for the use of the United States and it will also insure that such jurisdiction is subject to the limitations imposed in any treaty or agreement to which the United States is or may be a party.

Mr. Chairman, I hope that I have succeeded in my endeavor to give you and the Membership of the House an understanding of the provisions of this bill. I cannot assure you that this bill is perfect, but I can assure you that it represents the best efforts and conclusions of many sincere and able men. I urge you to join the Membership of the Armed Services Committee in securing its enactment.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Nebraska.

Mr. CURTIS. Under the section of the bill dealing with specific offenses where it uses the language "shall be punished as a court martial may direct," is the death sentence permissible then?

Mr. BROOKS. The death sentence must be specified in the article.

Mr. VINSON. In answer to the gentleman, I would say no, the death sentence would not be except where it is specifically stated in the article.

Mr. CURTIS. Could we have enumerated for the RECORD a statement as to those offenses where it is possible to impose the death sentence?

Mr. VINSON. They are already in the bill.

Mr. CURTIS. I am aware of that.

Mr. VINSON. Does the gentleman just want them in the CONGRESSIONAL RECORD?

Mr. CURTIS. Yes.

Mr. VINSON. We will put them in there when we read the bill for amendment. That goes in the RECORD then.

They will be enumerated in the RECORD as a part of the RECORD; however we will compile that list. It will be a pleasure to compile it.

Mr. CURTIS. That is what I would like to have.

Mr. BROOKS. There are not many instances of that sort.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Alabama.

Mr. ELLIOTT. Under this bill how is counsel for an accused before a general court selected?

Mr. BROOKS. Counsel for an accused before a general court?

Mr. ELLIOTT. Yes.

Mr. VINSON. That is fixed by the convening authority unless the accused hires someone else.

Mr. ELLIOTT. In other words, unless the accused hires counsel for himself he has no control over who his counsel might be?

Mr. VINSON. The gentleman is correct, he has not; but the counsel must be a well-qualified lawyer able to protect the rights of the accused. The accused is in exactly the same position as an accused in a State court. He is entitled to the benefit of counsel. If he does not hire one the court will give him the benefit of counsel. Ordinarily, the court selects well-qualified men. In this instance they will be outstanding lawyers who will be chosen as the adviser to the accused.

Mr. ELLIOTT. Are those counsel drawn from the command of the convening authority or may they be drawn from another command? In other words, how are those able lawyers obtained?

Mr. VINSON. It may be from either source. It may be anyone within a certain sphere could be called, whether it is in that particular set-up or some other set-up. In other words, you will find here for the first time in the history of this Government that written into the law is every right to protect and see that every accused in the armed services has an opportunity to have a fair and impartial trial and have the benefit of qualified people to protect his interest.

Mr. BROOKS. May I add that in my judgment and in the judgment of those who sat on the subcommittee, the accused actually has greater opportunity in a military trial under this code than he has in a civilian trial in a Federal court. His rights are abundantly pro-

tected by the restrictions which we place at various parts of this particular act.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Iowa.

Mr. GROSS. Why do you limit the number of enlisted men to a third of the total membership of the court?

Mr. BROOKS. Because that was the number agreed upon and the number that is being used at the present time, and it has been found that that number operates nicely.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Georgia.

Mr. VINSON. It says "not less than one-third." As a matter of fact, it could be all. There has been one instance where all the members of the court have been enlisted men.

Mr. GROSS. Yes; but you leave a loophole here by which there may not be any enlisted men.

Mr. BROOKS. Furthermore, in the case where death is a possible punishment or where life imprisonment is a possible punishment, the enlisted man can actually control the court by virtue of having one-third or more of the court.

Mr. VINSON. Mr. Chairman, if the gentleman will yield further, in answer to the last question it is entirely optional with the accused. If he does not request enlisted men, he gets an officer court. If he requests enlisted men, he gets enlisted men.

Mr. GROSS. Even though he does request enlisted men, you leave a loophole here by which, through military exigencies, that may be impossible.

Mr. VINSON. No. If he requests in writing that he wants enlisted men on the court, at least one-third of the court must be enlisted men.

Mr. GROSS. But, you go on and say here, "whereas the persons cannot be obtained" you do have an exception right there.

Mr. VINSON. That is true. There may be instances on certain small ships on the high seas where you just cannot have them, and therefore that provision was put in there in the way it is written. It just might not be possible to get them.

Mr. ELSTON. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, in order that the Members may have a full appreciation of the importance of the legislation which is presented here today, I consider it both advisable and necessary to relate, in a general way, the events which have brought the subject of military justice to our attention.

During the course of World War II approximately 11,000,000 men saw service in the United States Army, and of that number approximately 80,000 were convicted by general courts martial. Even before the cessation of hostilities it was apparent to the War Department and to the Congress that a detailed study of the Army system of justice was appropriate, if not mandatory. Accordingly, in 1944 and 1945, the War Department sent Col. Phillip McCook, former prominent New York jurist, to various theaters of operation to conduct such studies. Additional reports were submitted to the War Department from other sources.

Within a few months after the end of hostilities the matter was brought to the attention of the American Bar Association, and on March 25, 1946, the War Department Advisory Committee on Military Justice was appointed by order of the Secretary of War. The committee, under the chairmanship of the Honorable Arthur T. Vanderbilt, and referred to as the Vanderbilt committee, consisted of nine outstanding lawyers and Federal jurists from eight States and the District of Columbia. From March 25, 1946, until December 13, 1946, a period of almost 9 months, the members of that committee engaged in studies, investigations, and hearings, and availed themselves of voluminous statistical data of the Judge Advocate General's Department and other sources.

At full committee hearings in Washington the Secretary of War and Under Secretary of War, the Chief of Staff, the Commander of the Army Ground Forces, the Judge Advocate General, the Assistant Judge Advocate General, numerous other officers, and the representatives of five veterans' organizations were heard. There were numerous personal interviews, supplemented by letters, and the digesting of 321 answers to questionnaires from both military and nonmilitary personnel. Additional widely advertised regional public hearings were held at New York, Philadelphia, Baltimore, Raleigh, Atlanta, Chicago, St. Louis, Denver, San Francisco, and Seattle. The subsequent report of the committee was based on these extensive inquiries.

During the Seventy-ninth Congress, a Military Affairs Subcommittee under the chairmanship of the gentleman from North Carolina, Mr. CARL T. DURHAM, devoted more than 1 year to detailed study of the Army system of justice.

Additional studies have been conducted by special committees of the American Legion, VFW, AMVETS, AVC, the New York County Lawyers' Association, the War Veterans' Bar Association, the Judge Advocate Generals' Association, and the Phi Alpha Delta law fraternity. The reports and recommendations of each of these groups were made available to the Armed Services Committee and representatives of each of the organizations appeared before the committee in public hearings in support of their recommendations. Other witnesses, who had particular knowledge of the subject by virtue of their service and experience in the recent war, were heard.

In our opinion, the combined efforts of these organizations and individuals represented the most comprehensive study of military justice ever conducted in the history of our country.

As a result of these studies and following the extensive hearings conducted during the Eightieth Congress a military justice bill for the Army was presented to the House and became law, being known as Public Law 759. The provisions of that law have largely been adopted in the bill before us today.

My able colleague the gentleman from Louisiana [Mr. BROOKS] has given the membership a thorough summary of the general provisions of this bill and the consideration which has been given to it. I neither desire nor intend to impose upon your patience and time with matters which are repetitious. You have already been advised of the difficulty we have experienced with the problems involved in the question of command control. During the Eightieth Congress these same problems aroused our interest and we devoted a great deal of time in an endeavor to determine the best solution. With your indulgence, Mr. Chairman, I want to elaborate on this matter because I believe it involves one of the most fundamental issues in military justice, and I shall for the present confine myself to this phase of the proposed legislation.

Two years ago today a subcommittee, of which I was chairman, considered the same problems of command control which were raised during our consideration of this bill.

What is command control?

It is a term which conscientious critics use to describe the present authority of commanding officers to appoint and control courts-martial. The appointment of courts-martial, including the members of the court, the trial counsel, defense counsel and law officer has always been a function of command. We did not disturb that authority 2 years ago and we have not disturbed it in this bill. I am well aware of the fact that this authority has been abused but I think such abuse is exceptional rather than general. Unfortunately we never hear reports which point out the accomplishments of military justice. We hear nothing but the complaints. It is my honest opinion that the accomplishments far outweigh the deficiencies and I oppose any proposals which would disorganize a system which has worked since 1776 in order to correct an occasional abuse.

It has been suggested that a judge advocate officer or a superior command appoint the members of a court martial from a panel. Now who would select that panel? I think it is inevitable that the same officer who selects the court under the present system would select the panel under the proposed system. Not only would you gain nothing, you would inject another delay into a system of justice which must be swift if it is to be effective.

We have preserved the right of commanding officers to appoint courts martial but we have provided numerous safeguards over that authority. In my opinion, one of the most effective safeguards which we have adopted is the provision which sets up mandatory qualifications for the trial counsel, defense counsel, and the law officer. These provisions are set out in articles 26 and 27 and they require that all prosecution and defense counsel in every general courts-martial case be at least graduates of an accredited law school and that the law officer must be a member of a State or Federal bar.

It was inevitable that these mandatory requirements, which are new, should lead us into a discussion of the merits of a separate Judge Advocate General's Corps for each of the services. During the Eightieth Congress I offered the amendments which created a separate Judge

Advocate General's Corps in the Department of the Army. Those provisions became effective on February 1. So today the Army has a separate Judge Advocate General's Corps with a separate promotion list while the Navy and the Air Force do not.

Practically every witness who testified before our committee, except departmental witnesses, urged us to create separate corps for the Navy and the Air Force. The Navy and the Air Force strenuously opposed those proposals. Frankly, I have been an advocate for a separate legal corps for each of the services, but, for two reasons, I have refrained from urging those proposals in the present legislation. Our committee came to the conclusion that since we now have a Judge Advocate Corps in the Army, and since the Court of Military Appeals will have an opportunity to review the comparative results of the Army with its corps as against the Navy and Air Force without such a corps, that we should permit the services to operate under their present different plans until such time as we may be able to factually determine the best method of operation. I think that can be done within 1 year after the effective date of the proposed legislation. The second consideration which prompted me to reach this decision is to be found in the provisions of section 13 of the bill. This is a new section and is a committee amendment which has been unanimously adopted by the Armed Services Committee. As Mr. Brooks has already pointed out, there is no requirement today that a Judge Advocate General of any of the armed forces must be a lawyer. It is unthinkable to me that there have been no mandatory legal qualifications for the respective Judge Advocates General, who are the legal advisers of the Secretaries. Section 13 closes that gap. Not only does it require that the Judge Advocates General be legally qualified and be members of a State or Federal bar, it requires that they must have at least 8 years cumulative legal experience in the Judge Advocate General's Corps, Department, or Office and that the last 3 years of this service, immediately prior to appointment, be consecutive.

While I have not been directly informed by the Air Force, I am advised that these new provisions are entirely acceptable to the Air Force. I hear a few rumblings from the Navy. However, I have heard no complaint from the Secretary of the Navy or the Chief of Naval Operations who are fully aware of this committee amendment. I must point out that the Officer Personnel Act of 1947 created the position of Law Specialist in the Navy. These law specialists must be lawyers and there are more than 241 of them in the Navy today. They are the backbone of the Navy legal system but they are forbidden to command at sea and can exercise command ashore only when authorized by the Secretary of the Navy. These officers, many of whom are Annapolis graduates, have surrendered the prerogatives of command in order to follow a legal career in the service. I insist, Mr. Chairman, that these men are entitled to the right to become the Judge Advocate General of the Navy. They aparently have that right today but I can assure you that it does not work out that way in practice. The office of Judge Advocate General in the Navy is a position which is now reserved for line officers of the Navy who have acquired a legal education. Their first love is the sea and the office of Judge Advocate General is just another convenient position where they may obtain a spot promotion from captain to admiral. Now do not misunderstand me. The unrestricted line officers of the Navy are capable and highly respected officers. They are a credit to the Navy. But I hope you will agree with me that it is not necessary to know how to command a battleship or a submarine in order to administer the system of justice in the Department of the Navy.

Upon the basis of these considerations, Mr. Chairman, I fully endorse the legislation which is before you. I sincerely believe that its enactment will provide the most enlightened system of military justice that has ever been enacted.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield.

Mr. GROSS. In article IV, under "Dismissed officers right to trial by court martial," suppose the officer is not guilty after having been dismissed by the court martial? According to this bill the Secretary of the Department shall substitute for the dismissal order by the President a form of discharge authorized for administrative issuance. Why is not this officer issued an honorable discharge as all other soldiers are?

Mr. ELSTON. He would not be given any kind of discharge from the service if he had a good record.

Mr. GROSS. But if he has been dismissed and found not guilty, why should he not be given an honorable discharge?

Mr. ELSTON. I do not think the law says that on acquittal he is given any kind of discharge.

Mr. GROSS. It says the Secretary of the Department shall substitute for the dismissal order by the President a form of discharge authorized for administrative issuance.

Mr. ELSTON. That is where the dismissal has been ordered by the President.

Mr. GROSS. Is this a special discharge?

Mr. ELSTON. Yes; that is an administrative type of discharge that he may be given where there is an order of dismissal by the President. And not in the case of an acquittal. A man acquitted would not be discharged by any type of discharge in any of the services.

Mr. GROSS. I thank the gentleman.

Mr. VINSON. Mr. Chairman, the bill before the committee is to consider the problems involved in providing the best possible system of justice for the members of our armed forces.

There is nothing novel in our purpose. In fact, George Washington faced exactly the same problem in 1774 when he began the formation of his army to fight for the independence of this Nation. He recognized the necessity to obtain absolute authority for the control of his troops if he was to have a disciplined army rather than an uncontrollable mob. At that time the British system of military justice was perhaps the most enlightened system in the civilized world. General Washington adopted it, word for word.

The authority to perpetuate this type of law was subsequently incorporated in article 1 of the Constitution. With minor changes that same system endured down through the years, even through World War I. The Congress revised the system in 1920 and those of you who were Members of the Eightieth Congress will recall that we accomplished a very substantial revision of the Articles of War in H. R. 2575. Time did not permit us to accomplish a similar revision of the Articles for the Government of the Navy. As a consequence, the Navy system, the main portion of which was adopted in 1862, has endured until this very moment with only minor changes.

Now, why should we be so concerned with this problem?

The answer can be expressed in just a few words but they are grimly serious words.

During the last war more than 15,000,000 Americans served in our armed forces. Many of them were just youngsters whose first experience with any system of law was with the military system of law.

In the Army alone more than 90,000 of these young men were convicted by general courts martial. It is safe to assume that a very large number of them have returned to civilian life with dishonorable discharges.

Of far more serious consequence is the fact that 141 of these young men were executed. They paid for their military crimes with their lives.

Unfortunately, the problem was not solved by the cessation of hostilities. Even with our reduced forces there are almost 1,200 general courts-martial trials in the Armed Forces every month.

And so I say, Mr. Chairman, the problem which confronts us demands our serious consideration. I can assure you that the bill which is now before you has received that type of consideration, and this fact prompts me to pay tribute where tribute is due.

I am sure you will all agree that the technical provisions of a bill of this character are about as difficult and uninteresting as the formula for atomic energy. Many of you will also agree that sometimes they are almost as explosive.

To state it very simply, the preparation of this legislation has involved efforts that can best be characterized as plain drudgery. A subcommittee of the Armed Services Committee, under the chairmanship of the gentleman from Louisiana [Mr. BROOKS] began its consideration of this bill on last February 8. The eight lawyers and three laymen of that subcommittee conducted lengthy and difficult hearings for many weeks before reporting the bill to the full committee on April 27.

I am well aware of the conscientious and difficult service which those gentlemen have performed.

I take this opportunity not only to pay my personal tribute to each of them but to commend their splendid efforts to the Members of the House.

The bill proposes to establish a uniform code of military justice, equally applicable to all of the armed forces. I do not mean to say that every department within the armed forces is thoroughly satisfied with all of the provisions of the bill. When you stop to consider that they have gone their respective ways for more than 160 years, it is not surprising that they would be reluctant to surrender or alter provisions with which they are familiar. Each of the services has made concessions, reluctantly in some instances, but the results which have been achieved fully justify those concessions.

Now, in order to avoid any misunderstanding, I want to point out that no question of unification is involved in this bill. This bill does accomplish uniformity. And if there is any field of military endeavor which is susceptible to uniformity, this is it.

The enactment of the proposed legislation will provide uniformity in types and definition of offenses, pretrial procedure, the number and types of courts and the number and qualifications of the members of each court; the qualifications of trial counsel, defense counsel, and law officer; trial procedure and modes of proof; and authorized punishments and appellate review.

This is a remarkable accomplishment and one which is long past due.

During your consideration of this legislation, I caution you to keep in mind one fundamental proposition which can best be raised by a question.

Now, why was this bill assigned to the Armed Services Committee rather than to the Judiciary Committee?

The answer lies in the fact that life in the armed forces differs from civilian life.

The objective of the civilian society is to make people live together in peace and in reasonable happiness. The object of the armed forces is to win wars.

This being so, military institutions necessarily differ from civilian institutions. Many military offenses are acts that would be rights in the civilian society.

Every American cherishes his right to tell off the boss. But the same act in the military is an offense.

In civilian life, if you do not like your job you quit. The same act in the military constitutes desertion and, in time of war, may be punished by death.

In civilian life, a group of workers may walk off the job in protest. In the armed forces that act is mutiny and may be punished by death.

These examples point out and emphasize the fundamental difference between civilian society and the military. They are differences which must be preserved.

Now, this very fact prompts me to offer this word of caution.

Our problem stems from our desire to create an enlightened system of military justice which not only preserves and protects the rights of the members of our armed forces, but also recognizes the sole reason for the existence of a military establishment—the winning of wars.

It is my sincere belief that those concepts are fully recognized in the legislation which is now before you.

This bill is the result of honest endeavor by sincere and capable men. I highly commend it to you.

Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, this is a subject that I have been deeply interested in for the past 8 years, and one with which I was deeply concerned, as a member of the old Committee on Military Affairs, which made a report on this matter. I suppose that this subject has probably had the attention of the ablest counsel and the ablest lawyers and has received more attention than any other subject that has ever come before this body in a long, long time. The first committee that we worked with was the so-called Vanderbilt committee, which was composed of 12 able lawyers. Then the American Bar Association also appointed a committee, which did a great deal of work. Much work was done by the War Department by several able lawyers. Therefore, this over-all question, which is before us today, in my opinion, has had as much study and going over, in the way of trying to work out what we feel would be an efficient and good administrative military justice bill than any other subject that I have ever had anything to do with, either on the Committee on Armed Services, or on the old Committee on Military Affairs.

I just want to point out some of the things that the Vanderbilt committee recommended to the Seventy-ninth Congress:

He has gone into this matter thoroughly on the basis of the studies that were made before, convinced that if we were to have another war such as we have just gone through we would not have the criticism that faced us at that time both through the press and over the radio. It became so bad that we had to pay some attention to it, and General Eisenhower himself appointed the first committee to go into this matter, and later Secretary Patterson, and later Secretary Royall.

The limitations and inadequacies of our system of military and naval justice were graphically portrayed to the public and to Members of Congress during and after World War II by many service men and women, lawyers and laymen alike, who had had first-hand experience with the operation of such systems, and found that resemblance between them and the courts which they knew as civilians was largely coincidental. It was disturbing to them to find that the same official was empowered to accuse, to draft and direct the charges, to select the prosecutor and defense counsel from the officers under his command, to choose the members of the court, to review and alter their decision, and to change any sentence imposed. They were shocked to learn that an offense committed by an officer was subject to different treatment and punishment than the identical offense committed by an enlisted man. They were surprised to find that many of the judges, prosecutors, and defense counsel participating in courts martial were neither lawyers nor trained in the law, and that, in the naval services, there was not even the minimum requirement that a single law member be on a court.

The reports that came back of these things to the civilian community, together with specific instances of abuse in the court-martial process, initiated an expression of aroused public opinion which gave promise that reforms would be accomplished. The Secretary of War and the Secretary of the Navy each appointed boards of distinguished citizens to review the court-martial systems of their respective services, and to make recommendations for a thoroughgoing revision of military and naval justice. The famous Vanderbilt report, made to Secretary Patterson, and other reports, made to Secretary Forrestal, all found substance to the charges which had been leveled at the court-martial systems, and presented definitive recommendations for the elimination of the conditions which made such charges possible.

Mr. VINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, at this late hour I will be very brief in my remarks. The previous speakers, the distinguished gentleman from Louisiana [Mr. BROOKS], the distinguished gentleman from Ohio [Mr. ELSTON], and my esteemed and very able chairman have very fully and carefully and adequately explained this measure.

Mr. Chairman, at the very outset let me assure the House that this measure has been given exhaustive and most diligent and painstaking consideration by the subcommittee. I am happy to commend and thank my able colleague the gentleman from Louisiana [Mr. BROOKS] for the penetrating judgment, wisdom, patience, and sagacity which he has shown in furnishing such able leadership in the formulation of this bill. To the other members of the subcommittee, I must also extend my commendation and appreciation for a task well done.

For the information of the Members of the House, let me state that the subcommittee has among its membership some of the very best lawyers in the Congress. The honorable chairman, the gentleman from Louisiana [Mr. BROOKS] has distinguished himself before the bar and possesses a keen, analytical, legal mind. My distinguished friend, the gentleman from Ohio [Mr. ELSTON] has long been recognized, not only as one of the ablest civilian lawyers in the Nation, but also a specialist and outstanding expert in the field of military law. The remaining lawyers on the subcommittee are all of commanding legal ability. The members of the subcommittee who are not lawyers are all men of learning, broad experience, and conspicuous ability and are without exception thoroughly versed, deply interested, and exceptionally well-informed on the problems of military justice. Furthermore, I am happy to state to the House, our subcommittee

has been most fortunate in that we have enjoyed the benefit of the advice, opinions and assistance of expert and eminent lawyers and specialists, highly qualified to grapple with these problems. To mention but a few, we have had the invaluable assistance of Professor Morgan, of the Harvard Law School; Mr. Felix Larkin, of the Department of Defense, Mr. Robert Smart, our own unexcelled professional staff member; and a great many other men who have carefully and laboriously studied every phase of the measure and related questions.

We also had the benefit of extensive testimony from military and civilian life, from high-ranking officers of the armed services, from representatives of veterans' organizations and bar associations, and others highly competent to pass upon the fundamental principles of the questions involved in the legislation. And at all times, of course, we have had the benefit of the farsighted, mature judgment of our own most distinguished and capable chairman, a man of broad knowledge and outstanding patriotism, the able gentleman from Georgia [Mr. VINSON]. These are but a few of the acknowledgments which I desire to make in connection with the discussion of the bill, which has been reported to the House by the unanimous vote of our committee.

I am sure there is not a single Member of the House who is not familiar with the background of and the demonstrated need for this legislation. Military justice has long been under fire by civilian and legal groups for its arbitrary character, its severity, and its manifest denial of constitutional safeguards generally recognized by the civil courts since the establishment of the Government. The recent war served to bring out and dramatize the defects and shortcomings of the archaic and outmoded system of military justice. I dare say that every one of us who served in this body during the war, or indeed since the war, has had occasion at some time or other to have brought forcibly to his attention some case or cases which have demonstrated the inadequacies, limitations, and absence of substantial justice which have not infrequently accompanied the trial and disposition of military legal cases. No doubt many of these cases have been grossly exaggerated and unduly exploited by those seeking to discredit our armed services and the Congress. It would be a grave error for anyone here to regard these cases as the rule rather than the exception. It would be a grave error to attribute to our military leaders, as a whole, willful and deliberate disregard for fundamental principles of justice, for the rights of officers and enlisted men, or intentional unfairness or injustice. Thousands of these cases have been handled and disposed of under wartime conditions of stress and crises and it is remarkable that there have been relatively so few cases coming to our attention which indicated glaring and shocking violations of the ordinary canons of American justice. Nevertheless we should and must move to correct a system which is not organically sound and which permits continued injustice to some.

I do not propose to enter into any long discussion of the complaints and specific allegations which have been recorded against the existing system of military justice. It suffices to say that from the evidence as we have it and know it, it seems to me and it is my considered judgment, that the conclusion is inescapable that the system needs a complete and thorough overhauling in order to bring it into line with our concepts of judicial procedure and our ideas of the administration of justice, and our long-established principles safeguarding the rights of individuals as citizens of this great Republic who happen to be in the armed forces.

This bill is carefully designed to eliminate the abuses and excesses which so unfortunately have characterized military trials and cases in the past. We have endeavored, and I think very successfully, to unify, codify, and bring up to date the Articles of War, the Articles for the Government of the Navy, the Disciplinary Laws of the Coast Guard and to enact and establish a uniform code which will insure, henceforth, substantial, complete, and speedy justice, which will secure and guarantee the rights, privileges, and immunities of American citizens of every member of the armed services from the top to the bottom, or I should say—and this is important—from the bottom to the top, because, so far as I am concerned, the Members of this Congress have a primary responsibility to safeguard and protect in every possible way the rights, the interests, the well-being and welfare of every boy and girl who is enlisted in the armed forces of our country.

This bill provides for the protection of the individual enlisted man or officer at every level and at every point. It regulates and checks arbitrary, capricious, and whimsical action of commanding officers at every level and every point. It lays down definite conditions governing apprehension and restraint, governing nonjudicial punishment, governing courts-martial jurisdiction, the appointment and composition of courts martial, pretrial procedure, trial procedure, sentences, review of court-martial decisions, and imposition of punishment.

It embraces the whole field of jurisprudence as applied to members of the armed services. It seeks to shield the accused substantially just as he is shielded by our Constitution and laws in civil courts, in most substantial particulars. We have carefully combed every possible way by which the rights of the accused have been or could be violated and have closed up any gap which we have been able to discern by which any member of the armed forces might be denied equal and full justice under the law. We have provided for full and complete specifications, for a speedy trial before competent judges, for confrontation of witnesses by the accused, for representation by qualified counsel of his own selection, if he so desires it, at every stage of the proceedings, for careful definition and codification of specific crimes and offenses, for recognition of the laws of evidence as they pertain to judicial proceedings, and for abundant and painstaking review by highly qualified experts of the findings, the evidence and finally the questions of law in a given case.

After considerable discussion and protracted debate and consideration, recognizing the desirability insofar as is practicable and consistent with the national defense and the exigencies of wartime, of the separation from strictly military control of the final determination of the legal cases in the armed services, we have set up and established in this bill a court of military appeals. This court is in effect a court of last resort similar to the United States circuit court of appeals. It consists of three civilian judges appointed by the President and confirmed by the Senate and having permanent tenure just as our high ranking Federal civilian judges. This court will be completely detached from the military in every way. It is entirely disconnected with the Department of Defense or any other military branch, completely removed from any outside influences. It can operate, therefore, as I think every Member of Congress intends it should, as a great, effective, impartial body sitting at the topmost rank of the structure of military justice and insuring as near as it can be insured by any human agency, absolutely fair and unbiased consideration for every accused. Thus, for the first time this Congress will establish, if this provision is written into law, a break in command control over court-martial cases and civilian review of the judicial proceedings and decisions of the military.

There are those who believe in the establishment of a separate Judge Advocate Corps for all the services. There are those who believe in taking away a larger measure of the administration of military justice from the control of the so-called high command. These proponents have ably argued their case and I have no quarrel with their fundamental philosophy. It is soundly based on very good principles and upon historic, American, legal traditions. But the commanding officers of the armed forces must, in the last analysis, be vested with disciplinary control over their members. We cannot completely detach the trial of military cases and the handling of military offenses from the ranking officers of the Army, Navy, Air Force, and Coast Guard without destroying essential discipline and creating a veritable chaos. In brief, we must as a legislative body consider the practicalities of the broader situation which confronts us. Obviously, in our fighting forces central authority must not only be recognized, but insured. There must be some central direction and guidance and disciplinary control or we will indeed be inviting demoralization of the services.

All in all, while this bill can and will be perfected as we acquire experience and concrete results from its operation, I feel that it is on the whole a very long step in the right direction in rooting out the overbearing authoritarian spirit and lack of substantial justice which has often accompanied military procedure and insuring to the accused what we all desire, a larger measure of democratic attitude and effective procedures accomplishing substantial justice than is enjoyed by the armed forces of any other

nation. Cruel and unusual punishments will be positively prohibited and maximum limits will be placed upon sentences by this bill. Undue harshness and undue severity will be abolished and a fuller measure of leniency and humane consideration will be encouraged and insured. To the extent that autocratic and hard-boiled, arrogant methods have been used in the past by any high-ranking officer in the armed services in dispensing military justice, this measure protects against such offenses in the future. It goes much further. Under this law, rigged courts and punishments dominated and dictated by the command will be absolutely prohibited and every member of the armed forces will be definitely assured of complete specifications of the offense or offenses which he is charged, a fair and impartial trial, qualified counsel, abundant expert review of his trial and case, and the utmost protection against injustice of any kind.

In short, as I interpret it, this bill, if enacted, will banish the evils of the past in the administration and substantive failures of military justice. It will insure to every member of our armed forces who may become involved in disciplinary difficulties of any kind or character, fullest opportunity to clear himself, fairest consideration at every stage of his case, fullest protection of all his rights, and honest, able, unbiased, and uncontrolled judgment of his case.

Because I believe that this bill is designed to meet a real crying need of our military organizations and because I know that it has been drawn so as to furnish the very maximum of assistance and protection to those in the armed forces who may become involved with the military law, I urge that the House adopt this bill.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. PHILBIN] has expired.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Tennessee [Mr. SUTTON], a very distinguished veteran, probably the most highly decorated veteran from the State of Tennessee.

Mr. SUTTON. Mr. Chairman, I thank the chairman of the Committee on Armed Services for his kind words.

Mr. Chairman, I shall not take much of the time of the Committee, for I know the hour is late and the Members are anxious to get away, but this is a very important bill. I regret that every Member of the House is not present on the floor listening to this debate and discussion. Personally, I was intending to offer a bill to take general courts martial out of the Navy because of some cases that have come to my attention recently.

I wish to commend the chairman of the subcommittee and also the chairman of the Committee on Armed Services for doing away with autocratic, arrogant, pompous command-control brass in the Army and Navy. This bill does much to take away that command control which should have been taken away years ago, in my estimation. Had they used the Pentagon Building for what it was designed, a veterans' hospital, America would have been lots better off today. I appreciate the effort that has been made by this Committee to do away with a part of that command control, and I hope this is just the first step forward toward the objective. I wanted this time, Mr. Chairman, to relate the reason why I was going to introduce the bill to take the general courts martial out of the Navy.

There is one case in particular to which I wish to call your attention, the case of Bernis Amos Richardson, boatswain's mate, second-class, United States Navy, a boy who was in the Navy during the war for 3½ years—11 battles he was in—had an unusually good record. He was a. w. o. l. for 20 minutes one time and got a summary court martial for it—a very minor offense—and this was the only thing against his record. He had reenlisted, or shipped over, as we call it in the Navy, after the war was over, for a second hitch. He was aboard a ship that came into the port of Norfolk and took shore leave. As most sailors will do—and I speak first as a sailor, but later as an officer—he went into town on liberty. This is from the record. The record discloses that he was drinking—as lots of sailors do. When he was returning home from his liberty—and he called his ship "home," he was on board a bus. The record shows that he had been drinking excessively, and this I do not doubt; but it seems that aboard this bus there was also a "90-day wonder"—and I was one myself, at one time, and I now say this apologetically, that after I finished midshipman school, with that little piece of gold braid on my arm I thought I was "the stuff," just like I can imagine this Ensign Briggs thought he was on the bus that night. It seems that Richardson was talking a little loud, and that Ensign Briggs, the "90-day wonder," told the boy to pipe down. The boy and his buddy who had been ashore with him, piped down for a little while, then they started again talking a little loud. It seems as if this ensign who went into the service after the war was over, had no military experience other than after the war had been declared over, went up to this boatswain's mate, second class—and that is a good rate in the Navy, and told Richardson, according to the record: "I am your superior officer; pipe down. Pipe down. And I mean it." One thing led to another and just as two people frequently will do, getting into a heated conversation and argument, a fight ensued. The record reveals that this boatswain's mate, along with his buddy, got into a fight with Ensign Briggs, this "90-day wonder."

Mr. Chairman, a fight ensued, and the record shows the ensign was beat up.

A general court martial was ordered, and it was composed of the following:

Capt. John W. Marts, Jr., United States Navy; Commander Charles H. Clark, United States Navy; Maj. John W. Hughes, United States Marine Corps; Lt. Comdr. Lanceford B. Pruitt, Jr., United States Naval Reserve; Lt. Comdr, Paul E. Dickson, United States Navy; Lt. James F. Donnelly, United States Navy; Lt. Harry R. Schleppi, United States Navy, members; and Lt. Comdr. James C. Page, United States Navy, judge advocate.

Growing out of this accusation and this general court martial, the record of which I have before me, and growing out of this trial, the boy was convicted by these biased members of this courts-martial board. I say that to the Members of this Congress because, in my estimation, the judgment that was given by these members of the Navy and Marine Corps was biased and was prejudiced, and, in my opinion, as a Member of Congress and as a Reserve officer in the United States Navy, those men are not entitled to wear the navy blue uniform because of their prejudged opinions toward enlisted men.

They gave this man 5 years in the penitentiary and a dishonorable discharge. If that is justice, Mr. Chairman, I want no part of the United States Navy, and I am still a member of the Reserves in the Navy. I do not think that is the justice that should be dealt out by any courts-martial board. That is the injustice, however, that was meted out to this boy.

I carried the matter up to Admiral Russell, Judge Advocate of the Navy, and he told me over the phone: "It looks like they threw the book at the boy."

I then carried the matter on to the Secretary of the Navy, who referred the case to a reviewing board, the head of which was Admiral Forte. I appeared before this board. They reduced his sentence to 29 months, together with a dishonorable discharge.

Mr. Chairman, I still maintan that is still too much. I maintain that justice should be brought about and at the most, 90 days in the brig would be excessive. I indeed thank you, personally, and the members of this committee for including in the blli a civilian review board or appeal board. In my opinion, it insures that such members of the armed forces as Bernis Amos Richardson and other boys of the Army, Navy, and Marine Corp will get justice in the future. My only objection to this is that it cannot be retroactive to correct some of the insults and some of the injustices that have been meted out by the top brass in the Pentagon Building and of the brass of the Army and Navy.

Mr. Chairman, I appreciate the opportunity to expose this particular case on the floor of the Congress. In no way do I intend my remarks to be a general indictment of all of the officers of our great Navy, many of whom are most considerate and possess a great deal of what is known as the milk of human kindness. However, such a case as I have related today in many instances reflects on all of the officers of our armed forces.

Mr. VINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. FURCOLO].

Mr. FURCOLO. Mr. Chairman, I want to ask one of the members of the committee, if I may, a couple of questions which I have in mind in connection with this matter.

On page 14, line 10 of the bill, I am not quite clear as to just what the language means there when it says, "offender after having answered to the civil authorities."

What does that mean in the opinion of the committee?

Mr. VINSON. That means when the case has been disposed of.

Mr. FURCOLO. Does that mean after sentence or going in and pleading guilty or not guilty? The words are not clear in my own mind.

Mr. VINSON. Well, it means after the case has been disposed of, either an acquittal or conviction. It is the end of the case.

Mr. FURCOLO. The gentleman's interpretation, in other words, is that it also means after the man has served the sentence the civil court has given.

Mr. VINSON. Yes.

Mr. FURCOLO. I thank the gentleman. Then, on pages 23 and 24, with reference to the enlisted person serving on the court, it says that enlisted persons may serve if they are not members of the same unit as the defendant. On 24, beginning with line 17, it defines what the word "unit" means. As I interpret that, if you had a ship at sea, for example, with five, six, or seven hundred men aboard, no enlisted man on that ship could serve on the court martial body. I just want to know if that is what the committee has in mind and if that is their interpretation of it.

Mr. VINSON. That would be a question to be determined by the commanding officer, and if the commanding officer decided that there was such a small number in the unit that they would be prejudiced, they would not be privileged to be on the court. Of course, the bill further says that if he denies him that right, he must make a written statement for the record.

Mr. FURCOLO. I understand that. I also want to point out, for whatever consideration the committee might give it, on page 39, lines 17 and 18, there is a clause in there, and it is in all the court-martial books, which is supposed to be in there for the benefit of the defendant pointing out if after a plea of guilty the defendant sets up a matter inconsistent with the plea, you have to have a trial. I think probably you have to have that provision, but I do know that very often in a matter of mitigation or extenuation—I have had it happen myself when representing one of these fellows—you may have a matter that is inconsistent with the plea of guilty, but the defendant then has to go through a trial which often results in greater punishment to him because he did not plead guilty. I do not know how you would handle the situation, but I think the committee ought to give it some consideration.

Mr. BROOKS. Mr. Chairman, if the gentleman will yield, does the gentleman not think that the defendant's attitude in being willing to plead guilty would have a great deal to do with the sentence imposed? I would think it would show his attitude toward the court, and that should be considered.

Mr. FURCOLO. It might well be. I know of some cases where it does not. In conclusion, the only other thing I want to say is this: I think that this bill is a great step forward; there is no question about it. But, I do not think that this bill or any other bill that you are able to present at this time is ever going to remedy the grave injustices of the court-martial system or conduct of the court-martial system. On paper it gives the defendant as much protection as he wants; more than a civilian, in fact. But, the great difficulty is that you never get away from that command control, which means the administration of the system does not give the defendant the protection he gets on paper. It is not so much a question whether the commanding officer hands word down, as they do, but regardless of that, the whole atmosphere of the ship is permeated, and the members of the court know it. Even if the commanding officer says nothing, the members of the court-martial board still believe they should punish the defendant because they think their failure to do so may antagonize their commanding officer. They know the commanding officer signs their fitness reports, determines their promotions, and decides what sort of duty they will have. You are not going to get the sort of justice you are striving for in that sort of situation. I think the committee is to be complimented for giving as much protection as possible, and I think it important that the military should know that the Congress intends to follow that situation as close as they can. I do not think that section 37, which tries to prevent the commanding officer from influencing the court, will amount to a hill of beans. I know it is put in there and it says a lot of things, but I do not think it is going to amount to too much. I think it is important that the military know the Congress is going to follow this matter up and is going to try to see that the command control is kept within bounds as much as possible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me whether this appeals board that is to be set up, or appeals court, is to have at least one member of the court a former enlisted man?

Mr. FURCOLO. I see Mr. BROOKS on his feet. Perhaps he would prefer to answer that as he is a member of the committee and I am not.

Mr. BROOKS. If the gentleman will yield, I think "board" is the wrong terminology to use. What we want to build up there is not a board at all but a court, that will have the prestige and the background and the influence and the ability of the United States Court of Appeals. We hope that will happen, and we put in this bill as requirements for the members of this court the same requirements as for judges of the United States Court of Appeals. That is important in this respect, that perhaps you may want to go to the United States Court of Appeals to get a judge, and he would be available.

Mr. GROSS. You do not require that a former enlisted man serve on that court?

Mr. BROOKS. No.

Mr. VINSON. Mr. Chairman, I yield myself 1 minute to answer the gentleman.

Of course, the President has the right to appoint any type of man he sees fit to appoint. He can appoint a former enlisted man. He can appoint any lawyer, even though he has never had any military experience. It is entirely up to the President to select the type of man, just as he selects any other lawyer for appointment to a court. However, military service may be a factor in selecting him.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Do you outlaw anywhere in this bill the despotism that now exists in the occupied areas of foreign countries by which civilians are still being tried in military courts?

Mr. BROOKS. They are not tried under this code, they are tried under provost courts. This has nothing to do with provost courts. Perhaps Congress should go ahead and legislate on that matter, but it is not sought to do so under this bill.

Mr. GROSS. I hope it will.

Mr. COLE of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, this bill, H. R. 4080, now under consideration, is the culmination of many years of study, bearing the earmarks of many controversies that have arisen over military justice. From actual experience and actual observation, I commend the committee on their good work and on what I consider a tremendous step in the right direction.

I speak with some real feeling in the matter. I started my experience in this matter back in 1917 as a young lieutenant in the Regular Army, and served several years. I came into Congress in 1939 and was assigned to the Committee on Military Affairs and served with that committee for 8 years.

During the war we were fully aware of the need for revision of the court-martial procedure and in response to that need there was created in the Seventy-ninth Congress a special committee pursuant to House Resolution 20 of that Congress, on which special committee it was my privilege to serve. One of the subjects we studied extensively was the judicial system of the United States Army. The chairman of that special committee was my good friend from North Carolina [Mr. DURHAM], who has already taken some part in the discussion here today.

During 1946, as a member of the subcommittee, of which the gentleman from North Carolina [Mr. DURHAM] was chairman, I had the privilege of making a very special study of most of the shortcomings in the system of military justice as it was then functioning. I am very pleased to note in looking through the bill H. R. 4080 that most of the recommendations made by the special committee of the Seventy-ninth Congress in this field have been incorporated in this proposed legislation.

The recommendations made by the special committee on which I served may

be found in House Report No. 2722 of the Seventy-ninth Congress, second session, dated August 1, 1946. I will not take up the time of the Committee now to make detailed comparisons, but I do want the Committee on Armed Services to know that I, for one, deeply appreciate your having developed this legislation after comprehensive and thorough study of the great issues involved. Many of those issues are fundamental and far reaching. You have built up a good piece of legislation here. It may not be completely free of the need for further revision in the future, but, knowing the personnel of the Committee on Armed Services, I have tremendous confidence in you and I know you will continue your study and observation and develop further legislation of this kind when needed. That you will do this job carefully and well is evident from the good work that you have done on this bill. I know that you will always keep military justice on a high plane. I do not subscribe to any action by the Congress which will attempt or even tend to give Congress specific review powers or attempt to exercise any review powers of individual cases. I served on the subcommittee of the Committee on Military Affairs for 8 years that got just about all the complaints that came to Congress from fellows who had been caught, tried, and convicted for any offense during their military service.

It is highly important that a sound system of justice be devised and that such system be permitted to function without undue interference by Congress in specific cases. It is also important that Congress be ever ready to revise and improve the system in the way best illustrated by the bill H. R. 4080 now before us. I congratulate the gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services, and the gentleman from Louisiana [Mr. BROOKS], chairman of the subcommittee, and all the members of the committee who worked on this legislation.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I am proud to be a member of the subcommittee which has written the proposed legislation. Our proposal received the unanimous approval of the full committee of the armed services and we received the special commendation of our great chairman, the Honorable Carl Vinson, who is handling this legislation today.

We are confident that our committee is rendering the present armed forces a notable service. We are confident we are making a worth-while contribution to posterity. We would not presume to infer we have fashioned a perfect document, but we are firm in the belief that this bill gives to military justice greater democracy than it has ever known in any nation since the world began.

Members of the armed services charged with commission of crimes are guaranteed more rights than any civilian enjoys today in our Nation. Notable among these are as follows:

First. This bill guarantees the accused the right to have military counsel without cost at the pretrial investigation.

Second. The appointing authority reviews the sentence of every court with full right to reduce the sentence in any amount, even to the extent of dismissing the case.

Third. The Board of Review reviews the facts as well as the law with full authority to remit the sentence or any part thereof and to reverse the case.

Fourth. The Judge Advocate General may, if authorized by the secretary of his department, further reduce the sentence.

The above are notable advances, and guaranties in future days that are to come. This bill may need further revision. If it does, you may rest assured that our great chairman, the Honorable CARL VINSON, will lose no time in ordering proper revisions. We are convinced this is an excellent vehicle to further expand military justice with whatever changes the future may demand.

For, and on behalf of the committee, I want to thank our professional staff member, Mr. Robert W. Smart. Mr. Smart is a former member of the armed services and served as a judge advocate during the recent war. He possesses a wealth of knowledge on this terrifically important and broad subject. He has worked unceasingly with the committee in the consecrated effort to help us bring you a document worthy of your consideration. We are deeply indebted to Mr. Smart for his long and tedious hours he has given in our preparation of this legislation.

Mr. Chairman, in presenting to the Congress this proposal, I urge its adoption.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, this bill to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a uniform code of military justice, is clearly a distinct and timely step in the progress relating to military justice. For many years, both in time of war and in time of peace, committees of Congress have found it necessary and proper to study this subject matter and with varying degrees of success and failure. During this time, there has been a sort of feeling throughout the Nation, amongst millions of people, that there has been too much partiality, inconsistency, "command control," and even injustice, as a result of the system of military justice which we have been acting under, both in times of war and peace.

Having been a practicing lawyer and having been admitted before the supreme court of the State of California, and in like manner, for many years admitted to the bar of the United States Supreme Court, and having served as a member of the judiciary committee of the Bar Association of the State of California, and at present being a member of the legislative committee of the California State bar, I have sat in an advantageous position in knowing the need, yes, even the necessity of this uniform code of military justice. Behind it is the accumulation of years of experience and study.

The record of study and diligence of the Brooks subcommittee is undisputed and of a most distinguished nature. I congratulate him and the subcommittee members. By invitation, I had the pleasure of sitting with the subcommittee, without being an official member thereof, but because of my being a member of the Armed Services Committee and being especially interested in the subject matter. I, therefore, personally observed the impartiality, the forthrightness with which witnesses testified before the committee and with which the subcommittee considered same. I emphatically commend this bill to the unanimous approval of the House as a step in the progress of military law, both as to the substance of the law and as to the procedure. It is the first time in the history of our Nation that there has been a Uniform Code of Military Justice, and I mean uniform. It applies uniformly to all branches of the armed services, both in times of war and in times of peace, and it supersedes the existing articles of war, in the related fields of military justice. The civilian court of appeals is for the first time set up and is uniform for all armed services. The accused must have legally qualified counsel and is entitled to have the same upon request, and the court martial must be composed, in part, of a reasonable number of enlisted men also, and there is an automatic review of both the facts, as well as the law to be made by competent legal authorities. The members of the Reserve components are protected in temporary service by reason of the fact that unless they signed a consent in writing, that when on temporary duty, they are not subject to this code. General or flag officers are likewise subject to the same uniform procedures as are enlisted men. In substance and effect, it further requires that the Judge Advocate General must himself be a lawyer and must at least have 8 years accumulated experience.

There are many more revolutionary and sound improvements in the substance of the law and the processes by which the law is applied, of pronounced assurance, of increased protection against opportunity of unfair and unkind men doing and administering unfair practices and punishments in the military service. The trial and error of this Uniform Code of Military Justice will enable Congress to cooperate with the splendid men of the armed forces.

Assuming that the Senate will find reason to accept this bill, at least in substance, on account of its manifest soundness and fairness, I anticipate great satisfaction throughout the armed forces and in the civilian population of our Nation.

Mr. VINSON. Mr. Chairman, there are no more requests for time on this side.

Mr. COLE of New York. Mr. Chairman, we have no further requests for

time. I yield back the balance of the time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That a Uniform Code of Military Justice for the government of the armed forces of the United States, unifying, consolidating, revising, and codifying the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, is hereby enacted as follows, and the articles in this section may be cited as "Uniform Code of Military Justice, Article ."

UNIFORM CODE OF MILITARY JUSTICE

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PART I—GENERAL PROVISIONS

Article
1. Definitions.
2. Persons subject to the code.
3. Jurisdiction to try certain personnel.
4. Dismissed officer's right to trial by court-martial.
5. Territorial applicability of the code.
6. Judge advocates and legal officers.

ARTICLE 1. Definitions.

The following terms when used in this code shall be construed in the sense indicated in this article, unless the context shows that a different sense is intended, namely:

(1) "Department" shall be construed to refer, severally, to the Department of the Army, the Department of the Navy, the Department of the Air Force, and, except when the Coast Guard is operating as a part of the Navy, the Treasury Department;

(2) "Armed force" shall be construed to refer, severally, to the Army, the Navy, the Air Force, and, except when operating as a part of the Navy, the Coast Guard;

(3) "Navy" shall be construed to include the Marine Corps and, when operating as a part of the Navy, the Coast Guard;

(4) "The Judge Advocate General" shall be construed to refer, severally, to The Judge Advocates General of the Army, Navy, and Air Force, and, except when the Coast Guard is operating as a part of the Navy, the General Counsel of the Treasury Department;

(5) "Officer" shall be construed to refer to a commissioned officer including a commissioned warrant officer;

(6) "Superior officer" shall be construed to refer to an officer superior in rank or command;

(7) "Cadet" shall be construed to refer to a cadet of the United States Military Academy or of the United States Coast Guard Academy;

(8) "Midshipman" shall be construed to refer to a midshipman at the United States Naval Academy and any other midshipman on active duty in the naval service;

(9) "Enlisted person" shall be construed to refer to any person who is serving in an enlisted grade in any armed force;

(10) "Military" shall be construed to refer to any or all of the armed forces;

(11) "Accuser" shall be construed to refer to a person who signs and swears to the charges and to any other person who has an interest other than an official interest in the prosecution of the accused;

(12) "Law officer" shall be construed to refer to an official of a general court martial detailed in accordance with article 26;

(13) "Law specialist" shall be construed to refer to an officer of the Navy or Coast Guard designated for special duty (law);

(14) "Legal officer" shall be construed to refer to any officer in the Navy or Coast Guard designated to perform legal duties for a command.

ART. 2. Persons subject to the code.

The following persons are subject to this code:

(1) All persons belonging to a regular component of the armed forces, including those awaiting discharge after expiration of their terms of enlistment; all volunteers and inductees, from the dates of their muster or acceptance into the armed forces of the United States; and all other persons lawfully called or ordered into, or to duty in or for training in, the armed forces, from the dates they are required by the terms of the call or order to obey the same;

(2) Cadets, aviation cadets, and midshipmen;

(3) Reserve personnel while they are on inactive duty training authorized by written orders which are voluntarily accepted by them, which orders specify that they are subject to this code;

(4) Retired personnel of a regular component of the armed forces who are entitled to receive pay;

(5) Retired personnel of a reserve component who are receiving hospitalization from an armed force;

(6) Members of the Fleet Reserve and Fleet Marine Corps Reserve;

(7) All persons in custody of the armed forces serving a sentence imposed by a court-martial;

(8) Personnel of the Coast and Geodetic Survey, Public Health Service, and other organizations, when assigned to and serving with the armed forces of the United States;

(9) Prisoners of war in custody of the armed forces;

(10) In time of war, all persons serving with or accompanying an armed force in the field;

(11) All persons serving with, employed by, or accompanying the armed forces without the continental limits of the United States and the following territories: That part of Alaska east of longitude 172° west, the Canal Zone, the main group of the Hawaiian Islands, Puerto Rico, and the Virgin Islands;

(12) All persons within an area leased by the United States which is under the control of the Secretary of a Department and which is without the continental limits of the United States, and the following Territories: That part of Alaska east of longitude 172° west, the Canal Zone, the main group of the Hawaiian Islands, Puerto Rico, and the Virgin Islands.

ART. 3. Jurisdiction to try certain personnel.

(a) Subject to the provisions of article 43, any person charged with having committed an offense against this code, punishable by confinement of 5 years or more and for which the person cannot be tried in the courts of the United States or any State or Territory thereof or of the District of Columbia, while in a status in which he was subject to this code, shall not be relieved from amenability to trial by courts-martial by reason of the termination of said status.

(b) All persons discharged from the armed forces subsequently charged with having fraudulently obtained said discharge shall after apprehension be subject to trial by court-martial on said charge and shall be subject to this code while in the custody of the armed forces for such trial. Upon conviction of said charge they shall be subject to trial by court-martial for all offenses under this code committed prior to the fraudulent discharge.

(c) Any person who has deserted from the armed forces shall not be relieved from amenability to the jurisdiction of this code by virtue of a separation from any subsequent period of service.

ART. 4. Dismissed officer's right to trial by court-martial.

(a) When any officer, dismissed by order of the President, makes a written application for trial by court-martial, setting forth, under oath, that he has been wrongfully dismissed, the President, as soon as practicable, shall convene a general court-martial to try such officer on the charges on which he was dismissed. A court-martial so convened shall have jurisdiction to try the dismissed officer on such charges, and he shall be held to have waived the right to plead any statute of limitations applicable to any offense with which he is charged. The court-martial may, as part of its sentence, adjudge the affirmance of the dismissal, but if the court-martial acquits the accused or if the sentence adjudged, as finally approved or affirmed, does not include dismissal or death, the Secretary of the Department shall substitute for the dismissal ordered by the President a form of discharge authorized for administrative issuance.

(b) If the President fails to convene a general court-martial within 6 months from the presentation of an application for trial under this article, the Secretary of the Department shall substitute for the dismissal ordered by the President a form of discharge authorized for administrative issuance.

(c) Where a discharge is substituted for a dismissal under the authority of this article, the President alone may reappoint the officer to such commissioned rank and precedence as in the opinion of the President such former officer would have attained had he not been dismissed. The reappointment of such a former officer shall be without regard to position vacancy and shall affect the promotion status of other officers only insofar as the President may direct. All time between the dismissal and such reappointment shall be considered as actual service for all purposes, including the right to receive pay and allowances.

(d) When an officer is discharged from any armed force by administrative action or is dropped from the rolls by order of the President, there shall not be a right to trial under this article.

ART. 5. Territorial applicability of the code.

This code shall be applicable in all places.

ART. 6. Judge advocates and legal officers.

(a) The assignment for duty of all judge advocates of the Army and Air Force and law specialists of the Navy and Coast Guard shall be made upon the recommendation of The Judge Advocate General of the armed force of which they are members. The Judge Advocate General or senior members of his staff shall make frequent inspections in the field in supervision of the administration of military justice.

(b) Convening authorities shall at all times communicate directly with their staff judge advocates or legal officers in matters relating to the administration of military justice; and the staff judge advocate or legal officer of any command is authorized to communicate directly with the staff judge advocate or legal officer of a superior or subordinate command, or with The Judge Advocate General.

(c) No person who has acted as member, law officer, trial counsel, assistant trial counsel, defense counsel, assistant defense counsel, or investigating officer in any case shall subsequently act as a staff judge advocate or legal officer to any reviewing authority upon the same case.

PART II—APPREHENSION AND RESTRAINT

Article
7. Apprehension.
8. Apprehension of deserters.
9. Imposition of restraint.
10. Restraint of persons charged with offenses.
11. Reports and receiving of prisoners.
12. Confinement with enemy prisoners prohibited.
13. Punishment prohibited before trial.
14. Delivery of offenders to civil authorities.

ART. 7. Apprehension.

(a) Apprehension is the taking into custody of a person.

(b) Any person authorized under regulations governing the armed forces to apprehend persons subject to this code may do so upon reasonable belief that an offense has been committed and that the person apprehended committed it.

(c) All officers, warrant officers, petty officers, and noncommissioned officers shall have authority to quell all quarrels, frays, and disorders among persons subject to this code and to apprehend persons subject to this code who take part in the same.

ART. 8. Apprehension of deserters.

It shall be lawful for any civil officer having authority to apprehend offenders under the laws of the United States or of any State, District, Territory, or possesion of the United States summarily to apprehend a deserter from the armed forces of the United States and deliver him into the custody of the armed forces of the United States.

ART. 9. Imposition of restraint.

(a) Arrest is the restraint of a person by an order directing him to remain within certain specified limits not imposed as a punishment for an offense. Confinement is the physical restraint of a person.

(b) An enlisted person may be ordeerd into arrest or confinement by any officer by an order, oral or written, delivered in person or through other persons subject to this code. A commanding officer may authorize warrant officers, petty officers, or noncommissioned officers to order enlisted persons of his command or subject to his authority into arrest or confinement.

(c) An officer, a warrant officer, or a civilian subject to this code may be ordered into arrest or confinement only by a commanding officer to whose authority he is subject, by an order, oral or written, delivered in person or by another officer. The authority to order such persons into arrest or confinement may not be delegated.

(d) No person shall be ordered into arrest or confinement except for probable cause.

(e) Nothing in this article shall be construed to limit the authority of persons authorized to apprehend offenders to secure the custody of an alleged offender until proper authority may be notified.

ART. 10. Restraint of persons charged with offenses.

Any person subject to this code charged with an offense under this code shall be ordered into arrest or confinement, as circumstances may require; but when charged only with an offense normally tried by a summary court-martial, such person shall not ordinarily be placed in confinement. When any person subject to this code is placed in arrest or confinement prior to trial, immediate steps shall be taken to inform him of the specific wrong of which he is accused and to try him or to dismiss the charges and release him.

ART. 11. Reports and receiving of prisoners.

(a) No provost marshal, commander of a guard, or master at arms shall refuse to receive or keep any prisoner committed to his charge by an officer of the armed forces, when the committing officer furnishes a statement, signed by him, of the offense charged against the prisoner.

(b) Every commander of a guard or master at arms to whose charge a prisoner is committed shall, within 24 hours after such commitment or as soon as he is relieved from guard, report to the commanding officer the name of such prisoner, the offense charged against him, and the name of the person who ordered or authorized the commitment.

ART. 12. Confinement with enemy prisoners prohibited.

No member of the armed forces of the United States shall be placed in confinement in immediate association with enemy prisoners or other foreign nationals not members of the armed forces of the United States.

ART. 13. Punishment prohibited before trial.

Subject to the provisions of article 57, no person, while being held for trial or the results of trial, shall be subjected to punishment or penalty other than arrest or confinement upon the charges pending against him, nor shall the arrest or confinement imposed upon him be any more rigorous than the circumstances require to insure his presence, but he may be subjected to punishment during such period for minor infractions of discipline.

ART. 14. Delivery of offenders to civil authorities.

(a) Under such regulations as the Secretary of the Department may prescribe, a member of the armed forces accused of an offense against civil authority may be delivered, upon request, to the civil authority for trial.

(b) When delivery under this article is made to any civil authority of a person undergoing sentence of a court-martial, such delivery, if followed by conviction in a civil tribunal, shall be held to interrupt the execution of the sentence of the court-martial, and the offender after having answered to the civil authorities for his offense shall, upon the request of competent military authority, be returned to military custody for the completion of the said court-martial sentence.

PART III—NON-JUDICIAL PUNISHMENT

ART. 15. Commanding officer's non-judicial punishment.

(a) Under such regulations as the President may prescribe, any commanding officer may, in addition to or in lieu of admonition or reprimand, impose one of the following disciplinary punishments for minor offenses without the intervention of a court-martial—

(1) upon officers and warrant officers of his command:

(A) withholding of privileges for a period not to exceed two consecutive weeks; or

(B) restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; or

(C) if imposed by an officer exercising general court-martial jurisdiction, forfeiture of not to exceed one-half of his pay per month for a period not exceeding 1 month;

(2) upon other military personnel of his command:

(A) withholding of privileges for a period not to exceed two consecutive weeks; or

(B) restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; or

(C) extra duties for a period not to exceed two consecutive weeks, and not to exceed 2 hours per day, holidays included; or

(D) reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command; or

(E) if imposed upon a person attached to or embarked in a vessel, confinement for a period not to exceed seven consecutive days; or

(F) if imposed upon a person attached to or embarked in a vessel, confinement on bread and water or diminished rations for a period not to exceed five consecutive days.

(b) The Secretary of a Department may, by regulation, place limitations on the powers granted by this article with respect to the kind and amount of punishment authorized, the categories of commanding officers authorized to exercise such powers, and the applicability of this article to an accused who demands trial by court martial.

(c) An officer in charge may, for minor offenses, impose on enlisted persons assigned to the unit of which he is in charge, such of the punishments authorized to be imposed by commanding officers as the Secretary of the Department may by regulation specifically prescribe, as provided in subdivision (a) and (b).

(d) A person punished under authority of this article who deems his punishment unjust or disproportionate to the offense may, through the proper channel, appeal to the next superior authority. The appeal shall be promptly forwarded and decided, but the person punished may in the meantime be required to undergo the punishment adjudged. The officer who imposes the punishment, his successor in command, and superior authority shall have power to suspend, set aside, or remit any part or amount of the punishment and to restore all rights, privileges, and property affected.

(e) The imposition and enforcement of disciplinary punishment under authority of this article for any act or omission shall not be a bar to trial by court-martial for a serious crime or offense growing out of the same act or omission, and not properly punishable under this article; but the fact that a disciplinary punishment has been enforced may be shown by the accused upon trial, and when so shown shall be considered in determining the measure of punishment to be adjudged in the event of a finding of guilty.

PART IV—COURTS-MARTIAL JURISDICTION

Article
16. Courts-martial classified.
17. Jurisdiction of courts-martial in general.
18. Jurisdiction of general courts-martial.
19. Jurisdiction of special courts-martial.
20. Jurisdiction of summary courts-martial.
21. Jurisdiction of courts-martial not exclusive.

ART. 16. Courts-martial classified.

There shall be three kinds of courts-martial in each of the armed forces, namely:

(1) General courts-martial, which shall consist of a law officer and any number of members not less than five;

(2) Special courts-martial, which shall consist of any number of members not less than three; and

(3) Summary courts-martial, which shall consist of one officer.

ART. 17. Jurisdiction of courts-martial in general.

(a) Each armed force shall have court-martial jurisdiction over all persons subject to this code. The exercise of jurisdiction by one armed force over personnel of another armed force shall be in accordance with regulations prescribed by the President.

(b) In all cases, departmental review subsequent to that by the officer with authority to convene a general court-martial for the command which held the trial, where such review is required under the provisions of this code, shall be carried out by the armed force of which the accused is a member.

ART. 18. Jurisdiction of general courts-martial.

Subject to article 17, general courts-martial shall have jurisdiction to try persons

subject to this code for any offense made punishable by this code and may, under such limitations as the President may prescribe, adjudge any punishment not forbidden by this code, including the penalty of death when specifically authorized by this code. General courts-martial shall also have jurisdiction to try any person who by the law of war is subject to trial by a military tribunal and may adjudge any punishment permitted by the law of war.

ART. 19. Jurisdiction of special courts-martial.

Subject to article 17, special courts-martial shall have jurisdiction to try persons subject to this code for any noncapital offense made punishable by this code and, under such regulations as the President may prescribe, for capital offenses. Special courts-martial may, under such limitations as the President may prescribe, adjudge any punishment not forbidden by this code except death, dishonorable discharge, dismissal, confinement in excess of six months, hard labor without confinement in excess of three months, forfeiture of pay exceeding two-thirds pay per month, or forfeiture of pay for a period exceeding six months. A bad-conduct discharge shall not be adjudged unless a complete record of the proceedings and testimony before the court has been made.

ART. 20. Jurisdiction of summary courts-martial.

Subject to article 17, summary courts-martial shall have jurisdiction to try persons subject to this code except officers, warrant officers, cadets, aviation cadets, and midshipmen for any noncapital offense made punishable by this code, but no person who objects thereto shall be brought to trial before a summary court-martial unless he has been permitted to refuse punishment under article 15. Where such objection is made by the accused, trial shall be ordered by special or general court-martial, as may be appropriate. Summary courts-martial may, under such limitations as the President may prescribe, adjudge any punishment not forbidden by this code except death, dismissal, dishonorable or bad-conduct discharge, confinement in excess of one month, hard labor without confinement in excess of forty-five days, restriction to certain specified limits in excess of two months, or forfeiture of pay in excess of two-thirds of one month's pay.

ART. 21. Jurisdiction of courts-martial not exclusive.

The provisions of this code conferring jurisdiction upon courts-martial shall not be construed as depriving military commissions, provost courts, or other military tribunals of concurrent jurisdiction in respect of offenders or offenses that by statute or by the law of war may be tried by such military commissions, provost courts, or other military tribunals.

PART V—APPOINTMENT AND COMPOSITION OF COURTS-MARTIAL

Article
22. Who may convene general courts-martial.
23. Who may convene special courts-martial.
24. Who may convene summary courts-martial.
25. Who may serve on courts-martial.
26. Law officer of a general court-martial.
27. Appointment of trial counsel and defense counsel.
28. Appointment of reporters and interpreters.
29. Absent and additional members.

ART. 22. Who may convene general courts-martial.

(a) General courts-martial may be convened by—

(1) the President of the United States;

(2) the Secretary of a Department;

(3) the commanding officer of a Territorial Department, an Army Group, an Army, an Army Corps, a division, a separate brigade, or a corresponding unit of the Army;

(4) the Commander in Chief of a Fleet; the commanding officer of a naval station or larger shore activity of the Navy beyond the continental limits of the United States;

(5) the commanding officer of an Air Command, an Air Force, an air division, or a separate wing of the Air Force;

(6) such other commanding officers as may be designated by the Secretary of a Department; or

(7) any other commanding officer in any of the armed forces when empowered by the President.

(b) When any such commanding officer is an accuser, the court shall be convened by superior competent authority, and may in any case be convened by such authority when deemed desirable by him.

ART. 23. Who may convene special courts-martial.

(a) Special courts-martial may be convened by—

(1) any person who may convene a general court martial.

(2) the commanding officer of a district, garrison, fort, camp, station, Air Force base, auxiliary air field, or other place where members of the Army or Air Force are on duty;

(3) the commanding officer of a brigade, regiment, detached battalion, or corresponding unit of the Army;

(4) the commanding officer of a wing, group, or separate squadron of the Air Force;

(5) the commanding officer of any naval or Coast Guard vessel, shipyard, base, or station; or of any marine brigade, regiment or barracks;

(6) the commanding officer of any separate or detached command or group of detached units of any of the armed forces placed under a single commander for this purpose; or

(7) the commanding officer or officer in charge of any other command when empowered by the Secretary of a Department.

(b) When any such officer is an accuser, the court shall be convened by superior competent authority, and may in any case be convened by such authority when deemed advisable by him.

ART. 24. Who may convene summary courts-martial.

(a) Summary courts-martial may be convened by—

(1) any person who may convene a general or special court-martial;

(2) the commanding officer of a detached company, or other detachment of the Army;

(3) the commanding officer of a detached squadron or other detachment of the Air Force; or

(4) the commanding officer or officer in charge of any other command when empowered by the Secretary of a Department.

(b) When but one officer is present with a command or detachment he shall be the summary court-martial of that command or detachment and shall hear and determine all summary court-martial cases brought before him. Summary courts-martial may, however, be convened in any case by superior competent authority when deemed desirable by him.

ART. 25. Who may serve on courts-martial.

(a) Any officer on active duty with the armed forces shall be eligible to serve on all courts-martial for the trial of any person who may lawfully be brought before such courts for trial.

(b) Any warrant officer on active duty with the armed forces shall be eligible to serve on general and special courts-martial for the trial of any person, other than an officer, who may lawfully be brought before such courts for trial.

(c) (1) Any enlisted person on active duty with the armed forces who is not a member of the same unit as the accused shall be eligible to serve on general and special courts-martial for the trial of any enlisted person who may lawfully be brought before such courts for trial, but he shall serve as a member of a court only if, prior to the convening of such court, the accused personally has requested in writing that enlisted persons serve on it. After such a request, no enlisted person shall be tried by a general or special court-martial the membership of which does not include enlisted persons in a number comprising at least one-third of the total membership of the court, unless eligible enlisted persons cannot be obtained on account of physical conditions or military exigencies. Where such persons cannot be obtained, the court may be convened and the trial held without them, but the convening authority shall make a detailed written statement, to be appended to the record, stating why they could not be obtained.

(2) For the purposes of this article, the word "unit" shall mean any regularly organized body as defined by the Secretary of the Department, but in no case shall it be a body larger than a company, a squadron, or a ship's crew, or than a body corresponding to one of them.

(d) (1) When it can be avoided, no person in the armed forces shall be tried by a court-martial any member of which is junior to him in rank or grade.

(2) When convening a court-martial, the convening authority shall appoint as members thereof such persons as, in his opinion, are best qualified for the duty by reason of age, education, training, experience, length of service, and judicial temperament. No person shall be eligible to sit as a member of a general or special court-martial when he is the accuser or a witness for the prosecution or has acted as investigating officer or as counsel in the same case.

ART. 26. Law officer of a general court-martial.

(a) The authority convening a general court-martial shall appoint as law officer thereof an officer who is a member of the bar of a Federal court or of the highest court of a State of the United States and who is certified to be qualified for such duty by the Judge Advocate General of the armed force of which he is a member. No person shall be eligible to act as law officer in a case when he is the accuser or a witness for the prosecution or has acted as investigating officer or as counsel in the same case.

(b) The law officer shall not consult with the members of the court, other than on the form of the findings as provided in article 39, except in the presence of the accused, trial counsel, and defense counsel, nor shall he vote with the members of the court.

ART. 27. Appointment of trial counsel and defense counsel.

(a) For each general and special court-martial the authority convening the court shall appoint a trial counsel and a defense counsel, together with such assistants as he deems necessary or appropriate. No person who has acted as investigating officer, law officer, or court member in any case shall act subsequently as trial counsel assistant trial counsel, or, unless expressly requested by the accused, as defense counsel or assistant defense counsel in the same case. No person who has acted for the prosecution shall act subsequently in the same case for the defense, nor shall any person who has acted for the defense act subsequently in the same case for the prosecution.

(b) Any person who is appointed as trial counsel or defense counsel in the case of a general court martial—

(1) shall be a judge advocate of the Army or the Air Force, or a law specialist of the Navy or Coast Guard, who is a graduate of an accredited law school or is a member of the bar of a Federal court or of the highest court of a State; or shall be a person who is a

member of the bar of a Federal court or of the highest court of a State; and

(2) shall be certified as competent to perform such duties by the Judge Advocate General of the armed force of which he is a member.

(c) In the case of a special court-martial—

(1) if the trial counsel is certified as competent to act as counsel before a general court-martial by the Judge Advocate General of the armed force of which he is a member, the defense counsel appointed by the convening authority shall be a person similarly certified; and

(2) if the trial counsel is a judge advocate, or a law specialist, or a member of the bar of a Federal court or the highest court of a State, the defense counsel appointed by the convening authority shall be one of the foregoing.

ART. 28. Appointment of reporters and interpreters.

Under such regulations as the Secretary of the Department may prescribe, the convening authority of a court-martial or military commission or a court of inquiry shall have power to appoint a reporter, who shall record the proceedings of and testimony taken before such court or commission. Under like regulations the convening authority of a court martial, military commission, or court of inquiry may appoint an interpreter who shall interpret for the court or commission.

ART. 29. Absent and additional members.

(a) No member of a general or special court-martial shall be absent or excused after the accused has been arraigned except for physical disability or as a result of a challenge or by order of the convening authority for good cause.

(b) Whenever a general court martial is reduced below 5 members, the trial shall not proceed unless the convening authority appoints new members sufficient in number to provide not less than 5 members. When such new members have been sworn, the trial may proceed after the recorded testimony of each witness previously examined has been read to the court in the presence of the law officer, the accused, and counsel.

(c) Whenever a special court martial is reduced below 3 members, the trial shall not proceed unless the convening authority appoints new members sufficient in number to provide not less than 3 members. When such new members have been sworn, the trial shall proceed as if no evidence had previously been introduced, unless a verbatim record of the testimony of previously examined witnesses or a stipulation thereof is read to the court in the presence of the accused and counsel.

PART VI—PRETRIAL PROCEDURE

Article
30. Charges and specifications.
31. Compulsory self-incrimination prohibited.
32. Investigation.
33. Forwarding of charges.
34. Advice of staff judge advocate and reference for trial.
35. Service of charges.

ART. 30. Charges and specifications.

(a) Charges and specifications shall be signed by a person subject to this code under oath before an officer of the armed forces authorized to administer oaths and shall state—

(1) that the signer has personal knowledge of, or has investigated, the matters set forth therein; and

(2) that the same are true in fact to the best of his knowledge and belief.

(b) Upon the preferring of charges, the proper authority shall take immediate steps to determine what disposition should be made thereof in the interest of justice and discipline, and the person accused shall be informed of the charges against him as soon as practicable.

ART. 31. Compulsory self-incrimination prohibited.

(a) No person subject to this code shall compel any person to incriminate himself or to answer any question the answer to which may tend to incriminate him.

(b) No person subject to this code shall interrogate, or request any statement from, an accused or a person suspected of an offense without first informing him of the nature of the accusation and advising him that he does not have to make any statement regarding the offense of which he is accused or suspected and that any statement made by him may be used as evidence against him in a trial by court-martial.

(c) No person subject to this code shall compel any person to make a statement or produce evidence before any military tribunal if the statement or evidence is not material to the issue and may tend to degrade him.

(d) No statement obtained from any person in violation of this article or by any unlawful inducement shall be received in evidence against him in a trial by court-martial.

ART. 32. Investigation.

(a) No charge or specification shall be referred to a general court martial for trial until a thorough and impartial investigation of all the matters set forth therein has been made. This investigation shall include inquiries as to the truth of the matter set forth in the charges, form of charges, and the disposition which should be made of the case in the interest of justice and discipline.

(b) The accused shall be advised of the charges against him and of his right to be represented at such investigation by counsel. Upon his own request he shall be represented by civilian counsel if provided by him, or military counsel of his own selection if such counsel be reasonably available, or by counsel appointed by the officer exercising general court-martial jurisdiction over the command. At such investigation full opportunity shall be given to the accused to cross-examine witnesses against him if they are available and to present anything he may desire in his own behalf, either in defense or mitigation, and the investigating officer shall examine available witnesses requested by the accused. If the charges are forwarded after such investigation, they shall be accompanied by a statement of the substance of the testimony taken on both sides and a copy thereof shall be given to the accused.

(c) If an investigation of the subject matter of an offense has been conducted prior to the time the accused is charged with the offense, and if the accused was present at such investigation and afforded the opportunities for representation, cross-examination, and presentation prescribed in subdivision (b) of this article, no further investigation of that charge is necessary under this article unless it is demanded by the accused after he is informed of the charge. A demand for further investigation entitles the accused to recall witnesses for further cross-examination and to offer any new evidence in his own behalf.

(d) The requirements of this article shall be binding on all persons administering this code, but failure to follow them in any case shall not constitute jurisdictional error.

ART. 33. Forwarding of charges.

When a person is held for trial by general court martial, the commanding officer shall, within 8 days after the accused is ordered into arrest or confinement, if practicable, forward the charges, together with the investigation and allied papers, to the officer exercising general court martial jurisdiction. If the same is not practicable, he shall report to such officer the reasons for delay.

ART. 34. Advice of staff judge advocate and reference for trial.

(a) Before directing the trial of any charge by general court martial, the convening authority shall refer it to his staff judge advocate or legal officer for consideration and advice. The convening authority shall not refer a charge to a general court martial for trial unless he has found that the charge alleges an offense under this code and is warranted by evidence indicated in the report of investigation.

(b) If the charges or specifications are not formally correct or do not conform to the substance of the evidence contained in the report of the investigating officer, formal corrections and such changes in the charges and specifications as are needed to make them conform to the evidence may be made.

ART. 35. Services of charges.

The trial counsel to whom court-martial charges are referred for trial shall cause to be served upon the accused a copy of the charges upon which trial is to be had. In time of peace no person shall, against his objection, be brought to trial before a general court martial within a period of 5 days subsequent to the service of the charges upon him, or before a special court martial within a period of 3 days subsequent to the service of the charges upon him.

PART VII—TRIAL PROCEDURE

Article
36. President may prescribe rules.
37. Unlawfully influencing action of court.
38. Duties of trial counsel and defense counsel.
39. Sessions.
40. Continuances.
41. Challenges.
42. Oaths.
43. Statute of limitations.
44. Former jeopardy.
45. Pleas of the accused.
46. Opportunity to obtain witnesses and other evidence.
47. Refusal to appear or testify.
48. Contempts.
49. Depositions.
50. Admissibility of records of courts of inquiry.
51. Voting and rulings.
52. Number of votes required.
53. Court to announce action.
54. Record of trial.

ART. 36. President may prescribe rules.

(a) The procedure, including modes of proof, in cases before courts martial, courts of inquiry, military commissions, and other military tribunals may be prescribed by the President by regulations which shall, so far as he deems practicable, apply the principles of law and the rules of evidence generally recognized in the trial of criminal cases in the United States district courts, but which shall not be contrary to or inconsistent with this code.

(b) All rules and regulations made in pursuance of this article shall be uniform insofar as practicable and shall be reported to the Congress.

ART. 37. Unlawfully influencing action of court.

No authority convening a general, special, or summary court martial, nor any other commanding officer, shall censure, reprimand, or admonish such court or any member, law officer, or counsel thereof, with respect to the findings or sentence adjudged by the court, or with respect to any other exercise of its or his functions in the conduct of the proceeding. No person subject to this code shall attempt to coerce or, by any unauthorized means, influence the action of a court martial or any other military tribunal

or any member thereof, in reaching the findings or sentence in any case, or the action of any convening, approving, or reviewing authority with respect to his judicial acts.

ART. 38. Duties of trial counsel and defense counsel.

(a) The trial counsel of a general or special court martial shall prosecute in the name of the United States, and shall, under the direction of the court, prepare the record of the proceedings.

(b) The accused shall have the right to be represented in his defense before a general or special court martial by civilian counsel if provided by him, or by military counsel of his own selection if reasonably available, or by the defense counsel duly appointed pursuant to article 27. Should the accused have counsel of his own selection, the duly appointed defense counsel, and assistant defense counsel, if any, shall, if the accused so desires, act as his associate counsel; otherwise they shall be excused by the president of the court.

(c) In every court-martial proceeding, the defense counsel may, in the event of conviction, forward for attachment to the record of proceedings a brief of such matters as he feels should be considered in behalf of the accused on review, including any objection to the contents of the record which he may deem appropriate.

(d) An assistant trial counsel of a general court-martial may, under the direction of the trial counsel or when he is qualified to be a trial counsel as required by article 27, perform any duty imposed by law, regulation, or the custom of the service upon the trial counsel of the court. An assistant trial counsel of a special court-martial may perform any duty of the trial counsel.

(e) An assistant defense counsel of a general or special court-martial may, under the direction of the defense counsel or when he is qualified to be the defense counsel as required by article 27, perform any duty imposed by law, regulation, or the custom of the service upon counsel for the accused.

ART. 39. Sessions.

Whenever a general or special court-martial is to deliberate or vote, only the members of the court shall be present. After a general court-martial has finally voted on the findings, the court may request the law officer and the reporter to appear before the court to put the findings in proper form, and such proceedings shall be on the record. All other proceedings, including any other consultation of the court with counsel or the law officer shall be made a part of the record and be in the presence of the accused, the defense counsel, the trial counsel, and in general court-martial cases, the law officer.

ART. 40. Continuances.

A court-martial may, for reasonable cause, grant a continuance to any party for such time and as often as may appear to be just.

ART. 41. Challenges.

(a) Members of a general or special court-martial and the law officer of a general court-martial may be challenged by the accused or the trial counsel for cause stated to the court. The court shall determine the relevancy and validity of challenges for cause, and shall not receive a challenge to more than one person at a time. Challenges by the trial counsel shall ordinarily be presented and decided before those by the accused are offered.

(b) Each accused and trial counsel shall be entitled to one preemptory challenge, but the law officer shall not be challenged except for cause.

ART. 42. Oaths.

(a) The law officer, all interpreters, and, in general and special courts-martial, the members, the trial counsel, assistant trial counsel, the defense counsel, assistant defense counsel, and the reporter shall take an oath or affirmation in the presence of the accused to perform their duties faithfully.

(b) All witnesses before courts-martial shall be examined on oath or affirmation.

ART. 43. Statute of limitations.

(a) A person charged with desertion or absence without leave in time of war, or with aiding the enemy, mutiny, or murder, may be tried and punished at any time without limitation.

(b) Except as otherwise provided in this article, a person charged with desertion in time of peace or any of the offenses punishable under articles 119 through 132, inclusive, shall not be liable to be tried by court-martial if the offense was committed more than 3 years before the receipt of sworn charges and specifications by an officer exercising summary court-martial jurisdiction over the command.

(c) Except as otherwise provided in this article, a person charged with any offense shall not be liable to be tried by court-martial or punished under article 15 if the offense was committed more than 2 years before the receipt of sworn charges and specifications by an officer exercising summary court-martial jurisdiction over the command or before the imposition of punishment under article 15.

(d) Periods in which the accused was absent from territory in which the United States has the authority to apprehend him, or in the custody of civil authorities, or in the hands of the enemy, shall be excluded in computing the period of limitation prescribed in this article.

(e) In the case of any offense the trial of which in time of war is certified to the President by the Secretary of the Department to be detrimental to the prosecution of the war or inimical to the national security, the period of limitation prescribed in this article shall be extended to 6 months after the termination of hostilities as proclaimed by the President or by a joint resolution of Congress.

(f) When the United States is at war, the running of any statute of limitations applicable to any offense—

(1) involving fraud or attempted fraud against the United States or any agency thereof in any manner, whether by conspiracy or not; or

(2) committed in connection with the acquisition, care, handling, custody, control or disposition of any real or personal property of the United States; or

(3) committed in connection with the negotiation, procurement, award, performance, payment for, interim financing, cancellation, or other termination or settlement, of any contract, subcontract or purchase order which is connected with or related to the prosecution of the war, or with any disposition of termination inventory by any war contractor or Government agency;

shall be suspended until 3 years after the termination of hostilities as proclaimed by the President or by a joint resolution of Congress.

ART. 44. Former jeopardy.

No person shall, without his consent, be tried a second time for the same offense; but no proceeding in which an accused has been found guilty by a court-martial upon any charge or specification shall be held to be a trial in the sense of this article until the finding of guilty has become final after review of the case has been fully completed.

ART. 45. Pleas of the accused.

(a) If an accused arraigned before a court-martial makes any irregular pleading, or after a plea of guilty sets up a matter inconsistent with the plea, or if it appears that he has entered the plea of guilty improvidently or through lack of understanding of its meaning and effect, or if he fails or refuses to plead, a plea of not guilty shall be entered in the record, and the court shall proceed as though he had pleaded not guilty.

(b) A plea of guilty by the accused shall not be received to an offense for which the death penalty may be adjudged.

ART. 46. Opportunity to obtain witnesses and other evidence.

The trial counsel, defense counsel, and the court-marial shall have equal opportunity to obtain witnesses and other evidence in accordance with such regulations as the President may prescribe. Process issued in court-martial cases to compel witnesses to appear and testify and to compel the production of other evidence shall be similar to that which courts of the United States having criminal jurisdiction may lawfully issue and shall run to any part of the United States, its Territories, and possessions.

ART. 47. Refusal to appear or testify.

(a) Every person not subject to this code who—

(1) has been duly subpenaed to appear as a witness before any court martial, military commission, court of inquiry, or any other military court or board, or before any military or civil officer designated to take a deposition to be read in evidence before such court, commission, or board; and

(2) has been duly paid or tendered the fees and mileage of a witness at the rates allowed to witnesses attending the courts of the United States; and

(3) willfully neglects or refuses to appear, or refuses to qualify as a witness or to testify or to produce any evidence which such person may have been legally subpenaed to produce;

shall be deemed guilty of an offense against the United States.

(b) Any person who commits an offense denounced by this article shall be tried on information in a United States district court or in a court of original criminal jurisdiction in any of the territorial possessions of the United States, and jurisdiction is hereby conferred upon such courts for such purpose. Upon conviction, such persons shall be punished by a fine of not more than $500, or imprisonment for a period not exceeding 6 months, or both.

(c) It shall be the duty of the United States district attorney or the officer prosecuting for the Government in any such court of original criminal jurisdiction, upon the certification of the facts to him by the military court, commission, court of inquiry, or board, to file an information against and prosecute any person violating this article.

(d) The fees and mileage of witnesses shall be advanced or paid out of the appropriations for the compensation of witnesses.

ART. 48. Contempts.

A court-martial, provost court, or military commission may punish for contempt any person who uses any menacing words, signs, or gestures in its presence, or who disturbs its proceedings by any riot or disorder. Such punishment shall not exceed confinement for 30 days or a fine of $100, or both.

ART. 49. Depositions.

(a) At any time after charges have been signed as provided in article 30, any party may take oral or written depositions unless an authority competent to convene a court-martial for the trial of such charges forbids it for good cause. If a deposition is to be taken before charges are referred for trial, such an authority may designate officers to represent the prosecution and the defense and may authorize such officers to take the deposition of any witness.

(b) The party at whose instance a deposition is to be taken shall give to every other party reasonable written notice of the time and place for taking the deposition.

(c) Depositions may be taken before and authenticated by any military or civil offi-

cer authorized by the laws of the United States or by the laws of the place where the deposition is taken to administer oaths.

(d) A duly authenticated deposition taken upon reasonable notice to the other party, so far as otherwise admissible under the rules of evidence, may be read in evidence before any military court or commission in any case not capital, or in any proceeding before a court of inquiry or military board, if it appears—

(1) that the witness resides or is beyond the State, Territory, or District in which the court, commission, or board is ordered to sit, or beyond the distance of 100 miles from the place of trial or hearing; or

(2) that the witness by reason of death, age, sickness, bodily infirmity, imprisonment, military necessity, nonamenability to process, or other reasonable cause, is unable or refuses to appear and testify in person at the place of trial or hearing; or

(3) that the present whereabouts of the witness is unknown.

(e) Subject to the requirements of subdivision (d) of this article, testimony by deposition may be adduced by the defense in capital cases.

(f) Subject to the requirements of subdivision (d) of this article, a deposition may be read in evidence in any case in which the death penalty is authorized by law but is not mandatory, whenever the convening authority shall have directed that the case be treated as not capital, and in such a case a sentence of death may not be adjudged by the court-martial.

ART. 50. Admissibility of records of courts of inquiry.

(a) In any case not capital and not extending to the dismissal of an officer, the sworn testimony, contained in the duly authenticated record of proceedings of a court of inquiry, of a person whose oral testimony cannot be obtained, may, if other admissible under the rules of evidence, be read in evidence by any party before a court-martial or military commission if the accused was a party and was accorded the rights of an accused when before the court of inquiry and if the same issue was involved or if the accused consents to the introduction of such evidence.

(b) Such testimony may be read in evidence only by the defense in capital cases or cases extending to the dismissal of an officer.

(c) Such testimony may also be read in evidence before a court of inquiry or a military board.

ART. 51. Voting and rulings.

(a) Voting by members of a general or special court-martial upon questions of challenge, on the findings, and on the sentence shall be by secret written ballot. The junior member of the court shall in each case count the votes, which count shall be checked by the president, who shall forthwith announce the result of the ballot to the members of the court.

(b) The law officer of a general court-martial and the president of a special court-martial shall rule upon interlocutory questions, other than challenge, arising during the proceedings. Any such ruling made by the law officer of a general court-martial upon any interlocutory question other than a motion for a finding of not guilty, or the question of accused's sanity, shall be final and shall constitute the ruling of the court; but the law officer may change any such ruling at any time during the trial. Unless such ruling be final, if any member objects thereto, the court shall be cleared and closed and the question decided by a vote as provided in article 52, viva voce, beginning with the junior in rank.

(c) Before a vote is taken on the findings, the law officer of a general court-martial and the president of a special court-martial shall, in the presence of the accused and counsel, instruct the court as to the elements of the offense and charge the court—

(1) that the accused must be presumed to be innocent until his guilt is established by legal and competent evidence beyond reasonable doubt;

(2) that in the case being considered, if there is a reasonable doubt as to the guilt of the accused, the doubt shall be resolved in favor of the accused and he shall be acquitted;

(3) that if there is a reasonable doubt as to the degree of guilt, the finding must be in a lower degree as to which there is no such doubt; and

(4) that the burden of proof to establish the guilt of the accused beyond reasonable doubt is upon the Government.

ART. 52. Number of votes required.

(a) (1) No person shall be convicted of an offense for which the death penalty is made mandatory by law, except by the concurrence of all the members of the court-martial present at the time the vote is taken.

(2) No person shall be convicted of any other offense, except by the concurrence of two-thirds of the members present at the time the vote is taken.

(b) (1) No person shall be sentenced to suffer death, except by the concurrence of all the members of the court-martial present at the time the vote is taken and for an offense in this code made expressly punishable by death.

(2) No person shall be sentenced to life imprisonment or to confinement in excess of 10 years, except by the concurrence of three-fourths of the members present at the time the vote is taken.

(3) All other sentences shall be determined by the concurrence of two-thirds of the members present at the time the vote is taken.

(c) all other questions to be decided by the members of a general or special court-martial shall be determined by a majority vote. A tie vote on a challenge shall disqualify the member challenged. A tie vote on a motion for a finding of not guilty or on a motion relating to the question of the accused's sanity shall be a determination against the accused. A tie vote on any other question shall be a determination in favor of the accused.

ART. 53. Court to announce action.

Every court-martial shall announce its findings and sentence to the parties as soon as determined.

ART. 54. Record of trial.

(a) Each general court-martial shall keep a separate record of the proceedings of the trial of each case brought before it, and such record shall be authenticated by the signature of the president and the law officer. In case the record cannot be authenticated by either the president or the law officer, by reason of the death, disability, or absence of such officer, it shall be signed by a member in lieu of him. If both the president and the law officer are unavailable for such reasons, the record shall be authenticated by two members.

(b) Each special and summary court-martial shall keep a separate record of the proceedings in each case, which record shall contain such matter and be authenticated in such manner as may be required by regulations which the President may prescribe.

(c) A copy of the record of the proceedings of each general and special court-martial shall be given to the accused as soon as authenticated.

PART VIII—SENTENCES

Article
55. Cruel and unusual punishments prohibited.
56. Maximum limits.
57. Effective date of sentences.
58. Execution of confinement.

ART. 55. Cruel and unusual punishments prohibited.

Punishment by flogging, or by branding, marking, or tatooing on the body, or any other cruel or unusual punishment, shall not be adjudged by any court-martial or inflicted upon any person subject to this code. The use of irons, single or double, except for the purpose of safe custody, is prohibited.

ART. 56. Maximum limits.

The punishment which a court-martial may direct for an offense shall not exceed such limits as the President may prescribe for that offense.

ART. 57. Effective date of sentences.

(a) Whenever a sentence of a court-martial as lawfully adjudged and approved includes a forfeiture of pay or allowances in addition to confinement not suspended, the forfeiture may apply to pay or allowances becoming due on or after the date such sentence is approved by the convening authority. No forfeiture shall extend to any pay or allowances accrued before such date.

(b) Any period of confinement not suspended included in a sentence of a court-martial shall begin to run from the date the sentence is adjudged by the court-martial.

(c) All other sentences of courts-martial shall become effective on the date ordered executed.

ART. 58. Execution of confinement.

(a) Under such instructions as the Department concerned may prescribe, any sentence of confinement adjudged by a court-martial or other militry tribunal, whether or not such sentence includes discharge or dismissal, and whether or not such discharge or dismissal has been executed, may be carried into execution by confinement in any place of confinement under the control of any of the armed forces, or in any penal or correctional institution under the control of the United States, or which the United States may be allowed to use; and persons so confined in a penal or correctional institution not under the control of one of the armed forces shall be subject to the same discipline and treatment as persons confined or committed by the courts of the United States or of the State, Territory, District, or place in which the institution is situated.

(b) The omission of the words "hard labor" in any sentence of a court-martial adjudging confinement shall not be construed as depriving the authority executing such sentence of the power to require hard labor as a part of the punishment.

PART IX—REVIEW OF COURTS-MARTIAL

Article
59. Error of law; lesser included offense.
60. Initial action on the record.
61. Same—General court-martial records.
62. Reconsideration and revision.
63. Rehearings.
64. Approval by the convening authority.
65. Disposition of records after review by the convening authority.
66. Review by the board of review.
67. Review by the Court of Military Appeals.
68. Branch offices.
69. Review in the office of The Judge Advocate General.
70. Appellate counsel.
71. Execution of sentence; suspension of sentence.

Article
72. Vacation of suspension.
73. Petition for a new trial.
74. Remission and suspension.
75. Restoration.
76. Finality of court-martial judgments.

ART. 59. Error of law; lesser included offense.

(a) A finding or sentence of a court-martial shall not be held incorrect on the ground of an error of law unless the error materially prejudices the substantial rights of the accused.

(b) Any reviewing authority with the power to approve or affirm a finding of guilty may approve or affirm, instead, so much of the finding as includes a lesser included offense.

ART. 60. Initial action on the record.

After every trial by court-martial the record shall be forwarded to the convening authority, and action thereon may be taken by the officer who convened the court, an officer commanding for the time being, a successor in command, or by any officer exercising general court-martial jurisdiction.

ART. 61. Same—General court-martial records.

The convening authority shall refer the record of every general court-martial to his staff judge advocate or legal officer, who shall submit his written opinion thereon to the convening authority. If the final action of the court has resulted in an acquittal of all charges and specifications, the opinion shall be limited to questions of jurisdiction and shall be forwarded with the record to The Judge Advocate General of the armed forces of which the accused is a member.

ART. 62. Reconsideration and revision.

(a) If a specification before a court-martial has been dismissed on motion and the ruling does not amount to a finding of not guilty, the convening authority may return the record to the court for reconsideration of the ruling and any further appropriate action.

(b) Where there is an apparent error or omission in the record or where the record shows improper action by a court-martial with respect to a finding or sentence which can be rectified without material prejudice to the substantial rights of the accused, the convening authority may return the record to the court for appropriate action. In no case, however, may the record be returned—

(1) for reconsideration of a finding of not guilty or a ruling which amounts to a finding of not guilty; or

(2) for increasing the severity of the sentence unless the sentence prescribed for the offense is mandatory.

ART. 63. Rehearings.

(a) If the convening authority disapproves the findings and sentence of a court-martial he may, except where there is lack of sufficient evidence in the record to support the findings, order a rehearing, in which case he shall state the reasons for disapproval. If he does not order a rehearing, he shall dismiss the charges.

(b) Every rehearing shall take place before a court-martial composed of members not members of the court-martial which first heard the case. Upon such rehearing the accused shall not be tried for any offense of which he was found not guilty by the first court-martial, and no sentence in excess of or more severe than the original sentence shall be imposed unless the sentence is based upon a finding of guilty of an offense not considered upon the merits in the original proceedings or unless the sentence prescribed for the offense is mandatory.

ART. 64. Approved by the convening authority.

In acting on the findings and sentence of a court-martial, the convening authority shall approve only such findings of guilty, and the sentence or such part or amount of the sentence, as he finds correct in law and fact and as he in his discretion determines should be approved. Unless he indicates otherwise, approval of the sentence shall constitute approval of the findings and sentence.

ART. 65. Disposition of records after review by the convening authority.

(a) When the convening authority has taken final action in a general court-martial case, he shall forward the entire record, including his action thereon and the opinion or opinions of the staff judge advocate or legal officer, to the appropriate Judge Advocate General.

(b) Where the sentence of a special court-martial as approved by the convening authority includes a bad-conduct discharge, whether or not suspended, the record shall be forwarded to the officer exercising general court-martial jurisdiction over the command to be reviewed in the same manner as a record of trial by general court-martial or directly to the appropriate Judge Advocate General to be reviewed by a board of review. If the sentence as approved by an officer exercising general court-martial jurisdiction includes a bad-conduct discharge, whether or not suspended, the record shall be forwarded to the appropriate Judge Advocate General to be reviewed by a board of review.

(c) All other special and summary court-martial records shall be reviewed by a judge advocate of the Army or Air Force, a law specialist of the Navy, or a law specialist or lawyer of the Coast Guard or Treasury Department and shall be transmitted and disposed of as the Secretary of the Department may prescribe by regulations.

ART. 66. Review by the board of review.

(a) The Judge Advocate General of each of the armed forces shall constitute in his office one or more boards of review, each composed of not less than three officers or civilians, each of whom shall be a member of the bar of a Federal court or of the highest court of a State of the United States.

(b) The Judge Advocate General shall refer to a board of review the record in every case of trial by court-martial in which the sentence, as approved, affects a general or flag officer or extends to death, dismissal of an officer, cadet, or midshipman, dishonorable or bad-conduct discharge, or confinement for 1 year or more.

(c) In a case referred to it, the board of review shall act only with respect to the findings and sentence as approved by the convening authority. It shall affirm only such findings of guilty, and the sentence or such part or amount of the sentence, as it finds correct in law and fact and determines, on the basis of the entire record, should be approved. In considering the record it shall have authority to weigh the evidence, judge the credibility of witnesses, and determine controverted questions of fact, recognizing that the trial court saw and heard the witnesses.

(d) If the board of review sets aside the findings and sentence, it may, except where the setting aside is based on lack of sufficient evidence in the record to support the findings, order a rehearing. Otherwise it shall order that the charges be dismissed.

(e) The Judge Advocate General shall, unless there is to be further action by the President or the Secretary of the Department or the Judicial Council, instruct the convening authority to take action in accordance with the decision of the board of review. If the board of review has ordered a rehearing but the convening authority finds a rehearing impracticable, he may dismiss the charges.

(f) The Judge Advocates General of the armed forces shall prescribe uniform rules of procedure for proceedings in and before boards of review and shall meet periodically to formulate policies and procedure in regard to review of court-martial cases in the offices of the Judge Advocates General and by the boards of review.

ART 67. Review by the Court of Military Appeals.

(a) There is hereby established in the National Military Establishment the Court of Military Appeals which shall consist of three judges who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment to the Court of Military Appeals who is not a member of the bar of a Federal court or of the highest court of a State. The three judges of the Court of Military Appeals shall hold office during good behavior and shall receive the compensation, allowances, perquisites, and retirement benefits of judges of the United States Court of Appeals.

(b) Under rules of procedure which it shall prescribe, the Court of Military Appeals shall review the record in the following cases:

(1) All cases in which the sentence, as affirmed by a board of review, affects a general or flag officer or extends to death;

(2) All cases reviewed by a board of review which The Judge Advocate General orders forwarded to the Court of Military Appeals for review; and

(3) All cases reviewed by a board of review in which, upon petition of the accused and on good cause shown, the Court of Military Appeals has granted a review.

(c) The accused shall have 30 days from the time he is notified of the decision of a board of review to petition the Court of Military Appeals for a grant of review. The court shall act upon such a petition withing 30 days of the receipt thereof.

(d) In any case reviewed by it, the Court of Military Appeals shall act only with respect to the findings and sentence as approved by the convening authority and as affirmed or set aside as incorrect in law by the board of review. In a case which The Judge Advocate General orders forwarded to the Court of Military Appeals, such action need be taken only with respect to the issues raised by him. In a case reviewed upon petition of the accused, such action need be taken only with respect to issues specified in the grant of review. The Court of Military Appeals shall take action only with respect to matters of law.

(e) If the Court of Military Appeals sets aside the findings and sentence, it may, except where the setting aside is based on lack of sufficient evidence in the record to support the findings, order a rehearing. Otherwise it shall order that the charges be dismissed.

(f) After it has acted on a case, the Court of Military Appeals may direct The Judge Advocate General to return the record to the board of review for further review in accordance with the decision of the court. Otherwise, unless there is to be further action by the President, or the Secretary of the Department, The Judge Advocate General shall instruct the convening authority to take action in accordance with that decision. If the court has ordered a rehearing, but the convening authority finds a rehearing impracticable, he may dismiss the charges.

(g) The Court of Military Appeals and The Judge Advocates General of the armed forces shall meet annually to make a comprehensive survey of the operation of this code and report the the Committees on Armed Services of the Senate and of the House of Representatives and to the Secretary of Defense and the Secretaries of the Departments the number and status of pending cases any recommendations relating to uniformity of sentence policies, amendments to this code, and any other matters deemed appropriate.

ART. 68. Branch offices.

Whenever the President deems such action necessary, he may direct The Judge Advocate General to establish a branch office, under an Assistant Judge Advocate General, with any distant command, and to establish in such branch office one or more boards of review. Such Assistant Judge Advocate General and any such board of review shall be empowered to perform for that command, under the general supervision of The Judge Advocate General, the duties which The Judge Advocate General and a board of review in his office would otherwise be required to perform in respect of all cases involving sentences not requiring approval by the President.

ART. 69. Review in the office of The Judge Advocate General.

Every record of trial by general court-martial, in which there has been a finding of guilty and a sentence, the appellate review of which is not otherwise provided for by article 66, shall be examined in the office of The Judge Advocate General. If any part of the findings or sentence is found unsupported in law or if The Judge Advocate General so directs, the record shall be reviewed by a board of review in accordance with article 66, but in such event there will be no further review by the Court of Military Appeals.

ART. 70. Appellate counsel.

(a) The Judge Advocate General shall appoint in his office one or more officers as appellate Government counsel, and one or more officers as appellate defense counsel who shall be qualified under the provisions of Article 27 (b) (1).

(b) It shall be the duty of appellate Government counsel to represent the United States before the board of review or the Court of Military Appeals when directed to do so by The Judge Advocate General.

(c) It shall be the duty of appellate defense counsel to represent the accused before the board of review or the Court of Military Appeals—

(1) when he is requested to do so by the accused; or

(2) when the United States is represented by counsel; or

(3) when The Judge Advocate General has requested the reconsideration of a case before the board of review or has transmitted a case to the Court of Military Appeals.

(d) The accused shall have the right to be represented before the Court of Military Appeals or the board of review by civilian counsel if provided by him.

(e) The appellate counsel shall also perform such other functions in connection with the review of court-martial cases as The Judge Advocate General shall direct.

ART. 71. Execution of sentence; suspension of sentence.

(a) No court-martial sentence extending to death or involving a general or flag officer shall be executed until approved by the President. He shall approve the sentence or such part, amount, or commuted form of the sentence as he sees fit, and may suspend the execution of the sentence or any part of the sentence, as approved by him, except a death sentence.

(b) No sentence extending to the dismissal of an officer, cadet, or midshipman shall be executed until approved by the Secretary of the Department, or such Under Secretary or Assistant Secretary as may be designated by him. He shall approve the sentence or such part, amount, or commuted form of the sentence as he sees fit, and may suspend the execution of any part of the sentence as approved by him. In time of war or national emergency he may commute a sentence of dismissal to reduction to any enlisted grade. A person who is so reduced may be required to serve for the duration of the war or emergency and 6 months thereafter.

(c) No sentence which includes, unsuspended, a dishonorable or bad conduct discharge, or confinement for 1 year or more shall be executed until affirmed by a board of review and, in cases reviewed by it, the Court of Military Appeals.

(d) All other court-martial sentences, unless suspended, may be ordered executed by the convening authority when approved by him. The convening authority may suspend the execution of any sentence, except a death sentence.

ART. 72. Vacation of suspension.

(a) Prior to the vacation of the suspension of a special court-martial sentence which as approved includes a bad-conduct discharge, or of any general court-martial sentence, the officer having special court-martial jurisdiction over the probationer shall hold a hearing on the alleged violation of probation. The probationer shall be represented at such hearing by counsel if he so desires.

(b) The record of the hearing and the recommendations of the officer having special court-martial jurisdiction shall be forwarded for action to the officer exercising general court-martial jurisdiction over the probationer. If he vacates the suspension, the vacation shall be effective, subject to applicable restrictions in article 71 (c), to execute any unexecuted portion of the sentence except a dismissal. The vacation of the suspension of a dismissal shall not be effective until approved by the Secretary of the Department.

(c) The suspension of any other sentence may be vacated by any authority competent to convene, for the command in which the accused is serving or assigned, a court of the kind that imposed the sentence.

ART. 73. Petition for a new trial.

At any time within 1 year after approval by the convening authority of a court-martial sentence which extends to death, dismissal, dishonorable or bad-conduct discharge, or confinement for 1 year or more, the accused may petition The Judge Advocate General for a new trial on grounds of newly discovered evidence or fraud on the court. If the accused's case is pending before the board of review or before the Court of Military Appeals, The Judge Advocate General shall refer the petition to the board or court, respectively, for action. Otherwise The Judge Advocate General shall act upon the petition.

ART. 74. Remission and suspension.

(a) The Secretary of the Department and, when designated by him, any Under Secretary, Assistant Secretary, Judge Advocate General, or commanding officer may remit or suspend any part or amount of the unexecuted portion of any sentence, including all uncollected forfeitures, other than a sentence approved by the President.

(b) The Secretary of the Department may, for good cause, substitute an administrative form of discharge for a discharge or dismissal executed in accordance with the sentence of a court-martial.

ART. 75. Restoration.

(a) Under such regulations as the President may prescribe, all rights, privileges, and property affected by an executed portion of a court-martial sentence which has been set aside or disapproved, except an executed dismissal or discharge, shall be restored unless a new trial or rehearing is ordered and such executed portion is included in a sentence imposed upon the new trial or rehearing.

(b) Where a previously executed sentence of dishonorable or bad-conduct discharge is not sustained on a new trial, the Secretary of the Department shall substitute therefor a form of discharge authorized for administrative issuance unless the accused is to serve out the remainder of his enlistment.

(c) Where a previously executed sentence of dismissal is not sustained on a new trial, the Secretary of the Department shall substitute therefor a form of discharge authorized for administrative issuance and the officer dismissed by such sentence may be reappointed by the President alone to such commissioned rank and precedence as in the opinion of the President such former officer would have attained had he not been dismissed. The reappointment of such a former officer shall be without regard to position vacancy and shall affect the promotion status of other officers only insofar as the President may direct. All time between the dismissal and such reappointment shall be considered as actual service for all purposes, including the right to receive pay and allowances.

ART. 76. Finality of court-martial judgments.

The appellate review of records of trial provided by this code, the proceedings, findings, and sentences of courts-martial as approved, reviewed, or affirmed as required by this code, and all dismissals and discharges carried into execution pursuant to sentences by courts-martial following approval, review, or affirmation as required by this code, shall be final and conclusive, and orders publishing the proceedings of courts-martial and all action taken pursuant to such proceedings shall be binding upon all departments, courts, agencies, and officers of the United States, subject only to action upon a petition for a new trial as provided in article 73 and to action by the Secretary of a Department as provided in article 74, and the authority of the President.

PART X—PUNITIVE ARTICLES

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ART. 77. Principals.

Any person punishable under this code who—

(1) commits an offense punishable by this code, or aids, abets, counsels, commands, or procures its commission; or

(2) causes an act to be done which if directly performed by him would be punishable by this code;

is a principal.

ART. 78. Accessory after the fact.

Any person subject to this code who, knowing that an offense punishable by this code has been committed, receives, comforts, or assists the offender in order to hinder or prevent his apprehension, trial, or punishment shall be punished as a court-martial may direct.

ART. 79. Conviction of lesser included offense.

An accused may be found guilty of an offense necessarily included in the offense charged or of an attempt to commit either the offense charged or an offense necessarily included therein.

ART. 80. Attempts.

(a) An act, done with specific intent to commit an offense under this code, amounting to more than mere preparation and tending but failing to effect its commission, is an attempt to commit that offense.

(b) Any person subject to this code who attempts to commit any offense punishable by this code shall be punished as a court-martial may direct, unless otherwise specifically prescribed.

(c) Any person subject to this code may be convicted of an attempt to commit an offense although it appears on the trial that the offense was consummated.

ART. 81. Conspiracy.

Any person subject to this code who conspires with any other person or persons to commit an offense under this code shall, if one or more of the conspirators does an act to effect the object of the conspiracy, be punished as a court-martial may direct.

ART. 82. Solicitation.

(a) Any person subject to this code who solicits or advises another or others to desert in violation of article 85 or mutiny in violation of article 94 shall, if the offense solicited or advised is attempted or committed, be punished with the punishment provided for the commission of the offense, but if the offense solicited or advised is not committed or attempted, he shall be punished as a court-martial may direct.

(b) Any person subject to this code who solicits or advises another or others to commit an act of misbehavior before the enemy in violation of article 99 or sedition in violation of article 94 shall, if the offense solicited or advised is committed, be punished with the punishment provided for the commission of the offense, but if the offense solicited or advised is not committed, he shall be punished as a court-martial may direct.

ART. 83. Fraudulent enlistment, appointment, or separation.

Any person who—

(1) procures his own enlistment or appointment in the armed forces by means of knowingly false representations or deliberate concealment as to his qualifications for such enlistment or appointment and receives pay or allowances thereunder; or

(2) procures his own separation from the armed forces by means of knowingly false representations or deliberate concealment as to his eligibility for such separation;

shall be punished as a court-martial may direct.

ART. 84. Unlawful enlistment, appointment, or separation.

Any person subject to this code who effects an enlistment or appointment in or a separation from the armed forces of any person who is known to him to be ineligible for such enlistment, appointment, or separation because it is prohibited by law, regulation, or order shall be punished as a court-martial may direct.

ART. 85. Desertion.

(a) Any member of the armed forces of the United States who—

(1) without proper authority goes or remains absent from his place of service, organization, or place of duty with intent to remain away therefrom permanently; or

(2) quits his unit or organization or place of duty with intent to avoid hazardous duty or to shirk important service; or

(3) without being regularly separated from one of the armed forces enlists or accepts an appointment in the same or another one of the armed forces without fully disclosing the fact he has not been so regularly separated, or enters any foreign armed service except when authorized by the United States;

is guilty of desertion.

(b) Any officer of the armed forces who, having tendered his resignation and prior to due notice of the acceptance of the same, quits his post at proper duties without leave and with intent to remain away therefrom permanently is guilty of desertion.

(c) Any person found guilty of desertion or attempted desertion shall be punished, if the offense is committed in time of war, by death or such other punishment as a court-martial may direct, but if the desertion or attempted desertion occurs at any other time, by such punishment, other than death, as a court-martial may direct.

ART. 86. Absence without leave.

Any person subject to this code who, without proper authority—

(1) fails to go to his appointed place of duty at the time prescribed; or

(2) goes from that place; or

(3) absents himself or remains absent from his unit, organization, or other place of duty at which he is required to be at the time prescribed;

shall be punished as a court-martial may direct.

ART. 87. Missing movement.

Any person subject to this code who through neglect or design misses the movement of a ship, aircraft, or unit with which he is required in the course of duty to move shall be punished as a court-martial may direct.

ART. 88. Disrespect towards officials.

Any officer who uses contemptuous or disrespectful words against the President, Vice President, Congress, Secretary of Defense, or a Secretary of a Department, a Governor or a legislature of any State, Territory, or other possession of the United States in which he is on duty or present shall be punished as a court-martial may direct.

ART. 89. Disrespect towards superior officer.

Any person subject to this code who behaves with disrespect towards his superior officer shall be punished as a court-martial may direct.

ART. 90. Assaulting or willfully disobeying officer.

Any person subject to this code who—

(1) strikes his superior officer or draws or lifts up any weapon or offers any violence against him while he is in the execution of his office; or

(2) willfully disobeys a lawful command of his superior officer;

shall be punished, if the offense is committed in time of war, by death or such other punishment as a court-martial may direct, and if the offense is committed at any other time, by such punishment, other than death, as a court-martial may direct.

ART. 91. Insubordinate conduct towards noncommissioned officer.

Any warrant officer or enlisted person who—

(1) strikes or assaults a warrant officer, noncommissioned officer, or petty officer, while such officer is in the execution of his office; or

(2) willfully disobeys the lawful order of a warrant officer, noncommissioned officer, or petty officer; or

(3) treats with contempt or is disrespectful in language or deportment towards a warrant officer, noncommissioned officer, or petty officer while such officer is in the execution of his office; shall be punished as a court-martial may direct.

ART. 92. Failure to obey order or regulation.

Any person subject to this code who—

(1) violates or fails to obey any lawful general order or regulation; or

(2) having knowledge of any other lawful order issued by a member of the armed forces, which it is his duty to obey, fails to obey the same; or

(3) is derelict in the performance of his duties;

shall be punished as a court-martial may direct.

ART. 93. Cruelty and maltreatment.

Any person subject to this code who is guilty of cruelty toward, or oppression or maltreatment of, any person subject to his orders shall be punished as a court-martial may direct.

ART. 94. Mutiny or sedition.

(a) Any person subject to this code—

(1) who with intent to usurp or override lawful military authority refuses, in concert with any other person or persons, to obey orders or otherwise do his duty or creates any violence or disturbance is guilty of mutiny;

(2) who with intent to cause the overthrow or destruction of lawful civil authority, creates, in concert with any other person or persons, revolt, violence, or other disturbance against such authority is guilty of sedition;

(3) who fails to do his utmost to prevent and suppress an offense of mutiny or sedition being committed in his presence, or fails to take all reasonable means to inform his superior or commanding officer of an offense of mutiny or sedition which he knows or has reason to believe is taking place, is guilty of a failure to suppress or report a mutiny or sedition.

(b) A person who is found guilty of attempted mutiny, mutiny, sedition, or failure to suppress or report a mutiny or sedition shall be punished by death or such other punishment as a court-martial may direct.

ART. 95. Arrest and confinement.

Any person subject to this code who resists apprehension or breaks arrest or who escapes from custody or confinement shall be punished as a court-martial may direct.

ART. 96. Releasing prisoner without proper authority.

Any person subject to this code who, without proper authority, releases any prisoner duly committed to his charge, or who through neglect or design suffers any such prisoner to escape, shall be punished as a court-martial may direct.

ART. 97. Unlawful detention of another.

Any person subject to this code who, except as provided by law, apprehends, arrests, or confines any person shall be punished as a court-martial may direct.

ART. 98. Noncompliance with procedural rules.

Any person subject to this code who—

(1) is responsible for unnecessary delay in the disposition of any case of a person accused of an offense under this code; or

(2) knowingly and intentionally fails to enforce or comply with any provision of this code regulating the proceedings before, during, or after trial of an accused;

shall be punished as a court-martial may direct.

ART. 99. Misbehavior before the enemy.

Any member of the armed forces who before or in the presence of the enemy—

(1) runs away; or

(2) shamefully abandons, surrenders, or delivers up any command, unit, place, or military property which it is his duty to defend; or

(3) through disobedience, neglect, or intentional misconduct endangers the safety of any such command, unit, place, or military property; or

(4) casts away his arms or ammunition; or

(5) is guilty of cowardly conduct; or

(6) quits his place of duty to plunder or pillage; or

(7) causes false alarms in any command, unit, or place under control of the armed forces; or

(8) willfully fails to do his utmost to encounter, engage, capture, or destroy any enemy troops, combatants, vessels, aircraft, or any other thing, which it is his duty so to encounter, engage, capture, or destroy; or

(9) does not afford all practicable relief and assistance to any troops, combatants, vessels, or aircraft of the armed forces belonging to the United States or their allies when engaged in battle;

shall be punished by death or such other punishment as a court-martial may direct.

ART. 100. Subordinate compelling surrender.

Any person subject to this code who compels or attempts to compel a commander of any place, vessel, aircraft, or other military property, or of any body of members of the armed forces, to give it up to an enemy or to abandon it, or who strikes the colors or flag to an enemy without proper authority, shall be punished by death or such other punishment as a court-martial may direct.

ART. 101. Improper use of countersign.

Any person subject to this code who in time of war discloses the parole or countersign to any person not entitled to receive it or who gives to another who is entitled to receive and use the parole or countersign a different parole or countersign from that which, to his knowledge, he was authorized and required to give, shall be punished by death or such other punishment as a court-martial may direct.

ART. 102. Forcing a safeguard.

Any person subject to this code who forces a safeguard shall suffer death or such other punishment as a court-martial may direct.

ART. 103. Captured or abandoned property.

(a) All persons subject to this code shall secure all public property taken from the enemy for the service of the United States, and shall give notice and turn over to the proper authority without delay all captured or abandoned property in their possession, custody, or control.

(b) Any person subject to this code who—

(1) fails to carry out the duties prescribed in subdivision (a) of this article; or

(2) buys, sells, trades, or in any way deals in or disposes of captured or abandoned property, whereby he shall receive or expect any profit, benefit, or advantage to himself or another directly or indirectly connected with himself; or

(3) engages in looting or pillaging;

shall be punished as a court-martial may direct.

ART. 104. Aiding the enemy.

Any person who—

(1) aids, or attempts to aid, the enemy with arms, ammunition, supplies, money, or other thing; or

(2) without proper authority, knowingly harbors or protects or gives intelligence to, or communicates or corresponds with or holds any intercourse with the enemy, either directly or indirectly;

shall suffer death or such other punishment as a court-martial or military commission may direct.

ART. 105. Misconduct as prisoner.

Any person subject to this code who, while in the hands of the enemy in time of war—

(1) for the purpose of securing favorable treatment by his captors acts without proper authority in a manner contrary to law, custom, or regulation, to the detriment of others of whatever nationality held by the enemy as civilian or military prisoners; or

(2) while in a position of authority over such persons maltreats them without justifiable cause;

shall be punished as a court-martial may direct.

ART. 106. Spies.

Any person who in time of war is found lurking as a spy or acting as a spy in or about any place, vessel, or aircraft, within the control or jurisdiction of any of the armed forces of the United States, or in or about any shipyard, any manufacturing or industrial plant, or any other place of institution engaged in work in aid of the prosecution of the war by the United States, or elsewhere, shall be tried by a general court-martial or by a military commission and on conviction shall be punished by death.

ART. 107. False official statements.

Any person subject to this code who, with intent to deceive, signs any false record, return, regulation, order, or other official document, knowing the same to be false, or makes any other false official statement knowing the same to be false, shall be punished as a court-martial may direct.

ART. 108. Military property of United States—Loss, damage, destruction, or wrongful disposition.

Any person subject to this code who, without proper authority—

(1) sells or otherwise disposes of; or

(2) willfully or through neglect damages, destroys, or loses; or

(3) willfully or through neglect suffers to be lost, damaged, destroyed, sold or wrongfully disposed of;

any military property of the United States, shall be punished as a court-martial may direct.

ART. 109. Property other than military property of United States—Waste, spoil, or destruction.

Any person subject to this code who willfully or recklessly wastes, spoils, or otherwise willfully and wrongfully destroys or damages any property other than military property of the United States shall be punished as a court-martial may direct.

ART. 110. Improper hazarding of vessel.

(a) Any person subject to this code who willfully and wrongfully hazards or suffers to be hazarded any vessel of the armed forces shall suffer death or such other punishment as a court-martial may direct.

(b) Any person subject to this code who negligently hazards or suffers to be hazarded any vessel of the armed forces, shall be punished as a court-martial may direct.

ART. 111. Drunken or reckless driving.

Any person subject to this code who operates any vehicle while drunk, or in a reckless or wanton manner, shall be punished as a court-martial may direct.

ART. 112. Drunk on duty.

Any person subject to this code, other than a sentinel or look-out, who is found drunk on duty, shall be punished as a court-martial may direct.

ART. 113. Misbehavior of sentinel.

Any sentinel or look-out who is found drunk or sleeping upon his post, or leaves it before he is regularly relieved, shall be punished, if the offense is committed in time of war, by death or such other punishment as a court-martial may direct, but if the offense is committed at any other time, by such punishment other than death as a court-martial may direct.

ART. 114. Dueling.

Any person subject to this code who fights or propromotes, or is concerned in or connives at fighting a duel, or who, having knowledge of a challenge sent or about to be sent, fails to report the fact promptly to the proper authority, shall be punished as a court-martial may direct.

ART. 115. Malingering.

Any person subject to this code who for the purpose of avoiding work, duty, or service—

(1) feigns illness, physical disablement, mental lapse or derangement; or

(2) intentionally inflicts self-injury;

shall be punished as a court-martial may direct.

ART. 116. Riot or breach of peace.

Any person subject to this code who causes or participates in any riot or breach of the peace shall be punished as a court-martial may direct.

ART. 117. Provoking speeches or gestures.

Any person subject to this code who uses provoking reproachful words or gestures towards any other person subject to this code shall be punished as court-martial may direct.

ART. 118. Murder.

Any person subject to this code who, without justification or excuse, unlawfully kills a human being, when he—

(1) has a premeditated design to kill; or

(2) intends to kill or inflict great bodily harm; or

(3) is engaged in an act which is inherently dangerous to others and evinces a wanton disregard of human life; or

(4) is engaged in the perpetration or attempted perpetration of burglary, sodomy, rape, robbery, or aggravated arson;

is guilty of murder, and shall suffer such punishment as a court-martial may direct, except that if found guilty under paragraph (1) or (4) of this article, he shall suffer

death or imprisonment for life as a court-martial may direct.

ART. 119. Manslaughter.

(a) Any person subject to this code who, with an intent to kill or inflict great bodily harm, unlawfully kills a human being in the heat of sudden passion caused by adequate provocation is guilty of voluntary manslaughter and shall be punished as a court-martial may direct.

(b) Any person subject to this code who, without an intent to kill or inflict great bodily harm, unlawfully kills a human being—

(1) by culpable negligence; or

(2) while perpetrating or attempting to perpetrate an offense, other than those specified in paragraph (4) of article 118, directly affecting the person;

is guilty of involuntary manslaughter and shall be punished as a court-martial may direct.

ART. 120. Rape and carnal knowledge.

(a) Any person subject to this code who commits an act of sexual intercourse with a female not his wife, by force and without her consent, is guilty of rape and shall be punished by death or such other punishment as a court-martial may direct.

(b) Any person subject to this code who, under circumstances not amounting to rape, commits an act of sexual intercourse with a female not his wife who has not attained the age of 16 years, shall be punished as a court-martial may direct.

(c) Penetration, however slight, is sufficient to complete these offenses.

ART. 121. Larceny.

Any person subject to this code who, with intent to deprive or defraud another of the use and benefit of property or to appropriate the same to his own use or the use of any person other than the true owner, wrongfully takes, obtains, or withholds, by any means whatever, from the possession of the true owner or of any other person any money, personal property, or article of value of any kind, steals such property and is guilty of larceny, and shall be punished as a court-martial may direct.

ART. 122. Robbery.

Any person subject to this code who with intent to steal takes anything of value from the person or in the presence of another, against his will, by means of force or violence or fear of immediate or future injury to his person or property or the person or property of a relative or member of his family or of anyone in his company at the time of the robbery, is guilty of robbery and shall be punished as a court-martial may direct.

ART. 123. Forgery.

Any person subject to this code who, with intent to defraud—

(1) falsely makes or alters any signature to, or any part of, any writing which would, if genuine, apparently impose a legal liability on another or change his legal right or liability to his prejudice; or

(2) utters, offers, issues, or transfers such a writing, known by him to be so made or altered;

is guilty of forgery and shall be punished as a court-martial may direct.

ART. 124. Maiming.

Any person subject to this code who, with intent to injure, disfigure, or disable, inflicts upon the person of another an injury which—

(1) seriously disfigures his person by any mutilation thereof; or

(2) destroys or disables any member or organ of his body; or

(3) seriously diminishes his physical vigor by the injury of any member or organ;

is guilty of maiming and shall be punished as a court-martial may direct.

ART. 125. Sodomy.

(a) Any person subject to this code who engages in unnatural carnal copulation with another of the same or opposite sex or with an animal is guilty of sodomy. Penetration, however slight, is sufficient to complete the offense.

(b) Any person found guilty of sodomy shall be punished as a court-martial may direct.

ART. 126. Arson.

(a) Any person subject to this code who willfully and maliciously burns or sets on fire an inhabited dwelling, or any other structure, movable or immovable, wherein to the knowledge of the offender there is at the time a human being, is guilty of aggravated arson and shall be punished as a court-martial may direct.

(b) Any person subject to this code who willfully and maliciously burns or sets fire to the property of another, except as provided in subdivision (a) of this article, is guilty of simple arson and shall be punished as a court-martial may direct.

ART. 127. Extortion.

Any person subject to this code who communicates threats to another with the intention thereby to obtain anything of value or any acquittance, advantage, or immunity of any description is guilty of extortion and shall be punished as a court-martial may direct.

ART. 128. Assault.

(a) Any person subject to this code who attempts or offers with unlawful force or violence to do bodily harm to another person, whether or not the attempt or offer is consummated, is guilty of assault and shall be punished as a court-martial may direct.

(b) Any person subject to this code who—

(1) commits an assault with a dangerous weapon or other means or force likely to produce death or grievous bodily harm; or

(2) commits an assault and intentionally inflicts grievous bodily harm with or without a weapon;

is guilty of aggravated assault and shall be punished as a court-martial may direct.

ART. 129. Burglary.

Any person subject to this code who, with intent to commit a criminal offense therein, breaks and enters, in the nighttime, the dwelling house of another, is guilty of burglary and shall be punished as a court-martial may direct.

ART. 130. Housebreaking.

Any person subject to this code who unlawfully enters the building or structure of another with intent to commit a criminal offense therein is guilty of housebreaking and shall be punished as a court martial may direct.

ART. 131. Perjury.

Any person subject to this code who in a judicial proceeding or course of justice willfully and corruptly gives, upon a lawful oath or in any form allowed by law to be substituted for an oath, any false testimony material to the issue or matter of inquiry is guilty of perjury and shall be punished as a court-martial may direct.

ART. 132. Frauds against the Government.

Any person subject to this code—

(1) who, knowing it to be false or fraudulent—

(A) makes any claim against the United States or any officer thereof; or

(B) presents to any person in the civil or military service thereof, for approval or payment, any claim against the United States or any officer thereof; or

(2) who, for the purpose of obtaining the approval, allowance, or payment of any claim against the United States or any officer thereof—

(A) makes or uses any writing or other paper knowing the same to contain any false or fraudulent statements;

(B) makes any oath to any fact or to any writing or other paper knowing such oath to be false; or

(C) forges or counterfeits any signature upon any writing or other paper, or uses any such signature knowing the same to be forged or counterfeited; or

(3) who, having charge, possession, custody, or control of any money or other property of the United States, furnished or intended for the armed forces thereof, knowingly delivers to any person having authority to receive the same, any amount thereof less than that for which he receives a certificate or receipt; or

(4) who, being authorized to make or deliver any paper certifying the receipt of any property of the United States furnished or intended for the armed forces thereof, makes or delivers to any person such writing without having full knowledge of the truth of the statement therein contained and with intent to defraud the United States;

shall, upon conviction, be punished as a court-martial may direct.

ART. 133. Conduct unbecoming an officer and gentleman.

Any officer, cadet, or midshipman who is convicted of conduct unbecoming an officer and a gentleman shall be dismissed from the armed forces.

ART. 134. General article.

Though not specifically mentioned in this code, all disorders and neglects to the prejudice of good order and discipline in the armed forces, all conduct of a nature to bring discredit upon the armed forces, and crimes and offenses not capital, of which persons subject to this code may be guilty, shall be taken cognizance of by a general or special or summary court-martial, according to the nature and degree of the offense, and punished at the discretion of such court.

PART XI—MISCELLANEOUS PROVISIONS

Article

135. Courts of inquiry.
136. Authority to administer oaths and to act as notary.
137. Articles to be explained.
138. Complaints of wrongs.
139. Redress of injuries to property.
140. Delegation by the President.

ART. 135. Courts of inquiry.

(a) Courts of inquiry to investigate any matter may be convened by any person authorized to convene a general court-martial or by any other person designated by the Secretary of a Department for that purpose whether or not the persons involved have requested such an inquiry.

(b) A court of inquiry shall consist of three or more officers. For each court of inquiry the convening authority shall also appoint counsel for the court.

(c) Any person subject to this code whose conduct is subject to inquiry shall be designated as a party. Any person subject to this code or employed by the National Military Establishment who has a direct interest in the subject of inquiry shall have the right to be designated as a party upon request to the court. Any person designated as a party shall be given due notice and shall have the right to be present, to be represented by counsel, to cross-examine witnesses, and to introduce evidence.

(d) Members of a court of inquiry may be challenged by a party, but only for cause stated to the court.

(e) The members, counsel, the reporter, and interpreters of courts of inquiry shall take an oath or affirmation to faithfully perform their duties.

(f) Witnesses may be summoned to appear and testify and be examined before courts of inquiry as provided for courts-martial.

(g) Courts of inquiry shall make findings of fact but shall not express opinions or make recommendations unless required to do so by the convening authority.

(h) Each court of inquiry shall keep a record of its proceedings, which shall be authenticated by the signatures of the president and counsel for the court and forwarded to the convening authority. In case the record cannot be authenticated by the president it shall be signed by a member in lieu of the president and in case the record cannot be authenticated by the counsel for the court it shall be signed by a member in lieu of the counsel.

ART. 136. Authority to administer oaths and to act as notary.

(a) The following persons on active duty in the armed forces shall have authority to administer oaths for the purposes of military administration, including military justice, and shall have the general powers of a notary public and of a consul of the United States, in the performance of all notarial acts to be executed by members of any of the armed forces, wherever they may be, and by other persons subject to this code outside the continental limits of the United States:

(1) All judge advocates of the Army and Air Force;

(2) All law specialists;

(3) All summary courts-martial;

(4) All adjutants, assistant adjutants, acting adjutants, and personnel adjutants;

(5) All commanding officers of the Navy and Coast Guard;

(6) All staff judge advocates and legal officers, and acting or assistant staff judge advocates and legal officers; and

(7) All other persons designated by regulations of the armed forces or by statute.

(b) The following persons on active duty in the armed forces shall have authority to administer oaths necessary in the performance of their duties:

(1) The president, law officer, trial counsel, and assistant trial counsel for all general and special courts-martial;

(2) The president and the counsel for the court of any court of inquiry;

(3) All officers designated to take a deposition;

(4) All persons detailed to conduct an investigation;

(5) All recruiting officers; and

(6) All other persons designated by regulations of the armed forces or by statute.

(c) No fee of any character shall be paid to or received by any person for the performance of any notarial act herein authorized.

(d) The signature without seal of any such person acting as notary, together with the title of his office, shall be prima facie evidence of his authority.

ART. 137. Articles to be explained.

Articles 2, 3, 7 through 15, 25, 27, 31, 37, 38, 55, 77 through 134, and 137 through 139 of this code shall be carefully explained to every enlisted person at the time of his entrance on active duty in any of the armed forces of the United States, or within 6 days thereafter. They shall be explained again after he has completed 6 months of active duty, and again at the time he reenlists. A complete text of the Uniform Code of Military Justice and of the regulations prescribed by the President thereunder shall be made available to any person on active duty in the armed forces of the United States, upon his request, for his personal examination.

ART. 138. Complaints of wrongs.

Any member of the armed forces who believes himself wronged by his commanding officer, and, upon due application to such commander, is refused redress, may complain to any superior officer who shall forward the complaint to the officer exercising general court-martial jurisdiction over the officer against whom it is made. That officer shall examine into said complaint and take proper measures for redressing the wrong complained of; and he shall, as soon as possible, transmit to the Department concerned a true statement of such complaint, with the proceedings had thereon.

ART. 139. Redress of injuries to property.

(a) Whenever complaint is made to any commanding officer that willful damage has been done to the property of any person or that his property has been wrongfully taken by members of the armed forces he may, subject to such regulations as the Secretary of the Department may prescribe, convene a board to investigate the complaint. The board shall consist of from one to three officers and shall have, for the purpose of such investigation, power to summon witnesses and examine them upon oath or affirmation to receive depositions or other documentary evidence, and to assess the damages sustained against the responsible parties. The assessment of damages made by such board shall be subject to the approval of the commanding officer, and in the amount approved by him shall be charged against the pay of the offenders. The order of such commanding officer directing charges herein authorized shall be conclusive on any disbursing officer for the payment by him to the injured parties of the damages so assessed and approved.

(b) Where the offenders cannot be ascertained, but the organization or detachment to which they belong is known, charges totaling the amount of damages assessed and approved may be made in such proportion as may be deemed just upon the individual members thereof who are shown to have been present at the scene at the time the damages complained of were inflicted, as determined by the approved findings of the board.

ART. 140. Delegation by the President.

The President is authorized to delegate any authority vested in him under this code, and to provide for the subdelegation of any such authority.

SEC. 2. If any article or part thereof, as set out in section 1 of this act, shall be held invalid, the remainder shall not be affected thereby.

SEC. 3. No inference of a legislative construction is to be drawn by reason of the part in which any article is placed nor by reason of the catch lines of the part or the article as set out in section 1 of this act.

SEC. 4. All offenses committed and all penalties, forfeitures, fines, or liabilities incurred prior to the effective date of this act under any law embraced in or modified, changed, or repealed by this act may be prosecuted, punished, and enforced, and action thereon may be completed, in the same manner and with the same effect as if this act had not been passed.

SEC. 5. This act shall become effective on the last day of the twelfth month after approval of this act, or on July 1, 1950, whichever date is later: *Provided*, That section 12 of this act shall become effective on the date of the approval of this act.

SEC. 6. Articles of War 107, 108, 112, 113, 119, and 120 (41 Stat. 809, 810, 811), as amended are further amended as follows:

(a) Delete from article 107, the words "Article 107."

(b) Delete from article 108, the words "Article 108."

(c) Delete from article 112, the words "Article 112."

(d) Delete from article 113, the words "Article 113."

(e) Delete from article 119, the words "Article 119."

(f) Delete from article 120 the words "Article 120."

These provisions as amended herein shall be construed to have the same force, effect, and applicability as they now have, but shall not be known as "Articles of War."

SEC. 7. (a) Authority of naval officers after loss of vessel or aircraft: When the crew of any naval vessel or naval aircraft are separated from their vessel or aircraft by means of its wreck, loss, or destruction, all the command and authority given to the officer of such vessel or aircraft shall remain in full force until such crew shall be regularly discharged or reassigned by competent authority.

(b) Authority of officers of separate organization of marines: When a force of marines is embarked on a naval vessel or vessels, as a separate organization, not a part of the authorized complement thereof, the authority and powers of the officers of such separate organizations of marines shall be the same as though such organization were serving at a naval station on shore, but nothing herein shall be construed as impairing the paramount authority of the commanding officer of any vessel over the vessel under his command and all persons embarked thereon.

(c) Commanders' duties of example and correction: All commanding officers and others in authority in the naval service are required to show in themselves a good example of virtue, honor, patriotism, and subordination; to be vigilant in inspecting the conduct of all persons who are placed under their command; to guard against and suppress all dissolute and immoral practices, and to correct, according to the laws and regulations of the Navy, all persons who are guilty of them; and to take all necessary and proper measures, under the laws, regulations, and customs of the naval service, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge.

(d) Divine service: The commanders of vessels and naval activities to which chaplains are attached shall cause divine service to be performed on Sunday, whenever the weather and other circumstances allow it to be done; and it is earnestly recommended to all officers, seamen, and others in the naval service diligently to attend at every performance of the worship of Almighty God.

(e) Reverent behavior: All persons in the Navy are enjoined to behave themselves in a reverent and becoming manner during divine service.

OATH OF ENLISTMENT

SEC. 8. Every person who is enlisted in any armed force shall take the following oath or affirmation at the time of his enlistment: "I, ----------, do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America; that I will serve them honestly and faithfully against all their enemies whomsoever; and that I will obey the orders of the President of the United States and the orders of the officers appointed over me, according to regulations and the Uniform Code of Military Justice." This oath or affirmation may be taken before any officer.

REMOVAL OF CIVIL SUITS

SEC. 9. When any civil or criminal prosecution is commenced in any court of a State of the United States against any member of the armed forces of the United States on account of any act done under color of his office or status, or in respect to which he claims any right, title, or authority under any law of the United States respecting the armed forces thereof, or under the law of war, such suit or prosecution may at any time before the trial or final hearing thereof be removed for trial into the district court of the United States in the district where the same is pending in the manner prescribed by law, and the cause shall thereupon be entered on the docket of such district court, which

shall proceed as if the cause had been originally commenced therein and shall have full power to hear and determine said cause.

DISMISSAL OF OFFICERS

SEC. 10. No officer shall be dismissed from any of the armed forces except by sentence of a general court-martial, or in commutation thereof, or in time of war, by order of the President; but the President may at any time drop from the rolls of any armed force any officer who has been absent without authority from his place of duty for a period of three months or more, or who, having been found guilty by the civil authorities of any offense, is finally sentenced to confinement in a Federal or State penitentiary or correctional institution.

SEC. 11. The proviso of section 3 of the act of April 9, 1906 (35 Stat. 104, ch. 1370), is amended to read as follows:

"*Provided*, That such midshipman shall not be confined in a military or naval prison or elsewhere with men who have been convicted of crimes or misdemeanors; and such finding and sentence shall be subject to review in the manner prescribed for general court-martial cases."

SEC. 12. Under such regulations as the President may prescribe, The Judge Advocate General of any of the armed forces is authorized upon application of an accused person, and upon good cause shown, in his discretion to grant a new trial, or to vacate a sentence, restore rights, privileges, and property affected by such sentence, and substitute for a dismissed, dishonorable discharge, or bad conduct discharge, previously executed a form of discharge authorized for administrative issuance, in any court-martial case involving offenses committed during World War II in which application is made within 1 year after termination of the war, or after its final disposition upon initial appellate review whichever is the later: *Provided*, That only one such application for a new trial may be entertained with regard to any one case: *And provided further*, Within the meaning of this section and of article of war 53, World War II shall be deemed to have ended as of the effective date of this act.

QUALIFICATIONS OF THE JUDGE ADVOCATES GENERAL

SEC. 13. Notwithstanding any other provision of law, the Judge Advocates General, exclusive of the present incumbents, shall be members of the bar of a Federal court or of the highest court of a State, shall be judge advocates or law specialists and shall have at least 8 years cumulative experience in a Judge Advocate's Corps, Department, or Office, the last three years of which, prior to appointment, shall be consecutive: *Provided*, That in time of peace the provisions of this section shall not be applicable to the Coast Guard.

SEC. 14. The following sections or parts thereof of the Revised Statutes or Statutes at Large are hereby repealed. Any rights or liabilities existing under such sections or parts thereof prior to the effective date of this act shall not be affected by this repeal, and this act shall not be effective to authorize trial or punishment for any offense if such trial or punishment is barred by the provisions of existing law:

(a) Chapter II of the act of June 4, 1920 (41 Stat. 759, 787–811, ch. 227), as amended, except articles of war 107, 108, 112, 113, 119, and 120;

(b) Revised Statutes, 1228 through 1230;

(c) Act of January 19, 1911 (36 Stat. 894, ch. 22);

(d) Paragraph 2 of section 2 of the act of March 4, 1915 (38 Stat. 1062, 1084, ch. 143);

(e) Revised Statutes 1441, 1621, and 1624, articles 1 through 14 and 16 through 63, as amended;

(f) The provision of section 1457, Revised Statutes, which subjects officers retired from active service to the rules and articles for the government of the Navy and to trial by general court martial;

(g) Section 2 of the act of June 22, 1874 (18 Stat. 191, 192, ch. 392);

(h) The provision of the act of March 3, 1893 (27 Stat. 715, 716, ch. 212), under the heading "Pay, Miscellaneous," relating to the punishment for fraudulent enlistment and receipt of any pay or allowances thereunder;

(i) Act of January 25, 1895 (28 Stat. 639, ch. 45), as amended;

(j) Provisions contained in the act of March 2, 1895 (28 Stat. 825, 838, ch. 186), as amended, under the heading "Naval Academy," relating to the power of the Secretary of the Navy to convene general courts martial for the trial of naval cadets (title changed to "midshipmen" by act of July 1, 1902, 32 Stat. 662, 686, ch. 1368), his power to approve proceedings and execute sentences of such courts martial, and the exceptional provision relating to approval, confirmation, and carrying into effect of sentences of suspension and dismissal;

(k) Sections 1 through 12 and 15 through 17 of the act of February 16, 1909 (35 Stat. 621, 623, ch. 131);

(l) The provision of the act of August 29, 1916 (39 Stat. 556, 573, ch. 417), under the heading "Hospital Corps," making officers and enlisted men of the Medical Department of the Navy who are serving with a body of marines detached for service with the Army subject to the rules and Articles of War while so serving;

(m) The provisions in the act of August 29, 1916 (39 Stat. 556, 586, ch. 417), under the heading "Administration of Justice";

(n) Act of October 6, 1917 (40 Stat. 393, ch. 93);

(o) Act of April 2, 1918 (40 Stat. 501, ch. 39);

(p) Act of April 25, 1935 (49 Stat. 161, ch. 81);

(q) The provision of section 6, title I, of the Naval Reserve Act of 1938 (52 Stat. 1175, 1176, ch. 690), making members of the Fleet Reserve and officers and enlisted men who have been or may be transferred to the retired list of the Naval Reserve Force or the Naval Reserve or the honorary retired list with pay subject to the laws, regulations, and orders for the government of the Navy;

(r) Section 301, title III, of the Naval Reserve Act of 1938 (52 Stat. 1175, 1180, ch. 690);

(s) Act of March 22, 1943 (57 Stat. 41, ch. 18);

(t) Act of April 9, 1943 (57 Stat. 58, ch. 36);

(u) Sections 2, 3, 4, 6, and 7 of the act of May 26, 1906 (34 Stat. 200, 201, ch. 2556);

(v) The provision of the act of June 5, 1920 (41 Stat. 874, 880, ch. 235), under the heading "Coast Guard," authorizing the trial of enlisted men in the Coast Guard by deck courts.

Mr. VINSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, and that the bill be printed at this point in the RECORD and that it be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that all the committee amendments as set out in the report and as appearing in the bill be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

Committee amendments:

On page 5, line 18, following "(11)" insert "Subject to the provisions of any treaty or agreement to which the United States is or may be a party or to any accepted rule of international law," and substitute a small a for the capital A in "All."

On page 5, line 24, following "(12)" insert "Subject to the provisions of any treaty or agreement to which the United States is or may be a party or to any accepted rule of international law," and substitute a small a for the capital A in "All," and after the word "by" insert "or otherwise reserved or acquired for the use of."

On page 6, line 2, substitute a capital T for the small t in "territories."

On page 6, line 18, delete "after apprehension" and on line 19, after "shall" insert "after apprehension."

On page 15, line 15, add "s" to "subdivision."

On page 20, line 24, hyphenate the words "court martial."

On page 25, line 4, insert a comma after "trial counsel."

On page 39, line 16, hyphenate "court martial."

On page 43, line 6, substitute "otherwise" for "other."

On page 54, line 13, substitute "Court of Military Appeals" for "Judicial Council."

On page 55, line 4, after "Senate." insert "Not more than two of the judges of such court shall be appointed from the same political party."

On page 56, line 3, delete "g" from "withing."

On page 57, line 9, after "report" substitute "to" for "the," and in line 12, after "cases," insert "and."

On page 58, line 18, substitute a small "a" in "Article."

On page 58, line 25, substitute a dash for the period.

On page 59, line 12, substitute "Military" for "The."

On page 60, line 11, hyphenate "bad conduct."

On page 69, line 6, substitute "or" for "at."

On page 77, line 17, after "place" substitute "or" for "of."

On page 79, line 23, delete "pro-."

On page 99, line 5, substitute "dismissal" for "dismissed."

On page 99, line 6, hyphenate "bad conduct."

On page 99, strike the proviso beginning on line 25 and ending on page 100, line 2, and substitute the following new proviso: "*Provided*, That when the Coast Guard is operating as a service in the Treasury Department the provisions of this section shall not be applicable thereto."

The committee amendments were agreed to.

Mr. VINSON. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. VINSON: On page 27, line 14, strike out the words "have power to appoint a reporter", and insert in lieu thereof the following words: "Appoint qualified court reporters."

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: On page 103, after line 25, after section 15, insert:

"There is hereby authorized to be appropriated out of any moneys in the Treasury, not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act."

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: On page 95, line 21, after "that" insert "the provisions of article 67 (a) and."

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: On page 60, lines 8, 9, and 10, delete the words "has requested the reconsideration of a case before the Board of Review, or."

The amendment was agreed to.

Mr. VINSON. That is all the committee amendments, Mr. Chairman.

Mr. FURCOLO. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO: On page 14, line 14, strike out the period, insert a comma, and add the words "except that in those cases where the conviction in the civil tribunal is based on substantially the same facts as the court-martial sentence, any period of confinement served as a result of conviction in a civil tribunal shall be counted toward completion of any court-martial sentence of confinement."

The CHAIRMAN. The gentleman from Massachusetts [Mr. FURCOLO] is recognized for 5 minutes in support of his amendment.

Mr. FURCOLO. Mr. Chairman, this amendment has to do with the question I asked. It is intended to cover situations where a sailor may go ashore and get into some difficulty with the civil authorities and cause some damage and as a result of that he is brought to a court martial or some sort of punishment by the naval authorities. Let us assume he is given a sentence of 6 months or a year. According to the bill as it is written now, what would happen is that after he has served a week or a month, if the civilian authorities wanted him, he would then go to the civilian authorities and perhaps be given a sentence of 6 months or a year for the very same offense. Then he would serve that sentence, which might be on substantially the same facts.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. VINSON. I wish the gentleman would explain his amendment. As I understand it, your amendment would have no relation to an offense committed in the armed services. If he commits an offense in the armed service and gets 3 months and then he commits an offense at the same time in the civil jurisdiction and gets a 6-month sentence, then you want to give him credit to abate his 3-month sentence in the armed services?

Mr. FURCOLO. In effect there are many cases where, on substantially the same facts—and that is what the amendment provides—a man can be brought in by both the civilian and military authorities.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. BROOKS. The gentleman is aware that in civil life a man can be tried three times for the same offense?

Mr. FURCOLO. That is right.

Mr. BROOKS. Ordinarily the courts take that into consideration, and when the courts fail in their function, then the pardoning power steps in and exercises its right.

Mr. FURCOLO. The courts do take that into consideration.

Very frankly, as far as I am concerned, I should like to see it written right into law so that there could not be any discretion on the part of the military authorities to make that man serve double time, really, on the same substantial facts; and that is what this provision of the bill would do. There are many many cases in which a man will go off on a tear and commit certain acts that will bring him before both the military authorities and the civilian authorities for the same offense. Six months would be adequate punishment for the offense committed, but without this amendment the military authorities could give him 6 months, he could serve 3, be turned over to the civilian authorities; they could give him another 6 months, make him serve it, and then he would have to be returned to the military authorities to serve the balance of his 6 months' sentence there. Such procedure is not just, but the way the bill is worded there can be no discretion, for it states that he shall be returned for the completion of the court-martial sentence. There is no discretion there. It practically makes a double sentence for the same offense mandatory. Briefly, the prevention of that injustice is the sum and substance of what I wish to accomplish by this amendment.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this bill has been carefully thought out; and, as was stated in the debate, hearings were held on the bill for five solid weeks, oftentimes lasting 6, 7, and 8 hours a day. After the hearings were concluded the bill was studied section by section with the best lawyers of the Department, together with our own legal staff. The bill is highly technical, and we do not want to throw it out of balance. I do not believe the gentleman's amendment was intended to throw it out of balance, but I believe it will not be in the best interest of the service to accept the amendment, and I ask that it be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. FURCOLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO: On page 37, lines 10 and 11, strike out the words "or absence without leave."

Mr. FURCOLO. Mr. Chairman, this has to do only with the statute of limitations. The bill provides that for certain offenses there is a period of time during which the statute runs, but on the more serious offenses the statute may not run.

Absence without leave is the sort of thing whether in time of war or in time of peace that happens hundreds and thousands of times; it is a fairly common offense in the services. Strange as it may seem, in many, many instances, even in time of war, it is not a very important offense, and I think absence without leave should not be included with the more serious offenses.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. VINSON. Let us get right down to business; does the gentleman believe that a person charged with desertion or absence without leave in time of war should have the benefit of the statute of limitations? Does the gentleman think the statute should run in such a case where the fate of the Nation is imperiled and they need him to do military duty?

Mr. FURCOLO. If a man can be absent without leave without his absence being noticed for 3 years, certainly it is not a very serious thing. Desertion and absence without leave are two very different things. Absence without leave is one of the most common offenses in the services; it happens hundreds of thousands of times. A man should not have that hanging over his head for the period of time indicated here.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment, and ask that it be voted down. I believe the gentleman from Massachusetts has not made out a good case for his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. FURCOLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO: On page 89, line 4, strike out all of the words in line 4, and insert the words: "Punished as a court martial may direct."

Mr. FURCOLO. Mr. Chairman, the bill as it is now written says that any officer who is convicted of conduct unbecoming an officer and a gentleman shall be dismissed from the armed services. There is no discretion; it is mandatory. There are many, many offenses that are relatively minor which can be construed, and actually they are correct in construing them, as being conduct unbecoming an officer and a gentleman and, of course, they must be dismissed. I would be satisfied to leave it up to the discretion of the court martial. You do that in the case of more serious offenses. That is the purpose of my amendment.

Mr. VINSON. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the

Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice, pursuant to House Resolution 201, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McPride, its assistant enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 226. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. BRYSON asked and was given permission to extend his remarks at that place in the RECORD during consideration of H. R. 2989 where Mr. ALLEN of Louisiana, offered an amendment and to include certain figures in his extension.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KELLEY, for Thursday and Friday, May 5 and 6, on account of attending joint Canadian-United States conference on artificial limb program, Toronto, Canada.

To Mr. RODINO (at the request of Mr. ADDONIZIO), until Wednesday, May 11, 1949, on account of death in family.

To Mr. ROONEY (at the request of Mr. DOLLINGER), for an indefinite period, on account of illness of his mother.

EXTENSION OF REMARKS

Mr. COOLEY (at the request of Mr. MORRIS) was given permission to extend his remarks in the RECORD and include a statement by the Secretary of Agriculture.

ENROLLED JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 226. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes.

ADJOURNMENT

Mr. MORRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.), under its previous order, the House adjourned until Monday, May 9, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

591. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $1,000,000,000 for the National Military Establishment, Department of the Army (H. Doc. No. 172); to the Committee on Appropriations and ordered to be printed.

592. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Galveston Harbor and Channel, Tex., with a view to extending existing sea wall, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on November 20, 1945 (H. Doc. No. 173); to the Committee on Public Works and ordered to be printed, with two illustrations.

593. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 2, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Sabine-Neches waterway, Texas, through and in the vicinity of Port Arthur Bridge, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 11, 1946 (H. Doc. No. 174); to the Committee on Public Works and ordered to be printed, with two illustrations.

594. A letter from the Secretary of Defense, transmitting a letter by the Secretary of the Army recommending the enactment of a proposed draft of legislation entitled "A bill authorizing the detail of officers, warrant officers, and enlisted men of any component of the Army of the United States or of the Air Force of the United States to certain duties authorized for officers, warrant officers, or enlisted men of the Regular Army or Regular Air Force"; to the Committee on Armed Services.

595. A letter from the Attorney General, transmitting two voluntary steel allocation plans, the first being the voluntary steel allocation plan for ECA countries, with its copy of supplemental instructions and a request for compliance to the steel producers; and the second being the voluntary steel allocation plan for Federal reclamation projects, with a request for compliance to the steel producers attached to this plan; to the Committee on Banking and Currency.

596. A letter from the Acting Secretary of Commerce, transmitting certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by the United States military forces at three public airports; to the Committee on Interstate and Foreign Commerce.

597. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "A bill to repeal certain obsolete provisions of law relating to the naval service"; to the Committee on Armed Services.

598. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "A bill to provide indemnity for contractors with any agency of the National Military Establishment against claims arising out of contracts for cloud modification research or development, and for other purposes"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 2108. A bill to amend the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents" to define the term "wife" to include "dependent husband"; without amendment (Rept. No. 511). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.; without amendment (Rept. No. 512). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended; without amendment (Rept. No. 513). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. S. 1185. An act to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes; without amendment (Rept. No. 514). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES: Committee on Post Office and Civil Service. Report on a survey and study of the postal service pursuant to House Resolution 176, Eightieth Congress (Rept. No. 515). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 202. Resolution for consideration of H. R. 782, a bill to constitute the Federal Security Agency a Department of Welfare; without amendment (Rept. No. 516). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 203. Resolution for consideration of H. R. 3559, a bill to strengthen and improve the organization and administration of the Department of State, and for other purposes; without amendment (Rept. No. 517). Referred to the House Calendar.

Mr. LYLE: Committee on Rules. House Resolution 204. Resolution for consideration of H. R. 4392, a bill to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor; without amendment (Rept. No. 518). Referred to the House Calendar.

Mr. McSWEENEY: Committee on Rules. House Resolution 205. Resolution for consideration of H. R. 3005, a bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; without amendment (Rept. No. 519). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments; without amendment (Rept. No. 520). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. Senate Joint Resolution 18. Joint resolution for the relief of the First-Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.; without amendment (Rept. No. 521). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 703. A bill conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteein Foxworth; with an amendment (Rept. No. 522). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1173. A bill for the relief of Florence Bryant Peters and E. B. Peters; without amendment (Rept. No. 523). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1470. A bill for the relief of the estate of James F. Delahanty, deceased; with an amendment (Rept. No. 524). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1496. A bill for the relief of Mrs. Thelma Lee Rynaard; with an amendment (Rept. No. 525). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1619. A bill for the relief of St. Elizabeth Hospital, Yakima, Wash., and others; without amendment (Rept. No. 526). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1620. A bill for the relief of Robert E. Bridge and Leslie E. Ensign; without amendment (Rept. No. 527). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1676. A bill for the relief of Thomas M. Bates; with an amendment (Rept. No. 528). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2759. A bill for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions; with an amendment (Rept. No. 529). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3320. A bill for the relief of Ignacio Colón Cruz; with an amendment (Rept. No. 530). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3321. A bill for the relief of Gloria Esther Díaz; with amendments (Rept. No. 531). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3471. A bill for the relief of Mrs. Sarah J. Miller; without amendment (Rept. No. 532). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3720. A bill for the relief of Erwin F. Earl; with an amendment (Rept. No. 533). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4307. A bill for the relief of Ever Ready Supply Co. and Harold A. Dahlborg; without amendment (Rept. No. 534). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COTTON:

H. R. 4535. A bill granting the consent and approval of Congress to an interstate forest-fire-protection compact; to the Committee on Agriculture.

H. R. 4536. A bill to provide for the issuance of a postage stamp in commemoration of Old Fort No. 4, Charlestown, N. H.; to the Committee on Post Office and Civil Service.

By Mr. CROOK:

H. R. 4537. A bill to amend the Classification Act of 1923, as amended; to the Committee on Post Office and Civil Service.

By Mr. GRANGER:

H. R. 4538. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture

By Mr. HEDRICK:

H. R. 4539. A bill to provide for the construction of a post office at Dunbar, W. Va.; to the Committee on Public Works.

By Mr. KEARNEY:

H. R. 4540. A bill to provide a more satisfactory program of benefits relating to active service in the armed forces of the Commonwealth of the Philippines during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KENNEDY:

H. R. 4541. A bill to provide special boards of mediation to inquire into and mediate labor disputes involving certain public utilities, and for other purposes; to the Committee on Education and Labor.

By Mr. PETERSON:

H. R. 4542. A bill to provide for the classification of the public lands in Alaska; to the Committee on Public Lands.

By Mr. CHURCH:

H. R. 4543. A bill to encourage enterprise capital investment in our free-enterprise system for productive facilities essential for both peace and war and alleviate any need for Government construction of plants by permitting more liberal amortization of cost for Federal tax purposes; to the Committee on Ways and Means.

H. R. 4544. A bill to encourage enterprise capital investment in private business and aid industrial preparedness for national emergencies by abolishing mandatory depreciation deductions in loss years and permitting reduced depreciation deductions in low-income years for Federal tax purposes; to the Committee on Ways and Means.

By Mr. O'BRIEN of Michigan:

H. R. 4545. A bill to provide for the appointment of postmasters at post offices of the first, second, and third classes by promotion within the service; to the Committee on Post Office and Civil Service.

By Mr. PHILBIN:

H. R. 4546. A bill to amend the act of December 2, 1942, entitled "An act to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes," to clarify the eligibility for benefits of certain employees detained by the enemy in the Philippine Islands; to the Committee on Education and Labor.

By Mr. RAMSAY:

H. R. 4547. A bill to amend the Classification Act of 1923, as amended; to the Committee on Post Office and Civil Service.

By Mr. CARROLL:

H. R. 4548. A bill to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Logan, Colo.; to the Committee on Public Lands.

By Mr. MARSALIS:

H. R. 4549. A bill to amend the Agricultural Act of 1948 and the Agricultural Adjustment Act of 1938, as amended, to provide price support for Angora rabbit wool; to the Committee on Agriculture.

By Mr. TACKETT:

H. R. 4550. A bill to provide for the protection of personnel engaged in the enforcement of regulations and the inspection of aircraft engaged in interstate and foreign air commerce; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 4551. A bill to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes; to the Committee on Education and Labor.

By Mr. LESINSKI:

H. R. 4552. A bill to raise the minimum wage standards of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. McGUIRE:

H. R. 4553. A bill relating to the posting of bonds by general contractors undertaking to build homes for veterans pursuant to loans guaranteed or insured under the Servicemen's Readjustment Act of 1944; to the Committee on Veterans' Affairs.

By Mr. KEE:

H. Res. 206. Resolution authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to make increased appropriations available for the program of research and education for overcoming the ravages of cancer; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 4554. A bill for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli; to the Committee on the Judiciary.

By Mr. BATTLE:

H. R. 4555. A bill for the relief of the estate of Shirley Kendrick; to the Committee on the Judiciary.

By Mr. FELLOWS:

H. R. 4556. A bill for the relief of the estate of Elmo Sodergren; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4557. A bill for the relief of Archibald John Henry Carey, his wife, and his two children; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 4558. A bill for the relief of Roscoe H. McCulloch; to the Committee on the Judiciary.

By Mr. KUNKEL:

H. R. 4559. A bill for the relief of Louis Brown; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 4560. A bill to provide for the renewal of Patent No. 1,858,087; to the Committee on the Judiciary.

H. R. 4561. A bill for the relief of Maj. Dean E. Galles; to the Committee on Armed Services.

By Mr. MITCHELL:

H. R. 4562. A bill for the relief of Dr. Ebba Dalin; to the Committee on the Judiciary.

H. R. 4563. A bill for the relief of Mrs. Sarah E. Thompson; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 4564. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

773. By Mr. HESELTON: Resolution passed by the City Council of the City of Westfield, Mass., memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

774. By Mr. LECOMPTE: Petition of Ted R. Liggitt, druggist, and other citizens of Charlton, Iowa, urging repeal of the 20 percent excise tax on all toilet goods; to the Committee on Ways and Means.

775. By Mr. PLUMLEY: Petition of the Common Council of the City of Winooski, Vt., asking passage of the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

776. By the SPEAKER: Petition of James C. Mooney, secretary-treasurer, New York Typographical Union, No. 6, New York, N. Y., stating its opposition to the Taft-Hartley law; to the Committee on Education and Labor.

777. Also, petition of Milton E. Loomis, executive vice president, Rochester Chamber of Commerce, Rochester, N. Y., recommending prompt and vigorous action regarding the recommendations of the Hoover Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

778. Also, petition of Richard Waite, president, Massachusetts Bar Association, Boston, Mass., relative to the approaching Federal threat to Massachusetts land titles; to the Committee on the Judiciary.

779. Also, petition of Jane B. Sands, secretary, Boston chapter, Mail Advertising Service Association International, Boston, Mass., protesting the increase in postal rates for third-class advertising matter proposed in H. R. 2945; to the Committee on Post Office and Civil Service.

780. Also, petition of James Williams, president, Retired Postal Employees Association, New York, N. Y., approving and endorsing the following proposed legislation: H. R. 1722 and 2060 and S. 801, 878, and 1189, to correct certain inequalities in Public Law 426, Eightieth Congress; to the Committee on Post Office and Civil Service.

781. Also, petition of Mrs. F. B. Turner and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

782. Also, petition of H. R. Brust and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

783. Also, petition of Ethel L. Wild and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

784. Also, petition of Maggie Goldsmith and others, Orlovista, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

785. Also, petition of Mrs. Carrie Sarns and others, Clearwater, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

786. Also, petition of Albert Albrecht and others, South Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

787. Also, petition of Julia Coe Bruce and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

788. Also, petition of Mrs. Lilian R. Pfeiffer and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the first calendar quarter of 1949.

To carry out the provisions of the Lobbying Act, three forms were printed and used in making detailed statements (Form A), registrations (Form B), and filing quarterly reports (Form C).

Section 308 (b) requires the printing of information received and filed. Forms B and C, upon which this information was submitted, are reproduced as follows:

FORM B

REGISTRATION (IN DUPLICATE) WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name_____

Business address_____

INFORMATION REQUESTED FROM PERSONS REGISTERING

(1) The name and address of the person by whom employed:

(1) _____

(2) In whose interest he appears or works:

(2) _____

(3) The duration of such employment:

(3) _____

(4) How much he is paid and is to receive:

(4) _____

(5) By whom he is paid or is to be paid:

(5) _____

(6) How much he is to be paid for expenses:

(6) _____

(7) What expenses are to be included:

(7) _____

See Form C for quarterly report to be filed.

OATH OF REGISTRANT

[Omitted in printing]

FORM C

QUARTERLY REPORT OF PERSONS REGISTERING UNDER LOBBYING ACT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE

(Public Law 601, 79th Cong.)

Name_____

Business address_____

Employed by_____

Address_____

INFORMATION REQUIRED IN QUARTERLY REPORT

Each such person so registering shall, between the 1st and 10th day of each calendar quarter, so long as his activity continues, file with the Clerk of the House of Representatives and Secretary of the Senate—

(1) A detailed report under oath of all money received and expended by him during the preceding calendar quarter:

(1) _____

(2) To whom paid:

(2) _____

(3) For what purposes:

(3) _____

(4) The names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials:

(4) _____

(5) The proposed legislation he is employed to support or oppose:

(5) _____

OATH OF REGISTRANT FILING QUARTERLY REPORT

[Omitted in printing]

REGISTRATIONS

The following registrations were received for the first calendar quarter 1949, and filed, using Form B, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space, the questions in Form B (see above) are not repeated. Only the answers to questions are printed and are indicated by numbers in parentheses.)

Adams, Lynn, 1790 Broadway, New York, N. Y. (1) The National Committee for Mental Hygiene, 1790 Broadway, New York, N. Y. (2) Same. (3) Since January 1949, 1 day a week. (4) At the rate of $1,300 per year. (5) National Committee for Mental Hygiene. (6) As needed, about $12 per day, plus telephone and telegram expense. (7) Transportation, meals, lodging, telephone, telegrams, postage.

American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (1) The American Life Convention is an association of legal reserve life-insurance companies. (2) See attached exhibit.[1] (3) Unlimited. (4) There is no specific amount of funds within the budget of the American Life Convention for Federal legislation. At the end of each quarter, an estimate and report will be made showing the amount received from member companies which might be deemed to come within the meaning of the act. (5) See attached exhibit filed under No. 2. (6) The actual personal expenses of employees will be paid. (7) Travel, hotel, meals, taxis, and similar incidental expenses.

Amundsen, Paul A., Washington Building, Washington, D. C. (1) The American Association of Port Authorities. (2) The American Association of Port Authorities. (3) Part time, indefinite. (4) $1,800 per annum. (5) The American Association of Port Au-

thorities. (6) Nominal. (7) Office incidentals only: postage, etc.

Anthony, Richard H., 19 West Forty-fourth Street, New York, N. Y. (1) The American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y. (2) Same as (1). (3) See schedule A, annexed.[1] (4) See schedule A, annexed.[1] (5) See schedule A, annexed.[1] (6) See schedule A, annexed.[1] (7) See schedule A, annexed.[1]

Apsey, Lawrence S., Raytheon Manufacturing Co., Foundary Avenue, Waltham, Mass. (1) Raytheon Manufacturing Co., Foundary Avenue, Waltham, Mass. (2) See (1) above. (3) Indefinite. (4) Annual salary as general attorney, $15,000. (5) See (1) above. (6) Traveling expenses and disbursements in line of duty. Amount not specified. (7) See (6) above.

Armor, Albert, corner Whitley and Pickerel Avenue, Cocoran, Calif. (1) Von Glahn Land Co., Box 697, Cocoran, Calif. (2) Western Growers Association, employer and self, in connection with proposed limitations on cotton acreage. (3) I am a permanent employee of Von Glahn Land Co., and am here only incidentally in connection with the above interests. (4) My salary as an employee of Von Glahn Land Co. is $1,000 a month, and I simply continue to receive it. (5) My employer, through other members of the Western Cotton Growers Association, may contribute to it during the period I am engaged in the common interest. (6) Actual traveling expenses to be borne by Western Cotton Growers Association. (7) Railroad fare, hotel bills, telephone, telegrams, and other such items.

Armstrong, Roy, 409 W. Adams Street, Jacksonville, Fla. (1) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (2) In the interest of the organization whose name appears in (1) above. (3) For the term of office, which requires 2 years. (4) $4,800 per annum. (5) The organization whose name appears in (1) above. (6) No specific amount authorized. Reimbursed for actual expenses. (7) See answer in (6) above.

Associated General Contractors of America, Inc., the Munsey Building, Washington, D. C. (1).[1] (2).[1] (3).[1] (4).[1] (5).[1] (6).[1] (7).[1]

Aulsbrook, Knight G., Southern Building, Washington, D. C. (1) Construction Men's Association, 82 Beaver Street, New York, N. Y. (2) Construction Men's Association, 82 Beaver Street, New York, N. Y. (3) One year, December 15, 1948, to December 15, 1949. (4) $1,000. The services performed so far for this client have concerned in their entirety and are contemplated to concern for the most part in the future, the general legal representation in Washington, D. C., on matters before the executive departments and administrative agencies of the Federal Government. Because of two decisions of the United States Supreme Court, however, just handed down this month, March 1949, the client is interested in a clarifying amendment to H. R. 3190 and S. 653, Eighty-first Congress, first session, both of which bills are pending in the House and Senate, respectively.

Allocation, under question (4), of the registerable part of the compensation, can only be a present best estimate, subject to final estimate of the general services that may be directed to activities covered by the act. For all services, my compensation, including that covered by question (4), is contemplated to be $10,000 for the calendar year 1949.

Although no expenses whatever are now permitted to be charged the client, authority is to be sought at its annual membership meeting in May 1949 for expenses limited exclusively to the actual and necessary cash disbursements of the registrant for telephone tolls, telegrams, taxicab fares, and prior specifically approved travel expenditures. (5) Construction Men's Association. (6) Actual and necessary cash disbursement. (7) Telephone tolls, telegrams, and taxicab fares.

Ayer, N. W., & Son, Inc., a Delaware corporation, successor to N. W. Ayer & Son, Inc., a New York corporation, and J. Vance Babb, Raymond C. Baker, and Oscar Leiding, employees thereof (collectively herein called registrant), 30 Rockefeller Plaza, New York, N. Y. [Amended registration]. (1) N. W. Ayer & Son, Inc., is employed as publicity counsel by National Association of Electric Companies, 1200 Eighteenth Street NW, Washington, D. C. Registrant furnishes the National Association of Electric Companies consulting service on public relations and publicity service regarding the electrical industry. While generally such publicity work has no direct relation to legislation pending before the Congress of the United States of America, some of it is intended to aid and influence the passage or defeat of such legislation affecting the electrical industry, and some of it may be held to have such effect though not so intended. Registrant does not believe that its activities come within the purview of the Lobbying Act, and files this registration solely to avoid the penalties of the act and with full reservation of all rights. (2) See (1) above. (3) Registrant is engaged on a month-to-month basis. (4) The association pays N. W. Ayer & Son, Inc., $4,100 per month plus out-of-pocket expenses and a 16⅔ percent commission on printing, photographs, and similar items. (5) N. W. Ayer & Son, Inc., is paid by National Association of Electric Companies and the individual registrants are paid by N. W. Ayer & Son, Inc. (6) The expenses vary and cannot be readily averaged in advance. Amounts will be furnished with the quarterly statements. (7) Principally printing, mimeographing, mailing, traveling and miscellaneous expenses.

Baker, Frederic A., 296 Lexington Road, Berkeley, Calif. (1) The Federated Indians of California, a group of persons of Indian descent organized for the purpose of presenting their claims against the United States and for the final settlement of their relations with the United States by such legislation by the Congress as may be deemed necessary and proper. William Fuller, Tuolumne, Calif., president; Mrs. Bertha Stewart, 2727 Santa Clara Way, Sacramento, Calif., secretary. (2) In the interest of the above-mentioned group of American Indians. (3) Until the present authority, granted by resolution, is revoked. (4) The undersigned has been employed as assistant counsel to aid in presenting the claims of said organization to the Indian Claims Commission, under a contract approved by the Secretary of the Interior. He will receive payment under this contract, if any. He receives no compensation for appearing before Congress or any committee thereof. (5) There will be no cost or charge for legislative services. (6) No fixed amount. He will receive his railroad fare from California to Washington, D. C., and return; pullman fare; hotel bills in Washington, D. C.; and subsistence en route and such incidental expenses as stenographic service, telegraph and telephone calls, and all other incidental expenses pertinent to the duties he is to perform. He will receive these payments as assistant counsel for services before the Indian Claims Commission; after such services are rendered he will receive only his actual living expenses while in Washington, D. C., for the time spent in legislative employment; no salary or other emolument. (7) See answer under No. 6.

Baldwin, Philip L., 912 Investment Building, Washington, D. C. (1) National Association of Mutual Insurance Agents, 912 Investment Building, Washington, D. C. (2) National Association of Mutual Insurance Agents. (3) As long as he continues to hold position as executive secretary. (4) Of his annual salary, not more than $25 every 3 months for any duties he may perform which might be considered lobbying. (5) National Association of Mutual Insurance Agents. (6) Nominal expenses only, not to exceed $5 per month. (7) Transportation from office to Capitol and return.

Barger, Harry S., 1060 National Press Building, Washington, D. C. (1) National Economic Council, Inc., Empire State Building, New York, N. Y., of which Mr. Merwin K. Hart is president. (2) National Economic Council, Inc., as above. (3) Uncertain. (4) At the rate of $666.66 a month. (5) National Economic Council, Inc. (6) Reimbursement for nominal expenses, such as telephone calls, postage, and the like. (7) As above.

Bargeron, Carlisle, 1624 I Street NW., Washington, D. C. (1) William Ingles, 1624 I Street NW., Washington, D. C. (2) Same as above. (3) Indefinite. (4) Open. (5) Same as above. (6) Open. (7) Open.

Bargeron, Carlisle, Room 843 Transportation Building, Washington, D. C. (1) National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C. (2) Same as above. (3) Indefinite. (4) $1,000 per month. (5) Same as above. (6) Those actually incurred. (7) Travel, etc.

Barnes, James M., 1025 Connecticut Avenue NW., Washington, D. C. (1) Advance Aluminum Castings Corp., 2742 West Thirty-sixth Place, Chicago, Ill.; Atlas Raincoat Co., Inc., 819 West Congress Street, Chicago, Ill.; Fairbanks Tailoring Co., 1708 West Washington Boulevard, Chicago, Ill.; Progress Tailoring Co., 500–532 Throop Street, Chicago, Ill.; J. B. Simpson, Inc., 831 West Adams Street, Chicago, Ill.; the Stayform Co., 4325–33 Ravenswood Avenue, Chicago, Ill.; American Hosiery Mills, 741–821 East North Street, Indianapolis, Ind.; the George Master Garment Corp., Ligoniere, Ind; the J. R. Watkins Co., Winona, Minn.; the C & D Co., 333 Commerce Avenue SW., Grand Rapids, Mich.; Hoover Manufacturing & Sales Co., 251 West Nineteenth, New York, N. Y.; Wallace Brown, Inc., 225 Fifth Avenue, New York, N. Y.; Mason Shoe Manufacturing Co., Chippewa Falls, Wis.; Fashion Frocks, Inc., 3301 Colerain Avenue, Cincinnati, Ohio; Charis Corp., 735 Lyndon Street, Allentown, Pa.; Spirella Co., Inc., 2600 Main Street, Niagara Falls, N. Y.; Zanol Products, 1111–33 Richmond Street, Cincinnati, Ohio; Morton Manufacturing Co., Lynchburg, Va. (These companies are listed together because of common interest in subject matter of employment.) (2) Same as 1. (3) No fixed termination date. (4) Fee to be fixed by mutual agreement at the conclusion of services but with an interim retainer of $1,000 and $1,000 per month from the above group to be credited against such fee. (5) Companies referred to above. (6) Reimbursement of out-of-pocket expenses. (7) Telephone, telegraph, travel.

Bartlett, John Stanton, 2800 Woodley Road NW., Washington, D. C. (1) National Association of Federal Career Employees, 745 Forty-sixth Street, Brooklyn, N. Y. (2) Federal career employees with classified civil-service status. (3) To June 30, 1950. (4) Nothing. (5) No one. (6) Nothing. (7) None.

Bartlett, John Stanton, 2800 Woodley Road NW., Washington, D. C. (1) Federal Career Employees Association of Washington, D. C., 2800 Woodley Road NW., Washington, D. C. (2) Federal career employees with classified civil-service status who do not claim veterans' preference. (3) To June 30, 1950. (4) Nothing. (5) No one. (6) Nothing. (7) None.

Bass, Frank E., Legislative-Federal Relations Division of National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Legislative-Federal Relations Division, National Education Association, 1201 Sixteenth Street

[1] Not printed. Filed in the Clerk's office.

NW., Washington, D. C. (2) Legislative-Federal Relations Division, National Education Association. (3) February 28 to March 4, 1949, inclusive. (4) Actual expenses only—room, board, and transportation. (5) Legislative-Federal Relations Division, National Education Association. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Beaver, Farrell J., 79 St. Philip Street, Charleston, S. C. (1) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (2) In the interest of the organizations whose name appears in (1) above. (3) For the term of office which requires 2 years. (4) $4,800 per annum. (5) The organization whose name appears in (1) above. (6) No specific amount authorized. Reimbursed for actual expenses. (7) See answer in (6) above.

Bell, C. Jasper, 904 Bryant Building, Kansas City, Mo. (1) Anderson T. Herd, S. A. Markel, Mrs. Rose Porter Carden, and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased. (2) Anderson T. Herd, Mrs. Rose Porter Carden, and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased. (3) Clients may terminate employment upon final adjournment of Eighty-first Congress, if no legislation looking to relief has been passed by that time, unless S. A. Markel commits himself for an additional period. (4) It is impossible to now determine the amount registrant is to be paid or is to receive for work in connection with proposed legislation for relief of clients named above because the fee is to be contingent upon ultimate recovery and involves probable hearings before the Court of Claims and possibly before other courts. The fee will be contingent in part upon final decision of the Surrogates Court of New York County, N. Y., in respect to said contingent fee and expenses. There are several attorneys and law firms employed or to be employed in the matter involving the legislation and litigation with respect to this claim. There is, however, an understanding that the gross amount of fees paid to all of said lawyers shall not in any event exceed 40 percent of the total amount recovered after payment of expenses herein referred to. (5) Anderson T. Herd, Rose Porter Carden, and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased; expenses advanced by S. A. Markel. (6) Whatever the actual amount of expenses listed below. (7) Actual expenses for self and wife and assistants in traveling and hotel bills and living quarters to be maintained in Washington, D. C., and for office expenses and clerical help and other expenses reasonably necessary or incidental to such services.

Bell, Jones & Taylor (a partnership consisting of Luther K. Bell and O. A. Taylor), 350 Fifth Avenue, New York, N. Y. (1) S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McClellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; H. L. Green Co., Inc., 902 Broadway, New York, N. Y.; G. C. Murphy Co., 531 Fifth Avenue, McKeesport, Pa. (2) The registrant is not engaged for the purpose of attempting to influence the passage or defeat of legislation. It is employed by S. H. Kress & Co., and by McCrory Stores Corp., on an annual retainer basis, as a consultant to said corporations on public relations problems. In addition, the applicant is employed by said two corporations and by the other corporations listed in (1), supra, to make certain studies in the labor-management field, which studies include the effect of present, pending, or possible future legislation on the business affairs of said corporations. While registrant is of the opinion that the provisions of the Federal Regulation of Lobbying Act do not apply to its activities, it is filing this registration because of the uncertain interpretation of such provisions.

(3) Indefinite. (4) Applicant receives annual retainers from S. H. Kress & Co., and from McCrory Stores Corp. of $10,000 and $3,000, respectively. Applicant is also to receive, from the companies listed in (1), as a group, compensation for the work of a member of registrant firm at the rate of $100 per diem. (6) Actual expenses are to be reimbursed. (7) Travel, telephone and telegraph, taxicabs, stenographic expenses, salaries of research assistants, etc.

Benson, Judd C.; 1718 Union Central Life Building, Cincinnati, Ohio. (1) and (2) Registrant is a nonsalaried officer and committee chairman of the National Association of Life Underwriters, a nonprofit incorporated association, whose sole office is at 11 West Forty-second Street, New York, N. Y. Registrant does not believe, and does not consent that this registration shall be construed as an admission, that his activities as such officer and committee chairman in connection with legislation in Congress bring him within the application of Public Law 601, Seventy-ninth Congress, second session. However, pending clarification of the application of the said law, and in order that there may be no questions as to his good faith, registrant has filed this statement and will attempt to estimate, in the quarterly reports, what portion, if any, of the expenses for which he is reimbursed might come within the purview of the said law. (3) As an officer and committee chairman, registrant is subject respectively to annual election by the association and appointment by its president. (4) All services are without remuneration, other than reimbursement of expenses. (5) Nothing paid. (6) Out-of-pocket expense in connection with association activities. (7) Travel, meals, lodging, etc.

Berge, Wendell, 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (2) Associated Third Class Mail Users, Inc. (3) February 21, 1949, to June 30, 1949. (4) $5,000 fee paid to the law firm of Posner, Berge, Fox & Arent of which registrant is a partner. (5) Associated Third Class Mail Users, Inc. (6) Reimbursement. (7) Telephone, telegraph, mimeograph, transportation, etc.

Berger, Raoul, Esq., suite 1116, Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Mr. Werner Droesse, care of American Engineering & Sales Co., 111 West C Street, Wilmington, Calif., has retained me to take whatever administrative, judicial or other steps are required for the restoration of American citizenship to his mother, Mrs. Clara Raffloer Droesse, now resident in Germany. (2) Mrs. Clara Raffloer Droesse, mother of Werner Droesse (who has retained me). (3) Until Mrs. Droesse's restoration of Americanship is accomplished. (4) $2,000, of which $1,000 has been paid and the balance is to be paid thereafter. (5) Werner Droesse. (6) Out-of-pocket disbursements as statements are rendered. (7) Long-distance telephone calls, filing fees, and ordinary out-of-pocket disbursements.

Bethge, Charles A., 511 South Paulina, Chicago, Ill. (1) Aldens, Inc., 511 South Paulina, Chicago, Ill. (2) Aldens, Inc. (3) Indefinitely. Employed as vice president and director of Aldens, Inc. (4) No extra compensation other than my regular salary. (5) Aldens, Inc. (6) Approximately $1,000. (7) Traveling, hotel, meals, entertainment, taxis, etc.

Bledsoe, Samuel B., 1730 Eye Street NW., Washington, D. C. (1) I am a Washington partner of the firm of Selvage & Lee, public relations, 1 East Forty-third Street, New York, N. Y. (2) The American Cotton Manufacturers Association, Charlotte, N. C. (3) Indefinite. (4) Approximately $600 on a monthly basis. (5) American Cotton Manufacturers Association. (6) Actual out-of-pocket expenses incurred in connection with work done. (7) Taxis, meals, phone calls, and travel expenses.

Boggs, Maywood, 825 Bowen Building, Washington, D. C. (1) International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America. (2) Since filing my original Form B, in accordance with the requirements of the Lobbying Act, my duties have changed substantially, with the result that only a minor portion of my time is spent in connection with legislative work. I would estimate this amount of time not to exceed one-third of the total time devoted to my job. If it is in order, kindly accept this letter as amending form B, filed with your office on January 19, 1949. (3) [Blank.] (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C. (1) American Jewish Congress, Inc., 1834 Broadway, New York, N. Y. (2) American Jewish Congress. (3) Indefinite. (4) An annual retainer for all legal services rendered, of which not over $500 per year is allocable to legislative activity. (5) American Jewish Congress, Inc. (6) Maximum of $200 per year. (7) Only telegrams, telephone calls, cabs, and travel.

Boorde, Thomas E., 945 Pennsylvania Avenue NW., Washington, D. C. (1) General Welfare Federation of America, Inc., 945 Pennsylvania Avenue NW., Washington, D. C. (2) General Welfare Federation of America, Inc., in behalf of old-age pension and general welfare. (3) Not specified. (4) Nothing, except actual expenses. (5) General Welfare Federation. (6) Actual expenses. (7) Railroad fare or traveling expenses, hotel bills, etc.

Booth, Herman M., Jr., 1627 Barlom Tower, Detroit, Mich. (1) Great Lakes Licensed Officers' Amalgamated Marine Chapter, No. 159, Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (2) Foreman's Association of America (same address). (3) Elected by organization membership each year. Term of office expires March 15, 1949, unless reelected. (4) $400 per month plus actual expenses. (5) Great Lakes Licensed Officers' Amalgamated Marine Chapter, No. 159; expenses by Foreman's Association of America. (6) Actual expenses incurred. (7) Room, meals, transportation, and other incidental expenses.

Borkin, Joseph, 1017 Ring Building, Washington, D. C. (1) American-Indonesian Corp., 40 Wall Street, New York City, N. Y. (2) American-Indonesian Corp. (3) Indeterminate. (4) $1,000 per month. (5) American-Indonesian Corp. (6) Out-of-pocket expenses. (7) Telephone, travel.

Borkin, Joseph, 1017 Ring Building, Washington, D. C. (1) National Independent Air Carriers, suite 1102, 1029 Vermont Avenue NW., Washington, D. C. (2) National Independent Air Carriers. (3) Indeterminate. (4) $600 per week. (5) National Independent Air Carriers. (6) Out-of-pocket expenses. (7) Mimeographing, travel, etc.

Bowden, R. B., 608 Hibbs Building, Washington, D. C. (1) The Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo. (2) A trade association representing grain- and feed-trade firms and State and regional grain- and feed-trade associations. (3) Annual basis. (4) $15,000 per year. (5) The Grain and Feed Dealers National Association. (6) Actual itemized traveling expenses. (7) Travel expense incurred on trips between Washington and St. Louis, and travel to and among State and regional affiliated association groups.

Bream, John H., 112 Market Street, Harrisburg, Pa. (1) Pennsylvania Associated Businessmen, Inc., 112 Market Street, Harrisburg,

Pa. (2) Same as (1). (3) Indefinite. (4) Reimbursement for actual out-of-pocket expenses only. (5) Same as (1). (6) Same as (4). (7) Reimbursement for travel, hotel, meals, telephone, and other incidental expenses only.

Brinegar, David F., 510 Goodrich Building, Phoenix, Ariz. (1) Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (2) Same as (1) above. I serve as Washington correspondent for this organization. (3) Indeterminate; probably July 1, 1949. (4) $500 monthly. (5) Central Arizona Project Association. (6) No set amount; normal business expenses only. (7) Normal business only.

Brooding, Milton E., 101 California Street, San Francisco, Calif. (1) California Packing Corp., 101 California Street, San Francisco, Calif. (2) California Packing Corp., 101 California Street, San Francisco, Calif. (3) Regular. (4) An annual salary is received by registrant from the employer, California Packing Corp., for all duties performed by him, of which only a relatively small share, and not to exceed about $2,000 per annum, is devoted to the activities covered by the Lobbying Act. It is the registrant's opinion that he is not required to register under the Lobbying Act, but in order that there may be no question raised as to his status, this form is being submitted. (5) California Packing Corp., 101 California Street, San Francisco, Calif. (6) Actual expenses. (7) Transportation, hotels, entertainment, and incidental expenses.

Brown, Carl, 1627 Barlum Tower Building, Detroit, Mich. (1) Foreman's Association of America, 1627 Barlum Tower Building, Detroit, Mich. (2) Foreman's Association of America. (3) Position filled each year by election. (4) $625 per month plus actual expenses incurred. (5) Foreman's Association of America. (6) Actual expenses incurred for transportation, hotel bills, meals, and incidental expenses in connection with traveling away from home. (7) Actual expense incurred for hotel bills, meals, transportation, and incidental expense in connection with traveling.

Brown, Paul W., 925 South Homan Avenue, Chicago, Ill. (1) Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. (2) Sears, Roebuck & Co. (3) Indefinite. Employed on full-time basis as an operating executive of Sears, Roebuck & Co., Chicago. Lobbying activity incidental. (4) No extra compensation received for lobbying activity. (5) Sears, Roebuck & Co. (6) Amount limited to cover personal travel, living, and entertainment expenses while traveling, estimated not to exceed $1,000 per year. (7) Usual traveling, transportation, telephone, hotel, taxi, and reasonable courtesy entertainment expense.

Bryans,[2] William F., 3d, 1044 Gas and Electric Building, Denver Colo. (1) Public Service Co. of Colorado. (2) Public Service Co. of Colorado. (3) Permanent. (4) My firm is paid a fee of $25,000 per annum as a retainer. (5) By said company. (6) Actual traveling and miscellaneous expenses. (7) As above.

Buchanan, Thomas G., Jr., 930 F Street NW, room 517, Washington, D. C. (1) Civil Rights Congress, 205 East Forty-second Street, New York, N. Y. (2) Same as (1). (3) Indefinite. (4) $55 per week. (5) Same as (1). (6) $15 per week. (7) Miscellaneous personal expenses, other than cost of maintaining office, and including transportation, purchase of papers and periodicals, phone calls.

Bulow, William J., Jr., Munsey Building, Washington, D. C. (1) American Nurses Association, 1790 Broadway, New York. (2) American Nurses Association. (3) Indefinite. (4) Fee based upon service rendered and time expended. (5) American Nurses Association. (6) Reimbursement of actual expenses listed in item 7. (7) Incidental expenses such as telephone, telegraph, transportation, etc.

Bunje, Ralph B., 2044 Mariposa Street, Fresno, Calif. (1) Temporarily, the Western Cotton Growers Association, 2044 Mariposa Street, Fresno, Calif. My permanent employer is the Agricultural Labor Bureau on whose behalf I am already registered. (2) California and other western cotton producers in connection with proposed limitations on cotton acreage. (3) Uncertain. (4) $1,000 a month and expenses while in Washington. (5) Western Cotton Growers Association. (6) Actual traveling expenses. (7) Railroad fare, hotel bills, telephone, telegrams, and other such usual items.

Burdick, Roy D., 310 Wallace Building, Little Rock, Ark. (1) Dierks Lumber & Coal Co., De Queen, Ark. (2) Same as (1). (3) Indefinite. (4) $300 per month. (5) Dierks Lumber & Coal Co. (6) Actual necessary expenses. (7) Travel, communication, subsistence, and incidental expense when away from home.

Burke, Edward R., 514 Southern Building, Washington, D. C. (1) Hawaii Statehood Commission, Honolulu, T. H. (2) Hawaii Statehood Commission. (3) Calendar year 1949. (4) $5,000. (5) Hawaii Statehood Commission. (6) None. (7) None.

Burr, Robert M., 155 East Forty-fourth Street, New York, N. Y. (1) National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (2) For the purposes covered by this act, registrant's activities will be in the interests of the excise-tax committee of the National Electrical Manufacturers Association. (3) While registrant is employed by the National Electrical Manufacturers Association, his activities in behalf of the excise-tax committee are of uncertain duration. (4) As registrant's duties are of a various nature, it is not possible at this time to apportion any percentage of time to influencing passage or defeat of Federal legislation. The time spent on such purpose will be reported on quarterly reports. (5) National Electrical Manufacturers Association. (6) Actual out-of-pocket expenditures are to be reimbursed. (7) Expenses for travel, telephone and other communication, meals, and similar items.

Cable,[2] John L., 1202 Cook Tower, Lima, Ohio. (1) Lima City Lines, Inc., Lima, Ohio. (2) Lima City Lines, Inc., Lima, Ohio. (3) John L. Cable is and has been for many years president and general counsel of Lima City Lines, Inc., and is not being employed for the purpose of lobbying, nor does he believe he is subject to the act; but, notwithstanding, is filing this registration with the Clerk of the House of Representatives under the Lobbying Act. (4) No pay; to be reimbursed for out-of-pocket expenses. (5) No pay; Lima City Lines, Inc., will reimburse him for out-of-pocket expenses. (6) No pay other than current regular salary as president and counsel, which is not being increased by reason of any activities in opposing the fair labor standards bill. (7) Out-of-pocket expenses.

Carter, Horace, 209 West One Hundred and Twenty-fifth Street, Borough of Manhattan, city of New York. (1) Not employed by any business, organization, or group; registrant is at present conforming with statutory provisions for lobbyists, but has not been actively engaged in connection with the passage or the defeat of any legislation. (2) For the purpose of amending and broadening of social-security benefits, adequate housing program, revising and amending the Railway Labor Act, for legislation pending or contemplated on civil rights, and a bill for three additional Federal-court judges for the southern district of New York, which includes New York, Bronx, Westchester, and eight other Hudson Valley counties. (3) Indefinitely. (4) To be filed accordingly; all money received will be solicited, and detailed accounts will be outlined whenever loans, gifts, subscriptions, promises, contributions, and agreements are made. (5) To be outlined accordingly. (6) To be outlined accordingly. (7) To be outlined accordingly.

Caskie, Maxwell, 417 Barr Building, Washington, D. C. (1) Reynolds Metals Co., Richmond, Va. (2) Same as (1). (3) Registrant is an officer (assistant vice president) of employer. He is not employed to influence legislation. Any of his activities which might be considered to be within the scope of Public Law 601 are incidental to other duties. (4) Registrant's salary is $12,000 per year. Such a negligible portion of his time might be devoted to legislation that it is impossible to allocate any part of his salary to it. (5) Reynolds Metals Co. (6) Actual cost. (7) Out-of-pocket expenses; i. e., cab fare, meals, etc.

Cherry, L. Byron, General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) General Electric Co. (2) Same. (3) Indefinite. (4) As registrant's duties have not heretofore included any legislative matters and it is uncertain what amount of time may be devoted thereto, any amount which registrant may be paid or receive in connection with such matters is now indeterminable but will be reported on quarterly reports. (5) Same as (1). (6) Reimbursement for actual expenditures. (7) Telephone, telegraph, transportation, living, and other miscellaneous expenses while away from home.

Chandler, E. Lawrence, 33 West Thirty-ninth Street, New York, N. Y. (1) American Society of Civil Engineers, 33 West Thirty-ninth Street, New York, N. Y. (2) See (1) above. (3) I am a full-time employee of the society, but devote only a small amount of time to legislative matters as circumstances require from time to time. (4) Nothing specifically for legislative activity. Such activity is incidental to general duties on staff of society. (5) See (1) above. (6) Out-of-pocket expense. (7) Travel and postage incidental to legislative activity.

China Emergency Committee, Suite 527, Dupont Circle Building, Washington, D. C. (1) This committee is not employed by anyone. (2) It appears and works in its own interest only. (3) See above. (4) See above. (5) See above. (6) See above. (7) See above.

Christin, Charles A., 550 Russ Building, San Francisco, Calif. (1) Not employed. (2) Owners and Lessees Apartment House Association, San Francisco, and on my own behalf as an apartment house owner. (3) [Blank.] (4) Nothing. (5) [Blank.] (6) Actual traveling and living expenses while in Washington, D. C. and stenographic services. (7) Traveling, living (hotel and meals), stenographic (if necessary).

Clagett, John F., Clagett & Schilz, Suite 519, Realty Building, 1424 K Street NW., Washington, D. C. (1) Associated Credit Bureaus of America, Inc., St. Louis, Mo. (2) Associated Credit Bureaus of America, Inc. (3) Annual retainer, renewable November 1949, principally for legal services rendered as Washington, D. C., counsel. (4) $1,500 per annum ($125 per month). (5) Associated Credit Bureau of America, Inc. (6) Out-of-pocket expenses actually incurred, when and as and if incurred; per diem arrangement for any court work handled for Associated Credit Bureaus of America, Inc. (7) Travel, telephone (long distance), telegraph, and similar and related expenses.

Clark, Burton, 1813 F Street NW., Washington, D. C. (1) No one, representing self, a retired explorer and university professor. (2) Own interest, strictly personal. (3) Not employed by another. (4) Nothing whatsoever. (5) No one. (6) Nothing. (7) None.

Coakley, Joseph, 901 Massachusetts Avenue, NW., Washington, D. C. (1) Building Service Employees International Union. (2)

[2] Registration with Clerk only.

[2] Registration with the Clerk only.

Building Service Employees International Union. Part time; main duties are not of legislative nature. I act as international representative. (3) No limitation. (4) Salary, $6,550 and expenses. (5) Building Service Employees International Union. (6) Actual expenses. (7) Transportation, meals, etc.

Coe, Joseph R., 715 La. Street, Little Rock, Ark. (1) CWA—Southwestern Division, No. 20, 5927a Easton Avenue, St. Louis, Mo. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1, 1949. (4) $19 per day. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Coles, Marvin J., 813 Washington Building, Washington, D. C. (1) Ingoldsby, Coles & Wright, attorneys, 813 Washington Building, Washington, D. C. (2) Dichmann, Wright & Pugh, Inc., Western Union Building, Norfolk, Va. (3) Indefinite. (4) No amount has yet been agreed upon, but will depend on the work involved. (5) Dichmann, Wright & Pugh, Inc. (6) Reimbursement of out-of-pocket expenses. (7) Taxis, lunches, telephones, and miscellaneous out-of-pocket expenses.

Cotter, Erwin D., 707 Wright Building, Oklahoma City, Okla. (1) CWA, Division No. 20, Oklahoma area, 707 Wright Building, Oklahoma City, Okla. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) For term of office expiring November 1949. (4) $4,800 per year. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6) above.

Cox, Langford, Stoddard & Cutler, 1210 Eighteenth Street NW., Washington, D. C. (1) California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y. (2) California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y. (3) Indefinite. (4) Not fixed; to be determined on the basis of legal services rendered. (5) California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y. (6) Not fixed. (7) Normal disbursements only, such as taxis, long-distance telephone calls, stenography, mimeographing, etc.

Cramer, G. C., 1122 Paul Brown Building, St. Louis, Mo. (1) CWA, Southwestern Division, No. 20, 1122 Paul Brown Building, St. Louis, Mo. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1, 1949. (4) $6,600 per year. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Cullinane, Leo, 1025 Vermont Avenue NW., Washington, D. C. (1) National Associated Businessmen, Inc., 1025 Vermont Avenue NW., Washington, D. C. (2) National Associated Businessmen, Inc., 1025 Vermont Avenue NW., Washington, D. C. (3) Indefinite. (4) Not over $1,000 per annum for legislative work (should any be done). (5) National Associated Businessmen, Inc. (6) I am reimbursed for amounts actually incurred and paid by me for travel and other incidental expenses. (7) Transportation, hotel bills, and other incidental expenses.

Danaher, John A., attorney at law, 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn. (1) The Fuller Brush Co., Hartford 2, Conn. (2) As attorney for the Fuller Brush Co., appearing in favor of extension of social security to all gainful employment, including a method of covering the self-employed. (3) Indefinite. (4) Indefinite. (5) The Fuller Brush Co. (6) Indefinite. (7) Necessary telephone, telegraph, travel, stenographic, and legal expenses as incurred.

Davis, Sherlock, room 1117, Barr Building, 910 Seventeenth Street NW., Washington, D. C. (1) United States Cuban Sugar Council, 136 Frort Street, New York, N. Y. (2) United States Cuban Sugar Council, 136 Front Street, New York, N. Y., the names of members and officers of which appear in appended statement No. 1.[1] (3) From January 15, 1949, indefinitely. (4) $20,000 per year as general counsel for the United States Cuban Sugar Council, plus out-of-pocket expenses incurred on its behalf. If legislation were proposed or pending affecting trade with Cuba or Cuban sugar, the activities of registrant would include activities in connection with such legislation. (5) United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (6) No budgeted sum. (7) All office, travel, and professional expenses incident to representation of the United States Cuban Sugar Council before executive departments and agencies, and the legislative branch of the Federal Government.

Delp, Howard P., 1627 Barlum Tower, Detroit, Mich. (1) Foremens Association of America, 1627 Barlum Tower, Detroit, Mich. (2) Foremens Association of America, Chapter No. 322. (3) Elected each year. (4) Reimbursement for time lost at the rate of $500 per month and actual expenses incurred. (5) Formens Association of America, Chapter No. 322. (6) Actual expenses incurred. (7) Lodging, traveling, meals, and incidentals.

Donald, W. J., 155 East Forty-fourth Street, New York, N. Y. (1) National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N.Y. (2) For the purposes covered by this act, registrant's activities will be in the interests of the excise-tax committee of National Electrical Manufacturers Association and the industrial-relations committee of the National Electrical Manufacturers Association. (3) While registrant is employed by National Electrical Manufacturers Association, his activities in behalf of the excise-tax committee and the industrial-relations committee are of uncertain duration. (4) As registrant's duties are of a various nature, it is not possible at this time to apportion any percentage of time to influencing passage or defeat of Federal legislation. The time spent on such purpose will be reported on quarterly reports. (5) National Electrical Manufacturers Association (address above). (6) Actual out-of-pocket expenditures are to be reimbursed. (7) Expenses for travel, telephone, and other communication, meals and similar items.

Dorson, C. L., 900 F Street NW., room 314, Washington, D. C. (1) Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C. (2) Membership of the Retirement Federation of Civil Service Employees of the United States Government. (3) To January 1, 1950. (4) $4,000 per annum. (5) Retirement Federation of Civil Service Employees of the United States Government. (6) Actual expenses approximately $500 per year. (7) Transportation, postage, and incidentals.

Dougan, Arthur L., 1759 Union Commerce Building, Cleveland, Ohio. (1) Eleanor Draffan, executrix, Mansfield, Ohio; L. C. Weiss, administrator, Cleveland, Ohio; National City Bank of Cleveland, executor, Cleveland, Ohio. (2) Same as (1) above. (3) Duration of employment at present unknown. (4) Registrant will receive his proportionate share of legal fee received by partnership of which he is a member. No such payment has yet been received and amount to be received cannot now be estimated. This will depend upon volume of work performed. (5) Same as (1) above. (6) No fixed amount to be paid for expenses. Reimbursement will presumably be made for actual out-of-pocket expenses. (7) Traveling expenses (transportation, hotels, meals, etc.); telegraph and long-distance telephone, etc.

Dudley, Henry A., 910 Seventeenth Street NW., Washington, D. C. (1) American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group retain our law firm, a partnership doing business as law offices of Paul V. McNutt, to represent them generally in all legal matters concerning them. I am a general partner in this firm. Our firm is paid a fixed annual retainer for performing these legal services. In the discharge of these general legal services it may become necessary to render legislative work for these clients in connection with Federal legislation and, from time to time, for me to attempt to influence the passage or defeat of such legislation. Legislative-counsel work will constitute a very minor part of my general legal services for these clients, and, furthermore, this legislative-counsel work will, for the most part, be confined to appearances before a committee of the Congress in support of, or in opposition to, legislation. However, in some instances it may involve more than appearances before committees of the Congress. (2) Same as in (1). (3) Indefinite. (4) No specific amount of annual retainer is earmarked for legislative work, and this work forms a very small part of the legal services rendered these clients. (5) Same as in (1). (6) Nothing; no expenses to be incurred. (7) None.

Dushane, Matthew, 1424 K Street NW., Washington, D. C. (1) Seafarers International Union of North America (A. F. of L.), 105 Market Street, San Francisco, Calif. (2) Seafarers International Union of North America and its affiliated unions. (3) Subject to the pleasure of the executive board of the Seafarers International Union of North America. (4) The registrant's salary is $7,800 per annum and covers all services performed as the union's Washington representative, including services performed in matters pertaining to legislation. (5) Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (6) The registrant's duties are such that, in the course of normal and regular union activities in appearances before Government departments and agencies, he may be required to appear before committees of Congress. Any action taken in connection with pending legislation is done under the direction of the executive board of the Seafarers International Union of North America. No expense account is allowed chargeable as Washington representative. (7) None; any expenses are carried by the registrant and are not reimbursable by the union, unless specifically ordered by the union, in which case the registrant will be reimbursed.

Eckhardt, Robert C., 1714 Jackson, Dallas, Tex. (1) CWA, Southwestern Division, No. 20, 1714 Jackson, Dallas, Tex. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) For term of office expiring November 1, 1949. (4) $6,600 per year. (This figure is for services to the area as an attorney.) (5) Texas area, Southwest Division, No. 20, CWA. (6) Reimbursed for actual expenses. (7) See (6), above.

Ege, Warren S., 1435 K Street NW., Washington, D. C. (1) Eleanor Draffan, executrix, Mansfield, Ohio; L. C. Weiss, administrator, Cleveland, Ohio; National City Bank of Cleveland, executor, Cleveland, Ohio. (2) Same as (1), above. (3) Duration of employment at present unknown. (4) Registrant will receive his proportionate share of legal fee received by partnership of which he is a member. No such payment has yet been received, and amount to be received cannot now be estimated. This will depend upon volume of work performed. (5) Same as (1), above. (6) No fixed amount to be paid for expenses. Reimbursement will presumably be made for actual out-of-pocket expenses. (7) Traveling expenses (transportation, hotels, meals, etc.), telegraph and long-distance telephone, etc.

Eldean, Roy, 930 F Street NW., Washington, D. C. (1) United Public Workers of America, CIO, 2 Lafayette Street, New York, N. Y. (2) United Public Workers of America, CIO, and 'ts members. (3) I am not employed as a lobbyist. I was elected vice president of the UPW at a convention in April 1948. The tenure runs until the next

[1] Not printed. Filed in the Clerk's office.

convention in 1950. (4) I receive no pay as a lobbyist. My salary as vice president, as fixed by the UPW constitution, is $5,500 per annum. (5) United Public Workers of America, CIO. (6) Actual out-of-pocket expenses incurred. No fixed amount. (7) Taxicabs, bus, or trolley fares, and telephone calls.

Ellison, Newell W., 701 Union Trust Building, Washington, D. C. (1) H. C. Bohack Co., Inc., Bohack Square, Metropolitan and Flushing Avenues, Brooklyn 6, N. Y. (2) Same as (1), above. (3) Indefinite. (4) Nothing paid to date. Fee to be received not yet determined. (5) Same as (1), above. (6) Not yet determined; will constitute reimbursement for actual out-of-pocket disbursements. (7) Usual out-of-pocket disbursements customary in legal work.

Everett, Robert A., Union City, Tenn. (1) Tennessee Cotton Ginners Association, R. J. Grove, president, Bemis, Tenn. (2) Tennessee Cotton Ginners Association. (3) From date hereof to end of first session (81st Cong.). (4) $125 per week, plus his actual living expenses. (5) Tennessee Cotton Ginners Association. (6) Actual living expenses, estimated at $20 per day. (7) Hotel, meals, telegraph, telephone, secretarial.

Ernst, Morris L., 285 Madison Avenue, New York, N. Y. (1) The National Postal Committee for Books, care of American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York, N. Y. (2) The National Postal Committee for Books, care of American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York, N. Y. (3) Unstated. (4) Paid to Greenbaum, Wolff & Ernst, $10,000 with additional compensation depending on time spent and results attained. (5) The National Postal Committee for Books. (6) Whatever his expenses are. (7) All out-of-pocket for traveling, etc.

Feinberg, Max L., 909 Burlington Avenue, Silver Spring, Md. (1) National Institute of Cleaning and Dyeing, 909 Burlington Avenue, Silver Spring, Md. (2) The cleaning and dyeing industry. (3) Annual basis. (4) 20 percent of time is devoted to legislative activity, or $1,400 of salary of $7,000 per annum. (5) National Institute of Cleaning and Dyeing. (6) No fixed amount; traveling and incidental expenses are reimbursed. (7) Traveling and incidental expenses.

Feltus, Randolph, 128 East Fifty-sixth Street, New York City, N. Y. (1) American-Indonesian Corp., 40 Wall Street, New York City, N. Y. (2) American-Indonesian Corp. (3) Indeterminate. (4) No definite arrangement; retained personally by president of corporation; work for corporation is incidental; no compensation yet received. (5) Matthew Fox, president, American-Indonesian Corp. (6) Out-of-pocket. (7) Travel and other incidentals.

Ferguson, Abner H., Shoreham Building, Washington, D. C. (1) Pick Hotels Corp., 20 North Wacker Drive, Chicago, Ill. (2) In interest of employer. (3) Indefinite. (4) Retainer of $3,000 and contingent fee of $12,000. (5) By employer. (6) Only actual incidental expenses such as telephone, telegraph, taxicabs, railroad fare, and actual hotel bills outside Washington. (7) Answered under (6).

Ferguson, Abner H., Shoreham Building, Washington, D. C. (1) Pick Hotels Co., 20 North Wacker Drive, Chicago, Ill. (2) Employer. (3) First session, Eighty-first Congress. (4) $2,000 retainer, $5,000 contingent fee. (5) Employer. (6) Amount actually expended. (7) Travel, taxicabs, telephone, and other incidental expenses actually incurred.

Ferris, Josiah, Carlton Hotel, Washington, D. C. (1) United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla. (2) Florida sugar producers. (3) One year. (4) $6,200. (5) Employers listed under paragraph (1) above. (6) None. (7) None.

Fischgrund, James,[3] care of Standard Airlines, Municipal Airport, Long Beach, Calif. (1) Vice president of Standard Airlines, Inc. (2) National Independent Air Carriers, an association of noncertified air lines. (3) Not limited. Representation is as member of executive committee of the association. There is no employment involved in connection with lobbying. This is filed out of an abundance of precaution. (4) No compensation. (5) No compensation. (6) No reimbursement of expense by National Independent Air Carriers. Reimbursement for expenses is by Standard Airlines. (7) Hotel, subsistence, and transportation expenses, only.

Fleming, Charles Henry, 1011 Dupont Circle Building, 1346 Connecticut Avenue NW., Washington, D. C. (1) Coast Guard League. (2) Coast Guard League. (3) One year. (4) Nothing. (5) No one. (6) Nothing. (7) None.

Floto, Charles U., 4306 Bell, Kansas City, Mo. (1) The Friends of the American Constitution, Kansas City, Mo., Post Office Box 1126. (2) For the members of the above association and other citizens of the U.S.A. (3) Intermittently for 1 year (1949). (4) No salary, expenses only. (5) The Friends of the American Constitution. (6) Amounts necessary for transportation to, from, and in Washington, ordinary living expenses while in Washington, and for such items usually connected with such employment. (7) Transportation, living, and such other items ordinarily connected with such employment.

Frederick, John H., 1200 Eighteenth Street NW., Washington, D. C. (1) Transportation Association of America, 130 North Wells Street, Chicago, Ill. (2) Transportation Association of America. (3) Indefinite. (4) $350 retainer fee per month, effective February 1, 1949. (5) Transportation Association of America. (6) Undetermined. (7) Incidental expenses at Washington and travel away from Washington.

French, George N., 512 F Street NW., Washington, D. C. (1) The National League of Wholesale Fresh Fruit and Vegetable Distributors. (2) The National League of Wholesale Fresh Fruit and Vegetable Distributors. (3) Permanent. (4) Salaried employee. (5) The National League of Wholesale Fresh Fruit and Vegetable Distributors. (6) As incurred normally. (7) Normal expenses.

Gage, Charles E., 927 Fifteenth Street, room 904, Washington, D. C. (1) The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (2) The American Tobacco Co., Inc. (3) Indefinite. (4) An annual salary from the American Tobacco Co. in the amount of $10,000 per annum as agricultural consultant. He will receive no compensation in addition to his regular salary for any activities with respect to legislation covered by the act which he may perform, and any such activities would be only occasional and incidental to his regular duties with no portion of his salary allocated thereto. (5) The American Tobacco Co., Inc. (6) The American Tobacco Co. will reimburse him for actual and necessary out-of-pocket expenses incurred. (7) The usual and necessary out-of-pocket expenses incidental to his work.

Gall, John C. (law firm of Gall & Lane), Commonwealth Building, Washington, D. C. (1) The General Electric Co., 570 Lexington Avenue, New York, N. Y. (2) See item (1) above. (3) Indefinite. (4) Indefinite. Employment of registrant's firm is for general consultation and advice to company on industrial-relations matters, and may include services and advice relating to labor legislation. All fees received which may be attributable to activities within the scope of Public Law 601 will be reported on regular quarterly report forms. (5) The General Electric Co. (6) Reimbursement for actual expenses incurred. (7) Telephone, telegraph, travel, and miscellaneous office expenses.

Garey & Garey, 63 Wall Street, New York, N. Y. (1) Butte Copper & Zinc Co., 25 Broad Street, New York, N. Y., and other clients. (2) Butte Copper & Zinc Co. and other clients. (3) Indefinite (see statement attached [1]). (4) See statement attached.[1] (5) Butte Copper & Zinc Co. and other clients. (6) Indefinite (see statement attached [1]). (7) See statement attached. [1]

Garvey, Francis J., 222 East Superior Street, Chicago, Ill. (1) American Dental Association, 222 East Superior Street, Chicago, Ill. (2) American Dental Association. (3) Three years from December 1, 1948. (4) Salary at the rate of $9,000 per year plus actual expenses when traveling on the business of the association. (5) The American Dental Association. (6) Actual expenses incurred within the limitations of the budget of the Council on Legislation of the American Dental Association. (7) In general, travel expense, hotels, telegraph and telephone, taxicabs, meals when out of town, and other expenses incident to ordinary travel on the business of any person, firm, or corporation.

Gaston, Edward Page, 1311 G Street NW., Washington, D. C. (1) World Prohibition Federation, affiliated with the Patriot Guard of America, Inc. (2) As above. (3) World Prohibition Federation since 1909; Patriot Guard of America since 1937. (4) No payment; services being honorary and voluntary. Sometimes a small contribution is applied to expenses of the undersigned. (5) As above. (6) About $50 per annum. (7) Mainly out of pocket.

Gates, Alexander P., 2120 Sixteenth Street NW., Washington, D. C. (1) National Association of Home Builders of the United States, 1028 Connecticut Avenue, Washington, D. C. (2) National Association of Home Builders of the United States is a client of registrant. In the course of registrant's duties for said client, work may be performed which could be considered as requiring registration under the regulation of the Lobbying Act. (3) Employment upon monthly basis. (4) $1,000 per month as long as employment lasts. (5) National Association of Home Builders of the United States. (6) Only actual reasonable expenses which may be incurred by virtue of employment for transportation, communication, meals, and hotel and miscellaneous expenses while traveling. (7) Answered in (6) above.

George, J. M.; Brehmer, H. K.; and McMahon, C. S.; law firm of George, Brehmer & McMahon, 165 Center Street, Winona, Minn. (1) Interstate Manufacturers Association, Winona, Minn. Registrant receives an annual retainer for general professional services re any and all legal matters of interest to client and does not believe that the relationship is subject to registration under the provisions of this act. (2) Interstate Manufacturers Association. (3) Annual retainer from year to year which connection has been in existence for many years. (4) Annual general retainer as aforesaid $6,000. Services re Federal legislation are purely incidental and comprise a very minor part of the total services performed. (5) Interstate Manufacturers Association. (6) Those normally, necessarily, and incidental to the service performed but not known until incurred and then to be reimbursed. (7) Hotel meals, transportation, communications, and similar items necessary or incidental to the services performed.

Gibson, John S.; Sibbett Building, Peterson Avenue, Douglas, Ga. (1) St. Marys Kraft Corp., St. Marys, Ga., and New York, N. Y. (2) The interest of the general public in several counties in southeast Georgia,

[3] Registration with Secretary only.

[1] Not printed. Filed in the Clerk's office.

and the St. Marys Kraft Corp., and all parties interested in what is known as the St. Marys River and North River dredging project. (3) Employed since November 1, 1946, and now employed until November 1, 1950. (4) $250 per month and all actual and legal personal expenses. (5) St. Marys Kraft Corp., St. Marys, Ga., and/or New York, N. Y. Employed by branch office, St. Marys, Ga.; main office, New York, N. Y. (6) Actual traveling expenses, hotel accommodations, and meals. (7) Actual traveling expenses, hotel accommodations and meals for self.

Gill, George E.; 23 Broad Street SW., Atlanta, Ga. (1) Communications Workers of America, Division 49. (2) Communications Workers of America, Division 49. (3) 2 years. (4) $6,000 per annum. (5) Communications Workers of America, Division 49. (6) No specific amount authorized. Reimbursed for actual expenses. (7) No specific amount authorized. Reimbursed for actual expenses.

Gran, Cedric G., Barr Building, 910 Seventeenth Street NW., Washington, D. C. (1) American Plant Food Council, Inc., Barr Building, Washington, D. C. (2) American Plant Food Council, Inc. (3) From November 1946 until termination. (4) Cedric G. Gran is paid a salary as assistant to the president, American Plant Food Council, Inc., and he is informed and believes that when he shall do anything as such assistant to the president to influence legislation by the Congress an allocable part of his salary may be said to be paid as consideration for such activity, and in such event he intends to report the same in the appropriate quarterly report. (5) American Plant Food Council, Inc. (6) See (4) above and answer thereto. In addition, Cedric G. Gran is not to be paid any sums specifically for expenses in attempting to influence legislation. Any expense actually to be incurred in attempting to influence legislation will be paid by him subject to reimbursement by American Plant Food Council, Inc. (7) Any such expense as travel, hotels, meals, taxis, tips, and entertainment are to be included and will be reported when actually incurred by the registrant.

Gray, Richard J., room 501 American Federation of Labor Building, Washington, D. C. (1) Building and Construction Trades Department, American Federation of Labor, room 501, American Federation of Labor Building, Washington, D. C. (2) In interest of membership of 19 building trades unions affiliated with the Building and Construction Trades Department, American Federation of Labor. (3) Present term of office effective January 1, 1947, and expires January 1, 1951. (4) $20,000 per year effective January 1, 1949; $18,000 per year during 1947 and 1948; salary as president of Building and Construction Trades Department, American Federation of Labor. (5) Building and Construction Trades Department, American Federation of Labor. (6) Travel expense from office to Capitol. (7) Taxi fare.

Greenstreet, M. F.,[2] 1917 Claremont Avenue, Independence, Mo. (1) Greenback Party (and myself), 2315 East and Roy Avenue, Indianapolis, Indiana. (2) National secretary for the year 1949; money and pension reform. (3) National secretary for the year 1949; Greenback Party. (4) There is no salary. (5) Membership $1. I get 50 cents if I get a member to join, otherwise nothing. (6) Nothing. I have to pay postage and envelopes, etc. Sometimes they furnish printed circulars. (7) Railroad or bus fare refunded if convention is called, otherwise nothing.

Groom, B. E., 11½ Broadway, Fargo, N. Dak. (1) North Dakota Tax Equality Committee, Inc. (2) North Dakota Tax Equality Committee, Inc. (3) Indefinite. (4) Reimbursement for actual out-of-pocket expenses only. (5) North Dakota Tax Equality Committee, Inc. (6) Reimbursement for travel, hotel, meals, telephone, and other incidental expenses only. (7) [Blank.]

Gunther, John, 1740 K Street NW., Washington, D. C. (1) Americans for Democratic Action, 1740 K Street NW., Washington, D. C. (2) Americans for Democratic Action. (3) Indefinite. (4) $75. (5) Americans for Democratic Action. (6) $10 per week—general expense allowance. (7) Miscellaneous and travel.

Gwin, C. W., 146 Seventh Avenue, Nashville, Tenn. (1) C. W. A., Division No. 49, 23 Broad Street SW., Atlanta, Ga. (2) C. W. A. and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 15, 1950. (4) $5,400 per year. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Haas,[3] Donald C., 1159 Olympic National Building, Seattle, Wash. (1) [Blank.] (2) Apartment Operators Association of Seattle. (3) March 31, 1949. (4) Nothing. (5) [Blank.] (6) $2,000. (7) Transportation, living expenses, hotel expenses, and entertainment.

Hackathorn, James L., 10427 Margate Street, North Hollywood, Calif. (1) James Q. Henry, trading and doing business as Metal Homes Co., 4041 Goodwin Avenue, Los Angeles, Calif. (2) James Q. Henry, trading and doing business as Metal Homes Co. Hackathorn, formerly assistant manager, Metal Homes Co. (3) Two-year agreement, commencing June 16, 1948, as agent for James Q. Henry, trading and doing business as Metal Homes Co. (4) Has received nothing to date, working under contingent arrangement, to be paid interest in personal property of inventory and equipment when released from mortgage. (5) James Q. Henry, trading and doing business as Metal Homes Co. (6) None. (7) None.

Haener, A. J., 34936 Huron River Drive, New Boston, Mich. (1) Kaiser-Frasier Chapter No. 20, Foreman's Association of America, Willow Run, Mich. (2) Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (3) January 1 to December 31, 1949. (4) At the rate of $495 per month. (5) Chapter No. 20, Foreman's Association of America. (6) Actual expenses. (7) Transportation, hotel, meals, and incidental expenses incurred.

Halfpenny, Harold T., 111 West Washington Street, Chicago, Ill. (1) Committee to Remove Discriminatory Automotive Excise Tax, 111 West Washington Street, Chicago, Ill. (2) Committee to Remove Discriminatory Automotive Excise Tax. (3) Indefinite. (4) Actual expenses only, unless tax is removed; if tax is removed, a fee not to exceed 10 percent (including expenses) of actual tax paid for this purpose during 1947. (5) By each of hundreds of small business concerns who are or who feel that they might be held liable for excise tax on repaired, reconditioned or rebuilt automotive parts when sold as such. (6) Actual out-of-pocket expenses. (7) Travel, hotel, meals, telephone, telephone, telegraph, taxis, etc.

Hallett, James B., 11 West Forty-second Street, New York 18, N. Y. (1) The National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. (2) Registrant is employed as general counsel by the National Association of Life Underwriters, at its sole office, 11 West Forty-second Street, New York, N. Y. Registrant was not employed for any of the purposes specified in sections 307 and 308 of Public Law 601, Seventy-ninth Congress, second session, and his duty in connection with Federal legislation is only one of a great number he performs for the association. Registrant receives no payments allocated for the purposes mentioned under said law. (3) Indefinite. (4) $9,000 per annum. Registrant does not believe, and does not consent that this registration shall be construed as an admission, that the varied services performed by him in his capacity, bring him within the application of the said law. However, pending clarification of its application, and in order that there may be no question as to his good faith, registrant has filed this statement and will attempt to estimate, in the quarterly reports, what portion, if any, of his annual salary and reimbursed expenses might come within the purview of the said law. (5) The National Association of Life Underwriters. (6) All out-of-pocket expenses. (7) Travel, meals, lodging, etc.

Hampton,[3] Leon B., 902 Tribune-Telegram Building, Salt Lake City, Utah. (1) Industrial Relations Council, 902 Tribune-Telegram Building, Salt Lake City, Utah. (2) In addition to the above: Utah State Farm Bureau; Utah Retail Grocers Association; Utah Manufacturers Association, and Utah Automobile Dealers Association. (3) Indefinite. (4) Regular salary as president and manager of Industrial Relations Council. (5) See 4 above. (6) Transportation, hotel and other actual expenses from Salt Lake City, Utah to Washington, D. C., and return. (7) See 6 above.

Hanlon, Daniel J., 1727 Massachusetts Avenue NW., Washington, D. C. (1) Consumer Mail Order Association of America, Inc., Sidney Smith, president, Joplin, Mo. (2) Consumer Mail Order Association of America, Inc. (3) One year. (4) I am to receive $3,000. (5) Consumer Mail Order Association of America, Inc. (6) None. (7) None.

Hansen, Harry, 305 Royal Union Building, Des Moines, Iowa. (1) Property Owners Association of America (a nonprofit corporation). (2) Self-interest and Property Owners' Association of America. (3) Indefinite. (4) Actual expenses. (5) Property Owners Association of America. 6) Actual expenses. (7) Transportation, living and stenograph expenses.

Harfield,[3] Henry, 20 Exchange Place, New York, N. Y. (1) Harriette Post von Jeszenszky, Bernardsville, N. J. Registrant and the law firm of which he is a member are retained, as attorneys, to recover certain property vested by the Alien Property Custodian, and have filed claim therefor. In order to obtain favorable action on this claim, it is necessary to procure an amendment to the Trading With the Enemy Act of 1917, as amended, for the purpose of clarifying the provisions of paragraph 2 of section 32 thereof. Registrant proposes to join with other attorneys whose clients are faced with similar problems, in urging an appropriate amendment to the said act. (2) Client named in item (1), above. (3) Indefinite. (4) No fee agreement has been made. (5) Client named in item (1) above. (6) No specific amount agreed upon. (7) Travel, living expenses while traveling, telephone, postage, and other expenses cutomarily billed by attorneys as out-of-pocket disbursements.

Harper, Elsie Dorothy, 600 Lexington Avenue, New York, N. Y. (1) National Board of the Young Women's Christian Associations, 600 Lexington Avenue, New York, N. Y. (2) National Board of the Young Women's Christian Association. (3) Annual. (4) $1,700 annually. (5) National Board of the Young Women's Christian Associations. (6) $1,360. (7) Stenographic help, travel, printing, stationery, postage, telephone and telegraph.

Harper, Robert E., 1415 K Street NW, (306) Washington, D. C. (1) National Business Publications, Inc., 1415 K Street NW., Washington, D. C. (An association of publishers of trade, technical, scientific, and professional periodicals, for which the above-named person acts full time as managing director, executive secretary.) (2) National Business Publications, Inc. (Those activities which would be considered as legislative constitute only a minor portion of his over-all

[2] Registration with the Clerk only.

[3] Registration with the Secretary only.

[3] Registration with the Secretary only.

executive function.) (3) Year round as executive head of the above-named association. From 4 to 6 weeks only during the year might be devoted to legislative matters. (4) $15,000 per annum. (5) National Business Publications, Inc. (6) Such ordinary expenses as are usually construed as necessary to the conduct of the affairs of an association. (7) Such customary business expenses as travel, hotel, meals, cabs, and courtesy luncheons and dinners.

Hartley, Fred A., Jr., 1001 Fifteenth Street NW., Washington, D. C. (1) Tool Owners Union, Inc., 1802 Massachusetts Avenue (national headquarters), Lexington 73, Mass. (2) Members of Tool Owners Union, Inc. (3) My term of employment is not specified. It may be terminated at any time by the board of directors, Tool Owners Union, Inc. (4) $20,000 per annum as president of Tool Owners Union, Inc. (5) Tool Owners Union, Inc. (6) To be reimbursed for out-of-pocket expenses and to include items listed under (7), below. (7) Rent at 1001 Fifteenth Street NW., Washington, D. C.; telephone and telegraph, travel, entertainment, office supplies, and secretary.

Hausman,[2] Leo J., 2617 South Seventeenth Street, St. Joseph, Mo. (1) National Brotherhood of Packinghouse Workers Local No. 10, St. Joseph, Mo. (2) Membership of above organization. (3) Indefinite. (4) Not definite; receive compensation only for time lost from regular employment and expenses. (5) See No. 1. (6) Actual expenses only. (7) Travel, lodging, meals, etc.

Hazen, John C., 1008 Munsey Building, Washington, D. C. (1) National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N. Y. (2) National Retail Dry Goods Association. (3) Indefinite. (4) $5,000. (5) National Retail Dry Goods Association. (6) No specific sum has been authorized. (7) Actual expense subject to approval upon itemization.

Hendrickson, Roy F., 721–724 Washington Loan & Trust Building, Washington, D. C. (1) The National Federation of Grain Cooperatives, 721–724 Washington Loan & Trust Building, Washington, D. C. (2) The National Federation of Grain Cooperatives. (3) Indeterminate. (4) $1,250 monthly for services to the federation which may or may not include lobbying. (5) The National Federation of Grain Cooperatives. (6) Reimbursement only for actual expense. (7) Expenses only incident to employment as noted under (6).

Herrmann, Louis F., 1731 I Street NW., Washington, D. C. (1) National Cooperative Milk Producers Federation, 1731 Eye Street NW., Washington, D. C. (2) [Blank.] (3) Employment with the above-named organization terminated January 31, 1949. (4) Appointment terminated. (5) Appointment terminated. (6) Appointment terminated. (7) Appointment terminated.

Herrmann,[2] Paul, 363 Seventh Avenue, New York, N. Y. (1) My name is as above stated and my business address is 363 Seventh Avenue, New York, N. Y. (2) I have my own retail fur business, and I am not otherwise employed. (3) I intend to solicit concerted action by other furriers to attempt to persuade Congress to eliminate the 20-percent Federal excise tax on furs. I intend to solicit contributions from New York fur manufacturers, the amount in no case to exceed $50 from any one manufacturer and from retail furriers, the amount in no case to exceed $10 from any one establishment. I shall have substantial postage, stationery, and other expenses; and the amount, if any, which I may retain for my organization services will depend on the amount of contributions received, the success of the campaign, the future developments in connection therewith. I intend to go forward with my plan to solicit and guide concerted action on the part of furriers whether or not I shall receive any contributions. (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Hevland, Thelma, 27 West Ohio Street, room 5, Indianapolis, Ind. (1) Indiana Traffic Division, No. 56, Communications Workers of America, 27 West Ohio Street, room 5, Indianapolis, Ind. (2) Communications Workers of America, Legislative League. (3) Unable to determine duration of employment. (4) No compensation. (5) [Blank.] (6) Unable to determine. (7) Transportation, meals, and lodging.

Hibben, Robert C., 1105 Barr Building, Washington, D. C. (1) International Association of Ice Cream Manufacturers. (2) Same as (1). (3) From year to year. (4) For all services as executive secretary of the employer association $18,900 per year. (5) Same as (1). (6) Reimbursement for actual expenses. (7) Any which are incidental to my duties as executive secretary, such as travel, telephone, telegraph, miscellaneous office expense.

High, Mary W., 202 West Maple Road, Linthicum Heights, Md. (1) CWA, Maryland Clerical Division, No. 16, 220 East North Avenue, Baltimore, Md. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1950. (4) $11 per day. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Hill & Knowlton, Inc., 300 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C. (1) American Butter Institute, 110 North Franklin Street, Chicago, Ill. National Creameries Association, 625 New York Building, St. Paul, Minn. National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. Hill & Knowlton is not engaged in any lobbying activities and does not believe that it is required to register under Public Law 601. However, it has been engaged to carry on certain educational activities intended to explain the consequences of proposed legislation on oleomargarine. In view of announced interpretations by representatives of the Department of Justice implying that such educational activities are subject to Public Law 601, the firm is reporting receipts and expenditures for said educational campaign, pending judicial clarification of the law's intent. (2) See (1). (3) Indefinite. (4) Basic retainer of $3,000 a month, plus necessary out-of-pocket expenses. (5) See (1). (6) Necessary expenses for travel, entertainment, postage, and communications. (7) See (4).

Hoffberger, Samuel H., 215 North Calvert Street, Baltimore, Md. (1) National Apartment Owners Association, 458 South Catalina, Los Angeles, Calif. (2) National Apartment Owners Association. (3) During consideration by the Eighty-first Congress of rent-control legislation. (4) A fee of $5,000. (5) National Apartment Owners Association. (6) None. (7) None.

Hogg, Robert L., 230 North Michigan Avenue, Chicago, Ill. (1) American Life Convention (see attached exhibit [1]). (2) American Life Convention (see attached exhibit filed under No. 1 [1]). (3) Regularly employed member of staff operating on a yearly salary basis. (4) See attached exhibit filed under No. 1.[1] (5) American Life Convention. (6) Actual personal expenses. (7) Travel, hotel, meals, taxi, and similar incidental expenses.

Horner, Robert D., The Glidden Co., 1396 Union Commerce Building, Cleveland, Ohio. (1) The Glidden Co., 1396 Union Commerce Building, Cleveland, Ohio. (2) The Glidden Co., 1396 Union Commerce Building, Cleveland, Ohio. (3) Indefinite. (4) To be reimbursed only for expenses incurred. (5) The Glidden Co., 1396 Union Commerce Building, Cleveland, Ohio. (6) Unspecified expense account. (7) Only actual living expenses while in Washington.

Hornett, Joseph P., 12601 East Jefferson Avenue, Detroit, Mich. (1) Hudson Chapter 6, Foremen's Association of America. (2) Foremen's Association. Elected term expires December 31, 1949, unless reelected. (4) Loss of pay while away from regular job, plus incurred personal expenses. (5) Hudson, Chapter 6, Foremen's Association. (6) Actual expenses. (7) Transportation, hotel, meals, miscellaneous expenses.

Horton, Jesse V., Continental Hotel, Washington, D. C. (1) National Association of Postal Supervisors, Continental Hotel, Washington, D. C. (2) National Association of Postal Supervisors and its membership. (3) Until September 30, 1950. (4) $7,500 per annum. (5) National Association of Postal Supervisors. (6) None. (7) None.

Howland, John L., 70 Broadway, New York, N. Y. (1) Rathbone, Perry, Kelley & Drye, 70 Broadway, New York, N. Y. (2) Gisela Kuenzel. (3) Indefinite. As an attorney, I represent an American citizen who, upon disallowance of her claim for return of property vested under the Trading With the Enemy Act, desires to have the act amended to permit such return. In furtherance of that purpose, I shall upon occasion confer and correspond with interested Congressmen and Senators. If Congress amends the act, the firm employing me will receive the 10-percent fee permitted by statute upon allowance of the client's claim. Otherwise, the client will merely reimburse the firm for its expenses. Although it is not apparent whether the Lobbying Act intends to cover such activity, this statement is filed for the protection of my employer and myself. (4) Expenses and indeterminate contingent fee. (5) Gisela Kuenzel. (6) Amount expended as in (7). (7) Transportation, hotel bills, etc.

Huddleston, Wilfred R., 1215 P, room 29, Lincoln, Nebr. (1) CWA, Division No. 31, 1215 P, room 29, Lincoln, Nebr. (2) CWA and its divisions. (3) For term of office expiring January 1950. (4) $12 per day. (5) Same as (1), above. (6) Reimbursed for actual expenses. (7) See (6), above.

Hunter, Harry, 105 West Adams Street, Chicago, Ill. (1) American Corn Millers' Federation, 105 West Adams Street, Chicago, Ill. (2) United States Dry Corn Milling Industry. (3) From 1936. (4) Annual salary, $10,000, for all duties as secretary of American Corn Millers' Federation. (5) American Corn Millers' Federation. (6) Reimbursement for actual expenses. (7) All ordinary travel expenses.

Hunter, John F., 901 Prince Street, Alexandria, Va. (1) The law firm of Ritter & Boesel, 240 Huron Street, Toledo, Ohio. (2) Ritter & Boesel. (3) Employed as associate attorney to represent Ritter & Boesel before Government departments. (4) Receives $500 per month for legal services and expenses. No additional compensation planned. (5) Ritter & Boesel. (6) To be reimbursed monthly if any expenses are incurred. (7) None contemplated.

Idol, Edgar S., 1424 Sixteenth Street NW., Washington, D. C. (1) American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (2) See exhibit A.[1] (3) Since July 1, 1948. (4) $13,500 per annum. (5) American Trucking Associations, Inc. (6) Actual amounts expended on association business will be reimbursed. (7) Ordinary business expenses, such as transportation, taxi fares, hotel bills.

Ingles, William, 1624 Eye Street NW., Washington, D. C. (1) American Hotel Association, Washington, D. C. (2) American Hotel Association. (3) Indefinite; month to month. (4) Open. (5) American Hotel Association. (6) Nothing, except when and as authorized. (7) See (6) above.

The Interstate Manufacturers Association (registrant), 163–165 Center Street, Winona, Minn. (1) The nine members of this association. This is a trade association carrying

[2] Registration with the Clerk only.

[1] Not printed. Filed in the Clerk's office.

[1] Not printed. Filed in the Clerk's office.

on general activities for its members. Federal legislative activity is a minor part of its functions. Registrant denies that the act applies. (2) See (1). (3) Association organized 41 years ago and duration indefinite. (4) Amount indefinite; based on dues. (5) By the members through dues. (6) Unknown until or unless incurred for Federal legislative purposes. (7) See (6); those, if any, applicable to Federal legislative activity.

Jackman, William, 175 Fifth Avenue, New York, N. Y. (1) Investors League, Inc., 175 Fifth Avenue, New York, N. Y. (2) Investors. (3) Permanent. (4) $8,800 per year, total salary. That part of time spent in Washington will be prorated. (5) Investors League, Inc. (6) Whatever is required. (7) All expenses, including travel, hotel, and entertainment.

Jackson, Robert C., 1406 G Street NW., Washington, D. C. (1) National Cotton Council of America, 165 Madison Avenue, Memphis, Tenn. (2) National Cotton Council of America only (an organization of the raw cotton industry, including in its membership cotton producers, ginners, warehousemen, merchants, cottonseed crushers, and cotton-textile mills. Sole purpose of organization is to increase consumption of cotton, cottonseed, and products thereof. (3) Full time. Engage in no other paid activities. (4) $15,000 annually. (5) National Cotton Council of America, 165 Madison Avenue, Memphis, Tenn. (6) Reimbursed for legitimate out-of-pocket expenditures that are incurred in connection with duties. (7) Legitimate out-of-pocket expenses such as out-of-town travel, telephone and telegraph, cab fares, meals for guests, etc.

Joers, Peter Dierks, Mountain Pine, Ark. (1) Dierks Lumber & Coal Co., 1006 Grand Avenue, Kansas City, Mo. (2) Same as (1). (3) Indefinite. (4) I am employed as vice president and director of Dierks Lumber & Coal Co. at an annual salary determined by the directors of Dierks Lumber & Coal Co., which has no relationship to the activities described under the Federal Regulations of Lobbying Act, Public Law 601, Seventy-ninth Congress. No amount of my salary is allocated for activities covered by said act. (5) Same as (4). (6) All expenses to and from Washington, D. C., to Hot Springs, Ark. (7) Traveling expenses, including transportation, hotel, and food expenses.

Johnson, George H., American Institute of Laundering, Joliet, Ill., (1) American Institute of Laundering, Joliet, Ill. (2) American Institute of Laundering, Joliet, Ill. (3) Indefinite. (4) An annual salary for all services rendered, of which not over $2,000 per year can reasonably be allocated to activities under the act. (5) American Institute of Laundering, Joliet, Ill. (6) Actual disbursements. (7) Travel, hotels, taxicabs, meals, gratuities, etc.

Johnson, James G., Jr., as successor to Mr. Robert C. Barnard, 224 Southern Building, Washington, D. C. (1) Cooley, Crowley & Gaither, 333 Montgomery Street, San Francisco, Calif. (2) James A. Stapleton, Ruth Burk, and Mildred Ovren, doing business under the name of Stapleton Lumber & Piling Co., Mills Building, San Francisco, Calif. (3) Employed to render professional legal services, and the services, being professional, could be terminated at any time. (4) Normal professional fee. (5) Cooley, Crowley & Gaither. (6) Actual out of pocket disbursements. (7) Normal office expenses, such as telephone, telegraph, taxi fares, and mail expenses.

Johnson, Jerry P., Terminal Refrigerating & Warehousing Corp., Washington, D. C. (1) National Association of Refrigerated Warehouses, 608 Tower Building, Washington, D. C. (2) National Association of Refrigerated Warehouses. (3) Permanent. (4) Nothing. (5) [Blank.] (6) Nothing. (7) [Blank.]

Jones, Mark M., 159 Library Place, Princeton, N. J. (1) Bell, Jones & Taylor, 350 Fifth Avenue, New York City, N. Y. (2) Bell, Jones & Taylor, 350 Fifth Avenue, New York City, N. Y. See statement attached.[1] (3) Indefinite. (4) $100 per day. (5) Bell, Jones & Taylor, 350 Fifth Avenue, New York City, N. Y. (6) Amount of expenses actually incurred. (7) Travel, telephone, and telegraph, taxicabs, stenographic expenses, etc.

Kasch, Edward G., 500 Peshtigo Court, Chicago, Ill. (1) Kraft Foods Co., 500 Peshtigo Court, Chicago, Ill. (2) Kraft Foods Co. (3) Manager, labor relations Kraft Foods Co. (4) Not being paid any amount in excess of regular compensation as manager of labor relations except actual out-of-pocket expenses. (5) Kraft Foods Co. (6) See question No. (4). (7) Transportation, meals, and hotel.

Kelly, Eugene, Munsey Building, Washington, D. C. (1) Retail Credit Institute of America, 917 Fifteenth Street NW., Washington, D. C. (2) Retail Credit Institute of America. (3) Undetermined. (4) $500 per month which includes total compensation for all public relations duties for the institute. It is impossible to specify exactly what amount of the compensation is paid for legislative representation, hence the total figure of $500 is herewith recorded. (5) Retail Credit Institute of America. (6) Undetermined. (7) All out-of-pocket expenses.

Kennedy, James A., 67 Broad Street, New York, N. Y. (1) I have been for several years vice president and general attorney of American Cable & Radio Corp. which owns the Commercial Cable Co., All America Cables & Radio, Inc., and Mackay Radio & Telegraph Co., all engaged in the international telegraph business. In said capacity a part of my duties has been to appear in hearings, conferences, and other governmental meetings in Washington. My company has recently directed me as an incidental part of my duties to speak to Members of Congress and other governmental agencies in favor of legislation which would permit the merger of telegraph companies engaged in international traffic. I have not, and do not expect to receive any additional remuneration for this service above my previous salary. Neither have I made, nor do I intend to make, any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The Lobbying Act would appear inapplicable; however, if this declaration is not sufficient I will be glad to furnish any further information desired. My salary is $22,500 per annum, no part of which is for the purpose of influencing legislation. (2) American Cable & Radio Corp., 67 Broad Street, New York City. (3) Permanent. (4) See above. (5) See above. (6) Actual expenses, approximating $100 a month above usual expenses. (7) Transportation, hostelry, and incidentals, most of which would be incurred in the absence of any presentations with Members of Congress.

Kenney, James F., 1200 Eighteenth Street NW., Washington, D. C. (1) Associated Third Class Mail Users, Inc., 1010 Vermont Avenue, NW., Washington, D. C. (2) Associated Third Class Mail Users, Inc. (3) February 21–June 30, 1949. (4) $5,000 fee paid to the law firm of Posner, Berge, Fox & Arent which employs registrant. This activity is part of regular employment for which salary is paid. (5) Fee is paid by Associated Third Class Mail Users, Inc. (6) Reimbursement. (7) Telephone, telegraph, transportation, etc.

Killen, Marcella F., 130 Third Street SE., Washington, D. C. (1) Brotherhood of Railroad Trainmen, Standard Building, Cleveland, Ohio. (2) The membership of the Brotherhood of Railroad Trainmen. (3) Remainder of the first session of the Eighty-first Congress. (4) $20.67 per day. (5) Brotherhood of Railroad Trainmen. (6) $11.80 plus actual travel expenses. (7) Actual travel and communication expenses.

Kiepinger, Robert F., 1720 M Street NW., Washington, D. C. (1) Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y. (2) See (1), supra. As local counsel and to advise with respect to advocacy or of opposition to proposed legislation affecting, or of interest to, said committee. (3) Indefinite. (4) $250 per month. (5) See (1), supra. (6) Reasonable travel, hotel, telegraphic, telephone, and similar expenses, if any. (7) See (6), supra.

Knowles, Burt L., Munsey Building, Washington, D. C. (1) The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (2) Employed by the Associated General Contractors of America, Inc., in a general capacity, including assignment to follow legislative developments of interest to association members. (3) As a full-time employee of the Associated General Contractors of America, Inc., for the past several years. (4) Matters of Federal legislation are not principal purpose of registrant's employment and he is not paid any stated or determinable amount in connection therewith. (5) The Associated General Contractors of America, Inc. (6) Reimbursement only for proper business expenses. (7) Routine business disbursements such as transportation, telephone, and other proper business expense items.

Knox, James H., 1737 K Street NW., Washington, D. C. (1) Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (2) The Realtors' Washington Committee and, through it, the members of the National Association of Real Estate Boards throughout the United States. (3) Have just been employed; duration indefinite. (4) $800 monthly fee for professional services, and reimbursement for traveling expenses. (5) Realtors' Washington Committee of the National Association of Real Estate Boards. (6) No specified amount. To be reimbursed for legitimate out-of-pocket expenses. (7) Travel, telephone, meals, and similar expenses in connection with duties.

Kyle, J. M. DeW., 2d, 1811 Nineteenth Street NW., Washington, D. C. (1) Capitol Rooming and Boarding House Association, Inc., Washington, D. C. (2) In the interest of members of the Capitol Rooming and Boarding House Association, Inc., engaged in the operation of rooming houses, boarding houses, tourist homes, and allied businesses. (3) [Blank.] (4) Paid no salary as a lobbyist. (5) Capitol Rooming and Boarding House Association, Inc. (6) Reimbursement for actual expenses. (7) Local transportation (taxi, streetcar, and bus), lunches, tips, postage, and stationery, which should not exceed $25 a month, and only when Congress is in session.

LaChapelle, Lloyd, 510 Lafayette Building, Detroit, Mich. (1) CWA, Michigan division, No. 43, 510 Lafayette Building, Detroit, Mich. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring December 1, 1949. (4) $17 per day plus $100 per month. (5) Same as in (1), above. (6) Reimbursed for actual expenses. (7) See (6).

Laird, Thelma, American Nurses Association, 1790 Broadway, New York, N. Y. (1) American Nurses Association. (2) As (1), above. (3) Indefinite. (4) No compensation for activities in connection with legislation, since such activities are minor, sporadic, and entirely incidental to duties of associate executive secretary, for which regular salary is received. (5) [Blank.] (6) Travel only. (7) Travel only.

Landis, Gerald W., 1624 I Street NW., Washington, D. C. (1) William Ingles, 1624 I Street NW., Washington, D. C. (2) Organizations represented by (1), above. (3) Indefinite. (4) $1,000 per month. (5) William Ingles.

[1] Not printed. Filed in the Clerk's office.

(6) Authorized out-of-pocket expenses. (7) See (6), above.

Lane, John F., Gall & Lane, 1625 K Street NW., Washington, D. C. (1) American Institute of Laundering, Joliet, Ill. (2) In attorney-client relationship as counsel for the American Institute of Laundering, Joliet, Ill. (3) Indefinite. (4) Indefinite, but in relation to the time devoted to the affairs of this client. (5) American Institute of Laundering, Joliet, Ill. (6) Indefinite, but limited to those expenses actually incurred. (7) Expenses actually incurred for telephone, telegraph, transportation, mimeographing, and the like.

Lavelle, William V., 718 Jackson Place NW., Washington, D. C. (1) Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (2) Members of the Congress of Industrial Organizations. (3) Permanent. (4) $7,000 per year plus legitimate expenses. (5) United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa. (6) Legitimate expenses. (7) Transportation, hotels, food, etc.

Layne, A. Alvis, Jr., 1200 Eighteenth Street NW., Washington, D. C. (1) Associated Third-Class-Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (2) Associated Third-Class-Mail Users, Inc. (3) February 21, 1949–June 30, 1949. (4) $5,000 fee paid to the law firm of Posner, Berge, Fox & Arent, which employs registrant. This activity is part of regular employment for which a salary is paid. (5) Fee is paid by Associated Third-Class-Mail Users, Inc. (6) Reimbursement. (7) Telephone, telegraph, transportation, etc.

Lea, Clarence F., 1200 Eighteenth Street NW., Washington, D. C. (1) Transportation Association of America, 130 North Wells Street, Chicago, Ill. (2) Transportation Association of America. (3) Indefinite. (4) $500 retainer fee per month, effective March 1, 1949. (5) Transportation Association of America. (6) Undetermined. (7) Incidental expenses at Washington and travel away from Washington.

Lee, O. C., 304 South Salisbury Street, Raleigh, N. C. (1) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (2) In the interest of the organizations whose name appears in (1), above. (3) For the term of office which expires November 1950. (4) $4,800 per annum. (5) The organization whose name appears in (1), above. (6) No specific amount authorized; reimbursed for actual expenses. (7) See answer in (6), above.

Leete, Malcolm R., 42 Mount Vernon Street, Boston, Mass. (1) Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, New York, N. Y. (2) As above. (3) At will. (4) $460 per month plus reimbursement of actual out-of-pocket expenses. (5) Citizens Committee on Displaced Persons. (6) Actual amount of out-of-pocket expenses. (7) Such items as railroad fare, travel subsistence, and telephone and telegraph tolls.

Lewis, John R., Shoreham Building, Washington, D. C. (1) Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (2) Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (3) Indefinite. (4) I estimate that not in excess of $1,000 of the compensation received by me will be related to activities coming within the scope of the Lobbying Act. This is for the reason that my duties are to be concerned with the maintenance of an information service for the benefit of my company. It is not intended that lobbying activities will constitute any appreciable part of my work. (5) Standard Oil Co. (Indiana). (6) No specified amount. (7) Not specified.

Littlepage, John M., Room 832, Investment Building, Washington, D. C. (1) The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (2) The American Tobacco Co., Inc. (3) Annual retainer. (4) Registrant is a partner in the law firm of Littlepage & Littlepage, which has been receiving for a number of years an annual retainer from the American Tobacco Co. in the amount of $18,000 per annum for a variety of professional services rendered. Neither the registrant nor his law firm will receive compensation in addition to the annual retainer for any activities with respect to legislation covered by the act. Any activities which may be performed will be occasional and incidental, and will comprise only a small part of registrant's duties. No amount of the retainer is allocated to any such activities. (5) The American Tobacco Co., Inc. (6) The firm of Littlepage & Littlepage will be reimbursed by the American Tobacco Co. for any actual out-of-pocket expenses incurred by any member or associate of the firm. (7) The usual actual out-of-pocket disbursements customary in legal work.

Lomen, Carl J., Colman Building, Seattle, Wash., and Nome, Alaska. (1) City of Nome, Alaska, and Northwestern Alaska Chamber of Commerce, Nome, Alaska. (2) City of Nome, Alaska. (3) Indefinite; 5 months were spent in Washington—January to June 1948—and $1,000 was paid by the city of Nome toward my expenses. (4) No salary or commission; cash donations made by city council of Nome and a few businessmen of Nome, but insufficient to defray all expenses. (5) City of Nome, Alaska, and some donations made by business interests of Nome, Alaska. (6) $1,750 was subscribed by city council of Nome ($1,000) and business interests ($750) during late December 1929, to apply on expenses for a trip to Washington, D. C. (7) Transportation, rail and Pullman, subsistence, hotel, taxies, etc.

Lomen, Carl J., 327 Colman Building, Seattle, Wash., and Nome, Alaska. (1) Not employed, but contributions made by common council, city of Nome, and business interests of Nome, Alaska, to assist in partial payment of expenses of a trip to Washington, D. C. (2) City of Nome, Alaska. (3) Until passage of item "Nome seawall," included in Army civil-functions bill (H. R. 6228). (4) No salary; contributions made to help defray expense of trip to Washington, D. C., and return. (5) Voluntary contributions by various business interests of Nome, Alaska, including the city council of Nome. (6) No specified sum but contributions during 1948 and 1949 are far less than actual expenses. (7) Rail, airplane, Pullman, hotel, taxi, telephone, telegraph, meals, and entertainment.

Lynch, Thomas F., 124 East Third Street, Dayton, Ohio. (1) George A. Pflaum, Publisher, Inc., 124 East Third Street, Dayton, Ohio. (2) Classroom Periodical Publishers Association, 124 East Third Street, Dayton, Ohio, care of George A. Pflaum Publisher, Inc. (3) Six months. (4) $7,500 per year. (5) George A. Pflaum Publisher, Inc. (6) About $100 per week. (7) Hotel, living expenses, travel, and clerical assistance.

Lynn, A. L., Guaranty Bank Building, Huntington, W. Va. (1) Pond Creek Pocahontas Coal Co. and Island Creek Coal Co., Huntington, W. Va. (2) Employers listed in item (1), above. (3) Indefinite. (4) See attached statement. (5) Employers listed in item (1), above. For all services rendered the companies listed, I receive the following salaries: Island Creek Coal Co., $15,000; Pond Creek Pocahontas Co., $5,000. I estimate that of my total working time during the year 1949 probably not as much as 5 percent will be spent on activities relating to pending or proposed legislation. My duties with these companies are those of a full-time executive. My principal occupation is not the influencing of the passage or defeat of any legislation by the Congress or the attempting of such influencing, and I am filing this registration as a matter of precaution only, so that I can speak my mind freely as the occasion arises and do what I think may be required for the protection of the interests of my employers in the exercise of the constitutional right of petition. The filing of this registration is not to be construed as an admission of any duty on my part to register. (6) To be reimbursed for actual expenses only. (7) Railroad, Pullman, hotels, telephone, telegraph, and miscellaneous out-of-pocket expenses.

McCann, Richard, 1267 Sixth Avenue, New York, N. Y. (1) American Federation of Musicians, 570 Lexington Avenue, New York, N. Y. (2) American Federation of Musicians. (3) Indefinite. (4) $15 per diem; $15 per diem expenses, plus hotel and transportation for days worked. (5) American Federation of Musicians. (6) $15 per day when working. (7) Taxies, phone calls, messengers, and incidentals.

McDermott, Mrs. Hope H., 401 Lyric Building, Richmond, Va. (1) Communications Workers of America, Virginia Division No. 33, 401 Lyric Building, Richmond, Va. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) For term of office which expires May 1949. (4) $4,000. (5) Communications Workers of America, Virginia Division No. 33. (6) No specific amount authorized; reimbursed for actual expenses. (7) Same as answer in (6) above.

McKiernan, George F., Geo. F. McKiernan & Co., 1056 West Van Buren, Chicago, Ill. (1) Geo. F. McKiernan & Co., 1056 West Van Buren, Chicago, Ill. (2) Geo. F. McKiernan & Co. (3) Indefinitely; employed as treasurer of Geo. F. McKiernan & Co. (4) No extra compensation other than my regular salary. (5) Geo. F. McKiernan & Co. (6) Approximately $1,000. (7) Traveling, hotel, meals, entertainment, taxies, etc.

McLaughlin, Joseph Vincent, 923 Chestnut Street, Chattanooga, Tenn. (1) Railway Express Agency, Inc., 230 Park Avenue, New York, N. Y. (2) Railway Express Agency, Inc. (3) Indeterminate. (4) No compensation in addition to regular salary as general auditor of Railway Express Agency, Inc., at rate of $11,200 per annum. The proportion of that salary chargeable to legislative work cannot be determined in advance. It will depend on time spent on this special assignment. (5) Railway Express Agency, Inc. (6) Necessary living and traveling expenses. (7) See (6).

McMahan, Agnes G., 320 North Grand Boulevard, St. Louis, Mo. (1) CWA, Division No. 20, 320 North Grand Boulevard, St. Louis, Mo. (2) CWA and its divisions. (3) For term of office expiring November 2, 1949. (4) $14 per day. (5) Same as (1). (6) Reimbursed for actual expenses. (7) See (6).

McMillan, Clarence M., 1424 K Street NW., Washington, D. C. (1) Registrant believes he is not required to register under the intent and provisions of the act. However, he is registering in order to comply with the requirements of the act if it is later held applicable to him. Registrant is employed as executive secretary or manager of National Candy Wholesalers Association, Inc., a general-purpose nonprofit trade association. He is employed neither primarily nor necessarily in any part for the purpose of influencing legislation, but to carry out an over-all program for the improvement of this industry (such as the attached program of activities, adopted by the association for the current year), which may from time to time include providing committees or Members of Congress with information and suggestions concerning the industry and informing industry members concerning legislation. (2) Members of the National Candy Wholesalers Association, Inc., and candy wholesalers generally. (3) From year to year. (4) $15,000 per year, total salary, plus retirement insurance, for all work, of which only a small part, if any, will concern legislative activity as need may appear. (5) National Candy Wholesalers Association, Inc. (6) Nothing has been specified for expenses. Registrant is reimbursed for actual expense on association business. (7) See (6).

Macleay & Lynch, a law firm consisting of Donald Macleay, Hugh Lynch, Jr., and Charles E. Channing, Commonwealth Building, 1625 K Street NW., Washington, D. C. (1) Henry F. DeBardeleben and associates, care of DeBardeleben Coal Corp., Transportation Building, Birmingham, Ala. (2) Same as (1). (3) Indefinite. (4) Employment is usual attorney-client relationship. Compensation predicated upon time expended and services rendered. (5) Same as (1). (6) Actual out-of-pocket expenditures. (7) Travel, cabs, telephone, telegrams, and miscellaneous.

MacCracken, William P., Jr., law offices of MacCracken & O'Rourke, National Press Building, Washington, D. C. (1) Please amend my registration under the Lobbying Act for the quarter ending December 31, 1948, by adding to the answer to question 5 the following: "I have also been retained by Mrs. Ruth Obre Dubonnet to support a private bill which would have the effect of returning to Mrs. Dubonnet her American citizenship which she contends was lost during World War II under circumstances amounting to duress." (2) [Blank]. (3) [Blank]. (4) [Blank]. (5) [Blank]. (6) [Blank]. (7) [Blank].

Mahady, J. L., 517 Baronne Street, New Orleans, La. (1) CWA, Southern Division No. 49, 23 Broad Street SW., Atlanta, Ga. (2) CWA and its divisions. (3) Term of office expiring November 1950. (4) $5,400 per year. (5) Same as (1). (6) Reimbursed for actual expenses. (7) See (6).

Mahon, Don,[2] 518 East Grand Avenue, Des Moines, Iowa. (1) National Brotherhood of Packinghouse Workers, affiliated with Confederated Unions of America, 518 East Grand Avenue, Des Moines, Iowa. (2) Membership of above organization. (3) Indefinite. (4) Not definite; receive compensation only for time lost from regular employment, and expenses. (5) See (1). (6) Actual expenses only. (7) Travel, lodging, meals, etc.

Maloney, Walter E., 40 Wall Street, New York, N. Y. (1) Self. Registrant is an attorney engaged in the practice of law as a member of the firm of Burns, Currie, Walker & Rich, New York City. He has been retained as counsel for the National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C., in connection with its efforts to secure legislative relief for the maritime industry from the effects of the Supreme Court's decision in the Bay Ridge case, under which employers have been required to pay overtime-on-overtime. Registrant is of the opinion that the Federal Regulation of Lobbying Act is not applicable to him when he as an attorney renders legal services to a client, the National Federation of American Shipping, Inc., whose officers are registered under the provisions of said act. Registrant's compensation for the services described above is indefinite in amount, depending on the extent to which his services are required. In filing quarterly statements, registrant will indicate thereon the portion of his compensation applicable to activities which could conceivably be construed as falling within the act. (2) National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (3) Indefinite. (4) Indefinite (see (1)). (5) National Federation of American Shipping, Inc. (6) Actual disbursements. (7) Travel, subsistence, and similar expenses.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va. (1) National Business Publications, Inc., 1415 K Street NW., Washington, D. C. (2) National Business Publications, Inc. (3) Indefinite. (4) $800 per month for part-time employment. (5) National Business Publications, Inc. (6) Legitimate expenses in course of employment. (7) Necessary expenses in connection with employment.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va. (1) National Coal Association, Southern Building, Washington, D. C. (2) Same as (1). (3) Temporary. (4) $200 per week for part-time employment. (5) National Coal Association. (6) No specified amount, to be reimbursed for actual legitimate out-of-pocket expenses. (1) Legitimate out-of-pocket expenses in connection with work.

Martin, Guy, 1015 Ring Building, Washington, D. C. (1) The Palgrove Co., 30 Rockefeller Plaza, New York, N. Y. (2) The Palgrove Co. (3) Indefinite. (4) Compensation for legal services when and as performed. (5) The Palgrove Co. (6) Reimbursement for out-of-pocket expenditures. (7) Long-distance telephone calls, special stenographic charges, traveling expenses, if any.

Martin, J. Elmer, 847 North Eutaw Street, Baltimore, Md. (1) American Federation of Musicians, 570 Lexington Avenue, New York City, N. Y. (2) American Federation of Musicians. (3) Indefinite. (4) $15 per diem: $15 per diem expenses, plus hotel and transportation for days worked. (5) American Federation of Musicians. (6) $15 per day when working. (7) Taxis, phone calls, messengers, and incidentals.

Martin, W. E., 23 Broad Street SW, Atlanta, Ga. (1) Communications Workers of America, Division 49, 23 Broad Street SW, Atlanta, Ga. (2) Communications Workers of America, Division 49, 23 Broad Street SW, Atlanta, Ga. (3) Two years. (4) $6,000 per annum. (5) Communications Workers of America, Division 49, 23 Broad Street SW., Atlanta, Ga. (6) No specific amount authorized; reimbursed for actual expenses. (7) No specific amount authorized; reimbursed for actual expenses.

Massengill, H. Earl, 260 Constitution Avenue NW., Washington, D. C. (1) Communications Workers of America, Division 36, 260 Constitution Avenue NW., Washington, D. C. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) For term of office expiring December 1949. (4) $17.20 per day. (5) Same as (1). (6) Reimbursed for actual expenses. (7) See (6).

Miller, George M., 201 Torbitt Building, 406 South Fifth Street, Louisville, Ky. (1) Communication Workers of America and its divisions, 917 G Place NW., Washington, D. C. (2 In the interest of the ogranization whose name appears in (1), above. (3) For the term of office which requires 2 years, ending November 1951. (4) $4,800 per annum. (5) The organization whose name appears in (1). (6) No specific amount authorized; reimbursed for actual expenses. (7) See answer in (6).

Miller, Paul J., 922 Fourteenth Street NW., or 1921 Fourteenth Street NW., Washington, D. C. (1) Not employed by anyone. I am a business consultant, economist, investment counselor, real estate and business broker, writer, research analyst. Self-practice. (2) I draw no salary from anyone. I serve as executive chairman for these organizations, a clearing house for public relations: Guest Housing Association, Washington Guest House Association, District Hotel Association (of small hotels in Washington, D. C.), District Housing Association, and in behalf of Housing News, mimeographed bulletin published by self. (3) The Guest House Association was first organized in October 1941, and I believe as representative for that organization I had some remarks printed by the Senate Banking Committee on rent hearings in 1942 or 1943. My employment, of course, is as long as I have interest in housing affecting American principles of government. (4) I am paid no salary. Occasionally the hat is passed around to solicit funds to cover current expenses for printing, publication work, circulars, news letters, postage, labor mailing costs. I suppose if there was any cash on hand I would be entitled to it for services rendered, but there never has been, and I even underwrite the deficit that often occurs from my own pocket. (5) No one pays me my salary. I expect pay from no one for personal services. I expect the above organizations only to defray costs of printing, labor mailing costs, and the expenses attached to sending out a news bulletin of news letters from time to time, and hotel meetings for general discussion relative to regulations and laws affecting housing at any time. (6) I am paid nothing personally. Presumably all collections are for overhead expense. I suppose if we ever had any cash on hand, I would be voted something for my services, but alas too often I even pay the deficit. (7) Costs of holding meetings in hotels, cost of publicity attendant to public hearings, costs of news letter, labor for mailing, stamps, secretarial costs, typing costs.

Mitchener, Joseph J., Jr., 1029 Vermont Avenue NW., Suite 1102, Washington, D. C. (1) National Independent Air Carriers, same address. (2) National Independent Air Carriers, same address. (3) Indefinite. (4) No specific amount has been set aside for legislative activity. (5) National Independent Air Carriers. (6) Actual expenses, if and as incurred. (7) All actual expenses properly attributable to legislative activity.

Morgan, Gerald D., and Leonard J. Calhoun, constituting the partnership of Morgan & Calhoun, attorneys, 412 Washington Building, Washington, D. C. (1) Avon Products, Inc., 30 Rockefeller Plaza, New York, N. Y.; Beauty Counselors, Inc., 17108 Mack Avenue, Grosse Pointe, Mich.; Better Brushes, Inc., Palmer, Mass.; Stanley Home Products, Inc., Westfield, Mass.; C. H. Stuart & Co., Inc., Newark, N. Y., respectively. Listed together because of common interest in subject matter of employment. (2) Same as (1). (3) No fixed termination date. (4) Fees to be fixed by mutual agreement at conclusion of services, but with retainers of $200 per month from each of above to be credited against such fees. (5) See (1). (6) To be reimbursed for out-of-pocket expenses. (7) Telephone, telegraph, travel, etc.

Morgan, Gerald D., and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C. (1) Brass and Bronze Ingot Institute, 308 West Washington Street, Chicago, Ill. (2) See (1). (3) Indefinite. (4) Reasonable fee to be mutually agreed upon at conclusion of services. (5) See (1). (6) None. (7) None.

Morrison, E. W., president, the Morrison Milling Co., Denton, Tex. (1) The Morrison Milling Co., Denton, Tex. (2) In his own name and in the name of individuals who concur in his views and authorize him to speak for them. (3) I am not employed. My work is done at my own initiative. I receive no pay. (4) Nothing. (5) Nobody. (6) Nothing by agreement. If those concuring volunteer to share actual expense of effort made, they will be so permitted. (7) Stenographic help, postage, telegrams, and travel expense only.

Mullin, Pat., 5764 Schaefer Rd., Dearborn, Mich. (1) Ford Chapter No. 1, Foreman's Association of America, 5764 Schaefer Road, Dearborn, Mich. (2) Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (3) Elected by the membership of the chapter for the period of 1 year. (4) $500 per month. (5) Ford Chapter No. 1. (6) Actual expenses. (7) Transportation, hotel, meals, and any other incidentals.

Murray, Margaret N., 33 Market Street, Norristown, N. J. (1) Communication Workers of America, New Jersey Division No. 55, New Jersey Bell Traffic, Norristown, N. J. (2) Communication Workers of America, and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring January 10, 1948. (4) $50 per month. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Myers, E. Pauline, 1114 O Street NW., Washington, D. C. (1) National Association

[2] Registration with the Clerk only.

of Colored Women, Inc., 1114 O Street NW., Washington, D. C., (Mrs. Ella P. Steuart, president). (2) Negro women. (3) 1 month. (4) [Blank.] (5) National Association of Colored Women, Inc. (6) $50. (7) Travel, postage, room and board.

National Association of Direct Selling Companies (registrant), 163-165 Center Street, Winona, Minn. (1) Members of said association. Purpose of association is general. Federal legislation is minor and incidental interest. Association not formed for any legislative purpose. Registrant denies that the act applies to it. (2) See (1). (3) This association including its predecessors has been in existence for over 30 years and has perpetual existence as a corporation formed under the laws of the State of Minnesota. (4) Income based on regular dues having no relation to any legislative activity. Amount of income indefinite varying from time to time. No funds received for Federal legislative purposes. (5) Regular dues from members. (6) Amount to be paid for Federal legislative purposes unknown until or unless incurred. (7) See (6). All expenses necessarily incidental to Federal legislative action, if any.

The National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. Registrant is a nonprofit association, incorporated under the laws of the District of Columbia to advance the science of life insurance and its uses and to foster the mutual improvement and education of life-insurance agents to the end that they may better serve the insuring public. Its sole office is located at 11 West Forty-second Street, New York, N. Y. Its members are state and local associations whose individual members are representative of the field forces of the life-insurance industry. Registrant's funds are derived from annual membership dues; advertising space sold in registrant's monthly publication, Life Association News; small income from its annual conventions; and small amounts of interest on United States bonds and cash deposits in savings banks. None of this revenue is earmarked for any specific purpose prior to receipt, although a budget is prepared each year by registrant's board of trustees. Registrant maintains no office in Washington, D. C., nor does it employ counsel there. None of the members of registrant's staff are employed for the purpose of influencing, or attempting to influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States. Registrant's staff, in addition to other duties, scrutinizes legislation—Federal, State, and municipal—which may affect its members and their policyholders. However, in connection with any legislation in Congress, the functions of registrant's staff, and of its officers, trustees, and committee chairmen (who serve without remuneration other than out-of-pocket expenses) are incidental as compared with the many activities engaged in by registrant. Registrant does not believe, nor does it consent, that this registration shall be construed as an admission, that it or any of its staff employees, officers, trustees, or committee chairmen fall within the provisions of Public Law 601 (2 U. S. C. 261, 79th Cong., 2d sess.). However, pending clarification of the application of the said law, and in order that there may be no question as to its good faith, registrant is registering under the said law and will furnish quarterly reports thereunder.

National Officers of National Rural Letter Carriers' Association (see names below), 541-542 Munsey Building, Washington, D. C. (1) Below is names of the seven national officers employed by the National Rural Letter Carriers' Association, 541-542 Munsey Building, Washington, D. C.: W. L. Manning, president; C. L. Ashcraft, vice president; Kenneth Taylor, secretary; B. W Playfoot, treasurer; P. G. Benson, chairman, executive committee; S. B. Raley, member, executive committee; H. L. VanVoorhis, member, executive committee. (2) Members of the National Rural Letter Carriers' Association. (3) August 20, 1948, to September 1, 1949. (4) Receive no salary or expenses for lobbying purposes. Are allowed taxi fare and incidental expenses in visiting Members of Congress. (5) National Rural Letter Carriers' Association. The association does not collect or receive any contributions from its members or others for the purpose of influencing legislation. (6) Only actual living expenses and transportation. Salaries received by all national officers are the same they would receive if they were serving their rural routes at home. Only two of the national officers are stationed in Washington, D. C. The other five usually are in Washington in September and January of each year for a period of 2 to 3 weeks. The president and secretary are in charge of the Washington office and devote practically all their time to service matters, collection of membership, and correspondence. (7) Each officer is paid the same salary received as rural carrier, plus necessary living expenses and transportation when on association business.

Nelson, Otis E., 707 Hamilton Building, Wichita Falls, Tex. (1) Wilson Export Corp., Wichita Falls, Tex.; White's Auto Stores, Inc., Wichita Falls, Tex. (2) Each of above. (3) No time limit set, but only for present session of Congress. (4) One hundred dollars per day from leaving home until return home, not to exceed $600 on this trip. For writing letters, in future, a charge not to exceed $5 per letter. (5) Wilson Export Corp., Wichita Falls, Tex.; White's Auto Stores, Inc., Wichita Falls, Tex. (6) Actual traveling expenses, which vary with method of conveyance and other expenses not to exceed $30 per day. (7) Railroad or plane fare, meals, hotel bill, taxicabs, telephone, telegraph, tips, and stenographic expenses, mileage for use of own car at 6 cents per mile.

Neumann, Harold F., 112 Bowers Street, Jersey City, N. J. (1) New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J. (2) New Jersey Associated Businessmen, Inc. (3) Indefinite from January 1, 1949. (4) Reimbursement for actual expenses. (5) New Jersey Associated Businessmen, Inc. (6) Whatever expenses actually amount to. (7) Transportation, telephone, room, meals, etc.

Nicholson, Mrs. Lenore G., R. F. D. No. 1, Grandview, Mo. (1) [Blank.] (2) Friends of the American Constitution, Inc., Post Office Box 1126, Kansas City, Mo. (3) Indefinite. (4) Nothing. (5) No one. (6) Actual expense. (7) Board, room, transportation.

Norgord, Christian P., 1617 Rhode Island Avenue NW., Washington, D. C. (1) Robert F. Seller, president, American Humane Association, 135 Washington Avenue, Albany, N. Y. (2) The American Humane Association, Albany, N. Y. (3) From year to year until terminated. (4) $10 per diem when working and necessary office and travel expenses. (5) By the American Humane Association, (6) What the work requires. (7) Travel within Washington, D. C., and trips outside required by the work.

O'Bryan, Paul A., 600 Munsey Building, Washington, D. C. (1) National Fur Industry Tax Committee, Suite 300, 101 West Thirtieth Street, New York, N. Y. (2) National Fur Industry Tax Committee, Suite 300, 101 West Thirtieth Street, New York, N. Y. (3) February 1949 to January 1950. (4) Annual retainer fee $12,000 for general Washington representation. In the event that 20 percent excise tax is removed entirely, an additional $25,000 will be paid. If reduced 10 percent, an additional $10,000 will be paid. (5) National Fur Industry Tax Committee. (6) Approximately $100 per month, but the actual amount cannot be determined at this time with any degree of accuracy. (7) Telephone, telegraph, mailing, printing, and travel and other miscellaneous expenditures.

Oliver, Stanley W., room 908, 900 F Street NW., Washington, D. C. (1) International Federation of Technical Engineers, Architects, and Draftsmen's Unions. (2) International Federation of Technical Engineers, Architects, and Draftsmen's Unions. (3) Position is elective office of national president. Term of office is 2 years. (3) $7,200 per annum, plus expense allowance up to $75 per month for duties connected with office. (5) IFTEADU. (6) No expenses for lobbying purposes. (7) None for lobbying purposes.

O'Malley, Mrs. Gerda T., 205 West Wacker Drive, room 1122, Chicago, Ill. (1) CWA, Illinois traffic division, No. 14, 205 West Wacker Drive, Chicago, Ill. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring January 1951. (4) $8.75 per day. (5) Same as in (1) above. (6) Reimbursed for actual expenses. (7) See (6).

O'Neill, John E., suite 604, Washington Building, Washington, D. C. (1) Employed by Small Brewers Association, 188 West Randolph Street, Chicago, Ill., as its general counsel. This is a nonprofit corporation organized under the laws of Illinois. (2) Works in the interest of the small brewers of the United States. (3) Have been so employed for past 3 years, and will continue in such employment indefinitely. (4) Receives from Small Brewers Association annual compensation of $20,000 plus actual and incidental office and travel expense for services as general counsel, which services involve primarily representation of the association and its members before the administrative departments of the Government. (5) Small Brewers Association, 188 West Randolph Street, Chicago, Ill. (6) No expenses to be incurred or paid, incidental to attempts to influence legislation. (7) Only as specified in item (4) above; no expenses incidental to attempts to influence legislation.

Palmer, Martha H., 1410 Girard Street NW., Washington, D. C. (1) CWA, Washington traffic division, No. 50, 1424 K Street NW., Washington, D. C. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring February 1951. (4) $9 per day. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Parker, Lester S., 1615 Oakley Avenue, Topeka, Kans. (1) CWA, Southwestern division No. 20, 611 Pickwick Building, Kansas City, Mo. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1949. (4) $13.40 per day. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Parrish, A. T., 234½ East Commerce Street, Springfield, Mo. (1) Springfield Chamber of Commerce, Springfield, Mo. (2) City of Springfield, Mo., municipality and Table Rock project. (3) February 24 to March 2, 1949. (4) Not one penny. (5) No one. (6) Railroad fare to Washington from Springfield, Mo., and return. (7) Railroad fare and hotel fare and eats.

Patton, Clifford W., National Association of Consumers, 265 Henry Street, New York, N. Y. (1) National Association of Consumers and Henry Street Settlement, 265 Henry Street, New York, N. Y. (2) National Association of Consumers. (3) Indefinite. (4) $400 per month (salary), minus withholding taxes. (5) National Association of Consumers and Henry Street Settlement. (6) Out-of-pocket traveling expenses by the National Association of Consumers—for railroad fare, meals, and hotel—to testify at hearings for National Association of Consumers, to attend advisory meetings, conferences, and to visit NAC chapters. This will average about $50 per quarter. (7) See above.

Patton,[3] James G., 1555 Sherman Street, Denver, Colo., and 300 B Street SE., Washington, D. C. (1) Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (2) National Farmers Union. (3) Biennial election. (4) $8,000 per annum. (5) National Farmers Union. (6) Actual expenses. (7) Actual (taxies, newspapers, hotels, travel expenses, etc.).

Perry, Leslie S., 100 Massachusetts Avenue NW., Washington, D.C. (1) National Association for the Advancement of Colored People. (2) National Association for the Advancement of Colored People. (3) Continuous since October 8, 1942. (4) Salary: $4,400 per annum. (5) National Association for the Advancement of Colored People. (6) No stated amount. Expense reimbursed as incurred (see below). (7) Taxi, newspapers, magazines, and the like.

Peyton, Gordon Pickett, 809 Dupont Circle Building, Washington, D. C. (1) Self-employed, 809 Dupont Circle Building, Washington, D. C. (2) The Association of Cocoa and Chocolate Manufacturers of the United States. (3) Indefinite. (4) $20,000 annual retainer. (5) The Association of Cocoa and Chocolate Manufacturers of the United States. (6) No expenses for influencing legislation. (7) [Blank.]

Pillen, Herbert G., 522 Munsey Building, Washington, D. C. (1) Controlled-Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (2) Controlled-Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (3) Elected president, to serve for 1 year, until next annual convention. (4) No set salary; receive compensation for legal services to organization, and for expenses. (5) Controlled-Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (6) The exact amount of the expenses incurred. (7) Postage, telegraph charges, long-distance telephone, and travel expenses if any.

Poole, Rufus G., 1625 K Street, NW., Washington, D. C. (1) National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (2) National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (3) Indefinite. (4) This is an attorney-client retainer on a per diem basis of $250 per day for time actually devoted to advice on pending labor legislation. (5) National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (6) Reimbursement for actual expenses. (7) Telephone, telegraph, taxi, miscellaneous office.

Pope & Ballard, 120 South La Salle Street, Chicago, Ill.; Pope Ballard & Loos, Munsey Building, Washington, D. C. (1) International Register Co., 2620 West Washington Avenue, Chicago, Ill., and other clients. (2) International Register Co. and other clients. (3) Indefinite (see statement attached [1]). (4) See statement attached. (5) International Register Co. and other clients. (6) Indefinite (see statement attached). (7) See statement attached.[1]

Posner, Stanley I., 1002 Ring Building, Washington, D. C. (1) National Institute of Diaper Services, 67 West Forty-fourth Street, New York, N. Y. (2) National Institute of Diaper Services. (3) December 31, 1949. (4) $5,000 annually. (5) National Institute of Diaper Services. (6) Reimbursement. (7) Telephone, telegraph, mimeograph, travel, and similar items.

Powell, Bolling R., Jr., 910 Seventeenth Street NW, Washington, D. C. (1) American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group retain our law firm, a partnership doing business as law offices of Paul V. McNutt, to represent them generally in all legal matters concerning them. I am a general partner in this firm. Our firm is paid a fixed annual retainer for performing these legal services. In the discharge of these general legal services, it may become necessary to render legislative work for these clients in connection with Federal legislation, and, from time to time, for me to attempt to influence the passage or defeat of such legislation. Legislative-counsel work will constitute a very minor part of my general legal services for these clients; and, furthermore, this legislative-counsel work will, for the most part, be confined to appearances before a committee of the Congress in support of, or in opposition to, legislation. However, in some instances it may involve more than appearances before committees of the Congress. (2) Same as in (1). (3) Indefinite. (4) No specific amount of annual retainer is earmarked for legislative work, and this work forms a very small part of the legal services rendered these clients. (5) Same as in (1). (6) Nothing; no expenses to be incurred. (7) None.

Pretzman, Allen I., 50 West Broad Street, Columbus, Ohio. (1) Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio. (2) Scioto-Sandusky Conservancy District. (3) Year by year; present employment contract expires in May 1949. (4) On a per diem of $50 per day for time actually spent on the business of the above district. (5) Scioto-Sandusky Conservancy District. (6) Actual traveling and out-of-pocket expense. (7) Meals, hotel, transportation, and clerical.

Purdy, LaRoy H., 310 Mercantile Building, Denver, Colo. (1) Communications Workers of America, Mountain States Division No. 17, 310 Mercantile Building, Denver, Colo. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) For the term of office which expires October 29, 1949. (4) $5,500 per annum. (5) The organization whose name appears in (1), above. (6) No specific amount authorized; reimbursed for actual expenses. (7) See answer in (6), above.

Quaal, Ward L., Suite 532, Shoreham Building, Washington, D. C. (1) Clear Channel Broadcasting Service (CCBS), Suite 532 Shoreham Building, Washington, D. C., an informal organization of 15 licensees of Class I–A clear channel broadcast stations (KFI, WSM, WLW, WGN, WSB, WJR, WBAP, WFAA, WHAS, WWL, WLS, WHO, WHAM, WOAI, and WCAU). (2) Clear Channel Broadcasting Service (CCBS). (3) Indefinite. (4) $225 per week. Registrant is serving as CCBS director temporarily during the illness of Louis Ruppel, who is the regular CCBS director. No definite portion of this amount is assignable to activities coming within the scope of the Lobbying Act. Registrant states that Louis Ruppel was retained in January of 1949 to fill the then vacant office of director of CCBS. Mr. Ruppel was to assume the duties of CCBS director effective February 1, 1949. However, due to illness, Mr. Ruppel has not been able to assume his duties, and registrant is temporarily assuming the duties of CCBS director until such time as Mr. Ruppel's health permits him to assume the duties. Harold Hough, treasurer of Clear Channel Broadcasting Service, Care of WBAP, Fort Worth, Tex. (6) No definite amount has been stipulated; registrant will be reimbursed for all legitimate expenses incurred in connection with his employment, including activities coming within the scope of the Lobbying Act. (7) Normal expenses incurred in connection with registrant's employment, including salaries and overtime of experts, statisticions and stenographers, and payment for transcripts of hearings, mimeographing, printing, telephone charges, telegrams, traveling, and taxi fares.

Quinn, John B., 1120 Sharp Building, Lincoln, Nebr. (1) Missouri Valley Development Association, Inc., 1120 Sharp Building, Lincoln, Nebr. (2) In the interest of developing all natural resources of the 10 States in the Missouri Valley Basin in accordance with the 1944 Flood Control Act of Congress. (3) Undetermined. (4) $6,000 per year plus expenses. (5) Missouri Valley Development Association. (6) Determined by adding the actual expenses incurred in carrying out objectives. (7) Travel, office, personal, phone, printing, etc.

Quinn, Louis, 610 West Jefferson Street, Louisville, Ky. (1) Louisville and Jefferson County Property Owners' Association, 610 West Jefferson Street, Louisville, Ky. (2) Property owners of Louisville and Jefferson County. (3) Indefinite. (4) $50 per week for expenses plus 20 percent of the income of said association which income is derived from dues and contributions; in no event is weekly salary plus expenses to be less than $150 per week. (5) Louisville and Jefferson County Property Owners' Association. (6) $50 per week (as stated in (4) above). (7) To be paid for actual expenses only, and such expenses are to be included as to cover traveling, telephone, mailing, and meals and lodging while away from place of residence in connection with the business of said association.

Radin, Miss Rhea, 1420 New York Avenue NW., Washington, D. C. (1) American Recreation Society, Inc., 1420 New York Avenue NW., Washington, D. C. (2) The Legislative Project of the American Recreation Society. (3) Indefinite (part-time). (4) $500 a month. (5) American Recreation Society, Inc. (6) None. (7) [Blank.]

Radner, William, Tower Building, Washington, D. C. (1) Coastwise Line, 150 Sansome Street, San Francisco, Calif. (2) Coastwise Line. (3) Indefinite. (4) Reasonable compensation, hereafter to be determined. (5) Coastwise Line. (6) Actual disbursements. (7) Travel, long-distance communications, etc.

Redd, Collis Ormsby, 1833 Mintwood Place NW., Washington, D. C. (1) Crusade Rebirth Constitutional Patriotism in America, January 29, 1949, Washington, D. C., Thomas Paine World Economic Liberators. (2) My fellow countrymen, 2,000,000,000 human souls, the Pan American Republics, the oppressed refugees, war-torn, bankrupt nations, Europe and Asia. (3) Potential permanent world-wide organization. (4) Ten percent royalty net sale price five booklets, namely: (1) Constitutional Patriots, (2) Constitutional Patriotism, (3) Americanism Day Anniversay, (4) The Age of Reason and Logic, (5) The Economic Crisis Rebellion. (5) The State chapters representing Thomas Paine World Economic Liberators. (6) None. (7) None.

Reed, Otie M., 1731 I Street NW., Washington, D. C. (1) National Cooperative Milk Producers Federation, 1731 I Street NW., Washington 6, D. C. (2) National Cooperative Milk Producers Federation, 1731 I Street NW., Washington 6, D. C. (3) Through September 30, 1949. (4) On the basis of $5,000 per annum. (5) National Cooperative Milk Producers Federation, 1731 I Street NW., Washington 6, D. C. (6) To be reimbursed for all actual expenditures. (7) All expenses incident to the work of the federation.

Reeves, Miss Bessie I.,[3] 4306 Bell, Kansas City, Mo. (1) [Blank.] (2) Friends of the American Constitution, Inc. (3) Indefinite. (4) None. (5) [Blank.] (6) Board, room, and transportation. (7) Board, room, and transportation.

Reilly, Gerard D., 1435 K Street NW., Washington, D. C. (1) General Electric Co., 570 Lexington Avenue, New York, N. Y. (2) General Electric Co. (3) Indefinite. (4) Indeterminate at present, but will be itemized in quarterly report. (5) General Electric Co. (6) Will be reimbursed for cash expendi-

[1] Not printed. Filed in the Clerk's office.
[3] Registration with the Secretary only.

[3] Registration with the Secretary only.

tures. (7) Telephone, telegraph, travel, transcripts, and such other special expenses as company in future may authorize.

Reilly, Gerard D., 1435 K Street, NW., Washington, D. C. (1) General Motors Corp., 3044 West Grand Boulevard, Detroit 2, Mich. (2) General Motors Corp. (3) Terminable at will of either party. (4) Retainer of $3,000 per month. (5) General Motors Corp. (6) Retainer includes expenses. (7) See (6).

Reilly, Gerard D., 1435 K Street NW., Washington, D. C. (1) Pond Creek Pocahontas Co., Huntington, W. Va. (2) Pond Creek Pocahontas Co. (3) Cancellable by either party on 30 days' notice. (4) $500 per month. This general retainer for consultation on labor problems, with only portion of time to be devoted to such legislative activity as company may occasionally wish. (5) Pond Creek Pocahontas Co. (6) [Blank.] (7) [Blank.]

Reilly, Gerard D., 1435 K Street, NW., Washington, D. C. (1) Union Employers Section, Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C. (2) Union Employers Section, Printing Industry of America, Inc. (3) Indefinite. (4) Indeterminate—receive general retainer of $400 per month plus additional amounts depending upon time devoted as special labor counsel in trial of cases and preparation of legal opinions. Legislative activity will be incidental to foregoing principal service. Amounts, if any, received from time to time in addition to basic retainer will be reported in quarterly reports. (5) Union Employers Section, Printing Industry of America, Inc. (6) Will be reimbursed for cash expenditures. (7) Telephone, telegraph, travel, transcripts, duplicating, and printing.

Renner, James E., 1148 Josephine Street, Denver, Colo. (1) Property Owners Association of Colorado (a nonprofit corporation), Denver, Colo. (2) Self-interest, and Property Owners Association of Colorado. (3) Indefinite. (4) Expenses only. (5) Property Owners Association of Colorado (expenses only). (6) Actual expenses only. (7) Transportation, living, and stenographic expense.

Rice, Richard M., 231 West Wisconsin Avenue, Milwaukee, Wis. (1) Wisconsin Associated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (2) Wisconsin Associated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (3) Indefinite. (4) Reimbursement for actual out-of-pocket expenses only. (5) Wisconsin Associated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (6) Reimbursement for actual out-of-pocket expenses only. (7) Reimbursement for travel, hotel, meals, telephone, and other incidental expenses only.

Rigby, Scott G.,[2] 1010 Vermont Avenue NW., Washington, D. C. (1) Associated Third-Class Mail Users, 1010 Vermont Avenue NW., Washington, D. C. (2) The same. (3) Indefinite. (4) $4,000 per annum. (5) Associated Third-Class Mail Users. (6) Out-of-pocket for travel, taxis, etc. (7) Travel.

Riley, George D., 901 Massachusetts Avenue NW., Washington, D. C. (1) American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (2) The membership of the American Federation of Labor. (3) Steadily. (4) $8,840 per year. (5) The American Federation of Labor. (6) Actual expenses incurred. (7) Taxis, phone calls, messengers, etc.

Roberts, R. Orman, D. D., 1290 Sutter Street, San Francisco 9, Calif.; Washington, D. C., address, Hotel Carlyle. (1) Temple Methodist Church, 1290 Sutter Street, San Francisco 9, Calif. (2) Temple Methodist Church, 1290 Sutter Street, San Francisco 9, Calif. (3) I am seeking passage of House bills 839 and 1696 (which are identical) and S. 384 which is companion to the House bills. The bills would authorize the sale to the Temple Methodist Church, by the Government, a portion of the building at 100 McAllister Street in San Francisco; the total building having been constructed by the church and the portion in question having been used for worship purposes for 7 years. My presence in Washington will terminate when disposition is made of bills mentioned above. (4) My regular salary as pastor of the church is $4,600 per year. The regular salary continues while I am in Washington. (5) By the Temple Methodist Church, San Francisco. (6) A maximum of $500 per month has been set by the church trustees, with the hope it can be held under that. Should it prove necessary for a little more I feel sure the church would not deny me what seemed necessary. (7) Travel, hotel, meals, tips, taxis, laundry, telephone and telegraph charges, personal necessities, entertainment. We do not have the money nor the inclination to indulge in any activities frowned upon by both conscience and the Congress.

Robertson, Nathan W., 1416 F Street NW., Washington, D. C. (1) Committee for the Nation's Health, 1416 F Street NW., Washington, D. C. (2) Committee for the Nation's Health. (3) Six months. (4) $10,000 a year. (5) Committee for the Nation's Health. (6) Whatever they may be. (7) Traveling, incidentals.

Robinson, Richard R., Post Office Box 69, Wheeling, W. Va. (1) Ohio Valley Advertising Corp., Post Office Box 69, Wheeling, W. Va. (2) Ohio Valley Advertising Corp. (3) Indefinite. (4) Actual expenses only. (5) Ohio Valley Advertising Corp. (6) Actual expenses. (7) Travel, meals, and incidental expenses.

Rockwell, Bruce McKee, 132 Third Street SE., Washington, D. C. (1) United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y. (2) Same. (3) Approximately July 1, 1949. (4) $400 per month. (5) Same as (1) and (2). (6) Actual expenses incurred in travel, including rail, telephone and telegraph. (7) See (6).

Rogers,[2] Herbert, 843 Transportation Building, Washington 6, D. C. (1) National St. Lawrence Project Conference, 843 Transportation Building, Washington 6, D. C. (2) National St. Lawrence Project Conference. (3) Indefinite. (4) $400 per month. (5) National St. Lawrence Project Conference. (6) Actual expenses incurred. (7) Lodging, meals, transportation, and expenses incidental thereto.

Rogers, R. L., 2202 Douglas Street, Omaha, Nebr. (1) Communication Workers of America, Northwestern Division No. 45, 2202 Douglas Street, Omaha, Nebr. (2) Communication Workers of America and its divisions, 917 G Place NW., Washington 1, D. C. (3) Term of office expiring December 1, 1949. (4) $15.60 per day. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6).

Ross, Olga S., 80 West Fortieth Street, New York, N. Y. (1) National Council of Salesmen's Organizations, Inc., 80 West Fortieth Street, New York, N. Y. (2) National Council of Salesmen's Organizations, Inc. (3) Permanent. (4) $5,200 per year. (5) National Council of Salesmen's Organizations, Inc. (6) There is no set figure which employee is paid for expenses. She is merely reimbursed for ordinary living expenses incurred while away from home on business of the organization. These expenses vary according to the length of time spent away and are confined solely to the ordinary ones of transportation, hotel accommodations, meals, telephone, and taxicab expenses. (7) Transportation, hotel accommodations, meals, telephone, and taxicab expenses.

Rubin, Seymour J., 1822 Jefferson Place NW., Washington, D. C. (1) Mrs. Remus Lula, 2237 Fortieth Place NW., Washington, D. C. (2) Mrs. Remus Lula. (3) Six months. (4) Retainer of $400; contingent fee of $1,000. (5) Mrs. Remus Lula. (6) Nothing. (7) None.

St. Clair, Labert, 2633 Fifteenth Street NW., Washington, D. C. (1) International Paper Co., 22 East Forty-second Street, New York City. (2) See above. (3) Indefinite. (4) $1,250 per month. (5) See above. (6) No arrangement; probably submit out-of-pocket expenditures; minor, if any. (7) See above.

Sasuly, Elizabeth, room 516, 930 F Street NW., Washington, D. C. (1) International Union of Mine, Mill and Smelter Workers (CIO), 431 South Dearborn Street, Chicago, Ill. (2) Labor, particularly organized workers in the nonferrous mining and allied industries. (3) Indefinite. (4) $2,250 per year. (5) International Union of Mine, Mill, and Smelter Workers (CIO). (6) $10 per week. (7) Taxi fares, phone calls.

Sayre,[3] Charles R., Stoneville, Miss. (1) Delta Council, Stoneville, Miss. (2) Farming and business interests of Yazoo-Mississippi Delta and Midsouth area. (3) Indefinite. (4) Contacts made with Members of Congress of United States is incidental to responsibilities of the position of economist and executive director occupied by the registrant. (5) Paid by Delta Council. (6) Subsistence, travel, and incidentals in accordance with detailed statements to cover actual expenses. Expenses are for varied amounts paid at the conclusion of each business trip. No specific funds allocated for congressional contacts. (7) Subsistence, travel, and incidentals amounting to actual cash costs to registrant.

Schilz, Harold L., Clagett & Schilz, Suite 519, Realty Building, 1424 K Street NW., Washington, D. C. (1) National Retail Credit Association, Shell Building, St. Louis, Mo. (2) National Retail Credit Association. (3) Annual retainer, renewable November 1949, principally for legal services rendered as Washington, D. C., counsel. (4) $3,000 per annum; $250 per month. (5) National Retail Credit Association. (6) Out-of-pocket expenses actually incurred, when and as and if incurred; per diem arrangement for any court work handled for association. (7) Travel, telephone (long-distance), telegraph, any moneys expended for books and similar documents obtained for the client, and expenses of a similar nature.

Schreiner, Oswald, Jr., 1129 Vermont Avenue NW., Washington, D. C. (1) National Office Machine Dealers Association, 1129 Vermont Avenue NW., Washington, D. C. (2) The office-machine dealers. (3) Permanent. (4) $5,000 annually. (5) By the association. (6) Office and traveling expenses approximately $14,000 annually. (7) Office and traveling expenses.

Schwarz, Paul J., 1105 Sixteenth Street NW., Washington, D. C. (1) American Federation of Musicians, 570 Lexington Avenue, New York, N. Y. (2) American Federation of Musicians. (3) Indefinite. (4) $15 per diem; $15 per diem expenses, plus hotel and transportation for days worked. (5) American Federation of Musicians. (6) $15 per day when working. (7) Taxies, phone calls, messengers, and incidentals.

Scott, Walter R., 1419 Board of Trade Building, Tenth and Wyandotte Streets, Kansas City, Mo. (1) The Board of Trade of Kansas City, Mo. (2) Employer's interest only. (3) From year to year. (4) I receive no specific compensation for services connected with legislative matters. Present annual salary ($15,730) fixed and determined on basis of other duties primarily. (5) The Board of Trade of Kansas City, Mo. (6) Actual amount expended. (7) Travel, subsistence, stenographic and printing expense, and items usually included in travel expense.

Scott, William C., 49 Wall Street, New York, N. Y. (1) American Nurses' Association,

[2] Registration with the Clerk only.

[2] Registration with the Clerk only.

[3] Registration with the Secretary only.

1790 Broadway, New York, N. Y. (2) American Nurses' Association. (3) Indefinite. (4) Fee for legal services (and disbursements) based upon duration and nature of employment will be paid to the firm of Satterlee, Warfield & Stephens, of which I am a member. (5) American Nurses' Association. (6) Reimbursement for actual expenses. (7) Travel and hotel expenses, telegrams, postal and other incidental expenses.

Shelby, James, 3129 North State, Jackson, Miss. (1) CWA, Southern Division No. 9, 23 Broad Street SW., Atlanta 3, Ga. (2) CWA and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1, 1950. (4) $5,400 per year. (5) Same as (1). (6) Reimbursed for actual expenses. (7) See (6).

Shield, W. Lee, 230 North Michigan Avenue, Chicago, Ill. (1) American Life Convention (see attached exhibit [1]). (2) American Life Convention (see attached exhibit filed under (1)[1]). (3) Regularly employed member of staff operating on a yearly salary basis. (4) See attached exhibit filed under (1).[1] (5) American Life Convention. (6) Actual personal expenses. (7) Travel, hotel, meals, taxi, and similar incidental expenses.

Sims, S. E., 23 Broad Street SW., fourth floor, Atlanta, Ga. (1) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (2) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (3) Two years. (4) $6,000 per annum. (5) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (6) No specific amount authorized; reimbursed for actual expenses. (7) No specific amount authorized; reimbursed for actual expenses.

Smallwood, William A., 23 Broad Street SW., fourth floor, Atlanta, Ga. (1) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (2) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (3) Two years. (4) $7,200 per annum. (5) Communications Workers of America, Division 49, 23 Broad Street SW., fourth floor, Atlanta, Ga. (6) No specific amount authorized; reimbursed for actual expenses. (7) No specific amount authorized; reimbursed for actual expenses.

Smith,[2] Howard J., 510 Goodrich Building, Phoenix, Ariz. (1) Central Arizona Project Association, Wayne M. Akin, president, 510 Goodrich Building, Phoenix, Ariz. (2) Central Arizona Project Association, Phoenix, Ariz. (3) Indefinite. (4) $750 per month. (5) Central Arizona Project Association, Phoenix, Ariz. (6) Actual and necessary expenses, car mileage, plane and train fare, room and board when engaged in travel in interest of the association. (7) All expenses listed above and any additional expense which may occur in connection with work of the association.

Spingarn, Jerome H., 3212 McKinley Street NW., Washington, D. C. (1) Goldwater & Flynn, 60 East Forty-second Street, New York, N. Y. (2) I am associated with the above-named firm in representing the plaintiffs in certain actions for the recovery of unpaid back wages. (3) Indeterminate. (4) Fee cpen. Only a small proportion of this fee will be for lobbying activities, since the greater part of my time on this case is spent in preparation for trial and appeals. (5) Goldwater & Flynn, Esquires. (6) Reimbursement for all normal out-of-pocket expenses. (7) Disbursements for telephone, telegraph, transportation and subsistence, printing and duplicating, office and research costs.

Stewart Annalee (Mrs. Alexander Stewart), 1734 F Street NW., Washington, D. C. (1) Women's International League for Peace and Freedom, same address above. (2) On legislation dealing with international relations. (3) As long as the need requires. (4) Actual living expenses. (5) Women's International League for Peace and Freedom. (6) Actual living expenses. (7) Room, board, taxi, laundry, traveling expense and telephone; postage.

Stockhausen, William E., 49 Wall Street, New York, N. Y. (1) National Postal Committee for Books, a committee of the American Book Publishers Council, Inc., 67 West Forty-seventh Street, New York, N. Y. (2) National Postal Committee for Books. (3) Indefinite. (4) Fee for legal services (and disbursements) based upon duration and nature of employment will be paid to firm of Satterlee, Warfield & Stephens, with which firm I am associated. (5) Satterlee, Warfield & Stephens. (6) Reimbursement for actual expenses. (7) Travel and hotel expenses, telegrams, and other incidental expenses.

Stockton, Kenneth E., 67 Broad Street, New York, N. Y. (1) I have been associated with International Telephone & Telegraph Corp. in various capacities for many years and have been president of its subsidiary, American Cable & Radio Corp., for the past year. Recently this company has been negotiating with Western Union Telegraph Co. for the purchase of the latter company's cables, which negotiations have reached the point of necessitating several governmental approvals and possibly congressional action. Activities in the foregoing connection necessarily require my contact with Members of Congress and other Government officials. However, this is an incidental function under my duties for which I receive no additional remuneration above my regular salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The above-mentioned activities would not seem to come within the purview of the Lobbying Act. However, I have no objection to filing under the same and will furnish any further information if desired. My salary is $45,000 per annum, no part of which is specifically for the purpose of influencing legislation. (2) American Radio & Cable Corp., 67 Broad Street, New York, N. Y. (3) Permanent. (4) See statement above. (5) See statement above. (6) Actual expenses, estimated to be about $1,500 per month for the next several months. (7) Transportation, hotel, meals, and incidentals, etc., to, from, and in Washington.

Strackbein, O. R., 601 Carpenters' Building, Washington, D. C. (1) International Allied Printing Trades Association, Box 728, Indianapolis, Ind. (2) International Allied Printing Trades Association. (3) Indefinite. (4) $50 a month. (5) International Allied Printing Trades Association. (6) Actual expenses incurred. (7) Traveling, telephone, mimeographing, etc.

Stuart, T. Ralph, Jr., 310 Mercantile Building, Denver, Colo. (1) CWA, Mountain States Division, No. 17, 310 Mercantile Building, Denver, Colo. (2) CWA and its divisions. (3) For term of office expiring November 1, 1949. (4) $14.70 per day plus $100 per month. (5) Same as (1). (6) Reimbursed for actual expenses incurred. (7) See (6).

Tait, Robert P., 5927a Easton Avenue, St. Louis, Mo. (1) CWA, Division No. 20. (2) CWA and its divisions. (3) Term of office expiring November 2, 1949. (4) $17 per day. (5) Same as (1). (6) Reimbursed for actual expenses. (7) See (6).

Taylor, C. Tracy, 1317 F Street NW., Washington, D. C. (1) Registrant is engaged in the general practice of law and has been retained by the following association to advise with respect to legislation which may affect it, the interests of which association may require registrant, as counsel, to attempt to influence legislation: Pennsylvania Bakers' Association, 5700 North Broad Street, Philadelphia, Pa. (2) Members of the association referred to in (1) and other members of the industry with like interests. (3) Indeterminate. (4) Registrant has no fixed agreement with regard to compensation and has received no compensation at the time of the filing of the within form. Registrant's fees will later be determined in the light of usual professional considerations; including total time involved, training, experience, and skill required, importance of the matter, and results obtained. (5) Pennsylvania Baker's Association. (6 and 7) Registrant expects to be reimbursed for all expenses other than the regular expenses of his law office and minor expenses such as local telephone and transportation. Such expenses may include telephone and telegraph, traveling, document, and other direct special expenses incurred on the business of the association. The amount of such expenses cannot at this time be estimated.

Taylor, C. Tracy, 1317 F Street NW., Washington, D. C. (1) Registrant is engaged in the general practice of law and has been retained by the following society to advise with respect to legislation which may affect it, the interest of which society may require registrant, as counsel, to attempt to influence legislation: Schenectady County Chapter of the New York Society of Professional Engineers, affiliated with the National Society of Professional Engineers, care of E. H. Bancker, 1 River Road, Schenectady, N. Y. (2) Members of the society referred to under (1) and members of other engineer societies with like interests. (3) Indeterminate. (4) Registrant has no fixed agreement with regard to compensation and has received no compensation at the time of the filing of the within form. Registrant's fees will later be determined in the light of usual professional considerations. including total time involved, training, experience and skill required, importance of the matter, and results obtained. (5) Registrant will submit statements in accordance with directions of the society referred to in (1). (6 and 7) Registrant expects to be reimbursed for all expenses other than the regular expenses of his law office and minor expenses such as local telephone and transportation. Such expenses may include telephone and telegraph, traveling, document, and other direct special expenses incurred in the business of the society. The amount of such expenses cannot at this time be estimated.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y. (1) California Citrus Producers Association, Inc., Redlands, Calif. (2) California Citrus Producers Association, Inc. (3) Indefinite. (4) Expenses only. (5) California Citrus Producers Association, Inc. (6) Actual out-of-pocket; indefinite. (7) All travel and other out-of-pocket expenses.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y. (1) Clothespin Manufacturers of America, 1427 Eye Street NW., Washington, D. C. (2) Same as (1). (3) Indefinite. (4) $100 per day for time actually spent. (5) Clothespin Manufacturers of America. (6) Indefinite. (7) All out-of-pocket.

Tobler, H. Willis, 1731 Eye Street NW., Washington, D. C. (1) National Cooperative Milk Producers Federation, 1731 Eye Street NW., Washington, D. C. (2) National Cooperative Milk Producers Federation. (3) Indefinite; no fixed term. (4) $7,000 per annum. (5) National Cooperative Milk Producers Federation. (6) To be reimbursed for all actual expenditures. (7) All expenses incident to the work of the federation.

Tolman, Neil, 1025 Connecticut Avenue, Washington, D. C. (1) I am retained as a Washington, D. C., attorney by the Phillips Petroleum Co., Bartlesville, Okla. I have no title or official status in the corporation. Among my several duties I am expected to maintain contacts with the various governmental administrative agencies and depart-

[1] Not printed. Filed in the Clerk's office.
[2] Registration with the Clerk only.

ments, to handle with them or assist officers of the Phillips Petroleum Co. and/or Phillips Chemical Co. in handling matters of concern to Phillips pending before such agencies and departments, and to furnish the vice president and other executives and employees of Phillips information as to current events relating to the fertilizer industry in general as it may pertain to Phillips Chemical Co., a wholly owned subsidiary of Phillips Petroleum Co. I do not directly or indirectly for any purpose solicit, collect, or receive money or other things of value in connection with my activities for Phillips Petroleum Co. from any person or company other than Phillips. My principal purpose is that indicated above; legislative activity on my part is not my principal work, but is occasional and incidental to my law practice. I register under the Lobbying Act as a matter of precaution, as I am unable to construe the act with certainty. (2) Phillips Chemical Co. (3) Not yet determined. (4) Retainer not yet determined. (5) Phillips Petroleum Co. (6) No fixed or agreed amount. (7) All expenses necessarily incurred.

Townsend, Wallace, Commercial National Bank Building, Little Rock, Ark. (1) South Western Gas & Electric Co., of Shreveport, La. I have been one of the company's Arkansas attorneys for the past several years on a regular monthly salary, with additional compensation and expenses whenever I have been called out of Little Rock. I am here with officers of my company to appear before the Subcommittee on Appropriations, and decided that, although I do not regularly nor often come to Washington, I should register. (2) South Western Gas & Electric Co., of Shreveport, La. (3) I have been one of the company's Arkansas attorneys since either 1941 or 1942 and, so far as I know, shall continue indefinitely in that capacity. This trip to Washington is in connection with the Thursday, February 24, 1949, hearing above stated. (4) I receive a regular salary of $200 per month, and whenever my employment calls me out of Little Rock I receive $100 per day and my actual expenses. (5) South Western Gas & Electric Co. (6) Actual traveling expenses. I send a statement of such expenses and per diem upon my return from any trip for the company. (7) Transportation, hotel bills, and the other expenses, such as meals, taxi fares, etc.

Transue, Loran, 1000 Askin, Kansas City, Mo. (1) Friends of the American Constitution, Post Office Box 1126, Kansas City Mo. Property Owners Association of Missouri, Casper Ehlers, president, 5316 Gilan, St. Louis, Mo. (2) Members and other citizens of the United States of America. (3) Year 1949. (4) All expenses; no salary. (5) Friends of the American Constitution, F. E. Nolte, treasurer. Property Owners of Missouri, Casper Ehlers, president. (6) All expenses. (7) Transportation, meals, room, any office work, tips, taxis, laundry and pressing, miscellaneous.

Troester, Carl A., Jr., 1201 Sixteenth Street NW. (1) American Association for Health, Physical Education, and Recreation. (2) American Association for Health, Physical Education, and Recreation. (3) Employed on an annual basis. (4) Quarterly salary, $1,750 (percentage of salary estimated for legislative service, $87.50). (5) American Association for Health, Physical Education, and Recreation. (6) Refund of any actual expenses. (7) Travel, meals, tips, hotel, and usual expenses incurred in any necessary trips involving legislation (away from Washington, D. C.).

Turner, P. C., Equitable Building, 10 North Calvert Street, Baltimore, Md. (1) Food Producers Council, Inc. (an organization of farmers), 10 North Calvert Street, Baltimore, Md. (2) Food Producers Council, Inc. (a farmers' organization). (3) Permanent, president and general manager of Food Producers Council, Inc. (4) $3,000 per year as president, general manager, and legislative representative. (5) Food Producers Council, Inc. (6) Actual incurred expenses. (7) Travel, meals, lodging, communication.

Uhl, Mrs. Gladys, 132 Third Street SE., Washington, D. C. (1) American Parents Committee, 132 Third Street SE., Washington, D. C. (2) American Parents Committee. (3) Started April 4, 1949. (4) $75 per week and expenses. (5) American Parents Committee. (6) [Blank.] (7) Travel, entertainment, etc.

Urbanske, Leo, Jr., 260 Constitution Avenue NW., Washington, D. C. (1) Communications Workers of America, division No. 36, 260 Constitution Avenue NW., Washington D. C. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) For term of office expiring November 8, 1949. (4) $720 per year. (5) Same as (1) above. (6) Expenses included in $720. (7) See (6) above.

Urheim, Bernard E., care of American Retail Coal Association, 858 First National Bank Building, Chicago, Ill. (1) American Retail Coal Association, 858 First National Bank Building, Chicago, Ill., a trade association representing approximately 50 local, State, and regional retail coal associations in 27 States, together with a number of individual coal merchant members. (2) American Retail Coal Association. (3) Indefinite. (4) Registrant is employed as executive secretary of American Retail Coal Association, with headquarters in Chicago, Ill., and his duties are chiefly concerned with gathering information and advising members of the association with respect to problems affecting the industry. Registrant's activities which might come within the scope of the Lobbying Act will comprise only a negligible part of his duties. Not in excess of $2,500 of registrant's compensation will be attributable to activities coming within the scope of the Lobbying Act. (5) American Retail Coal Association. (6) Usual expenses of travel. (7) See answer to question (6).

Vanderslice, R. L., 520 North Michigan Avenue, Chicago, Ill. (1) Chicago Residential Hotel Association, 520 North Michigan Avenue, Chicago, Ill. (2) Chicago Residential Hotel Association. (3) Indefinite. (4) No compensation, reimbursement for actual out-of-pocket expenditures. (5) Chicago Residential Hotel Association. (6) Actual expenses incurred. (7) Cost of transportation, hotel accommodation, meals, and incidental expenses.

Walker,[3] Horace, 913 Union Trust Building, Washington, D. C. (1) District of Columbia Pharmaceutical Association (I am the executive secretary of the District of Columbia Pharmaceutical Association). (2) Drug store owners and registered pharmacists. (3) Indefinite. (4) $3,600 per annum. (5) District of Columbia Pharmaceutical Association. (6) None. (7) None.

Walker,[3] Horace, 913 Union Trust Building, Washington, D. C. (1) Marine Trade Association of Washington (a membership comprised of marine supply stores, yacht brokers, marine insurance representatives, etc.). I am the executive secretary of the Marine Trade Association. (2) Members of the Marine Trade Association of Washington. (3) Indefinite. (4) $1,800 per year. (5) Marine Trade Association of Washington. (6) None. (7) None.

Walton, George H., 83 Walton Street NW, Atlanta, Ga. (1) Communications Workers of America, southern division No. 49, 83 Walton Street NW., Atlanta, Ga. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) November 14, 1950. (4) $4,800 per year. (5) Communications Workers of America, southern division No. 49. (6) No specific amount authorized. Reimbursed for actual expenses. (7) See (6) above.

[3] Registration with the Secretary only.

Watts,[3] Glenn E., Standard Oil Building, Room 539, 261 Constitution Avenue NW., Washington, D. C.; Communications Workers of America, Washington division No. 36, Standard Oil Building, room 539, Constitution Avenue NW., Washington, D. C. (2) Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (3) For the term of office which expires November 29, 1949. (4) $6,500 per annum. (5) The organization whose name appears in (1) above. (6) No specific amount authorized. Reimbursement for actual expenses. (7) See answer in (6) above.

Webb, Leland D., 610 Shoreham Building, Washington, D. C. (1) Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (2) See (1). (3) Registrant is a vice president of the employer named in (1) and is normally manager of employer's western region office at Los Angeles, Calif. Temporarily, and only while there is a vacancy in the office of general manager, registrant is serving as acting general manager at the Washington office of employer. In the opinion of the registrant, none of his past activities nor any contemplated for the future fall within the terms of Public Law 601, Seventy-ninth Congress. (4) During his temporary assignment as acting general manager registrant will receive a salary at the rate of $18,000 a year and his actual increased living expenses while away from home but not to exceed the rate of $25 a day, but no part of his salary and no part of the expense allowance is paid for activities covered by Public Law 601 of the Seventy-ninth Congress. (5) See (1). (6) and (7) Aside from the expense allowance mentioned in answer to (4) registrant will be reimbursed for actual expenses incurred in the performance of his duties.

Weishaar, Wayne, 1025 Connecticut Avenue, Washington, D. C. (1) Aeronautical Training Society, Inc., 1025 Connecticut Avenue, Washington 6, D. C. (2) Aeronautical Training Society, Inc., 1025 Connecticut Avenue, Washington, D. C., a nonprofit, nonstock corporation whose members are engaged in the aeronautical training of pilots, mechanics, or technicians. (3) Employed until the annual meeting to be held in May 1949. Subject to renewal of employment agreement at that time. (4) $10,000 per annum plus the use of office facilities, supplies, and the aid of clerical help for all services rendered and supplies of Aeronautical Training Society as secretary thereof, only a very small part of which services fall within the purview of the Federal Regulation of Lobbying Act. (5) Aeronautical Training Society, Inc., 1025 Connecticut Avenue, Washington, D. C. (6) There is no predetermined amount of the expenses to be paid to Mr. Weishaar. They shall include amounts incurred and expended by the registrant in connection with his duties as Secretary of the Aeronautical Training Society. Only a very small part of which is within the purview of the Federal Regulation of Lobbying Act. (7) Such expenses as may be incurred for travel, hotels, meals, telephone, publications, telegraph, entertainment, etc., in the performance of his duties as secretary of the Aeronautical Training Society. Only a very small part of his duties will be, and therefore only a small part of his expenses will be incurred in activities within the purview of the Federal Regulation of Lobbying Act.

Wheeler, Burton K., 704 Southern Building, Washington, D. C. (1) Mr. Jacob Neubauer, of Billings, Mont., through his attorneys, Burke & Hibbs, of Billings, Mont., forwarded a retainer in the amount of $1,000 for the purpose of assisting the immigration of his relatives now residing in Germany. The nature of the employment necessarily involves conferences with the Displaced Persons Commission, the International Refugee Organization, and other agencies, and, incidental

[3] Registration with the Clerk only.

thereto, support of the enactment of appropriate legislation which may be of assistance to Mr. Neubauer's relatives and people similarly situated. (2) See (1). (3) See (1). (4) See (1). (5) See (1). (6) Actual expenses. (7) Petty cash disbursements, such as taxi fares, long-distance telephone calls, etc.

Wheeler, Burton K., 704 Southern Building, Washington, D. C. (1) A group of farmers in Teton County, Mont., through Mr. Emil Schultz, one of the group, forwarded a retainer in the amount of $500 for the purpose of aiding them in securing an adjustment of their 1947 Federal crop-insurance premiums. The nature of the employment necessarily involves conferences with the Federal Crop Insurance Corporation and other branches of the Department of Agriculture, and, incidental thereto, support of the enactment of appropriate legislation which may provide relief for these farmers. (2) See (1). (3) See (1). (4) See (1). (5) See (1). (6) Actual expenses. (7) Petty cash disbursements, such as taxi fares, long-distance telephone calls, etc.

Whitaker, Clem, 1 North LaSalle Street, Chicago, Ill. (1) National education campaign, American Medical Association. Registrant is engaged in activities, part of which are, and part of which are not, subject to Public Law 601, Seventy-ninth Congress. Data shown below are estimates of amounts allocated to activities subject to such act and are explained in detail in the statement hereunto annexed and made a part hereof. (2) American Medical Association (see attached statement).[1] (3) Continuing (see attached statement).[1] (4) $1,250 per month (see attached statement.[1] (5) National education campaign, American Medical Association (see attached statement).[1] (6) Reimbursement of actual expenses incurred, estimated at $850 a month (see attached statement).[1] (7) Travel, meals, office facilities and living quarters, telephone and telegraph, and reimbursement of out-of-pocket expenditures.

Whitaker, Leone Baxter, 1 North LaSalle Street, Chicago, Ill. (1) National education campaign, American Medical Association. Registrant is engaged in activities, part of which are, and part of which are not, subject to Public Law 601, Seventy-ninth Congress. Data shown below are estimates of amounts allocated to activities subject to such act and are explained in detail in the statement hereunto annexed and made a part hereof. (2) American Medical Association (see attached statement).[1] (3) Continuing (see attached statement).[1] (4) $1,250 per month (see attached statement).[1] (5) National education campaign, American Medical Association (see attached statement).[1] (6) Reimbursement of actual expenses incurred, estimated at $850 a month (see attached statement).[1] (7) Travel, meals, office facilities and living quarters, telephone and telegraph, and reimbursement of out-of-pocket expenditures.

Wilson, Frank E., M. D., M. P. H., Suite 301, 1302 Eighteenth Street NW., Washington, D. C. (1) American Medical Association, 535 North Dearborn Street, Chicago, Ill. (2) The medical profession as represented by the American Medical Association. (3) Annual. (4) $12,000 per year and retirement. (5) American Medical Association. (6) Up to $2,400 annually. (7) Travel expense: Railway, air, taxi, and hotel.

Wilson,[2] Robert J., 2003 Eye Street NW., Washington, D. C. (1) National Restaurant Association, 8 South Michigan Avenue, Chicago, Ill.; Washington Restaurant Association, 2003 I Street NW., Washington, D. C. (2) The restaurant industry. (3) Indefinite. (4) None for legislative work. (5) None for legislative work. (6) None for legislative work. (7) None for legislative work.

[1] Not printed. Filed in the Clerk's office.
[2] Registration with the Clerk only.

Woodul, Walter F., Chronicle Building, Houston, Tex. (1) Angelina & Neches River Railroad Co., Keltys, Tex.; Burlington-Rock Island Railroad Co., Houston, Tex.; The Chicago, Rock Island & Pacific Railway Co., Fort Worth, Tex.; Fort Worth & Denver City Railway Co., Fort Worth, Tex.; Gulf, Colorado and Sante Fe Railway Co., Galveston, Tex.; The Kansas City Southern Railway Co., Kansas City, Mo.; Louisiana & Arkansas Railway Co., Kansas City, Mo.; International-Great Northern Railroad, Houston, Tex.; Missouri-Kansas-Texas of Texas, Dallas, Tex.; New Orleans, Texas & Mexico Railway Co., Houston, Tex.; Panhandle and Sante Fe Railway Co., Amarillo, Tex.; Paris and Mt. Pleasant Railroad Co., Paris, Tex.; Quanah, Acme & Pacific Railway Co., Quanah, Tex.; St. Louis, San Francisco & Texas Railway Co., Fort Worth, Tex.; St. Louis, Southwestern Railway Co., of Texas, St. Louis, Mo.; Southern Pacific Co., San Francisco, Calif.; Texas & New Orleans Railroad Co., Houston, Tex.; Texas South-Eastern Railroad Co., Diboll, Tex.; The Texas & Pacific Railway Co., Dallas, Tex.; The Texas Mexican Railway Co., Laredo, Tex.; The Union Terminal Co., Dallas, Tex.; Wichita Falls, Tex.; The Wichita Valley Railway Co., Fort Worth, Tex. (2) See (1). (3) Years 1949 and 1950. (4) $12,000 per annum, payable monthly. (5) See (1). (6) Usual out-of-pocket expenses when away from Houston, Tex. (7) Traveling, hotel, eating, taxis, telephones, and usual and ordinary expenses incident to my work.

Wunluck, William H., Durkee Famous Foods, 3655 Iron Street, Chicago, Ill. (1) Durkee Famous Foods, 3655 Iron Street, Chicago, Ill. (2) Durkee Famous Foods, 3655 Iron Street, Chicago, Ill. (3) Indefinite. (4) To be reimbursed only for expenses incurred. (5) Durkee Famous Foods, 3655 Iron Street, Chicago, Ill. (6) Unspecified expense account. (7) Only actual living expenses while in Washington.

Wyatt, Joseph M., 501 Keyser Building, Baltimore, Md. (1) District Cab Co., Inc., The Washington Bell Cab Co., Inc., Washington Cab Association, Inc., Premier Cab Association, Eagle Cab Co., Inc., G & M Motors, Inc., Skyview Cab Co., Inc., Independent Taxi Owners Association, Inc., Columbia Cab Co., Inc., Yellow Cab Co., of Washington, D. C., Inc., all of Washington, D. C. (2) In the interest of the companies listed in (1). (3) Until December 31, 1960, or until the bill is passed. (4) Have received $1,500 and will receive $16,000 additional if the bill is passed. (5) By the companies listed under (1) (6) Expenses, if any, are to be paid out of the $1,500. (7) Travel, meals, hotel, expenses, if any.

Yeghenian, Miss Ave, 70 West Fortieth Street, New York, N. Y. (1) Mrs. Marie Gulbenkian, Hotel St. Moritz, New York, N. Y. (2) Mrs. Marie Gulbenkian. The employment is an ordinary attorney-client retainer. This law firm represents this client before the Immigration and Naturalization Service in connection with her application for amendment of her record to show that she is a permanent resident of the United States and was returning from a temporary visit abroad, and will seek on her behalf, if necessary, relief by congressional legislation. Payments on account of fee and disbursements in respect to the litigation have been received by this firm. What fee, if any, will be charged in connection with the legislation cannot be estimated at this time. In any event, any fee in connection with the legislation will be calculated at a rate not in excess of $150 per diem. It is believed that Public Law 601 is not applicable to this situation, but this registration is filed in view of lack of authoritative interpretation of such law. (3) Indefinite. (4) Indefinite. (5) Mrs. Marie Gulbenkian. (6) On the basis of necessary expenses actually incurred. (7) Expenses incidental to the necessary trips to Washington.

Zimmerman & Norman, 111 West Monroe Street, Chicago, Ill. (1) Marquette Cement Manufacturing Co., 20 North Wacker Drive, Chicago, Ill. (2) Marquette Cement Manufacturing Co. for whom registrant acts as legal counsel. Registrant's services include opinions regarding legislation which may affect its client's marketing practices. One partner of registrant has testified before a congressional committee and has been asked by the chairman of the committee to furnish it with certain information. Partners of registrant are asked to speak at meetings in which such legislation is discussed. From time to time, registrant is asked to furnish copies of such opinions, testimony, and speeches, and may desire to furnish printed or mimeographed copies thereof to interested parties. Registrant does not believe that its services come within the scope of the Federal Lobbying Regulation Act, but makes this registration so that there may be no question as to the legality of its activities. (3) Indefinite. (4) A reasonable fee for legal services, which cannot be determined in advance. (5) Marquette Cement Manufacturing Co. (6) Reimbursement for actual expenses as incurred. (7) Traveling, telephone, telegraph, printing, and mimeographing expenses.

QUARTERLY REPORTS

The following quarterly reports were received for the first calendar quarter, 1949, and filed, using Form C, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space the questions in Form C (see p. 5746) are not repeated. Only the answers are printed and are indicated by numbers in parentheses.)

Adams, Lynn, 8 West Twenty-fifth Street, Baltimore, Md.; The National Committee for Mental Hygiene, Inc., 1790 Broadway, New York, N. Y.. (1) $547.65. (2) Myself. (3) Salary and expenses. (4) None. (5) Support appropriations—National Mental Health Act.

Addis,[4 5] Rhoena, box 1804, Lincoln, Nebr. (1) 25 percent of revenue, Iowa-Nebraska, consisting of memberships, contributions, etc., out of which all promotional expense for the above States must be paid. (2) Rhoena Addis, organizer for Iowa-Nebraska, for Townsend Plan, Inc. (3) Promoting the Townsend plan and organizing clubs; gross revenue for quarter, $845.18; old-age benefit, $8.53; withheld tax, $100.90; traveling, hotels, meals, supplies, printing, postage, etc., $421.19; net, $308.56. (4) [Blank.] (5) To effectuate better living conditions for aged and helpless.

Addis,[6] Rhoena, box 1804, Lincoln, Nebr. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) 25 percent of revenue, Iowa-Nebraska, consisting of memberships, contributions, etc., out of which all promotional expense for above States must be paid. (2) Rhoena Addis, organizer for Iowa-Nebraska, for Townsend Plan, Inc. (3) Promoting Townsend plan and organizing clubs. Gross revenue, $722.43; old-age benefit, $7.22; withheld tax, $83; traveling, hotels, meals, supplies, printing, postage, etc., $457.68; net, $174.53. (4) None. (5) To effectuate better living conditions for aged and helpless.

Addis,[7] Rhoena, box 1804, Lincoln, Nebr. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Rhoena Addis, organizer for Iowa-Nebraska, for Townsend Plan, Inc., 25 percent of revenue, Iowa-Nebraska, consisting of memberships, contributions, etc., out of which all promotional expenses must be paid. (2) Rhoena Addis, organizer for Iowa-Nebraska, for Townsend Plan, Inc. (3)

[4] Filed with the Secretary only.
[5] Filed for second quarter, 1948.
[6] Filed for third quarter, 1948.
[7] Filed for fourth quarter, 1948.

Promoting the Townsend plan and organizing clubs. Gross revenue, $801.18; old-age benefit, $3.34; withheld tax, $93.80; traveling, hotels, meals, supplies, printing, postage, etc., $461.11; net, $242.93. (4) None. (5) To effectuate better living conditions for aged and helpless.

Adkerson, J. Carson, 976 National Press Building, Washington 4, D. C. Self. (1) Received, $2,000; expended, $1,284.09. (2) Various. (3) General expenses. (4) None. (5) Interested in any legislation having to do with manganese or strategic minerals.

Alifas, Nels Peter, Room 303, Machinists Building, Washington, D. C. District No. 44, I. A. of M. (same address). (1) Salary $1,999.98; reimbursed to the extent of $20 for legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying, i. e., supporting or opposing, as the case may be, legislation affecting working conditions of Government employees and, incidentally, organized labor in general. Not more than 20 percent of time spent on this work. (4) The Federal Machinist, a monthly periodical, of which he is editor (5) All legislation affecting working conditions of Government employees, and occasionally organized labor in general.

Allman, Roy G., 927 Fifteenth Street, NW., Washington, D. C.; self. (1) Received $2,000 as fees; expended approximately $100 per month. (2) Transportation, taxies, telephone, cables, postage, entertainment. (3) Private bills and to promote bills to pay Americans for damages received as a result of war in the Far East. (4) None. (5) Private bills and to pay Americans for war damages.

American Association of University Women,[4] [5] 1634 I Street NW., Washington, D. C. (1) None, except salary of registered associate; for communications to State chairmen, including mimeographing and mailing, $25.42. (2) Legislative program associate who is registered under the act charged to office supplies. (3) As part of yearly salary, educational information for use of State chairmen. (4) Journal of the American Association of University Women (quarterly), General Director's Letter (three or four times a year as program guide to branch officers). (5) See attached material.

American Booksellers Association, Inc. (Gilbert E. Goodkind, executive secretary), 31 Madison Avenue, New York, N. Y.; American Booksellers Association, Inc. (1) Mailing to booksellers, March 1949, $217.11, traveling expenses, Gilbert E. Goodkind, $190; total, $407.11. (2) ABA Mailing Service, 10 Maiden Lane, New York (for mailing to booksellers); hotel and railroad expenses for Gilbert E. Goodkind to Washington, D. C., on several occasions. (3) Mimeographing and mailing leaflets to members of this association; trips to Washington, D. C., by Gilbert E. Goodkind in connection with hearings on S. 1103 and H. R. 2945. (4) Articles in ABA bulletin; releases to Publishers Weekly. (5) Legislation to increase the book parcel-post rate; H. R. 2945 and S. 1103.

American Citizens Committee to Establish New Immigration Quota of Greece Without Discrimination (short title, Act Now Committee). (James A. Booras and Robert W. Malone, chairman and secretary, respectively), 4313 Argyle Terrace, Washington, D. C.; Committee, by self; Individuals, by said committee. (1) $1,000, contribution from Anne Booras; $119, miscellaneous and individual contributions; expended, $1,545.77. (2) See (3). (3) Advertisements, Greek-language press, $545.40; secretarial, $400; office, postage, and petties, $76.50; telephone and telegraph, $87.30; legal-professional, $200; printing, stationery, $156.75; public documents, $26; public stenography, $53.83. All relating to publicity and public relations. (4) Greek-language newspapers Atlantis and New Herald (New York, N. Y.). (5) To augment and implement existing quotas of Greek immigration; i. e., H. R. 1396, S. 1193.

American Dental Association, 222 East Superior Street, Chicago, Ill. (1) Francis J. Garvey, salary, January 1, 1949–March 31, 1949, $2,250. (2) Baltimore & Ohio Railroad, United Air Lines, Mayflower Hotel, various restaurants, cab companies, and individuals, for gratuities, $441.99. (3) Transportation, meals, entertainment, and personal services. (4) The Journal of the American Dental Association. (5) To present the views of the American Dental Association as fixed by action of its house of delegates and board of trustees with regard to Federal legislation affecting the health of the American people, particularly dental health, and legislation which affects directly or indirectly the practice of the profession of dentistry.

American Nurses' Association, 1790 Broadway, New York, N. Y. (1) Less than $50. (2) Edith M. Beattie, chairman of American Nurses' Association special committee on Federal legislation, telephone, transportation, and miscellaneous. (3) Postage. (4) The American Journal of Nursing is the official publication of the American Nurses' Association. Through the medium of the American Journal of Nursing, membership is kept informed of pending legislation affecting nurses, nursing, or health by means of editorials or signed articles. (5) Legislation pertaining to health, nurses, or nursing.

The American Short Line Railroad Association, 1120 Tower Building, Washington, D. C.; 317 common-carrier railroad members of the association. (1) Contributed by 317 member lines during first quarter 1949, $104,554.46, only a small portion of which is for the purpose of influencing legislation. (2) J. M. Hood, $132.50; Washington Baseball Club, $200; Wilson-Epes Printing Co., $320; A. C. Mellichampe, $17; proportion of president's time and supporting secretary and clerks, telephone, telegraph, postage, rent, office supplies, taxes, etc., estimated at $412.40. (3) For salaries, office expenses, printing, and reimbursement of personal expenses in furtherance of the legislation program of the 317 member lines of the association. (4) Legislative program, copy attached, and distributed to all Members of Congress and to officers of member lines. (5) See legislative program referred to in item (4) and attached hereto.

Amundsen,[7] Paul A., assistant to the president, American Association of Port Authorities, Washington Building, Washington, D. C.; American Association of Port Authorities. (1) Received $450 salary. (2) Self. (3) Salary. (4) Independently employed as editor of World Ports, a monthly trade journal. (5) Merely keep membership advised on legislative developments for their own individual or collective action, without recommendations. Tidelands and Government reorganization bills are known current interests.

Amundsen,[8] Paul A., assistant to the president, American Association of Port Authorities, Washington Building, Washington, D. C.; American Association of Port Authorities. (1) Received $600 salary. (2) Self. (3) Salary. (4) Independently employed as editor of World Ports, a monthly trade journal. (5) Merely keep membership advised on legislative developments for their own individual or collective action, without recommendations. Tidelands, Government reorganization, overtime-on-overtime bills, known current interests.

Anthony, Richard H., 19 West Forty-fourth Street, New York 18, N. Y. American Tariff League, Inc. (1) Salary, $3,125; reimbursement for expenses, $319.55; total, $3,444.55. (2) Various. (3) Expended chiefly in connection with registrant's trips to Washington and were made to railroads, hotels, restaurants, taxies, hotel employees, etc. (4) Although statements made by registrant are known to have found their way into publications, and may have appeared in publications unknown to registrant, none of them did registrant cause to be published, as he construes language of the act. (5) Although registrant, in his opinion, is not employed to support or oppose any particular proposed legislation within the meaning of the act, registrant is interested in any legislation relating to tariff, and actually appeared during the quarter in public hearings before congressional committees in relation to the pending H. R. 1211.

Apsey, Lawrence S., Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass. (1) March 30, 1949, traveling expenses, trip to Washington, $64.06. (2) New York, New Haven & Hartford and Pennsylvania Railroad Cos. (3) Traveling expenses, taxies, streetcars, restaurants, and tips. (4) None. (5) H. R. 577.

Aring, Hector M., 826 Woodward Building, Washington, D. C.; Johns-Manville Corp., 22 East Fortieth Street, New York, N. Y. (1) See original registration form for complete explanation. No other contributions received. (2) None. (3) None. (4) None. (5) Opposed to appropriation for cotton subsidy under section 32 of the Agriculture Appropriation Act, 1947; tax legislation.

Armor, Albert, Corner Whitley and Pickerel Avenues, Corcoran, Calif.; von Glahn Land Co., Inc., and self (represented Western Cotton Growers Association also), box 697, Corcoran, Calif. (1) $1,888.03 from Western Cotton Growers Association, which was all expended for hotel, traveling, telephone, taxi, and other living expenses while in Washington in January and February 1949. (2) $1,888.03 paid out for travel, hotel, living, taxi, mimeograph, and meals. (3) Expenses while in Washington, D. C., for 33 days in January and February 1949. (4) None. (5) Supporting legislation to give western cotton growers fair treatment in future allotment programs.

Armstrong, Roy,[4] [7] 409 West Adams Street, Jacksonville, Fla. (1) Elected to office in November 1948. Salary for 2 months, $800; expenses, $153.18. (2) Normal living expenses plus railroad, air line, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Armstrong, Roy, 409 West Adams Street, Jacksonville, Fla.; Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (1) Elected to office in November 1948. Salary for 2 months, $800; expenses, $153.18. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Arnold, Fortas & Porter, Western Union Telegraph Co., 1200 Eighteenth Street NW., Washington, D. C. (1) $15,009.78 on account of legal fees and expenses. (2) Telephone, telegraph, railroad, taxi fares, and other actual expenses have been advanced by the firm of Arnold, Fortas & Porter in the amount of $73.67 of which amount $9.78 has been billed for and paid by the Western Union Telegraph Co. The remainder will be so billed and paid. (3) [Blank.] (4) None. (5) Any legislation involving the company's

[4] Filed with the Secretary only.
[5] Filed for first quarter, 1949.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.

operations, particularly measures repealing the 25 percent excise tax on domestic telegraph messages.

Arnold,[2] W. C., Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash. (1) None. (2) See (1). (3) See (1). (4) None. (5) None.

Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed March 1, 1949, and letters dated January 3, 1947, and February 24, 1949, on file. (2) Same as (1). (3) Same as (1). (4) None. (5) Same as (1).

Associated Third Class Mail Users, 1010 Vermont Avenue NW., Washington, D. C. (1) Income, $19,682.44; expenses, $9,072.90. (2) Edward M. Kriz, Mary Malone, Patricia Mortell, Mabel C. Hill, Scott G. Rigby, Margaret Devaney, Gay Lou Pocock, Lillian Fitzpatrick, John Smith, Jr., Sylvia Q. Karr, B. Wilson, Lilien Neuner, Posner, Berge, Fox & Arent; plus miscellaneous operating expenses. (3) The general purpose of the association is to foster more efficient use of third-class mail by those enterprises employing the use of it. (4) None. (5) All legislation relating to postal laws and regulations.

Association of American Shipowners, 90 Broad Street, New York, N. Y. The registrant, during the quarter for which this report is filed, was composed of various owners of vessels documented under the laws of the United States, listed on exhibit A annexed hereto[1] and made a part hereof. (1) No money has been received by the registrant for activities in furtherance of any object necessitating registration under Public Law 601. The registrant did, however, in the regular course of business, receive payment of dues from its members. No expenditure has been made by or on behalf of the registrant to any person for any amount or value in furtherance of any such object, except that registrant has paid salaries to and expenses of George W. Morgan, its president, and Lynn E. Mote, its vice president. For the extent, if any, to which such expenditures for salaries and expenses have been applied to activities in furtherance of any object necessitating registration, reference is hereby made to the reports being concurrently filed by such officers of the registrant and such reports are hereby made a part hereof. (2) See (1). (3) See (1). (4) See (1). (5) The registrant is not employed to support or oppose any proposed legislation. Reference is hereby made to paragraph 2 of the registrant's registration statement on form B, which paragraph is hereby made a part hereof.

Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. (1) See exhibit A attached to form A. (2) See exhibit A attached to form A. (3) See exhibit A attached to form A. (4) The association publishes the Casualty and Surety Journal. Also issues releases to insurance trade press and to papers and periodicals of general circulation, such releases being mainly concerned with accident-prevention problems. (5) Legislation affecting casualty and surety companies.

Aulsbrook, Knight G., Southern Building, Washington, D. C.; Construction Men's Association, 82 Beaver Street, New York, N. Y. (1) None. (2) [Blank.] (3) [Blank.] (4) What's Cooking, monthly publication of Construction Men's Association. (5) H. R. 3190 in first session, Eighty-first Congress; S. 653 in first session, Eighty-first Congress.

Austern, H. Thomas, 701 Union Trust Building, Washington, D. C.; British Columbia Packers, Ltd., Vancouver, British Columbia, Canada. (1) No money received or expended during first quarter of 1949. (2) [Blank.] (3) [Blank.] (4) None. (5) Legislation affecting Canadian fisheries.

Ayer, N. W., & Son, Inc., a Delaware corporation, and J. Vance Babb, Raymond C. Baker, and Oscar Leiding, employees thereof (collectively herein called registrant), 30 Rockefeller Plaza, New York, N. Y. (National Association of Electric Companies). (1) N. W. Ayer & Son, Inc. (Ayer), received from National Association of Electric Companies $44,255.92 for compensation and out-of-pocket expenses. (See item 2, below.) The only money received or spent by registrants, J. Vance Babb, Raymond C. Baker, and Oscar Leiding was for out-of-pocket expenses. (2) Traveling expenses, telephones, telegrams, mimeographing, postage, materials, prints, clippings, messengers, and miscellaneous expenses, totaling $27,353.11. (3) The amounts described in items (1) and (2) above were received or expended by Ayer in the performance of its consulting service on public relations and publicity service regarding the electric industry as described in registration dated March 24, 1949. (Neither the services nor the expenditures involved lobbying within the meaning of the Lobbying Act.) (4) TVA's New Design for Power, a booklet, and It's Your Pocketbook, a folder, privately printed and distributed. (5) None, except that Ayer's services included public-relations services and publicity regarding the proposed appropriation to the Tennessee Valley Authority for construction of a steam power plant. This quarterly report is filed subject to the reservations contained in the amended registration dated March 24, 1949.

Babcock, Charles E., Route 4, Box 73, Vienna, Va., National Council, Junior Order United American Mechanics of the United States of North America, 3027 North Broad Street, Philadelphia, Pa. (1) Have an expense account of $50 per month for out-of-pocket expenses. (2) Various. See below. (3) Services at gasoline stations, postage, telegrams, meals, hotel rooms, and transportation to and from Washington. (4) The Junior American. The official publication of the Junior Order. (See above.) (5) Immigration, deportation, and naturalization; free public schools; other legislation of special interest.

Bailey, C. Lloyd, 1000 Eleventh Street NW., Washington, D. C., Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary, January, February, March, $1,075; Travel expense, $180.37. (2) Various. (3) Travel is for the purpose of attending yearly meetings, quarterly meetings, or conferences of Friends and other groups to interpret developments in national and international policy, with special reference to legislation, and for other committee business. (4) We send a newsletter to a limited number of subscribers and Friends about once a month. (5) In general, to support measures leading to peace and humanitarian ends, such as world organization and world economic stability, world disarmament, foreign relief, aid to refugees, protection for racial minorities; support for the rights of conscience; opposition to conscription and the militarization of America.

Bailey, Frazer A., 1809 G Street NW., Washington, D. C., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Registrant believes that $2,250 represents the amount of his salary received from the National Federation of American Shipping, Inc., during the first quarter of 1949 which is allocable to legislative activities. (2) No expenditures except for taxicabs and similar items. (3) See item (2). (4) Lykes Fleet Flashes; Fair Play. (5) During the past quarter supported legislation relating to overtime-on-overtime, United States flag shipping participation in Government-financed cargoes and amendments to the Merchant Ship Sales Act of 1946.

Baldinger, Mary Alice, 4607 Connecticut Avenue NW., Washington, D. C., American Civil Liberties Union, 170 Fifth Avenue, New York, N. Y. (1) Expenses, January 1 through March 31, 1949, $98.39. Salary, same dates, $81.40. (2) Expenditures made for travel, transportation, office work and supplies, etc. (3) Same as (2). (4) [Blank.] (5) Any legislation affecting civil liberties.

Baldrige, H. M., 408 American Building, Washington, D. C., and 115 Pearl Street, New York, N. Y., United States Cane Sugar Refiners Association, 403 American Building, Washington, D. C., and 115 Pearl Street, New York, N. Y. (1) $2,000 per month or $6,000 for the quarter. No money expended on any legislative activity. (2) None. (3) None. (4) None. (5) No legislation at present nor none contemplated.

Baldwin, Philip L., 912 Investment Building, Washington, D. C., National Association of Mutual Insurance Agents, 912 Investment Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) To support any measures intended to promote the continuance of free enterprise in the American insurance agency system and to oppose all measures that would restrict such free enterprise.

Barber, Hartman, room 301, 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Seventh Floor, Brotherhood Building, Cincinnati, Ohio. (1) No money received except regular salary and expenses; total salary for quarter, $1,320; total expenses for quarter, $560.46. (2) None. (3) Travel and hotel expenses, telephone and telegrams, notary fees and postage. (4) None. (5) All legislation directly or indirectly affecting labor in any manner whatsoever, especially railroad labor.

Barger, Harry S., 1020 National Press Building, Washington, D. C.; National Economic Council, Inc., Empire State Building, New York, N. Y. (1) Salary, January 1 to March 31, 1949, $19,999.98. Reimbursement received by me for the following: Travel to New York, $29.03; mimeographing, $15.75; rent of office space, $25; and postage, stationery, etc., total, $20,084.48, for period shown. (2) Mimeographing paid to Mrs. William Howard Payne, National Press Building, Washington, D. C.; office space rent paid to Miss Nell Burgee, same address, and reimbursed to me by National Economic Council, Inc., my employer. Postage and stationery bought at usual places, and reimbursed. (3) [Blank.] (4) None. (5) I expect to appear in opposition to Federal housing program.

Bargeron, Carlisle, William Ingles, 1624 I Street NW., Washington, D. C. (1) Received $2,000. (2) Expended none. (3) Publicity. (4) I haven't the slightest idea. (5) Labor-management legislation.

Bargeron, Carlisle, National St. Lawrence Project Conference, room 843, Transportation Building, Washington, D. C. (1) Received, $3,292. (2) Expended $292 for railroads, hotels, meals in connection with traveling. (3) [Blank.] (4) I haven't the slightest idea. (5) St. Lawrence waterway project (opposed).

Barker, Richard B., 306 Southern Building, Washington, D. C.; Eastman Kodak Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barker, Richard B., 306 Southern Building, Washington, D. C.: the Haloid Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barnes, James M., 1025 Connecticut Avenue NW., Washington, D. C. (See original registration statement containing names of 18 companies.) (1) Supplementing paragraph 4 of the original registration statement filed March 2, 1949, the sum of $3,500 has been received through the quarter ending March 31, 1949. The companies contributing such $3,500 are as follows:

January 25, 1949, Fairbanks Tailoring Co., 1708 West Washington Boulevard, Chicago,

[1] Filed for fourth quarter, 1948.

[2] Filed for fourth quarter, 1948.

Ill., $500; January 25, 1949, Progress Tailoring Co., 500–532 Throop Street, Chicago, Ill., $500; January 25, 1949, J. B. Simpson, Inc., 831 West Adams Street, Chicago, Ill., $500;; January 25, 1940, the J. R. Watkins Co., Winona, Minn., $500; March 4, 1949, American Hosiery Mills, 741–821 East North Street, Indianapolis, Ind., $400; March 8, 1949, Mason Shoe Manufacturing Co., Chippewa Falls, Wis., $300; March 11, 1949, Zanol Products, 1111–33 Richmond Street, Cincinnati, Ohio, $300; March 31, 1949, Spirella Co., Inc., 2600 Main Street, Niagara Falls, N. Y., $250; March 31, 1949, Wallace Brown, Inc., 225 Fifth Avenue, New York 10, N. Y., $250. (2) No expenses. (3) None. (4) None. (5) Extension of social security to all gainfully employed including a method of covering the self-employed appropriately.

Barnett, Arthur R., National Association of Electric Cos., 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $3,375 as an officer and employee of the National Association of Electric Cos., and reimbursements of $381.07 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various hotels, restaurants, railroads, air lines, telephone and telegraph companies, taxicabs, bookstores, and stationers. (3) Railroad and transportation, $62.37; hotel and restaurants, $218.55; bookstores and stationers, $10.20; telephone and telegraph, $5.25; gratuities and miscellaneous, $84.70. (4) None. (5) One of the purposes and activities of the National Association of Electric Cos., of which I am an officer and employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Bartlett, John Stanton, Federal Career Employees Association of Washington, D. C., 2800 Woodley Road NW., Washington D. C. (1) None. (2) None. (3) None. (4) None. (5) Representative Klein's H. R. 2446.

Bass, Frank E., Legislative-Federal Relations division of National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Actual expenses only, $115.73. (2) Air lines, hotel, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Bauer, Charles J.,[1] Building Owners and Managers Association of Metropolitan Washington, 1129 Vermont Avenue NW., Washington, D. C. (1) None. (2) None. (3) [Blank.] (4) BOMA Letter (bimonthly newsletter). (5) I was not employed to support or oppose any proposed legislation. I was employed as permanent secretary of Building Owners and Managers Association of Metropolitan Washington, with duties including appearance at public hearings on legislative and regulatory matters of direct concern to the association.

Bauer, Charles J.,[2] Building Owners and Managers Association of Metropolitan Washington, room 517, 1129 Vermont Avenue NW. (1) None. (2) None. (3) [Blank.] (4) BOMA Letter (bimonthly newsletter). (5) I was not employed to support or oppose any proposed legislation. I was employed as permanent secretary of Building Owners and Managers Association of Metropolitan Washington with duties including appearance at public hearings on legislative and regulatory matters of direct concern to the association.

Beirne, J. A., Communications Workers of America, 917 G Place NW., Washington, D. C. (1) Expenses, $1,824.93; salary, $3,300. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Bell, Jones & Taylor (a partnership consisting of Luther K. Bell and O. A. Taylor), 350 Fifth Avenue, New York, N. Y., S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; H. L. Green Co., Inc., 902 Broadway, New York, N. Y.; G. C. Murphy Co., 531 Fifth Avenue, McKeesport, Pa. (1) Total receipts $9,258.52 (in addition registrant received proportionate share of the annual retainer from S. H. Kress & Co. and McCrory Stores, as stated in the registration statement on form B. total expenditures $9,249.31. (2) See statement attached.[1] (3) See statement attached.[1] (4) None. (5) See answer to question 2 of registration statement on form B.

Bennett, Hugh M., 17 South High Street, Columbus, Ohio, Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y. (1) Money expended by me and not yet reimbursed for: Pennsylvania Railroad fare from Columbus, Ohio, to Washington, D. C., January 11, 12, 13, 1949, round-trip fare, including roomettes both ways, $50.31; meals on train en route to Washington, D. C., and on Pennsylvania Railroad returning to Columbus, Ohio, and meals for 1 day in Washington, $9.60; taxicabs, including from residence in Columbus to depot on departure and return, $4.40; tips and handling luggage, $3.35; Hotel Carlton, Washington, D. C., 1 day, $7. (2) See above. (3) To investigate the possibilities of some modification in the excise tax on the retail sales of jewelry at the session of Congress which commenced on January 3, 1949. (4) None. (5) Jewelry excise tax elimination or revision.

NOTE.—No report comparable to this form was filed for the year 1948 as no work in the nature of lobbying was carried on during that year and no money was expended and no articles or editorials were caused to be published in any papers, periodicals, magazines, or other publications.

Benson, Ernest H., 10 Independence Avenue SW., Washington, D. C., national legislative representative, Brotherhood of Maintenance of Way Employees, 61 Putnam Avenue, Detroit, Mich. (1) Salary at rate of $8,600 per annum. No expense account. (2) Ernest H. Benson. (3) Activities in connection with legislative matters. (4) None. (5) Legislation directly or indirectly affecting the interests of the Brotherhood of Maintenance of Way Employees.

Benson, Judd C., 1718 Union Central Life Building, Cincinnati, Ohio; registrant is a nonsalaried officer and committee chairman of the National Association of Life Underwriters, a nonprofit incorporated association, 11 West Forty-second Street, New York, N. Y. (1) See Registration Form B; $146.59 reimbursement of expenses by registrant National Association of Life Underwriters. (2) Hotels, common carriers, restaurants, etc. (3) $146.59 reimbursed expenses for travel, meals, lodging, February 28, March 1, 2, 1949, Washington, D. C. (4) Life Association News, 11 West Forty-second Street, New York, N. Y. (5) See Registration Form B. Registrant is paid no salary by, and does not hold office in, registrant National Association of Life Underwriters for purposes of Public Law 601. Items of interest during dates cited were amendments to Social Security Act and status of tax revision legislation.

Berckes,[1] Herbert C., secretary, Southern Pine Industry Committee, 520 Canal Building, New Orleans, La. (1) Received: For services as secretary, $750. Expended: For travel expense, $1,507.02. (2) Transportation and per diem. (3) Legislation. (4) None. (5) Any legislation affecting the southern pine lumber industry.

Berge, Wendell, 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third-Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Receipts, $5,000 (fee paid to law firm of Posner, Berge, Fox & Arent); expenditures, $74.33 (reimbursed in like amount by employer). (2) Commercial interests such as taxicabs, railroads, telephone companies, public stenographer, notary public, etc. (3) Taxi travel locally, railroad travel, telephone, notary fees, etc. (4) The case against increasing third-class postal rates, statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third-class postal rates.

Bergin, Preston B., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $400, salary; $42.05, expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor law revision, social-security law revision, inflammable fabric legislation.

Bernard, William S., Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, New York, N. Y. (1) None; compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Biorn, Norman E., Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn. (1) Salaries from Minnesota Associated Businessmen, none; received for actual expenses, $170.02; spent for legislative activities, none. (2) Mary Lou Kustelski, $150; United States Government, $1.50; Northwest Bell Telephone Co., $3.72; miscellaneous, $14.90. (3) Stenographic services, postage, phone, and miscellaneous. (4) None. (5) Elimination of inequalities in tax legislation.

Bison, Henry, Jr., Tyre Taylor, Suite 1112 Dupont Circle Building, Washington, D. C. (1) Received $1,581.27; expenditures for living purposes only. (2) See (1). (3) See (1). (4) None. (5) Legislation favorable to the maintenance of the free-enterprise system.

Bodary, D. A., national legislative and general representative, 10 Independence Avenue SW., Washington, D. C.; Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo. (1) Annual compensation of $6,000 and $12 per diem for expenses, hotels, meals, etc. (2) D. A. Bodary. (3) As national legislative and general representative, Brotherhood Railway Carmen of America, my duties include handling of legislative matters and handling and progressing grievances and other activities of my organization. (4) None. (5) Legislation directly and indirectly affecting the interests of the Brotherhood Railway Carmen of America.

Bodfish, Morton, United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill. (1) Received and expended $262.81. (2) Various. (3) For travel, hotel, and maintenance in Washington, D. C. (4) Only the customary materials found in our trade papers, in our trade association periodicals, and in our trade association bulletins. The Housing Demand Source by Morton Bodfish and Homer Hoyt, January 1949; the Review of the Society of Residential Appraisers.

[1] Filed for fourth quarter, 1948.

[2] Filed for first quarter, 1949.

[1] Not printed. Filed in the Clerk's office.

[1] Filed for fourth quarter, 1948.

(5) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home financing objectives and oppose legislation detrimental to home ownership and these institutions.

Boehne, John W., Jr., National Association of Collectors of Internal Revenue, 1058 National Press Building, Washington, D. C. (1) None. (2) None. (4) None. (5) None.

Boggs, Maywood, 825 Bowen Building, 815 Fifteenth Street NW., Washington, D. C.; International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America, Brotherhood Building, Kansas City, Kans. (1) No money received except regular salary and expenses. No money expended for the purpose of attempting to influence passage or defeat of any legislation. Total salary for quarter, $2,100; total expenses for quarter, $1,350. (2) None. (3) None. (4) None. (5) Incidental to other duties which take major portion of my time, all legislative proposals of concern to labor generally.

Bohannon, John N., Asheville, N. C. (1028 Connecticut Avenue, Washington, D. C.); Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y. (1) Personal remuneration, including expenses, during the preceding calendar quarter, $4,500; money expended, see (3). (2) See (3). (3) Personal subsistence, transportation, routine and other customary expenses only. Also see (6) form B heretofore filed. (4) None. (5) Any legislation that might affect producing, gathering, transportation, distribution, or sale of natural gas.

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C.; American Jewish Congress, Inc., 1834 Broadway, New York, N. Y. (1) Received $62.50 for services under Public Law 601, based on annual retainer for all legal services rendered, of which not over $500 per year is allocable to legislative activity; expended, $4.30. (2) $4.30, taxicab fares in Washington, D. C. (3) Same as (2). (4) None. (5) Legislation designed to implement the report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to liberalize Senate rules; to prohibit group libel.

Bonamarte, Robert F., Sr., Fleet Reserve Association, 429 Investment Building, Washington, D. C. (1) None. (2) [Blank.] (3) None. (4) None. (5) Legislation affecting active service personnel of the armed services in pay, retirement, and compensation, and the strength of the armed forces.

Booth,[4] Herman M., Jr., 2405 Chandler Road, Lincoln Park, Mich. (1) $290.86 actual expenses incurred for lobbying purposes. (2) Various. (3) Actual expenses incurred while lobbying in Washington, D. C., on labor bills. (4) The Supervisor, official publication of the Foreman's Association of America; the Great Lakes Maritimes, official publication of the Great Lakes Licensed Officers Amalgamated Marine, Chapter 159. (5) Senate bill 249 and House bill 2032.

Borkin, Joseph, 1017 Ring Building, Washington, D. C., American-Indonesian Corp., 40 Wall Street, New York City, N. Y. (1) Retainer, $3,000; expenses, $71.25. (2) Telephone company. (3) Office expense. (4) [Blank.] (5) [Blank.]

Borkin, Joseph, 1017 Ring Building, Washington, D. C., Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Retainer, $375.; expenses, $186.42. (2) Telephone company, Western Union, office supplies company, hotels, and railroads. (3) Office supplies and services; travel. (4) [Blank.] (5) [Blank.]

Borkin, Joseph, 1017 Ring Building, Washington, D. C., National Independent Air Carriers, 1029 Vermont Avenue NW., suite 1102, Washington, D. C. (Employment terminated March 20, 1949.) (1) Retainer, $5,600; expenses, $556.82. (2) Telephone company, Western Union, mimeographing service, office supplies company, clipping service, stenographic service. (3) Office expenses. (4) [Blank.] (5) [Blank.]

Bourg, Clarence J., 510 Union Trust Building, Washington, D. C., American Sugar Cane League, Main Office, New Orleans, La., Farmers and Manufacturers Beet Sugar Association, Main Office, Saginaw, Mich. (1) $207.90 has been received and expended in connection with legislation and other contacts with the Government, of which not more than one-fourth has been expended in connection with legislation, such as taxicab fares about Washington and an occasional lunch when Congress is in session. (2) See (1). (2) See (1). (4) Sugar Bulletin of New Orleans, La., Sugar Beet Journal of Saginaw, Mich. (5) Any legislation affecting the domestic sugar industry.

Bowden, R. B., 100 Merchants Exchange, St. Louis, Mo. (part time at 608 Hibbs Building, Washington, D. C.), Grain and Feed Dealers National Association, 100 Merchants Exchange, St. Louis, Mo. (1) Salary, $3,500 before taxes from Grain and Feed Dealers National Association; expense account, $646.70 (travel). (2) Salary all used for personal affairs; none for lobbying purposes. Travel expense, to railroads, airlines, taxis, hotels, etc., in normal travel submitted itemized for each day. None used for lobbying purposes. (3) None of above used for lobbying purposes. (4) None so far as known. (5) No specific legislation during the past quarter.

Boyd, H. B., 1001 Tower Building, Washington, D. C., United States Beet Sugar Association, 1001 Tower Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Boyd, William R., Jr., 50 West Fiftieth Street, New York, N. Y.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) See attached schedule for answers to items 1 to 5.[1] (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Bradford, Ira P., 1108 Sixteenth Street NW., Washington, D. C.; Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (1) The undersigned has neither received nor expended any money during the quarter January through March 1949 for the purposes as defined in section 307 (a) (b) of Public Law 601; my activities have consisted wholly of the setting up and maintenance of an information service for my company. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Interested generally in legislation affecting the petroleum industry.

Bradley, Otis T., 15 Broad Street, New York, N. Y.; Guaranty Trust Co. of New York as trustee of the several trusts described as the Frances G. Phipps trust, Herbert Sanford Ward trust, Sarita E. Barclay trust, and Colville Herbert Sanford Barclay trust, under indenture dated December 24, 1913, and various indentures supplemental thereto made by Charles H. Sanford, 140 Broadway, New York, N. Y. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) The employment is for the purpose of attempting to secure an amendment to the Federal Gift Tax Acts involving gifts in trust and the effect for gift tax purposes of the surrender by the grantor of a retained power to alter the disposition of the property but not in any way beneficial to himself, and the employment is expected to continue until such amendment is either secured or rejected.

Brady, Joseph E., 2347 Vine Street, Cincinnati, Ohio; Brewery Workers International Union. (1) No money received or expended on legislative activity during the first quarter of 1949. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Oppose dry legislation.

Bream, John H., 112 Market Street, Harrisburg, Pa.; Pennsylvania Associated Businessmen, Inc. (1) $149.36 travel expenses, round trip to Chicago; 2 days' hotel, meals, and incidental expenses; telephone calls. (2) TWA, Palmer House, Chicago; telephone, meals, incidentals. (3) To attend a conference of State businessmen's committee officials. (4) None. (5) Any legislation affecting business.

Breed,[2] Arthur H., Jr., 310 Fifteenth Street, Oakland, Calif.; Waterfront Employers Association, 16 California Street, San Francisco, Calif. (1) January 1, 1949, through March 31, 1949, salary, $3,575; miscellaneous office expense (postage, telephone and telegraph, and travel expense), $118.91. (2) James D. Hahn, associate, $50 per week plus expenses. (3) Supporting overtime-on-overtime legislation. (4) None. (5) Overtime-on-overtime.

Brewbaker, James M., 623 Investment Building, National Association of Manufacturers. (1) Salary, $2,375; expenses reimbursed by employers, $604.03; expenditures, $604.03. (2) Expenses paid to various restaurants, hotels, taxicabs, railroads, and airlines. (3) Traveling, attending meetings to discuss general conditions in Washington of interest in business and industry in particular. (4) [Blank.] (5) All bills affecting the following subjects: National labor policy, portal-to-portal wage claims, tax laws, reduction of Federal expenditures, control of atomic energy, Federal subsidization of research, patents and trade-marks, wartime control powers, and revision of the SEC and RFC Acts.

Bright, O. O., 1302 Eighteenth NW., Washington, D. C.; Southern Pine Industry Committee, New Orleans, La. (1) Salary, $1,200; expenses, $87.48. (2) To various hotels, cab drivers, etc. (3) See (2) above. (4) None. (5) Any legislation affecting the lumber manufacturing industry.

Brightman, Melvin H., 1112 Barr Building, Washington, D. C.; Dairy Industry Committee, 1112 Barr Building, Washington, D. C. (1) $3,000 salary as executive secretary of Dairy Industry Committee. (2) None. (3) None. (4) None. (5) To observe legislation possibly affecting dairy industry.

Brinegar, David F., 510 Goodrich Building, Phoenix, Ariz.; Central Arizona Project Association. (1) Received $1,950 from the Central Arizona Project Association; expended $1,933.17 for expenses of business nature in Washington and en route. (2) Hotel Carroll Arms, Washington, D. C., and to various restaurants and merchants of Washington, D. C., as well as cab drivers, for normal business expenses: $1,933.17. (3) Normal business expenses. (4) None. (5) H. R. 939 and 935 and S. 75.

Brooding, Milton E., 101 California Street, San Francisco, Calif. California Packing Corp. (1) Allocable portion of annual salary as set forth in registrant statement filed February 21, 1949. Total expenses incurred since registration, February 21, 1949, and to March 31, 1949, of which an indeterminable amount applies to activities covered by Public Law 601, as follows: Air lines (United, American, TWA), $543.59; hotels, restaurants, incidentals, $489.92. (2) Railroads, air lines, hotels, restaurants, etc. (3) Travel, entertainment, and incidental expenses. (4) [Blank.] (5) Proposed legislation affecting food processing and related activities.

Brooks, William F., 604 Hibbs Building, Washington, D. C.; National Grain Trade Council. (1) Salary and expenses received during period amounted to $3,317.64, of which no more than a total of $10 was spent for any purpose covered by the act. (2) Taxicab fares, no one of which was in excess of $1. (3) Transportation. (4) None other

[4] Filed with the Secretary only.

[1] Not printed. Filed in the Clerk's office.

[2] Filed with the Clerk only.

than weekly news letter published by employer. (5) Legislation affecting agriculture in general and the grain trade in particular.

Brown, Carl, 1627 Barium Tower, Detroit, Mich.: Foreman's Association of America. (1) $625-per-month salary as president of Foreman's Association of America; $744.22 actual expenses incurred for lobbying purposes. (2) Various. (3) Actual expenses incurred while lobbying in Washington, D. C., on labor bills. (4) The Supervisor, official publication of Foreman's Association of America. (5) Senate bill S. 249 and House bill H. R. 2032.

Brown,[6] Edgar G., director, National Negro Council, 1717 Euclid Street NW., Washington, D. C.; National Negro Council. (1) $1,490 membership contributions. Expended $1,106.31. (2) Various. (3) Printing, publicity, advertising, etc. (4) None. (5) Antilynching, civil-rights legislation, nondiscriminatory measures, and reduction of representation based on disfranchisement.

Brown,[7] Edgar G., director, National Negro Council, 1717 Euclid Street NW., Washington, D. C.; National Negro Council. (1) $800 membership contributions. Expended $735.50. (2) Various. (3) Printing, publicity, advertising, etc. (4) None. (5) Antilynching, civil-rights legislation, nondiscriminatory measures, and reduction of representation based on disfranchisement.

Brown, Frederick E., Investment Building, Washington, D. C., National Independent Meat Packers Association, 740 Eleventh Street NW., Washington D. C. (1) La Roe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4.500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) Senate Resolution 36; H. R. 858; tax legislation; labor legislation; Senate Resolution 58; H. R. 73; H. R. 347; S. 336; tax exemption of cooperatives; S. 548; S. 249; S. 248; and H. R. 1211.

Brown, Paul W., 925 South Homan Avenue, Chicago, Ill., Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. (1) $379.60. Traveling expense funds. (2) Hotels, air lines, railroads, taxis, restaurants, telegraph and telephone. (3) Personal transportation and living expenses while traveling. (4) None. (5) Not employed to support or oppose legislation. As company-operating executive responsible for transportation costs, am interested in postal-rate legislation.

Brown, Russell B., 1110 Ring Building, Washington, D. C., Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered within the scope of the acts: $61. (2) See (3) below. (3) Taxi fares. (4) My normal duties include periodic reporting to members of the association on pending legislation. (5) I am employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry and taking such action with respect to such legislation as directed by the association.

Bryson, Jack, 1600 I Street NW., Washington, D. C., Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C. (1) Salary received, $6,280.79; expended, $6,280.79. (2) To self. (3) For personal and family needs. To sums received or expended in connection with activities covered by act. (5) Legislation affecting the motion-picture industry.

Buchanan, Thomas G., Jr., room 517, 930 F Street NW., Washington, D. C., Civil Rights Congress, 205 East Forty-second Street, New York, N. Y. (1) Since date of registration received $165 pay and $45 expenses during first quarter 1949. (2) Personal expenditures. (3) Miscellaneous expenses, including transportation, purchase of papers and periodicals, phone calls. No single item in excess of $10. (4) CRC Liberator and Legislative Bulletin, both published by the national office of the Civil Rights Congress. (5) Support House Resolution 60, H. R. 7, H. R. 115, H. R. 21, H. R. 22, H. R. 23, H. R. 2050. Oppose H. R. 1002, H. R. 1430, H. R. 3342.

Buck, Mrs. J. L. Blair (General Federation of Women's Clubs), 1734 N Street NW., Washington, D. C. (1) For January, February, March 1949, $1,116.22, travel and expense of entertaining in connection with work of the General Federation of Women's Clubs. (2) See question 1. (3) See question 1. (4) General Federation Clubwoman and State Federation magazines. (5) Not employed for pay. The president of the general federation supports or opposes legislation, and asks the organization membership to do likewise, when authority for such action has been provided through the adoption of a resolution in national convention.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Florida Inland Navigation District, Daytona Beach, Fla. (1) Received from Florida Inland Navigation District, Daytona Beach, Fla., for professional services, pro rata, $1,350, for reimbursement for long distance calls and miscellaneous petty cash expense, $80.92, pro rata. Expended pro rata for long distance calls and miscellaneous petty cash expense, $80.92. (2) Chesapeake & Potomac Telephone Co., and others; all of Washington, D. C. (3) Long distance calls, taxicab fares, and miscellaneous petty cash expense. (4) None. (5) Interested in all legislation related to river and harbor works, flood control, and all water use and conservation, including H. R. 3734.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Chevy Chase, Md., the Vulcan Detinning Co., Sewaren, N. J. (1) Received from the Vulcan Detinning Co., Sewaren, N. J., for professional services, pro rata, $1,000, for reimbursement for long distance telephone calls, pro rata, $6.70. Expenditures, pro rata, for long distance telephone calls, $22.94. (2) Chesapeake & Potomac Telephone Co., Washington, D. C. (3) Long distance telephone calls. (4) None. (5) Interested in any legislation related to tin or detinning. Specifically interested in S. 1433 et cetera.

Bugbee, George, American Hospital Association, Inc., 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $5,374.98; reimbursement for travel, $1,298.13. (2) Various air lines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of the American Hospital Association; trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Building Products Institute, 1032 Shoreham Building, Washington, D. C. (1) Received, $14,500; expended, $5,097.01. The Building Products Institute is an organization devoted to economic research and analysis of trends in construction, disseminating its findings to those interested in the construction industry and to the public. However, in view of the uncertain interpretation of certain provisions of the regulation of Lobbying Act of 1946 concerning what constitutes principal purpose and the phrase "To influence directly or indirectly the passage or defeat of any legislation, etc., we are filing this form giving a full disclosure of the information required under the act. (2) See attached sheet.[1] (3) As indicated by items on attached sheets.[1] (4) Construction trends, press releases, and certain economic studies. (5) Proposals which may affect the producers of building materials.

Bulow, William J., Jr., Munsey Building, Washington, D. C.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) Money received, none; money expended $87.80. (2) Various transportation, telephone and telegraph companies and United States post office. (3) Customary business expense for transportation, telephone calls, telegrams and postage. (4) None. (5) Postage rate legislation.

Bundy, William P., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) This representation is carried on jointly with Howard C. Westwood. Mr. Westwood's financial statement gives the amounts received and expended, to whom paid, for what purposes, and the replies to the other items on this form. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Bunje, Ralph B., 2044 Mariposa Street, Fresno, Calif.; Western Cotton Growers Association of California; Agricultural Labor Bureau of the San Joaquin Valley, Inc., 210 Brower Building, Bakersfield, Calif. (1) $3,447.46, of which $2,214.15 is for travel, hotel, meals, and telephone expense for 37 days spent in Washington, D. C.; $1,233.21 is the pro rata portion of my monthly salary of $1,000 per month, covering those days spent on national legislative activity. (2) $2,214.15 for travel, hotel, meals, telephone expense, for myself and partial travel expense for W. L. Smith of Buttonwillow, Calif., who accompanied me as an adviser. (3) Expenses and salary while in Washington, D. C. (4) None. (5) Cotton allotment legislation; farm labor housing.

Burdick, Roy D., 310 Wallace Building, Little Rock, Ark.: Dierks Lumber & Coal Co., 1001 Grand Avenue, Kansas City, Mo. (1) Retainer fee, $900; expenses, $300; total, $1,200. (2) Various parties, $300. (3) Travel and office expenses. (4) None. (5) Authorization for a Federal flood-control project on Little River, Okla., and Ark.

Burger, George J., room 810, 250 West Fifty-seventh Street, New York, N. Y. (1) Received $6,645.21 from operating Burger Tire Consultant Service, publishing National Independent and acting as vice president in charge, Washington office National Federation of Small Business. Disbursements, $3,997.60. (2) General office expenses. (3) Publications, weekly bulletin, travel expenses. (4) National Independent, Burger Tire Consultant Service weekly bulletin. (5) Antitrust laws, tire bill; all legislation affecting small business.

Burke, Edward R., 514 Southern Building, Washington, D. C.; Hawaii Statehood Commission Honolulu, T. H. (1) Received from Hawaii Statehood Commission the sum of $5,000 annual retainer for 1949 as legal adviser to the said commission. (2) None. (3) None. (4) None. (5) Enabling acts in re statehood for Hawaii.

Burke, Harold, United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y. (1) Salary for 3 months at $708.33⅓ per month equals $2,125; no expenses received or expended on any legislative activity. (2) No one. (3) None. (4) None. (5) None.

Leon Burnett Co., Inc., 360 North Michigan Avenue, Chicago, Ill. (1) For National Association of Margarine Manufacturers, $7,519.76. (2) See addendum A.[1] (3) See addendum A.[1] (4) None. (5) Generally, legislation favorable to margarine manufacturers, specifically, the Poage bill (H. R. 2023).

Burr, Robert M., 155 East Forty-fourth Street, New York 17, N. Y.; National Electrical Manufacturers' Association, 155 East Forty-fourth Street, New York 17, N. Y. (1) None; purposes outlined by section 307 not having been undertaken at date of filing of

[6] Filed for third quarter, 1948.

[7] Filed for fourth quarter, 1948.

[1] Not printed. Filed in the Clerk's office.

[1] Not printed. Filed in the Clerk's office.

this report. (2) None; see (1) above. (3) None; see (1) above. (4) None. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and electric fans.

Burrows, Orrin A., 1200 Fifteenth Street NW., Washington 5, D. C.; International Brotherhood of Electrical Workers, AFL, 1200 Fifteenth Street NW., Washington 5, D. C. (1) $1,937.01, salary for 3 months; no funds expended for lobbying purposes. (2) None. (3) None. (4) The Electrical Workers Journal. (5) All legislation affecting the electrical worker in particular and labor in general.

Butler, Eugene J., 1312 Massachusetts Avenue NW., Washington, D. C.; National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C. (1) $2,100. (2) Eugene J. Butler. (3) Salary for 3 months. (4) None. (5) All legislation affecting religious, charitable, and educational institutions and organizations.

Caffrey, Charles G., 1406 G Street NW., Washington, D. C.; American Cotton Manufacturers' Association, 203A Liberty Life Building, Charlotte 2, N. C. (1) None. (2) No payments were made to anyone by Charles G. Caffrey for any purpose during the quarter in question; normal expenses excepted. (3) None. (4) None; however, I might state for the record that I spent about $75 during the quarter for taxicab fare, lunches, telephone, and streetcar fare to and from the Capitol to keep informed and make studies of pending bills. (5) None; I am not employed to support or oppose legislation, but I do report to my members all bills filed which I think might not be to the best interest of the cotton textile industry.

Calhoun, Leonard J., Morgan & Calhoun, 412 Washington Building, Washington 5, D. C.; Avon Products, Inc., 30 Rockefeller Plaza, New York, N. Y.; Beauty Counselors, Inc., 17108 Mack Avenue, Grosse Pointe, Mich.; Better Brushes, Inc., Palmer, Mass.; Stanley Home Products, Inc., Westfield, Mass.; C. H. Stuart & Co., Inc., Newark, N. Y. (1) Received from Avon Products, Inc., $600; Beauty Counselors, Inc., $600; Better Brushes, Inc., $600; Stanley Home Products, Inc., $600; C. H. Stuart & Co., Inc., $600. (2) No expenditures. (3) See (2). (4) None. (5) Firm of Morgan & Calhoun employed to advocate and support legislation providing for extending social-security coverage to all persons gainfully employed and in connection therewith to advocate and support coverage of the self-employed persons, who market a company's products, as self-employed persons.

Calhoun, Leonard J., Morgan & Calhoun, 412 Washington Building, Washington 5, D. C.; National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C. (1) $450 received from National Rehabilitation Association for all services as Washington counsel for the association. (2) No expenditures. (3) See (2). (4) None. (5) No particular legislation. The association is interested in any legislation affecting the vocational rehabilitation program.

Calhoun, Leonard J., Morgan & Calhoun, 412 Washington Building, Washington 5, D. C.; National Tax Equality Association, 231 South La Salle Street, Chicago, Ill. (1) $1,400 received by Morgan & Calhoun for all services as Washington counsel for the association. Allocation between legislative and nonlegislative activities is not feasible. (2) No disbursements. (3) See (2). (4) None. (5) Firm retained as Washington counsel for all legal matters affecting NTEA, including legal aspects of various legislative proposals relating to taxation of cooperatives and other corporations enjoying tax exemptions or special privileges.

Calhoun, Leonard J., Morgan & Calhoun, 412 Washington Building, Washington 5, D. C.; Unemployment Benefit Advisors, Inc., 239 East Wisconsin Avenue, Milwaukee, Wis. (1) $1,200 received by firm during quarter ending March 31, 1949, for services performed during 1948. No services have been performed for Unemployment Benefit Advisors during the current year. (2) No expenditures. (3) See (2). (4) None. (5) All legislation affecting social security.

Carey, John L., 13 East Forty-first Street, New York 17, N. Y.; American Institute of Accountants, 13 East Forty-first Street, New York 17, N. Y. (1) Salary received $5,500 (less than 10 percent of time devoted to legislative work). (2) I have paid no money to anyone for any purposes related to legislative work. (3) None. (4) The Journal of Accountancy, the Certified Public Accountant. (5) Legislation relating to rights of certified public accountants to practice before Federal agencies or other legislation relating to accounting or auditing.

Carpenter,[7] Austin W., Main Street, Sherburne, N. Y.; New York Associated Businessmen, Inc., Sherburne, N. Y. (1) No money received or expended for lobbying purposes during quarter covered by this report. (2) No one. (3) None. (4) None. (5) Any legislation which discriminates in any way against the constitutional right of small-business people to equality of competitive opportunity.

Carpenter,[8] Austin W., Main Street, Sherburne, N. Y.; New York Associated Businessmen, Inc., Sherburne, N. Y. (1) No money received or expended for lobbying purposes during quarter covered by this report. (2) No one. (3) None. (4) None. (5) Any legislation which discriminates in any way against the constitutional right of small-business people to equality of competitive opportunity.

Carter, Albert E., 1026 Sixteenth Street NW., Washington 6, D. C.; Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Received $3,000 as compensation. Expended $651.31 which will be reimbursed. Reimbursed $885.98 for expenses advanced. (2) Munsey Real Estate Co., Chesapeake & Potomac Telephone Co., Pacific Telegraph & Telephone Co., telegraph-secretary. (3) Rent, telephone service, stenographic service, incidentals. (4) [Blank.] (5) Retained to represent the company before administrative agencies and commissions and on legislative matters affecting the company's interest.

Carter, Asa L., 325 Ashland Avenue, Pittsburgh 16, Pa.; petitioners and their due successors and joining associates. (1) I received and expended only $122.34, divided (as costs and disbursements herein): Petty cash, clerical work, searching records, and addressing mail, $74.14; and for postage, printing, telephoning, car fare, bus fare, etc., $45.20. (2) It was paid to postmasters, printers, public-service companies, and standard clerical help at Pittsburgh, Pa. (3) Various. (4) I publish nowhere except by first-class mail to abutters and contributors, and their due and immediate representatives. (5) Everything for or against B-line.

Carter, Clarence B., post-office box 798, New Haven, Conn.; Railroad Pension Conference, 6 Church Street, New Haven, Conn. (1) Received $143.83 for traveling expenses, hotels, taxi, eating. (2) Clarence B. Carter. (3) Traveling expenses. (4) Railroad Pension Conference Bulletin. (5) Support of railroad retirement legislation lowering retirement age and increasing annuities.

Carter, Jack, Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $400 per month as salary minus social-security and withholding taxes; $21.17 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration, and naturalization, the combatting of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

Carver, Leslie O., associate general counsel, National Paint, Varnish, and Lacquer Association, 1500 Rhode Island Avenue NW., Washington 5, D. C. (1) Salary at the rate of $7,000 per annum for performance of regular and usual duties incident to my employment. Expenses for travel, hotel, subsistence, and incidentals totaled $127.16. I engaged in no activity contemplated by the act and none of the money received and expended was for the purpose of work under the act. (2) Paid nothing. (3) Performed no activity under the act. (4) None. (5) None.

Case, Ralph H., National Press Building, Washington, D. C.; Sioux Tribe of Cheyenne River Reservation, S. Dak.; Cheyenne Agency, S. Dak. (1) $500, under contract approved by the Secretary of the Interior. No reimbursement of expenses has been received. (2) Sundry expenses as provided by the contract, total less than $50; no item more than $10. (3) Transportation for myself and delegates in Washington, D. C. Sundry meals for Indian delegates. (4) None. (5) H. R. 3582 and S. 1488.

Case, Ralph H., National Press Building, Washington, D. C.; Three Affiliated Tribes, Fort Berthold Reservation, N. Dak., Elbowoods, N. Dak. (1) $1,000 under contract approved by Secretary of the Interior. No reimbursement of expenses has been received. (2) Sundry expenses as provided by the contract, total less than $10. (3) Transportation of myself and Indian delegates in Washington, D. C. (4) None. (5) House Joint Resolution 33 and Senate Joint Resolution 11.

Casey,[7] D. E., American Taxpayers' Association, Inc., 419 Munsey Building, Washington, D. C. (1) Received as salary, $2,649.99. (2) None. (3) None. (4) None. (5) None specified.

Casey,[8] D. E., American Taxpayers' Association, Inc., 419 Munsey Building, Washington, D. C. (1) Received as salary, $2,649.99. (2) None. (3) None. (4) None. (5) None specified.

Casey, Joseph E., 1025 Connecticut Avenue NW., No. 701, Washington, D. C.; Committee for Equalization of Tobacco Taxes. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 2016, which provides for a fair and equitable tax on cigarettes, depending upon the price at which these cigarettes are sold.

Caskie, Maxwell, 417 Barr Building, 912 Seventeenth Street NW., Washington, D. C.; Reynolds Metals Co. (1) Less than 3 full days first quarter 1949 devoted to work in connection to legislation. Salary, $100, at $33.33 per day; expense, $2.58; total, $102.58. (2) Various taxi drivers, Post Office Department. (3) Transportation to and from Capitol Hill, $2.40, and postage for six letters, 18 cents. (4) None. (5) S. 179, Eighty-first Congress.

Castiglioni, Paul M., 112 C Street NW., Washington, D. C.; National Federation of Post Office Motor Vehicle Employees. (1) Salary, $1,500 less deductions for withholding and social-security taxes; expenses for quarter, $426.50. (2) Paul M. Castiglioni. (3) To promote the welfare of the motor-vehicle employees of the Post Office Department, covering both legislation and nonlegis-

[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

lation work. (4) Rotor and bulletins called Motor Vehicle News. (5) Supporting all legislation of benefit to motor-vehicle employees.

Cates, Larry, 1185 National Press Building; Air Line Pilots' Association, 3145 West Sixty-third Street, Chicago, Ill. (1) Received $1,840.77; expended $212. (2) Various companies and business firms for transportation, communications, gasoline, oil, airplane operation, miscellaneous entertainment, meals, hotels, tips, and incidental expenses. (3) Travel and all expenses in connection therewith, taxi, telegraph, telephone, etc. (4) Air-line pilot. (5) All legislation concerning aviation safety and hours, wages, and working conditions of pilots on our commercial air lines.

Chace, William E., 616 Investment Building, Washington, D. C.; the National Fertilizer Association. (1) Of salary received by me during the preceding calendar quarter, $20 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc., Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Chamblin, Walter, Jr., 623 Investment Building, Washington, D. C.; National Association of Manufacturers, 14 West Forty-ninth Street, New York, N. Y. (1) Salary, $6,250; expenses in Washington, reimbursed by employer, $775.20. (2) Expenses paid to hotels, restaurants, taxicabs, telephone company, trade associations, and clubs. (3) Attending meetings and making speeches to discuss general conditions in Washington of interest to business and industry in particular. (4) [Blank.] (5) Bills affecting national labor policy, tax laws, reduction of Federal expenditures, Federal subsidization of research, patents and trade-marks, control powers, foreign aid, Federal housing, Government competition with business, and such other matters as may affect industry.

Chandler, E. Lawrence, care of ASCE, 33 West Thirty-ninth Street, New York, N. Y.; American Society of Civil Engineers. (1) $378 from Engineers Joint Council. (2) See (3). (3) Travel expenses, taxi fares, telegrams, and postage. (4) None. (5) Labor relations and any other legislation regarding which it is deemed that the engineering viewpoint may be constructive.

Cherry, L. Byron, 570 Lexington Avenue, New York, N. Y.; General Electric Co. (1) Proportionate part of regular salary allocated to time spent on legislative matters, $870; employer reimbursed registrant for all expenses incident to such work amounting to $2,627.34. (2) Various air-line, railroad, taxicab, telephone, telegraph, secretarial, and reporting-service companies, restaurants, hotels, other service establishments, and United States post office, etc. (3) Transportation, living expenses while away from home, telephone and telegraph services, mimeographing and related secretarial and clerical services, postage, miscellaneous related expenses, etc. (4) None. (5) Such Federal labor-law revision as will serve the public interest and be fair to employees, unions, and employers, while adequately protecting innocent bystanders and the whole public.

Chisholm, Wm. James, Union Trust Building, Washington, D. C.; Regular Veterans' Association, 1115 Fifteenth Street NW., Washington, D. C. (1) January 1–31, 1949, $150; February 1–28, 1949, $125; total, $275. (2) Wm. J. Chisholm. (3) Services as national adjutant. (4) The Regular. (5) All legislation for the benefit of the veterans and oppose all legislation detrimental to veterans and their dependents and widows.

Christman, Miss Elisabeth, 317 Machinists Building, Washington, D. C.; National Women's Trade Union League of America. (1) $1,360 salary as secretary-treasurer of the National Women's Trade Union League. Legislative work is only one phase of the program of the league. My work is predominantly administrative, but a small percentage of my time is spent in activities in furtherance of our legislative program. (2) No money expended except for an occasional taxi fare. (3) [Blank.] (4) Life and Labor Bulletin, the league's monthly publication. (5) Approved legislative program attached.[1] Joined with other organizations in statements to Congress in favor of increased appropriations for the Women's Bureau of the United States Department of Labor; in support of cloture rule in the Senate.

Civil Rights Congress,[6] 205 East Forty-second Street, New York, U. Y. (1) None. (2) None. (3) None. (4) None. (5) None.

Civil Rights Congress,[7] 205 East Forty-second Street, New York, N. Y. (1) None. (2) None. (3) None. (4) None. (5) None.

Clark, Burton, 1813 F Street NW., apartment 1, Washington, D. C.; self. (1) None or nothing. (2) No one. (3) Passing legislation not yet introduced. (4) None. (5) Amendments to the copyright and patent laws.

Clarke, David R., 120 South LaSalle Street, Chicago 3, Ill.; National Metal Trades Association, 122 South Michigan Avenue, Chicago, Ill. (1) Approximately $250. (2) None. (3) None. (4) None. (5) Legislation affecting manufacturers generally.

Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C. (1) Received from Foremen's League for Education and Association, room 603, 11 West Monument, Dayton, Ohio, during first quarter, 1949: Fee, $4,500; typing and mimeographing, $67.20; meals and entertainment, $34.71; telephone, $10.34; total, $4,612.25. (2) Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C. (3) To represent the Foremen's League for Education and Association in Washington, D. C. (4) None. (5) To support the existing supervisors' clause in new labor legislation and for no other purpose.

Coe, Joseph R., 1312 Barber Avenue, Little Rock, Ark.; CWA Southwestern Division No. 20, 5927a Eastern Avenue, St. Louis, Mo. (1) I am paid $19 per day for each day spent on legislative activity to reimburse me for lost time from my regular job with the Southwestern Bell Telephone Co., plus actual transportation and $15 a day per diem, which must be handled as vouchered expense. Payment for lost salary first quarter, 1949, $293.50; round trip, Little Rock to Washington, D. C., $102.57; per diem allowance (hotel, meals, and miscellaneous), $90; total amount received, $486.07. (2) Annapolis Hotel, Washington, D. C., $90; M. O. P. R. R., $102.57; total, $192.57. (3) Actual personal expenses. (4) None. (5) Employed to oppose all legislation detrimental to the best interests of the Communication Workers of America and to support and seek passage of legislation favorable to that organization.

Cohn, Marcus (American Jewish Committee), 1420 New York Avenue NW., Washington, D. C. (1) During a typical month the registrant devotes a maximum of 5 percent of his time to matters which may possibly be regarded as embraced in section 308 (a) of Public Law 601, Seventy-ninth Congress. The figures set forth here for the months of January, February, and March, 1949, are based upon that percentage: Salary, $93.75; travel, $8.20; telephone, $11.53; office and miscellaneous expenses, $31.35. (2) See (1). (3) See (1) (4) I have supplied information to the general press on immigration and other matters in which the American Jewish Committee is interested. (5) Legislation dealing with immigration and other matters in which the American Jewish Committee is interested.

Colborn, Miss Fern M., Presbyterian Board of Christian Education, U. S. A., Division of Social Education and Action, 830 Witherspoon Building, Philadelphia, Pa. (1) Salary, quarterly $350; personal expenses refunded: Travel, $69.56; food, $29; hotel, $18; total, $116.56. (2) [Blank.] (3) Lobbying in the interest of social legislation on which the Presbyterian General Assembly has taken action. (4) Social Progress (magazine); special bulletins. (5) Same as No. 3.

Coleman, Russell, the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $150 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc., Washington, D. C.; Agricultural Chemicals, New York, N. Y. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Coles, Marvin J., 813 Washington Building, Washington, D. C.; Alaska Freight Express Corp., pier 50, Seattle, Wash. (1) During the past calendar quarter registrant has received no money from the Alaska Freight Express Corp. Out-of-pocket expenditures have been under $100. (2) Payments have been made to the telephone and telegraph company, several restaurants, taxis, and Army and Navy Club. (3) Telephone, telegraph, luncheons, dinners, taxis, etc. (4) [Blank.] (5) Legislation dealing with Government assistance to Alaska shipping.

Coles, Marvin J., 813 Washington Building, Washington, D. C.; Dichmann, Wright & Pugh, Inc., Western Union Building, Norfolk, Va. (1) During the past calendar quarter registrant has received no money from Dichmann, Wright & Pugh, Inc; out-of-pocket expenditures have been less than $50. (2) Payments have been made to the telephone and telegraph companies, several restaurants, taxies, and Army and Navy Club. (3) Telephone, telegraph, luncheons, dinners, taxies, etc. (4) [Blank.] (5) Legislation dealing with the sale, charter, and operation of Government-owned vessels.

Coles, Marvin J., 813 Washington Building, Washington, D. C.; New York Foreign Freight Forwarders and Brokers Association, 18 Pearl Street, New York, N. Y. (1) During the past calendar quarter registrant has received legal fees from the New York Foreigr Freight Forwarders and Brokers Association in the amount of $1,500 and reimbursement for expenses in the amount of $87.98. (2) Expenditures have been purely for incidental matters such as telephones, lunches, transportation, and mimeographing, and have been paid to the telephone company, taxicab companies, mimeographers, restaurants, etc. (3) Telephone, luncheons, transportation, mimeographing. (4) [Blank.] (5) Registrant has been employed as attorney to present to the Congress and to the governmental agencies concerned information concerning foreign freight forwarders and use of their services under the foreign relief programs.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the Chase National Bank of the city of New York.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the New York Exchange and its members.

[1] Not printed. Filed in the Clerk's office.
[6] Filed for third quarter, 1948.
[7] Filed for fourth quarter, 1948.

Collett, F. G., 1330 Quincy Street NW., Washington, D. C.; Indians of California, Inc., 1078 University Avenue, Berkeley, Calif. (1) Received, $1,656.79; expended, $1,789.59. (2) To various persons and concerns for miscellaneous services, such as stenographic services, stationery and supplies, rooms and meals, telephone and telegraph, postage and transportation, and expenses and maintenance of delegates representing Indians of California, and of other persons. (3) To secure remedial legislation. (4) None. (5) Legislation relating to Indians of California.

Compton, R. T., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts: salary, $3,750; expenses reimbursed by employer, $768.41; expenditures, $768.41. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, telephone company, etc. (3) For expenses incurred in course of business, such as travel, meals, and hotel accommodations and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Comstock, Boyd, legislative assistance, Federal Relations Division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,320, which covers both legislative and nonlegislative activities; estimated for legislative service, $264; expenses, $55.20. (2) Self (salary). Expenses: hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Cone, D. C., room 307, Labor Building, 10 Independence Avenue SW., Washington, D. C. (1) Annual compensation for 1949, $5,700. (2) D. C. Cone. (3) As vice president and part-time national legislative representative of the Brotherhood of Railroad Signalmen of America covering all service rendered, including services entirely unrelated to legislative matters. (4) None. (5) Legislation directly and indirectly affecting the interests of labor generally, employees of carriers under the Railway Labor Act and particularly the interests of the employees represented by the Brotherhood of Railroad Signalmen of America.

Cone, John C., Pan American Airways, 815 Fifteenth Street NW., Washington, D. C. (1) During the quarter ended March 31, 1949, I have not received or spent any funds in connection with legislation. (2) None received or spent in connection with legislation. (3) Same as (2). (4) None. (5) Not employed to support or oppose legislation but may be concerned with any legislation relating to aviation which may be pending.

Conn, Donald D., 105 West Adams Street, Chicago, Ill.; Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) During calendar quarter, January 1, to March 31, 1949, my salary from the association was $6,250; expenses, $966.02. (2) Various. (3) Expenses. (4) None. (5) None.

Conover, Julian D., American Mining Congress, 1102 Ring Building, Washington, D. C. (1) Received no compensation other than regular salary as previously stated. Expended $38.85. (2) Sundry payees. (3) Taxicab fares, $17.60; telephone, $21.25. (4) Am editorial director of Mining Congress Journal, a monthly magazine for the mining industry. (5) Measures affecting the mining industry.

Conroy, Eugene J., the Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J. (1) None; no activities during this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Cooper, J. Milton, room 544, Washington Building, Washington, D. C. (1) This is the usual attorney-and-client relationship. It is difficult to allocate what part of this employment may be subject to the act and, therefore, the entire compensation for the quarter is reported, to wit: National Coal Association, Southern Building, Fifteenth and H Streets NW., Washington 5, D. C., $3,000; National Lime Association, 927 Fifteenth Street NW., Washington, D. C., $1,500. (2) No money expended. (3) [Blank.] (4) None. (5) Any legislation affecting the clients.

Cooperstock, John, 30 Bellingham Avenue, Revere, Mass.; Veterans' Association, Federal Employees, Naval Shipyard, New York, Lennitt Hall, Waverly and Myrtle Avenues, Brooklyn, N. Y. (1) None. (2) Self. (3) Expenses when on official business to Washington for above association. (4) None. (5) Support or oppose legislation effecting veterans' preference in Federal employment.

Corbett, John T., 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Locomotive Engineers, 1118 B. of L. E. Building, Cleveland, Ohio. (1) $3,295.56 as wages; $694.43 as expense accounts; $200.01 for office rental; $26.52 telephone; $17.82 postage; $3.50 office supplies. (2) $200.01 to Labor for office rental. (3) As assistant grand chief engineer and national legislative representative, Brotherhood of Locomotive Engineers, covering all services rendered including services entirely unrelated to legislation and legislative matters. (4) [Blank.] (5) Legislation directly and indirectly affecting the interest of labor.

Cortright, Frank W., National Association of Home Builders, suite 1116, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary, $5,000.06; per diem, $630; expenses: travel, entertainment, taxis, $1,990.32; travel (meetings and conferences), $111.94; total, $7,732.32. As indicated upon my registration, I have been advised by counsel that I am not subject to the Lobbying Act. Such registration and this report are therefore filed under protest and merely as a matter of personal precaution in view of the indefiniteness of said act and the lack of judicial interpretation thereof. Neither said registration nor this report in any way are intended to constitute an admission by me that I am subject to the act. The payments reported above as my salary and per diem are for general services as executive vice president of the National Association of Home Builders, and are not dependent upon rendition of services which might be considered lobbying within the meaning of the act. Similarly, expenses reported include substantial amounts for routine association business which could not be regarded as lobbying within the meaning of the act. Expenses reported do not include items of association expense such as travel, secretary's salary, telephone and rent, which are part of the general administrative budget of the association and do not represent moneys received by me from the association. (2) Paid out in cash to taxis, restaurants, hotels, telephone and telegraph companies, etc. (3) Transportation, telephones, telegrams, tips, etc. (4) News releases are sent to the AP, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. I also write an article each month for the American Builder, a monthly publication devoted to the interests of the housing industry. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) I am not employed to support or oppose any legislation, but I am the executive vice president of the trade association of the home building industry. In that capacity it is incumbent upon me to supervise, among other things, the work of the association's legislative department. The function of that department of the association is to follow all legislation affecting the home building industry; to advise the membership of the association of all such legislation; and to make known to the public and to the Congress the opinion of the membership on all such legislation.

Costello, John M., 2737 Devonshire Place NW., Washington, D. C.; American League for an Undivided Ireland, 165–167 William Street, New York, N. Y. (1) Received as fees for services, $750; reimbursement for expenditures, $104.91. (2) (a) B. & O. Railroad, Chicago, round-trip, $80.04; (b) C. & P. Telephone Co., tolls, $18.37; (c) miscellaneous items, $6.50. (3) (a) Railroad and pullman fare for round-trip to Chicago, Ill.; (b) Long-distance telephone, telegram tolls; (c) Meals, taxi, et cetera. (4) Congressional Record. (5) Any legislation which may tend to effectuate the unification of all Ireland into a united nation.

Covington, J. Harry, III, 701 Union Trust Building, American Smelting & Refining Co. (1) Received: None; expended in connection with all matters for client, $594.64. (2) Telephone and telegraph expense, $52.65; travel expense including hotel accommodations, etc., $541.99. (3) Long-distance telephone calls, telegrams, transportation, and hotel accommodations. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Cowan,[7] Nathan E., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America—CIO, 1500 Commonwealth Building, Pittsburgh, Pa. (1) Salary, October, November, December, 1948, $1,875; expenses, $920. (2) Hotels, railroads, restaurants, cabs, etc. (3) [Blank]. (4) Union News Service and CIO News. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Cowan,[8] Nathan E., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, CIO, 1500 Commonwealth Building, Pittsburgh, Pa. (1) Salary, January, February, and March, 1949, $1,875; expenses, $900. (2) Hotels, railroads, restaurants, cabs, etc. (3) [Blank.] (4) Union News Service and CIO News. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Cox, Langford, Stoddard & Cutler,[10] 1210 Eighteenth Street NW., Washington, D. C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia, Pa. (1) The firm receives compensation from Publicker Industries, Inc., for professional services, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of the Federal Registration of Lobbying Act. Registrant's professional services in connection with pending legislation comprise only an incidental and minor part of its duties. If any of the registrant's activities are subject to the provisions of the Federal Registration of Lobbying Act, a portion of the compensation received from Publicker Industries, Inc., that might be attributed to services possibly subject to the act, based on

[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[10] Filed for first quarter, 1948.

an allocation of time, was $1,200, during the first quarter of 1948, plus disbursements. (2) See answers to (1) above. Payments were made for various disbursements such as meals, transportation, postage, telephone and telegraph charges, etc., and payments were made to Mr. Joseph B. Hyman, attorney at law, 215 North Pitt Street, Alexandria, Va., for professional services, including work connected with Federal legislation described more fully under the Federal Registration of Lobbying Act filed by Mr. Joseph B. Hyman. (3) See answers to (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate, or otherwise control materials and products used or produced by Publicker Industries, Inc.

Cox, Langford, Stoddard & Cutler,[5] 1210 Eighteenth Street NW., Washington, D. C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia, Pa. (1) The firm receives compensation from Publicker Industries, Inc., for professional services, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of Federal Registration of Lobbying Act. Registrant's professional services in connection with pending legislation comprise only an incidental and minor part of its duties. If any of the registrant's activities are subject to the provisions of the Federal Registration of Lobbying Act, a portion of the compensation received from Publicker Industries, Inc., that might be attributed to services possibly subject to the act, based on an allocation of time, was $500 during the second quarter of 1948, plus disbursements. (2) See answers to (1) above. Payments were made for various disbursements such as meals, transportation, postage, telephone and telegraph charges, etc., and payments were made to Mr. Joseph B. Hyman, attorney at law, 215 North Pitt Street, Alexandria, Va., for professional services, including work connected with Federal legislation described more fully under the Federal Registration of Lobbying Act filed by Mr. Joseph B. Hyman. (3) See answers to (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate, or otherwise control materials and products used or produced by Publicker Industries, Inc.

Cox, Langford, Stoddard & Cutler,[6] 1210 Eighteenth Street NW., Washington, D .C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia, Pa. (1) The firm receives compensation from Publicker Industries, Inc., for professional services, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of Federal Registration of Lobbying Act. Registrant's professional services in connection with pending legislation comprise only an incidental and minor part of its duties. If any of the registrant's activities are subject to the provisions of the Federal Registration of Lobbying Act, a portion of the compensation received from Publicker Industries, Inc., that might be attributed to services possibly subject to the act, based on an allocation of time, was $200 during the third quarter of 1948, plus disbursements. (2) See answers to (1) above. Payments were made for various disbursements such as meals, transportation, postage, telephone and telegraph charges, etc., and payments were made to Mr. Joseph B. Hyman, attorney at law, 215 North Pitt Street, Alexandria, Va., for professional services, including work connected with Federal legislation described more fully under the Federal Registration of Lobbying Act filed by Mr. Joseph B. Hyman. (3) See answers to (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate, or otherwise control materials and products used or produced by Publicker Industries, Inc.

Cox, Langford, Stoddard & Cutler,[7] 1210 Eighteenth Street NW., Washington, D. C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia. (1) The firm receives compensation from Publicker Industries, Inc., for professional services, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of Federal Registration of Lobbying Act. No professional services in connection with pending legislation were included in the registrant's monthly statements to Publicker Industries, Inc., which were paid during the fourth calendar quarter of 1948. (2) See answers to (1) above. No payments were made to anyone for services in connection with any pending legislation during the fourth quarter of 1948. (3) See answers to (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate, or otherwise control material and products used or produced by Publicker Industries, Inc.

Cox, Langford, Stoddard & Cutler,[8] 1210 Eighteenth Street NW., Washington, D. C.; California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y. (1) The firm receives compensation from California Texas Oil Co., Ltd., for professional services billed from month to month on an hourly time-charge basis. None of the services performed and billed during the calendar quarter ending March 31, 1949, involve any services of such a nature as to be subject to the provisions of the Federal Regulation of Lobbying Act, and no payments were received for any services of such a nature. (2) See answer to (1) above. (3) See answers to (1) and (2) above. (4) None. (5) Bills dealing with acquisition, allocation, transportation, or other regulation or control of materials and products used or marketed by California Texas Oil Co., Ltd.

Crampton, Charles J., 700 Insurance Building, San Antonio, Tex.; State Tax Association, Post Office Box 2559, Houston 1, Tex. (1) Statement attached.[1] (2) Statement attached.[1] (3) Statement attached.[1]. (4) None. (5) Statement attached.[1]

Crowley, Leo J., 922 Equitable Building, Denver, Colo.; The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, 509 Seventeenth Street, Denver, Colo. (1) No money received or expended during the preceding calendar quarter in connection with influencing the passage or defeat of any legislation by the Congress of the United States. (2) None. (3) None. (4) None. (5) Legislation affecting railroads operating in and having trackage in the State of Colorado.

Cullum, Robert M., 302 Fifth Street NE., Washington, D. C.; Committee for Equality in Naturalization, 302 Fifth Street NE., Washington, D. C. (1) Received salary totaling $750 for services utilizing approximately 2 weeks out of each month. Reimbursement of travel expenses, $82.91. (2) Paid out miscellaneous traveling expenses, fare, hotel, taxis, etc. (3) To attend executive board meetings in New York City. (4) None. (5) Legislation to provide that the privilege of becoming a naturalized citizen of the United States shall not be denied or abridged because of race.

Cuneo, John C., Post Office Box 1054, Modesto, Calif.; the Townsend Plan, 6875 Broadway Avenue, Cleveland, Ohio. (1) The Townsend Plan, gross for operations in California, $2,456.97; less deductions at source, $558.59; total $1,898.38; California State Council Legislative Committee for reimbursement for expenses for operations in California, $1,359.80; reimbursement from Twenty-third Congressional District for travel expense of C. Miller, $6.23; total receipts available for operations in California, $3,264.41; amount paid to John C. Cuneo for his personal use, $780; balance to be used for operations in California, $2,484.41. (2) Total disbursements for California operations, $1,588.21. (3) See detailed attached statement.[1] (4) None. (5) The Townsend Plan, H. R. 2135, 2136.

Curtiss, Ralph E., 1422 F Street NW., Washington, D. C.; retained by Associated Tavern Owners of America, Inc., 420 Seventh Street, Racine, Wis. (1) Received $562.26; expended $37.46. (2) Railroad and telephone companies. (3) Telephone and travel expenses. (4) ATOA News (monthly publication of the association). (5) Any legislation affecting the tavern industry.

Daley, William L., 817 Investment Building, Washington, D. C.; National Editorial Association, 222 North Michigan Avenue, Chicago, Ill. (1) Receipts and expenditures on behalf of the National Editorial Association, $1,041.52. (2) Railroads, telegraph and telephone companies, taxicabs, office-supply companies, $216.52. (3) Reimbursement for expenses, transportation, and communications. (4) Interpretative articles in official bulletins of National and State publishers' associations; also in trade publications of publishing industry. (5) Measures affecting the press.

Dameron, William V., grand lodge representative, Machinists' Building, Washington, D. C.; International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Damon, Eugene J., St. Louis-San Francisco Railway Co., chairman, Missouri Railroad Committee, 906 Olive Street, St. Louis, Mo. (1) On January 1, 1949, total salary was increased from $800 to $825 per month, otherwise the statements contained in Form B, as amended, remain the same. Reimbursement of $141.47 out-of-pocket expenses. (2) Hotels, restaurants, Pullman Co., taxi operators. (3) Travel, room, meals, and incidental expenses. (4) None. (5) Legislation of interest to railroads generally.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn. (1) Monthly retainer of $1,000 for all services performed as attorney for the Fuller Brush Co., of Hartford, Conn. (2) Chesapeake & Potomac Telephone Co., $3.35. (3) [Blank.] (4) None. (5) As attorney for the Fuller Brush Co., appearing in favor of extension of social security to all gainful employment, including a method of covering the self-employed.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; Revere Copper & Brass, Inc., 230 Park Avenue, New York, N. Y. (1) Monthly retainer $1,000 for all services performed as attorney for Revere Copper & Brass, Inc. (2) Chesapeake & Potomac Telephone Co., $22.54. (3) Long-distance telephone calls. (4) None. (5) I supported H. R. 2313, a bill to suspend the import tax on copper which became law on March 31, 1949, as of which date the aforesaid status under Public Law 601, Seventy-ninth Congress, was terminated.

Danielian, N. R., National St. Lawrence Association, 1830 I Street NW., Washington, D. C. (1) $3,950 received from National St. Lawrence Association in payment of arrears on retainers for services rendered during 1948; $52.17 for out-of-pocket expenses, taxis, stamps, etc.; $275 for travel expenses. (2) $52.17 out-of-pocket expenses for stamps, taxis, lunches, etc.; $275 for railroad transportation and incidental expenses for meals, taxis, hotels, etc. (3) Transportation, taxis,

[5] Filed for second quarter 1948.
[6] Filed for third quarter 1948.
[7] Filed for fourth quarter 1948.
[8] Filed for first quarter 1949.

[1] Not printed. Filed in the Clerk's office.

stamps, meals, etc. (4) None. (5) The principal purpose of engagement by the National St. Lawrence Association is to foster and increase trade for the products of manufacture, agriculture, natural resources, and any and all other forms of commerce between the ports of the Great Lakes, its tributaries, and waterways of the world. In connection with this object, respondent supports the agreement between the United States and Canada relating to the development of the Great Lakes-St. Lawrence Basin for the development of navigation and power.

Daugherty, Paul J., 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio; Ohio Chamber of Commerce, Columbus, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

Davies, Aled P., American Meat Institute, 59 East Van Buren Street, Chicago, Ill. (1) Salary received from American Meat Institute, $2,076.96; travel expenses when out of Chicago, including lodging, meals, taxicabs, entertainment, transportation, telephone and telegraph, $1,064.48. (2) Various railroads, air lines, hotels, restaurants, taxicabs, and telephone and telegraph companies. (3) See (1). (4) None. (5) Legislation affecting specifically the meat-packing industry.

Davis & Gilbert (a partnership), The Best Foods, Inc., 1 East Forty-third Street, New York, N. Y. (1) Expenditures: $609.92 for transportation, meals, lodging, telephone, and telegraph expenses. Receipts: The registrant was reimbursed in part by The Best Foods, Inc., during the quarter for the aforementioned expenditures and will be reimbursed by said company for the entire sum thereof. Registrant has received from The Best Foods, Inc., the usual equal monthly installments of its annual legal fee of $35,000, which fee the registrant has received every year for many years. (2) To railroads, air lines, cabs, hotels, restaurants, telephone and telegraph companies. (3) Travel to and from Washington, D. C., living expenses in Washington, D. C., and telephone calls and telegrams. (4) None. (5) Registrant is not and was not employed specifically for the purpose of supporting or opposing any pending legislation, nor was registrant employed specifically for the purposes set forth in the first sentence of section 308 (a) of Public Law 601, Seventy-ninth Congress. Registrant is paid a yearly retainer for acting as legal counsel to The Best Foods, Inc., and, in addition to registrant's major duties as such counsel, registrant presented the cause of the company in respect to legislation affecting margarine, which is one of the many products manufactured by that company.

Davis, John H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for January, February, and March 1949, $3,300. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Washington Situation, a weekly mimeographed news letter of the National Council of Farmer Cooperatives. (5) Agricultural legislation.

Davis, Sherlock, 1117 Barr Building, 910 Seventeenth Street NW., Washington, D. C.; United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (1) $448.01, in addition to salary reported on Form B. (2) See item (3). (3) Publications, miscellaneous professional expenses, including postage, transportation, hotels, etc., none of which was expended for the purpose of attempting to influence the passage or defeat of any legislation by the Congress of the United States. (4) None. (5) None.

Dawes, Bourbon, 1331 G Street NW., Washington, D. C.; Hotel Association of Washington, D. C. (1) Salary, $1,875; expenses, $108. (2) Taxies, transportation, $55.90; miscellaneous lunches, dinners, $33.60; miscellaneous expenses, $18.50. (3) Normal operating expenses. (4) None. (5) Legislation affecting hotels in District of Columbia.

Dawson, Clarence E., 821 Fifteenth Street NW,, Washington, D. C.; Milbank, Tweed, Hope & Hadley. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1) Proposed Federal tax legislation affecting the interests of the Chase National Bank of the city of New York.

Dawson, Clarence E., 821 Fifteenth Street NW., Washington, D. C.; Milbank, Tweed, Hope & Hadley. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Dawson, Joseph M., 1628 Sixteenth Street NW., Washington, D. C.; Joint Conference Committee on Public Relations, Baptists of United States. (1) Since the principal activity of the Joint Conference Committee on Public Relations is not lobbying, I have expended for the purely incidental element of our work which might be denominated lobbying $7 for mailing copies of our monthly news letter, Report from the Capital. (2) Post office for postage; Batt, Bates for printing. (3) In opposition to proposed legislation: Appropriations of Government money for sectarian purposes, or any violation of the constitutional principles of separation between church and state. (4) Report From the Capital, a monthly new letter sent from the office from which some religious newspapers have quoted. (5) See (1) and (3) above.

Deegan, Thomas J., Jr., 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary, $1,249.98 as president of the federation; traveling expenses, $604.03. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) Railway Progress, volume III, No. 1, March 1949. (5) None.

DeGroot, E. H., Jr., 924 Colorado Building; Protestants and Other Americans United for Separation of Church and State, 1835 K Street NW., Washington, D. C. (1) See statement attached.[1] (2) See statement attached.[1] (3) See statement attached.[1] (4) See statement attached.[1] None. (5) None. My duties are those of treasurer.

Delp, Howard P., Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (1) $250. (2) $180 retained as reimbursement for salary and incidental expenses; $70 to Pennsylvania Railroad and Continental Hotel, Washington, D. C. (3) Actual expenses incurred lobbying in Washington, D. C. (4) None. (5) For bills S. 249 and H. R. 2032.

Denning, William I., 1518 K Street NW., Washington, D. C.; National Association of Magazine Publishers, 232 Madison Avenue, New York, N. Y. (1) $1,875 was received as retainer for services, plus $205.39 reimbursements for personal expenses in connection with work for the association. (2) William I. Denning, 1518 K Street NW., Washington, D. C. (3) For general legal representation in Washington, D. C. (4) None. (5) Have advised employer in matters of proposed postal rates but have not supported or opposed any legislation.

DeQuevedo, Rafael G., room 1032, Shoreham Building, D. C. (1) Building Products Institute, Washington, D. C.; salary, $175. (2) [Blank.] (3) [Blank.] (4) None. (5) All legislation which may affect the producers of building materials.

Dickerman, John M., suite 1116, 1028 Connecticut Avenue NW., Washington, D. C., National Association of Home Builders, Suite 1116, 1028 Connecticut Avenue, NW., Washington, D. C. (1) Salary from January 1 through March 31, 1949, $3,000; expenses, including lunches, taxis, tips, telephone, etc., from January 1 through March 31, 1949, $85.44; total, $3,085.44. Reimbursement for out-of-pocket expenses incurred, $219.25, total, $3,304.69. The salary and expense listed above are charged against that portion of the association's budget allocated to the legislative department, of which I am in charge, which allocation is $27,000 for 1949. Only some of the functions of this department might be deemed as coming within the purview of the Federal Regulation of Lobbying Act. (2) Paid out in cash to taxis, restaurants, hotels, telephone, and telegraph companies, etc. (3) Transportation, telephones, telegrams, tips, hotel rooms, etc. (4) News releases are sent to the Associated Press, I. N. S., U. P., and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) All legislation affecting the home-building industry.

[1] Not printed. Filed in the Clerk's office.

Dickinson, A. W., 1102 Ring Building, Washington, D. C., American Mining Congress, 1102 Ring Building, Washington, D. C. (1) Received, no compensation other than regular salary as previously stated. Expended, $17.35. (2) Sundry payees. (3) Taxicab fares, $10.30, telephone, 55 cents; luncheons, $6.50. (4) Am associate editor of Mining Congress Journal, a monthly magazine for the mining industry. (5) Measures affecting the mining industry.

Disbrow, Walter L., 900 F Street NW., room 314, Washington, D. C.: Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C. (1) Salary—January, February, and March 1949, $1,228.08. (2) Walter L. Disbrow. (3) To represent members of the Retirement Federation on legislation affecting their welfare. (4) Quarterly Retirement News. (5) Any and all legislation affecting the civil service retirement laws, and compensation laws.

Disney, Wesley E., 43 Southern Building, Washington, D. C. (1) Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif., $1,500; Independent Natural Gas Association of America, 1700 I Street, Washington, D. C., $825. (2) None. (3) None. (4) None. (5) Attention to legislative matters affecting oil and gas industry.

Dodge, Homer, 1244 National Press Building, Washington, D. C., Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York City. (1) $600 salary and $225 expenses. (2) Chesapeake & Potomac Telephone Co., postmaster, Public Printer, and others. (3) Telephone service, postage, Government documents, rent and minor office expenses. (4) None. (5) None.

Donald, W. J., National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (1) None, purposes outlined by section 307 not having been undertaken at date of filing of this report. (2) None. See (1) above. (3) None. See (1) above. (4) None. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment and electric fans, and legislation with respect to the amendment of the Labor-Management Relations Act.

Donnelly, James L., Illinois Manufacturers' Association, 120 South La Salle Street, Chicago, Ill. (1) Approximately $484.43. (2) Railroad fares, hotel accommodations, meals, taxicab fares, etc. (Further detail will be supplied upon request.) (3) See (2) above. (4) "Industrial Review" and miscellaneous bulletins. (5) Legislation of general interest to manufacturers.

Dorsett, J. Dewey, Association of Casualty & Surety Cos., 60 John Street, New York, N. Y. (1) Registrant does not receive funds ear-

marked for purposes set forth in this act. Registrant has estimated, however, that $75 received by registrant during the first quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant does not believe he has engaged in any activities in this quarter within the purview of this act. Registrant has expended no money in this quarter. (2) None. (3) None. (4) "Past Association Year Produced Results", Weekly Underwriter, January 1, 1949; "1948, Declared Year of the Paradox in Casualty Field", Journal of Commerce, January 20, 1949; "Your Stake in Safety", American Agency Bulletin, February 1949; "Enforcement: Key to Safety", Casualty and Surety Journal, January 1949. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies.

Dorson, C. L., 900 F Street NW., room 314, Washington, D. C., Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C. (1) Salary, starting April 1, 1949, $4,000 per annum. (2) C. L. Dorson. (3) To represent members of the Retirement Federation on legislation affecting their welfare. (4) Quarterly Retirement News. (5) Any and all legislation affecting the Civil Service retirement laws and compensation laws.

Dougan, Arthur L., 1759 Union Commerce Building, Cleveland, Ohio; Eleanor Draffan, executrix, Mansfield, Ohio; L. C. Weiss, Administrator, Cleveland, Ohio; and National City Bank of Cleveland, executor, Cleveland, Ohio. (1) None received; expended as shown in (2). (2) $19.74, Pennsylvania Railroad; $17.08, Northwest Airlines; $7.50, meals and taxis. (3) Traveling expenses from Cleveland to Washington and return. (4) None. (5) Legislation effecting revision of estate tax provision.

Dougherty, John E., The Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary: $619.36 per month, which is paid for all the services rendered to The Pennsylvania Railroad Co., only a part of which have to do with legislation; $170.15 was expended by me as expense money, during the first quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. In addition to this amount, I also received $316 for expenses incurred in connection with other duties performed for The Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garage, communication companies, etc. (3) $170.15 was expended by me as expense money, during the first quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of The Pennsylvania Railroad Co.

Dougherty, Robert E., National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,333.33, expenses, $135.05; only a part of the sums expended in the course of duties having to do with legislation. (2) Local hotels, restaurants, cab drivers, phone calls, tips. (3) Meals, tips, cabs, phone calls. (4) None. (5) Legislation affecting the interests of the lumber manufacturing industry.

Dow, Fayette B., Munsey Building, Washington, D. C.; Committee for Pipe Line Companies, care of L. F. Kahle, box 1349, Tulsa, Okla. (1) The Committee for Pipe Line Companies was organized to represent, as occasion may arise, in Washington, before departments of the Government, including Congress, the petroleum pipe lines that are regulated by Interstate Commerce Commission under the Interstate Commerce Act. The committee is not proposing or advocating any changes in existing laws. Deponent believes that in the period covered by this quarterly report he has taken no action that comes within the provisions of the Lobbying Act. Deponent believes that of his total compensation for all services rendered to the Committee for Pipe Line Company, $500 would be a fair apportionment for any services which might be considered to be within the provisions of the Lobbying Act. In the quarter ending March 31, 1949, in addition to compensation for all services referred to it in the above paragraph as to which deponent apportions $500 as covering any services which might be considered to be within the provisions of the Lobbying Act, deponent received $231.60, reimbursement for fourth-quarter 1948 expenses as referred to in the report for the fourth quarter 1948 and $75.56 covering postage, telephone, and miscellaneous items in the months of January and February 1949. None of the foregoing items, deponent believes, relate to activities within the scope of the Lobbying Act. (2) See (1). (3) See (1). (4) None. (5) No legislation is proposed by Committee for Pipe Line Companies, deponent's employer. The committee is opposed to S. 571, which would make it unlawful for oil companies to own and operate pipe lines.

Dowd, M. J., Imperial irrigation district, El Centro, Calif. (1) For first quarter of year 1949, salary, $960 per month; incidental traveling expenses, $922.44. (2) The salary is regular compensation for my full-time employment as consulting engineer for Imperial irrigation district on irrigation, power, drainage, and related matters. Expenses represent reimbursement to me for personal travel, hotel, and subsistence expenses. (3) [Blank.] (4) None. (5) Legislation relating to the Colorado River and affecting Imperial irrigation district.

Drake, John, National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $14.20. (2) Taxi companies. (3) Taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Dresie, Grey, 202 Bitting Building, Kansas Independent Businessmen's Association, 205 Orpheum Building, Wichita, Kans. (1) None. (2) None. (3) None. (4) The Friendly Dollar. (5) Tax equality.

Drysdale, Robert M., Jr., Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary, $2,499.99; traveling expenses, $654.31. (2) Various hotels and travel agencies for traveling expenses. (3) Traveling expenses. (4) Railway Progress, volume III, No. 1, March 1949. (5) None.

DuBois, Ben, secretary, Independent Bankers Association, Sauk Centre, Minn. (1) During most of the last quarter my annual salary was $6,500, starting March 28, it is $7,500. The amount of money collected for membership fees during the quarter is $21,820. (2) During this quarter I spent almost 3 weeks in Washington. My expenses covering transportation, hotel, food, tips, etc., amounted to $379.82. (3) [Blank.] (4) In connection with our convention but in support of the cause of independent banking, we ran an advertisement in the Commercial West, Minneapolis, Minn., $55; and in The American Banker, New York, $87.50. We also sent circular letters to most of the banks in the United States. (5) In Washington we discussed the need of a proper regulatory holding-company bill with Members of the Congress, also advocated that the three Federal banking agencies be allowed to maintain their independent status.

Du Brul, Stephen M., 11–162 General Motors Building, Detroit, Mich.; General Motors Corp., General Motors Building, Detroit, Mich. (1) See statement attached.[1] (2) See statement attached.[1] (3) See statement attached.[1] (4) None. (5) Registrant has supported Federal legislation consistent with and opposed Federal legislation inconsistent with the position on such legislation taken by Mr. C. E. Wilson as president of General Motors Corp. in testifying before the Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement of such position, attached.[1]

Dudley, Harold, American Council of Commercial Laboratories, 1507 M Street NW., Washington, D. C. (1) $625 a month for January, February, and March, total of $255 for traveling expenses. (2) Harold Dudley, 1507 M Street NW., Washington, D. C. (3) For representing the interests of the American Council of Commercial Laboratories before Government agencies and serving as the council's executive secretary. (4) [Blank.] (5) Revision of Internal Revenue Form 990.

Dudley, Henry A., 910 Seventeenth Street NW., Washington, D. C.; American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group, retain our law firm, a partnership doing business as Law Offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Dunn, William M., Communications Workers of America, 917 G Place NW., Washington, D. C. (1) Expenses, $1,265.33; salary, $1,999.98. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Dushane, Matthew, 1424 K Street NW., Washington, D. C.; Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (1) Salary received for all work connected with Government agencies and departments including legislation and other labor matters total $1,950. (This includes withholding and social-security taxes.) Expended, $90 during this period which was not reimbursable by the union. (2) [Blank.] (3) Telephone calls, taxi, meals, and entertainment. (4) The Seafarers Log and the West Coast Sailor. (5) All legislation affecting the general welfare of merchant seamen and legislation of interest to the members affiliated with the Seafarers International Union of North America.

Dwyer, Joseph L., 1625 K Street NW., Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York 20, N. Y. (1) Salary previously reported; expenses reimbursed by employer, $1,163.07. (2) Various railroads, hotels, restaurants, retail stores, taxicabs, telephone companies, Government Printing Office, Hickey Bros. (3) Administrative, traveling, and incidental expenses, newspapers, periodicals, cigars, cigarettes, etc.; meals and entertainment. (4) None. (5) All legislation affecting petroleum and its products, or natural gas.

Echols, Oliver P., Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) Received salary for period January 1 to February 16, 1949, no part of which was paid for activities covered by Public Law 601, Seventy-ninth Congress. Since February 16, 1949, registrant's status has been that of an officer without pay. No expenditures. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Edelman, John W., 910 Warner Building, Washington, D. C.; Textile Workers Union of

[1] Not printed. Filed in the Clerk's office.

[1] Not printed. Filed in the Clerk's office.

America, 99 University Place, New York, N. Y. (1) Salary, $1,499.94. $379.71 to reimburse actual expenses incurred, $125.75 of this amount for expenses incurred in Washington; remainder for expenses outside of Washington. (2) Railroads, hotels, restaurants, cab drivers, bus companies, air lines. (3) Personal expense and travel. (4) Textile Labor, CIO News, Labor Press Associates. (5) Support legislation favorable to the national peace, security, democracy, prosperity and general welfare; oppose legislation detrimental to these objectives.

Edelberg, Herman, 1003 K Street NW., Washington 1, D. C.; Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York 10, N. Y. (1) For activities covered by the act—approximately 5 percent of salary—$125. Actual expenses for fares, telephone, etc, approximately $15. (2) To various persons who provided actual taxi, telephone, postage, meals, etc., services. (3) Transportation, telephone, postage, meals, etc. (4) ADL Bulletin. (5) The ADL is an educational organization whose primary purpose is to promote better human relations among Americans. Incidental to this purpose, registrant supports legislation which promotes the civil rights of all Americans, and opposes undemocratic discrimination against any Americans.

Edwards, Alanson W., 1731 New Hampshire Avenue NW., Washington 9, D. C.; Marsh Stencil Machine Co., Belleville, Ill.; Ideal Stencil Machine Co., Belleville, Ill.; Diagraph-Bradley Industries, 5455 Forest Park Boulevard, St. Louis 8, Mo. (1) $1,500. (2) Above registrant. (3) To obtain revision of the excise tax laws as they apply to products of the above-named employees. (4) None. (5) Same as (3).

Edwards, Burton E., executive secretary, National Apartment Owners Association, suite 204–206 Portland Building, 1129 Vermont Avenue NW., Washington 5, D. C.; suite 226, Douglas Building, 257 South Spring Street, Los Angeles, 12, Calif. (1) See attached quarterly statement,[1] general fund, National Apartment Owners Association. See attached quarterly statement,[1] president's fund, National Apartment Owners Association. (2) (1). (3) (1). (4) None. (5) All measures affecting the multiple housing industry.

Ege, Warren S., 1435 K Street NW., Washington 5, D. C.; Eleanor Draffan, executrix, Mansfield, Ohio; L. C. Weiss, administrator, Cleveland, Ohio; and National City Bank of Cleveland, executor, Cleveland, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Legislation effecting revision of estate tax provisions.

Eliason, Courtleigh W., General Motors Corp., General Motors Building, Detroit, Mich. (1) See statement attached.[1] (2) See (1). (3) See (1). (4) None. (5) Registrant has supported Federal legislation consistent with, and opposed Federal legislation inconsistent with the position on such legislation, taken by Mr. C. E. Wilson, as president of General Motors Corp., in testifying before the Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement of such position, attached.

Elliott, John Doyle, 305 Pennsylvania Avenue, SE., Washington, D. C.; Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio. (1) Salary of $60 per week and reimbursement of traveling expenses up to an average of $30 per week incurred in course of work. (2) Paid for fares, mileage, hotel costs, meals while on road in course of work when away from residence location. (3) Contacting Townsend Clubs and other organizations and citizens relative to promotion of the Townsend plan. (4) None. (5) Amendment of the Social Security Act to embrace provisions popularly known as the Townsend plan, embodied in H. R. 2135, Eighty-first Congress, first session.

[1] Not printed. Filed in the Clerk's Office.

Ellis, Clyde T., National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C. (1) Salary, 3 months ending March 31, 1949, $3,450; expense accounts, $427.17; total, $3,877.17. (2) To self for salary and reimbursement for meals, hotels, tips, and transportation, $3,877.17. (3) Travel incident to members' meetings, board of directors' meetings, etc. (4) Rural electrification. (5) Legislation affecting the growth and welfare of rural electric cooperative corporations, public power and public power utility districts, and legislation affecting public power developments where they would in turn affect the rural electric cooperative corporations public power and public utility districts.

Ellison, Newell W., 701 Union Trust Building, Washington, D. C.; H. C. Bohack Co., Inc., Bohack Square, Metropolitan and Flushing Avenues, Brooklyn, N. Y. (1) None received, and $128.68 expended during the previous quarter for incidental expenses such as long-distance telephone and taxicab. (2) Telephone company and taxi operators. (3) See (1). (4) None. (5) Legislation seeking amendment of the Fair Labor Standards Act so as to curtail the present exemption for retail establishments.

Ellsworth, Charles K., Hill & Knowlton, Inc., 300 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C. (1) Salary, $2,400; expenses, $120. (2) Expense money paid out only to hotel, restaurants and cab drivers. (3) See (2). (4) Have no records of any such publications. (5) Not employed to oppose or support legislation. Have been assigned by Hill & Knowlton, Inc., to prepare educational information and material showing consequences of measures proposing legislation on oleomargarine.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; general counsel, American Public Power Association, 1757 K Street NW., Washington, D. C. (1) Received $4.03 for out-of-pocket expenses. (2) Western Union Telegraph Co. (3) Telegrams. (4) None. (5) Services this quarter have not involved the supporting or opposing legislation. At the request of the association legal analyses and opinions are rendered from time to time on legislation affecting public power.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Colorado River Board of California and Six Agency Committee, 315 South Broadway, Los Angeles, Calif. (1) $3,160 representing legal fees for services of this office and in California in legislation and litigation affecting California's interest in the Colorado River. Of this figure $1,000 was paid by the Colorado River Board and $2,160 by the Six Agency Committee. (2) Office staff, building owner (for rent), telephone and telegraph companies, suppliers of office materials. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting California's rights in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); H. R. 2325 and related bills, S. 75, H. R. 934, and 935; H. R. 1770 and related bills S. 1140 and H. R. 3838.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for Imperial Irrigation District, El Centro, Calif. (1) $2,100 as legal fees for services of this office and in California in connection with power and water contracts, conferences with Government departments, etc., and consultation with respect to legislation. (2) Office staff, building owner (for rent), telegraph and telephone companies, suppliers of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting Imperial's rights in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); S. 790, H. R. 2325 and related bills; S. 75, H. R. 934, and 935; H. R. 1770, 2661, 2665, etc.; S. 1140 and H. R. 2210; H. R. 3838.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel, department of water and power, city of Los Angeles, Los Angeles, Calif. (1) $1,800, representing legal fees for services of this office and in California in connection with power and water contracts, conferences with Government departments, and litigation, and consultation as to legislation. (2) Office staff, building owner (for rent), telegraph and telephone companies, suppliers of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting its interests in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); S. 790, H. R. 2325, and related bills; S. 75, H. R. 934 and 935; H. R. 1770 and related bills; S. 1140; H. R. 3838; H. R. 422; H. R. 2893 and bills amending the Social Security Act to extend coverage to other employees of States, municipalities, etc.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for Water Project Authority of the State of California, Sacramento, Calif. (1) $1,500, the entire amount of which represents legal fees for services of this office and in California in connection with Central Valley power and water questions. (2) Office staff, building owner (for rent), telegraph and telephone companies, suppliers of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting the Central Valley project, including H. R. 165 and related bills; H. R. 1770, 2661, 2665, etc.; and H. R. 3838; legislation affecting California's rights in the Colorado River, including S. 790, H. R. 2325, and related bills; S. 75, H. R. 934 and 935; and legislation affecting California flood-control projects, including H. R. 3734.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Water Resources Board of the State of California, Sacramento, Calif. (1) None; services as special counsel are loaned by the Water Project Authority of the State of California, which pays a fee of $500 per month. See registration under that employment. (2) See (1). (3) See (1). (4) None. (5) None during the quarter covered by this report.

Ernst, Morris L., 285 Madison Avenue, New York 17, N. Y.; The National Postal Committee for Books, care American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York 19, N. Y. (1) Received $5,000 out of $10,000 retainer; expended less than $200 for hotel and traveling expenses. (2) Greenbaum, Wolff & Ernst, 285 Madison Avenue, New York 17, N. Y. (3) Counsel fees. (4) None. (5) H. R. 2945.

Evans, Walter M., 512 Travelers Building, Richmond, Va., Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.

(1) Total of $363.52 received for expenses, plus $450 general office expense, all paid by Virginia Associated Businessmen, in addition to $200 paid by Scott & Schuler, of Chicago, Ill., and $400 paid by National Tax Equality Association of Chicago, Ill. (2) Walter M. Evans, 512 Travelers Building, Richmond, Va. (3) As secretary and general counsel of Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va., a Virginia corporation. (4) None. (5) Legislation relating to the elimination of Federal tax inequalities; especially the tax exemptions accorded the cooperatives.

Everett,[7] Robert A., Union City, Tenn.; Tennessee Cotton Ginners Association, care R. G. Grove, president, Bemis, Tenn. (1) Just started to work. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) The interest of the Tennessee cotton ginners and cotton producers.

Everett,[8] Robert A., box 262, Union City, Tenn.; Tennessee Cotton Ginners Association, R. G. Grove, president, Bemis, Tenn. (1) $1,200 as salary; $1,923.44 as expenses, travel and living. (2) [Blank.] (3) [Blank.] (4) None. (5) To work for benefit of cotton producers of Tennessee.

Fahy, Kathleen M. (Mrs. Jack B.), 132 Third Street SE., Washington, D. C.; American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received $180.95, expended $180.95. (2) Various. (3) Entertainment and miscellaneous expense. (4) Parents' Magazine and School Management. (5) National child-research bill, National School Health Services Act, National Science Foundation bill, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public-school survey and construction bill.

Fakler, Herman, 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) I received $5,500 salary as an officer of the Millers' National Federation. I am not employed specifically to engage in activities described in section 307 of title 3, Public Law 601, Seventy-ninth Congress. During the preceding quarter I devoted approximately 10 days to such activities, which were incidental to my regular employment. My expenditures for these activities total $380.95, for which I have been reimbursed by Millers' National Federation. (2) [Blank.] (3) My expenditures were for telegraph, teletype, taxi fares, meals, and other expenses of members of the industry attending congressional hearings. (4) None. (5) I am not employed to support or oppose any specific legislation. During the preceding quarter I testified before the Senate Committee on Foreign Relations on ECA legislation and attended hearing before the House Committee on Foreign Affairs on the same legislation. I also attended several conferences on the international wheat agreement. My legislative activities were confined to those two subjects.

Farhat, Selma, 1217 West St. Joseph; Communications Workers of America, Michigan Division 44, 510 Lafayette Building, Detroit, Mich. (1) Wages $65, plus expenses, $140; total, $205. (2) Air lines, hotels, taxi cabs, restaurants. (3) To perform the normal functions of my position with the Communications Workers of America and/or one of its divisions. During week of February 21 discussed CWA legislative program with Michigan Congressmen. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America.

Farrington, Charles J., National Coal Association 804 Southern Building. (1) $2,917.07 salary and expenses. (2) [Blank.] (3) Taxi, lunch, telephone. (4) [Blank.] (5) All legislation affecting the coal industry.

Farshing, Donald D., Management Planning of Washington, Inc. 1025 Connecticut Avenue NW., Washington, D. C. (1) $1,300 gross salary received; $149.66. (2) Transportation, hotels, and restaurants. (3) Transportation and other out-of-pocket expenses. (4) None. (5) No specific legislation.

Farquhar, Randolph, American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received, $20.95; expended $20.95. My resignation from the American Parents Committee took effect April 1, 1949. (2) Various. (3) Entertainment and miscellaneous expense. (4) Parents' Magazine and School Management. (5) National child research bill, National School Health Services Act, National Science Foundation bill, pediatrics education bill public school survey and construction bill, appropriations for United States Children's Bureau, Federal aid for education.

Feltus,[4] Randolph, Randolph Feltus Associates, 128 East Fifty-sixth Street, New York, N. Y. (1) See attached statement.[11] (2) See attached statement. (3) See attached statement. (4) None in connection with lobby registration. (5) See attached statement.

Ferguson, John A., Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) Salary, $2,080 (allocated). This salary also shown in report of the Independent Natural Gas Association of America. (2) No expenditures. (3) None. (4) Regular natural gas news publications. (5) Any legislation concerning natural gas. We observe and make reports to members.

Ferris, Muriel, League of Women Voters of the United States, 726 Jackson Place NW., Washington 6, D. C. (1) Received $185.42 salary every 2 weeks; received and expended carfare to and from the Capitol and travel, $45.80. (2) None expended in carrying on work except for carfare and travel. (3) Carfare and travel only. (4) Trends in Government and member magazine, publications of the League of Women Voters, 726 Jackson Place NW., Washington 6, D. C. (5) I am employed principally to inform league members on legislative matters; secondarily to influence legislation. For legislation, see league platform adopted by national convention, 1948, attached.[1]

Filer, Harry L., the New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $5,300; expenses, $87.60. (2) Hotels, restaurants, transportation companies, taxis, telephone, etc. (3) Expenses when traveling and as shown in item 2. (4) None. (5) Any legislation affecting employer.

Finucane, James, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington 6, D. C. (1) Compensation at the annual rate of $3,800. Expenses for the quarter, totaling $94.10. (2) Expenses incurred for papers, periodicals, meals, travel, etc. Payments made to newsstands, travel agencies, etc. (3) Information and services of the type listed in (2) above. (4) Routine releases of news character carried by news services to unknown number of newspapers and magazines. Comment on releases' information carried by the Christian Century and the Progressive. (5) To support legislation tending to achieve progressive world organization, multilateral disarmament, and cultural interchange. To oppose acts tending to foster militarism, conscription, or the prolongation or inception of states of war.

Fisher, Lewis H., 1416 F Street NW., Washington 4, D. C.; National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C.; Canal Construction SVC Committee, Balboa Heights, Canal Zone; Dr. Alexander Renner (temporary), San Marino, Calif. (1) National Association of Retired Civil Employees, 1246 Twentieth Street NW., $600; Canal Construction SVC Committee, Balboa Heights, Canal Zone, $3,333.33; Dr. Alexander Renner (temporarily), San Marino, Calif., nothing. (2) Various individuals and corporations, for telephone, $35; taxis and streetcars, $11; stationery, $24; postage, $8.75; 12 meals, $21.30; office help, $130; social-security unemployment tax, $5.75; rent, $130. (3) See above. (4) Annuitant. (5) Assisting displaced persons under Public Law 774; civil pensions and annuities.

Fitzpatrick, F. Stuart, Chamber of Commerce of the United States, 1615 H Street NW., Washington 6, D. C. (1) Received salary, $3,625; expenses, $25; lunches, $25. (2) Statler Hotel. (3) Necessary normal expenses. (4) [Blank.] (5) Legislation in the general fields of public works, city planning, urban redevelopment, and housing.

Fleming, Charles Henry, 1011 Dupont Circle Building, 1346 Connecticut Avenue NW., Washington 6, D. C.; Coast Guard League. (1) None. (2) No one. (3) Nothing. (4) None. (5) Any legislation affecting veterans of service in the United States Coast Guard, or any legislation affecting the United States Coast Guard in which the League has a definite interest.

Fleming, Roger W., 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $1,669.39 expended. (See item (6) of Form B, filed May 1948.) (2) Taxies, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, export controls, disaster relief for storm-stricken areas, Federal aid to education, rural housing, health, displaced persons, amendments to Clark-McNary Act, amendments to Reclamation Act of 1939, postal rates, rural roads.

Flinn, W. G., grand lodge representative, International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Forbes,[7] E. F., Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif. (1) $5,000.04 salary (last quarter of year 1948). (2) Personal use only. (3) Personal use only. (4) None. (5) Not employed to propose or oppose legislation. This work is only incidental to the regular work of the president and general manager of the association.

Forbes,[8] E. F., Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif. (1) $5,000.04, salary. (2) Personal use only. (3) Personal use only. (4) None. (5) Not employed to propose or oppose legislation. This work is only incidental to the regular work of the president and general manager of the association.

Ford, Mrs. J. A., 305 Pennsylvania Avenue SE., Washington, D. C.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) In carrying on his work, approximately $30 per week. (2) For hotel and travel expenses while away from own home. (3) As above. (4) Townsend National Weekly. (5) Bills H. R. 2135 and H. R. 2136, to provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60 and also covering total disability, from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an

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[7] Filed for fourth quarter, 1948.
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ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

Ford, John B., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) A fair proportion of my salary chargeable to lobbying purposes is $150 per month, $450 for the quarter; I have not expended or received any other money for lobbying purposes except $14.10 for luncheons. (2) To me. (3) Compensation for personal services. (4) I caused no articles or editorials to be published relating to legislation. (5) Legislation affecting the American merchant marine, numerous bills amending the Merchant Marine Act of 1936, overtime-on-overtime legislation, and other legislation affecting shipping.

Fort, J. Carter, 929 Transportation Building, Washington, D. C. (1) For all services rendered to the Association of American Railroads, legislative and nonlegislative, as described in Registration Form B, filed December 1946, registrant received salary during the first quarter of 1949 at the rate shown in such registration, as amended by the supplement thereto, filed January 10, 1948, and received in addition $233.19 as reimbursement for all traveling expenses in connection with such services while away from Washington, and all reimbursable business expenses in Washington, such as cab fares, business meals, etc. Of the salary received, $6,212.50 is estimated to be assignable or allocable to legislative activities. Of the expenses for which registrant was reimbursed, $49.45 is estimated to be assignable or allocable to legislative activities. The legislative activities referred to include those with respect to bills and measures registrant was called upon to consider, analyze, etc., but which were neither supported nor opposed by him. (2) The expenses above shown as assignable or allocable to legislation were paid to various restaurants, hotels, and taxicabs in Washington, D. C., and Chicago (including the Union Station Restaurant in Chicago and the Hay-Adams House in Washington, D. C.), to dining cars while traveling between those points, etc. (3) Traveling expenses while away from Washington and such expenses in Washington as business meals, taxis, etc. Passes were used for rail transportation and, accordingly, no expense was incurred in that connection. (4) None. (5) Generally, to support all legislation which the railroads believe to be in their interest and in the interest of a sound national transportation policy, and to oppose all legislation which they believe to be contrary to such interests. Bills supported, in whole or in part, during this quarter included bills to eliminate or reduce excise taxes on transportation, bills to make uniform the periods of limitation in the Interstate Commerce Act for overcharge and undercharge claims, bills to increase parcel-post rates, bills for appropriations in support of the Railroad Retirement Act, bills dealing with the law involved in the so-called basing-point decisions of the Federal Trade Commission, etc. Bills opposed included measures for the authorization of the St. Lawrence project, bills, or provisions thereof, which would have made railroad employees subject to the wage provisions of the Fair Labor Standards Act; bills, or provisions thereof, dealing with the so-called black-market conditions in passenger transportation, etc. Legislative work during the quarter consisted chiefly of the study of measures which affect, or may affect, the railroad interest rather than in the support of or opposition to particular bills. A large number of such measures were studied, including bills dealing with safety appliances on railroads; bills to amend section 77 of the Bankruptcy Act; bills dealing with mail subsidies for air lines; bills to repeal the Reed-Bulwinkle Act; bills and resolutions dealing with inland waterways, such as Senate Resolution 62 and S. 400; bills providing for ship construction subsidies; bills and resolutions dealing with Panama Canal tolls, etc.

Foutz, Dave, 1730 K Street NW., Washington, D. C.; Veterans' Organizations Council of Altadena, 2302 North Lake Avenue, Altadena, Calif. (1) Money received, $4,710.03; money expended, $4,710.03. Dave Foutz, salary, $1,800; living expenses, $534; Hotel Congressional, $801 (Foutz's hotel); Gloria Clark, $720; Western Union, $39.70; Chesapeake Telephone Co., $437.33; L. E. Breuninger, $270; petty cash, $108. (3) Foutz's salary and living expenses; Clark, secretarial duties; Western Union, messages; telephone company, mostly calls to main office in Altadena, Calif.; L. E. Breuninger, rent of office; petty cash; office maintenance. (4) None. (5) Supporting Veterans' Home Loan Act of 1949, H. R. 1324 and S. 616.

Frackman,[9] H. David, 276 Fifth Avenue, New York, N. Y.; Regular Veterans Association, 1115 Fifteenth Street NW., Washington, D. C. (1) January 1–31, 1949, $400; February 1–28, 1949, $450; March, none; total, $850. (2) H. David Frackman. (3) Services as national commander of the Regular Veterans Association. (4) The Regular. (5) All legislation for the benefit of the veterans and oppose all legislation detrimental to veterans and their dependents and widows.

Francis,[7] Joseph H., National Board of Fur Farm Organizations, Morgan, Utah. (1) No activities carried on during the fourth period; no money received or expended. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Francis,[8] Joseph H., National Board of Fur Farm Organizations, post-office box 338, Morgan, Utah. (1) $5,343.42, National Board of Fur Farm Organizations. (2) To Jacob H. Francis by National Board of Fur Farm Organizations for acting as secretary of organization. (3) $3,000 salary, acting secretary of organization; $2,343.42 expenses paid to transportation companies for travel, hotel for lodging, telephone and telegraph, and clerical help when necessary. (4) American Fur Breeder, National Fur News, Fur Journal, Black Fox magazine. (5) Any and all legislation affecting the fur-farming industry of the United States.

Franklin, L. S., director, National Tax Relief Coalition, 2309 Pine Croft Road, Greensboro, N. C. (1) Received for January, February, March 1949, $1,690. (2) Paid out, $1,690 for quarter, as follows: Auto upkeep for 13 weeks, $546; lodging and meals, 13 weeks, $519; salary for L. S. Franklin, $375. (3) Mimeographing, bulletins, mail costs, $250; total expenses for quarter, $1,690. (4) None. (5) Tax relief and reform; less spending, more saving.

Frederick, John H., 1200 Eighteenth Street NW., Washington, D. C.; Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) Retainer fee, $700; expense statement, $33.95. (2) John H. Frederick. (3) Retainer fee, incidental expenses at Washington and travel away from Washington. (4) None. (5) None.

Frederickson, Fred J., Hotel Lafayette, Washington, D. C. (Home address: Valley City, N. Dak.); North Dakota Resources Board, 311 North Broadway, Fargo, N. Dak., and State Water Conservation Commission, Bismarck, N. Dak. (1) Quarterly salary for January, February, and March 1949, before deductions, $1,650; and reimbursed expenses for same period, $1,102.29. (2) Hotels, eating establishments, railroad, bus, transit and taxicab companies, service stations, telephone and telegraph companies, office suppliers, and post offices. (3) Lodging, meals, transportation, communications, office supplies, and postage. (4) None. (5) Legislation affecting irrigation, reclamation, water conservation, flood control, land and mineral development and utilization in North Dakota, H. R. 3734, H. R. 3838.

Freeman, Milton V., 1200 Eighteenth Street NW., Washington, D. C.; Consumer Mail Order Association of America, post office box 1025, Joplin, Mo.; 602 Ring Building, Washington, D. C. (1) $5,000 received on account of legal fees. (2) Telephone, telegraph, railroad, taxi fares, mimeographing, photostating, and other actual expenses have been advanced by the firm of Arnold, Fortas & Porter in the amount of $413.47, of which amount $369.77 has been billed to and paid by the CMOA. The remainder will be so billed and paid. (3) [Blank.] (4) None. (5) Oppose H. R. 195 and similar bills.

Fuller, George M., 1319 Eighteenth Street NW., Washington, D. C.; National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) January, $295.83; February, $251.80; March, $253. (2) Miscellaneous. (3) Entertainment and transportation. (4) None. (5) Oppose any legislation inimical to the interests of the lumber industry and support any legislation which would be helpful to it.

Fyffe & Clarke (David R. Clarke, John Harrington, Albert J. Smith), 120 South LaSalle Street, Chicago, Ill., Illinois Manufacturers' Association, 120 South LaSalle Street, Chicago, Ill. (1) Approximately $360. (2) Railroads, hotels, taxicabs, restaurants, etc. for registrant. (3) Registrant's personal expenses. (4) None. (5) Legislation affecting manufacturers generally.

Gage, Charles E., 927 Fifteenth Street NW., Washington, D. C.; The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (1) None, but see copy of statement attached filed with Form B, on February 24, 1949. (2) None. (3) None. (4) None. (5) None.

Gaither, H. Rowan, Jr.,[7] 333 Montgomery Street, San Francisco, Calif.; Stapleton Lumber & Piling Co., Mills Building, San Francisco, Calif. (1) None during quarter from October 1, 1948, through December 31, 1948. (2) None. (3) None . (4) None. (5) H. R. 6253, Eightieth Congress, second session.

Gaither, H. Rowan, Jr.,[8] 333 Montgomery Street, San Francisco, Calif.; Stapleton Lumber & Piling Co., Mills Building, San Francisco, Calif. (1) None during quarter from January 1, 1949, through March 31, 1949. ((2) None. (3) None. (4) None. (5) H. R. 2976, Eighty-first Congress, first session.

Galvin, M. J., 207 Union Depot Building, St. Paul, Minn.; Minnesota Railroads, St. Paul, Minn. (1) None. All of the undersigned clients as listed on his registration have paid the expenses reported herein, and the undersigned's salary, on the ratio of the mileage which they have within the State of Minnesota. Amount paid is the same as that expended. (2) None. (3) None. (4) None. (5) None.

Gammons, Earl H., 801 Warner Building, Washington, D. C.; Columbia Broadcasting System, Inc., Warner Building, Washington, D. C. (1) $200.50. (2) Restaurants, hotels, and incidental expenses. (3) Entertainment and out-of-pocket expenses. (4) None. (5) None.

Gardner,[4] Fraser S., national legislative chairman, Army and Navy Union; (home) 5410 Third Street NW., Washington, D. C. (TAylor 8804). (1) Spent $142.95 personal out-of-pocket moneys for regular and extra duties of office held as national legislative chairman, ANU–USA; attending veteran and other related meetings; legislative research; cost of mailing to other members and national officers; lunches and other meals; cabs; parking charges; telephone calls, etc.

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[8] Filed for first quarter, 1949.
[9] Filed with the Clerk only.

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[7] Filed for fourth quarter 1948.
[8] Filed for first quarter 1949.

Received reimbursement of $99.20 for this quarter so far. (2) Post office, cab operators, parking-lot operators, telephone company, restaurants, and such. (3) Such out-of-pocket items were and are incurred in the regular pursuit of the normal duties of a veterans' organization legislative officer who is not employed by such organization, but gives freely of his time to assist in any worthy veteran cause. (4) Army and Navy Union News (marked copy attached).[11] (5) Am not employed by the ANU; we are expressly anxious to have the present Congress approve a national charter for this oldest veterans' organization. Since January 3, 1949, H. R. 531, H. R. 1237, H. R. 1828, and S. 711 have been introduced to accomplish this objective. This is our principal legislative endeavor, and we are not in opposition to any particular legislative activity, veteran or otherwise.

Garstang,[4] Marion R., 1731 I Street NW., Washington, D. C. (1) Expended $15.85 for taxi fares. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Gaston, Edward Page, World Prohibition Federation and Patriot Guard of America, Inc., 1311 G Street NW., suite 404, Washington, D. C. (1) Mrs. Sallie E. Erwin, 1429 Clifton Street NW., District of Columbia, $24; Miss Pettis, 1290 Crittenden Street NW., District of Columbia, $5; Mrs. E. H. Fisher, the Arcady, 2619 Wilshire Boulevard, Los Angeles, Calif., $10. (2) The undersigned. (3) For general work. (4) None. (5) Legislation against the liquor traffic, narcotics, etc.; also for better citizenship through patriotic efforts, etc.

Gates, Alexander P., National Association of Home Builders, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary, $3,000; expenses, $176. (2) Self (salary); expenses, hotels, restaurants, taxicabs, etc. (3) Lunches, etc., transportation, and customary personal expenses. (4) None. (5) Housing.

Gavitt,[5] Frank, Carl Byoir & Associates, Inc., 10 East Fortieth, New York, N. Y. (1) Carl Byoir & Associates, Inc., registered in accordance with Public Law 601, Seventy-ninth Congress, and retained as public relations counsel for Schenley Distillers Corp., did not, during the fourth calendar quarter of 1948 (the period covered by this report), conduct any lobbying activities. Please note that the name of the firm was changed from Schenley Distillers Corp. to Schenley Industries, Inc., effective January 4, 1949. Future quarterly reports will be filed in this new name. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Gavitt,[5] Frank, Carl Byoir & Associates, Inc., 10 East Fortieth, New York, N. Y.; Schenley Industries, Inc. (1) Carl Byoir & Associates, Inc., registered in accordance with Public Law 601, Seventy-ninth Congress, and retained as public-relations counsel for Schenley Industries, Inc., did not, during the first calendar quarter of 1949 (the period covered by this report) conduct any lobbying activities. (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

Geary, Paul M., National Electrical Contractors Association, 610 Ring Building, Washington, D. C. (1) No expenses incurred and no money received other than salary originally reported on Form B, filed May 22, 1947. (2) [Blank.] (3) None. (4) None. (5) No special legislation under consideration.

Geaslin, Bon, 1740 G Street NW., Washington, D. C.; Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala. (1) No expenditures made during this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) I am not employed to support or oppose any particular legislation, but as an incident to my position as general counsel of Waterman Steamship Corp. we are interested in all legislation affecting the merchant marine and civil aeronautics.

Gebhard, Mrs. Paul, 1000 Eleventh Street NW., Washington, D. C.; Presbyterian Church, U. S. A., Division of Social Education and Action, Board of Christian Education, 830 Witherspoon Building, Philadelphia, Pa. (1) Personal expenses refunded: travel, $163.29; hotel, $49.67; food, $49.05; honorarium, $150; total, $412.01. (2) [Blank.] (3) Lobbying in the interest of social legislation on which the Presbyterian General Assembly has taken action. (4) Social Progress (magazine), special bulletins. (5) Same as (3).

George, J. M., H. K. Brehmer, and C. S. McMahon, law firm of George, Brehmer & McMahon, The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn. (1) (a) $175.36 from The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.; (b) $1,800 for general legal services without regard to Federal legislative matters. (2) (a) To hotels, restaurants, railroad companies, telephone and telegraph companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893.

George, J. M., H. K. Brehmer, and C. S. McMahon, constituting the partnership of George, Brehmer & McMahon, National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn. (1) (a) $765.29 from National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.; (b) $3,000 for general legal services without regard to Federal legislative matters. (2) (a) To hotels, restaurants, railroad companies, telephone and telegraph companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893.

George, Leo E., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, January, February, March 1949, $2,499.99; general organization expenses, $300; traveling expenses, $50.33. (2) General organization expense includes hotel, meals, and other expenses incident to attendance at meetings, $300; American Airline, $27.72; Pennsylvania Railroad, $22.61. (3) Expenses except transportation are an actual reimbursement for cash expended. (4) The Union Postal Clerk, the Federation News Service bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve the civil-service retirement law; improve the wages, hours, and conditions of post-office clerks, and to improve the postal service.

Gibson, John S., suite 10–12–14, Sibbett Building, Douglas, Ga.; St. Marys Kraft Corp., St. Marys, Ga., and New York, N. Y. (1) $1,053.40. (2) $750, being $250 for each month of the quarter, has been retained by the said John S. Gibson as salary for said period; $73.83 to the Statler Hotel, Washington, D. C.; $73.40 to the Coast Line Railroad and Pullman Co.; $156.17 to various parties for items explained below. (3) $73.83 was paid to the Statler Hotel for lodging for 6 days and service charges such as telephone, etc.; $73.40 was paid to the Atlantic Coast Line Railroad and Pullman Co. for trip to Washington, D. C.; $156.17 was spent for food, tips, taxis, and other incidentals. (4) None. (5) An appropriation for certain dredging in North River, Ga., and St. Marys River, Ga. and Fla., which was given No. 827 by the Board of Engineers for Rivers and Harbors, War Department, Washington, D. C.

Giddings, Ernest, assistant director, legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary: $1,445.04 which covers both legislative and nonlegislative activities; estimated for legislative service, $289; expenses, $57.85. (2) Self (salary); expenses, hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Gilbert, C. C., Southern States Industrial Council, Stahlman Building, Nashville 3, Tenn. (1) $1,725 salary as secretary, Southern States Industrial Council, Nashville, Tenn. (2) None. (3) None. (4) None. (5) Such legislation as may be of interest or affecting industry generally.

Gill, George E., Communications Workers of America, division 49, 23 Broad Street SW., Fourth Floor, Atlanta, Ga. (1) Salary, $1,438.45; expenses, $408.27; total, $1,846.72. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; International Longshoremen's and Warehousemen's Union, CIO, 150 Golden Gate Avenue, San Francisco, Calif. (1) Salary, $1,235.04; expenses, $316.48 (2) Expenses include those in Washington as well as air transportation and living expenses while out of town. (3) See (2). (4) The Dispatcher, publication of the International Longshoremen's and Warehousemen's Union, CIO. (5) To support all legislation of interest to American workers and longshoremen and warehousemen specifically; oppose undemocratic legislation.

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; National Union of Marine Cooks and Stewards, CIO, 86 Commercial Street, San Francisco, Calif. (1) salary or personal expenses; $450 or $150 per month received toward cost of office operations. (2) See (1). (3) See (1). (4) The Voice, publication of the National Union of Marine Cooks and Stewards, CIO. (5) To support all legislation of interest to American workers and maritime workers specifically; oppose all undemocratic legislation.

Goddard, Livingston, 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary, $1,350 as secretary-treasurer of the federation; traveling expenses, $297.20. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) Railway Progress, volume III, No. 1, March 1949. (5) None.

Goodman, Leo, 1129 Vermont Avenue NW., Washington, D. C.; Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) $1,500 salary; $1,080.55 expenses. (2) [Blank.] (3) [Blank.] (4) CIO News, Autoworker. (5) Rent control, housing, and community development and planning.

Goodwin, William J., the Loch Roslyn, New York, and Union Trust Building, Washington, D. C.; National Resources Commission of China, 111 Broadway, New York, N. Y. (1) Money received: None. Money expended: $3,255.97 (see schedule attached [1]). (2) See schedule attached.[1] The attached schedule of expenses during the last 3 months includes some expenses perhaps not pertinent to the purposes of this retainer. Other expenses, not included, definitely do not pertain to this account, as I have other income and other accounts which do not come under

[4] Filed with the Secretary only.
[5] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[11] Not printed. Filed in the Secretary's office.

[1] Not printed. Filed in the Clerk's office.

this act. (3) See schedule attached.[1] (4) As stated before, I have introduced representatives of the Chinese Government to newspaper editors, legislators, businessmen, and others, in order that they would learn the truth about China. Also, for the period ending March 31, I have written letters as filed with the Department of Justice. (5) Reference is made to my letter of July 1, 1948, which accompanied my registration statement. Also, I urged Congress to pass legislation providing for substantial military help to China to fight communism in order to establish stability in that country; naturally, as a prerequisite for the work of interesting American capital in Chinese enterprises, but, far more important, as an American citizen, I will do so for the sake of the common world fight against Red fascism.

Gordon, Spencer, Union Trust Building, Washington, D. C., American Institute of Accountants, 13 East Forty-first Street, New York, N. Y. (1) No money received. Small amounts expended to telegraph and telephone companies. (2) Small amounts to telegraph and telephone companies. (3) Telegrams and long-distance telephone calls. (4) The Journal of Accountancy and the Certified Public Accountant. (5) Advancing the interests of the accounting profession in reference to bills relating to practice before Government agencies and practice before The Tax Court.

Goss, Bert C., 725 Fifteenth Street NW., Washington, D. C., Hill & Knowlton, Inc. 350 Fifth Avenue, New York, N. Y. (1) Received no money other than salary as vice president of Hill & Knowlton plus essential travel and entertainment expenses. I estimate that of my travel and entertainment expenses for the 3 months ended March 31, 1949, less than $75 was expended for purposes that might be interpreted as subject to being reported under this law. (2) Paid to taxicabs and restaurants. (3) For travel to and from the Capitol, for luncheons and dinners for committee personnel and Congressmen, etc. (4) Supervised issuance of numerous press releases. (5) Not employed specifically to support or oppose legislation. Interested in legislation affecting aviation, Federal regulation of oleomargarine, steel plants, and in other legislation affecting interests of clients of Hill & Knowlton.

Gourley, Lawrence L., 902 Shoreham Building, Washington, D. C., American Osteopathic Association, 212 East Ohio Street, Chicago, Ill. (1) $3,000 retainer. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills affecting the public health.

Gran, Cedric G., assistant to the president, American Plant Food Council, Inc., 910 Seventeenth Street NW., Washington, D. C. (1) Taxi fare, telephone and telegraph, $10; stenographic and clerical in re information service, $50; total, $60. (2) See above. (3) In re "Fertilizer Supply Hearings" before House Committee on Agriculture, March 15 and 16, 1949. (4) None. (5) Interested in fertilizer hearings above-mentioned opposed to H. R. 855 and H. R. 3045. Eighty-first Congress. (See statement filed with original registration.)

Gray, David G., P. O. Box 2180, Houston, Tex. (1) Of my total salary $750.00 might be considered applicable to services in connection with consultations with reference to legislation. (2) Expenses January 1, 1949 to March 31, 1949, Shoreham Hotel $1,534.56; taxi fares $135. (3) Living, communication, and transportation expenses. (4) None. (5) Not employed to support or oppose any particular legislation. My duty was to watch the program of legislation affecting the petroleum industry.

Green, Angus, American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y. (1) Receipts: $1,668.99 salary, plus $785.83, reimbursement of the expenditures referred to in Nos. (2) and (3) below. (2) Transportation and communications services: post office, hotels, restaurants, etc. (3) Travel, living and business expenses connected with employment. (4) None. (5) Legislation affecting shipping industry which concerns employer.

Greene, Ernest W., 731 Investment Building, Washington, D. C.; Hawaiian Sugar Planters' Association, Post Office Box 2450, Honolulu, Territory of Hawaii. (1) None. (2) No one. (3) None. (4) None. (5) I am not employed to support or oppose any legislation. I did appear before House Committee on Education and Labor on the proposed minimum wage bill and advocated the retention of the exemption for first processing of agricultural products.

Greenstreet,[2] M. F., 1917 Claremont Avenue, Independence, Mo. (1) Money received $1 State Townsend Leader, $1 H. C. Batten, $2 Green Back Party, total $4, total expense $11.75, leaving $8.75 for me to pay. (2) Post office $6.75, envelopes and paper $1.15, John Scott, money papers $1.10, action papers Norwalk, Ohio $1.05, other papers 90 cents. (3) Postage, stationery, literature, etc. (4) $1 donated to Equalitarion Bulletin, 1184 Seventy-eighth Avenue, Oakland, Calif., for 3 pages of articles on Greenback and money reform. (5) National secretary of Greenback party for the year 1949. Platform money and pensions reform as recommended by Townsend and others.

Griffith, H. McAllister, National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) Salary, $2050; expenses, Washington trips, $228.60. (2) Expenses paid for transportation, meals, hotels, and incidentals. (3) See (1). (4) Economic Council Letter; Economic Council Action Report. (5) In general, any legislation opposed which is subversive of a free, economic, social and political society such as is established in the United States Constitution. Legislation advocated which recognize freedom as the regulative principle of our national life. I do not appear for or against legislation as the representative of any private interest which expects either to gain or lose financially as a result of any specific legislation.

Grimes, Weston B., 436 Bowen Building, 821 Fifteenth Street NW., Washington, D. C.; Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn. (1) Received, including office, travel, and general expenses totaling $2,004.73, $8,254.75; expended; for purposes designated in the Lobbying Act, $12. (2) Taxicabs. (3) Taxicabs to and from the Capitol. (4) None. (5) Legislation concerning agriculture, commodity exchanges, international commodity agreements, and inland waterways.

Grinberg, P. Irving, Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y. (1) Four trips to Washington, $102; hotel and meals, $114; total, $216. (2) [Blank.] (3) [Blank.] (4) National Jeweler, Jewelers' Circular-Keystone, Jewelry, Jewelers' Newsletter, Executive Jeweler, ANRJA Bulletin, NACJ Bulletin, Mid-Continent Jeweler, Northwestern Jeweler, Southern Jeweler, Pacific Goldsmith, Trader and Canadian Jeweler, Manufacturing Jeweler. (5) Interested in securing relief from excise taxes as applied to jewelry.

Grosscup, Ambler & Stephan,[2] 711 Cental Building, Seattle, Wash.; Alaska Transportation Co., Pier 57, Seattle, Wash. (1) Firm received on February 2, 1949, check on account of various legal services rendered in 1948, including amount of $1,350 for legal services rendered during period April 6 to May 31, 1948, in connection with legislative hearings before House Committee on Interstate and Foreign Commerce, re Alaska interim shipping legislation, House Journal Resolution 896, and before Senate Committee on Interstate Commerce re amendments to Jones Act, S. 1834 and S. 2092, and miscellaneous conferences re related legislative matters including H. R. 4619 and codification of title 46 and H. R. 4574 re Alaska Highway. (2) Expenses of Washington, D. C., trip were incurred in connection with other matters before the Maritime Commission separately billed and not segregated. (3) Transportation, hotel room, meals, phone, taxies and similar out-of-pocket disbursements. (4) None. (5) None.

Haas, Frank E., Association of Western Railways, Western Association of Railway Executives, 204 South Canal Street, Chicago, Ill. (1) During the first quarter of 1949 this registrant was not assigned to and did not engage in activity in connection with Federal legislation or covered by the Federal Regulation of Lobbying Act and thus received no compensation and incurred no expense subject to report hereunder. (2) None. (3) None. (4) None. (5) None.

Haddock, Hoyt S., CIO Maritime Committee, 132 Third Street SE., Washington, D. C. (1) $1,560 in salary; $130 for expenses. One-fourth of time devoted to legislative activities. (2) Taxi companies, telephone calls, dispensers of periodicals. (3) Taxies, telephone calls, periodicals. (4) NMU Pilot, American Marine Engineer. (5) Support legislation in interest of seamen, fishermen, and allied maritime workers and oppose legislation detrimental to them.

Haines, Samuel P., 4407 Sixteenth Street NW., Washington, D. C.; 20-Percent Cabaret Tax Committee, 171 West Randolph Street, Chicago, Ill. (1) See exhibit A, attached.[1] (2) See exhibit B, attached.[1] (3) See exhibit B, attached.[1] (4) None. (5) Reduction or repeal of the 20-percent excise tax applying to dine-and-dance rooms of hotels.

Hale, William C., Tennessee Eastman Corp., Kingsport, Tenn. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Revisions in the Tariff Act; draw-back regulations.

Hallbeck, E. C., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, January, February, and March 1949, $2,333.39; legislative expenses, January, February, and March, 1949, $360.46; transportation expense, January, February, and March 1949, $115.66; general expenses, meeting of executive committee, NFPOC, $50.30. (2) Legislative expense includes meals, streetcar, taxi, hotel, and other traveling expenses incident to attendance at meetings and conferences, excepting transportation and meals, taxi, and entertainment of guests at Washington, D. C., $360.46; transportation expense, Pennsylvania Railroad, $115.66. (3) All expenses except transportation expenses are an actual reimbursement for cash expended for the purposes stated. (4) The Union Postal Clerk, the Federation News Service Bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve the civil-service retirement system; improve the wages, hours, and conditions of post-office clerks; and to improve the postal service.

Hallett, James B., National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. (1) See Registration Form B; $89.58 reimbursement of expenses by registrant, National Association of Life Underwriters. Conceivably allocable portion of annual salary, $73.97. (2) Hotel, common carriers, restaurants, etc. (3) $88.58 reimbursed expenses for travel, meals, lodging, February 28, March 1 and 2, 1949, Washington, D. C. (4) Life Association News. (5) See Registration Form B. Items of interest during dates cited were amendments to Social Security Act and status of tax-revision legislation.

Hamlet, Harry G., Retired Officers Association, 1600 Twentieth Street NW., Washington, D. C. (1) Received $600. No part of this sum was received specifically for the purpose of attempting to influence legislative action. (2) Expended nothing. (3) See (1) above.

[1] Not printed. Filed in the Clerk's office.

[2] Filed with the Clerk only.

[1] Not printed. Filed in the Clerk's office.

(4) Retired Officers Association Bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

Hampton,[6] Leon B., 902 Tribune-Telegram Building, Salt Lake City, Utah. (1) Regular salary plus $595.90. (2) Union Pacific and Pennsylvania Railroads, Pullman Co., and Hotel Sheridan. (3) Transportation, hotel accommodations, etc. (4) None. (5) Senate bill 249.

Hanlon, Daniel J., 1727 Massachusetts Avenue NW., Washington, D. C.; Consumer Mail Order Association of America, Inc., Jersey City, N. J. (1) Consumer Mail Order Association of America, Inc.; I have received to date $500; I am to receive $3,000 payable in monthly installments of $500 each. (2) No money expended. (3) See answer to (2). (4) None. (5) To oppose house bill 195 and all other bills of like tenure in the House and Senate.

Hanscom,[7] William A., 1700 I Street NW., Washington, D. C.; Oil Workers International Union, CIO, Ledger Building, 301 East Fifth Street, Fort Worth, Tex. (1) Received salary, $1,500; expenses, $135. (2) Hotels, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) Union News Service and the International Oil Worker. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to those objectives.

Hanscom,[8] William A., 1700 I Street NW., Washington, D. C.; Oil Workers International Union, CIO, 1840 California Street, Denver, Colo. (1) Received salary, $1,500; expenses, $135. (2) Hotels, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) Union News Service and the International Oil Worker. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to those objectives.

Harmanson, L. James, Jr., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for January, February, and March, 1949, $1,774.98. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) None. (5) Agricultural legislation.

Harper,[9] Elsie Dorothy, National Board of the Young Women's Christian Associations, 600 Lexington Avenue, New York, N. Y. (1) Salary, $425; expenses, $280. (2) Elsie Dorothy Harper. (3) Presenting to the President, the Cabinet, and both Houses of Congress (3) the opinion on subjects related to (5) below of the convention of the Young Women's Christian Associations held triennially and (a) the opinion on subjects related to (5) be-Young Women's Christian Associations in line with actions taken by the convention. (4) None. (5) Legislation related to international security, social and economic justice, education, health, and civil liberties.

Harper, Robert E., Managing director, National Business Publications, Inc. (an association of publishers of trade, technical, scientific, and professional periodicals), 1415 K Street NW., Washington, D. C. (1) For such ordinary expenses as cabs to and from Capitol Hill and courtesy luncheons, $27.70. (2) Various cab drivers and personnel of restaurants on Capitol Hill. (3) See (1) above. (4) NPB Report (official association news letter circulated to association members). (5) That which affects postal rates of controlled-circulation periodicals published by members of the above-named association. Such activity is but a small portion of his year-round duties as managing director.

Harris, Winder R., 1029 Vermont Avenue NW., Washington, D. C.; Shipbuilders Council of America, 21 West Street, New York, N. Y. (1) Received: Office expense, $114.19; personal expense, $201.26; total, $345.45; expended: office expense, $144.19; personal expense, $201.26; total, $345.45. (2) Various. (3) Public documents, office supplies, envelopes, copies of a patent, typewriter repair, drinking water, association dues, booklet, flowers for funeral, postage stamps, rental of water cooler, rail transportation, hotel accommodations, lunches (not connected with legislation), taxicab and streetcar transportation, telephone (long-distance) calls, laundry, soap, janitor services. (4) None. (5) Proposed appropriation for installation of drydocks in Maritime Commission's reserve-fleet areas. Overtime-on-overtime bill.

Hart, Merwin K., National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) Salary, $7,783.30; advance for expenses, $293.87; total, $8,077.17. (2) It is difficult to allocate accurately any money expended by me during the quarter in question to lobbying activities. However, I was in Washington January 14 at a total cost of $38.25; also from February 7 to 9 at a total cost, $91.64; from February 21 to 22 at a total cost of $52.12; from March 8 to 9 at a total cost of $46.09; all include transportation. Also a luncheon on January 10, $8.75. Certainly some of these expenditures were not for lobbying, but I mention them for such importance as they may have. (3) See (2). (4) Economic Council letters Nos. 206, 207, 208, 210, and 211. (5) Measures discussed in council letters above named and published during this quarter.

Hart, Stephen H., 350 Equitable Building, National Livestock Tax Committee, Cooper Building, Denver, Colo. (1) During the quarter the National Livestock Tax Committee paid to me a per diem of $50 for office work and $100 out of town for actual time spent in study, advice, conferences, and correspondence concerning general livestock tax questions including the analysis of the present provisions of the Internal Revenue Code and current rulings and decisions concerning Federal taxation of livestock operators. Such activities also included work in connection with the position of the National Livestock Tax Committee toward amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and the deduction of ranching expenditures. It is impossible to determine what part of my services related to this legislative problem, but it is my opinion that none of my activities during the preceding quarter could be interpreted as lobbying. During the quarter a total of $450 for legal services was paid to me for all my activities and services. I was also reimbursed $17.25 for out-of-pocket expenses. (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

Harter, Dow W., 412–14 Washington Building, Washington 5, D. C.; the B. F. Goodrich Co., Akron, Ohio. (1) Receive annual retainer from the B. F. Goodrich Co. for all services as its Washington counsel. Allocation of amount paid for my services between legal and legislative activities is not feasible. Amount received during first quarter of 1949, $1,875. In addition, receive reimbursement for long distance telephone, travel, taxicab fares, and out-of-pocket expenses. (2) None. (3) [Blank.] (4) [Blank.] (5) The B. F. Goodrich Co. is interested in legislation relating to the maintenance of facilities for the production of an ample supply of synthetic rubber in the United States for commercial and national defense purposes. It is interested in various proposals now under study by Congress for a long-range rubber program for this country. It is also interested in the repeal of the present excise taxes on tires and tubes, and in other legislative proposals which come before Congress from time to time.

Hartley, Fred A., Jr., 1001 Fifteenth Street, NW., Washington 5, D. C., Tool Owners Union, Inc., 1802 Massachusetts Avenue (national headquarters), Lexington, Mass. (1) Receipts: Salary, $384.61; expenses reimbursed by employers, $267.57. Expenditures: $267.57. (2) Paid to various railroads, restaurants, part-time secretary and full-time secretary. (3) Traveling to attend meeting and speaking engagement; secretarial services. (4) [Blank.] (5) Any legislation which affects the welfare of and the security of investments of those individuals who own or share in the ownership of tools of production in this country. This will include but is not limited to national labor policy, wage and hour legislation, tax laws, reduction of Federal expenditures, government controls over production and distribution of manufactured products, or the raw materials going into such products, Federal subsidization of research patent and trade-mark legislation.

Hawkins, Paul M., 1405 K Street, NW., Washington, D. C.; American Hotel Association, 221 West Fifty-seventh Street, New York 19, N. Y. (1) Received $2050.01, only a small fraction of which was for lobbying activities; $231.92 expenses, only a small fraction of which was expended for lobbying activities. (2) Taxicabs, railroads, restaurants, hotels, air lines. (3) Transportation, meals, rooms. (4) [Blank.] (5) Legislation affecting the hotel industry.

Hayden, Harry Vere, Jr., 1608 K. Street NW., Washington 6, D. C.; the American Legion (national organization), 777 North Meridian Street, Indianapolis 6, Ind. (1) $250 salary semimonthly, less withholding and social-security taxes; $58.80 incidental expenses for months of January, February, March 1949. (2) Harry Vere Bayden, Jr. (3) $48.80 incidental expenses (taxi, car fare, phones calls, meals, etc.). (4) The American Legion magazine, New York City; National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, re-education and housing; all matters, affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil-aviation programs and policies; the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Haynes, Kit H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for January, February, and March 1949, $1,625.10. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) none. (4) Assists in the preparation of Washington Situation, a weekly mimeographed newsletter of the national council; also prepares farm news releases at irregular intervals and special reports at irregular intervals. Such reports are distributed to members of the national council, news services, radio networks and stations, and miscellaneous persons who

[6] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[9] Filed with the Clerk only.

have requested inclusion on mailing lists. (5) Agricultural legislation.

Hays, Joseph H., the Association of Western Railways, Western Association of Railway Executives, 204 South Canal Street, Chicago, Ill. (1) During the first quarter of 1949 this registrant was not assigned to and did not engage in activity in connection with Federal legislation or covered by the Federal Regulation of Lobbying Act and thus received no compensation and incurred no expense subject to report hereunder. (2) None. (3) None. (4) None. (5) None.

Hazen, John C., 1008 Munsey Building, Washington, D. C.; National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N. Y. (1) Meals, $227.80; taxis, $10.45; miscellaneous, $4.50. (2) [Blank.] (3) [Blank.] (4) The Special Bulletin, published weekly. NRDGA Washington news letter, published monthly. (5) H. R. 3190.

Hebert, Felix, Associated Factory Mutual Fire Insurance Co., 602 Turks Head Building, Providence, R. I. (1) None. (2) None. (3) [Blank.] (4) None. (5) Amendment to Internal Revenue Code.

Heberton, K. W., 1405 G Street NW., Washington, D. C.; Western Union Telegraph Co., 60 Hudson Street, New York, N. Y. (1) Salary of $860 per month, which is paid for all services, only a part of which concerns legislation. Out-of-pocket, travel, and incidental expenses, $209.95. (2) Taxi drivers and restaurants. (3) Transportations and luncheons. (4) None. (5) Any legislation affecting the interests of the Western Union Telegraph Co.

Hecht, George J., 52 Vanderbilt Avenue, New York, N. Y.; American Parents Committee (without salary), 132 Third Street SE., Washington, D. C. (1) Received $75.51; expended $75.51. (2) Various. (3) Railroad fare, miscellaneous expenses. (4) Parents' magazine and school management. (5) National child research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public school survey, and construction bill.

Heiney, Robert B., National Canners Association, 1739 H Street NW., Washington, D. C. (1) $1,712.49 as one-quarter year's salary as assistant to the secretary of the association for all work performed; $90.95 has been received as reimbursement for expenses incurred. (2) Taxi fares and miscellaneous expenses, $90.95. (3) See above. (4) National Canners Information Letter. (5) Opposing marketing orders on commodities for canning and changes in overtime exemptions of the Fair Labor Standards Act.

Hendrickson, Roy F., National Federation of Grain Cooperatives, 721–24 Washington Loan & Trust Building, Washington, D. C. (1) Expended $3.30 for taxi fares. (2) See (1). (3) See (1). (4) Co-op Grain Quarterly. (5) Any legislation that may affect grain producers or the cooperatives through which they act together to market their produce.

Hensel, Robert E., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, made no expenditures during the quarter ended March 31, 1949, in connection with the proposed legislation described in item (5) hereof on behalf of the American Tobacco Co. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation extending the 85 percent dividend received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Herndon, Maurice G., 1001–2 Washington Loan & Trust Building, Ninth and F Streets NW., Washington, D. C.; National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y. (1) No money received or expended during preceding calendar quarter. Status of registrant the same as stated in original Form B and accompanying letter of explanation, filed March 6, 1947. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Herrmann, Louis F., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) There were no miscellaneeous expenses for Dr. Louis F. Herrmann during the first quarter of 1949. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Hess, Amiel Edgerton, Oil-Heat Institute of America, Inc., 6 East Thirty-ninth Street, New York, N. Y. (1) None. (2) None. (3) [Blank.] (4) Nine. (5) Nothing at present.

Hester, Ewart A., law offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C. (1) Salary, January, February, and March, $2,500; no expenses incurred for this quarter. (2) No expenses incurred. (3) None. (4) None. (5) See supplementary statement, paragraph 2, attached to Form B filed by me January 9, 1948; H. R. 233.

Heviand, Thelma, Indiana Traffic Division No. 56, Communications Workers of America, 27 West Ohio Street, Room No. 5, Indianapolis, Ind. (1) No activities. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Hewes & Awalt, a law partnership, consisting of the following partners: Thomas Hewes, F. G. Awalt, Samuel O. Clark, Jr., Harold E. Mitchell, Raymond Sparks, Henry L. Shepherd, John S. Murtha and Maxwell M. Merritt, 93 Elm Street, Hartford, Conn., 822 Connecticut Avenue NW., Washington, D. C. Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) This registrant received during the first quarter of 1949 the sum of $7,500 from the Life Insurance Association of America, to apply on account of services rendered during the calendar year 1948. This registrant also received during the first quarter of 1949 the sum of $210.88 in reimbursement of out-of-pocket expenditures incurred during the calendar year 1948 and represents all expenditures as previously reported on Form C. No expenditures were made during the calendar quarter ended March 31, 1949. (2) See (1). (3) The money received was in payment of legal services rendered and reimbursement of expenses, as set forth in the attached statement. (4) None. (5) Any revision of Internal Revenue Code affecting life insurance and annuities.

Hewes and Awalt, a law partnership, consisting of the following partners: Thomas Hewes, F. G. Awalt, Samuel O. Clark, Jr., Harold E. Mitchell, Raymond Sparks, Henry L. Shepherd, John S. Murtha, Maxwell M. Merritt, and W. V. T. Justis, 93 Elm Street, Hartford, Conn., 822 Connecticut Avenue NW., Washington, D. C. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) The filing of this report is not to be taken as an admission that the Federal Regulation of Lobbying Act is applicable. This registrant received during the first quarter of 1949 the sum of $6,250 from the National Association of Electric Companies on account of retainer fee as general counsel of the association. This registrant also received during the first quarter of 1949 the sum of $33.24 in reimbursement of out-of-pocket expenditures, of which $12.99 represented expenditures made during the last quarter of 1948 and reported on Form C for that quarter. The balance of $20.25 received represents the following expenditures made during the first quarter of 1949: To Chesapeake & Potomac Telephone Co., for long-distance calls, $14.10; to taxicab drivers, $6.15; total, $20.25. This registrant also made certain out-of-pocket expenditures during the calendar quarter ended March 31, 1949, in connection with its employment by the above-named association for which registrant has not received reimbursement, these being listed in detail below: To Chesapeake & Potomac Telephone Co., for long-distance calls, $15.03; to taxicab drivers, $4.40; total, $19.43. (2) See (1). (3) Expenses for transportation and communication, as listed in (1). (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which this firm is counsel, is to provide the members with a medium through which they can exchange ideas and take appropriate action on all problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in any and all legislation that might affect its members directly or indirectly as going business concerns.

Hill & Knowlton, Inc., 300 Hibbs Building, 725 Fifteenth Street, NW., Washington, D. C. (1) See attached.[1] (2) See attached.[1] (3) See attached.[1] (4) Have no records of such publication. (5) Not employed to oppose or support legislation; are retained to prepare education information and material.

Hilts, Harry B., Empire State Petroleum Association, Inc., Inc., Atlantic Coast Oil Conference, Inc., 122 East Forty-second Street, New York, N. Y. (1) In addition to salary reported on Form B, the following expenses: Empire State Petroleum Association, Inc., $365.48; Atlantic Coast Oil Conference, Inc., $786.79. (2) Railroads, hotels, taxis, etc. (3) General association work. (4) ESPA, official publication of Empire State Petroleum Association, Inc.; ESPA Weekly Letter; Atlantic Coast Oil Conference Weekly Letter. (5) None in particular. We are interested in all matters pertaining to the petroleum industry.

Hinders, Justin, 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Expenses incurred, $42.40. (2) Various. (3) Miscellaneous expenses. (4) Attached list[1] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed; complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Hines, Lewis G., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for January, February, and March, $2,040; expenses for January, February, and March, $275.20. (2) Taxi drivers and phone company when away from office. (3) As stated in (2). (4) None. (5) Affecting labor.

Hinman, Ray C., Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y. (1) Money received: Salary (this represents one-quarter of the amount of registrant's annual remuneration which is attributable to the performance of duties which are subject to the Lobbying Act) $1,250; reimbursement for traveling expenses, $186.01; total, $1,436.01; money expended (in connection with duties related to the Lobbying Act), $186.01. (2) Railroads, air lines, taxis, hotels, restaurants, telephones, and tips. (3) Normal traveling expenses. (4) None. (5) Legislation affecting the petroleum industry.

Hitchner, Lea S., the National Agricultural Chemicals Association, 528 Barr Building, 910 Seventeenth Street NW., Washington, D. C. (formerly 285 Madison Avenue, New York City). (1) No moneys received or expended in quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Hobbie, Edgar V. H., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended, $25. (2) Various. (3) Taxicab fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which

[1] Not printed. Filed in the Clerk's office.

they act together to process and market their milk.

Hoffberger, Samuel H., 215 North Calvert Street, Baltimore, Md.; National Apartments Owners Association, 458 South Catalina, Los Angeles, Calif. (1) Received $5,000 as legal fee. (2) Samuel H. Hoffberger. (3) For advice and counsel concerning rent legislation which was being considered by the Eighty-first Congress. (4) None. (5) Rent control legislation which was considered by Eighty-first Congress.

Hoffmann,[7] Frank N., 718 Jackson Place NW,. Washington, D. C.; United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh 22, Pa. (1) $1,999.98 salary; $1,600 expenses. (2) Hotels, railroads, air lines, restaurants, cab drivers, etc., for expenses. (3) Personal expenses and travel in and away from Washington. (4) None. (5) Support legislation authorized by the convention and executive board of the United Steelworkers, and by the convention and executive board of the National CIO; oppose legislation contrary to the stand of these organizations.

Hoffmann,[8] Frank N., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa. (1) $1,999.98, salary; $1,175, expenses. (2) Hotels, railroads, air lines, restaurants, cab drivers, etc., for expenses. (3) Personal expenses and travel in and away from Washington. (4) Column entitled "Keep Your Eye on Congress" in monthly publication of United Steelworkers of America, Steel Labor. (5) Support legislation authorized by the convention and executive board of the United Steelworkers, and by the convention and executive board of the National CIO; oppose legislation contrary to the stand of these organizations.

Holman, Charles W., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended, $49.40. (2) Various. (3) Taxicab fares. (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Holmes, George T., Tax Equality Committee of Kentucky, 211 Columbia Building, Louisville, Ky. (1) No money was received or expended for lobbying. (2) No one. (3) None. (4) None. (5) None.

Hollister,[7 9] R. F., Independent Bankers Asociation, twelfth Federal Reserve district, 802 Failing Building, Portland, Oreg. (1) Money received, salary, $1,800; money expended, none. (2) [Blank.] (3) [Blank.] (4) None. (5) Federal legislative controlling bank holding companies.

Hollister,[8 9] R. F., Independent Bankers Association, twelfth Federal Reserve district, 802 Failing Building, Portland, Oreg. (1) Money received, salary, $1,800; money expended, none. (2) [Blank.] (3)]Blank.[(4) None. (5) Federal legislative controlling bank holding companies.

Holloway, William J., 2816 First National Building, Oklahoma City, Okla.; Oklahoma Gas & Electric Co., Oklahoma City, Okla. (1) Attorney's fee of $3,000 received from Oklahoma Gas & Electric Co., of Oklahoma City, Okla. Total of $895.35 received as expenses January 1 to March 31, 1949. (2) No one. (3) None. (4) None. (5) To oppose certain appropriations for Southwestern Power Administration.

Hood, J. M., president, the American Short Line Railroad Association, The American Short Line Railroad Association, 1120 Tower Building, Washington, D. C. (1) Salary received from The American Short Line Railroad Association, $5,000. Expenses incurred for account of The American Short Line Railroad Association and for which reimbursement has been or will be made, $1,006.68. Impossible to accurately allocate either salary or expenses, but carefully calculated estimate is that 5 percent of salary, $250, and 10 percent of expenses, $100.68, total $350.68, expended for purpose of influencing legislation. (2) Expenses paid to hotels, clubs, transportation, and communication companies. (3) For travel and entertainment in connection with the furtherance of the legislation program of the 317 common carrier by rail members of The American Short Line Railroad Association. (4) None, except as reported as an officer of The American Short Line Railroad Association in the return of that association. (5) Legislation affecting member lines of The American Short Line Railroad Association. (See legislative program in full, attached to return of that association.)

Hooks, Homer E., Canners League of Florida, post office box 1252, Lakeland, Fla. (1) No activity during quarter. Temporary work on specific legislation terminated with adjournment of last session, Eightieth Congress. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Horner,[9] Robert D., 1396 Union Commerce Building; The Glidden Company, Cleveland, O. (1) February 7–12, $117.33; March 24–30, $113.82; total, $231.15. (2) Personal expenses only. (3) Traveling, hotel, and other incidental expenses only. (4) None. (5) Repeal of Federal taxes on sale of oleomargarine.

Horton,[9] Jesse V., Continental Hotel, Washington, D. C.; National Association of Postal Supervisors, Box 2013, Washington, D. C. (1) $937.50, salary. (2) Personal expenses only. (3) See (2). (4) The Postal Supervisor, Louisville, Ky. (5) Affecting postal supervisors.

Hosking, Floyd J., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses. (2) Notary public, $2; postage, 6 cents. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Householder, Glen M., 1 Main Street, Brattleboro, Vt.; the Holstein-Friesian Association of America. (1) Regular salary, $666.66 per month; expense account, $1,131.71. (2) Transportation (railroads, air lines, and auto mileage); hotels, busses, streetcars, and taxis; miscellaneous. (3) To supervise the field service offered by the Holstein-Friesian Association of America to its 38,000 members located in 48 States and the District of Columbia; to speak on pending legislation affecting the dairy industry before groups of dairymen in various sections of the United States where the Holstein-Friesian breed of cattle predominate; to visit Washington, D. C., for the purpose of keeping in close touch with legislation pending before the Eighty-first Congress affecting dairy industry; conference with National Cooperative Federation. (4) Report of the House of Representatives Committee on Agriculture, the Wisconsin Holstein News, the Jersey Bulletin, the Holstein-Friesian World, and the Holstein-Friesian News Letter. (5) Any legislation which would affect the Holstein-Friesian Association of America or its members.

Houston, William J., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received, $1,875; expenses, $500. (2) Landlady, taxes, grocery stores, service stations, restaurants, miscellaneous for tips, postage, supplies, etc.; banks, savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, rent, and taxes. (4) None. (5) Pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Howard, Paul, American Library Association, 1722 H Street NW., Washington, D. C. (1) See attached.[1] (2) See attached.[1] (3) Operation of office; not more than one-third applicable to legislative activity. (4) ALA Bulletin, Library Journal, San Antonio Express, and any other newspapers or magazines who use material from this office. Since we do not subscribe to a clipping service, we do not know who they are. (5) Any legislation affecting American Library Association members and/or the library profession.

Howard, S. H., 1328 Evergreen Avenue, Millvale, Pa.; Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill. (1) Salary, none; expenses, none; no legislative activities. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Howard,[12] W. J., Tax Equality Association of Montana (not employed but performing voluntary services for). McKay Building, Missoula, Mont. (1) Expended $414.12, from April 1, 1948, to December 31, 1948. (2) W. J. Howard. (3) To reimburse for expense in traveling to and from meetings. (4) None. (5) (Not employed.) Revision of the Revenue Act to eliminate income-tax exemptions now enjoyed by organizations engaged in buying or selling or rendering services normally competitive with such activities conducted by others for profit.

Howe, Harold K., 2480 Sixteenth Street, NW., Washington, D. C.; American Institute of Laundering, Joliet, Ill. (1) Received $1,500 as salary and $646.34 as reimbursement for general expenses. (2) Various; see answer to (3). (3) Miscellaneous and incidental, including local transportation, lunches, gratuities, committee meeting expenses, and other incidental expenses of Washington office, American Institute of Laundering. (4) Not applicable under section 308 (a). (5) I am interested in all legislation affecting the laundry industry and the members thereof, My primary function as to legislation is to report status, prospects, etc., to my employer, the American Institute of Laundering. See also, letter attached to Registration Form B, which is made a part hereof.

Howe, Robert E., Jr., United Mine Workers of America, 1435 K Street NW and 900 Fifteenth Street NW., Washington, D. C. (1) Since January 1, 1949, there has been received an affiant as salary the sum of $2,500 and as per diem for personal living expenses the sum of $540, a total of $3,040. (2) No sums in any amount have been paid by affiant to any person other than affiant's expenditures for normal, everyday living expenses such as transportation, meals, etc., in the regular discharge of his duties. (3) Answered in (2), above. (4) None. (5) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.

Howell,[12] W. J., Tax Equality Association of Montana (not employed but performing voluntary services for), McKay Building, Missoula, Mont. (1) Expended $801.71 from April 1 to December 1, 1948. (2) W. J. Howell. (3) To reimburse for expense in traveling to and from meetings. (4) None. (5) (Not employed.) Revision of the revenue act to eliminate income-tax exemptions now enjoyed by organizations engaged in buying or selling or rendering services normally competitive with such activities conducted by others for profit.

Howland, John L., Messrs. Rathbone, Perry, Kelley & Drye, 70 Broadway, New York, N. Y. (1) Received none; expended $97.20. (A small portion of this amount is allocable to other business attended to while in Washington.) (2) Pennsylvania Railroad, Hotel Statler, Hotel Willard, and local restaurants. (3) Transportation, hotel bills, meals, and telephone. (4) None. (5) H. R. 1848 and S. 1292.

[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[9] Filed with the Clerk only.

[9] Filed with the Clerk only.

[1] Not printed. Filed in the Clerk's office.
[12] Filed for second, third, and fourth quarters, 1948.

Huff, W. T., Transcontinental & Western Air, Inc., 806 Connecticut Avenue NW., Washington, D. C. (1) Regular salary, as previously listed, plus $199.30 in expenses. (2) [Blank.] (3) Transportation, meals, documents, telephone, and telegraph. (4) None. (5) Duties are to analyze bills which might affect air-transport industry for company management. Support all those beneficial to industry.

Hunter, Harry, 105 West Adams Street, Chicago, Ill. (1) Railroad fare, $104; taxi, $31; hotel, $206.54; incidentals, $17; meals, $60; public stenographer, $71.50. (2) Baltimore & Ohio Railroad; also Pennsylvania Railroad; Hotel Mayflower, Washington, D. C. (3) ECA legislation. (4) None. (5) I am not employed to specialize, oppose, or favor any specific legislation, but during the preceding quarter I engaged in activity in support of an amendment on corn products to the ECA bill, S. 1209.

Huntress, Carroll B., 17 Battery Place, New York, N. Y.; National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C. (1) Carroll B. Huntress, vice president, Republic Coal & Coke Co., acting as chairman for the National St. Lawrence Project Conference, without compensation and for reimbursement of expenses. (2) Railroads, hotels, $1,009.50; newsstands, $9. (3) [Blank.] (4) [Blank.] (5) House Joint Resolution 53.

Hushing, W. C., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for months of January, February, and March, $2,040; expenses for January, February, and March, $117.40. (2) Taxi drivers, phone company (when away from office), and messengers. (3) As stated in (2). (4) None. (5) Affecting labor.

Hutson, John B., 1424 K Street NW., Washington, D. C.; Tobacco Associates, Inc., Raleigh, N. C. (1) Salary at the rate previously reported on Form B, which registrant filed as a matter of information to the Congress, although of the opinion that he does not come within the purview of the act (Public No. 601, 79th Cong.). (2) None. (3) None. (4) None. (5) None.

Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C.. (1) See attachment.[1] (2) John A. Ferguson, executive director, $2,080 (allocated); W. E. Disney, general counsel, $833.33 (allocated); Louis E. Whyte, news director, $483.33 (allocated). (3) Salaries. (4) Regular association publications. (5) Any legislation concerning natural gas.

Ingles, William,[12] 1624 I Street NW., Washington, D. C. (1) See schedule 1 (A) and 1 (B) attached.[1] (2) See schedule 1 (B).[1] (3) Normal office operating expense. (4) None. (5) Legislation affecting industry.

Ingles, William,[8] 1624 I Street NW., Washington, D. C. (see schedule 1 (A) attached).[1] (1) See schedule 1 (A) and 1 (B) attached.[1] (2) See schedule 1 (B).[1] (3) Normal office operating expenses. (4) Unable to state. A distribution of editorial material has been made to a list of 370 newspapers and writers. (5) Legislation affecting industry.

Jackson, Charles E., general manager, National Fisheries Institute, Inc., Victor Building, 724 Ninth Street NW., Washington, D. C. (1) $6.90, taxicabs to and from House Committee on Merchant Marine and Fisheries in connection with public hearings on imports and exports of fisheries; $2.80, taxicabs to and from Capitol to attend hearings on Extension of Trade Agreements Act before Senate Finance Committee. (2) Taxicab operators. (3) Transportation. (4) NFI Flashes, published weekly (50 issues), mailed to institute membership. (5) No particular legislation.

[1] Not printed. Filed in the Clerk's office.
[8] Filed for first quarter 1949.
[12] Filed for second, third, and fourth quarters 1948.

Jackson, Robert C., 1406 G Street NW., Washington, D. C.; National Cotton Council of America, 165 Madison Ave., Memphis, Tenn. (1) In addition to regular salary from National Cotton Council as reported on Form B, received expense reimbursements amounting to $99.65 that might be construed as relating to legislative activity. (2) Telephone and telegraph, $30.10; taxi fares, $53.10; meals for guests, $16.45; total, $99.65. (3) As indicated above. (4) None. (5) Not employed to support or oppose any specific legislation. Engage in legislative activity only as it relates to consumption of cotton, cottonseed, or its products. During past quarter have supported legislation to continue European recovery program; to remove restrictions on manufacture and sale of margarine. Have opposed certain proposed amendments to Fair Labor Standards Act and to Labor-Management Relations Act of 1947.

Jennes, Ernest W., 701 Union Trust Building, Washington, D. C., Northwest Horticultural Council, Wenatchee, Wash. (1) This representation is carried on jointly with Howard C. Westwood. Mr. Westwood's financial statement gives the amounts received and expended, to whom paid, for what purposes, and the replies to the other items on this form. (2) [Blank]. (3) [Blank]. (4) [Blank]. (5) [Blank].

Jhung, Walter, P. O. Box 1706, Washington, D. C., Korean-American Trading Co., 145 East Thirtieth Street, New York, N. Y. (1) See attached sheet.[1] (2) See attached sheet.[1] (3) See attached sheet.[1] (4) New Korea, 1363 West Jefferson Boulevard, Los Angeles, Calif. (5) To support H. R. 167, H. R. 374, H. R. 1897, S. 554, S. 761, and S. 853, seeking legislation for Korean immigration and naturalization.

Jobe, William T., National Association of Ice Industries, 1706 L Street NW., Washington, D. C. (1) Employed on a full-time annual basis as general counsel for the National Association of Ice Industries at a salary of $10,800 per annum. I have received my regular monthly salary for the past calendar quarter of 1949 and nothing more. Pursuant to the requirements of Public Law 601, I have expended no money. (2) None. (3) None. (4) None. (5) None.

Johnson, Curtis E., 1740 K Street, Washington, D. C., Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank]. (3) [Blank]. (4) [Blank]. (5) H. R. 1344 and S. 311.

Johnson, Elmer, president, National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C. (1) The sum of $754.75 was received during the first quarter of 1949. (2) None. (3) Fee of $225 per month; $79.75 to cover transportation, meals, etc. (4) The annuitant. (5) In support of any measure designed to improve the Federal retirement system.

Johnson, George H., vice president, American Institute of Laundering, Joliet, Ill. (1) I receive no money from A. I. L. apart from my regular salary as compensation for my services as vice president and reimbursement for the actual expenses incurred on trips in traveling of A. I. L. business. Of the total amount received, it is estimated that not more than $500 could even under broadest interpretations be attributed to activities possibly within the scope of the Regulation of Lobbying Act. My expenditures include only those actually incurred for travel (lodging, food, and transportation, etc.) on A. I. L. business. Of the total amount received, it is estimated that not more than $500 could even under broadest interpretations be attributed to activities possibly within the scope of the Regulation of Lobbying Act. (2) My expenditures for traveling were paid to usual recipients of such expenditures, such as common carriers, hotels, restaurants, telephone and telegraph companies, etc. (3) The purpose of such expenditures was to defray the cost of the subject matter thereof, such as hotel lodging, transportation, meals, etc. (4) Miscellaneous repertorial or informational bulletins issued to members of the American Institute of Laundering. (5) I am not employed to support or oppose legislation, but am interested in legislation affecting laundry owners.

[1] Not printed. Filed in the Clerk's office.

Johnson,[4] Gilbert R., 874 Rockefeller Building, Cleveland, Ohio, Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) Pro rata of annual retainer as legal counsel (including 8-percent increase effective September 1, 1948) as set forth in my letter of April 9, 1948, amending initial registration dated January 10, 1947, and reimbursement of traveling expenses amounting to $186.43. (2) Retailer to self; expenses incurred in connection with travel. (3) See (2). (4) None. (5) During this quarter I have given attention to legislation relating to Great Lakes shipping as part of my work as legal counsel for Lake Carriers' Association. I do not consider that I am engaged for the purpose of attempting to influence legislation, and this report is made without prejudice to that position.

Johnson,[7] James G., Jr., 224 Southern Building, Washington, D. C., Graves, Kizer & Graves, Old National Bank Building, Spokane, Wash. (1) None. (2) None. (3) None. (4) None. (5) S. 2105 and H. R. 6535 (80th Cong.); S. 639 and H. R. 1326 (81st Cong.).

Johnson,[8] James G., Jr., care of Cleary, Gottlieb, Friendly & Cox, 224 Southern Building, Washington, D. C., Graves, Kizer & Graves, Old National Bank Building, Spokane, Wash. (1) Received $201.38; $1.38 in reimbursement of out-of-pocket expenses for telegrams and tolls, $200 in fees for services rendered through January 31, 1949; expended, $3.17. (2) Miscellaneous expenditures only. (3) Postage and publications, telegrams and tolls. (4) None. (5) S. 639 and H. R. 1326.

Johnson, Vernon A., Lockheed Aircraft Corp., 1025 Connecticut Avenue NW., Washington, D. C.; Lockheed Aircraft Corp., Burbank, Calif. (1) Received a total of $3,267.12, of which $2,750 was salary. Expenses were $517.12, itemized as follows: $10.32 for auto travel, $28.20 for taxi fares, and $478.60 for entertainment. (2) Various taxi companies, hotels, restaurants, etc. (3) In the course of normal business relationships. (4) None. (5) All legislation affecting aviation.

Johnson, W. D., Room 312, Labor Building, 10 Independence Avenue, Washington, D. C.; Order of Railway Conductors of America, Cedar Rapids, Iowa. (1) January 1949, annual compensation of $8,500. (2) W. D. Johnson. (3) As vice president and national legislative representative of the Order of Railway Conductors of America, covering all services rendered, including services entirely unrelated to legislative matters. (4) None. (5) Legislation directly and indirectly affecting the interests of labor generally, employees of carriers under the Railway Labor Act, and particularly the interests of various classes and crafts of railway employees represented by the Order of Railway Conductors of America.

Johnson, Walter R., National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C. (1) Salary for December 1948, and January 1949, $3,000; expenses: January, $609.63; February, $462.60; March, $489.40. (2) Registrant. (3) Transportation, $118; meals for self and guests, $1,215.50; miscellaneous, $228.13. (4) None. (5) To confirm and establish titles in States to lands beneath navigable waters within State boundaries.

[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1943.
[8] Filed for first quarter, 1949.

Jones,[7] Bascom F., Tennessee Railroad Association, 930 Broadway, Nashville, Tenn. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Jones,[8] Bascom F., Tennessee Railroad Association, 930 Broadway, Nashville, Tenn. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Jones, J. M., National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah. (1) Salary, $2,100. (2) [Blank.] (3) No lobbying expense for first quarter, 1949. (4) The National Wool Grower, J. M. Jones, coeditor. (5) [Blank.]

Jones, L. Dan, Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered to be within the scope of the act, $33.25. (2) See (3). (3) Taxi fares. (4) None. (5) I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry and taking such action with respect to such legislation as directed by the association.

Jones, Lyle W., 1737 De Sales Street NW., Washington, D. C.; National Small Business Men's Association, Akron, Ohio. (1) $600 monthly salary less withholding tax and social-security tax; $238.95 personal expenses, January, February, and March. (2) Lyle W. Jones, 1737 De Sales Street NW. (3) Luncheons, taxicabs, and miscellaneous expenses. (4) Pulling Together, monthly bulletin, National Small Business Men's Association. (5) [Blank.]

Jones, Mark M., 159 Library Place, Princeton, N. J.; Bell, Jones & Taylor, 350 Fifth Avenue, New York, N. Y. (1) From above, fees, $2,725; expenses, $423.01. (2) Various railroads, hotels, cabs, etc. (3) Travel expense, $316.61; stenographic fees, $60; telephone and telegraph charges, $46.40. (4) None. (5) See answer to question 2 of registration statement on Form B.

Jones, Rowland, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $400, salary; $183.04, expenses. (2) Restaurants and cab drivers. (3) Food and transportation. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security law revision, inflammable fabric legislation.

Jones, Walter J., care W. C. Hushing, A. F. of L. Building, Washington, D. C.; Canal Zone Central Labor Union and Metal Trades Council, Balboa, C. Z. (1) Salary for January, February, and March, $1,050; expenses for January, February, and March, $1,500. (2) Hotels, service stations (gas, oil, etc.), cab drivers, railroads, phone company, cable company, messenger services, landlords (rent), secretarial expenses. (3) As stated in (2). (4) None. (5) Any legislation affecting the Panama Canal employees.

Kane, John E., 1625 K Street NW., Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) Received regular salary as previously reported in Form B heretofore filed pursuant to act; expenses reimbursed by employer, $281.01. (2) Various taxicab companies; restaurants; hotels, other service establishments. (3) Administrative expenses; transportation; meals, etc. (4) None. (5) Matters affecting the petroleum industry and its customers.

Kane, John E., District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C. (1) Received $331.44 as treasurer of District of Columbia Petroleum Industries Committee. The sum of $331.44 expended on behalf of committee during quarter. (2) See schedule A attached.[1] (3) See schedule A attached.[1] (4) None. (5) Legislation affecting the sale and distribution of petroleum products in the District of Columbia.

Keefe, Thomas J., 1319 F Street NW., Washington, D. C. (1) American Roadbuilders Association, 1319 F Street NW. Salary (3 months ending March 31, 1949), $1,650; expenses reimbursed, $649.98. (2) To self for salary and reimbursement for meals, postage, transportation, telephone, etc. (3) Routine duties as an executive and consultant for the American Roadbuilders Association. (4) None. (5) None.

Keesling, Francis V., Jr., 315 Montgomery Street, San Francisco, Calif., City and County of San Francisco, City Hall, San Francisco, Calif. (1) $3,000 retainer; $2,295.31 reimbursement for travel, subsistence, secretarial, stenographic, telephone, telegraph, and postage expense. (This also covers services concerning matters before the various executive departments, in addition to legislative matters of interest to the city and county of San Francisco, and includes expenses at Washington, D. C., San Francisco, and elswhere.) (2) No payments made except as set forth in (1) above. (3) In connection with various legislative matters of interest to the city and county of San Francisco. (4) Submitted data to Washington Post in connection with payments in lieu of taxes. (5) Various bills of interest to the city and county of San Francisco, including Army civil functions, housing, surplus property, in-lieu taxes, repeal of amusement taxes, Trans-Bay Bridge, civil defense, ship construction on the west coast, private bill to reimburse city and county of San Francisco for damage done by Navy plane, other matters of interest to the city and county of San Francisco.

Kennedy, Harold L., 605 Commonwealth Building, Washington, D. C.; Mid-Continent Oil and Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Received 3 months' retainer in the amount of $3,250; expended $12. (2) Thirty taxi fares at 40 cents. (3) See No. 2 above. (4) None. (5) All proposed legislation that might affect the oil and gas industry.

Kennedy,[7] James A., 67 Broad Street, New York, N. Y. (1) I have been for sever.l years vice president and general attorney of American Cable & Radio Corp. which owns the Commercial Cable Co., All-American Cables & Radio, Inc., and Mackay Radio & Telegraph Co., all engaged in the international telegraph business. In said capacity a part of my duties has been to appear in hearings, conferences, and other governmental meetings in Washington. My company has recently directed me as an incidental part of my duties to speak to Members of Congress and other governmental agencies in favor of legislation which would permit the merger of telegraph companies engaged in international traffic. I have not, and do not expect, to receive any additional remuneration for this service above my previous salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The Lobbying Act would appear inapplicable; however, if this declaration is not sufi.cient, I will be glad to furnish any further information desired. My salary is $2.,500 per annum, no part of which is for the purpose of influencing legislation. (2) [Blank.] (3) [Blank.] (4) None. (5) As an incidental part of my ordinary work I am supporting legislation which will permit the merger of Western Union cable properties into my company's system, if such is necessary, or legislation which will authorize the merger of international telegraph companies.

Kennedy,[8] James A., American Cable & Radio Corp. and subsidiaries, 67 Broad Street, New York, N. Y. (1) I have been for several years vice president and general attorney of American Cable & Radio Corp. which owns the Commercial Cable Co., All American Cables & Radio, Inc., and Mackay Radio & Telegraph Co., all engaged in the international telegraph business. In said capacity a part of my duties has been to appear in conferences, hearings, and other governmental meetings and official contacts in Washington. Recently my company has directed me, as an incidental part of my duties, to speak to Members of Congress and other governmental agencies in favor of legislation which would permit the merger of telegraph companies engaged in international telegraph business. I have not, and do not expect, to receive any additional remuneration for this service above my regular and previously effective salary. Neither have I made, nor do I intend to make, any contributions for the purposes deaignated in paragraph 3 or 7. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The Lobbying Act would appear inapplicable; however, if this declaration is not sufficient, I will be glad to furnish any further information desired. This is my second report, the first having been filed several weeks ago. (2) See (1). (3) See (1). (4) None. (5) As an incidental part of my work I am supporting legislation which will permit the merger of Western Union cable properties into my company's system, if such is necessary, or legislation which will authorize the merger of international telegraph companies.

Kenney, James F., 1002 Ring Building, 1200 Eighteenth Street NW, Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW, Washington, D. C. (1) A fee of $5,000 is paid to the law firm of Posner, Berge, Fox & Arent which employs registrant. This work is part of regular duties of registrant for which a salary is paid. (2) See quarterly report of Mr. Wendell Berge filed this date. (3) See quarterly report of Mr. Wendell Berge which was filed this date. (4) None. (5) Increase in third-class postal rates.

Ketchum, MacLeod & Grove, Inc., 411 Seventh Avenue, Pittsburgh 1, Pa.; Main & Co., First National Bank Building Pittsburgh, Pa. (1) Received from Main & Co., $1,249.45. (2) (*a*) Riegers duplicating service, $484.20; (*b*) Ketchum, MacLeod & Grove, Inc., $5.25; (*c*) Ketchum, MacLeod & Grove, Inc., $760; total, $1,249.45. (3) (a) Letter-shop service: postage; (*b*) telephone; (*c*) services. (4) News releases sent to the Pittsburgh Press, Pittsburgh Post-Gazette, Pittsburgh Sun-Telegraph, Wall Street Journal, Associated Press, United Press, International News Service, and general distribution to Washington news and radio correspondents. (5) The Incentive Income Tax Plan, a program of income-tax revision prepared by Frank Wilbur Main and other partners in Main & Co., certified public accountants, with headquarters office in Pittsburgh.

Ketchum, Omar B., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW, Washington, D.C. (1) $1,000 per month as salary, minus social security and withholding taxes; $93.75 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces

[1] Not printed. Filed in the Clerk's office.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

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[8] Filed for first quarter, 1949.

and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

King, Joseph T., Suite 302, the Ring Building, Eighteenth and M Streets NW., Washington, D. C. (1) $1,800 salary and $300.05 expenses. (2) Restaurants, cab drivers, hotels, railroads, Pullman companies, porters. (3) Meals, taxi fares, and tips while traveling on official business; business luncheons, entertainment. (4) National affairs reports and bulletins. (5) Legislation directly affecting the retail building-supply dealers, such as Fair Labor Standards Act, wage-and-hour legislation, housing legislation, tax legislation, freight rates, price and allocation controls.

King, Thomas H., 1025 Vermont Avenue NW., Washington, D. C.; Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) None. (2) No one. (3) Nothing. (4) The Reserve Officer. (5) Legislation for the development of a military policy for the United States which will provide adequate national security.

King, Willford I., Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y. (1) During the past quarter, I received an over-all of $3,295.61, including salary and expenses. (2) I am not a disbursing officer and have made no payments for the Committee for Constitutional Government, by whom I am employed. (3) [Blank.] (4) Some 40 newspapers carry King's Comments, a syndicated weekly column in which I express freely my personal views concerning current economic problems. (5) Not employed for this purpose, but, incidentally, I occasionally oppose legislation which I believe to be antisocial and favor that which I believe to be socially beneficial.

Kitchen, C. W., United Fresh Fruit and Vegetable Association, 2017 S Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Various articles have been prepared and published in trade periodicals and association yearbooks on marketing subjects, none dealing specifically with legislative matters. (5) Not employed to support or oppose any specific legislation.

Kline, Allan B., American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $622.96 expended. (See item (6) of Form B filed January 1948.) (2) Taxi fares, train fares, hotel and restaurants. (3) Transportation, lodging, and luncheon conference. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, export controls, disaster relief for storm-stricken areas, Federal aid to education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, amendments to Reclamation Act of 1939, postal rates, rural roads.

Kline, Robert E., Jr., 322 Munsey Building, Washington, D. C.; Washington counsel for Kirlin, Campbell, Hickox & Keating, 120 Broadway, New York, N. Y. (1) None. (2) None. (3) None. (4) None. (5) Legislation to permit steamship companies to engage in foreign and oversea air transportation.

Kneipp, Leon F., 3700 Massachusetts Avenue NW., Washington, D. C.; Organization of Professional Employees of United States Department of Agriculture, South Building, Department of Agriculture, Washington, D. C. (1) Only money received was in compensation for services rendered during months of January, February, and March 1949, at the rate of $100 per month, plus bonus of $100 in further compensation for services during 1948; total $400. (2) No money paid to any person, company, corporation, or otherwise; other than a few minor, petty cash, reimbursable expenditures for services or supplies, of which none exceeded $2 in amount. (3) None, except as indicated in preceding statement. (4) None, other than small publication OPEDA, published by organization for issuance to its members; a part of which consists of a letter from the executive officer apprising members of current developments in subjects of interest. (5) Measures relating to interests of Federal professional employees; pay, per diem, classification, retirement, auto mileage, annual and sick leave, disability compensation, civil service, and other like subjects.

Knowles, Burt L., the Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed by the Associated General Contractors of America, Inc., dated March 1, 1949, and letters dated January 3, 1947, and February 24, 1949, on file. (2) None. (3) Same as (1), above. (4) None. (5) Same as (1), above.

Koch, Robert M., National Agricultural Limestone Association, Inc., 1424 K Street NW., Washington, D. C. (1) It is estimated that, as executive secretary of the National Agricultural Limestone Association, Inc., $1,500 of my salary represents that part of my time covered by Public Law 601 during the first quarter of 1949. This was all disbursed for personal living expenses. In addition, I received $30 for reimbursement for taxis and carfare in connection with legislation of interest to members of the association. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation directly or indirectly affecting the agricultural limestone industry.

Krebs, Alfred U., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Registrant believes $166.66 a month to be a fair allocation of his salary for the first quarter of 1949 to the activities referred to in Form B. (2) No expenditures except for taxicabs and similar items. (3) See item (2). (4) None. (5) Registrant is not employed to support or oppose legislation. However, during the past quarter registrant opposed certain provisions of bills amending the Fair Labor Standards Act of 1938.

Krueger, A. H., 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) During the quarter January to March 1949 I was paid $2,149.98 by the Millers' National Federation for various services, most of which are not related to the activities described in section 307, title 3, Public Law 601, Seventy-ninth Congress. Section 307 activities, if any, would be incidental in relationship to my regular employment and no amount of my salary is specifically allocated for such activities. (2) $3.65 for taxies. (3) Attending public congressional hearings. (4) Milling industry trade publications and association bulletins. (5) ECA amendment and FLSA amendments. Future activity dependent on my employer's interest with respect to legislation, if any, directly affecting the milling industry.

Kreutz, Oscar R., executive manager, National Savings and Loan League, 1835 K Street NW., Washington, D. C. (1) $5,000 salary and $2,177.23 expense. Approximately one-third of my time was devoted to legislative matters so that $1,666 of my salary would be allocable. Of the special expense item, none of it could be construed as applicable. (2) No one (none expended by me). (3) None expended by me. (4) National letter and National Savings and Loan Journal. (5) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation inimicable to interests of savings and loan industry.

Kruse, Herman C., Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Salary for quarter, $2,250 for all services to employer, not all of which pertain to legislation. Reimbursement of hotel, travel, and incidental expenses for quarter, $3,875.96. (2) Hotel Statler, Washington, D. C., $1,842.08; railroad and air lines, $374.89; restaurants, telephone and telegraph companies, taxies, and incidentals, $1,658.99. (3) Hotel, travel, and incidental expenses as stated above. (4) None. (5) Legislation affecting water and power projects, flood control, and reclamation.

Kyle, J. M. DeW., II, president, Capitol Rooming and Boarding House Association, Inc., 1811 Nineteenth Street NW., Washington, D. C. (1) None as a lobbyist. Employed as president of the Capitol Rooming and Boarding House Association, Inc.; legislative work in addition to other duties. (2) Expenditures as follows: United States postage, $6, and taxi fare, $1.60, or a total of $7.60. (3) Supporting or opposing legislation affecting the operations of those engaged in the operation of rooming and boarding houses and similar businesses. (4) None. (5) All legislation affecting the operations of those engaged in the operation of rooming and boarding houses and similar businesses.

Kyle, J. M. DeW., II, president, National Defense League of America, Inc., 1811 Nineteenth Street NW., Washington, D. C. (1) None as a lobbyist. Employed as president of the National Defense League of America, Inc., legislative work in addition to other duties. (2) Expenditures as follows: United States postage, $12.18; printing, $8.50; taxi fare, $2.80; streetcar fare, $2.08; and stationary supplies, $35; or a total of $60.56. (3) Advocating, supporting, and working in the interest of all national legislation pertaining to the national defense and uniform personnel of the armed services, past and present. (4) None. (5) All national legislation in the interest of the national defense and the welfare of personnel of the armed forces, past and present.

Lacques, Paul H., Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y. (1) Received various sums during the quarterly period (January, February, March 1949) at various times (none of which amounted to $100), a total of $418.25, from Bigham, Englar, Jones & Houston. (2) Railroad companies, hotels, and club. (3) Transportation, accommodations, meals, telephone, and telegraph charges. (4) None. (5) [Blank.]

La France, Francis X., Swan, Keeney & Smith, 911 Turks Head Building, Providence, R. I.; Narragansett Brewing Co., New Depot Avenue, Cranston, R. I. (1) None. (2) None. (3) None. (4) None. (5) S. 257, any corelative bills and any amendments thereto.

Laird, Thelma, American Nurses Association, 1790 Broadway, New York, N. Y. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Legislation affecting registered nurses or professional nursing.

Lancraft, Robert J., Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (1) Expended $63.95. (2) Various. (3) Annual meeting, meals, tips, etc. (4) None. (5) Any legislation affecting the real-estate industry.

Landis, Gerald W., William Ingles, 1624 I Street NW., Washington, D. C. (1) Money received, $2,020.25; money expended for taxicab fares, luncheons, no individual expense exceeding $10, $20.25. (2) [Blank.] (3) Expenses. (4) None. (5) Legislation affecting industry.

Lane, John F., care of Gall & Lane, attorneys; American Institute of Laundering, Joliet, Ill.; 1625 K Street NW., Washington,

D. C. (1) Received as legal fees and reimbursement for disbursements, $3,730.25; expended, $38.25. (2) Expenditures paid to telephone, telegraph, transportation, etc., companies. (3) Telephone, telegraph, local transportation, etc. (4) None. (5) Retained in a usual attorney-client relationship as Washington counsel for the American Institute of Laundering and as such are interested in all legislation affecting laundries.

Lanham, Fritz G., Woodley Park Towers, 2737 Devonshire Place, Washington, D. C.; State Tax Association (formerly known as State Rights Association), post office box 2559, Houston, Tex. (1) No money received and no expenditures except small sums for postage. (2) No expenditures except as recited. (3) Postage. (4) None. (5) To bring about constructive cooperation between community property and common-law States for development of a plan of tax equalization to afford an equitable basis for income, estate, and gift taxation in the Federal tax structure. To support complete retroactive repeal of 1942 estate and gift tax amendments as they apply to community-property States in an unfair, discriminatory, inequitable manner.

Lanham, Fritz G., Woodley Park Towers, 2737 Devonshire Place, Washington, D. C.; National Patent Council, Inc., 1434 West Eleventh Avenue, Gary, Ind.; American Fair Trade Council, Inc., headquarters offices at 1434 West Eleventh Avenue, Gary, Ind.; Trinity Improvement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex. (1) From National Patent Council as retainer, $1,500; from American Fair Trade Council as retainer, $1,000; from Trinity Improvement Association for rental and other expenses, $750; no expenditures except relatively small sums for postage and office supplies and transportation expenses incidental to service performed. (2) Except as otherwise indicated, $544 to Woodley Park Towers, Washington, D. C. (3) Rental and garage. (4) None. (5) My employers are all nonprofit organizations, and I was employed in an advisory capacity and not for the purposes of supporting or opposing legislation in Congress. Their purposes are principally educational with reference to the objectives of their organizations.

La Roe, Wilbur, Jr., Investment Building, Washington, D. C.; National Independent Meat Packers Association, 740 Eleventh Street NW., Washington, D. C. (1) La Roe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) Senate Resolution 36; H. R. 858; tax legislation; labor legislation; Senate Resolution 58; H. R. 73; H. R. 347; S. 336; tax exemption of cooperatives; S. 548; S. 249; S. 248; and H. R. 1211.

Laugherty, R. R., 10 Independence Avenue SW., Washington, D. C.; Railway Employees' Department, A. F. of L., room 1309, 608 South Dearborn Street, Chicago, Ill. (1) Salary, $1,500; expenses, $750. No money expended except for personal maintenance. (2) Annapolis Hotel, taxi fare, postage, telephone and telegraph, cleaning and pressing, and meals. (3) Necessary living expenses, transportation, and communication expense. (4) None. (5) Legislation affecting and detrimental to railroad employees.

Lavelle, William, Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) Salary, $1,458.30; expenses, $1,260.78. (2) Hotels, air lines, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) C. I. O. Legis-Letter. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to these objectives.

Lawrence, John V., American Trucking Association, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration. He expended a total of $69.27. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) Army Transportation Journal. (5) Any legislation affecting the trucking industry.

Lawrence, Joseph S., M. D., 1302 Eighteenth Street NW., Washington, D. C. (1) Total receipts, $4,778.78; total expenses, $919.48. (2) Various. (3) Travel, local transportation, hotels, conferences—incidental expenses, meals. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

Laylin, John G., American Smelting & Refining Co., 701 Union Trust Building. (1) None received; expended in connection with all matters for client, $594.64. (2) Telephone and telegraph expense, $52.65; travel expenses, including hotel accommodations, etc., $541.99. (3) Long-distance telephone calls, telegrams, transportation, and hotel accommodations. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Layne, A. Alvis, Jr., 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) A fee of $5,000 is paid to the law firm of Posner, Berge, Fox and Arent, which employs registrant. This work is part of regular duties of registrant f r which a salary is paid. (2) See quarterly report of Mr. Wendell Berge filed this date. (3) See (2). (4) The case against increasing third-class postal rates. Statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third-class postal rates.

Lea, Clarence F., 1200 Eighteenth Street NW., Washington, D. C.; Transportation Association of America, 130 North Wells Street, Chicago 6, Ill. (1) $539.70; see attached.[1]

(NOTE.—All of the expenses included in this submission will also be shown in the quarterly filing of the Transportation Association of America.) (2) Clarence F. Lea, Vanderbilt Hotel, New York, N. Y. (hotel expense). (3) Retainer fee, incidental expenses at Washington and travel away from Washington. (4) None. (5) None at present.

League of Women Voters of the United States, 726 Jackson Place NW., Washington 6, D. C. (1) Registrant has received no contributions for the purposes designated in subparagraph (a) or (b) of section 307, Public Law 601; expenditures: Salary, carfare, $1,158.32. (2) Muriel Ferris, salary and carfare. (3) As indicated in (1). (4) Trends in Government and Member Magazine, both published by registrant. (5) See attached program of the League of Women Voters of the United States.

Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York 17, N. Y. (1) See appended statement.[1] (2) See appended statement.[1] (3) See appended statement.[1] (4) See appended statement.[1] (5) Registrant advises the United States Cuban Sugar Council on public relations matters pertaining to sugar legislation relating to the Sugar Act of 1948.

Lee, Thomas A., post office box 2169, South Portland, Maine, Retired Lighthouse Service Employees' Association, post office box 2169, South Portland, Maine. (1) From treasurer, Retired Lighthouse Service Employees' Association, $230.19 for expenses. (2) Various. (3) Travel fares, hotel accommodations, etc. (4) Association circular letter No. 3, giving general report to all retired employees of status of bills and progress made, etc.; association postal card giving reasons for delay in hearings. (5) H. R. 182, H. R. 2986, S. 1253.

Leete, Malcolm R., 42 Mount Vernon Street, Boston, Mass.; Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Leith, W. Gordon, 744 Jackson Place NW., Washington, D. C. (1) Salary for January, February, and March 1-15, 1949, $1,375; less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) None. (5) Agricultural legislation.

Leopold,[4] Joseph F., 936 Liberty Bank Building. (1) Received only monthly personal retainer (from National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.) plus reimbursement actual travel expense. (Retainer $6,000 per year.) (2) Only travel expense—plane, rail, hotel, meals, etc. (3) Travel expense only. (4) None, except by local reporters in newspapers in several cities where I made addresses. (5) No specific legislation. Tax equality in general.

Letts, David S., attorney at law, 901 Tower Building, Washington, D. C.; American Transit Association, 292 Madison Avenue, New York, N. Y. (1) Received for services as attorney for American Transit Association same amount of compensation as reported in previous report. Also reimbursed for actual business expenses amounting to $105. (2) Railroads, taxicabs, etc.; hotels and restaurants; merchants and others. (3) Traveling and living expenses away from Washington. Expenses in Washington for transportation, fees, dues, entertainment, and miscellaneous. (4) None. (5) In connection with proposed legislation affecting the transit industry, registrant may present the views of members of the American Transit Association.

Levine, Seth, CIO Maritime Committee, 132 Third Street SE., Washington, D. C. (1) $1,260 salary; $130 expenses. One-half of time devoted to legislative activities; remainder to research work. (2) Taxi companies, telephone companies, dispensers of periodicals. (3) Taxis, telephone calls, periodicals. (4) CIO News, NMU Pilot, IFAWA Fisherman, American Marine Engineer. (5) Support legislation in interest of seamen, longshoremen, fishermen, and allied maritime workers, and oppose legislation detrimental to them.

Lewis, George J., Union Station, Lexington, Ky., Kentucky Railroad Association (for fuller details see Form B, filed by me on June 3, 1947), Louisville, Ky. (1) No moneys received, except reimbursements for out-of-pocket expense, amounting to $75. (2) Hotel, restaurant, dining car, Pullman, taxis, telephone, etc. (3) For living and traveling expenses. (4) None. (5) Employed to support legislation favorable to the railroad industry and to oppose legislation detrimental to that industry.

Lewis, John R., 1108 Sixteenth Street NW., Washington, D. C., Standard Oil Co. (Ind.), 910 South Michigan Avenue, Chicago, Ill. (1) The undersigned has neither received nor expended any money during the quarter January through March 1949 for the purposes as defined in section 307 (a) (b) of Public Law 601. My activities have been wholly directed toward the maintenance of an information service for the benefit of my company. (2) [Blank]. (3) [Blank]. (4) [Blank]. (5) Interested generally in legislation affecting the petroleum industry.

Libby, Frederick J., executive secretary, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,174.98; expenses, $121.99; total, $1,296.97. (2) Expenses for railroad tickets, hotels, taxies, porters, telephone and

[1] Not printed. Filed in the Clerk's office.

[4] Filed with the Secretary only.

telegraph services, postage and miscellaneous expenses when away from Washington. (3) Speaking trips, attending conferences, meetings, etc. (4) Peace Action, monthly news bulletin of the National Council for Prevention of War. (5) Supports, in pursuance of the purposes of the organization, legislation which promotes peace and opposes legislation which, in our judgment, leads to war.

Liljenquist, L. Blaine, 1415 K Street NW., Washington, D. C., Mr. E. F. Forbes, president, Western States Meat Packers Associations, Inc., 604 Mission Street, San Francisco, Calif. (1) Money received during the first quarter 1949 was $2,083 in salary plus $1,158.70 as reimbursement for expenses in operating the Washington office, of which $73.28 was expended on legislation. (2) Various. (3) $8.65 for taxi fares to and from the Capitol, and $64.63 for reproducing testimony presented to congressional committees. (4) None. (5) I am interested in legislation which directly or indirectly affects the livestock and meat-packing industries.

Litschert, Robert G., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $2,250 as an employee of the National Association of Electric Companies, and reimbursements of $445.75 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses was for those purposes described in sec. 308 (a) or otherwise within the scope of Public Law 601, Seventy-ninth Congress. (2) Various hotels, restaurants, taxicab companies, telephone and telegraph companies, book stores, and stationers. (3) Transportation $142.45; meals and incidental expenses on account of association members in Washington and elsewhere $199.50; telephone and telegraph $17.05; publications $10.05; miscellaneous $76.70. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies of which I am an employee is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Littell, Norman M., 1422 F Street N.W., Washington, D. C., Navajo Tribe of Indians, residing in Arizona, New Mexico, Utah, and Colorado. Address of superintendent, Window Rock, Ariz. (1) For quarter ending March 30, 1949: Received $1,875 as legal retainer for services from November 8, 1948, to February 7, 1949, as general counsel; $413.94 for expenses as general counsel (travel and otherwise), and $1,090.95 to reimburse for fees and expenses paid to expert witnesses. The $1,090.95 covers fees and expenses paid for the quarter, November 8, 1948, to February 7, 1949. (2) To employees of registrant's law office, including stenographers, and to expert witnesses. (3) For legal services in connection with Navajo business. (4) None. (5) No specific legislation, but registrant is to represent the Navajo Indians as requested at any hearings when legislation affecting the Navajos is being considered.

Little, Charles R., executive secretary, 7280 Kenwood Road, Cincinnati, Ohio, Ohio Valley Conservation and Flood Control Congress, Dr. Charles E. Holzer, Sr., president Holzer Hospital, Gallipolis, Ohio. (1) Total received for salary $900; total received for expenses $600; total expenses $776.82. Actual amounts directly chargeable to lobbying would be less than totals shown above. (2) Various railroads, restaurants, hotels, vendors, stores, etc. (3) Transportation $260.72; lodging $186.58; meals $125.88; tips $44.05; office (communication, equipment, periodicals, supplies, etc.) $159.59. (4) None. (5) Not solely employed for this purpose, but concerned with any legislation (Federal or State) dealing with flood control and allied conservation in the Ohio Valley.

Little, Walter J., 510 West Sixth Street, Los Angeles, Calif., Atchison, Topeka & Santa Fe Ry., 121 East Sixth Street, Los Angeles; Southern Pacific Co., 65 Market Street, San Francisco, Calif.; Union Pacific R. R., 422 West Sixth Street, Los Angeles, Calif; Northwestern Pacific R. R., 65 Market Street, San Francisco, Calif.; and Western Pacific R. R., 526 Mission Street, San Francisco, Calif. (1) None. (2) [Blank]. (3) [Blank]. (4) None. (5) All legislation affecting the railroads.

Littlepage, John M., 832 Investment Building, The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (1) None (see attached statement which was filed with registration statement).[1] (2) None. (3) None. (4) None. (5) None.

Locke, Gordon C., Committee for Pipe Line Companies, 632 Munsey Building, Washington, D. C. (1) Total compensation received, $3,375, for all activities, including those which have no relation to Federal legislation. Actual expenditure $17.05. (2) Taxicab operators. (3) Transportation between office and Capitol. (4) None. (5) Senate bill 571, entitled, "A bill to prohibit interstate common-carrier pipe lines from transporting commodities in which such carriers have any interest.

Lodge, F. S., the National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $75 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank]. (3) [Blank]. (4) Chemical Engineering News, Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Lofgren, Charles E., Fleet Reserve Association, 429 Investment Building, Fifteenth and K Streets, NW., Washington, D. C. (1) $1,500 received as salary. (2) Self, for living expenses. (3) Salary. (4) Naval Affairs, official publication of Fleet Reserve Association; CONGRESSIONAL RECORD. (5) Naval personnel and veteran legislation.

Lomen,[7] Carl J., President, Lomen Commercial Co., Colman Building, Seattle, Wash., and Nome, Alaska. (1) During the spring of 1938 the City Council of Nome, Alaska, voluntarily voted $1,000 to help defray my expenses on trip to Washington, D. C. from Seattle, Wash. Railroad, pullman, subsistence, hotel, etc. (2) [Blank.] (3) [Blank.] (4) None. (5) In support of H. R. 6228 and S. 1025—bills to provide a sea-wall or other form of shore protection at the Town of Nome, Alaska. Work to be performed under direction of Corps of Engineers, United States Army. Authorization for an appropriation was secured.

Lomen,[8] Carl J., 327 Colman Building, Seattle, Wash., and Nome, Alaska. No employment. Some contributions made by city council and business interests of Nome, Alaska, to assist in partial payment of expenses of a trip to Washington, D. C. (1) Funds collected by subscription at Nome, Alaska, by Chamber of Commerce, Nome Alaska, and deposited in the Miners and Merchants Bank, Nome, Alaska, to credit of Carl J. Lomen. (2) Funds still in bank, Nome, Alaska. (3) To assist Appropriation Committees of both House and Senate with information relating to a sea-wall project, at Nome, Alaska, incorporated in Army civil functions bill, H. R. 6228. (4) None. (5) To support the item providing for shore protection at Nome, Alaska, included in Army Civil Functions Bill, H. R. 6228.

[1] Not printed. Filed in the Clerk's office.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

Lord, Day & Lord, 25 Broadway, New York; 1216 Tower Building, Washington, D. C.; Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y. (1) $24,562.11 received; $1,094.56 disbursements. (2) Railroads, hotels, etc. (3) Travel expense, hotel accommodations, etc. (4) None. (5) Legislation having relation to World War I claims.

Lorence, Walter E.,[9] The Ohio Valley Improvement Association, Inc., 730 Federal Reserve Bank Building, Cincinnati 2, Ohio. (1) Regular salary for October, November and December 1948 as reported on Form B. (2) Self. (3) [Blank.] (4) Progress News, a publication of the Ohio Valley Improvement Association, Inc. (5) In the interest of navigation and flood control projects in the Ohio Valley. No lobbying activities performed during this quarter.

Love, Richard H., Judge Advocates Association, 312 Denrike Building, Washington, D. C. (1) Salary, $650; reimbursed expenses, $474.78. (2) Stationers, printers, post office, secretarial service, etc., not directly related to lobbying activities. (3) Supplies, printing, postage, services, etc. (4) Judge Advocate Journal. (5) Legislation affecting military justice; the functions, administration and operation of the legal departments of the armed forces and agencies related to national security.

Lovelady, Rufus M., c/o AFGE, 900 F Street, NW., Washington, D. C.; Canal Zone district, American Federation of Government Employees, Balboa, C. Z. (1) $2,379.72 as salary and expenses at $850 per month for period January 7 to March 31, 1949, inclusive. $1,271 was expended during this period. (2) Landlady, grocery stores, service stations, restaurants, miscellaneous for tips, postage, supplies, etc. (3) Rent, food, gasoline, and oil; meals taken out, stationery and supplies, rental on office equipment. (4) None. (5) Retirement for employees of the Panama Canal; pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Lucas, James C., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $200 salary; $65.85 expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor law revision, social-security law revision.

Lunn, Dr. Carl E., 1501 W. Washington Street, Phoenix, Ariz.; Townsend Plan, Inc., Cleveland, Ohio. (1) I received no salary; did receive $151.65 in return from a percent on club dues, which has been expended for mailing, printing notices, etc., relative to local and State Townsend clubs. (2) Post office, printing notices, stationery, telephone, and other local incidental expenses. (3) To promote and organize local Townsend clubs cheering the aged and neglected. (4) None. (5) The Townsend plan, H. R. 2135 and H. R. 2136.

Lynch,[9] Thomas F., Geo. A. Pflaum Publisher, Inc., and Classroom Periodical Publishers Association, 124 East Third Street, Dayton, Ohio. (1) Received in salary $580; received for expenses, $292.65. (2) Hotel, meals, travel, and clerical assistance. (3) As above. (4) None. (5) H. R. 2945 (oppose); S. 1103 (oppose).

Lynn, A. L., Guaranty Bank Building; Island Creek Coal Co. and Pond Creek Pocahontas Co., Huntington, W. Va. (1) Receipts: For all services rendered the companies listed below I received the following salaries during the last calendar quarter: Island Creek Coal Co., $3,750; Pond Creek Pocahontas Co., $1,240. Although the above salaries are not paid for the purpose of influencing legislation, they are reported in full for the reason

[9] Filed with the Clerk only.

that I am unable to determine what part, if any, of my services comes within the scope of Public Law 601, Seventy-ninth Congress. Expenditures: Reimbursement for expenditures to cover items listed under question (3), $200. (2) Railroads, taxi operators, hotels, restaurants, telephone, and telegraph companies, and recipients of miscellaneous expenditures. (3) Travel, hotel accomodations, meals, telephone, and telegraph, and miscellaneous. (4) None. (5) I am not employed to support or oppose specific legislation. I am interested generally in all legislation affecting the coal industry such as taxes, labor, transportation, Government controls, Government expenditures, etc.

Lynn, John C. 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $581.12 expended. (See item (6) of Form B, filed December 1948.) (2) Taxis, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotmen commodity credit charter amendments, reciprocal trade agreements extension, export controls, disaster relief for storm-stricken areas, Federal aid to education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, amendments to Reclamation Act of 1939, postal rates, rural roads.

Lyon, A. E., executive secretary, Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C. (1) No money received except regular salary and expenses; no money expended for the purpose of attempting to influence the passage or defeat of any legislation; total salary for quarter, $2,250; total expenses for quarter, $719.48. (2) None. (3) None. (4) None. (5) Incidental to other and varied duties which comprise the major part of work, all legislative proposals of concern to labor and railway labor in particular.

McBride, Jonas A., 10 Independence Avenue, Washington, D. C.; Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio. (1) Salary of Jonas A. McBride, vice president, national legislative representative, $2,500; salary of employees, $1,111.55; printing and supplies, $28.99; rent, $270; personal expenses, $624.14; telephone and telegrams, $66.28; postage, $60. (2) Salary to Jonas A. McBride and Glenn C. Russell, stenographer; printing and supplies to various printers and stationery firms; rent to labor newspaper, 10 Independence Avenue. (3) For maintenance of office of national legislative representative of Brotherhood of Locomotive Firemen and Enginemen. (4) None. (5) All legislation affecting the interests of the Brotherhood of Locomotive Firemen and Enginemen.

McCarthy, Frank J., 211 Southern Building, Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $1,500 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $350.70 was expended by me as expense money during the first quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. In addition to this amount, I also received $701.45 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $350.70 was expended by me as expense money during the first quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

McClure, Warren C., Box 207, Camden, Ark.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total expenses in connection with legislative matters, $174.70; reimbursed by Mississippi Valley Association, $150; paid by Warren C. McClure, $24.70. (2) Various. (3) Travel, subsistence, and incidentals. (4) None. (5) Legislation relating to soil conservation and flood control.

McDonald,[7] E. L., 524 Governor Building, Portland 4, Oreg.; the Townsend plan, 6875 Broadway, Cleveland, Ohio. (1) Salary, $838.95, September 1, 1948, to December 31, 1948. (2) [Blank.] (3) Living costs and travel expenses. (4) None. (5) H. R. 16, the Townsend plan.

McDonald,[8] E. L., 524 Governor Building, Portland, Oreg.; the Townsend plan, 6875 Broadway, Cleveland, Ohio. (1) Total amount, $958.97. (2) General living expense, transportation. (3) Same as above. (4) None. (5) H. R. 2135, H. R. 2136, the Townsend plan.

McGough, Richard, Washington Railroad Association, 515 Hoge Building, Seattle, Wash. (1) Salary as stated in original registration; expenditures in connection with Federal legislation, none. (2) [Blank.] (3) [Blank.] (4) None. (5) Any legislation affecting transcontinental railroads operating in the State of Washington.

McGrath, Thomas Edward, Mail Reception, General Delivery, Washington, D. C.; Taxpayers, U. S. A., United States Treasury. (1) Approximately, $165. (2) Thomas Edward McGrath. (3) To use as I see fit, presumably, which fitness I consider lobby petitioning for the Nation's welfare. (4) For fee, none; soliciting in support or against legislation, innumerable. (5) Defeat of Rankin pension bill, H. R. 268.

McLaughlin, Joseph V., 923 Chestnut Street, Chattanooga, Tenn.; Railway Express Agency, Inc., 230 Park Avenue, New York, N. Y. (1) Received for full quarter $2,800 regular salary as general auditor, Railway Express Agency, Inc. (February 14 to March 31 on this assignment intermittently, $1,420.29). For traveling expenses this assignment, $526. (2) Various hotels, restaurants, pullman. (3) Hotel, meals, pullman fare, taxicabs. (4) None. (5) H. R. 2945 and S. 1103, bills to readjust postal rates.

McLaughlin, Robert E., 410 Central Building, 805 G Street NW., Washington, D. C.; AMVETS (American Veterans of World War II), Victor Building, 724 Ninth Street NW., Washington, D. C. (1) I am serving as national legislative director for AMVETS at a nominal retainer. (2) See (1). (3) See (1). (4) National AMVET and AMVET Letter. (5) To support legislation providing care and assistance for veterans of World War II and their dependents.

McLaughlin, Robert E., Washington counsel for National Association of United States Storekeeper-Gagers, 805 G Street NW., Washington, D. C. (1) Received quarterly retainer of $350. (2) See (1). (3) See (1). (4) None. (5) To support legislation beneficial to this client and civil-service employees in general.

McMahan, Agnes G., CWA, Division 20, Local 3000, 320 North Grand Boulevard, room 401, St. Louis, Mo. (1) February 21–25, 1949, inclusive: Five days in Washington, D. C.—salary, $98; expense money, $84; railroad fare, $74.41; pullman, $17.82. (2) Agnes G. McMahan, 320 North Grand Boulevard, room 401, St. Louis, Mo. (3) Expenses in connection with trip to Washington, D. C., for legislative meeting and in behalf of labor legislation. (4) None. (5) S. 249, S. 248, H. R. 995.

[7] Filed for fourth quarter, 1948.

[8] Filed for first quarter, 1949.

McMains, W. H., Distilled Spirits Institute, 1135 National Press Building, Washington, D. C. (1) Salary, $3,500, which is in payment for all services rendered, only a part of which deals with legislation. No expenses have been authorized or incurred for purposes listed under this act. (2) See (1). (3) See (1). (4) None. (5) Any legislation affecting the industry represented is reported to members, including such bills in the Eighty-first Congress as H. R. 2547, H. R. 2548, and H. R. 3541.

McMillan, Clarence M., National Candy Wholesalers Association, Inc., 1424 K Street NW., Washington, D. C. (1) Received $3,450; this is the regular salary for all duties of registrant as executive secretary of the National Candy Wholesalers Association, Inc., and includes nothing particularly or principally for the purpose of influencing legislation; expenditures—registrant made no expenditures during the quarter for the purpose of influencing legislation. (2) Please see item (1) above. (3) Please see item (1) above. (4) National Candy Wholesaler Magazine and bulletins of the National Candy Wholesalers Association, Inc. (5) Registrant is employed neither primarily nor necessarily in any part for the purpose of influencing legislation but to carry on an over-all program for the improvement of the candy wholesaling industry, which may from time to time include providing committees or Members of Congress with information and suggestions concerning the industry and informing industry members concerning legislation.

McMillan, Robert W., Management Planning, of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C. (1) $2,100, with less than one-twentieth of the time and services for which such compensation was paid being for activities which might conceivably be construed as coming within the purview of any of the provisions of title III of the Legislative Reorganization Act of 1946; $143.60, reimbursement of expenses allocable to foregoing activities. (2) Taxi drivers and operators of eating and refreshment places. (3) Transportation and other normal out-of-pocket expenses. (4) None. (5) No specific legislation.

McQuatters,[6] Geneva F., 1917 I Street NW., Washington, D. C.; National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y. (1) Salary, $1,162.50; expense, $260.72. (2) Travel, postage, telephone, telegraph, taxis. (3) Travel, postage, telephone, telegraph, transportation. (4) Independent Woman. (5) Merit system; Women's Bureau appropriations; equal-rights amendment; opposition to discriminations against women; Federal aid in support of public education; jury service for women; child-labor legislation; United Nations participation; universal military training.

MacCracken, William P., Jr., American Optometric Association, 1152 National Press Building, Washington, D. C. (1) I have received from the American Optometric Association development fund the sum of $1,950 for professional services incident to their legislative program; I have been paid by the American Optometric Association, in addition, during this quarter, the sum of $149.42 coverng travel expenses, telephone tolls, telegrams, and taxis; these reimbursements cover the period from August 1948 through January 31, 1949. I have made disbursements during this quarter for the AOA development fund in the following amounts: Telephone, $22.32; telegrams, $5.19; taxis, $5.30; I have received no moneys and expended no sums for any other clients. (2) See (1). (3) See (1). (4) None. (5) On behalf of the American Optometric Association I have contacted various Members of Congress to secure support of a bill to amend

[6] Filed for third quarter, 1948.

the District of Columbia Optometric law for the purpose of raising the standards of the profession and providing better visual care for the residents of the District of Columbia; I have also discussed with Members of the Congress the inclusion of the profession of optometry in legislation which has been introduced in the Congress looking to the establishment of a national health insurance program, as well as in bills looking to the establishment of a health department in the Executive Branch of the Government and the expansion of the National Social Security program. On behalf of Remington Rand Inc., I have urged the inclusion in the First Deficiency and Treasury-Post Office Appropriation bills of language which would modify the existing restrictions pertaining to the purchase of typewriters for Government use. At the present time, the statutory limitations make it impossible for the Legislative and Judicial Branches of the Government to purchase any typewriters and it is almost impossible for the Executive Branches of the Government to purchase much-needed new standard typewriters. I have represented Ruth Obre Dubonnet, a native-born American, in her efforts to regain her American citizenship which she lost during World War II under circumstances amounting to duress. After the United States District Court for the District of Columbia dismissed her petition filed for this purpose, the late Honorable Sol Bloom introduced a bill, H. R. 598, to accomplish this purpose. The bill is now pending before the Judiciary Committee of the House. On behalf of the District of Columbia Optometric Association, I was employed to support the inclusion in the District of Columbia Sales Tax bill a provision which would have the effect of exempting the sale of glasses by optometrists from the taxing provisions of the sales tax bill.

Macleay, Lachlan, Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with general work done for the Mississippi Valley Association; all reimbursed by association, $1,328.48. (2) Railroads, air lines, etc., $537.50; hotels and miscellaneous, $790.98. (3) Travel, subsistence, and incidentals. (4) None. (5) A portion of Mr. Macleay's time was used in regard to legislation relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.

Macleay & Lynch, Commonwealth Building, Washington, D. C.; DeBardeleben Coal Corp., Transportation Building, Birmingham, Ala. (1) Total expenses related to proposed legislation, $94.90; all to be reimbursed. (2) C. & P. Telephone Co., taxicabs, etc. (3) Long-distance telephone calls, cabs, and miscellaneous. (4) None. (5) Legislation relative to Inland Waterways Corp.

Macnamee, W. Bruce, National Federation of American Shipping, Inc., 1809 G Street, NW., Washington, D. C. (1) $350 a month ($1,050 per quarter) allocable to legislative activities, received from the National Federation of American Shipping, Inc. (2) The undersigned. (3) See item 1. (4) None. (5) Not employed to support or oppose any particular legislation.

Madaris,[7] James B., Brotherhood of Railway Carmen of America, 220 South Alfred Street, Alexandria, Va. (1) None. (2) None. (3) None. (4) None. (5) None.

Madaris,[8] James B., Brotherhood of Railway Carmen of America, 220 South Alfred Street, Alexandria, Va. (1) None. (2) None. (3) None. (4) None. (5) None.

Magee (Miss) Elizabeth S., National Consumers League, 348 Engineers' Building, Cleveland, Ohio. (1) Salary, part time, $333.33; February 2-12, Washington, D. C., and return, $88.82. (2) [Blank.] (3) Part-time salary; travel and living expenses. (4) National Consumers League Bulletin. (5) Supporting minimum-wage legislation; extension of social security.

Maloney, Walter E., 40 Wall Street, New York, N. Y.; National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $37.35. (2) Various taxicab drivers; telephone company. (3) Local transportation and telephone calls. (4) None. (5) H. R. 858 and S. 336.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Coal Association, Southern Building, Washington, D. C. (1) $1,000. (2) No one. (3) None paid. (4) None. (5) Legislation affecting the bituminous-coal industry.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Business Publications, Inc., 1415 K Street NW., Washington, D. C. (1) $800.00. (2) No one. (3) None paid. (4) None. (5) Legislation affecting controlled circulation business publications.

Marchbanks (Miss), Modane, 901 Lincoln Tower, Chicago, Ill.; National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $12.75. (2) Various persons. (3) Incidental expenses such as cab fares, etc. (4) None. (5) Any margarine legislation.

Margolin, Leo J., 235 East Twenty-second Street, New York, N. Y.; Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Margolin, Mrs. Olya, 1637 Massachusetts Avenue NW., Washington, D. C.; National Council of Jewish Women, 1819 Broadway, New York City, N. Y. (1) $1,125 (gross, before income-tax deduction) in salary received from the National Council of Jewish Women, 1819 Broadway, New York City, none of which was spent in connection with work. $39.03 received from above spent for carfare, postage, etc. (2) No one. (3) None. (4) [Blank.] (5) Not employed specifically to support or oppose any legislation, but for the purpose of securing information to be transmitted to headquarters for the preparation of educational and other material.

Mark, James, Jr., 1435 K Street NW., Washington, D. C.; United Mine Workers of America, 900 Fifteenth Street NW., Washington, D. C. (1) Since January 1, 1949, there has been received by affiant as salary the sum of $2,500. (2) No sums in any amount have been paid by affiant to any person other than affiant's expenditures for normal, everyday living expenses such as transportation, meals, etc., in the regular discharge of his duties. (3) Answered in (2) above. (4) None. (5) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.

Markham, Baird H., American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) See attached schedule for answers to items 1 to 5.[1]

Marks, Herbert S., 1200 Eighteenth Street NW., Washington, D. C.; the Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. (1) Fee for professional legal services, $962.50; reimbursement for disbursements, $104.97; total disbursements, $237.02. (These figures represent that portion of the total receipts from and disbursements for client during the quarter allocable to services described in paragraph (5) below.) (2) Railroads, telephone and telegraph companies, taxis, and postage. (3) Traveling expenses, communications, and miscellaneous. (4) None. (5) Registrant's general legal services to this client include services in connection with support of S. 336, a bill to eliminate so-called overtime on overtime, and the comparable provisions of H. R. 3190 and S. 653.

Marks, Raymond E., Southern Pacific Co.; 43 Sierra Street, Reno, Nev. (1) Nothing to report for the first quarter of 1949. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Marran, Donald J.; Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, made no expenditure during the quarter ended March 31, 1949, in connection with the proposed legislation described in item (5) hereof on behalf of the American Tobacco Co. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation extending the 85 percent dividend received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Marran, Donald J.; Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, did not receive or expend any sums during the quarter ended March 31, 1949. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation proposing to amend section 116 (a) and section 1621 of the Internal Revenue Code, pertaining to United States citizens earning income from sources outside the United States and withholding required on such income.

Marsh, Benjamin C., Peoples Lobby, Inc., 810 F Street NW., Washington, D. C. (1) Total receipts, $3,606.77; salaries and wages, $1,052.50; bulletin and printing, $805.25; rent, $165; postage, $265.24; withholding tax, etc., $106.11; supplies, $38.77; telephone, $32.42; printing, $54; incidentals, $48.91. (2) B. C. Marsh, Arlene Ryan, Graphic Arts Press, postage, J. B. Stein, Andrew Walker, Addressograph Corp., Chesapeake and Potomac Telephone Co., Public Printer, withholding tax and social security, etc. (3) Salaries and wages for publicity and clerical work; other for maintaining office and getting out material. (4) We have not caused any article to be published but have sent materials and releases to hundreds of papers. (5) Support attached program and oppose that against it.

Marshall, J. Paull, 528 Union Trust Building, Washington, D. C.; William J. Goodwin, The Loch, Roslyn, N. Y. (1) $15 expended; none received. (2) Chesapeake & Potomac Telephone Co., and taxi drivers. (3) $8 for long-distance and local phone calls; $7 for taxis. (4) None. (5) See letter attached to registration statement of William J. Goodwin.

Marshall, J. Paull, 528 Union Trust Building, Washington, D. C.; Magothy River Association, 908 St. Paul Street, Baltimore, Md. (1) $500 received; $8.10 expended. (2) Chesapeake & Potomac Telephone Co. (3) $2.50, long-distance telephone calls; $5.60, travel expenses to Annapolis. (4) None. (5) Legislation involving construction of airport at United States Naval Academy.

Marston, R. B., director, legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $2,157.54, which covers both legislative and nonlegislative activities; estimated for legislative service, $431.50; expenses, $15.50. (2) Self (salary); expenses: Hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Martin, Robert F., Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

[7] Filed for fourth quarter, 1948.

[8] Filed for first quarter, 1949.

[1] Not printed. Filed in the Clerk's office.

Martin, W. E., Communications Workers of America, division 49, 23 Broad Street SW., Atlanta, Ga. (1) Salary, $1,350; expenses, $323.97; total, $1,673.97. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my position with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America, or its divisions.

Masaoka, Mrs. Etsu, 300 Fifth Street NE., Washington, D. C.; Japanese American Citizens League Antidiscrimination Committee, Inc., 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary and expenses as explained in Form B, filed January 3, 1949, except those listed on attached sheet.[1] (2) Telephone and telegraph companies, taxicabs. (3) Information, contacts, transportation. (4) News stories in Japanese language and Japanese American newspapers relating to work here are the only articles known to have been published because of our contacts with them. See accompanying list. (5) Legislation affecting persons of Japanese ancestry in the United States.

Masaoka, Mike M., national legislative director, Japanese American Citizens League Antidiscrimination Committee, 300 Fifth Street NE., Washington, D. C.; Japanese-American Citizens League Antidiscrimination Committee, 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary and expenses as explained in Form B, filed January 3, 1949. (2) Telegraph and telephone companies, taxicabs. (3) Information, contacts, transportation. (4) News stories in Japanese language and Japanese-American newspapers relating to work here are the only articles known to have been published because of our contacts with them. See accompanying list.[1] (5) Legislation affecting persons of Japanese ancestry in the United States.

Maslow, Will, American Jewish Congress, 1834 Broadway, New York, N. Y. (1) Received $112.50 for services under Public Law 601. In addition, I received for services not under Public Law 601, $2,500. (2) [Blank.] (3) [Blank.] (4) Law and Social Action, November-December 1948; January-February 1949; Legislating Against Discrimination, appearing in Social Action. (5) Legislation designed to implement the report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to liberalize Senate rules; to prevent racial or religious defamation.

Mason, Walter J., American Federation of Labor, 901 Masaschusetts Avenue NW., Washington, D. C. (1) Salary for January, February, and March, $2,040; expenses for January, February, and March, $267.50. (2) Cab drivers, phone company, and messenger services. (3) As stated in item (2). (4) None. (5) Affecting labor.

Mathews, John Clifford, 914 Clay Street, Topeka, Kans.; Synod of the Reformed Presbyterian Church of North America for the Christian Amendment Movement, 209 Ninth Street, Pittsburgh, Pa. (1) Salary received from J. S. Tibby, $750; from J. S. Tibby for expenses, $100; preaching fees, applied on expenses, $115. (2) Salary used for personal and family expenses only; expenses: hotel, $70.43; meals, $58.97; railroad and bus fare, $85.14; telephone and telegraph, postage, $15.55; miscellaneous, $9.30; car mileage, 530 miles at 5 cents, $26.50. (3) Travel and work in Washington, D. C., in behalf of House Joint Resolution 181. (4) The Christian Patriot, 1121 Buchanan Street, Topeka, Kans.; the Covenanter Witness, 1121 Buchanan Street, Topeka, Kans. (5) In support of a proposed amendment to the Constitution of the United States which would acknowledge Jesus Christ as Saviour and King of Nations (H. J. Res. 181).

[1] Not printed. Filed in the Clerk's office.

Mathews, P. H., Association of American Railroads, 929 Transportation Building, Washington, D. C. (1) For services rendered to the Association of American Railroads as described in registration filed October 1, 1948, registrant received salary at rate as reported therein and is allocated for legislative work. Registrant received $136.66 in expenses to cover partial moving costs. (2) Expenses of $136.66 received as partial moving expenses and paid to New England U-Drive-It System, Boston, Mass. (3) [Blank]. (4) None. (5) Registrant has worked on various proposed legislation pertaining to the railroad industry as a whole. Work in opposition to the St. Lawrence seaway, the Tombigbee waterway, and other proposed waterway legislation; the proposed Fair Labor Standards Act as it applies to railroad employees; in support of various bills increasing postal rates and repealing and/or reducing excise taxes on transportation. Various bills, as H. R. 3, 804, 811, 2023, 2361, 2770, 3392, and S. 526 have been followed, and appropriations for Railroad Retirement Act, that the industry would not be penalized in performing its ordinary course of work.

Meeks, E. A., National League of District Postmasters, 1110 F Street NW., Washington, D. C. (1) Salary only, $1,200 for quarter ending March 31, 1949. (2) E. A. Meeks. (3) Salary. (4) The Postmasters' Advocate, 1110 F Street NW., Washington, D. C. (5) Any legislation affecting postmasters.

Messer,[2] Ross A., National Association of Post Office Maintenance Employees, post office box 1611, room 527, Victor Building, Washington, D. C. (1) Salary, $1,500; expenses, $681.44, including postage, office supplies, box rent, taxi, postage for mailing publication and bulletins, and other necessary expenses for handling legislation and grievances. (2) [Blank.] (3) In support of all beneficial legislation for postal employees, and in handling grievances between the membership and the Post Office Department. (4) The Post Office Maintenance News and special news bulletins advising the membership of legislative activities or other beneficial information for the membership. (5) All beneficial legislation for postal employees and custodial employees in particular.

Messer,[3] Ross A., National Association of Post Office Maintenance Employees, post office box 1611, room 512, Victor Building, Washington, D. C. (1) Salary, $1,500; expenses, $902.15, including postage, office supplies, box rent, postage for mailing monthly publication and bulletins, and other necessary expenses for handling legislation and grievances, and expenses on trips to Trenton, N. J., Boston, Mass., and Cincinnati and Columbus, Ohio. (2) [Blank.] (3) In support of all beneficial legislation for postal employees, and in handling grievances between the membership and the Post Office Department. (4) The Post Office Maintenance News and special news bulletins advising the membership of legislative activities or other beneficial information for the membership. (5) All beneficial legislation for postal employees and custodial employees in particular.

Middleton,[2] P. Harvey, Railway Business Association, 38 South Dearborn Street Chicago, Ill. (1) The only money received by me during the period from October 1 to December 31, 1948, was $5,000.06 in salary gross. No part of this salary was spent in legislative activities. (2) None. (3) None. (4) None. (5) [Blank.]

Middleton,[3] P. Harvey, Railway Business Association, 38 South Dearborn Street, Chicago, Ill. (1) The only money received by me during the period from January 1 to March 31, 1949, was $4,999.98 in salary gross. No part of this salary was spent in legislative activities. (2) None. (3) None. (4) None. (5) [Blank.]

[2] Filed for fourth quarter, 1948.
[3] Filed for first quarter, 1949.

Miles, Clarence R., Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C. (1) Received: Salary, $1,125; expenses, $655.46. Expenses: Transportation, $435.85; telephone, $57.77; telegraph, $2.18; entertainment, $9.80; meals, $149.86. (2) Taxi companies, railroad, telephone company, Western Union, and restaurants. (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Miles, Harold M., Southern Pacific Co., 65 Market Street, San Francisco, Calif. (1) None for Federal legislation. (2) None paid. (3) [Blank.] (4) None. (5) None.

Miller, Charles C., 715 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) I have received from my employers, the Rubber Manufacturers Association, Inc., for the quarter ended March 31, 1948, prorated on the basis of total expenditures for salary of self and secretary, and for operating expenses, etc., at the rate of 10 percent to cover time spent on legislative work during this period, a total of $499.06. (2) Expenditures on the basis of this allocation were: For salaries, $314.80; for rent, $64.50; for telephone and telegraph, $30; guest meals, $24.20; taxies, $6.07; tips and miscellaneous expense, $7.37; printing and supplies, $8.94; postage, $4.59; dues, subscriptions, etc., $10.49; travel expenses, $28.10. (3) [Blank.] (4) Press coverage in daily and financial papers consisted of general news reports on tire and tube production, rubber consumption, and the industry's production achievements in 1948 and its outlook for 1949. (5) Revision of excise tax on tires and tubes; measures pertaining to regulation of transportation of coated fabrics; investigation into effects of recent basing point decisions on industry.

Miller, Dale, Mayflower Hotel, Washington, D. C.; Dallas Chamber of Commerce, Dallas, Tex.; Intracoastal Canal Association of Louisiana and Texas, Houston, Tex.; Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y. (1) Received: $1,500, plus $750 expenses, from Dallas Chamber of Commerce; $1,500, plus $215.76 expenses, from Intracoastal Canal Association; $1,500, plus $851.21 expenses, from Texas Gulf Sulphur Co. Expended: $1,816.97; this sum includes all business expenses in Washington, only a small portion of which would apply to activities within the purview of the act. (2) Mayflower Hotel, United States post office, telephone and telegraph companies, local transportation facilities, stationers, food and beverage establishments. (3) For purposes within scope of the act: Total office rent, $600; taxi fares, etc., $45.30; telephone and telegraph, $54.45; stamps, stationery, other usual office expenses, $135.49; entertainment and miscellaneous, $62.80. (4) Monthly article in Dallas magazine, official publication of Dallas Chamber of Commerce. (5) Legislation affecting flood control, water transportation, river and harbor improvement, appropriations, and taxes.

Miller, George M., 201 Torbitt Building, 406 South Fifth Street, Louisville, Ky.; Communications Workers of America and its divisions, 917 G Place NW., Washington, D. C. (1) Expenses, $433.81; salary, $1,200. (2) Normal living expenses, plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Milton, Charles J., 1 Exchange Place, Jersey City, N. J.; Prudential Insurance Co. of America, Newark, N. J. (1) None. (2) None paid.

(3) None paid. (4) None. (5) H. R. 3237 and S. 249.

Mollin, F. E., executive secretary, American National Live Stock Association, 515 Cooper Building, Denver, Colo. (1) Have had no special contributions for lobbying purposes. The association finances handled in normal fashion. My compensation as executive secretary of the American National Live Stock Association is $1,000 a month. In addition I received in January of this year a bonus of $1,000 for last year. (2) No payments to anyone in connection with lobbying activities. Only part of the expense of myself as executive secretary of the association on trip to Washington in past quarter could be chargeable to such. Total expense for this purpose was $526.50; telephone and telegraph, $116.76; Washington stenographer, $70.36. (3) [Blank.] (4) Our own official magazine, the American Cattle Producer. (5) Extension of Reciprocal Trade Act; export controls on fats and oils; disaster loans in storm areas.

Mooney, William W., room 406, Bernice Building, Tacoma, Wash.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Total earned, $1,226.29; held out for O. A. B. and withholding taxes, $150.26; for hospitalization, $9; leaving amount received, $1,067.03. Out of this, $317.62 spent for traveling expenses over Washington and Idaho; leaving $749.38 for self. (2) William W. Mooney as commissions on Townsend Weekly sales, books, etc., sold by Townsend Weekly, and on contributions made to national office in Cleveland, Ohio, as organization support. (3) Organizing new clubs and visiting those in operation and creating interest and building morale, promote activities for greater financial support to national headquarters for promotional work. (4) At times mail articles and notices to Townsend National Weekly, printed in Cleveland, Ohio; also, promote bulletins to be mailed to all Townsend clubs as information and to create more interest in the minds of the members. (5) To support the Townsend Plan, Inc., bills now in the Ways and Means Committee in Congress and in the Senate of United States.

Moore, Chester B., Western Growers Association, 606 South Hill Street, Los Angeles, Calif. (1) Regular salary as managing director of Western Growers Association, plus traveling expenses. (2) To all regular accounts of my personal and business life. (3) [Blank.] (4) Western Grower and Shipper. (5) Am paid regular salary. Not directly employed to support or oppose any specific legislation. I do oppose or support any legislation of interest to our members.

Moore, Clayton, R. J. Reynolds Tobacco Co., Fourth and Main Streets, Winston-Salem, N. C. (1) Actual expenses incurred, $215.60 (salary now at annual rate of $22,000, for full-time services as associate counsel for the purposes fully set out in registration form). (2) Hotel, meals, and phones, $159.60; air lines, $44.10; taxicabs, $11.90. (3) Hotel, meals, phones, travel, and taxicab expenses. (4) None. (5) Tax legislation affecting R. J. Reynolds Tobacco Co.

Morgan, George W., Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During the quarter for which this report is made registrant received only his salary and expenses. The portion of registrant's salary applicable to activities in furtherance of any object necessitating registration under Public Law 601 is estimated to be less than $1,250. The portion of registrant's expenses applicable to activities in furtherance of any object necessitating such registration is estimated to be less than $225. (2) No expenditures except for transportation, meals, and similar out-of-pocket expenses. (3) See item (2). (4) The registrant did not cause any article or editorial to be published during the quarter for which this report is filed, but the registrant did prepare the article which is annexed hereto[1] and made a part hereof, which article was published by the New York Journal of Commerce and thereafter in the appendix to the Congressional Record. (5) The registrant is employed as president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During the quarter for which this report is filed the registrant did, however, oppose certain provisions contained in bills to amend the Fair Labor Standards Act and did support a bill to amend the Merchant Marine Act, 1936.

Morris Plan Corporation of America, The, 103 Park Avenue, New York, N. Y. (1) No funds received, amount expended, $183.25. (2) [Blank.] (3) Travel expenses and disbursements of representatives on trip to Washington at the invitation of the Board of Governors of the Federal Reserve System to discuss bank holding company legislation. (4) None. (5) The corporation in its interests and in the interests of its stockholders opposes the adoption of bank holding company legislation in the forms represented by S. 829 and H. R. 3351 of the Eightieth Congress.

Morrison, Donald S., American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y. (1) Receipts, $5,499.99 salary, plus $606.17 reimbursement of the expenditures referred to in (2) and (3) below. (2) Transportation and communications services, hotel accommodations, restaurants, etc. (3) Travel and business expenses connected with employment. (4) None. (5) Legislation affecting shipping industry which concerns employer.

Morrow, Giles, Freight Forwarders Institute, 1220 Dupont Circle Building, Washington, D. C. (1) Received salary at rate reported on Form B, previously filed, and, in addition, received $149.68 as reimbursement for expenses incurred in conducting institute business in Washington, Hagerstown, Md., and New York. (2) Taxicabs and restaurants in Washington, Hagerstown, and New York, the Pennsylvania Railroad. (3) Local and interstate transportation, meals, and other traveling expenses, all incurred in connection with meetings and other business of the Freight Forwarders Institute. (4) The ICC Practitioners Journal (contributor of legal and technical articles monthly). (5) Any legislation directly affecting the freight-forwarding industry. Testified before House Committee on Interstate and Foreign Commerce on bills H. R. 1709 and H. R. 3162.

Morse, Henry Hoyt, 99 Pearl Street, Gardner Mass.; Institute of Cooking and Heating Appliance Manufacturers, Shoreham Hotel, Washington, D. C. (1) No money received. (2) No money paid. (3) No work undertaken. (4) Stove Builder. (5) None.

Mosier, Harold G., Shoreham Hotel, Washington, D. C.; the Glenn L. Martin Co., Middle River, Baltimore, Md. (1) In addition to the regular annual salary previously reported on Form B, the registrant has been or will be reimbursed for $508.94 for certain expenditures for travel, subsistence, communications, etc. Payment of these amounts so expended has been made directly to the hotels, railroads, restaurants, etc., which rendered the services to which reference is made. (2) See (1). (3) See (1). (4) None. (5) All legislation affecting aviation.

Mote, Lynn E., Association of American Ship Owners, 90 Broad Street, New York, N. Y., and 1713 K Street NW., Washington, D. C. (1) During the quarter for which this report is made registrant received only his salary and expenses. The total salary received by the registrant during the quarter was $2,000 and the total expenses received by the registrant amounted to $234.17. Only a small portion of such salary and expenses is applicable to activities in furtherance of any object necessitating registration. (2) No expenditures except taxicabs, meals, railroads, and similar out-of-pocket expenses. (3) See (2). (4) None. (5) The registrant is employed as vice president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During the quarter for which this report is filed the registrant did, however, oppose certain provisions contained in bills to amend the Fair Labor Standards Act and did support a bill to amend the Merchant Marine Act, 1936.

Mougey, William J., 200 Hill Building, Washington, D. C.; General Motors Corp., Detroit, Mich. (1) None. (2) [Blank.] (3) Registrant is filing this quarterly report merely to avoid any technical claim of violation of the act for failure to file report. (4) None. (5) None.

Mullin, Pat, Foreman's Association of America, Ford Chapter No. 1, 5746 Schaefer Road, Dearborn, Mich. (1) Expenses incurred by President Mullin on trip to Washington, D. C., January 28, 1949, through February 17, 1949, $394.21; wages, $375; total, $769.21. (2) Various. (3) Wages, traveling, and living expenses incurred lobbying in Washington, D. C. (4) None. (5) For bills S. 249 and H. R. 2032.

Munro, Walter J., Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Murph, Daniel S., the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $100 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes and Pasture Progress all published by the National Fertilizer Association, Inc., Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Murphy, Dr. Emmett J., 5737 Thirteenth Street NW., Washington, D. C.; National Chiropractic Association, Webster City, Iowa. (1) None received. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) None specified.

Murphy, Ray, Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $75 received by registrant during the first quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant does not believe he has engaged in any activities in this quarter within the purview of this act. Registrant has expended no money in this quarter. (2) None. (3) None. (4) None. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies. During past quarter, on one occasion registrant discussed with a legislator the possibility of legislative relief from effect of *U. S.* v. *Munsey Trust Co.* (332 U. S. 234). On one occasion registrant also made inquiries of one legislator and a committee clerk concerning status of national health and nonoccupational disability insurance (H. R. 2892 and 2893).

National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. (1) See registration form B. No receipts earmarked for any of purposes of Public Law 601. Only items of expenditure which could be considered as within purview of Public Law

[1] Not printed. Filed in the Clerk's office.

601 are $309.14: Travel, meals, and lodging for two persons, and estimated portion of annual salary of one person, Washington, D. C., for dates February 28, March 1 and 2, 1949. (2) Judd C. Benson, unsalaried officer and committee chairman; James B. Hallett, general counsel. (3) Travel, meals, lodging, Washington, D. C. (4) Life Association News, 11 West Forty-second Street, New York, N. Y. (5) See form B. Neither of above personnel employed for purposes specified in Public Law 601. Items of interest on dates specified were amendments to Social Security Act and status of tax revision legislation.

National Association of Real Estate Boards, its realtors, Washington committee, and its public relations department, Chicago and Washington, D. C., headquarters. (1) Schedule attached.[1] (2) Schedule attached.[1] (3) Schedule attached.[1] (4) attached list [2] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) All legislation affecting real estate.

National Association of Stevedores,[7] 140 Cedar Street, New York, N. Y. (1) $5,000 received in amounts of $200 each from 25 members; $2,000 expended. (2) $2,000 to National Federation of American Shipping, 1809 G Street NW., Washington, D. C. (3) To influence defeat or passage of legislation. (4) None. (5) H. R. 858, S. 336.

National Association of Stevedores,[8] 140 Cedar Street, New York, N. Y. (1) $3,750 received; $200 each from 18 members, $3,600; $100 from 1 member; $50 from 1 member; total $3,750. $1,206.09 expended as per schedule A attached.[1] (2) See schedule A attached.[1] (3) As noted opposite each item. (4) None. (5) H. R. 858, S. 336.

National Postal Committee for Books, Room 305, 62 West Forty-seventh Street, New York, N. Y. (See registration for statement of membership of committee). (1) No receipts during said period. Expenditures: Postage, $3,751; legal services, $5,000; mailing of letters, $243.22; travel expenses, $96.02. (2) Postage paid to American Book Publishers Council ($1) and United States post office, New York, N. Y. ($3,750); legal fees paid to Greenbaum, Wolff & Ernst, New York, N. Y.; mailing charges to Cardinal Direct Mail Service Corp., New York, N. Y.; travel expenses to W. W. Hall, Jr., Fulton, Mo. (3) For the respective purposes above specified. (4) Publishers Weekly, New York, N. Y. (5) The committee opposes unfair increases in postal rates and discrimination in postal rates.

National Renderers Association,[9] 945 Pennsylvania Avenue NW., Washington, D. C. (1) See attached tabulation.[1] (2) See attached tabulation.[1] (3) See attached tabulation.[1] (4) None. (5) None.

National Savings and Loan League, 1835 K Street NW., Washington, D. C.; member savings and loan associations of the league. (1) Financial statement attached.[1] Approximately $1,666 of officers' salaries and $175 of national letter expense may be applicable. (2) Oscar R. Kreutz, executive manager of the league (salary); Batt, Bates & Co. and Darby Printing Co. (for national letter). (3) Salary, printing, and distribution of national letter. (4) National letter and National Savings and Loan Journal. (5) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Opposed legislation inimical to interests of savings and loan industry.

Nau, Carlton L., American Public Power Association, 1757 K Stret NW., Washington, D. C. (1) See attacked sheet.[1] (2) See attached sheet.[1] (3) See attached sheet.[1] (4) None. (5) See attached sheet.[1]

Neal, William S., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) $3,712.21, of which $3,375 is salary and $337.21 expenses. (2) For railroad transportation, hotel accommodations, lunches, taxicabs, telephone calls. (3) For attendance at meetings, obtaining information and consulting individuals. (4) Regular contributor NAM News. (5) NAM program, for regulation of labor practices, economy in Government, for tax reduction, against Office of Technical Services, in part; for maintenance of patent system, for National Science Foundation.

Neel, Samuel E., 1001 Fifteenth Street NW., Washington, D. C.; Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill. (1) See attached sheet.[1] (2) See attached sheet.[1] (3) See attached sheet.[1] (4) Washington New Letter, published biweekly by Mortgage Bankers Association of America; Letter to Members, published irregularly by Mortgage Bankers Association of America; the Mortgage Banker, published irregularly by Mortgage Bankers Association of America. (5) Matters affecting the mortgage banking industry.

Nelson, G. W., Brotherhood of Railroad Trainmen, 130 Third Street S. E., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Nelson, George R., grand lodge representative International Association of Machinists, Machinists' Building, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Nelson, Herbert U., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Reimbursement by employer for travel expenses and per diem, $1,939.76; salary, 20 percent of time devoted to legislative activities, $1,250; total, $3,189.76. (2) See attached itemized statement.[1] (3) See attached itemized statement.[1] (4) Attached list shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real-estate industry.

Nelson, Otis E., member of firm, Nelson, Montgomery & Robertson, 707 Hamilton Building, Wichita Falls, Tex. (1) Received from White's Auto Stores, Inc., Wichita Falls, Tex., $300; Wilson Manufacturing Co., Inc., Wichita Falls, Tex., $300; one ticket issued by Braniff Airways furnished by Wilson Manufacturing Co., Inc., amounting to $168.46, to be distributed as part of costs. (2) To Otis E. Nelson, $600 for fee. Miscellaneous expenditures, meals, taxi, hotel bill, tips, railroad and airplane fare (including $168.46 above mentioned), $296.11. (3) Railroad and airplane fare, meals, hotel bill, taxi fare, tips to hotel employees and taxi drivers, and for stenographic service. (4) None. (5) Amendments to Internal Revenue Code not yet introduced, having to do with Western Hemisphere corporations and excess-profits tax on component corporations.

Neumann, Harold F., New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J. (1) Receipts, $20.34; expenditures, $20.34. (2) Various. (3) Expressage, telephone calls, stationary, and gasoline. (4) 50 or 60 newspapers in New Jersey which I have sent the same news releases to. I have no way of knowing which of the papers printed the release. (5) Any laws or proposals adversely affecting business.

Noble, William R., National Retail Farm Equipment Association and National Retail Hardware Association, 1028 Barr Building, Washington, D. C. (1) Out-of-pocket expenses, $126.40. (2) Public transportation, telephone company, restaurants and hotels. (3) Taxi fares, phone calls, luncheons, and hotel. (4) Farm Equipment Retailing, Hardware Retailer. (5) Have taken position on wage-and-hour legislation, taxation matters, and several minor bills.

Noffsinger, J. S., National Council of Business Schools, 839 Seventeenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Only bulletins to own member schools and reprints of addresses of Congressmen. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise as to affect our association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., National Council of Technical Schools, 839 Seventeenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Only bulletins to own member schools and reprints of addresses of Congressmen. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise as to affect our association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., National Federation of Private School Associations, 839 Seventeenth Street NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) Only bulletins to our member schools and reprints of addresses to Congressmen. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise as to affect our association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., National Home Study Council, 839 Seventeenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Only bulletins to own member schools and reprints of addresses of Congressmen. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise as to affect our association, I would act in the proper interest as I may be advised.

Norgord,[7] Christian P., 1617 Rhode Island Avenue NW.; the American Humane Association, Robert F. Sellar, president, Albany, N. Y., 135 Washington Avenue, Albany, N. Y. (1) For October to December, inclusive, $570.91; per diem, $30.82; expenses, total, $601.73. (2) Streetcar company, taxis, and office-supply stores in Washington. (3) Transportation and office supplies. (4) The National Humane Review. (5) S. 1447, now Public Law 818, of the Eightieth Congress.

Norgord,[8] Christian P., 1617 Rhode Island Avenue NW., Washington, D. C.; the American Humane Association, of Albany, N. Y., 135 Washington Avenue, Albany, N. Y. (1) Per diem, $585; expense, $137.33; total, $720.33. (2) Railroads, pullman, and streetcar companies for travel and Washington stores for office supplies, all necessary for my work. (3) To handle legislation and many other types of work of a humane nature for the American Humane Association, of Albany, N. Y. (4) [Blank.] (5) H. R. 2779, 2945, appropriations for cattle grub eradication work.

Northam,[4] Harry E., 360 North Michigan Avenue, Chicago, Ill. (1) Salary, $2,500. (2) None. (3) None. (4) Monthly News Letter of the Association of American Physicians and Surgeons issued to the membership of the association. (5) About 10 percent of my time is devoted to supporting or opposing legislation which deals with medical care.

O'Brien, John, 1 Wall Street, New York, N. Y., Riegel Textile Corp., 342 Madison Avenue, New York, N. Y. (1) None received;

[1] Not printed. Filed in the Clerk's office.
[2] Filed for fourth quarter, 1948.
[3] Filed for first quarter, 1949.
[4] Filed with the Clerk only.
[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

long-distance telephone calls, $4.75. (2) New York Telephone Co. (3) Same as (1). (4) None. (5) Proposals for relief of work-glove manufacturers on account of payments made in settlement of controversy with Office of Price Administration.

O'Connor, Edward H., 176 West Adams Street, Chicago, Ill., Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill. (1) Salary received during quarter, $3,000; reimbursement for traveling expenses, $698.36. (2) Paid out $698.36 in traveling expenses to various railroads, hotels, restaurants, and miscellaneous items of personal expense. (3) For personal traveling expenses of the undersigned incurred in carrying out my work for the Insurance Economics Society of America. No money expended during this quarter for lobbying activities. (4) Insurance Economics Surveys, our own monthly publication. (5) S. 5 and its companion House bills, H. R. 345 and H. R. 783, also H. R. 782 and H. R. 2893.

O'Dunne, Eugene, Jr., Southern Building, Washington, D. C., National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y. (1) $8.78 expenditures. (2) [Blank.] (3) $8.78 taxicab fares, telephone tolls. (4) [Blank.] (5) S. 1118 in first session, Eighty-first Congress; H. R. 1211 and H. R. 1343 in first session, Eighty-first Congress.

O'Gara, Herrick J., Veterans of Foreign Wars, 1026 Seventeenth Street NW., Washington, D. C., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $333 per month as salary minus social security and withholding taxes; $19.36 as expenses for transportation and luncheons in connection with legislative activites. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability, compensation and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound, foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

O'Hara, Bart W., 335 Symes Building, secretary-treasurer, Colorado Associated Businessmen, Inc., 335 Symes Building, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All legislation that may be designed to bring about tax equality concerning corporations.

Oliver, Fred N., 1106 Investment Building, Washington, D. C.; senior partner, Oliver & Donnally, 110 East Forty-second Street, New York, N. Y., and 1106 Investment Building, Washington, D. C. (1) Estimated $262.50 from the National Association of Mutual Savings Banks. About $7,000 is the estimated proportion of distribution received by registrant as partner of Oliver & Donnally of total annual compensation from the National Association of Mutual Savings Banks for all legal services performed by the firm. Registrant estimates that not in excess of 15 percent of that amount is for purposes mentioned in the Lobbying Act, or $1,050 annually, of which about $262.50 is for the preceding calendar quarter. (2) No expenditures. (3) No expenditures. (4) None. (5) No specific legislation but function during this quarter was to analyze proposed legislation which affects mutual-savings banks.

Oliver, John P., Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) January 1949, $583.33, plus $28.90; February 1949, $583.33, plus $34.93; March 1949, $583.33, plus. (2) The grocer, the baker, the landlord, the taxi driver, etc. (3) Living expenses for self and family, transportation, taxes of various kinds. (4) The Reserve Officer. (5) Legislation for the development of a military policy for the United States which will provide adequate national security.

Oliver,[4] [7] Stanley W., 900 F Street NW., room 908, Washington, D. C. (1) Receipts: Personal salary at the rate of $7,200 per annum, payable semimonthly, less social-security tax and withholding tax, plus allowance up to $75 per month for miscellaneous expenses, etc., incidental to performance of duties. (2) Stanley W. Oliver. (3) Payment of salary and expenses as national president and administrative head of the International Federation of Technical Engineers, Architects, and Draftsmen's Union. (4) IFTEADU Monthly Outlook and special news letters for dissemination of union information to members and local unions. (5) Legislation affecting technical engineers, architects, draftsmen, and allied workers.

Oliver,[4] [8] Stanley W., 900 F Street NW., room 908, Washington, D. C. (1) Recepits: Personal salary at the rate of $7,200 per annum, payable semimonthly, less social-security tax and withholding tax, plus allowance of $75 per month for miscellaneous expenses, etc., incidental to performance of duties. (2) Stanley W. Oliver. (3) Payment of salary and expenses as national president and administrative head of the International Federation of Technical Engineers, Architects, and Draftsmen's Unions. (4) IFTEADU Monthly Outlook and special news letters for dissemination of union information to members and local unions. (5) Legislation affecting technical engineers, architects, draftsmen, and allied workers.

O'Malley,[9] Gerda T., Illinois Traffic Division 14, CWA, 205 West Wacker Drive, Chicago, Ill. (1) $241.21. (2) Baltimore & Ohio Railroad, Sheraton Hotel, subsistence expenses. (3) Travel, board, and lodging. (4) None. (5) Labor legislation relating to telephone workers.

O'Neill, John E., general counsel, Small Brewers Association, 604 Washington Building, Washington, D. C.; Small Brewers Association, 188 West Randolph Street, Chicago, Ill. (1) Received from Small Brewers Association for salary, as its general counsel, the sum of $5,833.38 plus reimbursement for actual office, travel, and incidental expenses. (2) Retained for personal use; none disbursed to others. (3) No moneys received or expenses incurred or paid, incidental to attempt to influence legislation. (4) None. (5) To support legislation of benefit to small brewers; in particular H. R. 2433 and S. 978.

Ottinger,[9] Mrs. Julia M., 1939 Cowden Avenue, Memphis, Tenn., Tennessee WCTU. (1) Balance forwarded from last quarter, $5.28; January 12, received from Mrs. E. F. Glasgow, State treasurer, $15. Expended, $4.35. (2) Various. (3) Stamps, leaflets, etc. (4) [Blank]. (5) All legislation re: manufacture, transportation, sale, possession, or advertising of intoxicating liquors.

Owens, T. R., 718 Jackson Place N.W., Washington, D. C.; United Rubber, Cork, Linoleum, and Plastic Workers, High and Mill Streets, Akron, Ohio. (1) Received salary, $1,020; expenses, $744.60. (2) Hotels, railroads, transportation, and other incidentals. (3) Personal expenses and traveling. (4) United Rubber Worker. (5) Support all legislation favorable to the national peace, security, democracy, and general welfare; oppose legislation detrimental to these objectives.

Oxholm, Mrs. Theodor, Volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y. (1) Travel expenses, $99.75. (2) Mrs. Theodor Oxholm. (3) Four trips, New York to Washington, D. C., for research, a meeting of the National Commission on Children and Youth, and a hearing before the House Subcommittee on Appropriations for the Department of Agriculture. (4) [Blank]. (5) Federal legislation specifically affecting children and child welfare.

Parel, James Donald, 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $41.93 expended. (See item (6) of Form B, filed December 1946). (2) Taxies, restaurants. (3) Transportation, meals. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, export controls, disaster relief for storm-stricken areas, Federal aid to education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, amendments to Reclamation Act of 1939, postal rates, rural roads.

Parker, Lester S., 1615 Oakley Avenue, Topeka, Kans.; Communications Workers of America, Southwest Division No. 20, 611 Pickwick Building, Kansas City, Mo. (1) Received and expended $293.48. (2) Various. (3) For railroad fare, hotel room, meals, etc., and for conduct of union assignments in my capacity of State legislative director for Kansas, which incidentally includes conferences with State and Federal legislators, and others, from time to time. (4) None. (5) To support all prolabor legislation; to oppose all antilabor legislation.

Paterson, Chat, Committee for the Nation's Health, Inc , 1416 F Street NW., Washington, D. C. (1) Salary received (gross), $3,750; reimbursement for travel, miscellaneous expenses, $260.79; total, $4,010.79. (2) Chat Paterson. (3) Above paid for activities as director of Committee for Nation's Health. Approximately one-third of time devoted to legislative activity. (4) [Blank.] (5) National health insurance.

Patterson, Belknap & Webb, 1 Wall Street, New York, N. Y.; The American Jewish Committee, 386 Fourth Avenue, New York, N. Y. (1) No money received; expended $136.17. (2) Pennsylvania Railroad, taxies, stenographers, telephone company, Commerce Photoprint Co. for photostats. (3) Transportation expenses, stenographic, telephone, and photostat charges. (4) None. (5) As counsel, for the purpose of obtaining an amendment to the Trading With the Enemy Act, whereby alien property in this country formerly owned by persons under persecution by an enemy government, in cases where the owner is dead and left no heirs, may be turned over to the organizations for the relief of survivors.

Patton, Clifford W., National Association of Consumers, and Henry Street Settlement, 265 Henry Street, New York, N. Y. (1) $800 for salary, minus withholding taxes, received from Henry Street Settlement for the first quarter of 1949, which was expended for personal living expenses. $72.80 for travel received from National Association of Consumers. (2) Salary to myself, None of my salary was paid to anyone for legislative work. The $72.80 for travel to Philadelphia and Washington was paid to railroad for transportation, to restaurants for meals, for phone calls, carfare, etc. (3) Salary for personal living expenses. Travel money to testify at congressional hearings, to attend national conferences, advisory meetings, to lecture, and to supervise production of monthly bulletin. (4) Consumers on the March (NAC's monthly bulletin) and mimeographed field letter (about once a month), which deal with

[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[9] Filed with the Clerk only.

consumer education for members and subscribers. An occasional press release to various papers. (5) Not employed to lobby for or against any specific legislation. I am employed to manage the office, prepare materials on consumer education, and develop the association. I do, however, support legislation affecting consumer protection—such as rent control, anti-inflation, housing, and repeal of margarine taxes. Major portion of my time is devoted to consumer education.

Patton, James G.,[4 7] old address, 3501 East Forty-sixth Avenue, Denver, Colo., new address, 1555 Sherman, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

Paul, Randolph E.,[9] a partner in the law firm of Paul, Weiss, Wharton & Garrison), 1614 I Street NW., Washington, D. C.; Gillette Safety Razor Co., Boston, Mass. (1) Receipts, none; expenditures, 50 cents for notarial fee, 80 cents for taxes. (2) Notary public, taxi drivers. (3) Notarial fee in connection with Form C for preceding-quarter taxi fares. (4) None relating to the subject below. (5) An amendment to eliminate section 131 (b) (2) of the Internal Revenue Code.

Payne, Albert Alford, 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) See attached.[1] (2) See attached.[1] (3) See attached.[1] (4) None. (5) Any legislation affecting the real-estate industry.

Perry, Leslie S., National Association for the Advancement of Colored People, 100 Massachusetts Avenue NW., Washington, D. C. (1) See attached.[1] (2) See attached.[1] (3) See attached.[1] (4) NAACP publications. (5) FEPC, anti-poll-tax, antilynching, minimum-wage, housing, health, social-security, and similar legislation.

Petersen, William J., Wisconsin State Chamber of Commerce, 704 Insurance Building, Madison, Wis. (1) Received my salary as general manager of Wisconsin State Chamber of Commerce, involving mainly services unrelated to Federal legislation. Also received reimbursement of $336.26 for expenses. (2) Various. (3) Transportation, hotel bill, and dinner for group. (4) Wisconsin Business, a periodical publication of the Wisconsin State Chamber of Commerce, going mainly to its members. (5) Legislation affecting Wisconsin business and industry, generally.

Petty, Don, National Association of Broadcasters, 1771 N Street NW., Washington, D. C. (1) $3,750 received for services as attorney for the National Association of Broadcasters for quarter ending March 31, 1949; $1,451.35 received from the association as reimbursement for business expenses for same period. (2) Various railroads, air lines, taxi companies, communications companies, hotels, restaurants, etc. (3) The amounts set forth in (1), above, were received and/or expended in carrying out my normal duties as general counsel handling all of the legal affairs of the National Association of Broadcasters, only a small part of which duties directly or indirectly involved Federal legislation. None of this money was received or expended for the specific purpose of attempting to influence the passage or defeat of any Federal legislation. (4) None. (5) None. I am interested in any legislation, Federal or State, which may affect the radio-broadcasting industry.

Pierson, Albert T., the New York, New Haven, and Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $1,815, and no expenses; no part of salary chargeable to lobbying work. (2) None. (3) None. (4) None. (5) Any legislation affecting employer.

[1] Not printed. Filed in the Clerk's office.
[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.
[9] Filed with the Clerk only.

Pike, Albert, Jr., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $103.30. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Pillen, Herbert G., 522 Munsey Building, Washington, D. C.; Controlled Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (1) None received during preceding calendar quarter; expenses limited to telephone, telegraph, and notary fee for filing lobby report. (2) Western Union, $2.18; telephone (long distance), $2.19; postage, $4.93; notary fee, $1. (3) As indicated above. (4) None. (5) Have urged continuance of existing exemption of carrier boys from Fair Labor Standards Act and Social Security Act.

Plumley, Fletcher D. P., Tower Building, Fourteenth and K Streets NW., Washington, D. C.; National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $1,950; $189.50. (2) Transportation, hotels, and restaurants. (3) Transportation and other out-of-pocket expenses. (4) None. (5) No specific legislation.

Pogue, L. Welch, 805 Fifteenth Street NW., Washington, D. C.; The Committee for World Travel, Inc., Union Trust Building, Washington, D. C. (1) Notary fee, $1. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) See memorandum attached to Form B on file in your office.

Pollitzer, Miss Anita, national chairman, National Woman's Party, 144 B Street NE., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) Equal Rights, official organ of the National Woman's Party. (5) Equal rights amendment.

Poole, Rufus G., 1625 K Street NW., Washington, D. C., National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (1) No money received or expended during first quarter of 1949. (2) [Blank.] (3) [Blank.] (4) None. (5) Labor legislation affecting retail automobile dealers.

Pope & Ballard, 120 South La Salle Street, Chicago 3, Ill., and Pope, Ballard & Loos, Munsey Building, Washington, D. C.; International Register Co., 2620 West Washington Boulevard, Chicago, Ill. (1) See attached statement.[1] (2) See attached statement.[1] (3) See attached statement.[1] (4) None. (5) S. 249 and H. R. 2032.

Pope, Ballard & Loos, 707 Munsey Building, Washington, D. C.; California Fruit Growers Exchange and California Walnut Growers Association, both of Los Angeles, Calif.; Northwest Nut Growers of Dundee, Oreg., and California Almond Growers Exchange and California Fruit Exchange, both of Sacramento, Calif. (1) Receipts: California Fruit Growers Exchange, $33.33; disbursements, $3.19. (2) Western Union. (3) Telegrams. (4) None. (5) H. R. 3997, S. 1464, H. R. 2362, S. 833.

Posner, Stanley I., 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Kex National Association: Expenses $506.99, fees $3,500; Linen Supply Association: Expenses $228.67, fees $1,600; Institute of Industrial Launderers: Expenses $1,309.16, fees $1,500; National Institute of Diaper Services: Expenses $259.67, fees $1,249.99; National Council of Technical Schools: Expenses $194.11, fees $4,000; National Council of Business Schools: Expenses $244.37, fees $6,000. (2) Miscellaneous commercial accounts. (3) Taxis, railroad, mimeographing, telephone, telegrams, and similar purposes. (4) Mimeographed bulletins of Linen Supply Association and Institute of Industrial Launderers. Also Linen Supply News. (5) Labor legislation on behalf of Linen Supply Association, Institute of Industrial Launderers, National Institute of Diaper Services. Veterans training program on behalf of National Council of Technical Schools and National Council of Business Schools.

[1] Not printed. Filed in the Clerk's office.

Poston,[4 7] Robert R., 777 North Meridian, Indianapolis, Ind. (1) $583.33 monthly salary, less withholding and social security taxes (months of October, November, and December). (2) Robert R. Poston. (3) Not engaged in legislative activities. (4) [Blank.] (5) Not engaged in legislative activities.

Poston,[8] Robert R., 1608 K Street NW., Washington, D. C., The American Legion (national organization), 777 North Meridian, Indianapolis, Ind. (1) $625 monthly salary, less withholding and social security taxes (months of January, February, March 1949), $11 incidental expenses, taxis, phone calls, lunches, etc. (months of January, February, March 1949). (2) Robert R. Poston. (3) $11 incidental expenses as listed under (1). (4) The American Legion Magazine, New York City; the National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil aviation programs and policies; the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Poulton, James E., grand lodge representative, Machinists' Building, Washington, D. C., International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Powell, Bolling R., Jr., 910 Seventeenth Street NW., Washington, D. C.; American International Underwriters Corp., and other insurance companies associated in the American International Co., Inc. group, retain our law firm, a partnership doing business as law offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Powell, Henry E., 110 East Forty-second Street, New York, N. Y., Partner, Oliver & Donnally, 110 East Forty-second Street, and 1106 Investment Building, Washington, D. C. (1) $2,100 is the entire amount received by registrant from Oliver & Donnally for all his legal services rendered during the quarter. A small proportion of this amount, not more than 5 percent, was for purposes mentioned in the Lobbying Act. (2) (See answer to question 1). (3) (See answer to question 1). (4) None. (5) Any legislation which the

[4] Filed with the Secretary only.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

mutual savings banks have a legitimate interest in supporting or opposing.

Pray, Kenneth L., 1026 Seventeenth Street NW., Washington, D. C.; Schenley Distillers, Inc., and affiliated companies, Empire State Building, New York, N. Y. (1) Salary, $5,000; expenses, allowance, $1,260. (2) University Club, National Press Club, Statler Hotel, taxicabs, Pennsylvania Railroad, etc. (3) Dues, meals, transportation, etc. (4) None. (5) My services insofar as legislative matters are concerned consist primarily of factually reporting the status and content of proposals affecting Schenley Distillers, Inc., and affiliated companies.

Prentice, Howard A., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses (see (2)). (2) Notary public, $2; postage, $0.06. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Pretzman,[7] Allen I., 50 West Broad Street, Columbus, Ohio; Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio. (1) Railroad fare, Columbus to Washington, D. C., $54.32; hotel $6; meals $6.90; incidentals, $5.65. (2) Mayflower Hotel and Pennsylvania Railroad. (Note: This report embraces last calendar quarter of 1948 and to date in 1949.) (3) Expenses on trip to Wasihngton for conference with Corps of Engineers re flood-control reservoir on Big Walnut Creek, Ohio. (4) None. (5) Federal appropriations for Big Walnut Creek flood-control project in Ohio on participating cost basis with local interests. Same in regard to Federal appropriations for Rocky Fork flood-control project, Ohio.

Pretzman,[8] Allen I., 50 West Broad Street, Columbus, Ohio; Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio. (1) Railroad fare, Columbus, Ohio, to Washington, D. C., $98.90; hotel, $24.40; meals, $26.47; incidentals, $21.55. (2) Mayflower and Shoreham Hotels; Pennsylvania and Baltimore and Ohio Railroads. (3) Expenses on two trips to Washington for conferences with Corps of Engineers, various Congressmen and Senators, and hearing before House Subcommittee on Appropriations, civil functions. (4) None. (5) Federal appropriations for Big Walnut Creek and Rocky Fork Creek, Ohio, as flood-control projects.

Pritchard, E. Anthony, National Lead Co., 1025 Connecticut Avenue NW., Washington, D. C.; National Lead Co., 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as assistant to the manager of the Washington office of the National Lead Co.; impossible to segregate amount for legislative activities. Only $25 was expended during first quarter, 1949, on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., various garages, taxicabs, and restaurants. (3) Telephone calls, telegrams, transportation, and meals. (4) None. (5) Legislation affecting the operation of the National Lead Co., including the manufacture and sale of its products.

Proctor, Harry E., attorney at law, 1110 Investment Building, Washington, D. C.; Oliver & Donnally, 110 East Forty-second Street, New York, N. Y. (1) $2,000 paid the registrant as salary by Oliver & Donnally; no expenditures. (2) No expenditures. (3) None. (4) The registrant contributed articles for the January, February, and March issues of Mutual Savings Banking, a trade publication of the National Association of Mutual Savings Banks. (5) The registrant studied and analyzed a number of bills pertaining to banks, savings and loan associations, taxes, railroads, veterans, and housing.

[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

Producers' Council, Inc., The, 815 Fifteenth Street NW., Washington, D. C. (1) See attached exhibits A through D.[1] The Producers' Council, Inc., is an organization established in 1928. The purposes as stated by the charter of incorporation are attached hereto as exhibit E.[1] In view of the uncertain interpretation of certain provisions of the Regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "to influence directly or indirectly the passage or defeat of any legislation, etc.," we are filing this form giving a full disclosure of the information required under the act. (2) See attached exhibits A through D.[1] (3) As indicated by items on atached exhibits.[1] (4) Technical Bulletin, Producers' Council News, press releases, and certain informative economic and technical studies. (5) None.

Press,[7] William H., Washington Board of Trade, 204 Star Building, Washington, D. C. (1) Salary, $3,000; expenses, $345.51. (2) Various. (3) Normal operating expenses. (4) Releases sent to Washington newspapers: Washington Post, Times-Herald, Evening Star, Washington Daily News. (5) Legislation affecting the District of Columbia.

Press,[8] William H., Washington Board of Trade, 204 Evening Star Building, Washington, D. C. (1) Salary, $3,000; expenses, $188.25. (2) Various. (3) Normal operating expenses. (4) Releases sent to Washington newspapers: Washington Post, Times-Herald, Evening Star, Washington Daily News. (5) Legislation affecting the District of Columbia.

Purves, Edmund R., executive director, The American Institute of Architects, 1741 New York Avenue NW., Washington, D. C. (1) None, except salary for this period, which amounted to $3,750. (2) None. (3) None. (4) None. (5) Legislation in relation to the architectural profession.

Putt, C. J., the Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans. (1) None preceding calendar quarter. (2) None. (3) None. (4) None. (5) None preceding calendar quarter.

Pyle, Schuyler Shelby, Fleet Reserve Association, 429 Investment Building, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Quaal, Ward L., acting director of Clear Channel Broadcasting Service (CCBS), suite 532, Shoreham Building, Washington, D. C. (1) Although only a portion of his activities came within the purview of the Lobbying Act, registrant reports herewith all receipts and expenditures. Receipts: Salary, $1,125; expenses reimbursed by employer, $1,168.58; expenditures, $1,426.38. Registrant expended $257.80 for which he was not reimbursed during the first quarter of 1949 but for which he will be reimbursed during the second quarter of 1949. (2) Expenditures paid to various railroads, hotels, restaurants, taxicabs, telephone and telegraph companies, trade associations, clubs, etc. (3) For expenses incurred in course of employment as acting director of CCBS, such as travel, meals, living accommodations for self and family, and entertainment. (4) None. (5) S. 491, to limit the power of broadcast stations and to duplicate clear channels.

Quigley, Frank, 725 Thirteenth Street NW., Washington, D. C.; American Telephone & Telegraph Co., 195 Broadway, New York, N. Y. (1) $998.32. (2) Hotels, restaurants, automobile mileage, $168; anual meeting and dinner, Federal Communications Commission Bar Association, $60; two trips Washington to New York, Pennsylvania Railroad, $51.32; Hotel Madison, New York, $28, and miscellaneous traveling expense. (3) Conferring with representatives of American Telephone & Telegraph Co., Southern Bell Telephone & Telegraph Co., and other telephone companies in conection with general matters of information and public relations. (4) None. (5) Arranged for hearings in re H. R. 113 (H. R. 2960).

[1] Not printed. Filed in the Clerk's office.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

Quinlan, William A., 1317 F Street NW., Washington, D. C.; Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill.; United States Wholesale Grocers' Association, Inc., Investment Building, Washington, D. C.; National Candy Wholesalers' Association, Inc., 1424 K Street NW., Washington, D. C.; National Council of Private Motor Truck Owners, Inc., National Press Building, Washington, D. C.; Ward Baking Co., 475 Fifth Avenue, New York, N. Y.; Taylor Food Co., post-office box 2508, Raleigh, N. C.; Purity Bakeries Corp., 919 North Michigan Avenue, Chicago, Ill.; Continental Baking Co., 630 Fifth Avenue, New York, N. Y. (1) Received $7.96 from the Associated Retail Bakers of America, reimbursement for mailing expense in connection with proposed amendments to the Fair Labor Standards Act. As to expenditures please see exhibit A[1] attached. (2) Please see exhibit A.[1] (3) Please see exhibit A.[1] (4) Gave information and suggestions to Bakers' Weekly and Bakers' Helper; also prepared press releases for bakery trade papers in general. (5) Legislation to bar portal-to-portal liabilities for the period subsequent to enactment of the Portal-to-Portal Act, May 14, 1947, in addition to other legislation, if any, which may be of interest to clients employing the undersigned on general retainers.

Radner, William, Tower Building, Washington, D. C.; Coastwise Line, 150 Sansome Street, San Francisco, Calif. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation affecting extension of ship sales and chartering authority.

Radner, Zito & Donoghue (the firm members and associates are William Radner, Frank J. Zito, Odell Kominers, Robert F. Donoghue, J. Franklin Fort, Mary L. Schleifer, and William F. Ragan), 529 Tower Building, Washington, D. C.; Waterfront Employers Association of the Pacific Coast, 16 California Street, San Francisco, Calif. (1) $750, representing compensation at the rate of $250 per month, January–March 1949; estimated reimbursement for long-distance telephone and other communication expenses, $225; mimeographing and printing of statements for presentation to congressional committees, $246.75. With respect to the compensation reported for the quarter, we wish to advise that we also received from the Waterfront Employers Association, in addition to the $250 per month for legislative work, compensation in the amount of $1,000 per month for work in connection with litigation under the Fair Labor Standards Act. It is impracticable to segregate disbursements for long-distance telephone calls and other communications expenses as between legislative and other legal work which we perform for the Waterfront Employers Association. The amount reported is therefore an estimate for this particular item. (2) Radner, Zito & Donoghue. (3) Compensation for work done by firm members or associates, and reimbursement of expenses as above noted. (4) None. (5) Legislation affecting maritime industry, particularly in relation to wage-and-hour law.

Raesly, Leon, Leon Raesly Organization, Inc., 1218 Shoreham Building, Washington, D. C. (1) $1,596.90 and assigned under agreement to Leon Raesly Organization, Inc. (2) [Blank.] (3) [Blank.] (4) None. (5) None at present.

Ragland, Edward F., Associated Tobacco Manufacturers, 109–110 Willard Hotel, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None, but am interested in any legislation affecting tobacco industry.

[1] Not printed. Filed in the Clerk's office.

Ramsey, Donald J., Silver Users Association, 1612 I Street NW., Washington, D. C. (1) See schedules A[1] and B.[1] (2) See schedule A.[1] (3) See schedule A.[1] (4) Silver News Letter. (5) Legislation affecting the silver-using industry.

Ramspeck, Robert, Air Transport Association of America, 1107 Sixteenth Street NW., Washington, D. C. (1) Received regular salary; expended $6.80. (2) Taxi fares to and from Capitol Hill. (3) [Blank.] (4) None. (5) Legislation for the proper advancement of the airline industry in the public interest. For specific legislation supported and opposed during this quarter, see exhibit A,[1] attached.

Rankin,[4] J. Lee, 714 Stuart Building, Lincoln, Nebr. (1) None. (2) None. (3) None. (4) None. (5) All legislation designed to bring about equality of taxation between private business and cooperatives.

Ray, L. S., 2015 Lanier Drive, Silver Spring, Md.; The Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C. (1) Salary, $750. (2) Myself. (3) Salary. (4) None. (5) Legislation affecting disabled emergency officers.

Reck, Jacob, 1023 National Press Building, Washington, D. C.; National Beauty and Barbers Manufacturers Association, 270 Park Avenue, New York, N. Y. (1) $11.20; registrant is paid an annual retainer as counsel of the above-mentioned association; no determinable amount of said retainer is allocable to activities covered by this law; normally, the activities of the registrant covered by this law are infinitesimal. (2) Expended for telephone, telegraph, and postage (Chesapeake & Potomac Telephone Co., and Western Union Telegraph Co.). (3) Communications in connection with H. R. 1750, a bill to repeal the excise tax on cosmetics used in beauty and barber shops. (4) Legislative bulletin issued by National Beauty and Barber Manufacturers' Association, prepared by registrant. (5) Repeal of excise tax on toilet preparations used in beauty and barber shops and sold at retail to consumers.

Reckord,[5] Milton A., National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D. C. (1) No money received, and none expended. (2) [Blank.] (3) [Blank.] (4) Nothing published. (5) Our effort was to add funds to the Army appropriation bill for aid to civilian rifle clubs, and to conduct the national rifle and pistol matches.

Rector,[6] Stanley, 506 Washington Hotel, Washington, D. C. (1) Received $5,000 as salary for third quarter for duties as legislative director of Unemployment Benefit Advisors, Inc. (2) No money paid except for expenses, for which I am reimbursed. Expenses reported by employing corporation. (3) [Blank.] (4) The Advisor. (5) Social-security and related legislation.

Rector, Stanley, 506 Washington Hotel, Washington, D. C. (1) Received $5,000 as salary for fourth quarter for duties as legislative director of Unemployment Benefit Advisors, Inc. (2) No money paid except for expenses, for which I am reimbursed. Expenses reported by employing corporation. (3) [Blank.] (4) The Advisor. (5) Social-security and related legislation.

Reed, Otie M., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) No miscellaneous expenses have been submitted by Mr. Reed for the first quarter of 1949. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Reilly, Gerard D., 1435 K Street NW., Washington, D. C.; Pond Creek Pocahontas Co., Huntington, W. Va. (1) Received from Pond Creek Pocahontas Co. of Huntington, W. Va., $1,000 retainer as labor consultant, for which legislative work is incidental. (2) No expenditures. (3) [Blank.] (4) [Blank.] (5) Bills relating to Labor-Management Relations Act, including S. 249 and H. R. 2032.

Reilly, Gerard D., 1435 K Street NW., Washington, D. C.; Union Employers Section, Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C. (1) $1,200 received as general retainer from Union Employers Section, Printing Industry of America, Inc., for which legislative work is incidental; expended, $11.98. (2) Chesapeake & Potomac Telephone Co., $7.98; taxes, $4.00. (3) Long-distance calls; local transportation. (4) None. (5) Bills relating to the Fair Labor Standards Act and Labor-Management Relations Act, including H. R. 858, H. R. 2033, S. 249, and H. R. 2032.

Reilly, Gerard D., 1435 K Street, NW., General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) Expended in behalf of General Electric Co., 570 Lexington Avenue, New York, N. Y., $646.11. No payment received as yet. (2) Various. (3) (a) Travel to New York City and return; (b) Transcripts of Senate committee hearings; (c) extra copies of transcripts; (d) mimeographing; (e) local transportation; (f) long-distance calls; (g) stenographic service. (4) [Blank.] (5) Bills relating to Labor-Management Relations Act including S. 249 and H. R. 2032.

Reinhold, James P., 525 Shoreham Building, Washington, D. C., Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. (1) Received salary for second calendar quarter 1949 as reported on first calendar quarterly report, form C, for services as representative of president of the A. T. & S. F. Railway Co. No money was received or expended by me during this calendar quarter for purposes covered in the act. (2) None. (3) None. (4) None. (5) Legislation affecting the interest of the Atchison, Topeka & Santa Fe Railway Co.

Renner, James E., Property Owners Association of Colorado, 1148 Josephine Street, Denver, Colo. (1) Moneys received $548.91 (for actual expenses only); moneys expended $548.91 (for actual expenses only). (2) Continental Air Lines, $208.32; Plaza Hotel, Washington, D. C., $107.25; miscellaneous expenses (meals, cab fares and actual maintenance), $233.34. (3) Transportation, living and stenographic expenses. Actual expenses only. (4) None. (5) Rent control.

Rhodes, Hubert M., 3308 Fourteenth Street NW., Washington, D. C., Credit Union National Association, Inc., 1342 East Washington Avenue, Madison, Wis. (1) Registrant is a regular employee of the Credit Union National Association, Inc., and receives no additional compensation for service on legislative work. The amount received and expended by him was $2.60. (2) Taxicab fares to various taxicabs. (3) Trips to Capitol, Senate, and House Office Buildings. (4) None. (5) Legislation affecting credit unions.

Rice, Richard M., Wisconsin Associated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (1) None. (2) No one. (3) None. (4) None. (5) Any legislation affecting business.

Richards,[9] D. D., 1238 National Press Building, Mail Order Association of America, 1061 West Thirty-fifth Street, Chicago, Ill. (1) None. (2) No one. (3) None. (4) None. (5) None specifically.

Riepma, Siert F., National Association of Margarine Manufacturers, 1028 Munsey Building, Washington D. C. (1) $18.73. (2) Various persons. (3) Miscellaneous expenses such as cab fares, etc. (4) None. (5) Any margarine legislation.

Riggle, John J., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for January, February, and March 1949, $2,125.98. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Foreign Trade Memo, a mimeographed résumé of foreign-trade regulations and activities of the Federal Government. Distributed to members of National Council of Farmer Cooperatives only. Legislative Digest, a mimeographed résumé of action taken on bills introduced in Congress. Distributed to members of National Council of Farmer Cooperatives only. (5) Agricultural legislation.

Riley, George D., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for January, February, and March, $1,530; expenses for January, February, and March, $8.37. (2) Taxi drivers, phone company, when not at office, and other incidentals. (3) Same as in No. (2). (4) None. (5) Legislation affecting labor.

Rising, E. W., 1215 Sixteenth Street NW., Washington, D. C., Western Beet Growers Association, Great Falls, Mont., National Water Conservation Conference, 341 Broad Street Station Building Philadelphia, Pa. (1) (a) Western Beet Growers Association, Great Falls, Mont., $160; (b) National Water Conservation Conference, 341 Broad Street Station Building, Philadelphia, Pa., $909.25. (2) (a) E. W. Rising, personal time, $70; office expenses and postage, $90 in connection with information service to membership; (b) postage, $115.71; flowers, $10; telephone and telegraphs, $36.79; stenographer, $465.03; miscellaneous office expenses, $108.22; analysis legislation, $173.50. (3) (a) In connection with information service furnished membership on matters of interest to growers of sugar beets. (b) In connection with information service furnished members on development and conservation natural resources. (4) None during first quarter 1949. (5) (a) Legislation of interest to growers of sugar beets. (b) Legislation in connection with development and conservation of land and water resources. Tidelands legislation; regional or valley authorities.

Rivers, T. E., National Recreation Association, 315 Fourth Avenue, New York, N. Y. (1) During the quarter ending March 31, 1949, I have received and expended $33.90. (2) Railroad company, taxis, restaurants, etc. (3) Transportation and meals. (4) [Blank.] (5) S. 250, H. R. 2025, 2026, 2284, 2408.

Robb, George Mackay, 121 Warner Avenue, Syracuse, N. Y.; Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa. (1) Received $175 from James S. Tibby, treasurer of the Reformed Presbyterian Church, on expenses. (2) Paid out in miscellaneous expenses, $152.02, in connection with 3 weeks spent in Washington, D. C., interviewing Members of Congress. (3) Railroad fare, hotel bills, meals, taxi and bus fares, stenographic expense, telephone calls, and telegrams. (4) The Covenanter Witness, D. R. Taggart, editor, 1209 Boswell Avenue, Topeka, Kans.; the Christian Patriot, J. C. Mathews, editor, 914 Clay Street, Topeka, Kans. (5) Supporting House Joint Resolution 181.

Robbins, Paul H., National Society of Professional Engineers, 1121 Fifteenth Street NW., Washington, D. C. (1) Received salary, $500, and expenses, $50 for January, February, March, 1949, for attention to legislative matters. (2) Regular office and travel expenses. (3) As executive director, National Society of Professional Engineers. (4) American Engineer; Legislative Bulletin, National Society of Professional Engineers. (5) All legislation affecting the welfare of professional engineers.

Roberts, R. Orman, D. D., Hotel Carlyle, Washington D. C.; Temple Methodist Church, San Francisco, Calif., 1290 Sutter Street, San Francisco, Calif. (1) Received from the Temple Methodist Church, $1,150; received from Temple Methodist Church, $1,000; total,

[1] Not printed. Filed in the Clerk's office.
[4] Filed with the Secretary only.
[5] Filed for third quarter, 1948.
[6] Filed with the Clerk only.
[9] Filed with the Clerk only.

$2,150. (2) R. Orman Roberts, D. D., regular salary as pastor, $1,150; for expenses as itemized below, $1,000. (3) Expenses itemized: Railroad transportation, $85.04; hotel room, $428; meals, taxis, laundry, entertainment, and personal expenses, $389.39; photographs, $45; telephone, $104.26; total expenses, $1,051.69. (4) None (except, of course, my own parish paper report to my people). (5) S. 384 and companion House bills 839 and 1696.

Rockwell, Bruce M., United World Federalists, Inc., 132 Third Street SE, Washington, D. C., and 7 East Twelfth Street, New York, N. Y. (1) Received from United World Federalists, Inc., for salary, February 24–March 18, $313.85; March 25, $92.31. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Any legislation designed to strengthen the United Nations.

Ross, Olga S., National Council of Salesmen's Organizations, Inc., 80 West Fortieth Street, New York, N. Y. (1) See attached rider.[1] (2) See attached rider.[1] (3) See attached rider.[1] (4) From time to time, articles of general news interest regarding the activities of the organization are prepared and issued for release to the New York Times, the Associated and United Press, the World Telegram, the New York Sun, the Herald Tribune, the Fairchild Publications, and other trade press. (5) See rider attached to Nos. 1, 2, and 3.[1]

Rowe, Roland H., United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (1) No money was received or expended by the undersigned for the purpose of influencing Federal legislation except $54 (18 hours estimated at $3 per hour), as part of annual salary of $5,780 received by the undersigned as vice president and secretary of the United States Wholesale Grocers' Association, Inc., allocable to the preparation of the following documents in which Federal legislation was advocated, oppose or mentioned: news letters, news releases and the preparation of the presentations of the United States Wholesale Grocers' Association to the House Agriculture Committee on repeal of oleomargarine taxes and to the House Labor Committee on amendments to the Fair Labor Standards Act. (2) See (1). (3) See (1). (4) Washington news letter of United States Wholesale Grocers' Association, Inc. (5) Any and all legislation that affects the welfare of wholesale grocers.

Rudy, John Forney, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $200 received as salary from National Federation of American Shipping, during first quarter 1949, allocable to legislative activities, and about $75 for lunches and entertainment. (2) The $75 was paid to restaurants and dining rooms. (3) For lunches and entertainment. (4) None. (5) As director of public relations am not employed to support or oppose any particular legislation.

Rule, Gordon W., Committee for World Travel, Inc., Union Trust Building, Washington, D. C. (1) No money received or expended during the preceding calendar quarter. (2) [Blank.] (3) [Blank.] (4) None. (5) See memorandum attached to Form B on file in your office.

Rule, Gordon W., Union Trust Building, Washington, D. C., Gillette Safety Razor Co., Boston, Mass. (1) None received; expended for taxicabs, $3.15. (2) [Blank.] (3) [Blank.] (4) None. (5) Retained in connection with a proposed amendment to the Internal Revenue Code relating to the foreign tax credit.

Rumely, Edward A., Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y. (1) I receive my salary, commissions, and expenses as reported on earlier Farm B. The corporation has reported its disbursements separately on Form A. (2) Disbursements were corporation disbursements and are reported separately on Form A. (3) [Blank.] (4) We never pay to have news articles printed but issue news releases, some of which are reprinted, and of these I have no record. (5) I am not employed for the purpose of supporting or opposing legislation. Sometimes the committee trustees take a stand for or against an issue (on legislation) where they think a constitutional principle is involved. Then I distribute educational material on the question.

Rush, Charles J., Washington Real Estate Board, 1417 K Street NW., Washington, D. C. (1) Received $666.66 per month as executive secretary. (2) None paid out. (3) None. (4) [Blank.] (5) Measures affecting the ownership and operation of real estate.

Russell, Horace, 7 South Dearborn Street, Chicago, Ill.; United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill. (1) Retained at the rate of $11,000 per annum and expenses as indicated on exhibits I and II attached.[1] Only a nominal portion of said retainer is for legislative activity. (2) See exhibits I and II attached.[1] (3) See exhibits I and II attached.[1] (4) Contents of Legal Bulletin of the United States Savings and Loan League, Chicago, Ill. (5) Legislation affecting the savings and loan business.

Russell, Francis M., National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C. (1) $265 expended for matters relating to legislation. (2) See (3). (3) Telephone and telegraph, taxi fares, entertainment. (4) None. (5) As a part of registrant's duties as vice president in charge of Washington office of National Broadcasting Co., Inc., including operation of the company's radio stations in Washington, registrant may engage in activities relating to legislation affecting radio communication companies.

Ryan, M. O., 1405 K Street NW., Washington, D. C.; American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y. (1) Salary for quarter, $3,550.02; January 1 to March 31, 1949, inclusive, total personal expenses for taxis, lunches and dinners, phones, etc., in Washington, D. C., was $945.63, of which insignificant amount was for activities related in any way to lobbying. (2) Taxis, Washington restaurants and hotels. (3) Transportation, lunches, and dinners. (4) Organizational bulletins for American Hotel Association. (5) Any legislation affecting hotel industry.

St. Clair, Labert, 2633 Fifteenth Street NW., Washington, D. C.; Stran steel division, Great Lakes Steel Co., Detroit, Mich. National Automobile Dealers Association, Washington, D. C. (1) Stran steel, $1,875; National Automobile Dealers, $1,250. (2) See (1). (3) See (1). (4) None. (5) Anything of interest to clients.

Sanders,[2] J. T., the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,500 as salary for the quarter as legislative counsel of the National Grange, October, November, and December 1948. In addition, I received $30.71 for expenses, as follows: Transportation, $8.73; meals and incidentals, $21.98. (2) Transportation agencies and restaurants. (3) Transportation, food, etc. (4) The National Grange Monthly. (5) Inactive period, Congress not in session.

Sands, Charles E., 4211 Second Street NW., Washington, D. C.; Hotel and Restaurant Employees and Bartenders International Union, 528 Walnut Street, Cincinnati, Ohio. (1) Salary, $1,800. Legislation is only a part of my duties. (2) Nothing. (3) No. (4) None. (5) Support all AFL labor and social legislation; support legislation to reduce excise taxes, cabaret tax, etc.

Sasuly,[6] Mrs. Elizabeth, room 516, 930 F Street NW., Washington, D. C.; Food, Tobacco, Agricultural, and Allied Workers of America, CIO, Twentieth and Race Streets, Philadelphia, Pa. (1) No report for third quarter of 1948 (Washington office closed). (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Sasuly,[7] Mrs. Elizabeth, room 516, 930 F Street NW., Washington, D. C.; Food, Tobacco, Agricultural, and Allied Workers of America, CIO, Twentieth and Race Streets, Philadelphia, Pa. (1) No report for fourth quarter of 1948 (Washington office closed). (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Sasuly,[8] Elizabeth, room 516, 930 F Street NW., Washington, D. C.; Food, Tobacco, Agricultural, and Allied Workers Union of America, CIO, 158 North Twentieth Street, Philadelphia, Pa. (1) Salary, $543.75; expenses, $580.12. (2) Air lines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) FTA News, publication of Food, Tobacco, Agricultural, and Allied Workers Union of America, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their interests.

Sasuly, Elizabeth, room 516, 930 F Street NW., Washington, D. C.; International Union of Mine, Mill, and Smelter Workers, CIO, 431 South Dearborn Street, Chicago, Ill. (1) Salary, $543.75; expenses, $129.99. (2) Airlines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) The Union, publication of International Union of Mine, Mill, and Smelter Workers, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their interests.

Sanders,[9] J. T., the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,500 as salary for the quarter as legislative counsel of the National Grange. In addition, I received $76 for expenses, as follows: transportation, $34.72; meals and incidentals, $41.28. (2) Transportation agencies and restaurants. (3) Transportation, food, etc. (4) The National Grange Monthly. (5) Cotton marketing quotas, Fair Labor Standards Act, extension of rural telephone service, amending the Federal Trade Commission and Clayton Acts (S. 236), repeal of Taft-Hartley Act, continuation of the ECA program (H. R. 2362), bills to regulate and remove taxes on oleo, agricultural appropriations bill, fertilizer, revising the Federal charter for CCC (H. R. 2862), S. 1103, proposed increase in postal rates, independent offices appropriations.

Saville, Russell, American Pension Committee, Inc., 15 East Street NW., Washington, D. C. (1) Received salary for the quarter, 13 weeks at $75 per week, $975. (2) Paid to Russell Saville by American Pension Committee, Inc. (3) Salary as legislative representative. (4) American Pension Committee's weekly report called Comet. (5) Legislation relating to social security and old-age pensions.

Sayler, Frances, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio, and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $960; expenses, $130. (2) Hotels, railroads, restaurants, cab drivers, etc. (3) Personal expenses in Washington and travel. These expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and

[1] Not printed. Filed in the Clerk's office.

[2] Filed with the Clerk only.

[6] Filed for third quarter, 1948.

[7] Filed for fourth quarter, 1948.

[8] Filed for first quarter, 1949.

[9] Filed with the Clerk only.

the general welfare. Oppose legislation detrimental to these objectives.

Saylor, Richard D., National Lead Co., 1025 Connecticut Avenue, Washington, D. C.; National Lead Co., 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as manager of the Washington office of the National Lead Co.; impossible to segregate amount for legislative activities; only $75 was expended during first quarter 1949 on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., Weaver Bros., Inc., various garages, taxicabs, and hotels. (3) Office rent, telephone service, telegrams, transportation, and meals. (4) None. (5) Legislation affecting the operation of the National Lead Co., including the manufacture and sale of its products.

Schaeffer, Alexander L., Ancram, N. Y. (1) $31.16, postage, newspapers, etc. (2) Post office and news vendors. (3) General information. (4) None. (5) The right to work, the right to strike, abolition of the closed shop, the enactment of legislation that would make it unlawful for individual, group, or organization to levy a so-called royalty tax on any commodity or service.

Schell, S. D., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Approximately $300 of regular salary for the quarter is allocable to services performed on matters of legislation. Activities consisted mainly in answering questions of various officials in the Government and others interested in legislation. Specifically, I was interested in H. R. 1340 and H. R. 858. Expenses paid out amounted to $12.50 for one luncheon. (2) Restaurant. (3) Food. (4) None. (5) During the quarter advised numerous persons located in various port cities of pendency of H. R. 1340 and H. R. 858 and necessity for favorable action in the interest of the United States merchant marine.

Schoen,[9] Paul W., Forest Farmers' Association Cooperative, Post-Office Box 692, Valdosta, Ga. (1) Salary (1¼ month, which was maximum time spent on legislative activities), $662.50; travel expense, including hotels, meals, etc., $473.22; office expense, clerical help, postage, mimeographing, etc., $330; total, $1,465.72. (2) No payments made to anyone, only personal salary and expense allowed as part of regular association activity. (3) Opposing proposed minimum-wage-and-hour bill. Supporting forestry bills H. R. 2001 and H. R. 2296 and companion bills. Supporting forestry items in USDA appropriation bill. (4) The Forest Farmer and press releases, of which no record of publication is available. (5) Forestry legislation applicable or affecting private timberland owners.

Shoene, Freehill, Kramer & Davis (formerly Schoene, Freehill & Kramer), a law partnership composed of Lester P. Schoene, Joseph H. Freehill, Milton Kramer, and John F. Davis, 1625 K Street NW., Washington, D. C.; Railway Labor Executives Association, 10 Independence Avenue SW., Washington, D. C. (1) None received or expended. (2) [Blank.] (3) [Blank.] (4) All written materials are delivered to the client and dissemination is entirely in the client's control. (5) Railroad retirement, unemployment insurance, and employers' liability matters.

Schoenhals, E. L., Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah. (1) Received from Tax Equality League of Utah for use of my law office, stenographic services, traveling, telegrams, air express, secretarial services, phone, etc., $293.60. (2) To my secretary, Jean Powers, for office rent, United Airlines, Western Union, Mountain States Telephone and Telegraph, etc. (3) To maintain my office, received phone calls from members, and carry on correspondence with members of the organization, to travel. (4) Deseret Ness, Salt Lake Tribune, and Salt Lake Telegram have carried news items only, but no paid advertising. (5) To obtain tax equality.

Scott, Jack Garrett, National Association of Motor Operators, 839 Seventeenth Street NW., Washington, D. C. (1) No receipts except annual retainer for general legal services as shown in registration statement; no expenditures for legislative purposes. (2) None. (3) None. (4) None. (5) Generally all legislation affecting the intercity motorbus industry.

Scott, John W., 1025 Vermont Avenue NW., Washington, D. C. (1) None other than salary received at the total monthly rate of $350 from Harvey B. Jacobson and John N. Randolph. No expenditures made. (2) Does not apply. (3) Does not apply. (4) None. (5) As previously stated in my registration statement. (Note: The firms of McMorrow, Berman & Davidson, Victor J. Evans & Co., and Patrick D. Beavers are attempting to cancel contracts of employment with me, and they are not currently paying me any sum of money.)

Scott, Vernon, and Schuler, Loring A., constituting the partnership of Vernon Scott and Loring Schuler, organizers and counselors, 231 South La Salle Street, Chicago, Ill.; National Associated Businessmen, Inc., 1025 Vermont Avenue NW., Washington, D. C. (1) The firm of Scott & Schuler received $3,333.32 from NAB as retainer fee. The amount of $11.95 was spent for purposes that might fall within the scope of Public Law 601, Seventy-ninth Congress. (2) Taxi drivers. (3) For taxicabs in going from NAB office to House and Senate Office Buildings and the Capitol. (4) A magazine called Industrial Teamwork. (5) Legislation putting Government into business and legislation designed to have various types of business corporations taxed in the same manner and on the same basis.

Scott, William C., 49 Wall Street, New York, N. Y.; attorney for American Nurses' Association, 1790 Broadway, New York, N. Y. (1) Receipts: $4,002.99 for legal fees and disbursements, paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities. Expenditures: Pennsylvania Railroad, $24.68; Hotel Carlton, $14.20; telephone calls, $3.76; other travel expenses, $10.37. (2) Telephone charges paid to various telephone companies; travel expenses ($10.37) paid to various restaurants, taxicab companies, etc. (3) For transportation, hotel rooms, telephone calls, meals, and taxi fares. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing, or health, on which the American Nurses' Association has taken a stand, including the question of amendments to the Labor-Management Relations Act of 1947.

Scott, William C., 49 Wall Street, New York, N. Y.; attorney for National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) No receipts. Expenditures: Pennsylvania Railroad, $18.51; Wardman Park Hotel, Washington, D. C., $6.68; taxi fares, $1.65; other travel expenses, $125.33. (2) Travel expenses, $125.33, paid to Pennsylvania Railroad, Wardman Park Hotel, Hotel Carlton, and various restaurants; taxi fares paid to various taxicab companies. See also answer to (1). (3) Transportation, hotel rooms, taxi fares, meals. (4) None. (5) Legislation relating to postage rates on books.

Sears, W. J., Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) During the quarter ended March 31, 1949, I engaged in no legislative activities nor did I make any expenditure for this purpose. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

See, Harry, Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) $315.50. (2) Restaurants. (3) Lunches and dinners. (4) None. (5) Opposing anti-labor legislation and supporting legislation beneficial to labor.

Selvage & Lee, 1 East Forty-third Street, New York, N. Y. (In Washington, Selvage, Lee & Bledsoe, 1730 Eye Street NW., Washington, D. C.); National Association of Margarine Manufacturers, Munsey Building, Washington, D. C. (1) Fee $6,000 plus expenses as shown in (2). Printing, mimeographing, postage, telephone, press clippings, traveling expenses, supplementary staff, etc., $11,932.24 (billed to the National Association of Margarine Manufacturers and reported by them in their quarterly report). (3) Publicity and lobbying actively in connection with the repeal of discriminatory legislation affecting margarine. (4) We did all within our power to disseminate information favorable to margarine and to the legislation which would remove unfair restrictions on margarine but cannot say categorically that we caused any articles to be published or any radio comment. (5) Same as (4).

Shaw, Mark R., 114 Trenton Street, Melrose, Mass.; New England secretary, National Council for Prevention of War; 1013 Eighteenth Street NW., Washington, D. C. (1) Traveling expenses, $124.02. (2) Railroads, hotels, restaurants, gas stations, etc. (3) Traveling to speaking dates, conferences, meetings, committees. (4) Peace Action, Bulletins of NCPW, Melrose Free Press, Zion's Herald, Boston Herald. (5) Oppose: North Atlantic Pact, peacetime selective service, UMT, etc. Favor: Admission of more displaced persons, repeal of oriental exclusion. Other measures related to issues of peace and war.

Shepherd, Bruce E., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $32.20. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life insurance policyholders and annuitants.

Shields, Robert H., United States Beet Sugar Association, 1001 Tower Building, Washington, D. C. (1) 95 cents, report subject to the qualifications stated in my registration of February 7, 1947. (2) Taxicab drivers. (3) Transportation. (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Sifton, Paul, 1129 Vermont Avenue NW., Washington, D. C., International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, CIO, 411 West Milwaukee Avenue, Detroit, Mich. (1) $1,200 salary, expenses $1,214.98, total $2,414.98. (2) Subsistence, transportation, hotel, etc. (3) Subsistence and travel. (4) Auto worker. (5) Support all bills favorable to the national peace, security, democracy, prosperity and general welfare. Oppose legislation detrimental to these objectives.

Sims, S. E., Communications Workers of America, Division 49, 23 Broad Street SW., Atlanta, Ga. (1) Salary, $1,200; expenses, $1,192.32; total, $2,392.32. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Smallwood,[9] William A., Communications Workers of America, Division 49, 23 Broad Street SW., Atlanta, Ga. (1) Salary, $1,800; expenses, $438.37; total, $2,238.37. (2) Normal living expenses plus railroads, air lines,

[9] Filed with the Clerk only.

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hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions, none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Smart, Miss Elizabeth A., National Women's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. (1) Received: Traveling expense, $450. Received and paid out, $312.46. (2) Mrs. Annalee Stewart; Washington Times-Herald; post office; Blackistone; Washington Post; Chesapeake & Potomac Telephone Co.; miscellaneous. (3) Collecting information and writing a Washington letter; subscription; stamps and post cards; wreath for Senator Sheppard's picture; subscription; phone and calls; single copies of magazines; mimeograph smock; folders; pencils; scotch tape; mimeograph supplies. (4) The Union Signal. (5) Legislation dealing with alcoholic beverages, motion pictures, radio, children, women in industry, peace and international relations, narcotics, gambling, social hygiene, interracial relations.

Smith, Allen L., Louisiana Tax Equality Association, Inc., post-office box 1526, Baton Rouge, La. (1) No money received nor expended for lobbying. (2) No one. (3) None. (4) None. (5) To support any legislation to amend the Internal Revenue Code so as to improve basic taxation principles providing for removal of tax disparities between business competitors.

Smith, Anthony W., Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) Portion of salary allocable to legislative employment, $75. This is computed as stated in registration statement at $300 a year. Salary paid by CIO, see (2). (2) Miss Mary W. Sellenberger, 300 B Street SE., Washington, D. C., National Emergency Conference on Resources, $275. (3) Salary received in compensation for legislative work as above. Salary paid by CIO to Miss Sellenberger for secretarial work in organizing conference. (4) CIO News, 718 Jackson Place NW., Washington, D. C. (5) Forestry legislation, river valley development, resource conservation.

Smith, Donald W., report as attorney for American Nurses' Association, Satterlee, Warfield & Stephens, attorneys for the American Nurses' Association, 49 Wall Street, New York, N. Y. (1) Receipts: $4,002.99 for legal fees and disbursements, paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities. Expenditures: Pennsylvania Railroad, $24.68; Hotel Carlton, $14.50; meals, $3.65; taxi fares, $1.50; car fare, 37 cents; postage and miscellaneous expenses, $1.68. (2) Taxi fares paid to various taxicab companies; car fare to various transportation companies; postage to post office; meals to various restaurants. (3) For transportation, hotel rooms, meals, taxi fares, car fares, postage, etc. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing, or health, on which the American Nurses' Association has taken a stand, including proposed amendments to the Labor-Management Relations Act of 1947, extension of social security, Federal aid to nursing education, and the proposed Career Compensation Act of 1949.

Smith, Dudley, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C. (1) $1,250 monthly from the Association of Sugar Producers of Puerto Rico, but not for the principal purpose of influencing legislation, which is a minor part of my activities. (2) None for the purpose of influencing legislation. (3) None. (4) None. (5) None.

Smith, Harold O., Jr., United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (1) During the past quarter I did not have occasion to engage in any activities which I believe would be construed as lobbying. Serving full time as executive vice president of the United States Wholesale Grocers' Association, Inc., my activities are those of a trade association executive and any contacts with Members of Congress are purely incidental to my many other activities in connection with trade association work. (2) No one. (3) None. (4) In our association's bulletins and weekly news letters to members, we occasionally report on legislative matters affecting the trade. (5) No legislation in particular, any legislation in general affecting the interests of wholesale grocers.

Smith, Hilda W., National Committee for the Extension of Labor Education, 1508 Seventeenth Street NW., Washington, D. C. (1) $1,500, salary. (2) Paid to self. (3) Living expenses for self. (4) Occasional articles sent out through Labor Press Associates; occasional newspaper articles. (5) Bill for a Labor Extension Service in the Department of Labor.

Smith, Howard J., Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (1) January, salary, $750 per month, plus travel expense, $43.16; February, salary, $750 per month, plus travel expense, $48.50; March, salary, $750 per month. (2) Howard J. Smith, executive secretary, Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (3) Salary, travel expense, room and board, when engaged in travel in interest of work of the association. (4) The Case for Water in Central Arizona, Work for Water, California's Stake in Arizona's Share of Colorado River, What the Central Arizona Project Means to You. (5) Employed to support Senate bill 75.

Smith, Lloyd W., Chicago, Burlington & Quincy Railroad Co., room 425, Shoreham Building, Fifteenth and H Streets, Washington, D. C. (1) Received salary of $1,785 for the period January 1, 1949, to March 31, 1949, for all services as special representative of the Chicago, Burlington & Quincy Railroad Co. No money was received or expended by me during the above period for purposes covered in the act. (2) None. (3) None. (4) None. (5) Legislation affecting the interest of the Chicago, Burlington & Quincy Railroad Co.; other duties comprise the major part of my work.

Smith, Purcell L., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $16,250 as president of the National Association of Electric Companies and reimbursements of $1,077.67 of routine expenses incurred in the performance of all official duties, only a part of which salary and expenses were for those purposes described in the act. (2) Various hotels, restaurants, clubs, railroads, air lines, taxicabs, telephone, and telegraph companies. (3) Railroad and transportation, $121.88; telephone and telegraph, $45.25; restaurants and other meals, $624.60; hotels, $171.99; gratuities and miscellaneous, $113.95. (4) I am advised that a correct answer to this question is "None." However, in the interest of a full and complete disclosure, I am calling attention to the attached leaflet,[1] which was recently published by the association for general distribution. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am president, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Smith, Robert E., Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y. (1) Received $729.30. No expenditures. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Smith, Sylvester C., Jr., the Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Snyder, Calvin K., Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (1) Reimbursement for expenditures, $895.16. (2) See attached.[1] (3) See attached.[1] (4) None. (5) Any legislation affecting the real-estate industry.

Snyder, James D., room 1040, Hotel La Salle, Chicago, Ill.; Illinois Legislative Committee, room 1236, La Salle Street station, Chicago, Ill. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) [Blank.]

Spence, Hotchkiss, Parker and Duryee, 40 Wall Street, New York, N. Y.; Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Spencer, Lyndon, Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) None. (2) None. (3) None. (4) None. (5) None.

Spencer & Louisell, a law firm, 1712 H Street NW., Washington, D. C.; Peder Kristian Kristensen. (1) None. See (3) below. (2) None. See (3) below. (3) Partial payment made by Peter Kristian Kristensen to this firm on account of disbursements incurred in lawsuit. This has nothing to do with Lobbying Act. (4) None. (5) H. R. 3410, Eighty-first Congress, first session, a bill for the relief of Peter Kristian Kristensen. This firm is his counsel in litigation.

Stack, Thomas George, National Railroad Pension Forum, Inc., 1104 West One Hundred and Fourth Place, Chicago, Ill. (1) $617.36 paid to me by the National Railroad Pension Forum, Inc., covering expenses incurred during trip and stay in Washington during the first quarter of 1949. (2) Thomas George Stack. (3) To get bills sponsored in Congress to protect the intersests of the railroad employees on pension matters, and to promote legislation in the interest of the rank-and-file workers in the railroad industry. (4) Rail Pension News, publication of the National Railroad Pension Forum, Inc., costing $1,100 December–January edition, with 100,000 circulation. (5) H. R. 2741. 20 percent increase in benefits to deceased railroad employee survivors, and other bills still pending with Congressmen, to increase benefits on railroad employees pensions and annuities.

Starling, Howard M., 837 Washington Building, Washington, D. C.; Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $150 received by registrant during the first quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. (2) None. (3) None. (4) None. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions he has supported or opposed legislation as it specifically affects capital stock casualty and surety insurance companies.

Stebbins,[7] Frank L., Illinois Associated, Businessmen, Inc., 231 South La Salle Street, Chicago, Ill. (1) No money received or expended by me for lobbying purposes. (2) No one. (3) None. (4) None. (5) Any legislation designed to tax like business organizations on a like basis.

[1] Not printed. Filed in the Clerk's office.

[7] Filed for fourth quarter 1948.

Stebbins,[6] Frank L., Illinois Associated Businessmen, Inc., room 1025, 231 South LaSalle Street, Chicago, Ill. (1) Receipts, $40; expenses, $219.41. (2) Various hotels, filling stations, and railroads, $196.37; post office, $23.04. (3) Trip to Washington and return, $196.37; stamps to cover mailings. (4) None. (5) Support all legislation favorable to business prosperity.

Steele, Raymond E., general counsel, National Fisheries Institute, Inc., suite 228, Victor Building, 724 Ninth Street NW., Washington, D. C. (1) $0.80, taxicab to Capitol regarding wage and hour bill. (2) Taxicab operators. (3) Transportation. (4) N. F. I. Flashes, published weekly (50 issues), mailed to institute membership. (5) No particular legislation.

Stein, Margaret I., Committee for the Nation's Health, Inc., 1416 F Street NW., Washington, D. C. (1) Salary received (gross), $1,150.50; reimbursed for travel, miscellaneous expenses, $133.21. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) National health insurance.

Stengle, Charles J., 900 F Street NW., Washington, D. C.; American Federation of Government Employees, 110 Maryland Avenue NE., Washington, D. C. (1) $39.60. (2) Taxicab drivers. (3) Trips to and from Capitol. (4) None. (5) Legislation affecting Government employees.

Stewart,[6] Annalee (Mrs. Alexander Stewart), Women's Committee to Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa. (1) No report for the third quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.) (5) [Blank.]

Stewart,[7] Annalee (Mrs. Alexander Stewart), Women's Committee to Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa. (1) No report for the fourth quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Stewart,[8] Annalee (Mrs. Alexander Stewart), Women's Committee to Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa. (1) No report for the first quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Stewart, Annalee (Mrs. Alexander Stewart), Women's International League for Peace and Freedom, 1734 F Street NW., Washington, D. C. (1) January, February, and March totals: Railroad, $75.82; room, $123.75; meals, $93; postage, $9.70; laundry, $6.40; telegraph and telephone, $17.78; secretary, $18.25; taxi, $21.41; miscellaneous, $27.30. (2) [Blank.] (3) Actual living expenses while in Washington. (4) Four Lights. (5) Oppose UMT and conscription measures and further control of domestic and international policies by the military, including opposition to the North Atlantic Pact; support legislation for improving domestic and international relations.

Stewart, Charles T., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago 3, Ill. (1) Salary (50 percent of time devoted to legislative activities), $3,000; reimbursement by employer for travel expenses, incidental expenses, and per diem, $234.37; total, $3,234.37. (2) See attached itemized statement.[1] (3) See attached itemized statement.[1] (4) Attached list shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real estate industry.

Stewart,[4] John H., Air Freight Forwarder Association, 1015 Union Central Building, Cincinnati, Ohio. (1) None. (2) None paid. (3) None. (4) Air Transportation magazine. (5) H. R. 448, H. R. 2908, H. R. 2909, H. R. 2910, H. R. 2911, H. R. 2912, H. R. 2913.

Stockhausen, William E., 49 Wall Street, New York, N. Y.; National Postal Committee for Books, a committee of the American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York, N. Y. (1) $169.59. (2) Transportation agencies, hotels, etc. (3) Transportation, rooms, meals, etc. (4) None. (5) H. R. 2945 (postal rate readjustments).

Stockton,[7] Kenneth E., 67 Broad Street, New York, N. Y. (1) I have been associated with International Telephone & Telegraph Corp. in various capacities for many years and have been president of its subsidiary, American Cable & Radio Corp. for the past year. Recently this company has been negotiating with Western Union Telegraph Co. for the purchase of the latter company's cables, which negotiations have reached the point of necessitating several governmental approvals and possibly congressional action. Activities in the foregoing connection necessarily require my contact with Members of Congress and other Government officials. However, this is an incidental function under my duties for which I receive no additional remuneration above my regular salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The above-mentioned activities would not seem to come within the purview of the Lobbying Act; however, I have no objection to filing under the same and will furnish any further information if desired. My salary is $45,000 per annum, no part of which is specifically for the purpose of influencing legislation. (2) [Blank.] (3) [Blank.] (4) None. (5) I have not been employed to support or oppose any particular legislation, but as president of the American Cable & Radio Corp. I favor and will urge the enactment of appropriate legislation which will permit my company or its subsidiaries to purchase Western Union cables under authority of an amendment to section 222 (c) (2) of the Communications Act.

Stockton,[8] Kenneth E., American Cable & Radio Corp., and subsidiaries, 67 Broad Street, New York, N. Y. (1) I have been associated with International Telephone & Telegraph Corp. in various capacities for many years and have been president of its subsidiary, American Cable & Radio Corp., for the past year. Recently this company has been negotiating with Western Union Telegraph Co. for the purchase of the latter company's cables, which negotiations might require several governmental approvals and possibly congressional legislation. Activities in the foregoing connection necessarily require my contact with various Government officials and with Members of Congress concerning the possible necessity of legislation which will permit the merging of international telegraph companies. However, this is an incidental function of my duties for which I receive no additional remuneration above my regular salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The above-mentioned activities would not seem to come within the purview of the Lobbying Act; however, I have no objection to filing under the same and will furnish any other further information desired. This is my second report, the first having been filed several weeks ago. (2) See (1). (3) See (1). (4) None. (5) I have not been employed to support or oppose any particular legislation, but as president of American Cable & Radio Corp. I favor and will urge the enactment of appropriate legislation which will permit the merger of international telegraph companies, particularly the purchase by my company of Western Union cables, if such legislation is found to be necessary.

Stoll, Edwin L., 1737 K Street, NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Salary, $1,950; only 50 percent of time, however, is devoted to legislative activities. Expenses incurred by Edwin L. Stoll in connection with legislative activities for which reimbursement was received during the period January 1 to March 31, 1949, $35.70. (2) Various. (3) Incidentials. (4) Attached list[1] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Stone, Mrs. Margaret F., National Women's Trade Union League of America, 317 Machinists Building, Washington, D. C. (1) Full salary, $324.54, about half of which was paid me for legislative work; no money expended by me for legislative activity. (2) [Blank.] (3) [Blank.] (4) Life and labor bulletin. (5) Approved legislative program[1] Sent letters to local units with analysis of specific legislative measures before Congress. Testified before House and Senate committees in support of reciprocal trade agreements program. Sent letters to Congressmen in support of Displaced Persons Act amendment; repeal of oleomargarine taxes; federally aided public housing legislation; and amendments to Fair Labor Standards Act.

Stoudenmire, Sterling F., Jr., 1740 G Street NW., Washington, D. C.; Waterman Steamship Corp., Waterman Building, 61 St. Joseph Street, Mobile, Ala. (1) A total of $2,400 was received as salary by registrant during this quarter, as compensation for employment as attorney for Waterman Steamship Corp. and subsidiaries; only a very small portion of my time was spent in any activity relating to the purposes for which this statement is required to be filed. A total of $53.15 was received from Waterman Steamship Corp. and subsidiaries, which amount could possibly be allocable as expenses incurred in connection with the purposes for which this statement is required to be filed. (2) Various. (3) Taxicabs and transportation, $14.95; meals $38.20. (4) None. (5) I am not engaged specifically for the purpose of attempting to influence the passage or defeat of any legislation by Congress. My employment is as attorney in the legal division of Waterman Steamship Corp. and subsidiaries, and such employment requires a small portion of my time in supporting or opposing legislation which might affect the merchant marine, the operation of aircraft, or transportation generally. During the quarter for which this report is filed, I was interested in and discussed with Members of Congress legislation relating to amendments to Fair Labor Standards Act, (H. R. 858) Economic Cooperation Act (H. R. 1340), and Extension of Merchant Ship Sales Act (H. J. Res. 92).

Strachan, Paul A., American Federation of the Physically Handicapped, Inc., 1376 National Press Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) All Members of Congress receive our news bulletins. (5) Sponsoring legislation upon behalf of our 28,000,000 physically handicapped citizens; supporting bills for a Federal Commission on Services for the Physically Handicapped, National Cerebral Palsy

[1] Not printed. Filed in the Clerk's office.
[4] Filed with the Secretary only.
[6] Filed for third quarter 1948.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.

[1] Not printed. Filed in the Clerk's office.

Institute, National Leprosy Act, National Epilepsy Act, and census (survey) of handicapped.

Strackbein, O. R., America's Wage Earners' Protective Conference and International Allied Printing Trades Association, 601 Carpenters' Building, Washington, D. C. (1) Receipts, January–March 1949, $4,320; expenses, January–March 1949, $4,110.74, consisting of salary to executive-secretary, $2,750; and salary of secretary to executive-secretary, $715; remainder, or $645.74, expenses. (2) No payments made to individuals. Expenses were paid out for the purposes listed below. (3) Rent, telephone, office supplies, taxicab fares, three or four lunches a month with individuals, purchase of governmental publications, payment for mimeographing reports. (4) Editorials in the Photoengraver, a monthly publication of the International Photoengravers' Union. (5) Tariff legislation; specifically, extension of the Trade Agreements Act; also copyright and postal-rate legislation.

Strong, Arthur D., Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn. (1) Salary, January 1 to March 31, 1949, $825; reimbursement for expenses, $1,315.12. (2) Arthur D. Strong. (3) Salary and reimbursement for traveling, hotels, entertaining, attending meetings, hearings, and conventions. (4) None. (5) Registrant is employed to support legislation relating to the improvement and development of navigable waterways in the upper Mississippi River, together with legislation relating to flood control, conservation, pollution, recreation, fish and wildlife, including all legislation that has to do with the development of water resources of the upper Mississippi River and its tributaries as this legislation relates to all types of public benefits. He is employed to oppose legislation detrimental to the above.

Sturgis, Arthur, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $200 salary; $20.15 expenses. (2) Taxi drivers. (3) Transportation. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security-law revision, inflammable-fabric legislation.

Sturrock, J. E., Texas Water Conservation Association, 207 West Fifteenth Street, Austin, Tex. (1) Salary for January, February, and March, 1949, $1,800, less income tax. Traveling and routine office expenses for January, February, and March, 1949, $238.43. (2) $238.43 traveling expenses to bus and taxi companies, hotels, and restaurants. (3) Covering transportation, meals, lodging, and entertainment. (4) Texas Water Conservation Association bulletins and pamphlets and various analyses of bills pending in Congress. (5) Employed to support all legislation, both State and national, concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and Federal agencies; oppose all legislation creating Federal valley authorities, and all legislation seeking to superimpose Federal control over State control in the distribution of the State's water resources.

Sutlive, Carey R., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts, salary, $2,125; expenses, reimbursed by employer, $276.15. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, etc. (3) For expenses incurred in course of business, such as travel, meals, and hotel accommodations, and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Swanson, Walter S. J., National Highway Users Conference, Inc., 938 National Press Building, Washington, D. C. (1) Registrant received only his regular salary, no part of which is paid him for, nor can be allocated to, the presentation of the views of the constituent members of the National Highway Users Conference or of the conference itself. During the quarterly period just ended, he has expended no money and has made no payments to anyone in connection with any activities coming under the Lobbying Act. On July 15, 1947, a petition was submitted to the Congress urging the repeal of special Federal excise taxes upon motor vehicles and trailers, gasoline and lubricating oil, tires, and tubes, automotive parts and accessories. This petition was executed by some 400 national, State, and regional organizations. On January 30, 1948, a supplemental petition on the same subject was submitted to the Congress by some 200 additional national and State organizations. Acting as a clearinghouse for these signatories, the National Highway Users Conference, with whom the undersigned is employed, presented the above petitions on the dates indicated, as previously reported. Representatives of these signatories recently requested the conference to have copies made of these petitions and mailed to the new Members now in the Eighty-first Congress, and to the members of the reorganized Senate Committee on Finance and the Ways and Means Committee of the House. These copies were prepared and mailed as directed under the supervision of the undersigned and the cost thereof paid for by the conference out of its printing and postage funds. These costs were as follows: Columbia Planograph Co., Washington, D. C., $215; postage, $8.35. (2) See (1). (3) See (1). (4) Prepared articles for Highway Highlights and certain bulletins released by the National Highway Users Conference. (5) Within the general responsibility of my office, I have carried out the work outlined above. During the past quarter this has been solely confined to reportorial coverage of congressional activities dealing with Federal highway aid and highway taxation, the only legislation in which I am interested. I have conducted no activity during the quarterly period coming within the purview of the Lobbying Act, except as above described.

Switzer, John B., 70 North Thirteenth Avenue, Beech Grove, Ind.; Indiana Divisions No. 1 and No. 56, Communications Workers of America, 27 West Ohio Street, Room 5, Indianapolis, Ind. (1) Received, $10.02; expended, $2.12. (2) Wages, 4 hours at $1.97½, $7.90; reimbursement for expense shown, $2.12; taxi fare, $1; telephone, $1; postage, 12 cents. (3) Wage remuneration for time absent from work. (4) None. (5) Enactment of S. 110; enactment of H. R. 875; enactment of H. R. 113; repeal of National Labor Relations Act of 1947 (Taft-Hartley law).

Swomley,[9] John M., Jr., National Council Against Conscription, 1013 Eighteenth Street NW., Washington, D. C. (1) $412.94. (2) John M. Swomley, Jr. (3) Travel expenses between Washington and New York plus out-of-pocket expenses in Washington; expenses in connection with research and writing. (4) Motive, March 1949; Intercollegian, March 1949; Conscription News, twice monthly. (5) I serve as director of the National Council Against Conscription on a volunteer basis to promote the achieving of the international abolition of conscription, worldwide disarmament, and the defeat of conscription.

Tait, Robert R., Communications Workers of America, Southwestern Division No. 20, 5927a Easton Avenue, St. Louis, Mo. (1) Salary for 6 days at $17 per day, $102; hotel and meals, $120; travel expenses St. Louis, Mo., to Washington, D. C., and return, $99.47; total $321.47. (2) Robert P. Tait, 426 Fairwood Lane, Kirkwood, Mo. (3) See No. (1) above. (4) None. (5) S. 248, S. 249, and H. R. 995.

Taylor, C. Tracy. 1317 F Street NW., Washington, D. C., Schenectady County chapter of the New York Society of Professional Engineers, affiliated with the National Society of Professional Engineers, care of E. H. Bancker, 1 River Road, Schenectady, N. Y. Pennsylvania Bakers Association, 5700 North Broad Street, Philadelphia, Pa. (1) Registrant has received no moneys during the preceding calendar quarter with relation to employments requiring registration. Registrant has expended no moneys during the preceding calendar quarter on account of employments for which he is registered other than incidental long-distance telephone charges paid Chesapeake & Potomac Telephone Co., telegraph charges paid Western Union, notarial fees on B. &. C. forms, and similar incidental expenses, the purposes of which are apparent, totaling not in excess of $150. (2) See (1). (3) See ( ). (4) None. (5) Provisions of any labor-management relations legislation affecting professional employees. Provisions of any legislation amending Fair Labor Standards Act in a manner affecting baking industry.

Taylor,[9] Hugh W., 1507 M Street NW, Washington, D. C., Burley & Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky. (1) Amount received from Burley & Dark Leaf Tobacco Export Association. For salary, less social security and tax, $2,250; for expenses incurred, $265.91. (2) See attached statement.[1] (3) See attached statement.[1] (4) None. (5) Legislation which affects tobacco production and foreign trade in leaf tobacco.

Taylor, John Thomas, 1608 K Street NW., Washington, D. C.; The American Legion (National Organization), 777 North Meridian Street, Indianapolis, Ind. (1) $500 salary semimonthly, less withholding and social security taxes; $268.52 reimbursement for traveling expenses January, February, March 1949; $120.85 incidental expenses January, February, March 1949. (2) John Thomas Taylor. (3) $543.59 reimbursement for traveling expenses (see above), round trips to Hartford, Conn.; Atlanta, Ga.; Indianapolis, Ind.; $120.85 incidental expenses taxi, telephone calls, meals. (4) The American Legion Magazine, New York City; National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil aviation programs and policies; the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the National Convention of The American Legion and/or by its national executive committee which are the ruling and policy-making bodies of The American Legion.

[9] Filed with the Clerk only.

[1] Not printed. Filed in the Clerk's office.

[9] Filed with the Clerk only.

Taylor, Margaret K., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $24.80. (2) Various. (3) Taxi fares, luncheon, etc. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Taylor, Tyre, Suite 1112 Dupont Circle, Building, Washington, D. C.; National Association of Retail Grocers, 360 North Michigan Avenue, Chicago 1, Ill. (1) Received $3,000 as one-fourth of adjusted annual retainer by National Association of Retail Grocers. Expenditures as follows: (a) Adjusted regular office expense amounting to $811.35; (b) traveling expenses $75. (2) (a) Landlord, secretary, postage, telephone, etc.; (b) Washington taxicab operators. (3) See (1) above. (4) National Grocers Bulletin (published monthly). (5) Repeal of margarine license taxes and other legislation of interest to independent retail food distributors.

Taylor, Tyre, Suite 1112 Dupont Circle Building, Washington, D. C., Southern States Industrial Council, Nashville, Tenn. (1) Received $4,237.50 as one-fourth of adjusted annual retainer by Southern States Industrial Council. Expenditures as follows: (a) Adjusted regular office expense amounting to $410.11; (b) research and technical assistance $1,581.27; (c) travel expenses $75. (2) (a) Landlord, postage, telephone, etc.; (b) Henry Bison, Jr.; (c) Washington taxicab operators. (3) See (1) above for purposes. (4) Semimonthly News Bulletin of Southern States Industrial Council. (5) The general legislative program of the council with particular emphasis on legislation favorable to the maintenance of a free enterprise system.

Teel, Donald, Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich. (1) No money received or expended for lobbying. (2) No one. (3) See above. (4) None. (5) Legislation designed to have all business corporations taxed in the same manner and on the same basis.

Temple, Marjorie L., American Association of University Women, 1634 I Street NW., Washington, D. C. (1) Received only salary, approximately one-half of which is for legislative work. No money paid out. (2) [Blank]. (3) [Blank]. (4) Journal of the American Association of University Women (quarterly); General Director's Letter (3 or 4 times a year as program guide to branch officers). (5) See attached material.[1]

Terrell, John U., Congressional Hotel, Washington, D. C.; Colorado River Association, 306 West Third Street, Los Angeles, Calif. (1) Received from Colorado River Association, $4,500. (2) Expended for transportation, hotels, personal living expenses, business expenses. (3) Public relations for above organization. (4) News releases to all wire services and to all California newspapers. (5) House Joint Resolution 3 and Senate Joint Resolution 4.

Thompson, Chester C., The American Waterways Operators, Inc., 1319 F Street NW., Washington D. C. (1) Received salary from the American Waterways Operators, Inc., $5,000, covering January, February, and March 1949. (2) Miscellaneous expenses, $60.30. (3) Local transportation and miscellaneous expenses. (4) None. (5) All legislation affecting domestic water carrier and operator industry of United States.

Thompson,[7] Louis E., Small Business Association of New Jersey, Inc., Box 188, Glen Ridge, N. J. (1) Dues received, $145; expenditures for Federal legislation approximately $1. (2) [Blank.] (3) A letter to Hon. JOHN S. WOOD. (4) [Blank.]. (5) To urge that the Un-American Activities Committee of the House be continued.

[1] Not printed. Filed in the Clerk's office.
[7] Filed for fourth quarter, 1948.

Thompson,[8] Louis E., Small business Association of New Jersey, Inc., Box 188, Glen Ridge, N. J. (1) Membership dues received, $145; expenditure on Federal legislation, $155.45. (2) [Blank.] (3) Chiefly for transportation, hotel expenses, and registration fees at meetings of the Conference of American Small Business Organizations and the National Small Business Men's Association. (4) [Blank.] (5) In general, the reduction of the costs of operating small businesses.

Thomson, Mrs. Dorothy W., American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received $80.48; expended $80.48. This is my final report under Public Law 601, Seventy-ninth Congress, as I have withdrawn from lobbying, have resigned effective December 15, 1948, as Washington director of the American Parents Committee, and am no longer engaged for pay or any consideration for the purpose of attempting to influence legislation. (2) Various. (3) Entertainment and miscellaneous expense. (4) Parents' magazine and School Management. (5) National School Health Services Act; National Science Foundation bill; appropriations for United States Children's Bureau; Federal aid for education bill.

Thoré, Eugene M., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $80.39. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y.; California Citrus Producers Association, Inc., Box 731, Redlands, Calif. (1) Total received was $100 as an advance to cover out-of-pocket expenses. Such expenses amounted to $77.64. (2) Various. (3) Travel, hotels, meals, etc. (4) None. (5) No particular legislation—anything which might affect the California citrus industry.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y.; Clothespin Manufacturers of America, 1427 I Street NW., Washington, D. C. (1) Total received for professional services was $3,599.96 and, as reimbursement for out-of-pocket expenses, $1,287.38. Of these amounts, $2,066.63 for professional services and $667.86 for expense reimbursement were applicable to work performed prior to February 1, 1949, which had no connection with legislative matters. Not more than 50 percent of the balance of $1,535.33 for professional services and $619.52 for expense reimbursement is applicable to work subject to the Lobbying Act. (2) Full amount received for professional services was retained by me. Amounts received for reimbursement for out-of-pocket expenses were previously expended for travel, hotel, meal, etc., expenses. (3) See above. (4) None. (5) Reciprocal trade agreement extension.

Tinney, William H., the Pennsylvania Railroad Co., Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $519.36 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation. $138 was expended by me as expense money during the first quarter of 1949 for taxicabs, meals, automobile expenses, and incidentals. In addition to this amount, I also received $322.10 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $138 was expended by me as expense money during the first quarter of 1949 for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

[8] Filed for first quarter, 1949.

Tobin, Fred A., 821 Fifteenth Street NW., Washington, D. C.; International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union of America, 222 East Michigan Street, Indianapolis, Ind. (1) My salary is $1,250 per month or $3,750 for the quarter year. I do not incur any expenses in performance of legislative work. (2) Fred A. Tobin. (3) I am an attorney representing the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union and its affiliated locals before the Interstate Commerce Commission and the National Labor Relations Board. Am the liaison representative between various Government agencies and international union and the affiliated locals. The above includes general services of a nonlegislative nature pertaining to business and operation of International Brotherhood of Teamsters and its affiliated locals; also for part-time services in connection with legislation, both Federal and State, for the International Brotherhood of Teamsters and its affiliated locals. (4) [Blank.] (5) Legislation, Federal and State, which may affect the interests of the International Brotherhood of Teamsters and its affiliated locals, particularly in the field of labor law.

Tobler, H. Willis, 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $6.90 expended. (See item (6) of form B, filed December 1946.) (2) Taxis. (3) Transportation. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Housing, wage-hour amendments, labor-management relations, health, rural roads, fertilizer.

Tobler, H. Willis, National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $26.45. (2) Various. (3) Taxi fares and lunches. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Todd, John H., 1037 Woodward Building, Washington, D. C.; National Cotton Compress & Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn. (1) None for purposes covered by the act—other than expenses [10] reimbursed by National Cotton Compress and Cotton Warehouse Association, which are included in its quarterly reports on Form A. (2) Same as (1) above. (3) Same as (1) above. (4) The Cotton Trade Journal, the Cotton Digest. (5) No specific legislation.

Tolman, Neil, 1025 Connecticut Avenue, Washington, D. C. (1) Received on account compensation in sum of $1,500 during the calendar quarter, January, February, March, for services as Washington attorney for Phillips Petroleum Co. and/or Phillips Chemical Co. Less than $100 was expended by me during this calendar quarter for purposes covered in the act. (2) Paid to hotels, various restaurants, taxicabs and automobiles, telephone calls, and postage. (3) In furtherance of duties described in registration Form B, of which personal legislative activity is not a principal activity in my profession but is occasional and incidental. (4) None. (5) Legislation affecting fertilizer industry, especially as it pertains to Phillips Chemical Co.

Tool Owners Union, Inc., 1802 Massachusetts Avenue, Lexington, Mass. (1) See attached schedule.[1] (2) See attached sched-

[1] Not printed. Filed in the Clerk's office.
[10] Such as taxi fares, telephone, and telegraph, mimeographing expenses, and postage.

ule.[1] (3) See attached schedule.[1] (4) Program for Progress, vol. 3, No. 1, and Washington Letter No. 1, enclosed.[1] (5) No specific legislation.

Townsend, Wallace, 306–11 Commercial National Bank Building, Little Rock, Ark.; Southwestern Gas & Electric Co. as an attorney, Shreveport, La. (1) Received $5,608 during first quarter of 1949 from the company, of which $5,000 was for services in 1948; $600 represented monthly salary of $200 for January, February, and March, 1949; $8 was filing fee paid by me on behalf of the company to the Arkansas Public Service Commission. Except for the $8, I spent no money on behalf of the company. (2) Paid $8 to the Arkansas Public Service Commission for filing fees. (3) For filing certain petitions before the commission. (4) None. (5) I am not employed to support or oppose any legislation. I am one of the attorneys for the company on a regular salary and per diem basis, but I registered as a lobbyist because I did want to talk to some Members of the Congress in opposition to the Department of Interior request for an appropriation for the Southwestern Power Administration.

Troester, Carl A., Jr., American Association for Health, Physical Education, and Recreation, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,750, which covers both legislative and nonlegislative business; received for legislative service (5 percent of time), $87.50; taxies, lunches, tips, $6.35, (2) Self (salary and expenses). (3) Salary, lunches, transportation, tips. (4) The Journal of the American Association for Health Physical Education, and Recreation. (5) To support or oppose any and all legislation designed to strengthen public education, especially school health, physical education, and recreation.

Truitt, Paul T., National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $66.75. (2) Various persons. (3) Miscellaneous expenses such as taxi fares, luncheons, etc. (4) None. (5) Any margarine legislation.

Turner, Harold J., Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., 325 Henry Building, Portland, Oreg. (1) None on Federal legislation. (2) [Blank.] (3) [Blank.] (4) None. (5) Not employed to support or oppose any particular proposed Federal legislation. See statement A to my registration, Form B.

Urheim,[4] Bernard E., 858 First National Bank Building, Chicago, Ill. (1) $625, the proportion of salary chargeable to activities within the scope of the Lobbying Act; $500 travel expense paid by employer, the American Retail Coal Association, 858 First National Bank Building, Chicago, Ill. (2) Registrant. (3) Salary and expense. (4) None. (5) Revision of Fair Labor Standards Act.

Van Arnum, John R., National League of Wholesale Fresh Fruit and Vegetable Distributors, 512 F Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Vanderslice, R. L., Chicago Residential Hotel Association, 520 North Michigan Avenue, Chicago, Ill. (1) Received and expended $701.63. (2) Paid out in cash to railroads, hotels, restaurants, taxicabs, telephone company. (3) Transportation, hotel accommodations, meals, and incidental expenses. (4) None. (5) The registrant is not employed to support or oppose any legislation but has endeavored to make known the position of residential hotels as affected by rent control. He receives no compensation for these efforts other than reimbursement for actual out-of-pocket expenditures.

[1] Not printed. Filed in the Clerk's office.
[4] Filed with the Secretary only.

Van Nostrand, George C., American Airlines, Inc., 1437 K Street NW., Washington, D. C. (1) As assistant vice president of American Airlines, on a permanent basis, I received a monthly salary of $1,000, or $3,000 for the quarter, for all of my activities. Approximately 1 week was devoted to legislation and $8.80 was expended. (2) Taxi drivers. (3) Transportation. (4) None. (5) Legislation affecting air transportation.

Van Osdol,[7] Paul, Jr., Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo. (1) None. (2) No one. (3) None. (4) None. (5) None.

Van Osdol,[8] Paul, Jr., Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo. (1) January 3, 1949, automobile mileage, meals, and other travel expenses, Keytesville and Salisbury, Mo., and return, $23.45; March 2, 1949, automobile mileage, meals, and other travel expenses, Springfield and Joplin, Mo., and return, $29.80. (2) Various filling stations, restaurants, and hotels. (3) Necessary travel expenses on trips to obtain new members for Missouri-Kansas Businessmen's Association and to acquaint members with program of Missouri-Kansas Businessmen's Association, Inc. (4) None. (5) None.

Vernon, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the Chase National Bank of the city of New York.

Vernon, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Versen, Albert F., 508 Security Building, St. Louis, Mo.; Missouri Valley Chapter, Association of Refrigerated Warehouses. (1) See statement attached.[1] (2) See statement attached.[1] (3) See statement attached.[1] (4) None. (5) None; excepting disapproval of waste of Federal funds for erection of refrigerated warehouses already adequate to supply needs. H. R. 2682 and S. 900. Also to request clarification of law covering overtime on overtime, S. 336.

Versen, Albert F., 508 Security Building, St. Louis, Mo.; St. Louis Local Meat Packers Association. (1) See statement attached.[1] (2) See statement attached.[1] (3) See statement attached.[1] (4) None. (5) None at present.

Viles, A. L.,[9] president, the Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York 22, N. Y. (1) No time devoted to legislative work. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Bills pertaining to long-term legislation on national rubber policy, on the transportation of flammable materials, and on proposed revisions of the excise taxes.

Virkus, Frederick A., Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill. (1) Compensation, $3,000; expense, $255.14. (2) Pennsylvania Railroad, Wardman Park Hotel, taxi drivers, telephone company, telegraph company. (3) Expenses, primarily travel, some miscellaneous. (4) [Blank.] (5) Legislation or proposed legislation affecting small business.

Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Vaughan, Wales, 1730 K Street NW., Washington, D. C.; Veterans Organizations Council of Altadena, 2302 North Lake Avenue, Altadena, Calif. (1) Money received, $2,055; money expended, $2,055. (2) Wales Vaughan: $540 living expenses, $975 salary; Hotel Congressional $540 (Vaughan's hotel expenses). (3) Vaughan's salary, living expenses, and hotel accommodations. (4) None. (5) Veterans' Home Loan Act of 1949, H. R. 1324 and S. 616.

[1] Not printed. Filed in the Clerk's office.
[7] Filed for fourth quarter, 1948.
[8] Filed for first quarter, 1949.
[9] Filed with the Clerk only.

Walker, Jimmie, Mississippi Associated Businessmen, Inc., (voluntary), Post Office Box 1329, 305–06 Millsaps Building, Jackson, Miss. (1) None. (2) No one. (3) None. (4) None. (5) Tax equality among all business.

Waller, Theodore, 132 Third Street SE., Washington, D. C.; United World Federalist, Inc., 7 East Twelfth Street, New York, N. Y. (1) (*a*) Received from United World Federalists, Inc., for salary, $1,375; (*b*) Received from United World Federalists, Inc., for travel expenses, $1,571.85; (*c*) Received from William Cochran as a gift for the purpose of carrying out the work and program of United World Federalists, $500; total of all money received, $3,446.85. (2) [Blank.] (3) [Blank.] (4) World Government News. (5) Any legislation designed to strengthen the United Nations.

Walter, Stephen M., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington D. C. (1) Received salary of $6,625.02 as an employee of the National Association of Electric Companies, and reimbursements of $743.19 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various taxicab companies, hotels, restaurants, telephone and telegraph companies, book stores, and stationers. (3) Transportation, $176.05; meals and incidental expenses on account of association members in Washington and elsewhere, $390.76; telephone and telegraph, $37.40; publications, $9.20; miscellaneous, $129.78. (4) [Blank.] (5) One of the purposes and activities of the National Association of Electrical Companies of which I am an employee is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Walter, Thomas G., Government Employees' Council, A. F. of L., Room 1008, 900 F Street NW., Washington, D. C. (1) As operations director, receives a monthly salary ($630) minus withholding tax and social-security tax; expended for personal living expenses. (2) Thomas G. Walters. (3) Salary received and expended for personal services as operations director of council; lobbying is minor and incidental. (4) Washington newspapers, international-union publications, weekly council bulletins for the dissemination of organizational news, including legislation. (5) Favorable to Federal Government employees and opposition to adverse legislation.

Warfel, George L., The National Association of Special Delivery Messengers (as president), 112 C Street NW., Washington, D. C. (1) Salary (gross, withholding and social-security taxes deducted), $1,500; expense vouchers, phone calls, luncheon guests, notary fees, cab fares, and hotel, meals, and transportation on organization trips for the association, $183.61. (2) George L. Warfel. (3) To improve the special-delivery service and promote the welfare of the special-delivery messengers in the United States postal service, including liaison contacts with administrative officials as well as legislative contacts. (4) The Special Messenger, the Special News (mimeographed bulletins to membership). (5) Supporting all legislation beneficial to the special-delivery service and the special-delivery messengers.

Warfield, Ethelbert (report as attorney for American General Corp.), 49 Wall Street, New York, N. Y.; American General Corp., 1 Exchange Place, Jersey City, N. J. (1) No receipts or expenditures during said period. (2) No expenditures. (3) No expenditures. (4) None. (5) To oppose bills similar to S. 829 and H. R. 3351 (80th Cong.).

Warfield, Ethelbert (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) No receipts. Expenditures, Pennsylvania Railroad, $116.77; Hotel Carlton, Washington, D. C., $354; other travel expenses, $114.95; telephone calls, $43.16; stenography, $14.70; postage, $8.56; telegrams, $2.40; carfare, 80 cents. (2) Travel expenses ($114.95) paid to Pennsylvania Railroad, Hotel Carlton, and various taxicab companies and restaurants; telephone charges paid to various telephone companies; stenography to various public stenographers; postage to United States post office; telegrams to Western Union; carfare to various transportation companies. See also answer to (1). (3) For the purposes above indicated. (4) None. (5) Legislation relating to postage rates on books.

Warner,[7] Milo J., 1631 Nicholas Building, Toledo, Ohio; Prudential Insurance Co. of America, Newark, N. J. (1) Received from the Prudential Insurance Co. of America, Newark, N. J., for professional services; conferences with various Members of Congress in regard to legislation for the period October 1, 1948, to December 31, 1948, inclusive, $2,000; expenses, October 25, 28, 1948, long-distance calls, Washington, $10.25. (2) See (1). (3) Services were rendered in connection with housing, credit, labor, railroad reorganization, and general-welfare legislation and protective of the interests of the policy holders of the Prudential Insurance Co. of America. (4) None. (5) See (3).

Washington Taxpayers Association, 1830 Jefferson Place NW, Washington, D. C. (1) Moneys received, contributions from members of the association (none over $500), $857; moneys expended, $533.12. Registrant devotes only part of his time and efforts to association affairs. Of his time and efforts so devoted not more than 10 percent are applied to legislative activities, therefore the sum of $10 is allocated to those purposes. (2) Rufus S. Lusk in the form of management fee, or in reimbursement of amounts expended by him for the association. (3) Clerical services, rent, telephone, etc. (4) The following are names of papers, magazines, periodicals, etc., to which news releases have been sent. Registrant has no information as to the utilization of this material: Washington Evening Star, Washington Times-Herald, Washington Post, Washington Daily News. (5) Any legislation concerning District of Columbia taxation, appropriations, and the efficient and economical operation of the District government.

Watson,[4] Deneen A., 134 South LaSalle Street, Chicago, Ill. (1) Retainer, $1,875, a very small amount of which is directly or indirectly related to lobbying activities; $145.25 for trip to Washington, D. C., March 13–16, 1949. (2) $91.30 to Baltimore & Ohio Railroad; $7.50 to Mayflower Hotel, Washington, D. C. (3) To appear before subcommittee on bankruptcy amendments, Judiciary Committee, House of Representatives. (4) None. (5) To favor House bill H. R. 272 and to oppose H. R. 2691.

Watson, J. R., Mississippi Railroad Association, room 1, Illinois Central Railroad Passenger Station, Post Office Box 2472, Jackson, Miss. (1) No reportable receipts and expenditures. (No segregation of salary as between principal employment and possible incidental concern with matters of Federal legislation. The registrant is of the opinion that his activities for the period covered by this report do not fall within the scope of the Lobbying Act.) (2) None. (3) None. (4) None. (5) Annual employment, primarily for services not related to Federal legislation. Matters of Federal legislation are other and different from and only incidental to principal employment and purpose, but as an incident thereto, legislation pertaining to railroads in Mississippi. None within the period covered by this report.

Waybur, Bruce, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) None received for lobbying purposes; none expended for lobbying purposes. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Webb, Leland D., Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) Nothing received except salary and expenses, no part of which was paid for activities covered by Public Law 601, Seventy-ninth Congress. No expenditures. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Weathersby, Newton Patrick, District No. 44, I. A. of M., Room 303, Machinists Building, Washington, D. C. (1) Salary $1,000; $15 legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying, i. e., supporting or opposing, as the case may be, legislation affecting working conditions of Government employees and incidentally organized labor in general. Not more than 10 percent of time spent on this work. (5) All legislation affecting working conditions of Government employees and occasionally organized labor in general.

Webb, William H., 1720 M Street NW., Washington, D. C.; Big Sandy Valley Association, Inc., 1010 Second National Bank Building, Ashland, Ky. (1) Received $100 on March 4, 1949, covering retainer fee of $50 per month for the months of March and April 1949. Expended nothing. (2) Amount indicated above paid to William H. Webb. Nothing paid by him to anyone. (3) As retainer fee. (4) None. (5) Legislation authorizing improvement of the Big Sandy River, Tug, and Levisa Forks, Ky., and W. Va., as recommended by the Army engineers.

Webb, William H., 1720 M. Street NW., Washington, D.C.; Robert F. Kleppinger, 1720 M Street NW., Washington, D. C. (1) None. (2) No one. (3) [Blank.] (4) None in this connection. (5) Legislation to restore certain funds seized under the Trading With the Enemy Act, as amended.

Webb, William H., 1720 M Street NW., Washington, D. C.; National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C. (1) See attached schedule.[1] (2) Various individuals, corporations, and organizations, as indicated on attached schedule.[1] (3) As indicated in attached schedule,[1] and for miscellaneous office, personal, and traveling expenses. (4) Waterways; Waterways Journal; and the Workboat. (5) "All laws and regulations needed to promote the maintenance and improvement of waterways, the development and protection of water transportation," etc.

Weingarten, J. W., 1004 Farnam Street, Omaha, Nebr.; Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. (1) No money received or expended by me during the quarter ending March 31, 1949, on account of lobbying activities. I received my regular monthly compensation described in last report for the duties of my office but neither received nor expended any money in connection with any lobbying activity. (2) None. (3) None. (4) None. (5) Legislation affecting railroad business.

Weishaar, Wayne, Aeronautical Training Society, 1025 Connecticut Avenue, Washington, D. C. (1) Received regular salary as previously reported; expended $24.50 (total). (2) Taxis, $2.40; Congressional Hotel, through National Aviation Trades Association, $22.10. (3) Luncheon. (4) None. (5) Legislation dealing with aviation training under the GI bill. No particular bill has been supported.

Weitzer, Bernard, 3147 Sixteenth Street, Washington, D. C.; Jewish War Veterans of the United States of America, 50 West Seventy-seventh Street, New York, N. Y. (1) Money expended: railroad and plane fares, $113.28; hotel bills, including room and meals, $159.06; taxi fares, $89.35; miscellaneous office expenses, $18.79; postage, $13.93; telephone calls from booths, $13.20; salaries, $2,999.97. Received by Bernard Weitzer. (2) Plane, American Airways; hotels, Piedmont Hotel in Atlanta, New Yorker Hotel in New York; various restaurants, taxi drivers, and telephone booths; office expenses. (3) As indicated by the nature of expenses in (1). (4) The Jewish Veteran. (5) He is to support such legislation as will carry out the purposes of the Jewish War Veterans of the United States of America as expressed in the preamble to its constitution which follows, and to oppose any legislation which would tend to frustrate the purposes therein expressed. "To maintain true allegiance to the United States of America; to foster and perpetuate true Americanism; to combat whatever tends to impair the efficiency and permanency of our free institutions; to uphold the fair name of the Jew and fight his battles wherever unjustly assailed; to encourage the doctrine of universal liberty, equal rights, and full justice to all men; to combat the powers of bigotry and darkness wherever originating and whatever their targets; to preserve the spirit of comradeship by mutual helpfulness to comrades and their families; to cooperate with and support existing educational institutions and establish educational institutions and foster the education of ex-servicemen and our members in the ideals and principles of Americanism; to instill love of country and flag and to promote sound minds and bodies in our members and our youths; to preserve the memories and records of patriotic service performed by the men of our faith; to honor their memory and shield from neglect the graves of our heroic dead."

Welliver, Edward M., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration. He expended a total of $65. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Wenchel, Tannenbaum & Nunan, 1625 K Street NW., Washington, D. C.; David Rosenthal, Scarsdale, N. Y., and Henry Kalman, New Rochelle, N. Y., through their counsel, Brozan & Holman, 25 Broadway, New York, N. Y. (1) None. (2) No funds expended. (3) See answer to (2). 4) None. (5) To support changes in the Internal Revenue Code with respect to family partnerships.

West, Oscar H., 1001–2 Washington Loan & Trust Building, Washington, D. C.; National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y. (1) No money received or expended during preceding calendar quarter. Status of registrant the same as stated in original Form B and accompanying letter of explanation, filed March 6, 1947. (2) [Blank.] (3) [Blank.] (4) Attached article[1] appeared in the Insur-Agent (February),

[4] Filed with the Secretary only.

[7] Filed for fourth quarter, 1948.

[1] Not printed. Filed in the Clerk's office.

[1] Not printed. Filed in the Clerk's office.

Florida Association of Insurance Agents; the Louisiana Insuror (February), Louisiana Association of Insurance Agents; and Northwest Agency Bulletin (March), publication of Washington Association of Insurance Agents and Oregon Association of Insurance Agents. (Three-page article, see original copy.) (5) [Blank.]

Westwood, Howard C., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) Received, $1,500; expended, $137.08. (2) Chesapeake & Potomac Telephone Co., $34.76; Western Union, $25.17; miscellaneous expenses, chiefly mimeographing, $77.15. (3) Long-distance telephone calls, telegrams, teletype messages, transportation within the District of Columbia, and miscellaneous expenses. (4) None. (5) This employment is an ordinary attorney-client retainer for the purpose of rendering general legal advice and assistance. Considerable time is being currently spent and may continue to be spent in the preparation of materials for presentation to Congress in support of proposed legislation to improve marketing conditions in the fruit industry during the postwar interruption in normal export marketing.

Wheeler, Burton K., Jacob Neubauer, 704 Southern Building, Washington, D. C. (1) Mr. Jacob Neubauer of Billings, Mont., through his attorney, Burke & Hibbs of Billings, Mont., forwarded a retainer in the amount of $1,000, for the purpose of assisting the immigration of his relatives now residing in Germany. The nature of the employment necessarily involves conferences with the Displaced Persons Commission, the International Refugee Organization, and other agencies, and, incidental thereto, support of the enactment of appropriate legislation which may be of assistance to Mr. Neubauer's relatives and people similarly situated. Incidental expenses for taxi fare, $1.80. (2) See (1). (3) See (1). (4) None. (5) To support the enactment of appropriate legislation to assist Mr. Neubauer, now residing in Montana, in the immigration of relatives from Germany. See (1).

Wheeler, Burton K., 704 Southern Building. (1) A group of farmers in Teton County, Mont., through Mr. Emil Schultz, one of the group, forwarded a retainer in the amount of $500, for the purpose of aiding them in securing an adjustment of their 1947 Federal crop insurance premiums. The nature of the employment necessarily involves conferences with the Federal Crop Insurance Corporation and other branches of the Department of Agriculture, and, incidental thereto, support of the enactment of appropriate legislation which may provide relief for these farmers. Incidental expenses for taxi fare, $3.20. (2) See (1). (3) See (1). (4) None. (5) To support the enactment of appropriate legislation which may provide relief for farmers as per (1).

Whitaker, Clem, (National Education Campaign-American Medical Association), 1 North La Salle Street, Chicago, Ill. (1) None. See attached statement[1] which is hereby made a part of this report. (2) See (1). (3) See (1). (4) None. (5) See the attached statement[1] which is hereby made a part of this report.

Whitaker, Leone Baxter, 1 North La Salle Street, Chicago, Ill.; National Education Campaign, American Medical Association, 535 North Dearborn Street, Chicago, Ill. (1) None. See the attached statement[1] which is hereby made a part of this report. (2) See (1). (3) See (1). (4) None. (5) See the attached statement[1] which is hereby made a part of this report.

White, John C., care of Fulbright, Crooker, Freeman & White, 838 Transportation Building, Washington, D. C.; American Cotton Shippers Association, Cotton Exchange Building, Memphis, Tenn. (1) No expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Reports have been given on legislation affecting the merchandising and exportation of cotton. The association has supported extension of Reciprocal Trade Agreements Acts and the ECA authorization legislation.

White, Richard P., American Association of Nurserymen, Inc., 635–636 Southern Building, Washington, D. C. (1) Receipts of salary, $2,874.96; expenses reimbursed by employers, $507.03. (2) Expenses paid to various air lines, railroads, hotels, clubs, restaurants, taxis, associations, etc. (3) Attending meetings of association committees, local associations, and payment for miscellaneous publications. (4) [Blank.] (5) Any legislation affecting the nursery industry.

Whitehall, Albert V., 1834 K Street NW., Washington, D. C.; American Hospital Association, 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $2,312.48; reimbursement of travel expenses, $420.73. (2) Various air lines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of the American Hospital Association; Trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Whitlock, Douglas, partner of law firm, Sanders, Gravelle, Whitlock & Howrey, Building Products Institute, room 1032 Shoreham Building, Washington, D. C. (1) Total fee, $4,500, allocated $1,500 to legislative and $3,000 to legal and administrative; total expense, $90.50, allocated $3.50 to legislative and $87 to legal and administrative. (2) Various. (3) Notary, telephone, restaurant, and travel. (4) None. (5) All legislation which may affect the producers of building materials.

Whyte, Louis E., Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) Salary, $483.33 (allocated). This salary also shown in report of the Independent Natural Gas Association of America. (2) No expenditures. (3) None. (4) Regular natural-gas news publications. (5) Any legislation concerning natural gas, we observe and make reports to members.

Wickenden, Miss Elizabeth, American Public Welfare Association, 522 Transportation Building, Washington, D. C.; American Public Welfare Association, 1313 East Sixtieth Street, Chicago, Ill. (1) $935 (part time) salary received. (2) None. (3) [Blank.] (4) APWA letter to members. (5) Any legislation affecting public-welfare administration.

Wilken, Carl H., 1345 Euclid Street NW., Washington, D. C., self. (1) None. No report filed last quarter 1948. If filed, would be same as this report. (2) None. (3) None. (4) None. (5) None.

Wilkinson, Ernest L.; Goodwin, Francis M., and Wilkinson, Glen A., 744 Jackson Place NW., Washington, D. C.; Klamath Tribe of Indians of Oregon, Klamath Agency, Oreg. (1) Received $1,250 for legal services, a portion of which is allocable to legislative activities. Expended $79.36 as follows: telephone, $51.29; telegraph, $12.07; overtime stenographic services, $9; notary-public charges, $1; taxicabs, $5, and extra postage, $1. (2) See (1). (3) See (1). (4) None. (5) Opposing S. 186, S. 188, and H. R. 1537.

Wilkinson, Ernest L.; Goodwin, Francis M., and Wilkinson, Glen A., 744 Jackson Place NW., Washington, D. C.; Menominee Tribe of Indians of Wisconsin, Keshena, Wis. (1) Received $997.50 for legal services, a small portion of which is allocable to legislative work. Expended $26.14 as follows: telegraph, $1.10; overtime stenographic services, $3.75; postage, $1.59; taxicabs, $19.70. (2) See (1). (3) See (1). (4) None. (5) Supporting S. 691, S. 1207, H. R. 1921, H. R. 1926, and H. R. 3396; opposing S. 186, and H. R. 2724.

Wilkinson, Ernest L., and Wilkinson, Glen A., 744 Jackson Place NW., Washington, D. C.; Radio Service Corporation of Utah, 10 South Main Street, Salt Lake City, Utah. (1) Received $5,000 for partial payment of services from January 1, 1948, through June 30, 1948, an undetermined portion of which is allocable to legislative activities. Expended $18.34 for overtime stenographic services, copies of S. 491, and taxi fares. (2) See (1). (3) See (1). (4) None. (5) Opposing S. 491, and H. R. 4004.

Willard, A. D., Jr., National Association of Broadcasters, 1771 N Street NW., Washington, D. C. (1) $6,250.02 received for services as executive vice president of the National Association of Broadcasters for the quarter ending March 31, 1949; $1,998.43 received as reimbursement for business expenses for same period. (2) Various air lines, railroads, taxi companies, communication companies, hotels, and restaurants, etc. (3) The amounts set forth above were received and/or expended in carrying out my normal duties as executive vice president, acting as administrative officer at the headquarters of the National Association of Broadcasters, only a small part of which duties directly or indirectly involve Federal legislation. None of this money was received or expended for the specific purpose of attempting to influence the passage or defeat of any Federal legislation. (4) None. Miscellaneous information is furnished to members through weekly bulletin. (5) None. I am interested in any legislation, Federal or State, which may affect the radio broadcasting industry.

Willenbucher, Franz Otto, Retired Officers' Association, 1600 Twentieth Street NW., Washington, D. C. (1) Received $1,650. No part of this sum was received specifically for the purpose of attempting to influence legislative action. (2) Expended nothing. (3) See (1) above. (4) Retired Officers' Association Bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service

Williamson, C. J. S., 901 Shoreham Building, Washington, D. C.; California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif. (1) Salary at the rate of $8,000, or $2,000. Washington expense allowance at the rate of $1,800 or $450. (2) [Blank.] (3) During first quarter of 1949 none of my activities fell within the provisions of title III, Public Law 601, Seventy-ninth Congress. (4) [Blank.] (5) [Blank.]

Williamson, John C., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $541.67 per month as salary minus social-security and withholding taxes; $75.25 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative News letter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

Willingham,[1] Carl H., Washington Loan & Trust Building, Washington, D. C.; Oneida, Ltd., Oneida, N. Y., National Association Chain Drug Stores, 4 Park Avenue, New York, N. Y. (1) Received $3,500; expended $388. (2) Railroads, planes, taxis, meals. (3) Travel. (4) None. (5) Excise taxes, Fair Labor Standards Act.

[1] Not printed. Filed in the Clerk's office.

[1] Filed for fourth quarter 1948.

Willingham,[8] Carl H., Washington Loan & Trust Building, Washington, D. C.; Oneida, Ltd., Oneida, N. Y., National Association of Chain Drug Stores, 4 Park Avenue, New York, N. Y. (1) Received $4,000; expended $486.50. (2) Railroad, planes, trains, meals. (3) Travel. (4) None. (5) Excise taxes; Fair Labor Standards Act.

Wilson, Eugene E., Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Wilson, E. Raymond, Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary: January, February, March, $1,625; travel expense, $285.61. (2) Various. (3) Travel is for the purpose of attending yearly meetings, quarterly meetings, conferences of Friends and other groups to interpret developments in national and international policy, with special reference to legislation, and for other committee business. (4) We send a news letter to a limited number of subscribers and Friends about once a month. (5) In general, to support measures leading to peace and humanitarian ends, such as world organization and world economic stability, world disarmament, foreign relief, aid to refugees, protection for racial minorities; support for the rights of conscience; opposition to conscription and the militarization of America.

Wilson, Everett B., Jr., Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C. (1) $750 monthly from Association of Sugar Producers of Puerto Rico, but not for principal purpose of influencing legislation, which is a minor part of my activities. (2) None for purpose of influencinc legislation. (3) None. (4) Newspapers in Puerto Rico only. (5) None.

Wilson, Frank E., M. D., American Medical Association, suite 301, 1302 Eighteenth Street NW., Washington, D. C. (1) Total receipts, $2,123.98; total expense, $139.28. (2) Palmer House, B. & O. Railroad. (3) Travel, hotels, meals, local transportation and miscellaneous. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

Wilson, J. B., Wyoming Wool Growers Association, McKinley, Wyo. (1) Wyoming Wool Growers Association, McKinley, Wyo., paid salary, $1,500; expenses paid by National Wool Growers Association, $1,636.90. (2) J. B. Wilson, whose principal employment is as secretary of the Wyoming Wool Growers Association. Lobbying for or against legislation is a part of his duty, but not his principal occupation and for which he receives no additional compensation. His expenses, however, are paid by the National Wool Growers Association as a member of their legislative committee. (3) Transportation, hotel, meals, and tips, telephone and telegraph, express, taxicabs, stamps, and stenographer. (4) J. B. Wilson is secretary of the Wyoming Wool Growers Association and editor of the Wyoming Wool Grower, a semimonthly publication, published by the Wyoming Wool Growers Association for its members. (5) To support any legislation affecting wool growing industry, including wool bills, support price legislation, tariff, public land legislation, etc.

Wilson,[9] Robert J., 2003 I Street NW., Washington, D. C., Washington Restaurant Association, 2003 I Street NW., Washington, D. C., National Restaurant Association, 8 South Michigan Avenue, Chicago, Ill. (1) No funds received for lobbying. (2) No one. (3) None. (4) None. (5) Wage and hour, but not paid anything for this.

[8] Filed for first quarter, 1949.

[9] Filed with the Clerk only.

Wingert, E. L., 1 West Main Street; Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis. (1) Received my share of retainer fee paid my firm for general services as legal counsel for Wisconsin State Chamber of Commerce, involving mainly services unrelated to Federal legislation. Aside from that, received nothing for use in influencing Federal legislation, and expended nothing for that purpose. (2) [Blank.] (3) [Blank.] (4) None. (5) Such legislation affecting business and industry generally as I may be instructed to give attention to from time to time.

Winn, Arthur L., Jr., Investment Building, Washington, D. C.; National Independent Meat Packers Association, 740 Eleventh Street N. W., Washington, D. C. (1) La Roe, Brown, & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) Senate Resolution 36; H. R. 858; tax legislation; labor legislation; Senate Resolution 58; H. R. 73; H. R. 347; S. 336; tax exemption of cooperatives; S. 548; S. 249; S. 248; and H. R. 1211.

Winter, Everett T., 719 Omaha National Bank Building, Omaha, Nebr.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with legislative matters, $1,121.79, all reimbursed by Mississippi Valley Association; 1 round trip, Omaha to Washington, D. C. (January 9 to February 1); 1 one-way trip, Omaha to Washington (February 9 to March 31). (2) Railroads, air lines, etc., $211.26; hotels and miscellaneous, $910.53. (3) Travel, subsistence, and incidentals. (4) None. (5) Legislation relating to river and harbor maintenance and improvement, the American merchant marine, soil conservation, flood control, regulation of domestic transportation.

Woodrum, Clifton A., president, American Plant Food Council, Inc., 910 Seventeenth Street N. W., Washington, D. C. (1) Taxi fare, telephone, and telegraph, $50; copies stenographic report of hearings, $142; stenographic and clerical in re information service, $100; total, $292. (2) See above. (3) In re fertilizer-supply hearings before House Committee on Agriculture, March 15 and 16, 1949. (4) None. (5) Interested in fertilizer hearings above-mentioned, opposed to H. R. 855 and H. R. 3045, Eighty-first Congress. (See statement filed with original registration).

Woodul, Walter F., Chronicle Building, Houston, Tex.; Angelina & Neches River Railroad Co., Keltys, Tex.; Burlington-Rock Island Railroad Co., Houston, Tex.; the Chicago, Rock Island & Pacific Railway Co., Fort Worth, Tex.; Fort Worth & Denver City Railway Co., Fort Worth, Tex.; Gulf, Colorado & Santa Fe Railway Co., Galveston, Tex.; the Kansas City Southern Railway Co., Kansas City, Mo.; Louisiana & Arkansas Railway Co., Kansas City, Mo.; International-Great Northern Railroad, Houston, Tex.; Missouri-Kansas-Texas of Texas, Dallas, Tex.; New Orleans, Texas & Mexico Railway Co., Houston, Tex.; Panhandle & Santa Fe Railway Co., Amarillo, Tex.; Paris & Mount Pleasant Railroad Co., Paris, Tex.; Quanah, Acme & Pacific Railway Co., Quanah, Tex.; St. Louis, San Francisco & Texas Railway Co., Fort Worth, Tex.; St. Louis, Southwestern Railway Co. of Texas, St. Louis, Mo.; Southern Pacific Co., San Francisco, Calif.; Texas & New Orleans Railroad Co., Houston, Tex.; Texas South-Eastern Railroad Co., Diboll, Tex.; the Texas & Pacific Railway Co., Dallas, Tex.; the Texas Mexican Railway Co., Laredo, Tex.; the Union Terminal Co., Dallas, Tex.; Wichita Falls & Southern Railroad Co., Wichita Falls, Tex.; the Wichita Valley Railway Co., Fort Worth, Tex. (1) Compensation as previously reported, and reimbursement of out-of-pocket expenses for months of December 1948 and January and February 1949 in the sum of $738.70. (2) Pullman Co., $71.14; Washington Hotel, $246.69; Shoreham Hotel, $323.99; Texas Co., $29.91; Standard Service Center, $12.04; and to various hotels, eating places, and others, in amounts less than $10. (3) Transportation, $126.48; hotels, $593.18; meals, $154.32; entertaining, $135.87; and telephones, tips, taxis, and incidentals, $75.20. (4) None. (5) All legislation affecting Texas railroads.

Woodward, Guy H., 605 Commonwealth Building, Washington, D. C.; Midcontinent Oil and Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Attorney's retainer fee, $6,250, which amount includes compensation for services in connection with legislative matters in which the oil and gas industry is interested. Expended, $15.75. (2) Taxi fares. (3) See (2). (4) None. (5) Legislation with respect to which the oil and gas industry is interested.

Wootton, Edward W., Wine Institute, 900 National Press Building, Washington, D. C. (1) $3,000 salary and $600 general expense received quarterly as manager of the Washington office of the Wine Institute, principal offices at 717 Market Street, San Francisco. (2) Received by the undersigned for all services as manager of this office, some of which services involve legislative activity. (3) See (1) and (2) above. No expenditures were made by undersigned to any other person for legislative purposes. (4) None. (5) Activity with reference to bills affecting California wine and brandy industry and particularly Fair Labor Standards Act, Reciprocal Trade Agreements Act, and proposed revision of provisions of Internal Revenue Code relating to wine and brandy operations.

Wozencraft, Frank W., 605 Southern Building, Washington, D. C., Independent Bankers Association, Twelfth Federal Reserve District, Failing Building, Portland, Oreg. (1) $3,000 fees for services. (3) [Blank.] (3) [Blank.] (4) None. (5) Bank holding company legislation.

Wright, Mrs. Leslie B., chairman of legislation, General Federation of Women's Clubs, 4620 Thirtieth Street NW., Washington, D. C. (1) For January, February, March, 1949, for postage, subscriptions to magazines and miscellaneous expense, $38.30. (2) See (1). (3) See (1). (4) [Blank.] (5) Not employed for pay. A volunteer worker for the General Federation of Women's Clubs. The general federation supports legislation which pertains to the welfare of the home and to the general welfare, after given authority through the adoption of resolution by the delegate body.

Wunluck, William H., Durkee Famous Foods, 3655 Iron Street, Chicago, Ill. (1) Actual living and traveling expenses for two trips to Washington, D. C., $350.82. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) For repeal of margarine taxes and discriminations.

Yaden, James G., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received, $2,750 and expenses. (2) Taxes, grocery stores, service stations, merchants, restaurants, miscellaneous for tips, postage, supplies, etc., banks and savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, taxes. (4) The Government Standard. (5) Pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Yeaman, Addison, Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. (1) Registrant has received no moneys and has expended no moneys except his regular salary and traveling expenses, which were paid without regard to registrant's activities under the so-called Lobbying Act.

(2) See (1), above. (3) See (1), above. (4) None. (5) H. R. 2016.

Yeghenian, Ave., 70 West Fortieth Street, New York, N. Y.; Mrs. Marie Gulbenkian, St. Moritz Hotel, New York, N. Y. (1) None. (2) No one. (3) None. (4) None. (5) H. R. 3771, S. 1214. No further report will be filed by me, as I have no further lobbying activity to perform.

Yonkers, Andrew J., 26 Broadway, New York, N. Y.; Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y. (1) Salary (this represents one-quarter of the amount of registrant's annual remuneration which is attributable to the performance of duties which are subject to the Lobbying Act), $1,125; reimbursement for traveling expenses, $910.65; money expended (in connection with duties related to the Lobbying Act), $910.65. (2) Railroads, airlines, taxis, hotels, restaurants, telephones, and tips. (3) Normal traveling expenses (4) None. (5) Legislation affecting the petroleum industry.

Young, Donald A., Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C. (1) Salary, $1,375; expended, $38.91; meals, $23; transportation, $13.60; telephone $2.31. (2) Restaurant, taxi companies, telephone company. (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Young, Robert R., 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Railway Progress, volume II, No. 11, January 1949; volume II, No. 12, February 1949; volume III, No. 1, March 1949. (5) None.

Youngman, William S., Jr., 1016 Investment Building, Washington, D. C. (1) None. (2) Nothing paid. (3) Inapplicable. (4) None. (5) Clarification of Federal Internal Revenue Code provisions relating to distribution by regulated investment companies of stock dividends.

Zimmerman & Norman, 111 West Monroe Street, Chicago, Ill.; Marquette Cement Manufacturing Co., 20 North Wacker Drive, Chicago, Ill. (1) None received; expenses of $1,330.56 paid out, for which reimbursement is expected. (2) Various. (3) Hotel accommodations, transportation, and incidental expenses, stenographic and printing services, mailing lists, railroad transportation, telephone service, copies of publications by others, stamps. (4) None, except the Chicago Journal of Commerce was advised of its error in reporting statement before congressional committee, resulting in subsequent clarifying article in the Journal. (5) Information has been furnished relating to and in support of legislation protecting the freedom to compete and thus to further the welfare of the country.

Zook, John D., 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio; Ohio Chamber of Commerce, Columbus, Ohio. (1) Columbus to Washington, D. C., and return, $167.29. (2) Pennsylvania Railroad and Statler Hotel. (3) Actual and necessary traveling expenses on employer's business. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

SENATE

FRIDAY, MAY 6, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, who art the light of all that is true, the strength of all that is good, and the inspiration of all that is beautiful, grant that daily we may accept the Master's overtures of counsel and companionship as we come to the sacrament of public service.

We pray that our minds may be impervious to all thoughts of personal aggrandizement. Deliver us from those attitudes and desires which are alien to the spirit of our blessed Lord.

Help us to believe that it is the high vocation of our beloved country to bring the blessings of democracy and freedom to all mankind.

Hear us in Christ's name. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 5, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution in which it requested the concurrence of the Senate:

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes;

H. R. 4080. An act to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

CALL OF THE ROLL

Mr. MYERS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	McClellan
Baldwin	Gillette	McFarland
Brewster	Gurney	McGrath
Bridges	Hayden	McKellar
Butler	Hendrickson	McMahon
Byrd	Hickenlooper	Martin
Cain	Hill	Maybank
Chapman	Hoey	Miller
Chavez	Humphrey	Mundt
Connally	Hunt	Murray
Cordon	Ives	Myers
Douglas	Jenner	Neely
Downey	Johnson, Colo.	O'Conor
Eastland	Johnson, Tex.	O'Mahoney
Ecton	Johnston, S. C.	Reed
Ellender	Kefauver	Robertson
Ferguson	Kilgore	Russell
Flanders	Langer	Saltonstall
Frear	McCarran	Schoeppel
Fulbright	McCarthy	Smith, N. J.
Sparkman	Thye	Wiley
Stennis	Tydings	Williams
Taft	Vandenberg	Young
Thomas, Okla.	Watkins	
Thomas, Utah	Wherry	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate on official business.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] is absent on public business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on official business in the State of Florida.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Idaho [Mr. TAYLOR] are detained on official business at meetings of committees of the Senate.

The Senator from Illinois [Mr. LUCAS] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Kentucky [Mr. WITHERS] is absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Missouri [Mr. KEM] is absent on official business.

The Senator from California [Mr. KNOWLAND] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Massachusetts [Mr. LODGE] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Ohio [Mr. BRICKER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Oregon [Mr. MORSE] are detained on official business.

The PRESIDENT pro tempore. A quorum is present.

LEAVES OF ABSENCE

Mr. SALTONSTALL asked and obtained consent to be absent from the sessions of the Senate from 3:30 o'clock this afternoon until Tuesday morning next.

Mr. CAIN asked and obtained consent to be absent from the session of the Senate today, beginning at 3 o'clock.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

DISPOSITION OF EXECUTIVE PAPERS

The PRESIDENT pro tempore laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several de-

partments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

ECONOMY IN GOVERNMENT — LETTER FROM D. R. HALL TO SENATOR BUTLER

Mr. BUTLER. Mr. President, I do not often burden the CONGRESSIONAL RECORD with any of my correspondence, but a few days ago I received a letter which I consider rather exceptional, and which I am sure the Members of the Senate would be interested in reading. I ask unanimous consent that the letter may be inserted in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OMAHA, NEBR., *April 27, 1949.*

Senator HUGH BUTLER,
Senate Office Building,
Washington, D. C.

DEAR SIR: I have lived in Omaha and Nebraska now for about 52 years, and this marks the first occasion I have ever had to address my duly elected representative.

I hesitate even now, as the thought keeps running through my mind: "What good will it do? Why waste your time? Who cares about what you think or say?" But for some reason, unknown to myself, I keep on writing.

I guess I do it because I was raised in a God-fearing family, that taught me to give a day's work for a day's pay, and keep my bills paid, and, above all, be loyal to my country and always guard our freedom well. Sounds rather strange when you actually put it on paper, but I can always remember hearing those words.

The thing that's bothering me, and has for some time now, is when are we going to begin practicing a little economy in our government? When is somebody going to call a halt to all this spending? And taxing?

Doesn't anybody ever say "No"?

I have to say "No" every day in operating on my income. Why isn't the same thing practiced in government as by it's individual citizens? Government—ours especially—is supposed to be made up of its citizens. Why, then, doesn't our Government today give some thought to the economy of the citizen and some relief in taxes, instead of passing more laws to raise taxes?

What I want is a chance to live within my income. I'll get along without all this so-called social security, socialized medicine, and health programs, providing everything I earn isn't taxed away from me—and the way this present Congress has been appropriating my money doesn't leave me very encouraged.

I'd like to see lower governmental expenses, which should mean lower taxes to me and thousands of other workers like me. I'd like to take home the money I earn and have a chance to spend it for the necessities to keep both ends meeting again.

Yours truly,

D. R. HALL.

OPPOSITION TO PROPOSED INCREASE IN SECOND-CLASS POSTAGE RATES

Mr. LANGER. Mr. President, on behalf of my colleague the junior Senator from North Dakota [Mr. YOUNG] and myself, I present for appropriate reference and ask unanimous consent to have printed in the RECORD the digest of presentation by the Elks magazine to committees of Congress in opposition to the proposed increase in second-class postage rates. I might add that the subscription price of the Elks magazine is only $1 a year, and if the proposed increase in postage rates goes into effect, it will put the magazine out of business.

There being no objection, the digest was referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

DIGEST OF PRESENTATION BY THE ELKS MAGAZINE TO COMMITTEES OF CONGRESS IN OPPOSITION TO PROPOSED INCREASE IN SECOND-CLASS POSTAGE RATES

The Benevolent and Protective Order of Elks is incorporated as a nonprofit corporation under the laws of the District of Columbia, and none of its net income inures to the benefit of any private stockholder or individual.

The order's charter provides "that the business of such corporation is benevolent and charitable, and to inculcate the principles of charity, justice, brotherly love, and fidelity; to promote the welfare and enhance the happiness of its members; to quicken the spirit of Americanism; to cultivate good fellowship; to perpetuate itself as a fraternal organization; and to provide for its government."

The Elks magazine is the official publication of the order. Any surplus above the actual cost of producing the magazine is applied to the patriotic, humanitarian, charitable, and civic activities of the order. In its 27 years of publication, the magazine has contributed $4,580,279.19 to the order for these purposes.

The Elks magazine is devoted largely to stimulating the members to support the charitable, patriotic, and humanitarian activities of the order, expenditures for which from 1923 to 1948, inclusive, totaled $64,197,430.85. In the year ended March 31, 1948, the sums spent for these purposes totaled $5,765,239.76. Among the activities promoted by the magazine are:

The Elks National Foundation, a $2,000,000 charitable trust, the income from which is used to further the charitable, educational, and benevolent activities of the order.

The Elks War Commission, which assumed full responsibility for recruitment of Army Construction Engineers and Navy Seabees, assisted in a program to recruit Navy and Army Air Corps mechanics personnel, recruited 1,300 nurses for Veterans' Administration, conducted a program of veterans' rehabilitation, and maintained 155 fraternal centers where men and women of the armed forces were provided recreation and entertainment.

The Elks National Veterans Service Commission, successor to the war commission, which provides entertainment for every disabled veteran still hospitalized, and also supplies material and equipment for occupational therapy.

The Elks magazine gives freely of its space to promote projects of the armed services, other governmental agencies, and many public charitable programs. In the past 3 years alone the Elks magazine has donated an average of more than a full page per month, with a total advertising value of over $50,000, to such agencies and programs as the United States Treasury and Coast Guard, Public Policy Committee, American Red Cross, American Cancer Committee, United Service Organization, community chest, Easter seals, March of Dimes, tuberculosis seals, American Heart Association, CARE.

If the proposed increase in postal rates became effective, the Elks magazine's postage bill would be increased to 600 percent. This would compel the magazine to cease publication or force a drastic curtailment in its size. In either event the charitable, educational, patriotic, and governmental activities conducted by the order would either cease or be greatly crippled, and, furthermore, the Government would lose postal revenue rather than increase it.

AMENDMENT OF FAIR LABOR STANDARDS ACT—RESOLUTION OF COUNCIL OF WINOOSKI, VT.

Mr. AIKEN. Mr. President, on behalf of my colleague the junior Senator from Vermont [Mr. FLANDERS] and myself, I present for appropriate reference a resolution adopted by the Council of the City of Winooski, Vt., favoring the enactment of House bill 3190, to provide a minimum wage of 75 cents an hour, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION IN RE H. R. 3190, 75-CENT MINIMUM WAGE BILL

Whereas the general welfare, health, and happiness of the people, and especially the children of Winooski, are greatly dependent upon the workingman receiving a fair and decent wage to allow him to purchase the necessities of life for himself and his family, to provide for their necessary hospital and medical care in case of sickness, to afford for each child the opportunity of an education in the field of his choice; and

Whereas there is now pending before Congress H. R. 3190, a bill in amendment to the present Fair Labor Standards Act, calling, among other things, for a minimum wage of 75 cents per hour; and

Whereas the passage of said legislation will greatly benefit the majority of the people of Winooski, and guarantee to them a decent wage, future security, and pave the way for a better and brighter life: Now, therefore, it is hereby

Resolved by the City Council of the City of Winooski as follows:

1. That said council does hereby go on record as favoring the passage of H. R. 3190, without amendment, and as reported out by the House Labor Committee.

2. That the city clerk be, and he is hereby, instructed and directed to forward a copy of these resolutions to our two Senators and to our Representative in Congress for their attention and consideration.

FEDERAL AID TO EDUCATION—RESOLUTION OF VIRGINIA, MINN., CHAMBER OF COMMERCE

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the Virginia, Minn., Chamber of Commerce, favoring the enactment of Senate bill 246, providing Federal aid to education, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Be it resolved, That the Virginia, Minn., Chamber of Commerce advocate the passage of the bill now in the United States Senate, known as S. 246, more commonly known as the educational bill, and that a copy of this resolution be sent to United States Senators, EDWARD J. THYE and HUBERT H. HUMPHREY,

and Congressman JOHN A. BLATNIK, with the request that they lend their effort toward the passage of this very vital bill.

Director Vern Anderson supported the foregoing resolution, and upon roll call the same was duly adopted.

Dated this 8th day of April 1949.

VIRGINIA, MINN., CHAMBER OF COMMERCE,
By M. J. SHANEDLING, *President.*
ANDREW BRADISH, *Secretary.*

MISSOURI RIVER BASIN—RESOLUTION OF REPUBLICAN VALLEY CONSERVATION ASSOCIATION

Mr. WHERRY. Mr. President, on Wednesday of this week I made a statement from this floor, asking support of the Senate in a request upon the Honorable Secretary of Agriculture for delivery to Congress without further delay of the report and recommendations for a Department of Agriculture Flood Control program for the 10 States comprising the Missouri River Basin.

In this connection, I ask unanimous consent to include in the RECORD at this point, as part of my remarks a resolution unanimously adopted at the annual meeting of the Republican Valley Conservation Association, in session this week at McCook, Nebr.

The resolution forwarded to me in a telegram from Mr. Harry D. Strunk, association president, reads as follows:

Whereas extensive reclamation work is under way in the Republican River Basin under the Pick-Sloan plan;

Whereas it is our firm belief that precautionary measures must be taken to further prevent erosion and water run-off from table lands, thereby silting the major reservoirs and damaging lands under irrigation: Be it

Resolved, That the Republican Valley Conservation Association wholeheartedly supports the stand of Senator KENNETH S. WHERRY with regard to this program, and respectfully urges the Senate committee on appropriations to withhold department of Agriculture funds for fiscal 1950 until the Secretary of Agriculture submits the authorized Missouri River watershed plan for flood control to the Congress.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. GEORGE, from the Committee on Finance:

S. 266. A bill removing a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional, or domiciliary care; with amendments (Rept. No. 337).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JENNER:

S. 1787. A bill for the relief of John J. Snoke; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 1788. A bill to set aside certain lands in Oklahoma formerly a part of the Cheyenne-Arapaho Reservation and known as the Fort Reno Military Reservation for the Cheyenne-Arapaho Tribes of Indians of Oklahoma; to the Committee on Interior and Insular Affairs.

S. 1789. A bill for the relief of Ralph W. Pfeiffer; to the Committee on the Judiciary.

(Mr. ECTON (for himself, Mr. LANGER, and Mr. HENDRICKSON) introduced Senate bill 1790, to amend the Classification Act of 1923, as amended, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. McMAHON:

S. 1791. A bill for the relief of Charlotte Johanna Joles and Joel Joles; and

S. 1792. A bill for the relief of Thomas Nicholas Epiphaniades and Wanda Julia Epiphaniades; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1793. A bill to provide for the location of mining claims by geological and geophysical prospecting methods, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TYDINGS:

S. 1794. A bill to repeal certain obsolete provisions of law relating to the naval service; and

S. 1795. A bill authorizing the detail of officers, warrant officers, and enlisted men of any component of the Army of the United States or of the Air Force of the United States to certain duties authorized for officers, warrant officers, or enlisted men of the Regular Army or Regular Air Force; to the Committee on Armed Services.

S. 1796. A bill to provide indemnity for contractors with any agency of the National Military Establishment against claims arising out of contracts for cloud modification research or development, and for other purposes;

S. 1797. A bill for the relief of Anna Lucille Jones and Paul Jones Johnson; and

S. 1798. A bill for the relief of Mrs. Minda Moore; to the Committee on the Judiciary.

By Mr. HICKENLOOPER (for himself and Mr. GILLETTE):

S. 1799. A bill authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; to the Committee on Public Works.

By Mr. JOHNSON of Colorado:

S. 1800. A bill for the relief of J. Don Alexander;

S. 1801. A bill for the relief of Mrs. Effie S. Campbell; and

S. 1802. A bill for the relief of Anastasios Kollias; to the Committee on the Judiciary.

By Mr. VANDENBERG:

S. 1803. A bill to authorize the attendance of the United States Marine Band at the Twenty-third Annual Convention of the Reserve Officers Association of the United States, to be held in Grand Rapids, Mich., July 27 through July 30, 1949; to the Committee on Armed Services.

By Mr. THYE:

S. 1804. A bill to authorize the Secretary of the Interior to withhold certain wildlife-restoration project payments in the case of any State which unreasonably discriminates against nonresident hunters; to the Committee on Interstate and Foreign Commerce.

(Mr. HUMPHREY introduced Senate bill 1805, to authorize grants and loans to cooperatives and nonprofit associations, operating medical and hospital-care plans, for the acquisition, construction and equipment of needed facilities, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. MYERS:

S. 1806. A bill for the relief of Leopold Czihal; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1807. A bill authorizing the Secretary of the Interior to issue a patent in fee to Robinson Smith; to the Committee on Interior and Insular Affairs.

By Mr. McMAHON:

S. J. Res. 88. Joint resolution extending the authority of the Maritime Commission to sell, charter, and operate vessels; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONOR:

S. J. Res. 89. Joint resolution to authorize the Postmaster General to withhold for 60 days power boat contracts for carrying mail; to the Committee on Post Office and Civil Service.

AMENDMENT OF CLASSIFICATION ACT OF 1923

Mr. ECTON. Mr. President, I introduce for reference to the appropriate committee a classification bill which amends the Classification Act of 1923, as amended, at the request of the Government Employees' Organization.

This bill is a result of the experience gathered by the employees working under the old Classification Act. It grants a small increase in the minimum of the lower grades of the present Classification Act up to CAF–9. This bill provides an equitable method of handling the controversial down grading in efficiency. It grants to the employees of the departments or agencies the right of appeal, and such an appeal places the burden of proof for the action on the Government.

In the Veterans' Preference Act of 1944 and the appeal practice written into law, veterans have the right of appeal in this type of case to the Board of Appeals and Review of the United States Civil Service Commission. No such right is vested in the career nonveteran employees.

This is a bill that grants the same right of appeal to all Government employees.

The Senator from North Dakota [Mr. LANGER] and the Senator from New Jersey [Mr. HENDRICKSON] are joining with me in the introduction of this bill.

The bill (S. 1790) to amend the Classification Act of 1923, as amended, introduced by Mr. ECTON (for himself, Mr. LANGER, and Mr. HENDRICKSON), was read twice by its title, and referred to the Committee on Post Office and Civil Service.

COOPERATIVE HEALTH PROGRAM

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill providing for a cooperative health program, and I ask unanimous consent that an explanatory statement prepared by me, together with a communication from the Cook County Hospital Committee of Grand Marias, Minn., signed by James V. Creech, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement and communication will be printed in the RECORD.

The bill (S. 1805) to authorize grants and loans to cooperatives and nonprofit associations, operating medical and hospital care plans, for the acquisition, construction, and equipment of needed facilities, introduced by Mr. HUMPHREY, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement and communication are as follows:

STATEMENT BY SENATOR HUMPHREY IN CONNECTION WITH THE INTRODUCTION OF THE COOPERATIVE HEALTH ACT

The purpose of this act is to assist cooperatives and other nonprofit associations to initiate and carry out voluntary, prepaid medical care plans for their members by means of Federal loans and grants to be used for the acquisition, construction, and equipping of much-needed clinical and health-center facilities.

The amount authorized for appropriation is $25,000,000 per year for each of five consecutive years. This would provide the necessary funds to finance about 250 plans per year, or an average of about 5 per State.

One of the greatest social needs in the country today is to find a way to bring about a better distribution of medical care. The problem is how to bring a doctor and the blessings of modern medicine to the shortage areas, particularly the rural area.

In the great Midwest we have learned from long experience that the doctors are failing to locate in rural areas and are moving to the larger cities, mainly for two reasons: (1) the lack of a modern medical workshop necessary for the practice of modern medicine, and (2) the lack of assured incomes from year to year, especially in times of low farm income.

The farm people in the Midwest and in other farm areas of the country are accustomed to working out their own problems in their own way. They have learned to work together to better their economic lot by the device of cooperation. Now they are interested in using that technique to help themselves in the field of health care.

These people are anxious to develop voluntary prepaid medical care plans on a community or area basis in order to provide the funds to assure adequate income to physicians who will locate in their area. However, the first step, and the most difficult one, is the obtaining of the necessary capital to finance the clinic or health center. Many of these organized groups have attempted to raise the necessary capital funds from their own resources, only to find that they cannot obtain a sufficient amount to pay for the high cost of construction. When they attempt to find financing in the usual channels, such as the financial institutions and insurance companies, they find that lending agencies are not interested in this type of investment.

In this situation the Federal Government can be of great assistance. Most of all, these people want the opportunity to borrow the necessary funds for the physical facility on a long-term basis at a low rate of interest. They have seen how successfully this has worked in the rural electrification program and they feel that there is no reason why the same technique cannot be applied in another field of great human need. However, as we all know, there are some very low income areas in the country which will not be able to repay a loan even under the most liberal terms. Therefore, my bill also provides for grants.

The Surgeon General would be authorized under this bill to survey the situation and upon application of a voluntary plan, he would determine whether to make a long-term loan or a grant, or a combination of both, to assist the community group in financing part or all of the cost of the health facility.

This bill simply helps people to help themselves. It fills a gap which is left open under our present program of assistance for hospital construction.

I need not point out to those of you from rural States that many rural areas are not able to finance the community share of the cost of a hospital, much less to sustain the hospital after it is built. What many of these communities need is a smaller facility such as a health center which is a clinic with five to twenty-five beds in the same structure. With such a facility, staffed with a few doctors, 80 to 90 percent of the day-to-day medical care needs of the area can be adequately cared for. Such a facility could take care also of maternity, injury, and emergency surgery cases free. The chronic and elective surgery cases not requiring immediate attention would be cared for in the hospital located in the neighboring town or county.

Three national rural health conferences, under the auspices of the American Medical Association, have studied this problem, and it is the consensus of the large farm organizations in the country that many of the problems of health they face can largely be worked out by the people themselves on a local community level. The granting of Federal assistance would give great impetus to the widespread demand for providing modern facilities to induce physicians to locate in rural areas.

However, this bill is not limited to rural areas alone. There is a shortage of adequate medical care at a cost within the reach of industrial workers in large cities. Many of our labor unions have large health and welfare funds. The membership of these unions desire comprehensive direct-service medical-care plans financed by these funds. Here again the great problem is to find the necessary capital to finance the clinic or health center to be located in the industrial areas of our large cities. This bill would suit the need in these areas as well.

From the standpoint of physicians, this Federal assistance would provide the means for increasing the availability to the medical profession of modern workshops which they themselves cannot finance. Also, because this bill stimulates self-help, prepayment plans, the funds will be available to assure physicians of the adequate incomes they so richly deserve.

It will be noted that the administration of this bill is in the hands of the Surgeon General under the Federal Security Administrator. The appropriation is relatively small, so that we would want to have efficient administration at the lowest possible cost. It is felt that if this assistance were appended to the Hill-Burton Act it would multiply the problems of administration through the States and increase the cost. The Hill-Burton Act refers throughout its language to hospitals, and it would probably require a rewriting of the bill to provide this special type of assistance. Also, many States have passed augmented and implemented acts under the Hill-Burton law which would take years to change and thus, in the meantime, hold back this type of assistance until it could be worked into the State hospital council system.

The need for this type of assistance is urgent. Many communities throughout the country would immediately apply for such assistance if it were available. There is no question but that this assistance will give great impetus to the rapid and sound development of voluntary plans throughout the country.

COOK COUNTY HOSPITAL COMMITTEE,
Grand Marais, Minn., April 9, 1949.

Senator HUBERT H. HUMPHREY,
3204 Coquelin Terrace,
Chevy Chase, Md.

DEAR MR. HUMPHREY: We have secured a tract of 10 acres of land here in the village of Grand Marais, and have had plans drawn and an estimate presented on costs of a hospital for this county; we have gone over the various methods of procuring funds with which to build and equip this hospital, but find that we would more than likely have to bond the county for a sum that we the taxpayers could not exist under, so we have been considering asking the United States Government for a direct grant for a sum that would do the trick.

You perhaps know that Cook County only has left one-eighth of the entire area for tax purposes, the other seven-eighths being owned by the State of Minnesota or in the Superior National Forest, and from which we do not receive any tax. Also this State and Government ownership of our lands has restricted our population growth as well as our assessed valuation. According to the 1940 count, we have 3,190 people in Cook County; but in the summer we have more than 10,000 people here all the time. Many of them own their summer homes here.

We are more than 80 miles from any form of medical center and with our lack of accommodations we only have one physician and one dentist and one public health nurse.

When our old folks become childish and unmanageable we have to send them to the insane asylum because we have no place to care for them; our sick folks are hauled either to Two Harbors, 85 miles away, or to Duluth, 110 miles distant; some of them have died on the way, others have been kept from a normal recovery by the long trip.

In the early days the United States Government gave grants of land to the railroads, and some of that land was situated here in Cook County, though we do not have any railroad, but I believe it would not be more than fair to us if we were given a like grant in value of money to build this contemplated hospital.

It will take about $175,000 to build and equip and have it in condition to receive and care for patients.

The State of Minnesota have us on their list as a must for a small hospital, but under the set-up they have we would only receive about one-third of the financing from them and the two-thirds would be left for us to raise by some other method, and that is barred to us by reason of the facts set forth as above.

Will you please let us hear what you think of our plan and whether or not you would be willing to back us in it.

Yours very truly,

JAMES V. CREECH,
For the Committee.

DISTRICT OF COLUMBIA REVENUE BILL—AMENDMENT

Mr. HUNT submitted an amendment intended to be proposed by him to the bill (H. R. 3704) to provide additional revenue for the District of Columbia, which was ordered to lie on the table and to be printed.

SCHOOL CONSTRUCTION PROGRAM—AMENDMENTS

Mr. NEELY (for himself, Mr. PEPPER, Mr. KILGORE, Mr. MORSE, Mr. CHAVEZ, Mr. MAGNUSON, Mr. KERR, Mr. DOWNEY, Mr. AIKEN, Mr. TAYLOR, and Mr. MCFARLAND) submitted amendments in the nature of a substitute intended to be proposed by them, jointly, to the bill (S. 287) to provide for grants to assist the States, Territories, and dependencies in the construction of elementary and secondary schools, which were referred to the Committee on Labor and Public Welfare, and ordered to be printed.

Mr. MAGNUSON (for himself, Mr. NEELY, Mr. MORSE, Mr. KERR, Mr. CHAVEZ, Mr. DOWNEY, Mr. TAYLOR, Mr. MCFARLAND, Mr. AIKEN, Mr. KILGORE, and Mr. HILL) submitted amendments intended to be proposed by them, jointly, to the amendment submitted by Mr.

NEELY (for himself and others) in the nature of a substitute, to Senate bill 287, supra, which were referred to the Committee on Labor and Public Welfare, and ordered to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred, as indicated:

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 4080. An act to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice; to the Committee on Armed Services.

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

EQUAL RIGHTS FOR WOMEN—ADDITIONAL COSPONSORS AND REPRINT OF SENATE JOINT RESOLUTION 25

Mr. GILLETTE. Mr. President, when Senate Joint Resolution 25, proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was introduced under multiple sponsorship, inadvertently the names of three Senators who desired their names to appear were omitted. I ask unanimous consent that there be a star reprint of Senate Joint Resolution 25, to include the names of the Senator from Minnesota [Mr. THYE], the Senator from California [Mr. DOWNEY], and the Senator from New Mexico [Mr. CHAVEZ] as cosponsors.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RELATING TO RURAL TELEPHONES AMENDMENT OF RURAL ELECTRIFICATION ACT—ADDITIONAL COSPONSOR AND REPRINT OF BILL

Mr. HILL. Mr. President, I ask unanimous consent that Senate bill 1254, to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, be reprinted, and that the name of the distinguished senior Senator from Oklahoma [Mr. THOMAS] may be added as one of the cosponsors of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CHANGE OF REFERENCE

Mr. O'MAHONEY. Mr. President, Senate bill 1710, introduced on April 27 by the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Missouri [Mr. KEM] was referred to the Committee on Interior and Insular Affairs. I ask that the Committee on Interior and Insular Affairs be discharged from the further consideration of the bill, and that it be referred to the Committee on Armed Services, of which the Senator from Massachusetts is a member. The bill is entitled: "A bill to amend the act entitled 'An act to authorize leases of real or personal property by the War and Navy Departments, and for other purposes,' approved August 5, 1947, to provide for the making of payments in lieu of State and local taxation of certain property transferred to service departments."

Mr. President, from the title of the bill it is obvious that it may properly be referred to the Committee on Armed Services.

The PRESIDENT pro tempore. Without objection, the Committee on Interior and Insular Affairs is discharged from the further consideration of the bill, and it is referred to the Committee on Armed Services.

PROGRAM OF THE INTERIOR AND INSULAR AFFAIRS COMMITTEE—ADDRESS BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address entitled "Program of the Interior and Insular Affairs Committee for the Eighty-first Congress," delivered by him at the convention of the National Rivers and Harbors Congress, Washington, D. C., April 8, 1949, which appears in the Appendix.]

FIRST ANNIVERSARY OF ISRAELI DECLARATION OF INDEPENDENCE—ADDRESS BY SENATOR DOUGLAS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address delivered by Senator DOUGLAS at Carnegie Hall, in New York City, on May 4, 1949, at the meeting in commemoration of the first anniversary of the Israeli declaration of independence, which appears in the Appendix.]

FINANCIAL ASPECTS OF THE DISABLED AMERICAN VETERANS' ORGANIZATION—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him relative to the Disabled American Veterans' Organization and the needs of disabled veterans generally, which appears in the Appendix.]

ENDORSEMENTS OF THE WORK OF THE DAV AND DAV SERVICE FOUNDATION

[Mr. WILEY asked and obtained leave to have printed in the RECORD a number of endorsements of the work of the DAV and the DAV Service Foundation, which appear in the Appendix.]

ADDRESS BY MAJ. GEN. LEWIS A. PICK BEFORE THE NATIONAL RIVERS AND HARBORS CONGRESS

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address delivered by Maj. Gen. Lewis A. Pick, Chief of Engineers, before the National Rivers and Harbors Congress in Washington, D. C., April 8, 1949, which appears in the Appendix.]

COMMITTEE PROCEEDINGS ON THE NORTH ATLANTIC PACT

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an article entitled "Peace, It's Terrible," by Fred Othman, published in the Washington Daily News of April 29, 1949, which appears in the Appendix.]

SENATORS WATKINS AND DONNELL AND THE ATLANTIC PACT — ARTICLE BY ARTHUR KROCK

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an article by Arthur Krock, entitled "In the Nation—The Two Senators on the Far Left," dealing with the position taken by Senators WATKINS and DONNELL on the North Atlantic Pact, published in the New York Times of May 6, 1949, which appears in the Appendix.]

INSANITARY BUILDINGS IN THE DISTRICT OF COLUMBIA

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD a list of properties and owners furnished by the Board for the Condemnation of Insanitary Buildings in the District of Columbia, which appears in the Appendix.]

HOW MUCH WILL FREE MEDICINE COST?—EDITORIAL FROM THE LIVINGSTON (MONT.) ENTERPRISE

[Mr. ECTON asked and obtained leave to have printed in the RECORD an editorial entitled "How Much Will Free Medicine Cost?" published in the Livingston (Mont.) Enterprise of April 29, 1949, which appears in the Appendix.]

THE BOLD NEW PROGRAM — ARTICLE FROM THE REPORTER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article entitled "The Bold New Program," published in the Reporter of April 26, 1949, which appears in the Appendix.]

THE CALENDAR

The PRESIDENT pro tempore. Under the order of yesterday, the Senate will now proceed to the consideration of measures on the calendar, beginning with order No. 223.

Before that is done, the Chair wishes to say that Senators who desire to object to the consideration of measures on the calendar should rise so that the clerk may get the names of Senators.

The clerk will proceed to state the business on the calendar.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 29) favoring the suspension of deportation of certain aliens, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-4455093, Abbott, Arnold, or Felix Arnold Abbott.

A-4446440, Acuna-Salcido, Francisco.

A-6072837, Adamopoulos, Georgios Athanasius, or George Athos Adamson, George Athos Adamopoulos.

A-3305353, Andrianos, Panagiotis Stauros, or Peter Andrianos.

A-9186071, Apell, Karin Guborg Dagmar (nee Ericsson or Karin Apell or Appell).

A-6096785, Arriaza, Dafne Raquel Alvarez.

A-1416522, Atkinson, Marguerite Anne or Marguerite Anne Franklin Cavens or Marguerite Alice June Cavens (nee Marguerite Anne Franklin).

A-6248583, Balloff, Sophia (nee Papadoupoulou).

A-4391738, Bencivenga, Giuseppe, or Joseph Bencivenga or Raffaele Cirillo.

A-4897041, Bennett, Raya.

A-1385801, Blankenberg, Frederick Moritz Anst, or Frederick Moritz Ernest Blankenberg (alias Frederick Morris Ernest Blankenberg, alias Fred Blackwell, alias Fred Blankenberg).

A-6397588, Boellaard, Helena.

A-5713565, Bond, Austin.

A-6314545, Borg, Carmel Charlie.

A-7000606, Borza, Guiseppe.

A-7000607, Borza, Antonia.
A-1387774, Bushey, Elmer Joseph, or Boucher or Bushey or Dick or Richard Bushey.
A-7032447, Caballero-Bustamante, Alberto Antonio.
A-7032445, Caballero-Bustamante, Rafael.
A-7032446, Caballero-Bustamante, Maria Estela.
A-6261651, Caramsaledis, Fotini (nee Dileveu).
A-3725684, Castellano, Vincenzo, or Vincent James Castellano or James Castellano.
A-6720039, Cavallarin, Guerrino.
A-6446302, Chan, Kenneth Ivan, or Kenneth Ivan Hing.
A-6669678, Chavez-Reyna, Alfredo, or Alfredo Chavez.
A-6665545, Chew, Kwong Hai, or Harry Kwong (Hai Chew).
A-6261653, Christake, Merope (nee Kiloni).
A-3289766, Cipolat, Romano.
A-1235054, Cohen, Dora (nee Rom).
A-6798522, Coutsis, Elias Athanasius or Koutsis.
A-7005140, Cristiani, Henrietta Edith, or Henrietta Cristiani.
A-5343796, Cybulski, Benjamin, or Robert Gordon or Manuel Solis or Josef or Joseph Royer or Emilio Valdez or Emilio Honorato Valdez y Ramirez or Myer Bursyn or Burstein or Benumek Subelsky or Zubelsky.
A-3249572, DeGarciaduenas, Adela Aguilera.
A-6429946, DeLeon, Manuel Valencia.
A-6671577, Del Valle, Raul Rodriguez, or Raul Del Valle.
A-6323500, DePolendo, Genoveva Zavala.
A-6297365, Dittner, Pierre Raymond.
A-6194152, Eng, Winifred, or Winifred Ho Chong or Ho Gum Lan.
A-6440402, Fischer, Bela.
A-2856078, Fox, Irene (nee Fuchs or Ronia Malka Fuchs).
56051/858, Gali, Orzaio.
A-1358225, Gensen, Friedrich Paul, or Frederick Gensen.
A-5942350, Godinez, Juan.
A-6282215, Griffin, Robin Delmar.
A-9769331, Grizopoulos, George.
A-7629777, Grove, Marmaduke, or Marmaduke Grove-Valenzuela.
A-6226149, Guillemette, Dorothy Leslie.
A-4745611, Harb, Salem Abraham Esah.
A-5382338, Hobbs, Ernest Frank.
A-4698673, Horvath, Zofia Mary Rawicz, or Zofia Mary Rawicz Oldakowska.
A-6707622, Koenig, Brigitta.
A-6489133, Kyriakakis, Constas.
A-1972384, Lawson, Marjorie Ing-Kai (alias Marjorie Naitto).
A-7539114, Lee, Yung Tsin.
A-4593373, Lee, Joseph Tsu-An, or Jew On Lee or Joseph On Lee or Lee Jew On or Joe On Lee.
A-3454683, Leibovitch, Harold.
A-6405605, Lorenz, Kurt Paul.
A-6581437, Madrid, Manuel.
A-6581438, Madrid, Maria Elodia.
A-3405450, Matiatos, Spiros.
A-9533326, Matthios, Theodoros, or Terry Matthios.
A-6491875, Meireles, Domingos Amaral.
A-6261594, Mishas, Efthimia (nee Mandicas).
A-6533340, Nahra, Gabriel or Nahara.
A-1788665, Nemes, Bella, or Bill Names.
A-6450508, Niethe, Karl Wilhelm.
A-5295304, Onorati, Umberto, or Albert Onorati.
A-6022600, Orta, Maria De La Luz, or Maria De La Luz Horta.
A-6022602, Orta, Pilar, or Pilar Horta.
A-6022601, Orta, Ramona, or Ramona Horta.
A-5952938, Palmisano, Gaetano.
A-3491965, Panciera, Mario.
A-6268180, Pandelaras, Paraskevi Gregory (nee Paraskevi Apostolou Paviou).
A-3435006, Papadatos, Evangelos Gregorious, or Angelos Papas.
A-6355563, Perez, Antonio, or Antonio Perez Matesanta.
A-6811080, Perez, Virginia Soto, or Virginia Soto Lagos Perez.
A-6704624, Pieber, Gerda, or Bessie Soukaras.
A-1324167, Pinto, Alessio.
A-6339441, Pollett, Robert Anderson.
A-5974374, Ramirez, Jesus, or Jesus Ramirez-Carrasco.
A-6711690, Randolph, Frank Charles.
A-1585863, Reichenbach, Mary Elaine (nee Pye, formerly Beebe).
A-3433637, Richter, John Frank.
A-6696460, Rodriguez, John Negrete.
A-6451215, Rouse, Peter John.
A-9620460, Samuel, George Ryan.
A-6774210, Schlupp, Anna (nee Heiman).
A-6296216, Sereni, Pier Dino.
A-4835531, Sobenko, Mary (nee Maria Kuzmiak).
A-3158427, Sootzmann, Alex Fritz, or Alex Soodsmann.
A-1886212, Staub, Hyman, or Herman Staub.
A-6492676, Stewart, Charlotte Rattray.
A-6065478, Stipanovic, Branko, or Branko Stipanovich.
A-6816833, Tarin, Berta Alicia.
A-3363860, Tavares, Henry De Amorim Paula.
A-6225120, Theodorides, Georgios Basileios, or Georgios Theodorides or Michael Panagiotis Hadjistylianos.
A-5987833, Thomas, Eugene Watkin.
A-5916170, Thompson, Oscar Leonard, or Cyril Oscar Wilson.
A-3672478, Tomaselli, Charles Rudolph.
A-6245753, Trepcos, Helene (nee Helene Kovatsis).
A-6260601, Van Hanen, Toivo Albert.
A-6738733, Vargas, Cesar Mendrano, or Cesar Vargas Medrano or Jesus Maldonado Santiago.
A-6706772, Vassilaros, Sofia Ilias (formerly Apostolakis).
A-1467265, Vassos, Alfonso Apostolas, or John Paul Pappas or Paul P. A. Vassos.
A-4865007, Vene, Bruno.
A-1770952, Vitiello, Gennaro.
A-5336993, Volksdorff, Ernest William.
A-9726040, Vucetic, Henrik Emil.
A-6081841, Walters, Jr., Alfred Ernest.
A-1633174, Wineland, Marion Gladys (formerly Bundy, nee Walker).
A-7035406, Yee, Gloria.
A-2727259, Yue, Yeun Shai.
A-2751327, Ha, Chan (Chow) Min.
A-6724306, Zarate-Urzua, Dionisio; Dionicio Zarate-Covarrubias.

ALEX BAIL

The bill (H. R. 668) for the relief of Alex Bail was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I think this bill requires an explanation. The person who seeks relief is a former member of the Communist Party.

Mr. McCARRAN. Mr. President, I am glad to give an explanation of the bill. I invite the attention of the Senate to the purpose of the bill. The purpose of the bill is to grant the privilege of remaining in this country, despite his former membership in the Communist Party, to Alex Bail, a native of Russia lawfully admitted into the United States on August 21, 1910.

The alien presented a photostat of a page from the Daily Worker dated September 30, 1929. This photostat contains a notice of a decision of the Central Control Committee of the Communist Party that—

Alex Bail has been expelled from the C. P. of U. S. A. for alining himself with the renegade Lovestone group, for taking active part in their disruptive and splitting activities, for issuing lying statements against the party, and for having used his position as district organizer of district 1, while pretending acceptance of the C. I. address, to disrupt the organization of the party in that district and to steal party records from the district office.

I further invite the attention of the Senate to facts which came before the committee. Alex Bail has been employed since 1939 by the Playthings, Jewelry, and Novelty Workers International Union in New York City. This is the right wing of the CIO union. His activities in the past 18 years have been strongly anti-Communist. It is readily understandable that deportation to Soviet Russia for him would be quite a tragedy.

Mr. President, this matter received very careful attention at the hands of the committee. I submit the question on the basis of the full detail of the report. It is the view of our committee that he should not be deported, because it would mean death to him if he were deported. That is the view of the committee, and I present it to the Senate.

Mr. HENDRICKSON. Mr. President, if Mr. Bail is worthy of staying within our borders, I wonder why we should not extend naturalization privileges to him.

Mr. McCARRAN. This deferment does not mean naturalization. It does not mean that he can be naturalized. It merely means that his deportation will be deferred.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

MRS. MARGARET GREGG DILNOT

The bill (H. R. 711) for the relief of Mrs. Margaret Gregg Dilnot was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, as I view it the legal effect of this bill is to waive the general provisions of the naturalization laws. Does the sponsor of the bill believe that it is well to pass bills of this type, laying the foundation for an unwise precedent under which American citizens would be permitted to go to foreign countries and exercise the right of franchise, and then expect to be granted American rights upon returning to this country?

Mr. McCARRAN. I must apologize to the Senator. My attention was distracted during the first part of his statement. Will the Senator kindly repeat his question?

Mr. SCHOEPPEL. I shall be glad to do so. As I view the bill, the legal effect of it is to waive the general provisions of the naturalization laws. While it may be morally wrong to deny the right to this particular individual, I am asking the question whether the sponsors of this measure believe that it is wise to lay the foundation for permitting American citizens to go to foreign countries, there exercise the right of franchise, and then expect to have the rights of American citizens upon their return to this country.

Mr. McCARRAN. I would not want to create such a precedent, but I do not

think this particular case would establish such a precedent in that regard. I hope my answer is sufficiently explicit. The committee thought that in this case there was sufficient justification for considering the case by itself and extending the right.

Mr. SCHOEPPEL. I ask the distinguished Senator if the same general statement applies to Calendar No. 232, House bill 1460, which will be reached later during the call of the calendar.

Mr. McCARRAN. I wonder if the Senator would permit us to take that matter up when we get to it.

Mr. SCHOEPPEL. Yes.

The PRESIDENT pro tempore. Is there objection to the present consideration of House bill 711?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

MRS. MAY K. Y. MOK, FREDERICK W. S. MOK, AND VINCENT W. C. MOK

The bill (H. R. 1010) for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok, was considered, ordered to a third reading, read the third time, and passed.

MRS. ADA M. RYAN

The bill (H. R. 1035) for the relief of Mrs. Ada M. Ryan was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I note that the party seeking relief under this bill was concerned in a crime involving moral turpitude in Canada. I am wondering whether we should not have an explanation as to the subsequent good conduct of Mrs. Ada M. Ryan.

Mr. McCARRAN. Mr. President, the entire matter involved in the question of the able Senator is set out in the letter to the chairman from Mr. Peyton Ford, Assistant to the Attorney General. I think the explanation is more explicit than I could make it, and comes from a better authority than mine. I hope the Senator, if he sees fit to object, will read that explanation, and then perhaps he will withdraw his objection.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Is the distinguished Senator satisfied with the conduct of Ada M. Ryan since her entry into this country?

Mr. McCARRAN. That was the conclusion of the committee which had the bill in charge. The bill was gone into quite at length. We received the advice which is published in the report, from the Department of Justice, over the signature of Mr. Peyton Ford, Assistant to the Attorney General. I think the bill merits the approval of this body.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

JEANNETTE AND JESUS ESTEVA AND OTHERS

The bill (H. R. 1041) for the relief of Jeannette and Jesus Esteva and their four children was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Nevada this question: Do not these bills and other similar relief bills discriminate against persons seeking entry into the United States under immigration quotas, and in favor of the persons mentioned in the bills, who are now in the United States, and whose original admission was limited to a temporary visit—in this particular case, 60 days from September 6, 1946?

Mr. McCARRAN. Mr. President, I hope I understand the Senator's question. These people risked their lives for American citizens. The record includes letters from a United States naval officer and several American citizens who were interned as prisoners of war by the Japanese in Manila. These persons speak favorably of the adult aliens and credit them with having saved the lives of many Americans who were imprisoned by the Japanese. They state that the alien father and mother, at the risk of torture and death to themselves and their children, procured food and medical supplies at their own expense, and augmented these purchases by denying themselves and their own children of their rations, in order that they might render aid to the interned Americans.

I may say that it was the acts of these people in saving the lives of American citizens who had been interned in Japan that seemed to warrant their being considered favorably in this connection.

Mr. HENDRICKSON. Then, I take it that the Senator from Nevada does not feel that there will be discrimination.

Mr. McCARRAN. I do not think so.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1041) was considered, ordered to a third reading, read the third time, and passed.

LAWRENCE G. McCARTHY

The bill (H. R. 1052) for the relief of Lawrence G. McCarthy was considered, ordered to a third reading, read the third time, and passed.

MARIA VELTRI MAGNONE

The bill (H. R. 1079) for the relief of Maria Veltri Magnone was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. TAFT. Mr. President, I notice that the Attorney General recommends an amendment to this bill, but the amendment was not adopted by the committee. A similar situation exists as to a bill two numbers before this one on the calendar. The report on the bill contains a letter from the Assistant to the Attorney General, and in the letter the following statement is included:

If the bill is to receive favorable consideration, however, it is suggested that it be amended as follows.

Mr. McCARRAN. Mr. President, let me ask to what bill the Senator from Ohio is addressing his remarks.

Mr. TAFT. Actually I have read from the report on the bill which previously has been acted upon, Calendar 229, House bill 1052.

Did the committee consider the amendment recommended by the Attorney General, and reject it; or should such an amendment be adopted?

Mr. McCARRAN. I may say to the Senator that so far as I am presently advised, without refreshing my recollection, we considered the amendment, and it was not considered as being appropriate for adoption to the bill.

Mr. TAFT. I notice that a similar amendment was recommended for three or four other bills of the same nature. In respect to the same issue, as it is involved in these several bills, the same amendment has been recommended—for instance, in this case, for House bill 1079, Calendar 230.

Mr. McCARRAN. The bill as it appears this year is in the form as recommended, with the amendment included. But the report follows the old report, as presented in a previous Congress. The bill now carries the amendment.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1079) was considered, ordered to a third reading, read the third time, and passed.

ANNA MALONE AND RITA ANDERSON

The bill (H. R. 1101) for the relief of Anna Malone and Rita Anderson was considered, ordered to a third reading, read the third time, and passed.

MRS. SILVIA MAPELLI

The bill (H. R. 1460) for the relief of Mrs. Silvia Mapelli was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, is this the bill to which the Senator was referring a moment ago?

Mr. McCARRAN. That is correct.

Mr. President, as to this bill, the files of the Immigration and Naturalization Service of this Department disclose that the beneficiary of the bill is the widow of a naturalized citizen of the United States and is a native of Italy, having been born in that country on February 12, 1878. She came to the United States in 1905, and remained in this country until 1937, when she went to Italy to visit her aged father and other relatives in that country. She now desires to return to the United States, but having lost her United States citizenship by voting in an

Italian election in 1946, she is required, under existing law, to obtain a quota immigration visa in order to do so. She is unable to obtain the required visa, however, due to the fact that the Italian quota is preempted for a period of 1 year.

It appears from the testimony of her friends and relatives in this country that Mrs. Mapelli lost her husband, her only child, and her grandchild, through death within a period of 13 months and that she was advised by her physician to visit her native country for her health's sake. She was prevented by the war from returning to the United States, and it has been stated that she suffered great hardship during the German occupation of her native village.

The committee feels that because of the circumstances in this particular case she should be repatriated.

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator if this is one of the bills about which the Attorney General of the United States made some inquiry.

Mr. McCARRAN. As I recall, the Senator is correct.

Mr. SCHOEPPEL. Does the bill meet with the requirements or suggestions or approval of the Attorney General?

Mr. McCARRAN. Yes, sir; that is correct.

Mr. JOHNSON of Colorado. Mr. President, Mrs. Mapelli is a citizen of the State of Colorado. I appreciate the statement the Senator from Nevada has made in her behalf. I can personally vouch for the truth and accuracy of everything he has said, and I can assure the Senate that this lady is worthy of whatever consideration we can give her. I vouch for her good character and loyalty to this country.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. TAFT. Mr. President, it seems to me that the committee has uniformly ignored the recommendations of the Attorney General. In this case, again, the Attorney General states in a letter that we should substitute certain language, which was not substituted by the committee. There may be good reason for the action of the committee; but I observe that the letter of the Attorney General states that it is believed by the Attorney General that the bill should be amended by such an amendment as the following:

> Notwithstanding the quota limitations now provided by law, a quota immigration visa may be issued to Mrs. Silvia Mapelli, provided she is otherwise admissible to the United States under the immigration laws.

I take it that the action proposed in this case would give Mrs. Mapelli the right to enter the United States under the quota limitations, thus cutting down by one number the remaining admissions under the quota. I do not know whether that is true, but I wonder whether the committee has considered the recommendations of the Attorney General. It seems to me that in five bills, as we have considered the bills on the calendar up to this point, recommendations of that sort have been made by the Attorney General, but the committee has not paid any attention at all to them.

Mr. McCARRAN. Mr. President, if the Senator from Ohio will read the bill, he will find that it carries the recommendation of the Department of Justice; and the same is true in all these cases. The report contains a letter of a former date, in some instances addressed to the House of Representatives and in some instances addressed to the Senate Judiciary Committee. We attach the letter to the report; but the recommendations of the Department of Justice in each instance have been carried into effect in the new bill, as introduced in this Congress.

Mr. TAFT. I believe that is not correct, so far as I can ascertain in regard to House bill 1460, calendar No. 232. I do not see any reference whatever in it to the quota.

Mr. McCARRAN. It is not true with respect to the last bill which has been called, the one for the relief of Mrs. Mapelli.

Mr. TAFT. Yes.

Mr. McCARRAN. It is not true in that case.

Mr. RUSSELL. Mr. President, in view of the statement made by the Senator from Colorado, I shall not object to this bill; but I wish to serve notice now that in the future I shall feel compelled to object to such private relief bills unless it is provided that the quota be reduced by one number in each case, so that the person to be admitted will be admitted within the quota.

Some years ago we adopted the principle of deducting one number from the quota whenever we passed such private relief bills. If we pass such bills without reducing the quota, that will mean that we shall be greatly increasing immigration into the United States.

I respectfully request of the Senator that he see to it that such deductions are made from the quotas.

Mr. McCARRAN. Mr. President, without exception, other than in very rare cases, of which this bill is one, we do follow the principle of deducting from the quota.

Mr. RUSSELL. I thank the Senator.

Mr. McCARRAN. But in this case, this old lady, who has been a citizen once, desires to return to this country to die here as a citizen of the United States.

Mr. RUSSELL. Mr. President, I shall not object in this particular case; but I hope in the future the Senator will observe the recommendations of the Department.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. WHERRY. In the Senator's judgment how many exceptions have been made in granting relief, in addition to the quotas, since the Eighty-first Congress was convened?

Mr. McCARRAN. Does the Senator mean up to date?

Mr. WHERRY. Yes—how many, in excess of the quota?

Mr. McCARRAN. Does the Senator mean, not reduced from the quotas?

Mr. WHERRY. That is right.

Mr. McCARRAN. My recollection is, and I am so advised by counsel for the committee, that this is the only one.

Mr. WHERRY. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1460) was considered, ordered to a third reading, read the third time, and passed.

PETER DROZD

The bill (H. R. 1508) for the relief of Peter Drozd was considered, ordered to a third reading, read the third time, and passed.

BRAM B. TELLEKAMP

The bill (H. R. 1591) for the relief of Bram B. Tellekamp was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator from Nevada a question with reference to this bill. The legal effect of it is, as I view it, to permit an alien to be considered lawfully admitted to the United States retroactively to the date of his original entry. It provides for proper quota deduction, of course. But with respect to this measure, and in the history of the case, the individual came into this country with the knowledge and consent of officers of the United States of America who were in charge of this particular flight. I should like to have a brief explanation of whether that phase of the matter was considered, and of the possible implications of a measure of this kind, in view of those circumstances.

Mr. McCARRAN. I may say to the able Senator that the arrival of this minor, if he is a minor, when he arrived in the United States at Hickam Field, Honolulu, T. H., on March 18, 1947, aboard a United States Army airplane from Guam, took place under these circumstances: Investigation has revealed that the alien boarded the aircraft at Guam with the knowledge and consent of the officers in charge of the flight, and was brought to Honolulu without being manifested either as a passenger, a crew member, or as a stowaway. He has testified that after his arrival he spent 2 days in a transient barrack at the airfield and then approached an Army officer for assistance, and was turned over to the military police.

Since very shortly after his arrival in this country the young man has resided in Honolulu at the home of Mr. Robert Thurston, a newspaper publisher. It has been stated that Mr. and Mrs. Thurston are interested in him because of his resemblance to their own son of like age who died in the armed forces during World War II. Mrs. Thurston has stated that he is a very intelligent

young man with a good background. He has been enrolled as a full-time student at the Punahou School in Honolulu, where he is maintaining an A or B average in all subjects, with one exception. The matter is laid before the Senate. We thought, notwithstanding that the Senate may not concur in the view, that we were probably indulging in humanitarian considerations, and that we were justified under the circumstances.

Mr. RUSSELL. Mr. President, I trust that the Senator from Kansas will not object to the bill. I have some knowledge of the facts in this case. In my opinion this is one of the most meritorious of all the private bills on the calendar. As I understand, the young man was a war refugee, both of his parents, I think, having been lost when the Japanese attacked the Dutch Indies. He finally escaped and found refuge with some American troops when still a very young boy. The Americans have practically adopted him. They were responsible for bringing him in. I understand he is a very worthy youth, in whom a number of very prominent citizens are interested. There is a deduction from the quota in this case. I am quite sure he will make as good if not a better citizen than one who might come in under the quota.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Georgia, I am in sypathy with this young man's case, but I was wondering about this phase of it, namely, whether there may have been collusion on the part of officers of this Government and whether this case would establish a precedent for future action of this kind. That was the thing I was really concerned about. I do not say I shall object, but I should like to know whether the committee has considered the implication that might follow, and whether the committee thinks there are extenuating circumstances. If so, I shall withdraw the objection.

Mr. RUSSELL. Mr. President, I am sure there are extenuating circumstances. The Senator will recall that during the war and immediately after the war the troops returning brought a great many young people whom they had adopted, more or less, as the armies moved from Italy or from Germany or from France, and almost without exception, in all those cases, the Congress enacted private bills providing that such persons could remain in this country.

Mr. BUTLER. Mr. President, I should like to voice the sentiment expressed by the distinguished Senator from Georgia. I am not acquainted at all with the young man in the case, but I do know very well the publisher of the Honolulu Advertiser. There is not a finer family anywhere in the United States of America than the people who have this young man in charge.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 1591) was considered, ordered to a third reading, read the third time, and passed.

KIRA AND NINA GRIGORIEFF

The bill (H. R. 1629) for the relief of Kira and Nina Grigorieff was considered, ordered to a third reading, read the third time, and passed.

RALPH MARTIN ELZINGRE, ALSO KNOWN AS RALPH SEAWELL

The bill (H. R. 1876) for the relief of Ralph Martin Elzingre, also known as Ralph Seawell, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, the committee report in this case, on page 1, states that the alien has been legally adopted by his relatives, yet there is nothing further to indicate, in the letter to the House Committee on the Judiciary, from the Assistant Attorney General, which is incorporated in the report, that he has been so adopted. The facts actually seem to indicate that he had entered by means of a deliberate falsehood or lie. I think it proper to ask if this is not another example of an alien gaining entry through false information, in order ultimately to obtain citizenship.

The PRESIDENT pro tempore. Is the Senator from Nevada able to give the Senator from New Jersey any information on the point?

Mr. McCARRAN. Is there a question propounded?

Mr. HENDRICKSON. Yes. I ask whether this is not another example of an alien furnishing false information in order to gain admittance to our country.

Mr. McCARRAN. The answer is, if I understand the Senator's question, that it does not establish a precedent. The circumstances are such that the committee thought its action warranted. Let me say in this regard that each one of the bills is considered in detail by the committee, first by the staff of the committee, which screens them, and then by the committee. We get a report from the Department of Justice before we finally pass on the bills. There are in all the bills some particular circumstance surrounding the incident that seems to warrant favorable consideration by the committee, and so we report it to the Senate.

Mr. HENDRICKSON. I understand the procedure, but it seems to me that in this case there has been an entry through the medium of a deliberate falsehood. It was that point about which I raised the issue.

Mr. McCARRAN. Let me say to the Senator that the records of our committee show that the boy has been legally adopted, although that may not appear in the report, it is in the files of the committee.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 1876) was considered, ordered to a third reading, read the third time, and passed.

BEN LUKE POND, SHAO HUNG POND, AND DAVID YAT WEI POND—BILL PASSED OVER

The bill (H. R. 1878) for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, the only question I have to raise in this particular case is that the report, as I read it, indicates that the Department of Justice has refused to recommend the enactment of this bill, and yet we are asked to pass it. I should like to have some explanation why, over the objection of the Department of Justice, this bill should be passed.

Mr. McCARRAN. Mr. President, this is a bill which the House passed. The alien involved first entered the United States in 1910 as a student and remained here until 1926, when he returned to China. In 1919 he received the degree of bachelor of science in engineering from the University of Missouri. In 1920 he received a civil engineer's degree from Cornell University. From 1923 until 1926, he studied practical automobile engineering at the Ford Motor Co. in Detroit. On his return to China he taught at the University of Yunan.

Mr. President, while, in this particular case, the Department of Justice did make a recommendation, the committee used its own judgment and saw fit to go contrary to the recommendation of the Department of Justice. We do not consider ourselves bound by recommendations of the Department of Justice. We exercise the best judgment we have on the facts which are before us. This is one of those cases in which we exercised our judgment contrary to the views of the Department.

Mr. SCHOEPPEL. Would the Senator have any objection to the bill going over until the next calendar day?

Mr. McCARRAN. No; certainly not.

The PRESIDENT pro tempore. The bill will be passed over.

MRS. JULIA BALINT

The bill (H. R. 679) to authorize the admission of Mrs. Julia Balint to the United States was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I see nothing in the report to give any assurance that this alien, if admitted, will not become a public charge. I am wondering if the distinguished Senator will give us some assurance on that point.

Mr. McCARRAN. Mr. President, the only answer I can give to the Senator is that the question of whether the facts in any of these cases indicate that the party might become a public charge is always looked into by the committee. In this case, as in other cases, it was the judgment of the committee that there was no chance for this particular alien to become a public charge.

Mr. HENDRICKSON. I have no objection.

Mr. TAFT. Mr. President, what concerns me with regard to this bill is that there seems to be an increase in the quota, without any reason. In the previous bill there was no reason whatever to admit the aliens except that they wanted to come in and the quota was taken up for 3 years. In this case the

original bill provides for charging one additional against the quota. The committee has amended the bill so that there is no longer a charge against the quota, which also seems to be contrary to the recommendation of the department.

Mr. McCARRAN. Mr. President, this bill presents the case of a nonquota immigrant. The husband, who was a citizen, has either passed away or has completely disappeared, so far as the records show, and therefore the person involved wishes to come in as a nonquota immigrant.

Mr. TAFT. I do not see why she should be a nonquota immigrant. She is not nonquota under any statute relating to quotas. She is a nonquota immigrant only if the committee makes her so. Otherwise, she could not be admitted at all.

Mr. McCARRAN. Her husband was a citizen. If he is alive, he is still a citizen.

Mr. TAFT. But if her husband is not alive, she is not a citizen.

Mr. McCARRAN. I do not know whether he is alive or not.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 679) to authorize the admission of Mrs. Julia Balint to the United States, which had been reported by the Committee on the Judiciary with an amendment, on page 1, line 3, to strike out all after the enacting clause, and to insert:

That for the purposes of the immigration and naturalization laws, Mrs. Julia Balint, who would be entitled to nonquota immigration status but for the death or disappearance of her United States citizen husband, shall, if otherwise admissable to the United States under the immigration laws, be deemed to be a nonquota immigrant.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 528) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to have this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EMPLOYMENT OF TEMPORARY ASSISTANTS TO THE COMMITTEE ON BANKING AND CURRENCY

The resolution (S. Res. 101) authorizing the Committee on Banking and Currency to employ temporary assistants and make additional expenditures, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, I have been asked by the senior Senator from North Dakota to object to the immediate consideration of the resolution.

Mr. MAYBANK. Mr. President, I ask unanimous consent that on the conclusion of the call of the Calendar this resolution be made the first order of business.

Mr. WHERRY. That will be perfectly agreeable.

Mr. McGRATH. Mr. President, at the conclusion of the call of the calendar the order of business is the District of Columbia tax bill. I object to displacing that bill.

Mr. WHERRY. Mr. President, I withdraw my objection.

Mr. MAYBANK. Mr. President, in view of the fact that the senior Senator from Arizona reported the resolution, and the senior Senator from Nebraska is a member of the Committee on Rules and Administration, I should like to ask whether the Senator from Arizona desires to explain the resolution.

Mr. HAYDEN. Mr. President, we have a budget submitted by the Committee on Banking and Currency in which it is proposed to spend the following sums of money on three subcommittees:

For the Subcommittee on Banking Credit, $10,000; the Subcommittee on Small Business, $30,000; the Subcommittee on Economic Stabilization, $20,000.

Those sums make up the total of the amount to be appropriated.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MAYBANK. It was approved by the entire Banking and Currency Committee membership, both Republicans and Democrats. The original amount has been before the Committee on Rules and Administration for several months. The distinguished Senator from Nebraska, the minority leader, requested that it be amended for the purpose of obtaining a proper break-down, which was done. I wanted the Senate to know that it has met with the approval of the Committee on Banking and Currency and the Committee on Rules and Administration, provided a proper break-down was made. At the same time, we also presented a resolution with reference to the Joint Economic Committee for approximately $30,000.

The PRESIDENT pro tempore. Is there objection to the consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object, and for the sole purpose of clarifying the record, I stated a moment ago that I had been asked to object to the consideration of Calendar No. 242. I was in error in that statement. I had reference to another calendar number.

I should like to clarify one thing. The resolution does provide the necessary funds to continue the operation of the subcommittee in the interest of small business; is that correct?

Mr. MAYBANK. The Senator is correct as to the Subcommittee on Small Business of the Banking and Currency Committee. It is not the intention of the Banking and Currency Committee to interfere in the business of other committees.

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, I should like to say that I am very much in favor of the adoption of this resolution. However, I want to clarify the record with reference to the statement which the Senator from South Carolina has just made regarding jurisdiction, and I want to read into the RECORD a very brief statement, and to offer an amendment.

The PRESIDENT pro tempore. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the enacting clause and insert the following:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed during the Eighty-first Congress, until February 15, 1950, to make a full and complete study and investigation of such problems as it may deem proper relating to (1) adequacy of banking and credit legislation, including (A) securities and exchange problems; (B) encouragement of venture capital investment in new enterprises; (C) problems relating to the Federal Reserve System and Federal Deposit Insurance Corporation, such as credit policies, bank reserves, marginal requirements, merger of Federal Reserve banks with State banks, and deposit insurance; and (D) adequacy of present monetary system; (2) small business, including (A) problems threatening the continued existence of small business enterprises, (B) financial aid to small business enterprises, (C) financial aid to veterans operating small business enterprises, and (D) adequacy of Reconstruction Finance Corporation loan authority and extensions thereof; and (3) economic stabilization, including (A) studies of prices and production, (B) allocations of scarce materials, (C) construction of housing, (D) disposal of permanent and temporary war housing, and (E) proposed amendments to the rent control act and administration of rent control legislation.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eighty-first Congress, until February 15, 1950, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed $60,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee.

Mr. JOHNSON of Colorado. Mr. President, I wish to make for the RECORD a very brief statement, I desire to offer an amendment to the resolution, and to explain briefly the purpose of my amendment, which I believe will be of particular interest to the chairman of every standing legislative committee of the Senate.

I am sure no one will dispute the statement that each and every one of the fifteen standing committees of the Senate at one time or another has dealt with the "problems of American small business enterprises," and will continue to deal

with them in the future. Speaking very frankly, in the light of the Legislative Reorganization Act of 1946, and in the light of long-established precedents and customs antedating the 1946 law, there is a very serious doubt in my mind that the Banking and Currency Committee can lay greater claim to jurisdiction over the "problems of American small business enterprises" than the Committee on the Judiciary or the Committee on Interstate and Foreign Commerce.

The Legislative Reorganization Act provides that the Committee on the Judiciary shall have jurisdiction over matters relating to "protection of trade and commerce against unlawful restraints and monopolies." I am not a lawyer, and to me that means simply the protection of small business against unlawful and monopolistic practices of big business.

Now take the Senate Committee on Interstate and Foreign Commerce. The Reorganization Act says it shall have jurisdiction over legislation and matters relating to "interstate and foreign commerce generally." Under that heading, the committee is constantly dealing with legislation and matters directly affecting the welfare of the little businessman.

The Committee on Banking and Currency, by the terms of the Reorganization Act, is given jurisdiction over matters relating to "financial aid to commerce and industry, other than matters relating to such aid which are specifically assigned to other committees under this rule," and matters relating to "control of prices of commodities, rents, or services." Note the specific limitation on jurisdiction over matters relating to "aid to commerce and industry": First, the "aid" must be financial aid; second, the matter of such "financial aid" must not impinge upon matters that are specifically assigned to other committees.

As I have already stated, all our standing committees have dealt, and will continue to deal, with particular problems affecting small business. In that connection, it is interesting to note that the very first resolution creating a Special Small-Business Committee, Senate Resolution 298, Seventy-sixth Congress, was referred to the Committee on Education and Labor, and I am sure that the distinguished chairman of the Committee on Labor and Public Welfare, who favorably reported that resolution from the committee, feels very strongly that there are many matters affecting small business which, by the terms of the Legislative Reorganization Act, properly belong in his committee.

Now, Mr. President, I want to make one final observation. If we are going to continue the study and investigation of the problems of American small-business enterprises under the wing of the Committee on Banking and Currency, there should be, it seems to me, a very clear and very definite understanding on two points: First, it should be fully understood that the other standing committees of the Senate are not surrendering to the Banking and Currency Committee any jurisdiction they now possess by reason of custom, precedent, and the Legislative Reorganization Act over the problems of American small business.

Second, when the Banking and Currency Committee launches into a study or investigation of some small-business problem and comes up with a legislative proposal as a solution to the problem, I feel very strongly that such legislative proposal should be referred to the standing committee having jurisdiction over the subject matter of the proposal. In other words, if the Senate should approve the pending resolution, I do not concede that such action would give to the Banking and Currency Committee any greater jurisdiction than it heretofore has possessed. Nor do I concede that if the Banking and Currency Committee proceeds with some comprehensive study or investigation of a small-business problem that fact in itself gives them any claim to jurisdiction over the legislation that may thereafter be introduced to implement the committee's recommendations.

I believe we should have a complete understanding on the points I have raised. For that reason, I am proposing a single amendment, which merely makes clear that any legislation coming out of a study of small business shall be referred to the appropriate committee, and not arbitrarily to the Committee on Banking and Currency.

Mr. President, I send to the desk my clarifying amendment, and ask that it be read.

The PRESIDENT pro tempore. The clerk will report the amendment.

The LEGISLATIVE CLERK. At the end of the resolution it is proposed to insert the following new section:

SEC. 4. Irrespective of the scope and nature of any hearings held or investigations conducted by the committee with respect to the problems of small business enterprises, the authority granted by this resolution is not intended to, nor shall it, increase, enlarge, or expand the jurisdiction of the Committee on Banking and Currency as set forth in paragraph (d) of section (1) of rule XXV of the Standing Rules of the Senate.

Mr. MAYBANK. Mr. President, I certainly have no objection to the amendment, but it would not change the resolution we presented. We have no intention of interfering with the regular jurisdiction of other committees, or of considering or reporting legislation within the jurisdiction of other committees. So, if the Senator wishes to propose the amendment, I am perfectly willing that it should be agreed to, but in my judgment it would not change the pending resolution.

Mr. WHERRY. Mr. President, reserving the right to object, I am not going to object to this resolution, because the distinguished Senator from South Carolina has time and time again stated on the floor of the Senate that the subcommittee of the Committee on Banking and Currency will operate only within the provisions of the Banking and Currency authorization.

Mr. MAYBANK. That is the law.

Mr. WHERRY. With which I totally agree. But I also am in sympathy with all standing committees in the difficulty they are having and will continue to have. The action proposed absolutely confirms the argument I made in the Senate when I asked for the continuation of the Special Small Business Committee, because it is practically impossible to set up a subcommittee of any legislative committee and have it perform all the functions necessary to be performed by a Special Small Business Committee of the Senate. It proves conclusively the argument I have made time and time again on the floor of the Senate was correct. But I am not objecting.

Mr. MAYBANK. There is much merit in what the Senator says, but on behalf of the Committee on Banking and Currency, as its chairman, I wish to say that we get more requests from small business than does any other committee. Almost daily or weekly we refer requests from small business to the Committee on the Judiciary and to the Committee on Armed Services and to the other regular standing committees, and it is not our intention to do anything but attend to our own business. Nevertheless, since we first called this matter to the attention of the Senate, and had a long debate on the question of the continuation of the Small Business Committee, a resolution for which we reported to the Senate, we have received many requests from the average small-business man, and in many instances the staff of the committee, I might say, has gotten allotments for them, of steel, or rayon, or other materials desired by small industries. We are getting mail involving all types of problems besetting small-business enterprises, and when a particular problem does not fall within the jurisdiction of our committee I am glad to refer it to any standing committee which has jurisdiction over the particular problem involved. We need money to carry on further in order to help small-business men, because they are writing to our committee, and are sending their requests to us. I wanted to make that perfectly clear.

Mr. WHERRY. Mr. President, I think I have used only 2 minutes of the 5 minutes at my disposal.

I should like to say, in conclusion, that I am not going to object to the consideration of this resolution. I approved it as a member of the Committee on Rules and Administration. Certainly the small-business men of America have to turn to some committee in the Senate for help to do the very thing the subcommittee will now do.

I desire to say once more that we cannot effectively have a small-business committee of the Senate unless we have an over-all committee which cuts across the lines of all legislative committees. We have had such a committee for the past 6 years. This Congress has folded up that committee, and now we will attempt to carry out the wishes of the businessmen by putting the responsibility on this subcommittee, that subcommittee, and the other subcommittee, and what is everybody's business is nobody's business. I do not think it will work as effectively as if we had a small-business committee operating for all the businessmen. The matter will be handled by the respective subcommittees of the different committees of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The title was amended so as to read: "Resolution to investigate problems relating to banking and credit legislation, small business, and economic stabilization."

INVESTIGATION OF CERTAIN ECONOMIC PROBLEMS

The concurrent resolution (S. Con. Res. 26) to investigate certain economic problems was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on the Economic Report, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation into the following problems of the economy:

(1) The problem of investment, including, but not limited to, (A) the role of investment institutions in the investment markets, in industry, and in the economy generally; (B) changes in sources of investment funds and the reason therefor; (C) availability and character of investment funds for national, local, and independent enterprise and the effect of such investment or lack of investment upon different classes or size groups in industry; (D) and needs, by industry, for various types of capital.

(2) The problem of the effectiveness and coordination of monetary, credit, and fiscal policies in dealing with general economic policy.

(3) The problem of low-income families in relation to economic instability.

(4) The problem of unemployment trends and their significance in current economic analysis.

SEC. 2. The joint committee shall report to the Senate and the House of Representatives not later than December 31, 1949, the results of its study and investigation, together with such recommendations as it may deem advisable.

SEC. 3. For the purposes of this resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized (1) to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties; and (2) to hold such hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-first Congress prior to January 1, 1950; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer oaths; to take such testimony, to have such printing and binding done; and to make such expenditures as it deems advisable. The cost of stenographic services in reporting hearings shall not be in excess of 25 cents per 100 words. Subpenas shall be issued under the signature of the chairman or vice chairman of the joint committee and shall be served by any person designated by them.

SEC. 4. The expenses of the joint committee under this resolution, which shall not exceed $30,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of disbursements so made.

EXTENSION OF BENEFITS OF SECTION 1 (c), CIVIL SERVICE RETIREMENT ACT, TO CERTAIN INVOLUNTARILY SEPARATED EMPLOYEES—BILL PASSED OVER

The bill (S. 988) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as next in order.

Mr. ELLENDER. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. The Chair will state that there is an identical House bill on the calendar, House bill 997, Calendar No. 302.

Mr. JOHNSTON of South Carolina. Mr. President, Senate bill 988, in section 1 (c) provides:

Any officer or employee to whom this act applies, after having rendered at least 25 years of service computed as prescribed in section 5 of this act, shall, upon involuntary separation from the service not by removal for cause on charges of misconduct or delinquency, be paid an immediate life annuity computed as provided in section 4 of this act reduced by one-fourth of 1 percent for each full month such officer or employee is under the age of 60 years.

The bill gives to the employees who were separated from the service involuntarily the right to retire after 25 years of service. The Civil Service Commission recommends the bill because it would cost very little, and at the same time would give such individuals the right to retire, because in many instances they canot secure employment. The Bureau of the Budget has also recommended the bill.

Mr. ELLENDER. How long must a person have served to secure the benefits of the bill?

Mr. JOHNSTON of South Carolina. Twenty-five years.

Mr. ELLENDER. And then if such a person has lost his job, the Senator said——

Mr. JOHNSTON of South Carolina. If such a person has lost his job through no fault of his own he receives the benefits of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. Why was this particular section of the Retirement Act made retroactive when the other sections are not touched?

Mr. JOHNSTON of South Carolina. I am sorry, but I did not hear the Senator's question.

Mr. WILLIAMS. Why was this particular section of the Retirement Act singled out to be made retroactive 2 years? Why was this particular section selected and made retroactive? Under the present law employees can retire after 25 years of service, if they are separated from the service, but the bill, as I read it, merely extends back for 2 years, prior to July 1, 1947, one particular section of the act.

Mr. JOHNSTON of South Carolina. There is a law which takes care of the situation up to that time, and this bill takes care of those who were involuntarily separated during the period from July 1, 1945, to July 1, 1947—between those years.

Mr. WILLIAMS. The law took care of such individuals prior to that time, and the same law still takes care of them. Is that not true?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. WILLIAMS. Why is it necessary, by this bill, to make the law retroactive for 2 years if that situation is already taken care of.

Mr. JOHNSTON of South Carolina. I think the Senator from Delaware misunderstood me. The bill takes care of a group not taken care of by any prior law.

Mr. WILLIAMS. But they were taken care of before. Why is the group with 25 years of service selected? What is going to be done with an individual who has served 24 years?

Mr. JOHNSTON of South Carolina. He will have to wait until the 25 years are up. An individual who has served 23 years will have to wait until the 25-year period is ended. And the same is true of one who has served for 22 or 21 years or for any other period less than 25 years.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard.

Mr. LONG. Mr. President, if I may, I should like to explain one point to the Senator. The whole purpose of the bill primarily is to give to some persons who worked in national ordnance plants the same benefits other employees have. The persons in question were separated from their employment during the period from July 1, 1945, to July 1, 1947, after the war was over. The bill would give them the same retirement benefits that other employees have under the law.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. TAFT. My objection is that we considered this whole question last year. We went over the whole subject scientifically at that time. Now it is proposed to make the law retroactive here and make it retroactive there for the benefit of some special group. In view of the fact that we adopted the over-all plan last year, after a great deal of discussion, I do not see why it is now proposed to begin to chisel on that particular plan and give an increase here and an increase there to particular persons who do not happen to receive quite as much as they hoped to receive under the retirement act.

Mr. JOHNSTON of South Carolina. I should like to answer the Senator's statement by saying that from time to time we will find persons who have not been treated exactly fairly under the law, and it will be necessary for us to take action

to correct such situations. The bill deals with employees who stayed with the Government because the Government wanted them to stay and work after the war was over. Should we treat them differently than we treat those who did not remain and work? That is the only question here. Only a small group of individuals is involved. It is true that last year we did pass a law to take care of some employees, but should we penalize certain employees because they remained on the job and worked when the Government asked them to continue to work? That is the question before the Senate at the present time. If any Senators want to penalize those who remained at the request of the Government, let them object to the bill and let it go over. But by doing so Senators are penalizing a group of employees that remained and served the Government.

Mr. WILLIAMS. We considered the matter last year, and no question was then raised about these persons. At that time the Senate did not think one particular group should be selected and treated differently than others. I feel the same way about the matter as I did last year, namely, that it singles out one particular group for special attention, and, therefore, I ask that the bill go over.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO SERVICE CREDITS

The Senate proceeded to consider the bill (S. 1023) to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made.

Mr. HENDRICKSON. Mr. President, the purpose of the bill seems to be to grant credit in accordance with section 9 of the Civil Service Retirement Act, to a civil-service employee for service for which, through inadvertence, no deductions from salary were made. The bill as drawn does not impose any responsibility at all on an employee. He can be careless and negligent. I should like to offer an amendment at this time to put some degree of responsibility on the employee. I offer the amendment which I send to the desk.

Mr. RUSSELL. Mr. President, I should like to ask the Senator from New Jersey a question. Who pays in the amount that was not deducted through the error? Is that made up by appropriation from the Federal Treasury, or does the employee recompense the retirement fund for the amount?

Mr. HENDRICKSON. I did not hear the first part of the Senator's question.

Mr. RUSSELL. The bill provides that the credit is granted even though no deductions from salary were made.

Mr. HENDRICKSON. That is correct.

Mr. RUSSELL. That, of course, imposes a greater burden on the retirement fund, because it would increase the amount of the retirement that the person would draw by giving him credit for deductions which were not made. I should like to know whether the recipient of the retirement benefit pays in the amount which, because of error, was not deducted, or whether it comes out of the Treasury by appropriation.

Mr. HENDRICKSON. Is the Senator's question directed to the bill or to the amendment?

Mr. RUSSELL. It is directed to the bill.

Mr. HENDRICKSON. The chairman of the committee can probably answer the Senator's question better than I can.

Mr. JOHNSTON of South Carolina. If the Senator will read the second paragraph of the report, he will find the following language:

> By the terms of the existing retirement act, an employee securing a status thereunder is entitled to credit for all prior service during which such status did not attach. In case there is involved civilian service after August 1, 1920, the effective date of the original retirement law, the employee has the option of depositing in the retirement fund the proper percentage deductions with interest. Should he fail to make the deposit, the annuity otherwise due upon retirement is reduced by 10 percent of the deposit figure.

Mr. RUSSELL. Then the answer is that the employee who would benefit would have to make the deposit.

Mr. JOHNSTON of South Carolina. Yes.

Mr. RUSSELL. I thank the Senator.

The PRESIDENT pro tempore. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 1, it is proposed to strike out line 8 and insert "on the part of the employing agency and such error being made without the knowledge of the employee affected by the mistake."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the first sentence of section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end thereof a comma and the following: "including any case in which such deductions are required to be made but are not made due to error on the part of the employing agency and such error being made without the knowledge of the employee affected by the mistake."

FORFEITURE OF CERTAIN CIVIL SERVICE RETIREMENT ANNUITY RIGHTS

The bill (S. 1229) to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the last paragraph of section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That any such officer or employee who has completed less than 20 years' civilian service may elect to forfeit his right to such annuity and elect to receive in lieu thereof the amount credited to his individual account together with interest compounded on December 31 of each year at the rate of 4 percent to the date of his separation or December 31, 1947, whichever may be the earlier, and at the rate of 3 percent for any period thereafter before April 1, 1948: *Provided further*, That if the separation of such officer or employee was involuntary, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions, with such interest, shall be returned."

AMENDMENT OF ALASKA RAILROAD RETIREMENT ACT—BILL PASSED OVER

The bill (S. 1359) to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code, and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable, was announced as next in order.

Mr. WILLIAMS. Mr. President, reserving the right to object, may we have an explanation of this bill?

Mr. JOHNSTON of South Carolina. Mr. President, it will be recalled that we have a great many retirement systems throughout the Government. A few years ago the senior Senator from Virginia [Mr. BYRD] called that fact to our attention. An effort is being made to consolidate the various retirement systems. This bill would consolidate two systems. It will be noted that it involves the Alaska Railroad Retirement Act and the Canal Zone Code. It would effect a consolidation of the retirement systems.

Mr. WILLIAMS. I should like to ask the Senator if it is proposed to consolidate the two systems under the same formula, or whether more liberal terms will be provided?

Mr. JOHNSTON of South Carolina. It will be found that in a consolidation of systems some systems provide more benefits than others. They are not all exactly the same.

Mr. WILLIAMS. I am speaking of the future.

Mr. JOHNSTON of South Carolina. The Senator will find that the benefits are more liberal in the Canal Zone because of the conditions in that part of the world. We could not have the same retirement system there that we have in the United States.

Mr. WILLIAMS. Then, am I to understand from the Senator from South Carolina that this bill would provide a new formula for a particular group, under the present act?

Mr. JOHNSTON of South Carolina. It is in effect a new formula. In nearly all consolidations we find that payments by employees have been made under different agreements. It is impossible to have the same formula in all fields.

Mr. WILLIAMS. Mr. President, I am in sympathy with the movement to consolidate systems, but I am opposed to opening up a new formula. I therefore ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

EXEMPTION OF ARTIFICIAL LIMBS FROM DUTY IF IMPORTED FOR PERSONAL USE

The Senate proceeded to consider the bill (H. R. 3932) to exempt artificial limbs from duty if imported for personal use and not for sale.

Mr. GEORGE. Mr. President, I desire to offer an amendment to this bill, at the suggestion of the customs officials.

The PRESIDENT pro tempore. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. On page 1, line 6, after the word "and" it is proposed to insert the word "limb" preceding the word "braces."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 1527) to provide for home rule and reorganization in the District of Columbia was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

COMMUTING ANNUITIES—SENECA AND SIX NATIONS OF NEW YORK

The bill (S. 187) to provide for the settlement of certain obligations of the United States to the Indians of New York was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to enter into negotiations with the tribal councils of the Six Nations of New York with a view to the settlement, by lump-sum payment, of the obligation of the United States to pay to the Indians of the Six Nations of New York a permanent annuity in clothing and other useful articles under the provisions of article 6 of the treaty of November 11, 1794, with such Indians.

SEC. 2. The Secretary is further authorized and directed to enter into negotiations with the tribal council of the Seneca Nation of New York with a view to the settlement, by lump-sum payment, of the obligation of the United States to pay to the Indians of such nation a permanent annuity in lieu of interest on stock under the provisions of the act of February 19, 1831 (4 Stat. 442).

SEC. 3. Upon the conclusion of the negotiations authorized under this act the Secretary shall make a report to the Congress concerning the results thereof, and upon the making of an appropriation therefor by the Congress, shall deposit in the Treasury of the United States to the credit of the Six Nations of New York and the Seneca Nation of New York, respectively, the amounts agreed upon pursuant to such negotiations.

ST. CROIX ISLAND NATIONAL MONUMENT, MAINE

The bill (S. 292) to authorize the establishment of the St. Croix Island National Monument, in the State of Maine, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to have some explanation with respect to the cost of this project.

The PRESIDENT pro tempore. The Senator from Maine [Mr. BREWSTER] does not appear to be in the Chamber.

Mr. SCHOEPPEL. I ask that the bill go over until Senators interested in the bill are in the Chamber.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. O'MAHONEY subsequently said: Mr. President I ask unanimous consent to return to Calendar 253, Senate bill 292, which was called while I was temporarily absent from the Chamber.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. O'MAHONEY. Mr. President, this is a bill introduced by the distinguished senior Senator from Maine [Mr. BREWSTER]. It is not only endorsed by him, as his sponsorship of the bill would indicate, but also by the junior Senator from Maine [Mrs. SMITH]. The bill undertakes to make a national monument of the Island of St. Croix in Maine to signalize the first French settlement in the United States. This settlement, by the way, was made in 1607. Only 7 acres are involved. It is of great interest to the people of Maine, and I feel that there is no real objection to the bill. I hope that it may be passed.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of establishing a Federal area of national historical importance for the benefit of the people of the United States, the Secretary of the Interior is hereby authorized to accept, for national monument purposes, on behalf of the United States, the donation of all non-Federal lands and interests in land situated on Saint Croix (Dochet) Island, located in the Saint Croix River, in the State of Maine. The Secretary is authorized to acquire, in such manner as he may consider to be in the public interest, not to exceed 50 acres of land or interests therein situated on the mainland, such property to be used for general administrative purposes and for a landing dock in order to provide a suitable approach and ready access to the island.

SEC. 2. Upon a determination by the Secretary of the Interior that sufficient land and interests in land situated on the island have been acquired by the United States for the establishment of a suitable national monument, such acquired property, and any Federal properties on the island that are not required for other public purposes, shall be established as the "Saint Croix Island National Monument." An order of the Secretary of the Interior, constituting notice of such determination, shall be published in the Federal Register. Following establishment of the national monument, other properties situated upon the island may become a part of the monument upon acquisition of title to such properties by the United States, and Federal properties situated upon the island, upon a determination by the agency administering such Federal properties that they are no longer required by that agency, may be transferred to the Secretary of the Interior by such agency to become a part of the national monument. Notice of the addition of any such properties to the monument shall be published in the Federal Register by the Secretary of the Interior. There shall be excluded from the national monument, for such time as the United States Coast Guard shall consider to be necessary, any portion of the island which is being used and which is required for the purposes of a Coast Guard light station.

SEC. 3. The national monument shall be administered by the Secretary of the Interior, through the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535; 16 U. S. C. 1–4), as amended and supplemented, and the act of August 21, 1935 (49 Stat. 666; 16 U. S. C. 461–467).

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. BREWSTER. Mr. President, I very much appreciate the interest of the Senator from Wyoming. I should like to point out that the correct date in 1604, instead of 1607. We antedated Jamestown by 3 years.

Mr. O'MAHONEY. I am sorry I stated the wrong date; I was speaking from memory.

Mr. BREWSTER. I may say that practically no expense is involved, inasmuch as the family owning the island is going to give it to the Government, and also about 58 acres on the mainland. There may be a small piece of land on the mainland that will be involved, but it is very negligible. This matter has great historic significance, and I appreciate the consideration the Senate has given to it.

Mr. O'MAHONEY. Mr. President, I hold in my hand the report filed by the committee on this measure. It correctly states that the expedition landed on the island in the year 1604. The matter is of such historic interest, Mr. President, that I ask unanimous consent that the report of the committee may be printed at this point in the RECORD.

There being no objection, the report (No. 274) was ordered to be printed in the RECORD, as follows:

The Senate Committee on Interior and Insular Affairs, to whom was referred the bill (S. 292) to authorize the establishment of the St. Croix Island National Monument, in the State of Maine, having considered the same, report favorably thereon without amendment and with the recommendation that the bill do pass.

The purpose of this bill is to authorize the establishment of the St. Croix Island National Monument, in the State of Maine, in commemoration of the first French settlement in America.

St. Croix Island embraces approximately 7 acres of land and is located in the St. Croix River, which forms the boundary between the State of Maine and New Brunswick, Canada. In 1604, prior to the settlement of Jamestown, Va., or Plymouth, Mass., an expedition led by the French explorer, De Monts, and his lieutenant, Champlain, landed on the island.

De Monts and Champlain, after exploring the Bay of Fundy, chose St. Croix Island as the site of the first French settlement in America (other than the ill-fated Fort Caroline), and lived there during the winter of 1604. They chose the island because it could be easily defended and because one end of it was clay, from which bricks could be made.

The expedition had a total complement of 120 men. During the winter spent on St.

Croix Island, approximately one-third of the company died.

Plans for the settlement were drawn by Champlain. It included a fort, storehouse, common meeting hall, kitchen and bake shop, and a blacksmith shop. Houses were built of timber brought from France. A well was dug and gardens planted. On the southwest part of the island, a chapel was erected and a cemetery was established. Cannon were mounted on both ends of the island.

After a very severe winter, the survivors sailed to Cape Cod and then established Fort Royal in Nova Scotia. Champlain later founded the city of Quebec in Canada.

The National Park Service, Department of the Interior, reports this area to be of major historical significance and believes that archeological work at the site of the settlement would produce valuable relics. Parts of the old foundations still remain.

The northern part of the island is owned by the Federal Government already, as it is the site of a Coast Guard lighthouse. S. 292 provides that the Coast Guard will retain jurisdiction over that area for so long as the lighthouse is in use.

The family owning the remainder of the island is willing to donate its land to the Government as soon as the necessary congressional authorization is granted. The bill also authorizes the Secretary of the Interior to acquire not more than 50 acres on the mainland for administrative purposes and for a landing dock in order to provide a suitable approach to the island. Most of this acreage will be donated by the same family controlling the privately owned land on St. Croix Island. The Government will buy only such land as is necessary for efficient administration.

The favorable report of the Interior Department to the chairman of the committee under date of March 18, 1949, is hereinbelow set forth in full and made a part of this report:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., March 18, 1949.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs, United States Senate.

MY DEAR SENATOR O'MAHONEY: Your committee has requested a report on S. 292, entitled "A bill to authorize the establishment of the St. Croix Island National Monument, in the State of Maine." This bill would authorize the acceptance by the Federal Government of the donation of all non-Federal land on St. Croix Island for establishment of the national monument. Also, it would authorize the acquisition of mainland properties for administrative purposes in connection with the national monument and for a landing dock in order to provide a suitable approach to the island.

I recommend that S. 292 be enacted.

St. Croix Island has a historical background of national significance. It is the site of the first French settlement in America, in 1604. Under the direction of the intrepid French leader, De Monts, and his even more famous lieutenant, Champlain, this island, situated in the St. Croix River, near the present boundary between Maine and New Brunswick, in Canada, became the scene, 3 years before Jamestown, of French effort to colonize North America. The establishment of the colony at St. Croix Island marked the first contact of that great French explorer, Champlain, with the American country. From St. Croix Island he conducted his first reconnaissance and the first French exploration along what later became the coast of the United States. His activity led to an attempt on the part of the French to settle on Mount Desert Island, near the present site of Bar Harbor, Maine, and Acadia National Park.

The National Park Service has made historical studies relating to the St. Croix Island proposal at intervals since 1932 and is of the opinion that the area is of major historical significance as the site of the first French settlement in America. Sufficient historical evidence exists to permit the effective interpretation of this phase of the history of New France. We believe that archeological work at the site of the settlement would yield more information and would bring to light artifacts and physical remains which would be of distinct scientific interest and museum value.

On the basis of the above historical reports and studies, the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments, at its nineteenth meeting on April 28–30, 1948, reaffirmed its previous action in recognizing St. Croix Island as of national significance because of its importance in the history of early French colonization in North America.

As we understand that your committee desires an immediate report on this bill, this report has not been submitted to the Bureau of the Budget. Consequently, I am unable to advise you as to the relation of this proposed legislation to the program of the President.

Sincerely yours,

OSCAR L. CHAPMAN,
Acting Secretary of the Interior.

JAMES MADISON BURTON

The bill (S. 835) authorizing the issuance of a patent in fee to James Madison Burton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That upon application in writing, the Secretary of the Interior is authorized and directed to issue to James Madison Burton, of Kaysville, Utah, a patent in fee to the following-described lands allotted to him on the Crow Indian Reservation, Montana: Allotment numbered 3118, the south half of section 13, and the south half of section 14, northeast quarter section 22, and the northwest quarter section 23, township 9 south, range 36 east, Montana principal meridian.

CLARENCE M. SCOTT

The bill (S. 836) authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Clarence M. Scott for the following-described lands in the State of Montana: Lots 3, 4, 5, 6, 11, 12, 13, 14 in section 2, and lots 1, 2, 7, 8, 9, 16 in section 3, township 3 south, range 28 east, Montana principal meridian, and containing four hundred and forty and fifty-two one-hundredths acres.

JUNE SCOTT SKOOG

The bill (S. 1058) authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to June Scott Skoog for the following-described lands in the State of Montana: Southwest quarter of section 15; south half of the south half of section 12; and north half of section 13, all in township 6 south, range 32 east, Montana principal meridian, containing approximately six hundred and forty acres.

MRS. PEARL SCOTT LOUKES

The bill (S. 1142) authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Mrs. Pearl Scott Loukes for the following-described lands in the State of Montana: The southeast quarter, section 12, township 7 south, range 27 east; lot 4, section 7, townsnip 7 south, range 28 east; the northwest quarter of the northeast quarter, section 11; the west half of the southwest quarter of the northwest quarter, section 16; lots 1, 2, and 3, northeast quarter, east half of the northwest quarter, the east half of the east half of the west half of the northwest quarter, section 17, lots 1, 2, and 3, section 18, township 7 south, range 28 east, Montana principal meridian, containing approximately six hundred and twenty-eight acres.

IRENE SCOTT BASSETT

The Senate proceeded to consider the bill (S. 837) authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, at the end of line 6, to strike out the word "of" and insert "and", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Irene Scott Bassett for the following-described lands in the State of Montana: Northeast quarter of section 22; south half of the northwest quarter and the south half of section 23; east half of the northeast quarter of section 26, all in township 6 south, range 32 east, Montana principal meridian, containing approximately six hundred and forty acres.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KATHLEEN DOYLE HARRIS

The Senate proceeded to consider the bill (S. 1057) authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, line 10, after the word "containing" to strike out "approximately eight hundred" and insert "eight hundred seventy-three and fifty-two one-hundredths", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Kathleen Doyle Harris for the following-described lands in the State of Montana: South half of the northeast quarter and the southeast quarter of section 20; east half of section 29; lots 3 and 4, and northeast quarter, and north half of the southeast quarter of section 32, all township 9 south, range 36 east, Montana principal meridian, containing eight hundred seventy-three and fifty-two one-hundredths acres.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAVANTIA PEARSON

The bill (S. 1036) authorizing the issuance of a patent in fee to Lavantia Pearson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Lavantia Pearson, Crow allottee No. 183 S. A., of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The south half of section 29, township 2 south, range 30 east, Montana principal meridian, containing three hundred and twenty acres.

VIRGINIA PEARSON

The bill (S. 1037) authorizing the issuance of a patent in fee to Virginia Pearson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Virginia Pearson, Crow allottee No. 1328, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: Lots 1, 2, 3, 4, and the north half of the northeast quarter, and the east half of the west half of section 30, township 2 south, range 30 east, Montana principal meridian, containing three hundred eighty-two and twelve one-hundredths acres.

ETHEL M. PEARSON GEORGE

The bill (S. 1038) authorizing the issuance of a patent in fee to Ethel M. Pearson George was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Ethel M. Pearson George, Crow allottee No. 1330, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The east half of section 25, and the northeast quarter of section 36, township 2 south, range 29 east, Montana principal meridian, containing four hundred and eighty acres.

LEAH L. PEARSON LOUK

The Senate proceeded to consider the bill (S. 1040) authorizing the issuance of a patent in fee to Leah L. Pearson Louk, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, line 11, after the word "half", to insert "of the east half", so as to make the bill read:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Leah L. Pearson Louk, Crow allottee No. 1331, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The east half of the southwest quarter, and the southeast quarter of section 24; the northwest quarter of section 25; and the east half of the east half of the northeast quarter, and the east half of the west half of the east half of the northeast quarter of section 26, township 2 south, range 29 east, Montana principal meridian, containing four hundred and sixty acres.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INVESTIGATION OF RATES FOR CARRYING UNITED STATES MAILS

The Senate proceeded to consider the resolution (S. Res. 34) to investigate contracts with railroads for carrying United States mails, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 1, in line 3, after the words "respect to", to strike out "contracts" and insert "rates"; and in line 4, after the word "railroads", to insert "air lines and steamship lines", so as to make the resolution read:

Resolved, That the Committee on Post Office and Civil Service is authorized and directed (1) to make a full and complete study and investigation with respect to rates with railroads, air lines, and steamship lines, for carrying United States mail with a view to ascertaining whether, in the light of changes in the volume of mail carried, any change in the rates charged for such service is necessary or advisable, and (2) to report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations for necessary legislation as it may deem desirable.

The amendments were agreed to.

The PRESIDENT pro tempore. Without objection, the title will be amended so as to correspond to the amendments.

The title was amended so as to read: "Resolution to investigate rates with railroads, air lines, and steamship lines for carrying United States mails."

REHABILITATION OF CERTAIN WORKS OF FORT SUMNER IRRIGATION DISTRICT, NEW MEXICO

The bill (S. 276) to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, may we have an explanation of the bill?

Mr. CONNALLY. Mr. President, I am suffering from some embarrassment in regard to this matter. In the last Congress I objected to this bill on the ground that there should be a pact between New Mexico and Texas. The pact has been arranged, and there are now before the committee bills providing for the ratification of the pact.

I am not objecting to the bill at this time, because I do not wish to object; but at the same time I should prefer that the matter go over for a little while, until this pact can be ratified. Then this matter will come under the operation of a pact, and I think we shall have no difficulty at all.

I am not hostile to the idea. I have spoken to the junior Senator from New Mexico about it, and I hope the senior Senator from New Mexico will go along with us, and allow the bill to go over until the next call of the calendar.

Mr. CHAVEZ. Mr. President, there is no Member of the Senate to whose requests I would more readily accede than those of the senior Senator from Texas. But more than that is involved in this particular question.

The senior Senator from Texas says we have agreed on the pact, and that as soon as the pact is ratified, this matter can be proceeded with. That is perfectly fine; but by the same token, if he trusts us to go along with the pact, why does he not trust us now, and why is he unwilling to go along now with the junior Senator from New Mexico in this matter?

The only reason why the junior Senator from New Mexico appears in this connection is because he happened to belong to the particular committee concerned. But former Senator Hatch, who preceded the present junior Senator from New Mexico, had a bill similar to this passed during the last session. The senior Senator from New Mexico has been working on this bill for years. We have been cooperating with the senior Senator from Texas on everything he wanted in this particular bill. I cannot see that the pact will suffer any if we pass the bill at this time.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I wonder whether we may have an explanation of one feature of the bill. As I understand the bill, it requires certain reimbursements to be made to the Federal Government, by the residents of the irrigation district. The committee report does not indicate at all when the payments are to be made. I should like the Senate to have some explanation as to the time over which the reimbursements are to be made.

Mr. CHAVEZ. Mr. President, I shall be glad to inform the Senator in regard to the workings of the reclamation laws in the West. At times it is very difficult to inform Senators from the Eastern States as to how the affairs of the irrigation districts are conducted.

Every penny the Government spends on these projects is paid by the farmers who receive the benefits of the water which is used for irrigation purposes.

The general rule is that the Reclamation Service makes a contract with the local district, under the reclamation laws. The Government advances the money, and then makes a contract, to be in effect for a certain number of years. The farmers are required to pay so much a year into the Federal Treasury.

In this particular instance, the people of the Fort Sumner irrigation district will in due time, and according to what the Bureau of Reclamation, under the Interior Department, says shall be the contract, make the payments to the Federal Treasury. The Government will not lose one penny in this particular case.

Mr. CONNALLY. Mr. President, I am very reluctant to object to this bill. It was before the Senate last year. Many people in my State were insisting that I object and hold it up, on the ground that the interstate compact had not been concluded. The compact has now been agreed to between the two States, and we hope it will solve all our difficulties. It is here in the Senate, ready for ratification.

While I must do so reluctantly, nevertheless I must observe the wishes of my people. The people in the area affected, in Texas, are insistent that the bill not be passed until the compact is ratified. So, although I shall not make objection

gladly, nevertheless I am compelled to do so through a sense of duty.

The PRESIDENT pro tempore. Objection is heard.

Mr. CHAVEZ. Mr. President, let me point out that there are other Senators who have a sense of duty, not only to their own States, but even to neighboring States. No one in the State of New Mexico has cooperated more heartily with Texas in protecting its own rights than has the senior Senator from New Mexico. I know we would be better off, so far as this little two-by-four irrigation district, which does not amount to a million dollars, is concerned, if we had not thought that we should have cooperated with the senior Senator from Texas when he was trying to get the Rio Grande treaty with Mexico adopted. That treaty meant millions and millions of dollars to the State of Texas. All the water which Texas gets in the lower irrigation district now comes from the Republic of Mexico. We were anxious to cooperate with the senior Senator from Texas, notwithstanding in that particular instance we could have protected our two-by-four project in New Mexico, a project irrigating 600,000 acres of land belonging to hard-working Christian people. We could have told the Senator from Texas that in that matter we would do what he is doing in regard to this matter, and could have said, "We will wait until these pacts are signed, and then we will arrange these things"; but we did not do so.

I ask the Senator in all sincerity if he does agree that we cooperated in that matter? New Mexico has agreed to that pact. The senior Senator from New Mexico is not going to object to the pact; he wishes this body to ratify it; and I know that the junior Senator from New Mexico will go along with what New Mexico has done.

I could tell the senior Senator from Texas how we have cooperated in other ways. The senior Senator from Texas was not a member of the Appropriations Committee when Representative FISHER, of Texas, wanted $3,000,000 for protection at San Angelo, and it was not the senior Senator from Texas and the junior Senator from Texas who obtained it, but it was the senior Senator from New Mexico. When the Green River projects came before the committee the other day, it was not anyone from Texas who obtained their approval.

What I am trying to say is that we of New Mexico want to work with Texas. They are our neighbors. They are fine people, and they deserve consideration. But just the same, let us strictly understand that cooperation must not be all on one side. If the senior Senator from Texas now is unwilling to trust that we will go along with what New Mexico has signed, and objects to the bill—well I do not know whether I would be justified in not waiting until my constituents insist that I do my duty. I want to go along, and I give my word of honor that both Senators from New Mexico will vote to ratify the interstate compact.

Mr. CONNALLY. Mr. President, it is with deep regret that I note from his expressions the feelings of the senior Senator from New Mexico. I want to assure him we are entirely grateful for any help coming from the Senators from New Mexico with regard to these matters. We are neighbors. We want to get along well together, and we have no disposition to injure New Mexico in any wise.

I suggest to the Senater, though, and to the Senate, that the House of Representatives today reported its approval of the compact between New Mexico and Texas, on this subject. The Department's report on it to the Senate committee is now due, and I feel sure that within a single week we shall get the approval of the committee. There is no reason why the compact should not be ratified, and I am sure it will be ratified. But it is with assurances on my part of regret that I note any feeling on the part of the Senator from New Mexico that Texas interests have not been cooperative. With the utmost sincerity, I hope the Senator from New Mexico will not entertain any feelings of hostility because of my action; but I must object, and do object.

Mr. CHAVEZ. I do not entertain any feelings of hostility. All I entertain is an impression of the unconscious arrogance of conscious power.

The PRESIDENT pro tempore. Objection is heard.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 31) favoring suspension of deportation in certain cases was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-3371030, Allegretti, Giovanni.

A-6032034, Alvear, Manuel, or Manuel Alvear Rabanal (alias Ravenada).

A-1255106, Anderson, Neoniella Ermakova (nee Vasielievna Tsiba Ermokova).

A-2928933, Barbiani, Giordano, or George Barbiani.

A-6249264, Bogikes, Maria.

A-6322600, Borgman-Brouwer, Peter Willem.

A-9769944, Budicin, Pietro or Peter.

A-7743584, Cambel, Ali Bulent.

A-3406806, Canela, Ignacio.

A-5391859, Carson, Donald Frank.

A-6782691, Cerniglia, Pasquale.

A-7029166, Chien, Alan Richard.

A-7029175, Chien, Philip Karl.

A-7029165, Chien, George David.

A-7756420, Chow, David Zai-Chen, or David Chow.

A-6460377, Churchill, Ethel Lightfoot, or Ethel Lightfoot.

A-5767700, Deighton, Josephine Amelia, or Josephine Amelia Deighton (nee Suchy); Josephine Amelia Suchy Deighton.

A-5630032, De Jimenez, Teresa Ramirez.

A-6777954, Del Castillo, Jose Manuel Villa, or Jose Manuel Del Castillo.

A-6248876, Delinanos, Evangeline (nee Siotka).

A-6288933, De Luzuriaga, Luis Ruiz.

A-6768501, De Saldana, Marhta Reyes, or Martha or Marta Reyes de Saldana.

A-6768502, Saldana, Elisa, or Maria Elisa Saldana.

A-7544398, Dickson, Mary Lynn Holland.

A-5962202, Eckardt, Ruth (nee Jankwitz).

A-4745580, Eddy, Maria Inez (nee Cabanellas).

A-4263542, Estrada-Marquez, Edmundo Gamaliel, or Edmundo Gamaliel Estrada.

A-6702829, Fenner, Muriel Constance Steele.

A-5592138, Fiedler, Otto Erich (alias Otto Fiedler).

A-6834463, Florent, Benoit Charles Leys, or Benedict Leys.

A-6357990, Forles, Mary (Maria), or Maria Fourlis.

A-6509155, Fung, Ng.

A-1316941, Garcia Cristobal Bandera, or Christobal Garcia or Critobal Garcia.

A-6343310, Garcia, Maria Jesus.

A-6170348, Garcia, Maximiano Macaya, or Max Macaya Garcia.

A-6167326, Garcia, Brigida Yulo.

A-9679152, Gerovich, Anthony Lennard.

A-6310308, Gerstein, Joseph; Joseph Gershon; Joseph Paul Gershon; Joseph Gerstien.

A-6698983, Gobas, Eudokia Nicholas (alias Erdokia Gobias alias Eudokia Demetrius Zoidou).

A-9571845, Guldberg, Fleming Halfdan.

A-9689722, Gundlach, Arend.

A-7755524, Hua, Chung Wu, or Chung-Hua Wu.

A-7755855, Wu, Ming-Hua Lee (nee Ming-Hua Lee).

A-9731513, Johannesen, Jorgen.

A-4909615, Juristo, Julius, or Julian Juristo Zabala.

A-6439318, Kolakowski, Anna, or Anna Francis Kolakowski or Anna Franciska Kolakowski (nee Polanska).

A-6261655, Koulakiotis, Alexandra (nee Tzamtha Coulakotis or Colakiotis).

A-6693180, Lehti, Unto Oskari.

A-2270826, Leong, Ruth Lee (nee Yee-Yan Lee).

A-6179704, Li. Yuan Chuen, or Lee Yung Chuen or Yuan Chuen Lee.

A-6328292, Limas, Casimiro Sanchez, or Casimira Limas Sanchez or Casimira Sanchez Limas.

A-3787921, Mansour, Iris Isaac Ades.

A-9770907, Marcellin, Andre Louis.

A-4350535, Masi, Luigi.

A-5948065, Mattsson, Matts Erik.

A-5648086, Mellinger, Paul Frederick.

A-6542774, Moulton, Raymond John, formerly Rowe.

A-6542775, Moulton, Lynne Esther Alice, formerly Rowe.

A-6430367, Mozzano, Lentino or Valentino.

A-6222124, Muzzin, Marcellina Moro (nee Moro).

A-1434172, Myers, Myrtle Haley (nee Skeene).

A-1189354, Nyi, Huai Fen Li, or Gloria Huai Fen Li Nyi or Mrs. Henry Nyi.

A-6082644, Olivera, Roque Tanada.

A-1958978, Owens, Stanley Jasper.

A-5834601, Penna, Bruno.

A-3545828, Pineiro, Enrique Hermo, or Enrique Hermo.

A-6860766, Pulli, Toivo.

A-6362105, Rivera, Jose.

A-6751755, Rodriguez, Eusebio, or Eusebio Rodriguez-Carbajal.

A-6659026, Rodriguez-Hernandez, Aurelio (alias Aurelio Rodriguez, alias Jose Zamora Hernandez).

A-6594435, Rosen, Harold.

A-6505853, Roth, Richard John, or Richard Roth.

A-6731254, Sanchez, Jesus, or Jesus Sanchez-Sosa or Jesus E. Sanchez.

A-6449732, Sassoon, Frank.

A-1448203, Schwitz, Agnes (nee Adams alias Curtis and Moran).

A-4954930, Simmons, Evelyn Nora.

A-6261749, Sisco, James Everett, or James Everette Sisco.

A-6304543, Skenderoglou, Jordan or John or Ioannis Skenderoglou.

A-5277095, Spektor, Izak.

A-5277096, Spektor, Rebeka (nee Kawenoki).

A-4470680, Steinfeld, Marie Rose Armanda (nee Lafond, Rose Corrin, Rose Vallee).

A-9694266, Strand, Andreas.

A-2536642, Stronge, Thomas Ranken, or Strong.

A-5564088, Tetrick, Margaret Elizabeth, or Margaret Hedwig Tetrick or Margaret Warren (nee Coyne).
A-5932931, Thomas, Gracita.
A-4513706, Tolmunen, Martha (nee Tivanainen).
A-3455195, Tuckett, Ebenezer.
A-2224563, Uddin, Tomiz.
A-9558677, Van Der Leek, Hendrik.
A-9660569, Zwart, Jan, or Jan Lawrence Zwart.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 32) favoring suspension of deportation in certain cases was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-2245432, Bag, Mufijur Rhoman, or Mufijur Bag Rohman or Beg.
A-6076552, Chang, Mavis-Clare (nee Chen See).
A-6000256, Davalos, Ernestine Bautista.
A-5895486, De Corral, Concepcion Corbala, or Concepcion Talamantes De Corral.
A-5882388, Corral, Jaime Rafael (alias James Rafael Corral).
A-5071174, De Delgado, Rafaela Rodriguez Delgadillo.
A-9771218, Ellingsen, Nils Johan.
A-7754666, Esteves, Nelson Geraldo.
A-6706961, Folie, Sophie.
A-3744021, Gazzola, Ernesto.
A-1772858, Graske, Kurt Robert, or Lais Christiansen.
A-4929343, Kannewischer, Walter Oswald, or Walter Brandt or Walter Parker.
A-6245688, Kastanos, George C.
A-6245687, Kastanos, Helen C.
A-2744895, Kesisoglu, Romylos (alias George Iades or Georgiades).
A-9582707, Kristoffersen, Harald.
A-5950003, Macridis, Elefterios Sava or Makridis.
A-6261584, Pavlis, Ekaterini, or Aikaterini Pavlis (nee Voidomatis).
A-6249424, Psaltides, Fotini, or Fotini Sotiriades.
A-6596905, Renteria, Jesus Jose, or Jesus Jose Renteria Macias.
A-3018729, Shulman, Louis.
A-5779075, Sklavoonos, Angelo, or Evangelos Sclovounos.
A-3192396, Vorlop, Kurt.
A-4468240, Waxman, Ethel (nee Rosenbaum or Rosen).
A-6144178, Aboitiz, Maria, Antonia.
A-6144179, Aboitiz, Teresita Isabel.
A-6144180, Aboitiz, Jose Miguel.
A-6144181, Aboitiz, Xavier.
A-2838965, Berman, Samuel or Sam.
A-4279093, Broinstein, Sam, or Schaja Broinstein.
A-6178429, Calvo, Manuel Rosello, or Manuel Calvo or Manual Calvo y Rosello.
A-6178427, Calvo, Norma.
A-6178428, Calvo, Angelita.
A-6240206, Chillemi, Agata (nee Russo).
A-5280371, Chin, Arthur, or Chin Git or Chan Git.
A-4780293, Coons, Olga Alexandra or Hoffman (nee Tuovinin).
A-1813401, Curiel, Mauricio Santiago.
A-5911335, Daniel, Emma Ianthe, or Emma Iantha Daniel (nee Smith, Emma Ianthe Smith).
A-6737910, Santillan De, Rufina Garcia.
A-6743422, Santillan, Silvia Garcia.
A-2582183, Grando, Ive Grgas, or John Grgas Grando.
A-5151416, Hackshaw, Mona May (nee Cockran).
A-5853390, Jackman, Woodrow Wilson.
A-9520106, Jorgensen, Petrus Kornelius.
A-2589465, Robberstad, Trygve, or Teddy Robberstad.
A-9767518, Roosekrans, Petrus Johannes.
A-5995270, Santellan-Lopez, Baldomero (alias Gustavo Tempzen-Lopez alias Gustavo Lopez Tempzen).
A-4929003, Shamarides, Adonis Arghyrou, or Adonis Shamarides or George Chamer.
A-6668113, Soininen, Seppo Paavo.
A-4837403, Thordahl, Preben Eric, or Preben Gustav Eric Thordahl.
A-4814618, Tonani, Fred.
A-3059166, Uras, Pasquale, or Patsey Uras.
A-6591993, Baker, France Stella, or France Stella Juhel-Renoy.
A-2320986, Ciocchi, Luigi.
A-6404791, Cuni, Battistina Elena (nee Vaerini).
A-5833650, Davis, Stanley Arundel, or Stanley Davis.
A-6391237, De Fonte, Sallustio.
A-9520698, Dollah, William Henry.
A-6424465, Kenedi, Tamas Klein or Thomas.
A-6827021, Malouf, George Sleiman, or Georges Maalouf.
A-4383150, Percival, Norward Edward.
A-9778306, Spithogiannis, Stefanos or Spetogianis.
A-5877274, Antzoulatos, Gerasimos, or Gerry or Jerry Angel.
A-9634730, Ballarin, Massimo.
A-6246740, Barraza, Cecilio, or Cecilio Alvarado Barraza.
A-5716466, Bekavac, Anton Ivan.
A-2739693, Boldin, Anthony or Baldin (alias Antonio Vittorio Isidoro Baldini, alias Antonio Nino Baldini, alias Nino or Nine Baldini).
A-1514544, Casas, Jose, or Jose Casas Rosales or Jose Covos or Cobos.
A-6234266, Edwards, Muriel, or Muriel Daniel or Daneil.
A-4456999, Ferghina, Teobald Isaia, or Ubaldo Isaia Ferghina.
A-6193663, Flores, Buenaventura Garcia, or Buenaventura Flores (alias Joe Garcia).
A-3161313, Francz, Jacob, or Jacob Frantz.
A-6241948, Gagner, Marie (nee Minard or Mimi).
A-4947594, Gilcourt, Charles Henry, or Chas. Gilcort or Charles Gilcourt or Gilcort.
A-7511447, Hall, Bertram Carlton.
A-5932958, Harrigan, Ethel Margery (nee Peterson).
A-5133402, Henden, John Hovde.
A-2724762, Kelly, Joseph Francis.
A-5965000, Krost, Ernst Wilhelm.
A-4521987, Kruse, William Herbert.
A-2813449, Leon-Sanchez, Jose Gregorio, or Jose G. Leon.
A-6373564, Lopez, Mauro (alias Mauro Lopez Rodriguez).
A-6624960, Morales, Esteban.
A-3478894, Pavich, Joseph, or Jose Pavic or Yoso Pavic.
A-2883717, Perales, Carmen Dolores Guevara, or Carmen Guevara or Carmen D. Guevara or Camoli.
A-5911572, Raymond, Inez Eugenia (nee McKelly or Inez Eugenia Raymond).
A-6578928, Reasola, Antonio.
A-6578929, Reasola, Maria Remedios Olvera.
A-2283481, Sacco, Pietro Vincenzo.
A-5331600, Saia, Carmelo.
A-4704221, Scarcella, Leonardo Agostino.
A-5985487, Silano, Carmine Sabino.
A-5612486, Smith, Richard (alias Richard Valba).
A-6677956, Storie, William Aitken Stewart.
A-1626396, Tchekowitch, Alexander Borisovich, or Alexis Boris Alexander.
A-2578314, Von Hoefer, Frederic Joseph, or Fred Von Hoefer.

MRS. HATTIE TRAUX

The resolution (S. Res. 112) for the relief of Mrs. Hattie Traux was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. SCHOEPPEL. With reference to this resolution, I should like to ask what is the distinction between Senate bill 411 and other bills of similar character which prompted the committee, by Senate Resolution 112, to refer this relief bill to the Court of Claims?

Mr. McCARRAN. Is the Senator referring to the Senate Resolution 112?

Mr. SCHOEPPEL. Yes.

Mr. McCARRAN. The committee concluded to send this bill to the Court of Claims because it was thought the Court of Claims had more jurisdiction to go into the matter at length, and better facilities for doing so.

Mr. SCHOEPPEL. May I ask the Senator, on what grounds?

Mr. McCARRAN. The matter is controversial. The facts, as furnished us, are not at all decisive. It would take a long time to determine the facts, and we are not set up as a court to try the issues. However, we have a Court of Claims which is established for that purpose and which has the right to call witnesses before it and to determine the facts. Therefore, the committee thought it should go to that court.

Mr. SCHOEPPEL. Is that by reason of the special circumstances involved?

Mr. McCARRAN. That is correct.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the bill (S. 411) entitled "For the relief of Mrs. Hattie Traux" now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

GEORGE KRINOPOLIS

The bill (S. 623) for the relief of George Krinopolis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Krinopolis, of Waltham, Mass., the sum of $332.34, in full satisfaction of his claim against the United States for compensation for accrued leave remaining to his credit at the date of his relief from active duty as a first lieutenant in the Marine Corps Reserve.

HAYWARD O. BRANDON

The bill (S. 1266) for the relief of Hayward O. Brandon was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not

otherwise appropriated, to Hayward O. Brandon, of Philippi, W. Va., the sum of $259. The payment of such sum shall be in full settlement of all claims of the said Hayward O. Brandon against the United States for wages for overtime work performed during 1941 as an employee of the Post Office Department: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

THOMAS O. TROTH

The bill (H. R. 1467) for the relief of Thomas O. Troth was considered, ordered to a third reading, read the third time, and passed.

MRS. ANNA SMOLOWITZ AND MRS. SYLVIA D'ARPE

The bill (H. R. 1468) for the relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe was considered, ordered to a third reading, read the third time, and passed.

JAMES I. MATTHEWS

The bill (H. R. 1489) for the relief of James I. Matthews was considered, ordered to a third reading, read the third time, and passed.

EDWARD L. BARRERAS

The bill (H. R. 1983) for the relief of Edward L. Barreras was considered, ordered to a third reading, read the third time, and passed.

MARIE E. WRIGHT

The bill (H. R. 2231) for the relief of Marie E. Wright was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I note from the committee report that the Department of the Army recommended that this claimant be awarded not to exceed $2,600. The bill awards to the claimant in excess of $4,500. I should like to know why the increase in the award above the amount recommended.

Mr. McCARRAN. The House allowed the sum of $4,528. The committee, in considering the facts, did not go along with the report of the Department, but thought the disfigurement suffered warranted a greater amount, and therefore went along with the amount allowed by the House.

As a matter of fact, I may say, if I were to express my personal opinion, I think the award should have been greater.

Mr. HENDRICKSON. In view of the Senator's explanation, I withhold my objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 2231) was considered, ordered to a third reading, read the third time, and passed.

EMMA ARMSTRONG

The bill (H. R. 2710) for the relief of Emma Armstrong was considered, ordered to a third reading, read the third time, and passed.

MRS. BENJAMIN BETTS

The bill (H. R. 2935) for the relief of Mrs. Benjamin Betts was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF PERSONNEL OF THE UNITED STATES HIGH COMMISSIONER'S OFFICE, PHILIPPINE ISLANDS

The bill (S. 1152) for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may I inquire of the Senator if this is one of a series of bills to be presented covering this type of claim? Will other bills of this nature be filed?

Mr. McCARRAN. We have, I think, passed three bills of similar nature in previous Congresses. There are some 23 individuals involved. The purpose of the proposed legislation is to provide for the payment of a sum of money totaling $40,074.95, to a number of individuals formerly stationed in Manila as employees in the Office of the United States High Commissioner to the Philippine Islands, for reimbursement for the loss of personal property as a result of war conditions.

Mr. SCHOEPPEL. Mr. President, I may say that I am heartily in favor of reimbursement, but I was wondering whether this bill is one of a series likely to come before the Senate.

Mr. McCARRAN. The best advice I can give is that this may be the last of its kind. I am not certain.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with an amendment, on page 1, beginning in line 3, to strike out "That there is authorized to be appropriated and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following sums of money for payment" and to insert "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the following sums of money."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the following sums of money to the following-named officers and employees of the Office of United States High Commissioner to the Philippine Islands, which sums represent the value of reasonable and necessary personal property lost by them, while in the course of their respective duties, as a result of war conditions:

Helen Burke, $4,779.16; Claude Buss, $3,355; Donald L. Cochran, $1,558; William H. Cropper, $117.50; Gordon W. Ells, $3,119.82; Elise Flahavan, $1,268; Charles W. Franks, $5,582.50; George O. Gray, $445; Bertha T. Greusel, $834; Grace Jurgensen, $392.50; Ruth P. Lovell, $1,217; Edward L. Mack, $540; James Moses, $3,335.97; Anna Belle Newcomb, $790; Frederick H. Noble, $700.50; Margaret Pierce, $265; Mona Raymond, $852; Ervin C. Ross, $3,086; Francis B. Sayre, $2,037; William J. Stumpf, Jr., $1,251; Woodbury Willoughby, $2,434; James D. Wilson, $1,045; Mrs. Marie F. Wolff, $1,070.

SEC. 2. If any of the beneficiaries under this act shall have died before the payment herein provided for is made, said payment shall be made to the estate of such beneficiary.

SEC. 3. The acceptance of any payment herein authorized shall constitute a complete discharge of the United States of all claims and demands touching any of the matters involved in section 1 of this act.

SEC. 4. That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

FLOYD OLES AND HELEN LOUISE OLES

The Senate proceeded to consider the bill (S. 113) for the relief of Floyd Oles and Helen Louise Oles, which had been reported from the Committee on the Judiciary with amendments.

The amendments were on page 1, line 5, after the word "appropriated", to strike out "(1) to Floyd Oles, of Seattle, Wash., the sum of $312.50, and (2)"; in line 7, after the word "of", to strike out "$7,500" and insert "$5,000"; in line 8, after the word "of", to strike out "their claims" and insert "her claim"; in line 10, after the word "injuries", to strike out "and loss of earnings"; in line 11, after the word "by", to strike out "them" and insert "her"; and on page 2, line 2, after the word "which", to strike out "they were" and insert "she was", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Louise Oles, of Seattle, Wash., the sum of $5,000, in full satisfaction of her claim, other than for property damages and for medical and hospital expenses, against the United States for compensation for personal injuries suffered and sustained by her as a result of an automobile accident which occurred on October 26, 1943, when the automobile in which she was riding on United States Highway No. 10 in the State of Washington was struck by a tank-trailer being towed by a United States Army vehicle: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Helen Louise Oles."

Mr. TAFT. Mr. President, I had an impression that the Senate passed a bill providing that claims of this kind should be handled by the courts. May I inquire of the Senator from Nevada whether the person injured has an alternative?

Mr. MCCARRAN. This matter developed prior to the passage of the Tort Claims Act.

MRS. GERTRUDE WESTWAY, LEGAL GUARDIAN FOR BOBBIE NILES JOHNSON

The Senate proceeded to consider the bill (S. 322) for the relief of Mrs. Gertrude Westway, legal guardian for Bobbie Niles Johnson, a minor, which had been reported from the Committee on the Judiciary with amendments on page 1, line 5, after the name "Gertrude", to strike out "Westway" and insert "Westaway"; in line 6, after the word "for", to strike out "Bobbie" and insert "Bobby"; in line 8, after the word "of" where it first occurs, to strike out "$10,000" and insert "$7,000"; and in line 10, after the word "by", to strike out "Bobbie" and insert "Bobby", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Gertrude Westaway, legal guardian for Bobby Niles Johnson, a minor, of 522 South Front Street, Wilmington, N. C., the sum of $7,000. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injury sustained by Bobby Niles Johnson as a result of being struck by an Army truck at Front and Ann Streets, Wilmington, N. C., on July 9, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles Johnson, a minor."

DETENTION, CARE, AND TREATMENT OF PERSONS OF UNSOUND MIND

The Senate proceeded to consider the bill (S. 934) to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland, which had been reported from the Committee on the Judiciary with amendments on page 3, line 12, after the word "and", to insert "except as provided in section 3 hereof"; at the top of page 4, to insert "Such hearing shall be conducted at St. Elizabeths Hospital if the superintendent thereof shall certify that in his opinion it would be prejudicial to the health of the patient or unsafe to produce the patient at a hearing elsewhere."; in line 4, after the word "If", to insert "after any hearing at a place other than St. Elizabeths Hospital"; in line 6, after the word "commits" to strike out "such" and insert "a"; after line 10, to insert "Sec. 3. Any person in any of the places described in section 1 hereof may, upon his written application, be admitted for observation and diagnosis to St. Elizabeths Hospital in the discretion of the Superintendent thereof for a period not exceeding 30 days. Any such person expressing a desire for release from St. Elizabeths Hospital shall be released within 72 hours thereafter, unless proceedings for his adjudication as a person of unsound mind shall have been instituted as provided for in section 5 hereof."; in line 20, to change the section number from "3" to "4"; on page 5, line 1, to change the section number from "4" to "5"; in line 5, after the word "mind", to strike out "shall report his findings to the Federal Security Administrator, who"; in line 9, after the word "person", to insert "or any person admitted to the hospital pursuant to section 3 hereof"; in line 23, to change the section number from "5" to "6"; on page 6, line 5, to change the section number from "6" to "7"; in line 19, to change the section number from "7" to "8", and in line 22, after the word "act", to insert "or admitted to the hospital pursuant to section 3 hereof", so as to make the bill read:

Be it enacted etc., That any United States commissioner specially designated for that purpose by the United States District Court for the Eastern District of Virginia or by the United States District Court for the District of Maryland shall have jurisdiction and authority to commit to St. Elizabeths Hospital in the District of Columbia, for observation and diagnosis, any person found in any place over which the United States has exclusive or concurrent jurisdiction in Arlington County, Fairfax County, or the city of Alexandria, in the State of Virginia, or in Montgomery County, or in Prince Georges County, in the State of Maryland, who is alleged, and is believed by the commissioner, to be of unsound mind. Any United States commissioner specially designated for that purpose by the United States District Court for the District of Columbia shall have like jurisdiction and authority in the case of any person temporarily detained in St. Elizabeths Hospital, pursuant to section 2 hereof. Any such commitment shall be for a period not exceeding 30 days and may be made only after a hearing before the commissioner upon the testimony of at least two witnesses and, in addition, upon the testimony or certificate of two physicians, at least one of whom is skilled in the treatment and diagnosis of nervous and mental disorders, who shall testify or certify in writing that they have examined the said person alleged to be of unsound mind and believe said person to be of unsound mind and not fit to remain at liberty and go unrestrained, and that such person should be in custody in a hospital for the treatment of mental or nervous disorders for his own safety and welfare and for the preservation of the peace and good order. The agency of the United States in control of the place where such person is apprehended is authorized to employ physicians for the aforesaid purpose and to pay compensation for their services and to pay expenses of witnesses in such proceedings out of funds available therefor. Physicians who are officers or employees of the United States or who are members of the armed forces of the United States are hereby authorized to render such services without additional compensation.

SEC. 2. Any officer or employee of the United States authorized to make arrests, and any guard or watchman employed by the United States is hereby authorized and empowered to apprehend and detain any person whom he believes to be of unsound mind and found in any of the aforesaid places, and except as provided in section 3 hereof, to bring such person for a hearing before a United States commissioner for the district where such person was apprehended and designated as provided in section 1 hereof. If an immediate hearing before a commissioner cannot be had, such officer or employee is authorized and empowered to take such person to St. Elizabeths Hospital and the Superintendent of St. Elizabeths Hospital is authorized to detain such person pending a hearing before a United States commissioner for the District of Columbia, designated as provided in section 1 hereof, for a period not exceeding 72 hours. Such commissioner shall hold a hearing as promptly as practicable after the apprehension of such person and in any event not later than 72 hours thereafter. Such hearing shall be conducted at St. Elizabeths Hospital if the Superintendent thereof shall certify that in his opinion it would be prejudicial to the health of the patient or unsafe to produce the patient at a hearing elsewhere. If, after any hearing at a place other than St. Elizabeths Hospital, the commissioner commits a person to St. Elizabeths Hospital, any officer, employee, guard or watchman above mentioned is authorized to transport such person to St. Elizabeths Hospital in accordance with the order of the commissioner.

SEC. 3. Any person in any of the places described in section 1 hereof may, upon his written application, be admitted for observation and diagnosis to St. Elizabeths Hospital in the discretion of the Superintendent thereof for a period not exceeding 30 days. Any such person expressing a desire for release from St. Elizabeths Hospital shall be released within 72 hours thereafter, unless proceedings for his adjudication as a person of unsound mind shall have been instituted as provided for in section 5 hereof.

SEC. 4. The Superintendent of St. Elizabeths Hospital is hereby authorized and directed to receive for observation and diagnosis any person apprehended or committed as provided in sections 1 and 2 hereof for the periods therein prescribed, unless such person is sooner discharged or returned to his home or to the State of his residence.

SEC. 5. The Superintendent of St. Elizabeths Hospital shall promptly examine any person committed as provided in sections 1 and 2 of this act and (a) if found to be of sound mind, shall forthwith discharge said person, or (b) if found to be of unsound mind, shall return such person to the State of his residence or to his relatives, if practicable. Proceedings for the adjudication of such person, or of any person admitted to the hospital pursuant to section 3 hereof, as a person of unsound mind and for the appointment of a committee of his person or property may be instituted in the United States District Court for the District of Columbia by the Federal Security Administrator or by any party interested. The laws of the District of Columbia shall be applicable to such proceedings. Nothing in this act shall be construed as imposing upon the District of Columbia the expense of care and treatment of any person apprehended, detained, or committed under this act unless such person be a resident of the District of Columbia as defined in section 8 of the act entitled "An act to provide for insanity proceedings in the District of Columbia," approved August 9, 1939.

SEC. 6. Any person belonging to the Army, Navy, Air Force, Marine Corps, or Coast Guard

arrested, apprehended, detained, or committed under the provisions of this act shall, upon the request of the head of the department having jurisdiction over the service to which the individual belongs, be transferred forthwith to the custody of such department.

SEC. 7. If any person adjudicated to be of unsound mind under the provisions of this act is entitled to care and treatment in a Veterans' Administration facility, he may be committed by the United States District Court for the District of Columbia to the custody of the Administrator of Veterans' Affairs for placement in an available facility or may be transferred by the Superintendent of St. Elizabeths Hospital to any such facility: *Provided*, That nothing in this act shall limit, restrict, or deprive the courts of any State or the District of Columbia of jurisdiction to commit to the Veterans' Administration any insane person entitled to care and treatment by the Veterans' Administration in accordance with the laws so made and provided by such States or the District of Columbia.

SEC. 8. The Superintendent of St. Elizabeths Hospital is authorized to arrange for and pay the expenses of the transfer of any person committed to his custody pursuant to the provisions of this act or admitted to the hospital pursuant to section 3 hereof, to his relatives or to a hospital in the State of his residence and in connection with such transfer is authorized to pay the transportation and expenses of attendants necessary to insure safe travel.

The amendments were agreed to.

Mr. HENDRICKSON. Mr. President, this bill deals with persons of unsound mind, and because it does, it is a rather serious matter. I should like to note that there is no provision in the bill for notification of relatives, which is customary in such cases. It does not require that testimony at the hearing be given by witnesses under oath. It further does not spell out what testimony is to be given by the witnesses, and, last of all, I think that where it requires a doctor's certification, it should provide for an affidavit by the doctor. In order to correct the bill with respect to those criticisms, I should like to offer an amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. On page 2, line 12, it is proposed, after the word "testimony" and before the word "of", to insert "under oath."

On page 2, line 12, after the word "witnesses", insert "who shall testify as to their belief that the said person is of unsound mind."

On page 2, line 13, after the word "testimony" and before the word "or", insert "under oath."

On page 2, line 13, strike out the word "certificate" and substitute the word "affidavit."

On page 2, line 22, after the period following the word "order", insert:

It shall be the duty of the head of the agency of the United States in control of the place where such person is apprehended to forthwith notify the husband or wife or some near relative or friend of the person so apprehended, whose address may be known to said agency head or whose address can, by reasonable inquiry, be ascertained by him: *Provided further*, in case of any person described in section 5, the agency head shall notify the head of the department having jurisdiction over the service to which the individual belongs.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc?

Mr. HENDRICKSON. No.

Mr. McCARTHY. Mr. President, may I have an explanation of the bill?

Mr. McCARRAN. Mr. President, I should like an explanation, also, as to whether the amendments offered by the Senator from New Jersey are amendments to the committee amendments or amendments to the bill.

Mr. HENDRICKSON. They are amendments to the bill itself. I had not seen the committee amendments.

Mr. McCARRAN. Mr. President, so far as the chairman of the Judiciary Committee is concerned, I want to say that this bill was before the committee on two different occasions. It was very carefully considered and then referred to the chairman of the Committee on the District of Columbia, the Senator who now occupies the chair. It was then reported favorably with these amendments. So far as I am personally concerned, I would accept the amendments offered by the Senator from New Jersey.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from New Jersey [Mr. HENDRICKSON].

The amendments were agreed to en bloc.

Mr. McCARTHY. Mr. President, there is one question I should like to have answered. I have not had an opportunity to read the bill. I see that it involves the incarceration of persons adjudged to be of unsound mind. The question I should like to ask is, Does it provide for the incarceration of such persons without a jury trial? What are the prerequisites to locking up such persons? I may say in that connection that there was a bill before the Committee on the District of Columbia which, I believe, was substantially along the same line, and I objected to it very strenuously because I believe that under no circumstances should anyone be adjudged of unsound mind or be locked up without having the right to appear before a jury and to prove that he or she is of sound mind.

For that reason, Mr. President, while I do not want to object to the bill, I should like to ask that it be placed at the foot of the calendar, and I should like to discuss the matter with the author of the bill.

Mr. McCARRAN. I have no objection to its being placed at the foot of the calendar. The bill was asked for by authorities of St. Elizabeths Hospital. All it does is to afford a place of detention for persons coming into the District who are affected mentally. They have to be taken care of. Every safeguard the Committee on the Judiciary or the Committee on the District of Columbia could think of has been thrown around persons of that kind. The bill affords a place of detention for a very short period of time, 30 days, for persons who thereafter may have to be sent to their respective States for permanent detention or for continued detention.

Mr. McCARTHY. Do I correctly understand it provides only for detention a maximum of 30 days?

Mr. McCARRAN. That is correct.

Mr. McCARTHY. Mr. President, I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CRIMES AND CRIMINAL PROCEDURE AND THE JUDICIARY AND JUDICIAL PROCEDURE

The Senate proceeded to consider the bill (H. R. 3762) to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes, which has been reported from the Committee on the Judiciary with amendments.

Mr. O'CONOR. Mr. President, in connection with this bill I should like to explain that it merely undertakes to correct minor typographical and clerical errors in the codification bill which was passed by the Eightieth Congress. There are on the desk of the clerk numerous amendments adopted by the committee, and some made subsequent to the reporting of the bill, which I suggest be considered en bloc.

I might say that the Committee on the Judiciary is unanimous in connection with all phases of this matter. The changes which have been suggested are the result of very careful screening by a committee of judges of the Federal courts appointed by the Chief Justice of the United States. As I said, they merely pick up a number of minor errors and inaccuracies, and remove ambiguities. I therefore ask that the amendments be considered en bloc.

The PRESIDING OFFICER (Mr. McGRATH in the chair). Is there objection to considering the committee amendments en bloc? The Chair hears none, and the amendments will be agreed to en bloc.

The amendments of the committee agreed to en bloc are, on page 14, line 17, after the word "communities", to strike out "nor does this section apply to such lands" and insert "or rights-of-way through Indian reservations, and this section does not apply to such lands or rights-of-way."

On page 15, line 1, after the word "through", to strike out "such lands" and insert "Indian Reservations."

On page 17, after the word "or", to strike out "deposit" and insert "delivery."

On page 23, line 1, after the word "may", to insert "for cause."

On page 24, line 24, after "United States", to strike out "Circuit."

On page 29, line 21, after the word "Guard", to insert "and (8) by striking out immediate after 'Director of the Census' the words 'Chief Forester, National Park Service, Department of the Interior" and inserting in lieu thereof the words 'Chief of Forest Service, Department of Agriculture.' "

On page 31, after line 12, to insert:

SEC. 72a. The analysis of chapter 41 of title 28, United States Code, immediately preceding section 601 of such title, is amended by striking out the item "609 courts, appointive power unaffected" and inserting in lieu

thereof, the following: "609 courts' appointive power unaffected."

On page 31, in line 24, after the word "of", to strike out "Commissioner" and insert "commissioner"; on page 32, after line 22, to insert:

SEC. 78. (a) The analysis of chapter 57 of title 28, United States Code, immediately preceding section 951 of such title is amended by striking out the item "955. Practice of law by clerks restricted" and inserting in lieu thereof the following: "955. Practice of law restricted."

On page 33, after line 7, to strike out:

SEC. 80. (a) Subdivision (1) of subsection (a) of section 1346 of title 28, United States Code, is amended by striking out the semicolon immediately following the words "internal revenue laws", and by inserting a comma immediately after "$10,000."

And in lieu thereof to insert:

SEC. 80. (a) Subdivision (1) of subsection (a) of section 1346 of title 28, United States Code, is amended by striking out the semicolon immediately following the words "internal-revenue laws", and by inserting in lieu thereof a comma and immediately following such comma the words and characters as follows: "(i) if the claim does not exceed $10,000 or (ii)."

On page 33, after line 22, to insert:

(c) Section 1351 of title 28, United States Code, exclusive of the catch line, is amended to read as follows: "The district courts shall have original jurisdiction, exclusive of the courts of the States, of all actions and proceedings against consuls or vice consuls of foreign states."

On page 34, after line 2, to strike out:

SEC. 81. Subsection (a) of section 1406 of title 28, United States Code, is amended by striking out the word "shall", and inserting in lieu thereof the words "may, in the interest of justice."

And in lieu thereof to insert:

SEC. 81. Subsection (a) of section 1406 of title 28, United States Code, is amended by striking out the word "shall" and inserting in lieu thereof the words "shall dismiss, or if it be in the interest of justice."

On page 37, line 12, after the section number, to insert "(a)"; at the top of page 38, insert a new subsection, as follows:

(b) Paragraph No. (2) of section 1544 of title 28, United States Code, is amended to read as follows:

"(2) the Commissioner of Patents as to trade-mark applications and proceedings as provided in section 1071 of title 15."

On page 38, after line 14, to insert:

SEC. 92. (a) The analysis of chapter 115 of title 28, United States Code, immediately preceding section 1731, is amended by striking out the item "1745. Printed copies of patent specifications and drawings." and by renumbering item 1746 as "1745."

On page 38, after line 23, to insert:

(c) The first paragraph of section 1744 of title 28, United States Code, is amended by striking out after "relating to" the words "registered trade-marks, labels, or prints," and inserting in lieu thereof the word "patents,", and by inserting after "Commissioner of Patents," the words "or by another officer of the Patent Office authorized to do so by the Commissioner."

(d) Section 1745 of title 28, United States Code, is repealed.

(e) Section 1746 of title 28, United States Code, is renumbered "1745."

And on page 46, line 9, after the word "title," to insert "and by inserting after 'instituting' and before 'any proceedings' the words 'or prosecuting.'"

Mr. O'CONOR. Mr. President, there are other amendments I desire to offer, which are merely clarifying changes.

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from Maryland will be considered and agreed to en bloc.

The amendments agreed to en bloc are, on page 6, line 25, after the name "United States", to insert "or in the Canal Zone."

On page 15, line 1, in the committee amendment, after the word "Indian", to strike out "Reservations" and insert "reservations."

On page 27, line 20, after the word "subsection", to strike out "(c)" and insert "(d)."

On page 28, after line 2, to insert:

SEC. 64a. The first paragraph of section 91 of title 28 of the United States Code, entitled "Judiciary and Judicial Procedure", is amended by striking out at the end thereof the words "and Jarvis Island" and inserting in lieu thereof the words "Jarvis Island, Canton Island, and Enderbury Island: *Provided*, That the inclusion of Canton and Enderbury Islands in such judicial district shall in no way be construed to be prejudicial to the claims of the United Kingdom to said islands in accordance with the agreement of April 6, 1939, between the Governments of the United States and of the United Kingdom to set up a regime for their use in common."

On page 31, line 17, in the committee amendment, after "609", to strike out the word "courts'" and insert a period and the word "Courts'."

On page 38, line 1, in the committee amendment, after the word "section", to strike out "1544" and insert "1542."

Mr. HENDRICKSON. Mr. President, do the amendments correct the errors of duplication which exist in the bill?

Mr. O'CONOR. Yes; in many respects they pick up errors which, unfortunately, could not have been reached when the legislation was being passed simultaneously with the enactment of the revision law in the Eightieth Congress. All that is sought is to bring them in conformity with the general codification of titles 18 and 28. In no sense is there any enactment of substantive law, but merely correction of errors, misspellings, and inaccuracies in revision.

Mr. HENDRICKSON. I note on page 17, lines 10 to 19, that there is a duplication of the language of Senate bill 1043, passed by the Senate on April 11. I wonder if the bill should not be further amended.

Mr. O'CONOR. Will the Senator give me that reference again?

Mr. HENDRICKSON. Page 17, lines 10 to 19. There is a duplication of language in Senate bill 1043, passed on April 11. It could be readily corrected by striking out lines 10 through 19.

Mr. O'CONOR. I might say that the Senator is correct in stating that a similar measure was passed. However, the committee thought it would be preferable to include this language in the pending bill, so that in the event the other measure was not finally adopted we would be safeguarded. No difficulty will be encountered by having this provision included in the pending bill also.

Mr. HENDRICKSON. I withdraw any objection.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ORGANIZATION AND ADMINISTRATION OF THE DEPARTMENT OF STATE

The Senate proceeded to consider the bill (S. 1704) to strengthen and improve the organization and administration of the Department of State, and for other purposes, which was read, as follows:

Be it enacted, etc., That there shall be in the Department of State, in addition to the Secretary of State, an Under Secretary of State and ten Assistant Secretaries of State. The Secretary of State may designate two assistant secretaries to serve as deputy under secretaries.

SEC. 2. The officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the legal advisor, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Officers enumerated in section 1 holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act.

SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is vested in the President of the United States, shall, under the authority of the President, administer, coordinate, and direct the Foreign Service of the United States. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration," the "Assistant Secretary of State in charge of the Administration of the Department," the "Director General," the "Board of Examiners for the Foreign Service," or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, Eightieth Congress).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the "Deputy Director General."

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator from Texas if this measure follows the suggestion of the Hoover Commission report and if in fact it does change the

suggestion in that report? I think the Hoover Commission report, on page 41, in the letter of transmittal to the Congress on the 21st of February this year, suggested "The addition of two Deputy Under Secretaries, the one to act in matters of substance, and the other, as a 'general manager,' to administer the Department and the overseas service." It did not recommend that these appointees be selected from the level of Assistant Secretaries.

The pending bill in my judgment seems to be a departure from the recommendation, and I should like to have the distinguished Senator from Texas explain that feature of the bill, if he will.

Mr. CONNALLY. Mr. President, as the Senator knows, the bill adds two additional Secretaries of State. It was felt by the committee and by the Secretary of State that in preference to calling them "Under Secretaries," the Secretary of State should have authority to assign them to duties which ordinarily would be performed by Under Secretaries of State, and more closely coordinate the centralized authority in the Secretary of State. That is the reason for the committee action.

Mr. SCHOEPPEL. On page 1, beginning in line 10, the bill provides:

> The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State.

The Hoover Commission on page 44 recommended the abolishment of these posts. The retention of these posts by the pending bill makes me wonder what the Senator's suggestion is with reference to that, as it deviates from the Hoover Commission report.

Mr. CONNALLY. Mr. President, the Senate Committee on Foreign Relations did not recognize that the recommendations of the Hoover Commission in every respect should be binding on the committee. If the Senator is contending that we did not simply incorporate the Hoover Commission report, he is correct.

The Senator was asking particularly about line 11 on page 2, was he?

Mr. SCHOEPPEL. I referred to the language beginning in line 10 on page 1 and running over on to page 2, where the bill retains the counselor of the Department of State. I noticed that was a considerable departure from the recommendations of the Hoover Commission report. I was wondering if the Senator had some explanation. I understand him to say that the committee does not feel it is bound, but since we are considering the Hoover Commission report, I was wondering if the Senator had some suggestion to offer with reference to that.

Mr. CONNALLY. Mr. President, in the first place, the purpose of the bill is to centralize more nearly all the authority in the organization in the Secretary of State. If the Senator will observe on page 1, he will see that it is provided that "The Secretary of State may designate two Assistant Secretaries to serve as Deputy Under Secretaries." That covers the same thing the Senator had in mind about the two Under Secretaries.

Under the present law many of these subordinates in the Department have by law certain functions which are vested in them. That was not regarded as a wholesome provision, because all the authority should be under the general direction of the Secretary of State. So in section 2 it is provided:

> The officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The counselor of the Department of State and the legal adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State.

If that can conflict with the Hoover Commission recommendation, I shall have to adhere to the committee's recommendation, because I think it is a very sound provision. It makes the officers appointive by the President, and to be confirmed by the Senate, which gives every Senator a chance to object to their qualifications or their suitability. It merely provides that the counselor, who heretofore has been a very high ranking officer, shall have equal rank with the Assistant Secretaries of State. It provides that the Secretary may designate two Assistant Secretaries, who shall serve as Assistant Under Secretaries.

Mr. SCHOEPPEL. I was especially interested in this departure, because the present Secretary of State was a member, indeed a very influential member, of the Hoover Commission, which has made these recommendations and suggestions. I was naturally curious to know why this departure, and if the committee had considered that question, since the present Secretary of State was a member of the Hoover Commission, which made the suggestions.

Mr. CONNALLY. I do not know what was said in the Hoover Commission report, or what the Secretary of State may have said privately, but this bill has his approval, both as to the principle of unifying and consolidating the authority in the Secretary, and taking away from these subordinate officials statutory duties which we feel should be concentrated in the directing authority of the State Department.

I will say to the Senator that I do not think there is any serious question as to the advisability of passing a bill of this kind because the committee considered this matter at the last session of the Congress and we have been considering it for a long period, and this is the deliberate judgment of the Senate Foreign Relations Committee.

Mr. AIKEN. I may say that it was the aim of the Hoover Commission to establish a line of workable authority in each department, from the head of the department down through the department itself, in order that each department might have authority to conduct its own operations, and then in turn be held responsible for the result. It was not expected that the recommendations would be followed to the last detail. The studies were necessarily general in nature, and even members of the Commission itself reserve the right to change their minds about details later on as evidence might develop. I would say that in general the bill does follow the recommendations of the Hoover Commission, although not in every detail.

Mr. CONNALLY. I thank the Senator. The purpose he has outlined was to give authority to the department, and then hold the department responsible. The Secretary of State can be held responsible, but a half dozen subordinates who are vested with statutory powers cannot be held responsible.

Mr. AIKEN. We must hold him responsible for the work of his subordinates.

Mr. CONNALLY. That is correct.

Mr. TAFT. Mr. President, I certainly welcome this bill, the first one which carries out, at any rate, in some respects, the recommendations of the Hoover Commission. I hope, however, that other reorganization proposals will not follow the committee in this respect. The Hoover Commission recommended the elimination of the consular and the legal advisers and the addition of two additional Under Secretaries of State. The committee added the two additional officers recommended by the Hoover Commission, but the committee also retained the two officers the Hoover Commission wished to eliminate. Now, if we accept the committee's recommendations in that spirit, hereafter there will not be brought about any economy from the recommendations of the Hoover Commission.

However, I say I welcome the fact that this is the only move, so far as I know, toward the adoption of the very important recommendations made by that Commission.

I should like to ask the distinguished acting majority leader whether he contemplates bringing up the reorganization bill now on the calendar, which is necessary if we are going to give the President power to submit reorganization plans to carry out the provisions of the Hoover Commission? Has the Senator any plan about bringing up that bill? It seems to me that if we are going to get started with reorganization matters that bill probably ought to have priority over almost every other bill on the calendar today.

Mr. MYERS. Mr. President, it is easy to say that one bill should have priority over others when one does not have the exact responsibility. But it is our purpose to bring up the reorganization bill. Undoubtedly the policy committee will discuss that next Tuesday. However, we have already agreed that the extension of the reciprocal trade agreements program will be taken up after we have finished with the District of Columbia tax measure. There are many bills on the calendar which probably should have priority, but they may all be of equal priority. I will say to the Senator from Ohio that certainly it is the intention of the leadership to bring up the reorganization bill as soon as possible, but I believe we will have to wait at least until the reciprocal trade agreements program is out of the way, although I can give no assurance that it will immediately follow that.

Mr. TAFT. I recognize the time limit on that bill, but it seems to me there is nothing more important in our present

fiscal situation than the reorganization of the Government, to secure some economy in connection with the very large expenses we face. If we are going to get results this year we shall have to start pretty soon, because we will have to pass the bill, and the House will have to pass it. I do not know but that the House has a similar bill on its calendar to be passed. Then the President has the reorganization plans to submit. There is a deadline on those reorganization plans. I think they have to be submitted 60 days before Congress contemplates its adjournment. So, if we are going to do anything with the report of the Hoover Commission, there is a real pressure on us to proceed with the reorganization bill.

Mr. MYERS. I might say to the Senator that the House has already passed a reorganization bill. The President himself at a press conference this week indicated the necessity of enacting such legislation, and I know that the President is anxious that the Senate shall act at the earliest possible moment.

Mr. FULBRIGHT. Mr. President, first I should like to say to the Senator from Ohio that the bill to repeal the tax on margarine should certainly take precedence over any reorganization bill. Certainly that should not be further delayed. But in regard to the bill under consideration I shall not object. I think it is an excellent bill. In fact any bill designed to improve the quality of the State Department is one of the most needed bills on the calendar.

Mr. President, some time ago, in fact, very recently, the Senate passed an authorization for the extension of the ECA. I just read a few moments ago in this afternoon's Star an account of a report on the ECA by the United Nations Commission in Europe. This study has been under consideration for 9 months. This Commission has representation from countries from both sides of the iron curtain, in other words from countries on the west and the east, including ourselves.

I want to call the attention of the Senate to a part of the article and make clear in the RECORD my position as to the ECA and in what respect it is, I think, threatening to become a colossal failure. I read from an Associated Press report from Geneva, Switzerland, as follows:

A United Nations commission contended today that the European recovery program is hurting Europe's economy more than it helps.

The assertion marked a survey report of the UN Economic Commission for Europe.

In 100,000 words the Commission said European nations, striving for an economic come-back, are tripping over their own isolationism, and that the ERP is aggravating the situation.

The Marshall plan, through ERP, pours in money with the avowed intention of helping to integrate European economy; European nations themselves adopt plans to integrate it, but the observable trends are away from integration, the Commission reported.

For lack of such integration, it continued, national economy is disintegrating all over the continent. Prospects for the future are unfavorable, despite a remarkable improvement in industrial production in 1948, it added.

I am not reading all the report. I skip several paragraphs and read as follows:

The report said European industry has recovered with remarkable speed and will soon be as highly developed as if the war had never occurred. But, in spite of this recovery, it held the general economic outlook is poor because of a persistent dollar shortage and the almost total absence of integration of the economic plans of the various European nations.

The point I want to make, Mr. President, is that I endeavored this year and I endeavored last year to induce the ECA and the State Department to try to get the European nations to integrate their political and economic systems. Now here is a report from a United Nations Commission which, if there can be an impartial commission—it is; certainly it ought to be in this field—directly supports the theory I have advanced that unless they get the integration we will have wasted our money.

I think this is extremely important. Everyone knows how much this program is costing. The attitude of the State Department has been that we cannot be concerned with integration, especially political or economic, and they advise the Senate not to accept amendments which would authorize and direct the ECA administration to promote the integration and coordination of these countries. The result in my opinion is going to be exactly as this report indicates it is today, that instead of integrating these countries, it is building up and reinforcing the traditional nationalism in each country, which is bound to be a failure and will result in what this article goes on to say is, that there is no prospect of Europe recovering from the dollar shortage. It says in so many words in another part of the article that there can be no hope really that Europe will be self-sustaining after the ECA ends in 1952, but that they will indefinitely be dependent upon our supplying them with dollars either by way of gifts or by way of loans.

Mr. FULBRIGHT subsequently said: Mr. President, the point I was about to make was that this article emphasizes the point that, in spite of the very optimistic reports that were made by the ECA, and especially the State Department—the Secretary of State in particular—that this program was to end in 1952, and that this country would be relieved from the necessity of supplying anywhere from three to five billion dollars a year to balance the dollar deficits of the European countries, that is in no way probable, the way this program is being administered. It confirms the report of the participating countries, made as an interim report about last December.

I think there is no longer any doubt in responsible circles that there is no real likelihood of a balance of payments to this country by 1952.

The basic defect, according to the report of the United Nations Commission, which, as I said, spent 9 months analyzing the European economic situation, is the lack of integration of those countries, in other words, the failure to remove the barriers which exist among the several countries on the continent of western Europe. I think it is absolutely the worst possible policy, in view of these facts, for our Government, especially the State Department, to pursue the course it is now promising. I realize that it is not the Senate's primary responsibility to formulate this policy. Under our Constitution and our traditions the Executive ought to take the initiative in formulating this sort of policy, and then advise and consult us; but in the absence of any initiative on the part of the State Department I think the Senate ought to give the Department a little advice as to what is so obviously necessary in carrying out this program. I think it is an extremely serious matter, because if the next 2 or 3 years go by and we end up in 1952 in the condition which this article indicates, which I firmly believe will be the case, except for having bought a short period of peace we shall, on the whole, have wasted our money.

I ask unanimous consent that the entire article, a part of which I have read, be printed in the RECORD at the conclusion of my remarks for the information of the Senate. I hope the Members of the Senate will give it careful consideration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ERP HURTING EUROPE, UN GROUP CHARGES—NATIONS TRIPPING OVER OWN ISOLATIONISM, SURVEY REPORT SAYS

GENEVA, SWITZERLAND, May 6.—A United Nations commission contended today that the European recovery program is hurting Europe's economy more than it helps.

The assertion marked a survey report of the UN Economic Commission for Europe. Nations from both sides of the iron curtain constitute the commission, created in 1947 by the UN Economic and Social Council to coordinate emergency organizations working to rehabilitate Europe.

In 100,000 words the Commission said European nations, striving for an economic come-back, are tripping over their own isolationism, and that the ERP is aggravating the situation.

INTEGRATION FAILING, REPORT SAYS

The Marshall plan, through ERP, pours in money with the avowed intention of helping to integrate European economy. European nations themselves adopt plans to integrate it, but the observable trends are away from integration, the Commission reported.

For lack of such integration, it continued, national economy is disintegrating all over the Continent. Prospects for the future are unfavorable, despite a remarkable improvement in industrial production in 1948, it added.

The Commission said a long-term program of American capital investment, much like the way Britain financed economic development overseas in the nineteenth century, is the only solution it can see. Increased trade between the iron-curtain countries of eastern Europe and western European areas also would be helpful, it said.

Eastern European countries, the report said, because of American restrictions on imports to them, are the only ones in Europe having a favorable trade balance with the United States.

DOLLAR SHORTAGE BLAMED

Europe will remain dependent on American capital for many years, the survey report said.

The report said European industry has recovered with remarkable speed and will soon be as highly developed as if the war had

never occurred. But, in spite of this recovery, it held the general economic outlook is poor because of a persistent dollar shortage and the almost total absence of integration of the economic plans of the various European nations.

The dollar shortage remains Europe's major economic problem, the survey concluded. It reported, however, the complementary problem of an American dollar surplus has as grave implications for the United States.

To solve the double problem, the survey said, the United States probably will have to "continue for many years to assist the outside world through investment loans in much the same way as Britain financed capital development to the rest of the world throughout the nineteenth century."

The most desirable course would seem to be for the United States to schedule a major program of capital investment abroad for specific development projects staggered over a period of time."

ALL PHASES OF ECONOMY REVIEWED

The survey reviewed all aspects of Europe's economic life during 1948 and the prospects for the future.

The survey made these observations:

1. Industrial production in Europe rose by 16 percent and agricultural production by 12 percent during 1948.

2. In the Soviet Union, industrial production rose by 27 percent and the grain harvest returned to the prewar level.

3. The productivity of labor rose about 9 percent.

4. There was substantial improvement in the rate of capital formation, and the volume of investment exceeded the 1938 level by one-third.

5. Overseas exports increased by 30 percent, while imports were reduced by 7 percent.

6. There was a gradual return to conditions of monetary stability.

7. A major contribution to the increase in European production was a spectacular recovery in the western zones of Germany, where output reached 64 percent of the prewar level at the close of 1948.

8. With the exception of Italy, Hungary, Belgium, and Germany, unemployment remained very low.

9. If high levels of employment are maintained, increases in production may continue for some years and the productivity of European workers will continue to rise.

POVERTY IS PROBLEM

Despite continuing progress, the probable improvements in the next 10 years are unlikely to bring about a solution of "the basic problem of Europe—the severe poverty in which the majority of the European peoples live," the survey declared. It went on:

"The resources that are likely to be devoted to capital investment within Europe are far from adequate to secure any really substantial improvement in living standards, or to narrow the 'tremendous gap' between industrial output per man in Europe and in the United States.

"The problem of the overseas balance of payments remains the most threatening aspect of Europe's economic situation."

The essence of the economic crisis between the United States and Europe lies in the fact that the United States is simultaneously the most highly developed industrial country of the world, the world's largest surplus area and Europe's largest supplier of primary products.

The survey has been in preparation during the past 9 months by the economic commission's research division. It was under the direction of the Hungarian-born British economist, Nicholas Kaldor. It is to form one of the principal subjects for discussion at the fourth session of the commission, due to open here next week.

Mr. WILEY. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield.

Mr. WILEY. I am very much interested in the Senator's remarks. I am wondering if we can find in them any suggestion as to what course he thinks would be the wise one to follow. He will remember that when the recommendations came from the Foreign Relations Committee in relation to authorizations, it was the consensus of all the members of the committee that the authorization then was based upon information which had come to the committee as of November last year. We had come to the conclusion that between November and June or July, when the appropriations would be made, there would be a number of imponderables which would come into being, and which would give direction as to the amount which we felt should be appropriated.

I wonder whether this is one of the imponderables to which we have been looking forward. If it is, in what way would the Senator consider that the Appropriations Committee should consider it and act?

Mr. FULBRIGHT. Mr. President, I think it is primarily the duty of the State Department to consider this kind of policy. But because the only proposed legislation we had before us pertaining to this problem was the ECA authorization bill, it was the only means by which I could attempt to induce the ECA and the Department of State to consider the absolute necessity for the reformation of the political and economic pattern of Europe.

In considering that authorization, I do not see how we can add such restrictions to an appropriation bill. But in the absence of any sign that the State Department recognize the significance of this matter, I think our committee should discuss it with them and should advise them.

I may say to the Senator from Wisconsin that if I correctly interpret what he said in the committee, he is generally in agreement with my views with respect to the importance of the federation of Europe. I think he was one of the Senators who realized the importance of it, and I think the committee should do so.

Mr. WILEY. Mr. President, I am grateful to my oleomargarine opponent for his very fine ideas on this subject. I wish to say that I understood from his statement that the Commission has made certain findings to the effect that, as a result of our aid, there is not the complete coordination which we hoped would develop in Europe. On the other hand, I do not understand from what the Senator read that there was a conclusion that the contribution made had not resulted in economic rejuvenation, so to speak.

Mr. FULBRIGHT. It is very clear that they think economic progress is also being made. In the article it is said that they are tripping over their own economic isolationism, and that their economic progress is bogging down.

It is clear that they do not expect Europe to be free from dependency on our support for many years. In fact, it is likely that our support will be practically a permanent proposition. They say they look forward to the necessity of our following the same policy that Great Britain followed in the last century in the advancement of loans in large amounts to all these countries for an indefinite period. The matter is both political and economic.

Mr. WILEY. Mr. President, I shall read the article with interest.

Mr. FULBRIGHT. Mr. President, there was also an article in the morning Post, entitled, "Dependent Europe Expected for Years." That article is a different version of the other article to which I have referred, which appears in the afternoon edition of today's Star. The Star article is a much more complete account than the article appearing in the Post.

Mr. REED. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. REED. The Senator from Arkansas has already consumed more than 5 minutes, which is the limit.

The PRESIDENT pro tempore. Under the rule, the Senator can speak for only 5 minutes.

Mr. FULBRIGHT. If the Senator prefers, I shall take time on the next bill.

Mr. REED. I am interested in a number of small bills on the calendar. I do not believe that this is the proper place to make a speech. Let us dispose of bills on the calendar.

Mr. CONNALLY. Mr. President, may we proceed with the bill in which I am interested?

The PRESIDENT pro tempore. The question is on the engrossment and third reading of Senate bill 1704.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there shall be in the Department of State, in addition to the Secretary of State, an Under Secretary of State and 10 Assistant Secretaries of State. The Secretary of State may designate two Assistant Secretaries to serve as Deputy Under Secretaries.

SEC. 2. The officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Officers enumerated in section 1 holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act.

SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is vested in the President of the United States, shall, under the authority of the President, administer, coordinate, and direct the Foreign Service of the United States. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration," the "Assistant Secretary of State in Charge of the Administration of the Department," the "Director General," the "Board of Examiners for

the Foreign Service," or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, Eightieth Congress).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the "Deputy Director General."

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

MORATORIUM IN APPLICATION OF CERTAIN ANTITRUST LAWS—BILL PASSED OVER

The bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight-absorption practices was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GURNEY. I object, at the request of the Senator who filed the minority views.

The PRESIDENT pro tempore. Objection is heard.

Mr. FULBRIGHT. Mr. President, I did not understand the nature of the last objection. What was the objection of the Senator from South Dakota? I did not hear because of some confusion.

Mr. GURNEY. I merely objected on behalf of the Senator who filed the minority views.

Mr. FULBRIGHT. Was the Senator himself objecting? Who was objecting?

Mr. GURNEY. The senior Senator from North Dakota [Mr. LANGER].

Mr. FULBRIGHT. I did not understand who was objecting.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

DIVERSIFICATION OF TIN-RECOVERY FACILITIES

The Senate proceeded to consider the bill (S. 1433) amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended, which had been reported from the Committee on Banking and Currency with an amendment on page 2, after line 16, to insert "which determination or estimate shall be deemed conclusive)," so as to make the bill read:

Be it enacted, etc., That Public Law 125, Eightieth Congress, approved June 28, 1947, as amended, is hereby further amended by changing "SEC. 3" to "SEC. 4" and inserting a new SEC. 3 reading as follows:

"SEC. 3. In order to promote the conservation of the tin ore reserves of the Western Hemisphere and to increase their availability for the tin requirements of the United States through diversification of tin-recovery facilities in the United States, the powers exercised by the Reconstruction Finance Corporation or its successor and continued in effect by the provisions of section 2 hereof shall include authority to offer for sale from time to time and to sell to the highest bidder for the recovery in the United States of grade A pig tin, any tin concentrates or other tin-bearing materials heretofore or hereafter acquired by the Reconstruction Finance Corporation and containing not more than 25 percent of tin; and to contract to buy up to an equivalent amount of such pig tin for future delivery, not to exceed 4 months from date of delivery of such concentrates or tin-bearing material to the processor, at the Reconstruction Finance Corporation's selling price for such grade on the date of such contract: *Provided*, That the minimum price at which any such concentrates or tin-bearing materials are so sold shall represent no less return to the Government, as determined or estimated by the Reconstruction Finance Corporation (which determination or estimate shall be deemed conclusive), than would result through the Government itself transporting and treating such concentrates or tin-bearing materials in any Government-owned or controlled facility and transporting and selling the pig tin recovered therefrom."

Mr. WILEY. Mr. President, may we have an explanation of Calendar 285, Senate bill 1433?

The PRESIDENT pro tempore. The Senator from Arkansas [Mr. FULBRIGHT] reported the bill.

Mr. FULBRIGHT. Mr. President, was the Senator referring to Calendar 289?

Mr. WILEY. No; Calendar 285, Senate bill 1433.

Mr. FULBRIGHT. I can also explain Calendar 288, House bill 2023.

Mr. President, under the existing law no private company can purchase tin ores for the refining of tin. We have in this country one tin smelter which is located in Texas. Under contract with the Bolivian tin producers the Government purchases all tin ores which are used in that refinery, which is the only tin refinery in the country.

The purpose of the bill is purely permissive, to give to the Reconstruction Finance Corporation—in other words, the Government; it is handled through the RFC—permission to sell these ores to private concerns. The objective of the bill is to build up, if we can, the techniques for the refining of tin ore. There is a company, the Vulcan Detinning Co., whose principal business is detinning, recovering tin from tin cans, and handling scrap tin. That company would like to try to develop a private tin smelter on a profitable basis. There is a provision in the bill which protects the Government from selling at a greater loss to a private concern than that which it now sustains in the operation of the refinery in Texas.

The Reconstruction Finance Corporation approved the bill. It stated that it could see no harm in it, and believed that it might develop a tin refining industry in this country. I think the Senator is familiar with the fact that prior to the war we had no tin refining. It was all done either in Malaya, England, or Holland.

The committee believes that this would not only give private enterprise an opportunity to participate in the refining of tin, but would develop additional sources, other than the one in Texas, and thereby contribute to national defense.

One or two other companies have evidenced an interest if tin ore can be made available, which they cannot now buy at all, because the law will not permit it. They might also attempt to develop modern and more efficient methods of refining tin.

I cannot imagine what an objection to the bill could be based upon. No one who appeared before the committee objected. Everyone who appeared, both from the Government and from industry, was in favor of it.

Mr. WILEY. Mr. President, I may say that I have no objection. I merely wanted an explanation.

Mr. FULBRIGHT. I was very curious to know why an objection would be made. I have no idea why anyone would object.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. FULBRIGHT. Mr. President, have I 5 minutes to speak now?

The PRESIDENT pro tempore. The Senator has already spoken on this bill.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDEN PROJECT, WYOMING

The bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. FULBRIGHT. Mr. President, I shall not object, but, reserving the right to object, do I have 5 minutes now in which I can proceed?

The PRESIDENT pro tempore. The Senator can speak on the bill.

Mr. FULBRIGHT. Must the speech be germane to the bill?

The PRESIDENT pro tempore. There is no rule requiring it to be germane.

Mr. FULBRIGHT. I presume I can proceed for 5 minutes.

The PRESIDENT pro tempore. The Senator can proceed for 5 minutes.

Mr. FULBRIGHT. I ask unanimous consent that my remarks at this point be connected up with the remarks which I started a few minutes ago.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. FULBRIGHT addressed the Senate. His remarks were ordered to be transposed, as indicated.)

Mr. WHERRY. Mr. President, we are now ready to consider Calendar 286, Senate bill 55; are we not?

The PRESIDENT pro tempore. Yes. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, may we have a brief explanation of the bill?

Mr. O'MAHONEY. Mr. President, this measure, which authorizes the completion of the Eden Valley project, deals

with the last of the Great Plains projects which were undertaken in 1940. They were interrupted by reason of the war. Later the War Production Board was able to allow several of them to proceed. Three were left: The Eden Valley project, in Wyoming; the Mancos project, in Colorado; and the Angostura project, in South Dakota.

During the last session the Mancos project was reauthorized. It is necessary to reauthorize these projects.

The feeling of the committee in reporting the bill was that the Government owes a certain moral obligation to the settlers upon this project, and thus should authorize the completion of the project.

It involves something less than 20,000 acres of land, of which 9,000 are privately owned, all of it being in small tracts. About 10,000 acres of public land are involved. The public land was ceded to the State of Wyoming under the old Carey Act or law, many years ago. That law provided that public land would be assigned to the State in the arid-land areas in which water companies were established to provide irrigation; and then the State was authorized to convey the land to settlers, who agreed under contract to buy the water from the private irrigation companies.

In this project, as in practically every other such Carey Act project, the private works were not adequate to do the job. In 1940 the Federal Government undertook to complete the project, to build the dam and the canals.

Mr. WILEY. Mr. President, what is involved? How much is proposed to be authorized?

Mr. O'MAHONEY. The bill authorizes approximately $4,500,000 of which $1,500,000 will be repayable by the settlers themselves on the reclamation charges, and about $373,000 on the agricultural phases of the work; and the balance, when the power projects are built in the Upper Colorado Basin, will be allocated to such projects.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. The Senator has already answered the question I would have asked, when he stated that this was apparently what we called a WPA project.

Mr. O'MAHONEY. WPA labor was to engage in that work.

Mr. WHERRY. Yes. So it must be reauthorized, now, under the Bureau of Reclamation; is that correct?

Mr. O'MAHONEY. Yes.

Mr. WHERRY. Very well; that is all I wish to know.

The PRESIDENT pro tempore. Is there objection of the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 11, after the word "Provided", to strike out:

That the total reimbursable costs of the irrigation features of the project as fixed in the finding of feasibility approved by the President on September 18, 1940, shall be $1,500,000 for the project of 20,000 irrigable acres, with proportional adjustment based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, which amount shall be reimbursable in not to exceed 60 years: *And provided further*, That provision for the recovery of the reimbursable construction costs of the irrigation features of the project and the operation and maintenance thereof shall be made by the Secretary of the Interior.

And to insert:

That of the construction costs of the irrigation features of the project not less than $1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

And on page 3, in line 11, after the word "however", to strike out:

That all expenditures in the development and settlement of the project lands may be excluded from the costs in determining the amounts required to be reimbursed, to the extent the Secretary of Agriculture determines it necessary to keep reimbursable costs with the ability of the water users to repay.

And to insert:

That the total reimbursable cost of the land development and settlement features of the project shall be not less than $373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to complete the construction, including any necessary preconstruction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as approved by the President on September 18, 1940 (S. Doc. 18, 77th Cong., 1st sess. (1941), p. 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That of the construction costs of the irrigation features of the project not less than $1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

SEC. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That the total reimbursable cost of the land development and settlement features of the project shall be not less than $373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

SEC. 3. To carry out the purposes of this act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water conservation and utilization projects," and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The PRESIDENT pro tempore. The next measure on the calendar will be stated.

The bill (H. R. 2023) to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes, was announced as next in order.

Mr. THYE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. That bill will be passed over.

STANDARDS OF ELECTRICAL AND PHOTOMETRIC MEASUREMENTS

The bill (S. 441) to redefine the units and establish the standards of electrical and photometric measurements was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I wonder whether we might have an explanation of the need of the statutory definition.

Mr. JOHNSON of Colorado. Mr. President, if the clerk will read section 6, I am certain the bill will be fully understood.

The PRESIDENT pro tempore. The clerk will read section 6.

The legislative clerk read as follows:

SEC. 6. The unit of electrical capacitance shall be the farad, which is the capacitance of a capacitor that is charged to a potential of 1 volt by 1 coulomb of electricity.

Mr. HENDRICKSON. I am still at a loss to understand the need of a statutory definition.

Mr. JOHNSON of Colorado. The necessity of this bill is to bring the language of our statutes up to the progress which science has made. The bill has been drafted to keep the basic definitions of the act of 1894, but to eliminate the alternative definitions specifying devices, which are incorrect and are not now necessary. The later sections of the bill establish in scientific terms definitions of the units of light, now in common use throughout the world, largely as the result of work done at the National Bureau of Standards, but which have been specifically established by Federal statutes. As I have said, it is simply to bring our current statutes up to date in the use of scientific terms.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 441) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after the date this act is approved the legal units of electrical and photometric measurement in the United States of America shall be those defined and established as provided in the following sections:

SEC. 2. The unit of electrical resistance shall be the ohm, which is equal to one thousand million units of resistance of the centimeter-gram-second system of electromagnetic units.

SEC. 3. The unit of electric current shall be the ampere, which is one-tenth of the unit of current of the centimeter-gram-second system of electromagnetic units.

SEC. 4. The unit of electromotive force and of electric potential shall be the volt, which is the electromotive force that, steadily applied to a conductor whose resistance is one ohm, will produce a current of one ampere.

SEC. 5. The unit of electric quantity shall be the coulomb, which is the quantity of electricity transferred by a current of one ampere in one second.

SEC. 6. The unit of electrical capacitance shall be the farad, which is the capacitance of a capacitor that is charged to a potential of one volt by one coulomb of electricity.

SEC. 7. The unit of electrical inductance shall be the henry, which is the inductance in a circuit such that an electromotive force of one volt is induced in the circuit by variation of an inducing current at the rate of one ampere per second.

SEC. 8. The unit of power shall be the watt, which is equal to ten million units of power in the centimeter-gram-second system, and which is the power required to cause an unvarying current of one ampere to flow between points differing in potential by one volt.

SEC. 9. The units of energy shall be (a) the joule, which is equivalent to the energy supplied by a power of one watt operating for one second, and (b) the kilowatt-hour, which is equivalent to the energy supplied by a power of one thousand watts operating for one hour.

SEC. 10. The unit of intensity of light shall be the candle, which is one-sixtieth of the intensity of one square centimeter of a perfect radiator, known as a "black body," when operated at the temperature of freezing platinum.

SEC. 11. The unit of flux of light shall be the lumen, which is the flux in a unit of solid angle from a source of which the intensity is one candle.

SEC. 12. It shall be the duty of the National Bureau of Standards to establish the values of the primary electric and photometric units in absolute measure, and the legal values for these units shall be those represented by, or derived from, national reference standards maintained by the National Bureau of Standards.

SEC. 13. The act of July 12, 1894 (Public Law Numbered 105, Fifty-third Congress), entitled "An act to define and establish the units of electrical measure", is hereby repealed.

SALE OF RESETTLEMENT PROJECTS KNOWN AS GREENBELT, MD., GREENDALE, WIS., AND GREENHILLS, OHIO

The bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. DOUGLAS. Mr. President, this is a bill to permit the Housing Administration to sell to veterans' groups organized on a nonprofit or mutual basis, and to limited dividend corporations, on the basis of independent appraisal without competitive sales, the so-called three "Green Towns" outside, respectively, the cities of Milwaukee, Wis., Washington, D. C., and Cincinnati, Ohio. The Housing Commissioner has the power to require competitive sales to private bidders, but the bill permits him to dispose of the properties in an alternative way.

Mr. WHERRY. Mr. President, reserving the right to object, I may say I sincerely hope the Senator from Kansas will not object to the passage of the bill.

Mr. SCHOEPPEL. I have no objection whatever.

Mr. WHERRY. I have gone over it myself very carefully. I have had many communications about it. I am in total sympathy with the purposes of the bill. I hope it will be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 3709, as amended, of the Revised Statutes of the United States, or any other provision of law, the Public Housing Commissioner is hereby authorized, by means of negotiated sale or sales and without competitive bidding or public advertising, to sell and convey, at fair market value as determined by him on the basis of an appraisal made by an independent real-estate expert selected by the Commissioner and subject to such terms and conditions as he may determine to be in the best public interest, to such purchaser or purchasers as he deems to be responsible, all right, title, and interest of the United States in or to all or any part of the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio (including improved and unimproved lands, war housing constructed on lands of or adjacent to said suburban resettlement projects, and personal property used in connection with said projects or housing): *Provided, however,* That the Public Housing Commissioner shall, during such period as he deems to be reasonable, give a first preference in such negotiated sale or sales to veteran groups organized on a nonprofit basis (provided that any such group shall accept as a member or its organization, on the same terms, subject to the same conditions, and with the same privileges and responsibilities, required of, and extended to other members of the group, any tenant occupying a dwelling unit at any time during such period, starting on the date of the announcement by the Public Housing Commissioner of the terms of the negotiated agreement hereunder with such group, as the Commissioner shall deem appropriate), and may sell to such groups at fair market value (as determined by him on the basis stated above) or at cost (as determined by him, including the apportioned cost of structures, lands, appurtenances, and personal property transferred, together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which any property being sold is a part), whichever is lower, except, however, that in the event two or more such groups desire to purchase any such project they shall be required to submit sealed bids therefor and the award shall be made on the basis of the highest acceptable monetary return to the Government: *And provided further,* That evidence is furnished to the Commissioner, satisfactory to him, that the compensation paid or to be paid for organizing such groups, for negotiating the purchase of such property and for financing such purchase is fair in relation to the purchase price and reasonable on the basis of time effectively devoted to such services on a professional or similar basis: *And provided further,* That in the event of a sale other than for cash, the Commissioner shall require a down payment of at least 10 percent of the total purchase price, the balance to be amortized over a period of not more than 25 years, the unpaid balance to bear interest at the rate of 4 percent per annum and the payment of any unpaid balance to be secured by a first mortgage or deed of trust against the properties sold. The Commissioner is authorized, as a condition of any such sale, to transfer, or to require the transfer or an agreement for the transfer of, streets, roads, public buildings, federally owned utilities, playgrounds, swimming pools, and parks, including adequate open land surrounding or adjacent to each project, to the appropriate non-Federal governmental agency, at such times, to such an extent, and upon such terms and conditions as he shall determine to be in the public interest.

SEC. 2. As used in this act, (1) the term "veteran" means any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released from active service under conditions other than dishonorable, and (2) the term "groups organized on a nonprofit basis" shall include but not be limited to, mutual ownership or cooperative housing associations or limited dividend corporations which by the terms of their charters and bylaws have limited their rate of return to a rate no higher than the Public Housing Commissioner deems reasonable and necessary.

The PRESIDENT pro tempore. The clerk will state the additional amendments reported from the committee by

the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

The first amendment was, on page 4, line 22, to strike out "or" and insert in lieu thereof "of."

The amendment to the amendment was agreed to.

The next amendment was, on page 4, line 25, after the word "unit" to insert "in such project."

The amendment to the amendment was agreed to.

The next amendment was, on page 5, beginning with the comma before the word "starting" in line 1, to strike out through the comma after the word "group" in line 3; and on page 5, line 4, after the word "appropriate" to insert a comma and the following: "starting on the effective date of this act, and who shall be a tenant therein at the time of making application for such membership."

The amendment to the amendment was agreed to.

The next amendment was, on page 6, line 6, to strike out "such sale" and to insert in lieu thereof "sale hereunder."

The amendment to the amendment was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I have an amendment to the amendment on the desk, which I should like to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 4, in line 20, after the word "veteran" it is proposed to insert "or resident."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado [Mr. JOHNSON] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. The title will be amended to include the necessary changes.

Mr. WHERRY. Mr. President, will the Senator from Colorado yield for a question?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. WHERRY. What is the force of the amendment offered by the Senator?

Mr. JOHNSON of Colorado. It takes care of the cooperatives which have been organized to take over some of these houses.

Mr. WHERRY. As I understand, it extends the opportunity of buying to residents in addition to veterans.

Mr. JOHNSON of Colorado. It extends the privilege so as to take in cooperatives, most of which are veterans' cooperatives, already in existence.

Mr. WHERRY. I understand that.

Mr. DOUGLAS. Mr. President, if I may ask the Senator from Colorado, has he included on page 6 a definition of groups organized on a nonprofit basis?

Mr. JOHNSON of Colorado. Yes, I have included that, but I think it is necessary to make the insertion at the point where I made it, in order fully to comply with the provision to which the Senator refers.

Mr. DOUGLAS. Mr. President, may we have the proposed amendment offered by the Senator from Colorado restated?

The PRESIDENT pro tempore. Without objection, votes by which the amendment was agreed to and ordered to be engrossed and the bill passed are reconsidered, and the clerk will state the amendment as requested by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 4, in line 20, after the word "veteran," it is proposed to insert the words "or resident."

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. Without objection, the bill as amended——

Mr. DOUGLAS. I would suggest that the bill be put over to the end of the calendar, so that I may be able to discuss the matter with the Senator from Colorado. His amendment appears to constitute a very serious change, in that it seems to make the cooperatives residents, and to put them on equal terms with veterans' organizations. I should like to have a chance of checking into the matter in further detail before I agree to it at this time.

The PRESIDENT pro tempore. Objection is heard. The bill will go over.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. As I understand, then, House bill 2440, will go to the foot of the calendar, and will come up again at the conclusion of the regular call of the calendar today. Is that correct?

The PRESIDENT pro tempore. That is what the Senator from Illinois requested, that the bill go over temporarily.

Mr. WHERRY. Very well.

Mr. JOHNSON of Colorado subsequently said: Mr. President, I ask that the Senate return to the consideration of Calendar No. 292, House bill 2440.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the bill is before the Senate.

Mr. JOHNSON of Colorado. Mr. President, I desire to withdraw the amendment which I offered to the committee amendment.

The PRESIDENT pro tempore. The amendment to the amendment is withdrawn.

Without objection, the bill will be considered as having gone through the various parliamentary stages and passed.

PUBLICATION OF ECONOMIC INDICATORS

The joint resolution (S. J. Res. 55) to print the monthly publication entitled "Economic Indicators" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Joint Committee on the Economic Report be authorized to issue a monthly publication entitled "Economic Indicators," and that a sufficient quantity be printed to furnish one copy to each Member of Congress; the Secretary and the Sergeant at Arms of the Senate; the Clerk, Sergeant at Arms, and Doorkeeper of the House of Representatives; two copies to the libraries of the Senate and House, and the Congressional Library; 700 copies to the Joint Committee on the Economic Report; and the required number of copies to the Superintendent of Documents for distribution to depository libraries; and that the Superintendent of Documents be authorized to have copies printed for sale to the public.

BENEFITS FOR ANNUITANTS UNDER RETIREMENT ACT—BILL PASSED OVER

The bill (S. 878) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, it will be recalled that last year we adopted an amendment to the Retirement Act, increasing payments to annuitants in the sum of $300, or 25 percent, whichever was less. At that time we also gave to annuitants who had already retired the right to waive this increase and give to their wives after they die the right to draw an annuity, but not in any case in excess of $600. In that same bill we provided that if any person retiring after April 1, 1948, desired to make the wife an annuitant, 10 percent could be deducted from the amount being drawn at the time. The question has come up in this manner, in regard to this particular clause: Those who retired prior to April 1, 1948, as the Retirement Commission will confirm, did not have sufficient time to decide whether they should waive the increase and take advantage of the benefit to their wives. This bill extends to them that right, and it also offsets the increase in living costs which has occurred since these persons paid their money into the fund, with the right to have this little, measly $300 increase, or 25 percent, whichever is the lesser of the two. When they paid their money into the Treasury, it was worth something; but, as the Senator from Delaware knows, the amount which they received in addition to that was to offset the increase in living costs. If we are to help a person who is drawing a salary of $1,000, and increase that amount 25 percent, it would amount to $1,250. With $1,250 a person is hardly able to take care of his family.

It will be noted that the committee has unanimously reported the bill. The Commission has stated off the record that it thinks it is fair.

I should like, also, to call to the Senator's attention the fact that there is almost $4,000,000,000 in the retirement fund today. It is drawing 4 percent interest. Personally, I do not believe this

bill would in any way jeopardize that fund.

Mr. WILLIAMS. I thank the Senator.

I should like to read from page 3 of the report of the committee:

It is estimated that to provide for such guaranty would immediately increase the liabilities of the civil service retirement and disability fund by $157,000,000.

The report goes on to state that if the bill should be passed it would require an authorization and appropriation of $157,000,000 to take care of the costs; otherwise it would mean a raid on the retirement fund which, in reality, belongs not to Congress, but to all the Government employees together.

Furthermore, the Senator from South Carolina made a slight error when he said the Commission recommended it, because I now read another sentence, which is as follows:

In view of the cost involved, the Commission is constrained to recommend adverse action.

Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

The bill (S. 1459) to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end of the first paragraph thereof the following: "Such time limitation may also be waived in the case of an officer or employee whose disabling condition is essentially chronic, deteriorative, or progressive in nature and can reasonably be assumed to have existed at date of separation, but the application in such case must be filed with the Civil Service Commission within 1 year after the date of separation; in the case of any such person heretofore separated from service, application may be filed within 6 months after the effective date of this act."

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The resolution (S. Con. Res. 34) favoring the suspension of deportation of certain aliens, was considered, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-9606359, Andresen, Ole Arnt, or Ole Art Andesen.

A-6296097, Arey, Eugenia (nee Eugenia Szynarewski or Szynarewska).

A-4227948, Banse, William Otto (alias Willi Otto Banse or Willy Banse).

A-1019559, Borst, Isabelle Helen.

A-3139019, Bravo, John.

A-1705789, Cameron, Marion Elizabeth (nee Sutherland).

A-4832240, Chabrian, Jacob or Jakov, or Jack Chabrian.

A-1798152, Damson, William Joseph.

A-2372212, De Garza, Inez Gutierrez.

A-6296064, Delfino, Adriano Garcia.

A-6766826, De Soto, Jessie Lopez, or Jesus Lopez de Soto.

A-5385346, De Torres, Josefina Cazares.

A-2442178, Dickson, Jacob Wlue.

A-2445513, Fendez, Peter Angel, or Pedro Jose Mercedes Fernandez.

A-5530855, Fonda, John George, or Giovanni Fonda.

A-6072721, Garcia, Antonio Saad.

A-4747745, Ginsberg, Henry, or Chaim Ginsberg.

A-6199198, Goetz, Abelina Felicitas.

A-5754758, Gordon, Kate Mary, or Mary Kate Pieschuk.

A-4022531, Gutierrez-Garza Urbano.

A-2372213, Garza, Gutierrez, Ismael.

A-6251138, Harken, Johannes Theodoor.

A-3491071, Henn, Georg Rudolf.

A-5980869, Hine, Margaret Regina (nee Moffitt alias Mrs. Ivan M. Hine alias Ina Black alias Mrs. William John Black alias Lizzie Walker).

A-4669655, Kern, George Warden (alias George Washington Kern).

A-7687721, Mar, Beatriz Castro.

A-2506746, Mar, Francis.

A-2525130, Mejia, Lopez Fidel, or Fidel Mejia-Lopez.

A-6009711, Munroe, John Charles.

A-5056185, Paveglio, Pietro, or Peter Paveglio.

A-3874152, Ranier, Romeo, or Romeo Zagievich.

A-2934175, Schwartz, Bessie.

A-1602923, Smith, Harold Hilgrove, or Harold Smith or Harold H. Smith.

A-5210469, Uong, Li Lai (nee Chu).

A-4635148, Vallee, Arthur Joseph, or Arthur Valley (alias Arthur Joseph Valley alias Albert J. Valley alias Phillip Trottier alias Henry Trottier).

A-5961272, Wriedt, Adolf Wilhelm.

A-6508363, Xantheas, George Panagiotis.

A-6074143, Orozco-Ybarra, Jose.

DISCONTINUANCE OF DIVISIONS OF THE COURT IN THE DISTRICT OF KANSAS

The Senate proceeded to consider the bill (S. 259) to discontinue divisions of the court in the district of Kansas.

Mr. REED. Mr. President, I desire to offer an amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, in line 7, following the word "Wichita," and before the word "and", it is proposed to insert "Dodge City."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 96 of title 28 of the United States Code is amended to read as follows:

"SEC. 96. Kansas constitutes one judicial district.

"Court shall be held at Kansas City, Leavenworth, Salina, Topeka, Hutchinson, Wichita, Dodge City, and Fort Scott."

JOHN C. NUNES

The bill (H. R. 2605) for the relief of John C. Nunes was considered, ordered to a third reading, read the third time, and passed.

ARTHUR C. JONES

The Senate proceeded to consider the bill (S. 275) for the relief of Arthur C. Jones, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, to strike out "$7,500" and to insert "$4,881.36."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur C. Jones, of Dover, N. H., the sum of $4,881.36, plus the sum of $987.60 for medical expenses, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him on July 28, 1942, while serving as a laborer at the United States naval shipyard, Portsmouth, N. H., and the subsequent aggravation of such injuries which resulted in the amputation of both feet: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PLACED AT FOOT OF THE CALENDAR

The bill (S. 584) for the relief of Rudolf A. V. Raff was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that this bill go to the foot of the Calendar until the chairman of the Committee on the Judiciary is ready to explain it.

The PRESIDENT pro tempore. The bill will go to the foot of the calendar.

THEODORE PAPACHRISTOPOULOS

The Senate proceeded to consider the bill (H. R. 2360) for the relief of Theodore Papachristopoulos, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 3, strike out all after the enacting clause, and insert:

That for the purposes of the immigration and naturalization laws, Theodore Papachristopoulos shall be considered to be the natural-born son of his stepfather, Roland Stanger, a citizen of the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROTECTION OF SCENIC ROUTES

The bill (S. 353) to protect scenic routes along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter mining locations made under mining laws of the United States within the following-described lands within the Santa Fe National Forest, Santa Fe, N. Mex.: Sections 1, 2, 3, the northeast quarter of section 11 and the north half of section 12, in surveyed township 17 north, range 10 east; sections 12, 13, 14, 15, 16, 36, and that portion of section 25, outside the

boundaries of the Gabaldon Grant in surveyed township 18 north, range 10 east; 3,840 acres, more or less, in unsurveyed township 18 north, range 11 east, expected to be legally described, when surveyed, as sections 7, 8, 18, 19, and 30, the northeast quarter of section 17, the west half of section 17 and the west half of section 20, township 18 north, range 11 east, New Mexico principal meridian, shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonbly necessary to carry on prospecting, mining, and beneficiation of ores including the taking of mineral deposits and timber required by or in the mining and ore-reducing operations, and no permit shall be required or charge made for such use or occupany: *Provided, however,* That the cutting and removal of timber, except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining and prospecting shall be allowed except under the national-forest rules and regulations, nor shall the locator prevent or obstruct other occupancy of the surface or use of surface resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. That hereafter all patents issued under the United States mining laws affecting lands within the above-described area shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in extracting and removing and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations, but each patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. That valid mining claims within the said lands, existing on the date of the enactment of this act, and thereafter maintained in compliance with the law under which they were initiated and the laws of the State of New Mexico, may be perfected under this act, or under the laws under which they were initiated, as the claimant may desire.

PROTECTION OF SCENIC VALUES ALONG OAK CREEK CANYON

The bill (S. 812) to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter mining locations made under the mining laws of the United States within the following-described lands within the Coconino National Forest, Coconino County, Ariz.: Sections 14, 15, 19, 20, 22, 27, 28, 29, 34, of township 19 north, range 6 east; and sections 4, 5, 8, 9, 16, 17, 20, 21, 22, 27, 28, 33, and 34 of township 18 north, range 6 east; and sections 1, 2, 3, 4, southeast quarter of section 8, sections 9, 10, 11, and 12 of township 17 north, range 6 east; Gila and Salt River base and meridian, shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonably necessary to carry on prospecting, mining, and beneficiation of ores, including the taking of mineral deposits and timber required by or in the mining and ore-reducing operations, and no permit shall be required or charge made for such use or occupancy: *Provided, however,* That the cutting and removal of timber, except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining and prospecting shall be allowed except under the national-forest rules and regulations, nor shall the locator prevent or obstruct other occupancy of the surface or use of surface resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. That hereafter all patents issued under the United States mining laws affecting lands within the above-described area shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in extracting and removing and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations, but each patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. That valid mining claims within the said lands, existing on the date of the enactment of this act, and thereafter maintained in compliance with the law under which they were initiated and the laws of the State of Arizona, may be perfected under this act, or under the laws under which they were initiated, as the claimant may desire.

ISSUANCE OF PATENT IN FEE TO HOWARD C. HECKENLIVELY

The bill (H. R. 1029) authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenlively was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO FRANCIS HOWE

The bill (H. R. 1030) authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO PHENA M. ANDERSON

The bill (H. R. 1109) authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO LESLIE PAUL SCHROEDER

The bill (H. R. 1281) authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder was considered, ordered to a third reading, read the third time, and passed.

CREATION OF POSITIONS UNDER NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The bill (H. R. 20) to amend the act of August 1, 1947, as amended, to authorize the creation of 10 professional and scientific positions in the headquarters and research stations of the National Advisory Committee for Aeronautics was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I should like to ask, since Senate bill 498 deals with high-salaried positions in the Government service, what were the reasons which the committee has for increasing compensation for scientists from $10,000 to $15,000? Why should that subject be incorporated in a separate piece of legislation?

Mr. LONG. Mr. President, in the Eightieth Congress a bill was passed for the Army, Navy, and Air Force providing for 45 scientists at the same pay received in the National Advisory Committee for Aeronautics. The National Advisory Committee for Aeronautics does all the basic research for the Army, Navy, and Air Force on basic designs for aircraft. This is entirely a national defense matter. There are already employed in the Government service approximately 15 scientists receiving the same pay. The Government is in competition with private industry in that connection.

I think, if the Senator would look over the committee report, he would agree that this bill is absolutely necessary in order that the National Advisory Committee for Aeronautics may have the services of properly qualified scientists. There are approximately 2,200 scientific and professional positions. This bill provides for the top salary they can receive. The pay bill starts out with $5,000 and goes up. This bill would permit the top scientists in the Government service to receive as much as $15,000, which would still be below the amount authorized by the top-pay bill. I feel that there should be a distinction between the ordinary employees and these top scientists who are absolutely necessary for national defense.

Mr. SCHOEPPEL. I think the Senator for his explanation. At my request, because of the absence of one of our colleagues, would the distinguished Senator from Louisiana have any objection to this bill going to the foot of the Calendar?

Mr. LONG. Not at all.

The PRESIDENT pro tempore. The bill will go to the foot of the calendar, and the clerk will call the next order of business.

QUOTAS FOR 1950 CROP OF CORN, WHEAT, COTTON, RICE, AND TOBACCO

The bill (S. 732) providing for the taking of action in 1949 with respect to quotas for the 1950 crops of corn, wheat, cotton, rice, and tobacco was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 201 (b), 201 (c), 201 (d), 201 (e), 203, 204, 205, 206, 207, and 208 of the Agricultural Act of 1948 shall be effective for the purpose of taking any action with respect to the 1950 and subsequent crops upon the enactment of this act. If the time within which any such action is required to be taken shall have elapsed prior to the enactment of this act, such action shall be taken within 30 days after the enactment of this act.

MARYLAND AND THE CIGAR-LEAF TYPES OF TOBACCO

The bill (S. 715) to amend the Agriculture Act of 1948 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (a) of title I of the Agricultural Act of 1948 (Public Law 897, 80th Cong.) is amended by inserting, following the date "June 30, 1950," a parenthetical clause reading as follows: "(September 30, 1950, in the case of Maryland and the cigar-leaf types of tobacco)."

FILBERTS

The bill (S. 1089) to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsections (2) and (6) of section 8c of the Agricultural Adjustment Act, as amended (7 U. S. C. 608c (2) and (6)), are amended by inserting "filberts," after the word "including" in the phrase "including pecans and walnuts."

MEMBERSHIP IN THE NATIONAL FOREST RESERVATION COMMISSION

The bill (S. 1640) to amend section 4 of the act of March 1, 1911 (36 Stat. L. 962; 16 U. S. C. 513), relating to membership of the National Forest Reservation Commission, was considered, ordered to be engrossed for the third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act of March 1, 1911 (36 Stat. L. 962; 16 U. S. C. 513), is hereby amended by deleting the comma appearing immediately after the term "Secretary of War" and inserting after the mentioned term the words "or as an alternate, the Chief of Engineers of the Army,".

CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 33) suspending legislative budget pending further study was announced as next in order.

Mr. SCHOEPPEL. Mr. President, by request, I ask that the concurrent resolution go over.

The PRESIDENT pro tempore. Without objection, the concurrent resolution will be passed over.

AWARDS OF PENSIONS AND COMPENSATIONS PAYABLE BY THE VETERANS' ADMINISTRATION

The Senate proceeded to consider the bill (S. 811) to adjust the effective date of certain awards and pensions and compensations payable by the Veterans' Administration, which had been reported from the Committee on Finance with amendments on page 1, line 9, after the word "death" to insert "or attainment of a specified age"; on page 2, line 8, after the word "of" insert "age or" and on line 9, after the word "pension", to insert "increased pension"; so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of any other law which prescribes the effective date of awards of pensions and compensation, in the case of any claimant for pension or compensation under laws administered by the Veterans' Administration, who is receiving a current pension or compensation on the date of the enactment of this act, whose claim arose with respect to the disability or death or attainment of a specified age of a member or former member of the armed forces on and after December 7, 1941, and who was unable to file such claim by reason of being interned by a country with which the United States was at war or was otherwise prevented from filing such claim by action of such country, the award of pension or compensation shall be adjusted so as to be effective as of the day the claim would have been allowed had it been filed within 1 year of the death, discharge from the armed forces, or the occurrence of age or any disability or increased disability giving rise to a claim for pension, increased pension, compensation, or increased compensation: *Provided*, That claims for the benefits of this act shall be filed within 1 year from the date of enactment of this act.

Mr. HENDRICKSON. Mr. President, I object, and ask that this bill go over for the purpose of further study.

Mr. JOHNSON of Colorado. Mr. President, I hope the Senator will withhold his objection, because the bill merely protects veterans who were captured and were confined in foreign prisons, and were unable therefore to present their cases. I am sure the Senator would not object to giving those men the protection all other veterans have. It does not add any new names to the roll, because these men are on the roll. It merely gives them the benefit of the lapse of time, because, being imprisoned, they were not able to take advantage of their rights. It is a very just bill, and I am sure the Senator will not object.

Mr. HENDRICKSON. Mr. President, I merely wanted to know more about the bill, and I thought there should be time for further study. In the light of the Senator's explanation, I withdraw my objection.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDENT pro tempore. That completes the calendar.

RUDOLF A. V. RAFF

Mr. MYERS. Mr. President, I ask unanimous consent that the Senate return to Calendar No. 300, Senate bill 584, for the relief of Rudolf A. V. Raff, which I believe went to the foot of the calendar, on request of the Senator from New Jersey, until the chairman of the Committee on the Judiciary could return and give an explanation.

Mr. HENDRICKSON. That is correct.

Mr. MYERS. I do not see the chairman of the committee on the floor, but I shall be glad to give the Senator an explanation of the bill.

Rudolf Raff is a Canadian citizen. He was born in Austria in 1908, and, being an Austrian, he therefore comes under the Austrian quota. He is one of the few chemists skilled in the science of polymerization, particularly in the plastics field dealing with styrene and resorcinol. Of great strategic value in wartime, these two products are finding greatly increased use throughout our domestic economy. Koppers is specializing in their manufacture, and urgently needs Raff's services. The acquisition of those services will give impetus to the program and permit the employment of additional American workers.

Raff is the husband of a Canadian-born woman and the father of two children, who also were born in the Dominion. Being quota-exempt, their admission into the United States will involve no difficulty.

It is my understanding that the Visa Division of the State Department conducted a preliminary investigation of Dr. Raff, with the proper security agencies of our Government, and that clearance has been obtained for him.

Mr. HENDRICKSON. I thank the Senator, and I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 584) for the relief of Rudolf A. V. Raff, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and to insert:

That for the purposes of the immigration and naturalization laws notwithstanding the provisions of section 12 of the Immigration Act of 1924, as amended, Rudolf A. V. Raff, a naturalized citizen of Canada, shall be deemed to have been born in Canada.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CREATION OF POSITIONS UNDER NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The PRESIDENT pro tempore. The clerk will state the next bill on the calendar which went over.

The LEGISLATIVE CLERK. A bill (H. R. 20) to amend the act of August 1, 1947, as amended, to authorize the creation of 10 professional and scientific positions in the headquarters and research stations of the National Advisory Committee for Aeronautics.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I understand the Senator from Maine [Mr. BREWSTER] is interested in this measure, and I see him coming onto the floor of the Senate at this time.

Mr. LONG. Mr. President, I may explain to the Senator from Maine that House bill 20 is vital to the national defense. He will notice this statement in the report on page 2:

The National Advisory Committee for Aeronautics has sole responsibility in the Federal Government for the performance of basic research in the field of aeronautics.

This is the group which provides all the basic data on which the Army, Navy, and Air Force design aircraft, guided

missiles, and things of that sort. In the Army, the Navy, and Air Force there are 13 positions the salaries of which are the same as those called for. In the National Advisory Committee for Aeronautics there are comparable scientists, and whereas the Army, Navy, and Air Force can pay them $15,000 for the same work, the National Advisory Committee for Aeronautics, which provides the basic data for these three branches of the armed forces, is not able to go above $10,000. It has to compete with private industry to get this type of scientist. There are about 2,200 scientists and professional people working in the National Advisory Committee for Aeronautics, and it is demoralizing to the whole staff that no one can draw more than $10,000.

I feel that if the Senator will study the report he will find that it will cost the Government only about $30,000 a year, and it is really vital for national defense.

Mr. BALDWIN rose.

Mr. LONG. This is a substitute for the bill introduced by the Senator from Connecticut.

Mr. BALDWIN. Mr. President, I was about to ask the Senator from Louisiana about that. This is the House version of the bill we had before our committee, is it not?

Mr. LONG. The Senator is correct, and the House bill was reported instead of the bill of the Senator from Connecticut, for the sole reason that House bill 20 was identical, and had already been passed by the House.

Mr. JOHNSTON of South Carolina. Mr. President, is it true that after having hearings on the bill the committee came to the unanimous conclusion that it was to the best interest of the Government to have the bill passed, and also that Louis Johnson, the Secretary of National Defense, wrote a strong recommendation that the bill become law?

Mr. LONG. That is true.

The PRESIDENT pro tempore. Is there objection?

Mr. BREWSTER. Reserving the right to object—and I certainly have a very high respect for Louis Johnson—my attention was attracted to the name "National Advisory Committee for Aeronautics," as that subject has primarily been in the jurisdiction of the Committee on Interstate and Foreign Commerce. I wondered how it came under the jurisdiction of the Committee on Post Office and Civil Service.

Mr. LONG. Since it involves a pay increase, it would come under the Committee on Post Office and Civil Service, just as all pay bills do.

Mr. BREWSTER. Are all increases of salaries referred to the Committee on Post Office and Civil Service?

Mr. LONG. The top-pay bill was referred to that committee, and the classification bill, which involved pay, was referred to that committee, and so far as I know, any bill increasing any salary goes to that committee.

Mr. BALDWIN. Mr. President, does the Senator from Louisiana recall that proposed legislation was presented to the Congress providing for positions of the kind covered by the bill in the different branches of the armed services?

Mr. LONG. If the Senator will refer to the committee report, he will notice on page 3, about the center of the page, the statement that under the law passed by the Eightieth Congress the Army, the Navy, and the Air Force each have 13 positions with salaries the same as those we propose for the NACA. The Army, the Navy, and the Air Force pay scientists as much as $15,000, and the NACA does identically the same type of work, requiring the same kinds of scientists, yet their scientists are limited to $10,000.

Mr. BALDWIN. Is it the recollection of the Senator from Louisiana, as it is the recollection of the Senator from Connecticut, that the National Advisory Council on Aeronautics appeared before the Committee on Post Office and Civil Service and asked specifically for this particular type of legislation, in view of the fact that there was provision for these positions in the three branches of the armed services? Does not the Senator remember that?

Mr. LONG. Mr. President, I should like to say to the Senator, furthermore, that as a member of that committee I personally requested that consideration of the bill be continued so we might have an additional hearing on it, in order that I could be thoroughly convinced that what the bill proposes is necessary. Personally there is no doubt in my mind that it is demoralizing to the entire service that so great a number of scientific and professional positions should have a top limit of $10,000 a year, a sum beyond which they cannot earn. Private industry can pay any amount it deems necessary in order to secure the best scientists and professional people. Yet we find that the Government is not able to pay more than $10,000 for individuals whose services are absolutely necessary to it, and whose services are worth more than $10,000 a year. The Army and the Navy, when employing such individuals for needed services, pay as much as $15,000 or more a year.

Mr. BALDWIN. Mr. President, I wish to ask the Senator from Maine a question, but I wish to preface my question by saying it is the recollection of the Senator from Connecticut that the reason this matter came before our particular committee was because it came up at a time when we were considering a reclassification of the salaries in the Federal service, particularly the salaries in the higher brackets. It is my recollection that the National Advisory Council on Aeronautics came before our committee recommending that they be given an opportunity, in connection with the new bill we were then considering, to create these positions, and at least they convinced the Senator from Connecticut that they were entitled to that consideration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BREWSTER. Mr. President, reserving the right to object, I should like to have further opportunity to examine the general problem involved, because of its bearing upon aeronautical research. We have before our committee now a proposal to build a $4,000,000 laboratory in Washington. I should like to have an opportunity for myself and the members of the committee to make further study of the measure, so I ask that it go over, but I do not wish to indicate thereby that I have any determined objection to it.

The PRESIDENT pro tempore. On objection, the measure will be passed over.

That completes the calendar.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. Is the bill which is now the unfinished business before the Senate, House bill 3704, the District of Columbia sales-tax measure?

The PRESIDENT pro tempore. It is.

CANCELLATION AND RELEASE OF AGREEMENT BETWEEN PORT OF SEATTLE AND THE UNITED STATES

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Chair lay before the Senate House Joint Resolution 91, which is a measure identical with Senate Joint Resolution 32, which was passed by the Senate on April 11, and I ask unanimous consent that the Senate proceed to consider the House joint resolution.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Chair lays before the Senate House Joint Resolution 91, which will be read by title.

The joint resolution (H. J. Res. 91) to authorize the cancellation and release of an agreement dated December 31, 1921, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board acting through the United States Shipping Board Emergency Fleet Corporation, was read twice by its title.

Mr. WHERRY. Mr. President, reserving the right to object, may I ask the Senator from Washington if I correctly understood him to say that the language of the House joint resolution is identical with the language of the Senate joint resolution passed 2 weeks ago?

Mr. MAGNUSON. Yes; the language is identical in both measures.

Mr. WHERRY. And the Senator from Washington asks that the House joint resolution be passed?

Mr. MAGNUSON. Yes; to take care of the parliamentary situation which now exists.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 91) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

REA BORROWERS IN SOUTH CAROLINA

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a list of the rural electrification cooperatives in South Carolina, and the information furnished me by the United States Department of Agriculture as of April 28, 1949, showing the loans made to them, totaling $38,458,000, and showing that of this date the cooperatives have some 88,382 members. I may add that the agricultural appropriation bill, which has been passed by the House, increased appropriations for the REA, and increased appropriations for power development. The Senate will shortly take up that bill. I look forward to the time when all the lines may be completed. I may say that 65 percent of our lines are now receiving power from central stations.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

United States Department of Agriculture—Rural Electrification Administration—REA Borrowers in South Carolina (as of Apr. 28, 1949)

Project designation	Name and address of borrower		Total amount	Miles	Members
South Carolina 9 State Authority	State Rural Electrification Authority, 1204 Main St., Columbia, S. C.:				
	Sec. 4[1]	$156,317.99			
	Sec. 5[1]	0			
			$156,317.99	0	0
South Carolina 13 Greenwood district public	Greenwood County Rural Electric System, Greenwood, S. C.:				
	Sec. 4	950,000.00			
	Sec. 5	0			
			950,000.00	679	4,413
South Carolina 14 Aiken	Aiken Electric Cooperative, Inc., Aiken, S. C.:				
	Sec. 4	2,269,394.53			
	Sec. 5	138,000.00			
			2,407,394.53	1,800	7,011
South Carolina 19 Laurens	Laurens Electric Cooperative, Inc., West Laurens St., Laurens, S. C.:				
	Sec. 4	1,807,400.97			
	Sec. 5	27,000.00			
			1,834,400.97	1,365	5,739
South Carolina 21 Lancaster	Lynches River Electric Cooperative, Inc., Pageland, S. C.:				
	Sec. 4	1,956,411.60			
	Sec. 5	15,000.00			
			1,971,411.60	1,424	5,239
South Carolina 22 Fairfield	Fairfield Electric Cooperative, Inc., 117 North Congress, Winnsboro, S. C.:				
	Sec. 4	1,146,275.99			
	Sec. 5	3,500.00			
			1,149,775.99	1,010	2,914
South Carolina 23 Dorchester	Edisto Electric Cooperative, Inc., Bamberg, S. C.:				
	Sec. 4	1,404,790.03			
	Sec. 5	13,500.00			
			1,418,290.03	1,184	3,334
South Carolina 24 Marion	Marion Electric Cooperative, Inc., 610 Main St., Marion, S. C.:				
	Sec. 4	868,073.48			
	Sec. 5	43,500.00			
			911,573.48	686	2,819
South Carolina 25 Berkeley	Berkeley Electric Cooperative, Inc., Moncks Corner, S. C.:				
	Sec. 4	1,044,919.80			
	Sec. 5	22,000.00			
			1,066,919.80	968	3,634
South Carolina 26 Darlington	Pee Dee Electric Cooperative, Inc., Public Square, Darlington, S. C.:				
	Sec. 4	1,472,765.51			
	No. 5	25,000.00			
			1,497,765.51	1,094	4,914
South Carolina 27 Marlboro	Marlboro Electric Cooperative, Inc., Bennettsville, S. C.:				
	Sec. 4	869,163.84			
	Sec. 5	58,000.00			
			927,163.84	667	2,634
South Carolina 28 Williamsburg	Santee Electric Cooperative, Inc., 127 Hampton Ave., Kingstree, S. C.:				
	Sec. 4	2,398,935.03			
	Sec. 5	22,000.00			
			2,420,935.03	1,842	7,331
South Carolina 29 Sumter	Black River Electric Cooperative, Inc., 13 Caldwell St., Sumter, S. C.:				
	Sec. 4	1,501,444.63			
	Sec. 5	30,000.00			
			1,531,444.63	1,270	3,925
South Carolina 30 Colleton	Coastal Electric Cooperative, Inc., 28 Jefferies Blvd., Waterboro, S. C.:				
	Sec. 4	920,820.53			
	Sec. 5	8,000.00			
			928,820.53	738	2,316
South Carolina 31 Horry	Horry Electric Cooperative, Inc., 4th Ave., Conway, S. C.:				
	Sec. 4	1,809,158.85			
	Sec. 5	27,000.00			
			1,836,158.85	1,200	5,039
South Carolina 32 Calhoun	Tri-County Electric Cooperative, Inc., St. Matthews, S. C.:				
	Sec. 4	1,286,107.86			
	Sec. 5	12,000.00			
			1,298,107.86	808	2,876
South Carolina 33 Cherokee	Broad River Electric Cooperative, Inc., 416 Wall St., Gaffney, S. C.:				
	Sec. 4	1,109,253.97			
	Sec. 5	20,000.00			
			1,129,253.97	916.5	3,275
South Carolina 34 Newberry	Newberry Electric Cooperative, Inc., 1103 Friend St., Newberry, S. C.:				
	Sec. 4	656,755.36			
	Sec. 5	5,000.00			
			661,755.36	528.5	2,587
South Carolina 35 Abbeville	Little River Electric Cooperative, Inc., Abbeville, S. C.:				
	Sec. 4	1,184,832.74			
	Sec. 5	13,000.00			
			1,197,832.74	923	2,865
South Carolina 36 Barnwell	Salkehatchie Electric Cooperative, Inc., Barnwell, S. C.:				
	Sec. 4	859,000.00			
	Sec. 5	20,000.00			
			879,000.00	561	1,613
South Carolina 37 Lexington	Mid-Carolina Electric Cooperative, Inc., 128 Main St., Lexington, S. C.:				
	Sec. 4	1,094,761.82			
	Sec. 5	7,000.00			
			1,101,761.82	898	3,062
South Carolina 38 Oconee	Blue Ridge Electric Cooperative, Inc., 103 Ann St., Pickens, S. C.:				
	Sec. 4	1,978,336.75			
	Sec. 5	15,000.00			
			1,993,336.75	1,782	7,273
South Carolina 40 Hampton	Palmetto Electric Cooperative, Inc., Ridgeland, S. C.:				
	Sec. 4	542,719.09			
	Sec. 5	15,000.00			
			557,719.09	426	1,225

[1]The amounts listed as sec. 4 loans are for distribution, generating, and transmission purposes; the sec. 5 loans are for wiring, plumbing, and farm-equipment purchases.

United States Department of Agriculture—Rural Electrification Administration—REA Borrowers in South Carolina (as of Apr. 28, 1949)—Continued

Project designation	Name and address of borrower		Total amount	Miles	Members
South Carolina 41 York	York County Electric Cooperative, Inc., York, S. C.:				
	Sec. 4	$812,631.31			
	Sec. 5	0			
			$812,631.31	650	2,344
South Carolina 43 York	Electric Cooperative Refrigeration Co., Inc., York, S. C.:				
	Sec. 4	0			
	Sec. 5	70,000.00			
			70,000.00	----------	----------
South Carolina 45 Edgefield	Edgefield Electric Refrigeration Cooperative, Inc., Edgefield, S. C.:				
	Sec. 4	0			
	Sec. 5	66,000.00			
			66,000.00	----------	----------
South Carolina 46 Laurens	Laurens Electric Refrigeration Cooperative, Inc., Laurens, S. C.:				
	Sec. 4	0			
	Sec. 5	32,500.00			
			32,500.00	----------	----------
South Carolina 47 Bamberg	Bamberg Electric Refrigeration Cooperative, Inc., Bamberg, S. C.:				
	Sec. 4	0			
	Sec. 5	55,000.00			
			55,000.00	----------	----------
South Carolina 50 Santee	Central Electric Power Cooperative, Inc., 120 Universal Bldg., Columbia, S. C.:				
	Sec. 4	7,595,500.00			
	Sec. 5	0			
			7,595,500.00	834	0
South Carolina	Total:				
	Sec. 4	37,695,771.68			
	Sec. 5	763,000.00			
			38,458,771.68	24,254	88,382

NOTE.—As of June 30, 1948, 65.5 percent of all farms in South Carolina were receiving central station electric service.

THE FEDERAL FISCAL SITUATION

Mr. BYRD. Mr. President, all I shall say at this time will be in the nature of an analysis of the cause and effect of the Federal fiscal situation in the present and foreseeable future which may be projected on a receipt and expenditure basis from the President's budget estimates. It may be summarized as follows:

Fiscal year ending June 30, 1949:	
Income	$39,500,000,000
Expenditures	40,300,000,000
Deficit	800,000,000
Fiscal year ending June 30, 1950:	
Income	40,900,000,000
Expenditures	44,300,000,000
Deficit	3,400,000,000
Fiscal year ending June 30, 1951:	
Income	40,900,000,000
Expenditures	47,400,000,000
Deficit	6,500,000,000

(All the figures above are exclusive of refunds.)

NOTE

It is important to note parenthetically that these estimates do not include either expenditure or revenue figures incident to the social-security programs which are tied to pay-roll taxes and operate through trust funds outside the regular general fund budget. These trust fund operations which, as a rule, do not show up in the regular Federal budget are becoming increasingly significant in Federal finances and in assessments on individuals. They would be tremendous if the proposed socialized medicine program were adopted.

EXPENDITURES

When we recast the general fund expenditure figures from the bare outline I have given, we find it is conceded that on June 30 we shall wind up fiscal year 1949 in the red. Analysis reveals that 1949 expenditures are being pushed above $40,000,000,000 largely by the obligations of multiyear programs, projects, and policies. A conservative projection of these continuing commitments in combination with new ones which are pending makes it certain that Federal expenditures in the coming fiscal year 1950 will approach $45,000,000,000, and that in fiscal year 1951, beginning a year hence, they will total between $45,000,000,000 and $50,000,000,000.

REVENUE

The revenue figures I have given in the projection are based on present Federal tax rates applied to economic conditions as they were in January when the President submitted his budget message and his last economic report. To evaluate the revenue side of this projection, it is necessary to keep two things in mind:

First. When the President began laying his new legislative program before Congress last January, he frankly admitted that it assumed continuation of inflated prosperity at or near the postwar peak, and on this basis he estimated his program would require a 13½-percent increase in income taxes, a 59-percent increase in pay-roll taxes, and a 15-percent increase in postal rates.

Second. Whether taxes are increased or not, we must take into consideration that now—four eventful months since the administration's program and budget were submitted—it is the general consensus that sources of Federal revenue are seeking lower levels, and this consensus is supported by all the official calculations which have been made of the economic developments in the first calendar quarter of 1949.

I emphasize that in projecting these deficits my estimates are based upon the continuation of the present high level of prosperity. If it declines, the anticipated deficits will be greatly increased.

DEFICIT

If the legislative program laid down by the President for the coming fiscal year is adopted in substantial measure, if taxes are not increased, and if Federal revenue sources continue to decline, my deficit estimates must be revised upward.

PROGRAM

Actually most of the administration's new program is still pending in Congress. None of the appropriation bills for fiscal year 1950 has been passed. With more than half the regular session gone, the effort now will be to jam this highly controversial program pell-mell through the closing crush of the session wind-up. If we were to take the program in full, we would be called upon in a period of extremely sensitive economic uncertainty to exceed all previous peacetime spending records, lay an additional levy of $2,000,000,000 in pay-roll taxes (which will greatly increase in future years) increase postage rates to bring in an additional quarter of a billion, and enact the $4,000,000,000 in proposed new general-fund taxes on income for the next fiscal year (with more new taxes for fiscal year 1951) or, in effect, to authorize a deficit of $3,000,000,000 to $4,000,000,000 in the coming fiscal year, with prospects of an even greater deficit in fiscal year 1951.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LONG. Has the Senator any objection to an increase in postal rates?

Mr. BYRD. That is a subject to which I have not given consideration. I am not a member of the committee. I think there should be some reasonable increase in postage rates, but my attention has been called to certain proposed increases which seem to me to be very excessive. However, I am not really in a position to make a statement on the subject, because I have not studied the bill. I believe, however, that there should be some reasonable increase.

Mr. LONG. Does it not seem to the Senator that the charges for postal service should be brought into line with what it actually costs the Government to render the service?

Mr. BYRD. I think on general principles that is true. Some concerns may be completely put out of business by the

rates proposed. I think the Senator is a member of the committee which is considering the question.

SUGGESTION

Under the circumstances, I sincerely suggest the wisdom of avoiding all unnecessary elements of economic disturbance inherent in the social excesses pending in legislation now before Congress and the fiscal excesses proposed in the President's budget for the fiscal year 1950.

Those who sincerely believe federalized social programs can be continuously extended within the framework of our private enterprise system and democratic form of government would serve their cause best in the present economic uneasiness by awaiting assurance that their proposals will not impair our financial stability or the fiscal integrity of the Government.

I invite their support in an effort to strip the pending program and budget to the most urgent essentials which cannot be postponed, for without concerted action now fiscal year 1951 will be critical.

IMPACT

The full impact of continuing commitments made under the $40,000,000,000 budget of the current year and the nearly $45,000,000,000 budget of the coming year will strike in fiscal year 1951 when c. o. d. delivery will begin on the huge military contracts, and promises to pay on long-term civilian obligations like housing and education will hit their stride.

We must recognize the fact that appropriation bills do not disclose the expenditures. An appropriation may not be spent for several years after it is made. The figures which I am giving the Senate today are based upon a receipts-and-expenditures basis within each current year.

In the same fiscal year 1951 we shall feel also the full impact of whatever happens to tax sources in this year and next. If there is a recession in business, it will not be felt severely until the fiscal year beginning July 1, 1950, known as fiscal year 1951. That year will be the year, I predict, of serious crisis in the fiscal situation of our Government..

According to tax experts the principal revenue factor is personal income—the aggregate of all our individual income. In the first 2 months this year it was down from the last calendar quarter in 1948. For the first time since this inflation began, there was a recession in January in the aggregate of personal incomes amounting to $600,000,000. In February that recession continued, and became $2,000,000,000. While the report has not yet been made for March—I think it will be made the first of next week—it is my understanding that it will show a continued recession in personal incomes which is very disturbing, because for the first time since this inflation occurred, we have started to go down hill. While personal income was still above last year's average and the level of the corresponding date a year ago, it may be significant that the trend last year was up. This year it is down. Wholesale prices — another business gage — are down. Unemployment, as measured by veterans and unemployment insurance payments, is increasing.

GRAVITY

The gravity of the fiscal situation confronting us is emphasized by experts of the Joint Committee on Internal Revenue Taxation who estimate that even a 10-percent recession in the aggregate personal income would result in a loss of $5,000,000,000 in tax revenue. Should this occur, it must be added to the estimates of deficits which I have previously given, because I have estimated the revenue on the basis of a continuation of the level when the President prepared the budget last November or December. We did not think of ourselves as being in a depression at the end of World War II, but in 1945 our personal income was 20 percent less than it was in 1948. If our aggregate individual income should drop 20 percent this year, Federal tax revenue in fiscal year 1951 would drop $10,000,000,000, and create one of the most serious financial crises this Nation has ever known.

THE CRISIS

For 16 years, as a United States Senator, I have studied the Federal budget minutely, and I have observed the Government's trend to more and more paternalism, regimentation, and centralization, with all of the extravagant characteristics of that course. I have studied the latest advices from the economic analysts of the Commerce Department, from the experts of the Joint Committee on Internal Revenue, and from the fiscal officers of the Treasury Department and the Budget Bureau. I have the latest employment reports from the Bureau of the Census and the Department of Labor. I have canvassed the views of industrial experts, businessmen, and farmers.

Enactment of the pending program and budget—with or without the President's proposals for additional taxes—must be regarded with grave anxiety; for, in this event, I am convinced that in the coming year we shall extend our fiscal and economic stability to extremes where it may be unable to withstand additional pressures which are unavoidable in fiscal year 1951.

When our fiscal and economic stability weakens there is certain to be a demoralizing domestic crisis which could be disastrous to our private enterprise system and, therefore, to our form of government.

PROSPECTS

To me the fiscal picture of our Government is bleak. The prospects are fraught with the gravest public consequences. The crisis is virtually upon us.

A year from now the Senate will be struggling with the question of what to do with respect to the great deficit which will confront us, as to what appropriations must be reduced, and as to what new taxes must be imposed. Remember that taxes imposed on a declining business level may accelerate a mere recession in business to a first class depression.

We have only three courses open. The first is a drastic reduction in spending. The second is a substantial increase in taxes. The third is large-scale deficit financing.

DEFICITS

The third course is unthinkable to me. Under current circumstances its adoption would shatter public confidence in Federal securities at a time when the debt is a quarter of a trillion dollars. Citizens who own bonds would ask themselves, if the Government cannot balance its budget in this period of prosperity, and in time of peace, will it ever be balanced again? If Congress embarks again on deliberate deficit financing, I, for one, seriously doubt whether we shall ever again balance the Federal budget. Our credit would be wrecked and our system of Government destroyed.

We must remember that we had deficits extending from 1932 until just recently. When that period began the debt of the Federal Government was only $16,000,000,000, and we were in a depression at that time. I have always believed that had we levied taxes during that period in proportion to our expenditures, the expenditures would have been much less. But, Mr. President, deficit spending now must be added to a debt of more than $250,000,000,000, and at a time when, as I have said, as of today, we are enjoying a very high level of prosperity.

TAXES

Are new taxes the answer? What would be the result of a substantial increase on a business economy when it is already receding? By all the rules, new taxes at such a time as this may easily accelerate a minor business decline into a major recession. Business is never more sensitive to new costs and taxes than it is on a declining market.

Any picture of our tax system must include State and local taxes. These taxes have recently been increased at such a rapid rate that no current estimate of the total is now available, but it is reasonable to assume they now total at least $16,000,000,000 in addition to Federal levies. There is reason to expect that State, municipal, and county deficits may come simultaneously with Federal deficits.

RETRENCHMENT

Reduction in Federal expenditures can be accomplished only if there is a desire for it and a will to do it. Actually, we have assumed—and we are still assuming—tremendous long-term expenditure commitments with little appreciable inclination for any offsetting retrenchment or even for token reduction.

THE BUDGET FOR FISCAL YEAR 1950

When we analyze the President's budget requests for fiscal year 1950 which begins July 1, 1949, we know that the Federal Government is permeated with waste and inefficiency. We know that with the exception of the interest on the debt and several other items of similar character, there is not a single category in the expenditure side of the budget that could not absorb a full 10-percent reduction in administrative costs without impairment of essential functions. We know that administrative efficiency and economy should be the responsibility of the executive branch.

FORTY PROPOSALS

It must be noted by the legislative branch, however, that the President's

budget submitted in January contains some 40 spending proposals—exclusive of major military and foreign commitments—which require new legislation by Congress. Some of these, it is true, are for continuation of projects already authorized and undertaken, but many of them open up completely new fields of Government spending. Mr. President, in the President's budget there was not even one recommendation to discontinue a single existing function. Retrenchment in these new programs, projects, and policies is the responsibility of Congress.

To analyze the Federal budget is a huge job and a tiresome task. But it is of absorbing interest to those who have been conscious of the trend which has been developing for 15 years in this country.

REVENUE IN 1950

In analyzing the revenue side of the President's budget recommendations for fiscal year 1950 it is interesting to look at it in three parts:

First. General revenue taxes, including taxes on personal and corporate income, and excise taxes levied on a great many goods and services we buy.

Second. Pay-roll taxes, including employment taxes levied for social security old-age insurance, and the proposed socialized medicine.

Third. Receipts, including miscellaneous receipts from various sources such as the sale of surplus property, and customs receipts from duty on imports.

Income taxes, excise taxes, and receipts are combined in the regular budget to defray the expenses of the regular general-fund expenditures. The pay-roll taxes, on the other hand, are routed through trust-fund channels outside the regular budget and do not show up at all in the revenue totals ordinarily reported. In other words, if we look at the budget, on the revenue side, it does not disclose the full amounts being paid by the citizens of the United States, because it does not include the pay-roll taxes. However, those taxes are just as much taxes as if they were levied in other ways.

Reduced to tabular form, the story of the revenue side of the President's 1950 budget follows:

[In billions of dollars]

Sources	Under existing legislation	Additional taxes proposed by the President	Gross total, including refunds	Gross total, excluding refunds
1. General revenue taxes, including taxes on personal and corporate income and excise taxes	39.9	4.0	43.9	41.9
2. Employment taxes, including pay-roll taxes levied for social security, old-age insurance, and proposed socialized medicine	3.3	1.9	5.2	5.2
3. Receipts, including miscellaneous receipts and customs receipts	2.1	.1	2.2	2.2
Total	[1] 45.3	6.0	51.3	49.3

[1] This figure is gross, including refunds. If refunds were deducted it would be approximately 43.2 billion dollars.

It should be noted that not all of the employment taxes collected by the Federal Government are expended through trust funds. In fiscal year 1950 the President estimates that $904,000,000 of employment taxes will be spent through the regular budget for such items as railroad retirement, and so forth, and therefore must be credited to regular budget revenue. When these funds are added to the $41,900,000,000 from income and excise taxes, and $2,200,000,000 in miscellaneous and customs receipts, the total amount available for expenditure through the regular budget, under the President's proposals, becomes $45,000,000,000. If the President's proposals for taxes are not adopted the total under existing taxes is only $40,900,000,000 as I stated at the beginning.

To reconcile the figures in this table with the $41,000,000,000 revenue estimate which was publicized at the time the President brought in his January budget recommendations, we merely take the President's estimate, excluding refunds, of $41,000,000,000 and add in the items excluded in the President's estimate, which were:

Old-age insurance funds under existing legislation	$2,400,000,000
Old-age insurance and socialized medicine funds proposed legislation	1,000,000,000
Income tax increases under proposed legislation	4,000,000,000

We find that the excluded items total $8,300,000,000, and the reconciled figure becomes $49,300,000,000.

TAX TREND

With these figures in mind, let us see the trend in the taxes we have been paying to the Federal Government. In the year before Pearl Harbor our income, pay roll, and excise tax bill from the Federal Government totaled $7,250,000,000 (exclusive of customs and miscellaneous receipts). A year after the war was over it was $36,250,000,000. In the current fiscal year it is $38,500,000,000. If the present Congress were to enact the budget submitted by the President in January, our Federal tax bill next year would be $47,100,000,000. Mr. President, if miscellaneous and customs receipts are added, the total would become $49,300,000,000.

Our Federal tax bill this year is more than five times its amount in the year before Pearl Harbor. If the new budget requests were enacted our postwar Federal tax bill next year would go to 6½ times our prewar Federal tax bill. In this connection it should be noted that our current national income is slightly more than two times its total in the year before Pearl Harbor, and that our adult population has increased by about one-tenth. The total of the national income is only twice as much as it was in the year before Pearl Harbor, but we are collecting more than five times as much in general taxes. It may be of interest to note further that the cost of living, on a consumer price basis, exclusive of taxes, is less than two times its level in the year before Pearl Harbor. Thus we see how much of the increased cost of living is due to taxes.

With increases in national income and population taken into account, Federal taxes in the year before Pearl Harbor amounted to 7 percent of income; a year after the war was over, Federal taxes amounted to 17 percent of income; and again in the current year Federal taxes, exclusive of local and State taxes, amount to 17 percent of income. Assuming there is no reduction in income if the budget submitted by the President in January were enacted, our Federal tax bill next year would amount to 21 percent of income. When State and local taxes are added the total tax bill amounts to nearly 30 percent of the total income of the country.

Under the President's proposals, including his proposals for new taxes, the Federal Government in 1950 would be taking $33,900,000,000 in Federal income taxes on individuals and corporations, $7,900,000,000 in Federal excise taxes, $5,300,000,000 in Federal employment taxes, and miscellaneous and customs receipts would be about $2,200,000,000, making a total yearly income of $49,300,000,000.

INCOME TAXES IN 1950

The $33,900,000,000 in Federal income taxes on individuals and corporations would be an increase of $5,600,000,000 over the Federal income tax total expected this year. It would be $6,900,000,000 more than we paid the year after the war was over. And, while national income is little more than two times what it was in the year before Pearl Harbor, Federal income taxes next year would be eight times the $3,900,000,000 collected in the year before the war.

EXCISE TAXES IN 1950

Federal excise taxes are the nuisance levies on motor-vehicle fuels and accessories, telephone calls, train tickets, amusement admissions, electrical appliances, luggage, cosmetics, furs, jewelry, radio sets, musical instruments, tobacco, liquor, and so forth. Through these excise taxes next year we are expected to pay into the Federal Treasury $7,900,000,000. That is almost as much as the combined tax collections of all our State governments. It would be about $200,000,000 more than is to be collected from the sale of these items in the current year. It would be more than half a billion in excess of the yield from these taxes in the year after the war was over, and it would be nearly three and one-half times the amount brought in by these Federal levies in the year before Pearl Harbor.

PAY-ROLL TAXES IN 1950

Employment taxes are a relatively new type of levy, and they are growing. It is by additional Federal employment taxes that the President, in his January budget message, proposed to raise $260,000,000 next year to start socialized medicine, and this will be only the beginning. Members of the Senate know that these great plans start with a small amount. They get a foot in the door. Here is a plan for socialized medicine, which starts this year with $260,000,000, but which is estimated to cost, when it gets into full operation, as much as $10,000,000,000 a year.

This program was conceived by the Federal Security Administrator on the basis of a 4-percent employment tax split to impose 2 percent on employees

and 2 percent on employers. Tied to an estimated $165,000,000,000 pay roll, a 4-percent employment tax in the full year would bring in $6,500,000,000—half of it withheld from every wage earner's pay check and the other half assessed upon his employer. Authoritative estimates indicate the Federal medical cost will go to $10,000,000,000 a year when the program gets into full swing. Ten billion dollars is more than total Federal expenditures for all purposes 2 years before Pearl Harbor.

The additional employment tax for socialized medicine is not the only increase due next year in these Federal employment taxes. The old-age tax under social security increases a full 1 percent on July 1, if the President's proposal is followed—half on employees and half on employers. By this request the President would move the increase up 6 months. Under existing law, this increase would not become effective until next January. Still further, the President proposed to expand social-security coverage.

All of these changes would mean total Federal employment taxes next year would amount to $5,200,000,000, imposed on employees and on employers. This is more than two times Federal employment taxes this year, more than two times Federal employment taxes in the year after the war, more than five and one-half times employment taxes in the year before Pearl Harbor.

These Federal income, excise, and employment taxes, under the President's proposals totaling $47,100,000,000 plus $2,200,000,000 in customs and miscellaneous receipts, bring the total Federal take to $49,300,000,000, instead of $40,900,000,000 which was heralded in most headlines when the President's budget was submitted in January. The $40,900,000,000 was only the total estimated in regular budget revenue on the basis of present rates applied to the economic situation as it existed in calendar year 1948.

TOTAL TAXES IN 1950

Assuming the income is sustained at peak inflation and the President's tax budget were enacted, the amount available for expenditure next year by the Federal Government would be $49,300,000,000.

DEBT

From that total, of course, amounts equal to collections for old-age insurance, and so forth, would be transferred to trust accounts. But if current practice prevails, the transfer will be in the nature of an evidence of debt. I hope Senators will mark that. This is not an inference that the retirement funds are not sound, for they are as sound as any of our Government bonds. The Government will use the cash and credit the debt. Retirement payments will be made from the trust funds when required, but these payments are not made through the budget.

At present the Federal debt is about $252,000,000,000. The annual interest on the debt will be approximately $5,500,000,000. In 1940 this was the assessed valuation of all taxable property in States like Illinois, New Jersey, and Indiana. In other words, the interest on the public debt for 1 year is equal to the assessed value of all taxable property in the three States of Illinois, New Jersey, and Indiana.

Nearly one-fifth of that interest will be paid to Federal trust funds which next year will be holding up to $35,000,000,000 of the Federal debt. That is a serious situation—the amount of the Federal debt which is being invested in the trust funds, which are funds paid in, in part, by the beneficiaries of those funds. That is constantly growing, so that now $35,000,000,000 of the Federal debt is held in these trust funds. This is more of the debt than is held by banks and the Postal Savings System combined. It is possible that under present practices and trends we could build a floor under the Federal debt in this manner, and, as we shall see, interest on the Federal debt is running now at more than 10 percent of all general-fund expenditures.

I ask unanimous consent to insert certain additional tables in the RECORD as a part of my remarks at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

EXPENDITURES IN 1950

We have seen that if the President's tax proposals are enacted Federal revenue from miscellaneous and customs receipts plus taxes from all sources would total more than $49,000,000,000. We have seen also that if present taxes are not increased—and if tax sources should remain at last year's level—Federal revenue for regular budget purposes will total less than $41,000,000,000. Now, let's add up the expenditures which the President has recommended.

	Billions
When the President submitted his 1950 budget in January he listed regular budget items totaling	$41.9
But, when he submitted the budget it was known that he omitted items for:	
Western European military alliance (exclusive of Greek-Turk) now estimated at	1.2
Remote area aid now informally estimated at	.1
Supplementals for veterans, etc., now estimated at	1.1
So, the President's regular budget requests for fiscal year 1950 now total	$44.3
It should be noted at this point that the President also recommended an increase in postal rates totaling $250,000,000, to reduce the postal deficit. If this increase is not enacted the above regular budget expenditure total would be increased by $250,000,000 to	44.5½
In addition to the regular budget expenditures which I have just totaled, 1950 expenditures from employment taxes to trust funds (outside the regular budget) as recommended by the President, include:	
For old-age and survivors' insurance:	
(a) under existing legislation	2.7
(b) under proposed legislation	1.7
For socialized medicine under proposed legislation	.3
Making total expenditures from employment taxes to trust funds (outside the regular budget)	$4.7
Thus we see that expenditures from regular budget revenue plus expenditures from pay-roll taxes in 1950 are estimated at a grand total of	+49

1950 EXPENDITURE REQUESTS

When he submitted his regular budget in January the President requested $2,600,000,000 for health and welfare expenditures in fiscal year 1950, exclusive of any social security or socialized medicine payments from trust funds.

He requested $388,000,000 for housing. In connection with this figure it should be pointed out that it does not take into account liabilities to be assumed under any new housing-insurance programs and that the proposed new low-rent subsidies will not reach substantial amounts until after 1950.

And the President further recommended:

$414,000,000 for education and research, exclusive of GI education aid, which he included in the veterans' item;

$1,700,000,000 for agriculture, without consideration of the Brannan plan, which at that time had not been submitted;

$1,900,000,000 for natural resources;

$1,600,000,000 for transportation—this figure will rise if the postal deficit is not offset by enactment of a quarter of a billion dollars in additional postal rates;

$107,000,000 for controls and promotion of finance, commerce, and industry;

$187,000,000 for labor; and

$1,200,000,000 for general Government expenses, exclusive of interest on the debt.

Nearly all of these requests represented increases over the expenditures for the current year, and are much higher than they were in the years before and after the war.

Most of these items are for general operation of civilian agencies, and, although they total more than $10,000,000,000, they are relatively small when compared with the really big expenditure items such as national defense, foreign aid, veterans, and interest on the debt.

BIG EXPENSE ITEMS

Interest on the debt in fiscal year 1950 is estimated at nearly $5,500,000,000. It is five times the $1,100,000,000 we paid out in Federal-debt interest in the year before Pearl Harbor. With at least nominal reduction in the debt since the war we would expect the interest cost to be coming down, but it is not. It is going up. Next year it will be $125,000,000 higher than it is this year. And this year it is a half billion dollars higher than it was in the year after the war. This is due largely to accumulation in the employment-tax trust funds and to the fact that the cost of E bonds builds up fast as they approach maturity. In addition, there has been a recent stiffening in the cost of short-term financing.

The President originally requested $4,900,000,000 for veterans. This was a reduction of about $1,300,000,000 under expenditures estimated earlier this year. The reduction was largely in adjustment programs. But now the estimates for both this year and fiscal year 1950 are being revised upward. The GI programs are not tapering off as sharply as expected. The original request also contemplated postponement of major veterans' construction projects. Whether this is done remains to be seen.

As to national defense and foreign-relief programs, even now there is still no really firm estimate on expenditures in these categories for next year. When the President submitted his budget he completely omitted any estimate for the proposed western European military alliance, and his proposal to extend American business and scientific assistance to the remote areas of the earth. In addition, he based his Air Force estimate

on 48 groups instead of the 70 groups which are authorized.

Without estimates for these two items the defense-foreign aid costs were estimated at $21,000,000,000. When the military alliance and remote area aid are in, this figure might easily approach $23,000,000,000. This year the cost of these two items is $19,000,000,000. The year after the war was over the total for military and foreign aid was $22,000,000,000, including the cost of the military still largely on a war basis and UNRRA. The year before Pearl Harbor these items amounted to $6,400,000,000.

Exclusive of the social-security and health-benefit payments from trust funds, the domestic civilian expenditure budget for next year totals more than $20,000,000,000, including the postal deficit. In the aggregate, this represents no reduction under the cost of these items this year. Expenditures the year after the war were $3,000,000,000 less. In the year before Pearl Harbor they totaled $7,000,000,000.

Combined—national defense, foreign aid, and the remainder of the expenditure budget for next year will total upward of $45,000,000,000, exclusive of social-security and health-benefit payments, from trust funds and tax refunds. For the current year, ending June 30, the President estimated that expenditures would be $40,000,000,000, but they will be higher. In the year after the war total Federal expenditures were $39,000,000,000, and in the year before the war they were $13,300,000,000.

OBSERVATIONS

Mr. BYRD. The trend of our Federal expenditures from the standpoint of size can be observed from these comparisons. It is easy to toss them off with a mere suggestion that times have changed, and the cost of everything has increased. But there is a significant factor which stands out in analysis of all recent Federal budgets, and it is highly important to those who are concerned about financing the Federal Government in the future.

Mr. President, when you analyze these budgets, especially those for the years since the war, you find that more and more Federal expenditures are being tied to long-term commitments on which no responsible government can renege—no matter what the condition of the Treasury may be.

LONG-TERM COMMITMENTS

All social programs fall into this long-term commitment category if they are sincerely conceived.

The same is true of veterans' programs.

Our agriculture-subsidy program has developed into a permanent commitment.

Huge public works projects require capital outlay expenditures over a period of years and, in addition, increased maintenance and operation costs are permanent.

Once a State grant-in-aid program is inaugurated, it cannot be disturbed without upsetting 48 State budgets. That is one reason why I was so opposed to what was done by the Senate last night in starting the program of subsidizing public education, because, once started, such a program can never be stopped, and will not be stopped; to the contrary, it will be increased and increased as the years go on. It is a permanent commitment of the financial resources of the Federal Treasury.

Most major defense projects require expenditure commitment for more than 1 year.

We even tie foreign relief and aid to 5-year programs.

Every time we indulge in deficit spending we assume long-term debt financing.

Reducing public expenditures is always difficult. But reducing public expenditures when they involve the integrity of the Government—in the form of promises to pay—is something more than just difficult.

Some of these promises to pay—such as public-works construction and production of military equipment—are actually in the form of contracts. Others—such as grants-in-aid and veterans payments—are moral obligations.

The extent of these long-term promises to pay may be seen by a quick run-down of the major categories in the pending budget for fiscal year 1950 beginning in July; and bear in mind the figures I shall mention at first do not include pay-roll and administrative costs. They are merely payments which the Government is legally and morally bound to make next year.

First there are payments to be made on what I choose to call long-term domestic civilian commitments. These include:

	Billions
Interest on the debt which will run to nearly	$5½
Veterans' pensions, adjustment aids, and hospitalization (exclusive of construction) which will run to approximately	5
Federal contributions to retirement funds, including expenditures for railroad retirement—but exclusive of military retirement and social-security payments	1
Direct Federal public works, including veterans' construction, but excluding Federal-aid projects, which will run to nearly	2½
Grants-in-aid and shared-revenue programs, including federalized education	2½

These five items total more than $16,000,000,000 in fixed costs virtually impossible of reduction at any point except the remote possibility that federalized education might be rejected.

In addition to these domestic civilian commitments, there are others which fluctuate widely from year to year. The first is agricultural subsidies. I want to emphasize, too, that the estimates of expenditures I have made are based upon estimates contained in the President's budget for parity payments, without any question of the adoption of the Brannan plan, with all its enormous cost. Even the Secretary of Agriculture says he is unable to estimate what the plan would cost. The conservativeness of the estimate I have made is shown by the fact that if there is any serious decline in the price of agricultural products, the President's estimate of parity payments will actually be greatly increased under the law. But I took the estimates as they were in the budget.

We have business subsidies, merchant-marine subsidies, losses by Federal corporations, postal deficits, and so forth.

Assuming the Brannan plan will not be adopted, and that the present agriculture-subsidy formula will be continued, the cost of these additional long-term domestic civilian commitments in fiscal year 1950 may be estimated at considerably more than $1,500,000,000.

Thus, exclusive of pay-roll costs, administrative costs, foreign economic-aid costs, foreign military-aid costs, our own Military Establishment costs, and exclusive of payments from social-security trust funds, we are obligated by long-term domestic civilian commitments to annual Federal expenditures running to $18,000,000,000 a year or more.

Let us remember that the year before Pearl Harbor the total cost to the Government was approximately $9,000,000,000. The figure which I have given the Senate includes nothing for the defense of our country or for our foreign commitments.

The housing program recently adopted by the Senate is a good example by which to demonstrate how these long-term commitments build up from a relatively minor item in the budget for the first year. In his January budget message, the President estimated that 1950 expenditures for the new housing legislation he proposed would total slightly more than $200,000,000.

Yet, under the low-rent-subsidy feature alone, the Federal Government will enter into 40-year contracts with localities under which the Federal expenditures of the future will range up to nearly a half billion dollars a year. Depending on how good the loans are under other features of the proposal, this program may ultimately cost the Federal Government $20,000,000,000.

Actually there were some 40 expenditure items in the President's original budget recommendations which required new substantive legislation. If approved, these items in 1950 would cost about $2,000,000,000. But in terms of long-time commitments it was a multi-billion-dollar program.

The housing program is an example of one type of long-term authorization.

SEAWAY

Another type is illustrated by the recommendation to authorize United States participation in construction of the proposed St. Lawrence seaway. This was in the 1950 budget for a mere $8,000,000, but the ultimate cost to the United States—for construction alone—is estimated at more than a half billion dollars.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LONG. In connection with the St. Lawrence waterway, the channels would be so shallow that we would have to dredge twice as deeply as they are now dredged, and therefore it would probably cost twice as much. Is that correct?

Mr. BYRD. That is correct. These great projects start with a very small appropriation. The budget provides for only $8,000,000, but if we approve the project it will cost half a billion dollars, and may cost more than that.

EDUCATION

Still another type of commitment, permanent in nature, is illustrated by the

pending proposal for Federal aid to elementary and secondary education which was passed yesterday by the Senate. This item is in the 1950 expenditure budget for $290,000,000 to augment, or subsidize, teachers' pay. In the opinion of many, this may be a very meritorious proposal. But will it stop here; or is it just the beginning for Federal aid to other phases of the education system in years to come? In answer to this question I refer the Senate to page 16 of the President's January Economic Report, where, after recommending initiation of the pending program, he said:

> We should make plans whereby the opportunities for higher education would be expanded through cooperation between the Federal Government and public agencies and private institutions, including a system of general scholarships and fellowships. And a study should be initiated to determine authoritatively our national needs for educational facilities and the most feasible methods of providing them.

And, in this connection, there is in the 1950 budget $1,000,000 for "survey of educational building needs, and study of scholarships and fellowships."

I predict that the Federal budget item for Federal aid to education will never again be as low as the $290,000,000 figure in the 1950 estimates.

These examples of tiny acorns from which big-spending oaks grow, that I have cited to this point, all affect the general fund budget, the cost of which is met largely by straight Federal taxes on personal and corporate income, and excise taxes on things and services we buy.

MEDICINE

There is still another type of Federal commitment which operates largely outside the general-fund budget, but it costs money just the same, and it requires another Federal levy. In the pending program this type of long-term commitment is illustrated by the proposed socialized-medicine program. In this case the program is compulsory, and part of the costs are supposed to be paid from an additional Federal levy in pay-roll taxes which would go into a trust fund and be expended to a great extent outside the general-fund budget.

This proposal was brought in without any official estimate by the administration as to its ultimate cost. But, on page 17 of the President's January Economic Report, he recommended enactment this year of a program to assure that all individuals have access to the medical care they need. He said Federal grants in support of hospital construction are an indispensable support to such a program. He also said it would be necessary to augment the number of doctors, dentists, and nurses. Estimates on this program run as high as $10,000,000,000 a year. It is disposed of in the 1950 budget with the recommendation for a levy totaling $260,000,000 in pay-roll taxes to finance the program through the trust-fund technique, outside the regular budget.

But it must be understood that once employees and employers contribute through pay-roll taxes to this program, the Federal Government is committed to make good its promise to provide adequate medical care and service, for whatever it may cost.

In other words, if the pay-roll deductions are not sufficient to give every person medical attention, the Federal Government is obligated to augment the funds out of the general funds of the Treasury and make available whatever money is necessary to accomplish the result.

ALLIANCE

The proposed military alliance is in the nature of an indefinite commitment to rearm North Atlantic Pact nations for which no expiration date has been fixed. Under pressure the State Department has made an estimate of something over a billion dollars for the first year. But even this would appear to be low inasmuch as the program involves giving away reserve military stock, with heavy transportation costs, and highly expensive replacement of equipment and matériel for our own military services.

AGRICULTURE

The most horrible example of long-term commitments would be the adoption of the so-called Brannan agriculture plan by which the Federal Government would underwrite a producer-distributor-consumer utopia. The author of the plan admits its costs cannot be estimated.

These are only examples of scores of Federal programs by which the Federal Government is, or would be, committed to huge continuing expenditures under long-term contracts or moral obligations.

I invite attention to them for four reasons:

The first reason is to show why it is virtually impossible to reduce Federal expenditures substantially, insofar as they implement vast programs, projects, and policies already authorized.

The second reason is to cite chapter and verse evidence on which I base my contention that the place to cut Federal expenditures is at the inception of the program, project, or policy involved. It is too much to expect that appropriations will be withheld from programs, projects, and policies already authorized in previous substantive legislation.

The third reason is to enlist your support in a campaign which I start now to require that every bill reaching the calendar of either House of Congress be accompanied by a competent estimate of its annual and ultimate cost to the Federal Government. I know, we all are familiar with the recent contentions that some programs, projects, and policies either cannot or should not be considered in terms of cost. In a relatively few cases I may agree, but only with the reservation that frank rejection of the proposals would be far better than the deceit of a promise which cannot be fulfilled. And, how do we know whether we can meet our financial requirements until we know what the requirements are?

My fourth reason for inviting your attention to these long-term commitments is to show their effect on the current and coming Federal budgets in the foreseeable future. As these extended programs get under way they gather terrific momentum which forces expenditure budgets up and up. They are largely responsible for the serious fiscal prospects which confront us now. And every day we are trying to assume the obligations of more.

If the President's program for fiscal year 1950 is substantially enacted in this session of Congress, the increasing momentum of existing commitments combined with new ones to be assumed under the President's proposals are certain to drive Federal expenditures to a dangerous height in fiscal year 1951.

On this basis expenditures from the regular budget may be projected for fiscal years 1949, 1950, and 1951 as indicated on the table which I ask unanimous consent to have inserted in the RECORD.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Expenditure projection

Categories of regular budget expenditures	Comparative estimates (in billions of dollars)		
	1949 (ending June 30)	1950 (beginning July 1, 1949)	1951 (beginning July 1, 1950)
1. Long-term domestic commitments (exclusive of pay-roll and administrative costs):			
Interest on debt	5.325	5.450	5.500
Veterans' pensions, adjustment aids and hospitalization (exclusive of construction and pay roll)	5.800	5.000	4.800
Federal expenditures for retirement funds (including railroad retirement)	1.000	1.000	1.000
Direct public works (exclusive of Federal aid; inclusive of veterans' construction)	2.000	2.400	2.500
Grants-in-aid and shared-revenue programs (including Federal education)	2.000	2.500	3.000
Subtotal	16.125	16.350	16.800
2. Additional commitments (exclusive of pay roll and administrative costs) including agriculture, business and merchant marine subsidies, corporate losses, postal deficits, etc.	$1.500	[1]$1.600	$2.200
3. Pay-roll and administrative costs (exclusive of National Military Establishment and foreign programs)	3.800	4.100	4.400
Subtotal	5.300	5.700	6.600
4. Foreign economic commitments (and Greek-Turk aid) including ECA, occupied-area, remote-area aid, etc., and participation in international organizations (including pay-roll and administrative costs)	7.125	7.000	6.500
5. Western European military alliance aid (including pay-roll and administrative costs)		1.200	1.500

[1] This figure assumes the postal deficit will be reduced by $250,000,000 through increased postal rates; otherwise this figure and the totals would increase by $250,000,000.

Expenditure projection—Continued

Categories of regular budget expenditures	Comparative estimates (in billions of dollars)		
	1949 (ending June 30)	1950 (beginning July 1, 1949)	1951 (beginning July 1, 1950)
6. National Military Establishment (including civilian pay-roll and administrative costs)	11.745	14.500	16.000
Subtotal	18.970	22.800	24.000
Total [1]	40.395	44.550	47.400
Refunds	2.700	2.100	1.600
Total	43.095	46.650	49.000

[1] These figures represent total expenditures through the general-fund budget and are exclusive of social-security and proposed socialized-medicine payments from employment tax trust funds.

Mr. BYRD. Mr. President, these are projections of the regular budget. They do not take into account the social-security old-age program, the proposed socialized-medicine plan, or any other operations which are handled through trust funds outside the budget.

ESTIMATES CONSERVATIVE

The figures on the spending side of these projections are not appropriation estimates. They are expenditure estimates. There is a vast difference. There is a great deal of confusion about appropriations. The appropriations are made in 1 year, but they are not spent for 2 or 3 years afterward. The estimates I have attempted to give are all on the expenditure basis. I have consulted with the Budget Bureau and the Treasury Department, and while I am not at liberty to state officially what they have told me, I am convinced that they will not take issue seriously with any estimates I make here today.

Appropriations are not necessarily expended in the year in which they are approved. Appropriations enacted in a high-revenue year may actually be spent in a low-revenue year.

Mr. President, an appropriation bill should show in columns what could be expended in the fiscal year, and we could proceed in much better order than now, when we have 12 appropriation bills coming in, and no Senator, not even the members of the Committee on Appropriations, can tell the Senate at any given time how much has been obligated for expenditure in that fiscal year or the succeeding fiscal year.

Deficits or surpluses are determined by expenditures—not appropriations—against revenue.

Senators probably will regard these expenditure estimates as ultra conservative when they realize that they include no more than a moderate increase for agricultural subsidy losses under the present formula; they do not contemplate the Brannan plan. They do not contemplate a 70-group Air Force. They do not project any general fund expenditures for socialized medicine. If vast projects like new valley authorities are undertaken, they would be in addition.

On the revenue side my estimates will decrease with any substantial decline from the high level of prosperity which prevailed at the time the President's January budget message was submitted.

I leave it to my colleagues as to whether we shall maintain prosperity at the high average of the 1948 calendar year. If we do not maintain that level, experts of the Joint Committee on Internal Revenue Taxation calculate that a 10-percent drop in the aggregate of personal incomes would mean a loss of $5,000,000,000 in Federal revenue under the existing system and rates.

They use personal income as a gage in the measurement of other principal factors. If we returned to a level of prosperity which prevailed at the end of the war—and we did not regard ourselves in a depression then—the reduction in personal income would be 20 percent. In that event, by the experts' formula, Federal revenue would be $10,000,000,000 less than my projected figures.

At this point I ask unanimous consent to insert another table in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1951

It is against a background of admittedly uncertain economic conditions, and these revenue prospects, that we project the Federal expenditure situation in 1951. A simple analysis of the known expenditures in the current year 1949, and the requests by the President for fiscal year 1950 reveals the magnitude and the duration of the obligations which would have to be endured by our free-enterprise system and our form of government.

LONG-TERM DOMESTIC CIVILIAN COMMITMENTS

First, are the long-term domestic civilian commitments (exclusive of pay-roll and administrative costs), in the nature of contracts or promises to pay. Expenditure items in this category include:

1. DEBT INTEREST

Interest on the Federal debt. This item of more than $5,000,000,000 would rise even if the debt were reduced by nominal amounts. The reasons for this are (a) interest on certain classes of government debt is rising rapidly as they approach maturity, and (b) the increasing amount of the debt, carrying relatively high interest rates, held by trust funds such as social security.

2. VETERANS

Veterans' pensions, adjustment aids, and hospitalization (exclusive of public works construction). The adjustment costs in this item are not declining at the expected rate for this period. The reasons for this are (a) payment increases enacted a year ago, and (b) recession in employment. It is expected that as education and training costs decrease there will be some increase in hospitalization costs. Expenditures for veterans (exclusive of public works and pay roll) in 1949 are running at close to $6,000,000,000. Next year they will approach $5,000,000,000. In 1951 they will be more than $4,500,000,000.

3. RETIREMENT

Federal contributions to Civil Service, Foreign Service, Panama, Alaska and other retirement funds, and expenditures for railroad retirement. (This is exclusive of military retirement.)

Expenditures for retirement funds in 1949 are running at about $1,000,000,000. They are expected to remain more or less constant in 1950 and 1951.

4. WORKS

Direct Federal public works (excluding Federal-aid projects, but including veterans' construction projects). Efforts are being made to hold back expenditures for this item, but there are more than $30,000,000,000 in projects at some stage of construction, approval, or proposal which could be activated.

Expenditures for direct public works (exclusive of Federal-aid projects) in 1949 are running at about $2,000,000,000. Next year they are expected to be $2,400,000,000. In 1951 they will go to $2,500,000,000 or more.

5. GRANTS-IN-AID

Grants-in-aid and shared revenue programs. Expenditures for these programs in 1949 are running at $2,000,000,000. In 1950 they would be expected to approach $2,500,000,000. In 1951 they would be at about $3,000,000,000. If the federalized education program were expanded to include school-building construction, the expenditures would be additional.

6. REFUNDS

Refunds due largely to overpayments in withheld taxes and, also in 1949, to reduction in taxes.

Expenditures for refunds in 1949 are running at more than $2,700,000,000. They do not show as expenditures in the 1950 budget because the President chose to regard them as deductions from revenue. Either way they will amount to $2,100,000,000 in 1950 and $1,600,000,000 in 1951.

These so-called long-term domestic commitments (exclusive of pay roll and administrative costs) in 1949 are running at $16,100,000,000 exclusive of refunds, and $18,900,000,000 with refunds. In 1950 they would total $16,300,000,000 exclusive of refunds. If refunds were included, the figure would be $18,400,000,000. In 1951 they would be $16,800,000,000 exclusive of refunds. If refunds were included, the total would rise to $18,400,000,000.

OTHER DOMESTIC CIVILIAN COMMITMENTS

In addition to these long-term domestic commitments which will continue at a relatively constant rate between $15,000,000,000 and $20,000,000,000 (exclusive of pay roll and administration), there are also other domestic commitments which vary sharply with conditions and policy. And there are some more or less permanent costs not in the nature of commitments.

In this second group of domestic commitments and costs (exclusive of executive branch pay roll and administration) are:

1. Subsidies for agriculture, business, merchant marine, and housing.
2. Postal deficits.
3. Federal corporate losses.
4. Costs of legislative and judicial branches of the Government.

Expenditures for this group of domestic commitments and costs, in 1949, are running at $1,500,000,000. They will be $1,600,000,000 in 1950, exclusive of any sharply increased housing subsidies and providing the postal deficit is curtailed by increased rates. Increases, including the housing subsidies, probably would bring the 1951 expenditures to approximately $2,250,000,000.

PAY ROLL AND ADMINISTRATION

Executive branch agencies concerned with domestic civilian programs, projects, and policies (exclusive of those engaged in military and foreign aid activities) are using about 60 percent of the civilian personnel of the Government. The total number of employees in the executive branch at present is averaging well over 2,000,000 and pay-roll costs are running at nearly $6,500,000,000 a year. Other administrative costs also are involved.

Pay-roll and administration costs connected with domestic civilian commitments in 1949 are running at $4,000,000,000. Expansion required by the new proposals prob-

ably would increase these expenditures to $4,100,000,000 in 1950 and $4,400,000,000 in 1951. These costs will be greater in 1950 and 1951 if substantial increases result from the proposed reclassification of civil-service positions.

Thus, it is seen that domestic civilian commitments (most of them of a long-term nature) plus personnel and administrative costs are running at approximately $21,500,000,000 in 1949, exclusive of refunds. There is no reason to expect reduction in these categories in 1950 or in 1951. If the new proposals in this field are adopted, expenditures (exclusive of refunds) would mount to approximately $22,000,000,000 in 1950, and to $23,500,000,000 in 1951. These figures are exclusive, of course, of increased expenditures from trust funds which would follow expanded social security and adoption of socialized medicine. If refunds were counted as expenditures the total for 1949 would become more than $24,000,000,000. It would increase slightly in 1950 and reach $25,000,000,000 in 1951.

FOREIGN ECONOMIC COMMITMENTS

The fourth category of expenditures embraces foreign economic commitments (including pay roll and administration) which also are largely tied to multiyear programs. These include ECA, occupied area costs, Greek-Turk assistance, China and other aid, and participation in international organizations.

Expenditures for foreign economic commitments, in 1949, are running at $7,250,000,000. There may be a slight reduction in 1950. Some further reduction is promised for 1951.

MILITARY ALLIANCE COMMITMENTS

The fifth category of expenditures is foreign military assistance (exclusive of Greek-Turk aid) incident to the North Atlantic Pact.

There is no firm estimate on the cost of this program. But the most frequently mentioned estimate for 1950 is $1,100,000,000. I am advised by the Bureau of the Budget that there is no actual commitment for 1951, but it is too much to expect a program of this character to expire in 1 year.

NATIONAL MILITARY ESTABLISHMENT

The sixth category of expenditures are those for our own National Military Establishment (exclusive of occupied area costs, but inclusive of civilian personnel pay roll).

It has been only with strenuous effort and arbitrary decision that expenditures for the National Military Establishment in 1949 have been held to $12,000,000,000. The estimate of $14,250,000,000 based on a 48-group air force in 1950 is likely to be exceeded. Fiscal year 1951 will be the big delivery year under nearly a billion dollars of Air Force contract authorization granted last year, and there probably will be delivery under some of the additional contract authorization which is under consideration at this time. National Military Establishment expenditures in 1951 probably will exceed $15,000,000,000.

Actually the foreign economic commitments, the foreign military commitments, and the National Military Establishment commitments may be regarded as integral parts of our foreign policy.

Expenditures incident to this policy as a whole, in 1949, are running at $19,000,000,000. They will be more than $22,000,000,000 in 1950. They will increase substantially in 1951.

When domestic civilian commitments and costs running at $21,500,000,000 (exclusive of $2,700,000,000 in refunds) in 1949 are combined with $19,000,000,000 in foreign policy and military commitments, total expenditures for the current year exceed $40,000,000,000.

When domestic civilian commitments ranging up to $22,000,000,000 (exclusive of $2,100,000,000 in refunds) in 1950 are combined with at least $22,500,000,000 in foreign policy and military commitments, total expenditures in fiscal year 1950, beginning July 1, will approach $45,000,000,000.

When domestic civilian commitments ranging over $23,000,000,000 (exclusive of $1,600,000,000 in refunds) in 1951 are combined with $24,000,000,000 in foreign and military commitments, total expenditures in fiscal year 1951, beginning a year hence, will total between $45,000,000,000 and $50,000,000,000 (exclusive of refunds).

To meet these expenditure requirements the President, in his January budget message estimated that there would be revenue and receipts totaling $39,600,000,000 in the current fiscal year 1949. Thus, a deficit of $500,000,000 to $1,000,000,000 is indicated.

For fiscal year 1950, beginning July 1, assuming a continuation of current levels of economic activity the President 4 months ago estimated revenue and receipts would total $41,000,000,000, and requested $4,000,000,000 in increased income taxes. Since that time the rate of personal income in January dropped to $219,000,000,000 as compared with $219,600,000,000 in December. And in February it dropped to a rate of $217,000,000,000. Thus, without new taxes, a deficit of more than $3,000,000,000 is indicated.

With respect to 1951, the President in his budget message said, "It must be recognized that expenditures in fiscal year 1951 are likely to be larger than those for 1950." From this it must be concluded that without additional taxes the deficit in 1951 will be between $5,000,000,000 and $10,000,000,000.

Mr. BYRD. Mr. President, it is obvious that we cannot meet these expenditure requests except by higher taxes applied to a national income sustained at the highest and most inflated point ever reached. That is to say, the fiscal integrity of the United States Government, under the proposals now before us, depends upon continuation of inflation and higher taxes. It means also that constant stability of our enterprise, which is the only source of Federal revenue, is an absolute requirement in the teeth of the most disturbing deterrents—unpredictable inflation and constricting taxes. Additional taxes under these circumstances, when business is already receding, would be dangerous indeed. To place a great additional financial burden on the people at a time of receding business might lead to diminishing income, which would result in a very serious financial crisis.

Additional taxes would be hazardous. We must not dare deficit spending at the rate indicated for either fiscal year 1950 or 1951.

RETRENCHMENT REQUIREMENTS

The remaining alternative is reduction of expenditures. This can be done. Admittedly it is difficult. To do it as it should be done would require cooperation on the part of the executive branch of the Government, Congress, and the public—particularly the pressure groups.

PUBLIC

There must be a public demand for retrenchment which cannot be denied by a bureaucracy which has been raised on 16 years of excessive spending—a bureaucracy which knows and practices the tricks of buying off such a demand with more spending.

EXECUTIVE

There must be a reduction in the overhead on existing programs, projects, and policies which can be accomplished best by simple administrative efficiency which does not require legislation.

CONGRESSIONAL

There must be courageous action by Congress in the rejection of new programs, projects, and policies which are not urgently essential.

Under existing legislative facilities and procedures any worth-while reduction in expenditures on already authorized Federal programs, projects, and policies must originate with the administration in the executive branch, which has the primary responsibility for administrative efficiency and economy. In the archaic procedures and confusing language which characterize the action by Congress on fiscal legislation, intelligent curtailment to the degree necessary is virtually impossible.

SINGLE APPROPRIATION BILL

Actually, after the President submits his recommendations, Congress never sees the budget again as a whole until after it is enacted. And as we pass on it in relatively small unrelated pieces over a period of 6 months, our action is on appropriations which may continue over a period of years—not annual expenditures which determine whether there is to be a deficit.

For several years I have been trying to correct this situation by advocating the use of the single appropriation bill capable of translation into terms of annual expenditures. I am encouraged this year by increasing support for this simple change in the rules. But we have not got it adopted yet. With such a single appropriation bill we could consider the budget as a whole, and by knowing what it means in annual expenditures we could act in the light of revenue estimates.

Mr. BALDWIN. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield to the Senator from Connecticut.

Mr. BALDWIN. The distinguished Senator from Virginia has been governor of one of the greatest and oldest States of the Union. Did he find from his experience that the fiscal management of the State of Virginia compared in any way in its effectiveness with the fiscal management of the Federal Government?

Mr. BYRD. The fiscal management of the State of Virginia was much more effective, because, in the first place, we had a more thorough budgetary control. The budget was submitted by the Governor. Secondly, we had one appropriation bill, so that we knew at all times what we were doing. When we passed that bill we knew how much money we appropriated, and we knew what our income was. Under the Federal Government system I challenge any Member of the Senate, no matter what committee he is on, the Finance Committee or the Committee on Appropriations, to report to the Senate at any given time during a session of the Senate how much we are going to spend and how much the income is estimated to be to pay for those appropriations.

Mr. BALDWIN. Would the Senator say that it has been his experience that most, if not all, the States of the Union

have a better system of fiscal management and control, both in matters of budgeting appropriations and expenditure control, than does the Federal Government?

Mr. BYRD. I think the Senator from Connecticut is absolutely correct. In the first place, the appropriations of the States are not complicated by the authorization plan which exists in the Federal Congress. Authorizations are brought in here by committees other than the appropriations committees, and then we are told on the floor when we vote for an authorization that it is not binding. But once it is adopted, if any reduction is made we are told we have violated our moral obligation. That has happened time and again on the floor of the Senate.

Mr. BALDWIN. Mr. President, will the Senator yield further for one observation?

Mr. BYRD. I yield.

Mr. BALDWIN. It seems to the junior Senator from Connecticut that one of the best things we could do in bringing about a better fiscal management of the Federal fiscal affairs would be to adopt the suggestion made by the distinguished Senator from Virginia that we have one budget and one appropriation bill.

Mr. BYRD. I am much pleased to hear the Senator say that. I want to pay tribute to my colleague the Senator from Nebraska [Mr. WHERRY] because he has been cooperating in that field. Last year he was chairman of the subcommittee of the Committee on Rules and Administration which unanimously reported a measure providing for such a change in the rules of the Senate, but unfortunately we could not get action on it in the Senate. We are hoping for better results this year. I think if we were to have one budget and one appropriation bill it would be a vast improvement over our present method, because the Senate and the country generally could know what we are doing, instead of what now happens, when 12 or more appropriation bills are brought in, and a number of supplemental bills and deficiency bills are brought in, the confusion is so tremendous that, as I recall last year, very sincere and able Members of the Senate differed by as much as three to four billion dollars over the amount of money which had actually been appropriated. They could not come in any closer agreement than that in estimating the amount that had been appropriated.

Mr. President, as long as this legislative handicap exists intelligent reduction in expenditures—in any substantial degree—on programs, projects and policies already authorized must originate in the Executive Branch.

But there is every reason why Congress should make a major contribution to the requirement for retrenchment by rejecting new legislation which would authorize more and more programs, projects, and policies requiring additional expenditures.

It is with this situation in mind that I emphasize long-term Government commitments and their effect on the Federal budget; suggest that no new program should be entitled to consideration by Congress until it is accompanied by a competent estimate of annual and ultimate cost; and explain why sympathetic cooperation by the Executive Branch, Congress, and the public is necessary if we are to reduce expenditures on projects, programs and policies already authorized.

We know that costs of existing programs can be cut substantially and we know that the Federal Government is permeated with waste and inefficiency.

I have said that repeatedly, and I have had no reason to retract it, because that is something which I, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, have called to the attention of the committee from time to time. The fact that Federal employment is increasing at a daily average rate of 300 is evidence enough. Yet the war has been over for 5 years. Every single day 300 new employees are being put on the pay roll of the Federal Government at an average cost of about $3,200 or $3,300 each. So Senators can estimate what that costs us. Now today we have more than 2,000,000 Federal employees as compared to 1,000,000 when Pearl Harbor came. We have more than twice as many Federal employees today as we did then.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. LONG. Is it not true that all this reorganizing and streamlining is not going to do any good unless some employees are taken off the pay roll? If the Federal Government is to employ as many persons, and pay them as much, in spite of reorganization and streamlining, there cannot be any reduction in the Federal pay roll by such means. It makes no difference whether they are all in one department or are divided between five departments, if no reduction in the number is made.

Mr. BYRD. That is correct. When an attempt at economy is made by reorganization, all that is done is to transfer employees from one place to another. So it results in no economy. It actually results in costing more money to the Government.

Mr. LONG. Oftentimes there are twice as many employees when two agencies have been joined into one as there were employed in the two agencies before the change was made. Is that not true?

Mr. BYRD. Yes.

We are adding 300 employees every day to the domestic pay roll of the Federal Government. No one can explain why. No one can give any justification for it. When State and local government employees are added to the more than 2,000,000 on the Federal pay roll, we find that one out of every nine persons in the entire American labor force is on a government pay roll. In other words, if we take the State, county, and municipal employees and add them to the Federal employees, we find that one person out of every nine gainfully employed in this country is working for the different governments. That does not include pensioners, persons who receive subsidies, and many others. We know that if the executive branch chose to take the initiative, the administrative costs of programs, projects, and policies already authorized could be reduced a full 10 percent without impairment of a single essential function.

We know that the prevailing inclination in the legislative branch is to enact more and more programs, projects, and policies involving long-term commitments. We know that almost invariably these commitments are characterized by increased regimentation and expenditures.

REDUCTION RECOMMENDATIONS

If we are to avoid serious difficulties in the coming fiscal year and a critical situation in fiscal year 1951, we must act now to curtail the 1950 program and budget which are pending at this time in Congress.

To all concerned—the public, the Executive, and the Congress—I submit:

First. Expenditures for the next year could be reduced at least a billion dollars by eliminating completely, or postponing until a more appropriate time, nonessential proposals among the 40 the President has submitted for new legislation. The saving would be measured not only in reduction of expenditures in the coming year but indefinitely.

Second. In addition, there are other nonessentials already authorized which could be eliminated or postponed, particularly in public works, where at least another half billion dollars could be saved out of the proposed expenditures.

Third. It should not be unreasonable to expect effective unification of the armed forces and coordination of their functions and equipment to save a billion dollars, in addition to reduction in civilian manpower costs.

The Senator from Connecticut is working very energetically in the Armed Services Committee to that end now.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BALDWIN. I thank the Senator from Virginia for his reference to the Senator from Connecticut in that regard, but I should like to say for the benefit of the RECORD that no man on the committee works more diligently than does the distinguished Senator from Virginia. Is it not his opinion, as it is the opinion of the junior Senator from Connecticut, that the security of our country and its future welfare and independence rest quite as much upon sound fiscal policies as they do upon adequate armed forces?

Mr. BYRD. The Senator from Connecticut is eminently correct. If the fiscal solvency of this country is ever shaken or weakened, then we shall have lost the greatest force we have. I think that what Russia fears more than anything else is not the money we are spending in Europe to fight communism. What Russia fears more than anything else is the mass-production capacity of this country, made possible under our private-enterprise system. With only 6 percent of the population of the world, we can now produce more than all the rest of the world combined. Why can we do that? It is because we have a

free country and a free-enterprise system. But we could be forced to come to state socialism by reason of a weakened physical condition of our Government, and let us remember, Mr. President, that no democracy has ever survived when its fiscal solvency was impaired. So the Senator from Connecticut is entirely correct about that. Probably the most important thing for us to do is to keep ourselves strong to be able to meet any emergency that may come.

Now with regard to the armed services, former Secretary of the Army Royall has testified that a billion dollars could be saved through unification. Former President Hoover in his report on the Federal Government estimated that a billion and a half could be saved. And, Secretary of the Air Force Symington testified several billion dollars could be saved; and as the Senator from Connecticut knows, the committee has taken action now to start that program of economy within the armed services, and we are hopeful of securing results.

Mr. President, I have already mentioned the excessive civilian employment. But I now come to my fourth point.

Fourth. Excessive civilian employment is another source of major savings. Civilian employment in the Executive Branch in the year before Pearl Harbor averaged 1,164,463. The postwar low point in December 1947 was 1,995,388. At present civilian employees number 2,111,257. This is an increase over the year before Pearl Harbor of 946,794. It is an increase over the postwar low point of 115,869. Of the 115,869 total increase in Federal civilian employees since the postwar low, 66,229 have been added by the Military Establishment and 49,640 by the civilian agencies. The Military Establishment now employs more than one civilian for every two men in uniform.

The new budget requests provide for 18,000 new permanent positions (exclusive of temporary appointments) in the Federal civilian service. There were already too many. The pay roll next year, under budget proposals would run to nearly $6,500,000,000. This could be reduced at least a billion dollars without impairing any essential Federal function.

When I came to the Senate 16 years ago the total cost of government was only $4,000,000,000. Now we are spending $6,500,000,000 for salaries to employees alone. This item could be reduced at least $1,000,000,000 without impairing any essential Federal function.

Fifth. These suggested reductions total $3,500,000,000. If applied to the President's expenditure requests as they were submitted in January, they would leave a balance of $38,300,000,000, exclusive of the supplementals for the military alliance and remote area aid. Further reduction of $500,000,000 or 1½ percent would bring the total reduction to $4,000,000,000. No one familiar with the vast Federal operations covered by that $38,300,000,000 will doubt that prudent appropriating by Congress and efficient administration by the executive branch could save 1½ percent in these activities.

This $4,000,000,000 of savings would equal the request of the President for $4,000,000,000 in additional general revenue taxes.

A $4,000,000,000 cut in the President's budget proposals would represent a reduction of only about 10 percent of the over-all figure. If this could not be accomplished without impairment of a single essential Federal function it would be a sad commentary on administrative efficiency and the competence of Federal officials in general.

Elimination or postponement of the President's request for socialized medicine and expansion of social-security coverage and immediate increase in its tax rates would not only help reduce expenditures next year, but it would also preclude nearly $2,000,000,000 in new-employment taxes.

I think there is not a single department of Government whose appropriations could not be reduced by 10 percent or more without interfering with a single essential function of the Government. If I may be permitted to relate a little personal history, when I left the governorship in 1930 it appeared that a depression was coming. My successor, a very able man, Hon. John Garland Pollard, asked the legislature to place in the budget a provision that if the income was reduced by reason of the business recession he thought was coming, he should be empowered to reduce the budget in proportion. Governor Pollard reduced the budget of Virginia 30 percent, and Virginia was a fairly efficiently administered State. The departments got along all right. That continued until the depression was over, and Virginia was one of the three States in the Union at that time that did not have a deficit. So it can be done. If we were to avoid going into new ventures of spending, in accordance with these suggestions, the budget could be balanced; taxes would not be increased; and the cost of the Federal Government in future years would be reduced as well.

If we do not choose to reduce these Federal expenditures, the alternative is more taxes or deficits, more Government competition and more regimentation. We know that private enterprise is the foundation stone upon which this Nation has built its freedoms and its progress. It is a good system, and in most respects it is tough and durable. But, we know that it cannot survive excessive regimentation; it cannot survive excessive taxation; and it cannot survive excessive Government competition.

Let us remember, too, that state socialism, such as we see being incorporated in the Government of England, and free private enterprise cannot live under the same roof. If we start state socialism we must go forward to the ultimate end, as England is now doing. We continue to read in the newspapers that she is socializing a new industry. The only way to preserve our free-enterprise system in this country is to keep it free from the contamination of state socialism.

There is a world full of examples to prove that neither Socialist or Communist countries could meet such obligations as our Government had assumed even before the President's new proposals were submitted this year.

Without American solvency our constitutional freedoms would disappear at home and there would be no deterrent to communism abroad. Under existing circumstances, it is no exaggeration to say there is literally nothing on earth more important than the preservation of the fiscal integrity of the Federal Government of the United States and the financial stability of our free enterprise system. It is a dangerous situation indeed when we can count only on sustained inflation and higher taxes on inflated income and business to produce revenue of the magnitude required to meet vast new social expenditures at home and economic, social, and military programs abroad.

Our friends overseas who seek American aid and comfort must realize that the only hope for their recovery and security lies in our continued solvency and therefore, for the security of all, the stability of our system takes priority over any and all programs of international subsidies which would severely strain our economy.

By the same token, those among us at home who, through membership in pressure groups and otherwise, continue to wring more and more political pap from the Federal treasury should make a place in their consciences for the fact that impairment of our financial soundness would serve the enemies of representative government far more than any lethal weapon they could devise.

Under current conditions the security of what we have is the first security requirement.

It would appear this best could be achieved by reducing expenditures to meet revenue; not by increasing revenue to meet additional expenditures.

If increasing taxes or deficits to meet continuously higher expenditures is to be our course, it is obvious that neither our system nor our form of government can endure. With them will go our freedom and the hopes of all freedom-loving people in the world.

If this is to be our fate, there are two questions:

How long can our private enterprise system and our democratic government endure our folly? The fiscal year beginning 15 months hence will be critical and the red lights of danger are flashing in the program before us in Congress now.

What will we contrive as a substitute for the doctrines which have made us great? I know of no one who regards the British mess as something more desirable. It is probable that the mechanism our pressure groups would concoct would be worse.

Those who are responsible—willfully or otherwise—for our profligacy must leave a place in their consciences for the consequences of their deeds.

I prefer my position in the rear guard fighting for the kind of freedoms which are far more dear than dole and regimentation.

Mr. WHERRY. Mr. President, I express my deep appreciation to the distinguished Senator from Virginia for the very able address which he has delivered on the floor of the Senate this afternoon. I feel it is regrettable that more Members of the Senate could not be present to

hear the warnings he has sounded and consider the tables which he has presented. I recommend to Senators that they read this important message as we approach the fiscal problem now before the Eighty-first Congress in making the appropriations which, as the distinguished Senator from Virginia has pointed out, may involve the choice between deficit spending, increased taxes, or a cut in the authorizations.

The Senator has analyzed the President's budget requests for the next fiscal year. It is obvious from the observations he has made that the Senate should take important action as we consider the appropriations which are now confronting us.

Mr. President, the Congress faces a fiscal problem which is very acute, and one which should be carefully examined if we are to preserve the financial structure and economy of the Nation.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield, if the Senator's remarks may be placed at the conclusion of my address.

Mr. O'MAHONEY. Certainly.

The PRESIDING OFFICER. Without objection, it is so ordered.

[Mr. O'MAHONEY addressed the Senate. His remarks appear at the conclusion of Mr. WHERRY's address.]

Mr. WHERRY. If we wish to have security and peace, we must keep our Nation solvent. We shall have neither security nor peace if the United States of America becomes a bankrupt Nation. In support of that statement, I refer all Members of the Senate and all the American people to the facts and the observations set forth so eloquently this afternoon by the senior Senator from Virginia. In no uncertain terms he has warned the Congress and the people of the United States that it will take a superhuman effort even to provide the appropriations for the things already authorized by the Congress; but if we add to the authorizations which already have been made, if in fact we expand the authorizations we already have, by adding to them the authorizations necessary under the program which has been submitted and requested by the President, the result will be that increased taxes will have to be levied upon the people of the United States, to the tune of approximately $11,000,000,000, if I correctly understand the figures the Senator from Virginia has presented; we shall have to levy approximately $11,000,000,000 in additional taxes by the fiscal year 1951, or else the United States will have to resort to deficit spending. The first alternative would result in hardship and depression, and to my mind would have exactly the effect the Senator from Virginia has said it would have. The second—deficit spending—would mean higher prices and cheaper dollars; it would mean that the laboring man would not take home from his salary check the money he should take home. Finally, it would mean that the United States would suffer the experience which I saw when I was in France, namely, complete bankruptcy.

Mr. President, the prospect is so serious that we in this country should wake up to the realities of the situation. If we are to grant the demands of the pressure groups and are to authorize further programs, involving the employment of thousands more persons to work for the Federal Government, more taxes will be required. We shall have to pay heavily for those authorizations, if we make them. So we should be very sure about the programs we authorize. Whether they are to be paid for from current receipts or from sources outside current receipts, we must be sure that the United States can undertake them and still remain financially solvent. If that cannot be done, the result will be as stated by the Senator from Virginia. Such a result would be what Russia is looking for in our country. Russia hopes our economy will decay and collapse. Such a development would aid the Russian attempts to take over the United States.

So, Mr. President, if we wish to maintain our country secure, we must keep it financially sound. Regardless of the merits of the various proposals which may be made to the Congress, all involving additional expenditures, we must cut the cloth to fit the pattern, and that must be done in connection with the appropriation bills, after we know what the total receipts and what the total expenditures are to be. That attempt must be made if we are to preserve America intact and safe from attacks either from without or from within.

Mr. President, I appreciate the remarks the Senator from Wyoming [Mr. O'MAHONEY] has made relative to the fact that a few people or a few corporations have too much power in the United States. Of course, indirectly he was saying that the cause of some of our difficulties is monopoly. There is no doubt about that.

I should like to endorse with all the force at my command the statement the Senator from Virginia made when he said that our financial policies are reaching the point of getting out of hand, and that that situation is due largely to the long-term commitments which already have been authorized, as well as to still other long-term commitments which apparently the Congress will authorize.

The Senator from Virginia presented most eloquently, as only he can do, the experience we had last night in acting on the Federal-aid-to-education bill. He also called attention to what we did in passing the housing bill. Of course, Mr. President, from time to time we are presented with requests for projects calling for comparatively small appropriations, for only a few million dollars, and Senators are inclined to believe that that will be their total cost of the projects. However, when we undertake to calculate what the total cost of such projects and programs will be over a 50-year period, the resulting figures are startling.

Recently on 14 successive days at the beginning of each session I submitted to the Senate the compilations which had been made by the Baltimore Sun. I spoke about them again last night.

If the figures which have been presented to us this afternoon by the Senator from Virginia are calculated on the basis of a 50-year period, including the cost of the social legislation we already have and also the cost of that which is included in the program proposed by the President of the United States, we find that the total cost to the people of the United States will be one trillion two hundred and fifty billion dollars over the 50-year period. Those figures give us some idea of what a long-range commitment really means, even though the first authorization we are asked to make would require the appropriation of only a few million dollars. Once we permit the groups who propose such authorizations to get their foot in the door, we shall find that the appropriations required will continually expand; and, in addition, the power and control exercised by the Federal Government also will expand as time passes. The result will be that additional persons will have to be employed by the Federal Government.

The distinguished Senator from Virginia spoke the truth when he said that the Federal Government here in the United States is adding to its pay rolls 300 employees every day, as of the present time; and if we continue to authorize such programs and put them in effect, it will be necessary to have still more Federal Government employees.

Many people in the United States feel that taxes are taken only from the rich. Some persons think taxes grow on trees. Mr. President, if we add the tax bill of the Federal Government to the taxes levied by the State and local governments, we find that the total of such taxes takes 27 cents out of every dollar earned by every American citizen. If that does not restrict the liberties of the people, I do not know what it does do. If we add together the total tax bills which our people must pay, both to the Federal Government, the State governments, and the local governments, we find that one-third of all our income goes either to the Federal Government, the State governments, or the local governments, in the form of taxes. Once again I say that such a situation results in restricting the liberties of the people, because the power to tax is the power to destroy. If it is desired to destroy all the initiative of the people and the free-enterprise system in the United States, if it is desired to have a planned economy, either socialistic or communistic, let us continue to impose heavier and heavier taxes upon the backs of the American people, and ask them to pay the bill; and that will be the result.

Mr. JENNER. Mr. President, will the Senator yield to me?

Mr. WHERRY. I yield.

Mr. JENNER. I was called from the floor for a moment. As I left the floor, I believe the Senator from Nebraska was referring to statements made by the Senator from Wyoming [Mr. O'MAHONEY] in regard to the growth of monopoly in the United States.

Mr. WHERRY. That is correct.

Mr. JENNER. Is it not a fact that monopoly has had its greatest growth in this country from 1940 to the present time?

Mr. WHERRY. As a member of the Small Business Committee, and as a result of the research we have made, I

should say the Senator is absolutely correct.

Mr. JENNER. Is it not a fact that about 57 great monopolies in this country control the vast percentage of the entire business?

Mr. WHERRY. My figures show that less than 100 corporations do over 75 percent of the business.

Mr. JENNER. I thank the Senator.

Mr. WHERRY. I appreciate this valuable observation by the junior Senator from Indiana, who is an authority on the question he has raised.

Mr. President, I am not talking at this time about centralization of authority; I am not talking so much about monopoly. What I am talking about is bureaucracy. I am talking about authorizations. I am talking about appropriations. I say if an authorization is made, the Government will have to pay the cost. There is no other way out. The long-term commitments which are presented, constituting at first a toe in the door of congressional appropriations, will grow, like Topsy, at each and every session of Congress. I have not had the rich experience which the senior Senator from Virginia has had, of 16 years in this body; I have been here only 7 years; but I have already seen authorizations which in the beginning were very small, grow into tremendous appropriations. Not only do the appropriations grow, but the authorizations grow, and also control by the Federal Government.

It is too much to expect that funds will be withheld from programs already authorized. We can cut them to some extent; we can argue about them; but, after all, once a project is authorized, it is difficult for the Appropriations Committee to cut down appropriations for it. The authorizations are somewhat in the nature of promises to pay at some time in the future, and of course the money must be provided. It is not too much, however, to expect in the administration of these programs, policies, and projects that they will be operated efficiently and economically. That is the responsibility of the administrative branch of the Government.

Parenthetically, I may observe on this point that those of us who have been constantly speaking and working for economy and sensible attention to the costs of government will be looking with interest to the recommendations of the Hoover Commission to help bring about the efficiency which we all desire in executive agencies. But even on that point, as was brought out in the exchange between the senior Senator from Virginia and the junior Senator from Louisiana, even though the Government be streamlined and a bureau here and a bureau there be abolished in the interest of economy, yet that is not the answer. Once things are authorized, they must be paid for. If we are to have a Government financially strong, we should only pay for what we can afford, and, whether projects are meritorious or not, we should screen them and approve only those we can pay for. I say that because once they are authorized, there is then nothing else to do but pay for them as we go along.

It is obvious, however, that the responsibility for enacting new long-term projects and policies lies with the legislative branch, and, frankly, the legislative branch does not have the facilities for determining whether the enactment of the programs will create deficits either this year or in future years.

I certainly join in the observation made by the distinguished Senator from Virginia that those who propose various projects and programs should bring with the request for an authorization an estimate of the full, ultimate cost, so that when projects are authorized Members of the Senate will know what the total cost will be. Repeatedly, in the Appropriations Committee, in connection with reclamation, for instance, what happens? A bill is presented. Proponents of the measure say, "We want to make a study here and a study there. We want only a few thousand dollars." The next year there is further study, and then they come forward and say, "We would like to construct just so much, just a little, of this project." Before we get through it will be similar to the St. Lawrence seaway project, which, with a request now for only a few million dollars, involves, as I learned while sitting as a member of the committee, a grand total exceeding $800,000,000.

What should be done when legislation for a particular program is presented is to determine not merely the few million dollars initial cost but the total amount which is to be spent over the years, projected into the future, so that we may know what the complete authorization will cost and decide whether we can afford it, not only this year, but in years to come. If we cannot continue to have a high national income, and even though we do continue to have it, at the rate projects are now being authorized we shall have to make certain that we can keep the country on a pay-as-you-go basis and maintain its solvency.

So, Mr. President, I agree with the Senator from Virginia, when authorizations are requested for projects, there ought to be a detailed statement of the ultimate cost, so that, when considering the authorization, we may have some idea of what is involved so far as total costs are concerned.

As I have already said, the reason for this is that we enact appropriation bills scattered over an entire session of the Congress, with no way of knowing what they mean in terms of total annual expenditures, and with no means of viewing them as a whole against estimated revenue.

For this reason, I want to pay my sincere compliments to the prodigious efforts which have been made by the distinguished senior Senator from Virginia, and to endorse his findings and recommendations as worthy of the most serious consideration by the entire membership of the Senate. The Senator from Virginia has devoted himself unselfishly to the work of his Committee on Reduction of Nonessential Federal Expenditures. He has devoted himself consistently to the necessity of common-sense economy in Government, not only this year but for many years. I may say that I think no one is better qualified than the able Senator from Virginia to speak on these matters. As I go from place to place in the country, the figures which are usually accepted at 100 percent face value are the figures released by the Joint Committee on Reduction of Nonessential Federal Expenditures. Somehow, those who are inquiring always take those figures at their face value.

The Senator's motives, and also the motives which, if you please, impel me to rise at this time, are those which are born of our interest in maintaining the solvency of the Nation. The problem is not a partisan one. It rises above partisan politics. It is in the interest of all America—and we are all Americans—that we try to do the best we can for the people and the Government of the United States. As I said in the beginning of my remarks, if America should become insolvent, economic catastrophe would be invited and there would be placed in jeopardy not only the welfare, happiness, and even the peaceful security of our people but also the peace of all the nations of the world.

In this connection I invite the attention of the Senators to a careful study of Senate Concurrent Resolution 18, in which I joined with the Senator from Virginia [Mr. BYRD] as a sponsor in the last Congress, along with the Senator from Nebraska [Mr. BUTLER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. O'CONOR], the Senator from California [Mr. KNOWLAND], the Senator from Iowa [Mr. GILLETTE], and the Senator from Michigan [Mr. FERGUSON]. The purpose of the resolution briefly is to consolidate into one bill all the dozen or more appropriation bills which we now consider over the period of an entire session of the Congress, provide for limitations on annual obligations, and provide further that the reports on such a bill shall translate the appropriations into terms of annual expenditure.

If that can be done, we can have as sound a fiscal policy as there is in the States of the Union. From my contacts with governors, I have learned that in Nebraska and, I am told, in Wyoming, and in most of the other States, especially in the Middle West, the States are practically on a basis of that kind. If we can put the Federal Government on such a basis, we shall then know not only what the costs are, but we shall have the money; we shall not only know what the studies are, but we shall be able to appropriate with a knowledge of what the costs will be. The cloth will fit the pattern, and the country will remain solvent. By this means, we shall always have available before the Congress a blow-by-blow picture, as it were, of what we are doing in terms of expenditure, and by this means we can determine whether we are within the anticipated revenue for the years in question.

Without some procedure of this nature, we shall continue to work in the dark, we shall continue to appropriate blindly, and I am afraid we shall intensify the critical situation which the Senator from Virginia has described so forcefully today.

The subject matter of Senate Concurrent Resolution 18 is not new. It was originally offered in the Eightieth Congress. As the Senator from Virginia has

stated, and as I know from having served as chairman of the Subcommittee on Rules and Administration, we had hearings lasting many days. The resolution was reported by the subcommittee and later by the full committee, and was placed on the calendar last year. Of course, because of the difficulty created by the pendency of so much major legislation before the Senate, it was impossible at that time to obtain consideration of the resolution.

The resolution has again been offered in the present session of Congress, and has been referred to the Committee on Rules and Administration. At present it is in the hands of a subcommittee. I hope it will receive an early hearing, and that it will be favorably reported and placed on the calendar. It is of such importance, and particularly is its importance so underscored at this time by the fiscal crisis which impends, that I believe the Senate will be fully justified in taking up for consideration the subject matter of the Senate Concurrent Resolution 18.

Particularly is this true in view of the report on this bill by our committee last year.

The general public needs to become tax-conscious and appropriation-conscious if we are to preserve the financial stability of the Nation.

The enactment of such a bill would provide not only the Congress but also the general public with a clear understanding at all times of the Federal fiscal situation. It would give the Nation at large a picture at any given moment in the legislative process of how spending commitments balance against the estimated revenues.

With this information I have confidence in the public of this Nation to demand the same protection for the national solvency that they would exercise in the handling of their personal, family, or business budgets.

That is what we must have, Mr. President. We must have the same kind of care and consideration. We must keep this country on a balanced budget. We must be on a pay-as-we-go basis if we wish to continue to keep America strong.

For this reason I acted yesterday to reintroduce the subject matter of Senate Concurrent Resolution 18 in the form of an amendment to the so-called McKellar resolution on the subject of the legislative budget, provided for under the Congressional Reorganization Act. I did this on the information that the McKellar resolution, which pends now on the calendar, may be called up at any moment for Senate consideration.

It is my strong feeling that to suspend or eliminate the legislative budget would be a serious mistake, and for that reason I intend to inject the question of a single appropriation plan as a practical working substitute for the elimination of the legislative budget, and hope that when occasion comes to call this up as an amendment, it will have not only serious consideration but the support of all Members of this body.

Mr. President, along with the distinguished Senator from Virginia, some of us have been urging economy in Government. On the floor of the Senate last night time did not permit a full discussion of the position of the Senator from Nebraska. I want all Members of the Senate to know where I stand. Some bills providing for the expenditure of large sums of money have already been passed. To the Senators voting for them I concede the fullest sincerity and patriotism in doing as they chose to do. If they feel we should authorize these programs, then let each and every Senator individually use his best judgment and integrity and vote his conviction. Personally, I cannot support these programs involving more and more spending and more and more power for the Government at Washington over the lives of the people.

I feel that at the rate we are going now, the sky-high wartime tax rates will have to be restored. We shall have to go back to wartime taxes—wartime taxes in peacetime—at a time when we should be cutting down expenditures.

Either we shall cut the appropriation bills that have come to us from the other end of the Capitol—and cut them along lines indicated by the senior Senator from Virginia—or approve them, add to them, and reimpose wartime taxes upon the people—take away from the people the tax reduction voted by the Eightieth Congress.

But I am not sure that the present Congress will increase taxes, if it refuses to cut appropriations. It may be that we are to have a return to deficit-financing. Deficit-financing, bluntly speaking, is printing-press money. It is simply a process by which the Treasury Department has some bonds printed, then places those bonds in the hands of the banks, and they become the basis for loans to private borrowers, mere paper money.

All the pump-priming schemes are being dusted off and brought forward in an effort to stop the downward trend of business—everything except the one thing that will bolster confidence of the people, namely a sign from this Congress that it is economy-minded and determined not to run this country onto the rocks.

When the ECA authorization was before us recently, some of us contended that its provision for $5,580,000,000 was much too large; that it could and should be cut by at least 15 percent.

We pointed out, from the official record, that ECA estimates were made last November, and that since November prices had dropped.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I should like to call the Senator's attention to the fact that our receipts this year are estimated to be $31,000,000,000 as compared with $35,000,000,000 last year. I am using only round figures. Expenses this year will be $30,000,000,000. Last year they amounted to $27,000,000,000. If the Senator would permit I should like to put into the RECORD this table entitled "Government Expenses and Receipts for the Current Fiscal Year Through May 4 Compared With a Year Ago." Would the Senator like to have me put it in at the end of his address?

Mr. WHERRY. I thank the Senator from Michigan for the insertion of that table in the RECORD. It may be inserted at this point. It is on the subject about which I am speaking.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Government expenses and receipts for the current fiscal year through May 4, compared with a year ago

	This year	Last year
Expenses	$30,129,145,826.11	$27,988,122,504.83
Receipts	31,757,782,505.44	35,383,357,786.08
Surplus	1,628,636,679.33	6,395,235,281.25
Cash balance	3,607,271,825.34	4,331,124,021.52
Public debt	251,598,466,430.39	252,131,373,527.37
Gold reserve	24,334,408,203.20	23,176,177,058.12

Mr. WHERRY. Some of us went further and insisted that ECA is not a program to relieve destitution in western Europe. We showed, from the statements of responsible authorities, at home and abroad, that production in ECA countries has now surpassed prewar levels. That is another reason we ask a reduction. We showed from the official statements that ECA is now being used to finance ECA countries to goals of prosperity they never before have attained—their own ideals for trade expansion and prosperity over the years—with the American taxpayers footing much of the bill. I compliment Mr. Hoffman. I think he has done a splendid job.

I mention ECA in connection with the great speech of the Senator from Virginia, because substantial reduction in the ECA funds is warranted by all the facts. When we were battling over the ECA authorization the President insisted that every cent in the bill be retained; that it be passed exactly as handed to Congress.

But apparently something has happened since passage of the bill. Certainly there was no sharp drop in prices between the time of passage of the bill and the belated admission by the President and State Department that the ECA authorization could be cut.

There is one thing which those of us who opposed the full authorization for ECA accomplished, namely, the fact that $5,580,000,000 is not a sacred figure, and that we do have a right to examine it for justification.

Mr. President, in today's Washington Star there is a front-page story which sheds light on the European recovery program, now known as the Economic Cooperation Administration. It is a story by the Associated Press from Geneva, Switzerland.

It says a United Nations commission has found that the European recovery program is actually hurting Europe's economy more than it is helping it.

Some of us have contended all along, and back when the first ECA authorization was before the Senate, that it was economically unsound and would have to give way to something better. I opposed the first ECA authorization and I voted against it this year. I did not disagree with the objective, I disagreed with the approach.

To me, at least, the wisdom of those votes becomes more apparent and certain, as the evidence comes in, on the way ECA is functioning to take the taxes of

the American people and give new birth to trade rivalries among the receiving nations.

I contended right along, with others, that the soundest, safest road to recovery of Europe, real recovery, lies in free enterprise, the system that has made America the greatest producer among the nations of the world.

We wanted to keep ECA reconstruction funds in private channels, to build upon the initiative and enterprise of the people of the various countries in Europe. Legislation was introduced by those of us who felt the situation should be handled in that way. To direct relief of the suffering of people in other lands we had no objection. There has never been any objection by any Member of the Senate, so far as I know, to giving any relief needed in Europe, but that form of help has been virtually completed.

Now it is a question of building up their balances in dollar areas, so that the people in the 16 countries may continue to raise their production and their standards of living. The testimony was that most of those countries had not only reached but had gone away beyond the production figures of the prewar years. Yet we are continuing to subsidize their governments by the funds we are appropriating, subsidizing governments which are continuing to plan socialism, when we are attempting to defeat it and outlaw it here at home.

We wanted to set up for the devastated countries of Europe agencies similar to our own Reconstruction Finance Corporation. The Senator from Indiana [Mr. JENNER], who sits before me, remembers that. We wanted to establish an International Bank, and an RFC, to permit those entitled to loans to get them, at any sort of interest, in order that they might rebuild their industries, help stabilize their currencies, and have exchange not only among themselves but with the other European countries which might be the beneficiaries. We hoped they would invest their own funds. They have about $18,000,000,000 wrapped up in the banks in this country, and we thought that that kind of a set-up would induce them to invest their money. But we could not write one condition in the bill when it was being considered. What do we find now?

Mr. President, at this point I wish to present a news item. The headline is "ERP Hurting Europe, UN Group Charges—Nations Tripping Over Own Isolationism, Survey Report Says." This article reads:

ERP HURTING EUROPE, UN GROUP CHARGES—NATIONS TRIPPING OVER OWN ISOLATIONISM, SURVEY REPORT SAYS

GENEVA, SWITZERLAND, May 6.—A United Nations commission contended today that the European recovery program is hurting Europe's economy more than it helps.

The assertion marked a survey report of the UN Economic Commission for Europe. Nations from both sides of the iron curtain constitute the commission, created in 1947 by the UN Economic and Social Council to coordinate emergency organizations working to rehabilitate Europe.

In 100,000 words the Commission said European nations, striving for an economic come-back, are tripping over their own isolationism, and that the ERP is aggravating the situation.

INTEGRATION FAILING, REPORT SAYS

The Marshall plan, through ERP, pours in money with the avowed intention of helping to integrate European economy; European nations themselves adopt plans to integrate it, but the observable trends are away from integration, the Commission reported.

For lack of such integration, it continued, national economy is disintegrating all over the Continnet. Prospects for the future are unfavorable, despite a remarkable improvement in industrial production in 1948, it added.

The Commission said a long-term program of American capital investment, much like the way Britain financed economic development overseas in the nineteenth century, is the only solution it can see. Increased trade between the iron-curtain countries of eastern Europe and western European areas also would be helpful, it said.

Eastern European countries, the report said, because of American restrictions on imports to them, are the only ones in Europe having a favorable trade balance with the United States.

DOLLAR SHORTAGE BLAMED

Europe will remain dependent on American capital for many years, the survey report said.

The report said European industry has recovered with remarkable speed and will soon be as highly developed as if the war had never occurred. But, in spite of this recovery, it held the general economic outlook is poor because of a persistent dollar shortage and the almost total absence of integration of the economic plans of the various European nations.

The dollar shortage remains Europe's major economic problem, the survey concluded. It reported, however, the complementary problem of an American dollar surplus has as grave implications for the United States.

To solve the double problem, the survey said, the United States probably will have to "continue for many years to assist the outside world through investment loans, in much the same way as Britain financed capital development of the rest of the world throughout the nineteenth century * * * . The most desirable course would seem to be for the United States to schedule a major program of capital investment abroad for specific development projects staggered over a period of time."

ALL PHASES OF ECONOMY REVIEWED

The survey reviewed all aspects of Europe's economic life during 1948 and the prospects for the future.

The survey made these observations:

1. Industrial production in Europe rose by 16 percent and agricultural production by 12 percent during 1948.

2. In the Soviet Union, industrial production rose by 27 percent and the grain harvest returned to the prewar level.

3. The productivity of labor rose about 9 percent.

4. There was substantial improvement in the rate of capital formation, and the volume of investment exceeded the 1938 level by one-third.

5. Overseas exports increased by 30 percent, while imports were reduced by 7 percent.

6. There was a gradual return to conditions of monetary stability.

7. A major contribution to the increase in European production was a spectacular recovery in the western zones of Germany, where output reached 64 percent of the prewar level at the close of 1948.

8. With the exception of Italy, Hungary, Belgium, and Germany, unemployment remained very low.

9. If high levels of employment are maintained, increases in production may continue for some years and the productivity of European workers will continue to rise.

POVERTY IS PROBLEM

Despite continuing progress, the probable improvements in the next 10 years are unlikely to bring about a solution of "the basic problem of Europe—the severe poverty in which the majority of the European peoples live," the survey declared. It went on:

"The resources that are likely to be devoted to capital investment within Europe are far from adequate to secure any really substantial improvement in living standards, or to narrow the tremendous gap between industrial output per man in Europe and in the United States.

"The problem of the overseas balance of payments remains the most threatening aspect of Europe's economic situation."

The essence of the economic crisis between the United States and Europe lies in the fact that the United States is simultaneously the most highly developed industrial country of the world, the world's largest surplus area and Europe's largest supplier of primary products.

The survey has been in preparation during the past 9 months by the economic commission's research division. It was under the direction of the Hungarian-born British economist, Nicholas Kaldor. It is to form one of the principal subjects for discussion at the fourth session of the Commission, due to open here next week.

I wish to close with the observation that those of us who believed in that very kind of finance, when the appropriation was authorized, were denied the amendment on the floor of the Senate which is now recommended by the United Nations Commission as the only way by which to get the beneficiary countries to help themselves back to complete rehabilitation, not only among themselves, but with the other nations of the world. I do not wish to appear as a prophet and say, "I told you so." Some of us have taken a great deal of pressure from those who did not agree with us.

Mr. President, this statement of this Commission certainly is not partisan, and I hope some of the citizens of this country will now see the light, and that some of those who criticized us, I think unjustly, because of the program we wanted to write into the ECA measure, will now begin to realize that there are other approaches besides the one adopted, and the very recommendation made here is the approach suggested by the junior Senator from Nebraska, as well as by both Senators from Indiana, as they attempted to get an amendment into the ECA bill when it was first considered.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Indiana.

Mr. JENNER. If we are to continue to support the United Nations, and are not going to admit that it has degenerated into nothing but an empty shell of a debating society, certainly this body, before the appropriations are made for the Marshall plan at this session, should give some consideration to this study made by the Economic Commission of the United Nations.

Mr. WHERRY. I agree with the Senator heartily. I should like to conclude

with the further observation that I bring this matter up, not in a spirit of criticism or by way of vindicating my position, but I bring it up now to call to the attention of the Members of the Senate the fact that we should be on the alert when the bill comes from the Committee on Appropriations. The appropriation has been authorized, and I am not one to try to sabotage an authorization after it has been made, but I say it becomes a charge on every Member of the Senate to see that when the ECA appropriation comes from the committee it is scrutinized from beginning to end, and that every cut is made which should be made.

I say to every Member of the Senate, regardless of his party affiliations, that this means the life or death of America. We are at the crossroads. This Government is going to step over the line to deficit spending, or increased taxes, or we will have to decrease the authorizations. I appeal to every Member of the Senate to join in authorizing only those things we can afford to pay for.

Mr. JENNER. The Senator is not stating, I hope, that it is too late to look again at the authorization of the Marshall plan, which was passed in the Senate only 2 weeks ago.

Mr. WHERRY. I do not want to say that I would not look at it. I have been looking at it for 2 years. But I do say that we have authorized the second year's commitment, under the authorization statute. What we can do, of course, is to argue about the amount of the appropriation. We could repeal anything we have done, if there is any suggestion about doing it a different way, amending the basic legislation. Any bill could be presented now to do that.

Mr. JENNER. I was going to say that the administration is taking another look at the labor bill in the House of Representatives. It had one on the floor, and now it is back in committee, and the administration is having another look at it. So is there anything wrong in having another look at something for Europe that is going to cost the American people $5,580,000,000, when the United Nations itself says it is going to be wasted, and that it is not the answer?

Mr. WHERRY. I thank the Senator for his observation. Of course we can always take a look, and I appeal to Senators, as did the Senator from Virginia, who has only his country's interest at heart, as do those of us who are here helping day after day. This is an honorable body. Its members are giving their lives for America. Senators have a right to do as they choose in the consideration of authorizations, but let us follow the suggestion of the distinguished Senator from Indiana and take another look. The United Nations Commission says the way chosen is not the right way. Let us follow the right way, but in any event let us appropriate only what is needed, so that we will have an over-all appropriation program that will come within our income. Otherwise we will have to impose wartime controls, and we will lose the very thing for which we are fighting. In the end we can lead ourselves and the other nations of the earth into happiness. We can be a leader, and lead the nations of the world down the road to peace.

During the delivery of Mr. WHERRY's speech,

Mr. O'MAHONEY. Mr. President, unfortunately I was not in the Chamber when the Senator from Virginia [Mr. BYRD] began his interesting discussion. I heard the latter part of it. I join with the Senator from Nebraska in complimenting the Senator from Virginia.

There can be no doubt that the Congress should do everything in its power to reduce the cost of the Government of the United States, and every possible avenue of waste ought to be blocked. But I am inclined to believe—and I have talked with the Senator in years past about this point—that the cause of the great difficulty in which we find ourselves is not that Government expenditures were expanded. The reason that Government expenditures were expanded was that the conditions which existed required such expansion. Members of the Senate Appropriations Committee doubtless can cite case after case in which individuals have appeared before the Appropriations Committee asking for increased appropriations, representing organizations and individuals who themselves deprecate increased expenditures.

The cause of our problem, as I have seen it, has been primarily the economic concentration which has brought about the control of our economy in a few large centers. Unless we succeed in breaking down that concentration—not in the sense that we would atomize big business, but in the sense that we should create the climate in which little business can live—and that I know is a matter in which the Senator from Nebraska is tremendously interested—we shall not be able to prevent the continued expansion of the Government. Because of concentration in national business organizations, because of improvements of modern technology, particularly in transportation and communication, local economic independence is being undermined. The result is the increased demands on the Federal Government.

THE RETIREMENT OF GEN. LUCIUS CLAY AS MILITARY GOVERNOR AND COMMANDER IN GERMANY

(After the conclusion of Mr. WHERRY's speech, Mr. HUNT obtained the floor.)

Mr. HENDRICKSON. Mr. President, will the Senator yield to me for about 2 minutes?

Mr. HUNT. I yield.

Mr. HENDRICKSON. Mr. President, all too frequently in the history of our country have our people enjoyed and accepted great and distinguished services from their public servants without appropriate recognition thereof. Perhaps, Mr. President, this is so because truly great people have a tendency to "hide their lights under bushels," while the lesser great have a way of acclaiming themselves.

Lest we fail to properly note the retirement of Gen. Lucius Clay as military governor and commander in Germany, and his heroic contributions toward our national security and the peace of the world, I would refer the Senate to an editorial entitled "Clay's Service" which appeared in the Thursday, May 5, issue of the Washington Post, in which this great soldier is paid high tribute. But, Mr. President, as one who had the great privilege of serving very briefly under the general's command, I would like to add to that tribute by saying that no finer gentleman or more brilliant soldier has ever worn his country's uniform. His exemplification of patriotism, of devotion to duty, of intellectual honesty, of integrity and courage, should ever be an inspiration to us all.

It is to be regretted that we are to lose his valuable service in the business of completing the reconstruction of western Europe, but we can be consoled by the knowledge that his great mind, together with his broad and rich experience, will continue to be available to the leaders of our Nation as they proceed with their plans for the attainment of a just and lasting peace.

Mr. President, I ask unanimous consent that the editorial referred to, be inserted in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CLAY'S SERVICE

Gen. Lucius Clay, who has now resigned his post as military governor and commander in Germany, held the only sector of the cold war with Soviet Russia which ever threatened at any time to turn hot. His nerves are made of iron. During the ordeal of the airlift he never flinched, and he deserves the high praise with which both President Truman and Secretary Acheson have referred to his salient services. The United States may well be proud that it can produce at this critical moment in world history soldiers of the stamp of General Clay.

Clay's organization in Germany, unlike General MacArthur's in Japan, was built on civilian lines of government. It was in this atmosphere that he thrived. He was a soldier, but his branch was the Engineers—where the brains of the military academies traditionally go—and he was in his element in building up and guiding an operation by example and leadership rather than by word of command. Business lost a fine executive when General Clay chose the Army as his career. He worked so hard and long that his associates swore he never slept. Yet his mind never seemed tired, his decisions never disorderly. His precision in what he said and did was almost Prussian-like.

There was a deceptiveness about the cool and gimlet-eyed demeanor of General Clay. Underneath lay a fiery temperament. It has been said that there was a fight wherever Clay happened to be, and the bigger the stage, the better. Be this as it may, he could burn up the communications system with Washington whenever he felt crossed. In these stormy passages he had a habit of threatening to throw in his uniform. His tantrums produced a kind of terror in the Capital, for none appeared to know where to turn for a man who could come anywhere near his stature.

This conflict was generally with the State Department. State shared with War the ultimate responsibility for Germany, and the duality made for difficulty in finding out where authority lay at a particular moment. Shared authority is confused authority. The State Department would not relieve the War Department of its charge in Germany, yet it could not resign responsibility. In the circumstances State Department supervision could not help but be spasmodic and shifting in emphasis, and there was some justifica-

tion for the sense of grievance which marked Clay's relations with the State Department.

Proconsular statesmanship requires prescience and insight, and General Clay never pretended to have it. His gift was to be the very model of a soldier-administrator—that is to say, he had a rigid sense of duty and an uncanny knack of personifying the high policy of his Government. After Potsdam this was accommodation with Soviet Russia in promoting unity in and toward Germany. Clay labored with might and main to achieve it, and his patience was monumental. When this approach proved futile, he was the expression of the "firmness and patience" of Secretary Byrnes. The time came for downright toughness, and nobody has been tougher than Clay. He headed the partitionists, and the west German government is his child, as much as anybody's. While the government has been aborning he has administered the counterblockade relentlessly.

It is a big man who has lain down one of the biggest jobs ever to be given into American custody. There can be no doubt about that. His task is completed, and he leaves Germany when a new phase of that tortured problem is about to open. The country is well on the road to economic revival, and its political voice has come back. This latter will be heard inside or outside the projected meeting of the Council of Foreign Ministers, and will help to determine the new political configuration of Europe.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. HUNT. Mr. President——

Mr. MYERS. Mr. President, will the Senator yield to me?

Mr. HUNT. I yield.

Mr. MYERS. Before the Senator proceeds with his statement I might say to him that earlier in the day there was had a gentlemen's agreement or understanding that we would endeavor to recess at about 5 o'clock this afternoon. I think that is the reason why so few Members are now on the floor. The bill the Senator is about to discuss is extremely important. In view of that fact, I wonder if the Senator would have any objection to the Senate taking a recess now and going over until Monday noon, at which time I am sure there will be a great many more Members present. Many Senators are very much interested in the pending bill.

Mr. HUNT. The suggestion made by the acting majority leader is accepted by the junior Senator from Wyoming. I should like to have the understanding, if I may, that I may have the floor the first thing after the convening of the Senate on Monday next, so I may discuss the pending measure.

Mr. MYERS. I am sure that can be arranged.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the nominations on the calendar.

WAR ASSETS ADMINISTRATOR

The legislative clerk read the nomination of Rear Adm. Paul L. Mather, United States Navy, retired, to be War Assets Administrator.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of Lynn R. Edminster, of Illinois, to be a member of the United States Tariff Commission for the term expiring June 16, 1955.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE NAVY

The legislative clerk read the nomination of Vice Adm. John D. Price, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as Vice Chief of Naval Operations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be notified of all nominations this day confirmed.

RECESS TO MONDAY

Mr. MYERS. I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, May 9, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 6 (legislative day of April 11), 1949:

DIPLOMATIC AND FOREIGN SERVICE

John Dewey Hickerson, of Texas, for reappointment in the Foreign Service as a Foreign Service officer of class 1, a consul general, and a secretary in the diplomatic service of the United States of America, in accordance with the provisions of section 520 (a) of the Foreign Service Act of 1946.

Julian C. Greenup, of California, now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Francis H. Styles, of Virginia, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Ralph J. Blake, of Oregon.
Robert T. Cowan, of Texas.
Parker T. Hart, of Massachusetts.
Quincy F. Roberts, of Texas.
Rolland Welch, of Texas.

Robert Mills McClintock, of California, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul of the United States of America.

David M. Clark, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named persons, now Foreign Service officers of class 5 and secretaries in the diplomatic service, to be also consuls of the United States of America:

Donald A. Dumont, of New York.
Edward L. Waggoner, of Ohio.
Charles D. Withers, of South Carolina.

Thomas J. Cole, of Ohio, a Foreign Service staff officer, to be a consul of the United States of America.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

William O. Baxter, of the District of Columbia.
Arthur A. Compton, of Missouri.
Charles C. Stelle, of the District of Columbia.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified (reappointment).

UNITED STATES MARSHAL

W. Bruce Matthews, of Maryland, to be United States marshal for the District of Columbia. He is now serving in this office under an appointment which expired May 4, 1949.

IN THE NAVY

Rear Adm. Calvin T. Durgin, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Deputy Chief of Naval Operations (Air).

CONFIRMATIONS

Executive nominations received by the Senate May 6 (legislative day of April 11), 1949:

WAR ASSETS ADMINISTRATOR

Rear Adm. Paul L. Mather, United States Navy, retired, to be War Assets Administrator.

UNITED STATES TARIFF COMMISSION

Lynn R. Edminster to be a member of the United States Tariff Commirsion for the term expiring June 16, 1955.

IN THE NAVY

Vice Adm. John D. Price, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as Vice Chief of Naval Operations.

SENATE

MONDAY, MAY 9, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou great Counselor of our minds and Companion of our hearts, kindle now within us the sacred flame of lofty aspiration. Help us to believe that whatsoever things are noble are the truest and whatsoever is best is the most real.

We pray that we may follow faithfully the ways which Thou hast marked out for us. Give us faith and courage lest we be turned aside by obstacles which we should overcome.

May we be helpers of one another in the quest for the highest life and coworkers with Thee in building the kingdom of peace and good will. Inspire us with wisdom in solving the problems of international relationship. Make us eager to share our blessings.

In Christ's name we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 6, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 270. An act to change the name of Culbertson Dam on the Republican River in the State of Nebraska to "Trenton Dam" and to name the body of water arising behind such dam "Swanson Lake";

H. R. 668. An act for the relief of Alex Bail;

H. R. 711. An act for the relief of Mrs. Margaret Gregg Dilnot;

H. R. 1010. An act for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok;

H. R. 1029. An act authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenlively;

H. R. 1030. An act authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe;

H. R. 1035. An act for the relief of Mrs. Ada M. Ryan;

H. R. 1041. An act for the relief of Jeannette and Jesus Esteva and their four children;

H. R. 1052. An act for the relief of Lawrence G. McCarthy;

H. R. 1079. An act for the relief of Maria Veltri Magnone;

H. R. 1101. An act for the relief of Anna Malone and Rita Anderson;

H. R. 1109. An act authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson;

H. R. 1281. An act authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder;

H. R. 1460. An act for the relief of Mrs. Silvia Mapelli;

H. R. 1467. An act for the relief of Thomas C. Troth;

H. R. 1468. An act for the relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe;

H. R. 1489. An act for the relief of James I. Matthews;

H. R. 1508. An act for the relief of Peter Drozd;

H. R. 1591. An act for the relief of Bram B. Tellekamp;

H. R. 1629. An act for the relief of Kira and Nina Grigorieff;

H. R. 1876. An act for the relief of Ralph Martin Elzingre, also known as Ralph Seawell;

H. R. 1983. An act for the relief of Edward L. Barreras;

H. R. 2231. An act for the relief of Marie E. Wright;

H. R. 2605. An act for the relief of John C. Nunes;

H. R. 2710. An act for the relief of Emma Armstrong;

H. R. 2935. An act for the relief of Mrs. Benjamin Betts; and

H. J. Res. 91. Joint resolution to authorize the cancellation and release of an agreement dated December 31, 1923, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board acting through the United States Shipping Board Emergency Fleet Corporation.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hunt	Millikin
Anderson	Ives	Morse
Baldwin	Jenner	Mundt
Butler	Johnson, Tex.	Neely
Cain	Johnston, S. C.	O'Mahoney
Cordon	Kefauver	Robertson
Eastland	Kem	Russell
Ellender	Knowland	Schoeppel
Ferguson	Langer	Smith, Maine
Flanders	Lodge	Sparkman
Frear	Long	Stennis
Gillette	Lucas	Taft
Green	McCarran	Taylor
Gurney	McClellan	Thomas, Utah
Hayden	McFarland	Thye
Hendrickson	McGrath	Tydings
Hickenlooper	McKellar	Watkins
Hill	Martin	Wherry
Hoey	Maybank	Williams
Humphrey	Miller	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Florida [Mr. HOLLAND], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. O'CONOR] are detained on official business at meetings of committees of the Senate.

The Senators from Kentucky [Mr. CHAPMAN and Mr. WITHERS] and the Senator from California [Mr. DOWNEY] are absent on official business.

The Senator from Illinois [Mr. DOUGLAS] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Texas [Mr. CONNALLY], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Connecticut [Mr. MCMAHON], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. WHERRY. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Maine [Mr. BREWSTER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the junior Senator from Wisconsin [Mr. MCCARTHY], the junior Senator from New Hampshire [Mr. TOBEY], and the senior Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from Kansas [Mr. REED] is detained because of a meeting of the Committee on Appropriations.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETING DURING SENATE SESSION

Mr. BALDWIN asked and obtained consent that the subcommittee of the Committee on Armed Services holding hearings on the resolution to investigate the Malmedy trials, be permitted to sit this afternoon during the session of the Senate.

Mr. LONG asked and obtained consent that a subcommittee of the Committee on Post Office and Civil Service now considering pay raise bills be permitted to meet at 2 o'clock this afternoon and sit during the session of the Senate.

LEAVE OF ABSENCE

Mr. THYE asked and obtained consent to be absent from the Senate after today until Monday morning of next week.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Senators for the presentation of routine matters, before the Senate proceeds to consideration of the unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications, which were referred, as indicated:

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF JUSTICE (S. Doc. No. 69)

A communication from the President of the United States, transmitting supplemental estimates of appropriation, amounting to $1,110,335.86, Department of Justice, fiscal year 1949 and prior fiscal years (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF INTERIOR (S. Doc. No. 70)

A communication from the President of the United States, transmitting supplemental estimates of appropriation, amounting to

$373,095.80, Department of the Interior, fiscal year 1949 and a prior fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were presented and referred as indicated:

By Mr. GREEN (for himself and Mr. McGRATH):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Labor and Public Welfare:

"Resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their good offices to secure prompt passage of the Huber bill, so-called, House resolution 1374, now pending in the House of Representatives of the United States with respect to the extension of the Servicemen's Readjustment Act of 1944

"Whereas the Servicemen's Readjustment Act of 1944 (Public Law 346, passed by the 78th Congress June 22, 1944) provides for payment of readjustment allowances for former members of the armed forces who are unemployed, in addition to payments to self-employed veterans; and

"Whereas under the provisions of the Servicemen's Readjustment Act aforesaid payments are to expire in 1950; and

"Whereas it appears that only 42.5 percent of eligible veterans have taken advantage of their rights and benefits thereunder; and only 7 percent of the veterans residing in the State of Rhode Island have drawn their complete entitlement under the provisions of this program; and

"Whereas it is anticipated that thousands of veterans including veterans of this State who have participated in the educational program offered to veterans under the Servicemen's Readjustment Act during the period 1950 through 1956 will be entering the labor market and endeavoring to establish themselves in the economic life of this country; and

"Whereas this group of veterans, many of whom have families dependent upon them, will, during this period of economic adjustment in their lives, require the financial support and encouragement which an extension of the Servicemen's Readjustment Act will provide; Now, therefore, be it

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States hereby are respectfully requested to approve and support House bill 1374, the Huber bill, so-called, extending the time during which readjustment allowances may be paid until July 25, 1954, or similar legislation accomplishing the same purpose; and be it further

"*Resolved*, That the Secretary of State be and he hereby is authorized and directed to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution."

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Foreign Relations:

"Resolution memorializing Congress relative to the restoration of former Italian colonies to Italy

"Whereas Italy, by geographical position, tradition, culture, and ideology, and now a party to the North Atlantic Pact, is a definite part of the alliance of western nations; and

"Whereas the United Nations General Assembly is soon to take under consideration the matter of trusteeship of former Italian colonies; and

"Whereas Italy has thrown off the yoke of fascism and joined with the forces of America and the other free nations of the world in combatting communism; and

"Whereas Italy's high rate of unemployment, due largely to overpopulation, is being used as a basic for communistic propaganda, intended to bring about strained relations with other western nations; and

"Whereas the restoration to Italy of her former colonies and the continued development by Italy of those colonies in north Africa would greatly contribute to the social progress and economic rehabilitation of western Europe: Therefore be it

"*Resolved*, That the General Assembly of Rhode Island hereby urges the Congress of the United States to strongly advocate the restoration to Italy of her former colonies of Eritrea, Lybia, and Somaliland; and be it further

"*Resolved*, That duly certified copies of this resolution be transmitted by the secretary of state to the President of the United States, to the chairman of the Committee on Foreign Relations, to the Senators and Representatives from Rhode Island in the Congress of the United States and to the representatives of the United States to the United Nations General Assembly."

By Mr. LODGE (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions memorializing Congress to change the date of Labor Day to the second Monday in September

"Whereas in many States, including Massachusetts, proposals have been presented to the legislatures thereof for legislation to establish the date of Labor Day later than the first Monday in September; and

"Whereas any change of date of said holiday may cause confusion and inconvenience unless it is made uniform and is effective Nation-wide: Therefore be it

"*Resolved*, That the General Court of Massachusetts hereby urges the Congress to amend the Federal law whereby the first Monday of September, known as Labor Day, is made a legal public holiday so that thereafter Labor Day will occur on the second Monday of September each year; and be it further

"*Resolved*, That copies of these resolutions shall be forthwith transmitted by the secretary of the Commonwealth to the President of the United States, the Presiding Officer of each branch of the Congress and to the Members thereof from this Commonwealth."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to repeal the excise taxes on articles of jewelry, furs, cosmetics, and handbags

"Whereas the taxing of articles of jewelry, furs, cosmetics, and handbags has created unemployment in industry and business engaged in the production and sale of such items; and

"Whereas the imposition of taxes on such items creates a substantial hardship on those who can least afford to pay such taxes: Therefore be it

"*Resolved*, That the General Court of Massachusetts hereby urges Congress to repeal the existing excise taxes on said articles; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth."

GENERAL PULASKI'S MEMORIAL DAY—RESOLUTION OF CITY COUNCIL OF WESTFIELD, MASS.

Mr. LODGE. Mr. President, on behalf of my colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL] and myself, I present for appropriate reference a resolution adopted by the City Council of the city of Westfield, Mass., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and other States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial Day in the United States of America: Now, therefore, be it

Resolved by the City Council of the City of Westfield and State of Massachusetts:

SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, and each of the United States Senators and Representatives from Massachusetts.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. ROBERTSON. Mr. President, I present for appropriate reference, a petition signed by Mrs. F. H. Ragsdale, Mrs. R. E. Woolwine, and Mrs. R. J. Atkins, and sundry other citizens of Stuart, Va., relating to the prohibition of liquor advertising in interstate commerce, and I ask unanimous consent that it be printed in the RECORD, without the signatures.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures, as follows:

We respectfully request that you use your influence and vote for the passage of a bill

to prohibit the transportation of alcoholic beverage advertising in interstate commerce and the broadcasting of alcoholic beverage advertising over the radio. The most pernicious effect of this advertising is the constant invitation and enticement to drink. The American people spent $9,640,000,000 for alcoholic beverages in 1947 as compared with $7,770,000,000 in 1945. During the same period there was a corresponding increase each year in crime, juvenile delinquency, broken homes, deaths, and injuries due to intoxicated drivers, in the number of alcoholics and also in habitual or heavy drinkers. There is every reason why this waste of money and of human values should not be increased but rather greatly decreased.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1054. A bill for the relief of Northwest Missouri Fair Association, of Bethany, Harrison County, Missouri; without amendment (Rept. No. 340);

S. 1080. A bill for the relief of James A. Gordon; without amendment (Rept. No. 341);

S. 1086. A bill for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn.; without amendment (Rept. No. 342);

S. 1138. A bill for the relief of John W. Crumpacker, commander, United States Navy; without amendment (Rept. No. 343);

S. 1167. A bill for the relief of the estate of Marion Miller; with an amendment (Rept. No. 357);

S. 1483. A bill to amend title 18, United States Code, sections 2312 and 2313, so as to include thereunder motor vehicles and aircraft which have been embezzled, feloniously converted, or taken by fraud; with amendments (Rept. No. 358);

H. R. 580. A bill for the relief of the Bank of Kodiak, Kodiak, Alaska; without amendment (Rept. No. 344);

H. R. 585. A bill for the relief of Jacob A. Johnson; without amendment (Rept. No. 345);

H. R. 650. A bill for the relief of George A. Kirchberger; without amendment (Rept. No. 346);

H. R. 681. A bill for the relief of the legal guardian of George Generazzo; without amendment (Rept. No. 347);

H. R. 692. A bill for the relief of Joseph Thompson; without amendment (Rept. No. 348);

H. R. 761. A bill for the relief of Catherine S. Tremayne and A. I. Lang; without amendment (Rept. No. 349);

H. R. 1098. A bill for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor; without amendment (Rept. No. 350);

H. R. 1288. A bill for the relief of certain officers and members of the crew of the S. S. *Taiyuan;* with amendments (Rept. No. 359);

H. R. 1299. A bill for the relief of Frank J. Patzke, Archie Mitchell, J. L. Shoemaker, Einar Engen, and N. L. Gifford; with amendments (Rept. No. 360);

H. R. 1300. A bill for the relief of Mrs. Hope Irene Buley; without amendment (Rept. No. 351);

H. R. 1597. A bill for the relief of Hal W. Cline; without amendment (Rept. No. 352);

H. R. 2089. A bill for the relief of William Price; without amendment (Rept. No. 353);

H. R. 2261. A bill for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff; without amendments (Rept. No. 354);

H. R. 2268. A bill for the relief of Forest L. Weatherly; without amendment (Rept. No. 355); and

H. R. 2474. A bill for the relief of Frank E. Blanchard; without amendment (Rept. No. 356).

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES LEGISLATION

Mr. McCLELLAN. Mr. President, from the Committee on Expenditures in the Executive Departments, I report an original bill known as the Federal Property and Administrative Services Act of 1949, and I submit a report (No. 338) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 1809) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, was read twice by its title, and placed on the calendar.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF JUDICIARY COMMITTEE

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation of certain aliens, and I submit a report (No. 339) thereon.

The VICE PRESIDENT. The report will be received and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 36) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the attorney general has suspended deportation for more than 6 months:

A-2657830, Alaimo, Gaspare (alias Antony Curto).

A-6392821, Arroz, Benjamin Floro.

A-4875449, Garibay-Barron, Pedro.

A-5945921, Barden, Bernard James.

A-7584849, Barden, Else Elisabeth (nee Wielputz).

A-7584852, Barden, Ingrid Elisabeth.

A-6761884, Barry, Catherine Maxwell Geraldine (nee Catherine Maxwell Geraldine Fitzgerald).

A-6258481, Bick, Norbert Simon.

A-4783695, Biggest, Bernadine Margaret (nee Mathers).

A-2073409, Bing, Kwan Shun, or Mrs. Lawrence Jong.

A-6318466, Burke, Lilian Victoria (nee Mortley).

A-3043699, Caramanis, Joseph Kyriacos, or John Kyriacos Caramanis.

A-3077041, Cardona, George.

A-3542405, Ching, Mrs. Wah Chong, or Lin Shu Ying (Grace) (alias Grace L. Ching).

A-4583006, Crist, Maria Ragnhild (nee Maria Ragnhild Hindersson).

A-1127635, Cuschieri, Anthony Joseph.

A-910203, Damsleth, Bjorn Robert.

A-6311802, Damsleth, Randi (nee Clifton).

A-1481188, Di Meglio, John or Giovanni.

A-3713017, Di Nardo, Gennaro (alias Jerry Di Nardo).

A-3530018, Faria, Maria Simplicio, or Maria Souto Machado.

A-6481284, Fisher, Lena Eileen (nee Dodd).

A-3686479, Ford, Newton Isaac, or Newton I. Ford or Newton Becker or Leonard Lee Isaac Newton Ford.

A-6458413, Fretwell, Glenda Joyce.

A-6765814, Genet, Micheline Marguerite Louise Marie (nee Calsat).

A-6594937, Genet, Jean Marie Gabriel.

A-6552977, Hansen, Desley Helen.

A-6552978, Hansen, Robin Naomi.

A-6228065, Henry, Muriel (formerly Muriel Rose and Muriel Harris).

A-4917143, Hinkkuri, Veikko Armas.

A-4040790, Hoffmann, Zoltan Alex, or Zoltan A. Hoffman or Zoltan Alex Hoffman.

A-6344960, Joachim, John.

A-3399584, Lacys, Elsa (nee Sturm).

A-4942450, Langfeldt, Paul Johan.

A-4497419, Leslie, Mabel (nee Kellett).

A-3438538, Murphy, Patrick Joseph, or Joseph Murphy.

A-6286929, Ochoa, Maria Concepcion Quintero de (nee Quintero).

A-7540761, Panerai y Bertini, Camilo Orestes Rafael.

A-6322618, Parker, Martha (alias Martina Rivera Lopez).

A-4181269, Perez Arturo Garcia, or Arture Perez.

A-1208046, Pernice, Antonio.

A-4734405, Ptucka, Stephan, or Steve Ptucka.

A-6396323, Racelis, Elisa.

A-6396324, Racelis, Mary.

A-6457162, Racelis, Ramon.

A-2676821, Redka, John.

A-2098470, Renner, Florence May (nee Bailey).

A-2454691, Renteria, Jose Anival.

A-3475471, Roetto, Gemma, or Gemma Minarelli.

A-5800711, Sang, Wong, or Sang Wong.

A-3081085, Sartori, Linda (nee Ret).

A-3980008, Schlander, Arthur George.

A-1236239, Sestan, Arthur, or Stephen (Stephan) Voronoff.

A-1025773, Spongia, Frederico Dominick, or Fred Spongia.

A-2387594, Szedula, Barbara (nee Kiefer).

A-2387595, Szedula, Jacob.

A-3497501, Tomczak, Antonina, or Antonette Tomczak (nee Sobczak).

A-1204388, Van Den Berghe, Jeanette.

A-1204387, Van Den Berghe, John.

A-1281125, Wagner, Hartie Mary Pretoria Thompson (nee Thompson).

A-6562827, Wardlow, Ada Rodriquez, or Ada de Las Mercedes Rodriguez Pego de Wardlow.

A-2084639, Yiannatos, George G.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 9, 1949, he presented to the President of the United States the enrolled bill (S. 270) to change the name of Culbertsom Dam on the Republican River in the State of Nebraska to "Trenton Dam" and to name the body of water arising behind such dam "Swanson Lake."

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

INTERNATIONAL CONVENTION FOR NORTHWEST ATLANTIC FISHERIES—REMOVAL OF INJUNCTION OF SECRECY

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive N, Eighty-first Congress, first session, a certified copy of the International Convention for the Northwest Atlantic Fisheries, formulated at the International Northwest Atlantic Fisheries Conference and signed

at Washington under date of February 8, 1949, by the plenipotentiaries of the United States of America and by the plenipotentiaries of certain other governments, and that the convention, together with the President's message be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The VICE PRESIDENT. Without objection, the injunction of secrecy will be removed, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the International Convention for the Northwest Atlantic Fisheries, formulated at the International Northwest Atlantic Fisheries Conference and signed at Washington under date of February 8, 1949, by the plenipotentiaries of the United States of America and by the plenipotentiaries of certain other governments.

I transmit also, for the information of the Senate, the report of the Secretary of State regarding this convention, and a certified copy of the Final Act of the Conference. The Final Act does not require ratification.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 9, 1949.*

(Enclosures: (1) International Convention for the Northwest Atlantic Fisheries—certified copy; (2) Report of the Secretary of State; (3) Final Act of the Conference—certified copy.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

S. 1808. A bill to amend the Officer Personnel Act of 1947, as amended, so as to authorize the Secretary of the Navy to adjust the lineal positions of certain officers of the staff corps of the Navy, and for other purposes; to the Committee on Armed Services.

(Mr. MCCLELLAN, from the Committee on Expenditures in the Executive Departments, reported an original bill (S. 1809) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. BREWSTER (by request):

S. 1810. A bill for the relief of Arthur J. Cyr; to the Committee on the Judiciary.

My Mr. LANGER:

S. 1811. A bill for the relief of Kassid Ali; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. J. Res. 90. Joint resolution to suspend for a temporary period the demolition and removal of buildings and other structures on the new Senate Office Building site; to the Committee on Public Works.

AMENDMENT OF RULE RELATING TO LEGISLATION ON APPROPRIATION BILLS

Mr. FERGUSON (for himself, Mr. BRIDGES, Mr. WHERRY, and Mr. CORDON) submitted the following resolution (S. Res. 115), which was referred to the Committee on Rules and Administration:

Resolved, That paragraph 4 of rule XVI of the Standing Rules of the Senate, is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing provisions of this paragraph, a point of order will not lie against any amendment to the bill which authorizes and directs the Director of the Bureau of the Budget to make reductions in the amounts to be expended from any or all of the appropriations contained therein."

ORGANIZED RESERVE OF ARMY AND AIR FORCE

Mrs. SMITH of Maine. Mr. President, on February 7, 1949, I submitted Senate Resolutions 60 and 61 calling for investigations by Congress of the Departments of the Air Force and Army on their failure to develop adequate and realistic Reserve programs and on their administration of the Reserves. I am gratified that Congress is now making such investigations.

On March 14, 1949, I formally requested the Secretary of Defense for a comparative report on the civilian components of our armed services—for a comparison of the disparities between the Army Reserve, Air Force Reserve, National Guard, and Naval Reserve. Today, 2 months later, I have not received that report.

However, I have received such a report from Brig. Gen. William C. Lewis, Air Force reservist, past president and executive director of the Air Reserve Association. Because I believe that this unofficial report can be of great assistance to the congressional investigations, I ask unanimous consent that it be inserted in the body of the RECORD. I invite the attention of the Senate to it. It is interesting and informative reading on a very vital subject. The conclusions reached in the report are strictly those of the author.

I ask unanimous consent that correspondence between the chairmen of the Senate and House Armed Services Committees and myself also be inserted in the body of the RECORD as these letters provide informative background.

There being no objection, the correspondence and report were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., February 7, 1949.

Hon. MILLARD TYDINGS,
Chairman, Committee on Armed Services, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Today I introduced two resolutions in the Senate—one calling for an investigation of the administration of the Air Force Reserve by the Department of the Air Force, the other calling for an investigation of the administration of the Army Reserve by the Department of the Army.

I hope that the Senate Armed Services Committee will undertake such investigations itself as well. The deplorable status of our Air Force Reserve and our Army Reserve is well known. Yet nothing is done to correct this situation.

I am puzzled to know just what is the attitude of the Departments of the Air Force and Army on this vital matter. In a small way, I have attempted to contribute to the solution by introducing several Reserve measures. My experience on these measures has been an almost unbroken series of opposition on the part of the old War Department and its successors, the Departments of the Air Force and Army to proposals for the improvement of the Reserve programs. This opposition is particularly puzzling because most of my measures proposed only that the Air Force and Army Reserves be given that which the Naval Reserve has enjoyed for a long time.

The Air Force and Army Reserve programs are woefully behind that of the Naval Reserve. The Departments of the Air Force and the Army have been given sufficient time to correct this disparity but have failed to do so even at the official prodding of the President. I think that it is time that the Congress stepped in and found out why the Departments of the Air Force and Army have failed to act adequately on our Reserve forces which provide more than 90 percent of our fighting forces in time of war.

Sincerely yours,

MARGARET CHASE SMITH,
United States Senator.

UNITED STATES SENATE,
COMMITTEE ON ARMED SERVICES,
February 11, 1949.

Hon. MARGARET CHASE SMITH,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SMITH: I have received your letter of February 7, 1949, in which you discuss the situation which prevails as to the Organized Reserve of the Army and Air Force. I appreciate your interest in this matter a great deal. As you know, this entire problem concerning the size and degree of readiness of the non-Regular components of the services is one which has been of major concern to the entire Committee on Armed Services for many months.

At the moment, as a result of the combined congressional and Presidential prodding to which you have alluded, the operational and fiscal programs for the non-Regular components have recently undergone a rather major overhaul, the effects of which are being observed with close attention.

I wish to assure you that the committee is alert to the need for continued congressional surveillance and action in this field, and will continue to press for the correction of the defects of which you spoke in your letter.

Sincerely yours,

MILLARD E. TYDINGS,
Chairman.

FEBRUARY 7, 1949.

Hon. CARL VINSON,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D. C.

MY DEAR CHAIRMAN: Today I introduced two resolutions in the Senate—one calling for an investigation of the administration of the Air Force Reserve by the Department of the Air Force, the other calling for an investigation of the administration of the Army Reserve by the Department of the Army.

I hope that the House Armed Services Committee will undertake such investigations itself as well. The deplorable status of our Air Force Reserve and our Army Reserve is well known. Yet nothing is done to correct this situation.

I am puzzled to know just what is the attitude of the Department of the Air Force and Army on this vital matter. In a small

way, I have attempted to contribute to the solution by introducing several Reserve measures. My experience on these measures has been an almost unbroken series of opposition on the part of the old War Department and its successors, the Departments of the Air Force and Army to proposals for the improvement of the Reserve programs. This opposition is particularly puzzling because most of my measures proposed only that the Air Force and Army Reserves be given that which the Naval Reserve has enjoyed for a long time.

The Air Force and Army Reserve programs are woefully behind that of the Naval Reserve. The Departments of the Air Force and the Army have been given sufficient time to correct this disparity but have failed to do so even at the official prodding of the President. I think that it is time that the Congress stepped in and found out why the Departments of the Air Force and Army have failed to act adequately on our Reserve forces which provide more than 90 percent of our fighting forces in time of war.

Sincerely yours,

MARGARET CHASE SMITH,
United States Senator.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., February 10, 1949.

Hon. MARGARET CHASE SMITH,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: From what I have been able thus far to understand in respect to the plight of the Army and Air Force Reserves, I agree wholly with the views expressed in your letter of February 7 to me.

We have already had a discussion before the committee as to the advisability of an investigation of the progress, or lack thereof, of these Reserve programs. It is my personal opinion that such an inquiry is very likely, and I am certainly pleased to see that you are maintaining your very active and helpful interest in such matters.

Let me take this opportunity to wish you the very best of success in your responsible place in the United States Senate.

Sincerely,

CARL VINSON,
Chairman.

INHERENT WEAKNESSES OF THE AIR RESERVE PROGRAM

I. INTRODUCTION

"And the elimination of inequities and disparities among the several components" was a part of the charges that the Secretary of Defense gave to the Committee on Civilian Components in his precept and terms of reference on November 20, 1947. The appointment of this committee, more popularly known as the Gray Board since it was headed by Assistant Secretary of the Army Gordon Gray, constituted official recognition of facts and conditions long known and of great irritation to many members of the civilian components of the armed forces.

Particularly sensitive to, and aware of, the existing inequities and disparities have been the members of the Air Force Reserve and the Army Reserve. Their feeling gained official support in October 1948 when the President of the United States issued an Executive directive to the Secretary of Defense to take immediate action to bring the programs of the Air Force Reserve and the Army Reserve up to a more realistic parity with that of other civilian components and to report to the President within 60 days after the issuance of the Executive directive.

Congressional dissatisfaction with the status of the programs of the Air Force Reserve and the Army Reserve was officially recorded in February 1949 when Senator MARGARET CHASE SMITH introduced Senate Resolutions 60 and 61 calling upon the Senate Armed Services Committee to investigate the Department of the Air Force and the Department of the Army in their administration of the Air Force Reserve and the Army Reserve.

In letters to the chairman of the Senate and House Armed Services Committees, Senator SMITH charged that the Departments of the Air Force and Army had failed to take satisfactory action even at the official prodding of the President and since the Departments had had sufficient time to act, it was time that the Congress stepped in. Both chairmen expressed agreement with her.

The House chairman expressed complete agreement and stated that the House committee had been considering investigating the Departments on their lack of programs for the Air Force Reserve and Army Reserve. On March 30, 1949, the House chairman announced that his committee would "conduct a thorough inquiry into the present plight of Army and Air Force Reserves."

With such recognition of the unsatisfactory status of the Reserve by the Secretary of Defense, the President of the United States, and the Armed Services Committees of Congress, the complaints of Air Force Reservists and Army Reservists are obviously something more than prejudice and fiction. But too often griping criticism is expressed in vague generalities rather than in specific, constructive suggestions. Too often a charge is made without specific proof to back it up.

What are the disparities and inequities that have caught the attention of the Secretary of Defense, the President of the United States, and those Members of Congress who are most conversant with Reserve matters? In view of the terms of reference to the Gray board, one would suppose that the specific identification of these disparities and inequities would be contained in the official report of that group. But such is not the case. While there are occasional and general references made in the report, there is a surprising lack of pin-point identification and recommendations. The Gray report admirably analyzes each of the civilian components—but for the most part it analyzes each by itself. The analyses are isolated. There is no over-all cross-the-boards comparative analysis of how each of the civilian components stack up with each other on matters uppermost in the minds of Reservists. What comparative analysis there is, is rare and incidental.

For this, the Gray board is not necessarily to be criticized since its terms of reference covered many matters, and the general objective was an analysis of the status of each civilian component. Inequities and disparities constituted only one term of reference.

To fill partially this existing void of pinpoint identification of inequities and disparities is the objective of this paper. But the author wishes to make one point clear at the outset. Complete treatment of this subject can be done only by a sizable staff working for a considerable length of time with the civilian-component sections of each armed service. The most that the author can do is to make some basic observations and to point up only some of the more evident and important differences that exist.

In attempting to do this, the author has concentrated his efforts on those matters which he conceives to be the basic incentives for attracting and retaining personnel in the civilian components of the armed services. Those basic incentives are conceived to be (1) training pay, (2) security, (3) recognition, and (4) training facilities and equipment.

This comparative analysis is limited to (1) the Naval Reserve, (2) the National Guard, (3) the Army Reserve, and (4) the Air Force Reserve. No attempt is made to consider in any detail either the Marine Corps Reserve or the Coast Guard Reserve. They have in the past been considered in the general category of the Naval Reserve. The Marine Corps Reserve, especially, is governed much the same as the Naval Reserve.

Before making a comparative analysis of the basic incentives offered to each of the civilian components, one must recognize the fundamental and general differences between the civilian components that give rise to the specific and detailed differences, inequities, and disparities. Until the Unification Act of 1947 there were only two independent services—the Army and the Navy. The civilian-components organization of the two services had one radical difference. For all intents and purposes, the civilian component of the Navy was one Federal Reserve force. It was not handicapped by a split into two Reserve forces—one Federal and one State. True, there are some State naval militias, but they were few and relatively negligible.

With the advantage of having a single Federal Reserve force, the Navy was able to effect an over-all integration of the Naval Reserve that avoided Federal-State distinctions. The Naval Organized Reserve logically was made the M-day Reserve force of the Navy and given top priority on the basic incentives. Second priority was given to the Naval Volunteer Reserve. The difference was in the degree of active participation in the Naval Reserve. Organized Reservists drilled weekly and were paid for it as well as receiving other priority benefits, including better chances for promotion. Thus, the incentive of a truly interested Volunteer Reservist was to earn his way into the Organized Reserve. There was no State barrier to keep him from gaining a place in the Organized Reserve.

The second principal advantage of the Naval Reserve has been the Naval Reserve Act of 1938. Without going into the details of the act, it put all Naval Reserve laws into one place; it provided the vehicle for an over-all, well-integrated Magna Carta for Naval Reservists, and it placed Naval Reservists more side by side with Navy Regulars. Under the provisions of the act a Naval Reserve Advisory Board, composed of an equal number of Naval Reserve officers and Navy Regular officers, met at least once a year in extended sessions to study and consider changes in the Naval Reserve.

In contrast, the Army did not have a single Federal Reserve force. Its civilian component organization was two-headed—with (1) a State Reserve force, the National Guard, and (2) a Federal Reserve force, the Army Reserve. In some respects the National Guard is comparable to the Naval Organized Reserve. Designated the M-day organization of the Army civilian component organization, the National Guard was assigned priority over the Army Reserve. Specifically, the National Guardists had such advantages over Army Reservists as drill pay and M-day equipment and facilities. The Guard was organized by the States under the militia clause of the Constitution.

Thus, the top-priority civilian component of the Army was not a Federal Reserve force except in time of war—and for the most part was not subject to the authority of the Army in peacetime, but rather came under the States. This was a basic difference from the Naval Reserve. Another way of putting it is that while the Army Reservist was in most respects like the Naval Volunteer Reservist, he did not have the opportunity through more active participation to graduate into a drill paying civilian component. To accomplish that he would have to resign from the Army Reserve and try to get in the National Guard. Here was a practical example of the Army's handicap of the distinction between Federal and State civilian components and the Navy's advantage of no State civilian component.

In the National Guard picture there are two very important factors creating the State control and the Army priority for the National Guard. First, the operations and maintenance cost of the National Guard is

shared by the States with the Federal Government. This was not done in the Naval Reserve and the Army Reserve, both of which were completely financed by the Federal Government. Second, the National Guard is one of the most politically powerful groups in this country. This stems from the fact that appointments in the National Guard are made by the Governors of the State. Carried one step further, a preponderant number of the Members of Congress have always been graduates of State politics—former governors, former appointees of governors, former elected State officials, or former members of State legislative bodies. It is no wonder that the National Guard has enjoyed an unbroken advantage in congressional support.

The distinction in priority was further affirmed by the Army in the War Department policies directive of October 13, 1945. In that directive, first priority was assigned to the Regular Army, second priority to the National Guard, and third priority to the Army Organized Reserve Corps. The National Guard of the United States was made the first-line Reserve component of the postwar Military Establishment, with the distinction between the National Guard of the United States and the National Guard of the States being Federal recognition. Yet, the primary control of the National Guard of the United States still vested in the States and not in the Federal Government.

After the enactment of the Unification Act of 1947, a third service, the United States Air Force, came into existence—and with it the United States Air Force Reserve, formerly the Army Air Corps Reserve—and the Air National Guard. The very inherent character of the instrument around which the Air Force is built—the airplane—inevitably aggravated an already difficult situation that had resulted from the Army's lack of a single Federal Reserve force and the division between the Reserve and the National Guard. Two concepts ran head-on—the concept that the National Guard was raised and organized for the protection of each State without regard to other States or the Federal Government, and the concept that the speed and range of modern aircraft made it no practical respecter of State boundaries. Put another way, modern military aircraft are primarily designed to protect the Nation and not just one State.

That this Federal-State, Reserve-National Guard matter is the No. 1 problem of the civilian components was officially recognized by the Gray Board when it made its No. 1 recommendation that the Army Reserve and the National Guard be merged into one Federal Reserve force of the Army under the name of the National Guard of the United States, under the Army clause rather than the Militia clause of the Constitution—and that the Air National Guard and Air Reserve be merged into one Federal Reserve force of the Air Force under the name of the United States Air Force Reserve.

In substance, the Gray Board concluded that single Federal Reserve force of the Navy was the better system. And it is from the basic difference of systems of the Army and Air Force from the Navy that most of the existing inequities and disparities stem. While some postwar legislation, such as the Inactive Training Pay Act of 1948, has done much to remove the demoralizing inequities and disparities, the only realistic approach to the ultimate solution of the problem will be the legislative adoption of the No. 1 recommendation of the Gray Board.

Although we are principally concerned with what are the present inequities and disparities between the civilian components, we must also consider in some instances the past differences that postwar legislation has remedied. We must make this consideration because the historical, particularly recent, experience of the members of the respective civilian components has affected their morale.

II. DISCUSSION OF PROBLEM

A. Pay and allowances

Perhaps the most tangible of all incentives for service in the civilian components, is pay. Patriotism is, of course, the dominating factor in time of war. It is a major factor in time of peace. But when it is not accompanied by tangible benefits or incentives in time of peace, the interest in the Reserve lessens. After all, reservists are essentially civilians first and soldiers second. Their civilian occupations and pursuits provide their means of livelihood—which means that we get right back to the most tangible of incentives for most of us—pay.

There are those of us who because of personal prejudice would prefer and select a particular service over the other services, even though that preferred service paid less for Reserve service. The author feels that way about the Air Force Reserve.

But to attempt some objectivity, we must consider this from the standpoint of one who has never served in any of the services and who wants to select the civilian component which will give him the greatest return for the time and effort that he puts in the Reserve, and takes away from his family, his work, and his leisure. And no standard is more tangible than pay.

1. Training Pay

There is no material difference in the active duty training pay between the Naval Reserve, Army Reserve, Air Force Reserve, and National Guard. Nor has there been any material difference. Generally, all four have paid the same for the annual 15-day summer camps or tours, for extended active duty, and for attendance at special schools such as command and staff schools.

The difference before the Inactive Training Pay Act of 1948 was in the fact that members of the Naval Reserve and the National Guard received pay for weekly drills. Members of the Army Reserve and Air Force Reserve didn't. Prior to the Inactive Training Pay Act, drill pay and command pay for the faithful performance of administrative functions were specifically authorized for all civilian components of the Armed Forces except the Army Reserve, the Air Force Reserve, and the Coast Guard Reserve.

There was a second major difference which placed the Naval Reserve and the Marine Reserve ahead of even the National Guard, as well as the "stepchildren" Reserves of the Army and Air Force. While the payment of transportation and subsistence was not authorized for members of the National Guard, the Army Reserve and the Air Force Reserve, when with their consent they were performing duty without pay, it was authorized for members of the Naval Reserve and Marine Corps Reserve.

A third major difference was command pay. Commanding officers of units in the Naval Reserve, Marine Corps Reserve, and National Guard were authorized to receive command pay not to exceed $240 a year for the faithful performance of administrative functions. Commanding officers of units in the Army Reserve and the Air Force Reserve faithfully performing administrative functions received nothing for such performance.

In summary, the Naval Reserve and the Marine Reserve received all three pays, (1) drill, (2) transportation and subsistence, and (3) command. The National Guard received two of these, (1) drill, and (2) command, but not transportation and subsistence. The Air Force Reserve and the Army Reserve received none of them—they were shut out in this 3–2–0 ball game.

In January 1947, at the request of the Air Reserve Association, Representative MARGARET CHASE SMITH, Republican, of Maine, introduced a bill to provide inactive training pay for the members of the Army (and Air Force) Reserve. Three months later the War Department adopted the Smith proposal in a departmental bill. This bill was ultimately passed and became law. It removed the existing training pay inequities and disparities suffered by the Army and Air Force Reserves.

2. Aviation Reserve Bonus

A $500 annual bonus is authorized for all Air Force Reserve officers while on active duty provided that they are separated from active duty before being integrated into the Regular Air Force and provided that they have served continuously for a period of 1 year or more. A similar $500 annual bonus is authorized for commissioned Naval Reserve aviators (graduate aviation cadets) who have served continuously on active duty over a period of one or more years, with the limit being an aggregate of $3,500. In both instances, the Reserve annual bonus was suspended during the war and is not terminated. The Air National Guard does not receive any such bonus.

This is a rare instance where the Air Force Reserve was ahead of the Naval Reserve and the Air National Guard. For while the bonus in the case of the Naval Reserve was limited to commissioned personnel (graduate aviation cadets) on duty involving flying, the Air Force Reserve bonus was payable to nonflying officers as well as rated officers and to all Air Force Reserve officers, regardless of whether or not they were commissioned as a result of aviation cadet training.

Since the accumulated $500 annual bonuses could not be collected by the Naval Aviation reservists and the Air Force reservists until they were separated from active duty, that is, separation from active duty was a prerequisite to payment of the bonus, some question arose in those cases where the reservists were killed while on active duty and before separation to inactive duty, and thus before collection of their earned and accumulated bonuses. To remove this question, Representative MARGARET CHASE SMITH introduced a bill in 1946 providing for the payment of such bonuses to the heirs and estates of the reservists killed while on active duty and prior to collection.

And while the Navy Repartment supported this proposal, the then War Department sent officer representatives to Representative SMITH and requested that she not push her bill. They gave two reasons for their request, (1) that the bill was not necessary since the Comptroller General had ruled that death constituted "separation from active duty," and consequently the uncollected bonuses were due the heirs or estates of the deceased Air Force reservists, and (2) that the Smith bill would create an administrative inconvenience on the War Department in that it would make the payment of the bonuses to the heirs or estates of the deceased air reservists mandatory, instead of discretionary, upon the War Department.

The difference between the Navy and the War Department (Army and Air Force) was that the Navy asked the Congress to pass a bill directing and requiring it to pay the heirs—but the War Department asked Representative SMITH not to require it to do this. To the first reason advanced, Representative SMITH observed that the Comptroller General could change his ruling at any time and rule that the heirs were not entitled to the accumulated and uncollected bonuses. She said that she wanted to remove the ambiguity by specific and permanent law. To the second reason advanced, Mrs. SMITH said that she would rather have an administrative inconvenience placed upon the War Department, which had the machinery for paying the bonus, and make

initiative and action mandatory upon the War Department, than to leave the matter a discretionary one for the Department. She pointed out that many of the heirs would otherwise never collect the uncollected bonuses simply because they did not know about them or didn't know how to proceed for collection. She further observed that in many instances where the heirs would have to take the initiative they would have to hire an attorney whose fee would reduce what they finally received from the War Department.

The only way that Representative SMITH prevailed was to amend the department bill of the Navy so as to include the Air Force Reserve officers. The amended Navy bill passed.

This is not an example of a tangible disparity. It is an example of an intangible disparity—the contrasting attitudes of the Navy and the Army (and Air Force) toward their Reserves—and another example of where the Naval Reserve is out in front of the Air Force Reserve.

Another intangible as reflected by the official attitude of the Air Force toward its Reserve was the opposition of the Air Force to another bill of Mrs. SMITH—the bill that proposed that those Air Force reservists who never went off of active duty to collect their accumulated bonuses, and who were integrated into the Regular Air Force, should be paid their accumulated bonuses. The premise of this bill, which was reintroduced in the Senate in 1949, is that these integrated reservists who never went off active duty are entitled to the same thing that are those who went off active duty, collected their accumulated bonuses, and then applied for and obtained commissions in the Regular Air Force.

The Air Force's official grounds for opposition to the Smith bill is that the bonus was not a gratuity but rather a rehabilitation allowance and that those who didn't go off active duty didn't require the habilitation financial assistance that those who did go off active duty needed—even if only one day intervened between their separation to inactive duty and their return to active duty as a member of the Regular Air Force. The integrated reservists who never went off active duty feel that they have been penalized for loyalty to the Air Force and for not leaving to "shop around" for a better spot in civilian life. They feel that the Air Force has reneged on a contractual obligation of the bonus which was offered as an inducement to get them to sign up with the Air Force during the prewar days.

Regardless of who is right, this official attitude of the Air Force has impaired the faith of many reservists in the Department's attitude toward the Air Force Reserve.

3. Uniform Allowance

Uniform allowances must be compared in two periods because of the existing variation—(1) peacetime and (2) wartime. Regardless of service, it is desirable that when reservists report for duty or training when the wearing of the uniform is required, they do so in proper uniform. It is essential to military bearing and discipline. It avoids delay in availability.

Comparison of uniform allowances in peacetime is easier simply because no uniform allowances are prescribed during peacetime for officers of the Air Force Reserve, the Army Reserve, and the National Guard. Again the Naval Reserve and the Marine Corps Reserve are out in front. When these officers first report and are accepted for active or training duty with pay they receive a uniform allowance of $100. And if they perform a minimum amount of training or active duty, they receive an additional $50 uniform allowance every 4 years.

The disparity between rated Air Force Reserve officers and Naval Reserve aviators is even greater. The Naval Reserve aviators receive an initial uniform allowance of $150 and subsequently $50 for each 4 years.

To summarize, naval aviator reservists get the best peacetime treatment on uniform allowance with $150 plus $50—the other naval reservists next with $100 plus $50—and the Air Force reservists, Army reservists, and National Guard men last with nothing. In other words, another shut-off for the Naval Reserve.

A total uniform allowance of $250 in wartime is granted to all civilian components. At first glance it would appear that there was no disparity in uniform allowances among the non-Regulars in wartime. But such is not the case. All officers of the Air Force Reserve, Army Reserve, and National Guard above the rank of captain are denied any uniform allowance. There is no such rank distinction or "cut-off" in the Naval, Marine Corps, and Coast Guard Reserves.

In summary, all officers above the rank of captain in the Air Force Reserve, Army Reserve, and National Guard get no uniform allowance at any time. Captains and below of these three components get an allowance only in wartime. All officers of the Naval Reserve and Marine Corps Reserve, regardless of rank, are granted uniform allowances in both peacetime and wartime, with naval aviators having a $50 edge in peacetime.

B. Security

A goal that each of us individually, regardless of occupation or station in life, seek is security—or at least a sense of security—whether it be financial or physical security. We cherish the thought that we can establish such security that even though illness or unemployment (particularly that unemployment at advanced age), may befall us, we will still have a means to provide food, shelter, and health treatment.

And a reservist is just like any other person, who is interested in the service retirement and health insurance systems carried by any potential employer. He is like the Regular who properly values the physical disability protection that a service career offers, the insurance coverage for his family, and the reward of service retirement pay.

1. Service Retirement Benefits

Prior to the enactment of the Reserve Retirement Act of 1948, the Army and Air Force did not have legislative authority for the nondisability (or service) retirement of personnel of the Army Reserve, National Guard, or Air Force Reserve. However, it was possible for members of the Naval Reserve and the Marine Corps Reserve to be granted nondisability service retirement benefits. Basic requirement was a minimum of 20 years' active service. It was true that very few Naval and Marine reservists accumulated as much as 20 years' active service. Nevertheless, it was possible of attainment and for it they could gain retirement benefits, while those of the Army Reserve, Air Force Reserve, and National Guard could not. This was another example of disparity between the civilian components.

Fortunately, the Reserve Retirement Act of 1948 has removed the existing disparities and all civilian components have been awarded the same nondisability service retirement benefits.

2. Physical Disability Retirement

Under existing statutory provisions, personnel of all civilian components receive retirement pay and hospitalization coverage on a par with Regulars only if they are ordered to extended active duty in excess of 30 days. There is no tangible difference between the civilian components since none of them have this coverage for less than 31 days' service.

But there is an intangible difference measured in terms of morale and indicated contrasting attitudes of the Navy toward the Reserves and the Army and Air Force toward Reserves. Recently at a hearing of the Senate Armed Services Committee on S. 213, a bill by Senator SMITH to provide physical disability and death coverage for reservists when training or on active duty for less than 30 days on a par with Regulars, the Chief of Naval Personnel urged the immediate passage of the bill while the Army and Air Force representatives opposed the bill. Again, in the eyes of reservists, especially those testifying in favor of S. 213, the Navy was out in front of the Army and the Air Force. The committee was impressed with the Navy view and reported the bill out favorably and it was passed unanimously by the Senate on April 11, 1949.

3. Hospitalization, Disability Compensation, and Survivors' Benefits

Generally speaking, hospitalization and disability compensation is granted to all personnel of the civilian components for injury, disease, illness, or death while in training or on duty for less than 31 days. Cases covered fall into three categories of service that is not extended active service ordered in excess of 30 days: (1) "While employed in service"; (2) while on active duty under proper orders or non-active-duty aerial flights; and (3) illness or contraction of disease while on active or training duty. In these cases there is considerable variation as to coverage for each particular civilian component.

Under the "while employed in service" coverage, the Naval Reserve again has the edge on the Army Reserve and Air Force Reserve—and the National Guard is not covered at all. The Naval Reserve is covered for all duty and training and authorized travel to or from such duty and training. Coverage of the Army Reserve and Air Force Reserve is limited to active duty and training without pay and the authorized travel is limited to and from active duty—travel for any thing other than active duty is not covered.

Specifically this class of coverage is—

Those who suffer physical injury or death as a result thereof while employed in service, other than extended active service to which ordered in excess of 30 days, and their beneficiaries are entitled to all the benefits prescribed by law for civil employees of the United States who are physically injured in line of duty or die as a result thereof or they may elect the veterans' pensions for peacetime service.

The "under proper orders" or non-active-duty aerial flights cases stated more fully is—

Those who suffer physical injury or death as a result therefrom while on active duty under proper orders, other than extended active service to which ordered in excess of 30 days, or who voluntarily participate, when not on active duty, in aerial flights, in Government-owned aircraft by proper authority as an incident to their training, are entitled to surgical, medical, or hospital treatment until the condition resulting from injury cannot be materially improved by such further treatment; and necessary transportation incident to such hospitalization and return home; and to pay and allowances during a period limited to 6 months after termination of the prescribed period of active duty or training, except that subsistence is furnished with any continued hospitalization; or to burial expenses if death results from the injury.

This is another rare instance where the Naval Reserve does not enjoy an advantage over the other civilian components. The Army Reserve and the Air Force Reserve receive all of these above-stated benefits. So does the National Guard and more. It is covered by the above-stated benefits when personnel suffer such injury in line of duty

while en route to or from service schools, encampment, maneuvers, or other exercises—while the Army Reserve and Air Force Reserve are not.

On coverage for illness or disease contracted while on active or training duty, other than extended active service to which ordered in excess of 30 days, members of civilian components are entitled at Government expense to treatment, transportation, and subsistence. Army reservists, Air Force reservists, and National Guardists must be on duty with pay status in order to qualify for these benefits. Naval reservists need only be on active duty, with or without pay. But upon qualifying under these requirements, the naval reservists are limited to 10 weeks' hospitalization and treatment following discharge unless a medical-survey board or the Surgeon General authorizes a longer period. Pay and allowances of naval reservists in these instances are terminated at the expiration of the prescribed active-duty or training period.

Army reservists, Air Force reservists, and National Guard men enjoy certain advantages over naval reservists on this coverage. They are entitled to burial expenses that naval reservists are not. They are entitled to hospitalization and treatment for 6 months or more after the order duty period expires, as compared to the 10 weeks for naval reservists. They are entitled to pay and allowances for 6 months after the order duty period expires while the pay and allowances for naval reservists terminates with the expiration of the prescribed order duty period.

Army reservists and Air Force reservists also are entitled to the option of Federal employees' compensation or veterans' pension, while the naval reservists and National Guard men are not. But National Guard men are covered for disease contracted while en route to or from service schools, encampments, maneuvers, or other exercises.

It would be difficult to say which civilian component has the broadest and most favorable coverage on illness or contraction of disease on service of less than 31 days. Naval reservists have the initial advantage on qualifying since they do not have to be in a pay status. But once Army reservists, Air Force reservists, and National Guard men qualify, they get more and longer benefits. Army reservists and Air Force reservists get the option of Federal employees' compensation or veterans' pension that the others do not, but they don't get the travel coverage that the National Guard men do.

There is a consistent threat of Naval Reserve advantage on the matter of security coverage for Reserve service. However, the Hook Commission has recommended an overall and uniform compensation plan for all civilian components and all Regular services. This plan has been incorporated in the Career Compensation Act of 1949 bill now before Congress. It will do much to remove the existing complicated variations.

C. Recognition

Pay means a livelihood, food, and shelter. Security means protection against misfortune, physical or financial. But often a complimentary word will inspire and stimulate individual effort and results that neither pay nor security could. Ambition necessarily places great value on recognition. And recognition breeds leadership.

As in most fields, there are two principal types of recognition that are granted to members of the civilian components of the Army, Navy, and Air Force. They are (1) decorations and awards, and (2) promotion.

1. Decorations and Awards

On Reserve decorations and awards, the Naval Reserve and Marine Reserve are in a class by themselves. And as is usually the case, the Air Force Reserve and the Army Reserve trail at the rear with absolutely nothing.

The Marine Reserve tops the list with three Reserve medals and ribbons: (1) the Naval Reserve Medal, (2) the Naval Reserve Special Commendation Ribbon, and (3) the Organized Marine Corps Reserve Medal. The Naval Reserve is not awarded the last of these three.

A Naval Reserve and Marine Corps Reserve Medal is authorized for those Naval reservists and Marine reservists who complete 10 years' honorable service (either active or inactive duty or both) in the respective Reserve. A bronze star is awarded for each additional 10 years' honorable service in the Reserve.

A Naval and Marine Reserve Special Commendation Ribbon is awarded to those Naval and Marine reservists who officially commanded, in a meritorious manner, a battalion, squadron, separate Navy division, or larger Organized Reserve unit for a total of 4 years, not necessarily continuous, between January 1, 1930, and December 7, 1941, provided the individual reservists served in the Reserve for 10 or more years.

An Organized Marine Corps Reserve Medal with ribbon is authorized as an award for 4-year period of service in the Marine Corps Reserve during which the individual has met certain conduct and professional standards and attended four annual field-training periods and 80 percent of the drills scheduled for the Organized Reserve in four consecutive years. A bronze star is awarded for each subsequent qualification.

While the National Guard does not have any Federal or uniform State award, a number of States award service medals to members of their National Guard for the rendering of long and faithful service to the State.

The Air Force and Army do not authorize any medal or ribbon for service in a Reserve status. In fact they have opposed legislation designed to award a Reserve Medal and Reserve Special Commendation Ribbon to the members of their Reserves on exactly the same basis as those awarded to the Naval and Marine Reserves.

In summary on Reserve medals and ribbons, the score reads—Marine Reserve, three, Naval Reserve, two, National Guard, one, Air Force Reserve, none, Army Reserve, none—another incentive instance of where the Air Force and Army Reserves are shut out, and at the official insistence of the Air Force and the Army.

2. Promotion

Since the promotion systems of the Army, Navy, and Air Force have been undergoing considerable change and study in the postwar period, it is risky to compare the promotion systems and policies of the civilian components of the armed services. Comparison is further questionable because of the variance between the services in size, composition, assignments, age, and physical standards. The present legislative trend is to apply the Navy system to the other services. This stems partially from the comparative success of the Navy on the problem and partly from the fact that Hon. CARL VINSON, chairman of the House Armed Services Committee, has guided armed services composition and organization legislation along the naval pattern that he set for many years as chairman of the House Naval Affairs Committee.

However, the very fact that present legislative trends are to pattern after the Navy system indicates that again the Naval Reserve sets the model for the other civilian components to shoot at.

One can get an earlier commissioned start in the Naval Reserve and a head start often cannot be overcome in a promotion contest. The minimum age for commission in the Navy and Naval Reserve is 17 years. That is 4 years ahead of the Army, Air Force, and National Guard minimum of 21 years.

Opportunities to advance in rank, or to be promoted, are directly contingent upon the availability of higher ranks. On this point, it is believed that the Naval Reserve again has the edge because the promotion of naval reservists is tied in directly with promotion of Navy Regulars. To most any reservist, this in itself speaks volumes, for the goal of reservists is to be promoted in side-by-side equity with the Regulars. That in itself is the greatest guaranty or assurance of fair promotion treatment.

Backbone of the Naval Reserve promotion system is the running-mate assignment. Officers, except those on active duty, are placed on a Reserve lineal precedence list and each assigned a running mate. Position on this list and determination of running mate is based on date of rank. As officers of the Regular precedence list become eligible for consideration for promotion, their running mate on the Reserve precedence list also becomes eligible. This insures that Naval Reserve officers may be promoted as fast as, but no faster than, their Regular contemporaries, regardless of whether they are members of tables of organization units, if they fulfill certain minimum training requirements.

Promotion in the Army Reserve and Air Force Reserve is keyed to filling vacancies as they occur in the grade structure of organized units and mobilization positions of the Reserves. In other words, no mobilization or T/O vacancy—no promotion. Eligibility to fill a vacancy is dependent upon service and participation factors such as minimum time in rank and in the Air Force Reserve a minimum number of earned credits and points in each grade.

Promotions in the National Guard are a function of the State, but for benefits of the National Defense Act, they must be federally recognized. All officers of the National Guard are assigned to units which provide within their organization prescribed officer grades, while officers of the Army Reserve and Air Force Reserve may be assigned to the catch-all composite units where grade allocations are not fixed.

Minimum time in grade under the present regulations of the civilian components is as follows:

Rank	Air Force Reserve, Army Reserve, National Guard	Naval Reserve, Marine Reserve
	Years	*Years*
Second lieutenant, ensign	2	3
First lieutenant, lieutenant (junior grade)	3	2
Captain, lieutenant	5	4
Major, lieutenant commander	3	4
Lieutenant colonel, commander	4	5

Comparison on age-in-grade limitations for officers brings no hard and fast conclusion. The nearest approach to a conclusion is that in the higher ranks naval reservists are permitted to be from 3 to 15 years older than reservists of the other civilian components before becoming over age-in-grade. This means that they can stay in the Reserve longer before being released because of age. For instance, a rated Reserve colonel in tactical Air Force Reserve unit is over-age when reaching the age of 49, while a rank equivalent captain in the Naval Volunteer Reserve is not over-age until he is 64.

Officers become over age-in-grade upon reaching the birthday shown below for each grade:

	Air National Guard, Air Force Reserve				
	Lieutenant	Captain	Major	Lieutenant colonel	Colonel
Rated personnel, tactical units	32	37	42	45	49
Others	36	42	48	55	60

	Naval Reserve					
	Ensign	Lieutenant (junior grade)	Lieutenant	Lieutenant commander	Commander	Captain
Organized Reserve or general duty in Volunteer Reserve	32	34	38	43	46	(1)
All others	40	40	46	52	58	64

[1] None prescribed.

Comparative summary of the high points of promotion aspects of the civilian components shows the Naval Reserve to be out in front in the following respects: (1) A Reserve commission can be obtained 4 years earlier at the age of 17; (2) a naval reservist can ordinarily serve longer before becoming over age-in-grade; and (3) naval reservists are promoted side-by-side with Navy Regulars under the "running mate" system instead of having to wait for mobilization or T/O vacancies.

D. Training

Variance in character of each of the services makes most difficult training comparisons between the civilian components. Ship training in the Naval Reserve is hardly comparable to infantry or armored training in the Army Reserve or pilot training in the Air Force Reserve.

From the standpoint of the Air Force Reserve, it is more practical to make the comparison with the Naval Air Reserve and the Air National Guard. However, in some instances such as (1) privileges extended while training and (2) Reserve publications, a more general interservice comparison can be made.

1. Instructors

Training instructors are human. Humans have great variations in ability and attitude. No one could generalize and say that instructors assigned to the Air Force Reserve training are better or worse than instructors in the other civilian components.

Whether it is justified or not, there is a strong feeling among the Air Force reservists that Regular Air Force personnel assigned to Air Reserve training units are not interested in their assignments and/or in the Reserve and that the better caliber of Regular officers is not assigned to such duty inasmuch as they seek other assignments that offer them greater career opportunities. It is felt that both the number and caliber of Regular officers assigned to Air Reserve training units are unsatisfactory and thus handicap the Air Reserve training program.

Brig. Gen. Robert J. Smith, 1948 president of the Air Reserve Association, gave the Gray Board an example of this when he said:

"I had a report just recently in respect to a base training unit at Portland, Oreg., where a man with a rating of a balloon pilot having about 6 or 8 months to go from retirement was made the base unit commander. I leave it to your imagination how much interest and how much imagination and enthusiasm he would be likely to bring to such a program. That illustration can be repeated in many other places of the 41 where such base units are maintained today. It will not get the job done."

2. Quality of Facilities and Equipment

Where and what a reservist trains with obviously controls the development of his trained proficiency for the job he is expected to do in time of war. It also greatly shapes the reservist's interest and enthusiasm for training—or his lack of interest and enthusiasm.

Major in the list of facilities are armories. On this both the National Guard and the Naval Reserve enjoy a distinct advantage over the Army Reserve and the Air Force Reserve. The States have provided the armories for the National Guard. The Navy Department in conjunction with Congress has provided armories for the Naval Reserve.

But even more specific as far as the Air Force is concerned is the comparison in equipment—in aircraft. The Air National Guard trains in tactical and service aircraft as modern as jet fighters. The Naval Air Reserve trains with modern tactical and service aircraft. The Air Force Reserve trains in trainer aircraft—in AT-6s and AT-11s. What an experience for the combat Air Reserve veteran. Not until the last year have any service aircraft been placed in the Air Force Reserve training program—and the number assigned is so negligibly small that it cannot be regarded as anything but merely a token assignment. The Air Force Reserve just isn't in the same league with the Air National Guard and the Naval Air Reserves on aircraft in Reserve training.

3. Quantity of Facilities and Equipment

The appendix of the Gray report provides statistics which forcefully expose the short end of the deal that the Air Force Reserve gets on the number of aircraft assigned to its training. However, the Gray report did not make the comparison but rather just stated the details of the Air Force Reserve and Air National Guard programs. It is when the two programs are analyzed side-by-side that the revelations come forth. On June 30, 1948, the Gray Board reported the statistics below:

	Current			Planned		
	Pilots	Planes	Pilots per plane[1]	Pilots	Planes	Pilots per plane[1]
National Guard	2,364	1,998	1+	3,189	3,212	1—
Air Force Reserve	10,436	1,320	8	22,500	2,600	9—

[1] Computed by author. Not in Gray report.

From these statistics, the heavy distribution of planes to National Guard pilots and the thin distribution to Air Force Reserve pilots is most evident. While there is one plane for each National Guard pilot on the average in both planning and actuality, eight to nine Air Force Reserve pilots on the average have to share one plane. In others, the ratio is at least 8 to 1 in favor of the National Guard pilots over the Air Force Reserve pilots. The oft-reported experience of Air Force reservists waiting around to fly a plane and seeing several idle National Guard tactical planes that they couldn't touch, takes on real meaning in view of these statistics.

This factor of utilization was commented upon in the Gray report by the way of footnote. That footnote is quoted below.

"The Air National Guard is fully equipped with tactical aircraft, the Air Reserve, with trainers, except for 10 tactical planes. The following figures on utilization from July 1, 1947, to June 1, 1948, show that maximum training value is not being obtained from National Guard aircraft.

"Average hours per month per aircraft on hand

Air Force Reserve	33
Regular Air Force	29
Air National Guard	8

Average hours per month per aircraft in commission

Air Force Reserve	45
Regular Air Force	49
Air National Guard	14

Percentage of aircraft in commission

	Percent
Air Force Reserve	72
Regular Air Force	58
Air National Guard	56"

4. Privileges Extended While Training

Commissary and post exchange or ship's service privileges are extended to the members of all civilian components when they are on active duty. But this uniformity of treatment does not apply on training not in the active-duty category.

Naval reservists may make purchases and utilize ship's service stores during any day when they are in a drill status or attending drills or performing duty at a naval station. Members of the Marine Organized Reserves are extended post exchange privileges at all Marine Corps posts and stations regardless of the days they are in a drill status. Retired Naval and Marine reservists in a pay status or with 16 years or more of active service have the same privileges as the Regulars.

Members of the Organized Naval Reserve and Organized Marine Corps Reserve are permitted to operate canteens and unit post exchanges stocking such items as tobacco, candy, soft drinks, and articles which members need in connection with their training.

Units of the National Guard can operate post exchanges in armories and in camps under State supervision at the discretion of the local National Guard commander.

None of these privileges are specifically granted to Air Force reservists or Army reservists when they are on inactive training.

Summary scores: Naval Reserve 3, Marine Reserve 3, National Guard 1, Air Force, 0, Army Reserve 0; the familiar shut out of the latter two.

5. Publications—Dissemination of Information

We all like to know what is going on. We all have questions and seek information about that in which we participate. Members of civilian components are no exception to this normal characteristic.

Only Naval reservists and Marine reservists regularly receive Reserve publications that keep them posted on the Reserve program and Reserve activities and news, as well as news about the Regular Establishment. Naval reservists received a monthly publication known as the Naval Reservist—Marine reservists receive the Marine Corps Reserve Bulletin.

It is somewhat understandable that the National Guard men, being in a State organization, do not receive a national regular publication.

But again the Air Force reservists and the Army reservists pull up at the rear with nothing. They do not receive any such Reserve publications. They have to rely on Reserve association publications.

III. CONCLUSIONS AND RECOMMENDATIONS

The inherent weaknesses of the Air Reserve program are in essence those which stem from the disparities and inequities, past and present, that handicap the Air Force Reserve in comparison with other civilian components. As can be seen from the previous discussion, there is a consistent pattern of the Air Force Reserve being denied

basic incentives that the Naval Reserve and National Guard enjoy.

The comparatively recent enactment of the Inactive Training Pay Act and the Reserve Retirement Act has done much to remove the inherent weaknesses. But these steps are only a start in the right direction.

The two greatest basic needs are (1) to merge the Air Force Reserve and the Air National Guard into one Federal civilian component of the United States Air Force, and (2) the enactment of an Air Force Reserve Act, patterned after the Naval Reserve Act of 1938, or the expansion of the Naval Reserve Act of 1938 into a Civilian Component Act to extend the beneficial effect of the former in application to all members of all civilian components.

Remedial action will have to come by (1) the Department of the Air Force and (2) the Congress.

A. Action by the Department of the Air Force

The following action by the Department is deemed necessary:

1. There should be no further delay in announcing the new and revised Air Force Reserve program. Past repeated postponements and delays have already seriously impaired the confidence of Air Force reservists in the real intention of the Department of the Air Force to take effective action.

2. A greater portion of the Air Force budget should be allocated to the Air Force Reserve. Only 1.7 percent was allocated in the 1949 budget to this force which constitutes more than 90 percent of wartime strength of the United States Air Force.

3. The Department of the Air Force should either support pending legislation proposing a uniform allowance for reservists or should propose its own departmental measure to Congress.

4. The Department of the Air Force should withdraw its opposition to S. 213, a bill to provide physical disability coverage for reservists in training or on duty for less than 31 days on a par with Regulars.

5. The Department of the Air Force should reverse the past opposition to the legislation proposing a Reserve medal and a Reserve special commendation ribbon.

6. Serious consideration should be given to adopting the best features of the "running mate" promotion system of the Naval Reserve for the Air Force Reserve.

7. The very best possible Regular Air Force personnel should be assigned as instructors in the Air Reserve training program.

8. More tactical aircraft should be assigned to the Air Force Reserve training program.

9. Air Force reservists in training should be extended post exchange and commissary privileges on a comparable basis as is extended to members of the Naval Reserve, Marine Reserve, and National Guard.

10. The Department of the Air Force should publish a regular monthly Reserve bulletin to be distributed to all members of the Air Force Reserve—in like manner of the Naval Reservist and the Marine Corps Reserve Bulletin.

B. Legislative action

The following action by Congress is most desirable:

1. The Air National Guard and the Air Force Reserve should be merged by legislation into one Federal civilian component of the United States Air Force. Whether the Air National Guard or the Air Force Reserve is to dominate the proposed single civilian component is not nearly as important as merging the two into one.

2. Either an Air Force Reserve Act should be passed or the Naval Reserve Act of 1938 should be expanded into a Civilian Components Act so as to give all members of all civilian components the "breaks" that naval reservists get under the Naval Reserve Act of 1938.

3. Congress should increase the appropriations for the Air Force Reserve and should legislatively prevent the Departments from cutting back Air Force Reserve appropriations, as was done in 1947 when the Air Force Reserve allocation was cut from the appropriated $41,000,000 back down to $18,000,000 and 29 Air Reserve training units were abolished by administrative action—a 44-percent cut in the training program.

4. S. 213, the Reserve physical disability retirement bill, should be passed.

5. Legislation proposing an Air Force Reserve medal (S. 218) and an Air Force Reserve special commendation ribbon (S. 217) (patterned after such in the Naval Reserve) should be passed.

6. In order to assure continued proper evaluation of the civilian components, standing Subcommittees on Civilian Components should be established and appointed in the Senate Armed Services Committee and the House Armed Services Committee.

COLUMBIA VALLEY ADMINISTRATION—EXCERPTS FROM ADDRESSES BY SENATOR TAYLOR

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD, excerpts from two radio addresses recently delivered by him on the bill to provide for the Columbia Valley Administration, which appear in the Appendix.]

THE BUSINESS OF FREEDOM—ADDRESS BY THE SECRETARY OF DEFENSE

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address by Hon. Louis Johnson, Secretary of Defense, before the thirty-seventh annual meeting of the Chamber of Commerce of the United States at the Statler Hotel, Washington, D. C., May 5, 1949, which appears in the Appendix.]

ADDRESS BY THE SECRETARY OF DEFENSE ON THE OCCASION OF THE LAYING OF CORNERSTONE OF NEW AMERICAN LEGION HEADQUARTERS BUILDING

[Mr. WHERRY asked and obtained leave to have printed in the RECORD the address by the Secretary of Defense, Hon. Louis Johnson, at the laying of the cornerstone of the new American Legion Headquarters Building at Indianapolis, Ind., May 6, 1949, which appears in the Appendix.]

AN UNFAIR FORMULA—EDITORIAL FROM THE FALL RIVER (MASS.) HERALD-NEWS

[Mr. LODGE asked and obtained leave to have printed in the RECORD an editorial entitled "An Unfair Formula," published in the Fall River (Mass.) Herald-News, which appears in the Appendix.]

MAJOR WAR CRIMES TRIALS IN NUREMBERG—ARTICLE BY HON. JAMES MORRIS

[Mr. YOUNG asked and obtained leave to have printed in the RECORD an article entitled "Major War Crimes Trials in Nuremberg," written by Hon. James Morris, and published in the April issue of the North Dakota Bar Briefs, which appears in the Appendix.]

REPAIRS TO THE WHITE HOUSE—ARTICLE FROM PHILADELPHIA EVENING BULLETIN

[Mr. TAFT asked and obtained leave to have printed in the RECORD an article entitled "Boners in White House Repair," published in the Philadelphia Evening Bulletin of May 3, 1949, which appears in the Appendix.]

EDUCATION, TAXATION, AND THE PRIVATE ENTERPRISE SYSTEM—ARTICLE BY M. VASHTI BURR

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "Education, Taxation, and the Private Enterprise System," written by M. Vashti Burr, and published in the Pennsylvania Grange News of May 1949, which appears in the Appendix.]

PROPOSED CHANGES IN FEDERAL TAX LAWS AND SOCIAL SECURITY PROGRAM—STATEMENT BY SENATOR BUTLER

Mr. BUTLER. Mr. President, I ask unanimous consent to insert at this point in the RECORD a copy of a news release prepared by me, dealing with a poll among business establishments on various questions related to proposed changes in tax laws, and in social-security programs. The news release is self-explanatory:

Businessmen generally are split about 50–50 on the proposal to extend the social-security system on its present basis to the 25,000,000 citizens not now covered by the system, Senator HUGH BUTLER (Republican, Nebraska) announced on the basis of a poll conducted by him among about 6,000 individual business establishments throughout the Nation. On the other hand, the same group voted heavily against the proposal that a system of compulsory health insurance should be added to the present social-security set-up.

Of businessmen replying to the questionnaire, about 47 percent favored extension of old age and unemployment benefits to those not now covered, while 53 percent opposed such extension, Senator BUTLER said. On the compulsory health insurance question, 94 percent of those replying were opposed. Senator BUTLER, a member of the Senate Finance Committee which must pass on tax questions, conducted the poll to secure a sample of business sentiment.

A heavy majority of the businessmen favored a ceiling on the pay-roll tax rate to finance the social-security program, so that such rates could not be increased indefinitely, the Senator said.

Replies to other questions yielded the following results:

Asked what should be the normal income tax for corporations and for individuals, the average rates in the replies were: 30 percent for corporations and 38 percent for individuals. (These rates are well below present maximum rates on both categories.)

In recommending a formula for depreciation or replacement, the answers were as follows: 20 percent were for the straight line cost method; 35 percent were for permitting owners to decide; 41 percent were for the formula as at present.

When asked which of present taxes was most objectionable and should be repealed first, the businessmen replying made the following choices: 65 percent were most anxious for repeal of the transportation tax; 25 percent, the communications tax; and 11 percent, all nuisance taxes. Those affected by penalty tax on consolidated returns were 100 percent against its continuance.

In making the results of the poll public, Senator BUTLER emphasized that he did not believe that the views of businessmen were the principal controlling factor. "I appreciate the interest and cooperation shown by these businessmen in answering my poll," Senator BUTLER said, "since they are in a better position than the average citizen to judge the practicability of these various tax proposals. Of course, when we come to reach a decision, a great many factors and the views of other groups must receive equally careful attention."

INCONSISTENCY—EDITORIAL FROM THE WASHINGTON POST

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point an editorial from today's Washington Post entitled "Inconsistency."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INCONSISTENCY

"A foolish consistency is the hobgoblin of little minds, adored by little statesmen, and philosophers and divines." This famous dictum of the Sage of Concord, Ralph Waldo Emerson, came to mind when we read that President Truman had urged Members of Congress to do what they think to be right—that is, vote according to their convictions—on the basis of the facts at hand. To those who regard inconsistency as a mark of greatness that advice should increase the President's stature as a statesman, for only a few days ago he threatened to punish Members of Congress who voted against administration bills by depriving them of patronage. Since that threat still stands, it follows that the President's brand of inconsistency takes the form of simultaneously endorsing irreconcilable codes of conduct.

We feel sure that Emerson would not applaud this kind of inconsistency, which is merely a way of currying favor by expressing noble sentiments, while clinging to practices in conflict with such views. At any rate, the President's little homily will not allay the alarm of Members of Congress, whose views of what is right differ from his own and who have been forewarned of reprisals if they depart from the party line.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. McGRATH. Mr. President, I ask unanimous consent that Mr. Vernon E. West, Corporation Counsel of the District of Columbia, and Mr. Harry L. Walker, Assistant Corporation Counsel, may be present on the floor of the Senate during consideration of the pending District of Columbia tax bill, so they may be available to furnish fiscal information to the Members of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HUNT. Mr. President, the Senate Committee on the District of Columbia, to which was referred H. R. 3704, being a bill to provide revenue for the District, now reports the bill back to the Senate with certain amendments and with the recommendation that the bill as amended do pass. This bill was prepared by a joint Senate and House District subcommittee and was passed by the House on March 29. It is hoped that the Senate may act with dispatch on this measure, for each succeeding month, week, or even day the District is losing needed revenue in substantial amounts which this bill would produce.

The subcommittee of the District Committee, in conjunction with the House committee, have applied themselves very diligently to a study of the finances and of various types of taxation applicable to the District for a period of over 3 months, and we have held a very great number of public hearings. The committee finds that the District must have additional revenues to administer even at a minimum the necessary functions of the District government.

The Senate committee amendments do not greatly change the bill as passed by the House.

Under existing law, for the purposes of administration, the functions and finances of the District government are divided into three separate and distinct divisions, namely, the Highway Department, the Water Department, and the so-called general department, which includes all divisions of District government excepting those relating to highways and the water system.

For the fiscal year 1950 the Highway and Water Departments need no attention from the Congress, in that their anticipated increased revenues of $41,600 and $117,000 in the Highway and Water Funds, respectively, will be ample for the proper and efficient functioning of those departments. The Commissioners of the District and District executive personnel are to be congratulated on their splendid record in the administration of these important functions of District government.

However, in the other departments of District government operating from income to the general fund, we find dire need of additional revenue. Under existing law, revenues are totally inadequate, and additional funds must be provided. Therefore, in presenting H. R. 3704 for consideration by the Senate our attention will be directed solely to the general fund.

For the general fund as presented to the committee by the District officials, income from this bill and present revenue sources is estimated to be $98,821,000; while the District budget requests $98,787,000; and if the Senate accepts the bill as presented for its consideration, there is estimated an overage of $33,085.

The committee has made provision in this bill for pay increases for 14,000 District employees retroactive to July 1 in the amount of approximately $10,000,000. It seems to be generally recognized, and was so recognized by the House, that the Congress has a moral obligation to the District employees to provide this retroactive pay increase because of the failure of the sales tax act to receive favorable action by this body at the last session. I am advised that these increases were provided for District employees as well as for Federal employees, but upon failure of the sales-tax bill to pass, the salary-increase bill—Public Law 900—was amended to read "not to apply to District employees until funds are available."

Mr. President, I think I can say to the Senate that the budget presented by the District Commissioners requests the bare minimum needed for efficient functioning of the District government. It is in no sense of the word a padded budget. The opposite is true, in that it fails to provide for certain badly needed improvements in the District. Perhaps the most glaring example is the failure of the budget to provide adequately for District schools and to meet minimum requirements of the welfare system.

I am aware, Mr. President, that from the $300,000,000 appropriated by this body recently as direct aid to schools throughout the Nation the District will receive $580,000, which, of course, will be helpful, but will not start to bring the District school system up to the standard of other like cities, and, most certainly, not the type of schools that should be maintained in the Nation's Capital.

The public school budget for the fiscal year 1950 was limited by a directive issued by the Board of Commissioners to three categories:

First. Completion of projects already authorized;

Second. Furniture and equipment for projects already authorized; and

Third. Providing utilities for projects already authorized.

The school facilities of this city, as disclosed in a recent very comprehensive report by Mr. George D. Strayer, are totally inadequate. Many of the school buildings were built in the eighties and should have been demolished years ago, but because down through the years Congress has failed to provide adequately for the District, these antiquated, obsolete buildings are still in use, greatly to the detriment of the school system. This failure to provide funds for new construction imposes a serious handicap upon the children of the District of Columbia. It places a limitation upon their educational development that will be felt throughout their lives.

Mr. President, I was amazed to learn that in the Cardozo High School, which has a capacity of 1,040 students, there is an enrollment of 1,740 students, and it is operated on a triple-relay plan from 7:30 in the morning until 4:30 in the afternoon. I noted too that this high school has no playground and no physical training or athletic program.

Throughout the entire school system, I was surprised to learn, as I know the Members of this body will be surprised to know, that here in the Nation's Capital no provision of any kind is made for sick leave for teachers. In event of illness a teacher must employ and pay a substitute. Furthermore, Mr. President, I was surprised to learn that there is a great number of classes in the District school system having 45 students, and that the average number of students in each class is approximately 30, or twice the number generally accepted as the proper size of a class for the best classroom work.

As previously stated, after a most careful and thorough study, the committee reports H. R. 3704, as amended, providing for various types of taxation which we deem best suited to the District needs. They are:

First. Sales tax;

Second. Compensating-use tax;

Third. Excise tax on motor vehicles and trailers;

Fourth. Providing certain amendments and additions to the Income and Franchise Tax Act of 1947;

Fifth. Provides for increasing the fees for licenses and taxes on alcoholic beverages;

Sixth. Imposes a tax on cigarettes; and

Seventh. Increases the minimum rate of taxation on real property in the District.

Mr. President, the committee found in its studies that for at least the last 12 years, committees of Congress, District officials, interested citizens, and civic organizations have lent their efforts, their time, and study in attempts to provide a sound and adequate tax system for the District. The committee had the information, guidance, and advantage of the studies and recommendations of these committees and, also, of the studies previously made at the direction of the Congress by Dr. Chester B. Pond, now director of the bureau of research and statistics for the department of taxation and finance in the State of New York. The bill as reported to the Senate closely follows recommendations made time and time again by these various committees, all of which are quite in harmony with those made by Dr. Pond at the completion of his studies. We believe the bill which we are recommending provides not only an adequate but, also, an equitable tax system with a broad base, designed in such a way as not to place an undue burden or hardship on any group or class of District of Columbia citizens. Mr. President, we believe we are presenting in this revenue act the wishes of the majority of the citizens of the District.

In order to meet the increasing costs of the District, which I assure the Senate are not above the average increased costs in like cities throughout the United States, we found the circumstances to be such that a retail sales tax, supplemented, as such a tax always is, by a use tax, is necessary. The rate of the proposed tax is 2 percent on all tangible personal property sold at retail, but exempting from the tax all food consumed in the home, as well as restaurant meals costing less than $1.50. The bill also exempts from the tax all medicines, including orthopedic and orthodontic appliances, crutches, wheel chairs, artificial limbs and teeth, artificial eyes and eyeglasses, and all things of like nature. Furthermore, Mr. President, any article under 14 cents bears no tax, while items selling for 14 cents up to 63 cents are taxed 1 cent; articles selling for 64 cents up to $1.13, both inclusive, 2 cents; and for each 50-cent sale in excess of $1.13, an additional 1-cent tax applies.

Mr. President, we followed quite closely the sales-tax laws now in vogue in 27 States—3 of the States having a 3-percent tax, 1 State a 2½-percent tax, and the other States 2 percent, as provided in this act.

To the end that this act may relieve the lower-income groups to the greatest possible degree, as previously stated, the tax does not apply to food consumed in the home or to restaurants meals costing less than $1.50. This provision, Mr. President, is quite in contrast with the fact that of the 27 States having a sales tax at this time, food is exempt in only 6 of the 27, and medicines are exempt in only 4. The committee is aware of the fact that there are those who are opposed to a sales tax. The committee, Mr. President, was not unanimous. This is to be expected, for I am sure we know of no tax of any kind that does not meet with opposition.

In addition to the 27 States having sales tax laws, we found that 134 cities and 3 counties also use the sales tax as revenue measures; and in most instances, city and county sales taxes are in addition to State taxes.

It has been demonstrated very conclusively for a great many years that a sales tax with a compensating use tax has ability to produce a revenue in stable and dependable volume under changing economic conditions, and is more reliable under changing economic conditions than any other type of taxation. The sales tax does produce substantial revenue, but does so because of its broad base, with everybody participating, and it therefore is not a severe tax on any individual or any group. This does not mean that the payment of a sales tax does not vary among individuals, for it most certainly does—some paying 5, 10, yes, even 100 times the amount paid by others; but those who do pay a substantial amount in sales tax are the people who can well afford it.

This fact is so obvious and so easily understood that any further discussion or explanation is entirely unnecessary.

Therefore, I think, Mr. President, it is entirely erroneous to conclude that general sales taxes bear more heavily on the low-bracket incomes. Dr. Pond, in his studies, states:

> We have been unable to find any positive figures to support that statement—it is apparently one of those assertions that once made gathers veneration from the fact that no one has taken the trouble either to prove or to disprove it. The preponderance of all evidence seems to point to the conclusion that assuming the low-bracket incomes are to bear their proportionate share of taxes, the general sales tax probably imposes as little burden on that class as any other form of taxation known.

Dr. Pond was referring to a general sales tax which included a tax on both foods and medicines.

Prof. Fred R. Fairchild, of Yale University, dwells at length on the same thought, and writes:

> I am disposed to challenge the common assumption that the sales tax bears no relation to taxpaying ability.

A report of the North Carolina Department of Tax Research, in 1944, after a decade of experience with sales tax, states:

> Where a sales tax is used in connection with a progressive income tax with reasonable exemptions, the argument with respect to the regressive character of the sales tax loses its force.

So, with all sales under 14 cents and all food consumed in the home and medicines also exempt, as is the case under House bill 3704, and with no sales tax being paid on rent, transportation, medical supplies, amusements, and so forth, and since these items make up approximately 70 percent of the expenditures of the low-income group, I think, Mr. President, you will agree with me that the committee has been diligent in its efforts to relieve the low-income group of a tax burden under this bill.

With reference to fairness of taxation, it most certainly should further be called to the attention of the Senate that under this bill persons in the low-income brackets will not pay the District income tax which will be paid by those with incomes of $4,000 and over. With reference to equalizing taxes as between the lower- and higher-income groups of our people, I think the Federal Government is doing a rather thorough, in fact a bang up job along that particular line.

So as we present this bill to the Senate, and recommend its passage, it will be noted that no real necessities of life are to be subject to the tax, excepting fuel, clothing, household equipment, and supplies. Considering the situation of persons in the low-income group, in the $2,000 bracket, these items would cost approximately $50 for coal, $250 for clothing, and $150 for household equipment and supplies; and on these amounts the sales tax would be $9. I am sure this amount cannot be classed as unduly oppressive. The cost of textbooks alone, which are provided free of charge for school children in the District of Columbia, could easily exceed the amount of such a tax.

Suggestion was made that the property tax be increased a sufficient amount to obviate the necessity of levying a sales tax; but since the Rent Control Act in the District provides for passing on to a renter any increase in taxes, the additional amounts in rent which would have to be charged the low-income group would have been in greater amount than the sales tax.

From personal experience in administering a sales tax law for a period of 14 years, I am definitely of the opinion, and evidently the majority of our States share the same opinion, that the sales tax is the most fair tax ever devised. It is a tax easier to collect than any other tax; it is a tax that cannot be evaded; and the cost of collection is exceptionally low. Experiences in the States with the cost of collection range from 3 percent for the first year to approximately 1½ percent of total collections for subsequent years. For the reason that the District is a compact unit comprising only 10 square miles, many expenses connected with administering sales-tax laws in the various States can be and will be obviated. Traveling of auditors, checkers, investigators, and members of the Board administering the tax, which is one of the major cost items in administering a sales-tax law, vill not be an expense to the District, for there will, of course, be no per diem or traveling expenses.

The junior Senator from Wyoming regrets to have taken so much of the time of the Senate on this particular matter, but this portion of the bill, the sales tax, is, I think, the only controversial issue in the bill, and its importance demanded a rather full dissertation on it.

TITLE II—COMPENSATING USE TAX

Title II of the bill would impose a compensating use tax. Such a tax is necessary for the administration and enforcement of the sales tax and is, as a general rule, imposed wherever a sales tax is levied. The use tax is imposed upon the use of property in instances where the receipts from the sale of the property, had it been purchased in the District, would have been subject to the sales tax.

The purpose of title II of the bill is to prevent avoidance of the sales tax by the simple expedient on the part of the purchaser of the property making his purchase in a jurisdiction which does not impose a sales tax. The provisions of title II under section 16 provide for no use tax in the case of—

(A) Sales upon which taxes are imposed under title I; (B) sales exempt from the taxes imposed under title I; and (C) sales upon which the purchaser has paid a retail sales tax or made reimbursement thereof to a vendor or retailer.

Estimated revenue from titles I and II for the 11 months it will be in force and effect during 1950 will be approximately $10,880,000. Let me say very frankly to the Senate that this estimate is by those best qualified to make the estimate; but, let me repeat, it is merely an estimate.

TITLE III

Title III provides for imposing an excise tax on the issuance by the District under specified circumstances of certificates of title to motor vehicles and imposing a tax equivalent to 2 percent of the retail price.

This tax would not apply to any vehicle purchased in the District for use in any other State, which is not registered, and which does not require a certificate of title in the District. It is anticipated that for the 11 months of 1950 this tax will produce $1,375,000.

TITLE IV

Title IV provides certain amendments and additions to the District of Columbia Income and Franchise Act as approved July 16, 1947. The act now provides for an income tax at the rate of 1½ percent on the first $5,000, 2 percent on the next $5,000, 2½ percent on the third $5,000, and 3 percent on the taxable income in excess of $15,000. A provision under the present law allows a credit to residents of the District as a charge against the District tax, State income taxes paid in their home States. Under the 1947 act, exemptions from taxation were allowed for only the first $1,000 of income. Thus, in this bill the income tax does not apply to those of the lower-income bracket.

While this provision will greatly decrease the number of tax returns, the coverage will be extended considerably by a commendable action of the House in redefining the meaning of the word "resident," which now reads:

> Every individual domiciled within the District on the last day of the taxable year and every other individual who maintains a place of abode within the District for more than 7 months of the taxable year, whether domiciled in the District or not.

Exempt from the provisions of this bill are also employees on the staffs of elected officers of the legislative branch of the Federal Government, if such employee is a bona fide resident of the State of residence of such elected officer. This wording was designed to exempt those employees in the offices of Members of Congress who are in Washington solely by virtue of employment in our respective offices.

Certain other minor amendments for corrections and changes are deemed necessary by District officials after the experience of nearly a year in administration of the act. These changes I refer to are found on pages 12, 13, 14, and 15 of the report, but I do not deem them of sufficient importance to take the time of the Senate for a detailed explanation of each of the various sections and provisions. They are more or less inconsequential.

The estimated revenue from title IV of the bill is $1,600,000.

TITLE V

This portion of the bill increases by 50 percent the fees charged on all liquor licenses issued by the District of Columbia Alcoholic Beverage Control Board. It will increase the gallonage taxes on spiritous liquors and wines by 50 percent and will increase the tax on each barrel of beer 100 percent.

In our deliberations there were those who felt that no increase should be imposed on the liquor traffic. There were others who thought even a greater increase should prevail. If it were possible, Mr. President, the junior Senator from Wyoming would favor imposing a tax that would eliminate this menace entirely. However, a national experience in the 1920's proved it impossible to do so. We all know that when and if the tax on the liquor trade reaches the point where bootlegging will be profitable, we would again be faced with that situation. District officials report to me that some bootlegging under present taxes is now taking place in the District.

Another reason for not writing a greater increase into this title is that unfortunately most of the people of the District of Columbia in the lower income groups would be adversely affected, especially in the case of beer, which is sometimes referred to as the poor man's drink, it would seem that a hardship would be imposed on that group. It was also contended that any greater increase in these taxes would drive District sales into the State of Virginia. So the tax the bill imposes, together with the tremendous Federal tax of $9 per gallon on 100-proof spirituous liquor, seemed to be all the traffic could bear.

I should point out that the 2-percent sales tax will also apply to this title.

Anticipated revenue from this title for the remaining 11 months of 1950 would be in the amount of $4,782,000. I may add that this would, on a full-year basis, mean an increase in taxes from this source of $1,682,000.

TITLE VI

A cigarette tax of 1 cent per package is an entirely new tax for the District. It, therefore, is the only District tax on cigarettes.

In most of the States of the Union the tax is from 2 to 3 cents, and in a few States I understand the tax is 4 cents. The committee arrived at the conclusion, however, that since cigarette smoking is more or less a universal habit, anything in excess of a 1-cent tax would be a burden on the low-income group of the people of the District. For the 11 months of 1950 this tax will produce $733,000. This tax, too, is another tax easy and inexpensive of collection.

TITLE VII

Title VII increases the rate of taxation on real property in the District from 2 percent to 2.15 percent per $100 valuation. I again refer to the very excellent study and report by Dr. Pond in his studies of the tax structure of the District. He stated:

> For some time property has borne more than its relative share of the total tax burden in the District.

That statement was made in 1939, when the rate of tax was $1.75 per $100 of assessed valuation. Since that time there has been a 20-percent across-the-board general increase in valuation. The tax rate has been increased from $1.75 to $2 per $100 of assessed value. The bill we are presenting today provides for an additional increase of 15 cents.

Every person within the District either owns or rents real property. If a person owns or is buying his home, he would, of course, have to pay directly any increase in property taxes thereon. If he rents his home, he would have to bear the increase in property taxes, because it is elementary in economic principle and practice that no real estate investor would rent property to tenants without fixing the rental price in such an amount as to absorb the expenses, including taxes. The Rent Control Act for the District of Columbia passed by this body approximately 10 days ago specifically provides for a rent increase when taxes are increased.

Representation was made to the committee that property taxes should be increased in an amount that would obviate the necessity of a sales tax. On examining into the matter of the comparative extent of the burden by the payment of sales taxes under this bill and the payment of the increased property taxes necessary to raise a corresponding amount of revenue we find, based on statistics of the Bureau of Labor, that a person in the District with an average salary of $4,000 a year would own a home assessed on an average of $6,300. To obviate the passage of the sales tax by increased property taxes, it would require an increase of 85 cents per $100 in property taxes on this particular home and would result in his total property tax bill for the year being increased by $53.55 over and above that now being paid under the prevailing rate, while under the proposed sales tax included in this act such an individual for the year would pay approximately $19.42.

In the act approved July 26, 1947, as previously stated, the rate of taxation on real property in the District of Columbia was increased from $1.75 to $2.00 on each $100 of assessed value, which was an increase of slightly more than 14 percent. This was followed with an average across-the-board increase of 20 percent in assessed valuation of land and improvements in the District in recent years, with the result of an increase in the average tax bill to property owners in the District in 1948 of more than 30 percent. Now we propose an additional 15 cents per $100 of assessed value, which

will make the average tax bill to the property owner in the District approximately 40 percent greater for the fiscal year 1950 than it was for the year 1946.

So, after very careful consideration, the committee believes the increase provided by this bill on the taxation of real property is all that should be required to be borne by property owners, directly, or tenants indirectly, in so short a period of time.

It may be of interest to report that at the suggestion of the joint committee, the District assessor investigated actual taxes assessed against identical property in the District, in Montgomery County, Md., and in Arlington County, Va., and we found the taxes on identical properties to be—Arlington, $168.35; Montgomery $175.91; while in the District the tax was $194.28. Further examinations were made with reference to several properties in Prince Georges County with identical houses in the District of Columbia, and we found the tax paid in Prince Georges County to be $147.14 and in the District $164.82.

With reference to valuations we found properties in the District valued higher than comparable properties in other like cities; and in the last few years 16 business properties in the down-town area sold for a total of $8,885,000, whereas the total assessment of these properties was $11,135,000.

Property in the District now pays 53.87 percent of all District taxes. It will be noted in the report, on page 23, that this is the highest of any city when computed on a straight population basis. Therefore, studies disclose that the percentage of property tax collections in the District to total tax collections is the highest of any city excepting Boston, Mass.

For the fiscal year of 1950 it is estimated the tax from real estate will total $34,900,000, which is an increase of $2,400,000 over the present yield.

For the information of the Senate, and, especially, those Members who are familiar with governmental expenditures in cities comparable in size to the city of Washington, I should like to state that the reason for a greater over-all cost in the District is that the District exercises all the functions of government peculiar to State, county, city, township, and school districts. In other words, in the District all the functions peculiar to all the other subdivisions of government are combined in the functions of the District.

Mr. President, in conclusion, I wish to reiterate that this proposed Revenue Act for the District, H. R. 3704, has in substance heretofore on many occasions, and at this time, been endorsed and approved by various bodies, including the special congressional investigating committee in 1939. It is the type of taxation recommended by tax authorities of our leading universities. It has the recommendation and support of approximately a dozen citizens' associations, businessmen's associations, home-builders' associations, and federations of women's clubs.

Between the dates of January 24 and 28, the Evening Star of Washington, in a series of articles under the caption "On making both ends meet," being a series of articles discussing facts concerning Washington's budget and tax problems, approved in substance this bill, and the last article of that series was written under the caption, "A sales tax is necessary." Other jurisdictions have been forced to adopt such a tax and found it productive. The District has no reasonable substitute.

While I have not paid particular attention to editorial comment on the proposed sales tax, Mr. President, I think the editorial poll of some other leading newspapers in the District is in harmony with that of the Star.

It is the majority opinion of the committee, Mr. President, that with the passage of this bill the District of Columbia's financial troubles will be solved, and there may be a slight surplus, an amount in the neighborhood of from $30,000 to $50,000. However, it is the universal experience that the sales tax produces in excess of the amounts estimated. So the committee approves of a provision now made a part of the proposed home-rule bill, which will shortly come before the Senate, that any amount of revenue accruing to the District in excess of budgets submitted by the District be earmarked for the sole purpose of construction of new schools.

So Mr. President, here is a bill that has been passed by the House, and it is our hope that it will be approved by the Senate. If so, I feel I can assure the Senate that the ever-recurrent trials and tribulations of financing the District will be solved for many years to come.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The clerk will state the first committee amendment.

The first amendment was on page 8, in line 7, to strike out "on a nonprofit basis"; in line 8, after the word "hospitals," to strike out "and operated on a nonprofit basis for such purposes", and to insert in line 9, "no part of the net earnings of which inures to the benefit of any private shareholder or individual."

The amendment was agreed to.

The next amendment was, on page 11, beginning in line 7, to insert a new paragraph, as follows:

(2) Sales of any food sold for human consumption in hotels, restaurants, cafes, bars, and other establishments where the sales price of the food furnished each individual patron, including any cover, minimum, entertainment, or other charge, is $1.50 or less: *Provided, however,* That the gross proceeds from all such sales where the sales price to the individual patron is more than $1.50 shall be subject to the tax imposed by this title without any deductions from such gross proceeds by virtue of the provisions of this subsection: *And provided further,* That the provisions of this title with respect to reimbursement for the tax imposed shall be applicable to every such sale where the sales price to the individual patron is more than $1.50 without regard to the provisions of this subsection.

The amendment was agreed to.

The next amendment was, on page 13, line 9, to insert "whether or not"; and, in line 22, to insert "(q) Sales of cigarettes."

The amendment was agreed to.

The next amendment was, on page 61, line 18, to strike out:

SEC. 5. The provisions of this title shall become effective on the first day of the first month succeeding the sixtieth day after the approval of this act.

And insert:

SEC. 5. Subsection (a) of section 23 of said act, as amended, is further amended to read as follows:

"SEC. 23. (a) There shall be levied, collected, and paid on all of the following-named beverages manufactured by a holder of a manufacturer's license and on all of the said beverages imported or brought into the District of Columbia by a holder of a wholesaler's license, except beverages as may be sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under this act, and on all beverages imported or brought into the District of Columbia by a holder of a retailer's license, a tax at the following rates to be paid by the licensee in the manner hereinafter provided:

"(1) A tax of 15 cents on every wine gallon of wine containing more than 14 percent of alcohol by volume, except champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (2) a tax of 22½ cents on every wine gallon of champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (3) a tax of 75 cents on every wine gallon of spirits and a proportionate tax at a like rate on all fractional parts of such gallon; (4) and a tax of $1.65 on every wine gallon of alcohol and a proportionate tax at a like rate on all fractional parts of such gallon."

SEC. 6. Within 10 days after the effective date of this title, every holder of a retailer's license under said District of Columbia Alcoholic Beverage Control Act shall file with the Alcoholic Beverage Control Board a sworn statement on a form to be prescribed by the Commissioners of the District of Columbia showing the number of each kind and denomination of stamps denoting the payment of beverage taxes held or possessed by such licensee or anyone for him on the day on which this title becomes effective, or on the following day if the effective date be a Sunday, other than stamps affixed to the containers of beverages manufactured in or imported into the District of Columbia prior to the effective date of this title, and shall, within 15 days after the effective date of this title, pay to the Collector of Taxes the difference between the amount of tax represented by such stamps at the time of purchase from the Collector of Taxes and the amount of tax imposed by the Alcoholic Beverage Control Act as amended by this title, represented by such stamps.

SEC. 7. Within 10 days after the effective date of this title, every holder of a manufacturer's license, class A, and every holder of a wholesaler's license under the District of Columbia Alcoholic Beverage Control Act shall file with the Alcoholic Beverage Control Board a sworn statement on a form to be prescribed by the Commissioners showing the amount and kind of all beverages, except (1) beer, (2) wine containing 14 percent or less of alcohol by volume other than champagne and wine artificially carbonated, and (3) beverages upon which required stamps have been affixed, held, or possessed by him in the District of Columbia at the beginning of the day this title becomes effective and shall state the number of each kind and denomination of stamps necessary for the stamping of such beverages so held or possessed. Every such licensee, within 10 days after the effective date of this title, shall also file with the

Alcoholic Beverage Control Board a sworn statement on a form to be prescribed by the Commissioners of the District of Columbia showing the number of each kind and denomination of stamps denoting the payment of beverage taxes held or possessed by such licensee or anyone for him at the beginning of the day on which this title becomes effective, other than stamps affixed to the containers of beverages manufactured in or imported into the District of Columbia prior to the effective date of this title. Every such licensee shall within 15 days after the effective date of this title pay to the Collector of Taxes for all stamps not necessary for the stamping of beverages shown on the sworn statement hereinbefore required to be filed with the Alcoholic Beverage Control Board the difference between the amount of tax represented by such stamps at the time of purchase from the Collector of Taxes and the amount of tax imposed by the Alcoholic Beverage Control Act, as amended by this title, represented by such stamps. Should the number of any kind or denomination of stamps so held by a licensee be less than the number necessary for the stamping of the beverages shown on said sworn statement, the Collector of Taxes is authorized and directed to sell to such licensee, at the rates prescribed for such stamps prior to the effective date of this title, such stamps as may be necessary for the stamping of such beverages. In the event any of the beverages shown on said sworn statement are sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under the Alcoholic Beverage Control Act, such sale shall, within 10 days thereafter, be reported to the Alcoholic Beverage Control Board and within said 10 days such licensee shall pay to the Collector of Taxes on all stamps held by him for the stamping of such beverages the difference between the amount of tax represented by such stamps at the time of purchase from the Collector of Taxes and the amount of tax imposed by the Alcoholic Beverage Control Act, as amended by this title, represented by such stamps.

SEC. 8. Subsection (a) of section 40 of said act (sec. 25–138, D. C. Code, 1940), as amended, is hereby further amended by striking out the figures and word "50 cents" and inserting in lieu thereof the figures "$1."

SEC. 9. The provisions of this title shall become effective on the first day of the first month succeeding the sixtieth day after the approval of this act.

TITLE VI—CIGARETTE TAX

SECTION 1. This title divided into sections and subsections may be cited as the "District of Columbia Cigarette Tax Act."

SEC. 2. Definitions: As used in and for the purposes of this title, unless the context indicates otherwise:

(a) The word "cigarette" shall mean any roll of tobacco, or any substitute therefor, wrapped in paper or in any substance other that tobacco.

(b) The word "person" shall mean any individual, partnership, corporation, association, receiver, executor, administrator, trustee, conservator, or other representative appointed by order of any court.

(c) The word "District" shall mean the District of Columbia.

(d) The word "Commissioners" shall mean the Commissioners of the District of Columbia.

(e) The words "designated District agency" shall mean any officer, employee, department, office, or agency in or under the municipal government of the District of Columbia who or which is designated by the Commissioners to perform a function or duty under the terms and provisions of this act.

(f) The word "sell" or "sale" shall include offering for sale, keeping for sale, bartering, trafficking in, peddling, and any transfer or exchange in any manner or by any means for a consideration.

(g) The term "original package" shall mean the individual package, parcel, or other container in which cigarettes are put up by the manufacturer to which is affixed the required United States Government Internal Revenue stamp, and the Commissioners may, by regulation, include within this definition any wrapper immediately enclosing such package, parcel, or other container.

(h) The word "stamp" shall include impressions made by metering machines authorized to be used under the provisions of this title.

SEC. 3. Imposition of tax: (a) There shall be levied, collected, and paid on all cigarettes sold in the District by licensed wholesalers, licensed retailers, or by licensed vending-machine operators, to consumers, a tax at the rate of 1 cent on each 20 cigarettes or fractional part thereof, such tax to be levied, collected, and paid once only on cigarettes sold as aforesaid.

(b) Said tax shall be collected by and paid to the Collector of Taxes of the District and shall be deposited in the Treasury of the United States to the credit of the District.

(c) Said tax shall be collected and paid by the affixture of a stamp or stamps secured from the Collector of Taxes, denoting the payment of the amount of the tax imposed by this title upon such cigarettes, each such affixture to be on the original package, unless the Commissioners shall by regulation permit otherwise. Cancellation of such stamps shall be in the manner prescribed by regulation approved by the Commissioners.

(d) The Collector of Taxes shall furnish suitable stamps, to be prescribed by the Commissioners, denoting the payment of the tax imposed by this title and shall by the sale of such stamps at the amounts indicated on the faces thereof cause the said taxes to be collected.

(e) If at the time of acquisition of original packages by licensed retailers or by licensed vending-machine operators such original packages do not have affixed thereto the stamp or stamps denoting payment of the tax imposed by this title it shall be the duty of each such retailer and vending-machine operator to affix to each such original package such stamp or stamps before selling or delivering cigarettes to consumers and before removing or permitting the removal of cigarettes from the licensed premises or licensed vending machines of such retailers or operators for delivery to consumers.

(f) No person shall use or cause to be used for the payment of the tax imposed by this title a stamp already theretofore used for the payment of any such tax.

(g) Any person who shall counterfeit or forge any stamp required or authorized by this title shall, upon conviction, be subject to a fine not exceeding $5,000 or to imprisonment of not more than 2 years, or to both such fine and imprisonment.

(h) The Commissioners are authorized by regulation to permit licenses to pay the tax imposed by this title by the method of imprinting impressions upon original packages by the use of metering devices in lieu of the method of paying such tax by the affixture of stamps: *Provided*, That the Collector of Taxes shall control the use of such metering devices. In addition to their usual meanings the terms "affix stamp," "affixture of stamp or stamps," and like terms shall mean and include the imprinting of impressions denoting payment of the tax imposed by this title as authorized by this section.

(i) Stamps may be purchased only by licensed wholesalers, by licensed retailers, and by licensed vending-machine operators. Discount from face value of such stamps at a rate not to exceed 10 percent may be allowed under such terms and conditions as the Commissioners may by regulation prescribe.

SEC. 4. No person shall within the District of Columbia, manufacture for sale, keep for sale, sell, or offer to sell cigarettes, or display cigarettes for sale in vending machines, without having first obtained a license or licenses under this title for such purpose or purposes.

SEC. 5. The designated District agency is authorized to issue licenses to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor for the manufacture or sale of cigarettes within the District of Columbia. The designated District agency shall keep a full and complete record of all applications for licenses and of action taken thereon.

SEC. 6. Licenses shall be of three kinds, namely:

A. Retailer's license: Such a license shall authorize the holder thereof to keep for sale and to sell cigarettes to consumers, from the place therein designated and to deliver such cigarettes to consumers in original packages: *Provided*, That cigarettes may be sold in number less than the number contained in the original package if such sales be permitted by regulations approved by the Commissioners. A separate license shall be required for each such place or establishment. Such a license shall not authorize the licensee to sell to other licensees for resale.

The annual fee for such license shall be fixed by the Commissioners at a rate not to exceed $5 for each retail establishment.

B. Vending machine operator's license: Such a license shall authorize the holder thereof to sell or offer to sell cigarettes from or by means of vending machines located in the place or places described therein. The Commissioners may by regulation require that a separate license be obtained for each machine or may permit a blanket license for one or more machines and may also prescribe that evidence of licensing of such machines be attached to each such machine by means of markers, stickers, or otherwise. The annual fee for such license shall be fixed by the Commissioners at a rate not to exceed $5 for each and every such machine.

C. Wholesaler's license: (1) Such a license shall authorize the holder thereof to manufacture or to purchase or otherwise to acquire and to sell cigarettes in original packages to any person holding a license under this title as wholesaler, retailer, or vending-machine operator, or to consumers.

(2) Such a license may at his election purchase from the Collector of Taxes and affix to original packages stamps denoting payment of the tax imposed by this title and, upon delivery to a vendee licensed under this title, of such original packages with such stamps properly affixed may add to the selling price of such cigarettes an amount equal to the face value of such stamps and collect such amount from such vendee. If a wholesaler licensed hereunder shall sell cigarettes to consumers, it shall be the duty of such wholesaler prior to the sale and delivery of such cigarettes to affix to the original packages the stamp or stamps denoting the payment of the tax imposed by this title.

(3) A license as wholesaler shall authorize the holder thereof to manufacture at and to sell cigarettes from the place or places in the District therein designated. The Commissioners are empowered in their discretion to authorize, by regulation and upon such terms and conditions as they may require, the issuance of such a license for a place outside the District. A separate license shall be required for each such place within or without the District

The annual fee for each such license shall be fixed by the Commissioners at a rate not to exceed $50.

SEC. 7. Licenses issued under authority of this title shall remain in effect for periods as may be fixed by regulation approved by the Commissioners, not exceeding 1 year

from the effective date of such licenses or unless revoked prior to their expiration.

Licenses issued under this title may be suspended or revoked for any violation of this title or the regulations issued thereunder, by the Commissioners or by a designated District agency, after hearing held by a designated District agency.

SEC. 8. The taxes imposed and the licenses required by this title shall be in addition to the taxes imposed and the licenses required by any other act.

SEC. 9. This title shall be administered by designated District agencies except where specific duties are imposed upon specific officers by the terms hereof. The Commissioners are authorized to make rules and regulations to carry out the provisions of this title.

SEC. 10. The Commissioners are authorized to employ personal services in accordance with the Classification Act of 1923, as amended, and to incur such other expenses as may be necessary to carry out the provisions of this title and to include such amounts in their annual estimates.

SEC. 11. Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be punished by a fine of not more than $1,000 or by imprisonment for not longer than 1 year, or by both such fine and imprisonment, in the discretion of the court. Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia by the corporation counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States Attorney in and for the District of Columbia, or any of his assistants.

SEC. 12. Nothing in this title shall be construed as repealing any portion of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended.

The amendment was agreed to.

The next amendment was on page 74, line 5, to strike out "15" and insert "13"; in line 8, to strike out "VI" and to insert "VII"; and in line 14 to strike out "VII" and to insert "VIII."

The amendment was agreed to.

The PRESIDING OFFICER. This completes the committee amendments.

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of the Senator from West Virginia [Mr. NEELY] and myself I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 4, beginning with the word "and," it is proposed to strike out all down to and including the word "thereby," on page 74, and insert the following:

On page 1, line 4, beginning with the word "and", strike out all down to and including the word "thereby" on page 74, line 18, and insert the following:

"TITLE I

"PERMANENT APPROPRIATION

"SECTION 1. (a) There is appropriated for such fiscal year beginning with the fiscal year ending June 30, 1950, as the annual payment by the United States toward defraying the expenses of the Government of the District of Columbia an amount equal to 25 per centum of all amounts authorized by the Congress as budgetary expenditures for the Government of the District of Columbia for each such fiscal year.

"(b) Of the amounts appropriated by subsection (a) for each fiscal year, the sum of $1,000,000 shall be credited to the water fund of the District of Columbia and the remainder shall be credited to the general fund of the District of Columbia.

"(c) Article VI of the District of Columbia Revenue Act of 1947 is repealed."

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, it will be noted that the amendment I have offered is in the nature of a substitute for the entire bill. Under the amendment the donation by the Federal Government to the expenses of the District of Columbia would cover practically the same amount the pending revenue bill would raise. I hope that in my discussion of the amendment I shall be able to convince the Senate that the Government is not at the present time doing its duty to the District of Columbia, so far as its portion of the appropriation is concerned.

Mr. President, I hold in my hand a book having to do with the fiscal relations between the United States and the District of Columbia. In this report I find that section 5 gives a history of the fiscal relations between the District and the Federal Government. I think it very pertinent at this time that this chapter be read into the RECORD, and that will take some time. But if Senators will follow me closely, they will find it to be a fact that the Federal Government, from the beginning until about 1920 donated toward the expenses of the city on a 50-50 basis, that is, the United States Government gave 50 percent and the District raised by taxes the other 50 percent until 1920.

From 1921 to 1924, of the amount appropriated for the District, the Federal Government paid into the Treasury 40 percent and the District raised by taxation 60 percent. There was a statute on the books which made the Federal Government contribute 50 percent, until 1921. In 1921 the ratio was changed, and the city was to pay 60 percent and the Federal Government 40 percent. That law remained on the statute books until 1938, although the Congress failed to live up to it for several years. I wish to read into the RECORD exactly what took place in order that Senators may know what has happened in the past. I read from the book to which I have referred:

National allotments for the support of local government in the Federal District have passed through three main stages since 1790. Until 1878 there was no fixed system. From 1878 until 1925 Federal payments were made on a fixed-percentage basis. Since 1925 there have been annual lump-sum allowances. In addition to these basic provisions, however, there have been from time to time variations in the provisions for charging particular items of expenditure and for crediting particular local revenues between the governments. Also there have been various congressional acts retroactively changing the charge or credit of specified items. Consequently it is difficult to obtain precise statistics reflecting the Federal share in District costs. Such figures as have been made available for this survey are summarized in table 5A. Details appear in later tables and in charts 2 and 3.

I notice the chart covering expenditures is checkered, the Government appearing to have paid more at some times than at others. I resume the reading:

Formal monetary allowances and credits do not, however, cover the whole field of fiscal interrelationships of the Federal and District Governments. Various Federal departments perform services or make property holdings available directly for the inhabitants of the District, and others have contractual or informal service relationships which are not reflected in appropriation accounts. On the other hand, certain services are rendered by the District Government for the special benefit of the National Government rather than for the District constituency. Such intergovernmental services are discussed in section 8 of this report, and so far as adjustments can be made for them, this is done in section 12. Figures presented in the present section reflect only the formal monetary relationships.

The role of the Federal Government in local finance in the District has been the subject of frequent investigation and debate since 1800.

Extensive congressional debates and reports accompanied the changes made from time to time in the system of Federal grants. The results of each inquiry and the views expressed in Congress are summarized in appendix A, which includes the legislative background for adoption of the fixed percentage basis in 1878, the change in the percentage in 1920, and substitution of the lump-sum system in 1924. The conclusions drawn from this review are included at the end of this section.

The circumstances giving occasion for special official inquiry have varied, and the form of inquiry also has varied. In 1834–36 and in 1874 the objective was to save the District from the consequences of defaults upon its public debt; also in 1874 and again in 1876 the objective was to draft a permanent form of local government. More recently the investigations have been instituted usually for the purpose of seeking a formula to settle the Federal-District fiscal relationships, either upon some special point or generally. Sometimes the inquiry has been made by a special joint committee—as was the case with the Allison and Morrill reports of 1874, the Hunton report of 1875, the Chilton report of 1916, and the Phipps report of 1923. In two cases it was made by a select committee of the House—the Johnson report of 1892 and the Mapes report of 1931. The Poland report of 1874 was from the House Committee on the Judiciary. The Southard report of 1835 and Tyler report of 1836 were from the Senate Committee on the District, and the Stoddert report of 1834, the school lots report by Mr. Brown in 1856, the Starkweather report of 1872, Babcock report of 1896, and tax reports of 1912 and 1914 were from the House Committee on the District. Some of these committees employed accountants, fiscal specialists, or other outside assistants. For the most part they conducted hearings and received briefs and based their reports upon materials thus gathered or obtained through the researches of committee members. In two recent instances the whole investigation was entrusted to an administrative agency of the Federal Government. These were in 1929 and 1930, when the Bureau of Efficiency prepared two reports, and in 1935 when the Treasury Department made a study of comparative tax burdens. The present investigation is the first official inquiry by an agency outside the Congress without permanent administrative relationships to the Federal Government.

Mr. President, the reason I am bringing these facts to the attention of the Senate is that the proposed legislation would change, to a large extent, the manner in which the fiscal operations of the District of Columbia have been conducted. I fear the adoption of a sales tax for the District will block the Federal Government forever from making its proper allotment to the District.

Let us go back again to the period from 1790 to 1878. It will be found that during that period there existed no fixed system.

In the absence of a definite plan of contributions by the Federal Government, residents of the District made repeated appeals to Congress during the period 1800 to 1871 for relief from a situation which they claimed was becoming intolerable. It was argued that the District, as the capital of the Nation, was laid out and was being developed on a scale beyond the means of an average municipality, and that, therefore, the Federal Government should share with the citizens the cost of its operation and maintenance. As a matter of fact, apart from the Federal buildings themselves, there was slight physical improvement of the District before 1871. Indeed it was partly as a result of local pressure for more speedy development that the Government of the District was unified in that year.

Even during this period, despite lack of a comprehensive policy, fixed rules were occasionally formulated for Federal contributions to particular items of expenditure. For example, an act of May 15, 1820, provided for the payment by the United States on a front-foot basis for street and sidewalk improvements along any Federal property. Payment was to be made from sales of lots owned by the Government in the city.

A Senate committee recommended in 1835 that the Federal Government pay a definite proportion of the local government expense, based upon its property holdings in the District, but no action was taken in this direction.' The expenditures of the Federal Government continued to be irregular, but were more liberal. It is impossible, however, to state accurately the amount of Federal allotments to District purposes during this period, chiefly because of the difficulties of distinguishing between payments for ordinary Federal operations within the District and payments for the special benefits of the District. In 1878 the Secretary of the Treasury, Mr. Sherman, prepared, in response to a request from the Senate, a detailed statement exhibiting "all appropriations and expenditures from the National Treasury, for public and private purposes, in the District of Columbia, from July 16, 1790, to June 30, 1876." Aggregate net expenditures after credits for repayments and other offsets, were reported at $92,112,396, but by far the larger part of this sum was expended within the District for the routine operations of ordinary Federal departments and for provision of Federal buildings. In the Chilton committee hearings of 1915, a representative of the joint citizens' committee of the District submitted tabulations said to have been derived by a selection of items in the Sherman report. These tabulations indicated that for the entire period 1790 through 1876 there were Federal payments of $26,628,728 for municipal purposes of the District. These payments were divided by periods as follows:

1790 to 1835, inclusive	$1,429,079
1836 to 1870, inclusive	12,477,159
1871 to 1876, inclusive	12,722,490

The tabulation by years indicated that from 1790 to 1835 there were 22 years with no Federal payments, against 24 years in which there were such payments, and that there were Federal payments in every year from 1823 through 1876. By supplementing these statistics from the Sherman report with data from financial records of the District, the citizens' committee prepared a table, reproduced as table 5B, which indicated that the Federal Government met approximately 38.7 percent of all local governmental costs from 1790 through 1878. Based on this table, the aggregate Federal payment for the period 1790–1835 was 25.7 percent; for 1836–70, 41.2 percent; and for 1871–78, 38.6 percent. As the committee explained, however, the statement was only approximate.

It will be noted from the amendment now at the desk, submitted by me, that it calls for only 25 percent, which is less than any amount stated here that the Federal Government gave in those years. Later the 50–50 basis came into effect.

THE 50–50 BASIS

The flat percentage system was established in the organic act. After providing that the District Commissioners should submit annually to Congress, through the Secretary of the Treasury, estimates of their needs for current and other expenses of the District for the succeeding fiscal year, the law of 1878 provided as follows:

"And to the extent to which Congress shall approve of said estimates, Congress shall appropriate the amount of 50 percent thereof; and the remaining 50 percent of such approved estimates shall be levied and assessed upon the taxable property and privileges in said District other than the property of the United States and the District of Columbia."

The 50–50 system continued as the basic arrangement until the fiscal year 1921, but Federal payments for District purposes were not precisely 50 percent of the total during this period. There were occasional departures from this percentage with respect to particular items of expenditure; moreover, some miscellaneous local revenues were credited on occasion to the United States, reducing the percentage of its net payments.

At various times Congress provided that specified appropriations should be paid entirely from revenues of the District. For example, expenses of the water distribution system were paid entirely from revenues of the District Water Department, which have formed a special fund for that purpose since 1880. Major additions, beyond the resources of the water fund, however, were charged on the 50–50 basis to the United States and the District in the fiscal years 1898 to 1920, inclusive, and on the 40–60 basis from 1921 through 1924, the expenditures being treated as general-fund expenditures of the District. For the fiscal years 1880 to 1916, inclusive, the expense of maintaining the Washington aqueduct was charged half to the United States and half to the general revenues of the Water Department; for the fiscal year 1917 and thereafter it was charged wholly to the water revenues.

For some years after 1878 the miscellaneous revenues of the District, other than those derived from licenses and taxes, were deposited in the Federal Treasury entirely to the credit of the District. Beginning with the appropriation act of 1889, Congress provided at various times that specific sources of revenue be credited half to the United States and half to the District Government. Some of the receipts of earlier years were subsequently recredited to the United States out of District revenues. The receipts thus reassigned were principally for fines collected in criminal cases in the supreme court of the District and fines collected in the police court. Appropriation acts from 1913 to 1919 provided for reimbursing the United States in amounts totaling $2,444,148.16, each item representing revenues improperly credited to the District or expenditures which, in the opinion of Congress, had been improperly charged to the United States. Another adjustment made about this time by the Comptroller of the Treasury without legislation was a charge against the District of $52,973.64 in settlement of payments made by the Department of the Interior for the education of indigent blind children of the District of Columbia.

Because of the retroactive application of these adjustments and their complicated character, it is not feasible to indicate their net effect upon the Federal share in District municipal expenditures. The recrediting of receipts was based in general on two different kinds of claims: (1) That the revenues (such as District supreme court fines) were essentially Federal, not local, revenues, or (2) that the Federal Government should be credited with half the revenues of activities (such as health department fees) for which it provided half the funds. The recharging of expenditures was based in general on the contention that the Federal Government had advanced money for the District or that the District had simply been undercharged.

Without adjustments of this sort, the year-by-year amounts and percentages of the Federal share in District expenditures from 1878 through 1920 are set forth in table 5C and charts 2 and 3. As indicated in the table, the records of the District auditor show that the Federal Government received credits for local miscellaneous revenues only in 1903 and later years, although there probably were such credits earlier. These are current credits for local collections, and do not include recredits of past receipts, nor do they reflect recharged expenditures.

The gross Federal payments during the 42 fiscal years of the 50–50 basis represent, on an average, 46.8 percent of District government payments for all purposes, including the water fund, and 49.2 percent of payments from the District general fund. It may be assumed, however, that the local revenues would have been available entirely to the District government had there been no Federal participation in expenses. If, therefore, the Federal share of local revenues, as currently credited, is offset against the gross Federal payments, the net contribution during 1879–1920 is found to represent on an average 46.1 percent of all District payments, including payments from the water fund, and 48.4 percent of payments from the District general fund. The net Federal payment varied from 54.6 percent of all District payments in 1879 to 42.2 percent in 1902.

Mr. NEELY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from West Virginia?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. NEELY. Mr. President, I ask the Senator to yield to me to permit me to request unanimous consent that I may suggest the absence of a quorum without having the Senator from South Carolina lose the floor. He is speaking on a very important subject, and I feel that a quorum should be present.

The PRESIDING OFFICER. The Senator from West Virginia asks unanimous consent that the Senator from South Carolina may yield for the purpose of the suggestion of the absence of a quorum, without losing his right to the floor.

Is there objection? The Chair hears none.

Mr. NEELY. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hunt	Maybank
Anderson	Ives	Millikin
Baldwin	Jenner	Murray
Bridges	Johnson, Colo.	Myers
Butler	Johnson, Tex.	Neely
Byrd	Johnston, S. C.	O'Conor
Chavez	Kem	O'Mahoney
Cordon	Kilgore	Pepper
Donnell	Knowland	Reed
Eastland	Lodge	Robertson
Ellender	Long	Russell
Ferguson	Lucas	Schoeppel
Gillette	McCarran	Smith, Maine
Hayden	McFarland	Taft
Hendrickson	McGrath	Thye
Hickenlooper	McKellar	Wherry
Hill	McMahon	Williams
Hoey	Magnuson	Young
Holland	Malone	
Humphrey	Martin	

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSTON of South Carolina. Mr. President, I was explaining that the Federal Government's allotment to the District of Columbia is not sufficient, and to support my argument I was reading from a report of an independent study of fiscal relations between the United States and the District of Columbia, prepared at the direction of the President pursuant to Public Act 762, Seventy-fourth Congress, second session, approved June 23, 1936. In this report there is information concerning what the allotments of the Federal Government have been from year to year. So I shall continue to read from the report, taking up where I left off. To bring it clearly to the attention of the Senate, the Federal Government's allotment is now approximately 11 percent. I call that fact to the attention of the Senate, to show how much the Federal Government's allotment is out of line with that of the past.

I now read from the report:

THE 50–50 BASIS

The equal division of responsibility for local governmental costs was abandoned in the appropriation act for the fiscal year 1921. This act provided that, apart from certain items charged entirely to the District, there should be paid by the United States 40 percent of the expenses of the District, the remaining 60 percent to be paid from District revenues. In order to provide sufficient local revenue, the District Commissioners were authorized to increase their tax rate. The provision of the organic act, calling for equal contributions, was not repealed; the departure was enacted for the year 1921 only. Miscellaneous revenues of the District continued to be credited equally to the United States and the District, excepting revenues from the sale of surplus products of the home for the aged and the infirm and of the workhouse and reformatory, which were divided in the same proportions as appropriations.

Looking at table 5C, which I should like to have inserted in toto, and from which I shall read some of the totals, I notice that the total appropriations from 1879 to 1920, in the general fund, amounted, for the District of Columbia, to $349,841,000, of which the contribution by the United States was $171,096,000, which amounted to 48.4 percent.

The PRESIDING OFFICER. Without objection, the table referred to by the Senator from South Carolina will be printed in the RECORD.

The table is as follows:

TABLE 5C.—*Expenditures of the District of Columbia by funds and contributions by the United States—fiscal years 1879–1936*

[Amounts in thousands of dollars]

Fiscal year	Expenditures				Contributions by United States					
					Gross		Less receipts covered to credit of United States [2]	Net		
	Total	General fund [1]	Water fund	Gasoline tax fund	On flat percent basis	On lump-sum basis		Amount	Percent of total District of Columbia payments	Percent of District of Columbia general fund
50–50 basis:										
1879	3,143	3,060	83		1,717			1,717	54.6	56.1
1880	3,450	3,280	170		1,653			1,653	47.9	50.4
1881	3,683	3,542	141		1,809			1,809	49.1	51.1
1882	3,455	3,357	98		1,679			1,679	48.6	50.0
1883	3,620	3,515	105		1,765			1,765	48.8	50.2
1884	3,602	3,491	111		1,746			1,746	48.5	50.0
1885	3,913	3,762	151		2,010			2,010	51.4	53.4
1886	3,797	3,609	188		1,901			1,901	50.1	52.7
1887	3,939	3,723	216		1,887			1,887	47.9	50.7
1888	4,130	3,912	218		1,955			1,955	47.3	50.0
1889	5,074	4,765	309		2,380			2,380	46.9	49.9
1890	5,568	5,373	195		2,682			2,682	48.2	49.9
1891	5,747	5,526	221		2,756			2,756	48.0	49.9
1892	6,172	5,883	289		2,861			2,861	46.4	48.1
1893	5,557	5,269	288		2,574			2,574	46.3	48.9
1894	6,102	5,750	352		2,731			2,731	44.8	47.5
1895	6,103	5,678	425		2,728			2,728	44.7	48.0
1896	6,260	5,860	400		2,769			2,769	44.2	47.3
1897	6,252	5,972	280		2,911			2,911	46.6	48.7
1898	6,586	6,345	241		3,151			3,151	47.8	49.7
1899	7,167	6,906	261		3,243			3,243	45.2	47.0
1900	7,749	7,302	447		3,529			3,529	45.5	48.3
1901	9,204	8,855	349		4,249			4,249	46.2	48.0
1902	9,663	9,303	360		4,082			4,082	42.2	43.9
1903	9,641	9,088	553		4,469		19	4,450	46.2	49.0
1904	9,818	9,084	734		4,672		23	4,649	47.4	51.2
1905	11,588	11,178	410		5,622		23	5,599	48.3	50.1
1906	11,847	11,437	410		5,622		24	5,598	47.3	48.9
1907	11,373	10,863	510		5,404		21	5,383	47.3	49.6
1908	12,195	11,634	561		5,691		30	5,661	46.4	48.7
1909	13,187	12,654	533		6,226		45	6,181	46.9	48.8
1910	11,396	10,802	594		5,355		70	5,285	46.4	48.9
1911	12,125	11,489	636		5,689		35	5,654	46.6	49.2
1912	13,098	12,439	659		6,145		139	6,006	45.9	48.3
1913	12,504	11,664	840		5,800		262	5,538	44.3	47.5
1914	12,543	11,772	771		5,799		233	5,566	44.4	47.3
1915	13,211	12,606	605		6,118		216	5,902	44.7	46.8
1916	13,401	12,808	593		6,333		275	6,058	45.2	47.3
1917	13,714	12,941	773		6,314		256	6,058	44.2	46.8
1918	15,119	14,384	735		7,032		212	6,820	45.1	47.4
1919	17,896	17,096	800		8,084		368	7,716	43.1	45.1
1920	20,739	19,864	875		9,953		394	9,559	46.1	48.1
Total, 1879–1920	365,331	347,841	17,490		171,096		2,645	168,451	46.1	48.4

[1] General fund expenditures as shown here include payments from District revenues into the policemen and firemen's relief fund and a payment of $1,000,000 in 1936, which were shown separately by the auditor. They include also gross contributions by the United States. Expenditures from trust funds held by the District government are not included in this table.

[2] The deductions for receipts covered to the credit of the United States represent proportionate amounts of miscellaneous local revenues, as explained in the text of this section. Federal sharing in these local revenues was discontinued in 1924; amounts shown after that year are on account of revenues accrued in earlier years. Miscellaneous revenues released by the United States to the District of Columbia have been reported by the District auditor as follows (in dollars): 1925, $664,319; 1926, $786,358; 1927, $758,738; 1928, $865,340; 1929, $935,280; 1930, $968,761; 1931, $771,703; 1932, $885,301; 1933, $883,107; 1934, $663,190; 1935, $803,577; 1936, $700,000 (estimate) (74th Cong., 2d sess., hearings before the subcommittee of House Committee on Appropriations, District of Columbia appropriation bill for 1937, p. 49).

TABLE 5C.—*Expenditures of the District of Columbia by funds and contributions by the United States—fiscal years 1879–1936*—Continued

[Amounts in thousands of dollars]

Fiscal year	Expenditures				Contributions by United States					
					Gross		Less receipts covered to credit of United States	Net		
	Total	General fund	Water fund	Gasoline tax fund	On flat percent basis	On lump-sum basis		Amount	Percent of total District of Columbia payments	Percent of District of Columbia general fund
40–60 basis:										
1921	23,140	22,114	1,026	----------	9,218	----------	516	8,702	37.61	39.35
1922	24,114	23,118	996	----------	9,188	----------	413	8,775	36.39	37.96
1923	23,376	22,168	1,208	----------	8,910	----------	628	8,282	35.43	37.36
1924	25,837	24,626	1,211	----------	9,130	----------	594	8,536	33.04	34.66
Total, 1921–24	96,467	92,026	4,441	----------	36,446	----------	2,151	34,295	35.55	37.27
Lump-sum basis:										
1925	31,102	29,084	1,367	$651	1,235	$9,000	191	10,044	32.29	34.53
1926	32,720	30,246	1,464	1,010	−15	9,000	57	8,928	27.29	29.52
1927	35,919	33,524	1,326	1,069	−6	9,000	105	8,889	24.82	26.52
1928	37,615	34,716	1,497	1,402	68	9,000	76	8,992	23.91	25.90
1929	38,510	35,478	1,527	1,505	135	9,000	17	9,118	23.68	25.70
1930	43,823	40,658	1,427	1,738	208	9,000	6	9,202	21.00	22.63
1931	46,648	42,994	1,659	1,995	161	9,500	8	9,653	20.69	22.45
1932	46,999	43,562	1,808	1,629	193	9,500	2	9,691	20.58	22.25
1933	40,779	37,346	1,744	1,689	193	7,775	1	7,967	19.54	21.33
1934	35,560	31,824	1,594	2,142	139	5,700	2	5,837	16.41	18.34
1935	[3] 39,311	[3] 35,288	1,585	2,438	146	[3] 5,700	19	[3] 5,827	14.82	16.51
1936	42,500	38,395	1,676	2,429	160	5,700	8	5,852	13.77	15.24
Total, 1925–36	471,486	433,115	18,674	19,697	2,617	97,875	492	100,000	21.21	23.09

[3] The Federal lump-sum for 1935 was reported by the auditor as $4,539,295. It is included in this tabie at $5,700,000. The difference of $1,160,705 represents repayment of a PWA advance for sewer and park improvements, this amount having been deducted before the Federal lump sum was made available for other District expenditure.

Source: Adapted from a tabulation supplied by the District auditor.

Mr. JOHNSTON of South Carolina. From 1921 to 1922, the general fund for the District was $92,026,000. I noticed that the contribution by the United States Government was, gross, $36,446,000, or 37.27 percent. Then the lump sum started. The first year, 1925, it started fairly well in line, but I want to show how it got out of line. In 1925 the expenditures for the District were $29,000,000. The lump-sum contribution by the United States Government was $9,000,000.

In 1926 the general fund for the District was $30,246,000. The Federal Government's contribution still remained at $9,000,000.

In 1927, with costs still rising, and with the expenditures for the District, from the general fund, amounting to $33,524,000, the District received as its contribution from the Federal Government a lump sum of $9,000,000.

In 1928, it will be found that expenses were still rising, amounting to $34,716,000, and that the Federal Government's contribution was still the same, $9,000,000.

In 1929, with expenses of the District still rising, amounting to $35,478,000, the Federal Government's contribution was the same, $9,000,000.

In 1930, expenses were still rising in the District. The expenditures were $40,649,000. The Federal Government's contribution was still the same, $9,000,000.

In 1931 expenses, still rising, were $42,994,000. The Federal Government increased its contribution just a little, to $9,500,000.

Then, with expenses still going up, in 1932 the appropriation was $43,562,000 for expenditures by the District. The Government contribution was still the same as the year before, $9,500,000.

Then in 1933 everything was cut. Not only the Federal Government's amount was cut, but the expenditures of the District were cut to $37,346,000, a reduction of almost $6,000,000. The Federal Government cut its contribution to $7,775,000.

Again in 1934 the expenditures for the District were cut to $31,824,000, and the Federal Government allotment was cut to $5,700,000.

In 1935 a little more was spent than the year before, $35,288,000. But the Federal Government did not increase the amount it paid. The Federal Government's contribution was $5,700,000.

In 1936, the last year this report covers, the District's expenditures were $38,395,000. The Federal Government did not increase its contribution one cent; it kept it at $5,700,000.

Instead of $38,000,000, the general fund will now be, in round numbers, in the neighborhood of $100,000,000, a jump from $38,000,000 in 1936 to $100,000,000 at the present time.

It will be found that although in 1925 the Federal Government contributed $9,000,000 when the District was spending $29,000,000, today it contributes only $11,000,000, when the expenses of the District are $100,000,000. Are we doing our share?

Mr. President, I should like to call attention to the fact that approximately half the land area in the District belongs to the Federal Government. All of those who come here from other countries to represent their governments are tax-free. A drive out Massachusetts Avenue will make plain what I am talking about.

Moreover, there are approximately 200,000 Government workers in the District, and a very small proportion of them pay any taxes to the District. All of them, if they have children, send their sons and daughters to the schools of the District of Columbia. They have fire protection and police protection, and I think it is time for Congress to wake up and pay to the District the Government's pro rata share.

This report was made in 1936, through authorization of an act of Congress, and it shows what we should be doing. Let me read further:

The appropriation act for the fiscal year 1922 again adopted the 40–60 basis of division and provided that during that year and thereafter all fees, fines, and other miscellaneous items of revenue required by law to be credited to the United States and the District should be deposited in the Treasury to the credit of the United States and the District in the same proportions as appropriations were paid by these governments. Similar provision was made for collections on account of special assessments.

The appropriation act for the fiscal year 1923 adopted the 40–60 basis as a permanent policy repealing the 50–50 provision of 1878 by implication but not expressly. The act further provided that in the case of revenues arising from property situated on land owned by the United States and improved at the joint expense of the national and District governments the United States should be first credited with a sum equal to 3 percent on the value of the land and the remainder of the revenues credited in the proportion that each government contributed to the improvement.

The 3 percent ground rents appear never to have been paid. In any case the requirement was terminated, according to a ruling of the Comptroller General, with the change from the fixed percentage to the lump-sum system of Federal allotment.

Despite the policy announced in the appriation act of 1923, the fixed-percentage system was last used for the fiscal year 1924. In 1925 Congress turned to the lump-sum method, though without specifically repealing the 40–60 provision of the appropriation act of 1923.

The yearly and aggregate share of the United States and District expenditures during the period of the 40–60 basis are set forth in table 5C.

I have already asked to have that table printed in the RECORD in full.

The total gross payments for the 4 years represented 37.8 percent of all District Government expenditures and 39.6 percent of general fund expenditures. The net payments after deducting local revenues credited to the United States equaled 35.6 percent of all District expenditures and 37.3 percent of general fund expenditures.

In the amendment which I have offered I am asking for only 25 percent. If any Senator will read this report and not come to the conclusion that 25 percent is certainly a low figure to set, then this report should not have been made, nor should the investigation have been called for.

The next heading is "Period 1925 to present."

That is when the lump-sum arrangement went into effect.

Under the lump-sum system Congress has provided in the annual appropriation act for the District that all the expenditures be charged against District revenues but has supplemented these revenues in each year with a fixed amount from the Federal Treasury. Certain local revenues previously credited in part to the United States have been credited entirely to the District government since the lump-sum method was inaugurated, excepting only that the United States has continued to receive its proportionate share of special assessments and other revenues arising as a result of expenditures from appropriations for the fiscal year 1924 and earlier years. These revenues on account of earlier years still accrue in small amounts annually, as shown in table 5C, where they are treated as deductions from the lump sums in determining net Federal payments to the District. In a footnote to the table are indicated the amounts of miscellaneous revenue which the Federal Government would have received if the earlier provisions of law had been continued. These amounts ranged from $663,000 to $969,000 a year.

I should like to say that the chairman of the District Committee has introduced a bill to give to the District a far larger amount than is called for in my amendment.

Mr. NEELY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from West Virginia?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEELY. Does the Senator from South Carolina agree with me that it would be much more prudent to pass the bill which the distinguished chairman of the committee has introduced than it would be to levy a consumer's sales tax on the inhabitants of the District of Columbia?

Mr. JOHNSTON of South Carolina. I agree with the Senator from West Virginia 100 percent. Then what we ought to do is to authorize an investigation to be made, and determine what the allotment from the Federal Government should be. There is not a Member on this floor who, unless he has given more time to a study of the subject than I think Senators can give to it, can actually pass upon what is the proper amount the Federal Government should contribute to the District. I defy anyone to say that he knows today the exact amount the Federal Government should pay. The only thing we could go by would be a thoroughgoing investigation. We can also be guided by what has been done in years gone by. Senators will find that until the depression years the Federal Government was giving far more to the District Government than is provided by the amendment I have offered.

The first lump-sum allotment, for the fiscal year 1925, was $9,000,000—

Which was 34.53 percent.

The same amount was designated for each of the following fiscal years through 1930. In 1931 and 1932 the annual allotment was increased to $9,500,000.

Think of that, Mr. President. In 1931 and 1932 the Federal payment for each year was $9,500,000, and the payment for the present year is only $11,000,000. The Government pays only $11,000,000 now, whereas the District of Columbia expenditures are around $100,000,000 a year, while in round figures the District of Columbia government expenditures in 1931 and 1932 were around $30,000,000 or $31,000,000. Someone somewhere has done some incorrect figuring.

In 1933—

A depression year—

In 1933 it was reduced to $7,775,000; and in 1934 it was further reduced to $5,700,000. For each of the fiscal years 1935 and 1936 Congress again appropriated $5,700,000. The lump-sum was reduced further to $5,000,000 for the fiscal year 1937 with provision for an independent survey to establish guides for future action.

SUMMARY OF FEDERAL CONTRIBUTIONS

A definitive statement of the net amount paid from general revenues of the United States for local District governmental operations since 1790 cannot be achieved. Such a statement should take account of the variety of intergovernmental service relationships existing over the years. Some services rendered to the District are not covered in the District appropriations but in regular Federal departmental appropriations. Some services of special interest to the National Government are rendered by the District government. Adjustments for recent years, developed and applied in sections 8 and 12 of this report, indicate that such intergovernmental services do not necessarily cancel out. A definitive statement should allow also for various provisions of law retroactively revising the credits for certain revenues or the charges for certain expenditures. Neither type of adjustment is made in the data presented in the foregoing pages.

Waiving these adjustments, the record shows a steady growth in the amount of Federal payments for local purposes until 1925 but a generally declining tendency in the percentages. Under the flat percentage system, the Federal share grew in amount as District expenditures grew, although dropping off somewhat in 1921 with the shift from the 50-50 to the 40-60 basis. After the change to the lump-sum system, the amount of the Federal allotment was constant for a few years, rose in one year, and then declined. Under the lump-sum system there has been a continuing decline in the relative importance of the Federal payment as a source of support for the District government. In general, the Federal percentage share over an extended period was about the same under the irregular system of 1790–1878, and the 40–60 system. It was highest under the 50–50 system and has been lowest—averaging 23 percent of general-fund expenditures in the aggregate—under the lump-sum system.

Even under that lump-sum system since 1925 it has added 23 percent, but as it has gradually, from a percentage standpoint, been lower and lower.

CONCLUSIONS OF PREVIOUS INVESTIGATIONS

The review of previous official reports, in appendix A, indicates the diversity of issues and considerations entering into the problem of fiscal relations between the Federal and District Governments. Conclusions and recommendations, likewise, have exhibited a diversity, yet certain elementary doctrines have been so frequently accepted in the official reports that they call for more than passing attention. Mere repetition of particular views does not enhance their logical or moral stature, but it does suggest what assumptions and conclusions have appeared reasonable at various times to different men. It should be recognized, of course, that most of the official investigations have been made directly by committees of Congress, comprising men elected from particular districts other than the District of Columbia and operating under special pressure to hold down the taxes upon their constituents; yet it cannot be said fairly that any of the reports reflects concern for any interest narrower than the welfare of the Nation as a whole. Consequently it seems unlikely that repetition and agreement, so far as they occur, result from any persistent bias in the investigating bodies. They seem to represent, rather, a gradual clarification of the points at issue. In the more recent reports the problem of fiscal relations has been seen as comprising a number of subordinate problems rather than a broad question to be answered on a wholesale scale.

The Southard committee in 1835 took the position that Federal property should not be taxed, although benefits common to the Federal Government and the District should be met by mutual burdens. The Starkweather report (1872) held that the amount of Federal allotments should be related to the value of United States property in the District, and the Hunton (1876) and Babcock (1896) reports justified the fixed percentage system by reference to the relative values of exempt and taxable properties, but the reports of the Bureau of Efficiency in 1929 and 1930 were the first to suggest that the Federal Government should pay taxes to the District on the basis of the value of its properties and the local tax rate. With this exception there seems to run through the reports an unvarying assumption that the United States could not be taxed and should not be taxed by any regular taxing method. On the floor of the House, on the other hand, it has sometimes been proposed that Federal properties be, in effect, taxed for District purposes. In 1871 such a proposition passed the House but was rejected by the Senate.

Although opposed to a taxing method, the Southard committee held that the United States has a special obligation to improve the District in accordance with its special status as Capital. This view had been expressed by the Stoddert committee; it was echoed in the Poland and Chilton reports and indirectly in the reports of the Bureau of Efficiency. The Southard, Poland, and Chilton reports were referring, however, to direct Federal expenditures for improvements enhancing the beauty or grandeur of the Capital, whereas the Bureau of Efficiency was referring to burdens imposed upon the local government of the District by the presence of a greater amount of nontaxable property and the need for more parks than in any ordinary city.

That is something we should think about. The parks in the District are lovely to look at. They belong not only to the city of Washington but to the Nation. We take the land out of the heart of the city. Some of the parks are maintained by the District, at great expense. Many factors enter into the question of what is the proper amount to pay on the expenditures of the District. Only a committee investigating this subject for days, weeks, and months could come to a proper conclusion.

In no report was there explicit or even implied denial of the doctrine that the Federal Government should bear the expense of improvements designed particularly to advance the District in its relations as the seat of the National Government.

Frequently, however, it was argued in the congressional debates and suggested in some reports that any obligation on the part of the United States is, in effect, ended with provision for expenditures of predominantly national interest. In the reports, this was usually corollary to the doctrine that residents and property owners of the District could reasonably be expected to pay taxes for local purposes at least equivalent to the taxes paid by residents and property owners in comparable American cities.

Along that line, I notice that the citizens of the District of Columbia are not paying as high taxes as citizens of other cities. In some cities taxes are much higher than in the District of Columbia at this time. I have a list which shows that Washington, D. C., levies per capita $35.71; Baltimore, $40.14; Boston, $74.48; Buffalo, $64.29; Cleveland, $43.78; Milwaukee, $56.34; Pittsburgh, $59.78; San Francisco, $51.33. Only St. Louis, with a figure of $35.34, levies a lower tax per capita.

Although the view was probably advanced earlier in the halls of Congress, the Morrill report of 1874 was the first report to present the doctrine that the people and property of the District may fairly be taxed for local purposes about the same as those of other like communities, and that the Federal Government may be expected to defray local expenses not covered by such taxation. In the Morrill report this doctrine was intimately related to recommendations for close Federal control of the District government. The Chilton report in 1916 reiterated this doctrine without making special reference to the extent of Federal control over the local government, but Senator Works, in his supplementary statement, again connected the principle of taxes equal to those of other like communities with the principle of direct Federal administration of the local government. The main report of the Chilton committee emphasized that the responsibility of District residents in taxation should be as fixed and certain as that of residents of other comparable American cities, and particularly that tax rates upon property should be fixed and certain.

I desire to call attention to something that is in the law which should not be there. I think all Senators will agree that it is not right to say that in the District of Columbia, if sufficient funds cannot be found, a greater tax should be levied on property. Is that right? In effect, that is the law on the statute books at the present time. I am trying to explain that if the Federal Government's allotment were what it should be—and my amendment provides that it shall be 25 percent—then the District of Columbia will not need a sales tax or any more revenue. If Senators will study the issue, they will be bound to come to the conclusion that the Federal Government should make to the District of Columbia an allotment of at least 25 percent or more.

I continue to read from the report:

This form of statement, it should be noted, disregards the fact that in most jurisdictions where general property taxes are levied the rate is variable from year to year in accordance with budget needs.

Like the Morrill and Chilton reports, the report of 1914 on the tax system of the District asserted that there is no good reason why owners of property in the District should not be taxed at substantially the same rate as like individuals would be taxed on like properties in other similar communities. All reports on fiscal relations since 1914 have adopted this view either expressly or by implication. The Phipps report expressed a belief that the United States had overpaid and was overpaying for District government, especially in view of the relatively growing private interests of residents and property owners and the low tax rate on property. The Mapes committee took the view that the United States should continue to make allotments, at least temporarily, but believed that inauguration of new tax forms and heavier taxation of property would bring the tax burdens of the District more nearly into line with those of comparable cities and would justify reduction or possibly elimination of the Federal grant.

The principal points of disagreement in recent reports have been (1) how to compare tax burdens in the District with those in other municipalities, and (2) whether the District is in fact taxed higher or lower than other comparable cities.

Rough comparisons between taxes in the District and other cities were made in Congress at least as early as 1876 and perhaps earlier but these were almost invariably in terms of unadjusted property-tax rates without regard to variations in assessment ratios from place to place. The Bureau of Efficiency in 1929 and 1930 argued that assessment ratios used for adjusting property-tax rates are ordinarily too crude and uncertain to yield reasonably accurate comparisons between different communities. Consequently, the Bureau adopted a method which would obviate the use of assessment ratios. The Bureau assumed that the true value of property per capita is about the same in all cities in the population group more or less comparable with Washington, and that any differences in per capita assessments may be explained either by differences in the assessment ratios or by variations in the price levels of property in the several cities. Its comparisons of the tax burden in Washington with the burden elsewhere were made by determining for other cities what property-tax rates they would have extended if they had had the same assessed valuation per capita as the District of Columbia actually had. The hypothetical tax rates thus determined were used for comparisons between cities. The Mapes report in 1931 and the Treasury report in 1935 rejected this method of comparison and returned to the use of adjusted tax rates determined from assessment ratios. The Mapes committee declared its opinion that if any consideration were to be given at all to per capita taxation in different cities, it should be confined to the per capita taxes levied on real property. The Treasury made comparisons of the taxes of all kinds payable in the District and in other cities by a number of hypothetical taxpayers whose economic circumstances and social status were assumed to be constant in all the taxing jurisdictions.

The action of the Bureau of Efficiency in including Federal properties in the per capita assessments for comparative purposes reflects a contention frequently made by citizens' groups of the District.

Though expressed in various forms, this contention is to the effect that the Federal properties correspond economically to taxed industrial properties in other cities and therefore the Federal allotment of funds should be treated partly or wholly as tax revenue of the District in any comparison with other cities. Earlier reports did not consider this approach, since they either stated or assumed the doctrine that Federal properties should not be subject to any regular taxing method. The Mapes committee considered this adjustment of assessment data and declared it could not agree with the underlying contentions. The Treasury report recognized that arguments for such an adjustment might be advanced, but pointed out that the treatment given must depend upon whether the Federal allotments can be claimed by the District as a matter of right or are given by the Federal Government as a matter of grace, and observed that in practice Congress has apparently adopted the second view.

The different methods of comparison have yielded, on occasion, varying conclusions. The Bureau of Efficiency did not state its conclusions, but the tables in its reports show that if the 14 cities which it used for its comparisons had had per-capita assessments of real estate and personal property at the same level as the actual per-capita assessment in Washington, they would have needed on the average higher rates than the District in order to raise the amounts which they actually levied. However, if their per-capita assessments of real estate and personal property had been as high as the per-capita assessment in Washington plus the estimated per-capita value of Federal properties which the Bureau classified as taxable, these other cities could have employed on the average lower rates than were extended in the District. The Mapes committee concluded from its study of adjusted tax rates and other data that the property-tax rate and the general burden of taxation were below the average of other comparable cities. The Treasury Department likewise concluded that Washington taxpayers bore lower property taxes and a smaller total burden of taxation than were borne, on the average, in other cities of a roughly comparable size and character.

Another point upon which the reports of previous official investigations appear to reach no accord is in the underlying question whether Federal allotments for the support of local government are to be expected by the District and its inhabitants as a matter of right, or whether they are made as a matter of equity and grace. As the Treasury report suggested, the first view leads to certain definite conclusions as to the bases upon which Federal allotments should be determined. It is this view which seems to have been adopted by the Bureau of Efficiency. The second approach leads to less definite conclusions as to the form, basis, and amount of Federal allotments. This approach appears to have been adopted in the Morrill, Chilton, Phipps, and Mapes reports, but in some of these it was tacitly assumed rather than definitely expressed.

The Babcock and Mapes reports each recommended the continuance of the system of Federal allotments that was current when the report was made. In the case of the Babcock report, this was the 50-50 system. In the case of the Mapes report, this was the lump-sum system, but the report recommended a reduction in the amount of the allotment The Chilton report declared there was no reason for any abritrary rule of proportionate contribution, and the Mapes report declared that the best basis for Federal participation is a lump-sum to cover the difference, if any, between local needs and local taxes that are not unduly burdensome.

There has been in the reports no unanimity or even a clear consensus of opinion respecting the continuing basis for the allotment and, of course, the amount to be paid by the United States.

From this report, the part that deals with allotments and contributions to be made by the Federal Government——

Mr. LANGER. Madam President, will the Senator yield ?

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Does the Senator from South Carolina yield to the Senator from North Dakota?

Mr. JOHNSTON of South Carolina. I yield for a question only.

Mr. LANGER. Madam President, will the Senator from South Carolina yield for the purpose of calling a quorum? I ask unanimous consent that the Senator from South Carolina may yield for that purpose, without losing the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none.

Mr. JOHNSTON of South Carolina. I yield for that purpose, provided I do not lose the floor.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Murray
Brewster	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Chavez	Johnson, Colo.	O'Mahoney
Connally	Johnson, Tex.	Pepper
Cordon	Johnston, S. C.	Robertson
Donnell	Kefauver	Russell
Eastland	Kem	Schoeppel
Ellender	Kilgore	Smith, Maine
Ferguson	Knowland	Sparkman
Flanders	Langer	Stennis
Fulbright	Long	Taft
Gillette	Lucas	Thomas, Utah
Green	McCarran	Thye
Gurney	McFarland	Tydings
Hayden	McGrath	Vandenberg
Hendrickson	McKellar	Wherry
Hickenlooper	McMahon	Williams
Hill	Martin	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Madam President, I am discussing at the present time the allotment which the Federal Government should make toward District expenses. I am trying to show that the amount the Federal Government has been contributing in recent years is not the proper amount.

Mr. LUCAS. Madam President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question, providing I do not lose the floor.

Mr. LUCAS. I should like to have the Senator yield so that I may submit a unanimous-consent request which would in no wise jeopardize his rights.

Madam President, in view of the fact that there is in the Senate Chamber a very distinguished delegation from a foreign country, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

Mr. CONNALLY. Will the Senator from Illinois permit me to say a word?

Mr. LUCAS. Certainly.

Mr. CONNALLY. Madam President, a delegation of representatives from all the British Commonwealths is paying a visit to our country, and under the rules of the Senate are entitled to seats on the Senate floor. But there will be no speaking, and I thought it would be well to tell the Senate who they are and have a brief recess so that Senators may greet them.

The PRESIDING OFFICER. Is there objection?

Mr. McGRATH. Madam President, reserving the right to object, I am interested in maintaining the parliamentary situation which I think probably prevails on the Senate floor at this moment. The Senator from South Carolina is addressing himself to an amendment which he offered to the District sales-tax bill. The Senator is entitled to make two speeches on the subject in one legislative day. He made his opening remarks, then had a quorum call, then he made another speech, and had a second quorum call, and now is making another speech. I make the point of order that the Senator is not entitled to address himself in a third speech to the particular amendment which he has offered. I do so reluctantly, but I do not intend to stand by and see a great deal of the time of the Senate wasted while a filibuster is conducted on a bill of this much importance to the people of the District of Columbia.

My reason for making the point of order now is that I would not want the recess which is proposed interfere with the parliamentary situation as I see it at the moment. Therefore I ask the Chair to rule as to whether or not the Senator is in order in making a third speech on the question which is before the Senate.

The PRESIDING OFFICER. The Senator from Illinois was addressing the Chair.

Mr. LUCAS. Madam President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. LUCAS. As I understand the parliamentary situation, the Senator from North Dakota [Mr. LANGER] asked unanimous consent that a quorum call be had for the Senator from South Carolina, and there was no objection.

Mr. LANGER. That is correct.

Mr. WHERRY. On the condition that the Senator from South Carolina should not lose the floor, or his right to the floor be prejudiced.

Mr. JOHNSTON of South Carolina. Madam President, I was not asking for the quorum. I shall continue speaking. I should like to accommodate the representatives of other countries, and I shall yield, if I may have unanimous consent of all Senators present.

Mr. LUCAS. If the Senator will yield, I am going to make the request.

Mr. JOHNSTON of South Carolina. I yield if I have unanimous consent.

Mr. LUCAS. I ask unanimous consent that the Senate stand in recess for a period of 5 minutes in order that we may comply with the request of the distinguished senior Senator from Texas [Mr. CONNALLY], and on the condition that the Senator from South Carolina, who is now addressing himself to the sales-tax bill applying to the District of Columbia, shall not lose any of his parliamentary rights.

Mr. McGRATH. Madam President, reserving the right to object, and in order that the point of order made by me shall not be prejudiced by the recess, I shall ask the Presiding Officer to rule on my point of order when the Senate reassembles after the recess.

Mr. JOHNSTON of South Carolina. Madam President, if there is to be any question, the Senator may raise it now, or I shall continue to speak.

Mr. McGRATH. I ask for a ruling on my point of order.

The PRESIDING OFFICER. The Senator from South Carolina did not lose any rights by the raising of the point of no quorum. The unanimous-consent request so provided. The Senator from South Carolina will not lose the floor.

RECESS—RECEPTION TO REPRESENTATIVES OF BRITISH COMMONWEALTHS

Mr. LUCAS. Madam President, I renew my request that the Senate stand in recess subject to the call of the Chair.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none.

Thereupon, at 3 o'clock and 9 minutes p. m. the Senate took a recess, subject to the call of the Chair.

(During the recess the representatives of British Commonwealths were greeted on the Senate floor by the Vice President and Members of the Senate.)

The Senate reassembled at 3 o'clock and 19 minutes p. m., when called to order by the Presiding Officer (Mrs. SMITH of Maine in the chair).

The PRESIDING OFFICER. The Senator from South Carolina [Mr. JOHNSTON] has the floor.

Mr. JOHNSTON of South Carolina. Madam President——

NOMINATION OF DAVID K. E. BRUCE TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY TO FRANCE

Mr. CONNALLY. Madam President, will the Senator from South Carolina yield to me for a moment without jeopardizing his rights?

Mr. JOHNSTON of South Carolina. I yield provided the Senator will obtain unanimous consent that I may do so without jeopardizing my right to the floor.

Mr. CONNALLY. Madam President, I ask unanimous consent that the Senator from South Carolina may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONNALLY. Madam President, from the Committee on Foreign Relations, I report favorably the nomination of David K. E. Bruce to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

I ask unanimous consent for the present consideration of the nomination, as in executive session.

The reason I take the liberty of interrupting the Senator from South Carolina is that this is a very important post. The Council of Foreign Ministers is to meet in Paris shortly, and it is highly important that Mr. Bruce's nomination be confirmed so that he may qualify and be able to lend his services in connection with the meeting.

Mr. DONNELL. Madam President, will the Senator from South Carolina yield to me with the same understanding?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. Reserving the right to object, I ask the distinguished Senator from Texas if the confirmation of the nomination has been recommended by the Committee on Foreign Relations.

Mr. CONNALLY. It is unanimously recommended by the committee.

Mr. DONNELL. I take it the Senator knows of no objection by any Member of the Senate to the nomination.

Mr. CONNALLY. I know of none. Mr. Bruce is now the representative of the ECA in Paris. He is a very able and distinguished man. He was here recently and appeared before the committee, and made a deep impression. He is a former resident of Baltimore. He is the son of former Senator Bruce, who served in the Senate a number of years ago. He is an outstanding man.

Mr. DONNELL. Madam President, will the Senator from South Carolina yield for a further inquiry, with the same understanding?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. Further reserving the right to object, will the Senator be kind enough to state what reason if any, there is for immediate action on this nomination?

Mr. CONNALLY. I undertook to state that a while ago. Evidently the Senator did not hear me. The Council of Foreign Ministers will meet very shortly in Paris. Preparations for that meeting and participation in the meeting would be greatly enhanced by the presence of an Ambassador who is familiar with the questions which may arise. The situation is unusual because of the facts which I have stated. It is important that the nomination be confirmed so that the Ambassador may collaborate with the American delegation and form his contacts with the foreign representatives in promoting the meeting of the Council of Foreign Ministers in Paris.

Mr. DONNELL. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination?

There being no objection, the Senate, as in executive session, proceeded to confirm the nomination.

The VICE PRESIDENT. The nomination will be stated.

The legislative clerk read the nomination of David K. E. Bruce to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified.

Mr. CONNALLY. I thank the Senator from South Carolina for his courtesy.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield provided that I may do so without losing my right to the floor.

Mr. McGRATH. I wish to clarify the RECORD so far as I am personally concerned.

Mr. JOHNSTON of South Carolina. I yield on that basis.

Mr. McGRATH. Mr. President, prior to the recess I raised the point of order that the Senator from South Carolina probably was making more than two speeches in one legislative day on one subject. I have checked the RECORD. The requests for the quorum calls which were made adequately protected the Senator. As I understand, the Chair has already ruled that the rights of the Senator are not prejudiced by the quorum calls. I merely wanted the RECORD at this point to show that the request for a quorum call contained the statement that the rights of the Senator would be protected.

Mr. JOHNSTON of South Carolina. I thank the Senator for his statement.

Mr. President, I was discussing House bill 3704. I have offered an amendment which calls for a 25-percent allotment from the Federal Government each year toward the expenditures of the District of Columbia.

I have already given to the Senate a statement showing that in previous years the Federal Government has contributed far in excess of that percentage to the District of Columbia over a period of years. However, it will be found that in recent years the Federal Government has reduced the percentage of its allotment to the District. The allotment first started dropping in 1934, a depression year. From 1921 to 1925 the Federal contribution was approximately 40 percent. From 1878 to 1921, it will be found that it was approximately 50 percent.

Mr. President, we all glory in our Capital City. We boast of the fact that we have a great Capital City, and justly so. But it has been made that way by the Federal Government cooperating with the District. If the Federal Government had not contributed the large amounts which it contributed in the past, we would not have the beautiful city we have today.

Since 1934 we have not been doing what we should for the city of Washington, because we have reduced the Federal contribution.

It has been said that the only way to increase taxes in the District is by a sales tax. It must be acknowledged that property in the District is not taxed as high as it is taxed in other cities of like size in the United States. So far as the whisky tax is concerned, it is only about one-fourth of what it is in my State. The income tax is less than half what it is in my State. No one can tell me that other sources of revenue cannot be found, when we have not taxed luxuries to the limit. Would it not be better to double the tax on whisky and let the people buy a little less?

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. McGRATH. Does not the Senator know that the bill which we are considering does double the tax on whisky?

Mr. JOHNSTON of South Carolina. No. It does not double it. It increases it 50 percent. It doubles the tax on beer, but not the tax on whisky.

Mr. McGRATH. The Senator's objection is that we are not levying a high enough tax on whisky.

Mr. JOHNSTON of South Carolina. I think we ought to double the tax on whisky, and we ought to increase the income tax.

Mr. McGRATH. Mr. President, will the Senator further yield?

Mr. JOHNSTON of South Carolina. I yield for a question only, provided my right to the floor is not jeopardized.

Mr. McGRATH. Does not the Senator know that the increase in liquor taxes in this bill raises the taxes above those which are payable in the surrounding States of Maryland and Virginia?

Mr. JOHNSTON of South Carolina. I think it will be found that the tax on liquor contained in the bill is not quite as high as it is in Virginia. It is hard to arrive at the exact figures for Virginia, because Virginia has a system of State dispensaries. There is a different system of taxes.

Mr. McGRATH. Does not the Senator know that from all the testimony our committee received on this subject we concluded that the tax which we are now proposing would be at least as high as that in Maryland or Virginia, and that that is the reason why we arrived at these figures?

Mr. JOHNSTON of South Carolina. The committee probably did take action in that direction; but the Senator knows that we can raise far more taxes on whisky if we will but do it. As to the income tax, we can raise twice as much as the bill provides without hurting anyone, rather than compelling a little child who buys a pair of socks for 20 cents to pay a sales tax. That is what I am worried about.

Is it not true that the Senator from Rhode Island has introduced a bill providing for an allotment to the District of about $30,000,000?

Mr. McGRATH. That is correct. I introduced a bill providing for a Federal contribution of $30,000,000 to point up the issue which faces the Congress, namely, that either we must give the citizens of the District of Columbia the right to tax themselves and thus raise sufficient revenue for the District of Columbia, or else the Congress itself must provide sufficient funds for that purpose.

Of course, I did not expect the Congress to pass the bill providing for a Federal contribution of $30,000,000 to be made to the District of Columbia; neither did I think it necessary that such a bill be passed. But I thought it necessary to point up the necessity confronting us, namely, either to provide the means by which the citizens of the District of Columbia may raise sufficient revenue for their needs, or else to have the Federal Government contribute sufficient funds for that purpose.

Mr. JOHNSTON of South Carolina. Mr. President, my purpose is to have the Federal Government contribute 25 percent of the funds needed for the District of Columbia. Such a contribution would care for all the deficit. Then I would have a thorough investigation made—such an investigation has not yet been made—to ascertain what the Federal Government should contribute to the District of Columbia. If that is done, we shall be traveling in the right direction, instead of having a report presented to the Senate, after an exploration of only a few days, calling for the enactment of a bill which would change the entire picture so far as the District of Columbia is concerned. We should remember that if we ever get into the sales-tax field, it will be very difficult to pull out of it. I merely ask that a thorough investigation be made before we enter that field.

Mr. HUNT. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question only.

Mr. HUNT. Does the Senator from South Carolina feel that 3 months of hard work and many, many hearings and a great deal of study and time and effort are not adequate?

Mr. JOHNSTON of South Carolina. My answer is that I commend the Senator for the time he has devoted to this matter, but I am sure he will acknowledge that at the time he did that work, he had many other duties to perform. Moreover, this matter was not the only one confronting the Congress in which the Senator or the committee was interested. In studying this question the committee did not have investigators to make an investigation similar to previous investigations which have been made. In 1936 an investigation was made over a period of many months; and, as a result, a report different from the one now before us was presented.

Mr. HUNT. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Is the Senator from South Carolina familiar with the fact that in 1939 the Congress appropriated $10,000 for an investigation, which was thoroughly made by Dr. Pond, who is considered one of the ablest experts on the matter in the United States, and that the bill which we have introduced at this time clearly follows the recommendations and findings made by Dr. Pond?

Mr. JOHNSTON of South Carolina. Mr. President, I know what is proposed at this time. If Senators will study the contribution the Federal Government is making to the District of Columbia, they will be forced to admit that the Federal Government is not contributing a proper share.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. PEPPER. I have never been a member of the Committee on the District of Columbia; therefore, I am not informed as to the share of the District of Columbia's expenditures which the Federal Government contributes. Does the Senator have that information at his fingertips?

Mr. JOHNSTON of South Carolina. I shall come to that in a moment. I do have information both as to percentage contributions and lump-sum contributions.

For instance, I note that over the entire period from 1879 to 1920, the general fund for the District of Columbia was $347,841,000. The Federal Government's contribution during those years was $171,096,000 annually, or 48.4 percent—almost 50 percent.

From 1921 through 1924, the general fund for the District of Columbia amounted to $92,026,000, of which the Federal Government contributed $36,446,000, or 37.27 percent. The amendment I have offered calls for a Federal contribution of only 25 percent.

Thereafter, it was decided that the Federal Government would make a lump-sum contribution. So in 1925, out of the District of Columbia general fund of $29,084,000, the Federal Government gave $9,000,000, or 34.53 percent.

But the next year, 1926, the District of Columbia general fund was $30,246,000, and the Federal Government still gave $9,000,000, or 29.52 percent.

It will be found that thereafter the District of Columbia continued to receive less and less from the Federal Government. During the depression years the amount of the Federal contribution dropped down and down, until in 1931 it amounted to 22.45 percent; in 1932, 22.25 percent; in 1933, 21.33 percent; in 1934, 18.34 percent; in 1935, 16.51 percent; and in 1936, 15.24 percent.

Today the Federal Government is contributing $11,000,000 out of total expenditures for the District of Columbia amounting to approximately $100,000,000. In other words, the Federal Government is not contributing about 11 percent of the total. Certainly we should not treat the District of Columbia that way.

Mr. PEPPER. Mr. President, does the Senator from South Carolina mean that the amount he has just stated was the Federal contribution for the last fiscal year?

Mr. JOHNSTON of South Carolina. Yes; that was the contribution.

Mr. PEPPER. I thank the Senator.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. FLANDERS. The question is this: Does the Senator from South Carolina mind my saying at this time that the minority report seems to me to be far more sensible and constructive than the majority report; and I ask whether the Senator agrees with my statement?

Mr. JOHNSTON of South Carolina. I agree, of course. I signed the minority report, and I am sure the Senator knows that I agree with what he has said.

Mr. FLANDERS. I simply wish to place myself on record.

Mr. JOHNSTON of South Carolina. Mr. President, we are not alone in this matter. I hold in my hand a letter which the Young Democratic Club of the District of Columbia has sent to Senators. It reads as follows:

YOUNG DEMOCRATIC CLUB OF THE DISTRICT OF COLUMBIA,
Washington, D. C., May 5, 1949.

The Young Democrats of the District of Columbia adopted the following resolution by an overwhelming vote (over four to one) "to express opposition to sales tax for the District of Columbia."

Arguments were heard presenting both sides, and the consensus was that other means of obtaining revenue more in keeping with the Democratic idea of progressive taxation should be sought.

Since in the House a larger percentage of Republicans voted for sales tax than did Democrats, it is hoped that Democratic Senators will kill this regressive tax which might serve as a precedent for a national tax if passed.

In this declaration we are well apprised that we will be in temporary opposition to a few party leaders for whom we have the greatest respect. It is felt, however, that the strength of the Democratic Party is in freedom of expression, and since our stand is taken on an issue, without deference to personality or expediency, we feel an expression of our opinion on a local problem might be welcome.

Sincerely,

ELIJAH STEWART,
First Vice President.

I find here also a copy of a telegram from William Green, president of the American Federation of Labor, addressed to the chairman of our committee under date of April 5, 1949, reading as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., April 25, 1949.

Hon. J. HOWARD MCGRATH,
Chairman, Senate District of Columbia Committee, Senate Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: On April 5 President Green sent you the telegram quoted below:

"APRIL 5, 1949.

"Hon. J. HOWARD MCGRATH,
"Chairman, Senate District of Columbia Committee, Senate Office Building, Washington, D. C.:

"Over a long period of years by unanimous action of many conventions, the American Federation of Labor has opposed sales taxes. It strongly opposes the adoption of a sales tax for the District of Columbia. Several alternative revenue sources are available which are more equitable and economically justifiable in which is included a larger Federal contribution. Adoption of a sales tax by Congress for the District of Columbia will not solve its revenue problem but will comfort and aid those who seek to place a heavier portion of the tax load for cost of government on low-income groups. The adoption by Congress of a sales tax for the District of Columbia will set a pattern which States and other political subdivisions will follow.

"WILLIAM GREEN,
"President, American Federation of Labor."

It registers the objection of the American Federation of Labor to the sales tax provided for in the bill which is now on the Senate Calendar. However, last Friday I endeavored to see you in regard to certain amendments to the bill and as you were in New Mexico I discussed the matter with the committee clerk, Mr. Al Wheeler, and furnished him a copy of the proposed amendments.

I attach hereto a copy of the amendments which are designed to avoid pyramiding the tax on such magazines, bulletins, etc., issued regularly under an established annual rate, printed in the District but not sold in the District. While we still oppose the infliction of a sales tax in the District of Columbia and elsewhere, we think it wise to present these amendments.

Sincerely yours,

W. C. HUSHING,
Chairman, National Legislative Committee, American Federation of Labor.

ADVANCE INTERPRETATION

In advance of any action by the United States Senate, enforcement officials of the District of Columbia have interpreted the provisions of the District sales-tax bill, H. R. 3704, as passed by the House, to mean that all printed matter produced in Washington would be subject to the tax.

Please contact Senators on the District Committee, or any others who may be in a position to define in the bill itself, a "retail sale" or "sale at retail" to forestall in advance any arbitrary action by District officials.

We see no reason why newspapers should be the only publications exempted from the tax. Any magazines, bulletins, etc., which are issued regularly under an established annual rate, except subscriptions in the District of Columbia, should be exempted.

To avoid pyramiding the tax, only the final sale at retail in the District of Columbia should be taxed.

Following are suggested amendments to H. R. 3704 to accomplish the above:

A. Definitions of "retail sale," "sale at retail," and "sold at retail."

1. Page 4, section 14 (a), line 9: Remove the period following the word "title" and insert "when sold to the ultimate user."

2. Page 33, title II, section 1 (a), line 15: Insert after the word "sales" the words "to the ultimate user."

3. Page 12, section 28 (g), line 8: Remove the period after the word "newspapers" and insert "and all publications by subscriptions."

4. Under "Definitions" insert an additional section to read as follows:

Page 9, section 24: "Publications by subscription means magazines, printed or wire services, bulletins, or such other publications as are issued regularly and sell under an established annual rate and/or provided for at regular annual rates in dues of educational, union, business, fraternal, or professional organizations."

5. Page 9: Change old section 24, title I, to section 25.

When this matter was presented to the committee, and hearings on the bill were being held, the committee called upon anybody qualified to be heard to appear and testify. That is the kind of investigation which was conducted and about which the Senator from Wyoming speaks. The committee did not have investigators examine the various and sundry questions involved in this matter, but had people appear before the committee to give information concerning the bill that was then pending before the Congress.

I now read the statement of C. F. Preller, president of the Central Labor Union of Washington, D. C., as follows:

There is no organization in the city more vitally concerned with maintaining the level of governmental services and public improvements than the Washington Central Labor Union. As citizens, we share in all benefits derived from the payment of taxes to the District government. We recognize and accept the fact that additional revenues must be found to meet the cost of the proposed budget for fiscal 1949–50. However, we are in complete opposition to the sales tax as a means of balancing the budget. In the strongest possible terms we wish to express our opposition to H. R. 2156 and H. R. 1937.

In general we ask that the Congress enact a tax program which will be fair and equitable; a tax program that will recognize the basic democratic aim of placing the heavier burden of taxes on those best able to pay.

Those workers in the lower income brackets would suffer a reduced standard of living from a sales tax as it is proposed, in that they spend all of their income to live. People in the higher brackets would merely experience a reduced rate of savings. In the present economic situation, with wages lagging far behind very high prices, and with increased opposition of certain groups of employers to adequate wage raises, the workers of the community cannot in justice be expected to submit to a wage cut, in the form of the sales tax, without strenuously voicing the conviction that they are being discriminated against by the imposition of such a tax.

Not only will the average wage earner have to bear a disproportionate share of this regressive tax but also he is faced with the probability of increased prices through retail establishments being forced to employ more personnel to assist in the collection and compilation of the tax. Such additional costs will be passed on to the consumer.

Today, as consumer demand for goods is declining, and producers are looking for new markets, the sales tax will depress the purchasing power of low-income groups at the very time purchasing power is most needed. Effective consumer demand is essential to prosperity.

The regressive effects of the sales tax are multiplied in the case of large families. Whereas under the income tax a larger family pays less tax, under the sales tax they are made to bear a very disproportionate share of the tax.

In a poll last year by the Washington Post, a majority of District residents expressed opposition to the sales tax. The imposition of this tax would be against the expressed will of the people of the District.

In the opinion of the 170,000 A. F. of L. members in the District area there are sources of revenue other than the sales tax which not only would be preferable in every way, but would also produce the required level of revenue.

According to the 1949 budget $23,394,500 will be spent for public works. This amount will not be sufficient to meet the need for new schools and for new bridges in the District. Let it be raised to $30,000,000, but let us recognize that in a city experiencing such phenomenal growth as the District during the past 9 years it is manifestly impossible to finance capital expenditures on a current basis.

At that point let me state that I have introduced a bill to give the District the right to borrow for permanent improvements, limited to a certain amount.

Under the circumstances not 1 fiscal expert out of 50 would advocate paying for all capital improvements out of current revenue. This $30,000,000 should be borrowed from the United States Treasury at 2 percent interest, on a long-term basis, with payments on the principal to begin in about 1951. By then the expansion in population may have leveled off. After paying interest of $600,000 there would be $29,400,999 to apply to capital improvements. Money now in the public works fund could be diverted to the general fund, to meet the anticipated deficit in the general treasury.

Mr. President, when we consider the financial affairs and requirements of the District of Columbia we should give deep and profound study to the question before adopting a new system of taxation. That is the reason I am advocating at the present time that we do something to tide the District over for a year. We should have an investigation and then pass permanent legislation, but not until the investigation is completed.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. For a question only.

Mr. HUNT. Is the Senator aware of the fact that for approximately 12 years the question has been studied each year and that practically every year something very similar to the bill recommended by the committee has been presented? Does not the Senator believe that 12 years of study is probably sufficient?

Mr. JOHNSTON of South Carolina. I should like to answer that question by saying that the subject has been studied for 150 years; but I am talking now about bringing it up to date, having a study made by outsiders not connected with the United States Government or with the District of Columbia. Let us pass an act and establish a fund of $100,000, if necessary, to make the kind of investigation that should be made, and then have a report submitted to the Congress, which, with the information thus available, could enact a proper law in line with the recommendations. I am confident that if we should do that, and get unbiased citizens to conduct the investigation, it would be found that they would recommend that the Federal Government contribute at least 25 percent to the District of Columbia.

Mr. HUNT. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. Does the Senator feel that the exhaustive study and investigation already made as a result of congressional action, with an appropriation of $10,000 for the investigation, was an outside study, and was it not the study which the committee is following in the bill now before the Senate?

Mr. JOHNSTON of South Carolina. I should like to answer that question by saying that $10,000 is not a sufficient amount in order to find out all the facts and details concerning the District. Neither can any Senator, who has been a Member of the Senate for only 3 months, bring forth a bill that is equitable to the District of Columbia.

I want to say, further, that an increase from $2,000 to $4,000 is not fair

and just to add to the tax burden of persons who will probably be receiving money from the relief funds of the District when they have to buy handkerchiefs or socks for their children.

Mr. HUNT. Mr. President, will the Senator yield for another question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. I should like to ask the Senator if he thinks 14 years of experience in administering sales taxes and other budgetary matters on the part of one member of the committee, and at least that many years' experience on the part of another member of the committee in administering the same type of laws, is not sufficient to furnish a fairly comprehensive idea of taxation for the District?

Mr. JOHNSTON of South Carolina. I shall answer that question in this manner: I think the Senator will find that people look upon things differently, according to their own local environment. The Senator has to have taxes in his State to suit the picture there. In other States revenue laws must be passed to suit the picture there. I am glad to say that in South Carolina we do not have any sales tax, but we do get money from those persons who are able to pay. They pay a 20 percent tax on cigarettes. If a man wants to smoke, let him pay. About four times as much is collected from that source as is collected from liquor taxes. But let us not tax a little child who wants to buy a toy, or a pair of socks, or a handkerchief with which to blow his nose when he goes to school. But, to save my life, I cannot see why we should have a sales tax in the District of Columbia when there are so many other sources which can be tapped, such as incomes, whisky, and cigarettes. Of course the Federal Government should pay its share.

Mr. HUNT. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield for another question.

Mr. HUNT. I should like to ask the Senator if he does not think the Federal income tax is doing a very good job of taxing those persons who have large incomes?

Mr. JOHNSTON of South Carolina. The Federal Government has had to impose higher income taxes because of the war. The Senator knows that. If it were not for the war the American people would not be paying so much. It had to be done in order to defend America. We shall have to continue to pay probably $5,000,000,000 in interest for many years, because of that war. If we continue spending and sending $5,500,000,000 out of this country to care for other people and other governments, and then pay taxes on that, we shall probably be paying a tremendous amount of interest for many years to come. Think of $5,500,000,000! Still we cannot give to the District of Columbia $25,000,000.

Mr. HUNT. Mr. President, will the Senator yield for another question?

Mr. JOHNSTON of South Carolina. For a question only.

Mr. HUNT. Does the Senator think the State of South Carolina, with a per capita income of $778, should contribute to a general over-all payment to the District of Columbia a greater amount than it is now paying, when the income per capita in the District is nearly 2½ times what it is in South Carolina, or $1,624?

Mr. JOHNSTON of South Carolina. I should like to answer that question by saying that South Carolina wants to pay for what it gets. It is receiving its pro rata share from the District and is receiving more benefits for the money spent in the District than it receives from some other Government agencies to which it has to contribute. So I answer the Senator's question by saying that we are willing to pay it, because we feel we owe it to the District, because we are receiving benefits and we want to pay our pro rata share into the general fund.

I read further:

Another important source of revenue should be the income tax. The tricky concept of domicile as presently interpreted is grossly unjust to the taxpayers of the District. If those who are domiciled here on the last day of the taxable year and those who maintain a place of abode in the District for more than 7 months of the taxable year, whether domiciled here or not, are required to pay District income taxes, there will be an additional $4,000,000 to $5,000,000 in revenue.

We are pleased to note that both Mr. BATES and Mr. SMITH have included this provision in their bills.

Another difficulty of our present income tax is that it suffers from poor enforcement. Although only 85,000 District returns were filed in 1946, over 125,000 Federal returns were filed in 1939, when the Federal exemptions were the same as those in the present District law. With advances in income and population growth of today, the number of returns should be near 160,000. All employers in the District, including the Federal Government, should be required to file with the District government an annual statement of wages and salaries. Such a procedure would make the job of apprehending chiselers much simpler.

A great many persons are not paying taxes in the States and are not paying taxes in the District. I am for tightening up the law and trying to operate the District in a businesslike manner.

I continue reading:

As to District of Columbia income tax rates, we believe them too low in the upper brackets. They should be revised upward in the higher brackets until they are somewhat in conformity with Virginia rates.

It is strange, Mr. President, that it was said there should be an increase of the whisky tax in conformity with the taxes of Maryland and Virginia, but there was no inclination to increase the tax I have just been discussing up to that of Virginia. It was not increased to equal that of my State, either.

I read further:

With a change to residence basis, a thorough collection, and an increase in rate up to the Virginia level, estimates as to yield could be greatly increased.

In considering the Federal contribution we believe attention should be directed to the fiscal years 1925 to 1930 when the Federal contributions were 26.1 percent of the general fund.

Notice that that is 1.1 percent under what my amendment calls for.

Despite the increase of last year, we think the contribution an inadequate payment for the services received by the Federal Government.

I agree with that.

Turning to other sources of revenue, we oppose excise taxes in any form. The National Tax Committee of the American Federation of Labor has characterized such taxes as nuisance taxes. They are simply variations of the sales tax. We are in opposition to tax increases on beer, wine, liquor, cigarettes and amusements.

That is their position on that subject.

Musicians, bartenders, waiters, waitresses, truck drivers, cooks and other workers believe their jobs would be jeopardized by such increases.

I think they are wrong about that. I think the same number of people would be kept working if the tax were increased.

As a last resort in meeting the deficit, but infinitely preferable to the sales tax in any form, we suggest that the Congress increase the tax rate on income-producing property in the District.

Senator SCHOEPPEL. I believe you made the statement that wages were lagging much behind the living costs. Are you sure that the Department of Labor Statistics bear you out in that statement?

Mr. PRELLER. We feel that they are.

Representative BATES. Did you hear the old adage that figures do not lie? That does not appear to the Bureau of Labor Statistics to be the case, I suppose.

Senator HUNT. Let me ask you who participated in the policy that you have enunciated in your paper. Does it originate with your membership?

Mr. PRELLER. That is right. We have a membership of 170,000 in the District of Columbia in the metropolitan area. We include all of the labor unions, school teachers, building mechanics, and miscellaneous, truck drivers, and so on.

Representative HARRIS. Does that take in the Maryland-Virginia area?

Mr. PRELLER. Yes.

Representative HARRIS. What percentage would that be?

Mr. PRELLER. I would say that about three-fourths of that, or pretty near three-fourths of that would be in the city of Washington.

Senator HUNT. If there are no other questions, that will be all. Thank you very much.

Mr. PRELLER. Thank you.

I shall now read the statement of Mr. Thomas G. Walters, operations director of Government Employees Council of the American Federation of Labor, Washington, D. C.:

Mr. WALTERS. * * * The Government Employees Council of the American Federation of Labor is made up of 21 national and international unions with a membership in excess of one-half million members who are Federal and District employees.

The Government Employes Council of the American Federation of Labor at its regular monthly meeting held on February 8 fully discussed the question of the proposed sales tax to increase the revenue for the District of Columbia. After this question was fully and completely analyzed, it was the unanimous opinion of this council that we vigorously oppose the proposed sales tax.

The working men and women of this country have over the years consistently opposed a sales tax because it imposes a tax upon a class of people who are less able to pay.

Mr. Chairman and members of this committee, I would like to include in my statement some excerpts from two editorials appearing in the national weekly newspaper, Labor. The first excerpts will be from the edition of January 15. Among other things, this editorial states "Tax the backs and bellies of the poor." That in plain language is what it does, because it hits the poor hardest. They spend their entire incomes on the necessities of life. The sales tax would not seriously affect the rich.

"Rich men and real-estate interests—not only in the District but all over the country—are pushing this iniquitous tax. They want it in Washington so they can say to all other cities:

"'Look, Washington has a sales tax. What's good enough for the Nation's Capital is good enough for you.'

"Two years ago, the Veterans' Administration sought land for a new hospital to care for men crippled in the war. It found the perfect location in the Nevius tract in Arlington.

"That tract was on the tax books as farm land, at a valuation of only $74,000. Yet, for only part of the land, 25 acres, the owner demanded and a court ordered VA to pay $1,600,000.

"That is $64,000 per acre, pretty expensive for farm land. As the hospital will have 500 beds, the land cost alone is $3,200 per bed.

"The Veterans' Administration protested the exorbitant price, and a higher court is expected to make a final ruling this week.

"The same sort of situation—land valued and taxed far too low—exists elsewhere, but Washington is the worst example. Property taxes in the Nation's Capital are much lower than in any other large city.

"Washington is the wealthiest city in the world. It's nonsense to say it can't pay its bills without a sales tax."

From the editorial of Labor, under date of February 5:

"All the American people, particularly those of modest means, will be affected by the outcome of a sales tax battle now going on in Washington.

"Big property owners and other wealthy interests in the Capital, richest city in the country, have resumed their drive to push through Congress a sales tax for the District of Columbia. If they get it here, it will be used as a 'good example' for other cities, States, and even for a Federal sales tax.

"As Labor has often said, the sales tax transfers the heavy burden of Government costs from the rich to the poor. It is clearly unjust. In the long run it would be economically disastrous even for the rich, because such a tax reduces mass purchasing power upon which prosperity depends.

"Big Washington property owners, particularly the holders of fabulously valuable land, are not paying their fair share of taxes now. Real-estate taxes in the Capital are only one-third to one-half as high as in other cities. But the Washington rich insist on the sales tax.

"Without it, they tell Congress, Washington will go bankrupt. Of course, that is not true. The richest city can pay its way without shifting the burden to the poor and moderately well-to-do."

Mr. Chairman and members of the committee, we strongly recommend that this subcommittee give an adverse report on the question of the proposed sales tax for the District of Columbia.

I turn now to the statement of Mr. David Whatley, attorney, member of the District of Columbia Bar, and I read as follows from the record of the hearings:

I am an attorney and real-estate broker, specializing in Virginia properties. Therefore, I speak against my own personal interest in opposing the sales tax, since obviously it would drive many residents to locate their residences and businesses in Virginia.

I oppose the sales tax for the reasons that have been enunciated so effectively by other organizations, and I shall suggest alternatives which, I submit, will make it unnecessary.

First, as a long-term revenue measure, I should like to underline the excellent editorials of the Times-Herald in proposing that the original 10 miles square enunciated in the Constitution as comprising the District of Columbia be returned. Of course, Judge Smith will vehemently and ardently oppose it.

Representative SMITH. Well, that would be just about as easy as getting an adequate and fair income-tax provision.

Mr. WHATLEY. I do believe that some day it will be accomplished, in spite of the able objections of the members of the Virginia Legislature.

I think their objection might be tempered, if they could be convinced of my previous thesis, that their representation in the Congress in that particular area would not be affected and need not be affected under the Constitution, since under the Constitution they could continue to represent in national representation that particular area. As to local vote, of course, the people would vote for the local officials.

Representative SMITH. A lot of folks over there would like to see another Representative, you know.

Mr. WHATLEY. As a major revenue producer, as an alternative to the sales tax, I propose that the Federal Government, through legislation, direct the District of Columbia Government to operate all retail and wholesale liquor establishments in the District that sell "off sale," not including, of course, restaurants and taverns and hotels. I propose that the administration be patterned on that which is operating successfully in other States, where the State operates all off-sale establishments, leaving in the hands of private enterprise all on-the-premises sales.

Based on the gross consumption of alcoholic beverages in District of Columbia, which is estimated authoritatively to be 1,000,000 cases, only 5 percent of which is consumed in restaurants, and only 10 percent further consumed in hotels, that leaves a balance of 85 percent of 1,000,000 cases at the average retail sales price of $32,000,000. I estimate that if the prices on alcoholic beverages other than beer and wine were increased to be the equivalent of the prices now prevailing in Virginia and Maryland, the profits to the District of Columbia government would amount to more than the proposed revenue from the sales tax. It would be in excess of $10,000,000, certainly, annually.

That, of course, would be equitable as far as the States of Maryland and Virginia are concerned, which now see, year after year, their revenues from their State-operated stores drained off from purchases in the District of Columbia. It is estimated that 40 percent of the alcoholic beverages sold in the District of Columbia are consumed outside the District.

More important, I suggest, as a matter of public relations to representatives from foreign countries, that if the number of liquor stores in the city were reduced to conform with the average number prevailing in Maryland and Virginia, and that they be made less conspicuous, that that would be a most salutary benefit in our public relations with representatives of other countries, many of whom undoubtedly are shocked at the display of liquor dealers and liquor consumption and liquor advertising in the District of Columbia.

I speak not as a personal "dry," but just as a person who feels that the present system of retail liquor distribution in the Nation's Capital is certainly one not to be desired.

I suggest that if any sales tax is considered, it be postponed until after Virginia enacts a sales tax, and that it be limited to such strictly luxury items as those on which the Federal excise tax is now placed, plus other items that are sold in excess of an average price.

I wish to suggest that all clothing, for instance, have a graduated sales tax, over a certain average price on such clothing. For instance, all women's hats over $10, or all men's suits over $40, all men's hats over $10, all jewelry over a certain amount, and so forth, so as not to burden the average consumer; and incidentally, to bring down the prices of those luxury goods, which I believe are priced higher in the District of Columbia than in most cities, because of the higher per capita income prevailing here.

I suggest that if the committee change the income-tax provision of the present law, that it make it applicable only to those salaries above $10,000 primarily to eliminate the obviously inequitable feature which now exempts all Federal employees from the tax.

I should like to further suggest that a study be made of an adjustment in real-estate-tax assessments in the city, based not only on an ad valorem basis, but to combine therewith a factor which would be a criterion of the net income produced by that real estate. I think that would discourage the destruction of perfectly livable buildings in the District, in order to make way for parking lots. It would further penalize and discourage the development and retention of slum areas, on which the ad valorem tax is so low as to make it the most profitable type of real estate to own in the District.

The last suggestion is one which I made last year: that the District make a study, under your direction, of what areas might be returned to the private tax rolls, such as hundreds of acres of Rock Creek Park, which are nothing but forest preserves, and are not used for recreation facilities, and such as the Soldiers Home area, the National Training School for Boys, the National Arboretum, and other beautiful building sites, on which I propose that the Federal Government construct multiple housing apartment-type developments, and liquidate on a self-liquidating basis of rentals to veterans, giving preference to disabled veterans, and giving them the option to purchase on a cooperative basis.

I believe that that is an opportunity that the Federal Government has, to solve the housing problem to some extent at least in this area, one which, of course, would meet with far more opposition than in other areas. But under the plenary powers of the Congress, as regards this area, it could be done, I believe, politically and practicably.

Senator HUNT. Any questions?

I find that there also appeared a Mr. Jerome B. McKee, chairman of the Department legislative committee of the American Legion, Department of the District of Columbia, Washington, D. C. Mr. McKee made this statement:

The American Legion, Department of the District of Columbia, is composed of 59 posts, and its membership at the close of 1948 was 19,929 paid up members.

They have consistently opposed a sales tax for the District of Columbia.

At their last Department Convention, held in August 1948, they again, by resolution, opposed a sales tax for the District of Columbia, and at that convention authorized the chairman of the legislative committee, or anyone appointed by him to appear before any congressional hearing and state its opposition, as follows:

It is an unfair tax, in that those in the lower income brackets pay a larger propor-

tion of their income than those in higher brackets. To illustrate: Our country is vitally interested in perpetuating this Nation, which can only be accomplished through marriage and the children born of those unions.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question only.

Mr. McGRATH. I take it the Senator attributes great weight to the recommendations of labor organizations with respect to the sales tax.

Mr. JOHNSTON of South Carolina. The last one to which I was referring was a recommendation of the American Legion.

Mr. McGRATH. I believe the Senator previously read some recommendations from various labor organizations.

Mr. JOHNSTON of South Carolina. I did.

Mr. McGRATH. Does the Senator place the same amount of stress upon the recommendations of those organizations with respect to the poll tax?

Mr. JOHNSTON of South Carolina. I am glad the Senator brought up that question. I recommended the abolition of the poll tax in my State, and I am glad to say that by a two-thirds vote of the House and Senate the measure was passed, and it has now been submitted to the people.

Mr. McGRATH. The State of South Carolina still collects the poll tax, does it not?

Mr. JOHNSTON of South Carolina. It was put in the constitution of South Carolina in 1868, when the carpetbaggers and scalawags had charge of our government, and it has been there ever since.

Mr. McGRATH. I congratulate the Senator for his magnificent stand when, as Governor of South Carolina, he recommended the abolition of such taxes. However, there have been occasions on the floor of the Senate when recommendations for the abolition of such taxes have had the strong support of labor organizations and veterans' organizations, but I do not know that the RECORD shows that the Senator always supported those movements, or gave the same amount of credence to the recommendations of those organizations when they related to that kind of tax.

Mr. JOHNSTON of South Carolina. I appreciate the Senator's question. I do my own thinking on the floor of the Senate. I am glad to have the recommendation of any organization. I believe that the poll tax should be repealed within the States, but I believe that the Federal Government should have nothing to do with such repeal. I think we should regulate the qualifications for voting in the particular States, and that the Federal Government should have nothing to do with those qualifications. That is my position. That is the way I have felt. If I feel differently than does any organization, I cannot help that.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question only.

Mr. McGRATH. The Senator believes that these matters of taxation are of local concern, and that each State should be the judge of the kind of taxation it has. I believe that is the Senator's position.

Mr. JOHNSTON of South Carolina. I am glad to answer that question by saying that a poll was conducted by the Washington Post among the people of Washington, and, as I understand, they voted down the sales tax.

Mr. McGRATH. The Senator realizes that unfortunately the voteless citizens of the District of Columbia have no way of expressing themselves on these issues. Therefore we must sit as their city council and judge these matters for them. Since that is our obligation, it seems to me that the Senator might see his way clear to support what is obviously the overwhelming decision of the people of the District of Columbia, so far as it is humanly possible for any of us to determine what their wishes are. They must speak through their newspapers and their civic organizations. As I read the RECORD, the overwhelming sentiment as expressed through these media seems to be that the bill here proposed, including the sales tax, is what the people of the District of Columbia would prefer, rather than an increase in the income tax, rather than an increase in the real estate tax, and rather than the other increases recommended in the minority report.

Mr. JOHNSTON of South Carolina. I should like to answer the Senator in this way: That is the reason I am reading into the RECORD what the various organizations of the city have recommended when they met and the proposal was explained to them. It will be found that the Government workers met and voted against it. The American Federation of Labor held a meeting and voted it down. It will be found that there was a meeting of the American Legion, and that organization went on record against it. It will be found that the Young Democrats went on record about four to one against it. I am reading these things into the RECORD in order to show that the people of the District do not want a sales tax. That is my reason for bringing these things forward. The people of the District of Columbia have no spokesman. I am trying to speak for them on the floor of the Senate.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. The Senator has stated that the Young Democrats, by petition to the committee, opposed the enactment of a sales tax. I may say for the enlightenment of the Senator from South Carolina that the Young Republicans of the District did just the opposite. They wrote the committee recommending the sales tax.

Mr. JOHNSTON of South Carolina. I can see why the Senator followed them. [Laughter.]

Mr. HUNT. Mr. President, will the Senator further yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Does the Senator expect to read into the record a statement by the Federation of Women's Clubs of the District of Columbia favoring a sales tax? Does he expect to state for the record that the Home Builders' Association of Metropolitan Washington favors it; that the Northwest Council of Citizens Associations favors it; that the Federation of Businessmen's Associations favors it; that the Building Owners and Managers' Association favors it; that the Washington Building Congress favors it; that the Junior Board of Trade favors it; that the Federation of Citizens Associations favors it; and that the Washington Taxpayers' Association favors it, as does the Washington Board of Trade?

Mr. JOHNSTON of South Carolina. It will be noticed that most of the names the Senator read represent big business. We always find them in favor of it.

Mr. McGRATH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from South Carolina yield to the Senator from Rhode Island?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. Does the Senator wish to infer that the Young Democrats of Washington are not big business? [Laughter.]

Mr. JOHNSTON of South Carolina. It did not seem that way when we were trying to raise funds last fall.

Mr. HUNT. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. Does the Senator feel that the Federation of Women's Clubs in the District of Columbia represents big business?

Mr. JOHNSTON of South Carolina. The Senator knows that many of its members are the wives of big-business men.

Mr. President, I continue to read from the testimony at the committee hearings:

> The newly married couple, in furnishing a room, an apartment, or a home generally, in a sense mortgage their future, as the stores all invite charge accounts to be paid in the future. Coupled with these obligations, come obligations for clothes that are needed. It generally takes 5 years, at a minimum, before a wardrobe is built to the point that one can have sufficient change of attire. Unfortunately, it often happens that these couples buy lower-priced merchandise that do not have wearing qualities, and as soon as an obligation is paid they find themselves back on the books with more obligations for both clothes and furniture. Frequently both husband and wife are employed. In the event of a family, it is necessary for the wife to either take leave of absence and, upon her return to outside employment, entrust her child to other care, or to cease outside employment entirely.
>
> For all these sacrificies, we penalize these two citizens and thousands of others like them by imposing a 2-percent sales tax on the furniture and clothes they so frequently must purchase. They then discover that the Federal Government has an excise tax of 20 percent on baby oil, yet the wife has known for years that the Federal Government has taxed her 20 percent over and

above the cost of that cheap purse which every woman has to have to take the place of the pockets in men's clothes.

Mr. President, I used to criticize my wife for carrying so many things in her purse. But when I stop to realize all the things that I carry in the pockets of my suit, I am forced to admit that I should not criticize my wife about the contents of her purse.

I read further from the testimony:

Now let us look at the two proposed sales-tax bills.

As to sales-tax ratio, they are the same, namely, an exemption of purchases up to 14 cents, then, on all purchases of from 15 cents to 50 cents, a tax of 1 cent, then on all purchases from 51 cents to $1 a tax of 2 cents, and so forth.

Mr. President, we should notice that the bill does not provide exemption from the tax for articles sold for 15 cents or more. Of course, today so many things sell for 15 cents. If the bill is enacted, do Senators think any merchants will sell anything for 12 or 13 cents, from now on? The merchants will sell their articles for 15 cents or more, so that the tax will apply; and we shall find that the prices of a great many articles will be increased from 13 or 14 cents to 15 cents.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Is the Senator familiar with the nationally advertised prices of certain merchandise, which prevent the retailer from selling those articles at increased prices?

Mr. JOHNSTON of South Carolina. I have tried to bring about such a situation in the District of Columbia. However, we should notice that such a restriction applies to very few articles sold in the District of Columbia. Most articles sold in Washington after the enactment of this bill, if it is enacted, will be sold at prices of more than 15 cents. I should like to have any Senator name a single article which will be sold for less than 15 cents if this bill is enacted into law.

Mr. HUNT. How about the Baby Ruth candy bar?

Mr. JOHNSTON of South Carolina. Of course the size of candy bars has been cut down to about half of what it used to be.

As to the Baby Ruth candy bar, which the Senator from Wyoming has mentioned, whoever heard of its being regulated in price? In some places such candy bars can be purchased at three for a dime. I have bought them at that price recently. In my home State, some of the stores sell them at three for a dime, and sell three packages of chewing gum for a dime.

Mr. HUNT. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. Is the Senator from South Carolina aware of the fact that under the proposed sales-tax law, all candies will be exempt from taxation?

Mr. JOHNSTON of South Carolina. I was not talking about candies; the Senator from Wyoming brought up that subject, when he was trying to tell me about certain articles on which the retailer cannot increase the price over that advertised nationally by the manufacturer. Of coure, the price of Baby Ruth candy bars is not controlled by the manufacturer, and in some places they can be purchased at lower prices than at others.

I read further from the testimony before the District of Columbia Committee:

Both of these bills impose a greater sales tax than 2 percent. To illustrate: Five persons make purchases of articles costing 55 cents, 60 cents, 65 cents, 70 cents, and 75 cents. Collectively, these persons pay 10 cents on combined purchases of $3.25. However, if one person had bought all the articles, amounting to $3.25, he or she would have paid only 7 cents. Who gets this additional 3 cents? Not the District of Columbia.

At the hearings, the witnesses did not mention the fact that if a person walks into a store and buys a 15-cent article, after the sales-tax bill is enacted, if it is, a 1-cent tax will have to be paid; and if the same person thereafter goes to another store and buys another 15-cent article, he will have to pay another 1-cent tax. In other words, if he purchases three 15-cent articles at three different stores, making his total purchases amount to 45 cents, he will have to pay a total tax of 3 cents, which will amount to a tax of more than 6 percent.

I read further from the committee hearings:

Representative SMITH. Well, who does get it?

Mr. MCKEE. I would say the storekeeper, sir; the retailer. The State of Illinois has finally corrected this type of injustice and exempts the first 15 cents of sales, and imposes a 1-cent tax on purchases from 16 to 65 cents, and an additional 1 cent on sales from 66 cents to $1.15, and only 1 cent for each additional 50 cents or fraction thereof. This thereby gives a taxpayer a fairer break upon his purchase, rather than providing greater profits to the retailer.

Over the years, we have proposed a graduated income tax, along the same lines as the Federal income tax, with the percentage beginning at a base of 1 percent after exemption of $1,000 to a single person, and $2,000 for a married couple, plus $500 exemption for each child or dependent, and $250 allowed for donations, et cetera, on a short form of return.

A single person earning $3,000 a year, under the short form, would pay $17.50 a year. A married couple earning $5,000 a year, with one additional dependent, would pay $22.50 a year.

Mr. SCHOEPPEL. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. SCHOEPPEL. Does the Senator from South Carolina object to giving the low-income citizens of the District of Columbia a "break" by exempting from the income tax all persons with incomes of less than $4,000?

Mr. JOHNSTON of South Carolina. I am against the sales tax. I think, if adjusted properly, with an exemption of only $2,000, an income tax graduated up to at least 5 percent or 6 percent, with no sales tax, would assure that the necessary revenue would be obtained. That is the just and most equitable way of handling it.

Mr. SCHOEPPEL. I was asking the distinguished Senator whether he objected to the District income tax starting at $4,000.

Mr. JOHNSTON of South Carolina. I favor its beginning at $2,000, with a graduated scale, in order that most of the money may come from the higher brackets. That is what I favor. I think most people, if they will look into the matter, will find that it is being handled equitably. Reading further from the hearings:

It also requested that a study of the Philadelphia plan of taxation be made, but opposition to taxing pay rolls of those that reside outside of the District was expressed by Members of Congress, and no study has been made of this plan, to our knowledge.

The formula that existed prior to 1923, whereby the Federal Government paid 40 percent of our general budget and the taxpayers the remainder should again be instituted.

My amendment calls but for 25 percent. I am glad to say the chairman of the committee who is handling the pending bill has already endorsed a $30,000,000 contribution by the Federal Government. Then how can he object to my amendment, which would wipe out all the present headaches in regard to the sales tax? I continue the reading:

Since 1923 our taxable property has declined approximately 4 percent, which figures I feel you already have at your disposal.

The Federal Government, during the past fiscal year ending June 30, 1948, received from the citizens of the District the sum of $394,273,739.46, a sum equal to 0.94 percent of the total received by them during that year; yet our population in the District was only 0.60 percent of the Nation. The District of Columbia payment was greater in dollars and cents than that received from 26 States, and the percentage paid by populations was greater than that paid by 41 States.

Thus it will be seen from that if but 10 percent of the Federal Government's collections within the District were returned to the District, there would be an end to the District's headache about revenue.

Yet we in the District of Columbia do not have any say as to how the money collected by the Federal Government should be spent, and we find that the farmers and cotton growers are subsidized with part of that money, which in turn means an increased cost of living to us in the District.

That is another thing. The District of Columbia is made up principally of homes and stores. For that reason a sales tax would operate as a tax practically on all business within the District. The city of Washington is different from most of the other cities of the country. It is different from most of the States by reason of the fact that industries are located within the States, upon which they can depend for revenue. There are practically no industries within the District of Columbia.

Mr. HUNT. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wyoming?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Does not the Senator from South Carolina consider that the Government of the United States is really a huge business operated within the District?

Mr. JOHNSTON of South Carolina. I consider the Government, placed here

in Washington, to be the largest industry the District has, so far as that is concerned. I think as an industry it should pay its taxes. That is what I am advocating. That is why I propose 25 percent. The Government takes the place of industry; there is no question about that. The city of Washington would not be what it is today had the Capital not been built here. An area of 10 miles square was laid out for that purpose, and the Capital City was built. If the Capital were to be moved to another place, it would be difficult to maintain Washington as a thriving, progressive city. There can be no question about that. But that raises the further question of how much the Federal Government should allocate to the District by way of payment for all the benefits it derives. Those benefits are not restricted to the District; they extend to every part of the Nation. The Government agencies are located here. Hundreds of letters pass through my office daily inquiring about things that are happening, in which the people back home are interested. They inquire about matters being handled here by the various departments. Does any Senator think they would want to receive all those benefits for nothing? That is what I am arguing about. I should not take a minute's time of the Senate did I not believe thoroughly that the sales tax is the wrong way to try to balance the budget of the District.

I have been a member of the District Committee for about 5 years. On the basis of 5 years' experience on that committee, I am thoroughly convinced the Federal Government is not contributing its proper share to the District. If through my speeches upon the floor of the Senate I accomplish nothing more than to make the people of the District and an increasing number of Members of the House and Senate aware of my belief in that regard and cause them to share it, I shall feel that my time has been well spent.

Congress has been absorbed with various things. First, there was a depression. Later there was a second World War. Our time has been completely taken up with other matters. I fear we have neglected the thing which lies close at hand—the Nation's Capital. We have neglected our duty to our capital city. I am trying to awaken everyone to a realization of that fact. I want to let the people know. I want my people in South Carolina to know that we have not done our whole duty toward the District of Columbia. Reading further:

When floods and other disasters occur throughout our country, we have never raised our voice as to the appropriations by Congress to those areas. When the Congress appropriates money for foreign relief, we again raise no voice as to those appropriations. But for 20 years we have raised our voice as to the treatment of the District of Columbia by our Federal Government in its failure to pay its just share of the city's upkeep, the same as other taxpayers are compelled to do. If these pleas had been heeded then, many necessary improvements would have been made years ago, instead of still being sought.

It is a disgrace to the Nation. With the funds that are supplied to the District, how can the District do any better than it has done? Congress is the supreme authority in the District. I am glad to know that Congress is waking up, and will do something with reference to correcting slum conditions in Washington.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUNT. Does the Senator feel that had there been a sales tax established in the District 14 years ago, as was the case in my own State, there would not be slums in the District of Columbia today?

Mr. JOHNSTON of South Carolina. If we had started 14 years ago on that program, I think it would be found that the District would be receiving less from the Federal Government than it is now receiving, because it would be said the District had sufficient revenue. I am trying to get the money from the Congress, from whom it should come.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. SCHOEPPEL. Does the distinguished Senator believe, as I do, that when slums reach the point where they become unlivable, they should be torn down and removed, so they cannot continue to be used?

Mr. JOHNSTON of South Carolina. I thoroughly agree with the Senator that the slums should be torn down and new housing constructed.

Mr. SCHOEPPEL. Mr. President, will the Senator yield for another question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SCHOEPPEL. Did not the Senate of the United States have an opportunity to vote on that proposition, and did it not turn it down?

Mr. JOHNSTON of South Carolina. I voted for it.

Mr. SCHOEPPEL. I say, the Senate of the United States.

Mr. JOHNSTON of South Carolina. As I recall, there is slum clearance provided for in the bill which passed the Senate.

Mr. SCHOEPPEL. Was there not an amendment which provided that in the event new housing was constructed from public funds in various and sundry cities, and the slum was not removed at that time, it should be torn down within a period of a year? Did not the Senate vote upon that amendment?

Mr. JOHNSTON of South Carolina. I do not recall that. I should have to have the Record on that. But I do recall that we passed a housing bill which carried with it a section which provided for slum clearance.

Mr. SCHOEPPEL. That is correct.

Mr. JOHNSTON of South Carolina. Mr. President, I read further:

We realize that it is mandatory that we keep this city, the Capital of the Nation, in a state of repair and cleanliness unequaled by any other city in the Nation; as it is not the city of its inhabitants only, but it is the city of all the people of the Nation. Our water is of the best, and we believe we have as fine a fire and police department as any other city of its size. Our police have to give protection to the embassies and legations of foreign governments, all of which property is tax exempt, and to do this calls for men to work overtime, or leave our city short of the necessary protection that its citizens pay for. Our fire department has to be prepared to combat a fire in any of the Government buildings.

Under the proposed budget, we feel that the Federal Government should pay its rightful share of this burden for services rendered; not a grant, not a donation, but $32,000,000 as its share of the burden.

I am asking for only $25,000,000. I notice that $32,000,000 is suggested, but I think $25,000,000 would relieve them of the burden this year. We can then raise the income tax, and they should have no further difficulty with regard to the taxation problem in the District of Columbia.

I read further:

The $330 pay increase to the District employees, retroactive to July 1, 1948, should be paid by the Federal Government as a deficiency appropriation, thereby raising their payment of last year, or rather the present fiscal year, from $11,000,000 to $16,000,000.

Mr. President, I want the world to know that I am in favor of the $330 pay increase. I am in favor of providing the money for the payment, but I think that those who have stated that we must pass a sales-tax bill in order to meet the payment committed an error, because the payment should not be dependent on any kind of taxation. It should stand upon its own merits or demerits, as the case may be.

Mr. President, I read further:

This retroactive pay should be paid, but should not have anything to do with the budget for the coming year. We have not failed, however, to recognize that we have with us as citizens of this city, people of very low income, and many with no income; and the latter, to a large extent, are responsible for the large sum inserted in this budget for public welfare.

Business income has not only reached its peak; it indicates a falling off, and greater unemployment faces us. When unemployment increases, then, of necessity, public welfare increases, and the amount that would be needed in this direction, based on present requests, would equal combined appropriations of our Police and Fire Departments.

Frankly, the law, as to time of residence had better be changed to 3 years before the city is deluged with residents of other States, looking for work and subsistence here at the expense of the citizens of this city, as has been the problem for these many years.

Mr. Chairman, I would like to state that reference was made to the Pentagon Building. I have been informed that all the road work to that building was paid for at Government expense. That is the case as to any public buildings in Washington. The streets are paid for by the taxpayers through the budget for the street improvement.

Representative BATES. You are not correct in that statement.

Mr. MCKEE. I am so informed. If I am wrong, I would like to be corrected.

Representative BATES. The taxpayers of the District of Columbia do not pay for street improvements in that case.

Mr. MCKEE. That is correct, in a sense. But those who pay the gasoline taxes to the District and those whose cars bear the tags of the District pay into that separate fund for the new streets and repairing of old streets.

May I add that the Federal Government vehicles operating on our streets pay neither vehicle tax nor gasoline tax to the District. I believe they are exempt.

Representative BATES. Of course, Government vehicles are a very limited number, compared to the total number using the highways.

Mr. MCKEE. By the same token, taking our present ratio of assessed property, as it has declined, it is now about forty-eight and a fraction percent. I have been given to understand that approximately 50 percent, just over 50 percent, of those working for the Federal Government now reside in Maryland and Virginia. Yet we furnish all the facilities for them to reach their employment in the Federal Government.

We believe that a tax rate on property of the Federal Government along the lines of the O'Mahoney formula is not sufficient. We give more services to the Nation's Capital, being as it is such, than any other city generally gives. That is why we believe we should go back to the beginning of the city, when it was removed from Philadelphia, where it was designed to be, according to the intent of the Congress in those days.

Over the years, however, Members of Congress and others have come before you gentlemen of this committee with their requests, and that is when the damage was done. We believe the present Congress should recognize that damage which has been done and repair it by giving us back a formula along the lines that existed before 1923.

That is what my amendment does, except that it does not go quite that far, but it would give quite a bit of relief.

Senator HUNT. Thank you.

That finished Mr. McKee's testimony. I notice here also on page 261 of the hearings before the District Committee the testimony of Col. Charles I. Stengle, Federation of Government Employees, A. F. of L., Washington, D. C. I read from his testimony:

Colonel STENGLE. My name is Charles I. Stengle, and I am the legislative representative of the American Federation of Government Employees, AFL.

Mr. Chairman and members of this joint committee, I realize, after having been here all day, that this audience has been levying a tax on the committee. We have levied a tax on your patience, and I want to thank you for continuing to patiently hear us.

Among the membership of our organization there are about 25,000 employees of the Government in the District. The average salary for those 25,000 is $2,850 per year. Most of them have to eat downtown. You have fixed a tax here, which would make you subject to paying a sales tax if you eat outside your home.

The bill has been amended so that if the food bill is less than $1.50, a tax does not have to be paid.

Nearly all of our membership eat their lunches downtown. They will have to buy them. They will have to pay a tax under this proposed plan.

Now, my friend BATES has been worried about where to find the money. He reminds me of another Member of the House who frequently says, "Where are you going to get the money?"

That is a question asked in the House of Representatives every time a big appropriation bill comes before that body.

Representative BATES. You may be able to help us.

Colonel STENGLE. Now, in 1920, the Congress of the United States broke the District debt, for cost, 50–50; and they didn't blush when they were doing it.

Senator HUNT. What year was that?

Colonel STENGLE. 1920. In 1923, when I came to Congress as a Member from New York City, it was a 60–40 proposition, until a gentleman from Michigan by the name of Crampton came out of the Appropriations Committee of the House with a proposal that he got out of the thin air, that $9,000,000 was enough for the Government to pay, as its share.

Since that time I have seen Constitution Avenue torn down and built up with Government buildings, knocking out all taxable values. Over here, just in sight almost, the General Accounting Office has taken an entire block. And right in front of my windows, across the park, you are now proceeding to take a half block for a second Senate Office Building.

We are circumscribed here by limitations of law. We can't go over into my friend SMITH's district and tax them. We can't go out here in Maryland and bring them in as a part of the metropolitan area. We are all circumscribed by law, and we can only tax within those limits.

For the information of my colleagues I may say that on a recent visit to my home State I found city after city extending its limits. Some of them which had a population of 40,000 just a few years ago, have expanded until they now have 100,000, and some which had 30,000 just a few years ago, have more than doubled by extending their radius and bringing more people within the city limits. That cannot be done by the District of Columbia.

There are just about as many people living outside and around the District as live inside the District. Most of those who live in close proximity are working either for the Government or for the stores within the District. Practically every family is kept up either by the Government or some of the interests in the District.

And yet, not only does the Government have a large proportion of nontaxable property, but various organizations have also the same privilege by act of Congress.

Now, in heaven's name, where are we going to get the money from?

Representative BATES. Now you are coming back to my line of thought.

Colonel STENGLE. I am going to suggest that back in 1920, and in '22 Congress was wise when, instead of picking out of the air some lump sum and throwing it into the hopper, they thought it would be better to work on the basis of percentages. Because, as we go down and you go up, there ought to be an equal spot somewhere that we can meet, and that would be equitable.

Now, I am appealing in behalf of these people that I represent, because I know they are having a heavy strain—many of them, before the war, started buying homes. They have to pay so much a month.

My friend BATES said something about the cost of living.

Representative BATES. I am to blame for that too, am I?

Colonel STENGLE. No, sir. You are not. But we have an extremely high cost of living in the city of Washington. You can't go to the market now with less than a $10 bill, and bring back a bag or two to feed your family. That isn't true all over the United States.

So I say it is only fair and just that Congress recognize the situation and, instead of levying another tax on the poorly paid people, come across with your share and help us meet the load that was not of our making.

I don't care to extend my remarks any further. I am willing to answer any questions.

Representative BATES. Now, Colonel Stengle, suppose we do subscribe to your line of thought, that we should substantially increase, say, the Federal contribution to the full amount of the value of the buildings, and provide the rate to get the revenues: That would bring in about $5,000,000, we understand, over and above the 12; if we assess those buildings, all of them at their full value.

Now, $5,000,000 is just a small part of the 18. Where are we going to get the balance?

Colonel STENGLE. All right. I never have suggested that you assess any Federal property. My suggestion is that you come across the board with your share on a percentage basis, and not on any assessment of the property.

Representative BATES. Well, we would have to have some principle.

Colonel STENGLE. Back in 1920 we didn't. And nobody cried then.

Representative BATES. It was a hit-and-miss proposition then, as it is now.

Colonel STENGLE. Well, it is from our standpoint.

Representative SMITH. Well, Colonel Stengle, that is a very pretty speech you made, and I am in accord with pretty much of what you say. But I think you spend about as much time on the floor of the House as any Member that I know of, and you know perfectly well that Congress just is not going to do it.

Colonel STENGLE. Well, they are busy right now, over there.

Representative SMITH. Now, you want for your members this $330 pay raise, which is $5,000,000.

Colonel STENGLE. We certainly do.

Representative SMITH. And you want it retroactive.

Colonel STENGLE. We certainly do.

Representative SMITH. That is another $5,000,000. That is $10,000,000. And you know just as well as we on this side of the table know that Congress is not going to give it out of the Federal Treasury. So we will have to raise some taxes.

Colonel STENGLE. Of course, the minds of the Congress are a little different from mine. You are a little closer in than I am.

Mr. President, sometimes we cannot see the forest because of the trees. I fear that is the trouble with us here. We who are here do not see the needs of the District as we should see them. People who come from afar to visit the city of Washington see some of our slum conditions, and then can readily see the needs of the District.

Mr. President, I now turn to the testimony of Miss Dorothy Eldeen, representing the Women's Auxiliary, United Public Workers of America. Her testimony appears on page 282 of the hearings before the District Committee on Wednesday, February 16, 1949, as follows:

The Women's Auxiliary of the United Public Workers of America is in complete agreement with Congress that the residents of the District must pay more taxes. We feel that the residents of the District are willing to pay more taxes, providing the tax schedule is based on an equitable foundation. We are opposed to the sales tax as a means of raising the necessary funds for the District for the following reasons:

1. It is an unfair tax, in that it hits hardest those who can least afford to pay, the lower-income groups. We know that the lower-income groups spend a much larger proportion of their income for their immediate

needs, whereas the well to do save a large portion of their income, which is not taxed.

2. A sales tax would extend existing inflationary pressures. A large portion of the District's residents spend every penny for rent, food, and clothing. Any additional increase on clothing or any other necessities would cut down the volume of sales, have an effect on employment, and generally add to our economic problems.

Mr. MAYBANK. Mr. President, will the Senator from South Carolina be good enough to yield, with the understanding that by doing so he will not jeopardize his position on the floor, so that I may ask a question of the acting majority leader and the chairman of the Committee on the District of Columbia, who is in charge of the bill which is now before the Senate?

Mr. JOHNSTON of South Carolina. I shall be glad to yield. I ask unanimous consent that by so doing my position on the floor will not be jeopardized.

The PRESIDING OFFICER. The junior Senator from South Carolina asks unanimous consent that he may yield to the senior Senator from South Carolina for the purpose stated. Is there objection?

Mr. JOHNSTON of South Carolina. I have no objection if I do not lose the floor thereby.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAYBANK. Mr. President, I wish to ask the acting majority leader if it is not his understanding from what the majority leader has said, as well as what the chairman of the District Committee, in charge of the bill now before the Senate has said, that tomorrow, upon the convening of the Senate an opportunity will be afforded to consider the Treasury and Post Office Departments appropriation bill?

Mr. McGRATH. Mr. President, how long does the Senator from South Carolina think consideration of the Treasury-Post Office appropriation bill will require?

Mr. MAYBANK. I should think perhaps 2 hours.

Mr. McGRATH. Mr. President, I had made an agreement last week, insofar as I could make an agreement with another Senator, that that bill might be taken up this afternoon.

Mr. MAYBANK. The Senator is correct.

Mr. McGRATH. The Senator then yielded his time, with the understanding that we might proceed with the District of Columbia sales-tax bill today and get as much debate on the bill behind us as possible. I certainly shall not object to the move to take up the Treasury-Post Office appropriation bill tomorrow upon the convening of the Senate, with the understanding, of course, that, if the junior Senator from South Carolina has not concluded his remarks when the Senate takes a recess tonight, he thereafter will have the floor, and that the bill now before the Senate will be displaced only for the one purpose of taking up the Treasury-Post Office Departments appropriation bill.

Mr. MAYBANK. Yes, Mr. President, it is distinctly understood that the bill now under consideration will be displaced only by the Treasury-Post Office appropriation bill, and by nothing else. It is understood that there will be no speeches on any other subject.

Mr. McGRATH. By way of further securing the position of the District of Columbia tax bill, I should like to ask the Senator if he will agree that if the consideration of the Treasury-Post Office bill is not concluded tomorrow—the Senator indicates it will take something like 2 hours—our present agreement will not run beyond the calendar day of tomorrow.

Mr. MAYBANK. I am glad to make that agreement. I would only make this observation, that if the Treasury-Post Office appropriation bill should be before the Senate for more than 1 day perhaps it would be due to an effort to delay consideration of the pending bill, and I would not want that to occur.

Mr. McGRATH. I should want to reserve the right to resume debate on the District of Columbia tax bill some time tomorrow following conclusion of the consideration of the Treasury-Post Office bill, and if the latter is not acted upon tomorrow I should like to have it understood that debate on the bill now before the Senate will be resumed upon the convening of the Senate on Wednesday.

Mr. MAYBANK. With that I thoroughly agree, Mr. President.

The PRESIDING OFFICER. It is the understanding of the Chair that if, by unanimous consent agreement, the Treasury-Post Office appropriation bill is brought up for consideration at the convening of the Senate tomorrow, at any time thereafter, upon call for the regular order, the Senator in charge of the bill now before the Senate can insist upon bringing it back for consideration.

Is there objection to the unanimous-consent request with respect to laying aside the unfinished business when the Senate convenes tomorrow and taking up the Treasury-Post Office appropriation bill?

Mr. WHERRY. Mr. President, reserving the right to object, may I ask whether unanimous request has been made that the Senate now temporarily lay aside the bill before the Senate?

Mr. MAYBANK. No, Mr. President; I ask that the bill now before the Senate be temporarily laid aside when the Senate reconvenes tomorrow.

Mr. WHERRY. Very well.

Mr. MAYBANK. And that when the Senate convenes tomorrow the Treasury-Post Office bill shall be the order of business.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from South Carolina that when the Senate convenes tomorrow the Treasury-Post Office appropriation bill shall be taken up, and that the unfinished business shall be temporarily laid aside for that purpose.

Mr. HILL. In other words, the pending business would be temporarily laid aside and the Senate would proceed to the consideration of the Treasury-Post Office appropriation bill.

Mr. MAYBANK. Yes.

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from South Carolina?

Mr. WHERRY. Mr. President, reserving the right to object, all we are doing is temporarily laying aside the unfinished business, which is the District of Columbia tax bill, and making the pending business tomorrow, after the routine matters are out of the way, the Treasury-Post Office appropriation bill, which will be before the Senate for consideration at that time.

Mr. MAYBANK. That is the agreement I made with the minority leader this morning.

Mr. WHERRY. I have no objection. I wish to thank the Senator from South Carolina for permitting the Senate to proceed in that fashion, because it was understood by some Senators that we were to take up the Treasury-Post Office appropriation bill at 3 o'clock this afternoon.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the senior Senator from South Carolina? The Chair hears none, and it is so ordered.

Mr. MAYBANK. I thank the junior Senator from South Carolina.

Mr. WHERRY. Mr. President, will the junior Senator from South Carolina yield to me so that I may ask one further question of the acting majority leader?

Mr. JOHNSTON of South Carolina. I yield with the understanding that my right to the floor will not be prejudiced.

Mr. WHERRY. What is the intention as to how long the Senate is to remain in session today?

Mr. HILL. The distinguished Senator from South Carolina [Mr. JOHNSTON] has not yet completed his speech on the pending bill.

Mr. WHERRY. Is it the intention to remain in session a while longer this evening?

Mr. HILL. The idea was to continue for a while, so as to afford the Senator from South Carolina an opportunity to conclude his speech.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to know how long it is planned to keep the Senate in session this evening. I do not know exactly how long I shall require.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. JOHNSTON of South Carolina. I may require a couple of hours. I do not know whether Senators wish to remain here that long.

Mr. HILL. Mr. President, will the Senator yield to me so that I may ask a question of the leaders, with the understanding that the Senator's right to the floor will not be jeopardized?

Mr. JOHNSTON of South Carolina. I yield with that understanding.

Mr. HILL. The distinguished Senator from Wyoming [Mr. HUNT] and the Senator from Rhode Island [Mr. McGRATH] are in charge of the bill. I should like to inquire what their wishes are.

The PRESIDING OFFICER. Is there objection to the Senator from South

Carolina yielding for that purpose? The Chair hears none.

Mr. McGRATH. Mr. President, I think we ought to remain in session for a reasonable time—perhaps 6:30 or 7 o'clock.

Mr. HILL. Could the Senator from South Carolina conclude his speech in that time?

Mr. JOHNSTON of South Carolina. I do not know. It may be possible. I am speaking on only one amendment. I have several other amendments. I shall speak on the other amendments when they are before the Senate. If this amendment were adopted, the other amendments would not be necessary; but if this amendment is not adopted, I have other amendments to offer, which would make the bill more workable.

Mr. McGRATH. Mr. President, I am perfectly willing to agree that within 1 hour after debate starts on this amendment, either some time tomorrow or on Wednesday, we shall have a vote on this particular amendment, if we can get a unanimous-consent agreement. I think we could probably make more progress toward reaching a final conclusion by that means than by remaining here indefinitely this evening discussing one amendment. If the Senator from South Carolina could conclude his discussion of the amendment within another hour, I would not care whether he made the remainder of his speech tonight, tomorrow, or Wednesday.

Mr. JOHNSTON of South Carolina. If I were the only Senator who was to speak, I could agree to fixing a time. However, I understand that several other Senators wish to speak on this amendment and the other amendments. That being so, I could not agree to a vote at any particular hour for that reason.

Mr. McGRATH. I understand that the Senator cannot bind other Senators who may wish to speak on his amendment. Therefore I believe that we ought to consume as much time as we can tonight, and remain in session for another hour or two.

Mr. JOHNSTON of South Carolina. Mr. President, I was reading from the statement of Mrs. Dorothy Eldeen. I continue to read her statement:

3. A sales tax is difficult to administer. The merchants become tax collectors and particularly for the small merchant, it becomes a real burden.

4. The adoption of a sales tax in the District will tend to encourage more shopping outside the District.

5. The majority of the District residents do not want a sales tax, as has been indicated by polls and surveys in the last few years.

6. We feel that there are more efficient and equitable measures to properly finance the District government and we would like to submit for your consideration a few suggestions.

1. There should be a large appropriation from the Federal Government.

Many of the other witnesses made the same statement.

When the District was first organized in 1878, the Federal Government's appropriation was 50 percent of the District budget. At the present time, it is approximately 12 percent.

2. The needed funds for capital outlays could be raised by the issuance of long-term bonds. This is a regular procedure throughout the country.

For the information of the Senate, I have introduced a bill to carry out the second recommendation.

3. Increase and broaden the income-tax base in the District. There are an estimated 861,000 residents in the District, of which only 88,000 persons paid income tax.

It will be found that throughout the testimony witnesses testified against the sales tax, and in most instances advocated the amendment I am now offering.

I now invite the attention of the Senate to page 250 of the record of the hearings, where will be found the testimony of Mr. Milton Kelenson, of the Washington Industrial Union Council, CIO. He had this to say:

I want to very briefly state what our entire program is on the question of taxation for the District of Columbia.

First, we are definitely opposed to the sales tax in all of its forms, completely. However, we do recognize that there is a serious fiscal problem here in the District, and we think it can best be met, first, by enlarging the Federal contribution to the District; second, having a graduated income tax, which would take in many more people than are included today; and third, considering other sources of revenue, such as issuance of bonds to cover capital outlays, and also an increase in tax rates on commercial property.

I would like to go back to the question of the sales tax and point out how it affects our members, the great bulk of whom are in the very low-income brackets here in Washington.

The larger part of our membership is included among the lower-paid Government employees, elevator operators, messengers, workers at the Bureau of Engraving and Printing, and other low-paid clerks, and people doing custodial work—the lowest-salaried groups in the Government service.

I think the same can be said for most of our affiliates outside the Government. Included are oil workers, brewery workers, porters, people who do the cleaning on the trains at Union Station, in the Transport Service Employees' Union, and several others, where the pay scales are very low.

To these people it would be a tremendous burden if they had to pay a sales tax on the very necessities of life.

I know when we brought some of our Federal workers up here last year, when the pay raise was being considered, we had among them one elevator operator who was the sole support of two boys, aged 14 and 12, and she was not able to afford fresh milk for her boys. They had meat once every 2 weeks, on Sunday. And I know that a sales tax would be a terrific burden upon a Government worker like that; and there are thousands of them right here in the Nation's Capital.

Mr. McGRATH. Mr. President, if the Senator will yield, let me say that I do not like to have erroneous statements placed in the RECORD. The fact of the matter is that the sales tax we are considering does not apply to milk or other food products. So the poor woman referred to in the testimony just read by the Senator from South Carolina would not be affected by the proposal which is now before the Senate.

Mr. JOHNSTON of South Carolina. I agree that the pending bill does not apply to milk or to meals costing less than $1.50, but it does apply to families of the sort referred to in the portion of the testimony I have just read, for when such families buy needed articles of clothing they will be required to pay the sales tax. So the sales tax will affect them, even though it will not apply to purchases of milk and some other food products.

Mr. President, I read further from the testimony of the same witness:

Because, for instance, even if food were exempted, clothing would be a terrific factor there. And there are other necessities of daily living that would impose a terrific hardship upon these people.

So we find that in his next statement, the witness stated exactly what I have said just now.

I read further from the committee hearings:

I would also like to point out that we have another question to consider here, in the over-all problem of financing the operations of the District of Columbia. We have in our group District school teachers who did not get the $330 increase that the Federal Government classified employees did get last year. We realize that as things stand right now, it is not possible to meet the justified pay increase for the District teachers and for the police, firemen, and other District employees, out of the present revenue. But we think the methods that we propose are the ones that should be used to cover this increase, and all other needed expenditures in the District of Columbia.

At this time I send to the desk several additional amendments, in case the Senate does not adopt my first amendment. The amendments can be designated A, B, or in any other way that is desired.

The PRESIDING OFFICER. Does the Senator from South Carolina wish to have the amendments printed and laid on the table?

Mr. JOHNSTON of South Carolina. Yes; I should like to have them printed, and of course they will automatically go over until tomorrow. That will be satisfactory, because I am planning to rest a little between now and then.

Mr. NEELY. Mr. President, let me inquire of the Senator whether the amendments he has just sent to the desk are all of his amendments; or does he have others to submit?

Mr. JOHNSTON of South Carolina. I have submitted several. Of course I shall be glad to have the Senator from West Virginia add his name to them, as cosponsor, if he wishes to do so. They carry out our recommendations, as submitted in the minority report. Would the Senator from West Virginia like to have his name added to them as a cosponsor?

Mr. NEELY. Yes; I should like to have that done.

Mr. JOHNSTON of South Carolina. Then I ask that that be done by the clerks.

Mr. President, I yield the floor at this time.

RECESS

Mr. McGRATH. Mr. President, if the Senator from South Carolina has concluded, unless other Senators wish to

take the floor, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 10, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9 (legislative day of April 11), 1949:

ATOMIC ENERGY COMMISSION

The following-named persons to be members of the Atomic Energy Commission for the remainder of the term expiring June 30, 1950:

Gordon Dean, of California.
Henry DeWolf Smyth, of New Jersey.

COAST AND GEODETIC SURVEY

The following-named employee of the Coast and Geodetic Survey to the position indicated:

TO BE COMMANDER

Franklin R. Gossett, effective December 23, 1949.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be surgeon (equivalent to the Army rank of major), effective date of acceptance:
Roderick Murray

To be senior assistant surgeon (equivalent to the Army rank of captain), effective date of acceptance:
Paul D. Pedersen

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major general

Maj. Gen. Roderick Random Allen, O4652, Army of the United States (brigadier general, U. S. Army).

To be brigadier general

Brig. Gen. Harlan Nelson Hartness, O12269, Army of the United States (colonel, U. S. Army).

To be major generals, Medical Corps

Brig. Gen. Guy Blair Denit, O8675, Medical Corps, United States Army.

Brig. Gen. Joseph Ignatius Martin, O11943, Medical Corps, United States Army.

To be brigadier generals, Medical Corps

Col. Robert Parvin Williams, O3924, Medical Corps, United States Army.

Col. Robert Burns Hill, O4046, Medical Corps, United States Army.

Col. Arthur Raymond Gaines, O6261, Medical Corps, United States Army.

To be major general, Dental Corps

Brig. Gen. Walter Duncan Love, O11506, Dental Corps, United States Army.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Edgar Erskine Hume, O4033, Medical Corps, United States Army.

Brig. Gen. Paul Henry Streit, O6254, Medical Corps, United States Army.

Brig. Gen. George Ellis Armstrong, O16548, Medical Corps, United States Army.

Brig. Gen. George William Rice, O8850, Army of the United States (colonel, Medical Corps, U. S. Army).

Brig. Gen. John Morris Hargreaves, O16293, Army of the United States (colonel, Medical Corps, U. S. Army).

To be brigadier general

Col. Edwin Howerton Roberts, O6421, Medical Corps, United States Army.

Appointments in the Regular Army of the United States

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress:

To be majors

Melvin A. Casberg, MC, O345725.
Donald J. Francis, MC, O1686968.
Charles T. Garcia, MC, O344727.
Oscar E. Heim, MC, O507795.
Wayne S. Hume, MC, O345445.
Edward J. Kloess, MC, O294801.

To be captains

Lee B. Grant, MC, O1755658.
Harvey F. Grazier, MC, O475939.
Charlie F. Konze, DC, O926379.
Ansel M. Lawson, DC, O430280.
Solomon E. Lifton, MC, O1704926.
Gorman J. McVeigh, MC.
Charles N. Moss, MC, O472700.
Martin H. Rau, DC, O1717176.
Edward P. Ritchings, MC, O468619.
Robert G. Salasin, MC, O1717065.

To be first lieutenants

Joseph E. Caruolo, MC, O1705852.
Robert J. Detamore, DC, O964286.
David R. Dunham, DC, O963867.
Lyman C. Gabrielsen, MC, O1786165.
William O. Gilbreath, JAGC, O1172024.
Dell M. Gray, MC, O1786194.
Frederick L. Harcourt, MC, O936123.
Charles B. Hemphill, DC, O938731.
Euclid G. Herndon, Jr., MC, O935689.
Jay C. Hoyt, MC.
Lawrence M. Jackson, MC, O1775960.
Charles K. Liddell, MC, O1726557.
Philip E. McCaffrey, MC, O1715138.
James B. Moffett, MC, O1766795.
Carl G. Moore, JAGC, O1015043.
Houston C. Reynolds, JAGC, O1333004.
William F. Schnitzker, MC.
Cornelius A. Sharbaugh, CHC, O475969.
John K. Spitznagel, MC, O1746710.
Thomas M. Wells, Jr., JAGC, O387701.

To be second lieutenants

Anne A. Brown, ANC, N765341.
Matie L. Cole, ANC, N779582.
Delores I. Dunnum, ANC, N786157.
Lois King, ANC, N765444.
Ida P. Olson, ANC, N792115.
Marjorie A. Rader, WMSC, M1207.
Willie M. Singleton, ANC, N765122.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

William H. Barr, O413147.
George R. Barrow, O496304.
Nicholas A. Beninate, O885150.
Richard S. Bentley, O1640220.
Robert P. Blackmore, O1035659.
Bobby C. Bush, O945778.
John H. Cleveland, O1012778.
John Collins, O945650.
Leon Crenshaw, O405411.
George A. Custer, O956353.
Alfred L. Dibella, O1011484.
Stephen D. Falkenbury, Jr., O969754.
George S. Fleeson, O1062846.
Gordon K. Fleischman, O535459.
Charles W. Forsthoff, O461985.
Cleo S. Freed, O406779.
Flex V. Gemmingen, Jr., O956237.
Columbus E. Gray, Jr., O439275.
William A. Gresham, O413136.
William B. Hale, O961898.
Howard M. Herron, O519387.
Norbert F. Hesse.
George R. Hoddinott, O1041791.
Charles F. Hood, O577964.
Maurice R. Horn, O545302.
Charles J. Kachavos, O448760.
Jaul R. Kaster, Jr., O536183.
Richard L. Kerr, O422057.
James R. Koenig, O1179126.
Seymour Kravitz, O541527.
Kenneth T. Kuefler, O1045140.
Howard H. Lamar, Jr., O957884.
John D. Layser, Jr., O966822.
Julien H. LePage, O444817.
Lloyd E. Lorentzen, O1534081.
Harry F. Lowman, Jr., O408323.
Joseph W. Lyons, O1593045.
Lavern W. Maxwell, O497312.
Paul G. McCoy, O1685008.
Eugene E. Monk, O524913.
Hunter M. Montgomery, O442867.
Rex S. Morgan, O1594347.
James E. Muenker, O785206.
Richard A. Munn, Jr., O445779.
Homer Owsley, Jr., O817735.
Forrest D. Ream, O957102.
Norman J. Richards, O389212.
Vernon R. Rider, O413739.
George H. Russell, O407749.
Richard T. Smock, O959334.
John D. Sterrett, O456130.
Loren F. Stewart, O449333.
Eugene Tedick, O423239.
Edward T. Watling, O964136.
Edwin A. Watson, O430718.

IN THE NAVY

The following-named officers for permanent appointment in the line of the Navy in grades hereinafter stated:

LIEUTENANT (JUNIOR GRADE)

Halley, Harry J.

ENSIGN

Gaffigan, John P.	Langone, William N.
Holstein, Dudley	Smith, David M.
Kay, Howard N.	Vance, Robert C.

The following-named officers for permanent appointment in the Supply Corps of the Navy in grades hereinafter stated:

LIEUTENANT COMMANDER

Baldwin, Charles A.
Williams, James D.

LIEUTENANT

Quarles, Palmer A., Jr.	Taylor, Edward J.
Sirginson, Arthur W.	Whelan, Robert E.

LIEUTENANT (JUNIOR GRADE)

Allen, William "Y", Jr.	Gowan, Patrick W.
	Kessler, Richard J.
Anderson, Richard B.	Matson, George L.
Buben, George	Neighbors, Milton L.
Criner, Eugene F.	Wenz, Carl R., Jr.

ENSIGN

Grechanik, Walter	Stephens, Samuel S.
Herbert, George A.	Thompson, Robert W.
Keepin, William B.	Van Osdol, Robert C.

The following-named officers for permanent appointment in the Civil Engineer Corps of the Navy in grades hereinafter stated:

ENSIGN

Smith, David M.
Vance, Robert C.
Alberts, Carl D.

The following-named officer for permanent appointment in the Civil Engineer Corps of the Navy in the grade hereinafter stated,

and to correct his rank as previously nominated and confirmed:

ENSIGN

Collier, James R.

The following-named officer for permanent appointment to the grade of chief electrician in the Navy:

Zorzanello, Baselio C.

The following-named officers of the Navy for permanent appointment to the grades hereinafter stated, and to correct spelling of names as previously nominated and confirmed:

LIEUTENANT (JUNIOR GRADE) LINE

Fowler, Earl B., Jr.
Hesel, Michael N., Jr.
Kiernan, Francis J.
Sproul, William C.
Tobin, Daniel P.
Wollam, Raymond L.
Wright, Merritt R.

LIEUTENANT (JUNIOR GRADE) SUPPLY CORPS

Cook, William H., Jr.
Gaschen, Frederick S.
Kubhm, Frederick L.

LIEUTENANT (JUNIOR GRADE) MEDICAL SERVICE CORPS

DeAtley, James M.

CHIEF BOATSWAIN

Hummel, William E.

CONFIRMATION

Executive nomination confirmed by the Senate May 9 (legislative day of April 11), 1949:

DIPLOMATIC AND FOREIGN SERVICE

David K. E. Bruce, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 9, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, O Lord God, we would remember Thy tender mercies and loving kindnesses. We praise Thee for Thy immortal care, which gives strength to the weak and encouragement to the erring. We praise Thee for the memory of mother, which challenges us to mold our characters after the pattern of her sacrificial life.

Help us to give forth today a message of faith and good cheer, and grant us the courage to labor as we understand. Help us not to think of ourselves more highly than we ought to think, but to think soberly according as Thou hast dealt to every man a measure of faith.

Abide with our President, our Speaker, and the Congress, and be in all their counsels. We pray in the name of Christ. Amen.

The Journal of the proceedings of Thursday, May 5, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on May 6, 1949, the President approved and signed bills of the House of the following titles:

H. R. 4152. An act to approve repayment contracts negotiated with the Bitter Root irrigation district, the Shasta View irrigation district, the Okanogan irrigation district, the Willwood irrigation district, the Uncompahgre Valley Water Users' Association, and the Kittitas reclamation district, to authorize their execution, and for other purposes; and

H. R. 1401. An act relating to the disposition of certain recreational demonstration project lands by the State of Michigan to the Mount Hope Cemetery Association, of Waterloo, Mich.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 668. An act for the relief of Alex Bail;

H. R. 711. An act for the relief of Mrs. Margaret Gregg Dilnot;

H. R. 1010. An act for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok;

H. R. 1029. An act authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenlively;

H. R. 1030. An act authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe;

H. R 1035. An act for the relief of Mrs. Ada M. Ryan;

H. R. 1041. An act for the relief of Jeannette and Jesus Esteva and their four children;

H. R. 1052. An act for the relief of Lawrence G. McCarthy;

H. R. 1079. An act for the relief of Maria Veltri Magnone;

H. R. 1101. An act for the relief of Anna Malone and Rita Anderson;

H. R. 1109. An act authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson;

H. R. 1281. An act authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder;

H. R. 1460. An act for the relief of Mrs. Silvia Mapelli;

H. R. 1467. An act for the relief of Thomas O. Troth;

H. R. 1468. An act for the relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe;

H. R. 1489. An act for the relief of James I. Matthews;

H. R. 1508. An act for the relief of Peter Drozd;

H. R. 1591. An act for the relief of Bram B. Tellekamp;

H. R. 1629. An act for the relief of Kira and Nina Grigorieff;

H. R. 1876. An act for the relief of Ralph Martin Elzingre, also known as Ralph Seawell;

H. R. 1983. An act for the relief of Edward L. Barreras;

H. R. 2231. An act for the relief of Marie E. Wright;

H. R. 2605. An act for the relief of John C. Nunes;

H. R. 2710. An act for the relief of Emma Armstrong;

H. R. 2935. An act for the relief of Mrs. Benjamin Betts; and

H. J. Res. 91. Joint resolution to authorize the cancellation and release of an agreement dated December 31, 1923, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board acting through the United States Shipping Board Emergency Fleet Corporation.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 679. An act to authorize the admission of Mrs. Julia Balint to the United States;

H. R. 2360. An act for the relief of Theodore Papachristopoulos;

H. R. 2440. An act to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising;

H. R. 3762. An act to amend title 18, entitled, "Crimes and Criminal Procedure," and title 28, entitled, "Judiciary and Judicial Procedure," of the United States Code, and for other purposes; and

H. R. 3932. An act to exempt artificial limbs from duty if imported for personal use and not for sale.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming;

S. 113. An act for the relief of Helen Louise Oles;

S. 187. An act to provide for the settlement of certain obligations of the United States to the Indians of New York;

S. 246. An act to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes;

S. 259. An act to discontinue divisions of the court in the district of Kansas;

S. 275. An act for the relief of Arthur C. Jones;

S. 292. An act to authorize the establishment of the St. Croix Island National Monument, in the State of Maine;

S. 322. An act for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles Johnson, a minor;

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 441. An act to redefine the units and establish the standards of electrical and photometric measurements;

S. 584. An act for the relief of Rudolf V. Raff;

S. 623. An act for the relief of George Krinopolis;

S. 715. An act to amend the Agricultural Act of 1948;

S. 732. An act providing for the taking of action in 1949 with respect to quotas for the 1950 crops of corn, wheat, cotton, rice, and tobacco;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration;

S. 812. An act to protect scenic values along Oak Ridge Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.;

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 934. An act to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland;

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary were made;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog;

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts;

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes;

S. 1152. An act for the relief of certain officers and employees of the office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions;

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest;

S. 1266. An act for the relief of Hayward O. Brandon;

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1640. An act to amend section 4 of the act of March 1, 1911 (36 Stat. L. 962; 16 U. S. C. 513), relating to membership of the National Forest Reserve Commission;

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes;

S. J. Res. 55. Joint resolution to print the monthly publication entitled "Economic Indicators";

S. Con. Res. 26. Concurrent resolution to investigate certain economic problems;

S. Con. Res. 29. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 31. Concurrent resolution favoring suspension of deportation in certain cases;

S. Con. Res. 32. Concurrent resolution favoring suspension of deportation of certain aliens: and

S. Con. Res. 34. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the President pro tempore had appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49–11.

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include an address delivered by him over the Columbia Broadcasting System on Friday last.

Mr. BREEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Mr. Vincent M. Gaughan at Ohio Wesleyan University on Democrat Day, April 28, 1949. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $175, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. GARMATZ asked and was given permission to extend his remarks in the RECORD and include testimony submitted by Mr. D'Alesandro before the Committee on Banking and Currency on May 6.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include an article with relation to the thirtieth anniversary of the flight of the NC–4, and other newspaper articles.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in four instances and include certain statements and excerpts.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous material.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD in two instances and include an editorial and two resolutions.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD in two instances and include in each a newspaper editorial.

Mr. GRAHAM asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post.

MILITARY AID TO WESTERN EUROPE

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, the Congress will soon be considering the question of enacting legislation for the purpose of implementing the North Atlantic Treaty. The initial cost of an arms assistance program to the nations of the Atlantic community will be between one and two billion dollars. I favor legislation to provide military supplies to the members of the North Atlantic Treaty and will vote for such a measure when it reaches the floor of the House.

It is now generally recognized that European prosperity, solvency, and ability to resist encroachment cannot be accomplished by ECA alone. A sense of security is lacking. We must provide the funds required to make available sufficient military aid to western Europe—aid that will enable the countries to maintain their integrity and to develop the strength capable of resisting a possible armed attack upon them.

We are face to face with the problem of developing greatly increased military strength not only in the United States but also in the countries who are members of the Atlantic treaty. Our safety as well as the safety of all free peoples lies in united and defensive preparations of such magnitude that any potential aggressor will be deterred from the temptation to start a conflict. It is my hope that an adequate program of arms aid to the North Atlantic Treaty nations will soon become a reality. Such action is imperative in maintaining our security.

GOVERNMENT SPENDING

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, this morning the newspapers carry a report of a statement by a Truman administration stalwart in the other body saying that the current economy drive in Congress may touch off a depression. I challenge that statement.

A lot of us so far have said little about present unemployment, the slacking off of business, and the collapse of farm prices because we do not want to contribute to the national difficulty.

However, statements like the one above cannot go unanswered. Everyone should know that excessive and wasteful and extravagant spending by the Federal Government coupled as it must be with increasing taxation is one of the major contributing factors to lack of confidence on the part of consumers and producers alike. That means increasing unemployment and economic stagnation.

It is about time that we begin to understand the effect on employment, business, and agriculture of the Truman administration demands for more spending, more taxes, more socialization, more regimentation, and more control.

If we do have a depression, which certainly I want to avoid, no amount of fantastic economics, buck-passing, or alibiing can hide Truman administration responsibility.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permisison to extend his remarks in the RECORD and include a speech by Mr. Knight, publisher of the Chicago Daily News.

PROSTHETIC APPLIANCES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein a statement on the program of a committee on artificial limbs from Canada, Great Britain, and the United States.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to report to the House some very fine work that has been done as a result of $1,000,000 which the House appropriated in the last Congress for research in prosthetic appliances—artificial limbs, legs, eyes, and ears. As a member of General Gray's and Dr. Magnuson's advisory committee on prosthetic appliances, of which Col. Robert Allen is the chairman, I had the privilege of attending a conference at Toronto, Canada, on Thursday, Friday, and Saturday of last week. This was a meeting of the respective committees of Great Britain, Canada, and the United States. During that conference there was a marked unanimity of thought and desire to work out the best possible prosthetic appliances for the veteran. Behind that thought was the general feeling that in easing the plight of the disabled veteran the general public would be served as well. It was a meeting of distinguished persons of three governments. Represented were those from the official world, the scientific, medical, business, and engineering world, the artificial limb makers, and, most of all, the disabled veterans themselves, who demonstrated their newly perfected appliances. We had an opportunity to observe much of the work accomplished as a result of the research provided by the appropriation of that million dollars. That was done in the United States, Mr. Speaker. If you could see the men walk with their new legs, which have been developed with the help of that research money, and if you could see what has been accomplished in the field of artificial arms, I know the Members would rejoice that the million-dollar appropriation for constructive work has been so successful. We have appropriated so much money for work which in one way has been constructive and yet has been most destructive, that I know you will be glad that this work is entirely constructive. This meeting demonstrated clearly the wisdom of Congress in making the appropriation a continuing annual one, for it must be appreciated that there is much more research and work to be done in this field, especially in artificial arms and hands. Following is a program of the conference:

MEETING OF COMMITTEE ON ARTIFICIAL LIMBS

(National Research Council of Canada, associate committee; United States National Research Council, Washington, D. C., advisory committee; British Ministry of Pensions, standing advisory committee)

(Sunnybrook Hospital, Department of Veterans' Affairs, Toronto, Canada, May 3–6, 1949)

PROGRAM

Tuesday, May 3

9 a. m.: Busses leave Royal York Hotel for Sunnybrook Hospital.

9:30 a. m.: Registration.

10 a. m.: Welcome by chairman, district administrator, and medical superintendent.

11 a. m.: Visit to the prosthetic center and hospital.

1:15 p. m.: Luncheon, staff dining room.

2 p. m.: Working conference.

5 p. m.: Busses leave Sunnybrook Hospital for Royal York Hotel.

Wednesday, May 4

9 a. m.: Busses leave Royal York Hotel for Sunnybrook Hospital.

9:30 a. m.: Working conference.

1:15 p. m.: Luncheon, staff dining room.

2 p. m.: Working conference.

5 p. m.: Busses leave Sunnybrook Hospital for Royal York Hotel.

Thursday, May 5

9 a. m.: Busses leave Royal York Hotel for Sunnybrook Hospital.

9:30 a. m.: Working conference, American committee; working conference, Canadian committee.

1:15 p. m.: Luncheon, staff dining room.

2 p. m.: Working conference, American committee; working conference, Canadian committee.

5 p. m.: Busses leave Sunnybrook Hospital for Royal York Hotel.

Friday, May 6

9 a. m.: Busses leave Royal York Hotel for Sunnybrook Hospital.

9:30 a. m.: Address by the Minister of Veterans' Affairs, Hon. Milton F. Gregg, V. C., C. B. E.

Response, Hon. EDITH NOURSE ROGERS, United States House of Representatives; Hon. AUGUSTINE B. KELLEY, United States House of Representatives.

10 a. m.: Summary, lower extremity, Prof. H. D. Eberhart; upper extremity, Dr. Craig L. Taylor.

1:15 p. m.: Luncheon, staff dining room.

2 p. m.: Prosthetic demonstration, Dr. Gordon Dale.

2:30 p. m.: Arthritic boots, tourniquet project, Symes amputation, Dr. R. I. Harris.

3 p. m.: Closing remarks, chairman and distinguished visitors.

5 p. m.: Busses leave Sunnybrook Hospital for Royal York Hotel.

7 p. m.: Evening session—Dinner at Prince George Hotel floral room by the National Research Council of Canada Associate Limb Committee and the War Amputations of Canada.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include therein a petition on statehood for Hawaii.

Mr. HILL asked and was given permission to extend his remarks in the RECORD.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial from Hoard's Dairyman.

SPECIAL ORDER GRANTED

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of business on the Speaker's desk, and the conclusion of special orders heretofore granted, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JUDD asked and was granted permission to extend his remarks in the RECORD in four instances; in one to include an address given by the gentleman from Connecticut [Mr. LODGE] at a rally in New York City on last Thursday on Peace Without Appeasement; and in the other three instances to include an article, an editorial, and a resolution, respectively.

Mr. JACKSON of Washington asked and was granted permission to extend his remarks in the RECORD and include copy of a letter from Assistant Secretary of the Interior C. Gerard Davidson, to E. M. Weston, president of the Washington State Federation of Labor.

Mr. FORAND asked and was granted permission to extend his remarks in the RECORD and include a statement submitted to the Ways and Means Committee on the subject of social security by Mr. John Carson.

Mr. SADOWSKI asked and was granted permission to extend his remarks in the RECORD in three instances and include excerpts.

Mr. HAYS of Arkansas asked and was granted permission to extend his remarks in the RECORD and include certain excerpts of a speech he made in New York City on May 5.

Mr. CROOK asked and was granted permission to extend his remarks in the RECORD and include a table of rates in regard to residence exchange service in cities of 100,000 population and over, notwithstanding the fact that the additional cost will amount to $262.50.

Mr. BONNER asked and was granted permission to extend his remarks in the RECORD and include a report of the Superintendent of the Merchant Marine Academy at Kings Point, Long Island, made to the Board of Visitors on May 7.

COMMITTEE ON PUBLIC LANDS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the Committee on Public Lands may hold a session this afternoon during the general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

COMMEMORATIVE STAMPS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I should like to direct the attention of the Members of the House to a resolution passed by the Post Office and Civil Service Committee at our last meeting. This resolution states, in effect, the committees will not consider bills providing for commemorative stamps. A similar resolution has been adopted by the Senate Post Office and Civil Service Committee.

The selection of commemorative stamps has, with the exception of the last Congress, been handled by the Postmasters General under their general authority to issue stamps. In the more than 50 years since the first commemorative stamp was issued in 1892, in commemoration of the four hundredth anniversary of Columbus' discovery of America, Postmasters General have carried out this responsibility fairly and satisfactorily. The many meritorious subjects on which bills for stamps have been introduced have been brought to the attention of the Postmaster General for his consideration when making up the commemorative-stamp program for this year and next year.

I may say that so far there have been introduced by Members of the House 73 bills or resolutions calling for commemorative stamps. All of them are deserving and meritorious. It is only practical or feasible for the Post Office Department and the Bureau of Engraving and Printing to get out about 12 commemorative-stamp issues per year. Your committee does not feel like taking the responsibility of choosing 10 or 12 issues out of the 73 stamp bills that have been introduced by Members of the House. For that reason we have adopted the following resolution:

Be it resolved, That the Committee on Post Office and Civil Service of the House of Representatives hereby agrees not to consider any pending bill or resolution or any that may be introduced in the Eighty-first Congress providing for the issuance of commemorative stamps.

The SPEAKER. The time of the gentleman from Tennessee has expired.

THE PRESIDENT'S SIXTY-FIFTH BIRTHDAY

Mr. TAURIELLO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TAURIELLO. Mr. Speaker, I am sure the Members will all join with me in extending felicitations to the Chief Executive of the United States, who celebrated his sixty-fifth birthday on yesterday. I am sure the Members of the House on both sides of the aisle will join me in wishing him a very, very happy birthday. Certainly all of you will agree with me that we are mighty fortunate that the report of his physician discloses that the President up until this minute is enjoying the finest of health. When we consider the responsibilities and burdens that are placed upon the shoulders of the Chief Executive, then certainly we are fortunate in finding that he is enjoying good health up to this point. There is only one answer to that; that is, that he comes from good, sturdy Missouri stock.

I sincerely hope that the good Lord will continue to give him good health so that he may continue to serve the United States for many years to come.

The SPEAKER. The time of the gentleman from New York has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to revise and extend his remarks and include a bill which he introduced.

Mr. ALLEN of Illinois asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the New York Times.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech made last Saturday by the gentleman from Wisconsin [Mr. DAVIS] before the State Young Republican Club at Portage, Wis.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. McCORMACK addressed the House. His remarks appear in the Appendix.]

STATEMENT OF CHAIRMAN OF THE DEMOCRATIC NATIONAL COMMITTEE

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, this morning I read in the press that the chairman of the Democratic National Committee yesterday bluntly said: "A Dixiecrat has no future in the Democrat Party."

That latest statement tells the Nation not only how badly split the so-called Democrat Party is, but reveals the dual personality which marks the speeches of spokesmen for that party today.

Only 10 days ago the President was quoted on this floor as saying in a press conference that the way Members voted on the administration's labor bill would measure their eligibility to receive patronage.

That brought from the distinguished majority leader a remark to the effect that Dixiecrats should remember they were holding their position in the party by sufferance. Then came Mr. Truman's statement that Members of Congress should vote as their conscience guides them. That might have cloaked party pronouncements except for Mr. McGRATH'S statement yesterday that jobs should be awarded on the basis "of the appointee's record and an estimate of his future value to the party" coupled with the statement that there is "no" future value to the party in a Democrat who will not go along with the party platform, and that on that basis "a Dixiecrat has no future in the Democrat Party."

Mr. Speaker, this kind of double talk endorses codes of conduct which cannot be reconciled. They certainly do not contribute to the statesmanship stature of the man from Missouri. They indicate that the Democratic national chairman has bowed to the lash of the patronage whip. In effect, this line of double talk says that the loyal followers of the President can have a conscience only when it belongs to him.

POPE PIUS BLASTS CAPITALISM

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I have never seen anything in public print that distressed me so greatly as a news item bearing a Rome date line and carried in the Washington Post on its front page yesterday.

Referring to an interview that the Pope had with a group of European businessmen, the statement said:

> The Pontiff's words coincided with publication of a fierce denunciation of capitalism in the Vatican's daily newspaper.
>
> The Vatican paper said that communism shorn of its atheism would be less un-Christian than capitalism.

Mr. Speaker, if this publication represents the views of the Pope, then the great work he has done in opposition to the spread of communism has been entirely canceled out. If this statement represents the views of the Pope, then millions of kind-hearted and right-intentioned people have been brought down to the threshold of the quicksands of Marxism.

Mr. Speaker, this statement is both a private and a public wound. I feel baregnawn, and I know that the public must feel canker-bit.

I regret the necessity of having to make this statement. I never made one that I regretted more.

Mr. Speaker, the stand that the Catholic Church has taken between a peace-loving world and the agents of Moscow has brought down upon it much abuse, but up until now the church has given no ground, and I trust that no representative of this great church will ever indicate a willingness to treat for terms of peace with these Communist agents from hell.

EXTENSION OF REMARKS

Mr. NORBLAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I just want to say in reply to the gentleman from South Dakota that a Rhode Island red is not going to rule the roost so far as the southern Democrats are concerned.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. JOHNSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

DECENNIAL CENSUS OF HOUSING

Mr. SABATH. Mr. Speaker, I call up House Resolution 189 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2203) to provide for a decennial census of housing. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DECENNIAL CENSUS

Mr. SABATH. Mr. Speaker, this rule makes in order consideration of the bill (H. R. 2203) to provide for a decennial census of housing in conjunction with the regular census. This census provides a method of properly showing the number and geographical distribution of dwelling structures and units owned and rented in the United States. It will include the utilities and equipment in the dwellings. The census will also include statistics with respect to the veterans, and the cost of this census will be about $15,000,000.

CENSUS AID TO HOUSING PROBLEM

Mr. Speaker, we all recognize the great shortage of housing. We know that the ex-servicemen—the veterans—have been unable to obtain housing or living quarters for themselves and their loved ones so that they can live respectably and decently. This situation is due to the fact that Congress, when President Roosevelt in 1940 and 1941 urged appropriations for housing to relieve the shortage then existing, did not approve his recommendation. It was a majority of the private builders, contractors, and real-estate operators who succeeded in influencing Congress and brought about a coalition—the same coalition that exists today between the Republicans and some reactionary Democrats who call themselves Dixiecrats. The coalition during the time when Nathan Straus headed the housing agency was also responsible for the defeat of the housing bill, and had the bill passed when construction costs were cheaper, the housing shortage that exists today would have been virtually eliminated. Many of us at that time urged and defended that legislation. It was the failure to pass that legislation which resulted in lack of proper housing accommodations, the building of which would bring about conditions that would inure to the benefit of not only the ex-servicemen but of the American people as a whole. I feel that notwithstanding the fact that we heard a great deal from time to time from gentlemen on the floor and in the newspapers about the shortage of housing, this census will clearly demonstrate the unfortunate conditions and actual facts that exist in the United States, and that something must be done to remedy it. Of course, time has gone by. This census will be taken in conjunction with the regular census next year. The House and the country will not get that report until June 1950, so I have been informed. But in the meantime, I believe this census will have a wholesome effect and will aid in bringing about early action on the housing bill now pending in the other body. I am hopeful that this census will expedite the passage of much-needed slum clearance and low-income housing legislation.

Nevertheless, I hope that it will have a constructive effect upon the country, and that it will bring about relief to deserving men—relief to which they are entitled. Consequently I feel that this bill which was reported unanimously by the Committee on Post Office and Civil Service should be adopted.

PRESIDENT LEADS IN BENEFICIAL LEGISLATION

I hope that in the future, when legislation will be recommended by the President, it will be approved, because the President at all times has really more facts than we individuals possibly can have and because he receives his reports from men all over the United States whose duty it is to keep him informed.

Of course I realize that some of these people do not always inform him correctly, and sometimes they fail to report on conditions that actually exist. Notwithstanding that fact, I hope that when this bill is passed it will to some extent expedite, as I said before, the passage of the housing bill now pending, and that we will in the future recognize that the recommendations of the President are always in the interest of the entire Nation and not sectional.

POLITICAL IMPORT OF REPUBLICAN SPEECHES

And now I wish to answer the gentleman from Indiana [Mr. HALLECK]. Of course, I differ with my colleage the gentleman from Indiana [Mr. HALLECK], who made a speech a little while ago criticizing the President. It is easy to criticize and find fault, but every sincere and well-informed individual must admit, whether he is opposed to the President politically or not, that he aims to do everything and anything within his power to help the extant situation. Our President has clearly demonstrated that he has the interests of the country and the people at heart. Mr. HALLECK'S criticism reminds me of the old saying, "But for the grace of God, there go I."

Certainly, it is not the President's fault that some of the legislation that he has recommended has not passed, but I hope that in the future people will insist upon Congress' passing legislation that he has recommended and urged.

ENORMOUS PROFITS OF BIG BUSINESS

Personally, I disagree with the gentleman from Indiana [Mr. HALLECK] that conditions are not favorable in this country. I read last night in the New York Times, and also read in the monthly statement of the National City Bank of New York, that business has succeeded in earning more in 1948 than it did in the palmy days of 1946 and 1947, and that business in the first quarter of 1949 is in many respects better than in 1948. The New York Times of May 8, 1949, carried the following substantiating report:

INDUSTRIES SET 1948 EARNINGS MARK—$6,537,963,951 BY 815 CONCERNS

(By C. M. Reckert)

American industrial manufacturers last year passed a fantastic production and earnings milestone. The gradual adjustments in output, demand, and prices in the last 6 months from the sharp financial distortions of and following the war, will be reflected in substantially lower earnings for 1949. The extent of the decline will depend on the international situation, Government expenditures and policies affecting taxes, employment, and world trade. A few industries will continue at a sustained high level, but the majority will have a more checkered career.

While the economic atmosphere may be clouded by uncertainty and caution, favorable characteristics of this leveling-off period are the strong working capital position of companies and the high purchasing power of the Nation. Companies generally are reducing inventories and making only short-term commitments during the adjustment to lower prices, while buyers are holding out for price cuts induced by competitive conditions.

The total net income of 815 companies included in the survey of 70 manufacturing fields came to a record $6,537,963,951 in 1948. This exceeded their previous peak returns of $5,190,222,641 in 1947 by 26 percent. Largely responsible for the over-all improvement was the vast demand for products at higher prices which since have reached a saturation point.

Mr. Speaker, I shall not encumber the RECORD with the complete statistics covering the profits of these 518 companies, but for the information of the House I insert the comparative figures of 1948 and 1947 of several of our leading industries:

	1948	1947
Steel, machinery, railroad equipment, etc.	$1,082,869,041	$840,887,474
Mining and petroleum	2,063,966,481	1,451,145,439
Chemicals, paper, glass, newsprint	750,203,640	672,167,174
Automobile, tires, aviation, shipbuilding	887,955,058	616,301,364
Furniture, household supplies, building materials, radio, etc.	950,308,489	916,136,849

In addition, may I say to my friend, the gentleman from Indiana [Mr. HALLECK] that the hue and cry about unemployment comes from those who are trying, it seems to me, to scare American labor, and the people of our country. We have today about 2,000,000 unemployed, but you will always find that number and twice that number in most normal times due to the turn-over in positions, illness, and because of people who for one reason or another are trying to improve their status and condition in life.

EMPLOYMENT ON THE INCREASE

I am satisfied with the record. If the gentleman from Indiana [Mr. HALLECK] has observed yesterday's newspaper showing a report published in the financial and commercial section of the New York Times, and other reports, he will find that employment has been on the increase in the last 2 months. I hope that the people of the United States will continue to be employed and that the wages which they are receiving in many instances will be increased so that they can exist, always bearing in mind the high cost of living.

FARM PRICES STILL ABOVE PARITY

Oh yes, farm prices received for farm products, as the gentleman from Indiana [Mr. HALLECK] stated, have gone down some—yes, by 1½ percent or 2 percent. But they are still above parity. The consumer has not really derived much benefit as yet, but I hope they will because the prices that the consumers are obliged to pay for meat, milk, butter, eggs, and in fact all the necessaries of life, are still much higher than conditions justify. Still, I have always been in favor of the farmers making a fair living and a fair profit and being well compensated for their services.

WAGES OF WORKERS INADEQUATE

On the other hand, the man who makes the farmer's business possible by building the required farm machinery and tools and which helps to increase production and reduce the cost of farming, is entitled to fair compensation even though he resides in the cities and industrial sections. I hope that these people will not be in the unfortunate position of having to skimp so as to be able to get along on a meager salary, especially in view of the fact that the report in the New York Times that I have inserted indicates that industries last year made net over $7,000,000,000. I want to make a correction in my remarks. I should have said that the earnings were not $7,000,000,000 but only $6,537,963,951, and that is only by 815 concerns. These are not my figures. These figures were carefully prepared by Mr. C. M. Reckert, of the New York Times.

Consequently, I hope that the minimum wage bill now pending in committee, will be enacted shortly.

Naturally, the workers feel that they are entitled to a fair compensation. In spite of the Taft-Hartley Act, we have had some strikes. We were promised that that law would eliminate strikes, but it does not.

FACTS BELIE RECESSION

Taking everything into consideration, I hope that the gentleman from Indiana [Mr. HALLECK] and our other colleagues, will not try from time to time, to indirectly call attention to the alleged fact that we might have a recession in business. Every well-informed economist, every financier who knows about the existing conditions, is confident that there will be no recession, notwithstanding the fact that a few manipulators and speculators would like to bring that about. But it will not happen, because the Administration under the leadership of President Truman, is watching closely and will offset anything that they possibly may try to do to bring about a recession. I have the utmost confidence that we will continue to be prosperous. Perhaps some of the corporations will not make three or four or five hundred percent profit, and perhaps the farmers may have to be satisfied with a little less price, but still they will make more money than ever before. But it has always been that way under a Democratic Administration, which has always safeguarded, protected and led the country to prosperity and better times.

Mr. Speaker, I ask unanimous consent to extend my remarks and include a few of those articles that I have on this subject.

I reserve the balance of my time, and I now yield 30 minutes to the gentleman from Illinois, my colleague [Mr. ALLEN].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. No. I regret that I cannot yield to my colleague for I feel that he cannot enlighten me in any way.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire.

I was very sorry that my good friend, the gentleman from Illinois [Mr. SABATH], did not discuss the proposed rule, but proceeded to berate the able gentleman from Indiana [Mr. HALLECK]. If I had been the gentleman from Illinois [Mr. SABATH] I would have explained something about this bill, something that is before us for consideration. In the report and everywhere, they insist how urgent and how acute the housing shortage is. All the testimony before the committee emphasized how much this information on housing is needed. Then they proceed to wait until the election of the year 1950 to take this census, to take care of this acute emergency. They are not doing it now, but they are going to do it next fall, the fall of 1950, an election year, when they will hire hundreds and hundreds of snoopers running around this country on the taxpayers' pay roll. In other words, next fall, next September, if you please, there will be one group of snoopers running around the country taking a population census. Next fall, in September, there will be thousands running around at several hundred dollars a month, just before election, taking the agricultural census.

Now, we come here today and we find the gentleman from Illinois and others emphasizing how important it is that this census be taken. We want to do so much for the veterans, but unfortunately we want to do more for them in about September 1950, just before the election than we do in May or June 1949.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes; I yield.

Mr. SABATH. I believe this legislation, if passed, will aid in bringing about the legislation that is pending, the housing legislation. As to a separate census, this will be taken in conjunction with the regular census. It will cost the country less money. We desire to save everything we can, and that is the reason we did not feel it should be taken now but should be taken in conjunction with the regular census, for which our Constitution provides.

Mr. ALLEN of Illinois. Yes. I know what it is being taken in conjunction with. About 25,000 or 30,000 snoopers running around the country a couple of months before election, receiving high wages to talk New Deal politics. That is what it will be in conjunction with.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. STEFAN. We just passed a bill in this House appropriating around $48,000,000, which is a part of the $70,000,000 to take the decennial census, the population and agricultural censuses.

We were told by Mr. Capt, Director of the Census, that he would employ approximately 140,000 people to take that census beginning in 1950. Would the gentleman tell the House how many more employees are to be added because of the housing census which is to be taken in conjunction with the decennial census, and how much additional money it will cost above the $70,000,000 requested by the Census Bureau?

Mr. ALLEN of Illinois. Answering the gentleman I may say that the general population census is but one; there will be three groups of snoopers all working separately a few months before the election in 1950: One group to take the population census, one group to take the agricultural census, and a third group to take the housing census. This will be at a total cost of $85,000,000 for all these

censuses. It seems to me we could much better and more effectively use this $85,000,000 to build houses for the veterans than to send snoopers around the country just before election.

There are now six agencies working on the housing census, and now it is proposed to add a seventh agency under this bill. We might much better spend the money building houses for the veterans.

Mr. STEFAN. Mr. Speaker, will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Mr. STEFAN. Did the gentleman take into consideration the number of people and the amount entailed in the business census which is being taken separately?

Mr. ALLEN of Illinois. I may say to the gentleman from Nebraska that nearly all of this money will be used for payrollers. There is not much expense involved in the way of equipment and material. Of this $85,000,000, probably $82,000,000 will go for snoopers' salaries throughout the country just before election.

Mr. STEFAN. The gentleman mentioned the figure of $85,000,000 as the cost of the decennial census for population. Agriculture is $10,000,000——

Mr. ALLEN of Illinois. This is $15,000,000 more.

Mr. STEFAN. This will be $15,000,000 in addition; and then there is the additional business census that is now being taken.

Mr. ALLEN of Illinois. I would say that it would probably take $15,000,000 for that also.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. CHURCH. The gentleman from Illinois [Mr. SABATH] was exercised over the relief question. I assume he means political relief. It seems to me what he is most concerned with is relief of these snoopers who will be added to the pay roll by this bill to the extent of an additional $15,000,000. I agree with the gentleman from Illinois who has kindly yielded to me, that we could much better use the money for building houses for veterans instead of for this political pap, as I choose to call it.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. If the gentleman will yield further, I should like to ask the gentleman from Illinois [Mr. SABATH] another question: He proceeded throughout his remarks to attack the sincerity of the gentleman from Indiana who has temporarily been called from the floor. I wish to ask the gentleman if he does not believe that the gentleman from Indiana was not only sincere but entirely accurate in the remarks be made this morning on the floor? The gentleman from Illinois [Mr. SABATH] questioned the sincerity of the gentleman from Indiana. Does not the gentleman from Illinois believe that the gentleman from Indiana was sincere and accurate in every word he said? I do.

Mr. SABATH. If the gentleman from Illinois [Mr. ALLEN] will permit me to answer, perhaps the gentleman from Indiana may have been sincere, but he did not have the facts and did not give the facts that exist.

Mr. CHURCH. The gentleman from Illinois [Mr. SABATH] certainly did not give the facts.

Mr. SABATH. I have reports from reliable sources that business during the last quarter, this first quarter of this year, is better than it was in 1948.

Mr. ALLEN of Illinois. In regard to that let me say——

Mr. SABATH. All right; I will put it in the RECORD for the gentleman.

This article was published in the Chicago Sun-Times on May 7, 1949:

FIRST-QUARTER EARNINGS BETTER THAN EXPECTED

American industry, as gaged by earnings, showed up better in the first quarter of 1949 than was anticipated, according to the National City Bank of New York.

In its monthly letter on economic conditions, the bank said 500 corporations reported an increase in composite net income of 6 percent over the first quarter of 1948. The corporations were listed in 19 different industry groups.

The total net income, however, was 18 percent below that of the final quarter of 1948.

The latest quarter's increase over the like period last year resulted chiefly from gains reported by 48 automobile and truck makers and steel companies, the letter said.

Even with those companies excluded, however, the remaining 452 companies' earnings came within 8 percent of the level of the first 3 months of 1948.

Mr. ALLEN of Illinois. Anybody with the slightest familiarity with business and business management can see from the signs and events of the past several months that there is a recession coming on; and I may say to the gentleman from Illinois that if this administration does not stop legislation like the socialization of medicine and the other socialistic schemes they have up their sleeves they are going to have a real depression rather than a recession. They will have it if they try to bleed more taxes from the people to the tune of $4,000,000,000. It will not be prevented, nor will it be cured by adding another group of snoopers to the three already provided for. You will have three men asking questions instead of one man asking them: Three separate men will go to a farmer. The first will ask him how many people are in his family; the other will ask him how much he makes on this farm; and the third will ask him if he has a house or if he needs lumber. Keep on with this sort, and you certainly will have not a recession but a depression.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MURRAY of Tennessee. I know the gentleman desires to be correct.

Mr. ALLEN of Illinois. Certainly.

Mr. MURRAY of Tennessee. I may say that the population census, the agricultural census, and the housing census will all be taken by one individual; there will not be three groups. Certainly this thing is not inspired in any part by politics; and as evidence of that, let me say that the American Legion passed a resolution at the national convention in Miami last fall asking for this census. They were the sponsors of the bill.

Mr. ALLEN of Illinois. Here is a statement taken from your own report. It states that hearings were conducted and that "their testimony demonstrates the necessity for obtaining accurate and reliable housing information, particularly at the present time when our country is faced with a critical housing shortage."

You say here "at the present time." This is to be taken in September 1950. Is it going to be so critical then?

Mr. MURRAY of Tennessee. As the gentleman well knows, we have been taking a general population census in this country since 1850, for 100 years. In 1940, 10 years ago, we took a population census, an agricultural census, and a business census. I do not see why there is so much fury being raised about this proposition when the housing situation is so acute and so critical now.

Mr. ALLEN of Illinois. Does the gentleman contend that the housing situation is critical now?

Mr. MURRAY of Tennessee. Certainly I do.

Mr. ALLEN of Illinois. If it is so critical, why wait until 1950?

Mr. MURRAY of Tennessee. If we took a housing census now, it will entail an additional expense. We are trying to hold down the cost. That is why the housing census would be taken in conjunction with the population and agricultural census by the same enumerators.

Mr. ALLEN of Illinois. Does the gentleman know that this present acute situation will be in existence 2 months before the next election? Maybe we will not need it in September and October 1950.

Mr. MURRAY of Tennessee. I may say to the gentleman that this census of population, agriculture, and housing will start in January 1950 and will be completed before the summer is over.

Mr. NICHOLSON. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to ask the gentleman if these statistics we have had on housing are up in the air. We ought to know about that, because we have been told how many people have beeen doubling up and how many houses we lack for the last 3 years. Either somebody has been lying to these committees or they had not had the right information.

Mr. ALLEN of Illinois. There are six agencies now, the members of which are drawing big salaries, six different separate units trying to get housing information. If they would use some of the money with which they are paying the salaries to clear up housing it would be much better.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Maine.

Mr. HALE. I am particularly impressed with language that appears on page 2, lines 6 to 9 reading as follows:

The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of

such census) as are necessary to the completion thereof.

Is that not a very broad charter?

Mr. ALLEN of Illinois. It is very broad.

Mr. HALE. Does not the gentleman think that would authorize the Director of the Census to go on spending money indefinitely?

Mr. ALLEN of Illinois. It appears that way to me.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. JONAS. The gentleman made reference to the fact that five or six agencies were making an over-all survey in reference to housing conditions. Is it not true that in the State of Illinois for about 2 years we have had an agency in connection with Chicago and the balance of the State making a complete survey of the housing situation in Illinois and is this not a duplication and a going over of what we have already paid for out of the treasury of the State, merely a duplication of work already done?

Mr. ALLEN of Illinois. I am in accord with the gentleman.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. SABATH. I fully appreciate my colleague is familiar with our Constitution but the gentleman from Illinois [Mr. CHURCH] seems to forget that there is such a thing as a Constitution that provides a census shall be taken every 10 years. This will require only one more line in the report and questionnaire which will be made by these census takers. That is all there is to it. There will not be two or three different enumerators, it will be done by one person.

Mr. ALLEN of Illinois. I understand about the election year. There probably will not be anybody on the pay roll, according to the gentleman.

Mr. SABATH. Forget about the pay roll and politics.

Mr. ALLEN of Illinois. I say, there probably will not be.

Mr. SABATH. I am amazed at the gentleman.

Mr. ALLEN of Illinois. I will say to the gentleman, in conclusion, I think it is about time that this Congress start cutting down some of these expenses right now. With our national income the biggest in history, with high tax rates, we are still going to go in the red this year, even though our national income will probably be at least the first or second biggest in the entire history of the United States. We owe over $250,000,000,000. Now, that is more than the total assessed valuation—I say "assessed valuation"—of all the property west of the Mississippi River. But still, here, with the biggest income in history, this Eighty-first Congress is going to go in the red by several billion dollars. So I say, perhaps, we better try to stop some of these expenditures.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, when this bill was first called to the attention of the Committee on Rules it occurred to me that it was an approach that for a housing census that would probably save a great deal of money if incorporated in the regular census. As I understood at the time, it was not contemplated that more employees would be used but that the additional information would be secured by the regular enumerator. When my delightful friend, the former chairman of the Committee on Rules, was discussing this matter, I could not tell whether he was calling the proposed employees snoopers or doopers. I assume he meant they were snoopers. If the Republican Party had won control of the Presidency and of the Congress for this year, I wonder if they would also have been snoopers, because you certainly would have had the same type of census taken. I think the only difference would have been that they would have been Republican snoopers instead of Democratic snoopers.

Mr. ALLEN of Illinois. The gentleman may have something there.

Mr. LYLE. In all sincerity, I think this is a very good approach to the problem of a housing census—it is essential that we know about our housing conditions in this country. The questions, I think, that are contemplated to be asked are whether or not the people own the home, what the facilities are there, and so forth, and it will take only a few seconds longer than it would to ask them about the number of people living there.

Mr. ALLEN of Illinois. Then why should it take $15,000,000 if they are just going to ask one more question? This is 25 percent as much as the other bill for the whole agricultural set-up.

Mr. LYLE. I am very pleased that the gentleman asked that question. I think that is a mistake; I think that it will cost but little if any additional money. The estimate is likely based on a cost accounting system. As you know, in the Post Office Department, for instance, they say that a first-class letter costs so much and a parcel-post package costs so much and a seed catalog will cost so much, but that is all figured on a cost accounting system. In my judgment—and I called this to the attention of the committee when they were considering it—that the estimated cost is high and purely speculative. Perhaps it will take a few seconds longer for each enumerator and consequently a few weeks longer.

Mr. ALLEN of Illinois. I am sure, if the gentleman would offer an amendment compelling them to take both census by the same individuals, that it would have support over here. What we are fearful of here is that we are going to have two or three different groups. If the gentleman will put in the bill that it can be taken along with the census of the general population, I am sure he will have nearly unanimous support on this side.

Mr. LYLE. If the Bureau is going to take three different groups and make three different surveys, I will oppose it, too, because that would be a very foolish thing.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield.

Mr. MURRAY of Tennessee. The bill states that this census shall be taken in conjunction with, at the same time, and as a part of the population inquiry of the decennial census.

Mr. LYLE. That is my understanding of the bill.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I have two children, both veterans. They both live with me when they are home. If they were asked the question, "Do they own the house?" they would say "No." But they do own the house; that is, my house is their house. These two children of mine will be doubled up with their father and mother on this census proposition, will they not?

Mr. LYLE. Yes.

Mr. NICHOLSON. That is what I am afraid of. You will not get an accurate picture of housing, because those two children are just as welcome in the house today, after they have attained their majority, as they were when they were 1 or 2 years old.

Mr. LYLE. I think the gentleman is very fortunate to have them with him. I hope I can keep my little daughter with me for a long time. Nevertheless, I think this bill will give us a needed picture of housing, and will cost very little more money than if we left it out altogether. It will take only a few minutes per home if the matter is intelligently handled, and we must assume, of course, that the people we employ will not be partisan but will be interested in the job they are doing.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Illinois.

Mr. CHURCH. I am interested in the gentleman's statement that he hopes it will cost very little money. The chairman of the committee said this work would be done at the same time as the taking of the population census, but an additional cost of $15,000,000 is contemplated, according to the committee report. How does the gentleman reconcile that statement with the fact that there is this $15,000,000 additional cost? I think the gentleman from Illinois [Mr. ALLEN] is concerned with the "duper" part. The "duper" part is duping the taxpayers. With respect to the $15,000,000, I wonder why that amount will be necessary, if it is merely a question of adding another line to the report and so forth.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. CHURCH) there were—ayes 36, noes 2.

So the resolution was agreed to.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2203) to provide for a decennial census of housing.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2203, with Mr. LYLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself 10 minutes, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Chairman, the bill under consideration, H. R. 2203, provides for a much needed census of housing in the year 1950, to be taken in conjunction with the population and agriculture census.

This bill, which was unanimously approved by the House Post Office and Civil Service Committee, authorizes and directs the Director of the Census to take a census of housing in each State, the District of Columbia and the possessions of the United States in the year 1950. The statistics derived from the housing census are to show the number, characteristics, including utilities and equipment, and the geographical distribution of owned and rented housing.

In addition, the bill provides that the statistics with respect to veterans of World War II shall be shown separately.

Extensive hearings were conducted by our committee, and representatives of the Housing and Home Finance Agency, Bureau of the Census, veterans' organizations and the housing industry appeared in support of the measure. Their testimony demonstrates the pressing need for obtaining accurate and reliable housing information, particularly at the present time when our country is faced with a critical housing shortage.

It is clear that a complete census of housing as provided for by the bill is important to National, State, and local agencies in determining the magnitude and nature of the housing problem and also in determining action to be taken to meet that problem.

The statistics secured by this census of housing will be of value to the large number of small businessmen in the housing industry who depend upon such information from the Bureau of the Census to locate new markets for their products and services.

A census of housing was conducted for the first time in connection with the general population census in 1940. Today the statistics of the 1940 census, which incidentally was the only complete housing census ever taken in our country, are out of date. New statistics must be secured so that we may take inventory of the housing situation in the light of existing conditions.

The question of housing and its adequacy is of vital concern to the Nation. The fact that home-building construction was suspended during World War II and that our population was disclocated during and after the war presented a problem of extreme importance, not only to the housing industry but to the Government's program of encouraging the construction of housing units where they are needed.

Officials of the Bureau of the Census estimate that the census of housing authorized by this bill will cost the Federal Government about $15,000,000. However, this item has been included in the President's budget for fiscal year 1950, and in my judgment is fully justified by the need for a housing census which was clearly demonstrated to our committee.

At the present time, Congress has authorized decennial censuses of population, agriculture, irrigation and drainage, Government revenues and expenditures, and religious groups. In addition, it has authorized quinquennial censuses of business, minerals, industry, transportation, and manufacturing. I believe that at the present time the necessity for a 1950 housing census is equal to the need for the censuses which I have enumerated. I urge the Members of the House to support this bill.

Mr. Chairman, this bill has the unanimous support and endorsement of all the veterans organizations. The representatives of the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans and the American Veterans Committee appeared before our committee in behalf of the enactment of this legislation. This bill is also supported by the National Association of Home Builders, the Building Products Institute, the United States Chamber of Commerce, the National Association of Real Estate Boards, the United States Savings and Loan League, and the Mortgage Bankers Association. These concerns had representatives before our committee in behalf of the measure. There also appeared before the committee representatives of the Bureau of the Census and the Housing and Home Finance Agency supporting the bill. This census is of great importance to the planning, construction, financing, and management of housing. The census data on the size, quality, and general characteristics of housing is essential to Federal, State, and local agencies. Such information is of importance to the housing industry and business engaged in housing equipment and housing appliances who sell various utilities of all kinds to houses.

As I have already stated, this bill has the unanimous support of the entire committee. There was first a subcommittee of seven appointed to hold hearings on this bill. On my left is the ranking minority member of the subcommittee, the gentleman from Kansas [Mr. REES] the former chairman of our committee. There were two other members of the minority party on this subcommittee. We had extensive hearings on the bill. I am surprised to hear some say that there are any politics involved in this bill. As I have already said, this bill was sent to me by the American Legion. Mr. John Thomas Taylor, the national representative of the Legion, sent the bill to me and asked me if I would introduce it since the bill carried out a resolution adopted by the National Convention of the American Legion last October at its meeting in Miami, Fla.

So I introduced the bill. I had no partisan politics in introducing this bill. Politics did not enter the minds of any member of the committee in considering this bill. This bill has been sponsored by the veterans' organizations and it has the backing of the Government agencies involved, and also the representatives of the housing industry and the building industry and the mortgage associations of our country.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from California.

Mr. JOHNSON. I think we all realize that to take a census is a very good thing for the country, but will the gentleman, as chairman of the committee, state for the RECORD, so we will have it, just what the qualifications are of those who are going to take the census, and who appoints them?

Mr. MURRAY of Tennessee. I may say to the gentleman that I have no control over the appointment of the supervisors or the enumerators. As you know, they are appointed by the Director of the Bureau of the Census.

Mr. JOHNSON. Will they have a civil-service rating?

Mr. MURRAY of Tennessee. I understand not.

Mr. JOHNSON. So that the supervisors, then, are the ones who appoint the enumerators in the local areas?

Mr. MURRAY of Tennessee. That is correct.

Mr. JOHNSON. And who appoints the supervisors?

Mr. MURRAY of Tennessee. They are appointed by the Director of the Census, as I understand.

Mr. JOHNSON. Is he under civil-service rules?

Mr. MURRAY of Tennessee. No. The supervisors meet certain tests and qualifications prescribed by the Bureau of the Census, but, naturally, there would not be time to hold extensive open competitive civil-service examinations for the selection of supervisors.

Mr. JOHNSON. Well, would the gentleman, or some member of the committee, place in the RECORD the regulations that the supervisors of the census have, that govern them in picking these enumerators? We would just like to know how they are being picked out, so that we may expect that they will be good personnel and will do a good job and will refrain from mixing partisan politics in their work.

Mr. MURRAY of Tennessee. Yes; I will be glad to request the Director of the Census to furnish that information, and I will put it in the RECORD.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Is it not true that before our committee it was made very clear that the census on housing would be taken at the same time and by the same persons who take the census on the general population?

Mr. MURRAY of Tennessee. The gentleman from Kentucky, who is a valuable member of our committee, is absolutely

correct. The same enumerators will take the population, agricultural, and housing censuses.

Mr. GOLDEN. Was it not brought out in the committee that this necessary information would be of vital interest to the industries of America?

Mr. MURRAY of Tennessee. That is correct.

Mr. GOLDEN. And all businesses which are engaged in housing?

Mr. MURRAY of Tennessee. That is correct.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself two additional minutes.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I think perhaps it might be wise, just in order that the record may be clarified, to ask at this point if it is not a fact that from the beginning of the taking of all censuses the census supervisors and enumerators have been appointed as political patronage, and that supervisors are appointed upon political recommendations? It has been done by both parties, according to which party is in power. I might say that as far as I am personally concerned, I rather suspect and expect that the supervisors of the coming census will be members of the majority party. They will be appointed as political patronage, and I do not expect to be consulted in my district as to who the enumerators or the supervisors will be. We might as well have the record clear and frank.

Mr. MURRAY of Tennessee. I think the gentleman from Ohio has given a very clear and frank picture with regard to the selection of enumerators and supervisors.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I sit on the Committee on Banking and Currency. We have had the Bureau of the Census and the Bureau of Labor tell us for the last 3 years just how many veterans were out of homes and how many were doubled up. Are those figures wrong?

Mr. MURRAY of Tennessee. I will say that those figures are just guesses or estimates, and not based upon real figures, because there has been no complete housing census taken in this country since 1940.

Mr. NICHOLSON. Will the gentleman yield for another question?

Mr. MURRAY of Tennessee. I yield.

Mr. NICHOLSON. As I understand it, in 1946, when these housing measures and rent-control measures came before the committee, we were supposed to take those figures as being correct.

Mr. MURRAY of Tennessee. I may say to the gentleman that they took certain sample censuses in a few sections of the country and used them as a base for their entire calculation.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield for a further question?

Mr. MURRAY of Tennessee. I yield to the gentleman from California.

Mr. JOHNSON. This is the situation, is it not: That these supervisors and enumerators will not be covered by the Hatch Act? Is not that correct?

Mr. MURRAY of Tennessee. I may say to the gentleman that it probably would be, but I will also say that the work of these enumerators and supervisors will be completed long before we get into the fall election of 1950; these enumerators will start their work after the first of next year, in January. They will have their work finished by the middle or end of summer.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself three additional minutes.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield.

Mr. CHURCH. Will the gentleman tell us what was the cost of the last census? And will he explain why we have the total of $15,000,000 for this one purpose which brings the total cost up to $85,000,000? What was the cost of taking the last census?

Mr. MURRAY of Tennessee. The cost of the last census, as I remember, was about $42,000,000; and the cost of the housing census was about $7,000,000.

Mr. CHURCH. That is $49,000,000, and now the complaint comes that costs are doubling for this admittedly political pap bill, as I call it, doubling.

Mr. MURRAY of Tennessee. This is the first time I ever heard anyone charge that the taking of the decennial census was a political matter. We have been taking the census of the population every 10 years since 1800 regardless of whether Republicans were in power or Democrats; and certainly it should not be charged that this is a Democratic partisan matter this year.

Mr. CHURCH. Will the gentleman please tell me why there is a doubling of cost?

Mr. MURRAY of Tennessee. Because probably it will cost more in 1950 than it did in 1940. Living costs have increased and salaries have increased.

The figure $15,000,000 for the census this year was recommended in the President's budget. He sent up the figure $15,000,000 through the Budget. That is why this figure is here. Personally, I do not believe it will cost anything like that much because we are going to have the same enumerators who take the population census ask a few questions about housing.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield.

Mr. MILLER of California. Before this money is made available it will have to be provided by the Committee on Appropriations, will it not?

Mr. MURRAY of Tennessee. Yes; of course our committee has no right to do other than authorize that certain things be done.

Mr. CAMP. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield.

Mr. CAMP. I wish to know if the gentleman's committee has discussed with any of the census officials the question of whether or not these different censuses will be taken by the sampling method or by the genuine old-fashioned house-to-house canvass?

Mr. MURRAY of Tennessee. This census will be taken by the old method of house-to-house, person-to-person canvass by enumerators.

Mr. CAMP. And no sampling will be considered in this particular census?

Mr. MURRAY of Tennessee. Absolutely not. I may say to the Members that if there ever was a need for information about housing conditions it is now. We know the plight of the World War II veterans, that they cannot secure homes. It seems to me there should be no opposition to this bill, because it is highly deserving not only in the interest of the veterans but also in the interest of the entire home-building industry and every industry connected with the construction and building of houses.

Mr. REES. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill before us, as the distinguished chairman of our committee has stated, has the approval of all members of the Committee on Post Office and Civil Service of the House. I agree there have been too many duplications of census during the past few years. In fact there have been too many duplications of other activities, and, as our distinguished chairman has stated, this is one census where we expect to actually count all of the houses and those who reside therein, thereby securing as accurately and definitely as can be information with regard to the housing situation.

It might be interesting to note that a number of agencies have been taking various kinds of censuses on housing. As the distinguished gentleman from Illinois said awhile ago, the State of Illinois has taken a census in Chicago and in other large cities of Illinois. The Housing Expediter has been taking a census of housing in some instances. Then the Housing and Home Finance Agency has also been taking a housing census. The Department of Agriculture has been taking a census of houses on farms. The Veterans' Administration has a housing unit and has also taken a census.

You may also be interested to know there is a bill dealing with housing in another body that contains a provision for taking a housing census. I am not sure just what the status of that bill is at the present time. However, it is my hope and the hope of a great many others that once and for all we can take one housing census and prevent the excuse of any other agency than the Census Bureau taking a census as provided in this bill.

If properly administered, this measure should save millions of dollars for the taxpayers because the taking of this census ought to prevent and preclude any other agency taking a census of any kind on housing. It should be added that censuses taken by other agencies are incomplete and are what may be described as spot check or sampling.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. MILLER of California. These censuses that have been taken have all been taken by the so-called sampling method, which is a hit-and-miss proposition and is not very much better than a good guess.

Mr. REES. I am sure the gentleman is correct. They have been done through the sampling method. Some of them have been rather accurate; many of them quite inaccurate.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Of course, we all know that every community has a housing authority and they have housing commissions. Every veterans' organization has a housing committee to determine the needs of the veterans. They have all of that information already. Is that not true?

Mr. REES. That is correct.

Mr. ALLEN of Illinois. In other words, in every community they can tell you how many permits have been granted during the past year or past month. They have all of this information. So I say this is a real pork barrel in its real form. There is no need for it. A private firm could go out and get the information for practically $1,000,000 and get it more accurately because they understand how to get it. Why do they not have the census now if it is so important? Why do they wait until election time if they need it now? Do you not think we are more apt to need it now than 18 months from the present time?

Mr. REES. I agree it would be better if we could have the information now. The gentleman from Illinois [Mr. SABATH], suggested that we ought to have it before considering the housing bill that is presently in committee. I want to remind the gentleman, however, this is part of the regular census that is taken every 10 years. If you take this census separate and apart from the regular 1950 census it would cost a tremendous amount of money. In my opinion, the amount of $15,000,000 estimated in the President's budget is too much. I do not think it will cost nearly that much.

This census on housing in 1940 cost, according to the figures submitted to me, about $7,000,000, and the entire bill in 1940 was $42,971,000.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES. Mr. Chairman, I yield myself eight additional minutes.

Mr. ALLEN of Illinois. How would the gentleman explain that; a double jump?

Mr. REES. Well, as I just stated, I think the amount estimated is too much. But that is an estimate, and it will be for the Committee on Appropriations to determine how much they are going to allow for this service. Fifteen million dollars is not a figure that this committee is proposing. There is no amount authorized in this bill. I am sure the distinguished chairman of our committee will agree that $15,000,000 is too much. I hope the distinguished gentleman from Illinois will submit his views to the House Committee on Appropriations to hold this particular item in line when this appropriation is considered. I think it ought to be stated to this committee, again, that this is just a part of the regular census that will begin in January 1950. I hope taking of the census will be out of the way long before fall. I have no control over that any more than the distinguished gentleman from Illinois.

In all probability, since the majority party in power is Democratic, that they will have the opportunity to select the enumerators. We hope that they will all be well qualified. I would like to suggest an amendment that would give disabled qualified veterans first preference for jobs as enumerators. Other veterans who apply would have next preference before other people are selected. I understand such amendment would be germane to the bill. I see no reason, however, why there should be any opposition to such proposal. In other words, I think the Census Bureau, in selecting enumerators, should as nearly as possible follow the Veterans' Preference Act. It would be most helpful if they would also appoint, where feasible, persons who have qualified under civil service but not properly employed. Such procedure will take it out of politics to some extent and it is the fair thing to do.

This bill does have the support not only of the Director of the Home Finance Agency, and others, but also has the support of the United States Savings and Loan League, whose representative appeared before our committee. It has the support of the Mortgage Bankers Association of America. It has the support of the Chamber of Commerce of the United States. It has the support of all veterans' organizations, and it is one piece of legislation before the House, so far as I know, that has not very great opposition. The bill ought to be passed. I agree with others here, that we ought to keep the cost to a minimum. I believe it can be done. I do not go along with the gentleman from Illinois that you can ask for all of this information in one question. I did ask the Director of the Bureau of Census, Mr. Capt, approximately how many questions would be asked. He said he did not believe more than 20 at the outside. The cost of the bill was reduced considerably by our committee to provide that questions concerning housing of veterans will relate to veterans of World War II. This for the reason that complaint on behalf of housing for veterans is nearly all on behalf of those of World War II.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois.

Mr. CHURCH. I am very much interested in the gentleman's willingness to advocate a lesser figure than $15,000,000. Let me ask the gentleman, was not that the figure placed in the present budget at a time when it was expected to be a separate project?

Mr. REES. I believe such estimate is in the budget.

Mr. CHURCH. And not connected with those additional questions to be asked in this 1950 census?

Mr. REES. The figure of $70,000,000, I think, proposed by the President in his budget, is too much for the general expenses, even excluding this item. I do not think the whole thing, as the gentleman suggested should cost as much as $70,000,000. Although there is an estimated item in the budget for $15,000,000 to take the housing census in addition to $70,000,000 for the regular census, there is no good reason why the House should not reduce these amounts just as we should reduce the amounts of any other estimated items in the budget.

I would like to repeat that if this bill is properly administered, it ought to save the taxpayers of this country many millions more than it actually costs. It ought to prevent a half dozen other agencies from spending money and employing people to take census after census, all of which will be absolutely unnecessary and expensive.

I hope the Appropriations Committee of the House will take notice and see to it that none of the other agencies I have enumerated herein shall be allocated funds for the purpose of taking any kind of housing census.

With respect to those who are to be appointed to take the census, I have just suggested that the disabled veterans ought to be in the first preference in taking the census and that other veterans should also be given preference when the selections are made. I make this statement, since I do not intend to offer such an amendment, to call that to the attention of those in charge of taking the census, trusting that they will follow the Veterans' Preference Act in appointing those who are to take the census, and I hope that at least with reference to veterans they will not be appointed on a political basis but that there will be appointed first the disabled veterans who are able to take the census and, second, other veterans of either war.

I should like to offer such an amendment, but I am not sure such amendment is germane to this bill.

I believe a statement by this committee on this subject matter complying with the provisions of veterans' preference in selecting appointees should be observed by the Census Bureau and others concerned in carrying out the provisions of this bill.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Tennessee.

Mr. MURRAY of Tennessee. I concur heartily in the statement just made by the gentleman from Kansas. I do not believe such an amendment to this bill would be germane, but I hope and believe the Director of the Census will give preference first to disabled veterans and then to nondisabled veterans in the selection of the supervisors and enumerators, and that he will comply with the Veterans' Preference Act in making these appointments. I certainly hope he will do so, and as chairman of the committee I shall urge and insist by letter that that be done.

Mr. REES. I appreciate very much the fair statement of the distinguished chairman of our great committee. I shall urge and insist with him that in

the selection of employees for carrying out the provisions of this bill when enacted into law that disabled veterans who are qualified shall be given first opportunity for employment, and that nondisabled veterans who may apply shall be given next preference in the selection of supervisors and enumerators, and that the Veterans' Act will so far as possible be complied with when employees are named.

Again I want to express my appreciation for the fair manner in which the chairman of our great committee has handled this bill on the floor and for his fairness in conducting the hearings thereon in our committee.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, the taking of a census is an inventory of the population, and inventories are necessary in business and in our own lives for our own thinking. I may point out that this is not new matter, and it is the taking of the sixteenth decennial census. We have been taking a census every 10 years since the initiation and inauguration of this Republic.

As has been pointed out by the gentleman from Kansas [Mr. REES], one of the reasons we delayed taking this housing census until now is that it can be taken more cheaply in conjunction with taking the regular census than it can if we set up a separate group of enumerators, solicitors, statisticians, and so forth, to do the job.

Since the last census, it is estimated, there are an additional 15,000,000 people in the United States. In my own State we have had a population increase of nearly 40 percent, which has thrown out every calculation and estimate as to housing facilities. The location and what we need in line of housing to serve these people have been thrown out of balance. That has had a terrible effect upon us. By this decennial census we will have a sampling of the location of veterans throughout the United States, so that this vexatious problem of the location of veterans hospitals may be approached in a more orderly fashion than it has been up to this time, when all that we had to go on are the imperfect estimates made as a result of sampling tests by the Veterans' Administration and others. There have been thorough hearings on the bill. I think the committee did an excellent job. It exhaustively went into the matter. Of course the sum of $15,000,000 is merely an estimate and the Committee on Appropriations will have to finally pass on the cost. I am certain that any of the questions which may have arisen relative to the necessity and desirability of taking this census are pretty well dissipated by now, and I urge that it be passed at once.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, there is no better indication of the need for this housing survey than the hearings of the Banking and Currency Committee. The hearing will show that we do not know how many houses are needed to meet the needs of various income groups in our economy.

Within a very brief time the House of Representatives will be called upon to consider the Housing Act of 1949. At this hour every one of us is being flooded with demands to vote against public housing, and "save the American way of life." Most of the arguments have been worn threadbare. However, there is a new strategy. Those who consistently obstructed the enactment of comprehensive housing legislation in the Seventy-ninth and Eightieth Congresses are now proposing a series of crippling amendments. While that strategy was a splendid failure in congressional action so far, those of us who have studied the RECORD know that it took 15 roll-call votes to defeat the carefully laid plans of the real-estate lobby.

As a member of the Committee on Banking and Currency, I believe it is my obligation to alert the House to beware of certain amendments to the housing legislation which will be proposed on this floor. Spokesmen for the real-estate lobby in the Congress have begun to recognize that the American people are fed up with the housing situation. They have learned that a frontal attack on housing reform is bad politics. Instead of honest out-and-out opposition you will find them offering numerous and complicated amendments, whose sole purpose is to sow doubt and confusion and by unworkable administrative requirements to paralyze any program enacted. They will be skillfully drawn up to sound as plausible and even well-meaning, as possible.

While these tactics have failed to date, it must be remembered that in recent years there have been many record votes on housing in the Senate. The real attitude toward housing progress of those offering amendments was well known. As a consequence they were defeated by large majorities.

Now we shall undoubtedly be confronted by the same kind of drive in the House, with redoubled intensity. But the Members of the House of Representatives have been given little or no opportunity to debate these issues on the floor. We have no substantial voting record on housing in this body to illumine the real motives of those who propose amendments. This statement is therefore an effort to point out some of the fallacies that lie behind one of the proposals likely to be put forward most vigorously.

THE SQUEEZE PLAY ON PUBLIC HOUSING VIA COST LIMITATIONS

An issue sure to come up is the question of lowering the cost limitations for public housing. As passed by the Senate, the bill puts a ceiling of $1,750 a room on the cost of dwelling facilities, with an additional $750 allowable by the Public Housing Commissioner under special local circumstances. These figures were not pulled out of a hat. Careful analysis of the current cost of minimum housing for veterans produced under various State programs proved that lower limits would prevent construction in some of the very localities which need it the most. Responsible local testimony from all over the country substantiated this finding.

Nevertheless the question will be asked: Why should public housing cost this much while the FHA boasts of "economy houses" reputedly selling for $6,000 to $8,000? A great deal of time and trouble has been spent trying to twist Housing and Home Finance Administrator Foley into admitting that if a $6,000 house can be produced, then that should be the top limit permissible for public housing. All the organizations and interests behind the real-estate lobby took up the cry. The country was combed for miracles of cheap home construction and, judging solely from the opposition record in House hearings, it would appear that anybody could go right out and find the home of his dreams today for a mere pittance.

The basic fallacy is not difficult to uncover. Isolated examples of exceptionally low costs are used as an argument for a maximum limitation to cover all conditions everywhere. Suppose this principle were applied to private housing. The speculative builders and FHA, with all their new-found enthusiasm for cheap homes, would hardly want mortgage insurance restricted to dwellings priced at six to eight thousand. Their current operations would be cut to a mere fraction. In actual practice, of course, and quite properly so, the FHA insures a great many houses that are far more expensive than any public housing will be permitted to be.

HOUSING COSTS VARY GREATLY FROM ONE LOCALITY TO ANOTHER

The fact is that this is a vast and varied country, and that building conditions and prices differ greatly from one region to another. In certain sections the climate permits lighter construction. And in some areas the whole level of prices and incomes is considerably lower than others. This means that while both private and public housing will be relatively cheaper in certain localities, any over-all limitation that would practically prohibit construction except in those areas would be grossly unjust and unreasonable.

This situation is also the reason, incidentally, why specific dollar-income limitations for the occupants of public housing would be neither realistic nor workable.

Apparently it has been decided that no over-all national limitation of the kind, of this type, would be acceptable. So instead the opposition offered an amendment to limit public housing costs to "the costs"—as estimated by FHA—"of new privately built dwelling accommodations then currently being insured in the area by the Federal Housing Administration." And this might sound plausible enough at first glance. But it has not been accepted. Why? Because it was recognized that this complicated subject of housing costs presented most serious problems. Here are some of them.

FIREPROOF APARTMENTS COST MORE THAN COTTAGES IN THE COUNTRY

Most of the homes insured by FHA, and practically all the cheaper ones, are

located in small towns or in outlying suburban districts. Indeed, although the fact is rarely if ever mentioned in promotional publicity, many of these houses are semicompleted—that is, mere shells in which the occupants hope later to install modern plumbing equipment, and so forth. And in some cases, with plenty of land around, this may be a quite defensible procedure. But public housing is usually located within the city limits where such practices would be illegal and against the public interest. And many public projects must be located on central sites in big cities, where fireproof multifamily construction is often unavoidable. And, obviously, even though it might not prove more expensive in the long run, the original cost of such construction will be greater than that of a light wood-frame dwelling.

This does not mean that low-income families will be living in pampered luxury by contrast with the suburbanites. Far from it. The accommodations provided hitherto under the United States Housing Act are as simple as could be—"decent, safe, and sanitary," in the terms of the law, but no more than that. Some are even pretty grim. Many, if not most, of the occupants would doubtless prefer a suburban cottage. But transportation costs must be taken into account in planning for low-income families. And in any case real-estate interests would be the first to claim that if public housing is to be constructed at all, it should be on central sites involving clearance, rather than outside the city in open country.

PUBLIC HOUSING MUST BE DESIGNED FOR LONG LIFE AND LOW MAINTENANCE COSTS

It is true that permanent public projects have on the whole been well constructed, sometimes better than the typical speculative product. But most speculative homes are financed for 15 to 25 years, while these buildings will have to be occupied and efficiently maintained for at least 45 years, the term of the financing, but probably far longer than that. And, like any other long-term, large-scale investor, the local authority has a special interest in construction quality that will insure long-term operating economy with minimum upkeep. Such construction will be cheaper in the long run to the community and also to the Federal Government than the flimsy homes too often encouraged today under the economy-house slogan.

As a matter of fact, public housing projects are cheaper, even in first cost, than private developments designed and built under similar conditions. Indeed, it was the successful public-housing experience of the late 1930's which paved the way for present progressive trends in private rental housing. The current movement by insurance companies toward long-term equity investment in garden apartments, one of the hopeful signs on the housing horizon, would hardly have taken hold if local authorities had not demonstrated practical economies through efficient large-scale construction combined with sound modern neighborhood planning.

PUBLIC HOUSING MUST MEET THE URGENT NEEDS OF LARGE FAMILIES

A special responsibility devolves upon any housing program supported by public funds and committed to social purpose. It must take care of those low-income families who suffer the most from shortage and slum conditions—families with several small children. Such families require more space than the average, although they must spend a bigger share of their income on food and clothing. But private landlords have everywhere multiplied the "No Children" signs since the war. The New York triplets who had to be installed in a damp 12 by 12 basement costing $50 a month made headlines. But this was merely a dramatic example of a very general situation. A recent report of the Housing Committee of the Archdiocese of Boston gave special emphasis to the critical housing problems of large families, including those of moderate means as well as the poor. This excellent report, which was recorded in the Senate hearings by Monsignor O'Grady, also quoted from an encyclical of Pope Pius XI, as follows:

> If families, particularly those in which there are many children, have not suitable dwellings * * * it is patent to all to what an extent married people lose heart, and how home life and the observance of God's commands are rendered difficult for them.

Most local authorities agree that in the future a larger proportion of their new homes must include three or more bedrooms than in the past. Such a necessary and desirable policy would be seriously obstructed by too stringent over-all limitations on the cost per dwelling.

THE ARGUMENTS ARE UNANSWERABLE, BUT THE CONTROVERSY CONTINUES

The case against lowering the cost limits for public housing is in any event conclusive and many-sided; the illogic of translating an exceptional minimum into a flat over-all maximum; the wide variation in local costs and building conditions; the fact that public housing must often be built on central sites which require fireproof construction; the need for construction standards which assure long life and minimum maintenance; the special responsibility to care for large families. Any one of these arguments should clinch the point. But the debate continues, and we are flooded with propaganda about $6,000 homes. So perhaps we should take a real look at these famous economy houses.

WHAT'S BEHIND THIS ECONOMY-HOUSE PROGRAM, ANYWAY?

It is clear from the clip sheets on the Nation-wide meetings organized to promote this campaign that the motives behind it are somewhat mixed. Selfless, wholehearted devotion to the interests of American home seekers is doubtless one ingredient, but it is hardly dominant.

The primary ingredient seems to be fear. There are strong signs that the market for speculative homes at current high prices is already drying up, and the builders have every reason for honest concern on this score. But the fact that private home building is falling off while the shortage is just as bad as ever is also a matter of direct personal concern to every desperate home seeker and to the Nation as a whole. It suggests that bold action is needed, as quickly as possible.

The promoters of the economy house drive are also acutely aware of this fact. But they have used it mainly to whip up fear into outright hysteria. The whole campaign has become a political instrument directed against the housing legislation now before Congress. And the general tenor of the pep talks is a very simple little tune indeed: "Build a $6,000 house, any kind, anywhere, or else." The AMVETS put it crudely but not inaccurately, at their March 1949 convention when they condemned the economy-house program as "being designed to further kill public housing" and as in effect merely a "slum-building program."

AND WHAT ABOUT THE RESULTS?

The achievement to date is as mixed as the motives. There is some real and honest effort to reduce costs and profits while maintaining decent standards, and this worthy effort is earnestly encouraged in numerous publications and exhortations by the Housing and Home Finance Agency. But the reported local discussions seem to center rather more on how to cut corners in construction, or evade building codes, or use smaller lots, or nick the building workers, than on greater efficiency.

And the tangible results are in any case few and far between as yet. One reason these cheap houses are so famous, no doubt, is just that they are pretty scarce, and practically nonexistent in large cities. But there are some examples, and doubtless there will be many more before the campaign has run its course. So the real point is: What kind of homes are they?

The ideal models set up for the economy-house campaign may be studied in a rather elegantly printed brochure issued jointly by the Housing and Home Finance Agency, the Federal Housing Administration, and the Home Loan Bank Board. It gives plans, pictures, and descriptions of a number of homes constructed in various towns, mostly quite small, around the country. And it also includes a model plan devised by FHA.

The prices listed are low, no question about that. But it might be mentioned in passing that a New York newspaper editor looked up the house illustrated from Long Island, and found that it had actually sold for almost $1,000 more than the price listed in the brochure, and that in any case it was an "unfinished" house to be completed by the purchaser, a fact not mentioned in the description.

However, quite apart from the accuracy of the figures, let us look at the houses themselves. One's first reaction with respect to most of them is: Well, they certainly ought to be cheap. They look cheap, and flimsy too. But the main thing about these houses which should be brought to your attention is their size.

THE MIRACLE UNCOVERED: CUTTING DOWN SPACE STANDARDS

One of the major necessities for decent wholesome family life is adequate space to move around in and to offer the chance of privacy once in a while. Our relatively spacious homes in the past in America were a matter of national pride and satisfaction. Some of them were probably too big, by modern labor saving standards. But the plans in this brochure make one wonder if we are not moving rather too rapidly in the opposite direction.

It is the over-all area that tells the story. Homes began to get smaller back in the 1930's, but just a few years ago a house of 900 to 1,000 square feet would still have been generally considered about minimum, by lending agencies as well as purchasers.

Today? Well, most of the homes in the promotional pamphlet contain about 600 to 650 square feet, and some go down to 24 by 24, hardly more than half the prewar standard. The plan devised and proposed as an official model by FHA contains 612 square feet. This is of course far smaller than anything normally encouraged or even approved by FHA previously, even in wartime. As an enthusiastic Assistant Director of FHA put it: "The size of the house must be cut down"; and he added, "but not the quality." But how can the quality be maintained if its most important element, space, is lacking?

HUMAN BEINGS VERSUS COWS—AND CARS

Something about the scale and general aspect of these houses arouses one's curiosity as to how they would compare with the housing standards considered essential for lower orders of animal—a subject on which far more scientific work has been done, incidentally, than on human housing requirements. So a little research was done on cow barns. And here is the very latest gospel, from the Doane Agricultural Digest for April 1949. For every cow you need 75 to 100 square feet of stabling plus another 75 to 100 square feet for hay and bedding storage. The model plan shows 180 square feet of building per cow. This would make 720 square feet for four cows, or 900 feet for five, almost 50 percent more than the space allotment for a family of five in an economy house.

Now, it is quite true that a cow is somewhat bulkier than a human being. But, on the other hand, she leads a much simpler, quieter, and more carefree life than a modern American female of the human species. Most of a cow's eating, sleeping, and sitting is done in approximately one spot, at least when indoors. And for her sterner duties, a good up-to-date barnyard offers separate structural appurtenances not included in these minimum-space standards: a milking parlor, for instance, and a bull pen. Incidentally, according to Farmers Bulletin No. 1830 of the United States Department of Agriculture, a good bull pen alone should measure about 12 by 18, or 216 square feet, which is a lot more private lounging space than the most ruthless father could carve out of any economy house.

Like a lily of the field but unlike an American housewife, the cow sews not, neither does she spin, cook, wash dishes, launder, rock the baby, make Johnnie do his homework, keep up with the outside world, entertain the PTA, nor stay pretty to keep her husband home. The work in cow barns is not done by cows but by human beings, who, if they live in economy houses, must sometimes ponder the curious logic of a great white father who, through the United States Department of Agriculture, encourages bovine luxury, while beating the drums through FHA for ever more cramped accommodations for the cows' owners, masters, and ultimate consumers.

My comparative researches did not end here, however. I also asked a well-known architect what would be the normal area for an ordinary double garage. He replied that the standard size used to be 20 by 20, but that now, what with longer and wider cars, 22 by 26 is just about right. But that is almost exactly the area of some of the houses now being promoted and sold for whole families to live in. Not a garage for every family, but a family in a garage, is apparently our new motto.

SCIENTIFIC HOME PLANNING FOR SMALLER FAMILIES

The accommodations necessary for happy healthy family life have never received the minute official attention devoted to cow barns or chicken coops. On the latter point, it may be worth quoting from Farmers Bulletin No. 1554 on Poultry Houses and Fixtures, as follows:

> Growing chicks and laying hens need comfortable houses that are dry and roomy, with plenty of fresh air and sunlight. It never pays to overcrowd them.

But human space requirements have been studied, nevertheless. Detailed minimum standards have been devised and tested by hundreds of able technicians, home economists, and health experts, and promulgated by numerous responsible agencies and organizations, including the American Public Health Association. And by these standards practically every one of the plans shown in the FHA brochure would be entirely inacceptable for an average-sized American family. Indeed, our prewar public housing units were generally considered too cramped by the experts, although they were considerably larger in most cases than these economy houses now being sold with such fanfare to the veterans.

Kitchens and living rooms are tiny, often too small to permit a comfortable family meal along with their other functions. More important, however, is the fact that not a single plan in the lot shows more than two bedrooms, while many only have one. A family with one child when they moved in would certainly have to think twice before they had another. And how on earth could a family with three or four children manage in such a house? These are "models" indeed, not for the spacious American way of life which requires some degree of individual privacy, not at all for meeting the urgent and special needs of large families, but rather for a society that wanted to commit suicide by controlling and cutting family size.

Mr. Foley may be right insofar as his personal intentions are concerned when he says:

> It is not an effort merely to bring into existence a lot of little houses.

But that is very likely to be the main result nonetheless. In all fairness and for the record, however, it must be noted that the Housing and Home Finance Agency has itself seen some light on this issue since the original and basic economy-housing brochure was distributed. There is now an addendum on three-bedroom houses, with over-all areas up to 800 and even 1,100 square feet. But, of course, these larger houses will cost more money to build. So let us bear in mind that the fabulously cheap homes repeatedly praised by our opponents in their efforts to paralyze the public housing title, are tiny shacks hardly suitable for families with children.

THE IMMINENT DANGER: A PERMANENT REDUCTION IN AMERICAN HOME STANDARDS

In a period of high building costs on the one hand and severe housing shortage on the other, the pressure to lower standards is very great indeed. But it must not be forgotten, above all by the agencies of Government which devise and administer long-term public policies, that the homes built today will still be here long after costs have come down and the shortage is met. Ours is the responsibility to protect future citizens and taxpayers from the effects of opportunist exploitation today. If we merely encourage the building of a lot of shacks, the outcome must be one of two things. Either they will ultimately be abandoned to rot by the wayside, eating up the Federal insurance and guaranties that produced them while they add to the slum problem. Or, even more serious, they will reduce permanently the standard of demand of the American people to a level of living never before envisioned. The first alternative would ultimately cost the country more than an equivalent amount of subsidized public housing, without providing any of its benefits along the way. And the second, it need hardly be emphasized, would be the worst situation imaginable for American industry, whose hope and vitality must rest on an ever rising standard of living.

MANY COMMUNITIES BALK AT LOWERING STANDARDS

Despite all the promotional pressure, the economy housing program has not by any means taken the country by storm. According to newspaper accounts, it was only gingerly embraced even by the National Association of Home Builders in convention assembled. In a great many cities the welcome was distinctly cool and skeptical. According to the Milwaukee Journal, the group called together by FHA in that solid city, including more than 90 representatives of the building and allied fields in

southeastern Wisconsin, unanimously rejected proposals for minimum or core housing as inadequate to meet the living standards of American citizens. More than half left the room before the meeting adjourned. The president of the Milwaukee Builders Association told the meeting:

I'm not willing to let my name be attached to anything like that. I'm proud of my housing. After they tell you what you can leave out I don't know how you're going to get a house out of what's left.

Most Americans just do not cotton naturally to the idea of encouraging a systematic reduction in housing ideals and living standards.

WHAT THE ECONOMY HOUSE REALLY PROVES

This program does, however, have enormous immediate significance, if somewhat different from that intended by its promoters. Instead of providing the real-estate lobby with an effective weapon against the housing bill, it demonstrates conclusively the urgent need for a bold and comprehensive national housing policy.

For here is the best, the very best, that the speculative builders can do for American families under present conditions, even when insured, guaranteed, promoted, threatened, needled, and otherwise bolstered up by the Federal Government. And do not forget that the prefabricators were likewise given a big boost several years ago.

So here is the test before our eyes. What is the net achievement?

A house that is inadequate for normal family needs here and now, and a highly dubious investment for the future.

A house which, even so, barely reaches American families of average income, and that only under very exceptional local conditions. "The median income of the American family is around $3,000," says the FHA, and admits that even the $3,000 family cannot always afford a $6,000 house. And the Veterans' Administration loan guaranty officer for the New York area estimated, at an Economy House meeting, that the average income of veterans is around $3,200, and calculated that they should pay no more than $5,600 to $6,400 for a house. He also added that there are no $6,400 houses in the New York region.

Private home building already is on the decline, with half to two-thirds of the potential housing market still untouched, with the shortage entirely unsolved, and with all the slums still extant and more than fully occupied.

CLEARLY, WE NEED A BOLD NEW HOUSING PROGRAM RIGHT AWAY

We must have public housing for low-income families from slums, and we must take special care that it maintains decent standards in this critical period. And we must also pass the rest of this bill, H. R. 4009, including aids for clearance and redevelopment, for rural housing, and for research.

But we will still need something else besides. For what the Economy House dramatizes most particularly is the need to encourage new kinds of efficient nonspeculative private home-building enterprise, including cooperatives, to reach the middle-income group. This could be accomplished by the direct Federal loan program set forth in a number of bills now before Congress, including my own (H. R. 4458).

Then and only then, after we have adopted all these measures, will we have the instruments to solve the American housing problem. Then and only then will we achieve that steady rate of home production, year in and year out, which is the prime necessity for a more efficient building industry. Then and only then can we expect progress toward a real economy house, worthy of America's hopes and possibilities.

Mr. MURRAY of Tennessee. Mr. Chairman, I ask unanimous consent that the gentleman from Alabama [Mr. ELLIOTT] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, I believe that a census of housing in the United States is necessary at this time. The housing problem in this country in all its many phases has been acute now since the war years.

I am hopeful that this Congress will pass housing legislation. If it does, I think the housing census proposed in the bill now before us will provide much valuable information.

The proposed housing census will not cost much money, in that it will be taken at the same time the decennial census of 1950 is taken. I feel certain that the service to this Nation will be many times the cost of the census.

Such housing census will give us up-to-date information with respect to those communities that are solving their housing problems, and with respect to those communities in which the housing problem is most acute.

We have made some efforts to solve the housing problem, but, Mr. Chairman, they have been very feeble. This Government provided GI loans for veterans living in the cities of this country, enabling them to build or buy homes at a greatly inflated cost, and I shudder to think what will happen to these veterans, saddled with these mortgages, when business recedes or a depression comes and the veteran finds himself without a job.

I do not know how the system of GI loans worked in other areas of the country, but I do know that in the rural counties, which I have the honor to represent here, very few GI loans have been made. In some counties of my district not a single GI loan has been made.

Mr. Chairman, the home is the bedrock of our democracy. It is the basis of our Americanism. It is the foundation upon which our free-enterprise system rests.

When we make it possible for our people to own their own homes, we strengthen the fabric of our democracy.

The census of housing proposed by this legislation will be helpful. I hope the bill will pass, and following soon in its footsteps I hope this Congress will enact housing legislation that will in effect bring the benefits of the loan provisions of the GI bill of rights to the veterans who live in the rural counties of this country. I hope that we will pass legislation providing for rural housing, that is, providing farmers, whether owners of land, tenants, share croppers, or farm laborers, with the opportunity to acquire by long-term credit and low interest rates a home for themselves and their families.

I hope this Congress will put emphasis upon opportunity for the ordinary citizen of this country to become a home owner.

America must continue to be a land of opportunity—opportunity for all its citizens to enjoy the blessings of liberty and the pursuit of happiness.

I believe that these goals can be attained within the framework of our democratic system of free enterprise.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. CROOK].

Mr. CROOK. Mr. Chairman, it has been claimed here this afternoon that a census is not necessary. I contend that a census of the housing situation is necessary. The three greatest institutions in the United States are the home, the church, and the school. If I were going to put the highest appraisal on any one of them, I would place it on the home. The home is the seat of our democracy. If you build a good home, you reinforce democracy. If you build a bad home, you destroy democracy. It is from the home that our future citizens will come. I spent 35 years in the educational field in the State of Indiana. Some of the most serious problems that came to the schoolroom originated in homes which were not much more than pigpens. When you drive over the country today and see the mansion on the hill and the little squalid buildings at the foot where you look through one side of the building and see the sunlight coming through between the siding boards, we realize the deplorable situation which exists in America with all the wealth that we have, the most outstandng nation in the world, where we, today, treat humanity as we do and expect a good citizenry to develop from what might be called, for all practical purposes, pigpens. It is time that we had a good comprehensive census and not one on a hit-or-miss basis. We need to get the facts, authentic facts, to ascertain what we really need in the way of adequate homes. If we reinforce this great democracy of ours by building better homes, we know we will never have to suffer in the future as people are today, and a better America of contented citizens will be the fruition.

Mr. MURRAY of Tennessee. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk may read.

The Clerk read as follows:

Be it enacted, etc., That the Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census. The statistics of the decennial census of housing shall show the number, characteristics (including utilities and equipment),

and geographical distribution of dwelling structures and dwelling units, both owned and rented, in the United States. Such statistics shall show this information for veterans of World War I and separately with respect of veterans of World War II. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

With the following committee amendments:

On page 1, line 6, after "1950" strike out "and decennially thereafter."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 8, after the word "of" at the end of the line, strike out the words "the decennial" and insert the word "such."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 2, line 1, after the period, strike out "Such statistics shall show this information for veterans of World War I and separately with respect to veterans of World War II" and insert "In addition, such census shall include statistics showing separately the same information with respect to veterans of World War II."

The committee amendment was agreed to.

Mr. HALE. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HALE: On page 2, lines 6 to 9, strike out all of the sentence beginning with the words "The Director of the Census."

Mr. HALE. Mr. Chairman, I do not know how much attention the committee may have given to this particular language of the bill, but I must confess that it troubles me and rather shocks me. The language does not indicate what the "supplementary statistics" are to be. It does not provide how long after the taking of the census the collection of these "supplementary statistics" is to go on. It does not even give any intimation as to what the nature of the supplementary statistics is to be. So far as the language of the bill goes, they would not have to be statistics about housing. It simply says, "as are necessary to the completion thereof." Of course, one man's idea of necessity may be very different from another's.

It seems to me that this is very rash and loose language to incorporate in this legislation. I must say I entertain considerable doubt about the legislation, because I had supposed that statistics about housing were already available to the Government. If they have not been, then, as the gentleman from Massachusetts [Mr. NICHOLSON] said earlier this afternoon, I do not know on what authority the statements have been made as to the lack of housing in different parts of the country. But certainly it seems to me that the final sentence in section 1 of the bill should be stricken.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I rise in opposition to the amendment. This is form language used in connection with all legislation pertaining to the taking of all censuses. It simply provides that the Director of the Census shall have the right to compile and gather together the statistics from the general data obtained during the taking of the census and to make certain checks and tests before and after the taking of the census. Of course, as you know, after the supervisors send in their reports from all sections of the country to the Director of the Census, he then compiles and summarizes all that data, and he will make this up in a form so as to submit to the various agencies of the Government, to the housing industry, or to anyone interested. It gives him authority to compile separate statistics and make subsequent tests, checks, and samplings about the housing situation. It also gives special data as to the housing owned and rented by World War II veterans.

There is certainly nothing wrong with this language. It merely gives the Director of the Census the right to complete and verify the census which is taken person to person and house to house by the enumerators. All of those statistics are brought to Washington. They have to be compiled and gathered together and then sent out by the Director of the Census to the interested parties.

I think the gentleman from Maine [Mr. HALE] is unnecessarily disturbed about the language. Certainly the Director of the Census should have the right to compile these statistics and make supplemental checks and tests after the census is taken—after the census is completed in the field. If not, the census will have little effect.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. MURRAY] has expired.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

Mr. Chairman, let me say to the gentleman from Tennessee that the distinguished gentleman who just offered the amendment, the gentleman from Maine [Mr. HALE], is not unnecessarily concerned, but has plenty of evidence to support him in his statement that this is a very necessary and wise amendment; and I, for one Member of this House, will not only vote for it, but will also hope that enough Members vote for it to put it in the bill.

If you will read the Congressional Directory you will see that I am by profession a business analyst; that is as near as one can come to saying what I used to do in the days before I came to public life. I know what can be done with a statement of that kind; I know what has been done by Federal agencies since I have been in Congress with broad provisions which do not define the work they are to do. It has not been so very long—I see two of my California colleagues sitting here in front of me—it has not been so very long since investigators of another agency went into California and on an authorization which was not as broad as this one, interpreted it to mean that they had the right to gather statistics on the religious backgrounds of everyone who lived in the community, on the people they called upon, the number of times they called on them every week, the interests of those people, whether they had changed their religious views during the year, and a broad and very amazing list of questions which led to what? I have no idea to what they were intended to lead, but they led to exactly nothing except the expenditure of the taxpayers' money. That was because the publicity thrown upon the investigation was so great that it was hastily withdrawn.

I, for one, think it is time we called a halt. This is a very doubtful bill at best. It is perhaps a coincidence that this bill will be operative next year, and would give employment until after election, the election of 1950.

I urge support of the amendment offered by the gentleman from Maine [Mr. HALE].

Mr. REES. Mr. Chairman, I rise in opposion to the amendment.

Mr. Chairman, I am not quite sure that the distinguished gentleman from California who is always alert to matters of this kind was on the floor of the House when this bill was explained, because I am concerned about his statement.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield.

Mr. PHILLIPS of California. I said it was purely a coincidence that we should have a bill of this kind operating in the same year with a national election.

Mr. REES. Oh, I agree; that is a coincidence; I agree. We discussed that a while ago. But the law requires we take the census every 10 years. The census was taken in 1800 and has been taken every 10 years since. It so happens that we are going to take one in 1950. That phase of it has been discussed on the floor. As to the language which would be stricken out by the amendment offered by the gentleman from Maine, that language I am informed has been carried in similar bills for years, and it is included so that the Bureau of the Census can test the statistics every year as we go along, because a great many groups are always asking for revisions of the census information from time to time.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. REES. In just a moment. As the populations shifts from time to time the Census Bureau makes adjustments in its figures and tries, as nearly as can be done by using sampling and other methods that were talked about, to keep its information up to date.

I hold no brief for the Census Bureau, but because of experience they have done a pretty fair job and have kept the census figures pretty accurate, and can do the work and furnish the information much more accurately than other agencies who try to do it. They have been able to furnish the information so that it has been helpful not only to the various groups we are talking about, but the States and the cities have asked for this information. It will, in the long run, save a considerable amount of money.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. MILLER of California. If we do not allow the Census Bureau to keep this thing progressively up, is it not true that you will practically destroy the whole value of it at the end of the year?

Mr. REES. It certainly will destroy a lot of it. Your census information will soon go out of date. Then you will have groups and organizations coming to the Congress wanting to take another census—a special census. Last year we had a business census authorized. As chairman of the committee handling that matter I tried to get proponents of the legislation to go slow because it was going to cost so much to take it, but they would not wait another year and they are taking that special census on business now at the expense of the taxpayers. They could have taken it in 1950 and saved considerable money, but they would not do it. The Appropriations Committee was asked to appropriate funds right away to take this special census so without prior authorization from our committee or the House the appropriation was made and the census is under way.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Kentucky, a member of our committee.

Mr. GOLDEN. Is it not necessary to have this language in here in order that all these statistics we are spending so much money to acquire may be made available to the people of America who need them?

Mr. REES. The gentleman is correct. We are spending $70,000,000 for this. Now you would want to cut them off and say, "From now on you do not need to revise it, and we do not want anything more to do with it."

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. PHILLIPS of California. I want to suggest the gentleman is not discussing the specific amendment under consideration.

Mr. REES. I am discussing the amendment offered by the gentleman from Maine.

Mr. PHILLIPS of California. There is no objection to the taking of the census; there is no objection to the Census Bureau keeping their figures up to date. There is objection apparently on the part of the gentleman from Maine, as on my part, to the introduction of the words "to collect such supplementary statistics."

Mr. REES. I appreciate the gentleman's statement.

Mr. PHILLIPS of California. That is not what the gentleman is talking about.

Mr. REES. Yes; I believe it is what we are talking about.

Mr. PHILLIPS of California. We think it should be made a little clearer as to what is meant by "supplementary statistics."

Mr. REES. The gentleman from Maine does not ask for any clarification. He strikes it out.

Mr. PHILLIPS of California. That is a good idea.

Mr. REES. He strikes the whole provision out. You do not clear it up that way. What I am saying is that the Census Bureau ought to have the right to go ahead and keep its information down to date.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Chairman, the gentleman from California is one who usually gives these matters very careful consideration and I want him, if possible, to understand that this is language that has appeared in similar legislation during several years. It is not new. All in the world this language is intended to do is to permit, authorize, and grant power which you have approved in a former bill to the Census Bureau to go ahead and secure information from time to time with regard to this particular matter of housing. There will be samplings as he goes along. It would cost but very, very little to provide this information in 2 years from now or 3, 4, or 5 years. You voted to do this very thing with respect to population and other information in a bill that passed this House some time ago.

Mr. PHILLIPS of California. I would call that bringing the statistics up to date, not getting supplementary statistics.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished Member from Maine who is familiar with such problems generally, but I believe he is mistaken on this occasion.

Mr. HALE. I thank the gentleman. I want to reiterate my objection to the idea of "supplementary statistics" after the taking of the census because you do not indicate what supplementary statistics are going to be taken. It might be supplementary statistics about almost anything. As far as the language of this bill is concerned, you can go on after the taking of the census and secure information about almost anything for the next dozen years. There is no limitation to that charter at all. You have given them carte blanche authority—the Director of the Census at least—to get supplementary information as long as he likes. Either that language should be stricken out or the gentleman should introduce an amendment of his own which sharply limits and defines those powers; otherwise I think the bill is wholly inadmissible.

Mr. REES. I will say to the gentleman that this same proposal has been brought out for the last 50 years. We have had the same proposal continuously. I hold no brief for the Bureau of the Budget, but I do not know that the Bureau of the Budget has violated any power granted to them on this particular subject matter. People in the State of Maine, people in the State of California, and people in the State of Kansas have frequently requested additional information in addition to what they have already obtained under the 1940 census. They will do it concerning the 1950 census.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Massachusetts who has been giving this matter a lot of consideration since we began discussing it earlier today.

Mr. NICHOLSON. The gentleman from Massachusetts not only gives this matter a lot of consideration, but everything else a lot of consideration.

Mr. REES. He certainly does, and we appreciate it, too.

Mr. NICHOLSON. We have been taking the census from 1790 up until 1940, and there never was a great necessity for telling any State or city or county in any State what the difference in the population was from that time on, because it is based on just the proposition of proportional representation in the several States. What I want to say is in reference to what the gentleman from Maine has offered here. He wants them to start there and not keep having all these estimates and estimates and estimates, which the gentleman's committee says are not any good, anyhow, but merely samplings.

Mr. REES. In reply to the distinguished gentleman from Massachusetts, it is understood that we will have as nearly as possible an accurate census in 1950. But, we all know from experience that populations shift, and there will be changes in the years following. Now, it is to be hoped that we will permit the Bureau of the Census to go ahead in the following years as it has always done in the various States and bring the information down to date as nearly as can be done, probably by sampling or whichever way the matter is handled.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. Is not the difficulty here the fact that nobody is going to know what supplementary statistics will be necessary until after the main census has been taken?

Mr. REES. Well, that is about correct.

Mr. CAVALCANTE. So if you allow this amendment to be adopted and take away the power of the Director to take supplementary statistics after the main census has been taken, and supplementary statistics are necessary, he will not be able to make those supplementary statistics.

Mr. REES. Well, I would say I really think it would be a grave mistake to support the amendment offered by the gentleman from Maine. I have all the respect in the world for his views on various propositions, but it is my view we should not support this amendment.

You will not save any money by adopting this amendment. It is my opinion the reverse will be true.

For the record it should be understood this amendment applies only to housing information. Congress has ap-

proved, from time to time, authorization for the Census Bureau to furnish information from year to year with respect to population, number of farms, livestock, and numerous other items of information. Why not do likewise in housing?

It is my hope that the adoption of this bill as proposed by our committee will prevent any and all other agencies from taking censuses of various kinds concerning housing. There is no excuse for a half dozen agencies duplicating this effort at the expense of the taxpayers of this country. This measure, if properly administered, should save a lot of unnecessary expense and unnecessary employment in Government. This matter of gathering statistics by various agencies has been carried too far.

Mr. NICHOLSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am in favor of the amendment offered by the gentleman from Maine, because he prohibits the Bureau of the Census, whoever it is, from doing any more after the census is taken in 1950. I do not object to taking the census of housing in the United States; not at all. But, we perpetuate this same thing. The gentleman from Kansas or any other gentleman cannot stand up and say that the decennial census needs to be revised until the next 10 years have gone by and do it for a partition of the Members of the House of Representatives. Now, then, if we are going to have this thing, we ought to have it as one proposition and not mix it up with a decennial census at all, because we have been told repeatedly before committees and before this House just what the situation is. We got it from three different sources. First, from the Department of Agriculture. They made a survey of it. We got it from the Bureau of the Census. They made a survey on it. Further than that, Congress has made one. Why should we have another one here? Let us say to the other three, "You quit as long as the Bureau of the Census is going to do it." I do not care anything about politics in it, because I know what will be in there. The gentleman from Massachusetts, who is addressing the House, will not have anybody to propose to take it.

Mr. REES. Mr. Chairman, if the gentleman will yield, certainly the gentleman from Kansas does not expect to have any appointees.

Mr. NICHOLSON. Then the gentleman is not fooling himself about it.

Mr. REES. That is right, but that is not the important question before us. We are today talking about spending several million dollars to take a census in 1950. Very little additional expense will be required, and that expenditure will be controlled by the Committee on Appropriations. By using this provision, we will certainly be able in a year or two or in 5 years from now to furnish the information as nearly as we can to bring it down to date. The gentleman from Massachusetts, the gentleman from Kansas, and the rest of us will probably want that information. It will not cost us very much more. After all, we are spending several million dollars for the regular census. We are setting up here the expenditure of only a small amount in order to bring it down to date. That is all there is to it. The Committee on Appropriations will determine how much is to be spent. We hope in the long run to save money by reason of this legislation and prevent the seeming necessity of other agencies attempting to secure similar information.

Mr. NICHOLSON. All we are trying to find out is where the people are. We have vital statistics in every State of the Union. We know how many people died in the last 10 years, we know how many were born, and we know how many are left, and how many have come in. Any mathematician could figure out within ten or a hundred thousand how many people there are in the United States from year to year.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman from Kansas has just made a point that has been made here before this morning by the other side, that there is still the second step—that we still have to go to the Committee on Appropriations. I am speaking only as one member of that committee, but let me say that all too often authorizations are made and considered as a directive to the Committee on Appropriations insofar as costs are concerned. All too often these amounts are not reduced in our committee, and the bills come out of that committee with the full amount in spite of the efforts of some of us to reduce them. Then here on the floor we are unable to reduce the amounts because those of us favoring economy do not have the votes.

Mr. REES. If the gentleman will yield, I might suggest that the business census started last year, came right out of the Committee on Appropriations. We had the proposal before our committee. But the Committee on Appropriations thought it was a good thing, and went ahead and approved it before our committee authorized it.

Mr. NICHOLSON. We have statistics on practically every house that is built in the United States. There is a housing authority in practically every city and town. All they have to do is ask how many new buildings have been constructed in a town, whether they are 4-room or 6-room houses or apartments, and so forth. That is not difficult. It seems to me we ought to go along and try to perfect the bill. The gentleman from Maine has offered a real, substantial amendment, in my opinion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. HALE].

The question was taken; and on a division (demanded by Mr. HALE) there were—ayes 13, noes 31.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in section 1 of this act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LYLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2203) to provide for a decennial census of housing, pursuant to House Resolution 189, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. HALE) there were—ayes 49, noes 12.

Mr. HALE. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 225, nays 50, not voting 156, as follows:

[Roll No. 89]

YEAS—225

Abernethy	Combs	Hare
Albert	Cooper	Harrison
Anderson, Calif.	Cox	Harvey
Andresen, August H.	Crawford	Havenner
Andrews	Crook	Hays, Ark.
Angell	Crosser	Hays, Ohio
Arends	Davis, Ga.	Hébert
Aspinall	Davis, Tenn.	Heffernan
Bailey	Davis, Wis.	Herter
Baring	Deane	Heselton
Barrett, Wyo.	DeGraffenried	Hill
Bates, Mass.	Delaney	Holmes
Battle	Denton	Hope
Beckworth	Dollinger	Howell
Bennett, Fla.	Doughton	Irving
Bennett, Mich.	Doyle	Jackson, Wash.
Bentsen	Eaton	Jacobs
Blackney	Eberharter	Johnson
Blatnik	Elliott	Jones, Ala.
Boggs, La.	Ellsworth	Jones, Mo.
Bolling	Engle, Calif.	Jones, N. C.
Bolton, Md.	Evins	Judd
Bolton, Ohio	Fallon	Karst
Bonner	Fernandez	Karsten
Boykin	Fisher	Keating
Breen	Flood	Kee
Brehm	Forand	Keefe
Brown, Ga.	Ford	Kerr
Buchanan	Frazier	King
Buckley, Ill.	Furcolo	Kruse
Burdick	Gamble	Kunkel
Burke	Garmatz	Lanham
Camp	Gary	Larcade
Cannon	Gathings	LeFevre
Carlyle	Golden	Linehan
Carroll	Gore	Lodge
Case, N. J.	Gorski, Ill.	Lyle
Cavalcante	Gorski, N. Y.	Lynch
Chatham	Gossett	McCarthy
Chelf	Granger	McCormack
Chesney	Grant	McDonough
Christopher	Gross	McGrath
Clemente	Hagen	McGuire
Cole, N. Y.	Halleck	McKinnon
Colmer	Harden	McMillan, S. C.
	Hardy	McSweeney

Magee	Poage	Tackett
Mahon	Polk	Tauriello
Mansfield	Preston	Teague
Marsalis	Price	Thomas, Tex.
Michener	Priest	Thompson
Miles	Quinn	Thornberry
Miller, Calif.	Rabaut	Tollefson
Miller, Md.	Rains	Trimble
Mills	Ramsay	Vinson
Mitchell	Rankin	Wagner
Monroney	Redden	Walsh
Morgan	Reed, Ill.	Walter
Morris	Rees	Welch, Calif.
Moulder	Regan	Welch, Mo.
Murdock	Rogers, Mass.	Wheeler
Murray, Tenn.	Sabath	White, Calif.
Nelson	Sadowski	Whitten
Nixon	St. George	Whittington
Noland	Sasscer	Wier
Norrell	Secrest	Wigglesworth
O'Brien, Ill.	Sikes	Williams
O'Hara, Ill.	Sims	Wilson, Okla.
O'Konski	Smith, Va.	Wilson, Tex.
O'Neill	Spence	Winstead
Passman	Staggers	Wolcott
Patman	Steed	Wolverton
Patten	Stefan	Wood
Perkins	Stigler	Worley
Peterson	Sullivan	
Pickett	Sutton	

NAYS—50

Allen, Ill.	Hale	Plumley
Boggs, Del.	Hoeven	Potter
Bramblett	Hoffman, Mich.	Poulson
Brown, Ohio	Hull	Reed, N. Y.
Byrnes, Wis.	Jenkins	Sanborn
Case, S. Dak.	Jensen	Scott,
Church	Jonas	Hugh D., Jr.
Cole, Kans.	LeCompte	Scrivner
Cotton	McGregor	Shafer
Cunningham	McMillen, Ill.	Simpson, Pa.
Curtis	Mack, Wash.	Smith, Kans.
Dague	Marshall	Smith, Wis.
Dolliver	Martin, Iowa	Taber
Engel, Mich.	Mason	Talle
Fenton	Meyer	Vursell
Gillette	Nicholson	Werdel
Graham	Phillips, Calif.	Young

NOT VOTING—156

Abbitt	Granahan	Miller, Nebr.
Addonizio	Green	Morrison
Allen, Calif.	Gregory	Morton
Allen, La.	Gwinn	Multer
Andersen,	Hall,	Murphy
H. Carl	Edwin Arthur	Murray, Wis.
Auchincloss	Hall,	Norblad
Barden	Leonard W.	Norton
Barrett, Pa.	Hand	O'Brien, Mich.
Bates, Ky.	Harris	O'Hara, Minn.
Beall	Hart	O'Sullivan
Biemiller	Hedrick	O'Toole
Bishop	Heller	Pace
Bland	Herlong	Patterson
Bosone	Hinshaw	Pfeifer,
Brooks	Hobbs	Joseph L.
Bryson	Hoffman, Ill.	Pfeiffer,
Buckley, N. Y.	Holifield	William L.
Bulwinkle	Horan	Philbin
Burleson	Huber	Phillips, Tenn.
Burnside	Jackson, Calif.	Powell
Burton	James	Rhodes
Byrne, N. Y.	Javits	Ribicoff
Canfield	Jenison	Rich
Carnahan	Jennings	Richards
Celler	Kean	Riehlman
Chiperfield	Kearney	Rivers
Chudoff	Kearns	Rodino
Clevenger	Kelley	Rogers, Fla.
Cooley	Kennedy	Rooney
Corbett	Keogh	Sadlak
Coudert	Kilburn	Scott, Hardie
Davenport	Kilday	Scudder
Davies, N. Y.	Kirwan	Sheppard
Dawson	Klein	Short
D'Ewart	Lane	Simpson, Ill.
Dingell	Latham	Smathers
Dondero	Lemke	Smith, Ohio
Donohue	Lesinski	Stanley
Douglas	Lichtenwalter	Stockman
Durham	Lind	Taylor
Elston	Lovre	Thomas, N. J.
Feighan	Lucas	Towe
Fellows	McConnell	Underwood
Fogarty	McCulloch	Van Zandt
Fugate	Mack, Ill.	Velde
Fulton	Macy	Vorys
Gavin	Madden	Wadsworth
Gilmer	Marcantonio	Weichel
Goodwin	Martin, Mass.	Whitaker
Gordon	Merrow	White, Idaho
Wickersham	Withrow	Yates
Willis	Woodhouse	Zablocki
Wilson, Ind.	Woodruff	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Kearns for, with Mr. McCulloch against.

Mr. Yates for, with Mr. Macy against.

Mrs. Norton for, with Mr. Short against.

General pairs until further notice:

Mr. Lucas with Mr. Martin of Massachusetts.

Mr. Stanley with Mr. Towe.

Mr. Whitaker with Mr. Canfield.

Mr. Burleson with Mr. Hand.

Mr. Carnahan with Mr. Kean.

Mrs. Douglas with Mr. Jenison.

Mr. Feighan with Mr. Leonard W. Hall.

Mr. Morrison with Mr. Coudert.

Mr. Lane with Mr. Bishop.

Mr. Kennedy with Mr. Auchincloss.

Mr. Philbin with Mr. Beall.

Mr. Fogarty with Mr. Dondero.

Mr. Wickersham with Mr. Gavin.

Mrs. Woodhouse with Mr. Lichtenwalter.

Mrs. Bosone with Mr. McConnell.

Mr. Gilmer with Mr. Rich.

Mr. Green with Mr. Hardie Scott.

Mr. Granahan with Mr. Sadlak.

Mr. Hart with Mr. Woodruff.

Mr. Zablocki with Mr. Simpson of Illinois.

Mr. Gordon with Mr. Van Zandt.

Mr. KEEFE changed his vote from "present" to "yea."

Mr. ARENDS changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The title was amended so as to read: "A bill to provide for a census of housing in the year 1950."

A motion to reconsider was laid on the table.

GOVERNMENT ORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 176)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

To the Congress of the United States:

During the past 3 months, the Commission on Organization of the Executive Branch, established in July 1947, has submitted a series of reports containing its recommendations on steps which should be taken to improve the organization and operation of the Federal Government. These reports, together with a summary statement now in preparation, are the product of extensive work by distinguished private citizens and members of the Government. They represent a challenge to the achievement of better government based on the fundamentals of sound organization and management. While there will be honest differences of opinion concerning many of the Commission's specific recommendations, I believe that the Commission's work as a whole represents a landmark in the field of Government organization. The highest commendation is due the membership of the Commission.

The Commission has stated—and I believe quite correctly—that the basic requirement for achieving effective management in government is to grant to the men upon whom responsibility is placed by the Constitution and the statutes an adequate measure of authority and flexibility to perform their jobs. To this end, the Commission has proposed that the Chief Executive be given the authority and resources which he must have to fulfill his constitutional responsibility for directing the Executive Branch of the Government. Without such authority and resources the President cannot be held accountable for the conduct of Federal administration. The Commission has further urged that there be a clear line of authority from the President to and through each department and agency for which he is accountable and responsible; that the executive functions of the Government be grouped under the smallest practicable number of departments and agencies; and that the ability of the President and of department heads to carry out their responsibilities not be impaired by numerous detailed statutory regulations.

With these general propositions of the Commission I am in full accord. My approval and acceptance of them springs not alone from my personal conviction but equally from the compelling mandate of my oath of office to support the principles of the Constitution.

The creation of clear lines of responsibility and authority within the Executive Branch does not weaken—but instead strengthens—the constitutional position of the Congress to determine the scope and character of activities in which the Government shall engage and to prescribe the policies which shall guide their execution.

With the completion of the Commission's work, we should now consider the specific reorganization steps which should be taken at this time. The reorganization of the Executive Branch is a complicated and difficult task. Its accomplishment requires an orderly and systematic plan of action and close cooperation between the President and the Congress.

Certain reorganization measures are now before the Congress. Bills to improve the organization of our national security and foreign-affairs activities are under consideration. Action in both of these areas was recommended by the Commission on Organization and endorsed in my earlier messages to the Congress. There are also pending in the Congress bills dealing with the establishment of a National Science Foundation, the conversion of the Federal Security Agency into a Department of Welfare, increased pay for top Federal officials, and the creation of a General Services Agency with improved arrangements for property management. The objectives of these bills have been generally endorsed by the reports of the Commission on Organization, and I have previously indicated my support of action in these fields.

These specific bills are important and cover major areas of the Commission's work. Of equal importance is the gen-

eral reorganization bill now before the Congress. There is no need in this message to recapitulate the compelling reasons for enacting a general reorganization statute. These were fully stated in my message to the Congress January 17, 1949.

In keeping with past experience, the pending bill provides that reorganization plans, submitted to the Congress by the President under the reorganization authority, must lie before the Congress for 60 consecutive days without congressional disapproval, if they are to become effective. Because of this 60-day waiting period the bill should be enacted soon if any reorganization plans are to be submitted to the present session of the Congress.

It is neither possible nor wise to proceed simultaneously in all areas on reorganization. When reorganization authority is enacted reorganization plans will be submitted to the Congress as rapidly as it is feasible to do so. I shall also submit additional recommendations for action on matters which cannot be covered by reorganization plans. Such plans and recommendations will represent the most carefully considered judgment of the executive branch of the Government. In their formulation I shall give careful consideration to the recommendations of the Commission.

The Commission on Organization has served the country well by pointing the way toward achieving continued improvements in Government operations. The most effective recognization of their work will be the vigorous application of the principles which they have stated.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 9, 1949.*

REPORT FROM RULES COMMITTEE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file the report on the Commodity Credit Corporation legislation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JOINT SESSION OF THE HOUSE AND SENATE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 59) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Thursday, the 19th day of May 1949, at 12:30 o'clock p. m., for the purpose of hearing an address by His Excellency Eurico Gaspar Dutra, President of the United States of Brazil.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CLAIMS OF THE SWISS GOVERNMENT

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 204 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by the United States armed forces in violation of neutral rights, and authorizing appropriations therefor. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself such time as I may desire.

Mr. Speaker, this resolution makes in order the consideration of H. R. 4392, a bill providing for the payment of compensation to the Swiss Government for losses incurred and damages inflicted on Swiss territory during the war.

It is consistent with good international law. All of the claims have been investigated and certified. The amount involved is not to exceed $16,000,000.

Mr. Speaker, I reserve the remainder of my time.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, like the gentleman from Texas [Mr. LYLE], I have not found anyone on this side who is opposed to this legislation.

The claims amount to less than $16,000,000. I think we all admit that the United States Government, by misdirected bombs and forced landings in Switzerland, did injure some 5,500 people. From a legal standpoint I think it is generally recognized that where a belligerent nation does damage to a neutral country and its citizens, it is liable for those damages.

Mr. Speaker, I reserve the remainder of my time.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, my purpose in rising on this occasion is in connection with the message from the President of the United States, which was just read to the House, in relation to the reorganization of the executive branch of the Government.

Mr. Speaker, many weeks ago the House of Representatives passed legislation authorizing what could be effective reorganization of the executive branch of the Government. Unfortunately, the bill has not yet passed the other body. The American people are very deeply interested in this legislation. To begin with, the members of the Commission, known as the Hoover Commission, did a very effective piece of work, and they worked very diligently for well over a period of a year, and under very adverse conditions to themselves, working long hours in their business or in their legislative duties, and at the same time performing the arduous duties which fell upon their shoulders as a result of being members of the Hoover Commission.

The American people are deeply interested in the results that will flow from this reorganization. So are we. There is no question but what tremendous sums of money can be saved as the result of effective reorganization. Yet, as I see it, the success of any reorganization in the executive branch depends upon the passage and final enactment into law of the reorganization bill which passed this House substantially in that form.

In any event, it depends upon the enactment into law of an effective Reorganization Act for the executive branch of the Government. I am glad to see the people of the country interested in this matter. Committees are being formed in different sections of the country—properly so, and I am glad to see it—to try to formulate public opinion to see that the recommendations of the Hoover Commission are finally brought about. It will be interesting today to note that unless we get a reorganization bill through Congress and enacted into law in the very near future that there will be no reorganization of the executive branch this session, because if the President submits a reorganization plan it does not go into effect until 60 days after, to give the Congress 60 days in which to act adversely, or in any event, to act upon any recommendation made by the President.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JUDD. What the distinguished majority leader has said is true of reorganization plans which would require the shifting of functions from one department or agency to another; but it is not true of reorganizations within a department, because those can be handled by the various committees responsible for the departments. The gentleman will remember that tomorrow we shall have before us a bill for the reorganization of the State Department reported by the Committee on Foreign Affairs which will handle those recommendations of the Hoover Report in that field. The bill contains provisions designed to improve the organization and the efficiency and economy within this one department.

Mr. McCORMACK. The gentleman is absolutely correct, and I am glad to have the observation; but I do not think it is inconsistent with what I said, that the major part of any reorganization in the executive branch of the Government will be dependent upon what kind of organic reorganization act is finally enacted into law; and if anything is going to

happen before this session is over, such a bill has got to be enacted into law, in my opinion, on or before the end of this month, because any recommendation sent up has to wait 60 days, and Congress has to be in session at least 60 days or more after a plan is sent up. It cannot go over, as I understand, into a special session of Congress. So something has got to be done in the very near future if any of the recommendations of the Hoover Commission are going to be finally brought into effect before the present session of Congress is over.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. JOHNSON. I wish the gentleman would expand a little bit on his statement. Is it the gentleman's idea that we are going to have one general reorganization bill covering all of the executive departments?

Mr. McCORMACK. No; there will be several plans, one or more that might be recommended, dependent upon the passage of an effective reorganization act giving the President the authority to make reorganizations, of course, sending such plan or plans to Congress, and Congress having a veto. In my opinion to lodge the veto power with one House of Congress would be ineffective; I think it has got to be vetoed by both branches of Congress. But in any event my purpose is to call attention to the fact that an effective reorganization bill has got to be passed very shortly if anything is going to be done in this session of Congress in relation to the Hoover Commission's recommendations.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. LYLE. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEEFE. I am in complete accord with what the gentleman has stated with respect to the urgency of this whole situation. The other body, of course, has the legislation which was passed by this House.

Mr. McCORMACK. That is true.

Mr. KEEFE. Unless they act on it and act with some degree of diligence we may find ourselves confronted with the fact that there will be no legislation in this session of Congress that would permit the President to send down reorganization plans.

Mr. McCORMACK. The gentleman is correct.

Mr. KEEFE. And that would be a real calamity, in my opinion, in view of the tremendous expenditure of money and the great amount of work that was done by the Hoover Commission, but exactly how is that to be accomplished? Has the gentleman any suggestion as to how this thing can be stimulated?

Mr. McCORMACK. My purpose in taking the floor was to let the country know what my views were. The gentleman's expression and those of other Members will be of assistance so that those interested can direct their attention toward the Senate in the hope that the Senate will act very speedily, as that distinguished and honorable body should act and, when it wants to, can.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Dakota?

Mr. CASE of South Dakota. I join the gentleman in hoping that the other body will act, but there is an implication in the remarks which the distinguished majority leader has made that I think many of the Members of the House would like to have the gentleman clarify. If effective implementation of a reorganization order contemplates that the Houses of Congress will be in session for 60 days following the end of this month, that would imply that the session will run through June and July.

There has been some suggestion, in view of the repair work that has to be done on the overhead part of these chambers, that the Congress might take a recess through July. Would the gentleman want his remarks to be interpreted as meaning that the House will be in session in the month of July?

Mr. McCORMACK. The gentleman has a very penetrating mind and we admire him for it. What I said I shall permit to stand. I would like to see the bill passed within a week or 10 days, so that the 60 days would start running very rapidly. While the House will be through with its business in June, I am inclined to think the Congress will not be through. If we are through by August 1 I shall feel very, very happy. Have I answered the gentleman's penetrating question?

Mr. CASE of South Dakota. I hope the House is through with its business in June and that the Congress will be, too; or at least will recess through July so that the carpenters can do their work and that we will be here just marking time.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use.

Mr. BROWN of Ohio. Mr. Speaker, I was very much interested in the remarks made by the distinguished gentleman from Massachusetts, the majority leader, and I fully agree with him in the statement he has made as to the great necessity for an early enactment of the legislation now pending before the Congress to confer upon the President the power and authority to submit reorganization plans for the Government to the Congress. As a member of the Commission on Reorganization of the Executive Branch of the Government, I realize fully that there have been a great many recommendations and findings made by that Commission. Those recommendations and findings are such that, according to the best estimates the Commission can make, possible savings of around three and a half billion dollars per year in the operation of the Government can ensue and also greater efficiency in the Government can be obtained, provided we have proper reorganization, and provided also that certain necessary legislation is enacted.

In order to clarify the matter, I should point out the Commission is a bipartisan one. As all of you know, the Commission is made up of six members from each major political party. Also six members are from the Government, and six members are private citizens. I am very happy to be able to say there has never been a single division on any matter or issue before the Commission along either party lines or between the individuals who were from the Government, on the one hand, and those who were private citizens, on the other. Ours has been an absolutely bipartisan or nonpartisan attempt to solve the problems which confronted it. We have had a great deal of evidence of the President's sincere interest in the great work of the Commission.

Now, the House has passed legislation to give to the President certain powers to put into effect reorganization plans in view of the Commission's reports. These Presidential plans, of course, as you know, must wait until legislation is approved by the Congress, and the President cannot move until he does have proper authority. As the majority leader has so ably expressed it, until and unless that authority is granted the President, there is not going to be very much done on reorganization.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the distinguished majority leader.

Mr. McCORMACK. Might I say that at a meeting this morning the President expressed great concern over this very proposition; that he would be unable to get any proposed reorganization through unless Congress acted very quickly.

Mr. BROWN of Ohio. I listened with a great deal of interest and attention to the President's message which was just read here. I have not had an opportunity to study it or to be informed upon it, but I am happy that he saw fit to send that message to the Congress. I hope it will impress upon the leadership of another legislative body other than our own that it is necessary to take early action, so he may submit his reorganization program to this session of Congress and permit the Congress to pass upon it. I am sure if he uses his influence ably and well, that he perhaps can and will get action.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will be happy to yield to the distinguished gentleman from Indiana.

Mr. HALLECK. I thought it might be in order to suggest, not altogether facetiously, that if the President cannot get through this Congress what he wants, that is kind of a surprise to some of us.

But, in any event, I want to commend the gentleman who is now addressing the House, the gentleman from Ohio [Mr. BROWN] who was coauthor of the Reorganization Act that was passed in the Eightieth Congress. I want to commend him for his foresight in offering that resolution. I want to commend him for his work as a member of the Commission.

Certainly I shall not at this time express any doubt of the sincerity of the President in asking for the accomplishment of these reorganization proposals. I think, however, that it should be pointed out that the House of Repre-

sentatives is not without authority in the matter regardless of the Reorganization Act, because any of these proposals can be drafted, put in legislative bill form, and the Congress can then proceed affirmatively to enact into law the recommendations of the Commission. I hope the underlying Reorganization Act is speedily enacted. That should facilitate matters. But we in Congress have a job to do and I for one, plan to work at that job.

Mr. BROWN of Ohio. I want to thank the gentleman from Indiana for his kind and complimentary remarks relative to myself.

I agree with him that it is necessary for the Congress to proceed as rapidly as possible in the consideration of necessary legislation to make a real reorganization of the executive branch of the Government effective. However, I think I should point out that in my opinion the exercise of the President's power of reorganization must move along in double harness with the work of the various legislative committees of this Congress. I want to congratulate the House Committee on Expenditures in the Executive Departments, of which the gentleman from Indiana [Mr. HALLECK] is a member, as in the gentleman from Michigan [Mr. HOFFMAN], and others, for their splendid efforts in behalf of the establishment of the Commission and in support of the work of the Commission. I understand that committee has now created a special subcommittee on reorganization matters which has been working on many of these problems. The subcommittee has not always seen eye to eye in every instance with the Commission reports, but the Commission realizes—at least, I do as one member of the Commission—that Congress, after all, will have to use its own judgment, wisdom, and discretion in considering how best to make effective the Commission's recommendations and findings.

I want to say one other thing to the gentleman from Indiana and to the Members of the House, if I may, and I hope it will not be misunderstood—but honesty and candor compel me to say it—I, too, am firmly convinced the President wants to put into effect these reorganization plans; he wants to see the Government made more efficient, and have it conducted in a more economical manner. But I am not so sure, I am not convinced in my own mind, from some of the things I have seen and heard, and the experiences I have had as a member of the Commission, as well as from some of the information which has reached me, that every individual official in the executive branch is as deeply interested in an effective reorganization of the Government as is the President of the United States.

May I say further I am convinced, from my limited experience in public life, that if any reorganization plans are to be made effective, if these recommendations and findings of the Commission on Organization of the Executive Branch of the Government are to accomplish the good we wish, the President of the United States is going to have to crack the whip over some of his own officials and some of his own appointees. Following the recommendation, suggestion, and desire of the Commission that we establish a line of command from the President down through the various department, division, and agency heads of the Government, so that the President may have the power to administer, as well as the responsibility, he must insist on having the support of those under him for his reorganization plans. Perhaps he may have to exercise his every power now, to the very best of his ability, to compel the cooperation that I think he deserves from his subordinates in connection with putting through the Commission recommendations and his reorganization plans.

If the efforts of the Commission fail, it will be because of the sniping, because of the underneath cutting, the sabotage of this great effort by some officials who, in my opinion, owe their loyalty to the President of the United States and should be supporting him in the position he has taken.

I want to express my appreciation of this message of the President today. I say to him, "Go through with it. More power to your good right arm. See to it that the legislative bodies, with which you have great influence, perform their duty, and also that all the officials under your supervision, Mr. President, back up your efforts in this direction."

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. JENSEN. Listening to the gentleman's able speech leads me, at least, to believe that there might be more power above the President than there is under the President in this regard.

Mr. BROWN of Ohio. I do not want entirely to agree with the gentleman. I hope we do not reach the place where we have any power or influence in the executive branch of the United States that is above the President in connection with important governmental matters. I want to have the feeling, and I do have it, that the President of the United States will be able to have his way in this matter because, after all, it is his responsibility. He is the head of the executive branch. If he does not have the authority to reorganize it, as we must give it to him, and as this House has tried to do, then, if the reorganization fails, certainly the Congress is not responsible. It will be because of failure somewhere else.

Mr. JENSEN. Under this plan we give the President complete power to reorganize.

Mr. BROWN of Ohio. But the whole Congress has not acted as yet, as the gentleman from Massachusetts so well pointed out.

Mr. JENSEN. It is the intention to give the President complete power.

Mr. BROWN of Ohio. It is the intention of the House, let me say.

Mr. JENSEN. If he has that complete power, then certainly as President of the United States he should exercise it.

Mr. BROWN of Ohio. That is his responsibility.

Mr. JENSEN. He should not be dictated to by the powers above the President.

Mr. BROWN of Ohio. Up to date he has not been given that legislative power from the whole Congress. As I say, I think he should have it. That is exactly the point the gentleman from Massachusetts has made.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I am glad that these remarks have been made for the RECORD, because I am sure the gentleman will recall many of us in the Eightieth Congress initiated this whole procedure, and this Congress, the Eighty-first, we were very active in bringing about, as far as the House of Representatives is concerned, the enactment of the basic underlying legislation, the reorganization bill, which would make it possible for the President to move in order to effectuate these plans.

However, I believe it should be said, for those of us, who, as I say, worked in the initiation of this whole program in the creation of the Commission, the reports of which are now receiving such acclaim from the public, generally, that we who started out in this fight are not going to relax our efforts in any degree whatsoever to try to bring about the final and ultimate accomplishment of reorganization in the executive branch to the end that our Government may be more efficient and to the end that the economies to which the gentleman referred may be effected. Of course, I do not know in detail every proposal, and may not agree with all particular features, but on the whole we shall fight vigorously for the over-all plans.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman from Indiana very much for his splendid statement. For the RECORD I want to say the gentleman from Indiana, as majority leader at the time this legislation was passed, was extremely helpful and zealous in seeing that the legislation creating the Commission was enacted. I also want to give complete credit to the Speaker of the House of Representatives at that time, the gentleman from Massachusetts [Mr. MARTIN], who made at least one splendid appointment from our side of the aisle, when he appointed former President Hoover to the Commission. I also want to pay my respect and tribute to the distinguished gentleman from Massachusetts [Mr. MCCORMACK], who, as minority leader then, and as a very powerful member of the House Committee on Expenditures in the Executive Departments, gave his voice and help to lead the fight for the Commission bill. We all worked together as members of a team. I also wish to pay my respects to our present Speaker the gentleman from Texas [Mr. RAYBURN], who, at that time was minority leader; and to the gentleman from Michigan [Mr. HOFFMAN] who was then chairman of the House Committee on Expenditures. Certainly no one in the country can say the House of Representatives has been in any way derelict. Certainly no one

can say there has been partisan politics in any degree in connection with the enactment of the legislation which created the Commission on the Reorganization of the Executive Branch of the Government, or in the endeavor which has since been made to expedite the passage of the law to put into effective operation the recommendations and findings of the Commission.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I was very glad to hear my friend, during his able remarks, make reference to the necessity of department heads and heads of other agencies in the executive branch of the Government cooperating with the President and not trying to drown out or impair or destroy any plans that he may send up here. My friend used the phrase that he hoped the President would "crack the whip." I was glad to hear my friend from Indiana, the former majority leader, agree with the gentleman from Ohio in all respects and especially in that respect. I hope that when recommendations are sent up to us and when the President exercises the courageous leadership which we all know he does exercise, and he does, in common parlance, "crack the whip," that from no side of the aisle will there come the cry of dictatorship.

Mr. BROWN of Ohio. I agree with the gentleman, so far as his statement about dictatorship is concerned in connection with those whom the President of the United States appoints. I am just old-fashioned enough in public service and in politics to believe that an appointing officer, and especially the President, is entitled to the loyal support of those who serve under him. I have contended from the very beginning, as a member of the Commission, however, that the Commission should never attempt to direct or in any way tell the Congress as to what it should or should not do. The Commission should only give the Congress the benefit of its findings and recommendations, and its best judgment, and then permit the Congress to use its own judgment and discretion in working out the best methods of reaching the objective which we are all seeking, and that the Congress should decide whether our recommendations and findings are worthy of its consideration.

However, I believe as an individual Member of Congress, I not only have the right, but the responsibility, and the God-given duty, to vote as my judgment and my conscience dictates is right. I am hopeful every reorganization plan the President sends here will be one I can support wholeheartedly. I will lean backward to give him that support, because I realize how important the overall objective to properly reorganize the executive branch of the Government really is. I hope every legislative committee which has anything to do with legislation that will help effectively reorganize the executive branch of the Government will lay aside partisanship and will work only for the best interests of the country. Yet I do not expect every one of the legislative committees to agree in every detail with every recommendation of the Commission because sometimes we were divided ourselves. I hope that we will work with the right spirit and the right will. I know from the leadership we have had on both sides of the aisle in connection with this great endeavor that that effort will be made.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I do not care to unnecessarily prolong this discussion except to say that I think it will be helpful in the accomplishment of the recommendations of the Hoover Commission.

I cannot let this opportunity pass, however, without again calling to the attention of the Congress and the country the splendid, able, and patriotic service done by Mr. Herbert Hoover as Chairman of this great Commission. I think hardly any of us recognize the capacity, the diligence, the effort, the time, and the conscientious hard work which he has put into this Commission and its work. He came to this work at a time in life when a great many people would have felt that the undertaking of such a chore would just be beyond him. But not Mr. Hoover. He tackled the job. He has done a great job with it, as evidenced by the fact that recent polls taken across the country show that the American people, by a vote of 20 to 1, approve what the Commission has done.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman. I would like to say to the gentleman from Indiana [Mr. HALLECK] that I appreciate very much his splendid tribute to Mr. Hoover. On May 25, the Commission will meet in a body and will call upon the President, the Vice President, and the Speaker of the House at the Executive Office to present to those three distinguished Americans, the leaders of our Government, the final report of the Commission, and will also formally notify the President, the Vice President, and the Speaker that the Commission has concluded its labors, has finished the task assigned to it. With the permission of the Speaker and of the House I plan on that day to speak for the membership of the Commission in expressing, to the best of my ability, the gratitude of the Commission, and I believe the gratitude of the Nation, to a great American, Herbert Hoover, who has done so much for his country and who, as the gentleman from Indiana [Mr. HALLECK] has so well said, at an advanced age answered the call of public duty and has rendered another great service to his country and to humanity.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. I think the RECORD should show that the words of praise for the former President come from both sides of the aisle and that the statement made by my friend, the former majority leader of the House, and my friend from Ohio are completely joined in by the Democratic Members of the House.

When Mr. Hoover was President I was a Member of this body. I disagreed with him on many occasions, but I profoundly respected him. When he was President, he was my President the same as any President of the United States is the President of any American; he is our President as he was the President of the Republicans, and while a person may disagree with the President yet the greatest respect is always entertained for the President of the United States whoever may occupy the position, as well as for the office of the Presidency.

Former President Hoover and the Commission under him has done an outstanding job, and I am happy indeed to join in the remarks heretofore made and to let the country know that the entire membership of the House, Republican and Democrat alike, recognize in the great work that he has done an outstanding achievement by a great American in the best interest of our whole country.

Mr. BROWN of Ohio. I thank the gentleman very much.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] No quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 90]

Abbitt	Fugate	LeFevre
Addonizio	Fulton	Lemke
Allen, Calif.	Gathings	Lesinski
Allen, La.	Gavin	Lichtenwalter
Andersen, H. Carl	Gilmer	Lind
	Goodwin	Lovre
Arends	Gordon	Lucas
Bailey	Granahan	McConnell
Barden	Granger	McCulloch
Barrett, Pa.	Green	McKinnon
Bates, Mass.	Gregory	Mack, Ill.
Biemiller	Gwinn	Macy
Bishop	Hall, Edwin Arthur	Madden
Bland		Marcantonio
Blatnik	Hall, Leonard W.	Morrison
Brehm		Morton
Bryson	Hand	Multer
Buckley, N. Y.	Harris	Murphy
Bulwinkle	Hart	Murray, Wis.
Burnside	Havenner	Noland
Burton	Hays, Ohio	Norblad
Byrne, N. Y.	Hébert	Norton
Canfield	Hedrick	O'Brien, Mich.
Carnahan	Heller	O'Hara, Minn.
Celler	Herlong	O'Toole
Chiperfield	Hinshaw	Pace
Chudoff	Hobbs	Patterson
Clevenger	Hoffman, Ill.	Pfeifer, Joseph L.
Colmer	Holifield	
Cooley	Horan	Pfeiffer, William L.
Corbett	Huber	
Coudert	Jackson, Calif.	Philbin
Crawford	James	Phillips, Tenn.
Davenport	Javits	Poage
Davies, N. Y.	Jenison	Powell
Dawson	Jennings	Ramsay
DeGraffenried	Jones, Mo.	Regan
D'Ewart	Kearney	Rhodes
Dingell	Kearns	Rich
Dondero	Kelley	Richards
Donohue	Kennedy	Riehlman
Douglas	Keogh	Rivers
Doyle	Kilburn	Rodino
Durham	Kilday	Rogers, Fla.
Elston	Kirwan	Rooney
Feighan	Klein	Sadlak
Fellows	Lane	Scott, Hardie
Fogarty	Latham	Scudder

Sheppard	Thornberry	White, Idaho
Short	Towe	Wickersham
Simpson, Ill.	Underwood	Wier
Simpson, Pa.	Van Zandt	Wilson, Ind.
Smathers	Velde	Withrow
Smith, Ohio	Vinson	Woodhouse
Stanley	Vorys	Woodruff
Stockman	Wadsworth	Yates
Taylor	Walsh	Zablocki
Thomas, N. J.	Weichel	
Thompson	Whitaker	

The SPEAKER. Two hundred and fifty-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CLAIMS OF THE SWISS GOVERNMENT

Mr. BROWN of Ohio. Mr. Speaker, how much time have I left?

The SPEAKER. The gentleman from Ohio has 4 minutes remaining.

Mr. BROWN of Ohio. Mr. Speaker, I was in the process of yielding. Does the gentleman from Michigan [Mr. HOFFMAN] desire time?

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. STEFAN. I, too, wish to join in paying tribute to Mr. Hoover, the only living ex-President of the United States, for the great service that he has rendered to our country, especially in his work on this reorganization program. I also wish to commend the gentleman from Ohio [Mr. BROWN], who so assiduously worked and made possible the appropriations to continue that Commission.

Mr. BROWN of Ohio. May I interrupt to say that I am not unmindful of the fact that great credit is due the gentleman from Nebraska for his untiring efforts in connection with appropriations for the work of the Commission. We are very grateful to him.

Mr. STEFAN. I thank the gentleman. I recently returned from my State, Nebraska, and I found in many communities organizations being formed to give encouragement to the Hoover Commission in order that some reorganization of government may take place as soon as possible to effect some real economy. Our people want reorganization based on the recommendations made by the Hoover Commission because they fear that this Government spending continuing as it is, will soon find itself on the rocks of financial ruin. The gentleman answered the question I originally wanted to ask regarding when your commission is going to complete its labors. I understand you are to report to the President in the very near future.

Mr. BROWN of Ohio. On May 25.

Mr. STEFAN. On May 25, after which your commission will go out of existence. May I ask the gentleman whether or not the commission has any unexpended balances?

Mr. BROWN of Ohio. I am not sure, but I think we will be pretty close to the edge. We may have a little left over, I do not know. We printed as many copies of our reports as we could but we did not have enough funds to complete the printing of all reports and important findings of the "task forces."

Mr. STEFAN. Does the gentleman think he will have sufficient funds to complete his labor?

Mr. BROWN of Ohio. Yes; I think we will.

Mr. STEFAN. Then the Appropriations Committee was wise in cutting the amount originally asked for?

Mr. BROWN of Ohio. We cut our cloth according to the funds granted us, and we thank the gentleman very much for his aid.

Mr. STEFAN. May I ask one more question? If your labors are to be completed on May 25, will some legislation be necessary here in the House or will we follow the bill that is to be acted upon in the Senate?

Mr. BROWN of Ohio. Legislation will be necessary. If Congress approves the Reorganization Act it will permit the President to send up his reorganization plans, but there will be considerable legislation necessary, not only this year but next, in order to implement the findings and recommendations of the commission.

Mr. STEFAN. I wish to call the attention of the gentleman to the fact that one committee of this House, the Subcommittee on Appropriations for the Department of State, acted long before some of the work done by the gentleman's commission. The fact of the matter is this Subcommittee on Appropriations for the Department of State, made many recommendations and accepted many recommendations made by Assistant Secretary of State Peurifoy which were embodied in some of the Hoover Commission report. The gentleman might be interested to know that these reorganization programs in the Department of State have already been implemented with appropriations by the House committee and hearings on that bill are being held in the Senate at this time.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. LYLE. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. BROWN of Ohio. I thank the gentleman from Nebraska for his contribution, and may I say to him that the commission did follow very closely, and obtained great benefit from, the reports and recommendations made by his outstanding subcommittee. The work of several committees of the House was extremely important and of benefit to the commission, and it would be unfair for me to conclude my remarks without paying tribute to the House Committee on Expenditures also—not only to the present committee but to the former committee under the leadership of the gentleman from Michigan [Mr. HOFFMAN], which reported unanimously the legislation creating the commission. It subsequently passed the House of Representatives. I think full credit is due that committee of the Eightieth Congress for its very good work.

Mr. LYLE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Texas.

Mr. LYLE. I think perhaps it would be very useful to the Members of the House if they had copies of the recommendations and reports of the Commission in volumes so that they could be referred to. The various reports are excellent, but they come to us in different sizes and in different forms and they get mixed up. When we attempt to try to find them it is difficult. I would like to have on my desk these reports in volume form.

Mr. BROWN of Ohio. I am hoping some arrangement can be made and that funds may be found to print the findings and recommendations of the Commission in one volume. We have not had the funds available for that purpose. Then, too, because of the fact that various legislative committees of Congress will have jurisdiction over various bills that will be introduced, or have been introduced, to put into effect these findings and recommendations which were made in the various Commission reports we furnished the reports on the various departments, activities, and services of the Government as separate documents. But, I do agree that it would be of great benefit to the Congress if we had an over-all report in one volume which the Members of Congress, at least, could use as a handy reference. I hope that perhaps we can make some arrangements here for that purpose. The cost would be very slight in comparison to the great benefit and value which could be obtained, because undoubtedly it will be necessary to refer to those reports for many years to come.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. MICHENER. Right along that line, may I suggest that I have had a large number of requests for these reports. My office made an investigation. The reports are so voluminous that they will not be furnished free for general distribution, but they may be purchased at the Government Printing Office at a cost of $10 per set.

Mr. BROWN of Ohio. For the complete set, but I think a lower price for individual reports, as many people are only interested in one particular report.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Speaker, returning to the rule relating to H. R. 4392, a bill to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II, at the outset I want it known that it is my hope and my fervent wish at all times to support legislation favorably reported from the great Committee on Foreign Affairs of the House of Representatives.

In this particular instance I desire to make some observations regarding this bill. If you will turn to the report accompanying the bill you will find that there is a claim by the Swiss Government for some $3,000,000 interest as of last April. The Swiss Government is not only demanding payment of claims against

our Government and payment in large sums from our Government, but is demanding interest computed at 5 percent. That is the rate claimed by the Swiss Government. I contend this is exorbitant. This is an outrageous demand. The report states that it will be noted if interest normally allowed in international claims is allowed, the longer there is delay in settlement, the greater the ultimate amount. It appears to me it is unconscionable on the part of the Swiss Government to demand 5 percent interest upon this claim made against our Government.

It happens, Mr. Speaker, that in 1943 and again in 1945 I was brought in contact with Swiss officials. I know from my service in Italy that back in 1943 the Swiss Government dealt harshly with some of our aviators interned in that country. At that time the going was rough for our country; it was not then apparent to all that Hitler would be beaten. In Switzerland precision instruments in tremendous quantities were being manufactured for use by the German armies, warships, and air force.

However, by 1945, after the German armies had surrendered, when I had the honor to be the Allied military governor of the Province of Reggio nell' Emilia in north Italy, I also dealt with Swiss officials. I found them difficult to deal with at all times. They were crafty and coldly calculating. This notwithstanding the fact that at that time I was the humble representative of a great and victorious Nation and its Allies. I was for a time, in 1944, a supply officer in the Fifth Army. Perhaps I was made supply officer because all my life I have been a lawyer and knew very little about the procurement of supplies. However, I endeavored with fidelity and with zeal to serve my Government, and in dealing with Swiss officials at all times I found them callous and hard, conniving and cold-blooded, and always looking out for their own interests, and seeking an unfair advantage.

The Swiss Government, as all of us will admit, has profited from World War I and World II. I do not condemn Swiss citizens. I criticize Swiss Government policies and its officials. Switzerland is a meeting place for the plotters of the world. They plotted World War I in Switzerland. The Swiss became rich out of World War I. World War II was plotted there, and the Swiss became wealthy from World War II while we were expending our blood and our treasure. Right at the present time Switzerland is the haven for the Fascists from Germany and Italy plotting against the peace of the world and to bring about world war III. The banks in Switzerland are depositories for the tremendous sums of money of Fascists of Germany and Italy.

Mr. Speaker, Switzerland is the only country in all the world where the local currency is at a premium over the American dollar. The reason is that they have profited while we have sacrificed and suffered. We saved their liberty, we saved them from devastation and from being taken over by Hitler, and now their officials demand interest at 5 percent upon claims I suspect are greatly padded. If that is modified to a legal rate of interest, then it will be said that such interest would be 3½ percent interest or possibly 4 percent. It is my hope, Mr. Speaker, that in passing this bill the great Committee on Foreign Affairs will agree to strike out the period in line 2 on page 2 and add the following: "and that any interest payment authorized herein shall not exceed 1 percent."

If the Swiss Government receives full payment of the claims it has presented—and our Government has always been generous in dealing with foreign nations—it seems to me it is unscrupulous and unconscionable in making this demand upon us for 5 percent interest in addition.

Mr. Speaker, I hope this amendment will be adopted.

Mr. LYLE. Mr. Speaker, I yield such time as he may desire to the gentleman from Oklahoma [Mr. WILSON].

Mr. WILSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning one of the heroes of Bataan, a victim of the death march, who was recently reburied in Arlington Cemetery, the late Col. Winfield Scott, of my home city in Oklahoma.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. KEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4392, with Mr. CHELF in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from West Virginia [Mr. KEE] is recognized for 30 minutes. The Chair understands that the gentlewoman from Ohio [Mrs. BOLTON] is recognized for the same amount of time.

Mr. KEE. Mr. Chairman, I yield myself 15 minutes.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield.

Mr. STEFAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEFAN. Mr. Chairman, do I understand that the time has been equally divided between the minority and majority and that time has also been allotted to the gentlewoman from Ohio, making a total of 1 hour and 30 minutes?

The CHAIRMAN. Under the rule, the hour will be divided equally, 30 minutes to the majority and 30 minutes to the minority. The total amount of time is 1 hour.

Mr. STEFAN. I thank the Chairman.

Mr. KEE. Mr. Chairman, ladies and gentlemen of the Committee, we have before us for consideration today H. R. 4392, a bill to provide compensation to the Government of Switzerland for damages to persons and property on Swiss territory inflicted during World War II by United States armed forces in violation of neutral rights. The measure will authorize an appropriation of $16,000,000 to carry out its purposes.

This bill is brought to the floor with the unanimous recommendation of the Committee on Foreign Affairs that it do pass.

The claims for which this measure will provide settlement are based on a number of incidents involving crash-landings of aircraft on Swiss territory and bombings of Swiss towns, villages and countryside by the United States Air Force.

Because of this violation of neutral rights and the damages thereby occasioned, a large number of claims were filed with the Swiss Government by the parties injured or their representatives. As of September 1945, the Swiss Government had submitted to the United States Department of State 167 claims arising out of crash-landings, and amounting to $272,133.24. This total was small, however, in comparison to the number of claims and amount of damage occasioned by the Air Force bombings. Because of the later incidents, some 5,400 claims were presented to the Swiss Government by its citizens, and by that Government brought to the attention of the Department of State. The claims on account of bombings so far approved by this Government amount to $12,481,515, exclusive of interest.

The incidents of crash-landings and bombings, allegedly caused by units of the United States Army Air Force, were reported by the Government of Switzerland to the Department of State during the years 1943, 1944 and 1945.

I might interpolate here that we have information that all of these bombings were not occasioned in 1 or 2 instances, nor in 5 or 10. As a matter of fact I am advised there were approximately 37 instances during the last war in which American aviators got across the line over Switzerland, thinking they were in Germany. They dropped bombs and occasioned the damage for which these claims were filed.

Mr. CURTIS. Mr. Chairman, will the gentleman yield for a question?

Mr. KEE. Certainly.

Mr. CURTIS. This all happened by accident, did it not?

Mr. KEE. It could not be called accident. It was because of the fact that these aviators were mistaken as to their location. You could not say that it was criminal negligence or anything like that.

Mr. CURTIS. It was not done with the intent to damage the Swiss either in their lives or property.

Mr. KEE. There was no malicious intent, of course.

Mr. CURTIS. Mr. Chairman, it seems to me that perhaps the title of the bill, as well as the body of the bill, ought to

be amended by striking out the language that this was in violation of neutral rights. Those boys who were present when these things happened had no intent to violate the rights of anybody. It was one of the unfortunate things that happens to a bystander, and it seems to me that the committee should bring in an amendment to correct that, to show that this Congress does not give a stamp of approval to such language as this.

Mr. KEE. Regardless of the question of whether it was done intentionally or otherwise, it was, as a matter of fact, in violation of neutral rights. You cannot get away from the situation.

The Department of the Army made investigations to determine whether or not United States military aircraft were responsible for the incidents and, therefore, responsible for the damages thereby caused. In accord with the results and findings of such investigations, the Department of State has long since informed the Swiss Government of this Government's acceptance or denial of responsibility for each incident. The appropriation to be authorized by the pending bill will go toward payment of only such claims as are based on those incidents for which this Government has accepted responsibility.

The payment of these claims is, beyond all doubt, an obligation of the United States Government which, under law and the principles of justice and in all good conscience must be discharged. It is understood that the Swiss Government has made advances for the relief of claimants, reserving the right to present all claims to the Government determined to be responsible for the damage.

Mr. WAGNER. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield.

Mr. WAGNER. I see in the report that this interest amounts to approximately $3,000,000. Is it customary to pay interest on claims of this type?

Mr. KEE. It is customary; yes, sir. If the report reads that we are to pay that amount of interest, it is erroneous, because the question of interest has not yet been determined. Negotiations are still going on. We have a Commission on Swiss claims, and also the Army is engaged in supplying information. The interest rate and the amount is subject to negotiation between the two countries.

Mr. WAGNER. And scaling down.

Mr. KEE. Of course, the Swiss Government has claimed 5 percent, we understand. However, we know that they have paid 4 percent on individual claims, and they certainly would not ask us to pay more.

Mr. WAGNER. That was the thought I had in mind in asking the question.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield briefly.

Mr. SADOWSKI. This may not have a direct bearing on the bill before us but nevertheless I think the question is pertinent to the general question of settling honest debts.

Right after the war we were advised that millions and hundreds of millions of dollars of looted gold had been deposited in Switzerland by the Nazis. I understand our Government did get some satisfactory answer from the Swiss Government as to the disposition of this money. I understand a great portion of it was Belgian gold and Holland gold, and then there was some gold from the Slav countries, but all in all there was quite a large sum involved. I have never heard that satisfactory disposition had been made of those claims of those governments against the Swiss for this looted gold that was deposited there by the Nazis. Can the gentleman or any member of his committee answer my question as to what has been done and what satisfaction has been made toward compensating these people for the gold that was looted by the Nazis and deposited with the Swiss?

Mr. KEE. May I say to the gentleman that that matter has never come before the committee, to my recollection. We have nothing before us now in regard to the matter, and it would be impossible for me to say what claims have been made on that score.

Mr. SADOWSKI. Has no member of the gentleman's committee informed himself on this, Mr. Chairman?

Mr. KEE. I have not discussed it with any member of the committee.

Mr. SADOWSKI. I should like an answer to my inquiry as to whether any member of the gentleman's committee is informed on the subject.

Mr. KEE. I say I have not discussed it with any member of the committee. I am, therefore, unable to advise the gentleman. I am sorry.

The payment of these claims is long overdue, and, no doubt, the Swiss Government finds it difficult to understand why the United States delays in fulfilling its acknowledged responsibility for damage inflicted over 5 years ago. I may say in this connection, however, that in two of these instances where there was a considerable amount of damage—and I believe it was the first two instances—the Army arranged payment to the Swiss Government of a certain amount of damage; in fact, they paid to the Swiss Government about $4,070,000-plus. That was paid out of money that the Army found available for the purpose at that time. That was in addition to the claims that are here before the Congress today. So the Swiss Government has been paid to a certain extent for some of the claims which are not included in this bill.

This matter was considered by the Eightieth Congress, but the legislation then proposed failed of passage because of adjournment before the measure could be reached. A bill was considered authorizing appropriations in the sum of about $10,000,000, as an advance payment to Switzerland. It passed the Senate, came to the House, and was reported by the Committee on Foreign Affairs in the amount of $10,607,000. It failed of passage because it could not be reached before adjournment.

The pending bill authorizes an increased appropriation over the 1948 bill and this larger amount comes about as the result of the reporting by the Army of additional claims investigated and approved, liability on which is admitted by our Government. These additional claims bring the total of all claims approved for payment, full responsibility for which is admitted, up to $12,481,815, exclusive of interest. Interest on the claims can be determined only by agreement of the two Governments upon the rate and by fixing the date of payment. It is because of this situation that an authorization of $16,000,000 is provided. The committee is assured that this amount will be sufficient to cover the total amount of approved claims, the accrued interest thereon, and such interest as may accumulate between this date and the date of final payment. It will be understood, of course, that if we agree to the Swiss request, the rate will be 5 percent and at that rate interest is accumulating at something like $600,000 a year. At 4 percent it is increasing at the rate of about $500,000 a year. It is our understanding that in handling these claims with its own citizens the Swiss Government has paid 4 percent interest. There is, however, no international interest rate. The question, therefore, is subject to negotiation, and that will take place under this bill. But by placing the amount at $16,000,000 as an authorization, it will cover the amount of interest even though our country should agree to pay the 5 percent, which I doubt; the authorization will cover it provided the claims are paid shortly after the bill becomes law.

An early settlement of these claims is highly desirable. They have been pending for a long time, considerable interest has already accrued and will continue to accrue. The longer a settlement is delayed, the greater will be the cost, and, incidentally, the greater the strain upon the relations between the United States and the Swiss Government.

I hope that the measure will be given unanimous approval.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Iowa.

Mr. GROSS. In the report it is stated that Germany has compensated Ireland for certain damages, that Russia and Great Britain have compensated certain countries, and so forth. When were these payments made, and how much?

Mr. KEE. I would not be able to answer that question without referring to the hearings. Perhaps the gentlewoman from Ohio [Mrs. BOLTON], a member of the committee, can answer the question. I do not recall the evidence. We were not so much interested in the amounts; we were interested in the fact that the principle of law was recognized by these governments that claims of this character constituted a valid and legitimate claim against our Government.

Mr. GROSS. May I ask the gentleman whether, as a matter of fact, he knows that these governments have paid these claims?

Mr. KEE. That was the report that came to us, I think from the State Department. It is a matter of evidence before the committee that that is a fact.

Mr. GROSS. But the gentleman has no figures?

Mr. KEE. I have no figures upon it.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. Is it not a fact that the law of our country or here in the United States is that if you are sued for damages, you may obtain a verdict but you do not get any interest?

Mr. KEE. That is not the law.

Mr. CAVALCANTE. That is the law if you do not know whether it is the law or not.

Mr. KEE. You get interest on the amount of damages if you get a verdict.

Mr. McCORMACK. Does the gentleman mean on personal injuries?

Mr. CAVALCANTE. Personal injuries or damage to property.

Mr. KEE. In any case, you get interest from the date of your judgment.

Mr. CAVALCANTE. In no tort action do you get interest on your verdict.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mrs. BOLTON of Ohio. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, in addition to the moral and legal obligation which under international law our Government has to pay these claims, there is a further practical factor we ought to bear in mind, namely, that the United States has greater investments in other countries around the world than probably all other countries put together have outside their own boundaries. For every $1,000 we may ever be called upon to pay to other governments for destruction of their property by our armed forces or nationals, there is a fair probability that during the next few decades we will be asking other nations for $1,000,000 in reimbursement for destruction of our property by their armed forces or nationals. For example, in China today, Communist forces might destroy or seize up to a half-billion dollars worth of American-owned property. How could we expect those responsible for the losses to reimburse us for our property when we are the neutrals, if we refuse to honor our obligations when we are on the paying end? It is a matter of integrity, yes, and also of good sense for us to pay these claims.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman recognize a moral or legal obligation to pay 5 percent?

Mr. JUDD. That is the customary rate in such cases. As a matter of fact, we have not agreed to that rate. We are still negotiating for a lower rate, and it is reasonably probable the final figure will be less than that.

Mr. GROSS. Where else does the Government pay that?

Mr. JUDD. This is not comparable to the case of the Government paying interest to its own citizens, although it does pay 6 percent on income-tax overpayments. We were advised 5 percent is a standard rate in international claims of this sort when the payment is long delayed.

Mrs. BOLTON of Ohio. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Chairman, this is one of the most ironical performances that I have ever witnessed. Most everyone knows that some of our bombs were accidentally dropped on Switzerland and some of our aviators crash-landed in that country. They were interned until the war was ended and now we are going to pay Switzerland $16,000,000. It was only our efforts which preserved their freedom.

First, I want to make it clear that I love Switzerland, one of the most beautiful countries in all the world, and that I have never been ill-treated there. Always I have paid fully for any services that I received. When I first visited that country, in 1922, I wrote my mother, "When I die I hope the good Lord will not send me to heaven—but to Switzerland." That is what I thought then. It is what I think now—in spite of certain incidents that have waned my enthusiasm for this outstanding country.

America has been good to Switzerland. In fact, we have kept her economic life going by admitting her watches and other technical instruments into our country. Always we have given her the benefit of the doubt, and she now questions it.

During the war we accidentally dropped a few bombs and Switzerland kept all of our aviators interned until the war was over. Maintaining a strict neutrality, this little nation let us know where she stood. I admire her for her boldness and am sorry for our weakness. Where would her freedom be today without our strength? We saved her neck and she is not willing to contribute one ounce to save ours.

Switzerland is a magnificent country—and I have enjoyed my visits there. Her people are hospitable, but we certainly pay in full measure for any hospitality that is granted. Never did I have anything given to me and I paid in good American dollars for all considerations which I received. Others have done and will do likewise.

Mr. Chairman, is it not a bit ironical that American aviators shot down in Switzerland should be interned until the war was over—and that we are now called upon to pay $16,000,000, when American aviators shot down in Spain were released to fight again—and die against the Axis Powers?

Switzerland interned all of our men—a country that prospered during the war by maintaining a phony neutrality and for whom we opened our American ports to keep her industry going. She sold to us watches and precision instruments which everyone knows about. But in Spain when our aviators crashed or were shot down they were released to fight again the very enemy who would have destroyed Switzerland's freedom. It is asinine. Switzerland, that was accepted and admitted to the United Nations, who kept our boys prisoners, was recognized—but Spain where the boys fell, were released and were permitted to fight again, is banned from the United Nations. This ignoble action is inexcusable and indefensible in morals, politics, or law.

I will admit that Switzerland and Turkey, next to Spain, are the most anti-Communist countries in Europe. I do not decry the aid we are giving them, but I do declare that our treatment of Spain is immoral, unconscionable, undiplomatic, and against the best interests of our own country. With Switzerland and Turkey, Spain is the most anti-Communist country in all Europe, and regardless of our opinion of Franco and his Government, it must be admitted that Franco has brought order out of chaos, and that Spain is our friend. From a strategic point of view she is more important than any other country. She knows that—and certainly we know it. And I am incensed at the shabby treatment we have given her.

Certainly our members at Lake Success should put forth every effort to see that Spain is included in the United Nations; that full diplomatic relations are restored, and that she is included not only in the United Nations but also in the Atlantic Pact.

It is high time, sir, that we exercise a little common sense, and realize that Spain, with the exception of Switzerland and Turkey is the most anticommunistic country in all Europe. In fact, I would put her first.

Something which I seldom do is to recommend to Members of both House and Senate that they will read the article which I wrote on Spain and that appears in the May issue of the Reader's Digest.

And now under leave granted me I include the following editorial from today's Washington Daily News:

FRANCO SPAIN

The Political Committee of the United Nations General Assembly has voted, 25 to 16, in favor of lifting the 1946 ban on the appointment of ambassadors and ministers to the Franco government in Spain. The question now goes to the General Assembly for final action, and the issue there is in doubt.

Representatives on the committee of the United States and 15 other nations did not vote either way. However, if we duck the issue again in the General Assembly, our refusal to vote will be counted against the proposal, which requires a two-thirds majority for approval.

Our Government initiated the original boycott resolution against Spain. That mistake should be acknowledged by joining in the movement for its repeal.

Franco's government isn't our kind of government, but that is not the test. If we exchanged diplomats only with those nations of which we approved in every particular, we would be doing business in a very restricted world.

Spain is under a dictatorship; yes. The Soviet Union, Poland, Yugoslavia, Bulgaria, and Czechoslovakia—with all of which we have full diplomatic relations—also are under dictatorships.

Franco attained power by revolution—by force and violence. So did the other dicta-

torships. So did several Latin-American governments to which we have extended full recognition.

Franco's particular crime is that he gained control of Spain with the assistance of Hitler and Mussolini. But that was a case of dog eat dog. Stalin's international brigades were fighting on the other side. If they had won, we probably would have a Communist Spain today. Would that be good?

We voted to boycott Spain in 1946 largely as a sop to the Soviet Union. In doing so, we ignored the fact that Spain had not been guilty of attacks on any other nation, which was more than could be said of Russia. After Hitler and Mussolini helped Franco, he did nothing to help them.

Franco has shown every evidence that he desires to live at peace with the rest of the world. His country is one of the bastions against communism and occupies a strategic area vital to us and the other members of the North Atlantic group.

Our Government should vote to lift this foolish boycott.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of State is authorized to pay to the Government of Switzerland such sums as the Secretary of State, in consultation with the Secretary of the Army, shall determine to be necessary to provide compensation for losses and damages inflicted on persons and property in Switzerland during World War II by units of the United States armed forces in violation of neutral rights: *Provided, however*, That the total amount of compensation authorized herein shall not exceed $16,000,000.

Mr. YOUNG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: Page 2, line 2, strike out the period and add the following: "and that any interest payment authorized herein shall not exceed 2 percent."

Mr. YOUNG. Mr. Chairman, just as I stated a few minutes ago, it is my earnest wish to support wholeheartedly every bill favorably reported from this great committee of which the distinguished gentleman from West Virginia [Mr. KEE] is chairman. There is not very much in addition that I am going to say upon this amendment.

You will note that in offering this amendment I have used the language "that any interest" shall not exceed 2 percent. For the sake of argument I do not wish to concede at this time that we should pay interest to the Swiss Government upon a claim of this sort, notwithstanding the fact that in past generations it has no doubt been well established that interest and probably at very substantial rates, perhaps 5 percent, perhaps 6 percent, perhaps 8 percent, has been paid by different governments on claims such as this. But we are living in the present time. We are faced with the fact that had it not been for the expenditure of billions and billions of dollars out of the Treasury of this country and many, many drops of precious human blood, the offering as sacrifices of the flower of our young manhood—who left their comfortable homes and their loved ones to maintain our way of life in the world—had it not been for those sacrifices Switzerland would not today be a free nation. Switzerland today would be a puppet nation of Hitler and Mussolini, and it seems to me that if we in this country pay liberally, pay generously to the Swiss Government the claim that it makes because of the care they took of some of our airmen who were interned there and the claim it makes because of the damages accidentally inflicted, that Swiss officials are unreasonable in demanding either the legal rate of interest, which is uncertain, or interest at the rate of 5 percent, which is excessive.

Let me say that we have authorized by legislation the creation of a War Claims Commission, and there are at the present time pending in both Houses of this Congress appropriations to set that War Claims Commission functioning. It seems to me that that is the sort of commission which should deal with this problem. I do hope that consideration will be given to the amendment I offer here.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Iowa.

Mr. GROSS. I intend to support the 2-percent amendment offered by the gentleman, but he did not go far enough. He should have stricken out all interest payment. That portion of the bill is an outright steal, and it ought to be branded as such.

Mr. YOUNG. I agree with the gentleman, but I fear I could not succeed in that move. You will note that in the amendment I have not conceded that interest should be paid; I stated that any interest paid should not exceed 2 percent.

Mr. Chairman, I ask unanimous consent that my amendment be again read for information of Members who are present at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk again read the Young amendment.

Mr. CHATHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had rather more complete testimony on this point than the report shows. This same bill was reported out of the Committee on Foreign Affairs last year. I am sorry we have not had more of the 1948 report. The Senate passed the bill in the same form it is here, except that I believe about $1,331,000 in claims have been adjudicated in addition to the amount carried here.

All the way through our diplomatic relations in this country for many years and many generations interest has been recognized. As my colleague the gentleman from Minnesota [Mr. JUDD] has stated, we have received many times the amounts we have ever paid out or I suppose ever expect to pay out. An international authority, writing in 1943 on the subject, said—and I quote from last year's report:

Although the rule as to the payment of interest is not absolute, nevertheless, in the majority of cases that have been considered by international tribunals, interest has been allowed in appropriate cases as a part of the awards.

It was testified before us that we have received as high as 8 percent interest from some claims we had against Mexico. I read again from the report of last year:

The Mixed Claims Commission established under the claims convention concluded September 8, 1923, between the United States and Mexico, which contained no specific stipulation with respect to the inclusion of interest in awards, nevertheless allowed interest on American claims against Mexico.

The Mixed Claims Commission established pursuant to the agreement of August 10, 1922, between the United States and Germany to determine claims of the United States against Germany, including claims for violation by Germany of American neutrality during the period between August 1, 1914, and April 5, 1917, allowed interest.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman say that simply because we practiced usury upon the Mexicans we are now entitled to permit the Swiss to practice usury upon us?

Mr. CHATHAM. I would not know whether or not it was usury. It seems to me it would be a very high rate of interest. However, the Swiss are paying the claims of some of their nationals who have been bombed out and are allowing 4 percent interest to their own nationals on the claims. That has recently come to my attention.

This Government has just made a settlement with Yugoslavia in which the Government of Yugoslavia agreed to pay the United States $17,000,000 in settlement of claims of American nationals on account of the taking of their properties in Yugoslavia. In H. R. 4406, now pending in the House to implement that agreement, the Secretary of the Treasury is authorized to pay out of the fund the principal amount of each award plus accrued interest on such awards as bear interest.

Since we have received moneys in many cases and have received interest, it seems to me rather well established that interest is included in cases of this sort, and, since the Swiss are paying interest at the rate of 4 percent to their own nationals, I personally feel that we should not hamper our negotiations or hamstring our negotiators. I certainly want to pay the smallest amount of interest that can be negotiated, but with the Swiss paying 4 percent on these claims, it seems perfectly proper that 4 percent be the amount finally settled on.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield to the gentleman from West Virginia.

Mr. KEE. Our committee, as I understand, and as I think the gentleman understands, made no attempt to fix a rate of interest, but deemed that the only way in which this matter could be settled now was to leave the question up to negotiation by the representatives of the two countries. If we can get the interest down, we will do it.

Mr. CHATHAM. That is correct. A large amount of interest of course has accrued because the bill did not get through in the last minutes of the last session. I

would certainly oppose the amendment on principle. There is nothing in our whole history and background to show that we should turn around now and do something because we think the interest rate is too high. I think our negotiators are perfectly able and patriotic people. I am quite certain in my own mind that as Americans they will do a good job for us.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not know whether Switzerland is getting preferential treatment in this bill. It is true that we must carry out our obligations in the matter of damages to neutrals following a war. Whether the Committee on Appropriations is going to have another chance at this bill, I do not know, because it is indicated there are to be some negotiations as to the matter of interest. Perhaps this matter could wait for the actions of the regular war claims commission.

I am deeply concerned over statements made by the gentleman from Ohio [Mr. YOUNG]. I hope in the extension of his remarks he will tell some more of the story of the treatment accorded to our aviators who were interned in Switzerland. He was on the ground and he should know. The story has been told to us before and is known to the former chairman of the Subcommittee on Appropriations for State Department, the the Honorable LOUIS C. RABAUT, of Michigan who is here today.

I wish the membership of this committee could tell us the total amount we paid to the Swiss Government for representing us during the war, and the interest rate thereon. This amount ran into many millions of dollars. Was interest figured on that transaction and at what rate?

The purpose of my taking the floor at this time is to interrogate the membership of the Committee on Foreign Affairs as to whether or not we have credits on surplus lend-lease or anything at this time with the Swiss Government. Can anyone give me that information? If we have credits we could pay this bill with such credits, if any.

Mr. KEE. If I understand the situation correctly, Switzerland never received anything from the United States in lend-lease.

Mr. STEFAN. If they received surplus materials and paid in cash, I have nothing more to ask. But if we have credit, I would like to know whether or not the committee went into some detail as to the amounts of those credits and whether those credits could be applied on this bill of $16,000,000 for damages alleged to have been done to Swiss property by our armed forces. Of course, Switzerland was not in the war. She collected from all sides.

Mr. KEE. We certainly did not go into an examination of all the affairs between the Swiss Government and the Government of the United States, and as to whether there were debits on one side, or credits on the other side.

Mr. STEFAN. We had better go into that.

Mr. KEE. If I may answer the gentleman, we went into the question solely of whether this country and this Government was liable to Switzerland for these claims. We went into that and then we went into the amount of the claims.

Mr. STEFAN. I deeply appreciate the gentleman's explanation. But in reply to the statement that the gentleman makes, that you did not go into it, I say we had better go into all credits we have with all foreign governments, in view of the financial condition of our Government. We are nearing the rocks of financial disaster and it is important that we start taking credit or start collecting from every foreign government which owes us.

You had better go into the billions of dollars of surplus property which we have turned over to foreign governments and also start getting something back on billions of lend-lease.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Pardon me. Let me finish my statement. One committee of your Congress in the House of Representatives, the committee on State Department, has gone into it at great length, and as a result of going into it we are collecting in credits millions of dollars in valuable property and buildings and other tangible things which we could not have got in any other way except by demanding credits on surplus property and lend-lease. Perhaps Switzerland owes us nothing. I merely rose for information. If one committee is able to get back millions in lend-lease and surplus property credits, the practice should be followed generally for the best interests of our badly depleted Treasury.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

Mr. TAURIELLO. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. TAURIELLO for the Young amendment: On page 2, line 2, strike out the period and add the following:

"And that no interest payment be authorized."

Mr. TAURIELLO. Mr. Chairman, I offer this substitute amendment because I am unalterably opposed to the payment of any interest on these claims. First of all, I feel that they are not entitled to it; secondly, I feel that the Swiss Government, in making this claim for $16,000,000, from my observation, has padded this claim. It seems to me that all of those countries on the other side are trying to get every dollar they possibly can from our Government. They seem to be of the impression that our streets are lined with gold and all that they have to do is to make a request and we open up our coffers to them. I feel strongly about the payment of interest on this particular claim, not because it is to the Government of Switzerland, but to any other government that has a claim against the United States Government for any maintenance or assistance given to any of our men that they may have had in their custody or care.

I certainly hope that my amendment does prevail, because I think we are being taken over the coals by some of these European countries and other countries who think that we have money to give away not by the bushel but by the ton. I appeal to the members of this committee to uphold my amendment to give no interest to the Swiss Government for this claim of $16,000,000.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TAURIELLO. I yield.

Mr. GROSS. Does the gentleman recall that Congress passed an act to pay specific prisoners, held by the Japanese and cruelly treated, $1 a day?

Mr. TAURIELLO. I do.

Mr. GROSS. Does the gentleman know whether they were ever paid?

Mr. TAURIELLO. That I cannot answer. I am not in a position to say.

Mr. GROSS. I think the gentleman will find that they have never been paid. Yet we rush in pell-mell to pay the Swiss Government $16,000,000, and, in addition to that, $3,000,000 interest, at the rate of 5 percent. It does not make sense.

Mr. TAURIELLO. Mr. Chairman, in my concluding remarks I am asking that the committee support my amendment to give the Swiss Government no interest at all on this claim for $16,000,000. If I may put it that way, I think it is showing a lot of nerve for any government to come here and ask for a rate of interest on its claim.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. TAURIELLO. I yield.

Mr. CAVALCANTE. May I observe that in the United States, on a tort claim by any American citizen, there is no interest allowed until the verdict is returned. Interest is allowed only from the date on which the verdict is entered.

Mr. TAURIELLO. The gentleman from Pennsylvania is correct.

Mr. Chairman, I yield back the remainder of my time.

Mr. BECKWORTH. Mr. Chairman, I wish to ask this question: How much freedom would the Swiss be enjoying today if it had not been for the efforts of our soldiers over in Europe? Everybody knows the answer. To give them $16,000,0000 at this time is being generous, doubly generous. The history of claims in this country is a very interesting one. At the beginning of World War I we took over considerable enemy property. At the beginning of World War II we came back and took over, I am sorry to say, some of the same property from some of the very same people and companies. Something has been said about how our country has benefited. One country in Europe, at the conclusion of World War I, satisfied its claims to a very high proportion and gave us a promise. Our colleague the gentleman from New York [Mr. REED] a year or so ago introduced a bill which was passed, and I was glad to support it, to give to some American citizens who had waited more than 20 years a settlement of their claims, not by that country that promised to pay, but in the main by what the American Government itself paid.

We are altogether too hasty in our efforts to take care of those other countries, countries which have been the great beneficiaries of America's gener-

osity and hospitality before even emamining the merits of the claims of our own country and our own citizens. How paltry are the pittances we give our own people. The gentleman from Oklahoma [Mr. WILSON] this afternoon mentioned the fact that a Bataan hero had died very recently and he paid tribute to that man. What did we do, or what do we propose to do for those boys who were in the death march on Bataan? We propose to give them a dollar a day, 33⅓ cents per meal, for what they suffered in the way of torture and loss of health. What has happened? We passed that bill almost a year ago but thus far these, our own soldiers, have not received even one penny, yet those boys are dying daily because of their sufferings at the hands of our enemies.

I repeat, we are too hasty to satisfy those who have been the beneficiaries of our hospitality; and our effort, before we even give study and consideration to the claims which this country has—and it has them throughout the world—no one could fail to heed what the gentleman from Nebraska [Mr. STEFAN], said just a few minutes ago: At times it looks as if we care not about the financial stability and welfare of this country; at times it appears as though we pay little attention to the needs of our own people; yet we came along here and because some foreign country presents a claim regardless of the size and the rate of interest we hastily undertake to pass it and do so before we find out what our own rights are and the equities of our own citizens are.

I am not one who says that there may not be some merit to this bill; there may be, but certainly in giving these people $16,000,000, people whose very freedom depended on our effort, we are being doubly generous, yes, trebly so; and, certainly, it is being generous in view of the fact that as of this amount the War Claims Commission set up to review the entire war claims picture has not even begun to operate.

I say that the time to begin to consider America's welfare is on even a small bill of this nature; and before we go to giving the Swiss interest at a rate of perhaps 5 percent, or at any percent, let us pause; let us weigh equities, country by country, and individuals by individuals, our own country and individuals first; if we give the Swiss the amount of money provided by this bill, we shall have been wonderfully free in the taxpayers' money, especially since the claims of our own people, people who suffered literally around the world, have not been adjudicated. Yes, let us be a little more cautious.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. JUDD. Surely the gentleman does not want to lump into the same category claims that come as the result of American violations of the rights of neutrals and claims that come because of mistreatment of some of our own soldiers by an enemy country. The gentleman belongs to the party of the great Woodrow Wilson, who took our country into World War I because of the violation of the rights of neutrals. We were the neutral. We insisted on sending ships into combat areas. Yet when they were damaged we considered the infringement of our rights so serious as to require war.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JUDD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BECKWORTH. Mr. Chairman, I may say to the gentleman from Minnesota that if we had lumped them all together and dealt with them until a final conclusion as to what was fair and right for our own country and our own nationals as well as other countries and the nationals of other countries, we might not have been left holding the bag as to certain kinds of claims at the conclusion of World War I.

Mr. JUDD. But we did not. What does that have to do with the claim of the Swiss when we admit we violated their neutrality? It was not intentional, but innocent neutral people were killed, they suffered, and we are responsible.

Mr. BECKWORTH. I may say that the claim issue taken from an over-all point of view is one that as of this date cannot be clearly assessed because of its many ramifications and the various points of view. The very fact there are several different bills before the Congress at this time, bills that relate to devious and numerous types of claims, claims even from countries other than Switzerland, I am sure, is evidence of that fact.

Mr. JUDD. It has been 4 years and that does not seem to me to be very hasty or pell-mell. Negotiations have been going on and are still going on. Originally the claims were for about $18,000,000. The Army has paid part of them, it has negotiated others, it has reduced the figure by about 6,000,000. There has been fair bargaining and agreement. Does not the gentleman want this country to keep its agreements?

Mr. BECKWORTH. All of which adds up to the fact the whole picture is a complicated situation that has not even been studied with reference to the claims of our own civilians and soldiers although our War Claims Commission was authorized nearly a year ago. May I say it has been 4 years, yes, and longer than 4 years since our boys were on the Bataan march. Why not be as expeditious in handling those claims as handling the Swiss claims.

Mr. JUDD. I would like to be, and I support such a move. To me it is outrageous that the Government has not put the War Claims Commission into operation. But why penalize the Swiss for our failures in another field?

Mr. BECKWORTH. Why not come to ours first?

Mr. JUDD. I am in agreement with the gentleman as to the responsibility for our own here at home, but the Committee on Foreign Affairs cannot handle those other claims; that is the responsibility of other committees.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

The question is on the substitute offered by the gentleman from New York [Mr. TAURIELLO] to the amendment offered by the gentleman from Ohio [Mr. YOUNG].

The question was taken; and on a division (demanded by Mr. TAURIELLO) there were—ayes 23, noes 22.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were refused.

So the substitute was agreed to.

Mr. PHILLIPS of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS of California. I would like to ask whether it takes 20 percent of 100 or 20 percent of the Members present on the floor to order tellers.

The CHAIRMAN. Under the rule it takes 20 in the Committee of the Whole to order tellers.

Mr. PHILLIPS of California. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG] as amended by the substitute offered by the gentleman from New York [Mr. TAURIELLO].

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 24, noes 22.

So the amendment as amended by the substitute was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Page 2, line 3:

"SEC. 2. Appropriations are hereby authorized to carry out the purpose of this act."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHELF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, pursuant to House Resolution 204, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. TAURIELLO) there were—ayes 25, noes 23.

Mr. KEE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the bill be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

STOCK PILING OF STRATEGIC AND CRITICAL MATERIALS

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 208, Rept. No. 546), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the Chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ARTIFICIAL LIMBS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3932) to exempt artificial limbs from duty if imported for personal use and not for sale, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Line 6, after "and" insert "limb."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. SHORT asked and was given permission to include in his remarks extended in the RECORD during debate in Committee of the Whole this afternoon an editorial that appeared in today's Washington News.

Mr. WAGNER asked and was given permission to extend his remarks in the RECORD on Loyalty Day.

Mr. DINGELL asked and was given permission to extend his remarks in the RECORD and include an article by Mr. Lowell Mellett.

Mr. O'BRIEN of Illinois (at the request of Mr. RABAUT) was given permission to extend his remarks in the RECORD and include an article by Gen. Julius Klein.

PERSONAL ANNOUNCEMENT

Mr. DOYLE. Mr. Speaker, this afternoon at the last quorum call I was not present on the floor. The reason therefor is that I was in attendance at a session of the United States Supreme Court when the argument was being made in the case of United States against Texas, involving tidelands. I was present because of the great interest of the State of California in that subject and my own interest in it on account of my home city of Long Beach, Calif., being so vitally interested in it.

BUREAU OF INTERNAL REVENUE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, the House Members are familiar with the great care exercised by the Ways and Means Committee in its preparation of the revenue bills. Every effort is made to provide the Government with the revenue needed. Yet the objectives sought can easily be defeated unless such laws are enforced. As I understand it, the Commissioner of Internal Revenue in his testimony before the Appropriations Committees has sounded a strong warning as to signs of deterioration in voluntary compliance on the part of the taxpayers, and the resulting inadequacy of present enforcement work. This is due, according to his testimony, to the fact that he does not have an adequate staff of front-line enforcement officers to enforce the provisions of the taxing statutes. His warning is not based merely on personal opinions, but is supported by the views of an impartial advisory group appointed by the Joint Committee on Internal Revenue Taxation under Public Law 147 of the Eightieth Congress. The report of this group was submitted to the joint committee last year, and as a member of both the Ways and Means Committee and the joint committee, I have carefully considered the findings of that group. I think every Member of the House should read that report. That group's estimate of minimum employees required to adequately administer present tax laws with substantially the present type of Bureau procedures was 67,700 persons. This is 13,707 more employees than have been approved by the House for 1950. In other words, the House has provided the Bureau of Internal Revenue with nearly 20 percent less staff than the advisory group of the joint committee felt was essential to collect our taxes.

After thorough hearing of the Bureau's requests, the Senate granted the full amount requested by the President. This is further evidence that the tax-collecting agency should be provided with the funds essential to maintain our revenue under the laws which are now on the books.

In view of this, I should like to ask that the conferees appointed to consider H. R. 3083 with the Senate give their most earnest consideration to the report of the joint committee, as well as to the record of the testimony before the Senate Appropriations Committee, in connection with their discussions, and I trust that in no event will they make arbitrary reductions without due regard to the circumstances cited in that report.

The members of the Committee on Ways and Means, deeply concerned, have already probed this matter and their findings indicate the loss of hundreds of millions of dollars due the Treasury could have been collected from careless taxpayers or mostly from deliberate evaders. If the revenues due the Government are not being fully collected because of a short-sighted appropriations policy which curtails personnel to the crippling point, then for a certainty there will be a deficit which only an increase in the tax schedules can balance. Such tax increase will be borne not by the tax evader, but will be thrust upon the honest taxpayer.

As a member of the Joint Committee on Taxation and of the Ways and Means Committee, I assume this important question of personnel will be carefully scrutinized by the conferees and, I deduct, the findings of the advisory group along with their recommendations will be sustained. It stands to reason that a cut in appropriations for personnel is short-sighted when for every dollar of the reduced appropriation a revenue loss of at least $20 is incurred. A simple arithmetical difference or loss of $19 for every dollar saved in salaries. The original move was born of a desperate effort to show paper reductions in expenditure regardless of ultimate consequences upon revenues.

The reasonable and sound course to follow in righting the error of the meat-ax expenditure reduction which crippled the Bureau of Internal Revenue and proved so costly to the Treasury is to provide immediately for the restoration of the maximum number of qualified employees who can be trained to do the job effectively.

The Secretary of the Treasury and the Commissioner of Internal Revenue on the record do not want an excess of employees beyond the ability of the Department to train and absorb them into an efficient tax-collecting organization.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. KEEFE] is recognized for 60 minutes.

THE PUBLIC HEALTH AND CHEMICAL FOOD SUBSTITUTES

Mr. KEEFE. Mr. Speaker, research workers in our chemical laboratories did a magnificent service for the country during the war through the development of new chemicals and their application to new uses. Like many scientific developments, the consequences of these new discoveries are not all beneficent. We are now faced with growing pressures for the use of scores and hundreds of new chemicals in our food supply without sufficient knowledge of what effect they may have on our health and welfare. I am informed that since the beginning of the war more than 500 new chemicals have been prepared for use in one or more of our foods. The claimed advantages of foods which are chemicalized are legion. Among them are improved appearance, texture, flavor, uniformity, keeping quality, and suitability to streamlined production, resistance to attack by insects and other vermin, cheaper production and handling costs, and so

forth. Most of these new chemicals have been inadequately tested to show whether or not they may ultimately through continued use poison the consumer.

To commercialize a new chemical for use in food before its potentialities are known is in my opinion to use the public as a guinea pig. The necessity cannot be too strongly stressed for a thoroughgoing investigation of all phases of toxicity of every new chemical intended for use in connection with food production, processing, storage, and handling where there is any likelihood that even a trace may remain in the food at the time of consumption. To produce and use new chemical products for any such purpose before this basic research has been done, is to invite disaster in terms of human suffering and human life.

I want to say at the outset of these remarks that the great food-processing industry of America is, and has been, doing a most remarkable job in an effort to find toxicity that may find its way into the food products and to prevent, by human ingenuity and scientific research, so far as possible, the introduction of every new chemical into the food stream of the Nation that might even remotely deleteriously affect public health. The problem, however, must be approached from a number of angles. You will recall that on the 2d of March of this year I addressed the House on the subject of chemicals of nonbiological origin being used as substitutes for natural foods. At that time I stated:

Hearings are now in progress before the Federal Security Agency, Food and Drug Administration, for the development of standards of identity for bread, rolls, buns, and related products. The entire series of chemical emulsifying agents described herein have been proposed for inclusion in these standards. It is evident from the intense effort being made by the proponents of the chemical emulsifying agents that they consider the bread-standards hearings to be the crucial test concerned with Government approval for use of these materials in all foods. The amount of effort being expended is most unusual for a hearing of this type. The subject already has been discussed in the bread hearing for more than a month and will likely continue for an additional 1 or 2 months. It is evident that the financial expenditure concerned with the inclusion of these materials in bread has been extremely large.

The proponents of the compounds deny intent to defraud the consumer through a reduction in fat content and milk content of bread, but they do not deny the allegation that the use of their material will make such reduction possible. It has been admitted that some of the sales agencies handling these materials have recommended such reductions in fat content and milk content of bread. The proponents of these materials have also claimed that the nutritional value of bread would be decreased by the exclusion of shortening from the formula, but their experts have contended that such a decrease in nutritive value would be of little or no importance to the American consumer. They do not appear to realize that bread and other baked products convey to the consumer over 40 percent of the total shortening and lard intake. Their claims concerned with lack of importance of nutritive value are invariably based on the caloric value of one slice of bread or some other extremely small unit. The fallacy of such an argument may be easily understood if consideration is given to the fact that cereal foods such as bread and other baked goods furnish more than one-third of the total energy consumed by the public. In fact, some nutritionists have estimated that 38 percent of the total food of this country is consumed in the form of cereal products. It is well known that the percentage is even higher among members of the low-income groups, children, and the aged. A reduction in the food value of bread would prove a calamity for this group.

Although only bread and related products are being discussed in the current hearings, cereal mixes and even household baking will likely be affected by the decision. It is apparent that the total effect of these compounds on the consumption of fats and other valuable foods will not be limited to the reduced usage within the bakery field.

EFFECT ON AGRICULTURE

These chemical emulsifiers have been used in a limited way in the manufacture of food products since their development. To the extent of their use as a substitute, the consumption of agricultural commodities has been reduced. A great many manufacturers of food products have been reluctant to use them until their harmlessness or harmfulness has been definitely established. If, as a result of hearings now in progress before the Federal Security Agency, their use is sanctioned by Government approval, the extent of their usage will become widespread in the manufacture of a great many processed foods. Some of the foods in which these chemical emulsifiers are used are listed elsewhere herein (sec. III, p. 4). Their approval by the Government poses a serious threat to agricultural commodities for which they are used as substitutes. The extent of this threat is indicated when consideration is given to the fact that bread, cereal mixes, and bakery products now account for over 40 percent of the domestic consumption of lard and shortening. These two food-processing industries alone consume about 1,350,000,000 pounds of lard and shortening annually. It is estimated that the use of these chemical emulsifiers, if approved by the Government, will reduce this rate of consumption by at least 500,000,000 pounds. The extent to which the chemicals are used will of course determine the amount of the reduction. It is possible for their use to almost completely replace the use of fat by these industries.

The literature of some suppliers of chemical emulsifiers recommends a reduction of both milk and fats in the manufacture of bread. In other bakery products such as cakes, a reduction of milk, eggs, and fats is recommended. The baking industry consumes upward of 225,000,000 pounds of powdered skim milk (equivalent to 1,800,000,000 pounds of fluid milk) and nearly 200,000 pounds of eggs (167,000,000 dozen annually). The United States Department of Agriculture in one of its publications stated that 10 percent of the farmer's income is derived from fats and oils. The combined effect of these reductions in the use of agricultural commodities constitutes a very serious threat to the American farmer.

It becomes increasingly clear that the present food and drug laws are inadequate to enable our food and drug authorities to evaluate these materials in terms of their true effect on the American economy. Handicapped as they are by lack of subpena power, Dr. Dunbar's men are doing as well as can be expected in their attempt to sift the bad from the good in the vast amount of selected data presented to them by professional technical witnesses who are endeavoring to foist these chemical compounds onto the American public.

This battle concerning the use of chemicals in staple foods is being fought in the front yard of the baking industry, one of the oldest and most valuable of the food industries. Bakers have pointed out that they are afraid that the reputation of their industry would be harmed if we were to probe into these practices. On the surface, it appears that some bakers have been guilty and are guilty of the questionable practices, to say the least. The baking industry as such represents one of the country's most vital industries and is one of the prime users of agricultural products; it is the maker and the guardian of the bread, the staff of life. In my previous report to the Congress I indicated that this industry utilizes 1,400,000,000 pounds of shortening, of lard, annually; nearly 2,000,000,000 pounds of fluid milk, and 167,000,000 dozen eggs. This industry also uses nearly 10,000,000,000 pounds of flour per year, as well as vast quantities of sugar, flavoring extracts, fruits, nuts, and a wide variety of many other good and wholesome products of our agricultural areas. It is truly one of the most important cogs in our agricultural machine. The industry is widely scattered and consists of over 30,000 individual businesses in America. While much of the grocery-store type of bread is produced by large multiple-unit corporations, the very great percentage of our bread production is by individually owned firms.

Ample evidence has been placed in the record in these hearings before the Pure Food and Drug Administration by the sales agencies, not by Atlas Powder, or any of the other folks who actually produce these chemicals, but by their sales agencies through whom they sell their product to the baking industry of the country. I say ample evidence has been placed in the record by the sales agencies for Atlas Powder and by the C. J. Patterson Co. of Kansas City, that some 10,000,000 pounds of their chemicals have been used by bakers, and that the use of this quantity of their material represents its inclusion in a total of from four to five billion pounds of bread.

Now, understand me, I am not accusing the baking industry or anyone else of fraud; I am giving you some facts, and as I follow through in this discussion you be the judge of the situation. This is an enormous figure and indicates that here at least 25 percent of our people are already unknowingly eating these chemicals in their bread or other bakery products. Baking is an ancient and honorable craft, and it is recognized that the industry includes some of the country's soundest citizens. With the exception of the baking organizations of national scope who are able to afford competent technical staffs and thus be able to conduct their own investigations—and I may say parenthetically at this point that when they have conducted their own in-

vestigations they have rejected these chemicals—the remainder of the industry has been forced to rely upon representations made to them by the sales agents who come around and sell their products to the little baker all over the United States. These smaller bakers are not equipped to determine with technical precision the long-term effect which may come with the inclusion of these chemicals in such an important portion of the Nation's total food supply. The competitive nature of their industry forces individual bakers to use ingredients which they many times neither desire nor approve.

If it is not already clear, I would like to comment on the importance of baking to the people of this country. There are various estimates concerning the quantity of grain and cereal products consumed by this industry. I believe that experts in our Department of Agriculture will support my contention that at least 25 percent of the Nation's grain is converted directly into bakery products. This does not include the great quantity of grains fed to livestock and later consumed by bakers in the form of shortening. Nor does it include the quantity of grain used in the production of such ingredients as yeast and malt and later used in the production of bread.

This industry plays such an important part in our delicately balanced agricultural economy that a disturbance as portended by these chemicals would have a devastating effect on our entire agricultural picture.

May I say that over in the other body, the Senate of the United States, a subcommittee of the Senate Committee on Agriculture, headed by the distinguished Senator from Iowa, Senator GILLETTE, is conducting hearings concerned primarily with the economic aspects of the situation and the threat that exists to the agricultural industry of this country if the ultimate use of these chemicals will grow in the manner in which those who are making them claim they ultimately will and thus supplant the use of organic materials in the diet of the American people.

Mr. Speaker, I am concerned primarily with the health of the people of America to determine what the ultimate effect may be of the constant ingestion into the diet of the people of America of these chemicals that are finding their way in tremendous quantities into the food supply of the Nation. What is the effect ultimately to be upon the health and the welfare of the people of America? The economic aspects of it will follow, of course, when that is determined.

Beginning in January of this year, the Atlas Powder Co. began their testimony which has not yet been completed. Their very highly trained chemist, Dr. Robert S. Rose, explained the manufacture of their compounds. The record is filled with such names as polyol, polyoxy, polyalkoxy, glycols, ethylene glycol, diethylene glycol, sorbide, hexide, mannide, hexatol, hesitan, hydrophyl, hydrophobe, and hundreds more.

No wonder the newspaper boys who have been attending those hearings found them to be so drab and so technical and so difficult that they have been hardly able to write the dramatic stories that ought to be written concerning this threat to the health and welfare of the people of this country and to the agricultural economy of this country.

It cannot be questioned that the chemical industry has already begun a march into the food business and is already producing in volume substances to replace products grown on our farms. Principal raw materials described in the testimony referred to are ethylene oxide gas produced from natural gas and petroleum. This substance may also be produced from coal. Ethylene oxide is a gas which is used as an anesthetic by the medical profession. The chemists have admitted that when this gas is combined with water, it produces ethylene glycol, a deadly chemical. Perhaps some of you recall some 30 to 40 deaths in this country in 1938 which resulted from the use of a medicinal product known as elixir of sulfanilamide. The cause of these deaths was ethylene glycol which was used in that medicinal product. These chemists claim, however, that if enough ethylene oxide is used and the amount of water is held to a sufficiently low quantity, there is little or no danger with respect to ethylene glycol because the product of the reaction is then called a polyglycol. The product of the Glyco Products Manufacturing Co. which corresponds to the product of the Atlas Powder Co., although made by a different method, is admitted by their chemists to contain approximately three-tenths of 1 percent of the deadly ethylene glycol.

There was circulated in the gallery today and on the floor of this House statements evidently put out by someone—I do not know by whom, from reading it, but it would appear that it was perhaps a defense of these Atlas products entitled "Food Emulsifiers Are Not Substitutes" and so forth, attempting to explain what a wonderful addition they are to the food supply of the Nation and attacking those who would dare, perhaps, to raise the question before the American people as to the threat that exists in their continued use.

Toxicologists and nutritionists brought by the Atlas Powder Co. and Glyco Products Manufacturing Co. to this hearing have testified in an attempt to support the manufacturers' claims that their products are harmless. However, the Food and Drug Administration has developed at the hearing that their data supporting such claims is filled with many unexplainable irregularities concerning the deaths of rats, dogs, and other animals under study. One medical doctor engaged by Atlas Powder Co. testified about feeding quantities of these chemicals to some 60 medical students for a period of 4 weeks. A large percentage of his students reported manifestations of diarrhea, belching, pruritis, itching, and other symptoms. Yet this medical man dismissed the symptoms as unimportant and meaningless because all of his subjects seemed to develop a resistance to the compound as the tests progressed and all of the so-called side effects disappeared after the first 2 weeks' feeding. I have been amazed to learn of numerous irregularities in the physiological work which have been explained away by professional witnesses paid to sponsor these products from funds advanced by the chemical manufacturers.

I have had some experience over some 30 years as a lawyer, as many Members have had, and we know sometimes how to evaluate the testimony of pathologist or other expert that may be called into litigation. I know that there is a very definite tendency to support the contention of the side that is paying the bill and that hires him.

Their rat colonies have been swept by typhoid infection, lung disease, cannibalism, and by other apparent warning signals. Yet, to a man, they have told our Food and Drug investigators that these warning signals are meaningless and should be ignored. This portion of the testimony must be left in the capable hands of the experts of Food and Drug. One important aspect on which all witnesses have agreed is the fact that the polyglycols are not foods. They claim that these chemicals float around in the blood stream of the body only to be excreted as waste materials, principally by way of the kidneys and urinary tract. It is admitted by all of the witnesses that these glycols make up from 60 to 93 percent of the total weight of the chemicals under consideration; it is further admitted that they are not foods and are not assimilated by the human being. There is no semblance of agreement among the various technical witnesses as to what happens to the polyglycol after it is eaten by the unsuspecting consumer. One group claims that all of the polyglycol is excreted by the human body; others admit that at least 25 percent of it is retained in the body in either the cellular or extracellular water. These technical witnesses have also acknowledged the fact that these glycols are wonderful solvents. In fact, they are used in industry for dissolving substances which ordinarily are very difficult to dissolve. One of the primary uses of these glycols is for solvent purposes in the insecticide and pesticide fields.

I want to ask these manufacturers and these scientists, What will be the effect of the continuous pumping of these solvents through the human blood stream from the cradle to the grave, as it was characterized by one of the Food and Drug attorneys. No one can now say with assurance what the effect will be. No one can now say what the effect is on the human being now. It seems to me tragic that the chemical manufacturers have ignored this important question in the sale of their compounds.

There is very little scientific literature on the subject because these products are so new that our universities and other research institutions have not had sufficient time to study them. There is, however, a meager amount of information put into the scientific literature by disinterested doctors and nutritionists, some of which has been put into the RECORD. In every case, they have cast

doubt on the safety of these products now being proposed for use in the Nation's food.

One of the doctors that testified down here in these hearings was Dr. William J. Darby, a member of the Council of Foods and Nutrition of the American Medical Association. He testified on the morning of April 29, and I have his testimony.

Listed on that council were:

Dr. James Wilson, secretary of the council, who was a pediatrician in private practice before he took the full-time position as secretary.

Dr. George R. Cogwill, who is professor of nutrition at Yale University School of Medicine.

Dr. C. A. Elvehjem, who is professor of biochemistry, University of Wisconsin. May I say parenthetically that Dr. Elvehjem is perhaps one of the Nation's great biochemists, and he has made tremendous contributions to human welfare as the result of his research.

Dr. Morris Fishbein, editor of the Journal of AMA.

Dr. Philip C. Jeans, professor of pediatrics, University of Iowa School of Medicine.

Mr. Culver S. Ladd, the Compliance and Investigation Branch of the Department of Agriculture.

Dr. Howard B. Lewis, department of biological chemistry, University of Michigan.

Dr. Harold C. Stuart, Harvard University School of Public Health.

Dr. Russell M. Wilder, who is chief of medicine at the Mayo Clinic.

Dr. John B. Youmans, formerly professor of medicine, Vanderbilt University School of Medicine.

Dr. James S. McLester, chairman of the council.

And so on.

There is a pretty distinguished group of men, representing the Council of Foods and Nutrition of the American Medical Association, who have given some investigation to this subject. I have here a recently adopted resolution which might be of some interest to the people of America and ought to be of some interest to those who propose to inject these chemicals into the food supply of the Nation. It is quoted in the hearings, and is as follows:

An increasing proportion of the Nation's food supply is subjected to industrial processing. Accordingly, alterations in processing technics may have a direct bearing on the quality of the national diet and health. In general the food industries are to be commended for their awareness of the responsibility which they carry for the protection of the Nation's food supply. Improved methods of processing have been developed for preservation of nutrients in foodstuffs and "fortification" and "enrichment" of foodstuffs has been developed as recommended by various officials and nonofficial agencies.

At the present, however, there is being introduced a new processing practice which the council views with considerable apprehension—namely, the widespread addition of certain surface-active compounds (shortening extenders) to a variety of foods, especially bread and other bakery products.

These surface active agents are derivatives of polyoxyethylene and generally contain a polyhydric alcohol moiety with varying proportions of fatty acids. They are added to foodstuffs during processing in order to aid emulsification. Their use allows the production of a smooth-textured product, often of superior sales appeal, which contains less fat than one made without the extender. In some instances the addition of the agent also permits the lowering of the proportions of other important food ingredients in the product—for example, the use in bread imparts similar properties of "freshness" as does the use of nonfat milk solids.

Available knowledge of the possible toxicity of these substances in fragmentary—particularly is evidence lacking as to chronic toxicity. The employment of these agents in the processing of such basic foods as bread and bakery goods, as well as other foods (such as ice cream, candy, peanut butter, etc.) could lead to the ingestion of considerable quantities of these materials of uncertain toxicologic action. Unless the complete harmlessness of these agents can be demonstrated beyond reasonable doubt, they should not, in the council's opinion, be employed in basic foods.

When these agents are used as extenders, particularly in making bread, cakes, and pastries, the nutritive quality of the product is usually diluted. This dilution results from the decrease in amounts of fat, milk solids, and, in some cases, eggs required to produce an "acceptable" product. The caloric value of the extender itself is not completely defined, but is considerably less than the shortening which it may replace. Any reduction in content of milk and eggs in products would obviously reduce the quantity of a number of important nutrients in the food. Such a dilution is not desirable from a nutritional standpoint.

The council's concern in reference to the use of these substances in foods resides in the inadequacy of knowledge concerning their toxicity and the deterioration in nutritive value of basic foods which their introduction allows.

That is a pretty profound statement coming from this council composed of the type of men whose names I have put in the RECORD. All of the attempts of the high-priced lawyers for these chemical companies to cross-examine Dr. Darby and his witnesses in an attempt to break that statement down were, in my opinion, of no avail.

In March 1949 there was issued a booklet on Synthetic Fats: Their Potential Contribution to World Food Requirements. FAO Nutritional Study No. 2, prepared by the Nutrition Division of the Food and Agricultural Organization of the United Nations. That booklet contains a full and complete story of the development of these synthetic fats to take the place of organic foods and the possibilities that might exist. Because of its interest, I want to read to you what they say about synthetic margarines:

Synthetic margarines, being devoid of the protein material and the indigenous substances present in milk products and natural fats, are more stable than ordinary margarines. This can be shown by various tests—Lea's peroxide test, Fellenberg's aldehyde test, the Kreis test, Taufel-Thaler's methyl ketone test (10). Synthetic margarines keep well in ordinary packages for more than four months as compared to six weeks for ordinary margarine kept under similar conditions.

That is the very point that I raised, and the only point I raised during the debate on the floor of this House when the margarine discussion was up here. I pointed out then the possibility of what might happen in that industry if the chemical boys decided to substitute chemistry for organic fats and oils that are presently being used in the production of margarine.

So they conclude in this work:

No final conclusion on the nutritional value of synthetic fats can be drawn at the present time. The available information emphasizes the need for further experimental work.

It would, however, clearly be premature to advocate the large-scale manufacture of synthetic fats for human consumption, pending the collection of more complete and satisfactory experimental and clinical data.

Now my colleagues, this presents a challenge to the baking industry and to the fat-processing industry. I do not want to see something happen such as happened when some chemical manufacturer decided to make a product to take the place of salt in the diet of those who were told by their physicians to limit their salt intake. We know what happened. Seven or eight people had to die. To me it is a very important contribution to the thought on this situation.

You remember that some years ago there was developed in the flour and milling industry a process of agenizing flour, by which they bleached flour and agenized it with nitrogen trichloride. A howl went up at that time, and it has been many years ago since the milling industry has been using that product to bleach flour and to kill the bugs and do away with the vermin that get into flour as the result of natural pollution. They said agenizing flour in this manner will never cause any injury to human beings, but it has taken years to develop the facts. They could not demonstrate it right away, but they did demonstrate it up in Canada, and last year Canada legislated this process out of existence. Because of the research which has developed some astounding things, the milling industry has voluntarily stopped the process, as soon as they can equip their mills, of agenizing their flour through the use of nitrogen trichloride.

I hold in my hand an article by Dr. M. G. Peterman, of Milwaukee, on the subject Epilepsy in Childhood.

May I say in passing there is no greater authority in this country, or in the world, than Dr. Peterman on that subject. He is a great scientist, one of the great pediatricians of the world. In this article he says:

Last year it was demonstrated that the feeding of wheat gluten or agenized flour, bleached with nitrogen trichloride, produced clinical epilepsy in monkeys, dogs and cats even to the reproduction of the typical electroencephalographic patterns.

Fortunately, this condition has not been reproduced in man, because they have not had the same guinea pigs to work on as they did with dogs and monkeys and so on.

The point I am making is this: All of the accumulated evidence I have been able to assemble, aside from the technical experts employed by the chemical organizations themselves, points to the fact

that we cannot determine clinically and physiologically today what the long-term effect is going to be of the constant ingestation of these chemicals into your food supply. What will be the degenerating effect ultimately? What is the relation to this rapidly mounting disease called arteriosclerosis? What effect does it have on the heart? What effect does it have on the brain to have these glyco globules floating around in the blood stream and the arterial system of the human body? Who knows? Who knows what the relationship may be to cancer and to mental illness and to many of the things with which human being are becoming more and more afflicted? We are spending hundreds of millions of dollars in research, and I want it to go on; I am a believer in research, but until these people can demonstrate by the evidence and beyond a reasonable doubt that the introduction of this into the food supply of the Nation is not going to be deleterious, I think it is incumbent upon the Congress of the United States to take some step to stop it based upon the human element and the threat to human beings, to say nothing of the economic threats it involves to the agricultural economy of this great Nation. So I have introduced a resolution today to ask the Speaker to appoint a special investigating committee of this Congress to deal with this subject, to go into it and to recommend legislation.

Do you know that the Pure Food and Drug Administration is powerless in this matter? They could not stop it if they wanted to, because the burden is on them to establish positively and scientifically that these chemicals are in fact deleterious to human welfare; and science will not permit that finding at the present time. The burden should be on the other side; the burden should be upon those who inject these new processes into the food stream of the Nation to demonstrate beyond a reasonable doubt that they are not deleterious.

I have also introduced legislation today to give to the Pure Food and Drug Administration some subpena power so that they may be armed with authority to make some investigations that they are almost powerless to carry on with their limited power and authority now. There is another aspect of this whole situation that I wish I had more time to discuss, and that is the constant stream of material that is flowing out all over this country in the form of fertilizer and in the form of pest-control material of one kind and another. Do you think I am trying to be an alarmist? I am not; I want to get rid of the bugs; if we are going to have a Nation's food supply protected we must get rid of the bugs. But I want to say to you that over 20,000 new pesticides are registered over here in the Department of Agriculture, many of them volatile poisons. They are sending them out over the country with instructions, with the admonition to follow carefully the instructions on the package and on the label. Where the label might say: "Use one teaspoonful to 100 gallons," some farm boy wanting to get rid of the bugs quicker might very easily say to himself: "If one teaspoonful is good enough I will use five to be sure of it." and he sprays the vegetables and fruit with that sort of poison, the residuals of which are found on that food. No; I am not an alarmist. I hold in my hand the National Agricultural Chemical Association News; they are more alarmed about it than I; they want that thing brought under control. And I also hold in my hand the National Pest Control Association Service letter. They are more alarmed themselves; they know what a dangerous situation confronts their own business and the country unless we can bring that business under control.

Let me give you one illustration, and it is well known, that happened last year up here in Connecticut and in New Jersey. It is a well-known case, fully documented by the Pure Food and Drug Administration where they had an infestation of so-called wire worms.

The pesticide manufacturer developed a new pesticide that would kill those wire worms. They put this pesticide on the ground, they killed the wire worms, but when they took the potatoes and cooked them they had such a noxious taste and smell that the whole crop was ruined.

What happened? They proved beyond peradventure of doubt that the potatoes took that poisonous material that destroyed the wire worms and concentrated it into the potato itself. Thank God, the potatoes gave out such a noxious smell nobody was injured because they would not eat them.

I could tell you case after case after case of that where the best food processors in the country are alarmed at the possibilities that exist in the residual toxicide that may find its way into the food supply of the nation. Only recently the Pure Food and Drug Administration was compelled to issue an order with respect to the use of DDT, which has found its way into the milk supply of the Nation. Thank God, I believe they have corrected that and they have had the full cooperation of thse manufacturers themselves because they realize what a threat it is to their own business unless this thing can be brought under control.

So the second part of this resolution relates to the subject of pesticides and insecticides. I hold in my hand volume 4, March 1949, Food, Drug, and Cosmetic Law Quarterly. On page 85 there appears an article, the Problem of Toxic Spray Residue on Fruits and Vegetables, by Dr. James R. Wilson.

The country is alarmed over the situation. There is nothing this Congress could do that would be of more benefit to human beings and to mankind than to have this committee promptly set up to investigate the whole situation and thereafter to enact legislation that will bring this matter under control.

The third aspect of the situation relates to the distribution of fertilizers. There, again, we find millions of tons of fertilizer being spread throughout this country. The manufacturers and the entomologists and the State agencies are doing as good a job as they can to control it and to see to it that the proper plant food is given to the soil. But the fact of the matter is my investigation discloses the tendency to use in fertilizer manufacture cheap ingredients in the form of soluble nitrates and they produce bountiful crops of spinach or onions or alfalfa or anything else to which it is applied; but the question is, Does that food contain the chemical elements that you and I or the animals that eat it need for a proper balanced nutrition? All you have to do is to eat some asparagus grown with the use of these high-powered hydrogenous fertilizers, and then come out to my home where they grow them on virgin soil. You eat them and you tell the story yourself. That goes for all vegetables. You do not need to take my word for it. You have had the experience of buying cucumbers in your store that you could not eat because of the off taste. I have. It is directly related to this question of pesticide control and fertilizer.

Mr. Speaker, here is a subject that will be opposed by some very powerful interests. I have no desire to stop the march of progress. If these scientists can develop the food supply of the Nation so that it is cheaper, better, and more abundant, I will be for it; but until they do demonstrate those basic facts I cannot sit idly by and see what is happening without raising my voice in protest. This is a very serious situation.

I happen to know that the great food-processing plants of this country, the canners, concerns that I will not attempt to name but who sell their products in every grocery store in America, are carrying on a magnificent battle all the time to keep these toxic materials out of their food. There should not be a chance for any of it to get into the food supply of the Nation and cause damage and injury to our people. If anyone can think of anything more important that the Congress might do in the interest of human welfare and in the interest of the economy of the Nation than to have a thoroughgoing investigation of this whole business, all three of those elements being intimately interrelated to this subject, I would like to have them take the floor and tell about it.

I know very well that the forces are now lining up, the chemical boys on one side and all of the farm people and the processors and the producers of organic food on the other. I want to stay with nature's food so far as I am concerned unless and until the chemists can show beyond a reasonable doubt that they can do it better than nature. I am not so convinced, and that is the reason for my interest in this matter, and that is the reason for the introduction of this resolution.

May I say, Mr. Speaker, that I hope this is one piece of legislation that will not die in the pigeonhole because the people of this country are demanding that something be done. I do not intend to become a nuisance, but I am going to raise my voice on this issue because of my interest in public health, and I do not intend to see the work that we have accomplished, perchance, be undone by this potential threat that exists to the health of the people of this country; neither do I intend to see the agricultural industry of this country, the livestock industry, and the fats-and-oils industry taken over. I am not arguing because of the substitution of these chemicals for inedible fats and oils in the soap-making

industry, but I am going to argue as long and as hard and as vehemently as I can against the inclusion of many of the same chemicals into the food of the Nation until the harmlessness has been definitely established by an overwhelming weight of scientific knowledge and information.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I am reintroducing the so-called Wood amendment to the Lesinski labor-management bill. I am doing this because I doubt the Committee on Education and Labor will be able to report a bill which will actively reflect the will of the House as indicated by its previous action on the Wood amendment.

There must be some compromises between the two extremes of labor and management. The President and the labor leaders have made this compromise difficult because they have demanded, under threat, that we reenact the old Wagner Labor Act, with but few amendments.

I am firmly convinced that the general public wants a bill that will serve the public interest first and then the interest of the man in the ranks of labor who must work and make a living for his wife and family. It seems to me the bill which the House acted upon was a good bill. It preserves the principles of collective bargaining which give labor and management equal responsibilities and rights. It curbs certain excesses which are a menace to our national security. I believe the bill is in the interest of the public. The bill makes certain amendments to the Taft-Hartley law which experience has shown were needed.

If the Committee on Education and Labor fails to bring out a reasonable labor bill, the Committee on Rules will be in a position to act and report this bill to the House with either an open or a closed rule. The House could then express its will and the will of the people.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. RODINO (at the request of Mr. WAGNER), for Monday and Tuesday, May 9 and 10, on account of death in family.

To Mr. ADDONIZIO (at the request of Mr. WAGNER), for Monday, May 9, 1949, on account of official business.

To Mr. FUGATE (at the request of Mr. HARDY), for this week on account of official business.

To Mr. RAMSAY, for Tuesday, Wednesday, and Thursday, on account of the death of his sister.

To Mr. EDWIN ARTHUR HALL, indefinitely, on account of illness in family.

SENATE BILLS, JOINT RESOLUTION, AND CONCURRENT RESOLUTIONS REFERRED

Bills, joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule referred as follows:

S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming; to the Committee on Public Lands.

S. 113. An act for the relief of Helen Louise Oles; to the Committee on the Judiciary.

S. 187. An act to provide for the settlement of certain obligations of the United States to the Indians of New York; to the Committee on Public Lands.

S. 246. An act to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

S. 259. An act to discontinue divisions of the court in the District of Kansas; to the Committee on the Judiciary.

S. 275. An act for the relief of Arthur C. Jones; to the Committee on the Judiciary.

S. 322. An act for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles Johnson, a minor; to the Committee on the Judiciary.

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, New Mexico; to the Committee on Public Lands.

S. 441. An act to redefine the units and establish the standards of electrical and photometric measurements; to the Committee on Interstate and Foreign Commerce.

S. 584. An act for the relief of Rudolf V. Raff; to the Committee on the Judiciary.

S. 623. An act for the relief of George Krinopolis; to the Committee on the Judiciary.

S. 715. An act to amend the Agricultural Act of 1948; to the Committee on Agriculture.

S. 732. An act providing for the taking of action in 1949 with respect to quotas for the 1950 crops of corn, wheat, cotton, rice, and tobacco; to the Committee on Agriculture.

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration; to the Committee on Veterans' Affairs.

S. 812. An act to protect scenic values along Oak Ridge Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.; to the Committee on Public Lands.

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton; to the Committee on Public Lands.

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott; to the Committee on Public Lands.

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett; to the Committee on Public Lands.

S. 934. An act to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland; to the Committee on the Judiciary.

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary were made; to the Committee on Post Office and Civil Service.

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson; to the Committee on Public Lands.

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson; to the Committee on Public Lands.

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George; to the Committee on Public Lands.

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk; to the Committee on Public Lands.

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris; to the Committee on Public Lands.

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog; to the Committee on Public Lands.

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts; to the Committee on Agriculture.

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes; to the Committee on Public Lands.

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest; to the Committee on Post Office and Civil Service.

S. 1266. An act for the relief of Hayward O. Brandon; to the Committee on the Judiciary.

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended; to the Committee on Banking and Currency.

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

S. 1640. An act to amend section 4 of the act of March 1, 1911 (36 Stat. L. 962; 16 U. S. C. 513), relating to membership of the National Forest Reserve Commission; to the Committee on Agriculture.

S. J. Res. 55. Joint resolution to print the monthly publication entitled "Economic Indicators"; to the Committee on House Administration.

S. Con. Res. 29. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 31. Concurrent resolution favoring suspension of deportation in certain cases; to the Committee on the Judiciary.

S. Con. Res. 32. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 34. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 668. An act for the relief of Alex Bail;

H. R. 711. An act for the relief of Mrs. Margaret Gregg Dilnot;

H. R. 1010. An act for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok;

H. R. 1029. An act authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenliveiy;

H. R. 1030. An act authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe;

H. R. 1035. An act for the relief of Mrs. Ada M. Ryan;

H. R. 1041. An act for the relief of Jeannette and Jesus Esteva and their four children.

H. R. 1052. An act for the relief of Lawrence G. McCarthy;

H. R. 1079. An act for the relief of Maria Veltri Magnone;

H. R. 1101. An act for the relief of Anna Malone and Rita Anderson;

H. R. 1109. An act authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson;

H. R. 1281. An act authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder;

H. R. 1460. An act for the relief of Mrs. Silvia Mapelli;

H. R. 1467. An act for the relief of Thomas O. Troth;

H. R. 1468. An act for the relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe;

H. R. 1489. An act for the relief of James I. Matthews;

H. R. 1508. An act for the relief of Peter Drozd;

H. R. 1591. An act for the relief of Bram B. Tellekamp;

H. R. 1629. An act for the relief of Kira and Nina Grigorieff;

H. R. 1876. An act for the relief of Ralph Martin Elzingre, also known as Ralph Seawell;

H. R. 1983. An act for the relief of Edward L. Barreras;

H. R. 2231. An act for the relief of Marie E. Wright;

H. R. 2605. An act for the relief of John C. Nunes;

H. R. 2710. An act for the relief of Emma Armstrong;

H. R. 2935. An act for the relief of Mrs. Benjamin Betts; and

H. J. Res. 91. Joint resolution to authorize the cancellation and release of an agreement dated December 31, 1923, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board acting through the United States Shipping Board Emergency Fleet Corporation.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 270. An act to change the name of Culbertson Dam on the Republican River in the State of Nebraska to "Trenton Dam" and to name the body of water arising behind such dam "Swanson Lake."

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 5, 1949, present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 1741. An act to authorize the establishment of a joint long-range proving ground for guided missiles, and for other purposes; and

H. J. Res. 226. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes.

ADJOURNMENT

Mr. McGRATH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 10, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

599. A letter from the Secretary of Defense, transmitting a letter from the Acting Secretary of the Navy, recommending the enactment of a proposed draft of legislation entitled "A bill to amend the Officer Personnel Act of 1947, as amended, so as to authorize the Secretary of the Navy to adjust the lineal positions of certain officers of the Staff Corps of the Navy, and for other purposes"; to the Committee on Armed Services.

600. A letter from the Assistant Secretary of State, transmitting a copy of a resolution from His Excellency Joaquin M. Elizalde, Ambassador of the Philippines, expressing the condolence of the Philippine House of Representatives on the death of the Honorable Sol Bloom; to the Committee on House Administration.

601. A letter from the Chairman, Federal Power Commission, transmitting the twenty-eighth annual report of the Federal Power Commission, for the fiscal year ending June 30, 1948; to the Committee on Interstate and Foreign Commerce.

602. A letter from the Administrator, War Assets Administration, transmitting a report of tort claims paid by the War Assets Administration from January 1 to December 31, 1948; to the Committee on the Judiciary.

603. A letter from the Archivist of the United States, transmitting a report by the Archivist of the United States on records proposed for disposal, and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

604. A letter from the Acting Comptroller General of the United States, transmitting a report on the audit of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1947 (H. Doc. No. 175); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 1689. A bill to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies; with an amendment (Rept. No. 535). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 2296. A bill to amend and supplement the act of June 7, 1924 (43 Stat. 653); with amendments (Rept. No. 536). Referred to the Committee of the Whole House on the State of the Union.

Mr. CROOK: Committee on Post Office and Civil Service. H. R. 86. A bill to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf; with amendments (Rept. No. 537). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 2872. A bill to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.; without amendment (Rept. No. 539). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 2432. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; with amendments (Rept. No. 540). Referred to the Committee of the Whole House on the State of the Union.

Mr. REGAN: Committee on Public Lands. H. R. 3334. A bill to grant the consent of the United States to the Pecos River compact; without amendment (Rept. No. 541). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Public Lands. H. R. 3482. A bill granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico; without amendment (Rept. No. 542). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Public Lands. H. R. 4151. A bill to grant the consent of the United States to the Arkansas River Pact; with amendments (Rept. No. 543). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEMKE: Committee on Public Lands. House Joint Resolution 33. Joint resolution providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes; with amendments (Rept. No. 544). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 4269, a bill to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes; with amendments (Rept. No. 545). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYLE: Committee on Rules. House Resolution 208. Resolution for consideration of H. R. 2682, a bill to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes; without amendment (Rept. No. 546). Referred to the House Calendar.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H. R. 4251. A bill to amend section 4 (g) of the Communications Act of 1934 to permit the Federal Communications Commission to make expenditures for land for radio monitoring stations, and for other purposes; with amendments (Rept. No. 547). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON: Committee on Public Lands. H. R. 2588. A bill to direct the Secretary of the Interior to issue patents for certain lands to V. LeBlanc and C. Riccard; with amendments (Rept. No. 538). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS:

H. R. 4565. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime

to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

By Mr. BRYSON:

H. R. 4566. A bill to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard"; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 4567. A bill to amend the Displaced Persons Act of 1948; to the Committee on the Judiciary.

By Mr. CROOK:

H. R. 4568. A bill to amend the Water Pollution Control Act with respect to water-pollution-control activities in the United States Public Health Service, and for other purposes; to the Committee on Public Works.

By Mr. CUNNINGHAM:

H. R. 4569. A bill authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; to the Committee on Public Works.

By Mr. DURHAM:

H. R. 4570. A bill to provide adequate facilities for the training of the Reserve components of the National Military Establishment and to promote full utilization of all existing facilities and all facilities hereafter constructed; to the Committee on Armed Services.

By Mr. GOLDEN:

H. R. 4571. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. KEEFE:

H. R. 4572. A bill to amend sections 301, 302, and 701 of the Federal Food, Drug, and Cosmetic Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 4573. A bill to repeal certain obsolete provisions of law relating to the naval service; to the Committee on Armed Services.

H. R. 4574. A bill authorizing the detail of officers, warrant officers, and enlisted men of any component of the Army of the United States or of the Air Force of the United States to certain duties authorized for officers, warrant officers, or enlisted men of the Regular Army or Regular Air Force; to the Committee on Armed Services.

By Mr. AUGUST H. ANDRESEN:

H. R. 4575. A bill authorizing the Chief of Engineers to relocate boat basin at Winona, Minn.; to the Committee on Public Works.

By Mr. BURKE:

H. R. 4576. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. CHELF:

H. R. 4577. A bill to permit the admission of racially ineligible spouses and minor children of citizen members of the United States armed forces; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 4578. A bill to permit the admission of alien spouses and minor children of citizen members of the United States armed forces; to the Committee on the Judiciary.

H. R. 4579. A bill to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of the ninth judicial circuit of the district judges in Hawaii; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 4580. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

H. R. 4581. A bill to authorize the attendance of the United States Marine Band at the Twenty-third Annual Convention of the Reserve Officers Association of the United States, to be held at Grand Rapids, Mich., July 27 through July 30, 1949; to the Committee on Armed Services.

By Mr. JUDD:

H. R. 4582. A bill to increase the authorization of appropriations for the World Health Organization; to the Committee on Foreign Affairs.

By Mrs. NORTON:

H. R. 4583. A bill relating to telephone and telegraph service and clerk hire for Members of the House of Representatives; to the Committee on House Administration.

By Mr. PHILLIPS of California:

H. R. 4584. A bill to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes; to the Committee on Public Lands.

By Mr. CELLER:

H. R. 4585. A bill to authorize the purchase of additional farming land for Leavenworth Penitentiary; to the Committee on the Judiciary.

By Mr. CRAWFORD:

H. R. 4586. A bill to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; to the Committee on Public Lands.

By Mr. CROSSER:

H. R. 4587. A bill to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in certain areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGEL of Michigan:

H. R. 4588. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to permit service by certain Reserve officers as draft executives of States during World War I to be counted as active Federal service for retirement purposes; to the Committee on Armed Services.

By Mr. JONAS:

H. R. 4589. A bill to amend the Railroad Retirement Act of 1937 so as to reduce from six to four the quarters of coverage required for an employee to be insured for survivor benefits; to the Committee on Interstate and Foreign Commerce.

H. R. 4590. A bill to amend the Railroad Retirement Act of 1937; to the Committee on Interstate and Foreign Commerce.

By Mr. KILDAY:

H. R. 4591. A bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; to the Committee on Armed Services.

By Mr. LYNCH (by request):

H. R. 4592. A bill to provide for the disposition of the fund known as United States Treasury special deposit account No. 3; to the Committee on Foreign Affairs.

By Mr. O'HARA of Illinois:

H. R. 4593. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. SIMPSON of Pennsylvania:

H. R. 4594. A bill to provide percentage depletion for crushed stone; to the Committee on Ways and Means.

By Mr. HAGEN:

H. R. 4595. A bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Nebraska:

H. R. 4596. A bill to repeal the Labor-Management Relations Act of 1947 and reenact the Labor-Management Relations Act as it existed prior to the enactment of the Labor-Management Relations Act of 1947, with certain amendments; to the Committee on Education and Labor.

By Mr. YATES:

H. R. 4597. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. WALTER:

H. J. Res. 238. Joint resolution to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; to the Committee on the Judiciary.

By Mr. KLEIN:

H. J. Res. 239. Joint resolution to suspend the operation of section 401 (e) of the Nationality Act of 1940 in certain cases; to the Committee on the Judiciary.

By Mr. KEEFE:

H. Res. 207. Resolution creating a select committee to conduct an investigation and study of the use of chemicals, pesticides, and insecticides in and with respect to food products, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the assistance to veterans in borrowing funds from established lending institutions for the acquisition of homes, and for other purposes; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to urging careful consideration of legislation making available additional Federal grants for the construction of farm-to-market roads; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 4598. A bill for the relief of William A. Bledsoe; to the Committee on the Judiciary.

By Mr. BENNETT of Michigan:

H. R. 4599. A bill for the relief of Giacome Luigi Dragoni; to the Committee on the Judicary.

By Mr. GOSSETT:

H. R. 4600. A bill for the relief of the legal guardian of Janet Judith Koeninger, a minor; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 4601. A bill for the relief of Jeannette Passayanni Capodistria; to the committee on the Judiciary.

By Mr. KEATING:

H. R. 4602. A bill for the relief of Salvatore Geraci; to the Committee on the Judiciary.

H. R. 4603. A bill for the relief of Ignazio Marino; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4604. A bill to authorize the admission into the United States of certain aliens possessing special skills; namely, Alfred Zorgis, Tedor Egle, Karlis Fogelis, Vasily Kils, and Aleksanders Zelmenis; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 4605. A bill for the relief of the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co.; to the Committee on the Judiciary.

H. R. 4606. A bill for the relief of Harold Price; to the Committee on the Judiciary.

By Mr. PHILLIPS of California:

H. R. 4607. A bill for the relief of the estate of Mrs. Myrtle B. Johnson; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 4608. A bill for the relief of William J. Drinkwine; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

789. By Mr. CASE of South Dakota: Petition of Barbara Haase, county superintendent of schools, and 63 teachers of Bon Homme County schools, requesting that costs necessary to attain mandatory educational qualifications in their profession be deductible for income-tax purposes; to the Committee on Ways and Means.

790. By Mr. FORAND: Resolution passed by the General Assembly of the State of Rhode Island and Providence Plantations, memorializing Congress relative to the restoration of former Italian colonies to Italy; to the Committee on Foreign Affairs.

791. Also, resolution passed by the General Assembly of the State of Rhode Island and Providence Plantations, requesting the Senators and Representatives from Rhode Island in the Congress to use their good offices to secure prompt passage of the Huber bill, H. R. 1374, now pending in the House of Representatives of the United States, with respect to the extension of the Servicemen's Readjustment Act of 1944; to the Committee on Veterans' Affairs.

792. Also, resolution passed by the General Assembly of the State of Rhode Island and Providence Plantations, memorializing Congress with relation to certain cosmetic tax exemptions upon oils, powders, creams, and lotions in preparations for babies and small children; to the Committee on Ways and Means.

793. By Mr. LECOMPTE: Petition of Everett Willemsen, druggist, and other citizens of Lynnville, Iowa, urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

794. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, to change the date of Labor Day to the second Monday in September; to the Committee on the Judiciary.

795. Also, memorial of the General Court of Massachusetts, to repeal the excise taxes on articles of jewelry, furs, cosmetics, and handbags; to the Committee on Ways and Means.

796. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, memorializing Congress to change the date of Labor Day to the second Monday in September; to the Committee on the Judiciary.

797. Also, memorial of the General Court of Massachusetts, memorializing Congress to repeal the excise taxes on articles of jewelry, furs, cosmetics, and handbags; to the Committee on Ways and Means.

798. By Mr. TOWE: Petition of 40 residents of Bergen County, N. J., urging the repeal of the 20-percent excise tax on toilet goods; to the Committee on Ways and Means.

799. By the SPEAKER: Petition of Foster F. Farrell, National Fraternal Congress of America, Chicago, Ill., stating opposition to socialized medicine and going on record as favoring the conduct of the practice of the medical profession by private enterprise; to the Committee on Interstate and Foreign Commerce.

800. Also, petition of Mrs. Donah Dobin and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

801. Also, petition of J. P. Jackson and others, South Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

802. Also, petition of Mr. and Mrs. George Fuller and others, Miami, Fla., requesting the passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

803. Also, petition of Mrs. Edna Marcus and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

804. Also, petition of I. C. Ellis and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

805. Also, petition of T. S. Kinney and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

806. Also, petition of Maggie Goldsmith and others, Orlovista, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

807. Also, petition of Maggie Ellis and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

808. Also, petition of Jennie M. Hoyt and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

809. Also, petition of A. F. Horton and others, Oviedo, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

810. Also, petition of B. G. McIntyre and others, New Port Richey, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

811. Also, petition of J. E. Hefner and others, New Smyrna, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

812. Also, petition of Minnie Spencer and others, Sarasota, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 10, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art the supreme intelligence and the source of all power in the life of men and of nations, we pray that in character and in conduct we may study to show ourselves approved unto God.

Grant that in the difficult tasks and perplexing problems of this day we may have the interpreting and guiding light of Thy divine spirit. May we be calm in every crisis and steadfast in every strain.

We pray that our beloved country may be distinguished by that righteousness which exalteth a nation. May we be confident that no good thing wilt Thou withhold from us if we walk uprightly.

To Thy name we shall ascribe all the praise. Amen.

THE JOURNAL

On request of Mr. DOWNEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 9, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3932) to exempt artificial limbs from duty if imported for personal use and not for sale.

The message also announced that the House had passed a bill (H. R. 2203) to provide for a census of housing in the year 1950, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 59) providing for a joint session of Congress on May 19, 1949, for the purpose of hearing an address by the President of the United States of Brazil, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3932) to exempt artificial limbs from duty if imported for personal use and not for sale, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. DOWNEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	McCarthy
Anderson	Hayden	McClellan
Baldwin	Hendrickson	McFarland
Brewster	Hickenlooper	McGrath
Bridges	Hill	McKellar
Butler	Hoey	Malone
Chavez	Holland	Martin
Cordon	Humphrey	Maybank
Douglas	Hunt	Miller
Downey	Ives	Millikin
Ecton	Jenner	Morse
Ellender	Johnson, Tex.	Neely
Ferguson	Johnston, S. C.	O'Conor
Flanders	Kefauver	Reed
Frear	Kem	Robertson
Fulbright	Langer	Russell
Gillette	Lucas	Saltonstall
Green	McCarran	Schoeppel

Smith, Maine	Taylor	Wherry
Sparkman	Thomas, Utah	Wiley
Stennis	Tydings	Williams
Taft	Watkins	Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Montana [Mr. MURRAY] are detained on official business in meetings of committees of the Senate.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MYERS] and the Senator from Wyoming [Mr. O'MAHONEY] are absent on public business.

The Senator from Kentucky [Mr. WITHERS] is absent on official business.

The Senator from Texas [Mr. CONNALLY], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Florida [Mr. PEPPER] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Michigan [Mr. VANDENBERG] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KNOWLAND], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The VICE PRESIDENT. A quorum is present.

LEAVE OF ABSENCE

Mr. SCHOEPPEL asked and obtained consent to be absent from the Senate from tomorrow through Saturday next.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. O'CONOR asked and obtained consent that a subcommittee of the Judiciary Committee be permitted to meet during the session of the Senate today.

Mr. BALDWIN asked and obtained consent that the subcommittee of the Committee on Armed Services investigating the Malmedy trials be permitted to sit this afternoon.

Mr. TYDINGS asked and obtained consent that the Committee on Armed Services may sit this afternoon beginning at 2 o'clock to consider important and pressing legislation.

TREASURY AND POST OFFICE DEPARTMENTS, ETC., APPROPRIATIONS, 1950

The VICE PRESIDENT. Under the order entered yesterday, the question now before the Senate is the consideration of the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes.

The District of Columbia tax bill is, under the order, temporarily laid aside.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators who desire to introduce bills and joint resolutions, and submit petitions and memorials, and present routine matters for the RECORD, may be permitted to do so without jeopardizing in any way the parliamentary situation, and without speeches or debate.

The VICE PRESIDENT. Without objection, it is so ordered.

ORGANIZATION AND OPERATION OF THE GOVERNMENT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 176)

The VICE PRESIDENT. On yesterday the President sent a message to the Senate and the House of Representatives relating to the organization and operation of the Federal Government. The Vice President did not have an opportunity to lay the message before the Senate, but it was read in the House. Therefore, the Chair lays before the Senate the message from the President, which will be referred to the Committee on Expenditures in the Executive Departments.

The message was referred to the Committee on Expenditures in the Executive Departments.

(See text of message printed in full, House proceedings, p. 5908, CONGRESSIONAL RECORD, May 9, 1949.)

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

CENTRAL ARIZONA PROJECT

A letter from the Secretary of the Interior, transmitting copies of letters concerning the Central Arizona project in its relation to the program of the President, to be considered as supplements to the report on that project transmitted to the Senate on September 16, 1948 (with accompanying papers); to the Committee on Interior and Insular Affairs.

VOLUNTARY STEEL ALLOCATION PLANS

A letter from the Attorney General of the United States, transmitting, pursuant to law, copies of the Voluntary Steel Allocation Plan for ECA Countries, and the Voluntary Steel Allocation Plan for Federal Reclamation projects, with copies of supplemental instructions and requests for compliance to the steel producers (with accompanying papers); to the Committee on Banking and Currency.

CERTIFICATIONS OF COST OF DAMAGES CAUSED BY MILITARY FORCES AT CERTAIN AIRPORTS

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by the United States Military Forces at three public airports (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AUDIT REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Federal Deposit Insurance Corporation, for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

CONDOLENCE OF PHILIPPINE CONGRESS ON DEATH OF THE LATE REPRESENTATIVE SOL BLOOM

A letter from the Assistant Secretary of State, transmitting a copy of Resolution No. 62 of the First Congress of the Philippines, expressing condolence on the death of Hon. Sol Bloom, late a Representative from the State of New York (with an accompanying paper); ordered to lie on the table.

REPORT OF FEDERAL POWER COMMISSION

A letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, the twenty-eighth annual report of that Commission for the fiscal year 1948 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF TORT CLAIMS PAID BY WAR ASSETS ADMINISTRATION

A letter from the Administrator of the War Assets Administration, transmitting, pursuant to law, a report of tort claims paid by that Administration, pursuant to the provisions of the Federal Tort Claims Act, for the period January 1 to December 31, 1948 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred, as indicated:

By the VICE PRESIDENT:

A resolution of the House of Delegates of the State of Maryland; to the Committee on Appropriations:

"Resolution requesting a Federal appropriation for the improved diagnosis and treatment of cancer

"Whereas the tide of cancer continues to mount relentlessly throughout this State and Nation; and

"Whereas even the most pessimistic prior estimates of cancer deaths during recent years have fallen far short of the eventual number of cancer fatalities; and

"Whereas at long last modern science has been mobilized against this ancient disease in scores of the Nation's finest laboratories employing the keenest minds; and

"Whereas basic science is providing an even more powerful array of weapons to beat this disease; and

"Whereas medicine has demonstrated a vast improvement in the techniques of diagnosis and treatment of cancer; and

"Whereas the American Cancer Society has taken a lead in the fight against cancer through a program of research, education, and service which is building a bulwark of

knowledge, scientific advance, and hope against this formidable enemy of all humans; and

"Whereas the entire program of the fight against cancer could be much advanced by the assistance of the Federal Governmnt in providing increased appropriations for such research: Now, therefore, be it

"Resolved by the House of Delegates of Maryland, That the Congress of the United States be, and it is hereby, requested to make increased appropriations available for the program of research and education for overcoming the ravages of cancer; and be it further

"Resolved, That this resolution be spread upon the journal of the house and that the chief clerk of the house be, and he is hereby, directed to send copies thereof to the presiding officers of each House in the Congress of the United States, to each member of the Maryland delegation in the Congress of the United States and to the Governor of Maryland."

Two resolutions of the Senate of the State of Pennsylvania; to the Committee on Interstate and Foreign Commerce:

"Whereas the imposition of license fees upon nonresidents for the privilege of hunting are becoming grossly disproportionate to the hunting license fees imposed upon residents of a State; and

"Whereas such nonresident license fees are required not only for the hunting of game which is within the exclusive jurisdiction of the States, but also for the hunting of migratory waterfowl which is within the jurisdiction of the Federal Government; and

"Whereas the Federal Government imposes taxes on the people of all the United States and makes grants back to the several States to be used in connection with the protection or propagation of both migratory and other game; and

"Whereas when a State accepts funds of the Federal Government, provided by the people of all the States, to be spent upon the wildlife in that State, then that State, to some measure, becomes the trustee of such wildlife for the benefit of the people of all the States: Therefore be it

"Resolved, That the Senate of Pennsylvania memorialize the Congress of the United States and the Fish and Wildlife Service of the Department of the Interior to withhold all Federal funds allocated for the protection or propagation of migratory and other game within States, from any State which imposes a hunting-license fee upon nonresidents in excess of five times the amount of such fees imposed upon residents of that State; and be it further

"Resolved, That copies of this resolution be sent to the President of the United States, the presiding officers of both Houses of Congress of the United States, to the Secretary of the Interior, and to the Chief of the Bureau of the Fish and Wildlife Service."

"Whereas the citizenry of Pennsylvania is fully cognizant of the facilities of the port of Philadelphia, as well as of the possibilities of its expansion in the littoral parts of Bucks and Delaware Counties; and

"Whereas our public opinion is fully attuned to the significance of the port of Philadelphia as evidenced by the editorials appearing in the Evening Bulletin and the Philadelphia Inquirer; and

"Whereas owing to the persistent efforts of the Atlantic Deeper Waterways Association, an inside waterway free from the perils of the ocean and the dangers of submarines in wartime, was constructed through most of the Atlantic Seaboard States; and

"Whereas such an inside system of waterways from Maine to the Gulf is destined to serve commerce in peace and will be capable of vital military service in the event of a foreign blockade in time of war; and

"Whereas all but one link of said Atlantic Intracoastal Waterway approximately 1,800 miles long has been already constructed and permits a free movement of traffic along inland waters in many States of the Atlantic coast; and

"Whereas all that is needed now to complete this gigantic artery of national defense is the construction of the long discussed canal across the State of New Jersey from Sayreville on the Raritan Bay to Bordentown on the Delaware River; and

"Whereas the construction of this 31-mile-long canal across New Jersey will remove the last barrier that blocks the national waterway designed to afford a safe channel inside the hazardous Atlantic coast from Florida to New England and thence to the Great Lakes; and

"Whereas such a canal across New Jersey will provide safe communication between the ports and navy yards at New York and Philadelphia and will make it unnecessary to circumnavigate the Atlantic coastal waters along the shores of New Jersey; and

"Whereas the construction of such a canal will restore to the port of Philadelphia its lost luster and regain for it part of its former hegemony; and

"Whereas through the construction of this canal across New Jersey new vistas will become opened to Pennsylvania's industries generally and the coal industry especially by bringing closer to our State the ports of Europe and the markets of New England and the Middle West; and

"Whereas the delay in the construction of the canal across New Jersey—the so-called missing link of the Inland Atlantic Intracoastal Waterway has been caused by the hesitancy of the Army Engineers Corps; and

"Whereas the construction of the canal across New Jersey is important to every national and commercial interest in the United States: Now be it

"Resolved, That the Senate of the General Assembly of Pennsylvania shall and does hereby memorialize His Excellency the President of the United States and the Congress of the United States to accelerate the construction of the above-mentioned canal across New Jersey from Sayreville on the Raritan Bay to Bordentown on the Delaware River; and be it further

"Resolved, That the secretary of the senate forward a copy of this resolution following its passage to His Excellency the President of the United States of America and to the Senate and House of Representatives in Congress assembled."

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"Senate Joint Resolution 28

"Whereas the Lower Klamath and Tule Lake Federal Waterfowl Refuges in California constitute two of the most important areas designed to protect and perpetuate the waterfowl resources of North America; and

"Whereas it is reliably estimated that during the autumn of 1948 more than one hundred and fifty thousand wild ducks and geese perished upon these Federal waterfowl refuges from botulism, a disease occurring primarily because of inappropriate and inadequate water levels in the refuges; and

"Whereas the inability to control these water levels is due entirely to the lack of dikes and other control works; and

"Whereas if like or even more calamitous outbreaks of botulism among these birds are to be prevented in the future, it is necessary that adequate dikes and other control works be constructed at once to make possible manipulation of water levels in a manner to combat and abate conditions breeding botulism: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of California respectfully memorializes the President and the Congress of the United States to appropriate sufficient funds immediately for the construction and expeditious completion of necessary dikes and control works at the Lower Klamath and Tule Lake Federal Waterfowl Refuges in California, in order that the danger and spread of botulism may be eliminated or reduced to a minimum among these wild flocks for the preservation of which the refuges were created; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from the State of California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Assembly Joint Resolution 30

"Joint resolution relative to the assistance to veterans in borrowing funds from established lending institutions for the acquisition of homes and other purposes

"Whereas loans to veterans, under the provisions of the Servicemen's Readjustment Act, have been greatly curtailed due to the lack of funds and authority by the Reconstruction Finance Corporation to purchase veterans' loans from established lending institutions; and

"Whereas the established lending institutions cannot carry additional numbers of mortgages under present conditions without a secondary market which was formerly provided by the Federal Government; and

"Whereas there is now pending before Congress legislation known as H. R. 1324 and S. 616, which would provide a secondary market for veterans' loans and therefore would permit additional loans by established lending institutions so necessary to the welfare and readjustment of those who have served faithfully in their country's service: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact the pending legislation which will provide a secondary market for veterans' loans under the Servicemen's Readjustment Act of 1944; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 31

"Joint resolution relative to provision for public recreation, fish, and wildlife development in flood, irrigation, and power projects involving construction of dams

"Whereas Folsom Dam on the American River, Pine Flat Dam on the Kings River, Isabella Dam on the Kern River, and other large dams which may from time to time be constructed will form large reservoirs or artificial lakes; and

"Whereas such reservoirs or artificial lakes provide excellent opportunities for the creation of facilities for public recreation, and fish and wildlife development; and

"Whereas these opportunities can be realized most effectively and economically if they

are planned prior to project construction and if the necessary facilities for their enjoyment and development are built along with the dam and other project structures: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the legislature respectfully memoralizes the President, Secretary of the Interior, Secretary of Defense, and the Congress of the United States, to provide for public recreation and fish and wildlife development in project plans and to authorize them as project purposes along with flood control, irrigation, and power production, the costs to be nonreimbursable; and be it further

"Resolved, That the chief clerk of the assembly is directed to send a copy of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Secretary of Defense, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

"Senate Joint Resolution 27

"Whereas Folsom Dam on the American River, Pine Flat Dam on the Kings River, Isabella Dam on the Kern River, and other large dams which may from time to time be constructed will form large reservoirs or artifical lakes; and

"Whereas such reservoirs or artificial lakes provide excellent opportunities for the creation of facilities for public recreation, and fish and wildlife development; and

"Whereas these opportunities can be realized most effectively and economically if they are planned prior to project construction and if the necessary facilities for their enjoyment and development are built along with the dam and other project structures: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the legislature respectfully memorializes the President, Secretary of the Interior, Secretary of Defense, and the Congress of the United States, to provide for public recreation and fish and wildlife development in project plans and to authorize them as project purposes along with flood control, irrigation and power production, the cost to be nonreimbursable; and be it further

"Resolved, That the secretary of the senate is directed to send a copy of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Secretary of Defense, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

A joint resolution and Act 4 of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint resolution requesting the Congress of the United States to ratify and confirm Act 4 of the Session Laws of Hawaii, 1949, amending chapter 118, revised laws of Hawaii, 1945, relating to revenue bonds

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to ratify and confirm Act 4 of the Session Laws of Hawaii, 1949, amending section 6095 of chapter 118, Revised Laws of Hawaii, 1945, by extending the time within which revenue bonds may be issued and delivered to June 30, 1951.

"SEC. 2. Duly authenticated copies of this joint resolution shall, upon its approval, be forwarded to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior, and to the Delegate to Congress from the Territory of Hawaii.

"SEC. 3. This joint resolution shall take effect upon approval.

"Approved this 16th day of April A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

"Act 4

"An act amending chapter 118, Revised Laws of Hawaii, 1945, as amended, relating to revenue bonds

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. Chapter 118, Revised Laws of Hawaii, 1945, as amended, is hereby amended by amending section 6095 thereof to read as follows:

" 'SEC. 6095. Termination of power to issue bonds. Except in pursuance to any contract or agreement theretofore entered into by any municipality, no municipality shall borrow any money or deliver any bonds pursuant to this chapter to the purchasers thereof after June 30, 1951.'

"SEC. 2. This act shall take effect from and after the date of its approval.

"Approved this 28th day of March A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint resolution memorializing the Congress of the United States to return to the Territory of Hawaii the lands occupied by Fort De Russy, Fort Armstrong, Fort Ruger, and Bellows Field

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America is hereby respectfully requested to return to the control of the Territory of Hawaii the public lands heretofore set aside for and now occupied by Fort De Russy, Fort Armstrong, Fort Ruger, and Bellows Field, and any subsequent additions thereto, in the city and county of Honolulu, Territory of Hawaii.

"SEC. 2. That duly certified copies of this joint resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, and the Delegate to Congress from Hawaii.

"Approved this 19th day of April A. D., 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Appropriations:

"Joint resolution requesting the Congress of the United States of America to enact legislation appropriating funds for flood control at Hanapepe, Kauai, authorized by Public Law 534, Seventy-eighth Congress, second session, section 10

"Whereas Public Law 534, Seventy-eighth Congress, second session, section 10, authorized expenditure for the first step of flood control at Hanapepe, Kauai; and

"Whereas by Act 306, Session Law 1941, the Territory appropriated $50,000 of which $49,000 has been held in reserve for the purpose of meeting local requirements in connection with said flood-control project; and

"Whereas the present unprotected condition of the town of Hanapepe, Kauai, leaves it vulnerable to serious loss from floods: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be and it is hereby requested, through the Delegate to Congress from the Territory of Hawaii, to enact legislation which will appropriate the amount of $235,000 previously authorized for this purpose.

"SEC. 2. That the Honorable JOSEPH RIDER FARRINGTON, Delegate to Congress from Hawaii, be and he is hereby requested to afford every assistance and aid possible in seeking passage of such legislation.

"SEC. 3. That copies of this resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, to the Secretary of the Interior, to the Governor of Hawaii, and the Delegate to Congress from Hawaii.

"SEC. 4. This resolution shall take effect upon its approval.

"Approved this 22d day of April A. D., 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

"Joint resolution memorializing the Congress of the United States of America to provide funds for a flood-control project throughout the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to provide funds for a flood-control project throughout the Territory of Hawaii, and to give priority to such project.

"SEC. 2. Duly authenticated copies of this joint resolution shall be transmitted to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 26th day of April A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Concurrent resolution memorializing Congress to authorize the issuance of public improvement bonds of the Territory of Hawaii during the years 1949 to 1955, inclusive, without regard to the limitations imposed by the Hawaiian Organic Act

"Whereas it is both necessary and desirable that the Territory of Hawaii be authorized to issue public improvement bonds without regard to the limitations imposed by section 55 of the Hawaiian Organic Act; and

"Whereas the Eightieth Congress of the United States, by Public Law No. 190, did authorize the Territory of Hawaii, during the period from 1947 to 1951, inclusive, to issue public improvement bonds up to a limit of $35,000,000; and

"Whereas the postwar requirements of the Territory for public improvements far exceed the amounts of money obtainable from current taxes, and are reasonably expected to exceed the aforesaid limit of $35,000,000 already authorized; and

"Whereas it is the desire of the Legislature of the Territory of Hawaii to have authority over a 7-year period to issue public improvement bonds of the Territory for necessary projects without regard to the limitation imposed by section 55 of the Hawaiian Organic Act, provided the total indebtedness of the Territory is not extended beyond the sum of $50,000,000: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-fifth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States is hereby requested to authorize the issuance by the Territory of Hawaii, during the years 1949 to 1955, inclusive, any provision of the Hawaiian Organic Act or of any act of Congress to the contrary notwithstanding, of

public improvement bonds in any amount, provided the total indebtedness of the Territory shall not at any time be extended beyond $50,000,000 by reason of such authorization, and any extension of the total indebtedness of the Territory beyond such amount shall be made only in conformity with the Hawaiian Organic Act; and provided further, that such bonds shall be serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years, from the date of issue thereof, and no issue of bonds shall be made until the issue is approved by the President of the United States; and be it further

"*Resolved,* That certified copies of this resolution, upon its adoption, shall be transmitted to the Delegate to Congress from Hawaii, the Secretary of the Interior, and each of the two Houses of the Congress of the United States."

Resolutions of the General Court of the Commonwealth of Massachusetts, relating to the repeal of certain excise taxes; to the Committee on Finance.

(See text of resolutions printed in full when presented by Mr. LODGE (for himself and Mr. SALTONSTALL) on May 9, 1949, p. 5857, CONGRESSIONAL RECORD.)

Resolution of the General Court of the Commonwealth of Massachusetts, relating to changing the date of Labor Day to the second Monday in September; to the Committee on the Judiciary.

(See text of resolutions printed in full when presented by Mr. LODGE (for himself and Mr. SALTONSTALL) on May 9, 1949, p. 5857, CONGRESSIONAL RECORD.)

A letter from the secretary of state of the State of Delaware, transmitting a message from the Governor of that State to the general assembly, vetoing a concurrent resolution of the legislature protesting the passage by Congress of a compulsory insurance, or medical sickness insurance program (with accompanying papers); to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the United States Army and Navy Retired Association of San Juan, P. R., signed by Juan Calero, president, embodying a resolution adopted by that association, relating to the use of a building owned by the United States as an office and recreational center; to the Committee on Armed Services.

A resolution adopted by the Common Council of the City of Detroit, Mich., relating to commuting the life sentence of Ilse Koch to a 4-year term and her impending release in October; to the Committee on Armed Services.

A letter in the nature of a petition from the Rochester (N. Y.) Chamber of Commerce, signed by Milton E. Loomis, executive vice president, relating to the recommendations of the Commission on Organization of the Executive Branch of the Government (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

A cablegram in the nature of a petition from Walter I. M. Hodge, chairman, Virgin Islands Legislative Assembly, relating to the manufacture of alcoholic beverages by the Virgin Islands Company; to the Committee on Interior and Insular Affairs.

Resolutions adopted by the City Council of Claremont, N. H., and the City Council of the City of Westfield, Mass., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

Resolutions adopted by the Fleming County Medical Society, of Flemingsburg; the Woman's Auxiliary to the Kentucky State Medical Association, of Owensboro; the Chamber of Commerce of Owensboro; the Owensboro District Dental Society, all in the State of Kentucky; the National Fraternal Congress of America, of Chicago, Ill.; and the Dauphin County (Pa.) Medical Society, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the United Steelworkers of America, of Pittsburgh, Pa., relating to unemployment compensation, and so forth; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Fifty-eighth Continental Congress of the National Society of the Daughters of the American Revolution, Washington, D. C., relating to the International Labor Organization; to the Committee on Foreign Relations.

A resolution adopted by the Kentucky Margarine Consumers Committee, relating to the repeal of oleomargarine taxes; ordered to lie on the table.

By Mr. BRIDGES (for himself and Mr. TOBEY):

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Agriculture and Forestry:

"Concurrent resolution memorializing Congress concerning the New Hampshire Rural Rehabilitation Corp.

"Whereas on or about July 12, 1935, the New Hampshire Rural Rehabilitation Corp. entered into an agreement through the Rural Resettlement Corporation with the United States Department of Agriculture whereby all of the assets of the said New Hampshire Rural Rehabilitation Corp. were transferred in trust to said United States Department of Agriculture; and

"Whereas the sum of approximately $128,701.92 was received by the United States Department of Agriculture under said agreement; and

"Whereas said sum remains in the possession of said United States Department of Agriculture; and

"Whereas the State of New Hampshire is now particularly anxious to have the trust terminated and the money and property returned to it: Now, therefore, be it

"*Resolved by the senate and house of representatives in general court convened,* That we do hereby petition the Congress of the United States of America for the passage of an act similar to House Resolution No. 5905 introduced by Representative COOLEY in the second session of the Eightieth Congress of the United States; and be it further

"*Resolved,* That a copy of this resolution be transmitted by the secretary of state to the Senators and Representatives in Congress from the State of New Hampshire and that they, and each of them, be requested to use all honorable means within their power to bring about the enactment of legislation similar to the aforesaid House Resolution No. 5905.

"RICHARD F. UPTON,
"Speaker of the House of Representatives,
"PERKINS BASS,
"President of the Senate.
"SHERMAN ADAMS,
"Governor."

By Mr. PEPPER:

A concurrent resolution of the Legislature of the State of Florida; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 95

"Concurrent resolution concerning State ownership of and control over lands beneath its navigable inland waters and marginal seas

"Whereas the State of Florida owns and possesses approximately 7,340 square miles of land beneath its marginal seas, and approximately 4,298 square miles of land beneath its inland waters, or a total of approximately 11,638 square miles of land beneath the navigable waters within its boundari s, subject only to the constitutional grant of authority, to the Federal Government, other navigation, commerce, and national defense; and

"Whereas State ownership of this property has been and will continue to be an important source of revenue for our State, the loss of which would be a great injury to the State and our people, for whom it is held in trust; and

"Whereas after over 100 years of recognized State ownership without interference with the delegated Federal powers, certain Federal officials are now suing other States for similar property and advocating Federal seizure of the lands: Now, therefore, be it

"Resolved by the Senate of Florida (the house of representatives concurring):

"That the State of Florida favors continued State ownership and control, subject only to the powers over navigation, commerce, and national defense only granted to the Federal Government by the Federal Constitution, of lands and resources within and beneath the navigable waters within the boundaries of the respective States, including such lands and resources within and beneath the marginal seas, and requests that the Congress of the United States enact suitable legislation to that end.

"That the members of our delegation in Congress are hereby requested to give their active opposition to all pending and proposed measures which would create Federal ownership or control of lands, fish, or other resources beneath navigable waters within State boundaries.

"That the members of our delegation in Congress are hereby requested to give their active support to legislation which would recognize and confirm State ownership of such property.

"That a copy of this resolution be mailed to each member of our delegation in Congress.

"Approved by the Governor May 2, 1949."

COMPULSORY HEALTH INSURANCE—RESOLUTION OF SENATE OF DELAWARE

Mr. WILLIAMS. Mr. President, I present for appropriate reference Senate Resolution No. 45 of the One Hundred and Fifteenth General Assembly of the State of Delaware petitioning the Congress to refrain from the imposition of a national system of compulsory health insurance, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Resolution 45

Resolution memorializing the Congress of the United States with respect to a national compulsory sickness insurance program

Whereas the American people now enjoy the highest level of health, the best standards of scientific medical care, and the finest medical institutions ever attained by any major country in the world; and

Whereas these accomplishments of American medicine are the results of a free people working under a system of free enterprise; and

Whereas in all countries where government has assumed control of medical care the experience has been a progressive deterioration of medical standards and medical care, to the detriment of the health of the people: Now, therefore, be it

Resolved by the Senate of the One Hundred and Fifteenth General Assembly of the State of Delaware:

That the Senate of the State of Delaware respectfully petitions the Congress of the United States to refrain from imposing upon the citizens of this Nation any form of compulsory insurance, or any system of medical

care designed for national bureaucratic control; and

That the Honorable JOHN J. WILLIAMS, the Honorable J. ALLEN FREAR, JR., and the Honorable J. CALEB BOGGS, Members of the Congress of the United States from Delaware, be and they are hereby respectfully requested to oppose the enactment of such legislation; and

That the secretary of the senate transmit copies of this resolution to the President of the United States, the presiding officers of the United States Senate and the United States House of Representatives, and to each Senator and Congressman from Delaware.

The VICE PRESIDENT laid before the Senate a resolution of the Senate of the State of Delaware, identical with the foregoing, which was referred to the Committee on Labor and Public Welfare.

MISSOURI VALLEY AUTHORITY—RESOLUTION OF NORTH PLATTE VALLEY CENTRAL LABOR UNION, SCOTTSBLUFF, NEBR.

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the North Platte Valley Central Labor Union, of Scottsbluff, Nebr., dealing with the Missouri Valley Authority, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works and ordered to be printed in the RECORD, as follows:

Resolution in favor of S. 1160, Missouri Valley Authority

Whereas during the past several years, the Missouri Valley Development Trades and Labor Council has, from time to time, discussed the question of the so-called Pick-Sloan plan versus a Missouri Valley plan similar to the Tennessee Valley Authority; and

Whereas up to the present time we have been primarily interested in the development of the Basin, and therefore have not pushed the question as to what set-up or plan under which the development should be carried out; and

Whereas on March 2, 1949, the Honorable Senators MURRAY from Montana, GILLETTE from Iowa, and HUMPHREY from Minnesota, saw fit to introduce S. 1160 which provides for a Missouri Valley Authority along the pattern of the management thereof; and

Whereas Senator HUMPHREY so ably pointed out the shortcomings of the Pick-Sloan plan both in its planning and the management thereof; and

Whereas we have experienced great expense and difficulty and not much success in dealing with the numerous bureaus and divided authority which exists under the present set-up; and

Whereas dealing with a centralized management would simplify the establishment of uniform conditions for all the different projects in the valley: Therefore, be it

Resolved, That the North Platte Valley Central Labor Union, in meeting assembled this 28th day of April, 1949, go on record in favor of S. 1160 as introduced in the Senate on March 2, 1949, by the above-mentioned Senators, and that we do everything possible to have said bill enacted into law; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, and to the Senators and Congressmen representing the 10 States included in the Missouri Valley Basin.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. RUSSELL, from the Committee on Appropriations:

H. R. 3997. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes; with amendments (Rept. No. 362).

APPROPRIATIONS FOR CIVIL FUNCTIONS OF DEPARTMENT OF ARMY

Mr. McKELLAR. Mr. President, from the Committee on Appropriations, I report favorably with amendments, House bill 3734, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, and I submit a report (No. 361) thereon.

The VICE PRESIDENT. The report will be received and the bill placed on the calendar.

LABOR-FEDERAL SECURITY APPROPRIATIONS—MOTION TO RECONSIDER TO BE TAKEN UP THURSDAY

Mr. WHERRY. Mr. President, I inquire when the Senator from Tennessee expects to have the Senate take up the motion of the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which House bill 3333, the Labor-Federal Security appropriations bill was recommitted to the Committee on Appropriations, with instructions.

Mr. McKELLAR. I find that that cannot be done until Thursday. I wish to let all Senators know, so that they can be present on Thursday. On Thursday we shall take up that matter.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF NOMINATIONS

Mr. JOHNSTON of South Carolina. Mr. President, as in executive session, from the Committee on Post Office and Civil Service, I report favorably the nominations of 187 postmasters.

Mr. LANGER. Mr. President, I should like to ask how many of those postmasters are from North Dakota.

Mr. JOHNSTON of South Carolina. I do not believe there is one from North Dakota on that list.

Mr. LANGER. I wonder when we can get a report from the State of North Dakota.

Mr. JOHNSTON of South Carolina. Are there some from North Dakota before the committee?

Mr. LANGER. Yes. I would like to know when we can expect a report regarding them.

Mr. JOHNSTON of South Carolina. I should like to advise the Senator that we do not have any of them before the committee at this time. We will act on them when they get there.

The VICE PRESIDENT. The reports will be received, as in executive session, and the nominations placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1812. A bill providing for the substitution of their successors as parties in actions by or against public officers; to the Committee on the Judiciary.

S. 1813. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to permit redeposit by reemployed annuitants of refunds of contributions and to allow credit for service covered by such redeposits; to the Committee on Post Office and Civil Service.

By Mr. MARTIN:

S. 1814. A bill for the relief of Dragutin Zabadlija, also known as Charles Anton or Antonio Zabadlija; to the Committee on the Judiciary.

(Mr. THOMAS of Utah (for himself, Mr. IVES, and Mr. MORSE), introduced Senate bill 1815, to alleviate juvenile delinquency in cooperation with the J. Edgar Hoover Foundation, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. DOWNEY):

S. 1816. A bill for the reimbursement of the S. A. Healy Co.; to the Committee on the Judiciary.

By Mr. MILLER:

S. 1817. A bill directing the transfer to the Department of the Interior by the War Assets Administration of certain property in Boise Barracks, Boise, Idaho; to the Committee on Expenditures in the Executive Departments.

By Mr. SALTONSTALL:

S. 1818. A bill for the relief of Mrs. Zumrut Zelveian, Haig Zelveian, and Mary Zelveian; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 1819. A bill for the relief of Azy Ajderian; to the Committee on the Judiciary.

S. 1820. A bill to provide for the establishment of forest practices for the conservation and proper use of privately owned forest lands, and for other purposes; and

S. 1821. A bill to protect livestock while in the course of interstate commerce and to repeal the Act of Congress approved June 29, 1906 (34 Stat. 607; 45 U. S. C. 1946 ed. 71-74); to the Committee on Agriculture and Forestry.

By Mr. BALDWIN:

S. 1822. A bill to permit a successor employer to include the amount of wages paid to an employee by his predecessor in computing the total amount of wages paid to such employee during a calendar year under the Federal Insurance Contributions Act and Federal Unemployment Tax Act; to the Committee on Finance.

By Mr. O'MAHONEY (by request):

S. 1823. A bill to amend the act of February 25, 1920 (41 Stat. 452), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TYDINGS:

S. 1824. A bill to authorize the appointment in the Navy of additional officers for special duty in the field of law, and for other purposes; to the Committee on Armed Services.

By Mr. JOHNSTON of South Carolina:

S. 1825. A bill to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the Mail Equipment Shops; to the Committee on Post Office and Civil Service.

JUVENILE DELINQUENCY

Mr. THOMAS of Utah. Mr. President, on behalf of myself, the Senator from

Oregon [Mr. MORSE], and the Senator from New York [Mr. IVES], I introduce for appropriate reference a bill to alleviate juvenile delinquency in cooperation with the J. Edgar Hoover Foundation, and I ask unanimous consent that a statement explanatory of the bill be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the explanatory statement presented by the Senator from Utah will be printed in the RECORD.

The bill (S. 1815) to alleviate juvenile delinquency in cooperation with the J. Edgar Hoover Foundation, introduced by Mr. THOMAS of Utah (for himself, Mr. IVES, and Mr. MORSE), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The explanatory statement is as follows:

Yesterday the Voice of America carried an unusual broadcast to Europe. It told the story of a police chief who was loved in this country and to whom the American people paid tribute.

At first, many of us might not realize how unusual that story is to Europe. We may not realize that most Europeans, especially behind the iron curtain, know the chief police officer in their country as the man who runs the dread NKVD or secret police, who arrests men in the night, who exacts confessions from men, who holds them in jail without trial.

So to many Europeans, especially behind the curtain it was almost sensational news when an American radio commentator paid tribute to J. Edgar Hoover, Director of the Federal Bureau of Investigation, as fair-minded, a guardian of civil liberties, and the protector of the privacy of the home.

This was such appealing and unusual news to those behind the iron curtain that the State Department carried this news on the Voice of America.

I rise today to pay tribute to J. Edgar Hoover, for several reasons. First, it is his twenty-fifth year of service as Director of the FBI. In that period he has not only been fair, fearless, and efficient, but also a protector of civil liberties.

During his 25 years of service, Mr. Hoover has seen many other Government officials retire to earn big salaries from private business. He has received many tempting offers himself. But despite very modest remuneration he has remained steadfast and loyal to his job.

It is unique and important that Mr. Hoover has not been content alone to be a police officer. He has also chosen to get at the source of crime, to root out the very beginning of crime, when it takes hold of our youth. The greatest cancer of the Nation is not the dread disease which strikes men down when they are older, but which poisons our prospective citizens when they are young—juvenile delinquency.

J. Edgar Hoover has been a great crusader to eradicate this cancer.

And in honor, partly to him, but even more, to help the wayward youth of the Nation, I am introducing this bill providing for a model school for rejected boys, not far from the District of Columbia. It is the plan of various friends and admirers of Mr. Hoover that a considerable amount of money shall be contributed privately to help construct and operate this school.

The Governing Board of the School, however, would include the Attorney General, together with Mr. Hoover himself, and the Director of the Children's Bureau and certain other interested agencies, together with private citizens. It would be a joint enterprise by Government and patriotic, private citizens, which would have the advantages of the stimulus and inspiration and initiative of public-spirited citizen, yet also have the benefit of the experienced hand of the Government.

Certain advantages can, of course, be secured from both. The Government would appropriate funds, only after private citizens had contributed the initial funds, on a matching dollar-for-dollar basis.

It is also the special purpose of this bill to create an institution which will influence juvenile delinquency in the different States in a very important way. One of the tragedies of youthful crime is that youth recognizes no State boundaries. Thus the products of an Ohio State reformatory not long ago boarded a train in West Virginia to rob it not far from Washington. This forces the citizens of our Capital and other States to be concerned with conditions inside the Ohio State reformatory, conditions of overcrowding which increase rather than cure criminal tendencies among the boys who go there supposedly to be cured.

Incorporated in this bill, therefore, is a plan whereby the personnel of State institutions may come to this model boys school near Washington and take special training courses. Following this, they return to their State institutions with new and improved ideas on fighting the most difficult problem facing the Nation—juvenile crime.

This bill is introduced on the anniversary of J. Edgar Hoover's twenty-fifth year of service. It is an attempt to honor him. But in a sense, and perhaps even more important, it is an attempt to help solve the problem which he has worked so hard to improve—the juvenile delinquency of our Nation.

DISCRIMINATION AGAINST EMPLOYMENT OF AMPUTEES BY CERTAIN COMMON CARRIERS

Mr. McGRATH submitted the following concurrent resolution (S. Con. Res. 37), which was referred to the Committee on Labor and Public Welfare:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that no department, office, or agency of the Federal Government charged with the duty of regulating carriers in interstate or foreign commerce should hereafter make, maintain, or administer any rule or regulation which would prevent any common, contract, or private carrier from employing, as a driver or operator of any motor vehicle or other automotive equipment in interstate or foreign commerce, any otherwise qualified person because such person shall have suffered the amputation of any limb or any part thereof if such person shall have been examined by a qualified physician or other duly qualified officer and found to be capable of performing satisfactorily the duties incident to the operation of such vehicle or equipment without endangering the public safety.

ADDITIONAL COPIES OF REPORT ENTITLED "PROFITS"

Mr. O'MAHONEY submitted the following resolution (S. Res. 116), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the report, entitled "Profits," of its Subcommittee on Business Profits.

NATIONAL CHILD RESEARCH—COSPONSORS OF BILL

Mr. DOUGLAS. Mr. President, I ask unanimous consent to add as cosponsors to the bill (S. 904) to provide for research relating to child life and development; to disseminate information as to the practical application of such research by parents, professional persons, and others; and for other purposes, the names of the Senator from Utah [Mr. THOMAS], the Senator from Montana [Mr. MURRAY], the senior Senator from Alabama [Mr. HILL], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Maine [Mrs. SMITH], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Vermont [Mr. AIKEN], whom I am greatly honored to have join me in sponsoring this proposed legislation.

The VICE PRESIDENT. Without objection, it is so ordered.

KASSID ALI—INDEFINITE POSTPONEMENT OF BILL

Mr. LANGER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (S. 1811) for the relief of Kassid Ali, introduced by me on May 9, 1949, and that it be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

HOUSE BILL REFERRED

The bill (H. R. 2203) to provide for a census of housing in the year 1950, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

DECLARATION OF POLICY RELATING TO SMALL BUSINESS—AMENDMENTS

Mr. LANGER. Mr. President, I submit for reference to the Committee on the Judiciary amendments in the nature of a substitute, providing for declaration of policy in relation to small business, intended to be proposed by me to the bill (S. 640) to provide for the distribution of motor-vehicle tires, and for other purposes, and I ask unanimous consent that an explanatory statement prepared by me be printed in the RECORD.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on the Judiciary, and, without objection, the statement presented by the Senator from North Dakota will be printed in the RECORD.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

A few days ago I introduced a bill which was referred to the Committee on Interstate and Foreign Commerce and which now bears number S. 1709. As my bill makes clear, it is designed to clarify and formulate a consistent and coordinated national policy with respect to the distribution of goods, to provide for fair competitive practices and, among other purposes, to promote individual initiative in the American system of distribution. While I pointed out that the term "goods" applies to many items as well as "foods" I wish specifically to call attention to a recent decision of the Court of Appeals for the Seventh Circuit in the case of *United States* v. *the New York Great Atlantic and Pacific Tea Company* and others. The opinion was written by Judge Sherman Minton who was formerly a distinguished member of this body from the State of Indiana. The defendants had been indicted charged with conspiracy to monopolize and to restrain trade in food and food products

by controlling the terms and conditions upon which the defendants and their competitors might do business and by oppressing the competitors of the defendants through the abuse of the defendants' mass buying and selling power. The Government made it clear that it is not a prosecution because of the size of the A & P or its integration, but the Government was making an attack upon the abuse of the power of the defendants. There are 14 corporations in the A & P system, 12 of which were named defendants in this action, and of these, 3 were acquitted. The A & P system is engaged in the food industry as a buyer, manufacturer, processor, and broker, and in addition carries on the business of food retailer through some 5,800 retail stores in 40 States and the District of Columbia. The top holding company is the defendant A & P, a New York corporation. This top holding company owns and controls everything in the system and, in turn, is owned by the George H. Hartford Trust of which John A. Hartford and George L. Hartford are the trustees, holding about 99 percent of A & P. This is the same John A. Hartford who, it will be remembered, made the loan of some $200,000 to Elliott Roosevelt which was later canceled after Mr. Jesse Jones negotiated a settlement for, as I remember it, about two cents on the dollar. Just why Mr. John A. Hartford ever made this loan to the son of the then President was never fully explained, much less how such a magnificent settlement was arranged by Mr. Jones. I do not now suggest that the pending prosecution which I have mentioned had anything to do with it, but it is interesting to note that the court was very greatly interested in the amount of the total profits yielded to A & P in the years 1939, 1940, and 1941.

Judge Minton points out that the ultimate control of buying is centralized in the headquarters of A & P, the top holding company, which fixed buying policies, purchase prices, advertising programs and label and bag allowances. The buying policy of the A & P was to fix a two-price level in which the company used its power to gain a lower price on its needed merchandise than was permitted to its competitors—lower for A & P—higher for its competitors. A & P used its large buying power to coerce suppliers to grant it a lower price than that granted to competitors on the threat that it would put such suppliers on a private black list if they did not conform, or that A & P would itself go into the manufacturing business in competition with the recalcitrant suppliers.

The Seventh Circuit of Appeals through Judge Minton outlined some of the techniques used by the A & P to get a lower price than its competitors. As early as about 1925, A & P sent its buyers into the field to buy merchandise. Their primary object was to get that merchandise as cheaply as possible, and for this the supplier was compelled—if he obtained the business—to pay A & P a seller's brokerage of from 1 to 5 per cent. These so-called brokerage fees went to A & P and were tantamount to a further reduction in price. Except on brokerage received from meat packers which was outlawed in 1934, this system continued until 1936 when it was made illegal by the Robinson-Patman Act.

So, Mr. President, the A & P had to alter its method of operation. After 1936, the buyers, instead of getting credit for brokerage, induced their suppliers to reduce their price further to the A & P by an amount equal to what the brokerage fee had been. The allowance thus became a mark-down of the price on the invoice, and this was called "net buying." The Government stepped in again, and the Federal Trade Commission issued a cease and desist order outlawing the practice, and the Third Circuit Court of Appeals upheld the FTC.

The A & P once again had to develop a new technique, and thereupon adopted a policy of direct buying. Thereafter A & P would buy from no one who sold through a broker. Not only did it not buy from suppliers who offered to sell to it through brokers, it would not buy from a supplier who sold to anyone else through brokers. This policy also affected competitors in the trade generally who were unable to buy directly. Suppliers were told in effect, that if they did not sell direct—to all customers—A & P would withdraw its patronage. Thus A & P continued to get its usual lower price which was supposed to be justified by cost savings and also because A & P bought in large quantities.

Whatever the alleged justification, A & P always wound up with a price advantage and the supplier had to make his profit out of his other customers at higher prices which were passed on to the A & P competitors. I quote directly from the court's opinion:

"One cannot escape the conclusion on the very substantial evidence here, as one follows the devious manipulations of A & P to get price advantages, that it succeeded in obtaining preferential discounts not by force of its large purchasing power and the buying advantage which goes therewith, but through its abuse of that power by the threats to boycott suppliers and place them on its individual blacklist, and by threats to go into the manufacturing and processing business itself, since it already possessed a considerable establishment and experience that would enable it to get quickly and successfully into such business if a recalcitrant supplier, processor, or manufacturer did not yield. The A & P organization was urged to keep secret whatever preferences it received. These predatory discounts and other preferences amounted to 22.15 percent of A & P's total profits in 1939; 22.47 percent in 1940; and 24.59 percent in 1941."

Mr. President, the court supplies us with additional evidence of the coercive techniques employed by A & P. The single word description of the revelations is astonishing. The suppliers of this great chain were forced to discontinue business practices which A & P considered detrimental to its maintaining advantage over its competitors. For example, some A & P suppliers were making store-door deliveries to A & P competitors. The A & P stepped in and forced some supplier-manufacturers to widen the spread between store-door deliveries and warehouse deliveries. Again, other suppliers were forced to discontinue merchandising by the offer of premiums given to customers. It doesn't seem possible that such tactics could successfully be developed, but they were.

The A & P also adopted a device called cash buying. This was always on a lower basis than term buying because cash buyers put up the money at once and took the merchandise, while term buyers paid on delivery. A & P through its cash buying rate gained an advantage without assuming risks between the point of shipment and the destination, the court pointed out.

A & P also created a subsidiary which it called the Atlantic Commission Co., which was to have many uses. Equipped with this subsidiary, A & P adopted a sales-arrival basis where its subsidiary did not obligate itself either to purchase certain goods or to pay a stated price until the goods arrived at their destination. Apparently the subsidiary was able to place an order for goods which various suppliers would ship under direction of the subsidiary. Then the Atlantic Commission Co. would wire a price offer to the shipper on a take-it-or-leave-it basis. Thus, Mr. President, when falling markets were anticipated, the subsidiary would make sales-arrival purchases, and the shipper was compelled to assume the risk of price change from the date of shipment of the ordered goods to the date of their arrival. A & P was always protected, but the shipper either had to take a loss or look for another buyer.

The subsidiary commission company was also used in the dual role of buyer and seller, all to the advantage of A & P. The subsidiary had the opportunity to advance the interests of A & P, first by its selection of the choicest produce to be offered in the market, and then, as buyer, to obtain that produce at the lowest price. The balance of the merchandise might be and the court noted, often was, of an inferior grade. The inferior produce thus was sold to the trade and at the highest price that A & P could get in the market. Therefore, it not only bested its competitors in the quality of the produce to be offered to the public as well as in the price A & P paid for it, but competitors had to buy inferior grades and also pay a higher price for what they got.

This A & P subsidiary exploited suppliers and competitors in other ways. It took merchandise on consignment which gave it the advantage of a choice as to whether it would accept the shipment for A & P or sell it in the open market. If the produce was taken for A & P, a preferential price was obtained. If not, the subsidiary got a brokerage fee for selling the goods in the market and was representing only the seller when it did so—but the brokerage fee went to the subsidiary and hence was an additional benefit to A & P. The brokerage fee, so charged, also increased that price to A & P's competitors, while the fees went into the coffers of A & P.

Mr. President, this amazing aggregation under the domination of A & P also controlled and owned various corporations which were engaged in the manufacture and processing of merchandise for sale in the A & P stores. For example, the Quaker Maid Co., Inc., the White House Milk Co., Inc., the Nakat Packing Corp. manufacturered many items sold by A & P—ranging all the way from canned milk to canned fish. The products of these satellites were sold only to A & P stores and at a mark-up, in fact these operations yielded an enormous percentage of the total profits of A & P.

Mr. President, I'm certain that some of the suppliers in North Dakota will be interested in the methods employed by this organization. The recital of the facts seems almost like the output of a fiction writer, but there they are in the court's opinion. The judges took note that the price advantage which A & P enjoyed through the coercive use of its power not only enabled it to undersell its competitors, but also to pick and choose the locations in which it would use its price advantage. If the A & P officials found that in a particular area the stores were having difficult competition, they could lower the gross profit percentage in that area, and thus seek to increase their volume of business. If this practice in a particular area resulted in a possible decline in net profits, the company simply raised the gross profit rate and the retail prices in some other area where its competitive position enabled it to do so. Consequently some areas might sustain heavy losses over a number of years yet the combined earnings of the company from all areas made it possible for A & P to earn $7 per share income on its stock.

It was obvious to the court that the A & P had actively encouraged its suppliers to violate the Robinson-Patman Act. Maybe A & P in receiving these price discriminations I have mentioned was not in violation of that act, but its suppliers certainly were, and the court had no difficulty in finding that the advantage which A & P obtained over its competitors is an unlawful restraint of trade.

Let me point out further just exactly what the court said as I quote directly from

the opinion as it appears in 17 United States Law Week at page 2406:

"No court has yet said that the accumulation and use of great power is unlawful, per se. Bigness is no crime, although 'size is itself an earmark of monopoly power. For size carries with it an opportunity for abuse.' *United States* v. *Paramount Pictures* (334 U. S. 131, 174 (16 L. W. 4389)). That there was an accumulation of great power by A & P cannot be denied. How it used that power is the question. When A & P did not get the preferential discount or allowance it demanded, it did not simply exercise its right to refuse to contract with the supplier. It went further and served notice on the supplier that if that supplier did not meet the price dictated by A & P, not only would the supplier lose the business at the moment under negotiation, but it would be put on the unsatisfactory list or private blacklist of A & P and could expect no more business from the latter. This was a boycott and in and of itself is a violation of the Sherman Act. * * *

"While it is not necessary to constitute a violation of sections 1 and 2 of the Sherman Act that a showing be made that competitors were excluded by the use of monopoly power, *American Tobacco Co.* v. *U. S.* (328 U. S. 781, 14 L. W. 4409), there is evidence in this record of how some local grocers were quickly eliminated under the lethal competition put upon them by A & P when armed with its monopoly power. * * * A & P received quantity discounts that bore no relation to any cost savings to the supplier. While A & P tried to rig up various contracts with its suppliers that would give the suppliers a semblance of compliance with the Robinson-Patman Act, by colorably relating the discriminatory preferences allowed to cost savings, the primary consideration with A & P seemed to be to get the discounts, lawfully, if possible, but to get them at all event. The conclusion is inescapable on this record that A & P was encouraging its suppliers to violate the Robinson-Patman Act. The unlawful discounts were to be received by A & P as its due, regardless. Whether or not A & P in inducing and knowingly receiving these price discriminations was in violation of the Robinson-Patman Act, as its suppliers certainly were, the advantage which A & P thereby obtained from its competitors is an unlawful restraint in itself. * * * The purpose of these unlawful preferences and advantages was to carry out the avowed policy of A & P to maintain this two-price level which could not help but restrain trade and tend toward monopoly.

"Furthermore, to obtain these preferences, pressure was put on suppliers not by the use but by the abuse of A & P's tremendous buying power. The means as well as the end were unlawful. * * * With the concessions on the buying level acquired by the predatory application of its massed purchasing power, A & P was enabled to pressure its competitors on the selling level even to the extent of selling below cost and making up the loss in areas where competitive conditions were more favorable. The inevitable consequence of this whole business pattern is to create a chain reaction of ever-increasing selling volume and ever-increasing requirements and hence purchasing power for A & P, and for its competitors hardships not produced by competitive forces, and, conceivably, ultimate extinction. Under all the cases, this is a result which sections 1 and 2 of the Sherman Act were designed to circumvent."

I have sought, Mr. President, to point out to the Senate the kind of situation I had in mind when I introduced S. 1709. I notice that there is already before the Judiciary Committee a bill identified as S. 640. It seems to me that the latter bill is correctly before the Judiciary Committee which clearly has jurisdiction of measures involving antitrust legislation. In title I of the Legislative Reorganization Act of 1946 in the section dealing with the Committee on the Judiciary it is provided that to that committee shall be referred all proposed legislation * * * relating to the following subjects: 7. Protection of trade and commerce against unlawful restraints and monopolies.

Therefore, Mr. President, I am offering an amendment to S. 640 in the nature of a substitute. I intend to propose that all matter after the enacting clause of S. 640 be stricken out and that there be inserted in lieu thereof the substance of my bill. In that way, the Judiciary Committee can properly explore this field, for my bill also includes the subject matter of S. 640.

I think the Senate will share my satisfaction that the Circuit Court of Appeals for the Seventh Circuit affirmed the conviction obtained in the A & P case. It is a landmark in the struggle against monopoly.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. FERGUSON (for himself and Mr. BRIDGES) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

"SEC. 6. (a) The Secretary of the Army, with respect to appropriations made in this act, is authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations contained in this act as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein. The Secretary of the Army shall certify the reduction in each appropriation account to the Secretary of the Treasury and to the Committees on Appropriations of the Senate and the House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

"(b) Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficiency of the service.

"(c) No item of appropriation contained in this act shall be reduced more than 20 percent.

"(d) A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year 1951."

Mr. FERGUSON (for himself and Mr. BRIDGES) also submitted an amendment intended to be proposed by them, jointly, to House bill 3734, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. FERGUSON (for himself and Mr. BRIDGES) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

"SEC. 309. (a) The Secretary of Agriculture, with respect to appropriations made in title I of this act, is authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations made in such title as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein. The Secretary of Agriculture shall certify the reduction in each appropriation account to the Secretary of the Treasury and to the Committees on Appropriations of the Senate and the House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

"(b) Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficiency of the service.

"(c) No item of appropriation contained in title I shall be reduced more than 20 percent.

"(d) A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year 1951."

Mr. FERGUSON (for himself and Mr. BRIDGES) also submitted an amendment intended to be proposed by them, jointly, to House bill 3997, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ADDRESS BY SENATOR LODGE AT FIRST ANNIVERSARY CELEBRATION OF DECLARATION OF THE STATE OF ISRAEL

[Mr. IVES asked and obtained leave to have printed in the RECORD the address delivered by Senator LODGE at the first anniversary celebration of the declaration of the State of Israel, New York City, May 4, 1949, together with the introduction by Rabbi Abba Hillel Silver, which appear in the Appendix.]

JEFFERSON-JACKSON DAY ADDRESS BY SENATOR KEFAUVER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the address delivered by him on the occasion of the Jefferson-Jackson Day dinner at Tacoma, Wash., on April 30, 1949, which appears in the Appendix.]

MOTHER'S DAY ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a Mother's Day address delivered by him at St. Gerard's Congregation in Milwaukee, Wis., and a brief statement on the same theme by Rev. C. E. B. Ward, executive secretary of the League for the American Home, which appear in the Appendix.]

PROPOSED COLUMBIA VALLEY ADMINISTRATION—STATEMENT BY SENATOR TAYLOR

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a compilation of facts and figures prepared by him relative to the proposed Columbia Valley Administration, which appears in the Appendix.]

HYDROELECTRIC DEVELOPMENTS ON THE COLUMBIA AND SNAKE RIVERS—TESTIMONY OF SENATOR MAGNUSON

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD testimony given by him before the Senate Committee

on Appropriations, on the subject of hydroelectric developments of the Columbia and Snake Rivers, which appears in the Appendix.]

FEDERAL AID TO EDUCATION—EDITORIAL COMMENT BY NEW YORK TIMES

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial entitled "Federal Aid to Education," published in the New York Times of May 4, 1949, and an editorial entitled "A Victory for Education," published in the New York Times of May 7, 1949, which appear in the Appendix.]

VICTORY ON EDUCATION—EDITORIAL FROM THE WASHINGTON POST

[Mr. GREEN asked and obtained leave to have printed in the RECORD an editorial entitled "Victory on Education," published in the Washington Post of May 9, 1949, which appears in the Appendix.]

DISTORTED SCHOOL PICTURE—EDITORIAL FROM THE WALL STREET JOURNAL

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Distorted School Picture," published in the Wall Street Journal of May 9, 1949, which appears in the Appendix.]

TREASURY AND POST OFFICE DEPARTMENTS, ETC., APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The bill is before the Senate and open to amendment, but not until the committee amendments shall have been disposed of.

Mr. WHERRY. Mr. President, I should like to ask the majority leader a question. Is it the intention, after the Treasury-Post Office bill shall have been disposed of, to take up the motion of the distinguished Senator from Rhode Island [Mr. GREEN] relative to the reconsideration of the Labor and Federal Securities bill today, or is it the intention of the leadership to resume consideration of the District tax bill?

The VICE PRESIDENT. The Chair will say that under the order entered yesterday, automatically the District tax bill will come before the Senate immediately upon completion of consideration of the Treasury and Post Office appropriation bill.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I understand the procedure, but I am asking the majority leader if it is the intention, after the appropriation bill has been disposed of, to take up the motion of the distinguished Senator from Rhode Island. I understood from the distinguished chairman of the Committee on Appropriations [Mr. MCKELLAR] that that motion would be taken up today.

Mr. MCKELLAR. Mr. President, I said that I hoped we could take it up today.

Mr. WHERRY. Is that the intention now? If so, I think all Senators should be advised of it.

Mr. MCKELLAR. I am still hoping.

Mr. MAYBANK. Mr. President, I do not intend to speak at length. I merely wish to invite the attention of Senators to the facts which will be found in the report of the committee on the Treasury-Post Office appropriation bill. A copy of the report is on the desk of each Senator.

The bill recommends appropriations of $3,113,068,503 for the Treasury and Post Office Departments. This sum is an increase of $40,250,600 over the House allowance. The increase represents $17,576,000 additional funds for the Treasury Department, the bulk of which is for the Customs Bureau, $300,000; Bureau of Internal Revenue, $12,268,000; Bureau of Engraving and Printing, $1,000,000; and the Coast Guard, $3,708,000. For the Post Office Department there is an increase of $22,674,600 over the House allowance, which is necessary to move the mail volume, provide essential supplies and equipment, and for general administration and supervision of the postal service.

The total amount recommended is under the 1950 estimates by $63,198,246, which figure represents $51,410,046 for the Treasury Department and $11,788,200 for the Post Office Department.

The amount carried in the bill exceeds the 1949 appropriations by approximately $460,000,000, which amount represents about $249,000,000 for the Treasury Department and $211,000,000 for the Post Office Department. In making this comparison, however, it must be remembered that pending deficiencies for 1949 total about $65,000,000 for the Treasury Department and over $252,000,000 for the Post Office Department. The postal pay raise alone provided by Public Law 900, passed in the last Congress, requires postal appropriations to be increased approximately $220,000,000.

In providing appropriations for the Treasury and Post Office Departments it may be said that a greater portion of the money is for operating expenses. For the Treasury Department the appropriations provide funds for the various bureaus, offices, and divisions engaged in servicing the debt, collecting the revenues, and paying the financial obligations of the Government. The only exception to this is the appropriation for the purchase of strategic and critical materials under the Stock Piling Act of July 23, 1946.

In conclusion, I may state that the main additions made by the committee to the appropriations provided in the House bill have been for stockpiling strategic materials under the laws of Congress, and for placing in the field several thousand additional Internal Revenue collectors. The number of collectors would be increased by about 7,000. The additions are all in the field. It is estimated that for every dollar that may be paid for additional revenue agents, the Government will benefit to the extent of $100 by reason of collections from those who have not paid their proper taxes, or from those who have made errors.

I ask unanimous consent to have printed at this point in my remarks a statement from the report of the committee, beginning on page 2, and ending on page 7.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The bill provides a total of $3,113,068,503.93 for regular annual appropriations of the Treasury and Post Office Departments, and $27,100,000 in authorizations for expenditures of corporate funds of the Export-Import Bank of Washington, and the Reconstruction Finance Corporation. Of the $3,113,068,503.93 proposed appropriations, the sum of $1,045,184,403.93 is recommended for the Treasury Department and $2,067,884,100 for the Post Office Department. Of the $27,100,000 proposed authorizations for use of corporate funds, the sum of $950,000 is for the Export-Import Bank of Washington, and the sum of $26,150,000 for the Reconstruction Finance Corporation.

TREASURY DEPARTMENT

The committee has proposed a total appropriation of $1,045,184,403.93 to meet the 1950 fund requirements of the various bureaus within the Treasury Department. This sum is an increase of $17,576,000 over the House allowance of $1,027,608,403.93 and is under the budget estimate by $51,410,046.07.

Due consideration was given to the justifications filed and the testimony presented by the Secretary, the former Under Secretary and officials of the bureaus on their needs for appropriation increases over the House allowances, especially in those bureaus and offices where evidence indicated possible improvement of efficiency in the collection of revenues, management studies, and policy problems. The Department is primarily a service organization and has continuous dealings with the public in general. It is estimated that over $45,000,000,000 will be collected in fiscal year 1950. Of this amount over $43,000,000,000 or about 95 percent of the total Federal revenue, is represented by internal-revenue collections. Therefore, increased efficiency in operations and improved service to the public are of paramount importance.

With these thoughts in mind the committee has recommended the strengthening of pertinent activities and therefore feels that the funds provided will enable the Department to more effectively accomplish the desired objectives.

BUREAU OF ACCOUNTS

The committee has denied the request for an additional $90,000 over the House allowance for the Bureau of Accounts. It is their considered judgment that no additional funds are required for new positions in order to actively participate with the Bureau of the Budget and the General Accounting Office in the joint program for improving the Government's accounting and reporting system. The committee feels, however, that any additional personnel required in this important undertaking may be secured through more effective utilization of existing methods and procedures staffs now in the fiscal service of the Department and to that end agrees with the action taken by the House.

BUREAU OF CUSTOMS

The committee has approved an appropriation of $35,300,000 for operating expenses of the Bureau of Customs in the fiscal year 1950. The amount allowed is only $300,000 under the budget estimate of $35,600,000 and should provide sufficient operating funds to maintain a maximum personnel strength, including the filling of the most important existing vacant positions and, above all, reducing

to a minimum the backlog of work presently existing in certain field offices of collectors of customs as well as appraisers of merchandise. The Commissioner of Customs should exert every effort to reduce this reported huge backlog of unliquidated entries in order to expedite the refunds to importers of excess collections.

BUREAU OF INTERNAL REVENUE

For the fiscal year 1950 the committee recommends an appropriation of $232,768,000, the budget estimate. This amount exceeds the House allowance by $12,268,000. The committee is of the opinion that the 7,019 additional field positions requested be allowed by the committee, 5,787 of which are enforcement officer positions, to enable the Bureau to more effectively ferret out tax evaders which, in turn, will lead to the collection of millions of dollars additional revenue. Testimony indicates that present front-line enforcement officers averaged per person additional revenue of $52,708 for 1946, $73,805 for 1947, $89,271 for 1948, and for the first 7 months of fiscal year 1949 $50,066. It is estimated that by the fiscal year 1951 the additional enforcement personnel provided will collect at least $425,000,000 additional revenue annually.

COAST GUARD

The committee has approved the appropriation estimates submitted for pay and allowances, $77,445,000, and general expenses, $39,988,000, of the Coast Guard. This proposal is considered justified in order that the full military strength on board July 1, 1949, may be continued in the fiscal year 1950, and also provide the necessary operating expenses for carrying out the ocean weather-station program authorized by Public Law 738 of the Eightieth Congress, second session.

As regards the item for civilian employees, the committee has denied the request for $100,000 over the amount allowed by the House. The committee feels, however, that the reduction in the estimate should not be applied against the program for improving the accounting and supply operations, which was recommended in a recent survey report of a management group to be carried out.

The committee has also denied the request for $2,000,000 for acquisition, construction, and improvements over the allowance recommended by the House. It is the committee's belief that some of the items included in the estimate may be deferred.

The committee also disapproved the sum of $3,500,000 to initiate a training program for reserve personnel of the Coast Guard. This item was submitted in supplemental estimates, Senate Document 25.

BUREAU OF FEDERAL SUPPLY

The committee has disapproved the Department's request for additional funds over the amounts carried in the bill as passed the House for the appropriation "Salaries and expenses" and the "General supply fund." It was the committee's opinion that no additional funds over the House allowances should be provided for continued operation of the various programs of the Bureau; also, that the $479,803,093 increase provided by the House for the general supply fund should be sufficient for the fiscal year 1950.

The committee approves the action taken by the House as respects the appropriation and contract authorization amounts provided for stock piling of strategic and critical materials. The bill provides $525,000,000, of which $275,000,000 is new cash and $250,000,000 is cash for liquidation of obligations plus not to exceed $250,000,000 for new contract authority. Subsequent to the committee hearing on this item, the second deficiency bill has been approved by the House and is presently before the Senate committee for consideration. This deficiency bill provides for strategic and critical materials an additional $40,000,000 in cash appropriation and not to exceed $270,000,000 contract authority.

REPLACEMENT OF TYPEWRITERS

The committee believes that the time has come for the gradual replacement of typewriters which have been in use six or more years, a practice which has long been followed in private enterprise and found to be the most economical. The committee has, therefore, modified the House language to effectuate this end by providing for purchase for each agency in the executive branch of the Government, to the extent that appropriated funds of such agency are otherwise available therefor, of new typewriters in lieu of an equivalent number of machines owned by said agency 8 or more years of age, and for the delivery of the overage machines to the Bureau of Federal Supply for disposition at public sale or exchange. It is the view of the committee that like procedure should be recommended at the appropriate time for the fiscal year 1951, except at that time the age should be dropped from 8 years to 7 years, and that in the following fiscal year the age limit should be dropped to 6 years and maintained at that level thereafter, with exception in the case of typewriters which, because of lack of constant use, are in better than average condition for typewriters of the permissible replacement age.

POST OFFICE DEPARTMENT

The committee proposes a total appropriation of $2,067,884,100 for 1950 operating expenses of the Post Office Department. This amount is $22,674,600 over the House allowance of $2,045,209,500, and is under the 1950 budget estimate by $11,788,200. As compared to the 1949 total regular annual appropriation of $1,857,304,825 the amount recommended exceeds such total by $210,579,275.

The Department requested restoration of $29,754,600 of the $34,462,800 House reduction and, as stated above, the committee recommends approval of $22,674,600. This additional amount is considered necessary to properly administer and supervise the postal service, to move the mail volume, and to provide essential supplies and equipment. The specific amounts proposed in the appropriation categories for 1950 will be on approximately the same level as the 1949 estimated expenditures.

The committee recognizes that, as a practical matter, the Postmaster General must supply postal service promptly and commensurate with demands of the general public. Rather than restore the entire reduction made by the House in various appropriation categories, the committee feels that it is preferable to permit the apportionment of certain appropriations on a deficiency basis when, in the opinion of the Postmaster General, with the approval of the Bureau of the Budget, this is necessary for such reasons as the volume of mail to be carried or conditions beyond the control of the Post Office Department. The committee joins the House committee in its confidence that this authority will not be abused, and expects that the Appropriations Committees will be currently advised by the Bureau of the Budget of any apportionments made on such deficiency basis.

Postal deficit

The 1950 postal deficit is estimated to be $403,672,300. This figure is based on estimated revenues of $1,676,000,000 and obligations of $2,079,672,300. The postal deficit is mainly in the costs for handling second-, third-, and fourth-class mails. If the pending bill, H. R. 2945, which provides certain increases in postal rates and services, is enacted, approximately $250,000,000 in additional revenue per annum will be received and thereby reduce the 1950 estimated deficit of about $403,000,000 to $153,000,000. This latter figure is about comparable to the costs for penalty and frank mail, air-mail subsidies, and nonpostal services, including custodial services in public buildings. Much of the deficit in fourth-class mail is attributed to the huge volume of parcel post which is the result of favorable existing postal rates as compared with increased express rates. The pending postal-rate bill will tend to correct this wide disparity of parcel post and express rates.

For the first 9 months of fiscal year 1949 the revenues were about $1,176,000,000 as against $1,071,000,000 for the same period in the previous fiscal year. For the same comparative periods obligations in 1949 were $1,584,000,000 as against $1,297,000,000. Percentagewise, revenues increased 9.80 percent and obligations increased 22.13 percent in the current year over the prior year.

It should be stated that revenues for the 9-month period in fiscal year 1949 include rate increases provided by Public Law 900 which became effective January 1, 1949. Since these rates became effective, the revenues have increased 15.3 percent as compared to an increase of 7.2 percent in the first 6-month period of the fiscal year. Of the 15.3 percent increase in revenues since January 1, 1949, approximately 9 percent is due to the increased rates. The difference between 9 percent and the 15.3 percent is attributed to the increased mail volume.

The 22.13 percent increase in obligations includes approximately 16 percent increase in salaries authorized by Public Law 900. These increased salaries, of course, have been in effect during the entire 9-month period.

The deficit in 1949 estimated to be $526,000,000 is necessarily greater than the estimate, about $403,000,000 for 1950, due to the fact that salary increases will have been in effect for 12 months during 1949 whereas the postal rate increases wil have been in effect ony 6 months of the same year.

Air-mail subsidies

The present bill contains $87,061,000, the estimate, for payment of costs of carrying air mail and the subsidy to commercial air lines. This figure is $36,806,000 under the 1949 appropriations plus pending deficiencies which total $123,867,000. The increase in 1949 over 1950 estimate is due to the Civil Aeronautics Board's adjustment of rates to carriers which were made effective after the 1950 estimate was prepared.

The committee again calls the attention of Congress to the incongruity of charging the Post Office Department appropriation, under the guise of cost of carrying the mails by air, huge sums of money running into millions of dollars which, in truth, have no relation whatever to the costs of air-mail transportation but, in fact, are simply subsidies to the recipient air lines. The committee believes that the Civil Aeronautics Authority Act of 1938, as amended, should be further amended so as to provide for the payment of this subsidy under its present designation and, thus, to relieve the Post Office Department from being required to carry the item as a part of its appropriation. Such change in the 1938 law will also serve to let the Congress and the people know the nature and extent of this subsidy.

Mr. MAYBANK. Mr. President, I have nothing further to say at this time. I suggest that the Senate proceed with the committee amendments.

The VICE PRESIDENT. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was under the heading "Title I—Treasury Department—Office of the Secretary—Salaries," on page 2, line 4, after the word "Columbia", to strike out "$700,000" and insert "$800,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Administrative Services—Salaries," on page 4, line 5, after the word "thereof", to strike out "$1,100,000" and insert "$1,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Customs—Salaries and expenses," on page 9, line 18, after the word "exceed", to strike out $1,000,000" and insert "$1,040,000"; and in line 21, after "(19 U. S. C. 1525)", to strike out "$35,000,000" and insert "$35,300,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Internal Revenue—Salaries and expenses," on page 11, line 4, after the word "including", to strike out "$198,400,000 for personal services, of which not to exceed $17,509,000 shall be available for personal services in the District of Columbia" and insert "personal services in the District of Columbia, and elsewhere"; and in line 23, after "(26 U. S. C. 3792)", to strike out "$220,500,000" and insert "$232,768,000: *Provided,* That the amount for personal services in the District of Columbia shall not exceed $17,509,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Narcotics—Salaries and expenses," on page 13, line 3, after the word "justice", to strike out "$1,560,000" and insert "$1,610,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Engraving and Printing—Salaries and expenses," on page 14, line 1, after the word "investigations", to strike out "$15,000,000" and insert "$16,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Secret Service Division—Salaries and expenses," on page 15, line 5, after the word "criminals", to strike out "$1,900,000" and insert "$1,950,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Federal Supply—Salaries and expenses," on page 18, line 18, after the numerals "1949", to strike out "notwithstanding any other provision of law,"; and in line 21, after the word "receipts", to insert "except where reimbursement to an appropriation or fund is authorized by law."

The amendment was agreed to.

The next amendment was, on page 19, line 20, after the word "hand", to insert a colon and the following proviso: *"Provided, however,* That the Director of the Bureau of Federal Supply may purchase and deliver to any agency in the executive branch of the Government, within appropriated funds otherwise available to such agency, new typewriters in lieu of an equivalent number of typewriters owned by such agency which are eight or more years of age, such over-age machines to be delivered to the Bureau of Federal Supply for application as part payment for new machines or disposal by public sale, whichever is to the best interests of the Government."

Mr. MAYBANK. Mr. President, I send to the desk an amendment to the committee amendment, substituting other language for the proviso in the committee amendment. This amendment has the approval of the subcommittee, and also has the approval of the ranking minority member, the senior Senator from Oregon [Mr. CORDON], who joins me in offering this amendment to the committee amendment.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In lieu of the language of the proviso in the committee amendment on page 19, beginning in line 20, it is proposed to insert the following: *"Provided, however,* in accordance with regulations prescribed by the Director, Bureau of Federal Supply, any agency in the executive branch of the Government, within appropriated funds otherwise available to such agency, may purchase new typewriters in lieu of an equivalent number of typewriters owned by such agency which are eight or more years of age, such overage machines to be applied as part payment for new machines or disposed of by public sale, whichever is to the best interests of the Government."

The PRESIDING OFFICER (Mr. O'CONOR in the chair). The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 21, line 1, after the word "hereunder", to insert "except as to typewriters eight or more years of age which shall be sold at public sale or exchange as hereinbefore provided."

The amendment was agreed to.

The next amendment was, under the subhead "Coast Guard—Pay and allowances," on page 25, line 17, after "(14 U. S. C. 147)", to strike out "$74,500,000" and insert "$77,445,000."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses," on page 27, line 14, after "(14, U. S. C. 50c)," to strike out "$39,225,000" and insert "$39,988,000."

The amendment was agreed to.

The next amendment was, under the head "Title II—Post Office Department—Departmental service—Salaries," on page 29, line 11, after the word "law," to strike out "$435,000" and insert "$437,100."

The amendment was agreed to.

The next amendment was, on page 29, line 13, after "Office of Budget and Administrative Planning", to strike out "$125,000" and insert "$132,300."

The amendment was agreed to.

The next amendment was, on page 29, line 15, after "Office of the First Assistant Postmaster General", to strike out "$1,290,000" and insert "$1,297,000."

The amendment was agreed to.

The next amendment was, on page 29, line 17, after "Office of the Second Assistant Postmaster General", to strike out "$1,250,000" and insert "$1,261,000."

The amendment was agreed to.

The next amendment was, on page 29, line 23, after "Office of the Third Assistant Postmaster General", to strike out "$1,485,000" and insert "$1,519,000."

The amendment was agreed to.

The next amendment was, on page 29, line 25, after "Office of the Fourth Assistant Postmaster General", to strike out "$900,000" and insert "$927,000."

The amendment was agreed to.

The next amendment was, on page 30, line 3, after "(5, U. S. C. 55a)", to strike out "$300,000" and insert "$305,900."

The amendment was agreed to.

The next amendment was, on page 30, line 4, after "Office of the Chief Inspector", to strike out "$435,000" and insert "$446,900."

The amendment was agreed to.

The next amendment was, on page 30, line 5, after "Office of the Purchasing Agent", to strike out "$95,000" and insert "$101,400."

The amendment was agreed to.

The next amendment was, on page 30, line 6, after "Bureau of Accounts", to strike out "$550,000" and insert "$562,000."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses," on page 30, line 14, after the word "Offices", to strike out "$2,700,000" and insert "$2,865,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Chief Inspector—Inspectors," on page 31, line 11, after the word "inspectors", to strike out "$4,750,000" and insert "$4,810,000."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous expenses, Inspection Service," on page 31, line 17, after the word "investigations", to strike out "$950,000" and insert "$958,000."

The amendment was agreed to.

The next amendment was, under the subhead "Clerks, Inspection Service," on page 31, line 20, after the word "service," to strike out "$1,325,000" and insert "$1,333,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the First Assistant Postmaster General—Clerks, first- and second-class offices," on page 33, line 14, after the word "law", to strike out "$625,000,000" and insert "$633,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Clerks, third-class offices," on page 33, line 23, after the word "offices", to strike out "$33,000,000" and insert "$33,750,000."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous items, first- and second-class offices," on page 34, line 5, after the word "for", to strike out "$4,500,000" and insert "$4,843,000."

The amendment was agreed to.

The next amendment was, under the subhead "Village Delivery Service," on

page 34, line 10, after the word "delivery", to strike out "$375,000" and insert "$383,000."

The amendment was agreed to.

The next amendment was, under the subhead "Carfare and bicycle allowance," on page 34, line 19, after the word "bicycles", to strike out "$3,250,000" and insert "$3,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "City delivery carriers," on page 34, line 23, after the word "service", to strike out "$392,000,000" and insert "$394,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Second Assistant Postmaster General—Star route service," on page 35, line 13, after the word "routes", to strike out "$30,000,000" and insert "$33,475,000."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries, Railway Mail Service," on page 36, line 7, after the word "service," to strike out "$128,500,000" and insert "$129,500,000."

The amendment was agreed to.

The next amendment was, in the subhead on page 36, line 8, after the word "Travel", to strike out "Allowance."

The amendment was agreed to.

The next amendment was, on page 36, line 11, after the word "employees", to insert "of the railway mail service"; and in the same line, after the amendment just above stated, to strike out "$8,000,000" and insert "$8,150,000."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous expenses, Railway Mail Service," on page 36, line 15, after the word "for", to strike out "$600,000" and insert "$737,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Fourth Assistant Postmaster General—Supplies and equipment," on page 38, line 24, after the word "expenses", to strike out "$11,000,000" and insert "$11,550,000."

The amendment was agreed to.

The next amendment was, on page 39, line 7, after the word "added", to insert a colon and the following additional proviso: *"Provided further,* That for wrapping twine and tying devices (not more than three-fourths of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States)."

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, do I correctly understand that the amendment on page 39 has been agreed to?

The PRESIDING OFFICER. It has.

Mr. MAYBANK. Mr. President, I ask that the vote by which the amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to is reconsidered.

Mr. MAYBANK. Mr. President, I ask unanimous consent that the amendment be considered after the other committee amendments have been disposed of, because I understand that several Senators desire to have something to say about it.

The PRESIDING OFFICER. Without objection, the amendment will be temporarily passed over. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Rent, fuel, and utility services," on page 40, line 4, after the word "offices," to strike out $16,800,000" and insert "$17,580,000."

The amendment was agreed to.

The next amendment was, under the subhead "Vehicle service," on page 41, line 7, after the word "service," to strike out "$51,000,000" and insert "$53,418,000."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries, custodial service," on page 41, line 20, after the word "service," to strike out "$52,300,000" and insert "$53,600,000."

The amendment was agreed to.

The next amendment was, under the subhead "Supplies, public buildings," on page 41, line 25, after the word "Department," to strike out "$8,000,000" and insert "$8,523,000."

The amendment was agreed to.

The next amendment was, under the subhead "Equipment, public buildings," on page 42, line 19, after the word "Department," to strike out "$1,125,000" and insert "$1,250,000."

The amendment was agreed to.

The next amendment was, under the subhead "Post Office Department—General provisions," on page 44, after line 19, to insert a new section, as follows:

SEC. 207. During the fiscal year 1950 the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work.

The amendment was agreed to.

The next amendment was, on page 45, line 3, to change the section number from "207" to "208."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Government corporations—Reconstruction Finance Corporation," on page 46, line 12, after the word "exceed", to strike out "$25,400,000" and insert "$26,150,000"; and in line 19, after the word "exceed", to strike out "thirty" and insert "fifty-five."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments, except for the one which has been passed over.

Mr. MAYBANK. Mr. President, I have asked that the so-called cotton-twine amendment be delayed until the other committee amendments have been acted upon. I now ask unanimous consent to have that amendment delayed until the amendments which may be offered on the floor are acted upon.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

THE GOVERNMENT'S FISCAL SITUATION

Mr. MARTIN. Mr. President, last Friday we had the high privilege of hearing an address of great historic significance. It was delivered on this floor by the distinguished senior Senator from the Commonwealth of Virginia [Mr. BYRD]. The address appears in the CONGRESSIONAL RECORD, beginning on page 5840. To my mind, it is so important that it should be "must reading" for every Senator and should be given most thoughtful consideration by every American.

No one in America has a better knowledge of the fiscal affairs of our country than does the able senior Senator from Virginia. He sounded a stern and solemn warning against the grave consequences that must inevitably result from the rapidly increasing cost of Government. The facts and figures, as he presented them, should be viewed with alarm by every American who loves liberty and independence, and who places the future welfare of our Republic above selfishness.

With force and eloquence, supported by scholarly and thorough research, the senior Senator from Virginia pointed out that the new spending programs upon which we are asked to embark, if added to the increased demands by established functions and services, would force us to face three alternatives in the future: reduce expenditures, increase taxes, or engage in deficit financing.

Mr. President, I submit to my colleagues in the Senate that we have reached the time of decision. We must choose the course we are to take. We must decide whether we are to put a brake on spending, whether we are to increase the tax burden upon the wage earner and upon productive industry or whether we are to go deeper into debt by spending borrowed money.

The safety and the security of America are in danger unless we choose a course which will restore sanity, stability, and integrity to the fiscal policies of our Nation. Any other course means national bankruptcy.

The distinguished Senator from Virginia has warned that without American solvency, our constitutional freedoms would disappear. Then no power on earth would have the strength to prevent the spread of communism over the face of the world. American freedom would be swallowed up by State socialism, perhaps never to be regained.

These are not fanciful predictions of national disaster which may overtake us in the distant future. They are real. They hang over our heads at this very moment. They are founded upon accurate statistical information that has been made available to every Member of this body and to the American people by the painstaking labor so ably performed by the distinguished Senator from Virginia.

Mr. President, with all the emphasis at my command, I should like to endorse his warning that State socialism has destroyed the free enterprise system in every part of the world in which it has gained a foothold. State socialism is the only system to which a bankrupt nation can turn when excessive taxation robs the people of initiative and incentive. It has been tried repeatedly. It has failed every time. It will continue to fail.

I should like to recall the warnings sounded by the distinguished Senator

from Georgia [Mr. GEORGE], who is an outstanding expert on taxation. He has stated repeatedly that it would be dangerous to the national economy to increase taxes at this time.

I should like to recall to my colleagues also that the distinguished senior Senator from Ohio [Mr. TAFT] and the distinguished junior Senator from Nebraska [Mr. WHERRY] have both, from time to time, urged decreased Federal expenditures.

Mr. President, it seems to me that the time has come when every Senator must look carefully at the over-all picture of expenditures and must aid in the reduction of the cost of the Federal Government. That means that each of us must put aside his pet project; that we must stand firm against spending pressure from every source, and must withold approval of every new spending proposal until such time as we are sure we can afford it.

The Hoover Commission has submitted plans for the reorganization of the Federal Government at an estimated saving of $3,000,000,000. Why is this not done? Is there any reason why these economy proposals should not be made effective without delay? There seems to be no valid reason for further delay, especially in view of yesterday's message from the White House. We should proceed at once to enact legislation authorizing the President to submit his reorganization plans to the Congress in accordance with the recommendations of the Hoover Commission.

The postponement of all public projects not immediately necessary, reduced appropriations for the armed services and European recovery, and the elimination of the vast expenditures proposed for Federal aid to education, socialized health programs, and socialized Government housing can give us an opportunity to keep America solvent, to lower taxes, and to pay a reasonable sum on the national debt.

It seems to me that only two items in the budget are sacred. One is the interest on the public debt. The other is the care of our disabled veterans and the dependents of those who made the supreme sacrifice in our country's cause.

Every other item in the cost of Government can be subjected to the most careful scrutiny and cut to the bone. They are not sacred.

Again I wish to commend the distinguished Senator from Virginia on his timely and most impressive address. I feel it should be read by every American.

(At this point Mr. MCCARRAN addressed the Senate on American policy toward Spain, and debate ensued, all of which, on request of Mr. MAYBANK, and by unanimous consent, was ordered to be transposed to follow the consideration of the appropriation bill.)

J. EDGAR HOOVER

Mr. McCARTHY. Mr. President, I should like to take a few minutes to speak of a man for whom all of us have profound respect and admiration.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. MAYBANK. I should like to ask the Senator from Wisconsin how long he intends to speak.

Mr. McCARTHY. I should say 7 or 8 minutes.

Mr. President, that man is John Edgar Hoover. Today, May 10, 1949, Mr. Hoover completes 25 years of distinguished service as Director of the Federal Bureau of Investigation. Today is the twenty-fifth anniversary of the day he took over as Director. In this quarter century J. Edgar Hoover, because of his completely objective devotion to his job, has become the great nonpartisan figure in Washington. He is respected and praised by Republicans and Democrats alike.

Mr. Hoover, as we well know, is one of those rare men who, every generation or so, appear in our public life and create something new, an important addition to the machinery under which a democratic government operates. The Federal Bureau of Investigation is the great work which Mr. Hoover has created. So often the men who live down through the years in our history are great men because of the excellent job they have done following in the steps of another, following the principles set down by a man before them.

J. Edgar Hoover, on the other hand, has blazed a new path in the field of law enforcement and the protection of our country's security. Out of his own mind, his own energy, his own individual evaluation of the importance of protecting the type of government and life we have, he has created the Federal Bureau of Investigation. The fact that over these 25 years Mr. Hoover has seen the product of his mind come to life and accomplish so much must be a great personal satisfaction to him. And I think that this organization, the Federal Bureau of Investigation, which he alone has created, is the greatest personal tribute which can be paid to him.

Mr. Hoover has spent his entire adult life in the service of this Nation. Born and reared in the District of Columbia, he became associated with the Department of Justice in 1917, and 2 years later, in 1919, was made a special assistant to the Attorney General. In 1921 he was appointed an Assistant Director of the then Bureau of Investigation, and on May 10, 1924, following the reorganization of the United States Department of Justice, Mr. Hoover was appointed Director of the Federal Bureau of Investigation by Hon. Harlan F. Stone, then Attorney General of the United States and subsequently Chief Justice of the United States. That was 25 years ago today. It was a new job, one that no one before him had tackled.

As Director the of FBI, Mr. Hoover was determined to make his organization representative of the best principles of American citizenship. He set high standards, moral, educational, and physical, for his personnel and encouraged the development of alert and faithful coworkers. He instilled the feeling of public responsibility among FBI employees, always emphasizing that he and his associates were servants of the people, responsive to the wishes of the citizens. The FBI has become, in the truest sense of the word, a "we" organization, each individual performing his or her share in carrying out the task at hand.

The FBI, under Mr. Hoover's directorship, became a living, energetic organization, adaptable to the conditions and needs of the time. Less than a month after assuming the directorship Mr. Hoover established the FBI Identification Division, which was to become eventually the world's largest repository of fingerprints. Criminals are mobile and extremely adept at changing names and even physical characteristics. Fingerprints represented the one means of infallible identification. Mr. Hoover realized that law enforcement, in order to keep pace with the criminal, must have a central clearinghouse where fingerprints of arrested criminals could be used to identify the criminal repeater, regardless of whether the crime had been committed on the west coast, the east coast, in the North, or in the South. Today the FBI Identification Division has more than 111,000,000 sets of fingerprints. These fingerprints, I would like to emphasize, are rendering invaluable humanitarian services to the American people, in addition to helping identify evildoers. For example, these prints help identify amnesia victims, victims otherwise unidentifiable of disasters such as fires, flood, and airplane crashes. The vision of Mr. Hoover, a quarter of a century ago, in laying the foundation for this incomparable identification system has yielded untold services to this Nation.

A few years later, in 1932, the FBI Laboratory was established. This laboratory, staffed by highly trained technicians and equipped with the latest available scientific instruments, has applied science to crime-detection work. Evidence previously overlooked as irrelevant or immaterial, now, under the enlightening glow of science, may be the clue to solving the case. A smudge of dirt, a scrap of paper, or a cigarette butt, in the hands of an FBI technician, can become effective and truthful witnesses against the criminal. The FBI Laboratory has performed virtual miracles of accomplishment in strengthening the arm of the law-enforcement officer.

The foresight of Mr. Hoover in reorganizing the FBI on efficient and practical administrative lines soon paid excellent dividends. For America, and law enforcement in general, were soon to face two stupendous challenges: First, the giant wave of lawlessness and criminality which swept the Nation in the early 1930's, when John Dillinger, "Baby Face" Nelson, Alvin Karpis, and their gangs, roamed far and wide in a virtual spree of bank robbery, kidnaping, and murder; and, second, the great war which was to engulf the country a few years later. The FBI, primarily because of the thorough advance planning of Mr. Hoover, was able to master the tasks allotted to it. The special agents of the FBI, in cooperation with local law-enforcement officers, attacked the vicious hoodlums of the 1930's and swept them from American life. The remnants, which remained

intact after the initial blows, retreated into their shadowy underworld haunts only to find themselves relentlessly pursued and eventually brought to justice.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. BRIDGES. I wish to express just a word of commendation of the Senator from Wisconsin for taking occasion, on the twenty-fifth anniversary of Mr. Hoover's service as head of the FBI, to pay him this tribute. I think it is seldom in the history of a country that individual men who come to high position combine the great qualities of leadership which Mr. Hoover has. I think he has character, integrity, courage, vision, and ability. With those five great qualities of leadership, he has given this country, in the FBI, an institution of which all our people, both young and old, are most appreciative. The people of the country generally, regardless of politics or of any prejudice they may have, have confidence in the FBI. That confidence is inspired in large degree by the man who heads the FBI, for all our people have the utmost confidence in his leadership.

So, Mr. President, I think the Senator from Wisconsin is performing a real public service today in officially calling attention to the twenty-fifth anniversary of Mr. Hoover's taking over the leadership of that great institution, the FBI. I know that most Members of this body appreciate highly what the Senator from Wisconsin is doing.

Mr. McCARTHY. I thank the Senator from New Hampshire.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BALDWIN. I wish to say to the Senator from Wisconsin that it seems to me that all Members of the Senate are most appreciative of the action of the Senator from Wisconsin in paying tribute on the floor of the Senate to J. Edgar Hoover on the twenty-fifth anniversary of his service as head of the FBI. In this country we are very jealous of personal liberty and personal freedom; yet all of us recognize that there must be an internal defense of some kind which will protect us against crime and at the same time against enemies from abroad. I do not believe there is or ever has been anyone in the United States who could have done a better job in building up the type of service the FBI furnishes to the people of the United States, than the one which the man who now heads that organization has done. I think all of us as Americans, and all of us who hold office in Government, owe him a great debt of gratitude for the ability, courage, farsightedness, and tact he has displayed during these 25 years in building up what is one of the greatest organizations for the defense of our country we have ever had.

Mr. McCARTHY. I thank the Senator from Connecticut very much.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. IVES. Mr. President, I thank the able Senator from Wisconsin for yielding to me at this particular time, for I should like to join my distinguished colleagues in paying tribute to the great career and outstanding record of J. Edgar Hoover.

Perhaps Members of the Senate noted the introduction earlier today by the distinguished senior Senator from Utah [Mr. THOMAS] of a bill, of which I am privileged to be a cosponsor and which has for its purpose the reducing of juvenile delinquency, in cooperation with the J. Edgar Hoover Foundation. It seems to me that the tributes we are paying today to this great American and the particular recognition in the form of the proposed legislation to which I have just referred, which is aimed at the correction of one of the most serious blots on our society—I refer to juvenile delinquency—are altogether fitting at this particular time. Certainly I know of no more appropriate tribute which could be paid to J. Edgar Hoover than the establishment of a foundation of the kind I indicate, with which the work to be done under the bill in question would be coordinated.

All of us should recognize that juvenile delinquency is something which cannot be ignored by the Federal Government itself. To be sure, the States and municipalities are performing a tremendous service in this critical field, and their service is constantly improving. However, reports which come from a number of the States, from persons who are active in this field of endeavor, show that effort on the part of the Federal Government, through which can be established a standard or pattern to be followed or utilized by the States or localities themselves in their own efforts in this field, is most desirable. It is with this thought in mind that the bill has been introduced on this particular day. Both as a tribute to J. Edgar Hoover and to aid in meeting the great need I have cited, the enactment of this bill is most appropriate and desirable.

So I am very glad at this time to join my distinguished colleagues in paying deserved tribute to J. Edgar Hoover and to point to the significance of the legislation to which I have referred. As a result of the efforts which would be made through the enactment of this kind of legislation, a great stride toward the cure of juvenile delinquency would be taken in this country. That in itself would be the finest tribute which could be paid to our distinguished fellow-American, J. Edgar Hoover.

I thank the Senator from Wisconsin very much for yielding to me.

Mr. McCARTHY. I thank the Senator from New York for his statement.

I may say, Mr. President, in connection with the remarks made by my three distinguished colleagues, that I think one of the reasons why J. Edgar Hoover has been so eminently successful in creating the type of organization he has created is that he is very careful in the selection of the young men who work with him. One of the things which all Senators and all Members of the House of Representatives have learned, and I know they feel very happy about it, is that no Member of Congress pays off a political debt by getting one of his friends into the Federal Bureau of Investigation. Every man who serves the country in that agency is very carefully screened; and the men who are accepted for service in it are selected solely on the basis of merit. No matter where we may go, if we meet a young man who is in the FBI, we know we are in contact with a young man of the highest type.

Mr. BRIDGES. Mr. President, will the Senator yield to me?

Mr. McCARTHY. I yield.

Mr. BRIDGES. I think the particular point the Senator from Wisconsin has just made indicates one of the strongest features of the FBI, namely, that J. Edgar Hoover has never let any considerations except merit and real qualifications enter into the selection of the personnel of the FBI. I agree with the Senator from Wisconsin that no matter where we may go in the United States or its Territories, wherever we may be where the FBI has representatives, we find that they are young men of the very highest type. There may be some who are not; but I have yet to meet a man affiliated with the FBI whom I am not proud to see affiliated with that great service.

Mr. McCARTHY. Again I thank the Senator very much.

Mr. President, I started to say, before I yielded to my three distinguished colleagues, that the FBI's work abroad in safeguarding the Nation's internal security is equally brilliant when compared with the work it has done at home. As we know, when World War II started, the FBI had a tremendous task at hand.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. MAYBANK. I wonder whether the Senator from Wisconsin can tell us how long it will be before he will conclude his remarks.

Mr. McCARTHY. I realize that a short time ago I informed the Senator that I would take only 7 or 8 minutes. I would have taken that long without the interruptions which have come from various of our distinguished colleagues. Of course I have welcomed those interruptions.

Mr. MAYBANK. Mr. President, will the Senator further yield?

Mr. McCARTHY. I am glad to yield.

Mr. MAYBANK. I asked the question of the Senator because several other Senators have asked me when we are likely to consider an amendment to the Treasury-Post Office appropriation bill on which they are most desirous of speaking; and the particular Senators I have in mind have to go to Pennsylvania at 4 o'clock. I make this inquiry solely in their behalf.

Of course, I am happy to have the Senator from Wisconsin present to the Senate the matter he has been discussing at length, but on the other hand I should like very much to be able to inform Senators who have made such requests of me when they will be able to participate in the discussion of the amendment to the Treasury-Post Office appropriation bill which they wish to discuss.

Mr. McCARTHY. Mr. President, of course, I welcome interruptions for the twenty-fifth anniversary of the establishment of the FBI under J. Edgar

Hoover gives us a most welcome and fitting opportunity to pay a tribute to one of the most outstanding men the United States has ever produced.

Mr. President, at the beginning of World War II, special agents again, of course, working with local authorities, quickly and effectively immobilized, within hours after the Pearl Harbor attack thousands of enemy aliens. If the enemy thought he possessed within these alien groups saboteurs who could effectively work within the bosom of America, he was proved to be badly mistaken. The FBI under Mr. Hoover's brilliant leadership, carefully investigated the thousands of allegations of sabotage and espionage and efficiently handled the manifold duties entrusted to him.

Mr. President, I call especial attention to this. Not a single act of enemy-directed sabotage was committed within the United States. That statement, in itself, is a tribute to the men of the FBI.

Mr. Hoover realized that if law and order were to become a reality in the United States all law enforcement must benefit from the advancements of science and the development of new investigative techniques. His experience, as an attorney in the Department of Justice and as Director of the FBI, convinced him that law enforcement was indivisible—an attack on peace officers anywhere was an attack on peace officers everywhere. Accordingly, Mr. Hoover has encouraged cooperation among law-enforcement agencies, national, State, and local. The services of the FBI Identification Division and the FBI Laboratory are available, free of charge, to law-enforcement agencies throughout the country. Moreover, in furtherance of this aim, Mr. Hoover in 1935 founded the FBI National Academy. The academy offers instruction in the latest techniques of crime detection to selected police officers from all parts of the country. These men after graduation return to their home departments and conduct training programs, thereby giving brother officers the benefit of their learning.

The people of the United States today have unlimited confidence in Mr. Hoover. That, I think is perhaps the most profound tribute which can be paid to a man who has served over 30 years in American public life. This confidence has been reflected, year after year, by the Congress of the United States, which has entrusted more and more responsibility to the FBI. At present, the FBI has investigative jurisdiction over more than 120 different Federal violations.

The FBI during these years has developed in the crucible of democracy. At the same time in other countries, in Italy, Germany, and Japan, as we so tragically remember, law enforcement flourished as the tool of a ruthless dictator. Civil rights were violated and personal freedoms disregarded. But the FBI, as the servant of the people, conducted many thousands of criminal and security investigations with scrupulous regard for the rights of the citizens. This is indeed the American way.

The FBI, by acts of Congress and Presidential directives, is charged with the responsibility of protecting the internal security of the country. A vast world-wide ideological conflict between democracy and totalitarian communism is now raging, as we all know. Loss of this struggle would mean the extinction of America, the America we know and cherish. The people of America have unlimited faith that Mr. Hoover and the FBI will do their part in protecting our liberties. That faith is based on the solid rock of Mr. Hoover's 25 years of magnificent achievement as Director of the Federal Bureau of Investigation.

Today, on the twenty-fifth anniversary of Mr. Hoover's service, the American people salute a great man, a truly great man, and a truly great American. He has left an indelible stamp on American law enforcement, a stamp of public service, tireless devotion to duty and unimpeachable loyalty to the principles of American justice. He has been a leader, a creator, a great contributor to our way of life. The Nation justly salutes Mr. Hoover for a job well done, and for establishing an organization that will always be essential and important to America.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising.

TREASURY AND POST OFFICE DEPARTMENTS, ETC., APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes.

Mr. MAYBANK. Mr. President, I ask to have the pending amendment stated.

The PRESIDING OFFICER. The Chair may state that the unfinished business is the Treasury-Post Office Departments appropriation bill, 1950, House bill 3083. There is no amendment pending. The bill is open to amendment.

Mr. MAYBANK. Consideration of the committee amendment on page 39 was deferred until the completion of consideration of other amendments in the bill. If I may propound a parliamentary inquiry, is that the pending question?

The PRESIDING OFFICER. The amendment was passed over temporarily. If the Senator wishes to call it up, he may do so.

Mr. MAYBANK. I wish to call up that amendment at this time.

The PRESIDING OFFICER. The clerk will restate the amendment.

The LEGISLATIVE CLERK. On page 39, in line 7, after the word "added," it is proposed to insert the following proviso: "*Provided further*, That for wrapping twine and tying devices (not more than three-fourths of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States)."

Mr. MAYBANK. I want to say I expect to discuss the amendment at some length. However, I understand the distinguished Senator from Pennsylvania has an engagement, and, if he desires me to do so, I shall yield to him without prejudice to my rights to the floor.

The PRESIDING OFFICER. Is there objection to such an arrangement? The Chair hears none.

Mr. MARTIN. Mr. President, if I may do so, I request the Senator from South Carolina to yield to the Senator from Connecticut in order that he may lead the discussion on our side. I shall probably not take any part in the discussion personally.

Mr. MAYBANK. I shall be glad to yield to the Senator from Connecticut, provided I do not thereby lose my rights to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. BALDWIN. Mr. President, if the Senator from South Carolina desires to be recognized and to discuss the amendment, I may say that is what I intended to do. I had intended to discuss this very amendment. Like the Senator from South Carolina. I have been sitting here since a quarter after 12, as he has, hoping the matter would be reached. The Senator now has the floor. If he desires to discuss the amendment, all well and good. But when I can get the floor, I should like to discuss it, too; or if the Senator desires to yield the floor to me for the purpose of discussing it now, I shall be glad to do so.

Mr. MAYBANK. I should like to make a statement about the amendment: First, for many years the language in the amendment was contained in appropriation bills for the Treasury and Post Office Departments. During the war, in 1943, by reason of the necessity for many cotton mills shifting away from twine to comply with certain regulations under OPA and other regulations, the amendment was omitted.

Since that time there have been many changes in the jute industry in this country, and there have been many changes in the type of wrapping cord used. It is an extremely technical amendment. I shall not discuss the technicalities at length. I ask to have included in the RECORD as a part of my remarks a letter from the Bibb Manufacturing Co., of Macon, Ga., one of the largest cotton mills of the country, showing that they could produce cotton twine that would be more satisfactory to the Post Office Department perhaps than jute. I ask that the letter be inserted in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BIBB MANUFACTURING CO.,
Macon, Ga., May 7, 1949.

MR. ROBERT C. JACKSON,
Washington Representative, National Cotton Council of America, Washington, D. C.

DEAR MR. JACKSON: You asked me over the telephone yesterday if we could give you any information with regard to the relative cost on a yardage basis of the jute twine

and the cotton twine that the Post Office Department normally buys.

It so happens that I have been in communication with Mr. Harrison Parkman, purchasing agent of the Post Office Department, in connection with this same matter, and I have just written him a letter in this connection, and am glad to attach hereto a copy, which I think will throw considerable light on this particular matter.

Mr. Parkman very kindly gave me a sample of the jute twine that the Post Office Department is regularly using, and I had it thoroughly and completely analyzed in one of the finest twine laboratories in this country. According to our analysis, this twine yielded 939 yards to the pound, with a standard break of 22.09 pounds and a knot break of 14.75 pounds.

I believe most jute twines will break at the knot approximately 60 to 65 percent of the standard break, and since it is hopelessly impossible to tie up a package of any kind without a knot, I think it is only fair to figure on the knot break, as no twine is stronger than its weakest link.

Jute twine, according to Mr. Parkman, in March was selling at 37.95 cents per pound, less 2 percent, and on this basis, jute twine, as represented by their sample, yielded 24.74 yards per 1 cent of cost.

We could make a special post-office twine from cotton that would break 14.75 pounds and would yield 1,008 yards to the pound, but our price today would be 43½ cents per pound, less 2 percent. On this basis, we would give the Post Office 23.17 yards per 1 cent of cost in cotton twine, so you will immediately see that there is very little to choose, strictly from a cost standpoint under prevailing conditions.

I might add that cotton is much easier for operators to handle as there are no splinters to stick in the hands of the operators, and I am sure that if we can get cotton twine in the general use by the Post Office Department that it will be a matter of only a short time before all of the twine used by the various post offices will be of cotton origin.

I might also point out that some of the biggest users of twine in this country have recently switched from jute twine to cotton twine, even though they realize the cost of cotton on today's market is slightly higher than jute, and in one particular case where one concern made this switch, they are so happy about the change that they have complained to us, "Why didn't you change us over much sooner."

If we can supply any additional information, I certainly hope you will feel free to call on me.

Yours very truly,

G. P. BARNWELL,
General Sales Manager.

Mr. MAYBANK. Mr. President, I also ask unanimous consent that a letter from the National Cotton Council of America, signed by Robert C. Jackson, its Washington representative, be printed as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COTTON COUNCIL
OF AMERICA,
Washington, D. C., May 9, 1949.

Hon. BURNET R. MAYBANK,
Chairman, Subcommittee on Treasury and Post Office, Senate Committee on Appropriations, Washington, D. C.

DEAR SENATOR: With further reference to the proposal that the Post Office Department purchase a portion of its twine requirements in a twine made from fibers other than jute, you will find attached a copy of a letter received today from Bibb Manufacturing Co., Macon, Ga. As you know, this is one of the largest spinning and weaving establishments in this country and we believe that their views on the matter will be of interest to you.

Very truly yours,

ROBERT C. JACKSON,
Washington Representative.

Mr. MAYBANK. Mr. President, I know that since 1943, because of the war, there have been no bids to the Post Office Department on cotton twine. I know that in the years to come cotton twine will be used by the Post Office Department, not to the extent of 25 percent, but by a larger percentage, because it is of better quality, is more adaptable, and it is an American product. It is not like jute, simply a grass cut in a foreign country, worth 1 cent a pound, and imported into this country.

I do not intend to speak at length, because I stated to the committee, and I repeat on the floor, that I hope this amendment will be retained. If it is not retained, I look to the Postmaster General and to those in charge of the Post Office Department to do what is right by the American people, the farmers of the country, and all who pay taxes to help operate the Post Office Department. All I ask is that, with reference to every bid, the Post Office Department notify the representatives of the cotton industry in Washington and elsewhere, so as to give them an opportunity to sell cotton twine to the Post Office Department. I am not suggesting that the Post Office Department would do otherwise, but I want the record to show that the United States Senate expects the Post Office Department to leave no stone unturned to permit the cotton mills of the Nation to have an opportunity to bid, and that when the bids are submitted the Senate expects the Department to take into consideration the highly technical differences between cotton twine and jute twine, including tensile strength, breaking strength, length of staple, and matters of that kind of which only those who are technically informed have knowledge.

I feel certain, Mr. President, that the Post Office Department has been fair. From the correspondence I have had I know the Department will be fair in considering bids. I regret that for the past 9 years the amendment was omitted from the bill. That was for the reason that cotton was needed to clothe our soldiers and to make parachute webbing and other things necessary to the successful termination of the war.

When jute is brought in from India, financed by British interests, and dumped in this country at almost no cost comparable with cotton, it is time some consideration be given to our own people.

I shall conclude my remarks with the statement that the cotton interests want no advantage over anyone. They want the Post Office Department to consider the price involved. Representatives of the Post Office Department testified before the committee that if this amendment were placed in the bill it might help to reduce the price of jute which England sells here. As a member of the Committee on Post Office and Civil Service I found that we now pay for that commodity the same price we paid 2 or 3 or 4 or 5 years ago. I offered the amendment because the Post Office Department said it would probably force down the price of jute. I am not interested in the price of jute or in any effort to force it down. All I want is a square deal for the American cotton mills, the American farmers, and the American workers, those who belong to the A. F. of L. as well as those who belong to the CIO, and those who belong to no union at all, but who are employed in all the sections of the country in which cotton mills are located.

I hope the Post Office Department will give due consideration to the tensile strength of cotton, and not bid on a yardage basis. I know as well as do representatives of the jute interests that when we could not get jute in this country, hundreds of thousands of bales of a certain grass called sisal were sent to the United States from Mexico. In order to obtain it for shipment, all that had to be done was to cut it and bale it. It could almost be cut with a lawn mower.

Mr. President, that is all I have to say. I know many Senators are interested in cotton, and want the cotton producers and interests to have a square deal. If the cotton manufacturers bid low, they are awarded the business, and if the jute manufacturers bid low, they are awarded the business. But I want the Post Office Department to consider the technical angles to which I have called atttention, including the tensile strength and ease in tying packages.

I now yield to my colleague from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. JOHNSTON of South Carolina. Mr. President, during the war——

Mr. BALDWIN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BALDWIN. I understood that under the rules of the Senate a Senator could yield only for a question. I did not understand that a Senator could attain the floor and parcel it out.

The PRESIDING OFFICER. The Chair recognized the Senator from South Carolina.

Mr. BALDWIN. Very well, Mr. President.

Mr. JOHNSTON of South Carolina. Mr. President, during the war it was true that we had no difficulty in the United States in disposing of all the cotton grown in America, because the war required most of the production. Immediately after the war there was of necessity, a backlog, so to speak, for cotton goods. One could scarcely buy a sheet, a pillow case, a shirt, or a towel at the close of the war, because so much cotton had been used in carrying on the war. Immediately thereafter manufacturers went into making those necessities of life, sheets, pillow cases, towels and they can now be purchased without difficulty, indeed so many of these articles have been made that today we have a large surplus on hand. In the cotton industry it will be found that the mills are oper-

ating on an average of only 3 days a week, due to the fact that they have caught up with the demand for that kind of goods. If the Congress does not take some action to protect our home industries, I fear that they are not only going to be running 3 days a week, but a great many mills will be forced, even this summer to shut down entirely.

This little amendment is not so far-reaching, but we must bear in mind that every little bit helps. The amendment is nothing more than what was carried in the appropriation bills from 1942 back. Since 1942 the amendment has been left out of the appropriation bills.

It is my opinion, and it is the opinion of the Post Office Department, that this amendment will help out in the purchase of twine for the Post Office Department, because the officials of the Department feel that if they have this competition, it will bring about probably a reduced price for jute.

Mr. WILLIAMS. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Delaware.

Mr. WILLIAMS. As the law now reads, when the Post Office Department asks for bids on twine, it also asks for bids on both jute and cotton. Is that not true?

Mr. JOHNSTON of South Carolina. As the law is today, I think they can ask for bids on both, and I think they will do it, even if this amendment is adopted.

Mr. WILLIAMS. Is it not a fact that they do that now, that they are asking for bids on both jute and cotton every time they ask for bids?

Mr. JOHNSTON of South Carolina. If they are put on the same price basis, that excludes cotton, because cotton will naturally be higher than jute. But if this amendment is in the law, the officials are given the right to set a price for each.

Mr. MAYBANK. Mr. President, will my colleague yield?

Mr. JOHNSTON of South Carolina. I yield to my colleague, the senior Senator from South Carolina.

Mr. MAYBANK. I may say that this is a highly technical issue which cannot be satisfactorily debated and settled on the Senate floor. I realize that my colleague knows more about cotton mills than any other Member of the Senate; he worked in them, and he knows about cotton, as I do. It is the tensile strength at the place where the knot is tied that counts. Of course, jute comes from India, a country controlled until recently by England, and jute was brought here in British ships.

As the Senator from Delaware says, jute is cheaper, but not when we consider the tensile strength and other factors. I intend to hold extensive hearings on this particular point when the opportunity presents itself.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. I merely wish to point out that what is proposed under the amendment is not competitive bidding. Those interested are seeking authority to bring about not competitive bidding, but a subsidy for cotton at the expense of the Post Office Department. Today there is competitive bidding, but if this amendment shall be agreed to, it will mean that 25 percent of the purchases would have to be made by the Department not under competitive bidding, but from cotton regardless of the price. Can the Senator refer me to anyone in the Post Office Department who has recommended the purchase of cotton in this connection, and what will be the additional cost involved?

Mr. JOHNSTON of South Carolina. The representatives of the Post Office Department who appeared before the committee said they would like to have this amendment put into the appropriation bill. Does that answer the question?

Mr. WILLIAMS. It would answer it if the Senator would cite the page in the RECORD where I could find that.

Mr. SALTONSTALL. Mr. President, I can answer the question, if the Senator from South Carolina will yield to me.

Mr. JOHNSTON of South Carolina. I am glad to yield.

Mr. SALTONSTALL. It is on page 134 of the "side slips" of the committee. There is a very brief paragraph about it on that page, as well as on page 137.

Mr. JOHNSTON of South Carolina. Mr. President, that is true; it is to be found on page 137, I say in answer to the question of the Senator from Delaware. Would the Senator like to have that inserted in the RECORD?

Mr. WILLIAMS. Yes.

Mr. JOHNSTON of South Carolina. I ask that what appears on page 37, beginning with the words "During the 7 months ending February 28," and through the end of page 138, be inserted in the RECORD at this point.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

1. During the 7 months ending February 28, 1949, the consumption of cotton totaled 4,848,239 running bales, while for the same period in 1948 the total amounted to 5,431,140 running bales, according to reports of the Bureau of the Census.

2. The same reports show that cotton-consuming spindles in operation on the last working day of February 1949 totaled 20,758,000, and on the last working day of February 1948, totaled 21,485,000.

3. According to the Bureau of Labor Statistics, United States Department of Labor, wage earners in the cotton-textile industry dropped from 529,400 in March 1948, to 494,000 in January 1949. This reduction would be much greater if it were not for the fact that many mills have reduced their operations by operating only 3 to 4 days a week while maintaining the same number of shifts.

PURCHASE OF COTTON TWINE

Mr. BUCKLEY. We bought cotton twine up to the 25-percent requirements up to 1941, but you could not get any more. There was only one mill, Mr. Chairman, that was making the twine for us, at that time. The other mills were not equipped to turn the twine out.

Senator MAYBANK. The only thing asked, as I see it, is that we put back into the appropriation bill the old regulation we had before the WPB controlled production in the mills and told them what to make. Now, can you buy on a yardage basis rather than by the pound, because a pound of jute is worth about 4 or 5 cents?

Mr. BUCKLEY. We buy all of our twines through the purchasing agent, and Mr. Parkman can give you all information on that.

Senator MAYBANK. I am not looking for too much information, because I can understand what you are up against, but I wanted to get your thought as to whether or not we should put this back in the Appropriation Act.

Mr. BUCKLEY. It was not any hardship on us before.

Senator HAYDEN. How much difference did it make in money?

Mr. BUCKLEY. I think that it should be back in there, and give us some competition against jute twine.

EFFECT ON PRICE OF JUTE

Senator HAYDEN. What I wanted to know is, when you did have that provision in the law, what were the differences in cost between cotton and jute?

Mr. BUCKLEY. The cotton was more expensive than jute, but the injection of cotton twine into our usage had the tendency to keep the jute twine price down.

Senator MAYBANK. Competition kept jute down, and now they can charge what they want. Has jute gone up materially?

Mr. BUCKLEY. Yes; and you can understand the reason for that, because of the shortage of supply.

Senator HAYDEN. That is the next thing I was going to ask. You have been told that the jute supply throughout the world is very much less than that.

Senator JOHNSTON. You feel the competition would have a good effect, that is the main thing.

Senator HAYDEN. What about that?

Mr. BUCKLEY. It would keep the price of jute down, and give the cotton industry a chance to get in on the market. It did before.

Senator MAYBANK. And today the jute would be financed by the ECA, or by the RFC, or somebody; would it not?

Mr. BUCKLEY. The company from which we buy our jute is here in America.

Senator MAYBANK. But they import the raw jute in bales, and then they make the twine and sell it to you?

Mr. BUCKLEY. Yes; that is right.

Senator MAYBANK. I am not against any American concern for making it—I did not mean it that way—but if we could put a 25-percent limitation there for cotton, I am delighted and pleased to hear you say that you believe that would bring down the price of jute.

Mr. BUCKLEY. I think the competition would bring the price of jute down and also keep the price of cotton twine down.

Senator MAYBANK. Thank you very much.

Mr. JOHNSTON of South Carolina. Mr. President, that bears out the statement I made a few months ago. It shows why we are very anxious to get this little amendment into the bill, to provide for and care for American industry.

Mr. MAYBANK. Mr. President, will my colleague yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. And we are particularly anxious that the Post Office Department judge the article on its merits, not on its price. Sometimes what costs a little bit more is of a great deal more value.

Mr. JOHNSTON of South Carolina. I am glad the senior Senator from South Carolina has brought that to my attention. I have worked in the mills. I have

worked in the carding room and the spinning room, where the threads are tied, and I believe I know something about the industry. With 10 years' experience in a cotton mill, I know that the little thread made from cotton is many times stronger than one made from jute, and a smaller thread can be used in the Department with the same results following the use of a larger thread made from jute.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. Does the Senator realize that this year the Post Office Department is going to spend, if my memory serves me correctly—and if I am not correct I trust I will be corrected—$1,315,000 on wrapping threads for Post Office packages?

Mr. BALDWIN. Mr. President, would the Senators on the other side of the Chamber be kind enough to talk loud enough so we on this side can hear them?

Mr. MAYBANK. I asked the Senator from South Carolina if he realized that this year the Post Office Department intended, under the budget and under the appropriations bill to spend $1,300,000-plus on twine, whether it be cotton, jute, or some other fiber? The Post Office Department expects to spend quite a lot of money this year for that purpose.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. SALTONSTALL. Is it not true that while the Department is going to spend that amount of money for twine, if the amendment is left in the bill it will result in the cost being $170,000 more than it would be if the amendment were stricken out?

Mr. JOHNSTON of South Carolina. The Senator is correct provided the same yardage is purchased. But I call the attention of the Senator from Massachusetts to the fact that not as many yards will be needed for wrapping purposes if cotton twine is used, because sometimes it is necessary to double jute twine, but it is not necessary to double cotton twine.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. Yes.

Mr. MAYBANK. The Senator from Massachusetts and I sat in the subcommittee together hearing testimony on this subject, and I call his attention to the fact that I have placed in the RECORD a letter from Bibb Manufacturing Co., and which the Senator from Massachusetts probably has not yet seen. I have not shown it to anyone because I received it only yesterday. The letter contains technical information regarding the strength and yardage of the different kinds of twine. I should appreciate it very much if the Senator would read the letter in the CONGRESSIONAL RECORD tomorrow. The letter contains approval of the amendment.

I also received a letter from the National Cotton Council which sets forth the wishes of the council. When the Senator and I heard the testimony in the committee, frankly there had been no bids received from cotton manufacturers since 1943 because of the situation the junior Senator from South Carolina has spoken of. I wish the Senator would read the letters. What I want to see, and I am certain my colleague wants to see, is that cotton twine shall receive equal treatment on the basis of its value, and not on the basis of its dollar cost, or, let us say, its penny cost.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BALDWIN. If, as the Senator from South Carolina says, less yardage is needed if cotton twine is used than if jute twine is used, is it not true then that cotton would be in fair competition with jute for the particular needs for which the twine is required? Is it not true that the Post Office Department, if it desired cotton twine, could provide for the purchase of so many yards of cotton twine and for the purchase of so many yards of jute twine, and ask for bids on that basis?

Mr. MAYBANK. Mr. President, will my colleague yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. The Senator from Connecticut is correct. As I have said, I have received a letter from Bibb Manufacturing Co.——

Mr. BALDWIN. Mr. President, I have not completed my question.

Mr. MAYBANK. I am sorry I interrupted the Senator.

Mr. BALDWIN. Would not that result in a perfectly fair competition as between cotton and jute? Will the Senator answer that question?

Mr. MAYBANK. I would never ask for anything except fair competition. That is all the National Cotton Council is asking for. I do not know whether it is a good thing to provide that 25 percent of the purchase must be of cotton. As the Senator well knows, what we want the Post Office Department to do—and, very frankly, I have no secrets from the Senator from Connecticut, and certainly not from the senior Senator from Massachusetts, who sat in the subcommittee with me—what we want the Post Office Department to do is to go back to the practices of the days before 1943, when cotton twine was eliminated because of the uses required of cotton elsewhere, and give cotton twine a chance to come back into use in the Department. Certainly the Senator from Connecticut and the Senator from Massachusetts, of all Members of the United States Senate, would never oppose the cotton industry, which has meant so much, and now means so much, and will in the future mean so much more to the States of Massachusetts and Connecticut. I have always believed that New England mills have done great good to our country. I want to see the mills in Connecticut and in Massachusetts and elsewhere in New England do a good business, just as we are trying to have the mills in our section of the country do good business. I should like to see the mills in Providence, in Fall River, and in other New England cities do a good business.

Mr. BALDWIN. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BALDWIN. I ask the Senator from South Carolina if he does not believe he is overdoing himself in his plea for the cotton mills of New England. I think we can plead for the cotton mills of New England as well as he can. I thank him for his sympathetic interest in our cotton mills. But what we are pleading for is the jute mills of New England, or of the Northeast. Is the Senator correct when he says that he wants a perfectly fair, open, competitive deal in this matter? If that be so is it fair in the bids to require that 25 percent of the purchases must be of cotton? Does that create a situation in which there is fair competition?

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. The testimony given before the committee showed that the Post Office Department believed that the price of jute had increased so much that a proviso should be put in the bill which would require contracts to be let through bids which should tend to lower the cost. I think the Senator from Massachusetts will agree with me that the Post Office Department said that if the proviso were in the bill it would possibly result in lowering the competitive price of jute. That was stated to the committee. I do not vouch for it, however. I can only vouch for the fact that the Bibb Manufacturing Co.'s letter is absolutely correct, because I know something about cotton. As my colleague has said, tensile strength, yardage, and other factors should be considered by the Department.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BALDWIN. On the question of tensile strength I should like to read a statement from the record of the hearings. My good friend from South Carolina said he would like to go back to the early days of the 1940's.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. I may say that I was in the cotton business in Charleston, S. C., and I did a great deal of business with Connecticut mills, as well as mills in other New England States. I have gone through those mills, and know much about them.

Mr. BALDWIN. My distinguished friend the Senator from South Carolina said he would like to go back to the situation as it was in the early 1940's, and if the junior Senator from South Carolina will yield, I should like to read from the hearings on the Treasury-Post Office Departments bill in 1940. That was before the war.

Mr. MAYBANK. Mr. President, will my colleague yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MAYBANK. I wish to correct the statement I made. I said I should like to go back to conditions as they once were, which is provided for by the amendment that is in the bill. I did not suggest that we go back to any such conditions as existed in this country or elsewhere in the dark days in 1940 or 1941.

Mr. BALDWIN. I understand that. The Senator wanted to consider the matter with reference to cotton legislation. I should like to read for the benefit of the RECORD the statement of a purchasing agent which was made when the bill was under consideration at that time. Mr. Parkman answered a question asked him by the Senator from Massachusetts [Mr. LODGE]:

Senator LODGE. And is it not true that for certain purposes cotton is not as good as jute?

Mr. PARKMAN. It all depends on your twine. Going back to 1915, when jute was selling at 12.62 cents a pound, the Department bought 530,000 pounds of cotton twine for experimental purposes at slightly higher prices. The next year a million pounds were purchased. The first year—1915—about 28 percent of the total amount of twine bought was cotton, and the second year—1916—about 59 percent of the total purchase of twine was cotton. I happen to know about this cotton twine because I was postmaster in Kansas during the war. The cotton twine would cut the men's fingers. It was too strong. It had too high tensile strength. At that time jute twine was selling at around 10 cents a pound. The cotton twine was so unsatisfactory that no more was purchased for 16 years, even when, 5 or 6 years later, the cost of jute twine went up to over 27½ cents a pound, although experiments were made with paper twine, which was found to be unsatisfactory. Again in 1932 the Department, due to the depressed condition of cotton, got out a proposal for twine, and advertised for only cotton twine, leaving jute out entirely. The Comptroller General wrote a letter of severe criticism to the Postmaster General at that time on account of limiting competition to one product. The Department rejected those bids, readvertisement was issued for cotton or jute, and, due to lower price, jute was purchased.

Further, Mr. Parkman said:

But if we were limited to cotton twine right now we would have to take any kind of twine at whatever price was offered.

Mr. MAYBANK. The Senator is correct. During the war we had to take it at any price.

Mr. BALDWIN. I am speaking now of the time before the war, in 1940. The Senator will remember that in 1940 we were assured that we would never get into a war.

Mr. MAYBANK. I was not in the Senate at that time, so I gave no such assurance.

Let me ask the Senator a question. The Senator stated that the employees of the Post Office Department cut their hands on cotton twine.

Mr. BALDWIN. That is what the representatives of the postal employees have said, and I believe that they are truthful.

Mr. MAYBANK. I doubt whether anyone would cut his hands with either twine. I have before me samples of both, which I should be glad to have the Senator try. I will demonstrate——

Mr. SALTONSTALL. I invite the attention of Senators to the fact that the senior Senator from South Carolina is one of the strongest men in the Senate. His example is no measure of strength.

Mr. JOHNSTON of South Carolina. Mr. President, I ask the Senator from Massachusetts to take the two different kinds of twine and try them out. He will see that the cotton twine will not cut his fingers. That is especially true as it applies to a man who has been working daily outdoors, or working in the post office, where he has experience almost every minute with handling twine in wrapping packages.

The only reason we are advocating this amendment is to give cotton a little break. When I say "a little break" I do not mean that we want to give cotton any advantage beyond what it deserves. If Senators will only do that, this amendment will be adopted. As the Post Office Department well points out, it would like to see this amendment adopted in order to provide some competition between different kinds of twine. I believe that competition would be good for the taxpayers of America. That is what the representative of the Post Office Department meant when he spoke before the committee. So I hope that cotton will be given an opportunity for a fair trial for 1 year as a wrapping twine in the Post Office Department.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 39, line 7.

Mr. SALTONSTALL. Mr. President, in Massachusetts we have cotton mills, and we also have a jute mill. I hope that this amendment will be stricken from the bill. I say that for this reason: We want fair competition. We want just what the junior Senator from South Carolina wants. But if this amendment remains in the bill, it will mean that 25 percent of all the twine bought must be cotton, and that with respect to that 25 percent, no bids will be received for jute.

I should like to point out that this amendment was first placed in the law in 1940. It was not in the law before 1940. Before that time bids could be received on both cotton and jute, but there was no exclusive provision that 25 percent should be cotton twine. In the 3 years 1941, 1942, and 1943, bids were received on cotton. In 1941 jute cost approximately 14 cents a pound. I am omitting the fractions. Cotton cost 20 cents a pound. In 1942 jute cost 17 cents a pound and cotton cost 32 cents a pound, almost double. In 1943 jute cost 23 cents a pound and cotton cost 40 cents a pound, or approximately double. During the war years jute alone was bought. The amount of twine used was trebled between 1941 and 1945, because of the increase in the volume of mail.

We are told by the post-office officials that jute is a more efficient twine than cotton. I shall not argue that question in detail, because I do not know. We have to take their word for it. If we have fair competition, we want to get the cheaper product. It is not in the record, but it is my recollection that we were told that if this amendment were to prevail, it would cost approximately $170,000 more than if jute alone were used. We want to receive bids on jute which will be as low as possible. We want to keep expenses as low as can be done.

As I say, in Massachusetts we have cotton mills and we have a substantial jute mill. All we want is fair competition as between the two kinds of twine. I believe that the employees of the Post Office Department as a whole prefer jute to cotton, so I hope the amendment will be defeated.

Mr. MAYBANK. Mr. President, may I ask the Senator a question?

Mr. JOHNSTON of South Carolina. I yield for that purpose, if I may do so without losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAYBANK. The Senator from Massachusetts stated that there would be a certain additional cost if this amendment were adopted. As I remember, he gave the figure of $170,000.

Mr. SALTONSTALL. That is the figure which I remember. I cannot prove it, because that figure is not in the record.

Mr. MAYBANK. I would not ask the Senator to prove it, because any statement he might make would be correct. I make this suggestion to the Senator: One reason we are concerned is that the 90 percent of parity may or may not be continued in farm legislation in the future. I am hopeful that it will be. I expect to vote for 90 percent of parity. I intend to vote against a variable parity being put into effect. So whatever the Post Office Department may have figured on, it figured on the basis of the present price of cotton as compared with the present price of jute. No one knows what the future may hold as to the price of either jute or cotton.

We do not want to cause the taxpayers an additional expense of $170,000. All we want is a square deal on the basis of the intrinsic value in the fiber, and the value to the Government itself, not on the basis of some post-office employee's opinion based on the fear that he may hurt his hands tying packages. We pay Post Office Department employees pretty well for tying packages.

Mr. SALTONSTALL. I agree with the Senator. All we want is square, open competition. We want to see stricken from the bill the provision that 25 percent of the amount used shall be exclusively for cotton twine. Then let the best man win.

Mr. BALDWIN. Mr. President, it is the purpose of the junior Senator from Connecticut to address himself to the proviso recommended by the committee, on page 39, beginning in line 7. As the junior Senator from Connecticut understands that provision, it would require the Post Office Department to spend one-fourth of the funds appropriated for the purchase of twine in buying cotton twine, irrespective of its cost.

As the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] has said, it is proposed that 25 percent of this appropriation be spent for cotton twine, with respect to which there will be no competition whatsoever from jute. If my distinguished and amiable friends from South Carolina want a perfectly open and square deal, the thing to do is to strike out the proviso. Then we shall have open and fair competition on the

basis of intrinsic value, yardage, price, delivery, or any other factor the Department may wish to include.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. MAYBANK. I am happy to hear the Senator say that all he asks is a fair deal, on the basis of intrinsic value, yardage, tensile strength, and so forth. That is all we ask.

Mr. BALDWIN. What the Senator from Connecticut is saying is that we would get it if we were to strike from the bill the 25-percent proviso.

Mr. MAYBANK. I presume that the Post Office Department pays some attention to what happens in the United States Senate. The Senator from Connecticut and the Senator from Massachusetts have both stated that all they desire is a fair deal. That is all we want. We do not want a decision based upon the statement that cotton twine is going to hurt someone's fingers. What we want is a decision based upon the value of cotton twine as compared with the value of jute, or anything else.

Mr. BALDWIN. Mr. President, this proviso appeals to me as being a rather extraordinary proposal. In its report the committee has advised us that the estimated postal deficit for the present year will amount to $526,441,972. It is also estimated that for the fiscal year 1950, the postal deficit will be $403,672,300.

Even though the committee has proposed an increase of $187,904,675 over the appropriations for 1949, including the amounts carried in the first deficiency bill for 1949, the grand total of $2,045,209,500 is a reduction of $34,462,800 below the budget estimate.

In other words, the committee has substantially reduced the appropriation, as compared to the amount recommended in the budget.

We are told that during the calendar year 1949 the Post Office Department handled the largest volume of business in its history; and there appears to be every likelihood that the volume of its activities will continue to increase.

The Postmaster General has the obligation to render proper service, and is authorized to appoint certain employees in whatever numbers may be necessary to move the mail, regardless of the amount of the appropriations. There is, therefore, the ever present likelihood that the estimated postal deficit of almost $404,000,000 may turn out to be even larger, and may approach the 1949 estimate of $526,441,972.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask if it is not true that the Post Office Department itself had nothing to do with the building up of that deficit, but that during recent years the granting of salary increases, without any increases in postal rates, has brought about that condition.

Mr. BALDWIN. I agree with the Senator but it seems to me that we are approaching the stage where we cannot simply say, "It is just too bad that this deficit has occurred for various reasons," and then not attempt to do anything about it. The fact remains that there is a deficit, and we must make every possible effort to reduce it.

Mr. JOHNSTON of South Carolina. Mr. President, is it not also true that the penalty mail and the franking privilege cost the Government almost $100,000,000?

Mr. BALDWIN. That is correct.

Mr. JOHNSTON of South Carolina. Is it not also true that we are subsidizing the air-mail service—which ought to be charged to the defense of the Nation—$26,000,000 a year?

Mr. BALDWIN. The Senator is correct.

Mr. JOHNSTON of South Carolina. So it seems to me those matters should be taken into consideration when we talk about the $403,000,000 deficit of the Post Office Department.

Mr. BALDWIN. Mr. President, my answer to the Senator is that although there may be plenty of excuses for the existence of the deficit, there is no excuse for our not doing everything in our power to reduce it.

The proviso to which I am addressing my remarks will cost the people of the country approximately $170,000. Comparatively speaking, that is not a very large amount, and some persons may say it is only a drop in the bucket. However, Mr. President, if there are enough drops of that sort, the bucket will soon be filled.

Mr. JOHNSTON of South Carolina. Mr. President, if the Senator will further yield, I should like to ask whether he will be in favor of making every county newspaper pay its way, so far as the postoffice service it receives is concerned.

Mr. BALDWIN. Mr. President, we are not discussing postal rates at this time; we are discussing the deficit in the postal budget. When the time comes to discuss postal rates, I shall be happy to do so.

Mr. JOHNSTON of South Carolina. The Senator from Connecticut is discussing the Post Office Department and its deficits, so I think all the facts in that connection should be brought out. I think the public should have all the facts, not merely half of the facts.

Mr. BALDWIN. Mr. President, in answer to the Senator's statement, I say that I am not on the subcommittee; but I, for one, believe that in certain areas there should be increases in postal rates; and I shall be glad to join with the Senator as to any suggestions he may care to make for increases in postal rates.

However, at this time we are talking about a means of making a saving in the appropriations, although only a small one, to wit, a saving of approximately $170,000.

Under these circumstances, Mr. President, one would have every reason to expect that no amendment which admittedly would have the effect of increasing the costs of the postal service would be seriously considered. Under no circumstances, Mr. President, would any unnecessary increased costs appear to be warranted.

Mr. President, I think my distinguished friend, the Senator from South Carolina [Mr. JOHNSTON], who is the very able chairman of the Committee on Post Office and Civil Service, will agree with that statement, for in his work on the committee he has already indicated his agreement with it.

We have investigated the cost of the proviso now under consideration, and the effect it will have upon the postal service. The statement was made—and its accuracy was confirmed—that the effect of requiring the use of the different kind of twine, as stated in the proviso, rather than to permit the Department to use the kind it has used for many years past, and is using today, will be approximately $175,000 annually.

It may be inconceivable to some persons that the annual appropriation for twine used by the Post Office Department should amount to more than $1,000,000, but that is indeed the case. Such twine is one of the very large items of supply for the Post Office Department. So we are dealing with an important item, insofar as the Post Office is concerned.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BALDWIN. I am glad to yield.

Mr. LONG. Does not this amendment amount, in fact, to the granting of a subsidy to certain cotton producers, by requiring the Post Office Department to use such cotton twine?

Mr. BALDWIN. That is correct; the effect is to grant a subsidy to cotton producers.

Mr. LONG. Is it not also true that the Post Office is losing $500,000,000 a year because it is subsidizing practically everyone in the United States, in one fashion or another?

Mr. BALDWIN. The Senator from Louisiana is absolutely correct.

Mr. LONG. I wonder whether the Senator from Connecticut will agree with me that the chances are we can remove almost all the $500,000,000 deficit if we put the appropriations for the postal service fairly well in line with the actual cost of providing the service.

Mr. BALDWIN. I agree with the Senator from Louisiana that we must do two things, insofar as the Post Office Department is concerned: First, we must cut down the costs of the postal service in every way we economically can do, consistent with the rendering of good service; and, second, we must impose increases in postal rates, where they can be properly and economically applied. I think we should not accept some of the recommendations made by the Postmaster General. We must recognize that the Post Office Department furnishes service to the country as a whole, and probably we shall have to continue to subsidize the postal service for a long time to come. But I think the Senator from Louisiana is absolutely correct when he says that we should reduce the subsidy to the point of having it meet the basic needs of the particular service we have in mind.

I submit that the proposal we are now discussing should not be regarded as a proper subsidy, because the cotton industry already is receiving a very substantial subsidy in the form of support prices. I believe in having the Govern-

ment provide support prices for cotton, and I have voted for them.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BALDWIN. I am glad to yield.

Mr. SALTONSTALL. I should like to point out, in connection with what the Senator has just said, that, so far as the parity price of cotton and subsidies are concerned, the item now under consideration is a small one. In support of that statement I submit the following memorandum from the Post Office Department:

POST OFFICE DEPARTMENT,
FOURTH ASSISTANT POSTMASTER GENERAL,
Washington, D. C., May 2, 1949.

Memorandum for Mr. BUCKLEY:

In compliance with your telephonic request of today, there is shown below data in connection with the purchase of all kinds of wrapping twine during the fiscal years 1941, 1942, 1943, 1945, 1946, 1947, and 1948:

1941	
1,964,101 lbs. jute, average cost, $0.1429 lb	$280,558.69
533,530 lbs. cotton, average cost, $0.2025 lb	109,511.45
Total	390,070.14
1942	
2,025,460 lbs. jute, average cost, $0.17 lb	344,328.32
385,725 lbs. cotton, average cost, $0.3261 lb	125,807.24
Total	470,135.56
1943	
2,552,816 lbs. jute, average cost, $0.2019 lb	515,441.14
429,248 lbs. cotton, average cost, $0.404 lb	173,452.51
Total	688,893.65
1945	
4,337,366 lbs. jute, average cost, $0.21 lb	911,284.60
1946	
4,251,239 lbs. jute, average cost, $0.22 lb	907,081.60
1947	
3,683,864 lbs. jute, average cost, $0.25 lb	910,559.60
1948	
8,321,206 lbs. jute, average cost, $0.318 lb	$1,056,187.54
ESTIMATE 1950	
3,890,000 lbs. jute, average cost, $0.3595 lb	1,337,340.00

It will be noted that I have added the information for the fiscal years 1942 and 1943 as considerable cotton twine was purchased during those two fiscal years.

L. H. VULLINGS,
Acting Superintendent.

So, Mr. President, from the standpoint of the use of cotton, this item is a comparatively minor one at best. If we take the word of the Post Office officials—and I say this even though in Massachusetts both jute twine and cotton twine are manufactured—cotton twine in this instance is less efficient than jute twine.

Mr. BALDWIN. I thank the Senator from Massachusetts for his contribution.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BALDWIN. I am glad to yield to the Senator from South Carolina.

Mr. MAYBANK. So that the RECORD may be entirely clear, I should like to ask the Senator from Connecticut a question. It was stated that there was a very high subsidy on cotton, in fact that it was oversubsidized, or something to that effect. That is also true is it not of all agricultural products, or at least the majority of them?

Mr. BALDWIN. The Senator is correct.

Mr. MAYBANK. The business of this country is subsidized.

Mr. BALDWIN. It is, indeed.

Mr. MAYBANK. Is it not a fact that the United States Government took the cotton of the poor cotton farmer and sold it at a profit of $90,000,000?

Mr. BALDWIN. The Senator is more familiar with that detail than I am.

Mr. MAYBANK. That is in the RECORD.

Mr. TAFT. Mr. President, if the Senator will yield, I may say the Government never got the $90,000,000. That was only the figure at which it sold to foreign countries, who never paid for it. That was the net result of lend-lease.

Mr. MAYBANK. But the Senator will agree as to the figure; will he not?

Mr. TAFT. Yes; but we got no money for it. We merely got in return credits that we canceled. That is all we got for it.

Mr. MAYBANK. But all the cotton of the cotton farmers was sold, it having been taken over at a certain price, and exported. Is that not correct, I ask the Senator from Ohio? Therefore, the books of the Commodity Credit Corporation show a credit for cotton.

Mr. TAFT. That is correct, but only because the Government in effect gave them the money, except that for a year or two before the war, there was small profit. But all the stuff that was sold for them was sold on credit, and we never got the money.

Mr. BALDWIN. It was a paper profit of the most paperish sort, was it not?

Mr. TAFT. That is correct.

Mr. MAYBANK. Let us be frank about this matter. With all the Government's appropriations under the Marshall plan, besides the large credits available, many business corporations, textile institutions, and others have derived no benefit.

Mr. BALDWIN. I may say to my distinguished friend, on that point, that one of the most vigorous complaints I get from my constituents, the workers in Connecticut, who now number about 12 percent on the unemployment rolls, is that no appreciable amount of business has been coming into Connecticut under the Marshall plan. I may say further to my distinguished friend from South Carolina, concerning the subsidy and the tariff, about which he was speaking, that one of the large industries in the State of Connecticut is the watch and clock industry, and it is also a large industry in the State of Massachusetts. By reason of the variations now in effect, some of the largest clock and watch industries are closing their doors and turning their employees away. We are not here asking for a subsidy for special treatment of the watch and clock industry. All we want in that respect is a fair deal.

Mr. MAYBANK. That is all we want.

Mr. BALDWIN. And that is what I say we are not getting.

Mr. MAYBANK. I may say to the Senator from Connecticut I hope, when appropriations come before the Senate, he will join with me, as I joined with the Senator from Ohio [Mr. TAFT] and with the Senator from Georgia [Mr. RUSSELL], in supporting a cut of 10 percent, and, if necessary, a cut of 20 percent.

Mr. BALDWIN. Of course, my distinguished friend is on the right track, but I would ask him to join with me in one thing. When we come to the extension of the Reciprocal Trade Agreements Act, let us put in it the danger-point provision again. As I want to see the cotton industry in the Southland supported by an open and aboveboard, fair subsidy, so, too, I want to see the American worker and the American industrialists in the State of Connecticut have a fair break with foreign competition.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. BALDWIN. I am glad to yield.

Mr. LONG. I should merely like to say to the Senator, I believe he is basically sound in arguing against a subsidy of $150,000, on one point, but I should like to suggest to him that he go along with me when we start working on the $500,000,000 subsidies. We ought to do something about the post office, generally.

Mr. BALDWIN. I think my distinguished friend from Louisiana has a good point.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to refer to the Post Office Department. United States savings bonds and stamps cost the Post Office $1,697,129; Civil Service, $1,767,943; documentary stamps, $321,582; migratory bird stamps, $86,512; custodial service in public buildings, similar to that employed in connection with the courts throughout the land, $14,844,680. It looks as if other departments are riding the Post Office Department at the present time. Personally I think we should look into all these charges which are now placed on the Post Office Department, and put them under "miscellaneous", instead of placing them on the Post Office, and then saying that the Post Office has a deficit of so much, for airplane service, and many other items. I myself am becoming tired of hearing so much talk about the deficit, when we are not told what is bringing it about.

Mr. BALDWIN. Mr. President, to resume my remarks, I would say to my distinguished friend that what I am contending for is the same thing he is contending for, to help reduce the deficit in the Post Office Department. The proviso in the bill will add $175,000 alone to that deficit. That is why I am against the proviso.

Mr. JOHNSTON of South Carolina. Mr. President, I do not know exactly what it will cost. No one knows. No one knows what cotton will be bringing. No one knows exactly what jute will be

bringing. That is only an approximate amount, under the present tariff, and if we continue to be unable to run our mills and produce our cotton, I think the Senator from Connecticut realizes what will happen to the price of cotton.

Mr. BALDWIN. I may say also, Mr. President, in response to my good friend's statement, as he has pointed out, that the Post Office Department is carrying other special subsidies of one kind and another, burdens which should not be on its back; and with that I am in absolute agreement. But I pursue the point further to say, when we are going to subsidize cotton, let us do it through the agricultural bill, not through the appropriation bill for the Treasury and Post Office. That is the point we are arguing here. As I stated before, the proviso will increase the cost about $175,000 annually.

More than this, Mr. President, for this additional cost, the Department will get less twine than it could obtain for the same amount of money.

This alone, Mr. President, should certainly lead us to be reluctant to adopt a provision which was not requested in the executive budget, and was not passed by the House.

This proviso was added by the committee. It was not requested in the executive budget. It was not passed by the House. It is an idea that originates in the Senate. The executive department, in its budget, omitted any such proviso, and the House when it passed the bill omitted it.

It should certainly warrant the most searching scrutiny of the proposal, and particularly of the reasons why an increase of this magnitude in cost should be provided under present fiscal conditions and the anticipated postal deficits which have led to requests for increases in certain postal rates.

In the course of my inquiry, Mr. President, I have discovered that this is not altogether a novel proposal. It appears to have had a considerable history.

I should suppose, Mr. President, that we have no more zealous and devoted group of governmental employees than those in the postal service.

Over the years every effort has been made, and properly so, to provide them with the best materials which they need in the performance of their arduous duties.

Every year the Post Office Department purchases several million pounds of twine to enable its employees, particularly those who work in railway mail cars, to tie up the bundles of letters which are sorted for distribution and delivery.

Careful specifications have been developed, I am told, to secure a twine which will function properly. It must be of such character that it will hold letters together and not stretch or permit them to slip.

It must permit rapid handling of the mails. Above all, it must not be so made that in the performance of their duties the postal employees will cut or injure their hands in working with it.

Mr. President, it has been pointed out that cotton has a higher tensile strength than has jute. That is correct, but, in the minds of the men employed in handling this twine for long years in the postal service, that is a disadvantage rather than an advantage.

For these purposes the Post Office Department, since the turn of the century, has been using a letter-mail twine made of jute.

It bought this twine for several reasons. It was economical to do so. It was a completely satisfactory product. The needs of the postal service were met in timely fashion. Moreover, no other adequate letter-mail twine was available.

Despite some experimental work, a satisfactory cotton letter-mail twine has, in fact, never been developed.

My friends have said that what they want to do is to give an opportunity to the cotton manufacturers and cotton growers to provide this kind of twine. We have been working with it for a long time, Mr. President, and the right kind of cotton twine has never yet been developed.

On this point, Mr. President, I have found that as late as 1939 the Purchasing Agent of the Department, told the Senate committee that in only 2 years up to that time had the Department purchased cotton twine. He said:

> I happen to know about this cotton twine because I was a postmaster in Kansas during the war. The cotton twine did cut the men's fingers.

In the same hearing he said:

> The main objection to the use of cotton twine is on account of the cutting of the fingers and the stretch that is in the twine.

Nevertheless, Congress had been persuaded for the fiscal year 1940 to include in the departmental appropriation a proviso similar to that now recommended to be included in this bill.

It would seem appropriate, Mr. President, to inquire what happened. The first effect was that the Department's buying program for this necessary supply item was thoroughly disrupted. In addition, it had to pay $89,000 more for its letter-mail twine and got less twine.

Even more striking, Mr. President, was the fact that throughout the 3 years in which this provision was in effect, only one cotton mill elected to bid to supply the departmental requirements.

The junior Senator from Connecticut may say that there are cotton mills in Connecticut, just as the distinguished Senator from Massachusetts reminded the Senator from South Carolina that there are cotton mills in Massachusetts. Indeed there are; and there are also jute mills in New England, and I think it is fair that they should have an even chance.

Certainly, Mr. President, in the reciprocal-trade arrangements we shall find it will be more feasible for us to import raw materials in return for the export of our manufactured goods than it is to do the other thing, for our good and our own protectin. While I want to see the cotton farmer get a square deal, and I also want to see the cotton-mill worker and the cotton-mill owner get a square deal, I also want to see manufacturers in New England get a square deal, whether they be cotton manufacturers or jute manufacturers.

With this provision in the law, the Post Office had to take whatever cotton twine was offered at whatever price was charged by this single manufacturer. But even more important, from the point of view of postal employees, it could not get a satisfactory twine made of cotton. Under the proviso, the Department had to take whatever cotton twine was offered at whatever price it was offered.

This unsatisfactory condition continued, Mr. President, until in the appropriation bill for the fiscal year 1942 the proviso was eliminated. Nevertheless, the Post Office Department has consistently continued to invite bids on both types of twine. It has always purchased on competitive bidding, but over the years it has never been established that a satisfactory twine of cotton could be manufactured and delivered in accordance with the postal needs.

I do not gloat in satisfaction over that. I simply state it as a fact. If a cotton twine could be developed which could compete in price, in usefulness, and in adaptability to the uses of the Post Office Department, that would be fine. But I say it has not yet been done, and it is up to the cotton manufacturers to do it on a perfectly open and fair competitive basis.

Why, then, Mr. President, you might ask, are we dealing with this same suggestion today?

I have examined the hearings on this proposal and I find that it apparently originated in a letter from interested cotton-twine manufacturers and their trade associations. In this communication it is reported that these manufacturers are doing exploratory work directed to a better cotton twine for post-office requirements.

It would appear, Mr. President, that this is a recognition of one of the difficulties which led Congress to eliminate this same proviso 8 years ago.

The letter also recognizes that cotton twine will cost more and that there should not be imposed upon the Post Office Department any unnecessary burden or expenditure.

One of the extraordinary things, Mr. President, is that the purchasing agent of the Post Office Department, to whose previous testimony on the unsatisfactory character of cotton twine and its excessive cost I have previously referred, was present at the hearings early in April, and it was suggested to the committee that he could furnish it with information. However, he was not invited to testify before the committee. I simply say the committee has not had the benefit of his information.

Mr. President, it should be clearly understood that there is nothing to prevent anyone from bidding to supply cotton letter-mail twine to the Post Office Department. Indeed, we have been advised that in every invitation for many years the Post Office Department has included specifications for cotton twine and has invited bids. There is a free and open opportunity for competitive bidding on this item.

Nevertheless, only occasionally have cotton manufacturers ventured to make bids for small portions of the Post Office's needs.

For example, the purchasing agent reported in 1943 that he had succeeded in getting only partial bids for cotton twine at a price 20 cents per pound over bids for jute; and this had been despite visits which he had made to several large cotton mills in an unsuccessful effort to get them to bid on the Department's requirements.

What we have here, Mr. President, is something entirely different. It is a provision which is designed to create a protected market for this supply item and to require the Post Office Department to purchase cotton twine no matter how much it costs.

Even if a satisfactory cotton twine is not offered, the postal service will have to take, in the words of the purchasing agent, "any kind of twine at whatever price it is offered."

This seems to me, Mr. President, to be highly discriminatory as well as extravagant and burdensome.

I should like to digress a moment, Mr. President, because it seems to me that sometimes in appropriation bills strange and unusual things are done. For example, in New England we manufacture a large number of typewriters, and employ thousands of people in their manufacture. But each year the appropriation bill contains a clause—which the Senator from Connecticut has fought each year—not providing for open competitive bidding, but providing that no department can bid higher than a certain price for typewriters. In other words, the Government steps into that particular field and asks that it be a preferred purchaser. It does not undertake to compete with other citizens of the country but asks that it be a preferred purchaser, so that it can purchase typewriters at prices lower than those at which they are sold generally.

If there is such diligence in saving money that the Government puts a ceiling on the price of typewriters bought for the Federal Government, why is it that it does not exercise diligence when dealing with another important matter of supply? It seems to me that indicates a most glaring inconsistency.

The American companies who employ American labor and now supply through competitive bidding, the twine which the postal service uses, are not located in Connecticut. Their mills, I am told, are located in Pennsylvania, Massachusetts, New York, New Jersey, Delaware, and other States.

Nevertheless, it would seem that from their point of view this is a highly discriminatory proposal, namely, to give a protected privilege of supplying a necessary item for the postal service, by those in competition with them, wholly apart from price. Whether we should do this by a subsidy in the appropriation bill for the Post Office Department, or in the agricultural appropriation bill, seems to me to be open to no question. If we are to give this subsidy, it should be in the appropriation bill for the Department of Agriculture, in the appropriation for support prices and items of that sort.

Whether this should be done at the cost of the postal service, rather than by open and direct provision, might be a matter for debate. But the fact is that the relative amount of cotton involved is insignificant.

In 1939 the purchasing agent told the Senate committee that if the Department used entirely letter-mail twine of cotton, it would consume only thirty-three ten-thousandths of 1 percent of an average crop. Under the present proposal, to require that one-quarter of its needs be purchased in cotton twine, the amount of cotton consumed would be slightly over one one-thousandth of 1 percent of the anticipated 1949 crop.

Mr. President, this is a small item, but it seems to the junior Senator from Connecticut that a very important principle is involved. If we are to support commodities, if we are to support agricultural products, let us come right out in the appropriation bill and say, "Here is the manner and method we provide for the support." Let us not run around, and tuck here and tuck there and tuck some other place a little subsidy provision which adds to the cost of the commodity to the taxpayers.

There is another principle involved in this, and that is why I trespass upon the Senate's time in discussing at some length an item which appears to be comparatively small. In the whole budget there are hundreds of thousands of items. When we can find one in which we can honestly and fairly and justly make some reduction, when we can find a particular item in the budget where, by adopting one policy, we can save a few thousand dollars here, a couple of hundred thousand dollars there, or $50,000, and can multiply that by a thousand times, we are doing the kind of job which should be done in an effort to reduce the cost of Government. But if we are profligate, if we say, "This is a small item; it does not make much difference whether we pay $20,000 or $40,000, in a $40,000,000 budget," and multiply that many times, it makes a large difference when we come to determine whether the budget is to be in balance or not.

Accordingly, Mr. President, it seems to me that there is no basis in good judgment, fairness, or sound economy, to support this proviso. In the face of a vast postal deficit, accompanied by reductions in the requested appropriations, and by the prospect of having to increase postal rates, we are asked to require the Department unnecessarily to increase its costs on an essential supply item by $175,000.

To do so will disrupt the procurement program of the department. In addition, there is no assurance that a satisfactory product can be now supplied by those who are asking for a protected market, or that the efficiency of the service will not again be impaired and its employees subjected to the hazard of cut fingers.

Perhaps more important, Mr. President, is the unwise principle we are asked to incorporate in this appropriation bill. We are asked to abolish in this case the salutary requirement that postal supplies be purchased by competitive bidding, as are all other Government needs. That is a very important thing in the administration of Government, that articles be purchased on the basis of open competitive bidding. In this proviso we are asked to abandon that salutary practice.

We are asked to create an artificial market for one particular product irrespective of price, and by doing so to discriminate against American manufacturers of another product.

For these reasons, Mr. President, the junior Senator from Connecticut thinks the amendment recommended by the committee in the form of the proviso should be stricken from the bill.

Mr. SALTONSTALL obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield for a question.

Mr. MAYBANK. The question is on striking out the committee amendment in the Post Office Department item so far as twine and cotton surplus is concerned.

Mr. SALTONSTALL. That is correct.

Mr. MAYBANK. Does the Senator intend to ask for a quorum at this time?

Mr. SALTONSTALL. My purpose when I rose was to ask for a quorum.

Mr. MAYBANK. I am wondering if the Senator from Massachusetts thinks it possible to make some agreement as to the debate to follow the quorum call in connection with the amendment of the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON] regarding the 5-percent reduction.

Mr. SALTONSTALL. I yield to the Senator from New Hampshire, who is present and can answer for himself.

Mr. BRIDGES. I should like to have a quorum call before the vote.

Mr. MAYBANK. I agree, of course, that there should be a quorum call before the vote, but I wondered if we could have a vote on the pending amendment, either by a division, or whatever method the Senator from Massachusetts might decide on.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The question is on agreeing to the amendment of the committee.

Mr. BRIDGES. Mr. President, inasmuch as there is a desire to have a yea and nay vote, we should have a quorum call ahead of it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 33, beginning in line 7 and ending in line 11.

Mr. BALDWIN. Mr. President, as I understand, a vote "aye" is a vote to adopt the committee amendment, and a vote "no" is a vote to reject the committee amendment.

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the committee amendment. (Putting the question.)

The amendment was rejected.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Brewster	Byrd
Anderson	Bridges	Cain
Baldwin	Butler	Chavez

Cordon	Kefauver	Pepper
Donnell	Kem	Reed
Douglas	Knowland	Robertson
Downey	Langer	Russell
Ellender	Long	Saltonstall
Ferguson	Lucas	Schoeppel
Flanders	McCarran	Smith, Maine
Frear	McCarthy	Sparkman
Green	McClellan	Stennis
Gurney	McFarland	Taft
Hayden	McGrath	Taylor
Hendrickson	McKellar	Thomas, Utah
Hill	Magnuson	Tydings
Hoey	Martin	Vandenberg
Holland	Maybank	Watkins
Hunt	Millikin	Wherry
Ives	Morse	Wiley
Jenner	Mundt	Williams
Johnson, Tex.	O'Conor	
Johnston, S. C.	O'Mahoney	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations was conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

The bill is open to further amendment.

Mr. BRIDGES. Mr. President, on behalf of the Senator from Michigan [Mr. FERGUSON] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire for himself and the Senator from Michigan will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following:

SEC. 402. (a) The Secretary of the Treasury, with respect to appropriations made in title I of this act, and the Postmaster General, with respect to appropriations made in title II of this act, are authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations made in each such title as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein. The Secretary of the Treasury and the Postmaster General shall each certify the reduction in each appropriation account to the Secretary of the Treasury and to the Committees on Appropriations of the Senate and the House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

(b) Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficiency of the service.

(c) No item of appropriation contained in either of such titles shall be reduced more than 20 percent.

(d) A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year 1951.

Mr. MAYBANK. Mr. President, I make the point of order that the amendment offered by the Senator from New Hampshire for himself and the Senator from Michigan is legislation on an appropriation bill.

The PRESIDING OFFICER. The point of order is sustained.

Mr. BRIDGES. Mr. President, I point out that we filed in due time notice of a motion to suspend the rule so that the amendment might be considered.

Mr. President, I do not see any object in taking a great deal of time to explain this amendment. This motion is similar to the motion made in connection with the Federal Security and Labor bills? It is a scientific approach to the reduction of expenditures. It is done to get away from the over-all or meat-ax approach.

The amendment would give to the Secretary of the Treasury and the Postmaster General discretion in absorbing a 5-percent cut. There is no good administrator in the Federal Government today who cannot organize his department so that it can absorb a 5-percent cut without curtailing the efficiency of the department.

In my judgment, the issue is very simple. I hold in my hand a report from an evening newspaper—and I saw a similar report in the newspaper this morning—to the effect that the advisers to the President finally have come to the conclusion that we must reduce expenditures. I do not know whether they mean it or not. I do not know whether the President and the administrative leaders intend to pay heed to it. Apparently they are the men who give advice; and if they are giving advice on this subject, in which they are experts, certainly I think the advice should be heeded.

Mr. REED. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. REED. Is the Senator from New Hampshire aware of the fact that the three economic advisers to the President, Dr. Nourse, Professor Keyserling, and Mr. Clark, have advised the President officially that expenses should be reduced and the budget cut?

Mr. BRIDGES. I appreciate that word from the distinguished Senator from Kansas. I had read the accounts in the newspapers, but I had not been aware of any official action to that effect.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. In regard to the Post Office Department, I ask the Senator from New Hampshire how a department which is running a $400,000,000 deficit could absorb a 5-percent cut. Would it not simply be added to the deficit?

Mr. BRIDGES. That is an excellent question. I think undoubtedly it would constitute a major problem in the Post Office Department. I should like to answer the question of the Senator from Vermont. I say to him that if we write into the law such a provision in regard to the appropriations for the Post Office Department, even though it has been operating at a deficit, it should certainly give the Postmaster General an indication of the intent of Congress, so that he would make some endeavor to reduce the expenditures of the Department.

As a rule I think our postal service has been well handled; but the Senator from Vermont, who has been chairman of the Committee To Investigate Expenditures in the Executive Departments, and who performed in that capacity in a very able manner, knows that in some of the great cities of the United States the Post Office Department's expenditures could be greatly reduced.

Mr. BALDWIN and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield; and if so, to whom?

Mr. MAYBANK. Mr. President, I should like to ask the Senator from New Hampshire a question, for the benefit of the Senators on this side of the aisle who have been having difficulty in hearing the discussion.

Mr. BRIDGES. Very well; I yield first to the Senator from South Carolina.

Mr. MAYBANK. I wish to ask whether the Senator has stated that he filed the motion in due time, and was not filing it today, to be held over?

Mr. BRIDGES. Yes; it has been previously filed.

I yield now to the Senator from Connecticut.

Mr. BALDWIN. Mr. President, in line with the question which was asked by the Senator from Vermont, let me inquire whether the Senator from New Hampshire knows that the Postmaster General has recommended to the Committee on Post Office and Civil Service a means of wiping out the causes of the postal deficit, except insofar as the use of the franking privilege is concerned. In other words, I point out that although the question the Senator from Vermont has asked is a very cogent one, nevertheless the course it suggests is not consistent with the policy we are trying to follow in respect to the Post Office Department.

As the Senator from New Hampshire has said, the proposed action would be an indication to the Post Office Department to make reductions in expenditures all along the line; and such a proposition is very different from one to increase postal rates.

Mr. BRIDGES. I thank the Senator, and I think he is absolutely correct.

Mr. AIKEN. Mr. President, if the Senator will yield to me, let me say that the Post Office Department probably could save a great deal of money by modernizing its equipment and its methods. The Hoover Commission's study indicated that there could be greater efficiency in the Department without increasing its expenditures. The question of whether the Postmaster General should be given authority to fix postal rates so as to bring the operations of the Post Office Department "into the black" was considered. Of course, the Senator from New Hampshire knows how difficult it is to increase any postal rates. It seems that practically every organization in the United States has communicated with us, asking us not to increase the postal rates on second-class or third-class matter.

So the Hoover Commission decided that as a matter of policy the Congress should decide whether it wished to subsidize the public through the Post Office Department, or whether it wished to attempt to place the Post Office Department on a self-sustaining basis. Of course, either step can be taken. The decision as to which course shall be taken is a matter of policy for the Congress to decide.

However, there is no question that the Post Office Department can effect some savings by modernizing its equipment and its methods.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. As a member of the Appropriations Committee's subcommittee on the Post Office-Treasury Departments appropriation bill, I realize the truth of what the Senator has stated, namely, that it will be very difficult to reduce the Post Office Department's appropriations to any great degree, because of the present existence of a deficit in connection with the postal service. However, if such motions are to be presented as to one appropriation bill, is it not fair to have them presented as to all other appropriation bills, so that the Congress will not be playing favorites, but will be asking every Government official to be more efficient?

Mr. BRIDGES. I think the Senator from Massachusetts is absolutely correct. Certainly if we were to offer such an amendment to one appropriation bill, but were to fail to offer similar amendments to several other appropriation bills, a hue and cry would immediately be raised that we were playing favorites as between the Departments.

We recognize that there are certain items the appropriations for which cannot be reduced, for instance, the appropriations for paying the interest on the national debt, and appropriations for other expenditures specifically required by law. However, all other appropriations can be reduced; as to them, the field for reductions is wide open. Generally speaking, if a department head cannot cut 5 percent from his department's expenditures, and still operate his department officially, he himself is not a very efficient administrator.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. It seems to me that in the case of some of the departments the only efficient cuts the heads of the departments could make would be in their deficiency appropriations. As the Senator from Massachusetts has stated, and as the able Senator from New Hampshire knows, at the present time the Post Office Department is running in the red, and in the future it will run even further in the red because of the requirements of certain laws, passed by the last Congress, of which I was a Member, providing for large increases in salaries and other expenses.

Mr. BRIDGES. I think the issue is clear. One of the items the Senator from Maine discussed the other day has come before the committee. I refer to the subsidies paid by the Post Office Department to airlines for carrying the mails. That is one of the worst provisions, so far as the issue we are now considering is concerned.

Mr. MAYBANK. Mr. President, will the Senator further yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. Unfortunately, the law requires, as the testimony before the committee showed the other day, when Acting Postmaster General, Mr. Burke, was testifying in the absence of Mr. Donaldson—and his testimony was given in the presence of the Senator from Massachusetts, the Senator from Oregon and other Senators—that the Post Office Department make such expenditures for the transportation of mail by the airlines. Under the provisions of laws which the Congress has enacted, the Post Office Department has no alternative. Of course in connection with that matter, some of the requirements which are imposed arise as a result of regulations adopted by the Interstate Commerce Commission pursuant to the laws passed by Congress, I believe.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BREWSTER. I think the Senator from South Carolina is referring to the Civil Aeronautics Board.

Mr. MAYBANK. That is correct. Under a law the Congress has passed, the Civil Aeronautics Board issues orders calling for certain payments to be made to the air lines in connection with the carrying of the mails, and the Postmaster General cannot do anything about that matter. In that connection, I may point out that hearings were held regarding the matter of payments made for air-mail subsidies to the operators of the Constellations, when they were grounded. In the supplemental appropriations bill we took action disapproving of all such payments. Some air-mail subsidies were involved.

Mr. BREWSTER. Mr. President, I am sure the Senator from New Hampshire and the Senator from South Carolina know that the Interstate and Foreign Commerce Committee is now conducting very extensive hearings in regard to that entire situation, under the leadership of the Senator from Colorado [Mr. JOHNSON]. It is perfectly evident that an accord must be reached, because when we have one tribunal determining the expenditures of money to be made by another agency of government, but doing so without responsibility or accountability, we have an utterly undesirable and indefensible situation.

Mail-subsidy payments extending over a period of 2 or 3 years in the past, and covering the grounding of the Constellations and the grounding of the DC–6's, were made; and in such circumstances it would be almost impossible for anyone to determine where the matter would end.

If the Congress takes a step of the character here proposed, I think that will serve a very salutary purpose in giving notice that we who appropriate the money expect some degree of accountability and responsibility to be displayed by these tribunals.

Today in the committee we have gone through this matter. Undoubtedly there are other expenditures which can be and must be reduced. In that respect, progress has been made by the departments; but, in my judgment, nowhere near the amount of progress which should be made has been made.

Mr. MAYBANK. Mr. President, if the Senator will yield to me, let me say that I desire to associate myself completely with the thoughts by the Senator from New Hampshire and the Senator from Maine. However, our committee could not propose reductions in expenditures presently required by public laws.

As to the expenditures for air-mail service, I may say that I turned over to the Senator from Colorado [Mr. JOHNSON] all the documents the committee had in respect to that matter, in the hope that he, with the assistance of the other members of the committee, would present to the Senate proposed legislation to stop the payment of such large amounts of money under the orders of the Civil Aeronautics Board. I know as well as the Senator does that it puts a premium on incompetency; it subsidizes a line that loses money, whereas a good line that does not lose money receives no benefit.

Mr. BREWSTER. What is honest and economic and efficient management in connection with the Civil Aeronautics Act is to be determined by the CAB. But I am very sure the Civil Aeronautics Board, like the Supreme Court, listens not only to the election returns, but also to the action of the Congress. I think it will serve a very salutary purpose if they realize that we are beginning to cut down a little here, and that we recognize the necessity of everybody sharpening his pencil.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. I yield.

Mr. LONG. If that be the case, insofar as the air line subsidy and the law relative thereto is concerned, why not simply change the law so as to give the air lines a very liberal allowance per ton mile, instead of putting it in the form of a subsidy and encouraging somebody to lose money at Government expense?

Mr. BREWSTER. I have tried to do that, but some of the feeder lines to the particular area of the Senator from Louisiana, the southern area, would immediately be out of business, because the payments are $50 a mile, as against the 50 cents or 65 cents a ton-mile the traffic lines get. That is a very different problem.

Mr. LONG. I may say to the Senator I am acquainted with some of the air lines. Some of them the Government encourages unduly.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Arizona.

Mr. HAYDEN. I question the statement made by the Senator from New Hampshire. He stated that he would apply the 5 percent reduction to all bills, and that any agency of Government that could not cut 5 percent was inefficient.

Mr. BRIDGES. I mean there are certain items in the bill, as the Senator knows, like interest on the debt and grants to States, which are established by law.

Mr. HAYDEN. Let us look at the bill. The appropriations contained in the pending bill are $63,198,246 less than the budget estimates. Of that amount, $11,788,200 represents the sum by which the appropriations for the Post Office Department are under the budget estimate. So far as that sum itself is concerned, I do not believe we are saving a red cent, because it will cause an additional postal deficit, which will have to be made up by way of a deficiency bill. So at least we should not fool ourselves that we are

actually saving any money with respect to the Post Office Department.

As to the Treasury Department, the total amount by which the appropriation is below the budget estimate is $51,410,046. That represents a substantial cut. The item for which the Senate increased the House appropriation has to do with the employment of men to collect money for the United States from income and profits taxes. We allowed the full budget estimate for that, $222,000,000. It will permit the employment of 5,787 additional men to collect revenue, instead of the mere 1,500 allowed by the House. There are two ways of balancing the budget. One is to cut expenses; the other is to bring in more revenue; and I insist that a cut of the kind proposed applied in this case is poor economy.

Mr. BRIDGES. I may say in answer to the Senator, as he knows, I have been very sympathetic toward the increase in the amount for the collection of taxes through the Internal Revenue Bureau, and he should understand that my amendment proposes a 5 percent cut in the aggregate over-all titles; so that the Secretary of the Treasury can use his discretion with respect to the item on which a cut is made. Therefore, he does not need to apply the reduction, let us say, to the collection of internal revenue, but he can apply it in one of the other divisions of the Department.

Mr. HAYDEN. We have cut the other divisions $51,410,000 below the budget estimate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. TAFT. That has been the cut below the budget estimate, but the appropriation for the Treasury over that of last year has been increased $249,000,000, and for the Post Office, $210,000,000; so that together there is a total increase of almost $500,000,000 in this bill over what was appropriated last year. Does the Senator think we have to regard the Budget estimates as inviolate? How are we going to come out, if we do?

Mr. HAYDEN. I still insist that the Budget, as it was written last year, was a tight budget, which was proved by the fact that it could not be reduced. I still insist that the present budget, in view of the slight increase by the Congress, is a tight budget, and that it cannot be cut. On the one hand, salaries cannot be increased and, on the other hand, appropriations be reduced the next day.

Mr. MAYBANK. Mr. President, I merely want to confirm what the Senator from Arizona has said; $225,000,000 of the appropriation is to pay for the increase in salaries in the Post Office Department which we voted last year. One great factor in the expenditures of the Treasury Department which seems to have been lost sight of is that, outside the additional income-tax collectors, there is the procurement program for minerals and strategic materials. I sent the Secretary of the Treasury a letter after the Senator from Michigan had proposed the 5 percent cut, and the committee voted on it. I think the vote was 13 to 4. This is what he said:

> A 5 percent reduction of the amount recommended from the Treasury Department would be $52,000,000.

He goes on to say:

> A 5-percent reduction of appropriations of $525,000,000—

As the Senator from Ohio has said—

> recommended for stock piling of strategic and critical materials, will approximate $26,000,000. Senators know of the urgent need for the balancing of the stock-piling program.

That was a commitment we made, and we must pay for it. As the Senator from Arizona knows, there is now in the second deficiency bill for strategic and critical materials a further appropriation of $40,000,000, and $270,000,000 for contract authorizations.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I merely wish to call to the Senator's attention the fact that it is estimated that 80 percent of the expenditures for the Post Office go to salaries and 15 percent for travel. That is 95 percent of the appropriation for the Post Office. If 5 percent is cut from the appropriation, it certainly is going to hurt, and I predict that the only thing that will happen is, the Department will come back next year and ask for a deficiency appropriation to cover the 5 percent. That is all that will happen.

Mr. BRIDGES. As I have said, generally speaking, I think the postal service does a good job, but, from what I know, I am certain that in some branches of the postal service, efficiency may be improved a great deal, and in some of the large cities, where there is terrific expense, very substantial amounts can be saved. A good many men can be dispensed with without impairing the efficiency of the service at all.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Michigan.

Mr. FERGUSON. I merely want to call attention to what the Hoover Commission said in regard to the Postal Department. It is indicated on the floor today that no sum of money can be taken from the bill. To prove that that is not a fact, the House allowed $3,072,817,903.93. The Senate has already increased that amount $40,250,600, so that if we would take the 5 percent from the bill as finally passed, there is no question that in efficiency, in the difference in prices of articles which have to be purchased, there could be a saving of at least 5 percent on the over-all cost of this function.

On page 33 of the report the Hoover Commission says:

> It can be said, with no reflection on postal officials—

I may say, Mr. President, that efficiency does not mean the discharge of employees; it does not mean the cutting of wages of the employees; it means management. That is what we are talking about in connection with the saving of 5 percent.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I do not have the floor.

Mr. BRIDGES. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, is it not true that 95 percent of the expenditures of the Post Office Department are either for actual services of employees, which we might call labor, or else the money paid for carrying the mail?

Mr. FERGUSON. I do not have the figures.

Mr. LONG. The Postmaster General testified to that effect in the Committee on Post Office and Civil Service.

Mr. BRIDGES. That has been testified to, but I should want to see definite figures to bear it out, because when there is such a tremendous cost for the maintenance of buildings and the other expenses involved, I should want to see the figures to verify the statement.

Mr. LONG. I quote those figures because that is my recollection of the figures which the Postmaster General gave this morning.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Virginia.

Mr. ROBERTSON. Is the Senator aware of the fact that we make the Post Office Department carry the expense of custodial services for all the courthouses in the United States?

Mr. FERGUSON. Does the Senator feel that we could not cut that expense 5 percent?

Mr. ROBERTSON. If the buildings are to be open, there must be janitors and charwomen. Why impose on the Post Office Department the expense of operating the courthouses?

Mr. BRIDGES. Mr. President, I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I should like to put into the RECORD the quotation which I started to read from the Hoover report, and then I should like to ask the Members of the Senate whether there cannot be a saving of 5 percent in the operations of the Post Office Department.

Here is what the Hoover report says:

> It can be said, with no reflection on postal officials that circumstances beyond their control have created a philosophy of management which is sluggish, irresolute, and wasteful, rather than imaginative, decisive, and cost conscious. Furthermore, because certain key positions in the Department are regularly filled from time to time with political appointees, there is a lack of continuity of management and little incentive for self-improvement. While it may be shown that over the years postal methods have been improved and costs reduced, it has been an uninspired, low-geared effort which progressive business management would regard as mediocre.
>
> In view of rising expenses and the current tax burden, it is to the public interest to correct these conditions at the earliest possible date. The Postal Establishment should clearly be put in business for itself,

and on this basis management should be held strictly accountable by the Congress and the President for operating results.

Mr. President, that language indicates clearly that without any legislation, with merely doing the job that should be done, the Post Office Department could cut expenses by at least 5 percent, as could also the Treasury Department.

I should like to ask the Senator from New Hampshire if he does not agree with that.

Mr. BRIDGES. I agree with the Senator from Michigan.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. ROBERTSON. On the question of management, is there not at this time a Postmaster-General who is a career man?

Mr. BRIDGES. Yes; I believe he is a career man.

Mr. ROBERTSON. Is there not a career man as First Assistant Postmaster General, in charge of transporting mail?

Mr. BRIDGES. I think so.

Mr. ROBERTSON. Is there not a career man as Inspector General?

Mr. BRIDGES. That I do not know.

Mr. ROBERTSON. That is a fact. They are the keymen in the operation of that vast establishment. That much has been taken care of in line with the Hoover suggestion. The report did not indicate at what point specific savings could be made. We know that formerly first- and second-class postmasters, and, at one time, third-class postmasters, were political appointees. Is it not true that all postmasters are now under the civil service?

Mr. BRIDGES. Yes; but the Senator knows that the civil service, with regard to postmasters, is a far cry from what we believe civil service should be.

Mr. ROBERTSON. I am as anxious to save money as is my colleague, but I have reached the conclusion that if we cut the appropriation for the Post Office Department, the Department will come back with a request for a deficiency appropriation next year. If we deduct as much as 5 percent from the appropriation for the Treasury Department, big cuts would have to be made in the items for the purchase of strategic materials and the employment of field workers who we thought would produce 20 times the amount of their cost, through the moral influence to be exerted in checking a larger percentage of income-tax returns than are now being checked. The Senator will recall that it was on the recommendation of the Ways and Means Committee, when the Republican Party had a majority on that committee, that the number of field men was increased in the Bureau of Internal Revenue as a means of increasing receipts without raising taxes. We did not go so far as the Ways and Means Committee recommended in connection with the number of new collectors in the bill for field work.

Mr. AIKEN and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield; and if so, to whom?

Mr. BRIDGES. I yield first to the Senator from Vermont.

Mr. AIKEN. Does the Senator think there is any guarantee, if a 5-percent reduction is ordered, that the Post Office Department will not inconvenience the public and then place the blame on Congress, as was done 2 years ago? I am inclined to think that the place to make the reduction is in the committee, and to make it at a place in which the committee finds the cut can be made. We had that unhappy experience not only with the Post Office Department, but we had a similar experience with the customs department when border control and port control were eliminated, so that smugglers could operate unhindered across the Canadian and Mexican borders.

I agree with the purpose of the Senator. I believe that a 5 percent reduction should be made, but I think the committee must tell where it must be made, or we shall run into the same difficulties which we encountered previously. It is a wicked thing for a department to inconvenience the people as much as possible in order to put the blame on Congress, but it has been done and may be done again.

Mr. BRIDGES. I think the Senator from Vermont is absolutely correct. He cites evidence of what occurred when Congress attempted to work out some economies. The Department handled the situation in such a manner as to embarrass Congress and get it to retrace its steps. They were caught in the act in two very classic examples. I say, in all earnestness, that the fear the Senator expresses is a legitimate one. Of course departments can do just that. There is that danger; there is that weakness in the amendment. While I think it is strong in every other feature, the Senator has put his finger on the weakness of the amendment.

Mr. MAYBANK. Mr. President, I wish to remind the distinguished Senator from New Hampshire of one thing. When we voted for the tax reduction last year the Treasury Department compiled some figures for the committee, after the subcommittee had held its hearings. The record of January, February, and March 1949, shows that there are nearly 4,000,000 more taxpayers, despite the tax reduction. I am going to put the information into the RECORD to justify the necessity for the additional tax collectors, who, I feel certain, the Senator from New Hampshire believes should be provided as he stated in his argument. This statement shows that in 1948 there were 40,891,370 tax returns, as against 44,565,422 in the same period in 1949.

I also ask unanimous consent to include in the RECORD a statement regarding the other argumentative provisions of the 5 percent cut, as suggested by the Senator from New Hampshire and the Senator from Michigan, showing how it would affect the Treasury Department, which, after all, has to service $5,000,000,000 in interest, in addition to all the bonds.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Number of tax returns filed in the first 3 months of calendar year 1948 and for the same period of 1949

Type of returns	Calendar year 1948—January, February, and March	Calendar year 1949—January, February, and March
Individual returns	35,422,328	38,929,619
Corporations	285,393	294,345
Partnerships	348,133	323,799
Estate	6,671	6,901
Gift	15,148	16,188
Employment	3,223,226	3,290,875
Miscellaneous	1,590,471	1,700,695
Total	40,891,370	[1] 44,565,422

[1] About 10 percent increase.

TREASURY DEPARTMENT 5 PERCENT REDUCTION

A 5 percent reduction of the amount recommended for the Treasury Department would be $52,259,220. Without doubt this reduction would have far-reaching implications of a serious nature on the operations of the Department in the fiscal year 1950.

For example, a 5 percent reduction of the appropriation of $525,000,000 recommended for stock piling of strategic and critical materials would approximate $26,000,000. The Senators know of the urgent need for the balancing of our stock-piling program.

A 5 percent reduction in the appropriation of $52,000,000 for administering the public debt would amount to $2,600,000. If this reduction were to stand, it would vitally affect the servicing of the bond program.

A 5 percent reduction in the appropriation of $35,300,000 for the Bureau of Customs would amount to $1,765,000 and the enforcement of such reduction would reduce the present force by at least 600 employees. In my judgment, such reduction of personnel would vitally affect the collection of customs duties and would increase the already existing huge backlog in the examination of imported merchandise and liquidation of entries at certain of the larger ports, specifically New York and Los Angeles.

Regarding a 5 percent reduction for the Bureau of Internal Revenue, such amount would about eliminate the action taken by the Senate committee in providing about 7,000 additional positions vitally needed to collect the hundreds of millions of dollars additional revenue untapped. The Bureau would be forced to continue with 53,993 positions as compared to 59,536 requested for fiscal year 1950, and this figure is 3,959 less positions than the Bureau had during the 1947 fiscal year when the number of tax returns was less than that estimated for 1950. In connection with tax returns, I would like to call the Members' attention to the fact that for the 3-months period in 1948, consisting of January, February, and March, there were 40,891,370 tax returns filed as against 44,565,422 filed in the same period in 1949, or about a 10-percent increase in 1949 over 1948.

A 5-percent reduction in the Coast Guard appropriations would reduce the military personnel by 100 commissioned officers, 11 warrant officers, and 1,110 enlisted men. In effect, this means that over 10 ocean weather station vessels cannot be operated in 1950. Application of the 5-percent cut in the civilian employee appropriation would abolish about 60 positions in addition to some 30 positions to be abolished through disapproval of $100,000 additional funds requested. It would also nullify to a large extent the program to improve cost analysis, inventory control, and engineering administration of the Bureau.

In the appropriation for acquisition, construction, and improvements of the Coast Guard, a 5-percent reduction would amount to about $500,000, and, considering such amount on top of a $2,000,000 cut already made by the House, it would require deferment of high-priority projects scheduled for 1950.

Considering the current heavy workloads of the Secret Service Division and the Narcotics Division, it is highly impractical to apply a 5-percent reduction to such divisions. Testimony presented to the Appropriations Committee indicated that the funds recommended would be sufficient to meet the minimum needs of the divisions. Also, that as to the Narcotics Division, $100,000 additional funds over the House allowance were requested of the Senate committee in connection with the enforcement of marijuana laws and the committee agreed to approval of $50,000 of this amount.

POST OFFICE DEPARTMENT

The Senate committee recommended an appropriation of $2,067,884,100 for operating expenses of the Post Office Department in fiscal year 1950. A 5-percent reduction of this amount would be $103,394,205. This reduction, together with the original Budget Bureau reduction and the reductions made by Congress, would total $160,260,405. Deducting the 5 percent from the total recommended by the Senate committee, would make available for obligations in 1950 the sum of $1,964,489,895, as compared to present estimated 1949 postal obligations of $2,125,785,225.

If the volume of postal business increases (volume of mail now about 5-percent increase in first 9 months of fiscal year 1949 over same period in 1948) or even remains at the present level, it is doubted that the services can be operated within the aggregate amount approved and recommended to the Senate by the Appropriations Committee. Members must remember that the Post Office Department cannot control certain expenditures, such as expenses for carrying foreign and domestic air mail. Also, that 95 percent of the expenses of the postal service are for salaries of employees and for transportation. The Department estimates a postal deficit in 1950 of approximately $403,000,000. This deficit is mainly in the costs for handling second-, third-, and fourth-class mails. If the Department's recommended postal increase rate and service bill, H. R. 2945, is enacted, an additional revenue of approximately $250,000,000 per annum would be received which, in turn, would reduce the estimated deficit of about $403,000,000 to $153,000,000.

Mr. DOUGLAS. Mr. President, I think the comments on the motion of the Senator from New Hampshire and the Senator from Michigan might perhaps fall into two classes. First, those dealing with the appropriations for the particular departments which they are questioning, and second, comments upon the fiscal problem of the Government as a whole.

I wish to commend the Committee on Appropriations for their foresightedness in appropriating more money for additional field agents in the Bureau of Internal Revenue, because I believe that this will yield a very greatly increased amount of taxes, and will more than pay for itself.

At first I was greatly pleased at what I thought was a cut of $51,000,000 in the appropriation for the Treasury as compared with the budget estimate, but upon closer analysis, on pages 14 and 15 of the report it became apparent that $39,000,000 of this so-called $51,000,000 cut is in a decrease of appropriations for strategic and critical materials, namely, from $564,000,000 to $525,000,000, and in a footnote it is stated that there is in addition a $250,000,000 contract authorization. So we may find that this $39,000,000 of apparent savings is not really savings, but will show up in contract authorizations, which will later be spent without requiring any further authorization by the Congress.

Should that be true—and I assume that the board in charge of the stock pile will ultimately make the purchases authorized—there would be savings of only $12,000,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. That is in the second deficiency bill, which is now before the committee. I should be glad to have the Senator come and testify. The Department not only wants $39,000,000, but $40,000,000, for strategic materials, which are so scarce. The committee has already recommended $270,000,000 instead of $250,000,000, and it is in the second deficiency bill.

Mr. DOUGLAS. I was merely trying to point out that the saving of $39,000,000 seems to be more apparent than real, and that in reality probably the acutal saving may be nearer the $12,000,000 figure than the $51,000,000 figure.

Mr. MAYBANK. The cut of 5 percent would be just like what the Senator is explaining. The only way to save money in Washington is to cut the deficiency bills, and not the regular bills.

Mr. DOUGLAS. At the moment, however, what we are dealing with are the regular appropriation bills, and I think it is on those bills we must act.

Mr. President, to me it seems highly important, in dealing with specific appropriation bills, that we should also keep in mind the general budget situation for the fiscal year of 1949–50, for if we do not do this, we are likely to be so influenced by the claims of particular agencies that all unwittingly we will be appropriating much larger sums than we will collect in taxes, and hence, in the absence of a general legislative budget, which we do not yet have, and this will cause the Government to operate at a very large deficit. If we are to avoid this, we must check specific needs against the general prospects of receipts and expenditures, and see the problem steadily, and see it whole. I shall try to help provide this by a brief, and, I am aware, an incomplete analysis.

THE PROBABLE AMOUNT OF THE DEFICIT

Under date of January 3 of this year, the President submitted a budget calling for forty-one and nine-tenths billions of expenditures for the fiscal year July 1, 1949, to July 1, 1950. It was also stated that "under existing law and with continuing high levels of economic activity, revenues for the fiscal year would be $41,000,000,000. This would result in an estimated deficit of $873,000,000."

The rearmament of western Europe has been proposed since then. This will call for a cash appropriation for 1949 to 1950 of approximately an additional $750,000,000, plus a transfer of approximately $400,000,000 of war matériel. This would raise the estimated deficit to above one and six-tenths billions.

In addition, the fall in farm prices will increase the amounts needed for price supports or farm-income maintenance. The increase in unemployment will cause more GI's to return to school and college—I believe the number has increased by some 67,000—with a consequent rise in benefit payments. All of these factors taken together would seem to raise the probable deficit for the fiscal year ending July 1, 1950, to at least $2,00[illegible],000,000, and probably to an even greater figure. All this, moreover, would assume that revenues will reach the total of forty-one billions estimated in the budget. This is altogether too optimistic.

The budget was based, as I have pointed out, on the assumption that the high levels of economic activity prevailing in November and December 1948, would continue. As a matter of fact, the Treasury seems to have overestimated receipts for the current year of 1948 to 1949. This estimate was $39,600,000,000. But up until May 1, total receipts had only been $31,584,000,000. We shall have to take in a little over $8,000,000,000 in the last 2 months to reach the estimated total. Last year, in a period of high prosperity, the total net receipts were only $7,200,000,000 during these 2 months. Even if we collect a similar sum in May and June of this year, we will still be $800,000,000 below the estimate. The deficit for the current year is, therefore, almost certainly bound to be greater than the estimate of $800,000,000 contained in the budget of January 3.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Virginia.

Mr. ROBERTSON. It is my recollection that the estimate for the current year was $600,000,000, and the figure of eight hundred and some million was a deficit estimated from the next fiscal year.

Mr. DOUGLAS. The estimated budget deficit for next year is $873,000,000.

Mr. ROBERTSON. And for this year, $600,000,000.

Mr. DOUGLAS. The Senator may be right, that it was an estimate of $600,000,000 when the new budget was drawn up last year. May I have the privilege of checking the figures?

Mr. ROBERTSON. Certainly.

Mr. DOUGLAS. This is merely my own estimate. What I am really trying to say is that receipts for the current period are falling below what the Treasury thought they would be, and that the deficit for the current year will be greater than was contemplated in the current budget issued on the 3d of January.

Mr. ROBERTSON. The Senator is correct. We asked the Budget Bureau a month ago to give us the figures. We got the report yesterday, and owing to the fact that final action has not been taken on the appropriation bill, the Bureau of the Budget was unwilling to give

a firm estimate of what the deficit for this fiscal year or the anticipated budget for the next fiscal year would be. They said, however, that the present indications were that the deficit for this year would be in excess of the $600,000,000 that had been previously estimated, that the receipts were falling off, that expenditures were increasing, and that the deficit for the next fiscal year would undoubtedly be larger than the $872,000,000 which had previously been figured.

Mr. DOUGLAS. Mr. President, the revenue prospects for next year are still less encouraging. For since November, wholesale prices have fallen by about 5 percent, or from an index of 164.0 in November, to 156.1 for the week ending April 26; employment in the nonagricultural lines has decreased by about 2,000,000, or by nearly 4½ percent, and production has diminished by about 7½ percent, or from an index of 195 in November, to an estimated 180 in April. Carloadings for the week ending April 30 were 12 percent below those of a year ago. While no one can tell precisely what conditions will be for the coming fiscal year, judging from the lower level of prices, employment, production, and of national income now, as compared to that which prevailed when the budget was drawn up, it seems probable that the taxes collected at present rates during the coming year will be less than was estimated. To the degree that this is true, the deficit will be increased above the figure of $2,000,000,000 which I have previously given as a rock-bottom minimum. Unless something is done, it may well rise above $3,000,000,000 and possibly go as high as $4,000,000,000.

WHAT SHOULD WE DO ABOUT IT?

We cannot ignore this situation. While I am willing to admit the necessity for deficit financing during a war or a severe economic depression, it would, in my judgment, be extremely unsound for us to drift into such a practice this spring. In normal times or when we are within 5 to 10 percent of normal the budget should at least be balanced. Moreover, our national debt of $252,000,000,000 is so high that we do not have much of a margin of safety. For the coming year, I submit, therefore, that our goal should be to balance our budget and bring receipts and expenditures to an approximate equality.

How can this be done? There are only two ways: namely, to increase taxes or to decrease expenditures. If we were in a boom period of high production and of advancing prices, I would favor the program of increasing taxes, retiring a portion of the debt and dampening down the inflationary spiral. That was the condition which existed when the President's budget was drafted and the methods proposed were, therefore, wise for that period. The President's budget, as submitted on January 3, was based, in my opinion, on a correct appraisal of conditions which were then current. But conditions have changed for the worse since then, and I submit that it is very foolish for us to act on the basis of conditions of 5 or 6 months ago. Under present conditions, with business declining, it would seem to me to be extremely unwise to increase taxes further, and that, instead, we should make every effort to bring expenditures down to a proper level.

CUTTING OUT THE WASTE THE BEST WAY TO BALANCE THE BUDGET

I believe this can be done without hurting the vital functions of defense and welfare which our Government performs. But it can only be done by squeezing out the waste in Government costs while preserving the essential services which Government provides.

I want to speak guardedly and fairly about this waste. Many exaggerated charges about its extent have been made. I shall not do so. But I think it is the sober truth that such waste has always existed in all administrations and that despite the real and effective efforts of the present administration to reduce it, such waste still exists.

I believe that our public employees have often been unduly abused. They have been charged with being loafers and taxeaters. I think, on the contrary, that the quality of most of our Federal employees is high and that most of them are hard-working. But I should like to make two points:

First. There is a general tendency to inflate the personnel in most Government agencies. There are at least two reasons why this happens. In the first place, there is a natural tendency for the heads of bureaus and departments unduly to increase their staffs, since they do not have to meet the pay-roll costs of the employees whom they add. This is a force for economy in private enterprise which is lacking in public employment.

In private business staffs are also inflated, but there is also the restraining influence that unnecessary persons added to the pay roll must be paid out of the receipts of the company, and there is, therefore, a conservative and restricting influence in private business which we do not have in public business.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. Is it not true that there is really nothing in the law at all to encourage anyone to reduce the expenses of his agency, or division, but that on the contrary the whole tendency is to give the head of an agency or bureau more recognition if he has more employees on his pay roll, which encourages him to build up his agency or section?

Mr. DOUGLAS. The Senator from Louisiana has correctly anticipated my next paragraph.

Those of us who have served in the armed forces know that this is true there. I have never known a division, a corps or an Army headquarters which did not exceed even the liberal table of organizational strength which had been set for it. The same thing is certainly true of the civil functions of government as well. Those in charge of a given activity, even if they have the best will in the world, are prone to exaggerate the importance of what they are doing and to want as much personnel as possible to carry out these functions.

Secondly, and I now turn to the point the Senator from Louisiana has anticipated—while many will deny this, and while I cannot find any explicit rules to confirm it, it is generally admitted that in many bureaus, unit, division, and section heads are rated and paid according to the number of people whom they have under them. This gives a direct economic incentive for these supervisors and their superiors to build up personnel empires in order to improve their own position. There are thus powerful forces which work toward unduly expanding the public pay roll, which are multiplicative in their nature. In addition, there is a good deal of duplication between bureaus and departments, as the Hoover Commission has abundantly shown, and frequently an unduly high standard of performance.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I should like to ask the Senator a question. Would it not appear that in the long run it would operate for the greater efficiency of Government if we would work out some provision in the classification law to guarantee recognition for a man who reduces personnel and costs in his section or division?

Mr. DOUGLAS. I think that is one of the most needed reforms in the personnel administration of the Government, and I am glad to see that the Senator from Louisiana has it very much on his mind.

All these things operate to increase costs. These wastes are partially checked by the Bureau of the Budget, which in general does excellent work. But this Bureau cannot be expected to meet the problem fully. We must be ready to act ourselves. In the face of the almost certain deficit of two billions and a probable deficit of much more, I submit that our first job is to fry the extra fat out of our departments and agencies before we turn to more taxes.

Now, of the some $43,000,000,000 of contemplated Government expenditures, there are certain fixed charges which cannot be reduced. Such are $5,500,000,000 of interest on the public debt, perhaps $5,000,000,000 more in payments to and care for veterans, and about $2,500,000,000 in old-age assistance, old-age annuities, unemployment compensation benefits, children's allowances, etc. This leaves roughly about $30,000,000,000 in reducible or controllable expenditures for material and personnel. A 6-percent cut in these amounts would save a total of $1,800,000,000. It has been estimated, I believe, by the able junior Senator from New Hampshire [Mr. TOBEY], that a tightening of the enforcement of our present revenue laws would yield at least half a billion more. If this is so, the 6-percent economy proposed, together with checking tax evasions, would save a total of $2,300,000,000 and hence probably balance the budget unless we have a real drop in revenues.

Now, would this average cut of 6 percent in expenses work any real hardship? Here I should like to point out again that wholesale prices had fallen by the end of April to 5 percent below their level for November and 4 percent below their December level. A cut of this amount in monetary appropriations would, therefore, buy the same quantity of physical goods as was contemplated in the budget and would not entail any decrease in material. Thus, assuming that the fall in the price of strategic materials has been 5 percent, a reduction of 5 percent in the amount of money appropriated would not result in any decrease in the amount of strategic materials bought for stock piling.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. AIKEN. If the Senator is willing to risk his position on the floor by yielding to me, I should like to point out one common method of extravagance on the part of the Post Office Department. A clerk will stand in front of a window and pass out mail or write out money orders all day long. There is a space of about 3 square feet under the clerk's window where the floor becomes worn after, let us say, 3 years. Three square feet of new floor is required to replace the worn floor. I have never known of a case in which 3 square feet of new floor was put in to replace the worn floor. But I have known of cases where the entire floor, perhaps 50 feet square, has been ripped up, floor space which has not been worn at all except at the point where the clerk stands under the window. Yet that entire space has been renewed at a cost of several hundred dollars, whereas it would cost only a few dollars to put in a few new boards at the point where the clerk stands. That is an actual instance of where the Post Office Department wastes money. There are other cases in which it wastes money. That illustrates how the Department could save money. What I tried to point out to the Senator from New Hampshire [Mr. BRIDGES] was that if we give the Department orders to cut 5 percent off expenditures they are just as likely as not to make the cut where it will hurt the public most, and bring about the most recrimination against Congress. That is why I think the committee itself has got to spell out the economies which are to be made.

Mr. DOUGLAS. I thank the Senator from Vermont. I should also like to say that it is almost impossible for Members of the Senate to deal with the tens of thousands of items which are necessarily involved in a project such as this. About all we can do is to deal with total figures, trusting that either the committee or the heads of departments or agencies will make the cuts where they are most needed, and at the same time try to preserve the vital services of the Government.

Mr. AIKEN. All the committee can do, after it has become aware of the practice of putting in an entire new floor when only 3 square feet are needed, is to cut the appropriation for that particular work. I do not know under what title it comes in the bill. There is too much of that sort of thing going on.

Mr. DOUGLAS. I think I have said enough to indicate that a cut of 5 percent would not mean any reduction in the quantity of material which the Government purchases, because the fall in wholesale prices has been equal to that amount.

I now ask whether the Senate and the country really believe that a reduction of 5 or 6 percent in the total number of Government employees would injure the services which the Government performs for its people. Is there not at least this amount of fat and excess in the Government as a whole? Can anyone really deny this?

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LANGER. I wish the Senator would name some departments in which a reduction of 5 or 6 percent could be made. We have been hearing this argument for 2 years. Would the Senator make such a cut in the Veterans' Administration? Answer yes or no.

Mr. DOUGLAS. That is the question which is always turned on every budget-cutter. But I should be greatly surprised if the number of employees in the Veterans' Administration could not be reduced by 5 percent without injuring the essential services provided to veterans.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. ELLENDER. I noticed in the press last week that the Veterans' Administration is planning a reduction of 8,000 employees.

Mr. LANGER. That is correct.

Mr. ELLENDER. It shows that it can be done.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. LANGER. Has the Senator seen the report of the American Legion and the other veterans' organizations, showing that the reduction is being taken from the poor GI's lying in hospitals? Some of the nurses are being taken away.

Mr. DOUGLAS. I do not want to take anything away from the ill veterans in hospitals, but I think frequently the welfare of the ill veterans is confused with the maintenance of excessive personnel, and that many crimes are committed in the name of maintaining services. That argument is used—not by the distinguished Senator from North Dakota, of course, but by others—as an excuse for the maintenance of excessive personnel. Excessive personnel is hidden behind the skirts of service to the suffering.

Mr. LANGER. I do not believe that any other Senator has gone into the matter more fully than has the senior Senator from Virginia [Mr. BYRD]. The Senator from Virginia started 4 years ago. The distinguished Senator from Vermont [Mr. AIKEN] was a member of the committee at that time. We finally passed the Byrd-Langer amendment, whereby the Bureau of the Budget had to cut a certain definite number of employees from every single department. In the beginning I felt somewhat as does my distinguished friend from Illinois. However, I went further. I made a motion to make a meat-axe cut of 30 percent. By the time the distinguished Senator from Virginia got through he convinced me, first of all, that it had to be done in an orderly manner; second, that it had to be done in a scientific manner; and third, that we ought to consider the circumstances in each case. In a place like Los Angeles, where there is an increase in population of roughly 125,000 people a month, more employees must be put on in the postal service, because the city is growing, and there is more postal business. When people move from the country to the city the rural mail carriers must be kept going, even though there are only 3 or 4 or 5 on the line, instead of 30 or 40. We cannot take off the rural mail carriers.

In my opinion, the Senator from Virginia has done a job for which the entire country owes him a debt of thanks. His work has been partly undone by the Congress. When we finally passed the Byrd-Langer amendment, which took off a certain definite amount every month—and that law has been in force, and the Bureau of the Budget has enforced it—what did we find Congress doing? We found, for example, that in connection with the Marshall plan there was no limit to the number of people who could be employed.

Mr. DOUGLAS. Mr. President, does the Senator wish to ask me a question, or make a speech?

Mr. LANGER. I am coming to the question.

In the matter of veterans, Congress specifically exempted employees of the Veterans' Administration from the effects of the Byrd-Langer amendment.

Apparently, the distinguished Senator from Illinois has made quite a study of this subject. I should like to ask him to name any department in which he would reduce the personnel by 6 percent.

Mr. DOUGLAS. It seems to me that virtually every department could be reduced by at least 6 percent. The Senator may remember a minority decision of the United States Supreme Court in the minimum-wage case. I think the opinion was written by Mr. Justice Holmes. He said that "what we know as men we cannot pretend to be ignorant of as judges." What we know as men about the excess staffing of Government departments we cannot pretend to be ignorant of as Senators.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. LANGER. Last year the Committee on Post Office and Civil Service, now headed by the Senator from South Carolina [Mr. JOHNSTON], employed experts who went from department to department looking for some of the loafers. We had heard about men who put their feet on the desks and read newspapers, and about women who were knitting. I ask the Senator if he does not have confidence in the Committee on Post Office and Civil Service, which sent out experts, without anyone knowing that they were out, to try to find some of the loafers? I am sure the Senator from South Carolina will join me in the state-

ment that we found that, aside from one department, none of the loafing about which we had heard so much existed.

Mr. DOUGLAS. I have been very careful not to make sensational charges.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield in a moment. All I say is that it seems incredible that there is not an excess of at least 5 or 6 percent in personnel in Government departments.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. GREEN. I do not intend to make a speech. I assure the Senator that I wish to ask a question.

Does not the Senator believe that it is desirable to distinguish between the different kinds of expenditures which the Government makes? Some of them bring back returns in one way or another. Some of them are not expenses, but in fact investments. For example, take the case of the Bureau of Internal Revenue. For every dollar we spend on employees we get a return of between $30 and $50, and in some cases $100. How can we denounce extravagance in such a department?

Take the Customs Service as another example. We have reduced the number of customs inspectors, and as a result have reduced the income of the Government. That is not economy. Does not the distinguished Senator from Illinois believe that we should distinguish between the various types of activity in which the Government is engaged, and not try to reduce them all?

Mr. DOUGLAS. I quite agree with the Senator from Rhode Island. He was not in the Chamber when I began my address. I congratulated the committee on having recommended the appropriation of funds which would add 7,000 additional agents to the Bureau of Internal Revenue. I said that I thought this was an investment which would more than pay for itself. In fact, it would pay for itself many times over. But when we deal with departments as a whole, departments which presumably have been brought into line with each other by the Bureau of the Budget, it seems to me that if we ask the head of the department, who presumably has the interests of the country at heart, to make a cut of 5 percent, distributed in those places which he knows best, he can do it infinitely better than we can.

Mr. GREEN. That may be true; but in giving him that direction should we not distinguish between the different kinds of activities? If we prescribe a reduction of 5 percent, and not more than 20 percent in any division of the department, we make it necessary to make a reduction in all the divisions.

Mr. MAYBANK. Mr. President——

Mr. DOUGLAS. Let me reply to the Senator from Rhode Island before I yield to the Senator from South Carolina.

Mr. GREEN. I am seeking information.

Mr. DOUGLAS. Of course, I did not draft the amendment proposed by Senators on the other side of the aisle. I do not know that I am particularly defending that amendment. However, as I read it, it does not require a cut of 5 percent in each bureau. It requires a total cut of 5 percent for the Department, and then merely provides that the cut in any activity shall not be more than 20 percent.

Mr. GREEN. That is very true. If we apply the latter condition, it may make impossible the former. In other words, unless a cut of more than 20 percent were made in the appropriations for some governmental agencies, some reductions in appropriations would have to be made for all Government agencies.

Mr. DOUGLAS. Is the Senator from Rhode Island therefore contending that the proposed reduction in appropriations should be so increased so that it would be possible for us to cut the appropriations for certain governmental agencies more than 20 percent? If that is the position of the Senator from Rhode Island, I should be glad to have him propose an amendment to have cuts of perhaps up to 25 percent made in some appropriations.

Mr. GREEN. I am asking whether the Senator from Illinois agrees that it is the duty of Congress to distinguish between the appropriations for governmental agencies which bring in revenue and the appropriations for agencies of the Government which simply make expenditures.

Mr. DOUGLAS. Personally, Mr. President, when we are dealing with appropriation bills I find myself so overwhelmed by the magnitude of the appropriation figures, and so overwhelmed by the functions of the agencies concerned, that I am unable to pass intelligent judgment—I confess it—as to individual items of appropriations. But I am able to add, and I know that the Federal Government is going to be in the hole at least $2,000,000,000 for the year 1949–50, and possibly three or four billion dollars, and in view of that situation, I think we must make some reductions somewhere in the appropriations. That is all I am saying.

Mr. MAYBANK and Mr. LANGER addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Illinois yield; and if so, to whom?

Mr. DOUGLAS. Mr. President, I find it difficult to make a choice as between yielding to my distinguished friend the Senator from South Carolina and my distinguished friend the Senator from North Dakota, both of whom are most persuasive in their requests that I yield to them.

Mr. MAYBANK. I should like to have the Senator yield to permit me to make a comment on the statement he has just made.

Mr. DOUGLAS. Then I yield first to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, let me say that I agree with the Senator from Illinois that we must make reductions somewhere in the appropriations. But so far as a 5-percent reduction in the appropriations under this bill is concerned, I wish the distinguished Senator from Illinois to know that when the committee concluded its action on this bill, I communicated with the Post Office Department and with the Treasury Department as to the proposed cuts, and in view of my information in this connection, I say to the Senator from Illinois that, if I correctly judge his views on the basis of the statements he has made, the cuts would be totally unsatisfactory to him.

Mr. DOUGLAS. Mr. President, I now yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, let me inquire whether the Senator from Illinois would favor decreasing the number of deliveries of rural mail, so that it would be delivered bi-weekly, instead of daily.

Mr. DOUGLAS. Mr. President, now the Senator from North Dakota is baiting a very artful trap for this new and unsophisticated Senator. [Laughter.]

Certainly I should like to have daily deliveries continued for the rural mail routes. However, of course we must bear in mind that those routes were laid out back in the horse-and-buggy days; so it would seem that today they should be consolidated or extended, now that delivery is made by automobile. I make that statement even though such a suggestion may bring down on my head the ire of the rural mail carriers. Nevertheless, I say that I think the rural routes in many cases could well be consolidated or extended.

Mr. LANGER. Mr. President, will the Senator yield further to me?

Mr. DOUGLAS. I shall be glad to have the Senator from North Dakota scatter his scented bait before the trap in his endeavor to have me direct my steps toward it. [Laughter.]

Mr. LANGER. Mr. President, I admire the Senator from Illinois too much to attempt to do that to him. I ask him whether he believes the average rural carrier can take care of more than 300 mail boxes a day.

Mr. DOUGLAS. Mr. President, I shall not go into the question of the exact amount of work a rural mail carrier should be expected to do. I am simply observing that the rural routes were originally laid out at a time when delivery was made by horse and buggy, at an average rate of speed of perhaps 4 miles an hour; but that today the deliveries are made by automobile, thus resulting in increased speed in covering the routes and making the deliveries. Therefore, in my judgment many of the rural routes could be consolidated, with a resultant great saving of money.

Mr. LANGER. Well, Mr. President——

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Illinois yield; and if so, to whom?

Mr. DOUGLAS. Mr. President, it is always a delight to yield to the Senator from North Dakota for a question, and, of course, I am always glad to yield to the Senator from South Carolina. However, now that I am beseiged by both Senators with requests to yield, it is difficult for me to decide to which one I should yield first. Perhaps I should yield first to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I should like to call the attention of the

Senator from Illinois to the fact that in the Post Office Department it has been the custom, in case of the death or resignation of a rural postal carrier, to make an investigation to ascertain whether the routes can be doubled up or consolidated. That has been done for many years.

I ask whether the Senator from Illinois knows—and in this respect I quote the testimony of Postmaster General Donaldson himself—that today the average length of a rural route is 50 miles, and some of them run as high as 90 miles in length.

Mr. DOUGLAS. Of course, that is quite possible.

May I ask the Senator from South Carolina a question in response to the question he has asked me: How many rural routes have been consolidated by the Post Office Department in the last 5 years?

Mr. JOHNSTON of South Carolina. I do not have that information at my fingertips.

Mr. DOUGLAS. Is it true that only a few hundred have been consolidated in the last 5 years?

Mr. JOHNSTON of South Carolina. In my own State, many of them have been consolidated.

Mr. DOUGLAS. I should like to ask the Senator whether he thinks the limit of consolidation has been reached.

Mr. JOHNSTON of South Carolina. I answer that question by saying that I do not believe the limit of consolidation has been reached, and I do not believe the Post Office Department would say otherwise. Certainly it is making such consolidations as rapidly as it possibly can.

Mr. DOUGLAS. Mr. President, of course I did not commence the discussion of the rural routes. I ventured into it only when the Senator from North Dakota, in his charming fashion, led me into it. [Laughter.]

But the discussion which has occurred thus far, together with the statement of the Senator from South Carolina [Mr. JOHNSTON], seems to indicate that a saving of more than 5 percent could be made in the appropriations for rural mail deliveries.

Mr. JOHNSTON of South Carolina. Mr. President, I did not make such a statement.

Mr. DOUGLAS. I know the Senator did not; but he said he though the limit of consolidations had not been reached.

Mr. JOHNSTON of South Carolina. But I call attention to the fact that although there are fewer carriers, they are paid on a mileage basis, according to a law passed by Congress. So very little is saved as a result of making some consolidations.

Mr. RUSSELL. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I am glad to yield to the Senator from Georgia.

Mr. RUSSELL. I merely wish to observe in this connection that although I do not know the experience of other Senators, yet there has not been one case in my own State, so far as I know, of a carrier having resigned or retired that the people of the community and the prospective rural free delivery carriers have not besought my aid in seeing to it that no consolidation was made.

I do not know whether that has been the experience of other Senators.

Mr. DOUGLAS. I think it is also rather striking to consider the very large number of persons who wish to become rural mail carriers, and how frequently, at times, postmasters wish to give up their jobs to become rural mail carriers.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I am very glad to yield to my distinguished friend and colleague from the State of Illinois.

Mr. LUCAS. I should like to have my distinguished colleague yield to me, to permit me to ask him how long it will take him to conclude the address he is delivering.

Mr. DOUGLAS. I shall finish it as rapidly as I can, of course. I hope to conclude in 12 minutes.

Mr. LUCAS. Will the Senator yield to me, to permit me to ask a question of the distinguished minority leader?

Mr. DOUGLAS. Certainly.

Mr. LUCAS. I should like to ask the distinguished minority leader how long he thinks it will take Senators on his side of the aisle to conclude their remarks on this bill.

Mr. WHERRY. Mr. President, if the Senator from Illinois will permit me to respond, let me say that I think there will be only one short speech from this side of the aisle, but I think probably more than one motion will be made in connection with the bill and amendments to it.

In view of the fact that other motions probably will be made, and no doubt they will require some debate, I would suggest that I do not think the bill can be disposed of within a short space of time.

Mr. LUCAS. Mr. President, in view of that suggestion by the able minority leader, I think perhaps as soon as the junior Senator from Illinois concludes his remarks, I shall ask the Senate to take a recess until tomorrow.

Mr. DOUGLAS. Then, Mr. President, in the interest of brevity, I shall omit certain portions of the speech I had intended to make.

Mr. LUCAS. Mr. President, I wish my distinguished colleague to understand thoroughly that I am in no way attempting to curtail or limit the admirable address he is making. Certainly he should continue with it just as long as he chooses.

Mr. DOUGLAS. I understand that entirely. I may say that I am distressed at the amount of time I have taken thus far. So I shall try to condense certain portions of the speech I had intended to make, and perhaps shall request to have other portions placed in the RECORD, without actually being delivered by me.

Mr. President, I think a personnel reduction of from 5 percent to 6 percent can be made without inflicting any real hardship on governmental employees, if we proceed by the simple process of not filling all the vacancies which occur.

As I understand, the average death rate in the Federal service is between 2 and 3 percent and the average separation or shrinkage rate last year was around 25 percent. Assuming that the separations are distributed evenly over the year, that would mean an average shrinkage rate of 12 percent, if none of the separations were replaced by new hirings. By filling half of the vacancies, we would obtain an average reduction in force of 6 percent, or the approximate proportion by which we wish to have reductions made. Furthermore, in any organization there is a small percentage of drones whom the heads of the organization would like to drop. Unfortunately, today the procedures for firing such persons are, because of civil service rules, frequently so consuming of time and energy that section and division heads and bureau chiefs shrink from getting rid of them. I do not know how large such a group may be; but if one's experience with the military forces and with private organizations is any guide, it would be surprising if they are less than 2 percent. Getting rid of such drones would actually raise the output because it would create better morale and and a greater will to work in the remainder of the personnel, although there are certain bureaus in departments where we could have variations in the percentage of the cut.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am very glad to yield.

Mr. LONG. I am sure the Senator realizes that in the Post Office Department, even if there is a deficit of approximately $550,000,000 a year, the salaries of the Post Office employees have been raised since the war even more than that amount, and that that increase in salary was necessitated by the increased cost of everything since the war. On the other hand, the Post Office rates have had a very, very slight increase. I wonder whether the Senator would agree with me that the only way we are really ever going to wipe out the enormous Post Office deficit, or substantially reduce it in the long run, is to adjust rates somewhat in line with the service that is being rendered, just as everything else has had to be adjusted after the war.

Mr. DOUGLAS. I quite agree with that. If we were now in a period of severe depression, and if the country were gravely threatened by unemployment, I should be perfectly willing to have deficit financing and to expand public works in order to furnish employment. But we are not now in such a period. There are danger signals up, but we cannot be certain that a depression will occur.

Mr. President, I think I have said enough, therefore, to indicate that these economies can be made without injuring the real services which the Government performs.

I submit that we must tackle this problem. But, except in rare instances, we cannot do so item by item. We just do not know enough to be able to pass judgment on the tens of thousands of items which appear in the 1,400-page budget which was submitted to us. It was to help us on precisely this point that the Congressional Reorganization Act called for the submission of a consolidated legislative budget. But for one

reason or another we do not now have this before us and we must work on each of the appropriation bills as they are submitted to us. The sensible way is to propose given percentage cuts for departments and agencies as a whole and then let the administrators who presumably know their problems best decide how these cuts shall be distributed.

I favor the general outline of this plan. Although in the case of certain bureaus and departments where I think I have some special knowledge, I shall reserve the right to propose and suggest variations of these percentage cuts. For example, I think it will pay us many times over to have more agents in the Internal Revenue Bureau rather than less, and I want to congratulate the Committee on Expenditures for providing for this. But the general principle is, I think, clear.

IS WASTE THE PROPER WAY TO MAINTAIN EMPLOYMENT?

The only effective argument which I have heard against a reduction in Government costs is the contention that we are headed for a pronounced business depression during the coming year and hence, that the Government should not contract its payrolls and reduce the numbers employed since this would merely make business conditions worse.

I would reply in two ways to this. We do not know whether we are headed for a depression and, secondly, even if we are, we should not fight it by perpetuating waste, but rather by stimulating the production of much needed goods and services.

Despite the danger signs which are clearly evident, we should not conclude at this juncture that we are doomed to a severe depression. We all remember how, after VJ-day, virtually all the forecasters predicted that by the spring of 1946 there would be from 8 to 12 million unemployed. This did not happen. Then as late as 3 months ago, the predominant group of Government economists in Washington was proclaiming that the economic problem which we had to face was continued inflation. That turned out to be incorrect. Now it is being said, and apparently by some of those who a few months ago feared inflation, that we face another break like that of 1929.

It is, of course, possible that this may happen. But there is no clear proof that it will. Perhaps most reputable economists still believe that the coming year will either be one of moderate prosperity or moderate recession. It is too early to tell what will happen. Just as it would have been a mistake to have launched a big public-works program in the fall of 1945 to avert unemployment which never occurred, just as it would have been a mistake to have applied deflationary tactics in January of this year, so I believe it would be a mistake now to conclude that a depression is inevitable.

We must make decisions on the budget in the next 6 weeks without knowing what kind of a year we are going to face. In military phraseology, we should be alerted for a depression, but we should not commit our reserves prematurely. That is about the worst mistake any military commander can make. Unless the bottom falls out of business during the next 6 weeks, therefore, I submit that we should try to balance the budget during the coming year and then hold ourselves in readiness to act decisively later should matters get greatly worse. For example, I think we should give the Federal Works Agency added funds to help to get definite blueprints drawn on some of our more important public works which could be used in a depression. At present such blueprints exist on the reserve shelf for only about four and one-half billion dollars of projects—local, State, and Federal—while plans are incomplete for about sixty billion dollars more, which are needed public works. We should be ready to act, but we should not act until the situation requires it.

Secondly, even if we do ultimately act to offset by increased Government expenditure a great decline in private employment, we should not do so by maintaining waste in government. We should instead seek to clear the slums, to build housing for the underprivileged, to construct more hospitals, and to conserve the soil rather than to maintain an excessive number of clerks, stenographers, and office staff. Waste does not add to the national wealth. By using up our margins of safety, it will instead make it more difficult for us to help the people who may really need help and will prevent us from stimulating the economy at the points where it needs to be aided.

If we do not try to economize at this time by reducing waste, we will put ourselves in the position of almost never doing so. In years of high prosperity, we will not economize because we will not need to do so, while in periods of depression it will be argued that the waste will be necessary to give employment. And in transitional periods we will be afraid to move lest we make conditions worse. I think the only answer is to be against waste at all times, but to adapt the rest of our program to business conditions.

I recognize that there are other decisive factors in the economic picture in addition to the reduction of Government administrative expenses. Among those are the following: First, the Government's economic program to encourage and maintain high levels of business investment and consumer purchasing power; second, the proper balance between military and civilian expenditures in the light of the demands of our foreign policy; third, the reorganization of the executive branch of the Government as recommended by President Truman and the Hoover Commission; and, fourth, the wage, price, investment, and production policies of individuals in private business.

To these we must also give our most serious attention. Budget cutting is no substitute for wise action on these matters.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Florida for a question?

Mr. DOUGLAS. I yield.

Mr. PEPPER. I have the utmost respect and deference for the economic knowledge of my good friend from Illinois, and I profess to be no economist myself, but I should like to ask the able Senator whether this general tendency which has been manifested in the Congress toward a policy of what may be called economy is not likely to be contributory, if followed throughout the country, to a deflationary spiral which will tend to bring about the unemployment to which the Senator has already referred?

Mr. DOUGLAS. It is so contended, of course, by some persons, but I should say it would be more dangerous for us in a period which approaches normal to have an unbalanced budget and be compelled to float bonds to meet the deficit. That might have a worse effect on public confidence and impair business conditions, and would, in my judgment, hurt the community more than a reduction in expenditures at this time.

Mr. PEPPER. Mr. President, will the Senator yield to a further question?

Mr. DOUGLAS. I yield.

Mr. PEPPER. I am asking the able Senator only for information. Even a budget deficit and the necessity for deficit financing would have a tendency, would it not, to inflate the economy instead of to deflate it, and would it not constitute probably a contribution toward the retention of the present high level of employment we now have and be a force which would counteract some of the tendencies toward deflation which we observe already in the economy?

Mr. DOUGLAS. As I have said, if we should once be so unfortunate as to get into a severe depression, I believe then we should expand public works, create employment, and maintain purchasing power. But I think it is very dangerous for us at this period to proceed on the assumption that we are going to have a severe depression. We do not know whether that will be true or not. We will not know in the next 6 weeks as we make up our minds on the budget. I think we should only proceed for the present on the assumption that we shall have approximately normal conditions and that during that period the budget should be balanced. If, during the course of the summer, conditions should become worse and if we are summoned back into special session in the fall, as it is promised we shall be, I shall be perfectly ready to reconsider the subject then. But, as of this moment, it seems to me highly important that we should not strike at business confidence by unbalancing the budget.

Mr. PEPPER. Mr. President, if the Senator will allow a last inquiry, since we now have a level of prosperity which we have hardly ever approached in the past, and since we have a high level of employment, which has been the envy of our past, and if we now, by our public example and our public policy, give encouragement to these deflationary trends which are already popping up all over the country, is it not possible that we may later have to spend a great deal more money to get back up to this high level that we now enjoy in the economy than would be saved by the success of the policy to reduce expenditures, say, 5 percent?

Mr. DOUGLAS. I may say to the Senator from Florida that he can make a case for what he is saying, but I do not think he quite realizes the implications of his apparent contention. If what he says is true, we would be committed to an almost permanent policy of deficit financing, constantly spending more than we collect, in an effort to maintain business balance. I cannot believe that this is a healthy program. I would say that we should have deficit financing in periods of depression, but that in periods of prosperity we should have a surplus of receipts over expenditures and retire some of the debt which has been accumulated during the period of the depression. A continuous process of deficit financing would, I think, ultimately be disastrous.

Mr. PEPPER. Mr. President, I thank the Senator for his statement, but I would not wish the record to appear to indicate that the Senator from Florida favored a continuous deficit financing except in times of great distress and abnormality. If I had to choose between the two horns of the dilemma of contributing to the deflationary trends that I observe in the country or levying an additional tax, I should rather levy the tax; and I believe it is a sounder public policy.

Mr. DOUGLAS. I do not want to keep the Senate in session unduly. I should merely like to say that while we should be alerted for a depression, we should not commit our reserves prematurely. Even if we ultimately act to offset contraction of private employment by increased Government expenditure, we should not do so by maintaining waste in Government. We should, instead, seek to construct positive public works which will be of benefit.

LIBERALISM OR CONSERVATISM HAS NOTHING TO DO WITH THE CASE

In conclusion I should like to point out that this is not a matter of liberalism versus conservatism. To be liberal, one does not have to be a wastrel. We must, in fact, be thrifty if we are to be really humane. We are not helping the slum dwellers, the under-educated, and sick by supporting an excessive number of stenographers and clerks. We are, on the contrary, wasting money and personnel which, if saved, would remove some of these evils from American life. If by next fall unemployment should have risen to 5,000,000 persons, and if we are then in the midst of a severe economic depression, I would be willing at that time to consider the possibility of launching a public-works program to help take care of the unemployed and to revive business. But we should not do this now. We should trim our sails for the moment so that we may be ready if the storm breaks. On the other hand, there are many conservatives who say they want to balance the budget but who in practice want each particular item in which they are interested to be increased. The budget issue is simply one of arithmetic and logic. Liberalism and conservatism, like "the flowers that bloom in the spring," have nothing to do with the case.

Nor is this a party issue. The same tendency to expand personnel exists under all administrations. It would be just as strong, I believe, were the opposing party to be in power. I think I have shown that I do not want to be partisan in my discussion, but it is not improper to point out that the deficit which faces us for the current year 1948–49 has been caused by the unsound tax-reduction program of the Eightieth Congress, in the midst of an inflationary spiral. If the previous tax rates wisely supported by President Truman had been maintained, the prospective income for the coming fiscal year would have been sufficient, I believe, to meet the deficit now present for 1949–50. Although, of course, it would still have been desirable to eliminate waste. For critics of the President's Fair Deal program, many of whom voted for these tax reductions in 1948, to lay the main blame for the present fiscal situation upon the administration's housing, education, and welfare proposals, is hardly just.

I have concluded, however, that we do not have two parties, but rather three, which are struggling here on Capitol Hill. In addition to the Republicans and the Democrats, we have officialdom, or what is vulgarly termed the bureaucrats. This third party, operating as it does through both of the old parties, tends ever to want more and more and more. The officials may do it with the best of motives, but that is their tendency. But we represent the people, and the interests of the people demand at this time a balanced budget to be obtained through a reduction in waste. In this battle of the people versus officialdom, our place is on the side of the people.

GOVERNMENT OFFICIALS MUST COOPERATE

When a family gets into trouble and begins to run into debt, the father and husband, if he is wise, will call the other members into a family conference and will lay the facts before them. Then if the children are of the right stuff, they will all tighten their belts, cut down on their less essential expenditures, and seek to increase their income. That is what we are asking officialdom to do. We are saying this to them:

In order to defend our country against threatened aggression, in order to help our less fortunate citizens and to preserve the financial soundness of our Government, please get under the load and help us. Instead of always asking for more, see if you cannot get along with less. Every bit of waste in our armed forces makes it that much more difficult for us to rearm the western democracies. Every bit of waste in our civil branches makes it that much more difficult for us to clear the slums and to provide better housing, health, and education for the unfortunates who need help the most. Get under the load with us and help us to bring this country of ours through its difficulties.

We can do it if we will only pull together, but we shall all need to be clear-headed, courageous, and determined to put the national interest first. If we do so ourselves, we are justified in asking the administrators that they do likewise. They now have the chance to prove they are worthy of our trust and that the bitter attacks which are often made upon them are untrue. I, for one, have confidence in them. We shall be grievously disappointed if they fail. That is why I think we must reduce wasteful expenditures and do our best to balance the budget.

Mr. TAFT. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an article from the New York Herald Tribune entitled "Advisers Bid Truman Ease Tax Demands" and an article appearing in the Washington Post today entitled "Advisers Ask Truman To Hold Spending Down."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune]

ADVISERS BID TRUMAN EASE TAX DEMANDS—ECONOMIC COUNCIL URGES LESSER GOAL—OPPOSES TRANSPORTATION LEVY ON GOODS AND NEW PUBLIC WORKS SPENDING

WASHINGTON, May 9.—President Truman's economic advisers have suggested that some existing tax burdens be lightened and that the administration scale down its request for $4,000,000,000 in new levies, responsible officials said today.

The Council of Economic Advisers was reported also to feel that current business trends justify a checkrein on Federal spending to bring the budget closer to balance.

The council delivered its April report to the White House last week. It has not been made public, but it was learned that it suggested the lowering or removal of some excise taxes. Such levies as the tax on transportation of goods, in the council's opinion, add to business costs and consumer prices and impede on orderly withdrawal from the postwar business boom.

LESSER GOAL IS URGED

The advisers suggested that consideration be given to accepting a lesser goal than the $4,000,000,000 tax increase. Mr. Truman has suggested that this money be raised mostly from corporations and, perhaps, from middle and upper individual income brackets.

The council did not recommend at this time the launching of an expanded public works program, an authoritative source disclosed. The advisers have consistently urged that Federal and local governments prepare shelves of public work blueprints for use when needed to bolster employment and public purchasing power. But the present trend of the economy, which the council chairman, Dr. Edwin G. Nourse, calls a healthy disinflation, does not warrant large-scale works spending now, the council feels. Such outlays would make it harder to reach the goal of lower Government costs.

The three-member council, Dr. Nourse, Vice Chairman Leon Keyserling, and Dr. John D. Clark, were reported to be in substantial agreement on the April size-up of the economy.

While there may have been some conflict of views, it was indicated there was no such outright split as occurred early in the year when Mr. Keyserling and Mr. Clark outvoted Dr. Nourse in advocating passage of stand-by anti-inflation controls.

ADVICE TO TRUMAN

After a White House visit last Tuesday Dr. Nourse informed newsmen that the council expects some further easing of living costs. He said prices are continuing downward but not on a demoralizing basis, and that there is no need to dig into the storm cellars.

He did not divulge the council's advice to Mr. Truman. As now reported, that advice was:

It would be unwise to plunge into red-ink financing. But an effort to avoid it by sharply boosting taxes might hinder the attempts of business firms to adjust their prices to the weaker market and keep their

plants running at high capacity. The safer course would be to trim Federal spending.

On the tax question, the council reportedly suggested that study be given these policies:

1. Reducing those wartime excise taxes which basically affect business operations and which produce only a comparatively small amount of revenue. The 3 percent levy on air, land, and water freight, for instance, pyramids costs because it applies anew at each step from the mine or mill to the consumer.

2. Delaying the date of the proposed increase in the social security pay roll tax from July 1—as proposed by administration leaders—to the presently scheduled date, next January 1. The levy, shared by workers and employers, bites directly into pay checks and heightens business costs.

3. Accepting a lesser goal than the $4,000,000,000 tax increase which Mr. Truman asked in January. Some officials hold that such a tax boost now might eat up private capital needed for industrial expansion, or cause business to retrench so severely that the healthy disinflation might skid into a serious recession.

No major part of the economy is now in serious trouble, the council is understood to believe, but hazards exist which will bear watching—including the possibility of a heavy fourth round wage increase and large crop surpluses.

The impression was given that the council approves the policy of the Senate Finance and House Ways and Means Committees in the watchful waiting before taking action to raise taxes or lower them.

Mr. Truman's budget report in January predicted a deficit of $600,000,000 for fiscal 1949, ending next June 30. It foresaw a deficit of $873,000,000 in fiscal 1950. Some private economists believe the 1949 deficit may be somewhat larger and the 1950 deficit much greater than the budget forecast.

[From the Washington Post of May 10, 1949]

ADVISERS ASK PRESIDENT TRUMAN TO HOLD SPENDING DOWN

(By Sterling F. Green)

President Truman's Council of Economic Advisers favors a checkrein on Federal spending to bring the budget closer to a balance, responsible officials said yesterday.

As far tax increases, the council is reported to have suggested it might be well to accept a "lesser goal" than the $4,000,000,000 for which the President has been asking.

The April report of the council, drafted in the light of current business trends, was delivered to the White House last week. It suggested the removal or lowering of some Federal excise taxes, it was learned.

Such levies as the tax on transportation of goods, in the council's opinion, add to business costs and consumer prices and impede an orderly withdrawal from the postwar business boom.

The council did not recommend at this time the launching of an expanded works program, an authoritative source disclosed. The advisers have consistently urged that Federal and local governments prepare "shelves" of public-work blueprints for use when needed to bolster employment and public purchasing power.

But the present trend of the economy—which Council Chairman Edwin G. Nourse calls a "healthy disinflation"—does not warrant large-scale works spending now, the council feels. Such outlays would make it harder to reach the goal of lower Government costs.

The three-member council, Dr. Nourse, Vice Chairman Leon Keyserling, and Dr. John D. Clark, was reported to be in substantial agreement on the April report.

While there may have been some conflict of views, it was indicated, there was no such outright split as occurred early in the year when Keyserling and Clark outvoted Nourse in advocating the passage of stand-by anti-inflation controls.

* * * * *

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1. Reducing those wartime excise taxes which basically affect business operations and which produce only a comparatively small amount of revenue. The 3-percent levy on air, land, and water freight, for instance, pyramids costs because it applies anew at each step from the mine or mill to the consumer.

2. Delaying the date of the proposed increase in the Social Security pay-roll tax from July 1—as proposed by administration leaders—to the presently scheduled date, next January 1. The levy, shared by workers and employers, bites directly into pay checks and heightens business costs.

3. Accepting a lesser goal than the $4,000,000,000 tax increase which Mr. Truman asked in January. Some officials hold that such a tax increase now might eat up private capital needed for industrial expansion, or cause business to retrench so severely that the healthy disinflation might skid into a serious recession.

No major part of the economy is now in serious trouble, the council is understood to believe; but hazards exist which will bear watching—including the possibility of a heavy fourth round wage increase and large crop surpluses.

AMERICAN POLICY TOWARD SPAIN

(During the consideration of the Treasury and Post Office Departments appropriation bill there ensued the following debate which, on request of Mr. MAYBANK and by unanimous consent, was ordered to be transposed to this point in the RECORD:)

Mr. McCARRAN. Mr. President, during this week there will be a most momentous vote taken in the United Nations, in which the question of full recognition of Spain will be involved. Spain, which from time immemorial has been a civilized Christian nation, friendly to America, and a country with whom America has been friendly, is now in the balance before the United Nations. It has been extremely difficult for some of us to understand why it was that our country, through the State Department, seemed to be stymied in regard to diplomatic recognition of Spain. The question was put to the Secretary of State only a few days ago as to whether, when this country endorsed and accepted the Charter of the United Nations and became a member of that organization, we did away with or fettered ourselves against individual action regarding diplomatic relations. It would appear from the attitude of the Secretary of State, if we can construe his attitude at all, as he appeared before the Committee on Appropriations in connection with the State Department appropriation, that he either does not know or is silent on the subject of whether this country has its hands tied, has its tongue tied, and has its attitude tied toward diplomatic recognition of other countries of the world.

We are within a few days to vote on a grave subject, namely, whether we shall ratify and become a party to the North Atlantic treaty. If we are to become a party to it, if the Senate is to endorse that great project, and I am one who hopes that it will, then certainly—and I need go no further than to quote the Secretary of State before the Appropriations Committee—"Spain would be a most essential element in the North Atlantic Treaty"—essential from a military standpoint, essential from an economic standpoint, essential from a diplomatic standpoint, indeed, essential from every standpoint to the welfare and successful operation of the treaty, and, indeed, to the welfare of the democratic, liberty-loving, God-fearing peoples of the world.

Mr. President, what gives rise to the thought which I am trying to express before the Senate is a most able article by one of America's foremost columnists, Mr. John O'Donnell, under the caption "Capitol stuff." I ask unanimous consent that the clerk may read the article to the Senate at this time, in order that I may discuss it after it has been read.

Mr. MAYBANK. Mr. President, I wish the Senator would not ask that at this time because we are trying to conclude consideration of the Treasury-Post Office Department appropriation bill. It was distinctly understood with the chairman of the subcommittee, the chairman of the full committee, the Senator from Wyoming, and the Senator from Rhode Island that we would proceed with that bill, and then would immediately resume consideration of the District tax bill. I stated that if other matters were taken up by unanimous consent, I would agree to a resumption of consideration of the District tax bill. If a long article is to be read by the clerk and discussed at some length by Senators, it will delay everything we had in mind. I, therefore, wish the Senator would not ask for it at this time.

Mr. McCARRAN. The Senator is too apprehensive. It is not going to be a long discussion. It will not take as long as the Senator thinks. But it is timely, in the judgment of the Senator from Nevada, that the matter be brought before the Senate, in view of the vote that is to be taken in the United Nations within a very short time.

Mr. MAYBANK. Mr. President, will the Senator yield? Reserving the right to object——

Mr. McCARRAN. The Senator reserves the right to object to what?

Mr. MAYBANK. I have no question with the Senator from Nevada as to the propriety of his bringing up the subject again at this time. In fact, I read the greater part of his statement before the Appropriations Committee. I may say that with some of it I agree. But will the Senator give us an idea of how long the reading of the article and the ensuing discussion will take?

Mr. McCARRAN. I cannot imagine that it will take very long, and I have no doubt the Senator will be able to get

his bill through within a very short time, and then resume the former order of business, namely, the proposed sales tax for the District of Columbia. I have no doubt the Senator will be able to proceed with expedition.

Mr. MAYBANK. Does the Senator believe it will take more than an hour?

Mr. McCARRAN. I should not care to hazard a guess about that, because other Senators may want to join in and give their expressions. I have the floor. I do not want to be captious with the Senator——

Mr. MAYBANK. I understand the Senator has the floor; but the Sentaor asked unanimous consent to have an article read by the clerk. That is why I reserved the right to object. My desire was to find out from the Senator from Nevada how long he thought it would take.

Mr. McCARRAN. I do not think it will take very long. That is my judgment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none, and the clerk will read the article in question.

The legislative clerk read as follows:

CAPITOL STUFF

(By John O'Donnell)

WASHINGTON, D. C., May 9.—The distinguished diplomatic thinkers in the State Department just couldn't make up their minds last week about Spain.

They were so utterly coy and artful about the situation that nobody would take responsibility for a United States vote in the United Nations on the resolution to resume normal diplomatic relations with Madrid and thereby cancel out the old Moscow anti-Spanish blackball of December 1946.

As a result of hand-wringing indecision, the boys are once more on the hot spot before the Senate. And it serves them right.

Now, when the State Department is pleading for Treasury millions to conduct global operations, the abstention by the United States gives the Department's Senate foes on the Appropriations Committee another chance to put Acheson and his associates over the barrel.

And this is what's going to be done—according to committee members McKELLAR, of Tennessee, and McCARRAN, of Nevada.

SIXTEEN NATIONS REMAIN ON THE SIDE LINES

The roll call at Lake Success on the Spanish UN resolution which "would leave member states full freedom of action as regards their diplomatic relations with Spain" showed approval by the Political Committee of the General Assembly by a vote of 25 to 16. Sixteen nations, including the United States and Great Britain, remained on the side lines. The majority of Latin-American nations backed the resolution. Moscow and its satellites opposed.

Now comes the first real show-down for the record on the attitude of Franco's Spain toward the United States after Pearl Harbor and, even before that, toward Great Britain in the perilous fall of 1940 and until this Nation entered the war.

To meet the Moscow charge that Franco and Spain were always on the side of Hitler and Mussolini, there are coming out of the files for the Senate probe the public writings of Winston Churchill, of our wartime Ambassador to Madrid, Columbia University's history professor, Carlton J. H. Hayes, and even the communications between the late F. D. R. and Franco.

Churchill wrote in the second volume of his superb war history, "Their Finest Hour":

"Spain had much to give and even more to take away. We had been neutral in the sanguinary civil war. General Franco owed little or nothing to us, but much—perhaps life itself—to the Axis Powers. Hitler and Mussolini had come to his aid. He disliked and feared Hitler. * * * General Franco's policy throughout the war was entirely selfish and cold-blooded. He thought only of Spain and Spanish interests. Gratitude to Hitler and Mussolini for their help never entered his head."

Churchill writes that at all times—this was in 1940–1—"His Majesty's Government was content" with the attitude of Spain. He mentions the dangerous fact that "nothing was easier than for the Spaniards to mount or allow to be mounted a dozen heavy guns in the hills dominating Gibraltar and the narrow passage to the Mediterranean." And he notes: "Spain held the key to all British enterprises in the Mediterranean and never in the darkest hours did she turn the lock against us."

THE SAME ANTI-FRANCO CRIES WE HEARD IN 1942

The outcries against Spain today differ little in kind or source from those which went up from the pinkos in the fall of 1942 when we were making every effort to hold Franco's friendship.

Ten days before the north Africa landings, Ambassador Hayes, after talking with F. D. R., delivered this message to Spain's Foreign Minister Count Jordana:

"Such articles and resolutions of organizations as have recently appeared in the American press advocating the rupture of diplomatic relations with Spain in no way represent the policy of the Government of the United States of America.

"Moreover, the Government of the United States of America, perceiving with much gratification the improvement of relations between the two countries * * * strongly depreciates any activities by purely private organizations or individuals within the United States which would seem intended to prejudice the growth of good feeling between the Spanish people and the people of the United States. The foregoing declaration has been personally authorized by the President of the United States and Commander in Chief of the American Army and Navy."

ROOSEVELT'S LETTER TO FRANCO ON INVASION DAY

And then, on the fateful day of the invasion, November 8, 1942, Franco sat in his Madrid office and read this letter from Franklin D. Roosevelt and, according to Ambassador Hayes, who handed it to him, "seemed pleased with it." Franco from that time was on our side, beyond the barriers of strict neutrality. The letter from F. D. R. read:

"My dear General Franco:

"It is because your nation and mine are friends in the best sense of the word and because you and I are sincerely desirous of the continuation of that friendship for our mutual good that I want very simply to tell you of the compelling reasons that have forced me to send a powerful American military force to the assistance of the French possessions in North Africa."

Appealing to Franco's "wide military experience," F. D. R. outlined the scope of the contemplated action and concluded with the promise:

"I hope you will accept my full assurance that these moves are in no shape, manner, or form directed against the government or people of Spain or Spanish Morocco or Spanish territories—metropolitan or overseas. * * * Spain has nothing to fear from the United States. I am, my dear General, your sincere friend, Franklin Roosevelt."

Mr. McCARRAN. Mr. President, the article just read by the clerk is exceedingly illuminative. It might be well for this country to pause and think of some of the things set forth in that article, especially the note from the late beloved President of happy memory to General Franco at a time when this country was sending its boys into sections of the world in which a turn on the part of Spain might have been fatal to our success.

Mr. President, upon inquiry made of the Secretary of State by members of the Appropriations Committee as to why Spain had not been given diplomatic recognition, the Secretary of State was exceedingly evasive. He seemed to try to avoid the subject by saying that there was a friendly relation between Spain and the United States and that there is a chargé d'affaires there. But, Mr. President, that does not constitute full diplomatic accord. Anyone conversant with diplomatic relations will immediately recognize that the mere presence of a chargé d'affaires in a nation, after a minister or ambassador has been withdrawn, does not evince full diplomatic relations and accord. We have not in this country recognized the ambassador who is offered to us by Spain.

In this hour, when this Nation is fighting the greatest enemy of individual human liberty the world has ever known, is leading, if you please, the vanguard of democratic people for human freedom in the years to come, why is it, I ask, that our State Department refuses to recognize diplomatically a nation that has been fighting communism for the past 25 years, long before we entered into the Second World War; a nation which has stood firmly all the time, by its arms and its economy and its government activities, against the spread of communism in Europe; a nation which if it were to be taken over by the Communist forces today or tomorrow, would lend greater weight to communism than any step communism has been able to take?

Mr. President, why is it, may the Senate ask, that the State Department refuses to recognize Spain? Let us go further and ask, why was it that on last Saturday, when the question came up before the Council of the United Nations, the Government of the United States refused to vote? Why was it that it stood mute, at a time when democracy everywhere was looking to this country for leadership, when individual human liberty was praying to this Nation and to the Western Hemisphere to lead the countries of the world out of the bondage in which they are now held by communistic forces? Why was it that at that hour, when we could have struck a blow for freedom, when we could have said a word that would have given encouragement to the democratic nations of the world, we remained mute in the United Nations?

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield to the Senator from Nebraska.

Mr. WHERRY. I wish to express my deep appreciation of the Senator's bringing to the attention of the people of America this very important vote about to be had in the United Nations. We did not take advantage of the opportunity

the distinguished Senator has so forcefully called to the attention of the Senate, but I ask him now, What are we going to do in the future? The Senator recalls that as a member of the subcommittee, serving with the Senator, I asked the Department of State officials what their program for the future would be, in view of the action taken by the committee of the United Nations approving recognition of Spain by a vote of 25 to 16. What is America going to do in the future? I wish the distinguished Senator, who has given this matter so much study, would indicate at least how he feels about the vote, because it is my opinion that the United States can do nothing else now than to recognize Spain with full ambassadorship. If we are to have a treaty that will defend the 16 or 18 countries involved, certainly Spain has to be admitted as one of the nations to the treaty.

Mr. McCARRAN. Mr. President, it was admitted by the Secretary of State before the Committee on Appropriations that Spain was highly essential, militarily, to the North Atlantic Treaty. A question was propounded by the chairman of the subcommittee, the senior Senator from Nevada, to the Secretary of State, to this effect, "What will be your attitude if Spain is recognized, or if the resolution is adopted giving Spain recognition by the United Nations?" To that question he replied that he did not know. Then I asked him why it was that he did not know, and he said that he would do what the President directed him to do.

I may say that another conference held at the office of the Secretary of State by me and the chairman of the subcommittee of the Committee on Appropriations of the House with the Secretary of State and his assistants, and the same question was propounded to him which I propounded to him in the Committee on Appropriations of the Senate. He said that immediately, if this resolution were adopted by the United Nations, he would send an ambassador to Spain.

I should like to know what has intervened. We may hear, Mr. President, about important personages who have since taken a stand on the subject, we may hear about important personages who have intervened in the matter, and who are not in favor of having Spain recognized, but, regardless of that, 150,000,000 liberty-loving and God-fearing people in this country today, in my judgment, want Spain recognized, because if there is any one thing which the people of America want, if they go into this North Atlantic Treaty, it is to have the North Atlantic Treaty a success militarily, economically, and every other way. If it is not a success along those lines, then it would be better a thousand times that we never entered into it.

Some of us, notwithstanding the fact that we have been and are now inclined to support the North Atlantic Treaty, are going to question whether or not we should go into that treaty unless all the nations which should be in the treaty are brought in by diplomatic accord, and Spain is one of those nations.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Nebraska.

Mr. WHERRY. I deeply appreciate the observations made relative to the necessity of Spain being one of the countries admitted to the North Atlantic treaty, not only for the good of the North Atlantic countries, but I should like to ask the Senator if it is not just as highly essential, if Spain be cooperative, for the defense of the so-called Cairo-Arabia area, which is at the other end of the Mediterranean Sea.

Mr. McCARRAN. Undoubtedly that is true.

Mr. ROBERTSON. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield to the Senator from Virginia.

Mr. ROBERTSON. I wish to ask the Senator a question along another line, and when he finishes his answer to the Senator from Nebraska I shall propound my question.

Mr. McCARRAN. I think I have answered the Senator from Nebraska.

Mr. ROBERTSON. I am very much in sympathy with what the Senator is saying, and I was a member of the subcommittee when the questions were propounded to the Secretary of State and to several of his assistants. I wish to ask the distinguished Senator if he does not feel that we could accelerate what he has in mind if the Spanish Government would recognize religious freedom in Spain.

Mr. McCARRAN. Mr. President, if it is stated that the Spanish Government does not recognize religious freedom in Spain, that statement is false propaganda. Religious freedom is recognized in Spain, and there are in Spain those of nearly every denomination in the world, and they attend their respective places of worship. There is circulated in this country, I know, the charge that there is not religious freedom in Spain, but the best advice I can receive from every source is to the contrary.

Mr. ROBERTSON. Mr. President, I am very happy to have that assurance from the distinguished Senator, because, in all frankness, it has been reported to me that Protestants in Spain are not recognized, but on the contrary the Baptists and the Methodists, for instance, have been driven underground.

Mr. McCARRAN. Mr. President, all I can say is that I have not been to Spain, I am neither a Baptist nor a Methodist, and I have not been underground, but I am advised from the best sources I can find that the statement I have made here on the floor of the Senate is correct.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. JOHNSTON of South Carolina. I am glad the Senator from Nevada has made the explanation about Spain he has just made. There was one time when Spain did not treat all religions fairly, but I am glad to say that in recent years, from what I hear, all religions have been treated fairly in Spain.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. On the question which was raised by the Senator from Virginia [Mr. ROBERTSON], I can say that I was in Spain myself last fall, and at that time, for the first time in 400 years, after the expulsion of the Jews, they were readmitted under the Franco government; and all religions are allowed to conduct their services. There is not the same freedom that we have here, but certainly if we act on that basis, I think we had better sever relations with Hungary and with Russia and with many other countries before we undertake to discipline the one country which, as the Senator from Nevada has pointed out, is unquestionably the most stalwart foe of communism there is to be found in the world.

Mr. ROBERTSON. Mr. President, if the Senator who has the floor will yield, I want to say that I admit the pertinency of the remarks made by the Senator from Maine.

Mr. McCARRAN. Mr. President, I do not want to take the time of the Senate for too long, but I wish to dwell on a few cogent facts, as brought out by the Secretary of State before the Appropriations Committee. He stated that the credit of Spain was not good. Yet, Mr. President, during the last year the trade between Spain and Great Britain amounted to $450,000,000. That looks as though somebody thought the credit of Spain was fairly good. While undoubtedly British pounds were used in that particular line of trade between those two countries, my recollection is that we appropriated last year and will appropriate again this year $5,000,000,000 to stabilize the currency of Great Britain. So that if the credit of Spain is not good, then the American dollar, through the agency of Great Britain, certainly is making it good.

That is not all. The trade between Great Britain and Spain is as I have stated it. But what is one of the greatest commodities desired by the industry of Spain? It is cotton which is necessary for the spindles of Spain. Where is Spain now getting her cotton? Spain is getting her cotton for spinning from Egypt. Undoubtedly again Spain is using British pounds in that business, and undoubtedly again the American dollar is standing behind the British pound, as it does everywhere.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. MAYBANK. I was about to ask my distinguished friend, the senior Senator from Nevada, a question on that very point. At this very time we have before the Committee on Banking and Currency a bill, introduced by the distinguished senior Senator from Texas [Mr. CONNALLY], in connection with the Import-Export Bank's dealing with European countries. I feel, as does the Senator from Nevada, that it is about time the Spanish people were recognized in international trade. I come from a cotton-producing section, but I know about other commodities as well as cotton and tobacco. I know something about the products of the Midwest and of the West. I do not think of the matter in a sectional sense. I think Spain should be

given the same credit by the Import-Export Bank as other countries, such as Italy, for whose credit I have the highest respect, as well as France, which has made a substantial repayment to the Import-Export Bank. I believe Spain should be granted credits similar to those which Congress has provided shall be extended to other countries. I want to thank the Senator from Nevada for bringing up the matter.

Mr. McCARRAN. I wish to make an observation. It is rather a strange thing—and I say this with all due respect to my good friend from South Carolina—to find that in the last 2 years my State has become a great competitor in the production of long staple cotton. We are joining surprisingly with the State of California, as well as with the State of Arizona, in the matter of production of long staple cotton. So some of us from the West, as well as representatives of the great South, which has done so much for the Nation, are equally interested in who will buy cotton and where it shall go.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. MAYBANK. I thank the Senator again for his remarks. From past experience I know that the Spanish people have always bought the very finest and the very best cotton.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WHERRY. Does the Senator from Nevada know offhand, as brought out by the testimony, how much in number of bales, the United States has lost from 1946 to date because we have not sold cotton to Spain?

Mr. McCARRAN. No; I do not have the facts at hand.

Mr. WHERRY. Figures handed me show that the United States has lost the sale of more than 300,000 bales of cotton. That number of bales could have been sold to Spain during those 2 years.

I should like to ask the distinguished Senator from Nevada a question. Does he recall the question asked in committee by the junior Senator from Nebraska of the Secretary of State? The question asked by the Senator from Nebraska was why there should be any conditions imposed on Spain in connection with ECA? The Senator may recall that the Secretary of State's reply to the question was that the United States was not imposing any credit conditions on Spain. Then I asked the Secretary why it was that Spain was not admitted to ECA benefits, because all we are trying to do is to rehabilitate the countries of Europe. The Senator may recall that the Secretary's answer was that some European countries participating in ECA benefits did not want Spain to be included in the group receiving ECA benefits.

I now ask, why should we impose a condition of credit upon Spain when Spain is paying her way, while at the same time we permit the participating countries in ECA to tell the United States of America not to extend aid to Spain because of conditions they impose, which are not imposed by the United States of America? I should like to have the Senator's observation on that point.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McCARRAN. I should like to make a short observation in answer to the question asked by the Senator from Nevada, and then I shall be glad to yield to the Senator from South Carolina.

Let me say that what the Senator from Nebraska has just stated is the fact. The question was propounded by the Senator, and the question was answered by the Secretary of State in substance as the Senator has just stated.

I have this thought in mind. I wonder why any democratic nation, any God-fearing democratic people, and no one will deny that the people of Spain have been such all down the ages, should be denied the right to receive the benefits of ECA which we are extending to other nations of Europe, when, as a matter of fact, our object and aim is to put the people of those nations on their feet so they may in turn within a short period of time sustain themselves. That is the object of ECA. That is its purpose. If Spain is ready to join the Atlantic Pact, if Spain is ready to join the democratic nations of the world, as she declares herself to be, why should we give the cold shoulder to a great people and a great nation and a great government, if you please, at a time when the United States is reaching out for everything that will protect us and at the same time keep us out of war.

I now yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, not only has Spain been denied benefits under ECA, and denied participation in the Atlantic Pact, as the Senator from Nevada has said, but Spain has also been denied credits by the Import-Export Bank, a bank which was founded for the purpose of creating and maintaining good business relations between us and other countries.

Mr. McCARRAN. Mr. President, I want to say something now which is based purely on information received by me. I may be in error, and I may be erroneously informed. But within the last 24 hours I was advised that a great private banking concern of America, in a great center of America, had extended enormous credits to Spain. If it be true that this great concern would extend credit to that nation, why is it that we, as a nation seeking assistance from every source, refuse even to recognize Spain diplomatically?

Mr. CAIN. Mr. President, may I suggest to the distinguished Senator from Nevada that I find most interesting Dean Acheson's statement that Spain is a bad credit risk? I am not familiar with all the facts involved in the Spanish question; but if, for the sake of argument, we were to agree that Spain is a bad credit risk, are we then to assume that every nation which is a party to the ECA is a good credit risk? How can we explain to the average American citizen who wishes to know, what is good credit and bad credit in terms of risk, particularly with reference to our coming consideration of the North Atlantic Pact?

Mr. McCARRAN. Let me say partially in reply to the able Senator from Washington that that question was propounded to the Secretary of State by the Senator from Louisiana [Mr. ELLENDER]. He asked, in substance, Have all the other countries that have received recognition and assistance from ECA paid their bills to the United States? I am giving the substance of his question, and not quoting him verbatim. He then referred to a very outstanding nation, which I do not think should be drawn into this discussion, and asked if it had always paid its bills. Whether the Secretary answered the question or not, it was naturally the occasion for a smile, because every American citizen above the age of 6 years knows the answer.

But that does not seem to me to answer the question at all. Assuming that there is a bad credit situation—and I assume it only for the sake of argument—assuming that some may say that the credit of Spain is not so good as that of some other nation, credit is a comparative thing. It is a question of who pays, when, and how, and what the conditions of credit may be. Certainly no nation in all the world has extended such liberal lines of credit to the peoples of the world who wanted our assistance as has the Government of the United States during the past 16 or 18 years.

Mr. CAIN. Mr. President, will the Senator permit me to ask one further question?

Mr. McCARRAN. Yes, indeed.

Mr. CAIN. We are told that the only purpose of the forthcoming North Atlantic Pact is to make the security of the world more likely, and to prevent world war III. In the opinion of the Senator from Nevada, to what extent is this intention—with which all of us agree—likely to be held in jeopardy by the exclusion of Spain, which I think would be important to the purposes of the North Atlantic Pact for economic and strategic reasons, reasons of supply, and every other reason?

Mr. McCARRAN. Let me say to the Senator that I am not a strategist or a military expert. However, I believe that anyone who is a strategist will agree that there is nothing more essential to the military success of the North Atlantic Pact—if it means military success—than the Iberian Peninsula. Nothing could be more essential, because from the Iberian Peninsula, the body of which is Spain, we step across, figuratively speaking, into North Africa. The Senator raises a most interesting question indeed by his interrogatory, namely, the high importance of recognizing Spain. I would go further than that, perhaps, in my zeal. I would recognize her and pat her on the back a little to induce her to come in and join us.

Mr. CAIN. Mr. President, will the Senator yield for a further question?

Mr. McCARRAN. I yield.

Mr. CAIN. No doubt the Senator agrees that if war comes again, one of the things America will most wish to accomplish is to make as certain as we can that the war is not waged on the ter-

ritory of this country. If that be true—and certainly I think it is, on the basis of my limited military experience—I think we must obviously and logically do business with countries which are best prepared to provide bases from which we can take the next war to the enemy, if it comes. How can we prepare ourselves against the possibility of a war in the future without making certain, if Spain is agreeable, that we have an understanding which would permit us to wage joint war with her and take that war to a distant enemy, keeping it away from the United States?

Mr. McCARRAN. I want to go just a little further than the able Senator from Washington goes. How can we do better than to make an ally of a country which has carried the war against communism for the past quarter of a century? While we were sitting silently by she was holding the line against the growth of communism in Europe. Who will be our enemy if war is threatened, or if war comes? Certainly it will come from one source. God forbid that it should come at all; but if it should come, no one in America today doubts the source whence it would come.

Mr. CAIN. I think we can do no less, if we are serious and mean what we say as a nation. Communism is the one overwhelming threat to the survival of freemen everywhere.

Mr. McCARRAN. What the Senator has last said is true. It should be stated in more emphatic language than either he or I can express it, because there is nothing in this world so damnable as slavery. Unless we fight off communism, the slavery of communism, known to communism and fostered by communism, will be visited on a liberty-loving people.

Mr. CAIN. Mr. President, will the Senator yield for a further question?

Mr. McCARRAN. I yield.

Mr. CAIN. I do not think the Senator from Nevada can answer this question, but it certainly puzzles me, and I think it puzzles a great many other Americans. Why do we do so much to stop and contain communism in certain directions, and do so pitifully little—in fact, nothing at all—in other directions? I think Spain could be cited as a fair example of the little we do in certain directions.

Mr. WHERRY rose.

Mr. McCARRAN. Let me reply to the Senator from Washington before I yield to the Senator from Nebraska. I intend to yield the floor shortly.

In making reply to questions propounded to him before the Committee on Appropriations, the Secretary of State volunteered the statement that it is commonly known that Spain is a Fascist Government. I drew his attention to the fact that we had full diplomatic relations with Czechoslovakia, Yugoslavia, and other satellite countries, and, indeed, with Moscow. All those nations have out-and-out and openly communistic forms of government. Shall we say, Mr. Secretary of State, that we will deny recognition to a democratic form of government while at the same time recognizing communism by sending our representatives of the highest echelon into diplomatic relations with communistic governments?

I wonder what is behind this policy. The question was propounded by the able Senator from Tennessee [Mr. McKELLAR] as to whether or not the failure to recognize Spain was based on the fact that Spain was a Catholic nation. I am not ready to say that any officer of the United States of America would stoop so low or would forget the traditions of America so far as to have that as a cause for failure to recognize a nation. So I would immediately dispel that thought, notwithstanding the fact that the question was propounded to the Secretary of State—and by a non-Catholic, if you please. Of course, I dislike the idea of having any thought of religion enter in anything of this kind, and certainly I exonerate the Secretary of State from entertaining such a thought.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Nevada yield to the Senator from Nebraska for a question?

Mr. McCARRAN. I yield.

Mr. WHERRY. I should like to revert to an observation which has been made, and then I would suggest an inquiry to the Senator. What is our traditional basis in foreign policy for recognizing the government of another nation? Is it not based on whether a government is stable? Is not that the basis of our traditional policy, insofar as recognizing the government of a nation is concerned?

Mr. McCARRAN. In times past I think that has been the outstanding question, namely, whether the form of government is a stable one; whether it has been set up and has been fully foundationed, and has the backing of the people.

Mr. WHERRY. In other words, our action in such a case is not predicated on a question of credits or fiscal policies of the government concerned; is it?

Mr. McCARRAN. I never knew it to be.

Mr. WHERRY. Is it not a fact that in 1939, 52 nations, including the United States of America, recognized the Franco government as a stable government at that time?

Mr. McCARRAN. I think that is true.

Mr. WHERRY. And is it not also true that until 1946, the United States of America continued to recognize the Franco government, including all through the period of the war?

Mr. McCARRAN. I think that is true.

Mr. WHERRY. Then I ask what has happened between 1946 and now, so that today we do not have an ambassador in Spain; why has there been this particular change of attitude? If the United States Government felt that Spain had a stable form of government in 1939, why does our Government no longer recognize the Spanish Government? Of course in 1939, 52 nations recognized the Government of Spain; in fact, I am informed that at that time only two countries—Russia and Mexico—did not recognize the Spanish Government. If it be true that the Spanish Government at that time was recognized as a stable government, then why has there been any change since then on the part of our Department of State, representing the United States Government, insofar as a recognition of the Government of Spain is concerned?

Mr. McCARRAN. Mr. President, I do not have the facts on which I could base a cogent answer to the question asked by my friend the Senator from Nebraska.

I am about to yield the floor, Mr. President. I took the floor at this time because there is in the offing a momentous vote to be taken by the United Nations, at its seat in New York. That vote will be momentous to the world, and especially to the United States, because the democratic world looks to us for leadership. The United States of America should not stand mute, as it stood last Saturday, on this momentous question. The United States of America should cast its vote affirmatively for recognition of the Government of Spain; and immediately after the recognition of that government by the United Nations—indeed, before such recognition—the United States should do the same, because I for one—and I say it humbly—would never have voted in favor of having the United States sign the United Nations Charter if I had thought for a moment that thereby we were giving up our sovereignty to recognize diplomatic attachés from abroad. I hope that will not be recognized as a policy of this country; because if it is so recognized, we shall certainly have gone backwards farther than any American thinks we should have.

Mr. President, just one further thought, and then I shall conclude. I have taken longer in discussing this matter than I intended to. I say to the Members of the Senate that the North Atlantic Pact may be a matter of high importance; but if it comes into existence at all, it should come into existence with an accord from all the nations that are in accord with us naturally and normally; and the nation of Spain is one of them. I do not care whether some wag or some other person or some official calls the form of government in Spain a Fascist form of government. I have grave doubt whether any person would have authority to make such a statement, or whether facts can be demonstrated in support of such a statement. I do know that the United States of America is leading the war to hold the world reasonably safe for democracy, and we are holding that line without having to fire a gun. If we can hold it, then we shall hold it by the sanction of the nations which join with us, and we should have every nation which wholeheartedly joins with us in alliance against a foe of individual human freedom.

Mr. BREWSTER. Mr. President, I wish to associate myself with much of what the Senator from Nevada has said, as it has seemed to me for some time that it is long overdue for the Senate of the United States to consider the situation with regard to the relations of the United States of America with Spain. I am happy to see that the distinguished chairman of the Foreign Relations Committee is now entering the Chamber, as it is my fond hope that the Senate

will develop the happy habit of having appropriate discussion of some of the more serious problems confronting our country in connection with its foreign relations, recognizing that although 96 Members of the Senate necessarily cannot determine all the details of our foreign policy or be informed as to them, yet as representatives of 140,000,000 people who need also to be informed, this forum is the most appropriate one in which we can enter into discussions of some of the very serious problems with which we are faced.

Within the last week, John Foster Dulles appeared before the Foreign Relations Committee and said—if he is correctly quoted—that it would be extremely unfortunate if the 12 nations of the North Atlantic Pact were to appear to act in concert in the United Nations, as that would imply the creation of a bloc at whose cooperative action the rest of the world might well take alarm.

It is for that primary reason a matter of regret to me that in the very fateful vote of last week in the United Nations, the United States of America, Great Britain, and France were associated with five of the other powers which are signatory to the North Atlantic Pact in abstaining from a vote upon the question of whether full diplomatic relations should be resumed with Spain.

I want to express my very great appreciation of the courtesy and consideration of the chairman of the Committee on Foreign Relations, the Senator from Texas, in remaining here for at least a moment or two, to answer one or two questions regarding the Spanish situation. I shall read to him just three lines from the New York Times of this morning, which in its editorial column phrases far better than I can a problem which I think very greatly concerns us. I read the following:

> Yet we continue to maintain diplomatic relations with all these totalitarian governments and have in fact just appointed a new Ambassador to Moscow. If to Moscow, it may be asked, why not to Madrid? Certainly Franco isn't half as thorough or as efficient as Stalin in his destruction of the basic values of democracy; and, at the head of a weak and exhausted nation behind the Pyrenees, he is incomparably less of a menace to world peace than Stalin, with his mighty armies and demonstrated policy of territorial expansion and political penetration.

I would ask the Senator from Texas whether he can explain to the Senate why it is that we can have an Ambassador in Moscow, and not have one in Madrid?

Mr. CONNALLY. Mr. President, I may say to the Senator I have never favored the withdrawal of our Ambassador from Spain. In the United Nations, when we met last in New York, and when I was a delegate, I was on a committee dealing with the resolution offered by Poland, which would have withdrawn all ambassadors and other representatives and given a broadside against Spain. I opposed that in committee, but after doing so for several days, my delegation and the Secretary of State did not agree with me, and I had to accede to the vote of the delegation and not vote according to my real sentiments. But they knew my sentiments, because I stated them in the committee and to the delegation.

I have never seen any logic in maintaining diplomatic relations with Russia, for instance, while refusing diplomatic relations with Spain. If there is any danger or threat in either one of them, it is certainly not very great in the case of Spain. I do not approve Spain's form of government. Neither do I approve Russia's form of government. But the Senator will understand that traditionally we have not required foreign governments to agree with our political concepts, as a basis either of recognition or of diplomatic representation. We maintained diplomatic relations with Japan when she was a totalitarian state under the edicts of the Emperor. We maintained relations with the old-time Czar in Russia. We have maintained relations with the present Government of Russia, notwithstanding its political and social concepts.

I may say to the Senator, however, that there is among certain foreign nations great bitterness toward Spain. I think it is pressure from those nations which has influenced our State Department and others to refuse recognition to Spain on an ambassadorial basis. We have our chargé d'affaires at Madrid, but that is not comparable to an ambassadorship.

There is an erroneous idea in the minds of some people. We do not maintain ambassadors in foreign countries for the benefit of those countries. We maintain the ambassadors for our benefit, in order to keep in touch with all the transactions that may occur, affecting our interests. We appoint ambassadors to serve the United States of America. I see no reason why Spain should be excluded from that category. So far as I know, Spain has committed no act of aggression against the United States and has expressed no hostility toward the people of the United States. Spain does not have our form of government, but that of course is their own business. It is the prerogative of the people of Spain to adopt whatever form of government they desire. Personally I see no reason why we should not have an ambassador at Madrid. Does that answer the Senator?

Mr. BREWSTER. Yes. I have one more question. I assume the reference to other countries is presumably to Great Britain and France, who, Great Britain with its labor government and France with its somewhat socialistic government, have deprecated diplomatic relations with Spain and abstained, as we did, in the vote in the United Nations last week. I assume, and I should like to know whether the Senator is aware of it, that while we are carrying on trade relations with great difficulty with Spain as a result of this ban, Great Britain did $400,000,000 worth of business with Spain last year, and France did $100,000,000 worth of business with Spain last year. I saw it myself when I was there last September. They were carrying on apparently very normal and full trade relations. Would the Senator advise whether it seems consistent for these countries to discourage our having ambassadorial representation or trade relations with Spain, when they are carrying on such a vast volume of commercial traffic with Spain at this time?

Mr. CONNALLY. The Senator wants to know whether I regard that is inconsistent. I regard it as very consistent with their policy of building up trade in Europe to the exclusion of some of our trade. I think the Senator has accurately in mind the two countries to which I referred. Great Britain, I assume because of her labor government, is I understand very much opposed to recognition, by having ambassadors in Spain, and I assume the same thing is true of France. I may say to the Senator that recently people from my section have had great difficulty in transacting business with Spain along the line of exporting our cotton to that country. Spain normally is a large consumer of American cotton, but her credit standing is not of the highest, and we have been practically excluded from the Spanish market by reason of that situation.

I introduced a bill in the Congress to instruct the Export-Import Bank to investigate the matter and to make a determination. Pending the consideration of my bill, the State Department reversed itself, in a way, taking the position that the Export-Import Bank was free to do business with Spain in that regard, if it found the credit standing of Spain sufficient to justify it. So we are at least making progress along that line.

Mr. BREWSTER. Is it not a fact that under ECA we have furnished over $400,000,000 worth of cotton to other countries of Europe, and that meanwhile Spain has been obliged to go to Egypt to get her cotton from the sterling bloc, which indirectly is naturally financed by the American venture?

Mr. CONNALLY. I may say to the Senator I am not advised as to the particular details, but I understand in a general way the Senator is correct in his statement.

Mr. BREWSTER. I want to express my very profound appreciation of the continuing courtesy of the chairman of the Committee on Foreign Relations, in the very frank statement and very helpful statement which, in my judgment, he has made.

Mr. CONNALLY. I thank the Senator very greatly for his kindness and generosity. The Senator from Texas, while not in possession of a great world of information and knowledge, is always glad to contribute whatever he can toward the views of Senators, and to the views of the Senate, because I assume we are all engaged in the very laudable enterprise of representing our own people and of advancing the interests of our own country.

Mr. BREWSTER. I thank the Senator.

Mr. MAYBANK rose.

Mr. BREWSTER. Mr. President, I should like to continue briefly with the discussion, based to some extent on what the Senator from Texas has said.

The PRESIDING OFFICER. Does the Senator from South Carolina desire to ask the Senator from Maine to yield?

Mr. MAYBANK. No. I thought perhaps the Senator had finished.

Mr. BREWSTER. No; I should like to proceed briefly. I ask unanimous consent that the editorial from the New York Times of this morning be printed in the RECORD at this point in my remarks. I refer to the editorial from which I have already read certain excerpts.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UNITED NATIONS AND SPAIN

Late in 1946 the General Assembly of the United Nations adopted a resolution denouncing the Franco regime in Spain and calling upon all member states to withdraw the chiefs of their diplomatic missions from Madrid. Some member states promptly did so. Others have not done so, to this day. Now the political committee of the General Assembly has adopted a new resolution amending the 1946 declaration to the extent of leaving member states full freedom of action as regards their diplomatic relations with Spain. The vote on this resolution was 25 to 16. Most of the Latin-American nations supported it. The United States, Britain, France, and five other nations which are signatories to the new North Atlantic Pact abstained.

Our own Government's abstention on this vote presumably reflects a judgment that no great issue is involved in the question of restoring full diplomatic relations. To a large degree this is true. American opinion disapproves strongly of the totalitarian Franco regime. But American opinion also disapproves strongly of the totalitarian Stalin regime in Russia and of the totalitarian puppet regimes in all the satellite states. Yet we continue to maintain diplomatic relations with all these totalitarian governments and have, in fact, just appointed a new Ambassador to Moscow. If to Moscow, it may be asked, why not to Madrid? Certainly Franco isn't half as thorough or as efficient as Stalin in his destruction of the basic values of democracy; and, at the head of a weak and exhausted nation behind the Pyrenees, he is incomparably less of a menace to world peace than Stalin, with his mighty armies and demonstrated policy of territorial expansion and political penetration.

Whether we are represented in Madrid by an Ambassador or by some State Department official of lesser rank is not a question of great moment. We are confident, however, that our Government knows where to draw the line, and that it is no more prepared to strengthen a totalitarian of the right than it is to strengthen the more numerous totalitarians of the left. Specifically, in the case of Spain, this means no American loans to Franco and no attempt to bring Spain within the democratic framework of the North Atlantic Pact.

Mr. BRIDGES. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. I yield.

Mr. BRIDGES. The distinguished Senator from Maine is familiar, I think, with the fact that in the meeting of the Appropriations Committee's Subcommittee on State, Justice, and Commerce, the other day, the Spanish question was discussed at some length, with the Secretary of State present. The Secretary of State was asked certain questions. Based upon that discussion, with which the Senator is familiar, does not the Senator feel that it is very inconsistent for this country to take the position that it cannot maintain full diplomatic relations with Spain, while at the same time it is maintaining such relations with countries like Czechoslovakia, Yugoslavia, Russia, and many others?

Mr. BREWSTER. I will ask the Senator from New Hampshire, whom do we think we are kidding when we take an attitude that we cannot have diplomatic relations with Spain and abstain from voting in the United Nations on the question when it arises there, although, as the Senator points out, we have relations with other countries? We make ourselves, in my judgment, perfectly ridiculous in the eyes of the world. What do most intelligent people of the world think of a country which sticks its head in the sand and thinks no one can see the utter inconsistency of the course being pursued?

Mr. BRIDGES. Mr. President, another question, if the Senator will yield.

Mr. BREWSTER. I yield.

Mr. BRIDGES. Does it not seem odd to the Senator from Maine, if we are supposedly fighting communism all over the world and if communism is an international conspiracy, which I believe it to be, and I think any thoughtful citizen will recognize it as such, that we can be so tough in one place and so soft in another?

Mr. BREWSTER. It is very interesting to me that, throughout the period of the war, we were able to recognize Spain. There has already been inserted in the RECORD the very kindly and generous letter which the late President Roosevelt sent to Franco at the time of the African invasion. We kept an ambassador there. We know the entire origin of the move to sever diplomatic relations came from Moscow. There is no doubt regarding that. Moscow is the inspiration of the opposition at this time. Why must we be guided by a move so obviously inspired from Moscow? During the war we got along in the maintenance of relations with Chiang Kai-shek, in China. We had Hurley, Chennault, and Wedemeyer there, the Chinese people carried on the war, and Japan was defeated after 15 years of battle, so far as China was concerned. Following the end of the war we adopted the so-called soft policy to which the Senator has referred. Then Wedemeyer, Chennault, and Hurley were thrown into the discard, and there was followed in our State Department a policy which was implemented by a 10-month embargo on the shipment of arms to China and by 10 months of denial, following that, so that for 20 months the Chinese Government was not able to get American implementation in aid.

Meanwhile we have seen the situation in Manchuria and the catastrophe which has ensued. Is it not a rather curious and deadly parallel that the very same influences which led us down the path of destruction in the Chinese affair in the past 3 years are the very same forces which say we must have nothing to do with Franco Spain? What would be our situation if Franco had not prevailed? Suppose the Communist regime had triumphed? It is said that Hitler and Mussolini were back of Franco. Who was back of the republican regime in Spain? Has anyone ever challenged the statement that Stalin poured in Soviet power without limit in order to achieve a victory in that key spot of Europe which has been recognized as such for a century and a half, since the peninsula campaign of the British? Still we hear the same siren voice saying we must have nothing to do with Spain. Poland stands up as the Soviet's catspaw to demand that we shall continue the ban upon the recognition of Spain.

Mr. BRIDGES. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. I yield.

Mr. BRIDGES. When the United Nations was created and the distinguished Senator from Maine and myself, as well as many other Members of this body, were supporters of it, it was my hope and my thought that the United States of America would take the leadership in that great international organization for the things that were just, decent, and moral. When we saw the vote on Spain in the United Nations, where did the leadership come from? Did it come from my country? No; it came from little countries which had taken leadership on that great issue. My country, the most powerful in the world, which should have been taking the leadership, sat back with its arms folded and did not participate. I should like to ask the Senator if he can throw any light upon that situation.

Mr. BREWSTER. I can conceive of no more pitiful spectacle than that of the United States, which we thought was to lead the democratic world back to peace and security, standing silent while one of the most momentous issues was being decided, having no mind of its own, completely frustrated by the situation.

Mr. President, I think it is time we examined some of the reasons for that frustration, which are known to every Member of the Senate, however undesirable it may seem that they should be discussed. The subtle word is constantly passed that the alternative to communism is Catholicism. We know that word is uttered constantly in the lobbies, although Senators do not care to bring it out upon the floor. We are even told that some very distinguished members of the American delegation are those who are most earnest in their opposition to the recognition of Spain, because, forsooth, Spain is a Catholic country. It is high time that the American people decided to tear the mask from this situation.

Where will such a line of thought lead us? To what conclusion must it bring us? I think Mr. Stalin answered that question very well. As we contemplate the problem of war, the menace to all the things in which we believe, does anyone doubt? Does not the entire country ring with it? Are not the radio and the press filled with stories of the menace to our institutions from Moscow; that Moscow is the threat; that Moscow, as the New York Times says, is mobilizing? Let me again read the words of the New York Times editorial:

Yet we continue to maintain diplomatic relations with all these totalitarian governments and have, in fact, just appointed a new ambassador to Moscow. If to Moscow, it may be asked, why not to Madrid? Certainly

Franco isn't half as thorough or as efficient as Stalin in his destruction of the basic values of democracy; and, at the head of a weak and exhausted nation behind the Pyrenees, he is incomparably less of a menace to world peace than Stalin, with his mighty armies and demonstrated policy of territorial expansion and political penetration.

What did Stalin say on the famous occasion when there was abroad the suggestion that the Pope was seeking to establish peace in the world, dedicating himself to the leadership of the Prince of Peace? Stalin cynically inquired, "How many divisions has the Pope?"

I wonder if the Americans who defend our current policies have not as much realism as Stalin had in appraising the military menace of the influence of the Vatican in world affairs?

I think it is high time that the American people, not merely in the interest of our own self-respect, not merely in the interest of consistency in the conduct of our diplomatic relations, not merely in recognition of a century of tradition when we have recognized powers which have been so long established, but in the interest of our own security and progress toward the peace we all desire, should tear the mask from the subtle influences which now keep us silent and mute in the United Nations when it is to be determined whether diplomatic relations shall be normalized with the Government of Spain.

Mr. BRIDGES. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from New Hampshire.

Mr. BRIDGES. Does the Senator believe that the public of the United States or the public of the world can have faith in our intentions if, when an issue such as this comes up in the United Nations, which is the assembly in which such matters are discussed, the representatives of his country and my country, the country of the Senator from Oregon [Mr. MORSE] and the Senator from Connecticut [Mr. BALDWIN], whom I see sitting before me, and of every other Member of this body, remain mute and let the ball be carried by some little countries of the world which do have moral character and moral courage? I simply do not see how the leadership in our country can expect us to have faith in their intentions when we are tough in one instance and soft in another, playing ball all around the lot.

Mr. BREWSTER. I think the eagle has been converted into a sparrow when we take such a position as we have taken in recent days.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CAIN. Like other Senators who are not members of the Committee on Foreign Relations, I am trying my best to put the many pieces of a very difficult jigsaw puzzle together.

If I understood the Senator from Texas several minutes ago, he said that within recent months, in the past several years, anyway, the State Department had authorized the Export-Import Bank to extend credits for the benefit of Spain.

Mr. BREWSTER. Within recent weeks.

Mr. CAIN. If that be so, how can it be true that such moneys could be loaned from a bank the capital of which has largely been contributed by this country, when this country refuses for one reason or another to establish and maintain diplomatic relations with Spain? To me that seems confounding contradiction.

Mr. BREWSTER. Our policy in this matter is controlled apparently by the United Nations, that is, that has been the story up to recently; we were merely complying with the resolution adopted by the United Nations 3 years ago.

Mr. CAIN. But that is certainly not so as today.

Mr. BREWSTER. That does not prohibit our carrying on certain relations, such as making a loan, which does not come within the inhibition. The provision simply was that we would withdraw our Ambassador. Now the question is before the United Nations. The vote was 25 to 16 in favor of restoring normal diplomatic relations, we remaining silent, along with 8 or 12 signatories of the North Atlantic Pact. That looks like a concert of action by Great Britain, France, and the United States.

Mr. CAIN. Does the distinguished Senator from Maine have a sound reason to offer as to why there was no evidence of spoken, articulate leadership, either for or against the resolution, on the part of our own representatives?

Mr. BREWSTER. The only explanation I have heard is that because of certain opinions within the Department and within the committee which represents us, because of certain strong feelings of certain members, and because of the attitudes of the labor governments of Britain and France, we decided that inaction was the better part of wisdom, and so we remained silent and unrecorded on an issue of such profound importance.

Last week I read in the press from Paris the statement of the republican government in exile of Spain that they did not want us to normalize diplomatic relations, because, they said, "If you will simply keep up the embargo for a little while longer, the Franco government will fall, and we will take over—we will be restored to power." In other words, the same Communist influences that have come to dominate China in large measure are to be reestablished with their direct connection with Moscow; because no one has ever denied the intimate relationship between the republican regime in Spain and the Moscow government. Instantly Moscow would have established a toehold upon the most important piece of land on the continent of Europe.

Mr. CAIN. Mr. President, will the Senator yield for a further question?

Mr. BREWSTER. I yield.

Mr. CAIN. Would the Senator from Maine agree that before we take any positive action on what is known as the North Atlantic Pact we ought to consider seriously reestablishing diplomatic relations with Spain, if our sincere and deep desire is to create in the North Atlantic Pact the concert of nations which has the very best chance of preventing world war III, or of winning such a war if it comes?

Mr. BREWSTER. Irrespective of the North Atlantic Pact, I believe that diplomatic relations with Spain should be immediately normalized. I believe it would tremendously reinforce the entire significance of the North Atlantic Pact if our relations with Spain were once again normal. Whatever else is charged against Franco, no one has ever suspected him of having any Communist leanings, which is more than can be said of many of those who insidiously argue at this time that we should adopt another course.

Mr. CAIN. Let me put the question in another form. If Spain does not become a member of the North Atlantic Pact, is it the Senator's opinion that whatever that pact may be, in the absence of Spain it will necessarily be much weaker, and have less chance of achieving its objectives, than if Spain were part and parcel of it?

Mr. BREWSTER. That is in the realm, to some extent, of military strategy, on which I would certainly not presume to speak with authority, but I never heard anyone challenge the idea that the Iberian Peninsula was one of the most strategic spots to be found on the entire globe.

Mr. CAIN. I thank the Senator.

Mr. CHAVEZ. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I should like to propound a question regarding the consistency of our policy toward Europe and the world. Lately we have heard much about what happened to the cardinal in Hungary.

Mr. BREWSTER. Cardinal Mindszenty?

Mr. CHAVEZ. Yes, Cardinal Mindszenty. Notwithstanding our complaints about what was done to the good cardinal, though Spain has never done such a thing, we still have diplomatic relations and an Ambassador in the country where the good cardinal was persecuted, but because of Russia's influence with France and Italy and England, we still do not have an ambassador to Spain. I cannot see the consistency of the policy. I say this in all sincerity, without agreeing with many things under the Franco government. As the Senator has stated, if any government has fought communism, it has been the government of Spain under the present regime. Hence, I cannot see any reason for helping France when her soldiers are killing Chinese in China, or helping the Dutch to put a dictatorship in Java, and at the same time saying, "We do not like the Franco government, so we will withdraw our ambassador."

Mr. BREWSTER. I thank the Senator from New Mexico very much. We still have an Ambassador to Hungary, although we have called him home for consultation. But there has never been a proposal that we should withdraw the Ambassadors in the United Nations from Hungary and the other countries which have persecuted Cardinal Mindszenty, and the Protestant leaders as well. All the countries behind the iron curtain and the Soviet Government in Moscow are

still carrying on perfectly normal diplomatic relations with us.

I think we are deeply indebted to the chairman of the Committee on Foreign Relations for his extremely frank statement about this matter. It would appear that it is the overwhelming sentiment of this body, if I may judge by the expressions from various parts of the country, that our policy should be very seriously reexamined, and that without delay.

Mr. MAYBANK rose.

Mr. BREWSTER. Does the Senator from South Carolina desire to ask a question?

Mr. MAYBANK. No; I thought the Senator had concluded.

Mr. BREWSTER. I shall conclude very shortly. I have had this matter very much on my mind.

Mr. MAYBANK. Mr. President, will the Senator yield to me so I may make a unanimous-consent request?

Mr. BREWSTER. I yield.

Mr. MAYBANK. Mr. President, the Senator from Nevada [Mr. McCARRAN] asked that the Treasury-Post Office appropriation bill be temporarily laid aside so he might send a matter to the desk to be read by the clerk and to be debated upon the floor. Reserving the right to object, because I feel very much the same as does the Senator from Nevada and the Senator from Maine respecting the matter, I acquiesced. I wonder if there would be objection to having the debate on this issue follow completion of action on the Treasury-Post Office appropriation bill? I ask unanimous consent that that be done.

Mr. BREWSTER. Mr. President, is the Senator asking that we defer our discussion?

Mr. MAYBANK. No. I ask unanimous consent that the discussion of the matter now before us, in which many Senators have taken part, shall be placed in the CONGRESSIONAL RECORD following completion of action on the Treasury-Post Office bill, so that the record of the proceedings of the Senate on the Treasury-Post Office appropriation bill appear at one place in the RECORD.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Is there objection? The Chair hears none, and the unanimous-consent request is agreed to. Of course, if action on the bill is not completed today, that is another matter.

Mr. BREWSTER. I assume the request did not go to the extent of applying beyond today, since we would certainly wish the remarks now being made to be included in today's RECORD.

Mr. MAYBANK. The Senator from Maine is eminently correct. The order entered into yesterday, following the unanimous-consent agreement then reached, provided that if action on the Treasury-Post Office bill was not completed today, the Senate would resume consideration of the District of Columbia sales-tax bill.

Mr. BREWSTER. So the request of the Senator from South Carolina is that the remarks now being made in connection with Spain shall be printed in the CONGRESSIONAL RECORD at the close of today's session, or immediately following completion of action on the Treasury-Post Office bill, if that shall occur today?

Mr. MAYBANK. Yes.

The PRESIDING OFFICER. Is there objection to the unanimous consent request made by the Senator from South Carolina? The Chair hears none, and it is so ordered.

Mr. BREWSTER. Mr. President, it was my good fortune last year, on returning from the Interparliamentary Union in Rome, to visit in Madrid for a week. I have not previously discussed what I there observed, but what I learned there has given me increasing concern as I have seen the deadly parallel with what happened in China under our policies of what is threatened by the possible unsettling of our relations in Europe as the result of our attitude toward Spain.

I talked with those of our embassy who remained in Madrid. They naturally were not in a position to take issue with the policies which we were pursuing, although at that time, in September 1948, it was fully and confidently expected that relations would once again become normal, because there was no responsible authority in Madrid associated with our embassy or affairs who did not privately say that our policy had been an utter failure, and who was not tremendously concerned because of the obvious attempts of our British and French allies to establish their trade relations while we were suffering under the difficulties resulting from the ban. At the very time I was there France and Britain were urging our Government not to favor relations and not to resume relations with Spain.

It came home to me especially—while I was not so much aware of the cotton difficulty, a crop we do not raise in the State of Maine—that in the matter of aviation the Spanish regime was intensely desirous of normalizing our aviation relationship. Spain is the natural door to the Mediterranean and to much of southern Europe. Spain had much desired the resumption of normal relations in connection with aviation. We were developing a great program of service for our aviation activities around the world. We were seeking the adoption of American methods very generally throughout the world in order that in any future operations, in peace or in war, there should be no difficulties or delays as a result of the diversity of equipment in the Air Force. And Spain was intensely desirous of securing American equipment, both in planes and in the ground services, which are the indispensable auxiliary of the operation of our Air Force. Yet that could not be done as the result of the policies which we were following, while England was there at that time seeking not only to sell but to force the Spaniards to take British outmoded equipment, both in planes and in ground services, in order to get rid, apparently, of the equipment which they knew was not going to be useful in the future.

Forgetting all about the commercial aspects of this question, which are not of such great significance in view of the other problem involved, I ask what of the security of America? What of the operation of our Air Force? I wonder what the aviation directors of our military forces would say regarding this matter? I wonder if their voice has been heeded in connection with the attitude of the State Department upon this score—whether or not the Department has considered the significance of our attitude with respect to our future security in the event of the development of the Moscow menace until it shall result actually in an attack and an aggression. These are the questions which I have pondered throughout the winter.

Our chargé d'affaires came home. We were repeatedly told throughout the past 5 months that it was expected we would support in the United Nations the proposal of certain other countries to normalize relations with Spain. Senators will remember that all through the fall and winter we were told that the United States would not take an active voice, but would support the proposition when it was presented. That was the story right up to one week ago. I wonder whether or not the subtle gentlemen who conduct our diplomatic activities had in mind that they desired to keep the Voice of America silent, that we were to stand mute when that issue was presented, and not dare to open our mouths?

We have heard from the chairman of the Committee on Foreign Relations, who has said that he was utterly out of sympathy with this policy from the very start. We have not heard from the other members of the Foreign Relations Committee, but we have heard from many Members of the Senate in private and in public. We have heard from every American, practically without exception, who has visited Spain. Members of this body and other distinguished Americans whose judgment is certainly entitled to some respect, I think, are all of one accord.

What is the subtle and sinister influence that forbids us to take a stand upon the simple and definite question of whether or not in the United Nations in the next day or two we shall stand up and be counted and say that if we can have an ambassador in Moscow we can certainly safely have an ambassador in Madrid? How long must we listen to the influence of London and Paris, who meanwhile carry on their business in full force behind a diplomatic screen, while we here in America are told it would be a great mistake to have an ambassador in Madrid?

If I read the newspapers rightly our Secretary of State was quoted as saying that it was not of very much significance whether we had an ambassador there or not. Does he think that the American people are so simple as that? Does he not know, through his vast experience in diplomacy, that there is a very considerable difference? If there is no difference, why do we not have an Ambassador in Madrid? Moscow seems to think it is of very great significance. The Polish representatives seem to think it is of very great significance. Why all the furor if it does not mean anything whether we have an ambassador or not? I think any who have the slightest association with international affairs know

that the position of an ambassador is very different from that of a chargé d'affaires; that the ambassador can go freely to the chief of state and the foreign minister, while the chargé d'affaires cannot visit the one, and can with great difficulty have access to the other, so long as we pursue a course such as we are now following.

As the Senator from Texas, chairman of the Committee on Foreign Relations, pointed out, we maintain ambassadors in foreign countries, not for their benefit, but for our own. Why do we have an ambassador in Moscow? I trust it is not in order to serve the Soviet. It is in the hope that he may learn something about what is going on. Then why should we not have an ambassador in Madrid, to advise us—not because of Spain, but because of America and all the vital interests which are represented in this land. That is why I believe that an hour of the time of the Senate could be well spent learning at first hand something of the reasons.

I trust that the frank expression of the chairman of the Committee on Foreign Relations will ring not only across this country, but overseas in the chancelleries of England and France, serving notice that the American people no longer desire to have our vital interests subordinated to the machinations of those who, either because of their ideology or their selfish commercial interests, desire longer to delay the action for which the American people should now be fully prepared.

EVACUATION OF REFUGEES FROM SHANGHAI

Mr. KNOWLAND. Mr. President, I wish to call the attention of the Senate to a communication that I received on February 24 from the State Department relative to the so-called White Russian refugees in the city of Shanghai, and to ask to have printed in the RECORD a letter from Mr. George L. Warren, the Adviser on Refugees and Displaced Persons in the Department of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, February 24, 1949.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR KNOWLAND: I have received your letter of February 15, 1949, concerning the evacuation of refugees from Shanghai.

According to the latest information received by the Department of State, 3,082 refugees had been evacuated to the Philippines by February 19, 1949. Of these, 99 were evacuated by two air flights in January and 791 by 17 air flights in February. The remainder were evacuated by boat. It is now expected that an additional thousand will be evacuated by boat to the Philippines by February 28, 1949.

In addition to the evacuation to the Philippines, 150 refugees were evacuated by three air flights to Japan in December, 45 by one air flight to Sydney, Australia, and 240 by four air flights to Haifa in January. Three thousand two hundred refugees have also been removed by boat either directly to Naples, Italy, for on-shipment to Palestine, or to San Francisco for transit through the United States and on-shipment to Palestine from the port of New York. The total of all refugees evacuated to date is 6,717.

The Department of State is following very closely the effort of the International Refugee Organization to complete the evacuation of endangered refugees from Shanghai and is extending every possible cooperation in this effort.

Sincerely yours,

GEORGE L. WARREN,
Adviser on Refugees and Displaced Persons.

Mr. KNOWLAND. Mr. President, for the information of the Senate, since the IRO has been evacuating these refugees, they have moved 5,723 White Russians to the island of Samar in the Philippines, and over 4,000 Jewish refugees have been removed to Israel.

As of information received yesterday there remained in the Shanghai area, I am informed, some five hundred to two thousand White Russians, who wish to be evacuated to the island of Samar to get out of the way of the Communist forces closing in on Shanghai. This figure is rather widespread, because communication from Shanghai to the rest of the world is uncertain. The estimate of the State Department is that between 500 and 2,000 Russians are still in Shanghai, and would like to get out. I think that every Member of the Senate can recognize the fact that these people were driven out of their home country during the Bolshevik revolution in 1917, following the fall of the so-called Kerensky government, had finally wound up in Peiping, Tientsin, Shanghai, and other Chinese cities. There are many of them who, I believe, for good reasons fear that if the Chinese Communists finally take Shanghai they may be delivered into the hands of the Russian Communist forces, and for many of them that will result in their execution or servitude in Siberian prison camps.

It seems to me that this Government and the IRO have considerable responsibility to see to it that none of these people who want to get out of the clutches of the Communists shall be allowed to fall into their hands. If we do not have adequate facilities, either commercial plane, or shipping facilities, to get them out before Shanghai falls, there is some obligation on the part of both the IRO and the United States to get these people away from there by some means.

Mr. President, I ask unanimous consent that at this point in my remarks there be printed an article written by Maj. Gen. D. P. Barrows, former president of the University of California, republished in the Chinese-Russian Gazette of Shanghai, dealing with the problems faced by these refugees.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The United States Senator KNOWLAND from California has introduced in the Senate a bill requesting a change in the law on the DP's which was enacted in 1948 and which stipulated the admission to the United States of 8,000 persons of Russian descent, living at present in China, whose life and freedom are endangered now due to the spread of communism. These people are the remainder of a very large colony of Russians, who escaped across Siberia in 1918 from communism in Russia, finding temporary refuge in Harbin and then in Shanghai.

Heads of some of these Russian families were former officers of the Russian army, others belonged to the aristocratic circle.

However a great percentage of these people belong to the middle class; they possessed a varying degree of wealth, which they had accumulated through hard work and as a result of the education they had received under the old regime. Nevertheless, in the Marxian jargon they are all called "bourgeois." A great number of the people of this category were executed or simply brutally murdered at the time of the terror after the seizure of power by the Bolsheviks in 1917.

The more fortunate, however, were able to escape into the neighboring countries of Russia, primarily into the Far East. Now again they are threatened by the Red revolution.

What will happen to them in case they shouldn't be able to go further? Their destiny, probably, is tragic, especially as they are hated by the Bolsheviks, and the Communists will never be satisfied until they attain their goal.

Several years ago Moscow offered "amnesty" to the Russians if they returned. Many Russians were so lonesome for their native land that many accepted this offer of the Bolsheviks because of this feeling.

We do not know the fate of those who went back, but one of the most outspoken leaders of the anti-Communist movement, Ataman Semenov, fell into a trap of the Bolsheviks. The author of this article has participated as a military observer in Semenov's military operations in the Transbaikal province. Together with the Ataman there were six or seven of his officers, and all of them were, after a widely publicized "trial of the white guards," publicly hanged in Red Moscow in 1946.

The IRO has already transferred some of the Russians to the Philippine Islands, where they are able to remain for a limited time. Senator KNOWLAND'S bill concerning admission of Russians into the United States of America is limited to persons who for "political reasons" left Russia in the period between October 1917 and January 1925. He would further exclude those who applied for Soviet citizenship or who accepted USSR citizenship and did not renounce it until January 1 of this year.

The present exodus of Russians out of China reminds us of the memorable days of the great flight of the Russians in the years 1918 and 1919, which the author of this article has personally observed during his stay in Siberia. General Barrows was sent to Siberia for the first time exactly 30 years ago in order to make an appraisal of the military situation and in August he joined the American Expeditionary Forces in Siberia.

The number of persons anxious to run from the terrors of the Bolsheviks was then particularly large; there were hundreds of thousands of them.

They were all temporarily settled along the Siberian railway and the adjacent Eastern Chinese railway, where they lived in very great hardship.

The people were housed mainly in passenger and freight cars.

With the approach of cold weather one could always observe puffs of smoke from the stoves of the cars.

Fortunately in those years there was an abundance of foodstuffs in Siberia. The harvest was enormous and due to the impossibility of exports to Russia large supplies of grain were stored in Siberia. Fresh butter prepared for exportation and packed in barrels was so plentiful that it was used for lubrication.

At every station and railway siding peasant women were selling eggs, roasted poultry,

and wild fowl. A great amount of tea was stored which had been obtained chiefly from China via Mongolia. In any case the refugees were able to make a living.

The author knows among the Russians a large number of people who have a very good education.

The author had never had a chance to meet so many interesting people as these Russians; many of them, however, died during the last 30 years.

But those who remained alive are the people for whom Senator KNOWLAND is pleading and for whom he asks admission to the United States. Their admission to America will make it possible to achieve the goal for which the world is striving at present.

They will do no harm to the Americans. On the contrary, we will benefit from them.

Mr. KNOWLAND. I also ask unanimous consent, Mr. President, to have printed at this point in the RECORD as a part of my remarks a statement relative to the White Russians in China.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHITE RUSSIANS IN CHINA

1. BACKGROUND

Prior to the collapse of the Czarist and Kerensky regimes in Russia, the number of Russians in China proper (excluding the Manchurian and Sinkiang border areas) was small. Shanghai, for example, had scarcely a half-dozen Russian families.

During the winter of 1918–19, however, a vanguard of White Russian emigrés arrived in that city. It was composed of adherents of the non-Communist White Russian regimes who had escaped the spreading Red power in European Russia and Siberia. In 1923, a large contingent of White Russian officers with their families, retainers, and supporters reached Shanghai by ship from Vladivostok. Others came overland by way of the Manchurian and North China railroads. Most of the refugees settled in Shanghai but Russian colonies also sprang up in Peiping, Tientsin, and other cities. An estimated 35,000 emigrés were in China by the mid-twenties. A final wave arrived after the seizure of Manchuria by the Japanese.

Many of the refugees did not remain in China but reemigrated to the Americas or to Australia. Others became Chinese citizens. A large number, however, remained stateless, enjoying whatever protection was afforded by the International Settlement in Shanghai and the various other foreign concessions.

The main White Russian colony, located in Shanghai, found an economic niche for itself between the high, privileged position of the Europeans and Americans and the low status of the mass of Chinese inhabitants. Despite the aristocratic heritage which so many of them possessed, the Russians plunged into manual work. Many became doormen, elevator operators, chauffeurs, and bodyguards. Some opened small businesses. The Shanghai Government enlisted a paid battalion of Russians into the city's volunteer corps and employed emigrés in the police force. Not a few found a place in Shanghai's vast nightclub and entertainment industry.

After the Japanese seizure of the International Settlement in 1941 a lot of the White Russians became increasingly difficult. Although they were not interned as were Allied nationals, their employment opportunities were sharply curtailed.

At the end of the war the fortunes of the White Russians took a turn for the better due to UNRRA operations and the presence of a large body of United States forces in Shanghai. The prosperity resulting from the job opportunities thus created was short-lived, however, and the situation of the Russians once again became precarious.

2. RELATIONS WITH THE U. S. S. R.

Early in 1946 the Union of Soviet Socialist Republics announced that it would extend national status to those White Russians desiring it. The amnesty was offered seemingly without strings. In order to obtain Soviet citizenship, the émigrés were merely required to apply at the nearest consulate, pay an 11-ruble fee, submit passport photos, and answer routine questions.

The reactions of the White Russian community were mixed. Die-hards labeled it a trick to lure them back to the Union of Soviet Socialist Republics for liquidation. At the other extreme pro-Soviet refugees regarded the offer as a gesture of Stalin's supreme magnanimity. Many of the refugees—a good percentage of whom had been born in China and had never been in the Union of Soviet Socialist Republics—were inclined to look upon the move with favor. Their antipathy for the Reds, nurtured by their elders, had mellowed considerably as a result of the Allied victory, and they wanted desperately the security and stability of a fixed nationality.

At the time the offer was made there were between 12,000 and 16,000 Russians living in Shanghai and several thousands more in Peiping and Tientsin.[1] More than half the community in Shanghai registered for Soviet citizenship. Later, the U. S. S. R. agreed to repatriate on a voluntary basis, those Russians desiring to leave China. Several thousands sought to return. The repatriation movement got under way during the summer of 1947. Letters from the first repatriates are reported to have dampened the initial enthusiasm for Soviet citizenship. These told of difficult living conditions prevalent in the U. S. S. R. and hinted at political oppression.

Some White Russians renounced their newly acquired status and reverted to the status of stateless persons.

3. WHITE RUSSIANS AS PROSPECTIVE CITIZENS

According to an article in the Christian Science Monitor, December 31, 1948, of the White Russians who made no attempt to take advantage of the Soviet amnesty of 1946, 4,390 are extremely anxious to emigrate to the United States. About 600 of these are in real fear that their lives will be endangered should the Chinese Communists seize the city. The break-down given by the Monitor of the 4,390 is as follows:

Men	1,506
Women	2,021
Children	863
Total	4,390

It is assumed that prospective emigrants to the United States would come from this group.

As prospective citizens of the United States the White Russians, on the whole, possess qualifications which compare favorably with those of other groups. Most of the younger men and women have had schooling and speak English fluently. They are almost universally anxious to tie their loyalties to a country which will offer them a real sense of belonging.

Their survival in the intensely competitive and frequently hostile environment of Shanghai is testimony to their economic potentialities. Not a few of them are skilled mechanics and technicians whose services should be readily usable in this country.

The people have strong spiritual qualities. During their stay of a quarter of a century in Shanghai, they have built and maintained about a dozen Orthodox Russian Churches. They have also demonstrated a willingness to care for the indigent and the sick of their community through cooperative charitable undertakings.

[1] A valid estimate for all of China proper is not available.

LEGISLATIVE PROGRAM

Mr. MAYBANK. Mr. President, I should like to ask the distinguished minority leader to advise the Senate whether he thinks we shall be able to get a vote on the amendments to the appropriation bill tomorrow.

Mr. WHERRY. In answer to the distinguished acting majority leader, and the Senator who is in charge of the appropriation bill, I will say that I had already told the distinguished majority leader it was my feeling that the Senate was ready to vote on the motion before the Senate, and there would be two motions made after that. I am quite satisfied I can assure the acting majority leader at this time that it will not require any great length of time to dispose of the motions to be made. I told the majority leader at the time he inquired that I thought we might run until 7 o'clock tonight. I know I can assure the Senator that there is no disposition to delay a vote on the bill or on the amendments, and I am satisfied that the cooperation tomorrow will be such that we can conclude the appropriation bill and continue with the District of Columbia sales-tax bill.

Mr. MAYBANK. If we take a recess until 12 o'clock tomorrow, I am wondering if the Senator would agree with me that probably between 2 and 3 o'clock we might finish the bill.

Mr. WHERRY. I would not enter into an agreement with regard to it.

Mr. MAYBANK. No; I do not ask that.

Mr. WHERRY. But at this point I do not see why we cannot dispose of it before 3 o'clock, unless something should develop. I do not anticipate that anything will develop to interfere.

Mr. MAYBANK. Mr. President, last evening we made a unanimous-consent request, which was stated to the Senate this morning, to the effect that the Post Office and Treasury appropriation bill would be deferred if we did not finish it today. I have discussed the matter with the chairman of the District Committee, the Senator from Rhode Island [Mr. McGRATH], and we have reached an agreement. I think we should carry on with the appropriation bill, and I ask unanimous consent that that be done.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS

Mr. MAYBANK. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 11, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of April 11), 1949:

COLLECTORS OF CUSTOMS

Leo E. Trombly, of Altona, N. Y., to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N. Y. (Reappointment.)

Clara E. Sarvela, of Duluth, Minn., to be collector of customs for customs collection district No. 36, with headquarters at Duluth, Minn. (Reappointment.)

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 10, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of Hosts, Thou whose ways are past finding out, we fervently pray Thee to guide us in all those things that make for godliness in thought and action. Make us deeply just and serious in all our deliberations, and empty of every selfish and ignoble desire.

More and more we would learn that mercy is more divine than reason, that truth is greater than fiction, that reality surpasses all dreams, and that goodness will ever outlive greatness. Grant that we may meet the future unafraid, sustained and nourished by the mercy and love of an infinite God. Stir and direct our wills to do Thy will as it is done in heaven. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

J. EDGAR HOOVER

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, this day marks the twenty-fifth anniversary of the appointment of Mr. J. Edgar Hoover as Director of the Federal Bureau of Investigation by the late Harlan Fiske Stone, who was then Attorney General.

In the shifting sands of Washington officialdom, 25 years is a long period of time for one man to be the executive head of an agency which with each passing year has grown in importance to the security of America.

But as the FBI has grown, so has the stature of its illustrious Director, whose name in the minds of our people is virtually synonymous with the agency he directs. The record of Mr. Hoover's great service is a record of rare ability, of undying devotion to duty, of integrity, of outstanding achievement in the field of law enforcement. He has built an agency which enjoys the confidence and the high esteem of all our people.

With the alarming infiltration of subversive influences in our Government in recent years, the people of America feel reassured that the agency which is charged with uncovering these evil forces is directed by a real American, a great American.

Mr. Hoover has rejected many remunerative offers in private life in order to continue with the work he cherishes—the service of the United States. His kind of self-sacrifice represents the highest ideal of public service.

On his twenty-fifth anniversary, Mr. Hoover merits the commendation and the gratitude of the American people. Personally, I congratulate him and wish for him many more years of outstanding service for the land he loves.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish to concur in everything the gentleman from Massachusetts has had to say about J. Edgar Hoover. As a member of the Committee on Un-American Activities, I was associated with Mr. Hoover for many years. I regard him as one of our greatest living Americans. I wish the FBI were an independent agency so that he could do his great work without restriction.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentlewoman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I, too, would like to join in paying tribute to the Honorable J. Edgar Hoover and thank him on this anniversary for the tremendous work that he has done in apprehending criminals and in saving our country from many new and horrible crimes. We cannot repay him for his tireless, unselfish work in good citizenship as well as for the more dramatic efforts. I believe few really know of his many activities or the wide scope of his successes.

Mr. WILSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. WILSON of Oklahoma. Mr. Speaker, I join in congratulating Mr. Hoover on this anniversary of the FBI for the wonderful work that he has done. I hope and pray it may continue.

HOOVER COMMISSION PROPOSALS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the need to cut Federal spending and reduce the size of government cannot be argued. Not only is the Federal Government's operation cumbersome, but it is needlessly costing more billions than our economy can stand.

The Commission to reorganize our Government, often referred to as the Hoover Commission, has made a thorough study and presented recommendations for reducing the Federal Government's size, preventing duplication, eliminating obsolescence and saving the taxpayer an estimated $3,500,000,000 annually.

The Commission's recommendations must be carried out. I am ready to take my full responsibility in support of the Hoover Commission's proposals. I say this realizing that some agencies which in my opinion have done an excellent job may be affected by such reorganization. However, the survival of our economy and the solvency of this Government are the paramount considerations.

Let us have reorganization and economy first and then attention can be given to any gross errors that may have resulted.

I hope the reorganization plans will be accepted.

FRANCO SPAIN

Mr. CAVALCANTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CAVALCANTE. Mr. Speaker, it is a world-wide relief to the sincere statesmen of the world that the Political Committee of the United Nations General Assembly has finally undertaken to allot to Spain the consideration due her in the society of nations and the formulation of the world peace that is yet to come. The editor of the News of May 9, 1949, of Washington, D. C., has stated Spain's case in these words:

FRANCO SPAIN

The Political Committee of the United Nations General Assembly has voted, 25 to 16, in favor of lifting the 1946 ban on the appointment of ambassadors and ministers to the Franco government in Spain. The question now goes to the General Assembly for final action, and the issue there is in doubt.

Representatives on the committee of the United States and 15 other nations did not vote either way. However, if we duck the issue again in the General Assembly, our refusal to vote will be counted against the proposal, which requires a two-thirds majority for approval.

Our Government initiated the original boycott resolution against Spain. That mistake should be acknowledged by joining in the movement for its repeal.

Franco's government isn't our kind of government, but that is not the test. If we exchanged diplomats only with those nations of which we approved in every particular, we would be doing business in a very restricted world.

Spain is under a dictatorship, yes. The Soviet Union, Poland, Yugoslavia, Bulgaria, and Czechoslovakia—with all of which we have full diplomatic relations—also are under dictatorships.

Franco attained power by revolution—by force and violence. So did the other dictatorships. So did several Latin-American governments to which we have extended full recognition.

Franco's particular crime is that he gained control of Spain with the assistance of Hitler and Mussolini. But that was a case of dog eat dog. Stalin's international brigades were fighting on the other side. If they had won, we probably would have a Communist Spain today. Would that be good?

We voted to boycott Spain in 1946 largely as a sop to the Soviet Union. In doing so, we ignored the fact that Spain had not been guilty of attacks on any other nation, which was more than could be said of Russia. After Hitler and Mussolini helped Franco, he did nothing to help them.

Franco has shown every evidence that he desires to live at peace with the rest of the world. His country is one of the bastions against communism and occupies a strategic area vital to us and the other members of the North Atlantic group.

Our Government should vote to lift this foolish boycott.

EXTENSION OF REMARKS

Mr. BOLLING asked and was given permission to extend his remarks in the RECORD and include a column by Thomas L. Stokes.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the RECORD and include a resolution of the City Council of Chicago.

MINE INCENTIVE-PAYMENTS BILL

Mr. BARING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include a newspaper article from Lovelock (Nev.) Review Miner.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. BARING. Mr. Speaker, as a member of the Public Lands Committee, it has been my privilege to work on the Murray-Engle mine incentive-payments bill, H. R. 976. I have sat through extensive hearings on this measure and have heard the history of similar bills previously reported by the committee. I am appalled by the differences in viewpoint between the members of the committee, reflecting the needs of the country, and the Government agencies, reflecting the opinions of I know not whom. I find my colleagues willing and able to get into a spirit of compromise. I find representatives of the Government taking the attitude that they know better than the elected representatives of the people what is best for those people and, further, asking for dictatorial powers and refusing to compromise.

In spite of all this, Mr. Speaker, the Mining Subcommittee of the Committee on Public Lands has reported a bill which seems to fairly represent all points of view. While waiting for the cooperation of the agency—in this case the Interior Department—which, by the way never was had, months of valuable time have been lost. Though our procuring agencies have made desperate attempts to fill our stock piles from foreign sources, information before the committee indicates small success. In the meantime mines in my State of Nevada and elsewhere are shutting down in ever increasing numbers and decreasing the chance of obtaining critical and strategic minerals and metals where it is easiest and safest to get them—practically in our own back yard.

Mr. Speaker, I cannot square the attitude of the Interior Department with what is happening to the mining industry and with stock-pile requirements, which remain very great. Not only are we foregoing the stock piling of present production, but we may lose permanently the reserves in some of the mines now being shut down. From the national defense standpoint the situation is nothing short of criminal.

When H. R. 976 comes to the floor of this House—and this should be soon—I trust it will have the full support of the administration. If it does not, I can only say, Mr. Speaker, that there is somewhere in the Government a fatal lack of rapport between the people and their administrators, which should be brought to the attention of the President.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

[Mr. JENSEN addressed the House. His remarks appear in the Appendix.]

THE LEAP FROM PATRONAGE TO PURGE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, the newspapers and the radio this morning bring us up to date on the latest whim in the will of the man in the White House.

Last week the President used the threat of a withdrawal of patronage from members of the Democratic Party who do not follow his dictates. And he quickly whipped his national chairman into line to enforce the threat against southern Democrats.

Now it appears that the President wants to go further—a lot further. He takes a jump from patronage to purge.

He tells a group of White House callers that there are too many Byrds—B-y-r-d-s—in Congress. And he further stipulates just the kind of Congressmen he wants, namely, only those who think and vote his way.

The challenge of a purge threat was quickly accepted by the Senator from Virginia, who refuses any part of White House dictatorship, and who has strongly opposed the Truman program of high taxes, big spending, and socialization of the Government and the people.

Now, this leap from patronage to purge clearly indicates that the President is planning a third-term attempt.

He cannot purge the Virginia Senator until 1953, and he cannot purge if he is not around, so it looks like he is getting set for the race in 1952.

And it may be, Mr. Speaker, that the patronage-to-purge maneuver will turn out to be quite a hurdle, and the warbles from the mocking birds—b-i-r-d-s—in Congress will not be sweet to his ears.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was granted permission to extend his remarks in the RECORD and include an article by David Lawrence, entitled "Railroad Mail Rates Called Subsidy for Federal Government."

Mr. COLE of New York (at the request of Mr. ARENDS) was given permission to extend his remarks and include a statement.

Mr. MACY. Mr. Speaker, following up the comments permitted in the RECORD a week ago Monday, May 2, on the subject of the Hulbert Flag, I now ask unanimous consent to include further remarks on Flag Day, just ahead of us on June 14, and include a Flag Day address that I made several years ago.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JACKSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial, The Battle of Hollywood, from the Fortnight magazine.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. HAYS of Ohio asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. TAURIELLO asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Buffalo Evening News.

Mr. DENTON asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein two resolutions, one passed by the Common Council of the city of Evansville, and one by the United Labor Group of Evansville.

Mr. FLOOD asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an article on the first woman ambassador from India.

THE J. EDGAR HOOVER FOUNDATION

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, in the course of my service on the Judiciary Committee over a period of 16 years, it has been my privilege to come to know, respect, and admire J. Edgar Hoover, the Director of the Federal Bureau of Investigation.

Today marks the twenty-fifth anniversary of his appointment to that position and I cannot let the occasion pass without voicing tribute to the man and to his many good works. Mr. Hoover is more than a faithful public servant and an honest, vigilant and fearless law-enforcement officer; he is a force for good in the whole community of our Nation.

In building the FBI into a vital instrument in the constant war against crime, in establishing the bureau as the key link in America's chain of internal security against subversive elements, he has at the same time elevated the G-Man into a character beloved by our youth. Today the FBI Special Agent has come to mean in their minds what the plumed knight of ancient chivalry represented when you and I were boys.

The growth of this conception has served to make crime and criminals unpopular not only in the public mind, but particularly with our youth, who are the citizens of tomorrow.

This is a notable achievement in itself and one whose value as a deterrent to crime is immeasurable in normal terms of statistics. Nevertheless, juvenile delinquency still remains a major problem in the Nation.

But the greatest present need is for a national, continuing agency, to advise and guide communities, to coordinate the efforts in different regions, to correlate the experiences of one community and apply the lessons learned to a comparable area, to help plan specific programs of youth development, and give counsel and help in trying to eliminate poor housing and other conditions which stand in the way of such programs.

Therefore, Mr. Speaker, I propose the creation by this Congress of a national foundation to study and combat juvenile delinquency; and I further propose that it be officially designated "The J. Edgar Hoover Foundation" in honor of the man whose quarter of a century of service as Director of the FBI represents the greatest individual contribution to this cause. All of which is embodied in the bill I now offer.

I feel this would be only a fitting tribute on the part of this Government, in recognition of a public service already acknowledged by the conferring of honorary degrees by many colleges and universities and by many other organizations and publications.

MME. VIJAYA LAKSHMI PANDIT

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I wish to direct the attention of the House to the fact that yesterday there arrived in our Nation's Capital a distinguished representative of a new and great sovereign nation, India, and we mark the arrival in Washington of the first woman ambassador to the United States from that great and friendly power. As the chief member of her country's delegation to the United Nations General Assembly in 1946, a great record for human rights and liberal thought in government was established by this distinguished, beautiful, and gracious lady, the sister of the Prime Minister of the sovereign nation of India.

We wish her Embassy much success and we feel certain her fine intelligence, wide experience, and full knowledge of world problems will be of assistance not only to India but to our Nation as well.

ATHEISM

Mr. SABATH. Mr. President, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, the Catholic Church has for years been in the forefront of those who battle for justice for labor and for all social justice. Likewise the Catholic Church has been and is a leader in the world-wide fight against communism and its godless creed of atheism.

Over last week end His Eminence Pope Pius XII, in a talk to a group of Catholic businessmen and also through an editorial in the Vatican newspaper, took occasion to denounce some of the evils of capitalism.

The newspaper L'Osservatore Romano blasted the selfishness of capitalism and called it a parasite which grows progressively and prevents expansion of the number of persons who can benefit from wealth, according to the New York Herald Tribune. The New York Times report directly quoted the editorial as saying that the spirit of capitalism was fundamentally more atheistic than "communism which, as an economic system, does not run counter to the nature of Christian doctrine as strongly as capitalism."

"Capitalism," the Times further quoted the Vatican newspaper, "is atheistic in its structure; gold is its god." It defined capitalism as substantially greedy.

The supreme pontiff in his talk to the businessmen said that the position of employers and workers is not that of irreconcilable antagonists but of collaborators in a common task in which both profited from the national economy.

They eat, so to speak at the same table—

Said the Pope—

since they live, in the last resort, from the net global profit of the national economy. Each of them draws his pay and hence their mutual relationship should not make either the servant of the other.

All this is clear, consistent, and reasonable. It is in line with deep philosophical conclusions of His Holiness, whose statesmanship and humanitarianism have been proven over the years.

Yet, in this connection, we read in the RECORD of yesterday a denunciation of the Pope's views by my colleague, the gentleman from Georgia [Mr. COX], who saw fit to deplore the truthful and courageous statements of His Eminence. The gentleman from Georgia [Mr. COX] went so far as to interpret them as a sign of appeasement of communism.

I do not read such an interpretation into this interview. The Pope in his every move and every utterance has carried the fight against communism to every part of the world. He asks no quarter and gives none.

Yet, unlike my friend and colleague from Georgia, he does not at the same time blind himself to the evils of capitalism. He does not consider that by pointing out these evils in our own system we are surrendering to the Communist system or embracing it.

The gentleman from Georgia [Mr. COX] should by now have come to the realization that the surest and best methods of preserving capitalism as the system of economy and democracy as our political way of life is to cure it of its defects. Likewise that the surest and best method of encouraging communism is to continue the abuses of capitalism. The gentleman from Georgia [Mr. COX], instead of providing a defense for the capitalistic group, should lend his capable efforts to the cause of labor as well.

I concur in the statements of Pope Pius XII, and in this connection, I ask leave to insert articles appearing in the New York Times of May 8, 1949, and in the Washington Post on May 8 and May 10, and a statement which I prepared some time ago, but which due to my illness I was unable to deliver on the floor. I ask unanimous consent to extend my remarks by inserting a statement which I have, entitled "Pope Pius XII and 10 Momentous Years in the Papacy."

[From the Washington (D. C.) Post of May 8, 1949]

POPE PIUS LAUDS LABOR AS PAPER BLASTS CAPITALISM

ROME, May 7.—Pope Pius XII told a group of European businessmen today that workers have a right to a "just share in responsibility for industrial development."

The pontiff's words coincided with publication of a fierce denunciation of capitalism in the Vatican's daily newspaper, L'Osservatore Romano.

The Vatican paper said that communism shorn of its atheism, would be less un-Christian than capitalism. Instead of the Catholic Church being an ally of capitalism, as some have charged, the fact is that catholicism long has considered capitalism a cancer at least as much a "sin against nature" as artificial birth control, the Vatican paper said.

The editorial called capitalism a parasite which grows progressively and prevents expansion of the number of persons who can benefit from wealth.

Pope Pius told the businessmen the solution he had in mind would call for a great spirit of unselfishness on part of employers.

[From the Washington (D. C.) Post of May 10, 1949]

POPE HOLDS RIGHTS OF STATE LIMITED

ROME, May 9.—The Catholic Church approves the idea of nationalization of property within certain limits, but the policy can be carried too far, Pope Pius XII told a group of visiting businessmen and industrialists Saturday. His talk was made public today.

"The mission of public rights is, in effect, to serve the private rights, not to absorb them," the Pope said.

"The (national) economy—any more than any other branch of human activity—is not by nature an institution of the state."

Pope Pius said also that employers and workers were not irreconcilable antagonists but collaborators in a common task, in which both profited from the national economy.

SEES PROFITS SHARED

"They eat, so to speak, at the same table, since they live, in the last resort, from the net global profit of the national economy," the Pope explained.

"Each of them draws his pay and hence their mutual relationship should not make eithe the servant of the other."

The Pope made his speech, an exposition of the views of the church on the relation of public to private interest, to two groups of visitors. One group was made up of Catholic businessmen from Canada, Chile, and Europe; the other, of European industrialists holding a convention here.

In the elaboration of forms of public organization, the Pope said, the time came when the questions of state ownership and nationalization of enterprises arose.

"There is no doubt that the church also—within certain just limits—admits nationalization and judges 'that one may legitimately give to the state certain categories of properties, those which represent such a power that one could not abandon them into the hands of private individuals without im-

periling the common interest,'" the Pope said, quoting from the Papal encyclical "Quadragesimo Anno."

(The encyclical in question, on the reconstruction of the social order, was issued by Pope Pius XI on May 15, 1931, and thus the speech of Pius XII was a commentary on it in the light of events in the 18 years since it was issued.)

"But to make of this nationalization a normal rule of public organization of economy would be to reverse the order of things," the Pope continued.

It is not true, he held, that every private enterprise is by its nature a society in which all persons, whether owners or not of the means of production, should have the right to share in the property or at least in its benefits.

"Such a conception starts from the hypothesis that each enterprise enters by nature of the sphere of public right," the Pope said. "It is an inexact hypothesis."

[From the New York (N. Y.) Times of May 8, 1949]

VATICAN PAPER ASSAILS ATHEISM IN CAPITALISM

ROME, May 7.—L'Osservatore Romano, Vatican newspaper, appeared today with an editorial that said that the spirit of capitalism was fundamentally more atheistic than "communism which, as an economic system, does not run counter to the nature of Christian doctrine as strongly as capitalism."

According to the newspaper, capitalism "is atheistic in its structure; gold is its god." The newspaper defines capitalism as substantially greedy and says its aim is to dominate because it is never satisfied.

The point of the editorial, which was written by its editor in chief, Count Giuseppe Dalla Torre, was an attempt to refute the Communist contention that the Catholic Church favors and supports capitalism. Nothing could be further from the truth, the editorial asserts, and adds that proofs of this could be had by reading the papal encyclical as well as the speeches of Pius XII on social questions.

POPE PIUS XII AND 10 MOMENTOUS YEARS IN THE PAPACY

Regardless of one's religious convictions, be he Catholic, Protestant, or Jew, we cannot overlook and allow to pass unnoticed signposts of human and spiritual progress in the world.

On March 12, 1949, the present occupant of the papal throne, Pope Pius XII, completed 10 years in that high station. Born in Rome, the supreme pontiff on March 2d of this year celebrated his seventy-third birthday and on April 2, 1949, observed his fiftieth anniversary as a priest. He is the first native Roman in over 200 years to be elected pope. Cardinal Eugenio Pacelli was selected as pope after having served as secretary of state to Pope Pius XI. The position of secretary of state to a pope is hardly a stepping stone to the papacy since the last pope to be selected after serving as secretary of state was Cardinal Michelangelo Dei Conti in 1720 who assumed the name of Pope Innocent XIII.

Pius XII came from a family which served well the Holy See. His father, Advocate Ernesto Pacelli, was a consistorial advocate in the Vatican and represented the Catholic viewpoint in the capitol as counselor of the municipality of Rome. Francesco, brother of Pope Pius XII, succeeded his father as consistorial advocate and acted as one of the negotiators who brought about the treaty and concordat between the Vatican and Italy in 1929.

The past 10 years have been a period of epoch-making history by the papacy. No pontiff in history has been called upon to face and solve so many difficult and momentous problems affecting the entire world.

Fortunately, the present pope was exceptionally well equipped to face these complex situations. He possessed a wide and exhaustive knowledge of the political, social, and industrial history of all nations. He knew personally their leaders, and studied all phases of the national life of various nations.

He combined this educative knowledge, with a perspicacity and keenness of judgment and piercing understanding of men, their hopes, desires, and aspirations, with the result that he gained upon the elevation to the papacy, at once and instantly, the confidence and well wishes of all nations, their leaders and their peoples.

He was, for example, stationed many years in Washington as papal delegate to the United States. Thus, he came to know intimately and on favorable terms, America and Americans. It was in Washington that he came in contact with the representatives of every nation in the world, thereby increasing his number of acquaintances and his knowledge of events and peoples.

How well the supreme pontiff has met and successfully carried out the tremendous responsibilities of his pontificate may be attested to by the record His Holiness has made thus far. In his Summi Pontificatus of October 30, 1939, to the Bishops, the Pope emphasized the absolute need of erecting, on Christian principles, a moral, social, and public life. He set forth the various steps clearly and lucidly whereby this result could be attained. These views were aimed directly at the totalitarian dictators, Hitler, Mussolini, and Hirohito, then on the march toward a devastating and cruel and inhuman war. This brave, courageous, and forthright statement was made at a time when the Nazi aggressor was already advancing into defenseless Poland and planning assaults upon struggling and defenseless peoples of the world, in violation of the laws of God and man.

Early in his papal career, he became the exemplar, the spokesman, for all who believed in the love of man for his fellow being and for those who desired an enduring world peace. His Christmas appeal of 1939 is famous for its admonition and suggestions on how to attain peace and order. He declared that,

First. All nations large or small, strong or weak must be independent.

Second. Nations must be freed from armament races.

Third. Intelligent development must be permitted of international bodies in order to correct the faults of the past and prevent future failures.

Fourth. A sincere examination of the true needs and fair demands of all peoples of the world, their ethnic needs and requirements, as well as minority representation.

These and other basic principles of moral conduct were constantly advanced and developed in his thirteenth encyclical, entitled "In Multiplicibus," issued October 23, 1948. Therein, he again urged prayers for peace, pleading in particular for the end of the Palestinian conflict.

It is well-known how much the Pope suffered in mind and in body during the tempestuous and sanguinary years and events of World War II. Then the Vatican was the refuge of thousands upon thousands of penniless, homeless and stricken people. The Pope was besieged from every corner of the world for aid, financial and material, assistance of all kinds and characters.

The persecuted and the displaced were welcomed into the friendly embrace of a wise, kind, and loving spiritual leader striving to put in order, a chaotic and disordered world bent on self ruin and destruction.

Here, in fact, is a man of God who has enriched the world with an advocacy of love of man for his fellow being, with his kind and intelligent service to the suffering and the downtrodden, with his courage, bravery, and outspokenness in fighting inhumanity and evil, when it might have been wise and expedient to remain silent—indeed, it is a high privilege and distinct honor for me although not of his great faith, to pay tribute today to the distinguished leader of the Catholic Church. I have marveled at his splendid works and endeavors for justice, charity, and peace in the world.

I have admired his exhortations on behalf of a true ethical conduct of life. May His Holy Eminence be granted by a tender and merciful God, further physical, moral, and spiritual strength in continuing a fruitful life, dedicated as always, to the defense and protection of poor and suffering mankind, to the friendless and the homeless, at the same time tempering and staying the hand of the strong, the oppressor, and the tyrant.

His Eminence Pope Pius XII already recorded as the great humanitarian of the age, after the usual deep thought given to the subject, has called attention of the world in the official Vatican newspaper L'Osservatore Romano that "communism which as an economic system does not run counter to the nature of Christian doctrine as strongly as capitalism."

The Supreme Pontiff and the Catholic Church is recognized as one outstanding power and influence in the world opposed to communism. With every force and with every effort at his command, the Pope has carried on courageously and with effect this fight. And notwithstanding his opposition to communism, His Eminence has spoken out forthrightly and without fear or favor, that he feels there is a greater percentage of capitalists found to be unbelievers than among the communists.

I claim that many who are classified today as Communists living in the satellite countries, are members of the Catholic faith. The nationals of Poland, Yugoslavia, Czechoslovakia, Rumania, and Bulgaria, be they worshippers of the Roman, Greek, or Russian Orthodox

church are Catholics and believe in God. However, they have been oppressed and dominated by the corrupt and tyrannical ruling classes for so many years, that in desperation they rose against their oppressors and overthrew them hoping for a better life and political and economic freedom. Though still suffering and in misery, they are devoted to God and faithful to the church.

Mr. Speaker, in this connection I read with interest the remarks of my good friend and colleague the gentleman from Georgia [Mr. COX] who saw fit to deplore the truthful and courageous statement which His Eminence made recently in Rome to a group of European businessmen.

I do not read into this interview the interpretation made by my distinguished colleague from Georgia. The Pope in his every move and every utterance has carried the fight against communism to every part of the world. He asks no quarter and gives none.

My good friend from Georgia need not fear that the Supreme Pontiff will relax in his fight against communism. What my esteemed friend from Georgia does truly lament, is the merited denunciation of capitalism because of its sorry and unfair treatment of the worker. The Pope in his talk on this subject said, that employers and employees were not irreconcilable antagonists but collaborators in a common task in which both profited from the national economy. Continuing, Pope Pius XII stated:

> They eat, so to speak, at the same table since they live, in the last resort from the net global profit of the national economy. Each of them draws his pay and hence their mutual relationship should not make either the servant of the other.

My distinguished and esteemed colleague from Georgia is a stout defender of capitalism. His talents, his acumen and resourcefulness would indeed be a worthy asset if also with equal zeal he placed them at the disposal more often of the laboring man who at this time sorely needs friendly help.

(Mr. SABATH asked and was given permission to revise and extend his remarks and include a statement that appeared in a Rome paper as well as two other American papers.)

POPE PIUS BLASTS CAPITALISM

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I am sorry that the gentleman from Illinois has seen fit to pick a quarrel with what I had to say yesterday concerning a news item that I saw in Sunday's Washington Post.

It was in sorrow, not anger, that I spoke. The language used was that of kindness and of love.

For years I have been applauding His Holiness, the Pope, and the Catholic Church for the fight that they have made for the cause of freedom and of peace, and to see something indicating giving comfort to the enemy naturally caused me pain and what could I do less than make my grief known.

Out of this great, broad, and deep Catholic sea of wisdom, justice, moderation, charity, love, and mercy I have drawn much sweet water, but this had the bitter taste of gall. I know, Mr. Speaker, that it cannot represent the views of His Holiness, the Pope, nor of the Catholic Church, and I would have it understood that I meant no attack upon either.

Mr. Speaker, may we not all join hands and joining hands join hearts that no dissension hinder the progress of peace and government.

THE LEAP FROM PATRONAGE TO PURGE

Mr. JACOBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Speaker, when my colleague from Illinois [Mr. ARENDS] addressed the House a moment ago in regard to the apparent dissension between Democrats I could not help but think of Mark Antony's oration at Caesar's funeral when he said:

> Mischief, thou art afoot.
> Take whatever course thou wilt.

I simply rise to call attention of the Democrats to this quotation from Mark Antony's oration which is very much akin to the one that was made a few moments ago and I trust that the Democrats will take note of the comparison.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Mark Antony also said, "I come to bury Caesar, not to praise him."

Mr. JACOBS. He also said:

> Mischief, thou art afoot.
> Take whatever course thou wilt.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. ALLEN of California asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by his colleague, DONALD L. JACKSON.

Mr. FULTON asked and was given permission to extend his remarks in the RECORD and include statements by the Standard Steel Spring Co., of Pittsburgh.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the RECORD and include a brief biography from Who's Who on the Ronne Antarctic Research Expedition.

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. WOOD. Mr. Speaker, I call up House Resolution 209 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the Committee on Un-American Activities is authorized and directed, upon requisition of the Department of Justice, to transfer to its custody for presentation as evidence in the Government case, *United States* v. *Alger Hiss,* five strips of 35-millimeter film and three metal containers uncovered by said committee during the Eightieth Congress, such film commonly known as the "pumpkin film."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is a unanimous report of the committee?

Mr. WOOD. Yes.

Mr. RANKIN. Mr. Speaker, further reserving the right to object, unless Tom Clark has changed his attitude, you might as well put them back in the pumpkin, where we found them; I speak advisedly as a former member of the Committee on Un-American Activities.

Mr. COX. Mr. Speaker, further reserving the right to object, I very much regret the statement of my good friend, the gentleman from Mississippi, and I trust that he will see fit to strike his remarks from the RECORD. It is unfortunate that he made that statement. It is an attack upon a good and patriotic man and made in a forum where he has no opportunity to make reply.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CLAIMS OF THE SWISS GOVERNMENT

The SPEAKER. The unfinished business is the further consideration of the bill H. R. 4392. The question is on the amendment adopted by the Committee of the Whole.

The question was taken; and on a division (demanded by Mr. YOUNG) there were—ayes 42, noes 68.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 172, nays 191, not voting 68, as follows:

[Roll No. 91]

YEAS—172

Abernethy	Beckworth	Chiperfield
Addonizio	Bishop	Christopher
Allen, La.	Boggs, Del.	Church
Andersen, H. Carl	Boggs, La.	Cole, Kans.
Anderson, Calif.	Bramblett	Cole, N. Y.
Andresen, August H.	Brooks	Colmer
Angell	Brown, Ohio	Cotton
Arends	Bryson	Crawford
Auchincloss	Buchanan	Cunningham
Barrett, Wyo.	Burdick	Curtis
Bates, Ky.	Camp	Dague
Bates, Mass.	Cannon	Davis, Ga.
Beall	Case, S. Dak.	Davis, Wis.
	Cavalcante	D'Ewart
	Chesney	Dollinger

Dolliver	LeCompte	Sabath
Dondero	LeFevre	Sadlak
Donohue	Lichtenwalter	Sadowski
Ellsworth	Lind	Sanborn
Elston	Lovre	Scott,
Fellows	McConnell	Hugh D., Jr.
Fenton	McCulloch	Scrivner
Fisher	McDonough	Scudder
Fogarty	McGrath	Shafer
Forand	McGregor	Short
Ford	McMillen, Ill.	Simpson, Ill.
Fulton	McSweeney	Smith, Kans.
Furcolo	Mack, Wash.	Smith, Va.
Gamble	Macy	Steed
Gathings	Marshall	Stefan
Gillette	Martin, Iowa	Stockman
Golden	Martin, Mass.	Taber
Goodwin	Mason	Tackett
Gorski, N. Y.	Meyer	Talle
Graham	Michener	Tauriello
Gross	Miller, Md.	Tollefson
Harden	Miller, Nebr.	Van Zandt
Hare	Mills	Velde
Harvey	Nicholson	Vursell
Heffernan	Noland	Welch, Calif.
Heselton	O'Brien, Mich.	Werdel
Hill	O'Hara, Minn.	Wheeler
Hoeven	O'Konski	White, Idaho
Hoffman, Mich.	O'Sullivan	Whitten
Hope	Patterson	Whittington
Hull	Phillips, Calif.	Wigglesworth
Irving	Pickett	Williams
James	Polk	Wilson, Ind.
Jenison	Potter	Wilson, Okla.
Jenkins	Powell	Winstead
Jensen	Preston	Withrow
Johnson	Rabaut	Wolcott
Kearney	Rankin	Wolverton
Keefe	Reed, Ill.	Wood
Kennedy	Reed, N. Y.	Woodruff
Keogh	Rees	Worley
Kruse	Rich	Young
Lane	Riehlman	
Latham	Rogers, Mass.	

NAYS—191

Abbitt	Fallon	McGuire
Albert	Feighan	McKinnon
Allen, Calif.	Fernandez	McMillan, S. C.
Andrews	Flood	Mack, Ill.
Aspinall	Frazier	Madden
Bailey	Garmatz	Magee
Barden	Gary	Mahon
Baring	Gordon	Mansfield
Battle	Gore	Marsalis
Bennett, Fla.	Gorski, Ill.	Merrow
Bentsen	Gossett	Miles
Blackney	Granger	Miller, Calif.
Blatnik	Grant	Mitchell
Bolling	Gregory	Monroney
Bolton, Md.	Hagen	Morgan
Bolton, Ohio	Hale	Morris
Bonner	Halleck	Morrison
Bosone	Hardy	Moulder
Breen	Harris	Multer
Brehm	Harrison	Murphy
Brown, Ga.	Havenner	Murray, Tenn.
Buckley, Ill.	Hays, Ark.	Nelson
Bulwinkle	Hays, Ohio	Norblad
Burke	Hébert	Norrell
Burleson	Hedrick	O'Brien, Ill.
Burnside	Herlong	O'Hara, Ill.
Burton	Herter	O'Neill
Byrnes, Wis.	Holmes	Pace
Carlyle	Howell	Passman
Carnahan	Huber	Patman
Carroll	Jackson, Calif.	Patten
Case, N. J.	Jackson, Wash.	Perkins
Celler	Jacobs	Peterson
Chatham	Jonas	Philbin
Chelf	Jones, Ala.	Poage
Clemente	Jones, Mo.	Price
Combs	Jones, N. C.	Priest
Cooley	Judd	Quinn
Cooper	Karst	Rains
Cox	Karsten	Redden
Crook	Kean	Regan
Crosser	Keating	Ribicoff
Davenport	Kee	Rogers, Fla.
Davis, Tenn.	Kerr	St. George
Dawson	Kilday	Sasscer
Deane	Klein	Sheppard
DeGraffenried	Kunkel	Sikes
Delaney	Lanham	Sims
Denton	Larcade	Smathers
Dingell	Lesinski	Smith, Wis.
Doughton	Linehan	Spence
Doyle	Lodge	Staggers
Durham	Lucas	Stanley
Eaton	Lyle	Stigler
Eberharter	Lynch	Sullivan
Elliott	McCarthy	Sutton
Evins	McCormack	Teague
Thomas, Tex.	Vorys	Wier
Thompson	Wagner	Willis
Thornberry	Walter	Wilson, Tex.
Towe	Weichel	Woodhouse
Trimble	Welch, Mo.	Yates
Underwood	White, Calif.	Zablocki
Vinson	Wickersham	

NOT VOTING—68

Allen, Ill.	Hall,	Pfeifer,
Barrett, Pa.	Leonard W.	Joseph L.
Bennett, Mich.	Hand	Pfeiffer,
Biemiller	Hart	William L.
Bland	Heller	Phillips, Tenn.
Boykin	Hinshaw	Plumley
Buckley, N. Y.	Hobbs	Poulson
Byrne, N. Y.	Hoffman, Ill.	Ramsay
Canfield	Holifield	Rhodes
Chudoff	Horan	Richards
Clevenger	Javits	Rivers
Corbett	Jennings	Rodino
Coudert	Kearns	Rooney
Davies, N. Y.	Kelley	Scott, Hardie
Douglas	Kilburn	Secrest
Engel, Mich.	King	Simpson, Pa.
Engle, Calif.	Kirwan	Smith, Ohio
Fugate	Lemke	Taylor
Gavin	Marcantonio	Thomas, N. J.
Gilmer	Morton	Wadsworth
Granahan	Murdock	Walsh
Green	Murray, Wis.	Whitaker
Gwinn	Nixon	
Hall,	Norton	
Edwin Arthur	O'Toole	

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Granahan with Mr. Allen of Illinois.

Mr. Barrett of Pennsylvania with Mr. Canfield.

Mr. Davies of New York with Mr. Hand.

Mr. Green with Mr. Lemke.

Mr. Chudoff with Mr. Bennett of Michigan.

Mr. Hart with Mr. Engel of Michigan.

Mr. Gilmer with Mr. Wadsworth.

Mr. Hobbs with Mr. Corbett.

Mr. Kelley with Mr. Leonard W. Hall.

Mr. Whitaker with Mr. Horan.

Mr. Walsh with Mr. Kearns.

Mr. Rodino with Mr. Hardie Scott.

Mr. Rooney with Mr. Plumley.

Mrs. Norton with Mr. Morton.

Mrs. Douglas with Mr. Coudert.

Mr. Fugate with Mr. Clevenger.

Mr. Secrest with Mr. Gwinn.

Mr. Richards with Mr. Hoffman of Illinois.

Mr. Heller with Mr. Simpson of Pennsylvania.

Mr. King with Mr. Taylor.

Mr. Murdock with Mr. Phillips of Tennessee.

Mr. Buckley with Mr. Edwin Arthur Hall.

Mr. Kirwan with Mr. Jennings.

Mr. Joseph L. Pfeifer with Mr. Kilburn.

Mr. O'Toole with Mr. Smith of Ohio.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE PUBLIC HOUSING COMMISSIONER TO SELL CERTAIN RESETTLEMENT PROJECTS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of section 3709, as amended, of the Revised Statutes of the United States, or any other provision of law, the Public Housing Commisisoner is hereby authorized by means of negotiated sale or sales and without competitive bidding or public advertising, to sell and convey, at fair market value as determined by him on the basis of an appraisal made by an independent real-estate expert selected by the Commissioner and subject to such terms and conditions as he may determine to be in the best public interest, to such purchaser or purchasers as he deems to be responsible, all right, title, and interest of the United States in or to all or any part of the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio (including improved and unimproved lands, war housing constructed on lands of or adjacent to said suburban resettlement projects and personal property used in connection with said projects or housing): *Provided, however,* That the Public Housing Commissioner shall, during such period as he deems to be reasonable, give a first preference in such negotiated sale or sales to veteran groups organized on a nonprofit basis (provided that any such group shall accept as a member of its organization, on the same terms, subject to the same conditions and with the same privileges and responsibilities, required of, and extended to other members of the group, any tenant occupying a dwelling unit in such project at any time during such period as the Commissioner shall deem appropriate, starting on the effective date of this act, and who shall be a tenant therein at the time of making application for such membership), and may sell to such groups at fair market value (as determined by him on the basis stated above) or at cost (as determined by him, including the apportioned cost of structures, lands, appurtenances, and personal property transferred, together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which any property being sold is a part), whichever is lower, except, however, that in the event two or more such groups desire to purchase any such project they shall be required to submit sealed bids therefor and the award shall be made on the basis of the highest acceptable monetary return to the Government: *And provided further,* That evidence is furnished to the Commissioner, satisfactory to him, that the compensation paid or to be paid for organizing such groups, for negotiating the purchase of such property, and for financing such purchase is fair in relation to the purchase price and reasonable on the basis of time effectively devoted to such services on a professional or similar basis: *And provided further,* That in the event of a sale other than for cash, the Commissioner shall require a down payment of at least 10 percent of the total purchase price, the balance to be amortized over a period of not more than 25 years, the unpaid balance to bear interest at the rate of 4 percent per annum and the payment of any unpaid balance to be secured by a first mortgage or deed of trust against the properties sold. The Commissioner is authorized, as a condition of any sale hereunder, to transfer, or to require the transfer or an agreement for the transfer of, streets, roads, public buildings, federally owned utilities, playgrounds,

swimming pools, and parks including adequate open land surrounding or adjacent to each project to the appropriate non-Federal governmental agency, at such times, to such an extent, and upon such terms and conditions as he shall determine to be in the public interest.

"SEC. 2. As used in this act, (1) the term veteran means any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released from active service under conditions other than dishonorable, and (2) the term 'groups organized on a nonprofit basis' shall include but not be limited to, mutual ownership or cooperative housing associations or limited dividend corporations which by the terms of their charters and bylaws have limited their rate of return to a rate no higher than the Public Housing Commissioner deems reasonable and necessary."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I do so only for the purpose of asking the gentleman from Kentucky [Mr. SPENCE], the chairman of the committee, if he will not explain briefly what the Senate amendments are?

Mr. SPENCE. Mr. Speaker, this is a bill that passed the House by unanimous consent. It provides for the sale of Greenbelt, Md.; Greenhills, Ohio, near Cincinnati; and Greendale, Wis., near Milwaukee.

There are certain groups largely composed of veterans who are very anxious to purchase these properties that are now in a position to proceed with the purchase. The Senate made no material changes in the bill. It provided, however, that limited-profit corporations might participate. That will permit an organization in Cincinnati, which is greatly interested in the purchase of Greenhills, to participate in the purchase.

Our bill provided that the tenants in the project will have a right to remain there if they join the cooperative, but it provided no time in which they should designate their intention. The Senate bill provided that the Public Housing Administrator may fix a time in which the tenant shall become a member of the cooperative; otherwise there might be an organization for the purpose of purchasing who would not know its rights until the tenants had expressed their desire whether or not they should remain.

I think the Senate amendments are meritorious. They meet with the approval of all those who are interested in the purchase of these properties. I have heard from those in Cincinnati and those in Wisconsin. They are heartily in favor of the bill as passed by the Senate. For that reason I ask that the House concur in the amendments adopted by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SUBSISTENCE EXPENSES AND MILEAGE ALLOWANCES

Mr. SMITH of Virginia. Mr. Speaker, on behalf of my colleague, the gentleman from Ohio [Mr. MCSWEENEY] and by direction of the Committee on Rules, I call up House Resolution 205 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3005) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, this is a rule for the consideration of the bill H. R. 3005. The bill which this rule makes in order has for its purpose to increase the subsistence allowance of Federal employees when they are on travel time. For a long time now it has been found that Federal employees who were required to travel and to pay their subsistence found that the cost of subsistence when away from home was greater than the Federal allowance. It has been found desirable to increase that in a moderate amount so that they will not be out of pocket by reason of their travel.

The bill is reported from the Committee on Expenditures in the Executive Departments. I know of no opposition to the resolution or to the bill. The resolution authorizes debate not to exceed 1 hour.

Mr. Speaker, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Virginia has so well explained, House Resolution 205 does make in order the consideration of the bill H. R. 3005, under 1 hour of general debate.

H. R. 3005 was reported by the House Committee on Expenditures in the Executive Departments. It has two principal features. The first would increase from $6 per day to $9 per day the ceiling or limit which could be expended, and for which a Federal civilian employee could be reimbursed, for subsistence. It also provides an increase of the ceiling on the mileage allowances for travel on official business by private car or private airplane from 5 cents to 7 cents per mile.

There is a rather exhaustive report on this bill from the Committee on Expenditures in the Executive Departments. There has been a general acknowledgment of the fact that $6 a day in many instances is not sufficient to meet the cost of subsistence for Government employees and officials, and that the amount ought to be increased. You will note from the report that minority views have been expressed on this measure. Seemingly the only division which arose in the House Committee on Expenditures in the Executive Departments in the consideration of this bill was as to just what the ceiling or limitation on the allowances should be. In other words, the question was how much should be fixed as the amount allowable, if expended, for the subsistence of various Government officials and employees. As I understand it, of course, if any official of the Government cannot recover from the Government more than his actual expenses up to the limits fixed. This bill is one which should receive the careful and sympathetic attention of the Congress. I hope the rule will be promptly adopted.

Mr. MCSWEENEY. Mr. Speaker, we have no further requests for time. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. KARSTEN. Mr. Speaker, I move that the House resolve iself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3005) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3005, with Mr. BATES of Kentucky in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KARSTEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill under consideration, H. R. 3005, provides for regulating subsistence expenses and mileage allowances of civilian officers and employees of the Government. This bill is very easy to understand. It provides for an increase in the per diem allowance for Federal employees and also grants a slight increase in the mileage allowance.

At the present time Government employees who are required to travel on official business are allowed up to a maximum of $6 per day to cover their extraordinary expenses while they are away from their station. This is grossly inadequate, in view of the present-day living and traveling costs.

Testimony before our committee developed the fact that the average hotel room costs approximately $5.27 a day. By the words "average hotel room" I do not mean accommodations in the best hotels, but rather the average hotels where Government employees would ordinarily stay. Five dollars and twenty-seven cents for the room leaves 73 cents out of the $6 for meals, tips, and other incidentals. There is no possible way

one could stretch 73 cents into three meals.

To my mind, in view of the evidence and testimony, there is no question but that the per diem allowance should be increased. We cannot expect Government employees to go out on official trips and be required to spend out of their own funds just for the privilege of working for the Federal Government. This is exactly the situation today. Many witnesses before the committee submitted their actual travel costs showing that on their official trips they were required to use their own funds to pay obligations that should fall upon the Government.

The pending bill provides for an increase up to $9 per day. That is only $3 more than the present allowance, and I should like to point out that under the terms of the bill the $9 rate is not mandatory. There is no question in my mind but that many departments will be able to send their employees out on per diem allowances of less than $9 per day, and the bill will permit them to do so. The departments have expressed their intention to do so when compatible with circumstances.

Hearings before the committee brought out that many of the departments today do not allow the full per diem allowance. This is especially true in sparsely settled areas and the western sections of the United States, where camp parties or survey groups of the Federal Government are sent out. In such instance the per diem allowance could be limited to a dollar or two a day. At the present time the per diem for such trips is often as low as $1.50 per day.

On the other hand, where employees are sent to metropolitan areas under this bill, the per diem allowance can be adjusted to meet the higher costs found there. There must be necessarily left a reasonable degree of latitude to the discretion of the heads of the various agencies. The hearings brought out that the Government agencies and departments are doing an excellent job of administering per diem costs, and I am confident that should this bill be enacted they will continue to follow the same sound policies.

The legislation also provides for increasing the mileage allowance for privately owned automobiles used for Government business. At the present time the mileage rate for private automobiles is 5 cents per mile. This bill would authorize the payment of 7 cents per mile.

There is no question but that an increase in the mileage rates should be approved. In the last session of Congress we passed a bill granting 7 cents a mile for rural mail carriers, United States marshals, and their deputies. As I recall, there was no opposition to the legislation last year.

The price of automobiles has almost doubled since the 5-cent-per-mile rate was originally established. Then, too, there has been great increases in the cost of repairs and many Government employees who are required to use old automobiles are subject to much heavier operating expenses than in the past. Another factor the committee considered was the fact that gasoline prices and repair-maintenance costs have materially increased over the past few years.

The bill also contains a provision increasing the rate of mileage allowance for private motorcycles and private airplanes which are used in connection with Government business. For private motorcycles the proposed rate change is from 2 cents to 4 cents a mile and for private airplanes from 5 cents to 7 cents per mile.

I should like to point out to the committee that mileage may not be allowed under the law unless it is determined that the use of a private car, motorcycle, or airplane is more advantageous to the Government. That requirement is retained in the pending bill except that a specific determination of advantage will not be required where payment on a mileage basis is limited to the cost of travel by common carrier.

The Committee on Expenditures in the Executive Departments held extensive hearings on the bill. It was favorably recommended by the Comptroller General, as well as the Bureau of the Budget. Many witnesses were heard and everyone who came before the committee favored the bill.

Similar legislation passed the other body during the last session of Congress. There was no dissenting vote against the bill. When the measure came over to the House a brief hearing was held by the Committee on Expenditures in the Executive Departments but Congress adjourned before the House could act on the measure.

I cannot conceive that there should be any opposition to the bill at this time. The Democratic platform states:

> We will continue our efforts to improve and strengthen our Federal Civil Service and provide adequate compensation.

Surely there should be no opposition on this side of the aisle. The Republican platform also contains a similar provision. It states:

> We propose a well paid and efficient Federal career service.

In view of this there should not be any opposition on the other side of the aisle.

Data submitted by the Bureau of the Budget indicated that the maximum cost of the bill, as amended, would be $57,800,000 per year, based upon total estimated cost for civilian travel of $151,000,000 for the fiscal year 1949. Of that total, slightly more than 54 percent would be chargeable to the per diem for subsistence, or approximately $40,800,000 while almost 20 percent or $12,000,000 would be required for the increased automobile mileage allowance. Again, the estimate of $52,800,000 is a maximum, and the actual expenditures under the bill would be less than the maximum, to whatever extent travel orders authorize rates below the maximum.

In addition to testimony and data supplied by the Bureau of the Budget, your committee heard representatives of the Civil Service Commission, the Departments of Agriculture, Commerce, Interior, Justice, Labor, Post Office, and Treasury. The testimony of these witnesses contains numerous examples of actual cases in which employees, particularly those required to visit large cities under crowded conditions, actually have been required to spend amounts considerably in excess of $10 per day for lodging and meals. Your committee also heard testimony from various employee unions to the same effect.

I would like to have seen the maximum per diem allowance for Federal employees increased to $10 and in preparing this measure I used that figure. The committee, however, in amending the bill, reduced the maximum allowance to $9.

I am willing to go along on that figure because, while it may not be adequate in a small number of cases, it will enable the average Government employee to carry on his official duties while away from his station without being required to use his own funds. The bill is fair and represents an answer to a need. I hope it will be adopted.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. KARSTEN. I yield.

Mr. JENSEN. I wonder if the gentleman can give us an estimate, and a close estimate, of the amount of money that was expended in the fiscal year 1948 for travel and per diem expenditure by the Federal employees?

Mr. KARSTEN. For the fiscal year 1949 I have the figure, and I imagine that will furnish a comparison. It was $317,000,000, of which military travel was $166,000,000 and civilian travel $151,000,000. There is no attempt to deal with military travel in this bill.

Mr. JENSEN. Of course, the Members of Congress who are trying to hold down Government expenditures—and many of us feel that the Federal Government is greatly overstaffed, possibly to the tune of 750,000 employees—it is rather difficult for a Member of Congress who would like to be fair with the Federal employees to go along on this bill which permits this $9 per day when we know that the Federal Government is so terrifically overstaffed. If the Administration would make an attempt to reduce the personnel of the Government to the point it should be many of us could go along with this bill.

Mr. KARSTEN. I, too, favor the strictest economy in the operation of our Government. I believe we should not spend a nickel that is not necessary, but I believe the gentleman from Iowa, whom I have known ever since he has been a Member of Congress, is fair. He certainly would not ask a Government employee to go up to New York at his own expense while traveling on official business.

Mr. JENSEN. No; but as long as we are providing everything for all of these Federal employees, everything the administration asks for, we are going to keep on piling up additional needless administrative help on the backs of the taxpayers.

Mr. KARSTEN. I might also point out to the gentleman that the $9 rate provided in the bill is not mandatory.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. KARSTEN. Mr. Chairman, I yield myself two additional minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for two additional minutes.

Mr. KARSTEN. As I say, this $9 is not mandatory. The department heads have a great deal of discretion; as a matter of fact some employees are sent out on a per diem of $1.50. The same practice is going to be followed in the future, regardless of whether the per diem is $9 or $6; they can reduce it.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. KARSTEN. I yield.

Mr. PRICE of Illinois. The gentleman from Iowa probably operates on the theory that if you could get the employees to travel at their own expenses you would have a more efficiently operated Government.

Mr. KARSTEN. That, no doubt, is his philosophy.

Mr. WAGNER. Mr. Chairman, will the gentleman yield?

Mr. KARSTEN. I yield.

Mr. WAGNER. I may state for the benefit of the gentleman from Iowa that the per diem figure for 1948 as furnished by the Bureau of the Budget was $328,000,000.

Mr. KARSTEN. That is somewhat higher than the 1949 estimate.

Mr. WAGNER. For 1949 it was $317,000,000.

Mr. KARSTEN. Mr. Chairman, I reserve the balance of my time.

Mr. HARVEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H. R. 3005, a bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government, is a realistic acknowledgment of the unrealistic travel and expense law under which the servants of our Government are operating. The fact that the subsistence phase of the law dates to 1926, and the automobile mileage to 1931, is evidence enough of the situation.

In the hearings before our committee it was brought out that the $6 per day ceiling during the thirties did actually represent a ceiling. Many Government employees could travel for less than this amount and did do so, however, the $6 figure in recent years has been so unrealistic that budget officials of the various departments or agencies have simply granted the $6 automatically knowing that it was inadequate to meet even the bare essentials of living away from home. Our committee heard considerable testimony, much of which has been set forth by the gentleman from Missouri [Mr. KARSTEN].

The estimated cost of the increase will be $40,000,000. While this is an estimate, and a sum not to be lightly regarded, it is in my opinion a fair increase.

While serving in the General Assembly in Indiana, it fell to the lot of a house-senate committee of which I was chairman, to revise the subsistence pay for employees of the State of Indiana. After much research on this particular subject, we raised our per diem subsistence from $6 to $8. It should be remembered however that in arriving at the $9 figure for the Federal level, that in Indiana when a Government employee leaves his post of duty in Indianapolis, any place in which he might stop would be a second- or lower-class city. For this reason a higher ceiling than the $8 established in Indiana is a fair recognition of the differential that should be accorded to employees who are required to live in our larger cities.

It should also be borne in mind that the $9 figure does represent a ceiling. We have ample evidence that those departments or agencies using the greatest amount of travel allowance, have adequate facilities for administering the law so that many of their personnel will travel for less than the ceiling.

The increase in this bill for automobile travel from 5 cents to 7 cents per mile is also another realistic realignment which was long overdue. The increased cost of auto travel due to higher original purchase price which means greater dollar depreciation as well as increased operating cost, will make this a fair piece of legislation for those employees who must travel by privately owned automobiles.

In conclusion may I simply say that this legislation represents the result of much of the constructive thinking of our committee and I can commend it to the House without qualification.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The action taken by the committee, in my opinion, is the proper action to take, because the Federal employees have not been getting enough to cover their traveling or per diem expenses. But if we fixed it at $9, the tendency might be to encourage more travel instead of less travel. In the case of a good many of our agencies there is too much traveling doing nothing. If Congress could limit the amount of travel only to necessary travel on the part of employees, we would really save money by the $9 ceiling.

Mr. HARVEY. I agree with the gentleman, and that was brought out in the committee. Possibly there are good arguments on both sides of the question, but it must be remembered that all classes of Government employees travel on the same subsistence and per diem, which means that some of the higher-grade employees, as far as civil service or classification is concerned, are going to travel even at the $9 ceiling at a distinct loss.

I would just simply like to say that it is impossible ever to arrive at the best figure in a case of this kind. We thought we did arrive at a fairly accurate one, because the extensive reports we had of expenses actually showed that a person traveling under ordinary conditions would have expenditures of around $8.80.

Mr. AUGUST H. ANDRESEN. Well, I do not dispute that, but what I have in mind is this, that there is a lot of traveling on the slightest provocation to go to some convention or meeting, or even a trip that is not necessary, and that is where it increases the expenses for this travel all the time.

Mr. HARVEY. I would agree that probably there is some of that element entering into it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Indiana.

Mr. HALLECK. I first of all want to commend the gentleman from Indiana [Mr. HARVEY] for his very able presentation of this matter, and to say also that as a member of the Committee on Expenditures in the Executive Departments he has studied this matter very carefully. I join with the gentleman from Indiana, my colleague, in support of the measure. I would like to say at this point, in view of the interrogation by the gentleman from Minnesota, that certainly I, too, on many occasions am convinced that there is unnecessary travel by Government employees. I can understand that the urge to move around can strike now and then, and probably the urge does result in travel that should not be made. However, each of the appropriation bills that comes along fixes the amount of money for travel for the agency involved, and it would seem to me that the job for us is to fix fair, realistic pay scales for maintenance and travel, and then to govern the matter of over-all travel in the agency by a careful study as to how much travel is advisable and necessary, and limit the appropriation to that amount.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. KARSTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. WAGNER].

Mr. WAGNER. Mr. Chairman, I believe that our good friend, the gentleman from Missouri [Mr. KARSTEN], the chairman of the subcommittee, has made a very able presentation of the history of this bill and a very able presentation of the necessity for its passage.

I might say that our whole committee conducted extensive hearings and arrived at a conclusion that the $9-a-day figure was an adequate and a fair figure. There were some of us on the committee who were of the opinion that the $9 was not sufficient; there were others who thought the figure should be placed at $10. I believe that a reading of the committee report will bear out the fact that it was almost a unanimous approval of the $9 figure. Of course, as was brought out by the genial gentleman from Missouri, this $9 figure does not mean that every person traveling will get $9. There are some cases where a person goes to a small town and where expenses are considerably less, and it is the duty of the head of the Department to see that the travel allowance be in keeping with the territory in which the person is traveling.

I believe further that the figure of 7 cents a mile is a very fair figure, because statistics will show and the testimony will show that 7 cents is hardly a sufficient amount when one is traveling, whether for pleasure or on Government business or any place in the United States with the average automobile today. I do not believe that we in Congress, nor the taxpayers of this country, should expect any Government employee to dig into his pocket, and I believe with the past figure of $6 a day, which had been

prevalent for some time, that in at least 80 percent of the cases when Government employees were traveling, they had to dig into their pockets in order to come out even. Nor should we expect them to live in third- or fourth-rate hotels. They are doing a job; they are employees of the Government, and they should live somewhat within their means and within the custom they have been going through in the past. I have found from experience that the average Government employee is doing an excellent job and should be given a decent salary and decent per diem when he travels.

I rise in support of this bill and hope it will be passed.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. WAGNER. I yield to the gentleman from Kansas.

Mr. REES. Do I understand that under this bill the employees who have traveling expenses turn in the actual amount of the expenses, and if it is less than $9 per day they will not get $9 a day, or can they just turn in so much a day for each day they are out of the office?

Mr. WAGNER. Not having been a member of that subcommittee, I cannot answer that. I yield to the gentleman from Missouri [Mr. KARSTEN], though, who will probably be able to answer the question.

Mr. KARSTEN. A great deal of discretion was left to the heads of the various executive agencies. They set the per diem ceilings. In some cases the per diem may be as low as a dollar or a dollar and a half. We find that prevalent out in the West, where employees go on pack trips or camping trips, carry their supplies on their backs, and prepare their own meals. Their only expense is perhaps a dollar or two a day. They will not receive $9. On the other hand, where you have employees going to metropolitan areas where they are subjected to higher living costs, the bill will permit the payment of a per diem up to and including $9 a day. Does that answer the gentleman's question?

Mr. REES. What I am trying to find out is, will the ordinary employee just turn in an expense account for $9 per day for the number of days he is away from his office, or is he required on each occasion to file a voucher and an accounting of the amount of his expenses?

Mr. KARSTEN. He cannot turn in $9 a day unless that is the figure fixed by the head of his agency. The agency heads are given a great deal of discretion in these matters. The agency can say it will be $6 a day or $8 a day, depending on the circumstances. That is the policy they have followed, and that is the policy they have indicated they are going to continue to follow.

Mr. LANHAM Mr. Chairman, will the gentleman yield?

Mr. WAGNER. I yield to the gentleman from Georgia.

Mr. LANHAM. I think the gentleman from Kansas has in mind a practice that was followed by the Government until a few years ago, under which each employee did submit his itemized statement of expenses.

Mr. REES. That is the way it had been handled until rather recently.

Mr. LANHAM. The policy was changed, as I understand, some years ago because of the accounting expense, so that now the department heads determine what the per diem shall be and, to save accounting expense, simply pay that per diem instead of the exact amount of the expenses.

Mr. WAGNER. I thank the gentleman from Georgia for his contribution.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. WILLIAM L. PFEIFFER].

Mr. WILLIAM L. PFEIFFER. Mr. Chairman, I rise in support of this legislation.

Prior to my becoming a Member of Congress I was deputy comptroller of the State of New York for 6 years. As such, it was incumbent upon the comptroller's office to make studies from time to time of travel allowances and subsistence allowances for State employees. I recall very well that when I first came to Albany, N. Y., we were giving the State employees $7 a day and paying them 5 cents a mile for driving privately owned cars on State business. The State recognized that amount was inadequate, and engaged the services of Runzheimer & Co., of Chicago, who are specialists in this field, to make a complete study of other agencies, whether Federal or State, and private industry, to see what they were paying for mileage and subsistence allowances.

I believe it was in 1945 that the comptroller raised the subsistence allowance from $7 to $8 a day and the mileage allowance from 5 to 6 cents a mile. Again in 1948 recognizing the fact that increasing costs made it difficult for State employees to find adequate housing and to operate their cars without serious financial loss to themselves, it became evident that another increase in rates was inevitable. Accordingly, Mr. Chairman, as recently as July 1948 a new rule was adopted in the State of New York increasing the subsistence allowance to $9.50 a day and the mileage allowance to 7 cents. I only mention that to show you that I have had some experience in this matter in previous years. As a member of the committee I attended all the committee hearings and listened very carefully to witnesses who appeared before us in their efforts to demonstrate that the $6 per day now given to Federal employees was inadequate. I do believe there is some unnecessary travel on the part of Federal employees. However, that is a matter of administration. I believe, that with the cooperation of the department heads, much of this travel could be eliminated. Certainly there is no Member of the House who is more economy-minded than I am. On the other hand, I feel that it is extremely unfair to conscientious Federal employees who are required to perform their duties away from home—I think it is very unfair to require those people to pay money out of their own pockets as was demonstrated so many times during the hearings. I call to your attention at this time that $9 per day is a maximum amount and that in many cases, as I think some of my distinguished colleagues have pointed out, the cost per day will be far less than $9. I am sure it is the intention of every Member of the House to be fair to Federal employees and accordingly I sincerely urge all Members to vote for this legislation, as I believe it to be fair.

Mr. Chairman, I yield back the balance of my time.

Mr. KARSTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HUBER].

Mr. HUBER. Mr. Chairman, I wish to compliment the chairman of the Committee on Expenditures in the Executive Departments on his selection of the gentleman from Missouri, as chairman of the subcommittee which considered this bill, the gentleman from Missouri [Mr. KARSTEN], deserves great credit for his zeal and efforts in bringing this bill before the House. I think it is only simple justice that we compensate these faithful public employees so that at least they will not be out of pocket for personal expenditures made conducting Government business. Back in Ohio, in our towns, our local employees are allowed as high as 12 cents a mile for travel and are allowed all of their expenses—that is, their necessary expenses. I was rather surprised some time ago as a member of the joint House and Senate committee, when we held extensive hearings throughout the United States, to find that we were also limited to $6 a day. Although this measure will not increase per diem allowances, I was just Scotch enough to resent the fact that after paying my hotel bill and buying my breakfast, I had to start out the day several dollars in the red. I certainly know the resentment of the Members of the House and the other body where they were personally affected, so certainly we should do no less for these Government employees than we would prefer to do for ourselves.

Mr. Chairman, I yield back the balance of my time.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I am interested in this legislation and would like to make some brief observations, especially as they relate to my experience as a member of the House Committee on Civil Service and afterward on the Committee on Post Office and Civil Service of the House.

It is my opinion that a number of the agencies in the past few years especially have been extremely negligent in their duty to check the expenses of employees who are away from their offices on Government business.

I do not want to be misunderstood. Employees who are away on Government business should have their necessary expenses paid for the necessary time during which they are away. Of course, they should not be required to use their own funds for necessary expenses.

On several occasions, however, my attention has been called to the fact that employees in some of our agencies spend considerable time in planning trips

across the country in order to take a little vacation at the expense of the Government. I know these are in the minority, but even so, there is too much of it going on. Furthermore, there are a number of cases where several people make a trip when one could do it alone, and then we have the other situation whereby a representative of an agency goes away and stays a week or two when he could do the job in a much shorter period of time.

Furthermore, agencies, instead of handing out this money in a lump sum, $6 a day or $9 a day, or whatever it may be, should require accounting of the use of the money that is expended by the Government, because, after all, it is paid out of the pockets of the taxpayers.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. REES. Yes; I shall be glad to yield.

Mr. BURNSIDE. We found in checking the executive expenditures that there are about 3,000,000 items, and it would cost about $10,000,000 to process those $11,000,000 of expense accounts. If we would do the same thing with all of them we would run up a tremendous cost to the Government in checking each of these expense accounts. We are doing our best to get away from that.

Mr. REES. I appreciate the gentleman's observation, but unfortunately they go through too much red tape in checking these items. It would not cost much money if it were done in a business-like way, if it were done as you would do it if you were running a business concern. You know what industries and commercial houses do. Just apply a little common business sense in handling these expenses, as you would in your own business. That is all I ask for.

I hope the Committee on Expenditures will make some check and conduct investigation with respect to the amount of money that is being expended by the Federal Government, to see if we cannot cut out a lot of unnecessary trips and reduce expenses.

For instance, the other day my attention was called to three men from one agency who went out on the same trip. They were going to have a conference first up in one State and then attend a convention on the west coast. Perhaps all three of them had to go. I hardly think so. But somebody ought to check into that and hold down these expenses. This bill giving them $9 a day—if that is what it takes, all right, well and good; but it will encourage a great deal of travel that would otherwise not occur. I do not think any Member of this House wants anyone to take money out of his own pocket to pay expenses that should be charged to the Federal Government in order to make a necessary trip. I am wondering whether or not this committee has any idea how much time is taken by the representatives of these various agencies in traveling over the country, in carrying on the business of the Government. Somebody ought to check into it. It needs a real investigation and study. A great deal of money might be saved if you would do it.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. REES. Yes, I yield to the distinguished gentleman from Virginia.

Mr. HARDY. It does present quite a problem, but I think there is a very practical difficulty in making a determination as to what trip is necessary and what trip is unnecessary.

Mr. REES. What I am thinking is to bear down on the agencies a little, and keep the unnecessary trips out as much as can be done. I am wondering if this committee could not take some real action on that subject matter and see that it is done. I think the action of this Committee on Expenditures would be very helpful.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. REES] has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield five additional minutes to the gentleman from Kansas.

Mr. HARDY. Mr. Chairman, will the gentleman yield further?

Mr. REES. I yield again to the gentleman from Virginia, a valued member of this committee.

Mr. HARDY. I just wanted to point out that the subcommittee of the Committee on Expenditures recently has been looking into some of these travel matters of one of the agencies. It is a tremendous job. I hope it may be possible to expand it a little further. I believe some good is being accomplished, and I hope that the agencies in question will themselves take account of just the point that the gentleman from Kansas has raised.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. REES. I gladly yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. If the gentleman from Virginia [Mr. HARDY] would just stick around here in Washington over some Sunday and stay around the streets, he would see Government cars with boats on top. I can understand that because I have the desire once in a while to go fishing, but you see those cars traveling around on Sunday and on Saturday afternoons when the departments are not working, Government cars. I assume they are checking the number of fish, the number of ducks, or something somewhere. You will find it all the time. If you try to learn what they are doing and why they are on the road on Saturdays and Sundays you will find it utterly impossible. For instance, not long ago, someone over in Niles, Mich., which is on the direct route from Chicago to Detroit, complained that on the Fourth of July and the subsequent Sunday there were a number of Government cars with Government licenses on them driving around the resort centers, South Haven and up to Holland and places like that. The only answer that we got in trying to find out what those cars were doing was that they had to go up the coast road because the other was under repair. That is as far as they ever got with it.

Mr. REES. The gentleman from Michigan has made an important observation. I think it is a matter that should have more attention than it presently receives.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield.

Mr. HARDY. We know that kind of thing goes on all the time, but I just wonder how we can correct it by talking about it and not acting.

Mr. REES. I would just like to say to the gentleman that such things come about largely through laxity of the heads of the departments. They should be held more accountable.

Mr. HARDY. Will the gentleman yield to permit an observation on that?

Mr. REES. I yield.

Mr. HARDY. Undoubtedly there may be some laxity on the part of the agency.

Mr. REES. Yes; there is on the part of too many of some of our agencies.

Mr. HARDY. Laxity on the part of the agencies themselves, but there is also some laxity on the part of the Congress that we have not been able to check up on these things.

Mr. REES. It is difficult even to get a vague idea of how many cars are used in the Government business. We know there are hundreds and thousands of Government cars. I have tried to find out how many automobiles there are in these agencies but nobody seems to furnish that information. I expect to discuss that subject matter at a later date. There seem to be more and more automobiles for more and more agencies of the Government. I hope somehow, some time, we can find a way to check this thing.

Mr. HARDY. That same kind of abuse occurs in private industry as it does in the Government; while it cannot be to the same degree, there certainly is evidence of it. This matter of abuse of the use of Government cars and transportation is one thing I should like to find out about. We are working on it. The gentleman, of course, recognizes what a task faces this committee in looking into the expenditures of these various Government agencies. In order to do it if we proceed much further than we have already gone we shall need more money to carry on the investigation.

Mr. REES. If there is abuse in private industry, only the private industry suffers. If there is abuse by Government agencies, the taxpayers suffer. In my judgment money spent to investigate this thing is money well spent through the savings brought about. If you spend a little money to make this investigation you will stop much of this abuse. The very fact that a committee is acting as a sort of watchdog will have a salutary effect.

The hearings on this bill are not very adequate. About all they consist of is the testimony of some people who came before the committee and testified that they ought to have more money for travel and subsistence. That is all there is in this report.

Mr. HARDY. May I make a further observation?

Mr. REES. Certainly.

Mr. HARDY. As chairman of the subcommittee investigating this matter, we hope to have this information that will enable the committee to do a good job.

Mr. REES. I will be glad to support the gentleman in his effort, because we appreciate the active interest the gentleman from Virginia takes in this important matter. I know we can depend upon the gentleman from Virginia [Mr. HARDY] to do his part in dealing with this important problem.

Mr. Chairman, I know it takes a tremendous amount of money to run the Government. I know, too, that a considerable amount of travel is required, but I am convinced that a great deal of the travel on behalf of the Government is unnecessary and could be cut out.

You will observe from this bill that this Government spent last year more than $317,000,000 for travel allowance alone, and $151,000,000 of that amount is for civilian travel. That is a pretty good-sized sum to spend for travel expenses in peacetime.

The bill you are approving today calls for an additional cost of $52,800,000. That again is too much and ought to be reduced. I hope the Appropriations Committee of the House, together with the Expenditures Committee responsible for bringing this legislation to the floor, will see to it that these expenses are materially reduced.

One thing more, this bill does not take into consideration the travel allowance of thousands of automobiles operated by the various agencies of Government, whose operating costs also run into the millions of dollars.

Again I say the whole thing should be investigated with a view of bringing more economy in the travel expense of our Government.

Mr. KARSTEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Chairman, I rise in support of this bill, but before I make any comments I wish to compliment the distinguished chairman of the subcommittee, the gentleman from Missouri [Mr. KARSTEN], for the fine work he and his committee have done on this bill. I personally would give more money than is recommended in the bill being considered by the committee, I feel that $9 a day is not adequate enough, and I speak from experience, having been associated with a governmental agency for some time. We are all agreed that the average cost of a hotel room today is at least $5.50. When we go to some strange city on business, either Government or otherwise, and you ask for a fair-priced room, they seldom have such a room. The result is you get into the $6 and $7 bracket. So that the $9 a day is not adequate enough, in my opinion, and if I thought I could get to first base I would offer an amendment to increase this allowance to $12 because I feel that would be more adequate in allowing Government employees to travel with some degree of dignity and to live on the same plane as they do when at home.

You and I enjoy one of the greatest nuisances in this country. That is the tipping nuisance. This alone usually amounts to at least $2 a day.

When you are traveling on official business, what happens? You go from the station to the hotel in a taxicab and the doorman grabs your bag and carries it to the door, which costs you 25 cents. From the door to the hotel desk somebody else grabs your bag and you have to tip that individual. From the desk to the room some other bellhop grabs your bag and you have to tip him. You have to tip them adequately or the chances are they will turn around and call you down. I know of instances when this actually happened.

So I feel that the $9 recommended in this bill is not adequate enough. However, I will support the bill because I feel that half a loaf is better than none.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KARSTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I am in sympathy with the pending legislation as it is written. I was a member of the committee and helped write the bill. Now, you are going to ask, Where are you going to get the money? I am interested in that just as anyone else, so I am going to try to show you how we can get the money.

Let us look at the situation just as it faces us. In my business we send men out on the road. If we send a man out on the road to travel we pay him a salary and they are supposed to get their expenses also. If we cut them down so that they cannot live in the right places and sleep in the right kind of hotels, after a while they would become discouraged. They might be the best salesmen in the world and they will not stay with us but will go to some other manufacturer who will look after them. I look at this situation in the same way. We pay these Government men $6 a day expenses now when we know it costs them $9 a day to get along. We have tried to make it economical, we have tried to make this bill sound. Some members thought it ought to be $8 a day expense money, one of the members of the committee thinks it ought to be $12. I do not. I think it ought to be $9 and I am going to stand pat on $9 and see how we get along in an effort to treat the Government employees in the right way.

Where are you going to get this money? I will show you. I picked up the Sunday Times-Herald and in great big headlines appears this statement: "Bill sets retirement at 55. Early passage predicted by Senator JOHNSTON." I understand that the President is in favor of the bill.

When you take a man 55 years old and you tell him he can retire and you are going to pay him a pension, in my opinion it is utterly silly. No man 55 years of age in good health ought to retire. If I was 55 years old and they put me on the side lines I would do some kicking and I am here now to kick against any bill that provides for the retirement of people at the age of 55. That means that everyone between the ages of 20 and 55 who are working have to pay that fellow to sit idly by for years to come whereas he could be earning his salary and would be kept off the Government pay roll. It is not economy for Government to retire workers at age 55, so just count me against it. I am not surprised the President is for it for he is for most anything that will sink us financially, such as ECA, aid to education, socialized medicine, and so forth.

What we are doing here in this country of ours now is trying to sink the ship or go into bankruptcy, and you are only going to sink the ship by adding this great burden on the fellow that works. And I do not want to do that. Well, that might be one way to bankrupt the United States of America.

Here is another one:

I pick up the paper and I read that in Great Britain recovery is realized. ERP aid praised in remarkable achievement. Trade balance in sight. When you find out that Britain had a balance of $2,500,000,000 last year, when they figure that they balanced their budget after we gave them $970,000,000 from the American Government, I want to tell you that it is just silly if you fellows sit here and pay out any more money in this ERP. Why, it ought to make all of you ERP and ERP and ERP. You ought to think of the American people. Think of paying these fellows that travel now for Uncle Sam $9 a day when the British Government has a balance of $2,500,000,000, added to that the $970,000,000 of American money, then it is just silly when you vote that way, and I hope that every man that votes that way that his constituents will realize what he is doing, and say to him, you vote to bankrupt our own country.

Now, what are we going to do to get the money to pay these fellows, our own citizens who go out and spend their own hard-earned cash trying to get along working for Uncle Sam? Do you not think it is foolish for them to have to do so? Then, another thing, another place you can get some money, boys, and that is by economizing in all of these expenditures of government where you know that it is an extravagant waste of the taxpayers' money. There are so many places where you can save, in every department of government. You say you want a balanced budget. You remember that the Eightieth Congress gave you a balance of $2,500,000,000 last year and $900,000,000 the year before. This year you are asking for $40,000,000,000, and you will spend $45,000,000,000 if you do not watch out. Now, if you spend $45,000,000,000, the goblins will get you, too. You fellows have to keep your eyes open or something will swallow you up, and then we will lose our form of government, and then it is just too bad. Why in the name of all that is good and sound do you take on such bills as socialized medicine, arming nations under the North Atlantic Pact, and so forth, when it means financial ruin to our own Government. Men, do not

do it. I plead with you to economize in our Government spending.

Where are you going to get the money?

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, my good friend and colleague, the gentleman from Pennsylvania [Mr. RICH], was going so fast that he could not stop to get the answer to his question of "Where are you going to get the money?" I can tell him where we will get part of it. We will tax the woolen industry and the woolen mills, that is what we will do, and we will hike the income taxes on this rich manufacturer. That is where we will get part of it. And everyone will contribute through higher and additional taxes.

Now, I cannot feel very sorry—I wish I could feel sorry—for the so-called poor, underpaid Federal employees, or half as sorry as I do for that group of Congressmen who come down here and serve so faithfully and so well and who always bemoan the fact that it is costing them so much money. I feel in accord with the gentleman from Pennsylvania. I cannot be retired when I am 55 years of age, because I am away past that now. I notice that some of the local papers in Michigan suggest that six of the Republican Congressmen are going to retire, and they name me as one of them. Now, I am going to retire when a majority of the voters of my district say I cannot hold the office or when I cannot render adequate service, and I hope that the newspapers will make note of that.

I came down here in 1935 with a purpose in mind. It had to do with economy in Government and the welfare of our people and Nation. We have not gotten very far along with that program. We made a little progress in 1946, and then the people were deceived by a lot of honeyed words and they turned us out. Now we have to start all over again. So, I see the necessity—get that; my own people may not—I see the necessity of staying here for the present.

Unfortunately, I am the only one on the committee who is opposed to this increase. There are 25 conscientious, well-educated, economy-minded citizens on that committee, and they are all but one—and that is myself—in favor of this increase. Now you wonder why I am not in favor of an increase. They say that the Federal employees are spending their own money when they go out on their jobs. I can see where $6 a day will not pay the expenses and 5 cents will not cover the automobile travel. But that is not the only consideration we should have in mind.

My argument is this: Ever since 1932, when the great President, Mr. Roosevelt, promised economy, both parties, especially the Republican Party, of which the gentleman from Pennsylvania [Mr. RICH] is a great ornament, a great contributor of ability and all that, and I assume in funds—I hope so anyway, to the campaign war chest of the Republican Party, have promised economy.

I have been here since 1935, and if you gentlemen can recall any instance in which this Congress, the Congress as a whole, has practiced instead of talking economy, I wish you would tell me about it. If we are going to keep faith with the people, sometime we must begin to practice economy as well as preach it.

What about the Federal employees? They take those jobs with their eyes open. They know they will have to travel and eat while away from home. Most of them know they are going to have to pay their own travel expenses. It is strange, too, that if they are underpaid and if the jobs are not desirable there are so many individuals in our districts who want jobs in the Federal Government. Why? Because they are poor jobs, because they are not worth while? No. Because those jobs are good jobs, the pay adequate. Over all, they are good jobs.

We know that the average Federal employee works but 220 or less days per year. Our farmers and the people in the factories and in the offices work pretty nearly every day in the week, 5 days anyway, and the farmers 7.

There is something else that the Federal employees have. They never miss a pay check. They do not work for someone who goes bankrupt, who stops operations. The Nation is bankrupt, all right, but we continue on because we have the tax roll. So those Federal employees know that come pay day they are going to get a pay check, and it is going to be in full, everything that was promised them. In some districts at least there are five applicants for every Federal job available, in spite of the fact that we are putting them on in an ever increasing rate.

The gentleman from Pennsylvania says, "Where are you going to get the money?" and he is all for economy, but he comes along and he wants to vote a $3-per-day raise, and it will cost the Government $50,000,000 a year. He says, "Where are you going to get the money?" Have they taken that into account? No; they have not.

Mr. RICH rose.

Mr. HOFFMAN of Michigan. No, no, Bob. You have had your say.

Mr. RICH. I want to ask you a question.

Mr. HOFFMAN of Michigan. I cannot yield.

The committee wants these people to have this additional $3 per day. I have said before and I concede they cannot travel on $6 per day, but they went into these jobs with their eyes open. I came down here, and I am like a lot of you. It is going to cost us money, but I love it. Nobody drafted me for the office I hold, and nobody so far as I know except here and there an individual has asked that I stay here. But I have made my views clear on that before.

So these Federal employees should not complain. No one compels them to go into the Government service, but they want to be given $9 a day for travel and subsistence. And what do you give to the old people? Fifty dollars a month. Of course, it is not comparable, I know, but to a certain degree it is.

How are you going to tell the people back home, your old folks, some of them the victims of misfortune, practically all of them honest. They have done their best, but for some reason beyond their control they cannot support themselves. So the Congress matches the payment up to the $50 per month that will be made to the States for their subsistence.

Then we come along and say $9 a day, and the gentleman from New York would boost it to $12, for travel and food for Federal employees who have good, safe jobs. I wonder where he gets his money. I wonder where he thinks we would get the money. He will say New York pays it to its State employees, and where does New York get its money? From the outlands, from the out districts. The money gravitates into New York, where on every piece of business from the States they just take a little toll. Maybe they can do it in New York, but my folks cannot do it.

It all boils down to this, my folks have to work, they have to sweat, they have to get calluses on their hands and on their feet to get these dollars which we take away from them to pay this $9 per day.

Inasmuch as no one is compelled to take one of these Federal jobs and, since every man who goes into it knows what he is going to get, I say let them be content. Let us begin to redeem at least one of our campaign promises. Let us begin to practice economy instead of talking about economy and all the time voting for an increase in expenditures. I know that there will be but about 10 votes cast against this bill, but at least so far as I am concerned the record will be clear. My views are set forth in a report I wrote on the bill and which reads as follows:

MINORITY REPORT

PROMISES WITHOUT PERFORMANCE

Ever since 1932, when Presidential candidate Franklin Delano Roosevelt included in his campaign promises one which definitely promised a 25-percent reduction in Federal expenditures, both Democrat and Republican party platforms and the candidates of both parties have repeatedly promised the taxpayers of this Nation a reduction in Federal expenditures.

The failure of our national policy makers to keep us out of a war—a war which gave us a Stalin and a communistic Russia, in lieu of a Hitler and a Nazi Germany, as public enemy No. 1, is a partial excuse for the stupendous increase in our national debt and the confiscatory taxes with which our people are, and the future generations will be, burdened. It is an excuse for, but not an answer to, our failure to economize.

Two wars—the first fought to end all wars—the second to carry the "four freedoms" throughout the world, have left the world with active fighting on four fronts, millions of slave laborers, and millions of people under the domination of Communist leader Joe Stalin. While we ourselves are not in a shooting war, we are in a "cold war," an economic war. We are at the moment signing up allies to form a coalition of nations which we hope will win the next world war. We are back to the Old World balance-of-power theory.

If the refusal of Congress to bring about some economy, greater efficiency in our executive departments, our repeated gifts of billions of dollars to other nations and peoples continue, it is evident that we will ultimately come to the end of our resources. It is equally apparent that, having reached that point,

we will not only be unable to help others, but to adequately defend ourselves.

Notwithstanding these two wars, the nations of the world are not at peace. We are about to enter into an Atlantic Pact which, whatever may be its legalistic wording and interpretation, commits us to be a participant in any war which may come to any one of the nations signing that pact. We on one side, Russia on the other, are striving to reestablish the old balance-of-power arrangement. But in this case we do not reserve to ourselves the right to go in, or stay out of, a war—no matter by whom, or for what cause—started.

We are now committed to an additional Marshall plan of some $5,550,000,000. Our national defense program, if you wish to call it that, calls for an expenditure of something like $15,000,000,000. Aid to veterans will require around $6,000,000,000. The interest charge on the national debt will cost something like $6,000,000,000 per annum. Other programs require other billions.

From the foregoing, which is brief and incomplete, and from the facts known to every member of the committee, it is perfectly clear, and I doubt if anyone will ever deny, that, unless we economize on some front, we will go the way of all nations which have consistently and persistently in their expenditures exceeded their incomes.

We promise our constituents that we will cut down Federal expenditures but, due to the pressure of first one group, then another, we do not keep faith with our people.

In the current CONGRESSIONAL RECORD of February 7, 1949, page A607 and subsequent pages, there is a statement by the chancelor of the University of Kansas, entitled "America the Profligate," from which I quote this paragraph:

"In 1933 our national debt was $22,000,000,000; in 1948 it has swollen to $252,000,000,000; 11 times as great.

"In 1933 there were 572,000 Federal civilian employees; in 1948 there were 2,200,000—or 4 times as many. In 1933, also, these Federal civilian employees were paid $972,000,000; in 1948 they were paid $6,000,000,000, or over 6 times as much. And in 1948 the Federal Government added an additional civilian employee every 3 minutes—or 513 per working day, or 150,000 for the year.

"In 1915 there were 158 Federal bureaus and divisions; in 1932 there were 529; in 1944 1,141; in 1948 2,700. Our very laws foster the growth of bureaucracy, because our civil-service law bases the pay of Federal employees on the number of underlings.

"We have taken onto the Federal pay roll 24,288 personnel specialists; there are twenty-odd lending agencies, there are 45 agencies concerned with housing. For some strange reason there are 400 people in the Legal Division of the Department of Agriculture. There is 1 employee in the Bureau of Indian Affairs for every 6 Indian families in America. Chicago alone has 530 Federal offices.

"In a recent year the Federal Government gave hand-outs to individuals and grants-in-aid to local and State governments totaling $5,500,000,000. One Federal agency spent $100,000,000 to keep prices down; another spent $80,000,000 trying to keep prices up.

"And in all this welter of bureaucratic confusion there is no complete accounting system and no complete set of books."

On page 2049 of the CONGRESSIONAL RECORD of March 9 there is a statement by Senator BYRD which shows that in 1948 the executive department added to its pay roll more than 101,000 additional employees. The table on the following page shows that, in December of 1948, the pay of the civilian employees in the executive branch of the Government was $64,000,000 more than it was in the preceding month.

The present bill increases the travel allowance of civilian Federal employees who are required to leave their post of duty on Government business from 5 to 7 cents per mile when using their own automobiles.

The bill proposes to increase the subsistence allowance from a maximum of $6 per day to a maximum of $9 per day (original figure was $10).

It is assumed that the cost of travel and the cost of sustenance has over the years increased. No doubt that is true, but whether those costs will go up or down during the next few years is wholly problematical.

The most recent report of the Bureau of Labor Statistics shows that we have had a 5-month consecutive decrease in the national over-all retail prices, and this decline is the longest consecutive one in 10 years. The same report shows that food prices have continued to decrease for seven consecutive months.

From statements on record, there is proof that both President Hoover and President Roosevelt were utterly mistaken in their predictions on the question of future employment and cost of living—the first predicted that prosperity was just around the corner—the second predicted unemployment, the necessity for creating some 8,000,000 Federal jobs. Each was completely mistaken, though each had the advice of a staff of so-called experts.

One thing experience has demonstrated, and that is that seldom, if ever, when a job in the executive department has been created or a rate of pay established, is the job either abolished or the rate of pay lessened.

The argument in support of this bill is that no Federal employee should be required to spend his own money while engaged in Government business away from his assigned place of duty. That argument would be sound if the Federal employee did not know his rate of and total pay and his duty when he applied for the job.

The answer to the argument is that, on the whole, except for top positions, there are many applicants for every Federal job—and from qualified applicants who know the rate of compensation and the task for which they apply. To those of us who believe in the law of supply and demand, that situation is proof positive that Federal employees are not underpaid; that they receive ample compensation for the work they perform. Men do not usually apply for underpaid jobs.

It is true in some instances that the monetary rewards for services rendered in some of the professions, in some businesses, and in some industries are greater than for a comparable service rendered in the executive departments of State or Federal Governments. But the direct financial compensation of the civilian employee in the executive branch of the Federal Government is but a part of the story.

The Federal employee, with one exception, has sick leave of 15 days and a vacation allowance of 26 working days each year. In the one exception, the postal employees, the sick-leave allowance is 10 days and the vacation leave is 15 days.

The Federal employee has a 5-day week. If a holiday falls on a Thursday, he will sometimes get Friday as well as Saturday off. Sometimes, if there is some celebration in which the administration is interested, as recently when President-elect Truman returned to Washington, there is an additional day or two of vacation.

In short, the Federal employee's workyear calls for about 220 days of employment; his compensation is on a yearly basis. (Days in a year number 365. Subtract 26 days of vacation, 15 days for sick leave, 52 Sundays, 52 Saturdays, and certain other holidays—leaves less than 220 8-hour workdays.)

The Federal employee has retirement pay, for which he, of course, pays a part.

The Federal employee never misses a pay check, no matter how much his employer—the Government—may lose during a year. No matter how great the Federal deficit, the Federal employee gets his check on the appointed day.

The Federal employee, all things considered, has one of the best jobs available in the United States of America. He takes that job with his eyes open, knowing his rate of compensation, the task confronting him, and the approximate effort required to efficiently perform that task.

There is no more reason for paying the cost of his food and lodging while absent from his post of duty on the regular work pertaining to his job than there is for paying every man who works at a job for the time and expense of traveling to and from that job or while away from home.

Mr. James Doran, Chief Post Office Inspector, testified that, with few exceptions, the employees of his Department would be fully compensated if they received $8 per day for subsistence.

It would seem that a per diem increase from $6 to $9—a net increase of $3 per day—is an invitation to travel, unfair to the average taxpayer and grossly excessive when compared with $50 or less per month paid to millions of our needy citizens.

True, the cases are not comparable, but the wide spread between $9 per day paid the Federal employee and the $1.70 per day paid the needy, aged, and unfortunate citizens, should give us pause.

All admit the necessity for a reduction in Federal expenditures—very few will, when the occasion arises, meet the issue, vote to reduce expenditures. Very few will refuse to yield to the demand of the bureaus and the Federal employees for an increase in Federal expenditures.

While the $9 per day is the maximum, not the minimum, experience and the record show that every dollar appropriated to the various departments for these particular items is expended.

If in one bureau of a department there is a reduction of employees, an increase in the rate or the number of employees in other bureaus invariably absorbs the whole appropriation and sometimes calls for a deficiency bill.

If the promises of candidates for office that Federal expenditures would be reduced, if they were elected, are ever to be kept, even the most simple-minded will recognize the fact that some time we must make a beginning. Why not here? Cannot we at least hold the line?

Respectfully submitted.

CLARE E. HOFFMAN.

Mr. Chairman, I yield back the balance of my time to my good friend the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, it is terribly difficult to follow my colorful friend from Michigan to speak on this bill. In passing, and I think I can do it modestly enough, because I am not a member of the subcommittee, I do want to praise the gentleman from Missouri [Mr. KARSTEN] and the members of his subcommittee for the really fine work that they have done on this bill. As I say, I am not on the subcommittee, but I understand the gentleman from New York [Mr. WILLIAM L. PFEIFFER] made a great contribution to the committee because of his experience. He was quite modest and did not tell you much about it here, but he did make a real contribution in the preparation of this bill.

As the gentleman from Michigan himself has said, the bill was reported out

unanimously by the committee, except for the vote of the gentleman from Michigan. I think that the gentleman from Michigan opposed the bill just because he was born in the objective case.

I am sorry I overlooked one gentleman on the subcommittee who also made a great contribution in the drafting of the bill. That was the gentleman from Indiana [Mr. HARVEY] who also had much experience. In giving special praise to these gentlemen I do not mean to omit any of the other members of the subcommittee who also made their contribution.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield for a correction?

Mr. LANHAM. I am very glad to yield to the gentleman.

Mr. HOFFMAN of Michigan. As I understood you, you said that the gentleman from Michigan opposed this bill because he was born in the objective case. My reason for opposing this bill grows out of—not a reason; but one reason, perhaps, is—yes, maybe it is a reason—it is because I still have the calluses on my hands from the time that I had to work to earn money. Many of my constituents are in the same fix.

Mr. LANHAM. I think most of us Congressmen have calluses on different parts of our anatomy. I do not know whether the gentleman from Michigan is in that category, but I should think that since he has been down here for quite a time, that probably the calluses are gone from his hands.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Let me say that I love the gentleman from Michigan. I would not have his people retire him for anything. You know, I think he is sort of a hair shirt. All of us need a hair shirt at times. The gentleman from Michigan, I think, is the hair shirt of the House of Representatives. I just hope his people do not retire him. If the gentleman will permit me to proceed, I rose to say something else.

Mr. HOFFMAN of Michigan. Will the gentleman just yield for one short statement?

Mr. LANHAM. I will yield for just one question.

Mr. HOFFMAN of Michigan. All right, but it is not a question, it is a statement.

Mr. LANHAM. If the gentleman will make it short, I yield.

Mr. HOFFMAN of Michigan. The calluses are still on my hands, and my objection is to those who have the calluses somewhere else getting this increase. That is one reason for my objection, or at least, one of them.

Mr. LANHAM. I am sure the House is going to vote to allow this increase, because we cannot afford to ask our faithful employees to spend money out of their own pockets when they are on trips assigned to them by their superiors. There is one other matter that I would like to call your attention to. I agree with the gentlemen, especially on the left, who have raised the question of the unnecessary trips that are made by Federal employees. Something was said about unnecessary trips to conventions. I want to say that there is something even more serious than that. I had intended to offer an amendment to this bill which would have corrected this matter which I wanted to talk to you about just briefly, but I understand that it may not be germane to the bill, so I am going to try to handle it in a separate bill.

Not only are the expenses of many Federal employees to conventions paid, but actually dues and various fees are paid in various organizations—in more than a thousand different organizations—by the Federal Government, and any number of men—not just one or two but any number of Federal employees—are sent to those conventions, and they will stay there 2 or 3 days or a week when they do not need to be there on Government business more than an hour or two. It has gotten to be such a racket that the armed services have asked a very high-ranking official to make an investigation of the procedure. The things that he has disclosed to me are really alarming. I am going to place in the RECORD a brief, with the consent of the committee, which will disclose in a measure what is going on. I hope when the proper time comes the House will back us in this effort to stop this unnecessary expenditure for attending conventions all over the country, with crystal ball rooms, strip-tease girls, and liquor, as the gentleman from Kansas [Mr. REES] knows.

Should officers and employees of the Government be permitted to belong officially to, and attend meetings, at Government expense, of religious, cultural, scientific, vocational, professional, and technical societies; trade associations, and standardizing bodies, labor unions, clubs, lodges, and fraternal orders; better-government groups, and other private organizations?

Congress attempted, with great wisdom, to answer this question in the act of June 26, 1912 (5 U. S. Code 83) which reads as follows:

> No money appropriated by this or any other act shall be expended for membership fees or dues of any officers or employee of the United States or of the District of Columbia in any society or association or for expenses of attendance of any person at any meeting or convention of members of any society or association, unless such fees, dues, or expenses are authorized to be paid by specific appropriations for such purposes or are provided for in express terms in some general appropriation. This section shall not be so construed as to prohibit the payment from the appropriations for the Department of Agriculture of expenses incidental to the delivery of lectures, the giving of instruction, or the acquiring of information at meetings by its employees on subjects relating to the work of the Department authorized by law.

Later, in the act of February 2, 1935 (31 U. S. Code 551), Congress stated more emphatically a policy relative to this matter. That act reads as follows:

> That, unless specifically provided by law, no moneys from funds appropriated for any purpose shall be used for the purpose of lodging, feeding, conveying, or furnishing transportation to any conventions or other forms of assemblage or gathering to be held in the District of Columbia or elsewhere. This section shall not be construed to prohibit the payment of expenses of any officer or employee of the Government in the discharge of his official duties.

The conclusive thinking which prompted these two acts of Congress was that membership in private organizations is a matter which pertains to the individual; that his purpose in joining a church, lodge, club, union, society, association, or other private organization is to receive personally the benefits to be derived primarily from attendance at meetings; and that the individual officer or employee, who receives personally, the benefits of such membership should share alone the expense which he incurs by reason of his membership obligations.

On the other hand, Congress has recognized that cooperation in, and coordination of, activities of private organizations, which relate to authorized activities of the Government, requires frequently that departments and agencies of the Government have official representation at meetings of private organizations. The Congress has, therefore, made generous appropriations thereof.

In fact, Congress has been too generous and has not scrutinized, as carefully as it might have done, the possible interpretations of the proposed provisions of various appropriation acts which it has enacted from time to time. For example, an appropriation act provision which authorizes expenditures, not to exceed $50,000, for expenses incident to attendance at meetings is entirely too broad to insure that taxpayers' money will not be wasted for joy-riders and lavish entertainment of officers and employees at Government expense. It is possible, under such appropriation-act provisions, for officers and employees of the Government, who are members of a private organization and who would otherwise attend meetings of such organization at their own expense, to receive reimbursement by the Government of expenses incurred in attendance at meetings of such organization upon the premise or pretense that work being done in the department or agency concerned is benefited by such attendance. Such provisions permit officers and employees of the Government to attend meetings, at distant places, over periods of a week or longer at Government expense, including luxurious travel and hotel accommodations and lavish entertainment, when the only matter of material interest to the Government under discussion at such meetings is scheduled for a mere 1- or 2-hour discussion at a specified hour on a certain day. It is also possible, under such broad provisions, for officers and employees to be reimbursed for unjustifiable expenses, disguised under such names as—

> Registration fees which may be defined as special membership fees extracted by some private organizations of their members, in attendance at meetings, as a means of raising slush funds required to defray such extraordinary expenses as rental of a crystal ballroom in which joyous deliberations are to be held; the employment of loud music makers and enticing strip-tease dancing girls; and the cost of stimulating drinks, big cigars, elaborate decorations, souvenir programs, conspicuous membership badges, etc.

Appropriation-act provisions which permit attendance, at Government expense, of officers and employees, who are members of an organization, at meetings of such organizations upon premise or pretense that work being done in the department will be benefited thereby does not appear to be in accord with the apparent intent of the act of June 26, 1912 (5 U. S. C. 83) and the act of February 2, 1935 (31 U. S. C. 551). That intent was apparently to prohibit payment of expenses incident to membership in private organizations as distinguished from the payment of expenses incident to the performance of official duties. The reimbursement of the personal expenses of members of an organization upon the premise or pretense that their attendance at meetings of such organization will benefit work being done by the Government presents an attempted justification of the misuse of taxpayers' money which, to say the least, appears highly untenable.

Aside from the apparent misuse of taxpayers' money, the practice of paying the expenses of members of an organization upon the premise or pretense that their attendance will benefit work being done by the Government gives rise to a discrimination against certain officers and employees which should not be tolerated in the Government service. This discrimination is brought about by the fact that Congress does not appropriate sufficient funds to permit attendance, at Government expense, of all officers and employees of a department or agency, who are members of an organization holding a meeting, and departments and agencies, not having sufficient funds for all, is permitted to pay the expense of the few members, who would otherwise attend at their own expense, in discrimination against the larger number of members whose attendance might likewise benefit work being done in the department but who do not receive reimbursement of their expenses.

Another ill effect of the practice of permitting officers and employees to attend meetings as members of an organization and as representatives of the Government is that it permits dual relationships without due regard to the act of March 4, 1909 (18 U. S. C. 93), which reads as follows:

> No officer or agent of any corporation, joint-stock company, or association, and no member or agent of any firm, or person directly or indirectly interested in the pecuniary profits or contracts of such corporation, joint-stock company, association, or firm, shall be employed or shall act as an officer or agent of the United States for the transaction of business with such corporation, joint-stock company, association, or firm. Whoever shall violate the provision of this section shall be fined not more than $2,000 and imprisoned not more than 2 years.

The most serious effect of permitting officers and employees, who are members of an organization, to attend its meetings, at Government expense, as members of the organization and as representatives of the Government, is to permit departments and agencies of the Government to have membership representation in private organizations in compromise of the sovereignty of government and in violation of the American concepts of government which provide for the separation of government and society, church and state, and government and enterprise; to permit officers and employees of the Government, in violation of the American doctrine of free enterprise, to assume functions in private enterprise which should be performed by personnel in private enterprise; and to set a precedent for the infiltration of government in society, church, and enterprise which could lead eventually to a merger of government, society, church, and enterprise like that which exists in fascistic and communistic countries. Such infiltration, if permitted, would strike at the very foundation of our concepts of government and our free institutions. Trends of this nature should be viewed as creeping socialism, which, if permitted to advance, could soon become galloping communism.

Still another ill effect of permitting departments and agencies of the Government to accept membership in private organizations is that such departments usurp and confer on such organizations legislative authority which the Constitution of the United States confers exclusively on the Congress. In accepting a membership in a private organization, the department or agency concerned subscribes to the constitution and bylaws of such organization and subjects itself to legislative action of the membership of such organization. Therefore, the Government becomes committed to actions decreed by the membership of such organization without authority of Congress.

The fact that officers and employees of the Government vote at meetings, in the name of their respective departments and agencies, permits the American public to gain the impression that the Government is sponsoring those organizations and sanctions their actions. For example, if officers and employees, in attendance at a meeting of a standardizing organization, cast a vote in the name of their department or agency, to approve the adoption of a certain standard, the impression is gained by the American public, at least by implication, that the Government approves such standard and sanctions, without due process of law, the boycott of similar products.

Reportedly, there are more than 1,000 private organizations in which officers and employees of the Government hold membership. It stands to reason that the Congress cannot permit departments and agencies of the Government to accept membership in any of these organizations without discrimination against other organizations which seek sponsorship by the Government. It is submitted, in this connection, that private organizations desire especially to print the names of officers and employees of the Government in their letterheads and other advertising matter as a means of conveying to the American public the impression that their actions have the approval of the Government itself. Therefore, if one organization is to have the right to use the name of the Government in its letterhead, all other organizations will seek the same right. This fact alone should indicate clearly to persons of reasonable intelligence that departments and agencies of the Government cannot accept membership in any one private organization without accepting membership in hundreds of other organizations. It emphasizes clearly that departments and agencies of the Government should have a liaison relationship with private organizations which are engaged in activities relating to the authorized work of such departments and agencies, but that they should not have a membership relationship in organizations which are not created and controlled wholly by Congress.

Seemingly, the time has come for the Congress to state more emphatically that taxpayers' money will be spent only for Government liaison representation at meetings of private organizations. No man can serve two masters. It is not the policy of the Government to permit interested persons to act as agents for the Government. The dual attendance of officers and employees of the Government at meetings of private organizations as members of the organization and as official representatives of the Government should be more specifically prohibited, if necessary, by an amendment to the act of March 4, 1909 (18 U. S. C. 93) and other criminal statutes which prohibit interested persons from acting as agents for the Government. See Fifth United States Code, pages 99–100 and Eighteenth United States Code, pages 198, 203.

But, if the Congress desires to correct the mistaken belief that departments and agencies of the Government must have membership representation in private organizations which are engaged in activities relating to their authorized work, and if the Congress desires to prohibit the usurpation of its legislative functions by departments and agencies which attempt to confer legislative authority on private organizations by accepting membership therein, it would appear that the Congress should declare that—

> It is the declared policy of the United States to maintain, to the extent that the material interest of the Government may be involved, a liaison relationship with all organizations, but to accept membership only in organizations which are created, and controlled wholly, by the Congress.

It would further appear that a uniform provision should be made in all appropriation acts, beginning with those now under consideration by Congress, which will authorize only the payment of "expenses incident to liaison attendance of duly designated liaison representatives at meetings of private organizations for the accomplishment of official missions or the performance of official duties in in connection with authorized activities" of the department or agency concerned.

Note: The word "liaison," which now has common usage, was little known prior to the First World War when it was learned and used by American soldiers in France. It became necessary, during that war, for adjoining American and French units to maintain contact with each other and for respective commanders of such units to keep informed of the plans and movements of each other.

This contact was established by the sending of an officer by the French commander to the headquarters of the American unit to obtain information relative to American plans and the sending of an officer by the American commander to headquarters of the French unit to receive information relative to French plans. These officers were called liaison officers. However, the French liaison officer did not become a member of the American unit nor the American officer become a member of the French unit. They were merely sent to the respective headquarters for liaison purposes, to wit, to serve as a communication link in obtaining information, to keep their commanders informed, and to help coordinate mutual plans.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANHAM], has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Travel Expense Act of 1949."

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I invite the attention of the chairman of the committee reporting this bill in order to ask a couple of questions. What is the additional cost to the Government if this bill should be passed?

Mr. KARSTEN. It is estimated the additional cost would be a little in excess of $50,000,000. That is the maximum figure but not necessarily definite. It may be less, but that is the maximum it could be.

Mr. CASE of South Dakota. That is based upon an estimate on the current number of employees, or what?

Mr. KARSTEN. It is based on the current number of employees and the estimated travel that will be performed over the next fiscal year. Of course, you cannot ascertain a thing like that definitely. It is merely a Dr. Gallup system that they employ in arriving at a conclusion.

Mr. CASE of South Dakota. Of course, every agency makes an estimate of the travel money it needs for the ensuing year. A great many of them came before the subcommittee of the Committee on Appropriations for Independent Offices. I am interested in what this is going to do to the budget and the appropriation for these independent establishments of the Government.

Mr. KARSTEN. The total travel cost for the fiscal year 1949 is estimated at $317,000,000. The military travel amounts to $166,000,000. That leaves $151,000,000 for civilian travel. The cost of this bill will be a little in excess of $50,000,000 in addition to the $151,000,000.

Mr. CASE of South Dakota. Then I should like to inquire with respect to the meaning of the language which is used in section 8. The first two lines of section 8 appearing on page 4 of the bill reads as follows:

The Subsistence Expense Act of 1926 and the Auto Mileage Act of February 14, 1931, are repealed.

Then the section concludes with this language:

Provided, however, That acts making appropriations for the fiscal years 1949 and 1950 (whether approved before or after the approval of this act) which authorize or permit, in either general or specific terms, the payment of travel or transportation expenses without regard to the Subsistence Expense Act of 1926, as amended, or the Standardized Government Travel Regulations, shall be construed to authorize payment of such expenses from the appropriation concerned without regard to this act.

Now, does that proviso suspend the application of this act as far as the appropriation for the fiscal years 1949 and 1950 are concerned?

Mr. KARSTEN. If the gentleman will yield further, I would like to answer his question. The adoption of this section will repeal the Subsistence Expense Act of 1926, the Auto Mileage Act of 1931, and will modify all other acts, general or special, covering the type of expenses and allowances embraced by this bill, including those acts authorizing travel without regard to the Subsistence Expense Act of 1926 and/or the Standardized Government Travel Regulations, and those authorizing reimbursement of actual and necessary expenses, and those using similar language, except as noted below, but only to the extent of inconsistency or conflict with its provisions. A similar repeal clause is found in section 9 of the Subsistence Expense Act of 1926. However, appropriation items for examination of estimates in the field and inconsistent provisions now contained in appriation acts for the fiscal year 1949, and any similar provisions which may be contained in appropriation acts presently being considered for the fiscal year 1950, will be retained. This will preserve certain existing exceptions to the general travel-expense laws until the respective Committees on Appropriations shall have had an opportunity to consider whether such exceptions are necessary or desirable under those laws as changed in the bill.

Mr. CASE of South Dakota. Let us bring that down to cases and consider this proviso in section 8 dealing with expenses and mileage to be paid out of the appropriation acts for 1949 and 1950. Does that say they will be on the new basis or on the old basis?

Mr. KARSTEN. It will be on the basis of the new rate.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes. I believe we can save some time this way.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. HARVEY. Mr. Chairman, if the gentleman from South Dakota would yield, as I construe that language—and I could be wrong—it simply means that the new rate is authorized, but that it does not, by this same term, authorize the appropriations for travel made for this fiscal year by the Committee on Appropriations to be increased in the same proportionate amount.

Mr. KARSTEN. We have no power to appropriate, as the gentleman realizes.

Mr. CASE of South Dakota. Yes. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Yes; is it not a fact that what this language purports to do and what it means is that the language which frequently used in appropriation measures which provides for exemptions and appeals and which by the very terms of the appropriation language excludes it from the Subsistence Expense Act of 1926 and the Standardized Government Regulations is not affected, so that if the Committee on Appropriations wanted to make an exception in the field for a committee it is not bound by these two standardized expense items that are referred to, but those provisions will still continue to be effective? Is that what this means and all that it means?

Mr. KARSTEN. That is exactly what it means.

Mr. CASE of South Dakota. Finally, do the words "this act" in line 6, page 5, refer to the bill under consideration as an act, or to the Subsistence and Expense Act of 1926?

Mr. KARSTEN. It refers to the bill presently under consideration.

Mr. CASE of South Dakota. I thank the gentleman as I believe this discussion will facilitate the operation of the bill if it becomes law.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. KEEFE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, first of all may I say that this is a long-delayed piece of legislation in the interest of doing the fair-minded, honest Government employees, simple justice, and I shall support it.

It is easy to find fault with the expenditures of the Government and to point out specific cases where Government employees violate the law in the matter of travel. As a member of the Committee on Appropriations, a member who has spent a great deal of time examining travel estimates that have been submitted by the various executive agencies of Government, I can say that I know there can be shown instance after instance where Government employees have violated existing law in the matter of travel. This is a matter that is repeatedly being called to the attention of the administrative agencies of our Government and it is an administrative matter.

We know that people sometimes find it convenient to travel to Kentucky when the Kentucky Derby is on, we know that they sometimes find it convenient to travel to Florida when the sunshine is at its best; but may I say that from my observation the overwhelming majority of the rank and file of Government employees do not want to travel and in many instances resist the action of their superiors in compelling them to travel because they are required to pay a large portion of the expense out of their own pockets.

What is the situation presently? Every agency of Government submits a

proposal to the Appropriations Committee for a travel estimate. Thus this Congress through its Appropriations Committee has all the opportunity in the world to write in language in an appropriation bill limiting them in whatever way the committee sees fit and to only appropriate the amount of money that this Congress deems proper to be spent for travel, even under this bill. Every single agency comes up with its estimates for travel. We go into them meticulously, including the matter of the number of automobiles, the matter of replacement and the use of those automobiles. But all the laws in the world cannot govern human conduct in every little aspect. I know there are people using Government automobiles who ought not to use them, but I also know that Government agencies have committees that are at work all the time trying to correct that practice, and disciplinary action has frequently been imposed upon those who violate the rules and regulations with respect to the use of automobiles.

I want to see the honest, decent Government employee adequately compensated if in the performance of his duties and functions he must travel in the public interest. It seems to me it is beside the question to point to the fact that the Congress has failed to properly take care of the aged. I agree with that. But that is another problem. That problem is not before the House at the present time. I hope it will come before the Congress soon and I have been urging it for a long time; but in this matter do not claim that every Government employee is attempting to filch the Government in the matter of travel. When a man is compelled to travel, I know in agencies with which I am familiar, they outline and set up not only the purpose of the travel but the routes to be taken and they know from a spot check what the expense ought to be for hotel and suitable accommodations. There is no one filching very much on the Government at $6 a day, I can tell you that, and they will not be filching much on the Government at $9 a day, either, under present conditions. So I hope we will not be misled by a little flamboyant argument which to me does not touch the merits of the situation at all.

We have it within our control to limit the appropriations, if necessary, for travel and to make any investigation we desire to see that those who are in travel status comply with the law.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Illinois.

Mr. PRICE. I want to say to the gentleman from Wisconsin that I thoroughly agree with every word he has said on this subject. From my acquaintance with the operation of the different departments, in my opinion they are overrigid in the requirements that they set up on travel.

Mr. KEEFE. Well, I want to say, and I am not critical, that I have never taken a trip at Government expense in the 10 years I have been in Congress. I have never taken a trip of any kind or character. I perhaps should have taken some. But I note when some of the bills come in by Members of Congress that have been taking trips all over the world, and making investigations in the field, that their expenses are not limited to $6 a day that the Government employees are limited to, regardless of what their status may be. Now, there is a matter of simple justice that is involved here for the Government employees. You hired them. We hired them. If we have too many employees, let us get rid of them. If we are spending too much for travel, let us cut the appropriations. That is the place to do it and not in a bill such as this.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. The Clerk will read.

The Clerk read as follows:

SEC. 2. When used in this act—

(1) The term "departments and establishments" means (A) any executive department, independent commission, board, bureau, office, agency, or other establishment in the executive branch of the Government, including wholly owned Government corporations and the municipal government of the District of Columbia, and (B) any office, agency, or other establishment in the legislative branch of the Government (except Members of Congress and offices and committees of the Senate and the House of Representatives), and (C) any office, agency, or other establishment in the judicial branch of the Government.

(2) The term "subsistence" means lodging, meals, and other necessary expenses incidental to the personal sustenance or comfort of the traveler.

(3) The term "per diem allowance" means a daily flat rate of payment in lieu of actual expenses.

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of $10 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed.

SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed 4 cents per mile for the use of privately owned motorcycles, or 7 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of ferry fares, and bridge, road, and tunnel tolls.

SEC. 5. The departments and establishments may advance, through the proper disbursing officers to any person entitled to per diem or mileage allowances under this act, such sums as may be deemed advisable considering the character and probable duration of the travel to be performed. Any sums so advanced and not used for allowable travel expense shall be recoverable by set-off of salary due, retirement credit, or otherwise, from the person to whom advanced, or his estate, by deduction from any amount due from the United States, or by such other legal method of recovery as may be necessary.

SEC. 6. The fixing and payment under this act of travel allowances, of advances and recovery thereof, and reimbursement of travel expenses under the act of March 3, 1875 (5 U. S. C. 73), shall be in accordance with regulations which shall be promulgated by the Director of the Bureau of the Budget.

SEC. 7. This act shall not be construed to modify or repeal any act providing for the traveling expenses of the President of the United States, President of the Senate, of Senators, Representatives, Delegates, and Resident Commissioners.

SEC. 8. (a) The Subsistence Expense Act of 1926 and the Auto Mileage Act of February 14, 1931, are repealed. All acts (other than the act of March 3, 1875 (5 U. S. C. 73), and appropriation items for examination of estimates in the field) providing for reimbursement of actual travel or transportation expense; and all other acts, general or special, which are inconsistent with or in conflict with the provisions of this act (except such acts or parts of acts as fix or permit rates higher than the maximum rates established under this act) are hereby modified, but only to the extent of inconsistency or conflict with the provisions of this act: *Provided, however,* That acts making appropriations for the fiscal years 1949 and 1950 (whether approved before or after the approval of this act) which authorize or permit, in either general or specific terms, the payment of travel or transportation expenses without regard to the Subsistence Expense Act of 1926, as amended, or the Standardized Government Travel Regulations, shall be construed to authorize payment of such expenses from the appropriation concerned without regard to this act.

(b) Wherever provision is made in any law for the payment of per diem allowances to officers and employees in any branch or establishment of the Government not covered by this act, in accordance with the rates provided in the Subsistence Expense Act of 1926, such law is hereby amended to provide for payment at the rates prescribed in or under this act.

SEC. 9. This act shall take effect on the thirtieth day after the date of its enactment.

Mr. KARSTEN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and printed at this point in the RECORD, and be open to amendment at any point thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 18, strike out "$10" and insert "$9."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. PRIEST) having assumed the chair, Mr. BATES of Kentucky, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3005) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government, pursuant to House Resolution 205, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 208 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock-piling Act, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Massachusetts [Mr. HERTER] and yield myself such time as I may use.

Mr. Speaker, House Resolution 208 makes in order the immediate consideration of a bill (H. R. 2682) to amend the CCC Charter Act, the Strategic and Critical Materials Stock-Piling Act, and for other purposes. The resolution provides for an open rule and 2 hours of general debate.

This bill will generate considerable controversy, much of which, in my judgment, arises from general misunderstanding as to the purpose, intent, and necessity for legislation of this character. I am hopeful that general debate will dispel the uncertainty and much of the apparent controversy.

The CCC was created in 1933 as a Delaware corporation, and under such charter it had wide powers. Subsequently it operated and became a most helpful and useful instrument of the Government in carrying forward its farm program, and, with few exceptions, the Corporation had the confidence of everyone. Under the President's reorganization plans, the Corporation was made a part of the United States Department of Agriculture, and the Secretary of Agriculture was given the responsibility for general direction, supervision, and administration of its operations. Pursuant to the Government Corporation Control Act, the Corporation was given a Federal charter in 1948. The Corporation operated from 1939 until 1948 with the Secretary of Agriculture exercising the rights of the United States as sole stockholder. The Federal Charter Act of 1948 placed the control of the Corporation in its board of directors. H. R. 2682, which is proposed for consideration under the rule, would amend that feature of the act and restore to the Secretary of Agriculture the authority to supervise and direct the activities of the Corporation. The committee, and many of us, are of the opinion that this is good administrative procedure. The Secretary of Agriculture is responsible for the price-support program. The agency by which he discharges this responsibility is the CCC. It follows, therefore, that he should have the direct control and supervision of the Corporation in order that he might properly and efficiently discharge his responsibility. There are no hidden purposes, no evil motives. Simply, it is proposed to place authority with responsibility.

A program which undertakes to stabilize farm commodity prices by assuring a minimum loan price or by removing and disposing of burdensome surpluses by other means, is essential to the general welfare of our economy. Experience—bitter experience—has taught us that we can have no national security and prosperity without a prosperous farm economy. The CCC has contributed materially to our agricultural program and is the most important means of supporting farm prices and of reducing surpluses of farm commodities.

The second feature of the proposed legislation concerns the proper function of the Corporation in providing adequate storage for agricultural commodities. H. R. 2682 would restore authority to the CCC to acquire items of personal property used in connection with the care and preservation of agricultural commodities controlled by it. Also, it would permit the Corporation to acquire real property and such plants and facilities which are part of the realty as are necessary to provide adequate storage. The present law prevents the Corporation from acquiring or leasing real property for handling, storing, processing, servicing and transporting agricultural commodities subject to its control.

If the proposed measure is adopted, the Corporation can develop a well-rounded program under which it can acquire grain bins and other storage facilities, and can make them available to producers through the purchase and resale of bins and materials. In addition, it could make loans to construct or otherwise acquire such facilities, and assist in the solution of storage problems through other means. There would remain, however, the general prohibition upon the acquisition of real property or other facilities unless the Corporation determined that existing privately owned facilities for such commodities in the area concerned were not adequate. The bill would require the fullest cooperation on the part of the Corporation with private industry. This is the most important provision of the bill. There are Members who do not agree with the wisdom of the price-support program; however, an overwhelming majority of this House is convinced that the program has contributed materially to the welfare and stability of our Nation. In my area the price-support program is badly crippled and in some instances, it is useless and helpless, as a result of the lack of storage facilities for agricultural commodities. The absence of such facilities works an irreparable hardship upon the producers.

Approximately 15,000,000 bushels of sorghum grain is grown annually within a radius of 50 miles of my home. This is, I believe, the greatest grain-producing area in the United States without a terminal grain elevator and storage facilities for the orderly marketing of the crops. During the 1948 shipping season grain growers in this area, due to the lack of storge facilities, had to ship their products several hundred miles. Much of this grain was later exported, which, of course, required additional rail hauling to ports of embarkation. I am advised that the total expense of movement over this route was in the neighborhood of 59 cents per hundred pounds. Hundreds of thousands of dollars would have been saved if adequate storage had been available.

More unfortunate, however, was the fact that much of the grain could not be placed in the farm support-price program because of the lack of storage. Consequently, the producers were forced to sell below the value established by the price-support program. This resulted in great losses again to the producers. In this connection, the average freight on the car of grain to Galveston or Houston amounts to $300 per car. Last year a minimum of 6,000 cars were produced in that area. It is quite easy to see that approximately $2,000,000, which could have gone to the producers, went to freight.

When the chairman of the Committee on Agriculture appeared before the Committee on Rules, we were assured that it was the intent of the Secretary of Agriculture and the President of the CCC to exercise the authority proposed in H. R. 2682 through private channels. Farmer cooperatives and private will unquestionably be pleased to cooperate with the CCC in providing adequate storage facilities for grain and other commodities if this bill is passed. I do not believe that it is necessary for the Government to construct storage facilities. I do not favor that practice. I favor private construction with Government aid, and this bill will lead to that. I am convinced, however, that unless the CCC and the

Secretary of Agriculture have the power and authority as proposed in H. R. 2682, to extend help and credit to private industry, we will not secure adequate or proper storage facilities. Unquestionably, Congress intended that the farmer should have the benefit of the price-support program. That program cannot now be fully effective with the present storage facilities in many areas. This bill is timely, it is consistent with our concepts of private enterprise and the proper function of Government in the great agricultural program. I am hopeful that there will be no objection to the rule and that we may consider this important legislation without delay.

Mr. HERTER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as the gentleman from Texas has said, this is a controversial measure. I think it has in it certain provisions which should probably be enacted into law. For that reason, I will not fight the rule on the bill. On the other hand, unless this bill is amended, and quite drastically amended, I will not be able to vote for it. I should like to point out one or two things that this bill does which seem to me to go way beyond the intent of the original measure.

Last year, with our very large crops and our surpluses, the support program failed in certain respects because adequate storage in certain areas, particularly for grain, was not available. I think everyone is sympathetic, with the prospect of another great crop coming on in this country, to making such storage available, in the event that private industry cannot supply it. This bill, however, goes very much further than merely making storage available. In the first place, it is so broadly drafted that the Commodity Credit Corporation, by determining itself that adequate storage facilities are not available in any given area, may then construct, purchase, own, or take an interest in new storage facilities. There is no limitation whatever on the amount of money that they can spend for that purpose. In fact, all the resources of the Commodity Credit Corporation are available for storage if the directors of the Commodity Credit Corporation so wish to apply them.

In the second place, Mr. Speaker, the Commodity Credit Corporation is no longer a corporate entity. It has become under this bill a dummy for the Secretary of Agriculture. It used to have a Board of Management. Under this bill the Secretary of Agriculture appoints every one of the Directors, and the Directors have to operate under him as chairman subject to his general supervision and direction. In other words, he not only appoints every member of the board, but they have to operate under his supervision and direction. You might just as well have a single-man show running the whole thing and controlling well over four billions of dollars without any check whatsoever as to how the money is spent, except the statutory check, which is an extremely broad one.

I am hopeful that when this bill comes up for amendment, that an amendment will be offered which will make it very clear that the Commodity Credit Corporation is not going to go into the business of building storage facilities in competition with private industry in a given area or in an area where they may claim they have to have new cold storage or other facilities to take care of perishable goods, when there is plenty of storage available at comparatively short-haul distances away from the area where they feel new storage facilities should be had.

Clearly, every safeguard ought to be put into this bill to keep the Government out of competition with private industry.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. HERTER. Mr. Speaker, I yield myself two additional minutes.

Mr. Speaker, I have yielded myself this extra time because I want to get one question cleared up, if I might.

I am wondering if I could have the attention of the chairman of the committee for a question.

I notice that in this bill there is language on page 2 line 18 which allows the Commodity Credit Corporation to create storage facilities within an area concerned. I am particularly interested in connection with wool. For instance, the Boston area and the Atlantic seaboard has for a hundred years or more been the greatest storage for the wool industry. I have talked to my woolen friends who are producers from the West, and they tell me they have no desire or intention of having storage facilities anywhere but on the Atlantic coast and that they would attempt to maintain the historic markets for wool as they have in the past. However, this bill would allow the Commodity Credit Corporation to take all of that business away, because clearly no one would claim, through the language of this bill, that the Atlantic seaboard is in the area where the wool clip is secured.

I wonder if the gentleman can clear that matter up for me.

Mr. SPENCE. I have a letter from the acting head of the Commodity Credit Corporation which discusses that proposition, and I think his statement will be satisfactory to the gentleman.

Mr. HERTER. Will the gentleman incorporate that in the RECORD?

Mr. SPENCE. I intend to read it to the House and have it incorporated in the RECORD.

Mr. HERTER. That makes it clear that there is no intent to store wool in the West where the clip is sheared?

Mr. SPENCE. There is no attempt at all, where the private facilities in the East are adequate. They say it is historically true that they have been adequate. I would judge from the language of the letter that they do not intend to go into any other section.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. HERTER] has again expired.

Mr. HERTER. Mr. Speaker, I yield myself two additional minutes.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. CASE of South Dakota. Are we to understand from this colloquy and this kind of legislating of a letter written to the chairman of the committee which he may put into the RECORD later, if he secures permission, that the policy of the Commodity Credit Corporation with respect to wool storage is to say that it will only encourage wool storage in the vicinity of Boston? It happens that there are some of these wool growers who have thought it might be desirable to have the wool more largely stored somewhere near where it is produced and have it transformed into wool products there rather than ship it to Boston. They may also prefer to be in a position where they can bargain better as they can if they have local storage.

Mr. HERTER. I just made the inquiry of the chairman as to what the intent of that wording "in an area" means. Obviously at present the wool is shipped to the East because the mills are in the East. To be serviceable the wool has to go through a number of processes.

Mr. CASE of South Dakota. I take it that it is satisfactory to the gentleman from Massachusetts to have the assurance given by the gentleman from Kentucky [Mr. SPENCE] but I cannot say that that will be very enthusiastically received by all the people who grow the wool.

Mr. HERTER. I am awaiting that assurance until I see what that letter is from the Commodity Credit Corporation.

Mr. SPENCE. The letter was written to me in response to an inquiry which the gentleman from Massachusetts [Mr. HERTER], made when we appeared before the Rules Committee. While I think it amply protects the interests of your people in Massachusetts, I do not know that it went into any controversy between the wool interests. I assume if it protects your interest it will protect their interest, because the same principles are involved.

Mr. HERTER. I thank the gentleman.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. NICHOLSON. The mere statement of fact that they do not intend to build a wool-storage house or cold-storage warehouses ought not have any affect on this legislation.

Mr. HERTER. I am hoping that matter will be taken care of by an amendment when the bill is read for amendment.

Mr. NICHOLSON. Well, storage could be built in Idaho. What we do not want is to have the Government do it.

Mr. HERTER. It is competition with the private warehouses we are trying to avoid.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. CHRISTOPHER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CHRISTOPHER. This is a matter that concerns every Member of this House. It does not make any difference whether he comes from the country or the city or where he comes from. I suggest there is not a quorum present. I will withdraw that suggestion now, however, but when it comes to reading the

bill for amendment I want more Members on the floor.

CALL OF THE HOUSE

Mr. CASE of South Dakota. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently no quorum is present.

Mr. GORE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 92]

Allen, Ill.	Gavin	Murphy
Anderson, Calif.	Gilmer	Murray, Wis.
Aspinall	Granahan	Norton
Barrett, Pa.	Green	O'Toole
Bentsen	Gwinn	Pfeifer,
Biemiller	Hall,	Joseph L.
Bland	Edwin Arthur	Plumley
Boggs, Del.	Hall,	Powell
Buckley, N. Y.	Leonard W.	Ramsay
Bulwinkle	Hart	Rhodes
Byrne, N. Y.	Hébert	Richards
Canfield	Heller	Rivers
Celler	Hobbs	Rodino
Chudoff	Hoffman, Ill.	Secrest
Clevenger	Horan	Smith, Ohio
Corbett	Javits	Stigler
Coudert	Jennings	Taylor
Cox	Kearns	Thomas, N. J.
Davies, N. Y.	Kelley	Vinson
Douglas	Kilburn	Wadsworth
Engel, Mich.	Kirwan	Whitaker
Engle, Calif.	Lemke	White, Idaho
Fisher	McKinnon	Withrow
Fogarty	Marcantonio	
Fugate	Morton	

The SPEAKER pro tempore (Mr. PRIEST). On this roll call 355 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and to include a copy of the May issue of the Connecticut Farmer.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. HERTER. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Speaker, I am in favor of granting the rule. I concur in the statement made by the gentleman from Massachusetts [Mr. HERTER] that this bill, while it should have amendments and while there should be full discussion of it, nevertheless should come to the floor for that discussion.

I wish to call the attention of the gentleman from Massachusetts [Mr. HERTER] to page 388 of the Congressional Directory, in reply to his own statement that that provision of the bill before us gives the Secretary of Agriculture the power to appoint the directors of the Commodity Credit Corporation. I call the attention of the gentleman from Massachusetts to the fact that under the present regulations of the Commodity Credit Corporation that situation very largely exists at the present time. The directors of the Commodity Credit Corporation today are, first, the Secretary of Agriculture; second, the Under Secretary of Agriculture, selected by the Secretary; and third, Mr. Trigg, who is associated with PMA and therefore with the Department of Agriculture; and then two other appointees, one from Tennessee and one from California, who are selected by the Secretary of Agriculture.

I concur with the gentleman from Massachusetts in his feeling that we would do well to retain the present situation, and I would be glad to support an amendment which removed the proposal in H. R. 2682, which makes a dummy board of directors, and with which I do not agree.

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. HERTER. Under the 1948 act, each one of the directors was appointed by the President and confirmed by the Senate. It is quite true that those gentlemen are all concerned with the Department of Agriculture, but they had an independent status as directors of the Commodity Credit Corporation, which they would no longer have.

Mr. PHILLIPS of California. The gentleman's statement is correct. For that reason I would like to see an amendment offered to the bill to return to the condition which exists today.

My desire is to discuss rather briefly two amendments which I intend to offer to the bill when it comes before us for amendment. Both will be offered to page 2 of the bill and both will follow the wording in the printed bill before us.

The first is a clarifying amendment and it is the less important of the two amendments. It is a clarification which comes from a discussion in the other body between several Members of that body when the bill was there.

I quote from page 4975 of the CONGRESSIONAL RECORD for April 25, in which the distinguished Senator from Iowa was about to offer an amendment, and instead stated that he would not offer it because of the discussion and his conviction "that it is not contemplated that the Commodity Credit Corporation will go into the business of lending to private or semiprivate corporations and that it will confine its activities to the purposes of the Commodity Credit Corporation's terms, the support price of commodities and private storage space which will belong to the Government, when storage space in the regular commercial channels or otherwise appears to be inadequate for the purpose of storing commodities."

Further you will find, at page 4976, that the Senator from New Mexico, who was handling the bill, said:

> I thank the Senator. I merely wanted to observe that the statement he made was in full accord with what I myself understand the situation to be.

Consequently, I shall offer as a clarifying amendment, what I hope will prove a limitation, and as it was understood in the other body. The amendment which I will offer will read as follows:

> *Provided further,* That the Corporation shall not acquire storage facilities or make loans to other than grain growers for farm storage until the full extent of the additional farm storage is determined.

That, as I said, is the less important; it is a clarifying amendment. I shall then, immediately following that, offer an amendment to read as follows:

> *And provided further,* To encourage the storage of grain on farms where it can be stored at the lowest cost, the Corporation shall make loans not to exceed 15 cents per bushel of the estimated crop to grain growers needing storage facilities when such grower shall apply to the Corporation for financing, and these loans shall be deducted from the proceeds of the price support loans or purchase agreements made between the Corporation and the growers.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. CASE of South Dakota. I have been very much interested in the gentleman's presentation, and particularly in the amendment which he has just read, which he proposes to offer. It seems to me that this amendment is very much in order, and I hope it may prevail. I was wondering, however, if the gentleman would follow the text of the amendment with me just a moment for the purpose of considering the addition of two or three words to clarify it.

Mr. PHILLIPS of California. I shall be very glad to have the gentleman's assistance.

Mr. CASE of South Dakota. After the word "financing," where it reads: "shall apply to the Corporation for financing", I suggest adding the words "the construction or purchase of suitable storage."

In other words, to make it appear that the application for financing should be expressly for the purpose of providing storage.

Mr. PHILLIPS of California. That is correct. The amendment is acceptable to me, and I shall consult the gentleman from South Dakota to see that the wording is correct before I offer the amendment.

I wish now to take a couple of minutes to explain the amendment.

Back under the days of the ever-normal granary the Secretary of Agriculture, then Mr. Wallace, built a great many steel bins. About 1942, they were distributed over the United States, largely in the Iowa corn belt, the Pacific Northwest, from Texas up to the Canadian border. The Government had bought these bins at a low price and the grain growers who received the bins have been paid for the storage of grain. The growers in most instances would have paid for this storage themselves.

The intent of my amendment, very briefly, is to make it possible for the CCC to advance a specific sum of money, about 15 cents per bushel, to the growers who wish to build bins upon their own farms. It is my conviction and I believe it is the conviction of the majority of farm people present that that is where the bins should be built. The purpose further is to deduct that advance money from the amount eventually paid under the CCC contract. The saving to the Government of the United States would be something between 20 and 25 millions of dollars.

Mr. CHRISTOPHER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. In just a minute I shall be glad to.

Over the years the loan and price support program has been extended by the Congress to all grains, with the understanding that this grain must be placed in proper storage. All grain growers should be able to take advantage of the price support program on an equal basis, whether by the CCC purchasing low-cost storage or by the farmers purchasing it themselves, or having storage made available to them.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. JENSEN. Does the gentleman feel that 15 cents a bushel is adequate for the Government to lend for storage facilities?

Mr. PHILLIPS of California. I felt it was, because the CCC pays the regular elevators 17.57 cents a bushel for in-and-out expense, for insurance and conditioning, and a year's storage.

Mr. JENSEN. The thing I am thinking about, if the gentleman will yield further, is that by this bill I think we should encourage the farmers to build storage right out on the farms.

Mr. PHILLIPS of California. That is the intent of my amendment.

Mr. JENSEN. And of course you cannot build storage for 15 cents a bushel. I would expect the Government for this purpose to lend up to the full amount.

Mr. PHILLIPS of California. We may continue the discussion when the amendment is actually offered.

Mr. HERTER. Mr. Speaker, I yield the gentleman one additional minute.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has suggested that 15 cents a bushel be deducted. Of course, we have two kinds of program. One is a support-loan program. The other is the purchase program. In the purchase program we can very well see how it would be worked out, but under the loan program is it the gentleman's intention that the grain upon which a loan has been made will be held as additional security for the payment of the cost of the storage facilities?

Mr. PHILLIPS of California. I shall consult the gentleman on that point. The amendment covers both contracts.

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, I expect to discuss this bill fully after the rule is adopted, if it is adopted. At this time I want to discuss one phase of it.

The primary purpose of the bill is to give ample storage facilities to the growers of agricultural products. The Commodity Credit Corporation operated under a Delaware charter for a number of years, as a matter of fact, up to last year. Under the Delaware charter the Commodity Credit Corporation was permitted to do many things not permitted under the pending bill. Commodity Credit Corporation could buy or build a warehouse anywhere throughout the country. It could lease land or a warehouse anywhere. Commodity Credit Corporation could buy real estate, and could operate warehouse facilities in their entirety. Last year this was changed when we obtained a new charter.

Primarily the question here is the creation of storage facilities for agricultural products, whether they are in the North, the West, the East, or the South. The Senate bill exempted cotton and tobacco warehouses. I have been fighting for the activities of the Commodity Credit Corporation since 1933. I say that it is wrong to exempt cotton and tobacco warehouses when the grain warehouses of the West are not exempted. It is said there was no need for the grain warehouses of the West last year. A lot of people did not think we need more cotton warehouses today.

Now, the fellow who says we do not need them cannot complain because they will not be built by the Commodity Credit Corporation if they are not needed. I introduced an amendment as follows:

Provided, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate.

Why should we have the Commodity Credit Corporation? It is for the purpose of lending money to the farmers of this country in order to stabilize prices. Then if the private enterprise fellows fail to furnish the facilities the Commodity Credit Corporation can come along and furnish the same. The Commodity Credit Corporation cannot step in if private industry can do it. If we do not need cotton warehouses in any sections of the country, that is good, we certainly will not get them; but if we need them in any isolated section and private enterprise will not build them, the Commodity Credit Corporation has a right to step in there and give the same treatment to all the farmers throughout the country.

You have received letters here recently from the cotton warehousemen, the tobacco warehousemen, and the operators of cold storage facilities.

The Commodity Credit Corporation will not need to invade the field of private enterprise as long as private enterprise will produce the facilities. The Corporation has no right to provide storage facilities for any commodity unless private industry fails to provide such facilities, and that is what the Brown amendment means.

Let me tell you a story. A cotton council representative came to me, and a warehouse man, representing the cotton interests. They had this kind of an amendment, the same thing we have here, except they did not say who would determine the need for the facilities. Well, I said, "Somebody has got to determine it. You cannot leave it to the church members of your town, or the town council, or the cotton warehousemen; you must leave it to somebody who is familiar with the problem." Who is the proper one? The fellow that furnishes the money, the Commodity Credit Corporation. They agreed that someone had to determine the need for facilities where there were none and that the Commodity Credit Corporation naturally would be the one to make the decision.

Now, the only change we have made here, and the only thing they objected to was where my amendment says, "in that area." They did not know exactly what that meant. Well, that means the trade area in that particular part of the community.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. LYLE. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Texas.

Mr. LYLE. Is it not also true in connection with the gentleman's discussion here that not only will they not compete with private industry, but that they will cooperate with private industry to extend their facilities? I made considerable investigation along that line. As I understand, it will be the purpose of the Secretary of Agriculture and the president of the Corporation to cooperate with private industry if they want to extend their facilities rather than to build competing facilities.

Mr. BROWN of Georgia. That is true.

Mr. LYLE. And perhaps the question of the Government building additional facilities will never occur if private industry cooperates and the farmers and various other agencies in the local areas will cooperate with them, to build adequate storage. As a matter of fact in my area, and further down in Texas this year—this is a shocking thing—we will probably raise a million bales of cotton and we have storage facilities for perhaps half of that.

Mr. BROWN of Georgia. The only thing that I cannot understand is why these fellows are afraid of the Commodity Credit Corporation building more cotton warehouses or tobacco warehouses. They have had the right since 1934 until last year to build them. Under my amendment I spell out what they can do and what they cannot do. If we need facilities for cotton or tobacco and private enterprise does not furnish them, then the very agency that furnishes the money, the Commodity Credit Corporation, will go in there and supply the facilities. Is that wrong? We want to help the poor farmer in the vicinity which has no storage. The Commodity Credit Corporation does not want to do anything but furnish the money to stabilize the prices of all agricultural commodities. How can they stabilize the price for the farmer who does not have the facilities? All through the years our cotton warehousemen, grain warehousemen, the tobacco warehousemen and all the rest of them have been satisfied with the treatment of the CCC until last year when the policy was changed. Up until 1948 CCC had the right to furnish warehouse facilities where private capital and private enterprise failed to do it, and certainly

they have not built any for cotton or tobacco and cannot do so under the pending bill where private enterprise will do the job.

I have written to several people in my district, in reply to letters asking what my amendment means—and similar inquiries have been received by many of the Congressmen—and explained the situation to every one of them. Their replies were, "You are exactly right and your amendment treats all commodities in the same way and protects private enterprise as long as it will do the job of furnishing warehouse facilities." How can we be justified in excluding cotton warehouses and tobacco warehouses and say we must have warehouses for grain only? We may need more cotton warehouses next year or the year afterward like the grain growers of the West needed them last year, and if private enterprise does not furnish the facilities, CCC should do it.

I am surprised that anybody would object to such a fair statement as this.

Everybody was satisfied with what the CCC did under the Delaware charter. The Corporation had more authority under this charter than it has under the pending bill. You gentlemen on the left side of the aisle did not think you would need more warehouses last year but you did. Next year we may need more for cotton, tobacco, and other commodities. The CCC will not furnish any facilities unless we need them. If we should need them why not give CCC this power?

I have been one of the leading advocates of the Commodity Credit Corporation since 1933. The prime purpose of the CCC is to stabilize the prices of all farm commodities, and it is not an agency to help the warehousemen but at the same time the warehousemen have been helped more than any other group. Suppose we did not have the CCC. The cotton warehouses, tobacco warehouses, and all other warehouses would be practically empty. I am for free enterprise and I am against warehouses being furnished by the Government as long as free enterprise will supply the need, but I resent the fact that a few warehousemen are trying to defeat this bill when its purpose is not only to help the commodity growers but at the same time protect the warehouses in the vicinities where they are in position to store the agricultural products.

This is a fair bill, and I hope not a single one within the sound of my voice will vote against this bill, the purpose of which is to prevent an evil such as we have today.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Iowa.

Mr. JENSEN. Why was it necessary in this bill, in the gentleman's opinion, to change the administrative set-up as this bill provides? What has been wrong with the present administration under the law as we now have it?

Mr. BROWN of Georgia. I have confined my agrument principally to the facilities for storing all farm products everywhere. I have devoted my entire study to the merits of the ample storage facilities provision of this bill. As to the administration, the Commodity Credit Corporation and the Department of Agriculture are the people who should operate and run the Commodity Credit Corporation. They are the people who know best about agriculture, they are the people who know about the worth of each commodity. I think the responsibility ought to be on the Department of Agriculture and not on the President of the United States, because the Secretary of Agriculture is clothed with that responsibility and if he makes a mistake it is easy to get rid of him. I think that is where it ought to be.

I am in favor of giving the same treatment and the same law to all storable agricultural products. No other course is tenable or justified. One year there might be a shortage of warehouses for one commodity and the next year a shortage for others. If this bill is adopted as written, the CCC cannot erect or own any storage facilities for any commodity as long as free enterprise will supply the facilities. No honest man can object to such a policy.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent in connection with the remarks I shall make on the bill that the clerk be permitted to read two letters which I desire incorporated in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2682, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the Commodity Credit Corporation is certainly entitled to the gratitude of the agricultural interests of our Nation because of the splendid service it has rendered to them through the years.

We all know the farmer is in an occupation full of hazards. "As ye sow, so shall ye reap," does not apply to the agricultural industry. The farmer is dependent upon the vicissitudes of seasons and pests. He does not know what he will reap when he plants, and he has no means of knowing what he can obtain for his product. The Commodity Credit Corporation, in its price support operations, gives the farmer some assurance that he will receive a reasonable price for his product. That is not only important to him, it is important to the dwellers in the city. It is important to them that the earth yield the food upon which they are dependent. So there ought to be no controversy between the agricultural interests and the industrial interests as to the support that should be given to the Commodity Credit Corporation. Without this assurance to the farmer, he might not plant to the extent that is necessary to feed the people.

I have always believed that a high price for agricultural products and a high wage for industrial workers go together, and that prosperity, when it comes, is general to all our people. We have never seen the country prosperous when the cities are in depression and we have never seen the cities prosperous when the country was depressed. So there should be a common interest in the welfare of the Commodity Credit Corporation. It was organized in 1933 under the laws of the State of Delaware, which is notorious for the granting of broad powers to corporations. They granted to this corporation powers as broad as could be given to any corporation. It continued under that charter until 1948 when the Government Corporations Control Act required this corporation to be incorporated under Federal law. It was incorporated under Federal law and its powers were so diminished that the Secretary of Agriculture and his general counsel said that they could not perform the functions of support price which they were charged with by law. Under that Act they were given the power to continue leases on land that had already been leased. They were not given power to purchase other property. They were not given power to lease other property. Therefore, when the bumper crops of the West came in, they did not have authority to afford storage on the farms or elsewhere necessary to carry out their support-price program. They could continue the leases which were in existence and they could have maintained the storage bins on the farms where they had been constructed. But, in support-price operations it is necessary to create these storage facilities on the farms where the bumper crops are or in that vicinity, and the bins that you have one year may not be useful in the support-price operations of the next year. It is necessary not alone to continue the leases you have, but to make other leases, and to purchase property, to secure the necessary storage for this support-price program which is so necessary to the farmers. They did not have that power, and a great deal of talk has been heard about selling bins where the bins were no longer useful and where the leases had expired, and that the only thing they had to do was to sell these bins to the farmers, and these bins would ultimately be used for the purposes for which they had been created. They could not construct bins on the farmers' land, unless they had the power either to lease or purchase, because when anyone constructs a building of any kind on your land without lease or without a purchase agreement, it belongs to you. That is the position in which the Commodity Credit Corporation found itself. The President has been criticized for the statements he made during the campaign. The state-

ments were made because there was not sufficient storage to support the price, and they had no power to create such storage. I think an investigation of their powers will thoroughly justify the statements made by the President. The Secretary of Agriculture said they did not have the power. His general counsel says he did not have the power. A careful scrutiny of the powers granted under the act of 1948 will show that he did not have that power. Now, let us not make that mistake again.

I am in favor of maintaining private enterprise in its full integrity. I do not believe the Government ought ever to invade private enterprise where private enterprise can do the job. But in your jealousy of the protection of private enterprise, let us not make that mistake again and take away from this Corporation the necessary powers for the protection of the farmers' interests.

There are a great many amendments that are proposed, all to protect private interests. We eliminated from the Senate bill the exclusion of cotton and tobacco. All of my farmers are dependent on tobacco. It is their cash crop. I was perfectly willing that that provision be eliminated from the House bill because I remember the fight that has gone on here between oleomargarine and butter, and I do not want to encourage controversies between different agricultural interests. I think we must meet in cooperation. To exclude certain crops from the operation of this act would be unwise. I hold no brief for the Commodity Credit Corporation except what they have demonstrated before our committee. There was no testimony that they had at any time invaded the field of private enterprise. The testimony was that they had been scrupulous in keeping out of competition with privately owned storage warehouses, and had never constructed any except where they were absolutely essential for the purposes of the Corporation.

I think we can reasonably judge the future by the past and I think all of this apprehension that they will invade private enterprise has no foundation whatever. I hope that because of that feeling, some of the Members who have special interests in their own communities, will not attempt to weaken this bill so that it may again fail to function as it should, to protect the essential interests of the farmers of our country, upon whom we are dependent for our food and for our prosperity, and for the future economy of the Nation.

Several questions were asked before the Rules Committee about whether or not this Corporation could aid cooperatives or aid private enterprise in the construction of the necessary storage facilities.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. SPENCE. Mr. Chairman, I yield myself three additional minutes.

My answer to the committee was that they can do so, but in order to corroborate that I wrote to the Secretary of Agriculture and asked him whether he felt he had that power. I have a letter which I expect the Clerk to read to you, in which he says, through the acting president of the Corporation, that the Commodity Credit Corporation has the power to join with cooperatives and to join with private enterprise, in order to acquire sufficient storage facilities to meet the needs of the Corporation.

I have no doubt that they will do that, and it would be a reasonable and sensible thing to do, because it would save the Government money and it would encourage private enterprise which we all desire to encourage.

I am not going to take any further time. I feel confident that there is going to be no substantial opposition to this bill. I feel confident that not only the Representatives from the country but the Representatives from the cities will vote for it because I think they have a substantial interest in it. Part of my district is highly industrialized, but also in my district I have seven counties just as agricultural as any in the United States. I have never seen any conflict of interest between the people who reside in the cities and those who reside in the country. They have a common interest in the prosperity of agriculture.

I hope you will vote for this bill and vote for it practically as it has been reported by the committee which gives us the assurance that it can perform the functions it was created to perform.

Mr. Chairman, I ask unanimous consent that the Clerk may read the two letters to which I referred.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
COMMODITY CREDIT CORPORATION,
Washington, D. C., May 10, 1949.

HON. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR MR. SPENCE: My attention has been called to statements that warehousemen operating wool storage facilities in the Boston area are concerned over whether, if the proposed amendments to the Commodity Credit Corporation Charter Act are adopted by the Congress, the Commodity Credit Corporation will engage in the acquisition or construction of additional wool storage facilities in the West. So far as we are able to foresee, the operations of the Corporation, any fears that Commodity Credit Corporation would engage in the construction of wool storage warehousing in the producing areas, thus depriving the Boston area of its accustomed function of providing storage for a large portion of the annual wool clip, are entirely groundless.

The proposed amendments require that Commodity Credit Corporation determine that existing privately owned storage facilities in the area concerned are not adequate before it can engage in any operation designed to provide adequate storage facilities for any commodity subject to one of its price-support programs. Due to the large marketing of wool in Boston, a considerable quantity of the annual wool clip is normally stored in the Boston area rather than being stored in the producing areas in the West. It is understood that there are ample wool storage facilities now in the Boston area. The only reason Commodity Credit Corporation would have to engage in wool storage operations would, therefore, be because increased wool storage facilities in the producing areas should become necessary in order effectively to extend price support to the producers. In view of the historic marketing pattern of the wool industry, we do not believe that the Corporation will be faced with any such necessity.

As the Department testified before your committee, Commodity Credit Corporation has no desire to enter the warehousing and storage field to any greater extent than that required to make effective its programs for agricultural commodities and will in the future, as it has in the past, continue to look to the private trade to furnish storage and warehouse facilities to the full extent that it can fulfill these demands. In this connection, we desire to point out that Commodity Credit Corporation was recently offered the use of surplus Army facilities in the Boston area for the storage of wool. In view of the ample storage facilities for wool now existing in the Boston area, the Corporation did not take advantage of these facilities and desires to continue to use to the maximum extent practicable private trade facilities. However, should the necessity for providing facilities arise, the Corporation should not be powerless to act.

Sincerely yours,

FRANK K. WOOLLEY,
Acting President.

UNITED STATES DEPARTMENT
OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
COMMODITY CREDIT CORPORATION,
Washington, D. C., May 10, 1949.

HON. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR MR. SPENCE: This is in reply to your inquiry as to whether the Commodity Credit Corporation would have the authority under its charter, as proposed to be amended by the bill H. R. 2682, reported by the Banking and Currency Committee, to assist through loans and other means, cooperatives and other private concerns in providing needed facilities for the storage of commodities owned or controlled by the Corporation.

In our view, Commodity Credit Corporation, under its charter as proposed to be amended, would have authority to provide such assistance to cooperatives and other private concerns. We wish to point out, however, that under the provisions contained in H. R. 2682 the Corporation could not make construction loans in order to provide storage facilities for any commodity unless the Corporation first determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate. Moreover, the Corporation is under a duty, to the maximum extent practical, consistent with the fulfillment of the Corporation's purpose and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and the arrangements of the trade and commerce in the warehousing of commodities.

The authority to assist cooperatives and other private concerns by loans or other means would, so far as practicable, be used to supplement financing provided by existing agencies, Government or private. For example, financing would be provided by Commodity Credit Corporation to cooperatives when the total financing required exceeded that which could be provided by the banks for cooperatives under the authority available to such banks and would in no way duplicate the functions of such banks. The same principle would be followed in providing financing to private concerns in cooperation with other existing financing agencies, either Government or private. Commodity Credit Corporation could also enter into guaranty arrangements for the purpose of making loans available through existing financing agencies.

The Corporation also intends utilizing existing lending agencies to the fullest practicable extent in making loans available to farmers to provide necessary storage facilities.

Sincerely yours,

FRANK K. WOOLLEY,
Acting President.

Mr. SPENCE. Mr. Chairman, those letters are signed by Mr. Frank K. Woolley, President of the Commodity Credit Corporation. The Secretary of Agriculture was out of town, but he was consulted by long-distance telephone and has agreed to the statements made in both letters.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, some provision ought to be included in this bill, in line with the suggestion made by the gentleman from California, to provide storage on the farm. That is the best place to have it. Storage on the farm will pay for those buildings because when a farmer makes a loan on his grain up to the amount permitted by law, he is given an extra 7 cents a bushel for storage. These buildings can be bought and paid for with this storage money. If you put your grain in one of the terminals of the country, or any warehouse, during the 12 months, it will cost you 17 cents a bushel to own that grain. When you can do this for 7 cents a bushel it looks like a good business proposition. I would not want to see the amendment limited to building farm storage out of steel, because steel has not come down. Steel is three times as high as it was when we built these buildings in the first place.

On the other hand, lumber has gone down perceptibly in the last 4 or 5 months. I know in my town of Williston they had an area half a mile square where every available space was occupied by grain storage bins, and all of those bins were full for 2 or 3 years. When they got through and did not need the bins any more, they were not useless. If they had been steel bins you could not have used them for anything else. But there in that same area of half a mile square the veterans of World War II went to work and every one of those places has been made into a residence at a time when you could not get lumber anywhere. It was a great boon for the returning soldiers of the country.

Therefore I would like to see an amendment put in this bill providing that the Commodity Credit Corporation may extend credit to the farmers out in the country to build storage facilities on their own farms.

Mr. GAMBLE. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, I want to address my remarks to the facts which have come to light in the hearing on this bill and in the hearings which were conducted by our committee a year ago and to the facts which were presented to the country last November by the President and Secretary of Agriculture in connection with the facilities for storage of grain throughout the country.

The facts are as follows: First, the carry-over and production at the beginning of the marketing year of 1942 for corn, oats, wheat, rye, and barley total 187,300,000 tons, whereas, the comparable figure for 1948 is 186,400,000 tons or approximately 1,000,000 tons less than in 1942; second, the Department does not have any adequate information by which present storage capacity can be compared with the 1940 capacity. Furthermore, the Kansas report is the only comprehensive study made since 1943 and it shows a substantial increase in storage facilities in that area. It is also interesting to note that on September 1, 1948, in an information memorandum issued by the Assistant Administrator for Production to State PM chairmen, the following statement is made:

In the winter-wheat States the small-grain storage situation has eased up enough that the grain storage and transportation reports from the counties have been discontinued.

It is also interesting to note that the grain storage and transportation reports last year were received weekly from all the winter-wheat States, Texas, Oklahoma, Kansas, and Colorado, whereas, this did not warrant the collection of this weekly information except from the State of Colorado; and, third, the CCC, in my opinion, is not prohibited from furnishing storage bins to farmers.

It would appear that the activities of the Department stressing the grain storage situation laid the ground work for the President's charge at Dexter. In that speech he said:

And they brought into power a Republican Congress—the notorious "do nothing" Republican Eightieth Congress.

Let us look at the results of that change. This Republican Congress has already stuck a pitchfork in the farmer's back.

They have already done their best to keep price supports from working. Many growers have sold wheat this summer at less than the support price, because they could not find proper storage.

When the Democratic administration had to face this problem in the past, the Government set up grain bins all over the Wheat and Corn Belts to provide storage.

BINS NEEDED AGAIN

Now the farmers need such bins again. But when the Republican Congress rewrote the charter of the Commodity Credit Corporation this year, there were certain lobbyists in Washington representing the speculative grain trade.

These big-business lobbyists and speculators persuaded the Congress not to provide storage bins for the farmers. They tied the hands of the administration. They are preventing us from setting up the storage bins that you will need in order to get the support price for your grain.

Now, what are the facts?

First. During the wheat-marketing season of 1948 there was much unused commercial grain storage capacity but because of the manner in which the wheat price-support program was developed and administered by the Secretary of Agriculture, farmers were unable to utilize this unused storage capacity.

Second. The failure of the Secretary of Agriculture to use available authority and put into effect an adequate wheat price support purchase program caused farmers to suffer losses running into hundreds of thousands of dollars.

Either of the propositions mentioned above would have prevented the losses which have been incurred by farmers in selling wheat below the support level and show that the losses were, in fact, caused by improper administration of the price-support authority.

I shall discuss each of the two points:

In 1948 storage capacity was available but because of the manner in which the support-price program has been administered farmers were not able to utilize it.

The following table shows the percentage of rated commercial grain storage capacity filled on October 2, 1948:

Region:	*Percent of capacity filled*
Atlantic coast ports	31.5
Gulf coast ports	46.3
Northwestern region	58.5
Lower Lake region	38.9
East Central region	54.7
West Central region	89.9
Pacific coast region	73.3

It is clear from the foregoing that there are large quantities of unused grain storage capacity available.

Why did farmers sell wheat below the support level with this storage capacity available? The reason why this grain storage capacity remained unused is because of the manner in which the Department set up and administered the wheat price-support program. The rate of price support at the farms for wheat has been set up in reverse. Instead of adopting a policy of arriving at a support level at the farm or on a county basis and then working from the farm to the terminals, the support level was set up on a terminal basis and then worked backward from the terminal to get a farm-support price, which is the support price at the nearest terminal point less the cost of transportation and handling. Thus, when local storage was not available farmers could not move wheat beyond the terminal for storage and still obtain the same rate of price support. This caused the facilities at Kansas City and adjacent southwestern points to become filled with stored wheat and because of the unrealistic relationship between terminal price-support levels the wheat could not move out of Kansas City to easterly storage points where storage was available. When it became apparent that there would be congestion in Kansas and the southwest area the Department should have made readjustments in the terminal loan rates to reflect transportation costs to other terminals, thereby enabling producers to take advantage of storage capacity east of Kansas City. No move was made by the Secretary of Agriculture to relieve this situation, consequently, farmers experienced the anomalous situation of being compelled to sell wheat below the support level when unused storage capacity was available at points east of Kansas City. This situation can easily be illustrated by comparison of the loan rate at Kansas City with the loan rate at Chicago. The loan rate at Kansas City was $2.24 as compared with $2.29 at Chicago which is insufficient to permit wheat to move on to Chicago for storage.

If the Secretary of Agriculure in administering the wheat price-support

program had established loan rates at the terminals which would have permitted the grain to move into available storage there would have been no "distress" wheat to have been sold below support levels. Poor administration of the price-support program is the thing that actually caused farmers to have "distress" wheat which had to be sold below the support levels.

My second point is that the failure of the Secretary of Agriculture to use available authority and put into effect an adequate wheat price support purchase program caused farmers to suffer losses running into hundreds of thousands of dollars.

The Secretary of Agriculture put into effect two programs for carrying out the 1948 wheat price-support obligation. The first was a loan program and the second was a purchase agreement program. Under the loan program a farmer, if he could find approved storage, might obtain a nonrecourse loan which matures on April 30, 1949. Under the purchase program the farmer is given the privilage of selling the wheat to the CCC within a period of 30 days after April 30, 1949.

Neither of these programs is adequate unless a farmer is able to find approved storage between his farm and the terminal market upon which the support rate is based. If a farmer is unable to obtain approved storage, he has no practical alternative except to sell his wheat at whatever price he can get—which during the marketing season of 1948 was generally something below the support level.

Farmers sold millions of bushels below the support level and consequently it is estimated that they have lost hundreds of thousands of dollars. The largest purchaser of wheat during this period was the Department of Agriculture. From July 1 to September 28 the Department purchased for the grain-export program 121,000,000 bushels of wheat and another 13,700,000 bushels of wheat in the form of flour or a total of 134,700,000 bushels.

Thus we have the illogical situation in which the Department of Agriculture, the very agency directed and empowered to put into effect price-support programs so that farmers will receive at least the support price for their products, is the largest purchaser at prices less than the support levels.

What is the explanation of this incongruous situation? Secretary Brannan has attempted to make farmers and others believe that the Department is required to purchase wheat below the support levels when procuring wheat for the grain-export program because of a provision in the ECA Act which requires commodities to be purchased at market levels. But why is the market level for wheat below the support level? The simple answer is that Secretary Brannan failed to exercise the powers provided and failed to put into effect an adequate wheat price-support program. Therefore, the Department was buying wheat at prices below the support levels solely because of the failure of the Secretary of Agriculture to administer properly the powers he has to carry out wheat price-support programs.

There can be no doubt that the Secretary has authority to support the price of wheat through purchases. The charter of the Commodity Credit Corporation specifically authorizes support through purchases and the Secretary of Agriculture has, in fact, exercised this power to set up an inadequate wheat-purchase program. It was inadequate because it did not provide for purchases until April 30, 1949—the maturity date of the loan programs—when the need for such purchases was at the beginning of the marketing season.

How does the Secretary of Agriculture justify his failure to provide an adequate purchase program and to prevent the price from breaking below support levels? In my opinion there is no adequate explanation. The fact that he has authority to conduct current purchase programs is also illustrated by the flax price-support program. Under that program the Department of Agriculture bought all flax offered by farmers at the support level. The Department also has other purchase programs in which it purchases commodities at the support level throughout the marketing season to assure farmers of receiving prices equivalent to the support level.

It would appear that the Secretary of Agriculture is guilty either of playing politics with the wheat price-support program or ineptness in administration. In either event, whether it is politics or ineptness, it has proved very costly to the wheat farmers of the Nation. The principle benefactors are the ECA countries who, in effect, have been subsidized at the expense of the farmers to the extent of the difference between the market price and the support level. The American consumer has not received any benefit because the price of bread is still as high as it was when the price of wheat was 50 percent above the support level.

Mr. Chairman, in this bill before us today, we have the question of determining whether or not the Commodity Credit Corporation may or may not erect, construct or otherwise acquire facilities for storage of grain. It has been said on the one side that if the Commodity Credit Corporation does have the power to construct or acquire facilities they will use it in such a way as to not compete with private enterprise. I am hopeful that is true. We believe, however, if the CCC is vested with such authority and such power there is a possibility that, in the heat of a political campaign—whether that political campaign be for votes or for the purpose of securing a particular method under which the administration shall operate—that for some reason or other the administration will determine that in certain communities, private facilities are not available and therefore Government facilities must be built.

So, Mr. Chairman, as we approach the final debate and vote on this bill, I hope the committee will take into consideration the past actions of the administration and the past actions of the Secretary of Agriculture and determine whether or not you believe this power should be granted them.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. KUNKEL. Is it not true that during the summer of 1948 the Commodity Credit Corporation was actually selling storage bins?

Mr. COLE of Kansas. Yes. That is true.

Mr. KUNKEL. At a time when they were complaining and advertising that there was a shortage, they were actually selling existing storage which was at their disposal?

Mr. COLE of Kansas. That is right, and the interesting thing about it is that as soon as it was called to the attention of the Department of Agriculture the sale of those facilities began to slough off and stop, and practically stopped entirely.

Mr. KUNKEL. This policy which you have outlined, of adjusting the prices at interior markets and markets near where the grains are being marketed, then had the result of causing an overflow in one section of the grain storage facilities, but left a lot of open space which could have been used if the management had been proper, to avoid all the trouble.

Mr. COLE of Kansas. I do not think there is any question about it. The Governor of Kansas came here just the other day to plead with the Commodity Credit Corporation to remove from Kansas City the wheat storage that is there now—move it out into the unused storage sections of the country, so that when the wheat comes into Kansas City there would be room for it.

Mr. KUNKEL. No matter how much storage you buy, unless it were located right in this one particular area, a policy such as this would have caused the situation about which so much complaint has been made?

Mr. COLE of Kansas. It not only would have caused it, but it did cause it and it could cause it again in the future.

Mr. KUNKEL. There was adequate storage or more than adequate storage at the time if the administration had handled it properly, and the inefficienct way in which they did handle it was so absurd that it would indicate it was almost intentional rather than accidental.

Mr. COLE of Kansas. I would say definitely so.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. GAMBLE. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. HOPE. As I recall it, the charge which the President made in connection with the legislation passed by the Eightieth Congress was that it prevented the Federal Government from furnishing the farmers storage for their grain. I just want to ask the gentleman if at any time in the past, under any legislation, has the Federal Government ever furnished the farmers storage for their grain, while still owned by the farmers?

Mr. COLE of Kansas. No. It is my understanding that it did not.

Mr. HOPE. Is there anything in the act which was passed in the Eightieth Congress which would have prevented the Government from furnishing the

farmers storage for their grain had the Government desired to do so?

Mr. COLE of Kansas. I am positive that definitely there was not.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. GROSS. This complaint was made in the campaign. Did the President issue any complaint that was heard by the people of the country when the bill came to him for his signature?

Mr. COLE of Kansas. No. Neither the President nor any Member on the Democratic side made any complaint about the bill at that time. The President signed it. Everybody was satisfied with it. It was finally determined that here was a political issue which they might develop, and so they did.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. Yes, I yield.

Mr. CHRISTOPHER. You said that nobody objected to the bill when it was being passed.

Mr. COLE of Kansas. No. The gentleman misquotes me. Well, go ahead.

Mr. CHRISTOPHER. This was a statement during the Eightieth Congress:

> There are two very serious defects in the bill as it now stands. One of them is that the bill prohibits the Corporation from acquiring or leasing any plant or facility for warehousing, transporting, processing, or handling of agricultural commodities, or from acquiring or leasing real property or an interest therein, except rental-office space. These provisions are severely restricting the operations of the Commodity Credit Corporation and would, in my opinion, make it very difficult for the agency to carry out the duties imposed on it by law.

Mr. COLE of Kansas. The gentleman is quoting the chairman of the Agricultural Committee the gentleman from Kansas [Mr. HOPE], a Republican.

Mr. CHRISTOPHER. That was the chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE].

Mr. COLE of Kansas. Yes. I recall that was said on the floor.

Mr. CHRISTOPHER. And that was surely an objection to the bill that was passed by the Eightieth Congress.

Mr. COLE of Kansas. Yes, I understand. I stand corrected if I said "no objection was made." I say to the gentleman, however, that the bill was passed in the House and was passed in the Senate without any serious objection, and perhaps I should underscore the word "serious." I do stand corrected on that one proposition.

Mr. CHRISTOPHER. I think that objection was a very serious one; it would be to me.

Mr. COLE of Kansas. The gentleman from Missouri was not here.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. HOPE. Inasmuch as reference has been made to a statement which I made on the floor of the House, I wish to say to the gentleman that I still stand by that statement. It had no connection whatever with anything that has been said by me or has no connection whatever with any statement made by the President. I said at that time that I thought there should not be a limitation upon the ability of the Commodity Credit Corporation to acquire storage; but the statement that was made by the President at Dexter, Iowa, was that the bill prevented the Government from furnishing farmers that storage which, of course, they never had had, which they had never had in the past and which was prohibited or prevented by this bill.

My position right now is the same as it was last year. As far as the limitation upon the acquisition of storage by the Commodity Credit Corporation is concerned I think the provisions in the bill as reported by the committee are all right; I believe the Commodity Credit Corporation should have the authority to acquire storage where needed, but I think there should be some determination that it is needed before the Corporation should be given that authority.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. KUNKEL. In the present law, section 5 (b), the specific power section expressly authorizes the Commodity Credit Corporation to "make available materials and facilities required in connection with the production and marketing of agricultural commodities."

That broad and specific power clearly includes the furnishing of grain storage bins, since they are essential to the orderly marketing of agricultural products. I have never heard of any opinion of anybody in the legal department of the Department of Agriculture who contended that the Commodity Credit Corporation did not have that power; the statements and the arguments that they did not seem to be without any backing from the legal department involved and the one which should have advised them properly on this subject.

Mr. COLE of Kansas. I am very certain this bill would never have been reported, never have been introduced or reported by the Committee on Banking and Currency or considered by this House if the President of the United States and the Secretary of Agriculture had not gone before the country last November and made the statements which they did. This bill is presented here solely for the purpose, in my judgment, to pull them out of the hole in which they find themselves.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. SPENCE. Is it not a fact that the reason the storage bins were sold was because the leases had expired? They were sold on the farm. They had to be disposed of because the Government could not move them anywhere else because they had no power to acquire real estate for the purpose of relocating the bins where they might be needed elsewhere. Is not that the real reason the bins were sold?

Mr. COLE of Kansas. The Department of Agriculture has made statements that was the reason, but——

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. WOLCOTT. I believe the chairman will remember that there was specific language in the bill which we passed last year, I believe, authorizing the releasing of property that was then under lease.

Mr. SPENCE. That was so the bins could remain on the land where the renewal of the lease might be made, but that was not where they were needed.

Mr. CHRISTOPHER. They were given specific authority to re-lease.

Mr. SPENCE. They had no power to relocate the bins, because they had no right to lease or acquire real estate.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. WHITE].

Mr. WHITE of California. Mr. Chairman, in answer to the gentleman from Kansas in regard to just who is or who is not guilty on this storage-for-grain proposition, or the alleged neglect thereof, I wish to point out that all during the grain-harvesting period last year there was a tremendous shortage of cars to move grain. Grain was lying on the ground all over the country. Now, how could the Commodity Credit Corporation buy grain on the ground to support the price? That is why the price broke.

It is only natural that a concern handling as much grain as the Commodity Credit Corporation was forced to handle had to have some place to put it and some means to move it. Certainly, I do not see how any finger of condemnation could be pointed at the Commodity Credit Corporation or the Secretary of Agriculture for a shortage of cars, with wheat lying all over the ground.

So far as bins are concerned, it is perfectly reasonable to assume that there may have been an overage of bins in certain areas and a shortage in other areas. Since there was a shortage of transportation, it is a perfectly plausible thing to assume that the same condition arose which caused the wheat to be lying on the ground.

There are a number of reasons why the wheat market broke, but that lack of storage is the main one. The farmers could not get loans on their commodity because they had no place to store it. It is true they had storage facilities at the eastern ports and at other places, but there were no cars to move it. In addition to that, we have the statement by officials in the Department of Agriculture that they were asking Members of the Eightieth Congress to provide specific authority for these grain bins so that they could make these loans and alleviate the suffering among the farmers in the Wheat Belt, but no such relief was forthcoming. The Secretary of Agriculture sent several men up here to the Hill, as I got the story, to try to get this relief. I do not see how the Secretary of Agriculture or the Commodity Credit Corporation can be condemned for the low price of wheat when the Eightieth Congress would not provide storage on the farms. That is where the storage was needed.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Apparently last November there were an awful lot of farmers who felt that the Republicans and the Eightieth Congress were to blame, according to the election returns.

Mr. WHITE of California. I think the gentleman is quite right. It seems these gentlemen over on the left are a few months late in bringing this matter up.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Nebraska.

Mr. CURTIS. Did any Congress prior to the Eightieth Congress provide storage on the farm?

Mr. WHITE of California. No; but that has nothing to do with the request of the Secretary for storage at that time.

Mr. CURTIS. At what time?

Mr. WHITE of California. When he requested it in the fall during the grain-harvesting period in question.

Mr. CURTIS. In the fall.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I recognize that the gentleman from California is an expert on agriculture and I bow to him. But the grain crop from which we received the big surplus last year that was stored on the ground materialized in the month of June in the State of Kansas and in the Southwest plains area where we had the big winter-wheat crop. The gentleman knows that. In the month of June and even in the month of July we were in session here. The gentleman further knows, with all of his knowledge about agriculture, that when big crops are produced in the Southwest there are no ordinary storage facilities to store that grain and it has been laying on the ground in that dry weather and it has not been damaged. That has happened every year they produce a big crop down there; is that correct?

Mr. WHITE of California. That may be true, but the Government authorities were not called upon to take it on the ground as they were in that instance. If the Government is going to take the grain at the point of origin, you have to have the bins, and the Government asked the Eightieth Congress for them and they were not forthcoming.

Mr. AUGUST H. ANDRESEN. In the year before, 1947, we also had a bumper crop when the grain was stored on the ground when we had a greater shortage of cars than we had last year, so I think the gentleman may be a little far-fetched in his analysis of the responsibility.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, there are 200,000 farms in Iowa. The 1940 census showed that there were only 60,000 farm hired hands. Iowa farmers cannot wait until the harvest comes on to provide adequate storage facilities for a bumper crop, and these situations do arise from time to time when our farmers seriously need help. Last fall was one of those times. I followed this situation with great interest because it is of great importance to the farmers of Iowa.

On March 21, 1949, Secretary Brannan, in his general statement to the Committee on Banking and Currency, said as follows:

> The size of the 1948 crops just recently harvested and the prospective plantings for 1949 make the problem of inadequate storage increasingly acute, and it is urgently necessary that the Corporation be placed in position to take action to meet the problem as soon as possible.

Then, in answer to Mr. WOLCOTT's question that same day, Mr. Brannan said:

> I want the Commodity Credit Corporation to act in the capacity of an instrument for assisting farmers of this country, as it did before the adoption of this amendment. As far as I am concerned, it is not a question of what I want. I am suggesting to you what I think is in the best interests of the American farmers and in the best interests of the trade with which they have to deal. I think if we have adequate storage in this country everybody will be benefited.

Then again he answered:

> The issue was whether or not there was adequate storage facilities available in public, private, or any kind of hands, and the transfer from public ownership to private ownership of some grain-storage facilities was of no moment whatsoever. The ultimate point was that here we have an increasing grain crop year after year after year and we have not provided adequately for its storage.

Again, in answer to Mr. TALLE's question, Mr. Brannan expressed the situation, as follows:

> We face a storage program today in the light of the immediate circumstances. We still are handling a large wheat production—1,300,000,000 bushels last year. We still have to deal with the corn-production program, which was the highest of all time, about 3,500,000,000 bushels.
>
> In addition to that, there are indications of spring wheat acreage equal to last year's and preliminary indications that we may have about as much of the other grains planted as in previous years.
>
> Therefore, the need is, first of all, for storage immediately. To answer that, we think small facilities which could be quickly fabricated, and which can be quickly moved into position, provide the best method of meeting that need. It also makes sense, in our opinion, in terms of a long pull. On-the-farm storage and trackside storage facilities in the vicinity where each of the grains will be used, or in such locations that they act as a conduit to carry the grain on to its ultimate point of use, are always advisable.
>
> Second, we think there should probably be a program of storage—trackside, subterminal, country, or by whatever term you would like to define it—where the grain can move in transit to its ultimate destination and probably be handled in one way or another, and selected for feeding, mixing, or many of the other uses. That is typical country elevator type of operation I am talking about.
>
> I do not know whether these will be necessary, myself, but finally we may have to talk in terms of terminal storage. In the latter case and in all cases, I would like to make it clear that I do not think the Federal Government should engage in the ownership and operation of large grain-elevator enterprises. We are a facility for helping farmers to solve their own storage problems.

After that expression of concern by Mr. Brannan on March 21, can you imagine my own surprise at receiving a letter submitted by Mr. Brannan on March 21, the same identical day, to the chairman of the Committee on Ways and Means, objecting to a bill that I introduced, H. R. 1553, providing for a tax incentive for the creation of additional farm storage facilities?

Just to show a bit of Mr. Brannan inconsistency here in blowing both hot and cold, let me read you what Mr. Brannan wrote to Chairman DOUGHTON of the Committee on Ways and Means:

> We feel that the emergency which is likely to exist for additional storage facilities during the next 5 years should not be compared with the emergency which existed during the war, when the Government permitted certain types of war plants (including facilities built to process certain foods such as dried milk, dehydrated and compressed vegetables) to be depreciated for income-tax purposes within a 5-year period. Most of the war plants so treated were unadapted or poorly adapted for other profitable uses after the war, or were located out of position for economical peacetime uses, and they would not have been built by private capital to meet the war emergency unless such special inducements had been offered. We believe that commercial rates for storage of agricultural products such as grain will be high enough during the next few years, under pressure of the larger supplies anticipated, to encourage new construction of both farmer-owned and commercial storage facilities, and that when properly located they will be profitable ventures, without the 5-year amortization inducements.
>
> We do not believe that it will be necessary or desirable to extend the concessions offered by these bills as inducement to farmers to build farm storage facilities on or near their farms, and we do not believe that these measures would be very effective in increasing this type of construction. Farm storage facilities, in the commonly accepted meaning of the term (farm cribs, bins, barns), normally have relatively short life and rapid rate of depreciation. The average farmer is in a low income-tax bracket, and would not find much incentive to build new storage facilities because of the proposed 5-year depreciation feature.
>
> Even if we could support the main points of these bills, we would not like the retroactive features—extending the amortization benefits to facilities acquired or completed on or after January 1, 1948. Presumably any and all storage facilities built during 1948 were justified by existing requirements and anticipated profits.
>
> These bills would give undue benefits to big grain companies and elevator and warehouse interests which are in high income-tax brackets, permitting them to charge off new capital improvements as if they were legitimate business losses, during a time when earnings and profits are almost sure to be high. The average farmer and the small warehousemen in low income-tax brackets would receive little or no benefit from these bills.
>
> The real problem facing us is how to bring about a substantial increase in storage facilities on and near farms, with less emphasis on terminal storage. We do not believe that acceleration of depreciation for tax purposes is a proper step to take to bring about increased construction of storage facilities,

either by farmers or by commercial interests. There is no assurance that those who would take advantage of the amortization provision would operate the new facilities as public warehousemen. In the past few years farmers in some areas have encountered difficulties in that those who own storage facilities have been unwilling to store grain at times when there were temporary gluts on the market but instead were willing only to buy for their own account at very substantial discounts.

We believe that the Government should take some steps to stimulate immediate expansion of new storage facilities. The amendment proposed in S. 900 and H. R. 2682, bills to amend the Commodity Credit Corporation Charter Act, would enable the Corporation to develop well-rounded and integrated price support and storage programs.

In accordance with the above comments, it is the recommendation of the Department that these bills should not be passed.

Mr. Brannan's statements belittle the emergency insofar as it pertains to the encouragement of private construction by the farmer himself and say it is not necessary, and yet his statements made the same day before the Committee on Banking and Currency stress the need for Government construction and Government control of the very same storage facilities.

I am for adequate storage first, last, and always. I have seen enough wastage of good crops out on the farms of Iowa to make me sincerely support legislation providing any expansion of storage facilities, but I do not like to have the Department of Agriculture blow both hot and cold on this matter. They are knocking down my farmers' ears in the way of discouraging them from doing their own construction on their own farms and keeping the grain out there, where I know the farmers want it. If the emergency is what Mr. Brannan said it is in the hearings on this bill, why did he disapprove my proposal to give the farmers the tax encouragement for private construction, ownership, and control of the same storage facilities that my farmers want and need?

To me, adequate storage facilities are the important thing. It should not be reduced to the throwing the whole control over to the Government bureaucracy. I will take the storage facilities furnished by bureaucracy, but I want the farmers to have some encouragement in the construction of their own storage facilities to meet the emergency that I know exists in many places. All I ask of Mr. Brannan is to remember and read carefully his statement before the Committee on Banking and Currency on March 21 of this year, and then reread his letter dated the same day to the chairman of the Committee on Ways and Means.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield for a question.

Mr. WHITE of California. I should like to make an observation.

Mr. MARTIN of Iowa. I will yield for a question, but if the gentleman has an observation to make, he can make it on his own time. If there are any questions that anyone wants to ask, I will be glad to entertain a question, but not an observation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. AUGUST H. ANDRESEN. What is the date of that report when Secretary Brannan made his statement?

Mr. MARTIN of Iowa. Does the gentleman mean the report to Mr. DOUGHTON?

Mr. AUGUST H. ANDRESEN. No, the hearings.

Mr. MARTIN of Iowa. The hearings were on March 21, 1949.

Mr. AUGUST H. ANDRESEN. That is when he made his statement.

Mr. MARTIN of Iowa. Yes and the letter to Mr. DOUGHTON is dated March 21, 1949, also.

Mr. AUGUST H. ANDRESEN. I will say to the gentleman that there was no way for the Secretary to determine what the size of the winter wheat crop would be prior to the middle of May. By the middle of June you could pretty well estimate it. You could not determine what the spring wheat crop was going to be until along toward the latter part of July; when it came to corn there was no possible way that anybody could figure out the size of the corn crop until sometime in September. Is that not right?

Mr. MARTIN of Iowa. Yes. I agree with the gentleman. The Secretary is guilty of blowing hot when it concerns the expansion of bureaucratic control, and he blows cold and plays down the same emergency when he is talking about the construction of storage facilities by individual farmers. To me the road we are traveling today is a most dangerous one for our American Government to travel.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. GROSS. In other words, what the gentleman was trying to do by his bill was to provide more storage and less regimentation, is that correct?

Mr. MARTIN of Iowa. Exactly. I am trying to provide for more storage and less regimentation. I am especially desirous of supplementing the expansion of CCC with the greater building and control of storage facilities by the farmers on the farm and by warehousemen.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 minutes.

Mr. KEEFE. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock-Piling Act, and for other purposes, had come to no resolution thereon.

SPECIAL ORDER TRANSFERRED

Mr. WOLCOTT. Mr. Speaker, the gentleman from New York [Mr. REED] had a special order for 20 minutes today. In his behalf I ask unanimous consent that the special order for this afternoon may be vacated, and that it may be transferred to Thursday, May 12, following the legislative business of the day.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday, tomorrow, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous matter.

Mr. MARSHALL and Mr. BROOKS asked and were given permission to extend their remarks in the RECORD.

Mr. BENNETT of Florida asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. HORAN. (at the request of Mr. PHILLIPS of California) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a speech by the Honorable Alf Landon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GILLETTE (at the request of Mr. GRAHAM), for the balance of the week, on account of illness in family.

To Mr. NOLAND, for Wednesday and Thursday, May 11 and 12, on account of official business.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3932. An act to exempt artificial limbs from duty if imported for personal use and not for sale.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 9, 1949, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 668. An act for relief of Alex Ball;

H. R. 711. An act for relief of Mrs. Margaret Gregg Dilnot;

H. R. 1010. An act for relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok;

H. R. 1029. An act authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenlively;

H. R. 1030. An act authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe;

H. R. 1035. An act for relief of Mrs. Ada M. Ryan;

H. R. 1041. An act for relief of Jeannette and Jesus Esteva and their four children;

H. R. 1052. An act for relief of Lawrence G. McCarthy;

H. R. 1079. An act for relief of Maria Veltri Magnone;

H. R. 1101. An act for relief of Anna Malone and Rita Anderson;

H. R. 1109. An act authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson;

H. R. 1281. An act authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder;

H. R. 1460. An act for relief of Mrs. Silvia Mapelli;

H. R. 1467. An act for relief of Thomas O. Troth;

H. R. 1468. An act for relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe;

H. R. 1489. An act for relief of James I. Matthews;

H. R. 1508. An act for relief of Peter Drozd;

H. R. 1591. An act for relief of Bram B. Tellekamp;

H. R. 1629. An act for relief of Kira and Nina Grigorieff;

H. R. 1876. An act for relief of Ralph Martin Elzingre, also known as Ralph Seawell;

H. R. 1983. An act for relief of Edward L. Barreras;

H. R. 2231. An act for relief of Marie E. Wright;

H. R. 2605. An act for relief of John C. Nunes;

H. R. 2710. An act for relief of Emma Armstrong;

H. R. 2935. An act for relief of Mrs. Benjamin Betts; and

H. J. Res. 91. Joint resolution to authorize the cancellation and release of an agreement dated December 31, 1923, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board acting through the United States Shipping Board Emergency Fleet Corporation.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at (4 o'clock and 52 minutes p. m.), the House adjourned until tomorrow, Wednesday, May 11, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

605. A letter from the Acting Secretary of Defense, transmitting a proposed bill entitled "A bill to authorize the appointment in the Navy of additional officers for special duty in the field of law, and for other purposes"; to the Committee on Armed Services.

606. A letter from the assistant to the Attorney General, transmitting a proposed bill entitled "A bill to amend subsection (c) of section 19 of the Immigration Act of 1917 and subsection (a) of section 338 of the Nationality Act of 1940"; to the Committee on the Judiciary.

607. A letter from the Comptroller General of the United States, transmitting a report of all tort claims paid by the General Accounting Office during the fiscal year ending June 30, 1948; to the Committee on the Judiciary.

608. A letter from the acting assistant to the Attorney General, transmitting a proposed bill entitled "A bill to transfer from the Administrator of Veterans' Affairs to the Attorney General of the United States, for the use of the Bureau of Prisons, a certain tract of land located at Chillicothe, Ohio"; to the Committee on Veterans' Affairs.

609. A letter from the Director, Division of Territories and Island Possessions, Department of the Interior, transmitting a copy of a joint resolution enacted by the Legislature of the Territory of Hawaii requesting the Congress of the United States to ratify and confirm Act 4 of the Session Laws of Hawaii 1949, amending chapter 118, Revised Laws of Hawaii 1945, relating to revenue bonds; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. H. R. 4566. A bill to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard"; without amendment (Rept. No. 557). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 1720. A bill to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University; with amendments (Rept. No. 558). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIAMS: Committee on Post Office and Civil Service. H. R. 3444. A bill to provide for the collection and publication of cotton statistics; without amendment (Rept. No. 559). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 2197. A bill to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes; with an amendment (Rept. No. 560). Referred to the Committee of the Whole House on the State of the Union.

Mr. KARST: Committee on Post Office and Civil Service. H. R. 3512. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress whose employment is temporary or of uncertain duration; with amendments (Rept. No. 561). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. H. R. 4082. A bill to improve the administration of the Civil Aeronautics Act of 1938, and for other purposes; with amendments (Rept. No. 562). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOSSETT: Committee on the Judiciary. H. R. 623. A bill for the relief of Sadako Takagi; with an amendment (Rept. No. 548). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1042. A bill for the relief of Hoy C. Wong; with an amendment (Rept. No. 549). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2349. A bill for the relief of Col. Wlodzimierz Onacewicz; with amendments (Rept. No. 550). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2850. A bill for the relief of Denise Simeon Boutant; with an amendment (Rept. No. 551). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4186. A bill for the relief of Jan Liga; with amendments (Rept. No. 552). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1009. A bill for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.; with an amendment (Rept. No. 553). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1297. A bill for the relief of Alvin G. Patton; with an amendment (Rept. No. 554). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 3138. A bill for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased; with amendments (Rept. No. 555). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4559. A bill for the relief of Louis Brown; without amendment (Rept. No. 556). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLACKNEY:

H. R. 4609. A bill to require the United States District Court for the Eastern District of Michigan (northern division) to sit during a part of its term at Flint, Mich.; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 4610. A bill to alleviate juvenile delinquency in cooperation with the J. Edgar Hoover Foundation; to the Committee on the Judiciary.

By Mr. LINEHAN:

H. R. 4611. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. LYNCH (by request):

H. R. 4612. A bill to amend subsections (b) and (h) of section 313 of the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. MANSFIELD:

H. R. 4613. A bill to promote the rehabilitation of the Chippewa Cree Tribe of the Rocky Boy's Reservation and the better utilization of the resources of the Rocky Boy's Reservation, and for other purposes; to the Committee on Public Lands.

H. R. 4614. A bill to promote the rehabilitation of the Gross Ventre and Assiniboine Tribes of Indians and the better utilization of the resources of the Fort Belknap Reservation, and for other purposes; to the Committee on Public Lands.

By Mr. MARTIN of Iowa:

H. R. 4615. A bill to provide aid in stabilizing agriculture prices by providing an equalizing fee on imported fats and oils, an

offset on exports of fats and oils, and for other purposes; to the Committee on Ways and Means.

By Mr. PHILLIPS of California:

H. R. 4616. A bill to facilitate the administration of the restricted lands on the Agua Caliente Indian Reservation, Calif., and for other purposes; to the Committee on Public Lands.

By Mr. RANKIN:

H. R. 4617. A bill to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children; to the Committee on Veterans' Affairs.

By Mr. SIMS:

H. R. 4618. A bill to provide for graduated increases in the minimum-wage rate under the Fair Labor Standards Act to 75 cents an hour; to the Committee on Education and Labor.

By Mr. CASE of New Jersey:

H. R. 4619. A bill to alleviate juvenile delinquency in cooperation with the J. Edgar Hoover Foundation; to the Committee on the Judiciary.

By Mr. WOOD:

H. R. 4620. A bill to establish fair and equitable rules of conduct to govern labor and management in their relations with one another, with individual workers, and with the public, to protect the interest of the public in controversies between labor and management, and for other purposes; to the Committee on Education and Labor.

By Mr. KLEIN:

H. R. 4621. A bill to extend the benefits of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McGUIRE:

H. R. 4622. A bill to permit a successor employer to include the amount of wages paid to an employee by his predecessor in computing the total amount of wages paid to such employee during a calendar year under the Federal Insurance Contributions Act and Federal Unemployment Tax Act; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 4623. A bill to provide indemnity for contractors with any agency of the National Military Establishment against claims arising out of contracts for cloud modification research or development, and for other purposes; to the Committee on the Judiciary.

By Mr. CHRISTOPHER:

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar; to the Committee on House Administration.

By Mr. HOWELL:

H. Con. Res. 60. Concurrent resolution urging the Government of the United States to encourage the study of foreign languages by American citizens, and for other purposes; to the Committee on Education and Labor.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide for public recreation and fish and wildlife development in project plans and to authorize them as project purposes along with flood control, irrigation, and power production, the costs to be nonreimbursable; to the Committee on Public Lands.

Also, memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States relative to a national compulsory sickness insurance program; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to change the date of Labor Day to the second Monday in September; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to repeal the excise taxes on articles of jewelry, furs, cosmetics, and handbags; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States and the Fish and Wildlife Service of the Department of the Interior to withhold all Federal funds, allocated for the protection or propagation of migratory and other game within States, from any State which imposes a hunting license fee upon nonresidents in excess of five times the amount upon residents; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States to accelerate the construction of the canal across New Jersey—the so-called missing link of the Inland Atlantic intracoastal waterway—from Sayreville on Raritan Bay to Bordentown on the Delaware River; to the Committee on Public Works.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to authorize the issuance of public improvement bonds of the Territory of Hawaii during the years 1949 to 1955, inclusive, without regard to the limitations imposed by the Hawaiian organic act; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JONAS:

H. R. 4624. A bill for the relief of Mina Mauricides, formerly Asemina Kokkinos; to the Committee on the Judiciary.

By Mr. MORRIS:

H. R. 4625. A bill for the relief of Thomas J. Morris; to the Committee on the Judiciary.

H. R. 4626. A bill conferring jurisdiction upon the District Court of the United States for the Western District of Oklahoma to hear, determine, and render judgment upon the claims of individuals to property rights as citizens of the Choctaw and Chickasaw Nations or Tribes; to the Committee on Public Lands.

H. R. 4627. A bill conferring jurisdiction upon the District Court of the United States for the Western District of Oklahoma to hear, determine, and render judgment upon certain claims of individuals against the United States; to the Committee on Public Lands.

By Mr. O'TOOLE:

H. R. 4628. A bill for the relief of John G. Essenberg; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 4629. A bill for the relief of the Sonoma County Farmers' Mutual Fire Insurance Co.; to the Committee on the Judiciary.

By Mr. SMATHERS:

H. R. 4630. A bill for the relief of Maria Neglia, Angelo Neglia, and Guiseppe Neglia; to the Committee on the Judiciary.

By Mr. TAURIELLO:

H. R. 4631. A bill for the relief of Luke Mauriello; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 4632. A bill for the relief of Frank Smith and Mrs. Elizabeth Smith; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

813. By Mr. HORAN: Petitions of N. B. Dare and 42 citizens of Colfax, Wash.; Ted Atwater and 66 citizens, of Coulee Dam, Wash.; and Frank Cantlon and 68 citizens of Spokane, Wash., urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

814. By Mr. RABAUT: Resolution adopted by the Common Council of the City of Detroit, protesting commuting the life sentence of Ilse Koch to a 4-year term and her impending release in October; to the Committee on Armed Services.

815. Also, resolution adopted by the Common Council of the City of Detroit, relative to relief to the package-freight industry on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

816. By the SPEAKER: Petition of Thomas D. Leadbetter, city clerk, city of Detroit, Mich., protesting commuting the life sentence of Isle Koch to a 4-year term and her impending release in October; to the Committee on Armed Services.

817. Also, petition of Anna V. Thompson and others, Eaton Rapids, Mich., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

818. Also, petition of Mr. and Mrs. Chester A. McKenzie and others, Bunnell, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

819. Also, petition of Rev. Ina C. Connolly and others, Orlovista, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

820. Also, petition of Grace L. Thompson and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

821. Also, petition of Mrs. H. M. Jarvis and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

822. Also, petition of John Dillon and others, Hialeah, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

823. Also, petition of Chester Davies and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

824. Also, petition of Anne Brandt and others, Boynton Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and means.

825. Also, petition of E. A. Roberts and others, Dundee, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, MAY 11, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, grant that in this moment of prayer our minds and hearts

may be touched and strengthened with a reassuring sense of Thy greatness and Thy nearness.

Establish within us those loyalties to the true, the beautiful, and the good which cannot be shaken. May we never yield to that faithless and cynical temper of mind which is treason against God and man.

Make us sensitive and responsive to those finer impulses which are continually calling us to seek the more abundant life and to share its blessings with all mankind.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

On request of Mr. McMAHON, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 10, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 10, 1949, the President had approved and signed the following acts:

S. 635. An act to increase the fees of witnesses in the United States courts and before United States commissioners, and for other purposes; and

S. 850. An act conferring United States citizenship posthumously upon Vaso B. Benderach.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; and

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. McMAHON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Capehart	George
Anderson	Cordon	Gillette
Baldwin	Downey	Green
Brewster	Ecton	Gurney
Bricker	Ellender	Hayden
Bridges	Ferguson	Hendrickson
Butler	Flanders	Hill
Cain	Frear	Hoey
Holland	McCarthy	Russell
Hunt	McClellan	Saltonstall
Ives	McFarland	Smith, Maine
Jenner	McGrath	Sparkman
Johnson, Colo.	McKellar	Stennis
Johnson, Tex.	McMahon	Taft
Johnston, S. C.	Martin	Thomas, Utah
Kefauver	Maybank	Tydings
Kem	Mundt	Watkins
Kilgore	Neely	Wherry
Knowland	O'Mahoney	Wiley
Langer	Pepper	Williams
Lodge	Reed	Withers
Long	Robertson	Young

Mr. McMAHON. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Nevada [Mr. McCARRAN], the Senator from Idaho [Mr. TAYLOR], and the Senator from Montana [Mr. MURRAY] are detained on official business in meetings of committees of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on official business.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Idaho [Mr. MILLER], the Senator from Maryland [Mr. O'CONOR], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Texas [Mr. CONNALLY] and the Senator from Arkansas [Mr. FULBRIGHT] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Michigan [Mr. VANDENBERG] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Nevada [Mr. MALONE], the Senator from Colorado [Mr. MILLIKIN], the Senator from Oregon [Mr. MORSE], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETING DURING SENATE SESSION

Mr. BALDWIN. Mr. President, I ask unanimous consent that the subcommittee of the Armed Services Committee conducting the investigation of the Malmedy trials be permitted to sit this afternoon. The junior Senator from Wisconsin [Mr. McCARTHY] and the junior Senator from Wyoming [Mr. HUNT] will probably be in attendance at the meeting of the subcommittee.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LONG asked and obtained consent that a subcommittee of the Committee on Post Office and Civil Service conducting hearings on pay and classification bills be permitted to hold a hearing this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair invites Senators who wish to present routine matters to do so at this time, without debate and without statements so as not to interfere with the program before the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and a letter, which were referred, as indicated:

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF AGRICULTURE (S. Doc. No. 73)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $1,000,000, Department of Agriculture, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED PROVISION AND SUPPLEMENTAL ESTIMATE, NATIONAL MILITARY ESTABLISHMENT (S. Doc. No. 72)

A communication from the President of the United States, transmitting a draft of a proposed provision and a supplemental estimate of appropriation, amounting to $90,000, National Military Establishment, fiscal year 1949 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REVISED SUPPLEMENTAL ESTIMATE, PAYMENT OF CERTAIN CLAIMS (S. Doc. No. 71)

A communication from the President of the United States, transmitting a revised supplemental estimate of appropriation involving an increase of $4,538,926.78 in the amount necessary for payment of claims for damages, audited claims, and judgments (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1933

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Adjustment Act of 1933 (with an accompanying paper); to the Committee on Agriculture and Forestry.

COMPULSORY HEALTH INSURANCE PROGRAM—RESOLUTION OF HOUSE OF DELEGATES OF WISCONSIN STATE DENTAL SOCIETY

Mr. WILEY. Mr. President, I have received this morning a splendid resolution from Dr. C. J. Baumann, chairman of the legislative committee of the Wisconsin State Dental Society. This resolution was adopted by the house of delegates of the society at its annual session in April. The resolution forthrightly opposes the administration's program for compulsory health insurance. I have previously indicated I fully endorse the fight against socialized medicine and I for one will

oppose it with all the power at my command, but will favor a voluntary approach to the improvement of America's already high health standards. I ask unanimous consent that the text of this resolution be appropriately referred and printed in the body of the RECORD at this point.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, as follows:

Whereas there are now pending before the Congress of the United States, three bills—S. 5, H. R. 345, and H. R. 783, commonly known as the Wagner-Murray-Dingell bill—the object of which is to establish a system of compulsory health insurance in the United States; and

Whereas the experience of other nations of the world which have adopted such a system has demonstrated that compulsory health insurance does not materially improve the general health of the people of such countries; and

Whereas the people of the United States today have the best and most efficient dental, medical, nursing, and hospital service care that the world has ever known; and

Whereas the great advances in the health professions heretofore have been made as a result of individual initiative: Now, therefore, be it

Resolved, That the house of delegates of the Wisconsin State Dental Society in annual session April 18–21, 1949, does hereby memorialize the Congress of the United States not to enact any legislation containing the principle of compulsory health insurance; and be it further

Resolved, That a copy of this resolution be forwarded to each Senator and Representative in Congress from this State and to the Speaker of the House of Representatives, and the President of the Senate of the Congress of the United States.

BLANKETING OF CERTAIN POSTAL EMPLOYEES INTO CIVIL SERVICE—RESOLUTION OF MILWAUKEE POST OFFICE CLERKS' UNION

Mr. WILEY. Mr. President, I have received today from Howard F. Cogan, secretary of local No. 3 of the Milwaukee Post Office Clerk's Union, a letter embodying a resolution in opposition to any step which would circumvent the civil-service system of the United States post office. Naturally I, like my colleagues, am opposed to a spoils set-up which would sabotage our hard-won achievement in the civil-service field. I feel, therefore that this expression from the Milwaukee union which, in turn, is affiliated with the National Federation of Post Office Clerks, of the A. F. of L., and which reports sentiments in turn of a San Francisco union, will be of interest to my colleagues. I ask unanimous consent, therefore, that the letter be appropriately referred and printed at this point in the RECORD.

There being no objection, the letter was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

MILWAUKEE POST OFFICE CLERKS' UNION,
May 9, 1949.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: A resolution received from the San Francisco post-office clerks very aptly describes our thoughts on the subject.

The resolution:

"Whereas an effort to blanket indefinite war-service and temporary employees into the United States Post Office Service without an appropriate civil-service and physical examination is now gaining support; and

"Whereas such policy is contrary to law and detrimental to the economic interests of the citizen seeking job security through competitive examinations; and

"Whereas the spoils system is not conducive to the high morale necessary for the efficient and economical operation of the postal service: Now, therefore, be it

"*Resolved*, That local No. 2, National Federation of Post Office Clerks, go on record as being opposed to any individual, group, or organization who are engaged in an effort to circumvent and bypass the merit system through the establishment of the spoils system in the United States Post Office Service."

We earnestly solicit your support in the prevention of the destruction of civil service in the post office in any manner whatsoever.

Sincerely yours,
HOWARD F. COGAN,
Secretary, Local No. 3.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. SMITH of Maine, from the Committee on the District of Columbia:

H. R. 3967. A bill to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950; with an amendment (Rept. No. 364).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. 1448. A bill to grant the consent of the United States to the Arkansas River compact; with amendments (Rept. No. 363).

By Mr. O'CONOR, from the Committee on the Judiciary:

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day 1949 as a day for a Nation-wide prayer for peace; without amendment (Rept. No. 365).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nominations of three postmasters, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Franklin R. Gossett, to be commander in the Coast and Geodetic Survey.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Utah (by request):

S. 1826. A bill to amend the Railroad Retirement Act of 1937 so as to provide full annuities at half salary or wages, based on the five highest years of earnings, for individuals who shall have completed 30 years of service; to the Committee on Labor and Public Welfare.

By Mr. BALDWIN:

S. 1827. A bill to extend the gratuitous insurance benefits granted by subsection 602 (d) of the National Service Life Insurance Act of 1940, as amended, to parents of certain deceased members of the armed forces without regard to the dependency of such parents, and for other purposes; to the Committee on Finance.

S. 1828. A bill to extend the term of patent No. 2,013,761 for 6 years; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1829. A bill to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo; and

S. 1830. A bill to provide for a determination of the assistance needed for the economic rehabilitation of the Crow Indian Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRICKER:

S. 1831. A bill to amend the Natural Gas Act approved June 21, 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 1832. A bill to amend the Immigration Act of October 16, 1918, as amended; and

S. 1833. A bill for the relief of Mrs. Miriam G. Wornum; to the Committee on the Judiciary.

By Mr. CONNALLY:

S. 1834. A bill for the relief of the widow of Robert V. Holland; to the Committee on Armed Services.

By Mr. JOHNSON of Colorado:

S. 1835. A bill to amend section 1302 (a) of the Social Security Act, as amended; to the Committee on Finance.

S. 1836 (by request). A bill to amend the Civil Aeronautics Act of 1938, as amended, with respect to local enforcement of safety regulation of civil aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 1837. A bill to amend the Trading With the Enemy Act; and

S. 1838. A bill to amend title 28 of the United States Code relating to fees of United States marshals; to the Committee on the Judiciary.

By Mr. McMAHON (for himself, Mr. WAGNER, Mr. MAGNUSON, Mr. McGRATH, Mr. DOUGLAS, and Mr. HUMPHREY):

S. 1839. A bill to incorporate the American Veterans Committee; to the Committee on the Judiciary.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; to the Committee on Expenditures in the Executive Departments.

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor; ordered to be placed on the calendar.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. McKELLAR. On behalf of the Senator from Oklahoma [Mr. THOMAS], a member of the Committee on Appropriations, I submit the following notice in writing:

In accordance with Rule XL of the Standing Rules of the Senate, I hereby give notice

in writing that it is his intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 10, line 7, insert the following after the word "dam": ": *Provided further*, That the project for Oklahoma City authorized in the Flood Control Act of 1946 is hereby modified to provide for construction of the canal plan as presently proposed by the Chief of Engineers at an estimated Federal cost of $10,460,000."

Mr. McKELLAR (for Mr. THOMAS of Oklahoma) also submitted an amendment intended to be proposed by Mr. THOMAS of Oklahoma to House bill 3734, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. Mr. President, I am not in favor of the amendment, but simply offer it for Senator THOMAS in compliance with the rule of the Senate.

ADDRESS BY SENATOR HUMPHREY AT THE TWELFTH ANNUAL DESIGN AWARDS LUNCHEON

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD the address delivered by him at the Twelfth Annual Design Awards Luncheon, held on May 4, 1949, at the Waldorf-Astoria Hotel, New York City, which appears in the Appendix.]

RUSSIAN IMPERIALISM IN CHINA—ARTICLE BY SENATOR McCARRAN

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article entitled "Russian Imperialism in China," written by Senator McCARRAN and published in the current isssue of National Republic, which appears in the Appendix.]

THE PRESIDENT'S MESSAGE TO THE NATIONAL RIVERS AND HARBORS CONGRESS

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD a message addressed by the President of the United States to the National Rivers and Harbors Congress on March 31, 1949, which appears in the Appendix.]

THE SOVEREIGNTY OF THE PEOPLE, THEN AND NOW—ADDRESS BY PAUL HEYNE

[Mr. KEM asked and obtained leave to have printed in the RECORD an address entitled, "The Sovereignty of the People, Then and Now," by Paul Heyne, a student at St. Paul's College, Concordia, Mo., which appears in the Appendix.]

EMPLOYER-EMPLOYEE RELATIONSHIPS—ADDRESS BY VINCENT P. AHEARN

[Mr. MORSE asked and obtained leave to have printed in the RECORD a summary of an address delivered by Vincent P. Ahearn at the annual luncheon meeting of the Chamber of Commerce of the United States, at Washington, D. C., on May 4, 1949, which appears in the Appendix.]

PUBLIC HOUSING AND SLUM CLEARANCE—STATEMENT BY BLEECKER MARQUETTE

[Mr. TAFT asked and obtained leave to have printed in the RECORD a statement entitled "Some Public Housing Essential To Take Low-Income Families Out of Slums," prepared by Bleecker Marquette, past president of the National Association of Housing Officials, which appears in the Appendix.]

PRESIDENT TRUMAN'S HEALTH INSURANCE PROGRAM—REPORT OF COMMITTEE FOR THE NATION'S HEALTH

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a press release relating to the report of the Committee for the Nation's Health, which appears in the Appendix.]

AWARDS BY ANTIDEFAMATION LEAGUE OF B'NAI B'RITH

[Mr. PEPPER asked and obtained leave to have printed in the RECORD citations of awards presented by the Antidefamation League of B'nai B'rith to Dr. Gordon W. Lovejoy, department of human relations, University of Miami; the St. Petersburg (Fla.) Times; and George J. Talianoff, of Miami Beach, Fla., which appear in the Appendix.]

TAX FREEDOM—STATEMENT BY FLORIDA STATE RETAILERS ASSOCIATION

[Mr. PEPPER (by request) asked and obtained leave to have printed in the RECORD a statement on behalf of the Florida State Retailers Association on the subject of Tax Freedom, which appears in the Appendix.]

ELEVENTH HOUR IN CHINA—ARTICLE FROM LONDON ECONOMIST

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Eleventh Hour in China," published in the London Economist of April 23, 1949. The Economist is one of the best informed British publications. I invite the attention of Members of the Senate to this article because I think it clearly outlines some of the problems which are facing both the Government of the United States and the Government of Britain in the present situation in China.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELEVENTH HOUR IN CHINA

The recently established tradition of bipartisan foreign policy in the United States is certainly not operative with regard to the affairs of China, and the last few days have seen the outbreak of a political storm over American aid to non-Communist China which may prove more than a passing phase in American party politics. Following Mr. Churchill's speech at Boston on March 3 in which he described "the collapse of China under Communist attack and intrigue" as the worst disaster since the Allied victory over Germany and Japan, Mr. Harold Stassen—since Mr. Dewey's failure the most fancied candidate for the next Republican presidential nomination—called for American support for a non-Communist regime in south China. Since then it has been stated that the Republican policy committee is endorsing the demand for a special congressional investigation of the Government's China policy, and there have been threats of obstruction of appropriations for arms for Europe unless the demand is granted. On April 14 Congress decided to release $54,000,000 of unexpended China-aid funds for use at President Truman's discretion in non-Communist China. On the other hand, Secretary of State, Mr. Acheson, strongly opposed a bill introduced by Senator McCARRAN for granting China a further $1,500,000,000 of military and economic aid declaring that such aid was "almost certain to be a catastrophe."

There are in fact two distinct issues in current American controversy about aid to China. One is the question of the rightness and expediency of intervention against communism in China, assuming that funds for aid are freely available. The other is the question of priorities as between Europe and China for the expenditure of the not unlimited resources which the United States can spare for its foreign commitments. It might be very desirable to assist anti-Communist forces in China, and yet be inexpedient to do so at the expense of aid sufficient to sustain the economic and military reinforcement of Europe. The prevailing policy of the Truman administration is apparently to give priority to Europe, just as during the war President Roosevelt refused to allow the clamor of the "Pacific Firsters" to divert him from the strategy of concentration against Germany rather than Japan.

But there are strong roots in American tradition for the sentiment which puts the Far East before Europe as an American concern; and it is natural, even apart from political conviction, for the Republicans to exploit so promising a field for discontent with President Truman's policy. For, whatever is now said, the policy has been a failure, and the administration cannot escape criticism. If it is true that the Chinese Government is not worth helping, then why have so many million dollars of American money been spent on what was at best a foolish backing of the wrong horse? If, on the other hand, support for the Chinese Government was the right policy for the United States to pursue, is it wise or dignified to abandon it when only one half of China has fallen to the Communists and resistance to them is by no means at an end? If the administration now abandons China, it condemns its own previous policy; if it claims to have been right previously, it will find difficulty in justifying a panic-stricken retreat from positions not yet proved untenable.

Mr. Acheson has stated that he does not believe that further supplies to the Chinese government would "alter the pattern of current developments in China." What then is the pattern? Since the heavy defeats of the government forces last year in Manchuria and North China, there has been a general belief in the west that nothing can stop the Communist conquest of the whole of China—though conditions in South China are in certain respects quite different from those prevailing in the north. It is also held, and on good evidence, that the vast majority of the Chinese people are sick of war and would welcome peace at any price; but it is not clear why this feeling should now weigh more strongly against the government, if it refuses to submit to terms equivalent to unconditional surrender, than against the Communists, if they insist on continuing the war for the subjugation of the south. So far, in fact, there has been no definite military decision of the civil war that can be regarded as valid for the whole country; there is no merely strategic reason for the government armies in the south to surrender without further military operations. The Communists have so far won on points, but there has been no knock-out blow.

The Communists, however, in the "peace talks" at Peiping have taken the line that nothing remains but to arrange the details of the present Government's surrender, the "reorganization" of its armies under Communist command, and its replacement by a "coalition" government, in which the Communists would have the right to select Ministers to "represent" the Kuomintang, and the only minor parties to be represented would be those already in league with the Communists. The question of the composition of the Government is really subordinate to that of control of the armies, for a genuine coalition between the Communists and their opponents can only be maintained as long as there is a balance of mutually independent armed forces backing each side; in other

words, only if the central government is not a unitary government, but a confederation of two autonomous regional blocs. Otherwise, the Communists will, after using the show of coalition to obtain international—and especially American—diplomatic recognition, purge the non-Communist elements by stages until the coalition is transformed into pure communistic rule.

If President Li Tsung-jen and his generals choose to capitulate and accept terms which mean their elimination by the standard Communist technique, that is their affair, and nobody can help people who do not fight for their own survival. But if the Chinese Government decides that the terms are unacceptable and moves to Canton to continue resistance, with that city as its new capital, what is to be done? Is it to be denounced for destroying the hope of peace in China, or is it to receive at any rate a moderate amount of American aid to give it a chance of holding its own as a regional unit? The Kwangsi troops under President Li Tsung-jen himself and General Pai Chung-hsi, and the Kwangtung forces under Generals Chang Fa-kwei and Yu Han-mou, should be capable of formidable resistance in defense of their own provinces, even if the Nanking-Shanghai area falls to the Communists. If their resistance should nevertheless in the end collapse, the situation could not be worse from an American point of view than that which would be created by capitulation in advance and formation of a pseudo-coalition government doomed to perpetual glissade from purge to purge.

The American—and British—concern with China's civil war does not relate to Chinese internal affairs, but to the effort of the Communists to realign China internationally in open hostility to the western democracies. Mao Tse-tung went out of his way in his statement on the Atlantic Pact to express his uncompromising antagonism to everything for which the western democracies stand. In view of this attitude—which is, after all, the only one which a convinced Marxist-Leninst can honestly adopt—it is plainly in the interest of Britain and the United States to give at least moral support to the existing Chinese Government as long as it remains on Chinese soil and resists Communist conquest. Even if only a small part of Chinese territory could be held, it would keep the political situation fluid and prevent the consolidation of a hostile regime as a national entity, while the condition of China would be no worse than it was between 1917 and 1928, when there were rival governments in north and south, but the Chinese state was never formally divided.

British and American diplomacy, however, appears to be deeply infected with the idea that the Chinese Communists are irresistible, and that there is nothing to be done about it except to submit to the pattern of current developments. It is indeed at first sight logical to infer that, if the government could not win against the Communists when it possessed nearly all the strategic key points of the country, it cannot hope to hold its own if it is driven into a corner of its national territory. But the Communists have so far had their successes in regions where the Kuomintang (which has never grown out of being a party of southerners) never took firm root; where the Japanese occupations (lasting 14 years in Manchuria and 8 in north China) had wiped out all political life except for Communist guerrillas and pro-Japanese collaborators; and where the Communist forces were strategically placed at the outset astride the principal lines of communication. It does not follow at all that the same story will be repeated in the south.

Moreover, it is relevant, in considering the prospects of resistance to communism, to point out that the most reactionary element of the Kuomintang, the notorious CC clique, has now been removed from power, and that the political appeal of communism is liable to be greatly reduced by any signs of alternative progressive leadership. If American diplomacy were to be devoted to the encouragement of social reforms instead of to pressure on the Chinese Government to accept Communist terms, and if military assistance were to take the form of supervision of commissariat, designed to make sure that soldiers get their rations, instead of tardy supplies of largely unsuitable armaments, the chances of successfully opposing communism in at any rate a part of China would not be so poor as is generally believed.

One thing is clear in the current crisis of the Chinese conflict: The political fortunes of President Truman and Mr. Acheson are now very much at stake in the conduct of American policy toward China. Their political opponents in the United States see an opportunity of doing them great damage. Mr. Acheson will certainly be on strong ground in refusing to jeopardize aid to Europe by large expenditures with higher risks on less essential objectives in Asia. America's strongest allies are in Europe, and it is there that money and organization have produced, and will go on producing, the firmest check to Soviet ambitions. But a little aid to China could be made to go a long way; it only needs to be intelligently applied and inspired by a consistent policy, and even if it fails to achieve its purpose it cannot make the Communists more hostile to America than they already are.

J. EDGAR HOOVER

Mr. McMAHON. Mr. President, yesterday I had to attend a meeting of the Foreign Relations Committee, and later attend a meeting of the Joint Committee on Atomic Energy, and did not have an opportunity to join with some other Members of the Senate who spoke at some length, to say a few words regarding J. Edgar Hoover, on the occasion of the twenty-fifth anniversary of the beginning of his service with the Government of the United States.

I do not intend to speak at great length, because I think the tributes which have already been paid to Mr. Hoover, especially by the Senator from Wisconsin [Mr. McCARTHY], are, indeed, illustrative of the high esteem in which not only Members of the Senate, but the people of the United States generally, hold Mr. Hoover. However, I could not let the occasion pass, inasmuch as for 6 years I was associated with Mr. Hoover in the Department of Justice. So I am in a rather peculiar position, perhaps, to testify as to his work.

I was associated with him in the early 1930's, when we were cleaning up the bad situation which was caused primarily, in my opinion, by the aftermath of the unfortunate "noble experiment." It is a tribute to his efficiency, his industry, his honesty, and his integrity that that work was carried forward with vigor and dispatch. I wish for him many future years of service, which I know will be of value to the people of the United States. I congratulate him on having achieved his silver anniversary with a reputation that is unsullied and unblemished. It is a source of great satisfaction to me that I am able to pay him this tribute.

EMPLOYEES IN THE POST OFFICE DEPARTMENT—TESTIMONY OF POSTMASTER GENERAL DONALDSON

Mr. LANGER. Mr. President, yesterday the distinguished Senator from Illinois [Mr. DOUGLAS] said something about there being too many employees in certain departments of the Government. I have in my hand the testimony given by the Postmaster General, dealing with that subject, which I ask to have printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the committee, as related in my previous statement to this committee, the Post Office Department is today faced with the largest deficit in its history. This large deficit is brought about by things over which the Post Office Department has little or no control. Long-deserved wage increases have been granted to postal personnel beginning with July 1, 1945. Transportation and other costs of providing a postal service are constantly rising. The estimated deficit for the current fiscal year is about $550,000,000.

It is my firm belief that the question of what shall be done about reducing this deficit must be faced now.

No fair-minded individual should ask the Post Office Department to continue to operate under such unsound financial conditions. I have previously pointed out that our costs this year are more than $800,000,000 in excess of what they were 3 years ago. This increase in costs has not been due to any mismanagement. Had we not absorbed a large amount of these increased costs the deficit may well have been more than $750,000,000.

I have recommended increased rates on mail matter of the second, third, and fourth classes and increased fees covering most of the special services. There has been considerable opposition to the increased rates and increased fees. This opposition comes from the users of these three classes of mail and special services involved. The opposition is natural as no one likes to pay increased prices for the things they have to buy. I have no criticism to offer because the users of the mails are opposed to these increased rates and fees. I do desire, however, to criticize some of the methods of opposition and the reasons given for the opposition.

I am disappointed in some of the opposition where there has been a desire to criticize the Post Office Department, charging inefficiency, waste, and poor management, and a failure on the part of the Department to modernize and streamline the service. Such opposition can be construed as a direct reflection not only upon the officials of the Post Office Department but also upon the half a million loyal postal employees who handle the billions of pieces of mail for those who oppose increases in rates, most of which are handled at night while those who oppose these increases sleep.

No one could be more desirous than I am to see that all waste and inefficiency is eliminated wherever it may be found, and we in the Department are constantly striving in that direction. As previously related to this committee, there is some waste and inefficiency in any large business organization. There is no more in the postal service than can be found in nongovernmental business institutions of much less size in volume and scope than the postal service.

I am inclined to ask: Where is the waste? What suggestions have been made for streamlining the postal service? What do they suggest we do to decrease the cost? What is the modernization they imply we should adopt? What substitutions do they offer for the human eyes, hands, legs, and brain so necessary to perform the particular functions peculiar to the postal service?

I have repeatedly stated that 95 percent of the cost of the postal service is for salaries

and transportation of the mails. I have no control over either. I have also stated that 85 percent of the manpower in the postal service is devoted to the collection, the distribution, the transportation, and the delivery of the mails.

Do those who oppose increased rates and fees desire that I reduce the cost of the service through reductions in the kind of service rendered? I can reduce costs by placing all rural service on a tri-weekly basis instead of a daily basis. I can reduce the costs by placing all city delivery service on a one-trip basis in residential sections and two trips in business districts. I can reduce cost by shortening the hours of all window service to the public. We can do many things to decrease costs by reducing or curtailing service to the public.

I do not believe that we are rendering a super service which could be subjected to any such curtailment. I am interested in improving the service to the public and not in the curtailment of the service.

Our accounting methods are as accurate as those of any business institution. They are more voluminous and detailed than we would like but practically all such methods are required by law.

I feel that it is not only my responsibility but my duty to report to the Congress on the fiscal condition of the Post Office Department, and in doing so make such recommendations as I feel the existing conditions justify in the light of this large deficit. In presenting these recommendations I do so without any criticism of the Congress or of the users of these classes of mail which are largely responsible for the deficit. The greater the mail volume of low-revenue producing mail, the larger the deficit.

A deficit of over half a billion dollars necessitates additional revenue as there is no opportunity to reduce the cost of the service through reductions in salaries of the postal people or lessening the cost for transporting the mails. As a matter of fact many bills are now pending before the Congress having to do with increased salaries for the postal personnel and cases are pending before the Interstate Commerce Commission and the Civil Aeronautics Board for increased costs in the transportation field, by both surface and air.

It has not been possible for me to read all of the briefs that have been filed before this committee by those opposing increased rates and fees. Time has not permitted me to prepare detailed rebuttal to all of the statements made in opposition to increased rates, even if I did desire to go into all of the details. I think much of the testimony of the opposition has been irrelevant so far as the issue is concerned, but of course I recognize the reasons given as perhaps being paramount to those who oppose increased rates.

Second-class mail is responsible for over $200,000,000 of the deficit and any fair person should realize that this class of mail should pay more postage in order that the burden of the Post Office Department may be distributed where it belongs. Subscription rates will advance accordingly, it is true, but in the end this will result in equalization and not placing the burden on users of the other classes of mail. All of the other classes, except first-class mail, have already had rate increases. Publishers have strongly opposed any increases since 1934 and were successful in preventing inclusion of postage raises on newspapers and other periodicals when the revenue act of 1943 raised rates all along the line. Early in the last session of the Eightieth Congress many hearings on the revision of postage rates and fees to reduce the mounting postal deficit were held and the publishers as a group were successful in opposing any increased rates on second-class matter. At that time it was proposed to raise only about $10,000,000 a year from this class of mail, and notwithstanding the fact that rates on third- and fourth-class matter, air mail, and all the special services were increased effective January 1, 1949, no action was taken with reference to increasing the rates on second-class matter. Had the publishers shown a more cooperative and reasonable attitude and agreed to the moderate rate proposed they would not now be confronted with the need of a much greater increase at one step-up as a result of the great advance in the cost of operating the postal service due to causes beyond the control of the Department.

What the publishers know—but what most folks don't know—is that the present second-class rates are a survival of one of the early congressional acts made under conditions that have long since ceased to exist. Very few people outside of the publishing business know of free mailing privileges within the county of publication. Very few people realize that most publications can be mailed for a year to any address from coast to coast for less than the subscribers pay at home where the publishers make their own delivery. Those who do know this frequently ask: "Is it so essential to the dissemination of news that publications be carried far and wide at taxpayers' expense? Should the taxpayers who make up this large deficit be required to do so whether or not they are readers of these publications?" Suppose the readers do have to pay more for the publications—suppose advertisers do have to pay higher space rates—suppose the advertisers do pass the higher advertising costs on the consumer—would that be bad?

Each and every time there is any recommendation submitted for increasing rates on second-class mail matter the publishers repeatedly charge that the Post Office Department is old-fashioned in its methods and that its cost ascertainment is inadequate. It is alleged that the cost-ascertainment figures are unreliable and that we allocate charges to second-class mail improperly, especially as it applies to rural and star-route delivery and delivery at third- and fourth-class post offices. They charge also that we fail to credit for services performed by publishers in routing, sacking, and transporting to trains, etc.

The portion of the total cost of the rural delivery service for 1948 ($132,150,000) allocated to second-class mail is $44,426,000. The expenditures for rural delivery service allocated to second-class matter are based on the volume of such mail handled and the cost of the service actually performed. The publishers emphasize the needs of the farmer and other rural people for daily newspapers and are not content with the delivery available by mail, but in many cases set up their own carrier service. I am sure that publications made their profit largely from advertising and to get it must cover the area to which their advertisers look for trade. Around 30,000,000 people, or more than one-fifth of the entire population of the country, are served by rural routes, and they are large purchasers of all kinds of merchandise, equipment, and other articles. The argument that the rural-delivery service should be regarded as a subsidy to the farmer is unsound and inconsistent. It disregards the fact that the business of supplying the needs of the rural population constitutes a very large portion of the total for the whole Nation, amounting to billions of dollars.

Obviously without the service rendered by the thousands of small post offices and rural and star routes, the vast market made available to the manufacturers, dealers, and others through the media of these postal facilities would not exist, and what has become a billion-dollar trade would slow down to a mere trickle. It would be just as logical to say that the cost of carrying the mails from the point of origin to the small offices and routes should not be charged against such mail as to contend that the cost of delivery thereof at such offices and on these routes is not a proper charge but constitutes a service accorded on a subsidized basis as a matter of policy in the interest of the general public. In other words, why subsidize only part of the way?

The foregoing comment also answers the claims of publishers and users of third- and fourth-class mail, as well as the special services, that the salaries and other costs of maintaining the small third- and fourth-class post offices should not be charged against second-, third-, and fourth-class mail and the special services, but should be treated as a subsidized service to the rural population.

The fact is that the postal service is set up and operates to handle all classes of mail and services rendered. Since postal services, other than first class and domestic air mail, produce about 48 percent of the revenue and constitute 94 percent of the weight and 44 percent of the pieces of all mail, the fallacy of considering these services as "fill in" or "byproduct" services is apparent.

With respect to the argument that the cost ascertainment fails to credit publishers for services they perform in routing, sacking, and transporting their publications to other points, etc., this is plausible on its face but is without merit. The handling and delivery of second-class matter on rural routes is burdensome and time consuming.

The volume is great, in many cases the only matter deposited in a rural box by the carrier, and the allocated expense is that actually entailed in performing the job of delivering pieces of each particular class of mail. The law granting the second-class mailing privilege specifically requires publishers to prepare their mailings in such manner as may be directed by the Postmaster General in order to offset the cost of handling the matter. This is not a new requirement but has been in effect for more than 50 years. The weighing of copies of publications at publishers' plant and the transportation of the copies by the publishers to other post offices, etc., is a procedure followed at the request of the publishers to assure early delivery and often for competitive reasons. The only saving to the post office is that of transportation, which is only a fraction of the over-all cost of effecting delivery of the individual pieces. The requirement that publishers sort and sack their publications by post offices and routes is one of the conditions incident to the publications enjoying second-class mailing privileges. If the publishers did not perform this service, they would be required to pay higher rates.

In criticizing the cost ascertainment allocation of expense to the several classes of mail and special services, reference is made to the statement in the Hoover Commission task force report on the post office: "At the present time the Department is not in a position to recommend to the Congress a full and proper charge for any of its services because it is not equipped to prove what reasonable costs of these services should be." However, the critics ignore the further statement of the task force that "in the meantime, however, necessary revision of rates should not be postponed." Furthermore, they give no consideration to the statement of the task force: "The cost ascertainment has been in operation over 20 years and has been refined and improved many times, and has received the approval of several well-qualified independent examiners."

The objections of individual publishers, as well as the representatives of the various publishing groups, to increasing the postage rates on newspapers, magazines, and other periodicals follow the same pattern which indicates a joining of forces and collaboration to conduct an all-out, determined campaign to prevent any increase.

It is claimed the proposed rates are too high; that the additional postage required

will exceed the profits of the publishers; that the increase cannot be passed on to subscribers or advertisers and would drive publications out of the mails and in many cases ruin the publishers and put them out of business entirely. This argument is specious and ignores the fact that publishers have increased subscriptions and advertising rates to meet higher costs for all other items incident to the publishing business. It would appear some way can be worked out to meet the additional postage expense by spreading the increase among subscribers and advertisers; also by curtailing expenditures and adopting more efficient and economical methods in carrying on their business, as the publishers so insistently demand of the Post Office Department. It is known, and generally admitted by publishers, that they do not net a substantial return from subscriptions but pay the major portion of the subscription price to agencies or otherwise use it to cover the cost of obtaining subscriptions. Here is something that calls for remedial action on the part of publishers generally in order to effect better and more economical methods of obtaining subscriptions.

Notwithstanding these facts, many publishers are currently soliciting long-term subscriptions at special prices in order, as is understood, to maintain the circulation which they guarantee to advertisers under an agreement to refund a portion of the payment for advertising space in the event the guaranteed circulation is not maintained.

Practically every witness opposing increases in the second-class postage rates has alleged that this is no time to raise such rates; that business generally is experiencing a decline and that advertising is falling off. As to the latter, it can be pointed out that the percentage of advertising appearing in most publications as reported in recent issues of various business periodicals devoted to the publishing industry has not decreased to any considerable extent as compared with the peak of a year or two ago. As a matter of fact, recent issues of some periodicals have carried a greater percentage of advertising than they did a year ago.

The fact that the recommended increases for this class of matter when expressed percentagewise range from 200 to 600 percent or more is mentioned by most publishers. This sounds big but when figured on the basis of postage per copy or increase per subscriber per year, the increase is not so great as to be impracticable to meet. It would amount from only a fraction of a cent to 2 cents per copy or from less than 25 cents to not more than $1 on an annual subscription basis, the average being around 50 cents for dailies for which the additional postage would be greater because of their many issues, up to 365 a year.

In view of all the facts and circumstances the proposed rates are neither fantastic nor unreasonable when considered from the angle that even after the second raise, the revenue from second-class mail would still fall short by over $100,000,000 annually of covering the cost of handling this mail.

Publishers say that the elimination of all second-class mail would not reduce the overall expense of operating postal service in like proportion—some claiming the saving would not even equal the loss of revenue. On this point the question has been asked by many, at the hearings, in letters from Members of Congress, and in the press: "How much would the postal deficit be if there was no second-class mail?"

This question has been carefully studied by the Director of Cost Ascertainment and it is his opinion that the withdrawal of second-class matter from the mails would effect annual savings of more than $95,000,000, not including the substantial savings in the rural, star route, and other services. The amount is considerably in excess of the postage (approximately $41,000,000) derived from such mail.

Great emphasis has been placed by publishers (as well as by other mail users) on the consequential results from the proposed rate increases—such as unemployment in the publishing industry and many others dependent on it; decreased need for paper with like results in that field; reduced demand for commodities, services, etc., following withdrawal of advertising, etc. This view is believed to be much exaggerated. As some witnesses have admitted, ways would be found to meet the higher postal charges without the dire results predicted. Emphasis has also been laid on the educational value of newspapers and other publications and their importance as a means of disseminating public information, promoting trade and industry, or increasing knowledge of literature, the sciences and arts. It is claimed higher postage rates on second-class matter would hamper the production and cut down circulation of publications and so defeat the intent of the original law granting low rates and special privileges to this class of mail. These fears, too, may be discounted for it is not felt that the action likely to be taken by Congress on rate revision will discard the favorable consideration which this class of mail has so long enjoyed.

Publishers stress value of newspapers as disseminators of public information, unifying people of the Nation, educational character, promoters of trade and industry. All this is granted but does not warrant continuance of nominal rate of postage in light of great increase in cost of operating postal service at such a tremendous deficit for which second-class matter is so largely responsible.

Many objections have been made to the definition of the term "advertising" as used in the pending bill, particularly the proposed classification of so-called "readers" or "write-ups" as advertising. Publishers allege all kinds of dire results, censorship, interference with the freedom of the press, confusion, and a tremendous increase in personnel to determine what is advertising, etc. As a matter of fact the provision in question is now embodied in paragraph 8 (a), section 541, Postal Laws and Regulations, except the last portion which relates to "merchandise write-ups" giving name of manufacturer, dealer or the source of supply together with prices, in connection with which the publisher furnishes information obviously designed to enable the reader to obtain the items featured. The examples of the possible application of the provision given by publishers are absurd.

A number of witnesses have stated that they have no objection to it but only to the addition of the provision regarding "merchandise write-ups." Because of the constantly spreading practice of carrying such matter, which actually constitutes a most effective method of promoting the sale of merchandise, and the fact that some publications feature such matter to such extent in such manner as to simulate a catalog, it is felt that legislation on the subject is necessary. In its report on the survey of the Los Angeles post office, the representatives of the General Accounting Office criticized the Department's liberal rulings on this type of matter.

While the witnesses representing publishers' groups or associations have refused to agree to any second-class postage rate increases, individual publishers have said they would not object to "reasonable" or moderate increases. Questioning developed that most of them thought a 5-percent increase per year over a period of several years, up to five, would be acceptable. Others suggested one 10-percent increase. Obviously, such small increases would make no noticeable dent in a deficit of over $200,000,000 for this class of mail. It is refreshing to note that the National Editorial Association, representing 1,893 weeklies and 223 small dailies—"grass-root papers"—went on record at their recent meeting in New York City to agreeing to some increase in second-class mail rates, "perhaps as much as 50 percent over present rates, plus withdrawal of the free-in-county privilege."

Those who have opposed increased rates for third- and fourth-class matter have indicated that unless second-class mail matter is made to bear more of the burden there is no justification for increasing the rates on other classes of mail. There is some merit to this argument, but, nevertheless, the Department feels that there should be increases in the present rates on second-, third-, and fourth-class mail, and that these rates should be such as would distribute the cost of the postal service in the places where it belongs. In other words, there should be some equalization, and higher rates on certain classes of mail should not be made in order to eliminate the large deficit in the handling of second-class mail.

The rates recommended on third-class mail (circulars) and on fourth-class mail (parcel post) are fair. The loss in the handling of third-class mail this year will be approximately $129,000,000, and there is no justifiable reason why such class of mail should be handled at 1 cent per piece where the cost of handling is equal to that of handling first-class letter mail.

There is urgent need also for raising the rate on Government postal cards and private mailing cards from 1 to 2 cents. The cost to the Department is approximately 2.6 cents to handle this class of mail, and there is no reason why the rate should not be raised to 2 cents apiece and the bulk-mail privilege eliminated.

TREASURY AND POST OFFICE DEPARTMENTS, ETC., APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES] to suspend the rule in order that a certain amendment may be offered.

Mr. FERGUSON. Mr. President, the motion before the Senate is similar in words and figures to that made with respect to the social-security appropriation bill. That bill is now, in effect, on the table because of a motion to reconsider the vote by which the bill was recommitted.

I realize that one who in the past decade or so has advocated economy in government has been on the unpopular side. Nevertheless, it is a problem which faces us. Even though economy in government is unpopular, it is vital to the interests of the American people.

This being a representative Government, those who come here to represent the people of the States must decide the issue as to what shall be expended for the purpose of operating the Government of the United States. The Government itself has no money. Its only source of revenue is the citizens of the various States who, of course, under the Constitution are citizens of the United States. As we face this problem we are always reminded that if we cut the expenses of government we shall of necessity reduce the salaries of Government employees and/or reduce the number of employees. I think it is clear that

we must determine the amount of money we can raise, and then determine what services we can get for the money we are able to raise to operate the Government.

Two days ago it was reliably reported that the economic advisers to the President asked him to hold down spending. That report has not yet been officially released from the White House, but it has been stated in the press that it has been unofficially rendered to the President. I anticipate that in due time the President will release the report which was made to him, whether it was made in conformity with his previous political promises or not, because after all, the money which we raise must come from the citizens of the country, and it is to be used to render services to them.

We realize that there is no department which comes before the Committee on Appropriations which does not insist that even the amount allowed by the President in the budget is inadequate to operate the department. Half an hour ago, in an open committee meeting, the Chairman of the Federal Communications Commission was asked whether the Appropriations Committee should attempt to distribute a 5-percent cut in the appropriation, or whether he would prefer to apply the cut in the manner that he saw fit, knowing how much he could have. Naturally he favored the course which is outlined in this motion.

But, Mr. President, he did raise his voice and say that his Commission could not take any cut, that the amount in the budget was too small. As I say, everyone who operates a department or bureau with thousands of employees insists that he cannot take a cut. But the time has come when cuts must be made, for we are informed that the President's Council of Economic Advisers has told him that the cost of government must be reduced sufficiently to bring the expenditures of the Government within its income.

Mr. President, as I have said, there are those who insist that if reductions are made in the appropriations, it will be necessary either to reduce the pay received by Government employees or reduce the number of Government employees. Therefore, as we contemplate making reductions in the appropriations for the Post Office Department, it is stated by some persons that reductions in the postal appropriations, if made, must result in either a reduction in the pay of the postal employees or a reduction in the number of postal employees. The statement is made on the floor of the Senate, "We cannot cut the appropriations for the Post Office Department, for already it is operating at a deficit." It happens that the Post Office Department is one agency of the Government which has an income; it has a revenue from the services it renders to the public. Yet today it is operating at a deficit. There are many other departments of the Government which have no particular income from the services they render; they operate at what might be called a total deficit, insofar as any income is concerned. However, it is specifically stated on the floor of the Senate that we cannot make reductions in the appropriations for the Post Office Department because it is already operating at a deficit.

In that connection I wish to refer to the report of the Hoover Commission's task force on the Post Office Department, known as Appendix 1, filed with the Senate in January 1949. I should like to read a few of the statements contained in that report. On page 66, part V, under the heading "Costs and savings," I read the following:

> Based on broad experience in business and industry, and predicated on knowledge of what has been done in commercial operations, the study of the Post Office Department indicates that total annual expenditures in post offices having receipts of over $1,000,000 per year can be reduced by $90,000,000 if operations are placed under better management control.

The report singles out the large post offices having receipts of over $1,000,000 a year, and after making a study of the matter, the task force says that in those post offices alone, if operations are placed under better management control, a saving of at least $90,000,000 can be made.

Now I wish to refer to the report of the House committee, which had something to say about the deliveries of mail. On page 16 of the report we find the following:

> There is a wide discrepancy at the present time in city delivery service, particularly in residential areas, with the deliveries ranging from one to three per day. It is the belief of the committee that the Department should maintain a continuous check of this situation with the idea of effecting every possible economy. The committee is not taking the position that all residential areas should have only one delivery a day; neither is it convinced that three deliveries a day are required in all residential areas now enjoying that service. Mail volume should be the controlling factor in determining that more than one delivery per day is necessary.

Mr. President, that statement indicates the sort of things the Hoover Commission's task force was talking about.

I read further from its report, on page 66:

> If postal volume and the general level of all costs continue to rise, these excessive expenditures will become even greater in future years. In order to achieve the indicated savings, however, it will be necessary to expend annually an amount which should not exceed a peak of $8,000,000, plus minor capital expenditures, for the modernization program recommended in part V. This will leave net savings of over $80,000,000 per year at present volume and at current wage and salary levels.

So, there could be savings of over $80,000,000 a year at the present volume and at current wage and salary levels.

Then the report states:

> In addition to the foregoing net savings of $80,000,000 annually, it is conservatively estimated that further annual savings of at least $60,000,000 are possible from improvements in methods and equipment requiring extensive development or major capital expenditures.

I wish to call attention to the last statement appearing on that page:

> No one item of savings will be spectacular in itself. The measure of operating improvement in the postal establishment will be the cumulative effect of many individual savings leading to a very substantial total. Because of the continuing growth in the postal business (it doubled on the average every 11 years for 80 years prior to 1929 and doubled again in 14 years from 1934 to 1948) it is unlikely that any reduction in total expenditures will take place. Instead, the estimated savings will show up in improved productivity of the present organization and a reduction in the rate at which the organization must grow to meet the increasing volume of business.

Mr. President, I ask unanimous consent that all of part V of the Hoover Commission's task force report on the Post Office Department be printed at this point in the RECORD.

Mr. McMAHON. Mr. President, I am sure it is understood that the matter to be printed in the RECORD will appear in fine type; is it not?

Mr. FERGUSON. Yes. The RECORD will indicate that the statements come from the official report of the Hoover Commission's task force studying the Post Office Department.

The VICE PRESIDENT. Is there objection?

There being no objection, part V of the report was ordered to be printed in the RECORD, as follows:

V. COSTS AND SAVINGS

Based on broad experience in business and industry, and predicated on knowledge of what has been done in commercial operations, the study of the Post Office Department indicates that total annual expenditures in post offices having receipts of over $1,000,000 per year can be reduced by at least $90,000,000 if operations are placed under better management control. If postal volume and the general level of all costs continue to rise, these excessive expenditures will become even greater in future years. In order to achieve the indicated savings, however, it will be necessary to expend annually an amount which should not exceed a peak of $8,000,000, plus minor capital expenditures, for the modernization program recommended in part V. This will leave net savings of over $80,000,000 per year at present volume and at current wage and salary levels.

In addition to the foregoing net savings of $80,000,000 annually, it is conservatively estimated that further annual savings of at least $60,000,000 are possible from improvements in methods and equipment requiring extensive development or major capital expenditures. Development and perfection of the necessary methods and equipment would be carried on within the organization recommended in part V, the cost of which is included in the $8,000,000 mentioned above. Authorization of the capital investment required for widespread application of perfected improvements should, of course, be dependent on prior demonstration of their practicability and money-saving value.

The increased expense required to make possible the estimated savings will be occasioned primarily by adoption of the recommendations dealing with organization, financial and accounting control, control of costs and methods, and personnel administration. The maximum annual expenditure of $8,000,000 will not be reached for several years because a number of the recommendations, particularly those concerned with cost controls and methods improvements, will require time for planning, development, and gradual installation.

The length of time which will elapse before the peak of expense is reached will depend on the energy with which the program is pursued, but it will probably not be less than 3 years. Conversely, the estimated savings to be achieved will not reach peak level until the program is in full operation.

No one item of savings will be spectacular in itself. The measure of operating improvement in the postal establishment will be the cumulative effect of many individual savings leading to a very substantial total. Because of the continuing growth in the postal business (it doubled on the average every 11 years for 80 years prior to 1929 and doubled again in 14 years from 1934 to 1948) it is unlikely that any reduction in total expenditures will take place. Instead, the estimated savings will show up in improved productivity of the present organization and a reduction in the rate at which the organization must grow to meet the increasing volume of business.

It should be noted that the estimated additional expense for the Post Office Department will not represent $8,000,000 added expense for the Federal Government as a whole because of estimated savings on the order of $2,000,000 annually which will be reflected in the expense of the General Accounting Office and the Civil Service Commission by adoption of recommendations in this report bearing on their operations.

All the advantages to be realized by the Post Office Department by adoption of the proposed modernization program cannot be measured in dollars alone, nor can all of the financial gains be estimated at this time. Gains will also accrue from such factors as:

1. Better financial control.
2. Better management through on-the-scene direction of field operations.
3. Better recruitment of personnel.
4. Better training of postal workers and supervisors.
5. Better utilization of transportation facilities.
6. Better commercial practices.

After all possible savings in postal operations are effected, however, there will still remain a large deficit. Of major importance, therefore, will be the fact that adoption of the recommendations herein will provide more facts upon which to base consideration of adjustments needed in rates and classifications in order to bring revenues and expenses more nearly into balance.

In the last analysis, implementation of the proposed program will require additional annual expenditures of about $6,000,000 by the Federal Government. This amount will represent less than one-half cent of every dollar of postal revenue, and should be repaid many times over.

Mr. FERGUSON. Mr. President, I call attention to the findings of the task force of the Hoover Commission in order to demonstrate that the proposed reduction of 5 percent in the appropriations for the Post Office Department would not require the Postmaster General to attempt to do the impossible. It is apparent that reductions in the expenditures of the Post Office Department can be made, and if we are to make such reductions in its appropriations, Senators should not insist upon the point of order, but should allow the Senate by majority vote to determine the amount of the appropriations for the Department.

In this connection, Mr. President, I may point out that four other Senators and myself have proposed to the rules of the Senate an amendment which would permit the Senate by majority vote to determine a question of this kind. That proposal is now before the Committee on Rules and Administration. It is obvious that it is difficult to find a scientific method, shall we say, of requiring the man who is in charge of the particular service to make the necessary cuts or reductions. Of course, to some branches of the Department he might choose to allow the full amount appropriated for their purposes, but he might determine that he could make cuts of up to 20 percent in the funds allowed to other branches of the Department.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. SALTONSTALL. Is not that particularly true of the Post Office Department, which is dependent upon the volume of business, so that if one section of the country has perhaps a recession in business and the volume of post-office business in that section falls off, the Postmaster General and his aides have a peculiar opportunity for taking advantage of cuts through administrative ability?

Mr. FERGUSON. I agree with the Senator from Massachusetts. I think that is true in the case of an income-producing department such as the Post Office Department. The Postmaster General would be allowed to determine from time to time whether he could cut more in one branch of the service than in another, rather than the committee at this date determining where reductions should be made. I think that is the scientific way to do it.

There is another way of doing it, of course, that would not be subject to the point of order. That is for the Congress to make a flat cut of 5 percent, or to say to the department, in substance, "You may use 95 percent of a particular fund." That would leave no discretion to the particular department. It would have to use 95 percent of a given fund appropriated for it. Such a method would not permit the use of discretion, which is a scientific way of handling the matter, because we realize that some departments may have increases in income, and others decreases, and they would be in better position to make the determination.

Having spoken before upon this subject, I wanted to call attention to the particular statements in the task-force report which I have quoted and to ask the Senate to consider them. A two-thirds vote is required to adopt the motion to suspend the rule, but I hope the Senate will give the two-thirds vote, so that in passing this bill we may follow the suggestions of those who are advising the President that there should be a cut in the expenditures of government, that taxes should not be increased, and that deficit spending should be avoided.

Mr. LANGER. Mr. President, yesterday three different Senators stated upon this floor that they were examining the Post Office Department; one of them, in the Committee on Expenditures in the Executive Departments. The committee was having a long and extended hearing, in order to see how much could be saved.

I hold in my hand the La Follette-Monroney Act, and I call particular attention to paragraph 3, page 15, relative to the duties and powers of the Committee on Post Office and Civil Service, which reads as follows:

3. The postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.

I understand perfectly well of course what the attitude was last year, when the Committee on Post Office and Civil Service spent many weeks considering questions affecting the Post Office Department and salaries. The committee meetings were well attended. As I recollect now, we always had a quorum. The proceedings were published, and it took nearly 800 pages of what we call the green book to cover the testimony. When we finished, the distinguished chairman of the Appropriations Committee walked in one morning, without having consulted, so far as I know, a single member of the committee, and said, "The Republican policy committee has met. You are going to have so much money and no more." The Senator did not inquire as to what the evidence showed. I believe he cared less. Of course I protested to the Republican policy committee.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. BRIDGES. I did not know the chairman of the Appropriations Committee during the 2 years of the Eightieth Congress had that much influence. I am glad I was effective, if I was in undertaking to keep down the cost of government.

Mr. LANGER. I may say to my distinguished friend that when the distinguished Senator appeared we took a record and a transcript. If the Senator is interested in having the transcript read upon the floor of the Senate, of course I shall be glad to get it. But I think the Senator will admit that he did not approach a single member of the committee, certainly not the chairman of the Committee on Post Office and Civil Service. He walked in one morning about 10:30 and said, "There is so much money available, and that is all you are going to get. That is exactly an amount not to exceed one-half billion dollars."

Mr. BRIDGES. I do not recall. I remember being there, and I remember questioning the committee on going overboard in the expenditure of money. If it had some effect, I am very greatly pleased, but I did not realize that it had had that effect. If the distinguished Senator says it did, I accept his statement.

Mr. LANGER. I want to say to my friend that it did not have any effect on the Senate Committee on the Post Office and Civil Service, but unfortunately it had some effect on the House of Representatives. The result was, when we met in conference, the distinguished Senator from Vermont [Mr. FLANDERS] chairman of our subcommittee, was met, as was the Senator from Ohio in connection with two or three of his bills, including housing and Federal aid to education with a determined position by the House managers. They simply sat down and said, "When you are ready to vote for what we have agreed on, we will vote with you. If you do not vote for this, you will get nothing." The distinguished Senator from Vermont and the other Senate conferees took what the House managers were willing to give us; which of course, as the Senator knows, was in many instances entirely inadequate.

Mr. BRIDGES. Mr. President, if the Senator will yield, I may say I have observed him in action and have noted his ability. I saw the Senator one day on the floor of the Senate get $12,500,000 for a certain project. I have not observed that the Senator is at all bashful in endeavoring to get what he wants.

Mr. LANGER. I may say to the Senator, that is the best $12,500,000 that has been spent in behalf of the farmers in submarginal areas for a very long time. For example, it is going to wipe out typhoid fever.

Mr. BRIDGES. How is it going to wipe out typhoid fever?

Mr. LANGER. It is going to do that by reason of the fact that on some of the submarginal farms the water supply is too near to the toilet facilities, as the Public Health Department has reported at various times.

Mr. BRIDGES. On the great farms in North Dakota, is there not space enough so that the water can be drawn in one place, and the toilet facilities be located in another place?

Mr. LANGER. I am not discussing alone the farms of North Dakota. I am also discussing the farms of New Hampshire, which I understand are very small, and where land is at a great premium.

But I want to return to the La Follette-Monroney Act, with reference to the powers and duties of committees, in which, in the case of the Committee on Post Office and Civil Service, it is provided:

3. The postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.

I am sorry the junior Senator from Michigan is no longer present. I have here the testimony of Mr. Jesse Donaldson, Postmaster General, given yesterday before the Committee on Post Office and Civil Service. It will be remembered the Post Office Department is being criticized, yet, yesterday, Mr. Donaldson had this to say:

I am inclined to ask, where is the waste? What suggestions have been made for streamlining the postal service? What do they suggest we do to decrease the cost? What is the modernization they imply we should adopt? What substitutions do they offer for the human eyes, hands, legs, and brains so necessary to perform the particular functions peculiar to the postal service?

I am delighted to see the Senator from Michigan is now present. I am reading from the testimony of Postmaster General Donaldson, given yesterday. I shall start again. I am reading a portion of his testimony which I think is material. He says:

Where is the waste?

Did anybody appear before the Committee on Post Office and Civil Service to point out a single bit of waste? Mr. Donaldson continued:

What suggestions have been made for streamlining the postal services?

Was anybody there, offering any suggestions?

Mr. Donaldson asked:

Where is the waste? What suggestions have been made for streamlining the postal service?

Did anyone offer any suggestions?

He asked, further:

What do they suggest we do to decrease the cost?

Did anyone offer any suggestions?

He asked, further:

What is the modernization they imply we should adopt? What substitutions do they offer for the human eyes, hands, legs, and brains so necessary to perform the particular functions peculiar to the postal service.

Mr. President, who is to blame if there is a deficit? It goes right back to the Eightieth Congress. There was a bill introduced last year to compel such magazines as Life, Time, Fortune, and Newsweek, to pay what they should pay. It was shown that the taxpayers paid a subsidy of $9,000,000 a year for the benefit of the magazines I have mentioned. Our committee reported the bill. In the discussion of the Marshall plan there was an item of $10,000,000 inserted so that Life, Newsweek, Fortune, and Time magazines could send their literature into foreign countries.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Louisiana.

Mr. LONG. Does the Senator agree with me that one of the most wasteful things in the entire Post Office Department is the ridiculous amount paid as a subsidy to air lines?

Mr. LANGER. That is correct.

Mr. LONG. The only thing Congress can do in connection with the situation is to pass a law to put an end to it.

Mr. LANGER. I agree totally and entirely with the Senator in connection with that matter.

Mr. LONG. The Postmaster General has no control over it whatsoever, and he could not reduce the expense if he wanted to.

Mr. LANGER. I again agree with the Senator.

The Postmaster General said:

I have repeatedly stated that 95 percent of the cost of the postal service is salaries and transportation of the mails. I have no control over either. I have also stated that 85 percent of the manpower in the postal service is devoted to the collection, the distribution, the transportation, and the delivery of the mails.

Do those who oppose increased rates and fees desire that I reduce the cost of the service through reductions in the kind of service rendered? I can reduce costs by placing all rural service on a triweekly basis instead of a daily basis. I can reduce the costs by placing all city delivery service on a one-trip basis in residential sections and two trips in business districts. I can reduce costs by shortening the hours of all window service to the public. We can do many things to decrease costs by reducing or curtailing service to the public.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. LANGER. I yield.

Mr. FERGUSON. The Senator raised the point, as did also the Senator from Louisiana, of the air-line subsidy, stating that the Postmaster General has no control over it. There is no doubt about that. A subcommittee of the Committee on Expenditures in the Executive Departments, of which I was chairman last year, started an investigation. We talked to the Postmaster General with reference to it. There is no doubt that he is not able to control the expenditure. But the record shows that another Department has something to do with it, and cooperation between the two Departments could accomplish a great deal. We are granting routes to certain air lines which are in competition with other air lines, which reduces the amount of income. We discovered that we must keep the companies in the black and out of the red by virtue of a subsidy in connection with the carriage of mail. In other words, the mail-carrying companies, operating outside the United States, are not permitted to go into the red because the United States Government subsidizes them to keep them in the black. It was demonstrated that meals cost almost as much as does the transportation of passengers, but the Government, through a subsidy, which is unknown to the public, and is not in the open——

Mr. LANGER. It is in the open.

Mr. FERGUSON. Yes; but it is unknown to the public. The public does not realize that a part of the cost of a high-priced meal on an air liner is being paid for by the United States Government through a subsidy.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LONG. Is it not true that the proper thing to do would be for us to change the law which requires such foolishness as the payment of subsidies because air lines may make a loss?

Mr. FERGUSON. I agree with the Senator that we should stop it. But until we pass such a law, the various departments should coordinate and cut down expenses so that the Government would not have to pay this large sum. I agree that we should pass such a law. It should have been passed long ago, and I so advocated.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MAYBANK. How can we cut the appropriation 5 percent when these subsidies must be paid? The attention of the distinguished Senator from Michigan was invited to page 6 of the report. The situation cannot be corrected without a law.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. BALDWIN. I should like to ask the Senator from Michigan a question, if I may. In my State a great many persons complain that there is not enough help in the Internal Revenue Bureau to go over the records in connection with income taxes and corporate taxes so that taxpayers may be charged for taxes which they failed, through inadvertence, to pay, or because of some correction 2 or 3 years back. That indicates that perhaps there is not enough help in the Internal Revenue Bureau.

Under the provisions of the Senator's amendment, is it possible for the Treasury Department to make reductions in particular places where such action would not do any particular harm? I think the Internal Revenue Bureau is one place where it would be extremely difficult to make any reduction at all.

Mr. FERGUSON. If I may answer the Senator, the amendment is so framed that the Treasury Department, which operates the Internal Revenue Bureau, would not have to take anyone off the pay roll who was actually doing that kind of work, because that can be treated as income-producing work, where a service is being rendered to the public. That is the purpose of the amendment.

I agree that we should not interfere with law-enforcing officers whose activities result in bringing revenue into the Treasury of the United States. They should render honest, efficient service. Their work is essential, and we would not accomplish anything by cutting that kind of service, indeed the pending bill increases the number of employees engaged in that line of work. But I still think that the Department as a whole could stand a cut of 5 percent; efficiency could be increased 5 percent.

Mr. BALDWIN. In other words, under the particular bill we are considering, there is a substantial increase for the internal-revenue service.

Mr. FERGUSON. That is correct.

Mr. BALDWIN. And the Treasury Department is not necessarily required to make the cut in the Internal Revenue Bureau?

Mr. FERGUSON. That is correct.

Mr. LANGER. Mr. President, I should like to call the attention of the distinguished Senator from Michigan to what I think is the basic fallacy of the 5-, 10-, or 20-percent reduction he proposes. Take, for example, the Federal Trade Commission. That is a good example. Or take the appropriation given the Attorney General for the enforcement of the antitrust laws. The Federal Trade Commission had a miserable little appropriation, as I recollect, of in the neighborhood of $2,000,000 a year. They were supposed to protect small business all over the country. What happened? When the war came along Congress passed a statute and said, "You must not, during this war, prosecute railroads or oil companies or anyone connected with the defense." One year went by, 2 years went by, and the cases piled up. Three years went by and 4 years went by, and more cases piled up until, when our Committee on Post Office and Civil Service investigated the Federal Trade Commission, we found cases 7, 8, 9, 10 years old. The representatives of the Commission came before us and said, "We have to have more help. We have to have more lawyers. This work has piled up. During the war we could not prosecute."

The same thing was true of the Antitrust Division of the Attorney General's Office. So I maintain that instead of cutting them down when the war was over we should have increased materially the number of employees of the Federal Trade Commission, so that they could have protected small business.

Mr. FERGUSON. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Michigan.

Mr. FERGUSON. I think the Senator from North Dakota and I agree on the enforcement of the antitrust laws. I think we both agree that they have not been enforced.

Mr. LANGER. That is correct.

Mr. FERGUSON. Therefore, we do not want to cut any appropriation designed to facilitate the enforcement of the antitrust laws. But I think we will also be able to agree that the lawyers in the Department who are doing the work can surely increase their efficiency 5 percent. Does not the Senator agree with that?

Mr. LANGER. No; I do not agree with that at all, if we are to cut what they receive 5 percent. We do not increase a man's efficiency by reducing his salary.

Mr. FERGUSON. We do not reduce his salary. We merely ask him to do more work in the Department. Therefore we will get better law enforcement.

Mr. LANGER. Does not the Senator know that some of these men are already working their heads off?

Mr. FERGUSON. There are others who are not.

Mr. LANGER. Let me call the attention of the distinguished Senator to the Bureau of Mines. A man by the name of Sayres was the head of that Bureau. I never saw him until he came before our Committee on Post Office and Civil Service. I liked him. I liked his appearance. I liked his looks. So I made a very careful investigation of Mr. Sayres, and found that big companies had offered him as much as $40,000 a year to leave Government employment, where he was getting $10,000.

To show what we are up against on this committee in connection with unemployment, about which we hear so much now, there were 800 men who Mr. Sayres said, were doing absolutely nothing. We asked him about it. We said, "How can you justify 800 men on the pay roll doing nothing?" He said, "It is very simple. If John L. Lewis calls another strike, we have to be ready overnight to take over all the mines." He said, "The President issued an Executive order. We can let these 800 men go, but if we let them go and Mr. Lewis overnight declares a strike, who is going to take charge? Where would we get men who could handle the situation?"

Mr. BRIDGES. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from New Hampshire.

Mr. BRIDGES. If I remember correctly the Senator's statement of yesterday—and I paid very close attention to him, and I know that undoubtedly he thought over what he said—he stated that the Committee on Post Office and Civil Service had made an examination of all the departments of the Government, and that outside of one, they did not find a single person doing nothing. Now he says there are 800 people doing nothing. How does the Senator jibe those figures?

Mr. LANGER. It is very simple. Our committee said to Mr. Sayres, "We want them removed," and they were removed.

Mr. BRIDGES. Was that the only department where employees were doing nothing?

Mr. LANGER. That is not the department I referred to yesterday, because that department is well conducted.

Mr. BRIDGES. The Senator's statement was not quite accurate, was it? He says today that he found 800 doing nothing in one bureau, and yesterday he said there was only one department where employees were doing nothing.

Mr. LANGER. I told the Senate yesterday that when we hired these experts, they were hired after we had the testimony from Mr. Sayres. I say to my distinguished colleague that he does not have the faintest conception of conditions, and he would not have unless he sat on the committee, where we had Federal employees come before us. I presume some of those men and women had served during the war. I know man after man like Sayres, who turned down offers of big jobs to stay in Government employment drawing $10,000.

Mr. BRIDGES. The point where I differ with the Senator is that he stood here and told the Senate—and I listened very carefully—that his investigators went to every Government department, and that they found only one department where employees were idle, not doing their work.

Mr. LANGER. That is correct.

Mr. BRIDGES. I merely wish to ask the Senator now one question. The Senator knows that he and I speak plainly. We have respect for each other, but we speak plainly. I cannot imagine the committee investigators going out and not seeing what he reports, unless they wore blindfolds, or something of the kind.

Mr. LANGER. I will ask the Senator to name the department where the employees are loafing. Give us the name, and give us the days, and how many were loafing.

Mr. BRIDGES. I have not had time individually to look into the matter, but I have been in many departments during the 13 years I have been a Member of the Senate, and I have seen many employees idle. I have not kept a record of the days, and the details, but I have had reports from very loyal employees of the various departments about people being idle.

Mr. LANGER. I had the same reports when the war first started. At that time I believed those reports were true, in many cases. It was not possible to hire half a million people overnight and have them all placed and all working in a very high state of efficiency. As the war went on, those people got into their groove, and did their work. Since the war ended I made investigation, and I assure my distinguished friend from New Hampshire that, aside from one department, all the investigators found the highest efficiency and no loafing.

Mr. BRIDGES. If we ever reach the time when we have a few minutes to spare, I should like to go with the distinguished Senator to some of the departments, if he will wear a mask and I likewise, so that we will not be known, and let us see what we find.

Mr. LANGER. Times without number, when I was chairman of the committee, I got up in the morning and went to various departments, and I am satisfied the employees did not know who I was. I investigated the reports I had received, that women were doing knitting, and that men had their feet on the desks reading newspapers. I say to my friend from New Hampshire that those reports were not true, and similar reports are not true today.

Mr. BRIDGES. I realize that the Senator has a right to his own judgment and his own conclusions, but I cannot concur in the conclusion he has reached, because the information I get is to the contrary.

Mr. LANGER. Let me say again to the distinguished Senator, whom I admire so much, if he would tell us the names of the departments, we could look into it. It is easy to rise here and say that so and so is not doing a good job; but we would like to have the Senator name the department, and the days when the loafing was done. We kept track of the days our investigators went into various departments, how long they stayed, with whom they talked, and whom they saw.

Mr. BRIDGES. If an employee were to tell a Senator that other employees in the same section were loafing on the job, and those in charge of the section were to find out that he had made such a statement, he would certainly be fired.

Mr. LANGER. Any employee who made such a statement to me confidentially would not be fired. As a matter of fact, he would be entitled to a medal if he told the truth.

Mr. BRIDGES. It might be well if we could have medals struck for such a purpose.

Mr. LANGER. I may call to the Senator's attention the record which labor made on the railroads during the war. That is typical of the work that was done then.

Mr. BRIDGES. Mr. President, I am not disputing the record that was made in wartime. I am talking about what is happening today, after the war has ended, in agency after agency of the Federal Government.

Mr. LANGER. I am not getting away from the fine record that was made by them during the war.

Mr. BRIDGES. I agree that a fine record was made during the war. But I am now talking of what is happening in postwar years in Government departments.

Mr. LANGER. I say that the record made by the postal employees during the war and after the war are on a par with the record made by the railroad workers during and after the war. I say again that I do not believe the distinguished Senator from New Hampshire realizes the innate patriotism of the average Government worker all through the war, and the desire to work that exists today on the part of the average Government employee. It is easy to get up and say they are loafing on the job or are not doing a good job, but let me tell the Senator the average Government employee wants to do an honest day's work for an honest day's pay.

Mr. BRIDGES. I think the average Government employee does, but I say that in every department there are drones. The Government is an accentuated cross-section of public life, and we know there are some very enterprising people, such as the Senator from North Dakota, while there are other people who ride on the coat-tails of others and expect to be bottle-fed for the rest of their lives. We find that to be true in Government departments. We find it accentuated in Government departments.

Mr. LANGER. I may say to my distinguished friend from New Hampshire that, of course, human nature is human nature. I am not denying that, but I ask the Senator to name a department in which the employees are loafing.

Mr. BRIDGES. I am not going to name any. I will be frank and say that I cannot remember the dates when I have been in some departments. I cannot remember the details, but I know that over the years I have seen, and been told much about loafing. Very recently I have seen and been told such things. I know that if the names of some employees who came to me and gave me such information, were known, instead of receiving a medal, they would be fired on one excuse or another.

Mr. LANGER. Let me say to the Senator from New Hampshire that witness after witness appeared before our committee last year and made statements with reference to ratings in certain departments, whether they were good or bad, and made suggestions. There was one case of a young man from a naval base who testified before the committee, and who lost his job. I shall never forgive myself because I permitted that young man to testify in open session, and not in executive session. His superiors were in the room when he testified. But aside from the case of that one young man I do not know of a single employee who testified before the committee who lost his job as a result of his testimony. I may say that the Civil Service Committee had a very good staff. Mr. Riley headed it. He has made a life-long study of the Government civil service, and has written some books on the subject.

Mr. BRIDGES. Has the Senator or his committee investigated the departments and found everyone working at high speed?

Mr. LANGER. I am not saying they were working at high speed. I say they were doing a good day's work. We found they were doing an honest day's work for an honest day's pay. If anyone charges the employees are not doing a good day's work I should be delighted to have the one who makes the charge name the department and the time and the place. It is very easy to generalize and say that employees do not do a good job.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. What would be the Senator's solution of the problem when, under all the facts we have before us today, we find we are not going to have sufficient money to operate the Government on the basis of present expenditures? What would be the Senator's remedy?

Mr. LANGER. The answer to that question is most simple.

Mr. FERGUSON. Very well. Let us have it.

Mr. LANGER. To me it is most simple. On a number of occasions I asked that an inventory be taken of what was needed in the United States, so as to find out how much money would have to be expended for domestic needs in America, before we appropriated one single dollar for foreign aid. I have three or four times asked that we make such an inventory before we send billions upon billions of dollars to foreign countries. It would have required only a few months to find out how much money we needed to expend in the United States, before we undertook to send billions of dollars abroad. Those who sponsored such a resolution could not induce the Senate to adopt it. We were told that the administration was in a great hurry to send those billions of dollars to foreign countries.

What must be done now I do not know. I think a tragic mistake has been made. Mr. Altmeyer, head of the Social Security Administration, says that agency will need $7,000,000,000. Already a report has been made by the House of Representatives that $15,000,000,000 will be needed for a health program, over a period of 5 years. Undoubtedly it will be necessary to raise the salaries of Federal employees to some extent, by reason of the high cost of living. I could continue and enumerate one thing after another that must be done in this country, to which we could apply money that has gone to foreign countries—the forty or fifty billion dollars which we have sent across the seas. Of course, eventually the day will come, as was predicted by the distinguished Senator from Virginia [Mr. BYRD] when the issue must be faced. In fact the day is here, and we are face to face with the issue.

The President says we must have more taxes. I do not believe the President can get any bill through Congress to raise taxes. That is my judgment. But I say that by reason of the fact that Congress did not take an inventory of our situation and find how much money was needed to operate the Federal Government while we sent billions of dollars abroad, we are now face to face with the proposition of whether we are going to cut down on foreign commitments.

I notice that Mr. Roberts, former Associate Justice of the Supreme Court, testified the other day that if we do not vote for the Atlantic Pact it means immediate war. I do not know how much he knows about that. My own judgment is that, in view of his testimony given at the time he investigated Pearl Harbor, his judgment is not any too reliable. At any rate that is the way he testified. Sometime ago he, or some of his associates, said that if we did not vote for the United Nations, when that subject was up for consideration in the Senate, it meant we would have war instead of peace. Yet today practically every country has discredited the United Nations,

and we gave that organization $2,000,000,000.

The distinguished Senator from Michigan asks me what we are going to do in the way of securing the needed money. I say that until we stop sending money to Ethiopia and to all other countries on the face of the globe, in amounts of hundreds of millions of dollars, we are, of course, going to be short of money.

Mr. FERGUSON. The only difference between the Senator from Michigan and the Senator from North Dakota is the method of obtaining the money needed to operate the Government. We both believe something drastic has to be done, but the Senator from North Dakota would obtain such money entirely by reducing amounts expended for foreign aid.

Mr. LANGER. No; I did not say that at all. I say that before we gave these great amounts to foreign countries we should have taken an inventory and found out how much we needed to operate our own Government, and if we found that we needed all the money we could obtain to be used here to operate our Government, we should not have sent a single dollar across the sea. Under our oaths as Senators we are obligated to take care of the United States first. I understand the arguments that are made that in sending billions upon billions of dollars across the seas we are defending the United States. If the Senator believes that, I call his attention to the correspondence between Gen. Pat Hurley and President Roosevelt, which I read upon the Senate floor at the time we began to send money to foreign countries, at the time we sent money to Iran.

Mr. FERGUSON. I believe we should have made such an inventory as the Senator suggests. The purpose of the legislative budget was to do that very thing. However, Congress let February 1 go by without taking action. Then the date to establish what our Federal needs would be was fixed as May 1. May 1 has now gone by 11 days, and the majority in control of Congress has not performed its duty in that respect. Now some Members of Congress say they want to repeal that provision, they want to wipe it out entirely. They do not want to find out how much taxes we are going to receive, on which to base the amount we can appropriate. In effect, those who want to repeal that provision say, "We want to appropriate in the dark." Of course, if Congress appropriates in the dark, each bill, as it comes before Congress, can be passed with the amount of money it contains. But when we come to the end of the year that will result in deficit spending, or the money must be provided by increased taxes.

Mr. LANGER. Mr. President, I yield the floor.

Mr. MAYBANK. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bricker	Cain
Anderson	Bridges	Capehart
Baldwin	Butler	Downey
Brewster	Byrd	Ecton
Ellender	Kilgore	O'Mahoney
Ferguson	Knowland	Pepper
Flanders	Langer	Robertson
Fulbright	Lucas	Saltonstall
George	McCarthy	Sparkman
Hayden	McClellan	Stennis
Hendrickson	McFarland	Taft
Hill	McGrath	Taylor
Hoey	McKellar	Tobey
Holland	Magnuson	Tydings
Humphrey	Martin	Vandenberg
Hunt	Maybank	Wherry
Ives	Millikin	Wiley
Jenner	Mundt	Williams
Johnson, Tex.	Murray	Withers
Johnston, S. C.	Neely	Young
Kem	O'Conor	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations was conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

Mr. TAFT. Mr. President, I intend to say only a few words in behalf of this amendment.

It seems to me that the Congress finds itself in a very embarrassing and illogical position. So far as we can judge, there will be expenditures very much in excess of the taxes which can be hoped for during the fiscal year 1950. Either, therefore, we must increase taxes or we must reduce expenses, or we must consciously adopt a policy of deficit spending at a time when the country is probably above the average, and certainly has a normal activity. I do not see how we can justify deficit spending when the country has the production it has today, when it has the kind of employment it has today, and when it has the taxpaying ability it has today.

There are arguments in favor of permitting deficit spending when we have hard times, when we have a depression; but I know of no arguments in favor of deficit spending when we have substantially full employment, such as we have today.

I notice that in the Democratic platform—and I think the Republican platform contained much the same statement—it is said:

> We pledge the continued maintenance of those sound fiscal policies which under Democratic leadership have brought about a balanced budget and reduction of the public debt by $28,000,000,000 since the close of the war.
>
> * * * * *
>
> We shall endeavor to remove tax inequities and to continue to reduce the public debt.

That is the pledge of the Democratic Party, and certainly I think the Republican Party is bound in the same way.

So it seems to me that a policy of deficit spending is inconceivable and unjustifiable at this time.

The next proposal is that we go on spending, but increase taxes. Certainly nothing has been done up to this time by the responsible leadership in either the House of Representatives or the Senate even to suggest an increase in taxes. The President himself has recommended an increase in taxes; but yesterday we learned that his economic advisers, according to articles which I placed in the CONGRESSIONAL RECORD yesterday at page 5962, apparently are advising against any increase in taxes.

I read from one of the articles to which I refer:

> President Truman's Council of Economic Advisers favors a checkrein on Federal spending to bring the budget closer to a balance, responsible officials said yesterday.
>
> As for tax increases, the Council is reported to have suggested it might be well to accept a "lesser goal" than the $4,000,000,000 for which the President has been asking.
>
> The April report of the Council, drafted in the light of current business trends, was delivered to the White House last week. It suggested the removal or lowering of some Federal excise taxes, it was learned.
>
> * * * * *
>
> But the present trend of the economy—which Council Chairman Edwin G. Nourse calls a healthy disinflation—does not warrant large-scale works spending now, the Council feels. Such outlays would make it harder to reach the goal of lower Government costs.
>
> * * * * *
>
> It would be unwise to plunge into red-ink financing. But an effort to avoid it by sharply raising taxes might hinder the attempts of business firms to adjust their prices to the weaker market and keep their plants running at high capacity. The safer course would be to trim Federal spending.

Those are the recommendations of the President's Council of Economic Advisers, who were set up to guide him and to guide us on sound economic principles.

So, Mr. President, so far as I can see, the only alternative we have is to reduce expenses.

Reduction of expenses is not easy. I quite understand the reasons which have made it so difficult for the Appropriations Committee to make any cuts in expenses. But I think it is absolute nonsense to say that Government expenses cannot be cut. I think it is nonsense to say that if there are 21 lawyers in a law office, it is not possible to get rid of one of them and still have about as good a job done by the 20 lawyers remaining as had been done with the 21. Obviously in such a case it will usually be possible to find one who is not doing very much work.

So I have no question that we can cut 5 percent in every department of the Government, in personnel as well as in expenses, perhaps as an incident to improving the methods and making changes in operation which should be made.

Mr. President, we have before us a proposed method for reducing appropriations. That method has been questioned, but it seems to me to be the only resort we have at the present moment, and I cannot see how anyone can oppose the general theory that the only statesmanlike and sensible thing to do today is to cut Federal spending.

Mr. NEELY. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. NEELY. Does the Senator from Ohio mean to imply by his reference to reducing the number of lawyers in a law office from 21 to 20, and his statement that it would often happen that at least one out of that number would be unnecessary, that 1 out of 21 Government employees is not earning his salary or is doing so little that he should be discharged?

Mr. TAFT. I say that any office can be cut 5 percent in personnel or expenses, and still can run just as efficiently as it did before.

If we were here concerned with a private business—and such changes have been made in private business; I have seen them made—orders simply would be issued, "You will cut the cost of your department 10 percent." In a private business, such orders have to be complied with; and, in general, when they are issued I think they result in a more efficient job being done in such private offices than is done in most Government offices. I think that in the long run it is inevitable that private offices are more efficient than Government offices, although there may be some exceptions.

In any event, I wish to place myself on record as saying that I see no alternative course which can be reasonably justified today; I see nothing for us to do but to cut the total Government budget.

As a means of cutting it, I believe the pending amendment is a practical method, and one which should be adopted by the Senate.

Mr. WHERRY. Mr. President, as one who has worked for many years on the Appropriations Committee, I wish to say that I feel that this amendment should be supported. However, I favor the making of this cut under the theory that not only domestic but foreign appropriations should be cut to fit the cloth of what we can spend in the United States and still remain fiscally sound.

I agree with the Senator from Ohio when he says it is very difficult to arrive at the proper approach to doing that or the proper system which should be used. There are those who will vote for economy in the operations of the Government, but do not believe in a so-called meat-ax method. I believe there is much to be said in favor of the arguments they make. There are others who say that a search should be made—similar to investigations which are made in private business—to find where cuts can be made without injuring the operations.

One difficulty in making cuts in the operations of the Government is that the legislative branch does not have the information which the Congress said in 1947 it should have. In 1947 the Congress provided that the legislative branch thereafter should have before it a legislative budget, giving the maximum ceiling to be permitted for expenditures. But, Mr. President, May 1 has come and gone, and the majority has failed to report a legislative budget, as required by the Legislative Reorganization Act, for which practically all Members of the Congress in 1947 voted, and I myself supported it. For one reason or another, the leaders on the other side of the aisle are apparently ignoring the plain mandate of that law. The result is that, as of today, we have no legislative budget or ceiling.

Such inactivity on the part of the leaders on the other side of the aisle is strange, and is all the more deplorable in view of Democratic declarations and accusations on the floor of the Senate when Republicans were striving so valiantly to report a legislative budget in 1947 and 1948.

Before I remind the Democratic leadership of their remarks in the previous Congress, I should like to point out that sections 138 and 1939 of the Legislative Reorganization Act, pertaining to the legislative budget, were parts of the original act which was passed in the Seventy-ninth Congress, when the Democrats were in control. I wish to give the Democrats credit for that act. I think it is a constructive piece of legislation and should be carried out today.

One important factor of the legislative budget concept was its timing. The budget report was required early in the session so that it would be a guide to appropriations and revenue committees as they considered the President's requests. That was the timing of it.

The Democrats in this session of Congress first indicated they would sidetrack the primary idea behind section 138 when they postponed the report date to May 1. And now that day has passed without any report.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. McKELLAR. The Senator recalls, does he not, that it was postponed last year?

Mr. WHERRY. Yes; I am coming to that.

Mr. McKELLAR.. Not only that, but does not the Senator recall that it was declared to be unworkable by the distinguished Senator from New Hampshire [Mr. BRIDGES], and very properly so, when we came to look into it closely? I, as Chairman of the Appropriations Committee, followed the leadership of the Senator from New Hampshire in the matter, because it is an unworkable act. It is completely impossible under it for Senators to do anything but guess at a budget. It is as bad as a reduction of appropriations by an arbitrary percentage—5 percent, 6, 2, 8, or 5.

Mr. WHERRY. Yes. I want to thank the distinguished Senator for his observation. As I proceed with my argument it will be seen that I completely agree with him. There must be some change. But I am saying now there has been a failure. The reason I am asking for a revision of the statute at this time is because there has been a failure. If it was impractical in 1947 and 1948, it is impractical now.

Mr. McKELLAR. I am willing not only to revise it but to abolish it entirely. I asked unanimous consent the other day to take up a bill having that objective in view.

Mr. WHERRY. Mr. President, instead of abolishing it, I think what should be done is to make it workable. I think we have the solution for that. When the time comes, I shall ask the distinguished chairman of the Appropriations Committee to join in an effort to see whether we can yet preserve the spirit of the act, and at the same time make it practicable.

But at this moment, Mr. President, I again want to state that it seems to me the Republicans have been exceedingly patient. If the shoe were on the other foot, as it was in 1947 and 1948, the Democrats would be denouncing us for evading the law and making futile and meaningless gestures. I shall quote from the CONGRESSIONAL RECORD for February 21, 1947, pages 1276 to 1279. These again are the words of the majority leader:

> Mr. LUCAS. Mr. President, in my humble judgment the Legislative Budget Joint Committee which has been created by the Reorganization Act has not done its duty as required by the act, because it has failed to give Members of Congress the facts it could have given them.

Here is another quotation by the same Senator, the majority leader of the Senate today:

> That committee had an obligation under the act, and they failed * * * in the performance of that duty and obligation, in not giving to the Senate sufficient information of some kind and character upon which it might intelligently act.

Here is another quotation from the same Senator:

> I think the manner in which this matter has been handled by the majority is a snare and a delusion and a farce. * * * There was ample time for those on the Budget Committee to * * * obtain information upon which all Senators could form some kind of an intelligent conclusion.

Mr. President, in 1949, the Democrats are in far better position to present the facts, because they control both the Congress and the executive agencies. Why do they seek to evade this provision of law?

Again, I quote from the RECORD for May 8, 1947, page 4780, a statement by the majority leader:

> Mr. LUCAS. Three months have passed and no report on the legislative budget has been made. Not a single sound, constructive statement has been made by the party in power as to why no report has been made. The leaders of the majority party sit by silently, day after day, taking no steps to move this committee to action.

Mr. President, these remarks apply perfectly to the present situation, and I think the author of these remarks ought to explain to the Senate the reason for bypassing sections 138 and 139 of the Legislative Reorganization Act.

I should like to make an additional quotation from the RECORD of February 26, 1947, pages 1419 to 1420. This was a statement by the then acting majority leader, the Senator from Kentucky, now the Vice President of the United States. It reads as follows:

> Mr. BARKLEY. There is one thing that I am certain of, and that is that the 15th day of February gave the joint committee ample time and opportunity to present an infinitely more intelligent report than that which it has submitted to the Senate.

I submit, Mr. President, that if the February 15, 1947, deadline was ample for Republicans who were struggling with a legislative budget for the first time in any Congress and had only a handful of staff members, then May 1, 1949, should be more than ample for Democrats who can call upon thousands of Federal employees for advice and counsel on the budget.

In view of these facts, it would be interesting to know why the majority leadership is evading the law.

I know that one reason given on the floor of the Senate is that the Rules Committee is presently considering a joint resolution to repeal the legislative budget

provisions of the act. That is the legislation proposed by my distinguished colleague, the chairman of the Appropriations Committee, which calls for outright repeal of the provision.

Mr. President, I think this is not the right move. Democrats gave no quarter when the Republicans were responsible for complying with the new, untried provisions of the law. Now that the Democrats are charged with this responsibility, the provisions are called unworkable by the present chairman of the Senate Appropriations Committee. The majority leadership apparently is going to repeal the law without giving it a trial even though the most favorable circumstances for formulating a legislative budget prevail.

There are Senators in this Chamber, members of both parties, who are gravely concerned about the budget. They are determined, insofar as it is within their power, to do something about it. They think this is no time to scuttle the legislative-budget idea, but to improve it and to make it work.

On February 8, 1949, the Senator from Virginia [Mr. BYRD], the Senator from Nebraska [Mr. BUTLER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Maryland [Mr. O'CONOR], the Senator from California [Mr. KNOWLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Michigan [Mr. FERGUSON], and I submitted a concurrent resolution (S. Con. Res. 16) providing for a consolidated appropriation bill. It is a constructive attempt to coordinate the appropriation process and to avoid the uncontrolled piecemeal process which threatens confusion in our fiscal operations.

Since the introduction of Senate Concurrent Resolution 16, many of us have given further thought to the legislative budget and to the appropriation process. Rather than see the legislative budget scuttled, we should like to improve it and to coordinate it with a more efficient appropriation procedure.

To accomplish this excellent and constructive purpose, we now offer a comprehensive concurrent resolution, which I shall later send to the desk and ask to have appropriately referred. It is also my intention to move adoption of the resolution as a substitute for the concurrent resolution (S. Con. Res. 33), now on the calendar, which provides for the repeal of section 138 of the Legislative Reorganization Act of 1946.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point for a question?

Mr. WHERRY. I am glad to yield.

Mr. SALTONSTALL. Does the Senator not agree with me that simply to repeal the present provision without taking constructive steps would create a very bad impression in the minds of the people of the country at this time, when the question of heavy expenditures and the problem of getting revenues to meet them are before us?

Mr. WHERRY. Mr. President, I answer the distinguished Senator from Massachusetts in the affirmative. If section 138 of the Reorganization Act is scuttled now, we pay no attention to an over-all ceiling. If no provision is made whereby we can integrate not only the domestic but foreign-relations appropriations, bringing them all out on the table, seeing what the appropriations are to be, we shall merely continue to appropriate blindly, and the only method we shall have of attempting to cut the appropriations will be the procedure we are now following.

Under the concurrent resolution, which I shall explain in a few moments, there would be formed a legislative staff that would, every day in the year, check upon the various Government departments and agencies, and make recommendations—to whom?—to the appropriate committees of the House and Senate, to guide them not only in establishing a ceiling, according to section 138, which is now the law, but in determining whether we should increase taxes, and so forth. It would be voluntary. The staff would merely make recommendations. Unless that is done, we shall continue blindly to appropriate piecemeal. We shall not know what our revenues are; we shall not know what appropriations should be made. It will be impossible to keep the country on a balanced budget. Such a plan would be the beginning of the end of making appropriations which would lead us into deficit financing.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a further question?

Mr. WHERRY. I yield.

Mr. SALTONSTALL. Does not the Senator from Nebraska agree with me that the financing and budgetary methods of the Federal Government are far behind any procedure employed in connection with municipal and State appropriations?

Mr. WHERRY. Mr. President, I am glad the Senator from Massachusetts has mentioned that. We could probably go into any State in the Union and find fiscal policies and practices far ahead of those employed by the Federal Government. I know that in my own State we are on a pay-as-you-go basis. It is absolutely necessary that we know what our revenues are. We have no bonded indebtedness. There is no way in which we can bond the State to a greater extent than $100,000, except by vote of the people. We must know what the revenues are, and we must know what the spending budget is. I think other States have made as great an advance, or even a greater advance. That is what we must do with respect to the Federal Government. We must place it on a pay-as-you-go basis and keep expenditures within the revenues.

I thank the Senator from Massachusetts for his very timely observation. I think his question can be answered in the affirmative by the records of most of the States of the Union.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the distinguished Senator from Michigan.

Mr. FERGUSON. I should like to ask the Senator if he does not agree that now, when the majority of Members of the Senate and the House say the law we have on the books is unworkable, is the time to amend the law and make it workable, and that the staff should be employed immediately, so that by next January it could present to the two branches of the Congress the facts from which we could make up a legislative budget and proceed as we should have been proceeding in the past?

Mr. WHERRY. In answer to the question of the distinguished Senator from Michigan, I say, "Certainly"; that is one of the provisions of the resolution of which the Senator from Michigan and the Senator from Massachusetts are cosponsors. The resolution provides that a staff be immediately appointed so that it can start to work and assemble the data from each Government agency so that when Congress convenes in January 1950 we can have, not Executive recommendations, not recommendations from the departments, although we should be glad to have them, but recommendations from our own appointed officers of the Senate, bringing us the facts which are so vitally necessary in order to prepare a maximum ceiling.

Mr. FERGUSON. Along the same line, does the Senator agree that the Congress is responsible for the amount of money which should be expended? In other words, we hold the purse strings, and we have a duty to supervise the expenditure of the money. Even though we might require a staff as large as that of the Budget Director, who is the fiscal officer of the executive department, should we not obtain facts in order that we may determine how much money of the taxpayers should be spent on Government?

Mr. WHERRY. Mr. President, in answer to the distinguished Senator, I say, "Absolutely, yes." The final responsibility is left with the Congress, regardless of the recommendations of any agency. For that reason, if we authorize the appropriation of money, we must pay the bill, and we must know the facts.

The President sends his recommendations to the Congress, and rightly so, but, after all, the one branch of the Government which is responsible for the appropriation of money is the Congress, and for that reason I totally agree with the Senator that such a staff should investigate the subject in order that we may know what the revenues are and what must be spent. We should have these relationships all along the line, so that Congress may intelligently, through its staff, appropriate and keep the United States of America on a strong fiscal basis.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I shall be glad to yield to the Senator from California.

Mr. KNOWLAND. I wonder if the Senator from Nebraska can inform me whether he has knowledge that there has been presented, either to the Committee on Finance or the Committee on Appropriations, an estimate based on the March 15 tax collections, indicating what the revenues are on our present level of tax receipts.

Mr. WHERRY. In answer to the distinguished Senator from California, I will say I am not a member of the Finance Committee; I am a member of the Appropriations Committee. To my knowledge no such estimate has been presented.

There are other members of the Appropriations Committee present, but, so far as I am concerned, I should say "No."

Mr. KNOWLAND. Would it not be well for either the Finance Committee or the Appropriations Committee of the Senate to secure from the Treasury Department an up-to-the-minute estimate based on the March 15 tax receipts?

Mr. WHERRY. Mr. President, I think that is a very constructive suggestion, because the tax receipts today are different from what they might have been estimated 3 months ago.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I just inquired of the able chairman of the Committee on Appropriations with respect to the question asked by the Senator from California. He stated that he had no personal knowledge of such an estimate, but would be glad to check up with regard to it.

Mr. WHERRY. Mr. President, I think the suggestion is very timely and most constructive. In any private business the management must know what the income is in order properly to take care of the outgo. If the national revenues are falling, there is even more justification to start in to fit the expenditures to the revenues.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I shall be glad to yield to the distinguished Senator from Tennessee.

Mr. McKELLAR. In line with what the Senator has just stated, the resolution which I introduced provided for the very thing which the Senator has been discussing. The Committee on Rules and Administration struck it out and inserted a provision for repeal of the law. When that matter comes up I hope very sincerely that the Senate will, for once, follow not the rule, but the resolution, to have a study made of the subject so that we may have a workable law. The work should not take the time of Senators, but should be handled by the staff. I agree that it should be done. I think we should have a staff that will perform the task. It would seem impossible for the chairmen of the committees of the two Houses to do their work and also that work.

Mr. WHERRY. Madam President [Mrs. SMITH of Maine in the chair], I wish to thank the distinguished Senator from Tennessee for stating that he feels that something should be done to make the law workable. I believe that the resolution we have offered will accomplish that, and I only hope that after the distinguished Senator has read it, he will join with us in helping to secure the adoption of the resolution.

Mr. FERGUSON. Madam President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. Is it not true that what is now being proposed by the able Senator from Nebraska has heretofore been studied by the Committee on Rules and Administration, even last year, so that it is nothing new? In his resolution, the Senator from Tennessee provides the law shall be suspended only pending further study, and until otherwise provided by concurrent resolution, which our proposal would accomplish.

Mr. WHERRY. It would go further than that. However, an amendment was made to the Senator's resolution which struck out the purpose of the resolution, and proposed to repeal the law. Some feel that the law is unworkable and impracticable. As it operates, I agree with the Senator from Tennessee that it is impracticable. But I think it can be made workable, and that is why I am offering today the resolution to which I have referred.

I intended to take only a few minutes of the time of the Senate, because I realized we were on a schedule, trying to get a vote on the pending bill. But I rose because I am going to support the cut proposed, and I wanted the distinguished Senator from Tennessee to know that my action in that regard constituted no reflection on his good judgment, or his position in opposition to the cut. In the absence of any other procedure, it seems to me that such a cut is justified.

In order to alleviate the situation which might recur, if it were possible to have the resolution adopted, set up the fact-finding staff, start them to work at the beginning of the fiscal year, as the distinguished Senator from Tennessee has suggested, then, when Congress convenes next January, the two committees in each House would have the information upon which they could proceed intelligently, not only as to revenues, but also as to the spending budget.

Mr. McKELLAR. Madam President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. The Senator will recall that a few days ago I asked unanimous consent that the resolution suspending the law be adopted, and objection was made.

Mr. WHERRY. Madam President, when the resolution came to me it was amended and called for outright repeal. I do not know whether it was ever presented to anyone else prior to that time without the repeal provision in it. I said then that I would not support the repeal provision because I felt that the law should stay on the statute books, and should be made workable.

Mr. LUCAS. Madam President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield to the Senator from Illinois.

Mr. LUCAS. Even though it might be repealed, that would in nowise affect the basic philosophy of the proposal made by the distinguished Senator from Nebraska with respect to the employment of a staff to get the facts.

Mr. WHERRY. Of course, there would have to be legislation.

Mr. LUCAS. I know that.

Mr. WHERRY. What I intended was to ask that the concurrent resolution be sent to the Committee on Rules and Administration and have the committee study it, which is almost in line with what has been suggested by the distinguished Senator from Tennessee. I also expect to offer it as a substitute for Senate Resolution 33, in the event that is brought up for consideration.

Mr. LUCAS. I should like to associate myself with the Senator from Nebraska and the Senator from Tennessee with respect to the points which are being made by the Senator from Nebraska regarding the necessity of ultimately obtaining the best expert advice possible with respect to appropriations. So long as we continue in a haphazard manner, as we are proceeding today, just that long will it be necessary for the Senate to do a great deal of speculating and guessing as to whether or not we are rendering efficient service to the taxpayers of America with respect to our expenditures.

So far as I am concerned, I can think of nothing better than a study of the resolution, with the hope that an effective staff will be employed, regardless of the expense, because whatever is expended in this adventure will in my opinion bring back tenfold the money that is spent, if we get the right kind of people to handle the work.

Mr. WHERRY. I deeply appreciate the observations made by the majority leader. I welcome his advice and judgment in this matter. I know he is interested, but knowing that possibly he is not up to 100 percent physical strength, and that he made his observations under somewhat of a physical handicap, I appreciate his statement all the more.

Mr. LUCAS. I hope the Senator will agree that the observations were 100-percent strong.

Mr. WHERRY. They were 100 percent, and I deeply appreciate them.

Madam President, the resolution I am sending to the desk avoids the difficulties which proved insurmountable when the Eightieth Congress sought to deal with the legislative budget. Instead of a joint committee of 105 members, it provides for a more cohesive body of 20 members, five each from the Senate Appropriations and Finance Committees and the House Appropriations and Ways and Means Committees.

We make sure this time that the joint committee shall have an adequate staff, which was the chief weakness of the committees' previous attempts to deal with the legislative budget, as the Senator from Illinois has pointed out, and as has been stated by others who have made observations on the resolution this morning.

We eliminate the provision that both Houses must pass a concurrent resolution approving the legislative budget. This is unnecessary. It was responsible for deadlock on one occasion, in 1947. Instead, we provide that the recommendations of the joint committee be reported only to both Houses, and be referred to the committees of both Houses which are concerned with revenues and expenditures. These committees will then have a guide for their work.

Then we tie the legislative budget idea into the appropriation process, by providing for a consolidated appropriation bill. That is the proposal the Senator from Michigan mentioned a few moments ago, which the Committee on Rules and Administration has studied for the past 2 years. It is in the form of a bill which was introduced by the Senator from Virginia [Mr. BYRD] and

the Senator from Nebraska [Mr. BUTLER]. I was chairman of the subcommittee which made recommendations amending the bill to make it workable in accordance with the recommendations made by all the Government agencies which came forward to testify.

Presently, each appropriation committee and subcommittee goes its own way, with no machinery to coordinate all the appropriation bills.

With a consolidated appropriation bill this anarchy can be ended. A single focal point is provided. An over-all view can be obtained. The legislative budget ceiling and the total of appropriations can be brought into practical relation.

We further provide for continuous year-round observance and study by the joint committee of the budget as a whole as one means of preventing the fiscal process from getting out of hand.

Unless we can improve our methods of handling the people's money, the congressional power of the purse, to which the Senator from Michigan referred a moment ago, will become meaningless and the safeguards of a free Republic will be sacrificed. To be sure this does not happen, we are providing by this resolution for a constructive and effective instrument to deal with the Nation's finances.

In the interests of intelligent, economical, and prudent control of the Nation's purse strings, Congress should be fully informed on the detailed functioning of administrative agencies of the Government. To obtain this information as a basis for appropriations, Congress requires a full-time staff of specialists to keep constant tab on expenditures and proposed appropriations, in order to provide factual information to the Congress and its appropriate committees for assistance in making legislative decisions.

The historic procedure of dribbling appropriations through each session of Congress without an over-all guiding plan is inefficient, wasteful, and costly to the taxpayers. Consolidation of the major appropriations would afford an over-all view of the spending budget, with opportunity to balance requirements on their relative merits. That is the efficient, businesslike way to do this job.

The President annually submits a budget to the Congress, and properly so, in compliance with his responsibilities. But as I said a moment ago in answer to the Senator from Michigan, the final responsibility over the Nation's purse strings is lodged by the Constitution in Congress, and Congress should be organized and staffed to fulfill its responsibility to the people.

Madam President, for myself and on behalf of the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Virginia [Mr. BYRD], the Senator from Michigan [Mr. FERGUSON], the Senator from Kansas [Mr. REED], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from North Dakota [Mr. YOUNG], and any other Senator who would like to join in sponsoring it, I send to the desk a concurrent resolution. Permit me to state once again that it is also my intention to move adoption of this concurrent resolution as a substitute for Senate Concurrent Resolution 33, now on the calendar, which provides for repeal of section 138 of the Legislative Reorganization Act of 1946.

Madam President, I ask unanimous consent that the resolution be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the concurrent resolution (S. Con. Res. 38), submitted by Mr. WHERRY (for himself, Mr. BRIDGES, Mr. BUTLER, Mr. BYRD, Mr. FERGUSON, Mr. REED, Mr. SALTONSTALL, and Mr. YOUNG), was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That section 138 of the Legislative Reorganization Act of 1946 is amended to read as follows:

"SEC. 138. (a) There is hereby established a committee to prepare the legislative budget (hereinafter referred to as the 'committee'), to be composed of five members of the Senate Committee on Finance and five members of the Senate Committee on Appropriations, to be appointed by the President of the Senate; and five members of the House Committee on Ways and Means and five members of the House Committee on Appropriations, to be appointed by the Speaker of the House of Representatives; and not more than three members of each of said committees shall be members of the majority party. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original selection. At the beginning of each Congress the committee shall meet at the call of the chairman of the House Committee on Appropriations and shall select its own chairman and vice chairman, except that the first meeting shall be called in July 1949. A majority of the committee shall constitute a quorum and the powers conferred upon them by this section may be exercised by a majority vote.

"(b) It shall be the duty of the committee to prepare and report to the Senate and to the House of Representatives at the beginning of each regular session of Congress a legislative budget for the ensuing fiscal year, including the estimated over-all Federal receipts and expenditures for such year. Such report shall be based upon the studies and investigations of the committee, giving due consideration to the budget recommendations of the President. Such report shall contain a recommendation for the maximum amount to be appropriated for expenditures in such year which shall include such an amount to be reserved for deficiencies as may be deemed necessary by the committee. In addition to setting the maximum amount to be appropriated for expenditure in such year, including a reserve for deficiencies, the committee may also recommend that public revenues or the public debt be increased or decreased as the case may be; and such recommendations shall be reported to Congress and referred to its appropriate committees by February 15. After the legislative budget shall have been reported, all bills authorizing appropriations reported by legislative committees shall be referred to the Joint Committee on the Legislative Budget which shall render a report within 15 days to Congress showing the estimated cost of such legislation and the effect of that cost on the legislative budget.

"(c) The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to employ such experts and such clerical and other assistants and to fix their compensation without regard to the Classification Act of 1923, as amended, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. At least one-third of any staff so employed shall be nominated and appointed by, and assigned to assist the minority party.

"(d) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government.

"(e) There is hereby authorized to be appropriated such sums as may be necessary to pay the expenses of the committee, to be disbursed by the Secretary of the Senate upon vouchers signed by the chairman."

SEC. 2. Commencing with the second session of the Eighty-first Congress, all appropriations for each fiscal year shall be consolidated in one general appropriation bill to be known as the "Consolidated General Appropriation Act of " (the blank to be filled in with the appropriate fiscal year). The consolidated general appropriation bill may be divided into separate titles, each title corresponding so far as practicable to the respective regular general appropriation bills heretofore enacted, but the aggregate total to be appropriated for expenditure in such year, including any amount reserved for deficiencies, shall approximate the maximum total recommended by the legislative budget committee. As used in this paragraph the term "appropriations" shall not include deficiency or supplemental appropriations, appropriations under Private Acts of Congress, or rescissions of appropriations.

(a) The consolidated general appropriation bill for each fiscal year, and each deficiency and supplemental general appropriation bill containing appropriations available for obligation during such fiscal year, shall contain provisions limiting the net amount to be obligated during such fiscal year in the case of each appropriation made therein which is available for obligation beyond the close of such fiscal year. Such consolidated general appropriation bill shall also contain provisions limiting the net amounts to be obligated during such fiscal year from all other prior appropriations which are available for obligation beyond the close of such fiscal year. Each such general appropriation bill shall also contain a provision that the limitations required by this paragraph shall not be construed to prohibit the incurring of an obligation in the form of a contract within the respective amounts appropriated or otherwise authorized by law, if such contract does not provide for the delivery of property or the rendition of services during such fiscal year in excess of the applicable limitations on obligations. The foregoing provisions of this paragraph shall not be applicable to appropriations made specifically for the payment of claims certified by the Comptroller General of the United States and of judgments, to amounts appropriated under Private Acts of Congress, to appropriations for the payment of interest on the public debt, or to revolving funds or appropriations thereto.

(b) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, by items and totals—

(1) the amount of each appropriation, including estimates of amounts becoming available in the fiscal year under permanent appropriations;

(2) estimates of the amounts to be transferred between such appropriations;

(3) estimates of the net amount to be expended in such fiscal year from each appropriation referred to in clause (1);

(4) estimates of the net amount to be expended in such fiscal year from the balances of prior appropriations;

(5) the totals of the amounts referred to in clauses (3) and (4); and

(6) estimates of the total amount which will be available for expenditure subsequent to the close of such fiscal year from the appropriations referred to in clause (1).

The committee reports accompanying each deficiency and supplemental appropriation bill containing appropriations available for obligation or expenditure during such fiscal year, and each appropriation rescission bill, and any conference report on any such bill, shall include appropriate cumulative revisions of such tabulations.

(c) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, for each wholly owned Government corporation or other agency of the Government which is authorized to receive and expend receipts without covering such receipts into the Treasury of the United States and which uses a checking account maintained with the Treasurer of the United States for that purpose (A) the estimated expenditures (other than retirement of borrowing) to be made out of such checking account for the fiscal year, (B) the estimated receipts (other than borrowing) to be deposited in such checking account for such fiscal year, and (C) the difference between (A) and (B).

(d) The provisions of paragraphs (2), (3), and (4) shall not be applicable to appropriations of trust funds or to transactions involving public-debt retirement.

(e) No general appropriation bill shall be received or considered in either House unless the bill and the report accompanying it conforms with this rule.

(f) The Appropriations Committee of the two Houses may hold hearings simultaneously on each general appropriation bill or may hold joint hearings thereon.

Mr. WHERRY. Madam President, without going into any further explanations or going into any more detail respecting the matter, because I want to cooperate with the distinguished Senator from South Carolina and take as little time as possible, I ask unanimous consent to have printed at this point in the RECORD, Report No. 391 of the Eightieth Congress, first session, to accompany Senate Concurrent Resolution 6. The report is very short.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Rules and Administration, to whom was referred the concurrent resolution (S. Con. Res. 6) to include all general appropriation bills in one consolidated general appropriation bill, having had the same under consideration, report said concurrent resolution back to the Senate with an amendment in the nature of a substitute, and recommend that the concurrent resolution, as amended, do pass.

I. INTRODUCTION

The policy underlying this concurrent resolution is based on a proposal to amend the joint rule of the Senate and House of Representatives contained in section 138 of the Public Law 601 (Reorganization Act of 1946) in order to accomplish the following broad objectives:

1. The simplification and clarification of Federal appropriation bills.

2. To enable the Congress to comply more favorably with the clear requirement of section 138 of Public Law 601.

3. To enable the legislative branch of the Government to extend the legislative control on expenditures to the executive branch by means of more appropriate statutory limitations.

As originally introduced, Senate Concurrent Resolution 6 would have—

1. Combined all regular appropriations—which now have to be sought in 12 separate and unrelated bills—into 1 consolidated general appropriation bill, so that the whole appropriation and expenditure picture of the Federal Government could be considered by Congress, and seen at one time by the public.

2. Fixed direct control over annual expenditures against the appropriations which are made, more nearly to comply with the intent of section 138 of the Legislative Reorganization Act of 1946 (Public Law 601).

During the hearings on the concurrent resolution it was developed that the desirable results of the first purpose of the resolution are numerous and obvious. The undesirable possibilities connected with the first objective were found to be as follows:

1. Length of time required by the Appropriations Committees and the respective Houses in consideration of a consolidated bill.

2. Necessity for the President to veto a bill containing all appropriations in the event he disapproved of one or more items.

With respect to the first point, the committee believes that with the customary cooperation between the two Houses and their respective committees, the time requirement can be met.

With respect to the second point, the difference in desirability of the item veto for use in connection with a consolidated bill and for its use in connection with 12 bills is a matter of degree. In view of the controversial viewpoints with respect to the constitutionality of the item veto, the committee believes that the subject of the item veto should not be introduced at this time in the consideration of this concurrent resolution, as amended, particularly in view of the fact that fewer vetoes of appropriation bills may be expected since Congress has tightened up the rules prohibiting substantive legislation in appropriation bills.

With respect to the second objective of the resolution, the fiscal agencies of the Government—the Treasury, Bureau of the Budget, and General Accounting Office—testified that—

"The existing Federal bookkeeping and accounting procedures are not adaptable to control of expenditures on the basis of cash withdrawals from the Treasury without difficulty and additional expense to the Government."

On the basis of this contention, the committee requested the sponsors of the resolution, with the assistance of representatives of the fiscal agencies, to work out changes in the resolution which would bring its requirements within the scope of existing Government fiscal procedures for execution in the executive branch.

This was done in the form of the amendment in the nature of a substitute which was drafted with the assistance of representatives of the Treasury, the Bureau of the Budget, the General Accounting Office, and the Senate Legislative Counsel.

II. PRINCIPAL PURPOSES

In general the concurrent resolution, as amended, provides for three principal broad purposes:

1. Consolidation of all general appropriation measures into one general consolidated appropriation bill.

2. Statutory limitations on obligations against appropriations, which would have the effect of controlling expenditures and keeping them within the revenue.

3. Show by means of an informative table in the reports of the respective Appropriations Committees and Conference Committees on Appropriations an itemized estimate of annual expenditures.

III. ANALYSIS

1. The amended concurrent resolution is in the nature of an amendment to the joint rule of the Senate and House of Representatives—relating to the legislative budget—as contained in section 138 of the Legislative Reorganization Act of 1946.

2. The concurrent resolution, as amended, will be effective with the beginning of the second session of the Eightieth Congress, next January.

3. The first principal purpose of the concurrent resolution, as amended, is to provide for the consolidation of all appropriations in one general appropriation bill to be known as the Consolidated General Appropriation Act.

Under the terms of the concurrent resolution, as amended, the consolidated general appropriation bill may be divided into separate titles, each corresponding to one of the 12 regular general appropriation bills as heretofore enacted, and would permit consideration of the consolidated bill by titles, at the subcommittee stage, without interruption of the present subcommittee organization of the respective Appropriations Committees.

4. Nothing in the concurrent resolution, as amended, would preclude necessary deficiency and supplemental appropriation bills in addition to the consolidated bill, but a reduction in the number of such bills probably will result.

5. The concurrent resolution, as amended, in addition to the consolidated appropriation bill, supplemental and deficiency bills, provides specifically for private act appropriations bills and for appropriation rescission bills.

6. The second principal purpose of the concurrent resolution, as amended, is to fix within the general consolidated appropriation bill, supplemental and deficiency bills, limitation on funds available for obligation during the ensuing fiscal year with respect to all appropriations which are available for more than 1 year. The language in the concurrent resolution, as amended, to accomplish this purpose has been worked out with the assistance of representatives of the Treasury, the Bureau of the Budget, and the General Accounting Office who have testified affirmatively as to the feasibility of the proposal.

7. In connection with these limitations on obligations, the committee invites attention to the fact that the limiations are not to be—

(a) Construed to prohibit entering into over-all contracts which would extend beyond the year, providing the contracts do not allow for delivery of property or services during the ensuing fiscal year in excess of the limitation on obligations for the year.

(b) Applicable to appropriations made specifically for payment of claims certified by the Comptroller General.

(c) Applicable to appropriations for payment of judgments.

(d) Applicable to amounts appropriated under private acts of Congress.

(e) Applicable to appropriations for payment of interest on the public debt.

(f) Applicable to revolving funds or appropriations thereto.

All of the foregoing exemptions are included in the concurrent resolution, as amended, at the suggestion of the representatives from the fiscal agencies, on the grounds that they are required in the interest of administrative efficiency, or for the elimination of unnecessary bookkeeping.

8. The third principal purpose of the concurrent resolution, as amended, is to provide the Congress and the public with accessible information on annual expenditures by the Federal Government. This is accomplished by the provisions in the concurrent resolution, as amended, requiring reports from the respective Appropriations Committees and conference committees on appropriations bills to include an informative table itemizing available appropriations and estimating annual expenditures from the appropriation items with totals in each case.

A similar table will be required showing Government corporations' checking account transactions.

9. Both the provisions for limitations on obligations referred to in paragraph 6 above and for informative tables on expenditures referred to in paragraph 8 above exclude public-debt retirement transactions and trust funds because trust funds do not represent Federal funds, and debt retirement is paid largely out of surplus revenue.

Mr. HAYDEN. Madam President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HAYDEN. This is the difficulty I encounter respecting the proposal made by the Senator from Nebraska. Basically, what the legislative budget was supposed to do was to attempt to fix a limit on all appropriations at the beginning of a session of Congress. The Senator from Nebraska now proposes to get at it in another way, but when it is approached in that way, the finding of the proposed committee would not be binding on the Appropriations Committees of the House and Senate. They can report out whatever appropriations they please.

Let me present to the Senate an idea suggested to the Committee on Appropriations the other day by the Senator from Oregon [Mr. CORDON]. I am sure that his idea is worthy of study. Within 60 days after all March tax returns the Congress will have a better understanding of how much money we can expect to come in to the Treasury from income and excess profits taxes. An intelligent estimate can be made at that time as to what the prospective revenues of the Government will finally be. Congress will know when it has completed action on all the appropriation bills—and it cannot know until the bills have been passed by both the House and the Senate and have been signed by the President—how much money has been appropriated. Only then will Congress know the actual amount appropriated.

If the amount of money appropriated by Congress is greater than the receipts, there is one remedy, and that is to make rescissions of appropriations to the extent that the budget is unbalanced. That can be done intelligently, because Congress will know with much greater accuracy as to what is required to balance the budget.

To set up a duplicate budget agency—its work in a sense will be a duplication of the work done by the President's budget—is a desirable thing if there is not a large but an able staff, which can make accurate use of the information it receives.

But again, after the information is assembled in December or January so that Congress may adopt a budget early in the session, that legislative budget will still not be binding upon either the House Committee on Appropriations or the Senate Committee on Appropriations. It will represent simply some nice fatherly advice as to what the Appropriations Committees should do, but they do not have to do it.

The Senator from Oregon has suggested that Congress as a whole can take the sum of all of the appropriation bills that have been passed and become law, and compare that sum with the amount of money previously taken into the Treasury that spring by way of revenue, and then pass a rescission bill. Congress can pass an intelligent rescission bill much better than it can attempt to handle the matter in the way the Senator from Nebraska [Mr. WHERRY] suggests.

I think the idea, originally expressed by the Senator from Oregon [Mr. CORDON] is worthy of serious consideration.

Mr. WHERRY. I thank the Senator for his observation. He has been a member of and worked on the Committee on Rules and Administration much longer than I have.

I know there are objections to our proposal. Every State in the Union, however, does what we propose to have done by the concurrent resolution. We can do it here. It is simply a question of providing the machinery.

Madam President, I again thank the distinguished majority leader for saying upon the floor that the one thing we need more than anything else is this guide which we now do not have. If the machinery proposed by the concurrent resolution is set up, we can iron out many of the difficulties the Senator from Arizona has mentioned.

Mr. GEORGE. Madam President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. GEORGE. I merely wanted to say, particularly in answer to the question raised by the Senator from California [Mr. KNOWLAND] that the President in his budget does estimate the income for the following fiscal year, and that estimate is based upon December figures, as, of course, corrected until the budget is actually submitted.

Under the January 17 budget it was estimated that the income of the Government for the next fiscal year, fiscal 1950, would amount to $40,985,000,000. At the same time estimated expenditures were fixed at $41,858,000,000, or a deficit on the face of those two figures of $873,000,000. But I wish to make this statement: The Treasury does not, as a general rule, make an estimate after the December estimate, until late July or possibly August of each year. In August I am sure the Treasury will make another estimate of income. Then we can tell pretty well what the income is.

Under our budget system, and under our taxing system, we cannot have an exact forecast in January for the following fiscal year, for the reason that the corporate taxes are based upon the previous calendar year's business or previous fiscal year's business. In other words, the March 15 returns do not show what the corporate taxes are, and do not give an opportunity to forecast those taxes within themselves, because there could be included in that return nothing but the previous calendar year or the fiscal year of the corporation.

We are on a pay-as-you-go basis so far as individual incomes are concerned. That is, generally speaking, we pay as we go. Under the deduction system in force now a fair estimate can be made of income for the next fiscal year, with this important qualification, that if the income is declining because of a decline in national income, we simply have to guess at it.

I said that the Treasury makes an estimate ordinarily in August. The Joint Committee on Internal Revenue Taxation has a very capable staff. Generally that committee makes an estimate both of expenditures and of receipts, but after all it is not an official estimate. It is simply a congressional estimate made through this agency of the Congress; that is, the Joint Committee on Internal Revenue Taxation.

I thought I should make this statement because under our budgeting system it practically is impossible to forecast what our receipts will be for the fiscal year next after the making of that forecast. After the beginning of the fiscal year and when two full quarters have passed, or a half a year, with payment of corporate taxes permitting some actual basis for estimate, a more accurate estimate and forecast can be made.

That is the situation in which we find ourselves. With individual taxes based upon current income and corporate taxes based upon a calendar or fiscal-year basis, we simply cannot get an exact picture. In order that we may more clearly understand it, let me say that, broadly speaking, one-half the entire revenues of the Government comes from taxes paid by individual taxpayers. Approximately one-fourth comes from corporation taxes, and about one-fourth from excise taxes. I am using only round figures. They are not exact, but, broadly speaking, we have individuals paying one-half of the receipts, corporations paying about one-fourth, and excise taxes accounting for about one-fourth.

Mr. KNOWLAND. Madam President, will the Senator from Nebraska yield to me at this point so that I may ask the Senator from Georgia a question?

Mr. WHERRY. I am glad to yield.

Mr. KNOWLAND. I should like to ask the able chairman of the Finance Committee whether he has the estimates made by the Joint Congressional Committee on Internal Revenue Taxation. He mentioned the fact that some figures had been prepared, which he pointed out were not official; but unless I missed it he did not give those figures. I am interested in knowing whether any late figures are available.

Mr. GEORGE. I did not give those figures for a reason which seemed to me to be sufficient. I shall frankly state it to the Senate.

The Joint Committee staff has made an estimate. The Joint Committee itself met with the staff during the past week, but the full committee was not present, and it was deemed inadvisable to release the staff estimate until we could have the Joint Committee present. As the Senator will recall, the Joint Committee consists of six Members of the House and six Members of the Senate, divided equally as between the parties. When the committee again meets it probably will release the estimate. However, I cannot be too strong in my statement that it will be simply an estimate made by our own committee staff. That estimate is subject to change. It may change rapidly or it may not change. Generally speaking, the Treasury estimate of receipts has always been a bit low, because the Treasury must necessarily be on the

conservative side. In this particular year I do not think anyone can say that the Treasury estimate is low.

Mr. KNOWLAND. Madam President, will the Senator from Nebraska yield to me so that I may ask the Senator from Georgia a further question?

Mr. WHERRY. I yield.

Mr. KNOWLAND. Because of the information which the Senator has furnished, I can fully understand why he did not want to release the figures of the Joint Committee until the committee itself had an opportunity to meet.

Madam President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the information which came over the United Press printer, which gives the Government expenses and receipts for the current fiscal year, through May 9, compared with a year ago. I shall place the exact figures in the RECORD. I read only the round figures.

Government expenses for the current fiscal year through May 9, this year are $30,456,000,000, compared with $28,369,000,000 last year; receipts, $31,981,000,000 this year, compared with $35,799,000,000 last year; surplus, $1,523,000,000 this year, compared with $7,430,000,000 last year; Treasury cash balance, $3,436,000,000 this year compared with $4,521,000,000 last year; public debt, $251,591,000,000 this year compared with $252,113,000,000 last year; gold reserve $24,334,000,000 this year compared with $23,224,000,000 last year.

I ask unanimous consent that the press report be printed at this point in the RECORD as a part of my remarks. The figures may be very helpful.

Mr. WHERRY. They are very helpful, and I thank the Senator.

There being no objection, the press report was ordered to be printed in the RECORD, as follows:

Government expenses and receipts for the current fiscal year through May 9, compared with a year ago

	This year	Last year
Expenses	$30,456,439,953.27	$28,369,681,625.87
Receipts	31,980,111,930.54	35,799,817,028.76
Surplus	1,523,671,977.27	7,430,135,402.89
Cash balance	3,436,783,642.46	4,521,175,151.53
Public debt	251,591,133,570.83	252,113,356,103.61
Gold reserve	24,334,633,152.14	23,224,519,498.19

Mr. FERGUSON. Madam President, will the Senator from Nebraska yield to me so that I may ask the Senator from Georgia a question?

Mr. WHERRY. I am glad to yield. I ask unanimous consent that I may yield to the Senator from Michigan for the purpose of asking the Senator from Georgia a question.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. GEORGE. I shall be glad to answer if I can.

Mr. FERGUSON. On Friday of last week the Senator from Michigan inserted in the RECORD similar figures as of March 4. As I understand, yesterday the Commerce Department issued a release with respect to income as of March 15. Has the Senator any information on that subject? The report indicated that the income for March was much lower.

Mr. GEORGE. I have no official information on the subject, unless it has been received in the committee since Saturday. I have been kept away from the Senate for a couple of days.

Mr. FERGUSON. So the Senator is not using any figures that came from the Commerce Department?

Mr. GEORGE. Not at all. However, I saw those figures. As I understand, the Commerce Department figures are based upon an estimate of the first quarter individual receipts as compared with the last quarter of 1948. The figures show a decline of between $2,000,000,000 and $3,000,000,000.

Mr. FERGUSON. I thank the Senator.

Mr. GEORGE. No further estimate has been submitted by the Treasury to the Committee on Finance, and I wished to explain that that was not at all unusual, but was rather following the usual course, because the Treasury does not make up its estimate until after the lapse of two quarters in the year.

Mr. LUCAS. Madam President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LUCAS. Apropos of what the distinguished Senator from Georgia has said, I wholeheartedly agree with him with respect to the necessity of the Treasury Department waiting perhaps until August—at least, the second quarter—before attempting to speculate with anything approaching accuracy as to the total amount of revenue that will come into the Treasury of the United States.

However, that in no wise takes away from the point made by the Senator from Nebraska a moment ago with respect to an able, competent, and adequate staff to begin as soon as possible to study the question of expenditures, so that when the Treasury makes the final estimate the staff will have at their finger tips, for the benefit of the Appropriations Committees or other committees of Congress, the total amount of expenditures which it is believed are necessary and the total amount which might be saved, in contrast to the budget laid down by the President of the United States.

Mr. WHERRY. I thank the majority leader for his observation. That is one of the reasons why we offered the concurrent resolution.

Anticipating the very observations made by the distinguished Senator from Georgia, those of us who have studied this question felt that receipts from individual income taxes quarterly would be more or less constant, fluctuating with earnings, and that the corporate taxes would be coming in about the first of August. The resolution provides that the committee shall be established at the beginning of the fiscal year, some time in the month of July, so that not only will they be able to do as the majority leader has suggested relative to formulating policies with respect to expenditures, but in order that they may be on hand to study what information they can get relative to receipts, as was so ably outlined by the distinguished Senator from Georgia.

Mr. AIKEN. Madam President, will the Senator yield so that I may ask the distinguished Senator from Georgia a question?

Mr. WHERRY. I am glad to yield.

Mr. AIKEN. I should like to ask the chairman of the Committee on Finance whether, in estimating the costs of Government, the President includes the anticipated losses of the Commodity Credit Corporation, which this year will undoubtedly amount to several hundred million dollars.

Mr. GEORGE. Usually an item for that purpose is carried in the budget, but I do not believe that in this budget there is a large item for anticipated losses of any of the Federal corporations such as the Commodity Credit Corporation. The President's budget is not what we might ordinarily understand as a cash-budget system. That makes it very confusing. There is an item in the budget, may I say to the Senator, that is carried for that purpose, as indicating losses by Federal corporations, including the Commodity Credit Corporation.

Mr. AIKEN. The Senator from Georgia, who is chairman of the Finance Committee, believes, I am sure, that the losses of Government corporations should be carried as Government expenditures. When the time comes that their capital has to be renewed or their borrowing power has to be extended, should not a direct appropriation be made by the Congress for that purpose, rather than to resort to the practice, which has prevailed in some years, of authorizing the corporation to borrow from the Treasury, and then simply passing a joint resolution canceling the notes given to the Treasury, so that the expenditure never appears as an expenditure of Government in any appropriation bill.

Mr. GEORGE. Madam President, I think I am prepared to say to the Senator from Vermont that I agree in principle with him, and I am also prepared to say that under our budgeting system there is hardly any way to find out what the Federal corporations are actually doing.

Mr. AIKEN. Otherwise we might have a balanced budget and still have an increased national debt.

Mr. GEORGE. That is quite true.

Mr. WHERRY. Madam President, unless some other Senator wishes to ask me a question, I shall yield the floor.

Mr. MAYBANK. Madam President, I should like to ask the distinguished minority leader whether there is to be further discussion of the pending measure.

Mr. WHERRY. I have yielded the floor.

Mr. MAYBANK. I ask that question for the reason that several Senators who now are absent have asked me to suggest the absence of a quorum before a vote is taken on this measure.

Mr. WHERRY. I understand the Senator from Vermont wishes to speak for about 2 minutes.

Mr. MAYBANK. The Senator from Washington [Mr. CAIN] wishes to ask a question. Therefore, I shall yield first to him, and thereafter to the Senator from Vermont.

Mr. AIKEN. I should like to have several minutes in my own time.

Mr. MAYBANK. Very well. Of course I did not desire to suggest the absence of a quorum until we were about to vote.

Mr. CAIN. Madam President, I should like to ask several questions of the able Senator from South Carolina who is managing the Treasury-Post Office appropriation bill here on the floor.

In the Coast Guard section of the committee report, on page 4, the statement is made:

> The committee also disapproved the sum of $3,500,000 to initiate a training program for Reserve personnel of the Coast Guard. This item was submitted in supplemental estimates, Senate Document 25.

I should like to say to the distinguished Senator that because of the importance of the intended Coast Guard activities and because of the expected large-scale interest in the subject, I think the record would benefit materially if the Senator from South Carolina would offer some explanations in regard to the deleting of the item from the bill, as the committee has reported it to the Senate.

Mr. MAYBANK. I shall be glad to do so, and it will not take long.

Of course, the Senator from Washington has correctly stated the action in regard to the Coast Guard items. I may say that in the committee we disregarded the item of $3,500,000 for initiating a training program for the Coast Guard Reserve, for the reason that the estimate for that purpose was a supplemental estimate. The Bureau of the Budget did not approve and submit any estimate for the Coast Guard Reserve, when the Coast Guard items were being considered by the House committee. Representatives of the Coast Guard did not testify on that matter before the House committee, as will be noted by referring to page 11 of the House committee report, where the following language appears:

> Coast Guard Reserve: The budget estimate contained no provision for activities of the Coast Guard Reserve. The subject was discussed at length by the committee and it was ascertained that plans are now under way to encourage activities on the part of Reserve personnel of the Coast Guard. The committee is sympathetic with the establishment of a Coast Guard Reserve program to enable the service to hold the interest of those who served during the war and are now in civilian life.

I may say here that I am in thorough sympathy with the statement of the committee in the report. In my judgment, the Coast Guard Reserve is to be given the same consideration as the Army Reserve or the Air Force Reserve or the Navy Reserve. Nevertheless, the Coast Guard Reserve submitted no program. It had nothing to present to the House committee, so finally the House committee concluded its report as follows:

> It is understood that budget estimates are now being considered for instituting this program and the committee will give the subject most serious consideration when the matter is formally submitted.

That is the report of the House committee to the House of Representatives.

Of course there was then no time for representatives of the Coast Guard to appear before the committee, because the hearings had already been completed.

The Senate committee voted to increase the appropriations in the amount of $3,708,000, for two items, namely, pay and allowances and general expenses. The committee took that action in order to retain the military strength of the Coast Guard and also to authorize ocean weather stations.

However, inasmuch as there had been no hearings on the Coast Guard Reserve and inasmuch as no budget estimate had been provided, we were fearful that if we went ahead on that item simply on our own, such action on our part might endanger the taking of favorable action by the Congress on the items for pay and allowances and general expenses, including the item for the ocean weather stations.

Mr. CAIN. Madam President, I am grateful to the Senator from South Carolina for his explanation.

Inasmuch as the problem of what to do regarding the Coast Guard Reserve is certain to be before the Congress at a future date, I wonder whether the Senator will define the primary function and mission of the Coast Guard Reserve, as laid down in legislation which has been passed by the Congress and approved by the President.

Mr. MAYBANK. I shall be very glad to do so.

However, first I should like to have printed at this point in the RECORD a memorandum about this matter which I sent to several Senators.

The PRESIDING OFFICER. Without objection, the memorandum will be printed at this point in the RECORD.

The memorandum is as follows:

MAY 5, 1949.

MEMORANDUM TO SENATOR JOHNSON OF TEXAS ON SUBJECT OF COAST GUARD RESERVE TRAINING PROGRAM

Supplemental estimate, Senate Document 25, requested an appropriation of $3,500,000 to initiate a training program for Reserve personnel of the Coast Guard. The statutory authority for the Coast Guard Reserve and the Reserve training program is contained in the act of February 19, 1941 (14 U. S. C. 301, et seq.).

The Senate Committee on Appropriations considered the above-mentioned request during its hearing on the 1950 Treasury-Post Office bill, H. R. 3083, and in its report No. 310 to the Senate on April 29, 1949, stated the following:

"The committee also disapproved the sum of $3,500,000 to initiate a training program for Reserve personnel of the Coast Guard. This item was submitted in supplemental estimate, Senate Document 25."

The House Committee on Appropriations did not consider the 1950 estimate for Reserve training as the item was not before their committee during its consideration of the regular bill. However, their report (No. 168), submitted with the 1950 bill, made the following comment:

"Coast Guard Reserve: The budget estimate contained no provision for activities of the Coast Guard Reserve. The subject was discussed at length by the committee and it was ascertained that plans are now under way to encourage activities on the part of Reserve personnel of the Coast Guard. The committee is sympathetic with the establishment of a Coast Guard Reserve program to enable the service to hold the interest of those who served during the war and are now in civilian life.

"It is understood that budget estimates are now considered for instituting this program and the committee will give the subject most serious consideration when the matter is formally submitted."

Mr. MAYBANK. Madam President, the question the Senator from Washington has asked me can be answered by referring to the side slips on the hearings of the Subcommittee of the Appropriations Committee on the Treasury-Post Office Appropriation bill, at page 77. At that point the following appears:

BASIC MISSION

The basic purpose of the Coast Guard Reserve training program is to have ready for immediate action a nucleus reserve of 2,469 officers and 26,645 enlisted men to perform the following functions:

BASIC RESERVE PERSONNEL REQUIREMENTS BY FUNCTIONS

Type of duty:

1. Port security: COTP, beach patrol, harbor master units.
2. Vessel augmentation: Cutters (ocean station), patrol craft (inshore and offshore), icebreakers.
3. HF/DF.
4. Merchant marine.
5. Aids to navigation: Visual aids, loran.
6. Search and rescue: Aviation, small surface craft.
7. Communications.
8. Administrative.

Port security comprises the enforcement of safety regulations for the protection of waterfront facilities and vessels in harbors; the prevention, detection and fighting of fires in harbor areas; supervising or handling and storage of explosives and other dangerous cargoes; implementing pertinent sections of the Espionage Act; controlling the movement and anchoring of vessels in harbors; boarding and examining vessels entering United States ports; controlling the entry of personnel to harbor areas through the issue and examination of identification cards. For these purposes, the Coast Guard proposes to organize reserve personnel into three types of units:

1. A captain of the port unit will be established in 1950 for each harbor in the United States, beginning with major harbors, such as Boston, New York, Norfolk, Seattle, and San Francisco.

2. Harbor master units will be established for operation at overseas areas.

3. Beach patrol units will be set up for the prevention of illegal landings, the enforcement of "black-out" and other similar wartime restrictions, and for the rescue of and aid to shipwrecked personnel along the United States coast.

Augmentation of vessel complements: A national emergency will immediately place an additional work load on the Coast Guard's ocean station vessels, patrol craft, and ice breakers. These vessels will be required to be under way most of the time; will have to maintain double the number of men on watch; and, will have to man electronic detection and ordnance equipment full time to carry out their missions.

High-frequency direction-finding stations: These stations which are now in an inactive status will have to be manned immediately in order to detect, identify, and evaluate high-frequency radio signals, so as to locate distressed vessels and aircraft promptly.

Marine inspection: This function includes the inspection of merchant vessels for matériel standards, such as boilers, hull, lifeboats, rafts, fire-fighting equipment, and similar safety devices, and the establishment of load line limits. An emergency will increase the Coast Guard's work load in respect to the larger number of merchant vessels. This function also includes the conduct of examinations for licensing merchant marine officers and for certification of merchant seamen.

In addition to the reserve personnel which must be trained to augment the merchant-marine inspection staffs in the United States, the Coast Guard must organize "hearing units" to conduct "on the spot" investigation of merchant marine disciplinary cases and license examinations at overseas ports where American shipping will be concentrated.

Search and rescue: Wartime requirements for search and rescue will impose a much heavier work load in locating vessels, aircraft, and personnel in need of assistance and in rendering the assistance. Reserve personnel must be provided for additional Coast Guard aircraft and small rescue craft.

Communication: Since a war or similar emergency will generate a large work-load increase for communication facilities, in respect to the volume of transmissions and the maintenance of security reserve personnel must be ready to meet this requirement immediately.

Administrative: The reserve organization must provide personnel for the establishment and maintenance of personnel records and pay accounts, and for the administration of personnel in respect to military morale, welfare, and medical assistance. In addition, personnel must be provided for transportation services, and supply, legal advice, and public information. Finally, to provide a nucleus for further expansion, reserve personnel must be trained and available to man additional training facilities.

Mr. CAIN. Madam President, I should like to ask the Senator if it is a fact that the Coast Guard Reserve is the only agency of our Government which is charged with responsibility for port security, encompassing all the ports under the jurisdiction of our Government.

Mr. MAYBANK. To the best of my knowledge, the Senator from Washington is entirely correct.

Again I wish to say that I am as distressed about the Coast Guard Reserve's having no program at all as is the Senator from Washington. I do not wish to place on any particular person the blame for that situation, because I do not know the facts. But I know that the representatives of the Coast Guard did not go to the Bureau of the Budget or to the House committee with a request for the inclusion of items for that purpose in the appropriation bills; and I know that in the closing hours of the handling of the bill by the subcommittee of the Senate Appropriations Committee—as a matter of fact, I think the Senator from Arizona will confirm my statement that it was on the last day when the subcommittee was handling the bill—representatives of the Coast Guard came to us——

Mr. HAYDEN. That is correct.

Mr. MAYBANK. But then it was too late.

Many Members of the Senate have spoken or written to me about this item. It is a subject of deep concern to many of us, I may say.

Mr. CAIN. I wish to say that the Senator from Washington is fully conscious of the consideration given to the item by the Appropriations Committee. But I do feel that it is most helpful to indicate to others who are interested how it came about that a most necessary activity is not being implemented, I do not say through dereliction, but because of a certain procedure that did not result in properly presenting the matter in its entirety before the committees of the House.

Mr. MAYBANK. And before the Bureau of the Budget.

Mr. CAIN. Certainly. With the Senator's indulgence and permission, I have several other brief questions. Perhaps the Senator will agree with me that in a security sense, we as a Nation ought to be conscious of the fact that until we actually activate the Coast Guard Reserve, we shall be without an agency responsible for properly securing the ports of America.

Mr. MAYBANK. The Senator is eminently correct. I can well remember the wonderful work the Coast Guard did at the beginning of World War II, not only in looking after the ports but all the bridges adjacent to the ports, and all travel in and out of the ports.

Mr. CAIN. If the Senator will yield further, I have two more questions. I think it was in the Eightieth Congress that a bill known as Public Law 810 was passed. If my understanding is correct, the bill provides retirement benefits and privileges from members of the Air, Navy, Army, and Coast Guard Reserves.

Mr. MAYBANK. The Senator is eminently correct. I happen to have had the particular good fortune of being on the Armed Services Committee at that time with the chairman, the distinguished Senator from North Dakota [Mr. GURNEY], and I was a member of the subcommittee that handled the bill and brought it to the floor.

I desire to place in the RECORD at this point a brief statement entitled "Retirement Rights for Reservists," appearing at page 81 of a memorandum on amendments submitted to House bill 3083.

There being no objection, the statement was ordered to be placed in the RECORD, as follows:

RETIREMENT RIGHTS FOR RESERVISTS

This is still another phase of the Reserve problem, which cannot be overlooked. Last year the Congress passed a bill known as Public Law 810, which establishes certain retirement rights for members of all Reserve components, provided such members meet annually certain training requirements.

The bill was designed, of course, for the other armed services as an incentive to Reserve members to train regularly. The members of the Coast Guard Reserve come under the provisions of this law and unless we are prepared to provide this training the Coast Guard is unable to meet the responsibilities charged to it by Public Law 810. This is not fair to the members of the Coast Guard Reserve who joined during the war and would now like to continue their affiliation on a basis that is comparable with that of personnel who joined other Reserve components.

The Reserve training program contemplated by the Coast Guard has been designed to utilize Naval Reserve training facilities wherever practicable. The estimates before this committee will, if approved, provide funds for the Coast Guard to establish an active Reserve organization trained for the functions that the Coast Guard will be called upon to discharge immediately should an emergency arise and which in no way duplicates those of any other armed service.

The importance of a Reserve component to the Coast Guard and to the national defense cannot be too strongly urged. It is, therefore, requested that the amount of $3,500,000 be appropriated to initiate the program.

Mr. CAIN. I would point out to the Senator from South Carolina that it seems seriously ironic that without any bad intention on the part of anybody we are providing privileges and benefits and opportunity to Reserve officers and enlisted personnel in the Army, Navy, and Air Force Reserve.

Mr. MAYBANK. And also the marines.

Mr. CAIN. And the marines, likewise; while at the same time, until the Naval Reserve Corps is activated, we are absolutely prohibiting its membership from taking advantage of the terms laid down by Public Law 810.

Mr. MAYBANK. I cannot differ with the Senator from Washington. I may only say the plans were not before the committee at the proper time. I may as well be frank with the Senator. From the testimony I heard, I did not think the plans which were presented at that time were sufficient, even when they came to us on the last day. I think we ought to obtain complete and thorough plans and have them approved by the budget, to be limited to what the budget may be forced to limit them, and to go before the House, either on a supplemental or deficiency bill, have a day in court, and then take the matter up before a Senate committee. If I can help in some small way as a member of the subcommittee, I shall be glad to do so, but at the time referred to there was nothing that either the chairman or any other member of the committee could do that we thought would be upheld by the House, and that would not cause conflict with respect to the legislation.

Mr. CAIN. I am thoroughly and completely in accord with the explanation given by the able Senator. The Senator from South Carolina has answered fully and clearly the last question I had in mind, which was simply going to be, would it not be proper, because of the importance of the program and the security of America, for the Coast Guard Reservists, under the jurisdiction of their naval and Treasury Department leadership, to again present their proposal at the next opportunity as a deficiency or supplemental appropriation, in full knowledge that there would be no lack of willingness on the part of the Appropriations Committee of the Senate thoroughly to examine the merits of the problem.

Mr. MAYBANK. Of course, I cannot speak for the Senate committee as to what the appropriations may or may not be, but I do know that every member of our subcommittee and every member of the full Committee on Appropriations of the Senate certainly wanted to know the problems of the Coast Guard, and were very much disappointed that they did not have an over-all picture as to the cost and the value from a defense standpoint, and the other worthwhile things the Coast Guard has so ably carried on for many years.

Mr. CAIN. In expressing my appreciation to the Senator from South Carolina for the fullness of his answers, I may

say that from my point of view the advice he has just given to the Navy Department——

Mr. MAYBANK. Of course, the Coast Guard comes under the Treasury, as the Senator knows.

Mr. CAIN. Yes, and to the Coast Guard leadership, is both sensible and reasonable, and a guide to Senators, and they will not lose heart as a result of the unfortunate oversight, but will continue their efforts until activation has actually come about.

Mr. MAYBANK. I thank the Senator.

Mr. CAIN. I thank the Senator from South Carolina.

Mr. AIKEN rose.

Mr. MAYBANK. As I understood, the Senator from Vermont desired me to suggest the absence of a quorum.

Mr. AIKEN. No; I merely want to speak briefly.

Mr. MAYBANK. I understood that, but does the Senator desire me to suggest the absence of a quorum at this time?

Mr. AIKEN. I can complete what I have to say before we have a quorum call.

Although I agree that the amendment offered by the Senator from Michigan on behalf of himself and the Senator from New Hampshire, has a very worthy objective, and although I agree that probably from 5 to 10 percent of the Government expenditures could be eliminated, with the full cooperation of the executive branch of the Government, yet I do not feel that the amendment offered by the Senator from Michigan and the Senator from New Hampshire would accomplish its objective, if we delegate to the executive branch or to any department of that branch of the Government authority to cut the appropriations or to fix the appropriations in any way. We should profit from past experience and realize that the departments to whom we delegate such authority and give such instructions are likely to cut the appropriations in such a manner as most to embarrass the Congress. That has been done. There is no reason to believe it would not be done again.

I feel that one of our greatest troubles in the management of Government today is the fact that we have delegated too much authority and responsibility to the executive branch. The executive branch has been quick to accept any authority delegated to it, but it has not been so eager to assume responsibility for the things that go wrong. In fact, since I have been in the Senate, that branch of the Government has lost no opportunity to place the blame upon the Congress so far as possible for things that have gone wrong through the folly or negligence of the executive branch.

In approving the amendment, we are simply inviting a recurrence of that situation. If it is determined that we can no longer maintain appropriations at the level requested by the departments, and that a cut must be made somewhere, then that cut should be made by the Congress itself. Authority for making cuts should not be delegated to any branch of the executive departments.

If we determine that a reduction should be made, the bill should be recommitted to our own Committee on Appropriations, with instructions to make such reduction. I assume the committee would confer with the particular branch of the executive department concerned and arrive at its conclusions after such conference had been held. I think that is the proper way to handle the situation. I do not think we would achieve our objective or enhance the cause of good government by simply instructing the executive branch of the Government to make the reductions where it sees fit. I am quite sure the latter course would react against us in the long run.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Hampshire [Mr. BRIDGES] for himself and the Senator from Michigan [Mr. FERGUSON] to suspend the rule to make a certain amendment in order.

Mr. BRIDGES. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAYBANK. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Mundt
Baldwin	Humphrey	Murray
Brewster	Hunt	Myers
Bricker	Ives	Neely
Bridges	Jenner	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Reed
Capehart	Kefauver	Robertson
Cordon	Kem	Russell
Donnell	Kilgore	Saltonstall
Douglas	Knowland	Smith, Maine
Downey	Langer	Sparkman
Ecton	Long	Stennis
Ellender	Lucas	Taft
Ferguson	McCarran	Taylor
Flanders	McCarthy	Thomas, Utah
Frear	McClellan	Tobey
Fulbright	McFarland	Tydings
George	McGrath	Vandenberg
Gillette	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Martin	Williams
Hendrickson	Maybank	Withers
Hickenlooper	Millikin	Young

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON] to suspend the rules. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. What is the question being voted on?

The VICE PRESIDENT. The vote is on the motion to suspend the rules to make in order the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON].

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Kentucky [Mr. CHAPMAN] is absent on public business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Alabama [Mr. HILL] are absent on official business.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from New Jersey [Mr. SMITH] and the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from New Jersey and the Senator from Minnesota would vote "yea."

The Senator from Oklahoma [Mr. THOMAS] is paired on this vote with the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Massachusetts and the Senator from Kansas would vote yea."

If present and voting, the Senator from Kentucky [Mr. CHAPMAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. GRAHAM], the Senator from Alabama [Mr. HILL], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH], who is absent because of illness, and the Senator from Minnesota [Mr. THYE], who is absent by leave of the Senate, are paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from New Jersey [Mr. SMITH] and the Senator from Minnesota [Mr. THYE] would vote "yea," and the Senator from Oklahoma [Mr. KERR] would vote "nay."

The Senator from Massachusetts [Mr. LODGE], who is necessarily absent, and the Senator from Kansas [Mr. SCHOEPPEL], who is absent by leave of the Senate, are paired with the Senator from Oklahoma [Mr. THOMAS]. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. SCHOEPPEL] would vote "yea," and the Senator from Oklahoma [Mr. THOMAS] would vote "nay."

The Senator from Nevada [Mr. MALONE] is detained on official business. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "yea."

The result was—yeas 37, nays 45, as follows:

YEAS—37

Baldwin	George	Mundt
Brewster	Gurney	Reed
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Smith, Maine
Butler	Ives	Taft
Byrd	Jenner	Tobey
Cain	Johnson, Colo.	Vandenberg
Capehart	Kem	Watkins
Donnell	Knowland	Wherry
Douglas	McCarthy	Wiley
Ecton	McMahon	Williams
Ferguson	Martin	
Flanders	Millikin	

NAYS—45

Aiken	Johnson, Tex.	Murray
Anderson	Johnston, S. C.	Myers
Connally	Kefauver	Neely
Cordon	Kilgore	O'Conor
Downey	Langer	O'Mahoney
Ellender	Long	Pepper
Frear	Lucas	Robertson
Fulbright	McCarran	Russell
Gillette	McClellan	Sparkman
Green	McFarland	Stennis
Hayden	McGrath	Taylor
Hoey	McKellar	Thomas, Utah
Holland	Magnuson	Tydings
Humphrey	Maybank	Withers
Hunt	Morse	Young

NOT VOTING—14

Chapman	Kerr	Smith, N. J.
Chavez	Lodge	Thomas, Okla.
Eastland	Malone	Thye
Graham	Miller	Wagner
Hill	Schoeppel	

The VICE PRESIDENT. On this vote the yeas are 37, the nays are 45. Two-thirds of the Senate not having voted in favor of the motion, the motion is rejected.

Mr. KNOWLAND. Mr. President, I send to the desk an amendment which I ask to have stated for the information of the Senate.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 49, line 19, it is proposed to strike out the period and insert in lieu thereof a colon and the following: *"Provided further,* That not to exceed ninety-five per centum of the fund provided by any appropriation made by this act for the fiscal year ending June 30, 1950, shall be expended or obligated by the department, agency, or corporation to which such appropriation is made."

Mr. KNOWLAND. Mr. President, I offer the amendment on behalf of myself, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and the Senator from Nebraska [Mr. WHERRY].

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California for himself and other Senators.

Mr. MAYBANK. Mr. President, I wish to make a statement after the Senator has spoken on his amendment.

Mr. KNOWLAND. Mr. President, the amendment is offered as a limitation in the appropriation bill. The discussion early in the day I think has clearly indicated that with the estimated receipts which the Government of the United States will have available to it, and with the expenditures which are now in prospect, the chances are very strong that we will have a substantial deficit at the end of the next fiscal year, and a very strong possibility of at least $800,000,000 deficit at the end of this fiscal year.

I merely want to call to the attention of the Senate the fact that the Federal tax receipts for the year 1943, which was after the United States had gone into World War II, and already had available to it some high revenue taxes growing out of the war, amounted in that year to only some $22,570,000,000. The Federal tax receipts went up considerably from that period of time, but I think that any prudent person must recognize the fact that if there is a falling off of the over-all business income and personal income in the Nation it is not at all impossible that the Federal revenues would not only decrease by perhaps $3,000,000,000 or $4,000,000,000, but might plunge downward considerably below that figure.

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. I wish to ask the Senator from California if his amendment would affect every item in the bill by 5 percent

Mr. KNOWLAND. That is correct.

Mr. MAYBANK. I should like to ask the Senator from California if he believes we can cut every item in the Post Office Department 5 percent, when the record shows that the expenditures of the Post Office Department have been increased because of raises in salaries, and so forth, and so on, last year, and other legislation which was passed affecting the Post Office Department, in view of which the Department practically admits that it will operate at a deficit of $409,000,000 unless postal rates are raised.

Mr. KNOWLAND. I misunderstood the Senator's question. It will affect each department, agency, or corporation the over-all amount allotted to each department, agency, or corporation. They cannot expend or obligate more than 95 percent of the amount provided in the bill.

Mr. MAYBANK. That is what I understood the Senator to say. I simply cannot understand why an attempt is made to cut the Post Office 5 percent on all its items, when, by Public Law 900 postal salaries were raised $220,000,000, and when the Post Office Department, frank and honest, as it always is with the American public, states in its report that as the situation now is the Department is going to operate under a deficiency of $409,000,000. If a cut of 5 percent is made by the Senator's amendment that will mean the Department will have that much more of a deficit. Am I wrong in that statement?

Mr. KNOWLAND. I will say to the able Senator who is in charge of the bill that it was my privilege to serve as a member of the Appropriations Committee for 2 years. I have yet to find a Government department or agency which comes forward and shows where it can make a reduction below the budget estimate. As a matter of fact, 2 years ago, and also a year ago, bureau representatives came before the subcommittee of which I was privileged to be the chairman. Later in my office several of them said, "Senator, we know that your committee is going to make a reduction. In our judgment a reduction can be made. But word has been passed down through the various agencies of the Government that they must stand on the budget estimates as submitted by the Director of the Budget and the President of the United States. Now," they said to me, "Senator, providing you will not disclose our identity we can show you where reductions can be made in the budget that will not be harmful to our particular agency."

Mr. President, I admit that the problem of cutting expenditures is a very difficult one. But it is no more difficult than the problem which is faced by the American people in having to dig up taxes to support their Federal Government, to support their State governments, and to support their local governments.

Mr. President, we are rapidly coming to the jumping-off place. The Senate, as a responsible body, which I believe the Senate of the United States to be, is faced with two alternatives. We can either find ourselves in a position where we will not have sufficient revenues to balance the budget, in which case we can levy new taxes, and that is a considerable responsibility when the levying of new taxes may tend to undermine business confidence in this country. Or we can go on another spree of deficit financing, and if we do that we may jeopardize the solvency of the Federal Government itself.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MILLIKIN. The Senator has suggested that we might increase taxes. True, we might increase the rates, but I suggest that in a declining economy that may not mean an increase in revenue.

Mr. KNOWLAND. To the contrary, it may mean a decrease in revenue. I quite agree with the able Senator from Colorado, former chairman of the Finance Committee. There have been a number of instances in the country's history when an increase in tax rates has actually resulted in a decrease in revenue, and other instances when a decrease in the tax rate has actually resulted in an increase in the Federal revenue.

So it seems to me, Mr. President, that we are faced with a problem, and under our responsibilities as Senators of the United States we had better begin now with the first of the major appropriation bills that will come to a vote on the floor of the Senate, to make what is a modest reduction in the over-all cost.

I want to repeat to the Senate that in the appropriation bills which have passed the House of Representatives up to this time—and if my information is correct, all the major supply bills have now passed the House of Representatives are some $4,200,000,000 more than the same bills carried last year. There has to be an end to such procedure. In the interest of a solvent Federal Government and a sound national economy we have to bring and keep our budget in balance, and it is certainly not too much to ask that these Government departments cooperate to the extent of making a 5-percent reduction.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. VANDENBERG. I ask the Senator for an interpretation of the fashion in which his amendment will operate. Does it mean to apply a 95 percent over-all limitation to the total appropriation, or is it an automatic 95 percent limitation on each individual item?

Mr. KNOWLAND. No, it is meant to apply a 95 percent limitation to the over-all funds allotted to the Departments, agencies and corporations concerned.

Mr. VANDENBERG. So that the same option remains in the management of

the agency to exercise its own best judgment in making this housekeeping reduction?

Mr. KNOWLAND. That is the judgment of the junior Senator from California, and the intention under the amendment.

Mr. FERGUSON. But the amendment does not include the limitation that the head of an agency may not make a greater reduction than 20 percent in any division.

Mr. KNOWLAND. That is correct.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ROBERTSON. I wish to say to the distinguished Senator from California that I am thoroughly in sympathy with his desire to effect economies. With respect to these two particular agencies, I was a member of the subcommittee. I examined them very carefully. I did not see how we could cut the Post Office Department, when it is estimated that even with the funds allowed them in the bill, they will still have a deficit. I did not see how we could cut the Treasury Department on the evidence which was before us, without taking something away from our strategic stockpiling program, and reducing the number of new internal revenue agents.

The Senator refers to supply bills which have passed the House, carrying appropriations of $4,000,000,000 more than the budget of last year. I remind him that there are three deficiency bills, totaling more than $2,000,000,000, which we must add to what was appropriated last year, before we finish the current fiscal year.

Mr. KNOWLAND. We also had deficiency bills a year ago, which were included in the year-to-year comparison.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. CORDON. I desire to inquire with reference to the legal effect of the amendment in case it should be adopted. My inquiry is somewhat along the line of that made by the distinguished Senator from Michigan [Mr. VANDENBERG].

The Senator from California answered the Senator from Michigan by saying that it was his purpose in offering the amendment to make it applicable to the single total appropriation to the Post Office Department, and the single gross total appropriation to the Treasury Department. However, I invite the Senator's attention to the language of the amendment, and then I shall make my inquiry. The proviso is as follows:

Provided further, That not to exceed 95 percent of the funds provided by any appropriation made by this act for the fiscal year ending June 30, 1950, shall be expended or obligated by the department, agency, or corporation to which such appropriation is made.

The language is "the funds provided by any appropriation made by this act." The mechanics of making the appropriation raise the question which is bothering me. For example, on page 26 of the bill, under the heading "Retired pay" is a sum appropriated to provide retired pay for commissioned officers, enlisted personnel, and other members of the former Life Saving Service. That amount, whatever it may be, is a fixed amount. The Government owes it to those people as retirement pay under appropriate law. Unfortunately, the figure of $13,134,000 stands out as an individual, separate appropriation for a specific purpose. I cannot understand how the reduction can be made on an over-all basis, and at the same time not apply to this item, which is an appropriation in the bill. If there is a way to do it, I am in sympathy with the approach that is made. While I shall vote against the Senator's amendment with reference to this bill—and I shall discuss that question in a moment—I am in sympathy not only with the approach that is made, but with the thing sought to be done. With reference to any but straight service appropriations, such as this one is, I think I shall go along time after time with the attempt to do what is suggested. I cannot do it here. Frankly, in this instance I do not see how it could be done. Can the Senator enlighten me as to the modus operandi?

Mr. KNOWLAND. I will say to the able Senator from Oregon that it was the intent of the junior Senator from California to provide by this means that the department head, the agency head, or the Government corporation head, should have his funds limited so that he could neither expend nor obligate the funds provided in the bill to an extent greater than 95 percent of the total amount of the appropriation. As a practical matter, I believe that the department head would of necessity have to apply such a reduction pretty generally throughout his entire department. So to that extent I agree with the Senator from Oregon that as a practical matter, the department head or the agency head would very likely have to go through the department and make reductions which, in the aggregate, would amount to 5 percent of the various items in the bill.

Mr. CORDON. Then, as I understand, it is the Senator's view with respect to this item—and I take this item because I want a concrete example—or any item such as the retired pay item, which we may assume for the purpose of this argument to be fixed by statute, that 5 percent of that amount would have to be taken from some other item or items in the bill.

Mr. KNOWLAND. I believe that would have to be done in order to follow out the congressional intent. In other words, the total allocation of funds for the particular department could not exceed 95 percent of the amount appropriated.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LUCAS. As I understand the report on this bill, the amount reported to the Senate is $3,113,068,503.93. If the Senator's amendment should prevail, it would mean that the various agencies in the Treasury and Post Office Departments, the Export-Import Bank, and the Reconstruction Finance Corporation, would be required to dispose in some manner of practically $150,000,000 in the rearrangement for the entire agency, so far as the functioning of that particular agency is concerned. Am I correct?

Mr. KNOWLAND. The Senator is correct.

Mr. LUCAS. In other words, instead of the Congress of the United States saying how the $150,000,000 reduction should be applied, it is proposed to delegate the authority to three or four individuals who head those agencies to deal with the $150,000,000.

Mr. KNOWLAND. Within the over-all limitation which the Congress establishes.

Mr. LUCAS. I understand that. Even with that statement, we cannot get away from the fact that the Congress is giving to a few men at the head of the various agencies the over-all power to deal with $150,000,000 as they see fit. In other words, they would have the full discretionary power to eliminate the $150,000,000 in any way they might think would be to the best interest of the agency, and we would have no check whatsoever over that action.

Mr. KNOWLAND. I will say to the able Senator from Illinois that so far as the junior Senator from California is concerned, if it can lead to some economy in the Federal Government, the junior Senator from California, within the total amounts allowed by the Congress—which, after all, fundamentally holds the purse strings—is perfectly willing to give additional power to the executive branch for the purpose of effecting some economies. Unless we are willing to do that, I do not see how we are ever going to bring the Government within due bounds.

At the present time I believe that many responsible Members of the Congress feel that we have almost started a chain reaction, in which expenditures of the Federal Government are getting out of hand. Unless we can have a cooperative attitude as between the Congress and the executive departments, so that both branches of the Government will be looking for at least some modest economy in the Federal Government, it seems to me that we are opening up a Pandora's box. We may find a bankrupt Government on our hands.

Mr. LUCAS. I do not altogether disagree with my able friend from California. The only point I rise to make is the one which I have already made, and I repeat it. The Congress of the United States would be delegating a vast amount of authority, it seems to me. In other words, instead of our own committees and staffs of experts determining where the $150,000,000 reduction should be made, we would delegate to one individual, or three or four individuals, the sole power and authority to deal with the $150,000,000. That is a tremendous power; but the Senator from California says he does not care, so long as $150,000,000 is saved.

But the Senator from Illinois does care, for this reason: I should hate to see some prejudicial person—and I am afraid that persons of that sort are to be found in almost any of the departments of the Government—cripple important phases of activity in one or more of the departments, as a result of the power which

such a person might have if he could control the expenditure of $150,000,000. For instance, it might be that some important function of the Post Office Department would be crippled, and, instead, another agency of the Government might be permitted to mushroom or expand beyond all reason.

Mr. KNOWLAND. Mr. President, in answer to the Senator from Illinois, I say that of course it was the hope of those who offered the amendment which was voted on just prior to the offering of this one that any drastic reduction would be avoided in any segment of the budget by limiting the reductions to be made to between 5 percent and 20 percent. But the Senate turned down that amendment, by refusing to suspend the rule.

Now we are trying to reach this problem in another way. I should have preferred the other method, which is close to us. However, as Grover Cleveland once said, we have a condition, not a theory, confronting us. Mr. President, is the Senate going to recognize that fact before the adjournment is taken on July 31, or whenever it may be taken? Are we going to vote new taxes, or are we going to take the position that we are not concerned about deficit financing? Certainly we shall have to make a choice as between them. Instead of waiting until all the appropriation bills have been passed, when it will be too late to take action of the sort we now propose, we are trying to bring this matter forcibly to the attention of the Senate and the Nation, so that a modest reduction can be made at this time.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield for a question.

Mr. CORDON. With respect to the argument which may be made that the amendment would place too much power in the hands of any one of the departments, since the amendment would give the power to make a 5-percent reduction in Government expenditures, I should like to call attention to the fact that under the Accounting Act of 1921, the Chief Executive may refuse to spend any of the money provided by appropriation bills, if he wishes to do so. The fact that the appropriation has been made does not carry with it any mandate to spend the money.

As I have said, I shall vote against the Senator's amendment——

The VICE PRESIDENT. The Senator from California yielded for a question; not for a statement.

Mr. KNOWLAND. Mr. President, the Senator from Oregon was asking me whether I knew that what he referred to was correct. I say I do know it is correct, and as the able Senator from Oregon knows, that power was used just a few years ago to completely suspend operations in certain flood-control and reclamation projects throughout the country. So, Mr. President, despite the fact that the Congress appropriated the money, one man—namely, the President of the United States—on his own authority suspended the operations which had been clearly outlined under the expression of congressional intent.

Mr. CORDON. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield for a question.

Mr. CORDON. May I say to the Senator that in my own time, and taking such time as may be necessary, I shall endeavor to cover the matters which I believe could have been more clearly covered by permitting at this time a short statement to be made or a little colloquy to be had with the Senator from California.

Mr. O'MAHONEY obtained the floor.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DONNELL. Has the Senator from California yielded the floor?

The VICE PRESIDENT. He has, and the Chair has recognized the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I desire to make a few remarks about the pending amendment. I rise because I happen to be chairman of the subcommittee of the Appropriations Committee to which has been assigned the task of passing upon the appropriation bill for the independent offices.

I feel that an amendment of this kind is merely an invitation to the members of the subcommittee to disregard their responsibilities. That fact is illustrated very clearly, I think, by the bill now before the Senate.

In the first place, the amendment the junior Senator from California has offered provides, in very simple language, that—

> Not to exceed 95 percent of the funds provided by any appropriation made by this act * * * shall be expended.

There is a direct and explicit order that every appropriation item in this bill shall be cut by 5 percent.

The Senator from California says that was not his intent. Certainly I respect his statement. He says he intended only to require and to direct that the head of every department affected cut the appropriation for his department 5 percent, and exercise his discretion in that connection. However, that is not the mandate which the Senator has now asked the Senate to make. The amendment would require that—

> Not to exceed 95 percent of the funds provided by any appropriation made by this act * * * shall be expended.

Mr. President, it happens that there are—I have inquired of the chairman of the subcommittee in charge of the Treasury-Post Office appropriation bill—some 59 items of appropriation in the portion of the bill which refers to the Post Office Department. Of those 59 items, the Senate Committee on Appropriations felt that the amounts provided by the House of Representatives for 30 of them were too low. So the Senate Appropriations Committee, having met in official session and having listened to the evidence of witnesses, recommended to this body that 30 of the 59 appropriation items be increased in amount. Some of those items have been increased in amount more than 5 percent; some, less than 5 percent; and every one of those recommendations was formally approved by the Senate on this floor.

So the proposal now before us is not only that we shall reverse the action of the Appropriations Committee, which I think was diligent in its consideration of this bill, but also that we shall reverse the action which we ourselves already have taken upon this floor.

There can be no doubt that that is the effect of the proposal; and I should like to give one or two illustrations to make clear precisely what would happen if the amendment were adopted.

I turn at random to page 31 of the bill. There, under the heading "Office of the Chief Inspector," we find, in line 11, an item of appropriation for the personal services of 15 inspectors in charge of divisions and 800 inspectors. This is the appropriation which will make it possible for the postal inspectors of the Post Office Department to inspect the operations of the Post Office Department throughout the country. Having served in the Post Office Department as First Assistant Postmaster General, I know how important it is in the public interest that the postal inspectors shall carry on their work.

When the House of Representatives considered this item, it agreed to an appropriation of $4,750,000 to pay for the personal services of 15 inspectors in charge of divisions and 800 inspectors. Your committee, having listened to evidence on these matters, came to the conclusion that that appropriation would be too low, and it voted to increase the appropriation to $4,810,000. That is to say, it added $60,000 to the appropriation. Now it is proposed to take off 5 percent, not only of what the Committee on Appropriations recommended, but of the item which the Senate itself approved. So we are asked to turn around and go back. If we take 5 percent off $4,810,000, we shall be taking off considerably more than the increase which the Senate has allowed. I happen to know that, unless this item is very different from every other item in the bill, the amounts allowed by the Bureau of the Budget were less than the sums which were requested by the Post Office Department.

One would think, listening to the debate, that nobody charged with responsibility was doing anything to cut the expenses of the Federal Government. That is not true. The record is plain. When the departments and agencies submitted their requests to the Bureau of the Budget, they asked for sums much larger than those which were allowed by the Budget. That evidence was brought out this morning before the Subcommittee on Independent Offices, when the Federal Communications Commission was there. In response to my inquiry as to how much the Commission had requested from the Bureau of the Budget, I learned, and the record now is there, that the Bureau of the Budget cut the estimate for the Federal Communications Commission far below that which the Commission felt was necessary in order to enable it to carry on its operations, to meet the public demand. That is the case all through the Government agencies. The President pared the appropriations in the first instance, and

then when bills went before the House committee, the House committee on every single bill cut the appropriation below the Budget; or so I am informed. That certainly was the case with respect to appropriations for the Treasury and Post Office Departments, was it not, I ask the Senator from South Carolina?

Mr. MAYBANK. The Senator is correct. The appropriations for the Treasury Department and for the Post Office Department, as recommended by the subcommittee and by the full committee, are less than the amounts approved by the Bureau of the Budget.

Mr. O'MAHONEY. So, Mr. President, we have the clear record that the Committee on Appropriations and the Senate itself have cut the appropriations below the sums recommended by the Budget Bureau, which had previously recommended appropriations below those which the Government agencies and departments desired to have.

So the record is clear. This is not a case of wasteful spending. It is a case of the careful scrutiny of civilian appropriations, first by the President and the Bureau of the Budget, then by the Committee on Appropriations in the House, and now, by the Appropriations Committee in the Senate. I know from my experience, from my knowledge of the members of the committee, from my knowledge of the distinguished and able Chairman of the Appropriations Committee, that the greatest care is taken to prevent excessive appropriations. The Senator from Tennessee has established a reputation in this country and in this body over a large number of years, and his reputation is one of holding expenditures down.

It is easy enough to broadcast charges that Federal funds are being wasted. The fact is they are not being wasted. The fact is that the increased expenditures which are being undertaken at this time are due to the fact that the United States finds itself in a position of world leadership, increased expenditures for the Army, the Navy, the Marine Corps, and the United States Air Force, and increased expenditures to carry on our international peace program. Those are the expenditures which are raising the outlay of the Federal Government beyond the estimated revenues, and not the performance of the civilian departments and agencies of the Government.

The Treasury Department and the Post Office Department are particularly good examples of Government agencies which bring in revenue, which serve the people. The Treasury Department is increasing the revenue which the Government may obtain to balance its budget, by collections of taxes. Leave the 5-percent across-the-board reduction, Mr. President, and we would cut down the ability of the Department of the Treasury and of the Bureau of Internal Revenue to collect the money owing to the Government, with which it can hope to balance the budget. Reduce the appropriations for the Post Office Department 5 percent, and we cut down the service the people of the United States can get from the Post Office Department.

Just a few days ago I had occasion to make inquiry of the Post Office Department with respect to the patronage of the postal system. I discovered from a comparison of the postal receipts in the 12 largest cities of the United States for the first 3 months of this year, with the receipts for the first 3 months of last year, that postal receipts are approximately $15,000,000 more than they were a year ago. I ask unanimous consent that a table showing the comparison between the first 3 months of 1948 and the first 3 months of 1949 for these 12 cities be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	First 3 months of—	
	1948	1949
New York	$36,343,090	$41,424,000
Chicago	24,166,381	27,224,000
Philadelphia	8,364,191	9,382,367
Los Angeles	7,456,902	8,533,055
Washington	4,181,615	4,752,242
Boston	6,844,433	7,666,596
Detroit	5,746,292	6,324,345
St. Louis	4,869,408	5,677,088
San Francisco	4,554,642	5,680,600
Brooklyn	4,741,720	5,151,283
Cleveland	4,252,110	4,814,883
Kansas City	3,751,367	4,591,890
Total	115,271,207	131,223,038

Mr. O'MAHONEY. Postal receipts are increasing because the people of the United States are calling upon the Post Office Department for service. Just glance through the appropriation bill. Here are clerks in the inspection service. The appropriation which came from the House for that service was $1,325,000. The Senate has increased it to $1,333,000. If we now impose a 5-percent cut upon that item, Mr. President, we are saying, "We repudiate not only our own judgment when we approved the amendment, but we are repudiating also the judgment of the subcommittee which recommended the increase, and the judgment of the full committee which approved it."

Mr. McKELLAR. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. Is it not also true that in addition to the various items having been worked on for months and approved by the Bureau of the Budget, they then went to the House committee, which heard evidence and considered the items in detail, and when the bill came to the Senate the committee took it up item by item, and heard the testimony of innumerable witnesses. I have forgotten how many there were on this bill, but on one of the appropriation bills I think we heard more than 200 witnesses. The Appropriations Committee has gone over it with the most meticulous care. After that is done, after all the work of the Bureau of the Budget, of the House committee, and of the subcommittee and of the Senate Appropriations Committee, it is proposed to throw it away, and a guess is made that there should be a reduction of 5 percent on all items, irrespective of their merits, irrespective of the needs of the various departments; thereby virtually destroying the Appropriations Committees of both the House and the Senate?

Mr. O'MAHONEY. It is a repudiation of the work of the Appropriations Committee.

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from South Carolina?

Mr. O'MAHONEY. I desire to conclude, if the Senator will permit me. I shall then yield the floor to him. There are involved in the bill so many items that we could take all afternoon discussing them; but I do not think that is necessary. I should like, however, to have the Members of the Senate realize what would happen in the Post Office Department. Here is an item of $15,000,000 for the personal services of assistant postmasters at first- and second-class offices throughout the country—$15,000,000. It was not increased by the subcommittee; it was not increased by the full committee. It is now before the Senate exactly as passed by the House, but with the suggestion of a 5-percent reduction in the amount. Mr. President, I know, and every other Senator who is in touch with the postal service in his own State knows, that the assistant postmasters throughout the United States are not adequately compensated for the services which they have been rendering.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I shall be very glad to yield to the Senator from California.

Mr. KNOWLAND. I should like to ask the able Senator from Wyoming if he is familiar with the testimony which was presented to the Armed Services Committee of the Senate not only by former President Hoover, who estimated that approximately from $1,500,000,000 to $2,000,000,000 would be saved in the National Defense Establishment by eliminating duplications and overlappings, but also by former Secretary of the Army, Mr. Royall, who in his testimony before the same committee estimated that upward of $1,000,000,000 could have been saved each year for the past several years if duplications and overlappings had been eliminated in the National Defense Establishment.

In view of that testimony, I should like to ask the able Senator from Wyoming if he believes that in the current budget of from $42,000,000,000 to $45,000,000,000 which is before the Congress of the United States, it is not possible to make some reductions.

Mr. O'MAHONEY. Mr. President, I have no doubt it is possible to make some reductions, but I say it is impossible to make a sane reduction in the manner which is proposed by the Senator from California.

I am very happy that he made reference to the report of former President Hoover. I invite the attention of the Senator and of the Senate to the fact that President Truman appointed former President Hoover to do that job, and he is backing him up. He has repeatedly called upon the Congress to give him the authority which former President Hoover recommends, to reorganize the executive

branch of the Government for the purpose of eliminating overlapping in order to reduce expenditures. So I say to the Senator from California that when he cites the recommendations of former President Hoover, he is citing also the fact that the President of the United States himself is trying to reduce expenditures.

Let me say with respect to the armed services that the President of the United States recommended the unification of the armed services. Those of us who were serving on either the Committee on Naval Affairs or the Committee on Military Affairs, before unification, are well aware that there were expenditures which could have been and should have been reduced, and it was for that purpose that the President recommended unification. Unification was initiated, but it was a tremendous task. I understand that the Armed Services Committee has been very much impressed by the recommendations of the President and of former President Hoover, and it is now considering, if it has not already acted, submitting a bill to the Senate carrying out most, if not all, of the recommendations made by the Hoover Commission.

Mr. HAYDEN. Mr. President, will the Senator yield to me?

Mr. O'MAHONEY. I yield to the Senator from Arizona.

Mr. HAYDEN. I have not read all the Hoover Commission's reports. I should like to inquire if any Senator has found in any report a recommendation by the Hoover Commission that there should be a 5-percent cut or a 10-percent cut imposed on any department. I venture to say it cannot be found in any Hoover recommendation.

Mr. O'MAHONEY. There was no such recommendation. The recommendations go to the fundamentals.

The point I am trying to make is simply that a meat-ax slash of appropriations is an unscientific and unwise method to attempt to follow. If the Senate now wants to reverse itself with respect to these items, the thing to do is to send the bill back to the committee with instructions to revise it. That is the orderly procedure. If it should be done in the manner suggested by the amendment, it would produce more waste, by far, than would be produced if the bill were passed item by item.

Mr. President, I hope the amendment will be rejected.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be glad to yield to the Senator from Illinois.

Mr. LUCAS. I should like to make one observation on the Senator's time.

The bill which was before the Senate last week, known as the Labor Department-Federal Security bill, provided a test of the 5-percent decrease. Being in the hospital at that time, but watching the proceedings here very closely, I discovered—I think I am correct in this statement—that on the floor the Senate increased the heart appropriation, the cancer appropriation, and the venereal disease appropriation approximately $13,490,000. There were sufficient votes to do it, and there was no question about it.

Mr. O'MAHONEY. As a member of the Appropriations Committee, I, for one, voted against that increase.

Mr. LUCAS. Senators marched right up the hill and did that. The moment the suggestion of a 5-percent reduction came along, some of the same Senators who supported the increased appropriations for the items which I have mentioned, marched down the hill and supported the amendment to reduce the appropriations 5 percent. It was rather paradoxical. As the Senator so ably stated a moment ago, the Senate passed upon the question, and, in the next breath, did just the opposite and made a meat-ax cut.

In my opinion, no scientific reduction can be made by the head of a department with whom has been lodged the authority for making such reductions. As I said a moment ago in the colloquy with the able Senator from California, it seems to me that the delegation of this type of power to a few bureaucrats, if we want to call them that, or a few leaders in various Government agencies, to do what they please with $150,000,000 is a bad legislative policy to establish, because I venture to say that as a result many individuals will be prejudiced and will lose their rights. If Congress decides to make a reduction of this kind it should have before it all the facts, and it should have the staff to assemble them. Until we have the kind of staff which the able Senator from Nebraska was discussing earlier in the afternoon, the Senate should not do what is attempted to be done at this time—repudiate the Committee on Appropriations by making an arbitrary cut, when none of us can tell just where the cut will be made. If we are going to make such a cut, we might as well make it 10 or 15 percent, or any other amount.

Mr. O'MAHONEY. Here is another example, I will say to the Senator from Illinois. It is the appropriation for clerks in the first- and second-class post offices throughout the country. There is not a State in the Union that is not affected by this appropriation. Six hundred and twenty-five million dollars was the amount allowed by the House. The Senate committee felt that amount was too low, because the Post Office Department, by evidence, proved to the satisfaction of the committee that increased appropriations were necessary to carry on that work. The Senate committee recommended that the appropriation be $633,000,000, or an increase of $18,000,000. A 5-percent decrease of $633,000,000 will cut off $31,000,000 from that appropriation for the pay of clerks of first-, second-, and third-class post offices throughout the United States, and it will almost destroy the ability of the post offices to render the service which is necessary under the present increasing demand.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. When the Labor-Federal Security bill was before the Senate the amendments offered on the floor, I believe, by the senior Senator from Florida Mr. [PEPPER], or several Senators, not only added $13,490,000 in cash to the bill, but added $19,375,000, in round figures, for contract authorizations, making a total of $32,865,000 added on the floor of the Senate. As the Senator said a while ago, he voted against that, as I did, and it should have been defeated. Without any facts before us, that addition was made, and no attempt was made to interfere with that. But an attempt was made to send the whole bill back, every item in it, every item the committee had studied with such great care, with instructions that a 5-percent cut be made.

Mr. O'MAHONEY. I think the Senator is eminently correct.

Mr. ROBERTSON. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Virginia.

Mr. ROBERTSON. The Senator is aware of the fact that the Coast Guard after the war was returned from the Navy to the Treasury, and Congress passed a law authorizing a certain strength for the Coast Guard.

Mr. O'MAHONEY. That is correct.

Mr. ROBERTSON. Is it not a fact that the House bill did not provide for the authorized strength of the Coast Guard, and that the committee added only enough to bring the Coast Guard up to the strength Congress had previously authorized? Yet that was a substantial addition to what was in the bill as it passed the House.

Mr. O'MAHONEY. Yes. The item appears on page 25. The House appropriated $74,500,000 to carry out the law, which is 14 United States Code, page 147, and the Senate committee increased the amount to $77,445,000. A 5-percent cut there will take it below the addition made by the Senate and below the figure of the House.

Mr. ROBERTSON. We provided for 12 or 14 urgently needed new stations, and how could the construction be handled on 95 percent of the appropriation?

Mr. MAYBANK. Mr. President, I merely wish to say to the Senator from Virginia that the 5-percent cut in the Coast Guard would cause a loss in military personnel of 100 commissioned officers, 11 warrant officers, and 1,110 enlisted men.

Mr. ROBERTSON. Is it not true, Mr. President, that our committee was very sympathetic to the request of the Coast Guard to authorize training for Coast Guard Reserve officers, which was not in the bill as it passed the House, but that we did not dare to provide for that in this bill because we knew that this very fight was coming on, and that we cut the appropriation so as to take care of only the most essential items that should be provided for?

Mr. MAYBANK. The Senator is correct.

I wish to make one further short observation. The Treasury Department was cut by the Budget Bureau $17,000,000 and by the Senate committee $51,000,000 below the estimates of the Budget Bureau. The Post Office Department

was cut by the Bureau of the Budget $45,000,000 and by the Senate committee, $11,000,000 below the estimates of the Bureau. So the pending bill is below the budget estimates. This issue has been raised on the floor; the distinguished senior Senator from Tennessee [Mr. McKELLAR], who is present, knows that before the subcommittee considering the Treasury and Post Office Department appropriations no attempt was made, on either side of the aisle, to reduce the expenditures 1 dime. In the full committee, meeting last Friday, I believe it was, or whenever it was, not one member of the committee moved to cut any of the expenditures.

The distinguished Senator from Michigan came in later in the day and suggested that he was going to make a motion for a 5-percent cut. So I took the trouble to write the Secretary of the Treasury, and I took the matter up with the Postmaster General, and the record speaks for itself, for on pages 5955 and 5956 of the CONGRESSIONAL RECORD it is shown just what would happen if this 5-percent cut were made, because there are many items, as the Senate well knows, which cannot be cut.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. In a moment I shall yield. It would practically eliminate the additional income-tax collectors, making it difficult to get income-tax money owing to the Government. It would seriously impair the Coast Guard strength. In addition to that, it would seriously impair the execution of the Stock-Piling Act, recommended by the Armed Services Committee, which is now in the control of the Treasury Department.

I do not intend to say anything more, but I shall be glad to yield for a question.

Mr. KNOWLAND. Mr. President, I should like to ask the Senator whether he seriously believes that there is any department head who would come before the Committee on Appropriations and recommend substantial reductions below the budget estimates. Does the Senator know of any department where that is likely to happen?

Mr. MAYBANK. I have served on the Committee on Appropriations for many years, except for the 2 years of the Eightieth Congress, and I suggest that the department heads would not come forward and make such a recommendation any more than would the head of a city government or county government or State government, with which I have had some experience. I would not rely upon a department head to tell me about the appropriations. I make it my business to look into these matters, and we cut estimates regardless of what is asked.

Mr. KNOWLAND. I believe the able Senator is familiar with the fact that in 1934 the total expenditures of the Federal Government amounted to $6,745,000,000, and in 1940, the year before the opening of World War II, they amounted to some $9,305,000,000. Does the able Senator from South Carolina think that we can ever cut the budget, which amounts, roughly, to $42,000,000,000, back into some controllable shape, unless either the Senate or the House of Representatives starts now to make some reductions?

Mr. MAYBANK. I have thorough knowledge of what the budget was in 1934, and what it was before the war. I realize that during the war we created a debt of some $265,000,000,000. I realize that 34 cents out of every dollar goes to the national defense, 13 cents, interest on the public debt, 13 cents to veterans' programs, and 16 cents to international problems. I know that the only place where we can cut is in the foreign aid, the Army and Navy, and security. I for one believe there might be some cut, but I would never consent to a cut that would endanger our security at this time. I say to the Senator from California that if he will check the records of the cost of government, and all the newspaper stories we see every day about the increase in our government costs, he will find that the old line agencies of government have decreased in expenditures. Yesterday morning there was reported, through the distinguished Senator from Tennessee [Mr. McKELLAR], the agricultural appropriation bill, handled in the subcommittee presided over by the Senator from Georgia [Mr. RUSSELL]. In that bill less is appropriated for agriculture than before the war. Am I correct?

Mr. McKELLAR. The Senator is entirely correct.

Mr. MAYBANK. The old agencies have been cut, of course. We are going to have to balance the budget. I believe in economy. I believe in balancing the budget. I voted for the Taft-Russell amendment to cut foreign aid 10 percent, and I shall vote that way again in the Committee on Appropriations. Certainly some foreign aid, and certainly some other things, can be cut, and there can be some consolidations, as recommended by former President Hoover. But I think it is manifestly unfair to take the Treasury Department or the Post Office Department as the place to attempt to make cuts. Increases have been made in the Post Office Department expenditures since World War II, in salary raises voted for unanimously by all Senators on both sides of the aisle, incorporated in Public Law 900. We are going to give further raises, but where are we going to secure the money to pay for them? We have provided raises in the Post Office Department and in the Treasury Department, we have reclassified the Civil Service, we have voted pensions, and so on and so forth. Certainly we have got to pay those raises and those pensions. There is only one way by which we can finally bring about a cut, and that is to win the cold war, secure the peace, so America may return to its normal way of life; so we will not be obliged to spend great sums of money for stock-piling materials, so we will not be obliged to spend 37 cents out of every dollar on the Army and Navy. As the Senator knows, there is a continuing law which authorizes the Treasury to pay the interest on the Government bonds held by the people of the country. The interest on Government bonds must be paid.

Mr. KNOWLAND. Mr. President, will the Senator yield and then I will not bother him further?

Mr. MAYBANK. I yield.

Mr. KNOWLAND. The Senator mentioned the national security and the importance of the European program to the national security. Does the Senator from South Carolina agree with me that unless we can keep a solvent Federal Government, and unless we can keep a sound national economy we will not be able to preserve our national security or we will not be able to continue our foreign-aid program? Therefore is it not incumbent on each one of us to take such action as is necessary to keep a balanced Federal budget?

Mr. MAYBANK. I thoroughly agree with the Senator from California. I go even further than he does. I think the continued soundness of the dollar, the only sound currency in the world today, is a potent weapon in the hands of the people of the United States. If our dollar is kept sound it will mean as much to us as guns and battleships. I do not hesitate to make that statement.

Mr. PEPPER. Mr. President, I have heard it said, "O Liberty, what crimes are committed in thy name!" It has been my observation since I have been in the Senate that generally great prodigality and profligacy have been practiced under the name of economy. I think the attempt now being made is another illustration of that, although I do not believe that is what is desired by the sponsor of the amendment.

It has already been pointed out that one of the direct effects of the amendment would be—and it has occurred in the past—to cut down the number of agents collecting public revenues when they were collecting three or four times as much as their salaries and their expenses cost the Government of the United States. That is not economy. That is prodigality. That is profligacy, Mr. President, not wisdom.

It has been pointed out here with respect to the Post Office Department that there would be a deficit of over $400,000,000 even if all the funds carried in the bill were appropriated and expended. What economy is accomplished by telling the Post Office Department it must spend 5 percent less than we appropriated, without any order to the Department to cut out any services they render? That will mean the Department will simply incur a greater deficit probably than would otherwise exist. That, Mr. President, is not economy and that is not wisdom.

There are some who think we should save public money at the expense of public law. There have always been those who did not see the advantages of flood control and river and harbor improvements and more funds for research, even for the saving of human lives, even when we save more man-days of work and turn out more wealth. That kind of so-called economy is the most extravagant sort of profligacy and waste. I do not stand for that kind of economy either in effect or in design. Of course, I know it is not the design of the able sponsor of the amendment, but I must respect-

fully submit that the evidence seems to show that that is the inevitable effect of the proposal now before us.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Florida yield to the Senator from South Carolina?

Mr. PEPPER. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator from Florida, where we are going to cut, and at the same time abide by the law, when 80 percent of the appropriations made for the Post Office Department go to personnel, the salaries of which we have regulated by statute? We have told the Post Office Department how much to pay each employee. Then 15 percent goes for travel. How are we going to cut the travel? That leaves only 5 percent in the appropriation for the Post Office Department for all contractual relationships and other matters connected with the operation of the Post Office Department. I should like to know where it is meant to make the cut in the Post Office Department?

It has been very clearly brought out that the Post Office Department will operate under a deficit of $403,000,000. That is the last statement on the subject made by the Post Office Department. The truth of the matter is that if we pass the bill the Post Office Department will come back to Congress for a deficiency appropriation next year, and if we make a cut of 5 percent, as provided by the amendment, it will mean that the Post Office will come back for a greater deficiency appropriation than it otherwise would. Is that not true?

Mr. PEPPER. The Post Office Department will come back again asking for a deficiency appropriation just as it came back this year asking for a deficiency appropriation because of the inadequate appropriations of last year.

Mr. President, I confess that I have grave doubt as to whether the amendment is actually valid. I am not raising a parliamentary question, but I have been advised by the Parliamentarian that this was a novel approach to the problem. Perhaps the able Senator from California has in mind precedents which the Parliamentarian did not immediately recall. But what would be done by the amendment? In the bill we would appropriate the money, and then under the amendment we would tell the Post Office Department that it cannot spend 5 percent of the amount appropriated. If we are going to do such a thing, why not simply cut 5 percent off of what we appropriate? It seems to me that whether the amendment is technically correct or not, in principle it is a legislative invasion of Executive authority. It is the duty of the Executive to see that the laws are properly enforced. If anyone is to give orders to the executive employees it should be the President of the United States, the Chief Executive of the Nation.

Now we appropriate the money to the department, put the money in the hands of the department, and say in all the language of the bill except the very last tail-end of it that "the money is yours," and at the very end it is proposed to insert the very able Senator's amendment, namely:

Provided further, That not to exceed 95 percent of the fund provided by any appropriation made by this act for the fiscal year ending June 30, 1950, shall be expended or obligated by the department, agency, or corporation to which such appropriation is made.

So in all the language of the bill we appropriate the money to the department, until we come down to the end of the last paragraph on the last page, just before we quit, where we say what the bill may be called, and then we say "but you cannot spend 5 percent; you cannot obligate yourself to spend 5 percent of it." That seems to me to be a peculiar way to legislate or appropriate.

If the amendment is adopted today, I presume it would be a precedent for the future.

It seems to me that the only way to legislate wisely is to legislate intelligently, knowing what we are doing. If Congress wants to cut out something, well and good. But as the able majority leader has said, in this bill we give the heads of executive agencies, "bureaucrats" in the words of many, an arbitrary authority to cut out $150,000,000 appropriated by the Congress of the United States without saying to them where they shall cut it. If we are going to do such a thing, why not appropriate the whole sum to them and say, "Use this money as wisely as you can. Save as much as you can. Save at least 5 percent. Or save 10 percent." In other words, Congress is abdicating its authority and its duty to legislate by telling the executive heads to save $150,000,000 without laying down any standards or principles as to where it shall be saved.

Mr. President, do we want to cut out, for example, the movement of the mails in flood times? Suppose the Post Office Department were to say, "Very well, we will cut out all money which we would otherwise spend to move the mails in flood times." Does Congress intend that to be done? I think we would be responsible for it if the department were to do so under a carte blanche authority.

I must say I am reminded of the advice given the young lawyer by the old. As will be remembered, Mr. President, the young lawyer asked the old one what to do if he were weak on the facts. "Oh," he said, "son, bear down on the law." The young lawyer said, "Suppose you are weak on the law?" The older lawyer said, "Bear down on the facts." The younger lawyer asked, "Suppose you are weak on both the law and the facts?" The older lawyer replied, "Just flimflam like hell."

The Bureau of the Budget has not been able to find a way to make the reduction which is proposed. Congress has not been able to find a way to do it. Now, with a scatter-gun load in the dark, it is proposed to flimflam, as it were, through the executive heads, cutting here, there, and everywhere that they may arbitrarily determine to cut. It seems to me that it is not wise for Congress to follow such procedure.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McKELLAR. It is proposed that it be done without any evidence, without any real information, but merely upon the basis of a guess that it might be well to cut 5 percent, in utter disregard of the facts which have been produced before the committee. Excluding myself, I will say that the Committee on Appropriations is one of the best committees I have ever known.

Mr. PEPPER. If the Senator will allow me to disagree with him, the error of his assumption lies in the exclusion of himself. Like Abou ben Adhem, he should head the list.

Mr. McKELLAR. It is proposed that the reduction be made without knowing the facts, and without knowing what these four officers of the Government might do. If that is intelligent legislation, I am a very unintelligent man.

Mr. PEPPER. It is legislating in the manner in which certain doctors treat their patients. In every case they give the patient a pill if he feels that he ought to have some medicine.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KILGORE. The Senator will agree with me, I believe, that the Post Office Department is what might be called a wholly public-service agency. It serves the public in the dissemination of mail and in the delivery of parcel post. Its acts are governed by various laws of Congress regulating the rate of postage on mail, as well as the subsidies to air lines, which the Post Office Department pays, and over which it has no control. Does not the Senator believe that Congress would be more fair with the people and with the Post Office Department if, instead of trying to make a blanket cut, it should honestly say, "Some branch of this service does not pay its way. We are going to be honest with the public and increase the rates for its services in order that it may pay its way." Does not the Senator agree that that would be the honest way to do it, rather than to say, "We are going to cut your service 5 percent"?

Mr. PEPPER. Undoubtedly that is the fair and proper way to legislate.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. JOHNSTON of South Carolina. Following up the statement which the Senator from Florida made a few moments ago, when he said that it was easy merely to prescribe a pill, it is true that in the departments it would be much easier not to take on more employees than it would be to cut them off. That being so, I should like to ask the Senator, after I finish reading a portion of the report, to tell me what he believes might happen in the Treasury Department to this particular item:

BUREAU OF INTERNAL REVENUE

For the fiscal year 1950 the committee recommends an appropriation of $232,768,000, the budget estimate. This amount exceeds the House allowance by $12,268,000. The committee is of the opinion that the 7,019 additional field positions requested be allowed by the committee, 5,787 of which are enforcement officer positions, to enable the Bureau to more effectively ferret out tax

evaders which, in turn, will lead to the collection of millions of dollars additional revenue. Testimony indicates that present front-line enforcement officers averaged per person additional revenue of $52,708 for 1946, $73,805 for 1947, $89,271 for 1948, and for the first 7 months of fiscal year 1949 $50,066. It is estimated that by the fiscal year 1951 the additional enforcement personnel provided will collect at least $425,000,000 additional revenue annually.

What would happen to this particular appropriation if the proposed cut were put into effect?

Mr. PEPPER. The able Senator effectively illustrates what I tried first to say, that we are committing prodigality under the guise of economy. Thus far this year those workers have collected in public revenue about $50,000 apiece. I suppose the salary and expenses of those workers will not total much more than $5,000 each. They collected almost $10 for every dollar spent by the Government. That is what I call economy—spending $1 to get $10—especially when it is collected from those who are evading the payment of taxes or defrauding the Government. That is the kind of economy I want to support, because I think it is productive and not wasteful.

Mr. KILGORE. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. KILGORE. In the light of the figures stated, knowing, as was brought out before the committee, that we have only enough field personnel to check about 2 percent of the income-tax returns, even so far as the correction of additions is concerned, are we not putting a premium on tax evasion?

Mr. PEPPER. Certainly.

Mr. KILGORE. Are we not imposing a penalty on the honest taxpayer?

Mr. PEPPER. Certainly.

Mr. KILGORE. If we could collect all the taxes due the Government, we could unquestionably increase the total amount of income-tax revenue.

Mr. PEPPER. When it becomes public knowledge that only one out of every several thousand income-tax returns can possibly be checked, of course the people are going to take a chance. That is a better chance than betting on the horses, or at the roulette table, or shooting dice. One has a better chance to win in that sort of a gamble than in any of the gambling games on which the people spend billions of dollars. Why not gamble with the Government, since they know that the so-called economy-minded Members of the Congress are probably going to protect them against having to pay their taxes?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. In connection with the question of Federal revenue collection, does not the Senator know that what the agents do, in effect, is to make spot checks in any event? This question was before the Senate Appropriations Committee a year ago, when I was a member of that committee. I joined with the committee in providing additional funds; but at the time the testimony was being taken the Treasury representatives freely admitted that they were probably getting the top-bracket evaders. If we were to double the number of agents, we would not ipso facto double the amount of income of the Federal Government. To make the same argument that is being made by the Senator from Florida, we might as well add four times as many agents, on the theory that we would get four times as much revenue. However, as a practical matter that is not possible. We encounter the law of diminishing returns.

Mr. PEPPER. Yes; but we have not nearly reached that point, yet.

Let me say one word in conclusion. I do not wish to delay the Senate longer. There is a trend among our brethren on the other side of the aisle generally—and this example is obviously a part of that trend—toward reducing public expenditures. I wish to hold up one honest finger of warning. The greatest danger facing the country today is a precipitous deflation which would hurt our revenue and our prosperity more than almost anything else we could do. We talk about public confidence, and the delicacy of business confidence. The best way to frighten business is for the Government to take the lead down the dangerous trail of deflation. Let the banks start tightening credit because they are beginning to be afraid. Let every factory, every retailer, every wholesaler, and every jobber start reducing inventories, and what will happen? The effect reaches back to the farm and the factory. It means laying off workers. It means a slowing down of the circulation of our money. It means a decline in employment, in national income, and in the value of the national production. I am far more afraid of that than I am of the detriment which would come to our country as a result of a failure to make such 5-percent cuts. They are symptomatic, Mr. President, of a condition that is really dangerous to the economy and public revenue of our country.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. I should like to ask my able friend, the Senator from Florida, whether under the circumstances with which the Government of the United States and the Congress are faced, he favors the $4,000,000,000 of new taxes recommended by the President, or whether he favors having the Government embark upon a deficit-spending program; or, if he does not favor either of them, how would he solve this problem which is facing the Government of the United States?

Mr. PEPPER. I would do exactly what the President of the United States has recommended. I know of nothing before the Congress which would be so much in the public interest as for us to adopt every whit and iota of the program recommended by the President, including all that it would cost. Then if we did not have sufficient revenue for that purpose, we should raise it by taxes levied on a very prosperous national economy, an economy which transcends in its reach every prosperity peak we have ever known before in peacetime.

Mr. President, the most important demand upon the Congress today is to retain the employment of the 60,000,000 persons who are working in our country, to retain the high value of our national products, and to retain the present high level of the national economy.

Again I go back to the basic economic principle that if we keep our high national income where it is, and retain the high productivity of the factories and farms of the United States, we shall be able to pay the $4,000,000,000 of additional taxes a great deal easier than we would be able to pay the taxes now levied, which no one proposes to repeal, from a shrunken national income which we shall inevitably have if we permit the inflationary trend to develop still further.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. I ask the Senator whether he believes the Congress should adopt the President's program and should levy the taxes recommended by the President.

Mr. PEPPER. Yes.

Mr. KNOWLAND. In other words, under the theory of the Senator from Florida, the Congress should sign a blank check——

Mr. PEPPER. Oh, no——

Mr. KNOWLAND. And should abdicate its functions——

Mr. PEPPER. Oh, no.

Mr. KNOWLAND. And should say to the President of the United States, "Regardless of what you recommend, regardless of how much of a tax burden you wish to place on the American people, regardless of how much you wish to add to the public debt or to the costs of the Government, we shall give you a blank check, and you can fill it out in whatever amount you think is needed."

Mr. PEPPER. Oh, no; Mr. President. I must insist that my able friend, the Senator from California, has not correctly interpreted what I said.

I said that I think the Congress should adopt the recommendations which have been made by the President. That is what I said. I think the President's recommendations are good. I did not say that we should give the President an arbitrary mandate or authority to exercise capricious power to impose his program upon the Nation. I simply say that, under the Constitution, the President has made recommendations to the Congress; and I believe they are good recommendations, and I believe that the public interest will best be served if the Congress will adopt those recommendations as an affirmative program, including those for the raising of additional revenue, to the extent that that is required in order to carry out the program recommended by the President.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. PEPPER. I yield.

Mr. McKELLAR. The Senator from California asked whether Senators would favor having the Congress abdicate its powers and turn them over to the President. Is it not true that under the amendment of the Senator from California, which now is before the Senate, the Congress would abdicate its powers to the extent stated in the amendment, and would turn them over to four officers of

the Government who are not even named?

Mr. PEPPER. The Senator from Tennessee is entirely correct.

Yet I wonder how the able sponsor of the amendment would feel if we turned it around, and had it provide that the departments concerned would be given appropriations to the extent of 90 percent of the amounts now carried in the bill, and also would be given an additional $150,000,000, to be distributed in whatever way they might like to have it distributed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. Does not the Senator from Florida agree that the situation as outlined by the able chairman of the committee, the Senator from Tennessee [Mr. McKELLAR], is not in fact an abdication of congressional power, but, to the contrary, constitutes an action of the Congress in setting the outside limitations as to the funds which may be expended? As a matter of fact, in every appropriation we make, do we not do precisely that, because we do not get down to the last detailed figure as to the expenditures which will be made; but they are made within certain bracket limitations, in any event.

As the able Senator from Oregon [Mr. CORDON] pointed out earlier today, under existing law, the President of the United States alone can suspend the expenditure of any funds under the appropriations which are made by the Congress.

Mr. PEPPER. Yes. But I dare say if the President of the United States were to issue such an order, he would first have been advised by the Bureau of the Budget; he would not simply issue a blanket directive of that sort. I imagine he would first have gone into a thorough examination of whatever he proposed to eliminate.

Mr. President, before I yield the floor, let me say that although the Senators who are members of the Appropriations Committee are more familiar with the appropriation practices than I am, yet, as the Senators who are members of the committee—including the distinguished chairman of the committee, the Senator from Tennessee—already have pointed out, I am sure the appropriation requests go from the department or agency personnel to the heads of the respective departments or agencies, and then go to the Bureau of the Budget; and then, after the Bureau of the Budget submits its recommendations to the President, and after the President submits them to the Congress, the appropriate spokesmen of the departments or agencies come to the congressional Appropriations Committees, where scrutiny may be had as to any details, or where at least inquiry may be made by the members of the committees. Of course, no such thoroughness is provided by this amendment.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BREWSTER. Two questions interest me. One is whether the President sets limits on the budgetary requests which may be made by the various departments, in advance of the preparation and presentation of the appropriation bills.

Mr. PEPPER. Does the Senator mean to inquire whether the Chief Executive does that?

Mr. BREWSTER. Yes.

Mr. PEPPER. I have no doubt that he does. Of course, the Bureau of the Budget determines whether it will approve the requests which are presented to it by the departments and agencies.

Mr. BREWSTER. I think that point has been discussed with reference to the armed services. I think there is no question that that practice prevails. In that case, an arbitrary limit of $15,000,000,000 was imposed, and the armed forces had to bring their requests within that limitation. Such an approach might be called a meat-ax approach. In other words, an over-all limit is imposed, and the various departments concerned must keep their requests within that limit.

Mr. PEPPER. But of course that is done by the executive branch of the Government.

Mr. BREWSTER. That is correct. However, that development does not initiate at the grass roots. In that case, we do not begin at the grass roots, and inquire as to what is needed. To the contrary, the departments are told that they must limit their requests to certain total amounts; and so the departments and bureaus must cut their cloth accordingly.

That is what I consider to be an approach other than a purely scientific or technical one. It is related to the over-all budget, which must have some kind of a top limit.

Mr. PEPPER. But I am sure the able Senator from Maine would not impute to the President a willingness to lay down such a directive or ceiling without previous careful scrutiny of the subject, which even would include a detailed examination of it.

Mr. BREWSTER. I find it very difficult to believe that the Senator is serious in such a suggestion, as even the talents of the President of the United States—and we would all agree he is a very capable man—would not be equal to any such detailed examination.

Mr. PEPPER. Yes; but the able Senator will recall the title of a book written by a distinguished member of the press, the President Is Many Men.

Mr. BREWSTER. Right. Now, somebody—and I take it it is the Bureau of the Budget; that is where it should be—makes up the over-all allocations for the various departments. Before I come to the second question I have, let me say that, as I understood, the defense appropriation started at $28,000,000,000, it got down to $22,000,000,000, then $17,000,000,000, and the President finally said, "It cannot be over $15,000,000,000."

Coming to the other question, I wonder whether the Senator is familiar with the method which was employed in the early days of the budget, under President Coolidge, by which we restored financial solvency in the country following World War I.

Mr. PEPPER. If the Senator will allow me to interrupt, it did not last long. It did not last long after President Coolidge restored it, in that time. I mean it was on the way to an unhappy conclusion.

Mr. BREWSTER. The Senator from Florida would not call attention to what happened to the Budget after his party took over. But at any rate, during the period following World War I, President Coolidge was then operating the Budget—and I have never heard anybody question his thrift—with General Lord, who was then Director of the Budget, following General Dawes. There was then imposed an arbitrary limit, following the appropriation, in the form of a notification to each department that a 10 percent cut would be required. That was set aside at the start of the fiscal year, and the remainder divided in four equal parts. In any quarter, a department could spend but one-quarter of 90 percent. If a department went over that in any period it had to come before the Budget to justify it.

President Truman made an arbitrary cut of some $2,000,000,000 2 years ago in our defense appropriation following the closing of the Congress and by that means saved a great deal of money.

Mr. PEPPER. Mr. President, will the Senator allow me to interrupt?

Mr. BREWSTER. Yes.

Mr. PEPPER. I do not see anything basically wrong about that. If the amendment were to provide that only 95 percent of this money shall be spent, unless the President or the Bureau of the Budget can be satisfied that the whole amount is needed, that would not be so bad; but that is not the approach here.

Mr. BREWSTER. What I was about to say was this: I assume President Coolidge, whose reputation for thrift and economy was certainly equal to that of President Truman, both of whom were reared in very modest homes and understood the value of a dollar, followed, in conjunction with General Lord, Director of the Budget Bureau, all the techniques of which the Senator speaks, of setting an over-all limit; and yet it was found then that the only way we could ever curb the burgeoning bureaucracy with which we are now threatened with being inundated, if I mix my metaphors, was by the automatic 10-percent cut, knowing that the bureaus and the departments were the only ones that could effectively and efficiently carry that out, and that they would never do it unless they were compelled.

I gather from what the Senator has said that if the President or the Director of the Budget should impose a cut, he would think it was all right. I suggest the Congress is equally responsible for the appropriations, and I think it should be equally permitted to use this weapon of imposing a restriction such as the Senator from California has, in my judgment, so prudently suggested.

Mr. PEPPER. But, Mr. President, the Senator, able student that he is and careful logician, knows that the Senator from California is not providing that the 5-percent cut may not stand, provided the departments come back later and show the Congress that the 5 percent is needed.

It is laid down as a flat prohibition beyond which the departments cannot obligate themselves.

Mr. BREWSTER. The interesting point is that, in the first place, President Coolidge used a 10-percent cut, and it was by that means that the surpluses were built up, which reduced the public debt by some 30 percent during those immediate years. I should have preferred a 10-percent cut here, or, as the Senator from Georgia [Mr. GEORGE] suggested, 15 percent; but the 5 percent is in my judgment a very modest and a very well justified start in the direction of the path that we ultimately must follow.

Mr. PEPPER. Mr. President, if a cut is to be made in the dark, I do not see why a cut of 25 percent is not made. That would result in a greater saving of course than a cut of 5 percent.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Holland	Murray
Anderson	Humphrey	Myers
Baldwin	Hunt	Neely
Brewster	Ives	O'Conor
Bricker	Jenner	O'Mahoney
Bridges	Johnson, Colo.	Pepper
Butler	Johnson, Tex	Reed
Byrd	Johnston, S. C.	Robertson
Cain	Kefauver	Russell
Chapman	Kem	Saltonstall
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Stennis
Downey	Long	Taft
Ecton	Lucas	Taylor
Ellender	McCarran	Thomas, Utah
Ferguson	McClellan	Tobey
Flanders	McFarland	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Millikin	
Hoey	Mundt	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations was conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. MAYBANK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I desire to perfect my amendment by inserting in the third line, where it reads "not to exceed ninety-five per centum of the funds," the words "aggregate of the"; to strike out, at the end of that line, the word "any" and to add after the word "appropriation" in the next line and the word "appropriation" in the last line an "s" to make it plural rather than singular.

It is a very short amendment, and, with the permission of the Senate, I should like to read it as perfected.

The PRESIDING OFFICER. The Senator is advised that after the yeas and nays have been ordered, the amendment can be modified only by unanimous consent.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be permitted to perfect the amendment.

Mr. MAYBANK. Mr. President, reserving the right to object, I should like to ask the Senator if he knows, as acting minority leader, of any further amendments?

Mr. KNOWLAND. So far as I know, there are no other amendments to be offered.

Mr. MAYBANK. Does the Senator believe we can get a vote on the bill very soon?

Mr. KNOWLAND. I am very hopeful of it.

Mr. MAYBANK. I have no objection.

The PRESIDING OFFICER. Is there objection to the Senator from California modifying his amendment? The Chair hears none.

Mr. KNOWLAND. My amendment, as modified, is as follows:

On page 49, line 19, strike out the period and insert in lieu thereof a colon and the following: *Provided further*, That not to exceed 95 percent of the aggregate of the funds provided by appropriations made by this act for the fiscal year ending June 30, 1950 shall be expended or obligated by the department, agency, or corporation to which such appropriations are made."

Mr. MAYBANK. Mr. President, in not objecting to the Senator perfecting his amendment, I do not want it to be understood that I am not opposed to the original amendment.

Mr. KNOWLAND. I think the junior Senator from California thoroughly understands that the Senator from South Carolina was not accepting my amendment.

Mr. MAYBANK. There may be other Senators who might not think so. I hope the amendment, as modified, will be defeated.

Mr. KNOWLAND. Mr. President, for the benefit of Senators who have just entered the Chamber, I will say that certain questions were raised by the able Senator from Michigan [Mr. VANDENBERG] when he asked me as to my interpretation of the amendment which I have offered. By the perfection of the amendment, by adding the word "aggregate," it is meant to cover the point to which the able Senator from Michigan referred, so that, at least so far as the author of the amendment is concerned, it is his belief that the new language will make it clear that department heads can work within the aggregate funds, provided they do not expend more than 95 percent of the total appropriation.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Michigan.

Mr. FERGUSON. In order to make it crystal clear, under title I the 5-percent reduction would come from the total of the Treasury Department of $1,045,184,403.93. Is that correct?

Mr. KNOWLAND. The Senator is correct. The same thing would apply to title II and also with regard to the other two agencies.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. AIKEN. The Senator's amendment provides for an aggregate cut of 5 percent of the total amount; is that correct?

Mr. KNOWLAND. That is correct.

Mr. AIKEN. That means 5 percent of the funds allowed for internal-revenue payments?

Mr. KNOWLAND. No; 5 percent of the total amount allowed to the department. It would not apply as a mandatory matter to the individual payments, but to the aggregate total allowed to the department, agency, or corporation.

Mr. AIKEN. What is the total amount that would be affected?

Mr. KNOWLAND. I think the Senator from Michigan gave the figure a moment ago as $1,045,184,403.93.

Mr. FERGUSON. That figure appears at the bottom of page 9 of the bill.

Mr. AIKEN. It does not refer to any repayment or any trust-fund payment or anything of that nature at all, does it?

Mr. KNOWLAND. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from California, as modified, on which the yeas and nays have been ordered.

Mr. CORDON. Mr. President, I shall not delay the vote long. I had occasion to discuss this matter in a brief colloquy with the author of the amendment, and said at that time that I desired to explain the position I find most reluctantly I must take with reference to his amendment.

First, let me say that I am in sympathy with what the amendment seeks to do. I believe the approach, generally, is sound. I believe that if we are ever to bring about reasonable reduction in departmental appropriations, aggregating in each instance as they do, hundreds of millions, and in some instances billions of dollars, we cannot do it other than by a percentage reduction method, and at the same time get the fullest possible value out of the money that is appropriated.

It is humanly impossible, Mr. President, for the Members of the Committee on Appropriations, though they work every day and every night all through the year, to gather the information with reference to specific activities and a reasonable cost of performing them, which is essential in order to make an accurate computation of the amount to be appropriated for each such activity. It simply cannot be done.

The Appropriations Committees of necessity must turn for their information to the departments which are the spending agencies. Those departments are composed of human beings. If they are faithful servants, seeking in good faith to do the thing they are called upon to do, they of necessity become prejudiced in their views in favor of the thing they do, and they seek to do it as well not only as they can do it, but as well as they feel it can be done.

They have had practical experience in attempting to get the funds necessary to do what they have to do. They find they must go first to the President's Bureau of the Budget, an independent agency, so far as they are concerned. Experience has taught them that that Bureau is very apt to cut the amount of their estimate. It is but human nature for them not to cut the estimate before they submit it to the Bureau. They increase it, as you or I would. That is the way it works.

When the estimates finally leave the Bureau of the Budget and come to the Committees on Appropriations, they will again have a careful scrutiny, and the officials of the Bureau know that. They are practical men. Then the Bureau itself, although it is staffed by a great number of specialists who are endeavoring to do a good job, is incapable of covering the whole field. The result is that no one who handles the estimates, save those in the departments themselves, is able to allocate a reduction in amounts in such a way as to do the greatest good, and at the same time not interfere with essential functions. So I say that I believe the percentage reduction approach is sound.

In this instance, Mr. President, I must depart from what I would prefer to do. I would prefer to go along with this kind of an amendment. But I have served on the Subcommittee on Treasury and Post Office Appropriations 3 years and a fraction. For 2 years I served as chairman of the subcommittee itself. During that time our committee, working with such staff as we were able to gather together, some of them very expert men, were able to find places where savings could be effected and were able to realize from the findings brought to us that there were other places where savings could be effected, if there was a will to do it.

Through the work of the Committee on Appropriations studies were initiated by independent agencies to increase efficiency in the Treasury Department, particularly in the Bureau of Customs, and so on. The reports which were made are now being activated, if I may use that term, or put into effect, by the Department itself. It is yet too early to know the extent to which they will be effective. I still am naive enough to believe that there will be some really beneficial results from that work.

In the Treasury Department there are numerous funds over which neither that department nor the Congress, save by substantive law, can have any control whatever. That is true also in the Post Office Department as to certain funds. The post office bill carries, and I believe has always carried, a special provision granting general authority to incur a deficit, if that be necessary in order that the mails be carried.

Because the two departments are service departments, because there has been a constant, sustained, and continuing effort on the part of the subcommittee of the Committee on Appropriations, and I believe in good faith by both departments, to increase the efficiency and lower the over-all costs of the two departments, I am constrained, much as I regret it, to cast my vote against the amendment, as it applies to these two major service departments of the Government.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified, offered by the Senator from California [Mr. KNOWLAND], on behalf of himself, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and the Senator from Nebraska [Mr. WHERRY]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McMAHON (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM]. If he were present, he would vote "nay." If at liberty to vote I would vote "yea." I, therefore, withhold my vote.

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS] is absent on public business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Alabama [Mr. HILL] are absent on official business.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is paired on this vote with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Kansas would vote "yea."

The Senator from Illinois [Mr. DOUGLAS] is paired on this vote with the Senator from Oregon [Mr. MORSE]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Oregon would vote "nay."

The Senator from Mississippi [Mr. EASTLAND] is paired on this vote with the Senator from Wisconsin [Mr. McCARTHY]. If present and voting the Senator from Mississippi would vote "nay" and the Senator from Wisconsin would vote "yea."

The Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Delaware would vote "yea," and the Senator from Idaho would vote "nay."

The Senator from Alabama [Mr. HILL] is paired on this vote with the Senator from Massachusetts [Mr. LODGE]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Oklahoma would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Connecticut [Mr. McMAHON] is paired on this vote with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Connecticut would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oklahoma [Mr. THOMAS] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from New Jersey would vote "yea."

The Senator from New York [Mr. WAGNER] is paired on this vote with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from New York would vote "nay," and the Senator from Indiana would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Alabama [Mr. HILL]. If present and voting, the Senator from Massachusetts [Mr. LODGE] would vote "yea," and the Senator from Alabama [Mr. HILL] would vote "nay."

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate and is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Kansas [Mr. SCHOEPPEL] would vote "yea," and the Senator from New Mexico [Mr. CHAVEZ] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness and is paired with the Senator from Oklahoma [Mr. THOMAS]. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "yea," and the Senator from Oklahoma [Mr. THOMAS] would vote "nay."

The Senator from Minnesota [Mr. THYE] is absent by leave of the Senate and is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Minnesota [Mr. THYE] would vote "yea," and the Senator from Oklahoma [Mr. KERR] would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is detained on official business and is paired with the Senator from New York [Mr. WAGNER]. If present and voting the Senator from Indiana [Mr. CAPEHART] would vote "yea," and the Senator from New York [Mr. WAGNER] would vote "nay."

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business and is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting the Senator from Wisconsin [Mr. McCARTHY] would vote "yea," and the Senator from Mississippi [Mr. EASTLAND] would vote "nay."

The Senator from Oregon [Mr. MORSE] is detained on official business and is paired with the Senator from Illinois [Mr. DOUGLAS]. If present and voting, the Senator from Oregon [Mr. MORSE] would vote "nay," and the Senator from Illinois [Mr. DOUGLAS] would vote "yea."

The result was announced—yeas 33, nays 45, as follows:

YEAS—33

Baldwin	Ecton	Ives
Brewster	Ferguson	Jenner
Bricker	Flanders	Johnson, Colo.
Bridges	George	Kem
Butler	Gurney	Knowland
Byrd	Hendrickson	Malone
Cain	Hickenlooper	Martin

Millikin	Smith, Maine	Watkins
Mundt	Taft	Wherry
Reed	Tobey	Wiley
Saltonstall	Vandenberg	Williams

NAYS—45

Aiken	Hunt	Murray
Anderson	Johnson, Tex.	Myers
Chapman	Johnston, S. C.	Neely
Connally	Kefauver	O'Conor
Cordon	Kilgore	O'Mahoney
Donnell	Langer	Pepper
Downey	Long	Robertson
Ellender	Lucas	Russell
Fulbright	McCarran	Sparkman
Gillette	McClellan	Stennis
Green	McFarland	Taylor
Hayden	McGrath	Thomas, Utah
Hoey	McKellar	Tydings
Holland	Magnuson	Withers
Humphrey	Maybank	Young

NOT VOTING—18

Capehart	Hill	Morse
Chavez	Kerr	Schoeppel
Douglas	Lodge	Smith, N. J.
Eastland	McCarthy	Thomas, Okla.
Frear	McMahon	Thye
Graham	Miller	Wagner

So Mr. KNOWLAND'S amendment offered on behalf of himself, Mr. BRIDGES, Mr. FERGUSON, and Mr. WHERRY, was rejected.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Just as the Chair announced the result of the vote two or three Senators came onto the floor of the Senate and addressed the Chair. Of course, I realize that the announcement had already been made. But is it the opinion of the Chair that the votes of those Senators should be registered?

The VICE PRESIDENT. The Chair cannot entertain the vote of a Senator who comes into the Chamber after the result has been announced, or who requests his name to be counted after the announcement has been made as to the result of the vote. That is especially prohibited by the rules.

Mr. BRIDGES. Mr. President, I now move that the bill be recommitted to the Committee on Appropriations with instructions to report it back to the Senate with amendments providing for a reduction in the bill, as reported to the Senate, including committee amendments, of a 5 percent reduction of the total amounts, either by specific amendments or by limitations on total amounts to be expended.

Mr. MAYBANK. On that motion I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PEPPER. Mr. President, will the Senator from New Hampshire yield to me for a question?

The VICE PRESIDENT. The Senator from Florida is recognized. The Senator from New Hampshire no longer claims the floor.

Mr. PEPPER. In my own right then, Mr. President, I will say that I should like to know just what is the meaning of the motion. A motion was made the other day by the Senator from Ohio [Mr. TAFT] which may or may not be similar to the pending motion, which I understand would operate in a way that nobody intended it should at the time the motion was made. In other words, when the Senate passed the Labor-Federal Security bill, and the Ferguson-Bridges amendments failed to prevail, then the Senator from Ohio made a motion to recommit the bill to the Appropriations Committee with what I understood to be instructions to reduce by 5 percent the bill as it passed the Senate.

Later I was informed that the Parliamentarian had held that the parliamentary effect of the motion of the Senator from Ohio was to strip the bill of every amendment added in the Senate, to strip the bill of every amendment added by the committee, in committee, and then cut 5 percent from the House bill. I heard Senator after Senator who voted for the motion say that he never intended any such result. So I think we ought to understand exactly what the legal effect of this motion is. No doubt it will have some bearing upon what was really intended by the Senator from Ohio when he made the motion the other day. That is the reason I thought it proper at this time for the Senate to know upon what it is voting.

Mr. BRIDGES. In answer to the Senator from Florida, if the Senator will listen carefully to the motion which I have made, it will clarify the situation. I will say to the Senator that in supporting the motion to which the Senator refers, I assumed in voting for it that it was to cut 5 percent from the bill as it stood in the Senate, with the Senate amendments.

Mr. PEPPER. Then the Senator had no intention of stripping the bill which was subjected to the motion of the Senator from Ohio of all the Senate amendments, and all the amendments added by the Senate Appropriations Committee.

Mr. BRIDGES. The Senator from New Hampshire does not intend to strip anyone. [Laughter.] What the Senator from New Hampshire intends to do by this motion is to cover the very point raised by the Senator from Florida. Let me read the motion again:

> I move that the bill be recommitted to the Committee on Appropriations with instructions to report it back to the Senate with amendments providing for a reduction in the bill, as reported to the Senate, including committee amendments——

Mr. PEPPER. Will the Senator stop at that point? The language "as reported to the Senate, including committee amendments" would strike out everything the Senate has added.

Mr. BRIDGES. In this particular instance I do not think the Senate has added anything. With respect to the previous bill, the language would have to be "as it now stands." But with respect to this particular bill, the Senate has not added anything. I am protecting the committee amendments.

Mr. TAFT rose.

Mr. PEPPER. I see the Senator from Ohio on his feet. I merely wish to make clear the significance of the motion. I am indebted to the Senator from New Hampshire for making clear exactly what he intends to do.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAYBANK. I suggest to the Senator from New Hampshire that nothing was added by the Senate except the committee amendments which were adopted by the Appropriations Committee.

Mr. PEPPER. But the actual effect is the same, because the Senate adopted the amendments reported by the Senate committee.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BRIDGES. I may say further that if the bill were in the same condition as the Federal Security and Labor bill, this motion would have to be altered. As it is, it now protects the committee amendments, as differentiated from the previous motion. But if this were the Federal Security and Labor bill, and we were attempting to do the same thing, this language would have to be amended to read "as the bill now stands."

Mr. PEPPER. As I understand the Senator, he would amend his motion so as to strike out what the Senate did to the bill as it came from the committee.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. With reference to the statement made by the Senator from Florida, the motion which I made on April 28 was a motion to recommit with instructions to report the bill back to the Senate with amendments providing for a reduction equivalent to that provided in the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON], which amendment was ruled out of order. It seems to me very clear that if the majority of the Senate wishes to make a reduction, we ought to find a way by which the desire of the majority can be carried into effect. My purpose was to instruct the committee to bring the bill back with exactly the same result that would have occurred if the Bridges-Ferguson amendment had been attached to the bill. Therefore, I had no intention whatever to change either the committee amendments or the amendments offered by the Senator from Florida relating to cancer and heart disease. My purpose was to try to find a way to carry out the effect of the 5-percent amendment which had been offered, for which there was a majority vote, but which had been ruled out of order.

Of course, the parliamentary effect may have been to nullify those amendments. However, the committee also had the power to bring the bill back with those amendments in it again. Therefore the intention of that motion was simply to make a cut in the bill as it had been completed up to that moment by Senate action. That was the intention of the Senator from Ohio. I think the intention is clear if the entire statement is read. Whatever the parliamentary rules might or might not be, I do not think they affect the intention of the Senator from Ohio or change the effect of the adoption of that motion by the Senate.

Mr. PEPPER. In other words, the Senator from Ohio was trying to effectuate a saving equal to 5 percent of the amount of the bill which the Senate passed.

Mr. TAFT. Exactly; and, just as the Bridges-Ferguson amendment would not

in any way have changed the Senator's amendments with respect to heart disease and cancer, so it certainly was not the intention of my motion to make any such change.

The VICE PRESIDENT. The Chair will advise Senators that when a bill is recommitted to the committee from which it emanates, such action nullifies all amendments that have been agreed to on the floor of the Senate, and the bill goes back to the committee—if it happens to be a House bill—in the same shape in which it came to the Senate from the House, regardless of the intention of any Senator.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Is it not true that the committee, complying with the intention of the Senate, as indicated by the motion, can report the bill back adopting or recommending as committee amendments, amendments which it formerly recommended, and also amendments which the Senate itself had specifically approved?

The VICE PRESIDENT. The committee might do that; but the committee would have to act upon the amendments in committee as if no action had previously been taken.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. PEPPER. Is it not within the power of the Senate to control the action of its committees by its own directive? Let me predicate a case, if the Chair will allow me an observation in support of the inquiry. Suppose the Senate had, by motion appropriately made and carried, directed its Committee on Appropriations to eliminate a certain item on page 6. Suppose the bill had been recommitted to the Committee on Appropriations with instructions to eliminate that item. Would not the legal parliamentary effect be not to strip the bill of every amendment, other than on page 6, which had been added? Would not that be an instruction by the Senate to its subordinate body, the committee, to do what the Senate willed be done?

In this case the context of the record is clear. What the Senator from Michigan and the Senater from New Hampshire were seeking to achieve was a 5-percent over-all cut. They intended that cut to apply not only to what the Senate did, but to the bill as finally passed by the Congress. They intended that there should be a reduction of 5 percent. They did not intend the 5-percent cut to apply merely to one item in the bill.

Again today the Senator from Ohio has clearly indicated what he stated in the record at the time. He merely wanted the bill to come back with a gross saving of 5 percent in the bill as it passed the Senate.

The Senator from New Hampshire has today reaffirmed the same principle. I am raising the parliamentary question, Is not the Senate the superior body, which has control of the action of its committees? If the intention of the Senate is clear, could there be any parliamentary result to the contrary?

The VICE PRESIDENT. The Senate can instruct its committees as it sees fit. It may make an exception of any amendment which has been agreed to on the floor. However, if it does not make an exception of any amendment agreed to on the floor, the parliamentary effect of recommittal is to nullify all amendments agreed to on the floor. In the recommittal of the bill the other day no exception was made of any amendment. The committee has a perfect right to act upon its own judgment; but in the opinion of the Chair, there is no automatic exception with regard to any amendment agreed to in the Senate prior to recommittal of the bill.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I agree with the distinguished Vice President that a motion to recommit without instructions would have exactly the effect stated by the Vice President. But does the Vice President agree with me that the motion made by the distinguished Senator from Ohio carried instructions that the committee report the bill with reductions in the appropriations in the amount of the savings specified? Inasmuch as those instructions were stated in the motion, I ask whether under those instructions the bill would take the course the distinguished Vice President has said it would take in regard to nullifying the committee amendments and the amendments added on the floor?

The VICE PRESIDENT. The question is only academically before the Senate; but the Chair is inclined to state rather an ex cathedra opinion.

However, the motion, as made, did not make specific exemption in the case of any amendment.

Mr. WHERRY. Does the distinguished Vice President now hold that in order to have such exception made, an instruction to that effect would have to be given to the committee?

The VICE PRESIDENT. If any committee amendment is agreed to in a form different from that carried in the bill as reported to the floor of the Senate, the Chair is of the opinion that instructions should be given as to that. Otherwise, the action of the Senate on amendments is nullified by the adoption of a motion to recommit.

Mr. TAFT. Mr. President, let me call attention to the terms of the motion. They were that the bill be recommitted, and thereafter be reported to the Senate with amendments providing for a reduction of appropriations equivalent to that provided by the amendment of the Senator from New Hampshire and the Senator from Michigan. It seems to me that the intention was perfectly clear, namely, to do exactly what that amendment would have done. That amendment would not have wiped out the Pepper amendments or any of the other amendments.

Of course, from a parliamentary standpoint, I think it is clear that when the bill is recommitted, all amendments made to the bill are wiped out, for in that case the bill is returned to the committee, and thereafter the committee will report the bill once more to the Senate, and no doubt thereafter it would be necessary for the committee to have all committee amendments approved again. No doubt that is the rule.

However, it seems to me that the language of the motion was clear as to its intent, which was simply to have the committee again report the bill to the Senate, but carrying provision for the same kind of reduction of appropriations which would have been required if the amendment of the Senator from Michigan and the Senator from New Hampshire had been adopted.

Mr. AIKEN obtained the floor.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair has recognized the Senator from Vermont; and he is not required to yield for a parliamentary inquiry.

Mr. AIKEN. Mr. President, I understand that if the bill is recommitted, when the committee again reports the bill to the Senate it will be subject to amendment, just as it was in the first place, when first reported to the Senate.

The VICE PRESIDENT. Undoubtedly.

Mr. AIKEN. Mr. President, in examining the bill, I find that out of some $2,000,000,000 of appropriations for the postal service, approximately $1,500,000,000—or 75 percent of the total amount of appropriations carried by the bill—would be used to pay the salaries of postmasters, post office clerks, clerks in the third-class post offices, city mail carriers, RFD carriers, star route carriers, and railway mail clerks. It seems to me that the postal clerks, RFD carriers, city carriers, and the other post office personnel are not now overpaid. I do not believe that at this time they can stand a cut in their salaries or in the case of the RFD carriers, a cut in the payments allowed to them for using their cars in the postal service. In fact, bills now pending in the Congress look toward increasing the pay received by such persons.

However, the bill carries approximately $500,000,000 of appropriations for other expenses of the Post Office Department; and as to that amount, I think savings may be made.

I am willing to have the bill recommitted, in an effort to see whether the committee can cut $100,000,000 out of that $500,000,000, by means of making appropriate cuts, other than cuts in the appropriations for the pay of postal personnel.

However, if the motion to recommit is adopted, and if the bill subsequently is reported by the committee with provision for the making of cuts from the pay of the postal clerks, rural free delivery carriers, or any of the other postal personnel of that type, I shall not only feel free to vote against amendments providing for such cuts, but I actually intend to do so.

It is only with that understanding that I shall vote to recommit the bill, so as to see whether the committee can make some reductions in the $500,000,000 of appropriations for other purposes carried by the bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Hampshire to recommit the bill with instructions. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McMAHON (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM]. If he were present, I understand he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Alabama [Mr. HILL] are absent on official business.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is paired on this vote with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Kansas would vote "yea."

The Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Delaware would vote "yea," and the Senator from Idaho would vote "nay."

The Senator from Alabama [Mr. HILL] is paired on this vote with the Senator from Massachusetts [Mr. LODGE]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Minnesota would vote "yea."

The Senator from Connecticut [Mr. MCMAHON] is paired on this vote with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oklahoma [Mr. THOMAS] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from New Jersey would vote "yea."

If present and voting the Senator from Mississippi [Mr. EASTLAND] and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Massachusetts [Mr. LODGE] is necessarily absent, and is paired with the Senator from Alabama [Mr. HILL]. If present and voting, the Senator from Massachusetts [Mr. LODGE] would vote "yea" and the Senator from Alabama [Mr. HILL] would note "nay."

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate, and is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Kansas [Mr. SCHOEPPEL], would vote "yea" and the Senator from New Mexico [Mr. CHAVEZ] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness, and is paired with the Senator from Oklahoma [Mr. THOMAS]. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "yea" and the Senator from Oklahoma [Mr. THOMAS] would vote "nay."

The Senator from Minnesota [Mr. THYE] is absent by leave of the Senate, and is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Minnesota [Mr. THYE] would vote "yea," and the Senator from Oklahoma [Mr. KERR] would vote "nay."

The result was announced—yeas 38, nays 44, as follows:

YEAS—38

Aiken	George	Millikin
Baldwin	Gillette	Mundt
Brewster	Gurney	Reed
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Smith, Maine
Butler	Ives	Taft
Byrd	Jenner	Tobey
Cain	Johnson, Colo.	Vandenberg
Capehart	Kem	Watkins
Douglas	Knowland	Wherry
Ecton	McCarthy	Wiley
Ferguson	Malone	Williams
Flanders	Martin	

NAYS—44

Anderson	Johnston, S. C.	Myers
Chapman	Kefauver	Neely
Connally	Kilgore	O'Conor
Cordon	Langer	O'Mahoney
Donnell	Long	Pepper
Downey	Lucas	Robertson
Ellender	McCarran	Russell
Fulbright	McClellan	Sparkman
Green	McFarland	Stennis
Hayden	McGrath	Taylor
Hoey	McKellar	Thomas, Utah
Holland	Magnuson	Tydings
Humphrey	Maybank	Withers
Hunt	Morse	Young
Johnson, Tex.	Murray	

NOT VOTING—14

Chavez	Kerr	Smith, N. J.
Eastland	Lodge	Thomas, Okla.
Frear	McMahon	Thye
Graham	Miller	Wagner
Hill	Schoeppel	

So Mr. BRIDGES' motion to recommit with instructions was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill H. R. 3083 was read the third time and passed.

Mr. MAYBANK. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MAYBANK, Mr. HAYDEN, Mr. KILGORE, Mr. MCCLELLAN, Mr. JOHNSTON of South Carolina, Mr. CORDON, Mr. REED, and Mr. BRIDGES conferees on the part of the Senate.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

ORDER OF BUSINESS

Mr. LUCAS. Mr. President, I desire to make a brief announcement for the benefit of all Senators. After the conclusion of the consideration of H. R. 3704, which is now the unfinished business, the Senate will then proceed to consider Calendar 213, Senate bill 526, introduced by the distinguished Senator from Arkansas [Mr. MCCLELLAN] and other Senators, which is a bill to provide for the reorganization of the Government agencies, and for other purposes.

LABOR-FEDERAL SECURITY APPROPRIATION BILL—RECONSIDERATION OF MOTION TO RECOMMIT

Mr. WHERRY. Mr. President, will the distinguished majority leader yield?

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. Can the majority leader say whether the chairman of the Appropriations Committee intends to bring up tomorrow the motion made by the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which House bill 3333, the Labor-Federal Security appropriation bill was recommitted to the Committee on Appropriations?

Mr. LUCAS. In answer to the inquiry propounded by the able minority leader, I ask unanimous consent that the chairman of the Committee on Appropriations be permitted to answer the question.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MCKELLAR. Mr. President, I did not make the motion. The distinguished Senator from Rhode Island made the motion, and I understand that he expects to bring it up some time tomorrow afternoon. I shall let the Senator speak for himself.

Mr. GREEN. I am not prepared to make a definite statement.

Mr. WHERRY. Mr. President, if the distinguished majority leader will yield further——

Mr. LUCAS. I yield.

Mr. WHERRY. I feel it is a very important motion, and if it is the intention to bring it up, I think an announcement a little in advance would be appreciated by all Members of the Senate. I trust the majority leader will work that out.

Mr. LUCAS. I certainly agree.

Mr. MAYBANK. Mr. President, will the Senator yield for a parliamentary inquiry?

The VICE PRESIDENT. The Senator cannot yield for a parliamentary inquiry without unanimous consent.

Mr. LUCAS. I merely want to say I agree with the Senator from Nebraska that when the chairman of the Appropriations Committee, the distinguished Senator from Tennessee, and the mover

of the motion, the distinguished Senator from Rhode Island, finally conclude upon the day they desire to bring it up, I shall notify the Senator from Nebraska immediately.

Mr. WHERRY. I thank the Senator.

Mr. McKELLAR. I hope that will be done.

Mr. WHERRY. Is it the understanding now that it might be taken up tomorrow?

Mr. McKELLAR. It might be.

Mr. WHERRY. That would not allow very much time after the giving of notice.

Mr. LUCAS. So far as I am concerned, I shall be glad to let it go over.

Mr. McKELLAR subsequently said: Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McKELLAR. I wish to say that I have conferred with the author of the motion to reconsider the vote by which House bill 3333 was recommitted, and with other Senators, and it will be satisfactory if a vote be had on Monday.

Mr. WHERRY. I thank the distinguished Senator from Tennessee.

Mr. LUCAS. With that understanding, we shall vote on the motion to reconsider at some time during next Monday's session.

TREASURY AND POST OFFICE DEPARTMENTS, ETC., APPROPRIATIONS, 1950—MOTION TO RECONSIDER

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAYBANK. No motion was made to reconsider the vote by which the Treasury and Post Office bill was just passed, nor was a motion made to lay on the table. Free conferees were suggested to be appointed by the Chair. I understand they were appointed. What is the parliamentary situation in connection with the Treasury and Post Office bill that was just passed? Can a motion be made to reconsider it tomorrow?

The VICE PRESIDENT. A motion can be made within 2 days to reconsider any bill.

Mr. MAYBANK. Mr. President, I make that motion now.

The VICE PRESIDENT. The Senator moves to reconsider the vote by which the Treasury and Post Office appropriation bill was passed.

Mr. TAFT. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Is the motion in order?

The VICE PRESIDENT. The Senator from South Carolina has a right to enter the motion.

Mr. TAFT. He has a right to enter the motion, but otherwise it is not in order during consideration of the pending District of Columbia revenue bill. Is not that correct?

The VICE PRESIDENT. That is true.

Mr. MAYBANK. I make the motion now.

The VICE PRESIDENT. The Senator enters the motion now to reconsider.

Mr. NEELY. Mr. President, I move that the motion be laid on the table.

Mr. WHERRY. Mr. President, a point of order.

The VICE PRESIDENT. The Chair will state that action on the motion would prevent the bill from going to conference. The Senator can only enter the motion; he cannot make the motion at this time. Therefore a motion to lay the motion on the table is not in order.

Mr. MAYBANK. Mr. President, I do not desire to enter the motion if it cannot be acted upon. I withdraw the entry of the motion.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 12, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 11 (legislative day of April 11), 1949:

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

William C. Foster, of New York, to be deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

IN THE ARMY

Brig. Gen. William Edward Bergin, O7127, United States Army, for appointment as Assistant the Adjutant General, United States Army, under the provisions of section 6, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

Col. Kenneth Burman Bush, O6650, United States Army, for temporary appointment as brigadier general in the Army of the United States under the provisions of section 515, Officer Personnel Act of 1947.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 11 (legislative day of April 11), 1949:

POSTMASTERS

KANSAS

Carrie U. Kinnett, Ozawkie.
Eula F. Arnspiger, Wellington.

MICHIGAN

Schuyler D. Wade, Swartz Creek.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 11, 1949

The House met at 12 o'clock noon.

Rev. Father Charles J. D. Corcoran, O. P., Dominican House of Studies, offered the following prayer:

Dear God, we, the leaders of thy people so bounteously blessed, prostrate our minds and hearts before Thee. Thou hast made us all to know Thee, to love Thee, and to serve Thee in this world, that we may be happy with Thee forever in heaven. Enlighten our minds and move our hearts to follow that way of life ourselves and to prescribe it for Thy people.

Teach us to walk in the footsteps of Moses, the first great lawgiver of Thy people. We have emerged from a bath of blood far worse than the trials of Egypt. We are treading the desolate path to the promised land of peace. Let not the sins of Thy people prolong our exile in the desert. Increase our faith, strengthen our confidence in Thy all-powerful help, make our past sufferings efficacious for future peace.

O God, Thou hast made us the foster fathers of Thy children. Move us to pray for them every day, so that our laws may become a living spirit in their hearts. Give to our citizens the grace that listening they may hear Thy voice in our laws. Move them to follow the wisdom, which do Thou inspire in our deliberations. Bless our beloved Nation with peace and prosperity forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

BOARD OF VISITORS, COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication:

MAY 11, 1949.

The SPEAKER,
House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I am informed by Representative CLARK W. THOMPSON, of Texas, that he will be unable to attend the meeting of the Board of Visitors of the Coast Guard Academy to be held on May 13 and 14 in New London, Conn. I wish to appoint Hon. PHIL J. WELCH, of Missouri, to attend this meeting in Mr. THOMPSON'S place.

Thanking you and with kindest personal regards, I am

Yours very sincerely,
S. O. BLAND, *Chairman.*

EXTENSION OF REMARKS

Mr. FOGARTY asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an article on Representative LANHAM published in the Buffalo Evening News.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

ANTIDEFAMATION LEAGUE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, the Appendix of the RECORD for Monday indicates that the gentleman from Mississippi [Mr. RANKIN] referred in this language to one of our finest American organizations, one that is doing a tremendous job to advance democracy in this country.

His reference, which I quote, is "The Antidefamation League, a Communist outfit, that has for its object the persecuting of white gentile Americans."

The chairman of that organization is none other than the Hon. Meier Steinbrink, a former Republican leader of the

county of Kings, and for many years past a most respected and respectable member of the New York State Supreme Court. He was twice nominated to that high office by both major political parties. Ten of your colleagues in this Congress are members, many of us having been affiliated with it during most of our adult lives.

Let me quote to you from the official literature of the Antidefamation League what its purpose is:

It is to advance proper understanding among American groups and preserve and translate into greater effectiveness the ideals of American democracy.

The Antidefamation League is dedicated to the preservation and enrichment of America's democratic legacy. It believes that America is a great nation with a great destiny. It believes that those gaps and shortcomings in our performance as a nation that prevent us from fully achieving the ideals of freedom which motivated the founding fathers must—and will—be overcome. The Antidefamation League seeks by education and the force of public opinion to promote better human relations among all Americans.

It is an integral part of the world-famous B'nai B'rith with a history of patriotic service to the United States going back to pre-Civil War days. It has received citations of commendation from the American Red Cross, the United States Army, the United States Navy, and the President of the United States, as well as from many others whose Americanism cannot be questioned.

The instant attack is unwarranted and baseless. It can originate only from intolerant, bigoted thinking.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. HUBER asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. RIBICOFF asked and was given permission to extend his remarks in the RECORD and include an article by Francis S. Murphy.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include certain statements and extracts.

Mr. McSWEENEY asked and was given permission to extend his remarks in the RECORD and include a letter from a young boy from his district, Don Rogers, relative to the proposed national medical program.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include certain correspondence.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD in two instances and include a resolution from the Rockingham County Medical Association, and also a resolution of the New Hampshire State Legislature.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial from the Wisconsin State Journal.

Mr. COLE of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an article by David Lawrence.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. WILLIAM L. PFEIFFER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. RIEHLMAN asked and was given permission to extend his remarks in the RECORD and include an address by Hon. FRANCES BOLTON, of Ohio, on May 7, 1949, in Syracuse, and also a telegram sent by Hon. JOSEPH W. MARTIN, JR., on that occasion.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Post.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include an original poem on the State of Iowa.

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a letter written to the New York Post.

VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I shall not take the time to reply to the gentleman from New York [Mr. MULTER], but I know what I am talking about.

I expect to introduce a resolution to have this so-called Antidefamation League investigated. When we turn the pitiless sunlight of merciless publicity onto that subversive organization, the House will be astounded and the American people will be shocked.

But, Mr. Speaker, I just want to talk a moment about veterans' legislation.

This morning the Committee on Veterans' Affairs turned down my program and adopted one which will shut out six out of every seven World War I veterans who reach the age of 65 years. The bill will be brought up under the general rules of the House, and every opportunity will be afforded to offer amendments.

Under the bill, as it was written, World War I veterans would have been paid, by the year 2000, a total of $14,782,000,000.

Under the amendment adopted this morning, on a roll call, they will be paid, up to and including the year 2000, $2,027,000,000, or less than one-seventh of the amount, which they would have received under my original bill.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

EXTENSION OF REMARKS

Mr. CELLER asked and was granted permission to extend his remarks in the RECORD in two instances.

ANTIDEFAMATION LEAGUE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I cannot let the occasion go by without commenting on the canard that the gentleman from Mississippi was guilty of when he called the Antidefamation League subversive.

Mr. RANKIN. Mr. Speaker, I demand that those words be taken down.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. CELLER. Mr. Speaker, I cannot let the occasion go by without commenting on the canard that the gentleman from Mississippi was guilty of when he called the Antidefamation League subversive.

The SPEAKER. The Chair desires to make a statement. There are too many "left-handed" compliments being passed around this House all the time on both sides.

The word "canard" to me conveys the idea that a man has told a falsehood. Therefore, if anybody desires to move to strike it from the RECORD—without objection, the word "canard" will be stricken from the RECORD.

There was no objection.

Mr. MCCORMACK. Mr. Speaker, I move that the gentleman from New York be allowed to proceed in order.

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Does the gentleman object?

Mr. RANKIN. I object, and I make the point of order that there is no quorum present.

CALL OF THE HOUSE

The SPEAKER. Evidently there is no quorum present.

Mr. MCCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Barrett, Pa.	Fugate	Kelley
Bates, Ky.	Gathings	Kilburn
Bland	Gavin	King
Boykin	Gillette	Kirwan
Buckley, N. Y.	Gilmer	Lemke
Byrne, N. Y.	Gwinn	Murphy
Chatham	Hall,	Murray, Wis.
Clevenger	Edwin Arthur	Noland
Coudert	Hinshaw	O'Brien, Ill.
Davenport	Hobbs	O'Neill
Davies, N. Y.	Horan	O'Toole
Dingell	Hull	Pfeifer,
Engel, Mich.	Jennings	Joseph L.
Fernandez	Kearns	Phillips, Tenn.

Powell	Short	Wadsworth
Ramsay	Smathers	Whitaker
Richards	Smith, Ohio	Withrow
Rivers	Smith, Va.	Woodhouse
Sasscer	Taylor	
Secrest	Thomas, N. J.	

The SPEAKER. On this roll call 376 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. McCORMACK. Mr. Speaker, I understand the gentleman from New York [Mr. CELLER] is not going to proceed any further under the 1-minute rule. In view of that I will withdraw my motion.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock-Piling Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 2682, with Mr. GORE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Kentucky [Mr. SPENCE] had 26 minutes remaining, and the gentleman from Michigan [Mr. WOLCOTT] had 23 minutes remaining. Before the Committee rose, the gentleman from Michigan [Mr. WOLCOTT] had been recognized for 15 minutes.

The Chair recognizes the gentleman from Michigan at this time.

Mr. WOLCOTT. Mr. Chairman, just before the Committee rose last night, I had made the statement that this bill would not be before us today were it not for the misstatements made by the President in the campaign last fell.

The Commodity Credit Corporation was set up back in 1933 as an independent agency of the Federal Government, incorporated under a Delaware charter, with very broad powers, and authority almost without limitation in the agricultural field. The life of the Corporation was determined by the Congress. Periodically we continued the Commodity Credit Corporation as a Delaware corporation until last year, when under the Corporation Act the life of the Corporation would have expired had we not rechartered it as a Federal corporation, which was done. That removed all limit of time in which it should function. In other words, we made it a permanent agency of the Government within the Department of Agriculture.

We provided a board of five directors, three of whom would be from the Department of Agriculture and two appointed by and with the advice and consent of the Senate who are not connected with the Department of Agriculture. Under questioning this year Mr. Brannan said that the Board had been functioning very nicely, that the two independent members had cooperated splendidly, that there had been no interference whatsoever with the work of the Board.

Many of us think of the Commodity Credit Corporation as an agency which has solely to do with the support of farm prices. We lose sight of the fact that the Commodity Credit Corporation has other purposes than the support of farm prices. The activities of the Corporation may be grouped into the following major categories: The price-support program, a supply program, a foreign-purchase program, a commodity-export program, a loan program for agricultural conservation purposes, and a subsidy program. Much of their wartime activity is now being liquidated, if it has not been quite liquidated: so, you see, the Corporation has other duties and functions than to support farm prices, and it was for that reason that we did not think last year that it was good business on the part of the Government to turn over to one individual, whether he be an esteemed member of the Cabinet, or even the President himself, the administration of $4,750,000,000 without restraint. Under the bill which we have before us today, in setting up this new Board, in providing that the Secretary of Agriculture shall have supervision and direction of the Commodity Credit Corporation—and all of the other members of the Board being appointed from the Department of Agriculture—we, of course, would in fact be turning over to the Secretary of Agriculture the administration of $4,750,000,000 to do with as he pleased so long as he confined himself to the very particular purposes of the Commodity Credit Corporation. That is one of the major controversies in the bill. I do not believe that the President of the United States during the war, I do not believe that President Roosevelt during the war, ever had the authority to manipulate without standards and without restraint as much money as you seek to make available to the Secretary of Agriculture in this bill. This is one very fundamental and basic objection to the bill.

The other objection to the bill has to do with the availability of storage facilities and the authority under this bill to socialize the warehousing, storage, and elevator industry in the United States. The President, in Dexter, Iowa, on September 18, 1948, made some pretty bitter statements which were not predicated upon fact; so I, having in mind that we surely did not want to charge the President with being intellectually dishonest in his campaign, questioned Mr. Brannan in respect to whether the President had ever been advised during the campaign that the Department of Agriculture through the Commodity Credit Corporation had been disposing of surplus grain storage facilities; whether on the very day that the President made the statement he did at Dexter, Iowa, on September 18, 1948, in which he charged that the price of farm commodities was going down because the very bad Eightieth Congress had not made them available. I asked Mr. Brannan if the President of the United States had been advised that on that very day the Commodity Credit Corporation was disposing of surplus grain facilities. And to the President's credit, Mr. Brannan said he did not remember ever having discussed the matter with the President. So that eliminates all criticism of the President of the United States as being intellectually dishonest in respect to this storage matter.

The statements of the President in that speech, however, were not correct because under the Commodity Credit Corporation charter the Commodity Credit Corporation is not prevented from furnishing storage to farmers, and, secondly, the Commodity Credit Corporation in the past did not furnish any storage facilities to farmers except they did sell storage bins to farmers after the Commodity Credit Corporation determined that such storage bins were in excess of its needs.

Mr. Chairman, these are the facts as elicited from Mr. Brannan's testimony before our committee:

On May 31, 1948, the Commodity Credit Corporation had an inventory of 20,742 grain bins. On February 28, 1949, the Commodity Credit Corporation had an inventory of 17,783 grain bins. Between May 31, 1948, and February 28, 1949, the Commodity Credit Corporation had disposed of 2,959 grain bins with a total capacity of about 8,078,070 bushels.

It is interesting to note the dates on which these bins were disposed of, and I want to call attention to the fact, as I read these figures, how rapidly the disposal of these bins sloughed off to nothing after the President made the statement he did on September 18 at Dexter, Iowa.

During June and July, 1948, they disposed of 1,220 bins; in August and September, 1948, they disposed of 871 bins; in October and November—most of them in October—they disposed of 771 bins and after that up to the present time they have disposed of only 97 grain bins.

Of course, after the President charged that the Eightieth Congress had made it impossible for them to get grain storage facilities it was inconsistent with that position for the Commodity Credit Corporation to continue to sell grain storage facilities although it had been their policy for a year or so before that to do just that very thing. As a matter of fact, in the last few years a small percentage of bins had been rented, mostly to elevators; some space had been rented to farmers. The Commodity Credit Corporation has been following the policy of disposing of grain bins for some time.

At one time the Commodity Credit Corporation owned 62,929 grain bins against its May 31, 1948, inventory of 20,742. Up to that time they had gotten rid of about 42,000 steel grain bins. You may add to that 78,437 wooden grain bins, or a total capacity for about 300,000,000 bushels of grain. All of these wooden bins, the 78,000, have been disposed of, and all but 20,000 of the steel bins had been disposed of before May 31, 1948. So,

we can put it this way, that all of the wooden bins have been disposed of, and that out of the 62,929 steel bins they only have remaining 17,783.

All of the bins have been disposed of in the States of North Dakota, South Dakota, Ohio, Kansas, and Nebraska. Do you recognize any of those States as reasonably large growers of grain? Of course, you do. I repeat, that it has been the policy of the Commodity Credit Corporation to dispose of surplus grain storage facilities for years, and at the very time that the President was charging that he did not have grain storage facilities enough, the Commodity Credit Corporation was selling surplus grain bins.

Now let us take a look at the act which we passed. I might say the reason why the Commodity Credit Corporation was not authorized to acquire real estate was for the same reason that I am arguing against sections of this bill which would authorize them to do it. Under the bill which we have here today, if it is adopted, the Commodity Credit Corporation or the Secretary of Agriculture, if you will turn it over to him, will have the authority to use any part which he has left of $4,750,000,000 to buy every warehouse, every elevator, every other kind of storage facility in the United States. You turn over to the Secretary of Agriculture the power to socialize the grain storage and warehousing industry in the United States.

Those are things last year which we were fighting against, but we did not curtail in any manner the authority of the Commodity Credit Corporation to continue to make and enter into and carry out such contracts or agreements as are necessary in the conduct of its business. We did not prohibit, as a matter of fact, we specifically provided that the Commodity Credit Corporation may contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of agricultural commodities subject to its control.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Before the gentleman gets into a discussion of the other features, I want to emphasize one point. If the present proposal is defeated, then what actually happens is that the bill passed last year remains in full force and effect; in other words, there will be no end or abolition of the Commodity Credit Corporation, but it will merely continue to operate under the corporate act passed last year instead of this new one now before the House.

Mr. WOLCOTT. The gentleman is absolutely correct. It will not prohibit the Commodity Credit Corporation from doing anything that it ever has done up to the present time. I want to call your attention also to the act of last year, if I may, that there was an exception to the prohibition against the acquiring or leasing of real estate. They may rent offices and renew leases as they have heretofore, so they may still continue their functions. But, we sought to compel them, and they should be compelled, to use ordinary trade channels in the storage of grain.

The point here is that the Commodity Credit Corporation was never set up to store grain except that grain on which they had made a loan. They had never been set up and they never should be set up to go into competition with private elevators and private warehousemen in the storage of grain or any other commodity. That is what we sought to prevent, and I hope we shall continue that as a policy. Otherwise, you make it possible to socialize this very important segment of our industry, and I say, without fear of successful contradiction, that if you give the United States Government the authority to socialize the storage, transportation, and processing of grain and these other commodities, you will have effectively given the Government the authority to socialize the agricultural industry, as a most important segment of our entire economy. If you socialize agriculture, then it will follow only naturally, of course, that the other segments of our economy will fall in line. It would be a very simple thing to do.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Iowa.

Mr. JENSEN. Did I correctly understand the gentleman to say that the bill we passed last year gave the Commodity Credit Corporation the authority to acquire land and real estate?

Mr. WOLCOTT. No; I said they would not have it. They had the authority to continue the facilities they had and to continue the leasing of those facilities they had. There was nothing which would have prevented them from continuing or renewing the leases they had on existing facilities.

Mr. JENSEN. Does not the gentleman feel that it is necessary in order to carry on this program that the Commodity Credit Corporation should have some authority to purchase some of the land on which these facilities are placed?

Mr. WOLCOTT. Not without some restriction. They never have done it.

This is the point. Let us understand this. They had every authority in the world, the broadest authority in the world up to June 29 of last year to buy any amount of property if they wanted to buy it, with $4,750,000,000 to do it. They never have bought these facilities, and they know it. They have leased them. They have entered into contracts with them, and they got along splendidly until a political issue was made of this. This bill is predicated on political expediency and nothing else.

Mr. JENSEN. They did have authority to lease real estate?

Mr. WOLCOTT. Yes; and we did not take away from them the authority to continue those leases.

Mr. JENSEN. That is the answer I wanted.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Indiana.

Mr. HALLECK. Did I correctly understand the gentleman to say that at the very time it was being charged against the Eightieth Congress by the President that we had failed to provide storage facilities for grain the Commodity Credit Corporation was disposing of storage facilities it had?

Mr. WOLCOTT. They disposed of only about 800 bins after he made that statement, but up to that time, between June 1 and the time he made the statement, they had disposed of over 2,000 last year. Altogether they disposed of 2,959, with storage capacity of 8,078,000 bushels, after, you understand, the 1948 act was passed, which had been the policy for years before that date.

Mr. HALLECK. I heard the gentleman say, and I think very fairly, that in view of the fact that Secretary Brannan had not discussed the matter with the then candidate, the gentleman holds that he was not intellectually dishonest in what he said. However, speaking for myself, it looks to me as if he was being very careless with the facts to make the sort of charge that was there made in view of the circumstances.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman have any figures to show how much was paid for these grain bins that were sold to private interests?

Mr. WOLCOTT. Yes. They had a formula. It was on a capacity basis. It was 10 cents a bushel, and then so much more if the bin had been recently painted. The sales price for grain bins during this period was 10 cents per bushel of rated capacity, plus $25 if the bin had been recently repainted. Most of the grain bins had a capacity of 2,730 bushels.

The contention has been made that some of these bins were deteriorating and were sold because they were deteriorating. Some of these wooden bins were apparently deteriorating to the point where they were not useful for any other purpose than to house human beings. I have in my hand a letter from a man in Nebraska offering to send me pictures of homes that have been made out of these storage bins. Apparently they were not good enough and were deteriorating so rapidly and to such an extent that grain could not be stored in them, so they started to house human beings in them.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. KUNKEL. I was on the conference committee and followed this bill very closely last year. I know that the gentleman did the same. I cannot remember at any time this issue being raised before our committee of a possible shortage of storage, nor can I remember that issue being raised in conference. Can the gentleman recall anything of that kind?

Mr. WOLCOTT. No; as a matter of fact, it was well known in the committee last June when we passed this bill that at that time it had been the purpose, and it still is the purpose, of the Commodity Credit Corporation to dispose of surplus bins. The only issue before the committee at that time was whether the Gov-

ernment should be given authority to socialize the grain elevator and warehouse industry and if there is anything that I will ever be proud of in my life, it is the contribution that I have made toward preventing the socialization of that or any other segment of our American economy.

Mr. KUNKEL. Some of the conferees representing the other body were outstanding agriculturalists, is that not correct?

Mr. WOLCOTT. Oh, yes; the conferees on the part of the other body, of course, were all agriculturalists. Although the Committee on Banking and Currency had jurisdiction of it in this body, the Committee on Agriculture had jurisdiction in the other body. The conference was with members of the Senate Committee on Agriculture and, as I remember it, the report was unanimous.

Mr. KUNKEL. Does the gentleman know of any legal opinion being given in the Department of Agriculture which indicated that the Commodity Credit Corporation did not have the power to furnish this storage?

Mr. WOLCOTT. No; no such opinion was ever given. I might say that the administration had to apply to this language the narrowest interpretation that has ever been applied by any bureaucrat or any bureau to any language that ever passed this body. We have had the experience—or at least in the 18 years that I have been here, and for every year that we had these controls, we had to review the controls and spell them out in a little more understandable language, because of the loose interpretation and the very broad interpretation which the bureaus placed on them. If they sought power to do something they usually found the language to justify their actions. Every year, constantly, we have had to amend language to offset the breadth of the interpretation which bureaus and bureaucrats have put upon the congressional language. They put the narrowest interpretation on this, of any language that I ever knew of, to find excuses for not having furnished adequate storage facilities themselves.

Mr. KUNKEL. If memory serves me correctly, the final conference report on the Commodity Credit bill was adopted unanimously. Am I correct in that statement?

Mr. WOLCOTT. The gentleman is absolutely correct; both as to the conferees on the part of the House and of the other body, and, if I recall correctly, by the House itself.

Mr. HOEVEN. I believe I am correct in stating that during the discussion of the bill on the floor of the House last year no objection was raised on the part of the administration leaders, and the President signed the bill without comment.

Mr. WOLCOTT. Yes; but he did make a comment 3 or 4 days later when the Agricultural bill was signed by him. When he signed that bill, he commented on the CCC bill.

Mr. HOEVEN. But not at the time he signed this bill.

Mr. WOLCOTT. No protest was made at that time.

Mr. Chairman, I want to emphasize these two major problems, which we have before us today. First, by amending this charter in respect to the board of directors, for all practical purposes, we, in effect, turn over the administration of the Commodity Credit Corporation to the Secretary of Agriculture and keep the corporate entity only for the purpose of issuing notes, bonds, and debentures to raise the money for the Secretary of Agriculture to use.

Secondly, we make it possible for the Secretary of Agriculture, through the use of this $4,750,000,000, or as much of it as he needs, to purchase every grain-storage facility, every tobacco-storage facility, every cotton-storage facility, every cold-storage plant—to buy every one of them in the United States, and thereby socialize that part of this very important industry, the industry upon which our agriculture depends, thereby eventually effectuating total socialization of agriculture.

I know, Mr. Chairman, there is a large—I hope not too large—segment of this House which has shown a disposition to socialize other segments of our economy; but as long as I am in the Congress of the United States, whether it be agriculture, whether it be industry, whether it be any other important segment of our economy, I am going to fight to the best of my ability to prevent the socialization of those different segments of our economy, because I like this form of government of ours and I will fight as hard as I can to protect it.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLCOTT] has again expired.

Mr. SPENCE. Mr. Chairman, I yield 14 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I rise in support of this bill. It is an effort to again reestablish the Commodity Credit Corporation as an effective, reliable agency for the support of farm prices. I think it has been the most valuable tool that the Congress has had to raise the level of farm income in the United States.

It has helped do away with those violent fluctuations of farm prices that have led to feast and famine, but more often to famine for the farmers of this country.

This agency was virtually crippled on June 18, 1948, when the Republican leadership suspended the rules and in 40 minutes' debate passed the present bill. It was not subject to amendment or clarification, and it virtually did away with the principal arm that the Commodity Credit Corporation has always had to help maintain a decent level for farm prices.

Those two amendments were prohibition against acquiring its own additional storage facilities in areas of production or even securing new leases on land on which to place storage bins; and, second, the removal of the control of the Corporation from the Secretary of the Agriculture into an independent board. It thus created a divided line of authority that would certainly handicap and cripple the mandate that the Congress had placed upon the Secretary of Agriculture to support farm prices at 90 percent of parity.

This bill reinstates the method as it has been since 1938 when it has worked so effectively, and, incidentally, without any complaint as to any socialistic tendency or any effort to interfere, compete, or to seriously disturb any private business element of our country.

Through fear and the demand of the pressure groups, the House crippled this principal instrument in supporting farm prices through loan programs. No crop price-support program can work well without a loan program, and no loan program is possible unless the crop can be stored.

Much has been said by the distinguished gentleman from Michigan [Mr. WOLCOTT], that during the period that we were having difficulty on the storage of these crops the Department of Agriculture sold storage bins. Look at the record. About 10 percent of their old, worn-out, deteriorated, wooden storage bins were sold during the period of time in question.

Yet this is cited as sole proof that the Department of Agriculture did not know what it was developing and was careless to the interests of the farmer for grain storage. These old wooden bins, built during the war in many cases, were in many cases badly placed. Often they were placed not where there was a glut expected in corn or wheat, but they were placed in far-off areas where emergencies did not exist; and yet the prohibition in the act the Congress had passed did not even delegate to the Corporation the right to move these wooden bins to new locations on leased land where gluts were occurring. I do not see how in the world you can claim that their action in disposing of the old bins indicates that the Department was unfamiliar with the situation.

I should like to read a portion of what Secretary Brannan said:

> Secretary BRANNAN. If the information or your thinking, Mr. WOLCOTT, is by disposing of them we destroy storage capacity, that is the point I want to correct specifically. In selling these we actually were taking steps to maintain the existing storage capacity at its maximum level. We were putting it in the hands of farmers who spend the time and money to keep the facilities in good shape. We were hoping that some day we would be able to replace them with uniform types of more durable storage. We have not sold any of the steel bins.

And yet they are criticized because they disposed of these, of a type, I grant you, that thrifty farmers or good handy men could have made into housing, but they were not the best type of storage. It was the part of wisdom for the Government to get out of the tremendous expense of maintaining this type of storage.

The argument of the former chairman of our committee that this bill did not prohibit the Department of Agriculture, the Commodity Credit Corporation, from acquiring storage and leasing sites and that the attorneys who interpreted this law were entirely too careful, is certainly a new line of argument to hear from the Republican side.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. Briefly.

Mr. KUNKEL. I should like to know where there is any interpretation or legal opinion that has been given on this question.

Mr. MONRONEY. Every attorney for the Commodity Credit Corporation and the Department of Agriculture held that they would be violating the mandate of the law that we passed if they did not construe the law as it was plainly written.

Agricultural leaders on the gentleman's side of the aisle who are most familiar with this farm storage situation took the floor when the former bill was under consideration to point out that very fact and brought in evidence from the large farm organizations of this country warning the Congress.

All that was placed in the RECORD on June 18, calling attention to exactly what your bill would do and what it did do. It sounds mighty funny to me to hear you people come and say this new bill would not be here if it were not for the fact that the President in some speech in Iowa in September last year had brought this charge. You had the information from your own members on your own Committee on Agriculture; you had it from the farm organizations; you had it from the President of the United States on July 3, shortly after he signed this bill.

Therefore you had this whole matter of how it crippled price supports raised before the Congress in time to do something about it. You knew how it was being construed. There was careless handling throughout by the committee. The fact that they suspended the rules and brought it in under that unusual procedure of legislating laid the trap that the Republican Party got themselves and the farmers caught in.

I cannot get terribly afraid of the charge by the gentleman from Michigan [Mr. WOLCOTT] that this bill is going to socialize the grain and other storage industries.

Since 1938 the Corporation had been using to the fullest possible degree the storage facilities available through normal commercial channels. I had heard little or no complaint regarding its operations or any cries of interference with private enterprise. All this was done under its Delaware charter—a much broader grant of authority by far than that proposed by even the Department to the Congress when it sought its new Federal charter.

But a panic of fear was raised by various special interests who saw in the new charter either fancied danger of competition—or a chance to wreck this agency whose program had done so much to stabilize farm prices at good levels and to prevent the violent ups and downs of prices due to speculators.

And so the crippling amendments were written into the bill to prohibit by basic law the Government from having "power to acquire or lease any such plant or facility, or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease—by renewing of existing leases or entering into new leases—property leased by it on the date of enactment of this act."

If that does not mean that they were frozen exactly in the locations where they were, that they could not acquire any new storage facilities, such as trackside bin facilities that are so necessary to keep grain in the area of production, I do not know what it means.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I call attention to the fact that the Commodity Credit Corporation is now in great danger with the farmers in taking delivery of wheat and will be in the fall in taking delivery of corn because they do not have the facilities in which to place the crop which the farmers will also hold the Eightieth Congress accountable for.

Mr. MONRONEY. I thank the gentleman.

It is rather amusing to hear speakers on the Republican side, as the gentleman from Kansas [Mr. COLE], in their effort to try to shift the blame.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Kentucky.

Mr. SPENCE. The Secretary of Agriculture stated before the committee that he acted on the opinion of the counsel for the Agriculture Department and gave us an analysis of the opinion he rendered.

Mr. MONRONEY. I thank the gentleman. We hear all this conversation every day from the Republican side about officials exceeding their authority. This agency was surely trying to live within the letter of the law.

This is an effort today on the part of the Republican side to shift the blame to the Commodity Credit Corporation. They say the Commodity Credit Corporation should have used storage facilities which were only 20 percent full on the Atlantic seaboard or in Seattle or in Houston or perhaps South America. That does not hold water at all.

In their effort to escape blame, they would have ridden this wheat and corn thousands of miles out of its customary hauls to market to find this storage somewhere in these broad United States. Of course, they do not say just where the Government would have gotten the freight cars to do this joy riding with since there was a grave shortage of transportation at that time. They do not say how many millions of dollars this cross shipment—wasted haulage—would have cost. But it is as good an alibi as any when you are stuck with hard realities and with the fact your bill did cause this to happen.

They say that the Secretary should have raised the parity loan in the distressed localities, that he figured it all wrong. The same formula, however, that has been used, and whether you figure it from the farm to the market place or from the terminal back to the farm, it all comes out the same. The law provides that it shall be that way.

If transportation had been given to the farmers in these affected areas, they would have received higher than 90 percent of parity that other farmers were receiving, because the freight would have been given to them. This would have been in clear violation of the law that directs the Secretary to support the price of grain at 90 percent of parity.

Still another alibi had it that the Secretary should have stepped in and bought up wheat. Had he done this, he would have had to buy up almost all of the entire crop. And then the purchasing of this volume of the crop would have genuinely been subjected to the cry of Government interference with private enterprise, that it would have socialized the marketing of grain.

He did buy some, but this was under the direct orders of the Congress to buy as an agent for ECA and to not pay more than the market price for it. These purchases did give some relief to the hard-pressed farmers, but there is no precedent for large scale wheat-buying programs such as there are for other perishable crops.

These alibis will not work for the American farmer who knows that he must have an agency in Government capable of meeting emergencies when they arise and which must not be hog-tied and hobbled against taking the necessary action to provide for emergency production area storage, which is exactly what was denied to the Corporation by the bill passed by the Eightieth Congress.

None of us want to see the Government in the storage business or interfering with normal channels of trade when available in usable locations. That is why in this act before you now we have wisely—not unwisely—safeguarded existing privately owned and cooperatively owned storage facilities against Government competition.

We have said as plainly as the English language can put it as follows:

> That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring any real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further*, that nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable, consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities and arrangements of trade and commerce in the handling of commodities.

Remember, gentlemen, that we are writing basic law, into this charter. It is not possible to change this law on a minute's notice to meet a crisis such as we met with an inflexible prohibition against additional production area storage facilities in the present act. If there are threats of violation—despite the clear provisions of this act the Appropriations Committees of the two Houses in their annual review of the Corporation's budget can catch them—and prohibit them by limitations. Further the constant audit of the Corporation by the GAO will always keep the Congress

informed of any plans that might conceivably be made—although none ever have to go beyond providing only necessary track-side storage.

In this act I hope that the Congress will not make the mistake the Eightieth Congress did and restrict this act against meeting such emergencies. All of the experience over 10 years of action proves that the CCC will use to the fullest extent existing private and cooperative storage facilities, no matter what the lobbyists may say. But they must have the right, in cases of emergency, to take care of these crops against destruction and deterioration due to lack of storage.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. BUCHANAN. I want to point out that on page 109 of the hearings there is a statement by Chairman HOPE of the Committee on Agriculture of the Eightieth Congress and the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] pointing out the two defects in this legislation, in the CONGRESSIONAL RECORD, volume 94, part 7, page 8872, and they concur, of course, in the general statement of the gentleman from Oklahoma.

Mr. MONRONEY. And they do not concur in the statement of the ranking Republican Member.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. GAMBLE. Mr. Chairman, I yield 8 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Chairman, we have sat here and discussed the political campaign of last November, which does not have anything to do with this bill at all, and I hope the Members will not try to make this a Republican or Democratic measure.

This bill does two things: It does away with the Commodity Credit Corporation and hands it over to the Secretary of Agriculture, and it gives him power to build warehouses of any kind wherever or whenever he pleases. It seems to me that with the mark that the industry has made in this country of building warehouses for the commodities of the farmers, that they should be left alone. If it were not for the fact that private industry has furnished all through the years a place for the farmer to put his excess commodities, he would have been in a pretty sad plight. All of the information that came before the Committee on Banking and Currency showed that there were adequate—and I repeat, adequate facilities for the storage of commodities in this country.

So, I say, there are only two things here. If you want to do away with the Commodity Credit Corporation and hand it all over to one man who now, Mr. Chairman, has more than he can attend to, pass this bill. But we have a bill before us now that puts him in the housing business, and he is head of the Commodity Credit Corporation, and he is head of the Department of Agriculture, which everybody knows is a one-man job. He cannot spend any time doing anything else.

So, Mr. Chairman, I would like to say for the benefit of Members that there is not anything that is Democratic or Republican about this at all, and whether we lost the fight or the other side won, does not make any difference at all, and ought not to. This bill affects every big city in the United States where they have warehouses today to take care of excess commodities. It puts them in a bad light. Furthermore, when we ask them to adopt private warehouses, they said, "We are not going to use them." Well, if they are not going to use them, what is it in there for? If somebody offers us an opportunity or you an opportunity to vote to strike that out, you will not hurt anybody.

Mr. SPENCE. Mr. Chairman, I yield the balance of the time to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, yesterday I confined my remarks to storage facilities. I think we all have agreed on one thing, and let us leave politics out of it, that you did not have enough storage facilities in the West for grain last year.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I am sorry I cannot yield now, but the gentleman cannot refute what I have stated anyway because he does not live in the West, I happen to know.

The cause of insufficient storage facilities has nothing to do with this bill. If you do not pass this bill, you will not have any more facilities for your grain in the West, because under the present law that we passed last year the Commodity Credit Corporation could do but one thing, renew the lease on the facility at its present location, but it could not establish needed facilities anywhere else. The Corporation could not transfer a facility from a location where they had plenty of facilities to a place where they did not have enough. Therefore, the farmers were forced to sell their products when they did not have sufficient facilities.

Nobody can refute this. That is the truth, and the purpose of this bill is to give ample facilities everywhere, where free enterprise failed to do it. It is simply to provide facilities to store agricultural commodities where the Commodity Credit Corporation makes the loan.

Talk about socialism, I know there is not a man in this House more against socialism than I. The producers of the different commodities in the United States needed help, and we organized the Commodity Credit Corporation for the purpose of making loans to the commodity producer so he could hold his commodity off of a declining market.

From 1933 to last year, 1948, CCC had the right to go into any community and buy land and establish a facility and operate it in its entirety, and no complaint was made. The Commodity Credit Corporation is by far the most popular agency in the United States Government. Practically everybody on both sides of this aisle has paid it a great compliment in the years gone by. The fact that we now have a little political feud in the West does not change the need of these people. They are entitled to have this relief, and they will not have it unless this bill passes, because the Commodity Credit Corporation does not have the authority. You trusted the Commodity Credit Corporation from 1933 to 1948, when they had twice as much authority as they have under the present bill to go into a community and establish facilities and operate them, yet not a word of criticism was uttered or a finger pointed at it on the ground that the Corporation interfered with free enterprise.

Whose agency is this? It is the farmers' agency. Besides helping the farmer, it has gone into these communities and helped the local banks who furnish the money so the farmers can keep their products in the warehouses. All the farmers and practically all the warehousemen, except a very few selfish warehousemen, are for this bill today. If I were a warehouseman, I would show more gratitude to the agency that had made money for me throughout the years when the agency was established primarily for the purpose of helping the farmer. Incidentally, besides making money for the warehousemen, the Commodity Credit Corporation did not try to interfere with the building by private enterprise of any facility anywhere, but on the other hand cooperated with the warehousemen.

Gentlemen, let us forget politics. You need more storage facilities now in the West. You are going to need it in the South and other sections of the country some day. And if you do not need it, the Commodity Credit Corporation, under my amendment, cannot establish it. It is foolishness to argue that this will interfere with free enterprise.

Mr. Chairman, we sometimes criticize our Federal departments and agencies. Quite often they deserve all the criticism they get. At the same time, I think that we should recognize work well done. With that thought in mind, I want to say right here and now that the Commodity Credit Corporation has been doing an outstanding job for this country. It is serving the farmers well. It is serving consumers well.

We have built up a sound farm program in this country over the past 16 years. First of all, we eliminated farmers' fears of losing, through foreclosure, all that they had worked for through the hardest kind of toil. Then we went ahead to assure real parity to farmers, to put prices of what the farmers had to sell on a par with what they had to buy. Today agriculture is prosperous, a major factor in the over-all prosperity of the Nation. We in the Congress have a duty, a mandate, to do all we can to maintain agricultural prosperity.

The Commodity Credit Corporation is the strong backbone of the over-all farm program. Without the Corporation, without its flexible mechanism for taking prompt, decisive action in the face of serious emergency, there would be no farm program.

I know what the Commodity Credit Corporation has meant to the hardworking farmers of the South. I have talked to cotton raisers, to peanut growers, to tobacco producers. They have told me that, without the Corporation and its financial resources, prices of their commodities would be ruinously low. They have told me that the economic stability

the Corporation has brought to southern agriculture has meant the difference between living in the good American tradition or of existing on the thin edge of poverty. They have made it clear to me that they want this important agency strengthened to the extent needed to meet its full responsibilities.

I know, too, what the Commodity Credit Corporation has meant to consumers. I have talked to consumers in the mill towns of the South and in the great population centers of the North. Consumers are learning more and more about agricultural economics. They know that farmers will produce the heavy volume of food and fiber required by our working, expanding population when farmers are assured that those products can be marketed at fair prices. They know, too, that fair prices for farm products increase the farmer's purchasing power and assures a broad market for the goods and services made available by nonfarm workers. They know that most depressions start with low prices for the things farmers sell and soon spread and result in idle factories in the city.

The Commodity Credit Corporation was established to help farmers. It was established to help consumers. It was, in brief, established to help all the people. It has done that job many times and in many ways.

When this country went to war, the Corporation was given the extremely difficult task of procuring, storing, and moving forward the vast quantities of food required by our armed forces and allies. At the height of the war this purchasing totaled more than $5,000,000 per day. But our armed forces never went hungry—whether they were stationed in this country or in Europe or Asia, and our allies were provided the strength needed to keep them fighting at our shoulder.

The procurement job carried over into the postwar period as this country threw its weight behind the nations battling to maintain their democratic ideals. Since VJ-day, the Corporation has purchased millions of tons of food for shipment to the Marshall-plan countries. This food has relieved human suffering, of course. But it also has assured the people living in the shadow of communism that the United States means business.

The Commodity Credit Corporation, in carrying on its price support, supply, and foreign-purchase programs, has handled transactions totaling billions of dollars. From the time the Corporation was organized in 1933 up to the present time, the activities of this agency have reflected good management on the part of the Corporation's officials. It is fortunate that we permitted the Corporation freedom to adopt prevailing business methods rather than requiring it to follow cumbersome procedures which are often so burdensome to farmers and businessmen in their transactions with government.

The Corporation, from the date of its organization up to the present time, has been operated on sound-business principles. All activities have been undertaken with the idea of protecting the best interests of the Government to the maximum extent possible. The financial results of the agency reflect this policy. The cost of carrying on operations other than subsidies, which were required to maintain OPA price ceilings at established levels, has been amazingly low considering the scope of the Corporation's activities and the benefits obtained.

Last year the Congress approved a Federal charter for the Corporation—a charter that made the Corporation a permanent agency of the United States. That charter maintained the borrowing power of the Corporation at $4,750,000,000. It also provided needed flexibility. This legislation, in general, was good legislation.

At the same time, the new charter had some defects. For example, it failed to give the Corporation needed authority to provide facilities to store grain controlled by the Corporation. It restricted the ability of the Secretary of Agriculture to discharge effectively all the responsibilities placed on him by the Congress. Several months of operation under the new charter have revealed other shortcomings.

This House has an opportunity, in H. R. 2682, to correct these deficiencies. And I am sure, by approval of the amendments to the Charter Act proposed in H. R. 2682, that this House will have added a milestone to an already imposing record of legislation in the field of agriculture. H. R. 2682 will strengthen the Corporation's charter. In strengthening the charter, it will enable the Commodity Credit Corporation to continue in the future—as it has in the past—to work in the best interests of all the people.

There is one amendment which I placed in the bill which is known as section 7. I want to tell you what it does. It authorizes the Commodity Credit Corporation to exchange surplus commodities, which the Corporation owns, for strategic and critical materials so that the stock-piling agency can pay or reimburse the Corporation for such strategic and critical materials and in this way the Commodity Credit Corporation will not lose anything.

Section 7 is one of the most important measures before the Congress from the standpoint of the benefit it may provide the American farmer in holding and expanding the market outlets for his products. Lengthy consideration is being given to the question of how low to reduce the production of our various agricultural commodities to bring supplies in line with existing demand. Weeks of discussion have already been held and will doubtless be held in the future on how high the unit price will have to be supported when production is restricted at lower levels to give farmers parity income or its equivalent.

This program attacks the farm problem from the other angle—expanding the distribution. This is a measure which is designed to increase the size of the farmer's market—to gain for him a market where none exists. In short, it is intended to increase the volume of his sales. It provides a realistic means of disposing of surpluses in world markets where they are needed by exchanging them for materials needed in the United States.

One of the most attractive features of this plan is that it will increase the market outlet for farm products without increasing the burden on the United States taxpayer. Critical materials so acquired by the Commodity Credit Corporation in exchange for agricultural surpluses will be transferred to the defense stock pile and the Commodity Credit Corporation will be reimbursed out of funds already appropriated for stock-pile purposes under the Strategic and Critical Materials Stock Piling Act. Other nonstrategic materials in short supply in the United States could be secured by the Commodity Credit Corporation in exchange for agricultural surpluses under its regular powers.

Probably the most constructive feature of the program envisioned under this legislation is the use of agricultural surpluses as incentive goods to stimulate production of materials required in the United States which are in world short supply.

At the present time the United States and the world is short of many strategic and critical materials such as natural rubber, tin, manganese, and columbite for making steel, asbestos, mica, shellac, and hard fibers. The United States is deficient in a number of other ores and minerals of which world supplies must be increased to allow a further expansion in industrial plants here and abroad: nickel, tungsten, antimony, bauxite for aluminum, zinc, lead, copper, and many others.

The principal reason for the short supply is that these materials are being produced at a fraction of prewar rates. In most cases production is lagging because the native laborers have little incentive to produce. In countries where these materials are found, the shelves of the stores are almost bare; there is little for which the workers can spend their money; therefore there is no incentive for their working harder or longer.

When copra production was lagging in the South Pacific after the war at a time when there was a serious world short supply of fats and oils and world allocations were in effect to prevent supplies being drained from the United States, the Commodity Credit Corporation entered into an arrangement with the Dutch East Indies using incentive goods to stimulate copra production. The Commodity Credit Corporation first established a general line of credit for the account of the Dutch East Indies to be used for the purchase of incentive goods, primarily cotton textiles. Under the terms of the agreement the credit was to be paid by the Dutch East Indies in designated quantities of copra or in cash. The result of the scheme was very successful. When the natives realized the goods were available, they went into the plantations and picked up the coconuts. The production of copra was thus increased; the copra was sold and the Commodity Credit Corporation's credit was repaid. In this operation a market was opened for United States cotton since the textiles purchased were made with United States cotton. This market had previously been closed because of lack of foreign exchange.

Similar operations were carried on in the Philippines with incentive goods to increase production.

The Army and Navy Munitions Board has used incentive goods to stimulate production of badly needed commodities in various parts of the world over a period of years and recognizes the importance of such programs.

It is entirely possible that such operations can be carried on through the normal channels of trade once the overall agreement is established. The reason for bringing an agency like the Commodity Credit Corporation into the picture is for the purpose of providing the initial credit to facilitate these transactions. Once the credit with a government agency in another country is established the private trade can then proceed to supply the goods expressly provided in the terms of the credit. The repayment of the credit likewise can be made through the normal channels of trade either by transfer of the commodities or by the sale of the commodities and payment to the crediting agency in cash.

Production of many of these materials mentioned above can be increased throughout the South Pacific, Asia, and Africa with such prime incentive goods. Cotton textiles is one of the best. These loin cloths have always been the medium of exchange in these areas.

While emphasis must logically be placed on exchanges of surplus agricultural commodities which have the greatest value as incentive goods, the program need not be limited thereto.

We expect the program to stimulate distribution of such surpluses as cotton, tobacco, edible oils, grains, and possibly some perishables.

We expect these exchanges will continue to be made through the normal channels of trade to the maximum extent feasible, as provided in section 5 of the Commodity Credit Corporation's charter which Congress passed last year.

This would not restrict the Commodity Credit Corporation from continuing operations of the nature of the Dutch East Indies contract. In fact, this is intended to encourage and strengthen the Commodity Credit Corporation in the distribution of surplus agricultural commodities in the form of incentive goods in exchange for critical and strategic materials which can be transferred to the stock pile or otherwise disposed of.

This specific amendment would broaden the power of the Commodity Credit Corporation to permit the transfer of any critical commodities so acquired to the defense stock pile and provide reimbursement from the stock-pile funds.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. BROWN] has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 2 of the Commodity Credit Corporation Charter Act (Public Law No. 806, 80th Cong.) is amended by deleting the words "direction and control of its Board of Directors" at the end of the said section and substituting therefor the words "supervision and direction of the Secretary of Agriculture (hereinafter referred to as the 'Secretary')."

Mr. TALLE. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Chairman, as I approach this subject which has for so many months been surrounded with an atmosphere of misrepresentation on the part of the administration, I think of the English bobby who, when he arrested a culprit on the streets of London, told him, as he took out his pencil and paper: "Remember, good fellow, everything you say will be taken down, changed, and used against you."

I want to say for my own record that I have always supported the Commodity Credit Corporation. I was in favor of it when it was first established. I have worked diligently and earnestly for it during my years of service in this House. I will match my votes and my efforts with anybody who is a friend of the Commodity Credit Corporation.

The Delaware charter has been mentioned. Everybody knows that a Delaware charter grants very broad powers, but it was a convenient way of setting up the Corporation. Members will remember that until last year the life of the Corporation was temporary, and the Congress repeatedly extended its life for a year or so before its expiration date. I used to jest with the former Secretary of Agriculture, now the junior Senator from New Mexico, about this Delaware charter. I reminded him of what happened under the charters of some of the old limited companies that were started in England in the days when limited companies were just getting under way. Some of those remarkable charters make interesting reading. If there is anything that should be clear in a charter it is its purpose, and some of those old charters used to read: "The purpose or purposes of this charter will be revealed in due time." That is why in the Seventy-ninth Congress we passed a Government Corporations Control Act which required Government corporations to acquire Federal charters before July 1, 1948, in the event they wanted to continue. Accordingly, the House Banking and Currency Committee in the Eightieth Congress proceeded faithfully and painstakingly to write a permanent Federal charter for the CCC, because it was generally recognized that the Commodity Credit Corporation had done a fine service both before the war and during the war. Orderly marketing was promoted prior to the war. In those days farmers worried about surpluses, not shortages. The CCC served to withhold price-depressing surpluses from the market and thus stabilized farm prices. During the war it performed another service in that it was the vehicle by which we were able to offer farmers incentives to produce much-needed food and to assure farmers a reasonable return for their labors.

The funds of the CCC are not small pickings. The capital stock of the Corporation is $100,000,000, and if some of it is used up, the Treasury replenishes the deficiency. The borrowing power of the Corporation is its principal source of funds. This amounts to $4,750,000,000 and is obtained by the issuance of bonds, notes, debentures based on the credit of the United States. In addition to these sources of funds there is a third one. The so-called section 32 funds, which over a period of 15 years have afforded the Corporation much over a billion dollars to work with, is money which is set aside from customs duties and tariffs receipts. So, I say—the funds are not small pickings. The Congress ought to begin to have a little regard for the value of the dollar; a little regard for the taxpayers' money. I believe it is reasonable to say that it is a pretty good idea to have two so-called outside members on the Board of Directors. In reply to specific questions put to the Secretary of Agriculture, he agreed that the two outside members who have served on the board have never at any time created any difficulty for him. He and members of his department constitute a majority of the Board. The outside members cannot defeat his purpose.

The change that is proposed in the pending bill means one-man rule, in the language of the Comptroller General. Many Members remember the distinguished service performed in this Chamber by the Honorable Lindsay C. Warren. It is well to take a look at his statement in the hearings, pages 132–139. It is a very important statement. The Comptroller General warns against making the Board of Directors mere puppets. I realize that when somebody has tasted power he wants more, but if we proceed to make every board member somebody who can be named and fired at the will of the Secretary of Agriculture, why have any board at all?

Another kind of change proposed in this bill brings into use loose language. I invite you, Mr. Chairman, to think back to the OPA days. Remember what a difficult time we had getting some administrators and certainly the Administrator of the OPA to do what the Congress said should be done. That is why I asked the Secretary of Agriculture during the hearings: "Do I understand that henceforth the principle of strict construction will be followed?" The Secretary replied, "I will accept the interpretations of the Department's lawyers."

Mr. Chairman, I want to emphasize as forcefully as I can that the Commodity Credit Corporation has performed a distinct service in the matter of price supports. This, in my opinion, is the most valuable service it has performed. Farming is a highly competitive enterprise. In times of depression farm products fall first and they fall farthest. Protection against such disaster is a benefit to our entire Nation.

I commend the CCC for its service both before the war and during the war. It has earned for itself a good name. That good name should be cherished, and I join with the Comptroller General, the Honorable Lindsay C. Warren, in his warning against one-man rule. Our Government has always recognized the principle of checks and balances, and no good purpose could be served by departing from it now.

Mr. Chairman, I call to mind what St. Augustine once said: "Man is a creature

surrounded by evidence of his weaknesses." That somber fact of human nature explains the atmosphere of misrepresentation to which I referred at the outset.

It was revealing to me to hear the gentleman from Oklahoma [Mr. MONRONEY] say that the Republicans last fall stepped into a trap. I repeat, that was a most revealing statement. But, I ask, who set the trap? I would suggest that some of our Government officials would earn their salaries more honestly if they attended faithfully to the work they are paid to do and spent no time "setting traps" for Republicans for the purpose of partisan political advantage.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Minnesota, who has always been a strong and consistent supporter of the Commodity Credit Corporation.

Mr. H. CARL ANDERSEN. Would it not have been far more to the point had the gentleman from Oklahoma, in the interest of agriculture, showed where such a trap existed, so that we could have made a better bill out of it at the time the last Act was passed in June of last year, rather than, as the gentleman from Oklahoma admitted, to set up a trap in which to catch people for partisan political purposes?

Mr. TALLE. I agree with the gentleman from Minnesota. The statement was a stunner to me, because I have faith in my colleagues and I want to preserve my faith in my Government.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, on last June 18, when we passed the Commodity Credit Charter Act, I personally urged upon members of the Committee of Banking and Currency, Members on my side of the aisle, to take out of the bill certain language which did restrict to a certain extent the Commodity Credit Corporation power in securing new sites for storage. I feel that our party erred in bringing that bill up in the closing days of the session when, with all the other pressing matters before us, sufficient time could not be given to the proper consideration of this particular act. But, at the same time, there was fault upon the other side of the aisle. Not once did I hear any Member on the right during the special session, when we were here 3 weeks during last August, say that there was anything wrong with this particular act. I did hear of the politically inspired misstatements made by the President of the United States in October.

On October 12, the President said in part at Danville, Ill.:

> I was down in southern Illinois the other day, and corn down there in southern Illinois was selling for $1 a bushel, and the support price of corn is $1.47 a bushel. Farmers all over the country are being forced to dump their grain as distress grain, or let it rot on the ground, because the Commodity Credit Corporation no longer has the power to provide emergency storage space for bumper crops. That is the Republican's program, pure and simple. The farmers cannot get the Government support price, because their crops are not in storage.

Now remember he made this statement on October 12, very early in the harvesting season for corn.

I excuse the President because of his obvious ignorance as to the true situation. First, practically no corn was harvested by October 8 or 10. Secondly, the moisture contents of the bulk of the corn through that area at the time was too high to qualify that early for sealing.

There was no reason, except too much moisture, why any farmer could not put up his own slat crib on a floor a foot from the ground, crib up his corn, put a cheap roof over it, and apply for a loan. By thus qualifying, with moisture contents not over 20½ percent, any farmer could seal his corn. In my part of Minnesota the Commodity Credit advanced me $1.36 per bushel for the corn thus sealed. Why did the President not tell this side of the picture? Certainly corn which was not sealed did sell at $1 a bushel or less, but not because of any action by the Eightieth Congress. Old Mother Nature just put too much moisture into that corn. Yes, let us remember in the consideration of this particular bill that there are faults on both sides, ladies and gentlemen. This Commodity Credit Corporation is far too valuable to the farmers for us to drag it through the mire of politics and destroy it. I want to say here that I think we will make a mistake unless we agree with the action taken by the committee in regard to the control of the Corporation. We should, in my opinion, keep control of the Commodity Credit Corporation in the hands of one man, and that one man should be the Secretary of Agriculture. And for what reason? We in Congress want to hold some one man responsible, and unless we do give him the authority to do the job; unless we do give him the undivided authority to do a good job, I, as ranking Republican member of the Subcommittee on Appropriations for Agriculture, cannot hold him responsible. He must report to us as to his operations and he must, in the final analysis, be responsible to Congress. I do not want divided authority upon that particular Board. I want it ready to operate quickly when needed and able to reach decisions quickly. I know that the Commodity Credit Corporation did a good job from 1938 on, and I personally want to help it continue to do that good work, gentlemen. It has meant too much to me as a farmer to hinder or handicap in any way. Let us be big enough to admit that there were faults on both sides of this House. Let us try to do something worth while in this bill. Let us put grain-storage facilities out in the little towns and villages throughout the West, where it is needed. Let us give to the farmers the opportunity to secure credit at a low rate of interest to build storage facilities on their farms instead of forcing huge quantities of grain to go in at one time to the big terminals and instead of trying to hunt through all of America to find enough freight cars to haul it in at one time. I repeat, let us put that grain-storage space out where it belongs, and let us make loans at a decent rate of interest to the farmer and give him the opportunity to construct those facilities right upon his own farm. I understand that the bill now under consideration is broad enough in powers to do all of this. I have been assured that it is.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from California who has proven himself always a friend of the farmers of the Nation.

Mr. PHILLIPS of California. I would just like to say that an amendment to cover the point the gentleman is now discussing will be offered.

Mr. H. CARL ANDERSEN. I thank the gentleman and hope his amendment will be agreed to, so that there will be no question such authority is in the bill. In closing, let me again urge the support of this bill. The Commodity Credit Corporation has meant millions of dollars to agriculture. It is the heart and soul of the entire farm price-support program for which I personally have fought for 11 years on the floor of this House. The gentleman from Iowa [Mr. TALLE], who just preceded me on the floor, expressed better than I could the need for strengthening the Commodity Credit Corporation. The gentleman from Iowa [Mr. TALLE] has always aided in this program, and I join with him in urging the passage of this very worth-while measure.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, I want to discuss this bill, H. R. 2682, for a short time. First of all I want to say that the gentlemen on the left-hand side of this House amuse me sometimes. You know, I hate to see this thing made a political issue. It is not a political issue. It is an issue that concerns the left-hand side of this House just the same as it does the right-hand side of this House. But, some of the gentlemen on the left-hand side of the House remind me of a little Irish girl that used to go buggy riding with me back in the days of my youth when my heart was as free as any bird and life was a glorious dream of flowers. You know, if I would kiss that little Irish girl she would slap me, and if I did not, she would dare me to. That is the way with the gentlemen on the left-hand side of this House. If we remind them of the mistakes of the Eightieth Congress they go off and pout about it, and if we do not, they get up here and dare us to. They have been doing that yesterday and today. That is the similarity.

To get back to discussing this bill, the gentleman who just left the floor here was talking about liberty. We had a lot of liberty from 1920 to 1933, when the Commodity Credit Corporation took over. Liberty to produce food and fiber and sell

it for less than one-half the cost of production. Liberty to go broke. Liberty to have our homes sold at the east front door of the courthouse. I do not like that kind of liberty.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. No; I cannot yield.

Mr. H. CARL ANDERSEN. Just to correct the gentleman's statement? I know the gentleman does not want to leave the wrong impression.

Mr. CHRISTOPHER. I stood here in the well of this House and begged one of the gentlemen on that side to yield and he would not do it.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I make the point of order that the gentleman referred to the gentleman who had just left the floor as making certain remarks relative to liberty. As I had made personally no such remarks, I have attempted through this point of order to call it to the attention of the gentleman from Missouri.

The CHAIRMAN. The gentleman does not state a point of order.

Mr. CHRISTOPHER. What is it that this bill now before us, H. R. 2682, does? Let us get it straight and remove all verbosity and get right down to the bottom and see what we are trying to do here today. The only thing we are trying to do here today is to give the Commodity Credit Corporation power to function. That is all we are trying to do. We are trying to give the Commodity Credit Corporation, as far as the farmer is concerned, the right to buy, build, or lease storage for surplus grain. Who can object to that?

Maybe some of the gentlemen could object to it who objected to all the farm program. If you want to make it political, the Commodity Credit Corporation is a part of the New Deal. There is no use to deny it. I am going to stand up here and admit it. That is exactly what it is.

I heard a Republican orator say last fall that he hoped to live long enough to see the New Deal so completely erased that there would not be so much as a smudge on the consciousness of the American people to remind them that such an abomination had ever existed. That kind of a man might object to giving the Commodity Credit Corporation the power to do the thing it was created to do. I hope we do not have that kind of man in this House and I trust that the vote will show we do not.

What is the use to tell a man to go out in the woods and kill a bear and tell him at the same time that he cannot have anything but a crossbow to do it with? It does not make sense to me. We are asking the Commodity Credit Corporation to do a job, and we are also asking the Secretary of Agriculture to stabilize prices. Of course if he stabilizes those prices at 60 percent of parity, where some of the gentlemen on the left-hand side of this House want it stabilized, he probably will not need any help. That 60-percent-of-parity proposition comes from the same side of the House as that which does not want to give the Commodity Credit Corporation power to lease grain storage.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. Let me ask the gentleman a question as long as he is up here. Did the Commodity Credit Corporation during September, October, and November of last year have the power to buy or build storage for corn? Tell me, did it?

Mr. JENSEN. The gentleman from Michigan [Mr. WOLCOTT] has examined this subject in committee for all these years, and according to his testimony, and I do not question it, and I doubt that anyone on this floor who knows him would question it, they did have. I am going to take his word for it.

Mr. CHRISTOPHER. I thank the gentleman.

Mr. JENSEN. Since the gentleman has brought up this 90–60 sliding scale, as a gage for support prices on farm products, to which I am opposed just as much as he is, I would like to have him read the article which I put in yesterday's RECORD which will prove to him that I am opposed to it.

Mr. CHRISTOPHER. I thank the gentleman. I am very glad to hear that he agrees with me there.

Mr. JENSEN. I want to remind the gentleman who wrote that bill. It was written by the Department of Agriculture in collaboration with the labor bosses and was sold to the top heads of the farm organizations. It was not a Republican bill. The House of Representatives whipped it. We whipped it in the House and it never passed the House.

Mr. CHRISTOPHER. Did the Eightieth Congress pass it, or did it not?

Mr. JENSEN. Yes, they did.

Mr. CHRISTOPHER. All right, then; I hope I may continue. I only have a few seconds.

Mr. JENSEN. But it was the work of the Department of Agriculture and your President and mine signed the bill.

Mr. CHRISTOPHER. Yes, and the President signed it under protest saying that it was no good.

Mr. JENSEN. I think he was right.

Mr. CHRISTOPHER. I thank the gentleman.

Mr. JENSEN. I think he was right for once.

Mr. CHRISTOPHER. Your work has just started, sir, you have a lot of missionary work to do in your own party.

Mr. JENSEN. My friend, I have been here for 11 years working.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. HAYS of Ohio. Is not the name of the bill that you are talking about which was passed by the Eightieth Congress the Hope-Aiken bill?

Mr. CHRISTOPHER. Yes; that is the very bill I do not like, and the Lord only know how much I do not like it.

Mr. JENSEN. But it was not the Hope-Aiken bill, it was the Aiken bill, the Agriculture Department bill, the labor bosses' bill.

Mr. CHRISTOPHER. Mr. Chairman, if I may continue, I want to say right here that the labor boys are interested in this bill. Anything that interests the American farmer or is for the good of the American farmer is for the good of the American laboring man. When the American laboring man gets up in the morning he wants his breakfast. Who furnishes it to him? The American farmer furnishes it to him. What was the American laboring man doing when I was selling my wheat for 35 cents a bushel? He was riding in freight cars and tramping the sidewalks all over the United States because he was out of a job. Any time the price on the American farms goes down so that 30,000,000 farm people do not have a good purchasing power, then labor has no job and they have no purchasing power. The farmer and the American laboring man are just like two peas in a pod. What is good for one of us is good for the other. That is the reason why last week I voted to repeal the Taft-Hartley law. I hope we can get that done. That is why I am fighting the Aiken farm bill. A gentleman came to me a while ago and said, "You voted wrong, you voted against your farmers the other day when you voted to repeal the Taft-Hartley law."

I said, "Brother, the thing that is going to hurt labor worse than anything else in these United States is when we reach the point where they can again buy food at the prices which existed in 1932."

That was the greatest calamity which ever happened to labor or which could ever happen to labor. Thirty-five-cent wheat does not feed the laboring man because they have no money to buy it when wheat sinks to that level. So far as this corn and wheat business is concerned, out in my country last fall corn was hauled to the elevators and they drove the price down to $1 a bushel for good yellow corn when it had a loan value of $1.46, because the Commodity Credit Corporation could not lease terminal storage facilities. That is exactly what the trouble was. It is no use for you boys over there trying to alibi.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there has been a great deal said in the course of this debate about what happened in the campaign last fall. Perhaps too much has been said about it. I did not know that I would say anything about it at this time, but others have referred to my criticism of the bill to grant a charter to the Commodity Credit Corporation when it was before the House last June, and perhaps some Members have gotten the impression that my remarks at that time were along the same line as the criticism of the President and other Democratic speakers during the campaign. That, however, is not the case.

I felt that the bill as reported by the committee was defective, in that it did not give the Commodity Credit Corporation sufficient power to acquire storage facilities in which to store grain taken over from farmers. I also felt that the provisions which set up a separate board were such as would prevent the Secretary

of Agriculture from carrying out the functions and duties which had been given him under the various price-support laws. That is still my position.

I think that the bill that is before us now does take care of both of those situations, and as far as I am concerned, it is satisfactory and I am supporting it. I am not saying that I may not vote for amendments which may be offered to the bill, but as far as those two matters are concerned, I am satisfied with the provisions in the bill as reported by the committee. So much for the measure before us. It is a good bill and should pass without serious opposition.

Now, referring to the campaign of last fall, and I do so only for the purpose of keeping the record straight, I want to say that I do not think that responsibility for any shortage of grain storage last fall can be placed upon the Republican Party or the Eightieth Congress. I call attention to the fact that all of this political discussion was precipitated by a statement which the President made at Dexter, Iowa, in a campaign speech in which he said, referring to the problem of grain storage:

> When the Democratic administration had to face this problem in the past, the Government set up grain bins all over the Wheat and Corn Belts to provide storage.
>
> Now the farmers need such bins again. But when the Republican Congress rewrote the charter of the Commodity Credit Corporation this year, there were certain lobbyists in Washington representing the speculative grain trade.
>
> These big-business lobbyists and speculators persuaded the Congress not to provide storage bins for the farmers. They tied the hands of the administration. They are preventing us from setting up the storage bins that you will need in order to get support prices for your grain.

The President's statements would imply that he thought that the Commodity Credit Corporation had in the past furnished facilities to farmers for the storage of their own grain. If so, the President was mistaken because the Commodity Credit Corporation had never, up until that time or since, furnished storage to farmers in which to store their grain while it still belonged to them. The Corporation did have facilities in which to store grain, after it was taken over at the maturity of the loan and thus became the property of the Corporation. But never had it furnished the farmers bins in which to store their own grain.

There was a serious shortage of grain storage last summer and fall but any action to relieve that shortage would necessarily have had to be taken months before—in fact long before the passage of the Commodity Credit Corporation charter bill in June, because the 1948 wheat crop was already being harvested at that time. Now no one contends that the CCC did not have ample authority to furnish storage to farmers prior to July 1 when the new charter became effective. Yet with big crops coming on and a serious situation looming up no action was taken by the CCC to meet the problem, which action would, of course, have had to be taken long before July 1 because it takes months to construct storage. It was too late to initiate any action after that time.

So certainly, if there is any responsibility for the lack of grain storage last fall, it is the responsibility of the administration which was in power and which was operating until the 1st of July, under the Commodity Credit Corporation charter, granted under the Delaware law and containing no restrictions on the acquisition of storage. But in 1948 as in previous years neither the CCC nor the Department of Agriculture made any effort to furnish storage to farmers.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. O'HARA of Minnesota. I wish to call the gentleman's attention to the fact that while it is true that there was storage difficulty last fall, yet during the past 6 or 8 years in different parts of the country, that same shortage of storage existed? Is not that true?

Mr. HOPE. That is true, at least during the last 5 or 6 years. It has existed ever since we have been having these unusually large crops of grain, and it will probably continue to exist, although during these years with or without the help of the Commodity Credit Corporation we have seen an increase in all types of grain storage, especially on the farms and at country marketing points, and we have in this country today a greater amount of over-all grain storage than we have ever had in our history. We are better able to take care of the situation than we have ever been. Nevertheless, I expect that this fall we shall still have a shortage in farm storage, and there is nothing that can be done between now and harvest time that will entirely meet that situation. I am certainly in favor of anything that can be done to provide more storage on the farm. Under the provisions of the Commodity Credit Corporation charter and the bill we have before us, the Commodity Credit Corporation will be able to make loans to farmers if they are needed with which to set up storage on the farms. They will be able to make loans to cooperatives so they can erect more storage; they will be able to make loans to the private grain trade if needed in order to furnish more storage, so that we should in any event have some alleviation of this situation. But let me point out that if this is done it will be for the first time, although the CCC had ample authority to furnish the same for almost 15 years since July 1, 1948. But we are not going to go into this fall with full relief of the shortage of storage, nor is there anything we can do between now and fall to bring about full relief.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JENSEN. We all know that the gentleman from Kansas has worked diligently and honestly for sufficient storage for these commodities. We also know that the gentleman has always been for the 90-percent-of-parity supports on basic farm commodities. Is it not a fact that the gentleman who is now addressing this House, who was chairman of the Committee on Agriculture during the Eightieth Congress, fought to the last ditch and to the last minute the morning that we adjourned on June 20 of last year to hold the 90-percent-of-parity support prices on farm commodities?

Mr. HOPE. Yes; I will say to the gentleman that all the House conferees held out to the very last for the House version of the bill which extended 90-percent price supports for an additional year. We accepted the Aiken bill only when it became apparent that if we did not yield there would be no extension of price supports for the year 1949; and we yielded, of course, with the understanding that the Aiken bill would not go into effect until January 1, 1950, and that the Eighty-first Congress, no matter what its political complexion might be, would have an opportunity to reconsider the matter.

Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Chairman, I may say, and I am only saying it because the question was raised by the gentleman from Missouri, that as far as the so-called Aiken bill is concerned, it is based upon a program presented by the distinguished then Secretary of Agriculture, Mr. ANDERSON, and other officials of the Department of Agriculture. If anyone has any doubt about the matter all he needs to do is to read the hearings before the Senate committee on the Aiken bill. It was not a partisan measure at all but one worked out by the Department of Agriculture and the Senate Committee on Agriculture as well as leaders of some of the farm organizations.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the requisite number of words and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, the problem before us now is not so much to settle the issue as to who was responsible for the inadequate storage facilities last fall which forced so many grain farmers to sell corn well below the support price, as to be sure that we make proper provision in the present law so that the situation will not occur again, either in wheat, corn, or cotton.

Several Members from the cotton areas of the country say that they have had telegrams and letters from those in the warehousing business requesting that we prohibit the Commodity Credit Corporation from leasing, buying, or providing warehousing for cotton. These gentlemen in the warehousing business are interested in their businesses and would

not like to see any encroachment by the CCC upon private enterprise. I can appreciate their feelings. But this is no attempt to permit the Commodity Credit Corporation to take away their business and to replace private enterprise in this field. Should the facilities furnished by private enterprise be insufficient and if farmers are to be deprived of price support as a result, certainly the Commodity Credit Corporation should be permitted to provide storage where private enterprise has not done so. To those Members I may say that we have had periods of shortages in warehousing before. It has only been a year or two since we had cotton stored out in the open in Alabama, Mississippi, Oklahoma, and in certain other areas, and lawsuits were brought by the Commodity Credit Corporation for damage to that cotton. I mention that not with the thought that in my opinion the Commodity Credit Corporation should go out and provide storage to replace that of private industry or to build more than is needed, or even enough to be sure that you can meet any contingency that might arise, but I mention this in order that you may know that under some circumstances it is highly important if the people of this Nation are to have the benefits of these price-support programs, that we have adequate storage so that those crops can meet the conditions necessary for the farmers to get the loans. Otherwise the price-support programs we have passed in the Congress are of no help to the man who cannot qualify for the loan because he cannot get his commodity into a warehouse.

While I think it is highly important that the Commodity Credit Corporation have this authority, in my opinion, the provision offered by my friend, the gentleman from Georgia, providing that the Commodity Credit Corporation must find that there is insufficient storage, is really important. While the CCC should have this authority, they should exercise it most cautiously. We will have the opportunity to see that they do not abuse this power but that they exercise it most cautiously. They must come before the committee of which I have the honor to be chairman, the Subcommittee on Agricultural Appropriations, each year where we fix the limit on their administrative expenses and restore any capital impairment of the Corporation. When the Commodity Credit Corporation appears before our committee each year to fix the administrative expenses of the Corporation, it will be the simplest thing in the world, if they do take undue advantage of this provision of the law, for our committee to write a limitation into the bill that none of these administrative funds could be used for those purposes. Since we will have that review each and every year, I do not believe there is any real reason to fear that the Commodity Credit Corporation will take any unfair advantage of such provision.

Now there is another provision in this measure which I think is probably more important. I have supported the farm price-support program since I have been in Congress. As chairman of the subcommittee on agricultural appropriations, I have sponsored the providing of funds to support farm prices at 90 percent of parity, yet that is not the whole answer. We must move our surpluses. This bill makes a move in that direction. It provides that the Commodity Credit Corporation may exchange, if you please, some of the commodities that it has on hand and which are surplus to our domestic needs to foreign countries for strategic materials that this country may need. In my judgment, one of the chief weaknesses of Secretary Brannan's recommended program, and the main weakness with so many of our agricultural programs, is that too many people believe that if we just have high-price supports, with crop controls to cut down on our crops until we use up whatever supply we have on hand, that we have answered the problem, the farmer would be prosperous and the Nation economically sound. That is not true. That is slow strangulation. If we give up our foreign markets that have been ours throughout the years, and produce only to meet our own needs, we are bound to fall. I am for this bill, I am for adequate storage, but if anybody believes that by adequate storage, high support prices and controls, that the country will be prosperous and that the farmers will be prosperous, we are just kidding ourselves. Yet, that is the theory and the theme that goes through the various programs offered to us, including the present law and the proposals of the Secretary of Agriculture.

No; I am afraid that the Department of Agriculture, so far as foreign trade is concerned, has too weak a voice in foreign trade and in trade agreements, and for that reason there is too little exportation of surplus agricultural commodities. A few weeks ago I introduced a bill to which I hope this fine Committee on Banking and Currency will give some attention, H. R. 3486. It would place the Secretary of Agriculture on the Advisory Board for the International Monetary Fund, and further it makes him a member of the Advisory Board for the Import-Export Bank so that he will have a stronger voice in the exportation of our surplus agricultural commodities through this connection with those programs. A few weeks ago we managed to save, in the agricultural appropriation bill from my committee, section 32 funds, approximately $125,000,000, being 30 percent of customs receipts on products coming into this country, to help meet the problem of surplus products. A day or two ago I introduced H. R. 4493, a bill which would require the Secretary of State and the Federal Government to give special attention to surplus agricultural commodities in the working out of reciprocal trade agreements. That measure is pending before the Ways and Means Committee and I hope will have favorable consideration. We must give attention to the fact that we have got to sell that which we do not need for whatever we can get for it, and we cannot have a prosperous nation or agriculture by piling up in our warehouses these crops and cutting down production until we eat up what we have on hand. Such a policy could mean no crop would be produced in some years. This year we will have a big production of cotton. We could have a year's supply on hand at the end of this year. Do you mean to say that we should cut out all production next year? Do you want to do that with corn? Of course, you do not. Yet, it was only a few years ago that the Secretary of State of this great Nation, before a congressional committee, I believe the committee was headed by the gentleman from Georgia [Mr. PACE], opposed the sale of surplus agricultural products to foreign countries for less than the support price in our country. In other words he would not have sold our surplus at all because such commodities could be bought elsewhere for less than our support price.

I am saying to you that we need adequate storage. We need to pass the measure before us because we need to authorize the Commodity Credit Corporation to do whatever is necessary to let all our people come under our farm price-support program. But, that is not the whole answer to our present problem. Unless we insist on the Department of Agriculture demanding our fair share of foreign markets, and unless we sell that which we produce and which we do not need but which the people of the world are crying for, unless we sell that for what we can get for it, we are in for serious trouble, and that applies not only to agriculture, but to labor, and the very economic well-being of the Nation is involved.

I say to you, let us provide this storage, but when we put those commodities in storage, if we do not need them, let us see to it that they are sold for cash if possible, but exchanged for commodities we may need if necessary. We must get away from any program which would cut down or cut out production of a given commodity until we use up what we have on hand. Our country was made great by reason of its great productive capacity. We have produced for our own needs and sold the balance to the nations of the world who need it—for what they could pay—either in cash or in other products we need. We must return to that practice, to do otherwise is to lose our foreign markets and could return our Nation to the terrible conditions of 1930–32—when the farmer could not get half his cost of production and the consumer could not get half enough to eat.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I would not have entered into the debate at this time except for the fact that there has been so much talk about who killed cock robin. Personally, I think the most important problem here today is to meet the legislative situation—to deal with commodity storage. But, in view of all that has been said as to who was responsible for the break in prices or the decline in prices last fall, it might be just as well to have the record complete.

I hold in my hand here a copy of Public Law 897 of the Eightieth Congress. This is the so-called Hope-Aiken Act. This was probably the last act of the Eightieth Congress of the regular session last year. It was approved on the 3d of July 1948.

Many people have forgotten what that act says.

I read from section 1, the very first sentence:

Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950—

And so forth.

The price support authorized by this subsection shall be made available as follows:

(1) To cooperators at the rate of 90 percent of the parity price for the commodity as of the beginning of the marketing year.

Most of this discussion has proceeded on the assumption that the only authority of the Secretary of Agriculture was to provide for 90 percent of parity by loans. This whole argument about storage has revolved about the loan feature. That would be amending the law to read that—

Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans to support prices.

But that is not what the law says. The law directs the Secretary "by loans, purchases, or other operations to support prices."

Those who are familiar with the trend of prices and the trend of purchasing by the Department of Agriculture last year will recall that the Department of Agriculture and the Commodity Credit Corporation were in and out of the market. In my opinion, they never fulfilled the specific directive of the Congress that they should support 90 percent of parity by loans, purchases, or other operations.

Those of you who are familiar with the way the purchasing program was handled for ECA will recall that the Commodity Credit Corporation and the Department of Agriculture did not carry out the directive to support the 90 percent program by purchases. I am familiar with the fact that in the ECA law there was a prevailing price amendment, but at the same time that antedated the Hope-Aiken Act, and the Hope-Aiken Act started with these words, "Section 1. Notwithstanding any other provision of law," so clearly the responsibility rested upon the Department of Agriculture and the Secretary of Agriculture to support 90 percent of parity for the crops of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950.

Now, who did kill cock robin? If the Secretary of Agriculture had carried out the specific directive placed upon him by law, he would not have been relying merely upon a loan program and falling back on that when he found that the situation was going to pot.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Tennessee.

Mr. SUTTON. If the gentleman will realize that that is title I of the Agricultural Act of 1948, I do not think any Member of Congress will disagree with that, and the House was in accord with that on that section; but if the gentleman will go a little further, to title II, about which there is much controversy, and which I personally hope is repealed, he will find that the Aiken section of the Agricultural Act of 1948 disregards the section the gentleman has just quoted.

Mr. CASE of South Dakota. But title II is not effective this year, however, and it was not effective in 1948, when the "robin" got into trouble. The so-called Aiken section of the bill was purposely made not effective until 1950 so that the postwar picture could develop more clearly and title I which I have cited was the law in the fall of 1948 and still is the law.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New York.

Mr. MULTER. I thought the gentleman was going to help point up the issue before us, but I do not think he has. The law he has been quoting does not concern the subject matter under discussion, which is subdivision (h) of the Commodity Credit Corporation Charter Act. That is what we are trying to correct here.

Mr. CASE of South Dakota. All the gentleman is pointing out is that we are dealing with the Commodity Credit Corporation law, of course, and it relates to the problem of storage, which is a part of any loan program. The directive to the Secretary to support 90 percent of parity was given in the portion of the law I have cited. The responsibility for supporting prices was placed upon the Department of Agriculture and the Secretary of Agriculture in this act, the Hope-Aiken Act, and it was not limited to loans. It said "by loans, purchases or other operations" and "notwithstanding any other provision of law." The price drop cannot be charged to failure of the loan program alone—the fault lay in not carrying out the full law. Nobody can gainsay that fact if they read the law.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am in accord with the remarks of the gentleman from Mississippi [Mr. WHITTEN] when he expressed great concern about future exports of agricultural products from this country. I will have something to say about that a little later on.

There is no question in my mind but what the Commodity Credit Corporation must and will be continued. It has been a dominating agency in our Government and in the economy of our country. For several years this agency has largely fixed and dominated the price of basic farm products and the volume of exports. I recognize that the CCC exists to support farm prices and is authorized to do so by law.

Mr. Chairman, I have taken this time to discuss a matter involving the CCC. This agency is used to support the price of certain farm products. The law requires that hogs be supported at 90 percent of parity, which is stated to be about $16.50 per hundredweight at Chicago. On April 7, the Secretary of Agriculture stated that the CCC would be buying hogs at the support price within 60 days. The average price of hogs has not reached this figure, although some high officials hope that it will, so the Government can proceed to buy hogs as an excuse to secure support for the new agricultural proposal submitted by the Secretary of Agriculture.

Large marketing of hogs have forced prices down to around $18 per hundredweight, and excessive quantities of pork have piled up in this country for want of a ready market. There is a big demand for pork products from England and other ECA countries, but the export of pork to these countries is still under the control of the Office of International Trade in the Department of Commerce. An export permit is necessary to ship pork to these countries after an allotment has been made.

Many Members of the House have urged the lifting of export controls on pork, to avoid the necessity of the Government buying pork products under the support program. To my amazement, the Office of International Trade lifted export controls, effective May 13—Friday—on the following section of the typical American hog: Pickled and dried salt pigtails, pigs feet, dry salt ears, neck bones, pickled hog head skins, snouts, chitterlings—salted guts—and another part of the hog—unmentionable—which cannot be considered a delicacy in this country.

You will note that there were none of the main pork products which they want to buy in these other countries. The European countries want to buy pork—hog—sides, and other edible parts of the hog, instead of pig tails and snouts. Export controls should be lifted on all pork products, with the possible exception of loins. What is the policy here? I have been looking over some of the ECA figures. I notice that in the month of December, the ECA provided the British with money belonging to the American taxpayers to purchase 14,549,000 pounds of choice bacon in Canada, when we have a surplus of pork in this country and the price is going down to the support price level. But they did not go into that. They provided $578,000,000 of the American taxpayers' money to these 19 Marshall countries to buy $580,000,000 worth of food, flour, wheat, cheese, dairy products, pork products and so forth in Canada, at a time when we were spending hundreds of millions of dollars here of the taxpayers' money to support the price of American products in this country, while piling up a greater and greater surplus.

I say this to you, that if the present wheat and cotton crop materializes in the United States, where they now estimate we will have between eighteen and twenty million bales of cotton, that the United States Government will be the owner of at least 1 year's cotton crop. If the present wheat crop materializes, the United States Government will be the owner of at least 600,000,000 to 800,000,000 bushels of wheat, enough to take care of the needs of the American people for one year.

These commodities should be exported instead of forcing drastic controls upon the American farmer. So I say, when we tax the American people to provide relief and rehabilitation for other countries, it is only common sense that we should remove the surpluses from the United States and ship them out of this country.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. WHITE of California. Mr. Chairman, I move to strike out the required number of words.

Mr. Chairman, I want to dwell a little further on this controversy about grain storage. So far nobody, so far as I know, has pointed out what President Truman really said on July 3, 1948, in regard to this matter when he signed S. 1322. Here is a quotation from President Truman's exact words:

> S. 1322 also prohibits the Commodity Credit Corporation from continuing its long-standing policy of leasing or acquiring land where necessary for storing commodities as close to the farm as possible. This restriction will mean that the Corporation will have to ship grain for livestock feeding, for example, from farms to distant points for storage, and then later to ship it back again to farm areas. This will obviously increase costs for carrying grain reserves. Only those special interests who will make money by unnecessary handling of grain will profit from this provision—which will in the end be paid for by farmers and consumers.

Those are the words of the President of the United States on July 3, 1948, at which time there was plenty of time for the Eightieth Congress to rectify this situation.

So much for that.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] just finished saying that the United States taxpayer has provided money to Great Britain for Marshall plan relief, and that the money was spent in Canada. I hope the gentleman will bear in mind that the authorization for the money and the final purchase of the commodity itself presents a wide range of time between the authorization and the fulfillment. At the time of the authorization we were faced with inflation in this country and people were crying about prices going up. So naturally we allowed the British to buy the commodities where it would not affect us adversely at that time by causing further inflation. Since that time we have had a fall in the general price level, and of course the gentleman from Minnesota comes along and makes a monkey out of the administration by the changing conditions and the change in time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield.

Mr. AUGUST H. ANDRESEN. Let me say to the gentleman all of this purchasing occurred since April 3, 1948, and up to the present time; and the same policy is going on today. Even some cotton is being purchased in other countries, when cotton surpluses are occurring here.

Mr. WHITE of California. Those purchases were made under the authorization made by the Congress quite awhile ago, I call the gentleman's attention to the fact that the high in commodity prices was reached in this country in the fall of 1948, shortly after the recent election.

Mr. AUGUST H. ANDRESEN. Oh, the gentleman is mistaken on that. The high on wheat was reached in December.

Mr. WHITE of California. I am speaking about the average of commodities; not any particular one. I will buy the gentleman the best lunch in town if he proves that is wrong.

Mr. AUGUST H. ANDRESEN. But after November 1948 we had a 20- to 30-percent drop in farm prices.

Mr. WHITE of California. But these authorizations were made a long time ago. You cannot change them in 5 minutes.

Mr. AUGUST H. ANDRESEN. In spite of the President's statement that he was going to give them low prices.

Mr. WHITE of California. That is the gentleman all over—making it political.

The CHAIRMAN. The time of the gentleman from California [Mr. WHITE] has expired.

Mr. HOEVEN and Mr. SPENCE rose.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE], chairman of the committee.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. SCRIVNER. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on section 1 and all amendments thereto close in 10 minutes.

Mr. HOEVEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOEVEN. The gentleman from Iowa has been on his feet here for the last 20 minutes seeking recognition. I wish to know whether I am going to have any time to speak on this bill at this time.

The CHAIRMAN. The Chair assures the gentleman that the Chair is aware of the fact that the gentleman has been on his feet seeking recognition, but the Chair has been trying to alternate recognition between the right and the left. The Chair had just reached the gentleman from Iowa and had started asking for what purpose he rose when the chairman of the committee rose, and under the precedents of the House was entitled to recognition.

Under the motion of the gentleman from Kentucky the limit of debate on this section would be 10 minutes. If that motion is agreed to the Chair will take down the names of Members standing and equally divide the time.

Mr. WOLCOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WOLCOTT. I understand that there are amendments pending on the desk to section 1. I have an amendment at the desk to strike out section 1. The parliamentary inquiry is: If the gentleman's motion prevails what would be the situation in respect to other than pro forma amendments? Will we be given any time in which to discuss them?

The CHAIRMAN. The Chair will state that if the motion made by the gentleman from Kentucky is agreed to, all debate on the section and all amendments to the section will be limited to 10 minutes. The Chair will state, however, that the time taken to read the amendments will not be taken out of the 10 minutes which would be allotted for debate.

Mr. WOLCOTT. I understand the ruling of the Chair to be that the time needed to read the amendments to section 1 at the Clerk's desk will not be taken out of the 10 minutes.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Chairman, I modify my request and now ask unanimous consent that all debate on section 1 and all amendments thereto close in 30 minutes, that the committee have the concluding 5 minutes.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Under the consent request of the gentleman from Kentucky, the time would be limited to 30 minutes. There is nothing in the request as to a division of that time. Under the rules, therefore, would not the first Member recognized be entitled to 5 minutes and each succeeding Member recognized be entitled to 5 minutes until the 30 minutes was used up? In other words, during the reading of a bill for amendment under the rules of the House, unless other arrangement is made by unanimous consent, each Member as recognized is entitled to 5 minutes.

The CHAIRMAN. As a matter of parliamentary fact, while it might perhaps be within the discretion of the Chair, if the rules were insisted upon the Chair would have to recognize the first Member for 5 minutes, and other Members likewise. But it has long been the practice of the Committee of the Whole when a limitation of debate is imposed to divide the time equally between the Members seeking recognition.

Mr. MICHENER. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. I appreciate the Chair's ruling. The Chair has stated the proposition just as I understood it.

The CHAIRMAN. Such a consent request is generally linked in with a division of the time between Members seeking recognition at the time the request is submitted.

The gentleman from Kentucky [Mr. SPENCE] asks unanimous consent that all debate on section 1 and all amendments thereto be limited to 30 minutes, with the last 5 being reserved for the committee.

Is there objection?

Mr. SCRIVNER. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on section 1 and all amendments thereto close in 35 minutes.

and that the concluding 5 minutes be assigned to the committee.

Mr. CASE of South Dakota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. CASE of South Dakota. The point of order is that the Committee of the Whole cannot assign time under a motion like this.

The CHAIRMAN. The gentleman's point of order is sustained.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Mr. Chairman, if the gentleman from Kentucky were to ask unanimous consent that all time on this amendment be limited to 35 minutes, the last 5 minutes to be used by the committee and the remainder of the time to be equally divided among those standing, then he might avoid trouble; am I correct?

The CHAIRMAN. The Chair is unable to answer the gentleman.

Mr. SPENCE. Mr. Chairman, I move that all debate on section 1 and all amendments thereto conclude at 3:30 and that the time be equally divided among those Members who asked for time and that the last 5 minutes be assigned to the committee.

Mr. CASE of South Dakota. Mr. Chairman, the same point of order. The Committee as a Whole cannot allot time that way. That is in the discretion of the House of Representatives and not the committee. It must be by unanimous consent.

The CHAIRMAN. The point of order is sustained.

Mr. SPENCE. Mr. Chairman, I move that all debate on section 1 and all amendments thereto conclude at 3:30.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. O'SULLIVAN].

Mr. O'SULLIVAN. Mr. Chairman, it was rather interesting today to listen to the fine Republican campaign speeches which were made here on the floor of the House. If those speeches had been made by them during the campaign out in my district, and elsewhere, I am sure all of us would have had a better understanding of this particular Commodity Credit Corporation bill passed by the Eightieth Congress and more Republicans would have been defeated at the last election. But, alas, the message came too late. To argue the political issues here at this time is a good deal like arguing a case to a part of the jury after that jury had returned a verdict and sentence has been pronounced by the court. It was a useless and idle gesture.

Now, there has been a great deal of talk here about who was responsible for not having storage bins so as to take care of oncoming crops. I want to call the attention of the committee to paragraph (h) of section 4 and I want to read that section to you right now:

SEC. 4. (h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control.

That certainly was a specific grant.

The balance of the paragraph was not noticed by some of the speakers who have taken the well of the House in order to speak on the proposed bill. This proviso was overlooked entirely by them and it served their purpose admirably to do so:

Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this act.

Now, that takes the specific grant away, does it not? I suppose when that provision was placed in the law the party responsible for it had been reading the Bible and when he got to that part which said: "The Lord giveth and the Lord taketh away," he thought of the proviso taking away the specific grant. That is just what happened, I believe, or am I wrong in assuming that the proviso writer was a Bible-reading man?

In any event a grant was given in one paragraph and it was taken away in the next paragraph, so the responsibility rests entirely upon the now shrinking shoulders of the Members of the Eightieth Congress who passed this give-and-take-away law.

President Harry S. Truman was right in every particular when he lowered "Casey's boom" on the evasive and sidestepping Eightieth Congress and told the Nation that they, and they alone, were at fault for the failure to provide adequate storage space for farm crops.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. LOVRE].

Mr. LOVRE. Mr. Chairman, in the limited time allowed, I certainly cannot do justice to a bill that is so important as H. R. 2682. In short, I want the Members of this House to know that I am going to support this bill and perhaps a few of the amendments.

I want to say to a few of my friends and colleagues, those who are of the opinion that there is no shortage of storage facilities in my State, if you will come out there during threshing time I will show you open bins by the hundreds throughout the First Congressional District.

The principal objective of the bill under consideration, namely, grain storage, is not only necessary but absolutely essential to the operation of any effective price-support program for the American farmer.

It is, in my opinion, the most important piece of farm legislation which has been considered by the Eighty-first Congress.

If we fail to provide adequate storage for farm products either on the farm or in terminals, we will have failed one of the most important segments of our economy, American agriculture. The American farmer has contributed so much toward winning the war, and he will, if given a chance, contribute materially to keeping the peace by providing the food for a well-fed Nation and world.

Those who are opposed to restoring to the Commodity Credit Corporation the power with which to provide adequate storage facilities to our producers would have us believe that such a system is socialistic, and would be putting the Government in business in competition with private business. I do not subscribe to this reasoning. While I am stanch in my belief that the Government never should be permitted to compete with private enterprise, I do believe that where private enterprise fails or cannot provide the facilities and programs which are necessary to the general welfare, then it is one of the functions of Government to step in and lend a helping hand.

The committee recognizes the fact that in the matter of grain storage facilities there is a definite need for Government encouragement. It also recognizes that the Government should not compete with private business, and accordingly will offer an amendment which will provide in substance that the CCC shall not exercise its authority to acquire grain storage facilities unless it finds that existing privately owned storage facilities are inadequate in the particular area affected. This is as it should be, and with this guaranty, the proposal certainly is not socialistic in any sense of the word. Neither does it put the Government in competition with private business.

When I speak in favor of allowing the CCC to acquire grain storage space where private capital has failed, I am not only expressing my personal views, but also the views of the 1949 South Dakota Legislature. I am submitting for the RECORD a resolution passed by that body in its most recent session:

House Concurrent Resolution 6

Concurrent resolution memorializing Congress to amend the charter of the Commodity Credit Corporation to provide for ample storage bins and facilities for corn, wheat, and other basic grains

Be it resolved by the House of Representatives of the Thirty-first Legislature of the State of South Dakota (the senate concurring)—

Whereas the house of representatives, the senate concurring, deems it essential that farm prices be supported at the level of full parity; and

Whereas the house of representatives, the senate concurring, is cognizant of the fact that the support of farm prices at full parity cannot be achieved in an effective manner unless the United States Government provides permanent storage facilities for corn, wheat, and other basic grains; now, therefore,

The house of representatives, the senate concurring, does petition the Congress of the United States to amend the charter of the Commodity Credit Corporation to authorize the provisions of permanent storage facilities for the storage of at least 1,000,000,000 bushels of corn and 500,000,000 bushels of

wheat on the farm and at terminals in the farm area, and adequate storage facilities for all other basic grains; be it further

Resolved, That a copy of this resolution be forwarded to the President and Vice President of the United States, the Speaker of the House of Representatives, the Secretary of Agriculture, and to each South Dakota Senator and Member of the House of Representatives in the Congress of the United States.

A. E. MUNCK,
Speaker of the House of Representatives.

W. J. MATSON,
Chief Clerk of the House of Representatives.

R. A. TERRY,
Lieutenant Governor.
NIELS P. JENSEN,
Secretary of the Senate.

Mr. Chairman, I feel so strongly on this subject that the very first bill which I introduced as a freshman Congressman was one which would return the powers of the CCC to acquire grain storage space.

In my State, storage is acute and has been for some time past. According to recent statistics, South Dakota farmers produced in 1948 approximately 333,500,000 bushels of grains. We have only 838 country elevators with a capacity storage of only about 23,500,000 bushels, thus leaving approximately 310,000,000 bushels to be stored on farms in various types of bins, most of which are of such construction that the grain stored in them is not eligible for CCC loans.

When such a situation exists, it deprives the producers of the support price. Certainly all farmers should be given an opportunity to receive the support price for the commodity he produces and should not be denied that right because of lack of proper storage facilities.

We have in our State, and I know this situation exists all over the Nation, thousands of young veterans who have invested and obligated thousands of dollars in farm equipment and land on the strength of the assurance that they would receive a fair price for their crops under the Government farm program. If we fail to provide them with adequate storage, we have failed in the rehabilitation of our farmer-veterans. Certainly we should not be guilty of going back on a promise which we, as a grateful Nation, made to our GI's while they so gallantly fought to maintain the principles of America, including the right of free enterprise.

There is a further reason for allowing the Government to supplement the grain storage program conducted by private elevators and terminals. That is the matter of waste of food. If our crops are not stored properly, then there is rotting and waste and the entire consuming public, both here and abroad, suffers. There is nothing more immoral than waste of food. A well-conducted program designed to provide adequate storage will prevent this.

The Crop Reporting Service of the Department of Agriculture only yesterday predicted that this year's wheat crop will be the second largest in history. They also state that this billion bushel estimate will tax existing storage facilities. We certainly cannot sit here in Congress and allow this crop to rot on the ground without doing everything possible to put it under cover. I can think of no greater crime against nature and against the people of the world.

Recognizing the need for farm price supports and the need for acquiring grain for future use, the Congress, many years ago, inaugurated a Government price-support program. This plan has been kept in operation in one form or another by each subsequent Congress. During the war, there was such a demand for crops that there was little need for local storage space. However, since then, with a return to more normal consumption, with more normal crops abroad which reduce the demand for export, and with bountiful crops here at home, it is at once apparent that storage facilities must be expanded.

We are all agreed that the Government should operate some type of price-support plan to assure the farmer of a fair standard of living and to stock pile farm commodities for future use, either for defense or as an assurance to maintaining necessary dietary requirements, should there be a convulsion of nature which would cause a crop failure.

Common logic says that we cannot allow our grains to rot and spoil. I certainly would not subscribe to a Government price-support program which would condone such wasteful practices.

Therefore, I stand here today as a champion of the free-enterprise system in America and as a champion of the farmers who sent me to Congress, and I ask you in all earnestness to give favorable consideration to this legislation. It means a great deal to the individual farmer, but it means far more to the health, welfare, and prosperity of every single person in this great Nation.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 1, line 9, strike out section 1.

Mr. WOLCOTT. Mr. Chairman, it is very obvious what this amendment does. It restores to the Board of Directors of the Commodity Credit Corporation the management of the Corporation. The law at the present time provides that the Commodity Credit Corporation "shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its board of directors." The bill seeks to strike out the words "direction and control of its board of directors" and substitute for them "supervision and direction of the Secretary of Agriculture."

What we do in this bill, unless this amendment is adopted, is for all practical purposes to dissolve this great Corporation, which has done this very splendid job throughout the years in maintaining farm-support prices. We destroy the Commodity Credit Corporation as such and turn the administration over to the Secretary of Agriculture. We have a right to have confidence in the Commodity Credit Corporation as such because it has done such a splendid job throughout the years in accomplishing the purposes for which it was set up, but we do not know that a single individual can do as good a job as this Corporation has done. The only practical function left to the Corporation, unless this amendment is adopted, is to issue notes, bonds, and debentures aggregating $4,750,000,000. So we are not particularly honest with ourselves or anybody else when we say we are going to continue the Commodity Credit Corporation, because we are not going to continue the Commodity Credit Corporation except as a money-raising agency for the Secretary of Agriculture.

Mr. Chairman, I urge that this amendment be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

Mr. SPENCE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SPENCE. Should not the Members on this side of the aisle have an opportunity to discuss the amendment? We think we ought to have an opportunity to say something before the vote is taken.

The CHAIRMAN. The Chair looked at the committee table and no one was standing, so he put the question. The Chair will put the question again.

The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 68, noes 78.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. WORLEY].

Mr. WORLEY. Mr. Chairman, I take this time to secure information from the committee handling this particular bill. I note that on page 8, section 7, part of that section reads as follows:

That notwithstanding any other provision of law, the Commodity Credit Corporation is authorized upon terms and conditions prescribed or approved by the Secretary of Agriculture to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation.

My question is: Does the term "agricultural commodities" include all of the pork which the Government is expected to purchase under the hog price-support program?

Mr. BROWN of Georgia. It does.

Mr. WORLEY. Is it the intention of this bill to also include any other meats now owned by the Commodity Credit Corporation?

Mr. BROWN of Georgia. It is.

Mr. WORLEY. Would it include the several million pounds of canned Mexican beef, which the Commodity Credit Corporation now owns?

Mr. BROWN of Georgia. It would.

Mr. WORLEY. Would they be permitted to exchange that surplus for any critical or strategic materials?

Mr. BROWN of Georgia. That is correct.

Mr. WORLEY. I thank the gentleman very much.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

STORAGE ON FARMS

Mr. STEFAN. Mr. Chairman, the bill we have under consideration, H. R. 2682, is for the purpose of amending the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes. Mainly, the bill is for the purpose of maintaining farm support prices and strengthens the hand of the Commodity Credit Corporation in assuring storage for farm products. The objectives of the bill are good and I intend to support it and also amendments which would tend to strengthen it for the benefit of the farmers. In my more than 14 years of service in this House as the representative of the people in the Third Congressional District of Nebraska I have given most of my time to an effort to make the lot of the farmer just a little better. Beginning with my bill for the improvement and the equalization of the farm dollar, I have continued to work for the best interests of the farmer. My long battle for legislation which would give the farmer cost of production plus a reasonable profit has been successful only partially. The farmer is still at a disadvantage because of the failure of the Congress to enact my bill to set up a department of transportation and because the problem of distribution has not yet been solved. If my transportation bill could be enacted into law and if the perplexing distribution problem could be settled, I feel certain many of the farmers' difficulties would also be solved.

We have many illustrations why the farmer is continually at a disadvantage so far as transportation and distribution are concerned. When eggs were selling for 30 cents a dozen in Nebraska consumers in Washington were paying 85 cents and 90 cents a dozen for same. I could give you many, many more of such illustrations. It is only one of many arguments against the statements continually being made by city members who say the farmers are too well off. It is only one of hundreds of illustrations I could give you that the farmer does not receive for his products what the consumer has to pay. The spread is too wide and the farmer usually gets the smallest part of that wide spread.

Regarding this legislation which also calls for storage for farm products: We must write into this bill and instruct the Commodity Credit Corporation to see to it that most of this storage space is built on or close to the farms where the products are grown and raised. That is the most sensible place for such storage. However, there are many other functions in the law for the Commodity Credit Corporation. These include the loaning features; the support prices and the disposal of surplus farm products. It is certain that we should not keep too long these surplus farm products on hand. While the world is still our market we must see to it that a world market is kept continually open for the disposal of whatever surplus we have. The world agriculture competition may face us again. It may be very near even now. Therefore the Agriculture Department and the various divisions of that agency should be ever on the lookout through exports to keep the flow of our agriculture surplus in every avenue of world trade.

Preserving the American market for the American farmer must be of most importance to all of us. At the same time the markets of the world must be kept in close contact in order that we can trade our agriculture products to foreign countries for critical material and things we do not produce. As the program of rehabilitating foreign countries continues the world agriculture competition is likely to be a threat. But if complementary products can be encouraged I feel we can have at least some world market for our surplus and at the same time preserve the American market for the American farmer.

There are many proposals being made regarding future farm programs and many of them have merit. I feel the flexible farm price proposals of the administration are not fair to the farmer. I am strongly in favor of the 90-percent parity price for which I have already introduced legislation. I am also anxious that farm products experimentation be continued in order that more and more new uses for farm products be discovered. Full production; complete and effective soil-conservation programs; new uses for farm products and new chemurgy programs plus better transportation and distribution plans should be embodied in all of these new agriculture legislative proposals.

Mr. Chairman, let me again call to your attention that the first signs of depression can be seen when farm prices start going down. It is only when the farmer is properous that the people generally prosper.

For these and many, many other reasons Mr. Chairman and Members of the Committee, I have been most happy to work and will continue working for good farm prices; for all-weather roads to every producing farm, for electric energy on every producing farm, for all legislation which will make the American farm more and more attractive and more comfortable for the men and women who produce the food for the world.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, as a member of the committee, and as a Representative from the Second District of Illinois, I am very strongly in favor of H. R. 2682 and of the provisions giving the Secretary of Agriculture power to acquire when necessary warehousing facilities. I certainly do not wish anything to interfere with the successful functioning of the Commodity Credit Corporation, which has made such large contributions to our national welfare and under the broadened authority to the Secretary of Agriculture conferred by this bill will make even larger contributions in the future.

But whether it is the intent that packaged goods, which in substance largely are the processed yields of agriculture, should be included is a question which has been raised by those in my city of Chicago interested in the cold-storage business.

It has been gratifying to me to hear from the witnesses appearing before our committee such unanimity of good opinion of Secretary of Agriculture Brannan. There has been no complaint that at any time has there been under the administration of CCC any trespass upon the rightful domain of private industry. The cold-storage men of Chicago who have spoken and written to me have been united in their praise of Secretary Brannan and in expression of confidence in him and in the administration of President Truman. Regardless of their abiding confidence in the administration, they feel that an agricultural law, remaining on the statute books until repealed and conceivably after changes in personnel and in direction, should not include any but incidental supervision over an industry, mainly urban, which represents a large investment in structures and facilities located in the larger cities, and which is wholly adequate to meet all demands of private industry and of government at present and in the foreseeable future.

As the only member of the committee from the city of Chicago, which is the center of the refrigerator warehousing industry, I have thought it my duty to present the viewpoint on this subject of those in this business in Chicago and of other distinguished citizens of that city who have written me since the close of the hearings of our committee.

As indicative of the type of citizens who have written me on this subject, I mention the name of the Honorable John J. Sullivan, veteran jurist whose many years of service on the bench of Cook County has given him a preeminence in the esteem of our people. I mention also the name of the Honorable Ludwig D. Schreiber, the distinguished city clerk of Chicago.

Judge Sullivan writes me:

I am convinced that favorable consideration should be given to Congressman YOUNG'S amendment to H. R. 2682. The reasons outlined in Mr. Crooks' letter to you dated May 5 are sound and depict the true circumstances.

Mr. Crooks is the president of the Crooks Terminal Warehouses, Inc., operating in Chicago, Kansas City, and Los Angeles. In his letter to me, referred to by Judge Sullivan, he says:

We repeat again that the public merchandise and cold-storage warehousemen have sufficient facilities to take care of the requirements of the Commodity Credit Corporation. In addition to their own facilities, there are many buildings, owned by the Government, throughout the country that public warehousemen would be pleased to operate. Only recently, we offered to store approximately 5,000,000 bags of dried peas and beans in the Tucker Corp. plant, provided that the War Assets Administration would be willing to let us operate it.

The warehouse industry did a wonderful job during wartime. For example, the Chicago warehouses stored 20,000 carloads for the Army, Navy, and quartermaster. We are prepared and willing to do it again if there is need for this much storage.

From Mr. Sidney A. Smith, president of the Anchor Storage Co., I have received a letter in which he states:

For several years our warehouse has been used by the Corporation and also by other branches of the Government for storing all sorts of package goods, foreign and domestic. To name some of these commodities, we include tea, rubber, evaporated milk, canned meats, milk powder, canned vegetables, etc.

At one time during the active part of this war, we devoted almost 40 percent of our space to Government business. The rates which we assessed on this business were less than we charged generally on private business. The volume, while large, was spotty, but we did our utmost to take care of Government requirements for package storage.

We believe that our warehouse and the others who operate public merchandise storage facilities can take care of the goods which Commodity Credit Corporation has to offer, and that we can do a better job for the Nation and at much less cost.

Mr. G. M. McConnell, Jr., president of the Railway Terminal & Warehouse Co., of Chicago, writes me:

It would be detrimental to warehousemen generally if the CCC were able to build, lease, or in any way acquire independently operated storage space for packaged commodities. By the term "packaged" we mean bagged, baled, or contained in some form.

You are undoubtedly aware that during the war years when the Government stored tremendous quantities of merchandise, merchandise warehousemen were able to supply all the needed space. We cannot believe that now, or at any time in the future, our industry could not again provide space for the storage of packaged products offered by the CCC or any other Government agency, as well as private enterprise.

Mr. E. G. Erickson, vice president of the Central Cold Storage Co., of Chicago, wires me:

In Illinois, and especially in Chicago, there exists one of the largest concentrations of cold-storage space in the world which this bill, unless amended as proposed, would seriously jeopardize.

Mr. Vallee O. Appel, president of the Fulton Market Cold Storage Co., of Chicago, writes me:

Existing refrigerated warehousing facilities are adequate with private capital available for essential expansion. Be assured we have no fears of construction by present administration but earnestly believe specific exemption should preclude unnecessary and uneconomical Government competition by future administrations.

Mr. Richard Scheer, manager of the Booth Cold Storage Co., of Chicago, which is affiliated with public cold-storage warehouses operating since 1900 in St. Louis, Minneapolis, and St. Paul, writes:

We have a total of over 4,500,000 cubic feet gross of refrigerated space, carried at temperatures ranging from 45° above zero to 20° below zero, with a capacity of 65,000,000 pounds, representing an original investment of about $4,000,000 with a replacement value in the neighborhood of $10,000,000, and at present the space is about 70 percent occupied. Government figures of March 1 show an occupancy of only 49 percent in the warehouses as a whole throughout the country.

Our vice president and general manager, Mr. Gross, served on the Cold Storage Advisory Committee during the war, under the chairmanship of W. C. Crow, of the Production and Marketing Administration of the United States Department of Agriculture. From this source we know that no perishable commodities of any kind were actually lost by the Government due to lack of refrigerated facilities in this country.

None of my correspondents has expressed the least fear that under President Truman and Secretary Brannan there will be the slightest abuse of power. They find no ground for fear in the historical background of the Commodity Credit Corporation, with which they wish always to proceed with the fullest measure of cooperation in the doing of a splendid job for the benefit of the farmers of America and thus for the American people as a whole.

I am happy to present for the thoughtful consideration of my colleagues, and as they have been given to me, their viewpoints on what is best for their industry and, as they see it, best for the country. They have been respectfully submitted, and by us should be, and I am certain will be, respectfully received and considered.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, since the committee has already voted on this amendment to strike out the section, I wish to say simply a word in explanation.

This section merely restores to the Secretary of Agriculture authority to supervise and direct the activities of the Corporation. He had those powers prior to the enactment of existing law on June 29, 1948. It gives him no additional powers over what he had prior to that date. By striking out this particular section in the proposed legislation it would go right back to where we are at present under existing law that met with disfavor by the voters of the great grain areas.

I laud the stand taken by the former chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE], and also the gentleman from Minnesota [Mr. H. CARL ANDERSEN] in making plain that the powers and authority should be vested in the Secretary of Agriculture in the Corporation under their direct supervision and authority. Certainly to divide the responsibility and divide the authority would actually separate the power and the effectiveness of this particular Corporation. I am pleased to see that the committee ratified that action.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I would like to bring to the attention of the Committee this situation, so that even though the amendment which was offered by the ranking minority member of the committee a few moments ago has been defeated, it will not affect your thinking or voting on the other provisions of this bill. If the Commodity Credit Corporation did a good job until 1948, and you want to see it continue to do that good job, then you must pass this bill as presented by our Committee.

During all of the years of its existence until June 1948 the responsibility for the operation and management of the Commodity Credit Corporation was in the Secretary of Agriculture. In 1948, for the first time, you took the powers away from him and gave them to the board of directors. This bill puts the powers back where they belong. The job was done well and effectively, by the Secretary of Agriculture. It is his responsibility. Let us give back to him the power to fulfill that responsibility. I am sure that he will do a good job in the years to come, just as he did it from the time the Commodity Credit Corporation was brought into being, until 1948.

You are not by this bill doing something new. You are merely correcting another of the blunders of the Eightieth Congress.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, my only purpose in seeking recognition was to speak in opposition to the amendment offered by the gentleman from Michigan. Since that has been disposed of, I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I want to congratulate the House in defeating the amendment that would take this Corporation out of the control of the Secretary of Agriculture. The responsibility, the duties, and the power should be vested in one person. The Secretary of Agriculture is absolutely chargeable with the control of this corporation, and we should give him effective control to make his administration what we desire it to be.

There is another thing I wish to talk about, and that is the apprehension there seems to be on the part of some warehousemen, particularly those in cold storage warehousing, that their private industries might be invaded by this corporation. From 1933 until 1948 this corporation had as broad powers as any corporation ever had, power to acquire property and to use it as it pleased; but there is no testimony that during all those years the CCC ever invaded the realm of private enterprise or that it ever went into the cold storage business more than was absolutely necessary. I think in all that time it acquired but one property of that character, and that was in the city of New York. Not a single warehouseman testified that the corporation had gone into competition with them or had invaded their field. But now when the Corporation's powers have been much restricted, when they can go into this field only where the facilities now are entirely inadequate, the apprehension seems to increase, and fears have arisen so that they come here and are lobbying for some amendments that they say are important to them. Let me say that if you heed all that private enterprise suggests and support the amendments offered by them, you are going to weaken this bill so that it will not function in the way it should. I hope those amendments will be voted down. I know that in the bill in the

Senate they exempted cotton and tobacco from the provisions of the bill. The cash crop of the people I represent is tobacco. I was perfectly willing that it be stricken out, because I did not want to see any agricultural war started in this House. I do not believe that any warehouse interest is in danger. Under this act as it is now presented, the corporation can create facilities only where the present facilities are entirely inadequate. The arguments that have been made in behalf of the warehousemen are entirely without merit, and I hope they will be so understood when the House considers the amendments which I presume will be offered.

Mr. HOEVEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOEVEN. Does any time remain under the consent request to limit debate?

The CHAIRMAN. Approximately 7 minutes remain.

Mr. HOEVEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. HOEVEN. Mr. Chairman, I favor this legislation; in fact, on January 18 of this year I introduced my own bill, H. R. 1647, to amend the Commodity Credit Corporation Charter Act with reference to the general powers of the Commodity Credit Corporation. I also appeared before the Committee on Banking and Currency in behalf of my bill on March 24, 1949. At that time I endorsed in principle the provisions of the bill, H. R. 2682, which we are now considering. I suggested, however, an amendment which would provide that the acquisition of real property needed to carry on the program of the CCC should not be carried into operation until it was determined that the usual and customary trade facilities were not available. I am, of course, pleased to note that an amendment such as I proposed has now been incorporated as part of H. R. 2682.

It is not my purpose to drag dead cats out of the closet and to review who was responsible for what happened when the Commodity Credit Corporation bill was considered last year; it only remains to be said that it became a very potent issue in the campaign of last November. My main purpose in addressing you now is to present to you a very practical proposition, and that is the real need for storage facilities in the Corn Belt. I am sure we are all cognizant of the bumper corn crop which was harvested in the Corn Belt last year; it totaled approximately 3,650,000,000 bushels, and with an old crop carry-over of 125,000,000 bushels, will give us a total supply of 3,776,000,000 bushels. From all indications, we will have another bumper corn crop in 1949 which it is estimated will about equal the 1948 figure. Everything indicates that we will also have a prospective carry-over of up to as much as 700,000,000 bushels as of October 1, 1949. Our bins and storage facilities on the farms of the Midwest are already filled to capacity.

Mr. Chairman, I am very hopeful that before we finish with this legislation some amendment may be adopted to provide for the actual placing of storage facilities on the farms through some rental or advance-loan provisions on the part of the CCC to the individual farmers involved.

Farmers who take out corn loans may decide to deliver their corn next summer to the Corporation instead of paying off the loans, and farmers who take out purchase agreements may decide to sell it at the loan price sometime before September 1, 1949. This would mean that the Corporation would have to find storage space for greater supplies of corn the minute it was sold to the Corporation. Millions of bushels of corn have already been placed under loan-and-purchase agreements in the Corn Belt, and, according to the Department of Agriculture, this figure may well exceed 400,000,000 bushels this year.

I appreciate the fact that under the law the Corporation can lease terminal elevator space, but if the elevators are full we would really be confronted with a real problem. So in my judgment the passage of H. R. 2682—and I reserve the right to support such amendments as will clarify and improve the legislation—will authorize the Corporation to remedy the situation and will make adequate storage facilities available at all times. In conjunction with our program for agriculture, one of the main things to be considered is the providing of adequate storage facilities at all times. It should never be said that farmers were compelled to sell their corn or other grains at a loss just because storage facilities were not available.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The Clerk read as follows:

SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: "The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation."

SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 9. Directors: The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the 'Board'), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of not less than 6 nor more than 10 members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the minimum number of directors required on the Board shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present."

SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661)."

SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended by inserting after the sentence, "No suit by or against the Corporation shall be allowed unless it shall have been brought within 4 years after the right accrued on which suit is brought," the following sentence: "The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such 4-year period of limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit."

SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"USE OF WORDS 'COMMODITY CREDIT CORPORATION'

"(f) No individual, association, partnership, or corporation shall use the words 'Commodity Credit Corporation' or a combination of these three words, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both."

SEC. 7. Subsection (b) of section 6 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596) is hereby amended by inserting the words "Commodity Credit Corporation or" before the words "the Reconstruction Finance Corporation" wherever they appear in such subsection and by striking out the period at the end of such subsection and adding the following: ", whichever of such corporations is involved in the transfer."

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 2, line 12, insert the following: "*Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Cor-

poration determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities'."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 3, after the comma, insert "Advisory Board."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 8, strike out "not less than six nor more than ten" and insert "six".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 23, strike out "minimum number of directors required on the Board" and insert "Directors."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 25, strike out the quotation marks and insert:

"(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members appointed by the President of the United States, not more than three of whom shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 5, line 6, strike out all of section 5 and insert:

"SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

"(a) by inserting in the second sentence thereof after the word 'jurisdiction' a comma and the following: 'without regard to the amount in controversy,';

"(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: 'No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within 6 years after the right accrued on which suit is brought, or (2) the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued and the suit shall have been brought within 3 years after the disability shall have ceased. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit.'; and

"(c) by inserting before the period at the end thereof a comma and the following: "except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this act, be brought in such court'."

The committee amendment was agreed to.

Mr. KEATING. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING to the committee amendment: Page 6, line 7, after the number "2" strike out the remainder of line 7, also lines 8 to 10 inclusive, and line 11 to the period appearing in that line, and insert in lieu thereof the following: "In the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within 3 years after the disability shall have ceased or within 6 years after the right accrued on which suit is brought, whichever is longer."

Mr. SPENCE. Mr. Chairman, we will accept that amendment.

The committee amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 7, line 7, strike out all of section 7 and insert:

"SEC. 7. The act, entitled 'An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad,' approved August 11, 1939, is amended to read as follows: "That, notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. The determination of which materials are strategic and critical and the determination of the quantities and qualities of such materials which are desirable for stock piling shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile.' "

Mr. BROWN of Georgia. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Gerogia to the committee amendment: Page 8, line 14, after the period insert the following: "Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities which serve as prime incentive goods to stimulate production of critical and strategic materials."

Mr. SPENCE. Mr. Chairman, the committee will accept the amendment.

The amendment to the committee amendment was agreed to.

Mr. BROWN of Georgia. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Georgia to the committee amendment: Page 9, line 4, after the period and before the quotation marks insert the following sentence: "Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets."

Mr. BROWN of Georgia. Mr. Chairman, this amendment means the Corporation can trade such commodities as prunes, raisins, eggs, and other commodities that will not store and may spoil for some strategic and critical material needed by the United States.

If the stock-pile authorities do not have funds to take the strategic and critical materials off the Corporation's hands, it can hold the materials or sell them if it appears wise to do so to protect the Corporation's assets. Any trading the Corporation did would be for materials specified by the stock-pile authorities and in close collaboration with ECA, the State Department and any other properly interested Government agency.

Similarly, the Corporation could encourage the production of strategic and critical materials through the use of trade goods in a somewhat comparable manner to the copra program it carried out in the Philippines. That program resulted in a highly satisfactory production of Philippine copra oil at a time when fats and oils were in short world supply and private efforts to restore production were unsuccessful.

Mr. SPENCE. Mr. Chairman, the committee will accept that amendment.

The amendment to the committee amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota to the committee amendment: On

page 8, lines 12 and 13, after "strategic and critical materials" insert "including metal scrap."

Mr. CASE of South Dakota. Mr. Chairman, I am not sure but that under the language offered by the committee and under existing law it might be possible to permit the exchange for metal scrap, but there has been no great disposition to do so. It seems to me it would further the purposes of the committee amendment if it were made clear that it was the intent of Congress that the exchange for strategic and critical materials should include metal scrap.

During the time when the select Committee on Foreign Aid was in Europe, and particularly when the subcommittee was in Germany, it came to our attention that there are practically unlimited quantities of metal scrap in the harbors and other areas of Germany. Germany has probably the largest food deficiency of any country in Europe. They have a large population crowded into an area which has lost at least 25 percent of its agricultural land. If it is made clear that in this exchange scrap could be accepted as strategic and critical materials in payment for some of this food, it would result in disposing of a great quantity of the stocks of the Commodity Credit Corporation and at the same time permit the new West German Government to pay for a great deal of food instead of asking the American taxpayers to ship it over to them.

I hope that the committee will accept the amendment, since it clearly is in keeping with the purpose of the committee amendment.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. Has the gentleman from South Dakota concluded?

Mr. CASE of South Dakota. I had not concluded, Mr. Chairman. I was hoping that the gentleman was rising to say that since this furthers the purpose of the committee amendment, that the committee would accept it.

Mr. SPENCE. Mr. Chairman, I do not feel that the committee can accept the amendment. The Munitions Board prescribes what are critical and strategic materials. I do not know whether scrap metal would come under that category or not. The act says "critical and strategic materials." The Munitions Board prescribes such materials. To spell out each material, which might be considered critical or strategic, would mean that there would be no end to amendments to the bill. I do not think we ought to go any further than the bill goes.

Mr. CASE of South Dakota. Mr. Chairman, the sentence immediately following the sentence that my amendment would amend says:

The determination of which materials are strategic and critical and the determination of the quantity and quality of such materials which are desirable for stock piling shall be named in the manner prescribed in section 2 of the Strategic and Critical Materials Stock Piling Act.

So my amendment does not take away from existing law the responsibility for determining at a given time what quantity or quality shall be accepted, but simply makes clear that it is within the intent of the Congress that scrap metal can be accepted as a strategic and critical material if a determination were so made. I hope the committee will accept the amendment.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Congress cannot, like a dictionary, define all critical and strategic materials, and we cannot have all critical and strategic materials written into the act. What those critical and strategic materials are are defined by a board which is given that authority. I do not think we ought to define here that metal scrap is critical or strategic, because it might not meet with the general plan prescribed. I hope the amendment will not be adopted. I think it would open the door for innumerable amendments.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BROWN of Georgia. The purpose of this section is to permit the Commodity Credit Corporation to make this exchange for critical materials so that they can get paid for some of these agricultural materials.

Mr. SPENCE. Yes; but we have not defined in this act what is critical and strategic material. This amendment to the committee amendment is an attempt to define a critical and strategic material, which might not be considered a critical and strategic material by the authorities having in their power the duty under the acts of Congress to define such materials. I do not think it ought to be in this act.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. McCORMACK. If this amendment is adopted, it might limit the authority given under the bill to accept strategic and critical materials.

Mr. SPENCE. Yes.

Mr. McCORMACK. In other words, it might act as a limitation.

Mr. SPENCE. Yes; the inclusion of one means the exclusion of others. That is a well-defined principle of law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE] to the committee amendment.

The amendment to the committee amendment was rejected.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in favor of the bill.

If we are to maintain the stability of our national economy we must support farm prices.

We know what happened to the finances and business in this country when the banks contracted currency and credit and upset our national economy by lowering the prices of farm products and destroying the purchasing power of the farmers of this country.

We must not let that happen again.

I am in favor of support for agricultural products. I am in favor of the plan of buying and renting storage facilities. We hear so much about the high price of grain, meat, and eggs and butter, and the things we use in our everyday food that we do not think of the cost that is being laid on the farmers to produce those things.

To give you a little illustration, during the Wilson administration I bought barbed wire for $1.40 a roll. That was an 80-rod spool of standard galvanized wire. Today that same wire costs $11.50 a roll. The farmer is being penalized on everything he buys. If we do not have a support price, if we take the purchasing power away from the farmers, then our national economy will go into a collapse, just as it did in 1930.

But this rider on this bill is a serious amendment before us today. Let me cite a few figures. In the appropriations already made to the Economic Cooperation Administration to implement the Marshall plan there has been $6,030,710,288 appropriated. Of that sum, 5 percent, or $197,000,000, is set aside to purchase strategic metals in the Marshall-plan countries. Now we are appropriating $5,500,000,000 more, which will bring in another $190,000,000 for the purchase of strategic metals. We are beating down the price of the metals that are produced in this country.

I have in my hand a report from the ECA, showing that they have so far used that first appropriation of $190,000,000 to buy lead and zinc in the amount of $1,500,000. Is it any wonder that the price of lead and the price of minerals in this country is falling? Is it any wonder that the market on stocks and securities of those companies engaged in that business are going down every day? Is it any wonder that the tax income of the Government is falling off? We are already setting aside 5 percent of these appropriations to purchase strategic metals. In this bill we propose to beat down the price of our metals further by bartering, which will further beat down the prices of these metals in this country. I think the time has arrived when we must give some consideration to the stability of our own industries and to the tax income of the Federal Government to take care of the expenses of carrying on this Government and meeting its obligations by building up the markets in our country. If we carry on this thing we are surely heading for disaster.

I yield back the remainder of my time.

The CHAIRMAN. The question recurs on the committee amendment.

The committee amendment was agreed to.

Mr. SUTTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: On page 2, line 8, after the word "storage", add a comma and insert the following: "other than storage for cotton or tobacco, except that it may rent or lease storage facilities for cotton or tobacco."

Mr. SUTTON. Mr. Chairman, this amendment is self-explanatory. It clarifies the amendment offered by the gentleman from Georgia [Mr. BROWN]. It also coincides with the amendment that was placed on Senate bill S. 900,

which passed the Senate, page 2, line 11, "other than for storage of cotton and tobacco."

This amendment, if adopted, permits the Commodity Credit Corporation to lease or rent buildings for storage purposes but prohibits them from erecting any new buildings. The distinguished chairman of the Committee on Banking and Currency, Mr. SPENCE, has said that since 1933, through 1948, the Commodity Credit Corporation had the power to invade the respective territories and construct warehouses and storage facilities, but in all that time not a single invasion has occurred. This amendment, if enacted, will revoke the authority of the Government to construct new buildings. I, for one, am in a tobacco section and a cotton-producing section. I realize that in our section we have ample warehouses. We believe that by restricting this storage where it is not needed, then they can erect elevators and warehouses for the Western States, the wheat-growing and corn-growing States.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. COOPER. The gentleman is a distinguished member of the Committee on Agriculture. I will ask him if his information indicates that there are adequate storage facilities for cotton and tobacco.

Mr. SUTTON. It is my information that we have adequate facilities for both cotton and tobacco.

Mr. COOPER. And the gentleman's amendment would substantially accomplish the purpose provided by this provision in the Senate bill?

Mr. SUTTON. That is right; it clarifies it in that the Commodity Credit Corporation will be enabled to lease or rent storage facilities, but they will not be permitted to build them.

Mr. LYLE. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. LYLE. Some contractors in my district have called me, and written me, and said that they have been unable to negotiate loans with the banks or the RFC to enlarge their facilities. We perhaps have storage for half of our cotton in my area. We wish we had enough storage for all. These men have also inquired about the possibility of leasing from the Government surplus airfields in which they might store cotton. Does the gentleman propose to cut out the authority of the Commodity Credit Corporation to assist such people in securing loans to build adequate storage?

Mr. SUTTON. No; the gentleman has the wrong impression. This forbids the Commodity Credit Corporation from building these warehouses, but permits them to lease or rent them, and accordingly they could lease the airports to which the gentleman refers.

Mr. LYLE. But if we do not adopt the gentleman's amendment then under the language of the bill the CCC could cooperate with private industry by helping them secure loans.

Mr. SUTTON. Definitely.

Mr. LYLE. If the gentleman's amendment is adopted could they still help them secure loans?

Mr. SUTTON. Definitely.

Mr. LYLE. Is the gentleman certain about that?

Mr. SUTTON. Positively; that is my interpretation.

Mr. LYLE. I wish the gentleman would look into it again, because if I thought that were true I would not oppose the gentleman's amendment. We, however, are in dire need of storage. We do not want to get cut off; we want them to cooperate with us in securing loans.

Mr. SUTTON. The gentleman is right.

Mr. LYLE. We cannot get loans from the bank, we cannot get loans from the RFC and now we have enough difficulty getting them through the Commodity Credit Corporation. We do not want to get cut off.

Mr. SUTTON. That was the reason the Senate amendment was carried a little further in that the language was added "except that they may lend or lease storage facilities for cotton or tobacco."

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. MARTIN of Massachusetts. I might say to the gentleman from Texas that if you lack storage we have plenty of storage warehouse in my State, and we would be very glad to take care of the cotton.

Mr. LYLE. And pay the freight too? It is a long way.

Mr. MARTIN of Massachusetts. Not only pay the freight but use the cotton up there.

Mr. YOUNG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG to the amendment offered by Mr. SUTTON: Insert the following:

"Refrigerated cold storage, and storage for packaged products customarily stored commercially by public merchandise warehousing industry and in general warehouses."

And strike out the words "cotton or tobacco" being the last three words of the pending amendment and in lieu thereof insert the words "for same."

Mr. YOUNG. Mr. Chairman, it is my view that this is meritorious legislation we are considering this afternoon; that the amendment offered by the gentleman from Tennessee [Mr. SUTTON] makes this a better bill; and that my amendmend to his amendment makes it still better. The facts are that the storage warehouses of the country average about 50 percent occupancy at the present time. All the Government requirements were handled during the war and have been handled since, and this industry has never failed to construct additional facilities when the need was apparent. Naturally, it looks now with trepidation and fear on any proposal that would permit any agency of the Government to go into competition with private capital. For the information of the membership let me say that the Sutton amendment with my amendment would read as follows, starting at line 8 on page 2 of the bill, a parenthesis, and then this language: "other than storage for cotton or tobacco; refrigerated cold storage; and storage for packaged products customarily stored commercially by the public merchandise warehousing industry or in general, merchandise warehouses, except that it may rent or lease storage facilities for same."

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I know that the gentleman has been definitely opposed to the Government in any way competing with private industry, but does he not feel that with the language in the bill and the increasing demand for what we call cold processed products there would be an encroachment if this language was not placed in the bill?

Mr. YOUNG. Yes, and that is my purpose in offering the amendment.

Mr. TAURIELLO. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from New York.

Mr. TAURIELLO. Is it not a fact that in the large cities today refrigeration storage facilities are at least 50 percent vacant, so that if this amendment does not prevail it is possible that the Federal Government might go into competition with these already existing refrigerated warehouses?

Mr. YOUNG. The gentleman is absolutely correct. Let me say in that connection that the packaged agricultural products referred to are those which have been processed and are packaged for distribution to the consumer trade. At that stage they will have passed beyond the farmers' hands and into the ordinary channels of commerce.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Ohio.

Mr. BREHM. I want to congratulate the gentleman for offering this amendment. If he had not offered it, it was my intention to do so. I know that in Cincinnati and other large cities in Ohio there are many, many buildings such as the gentleman has described. I sincerely trust the gentleman's amendment will prevail.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Illinois.

Mr. CHURCH. I want to commend the gentleman for introducing this amendment to the other amendment and I hope that the amendment offered by the gentleman will be agreed to. It does not deny the Corporation any of the powers it ought to have. It does strengthen free enterprise, however, and I hope that the two amendments will be adopted.

Mr. YOUNG. I thank the gentleman for his contribution.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from New York.

Mr. KEATING. I favor the gentleman's amendment and, Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at the conclusion of the remarks of the gentleman from Ohio [Mr. YOUNG].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Michigan.

Mr. FORD. May I indicate my support of the gentleman's amendment? I wish to ask a question however and that is: It is the same amendment as an amendment that was offered and adopted in the Senate?

Mr. YOUNG. As I understand it, the amendment offered by the gentleman from Tennessee [Mr. SUTTON] is the same amendment as that offered and adopted in the Senate. It may be this is also.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. You have packaged goods warehouses, have you not?

Mr. YOUNG. Yes.

Mr. BOGGS of Louisiana. There has never been any shortage of those warehouses, has there?

Mr. YOUNG. There has not been to my knowledge.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that during the war no perishable commodities needing refrigeration were actually lost in this country due to lack of refrigeration facilities, because this industry has been adequate and efficiently managed?

Mr. YOUNG. The fact is that during the war all the wartime requirements of our Government were met by this private industry.

Mr. JUDD. Does not the gentleman have information that the Secretary of Agriculture himself has said that he does not contemplate the development of any need for additional facilities in this field?

Mr. YOUNG. That is correct.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GATHINGS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. JUDD. Does not the gentleman feel that even if a need should develop in the future, the fact that it would require a year to 18 months to construct new facilities gives opportunity for the Secretary of Agriculture to come to the Congress and make his case? If it is a good case, doubtless the Congress will grant the CCC power to handle the need.

I do not believe any man should be given the blanket power on his own to go into business and commit the Government to the purchase or construction of warehouse facilities without having to consult anyone?

Mr. YOUNG. And, in my judgment, that need will not develop.

Mr. JUDD. That is right.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from New Jersey.

Mr. HAND. The gentleman is also aware of the fact that in the city of New York there is a warehouse and refrigerating plant being operated which is owned by the city of New York and operated by the Commodity Credit Corporation containing some 3,000,000 cubic feet. That is being operated by the Government in competition with private refrigeration plants there although they are only filled to about half capacity.

Mr. YOUNG. I am not aware of that, but I take the gentleman's word for it. My proposed amendment would in no way prevent the Agriculture Department from assuring farmers against a shortage of space to store wheat, corn, or other grains as they are harvested and marketed by the farmers. Grain and similar agricultural commodities are ordinarily stored in bulk in grain elevators in or near the growing areas, at which stage of marketing they are not "packaged products customarily stored commercially" in merchandise warehouses.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I commend the gentleman for offering his amendment and shall support it.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. KEATING. Mr. Chairman, I support the amendment offered by the gentleman from Ohio.

Although I know nothing about the situation in the cotton or tobacco States, I do have considerable information regarding the need, or rather, the lack of need, for additional storage facilities in refrigerated plants and for storage of packaged products now handled commercially by the public warehousing industry. I am informed, and it is significant that no evidence has been introduced on this floor to the contrary, that these private and refrigerated warehouses are not now used to anything approaching their capacity and many of them are only from 50 to 60 percent occupied. Furthermore, I am told that occupancy in these warehouses is now rapidly declining. If the public warehousing industry could handle the tremendous needs for storage space during the war years, when warehousing space was at a premium, I fail to understand why they should not be allowed to handle it now.

This amendment will test the attitude of this body toward private enterprise in this country. Without its adoption, the Commodity Credit Corporation will be empowered to acquire and operate storage warehouses, not as an emergency proposition, not simply at any time when there is an acute need for such facilities, but in the regular course of business, as a direct competitor with those who have invested their own funds in this activity, not only to their detriment and possible bankruptcy, but to the prejudice of the thousands who are employed in the great warehousing industry.

True, it is provided in other parts of this bill that the Corporation shall not acquire warehouses where existing privately owned storage facilities are adequate. But who is to determine that question? The answer is given in this bill—the Commodity Credit Corporation itself.

Under this measure, any independence on the part of this Corporation has been destroyed by the provision putting it under the direct supervision and direction of the Secretary of Agriculture. We already have a taste of his inclination as to methods of operation. He is the one who has recently promulgated the program to regiment and control the production of every farmer in the country. It is to him that this bill seeks to leave the determination whether the Government shall or shall not go into the refrigerated-warehouse business on a wholesale scale. I am not prepared to delegate this decision to the Secretary or his alter ego, the Commodity Credit Corporation.

If the refrigerated-warehousing industry constituted something in the nature of a monopoly, and there were a shortage of available space for products requiring refrigeration, or even any reasonable possibility that there would be a shortage of space in the future, that would be one thing. There might, under those circumstances, be some justification for authorizing the Commodity Credit Corporation to build cold-storage plants. Since, however, the supply of cold-storage space now exceeds and has long exceeded by far any demand now present or anticipated, there is no more reason for the Government to go into the refrigerated-warehousing business than there is for it to go into the trucking business, the railroad business, or any other venture.

This amendment raises a fundamental issue. So long as I remain a Member of Congress, I intend to resist with all my energy and to the limit of my ability, the destruction of private enterprise by Government competition, resulting in loss to those who have invested their money, and throwing out of their jobs those now employed in industry. There may be some types of activity of a clearly emergent character, or providing for projects of such magnitude that Government intervention is essential to their completion, which justify encroachment on the legitimate province of private enterprise. Certainly no situation has here been presented justifying our stamp of approval on such a move.

The adoption of this amendment is so vital, it goes so directly and clearly to the heart of the fundamentals of our American system, that I doubt whether I can support this bill if the amendment fails to pass. I hope it will succeed.

Mr. BROWN of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Ohio said that the amendment offered by the gentleman from Tennessee made it a good bill, but that his amendment makes it a better bill. Well, that includes everything on earth now; refrigeration, storage of tobacco, cotton, and everything else except grain. Why does

not somebody on the Republican side get up and eliminate grain, and then we would not have any bill?

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Minnesota.

Mr. JUDD. Because grain is never stored in refrigeration warehouses, is it?

Mr. BROWN of Georgia. I am talking about the amendment the gentleman offered. We have a cotton amendment, a tobacco amendment, and this amendment, too.

Mr. JUDD. Well, of course, I have no such knowledge as the gentleman has as far as cotton and tobacco are concerned, but I do know something about the cold-storage industry, and it is not a factor in the CCC programs for handling grain.

Mr. BROWN of Georgia. The gentleman is well informed on everything, and I always like to hear the distinguished Congressman talk, but I reply to the gentleman in this way: Why would you be hurt in this field? The CCC had this authority from 1933 to 1948, and I never heard any complaint from this group in that field of service, and there never will be. The CCC had the same authority to construct more cotton and tobacco warehouses, but they did not do it from 1933 to 1948, but some day we may need more facilities for all of these groups when private enterprise will not construct them.

This bill with my amendment is like a shotgun in the corner to be used when the need arises. If private enterprise will not do the job, then Commodity Credit Corporation will do it. I know a good deal about cotton warehouses. I think I have as many in my district as any other district in the United States has. Some objected to this provision; they did not know what my amendment was. I explained my amendment to them and they replied they thought it was all right and would trust my judgment.

Now, who is the man at the head of the cotton warehouses here? He is a man representing the cotton warehouses in Washington, Mr. Todd. Who is he? Counsel and Washington representative for the National Cotton Compress and Cotton Warehouse Association. What did he say? He said if you are going to treat all the commodities equal and alike, I suggest the following amendment:

> That the Corporation shall not provide storage facilities for any commodity unless private capital and private industry fails to provide such facilities in adequate volume for the efficient storage of that commodity in accordance with the usual trade customs and practices—

What is the difference between that amendment and mine?

Mr. GATHINGS. Mr. Chairman, if the gentleman will yield, I will tell the gentleman what the difference is: In accordance with usual trade practices.

Mr. BROWN of Georgia. That is in my amendment. Read the amendment. Read down further.

Mr. GATHINGS (reading):

> unless the Corporation determines that any such privately owned storage facilities for such commodity in the area concerned are not adequate.

Mr. BROWN of Georgia. All right, read down there further. It is in the latter part of the amendment.

Mr. GATHINGS. You go ahead and read it.

Mr. BROWN of Georgia. No; I am making my speech. The gentleman can make his own speech.

Further the bill says:

> The authority contained in this subsection shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities.

I hope the gentleman is satisfied now. I tried to explain it to him.

What is this law for? It is to help the farmers of this country. We want to help the warehousemen also, but the prime purpose is to help the farmers. If private industry will not erect a warehouse where the farmer can store his cotton, then the Commodity Credit Corporation ought to do it. The banks have made money out of this agency. The cotton warehousemen have made money and we are not disturbing the warehousemen as long as they furnish the facilities. The Commodity Credit Corporation tells me they expect to continue to cooperate with the warehousemen and permit them to make money as long as they adequately serve the farmers. When they do not furnish the facilities we have a right to ask that the farmer have some place to store his cotton, just as the farmer in the West should have the right to store his grain.

Mr. BUCHANAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is the express desire of the committee that the authority given in this section shall not duplicate or interfere in any way with private trade facilities. We have tried to point that out in the report very clearly, on pages 6 and 7. The Department has stated that it has no desire to use this authority, has never had, and does not intend to in the future. It does not intend to go into any area and replace existing private trade facilities in that area. The history of the corporation prior to July 1, 1948, indicates that it has not done so, and all indications are that they do not intend to do so at any future time.

As the gentleman from Georgia [Mr. BROWN] has pointed out, this matter was aired in the committee and considered very carefully. As the bill came to us from the other body it excluded these two commodities, cotton and tobacco, which, of course, pointed up the fact that including these two commodities would make it look as though this were a bill designed to acquire storage facilities for some commodities and exclude other commodities.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The amendment has the entire support of the committee, all those that were present, with not a single dissenting vote.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Tennessee.

Mr. SUTTON. The amendment in the Senate bill, S. 900, excluding cotton and tobacco, also passed the Senate.

Mr. BUCHANAN. It did, and it came over here, and we discussed that very thoroughly. The language on page 2 I believe is very clear, and the discussions here and statements of the committee in its report have pointed up that very thing.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Kentucky.

Mr. SPENCE. Where the existing facilities are adequate in the area, under the act and under the proposed law, the Commodity Credit Corporation cannot secure or acquire any existing facilities.

Mr. BUCHANAN. That is exactly it, and that is the purport of the bill. It is stated very clearly. There is no question about it.

Mr. SPENCE. If the facilities are inadequate, certainly there should be no reason why the Commodity Credit Corporation should not supply the deficiency. It looks to me as if this is getting away from the farmer and thinking more of the warehousemen.

Mr. BUCHANAN. That is right.

In answer to the gentleman from New Jersey [Mr. HAND], may I point out that in the letter of the Secretary of Agriculture, Mr. Brannan, to Mr. SPENCE, appears this language:

> Taking into consideration the total cubic feet of net piling space in public general cold-storage facilities available in the city of New York, these 207 cars represent approximately 2 percent.

That is, the total existing potential plant capacity there for storage.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New Jersey.

Mr. HAND. Regardless of what the percentage may be, the fact is as I have stated, is it not, that in the city of New York the Commodity Credit Corporation is operating refrigeration plants with 3,000,000 cubic feet, and the private plants in that city are operating at 40 percent or less capacity.

Mr. BUCHANAN. I was pointing out that we are using only 2 percent of the storage facilities of that particular terminal in connection with the storage of frozen eggs there at times when space was not available elsewhere in the area.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I should like to have the gentleman from Pennsylvania take out what the gentleman from Georgia said, that the whole committee

was in favor of this bill and in favor of the proposition, because I was not.

Mr. BUCHANAN. The gentleman should make that request of the gentleman from Georgia.

Mr. NICHOLSON. I want it to go in the RECORD that I never was absent, and I am always present.

Mr. BUCHANAN. I thank the gentleman for his statement.

Mr. HAYS of Arkansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to point out that there is grave danger that the action of the House would be misunderstood if we should adopt this amendment. The bill is designed primarily for relief in the grain sections of the country, but we, in the tobacco and cotton country, have no right to ask for an exception. We certainly would be unjust to our farmers if there should be a need for it and we should find ourselves deprived of the power to give them relief. But, as a matter of fact, it has no application to the cotton situation. Mr. Brannan was asked by the chairman, as to tobacco, and he said, "We certainly have not, during my experience, used any authority for storage of tobacco." Then the gentleman from Georgia [Mr. BROWN] asked about cotton, and he said, "There is adequate warehouse space for cotton."

If we are going to exhibit anxiety because we fear that the Secretary will abuse the owners of warehousing property in the cotton and tobacco areas, what are we doing to our private operators in the grain areas? Let us be consistent.

Another thing. There are two checks on any abuse of authority by the Secretary of Agriculture. One check is the power of the Committees on Appropriations, the other is, that Mr. Lindsay Warren of the General Accounting Office, our able Comptroller, will check every step that the Secretary of Agriculture makes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. McCORMACK. That is his obligation under the Corporation Act of 1945.

Mr. HAYS of Arkansas. I am glad to have that pointed out. The 1945 act vests authority in the Comptroller General's Office for the auditing of actions by Government corporations.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. COLE of Kansas. Does the gentleman feel that the Comptroller will really check over the Commodity Credit Corporation in the future, and if he does, will it be a better check than was had in the past when $366,000,000 disappeared from the account of the Commodity Credit Corporation?

Mr. HAYS of Arkansas. I think a careful reading of the full record will show that that generalization hardly stands—if I may differ with my good friend from Kansas.

Mr. COLE of Kansas. In addition, will the gentleman point out that the Commodity Credit Corporation has assets on hand which it may use without direct appropriations for the erection, construction, and purchase and perhaps even the condemnation of facilities without any check by the Committees on Appropriations?

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from North Carolina.

Mr. DEANE. I am amazed at the gentleman from Kansas bringing up this subject, because, if he will refer to page 143 of the hearings, there is contained the reply from Mr. Warren, the Comptroller General, to the Secretary of Agriculture, concerning these so-called receivables about which there seems to be some question in the mind of the gentleman from Kansas. As you will recall, this bookkeeping deficit occurred during the pressure of war days and in connection with the administration of the War Foods Administration under the leadership of that distinguished gentleman, Mr. Marvin Jones, now Chief Justice of the court of appeals.

Mr. COLE of Kansas. I am very familiar with that, if the gentleman will yield.

Mr. DEANE. This is the reply to Secretary Brannan:

> As requested in your letter, we have reviewed the plan proposed by you with respect to your review of questionable items. It is noted that you propose to make no attempt to investigate transactions recorded in lend-lease receivable accounts prior to September 2, 1945 (VJ-day) and in receivable accounts with other agencies of the United States Government. In view of the very large volume of work and the administrative costs involved in such a review, we concur with the plan proposed by you to the extent that it can be demonstrated that there will be no over-all loss to the United States Government.

Mr. COLE of Kansas. In other words, it was too expensive to actually investigate the facts.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HAYS of Arkansas. Mr. Chairman, I was overly generous with my time. I ask unanimous consent to continue for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Kansas, but I would appreciate his being brief.

Mr. COLE of Kansas. I will be brief. But I want to say, in the first place, the answer made by the gentleman in connection with the investigation of the Commodity Credit Corporation does not seem sufficient because there has never been an investigation, so I think it does prove my point. We do not have complete confidence in the check that can be made on the Commodity Credit Corporation.

Mr. HAYS of Arkansas. If improvements can be made in the procedure, I am confident this Congress would join in the improvements. Everyone has confidence in the General Accounting Office procedure and certainly in the present Comptroller General.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Pennsylvania.

Mr. BUCHANAN. Just for the purpose of the RECORD, I have in my hand a copy of the audit report of the Commodity Credit Corporation for the fiscal year 1945. I will just read briefly:

> The Corporation's organization was subjected to great strain as a result of the problems created by the war, the need to move swiftly in undertaking many programs, and the acute need for skilled and highly specialized personnel. The imperfections in organization, accounting, and operations which resulted become difficult to appraise in the light of these circumstances, and there is a tendency toward using hindsight too freely or underevaluating the circumstances which prevailed. We have attempted to weigh fairly these factors and, although some of our criticisms are severe, it is not our intention to underevaluate the responsibilities undertaken and carried out by the Corporation during the war or to cause the contribution made by the Corporation during peace and war to be overlooked or discounted.

Mr. HAYS of Arkansas. I thank the gentleman. My purpose was to allay, if possible, any fear that might be entertained that we are inaugurating a vast storage program for cotton and tobacco and other commodities. It simply is not in the mind of the Secretary, and certainly it is not in the minds of the committee. I think the gentleman from Georgia [Mr. BROWN] has rendered a great service in working out the language of this part of the bill. I am reluctant to disagree with my good friend from Tennessee who offers the amendment, but I think it would be damaging to this legislation. I am not familiar with the cold-storage problem, but on the same theory it is better to leave this in general terms and then meet specific situations in basic storage legislation that might be reported by the Agriculture Committee.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. CHURCH. A close check-up would show you that this Sutton amendment seeks to protect private enterprise from Government competition, and it does not injure the real purposes of the bill.

Mr. HAYS of Arkansas. I am sure its purposes are good, and if I thought it were necessary I would be happy to join in. I think it is out of place in this particular legislation.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MONRONEY. Mr. Chairman, I hate to delay consideration of this matter, but I think this is one of the most important parts of the bill. We are working on a bill today upon which I think

perhaps the fate of the economy of this country will depend; that is, on whether we effectively carry out our support-price program to agriculture.

Without this program that is being carried out by the Commodity Credit Corporation I hate to think of what the levels of farm prices would be in this country today. The very heart and soul of any support-price program on your basic commodities is your storage facilities.

It is not going to do the farmer any good to have storage facilities five or ten thousand miles removed from his area of production. All of this fear and panic and charges of socialism that have been leveled at the efforts of this committee to pass an effective and workable bill certainly are not in agreement with the record of this Corporation since 1933.

Now instead of being a bill for the most important agency in Government to the farmers of this country, we are making this a warehouseman's bill, to gratify whatever fears may be in the hearts of some of the lobbyists or representatives of those various trade organizations.

I agree with what has been said, that if you are going to exempt a certain number and spell out those particular warehouse lines by name, then you ought to do something special for the grain people. Yet it was the effort of the grain people in the Eightieth Congress that caused the debacle that led to the fall of corn and wheat prices through the Middle West last year.

We do not know what conditions will obtain in cotton or tobacco or other crops needing storage. There is plenty of storage for cotton now, but the time might come when in certain particular areas the facilities would be inadequate. It might be necessary to acquire additional facilities for cotton and it might be necessary in the case of tobacco in certain instances; I hope it is not for the storage of pork or other commodities, but it might be. We hope that there will be plenty of available private storage in those areas where needed so that this storage can be had in the customary way that Commodity Credit Corporation has always used.

The adequacy of your controls over this agency lies not only in the firm requirement to use private storage where available but also in the Committee on Appropriations and reports that the General Accounting Office makes to the committees of this Congress.

That is the control you want because it is an annual, reviewable control that can be changed as necessary. This bill, Mr. Chairman, is a permanent charter; we are not going to revise or renew this charter every 2 or 3 weeks or during the Congress and make quick changes to meet emergencies. So, what goes into this law is liable to become permanent restrictions on the Commodity Credit Corporation in their task to support prices. Possibly to deny in the charter certain warehouse facilities that might be the difference in seriously damaging the farmers on those products which happen to be in a glut.

This amendment that is before you exempting these cotton and tobacco warehouses, Mr. Chairman, does something that the author of the amendment does not wish to do, I am sure: It takes out from this bill in its entirety—and hear me, please, on this important point—it takes out in its entirety the consideration of anything to do with cotton or tobacco storage facilities.

What is the effect of that? The Commodity Credit Corporation has been negotiating a long time in making loans to tobacco and cotton cooperatives for the erection and construction of their storage. They have been engaged in transferring some surplus war buildings that might be used by private industry or by these cooperatives for storage purposes; and I say that this amendment takes out of this bill the consideration of such operations. They cannot consider loans to these very cooperatives that you want to help, since they cannot take mortgages on the properties to protect their loans.

It is a fear psychology that is working on this Congress and is going to destroy the effectiveness of an adequate program of production-area storage. Any agency that has had the record the Commodity Credit Corporation has over the years, not only in cooperating with but in making more money and profits for the warehousemen than they have ever made in a like period in their history should not now be charged with an effort to blot out and destroy through a socialist program these warehousemen that have beer helped so much by the operations of this Corporation.

You have got the controls over this Corporation, adequate controls if the charter is passed, because their budget is reviewable every single year by the Appropriations Subcommittee on Agriculture of the House. You have heard the chairman of that subcommittee stand here and tell you that they can do nothing that is not authorized by them in the matter of any unusual operation such as the acquisition of large storage space. You also heard the statement that the General Accounting Office keeps men steadily engaged in working with this Corporation and that they are charged with making regular reports to the Committee on Appropriations and to the other standing committees of this House that have jurisdiction.

So I hope in this closing hour of the debate we will not find the Eighty-first Congress making the grave error of passing legislation with a lot of prohibitions and suddenly finding ourselves faced with the same kind of emergency situation which caused such great damage before.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HAND. Mr. Chairman, I rise in support of the amendment.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield.

Mr. SPENCE. I wonder if we can agree to a limitation on the debate on this amendment?

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Clerk will take down the names of the Members seeking recognition.

The Chair recognizes the gentleman from New Jersey [Mr. HAND].

Mr. HAND. For how long, Mr. Chairman?

The CHAIRMAN. For 1¾ minutes.

Mr. HAND. Mr. Chairman, may I say that there has never been a time in all the history of this problem we are talking about that the refrigeration warehouse industry has not been entirely adequate for any purpose for which our economy may have needed it, including agriculture. As a matter of fact, at the present time its capacity is away underloaded.

I made reference a moment ago to the situation in New York City where only 40 percent of the privately owned refrigeration capacity is new being used, despite which the Commodity Credit Corporation itself is operating or causing to be operated for its account 3,000,000 cubic feet of refrigerated space where it is in direct competition with private industry.

In New England the coolers are 35 percent occupied, the freezers 70 percent; in the Middle Atlantic region 44 percent and 62 percent; East North Central 50 percent and 69 percent; West and North Central 51 percent and 83 percent; South Atlantic 51 percent and 80 percent; East South Central 62 percent and 86 percent; West South Central 68 percent and 65 percent; Mountain 49 percent and 59 percent; and Pacific 46 percent and 59 percent.

As a general rule not more than 50 percent of the refrigeration space capacity owned by private industry is now being used by the economy of this country.

There is just no sense in talking about any possible authority for the Commodity Credit Corporation to build refrigeration space. I would suggest that there are two classes of Members who would support this amendment—those who feel that private industry should not be invaded by the Government where not necessary, and those who oppose extravagant expenditures on the part of the Government to duplicate facilities already adequate.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Tennessee [Mr. SUTTON] and the amendment to same by the gentleman from Ohio [Mr. YOUNG].

The pending bill gives the Commodity Credit Corporation very broad authority for the acquisition of storage facilities. Under the terms of this bill the Commodity Credit Corporation could build whatever additional storage facilities it saw fit, or it could make loans for their construction. In either case, the Commodity Credit Corporation could put the United States in the warehousing business.

To be sure, there is a restrictive provision in the bill, by providing that this authority to acquire real estate in order

to provide storage facilities for any commodity shall not be used unless the Corporation determines that existing private storage facilities for such commodity are not adequate. There is also a provision to the effect that the Commodity Credit Corporation should, insofar as practicable, use the customary facilities for the warehousing of commodities.

The whole purpose of both of these provisions is to endeavor to make certain that the Corporation does not, as Government agencies and corporations are so prone to do, go beyond what is supposed to be its primary functions. We certainly do not want the Commodity Credit Corporation in the warehousing business, where the Federal Government, through the Corporation, owns hundreds of warehouses throughout the country competing with private business.

But the pending bill does not go far enough in this respect, and the amendments offered by the gentleman from Tennessee and the gentleman from Ohio correct the defect. As the bill now stands the Commodity Credit Corporation is simply admonished not to construct additional facilities unless existing storage facilities in the area are not adequate. But remember it is the Commodity Credit Corporation itself that determines whether the facilities are adequate.

The amendments offered by the two gentlemen simply provide that storage facilities are not to be acquired for cotton or tobacco, or for refrigerated cold storage, or for package products customarily stored commercially. There is nothing in the amendments which in any way restrict the Commodity Credit Corporation in its normal operations. We are not dealing with the commodities with which the Corporation normally deals or with any commodity where there is a storage demand.

There is no demand for storage facilities for cotton, so that is excluded by this Sutton amendment. There is no demand for storage facilities for tobacco, so that is also excluded by this Sutton amendment. The Senate excluded these two commodities in the companion bill that passed the Senate.

Likewise, there is no demand for cold storage facilities, and they too would be excluded under the Young amendment in substantial accordance with the action taken in the Senate.

As everyone knows, the Commodity Credit Corporation ordinarily deals with bulk products. It has nothing to do with package products customarily stored commercially, and so it is proposed to exclude that item by this amendment.

By the Sutton-Young amendments, Mr. Chairman, we seek to protect private enterprise from Government competition. I hope they will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I desire to ask the chairman of the Committee on Banking and Currency one or two questions. Does the bill now before us provide that the Commodity Credit Corporation may acquire property only for its own use or for the purpose of storing goods which the Commodity Credit Corporation does not own?

Mr. SPENCE. Only when existing facilities are inadequate.

Mr. CRAWFORD. I do not think that answers the question. I want to know if this bill authorizes the Commodity Credit Corporation to provide funds to finance storage beyond what the Commodity Credit Corporation needs for its own use?

Mr. SPENCE. No. There is no provision in the bill for that. The Commodity Credit Corporation would assist cooperatives, it could assist private enterprise in creating adequate storage facilities.

Mr. CRAWFORD. The bill does permit the Commodity Credit Corporation to lend money to private enterprise to build its own storage plants?

Mr. SPENCE. If the facilities are needed.

Mr. CRAWFORD. Mr. Chairman, I am in favor of the Young amendment and will support it if given a chance to vote on it.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, the language to which the gentleman from Georgia [Mr. BROWN] referred to a few minutes ago, known as the Brown amendment, differs from the suggestion made by Mr. Todd, who represents the cotton warehousemen. Mr. Todd testified that he was of the opinion that authority should not be given the Commodity Credit Corporation to erect warehouses. He urged an exemption for cotton warehouses first and then, should the committee fail to expressly exempt cotton warehouses, he suggested the following:

Provided however, That the Corporation shall not provide storage facilities for any commodity unless (and then only to the extent that, and only for the duration of any period during which) private capital and private industry fail to provide such facilities in adequate volume for the efficient storage of that commodity in accordance with the usual trade customs and practices.

The Brown amendment is as follows:

Provided, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further,* That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities.

The Todd language differs from the Brown amendment in that the Commodity Credit Corporation could only provide the facilities for the existence of the shortage period, while the Brown amendment would permit the construction of warehouses when the Commodity Credit Corporation itself finds that "privately owned storage facilities in the area concerned are not adequate."

Under the Todd suggestion the industry must fail to provide "facilities in adequate volume in accordance with the usual trade customs and practices."

I am opposed to granting authority to the Commodity Credit Corporation to build competing warehouses to those of private enterprise when the warehouse companies are adequately serving its customers. That is the case in my section. I have heard of no cotton farmer who was deprived of warehouse service even during the bumper-crop year of 1948. It is unnecessary to give this authority here to this Government agency when marketing quotas and cotton acreage allotments will be put into effect in 1950 which will result in a sizable decrease in the production of cotton in 1950. I trust that the amendment of the gentleman from Tennessee [Mr. SUTTON] will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, it seems to me that if we are going to do the fair thing we would exclude everyone or not vote for any of these amendments at all. The economy of our country includes the farmer and the worker, both of which constitute the great army of consumers of our country.

Mr. Chairman, we have here an attempt on the part of certain interests to divide this House, an attempt to divide those representing agriculture, in the hope of getting those from the grain districts to vote against tobacco and cotton and, on the other hand, to make an appeal for the votes from the city districts to line up against cotton and tobacco, leaving grain out. It seems to me that is a very bad method for all of us to follow, particularly by those representing agricultural districts.

Nothing has been done, as far as I can observe, against private industry. There are provisions in this bill, and always have been in the law. The Commodity Credit Corporation stores up my way. I have had occasion to approach them on various occasions for private interests and the Commodity Credit Corporation has extended every consideration possible. I see no danger there, but I do believe that in case of an emergency this Corporation should have the power to step in when such an emergency exists and where agriculture is involved to assure adequate storage facilities, and I refer to an emergency such as developed last year. I have no farmers in my district, but I have no fear as to the contents of the bill and that the provisions of it will not be exercised properly. This is essentially legislation in the interest of the farmer, and without this legislation in this great industrial Nation of ours, where agriculture is a powerful secondary activity, agriculture will be in somewhat of a defenseless position unless effective legislation of this kind is enacted into law.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I believe this amendment should be adopted, and there are several reasons why it should be adopted.

In the first place, the warehouse industry, the cotton and tobacco warehouse industries and the cold storage industry, private enterprises, have invested, perhaps, hundreds of millions of dollars in their businesses. This bill would authorize, if this amendment is not adopted, the Commodity Credit Corporation to go into competition with this private enterprise.

On page 2 I call your attention to the fact that there is an inducement on the part of the Commodity Credit Corporation to go into business other than the storage of grain on which it has made loans. In line 11 you will notice that it can buy this real estate for storage purposes or otherwise to protect the financial interest of the Corporation. Now, there is no review from the findings of the Secretary of Agriculture that it is necessary to set up competing enterprise if it is to the financial interest of the Corporation to do so. This would constitute the authority to buy and construct storage facilities in these particular fields. Then, if the Secretary of Agriculture decided, in accordance with the language in line 18, that there were not sufficient storage facilities in a particular area; for example, if it was found that there were not sufficient storage facilities for cotton in the New England area, the Secretary of Agriculture could, under the terms of this bill, build storage warehouses in the New England States and, of course, come in competition with existing warehouses and thereby be the means of putting private industry out of business.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, for 15 years the Commodity Credit Corporation had the power to invade the field of private enterprise. For 15 years it had all the powers that could be granted to a corporation organized under the laws of Delaware. There is not a single instance in all that time, with the great powers it possessed, that it ever once did invade that field, that it has not been scrupulous in handling only the affairs that are purely within its jurisdiction or indulged in competition with any private enterprise.

Now, the gentleman from Michigan has talked about the tobacco warehouses. My people, the farmers I represent, grow tobacco; it is their cash crop. The Secretary of Agriculture made a statement as to what would be his intention with reference to the storing and warehousing of tobacco. He said that he would adopt the same methods that are now in vogue; that the support prices would be maintained through the cooperatives and that the storage would be in the tobacco-auction warehouses as it has been in the past. That is his intention with regard to tobacco. I know it is his intention in regard to every other agricultural product.

This is just a bugaboo that should frighten no one. It looks to me as though the warehouse interests have been pretty active in contacting the Members of Congress and that the farmers, as usual, have stayed away.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG] to the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The question was taken; and on a division (demanded by Mr. YOUNG) there were—ayes 113, noes 115.

Mr. HAND. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. YOUNG and Mr. BUCHANAN.

The Committee again divided; and the tellers reported that there were—ayes 126, noes 125.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Tennessee, as amended.

Mr. CHURCH. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed Mr. SUTTON and Mr. BUCHANAN to act as tellers.

The Committee divided; and the tellers reported that there were—ayes 130, noes 133.

So the amendment was rejected.

Mr. PHILLIPS of California and Mr. SPENCE rose.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky, chairman of the committee.

Mr. SPENCE. Mr. Chairman, I move that all debate on the bill and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion.

The motion was agreed to.

Mr. YOUNG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: On page 2, line 8, after the word "storage" insert the following: "(other than refrigerated cold storage and storage for goods and packaged products customarily stored commercially by the public warehousing industry or in general merchandise warehouses)."

Mr. SPENCE. Mr. Chairman, I make the point of order that the amendment is substantially the same as that which was decided by the Committee.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Ohio if this is the same text as the amendment which he offered to the Sutton amendment.

Mr. YOUNG. It has the same purpose; whether it is the same text or not, I would not say; but it is with the same purpose and intent. This amendment carried before.

The CHAIRMAN. The Chair did not inquire as to purport.

Mr. YOUNG. It is not the same language, Mr. Chairman. This is an amendment to the bill. My amendment to the amendment carried.

The CHAIRMAN. The Chair overrules the point of order and, without objection, recognizes the gentleman from Ohio for approximately 2 minutes.

There was no objection.

Mr. YOUNG. Mr. Chairman, this is a good bill that we are voting on today. The amendment to the bill now before you which I have offered makes this good bill a better bill, in my judgment.

The arguments have already been made on the floor here in support of and against this proposal, so I shall take no further time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Minnesota.

Mr. JUDD. What the gentleman's amendment does is to amend the bill itself and is an amendment which the Committee has already voted on favorably when a similar amendment was offered as an amendment to the Sutton amendment, is it not?

Mr. YOUNG. The gentleman's statement is correct. It has already been approved and involves cold-storage processed goods.

Mr. JUDD. A type of commodity about which there has not been any controversy or demonstrated need for storage, and if there is no need, why should authority be granted? I congratulate the gentleman for reintroducing his amendment so that we can vote on it separately.

Mr. YOUNG. I thank the gentleman.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from New York.

Mr. KEATING. Does not the gentleman think that those from the cotton and tobacco areas who feel that this storage is necessary but who do not believe in the Government going into competition with private industry in the refrigeration business might well support the gentleman's amendment now, even though they did not before?

Mr. YOUNG. I hope so. This relates to cold storage and processed goods.

Mr. PHILLIPS of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS of California. Mr. Chairman, will I be permitted to speak upon my own amendments which are at the desk?

The CHAIRMAN. Within the limitation of time as fixed by the Committee.

Mr. PHILLIPS of California. May I be permitted to have my amendments read and to speak on them?

The CHAIRMAN. The Clerk will at the proper time read the amendments offered by the gentleman from California.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. YOUNG].

Mr. Chairman, the gentleman from Minnesota has just congratulated the gentleman from Ohio for reoffering his amendment. It is the same amendment upon which we voted a short time ago.

Mr. JUDD. And which carried.

Mr. SPENCE. It seems to me that if we were as jealous of the interests of the farmers as we are of the interests of the

warehouse people there would not be any trouble here this afternoon. We are very touchy about any invasion of the warehousemen's interest, but we seem to have forgotten the purpose for which this legislation is to be enacted, which is to give the farmers a support price and to furnish the facilities that are necessary for the storage of these products. I think in our zealousness to protect the warehousemen, we are probably forgetting the interests of the farmer.

Mr. ANGELL. Mr. Chairman, I rise in support of the pending amendment offered by the gentleman from Ohio [Mr. YOUNG]. I will also vote for the bill.

Mr. Chairman, in my opinion, this is a good amendment. We just voted on the amendment a moment ago and adopted it. However, at that time it was tied on to another amendment which was eventually defeated.

In the western area particularly we have a large number of storage warehouses. There is an immense investment in these warehouses and to a large extent they are vacant at the present time. Certainly we should not invade private industry by giving authority to any agency of government to expend money to duplicate existing facilities if they are not needed.

If the pending amendment is adopted, the farmers will be adequately taken care of. I would not vote against their interests. In my opinion, there is no reason why we should not adopt the pending amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from New York.

Mr. KEATING. Is there not a danger, other than competition with private industry, in the fact that many men in the gentleman's area and in mine will be thrown out of jobs if we allow the Government to go into competition with private industry now operating these refrigerated warehouses?

Mr. ANGELL. The gentleman is correct.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from Illinois.

Mr. CHURCH. Then this is in the interest of the farmers and not, as the gentleman, the chairman of the committee, has just said, in the interest of just one group, the warehousemen.

Mr. ANGELL. Certainly it is in the interest of the farmers. The farmer will have adequate warehouse facilities if this amendment is adopted, and they will not have to pay taxes for duplicating existing facilities which are adequate to provide all needed warehousing. I hope this amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, it should be unnecessary to repeat again the arguments that have been already made against this type of amendment. I have no farmers in my district. There are some warehouses in the immediate vicinity of my district, but they do not need this protection, nor do the warehouses anywhere in the country need the protection that is sought by this amendment that is now being offered. The bill with the Brown amendment as we now have it before us says that before providing storage facilities for any commodity the Corporation must first determine that the existing privately owned storage facilities for such commodities in the area concerned are not adequate. Then, as further protection, the bill also provides that the Corporation must utilize the usual and customary channels, facilities, and arrangements in trade and commerce in the warehousing of commodities. There is no need for this amendment. You have ample opportunity to review the Corporation's activities and there are ample prohibitions in the bill as you have it before you. In addition, the Commodity Credit Corporation cannot carry on these activities without funds. It can get its funds only from our Appropriations Committee. We can be certain that the Corporation will get no funds from that source with which to compete with private industry. The amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG].

The question was taken; and the Chair being in doubt, the committee divided, and there were—ayes 119, noes 132.

So the amendment was rejected.

Mr. PHILLIPS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS of California: On page 2, at line 25, strike out the period and the quotation marks and insert a semicolon and the following: "*And provided further*, To encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loan not to exceed 17½ cents per bushel of the estimated crop to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price-support loans or purchase agreements made between the Corporation and the growers."

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. CASE of South Dakota. Your amendment makes the bill. Storage on the farm or as near as possible is the best place. It saves any possibility of a double haul if the farmer needs the grain later due to a hard winter. It provides dispersion of commodities, which is important in an atomic age. It contributes to solving the shortage in grain cars which has become so acute with the increase of combine threshing. Grain used to be stored in stacks, much of it, and with threshing strung along until Christmas, there was not the demand for immediate storage at harvest time that there is now. By all means this amendment should be adopted. It is the most important part of the bill.

Mr. PHILLIPS of California. Mr. Chairman, this is an important amendment. I agree with the gentleman from South Dakota. If it is thoroughly understood I do not believe there will be much objection to it.

The amendment provides that the Commodity Credit Corporation may advance to an individual grain grower 17½ cents per bushel to build a bin upon his own property, that money subsequently to be deducted from the money which would be paid the farmer under whatever contract he has.

This amendment in no way interferes with anything which is presently in the printed bill. If you are opposed to the bill, you can vote for this amendment because if the bill is carried this will make it a better bill. If you are for the bill as it has been printed and reported by the committee, you can vote for this amendment because it offers the farmer an opportunity to build the grain bins for himself and pay for it himself upon his own land. It is part of the program which the Commodity Credit Corporation has carried out to distribute the bins they already have and put them upon the farmer's land. This extends beyond that and makes it possible for the farmer to buy the bins and put them there himself.

Either you will spend 17.56 cents per bushel for storage in a large storage warehouse and get nothing back, or you will vote to advance the farmer under this amendment 17.5 cents and get it all back. If put into use by the farmer, this could save $20,000,000 to the Commodity Credit Corporation and thus to the taxpayer.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Iowa.

Mr. JENSEN. There is no provision in the present law to make such loans to the farmers at the present time?

Mr. PHILLIPS of California. The gentleman is correct. There is nothing in the law which permits exactly what this amendment covers.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, this amendment on the face of it looks like a very good amendment because it does attempt to carry out one of the things the Commodity Credit Corporation has sought for many years to do, that is, provide a considerable amount of grain storage on the farms of this country.

When you study the amendment a little bit closer and look at what it attempts to do, I think you will find it would favor the securing of wooden grain storage on the farms over steel bins which are more modern and more durable.

Under the limit provided in the amendment, that loans shall be made in an amount not exceeding 17.5 cents per bushel, the financing of steel grain storage will not be helped, but the amendment will help to finance wooden grain storage, which the Commodity Credit Corporation, as has been brought out earlier in this debate, has been getting rid of and selling off to the farmers.

Thus, this amendment is in the nature of a limiting amendment on the powers that the Corporation now has to make loans to the farmers for farm storage. The Corporation can fix its own terms

under present law to encourage farm storage. It can increase the present farm storage rate from 7 cents per bushel to an amount necessary to help finance additional farm storage.

This amendment, however, limits—it does not add to—their authority to help provide farm storage through loans.

This amendment was not presented to the committee, if I remember correctly, for more careful consideration and study, before it was offered here on the floor.

The Department of Agriculture is opposed to this, not only because they think it will hamper an adequate well-balanced farm storage program of long-range benefit through steel bins, but also it will limit the flexibility of area of production grain storage. That is because if you put enough or all of this storage on the farms, you are going to get a great deal more storage capacity on the farms which will perhaps not be needed.

Whereas the need for adequate storage oftentimes is the track-side storage in an area of production where you have a glut in one particular year. The Commodity Credit Corporation needs to use some of the money it has for storage to go in and build these emergency storage facilities where the crops are flooding in to keep them there as long as this glut exists in that area. Then, when they are no longer needed, they can be moved off to another area where they are needed.

This amendment might possibly have the effect of concentrating the entire storage on the farms. I am sure this will have the effect of encouraging wooden bin storage as against steel storage.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, yesterday I spoke about the desirability of having a tax incentive added to this legislation. But that amendment would be subject to a point of order. So I am withholding that amendment and am supporting the amendment offered by the gentleman from California because it is a step in the right direction, as testified to here by the opponents to the amendment, as well as by the proponents, of helping create storage. What I am interested in is adequate storage for farm crops, preferably on the farm. That is where I want most to see this storage. But I also want a tax incentive to help not only the farm storage program, under private ownership and control, but also so that we may have track-side or country-point warehousing, and terminal-point warehousing storage. What we want, after all, is conservation of the crops. I am tired of seeing the Government departments come here trying to channel everything down the narrow groove of Government bureaucracy and Government control. I would like to see more freedom and greater power in the hands of the farmer himself, and the warehouseman himself. This amendment is a step in that direction. If Congress is sincerely interested in trying to help the farmer and helping the American people conserve crops, Congress certainly will support the amendment offered by the gentleman from California here under consideration. Also, you will supplement that with support of my bill, H. R. 1553, which is now before the Committee on Ways and Means, which provides a tax incentive as well for the creation of privately owned storage facilities under private control. That is the objective which I am trying to help along in the consideration of this whole crop storage program and it is an objective worthy of the wholehearted support of Congress.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, I yield to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I hope this amendment prevails. You are putting the storage right back on the farms where it belongs, and it is not going to cost the Government one cent. The money, which is advanced to build these bins, amounting to 17 cents a bushel, is the exact cost of storage in one of the terminals of this country for 12 months. Let the farmer use the kind of granary that he wants. If he wants a steel granary, let him build that. It he wants a bin built of lumber, let him have that. Let him build any kind of building that he wants. When he gets it built, he will own it. It will only take 2 years for him to own that building and the Government will be out of it. It seems to me if you want storage where it belongs, you will have it with the farmers themselves.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield.

Mr. JENSEN. I want to compliment the gentleman. He is exactly right.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GAMBLE].

Mr. GAMBLE. Mr. Chairman, I rise in favor of the amendment and I yield to the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Chairman, the gentleman from Oklahoma [Mr. MONRONEY] just stated that the Department of Agriculture is eager to get rid of wooden bins and does not favor their use. I invite my colleagues to turn to page 20 of the hearings, where I asked the Secretary of Agriculture the following questions:

Mr. TALLE. A number of people write to me and say they would like to furnish wooden bins to farmers who need them. What shall I tell them after your statement this morning?

Secretary BRANNAN. I hope you will tell them to be prepared to furnish wooden bins. We are again in the position where any kind of storage bin we can get our hands on or the American farmer can get his hands on, will be needed.

Mr. TALLE. In other words, it is doubtful whether you can get enough steel?

Secretary BRANNAN. That is right.

That should establish once and for all the fact that the Secretary of Agriculture is on record, on pages 20 and 21 of the hearings, in favor of wooden bins. The amendment should be adopted.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield to me?

Mr. GAMBLE. I yield.

Mr. PHILLIPS of California. There is nothing in the amendment that has anything to do with steel or wood. There is nothing that compels him to use either. It is entirely discretionary.

The CHAIRMAN. The time of the gentleman from New York [Mr. GAMBLE] has expired.

Mr. JOHNSON. Mr. Chairman, I support this bill H. R. 2682, because of the interest which the port of Stockton, Calif., has in this legislation. Our port was built about 20 years ago. Although inland about 80 miles from the Golden Gate, we are able to accommodate practically any size ocean boat as our turning basin and the channel is 34 feet deep.

At the port terminal we have a cotton compress, which is being paid for by the port district. We are a logical export port for the cotton raised in California. The haul from the cotton section in the San Joaquin Valley is an easy down hill haul to Stockton.

We are anxious to get a warehouse that can store cotton awaiting shipment out of the port of Stockton. If the Secretary of Agriculture and the Commodity Credit Corporation will give us a lift, we think they can help us finance such a warehouse and the port will make suitable arrangements to pay back the cost of the investment with interest. This bill seems to give that authority, although it may not directly build the warehouse—at least not by the use of CCC funds. But if they recognize the need for the warehouse and I have been assured that they do, the Secretary might make a thorough study of the need for this warehouse, which might be submitted to the RFC in the event a loan for that purpose is sought by the port district. It seems to me that would be a distinct help to the cotton growers of our State.

I insert, under leave granted me, a statement on the rate structure to and from Stockton and also on the production of cotton in California and Arizona, which might logically be shipped out of the port of Stockton:

COMPARISON OF TRANSPORTATION COSTS ON CALIFORNIA COTTON

Rail rates to ports (CIT):

California origins to California ports, 29 cents per hundredweight.

California origins to Gulf ports, $1.28 per hundredweight.

Additional rail freight cost to move cotton to Gulf ports, 99 cents per hundredweight, or $4.95 per bale.

Ocean freight charges:

California ports to Orient, $1.4875 per hundredweight.

Gulf ports to Orient, $1.96 per hundredweight.

Savings available via California ports, $0.475 per hundredweight, or $2.3625 per bale.

COTTON PRODUCTION, 1948 SEASON

Acreage planted to cotton, 1948:
California, 810,000 acres.
Arizona, 275,000 acres.
Bales produced, 1948:
California, 973,545 bales.
Arizona, 331,995 bales.

ESTIMATED COTTON-STORAGE CAPACITY

California, 500,000 flat bales. (See note 1.)
Arizona, 100,000 flat bales. (See note 2.)

NOTE 1.—This figure includes maximum capacity including facilities of cotton compresses. Capacity of compress space should be deducted because they cannot be tied up with dead storage and still transit other cotton. According to our information, capacity outside of compresses does not exceed 100,000 bales at this time.

NOTE 2.—This figure includes capacity of cotton compresses which must be deducted to compute capacity for dead storage. Capacity aside from compress areas does not exceed 40,000 bales according to best available estimates.

General note: Arizona figures have been included above because normally Arizona cotton should economically move through California gateways.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

The question was taken; and on a division (demanded by Mr. PHILLIPS of California) there were—ayes 128, nays 123.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. PHILLIPS of California and Mr. BUCHANAN to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 144, noes 139.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes, pursuant to House Resolution 208, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 325, nays 53, not voting 53, as follows:

[Roll No. 94]

YEAS—325

Abbitt	Bennett, Fla.	Burke
Abernethy	Bennett, Mich.	Burleson
Addonizio	Bentsen	Burnside
Albert	Biemiller	Burton
Allen, Calif.	Blackney	Byrne, N. Y.
Allen, Ill.	Blatnik	Byrnes, Wis.
Allen, La.	Boggs, La.	Camp
Andersen, H. Carl	Bolling	Cannon
Anderson, Calif.	Bolton, Md.	Carlyle
Andresen, August H.	Bolton, Ohio	Carnahan
Andrews	Bonner	Carroll
Angell	Bosone	Case, S. Dak.
Arends	Boykin	Cavalcante
Aspinall	Bramblett	Celler
Auchincloss	Breen	Chelf
Barden	Brehm	Chesney
Baring	Brooks	Chiperfield
Barrett, Wyo.	Brown, Ga.	Christopher
Bates, Ky.	Brown, Ohio	Chudoff
Battle	Bryson	Cole, N. Y.
Beckworth	Buchanan	Colmer
	Buckley, Ill.	Combs
	Burdick	Cooley
	Cooper	Jensen
	Corbett	Johnson
	Cox	Jones, Ala.
	Crawford	Jones, Mo.
	Crook	Jones, N. C.
	Crosser	Judd
	Cunningham	Karst
	Curtis	Karsten
	Davenport	Kearney
	Davies, N. Y.	Kee
	Davis, Ga.	Keefe
	Davis, Tenn.	Kennedy
	Davis, Wis.	Kerr
	Dawson	Kilday
	Deane	King
	DeGraffenried	Klein
	Delaney	Kruse
	Denton	Lane
	D'Ewart	Lanham
	Dollinger	Larcade
	Dolliver	Latham
	Dondero	LeCompte
	Donohue	Lesinski
	Doughton	Lind
	Douglas	Linehan
	Doyle	Lovre
	Durham	Lyle
	Eberharter	Lynch
	Elliott	McCarthy
	Ellsworth	McCormack
	Engle, Calif.	McCulloch
	Evins	McDonough
	Feighan	McGrath
	Fernandez	McGregor
	Fisher	McGuire
	Flood	McKinnon
	Fogarty	McMillan, S. C.
	Forand	McMillen, Ill.
	Frazier	McSweeney
	Fulton	Mack, Ill.
	Furcolo	Mack, Wash.
	Garmatz	Madden
	Gary	Magee
	Gathings	Mahon
	Golden	Mansfield
	Gordon	Marcantonio
	Gore	Marsalis
	Gorski, N. Y.	Marshall
	Gossett	Martin, Iowa
	Granahan	Martin, Mass.
	Granger	Merrow
	Grant	Meyer
	Green	Michener
	Gregory	Miles
	Gross	Miller, Calif.
	Hagen	Miller, Nebr.
	Halleck	Mills
	Harden	Mitchell
	Hardy	Monroney
	Hare	Morgan
	Harris	Morris
	Harrison	Morton
	Hart	Moulder
	Harvey	Multer
	Havenner	Murdock
	Hays, Ark.	Murphy
	Hays, Ohio	Murray, Tenn.
	Hedrick	Nelson
	Heller	Nixon
	Herlong	Norblad
	Herter	Norrell
	Heselton	Norton
	Hill	O'Brien, Mich.
	Hinshaw	O'Hara, Ill.
	Hoeven	O'Hara, Minn.
	Hoffman, Ill.	O'Konski
	Holifield	O'Neill
	Holmes	O'Sullivan
	Hope	Pace
	Howell	Passman
	Huber	Patman
	Irving	Patten
	Jackson, Wash.	Patterson
	Jacobs	Perkins
	Javits	Peterson
	Jenison	Pfeiffer, William L.
	Jenkins	
		Philbin
		Phillips, Calif.
		Pickett
		Poage
		Polk
		Potter
		Powell
		Preston
		Price
		Priest
		Rabaut
		Rankin
		Redden
		Rees
		Rhodes
		Ribicoff
		Richlman
		Rodino
		Rogers, Fla.
		Rogers, Mass.
		Rooney
		Sabath
		Sadlak
		Sadowski
		Sanborn
		Sasscer
		Scott, Hugh D., Jr.
		Scrivner
		Scudder
		Short
		Sikes
		Simpson, Ill.
		Sims
		Smathers
		Smith, Kans.
		Smith, Va.
		Smith, Wis.
		Spence
		Stanley
		Steed
		Stefan
		Stigler
		Stockman
		Sullivan
		Sutton
		Tackett
		Talle
		Tauriello
		Teague
		Thompson
		Thornberry
		Tollefson
		Trimble
		Underwood
		Van Zandt
		Velde
		Vursell
		Wagner
		Walsh
		Walter
		Weichel
		Welch, Calif.
		Welch, Mo.
		Werdel
		Wheeler
		White, Calif.
		White, Idaho
		Whitten
		Whittington
		Wickersham
		Wier
		Williams
		Willis
		Wilson, Ind.
		Wilson, Okla.
		Wilson, Tex.
		Winstead
		Withrow
		Wolverton
		Wood
		Woodhouse
		Worley
		Yates
		Young
		Zablocki

NAYS—53

Bates, Mass.	Gamble	LeFevre
Beall	Gavin	Lichtenwalter
Bishop	Goodwin	Lodge
Boggs, Del.	Graham	Lucas
Canfield	Hale	McConnell
Case, N. J.	Hall, Leonard W.	Macy
Church	Hand	Mason
Cole, Kans.	Hoffman, Mich.	Miller, Md.
Cotton	Jackson, Calif.	Nicholson
Dague	James	Poulson
Elston	Kean	Reed, Ill.
Fallon	Keating	Reed, N. Y.
Fellows	Keogh	Rich
Fenton	Kunkel	St. George
Ford	Shafer	Scott, Hardie
	Simpson, Pa.	Thomas, Tex.
	Taber	Towe
		Vorys
		Wigglesworth
		Wolcott
		Woodruff

NOT VOTING—53

Bailey	Hébert	Phillips, Tenn.
Barrett, Pa.	Heffernan	Plumley
Bland	Hobbs	Quinn
Buckley, N. Y.	Horan	Rains
Bulwinkle	Hull	Ramsay
Chatham	Jennings	Regan
Clemente	Jonas	Richards
Clevenger	Kearns	Rivers
Coudert	Kelley	Secrest
Dingell	Kilburn	Sheppard
Eaton	Kirwan	Smith, Ohio
Engel, Mich.	Lemke	Staggers
Fugate	Morrison	Taylor
Gillette	Murray, Wis.	Thomas, N. J.
Gilmer	Noland	Vinson
Gorski, Ill.	O'Brien, Ill.	Wadsworth
Gwinn	O'Toole	Whitaker
Hall, Edwin Arthur	Pfeifer, Joseph L.	

Mr. RANKIN (interrupting the calling of the roll). Mr. Speaker, a point of order. Only one bell was rung in the Old House Office Building. There should have been at least two. The Members there do not know that this is a roll call. The bells should be rung twice.

The SPEAKER pro tempore (Mr. KEOGH). The Chair will see to it that the bells are rung.

Mr. RANKIN. Let them be rung now, Mr. Speaker, so that Members there will know that this is a roll call.

The SPEAKER pro tempore. The Chair will see that that is done.

(The Clerk completed the calling of the roll.)

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Noland with Mr. Wadsworth.
Mr. Staggers with Mr. Eaton.
Mr. Chatham with Mr. Coudert.
Mr. Morrison with Mr. Lemke.
Mr. O'Brien of Illinois with Mr. Kilburn.
Mr. Joseph L. Pfeifer with Mr. Plumley.
Mr. Gilmer with Mr. Phillips of Tennessee.
Mr. Rains with Mr. Engel of Michigan.
Mr. Kelley with Mr. Gillette.
Mr. Secrest with Mr. Gwinn.
Mr. Whitaker with Mr. Horan.
Mr. Barrett of Pennsylvania with Mr. Jenison.
Mr. Gorski of Illinois with Mr. Jonas.
Mr. Vinson with Mr. Kearns.
Mr. Clemente with Mr. Taylor.
Mr. Quinn with Mr. Smith of Ohio.
Mr. Heffernan with Mr. Edwin Arthur Hall.

Mr. VAN ZANDT and Mr. CORBETT changed their vote from "no" to "aye."

Mr. GOODWIN and Mr. CANFIELD changed their vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes; that all after the enacting clause be stricken out and the provisions of H. R. 2682, to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes, be substituted.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 4 (h) of the Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: "The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire by lease, purchase, or otherwise real property or any interest therein for the purpose of providing storage (other than storage for cotton, tobacco, and refrigerated cold storage) adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation and, notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. In effecting such exchange of goods, normal commercial trade channels shall be utilized insofar as practicable and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the National Military Establishment, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act, supra; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile: *Provided,* That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further,* That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities."

"SEC. 2. In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members appointed by the President of the United States, not more than three of whom shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings."

SEC. 3. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 ed., 661)."

SEC. 4. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended by inserting after the sentence, "No suit by or against the Corporation shall be allowed unless it shall have been brought within 4 years after the right accrued on which suit is brought," the following sentence: "The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such 4-year period of limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided,* That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit."

SEC. 5. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"USE OF WORDS 'COMMODITY CREDIT CORPORATION'

"(f) No individual, association, partnership, or corporation shall use the words 'Commodity Credit Corporation' or a combination of those three words, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both."

SEC. 6. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 9. Directors: The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the 'Board'). The Board shall consist of seven members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of 5 years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided,* That the compensation paid any director shall not exceed in the aggregate $10,000 per annum: *And provided further,* That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board."

With the following committee amendment:

Strike out all after the enacting clause and insert "That section 2 of the Commodity Credit Corporation Charter Act (Public Law No. 806, 80th Cong.) is amended by deleting the words 'direction and control of its Board of Directors' at the end of the said section and substituting therefor the words 'supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary").'

"SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: 'The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided,* That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further,* That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further,* That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans not to exceed 17½ cents per bushel of the estimated crop to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers.'

"SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 9. Directors, Advisory Board: (a) The management of the Corporation shall be rested in a board of directors (hereinafter referred to as the "Board"), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such

rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board, and action shall be taken only by a majority of those present.

"'(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members appointed by the President of the United States, not more than three of whom shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings.'

"SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661).'

"SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

"(a) by inserting in the second sentence thereof after the word 'jurisdiction' a comma and the following: 'without regard to the amount in controversy,';

"(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: 'No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within 6 years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within 3 years after the disability shall have ceased or within 6 years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit.'; and

"(c) by inserting before the period at the end thereof a comma and the following: 'except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this act, be brought in such court'.

"SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"'USE OF WORDS "COMMODITY CREDIT CORPORATION"

"'(f) No individual, association, partnership, or corporation shall use the words "Commodity Credit Corporation," or a combination of these three words, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine or not more than $1,000 or by imprisonment for not more than 1 year, or both.'

"SEC. 7. The act, entitled 'An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad,' approved August 11, 1939, is amended to read as follows: 'That, notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of which materials are strategic and critical and the determination of the quantities and qualities of such materials which are desirable for stock piling shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets.' "

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby the bill (H. R. 2682) to amend the Commodity Credit Corporation Charter Act, the Strategic and Critical Materials Stock Piling Act, and for other purposes, was passed, were vacated and the bill was laid upon the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks upon the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill just passed immediately following the Phillips amendment, and to include therein extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GULF STATES MARINE FISHERIES COMMISSION

Mr. THOMPSON submitted a conference report and statement on Senate Joint Resolution 42, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

EXTENSION OF REMARKS

Mr. BOYKIN (at the request of Mr. MILLER of California) was given permission to extend his remarks in the Appendix of the RECORD and to include extraneous matter.

Mr. JACKSON of Washington (at the request of Mr. MILLER of California) was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. WHITE of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Washington Post.

Mr. HELLER asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous matter.

Mr. DAVENPORT asked and was given permission to extend his own remarks in the Appendix.

Mr. ROONEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Brooklyn Eagle.

Mr. McCULLOCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Cleveland Plain Dealer.

Mr. NIXON asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in three instances, in each to include extraneous matter.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief on compulsory health insurance. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $581.25, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

Mr. KEE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House for 15 minutes on Tuesday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS of California. Mr. Speaker, during the discussion on the bill H. R. 2682 I had pending at the desk two amendments. I did not offer the first amendment because a limitation of time had been set, and because of the confusion which was arising at that time.

May I say now the reason I did not offer it was because the same situation existed in the House at that moment as existed in the other body at a comparable moment during the discussion of the bill S. 900, which is the similar bill over in the other body. The distinguished Senator and former Secretary of Agriculture in charge of the bill in the other body had given his assurance that the intent of the Commodity Credit Corporation and the understanding of the provisions of the bill were strictly in accord with the terms of an amendment which several Senators were about to offer.

During the discussion in the committee today the distinguished gentleman from Kentucky, chairman of the Committee on Banking and Currency [Mr. SPENCE], and other Members, have given those same statements and assurances. I felt at the time, therefore, it might cause additional confusion and unnecessary discussion. I want, however, to put in the RECORD at this point my understanding that these assurances have been given and that it is not the intent of the Corporation to acquire storage facilities or to make loans to other than grain growers until the full extent of additional farm storage is determined.

In addition to that rather formal statement, may I say that I particularly appreciate the support of the Members for the amendment which I offered because of the very short time I had to offer and explain it. I take particular pride, Mr. Speaker, that in the teller vote which was ordered, every Republican Member of the House voted in favor of the amendment.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2440. An act to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising.

ADJOURNMENT

Mr. HARE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p. m.), the House adjourned until tomorrow, Thursday, May 12, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

610. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $374,415 for the legislative branch in the form of amendments to the budget for said fiscal year (H. Doc. No. 177); to the Committee on Appropriations and ordered to be printed.

611. A letter from the Under Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the Agricultural Adjustment Act of 1933"; to the Committee on Agriculture.

612. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled "A bill to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $5,000"; to the Committee on the District of Columbia.

613. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled "A bill to remove the requirements of residence in the District of Columbia for membership on the Commission on Mental Health"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HERLONG: Committee on Post Office and Civil Service. H. R. 4498. A bill to amend section 6 of the act of April 15, 1938, to exepdite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes; without amendment (Rept. No. 563). Referred to the Committee of the Whole House on the State of the Union.

Mr. HART: Committee on Merchant Marine and Fisheries. House Joint Resolution 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes; with an amendment (Rept. No. 564). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 2170. A bill declaring children of competent Crow Indians to be competent members of the Crow Tribe; with an amendment (Rept. No. 567). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Public Lands. S. 690. A bill to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes; without amendment (Rept. No. 568). Referred to the Committee of the Whole House on the State of the Union.

Mr. BATTLE: Committee on Foreign Affairs. H. R. 2785. A bill to provide for further contributions to the International Children's Emergency Fund; without amendment (Rept. No. 569). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHELF: Committee on the Judiciary. H. R. 2252. A bill for the relief of Orren J. Lucht; with an amendment (Rept. No. 565). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3127. A bill to authorize the admission into the United States of Jacob Gross, a minor; without amendment (Rept. No. 566). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOGARTY:

H. R. 4633. A bill to implement and augment existing statutes so as to increase the prevailing immigration quota for Greece; to the Committee on the Judiciary.

H. R. 4634. A bill to exempt from the manufacturers' excise tax typewriters intended for educational purposes; to the Committee on Ways and Means.

By Mr. BUCKLEY of Illinois:

H. R. 4635. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. JENKINS:

H. R. 4636. A bill to eliminate or reduce certain excise taxes; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 4637. A bill to provide for the erection of headstones for certain members of the armed forces buried outside the United States, lost at sea, or reported missing in the performance of duty; to the Committee on Armed Services.

By Mr. LANHAM:

H. R. 4638. A bill to prohibit departments, establishments, agencies, offices, and instrumentalities of the United States from accepting, or having membership representation, in societies, associations and other membership organizations, not wholly owned or controlled by the United States, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. VINSON:

H. R. 4639. A bill to amend the Officer Personnel Act of 1947, as amended, so as to authorize the Secretary of the Navy to adjust the lineal positions of certain officers of the staff corps of the Navy, and for other purposes; to the Committee on Armed Services.

By Mr. NELSON:

H. R. 4640. A bill to direct the Administrator of Veterans' Affairs to convey certain land to the State of Maine for highway purposes; to the Committee on Veterans' Affairs.

By Mr. ENGLE of California:

H. R. 4641. A bill to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in

said county; to the Committee on Agriculture.

By Mr. PETERSON:

H. R. 4642. A bill to amend title 6 of the United States Code to provide for the issuance by the United States of official bonds covering Government officers and employees without charge to such officers and employees, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. BARDEN:

H. R. 4643. A bill to provide for Federal financial assistance to the States in bearing certain costs of public elementary and secondary school education; to the Committee on Education and Labor.

By Mr. BOGGS of Louisiana:

H. R. 4644. A bill extending section 1302 (a) of the Social Security Act, as amended; to the Committee on Ways and Means.

By Mr. FEIGHAN:

H. R. 4645. A bill to authorize certain administrative expenses for the Department of Justice, and for other purposes; to the Committee on the Judiciary.

By Mr. BROOKS:

H. R. 4646. A bill to authorize the Secretary of the Army to lend certain property of the Department of the Army to national veterans' organizations for use at national youth tournaments; to the Committee on Armed Services.

By Mrs. DOUGLAS:

H. R. 4647. A bill to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes; to the Committee on Public Works.

By Mr. MACK of Illinois:

H. R. 4648. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. COOLEY:

H. Res. 210. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 112; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Delaware, relative to their Senate Resolution 45 opposing a national compulsory sickness insurance program; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 4649. A bill for the relief of Mario Penque; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H. R. 4650. A bill for the relief of Bank of America National Trust and Savings Association; to the Committee on the Judiciary.

H. R. 4651. A bill for the relief of James Patrick McBride; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 4652. A bill for the relief of Tom W. Schultz; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 4653. A bill for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works; to the Committee on the Judiciary.

By Mr. HEFFERNAN:

H. R. 4654. A bill for the relief of Celestino Fernandez; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4655. A bill to provide for the award of a suitable medal to George E. Clark; to the Committee on Banking and Currency.

By Mr. LICHTENWALTER:

H. R. 4656. A bill for the relief of Mrs. Bertha Keene; to the Committee on the Judiciary.

By Mr. LUCAS:

H. R. 4657. A bill for the relief of J. R. Fleming & Co.; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 4658. A bill for the relief of Jerzy Pietron; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

826. By Mr. DONDERO: Memorial of the Michigan Legislature, making application to the Congress for the calling of a convention to propose an amendment to the Constitution of the United States in reference to the use of the taxing power to produce revenue beyond a legitimate necessity of a Federal Government other than defense needs, etc.; to the Committee on the Judiciary.

827. By Mr. FORAND: Resolution of the Town Council of West Warwick, R. I., memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

828. By Mr. ROONEY: Petition of Mr. and Mrs. Harold Olsen and sundry other residents and citizens of Brooklyn, N. Y., in opposition to the reduction of the Veterans' Administration hospital program and opposing the transfer of the Veterans' Administration district office from New York to Boston; to the Committee on Veterans' Affairs.

829. By Mr. SABATH: Resolutions adopted by the American Defenders of Bataan and Corregidor, Inc., Boston, Mass., at their annual convention in Atlantic City April 9, 1949, asking that the United Nations be strengthened to secure cooperation of all nations to maintain a lasting peace; to the Committee on Foreign Affairs.

830. By the SPEAKER: Petition of John W. McVay, president, Texas Feed Manufacturers Association, San Antonio, Tex., urging Congress to permit private enterprise to engage in the exportation of grain, grain products, flour, and manufactured feed in an open market unhampered by governmental control; to the Committee on Banking and Currency.

831. Also, petition of Benjamin Mejia Martinez, president, Salvadoran Railroad Workers Union, San Salvador, El Salvador, requesting the dismissal of Mr. Wilson because of 5 days' strike and asking for mediation; to the Committee on Foreign Affairs.

832. Also, petition of Texas Federation of Cooperatives, Dallas, Tex., requesting a full investigation of the organizations attacking farmer cooperatives and compilation and publication of a list of all contributions to such organizations for the past 3 years; to the Committee on Rules.

833. Also, petition of Edward W. Woods, Williamsport, Pa., relative to certain inconsistencies on taxation existing in our Internal Revenue Act; to the Committee on Ways and Means.

834. Also, petition of C. J. Baumann, Jr., chairman, Wisconsin State Dental Society, Milwaukee, Wis., requesting the Congress not to enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

835. Also, petition of Mrs. Edwin S. Lammers, National Society, Daughters of the American Revolution, Washington, D. C., petitioning consideration of a number of resolutions adopted at their fifty-eighth continental congress relative to the Un-American Activities Committee and its publications, retaining American ideals in education, Federal aid to education, world government, opposing international trade organizations, opposing ratification of the International Labor Organization freedom-to-organize convention, and immigration; to the Committee on Foreign Affairs.

836. Also, petition of Mrs. Dora Bornhausen, Bad Wiessee, Upper Bavaria, petitioning consideration of her resolution with reference to adjudgment for Mrs. Dora Bornhausen, Bad Wiessee, House Seeblick, Upper Bavaria (US/7722/759/G-2/C.C. Doc. No. US/CC/G-24/404); to the Committee on the Judiciary.

837. Also, petition of W. S. Boot and others, Galesburg, Ill., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

838. Also, petition of Mr. and Mrs. Charles Buck and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

839. Also, petition of Mrs. Cecile Haley and others, Boynton Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

840. Also, petition of Mary Lambert and others, North Miami Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

841. Also, petition of Mrs. Effa K. Collings and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 12, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace, Thou hast taught us that even in the midst of a clamorous world in quietness and in confidence shall be our strength.

As we rejoice in the lifting of an unrighteous blockade, whose cruel and callous purposes have been thwarted by the valor, daring, and skill of freedom's dauntless eagles of the air, save us from blockading the city of our own souls against faith and hope and love and the spiritual commerce which alone can feed and warm our hearts and minds. Restore in us, we pray Thee, the traffic of Thy enabling grace, so that spirit with spirit may meet and the deepest cravings of our nature be satisfied. We ask it through Him who is the Prince of Peace and in whose spirit and name we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 11, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

LEAVES OF ABSENCE

On request of Mr. SALTONSTALL, by unanimous consent, Mr. AIKEN was excused from attending the sessions of the Senate today and tomorrow.

Mr. MARTIN asked and obtained consent to be absent from the Senate tomorrow.

Mr. FERGUSON asked and obtained consent to be absent from the session of the Senate tomorrow.

Mr. MAYBANK asked and obtained consent to be absent from the session of the Senate tomorrow.

Mr. FLANDERS asked and obtained permission to be absent from the session of the Senate tomorrow and for probably the most of next week.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Hunt	Neely
Bricker	Ives	O'Mahoney
Bridges	Jenner	Pepper
Butler	Johnson, Colo.	Robertson
Cain	Johnson, Tex.	Russell
Capehart	Johnston, S. C.	Saltonstall
Cordon	Kilgore	Sparkman
Ecton	Knowland	Stennis
Ellender	Langer	Taft
Ferguson	Lodge	Taylor
Flanders	Lucas	Thomas, Utah
Fulbright	McCarthy	Watkins
Gillette	McClellan	Wherry
Graham	McFarland	Wiley
Green	McGrath	Williams
Gurney	McKellar	Withers
Hayden	Martin	Young
Hendrickson	Maybank	
Hill	Miller	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. O'CONOR] are detained on official business in meetings of committees of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], and the Senator from Mississippi [Mr. EASTLAND] are absent on official business.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senators from Oklahoma [Mr. KERR and Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Maryland [Mr. TYDINGS] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Michigan [Mr. VANDENBERG] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Colorado [Mr. MILLIKIN], the Senator from Missouri [Mr. KEM], the Senator from Oregon [Mr. MORSE], the Senator from Kansas [Mr. REED], the Senator from Maine [Mrs. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BALDWIN asked and obtained consent that a subcomittee of the Armed Services Committee hearing the Malmedy case be permitted to sit this afternoon.

Mr. ROBERTSON asked and obtained consent that a subcommittee on the Federal Reserve System of the Banking and Currency Committee be permitted to hold a hearing this afternoon while the Senate is in session.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Senators who desire to present matters to the Senate by way of routine business, without speeches and without statements.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ADMINISTRATIVE EXPENSES FOR TREASURY DEPARTMENT

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize certain administrative expenses for the Treasury Department, and for other purposes (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

LOAN TO FOOD AND AGRICULTURE ORGANIZATION OF THE UN

A letter from the Under Secretary of State, transmitting a draft of proposed legislation to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters, and for related purposes (with an accompanying paper); to the Committee on Foreign Relations.

GREAT LAKES-ST. LAWRENCE SEAWAY PROJECT—RESOLUTION OF NATIONAL AVENUE ADVANCEMENT ASSOCIATION OF MILWAUKEE, WIS.

Mr. WILEY. Mr. President, I ask unanimous consent that there be appropriately referred and printed in the body of the CONGRESSIONAL RECORD at this point the text of a splendid resolution which I have received from George L. Bott, Secretary of the National Avenue Advancement Association of Milwaukee, Wis. This resolution points up the imperative necessity of completion of the Great Lakes-St. Lawrence seaway project, on which I hope and expect legislation will shortly be introduced in the Senate with extensive cosponsorship by members of both parties, including myself.

I ask that following the resolution there be appropriately referred and printed in the RECORD a brief editorial from the Milwaukee Journal of March 19, pointing up a most interesting contradiction on the part of opponents of the seaway.

There being no objection, the resolution and editorial were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE NATIONAL AVENUE ADVANCEMENT ASSOCIATION OF MILWAUKEE, WIS., SUBMITTED TO THE ST. LAWRENCE SUBCOMMITTEE, SENATE FOREIGN RELATIONS COMMITTEE, WASHINGTON, D. C.

Whereas President Truman, in his annual report to the Congress, strongly urged upon the Congress immediate development of the St. Lawrence seaway and power project, to alleviate power shortages and to furnish necessary expansion of our national transportation facilities; and

Whereas the development of the St. Lawrence seaway project will extend the benefits of direct ocean transportation to the city of Milwaukee, the State of Wisconsin, and the entire Great Lakes area; will permit Milwaukee industries to import essential raw materials at low cost and, through the advantage of direct ocean service, to reach new foreign markets and to expand greatly the foreign trade of this area; and

Whereas the development of the St. Lawrence River will provide vast quantities of

low-cost hydroelectric energy now running wastefully into the sea, and, in general, will enhance the economic prosperity, the industrial strength, and the well-being of the entire Nation and our friendly neighbor, Canada; and

Whereas the events of World War II demonstrated the absolute necessity of the St. Lawrence seaway for the national defense and the military security of this Nation by providing a safe interior location for national defense industries, for storage of strategic materials, and for construction of naval and merchant vessels—considerations which have been certified to the Congress by our most eminent military authorities: Now, therefore, be it

Resolved by the National Avenue Advancement Association, That we strongly endorse the St. Lawrence seaway and power project, and request that this resolution be entered in the records of your hearings with the trust that after consideration by your honorable committee of the merit of this important project your committee will recommend to the Congress the passage of the seaway legislation now before you.

GEORGE L. BOTT, *Secretary.*

[From Milwaukee (Wis.) Journal of March 19, 1949]

NEW YORK'S CONTRADICTIONS

How credulous do the New York Harbor interests believe the American people to be? Here's what a New Yorker asks the American public to believe: First, that the proposed St. Lawrence waterway would be a little-used, uneconomic, and usually frozen-over ship channel; second, that it would divert, from the New York Harbor alone, "more than half" of its 5,500,000 tons of shipping.

So this little-used, uneconomic, usually frozen-over ship channel would carry nearly 3,000,000 tons annually diverted from New York Harbor, plus all the other tonnage that could not be classified as diversion.

Clearly, here are a couple of "two's" that do not make four.

AMENDMENT OF DISPLACED PERSONS ACT—RESOLUTION OF SHEBOYGAN (WIS.) COMMITTEE ON DISPLACED PERSONS

Mr. WILEY. Mr. President, I have received a resolution from the Sheboygan (Wis.) Committee on Displaced Persons, urging immediate action on S. 311, to amend the Displaced Persons Act of 1948. As my colleagues will recall, it has been my pleasure to introduce liberalizing amendments to S. 311 in the form of S. 1055, S. 1315, S. 1316, and S. 1317.

I am indeed hoping that we here on the Senate side will take prompt action on revision of the present displaced persons law, and as a matter of fact I have commented on this subject previously on the floor of the Senate.

I feel, too, that we must indeed devote our attention along with other phases of the displaced-persons problem to the very critical problem facing the millions of expelled persons of German ancestry who were thrown out of their homelands at the termination of the war and who were forced into Germany.

Without detracting in any way from the humanitarian question of displaced persons, let us not forget the plight of the expelled persons. Action on processing visas for admission of these expellees has been lagging since the passage of the displaced-persons law, with its expellee provision, and it is obvious that we must speed up such action in addition to speeding up action on the over-all displaced persons front.

I ask unanimous consent, therefore, that the resolution of the Sheboygan Citizens Committee on Displaced Persons, signed by James J. Dillman, chairman, and Marie Bale, secretary, be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

The Sheboygan Citizens Committee on Displaced Persons, in meeting assembled this 6th day of May, A. D. 1949, adopts the following resolution:

"Whereas the present laws regarding the admission of displaced persons has proven itself to be very inadequate; and

"Whereas this committee opposes inserting religious quotas into displaced-persons legislation as inconsistent with the emergency nature of the displaced-persons problem and contrary to our American heritage and traditions; and

"Whereas we feel that the United States has failed to admit its fair share of the world's displaced persons under the present legislation: Therefore, be it

"*Resolved*, That the committee urge the Senate Subcommittee on Immigration to take immediate action on the McGrath-Neely bill in order that necessary legislation may be considered by the United States Senate, and that copies of this resolution be sent to Senators WILEY and MCCARTHY, of Wisconsin, and to Senator PAT MCCARRAN, chairman of the Senate Subcommittee on Immigration, by the secretary."

JAMES J. DILLMAN,
Chairman.

MARIE BALE,
Secretary.

RESOLUTIONS OF GENERAL FEDERATION OF WOMEN'S CLUBS

Mr. WILEY. Mr. President, I have received this morning from Mrs. J. L. Blair Buck, president of the General Federation of Women's Clubs, the text of resolutions adopted at the national convention of the General Federation in Hollywood, Fla. I feel that these resolutions will be of interest to all of my colleagues, particularly because the General Federation has an affiliated membership of some 5,000,000 women. I find myself in agreement with the General Federation on many of the resolutions, for example, on adequate management of public watershed lands, protection of our national parks, continuation of the essential work of the House Un-American Activities Committee, revision of the present obsolete electoral college system, opposition to Federal control of health services, support of ratification of the North Atlantic Pact, and aid for Indian rehabilitation.

I ask unanimous consent that the text of these resolutions be printed at this point in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

GENERAL FEDERATION OF WOMEN'S CLUBS—RESOLUTIONS ADOPTED IN CONVENTION, HOLLYWOOD, FLA., APRIL 25–30, 1949

1. WATER SUPPLY

Whereas a dependable water supply is the lifeblood of our Nation's health and economy, controls food production and the development of industries; and

Whereas each year the efficiency of costly storage reservoirs throughout the United States is reduced through sedimentation from overused and burned-over watershed lands; and

Whereas many flood-control structures have been powerless to hold back the flood waters rushing from such denuded watershed lands: Therefore,

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, urges Congress to put into operation immediately an over-all program designed to—

1. Rehabilitate these valuable watershed lands which have been denuded and are endangering life and property.

2. Make certain that proper and adequate management is given all of our public watershed lands so that no additional acreage will be ruined and contribute to reservoir sedimentation and disastrous floods.

Miss ETHEL L. LARSEN,
Chairman, Conservation of Natural Resources Committee.

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2. COMMENDING AND SUPPORTING NATIONAL PARK SERVICE POLICY

Whereas our national parks and monuments are administered by the National Park Service under policies which ensure permanent preservation of scenic, scientific, and historical natural features which they contain, and under policies which prohibit grazing, logging, mining, and engineering projects which will destroy their natural character; and

Whereas many local and commercial interests seek to despoil these national parks and monuments for their personal profit by introducing legislation in Congress that would open them to exploitation: Therefore be it

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, commends the National Park Service for its adherence to official policies and that the federation asserts its strong opposition to any effort that may be made to commercialize any national park or monument, whether by direct invasion, by altering boundaries, or by any other means.

Miss ETHEL L. LARSEN,
Chairman, Conservation of Natural Resources Committee.

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3. COMMITTEE ON UN-AMERICAN ACTIVITIES

Whereas the General Federation of Women's Clubs recognizes that information on the infiltration of foreign agents and subversive organizations is essential as a protection to our national security; and

Whereas the Congress of the United States now has in the House of Representatives a standing Committee on Un-American Activities which has done outstanding defensive work for this country during the past 10 years: Therefore, be it

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, endorses the continuation of the Committee on Un-American Activities during the Eighty-first Congress, provided that in the exercise of its investigatory powers it work with the Federal Bureau of Investigation and that certain procedural and administrative safeguards protecting the rights of individuals be incorporated into a definite code of procedures under which the committee shall function.

Mrs. C. D. WRIGHT,
Chairman, Legislation Department.

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4. UNIFORM MARRIAGE AND DIVORCE

Whereas more than half a million divorces and almost as many remarriages are taking place in the United States annually; and

Whereas lack of uniform laws often results in illegal divorces, illegal remarriages, and

illegitimacy of children with consequent break-down of moral standards and confusion of property rights: Therefore

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, approves an amendment to the Constitution of the United States giving the Congress power to enact uniform marriage and divorce legislation; and

Resolved further, That the General Federation of Women's Clubs recommends an educational campaign to acquaint its members and the general public with the implications of existing laws and the advantages of uniform legislation pertaining to marriage and divorce.

Mrs. C. D. WRIGHT,
Chairman, Legislation Department.

5. REVISION OF THE ELECTORAL COLLEGE SYSTEM

Whereas under the present procedure the election of the President and Vice President of the United States does not necessarily reflect the will of the people: Therefore

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, urges the adoption of an amendment to the Constitution of the United States abolishing the electoral college and dividing the electoral vote in each State in proportion to the popular vote.

Mrs. C. D. WRIGHT,
Chairman, Legislation Department.

1. HEALTH SERVICES

Whereas needed medical and health services should be placed within the reach of every individual within the United States; and

Whereas we believe the most effective approach to the national health problem lies in the extension and development of voluntary health insurance; and

Whereas we believe the extent of Federal grants necessary to aid the various States in providing care for the medically indigent can be determined by Nation-wide governmental supported surveys made by States agencies: Therefore be it

Resolved, That the General Federation of Women's Clubs in convention assembled April 1949, goes on record against Government control of health services which would jeopardize free enterprise, establish heavy new tax burdens and unprecedented national deficits, and infringe upon the powers of the individual States; and

Resolved further, That copies of this resolution be sent to the proper authorities and to the Members of Congress.

Mrs. STEPHEN J. FRANCISCO,
Chairman, Public Welfare Department.

2. ATLANTIC PACT

Whereas the board of directors of the General Federation of Women's Clubs, at its October 15, 1948, meeting, recorded its support of necessary legislation to implement the plans for self-defense of those members of the United Nations with whom the United States may join in the interests of collective security; and

Whereas since this date the signature of the United States has been affixed to the North Atlantic Pact, which now awaits Senate action: Therefore be it

Resolved, That the General Federation of Women's Clubs in convention assembled, April 1949, urges prompt ratification by the United States Senate of this treaty; and further

Resolved, That after ratification adequate means for implementation of the North Atlantic Pact be provided by the Congress of the United States; and further

Resolved, That this resolution be sent by wire to the President of the United States, the Secretary of State, and the Foreign Relations Committee of the United States Senate.

Mrs. AMBROSE N. DIEHL,
Chairman, International Relations Department.

3. INDIAN RELIEF

Whereas Indians living on reservations in some States have not been receiving public-assistance benefits due them under the social-security laws and several of the States in which reservations are located are too poor to finance their share of the cost of such benefits; and many Indians have not been provided necessary welfare, health, educational, and other public services by the Federal Government; and

Whereas economic distress of many Indians has been aggravated during this past winter by severe livestock losses caused by heavy snowstorms: Therefore be it

Resolved by the General Federation of Women's Clubs in convention assembled, April 1949, That all States should be required to assume their proper legal responsibility for Indians without discrimination, with the stipulation that, where necessary, States should receive extra Federal aid on a temporary diminishing basis to help finance this heavy burden of Indian relief; and further

Resolved, That the Federal Government should fully discharge its obligation to provide adequate educational, health, economic, and other opportunities to all Indians.

Mrs. JOHN J. KIRK,
Chairman, Indian Welfare Committee.

RESOLUTIONS OF UNITED SPANISH WAR VETERANS ENCAMPMENT, HASTINGS, NEBR.

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the United Spanish War Veterans Encampment, held at Hastings, Nebr., on May 1, 2, and 3, 1949.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY UNITED SPANISH WAR VETERANS ENCAMPMENT HELD AT HASTINGS, NEBR., MAY 1, 2, 3, 1949

Be it resolved by the forty-second annual encampment of the United Spanish War Veterans:

1. That we support the American Constitution, American institutions, and American ideals and that we give our wholehearted support to our Congress and our State Department in our bipartisan international policy for a just and lasting peace, and that we reaffirm our stand on adequate preparedness in the air, on the sea, and on the land.

2. Courtesies: To Victor Vifquain Camp, No. 15, Department of Nebraska; to the management of the Clarke Hotel; to the Auxiliary to Victor Vifquain Camp, No. 15; and to the officers and people of the city of Hastings; we extend greetings and express our appreciation of their many courtesies and their assistance in making this forty-second encampment of the United Spanish War Veterans an outstanding success with pleasures long to be remembered. We especially express our thanks to our national commander, Hon. Charles R. Barefoot, for honoring our encampment with his presence and attendance for 3 days and for the two masterful and eloquent addresses which he delivered during his visit.

3. In appreciation: *Be it resolved,* That we in convention assembled, do express our thanks to the Nebraska State Legislature for its generosity in again approving the appropriations of funds for the relief of Spanish War veterans and their dependents and the maintenance of a permanent headquarters in the State capitol at Lincoln. We are sure that each succeeding legislature has realized the real worth of this fund for Spanish War veterans; and, we again thank you.

4. Americanism: Americanism is an unfailing love of country; loyalty to its institutions and ideals; eagerness to defend it against all enemies; undivided allegiance to the flag and a desire to secure the blessings of liberty to ourselves and posterity. Be it resolved; we deplore the tendency now prevailing in this country toward internationalism and adopting the philosophy of foreign governments; instead we emphasize the necessity of teaching to our youth the principles and ideals of our way of life embodied in our Constitution and the above declaration.

5. Capitalism versus communism: We invite the attention of the world to the philosophy upon which our Government is founded, cementing the American people in the framework of organized society on the basis of a capitalistic system as opposed to the doctrine of communism. The term capitalistic as herein used is defined as democracy devoted to the development and protection of the individual and maintenance of his individual rights and personal freedom. The capitalistic system encourages the individual to work. Communism encourages him to shirk. Capitalism builds. Communism frustrates and retards. Capitalism extols the individual. Communism evaluates the individual as naught. Capitalism is a means of accumulation. Communism is a means of dissipation. Capitalism makes for security. Capitalism is a means that what you honestly acquire is yours. Communism is a means of licensed thievery and pillage. Communism means that nothing is yours since you are nothing. We urge American people to purge communism as they would a plague, and hold steadfastly to an ideology based on truth, morality, and righteousness, the application of which virtues has enabled the American people to attain a goal toward which all peoples of the world may well strive in their efforts to attain a status of prosperity and well-being unequaled elsewhere in the world.

6. Military training: We favor military training to be carried on under the designation "defense military training" since such designation more accurately indicates the purpose and extent of the security of our Nation which we need to maintain. Such training should extend over age groups which will least interfere with preparation and training for civic activities and be sufficiently thorough to develop effective and lasting efficiency, rather than a means of meeting immediate emergency.

Military training should be required of every able-bodied male student in all United States land-grant colleges and in all or any colleges receiving financial aid from the Federal Government.

7. *Be it resolved,* That a copy of these resolutions be spread upon the proceedings of this encampment and copies be furnished to the following: The Hastings Daily Tribune, the Lincoln Daily Star and the Lincoln State Journal, the Omaha World Herald at Omaha, the National Tribune in Washington, D. C., the Veterans' Weekly at Lincoln, national headquarters of the United Spanish War Veterans at Washington, D. C., Administrator of Veterans' Affairs, Washington, D. C., Nebraska Representatives and Senators in the National Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

S. 885. A bill to provide for the removal of weeds from lands in the District of Columbia, and for other purposes; with amendments (Rept. No. 370);

S. 1557. A bill to provide for the appointment of an additional judge for the juvenile court of the District of Columbia; without amendment (Rept. No. 367);

S. 1580. A bill concerning common-trust funds and to make uniform the law with reference thereto; without amendment (Rept. No. 368); and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes; without amendment (Rept. No. 369).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 1384. A bill to authorize the transfer of a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc.; without amendment (Rept. No. 371).

REPORT OF JOINT COMMITTEE ON LABOR-MANAGEMENT RELATIONS RELATING TO TVA (REPT. NO. 372)

Mr. MURRAY. Mr. President, from the Joint Committee on Labor-Management Relations, I submit, pursuant to Senate Concurrent Resolution 10, Eighty-first Congress, a report relating to the Tennessee Valley Authority.

The VICE PRESIDENT. The report will be received and printed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND (for himself and Mr. PEPPER):

S. 1840. A bill to authorize the Secretary of the Air Force to improve recreational facilities at Eglin Field, Fla.; to the Committee on Armed Services.

S. 1841. A bill to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation; to the Committee on Interstate and Foreign Commerce.

By Mr. McMAHON:

S. 1842. A bill to authorize the admission into the United States of certain aliens possessing special skills; to the Committee on the Judiciary.

(Mr. TYDINGS, from the Committee on Armed Services, reported an original bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. WILEY:

S. 1844. A bill for the relief of Bror Rainer Heikel; to the Committee on the Judiciary.

By Mr. CAIN:

S. 1845. A bill for the relief of Russell M. French; to the Committee on the Judiciary.

By Mr. BYRD:

S. 1846. A bill for the relief of Jeannette Pasayannis; to the Committee on the Judiciary.

(Mr. CAIN introduced Senate Joint Resolution 91, relating to Father's Day, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

FATHER'S DAY

Mr. CAIN. Mr. President, I introduce for appropriate reference a joint resolution relating to Father's Day.

All of us are aware that Father's Day occurs this year on June 19. This is the day in which we pause, for a short time, to pay homage to the man who plugs along, patiently, uncomplainingly, and happily, day after day, week after week, year after year, paying the bills, providing for his family's wants, its needs, and its luxuries.

I should like to remind the Senate, with considerable pride, that this highly deserved honor to the Nation's fathers, originated in my State, the State of Washington.

In 1910 Mrs. Bruce Dodd, of Spokane, Wash., suggested the idea to a Spokane newspaper reporter as a tribute to her father, William J. Smart. Her suggestion was adopted by the local ministerial association and the YMCA and together they sponsored the first Father's Day on June 3 of that year.

In 1914 the Congress recognized Father's Day as a national holiday, but when World War I intervened the idea was abandoned until 1922. Since that time Father's Day has been proclaimed a national holiday the third Sunday in June each year.

The joint resolution (S. J. Res. 91) relating to Father's Day was read twice by its title and referred to the Committee on the Judiciary.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments intended to be proposed by him to the bill (H. R. 3704) to provide additional revenue for the District of Columbia, which were ordered to lie on the table and to be printed.

Mr. JOHNSTON of South Carolina (for himself and Mr. NEELY) submitted an amendment intended to be proposed by them, jointly, to House bill 3704, supra, which was ordered to lie on the table and to be printed.

APPROPRIATIONS FOR CIVIL FUNCTIONS ADMINISTERED BY DEPARTMENT OF THE ARMY—AMENDMENT

Mr. WITHERS submitted an amendment intended to be proposed by him to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

RECOMMITTAL OF POSTMASTER NOMINATION

Mr. JOHNSTON of South Carolina. Mr. President, on the 10th instant I reported favorably the nomination of William O. Jones to be postmaster at Delmont, S. Dak. As in executive session, I ask unanimous consent that the nomination be taken from the Executive Calendar and recommitted to the committee for further investigation.

The VICE PRESIDENT. Without objection, the nomination will be taken from the Executive Calendar and recommitted to the Committee on Post Office and Civil Service.

ADDRESS BY SENATOR JOHNSTON OF SOUTH CAROLINA BEFORE ASSOCIATION OF RETIRED CIVIL EMPLOYEES

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD the address delivered by him before the Association of Retired Civil Employees at Washington, D. C., on May 7, 1949, which appears in the Appendix.]

THE CASE FOR NATIONAL HEALTH INSURANCE—ARTICLE BY SENATOR HUMPHREY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "The Case for National Health Insurance," written by Senator HUMPHREY and published in the New York Times Magazine of May 8, 1949, which appears in the Appendix.]

SENATOR BYRD—EDITORIAL COMMENT

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "More Byrds Needed," published in the Washington Daily News of May 10, 1949; also an editorial entitled "Senator BYRD Peers Ahead," published in the Wilmington, (Del.) Journal of May 9, 1949, which appear in the Appendix.]

VETERANS' CARE—EDITORIAL FROM THE CHARLESTON (W. VA.) GAZETTE

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "Veterans' Care," published in a recent issue of the Charleston (W. Va.) Gazette, which appears in the Appendix.]

SECRETARY BRANNAN'S FARM PLAN—EDITORIALS FROM THE NEBRASKA FARMER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD two editorials from the Nebraska Farmer for May 7, 1949, one entitled "Bugs in Brannan's Farm Plan," and the second an editorial signed by the editor, Sam R. McKelvie, which appear in the Appendix.]

THE UNITED NATIONS AND SPAIN—EDITORIAL FROM THE NEW YORK TIMES

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD an editorial entitled "The UN and Spain," from the New York Times of May 12, 1949, which appears in the Appendix.]

THE SALESMAN AND THE POLITICIAN—ADDRESS BY WILLIAM BENTON

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address entitled "The Salesman and the Politician," delivered by Mr. William Benton, former Assistant Secretary of State, publisher of the Encyclopedia Britannica and chairman of the Muzak Corp., before the Sales Executives Club of New York, April 19, 1949, which appears in the Appendix.]

IRAQ URGED AS REFUGE FOR ARAB REFUGEES—ARTICLE BY ELIAHU BEN-HORIN

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "Iraq Urged as Refuge for Arab Refugees," written by Eliahu Ben-Horin for the Christian Science Monitor, which appears in the Appendix.]

DEDICATION TO ECONOMY CALLED SOLE ALTERNATIVE TO DEBT RISE—ARTICLE BY MARK SULLIVAN

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Dedication to Economy Called Sole

Alternative to Debt Rise," written by Mark Sullivan, and published in the New York Herald Tribune, May 11, 1949, which appears in the Appendix.]

ATOMIC ENERGY COMMISSION FELLOWSHIPS

Mr. HOEY. Mr. President, a few days ago I received a letter from a very fine GI student at the University of North Carolina, advising me that a rabid Communist from another State had received a scholarship through the Atomic Energy Commission at the University of North Carolina and was working on his doctor's degree in nuclear physics. This patriotic young North Carolinian was very much disturbed that our Government was awarding scholarships through the Atomic Energy Commission to Communists.

I immediately wrote a letter to Dr. David E. Lilienthal, Chairman of the Atomic Energy Commission, and stated all of the facts and gave the name of the Communist student, and asked what was the policy of the Commission with reference to making any loyalty tests or requiring any information before these fellowship awards were made.

I received a long letter from Dr. Lilienthal, which I ask to have inserted in the body of the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 5, 1949.

Hon. CLYDE R. HOEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HOEY: This is in reply to your letter of April 25, 1949, asking that you be advised as to what steps are taken to determine whether or not Communists are being selected and granted fellowships by the Atomic Energy Commission.

In establishing our fellowship program it was our desire to help overcome the acute shortage of scientific personnel in fields of study related to the development of atomic energy. It was realized that this shortage not only applies to the facilities of the Atomic Energy Commission but also to the broad field of private endeavor in atomic energy. For example, at the present time there are a number of universities and similar institutions of high standing which are most anxious to enter this field but which cannot do so because scientists skilled in the handling of radioactive materials are not available.

In view of its long and distinguished record in such work, the National Research Council was selected for the administration of the Atomic Energy Commission fellowship program. It was felt that the fellowship programs would benefit from the council's long experience in this field and, at the same time, the Commission would be freed from the burdens of detailed administration. In order to assure the selection of well-qualified fellows, the National Research Council has established fellowship boards which review the applications received for Atomic Energy Commission fellowships. The membership of these fellowship boards is as follows:

PREDOCTORAL FELLOWSHIP BOARD IN THE BIOLOGICAL SCIENCES

Douglas Whitaker, chairman, professor of biology, dean of the School of Biological Sciences, Stanford University, California.

Eric G. Ball, professor of biochemistry, Harvard Medical School, Cambridge, Mass.

J. H. Bodine, professor of zoology, University of Iowa, Iowa City, Iowa.

Howard B. Lewis, professor of biological chemistry, University of Michigan, Ann Arbor, Mich.

Raymond E. Zirkle, professor of botany, director of the Institute of Radiobiology and Biophysics, University of Chicago, Chicago, Ill.

POSTDOCTORAL FELLOWSHIP BOARD IN THE MEDICAL SCIENCES

Homer W. Smith, chairman, professor of physiology and director of Physiological Laboratories, New York University College of Medicine, New York, N. Y.

Austin M. Brues, director, Biology Division, Argonne National Laboratory, Box 5207, Chicago, Ill.

Sam L. Clark, professor of anatomy and associate dean, Vanderbilt University School of Medicine, Nashville, Tenn.

Hymer Louis Friedell, professor of radiology, Western Reserve University, Cleveland, Ohio.

Joseph G. Hamilton, associate professor of experimental medicine and radiology, associate professor of medical physics, Crocker Laboratory, University of California, Berkeley, Calif.

Roy R. Kracke, dean, clinical medicine, Medical College of Alabama, Birmingham, Ala.

POSTDOCTORAL FELLOWSHIP BOARD IN BIOLOGY AND AGRICULTURE

R. G. Gustavson, chairman, chancellor, University of Nebraska, Lincoln, Nebr.

H. K. Hartline, professor of biophysics, Johnson Research Foundation, University of Pennsylvania, Philadelphia, Pa.

G. Evelyn Hutchinson, professor of zoology, Yale University, New Haven, Conn.

W. J. Robbins, professor of botany, Columbia University, director of New York Botanical Gardens, New York, N. Y.

L. J. Stadler, professor of field crops, University of Missouri, Columbia, Mo.

PREDOCTORAL FELLOWSHIP BOARD IN THE PHYSICAL SCIENCES

Henry A. Barton, chairman, director, American Institute of Physics, New York, N. Y.

John C. Ballar, Jr., professor of chemistry, University of Illinois, Urbana, Ill.

Tom W. Bonner, professor of physics, Rice Institute, Houston, Tex.

William J. Buchta, professor of physics and chairman, department of physics, University of Minnesota, Minneapolis, Minn.

G. A. Hedlund, professor of mathematics, Yale University, New Haven, Conn.

Charles G. Price, professor of chemistry and head, department of chemistry, University of Notre Dame, Notre Dame, Ind.

POSTDOCTORAL FELLOWSHIP BOARD IN THE PHYSICAL SCIENCES

Roger Adams, chairman, professor, and head, department of chemistry, University of Illinois, Urbana, Ill.

Carl D. Anderson, professor of physics, California Institute of Technology, Pasadena, Calif.

Kenneth T. Bainbridge, professor of physics, Harvard University, Cambridge, Mass.

George Glockler, professor of physical chemistry and head, department of chemistry and chemical engineering, the State University of Iowa, Iowa City, Iowa.

William W. Rubey, principal geologist, United States Geological Survey, Washington, D. C.

Marshall H. Stone, Andrew MacLeish distinguished service professor of mathematics, and chairman, department of mathematics, University of Chicago, Chicago, Ill.

These fellowship boards were chosen by the National Research Council particularly with a view to their ability to evaluate the scientific promise and moral character of prospective fellows. In considering applications, the fellowship boards have before them confidential reports on the candidate which are received from men of proved scientific ability who are familiar with the candidate and in whom the fellowship boards have confidence. In addition, in the case of the postdoctoral fellowships in the medical sciences, the candidate is also interviewed by a member of the fellowship board. In the deliberations of the fellowship boards, we understand that careful consideration is given to the question of character.

Before any fellow is given access to restricted data as defined in the Atomic Energy Act of 1946, or permitted to work on a Commission project where security clearance is normally required, the usual Atomic Energy Commission security clearance must be obtained.

On the other hand, if the fellow does not have access to restricted data and does not work on a Commission project where security clearance is normally required, it is our policy that security clearance need not then be obtained. Some of the reasons underlying this policy are enumerated below:

(a) The Commission has confidence in the methods of selection followed by the National Research Council, which are in line with the experience accumulated by the Council over the last 25 years in handling National Research Council fellowships.

(b) To a large extent the work to be done under the fellowships will not involve access to restricted data, and the fellows will receive training in fields which are and will remain proper fields for unclassified work in which security clearance will not be necessary.

(c) The requirement for full background investigation and security clearance would place a heavy administrative burden on the fellowship program, and such a requirement appears inadvisable except where it will genuinely serve the interests of security.

As stated above, it is our policy that fellows are required to obtain Atomic Energy Commission security clearance only when they have access to restricted data or will work at classified projects. Although there is a small possibility of a fellow being barred from certain work after he has received his fellowship, we have, after careful consideration, decided that the interests of the fellowship program as a whole will best be served by this policy. We feel that in so doing we will obtain better qualified fellows and achieve fuller cooperation from the scientific community of this country than would be the case if we adopted the principle of requiring security clearance at a time when the follows will not have access to restricted data. Security investigations are costly and the cost of these investigations will be kept to a minimum when they are carried out only when the particular person is to have access to restricted data. It is probable that many of the fellows will always be engaged in unclassified work so that the cost of security investigations to them would well be an unnecessary expense to the Government if undertaken prior to the award of the fellowship. The Commission realizes that it is necessary to strike a satisfactory balance between the traditional ideals of scientific freedom which are esesntial to productive thought within the framework of democracy and the special requirements which must be observed in the Atomic Energy Commission program. As the program develops we will be constantly alert to any conditions which may indicate an alteration in this security policy.

We shall be glad to furnish you with further information on this subject if you desire.

Sincerely yours,

DAVID E. LILIENTHAL,
Chairman.

Mr. HOEY. The substance of this letter is, that these scholarships are awarded through distinguished groups of educators made up from different institutions, and that they pay special attention to ability and character in recommending these students for scholarships, but they do not screen the students for loyalty and have no investigation made of the students who receive these awards.

I do not know how much character investigation is made, but this Communist who received the scholarship and is now working on his degree at the University of North Carolina was one of the sponsors for John Gates, one of the 12 indicted Communists in New York, when Gates made his visit to the university and sought to speak there. This Communist student is very officious in publicizing his doctrines in the campus newspaper.

I think Senators will be amazed to know that the money of the taxpayers is being used to provide scholarships for known Communists through the Atomic Energy Commission.

There is a suggestion in Dr. Lilienthal's letter that if the time comes when restricted data is to be considered, that before these students are given access to this data, that there might be some investigation as to their loyalty. It seems to me that the Senate Atomic Energy Committee could well look into this situation. I am having this letter published here for the information of the Senators and the public.

ARMY ENGINEERS VERSUS BUREAU OF RECLAMATION

Mr. O'MAHONEY. Mr. President, I desire to call attention to an article in the current issue of the Saturday Evening Post, written by a former Governor of the State of Wyoming, Hon. Leslie A. Miller, who was the head of the committee under the Hoover Commission which investigated the reorganization of the Department of the Interior. Governor Miller is a man of great diligence and ability. The article which he has written for the Saturday Evening Post, Army engineers versus Reclamation Bureau: the Battle That Squanders Billions, is worthy of the attention of every Member of Congress who is concerned about the problem of saving expenditures of the Federal Government and eliminating the conflicts of overlapping bureaus.

I do not agree with everything Governor Miller said in this article. I believe, for example, that private utilities cannot provide the power the Nation needs if it is to develop industrially as it should. I believe that public power creates wealth and provides new sources of revenue for Government, Federal, State, and local. I believe that reclamation produces new wealth and new homes. I believe that flood control preserves property, which, of course, is the source of tax revenue. I believe that water is an essential resource of the arid land States which must be conserved and utilized. Nevertheless, these benefits should be attained without waste or extravagance. I think that can be done.

Governor Miller's article is a documented account of the competition between the Bureau of Reclamation, upon the one hand, and the Army engineers, upon the other. It is a story of the manner in which these two agencies have been seeking to carry on the same work. I think it is an ideal argument in favor of action under the proposed Reorganization Act, which is on the calendar of the Senate, to authorize the President to abolish overlapping and duplication in the executive establishment.

Yesterday, in the discussion of the Treasury and Post Office bill, I had occasion to refer to the fact that President Truman appointed former President Hoover to head the group which made this study. So we have before us a bill which is endorsed by the only living ex-President and by the present President of the United States. There is undoubtedly opportunity to save waste of public funds by proceeding with the reorganization of the Bureau of Reclamation and the Army engineers.

I should like to have the RECORD show that, as chairman of the Committee on Interior and Insular Affairs, I have already taken the position that the committee should undertake and will undertake a thoroughgoing study of all the activities of the Bureau of Reclamation. I have notified the Secretary of the Interior and the officials of the Bureau of Reclamation that the work will be done. I may say that those who are interested in the proposals for valley authorities will also find in this article by Governor Miller a great deal of valuable information.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk an amendment to the pending bill, which I shall call up at a later time. I ask that the amendment be printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to read into the RECORD a telegram which I received this morning concerning the pending bill. It is signed by Ralph E. Himstead, general secretary of the American Association of University Professors, 1101 Connecticut Avenue NW., Washington, D. C. The telegram reads as follows:

WASHINGTON, D. C., *May 11, 1949.*

Hon. OLIN D. JOHNSTON,
Senate Office Building,
Washington, D. C.:

Reference pending District of Columbia sales-tax bill H. R. 3704. Section 18 of this bill defines educational institutions as those with student-teacher relationship. American Association of University Professors which publishes a quarterly magazine of higher education which is sent to its 33,000 members, urges that section 18 and related sections H. R. 3704 be amended to include as exempt from sales tax the publications of nonprofit educational associations. Such nonprofit educational associations with central offices in Washington, D. C., are the Association of American Colleges, the American Association of Junior Colleges, and the American Council on Education, of which latter organization the American Association of University Professors is a constituent member.

RALPH E. HIMSTEAD,
General Secretary, American Association of University Professors.

So, Mr. President, I have read this telegram in order that it may appear in the RECORD.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. SALTONSTALL. I should like to preface the question by a brief statement, saying to the Senator from South Carolina that earlier today I have filed an amendment to cover the point brought out in the telegram the Senator from South Carolina has just read. My question is this: As I understand the parliamentary situation, if the amendment of the Senator from South Carolina prevails, there will be no opportunity to offer any amendments to the bill in its original form. I have not taken up this matter with the Senator from Rhode Island [Mr. MCGRATH], who is in charge of the bill; but I wonder whether the Senator from South Carolina would be willing to let the amendment which is designed to take care of the situation regarding the publications of scientific institutions, and proposing the insertion of the word "scientific" in section 18, be taken up at this time, if the Senator from Rhode Island would be willing to accept it.

The VICE PRESIDENT. The Chair might suggest to the Senator from Massachusetts that amendments offered to the original text, which the amendment of the Senator from South Carolina seeks to strike out, would be in order and would be voted upon prior to the vote on the substitute.

Mr. MCGRATH. Mr. President, do I correctly understand that the Senator from Massachusetts has offered such an amendment?

The VICE PRESIDENT. He has presented an amendment, to be printed and lie on the table. He has not actually offered it.

Mr. JOHNSTON of South Carolina. Mr. President, let us understand the situation. My amendment would not take care of the situation referred to in the telegram. I understand that the Senator from Massachusetts is ready to submit at this time an amendment which will clarify that situation.

Mr. MCGRATH. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield if I may do so without losing my rights to the floor.

Mr. MCGRATH. I think the committee would be happy to accept an amendment in the form or of the nature of the one I discussed yesterday with the Senator from Massachusetts. If the Senator from South Carolina and the Senator from Massachusetts will get together during the afternoon and will see whether they can agree on the amendment, I am quite sure there will be no objection on the part of the committee. There was no intention in respect to the original bill to exclude scientific and educational

and religious organizations from the tax-exempt status they now enjoy. I understand that some of them feel that by inference, because of a failure of the bill to state a specific exemption for them, they would be included under a tax status. I myself do not believe the pending proposed legislation would affect them at all, or, if so, more than very, very little. At any rate, I would be willing to accept the amendment referred to.

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. Yes; if I may do so without prejudicing my rights to the floor.

Mr. SALTONSTALL. Let me say, Mr. President, that I appreciate the statement the Senator from Rhode Island has made. I ask the Senator from South Carolina whether he will be willing to permit me to offer the amendment at this time. The amendment would simply add the word "scientific" after the word "religious" on page 8, in line 7; and on page 12, in line 8, after the word "newspapers", it would insert "and publications of semipublic institutions as defined in section 18"—which concerns the exact publications referred to in the telegram which has just been read by the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I have no objection, provided I do not lose my rights to the floor.

The VICE PRESIDENT. The Senator would not lose the floor, and the amendment can be offered after the Senator from South Carolina has concluded.

Mr. JOHNSTON of South Carolina. Mr. President, I noticed in the Evening Star of yesterday an editorial which did not speak very favorably of my friend the Senator from Vermont [Mr. FLANDERS]. The editorial stated that he had made the statement that the minority report on this bill was more sensible and constructive than the majority report. The writer of the editorial made some comments in that connection, and I shall read some of the editorial at this time, in order that the Senate may understand the statements it makes:

> If such men as Senator FLANDERS are impressed by this minority report, it is high time that it be examined as to the facts. This minority report involves the substitute plan for raising local revenue that is favored by Senator JOHNSTON of South Carolina as an alternative to the sales tax.
>
> One of its major premises is this: "The per capita tax burden in the District is the lowest of all the 18 cities in the United States having populations of more than 500,000, and we are told that only the sales tax is left to be taxed for additional revenue. These facts make it clear that the claims made by the proponents of the sales tax are absurd."
>
> Where in the world did Senator JOHNSTON get any such statistics? The Census Bureau's comparison of the nine cities of the United States between 500,000 and 1,000,000 population ranks the District next to the highest—Boston—in per capita revenue. Boston's revenue per capita of $102.98 compares with Washington's $80.70. Pittsburgh, last of the list, is $27.71. One reason for Boston's high tax burden is a bonded debt of $129,000,000—compared with the absence of bonded debt in Washington. Somebody in the Senate should request Senator JOHNSTON to explan in detail the source of his figures on Washington's tax burden. His conclusions, in this respect, are absurd.

I wish to read into the RECORD some statistics coming from the United States Department of Commerce, Bureau of Census, under the heading "Government of City, Levies Per Capita." From the table there presented it will be found that for 1940, the figure for Washington was $35.71; for Baltimore, $40.14; Boston, $74.48; Buffalo, $64.29; Cleveland, $43.78; Milwaukee, $56.34; Pittsburgh, $59.78; San Francisco, $51.33; St. Louis, $35.34.

That is where I received my information.

I should also like to state that I am not surprised that the newspapers favor a sales tax. A mere glance at the bill would disclose that they would pay no tax at all. They would not pay any sales tax. They get out of paying a sales tax under the pending bill. It is my understanding that there was something in the bill on the subject when the hearings were first being held, but when introduced, in some way it was left out of the bill. I am preparing an amendment to make it so that the newspapers will probably pay their pro rata share of the taxes.

Mr. NEELY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from West Virginia?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEELY. May I inquire of the able Senator from South Carolina whether his amendment will be worded so as to require the Star to pay a 2-cent consumer sales tax on every dollar's worth of papers sold within the District of Columbia?

Mr. JOHNSTON of South Carolina. It is my intention to have it drawn in that manner.

Mr. NEELY. Does the Senator believe that the very highly esteemed Star, or any other newspaper, will be enthusiastic about a sales tax when it finds it will be required to pay it?

Mr. JOHNSTON of South Carolina. I doubt it very much.

Mr. NEELY. So do I.

Mr. McGRATH. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Rhode Island?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. I may say for the benefit of the Senator, to save him some time in preparing his amendment, that any sale to newspapers, within the District of Columbia, would be subject to the tax, if the contract were made in the District of Columbia. If not, it is subjected to the tax at the place where the contract is made. That is the only constitutional way in which the tax can be imposed.

Mr. HUNT. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Wyoming?

Mr. JOHNSTON of South Carolina. I am glad to yield to the Senator for a question only.

Mr. HUNT. I should like to say to the Senator that since our conversation yesterday, I have noted carefully, on page 13, lines 4, 5, and 6, which reads as follows:

> Sales which a State would be without power to tax under the limitations of the Constitution of the United States.

I believe newspapers would almost necessarily be considered to be within interstate commerce, and I think under that clause they would be exempt. I believe the same thing is true in regard to radio.

Mr. JOHNSTON of South Carolina. Would that be true, even if they were published in a city and sold in the State where the city is located?

Mr. HUNT. No; that would not be interstate commerce; that would be intrastate.

Mr. JOHNSTON of South Carolina. That would be intrastate, and the tax could certainly be imposed. That is my interpretation. If published and sold within the District the newspapers could be taxed. Continuing, the editorial says:

> The minority report also makes the astonishing statement that a local income tax, touching everybody who lives here and increasing the rates, would yield $15,000,000 a year additional.

I do not know the basis of that statement. It is not in the report. If one will only pick up the report and read it, he will find that there is nothing in the report to the effect that the particular bill I have introduced would raise that much. There is in the District a source of revenue from personal incomes from which that amount could be obtained; there is no question in my mind about that.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEELY. Does not the Senator point out in the minority report a way by which the additional $15,000,000 could be obtained?

Mr. JOHNSTON of South Carolina. We go into detail in regard to all the different income brackets.

Mr. NEELY. This question is based on the observation of the distinguished and beloved Senator from Rhode Island (Mr. McGrath). Regardless of what the constitutional law of the matter may be, does the Senator believe that the newspapers, which are enthusiastically urging that a 2-percent sales-tax curse be imposed upon the poverty-stricken and those in the slum districts who are on governmental relief, would raise any legal question about the right of Congress to level a tax of 2 cents on every dollar's worth of newspapers local publishers might sell here? Does not the Senator think that these newspaper proprietors are so patriotic and so devoted to this principle of taxation that, no matter what burden the tax might impose upon them, they would gladly pay it and greatly rejoice in the rare privilege of being among the victims of the sales-tax abomination?

Mr. JOHNSTON of South Carolina. From the editorials which have been written and the positions taken by the

newspapers, it looks as though they would certainly be glad to go along with the rest of the people, especially the poor people of the District, and pay a 2-percent sales tax.

Mr. McGRATH. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Rhode Island?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. In his inquiry of the Senator from South Carolina, the Senator from West Virginia speaks about newspapers being willing to pay the tax on their sales. Does he mean the weekly subscription to a newspaper which is delivered to one's home? Is that what the Senator from West Virginia would want to have included in the bill?

Mr. NEELY. Mr. President may I answer the Senator——

Mr. JOHNSTON of South Carolina. I have no right to allow the Senator from West Virginia to answer the question unless by unanimous consent. I should probably lose the floor.

Mr. McGRATH. I ask unanimous consent that these questions will not affect the right of the Senator from South Carolina to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. I should be glad to answer the Senator myself, if it is desired.

The VICE PRESIDENT. The Senator from South Carolina can answer it himself.

Mr. JOHNSTON of South Carolina. I should be glad to answer it myself.

Mr. McGRATH. I merely want to point out to Members of the Senate that this is a sales tax. It is a tax upon the buyer, not a tax upon the seller. So when the Senator talks about newspapers being taxed on the papers they sell, I think that probably would be all right with the newspapers, because they would not have to pay the tax. It is the man who buys the daily newspaper who has to pay the tax. It is a sales tax applied to the purchaser, not a sales tax applied to the seller. Of course the newspapers have to pay a sales tax upon any materials they buy for their printing establishments, such as paper, type, machinery, automobiles, and everything else that goes into the manufacturing of a newspaper within the District of Columbia, but it is not within our power constitutionally to make a tax apply to anything in interstate commerce.

Mr. JOHNSTON of South Carolina. Mr. President, we realize that in this particular sales tax something is being done that probably does affect interstate commerce. People come here from other States and purchase something and carry it back. It is sold in the District. Then, if a person comes from a State in which there is a sales tax, and buys the article somewhere else, there is a provision in the bill in regard to that.

Mr. McGRATH. Yes, there is the use tax.

Mr. JOHNSTON of South Carolina. There is the use tax. It is a matter of reciprocity between the States. If the States want reciprocity, would they not be willing to have reciprocity, letting the large newspapers with their millions of dollars pay their pro rata share of the taxes, also, the same as the little fellow who comes across the District line?

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. The use-tax provision contained in the bill has been determined to be a constitutional exercise of power as between the States. It is in the nature of a reciprocity agreement. There is nothing unconstitutional about it, and we should be very happy to extend it even beyond the confines of the bill, as the Senator would no doubt like to do if a constitutional way of doing it could be found.

Mr. JOHNSTON of South Carolina. I believe the Senator acknowledges, however, that the sales tax can certainly be charged within the District without any trouble. Many newspapers pay sales taxes.

Mr. McGRATH. Yes; we could charge a sales tax on newspapers, but we would not be taxing the newspapers; we would be taxing the home owner who buys the newspaper, because the tax is not applied to the seller. The tax is applied to the buyer.

Mr. JOHNSTON of South Carolina. I may ask the Senator, Who is to be taxed under the bill if not the home owners and the people who live outside the District and who buy clothing, for example, within the District? Everybody lives in a home and buys articles of necessity——

Mr. McGRATH. I should like to say to the Senator that his alternative for this proposal is one that would raise the rent of every rent-paying person in the District of Columbia far beyond any amount that he would conceivably pay under the pending sales-tax proposal. It would raise the rate of real-estate taxation within the District, and, under the District rent-control law, such an increase is automatically passed on to the tenant, and the proposal of the Senator for an increase in real-estate taxation would result in an increase of rent for every rent payer in the District of Columbia far beyond what the ordinary worker would pay in the course of a year if the sales tax were applied to the items which he purchases out of his salary in the course of a year.

Mr. JOHNSTON of South Carolina. Mr. President, I am asking only that they be required to pay 2 percent on the $15 which they charge in the District. The cost of a subscription for 1 month is $1.20. Let them pay 2 percent of that.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. The Senator is saying, as I understand, that the subscriber to a newspaper on a yearly basis should be subjected to the tax.

Mr. JOHNSTON of South Carolina. The newspaper company ought to pay for whatever it sells, just as anyone else does.

Mr. McGRATH. I again want to say that nowhere in the bill are we applying a tax against the seller. It is applied only against the purchaser.

Mr. JOHNSTON of South Carolina. The merchant is held responsible for the collection of the tax on anything he sells. I am asking only that the newspaper company be held responsible also.

Mr. McGRATH. Does the Senator want to go on record as saying that he favors an amendment to the bill which would require every subscriber to a newspaper to pay the tax, provided the newspaper company itself would be the collector of the tax? Is that what the Senator is suggesting?

Mr. JOHNSTON of South Carolina. When the amount of sales in the District is averaged up, let the company pay the sales tax.

I continue reading from the editorial:

> Where did he get those figures. Out of thin air? Let the Senator explain the source of his estimates to the Senate.
>
> Careful estimates of the yield of such an income tax indicate that the District would receive about $8,000,000 additional. But everybody, including Senator JOHNSTON, knows that Congress is not going to approve such a local income tax. It has failed of approval repeatedly in the House and it would be killed again today.

There was a close call in the House. They passed it, then killed it, and played around with it in two or three ways.

> But if it were approved, it would not produce the needed revenue. To help produce it, Senator JOHNSTON proposes adding another 12 percent to the 30-percent increase in real-estate taxes that has taken place in the past 2 years, and working both sides of the street, so to speak, he couples his erroneous statement to the Senate concerning Washington's low tax burden with the pious demand that the United States increase its annual payment by 100 percent—something that Congress would refuse to do.
>
> Senator JOHNSTON's tax plan would hit the "little fellow"—

I do not know how they explain that—

> in the District harder than the majority tax plan. It is a plan based on highly questionable estimates of unknown source. It is full, in addition, of improbabilities. Before such men as Senator FLANDERS are ready to swallow it as "more sensible and constructive" than the majority plan, let them spend some time examining the estimates of yield, as well as the principles involved. Such examination may change their minds.

Mr. President, I notice the Star did not even mention another amendment which I have. I have an amendment which would increase the tax on wine, beer, and liquor 100 percent. The present tax on whisky is $1.10 a gallon. My amendment would make it $2.20 per gallon. How many persons who give big parties and buy high-priced whisky would know that they were paying approximately 45 cents more on a fifth of a gallon? The amendment which is at the desk will equalize things better than they are equalized today between Maryland, Virginia, and other States. I think we should take into consideration, when we are applying taxes, who is to pay the taxes. I am satisfied that not many children would have to pay the liquor tax. I am satisfied that even if a little less whisky should be sold it would probably be better for the Nation's Capital. The Star editorial did not mention this tax increase; it did not touch on it.

It will be noticed it did not even touch on the minority report, in which we ask that the Federal Government give more out of the Federal Treasury to the city of Washington. I think, with the high cost of living, the city is entitled to more than it received in 1930. While the expenses of the District have increased threefold, it will be found that we are today contributing only $12,000,000. In our report we ask that the Federal Government pay an additional sum. We believe that at least $7,000,000 more should be contributed to the District. The minority report was signed by four members of the committee, and in that report we said that $7,000,000 should be added to the amount now paid to the District. I am satisfied in my own mind that the minority report is the better report of the two. I realize that the city needs more revenue. I am not one who believes that the only source from which we can raise additional revenue is a sales tax—not so long as the income tax in the District of Columbia is as low as it is today.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Louisiana for a question.

Mr. LONG. What amount of money from income taxes is now going into the District treasury?

Mr. JOHNSTON of South Carolina. I think it is in the neighborhood of $2,000,000. The return is ridiculously low at the present time.

(At this point Mr. JOHNSTON of South Carolina yielded to Mr. TYDINGS for the confirmation of certain routine nominations in the armed forces. At the request of Mr. TYDINGS, the proceeding was ordered to be printed in the RECORD at the conclusion of the remarks of Mr. JOHNSTON of South Carolina.)

Mr. JOHNSTON of South Carolina. Mr. President, I notice on the table I have in my hand that the estimated revenue available from taxes on individual incomes is $4,200,000. That is the figure under the pending bill. Does that answer the Senator's question?

Mr. LONG. Yes.

Mr. JOHNSTON of South Carolina. That is what the pending bill will raise. The Senator will find that we are living in a very wealthy district.

Mr. HUNT. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wyoming?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. May I say to the distinguished Senator from South Carolina that that was included purposely and by design, for the simple reason that we wanted to relieve to the greatest possible extent those in the lower-income brackets? Most certainly an income tax starting with a thousand-dollar base would be a hardship on the low-income group.

Mr. LONG. What is the exemption?

Mr. HUNT. It is $4,000 in the bill we present.

Mr. JOHNSTON of South Carolina. Mr. President, it is $4,000, but there are other personal exemptions on top of that. There is a personal exemption for the taxpayer, for his wife, children, or other dependents, above that, so that it might possibly run into an exemption of $7,000. I think an exemption of $500 is allowed for each dependent.

Mr. LONG. Will the Senator tell me how much income tax is being collected in the District as a whole at the present time?

Mr. JOHNSTON of South Carolina. I do not have that at my finger tips.

Mr. McGRATH. The District income tax was $4,200,000 last year.

Mr. LONG. How did that compare with the income taxes collected by the Federal Government under the general Federal income tax?

Mr. McGRATH. We do not have figures on that, and they have no relationship with the revenue problems of the District.

I might say to the Senator that the proposal presently before the Senate will take a substantial number of persons off the income-tax roll in the smaller income-tax brackets, which is a principle for which I think we all stand. The personal exemption is $1,000 for a single person, and $2,000 for a married couple. The bill raises that, so that no person earning less than $4,000 will have to pay a District income tax. I am quite sure the Senator from South Carolina does not disagree with that principle. It will result in a reduction of revenue from income-tax sources of something in excess of $1,000,000. However, that money is made up by an addition to the unincorporated businesses tax, which will restore an equivalent amount of money. While it takes off the roll a great many taxpayers who are in the low-income brackets, it restores a great many others in the brackets above $4,000, who heretofore have been exempt by reason of the fact that they claim residence elsewhere, though not paying taxes elsewhere.

Mr. JOHNSTON of South Carolina. It is true that the exemption is raised, but there are very few poor people paying income taxes under the present law. They have been left out, when they are given their exemptions for their wives, children, and dependents, it will be found. A very small percentage is paying any taxes now, so far as income taxes are concerned.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Rhode Island.

Mr. McGRATH. I am informed that by increasing the exemption to $4,000, we remove 45,000 persons from the income tax rolls, and I regard any family with an income of less than $4,000, in these days, as being included in the low-income tax brackets. I do not see how the Senator can conscientiously stand here and say that a bill which proposes to give relief to 45,000 persons takes hardly anyone off the rolls.

Mr. JOHNSTON of South Carolina. My statement is that so far as the low incomes are concerned, so far as those drawing around $3,000 are concerned, they are already off the roll, under the present law. If a man has a wife and children to provide for, he is exempted. That is what I am talking about, not that the Senator's bill does not let some more out. The bill does not let poor people out, they are already out, but it lets the man next higher up out, it lets the man who is drawing a salary of $15,000 out. That is what it does, and that is where it hits. The bill does not help the lower-bracket people.

Mr. McGRATH. The record shows we are helping 45,000 taxpayers by taking them off the roll.

Mr. JOHNSTON of South Carolina. The bill helps 45,000, if the statement is correct, but it will be found it is in the salary brackets around $5,000, $6,000, $7,000, and $8,000, that people are being let out.

Mr. McGRATH. We cannot let out anyone drawing over $4,000.

Mr. JOHNSTON of South Carolina. The bill exempts those receiving under $4,000.

Mr. McGRATH. And their dependents.

Mr. JOHNSTON of South Carolina. If a man has five children, add five times five.

Mr. McGRATH. Making $6,500.

Mr. JOHNSTON of South Carolina. A $6,500 salary. With other deductions, it will probably run up to $8,000 or $9,000. So persons in those brackets are let out.

Mr. McGRATH. I thought the Senator was trying to make an appeal for those in the low-income tax brackets.

Mr. JOHNSTON of South Carolina. I am looking after the person receiving from $3,500 down. Practically every one of them is paying no income tax today, if they have wives or children or dependents. With the gifts and other deductions, they are paying no tax. Anyone who knows anything about income taxes knows that. So the bill lets out only those drawing between perhaps $3,500 and $4,000, going on up to $8,000, and perhaps even the $10,000 man.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. I should like to ask the distinguished Senator from South Carolina if he does not feel that the Federal Government is doing a very thorough job in taking care of those in the higher income brackets with reference to income taxes.

Mr. JOHNSTON of South Carolina. I answer the Senator by saying that so far as the Federal Government is concerned, in its particular way of taxation, it is not taxing too much those in the higher brackets, in comparison with what it is taking from the lower bracket people. If I had anything to do with it, I would put a little more tax on those in the top brackets and let out more of those in the lower brackets. That is what I would do with the taxes, as they now stand, and it would raise the same amount of money.

Mr. HUNT. With reference to equalizing taxes as between the low income group and the higher income group, speaking specifically about the sales tax, does not the Senator understand that those in the higher income groups, under the proposed sales tax we have submitted, will pay 10, 50, and even 100 times greater amounts in sales taxes than will those

in the lower income groups, and would do it in this way? If the Senator from South Carolina is in position to and wishes to purchase for Mrs. Johnston a mink coat for, let us say, $3,000, he will pay a $60 tax. But in my circumstances, if I care to purchase for Mrs. Hunt a $30 coat, I will have to pay a 60-cent tax. The Senator from South Carolina would pay 100 times more tax on his purchase than I would pay on mine. The same principle applies to practically everything purchased in the District of Columbia today by those in the higher income brackets as compared to purchases made by those in the lower income brackets.

Mr. JOHNSTON of South Carolina. The Senator from Wyoming speaks of the purchase of a mink coat. Why pick out a mink coat? How many people buy mink coats in Washington? I should say very few. I doubt whether very many mink coats are bought in the city of Washington. Most of those who wish to have mink coats, that is the rich, go to New York, to the fur market, and pick out the furs for the making of the mink coats. Cheaper coats may be bought in great numbers here, but most persons who want to have mink coats go to New York, to the fur market, where the furs are all laid out, and pick out the furs, and then the coats when made are sent to Washington, and no sales tax on such coats would be paid in the District of Columbia.

Mr. HUNT. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Let us apply the same equation to buying a second hand $500 car, as compared to a $4,000 Cadillac. Let us apply it to the buying of furniture. Let us apply it to the buying of an ordinary rug as compared to an oriental rug costing $2,500 or $3,000. This is not something which applies only to mink coats. It applies to practically everything those in the higher-income brackets buy and use daily. They are the people who would pay and pay and pay under the sales tax. The sales tax is the lowest tax that would be assessed against the little fellow. In the case of the sales tax he pays the tax directly in the first instance. But do not for a moment think that all the taxes are not passed on to the little fellow, the ultimate consumer—with one exception, and that is the tax on his home, if he owns it and lives in it.

Mr. JOHNSTON of South Carolina. The Senator spoke of Cadillac cars. He will not see many Cadillac cars on the street. He will see a great many little Fords pass by, as well as Chevrolets and Plymouths, most of which are bought, of course, by people in the lower-income brackets. It is true that many rich people ride in the same kind of cars poor people ride in. I am sorry to say that some of the poor are buying Cadillacs. They will have to pay a heavy sales tax on those cars if the bill is passed. We find occasionally a poor man riding in a Cadillac and a rich man riding in a Chevrolet or a Ford. That is something true of life, and we know it.

When we go through the stores we find that the great bulk of the articles exhibited for sale are the small articles, but of course they all add up to a great number. They result in a great volume of business being done by the merchants. The workingman is obliged to buy boots. Not many rich men buy boots. Boots are quite expensive, too. It will be found that a workingman works his way out of a shirt faster than does a man who sits in a chair all the time. The workingman, under this bill, will have to pay a tax on the shirt he buys and on the boots he buys.

Mr. President, we must look at this subject realistically. We must see for ourselves what the sales tax really does to the workingman. The bill provides that no income tax shall be paid by one whose income is below $4,000. But, as I said previously, many of those who receive between $3,000 and $4,000 are practically exempt from income tax now.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. I now have information which I think is pertinent for the RECORD at this point. Of the 100,000 income-tax returns filed and payable in the District of Columbia, 75,100 are returns for under $5,000. So it can readily be seen that three-quarters of the income-tax returns which are made in the District of Columbia, and paid, are made and paid by persons with incomes of $5,000 or less. That does not bear out what the Senator is trying to tell us.

Mr. JOHNSTON of South Carolina. How many returns are made by persons with incomes under $3,000?

Mr. McGRATH. I do not have a break-down to show.

Mr. JOHNSTON of South Carolina. I mean with returns of under $3,000 gross. If the Senator will check the figures he will find that but very few people, perhaps some old bachelors and probably a few women who are not married, are paying income taxes on gross incomes under $3,000.

Mr. McGRATH. The Senator can figure that pretty well for himself. It is certainly clear that not a great percentage of the 75,000 out of 100,000 could be between the $4,000 and $5,000 class. We do not have the break-down for persons with incomes below $5,000. I may say, however, that there are only 18,000 taxpayers in the District in the class of those whose income is between $5,000 and $10,000.

Mr. JOHNSTON of South Carolina. Is that $5,000 net or gross, or what?

Mr. McGRATH. The taxable income.

Mr. JOHNSTON of South Carolina. Or, yes, the taxable income. The Senator is talking about something else now than what I am talking about.

Mr. McGRATH. The only records we can have are the records of the people who pay taxes.

Mr. JOHNSTON of South Carolina. Oh, yes, many persons are paying on the basis of a taxable income of $3,000. But remember, we are speaking of what a person actually makes gross—his actual gross income.

Mr. McGRATH. Of course, his exemptions must be added to his taxable income in order to obtain his gross. We have no way of knowing what the gross is.

Mr. JOHNSTON of South Carolina. What I am trying to say is that it is the little fellow who will pay the sales tax. I do not care to discuss this matter at any length. If any Senator desires to make reply I shall be glad to give up the floor at this time. Then I may speak on the subject later.

CONFIRMATIONS OF NOMINATIONS IN THE ARMY, NAVY, AND AIR FORCE

During the delivery of the speech of Mr. JOHNSTON of South Carolina:

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question only.

Mr. TYDINGS. In the event that I should ask for unanimous consent to have some routine nominations in the Army, Navy, and Air Force considered, with the understanding that the Senator shall not lose the floor and that the interruption shall appear at the end of his remarks, would the Senator, under those conditions, yield in order that I might make such a unanimous-consent request?

Mr. JOHNSTON of South Carolina. I would not object.

Mr. TYDINGS. Mr. President, as in executive session, I ask unanimous consent that certain routine nominations in the Army, Navy, and Air Force be considered and confirmed. They have been unanimously reported favorably from the Committee on Armed Services. There has been not a single protest of any kind filed. I am sure this statement is entered into mentally by the present occupant of the chair, who was in the Armed Services Committee room this morning when the subject came up. I ask unanimous consent that, as in executive session, the nominations be confirmed, that the President be notified, and that the action shall not in any way jeopardize the right of the Senator from South Carolina to the floor.

The PRESIDING OFFICER (Mr. BALDWIN in the chair). Unless there be objection, the report will be received, as in executive session, the nominations confirmed, and the President notified.

Mr. TYDINGS. I thank the Senator from South Carolina for his courtesy in yielding to me.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. McGRATH. I am ready to proceed with the bill, Mr. President.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. JOHNSTON of South Carolina. I call for a quorum.

Mr. HUNT. Mr. President, I should like to discuss the amendment very briefly, if I may.

Mr. JOHNSTON of South Carolina. Wait a minute.

Mr. HUNT. I suggest that we have a quorum call, on the condition that I may retain the floor, and that I may speak when the call of the roll is completed. I should like to make a statement.

The PRESIDING OFFICER. The Chair rules that the Senator from Wyoming will lose the floor if a roll call is had.

Mr. HUNT. I shall proceed with my remarks, then, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming. Does the Senator from South Carolina insist upon a quorum call?

Mr. JOHNSTON of South Carolina. I do not insist on it if the Senator from Wyoming wishes to speak.

The PRESIDING OFFICER. The Senator from South Carolina withdraws his suggestion of the absence of a quorum. The Senator from Wyoming may proceed.

Mr. HUNT. Mr. President, the amendment offered by the distinguished Senator from South Carolina on behalf of himself and the Senator from West Virginia [Mr. NEELY] would place approximately 25 percent of the expenses of the Government of the District of Columbia on the residents of the other various States in the Union. At the present time the contribution on the part of the Federal Government is something like 12½ percent, or $12,000,000, $11,000,000 of that going into the general fund and $1,000,000 being for payment for the water used by the Federal Government.

Mr. President, I am of the opinion that the plan suggested by the committee of raising the additional revenue by a sales tax is the fairer way to approach this particular situation. In the first place, I think it is a progressive step for the District to get its finances into shape so that we shall not have this recurring problem at every session of Congress. I think our plan distributes the load of taxation so broadly that it gives everyone an opportunity to participate. Therefore the revenue is extensive, and in large amounts.

Our proposed sales tax would collect revenue for the District from the many thousands of people who visit the city of Washington every year as tourists or in connection with their business with the Government. I see no reason why those visitors should not contribute to the Government of the District of Columbia. While they are here they receive all the benefits. They have opportunities to use the facilities of the District. In all sales-tax States the contribution by those not permanent residents of the State is considerable. Those who visit the District as tourists or who are here as semipermanent guests would pay taxes on their hotel rooms, and would pay a tax on the full cost of any meal costing in excess of $1.50.

I think we should look backward a few days to the passage of a bill by this body in the amount of approximately $300,000,000 for Federal aid to schools throughout the United States. Basically we passed that measure for the primary purpose of assisting the schools in the States which are referred to as poor States, which cannot maintain a minimum school system. In other words, the richer States are helping the poorer States.

In the amendment proposed by the distinguished Senator from South Carolina [Mr. JOHNSTON] we are exactly reversing the situation, for of all the States in the Union, 40 of them have a lower per capita income than do the people residing in the District. The per capita income in the District is $1,624. One State has a per capita income of $659. Is it reasonable that we collect from the people of that State, with a per capita income only a third of the per capita income of the people of the District, taxes to carry on the government in this very rich District of Columbia?

There are 10 States with per capita income of less than $1,000, as compared with the per capita income of $1,624 in the District. There are eight States with per capita income of less than $900; three with less than $800; and, as I say, one State with a per capita income of $659.

I have been in the city of Washington for only about 4 months, but it is my observation and belief that the people of the District do not want to ride a "gravy train." I do not believe they want to become—if it is an exaggeration—wards of the rest of the States. I do not believe that the people of the District of Columbia are looking for charity. Furthermore, I am led to believe that a contribution such as this has no opportunity whatsoever of passage in the House of Representatives.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. CAIN in the chair). Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. HUNT. I yield.

Mr. FLANDERS. In giving the income figures and stating that the people of this city do not want to ride the "gravy train," and telling us, as he does, that they have a very large per capita income, is not the Senator making a pretty good plea for an income tax?

Mr. HUNT. I think not. The bill provides an income tax for the District of Columbia, starting with the bracket of $4,000, exempting the lower-income brackets. I think most of the Federal employees have an income closely approximating, or perhaps exceeding, $4,000. To emphasize my point, let me say that the proposed sales tax is so designed as to collect taxes from the 240,000 people in the District who are working for the Government, and many of whom pay no tax at home. They pay no income tax in the District of Columbia because they claim to be domiciled in one of the States. However, every one of those 240,000 employees would pay a sales tax. I think the Senator will agree with me that it is proper that they should.

Mr. FLANDERS. I recognize that that is one way of equalization; but after all, the income-tax law can be so drawn that there is no duplication of taxes. The procedure toward that end was worked out 2 years ago by the junior Senator from Washington [Mr. CAIN], who now occupies the chair as Presiding Officer. I am still of the mind that the Senator from Wyoming has made an excellent plea for levying an income tax upon the citizens of this city to pay for the support of their government from income which makes the District of Columbia one of the highest-income cities in the United States.

Mr. HUNT. I believe the Senator has overlooked a provision in the bill which exempts a person living in the District of Columbia from paying a District income tax provided he pays an income tax in his own State. That is, he is relieved of an equal amount of payment, to be credited against the District tax. If the District tax is in excess of what he pays in his home State, he will pay the difference in the District.

Mr. FLANDERS. I understand that provision. It was a provision worked out by the junior Senator from Washington 2 years ago. It is so good that I hope it will be extended so that an income tax will carry more of the burden of the expenses of this city.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUNT. I yield.

Mr. HOLLAND. If the Senator will permit me, I should like to ask him a series of questions relating to the comparison between the proposed sales tax for the District of Columbia, as included in the pending measure, and the sales tax now in existence for the State of Maryland, in those areas which adjoin the District of Columbia on two sides. Is the Senator able to state for the record the comparison between the Maryland sales tax and the proposed sales tax for the District of Columbia under the pending measure?

Mr. HUNT. I will say to the distinguished Senator from Florida that in writing the District of Columbia sales-tax provision we follow rather explicitly the existing sales tax in Maryland. With few exceptions the tax measure which we are presenting is very similar to the sales-tax law in Maryland. We went so far as to invite the sales-tax officials of the State of Maryland to sit with us and advise us in writing the bill. We did that so as to cause as little conflict and difficulty as possible on the borderline between Maryland and the District, and also having in mind all the while Virginia on the other side, which has no sales tax. So I should say that our bill, with minor differences, is very much like the Maryland law.

Mr. HOLLAND. Do I correctly understand the Senator, then, to this effect: That the proposed sales tax for the District of Columbia, as incorporated in the measure now pending, is almost identical, so far as the amount of tax levied on individual sales is concerned, with the sales tax now in existence for the State of Maryland?

Mr. HUNT. I should say, "Yes," with minor changes which are hardly worth going into.

Mr. HOLLAND. In drafting the proposed sales-tax law for the District of Columbia, as I understand, the subcommitte headed by the distinguished Senator from Wyoming was endeavoring to

reduce the differences and possible friction, possible competitive advantages which might result as between the adjoining areas of Maryland and the area of the District of Columbia, to a minimum by keeping the proposed measure as nearly as possible identical with the Maryland sales tax now in existence.

Mr. HUNT. Mr. President, I would say to the Senator from Florida that that objective was constantly kept in mind.

Mr. HOLLAND. I thank the Senator.

Mr. President, will the Senator from Wyoming yield for a further question?

The PRESIDING OFFICER (Mr. CAIN in the chair). Does the Senator from Wyoming yield to the Senator from Florida?

Mr. HUNT. I yield.

Mr. HOLLAND. I note that the tax proposed in this measure on hard liquors or distilled beverages would be 50 percent higher than the tax now in existence, if I correctly understand the facts—in other words, the tax would be increased from 50 cents to 75 cents. However, I note that even at 75 cents, the District of Columbia tax on hard liquors would still be greatly below the corresponding taxes now being levied in the adjoining areas of Maryland.

So, Mr. President, I should like to ask the distinguished Senator from Wyoming what was the reason for not proposing to raise the tax on hard liquors sold in the District of Columbia sufficiently to make it approximately equal to that levied in the adjoining areas of Maryland.

Mr. HUNT. Mr. President, the question is a very proper one, and I shall try to answer it to the best of my ability.

The District of Columbia—placed, as it is, with Maryland on one side and Virginia on the other side—has the difficult problem of fixing the tax at such a point that the sales price of such liquors to consumers would not be greatly above or greatly below the sales price in Maryland or Virginia. We tried to strike more or less of a happy medium.

I should also like to say to the distinguished Senator that the officials of the District of Columbia suggested a 60 cent increase, instead of a 50 percent increase in the tax per gallon on spirituous liquors. However, it was necessary, so I am told, for the House committee to agree to reduce the increase in the tax to 50 percent, in order to secure the passage of the bill in the House of Representatives.

I may say to the distinguished Senator that so far as I personally am concerned, I should like to see the tax made a great deal higher. The fact of the matter is that if I could tax that traffic out of existence, I should like to do so. However, that cannot be done, for under such circumstances we possibly would see a return to the situation existing in the twenties. The officials of Washington, D. C., tell us that they have some fear that even now some bootlegging is going on in the District of Columbia, and that if we were to raise the price to the consumer too high—as the Senator knows, a tax of $9 a gallon on liquor is now imposed by the Federal Government—the result might be to produce a situation somewhat similar to that existing in the twenties.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUNT. I yield.

Mr. HOLLAND. Then do I correctly understand that the reason for not proposing to increase by more than 50 percent the tax levied on hard liquor—as provided in this measure—was to avoid bringing about a condition under which there would be such a great difference between the price of such liquors when sold in the District of Columbia and the price when sold in the State of Virginia, across the river, that those who wished to buy spirituous beverages would be encouraged to go to Virginia to purchase them?

Mr. HUNT. That argument was presented to us. However, my personal reaction to that statement was that it would take a little more than the difference which would exist after the passage of this measure to persuade anyone to go to Virginia to buy liquor, because the transportation cost to such a person would be more than the difference in the price of liquor.

Three primary reasons were advanced to us: First, to try to keep the tax and resultant price on liquors sold in the District of Columbia between the price of such liquors in Maryland and the price in Virginia; second, to attempt to avoid imposing a tax which would place the price of such liquors so high that there would be to some extend a return of bootlegging; and, third, to write a bill which we thought would pass.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield to me?

Mr. HUNT. I am glad to yield.

Mr. JOHNSTON of South Carolina. I believe Virginia has State-government control of the sale of liquor, does it not?

Mr. HUNT. Yes.

Mr. JOHNSTON of South Carolina. At the present time, is not the State of Virginia penalized because liquor is sold in the city of Washington at prices below the prices which must be paid in Virginia, and it is necessary for the Virginia officials to keep their tax on liquor at such a level that the price of liquor sold in Virginia is fairly close to the price of liquor sold in the city of Washington?

Mr. HUNT. I think the Senator from South Carolina is quite correct. Mr. President, I am quite willing to admit that that is the situation, and to agree with the Senator from South Carolina that the tax on liquor sold in the city of Washington has been very low.

Mr. JOHNSTON of South Carolina. I should also like to ask a further question, if the Senator will yield once more.

Mr. HUNT. I yield.

Mr. JOHNSTON of South Carolina. Assuming that we were to double the present tax, let us say, and make the price $2.20—which is what my amendment calls for—does not the Senator from Wyoming believe that the Virginia officials who have control of the sale of liquor in Virginia could adjust the tax they impose on liquor sold in the State of Virginia in such a way that the only result would be that Virginia would make just a little more than it now does from taxes on whiskey sold in Virginia?

Mr. HUNT. I agree with the Senator; and I say to him that, after we defeat his first amendment, if he wishes to submit an amendment to increase that tax, possibly we could go along with him.

Mr. JOHNSTON of South Carolina. That is the next amendment I shall submit.

Mr. HOLLAND. Mr. President, will the Senator yield to me further?

Mr. HUNT. I yield.

Mr. HOLLAND. Pursuing the course of questioning I was following before the Senator from South Carolina asked his series of questions, let me ask whether I correctly understand that it is the opinion of the Senator from Wyoming that the level of hard liquor taxes prescribed in this measure is as high as can safely be prescribed without bringing about an unsavory condition in the city of Washington, as contrasted either with conditions in the State of Virginia, on the one hand, or conditions in the State of Maryland, on the other hand.

Mr. HUNT. That is exactly the situation.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUNT. I am glad to yield.

Mr. HOLLAND. With reference to the cigarette tax recommended in the pending measure, am I correct in my understanding that at the present time, under the tax structure presently existing in the District of Columbia, there is no tax on cigarettes?

Mr. HUNT. That is correct. There is no tax at all on cigarettes, under the present District of Columbia tax structure.

Mr. HOLLAND. Is it correct that the pending measure will, in effect, place a 1-cent tax on the ordinary package of cigarettes sold in the District of Columbia?

Mr. HUNT. That is correct.

Mr. HOLLAND. Having in mind that many States have successfully imposed taxes ranging as high as 3 cents, and in some instances 4 cents, on the ordinary package of cigarettes, would the Senator from Wyoming mind stating for the record why in his opinion and in the opinion of the committee it would be unwise to provide a tax on cigarettes sold in the District of Columbia higher than the 1-cent tax recommended in the pending measure?

Mr. HUNT. I shall be glad to do so. In the committee it was developed—and I think the Senator from Florida will agree with me—that cigarette smoking is now almost a universal habit. There seems to be no income group whose income is too low to prevent the members of that group from smoking cigarettes. So the committee on more than one occasion said that we did not like to prescribe a heavier tax on cigarettes, because there again we would be directing a tax at the low-income group.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. HUNT. I am glad to yield.

Mr. HOLLAND. Mr. President, to conclude my own questions—and I apologize for the number and length of them——

Mr. HUNT. That is quite all right; I have been glad to have the Senator from Florida ask them.

Mr. HOLLAND. Would the Senator from Wyoming mind stating for the record and for the information of the Senate the situation in Maryland and Virginia in regard to cigarette taxes?

Mr. HUNT. I shall try to obtain that information, for I am not entirely sure about the situation in that respect. I shall have to obtain that information for the Senator.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield, or is he yielding the floor?

Mr. HUNT. I shall be glad to yield in a moment.

The PRESIDING OFFICER. The Senator from Wyoming has yielded to the Senator from Florida for a question.

Mr. HUNT. I cannot answer the question of the Senator. In certain States, as the Senator knows, the tax on cigarettes is as high as 4 cents; in others, 3. Cities within my own State have a 2-cent tax. I regret I am unable to tell the Senator what the Maryland tax is, or what it is in Virginia. Possibly another Senator on the floor may be able to answer the question.

Mr. HOLLAND. Mr. President, will the Senator procure that information and place it in the RECORD prior to the conclusion of the debate?

Mr. HUNT. I shall be glad to.

Mr. HOLLAND. Mr. President, if the Senator will yield for one more comment, I should like to say that I am impressed with the fact that the Senator and his committee have done a real service, in that they have approached the subject matter from the standpoint not only of offering a proposed sales tax—and I think the reasons for which they recommend that tax are impressive—but they have also gone into other fields of taxation, such as the increased beverage tax mentioned, the imposing of a tax on cigarettes, the increase in the millage on real estate, the levying of a tax on lodgings, and various other changes of existing taxation, which it seems to me shows that this is a bona fide effort fairly to apportion the burden of the needed additional taxation among people of all types and conditions, and of all brackets of revenue.

I should like at this time, if I may, to commend the distinguished Senator and his committee upon what I think has been an exceedingly fair effort to work out a very difficult problem.

Mr. HUNT. I thank the Senator from Florida. In reply to a question asked a while ago by the Senator, I should like to say we have no information to the effect that either Maryland or Virginia has a cigarette tax.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HUNT. I yield to the Senator from Louisiana.

Mr. LONG. With regard to the liquor tax, the Senator mentioned that Maryland would have a higher liquor tax than the District, in the event the pending bill should be passed, but that the Virginia tax, as I understand from the Senator's statement, would be lower. However, is it not true that in Virginia there is alcoholic beverage control, under which a man must register and may purchase only a certain quantity of liquor during the year? Would that mean in effect that, even if the liquor tax in the District were higher than in Virginia, nevertheless there would not be in all probability much traffic made up of citizens of the District going over to Virginia to buy liquor?

Mr. HUNT. I may say to the Senator that, in my experience with sales tax matters, which extends now over some 14 years, people hardly go across the street in order to evade a sales tax. As to the Senator's conclusion that the price in either Maryland or Virginia would have a great bearing on the price in the District, I think the Senator is quite right. I do not believe it would. However, the evidence before the committee indicated that that might be the case.

Mr. LONG. With regard to liquor, it would seem to me that a person might leave the District and go to some State nearby, as for example Virginia, or possibly Maryland, if he wanted to buy a large quantity of liquor, but if he wanted to buy only a small quantity—and I understand most liquor probably is purchased in limited quantities—I doubt whether he would go anywhere outside the District to buy it.

Mr. HUNT. I should like to say for the information of the Senator from Florida and also for the information of the distinguished Senator from Louisiana, that the 2-percent sales tax will also apply in addition to the increased revenue taxes on liquor.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUNT. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Wyoming if he will permit me at this time to offer an amendment, which I understood from what the Senator from Rhode Island said this morning, the committee would accept. If the Senator will permit, I should like to offer the amendment now, because I have a committee meeting at 2 o'clock.

The amendment, which is on the desk, is offered to page 8, line 7, where it is proposed, after the comma following the word "religious", to insert "scientific," and on page 12, line 8, after the word "newspapers," where it is proposed to insert "and publications of semipublic institutions as defined in section 18."

I took the matter up with the Senator from Rhode Island yesterday. He stated on the floor this morning he had no objection. The junior Senator from New Jersey [Mr. HENDRICKSON] had intended to offer a similar amendment, in a slightly different form, and he desires to join with me in offering my amendment. I may ask the Senator from Wyoming whether he will be courteous enough to permit me to offer the amendment, as it is in order, I understand, and whether he will accept it.

Mr. HUNT. I have no objection.

Mr. SALTONSTALL. Mr. President, I offer the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 7, after the comma following the word "religious", it is proposed to insert "scientific"; and on page 12, line 8, after the word "newspapers", it is proposed to insert "and publications of semipublic institutions as defined in section 18."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Massachusetts [Mr. SALTONSTALL] for himself and the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

Mr. SALTONSTALL. I thank the Senator from Wyoming for his courtesy.

Mr. McCLELLAN. Mr. President——

Mr. HUNT. Mr. President, if I may inquire of the distinguished Senator from Arkansas, how long does he intend to speak?

Mr. McCLELLAN. About 30 minutes.

Mr. HUNT. I am pleased to yield the floor at this time to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, am I correct in my understanding that I now have the floor in my own right?

The PRESIDING OFFICER. The Senator is correct.

TRENDS AND POLICIES AND COSTS OF GOVERNMENT

Mr. McCLELLAN. Mr. President, there is a deep and growing concern among the intelligent citizenship of this Nation with respect to present-day trends and policies of Government. Many people entertain grave doubts as to whether the ship of state is being steered on a safe and sane course. Others believe we have already embarked in a direction that if followed will lead to disaster.

Some of the extreme fears expressed may not be justified, but general apprehension persists, and it has reached such proportions that it is sufficient to arrest the attention of the administration and engage the interest and consideration of the Congress. This anxiety in the hearts and minds of so many of our people should cause us to proceed with unusual caution. We should pause, Mr. President, to reexamine many proposals that have been recommended and submitted to us before enacting them into law. Profound deliberation, sober judgment, and wise decisions are required if the Congress is to protect and serve the best interest and welfare of this Nation in this critical period.

The impact and aftermath of the most violent and destructive war in human experience have made uncertain and insecure the social, political, and economic structure of governments throughout the world. Many have already fallen. Others are in critical danger of either revolution or complete collapse. The very destiny of civilization seems to be swaying in the balance.

To say that world affairs are precarious may well be an understatement. No one can seriously contend that the assertion is an unwarranted exaggeration. It

would border on the ironical to maintain that this is an era of peace. The forces of evil, of aggression, of totalitarian slavery are still arrayed in all their might and power against the forces of righteousness, of human liberty, and freedom.

The conflict between these inimical ideologies did not abate with the cessation of hostilities on VJ-day. Instead there has been simply a shifting of leadership and a reforming of lines with new, comprehensive, and calculated plans of conquest and destruction. Those plans do not lie dormant. They are fully activated and in process of being executed by pressure, threats, and subversive fifth-column assaults.

Yes, more, Mr. President, those plans and iniquitous designs are presently being carried out by war, both hot and cold.

In some countries the hordes of communism are now marching in blood and death to new frontiers. In other parts of the world furtive preparations are under way for further advances whenever the time may be propitious for invasion, the intensification of the present cold war, or the initiation of a hot one.

This, Mr. President, is the unhappy situation, the realistic condition, that confronts humanity, all peoples who abhor war, and who long for and pray for peace.

The imposing might of our military power and its potential, plus our tremendous economic strength and resources, are unquestionably the major factors that have been a restraining influence upon the dictators, who intend by force and subjugation to rule the world. Except for this presently insurmountable barrier, tyrannical communism could spread almost at will and unimpeded until it encompassed the globe.

That is the exalted and preeminent position we as a nation now occupy. This position and the frustration and instability of and dangers to human freedom have thrust upon the United States unprecedented responsibilities of leadership accompanied by staggering financial burdens. Those obligations involve not only our own enlightened self-interest, but they extend to a dependent and to an otherwise defenseless world. They present an inescapable challenge to the ingenuity of our statesmanship and resourcefulness.

This challenge cannot be successfully met by the ordinary functioning of our Government nor by the normal and usual peacetime duties of citizenship and tax contributions of our people. To discharge these responsibilities and be prepared for any eventuality, we must keep our strength mobilized and continuously develop and increase it. Our own security and world peace depend upon our prestige, capacity, and ability to prevent another world war. This transcends in importance all other objectives. There are many goals in our domestic affairs for which we should strive. Some are important and needed; others may be highly desirable. But if we fail to achieve that which is of paramount importance, the others cannot be attained.

It is, therefore, not only advisable, but it is imperative that we guard against extravagance and refrain from launching extensive new and costly social and other programs that will add billions of dollars annually to the operating cost of our Government. We can neither win the cold war nor prevent another hot one if we are unwilling or fail to make the sacrifices essential to the maintaining of a sound and vigorous economy. Overexpansion of taxing and spending for many things that we can do without can quickly lead to national insolvency. Any serious impairment of our fiscal policies will correspondingly weaken our military powers. We cannot overburden and shackle our free-enterprise economy with exorbitant and confiscatory taxes and expect it to survive. By destroying our free-enterprise system, we shall make certain that many of our other cherished freedoms will perish with it.

The cost of maintaining our military establishment at a strength required for our defense and security; the providing of minimum financial assistance to aid in the economic recovery of allied governments and peoples; the meeting of heavy fixed charges which war imposed upon us; and the tremendously swollen current operating costs of our Government place a terrific strain upon our entire economy.

The present budget, which we are finding it impossible to reduce, will exceed anticipated revenues for the next fiscal year—revenues that are produced by a tax rate that cannot be substantially increased without risking diminishing returns. The earnings of all business enterprise, of professions, and the salaries and wages of employees are all materially affected by the tax-take of the Federal Government.

Mr. President, I venture to assert that never before in the history of our Nation have the responsibilities of the Congress been greater, more grave, and more complex than they are now. We are confronted with conditions, and called upon to make decisions on vital issues before us that are fraught with unpredictable consequences for the future. With the heaviest peacetime expenditures and the highest rate of taxation, and with the national income concededly on the decline, we are asked at this session of Congress to enact a multitude of laws that would create new obligations of government for which annual appropriations would have to be made.

Among the proposals now pending in the Congress and sponsored by the present administration are these: First, to increase old-age and survivors insurance benefits to the present beneficiaries of this program, and to further expand the coverage to include some twenty to twenty-five millions of our people who are not now eligible for this assistance under existing law; second, to expand unemployment compensation to include many millions not now eligible and to substantially increase the payments thereof; third, to provide free professional treatment, medical services, and hospitalization to 80 to 85 percent of the American people under a compulsory national health insurance program; fourth, to subsidize the food bill of all consumers throughout the Nation. I refer to the proposed farm program. That is exactly what it does; fifth, to subsidize housing for millions of our citizens in the lower-income brackets; sixth, to pour out millions, which would soon run into billions, in various kinds of grants in aid to States and other political subdivisions and to institutions and agencies for many specific purposes; seventh, to further substantially raise the salaries of all of the present more than 2,000,000 Federal employees and to add additional hundreds of thousands to the Federal pay roll.

In addition to this, Mr. President, we are requested and expected to spend some eight to ten billion dollars annually abroad to aid and assist in the economic recovery of other countries. We will also be asked to spend billions for the rearmament of Europe in implementation of the North Atlantic Pact. We will likely be asked, Mr. President, to make other pacts and many, many other expenditures to implement them.

There are an undetermined number of other bills now pending in the Congress for increasing pensions, the creation of new functions of government, and for the expansion of existing governmental services, all of which will further increase expenditures. Many of these may not have administration approval, but some of them have considerable support, and will likely be enacted into law.

Mr. President, it would be impossible to estimate accurately the cost of all those measures. But it is conceded that just one—the compulsory health insurance bill—will cost from six to ten billions of dollars annually. It is no exaggeration to say that if this ambitious program or a substantial part of it is enacted into law, the operating cost of the Federal Government within the next 5 years will soar to a new peacetime high of some twenty to twenty-five billion dollars annually in excess of the forty-two billions we are now spending. That means, Mr. President, a Federal budget of approximately sixty-five billion dollars annually. If that budget is to be kept in balance, an equal amount in additional taxes will have to be taken out of the earnings of the American people.

Can this be done? Where is this new tax money coming from? Can the American people pay it out of present or expected earnings? If this additional cost—this exorbitant increase in Federal expenditures—is imposed on the American people, how will this affect our standard of living? Will it be higher, remain the same, or be lowered?

Mr. President, those are not irrelevant questions. Should we not try to know their answer before we plunge? Or do we propose to leap blindly? If it is conceded that such an expansion of governmental functions and services and their cost cannot be provided by even a much larger tax take out of the incomes of our citizens, but will compel deficit financing, should we borrow money and pile more debt onto our present $252,000,000,000 national obligation, to be paid out of the sweat, toil, and deprivations of millions of Americans yet unborn? I believe the pursuit of such a policy would prove destructive rather than constructive; that it would weaken and not strengthen our economy; that it would not increase but would impair our military power and its potentialities.

Mr. President, I am not quarreling with all these proposals. I am unalterably opposed to some of them. The objectives of others may well be meritorious and offer goals desirable of attainment. But I do doubt and seriously question the wisdom of the enactment of all or any of these proposed measures, which would create new functions of government, further expand governmental services, add more thousands of employees to already swollen Federal pay rolls, and thus impose either higher taxes or more debt, and probably both, on the already tax-burdened and debt-ridden American people.

How do the sponsors of this legislation and the Administration propose to finance this great expansion program? First, the President has recommended that this Congress raise general income and corporate tax rates so as to produce an additional $4,000,000,000 in revenues annually. Just how much higher present rates would have to be increased to produce $4,000,000,000 more, no one can accurately foretell. With a declining national income, the raising of taxes might continue to press the national income downward, so no one can predict just how high we would have to raise the present tax rates to produce an additional $4,000,000,000 in revenue.

Next, it is proposed that we take out of pay rolls of the American producers and earners an additional 7 cents to 10 cents on each dollar over and above the approximately 5 cents pay-roll tax now collected. These increased pay-roll taxes are expected to produce from $12,500,000,000 to $15,000,000,000 annually. This, with a $4,000,000,000 increase in general revenues, will amount to only about $18 or $19 billion, leaving a deficit of several billion dollars each year to be financed out of borrowed money, and by constantly increasing the national debt proportionately.

Mr. President, this is of great concern to every intelligent American citizen. Every laborer, every salary and wage earner, every consumer, and all business enterprises, can be, and in my judgment will be, seriously and adversely affected if our Government embarks on such an ill-advised taxing, spending, and debt-enlargement policy and program.

Let no laboring man or wage earner, consumer, or anyone else, be under any illusion that this is a simple "soak the rich" program. The pay-roll tax contributed by the employer will be paid indirectly by the consumer of its products and the user of its services. That tax will be added to the sale price of goods and services. In the end, "Jones pays the freight." And for all practical purposes, "Jones" will be those who are now being promised "security" and something for nothing by a beneficent and paternalistic government.

Mr. President, in 1935 we enacted the social security law, and provided extremely modest old-age and survivors insurance. Subsequently, the benefits were slightly but inadequately increased. We financed this program by pay-roll taxes—1 cent on the dollar each from employer and employee. We also provided in that law for unemployment compensation, also financed by a pay-roll tax. When this new tax and spending program was proposed, I became curious to know the present status of these and other trust funds that our government had collected. With the aid of the professional staff of the Senate Committee on Expenditures in the executive departments, and the cooperation of the Treasury and agency chiefs administering these funds, I have assembled the data and prepared tables giving the present status of these accounts. This information, I believe, will be of interest to Members of Congress and to the public generally. At the conclusion of my remarks I shall request that these tables be printed in the RECORD. I shall give here only a general summary of some of them.

Mr. President, in these tables I have covered the following trust funds: The Federal old-age and survivors insurance, unemployment trust funds, railroad retirement funds; veterans' life insurance funds, Federal retirement funds, supplemental trust acounts, Federal deposit insurance funds, and five other special trust accounts.

Mr. President, for these accounts the Federal Government up to June 30, 1948, had collected a total from all sources of $47,556,062,172. Total expenditures out of these funds up to June 30, 1948, are $12,049,429,592.

Receipts and expenditures for those purposes projected to June 30, 1949, will bring the total receipts to $52,962,060,172 and total expenditures to $14,505,429,592 respectively. So, as of June 30, 1949, there will be a credit balance in all these trust accounts in the amount of $38,456,630,580. Of this total, Mr. President, only $224,873,253 will be cash on hand. The balance in these accounts of $38,231,757,327 is and will have been invested in Government securities, as shown by "summary of investments," which appears in the table.

These investments, Mr. President, are a part of the present national debt. All of this money was collected by the Federal Government in the nature of taxes or fees for the specific purposes for which such trust funds were established. But, Mr. President, the facts are that $38,000,000,000 plus of these special funds have actually been expended for other purposes; that is, for general operating expenses of the Government and not for the purpose for which they were collected.

It is true that the Government has deposited, in trust, its bonds and certificates of indebtedness for the respective amounts of these special funds, which it has expended for other purposes. Such bonds and certificates of indebtedness, however, Mr. President, will have to be redeemed by the Federal Government from general taxes collected from the American people. That is, Mr. President, over $38,000,000,000 that have been paid into the United States Treasury from pay-roll taxes and other sources into these accounts will have to be paid again by general taxes collected from the public.

As a further illustration, I call specific attention to the Federal old-age and survivors insurance account, which has been running from August 14, 1935, when the Social Security Act became effective. In this account the Federal Government has collected and will have collected by June 30, 1949, in pay-roll taxes $13,028,169,014. With receipts from other sources, and transfers of accounts and interest on investments, total receipts from the Treasury for old-age pensions and survivors insurance will amount to $14,285,550,294 by June 30, 1949. Total expenditures out of this fund in payment of old-age pensions and survivors insurance by June 30, 1949 will amount to only $2,967,869,136, leaving a book balance in the old-age and survivors insurance account of $11,317,681,158 as of June 30 next. Of this amount only $109,901,901 will be in cash. The remainder of $11,207,779,257 will be in Government securities.

Mr. President, I call specific attention to the status of this old-age and survivors pension fund to emphasize that in reality we have levied and collected pay-roll taxes to provide a pension fund or an insurance fund for the old citizens of our Nation, but we are spending this money for other purposes.

Where has this money gone? All of it, except about $110,000,000, or approximately $11,000,000,000 of it, has gone to defray the general expense of the Government. In other words, Mr. President, it has been expended for an entirely different purpose from that for which it was levied and collected.

I point out to my colleagues that there has been five times as much collected as has been expended. Yet we are asked to raise these pay-roll taxes higher, and give the program a broader coverage. But according to past practices and customs, if we raise the taxes and expand the coverage and levy a pay-roll tax to meet that expense, we will simply be raising more money to be placed into the General Treasury for expenditure for general operating expenses of the Government.

Mr. President, it occurs to me that as a matter of simple justice to the old people of this Nation, to whom we owe an obligation, we should increase old-age pensions sufficiently to provide at least a decent minimum standard of living before we proceed to impose additional pay-roll taxes for other purposes and raise other billions that will be used and expended for the general expenses of the Government rather than for the purpose for which they will be collected.

Mr. President, the unemployment trust fund, which was also authorized by the Social Security Act of August 14, 1935, is in substantially the same status as the old-age and survivors insurance fund. As of June 30, 1949, $14,883,734,512, including interest, will have been collected. Total expenditures will be $6,123,705,845. There will be only $24,630,044 in cash in this account. The balance of $8,760,028,667 will be represented by Government securities, which means that these special unemployment taxes have been spent for other purposes.

Mr. President, I shall not take time specifically to comment on other trust accounts shown in these tables. I wanted to place them in the CONGRESSIONAL RECORD because I believe the Congress and the people should be kept informed

about them. I think these tables provide a very interesting study and are quite revealing. In the light of the facts and the information they contain and in view of pending measures in the Congress to create new and additional trust funds for new and expanded governmental services, I believe the Congress should well consider them before it acts.

In conclusion, Mr. President, I wish to make these observations: New and expanded Government services, increased spending, and higher taxes do not pave the road to our economic security. Instead, Mr. President, such a course can well lead to depression, to economic distress, and to the collapse of our free-enterprise system.

It is not the responsibility of the Federal Government to guarantee to every individual citizen in this Nation economic prosperity and security. In my judgment, if our Government undertakes such a program, it will assume obligations beyond its ability to fulfill. To ever strive for economic progress and social gains is commendable.

Progress and gains can be made in the future and our standard of living made higher if we will simply adhere to and not abandon the basic fundamentals of industry and thrift that served to make our economy the most prosperous and our standard of living the highest that any people have ever attained. But socialism and state paternalism in America will operate here just as it has in all other countries that have tried it, and with the same results. It will promise much and give but little; it will provide temporary benefits, but they will not be of enduring value; it will stimulate false hope in our people, who will later be disillusioned. Mr. President, socialism and state paternalism is not the read to economic security and prosperity. Instead, it is the broad highway to insolvency and austerity. Let us take warning from the plight of Great Britain and other nations that have turned from the right and gone to the left. Let us assume only such obligations as we can keep, and make such social gains as we can afford and pay for. That, Mr. President, is the safe and sane policy our Government should pursue.

Mr. President, I ask unanimous consent that the tables to which I have referred be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Analysis of receipts, expenditures, and reserves of selected Federal trust accounts as of June 30, 1949

Fund	Receipts			
	Inception to June 30, 1948		Estimate for fiscal 1949	Total to June 30, 1949
	Source	Amount		
Federal old-age and survivors insurance (act of Aug. 14, 1935, 49 Stat. 620; revised, act of Aug. 10, 1939, 53 Stat. 1360).	Appropriations	[1] $11,335,169,014	$1,693,000,000	$13,028,169,014
	Interest on investments	1,030,306,280	223,000,000	1,253,306,280
	Transfers	[2] 1,075,000	3,000,000	4,075,000
Total		12,366,550,294	1,919,000,000	14,285,550,294
Unemployment trust fund (act of Aug. 14, 1935, 49 Stat. 640; revised, act of June 25, 1938, 52 Stat. 1101).	Deposits	[3] 12,439,768,313	1,107,000,000	13,546,768,313
	Interest on investments	957,291,495	185,000,000	1,142,291,495
	Transfers from State unemployment funds to railroad insurance account (July 5, 1939).	[4] 107,160,769	6,000,000	113,160,769
	Transfer from railroad unemployment insurance administration fund (act of Oct. 10, 1940).	[5] 66,513,935		66,513,935
	Advance by Secretary of Treasury (July 5, 1939)	[6] 15,000,000		15,000,000
Total		13,585,734,512	1,298,000,000	14,883,734,512
Railroad retirement account (act of June 24, 1937, 49 Stat. 1283).	Appropriations	[7] 2,774,552,498		2,774,552,498
	Interest on investments	125,370,618	55,000,000	180,370,618
	Transfers		565,000,000	565,000,000
Total		2,899,923,116	620,000,000	3,519,923,116
Veterans life insurance funds:				
Government life insurance fund (estimated) (act of Oct. 6, 1947; 40 Stat. 398).	Government life insurance (estimated)	1,286,500,000		1,286,500,000
National service life insurance fund (act of Oct. 8, 1940; 54 Stat. 1014).	Premiums and other receipts	[8] 3,813,187,910	431,000,000	4,245,187,910
	Interest on investments	579,295,081	263,000,000	842,295,081
	Transfers from general fund	[9] 3,600,299,066	255,000,000	3,854,299,066
Total		9,279,282,057	949,000,000	10,228,282,057
Federal retirement funds:				
Civil service retirement system (act of May 22, 1920; Government contribution 45.4 percent).	Deductions from basic compensation and service credit payments.	[10] 2,219,746,782		2,219,746,782
	Voluntary contributions	[11] 10,406,350		10,406,350
	Appropriations	[12] 1,851,578,079		1,851,578,079
	Interest	[13] 652,680,550		652,680,550
Foreign Service (act of Apr. 24, 1939: Government contribution 72.1 percent).	Deductions from employees' salaries	5,660,000		5,660,000
	Appropriations	10,346,900		10,346,900
	Interest on investments	3,589,317		3,589,317
Alaska Railroad retirement and disability (act of June 29, 1936; Government contribution 36.1 percent).	Deductions from employees' salaries	2,188,986		2,188,986
	Transfer from civil service retirement deductions	30,980	$620,000,000	30,980
	Transfer interest on deductions	2,170		2,170
	Appropriations	2,051,000		2,051,000
	Interest on investments	656,465		656,465
Canal Zone retirement fund (act of Mar. 2, 1931; Government contribution 45.8 percent).	Deductions from employees' salaries	13,320,602		13,320,602
	Voluntary contributions	412,593		412,592
	Transfer from civil service retirement fund account deductions.	1,314,724		1,314,724
	Transfer accrued interest on deductions	153,077		153,077
	Appropriations	11,916,000		11,916,000
	Interest and profits on investments	4,044,116		4,044,116
Total		4,790,098,691	620,000,000	5,410,098,691
Total		42,921,588,670	5,406,000,000	48,327,588,670

[1] Amounts equal to 100 percent of employment taxes are appropriated to fund.

[2] Certain benefits are paid from Federal old-age to dependents of World War II veterans. Transfers represent appropriations from general fund to reimburse Federal old-age.

[3] Received from States and Railroad Retirement Board for credit to State unemployment funds and railroad unemployment insurance account within unemployment trust fund.

[4] Originally there was no separate railroad unemployment insurance account. When one was established in 1938, railroad funds in State accounts were transferred to the railroad unemployment insurance account.

[5] When railroad unemployment system was established in 1938, Treasury was authorized to advance $25,000,000 to railroad account for benefit payments.

[6] A fixed proportion of charges to railroads to support the railroad unemployment insurance system are deposited in the Railroad Unemployment Insurance Administration fund. At June 30 of each year all amounts in Administration fund in excess of $6,000,000 are required to be transferred to railroad unemployment insurance account.

[7] Appropriations from general fund to support railroad retirement system. Appropriations are usually in line with receipts, but the appropriation is made from general fund.

[8] Premiums are paid by insured to cover cost of insuring ordinary risks.

[9] General fund appropriations are authorized to cover extra hazards of military service.

[10] At the present deduction rate is 6 percent of gross pay. When an employee has rendered service for which he may receive credit toward retirement but deductions from pay were not made at time service was rendered, he may get full credit for the service by paying the amount due the fund.

[11] Employees may make voluntary deposits into the retirement fund and thereby purchase additional annuities.

[12] System is supported in part by contributions from Government in form of annual appropriations.

[13] Fund has been invested in part in marketables and in part in specials. Sales of marketables may result in profit.

Analysis of receipts, expenditures, and reserves of selected Federal trust accounts as of June 30, 1949—Continued

Fund	Receipts			
	Inception to June 30, 1948		Estimate for fiscal 1949	Total to June 30, 1949
	Source	Amount		
Supplemental trust accounts:				
Postal Savings System (act of June 25, 1910)		$3,495,020,002		$3,495,020,002
Federal Deposit Insurance Corporation (act of June 16, 1933).		1,016,789,500		1,016,789,500
Other special funds (does not include trust fund investments in public issues).				
Adjusted service certificate fund (acts of Jan. 27, 1936, and Aug. 14, 1937).		5,800,000		5,800,000
Farm-tenant mortgage fund (act of July 22, 1937)		1,000,000		1,000,000
Federal home loan banks (act of July 22, 1932)		37,400,000		37,400,000
Federal Savings and Loan Insurance Corporation (act of June 27, 1934).		74,462,000		74,462,000
Mutual mortgage insurance fund (act of June 27, 1934)		4,000,000		4,000,000
Total		4,634,471,502		4,634,471,502
Grand total		47,556,060,172	$5,406,000,000	52,962,060,172

Fund	Expenditures			
	Inception to June 30, 1948		Estimate for fiscal 1949	Total to June 30, 1949
	Type	Amount		
Federal old-age and survivors insurance (act of Aug. 14, 1935, 49 Stat. 620; revised, act of Aug. 10, 1939, 53 Stat. 1360).	Benefit payments and refunds	$2,041,253,650	$648,000,000	$2,689,253,650
	Reimbursement for administrative expenses	219,010,724		[14] 219,010,724
	Salaries, Bureau of Old-Age	59,604,762		[15] 59,604,762
Total		2,319,869,136	648,000,000	2,967,869,136
Unemployment trust fund (act of Aug. 14, 1935, 49 Stat. 640; revised, act of June 25, 1938, 52 Stat. 1101).	Withdrawals	[16] 4,966,279,877	861,000,000	5,827,279,877
	Interest on investments			
	Transfer to railroad insurance account from State funds	107,160,769		107,160,769
	Railroad unemployment benefit payments and refunds	[17] 174,265,199		174,265,199
	Repayment of Treasury advance	[18] 15,000,000		15,000,000
Total		5,262,705,845	861,000,000	6,123,705,845
Railroad retirement account (act of June 24, 1937, 49 Stat. 1283).	Annuity payments and refunds	1,500,007,703	276,000,000	1,776,007,703
Veterans life insurance funds: National service life insurance fund (act of Oct. 8, 1940; 54 Stat. 1014).	Benefit payments and refunds	1,029,659,860	379,000,000	1,408,659,860
Federal Retirement funds:				
Civil service retirement system (act of May 22, 1920; Government contribution 45.4 percent).	Annuity payments and refunds	1,908,645,732		1,908,645,732
	Transfers to Canal Zone retirement fund:			
	Deductions	[19] 1,314,724		1,314,724
	Accrued interest	[19] 153,077		153,077
	Transfer to Alaska Railroad retirement fund:			
	Deductions	[19] 30,980		30,980
	Accrued interest	2,170		2,170
	Transfers to police and firemen's relief fund of the District of Columbia:		292,000,000	
	Deductions	[19] 52,681		52,681
	Accrued interest	25,040		25,040
Foreign Service (act of Apr. 24, 1939; Government contribution 72.1 percent).	Annuity payments and refunds	7,384,112		7,384,112
Alaska Railroad retirement and disability (act of June 29, 1936; Government contribution 36.1 percent).	do	1,816,961		1,816,961
Canal Zone retirement fund (act of Mar. 2, 1931; Government contribution 45.8 percent).	do	17,761,571		17,761,571
Total		1,937,187,048	292,000,000	2,229,187,048
Total		12,049,429,592	2,456,000,000	14,505,429,592
Other special funds (does not include trust fund investments in public issues).				
Grand total		12,049,429,592	2,456,000,000	14,505,429,592

Fund	Investments and cash				
	Investments		Cash account	Estimated investments fiscal 1949	Total to June 30, 1949
	Type	Amount			
Federal old-age and survivors insurance (act of Aug. 14, 1935, 49. Stat. 620; revised, act of Aug. 10, 1939, 53 Stat 1360).	2⅛ percent special Treasury certificates	$7,709,000,000	$109,901,901	$1,271,000,000	$11,317,681,158
	2¼ percent Treasury bonds	4,222,975			
	2½ percent Treasury bonds	2,223,556,282			
Total		9,936,779,257	109,901,901	1,271,000,000	11,317,681,158
Unemployment trust fund (act of Aug. 14, 1935, 49 Stat. 640; revised, act of June 25, 1938, 52 Stat. 1101).	2⅛ percent special Treasury certificates	7,500,000,000	24,630,044	437,000,000	8,760,028,667
	2¼ percent Treasury bonds	4,016,789			
	2½ percent Treasury bonds	794,381,834			
Total		8,298,398,623	24,630,044	437,000,000	8,760,028,667

[14] Administrative expenses of Treasury Department and Federal Security Agency paid from general fund appropriations. Federal old-age fund is required to reimburse general fund for such expenses.

[15] In recent years, appropriations for administrative expenses of Bureau of Old-Age Insurance, Federal Security Agency, have been made directly from trust fund.

[16] Amounts deposited by States in their accounts in unemployment trust fund are subject to withdrawal by them for benefit payments, on demand.

[17] Represents repayment of advances to railroad unemployment insurance account. See footnote 5, on opposite page.

[18] Represents benefit payments from amounts withdrawn by Railroad Retirement Board from railroad unemployment insurance account.

[19] Interaccount transactions authorized by law.

Analysis of receipts, expenditures, and reserves of selected Federal trust accounts as of June 30, 1949—Continued

Fund	Investments and cash				
	Investments		Cash account	Estimated investments fiscal 1949	Total to June 30, 1949
	Type	Amount			
Railroad retirement account (act of June 24, 1937, 49 Stat. 1283).	3 percent special Treasury notes	$1,374,500,000	$25,415,413	$344,000,000	$1,743,915,413
Veterans life insurance funds:					
Government life insurance fund (estimated) (act of Oct. 6, 1917; 40 Stat. 398).	3 percent special Treasury notes	6,934,685,000	28,437,197	570,000,000	6,934,685,000
National service life insurance fund (act of Oct. 8, 1940; 54 Stat. 1014).	3½ percent special Treasury certificates	1,286,500,000			1,884,937,197
Total		8,221,185,000	28,437,197	570,000,000	8,819,622,197
Federal retirement funds:					
Civil service retirement system (act of May 22, 1920; Government contribution, 45.4 percent).	4-percent special Treasury notes	2,815,269,000	29,576,357	328,000,000	3,180,471,357
	3-percent special Treasury notes	7,626,000			
Foreign Service (act of Apr. 24, 1939; Government contribution 72.1 percent).			125,105		125,105
Alaska Railroad retirement and disability (act of June 29, 1936; Government contribution 36.1 percent).			42,640		42,640
Canal Zone retirement fund (act of Mar. 2, 1931; Government contribution 45.8 percent).			272,541		272,541
Total		2,822,895,000	30,016,643	328,000,000	3,180,911,643
Total		30,653,757,880	218,401,198	2,950,000,000	33,822,159,078
Supplemental trust accounts:					
Postal Savings System (act of June 25, 1910)	2 percent Treasury notes	1,909,000,000	6,472,055		
	2 percent Treasury bonds	1,345,816,856			
	2½ percent Postal Savings bonds	36,573,600			
	Special Treasury fund	197,157,491			
Total		3,488,547,947			
Federal Deposit Insurance Corporation (act of June 16, 1933).	2 percent special Treasury issue	549,000,000			
	2½ percent nonmarketable Treasury certificates	100,000,000			
	2.411 percent marketable Treasury certificates	367,789,500			
Total		1,016,789,500			
Other special funds (does not include trust fund investments in public issues).					
Adjusted service certificate fund (acts of Jan. 27, 1936, and Aug. 14, 1937).	4 percent	5,800,000			
Farm-tenant mortgage fund (act of July 22, 1937)	2 percent	1,000,000			
Federal home loan banks (act of July 22, 1932)	1½ percent	37,400,000			
Federal Savings and Loan Insurance Corporation (act of June 27, 1934).	2 percent	74,462,000			
Mutual mortgage insurance fund (act of June 27, 1934).	2 percent	4,000,000			
Total		4,627,999,447	6,472,055		
Grand total		35,281,757,327	224,873,253	2,950,000,000	38,456,630,580

SUMMARY OF INVESTMENTS

4 percent special Treasury notes [20]	$2,821,069,000	2 percent Treasury notes [25]	$1,909,000,000
3½ percent special Treasury certificates [21]	1,283,500,000	2 percent Treasury bonds	1,345,816,856
3 percent special Treasury notes	8,316,811,000	2 percent special Treasury certificates	628,462,000
2½ percent Treasury bonds [22]	3,054,511,716	1½ percent special Treasury certificates	37,400,000
2½ percent nonmarketable Treasury certificates [23]	100,000,000	Special Treasury fund [26]	197,157,491
2.411 percent marketable Treasury certificates [24]	367,789,500	1949 investments	2,950,000,000
2¼ percent Treasury bonds	8,239,754		
2⅛ percent special Treasury certificates	15,209,000,000		38,231,757,327

NOTE.—Average interest rate, total public issues, June 30, 1948, 2.126 percent; Nov. 30, 1948, 2.159 percent.

[20] Special Treasury notes: Special form of nontransferable security designed for investments of Government trust funds, for periods of from 1 to 5 years.

[21] Special Treasury certificates: Special form of nontransferable security designed for investments of Government trust funds, for short-term period of 1 year or less.

[22] Treasury bonds: Marketable obligations and may be issued for any period of time. May or may not be registered. Note: United States savings bonds are not marketable and are issued in the name of purchaser.

[23] Nonmarketable Treasury certificates: Form of nontransferable security available for purchase by the public on original issue.

[24] Marketable Treasury certificates: Securities that can be traded in on the market or elsewhere.

[25] Treasury notes: U. S. Government obligations in marketable form which may by law be issues with maturities for periods of 1 to 5 years.

[26] Special Treasury fund: This includes the following: Postal savings system—law requires that a reserve fund be established and held as a reserve against postal savings deposits. This reserve must be at least 5 percent of the postal saving liability.

Treasury of United States reserve fund	$169,000,000.00
Treasury of United States miscellaneous (working) funds	3,298,726.27
Accounts receivable	24,858,765.16
Total	197,157,491.43

Source: Staff of Senate Committee on Expenditures in the Executive Departments, and U. S. Treasury Department.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 679. An act to authorize the admission of Mrs. Julia Balint to the United States; and

H. R. 2360. An act for the relief of Theodore Papachristopoulos.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

UNIFICATION OF THE ARMED SERVICES

Mr. MORSE. Mr. President, before I proceed with my discussion of the sales-tax problem, I wish to make a very brief statement for the record concerning my position on the so-called unification bill which was voted upon in the Armed Services Committee this morning. I shall speak at some length on the entire problem when the bill is before the Senate for debate.

I voted against reporting the bill favorably to the Senate this morning. I cast the only negative vote. There are many parts of the new so-called unification bill which have great merit, particularly the part of the new bill which embodies former President Hoover's recommendations in regard to accounting. Those provisions have my complete endorsement. I propose, in the substitute bill which will be introduced at an ap-

propriate time, to incorporate what I consider to be the good features of the bill which was reported from the committee this morning, including the recommendations of former President Hoover. I propose to incorporate in the substitute bill the recommendations of some other outstanding authorities in this country who recognize the need for a true unification bill.

But, as I stated in the committee this morning, Mr. President, I could not vote for the so-called Tydings bill, because in my judgment the bill does not, to the degree that it should, take advantage of what I think is not only our opportunity, but our duty, really to unify those services from top to bottom and make perfectly clear once and for all that the American people are a little weary of jurisdictional disputes and jealousies and drives for personal power within the administration of our armed forces.

In my judgment the bill which was reported this morning is completely unsatisfactory, insofar as it does not come to grips, to the degree that it should, with the question of lodging command, so to speak, in the Secretary of Defense so that he truly would have the power to knock the heads together that must be knocked together, if we are to have true unification of our armed forces. The bill does not even scratch the surface of the great procurement problem which confronts us in connection with the armed services. We can save billions of dollars if we really unify the procurement system for the armed services. I am talking about billions of dollars, not millions of dollars.

So I say that, although the bill which was reported to the committee is a step in the right direction, I think the obligation of the Congress is to meet this challenge head-on and enact a unification bill which gives the Secretary of Defense the power which he ought to have as a Cabinet officer, to operate his Department. We have plenty of congressional checks upon any Cabinet officer who, in operating an agency of the Government, seeks to abuse his power or to usurp unto himself power which is not in the public interest. I believe that the idea of providing a great many titles in the Pentagon Building for so-called prestige purposes, which is the argument which ran through a great many of our discussions in the committee, is merely tommyrot. The American people are not interested in form, nor are they interested in brass and braid. The American people are interested in an armed forces establishment which will give them security in time of threatened war. That is what they want.

Mr. President, the American people also know that the time has come for economies in governmental expenditures to be made. Of course we hear much said these days about economy, and in my judgment a great deal of artificial discussion is occurring in the Senate over superficial proposals for economy. It is suggested, for instance, that some magical formula be adopted, perhaps one for a 5-percent cut in all departmental budgets, although heretofore the general assumption has been that the job of bringing about economy in our Government is being done in the committees. Mr. President, if the committees are not doing that job, let us point out specifically, item by item, where savings can be made. As a member of the Armed Services Committee, I stand ready and willing to point out where some savings can be made in the Armed Services Establishment of the United States, so as to result in substantial savings of money. But to do that job we need to recognize the importance of establishing a single procurement system applicable to all the armed forces.

Mr. President, the very suggestion which I make in that respect causes trembles among some of the persons in the Pentagon Building. I know whereof I speak, because when I introduced my bill on that subject several years ago—and in a moment I shall say something about it—I received a call from the Pentagon Building, from a great public servant, who said to me, in substance, "Although I do not mean to imply that I agree with every provision of your bill, Senator, I do want you to know that I think you are making a fine contribution to bringing about economy in the administration of our armed services, with your various suggestions, including your suggestion for a single administration of procurement." I say to the American people, from this desk, today, that unless their representatives in the Congress and in the administration are willing to come to grips with the tremendous waste in the procurement service of our armed forces, in my judgment there is no chance to make any substantial economies in the expenditures of our Military Establishment.

In the committee I heard a most interesting statement along that line by a former Secretary of War, Bob Patterson, one of the greatest public servants of this country within my memory; a man who goes straight to the facts; a man whose integrity, whose intellectual honesty, whose patriotism cannot be questioned; a man who is devoted to preserving the democratic ideal. I do not attempt to quote him verbatim at this time; we shall let the transcript speak for itself, and I do not happen to have the transcript before me at the moment. He said, in substance, before the Armed Services Committee, while we were considering the bill which was reported earlier today, I would have to guess how many millions and millions of dollars were wasted during the war—in fact, Mr. President, as I recall his language, it was, "how many millions and millions of dollars went down the drain as waste, as the result of a two-headed administration of our Military Establishment."

A Senator cannot be a member of the Armed Services Committee, as it has been my privilege to be, without recognizing that the waste in the administration of the armed forces is colossal. It is also inexcusable. Although I think the bill reported by the committee today will, if enacted, bring about some improvement in that situation, it simply does not go far enough; it fails to go as far as I think we have a right to expect the committee to go. It fails in that respect to such a degree that I could not in good conscience sit in the committee and vote to report the bill, although I wish to pay this tribute to my colleagues on the committee: There is no doubt about the fact that they have worked very conscientiously on the bill and have sought to bring forth at least some conscionable compromise which will be a great improvement over the monstrosity the Senate passed several years ago when it voted for the first armed forces unification bill, which provided for unification in name only. My criticism of the bill which has been reported today by the committee is that it still represents too much of unification in name only, rather than in fact. I have wished to make that statement today because I intend to carry the fight on the floor of the Senate for an armed forces unification bill in fact.

I suppose I shall be defeated when I make that fight, too. Of course, I am used to that. In fact, I am almost tempted to dispense with some of the business before the Senate very quickly, by proposing a unanimous-consent agreement—and, under present circumstances, entering into it all by myself, I suppose—in short, to ask unanimous consent for the immediate displacement of the measure now before the Senate. Were I to offer such a unanimous-consent agreement, I imagine the swinging doors to this Chamber would begin to swing very rapidly. I even see the Senator from Wyoming [Mr. HUNT] already on his feet.

But, Mr. President, the point I wish to make—and I do so good naturedly—is that I am used to carrying the people's case on these issues in the Senate—and sometimes I do so very much alone. I notice, however, that when some of my colleagues go into the campaigns, they do some very fast rationalizing in regard to the action of the Congress in failing to meet some of these issues head-on. As I say, we are failing to meet the issue of true economy and true unification in the armed services of the United States.

Mr. President, it is said that the expenditures required for our Military Establishment amount to $15,000,000,000. Fifteen billion dollars does not cover the expenditures for our Military Establishment, because in addition to $15,000,000,000, we must add the deficiency appropriations which the Congress makes months after it passes the first appropriation bill for the Military Establishment. We are kidding the American people, we are almost guilty of practicing deceit upon them in connection with the waste we are permitting to be continued in the administration of our armed services. We should tell the American people that it not only cost $15,000,000,000 to maintain the armed services, but it costs several billion dollars more, in the form of deficiency appropriations.

Certainly I favor economy in government, and in a moment I shall have something to say on that matter in connection with the District of Columbia sales tax. But I shall put into the RECORD now, for the benefit of those who will read it, this charge: Unless the Congress does something about decreasing the over-all expenditures for armaments in the United States, we cannot keep a free economy forever.

Mr. President, I wish to refer for a moment to a few simple economic laws. I speak to a great many businessmen's conventions. Invariably they have a great deal to say about the operation of the law of supply and demand and about the need to return to the principles of a free economy. I say from this desk today to the American businessmen that we do not now have a free economy. The economic law of supply and demand is not working in the United States, and cannot work in the United States, and never will work in the United States so long as we have to spend for the operation of our Military Establishment anywhere near $15,000,000,000 of the total national budget.

I shall continue to vote for every dollar that is needed to keep America secure, or as secure as we can keep it, against the threatened spread of the form of totalitarianism known as communism. I am perfectly aware of that threat; and one cannot sit on the Armed Services Committee, one cannot be briefed in regard to the security problems—as we in the committee are briefed in regard to them frequently, off the record—without realizing that no man can sit on that committee, or for that matter in the Senate, and safely relinquish for a moment constant vigilance in regard to keeping America strong, in order to keep her secure. That, however, does not justify waste. That does not justify using a fear argument to get political support in the country for expenditures which the facts do not substantiate. If it is going to take $15,000,000,000, and the boys at the Pentagon Building can get the waste out of their expenditures, I will vote for it, if they can prove the need for it. Mr. President, it grieves me to vote for $15,000,000,000 when great authorities, such as President Hoover and "Bob" Patterson, come before the Armed Services Committee and give us testimony, which I am willing to accept because I am certain they know the facts, that there is enormous waste.

So I would say to my colleagues on this side of the aisle, as well as to my Democratic friends on the other side of the aisle, here is another great opportunity to take up an issue that belongs to the American people and treat it nonpartisanly. Here is an opportunity to eliminate from our discussion of economy, so far as the armed services are concerned, any attempt to gain party advantage. Let us save the money for the people. Some way, somehow, I have the notion that that is what we were sent here to do, along with other things, irrespective of whatever party allegiance we may owe.

Mr. President, many months ago, in the Eightieth Congress, I introduced a bill for the unification of the armed services; not as a perfect bill; I said so at the time. I was perfectly willing to consider amendments to it. I did not write the bill, but I had some very able and expert help from men who know, because they have been a part of it, what goes on in the Pentagon Building in the administration of the armed forces. I reintroduced the bill this year. Do you know when, Mr. President? On January 5, rather early in the session, would you not say? When the report of the Armed Services Committee is examined, one will not be able to find from the deliberations of the committee any cause to believe that Senate bill 108 was introduced on January 5. I do not have any objection to any committee in the Congress taking from any measure I introduce suggestions which they may think are good. I have no pride of authorship. If I introduce a measure, and then a committee, or a Member of the other party takes entire sections out of it and incorporates them in another bill, and the credit of that committee or of that Member of the Senate helps push through the Senate needed reform, I shall always welcome making that type of contribution.

Mr. President, I think the Armed Services Committee ought to be able to present a written record showing what is wrong with Senate bill 108. But except for such comments as I made in the committee, there will not be found in its printed record any evidence that the committee ever even gave careful consideration to S. 108. The drive was to push the Tydings bill through the committee.

It is pointed out that I did not attend some of the meetings of the committee, particularly those held on afternoons when the Senate was in session. That is true. However, the members of the staff of the committee will testify that I kept myself informed as to what happened. As the Presiding Officer knows, a great deal of my time has been devoted in this session of the Congress to labor legislation. But I attended some of the morning sessions of the Armed Services Committee, and when I discovered, what was perfectly clear, as to the final position of the committee, I served notice that if that was the type of legislation they were going to report, they might as well count me out, and I would introduce as a substitute what I considered to be a true unification bill. That I shall do, in due course of time.

But one word, by way of advance rebuttal, Mr. President. I know that if it is not said on the floor, it will be said in the cloakrooms, that the junior Senator from Oregon did not attend those meetings of the committee that were held on afternoons when the Senate was in session. Indeed I did not. I did not do it because of a point of view I have expressed several times on the floor of the Senate. That is, I am not going to sit, as a member of a committee, unless circumstances are truly extraordinary and of emergency character, in a committee hearing, while the people's business is supposed to be transacted on the floor of the Senate of the United States. I say the holding of committee meetings as they are being held this afternoon while the Senate is in session not only violates the spirit and intent of the Legislative Reorganization Act of 1946; it violates its direct language, as evidenced by the fact that every time a committee meets its chairman has to come on the floor of the Senate to ask consent to meet while the Senate is in session. The fact that the right to do that was preserved in the Reorganization Act of 1946, was in order to cover the exceptional case, not to provide a general rule. But the section of the Reorganization Act of 1946 which sought to bring to an end what we are witnessing here today, the meeting of many committees while the Senate is in session, might just as well not have been written into the law, because almost every day when the Senate is in session there are many committees meeting, with the result that the Senate floor is rapidly ceasing to be what the founding fathers intended it to be, a forum for the discussion of views before men with open minds, not previously committed and tied down and pledged to vote for a piece of legislation irrespective of what is said on the floor of the Senate. I happen to believe that I know the American people do not approve of the way we have scuttled the Legislative Reorganization Act in respect to this practice of the Senate. I think I am right also when I say that the American people expect us as Senators to be in the Senate to participate in the debates with open minds, and to be willing to change our minds on the basis of facts as they are presented on the floor of the Senate.

But, Mr. President, so long as the present general attitude and practice prevail in the Senate, I shall continue to speak to the RECORD and build up the RECORD, issue by issue, on behalf of what I think is the people's interest, and then let them determine at the ballot boxes in my State and in other States whether they approve of the fight which the liberals on both sides of the aisle in the Senate of the United States are constantly and consistently making in trying to carry out the true principles of republican government. If Congress seeks only to give effect to what I call a threat to republican government in the United States, namely, government by pressure groups, I think we better make that issue very clear to the voters in the various States, because I know what their answer will be.

Mr. President, one final word in regard to the armed forces bill. When it comes to the floor of the Senate I hope that Members of this body will go to the written committee record and not do, as we so frequently do, make the assumption that, because the bill has been reported favorably by the committee, the presumption is in favor of the bill. I say, Mr. President, that if Members of the United States Senate really want to give true unification to our armed services and bring about genuine economy, they will not give the committee bill any presumption one way or the other, but they will approach the unification problem tabula rasa, and let the facts be developed on the floor of the Senate as to the type of bill we should have.

DEPARTMENT OF DEFENSE—REPORT OF A COMMITTEE

The following occurred during the delivery of Mr. MORSE's address:

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MORSE. I am very happy to yield, with the understanding that I will not lose the floor.

Mr. TYDINGS. Will the Senator allow me to propose a consent arrangement

whereby I might introduce a bill, with the understanding that the Senator would not lose the floor?

Mr. MORSE. I shall be very happy to do so, because I hope it is the bill on the armed services, about which I have already expressed my opinion, which, as the Senator knows, is an opinion of disapproval.

The PRESIDING OFFICER. Without objection, the Senator from Oregon yields to the Senator from Maryland, with the understanding that his right to the floor will not be prejudiced.

Mr. MORSE. And with the further understanding that the discussion of the Senator from Maryland and any colloquy it produces shall follow immediately after my earlier remarks on the unification bill.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, it is so ordered.

Mr. TYDINGS. Mr. President, from the Committee on Armed Services, I report an original bill and I submit a report (No. 366) thereon.

The Committee on Armed Services having had under consideration amendments to the National Security Act of 1947 report favorably a bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility, and for other purposes, and we recommend that the bill do pass.

I send to the desk the bill and the report.

I should like to say that the report and the bill come from the committee with a vote of 12 in favor to 1 against.

The PRESIDING OFFICER. Without objection, the report will be received and the bill will be placed on the calendar.

There being no objection, the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority and with civilian and military assistance adequate to fulfill his enlarged responsibility, and for other purposes, was read twice by its title and placed on the calendar.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. MORSE. Mr. President, I now turn my attention to the pending bill. It is no news to this body to hear the junior Senator from Oregon say he is opposed to sales taxes in principle. It is no news to this body to hear the junior Senator from Oregon say that one of his fears about the proposal for a sales tax in the District of Columbia is that it establishes a precedent for the possibility of a Federal sales tax.

Mr. President, in this Nation we are getting ourselves into a very serious fiscal condition. We have a tremendous national debt, with much indication that it is going higher and higher if certain world trends make it necessary for us to spend additional billions of dollars in the fight for the peace. Of course, we must get ourselves into a position so that we can meet that emergency, if necessary, and have the soundest possible dollar with which to meet it. We should come to grips with tax reform in America. We have not done so. For years, in my judgment, the Democrats and the Republicans have played cheap politics with the tax issue. The Democrats, in the main, so far as their party strategy is concerned, have been playing politics on the principle of "soak the rich," with the result that we now have in our tax structure some inequities which amount to what I consider to be confiscation of wealth, not taxation on the basis of ability to pay. On the other side, I wish I could say that the Republican Party has followed a statesmanlike course of action in regard to taxation, but it has not. It has played politics with the issue by making great pretense about economy, about tax reduction. It has even gone so far that the CONGRESSIONAL RECORD will show that on one occasion a statement on the floor of the Senate from this side of the aisle was made that the proposals which the junior Senator from Oregon offered for tax reform were highly meritorious, but they involved proposals for tax revision, not tax reduction. If that statement had been made in any freshman economics class in taxation in any college in the country the spokesman would have been laughed out of the room, because, and I repeat what I have said before, we cannot have real tax reduction except in terms of tax revision, eliminating inequities from the existing tax laws.

When I talk about real tax reduction, Mr. President, I use the word "real" in the same technical sense in which it is used when we speak of real wages. The wage earner has been too much interested in his money wages rather than in his real wages. He has been too much interested in higher hourly rates of pay rather than in terms of what his wage dollar will buy, because in an economic sense real wages, of course, can be gauged only from the standpoint of the purchasing power of the dollar, which rests, of course, upon the soundness of the dollar.

Those are simply elementary economic principles; but I sometimes despair of even elementary economic principles being given due consideration in the Senate of the United States, particularly when two great parties have been motivated primarily by trying to get votes on the basis of their uneconomic proposals concerning the problem of taxation.

So, once again, this year, perhaps more discouraged than before, but not at all in a spirit of defeatism, Mr. President, I shall offer the tax program of the Committee for Economic Development, from top to bottom, and I shall issue again the challenge in the Senate of the United States for any Senator to stand up and offer a better tax program. Until that is done—I shall go further than that—until some of the Members of the Senate can stand up and point out any serious economic holes in the program of the Committee for Economic Development, I shall say it is the duty of this session of Congress to consider the need for tax revision, and stop this political talk about tax increases or tax reductions in terms of tax rates and tax percentages.

Have we not had enough politics in taxation, Mr. President? Is it not about time, with the mounting danger to our economy which the pressing fiscal problems are bringing about, that we lessen the danger to a free economy by a top-to-bottom revision of the tax structure, to the end of really putting into practice what has become, I think, a politician's slogan—"Ability to pay?" It ought to have a richer economic meaning, and one can be given to it if we remove the inequities from our tax structure, if the Democrats stop their drive of political propaganda on a soak-the-rich theory, and the Republicans stop talking about percentage tax reductions and come forward with a constructive tax program for a revision of the tax structure. I say, until Congress does that, until both parties do it, danger to a free economy as the result of unsound attitudes is going to mount from year to year.

I like to say to the businessmen of the country—and they cannot successfully rebut the statement—that it is about time conservative businessmen look to the liberals in the Congress to protect our free economy. On the record, as one will find if he goes to the record, it is the liberals in the Congress who are fighting for the fiscal reforms which are necessary to stabilize the dollar. It is the liberals in the Congress, who have been proposing for the past several years a complete overhauling and revising of the tax structure. Who in the Congress but the liberals have been saying, not only to the Congress but to the businessmen of America, "Why do not you get behind the proposal of the Committee for Economic Development which proposes a 5-year carry forward on losses for the present carry-back on losses?"

Mr. President, you have heard me say before what I am about to say, but the truth has to be repeated time and time again in order to get people to start thinking in terms of the truth, rather than of political propaganda on taxation. I utter this truth again, that if we had to pick just one amendment, if we were limited to just one amendment, if we would pick the amendment of the Committee for Economic Development that proposes the 5-year carry-forward on losses, it would be the greatest possible incentive to American business to risk its venture capital in new wealth-creating industry and economic projects so essential if we are really to protect the value of the dollar.

Or take the proposal of the committee for a modification of the present inheritance tax structure. The Democratic Party, as a tax policy, has permitted the rates to become so high that today they are in the nature of confiscation. American labor needs to recognize that its standard of living is endangered by the continuation of the present inheritance tax structure. What is happening is that the small fellow who is subject to

the inheritance tax, that is, the man with the wealth that gets him into the inheritance tax structure, is not being provided with the incentive which he needs in order to free, in order to liquefy, what now is frozen capital, what should be producing capital, what should be venture capital, what should be capital that is put to work in support of programs which will create new jobs and new wealth out of which workers can expect and hope to maintain and perpetuate their standard of living.

Since I wish to devote most of my attention to the sales-tax problem, I am not going to take time this afternoon to go through the various amendments on taxes proposed by the Committee for Economic Development. I understand the Committee for Economic Development is coming forth shortly with certain revised suggestions of its report on taxes. I have been confidentially informed as to some of the suggestions, and I wish to serve notice here and now that it is my intention, when the report this year is publicly released, to put it in the form of a tax bill, and once again, for the third time, to offer the tax program of the Committee for Economic Development to the Senate.

Mr. President, I shall await with interest the objections which can be raised to the report on the floor of the Senate, because the past two reports of the Committee for Economic Development have been presented to the Senate, and one will read the RECORD in vain to find any Member of this body who was able to find any fault with the recommendations of the committee, or at least who was willing to express any disagreement with them. How did we treat the recommendations of that great body of public servants on that committee? Except for those of us who urged the adoption of the recommendations of the committee, we treated them with the thunders of silence.

It is rather interesting, Mr. President, that so many sound proposals, particularly sound, liberal proposals, are treated in the Congress of the United States with the thunders of silence. That has been the experience of liberals in the Congress of the United States for decades gone by. Eventually their point of view prevails. But frequently so much time has elapsed between the proposals and their final acceptance that the American people have suffered untold hardships and losses because of the failure of the majority of the Congress to keep up with a liberal point of view.

I am going to offer the tax proposals of the Committee for Economic Development, composed, for the most part, as Senators know, of outstanding American businessmen and industrialists and economists—not of Government employees or officials at all, but of American industrialists and businessmen, of American economists—as the soundest liberal program for tax revision the Congress of the United States can consider. If we would adopt the program, we would go a long way toward eliminating the inequities in our present tax laws which are today endangering the fiscal soundness of our Government.

It is such tax reform, and it is such principles of tax reform, that should be eliciting the attention of the Senate now as we consider the revenue problems of the District of Columbia. But what are we doing instead? In my judgment, we are running away from the real obligation we owe not only to the people of the District of Columbia but of the country. In my judgment, we are adopting tactics toward the District of Columbia we could not get by with in our own States. In the last analysis, the Congress is the city council of the District of Columbia. But we happen to be in the position of a city council that cannot be held to responsibility by the citizens for whom it acts, because we have not had the courage and the foresight and the statesmanship in the years gone by to give to the citizens of the District of Columbia the elective franchise, which every American ought to enjoy. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. Let there be order in the galleries.

Mr. MORSE. Mr. President, we talk about discrimination in this country based upon race, color, and creed. We ought to be talking also about civil rights in regard to the right of the citizens of the District of Columbia to vote. We are denying them what I think is a precious civil right because of a discriminatory policy which the Congress of the United States has held toward them.

Mr. President, what do Senators think would happen if we offered to the citizens of the District of Columbia that good old American right to vote on this issue? I have been a little amused today, because I have said, in good humor and facetiously, or as we say in the cloakroom, in a joshing way, to some of my very close friends in the Senate, "How would you like to give the people of the District of Columbia a chance to vote on the question of the sales tax?" Senators know the answer. We know that if we put the question to any Member of the Senate he would tell us he would take it for granted that if we put the sales-tax proposal contained in this bill to a vote of the residents of the District of Columbia they would vote it down.

That is a nice business, is it not? We are not responsible to them. They cannot do anything to us. We do not have to fear the vote of a single resident of the District of Columbia. But we sit here in an almighty attitude, as an oracle, and we say to the taxpayers of the District of Columbia, "This sales tax will be good for you. Just swallow it and see what happens to you." There are many persons who are not going to like the taste of that medicine because of the hardship it will cause them.

Mr. President, I am somewhat surprised to find as champions of the sales tax so many spokemen of the Democratic Party who some way, some how, were successful prior to last November 2, in creating the impression that the Democratic Party is the little fellow's friend. I wonder what the little fellow in Washington, D. C., thinks about it. I wonder what the little fellow across this land will think when he becomes aware of the fact that the pressure for the sales tax in the District of Columbia has been primarily a Democratic pressure. And as to all the professions of the Democratic Party about being the guardian angel of the little man's interest, I wonder if the little fellow in regions of the country where he has the right to vote will not see through this kind of business and recognize that Democratic leaders were willing to put this tax upon people who had no right to vote on the question or to exercise what I think ought to be the right of representation if there is to be taxation. That is a rather historic doctrine in our system of government, and this is the first time we have so distorted the principle of ability to pay in the District of Columbia taxation system. The Congress has said to the citizens of the District "You are going to have to take it and like it." I simply say it is a fact, Mr. President, that the Eighty-first Congress does not dare let this issue go to a referendum in the District of Columbia. I think we should let the question go to a referendum. If we are going to impose taxes without representation I believe we should at least try to get an advisory opinion from the people. Of course, I know I am talking about a hypothetical proposal which does not have the slightest chance of becoming a reality, because I know that the proponents of this sales tax know they could not win if they submitted it to a vote.

It has been very interesting to note in sections of the country where the good old system of direct democratic government still lives, where the right of the people by initiative and referendum to protect themselves against politicians still lives, what the people have done to sales taxes. As a general rule the vested interests that profit by passing a tax burden to the backs of the low-income people of the country do not like the initiative and referendum, because they cannot get by with their selfishly motivated proposals when the people come to understand the facts and have an opportunity to register their views at a secret ballot.

So I close this point by saying that to me the $64 answer to the $64 question in this debate, "What would the residents of the District of Columbia do with this proposal if we should let them exercise the referendum?" is unquestionably that they would vote "No" by an overwhelming majority. In my State this type of taxation has been tried four times, and the people of my State defeated it the last time 3 to 1. If it is tried again, we will defeat it again, because it is premised upon a basically unsound taxation principle. If we were to work on a tax-revision program designed to take the inequities out of our tax structure, there would not even be the paper argument, plausible as they try to make it, available to the proponents of the sales tax, because if we were to revise our tax structure on a true ability-to-pay basis there would be the funds to balance the budget and to meet the fiscal needs not only of the District of Columbia, but of the Nation.

I could speak at great length on this issue, but to do so would be repetitious of the arguments already made by those

opposed to the sales tax. I have on my desk an analysis of the sales-tax proposal for the District of Columbia prepared by the Americans for Democratic Action for the District of Columbia. In offering this analysis for the RECORD, which I now do, I make their arguments a part of my argument, and associate myself completely with the analysis of the Americans for Democratic Action in opposition to the sales tax.

Perhaps my offering the arguments of the Americans for Democratic Action may appeal to some as being a little humorous and possibly amusing. Many people have come to look upon that great organization as a sort of political army for the Democratic Party. I have never so regarded it, but I am sure that many of my Republican colleagues think it is; in fact, as I recall, we had a debate on the floor of the Senate not so long ago which gave that general impression. I have noticed that in a good many States the Americans for Democratic Action have tried to take a nonpartisan or at least a bipartisan, approach to great liberal issues. They have given their support to Democratic liberals and Republican liberals alike who have been trying to put into effect minimum controls and regulations of Government necessary to protect the people as a whole from selfish interests, which always have to be watched in their attempt to pervert and distort the private economy system into a system of license to exploit the general public for the economic gain of the owners of wealth.

So, Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point in my remarks the analysis of the sales-tax proposal prepared by the Americans for Democratic Action of the District of Columbia, in opposition to the District of Columbia sales tax.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

AMERICANS FOR DEMOCRATIC ACTION'S STAND ON DISTRICT OF COLUMBIA REVENUE—AGAINST A SALES TAX—FOR AN INCOME TAX

1. There is no doubt that the District of Columbia government needs more revenue, not only to meet the inadequate budget submitted to Congress but also to finance the overdue pay raise for District employees and to provide much-needed improvements in educational, health, and welfare services.

2. There is no doubt, either, that the additional revenue can be raised, fairly, and without undue burden on the people of the District. The District is a rich community, with income per person 60 percent higher than the average for the United States. The people of the District are lightly taxed—on almost every kind of tax—the rates in the District are lower than in most States. The "crisis" in the District finances is a fiction, invented to alarm the people and the Congress into accepting a sales tax as the only means of balancing the budget.

3. But a sales tax is one of the worst means of balancing the budget. It is widely recognized as a bad tax anywhere, to be imposed only when there is no alternative. It is bad because, even when food and medicines are exempt, it bears most heavily on those least able to pay, and most lightly on those who can best afford it. From the typical low-income family, which spends its income on essentials of living and even then often goes into debt, the sales tax takes money needed for those essentials. Even in 1947, the typical Washington family with income of $3,000 or less paid more than $100 in direct personal taxes and went into debt. This included more than 20 percent of Washington families. From the typical high-income family on the other hand, the sales tax takes only a small fraction of the surplus which goes into savings. In 1947, Washington families with $6,000 and more showed average savings of over $500. This can be demonstrated by official statistics of incomes and expenditures in the District. Low-income families are already hard pressed by high living costs and heavy burden of direct and indirect taxes; they should not be burdened further.

4. A sales tax is cumbersome (most merchants would have to keep elaborate records of sales of taxable and tax-free items), and expensive to administer (a large sum would have to be paid to the merchants to collect it). It is an unnecessary hardship on both the merchants and the people.

5. The proposed sales tax, even when it reached its full yield in 1951 and after, would not raise enough to support the increase in the budget which will certainly be required in later years, if only to meet the needs of a growing school population. If Congress were to pass the proposed sales tax, the District would be back again in a year or two with a new crisis.

6. Fortunately, the District has available to it a superior source of revenue: a graduated personal income tax. The present District income tax is a farce, with absurd and unjust exemption of Federal employees who claim a legal residence in another State. There is no constitutional, legal, or financial reason why the District should not have a general income tax that will yield all the revenue that is needed. With a concentration of incomes in the middle brackets, the District is in an ideal position to use such a tax, which places the burden of additional revenue on those best able to bear it.

7. An income tax with the same exemptions as now in the District law, and with rates comparable to those in Virginia, would raise $19,000,000, which is $14,000,000 net of the present income tax and unincorporated business tax (which it would supplant) and more than the full yield of the sales tax. With rates comparable to those in New York State, it could raise $24,000,000, or $19,000,000 net. And these rates are not exorbitant; in many States the rates are higher. The problems of residence versus domicile and the problems of double taxation can be avoided by provisions such as those now incorporated in H. R. 1385.

8. Additional revenues of more than $2,000,000 can be raised by doubling the beer and liquor taxes, which are now almost the lowest in the country and would still be among the lowest even if they were twice as high.

9. The Federal payment in lieu of taxes is too small, considering what it was in the past and considering the increase in the cost and scope of municipal services. A payment of $17,000,000 ($5,000,000 more than at present) would be only about 16 percent of the proposed budget. (Twenty years ago, the Federal Government paid more than 25 percent of the District budget).

10. Prudent, conservative financing, to avoid recurrent crises and hand-to-mouth financing, requires a tax structure that will provide for increasing revenues and a margin for larger budgets that are sure to come. Equity, and indeed common decency, requires that the additional revenues come from those best able to pay them. An income tax satisfies both requirements; a sales tax satisfies neither. Do not be misled by those who plead for sales tax because it is the only solution (and incidentally will cost them less), and who oppose an income tax because it is impracticable. If an income tax is practicable in two-thirds of our States, it is practicable here.

Mr. MORSE. I shall read the first three points made in the analysis or report. I have no doubt that if we took a poll of the District of Columbia Chapter we probably would find that at least 90 percent of them were Democrats. Perhaps the percentage would be higher. I am almost sure that in my State it would be about 95 percent. I understand also that they are all opposed to me. So I doubly enjoy introducing this argument of the Americans for Democratic Action, because not even political opposition causes me to run away from the truth once I am satisfied that a certain proposition is true. I commend the Americans for Democratic Action, even though I may find them in the camp of my opposition in 1950, for preparing such a sound analysis in opposition to the District of Columbia sales tax. They say in this analysis:

1. There is no doubt that the District of Columbia needs more revenue, not only to meet the inadequate budget submitted to Congress, but also to finance the overdue pay increase for District employees and to provide much needed improvements in educational, health, and welfare services.

2. There is no doubt, either, that the additional revenue can be raised, fairly, and without undue burden on the people of the District. The District is a rich community, with income per person 60 percent higher than the average for the United States. The people of the District are lightly taxed; on almost every kind of tax the rates in the District are lower than in most States. The "crisis" in the District finances is a fiction, invented to alarm the people and the Congress into accepting a sales tax as the only means of balancing the budget.

Let me say that the District of Columbia does not know what a depression is. The businessmen of the District of Columbia do not know what a depression is. Governmental operations themselves assure rather healthy economic conditions in the District of Columbia, which is the capital of the world, when other sections of the country are from time to time in the depths of a serious, bankrupting depression. When I listen to some District of Columbia business men rail against the suggestion that there should be the slightest increase in business taxes in this community, I say to myself—and to one or two of them on occasion I have said directly—"Oh, what selfishness can do to a man's thinking."

The business fraternity of this city does not begin to appreciate the level of economic stability that it is able to enjoy because of the continuity of governmental operations in the District. Yet they cry to high heaven when anyone suggests that business taxes and income taxes might be increased a little. Read last night's Washington Star editorial. It is enough to nauseate one, Mr. President, to think that such propaganda can be fed through the editorial columns of a newspaper. I wonder what the District of Columbia newspapers would do if in the sales-tax proposal newspapers were not exempted. Then we would have read an editorial which I could almost dictate. What a threat to freedom

of the press and the dissemination of knowledge such sales tax would be. I think it would be a good thing to put a little higher tax on the newspapers, because they have enjoyed considerable prosperity in the District of Columbia.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. MORSE. I am happy to yield for a question.

Mr. McGRATH. If the Senator from Oregon is willing to offer an amendment to include a tax on newspapers, I am quite sure the committee would be willing to accept it.

Mr. MORSE. Mr. President, I would not think of offering an amendment to a sales tax bill which would permit the continuation of the principle of a sales tax. I think too much of my duty to the people of my country to adopt any such principle of taxation as that which the distinguished Senator from Rhode Island [Mr. McGRATH], the chairman of the Democratic National Committee, has agreed to by means of this bill. I do not think the Senator from Rhode Island was in the Chamber a short time ago when I paid my "compliments"—and I use the word in quotation marks—to the Democratic Party's position on the pending sales-tax bill; but when the Senator reads my statement in the RECORD tomorrow, he will know that I did not give it my endorsement.

Mr. President, I wish to read the third point of the recommendations of the District of Columbia Chapter of Americans for Democratic Action. That group, consisting predominantly of Democrats, say:

3. But a sales tax is one of the worst means of balancing the budget. It is widely recognized as a bad tax anywhere, to be imposed only when there is no alternative. It is bad because, even when food and medicine are exempt, it bears most heavily on those least able to pay, and most lightly on those who can best afford it. From the typical low-income family, which spends its income on essentials of living and even then often goes into debt, the sales tax takes money needed for those essentials. Even in 1947, the typical Washington family with income of $3,000 or less paid more than $100 in direct personal taxes and went into debt. This included more than 20 percent of Washington families. From the typical high-income family on the other hand, the sales tax takes only a small fraction of the surplus which goes into savings. In 1947, Washington families with $6,000 and more showed average savings of over $500. This can be demonstrated by official statistics of incomes and expenditures in the District. Low-income families are already hard pressed by high living costs and heavy burden of direct and indirect taxes; they should not be burdened further.

We have in that statement paragraph after paragraph of sound economic doctrine, as stated by the local chapter of Americans for Democratic Action. Those statements drive one hole after another right through the body of this proposed sales-tax hold-up of the people of low incomes in the District of Columbia.

On the House side of the Capitol Building some very valuable alternative suggestions have been made for raising revenue in the District of Columbia. I ask unanimous consent to have inserted at this point in the RECORD a communication entitled "Alternative Revenue Plan for Washington," and I say to the proponents of this sales-tax bill that it is their obligation to show why that plan cannot be adopted in order to raise the revenue needed without burdening the poor people of the District of Columbia with a sales tax.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

ALTERNATIVE REVENUE PLAN FOR WASHINGTON

(By six Members of the House of Representatives)

Your editorials, Pauperized Washington, of March 16, and A Ward of Congress, of March 19, charged that the Members of the House of Representatives who voted down the sales tax showed not the slightest regard for the real financial problems (of the District) and that their action was irresponsible.

Editorials like these serve only to confuse issues. We should like to take this opportunity to present a revenue program which will demonstrate that the situation is not as desperate as your newspaper would have the public believe. This program would yield more revenue than the sales-tax measure recently rejected by the House. It is also superior to the sales tax because it is more equitable, easier to administer and will provide the basis for expanding revenues in the future to provide necessary services for District residents.

The program consists of the following: a broadened personal income tax which will tax all persons who reside in the District; a somewhat higher property tax; a larger Federal payment; and authorization to finance long-term improvement by borrowing.

The income tax and property tax features of this program are included in six identical bills which we introduced in the House last Tuesday. The increased Federal contribution and the repeal of the law of 1878 prohibiting the District from borrowing, will be included in other legislation.

The District of Columbia already has the elements of a good personal income tax. This produces a small amount of revenue at the present time because employees of the Federal Government domiciled elsewhere are specifically exempt. If this exemption for Federal workers were eliminated, the personal income tax would immediately yield at least an additional $5,000,000 a year.

Opponents of a broader income tax have argued that it would result in double taxation, since some residents of the District pay tax to their home States. This double taxation charge is simply not true. Existing law already provides a credit for residents of the District who pay tax to other States for the full amount of such taxes paid.

Without further amendment, the law would provide the same credit to persons who would be subject to tax under the broadened income tax proposed here. Double taxation would, therefore, be impossible.

As a matter of fact, the credit for taxes paid to other States will not greatly reduce the yield of the tax for the following reasons: First, most District residents, who are subject to income tax in their home States do not pay that tax because enforcement by State authorities is difficult and expensive.

Second, a few States do not tax domiciliaries if they do not reside there—for example, California and Idaho. New York exempts them providing they do not spend more than 30 days a year in the State. Third, 17 States do not levy a personal income tax and 2 States, New Hampshire and Tennessee, tax only income from intangibles. In total, double taxation of salaries earned by Federal Government employees is not possible in at least 22 States, even without the credit in the District law.

The estimated $5,000,000 yield which would be obtained from the broadened income tax does not exhaust its revenue potentialities. Revenue can be increased by raising the rates and increasing progression. For example, the income tax provisions of the bill introduced last Tuesday would raise an additional $10,000,000, or a total of $15,000,000 more than the revenue from present law, when the $5,000,000 produced by broadening the base is included.

In the immediate situation, it would be unnecessary to increase rates to higher levels than those provided under the new bill. It is well to note, however, that the rates in this bill are by no means excessive in comparison with rates in other States. Thus, the income tax could be made to produce even higher revenues without unduly burdening District residents.

Increased revenue requirements can, therefore, be met by way of the income tax even if this bill were adopted. Clearly, it is prudent and sound policy to anticipate the need for further revenue and there is no more equitable way to provide for such expansion than by the income tax.

Proponents of the sales tax will argue that Congress has voted down a comprehensive income tax in the past and will also point out that the Klein bill was defeated by the present House during the sales tax debate. The performance of past Congresses is, however, no indication of how the new Congress will act, nor can the vote on the Klein bill be taken as conclusive.

The vote on the Klein bill was less than half the total vote on the sales tax. A number of influential Members of the House have stated publicly that they support a sales tax only as a last resort. If they were to vote for the newly introduced bill, their vote added to the vote polled against the sales tax would be sufficient to pass that bill by a substantial margin.

The property tax in the District of Columbia may be low by comparison with other large cities in the country. There is no easy method to make such a comparison since the valuations in the various cities differ substantially. Even if it is granted that the District property tax is relatively low, this is by no means a justification for increasing it substantially.

Basically, the property tax is subject to the same criticism as the sales tax: it tends to be more burdensome on low-income families than on those in the higher income levels. Moreover, under rent control, a large increase in the property tax rate is likely to be fully shifted to renters, many of whom are already hard pressed by high prices for the necessities of life.

In view of these considerations, the property-tax rate might be increased, but in the interest of equity, by no more than 25 cents per $100 assessed valuation. This would mean a 12.5 percent increase, or about $4,000,000.

The Federal contribution to the District of Columbia has varied considerably since it was formally adopted. The first formula, adopted by Congress in 1878, provided a contribution of 50 percent of total District expenditures. This formula remained unchanged until 1921, when Congress reduced the Federal contribution to 40 percent of District appropriations. However, the 40–60 formula was superseded by lump-sum contributions beginning in 1925.

Lump-sum contributions have varied as follows since the fiscal year 1925:

Fiscal years:	
1925–30	$9,000,000
1931–32	9,500,000
1933	7,775,000
1934–36	5,700,000
1937–39	5,000,000
1940–46	6,000,000
1947	8,000,000
1948–49	[1] 12,000,000

[1] Includes $1,000,000 contribution to the water fund.

During the period 1925–30 expenditures from the general fund varied between thirty million and forty million, and the nine-million contribution of the Federal Government in these years varied between 21 and 32 percent of general-fund expenditures. The general fund has reached almost ninety million in the current fiscal year, and the Federal contribution to the general fund of eleven million is only slightly more than 12 percent.

There seems to be no question that a significant proportion of the increase in expenses is due to the increased cost of services to the Federal Government. Such costs have increased both because the Federal Government has enlarged its property holdings and also because the costs of running local government, like all costs, have been increased by the war and the postwar rise in prices. Clearly, it would be unfair to expect District residents to pay for higher costs of services rendered to the Federal Government.

Whether or not a formula is reintroduced or the lump-sum contribution is continued, it is obvious that the present 12,000,000 contribution is wholly inadequate. A minimum increase of 5,000,000 in the permanent contribution is essential.

The District government must finance all long-term improvements and construction projects out of current revenues. Elsewhere in the country, such improvements are almost always financed out of borrowed funds. Private business also finances long-term construction either by issuing bonds or by borrowing from banks or insurance companies. This practice is so widespread because it is a sound and businesslike approach.

Necessary improvements and construction projects in the District have been delayed by the wartime and postwar shortages. The need for many improvements is urgent and cannot be put off longer without seriously undermining the education, hospital, public welfare, and other programs. It would be impossible to provide even for minimum needs out of current revenues. The District is one of the wealthiest communities in the country, and its credit rating would be excellent. It is, therefore, both essential and safe to permit the District of Columbia to borrow funds for construction of long-term improvements.

In summary, the revenues which might be obtained from the sources enumerated above are:

Personal income tax	$15,000,000
Property tax	4,000,000
Subtotal from District sources	19,000,000
Federal contribution	5,000,000
Total from all sources	24,000,000

The financial situation in the District is by no means desperate, with revenue possibilities of these magnitudes available to be tapped. The program outlined above is a moderate and equitable one and, as already noted, will provide substantially more revenue than the sales tax. Its adoption would enable the District to proceed with plans for improvement in current services to District residents. If, in addition, it is allowed to borrow funds for construction purposes, the District will have the elements of a sound fiscal structure which can well serve as a model to other communities, as it should.

JOHN F. KENNEDY, *Massachusetts.*
W. K. GRANGER, *Utah.*
FRANK BUCHANAN, *Pennsylvania.*
GEORGE P. MILLER, *California.*
ARTHUR G. KLEIN, *New York.*
JAMES H. MORRISON, *Louisiana.*

WASHINGTON.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a document entitled "Yield of Personal Income Tax in the District of Columbia as Proposed in the Minority Bill of the House District Committee."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

YIELD OF PERSONAL INCOME TAX IN THE DISTRICT OF COLUMBIA AS PROPOSED IN THE MINORITY BILL OF THE HOUSE DISTRICT COMMITTEE

At the present time, the personal income tax in the District of Columbia yields about $4,200,000 and the unincorporated business tax yields another $800,000, giving a total for the two taxes of approximately $5,000,000.

It is well known that the personal income tax is a poor revenue producer in the District of Columbia because the tax is not applicable to Federal Government employees who claim domicile elsewhere. Only 85,000 persons pay the District of Columbia tax. This number would be increased to at least 240,000, or almost tripled, if the tax were made applicable to all residents of the District regardless of their State of domicile. Clearly, the revenue potentialities of the personal income tax can be increased greatly if its coverage were extended to cover all residents.

The House minority bill would increase the personal income tax in two ways: first the tax would include all persons who maintain a place of abode in the District of Columbia for more than 7 months of the year; [1] second, the rates which start at 1 percent on the first $5,000 of taxable income and end at 3 percent on taxable incomes in excess of $20,000 would be raised, beginning with 2 percent on the first $2,000 of taxable income and ending at 5 percent on taxable income in excess of $10,000. The bill also repeals the unincorporated business tax because that tax is levied at a flat rate of 5 percent on business income in excess of $10,000, or the same rates provided under the bill.

The reliability of estimates of the yield of a proposed income tax depend upon the nature of the data available on the distribution of income. For the District of Columbia, we are fortunate that the United States Census Bureau recently completed a survey on 1947 incomes for the Washington Metropolitan area. The results of this survey have been published in sufficient detail to provide a good basis for estimating the yield of the tax proposed in the proposed alternate bill.

The method used to make this estimate is, briefly, as follows:

1. The total number of families and single persons residing in the District was first estimated on the basis of the estimated population and the average size of family given in the Census survey.

2. Distributions of income in 1947 were made for families of different sizes and single persons separately, on the basis of the Census survey. The incomes of the families and single persons in these distributions were then raised somewhat to take account of the increase in incomes since 1947.

3. From the distributions obtained in step (2), exemptions of families and single persons in each income class were estimated. These exemptions plus an average allowance of 10 percent for personal deductions under the income tax were subtracted from the income figures to obtain taxable incomes.

4. These taxable incomes were then arranged by classes and tax rates were applied to the amounts of taxable incomes in each tax bracket to obtain the total estimated tax.

Given the present rates (from 1 to 3 percent), the above procedure yielded an estimated $10,000,000 as the tax which would be obtained if the base were broadened to include all residents in the District.[2] This is about $5,000,000 more than is now collected from the personal tax and the unincorporated business tax combined. It may be noted that this is the same estimate given by Congressman BATES, of Massachusetts, in debate on the floor of the House of Representatives.[3]

Using the same procedure, the higher rates under the House minority bill would yield an estimated $20,000,000 in total or $15,000,000 more than the present personal income tax and unincorporated income tax. The $20,000,000 figure was, of course, obtained by applying the tax rates to the amount of taxable income in each bracket as described in step (4) above. This estimate is obviously reasonable, since the yield of the present rates would be about $10,000,000 if the base were broadened to include all residents. This bill doubles the starting rate, increases the top rate by two-thirds, and has greater progression in the lower taxable brackets. Consequently, the bill raises just about double the amount that the present rates would yield on the broadened base.

Mr. MORSE. Of course, Mr. President, speaking briefly regarding those suggestions in the alternative, they propose to increase the income-tax rates, rather than to increase the exemptions in respect to income taxes. Although all the features of the pending proposal are undesirable, I think one of the most undesirable features of it is the provision

[1] Except Congressmen, members of their staff who are domiciled elsewhere, and officials appointed by the President and confirmed by the Senate. The number is very small and the effect of this exclusion is not taken into account in the estimates given below.

[2] A credit is provided under the law for all persons who pay tax to other States. However, an examination of the tax laws of other States indicates that the amount of the credit will undoubtedly be small, for the following reasons: California and Idaho do not tax their domiciliaries if they do not spend there. New York State exempts them providing they do not spend more than 30 days a year in the State. Seventeen States do not levy a personal income tax at all (these include many large States like Pennsylvania, Illinois, and Indiana), and New Hampshire and Tennessee tax only incomes from intangibles. In toto, double taxation of salary earnings in the District of Columbia is not possible for domiciliaries of at least 22 States, so that the credit would lose no revenue from this segment of the District population. For the remainder, it is doubtful whether many who are subject to income tax in their State of domicile actually pay tax there because enforcement by State authorities is difficult and expensive. Thus the loss in revenue due to the credit is bound to be very small, especially if proof is required by the District before a credit is granted.

[3] See CONGRESSIONAL RECORD, March 14, 1949, p. 2425.

for raising the income-tax exemption, trying to create the impression that by raising the exemption, the little fellow will be helped. We should realize that the exemption is also taken off at the top of every high income earned in the District of Columbia.

Of course, the second alternative is to increase the direct Federal Government appropriation, to the District of Columbia. I think it should be increased. When we consider the total amount of tax-exempt property owned by the Federal Government in the District of Columbia, I think that we, as representatives of the Federal Government, must come to the conclusion that we are not carrying our full load; and I think the suggestions in respect to adding to the direct appropriation made by the Federal Government for District expenses—I refer to the suggestions made by the minority in the Senate and by the minority in the House—are very sound.

I wish to take several minutes to speak, from direct personal experience, of the need for increasing the direct appropriation the Federal Government makes to the District of Columbia. For the past 2 years I have been the president of a home and school association at one of the junior high schools in the District of Columbia. Before I had that experience, I simply had no idea how derelict the Congress has been in regard to its educational policies, particularly from the standpoint of having the Federal Government pay adequately for the maintenance of the standards of education which should be maintained for the boys and girls who live in the District of Columbia. We should be ashamed of ourselves as a Congress for the inadequate support we have given to education in the District. Mr. President, we could possibly pursue such a policy as members of city councils in our home towns or as members of the State legislatures in our home States; but the people would have a very effective check on us as members of such bodies, and certainly we would listen to them. Show me the politician who would not.

But we do not listen to the people of the District of Columbia. Mr. President, do you know that if a new high school or a new grade school is built in the District of Columbia, we, the Congress, do not even provide the funds for landscaping the grounds of the school or for constructing adequate sidewalks leading to the building? Do you know, Mr. President, that if, at the Alice Deal Junior High School, the plaster began to fall off the ceilings of the corridors of the school, the Home and School Association would be asked to raise the funds needed for the replacement of the plaster, because the Congress does not supply any money in the budget for that purpose? If the equipment in the school cafeteria wears out, does the Federal Government supply the funds for its replacement? No; the mothers and fathers, through the home-school associations and the parent-teachers associations of the District, hold bazaars, entertainments, fairs, and what not to raise the money. If we want visual education in the schools, does the Congress supply it? No; the mothers and fathers have to raise extra money for it.

To say that such a condition is a disgrace is to put it mildly, but that is about the strongest language that may be used on the floor of the Senate The inadequacy of school support for the District of Columbia by the Congress of the United States is a disgrace. We should make direct appropriations to give the youngsters decent facilities, to give the teachers decent pay, to give the schools adequate support. The people of the United States owe it to the District of Columbia, too. I agree with the minority views of the Senate committee, and I agree with the minority views of the House committee, that the Congress of the United States has not lived up to its obligation to give direct appropriations in the amounts that it ought to give for a great many of the services which it now is not adequately supporting.

I said the first proposal of the minority is for an increase in income tax rates; the second, for an increase in the direct appropriation; and the third, for an increase in the property rate. The assessments are too low and the rates on the assessments are too low. I know of a Member of this body who about 2 years ago bought a home in the District of Columbia. He was talking to me the other day about the taxes he pays on his home. I shall put it in his language. He said, "WAYNE, I have a feeling of guilt when I pay those taxes, because my conscience tells me they are entirely too low." Is it better to tax the fathers and mothers, through a sales tax, when they have to buy shoes for their youngsters, than to tax that United States Senator and other property owners in the District by way of property taxes which they should pay and which their ability to pay determines they should pay?

I think, Mr. President, we are stained with much guilt in the Senate of the United States, and we should wash it off. We covered ourselves completely with guilt 2 years ago when we took care of our own pockets, and presented to the people of the United States the spectacle of Senators increasing their salary from $10,000 to $12,500, and then voting themselves an additional $2,500 of unaccountable expenses, tax-exempt. I said then, and I repeat now, it was a shameful thing to do. If we want a $15,000 salary, let us vote a $15,000 salary and make every dollar of it taxable. If we are going to have an expense account, then let us make it one for which we must account. Let us tell the people of the country what we spend it for. If the Congress can adopt such tactics, if it can follow such a course of action as that, and then impose a sales tax upon thousands of people in the District of Columbia, who cannot do anything about it, because we will not even let them vote on the issue, the Congress deserves censure. We should make the people of the District voting citizens of America and let them run their city, deciding for themselves what their municipal policies shall be and what their tax structure shall be.

The burden of proof is on the proponents of the pending bill—and they have failed miserably to sustain that burden—to show the need for a sales tax to meet what they allege is a revenue crisis in the District. They have run away from proposals to increase income tax rates, to increase property tax rates, and to increase direct appropriations to the District of Columbia.

Mr. President, I wish to close by reading a few paragraphs from a speech I made on another occasion, at another place, in opposition to a sales tax. In that speech I warned, as I warn again today, that we need to be on the alert for a movement for a Federal sales tax. In fact, we have gone a long way in that direction, through the imposition of excise taxes. A good many of the excise taxes can be justified in time of war, but it is impossible to justify in times of peace the type of economic discrimination which is represented by existing excise taxes. One of the inequities we ought to eliminate from the tax structure is the many excise taxes. They are having a detrimental effect upon the Nation's economy. Therefore, for some time I have been in favor of the complete abolition of certain excise taxes and a marked reduction in all the excise taxes that remain.

For some reason, Congress has in a manner developed what I call an excise tax complex. An excise tax is rather easy to impose, and, looking at each little group alone, it does not represent a great deal of political power. I think some of the Senators are overlooking the fact that the blanket has been spread out over so many that it is beginning to have political repercussions, and that may give us some hope of a change. I sometimes think the only hope of our passing good legislation is that our actions are subject to political repercussions.

But let me say, Mr. President, that we need to watch out for a Federal sales tax. One of the best checks against the development of a Federal sales tax is to eliminate some of the excise taxes, and, certainly, to fight the establishment of a precedent in the form of a sales tax in the District of Columbia. So, I wish to refer to a few paragraphs of a speech I made on another occasion—and I shall do so not merely by way of quotation this afternoon, but directly—because I shall supplement these statements as I go along.

I am opposed to a general Federal sales tax because I think it violates the basic principle which should be followed in imposing taxes, namely, the ability-to-pay criterion. A family's need for the necessities of life is certainly no test of ability to pay. Although it is a broad generalization, there nevertheless is a great deal of truth in the general opposition to a sales tax, namely, it is a tax which taxes the need of people for the necessities of life rather than being a tax which calls upon them to support their Government in accordance with their ability to pay. Thus, a man with a large family and a low income discovers that the pennies which are taken away from him, by way of a sales tax every time he or his wife goes to the grocery store, butcher shop, shoe store, and clothing store are all out of proportion, from the standpoint of his ability to pay,

to the sales tax that is collected from his more wealthy neighbors.

Furthermore, I would point out that a tax based upon the principle of ability to pay is consistent with the taxation theory that those citizens who have been able to accumulate from our economic system through their own initiative and hard labor or through inheritance have a great interest in and a great responsibility for maintaining that system, by way of supporting the Government expenditures through reasonable taxes. I think it is very easy to, and I believe many proponents of certain types of taxes push the argument I have just mentioned entirely too far. However, I think it must be admitted that the majority of people who fall into the class of citizens generally referred to as people of moderate and wealthy means are the beneficiaries not only of their own hard labor and business acumen but also are the beneficiaries of an economic system which has made available to them economic advantages which they did not create but which have had a great deal to do with the accumulation of their property and savings, in addition to their own personal endeavors.

For example, economic developments throughout the Nation, including the development of a war, produced a tremendous shortage of steel in recent years with the result that owners of steel resources and operators of steel mills became the beneficiaries of a national economic development which they, as individuals, did not produce but which they, as individuals, were able to capitalize on because of the economic position in which they found themselves. I recognize that there are many other factors that also must be considered when one is trying to determine what is a fair tax to be imposed upon any one group but, nevertheless, I think it must be admitted that it is only fair to impose the heavier burden of taxation upon those individuals in our society who are the beneficiaries of our economic system as tested by their accumulation of property and wealth. The sales tax does not meet that test.

Now I would be the first to insist that the tax on wealth and property must not be so burdensome as to destroy incentive or as to amount in fact to a form of confiscation but, at the same time, I think, when one looks solely at the criterion of the ability to pay, it must be admitted that the sales tax is not a fair tax because it does not gage ability to pay but rather rests on a need of an individual to make purchases for necessities.

Workers and farmers generally oppose the sales tax because they see in it a passing of the tax buck, so to speak, from those most able to pay taxes on accumulated wealth to those who have, relatively speaking, little accumulated wealth. I think they are right about that. However, as I have mentioned above, I am not one who holds to the view that taxes should be levied upon the principle of soak the rich, or on the principle of soak the real-property owners. I think in many sections of the country real-property taxes are too high and income taxes are too low.

But in the District of Columbia, Mr. President, both real property and income taxes are too low.

As far as Federal taxes are concerned, you will find, if you will check into my record in the Senate, that I think there is a need for a good many changes in the Federal tax laws in order to get rid of certain gross inequities which have developed in those laws because those inequities have turned into a soak-the-rich principle.

When I say that as a matter of tax principle, ability to pay should be our prime criterion, I do not mean that unreasonable taxes should be imposed on various forms of wealth, such as real property, or inheritances, or any other source of wealth and income, for after all, the objective and incentive of our capitalistic system are that there should be an opportunity for any man of ambition and ability to accumulate wealth and to become rich.

In some quarters, one would think it were almost a crime to be a rich man. On the contrary, I think the economic objective of becoming rich should be encouraged as an incentive to young men and women, and boys and girls. But what I am saying is that there goes along with the advantages of being rich also a great social obligation to pay for the expenses of a system of government which makes it possible for such great economic opportunities to be available to people of ambition and incentive.

It will be very unfortunate for the economic welfare of our country if we ever impose a system of taxation which discourages men from trying to accumulate wealth. In a good many respects, our present tax laws are doing that very thing now. I am trying to secure the adoption of some amendments which will correct the most gross inequities of our Federal tax laws.

I refer, of course, Mr. President, to the amendments of the Committee for Economic Development which I discussed earlier in my remarks this afternoon.

Now, to go back to my discussion of the Federal sales-tax problem, I would point out that there is another theory of taxes to which the opponents of the sales tax call attention. They point out that the operation of our economic system inevitably results in certain numbers of our citizens becoming fairly well off financially, whereas a much larger number accumulate very little savings, but rather live pretty much on a day-to-day or month-to-month basis. So it is proposed to tax them. There are a great many reasons for the plight of these people. In some instances the fault lies directly with the individual in that he may be inclined to waste his money or to be a spendthrift. One who accumulates wealth usually gets the money of the spendthrift.

On the other hand, there are many people who are confronted with one adversity after another, such as illness, accidents, crop failures, and hard luck generally. There are many others who either lack the native ability or who from a combination of circumstances beyond their control make it impossible for them to do more than just about make both ends meet from pay-check period to pay-check period. But the proponents of the sales tax would tax them.

The opponents of the sales tax point out that this large segment of our population, composed of families who do not accumulate any considerable amount of savings and many of which always remain either in the debt or just barely meet the expenses of a really low standard of living, are responsible, nevertheless, for a very large share of the production of our national wealth.

Mr. President, the proponents of the sales tax frequently overlook that fact. They, too, frequently overlook the fact that the millions of American citizens who are barely able to make both ends meet, and some of whom fall in debt time and time again, after all are a terrific economic resource working in favor of the accumulators of wealth. The accumulators of wealth would not be able to build up their assets if it were not for the fact that they are dependent upon this great reservoir of labor, much of which, as the records show, does not accumulate great savings, but which finds that the limited income it takes is spent by the end of every work period, and frequently the new pay check is already heavily mortgaged.

Thus, it is argued that the large number of people who do not have the economic ability of the smaller number in our population who own a larger share of our wealth, nevertheless, are the producers of a large share of that wealth. Inconsistent and paradoxical as that argument may sound, nevertheless, any analysis of it shows that there is a great deal of soundness to it, when viewed from the fact that if all the productive efforts of all the millions of people of the United States, who have no savings or whose total assets as individuals are less than $1,000 per person, should all of a sudden completely stop their economic efforts, our entire economic system would collapse.

If you can imagine that happening, then I think you will agree with me that production of wealth in this country would practically come to a complete standstill. This is exactly what Lincoln had in mind when he pointed out that all wealth is dependent upon the mass of the people who produce it.

Mr. President, I sometimes become a little amused at the fellow who tells me that what he has accumulated is all the result of his own labor and his own initiative, and that he is a self-made man. I would not for a moment discourage initiative, ambition, and incentive. However, to many of those who boast that their accumulations of wealth are the sole product of their own hands and their own minds, I call attention to the fact that that is only partially true. They are the direct beneficiaries of the economic advantages of the community in which they live which gave them their opportunity. They are the direct beneficiaries of this reservoir of human beings whose daily work makes it possible for the economic life of the community to operate. Without that group there

would be no self-made men in America, from an economic standpoint.

In view of the fact that the people in that great reservoir, as the records show, do not have the ability to pay, I think there is something grossly unfair and unjust about imposing upon them a sales tax which taxes their necessities of life. It is a reflection on the capitalistic system—and I know of no one who has defended or will defend that system more vigorously than the junior Senator from Oregon to say that in order to make it work we have to tax the necessities of life of the great reservoir of our population that does not find it possible to accumulate sufficient economic wealth so that they can fall within the brackets of even the moderate income-tax payers.

I have more confidence in the capitalistic system than that. I have more confidence in the capitalistic system than does the Washington Board of Trade. I have more confidence in the capitalistic system than do the selfish merchants of Washington, D. C., who want to impose the sales tax on the purchases of the necessities of life in the District of Columbia, and who also recognize that on the small purchases they will collect a 5 percent tax and return 2 percent of it to the Federal Government, putting in their pockets 3 percent of the tax for collection purposes. That is nice business if one can get away with it, and apparently they are going to get by with it. They should be ashamed of themselves so to distort the tax system as to produce that inequitable, unfair, and unjust result.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. LONG. I understand that certain necessities are exempted in the bill. Is that correct?

Mr. MORSE. The sponsors have inserted what we call in big business sales leaders. Exemption of some necessities is one of the leaders in the bill. It is the "come-on" note. They have some "come-ons" in the bill, and that is one of them.

They also have another "come-on" in the bill, and that is the little kick-back for administrative costs which allegedly the merchant is going to have to pay, kicking back 3 percent of the tax on the small sales and giving the Federal Government 2 percent. That is a "come-on," too.

Is it any wonder that the businessmen of the District of Columbia are all for it? The wonder is that the Democrats, on the other side of the aisle, are for it. That is what I simply cannot get through my head.

Mr. JOHNSTON of South Carolina rose.

Mr. MORSE. I am not sure where the Senator from South Carolina stands in the party; but that is another matter. I see sitting on the other side the Senator from Rhode Island [Mr. McGRATH], the chairman of the Democratic National Committee. We know where he stands. He is a Democrat.

Mr. McGRATH. Some of us do not understand where the Senator from Oregon stands in his party.

Mr. MORSE. I can assure the Senator that there are many in my party who do not know where I stand, but I assure the Senator, too, that millions of voters in America know where the junior Senator from Oregon stands. I want to assure the Democrats of something else. They are going to have an extremely hard time defeating me in 1952. And let me tell them, the fight I am making this afternoon against the Democratic sponsored sales tax will be great campaign ammunition in Oregon. Do not forget that.

Mr. President, I am almost through. I might as well conclude with what I have just said, but there is a closing paragraph I should like to have in the RECORD.

The point I am trying to make clear is that when I say, as a matter of tax principle, ability to pay should be our prime criterion, I do not mean that unreasonable taxes should be imposed on various forms of wealth, such as real property or inheritances or any other source of wealth and income.

As to the general sales tax, the sound argument of the opponents is that it takes too great a burden of taxation off the backs of those best able to pay taxes and places that burden on the large mass of our people who already are most responsible for the production of the wealth owned by those most able to pay taxes. It is this attempt to shift the burden of taxes from the wealthy to the poor through the medium of the sales tax, that has led to the almost universal defeat of sales-tax proposals, whenever the people themselves have had the chance to cast a direct vote on the issue. There have been some exceptions to this, but not many.

I close, Mr. President, by reiterating my original challenge. If the Democratic Party really believes in home rule for the District of Columbia, I suggest to the Chairman of the National Committee of the Democratic Party, the distinguished Senator from Rhode Island [Mr. McGRATH], that he offer to the Senate a proposal to submit the sales tax bill to the residents of the District of Columbia for a referendum vote, and abide by the results.

Mr. CAIN. Mr. President, the junior Senator from Washington rises to reflect rather briefly on the fiscal problems which presently surround the District of Columbia. But before doing that I should like to make an observation on a subject which was first presented a few days ago in the Senate by the distinguished senior Senator from Nevada [Mr. McCARRAN].

For the past few days the junior Senator from Washington has listened with considerable interest and respect to the discussions by the senior Senator from Nevada and the senior Senator from Michigan concerning our relations with Spain. I have listened with respect because it has been my experience that these two gentlemen often speak with authority, with sincerity, and above all else with the interest of the United States paramount in their hearts. I was therefore interested to read in the press the reaction to the statements of the Secretary of State. The Secretary is quoted as saying that the attitude of the United States toward full diplomatic recognition of Spain will not change until that nation undertakes a liberalization of its domestic policies and of the civil rights of Spanish people. I am pleased by the concern of the Secretary of State and the administration which he represents for the civil rights of any nation.

I am, however, forced to admit to a large degree of confusion. I do not remember the Secretary of State or the party and administration, on whose behalf he speaks, showing any such concern for the civil rights of the Russian people when they recognized the inhuman dictators of the Kremlin back in 1933; a dictatorship Mr. President which far surpasses in horror and terror anything that has ever happened under the present Government of Spain and perhaps even surpasses the brutality of the medieval Spanish Inquisition.

Mr. President, I do not remember the Secretary of State or the administration which he represents showing any concern for the civil liberties of the people of Yugoslavia when they hastily recognized the dictatorship of Tito. I do not remember, Mr. President, any such concern by the Secretary of State or the administration and party which he represents when they recognized the dictatorships of Poland, of Rumania, of Hungary, of Bulgaria. I am forced, Mr. President, to the conclusion that the Secretary of State and the administration and party which he represents are concerned with civil liberties only when that concern coincides with the current Communist Party line, but not when it concerns the security and defense of the United States of America. If the Secretary of State sincerely believes the words which he has uttered let him show his good faith by taking the same action in the case of dictatorships which far surpass anything that this world has ever seen in Spain or elsewhere, and I mean by that the dictatorships established in recent years by the Communists.

Now Mr. President I wish to reflect on the fiscal situation which we find in the District of Columbia.

During the Eightieth Congress, which covered the years of 1947 and 1948, the junior Senator from Washington was highly privileged in having been the chairman of the Fiscal Subcommittee of the Senate Committee on the District of Columbia. Out of this sometimes frustrating but always worth-while experience came knowledge and positive convictions concerning the financial needs and requirements of the district of Columbia and a firm determination to be of service to our magnificent Capital City whenever that was possible. Perhaps I can be of some small service to the District of Columbia at this time as I speak in support of the pending revenue bill which has been so ably presented by the junior Senator from Wyoming [Mr. HUNT], and by the chairman of the Committee on the District of Columbia, the Senator from Rhode Island [Mr. McGRATH].

I think it will be helpful if I reflect briefly on how a sales tax need was established, when it was first advanced, the character and ability of those within the District who have supported the sales tax proposal, where the District would find itself today if a companion measure had been approved by the Senate a year ago, where the District finds itself because that measure was not approved, and what will the financial status of the District be a year or more from now if the pending measure is either laid aside or defeated.

It continues to surprise and concern me that some Senators are in opposition to a sales tax for the District of Columbia. Unless I am mistaken no Senator has ever appeared as a witness before the Fiscal Subcommittee of the Senate District Committee to express his opposition to a sales tax. It is only after the committee has approved and reported a sales-tax measure that some Senators seek to defeat it. There is no doubt in my mind concerning the sincerity of the opponents for I take for granted that they are expressing what they consider to be the sentiment of their home constituencies.

I think we had a remarkable illustration of that fact just a few minutes ago. The distinguished Senator from Oregon [Mr. MORSE] in opposing the pending measure, and in an answer to an inquiry or observation made to him by the able Senator from Rhode Island [Mr. McGRATH] said, as I remember, that the speech the Senator from Oregon was giving this afternoon in opposition to the pending measure would make first-class political ammunition to be used in a coming campaign—where? Not in the District of Columbia where the sales tax we talk about is to be established, if approved, but 3,000 miles away from here, in a sovereign and magnificent commonwealth known as Oregon.

It seems to me to be a fact, however, that the opponents of a sales tax are not expressing the feelings of a majority of those who are residents of the District of Columbia. It is likewise true that few of the opponents are members of the Committee on the District of Columbia. I even consider it to be a probable fact that few among the opponents have ever looked at a District budget or considered and studied the staggering and difficult financial problems which confront the District. For the most part the opponents to a sales tax are simply opposed to a sales tax in principle and probably they feel, as I think the distinguished Senator from Oregon strongly inferred, that if a sales tax can be defeated in the District of Columbia that it will make less likely the adoption of a sales tax for the States from which they come. From my point of view this approach to the serious financial problems and burdens of the Nation's Capital City is extremely unfair to its local government and to the nearly 1,000,000 citizens who live within its confines. As these most distinguished opponents endeavor to defeat the pending measure I would suggest to the Senate that unless a more reasonable proposal can be immediately advanced the Senate should approve the pending bill without delay if the wish of the Senate is to continue to extend and improve the required services which are given by this city's administration today to those who live within our jurisdiction.

If we take our minds off the primary consideration—and I think there is only one—which is the good of the District of Columbia, we can too easily create and be responsible for financial trouble of such proportions that no solution will present itself for many years to come.

I am inclined to agree with those Senators who believe that the Federal Government ought to increase its present annual payment to the District of Columbia. During the Eightieth Congress the annual payment was increased from $8,000,000 to its present $12,000,000. It could well be more, but how much more it ought to be I am not qualified to say. It happens to be my considered view that we ought first to require the District of Columbia to avail itself of every reasonable tax source before we seek the easier way out through turning to the Federal Treasury. A few words on the fiscal relationship between the District of Columbia and the Federal Government will suffice for the moment.

FISCAL RELATIONS WITH THE FEDERAL GOVERNMENT

To me and to many others there are compelling reasons why the Federal Government should not permit the residents of this city to assume all the extra financial burdens which have been brought about mostly by the legislation of the Congress during recent years. We in this Congress pass the legislation. They of the District pay for it. We do not often enough stop to provide means with which to satisfy the obligations. We sometimes impose on the District heavy burdens without consulting with the Commissioners of the District. It should be remembered, however, that the Federal Government's obligation is not and should not be based on the District's ability to function without assistance. This obligation should not be considered as a contribution, but it should be acknowledged and recognized and considered to be what it is, a payment which is due to the District of Columbia.

Washington, D. C., is national in character, and the Nation should share in its maintenance and upkeep, certainly to the extent of those measures enacted here and those improvements made under the direction of this Congress that a city of the same size in the States would not ordinarily be expected even to consider.

Just what the payment should be and the type of formula to be adopted has been a matter of controversy for a long period of time, and, in all probability, it will be essential to have further studies and investigations made, as has been suggested by the distinguished Senator from South Carolina [Mr. JOHNSTON], before we can arrive at the fair share of Federal participation.

My primary point, however, is this: I do not believe that the District of Columbia, or the people resident in this District, or the millions who enjoy its facilities as the Nation's Capital, should be penalized because of the inability of Congress to reach such an equitable agreement.

Under the Constitution we act as the municipal council and the State legislature for the District. We are not considering a helpless indigent city, but we are legislating for one with power and influence, wealth, and ability, combining all the aspects of a State, county, and municipal government. There is no city on the face of the earth to compare with the potential and actual might and influence of Washington, D. C. This city, State, and county government—for it is all of those things—is a creature of the Congress and it partakes of the characteristics of a city, county, and State, and renders services on this basis to the people living here. From 660,000 individuals, according to the official census in 1940, the population leaped to an estimated 938,000 on VJ-day.

During the war years many services were necessarily curtailed, and the cost of government was somewhat reduced. But, with the resumption of insistent public demand for full scale municipal service following the cessation of hostilities, it early became clear to the Commissioners that a review of the tax structure of the District of Columbia should be and it was undertaken. In May 1945 the Commissioners appointed a committee of District officials to make such a review and to submit recommendations for such changes as might be required to enable the District of Columbia to meet the increased costs occasioned both by the mounting population and the higher costs for personnel and materials. Who constituted this committee? I have not heard its membership named on this floor, though I have heard it said by some of the opponents of the pending measure that no consideration has actually been given to furthering a careful study of the financial needs of the District. The committee was first made up of the Corporation Counsel as chairman, the Assistant Engineer Commissioner, the Assessor, the Budget Officer, the Assistant Superintendent of Schools, the Auditor, and the Director of Highways.

After this official-family committee had made preliminary studies of the subject, and before any final conclusions were arrived at, the Commissioners felt that it was desirable to secure a cross section of public opinion, and accordingly appointed a number of representative citizens also to serve on the committee. These were B. M. McKelway, president of the Board of Trade; Claude W. Turner, vice president of the Merchants and Manufacturers Association; Bruce Baird, president of the Bankers Association; Wilbur S. Finch, president of the Federation of Citizens Association; Woolsey H. Hall, president of the Federation of Civic Associations; Fred S. Walker, publisher of the Trades Unionist; Edward Carr, president of the Home Builders Association; J. M. Heiser, president of the Federation of Businessmen's Associations; James C. Wilkes, Bar Association; and Robert V. Fleming, president of the Riggs National Bank. The full committee—and it was full in the

sense of ability and in the sense that it represents, so far as I have been able to determine, most of the interests in this community—gave careful consideration to the sources from which additional revenue might be obtained, studied almost every conceivable method of taxation, and selected those which it believed would produce the greatest amount of revenue, distributed in the most equitable manner.

After that committee made its report, but before any action was taken thereon, the Commissioners for the District of Columbia took the next step, as they should have done, and held a public hearing to which was invited all interested individual citizens, as well as representatives of citizen, civic, and trade organizations, all of whom were given a full opportunity to express their opinions on the tax program. I do not know who were in attendance at that public hearing; but I venture the guess—and I should like to be informed otherwise if I am incorrect in that respect—that obviously no Senator attended that meeting to advise the citizens against the adoption of a sales tax. At a public meeting to which all interested persons were cordially invited, probably there were none of those who now, for reasons sufficient unto themselves, say we must disregard the recommendations of the committee which would lead to the adoption of a sales tax, but that we must find revenue, in the amount of many millions of dollars, from sources as yet not only undisclosed but certainly unagreed upon.

At the conclusion of those hearings the Commissioners of the District of Columbia approved the tax program proposed and forwarded it to the Congress.

The sales tax we are debating this afternoon was included in that program in 1945 and is the principal part of it. That committee, which was appointed by the Commissioners in 1945, was composed of representative citizens and taxpayers of the District of Columbia, as well as of a number of District of Columbia officials; and the committee recommended that additional revenue be sought in seven different directions. Because the problem of what to do with the finances of the District of Columbia will continue to be before us in future years, I think I might state for the RECORD what those avenues of tax availability were considered to be by the committee to which I have referred. They were as follows:

First. Broadening the District income tax.

Second. Levying a 2-percent sales tax on all tangible personal property sold at retail, with food for human consumption in the home, medicines, and sales under 25 cents exempt.

Third. Levying a tax on unincorporated business at the same rate—5 percent of net income—as that imposed on corporations.

Fourth. Increasing tax on spirits, beer, and wine.

Fifth. Levying a 2-percent tax on utility bills.

Sixth. Levying a 1-cent tax on each package of cigarettes.

Seventh. Levying a 10-percent tax on the purchase price of each ticket to a place of amusement.

In February 1947 the Commissioners transmitted to the Speaker of the House a bill entitled "To Provide Revenue for the District of Columbia, and for Other Purposes."

In March and April of 1947 a Joint Subcommittee on Fiscal Affairs of the Committees on the District of Columbia of both the House and Senate conducted thorough and extensive hearings on the question of raising revenue for the District of Columbia. I think the record indicates that in February 1947 124 witnesses were heard before that Fiscal Affairs Joint Subcommittee. So far as the Senate side of those hearings was concerned, I do not recall that a single Senator or a single Representative appeared at any time during that month to express his opposition to a sales tax.

In 1948 quite a few District sales-tax bills were introduced. One bill—H. R. 6759, Eightieth Congress, second session—passed the House June 8, 1948. In the Senate the bill was designated as "S. 843, Eightieth Congress, second session," and it was reported favorably by the Senate committee on June 3, 1948. That bill, with all its hopes, including the hopes for the raising of revenue with which we could not only have balanced the budget of the District of Columbia but also could have increased wages and salaries, where increases were required, and could have extended services where needed, was defeated, as most Senators will recall, in the dying hours of the Eightieth Congress, in the month of July 1948.

Mr. President, not only some Senators who for a long time have been interested in this problem, but also most of the citizens of the District of Columbia, as well, might be interested to know where their and our District of Columbia would be today if the sales-tax bill had been passed by the Senate in July 1948 and had become law. It was estimated that the sales-tax bill which the House of Representatives in the Eightieth Congress passed, would yield for the District of Columbia $6,000,000 in 1949, and $13,500,000 in 1950. Under that bill, the collections would have been made quarterly, rather than monthly, as provided in the pending measure.

I was one of those who, in terms of figures, were convinced that if the sales-tax bill had been passed in July 1948, it would have produced, at a conservative estimate, $6,000,000 in the year 1949. It is obvious and clear to all of us that from a sales tax which was defeated in 1948 we are not going to derive a penny's worth of benefit in 1949. The least we can say is that in recent months we had an opportunity to raise $6,000,000, but we passed it by, and therefore we are subject to all the resulting headaches which necessarily come from that loss of revenue, which this city from within its own citizenry could reasonably have provided for a more proper conduct of its municipal business.

The expenditures in the general fund are estimated at $86,210,000 for the fiscal year 1949. The revenue availability, including the liquidation of over $6,000,000 in securities for public works, amounts to $86,527,000. There was a liquidation of those $6,000,000 worth of securities, or before this year is over the liquidation will become complete in order to meet prevailing obligations. I myself do not like to think about that liquidation, because those securities had been set aside for a rainy day, and for constructing and making possible some capital improvements. But the liquidation of those securities had to be made in order to meet the fiscal needs for current operations.

There is not a single city in the United States, to my knowledge, which could long survive with the type of management which has been given to this great municipality. If the sales tax had been enacted in the Eightieth Congress, there would have been an additional $6,000,000 available in 1949, or a total of $92,527,000.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CAIN. I am glad to yield for a question.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator whether he knows of any city the size of Washington that does not have a bonded indebtedness?

Mr. CAIN. I cannot say that I do.

Mr. JOHNSTON of South Carolina. What is the Senator's view in regard to the District being able to float bonds for permanent improvements?

Mr. CAIN. In my opinion we should first straighten out the prevailing tax structure, or the lack of one, within the District of Columbia, before we concern ourselves too much with the floating of bonds as an easy way out.

Mr. JOHNSTON of South Carolina. Is it not true that every year there would be available several million dollars which could be devoted to permanent improvements within the District?

Mr. CAIN. I think that is correct.

Mr. JOHNSTON of South Carolina. How do other cities finance permanent improvements?

Mr. CAIN. They do it in a number of different ways.

Mr. JOHNSTON of South Carolina. It is done mostly through bond issues, is it not?

Mr. CAIN. A good part of it is; yes.

It is estimated that salary increases for District employees would have cost approximately $5,000,000 and increased the obligations to $91,210,000, leaving a surplus of $1,317,000 at the end of 1949.

In the fiscal year 1950, the estimated obligations in the general fund amount to $88,376,000. If the pay raises had been effective, these obligations would have been increased by approximately $5,700,000, or a total of $94,076,000. The estimated revenues from present sources for 1950 amount to $80,950,000. If the sales tax had been enacted, this would have been increased by $13,500,000 with a balance of $1,317,000 brought forward from 1949, which would have resulted in an avaliability of $95,767,000, leaving a surplus of $1,691,000 at the end of 1950. But, a sales tax was defeated during the latter part of July 1948. I think a good many of us are interested in the question, Where is the District of Columbia today, by reason of the failure to enact the sales tax?

Although the general fund budget of the District of Columbia is balanced for

the fiscal year 1949, the failure to grant pay increases similar to those given to Federal employees has caused the resignation of numbers of employees and increasing difficulties in recruitment of certain personnel.

Because of the failure to enact the sales-tax legislation last July, many hundreds of individuals receiving relief from the District of Columbia have been forced to subsist on 1946 relief levels. I think we should bear in mind that last year, when there was an obvious need for additional revenue for the District, the Senate thought it proper to defeat a proposed sales-tax measure, but it replaced it with nothing else.

Because of the failure to pass the sales-tax measure last July not a single additional school building or room is included in this year's budget, even in the face of testimony by an expert hired by this Congress to make a school survey showing that hundreds of our children are not receiving proper education.

Because of its failure of passage, the District authorities were unable to consider any additional capital improvements, although they are fully cognizant of the intolerable situation existing in some of our welfare institutions.

Because of its failure they could not and did not to any appreciable extent increase police protection, although crime is rampant and mounting in the District of Columbia.

These are but a few of the evil and sad consequences which have come about as a result of the failure of the Congress to provide the District with authority either to increase its revenue or to appropriate funds to take the place of revenue, which can, and from my point of view should, be derived from the establishment of a sales tax for the District of Columbia.

I have but one other question to raise and to answer, for the information of the Senate. Senators must be concerned with the question, "What will be the condition of the District of Columbia in the fiscal year 1950, in the event the bill H. R. 3704 is not enacted?"

The requests of the Commissioners for the fiscal year 1950 as presented to the Senate Appropriations Committee show a deficit of approximately $7,500,000. This budget was considered an inadequate submission. It made no provision for many acute needs of the District of Columbia. If H. R. 3704 is not enacted this budget must of a necessity be further reduced, which would be extremely detrimental to the people of the District, including those of us who are in this body. Furthermore, and I think it will become increasingly more important, pay increases must necessarily be delayed in the future as they have been in recent months, if this legislation is not passed at this session of the Congress.

Eighteen thousand employees, including school teachers, policemen, and firemen, including every public servant, regardless of his task, within the jurisdiction of the District of Columbia, will, if the pending measure fails, be denied the salary increases which Congress enacted in July 1948, which were intended, as was plainly said, to cover the personnel of the District of Columbia as well as Federal employees working in the District of Columbia.

Because of the failure of the Senate to enact legislation proposed by the Senate District Committee last year, many of the 18,000 employees have become disheartened, discouraged, and understandably bitter at their failure to receive the pay increases which went so rapidly and so fully to those employed on either side of the District of Columbia workers.

I think the Senate, Mr. President, has quite a great deal to think about with reference to its obligations to the District of Columbia. Speaking only for myself, I think the Senators who are managing the pending bill have proved, (1) that the legislation is reasonable; (2) that it is needed; and (3) that it will be a very great pity and a loss to everyone if the pending bill is defeated, or if, on the assumption that it may be defeated, comparable revenue-raising legislation is not approved by the Congress and signed by the President of the United States.

Mr. President, in closing, I want to invite the attention of the Senate to a series of short articles on the fiscal situation in which the District of Columbia finds itself involved. These articles, six in number, and bearing the titles "A Fairer Deal Here at Home," "Spending Your Tax Dollar," "Borrowing Could Help," "Our Shrinking Taxable Real Estate," "Real Estate—the Tax Goat," and "A Sales Tax Is Necessary," were written by a Mr. John W. Thompson, Jr., who is a writer for the Washington Evening Star. I think that any objectively thinking and disinterested Senator who finds it convenient and possible to read these articles will have a more thorough understanding of the problems which involve our city of Washington, D. C., and will secure from that knowledge a determination which is comparable to mine and that of other Senators to make as certain as we can the finding of a solution for the needs of this great city before many days shall have gone by.

The PRESIDING OFFICER. Does the Senator ask that these articles be inserted in the RECORD?

Mr. CAIN. Mr. President, I ask unanimous consent that they be incorporated in the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star of January 24, 1949]

A FAIRER DEAL HERE AT HOME

Beginning today the Star will print on this page a series of five articles by John W. Thompson, Jr., bearing on Washington's tangled budget problem.

The articles touch merely some of the highlights and are designed primarily to explain some interesting charts prepared by the District Budget Officer, Walter L. Fowler.

Readers may find them interesting as background for the discussions at the Capitol this winter over ways and means to make both ends meet in running this expensive city. The problem is no simple one. Congress must find the best and fairest means of raising some $15,000,000 to meet obligations, over and above existing revenue, arising in this fiscal year and the one beginning next July.

Some of the revenue should come from increasing the Federal payment. Most of it is apt to come from new and higher taxes. It is in local taxation, especially, that Washingtonians have a right to expect a fairer deal than they have received from Congress in the past decade. Functioning in respect to the District of Columbia as a local legislature, Congress should approach its task as any other local legislature would, from the point of view of the people to be taxed.

The past decade has shown a dangerous trend in local taxation. It has resulted in placing too large a part of the burden on too few of the people. The local income tax is a singular example of discriminatory taxation. By its wholesale exemptions, particularly of Federal employees claiming legal residence elsewhere, it has left only some 95,000 persons, in a population exceeding 850,000, affected by the local income tax. The tax does not produce the money it should. It is probably the most difficult of all taxes to administer. It is indefensible in that it requires one man to pay the tax and exempts his neighbor, though both enjoy equally the services of the community. It should either be repealed or it should be amended to include everybody.

The real-estate tax has become another discriminatory tax, insofar as its share of the total tax load is concerned. It is now carrying about 52.72 percent of the local tax burden. It is paid directly by about 120,000 persons and as a rule these are the persons liable to the local income tax. The real-estate tax itself is a high tax when the standard of assessment—compared with assessments elsewhere—is considered.

Less than half the land area in Washington (not counting streets) is now taxable. Yet this 48.7 percent of the area is assessed for taxation at a higher total figure than all of nearby Baltimore. Washington's fraction of taxable land and improvements is more highly assessed than any of the cities between 500,000 and 1,000,000 population in the country. Its per capita assessment, with half the area exempt, is second only to New York.

The taxable area is steadily decreasing. Below is a chart, prepared by Mr. Fowler, which shows the size of the slice that has been taken from taxable real estate principally by the Federal Government in the past 14 years. This "slice"—the white, unshaded area—represents the 2,942 acres, or 16.35 percent withdrawn from taxation since July 1, 1934:

As Washington is the seat of the Federal Government, it is natural to expect continued Government expansion within the District. This type of tax exemption will be increased by purchases of property by tax-exempt institutions and by foreign countries as sites for embassies and legations. No one can reasonably complain about that trend. The needs of the Government in its Capital City are paramount. The point is that this condition must be recognized by Congress and faced realistically. Congress cannot in justice, or as a practical matter, expect the diminishing taxable area to carry as great a proportion of the tax load as in the past, without highly injurious results. And it must increase the payment it makes in lieu of the taxes lost.

Taxes in the downtown business area of Washington amounted to about 8.5 percent of annual rentals before the war. According to the District Assessor, the increases in assessments and rates have brought them to about 15 and even 20 percent now. Comprising only 1.7 percent of the total taxable area, the downtown business section pays about 21 percent of the total real-estate tax. Further real-estate-tax increases may hasten the trend toward decentralization, with the blighting effect on productive property that has become a major problem in many other cities. It is easy to kill the goose that lays the golden egg.

Apartment houses have received substantial increases in assessments and taxes in the past few years. Many are passed on to tenants. In the past fiscal year 19,351 applications for higher rentals, based on tax increases, were sent to the Rent Administrator. About 90 percent were granted, the great majority being in smaller apartments and private dwellings. Higher maintenance costs under rent control have brought complaints from tenants, based on lessened services and neglected repairs. Such factors have been mentioned as contributing to sales of apartments as co-op. Some owners want to get out from under.

Private home owners have had to pay an average increase of 29 percent in taxes in the past 2 years. A majority of new homes constructed in Washington during the past 3 years, according to the Assessor, have been small homes, sold to people in the low-income brackets. The last increase in the real-estate tax brought an unprecedented volume of complaints, especially from these owners.

The following table shows very clearly what has taken place in the past 8 years in development beyond the District of Columbia's fixed boundaries. New residential units in the District of Columbia, in number and in dollar volume, have steadily declined. The real increase is taking place in Montgomery, Prince Georges, Arlington, and Alexandria. (Fairfax figures are not complete and have not been included):

Review of residential building activities, District of Columbia and adjacent counties

	District of Columbia		Adjacent counties	
	Units	Valuation	Units	Valuation
1940	8,072	$28,838,505	6,860	$29,988,166
1941	9,720	31,668,705	10,511	42,580,200
1942	9,032	23,640,490	10,665	37,364,144
1943	2,662	13,109,350	6,557	22,593,841
1944	2,111	6,295,361	1,688	6,161,755
1945	2,912	9,627,250	2,299	12,592,530
1946	3,017	13,814,157	7,205	46,174,578
1947	4,287	23,983,722	14,430	106,616,883
1948	3,797	22,518,736	14,862	110,815,442

The District's tax sources have always been limited. It is a residential, not a commercial, city. Its boundaries cannot be extended to take in new, tax-paying suburbs. Its taxable area is shrinking and a discriminatory income tax exempts a large proportion of its residents.

Yet it must meet the needs of a greatly increased population and its government has become enormously expensive. That is one reason why a sales tax has become unavoidable. The amount of taxes paid for support of the District must be increased by enlarging the number of taxpayers and decreasing the proportion of the total burden that is borne by a relatively small number of taxpayers and a diminishing area of taxable property.

[From the Washington Star, January 24, 1949]

SPENDING YOUR TAX DOLLAR—PRESENT COST OF RUNNING OUR CITY IS EXCEEDING THE AMOUNT OF AVAILABLE REVENUE

(By John W. Thompson, Jr.)

Financially, the District's slip is showing again.

For the second straight year President Truman has sent to the Capitol a city budget well beyond the city's ability to pay.

He has cut an expenditure garment for the District and provided at least $8,000,000, according to the official prediction, too little to cover it.

Should District employees be granted a cost-of-living pay increase for the year beginning next July 1 similar to that granted Federal employees this year, the gap between expected income and expenditures would widen by $5,000,000. Made retroactive to last July 1, such a pay boost would add still another $5,000,000.

Thus even allowing the usual leeway for District forecasters, traditionally conservative when it comes to predicting revenues 18 months in advance, the deficit is apt to lie between six and eight millions, plus whatever happens on the pay increase.

Briefly the problem may be summed up in this way:

The city pays for its operations out of three funds—the water, highway, and general funds. Under the new 1950 budget proposals the water fund will be able to pay its way by dint of the increased water rates put in this year, the allocation of $1,000,000 to water purposes from the annual Federal payment to the city, and the sale of some invested securities saved up. The highway fund may even show a surplus of some $200,000 which, however, may not under the law be diverted for other purposes. The shortage is in the general fund and this is the fund against which most public services here are chargeable.

This time last year all three funds faced deficits. Tax legislation last summer increasing the gasoline tax a penny and boosting water rates prevented deficits in the highway and water funds.

This general fund shortage is the crux of the local fiscal dilemma for the fiscal year 1950.

There are just three ways to meet this situation:

1. Through major cuts in expenses chargeable to the general fund.

2. Through long-term borrowing from the Federal Government.

3. Through new legislation to increase revenues.

This third solution is suggested by the President in the new budget. Each will be considered separately in this series.

Before deciding to make up the deficit by cutting expenses chargeable to the general fund, look at the chart above and see how the general fund tax dollar is being spent. Note that major cuts here would result in major curtailments in the schools program, public safety (police and fire), health services, welfare services, recreation services.

Bear in mind that the Community Chest drive for private funds to supplement many of these public services fell short and that hence private effort must be curtailed.

Then ask yourself if these municipal services are adequate in your section of the city.

Note that less than 3 cents of the tax dollar goes for administration and remember that the budget requests submitted by President Truman to Congress have in most cases already been trimmed or slashed by the Commissioners from the original requests of their department heads.

Certainly there will be cuts made at the Capitol. There always are. But there will be additions too. The final figure is not apt to be much under the $103,000,000 in the President's requests unless taxpayers are willing or compelled to go without city services they are receiving or have demanded.

[From the Washington Star of January 25, 1949]

BORROWING COULD HELP—PLENTY OF PRECEDENT, ALSO WARNINGS, FOR FINANCING COST OF WASHINGTON IMPROVEMENTS THAT WAY

(By John W. Thompson, Jr.)

There is plenty of precedent in recent years for mild borrowing by the District to relieve financial pressure.

There is also in the city's past history eloquent warning against overborrowing.

It is against this background that the taxpayer today should decide how far the District should go, if at all, in seeking a long-term low interest or interest-free Treasury loan to offset the threatening general fund deficit for the year beginning July 1.

Officials say this deficit will be at least $8,000,000 and may be much more, depending upon whether Congress grants to District employees the cost-of-living pay raise it gave last year to Federal workers.

Obviously mild borrowing for new construction could release for other purposes the money now allocated to those projects.

Historically, the city was in debt almost constantly from its founding in 1800 to 1878, when the present commission form of government was created. Twice in that period it was ruined by borrowing. Both times the Federal Government bailed it out. Yet both instances were the result of the failure of the Federal Government to share with local residents the burden of developing a National Capital. It left them to wallow in the mud of Washington's unpaved streets.

During these experiences the Federal Government apparently learned that it was bad business to allow the District to borrow from private lenders. At any rate all loans to the city since then have been Federal loans.

From 1878 to 1921 there was no need for the District to borrow because the Federal Government under the law was paying half the cost of Capital development. From 1921 to 1925 the Federal share was reduced to 40 percent. Since 1925 an arbitrary lump sum has been appropriated annually which in recent years has represented only a fraction of the cost of Capital operation and improvement.

District borrowing in recent years probably dates from 1930 when the Capper-Cramton Act authorized appropriation of $16,000,000 for park land and playground purchase to be repaid by the District without interest at the rate of about $1,000,000 a year. To date $11,499,000 has been appropriated in small sums. Of this the District has spent some $10,235,000 and repaid $9,137,000. Thus only $1,100,000 remains to be repaid.

During the thirties and President Roosevelt's recovery program the city received public-works grants and loans along with the States. Total loans of about $17,000,000 were accumulated at less than 2 percent interest.

After Pearl Harbor came the so-called black-out loans to finance civilian defense. These totaled eventually about $2,000,000 and also bore interest at slightly above 1 percent.

Still another loan for selected public improvements was made available to the city in 1942 under the Lanham Act. This totaled about $1,700,000 at less than 2 percent and all but $185,000 has been repaid.

The wartime clamp-down on construction and the diversion of personnel and supplies to defense purposes left the Commissioners with a big cash surplus they could not spend and a vast backlog of unmet construction needs as the Capital population swelled from 600,000 to nearly 1,000,000.

Using the surplus the Commissioners paid off the PWA debt, the black-out and Capper-Cramton obligations. They salted the $10,000,000 remainder away in Federal securities against the day when they would have to catch up on city construction.

With relaxation of building controls, however, high prices intervened to cancel out the savings. The Commissioners, basing their estimates on higher-than-prewar prices, still found no one willing to bid on city projects. Projects once started had to have their cost limits raised. A cost-of-living pay boost was given city employees by Congress along with Federal employees. Thus did the surplus evaporate.

Two years ago the subject of long-term loans from the Federal Government to finance improvements in the water system was broached in Congress by the city heads. Other arrangements were made.

Today there is at the District Building perhaps more than a little sentiment that pay-as-you-go is dead. That if the city is ever to cut down the backlog of war-accumulated needs a little judicious borrowing from the Federal Government à la Capper-Cramton or à la PWA may be desirable. The Board of Education, and Superintendent of Schools Hobart Corning, have boldly stated their belief that loans offer a solution to the problems of the schools. The list may be expected to grow.

[From the Washington Star of January 26, 1949]

OUR SHRINKING TAXABLE REAL ESTATE—LESS THAN HALF CITY'S AREA IS TAXED NOW—INCREASED RATES WOULD BE DANGEROUS

(By John W. Thompson, Jr)

A real danger in the District's impending money crisis is that Congress will take the easy way out and simply raise the real-estate-tax rate.

This has been the pattern established in the two most recent fiscal crises—the late thirties and last year.

In each instance Congress became the battleground between sales- and income-tax advocates, who ended by passing a grossly discriminatory income levy and kicking the real-estate rate a little higher.

Both Budget Officer Walter L. Fowler and Assessor Edward A. Dent are convinced that any further increase in property taxes would hasten the decentralization of high-value downtown business to the lower tax havens of the nearby counties.

Thus, far from adding to District income, a realty-rate boost might well lead to a collapse of the firm property tax base upon which the whole revenue structure is mounted.

The key to this situation is wrapped up in Washington's nonextensible boundaries and the progressive removal from taxation of land acquired by the Government.

Here is the picture:

The boundaries of the District are fixed in the Constitution. Therefore the city may not, as many others have done, extend its limits to include choice taxable suburbs.

At the same time the Federal Government has been acquiring more and more land for Federal purposes as it expands. This land, mostly in the high-value area, is thus withdrawn from local taxation and the value of the remaining acreage increased.

Today less than half of the land area here is taxable. The percentage is 48.7.

Of the nontaxable acreage 42.2 percent is Federal property, 3.4 is city government property, and 5.7 percent is private exempt land used for church, educational, benevolent, or diplomatic purposes.

Examination of the chart will show the steady trend of Federal acquisition during the past decade or so while the other exempt categories have increased only slightly.

The complaint of District officials is not that the Federal Government has taken this land. This is the National Capital, and where else should the Government establish? The complaint is that having taken this land for perfectly valid purposes and withdrawing it from local taxation, injury is heaped on injury by boosting taxes on the decreasing remainder to make up for what was taken.

This situation, plus the legal requirement that property here be assessed at full value, has resulted in the anomaly of the nonindustrial taxable half of Washington being valued for tax purposes at more than almost the whole of teeming, industrial Baltimore.

Here 48.7 percent of the city is valued this year at $1,594,242,065. All taxable Baltimore this year is valued at $1,399,559,099.

Nor is the flight of business to the suburbs imaginary. Already major stores have acquired or have planned nearby branches. A survey made by Mr. Dent of comparable properties in the District and nearby revealed that in most cases the real-estate tax paid here was higher than that in the adjacent counties of Maryland and Virginia.

In one instance a chain store here was found located on ground valued at $150 a square foot. A store owned by the same chain was located in Maryland on land valued at $5 a square foot. Although the real-estate tax of the District store was much higher, the gross business done by the Maryland branch was considerably more, Mr. Dent reported.

Downtown properties here, on less than 2 percent of the land area, make up more than 20 percent of the realty-tax income to the city. If and when they go, the District financial stability will go with them.

[From the Washington Star of January 27, 1949]

REAL ESTATE—THE TAX GOAT—DEPENDENCE ON IT AS A REVENUE PRODUCER IS GREATER THAN ANY FAIR DEAL WOULD PERMIT

(By John W. Thompson, Jr.)

There is and seemingly always has been at the Capitol a prevailing belief that the District real-estate tax is too low.

This has stemmed in part from the rate—now $2 per $100 of assessed value—which is less than the rate in cities of similar size.

In other cases perhaps Members of Congress have actually paid higher taxes on property owned elsewhere than on comparable property here.

The tax is computed by multiplying the rate by the assessed value of a piece of property. A piece of property here assessed at $10,000 would be taxed at $200 at the present rate. A comparable house in Podunk assessed at $5,000 for tax purposes but with double the rate here—$4 per $100—would pay $200 also.

Thus a comparison of tax rates alone proves absolutely nothing.

In the matter of assessments, the District is required by law to assess at full true value and no less. Many other communities value properties for tax purposes from 40 percent on up. It is 40 percent in nearby Arlington.

This does not mean that the city assesses at the market value of property. Neither District financial institutions nor Assessor Edward A. Dent construe the postwar inflated property values as true values.

But, as Mr. Dent has pointed out, an assessment is only an opinion. Therefore even among cities where it is supposed to be at full value, assessment of comparable properties can and does vary.

In many places where the job of assessor is political the jobholder has an incentive to make that theoretical full value low enough to satisfy the voter. Mr. Dent's post here is not subject to election.

Thus the only fair basis for comparing real-estate tax burdens is not the rate, not the assessment or its relation to true value, but rather the actual tax paid on comparable properties.

But even this sort of comparison does not clearly reveal whether a real-estate tax burden is too low. Is it low because some other comparable property can be found somewhere where the tax is higher? Or is the higher one too high?

The test of the adequacy of a property levy would seem better reflected in the proportion it supports of the total income than whether it is higher or lower than some city of the same size.

Cities have traditionally depended upon the real-estate tax for the bulk of their revenue especially since the States and counties have tended to reserve for themselves other sources of income.

Only a few weeks ago representatives of 9,500 cities meeting here emphasized that the day has passed when this condition can continue. Other sources of revenue must be made available to cities, they declared.

The charts above indicate the share which taxes on real property play in the total District income picture and also the share with relation to taxes alone.

Remember that the realty tax percentages shown in these charts represent almost 100 percent collection by the assessor. The actual collection figure of realty taxes due since 1877 is 96.96—which Mr. Dent unhesitatingly calls the best collection record in the world for a major city.

A large part of this unquestionably is due to the fact that the levy here has not reached the exorbitant stage. If it should, then Mr. Dent predicts collections will come much harder and more property will be sold annually at auction for unpaid taxes.

"It's not what you carry on the books that counts," he said, "it's the cash you take in at the counter."

Last year only 2,500 of some 150,000 pieces of taxable property were put up for auction for unpaid taxes.

Theoretically, the most equitable tax program would seem to be that which levies fairly against property, ability to pay, special excises, and broad base coverage. In this way the majority of the residents would contribute to the city's support pretty much in relation to their ability to pay.

Many other cities because of the claims of counties and States on levies cannot do this and have to kick up their realty rates and assessments to meet their mounting costs. The District, if Congress will permit, has in its unique, city-State situation the opportunity to establish a balanced tax program at a single level, without overburdening property, income, or commodities subject to excise.

A SALES TAX IS NECESSARY—OTHERS HAVE COME TO IT AND FOUND IT PRODUCTIVE—THE DISTRICT HAS NO REASONABLE SUBSTITUTE

(By John W. Thompson, Jr.)

It is almost certain to take new revenue legislation to balance the 1950 District budget.

This is because—

1. It is going to prove almost impossible to cut from the budget items totaling $8,000,000—the amount of the expected deficit by June 30, 1950—without seriously hurting public services here.

2. While Federal loans for new construction may permit reallocation of funds now allotted to these projects in the budget, in the end new construction is going to add to the operating costs of the city. This will require a stable tax support rather than temporary relief. It is clearly unsound to use borrowed money for operating expenses.

This new revenue legislation could be a sales tax, a combined sales-income tax, increased excises such as the liquor tax, an increase in the annual Federal payment toward city expenses, or a reasonable combination of all these.

The Commissioners are counting on the sales tax as the one levy they know of that can definitely raise most of the money they need. They are also believed likely to pair with it a new income tax to replace the unsatisfactory one they got from the last Congress.

This combination would eliminate the present exemption of Federal employees who claim legal residence elsewhere. It would also sweeten the unpopular sales tax for its opponents, the city heads hope.

At present District officials are talking in terms of a 2-percent sales tax with a tax on incomes over $5,000. Their bill, which passed the House in the last Congress, called for a similar sales-tax rate but a tax on incomes over $8,000. Assessor Edward A. Dent has expressed his feeling that anyone making

$5,000 ought to pay an income tax. The Commissioners, so far, have not acted on this.

The device of the combined sales-income levy originated in 1938 with Dr. Chester Pond, New York tax expert, who made a study of the situation here.

At the time it was thought his solution was ideal for the Capital, in that the sales tax would reach the large transient population which uses city services and pays nothing toward them. At the same time the income tax would levy against ability to pay and thus temper some of the objection to a sales tax. His original exemption, however, was $14,000, which, he figured, would eliminate the controversy over taxing Federal employees locally, since Federal salaries rarely reached that level.

Modifications of this plan, consisting chiefly of lower exemption figures, were defeated then and in the last Congress.

Labor and liberal groups—traditional foes o. the sales tax—are expected to renew the fight. In general they may be expected to support a new income tax with higher rates and no exemption of Federal workers. Similar attempts to broaden the local income levy coverage have always been defeated since the first income tax was enacted in 1939. Such legislation has already been introduced in the new Congress by Representative KLEIN, Democrat, of New York.

Old arguments against the sales tax are that it hits the poor man harder than the rich; that it is a tax on spending which the poor have to do with their earnings while not touching savings which are open to the wealthy; and that, in effect, it is a wage cut for the poor man.

Proponents contend that the tax is a proven money raiser, easy to administer and collect; that it is peculiarly adapted to Washington; that with proper exemptions it is not an excessive burden on low-income groups; that the rich man buys more taxable items anyway.

The Commissioners may propose increases in the liquor taxes to help offset the deficit. But even doubling the levies, which are lower than those nearby, would not yield enough to absorb it all. The estimate to the last Congress on doubling the liquor tax was $2,800,000. Liquor interests may be expected to fight this proposal if it comes up again.

An increase in the Federal payment is indicated. If millions are to be raised in new taxes, the Federal payment should be increased in some proportion. There was no opposition to increasing it by $4,000,000 last year. The conditions now faced call for another increase this year.

Twenty-four of the 26 State shown above as having sales taxes use the bracket system.

This was the type proposed for the District last year and likely to be resubmitted. No coupons or tokens would be used here under present plans.

This system involves establishment of price brackets and attachment of a tax of approximately 2 percent to each bracket. Items priced within a given bracket range would all carry the same tax.

The District proposal probably will require merchants to collect the tax, turn in all collections less a small discount to cover collection expenses. Eight States do this. Fourteen of them require the retailer to remit a certain percentage of his taxable gross receipts, thus getting the tax whether the merchant has collected it or not.

Illinois, it is said, has no provision for collecting the tax from the customer. A tax of 2 percent is levied against 98 percent of gross receipts of the retailer which may be absorbed by the retailer or passed on to the customer. It is still generally recognized as a sales tax, officials say.

In Ohio the tax is collected through prepaid tax receipts bought by the retailer from the county treasurer. On each sale the retailer cancels receipts for the amount of tax collected from the customer.

OVERHAULING THE PAY SCALES OF CIVILIAN EMPLOYEES AND MILITARY PERSONNEL

Mr. FLANDERS. Mr. President, during this session the Congress is engaged in overhauling the pay scales of both civilian employees and military personnel. These two major pieces of legislation will be handled by different committees. As one concerned primarily with revisions in the civilian pay schedules, I am interested in seeing coordination of the work of the Congress in these important areas.

I have been particularly interested in knowing what coordination has taken place in the Executive Branch of the Government with respect to the proposed military and civilian pay schedules, maintaining a comparable compensation schedule for all Federal employees.

I wrote the Director of the Bureau of the Budget for information on the relationship between the proposed pay schedules. That information has now been sent me, and, believing that it is of the utmost importance that we keep the regular classified service schedules of pay in private industry and in the armed services in line with each other, I ask unanimous consent to have inserted in the RECORD at this point the material which I have received from the Bureau of the Budget.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARISON OF MILITARY AND FEDERAL CLASSIFIED CIVILIAN COMPENSATION—PRESENT SYSTEMS AND PROPOSED REVISIONS

[Source for all tables, U. S. Bureau of the Budget. Prepared by U. S. Bureau of the Budget]

TABLE 1 (A).—*Comparison of major elements of present and proposed military pay with civil-service pay*

	Military	Civilian
Components of compensation.	Military compensation is composed of base pay, longevity pay, allowances for quarters and subsistence (tax-free cash or furnished "in kind"), and under certain circumstances, a series of special pays. Although certain minor changes are proposed in H. R. 2553, the basic structure remains the same. Military pay attaches to the serviceman regardless of the job to which he is assigned. 1. *Base pay.*—An annual amount ranging from $2,160 for second lieutenants to $8,800 for major generals. For enlisted personnel the range is from $900 to $1,980 per year. H. R. 2553 would materially increase these amounts and would correct inequitable relationships between certain officer grades, particularly between lieutenant colonel, colonel, and brigadier general, which now result in an improper grade structure. 2. *Longevity pay.*—At present this increment amounts to 5 percent of base pay for each 3 years of total military service and is cumulative throughout the period of total military service to a maximum of 50 percent of base pay. It applies to all officer grades below the grade of brigadier general and to all enlisted grades. H. R. 2553 would combine base and longevity pay in stated dollar rates for each grade with increases at 2- and 4-year intervals, except for the seventh enlisted grade, generally according to career expectancy. 3. *Quarters allowance.*—A tax-free allowance is now provided officers in varying amounts depending upon grade and dependency status when occupying other than Government quarters. The allowance ranges from $540 a year for second lieutenants without dependents to $1,440 a year for colonel and general officers with dependents. H. R. 2553 would continue the quarters allowance with rates ranging from $720 a year for second lieutenants without dependents to $1,800 for general officers with dependents. Cash quarters allowances to enlisted personnel are generally restricted to married personnel of the top 3 grades who are authorized to quarter separately and amount to about $456 per year. Under H. R. 2553 they would be increased to about $810 per year, and would also be allowed to personnel of the fourth grade after 7 years' service. When public quarters are occupied, the allowance is not paid. 4. *Subsistence allowance.*—At present, officers of all grades receive a tax-free subsistence allowance of approximately $256 per year if without dependents. Officers of all grades with 1 dependent receive about $511 per year, except that officers in the grade of major and lieutenant colonel with dependents receive about $767 a year. H. R. 2553 would provide a subsistence allowance of $540 per year for all officers regardless of dependency status. Cash subsistence allowances for enlisted personnel are now generally provided only to married personnel of the top 3 grades who are authorized to mess separately, and amount to about $383 a year. Under H. R. 2553 they would also be allowed to personnel of the fourth grade after 7 years' service and would be at the rate of $378 a year. 5. *Pay "in kind."*—Under both the existing and the proposed pay systems enlisted personnel receive only a part of their total compensation in cash, while the balance is made up by subsistence, clothing, shelter, etc., furnished "in kind" and nontaxable. For example, the base pay of a private is $900 per year while the subsistence, clothing, and shelter provided in addition was valued by the Advisory Commission on Service Pay at $1,296 per year. All personnel receive perquisites "in kind" such as medical care.	Civilian rates of pay provided under the Classification Act for graded employees are established by Congress in the form of a gross annual salary, all of which is subject to income-tax liability. Civil-service pay attaches to the civil-service employee while performing duties classified at this grade. 1. *Compensation.*—Personnel subject to the Classification Act enter each grade to which allocated at a stated entry rate for that grade, regardless of years of Federal service in lower grades, and receive within-grade promotions based upon time and performance of satisfactory service in grade. Ungraded employees are paid on an hourly or daily basis at rates of pay provided for by wage boards established by departmental action; these rates are based on average pay in the private economy in the locality for the type of work performed. 2. *Overtime.*—In general, overtime for work authorized in excess of 40 hours per week is compensated at time-and-half rates for employees with basic compensation of under $2,980 per annum and at somewhat lesser amounts for employees in higher grades. 3. *Night differential.*—In general, additional pay of 10 percent of basic compensation is authorized for employees whose normal work period is other than during daytime hours.

TABLE 1 (A).—*Comparison of major elements of present and proposed military pay with civil-service pay*—Continued

	Military	Civilian
Components of compensation—Con.	6. *Special pay.*—In addition to the above basic compensations and allowances, various special pays are provided. Flight and submarine pay at present amount to 50 percent of base and longevity pay. H. R. 2553 would establish a somewhat reduced scale ranging from $1,200 per year for second lieutenant to $2,520 per year in the grade of colonel and a flat $1,200 per year for general officers. Certain other types of hazard pay are now provided for glider and parachute duty, deep-sea diving, and for observers in aircraft at a flat rate a month of $50 for enlisted personnel and $100 for officers. Special pays would be continued by H. R. 2553 for these and certain additional types of hazardous duties. Officer personnel ordered to sea or foreign duty are presently entitled to 10 percent in addition to base pay and longevity and enlisted personnel are entitled to 20 percent; H. R. 2553 would terminate the sea and foreign-duty pay for officers and provide a flat $15 per month to enlisted personnel in lieu of the present 20 percent. At present doctors and dentists receive an additional $1,200 during each year of voluntary service if they enter military service prior to Sept. 1, 1952. H. R. 2553 would continue this special pay.	
Hours of work	Military personnel are on call at all hours of the day, 7 days a week. Work performed at headquarters and field installations and wherever else possible is accomplished within an administrative workweek of about 40 hours.	The statutory workweek for both graded and ungraded employees has been established at 40 hours, and work performed in excess of that is authorized to be compensated by payment of overtime or granting of compensatory time off.

TABLE NO. 1. (B).—*Comparison of present and proposed retirement and survivor benefits for uniformed forces with benefits for civil-service employees*

Provision	Existing benefits for uniformed forces (based on Army-Air Force system)		Proposed benefits for uniformed forces (H. R. 2553)		Existing benefits for civil-service employees
	Officers	Enlisted	Officers	Enlisted	
I. CONTRIBUTION BY EMPLOYEE	No provision	No provision	No provision	No provision	6 percent of basic pay.
II. BENEFIT FORMULA					
A. Retirement annuity (commencing at retirement except as modified by subsequent provisions, and payable for life unless otherwise noted).	2½ percent of base and longevity pay for each year of service [1] not to exceed 75 percent of active-duty pay.	Same as officers	2½ percent of basic pay of highest rank held satisfactorily 6 months during entire service (at rate member would be entitled to receive at retirement if serving in such rank) multiplied by years of service. Maximum: 75 percent of basic pay used in computation.	Same as officers	1½ percent of average pay during any 5 consecutive years, multiplied by years of service: or (if average pay is less than $5,000), the sum of $25 and 1 per cent of such average, multiplied by years of service.
B. Severance pay (lump sum).	(1) Less than 3 years on active list: No benefits. (2) After 3 years on active list: 2 months' base and longevity pay for each year of service not to exceed total of 2 years' pay (applies only if individual not eligible for service or disability retirement).	No provision	0–4 years service: ½ month basic pay per year of service; 5–9 years service: 2½ months' basic pay plus 1 month's basic pay for each year of service over 5; 10 or more years service: 7½ months' basic pay plus 1½ months' basic pay for each year of service over 10; maximum 2 years' basic pay.	do	No provision.
III. COMPULSORY RETIREMENT FOR AGE					
A. Eligibility conditions	(1) Mandatory retirement at age 64. (2) Retirement at discretion of the President at age 62. (3) Mandatory retirement for all in permanent grade of brigadier general or below at age 60.	No provision	Provision of present laws applicable.	Same as officers	Subject to exemption by President. Age 70 with 15 years' service.
B. Amount of benefit	Retirement pay for the above equal to 2½ percent of monthly base and longevity pay for each year of active duty [1]—no more than 75 or less than 50 percent.	do	See V. Involuntary separation	do	II-A.
IV. OPTIONAL RETIREMENT					
A. Eligibility conditions	(1) Retirement upon application after 40 years of service—75 percent of base and longevity pay. (2) Retirement upon application after 30 years of service—75 percent of base and longevity pay (retirement discretionary with the President). (3) Retirement between 20 and 30 years' service at discretion of head of department (at least 10 years of which must be active Federal commissioned service).	(1) Retirement after 30 years' service with 75 percent of base and longevity pay for rank held on retirement. (2) Retirement after 20 years' service with 2½ percent of base and longevity pay for rank at time of application, for each year of active Federal service not to exceed 30 years (retired pay may be increased by 10 percent for extraordinary heroism in line of duty).	(1) Age 60 with 20 years' service. (2) 25 years' service—no age restriction—failure of selection for promotion—approval of Secretary. (3) 30 years' service—no age restriction—approval of Secretary.	(1) Age 50 with 20 years' service. (2) 30 years' service—no age restriction. (3) 25 years' service—no age restriction—on active duty when applying—approval of Secretary.	(1) Age 62 with 15 years' service. (2) Age 60 with 30 years' service. (3) Age 55 with 30 years' service. (4) Age 50 with 20 years' service in the investigation, apprehension, or detention of persons suspected or convicted of offenses against United States criminal laws—recommendation of department head and approval of Civil Service Commission.
B. Amount of benefit	See I-A standard formula	See IV-A	(1) II-A (2) II-A (3) II-A	(1) II-A (2) II-A (3) Choice of II-A or II-B.	(1) II-A. (2) II-A. (3) II-A reduced by ¼ percent for each month under age 60. (4) 2 percent of average pay during last 5 years, multiplied by years of service not exceeding 30.

[1] These phrases, "each year of service" and "each year of active duty," refer to each year of service now creditable in the computation of longevity pay—includes inactive service in Reserve components and National Guard.

TABLE No. 1 (B).—*Comparison of present and proposed retirement and survivor benefits for uniformed forces with benefits for civil-service employees*—Continued

Provision	Existing benefits for uniformed forces (based on Army-Air Force system)		Proposed benefits for uniformed forces (H. R. 2553)		Existing benefits for civil-service employees
	Officers	Enlisted	Officers	Enlisted	
V. INVOLUNTARY SEPARATION					
A. Eligibility conditions	(1) Less than 3 years' active list: No benefits. (2) Over 3 years on active list and: (a) Failure for selection for promotion—severance pay. (See II-B.) (b) Inefficiency, etc.—Retired in grade with retirement pay if eligible for voluntary retirement. If not eligible for voluntary retirement, they will receive severance pay as above.	No provision	(1) Separated for reasons other than inefficiency, physical disability, moral unfitness, disciplinary action, or misconduct: (a) 25 years' service—no age restriction—on active duty when separated—continuous active duty last 10 years. (b) 20 years' service—otherwise same as (a). (c) 20 years' service—no age restriction—not on active duty when separated, or, if on active duty, have not served last 5 years on continuous active duty. (d) 20 years' service—no age restriction—on active duty when separated—continuous active duty at least last 5 but less than 10 years. (e) Regular—on active duty when separated—not qualified under (a), (b), (c), or (d). (f) Reserve—less than 20 years' service—on active duty when separated—continuous active duty last 5 years. (2) Separated for age (minimum 60) not qualified for retirement pay under (1). (3) Separated for inefficiency. (4) Separated for moral unfitness, disciplinary action, or misconduct.	(1) Same as officers. (a) Same as officers. (b) Same as officers. (c) Same as officers. (d) Same as officers. (e) Same as officers. (f) Same as officers. (2) Same as officers. (3) Same as officers. (4) Same as officers.	(1) Separated for reasons other than cause on charges of misconduct or delinquency 25 years' service—no age restriction. (2) At least 5 but less than 20 years of civilian service—no restriction on age or reasons for separation. (3) At least 20 years of civilian service—no restriction on age or reason for separation. (4) Less than 5 years of civilian service.
B. Amount of benefit	(1) Less than 3 years on active list: No benefits. (2) After 3 years on active list: 1 months' base and longevity pay for each year of active Federal commissioned service, not to exceed 1 year's pay (applies only if individual not eligible for service or disability retirement).	No provision	(1) (a) Choice of II-A or II-B. (b) Choice of: (i) II-A, but commencing not earlier than age 60; (ii) 50 percent of II-A (iii) II-B. (c) II-A, but commencing not earlier than age 60. (d) Choice of: (i) II-A, but commencing not earlier than age 60; or (ii) II-B. (e) II-B (f) II-B (2) II-B (3) 50 percent of II-B; maximum, 1 year's basic pay. (4) No benefit	(1) (a) Choice of II-A or II-B. (b) Choice of: (i) II-A or II-B but commencing not earlier than age 50; (ii) 50 percent—of II-A; (iii) II-B. (c) II-A, but commencing not earlier than age 50. (d) Choice of: (i) II-A, but commencing not earlier than age 50; or (ii) II-B. (e) II-B (f) II-B (2) II-B (3) 50 percent of II-B; maximum, 1 year's basic pay. (4) No benefit	(1) II-A reduced by ¼ percent for each month under age 60. (2) Choice of (a) II-A, but commencing not earlier than age 62; or (b) return of contributions with interest. (3) II-A, but commencing not earlier than age 62. (4) Return of contributions with interest.
VI. VOLUNTARY SEPARATION	No provision	do	No provision	No provision	Same as V-(2). (3), and (4).
VI'. DISABILITY RETIREMENT					
A. Eligibility condition	(1) Disability incident to service. (a) Failure to pass physical examination for promotion, retired in grade entitled by seniority; (b) Found by retiring board to be incapacitated for active service; approval by President; retired in permanent grade in no higher temporary grade held: (c) On promotion list but found incapacitated as in (b) above; (d) On active list (or recalled from retirement and disabled) if officer has served temporarily in higher grade, he is retired in highest grade in which disability incurred or determined. (2) Disability not incident to service. (a) Found by retiring board to be incapacitated, may be wholly retired or placed on retirement list at discretion of President; (b) Failure to pass examination, retired or assigned to light duties until completion of 30 years, at discretion of Secretary.	(1) Disability incident to service. (a) Permanent incapacity after 20 years' service; (b) Less than 20 years' service may be eligible for veterans' benefits.	(1) Unfit to perform duties of rank by reason of physical disability resulting from injury or disease—not due to misconduct or willful neglect—disability, 30 percent or more by current VA schedule—disability resulted from performance of active duty or training. (2) Regular entitled to basic pay, or reserve entitled to basic pay ordered to active duty in excess of 30 days, who is unfit to perform duties of rank by reason of physical disability resulting from injury or disease incurred while entitled to basic pay—not due to misconduct or willful neglect—disability 30 percent or more by current VA schedule—15 years of service. (3) Otherwise eligible under (1) or (2), but with disability less than 30 percent; or otherwise eligible under (2), but with less than 15 years' service. (4) Unfit to perform duties of grade by reason of disability resulting from misconduct or willful neglect.	(1) Same as officers. (2) Same as officers. (3) Same as officers. (4) Same as officers.	Totally disabled for useful and efficient service in grade or class of position occupied, by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct (within 5 years prior to becoming disabled)—5 years' civilian service.

TABLE No. 1 (B).—*Comparison of present and proposed retirement and survivor benefits for uniformed forces with benefits for civil-service employees*—Continued

Provision	Existing benefits for uniformed forces (based on Army-Air Force system)		Proposed benefits for uniformed forces (H. R. 2553)		Existing benefits for civil-service employees
	Officers	Enlisted	Officers	Enlisted	
VII. DISABILITY RETIREMENT—continued					
B. Amount of benefit	(1) 75 percent of total base and longevity pay for rank to which entitled.	(1) 75 percent of average base and longevity pay of grade in which last 6 months' service.	(1) II-A with minimum of 50 percent of basic pay without requirement of 6 months in grade; if disability is found to exist at time of examination for promotion, pay of rank to which member would have been promoted except for disability is used in computation, if higher than any rank which would otherwise be used.	(1) Same as officers	II-A: or if eligible for compensation because of injuries while in performance of duties under act of Sept. 7, 1916 (employees compensation) may elect either benefit but may not receive both covering the same period of time.
			(2) Same as (1)	(2) Same as officers	
			(3) II-B, with minimum of 3 months' basic pay as defined in (1); or, if eligible for involuntary retirement, benefits as stated in V.	(3) Same as officers	
			(4) No benefit	(4) Same as officers	
C. Benefits under veterans' laws.	Under veteran's law pensions are available for injury or disease incurred or aggravated in service; regardless of rank; discharge other than dishonorable; pension barred for disability result of willful misconduct; ratings based on impairment for civil occupation. Peacetime rates are 80 percent of wartime rates which are: (a) Partial disability, from $13.80 to $124.20 per month; (b) Total disability, $138 per month; (c) Various additional payments also authorized, but total pension may not exceed $360 per month (maximum total peacetime rate: $288 per month).	Same as for officers	Same as under existing laws	Same as officers	
	Individual with 60 percent disability and overeligible for payments for dependents; peacetime payments are 80 percent of wartime rates.	----------	----------	----------	
D. Physical examination	No provision	No provision	May be required periodically during first 5 years of retirement or until age 60, whichever is earlier.	Same as officers, except age 50.	Annual examination required until age 60 unless disability is permanent.
E. Recovery from disability.	----do----------	----do----------	(1) If examination shows less than 30 percent disability, monthly benefit ceases; and, if eligible under VII-A-(3) above, receives severance pay as in VII-B-(3).	(1) Same as officers	If an annuitant recovers before age 60 and is restored to an earning capacity which would permit him to be appointed to some appropriate position fairly comparable in compensation to position occupied at retirement, annuity is continued temporarily after recovery, not exceeding 1 year, to afford opportunity to seek such available position. If recovered annuitant fails to obtain reemployment under Civil Service Retirement Act, he is entitled to deferred annuity at age 62, as in V.
			(2) If examination shows physical fitness to perform duties of rank, monthly benefit ceases and member, with his consent, is reappointed to component from which retired at permanent rank held at retirement, or next higher rank. On subsequent retirement, time on disability retirement is credited for continuity and eligibility but is not used in computation.	(2) Same as officers.	
VIII. DEATH BENEFITS AFTER RETIREMENT					
A. Eligibility condition	----do----------	----do----------	(1) Any member who dies while receiving disability retirement pay (VII above).	(1) Same as officers	(1) Married male employee retired under provision III, IV, V-A-(1), or VII above, who elected a reduced annuity (90-75 percent depending on age of wife).
			(2) Regular who is receiving service retirement pay and dies within 1 year after retirement (except a member who, when retired, elected deferred retirement pay).	(2) Same as officers	(2) Unmarried employee in good health retired under provision III, IV, or V-A-(1) above, who elected a reduced annuity (90-60 percent) depending on difference in ages of employee and beneficiary.
			(3) Same as (2) except dies subsequent to 1 year after retirement.	(3) Same as officers	(3) Married male employee retired under provision III, IV, V-A-(1) or VII above, who is survived by widow and child or children.
			(4) Regular who was separated for disability less than 30 percent and dies within 1 year after separation.	(4) Same as officers	(4) Employee retired under provision III, IV, V-A-(1) or VII above, who is survived by child or children but not by widow or widower.

TABLE NO. 1 (B).—*Comparison of present and proposed retirement and survivor benefits for uniformed forces with benefits for civil-service employees*—Continued

Provision	Existing benefits for uniformed forces (based on Army-Air Force system)		Proposed benefits for uniformed forces (H. R. 2553)		Existing benefits for civil-service employees
	Officers	Enlisted	Officers	Enlisted	
VIII. DEATH BENEFITS AFTER RETIREMENT—CON.					
A. Eligibility condition—Continued	No provision	No provision	(5) Regular with 25 years' service, separated for disability less than 30 percent who, though qualified to receive service-retirement pay, elected severance pay and dies subsequent to 1 year after separation. (6) Regular who was involuntarily separated because of failure of selection or failure to qualify for promotion, and dies within 1 year after separation. (7) Regular with 25 years' service who was involuntarily separated because of failure of selection or failure to qualify for promotion, who though qualified to receive service-retirement pay, elected severance pay, and dies subsequent to 1 year after separation.	(5) Same as officers	(5) Any death after retirement not included in (1)–4 above.
B. Amount of benefit	do	do	(1) Maximum: $10,000 payable in monthly installments equal to monthly rate of retirement pay. (2) Maximum: $10,000 multiplied by fraction equal to retirement pay divided by basic pay decedent would have received if on active duty at death; payable as in (1). (3) Maximum: lesser of (2) above of 1 year's retirement pay; payable as in (1) (4) Same as (1). (5) Same as (3), assuming decedent had elected to receive retirement pay (6) Same as (1). (7) Same as (5)	(1) Same as officers (2) Same as officers (3) Same as officers	(1) 50 percent of employee's annuity prior to reduction. (2) 50 percent of employee's reduced annuity. (3) (*a*) Widow—50 percent of employee's annuity prior to any reduction under A–(1) or (2). (*b*) Child: one-half of widow's annuity, but not to exceed $900 divided by number of children or $360, whichever is lesser. Upon death of widow, annuity of children recomputed as in (4) below. (4) Same as (3) (*a*) but not to exceed $1,200 divided by number of children or $480, whichever is lesser. (5) Excess, if any, of contributions with interest to retirement over total annuities received; similarly on termination of all survivor annuities under (1)–(4).
C. Eligible beneficiaries	do	do	(1) Widow or widower; children under 18; parents. (2) Payments made to one or more beneficiaries designated by decedent; if no designation made or if it becomes inapplicable, then in order of precedence indicated above	Same as officers	(1) Widow—must be at least age 50 before annuity commences. (2) Any person with insurable interest. (3) Widow under age 50; children under age 18 or disabled. (4) Children under 18 or disabled. (5) Any designated beneficiary; or if no designation to estate.
D. Termination of eligibility.	do	do	Death; remarriage of widow or widower; attainment of age 18 by child.	do	(1) Death or remarriage. (2) Death. (3) (*a*) Widow—death, remarriage, or attainment of age 50. (*b*) Child—death, marriage, attainment of age 18 or recovery from disability if over 18. When annuity of child is terminated, annuities of other children are recomputed as though such child had not survived employee. (4) Same as (3) (*a*). (5) Lump-sum payment
E. Benefits under veterans' laws.	See IX. E.	See IX. E.	See IX. E.	See IX. E.	See IX. E.

TABLE NO. 1 (B).—*Comparison of present and proposed retirement and survivor benefits for uniformed forces with benefits for civil-service employees*—Continued

Provision	Existing benefits for uniformed forces (based on Army-Air Force system)		Proposed benefits for uniformed forces (H. R. 2553)		Existing benefits for civil-service employees
	Officers	Enlisted	Officers	Enlisted	
IX. DEATH BENEFITS BEFORE RETIREMENT					
A. Eligibility condition	Death must be not as result of own misconduct, must be incident to service ("service connected") and individual must be on active duty.	Same as officers	Death of any member while entitled to basic pay or while acting under competent orders on inactive duty training. NOTE.—After effective date of proposed act, no national service life insurance shall be granted (including reinstatement of lapsed policies), nor shall any Government or national service life insurance on which the United States pays the premiums be issued. This does not prohibit conversions.	Same as officers—also any cadet, midshipman, or aviation cadet, who dies in active service.	(1) Married male employee with 5 years' civilian service: (*a*) Survived by widow; (*b*) survived by widow and child or children. (2) Any employee with 5 years' civilian service, survived by child or children but not by widow or widower. (3) Any deceased employee not included in (1) or (2).
B. Amount of benefit	A total of 6 months' pay, at rate received at time of death. Lump sum.	No provision	Maximum: $10,000 payable in monthly installments equal to monthly rate of basic pay. Lump sum not exceeding 6 months' pay may be advanced in case of urgent financial need.	Same as officers	(1) (*a*) 50 percent of amount as computed in II-A; (*b*) (i) widow—same as (1) (A); (ii) child—½ of widow's annuity but not to exceed $900 divided by number of children or $360 whichever is lesser. Upon death of widow, annuity of children recomputed as in (2) below. (2) Same as (1) (*a*) but not to exceed $1,200 divided by number of children or $480 whichever is lesser. (3) Contributions with interest.
C. Eligible beneficiaries	(1) Widow (2) Children (3) Designated dependent relative (previously designated by the individual and having an insurable interest in him). Payments made in above order of performance.	do	Same as VIII-C	do	(1) (*a*) Same as VIII-C (1) (*b*) same as VIII-C (3). (2) Same as VIII-C (4). (3) Same as VIII-C (5).
D. Termination of eligibility.	No provision	No provision	Same as VIII-D	do	(1) (*a*) Same as VIII-D (1); (*b*) same as VIII-D (3). (2) Same as VIII-D (4). (3) Same as VIII-D (5).
E. Benefits under veterans' laws.	Death compensation for death incident to service (incurred in service) payable to children under 18 (up to 21 if undergoing schooling), unremarried widows and dependent parents; peacetime rates are 80 percent of wartime monthly rates which are: Widow, no children, $75; widow, 1 child, $100; each additional child, $15. Children only: 1 child, $58; 2 children, $82; 3 children, $106; each additional child, $20; dependent father or mother, $60; dependent parents (each), $35.	Same as officers. (Both enlisted personnel and officers can also obtain national service life insurance up to $10,000 with premiums paid by deduction from pay. This insurance can be converted after separation from service.)	Same as under existing laws	do	
X. BENEFITS TO MEMBERS ALREADY RETIRED	* * *	* * *	Provisions of proposed plan (including new pay scales as a basis for computation) are extended to retired members, with proviso that no benefit should thereby be reduced or that no presently retired members should be made ineligible for benefits based on prior laws. Various temporary savings provisions retain rights under present laws to members not yet retired.	do	The act of Feb. 28, 1948, granted to members retired prior to Apr. 1, 1948, the choice of: (1) An increase of 25 percent not to exceed $300; or (2) retention of present annuity and provision of survivor annuity to wife or husband equal to 50 percent of present annuity not to exceed $600. Prior amendments provided for recomputation of annuities to retired members in accordance with amended formulas, with proviso that no annuity should thereby be reduced.

TABLE 2.—*Comparison of military and Federal classified civilian compensation present schedules and proposed schedules*

[Entrance rates; annual rates in dollars]

Grade or rank			Active duty compensation				Estimated present annual value of deferred benefits			
Military		Classified civilian (general schedule)	Present schedules		Proposed rates		Present schedules		Proposed rates	
Expected entry year [1]	Rank		Military (Dec. 31, 1948)[2]	Classified civilian [3]	Military (H. R. 2553)[2]	Classified civilian (Classification Act revision)[3]	Military	Classified civilian [4]	Military (H. R. 2553)[5]	Classified civilian (Classification Act revision)[4]
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Officers:										
30+	General		$14,116		$17,700		$2,640		$3,256	
30+	Lieutenant general		11,996		15,550		2,640		3,256	
30	Major general	GS-18	11,371	$10,305	14,930	$15,000	2,640	$618	3,256	$900
		GS-17		10,305		13,000		618		780
30	Brigadier general	GS-16	9,136	10,305	13,300	11,500	1,950	618	2,819	690
		GS-15		10,305		10,000		618		600
25	Colonel		8,681		10,430		1,848		2,187	
		GS-14		8,510		8,800		511		528
19	Lieutenant colonel	GS-13	7,757	7,432	8,980	7,600	1,502	446	1,798	456
13	Major	GS-12	6,507	6,235	7,490	6,400	1,188	374	1,458	384
7	Captain	GS-11	5,067	5,232	6,180	5,400	911	314	1,166	324
		GS-10		4,856		5,000		291		300
3	First lieutenant	GS-9	4,311	4,480	5,080	4,600	756	269	899	276
		GS-8		4,103		4,200		246		252
0	Second lieutenant	GS-7	3,691	3,727	4,340	3,800	648	224	729	228
Enlisted:										
15	Master sergeant (1)	GS-7	3,894	3,727	4,568	3,800	693	224	921	228
11	Technical sergeant (2)	GS-6	3,162	3,351	4,028	3,400	522	201	753	204
7	Staff sergeant (3)	GS-5	2,742	2,975	3,578	3,000	425	178	614	180
3	Sergeant (4)	GS-4	2,556	2,724	2,826	2,750	353	163	474	165
1	Corporal (5)	GS-3	2,376	2,498	2,466	2,500	302	150	363	150
½	Private, first-class (6)	GS-2	2,256	2,284	2,286	2,300	270	137	307	138
0	Private (7)	GS-1	2,196	2,020	2,196	2,100	252	121	279	126

[1] These are entry years under normal conditions as estimated by Advisory Commission on Service Pay. At present the years of service are generally lower as the result of wartime recruitment and promotions.

[2] Figures cover base and longevity pay, quarters and subsistence allowances (including subsistence, shelter, and clothing "in kind" to enlisted) and value of military tax exemptions. Other special pay and allowances are in addition. For details refer to tables 2a and 2b. It should be noted that the value of the $1,500 income exemption from tax, which expired on Dec. 31, 1948, is included in these figures. See table 2a.

[3] These pay rates are subject to 6 percent deduction for retirement which therefore reduces current take-home pay by that percentage. See table 2c.

[4] Estimates cover Government's share of cost of retirement and survivors' benefits provided under civil service retirement system. The Government payment to the retirement fund (assuming 2½ percent interest per annum) approximately matches the employees' contribution of 6 percent.

[5] These estimates cover the cost to the Government of disability, retirement, severance, and death benefits provided to military personnel on a noncontributory basis, as based on data assembled by the Advisory Commission on Service Pay. The figures represent the cost to the Government for each employee for each year of active service, assuming 2½ percent interest per annum from date of accrual, for retirement and other benefits to be ultimately paid to the employees who qualify for such benefits.

NOTE.—The comparisons here presented have been made on the assumptions that at the upper levels the grade of major general is equivalent to the present CAF-15 or proposed GS-18 grade, since both under existing or proposed statutes are of bureau chief level; at the lower end of the officer scale the second lieutenant grade has been related to the present CAF-7 or proposed GS-7 grade since both are generally filled by professionally trained persons without job experience.

TABLE 2 (B).—*Present military compensation rates* [1]

[Entrance rates for married personnel; annual rates in dollars]

Military grade or rank		Active duty compensation [2]									Present annual value of deferred benefits [6]
Expected entry year [2]	Rank	Base pay	Longevity	Subtotal, basic pay	Quarters allowances (tax-free)	Subsistence allowances (tax-free)	Food, clothing, and shelter to enlisted "in kind" [4]	Subtotal, active duty "gross pay"	Tax advantage		Total active duty compensation	
									On $1,500 income exemption	On cash allowances [5]		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Officers:												
30+	General	$8,800		$8,800	$1,440	[7] $2,711		$12,951	$315	$850	$14,116	$2,640
30+	Lieutenant general	8,800		8,800	1,440	[7] 1,011		11,251	285	460	11,996	2,640
30	Major general	8,800		8,800	1,440	511		10,751	260	360	11,371	2,640
30	Brigadier general	6,600		6,600	1,440	511		8,551	245	340	9,136	1,980
25	Colonel	4,400	$1,760	6,160	1,440	511		8,111	240	330	8,681	1,848
19	Lieutenant colonel	3,850	1,155	5,005	1,440	767		7,212	225	320	7,757	1,502
13	Major	3,300	660	3,960	1,260	767		5,987	220	300	6,507	1,188
7	Captain	2,760	276	3,036	1,080	511		4,627	210	230	5,067	911
3	First lieutenant	2,400	120	2,520	900	511		3,931	170	210	4,311	756
0	Second lieutenant	2,160		2,160	720	511		3,391	120	180	3,691	648
Enlisted:												
15	Master sergeant (1)	1,980	495	2,475	456	383	$240	3,554	180	160	3,894	693
11	Technical sergeant (2)	1,620	243	1,863	456	383	240	2,942	100	120	3,162	522
7	Staff sergeant (3)	1,380	138	1,518	456	383	240	2,597	35	110	2,742	425
3	Sergeant (4)	1,200	60	1,260			1,296	2,556			2,556	353
1	Corporal (5)	1,080		1,080			1,296	2,376			2,376	302
½	Private, first class (6)	960		960			1,296	2,256			2,256	270
0	Private (7)	900		900			1,296	2,196			2,196	252

[1] As of Dec. 31, 1948. The $1,500 income exemption from tax expired after this date.

[2] These are entry years under normal conditions as estimated by Advisory Commission on Service Pay. At present the years of service are generally lower as the result of wartime recruitment and promotions.

[3] In addition the Government contribution to dependents' allowances under temporary wartime authority amounts to about 18 percent of the pay and basic cash allowances to enlisted personnel. The additional hazard pay, sea- and foreign-duty pay, and other special pays on the overall average about 19 percent of the total basic pay and basic cash allowances to all personnel. Some of these special pays (e. g., sea- and foreign-duty pay) are relatively widely distributed; others (e. g., flight pay) go at relatively high rates to relatively small groups.

[4] As estimated by the Hook Commission.

[5] The tax advantage on tax-free pay "in kind" which is not counted here amounts to $30 for grades 1–3, and to $190 for grades 4–7.

[6] These estimates cover the cost to the Government of disability, retirement, severance, and death benefits provided to military personnel on a noncontributory basis. Based on the actuarial estimates of the Advisory Commission on Service Pay (averaging its high and low assumptions, and assuming 2½ percent interest per annum) the "present annual value" or discounted annual cost of these deferred benefits for regular nonflying officers is about 30 percent of basic pay. For enlisted personnel the cost to the Government is about 28 percent of basic pay. (If not discounted for interest the cost is much higher.) The figures shown in column 11 represent the amounts the Government would have to lay aside for each employee for each year of active service, assuming 2½ percent interest per annum would be earned by the retirement fund, to ultimately pay the retirement and other benefits to be provided to the employees who qualify for benefits. Viewed from another standpoint, these are the extra amounts the Government would have to pay its military employees if they all took out private insurance policies (at cost, without loading, and assuming 2½ percent interest) to give them the same protection now provided by the Government.

[7] Figures include personal money allowances.

TABLE 2 (B).—*Military compensation rates as proposed by Advisory Commission on Service Pay (H. R. 2553)*

[Entrance rates for married personnel—Annual rates in dollars]

Military grade or rank		Active duty compensation [1]									Present annual value of deferred benefits [5]
Expected entry year [2]	Rank	Base pay	Longevity	Subtotal basic pay	Quarters allowances (tax free)	Subsistence allowances (tax free)	Food, clothing, and shelter to enlisted "in kind" [7]	Subtotal: Active duty gross pay (including pay "in kind")	Tax advantage on cash allowances [4]	Total active duty compensation	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Officers:											
30	General	$11,700	$360	$12,060	$1,800	[6] $2,740		$16,600	$1,100	$17,700	$3,256
30	Lieutenant general	11,700	360	12,060	1,800	[6] 1,040		14,900	650	15,550	3,256
30	Major general	11,700	360	12,060	1,800	540		14,400	530	14,930	3,256
30	Brigadier general	9,720	720	10,440	1,800	540		12,780	520	13,300	2,819
25	Colonel	7,200	900	8,100	1,440	540		10,080	350	10,430	2,187
19	Lieutenant colonel	5,670	990	6,660	1,440	540		8,640	340	8,980	1,798
13	Major	4,860	540	5,400	1,260	540		7,200	290	7,490	1,458
7	Captain	3,960	360	4,320	1,080	540		5,940	240	6,180	1,166
3	First lieutenant	3,144	186	3,330	990	540		4,860	220	5,080	899
0	Second lieutenant	2,700		2,700	900	540		4,140	200	4,340	729
Enlisted:											
15	Master sergeant (1)	2,430	540	2,970	810	378	$240	4,398	170	4,568	921
11	Technical sergeant (2)	2,070	360	2,430	810	378	240	3,858	170	4,028	753
7	Staff sergeant (3)	1,710	270	1,980	810	378	240	3,408	170	3,578	614
3	Sergeant (4)	1,440	90	1,530			1,296	2,826		2,826	474
1	Corporal (5)	1,170		1,170			1,296	2,466		2,466	363
½	Private first class (6)	990		990			1,296	2,286		2,286	307
0	Private (7)	900		900			1,296	2,196		2,196	279

[1] In addition, hazard pay, sea- and foreign-duty pay, and other special pays would average about 10 percent of the proposed basic pay and basic allowances on the overall. Some of these special pays (e. g., sea- and foreign-duty pay to enlisted personnel) would be relatively widely distributed; others (e. g., flight pay) would go at relatively high rates to relatively small groups.

[2] These are entry years under normal conditions as estimated by Advisory Commission on Service Pay. At present the years of service are generally lower as the result of wartime recruitment and promotions.

[3] As estimated by the Hook Commission.

[4] Tax advantage on tax-free pay "in kind" to enlisted personnel which is not counted here amounts to additional $30 for grades 1 to 3, and to $190 for grades 4 to 7.

[5] These estimates cover the cost to the Government of disability, retirement, severance, and death benefits provided to military personnel on a noncontributory basis. Based on the actuarial estimates of the Hook Commission (averaging its high and low assumptions, and assuming 2½ percent interest per annum) the "present annual value" or discounted cost of these deferred benefits for regular nonflying officer would be about 27 percent of basic pay. For enlisted personnel the cost to the Government would be about 31 percent of basic pay. (If not discounted for interest, the cost would be much higher.) The figures shown in column 10 represent the amounts the Government would have to lay aside for each employee for each year of active service, assuming 2½ percent interest per annum would be earned by the retirement fund, to ultimately pay the retirement and other benefits to be provided to the employees who qualify for benefits. Viewed from another standpoint, these are the extra annual rates the Government would have to pay its military employees if they all took out private insurance policies (at cost, without "loading", and assuming 2½ percent interest) to give them the same protection now provided by the Government.

[6] Figures include personal money allowances.

TABLE 2 (C)—*Federal classified civilian pay rates—present schedule and schedules under proposed Classification Act revision*

[Entrance rates; annual rates in dollars]

Classified civilian grade		Present pay schedules		Proposed pay schedules	
CAF schedule	Proposed GS schedule	Active service salary rates [1]	Present annual value of deferred benefits paid by Government [2]	Active service salary rates [1]	Present annual value of deferred benefits paid by Government [2]
		(1)	(2)	(3)	(4)
CAF-15	GS-18 [3]	$10,305	$618	$15,000	$900
CAF-15	GS-17 [3]	10,305	618	13,000	780
CAF-15	GS-16 [3]	10,305	618	11,500	690
CAF-15	GS-15	10,305	618	10,000	600
CAF-14	GS-14	8,510	511	8,800	528
CAF-13	GS-13	7,432	446	7,600	456
CAF-12	GS-12	6,235	374	6,400	384
CAF-11	GS-11	5,232	314	5,400	324
CAF-10	GS-10	4,856	291	5,000	300
CAF-9	GS-9	4,480	269	4,600	276
CAF-8	GS-8	4,103	246	4,200	252
CAF-7	GS-7	3,727	224	3,800	228
CAF-6	GS-6	3,351	201	3,400	204
CAF-5	GS-5	2,975	178	3,000	180
CAF-4	GS-4	2,724	163	2,750	165
CAF-3	GS-3	2,498	150	2,500	150
CAF-2	GS-2	2,284	137	2,300	138
CAF-1	GS-1	2,020	121	2,100	126

[1] These pay rates are subject to 6 percent deduction for retirement which therefore reduces current take-home pay by that percentage. This deferred pay is returned to the employee or to his estate upon separation from the service or upon retirement or death.

[2] It is estimated that the 6 percent contribution for retirement by the employee is approximately matched by the Federal contribution to the civil service retirement fund (assuming 2½ percent interest per annum). The present annual value of these additional deferred benefits paid for by the Government has been taken, therefore, to be 6 percent of the active service salary rates.

[3] These grades are not presently provided for under the Classification Act; personnel holding positions of varying responsibility are now classified as CAF-15.

TABLE 3.—*Comparison of proposed military and civil service pay rates with 1948 industrial pay rates*

[Annual rates in dollars]

Grade or rank			As reported by Advisory Commission on Service Pay			
Military		Classified civilian (general schedule or CAF)	Comparable industrial pay rates according to Commission survey in 1948 [1]	Army-Air Force wage board employees in 1948 [1]	Military active duty compensation recommended by Commission [2 3]	Proposed Classification Act revision for Federal civilian employees [3]
Expected entry year	Rank					
Officers:						
		Executive [4(a)]				[4(a)] $25,000
30+	General	do [4(b)]				[4(b)] 20,000
		do [4(c)]				[4(c)] 18,000
30+	Lieutenant general	Executive and GS-19 [4(d)]			$17,700	15,000
					15,550	[4(d)] 16,000
30	Major general	GS-18	$33,204		14,930	15,000
30	Brigadier general	GS-17	22,824		13,300	13,000
		GS-16				11,500
25	Colonel	GS-15	11,844		10,430	10,000
19	Lieutenant colonel	GS-14	7,428		8,980	8,800
		GS-13				7,600
13	Major	GS-12	6,852		7,490	6,400
7	Captain	GS-11	6,180		6,180	5,400
3	First lieutenant	GS-10	4,644		5,080	5,000
		GS-9				4,600
0	Second lieutenant	GS-8			4,340	4,200
		GS-7				3,800
Enlisted:						
15	Master sergeant (1)	GS-7	4,752	$3,864	4,568	3,800
11	Technical sergeant (2)	GS-6	4,020	3,216	4,028	3,400
7	Staff sergeant (3)	GS-5	3,792	3,072	3,578	3,000
3	Sergeant (4)	GS-4	3,564	2,868	2,826	2,750
1	Corporal (5)	GS-3	3,240	2,352	2,466	2,500
½	Private first class (6)	GS-2	2,820	2,136	2,286	2,300
0	Private (7)	GS-1			2,196	2,100

[1] Average rates.
[2] Entrance rates—average rates are higher (except for executive grades).
[3] See table 2b for components.
[4] Executive pay bill as reported by Senate committee:
(*a*) Heads of executive departments.
(*b*) Under secretaries and heads of independent agencies.
(*c*) Chairman of boards and commissions and assistant heads of independent agencies.
(*d*) Members of independent boards and commissions and specified bureau heads.

NOTE.—Rates shown cover only "active duty" compensation and do not include value of deferred benefits (retirement, etc.). As is indicated in table 2 the value of retirement and other deferred benefits received by military personnel is 2 or 3 times the value received by Federal classified civilian employees; typical industry retirement and benefit plans are less liberal than the civil-service retirement benefits to Federal-civilian employees. From the standpoint of employee contributions, military personnel do not contribute toward retirement; roughly ½ of industry retirement systems require employee contributions; Federal civil-service employees contribute 6 percent of their salaries toward retirement.

Mr. FLANDERS. Mr. President, I may say that these tables compare House bill 2553, the administration's military pay bill, with Senate bill 1762, the administration's civilian pay bill. I understand that a new bill has been introduced in the House for the military, being House bill 4591. It is my understanding that this bill will be acted upon by the House committee this week. In general, the pay schedules and retirement benefits provided for in House bill 4591 follow rather closely those provided in the administration's original military bill, House bill 2553. The Budget Bureau analysis, which I wish to discuss briefly, is based upon this original bill.

The following major points are indicated by an examination of the material supplied by the Budget Bureau:

First. Under present statutory pay schedules Federal civilian employees with few exceptions have a lower or substantially equivalent take-home pay—after the 6 percent retirement deduction—than military personnel in comparable grades. This comparison does not take into account the special pays—flight pay, sea- and foreign-duty pay, and so forth—which run to a substantial amount for military personnel. Table 2, columns 1 and 2.

Second. The proposed Classification Act revision for civilian employees carries practically no pay increase—$50 on the average—but rather realines the outmoded pay structure. Table 2, columns 2 and 4.

Third. The proposed military pay bill, H. R. 2553, not merely readjusts the pay structure, but gives a big pay increase. For example, the officer ranks—who already generally make as much as their civilian opposites—seem to be slated for a raise of $600 and up. Table 2, columns 1 and 3.

Fourth. If these proposals are both enacted without change, it appears that a substantial inequitable relationship would be created between the active service pay for the two largest groups of Federal employees. Table 2, columns 3 and 4.

Fifth. This is only part of the story, however. For the first time the Budget Bureau has estimated the discounted annual value of retirement and other deferred benefits to civilian and military employees of the Federal Government. These benefits add a sizable percentage—over 20 percent of total pay and allowances in some cases—to the compensation of military employees, since the Government pays the entire cost of military retirement benefits. But civil-service employees contribute 6 percent of their total pay and the Government contributes another 6 percent on the average. Thus civilian employees generally receive retirement benefits with only one-half or one-third the benefits which military personnel enjoy. Table 2, columns 5, 6, 7, and 8. There would be no real change under the proposed bills in these benefits.

Sixth. When the value of retirement benefits earned each year are added to the active service pay, we find that the proposed civilian pay adjustment will leave civil-service employees far behind the military personnel in total compensation per year of service. Adding and comparing the figures supplied by the Budget Bureau, a grossly disparate situation is indicated.

Mr. President, I ask unanimous consent to have a table titled "Administration's Proposed Military and Civilian Compensation Schedules" inserted at this point in the RECORD. This table was prepared from data supplied by the Bureau of the Budget.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Administration's proposed military and classified civilian compensation schedules as proposed in H. R. 2553 and S. 1762

[Prepared from data furnished by the Bureau of the Budget]

Grade or rank		Active-duty compensation only (entrance rates)				Total compensation (active duty plus value of deferred benefits earned)			
Military rank [1]	Classified civilian (general schedule)	Military	Classified civilian [2]	Excess of military over classified civilian [2]		Military	Classified civilian	Excess of military over classified civilian	
				Amount	Percent			Amount	Percent
General		$17,700				$20,956			
Lieutenant general		15,550				18,806			
Major general	GS-18	14,930	$15,000	−$70	−0.5	18,186	$15,900	+$2,286	+14.4
Do	GS-17		13,000				13,780		
Brigadier general	GS-16	13,300	11,500	+1,800	+15.7	16,119	12,190	+3,929	+32.2
Do	GS-15		10,000				10,600		
Colonel	GS-15 and 14 [3]	10,430	9,400	+1,030	+11.0	12,617	9,964	+2,653	+26.6
Do	GS-14		8,800				9,328		
Lieutenant colonel	GS-13	8,980	7,600	+1,380	+18.2	10,778	7,956	+2,822	+35.5
Major	GS-12	7,490	6,400	+1,090	+17.0	8,948	6,784	+2,164	+31.9
Captain	GS-11	6,180	5,400	+780	+14.4	7,346	5,724	+1,622	+31.8
Do	GS-10		5,000				5,300		
First lieutenant	GS-9	5,080	4,600	+480	+10.4	5,979	4,876	+1,103	+22.6
Do	GS-8		4,200				4,252		
Second lieutenant	GS-7	4,340	3,800	+540	+14.2	5,069	4,029	+1,041	+25.8
Master sergeant (1)	GS-7	4,568	3,800	+768	+20.2	5,489	4,028	+1,461	+36.3
Technical sergeant (2)	GS-6	4,028	3,400	+628	+18.5	4,781	3,604	+1,177	+32.6
Staff sergeant (3)	GS-5	3,578	3,000	+578	+19.3	4,192	3,180	+1,012	+31.8
Sergeant (4)	GS-4	2,826	2,750	+76	+2.8	3,300	2,915	+385	+13.2
Corporal (5)	GS-3	2,466	2,500	−34	−1.4	2,829	2,650	+179	+6.7
Private first class (6)	GS-2	2,286	2,300	−14	−.6	2,593	2,438	+155	+6.4
Private (7)	GS-1	2,196	2,100	+96	+4.6	2,475	2,226	+249	+11.2

[1] Assumes normal years in services.
[2] Take-home pay is actually 6 percent lower for classified civilian employees because of retirement deduction which military personne. are not required to make.
[3] Average.

Mr. FLANDERS. Seventh. It is not hard to see why this kind of situation has not been recognized in the past. The Congress has never before considered the value or cost of retirement benefits when fixing current pay rates, and it has not insisted that the employees bear their full share of the cost of retirement benefits. Furthermore, the Congress has allowed an unusually complex military pay structure to be created. For example, the Budget Bureau lists 11 columns in its table describing the present military pay—see table 2a—and then has to account for additional special pays and allowances in footnotes. How can the Congress legislate rationally when such complex pay systems exist? See, also, table 1a.

Eighth. The military retirement system is far more liberal than the system used for the civil-service employees. The costly features of the military retirement system can be spotted from table 1b:

(a) Every insurance man knows that life annuities at an early age are extremely costly. We permit military retirement after 20 or 25 years of service, or at 40 or 45 years of age. This is a practice which is not ordinarily permitted under civil service.

(b) Disability retirement at 75 percent of pay without regard to the real severity of injury is wasteful—but this would be tightened under H. R. 2553.

(c) Computation of military retirement pay is on the basis of the highest grade held for 6 months. Under civil service the highest average salary for 5 years is the basis.

(d) Most important of all, military personnel do not contribute toward their retirement. This encourages them to seek increased free benefits.

Ninth. The proposed military pay increase is reported to be based on industry pay scales as reported by the Advisory Commission on Service Pay. (See table 3.) However, the military pay rates recommended seem to be higher in the heavily populated officer grades—major and lieutenant colonel—than industry rates. And, of course, when it comes to retirement, the liberal military retirement system far outstrips industry retirement systems.

Tenth. One other outstanding fact has been brought to light by the Budget Bureau study. The cost of the proposed civilian pay readjustment is $50,000,000. On the other hand, the cost of the military pay increase has been publicized at $400,000,000. But, I believe, the ultimate cost would be over $1,000,000,000 a year. Furthermore, these figures are all on the present basis of figuring the cost of retirement on the pay-as-you-go basis, under which we pay the retirement costs of the small armed forces of 30 or 40 years ago and ignore the huge accruing retirement costs for today's large forces. Thus, if we were to compute military retirement cost on an accrual basis, as we do now for civil-service employees, we would find that H. R. 2553 will cost much more in fiscal 1950 and future years. The Senate should look at this matter of costs from a fresh viewpoint. A billion-dollar pay increase for the military is not in keeping with today's $40,000,000,000 plus budget.

Eleventh. This material suggests that the responsible committees of the Senate get together and see that the necessary coordination of these costly civilian and military bills be accomplished. Otherwise, the stage will be set for costly competing demands for further pay increases by big Government groups who have been left behind by unduly large increases for other big groups of employees.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. FLANDERS. Mr. President, I should like to advert the editorial which appeared in the Evening Star on Wednesday, May 11, to which the Senator from South Carolina [Mr. JOHNSTON] referred earlier in the session today. It seemed to me, as I read the editorial, that it was written more in sorrow than in anger, and I appreciate the friendly spirit of the editor in writing it. There are certain things in it which have been commented on by the distinguished Senator from South Carolina. I do not intend to repeat the arguments he made, because I am in sympathy with 90 percent of them, which is a very high record indeed, for any Senator to apply to the opinions of another Senator, but it is the means by which we finally arrive at conclusions.

I want to refer to one or two things in the editorial which I think are important. The editor says:

> Careful estimates of the yield of such an income tax indicate that the District would receive about $8,000,000 additional. But everybody, including Senator JOHNSTON, knows that Congress is not going to approve such a local income tax.

I raise the question with the editor of the Star whether he believes it is the duty of a Senator to lie down on the job, refuse to open his mouth, refuse to make suggestions of what he believes is for the good of the District of Columbia or of the Nation, simply because he is dubious as to whether his fellow Senators will follow through with him. I say that the editor of the Star has a complete misapprehension of the duty of a Senator of the United States.

The same point occurs later on, when the editor says:

And working both sides of the street, so to speak, he couples his erroneous statement to the Senate concerning Washington's low tax burden with the pious demand that the United States increase its annual payment by 100 percent—something that Congress would refuse to do.

Again, Mr. President, I ask the editor of the Star whether he thinks that no Senator should raise his voice for something he thinks is right because, perchance, 49 out of 96 Senators might vote against it, or even that 80 out of 96 Senators might vote against it, or even that 95 Senators out of 96 Senators might vote against it. I say again, the editor of the Star completely misapprehends the duty of a Senator.

I desire to say only one or two more things very briefly. One of the proposals in the minority report was that the real-estate tax be raised more than the amount called for in the majority report. I am in favor of that. I am in favor of it in spite of the fact that I own my home in Washington and pay real-estate taxes on it. In owning that home and paying real-estate taxes I was surprised to find that the rate was lower than it is in my little home town of Springfield, Vt., with 10,000 population, according to an optimistic informal census. I say that we can raise the real-estate taxes in the city of Washington without getting out of line at least with a little village in Vermont.

Mr. President, I should like to advert also to another point of which I have been reminded by hearing the latter end of the talk by the very able and amiable junior Senator from Washington [Mr. CAIN]. My information is that there is no State income tax in the State of Washington. I may be wrong, but that is the information gathered for me by the Legislative Reference Service. I honor in retrospect and honor in prospect for other things the junior Senator from Washington, because 2 years ago, when he and I were both on the Committee on the District of Columbia, he fought for an income tax in the District of Columbia in spite of the fact that he would have had no offset due to taxes in his own State. That was an unselfish crusade on his part in which I supported him to the best of my ability. I am sorry I cannot support him at the present time.

Mr. HUNT. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 60, line 21, it is proposed to insert the following:

(k) Subsection (k) of said section is amended to read as follows:

"(k) Solicitor's license: Such a license shall authorize the licensee to offer for sale to or solicit orders from licensees for the sale of any beverage on behalf of the vendor whose name appears upon such license and whom the solicitor represents. The name of only one vendor shall appear upon the license but if a solicitor represents more than one vendor a license may be issued such solicitor for each vendor such solicitor represents.

"The annual fee for each such license shall be $100.

"Nothing in this act shall be construed as repealing any portion of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended."

Mr. HUNT. Mr. President, the amendment just read is recommended by the committtee. It provides that what is known in the trade as "detail men," or liquor salesmen, who call on the trade, shall be licensed. The amendment provides for a license fee to be attached to each license issued. I think this explanation is all that is necessary. I ask that the amendment be agreed to.

Mr. BUTLER. Mr. President, I do not exactly understand whether the license as proposed is in line with those prevailing in surrounding territory, that is, the States adjoining Washington, Maryland, and Virginia. Can the Senator give me any information on that point?

Mr. HUNT. I cannot say positively, but my information is that the same type of licensing is in vogue in other States. I know it is in my own State.

Mr. BUTLER. I have been told that the license in Virginia is $1, whereas the license proposed in the pending amendment is $100. If that is the case, I wonder what might be the reaction, when it is a matter of only a few blocks distance between the area where a dollar license prevails and the one where a hundred-dollar license prevails.

Mr. HUNT. I cannot see that it would make any difference at all. The detail men, who are, we might say, traveling salesmen for the various distilleries and breweries, may call on the trade, if they are properly licensed, in both the District and Virginia. I cannot see that the license fee makes any appreciable difference.

Mr. BUTLER. Do the authorities expect to collect a considerable amount from this license fee?

Mr. HUNT. They expect some returns. Another situation we are attempting to correct is where one detail man can be the solicitor for various distilleries and breweries.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. HUNT].

The amendment was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk and ask to have printed, so that it will be available tomorrow, an amendment imposing a tax on newspapers.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Does the Senator from South Carolina desire further recognition?

Mr. JOHNSTON of South Carolina. Mr. President, I should like to call for a quorum.

Mr. LUCAS. Will the Senator withhold the call for a moment?

Mr. JOHNSTON of South Carolina. I withhold it.

NOTICE OF VOTE ON MOTION TO RECONSIDER RECOMMITTAL OF LABOR-FEDERAL SECURITY BILL

Mr. LUCAS. If the Senator from South Carolina obtains the floor, it will mean that there will be two or three more speeches this evening, and we cannot conclude the bill now pending before the Senate today. I think that in a couple of hours tomorrow we can finish its consideration. Under those conditions I am about to ask for a recess.

Before I do that, however, I wish to make an announcement. I have conferred with the junior Senator from Nebraska [Mr. WHERRY], the able minority leader, with respect to House bill 3333, which is known on the calendar as the Labor-Federal Security appropriation bill. That is the bill which was recommitted to the Committee on Appropriations, and which is now pending on a motion by the senior Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the bill was sent back to the committee. The RECORD of yesterday shows that after a discussion I had with the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Nebraska [Mr. WHERRY], it was agreed that we would vote on the reconsideration of the bill on Monday. Now, after having conferred with various Senators, we have agreed to vote on it Tuesday. I have notified the minority leader that I wanted to make this announcement so that the RECORD would show what the new arrangement was.

Mr. WHERRY. Mr. President, I wish to thank the majority leader for working out this arrangement, and for the benefit of the Members of the Senate I may say that, so far as I am concerned, this is the last arrangement the distinguished majority leader needs to work out in connection with this matter. I think plenty of notice has been given. We were very thankful that a decision was reached that the vote be taken on Monday, and now we appreciate very much the fact that it is to go over until Tuesday. I thank the Senator from Tennessee [Mr. MCKELLAR], the Chairman of the Committee on Appropriations, for working out the problem on that basis.

Mr. LUCAS. As I understand, the Senator from Nebraska desired that the vote be had on Tuesday, and we are glad to accommodate him and other Members who are anxious to have it deferred until Tuesday rather than to have the vote taken on Monday.

AMERICAN POLICY TOWARD SPAIN

Mr. BREWSTER. Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point, and to comment briefly thereon, the statement of the Secretary of State, Mr. Acheson, as reported in the New York Times of this morning, dealing with the Spanish situation, and the possible recognition of Spain; also a news article from the New York Herald Tribune, discussing the same situation, as well as a column article by Walter Lippmann dealing with the Spanish situation. I ask that these matters be incorporated in the RECORD at this point, and then I shall comment very briefly upon the subject.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 12, 1949]

STATE DEPARTMENT TRANSCRIPT OF ACHESON'S REMARKS ON REGIME IN SPAIN

What I should like to do is to try to put this present matter, which involves a vote

in the United Nations as to whether or not the 1946 resolution is to be modified, in its real setting. As you know, the resolution was passed in 1946 by the General Assembly of the United Nations, and it recommended to the member nations that they withdraw their ambassadors from Madrid.

At that time the United States did not have an ambassador in Madrid because Mr. Norman Armour, who had been the Ambassador, had resigned and no one had been reappointed to take his place. Therefore, in carrying out the spirit of the resolution no one has been since appointed to take Mr. Armour's place.

The argument revolves around the question of whether that resolution should be changed and whether the ambassadors should be restored. Now, in the first place, I assume it is everybody's belief that a recommendation by the General Assembly of the United Nations should be followed until it is changed; I do not think there would be any argument about that. Argument might arise about whether we should attempt to change it.

Another preliminary observation: I should like to say that in and of itself this question of whether or not ambassadors, as distinct from chargé d'affaires, are in Madrid is a matter of no real importance at all. This resolution was adopted by the United Nations in the belief that it would lead to certain reforms on the part of Franco which would make the relations with his Government by other free governments more happy. It has not had that effect.

STATES OUR POLICY

Now, why was the resolution passed and what are the issues which grow out of it, and what is American policy?

In the first place, let us state what the policy will be on that resolution. Our policy will be to abstain from voting upon that resolution which is to the effect that the question shall be left to the judgment of each individual member of the United Nations. We shall not vote on that. We shall abstain.

Now, this question, if it has any importance—and it obviously has, because it arouses a great deal of emotion both in this country and in other countries—is because it is a symbol of something else. The reason the 1946 resolution was passed is rooted in history.

The Franco government was one which was established with the active support, and only with the active support, of Hitler and Mussolini. The Republican Government in Spain received the support of the Soviet Union. There were charges at the time that the Republican Government was Communist. Those charges were denied. It is unimportant at this point to go into what, if any, substance they had. The fact of the matter was that a government was established in Spain which was patterned on the regimes in Italy and in Germany and was, and is, a Fascist government and a dictatorship.

The importance is not in throwing words around in talking about Fascists, because other people call us Fascists, too. We do not get anywhere merely by using that word. The important thing is what goes on in Spain.

CITES OBJECTIVES

It is also important what the western European governments think of what goes on in Spain because, as I have said, the important matter is not whether we send an Ambassador instead of a chargé d'affaires; the important thing is what can be done to bring Spain into the community of free nations in Europe in both the economic and the defense fields.

When you think about that you discover at once that the western European governments are opposed, and have publicly stated their opposition, to this collaboration with Spain in the economic and military fields.

Now, why is that so? I say we get nowhere by using such words as "fascism," but if we look at the situation in Spain, we will see some perfectly simple fundamental facts which cannot be obscured. I presume that the foundation of liberty—individual liberty—is not in great phrases at all but in certain simple procedures and simple beliefs, and I should put first on the list of essentials for individual liberty the writ of habeas corpus and an independent judiciary.

One of the things that all dictators do—from the time of the French Revolution and before the French Revolution down to the present time—is to take anyone that they do not like and throw him in the oubliette (dungeon) and there he stays until he dies or until they shoot him or until they take him out. The fundamental protection against that in free countries is the writ of habeas corpus.

EXPLAINS PROCEDURE

Now what does that mean? That means that anybody who is detained against his will may at any time get an order from the court that he shall be produced in person before the court and that those who hold him must justify the fact that they are holding him under the provisions of law. There is nothing more fundamental in the preservation of human liberty than that ancient British tradition which is now incorporated in most of the procedures in the free world. That right does not exist in Spain.

I suppose a second fundamental right, which is useful only if you have the first, is that if you are tried—and, of course, it follows from the writ of habeas corpus, that you cannot be sentenced to prison unless you are convicted of some crime—the second right is that in being convicted of a crime you are convicted not by employees of the state but by your fellow citizens.

That is the right of trial by jury. It means that no judge, even though he be independent, certainly no administrative official, can order you put in jail. The only people who can do that are 10 in some parts of the world, 12 in others, citizens just like yourselves, and if they listened to the testimony and say Joe Doakes goes to jail, then he goes to jail. If they say he does not go to jail, then he does not go to jail. That is fundamental. That right does not exist in Spain.

Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain.

RIGHT OF ASSOCIATION

Then there is the right of association—association in political activities, association in trade-union activities, assocation in benevolent activities—that right does not exist in Spain.

I could go on, but what I want to draw to your attention is that these certain fundamental basic rights of the individual which make the difference between what we call free Europe and the iron-curtain countries, these rights do not exist in Spain, and the Spanish people are prevented from enjoying them by action of the Spanish Government.

It seems perfectly clear to the western European countries that you cannot have an intimate working partnership with such a regime in the economic field and in the defense field. There must be some move to liberalize that. None of them say, nor do we say that Spain, which has never been a full-flowered democracy, must become so.

But they all say that there must be some move toward that situation because if there isn't, what is the use of having ambassadors? We have someone of a different title. It may raise the prestige of the individual a little bit, but what is the use of it all?

It is important only if it becomes a symbol, and if it becomes a symbol of the fact that after all we don't care much about these rights, then it is a bad symbol. If it ceases to be a symbol, it wouldn't make any difference to anyone whether you had an ambassador or whether you didn't.

But the fundamental thing is that American policy is to try to bring Spain back into the family of western Europe. That is a family matter. You have to convince the Spaniards that they must take some steps toward that end, and you have to convince the Europeans that they have to take some steps. So that it isn't fundamentally a matter which can be brought about by American action, and therefore the policy of the American Government is one which I am quite sure is calculated to please neither group of extremists in the United States—either those who say that we must immediately embrace Franco or those who say that we must cast him into the outermost darkness.

But it is a policy directed toward working with the Spaniards and with the western Europeans, bringing about a situation where these fundamental liberties do exist in Spain and where the western Europeans can bring Spain into the community.

I have spoken at some length on this subject because it is so easy to confuse form with substance.

[From the New York Herald Tribune of May 12, 1949]

ACHESON BARS INITIATIVE ON SPAIN BY UNITED STATES—SAYS NATION IS STILL SYMBOL OF FASCISM—TAFT JOINS VANDENBERG AND CONNALLY IN PLEA TO SEND AN AMBASSADOR

(By Homer Bigart)

WASHINGTON, May 11.—In the boldest official statement yet made on the explosive issue of Spain, Secretary of State Dean Acheson said in a news conference today that the United States would shun the initiative in restoring full diplomatic relations with Spain because the Franco regime remained a symbol of fascism.

It was a statement which, as Mr. Acheson himself admitted, would please neither friends nor foes of Spain. Nor was it likely to silence criticism in the Senate, where Senator ROBERT A. TAFT, of Ohio, chairman of the Republican policy committee, tonight joined Senator ARTHUR H. VANDENBERG, Republican, of Michigan, and Senator TOM CONNALLY, Democrat, of Texas, in urging that the United States exchange ambassadors with Madrid.

Mr. Acheson said the chief bar to lifting the diplomatic blockade was an emotional one. Spain had been built up as a symbol—the last living symbol—of a system the United States has fought to destroy, he said. The Franco regime was established "only with the active support of Hitler and Mussolini," he said, and it was and is a Fascist dictatorship that suppressed basic individual liberties, religious freedom, and the right to organize opposition political parties and free trade-unions.

PRESSURE GROUPS OPPOSED

But tied in with the emotional issue was the pressure from religious bodies. Militant Roman Catholic groups were exerting strong pressure in favor of Spain; militant Protestant groups were just as vigorously opposing Spain. The decision to instruct the United States delegation at United Nations to abstain rather than vote on a resolution to restore ambassadors to Madrid was taken by President Truman and Secretary Acheson because neither of the two great pressure groups seemed dominant.

From the standpoint of practical politics, abstention seemed the only safe course the administration could follow.

Three members of the United States delegation at Lake Success, Mrs. Franklin D. Roosevelt, John Foster Dulles, and Benjamin V. Cohen, tipped the scales in favor of the decision to abstain. Before the General Assembly convened early last month the State

Department had about made up its mind in favor of a "yes" on Spain.

DELEGATES PROTESTED

But when the State Department's view was communicated to the American delegation, Mrs. Roosevelt, Mr. Dulles, and Mr. Cohen protested sharply. Other delegates felt the same way, but did less talking. They prevailed upon the administration to change its instructions, and a compromise was reached on abstention.

The State Department had always contended that the 1946 resolution calling on United Nations members to withdraw ambassadors and heads of missions from Madrid was a futile gesture that would not weaken Franco. Secretary Acheson left the back door to Madrid open today when he said that the matter of whether the United States was represented in Spain by an ambassador or—as at present—a chargé d'affaires was of no real importance at all.

Mrs. Roosevelt and Messrs. Dulles and Cohen argued that Generalissimo Francisco Franco would quite properly regard it as a major diplomatic victory if the Western Powers were to reverse themselves openly now in the matter of diplomatic representation in Spain.

Secretary Acheson told his press conference that the United States would never return an ambassador to Madrid so long as the 1946 resolution remained unchanged.

But if the United Nations General Assembly votes to change the 1946 resolution—a vote is likely tomorrow—President Truman will be advised by the State Department to name an ambassador to Madrid. Absention by the United States, however, makes adoption of the proposal very doubtful.

Secretary Acheson strongly denied that religious or economic motives swayed State Department policy on Spain. When asked to comment on yesterday's charge by Senator OWEN BREWSTER, Republican, of Maine, that "some very distinguished members of the American delegation (at the United Nations) are those who are most earnest in their opposition to recognition of Spain because, forsooth, Spain is a Catholic country," Secretary Acheson would say only that any imputation of religious bias was "poppycock" as far as the State Department was concerned.

The economic argument for full recognition of Spain is one that appeals primarily to cotton interests. Spain wants a loan so she can buy 300,000 bales of cotton. The South has a surplus of cotton. That is one explanation for the sudden demands of Senators of both parties for recognition of the Franco government.

Francisco Marino, chairman of the Banco Hispano Americano, is in Washington trying to swing the loan. He entertained a number of Senators yesterday at a private luncheon.

Secretary Acheson also denied that the United States was trying to line up the Latin-American and Arab states in order to assure a favorable vote on Spain even though the American delegation abstained.

Having decided on absention, the State Department had to find reasons for its stand. The best argument seemed to be that Spain, after all, was first and foremost a problem for Europe. The western European nations—Great Britain and France, in particular—could never get together with Spain in the economic and defense fields because of the abhorrent nature of the Franco regime.

BEVIN TOSSES "BABY" BACK

This was tossing the baby over to London and Paris. And today Foreign Minister Ernest Bevin of Great Britain tossed the baby right back. Mr. Bevin said he had never favored withdrawing the British Ambassador from Madrid.

"Taking the ambassador away was a decision which I thought did not serve the interests of our country when it was taken," Mr. Bevin told the House of Commons.

Secretary Acheson was told that a number of Senators had trouble understanding why we kept an Ambassador in places like Moscow, Bucharest, Budapest, Sofia, Warsaw, and Prague, but refused to have one in Madrid. Secretary Acheson replied that such an argument was "dialectic." Besides, he said, we know a lot more about the eastern countries now than we did in 1946.

The trouble was, Mr. Acheson said, that the Spanish problem had become an emotional issue. It was true that Spain was Fascist, but it was no good tossing that word around. The thing to do was for the United States to encourage the revival of fundamental liberties in Spain so that Spain could be brought back into the family of western Europe.

That is precisely what the American Embassy in Madrid has been trying for the last year—and with absolutely no success. A year ago last February, Paul Culbertson, chargé d'affaires, presented to the Franco government a list of proposed reforms that would make the regime more acceptable to the West. All these proposals were ignored.

Secretary Acheson admitted that Spain had made no visible progress along the desired lines. The writ of habeas corpus and the existence of an independent judiciary were essential to individual liberty, and Spain had neither, he declared. "Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality," he said. "That right does not exist in Spain."

WANTS MOVE TOWARD DEMOCRACY

Also nonexistent in Franco Spain, he added, was the right of association—association in political activities, in trade-union activities, and in benevolent activities.

We were not asking, he said, that Spain must suddenly blossom as a full-flowered democracy. But the western European countries were saying that Spain must at least make a move toward democracy.

The issue, he concluded, is "important only if it becomes a symbol, and if it becomes a symbol of the fact that after all we don't care much about these rights, then it is a bad symbol. If it ceases to be a symbol it wouldn't make any difference whether you had an Ambassador or whether you didn't."

On Capitol Hill, Senator VANDENBERG said he had always opposed the 1946 resolution. "In the first place this action was totally inconclusive," he said. "Secondly, our designation of an Ambassador is in no sense approval of the government to which he is accredited."

Senator CONNALLY said he didn't approve of Franco, but wanted an Ambassador in Madrid "for our benefit, not for Spain's." The possibility of Spain entering the North Atlantic security alliance is "wholly improbable," he added.

He expressed these views as Norman Thomas, Socialist Party leader, told the Senate Foreign Relations Committee that he opposed Spain's admission to the alliance. Mr. Thomas said it was a mistake to withdraw Ambassadors from nations whose governments we didn't like. But Spain was a special issue, he added, and it would be a mistake to restore an Ambassador now.

[From the New York Herald Tribune of May 12, 1949]

ON FRANCO AND DEFEATISM

(By Walter Lippmann)

The trouble with sending an Ambassador to General Franco now is that the action will be misunderstood. The Ambassador was withdrawn as a gesture of disapproval and an Ambassador cannot be sent back now without its being taken in Spain and throughout the world as a gesture of approval.

The gesture of withdrawal was, as Senator CONNALLY says quite rightly, a mistake. It is a mistake we have often made. It is the mistake of treating diplomatic recognition as a testimonial to be accorded governments that we like and denied to governments that we do not like. But in fact we do not maintain embassies abroad or receive them here to express our feelings and opinions about foreign governments, but in order to transact our business with them. The question, therefore, ought never to be whether they are good governments or bad governments but simply and solely whether they are governments with which we are not at war.

The withdrawal of an Ambassador is a meaningless gesture unless it is intended as a warning that even severer measures will follow unless the issue is settled. If the severer measures—the rupture of diplomatic relations, embargo and blockade, and in the last resort war—are not contemplated, then the gesture is a mere pinprick, indeed, a bluff which will quickly be called. There is no graceful or satisfactory way of acting when a bluff has been called. And that—as respects the Ambassadors—is our predicament with Franco. In order to correct the original mistake, which did not impress him or hurt him, we would now have to make the still bigger mistake of appearing to have made up our minds to help him.

The best thing to do under the circumstances is to do nothing at all. We have an Embassy in Madrid and Spain has an Embassy in Washington, and whether the head of the Embassy has the rank of Ambassador or is only a Chargé d'Affaires is not a question of any real importance. The machinery is quite adequate to the business which has to be transacted, and relations are sufficiently correct, and quite cordial enough. If we still had Ambassadors in the two capitals, little would be different than it is except the seating arrangements at dinner parties.

The real argument, of course, is not about ambassadors but about whether Franco Spain should be treated as an ally, made eligible for Marshall aid, given military equipment, and brought into the military system of the Atlantic Pact.

The ardent advocates of sending an ambassador at once are ardent because they think of Franco Spain as a "base." They see that it is protected by the Pyrenees Mountains. They think it is manned by a large fighting army. They know it is governed by a general who is firmly anti-Communist, and puts up with no nonsense from Communists, Socialists, labor unions, liberals, and all the others who have to be considered in governing countries like France, Italy, Belgium, and the like.

But this picture of Franco Spain as a strong, indispensable, dependable ally worth cultivating no matter what our other allies think, is a product of wishful thinking and of blatant propaganda. Franco Spain is not strong, but so weak, so poor, and so primitive that to make it the kind of base we hear about would take years and a program of capital investment on a grand scale.

As for Franco being a dependable ally, his regime rests upon the sullen submission of the disarmed masses of the people to a dreary and bigoted military dictatorship. There is no reason to think that the regime would stand up under the strain of war, or that the Spanish people would continue to submit if arms were put in their hands. The order and stability which so impress the casual visitor are a thin crust and under it there is a smoldering discontent. This discontent is not confined to the Communists, of whom there are not many, and to the anarchists, of whom there are many more,

but exists—waiting for the opportunity to express itself—among businessmen, monarchists, among the clergy, in the army.

This is no time to embrace Franco and lose forever the confidence and good will of all the Spaniards in all walks of life who will eventually remove him. Nor is this the time to entangle ourselves in the internal affairs of Spain as we have become entangled in the internal affairs of China and of Greece.

And as for the strategic importance of Spain, the whole conception is the worst kind of defeatism. The one way to make it certain that no one in Europe would fight if the Russians started to march is to notify the Europeans that the United States expects to retreat rapidly from the Elbe to the Rhine, from the Rhine to the Seine and the Loire, and from there to the Pyrenees. It would be like preparing to defend the United States against a Japanese invasion by fortifying Long Island.

Our true object is to prevent war by making the risks prohibitive and successful aggression impossible, and then by negotiation and compromise with the Soviet Union to end the military partition of Europe. Our concern is not with a part of Europe, but with the whole of Europe, with the defense of Europe as a whole, not with Europe at the Pyrenees, not with Europe at the Rhine, not with Europe at the Elbe, not with Europe at the Vistula, but with Europe as a continent and a civilization, destined to be independent, united, and free.

That may take a long time to achieve. It may not take so long a time as many fear. But we cannot, we should not, settle for less.

The costs will be no heavier, the risks will be no greater, if we stand forth clearly as the partisans of what all Europeans yearn for, of what in the end can alone give hope and faith, the will to endure and to persevere, until a true peace has been made.

Mr. BREWSTER. Mr. President, the interesting thing about the Secretary of State, with his extremely intelligent mind, in attempting to defend what seems to some of us to be a very poor case, is that he apparently proceeds in his statement—and this is the transcript issued by the State Department, and I assume it to be correct—upon the theory that we should in this instance depart from what I had understood was the well-understood practice that we would not try to control the governments of other countries, that that was not a matter of primary or major concern—we have heard that repeatedly said in connection with the European Recovery Administration—and that we could not dictate to other countries their form of government or their economic procedures. Here, however, he apparently proceeds very definitely upon that course. Although he also faces the fact that our previous attempts in that direction have been an utter failure, he still desires to persist in a policy which he himself pronounces has already failed. This is the very interesting aspect of his attempt to defend what I think seems to very many people in this country, and apparently almost the entire membership of the Senate, to be an utterly indefensible position.

Apropos of the question of civil rights to which he refers, it is very interesting to note that, while he contends there is some question regarding the rights enjoyed in Spain at this time by the people, there has been furnished a copy of the charter of the Spanish people adopted by referendum on July 6, 1947, by 14,000,000 votes, and I quote from the eighteenth clause:

No Spaniard may be arrested except in the cases and in the form prescribed by law. Within a period of 72 hours all arrested persons will be set free or turned over to the juridical authorities.

I read the nineteenth clause:

Nobody may be condemned except under a law prior to the act, under sentence by a competent tribunal, and prior hearing and defense of the interested party.

I shall not undertake to discuss the extent to which these clauses have been implemented, nor shall I undertake to defend the Franco regime, because it has never seemed to me to be the policy of this Government to undertake to determine what were the civil rights of people throughout the world. We are having enough difficulty in determining the civil rights of Americans, and we have not been able to enact legislation which seemed to many in this Chamber and in this country adequate to provide for the civil rights of Americans at the present time. Certainly it is with a very poor face that we undertake to determine whether or not the civil rights of some of the 2,000,000,000 people in the world are being adequately cared for under existing regimes, or to tell them what they should do in that regard.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. I yield.

Mr. WHERRY. Did I understand the distinguished Senator from Maine to state that he was placing in the RECORD the statement of the Secretary of State relative to his position on recognition of Spain?

Mr. BREWSTER. I am. I am placing in the RECORD the full State Department's transcript, but it is, as I note, edited by the State Department. I read:

Following is the text, as edited by the State Department, of Secretary Acheson's extemporaneous answer today to questions on United States policy torward Spain.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. BREWSTER. I yield.

Mr. WHERRY. I do not want to interrupt the Senator's statement now, but I should like to have him, before he concludes his remarks, answer this question: Does the statement contain any observation made by the Secretary of State relative to the queries made to him while in attendance on the subcommittee of the Committee on Appropriations, dealing with the appropriations he is asking for, the queries having been propounded by the junior Senator from Nebraska [Mr. WHERRY] and by the senior Senator from New Hampshire [Mr. BRIDGES], not only as to his attitude, but why it was that the representatives of the United States Government in the United Nations refused to vote in the United Nations meeting the other day when there was pending a resolution which looked into the question of recognition, and supported a motion by a vote of 25 to 16 in favor of recognition of Spain and our representation in Spain by full ambassadorship?

Mr. BREWSTER. In the first place, the Secretary apparently undertakes to defend the policy of not having an ambassador there. In the second place, he undertakes to justify the policy of abstention on the ground that this is what he calls a matter for the western European countries; that they are going to determine what the policy should be. He reasons that they do not desire that we should have an ambassador in Spain, and therefore we are not going to have an ambassador there.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. BREWSTER. I yield.

Mr. WHERRY. Relative to the first observation made by the Senator, is it not a fact that in all the 170 years during which the United States has recognized foreign countries, and has maintained ambassadors in foreign countries, the basic traditional factor relative to recognition and our having an ambassador in a country is whether or not that country has a stable government? Has our position ever had anything to do with civil rights in other countries as a condition for recognition?

Mr. BREWSTER. I certainly think that the Senator from Nebraska is justified in the statement he has made that for 150 years or more, not only in this country but in all others, the primary question has been, Does the country have a stable, responsible government? That has been the question. If we go into the other question of civil rights, I am quite sure I do not know where we will end.

Mr. WHERRY. Is it not a fact that in 1939 the United States and 52 other nations recognized Spain, and that we had an ambassador there, and that that situation continued until 1946.

Mr. BREWSTER. Yes. And it is also true that at that time the Export-Import Bank made a loan to Spain to purchase cotton, and the loan was paid off on the dot, which is rather unprecedented in our record of international advances in recent years.

Mr. WHERRY. Was the question of civil rights a factor when Spain was recognized in 1939?

Mr. BREWSTER. Not at that time, nor when President Roosevelt wrote a very friendly letter to Franco regarding the invasion of Africa.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. BREWSTER. I yield.

Mr. WHERRY. Does not the Senator from Maine feel that the delegates of the United States representing the United States in the United Nations Organization should vote either yea or nay when it comes to recognizing Spain?

Mr. BREWSTER. That raises a very interesting point, and I shall quote from Mr. Acheson's statement:

But the fundamental thing is that American policy is to try to bring Spain back into the family of western Europe. That is a family matter. You have to convince the Spaniards that they must take some steps toward that end, and you have to convince the Europeans that they have to take some steps. So that it isn't fundamentally a matter which can be brought about by American action—

Apparently it is—

and therefore the policy of the American Government is one which I am quite sure is calculated to please neither group of extremists in the United States—either those who say that we must immediately embrace Franco—

I had not heard anyone suggest that we embrace him—

or those who say that we must cast him into the outermost darkness.

I think that not only does it not please either group of extremists; but so far as we have heard in this Chamber, it does not please a single Member of the Senate of the United States—and I am quite sure some of them would not fall under the category of extremists, which Mr. Acheson so glibly disposes of.

Mr. WHERRY. I thank the Senator from Maine for yielding to me, and I should like to make one observation. I think the representatives of the United States Government in the United Nations should vote one way or the other on the question of whether or not we are to recognize Spain. When a Senator comes to this body, as the Senator from Maine has, he knows that the people of his State want him to take a position for or against a question. I do not believe we should adopt the policy of having our representatives abstain from voting at the direction of the State Department. That simply means thwarting the desires of those who wish the United States to take action. I believe the representatives of the United States in the United Nations should take a position for or against on this matter. I think that the mere categorical statement that they should abstain from voting because the question affects the family of nations is not a sufficient answer. What about our own Nation? Why should we lay down conditions for Spain that we do not lay down with respect to any other country we recognize? We should not only demand that the Secretary of State give us the kind of representation we need but that our representatives should vote their convictions.

Furthermore, if we are to have a policy of imposing conditions upon Spain, that ought to be the policy which we follow with respect to recognition of any other country. The same conditions should be imposed. Why not be consistent, in our attitude toward Spain, with our attitude toward the other countries which we recognize, and in whose capitals we maintain full ambassadorships representing the United States?

Mr. BREWSTER. Does the Senator from Nebraska think that perhaps the Spanish Government might inquire as to how civil rights are cared for in the United States?

Mr. WHERRY. I think that would be a pertinent inquiry.

Mr. BREWSTER. If they could hear some of the eloquent speeches delivered on both sides of this aisle, I think they might conclude that there was something to be said on that score.

Mr. WHERRY. If Spain imposed any such condition upon us, it would be a long time before Spain would recognize the United States.

Mr. BREWSTER. Apparently, that is the conclusion one would form.

I hold in my hand an excerpt from the New York Times of November 23, 1948, taken from an article written by C. L. Sulzberger, whose authority, I think, is widely recognized. He is recognized as an honest, intelligent reporter. The title of the article is "Salazar Controls Portugal by Limited Dictatorship."

I take no exception to the Government of Portugal. I was there last year, and everything was apparently calm and quiet. They had an election, which was of a distinctly one-party type, as a result of the retirement of some of those in the government and the desire of the opposition to supplant them. I am not concerned about the character of the government of Portugal, but it is very interesting to see what Mr. C. L. Sulzberger has to say about it. I ask that the entire article be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SALAZAR CONTROLS PORTUGAL BY LIMITED DICTATORSHIP

(By C. L. Sulzberger)

But the fact remains that Portugal is a dictatorship with a corporative economic system and what is in effect a single party, the National Union. In the final analysis the state police (Pide) is all-powerful. The country's press is censored, political assemblage is carefully supervised and strikes are forbidden by law—although they occasionally occur.

* * * * *

Technically there are opposition groups now operating openly in Portugal but actually there is only one party and the system is fairly monolithic. The American official viewpoint appears to be that it is a dictatorship and therefore fundamentally and philosophically abhorrent but that nevertheless it is suprisingly benevolent.

Furthermore, some observers emphasize that when Portugal experimented with the western form of republican democracy, all that it got was anarchy and that perhaps a country where half the people don't know how to read and write isn't yet ready for such a development.

One of the strongest criticisms heard of the Salazar system is that there are no signs of any gradual penetration of the people for eventual democracy.

Mr. BREWSTER. I shall read one part of the article:

But the fact remains that Portugal is a dictatorship with a corporative economic system and what is in effect a single party, the National Union. In the final analysis the state police (Pide) is all-powerful. The country's press is censored, political assemblage is carefully supervised and strikes are forbidden by law—although they occasionally occur.

He goes on to describe the difficulties involved in the exercise of rights. I think we could go further in the Mediterranean. We could go on to Ethiopia, or to Saudi Arabia, where a man was taken ill before the Shrine of Mohammed and his head was immediately chopped off, because he happened to be a little bilious. That was done without trial by jury, without any trial, but simply upon the decree of the dictator. We find it perfectly possible to have full diplomatic relations with that government. The same is true of many of the other governments which we recognize. There are all degrees of dictatorships and all shadings of democracy throughout the world.

The defense which Mr. Acheson presents rests upon more and more untenable ground. He undertakes to say why we recognize all the iron-curtain countries. He states that it is because we did not discover what they were up to in 1946. We did not know what was going on; although I do not suppose that anyone was in any doubt about what was happening in Russia at that time, when Stalin was in power. The liquidation of the 4,000,000,000 Kulaks was one of the most ruthless and cruel acts in the history of the world. There are other episodes of which we have repeatedly heard.

Mr. Acheson said that we tried the experiment of forcing the Spaniards to get rid of Franco. I think we tried the same thing in Argentina, and it apparently worked out exactly in reverse. Mr. Acheson says, however, that our policy with regard to Franco has failed. Therefore he says that we do not extend the policy of withdrawing ambassadors from the iron-curtain countries because we found that it did not work in Spain; therefore we will not try it in the iron-curtain countries. Why he continues a policy which he admits is a failure, and which is rather detrimental in many aspects to our economic, and possibly security interests, is something which I think remains for him to answer, particularly when apparently the same policy which resulted so disastrously in China, where communism has completely taken over, is being so subtly followed.

If he gets rid of Franco and his government, what does he expect to be substituted in its place? The Spanish Government in exile in Paris says that if it can get rid of Franco it can move in and take over. If that should happen, we would have a direct relationship established with Moscow, which, upon the record, heartily supported the Spanish Republicans in exile, and undoubtedly would be the dominant influence in Spain if only they could get rid of Franco. Is that what our State Department is so earnestly seeking?

As to whether Franco is a threat to world peace, on that score I quote from Mr. Walter Lippmann, who I am sure will be recognized as an authority upon that subject. He says:

But this picture of Franco Spain as a strong, indispensable, dependable ally, worth cultivating no matter what our other allies think, is a product of wishful thinking and of blatant propaganda. Franco Spain is not strong but so weak, so poor and so primitive that to make it the kind of "base" we hear about would take years and a program of capital investment on a grand scale.

I thought the reason was that we were afraid of Franco, that we thought Franco was a menace to world peace. Certainly when we are so much preoccupied with the menace to world peace from Moscow, it is rather ridiculous for us to waste any time or thought upon a regime which,

in his own words, is so utterly insignificant so far as the balance of world power is concerned.

Mr. Acheson in his discussion makes the further point that the State Department is not affected by some of the appeals which have been made. This is why I wish to call attention to the article from the New York Herald Tribune of this morning, which I have already placed in the RECORD. The article is written by Mr. Homer Bigart, and is dated May 11. Referring to Mr. Acheson's statement, which is incorporated in full in the RECORD, Mr. Bigart said:

Mr. Acheson said the chief bar to lifting the diplomatic blockade was an emotional one.

Admitting that the policy has failed, the reason we cannot change it is an emotional one, because it has become a symbol. I think that before our entire foreign policy is determined by so trivial a consideration as that, it had better be very carefully examined.

Mr. Bigart continues:

But tied in with the emotional issue was the pressure from religious bodies. Militant Roman Catholic groups were exerting strong pressure in favor of Spain; militant Protestant groups were just as vigorously opposing Spain. The decision to instruct the United States delegation at United Nations to abstain rather than vote on a resolution to restore ambassadors to Madrid was taken by President Truman and Secretary Acheson because neither of the two great pressure groups seemed dominant.

In other words, according to Mr. Bigart, they apparently had conducted a solemn referendum, since neither side in the religious emotional appeal seemed to be dominant—neither the Catholics nor the Protestants. Therefore we decided to do nothing. It is a most extraordinary presentation of a position, if it is accurately interpreted.

Mr. Bigart continues:

From the standpoint of practical politics, abstention seemed the only safe course the administration could follow.

In other words, according to this interpretation, it was a 100-percent political decision. The article continues:

Three members of the United States delegation at Lake Success, Mrs. Franklin D. Roosevelt, John Foster Dulles, and Benjamin V. Cohen, tipped the scales in favor of the decision to abstain.

Our policy was made, according to this reporter—and he is pretty well informed—by those three persons.

Before the General Assembly convened early last month the State Department had about made up its mind in favor of a "yes" on Spain.

That is what we have been told consistently for the past 6 months. When I was in Madrid in September of last year I was told then unofficially and informally that our policy had absolutely failed, that everyone in the Embassy agreed that it should be changed, that the chargé d'affaires was going home—as he did early in January—and that they were getting ready for the American Government to support the proposal of the South American countries that we restore our Ambassador at Madrid. We were told that consistently throughout the fall and winter, and up until last week, when suddenly, apparently as a result of the intervention of three of the members of the delegation who have been named, a contrary course was decided upon.

The article continues:

But when the State Department's view was communicated to the American delegation, Mrs. Roosevelt, Mr. Dulles, and Mr. Cohen protested sharply. Other delegates felt the same way, but they did less talking. They prevailed upon the administration to change its instructions, and a compromise was reached on abstention.

I continue to read from the article:

The State Department had always contended that the 1946 resolution calling on United Nations members to withdraw ambassadors and heads of missions from Madrid was a futile gesture that would not weaken Franco.

Mr. President, I hope that is correct. It certainly was a correct prophecy. I gather it was correct as to their opinion.

I read further:

Secretary Acheson left the back door to Madrid open today when he said that the matter of whether the United States was represented in Spain by an ambassador or—as at present—a chargé d'affaires was of no real importance at all.

Mr. President, if it is of no real importance at all, why not have an ambassador there to represent the United States? Or if an ambassador is of no real importance, why not save a few million dollars by not having ambassadors represent us anywhere, but having chargés d'affaires represent us in foreign countries? Are we to believe that all the ambassadors who have served the United States abroad in the many years of our history have been merely a waste of time and money, and of no use at all? I am sure that all the living former ambassadors who have served our country abroad would be quite surprised at such a statement; and I am sure that, to the entire world, this doctrine emanating from the State Department will be a great surprise—namely, that ambassadors are of no real significance or importance at all.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. WHERRY. On that very question, let me say that at the meeting of the subcommittee to which reference has been made, the question the Senator from Maine has just suggested was propounded to the Secretary of State, namely, "If it makes no difference, why should we not have an ambassador in Madrid?"

The next observation which was made in response to that question was that Spain was not a good credit risk, and therefore that was another reason for the position which has been taken by the State Department.

As the distinguished Senator from Maine brought out day before yesterday, the testimony also was that during the last 2 or 3 years we have failed to cash in on the cotton which we could have shipped and sold to Spain. I think 300,000 barrels was the amount, according to the testimony.

Mr. BREWSTER. The Senator means 300,000 bales of cotton, not barrels, I am sure.

Mr. WHERRY. Yes; the testimony was that 300,000 bales of cotton could have been shipped to Spain during that period of time.

Mr. BREWSTER. Of course, the corn which is produced in such large quantities in Nebraska is measured in barrels.

Mr. WHERRY. I am talking about cotton and about bales of cotton, even though cotton is not produced in my State. I am satisfied that the correct figure is 300,000 bales of cotton, which we failed to sell to Spain because of the very fact the Senator from Maine has mentioned, namely, that we did not recognize the existing government in Spain.

Mr. BREWSTER. And also 30,000,000 bushels of wheat.

Mr. WHERRY. So the United States failed to sell 300,000 bales of cotton which could have been sold to Spain if we had recognized the Spanish Government. However, because Spain is said to be a very poor financial risk, the Secretary of State has suggested that the Export-Import Bank make the loan, and that course is being adopted; yet still we are failing to recognize the Government of Spain.

Mr. BREWSTER. Mr. President, I read further from the article, and I think this point is very interesting:

Secretary Acheson strongly denied that religious or economic motives swayed State Department policy on Spain.

Certainly the motive could not have been economic because, from an economic point of view, it has been a dead loss.

I read further:

When asked to comment on yesterday's charge by Senator OWEN BREWSTER, Republican, of Maine, that "some very distinguished members of the American delegation (at the United Nations) are those who are most earnest in their opposition to recognition of Spain because, forsooth, Spain is a Catholic country," Secretary Acheson would say only that any imputation of religious bias was poppycock as far as the State Department was concerned.

Mr. President, whether the Secretary of State intended by that remark to imply that it was not "poppycock" so far as some of the other distinguished advisers of the State Department were concerned—men who are not members of its immediate entourage—I do not know. That seemed to be the rather delicate and clear imputation, if not implication. At any rate, that is the story which has been circulated around the country, and which seems most unfortunate so far as the issue with which we are here confronted is concerned.

I read further from the article:

Having decided on abstention, the State Department had to find reasons for its stand. The best argument seemed to be that Spain, after all, was first and foremost a problem for Europe. The western European nations—Great Britain and France, in particular—could never get together with Spain in the economic and defense fields because of the abhorrent nature of the Franco regime.

Mr. President, if we need any indication of the extreme absurdity of the suggestion that France and Britain were not

able to get together with Spain in the economic field, we need only to realize that, according to the clear and admitted evidence, France and Britain did $500,000,000 worth of business with Spain last year, to the exclusion of the United States. So it seems a little strange for anyone to suggest that they could not get along with Spain in the economic field.

I read further from the article:

BEVIN TOSSES BABY BACK

This was tossing the baby over to London and Paris, and today Foreign Minister Ernest Bevin tossed the baby right back. Mr. Bevin said he had never favored withdrawing the British Ambassador from Madrid.

"Taking the ambassador away was a decision which I thought did not serve the interests of our country when it was taken," Mr. Bevin told the House of Commons.

If that is the view of the Foreign Minister of Great Britain—we have not heard yet from France, but certainly we have heard from many Members of this body without a dissenting voice—what is the curious influence which keeps our State Department on this course when so few voices outside America are raised in its behalf and when we know that the chief motive power behind the refusal to send a United States ambassador to Madrid comes directly from Moscow. That statement is never challenged. It is clear that the motivation behind that course originated behind the iron curtain. It was fathered and sired there. So what is the curious influence directing our State Department on a course that is calculated to bring about in Spain a result similar to that which has already come upon us in China?

What are the officials in the State Department thinking of? If Franco were a menace to world peace, we might well hesitate to give him encouragement. But when Mr. Lippmann says he is weak and poor, certainly he is not a menace to world peace.

Then what was the reason for the attitude on the part of our State Department which prevailed? Mr. Acheson's answer is that the only reason we do not pull our ambassadors out of the iron curtain countries and out of Moscow is that we tried that at Madrid, and it did not work. That statement is to me a rather futile attempt at a defense of the indefensible. Certainly if that policy has failed, it is high time that we were making a change if we expect to preserve our own self-respect among the nations of the world. When we are recognizing the most bloody dictatorships in the world at the present time by sending ambassadors to those countries; when we are raising no question about civil rights in the case of various countries all over the earth where civil rights have been practically destroyed; when we see what has been transpiring in countries everywhere, and yet we maintain this futile policy; and when our representatives stand up in the meetings of the United Nations, where we are supposed to be the leader in world affairs, and say we cannot make up our own mind to say either "Yes" or "No," it is one of the most pitiful spectacles in American diplomacy that we have been privileged to witness in recent years. It is far more than a failure to act; it is an acknowledgment of our utter incapacity to function.

It is said that this matter is one pertaining to the western European family of nations. Certainly they are doing business with all the iron curtain countries; they are recognizing them, by sending ambassadors to Moscow and to every one of the iron curtain countries. Then why is it that our State Department must continue this somewhat sinister attitude toward the recognition of a goverment which, whatever else we may say about it, is neither a menace to world peace nor in danger, under the present regime, of being the subject of a Communist conspiracy?

Mr. President, regarding religious regulations in Spain, I wish to read the sixth clause of the Charter of the Spanish people, adopted last year:

Sixth clause: The profession and practice of the Catholic religion, which is that of the Spanish state, will enjoy official protection.

Nobody will be molested because of his religious beliefs or the private exercise of his cult. No external ceremonies or manifestations will be permitted except those of the Catholic religion.

That was the basis of my statement yesterday that Spain does allow freedom in the exercise of religious worship, but not the same freedom which we recognize in this country, where there is full freedom of manifestation and of proselyting. Those are the restrictions under which they operate. But Spain does allow freedom of assemblage, in accordance with the clause which I have cited.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 59, which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Thursday, the 19th day of May 1949, at 12:30 o'clock postmeridian, for the purpose of hearing an address by His Excellency Eurico Gaspar Dutra, President of the United States of Brazil.

Mr. CONNALLY. Mr. President, I ask for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CONNALLY. Mr. President, the President of Brazil will be here on that occasion. It is felt that as a matter of comity and good relations and courtesy between the two countries, we should hear the address of the President of Brazil at a joint meeting of the Congress. The concurrent resolution has already been adopted by the House of Representatives.

Mr. WHERRY. Mr. President, I am proud to join the distinguished Senator from Texas in the statement he has made There is no objection whatever to the resolution. I think it should be agreed to.

Mr. CONNALLY. I thank the Senator very much.

The PRESIDING OFFICER. The question is on the adoption of the concurrent resolution.

The concurrent resolution (H. Con. Res. 59) was agreed to.

EXECUTIVE BUSINESS

Mr. WHERRY. Mr. President, as in executive session, I ask unanimous consent that the Senate proceed to the consideration of the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of the Executive Calendar.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate mesages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. The Chair suggests that the nomination of William O. Jones to be postmaster at Delmont, S. Dak., was recommitted.

Mr. WHERRY. I ask that the other post office nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Franklin R. Gossett, to be commander.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. WHERRY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

GULF STATES MARINE FISHERIES COMMISSION—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I submit a conference report on Senate Joint Resolution 42, creating the Gulf States Marine Fisheries Commission, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf Coast and creating the Gulf States Marine Fisheries Commission, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

The amendment is as follows:

Page 6, line 16, after the word "limit", insert "or add to".

LYNDON B. JOHNSON,
HERBERT R. O'CONOR,
OWEN BREWSTER,
Managers on the Part of the Senate.

SCHUYLER OTIS BLAND,
CLARK W. THOMPSON,
ALVIN F. WEICHEL,
VICTOR WICKERSHAM,
THOR C. TOLLEFSON,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the conference report?

There being no objection, the report was considered and agreed to.

SENATOR LUCAS' JEFFERSON-JACKSON DAY SPEECH

Mr. CAIN. Mr. President, we have in this country two great political parties. What they say and do and fail to do is of importance to the Nation. For about 30 minutes the junior Senator from Washington wishes to reflect on some official pronouncements recently made by an official spokesman of the Democratic Party. I do not pose as a spokesman for the Republican Party, though I think my views will be shared by most of the Members of the Senate on my side of the aisle.

On April 10 the chairman of the Democratic National Committee passed the official word along to his party members that the first phase of the 1950 campaign would be to fix the blame for the legislative stalemate on the Republican Party. Those words, "fix the blame," were quoted directly by a New York Herald Tribune reporter.

Hitting below the belt is, of course, not a new technique in Democratic campaigning. It certainly worked successfully in the last Presidential campaign. But, Mr. President, you do not have to take my word for the fact that some Democrats in the last campaign hit below the belt. Secretary of Agriculture Brannan admitted they did in a radio forum discussion of April 18, particularly with reference to the Republican Eightieth Congress farm bill. He sheepishly laughed off the charge of the senior Senator from Minnesota that Democrats hit below the belt last fall with the remark, "Well, of course, but that was a campaign."

The opening gun in the Democrats' anything-goes campaign for the 1950 elections apparently was fired by the distinguished majority leader on April 7 at the Jefferson-Jackson Day dinner in Chicago. On that occasion the senior Senator from Illinois [Mr. LUCAS] introduced the new Democratic parlor game of pinning the donkey's tail on the Republican elephant. Condemning the Congress and pinning the blame on Republicans for anything that happened became such a popular pastime after the Eightieth Congress that now the Democrats cannot stop the game, even though the mistakes are now those of the Democrats and no longer those of the Republicans.

I first became aware of the Chicago speech which was delivered by the senior Senator from Illinois through an interesting note from a friend in Illinois who sent me an unexpurgated copy of the speech. In his note he said:

> I would advise that you read this speech by SCOTT LUCAS carefully. It is my opinion that it will be the official document for use among the colored people in the 1950 campaign, especially if none of the civil-rights program is passed at this session. The Democrats feel that they have the Republicans in a hole. They therefore feel that they can pass the rest of their program without offending their southern allies. I was told by a Democrat who attended this $50-plate dinner that LUCAS did a magnificent job of delivery and that the civil-rights part was a masterpiece of eloquence if not of fact. I was told by this Democrat further that it was the most effective political speech that he had heard in his entire life. His feeling was that it was timed perfectly, well written, and just long enough. Over half of it is on the civil-rights issue.

After reading the speech myself, I agreed pretty completely with the observations made by my friend. The speech was a good one. That it was delivered with grace and effectiveness I take for granted, for the senior Senator from Illinois is an able and gracious man. It is good to welcome him back again after an absence of some weeks, and I join happily with those who sincerely hope that he will soon find himself fully recovered in health, happiness, and spirits. I share a fondness for the senior Senator from Illinois which is only laid aside in order that I may speak with him professionally about two importantly contrasting points of view in which the American public has a deep concern.

In reference now to his Chicago speech, if the Senator from Illinois does not understand the facts of life about the anatomy and functioning of the Eighty-first Congress, over which he exercises such signal control, perhaps it would be only kind to enlighten him. Certainly from the speech he delivered before his Jefferson-Jackson Day friends in Illinois, it is painfully clear that the Senator does not yet comprehend what happened under his leadership during the first 4 months of the Eighty-first Congress.

Let me quote from the Senator's address where he described the recent filibuster as a nasty Republican plot to kill the phony civil-rights program of the Democratic platform:

> While I disagreed with my southern colleagues completely, I could not have anything except respect for their sincerity and their conviction of the righteousness of their cause. Southern Senators who joined in the filibuster—

He explained grandiosely—

> in the main directed their speeches toward the issues before the Senate.
>
> But my Republican colleagues behaved very strangely in the filibuster fight. As an example, Senator CAIN, of Washington, wasted more than 7 hours of the Senate's time by making a violent attack on Governor Mon C. Wallgren, one of the President's appointees.
>
> Then Senator WATKINS, of Utah, and Senator DONNELL, of Missouri, spent many hours in criticizing the Atlantic Pact.
>
> Senator BRIDGES spent considerable time with frivolous speech on Government publications. And so we experienced hours and hours of debate upon immaterial and extraneous matters by Republicans whose party has always claimed to be the traditional champion of civil rights.

Since the Democratic floor leader is so completely off base in comprehending what actually happened, the task of setting him straight will have to be undertaken.

It seems rather amusing that the harassed floor leader could find nothing in his heart "except respect," as he said, for the "sincerity" of his southern Democrat colleagues and for "their conviction of the righteousness of their cause." Yet, for the efforts of Republicans to get some urgent and pressing issues settled by the Congress, despite the log jam created by his party, this same unbiased floor leader could find nothing in his heart except scorn.

He specifically complained that the junior Senator from Washington wasted 7 hours in attacking the President's nominee for the post of Chairman of the National Security Resources Board. As a matter of actual and important fact, with which a majority of the thoughtful citizens of this land fully agree, the Senator from Washington was confronted with no choice but to interrupt the delaying tactics of the filibuster if he, in representing tens of thousands of American citizens, were to succeed, on time, in placing before the Senate the facts concerning the monumental mistake which would have been made if the nomination had been approved.

I want to say to the senior Senator from Illinois, what he is fully conscious of, that those seven precious hours to which he referred were not wasted hours. They were spent in defining the imperative American need for selecting men of competence, character, and capacity to fill important executive assignments. I have a right to believe that most of those who constituted the Senator's Chicago audience will agree with this necessity. In the end, the nomination in question was tabled and that was two long months ago. I sadly reflect on who is responsible for the time which has been so senselessly and needlessly wasted since the nomination was tabled on March 15. Confusion and lack of purpose are the order of the day within the National Security Resources Board because an individual for whom the majority leader of the Senate works continues to place political favoritism and preference above the crying needs of our people's common good and security. Never in my time, Mr. President, have I seen so very little accomplished in so much time as during the past 2 months.

Apparently the majority leader was upset by the tabling of a nomination which at least in part resulted from his mentioned seven wasted hours.

But that is no excuse worthy of the name for trying to shift the blame for his own party's filibuster over to the Republican side.

The Senator from Illinois complained because the Republican Senators from Utah and Missouri interrupted the 3-week filibuster for what he called "many hours in criticizing the Atlantic Pact." The best reply to this is to remind the

Senator from Illinois of his own advice, given to the Senate on the 28th day of February, when first he loosed the floodgates of filibuster on the Senate.

Said the Senator from Illinois in bringing up the cloture amendment:

> I agree strongly with Alexander Hamilton, who declared that the public business must in some way or other go forward.

That is good Republican philosophy, too. For three important weeks, while world events sped by, Democrats controlling the legislative machinery kept it stalled. Republican Senators had every right to interrupt the filibuster in order to register official protest against continuation of the secret-agreements type of foreign policy manipulation conducted by the Democratic administration—the same type of tactic that lost the postwar peace at Yalta, Potsdam, and Tehran.

Every Senator on this floor knows that the Constitution of the United States provides that the President shall only "have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur." Yet, when almost any newsman who wanted it seemed to have access to the top secret text of the Atlantic treaty, through leaks from the State Department, when every day, newspaper after newspaper was printing stories describing the contents of this mysterious document, only the Senate was being kept in the dark on the text. My colleagues on the Republican side of the aisle had not only a right but a duty to demand an accounting from the administration on this important issue.

I am happy to remind the Senator from Illinois that, like my own filibuster interruption, the few hours of time consumed by the Republican Senators from Utah and Missouri during the cloture filibuster resulted in constructive action. On the 18th of March, the text of the Atlantic pact was finally released by Administration officials—the same officials who a fortnight later again reminded this body of the disposition of the President to bypass the constitutional role of the Senate as advisers in the treaty-making power.

I refer to the occasion of the signing on April 4 of the history-making Atlantic Pact, when the thirteen hundred invitations that were issued by the State Department for the witnessing of this event failed to include more than half of the members of this body, who, supposedly, at least, are sharing the treaty-making power with the President. On that occasion, the Senator from Illinois may recall, with pain, that he was himself sufficiently embarrassed to announce that—

> I think the State Department was very lax. It certainly was somewhat of a blunder that it failed to work things out so that every Senator would be present and in a prominent spot.
>
> After all, the State Department has got to depend on the Senate to ratify the treaty.
>
> It would have been better to have looked after us than somebody else—

He grumbled.

The distinguished chairman of the Foreign Relations Committee likewise admitted that the State Department had shown what he called poor taste in this regard.

In his Pin-the-Donkey's-Tail-on-the-Republican-Elephant speech of April 7 at Chicago, the Senator from Illinois further singled out the senior Senator from New Hampshire [Mr. BRIDGES] for a portion of the filibuster blame. Said the Senator from Illinois:

> Senator Bridges spent considerable time with frivolous speech on Government publications. And so we experienced hours and hours of debate upon immaterial and extraneous matters by Republicans whose party has always claimed to be the traditional champion of civil rights.

To label as "frivolous" the legitimate effort of a Republican Senator to put a halt, through exposure, to the Administration's misconduct with the taxpayers' funds, strips the pretense from all of the argument of the majority leader. Anybody can recognize the political overtones in that statement. Ridicule is an everyday technique drafted in a pinch by administration spokesmen whenever the revelations of waste in public funds begin to strike home.

The point is not even worth refuting. But it is worth calling attention to the amount of total time consumed by the four Republican Senators in the speeches which the majority leader seeks to imply were responsible for dragging out the filibuster. Less than one-tenth of the time consumed during the 3-week filibuster was utilized by four Republicans named in the Senator's speech. If he wants a strict accounting of the space used by these Republicans during the talks to which he objected, he will find that the Senator from Washington filled 36 pages of the RECORD in his arguments against the President's nominee. The Senators from Utah and Missouri used 21 pages for their demand for the release of the text of the Atlantic Pact. The Senator from New Hampshire exercised his prerogative to report to the Senate in another 10 pages. Sixty-seven pages out of a total of over 740 pages during the 3-week filibuster hardly makes a convincing argument that the Republicans took over the Democrat filibuster.

The Senator from Illinois objects to Republican efforts to do the very thing he claimed he stood for himself—namely, in the words of LUCAS borrowed from Hamilton, to see that "the public business" did, indeed, "in some way or other go forward."

But these were not the only misrepresentations in the Jefferson-Jackson Day address of the Senator from Illinois. I quote further from his Chicago remarks:

> Senator ARTHUR VANDENBERG, of Michigan, made an impassioned speech against limiting debate, defending a ruling he had made last year under a set of facts somewhat similar.

The Senator from Illinois was putting words into the mouth of the very distinguished Senator from Michigan. The senior Senator from Michigan made no speech, impassioned or otherwise, against the filibuster measure. It is common knowledge that the senior Senator from Michigan is wholeheartedly in favor of limiting debate by Senate rule. But to state that Senator VANDENBERG made an impassioned speech against limiting debate is a misconception which it ill becomes the Senator from Illinois to perpetuate, even for a political rally little interested in an unbiased analysis of a Congressional action.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. CAIN. The Senator would be pleased to yield for a question.

Mr. FERGUSON. I am anxious to know whether the Senator is familiar with what the majority party, the Democratic Party, has done since the "so-called filibuster," or the "filibuster," as the Senator may wish to call it, in getting civil-rights legislation to the floor. The junior Senator from Michigan happens to be a sponsor of an antilynching bill and also of an anti-poll-tax bill. I wondered whether the Senator was familiar with the speed with which the Democratic Party has worked to get those bills, or any such bills, to the floor.

Mr. CAIN. I can only respond to the distinguished junior Senator from Michigan by saying that when one reads the record of achievement which has thus far been accomplished in the Eighty-first Congress, it becomes rather apparent to anyone who thinks that there has not yet been, nor is there likely to be, any serious intention on the part of Senators on the other side of the aisle to advance any positive civil-rights issues or bills to the floor of the Senate.

The distinguished senior Senator from Michigan did make a speech, whether impassioned or otherwise, in favor of due process of law in the Senate, as well as in the American way of life everywhere. But this is a far cry from the action charged to him by the Senator from Illinois. For the sake of the record I repeat that the Senator from Michigan was known by all to support the anti-filibuster measure from start to finish.

The Senator from Illinois further distorted the true picture in his blanket charge that—

> The responsibility for failure to stop filibusters in the Senate once and for all clearly rests upon the leaders of the Republican Party.

He particularly singled out Senators TAFT, WHERRY, and VANDENBERG for a bit of political vilification. "I again repeat," he said, "that the Republican leadership of this Nation, in the Senate of the United States, must assume the responsibility for striking the dagger into the heart of civil rights."

In reply, I regret that I must detain the Senate for a few additional minutes in order to keep the record straight as to who did and who did not strike the dagger.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER (Mr. WILLIAMS in the chair). Does the Senator from Washington yield to the Senator from Michigan?

Mr. CAIN. I yield.

Mr. FERGUSON. If the civil-rights bills were now on the calendar, this might be a good time, I may say as I look over the floor of the Senate, to have the legislation proposed by the Democrats passed, and which they will not bring to the floor, because at the mo-

ment there are not any Democrats on the floor of the Senate.

Mr. CAIN. I think it would be a remarkable record for speed if the bills were passed.

It is a tedious procedure, but obviously necessary; someone must undertake the burden of tracing for the majority leader and his political writers the whole truth involving the filibuster and civil rights. When all the facts have been detailed, it will be immediately clear why the Senator from Illinois was so anxious to scoot out from under. His own hands, and the hands of his party, are not at all clean.

I would pass on to the Senator from Illinois the words of Emerson:

What you do speaks so loud, I cannot hear what you say.

Let us review the actual record on the filibuster issue.

First of all, which party controls the Congress? Painful as the truth may be—certainly it is to some of us—we must all admit that the Truman party holds a greater margin of control over the Senate in the Eighty-first Congress than the Republicans ever did in the Eightieth. Republicans are quite powerless to determine the course of administration legislation.

If the Truman Democrats who control the leadership had truly been interested in pushing through a civil-rights program, they never in the world would have delayed tackling the cloture issue until the 28th of February. The legislative wheels began to move in the Senate during the second week of January. When the leadership really wanted to push through legislation—as in the case of the pay-raise bill for the President—no time was lost in so doing.

The first 2 months of operation on the floor of the Senate during the reorganization of a new Congress are always the slowest 2 months. But even though the cloture resolution had been introduced into the Congress on the 5th of January, the majority leader mapped no strategy to bring it to the floor at a time when a filibuster delay would least have jammed other pending Senate business.

No; instead he arranged to wait until a series of expiring measures would force a compromise end to the filibuster in order to loose the log-jam of vital legislation before the dates of expiration on the old laws.

So, first, it was a phony action in the first place to bring up the measure so late.

In the second place, where was the President's cooperation in all this battle of words for a new cloture rule to open the way for his much-vaunted civil-rights fight?

Did he make any effort to bring his party into line through the patronage squeeze? On the contrary, it was not until 2 months after the cloture rule change was brought to the floor that the President cracked down on his party members. Not February 28, but April 28, was the date on which the President, in the words of a Democratic Representative from Louisiana, "officially placed a patronage purchase tag on the votes on this measure today." The measure then pending was labor legislation, not the 5-weeks-dead cloture-rule filibuster fight.

But that was not all the President did to give a sly push in the direction away from aiding the pro-civil-rights maneuver.

On the third of March he gave what amounted to a kiss of death to the already weak efforts of his party leaders to salvage something from the filibuster. By making the public announcement in his March 3 press conference that what he really wanted was a rules change requiring only a simple majority vote to choke off debate, the President gave a shot in the arm to the opponents, not the friends, of a cloture rule change.

What he did was to strengthen the contention of cloture opponents that the real purpose of the President was to fix Senate rules, regardless of precedent, so that a rough-shod majority could trample over the rights of minorities. The President dealt an almost fatal blow to the cause of getting any rules change at all. Certainly he raised the question as to whether he really wanted a rules change, or whether he insisted on the impossible in order to erect a straw man to knock down in the next political campaign.

The harried majority leader was himself among the first to throw up his hands at this one. And while the Senator from Illinois was trying to stage a behind-the-scenes recovery from the President's knife thrust, what did the President do? Why, he raced off to Florida for an all-expenses-paid vacation trip, leaving his perspiring lieutenants holding the bag on the Truman civil rights promises.

Of course, no matter how charitable we would like to be with the distinguished majority leader, still we cannot let him travel about the country spreading the false impression that he really worked hard to win the filibuster war. The Senator from Illinois knows that is not the whole truth. True, he worked hard, but not to win the battle.

As a matter of simple record, I will quote from the daily proceedings. All Senators are aware that the only way the filibuster could be defeated before the rules change was by the leadership of the Senate enforcing round-the-clock sessions to wear down the filibusterers. This maneuver the majority leader never attempted. On the contrary, he made the gentle announcement on the very first day of the filibuster move that—

From now on, I may say, we are going to remain in session until 6 o'clock every afternoon and, as the debate proceeds from day to day, we may even sit later than that.

It was not until the second week of the filibuster had begun that, after repeated demands from the Republican side of the aisle, the majority leader finally yielded and kept the Senate to 9 and 10 o'clock sessions. On the fifth of March the Senator from Illinois made a peace bid, offering a guarantee that four-fifths of the Democrats would not seek to break down the two-thirds majority requirement to limit debate, if his Southern colleagues would cease filibustering against the milder curb under consideration. This failed; but the Senator cannot claim that Republicans had anything to do with this collapse.

Following the vote of March 11 on the Barkley ruling, the Republican Senator from Connecticut tried to get the majority leader to agree to continue the Senate in all-night sessions until the matter should be decided once and for all. The reply of the majority leader was that—

I do not know what my strategy is going to be. I do not believe that a good leader ever takes all the responsibility. I think a good leader is one who is led by his people. I intend to consult with a number of my friends on this side of the aisle.

When Republican Senators still pressed him to continue the session that night until conclusion could be reached, the majority leader replied quite seriously:

I want to get the Senate away from here. The newspapermen are becoming tired.

When the majority leader's motion to recess was then voted on, it was the Democrats who voted in a block to close up shop, while the Republicans voted solidly to keep the Senate in session and wear down the filibusterers. The Democrats outnumbering Republicans, they were able to carry the vote.

In the end, of course, the majority leader must shoulder the blame for losing his own fight. It was not the Republicans, but he himself who surrendered to the filibusterers on the 14th of March. On that date, the majority leader broke up agreement efforts by withdrawing during the compromise negotiations on the tentative proposals which the southerners had accepted.

So the abject surrender was really the work of the Senate leadership itself. Walter White, of the National Association for the Advancement of Colored People, saw it that way. In fact, it was admitted by the chairman of the Democratic National Committee, the junior Senator from Rhode Island, that he and White had actually come to physical blows in the Senate corridors on March 15 over the use of the term.

After the March 14 surrender of the Democrat floor leader to the filibuster forces, it became apparent that someone had to attempt a compromise conciliation. It was at this point that Republicans stepped into the breach in order to work out an end to the filibuster. Despite the loose charges of the Senator from Illinois that some sort of deal between Republicans and southern Democrats then developed, this was not true. There was never any deal, or any discussion of any deal, or any intent to have a deal. There was only the legitimate determination that, in the words of LUCAS from Hamilton:

The public business must in some way or other go forward.

In the end, the final compromise on the cloture-rules change was a definite victory. The truth emerges that for the first time in 20 years the United States Senate possesses the power to choke off debate on any issue of real national emergency. Credit for this victory goes to the Republican leadership, not the

Democratic. Sour-grapes politicking has led the Democrats to spread a smokescreen across the real truth—that if they really wanted a civil-rights battle, they would attack it directly and not by subterfuge.

As the distinguished minority leader pointed out, cloture has been applied on four occasions since 1917. These four votes prove the point that the 64-vote requirement under the new rules change would not have made a bit of difference in outcome because all four votes were carried by huge majorities.

Republicans have repeatedly issued the challenge that, if the Democratic leadership is sincere on this whole civil-rights issue, it will bring out some actual legislation to the floor and let a cloture vote develop.

But the Senator from Illinois, the distinguished majority leader, himself let the cat out of the bag as to the private intentions of the Democratic leadership. This occurred on the 11th of March, following the vote on the Barkley ruling. Let me quote from the CONGRESSIONAL RECORD:

Mr. MYERS. And does the Senator from Illinois believe that the vote which was just had is the only vote we may have on civil-rights legislation?

Mr. LUCAS. I think there is a very good possibility that it is the only vote we may have.

There you have it.

The Senator from Illinois obviously hoped to pin a false civil-rights-vote label on the Barkley-ruling vote; and just as obviously intended that a real civil-rights vote, directly on the issue, never would be brought before the Eighty-first Congress.

But he did not reckon on Republicans upsetting his applecart.

On the 21st of April they forced a vote directly on the issue of civil rights in Federal housing. And what did the loud-talking Truman Democrats do? Why, they ran out on civil rights. Without a filibuster to hide behind, they stood exposed in all the naked splendor of their real civil-rights intentions, and they voted against the amendment.

A typical statement revealing the duplicity of the Democratic stand was made by the junior Senator from Illinois when he was asked by a Republican: "Will the Senator please answer my question? Would the Senator be in favor of the amendment if he were certain that the bill would pass?" His "Yes, but" reply was one that might have come from the composite mouths of all the Truman Democrats.

Personally—

He answered—

I do not believe in segregation; but I also know that the Southern States are firmly committed to that principle, and I do not want at this time to disrupt the United States of America during a period of grave national crisis when we are being threatened by the police state in order to force upon them what I believe to be correct.

Of course, I might remind the majority leader that a very distinguished Member from his own side of the aisle probably best pointed up the whole political motivation in this touchy civil-rights battle which so divides the Democratic Party within itself.

On the 1st of March the senior Senator from Texas stated on the floor of the Senate:

No, Mr. President; I shall not vote to wipe out, to strike down * * * the freedom and liberty of debate in the Senate in order to obtain a handful of paltry votes, some of them covered with slime and corruption.

The Senator from Texas has had many years of experience with Democratic vote getting. He knows that his party is not above negotiating a deal for "a handful of paltry votes, some of them covered with slime and corruption."

No; the Democratic Party cannot continue to go through life blaming all their failures on the Republicans. For 15 years the Democrats controlled the Congress. At one time during their control there were only 16 Republican Senators out of 96. If the Democrats had been sincere, they could long ago have had civil-rights legislation. They much prefer to talk; and to blame the poor Republicans for anything and everything that they think will be to their own political advantage.

I regret that it has been necessary to take the valuable time of the Senate for the purpose of correcting a few of the misapprehensions under which the majority leader was apparently speaking when he made his political address at Chicago on the 7th of April. There were other portions of his remarks that invite correction.

As my time is running short, I can mention but a few. Said the Senator from Illinois:

After the filibuster over civil rights came to its sad conclusion, the Senate took up a bill to extend rent control. Again the Republicans led the struggle to thwart the wishes of the people.

Quite the contrary. It was the wishes of the people to see fair play in rent control that guided the actions of Republican Senators. This we got; and the people can thank the Republicans for this victory. The Senator from Illinois did admit that the law we passed "gives fair treatment to tenants and landlords."

It is interesting to remind him that a year ago, when the Eightieth Congress passed a rent-control law more restrictive than the present law, simply because it was a product of the Republican Eightieth Congress the President begrudgingly labeled it "better than no rent control at all." I thought his message in signing that bill was as vitriolic and vindictive and unreasonable as any Presidential message I have ever read.

But he was very happy to receive the law of the Eighty-first Congress, which, in reality, was more lenient than the Republican legislation. Of course it all depends on whose ox is being gored.

One final point: the Senator from Illinois cast a few more stones in the direction of Republican economy efforts. I can only remind the Senator that the American people today are being forced by the Democrats in control to pay taxes to the Federal Government which are 20 times the amount before the Democrats took over.

We have the highest tax assessment in history—a penalty we have no prospect of avoiding for the rest of our lives to come.

The Republican Party would like to fight the battle for better living standards without having to lose the war of individual freedom. This, we admit, is a more exhausting approach than the Santa Claus theory of the Democrats, and far more difficult to promote among the wide masses of potential recipients of so-called Government hand-outs.

But the Republican Party is convinced that the American people can and must be shown that a Peter-Paul government is not the solution to the problems of a free people. Robbing Peter in order to pay Paul is a cheap and delusive theory of governmental operation which will never succeed in creating new wealth for all of the people in the successful example of past American progress.

The Senator from Illinois may perhaps desire to revise his impressions for his next political address. Should this occur, the junior Senator from Washington has been more than glad to furnish some of the facts for such an effort.

Mr. President, I was surprised that the speech to which I have been referring for some 30 minutes, made by the senior Senator from Illinois, has never appeared in the CONGRESSIONAL RECORD. I think it ought to be there. I think it was made by one who is acknowledged throughout the country to be a present-day administration leader. I had an opportunity to see the distinguished senior Senator from Illinois before I began. He found it necessary to be elsewhere for reasons of health, which I thoroughly understand and approve. I suggested to him the purpose of my rising at this late hour today. He only stated that he would read with interest anything the junior Senator from Washington might care to state for the RECORD. I think what I have stated would be more clear to the senior Senator from Illinois, the majority leader, and to many other interested Americans, if following what I have said, or preceding it—for it makes no difference which—the speech of the senior Senator from Illinois, which was so liberally, but not literally, quoted throughout the United States, were carried in an official document for all to read who care to do so.

I ask unanimous consent that the able address delivered by the senior Senator from Illinois be included in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

Mr. PEPPER. Mr. President, reserving the right to object, I am sure the Senator from Washington would not wish to make the proposal in the absence of the Senator from Illinois. If he will be kind enough to withhold the request until the Senator from Illinois can be present in the Chamber, I am sure the Senator from Illinois will appreciate it. In his absence, I must object.

Mr. CAIN. Mr. President, I regret that I did not ask the Senator from Illinois directly if, with his permission, I might submit his speech for the RECORD. I told him precisely what I was going to

attempt to do, namely, to respond as accurately as I could to his references to Senators generally.

Let me make this parliamentary inquiry: The Senator from Florida has suggested a very courteous procedure to be followed, and certainly I subscribe to his wishes; but I should like to think that if the Senator from Illinois agrees with my hope that his speech will appear in the RECORD, it will appear just before or just after what I have finished relating to the Senate.

Mr. PEPPER. Mr. President, I have no doubt that the Senator from Illinois will in due course wish his remarks to appear in the RECORD. That will be a matter for him to decide; and I am sure that he will note the sentiment expressed by the able Senator from Washington when he returns to the Senate tomorrow, and will give the matter his immediate consideration.

Mr. CAIN. Mr. President, I ask unanimous consent, if it is proper to do so, that what I have just said will not appear in the RECORD tomorrow, in the hope that I shall be given an opportunity to obtain an agreement from the Senator from Illinois, in order that my wish that the two speeches be together shall be accommodated.

Mr. PEPPER. Mr. President, reserving the right to object——

Mr. WHERRY. Mr. President——

Mr. PEPPER. Mr. President, reserving the right to object, I do not make any objection, because as I understand the rules of the Senate, the Senator from Washington has the right to withhold his own remarks from the RECORD according to his own pleasure. Since his request is only an expression of that right, no other Senator, as I understand, has the right to object.

The PRESIDING OFFICER. The Senator from Washington can withhold his speech if he so desires.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As has been demonstrated by the distinguished Senator from West Virginia [Mr. NEELY], the Senator from Washington can not only withhold his speech until tomorrow, but he can withhold it indefinitely if he so chooses. So I should say that the request of the distinguished Senator from Washington is in keeping with the rule, as expounded by the Senator from Florida. If the Senator from Washington can see the majority leader and they can reach an agreement whereby the majority leader's speech and that of the distinguished Senator from Washington can be incorporated in the RECORD jointly, or one before the other, that will be the proper parliamentary way to handle the question.

Mr. CAIN. Mr. President, I observe to my friend and associate from Nebraska that my intention was to withhold my comments tonight, in the hope that my invitation to the Senator from Illinois to allow his speech to go along with mine would be accepted. On reflection, my invitation to him will continue as an open one, and my remarks as given this afternoon will appear in tomorrow's RECORD.

RECESS

Mr. PEPPER. Mr. President, there being apparently no other business to be immediately transacted——

Mr. WHERRY. Mr. President, will the Senator yield before he makes the motion to recess?

Mr. PEPPER. I yield.

Mr. WHERRY. I had hoped that I might make the motion to recess. I was asked by the distinguished Senator from Rhode Island [Mr. MCGRATH] to do so. I yield, of course, to the distinguished Senator from Florida. However, I wanted the RECORD to show that I deeply appreciate the confidence placed in me by the junior Senator from Rhode Island. It is with deep regret that I must forego that privilege this afternoon as the acting majority leader.

Mr. PEPPER. Mr. President, the able Senator from Nebraska appreciates that, highly as we esteem him personally, the symbolism of his appearing in the role of majority leader is one which we do not wish to encourage. [Laughter.] He performs all his functions with such distinction that I would enjoy seeing him perform this one. But as a result of his kindness and generosity, if I may on such a rare occasion perform the function which he has so many times and so well discharged, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 13, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 12 (legislative day of April 11), 1949:

COLLECTOR OF INTERNAL REVENUE

Addington B. Campbell, of Port Norris, N. J., to be collector of internal revenue for the first district of New Jersey, in place of Harry L. Maloney, deceased.

SURVEYOR OF CUSTOMS

Richard W. McSpedon, of Yonkers, N. Y., to be surveyor of customs in customs collection district No. 10, with headquarters at New York, N. Y., to fill an existing vacancy.

IN THE NAVY

The following-named officers for temporary appointment to the grade of rear admiral in the line of the Navy:

Hugh E. Haven
Albert K. Morehouse
Delbert S. Cornwell
Robert L. Dennison

The following-named officer for temporary appointment to the grade of rear admiral in the Medical Corps of the Navy:

Leslie O. Stone

CONFIRMATIONS

Executive nominations confirmed by the Senate May 12 (legislative day of April 11), 1949:

COAST AND GEODETIC SURVEY

Franklin R. Gossett to be a commander, effective December 23, 1949.

IN THE ARMY

ASSISTANT TO THE QUARTERMASTER GENERAL

Maj. Gen. Roy Charles Lemach Graham, O4971, Army of the United States (brigadier general, U. S. Army), for appointment as assistant to the Quartermaster General, United States Army, under the provisions of section 9, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

IN THE AIR FORCE

The nominations of George Talmage Adams, Jr., and other officers, for promotion in the United States Air Force, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on May 3, 1949, and appear in full in Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of George Talmage Adams, Jr., which appears on page 5502.

IN THE NAVY

The nominations of James L. Abbott, Jr., et al., for temporary appointment in the Navy, which were confirmed today, were received by the Senate on April 28, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of James L. Abbot, Jr., appearing on page 5242, and ending with the name of Forrest A. Barnes, which is shown on page 5243.

The nominations of William C. Peterson et al. for appointment in the Navy or in the Marine Corps, as indicated, which were confirmed today, were received by the Senate on May 5, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, beginning with the name of William C. Peterson which appears on page 5687.

POSTMASTERS

ALASKA

Ruth L. Nelson, Mount Edgecumbe.
Mary M. Hayes, Whittier.

ARKANSAS

John W. Story, Griffithville.
Leonard B. Hurley, Hector.
Elza R. Tucker, Lowell.

KANSAS

James D. Grisham, Basehor.
Earl W. Wittmer, Bern.
LaVerne P. Marks, Bluff City.
Gordon L. Smith, Bucklin.
Wilton D. Mathews, Centerville.
Joseph G. Donahoe, Clyde.
Helen M. Erickson, Courtland.
Paul T. Welter, Dresden.
J. L. Ketchum, Elkhart.
Esther E. Weiss, Fort Dodge.
Robert K. Baird, Hunter.
Edna M. Kortz, Ingalls.
Elmer Dale Thompson, Isabel.
Clay W. Ellis, Mound City.
Arthur E. Schafer, Norton.
William E. Berry, Offerle.
John Henry Anderson, Ramona.
Forest H. Olsen, Severy.
Lucile Foley, Wathena.

KENTUCKY

Aubrey E. Chesnut, Jr., Barbourville.
Francis L. Cecil, Bardstown.
Addy M. Boyd, Betsey Layne.
David Odus McDowell, Bonnieville.
Fieldon Woosley, Caneyville.
Sylvia H. Newman, Hi Hat.
Vernon Hall, McDowell.
Mary Celeste McCue, Maple Mount.
Charles S. Johnson, Masonic Home.
William C. Broadwater, Middlesboro.
Belva C. B. Chamberlain, North Middletown.
Park L. Taylor, Pathfork.
William Grady Conley, Salyersville.
Herman H. Clark, Stamping Ground.
Gilmore Blair, Waynesburg.
Haskell Hall, Weeksbury.

NEVADA

Vera L. Wood, Crystal Bay.
Deloris A. Graham, Davis Dam.
Darrell G. Hooper, Ely.
Sue Smith, Fernley.
Dixie G. Bonham, Lovelock.

Elizabeth M. Pruitt, Montello.
Katie Reilly, Sparks.
Edward R. Slavin, Tonopah.
Altha R. Augustus, Tungsten.
James W. Kinney, Winnemucca.
Gloria B. Wylie, Zephyr Cove.

OHIO

Harold L. LaFountaine, Helena.
Richard P. Hampson, Pleasantville.
Philip F. Dickinson, Scio.

PENNSYLVANIA

Emerson K. Musser, East Earl.
A. Chester Dietrich, East Petersburg.
William E. Zediker, Eightyfour.
John Allen Habel, Garrett.
Victor Lescovitz, Midway.
Anna L. Splain, Mountville.
Winifred C. Brendel, Reinholds.
William Debreczeni, Richeyville.
Wiley C. Hamby, Salona.
Leon D. Kingsley, Townville.
Benjamin F. Sherick, Washington Boro.

SOUTH CAROLINA

James H. Witherspoon, Barnwell.
John M. Creech, Blackville.
Robert J. Berry, Jr., Bowman.
Samuel W. Gardner, Jr., Dalzell.
Robertine M. McCracken, Hopkins.
Francis W. Davis, Lykesland.
Edna Wilkinson, State Park.

SOUTH DAKOTA

Ruth Austin, Bancroft.
Vincent L. Geise, Clark.
Ralph A. Phillips, Corona.
Faith L. Thompson, Faith.
George Lehnert, Glenham.
Wilbur L. Connell, Hot Springs.
Math Rauscher, Jr., Kaylor.
Edward J. Green, Lead.
Karl Meier, Longlake.
Dona E. Linehan, Oglala.
Howard J. Hagel, Pine Ridge.
Edward T. Pischke, Sanator.
Oscar G. Kasperson, Sinai.
Mary E. Saunders, Stratford.
Anna M. Hahne, Trail City.
Elmer E. Haraden, Watertown.
Jake D. Ulmer, Wentworth.
Edward D. Siemens, Wolsey.

TENNESSEE

Hale B. Crow, Charlotte.
Raymond Earl Culberson, College Grove.
William E. Dougherty, Cumberland City.
Forest H. Pollard, Daisy.
Roy D. Holselaw, Etowah.
Cloy R. Irvin, Fordtown.
Clyde W. Gray, Graysville.
Neva K. Kubik, Indian Mound.
Iva M. Godwin, Jefferson City.
Homer H. Hackney, Jellico.
Fred C. Vowell, Martin.
Gains T. Sharp, Maynardville.
John W. Pearson, Morrison.
James G. Muse, Mountain City.
Zirkle M. Cooper, Rockwood.
William J. Dougherty, Russellville.

TEXAS

Felix S. Braden, Beaumont.
Daphne P. Birdwell, Boston.
Cecil N. Latimer, Detroit.
Eugene E. McMillian, Jr., Douglassville
Walter A. Calloway, Howe.
Grover T. Sharbutt, Kirbyville.
Ferman C. Toups, Port Arthur.
Carl F. Webster, Vidor.
Grady W. Hodges, Whitesboro.
Colon A. Barge, Jr., Zavalla.

VERMONT

Conrad H. Laperle, Beecher Falls.
Clara E. Wright, Colchester.
Donat J. Scott, Concord.
Lou B. Maginn, East Fairfield.
Adrian J. Carbonneau, Graniteville.
Dayton J. Wakefield, Morrisville.
Stacy M. Hicks, North Ferrisburg.
Bryan J. Branon, North Troy.
Arthur M. Kelton, Peru.
Lilah M. Prescott, Randolph Center.
Alfred W. Armstrong, Rupert.
Edward T. Sevee, Shelburne.
Susie H. Bellefeuille, Tunbridge.
Julia S. Thompson, Westminster.

WASHINGTON

Margaret C. Smith, Amboy.
Marion W. Newkirk, Belfair.
Clio P. Rebmen, Buena.
Norval F. Reeder, Camas.
Lester J. Ott, Carson.
Donald C. Adams, Cowiche.
Clifton H. McCauley, Dayton.
Jack P. Nims, Deming.
Charles W. Allbritton, Goldendale.
Jack H. Petit, Jr., Ilwaco.
Walter A. Woehler, Kennewick.
George D. Scofield, Klickitat.
Katherine A. Hand, Malott.
Norman W. Thompson, Mead.
Janet E. Gillespie, Menlo.
Dorothy L. Fager, Metaline.
Howard M. Mildon, Milton.
George S. Cartier, Moxee City.
Noah E. Petry, Oroville.
Edward K. Godfrey, Pateros.
Pauline T. Iwersen, Point Roberts.
Eula L. Phelps, Prescott.
Jack L. Olson, Rockford.
May S. Falk, St. John.
Signy A. Udd, Sappho.
Jack Henry Meyer, Snohomish.
Caleb A. Hughes, Sunnyside.
Lloyd S. Hale, Tekoa.
Provit D. Wilson, Toppenish.
Clifford P. Albright, Trentwood.
Margaret M. Aldahl, Troutlake.
Nora L. Roe, Vader.
Egbert B. Ward, White Swan.

WEST VIRGINIA

Marie K. Brown, Bridgeport.
Dallas R. Toney, Chapmanville.
William M. Miller, Davis.
Sarah Jane Lively, Edwight.
Opal Stowers, Griffithsville.
Van B. Stith, Highcoal.
Roy Lewis, Huntington.
Miriam A. Hamblin, Institute.
Chester A. Shomo, Junior.
Willard Carson Browning, Jr., Logan.
Newman Merritt, Lundale.
Ernest D. McGraw, Meadow Bridge.
William J. Teets, Moorefield.
Frances E. Poore, Raleigh.
Glenn R. Holmes, Reedsville.
Pete P. Scarnati, Spelter.
Carrie L. Kirtley, Winfield.

WISCONSIN

Louis W. Kurth, Neillsville.
Hugo Van Winkle, Winter.

WYOMING

Hugh Coffman, Cheyenne.
Florence B. Patrick, Manderson.
Mabel E. Nolan, Mills.
Lyle A. Millard, Riverton.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 12, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most merciful Father, help us to begin this day with the spirit of love toward Thee and our fellow men. In the stern obligations that call us to this Chamber, do Thou sanctify our thoughts and hallow our desires, that Thy truth may pour through our minds and hearts.

We pray Thee to help us to recognize the just place of the individual in a well-organized society: the worthy poor man has his rights; the worthy rich man has his rights; and the worthy stranger within our gates has his rights. Arm us with strength of determination, that we may never make any compromise between vice and virtue, and that we may ever use heart and head to deal justly with all men, and to Thee shall be the praise. Through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 25, 1949:

H. R. 164. An act authorizing the Secretary of the Interior to convey certain lands to the Churntown elementary school district, California; and

H. R. 779. An act to amend title 28 of the United States Code to provide additional time for bringing suit against the United States in the case of certain tort claims, and for other purposes.

On May 11, 1949:

H. R. 1741. An act to authorize the establishment of a joint long-range proving ground for guided missiles, and for other purposes.

On May 12, 1949:

H. R. 2935. An act for the relief of Mrs. Benjamin Betts.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3083. A bill making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. HAYDEN, Mr. KILGORE, Mr. MCCLELLAN, Mr. JOHNSTON of South Carolina, Mr. CORDON, Mr. REED, and Mr. BRIDGES to be the conferees on the part of the Senate.

PERMISSION TO ADDRESS THE HOUSE

Mr. FENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an article appearing in the Mahanoy City Record-American.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. FENTON addressed the House. His remarks appear in the Appendix.]

TAXES ON TANGIBLE PERSONAL PROPERTY OF MEMBERS OF ARMED FORCES

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, today I have introduced a bill to make it again possible for States, counties, and municipalities to levy taxes on the tangible personal property of members of the armed forces residing within their borders.

By the Soldiers' and Sailors' Civil Relief Act men in service were deemed for tax purposes to retain their citizenship in their home States, and thereby were exempted from these local taxes if they were stationed or resident away from their homes. During the war, with the constant shifting of men, most of whom had been drafted, there was logical reason for granting such an exemption.

With the war over, at least in effect, and with our military forces shaking down pretty much into a peacetime routine, the reason for this exception is gone.

We are glad to have these members of our armed forces in our communities. However, since they use our schools, our streets, our utilities, our sanitation facilities, our courts, and have the protection of our law enforcement and fire departments, there is no valid reason why they should not now make their tax contribution for the support of these community services.

In many communities this tax item will be considerable, but, whether the amount of tax is large or small, it is one of the burdens and duties of citizenship that go hand in hand with the benefits received as residents of our communities.

In my own district this bill will affect two counties—Johnson, the site of the Olathe Naval Air Base, and Wyandotte, where Fairfax Airport is located.

Other Kansas communities will be affected, just as will many throughout the Nation where Army, Navy, and Air Force installations are situated.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include a newspaper article written by A. Wade Wells.

Mr. VELDE asked and was given permission to extend his remarks in the RECORD and include two excerpts from the editorial column of the Peoria Journal and Transcript of May 6, 1949, entitled "Starting Over" and "Who's a Communist?"

EXCISE TAXES

Mr. HAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Speaker, I suppose 90 percent of the people of this country are in favor of the reduction or elimination of many of our wartime excise taxes, the tax on travel, the tax on cosmetics, the tax on handbags, the tax on telephone calls, and the tax on telegraph messages. I suppose, further, that most of the Members of the House likewise favor that.

I call to the attention of the Members the situation which has occurred in Canada, which eliminated its excise tax on travel on March 21. Now all our citizens living along the border are going across the border for a 10-cent ferry ride and buying their travel tickets in Canada. This is certainly a ridiculous situation.

I saw in this morning's Washington Post that the distinguished chairman of the Committee on Ways and Means has come out in favor of the elimination of most of these excise taxes. They are an intolerable burden on most of our people. Since the chairman of the committee favors this move, what are we waiting for?

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Ohio.

Mr. JENKINS. If a Republican majority were in charge of this House at this time, we would have a bill before this Congress reducing excise taxes.

Mr. HAND. The gentleman states the position of the Republican Party correctly. The gentleman from Massachusetts [Mr. MARTIN] and many other Republicans including myself, have bills pending for this purpose and the bills have the approval of the Republican policy committee.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Pennsylvania.

Mr. RICH. If a Republican administration were in power, we would have cut out a lot of these expenses.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House for 10 minutes today at the conclusion of the legislative program of the day and following any special orders heretofore entered.

SPAIN

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, American policy on Spain is now being pounded out by discussion in the American way. The Secretary of State is right that sending an ambassador to Spain in view of the United Nations General Assembly's resolution of December 1946 will be taken by western Europe, almost leveled by the Nazi and Fascist dictatorships which cradled the present Spanish regime, as our willingness to make the Franco dictatorship an ally. Whether or not the western European countries would be justified in reaching this conclusion or not—they would so conclude. American policy should avoid the extremes of the right as much as the extremes of the left and should not be satisfied to let western Europe conclude that we will sacrifice expediency to principle in seeking allies against communism.

Spain needs free elections for a democratic form of government under the supervision of the United Nations which, if invited, will, as it has in other countries, afford such supervision, with adequate time for Spanish political parties to campaign, also under such supervision, so that the choice of the people of Spain may be really known. This is a feasible program and solution.

I refer to an article by Walter Lippmann appearing in the New York Herald Tribune today in his column Today and Tomorrow entitled "On Franco and Defeatism" which has been inserted in the Appendix, as showing clearly why our best national interest and the interests of democracy in the world require us to pursue the policy I have outlined.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, following the gentleman from New York with whom I serve on the Foreign Affairs Committee, I hear him saying the same thing that has been said over and over again regarding the Franco government. It is the most subtle type of propaganda that we have ever witnessed in this country.

Mr. Speaker, on Tuesday of this week two of the most distinguished statesmen of this country had something to say regarding the reestablishment of diplomatic relations with Spain. It is gratifying to observe that these leaders, the Honorable TOM CONNALLY and the Honorable ARTHUR VANDENBERG, have spoken.

No one is defending Franco or approving his government. But we are coming to realize that we have 28,000,000 friends in the Spanish people and to say the very least, the same people dislike both Spain and the United States, out of which should come a much better understanding than we have at present.

By reason of the sentiment recently developed, Spain has been allowed to make a request for loans from the Export-Import Bank. However, the Secretary of State, for whom I have the greatest respect, has warned that she is a poor credit risk. Perhaps Spain is a poor credit risk but what country is not? I think I am correct in saying that Spain is the only nation in all of Europe which owes us nothing and yet we talk of her being a poor credit risk. Russia stole her gold and demoralized her people and yet she has been able to pay cash for much of her purchases.

Spain needs material which this country can sell—cotton from our surplus

supplies and other farm commodities, spindles for their mills and other equipment, aside from being the key to the whole Iberian Peninsula from the military standpoint.

I know something of the arguments made against the reestablishment and against cooperation with Spain. I do not like the governmental system in Spain and neither do I like some other systems with whom we cooperate in every respect, but I am not willing to cut off the nose of this country to spite its face and to appease those nations whose propaganda has had the effect of isolating us from the 28,000,000 people of Spain.

It is my hope that sentiment in this country will assert itself toward a reconsideration of our attitude toward Spain until the United States, independently and through the United Nations, will take the initiative to readjust our mistaken position.

The SPEAKER. The time of the gentleman from Texas has expired.

EXTENSION OF REMARKS

Mr. ASPINALL asked and was given permission to extend his remarks in the RECORD and include certain articles written by Harry Chrisman in the Delta County Independent, a weekly newspaper published in his district.

Mr. CHESNEY asked and was given permission to extend his remarks in the RECORD and include an article from the Chicago Junior Chamber of Commerce.

Mr. WAGNER asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Cincinnati Post on Spain.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include a letter.

SUBCOMMITTEE NO. 4, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent, that Subcommittee No. 4 of the Committee on Interstate and Foreign Commerce may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in two instances and include some excerpts.

CIVIL AIR PATROL

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McSWEENEY. Mr. Speaker, last night I, together with many of my colleagues, had the honor of attending a banquet given by the Civil Air Patrol. To me, it was a most inspiring occasion. There were young cadets present who are being inspired and taught to be better Americans by the officers of the CAP. Our Speaker made it possible for this meeting to be graced by the President who gave us a very inspiring, friendly talk. I would like my colleagues to know that we were represented by the majority whip, the gentleman from Tennessee, Mr. PERCY PRIEST. I was proud as a Representative of the Congress to have him as our spokesman and I am sure that you would have been, too, had you been present. His timely reference to the lifting of the blockade by Russia, his reference to the gallant United States airmen who made the air lift such a success. His witty reference to himself as a private in the CAP and his hope that his speech might make him at least a corporal gave us all an inspiration and we were proud of him. If the generals will not raise him in grade from private to corporal, we his colleagues will be glad to make him even a general in the CAP. I gladly yield to my friend and my colleague, the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. I gladly concur with my colleague the gentleman from Ohio, Mr. JOHN McSWEENEY, in his sentiments relative to the speech of the gentleman from Tennessee [Mr. PRIEST]. I was glad to meet with these upstanding young cadets who are being trained in better citizenship by these CAP officers.

Mr. McSWEENEY. I want to thank the gentleman from Ohio [Mr. McGREGOR] for his generous contribution. All of us as citizens should be grateful for the fine, unselfish, and inspiring service which these officers of the CAP are donating to America. I am proud that my nephew, Lt. Col. Joseph Woody, of Orlando, Fla., is one of those enthusiastic and devoted officers of the Civil Air Patrol.

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. JONES of Alabama asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD and include an editorial from the Wilkes-Barre (Pa.) Record.

THE BERLIN BLOCKADE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I have before me the New York Times for Thursday, May 12, today, and I read the headline which says, "Berlin land blockade lifted," and "First train and autos reach city from the west after a 328-day siege."

Another headline: "The lights are turned on."

I have in mind also a summer day in 1914 as World War I began, when a British statesman, Lord Gray, said, looking out over London: "The lights are going out all over Europe tonight."

Let us hope the light of reason is lighted today all over the world.

So, Mr. Speaker, I express, today, this great tribute to American organization and a great tribute to the American armed forces during peacetime, an example of American fortitude, courage, and stick-to-itiveness exemplified by our Air Force and our armed forces in the famous airlift over Berlin. This is one of the greatest examples of Americanism this country and the world has ever seen. The airlift is a sign big enough "so that he who runs may read." The Nation is proud of the people who made the airlift work.

Let us hope and pray that the warning is heeded—the example followed and that the diplomacy of reason brings us peace.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. FLOOD] has expired.

LIFTING OF THE BERLIN BLOCKADE

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. BATTLE]?

There was no objection.

Mr. BATTLE. Mr. Speaker, the lifting of the Berlin blockade gives a big boost toward world peace and understanding. It is a great step forward. Today for the first time since June 26, 1948, Berlin traffic is on the move. Trains are running to and from the city. Highways are open, mail service is restored. It is a magnificent victory for democracy. And many of those dauntless heroes of "Operation Vittles" are coming home to receive a country's praise. They have done a great job, those airlift personnel. I saw them in action, flew with them to the Tempelhof Airfield in Berlin. It was amazing to see the precision and the planning and the courage that kept thousands of people alive with supplies brought in by air. Aided by the British and the French, all branches of American defense combined to make the airlift what is called the greatest peacetime achievement of American arms.

But we must not be complacent. Let us remember that this diplomatic victory is the direct result of the Marshall plan, the airlift, our strong counter blockade, and the Atlantic Pact; all costly and dangerous operations expressing our determination to resist world domination by Russia.

Stalin has been playing a game of chess, coolly and shrewdly, staking the peace of the world upon a gamble that we desired to avoid a war at any cost. While he may seem to be retreating in Europe, he may well be trying to use this as a cover-up for aggression in other areas. Russia is winning hands-down in China. Half of the population of the world is in that area. The final showdown of the cold war may very well be in China.

As a matter of fact, the peace is not yet won—either in Europe or the Orient. We must maintain our positive, firm, and fair foreign policy. We hope that Russia is ready to come into the family of nations as a friendly, peaceful participant, and we should encourage her to do so. However, until this is a reality and even after it becomes a reality, it is up to America to throw her whole weight and power behind the United Nations. We must spark the drive to make the UN a more powerful limited world organization capable of dealing effectively with

aggressor nations. Only then can we look forward to real peaceful international relations.

The SPEAKER. The time of the gentleman from Alabama has expired.

EXTENSION OF REMARKS

Mr. LYNCH (at the request of Mr. FORAND) was granted permission to extend his remarks in the RECORD and include an address.

APPOINTMENT OF AMBASSADOR TO SPAIN

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. GOSSETT]?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I wish to endorse and commend the remarks of my colleague the gentleman from Texas [Mr. BURLESON] and to take issue with my distinguished friend the gentleman from New York [Mr. JAVITS] in the matter of sending an ambassador back to Madrid.

I notice in this morning's Post, Mr. Walter Lippmann, ordinarily a sound commentator, has criticized the action of some of our distinguished Senators in expressing dissatisfaction with our policy in Spain. He says it would be defeatism to now admit that we made a mistake in the first place. Since when is it defeatism for a great nation or a great individual to admit he was wrong and attempt to rectify that error?

One of the most stupid things in the world, to my mind, has been our withdrawal of an ambassador from Spain, which entailed their withdrawal of an ambassador from this country. True, we do not approve of totalitarianism or fascism, but we have refused to recognize and do business with perhaps the most stable government in Europe, and one which, my colleague points out, owes us not a penny.

The SPEAKER. The time of the gentleman from Texas [Mr. GOSSETT] has expired.

THE BERLIN AIRLIFT

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, the beleaguered city of Berlin is today released after a period of almost a year.

No feat in all history is greater than that accomplished by the Berlin airlifters. The courage and sacrificial service of those who carried on the airlift should be regarded as if in actual combat. Only those of us who were privileged to go in on the airlift can possibly appreciate the significance of the task. Everything necessary to sustain life for more than 2,000,000 people residing in the Allied sectors of Germany's great metropolitan capital city was carried through the air to Tempelhof Airdrome.

The cost for maintaining this gigantic undertaking exceeded $1,000,000 a day. More than half a hundred gallant fliers lost their lives while on duty, but the venture was successful. Let us hope that the apparent change in the attitude of the Soviet Government will be followed in other matters to the end that soon the peace so dearly bought and constantly prayed for may come to this troubled earth.

DIPLOMATIC RELATIONS WITH SPAIN

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, the failure to establish diplomatic relations with Spain is, in my judgment, equivalent to sinning against the peace and security of the world.

Mr. McCORMACK. Will the gentleman yield?

Mr. COX. Gladly.

Mr. McCORMACK. The primary question confronting every nation is its national interest and the taking of such steps as is in its national interest. Certainly, and particularly in the light of the existing world conditions, it is in the national interest of our country to renew full diplomatic relations with Spain. It is one of our next-door neighbors across the Atlantic; its government and its people are anticommunistic. Any questions to be solved between the two countries could be more easily solved with full diplomatic conditions existing than under the present undesirable situation.

I strongly feel that immediate renewal of diplomatic relations is in the national interest of our country and also will be a decided step in the direction of obtaining that which we seek, permanent peace.

NONSEGREGATION IN THE AIR FORCES

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, on yesterday Defense Secretary Johnson announced that he had deactivated the all-Negro Three Hundred Thirty-second Fighter Wing under his new policy of nonsegregation in the Air Forces.

Just whom does Mr. Johnson think he is helping through the destruction of these Negro units? Does he think that he is helping these Negroes by forcing them into white companies? Is he helping raise the morale of the Negroes themselves? Certainly not. Negroes the world over have pointed with justifiable pride to the achievements of their own companies in World War II. Does he think that the morale of those Negroes who are being separated from their own groups and forced into white units will be boosted when they find that they have no one with whom to associate?

Does this modern self-annointed Moses who promises to lead the Negroes out of the wilderness of their own society into the promised land of amalgamation honestly believe he is strengthening the national defense? Or is he dealing in cheap sordid politics? Does he consider himself better informed, intellectually superior, or better qualified to dictate military policies than Generals Pershing, Eisenhower, and Bradley, all of whom refused to succumb to such communistic pressure? Mr. Speaker, Secretary Johnson, through this abject surrender to selfish interests, might well have destroyed the fighting spirit of our great military machine. He is shooting craps with our national security.

General Eisenhower, one of the great military minds of all time, recognized the need for separation of the races in the armed forces, when he very frankly told a committee of the other body:

> In general, the Negro is less well educated than his brother citizen who is white, and if you are going to make a complete amalgamation, what you are going to have is in every company the Negro is going to be relegated to minor jobs, and he is never going to get his promotion to such grades as technical sergeant, master sergeant, and so on, because the competition is too tough. If, on the other hand, he is in smaller units of his own, he can go up to that rate, and I believe that he is entitled to the chance to show his own wares.

At this time, when the need for military strength is greater than in our history, it ill behooves one in such a commanding position to deny to this people the benefit of knowledge gained through bloody years of experience.

PERMISSION TO ADDRESS THE HOUSE

Mr. CAVALCANTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. CAVALCANTE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks entitled "Report on Private Bill Procedure." I am informed by the Public Printer it exceeds the limit established by the Joint Committee on Printing and will cost $206.26. Notwithstanding this estimate I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection, the extension may be made.

There was no objection.

Mr. WALTER asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. ANGELL asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and in each include a short article from the New York Times.

Mr. POULSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include two

articles, one by Mrs. Eleanor Roosevelt on discrimination against the Indians, and another an article on the Colorado River.

TAXATION

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. I am surprised that more people have not taken the floor today to compliment the distinguished chairman of the House Committee on Ways and Means, as reported in the press this morning, for the forthright statement which he made to the President of the United States concerning the fiscal prospects of your country and mine. As was stated by the distinguished junior Senator from Illinois, Mr. DOUGLAS, on the floor of the Senate, there can be no question that we cannot under any circumstances permit a present increase in taxes. The only way to avoid it and to avoid the deficits that are in the offing as a result of the stupendous plan-spending programs of the Democratic administration is to cut our cloth so that our expenditures will be in line with our receipts.

I congratulate the distinguished chairman of the Committee on Ways and Means [Mr. DOUGHTON], and I congratulate the junior Senator from Illinois for their courageous stand that has been the position of the Republicans in this House for years.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and include editorial comment from the Pittsburgh Press of May 8, 1949.

ECONOMY IN GOVERNMENT OPERATION

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I am very much interested in the statements that have been made here this morning about economy. It is a grand thing that we can get Members of Congress to get up here and talk about economy because that is what we need if we are going to save this country of ours from complete ruin and bankruptcy.

The people want less taxes and the only way to get less taxes is to stop spending. I hope, Mr. Speaker, in the brief time at my disposal that I may impress this indelibly upon the Members of Congress because they are responsible for the enormous amount of money that is being spent by the Government at the present time. The only way to stop this is to stop. Let us stop spending, stop taxing our people and look after America and do not assume the responsibilities of all the nations of the world.

EXTENSION OF REMARKS

Mr. COLE of New York (at the request of Mr. ARENDS) was given permission to extend his remarks in the RECORD and include a radio address delivered by Fulton Lewis.

PERMISSION TO ADDRESS THE HOUSE

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include a short editorial from the Hartford (Conn.) Courant entitled "Unemployment Statistics."

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

[Mr. SADLAK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include two essays written by boys and girls in the high schools of her district on the importance of private enterprise in business.

CIVIL AIR PATROL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it was my pleasure in company with other Members of the Congress to attend the Civil Air Patrol dinner last evening. I sat beside a very fine young Massachusetts cadet sergeant who was here in advance of those who are coming in from Massachusetts on Sunday.

General Nolan, who was sitting at our table, said that he had seen our boys in action in India, Africa, and in Egypt—in fact all over the world—and that our boys can do anything they set out to do.

Mr. Speaker, I wish to join with other Members in rejoicing that the Air Force and the pilots of the air lift have been successful in breaking the blockade in Germany. Now materials and supplies can travel freely in and out of Berlin by train. The members of our air lift did a magnificent job for us at great sacrifice under difficult conditions. Those who have been in Germany during the winter know just what they did.

They never faltered. They performed a wonderful feat for the world.

EXTENSION OF REMARKS

Mr. JOHNSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous matter.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. REES asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. Frank Carlson at the Interstate Oil Compact Commission, Jacksonville, Fla.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the distinguished Speaker of the House, the gentleman from Texas [Mr. RAYBURN] may extend his remarks in the RECORD and include an article written by former Secretary of War Robert Patterson in reference to General Clay.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SOUTH DAKOTA'S DUCKS AND PHEASANTS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, South Dakota, I guess, has more ring-necked pheasants than any State in the Union. If someone has figures to the contrary, I may not quarrel with him but I want to make the point we have lots of the birds and we like to have visitors come and hunt them in accord with the laws of the State.

And they do come. In 1946, South Dakota sold 86,147 nonresident hunting licenses. That 86,147 compares with 1,676 sold in Minnesota the same year—or 958 in Oklahoma; that is, nonresident hunting licenses.

We have had and do have more pheasants than anybody else. But we do not have more ducks. We do not have the ducks which Minnesota has. And when you turn all the nonresident pheasant hunters loose on our ducks—well, there just are not enough ducks to stand it. So the South Dakota Legislature has forbid selling licenses for nonresidents to hunt ducks for a while.

That has offended some of our Minnesota brethren and they have introduced a rash of bills to deny Pittman-Robertson allotments to South Dakota. Now, laying aside the question of the great amount of shotgun shell taxes that South Dakota sends to the Pittman-Robertson fund, I venture to suggest that South Dakota should be permitted to protect her limited duck population, as she sees fit. Once the right of any State to protect the game of its State is denied or modified, there could be no limit to which the rights of any State to its game could be curtailed. State ownership of the wild game within its borders is well established in law and precedent.

Moreover, since we do invite the world to hunt our abundant pheasants, do you not think we should be permitted to protect our ducks until we can get them built up, too?

CHINA

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, we had a congressional investigation into all the causes and circumstances of the disaster at Pearl Harbor. Shall we be indifferent to the causes and circumstances of the much greater disaster in China?

The State Department, which is waiting for the dust to settle in China, evidently considers that its present supply of dust is adequate to throw in the eyes of the Congress.

A few men never elected to office have decided to render futile the sacrifice of 200,000 American youths killed and wounded in the Pacific—a sacrifice made because we were, as we had been for a hundred years, determined that for our own security China should remain free and independent. In the face of the State Department's obstinate attachment to the cause of people who have proclaimed themselves committed to destroying us, shall Congress remain supine?

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON PUBLIC LANDS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the Committee on Public Lands be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

ISRAEL ADMITTED TO UNITED NATIONS

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, I rise to offer my sincere and grateful congratulations to the President of the United States, to the many officials of the Department of State who contributed their skill and energy, and especially to the Secretary, the Honorable Dean Acheson, and to our United States representative to the United Nations, former Senator Warren Austin, for their brilliant work in formulating the preliminary strategy which resulted in an overwhelming vote yesterday at Lake Success for the admittance of the Republic of Israel to the United Nations.

My only regret is that this just and meritorious recognition of the independence, sovereignty, and stability of the newest—and oldest—of the world's democracies has been so long delayed.

The world will rejoice that Israel has been accepted as the fifty-ninth of the United Nations; and the Republic of Israel will prove its gratitude for this first birthday gift from the world at large by proving its responsibility and maturity in internal administration and international cooperation and cordiality.

Mr. Speaker, the United States has lived up to its pledges. American honor is vindicated.

EXTENSION OF REMARKS

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial by Thomas L. Stokes appearing in the Buffalo Evening News.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD and include an article by Walter Lippmann on Spain.

SPAIN

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I rise at this time to support the gentleman from New York [Mr. JAVITS] in the statement he made regarding Spain. I have just been granted permission to include in the RECORD an article by Mr. Walter Lippmann which was referred to here by the distinguished gentleman from Texas. However, he referred to only a part of what Mr. Lippmann said. I am sure the Members will be interested in reading all of Mr. Lippmann's article. I myself, as a member of the Committee on Foreign Affairs, found it to be very thoughtful, and very accurate, with valid conclusions. I believe our position in regard to Spain is sound and the only tenable one at this time.

CONGRESSIONAL BASEBALL GAME

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, while we are wrestling with the important problems of the world and of the Nation, I rise to announce that the traditional baseball game between the Democrats and Republicans will be played on June 3.

Mr. RANKIN. That will be very devastating for the Republicans. That is Jefferson Davis' birthday.

Mr. HARRIS. In the absence of the High Commissioner of the Democratic baseball team, the gentleman from South Carolina [Mr. RICHARDS], I am authorized to announce that the Democratic members of the baseball team will meet this afternoon at 4 o'clock at Central High School, which is at Thirteenth and Florida Avenue.

As we all know, this traditional game started many years ago. The gentleman from Michigan [Mr. WOODRUFF] told me this morning that he played on the team in 1913 or 1914.

The game this year will be for the benefit of the underprivileged children of the District of Columbia. There are not going to be any holds barred, I understand. The only positions assured so far on our side, I am authorized to state, are those of the Chief Justice of the United States, Hon. Fred Vinson, and our very fine and lovable Speaker of the House, Hon. SAM RAYBURN.

The only controversy that has really developed at this point, and it is a real one, yet to be resolved, is, who is going to be the home team this year? I think since we are in the majority we will probably win out in the long run.

I thank the Members of the House on the Democratic side for the interest they have shown and the interest I know they will manifest in helping to give the Republicans another lashing, as we did last year.

EXTENSION OF REMARKS

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include certain newspaper articles and radio speeches.

Mr. IRVING asked and was given permission to extend his remarks in the RECORD and include a short newspaper article on the Hoover report.

THE BERLIN BLOCKADE

Mr. LODGE. Mr. Speaker, I ask unanmous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LODGE. Mr. Speaker, the lifting of the Berlin blockade is certainly something for us to be thankful for. It is a tribute to American and British perseverance. There is no question that the Communists in Berlin have received a set-back. Their number is reported to have diminished to 6 percent. We can properly regard the end of the blockade as a welcome expression of our logistics ability, of our industrial power and of the bravery and skill of our airmen. Several of them tragically and gallantly gave their lives in this great endeavor.

But let us not be overoptimistic. This is not a diplomatic victory. The United States Air Force has temporarily saved us from a deep dilemma of our own diplomatic making. We must have a plan. We must know where we are going. What happens now? As Constantine Brown says:

> Moscow now is smiling broadly at the United States. That this is not a sincere smile is apparent to most policy makers in Washington and other western capitals.

It is interesting to note that the Kremlin made advances with respect to Berlin

at the time that the Nationalist forces in China were in full retreat. In the face of our disastrous defeat in China let us look at the Berlin situation with a steady and penetrating eye. Due to the Communist victories in China, Russia now can offer the Germans the great markets of the Far East. This can prove to be a powerful inducement toward cooperation with the Soviets. Nor is Russian dominance in the Far East the only implication of the end of the Berlin blockade. It is quite likely that the Russians will soon suggest that all troops be withdrawn from Germany, their's a short distance behind the German borders, ours a distance of some 4,000 miles. While it is unthinkable that we shall accept such a suggestion, it could create for us some very real embarrassments.

Therefore, while we should be grateful for the splendid courage and ability of the United States Air Force and for the steadfastness of our British friends, we should, I think, be most skeptical with respect to all the implications of this event.

The SPEAKER. The time of the gentleman from Connecticut has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. FULTON addressed the House. His remarks appear in the Appendix.]

CONGRESSIONAL BASEBALL GAME

Mr. BISHOP. Mr. Speaker, I ask unanimous consent to address the House for 1 minute on the subject of baseball.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BISHOP. Mr. Speaker, I heard the newly appointed manager of the Democratic baseball team make some mighty fine remarks about his team. I want to tell my colleagues that, as a result of the game last year, the fresh-air fund for the kids of the District of Columbia received about $6,000. We hope to raise $10,000 this year. The tickets will be sold by the chief pages and handled by the doorkeepers. The Republicans will start their practice on Monday, May 16, after the House adjourns for the day, at Eastern High School athletic field. We invite Members of the Senate and the House of Representatives to participate.

SPAIN

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, I noted yesterday that the Secretary of State has refused to recognize Spain. Among other things he gave as a reason for his refusal to consider it, the habeas corpus as another of the various reasons for his refusal. I think it is a serious mistake at this time not to make some effort to recognize the existence of the present Government of Spain.

Our national interest demands it. If we should follow the reasoning outlined by the Secretary of State, we could not consistently keep any of our diplomatic officers in Russia or anywhere behind the iron curtain. I think it is absolute stupidity not to recognize the existence of conditions, and at the very earliest opportunity to try to bring about official recognition of Spain as it exists today.

The SPEAKER. The time of the gentleman from South Carolina [Mr. RIVERS] has expired.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the majority leader a question. I heard on the radio that we were going to get a labor bill before the House.

Mr. McCORMACK. I am not responsible for what the gentleman or anybody else hears on the radio. I can assure the gentleman that there is no labor legislation programed for next week.

Mr. RICH. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

RECOGNITION OF SPAIN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, we have heard attacks on Spain this morning, and we have heard voices in defense of Spain. I remember when the Communists were overrunning Spain, many years ago, Franco had a brother in this country who gave out a statement about what the Communists were doing to the people of Spain. It was one of the most horrible pictures I had ever read up to that time.

Franco took the lead, fought the Communists and drove them out of Spain. It is true that Germany helped Franco. It is true that Italy did also. But do not forget that Great Britain did also; and after we got into the war Spain refused to join our enemies, and by remaining neutral she kept them from overrunning Spain and closing the Mediterranean.

Now, let us be honest. There is no reason on earth why we should recognize these Communist and near-Communist countries and refuse to recognize anti-Communist Spain.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

EXTENSION OF REMARKS

Mr. COLE of Kansas asked and was granted permission to extend his remarks in the RECORD and include a resolution.

Mr. BUCKLEY of Illinois asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

GULF STATES MARINE FISHERIES COMPACT

Mr. THOMPSON. Mr. Speaker, I call up the conference report on Senate Joint Resolution 42, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMPSON]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf Coast and creating the Gulf States Marine Fisheries Commission, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

The amendment is as follows:

Page 6, line 16, after the word "limit", insert "or add to".

SCHUYLER OTIS BLAND,
CLARK W. THOMPSON,
ALVIN F. WEICHEL,
VICTOR WICKERSHAM,
THOR C. TOLLEFSON,
Managers on the Part of the House.

LYNDON B. JOHNSON,
HERBERT R. O'CONOR,
OWEN BREWSTER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf Coast and creating the Gulf States Marine Fisheries Commission, submits the following statement which was agreed upon by the conferees and recommended in the accompanying conference report:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

The House amendment is as follows:

On page 6, line 16, after the word "limit", insert "or add to".

SCHUYLER OTIS BLAND,
CLARK W. THOMPSON,
ALVIN F. WEICHEL,
VICTOR WICKERSHAM,
THOR C. TOLLEFSON,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. THOMPSON. Mr. Speaker, I have no requests for time on this side, and I understand there is none on the other side. The Senate is in the position of having agreed to the bill that was passed by the House. I presume it is agreeable to everybody. However, I have no desire to shut off any questions, if there are any.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD at this point on the conference report just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MRS. JULIA BALINT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 679) to authorize the admission of Mrs. Julia Balint to the United States, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That for the purposes of the immigration and naturalization laws, Mrs. Julia Balint, who would be entitled to nonquota immigration status but for the death or disappearance of her United States citizen husband, shall, if otherwise admissible to the United States under the immigration laws, be deemed to be a nonquota immigrant."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the difference between our bill and the Senate bill?

Mr. WALTER. There is no difference. The Senate changed the language, but this bill, and another one which will be called up immediately after this is disposed of, accomplish the same thing as the House bill.

Mr. MARTIN of Massachusetts. Well, what was the change?

Mr. WALTER. The change was that whereas in the House bill we authorized the admission of a Czech woman who was the wife of an American citizen who disappeared in Czechoslovakia, the Senate amended the language so that it appears as though she were now an American citizen.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

THEODORE PAPACHRISTOPOULOS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2360) for the relief of Theodore Papachristopoulos, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill and the Senate amendment as follows:

Strike out all after the enacting clause and insert "That for the purposes of the immigration and naturalization laws, Theodore Papachristopoulos shall be considered to be the natural-born son of his stepfather, Roland Stanger, a citizen of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

DORIS BATEY COX

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 195) for the relief of Doris Batey Cox (Rept. No. 571), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Doris Batey Cox, widow of Lamar P. Cox, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $250 toward defraying the funeral expenses of said Lamar P. Cox.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MRS. MARY LEIMGRUBER

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 194) for the relief of Mrs. Mary Leimgruber (Rept. No. 572), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Mary Leimgruber, mother of Marie Elizabeth Leimgruber, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate she was receiving at the time of her death and an additional amount not to exceed $250 toward defraying the funeral expenses of said Marie Elizabeth Leimgruber.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 115) providing for the expenses incurred by House Resolution 114 (Rept. No. 573), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 114, Eighty-first Congress, incurred by the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, not to exceed $25,000, including expenditures for printing and binding, employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

Page 1, line 5, strike out the words "printing and binding."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MEMORIAL DAY, MAY 25, 1949

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 186) providing for holding memorial services on Wednesday, May 25, 1949 (Rept. No. 574), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That on Wednesday, the 25th day of May 1949, immediately after the approval of the Journal, the House shall stand at recess for the purpose of holding the memorial services as arranged by the Committee on House Administration under the provisions of clause (1) (j) (2) (2) of rule XI of the Rules of the House of Representatives. The order of exercises and proceedings of the service shall be printed in the CONGRESSIONAL RECORD, and all Members shall have leave for 60 legislative days to extend their remarks in the CONGRESSIONAL RECORD on the life, character, and public service of deceased Members. At the conclusion of the proceedings, the Speaker shall call the House to order and then as a further mark of respect to the memories of the deceased he shall declare the House adjourned. The necessary expenses connected with such memorial services shall be paid out of the contingent fund of the House upon vouchers signed by the chairman of the Committee on House Administration and approved by such committee.

With the following committee amendment:

Page 1, line 6, strike out "2" and insert "(c)."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

UNFINISHED PORTION OF THE HISTORICAL FRIEZE IN THE ROTUNDA OF THE CAPITOL

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I submit House Joint Resolution 21 and ask for its immediate consideration.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Joint Committee on the Library is authorized and directed to provide for the utilization of a part of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray the story of aviation in the United States. For that purpose the joint committee shall select a design which appropriately depicts such story, including the portrayal of the all-important achievements of Wilbur Wright and Orville Wright, and shall employ such artists as may demonstrate to the satisfaction of the

joint committee their ability to perform the work in a proper manner.

SEC. 2. There is hereby authorized to be appropriated, the sum of $20,000, or so much thereof as may be necessary, to carry out the purposes of this joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit House Resolution 156 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the studies and investigations authorized by House Resolution 137, Eighty-first Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $50,000 additional, including expenditures for the employment of such experts, clerical, stenographic, special counsel, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendments:

Page 1, line 1, strike out "further."

Page 1, line 5, strike out "$50,000 additional" and insert "$30,000."

The committee amendments were agreed to.

The joint resolution was agreed to.

A motion to reconsider was laid on the table.

TELEPHONE AND TELEGRAPHIC SERVICE AND CLERK HIRE FOR MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for each fiscal year beginning with the fiscal year ending June 30, 1950, in the case of each Member of the House of Representatives, there shall be paid from the contingent fund of the House of Representatives, subject to the limitation provided in section 2, the following charges:

(a) Charges on long-distance telephone calls (1) originating in the Member's office in the District of Columbia, or (2) originating outside the District of Columbia but made by the Member to his office in the District of Columbia, and on which the charges have been reversed; and

(b) Charges on telegrams sent by or on behalf of the Member from the District of Columbia or on telegrams sent collect from outside the District of Columbia by the Member to his office in the District of Columbia.

SEC. 2. In the case of any Member of the House of Representatives other than the Speaker, the majority leader, the minority leader, the majority whip, and the minority whip, the aggregate amount of the charges which may be so paid from the contingent fund for any fiscal year shall not exceed $500.

SEC. 3. After June 30, 1949, no telegrams shall be charged to the official business of the House of Representatives by any Member.

SEC. 4. Effective July 1, 1949, the clerk hire of each Member of the House of Representatives shall be at the rate of $12,000 per annum. No person shall receive basic compensation from such clerk hire at a rate in excess of $5,000 per annum.

SEC. 5. The last sentence of section 501 of the Federal Employees Pay Act of 1945, as amended, is hereby amended by inserting after the word "now" the words "or hereafter."

SEC. 6. As used in this act, the term "Member" or "Member of the House of Representatives" includes a Representative in Congress, a Delegate from a Territory, and the Resident Commissioner from Puerto Rico.

With the following committee amendments:

Page 2, lines 1 and 2, strike out the words "and on which the charges have been reversed" and insert in lieu thereof a comma and the following: "to any department, agency, or office of the Federal Government or of the government of the District of Columbia, or to any department, agency, or office of the government of any State or of any political subdivision of a State."

Page 2, line 6, before the period insert a comma and the following: "to any department, agency, or office of the Federal Government or of the government of the District of Columbia, or to any department, agency, or office of the government of any State or of any political subdivision of a State."

Page 2, line 18, strike out "$12,000" and insert "$12,500" in lieu thereof.

Page 2, line 25, before the word "the" insert "(a)" and on page 3, line 3, before the period insert a semicolon and the following: "and (b) the term "State" includes the several States, the Territories, and Puerto Rico."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 178)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

The accompanying report on the participation of the United States in the United Nations for 1948 is transmitted to the Congress on the recommendation of the Secretary of State.

The report has my approval.

At this stage in the life of the United Nations it is appropriate to say a word about the Charter and the Organization. The Charter is at once a statement of objectives and a guide to action. It proclaims the objectives of preventing future wars, of settling international disputes by peaceful means and in conformity with principles of justice, of promoting world-wide progress and better standards of living, of achieving universal respect for and observance of fundamental human rights and fundamental freedoms, and of removing the economic and social causes of international conflict and unrest.

These objectives are well stated in the Charter itself. We subscribed to them at the time we signed the Charter. We are firm in our resolution to work for these objectives.

The Charter is a guide to action. While this is so for all members, it is particularly so for those enjoying the "right of veto." There is a greater obligation on these five powers than on the other members to conduct themselves in accord with the principles of the Charter. They must "settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered." Equally, they must "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations." Fulfillment of these obligations means the exercise of national self-restraint in international relations. Along with other Charter obligations they place limits on our freedom of action. But these limits are self-imposed, because we signed the Charter without reservation. During 1948 we have continued to recognize these Charter obligations as restrictions upon our conduct. We will continue so to recognize them. And we have a right to expect other members of the United Nations to act similarly, for the Charter is a pledge of good faith exchanged by each member with all the others.

I recommend the accompanying report to the attention of the Congress. The nature of our participation and the many different ways in which it is manifested may come as a surprise to many members. But it will not be an unpleasant surprise. We have taken the leadership in many fields of international relations. We can be proud of what we have done. If the United Nations as a security organization has disappointed us, as the Secretary of State notes, and if we have had to take supplemental measures to meet actual or potential threats to our security, it is not because the United States has not put forth real efforts to develop the United Nations to its full stature. The world today is not the world we had hoped for when the San Francisco Conference adjourned less than 4 years ago.

The United States supports the United Nations in all respects. The following pages tell how that was done in 1948.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 12, 1949.*

FILING OF MINORITY REPORT

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent that I might have until midnight tomorrow night to file a minority report on the bill H. R. 2785, the international emergency children's fund, to accompany House Report 569.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REORGANIZATION OF THE DEPARTMENT OF STATE

Mr. SABATH. Mr. Speaker, I call up House Resolution 203 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3559) to strengthen and improve the organization and administration of the Department of State, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 3559, a similar bill having already been acted upon favorably by the other body.

It aims to strengthen and improve the administration of the Department of State, which improvement I feel it can stand. The rule provides for 2 hours general debate, after which the bill will be considered under the 5-minute rule.

The bill provides for an Under Secretary of State and 10 Assistant Secretaries of State added to the Department of State. These Secretaries shall be appointed by the President by and with the approval of the Senate. A counselor of the Department of State and a legal adviser are also to be appointed by the President and confirmed by the Senate, with rank comparable to the 10 Assistant Secretaries. In view of the expansion of the duties of the State Department, I feel this bill is absolutely necessary.

This morning on the floor of the House I heard some gentlemen from Texas, Mississippi, and one or two other gentlemen from the South, criticize the Secretary for his position relative to Spain and our so-called great friend, Franco! I cannot quite understand why these gentlemen continue to advocate the extension of our friendly hand, aid, and assistance to Spain, Argentina, and to other enemies who fought and bled us during the last World War. They are ready to punish those who fought with us, but they desire to reward our enemies. To that extent they have and are trying to aid Japan, a country that has been so "kindly" to the United States as witnessed by a sneak attack on Pearl Harbor in 1941 while at the same time their special emissaries were asuring us of their great friendship, all make for inconsistency. The same thing applies to the solicitude on the part of these gentlemen for the Nazis who also have been so "friendly" to us. I cannot quite understand the philosophy or the underlying reasons of some of these gentlemen. I have a feeling however which I hesitate to express as to their underlying motives.

Personally, I have disagreed with Mr. Acheson heretofore because I thought that due to his continuous conferences with former President Hoover, before he was made Secretary of State, he would follow the advice of Mr. Hoover's adviser, Mr. John Foster Dulles. This latter gentleman, in conjunction with the representatives of the banking institutions of New York, particularly Dillon, Read & Co., and others who have been continuously aiding Germany and rebuilding the Farben cartels, are robbing and imposing a tax on every American of from $1 to $10 a year on hundreds of different articles because of the combines and agreements that these Nazis have with American manufacturers who work in conjunction with them under secret agreements.

I read some weeks ago that some representatives of the oil and steel companies and other corporations went over to Germany to advise the Farben and Krupp interests on how to produce more and more. This was the Humphrey Committee. They did this in conjunction with the shrewd, conniving diplomats who unfortunately have wielded a great deal of influence in our State Department, and I hope such practices will be put to an end.

Mr. Speaker, I think that at this point, we should congratulate our President on his accomplishment in ridding the State Department of men who have been placed there by the banking and industrial interests. These men are former Secretary of Defense Forrestal, former president of Dillon, Read & Co.; William H. Draper, Jr., former vice president of Dillon, Read & Co., and former Under Secretary of the Army; Paul Nitze, former vice president of Dillon, Read & Co. and now deputy director of the International Trade Policy of the United States, who has yet to be replaced; mention must also be made of Phillip Hawkins, who is Draper's son-in-law and who has been playing a prominent role in the military government in Germany for the past 3½ years. These men were all carrying out a policy of rebuilding German cartels and German war potential, and at the same time seeing to it that no harm is done to these friendly interests who not only started the war, but gave us Hitler, killed 300,000 men, maimed and wounded nearly a million men, women, and children, to say nothing about the cost to our country of nearly $300,000,000,000. This will take years and years and generations of taxpayers to pay off this amount. This also necessitated borrowing from the American people in addition to an increase in taxes, by the sale and purchase of bonds—$252,000,000,000 still unpaid. Nevertheless, these men in our State Department have been working to return to Germany all of the production of her plants and factories that have been used against us heretofore, and I fear, will be utilized in the near future once again for a third world war. The reports of many outstanding representatives, including some of our sincere generals who actually led our forces against the Nazi plunder and murder bund, are in one accord that the Germans have not as yet learned their lesson—that they are preparing for a third world war against us. All this in order to show us how superior a race they are and what they will do to America, who brought about their defeat.

Taking everything into consideration, I feel that the strengthening and improving of the State Department as proposed in this bill is in order. I hope Secretary Acheson will not be controlled by the group which the bankers imposed on the State Department heretofore. Of course they will say, "Well, it is a Democratic administration." Yes, I concede that. But unfortunately for the State Department and for our country, these men were injected and forced into our State Department by the Republican Secretary Stimson and the Republican Secretary of the Navy Knox. These two Republican gentlemen have selected these men, and they have found their places of importance in the Army and the Navy finally penetrating the Department of State. You know that that is so. I hope in the future the President will continue to safeguard and protect our Nation against our enemies and that he will not tolerate any man in the State Department or any other department, who is not a loyal, 100-percent American. Charges have been made from time to time that the State Department harbors many Communists. If they are guilty of harboring any Communists, by the eternal heavens, I feel that those responsible for harboring them should be removed from that Department. But on the other hand, I feel, and I believe from the information that I have, that we have a great many men in the State Department—or we did have, at least—who are not Communists—and I know they do not like the name, except I cannot name them otherwise—but if anything, they do believe and carry out the policies of the Fascists. As gentlemen of greater ability have stated frequently, the capitalist group who are seeking more power and more wealth are inclined to be in favor of fascism, the same as they were under Hitler and in Japan and as regards Franco and Argentina and other countries, and this cannot be denied, as witnessed by the statement made recently by His Holiness, the Pope.

Mr. Speaker, I feel that these new men who will be appointed by our President will have only the best interests of the country at heart and will not be subservient or be controlled by the shrewd and conniving expert British diplomats, who, I cannot help but believe, fit into the definition that a "diplomat" is one who says no when he means yes, and says yes when he means no. Nor will they be subservient to the representatives of the Wall Street lawyers and banking houses who have been and are connected with the unscrupulous, avaricious, I. G. Farben and other international cartels and monopolies.

All this will be extremely necessary, for only this morning I read an article

dispatched from Reuters which I am inserting herewith and which speaks for itself—res ipsa loquitur:

PLAN SUIT TO GET BACK PROPERTIES OF TWO IMPRISONED NAZIS

FRANKFURT, GERMANY, May 10.—A suit for the recovery of more than $1,000,000,000 worth of confiscated industrial property will be filed on behalf of the imprisoned German industrialists, Friedrich Flick and Alfred Krupp, in a Washington court.

The suit, to be filed by three American attorneys, will seek recovery of the industrial property of the former steel and arms kings confiscated by the military government and the Nuernberg war crimes tribunal.

Earl J. Carroll, San Francisco lawyer, said today the petition would be based partly on arguments that the confiscation orders were illegal and that the Krupp assets still legally belong to Alfred Krupp's mother. Flick was sentenced to 7 years imprisonment and Krupp to 12.

I feel that this is only the beginning of similar action on the part of other Nazi industrialists to follow in mulcting the American people out of millions, yes, billions of dollars.

I ask unanimous consent to revise and extend my remarks and include therein an article, Mr. Speaker.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. SABATH. I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield briefly.

Mr. HOFFMAN of Michigan. I wanted to ask the gentleman from Illinois [Mr. SABATH] a question. I have heard the gentleman speak a great many times on the floor about Fascists, and today the gentleman again repeated the statement that there were Fascists in the State Department. Your party has been in control for something like 17 years. Why do you not name some of those Fascists so the President can get them out?

Mr. SABATH. I have named them the last time to you. I will put their names in my remarks.

Mr. BROWN of Ohio. Mr. Speaker, I do not yield further. I will be interested in reading that report in the RECORD.

Mr. HOFFMAN of Michigan. Will you also be interested in the State Department getting them out?

Mr. BROWN of Ohio. I cannot speak for the gentleman.

Mr. Speaker, I have listened with a great deal of interest to my distinguished chairman, the gentleman from Illinois [Mr. SABATH]. I have followed his address in the House as best I could. I must be very frank and say to the membership that I am not certain I understood just exactly that which he said, but if I got the purport of most of his talk, it was not directed toward the resolution that is before the House, but, instead, seemed to be a rather poorly veiled attack on several great Americans. There was certainly an insinuation, if nothing else—and I regret the gentleman made it in his remarks—that General Clay has not done a good job in Germany. Certainly there was in the gentleman's remarks a repetition of much of the propaganda that I have read in the Communist press, and that I have heard reported from Moscow, as to the establishment of cartels, and the failure of General Clay and others to do their duty as good Americans in occupied Germany.

I am sure that most thinking Americans know that all of those charges have been investigated and have been proven to be without foundation, and that every American official commission, congressional and otherwise, who has looked into the administration of General Clay in Germany, has reported back that those charges which have been so loudly and so blatantly made by Communist commentators and the Communist press against General Clay and other American officials are absolutely untrue and unfounded, and not based on fact.

Then there was seemingly included in the gentleman's remarks an almost direct attack on another great American, John Foster Dulles. Of course, John Foster Dulles belongs to a political party different from that of the gentleman from Illinois. I can go this far with the gentleman from Illinois; that I have not always agreed with everything that John Foster Dulles has done in a political way, even within my own party. However, I do not believe that any reasonable person can question the patriotism of John Foster Dulles or can have anything but praise for the great service which he has rendered to America and to all humanity at the request of the President.

Mr. KEEFE. And is still rendering.

Mr. BROWN of Ohio. Yes; a service he is rendering in a nonpartisan, nonpolitical position as one of the American delegates to the United Nations.

Mr. KEEFE. Appointed by the President.

Mr. BROWN of Ohio. Yes; he is now a representative of the United States in the United Nations, appointed, of course, as the gentleman from Wisconsin has well said, by the President of the United States. I hope that in the consideration of important legislation such as this we shall not devote our time to carping little criticisms that will injure the great objective we have in view.

I respect and have great affection for the gentleman from Illinois, but I regret he saw fit to use this particular measure as the vehicle for an attack on a number of fine Americans, and I hope that when he revises his remarks he will be very careful that he does not give any comfort to the enemy by what he said here today.

Mr. Speaker, House Resolution 203 makes in order the consideration of H. R. 3559. It allows 2 hours of general debate and amendment under the 5-minute rule. This is a bill introduced by the chairman of the Committee on Foreign Affairs of the House, the gentleman from West Virginia [Mr. KEE], and has been reported by the Committee on Foreign Affairs. Its purpose is to make possible the carrying out of recommendations of the Commission on the Reorganization of the Executive Branch of the Government, better known, as the Hoover Commission, for the reorganization of the Department of State. I understand—and I hope to be corrected if I am wrong—that the bill was reported unanimously by the Committee on Foreign Affairs. I am very happy to be able to advise to the House there was no partisanship displayed in any way in the consideration of this measure by the Committee on Foreign Affairs.

As a member of the Commission on the Reorganization of the Executive Branch of the Government I am very much pleased by the prompt way in which the Committee on Foreign Affairs has taken action on this matter. Digressing for a moment, may I add that the gentleman from California [Mr. HOLIFIELD], chairman of the Subcommittee of the Committee on Expenditures in the Executive Departments, reported to me this morning that his committee would be ready within a few days with a bill which will reorganize the procurement activities and the general services of the Government in line with the recommendations of our Commission. To know that the House at least is moving along rapidly in a legislative way for the reorganization of this Government so as to bring about greater economy and efficiency in the conduct of public business, is indeed encouraging.

What does this bill do? It does not, of course, reorganize the State Department, but it does set up certain legislative machinery and does confer certain authority which will permit and make possible the reorganization of the State Department as recommended by the Commission. One of the members of the Commission on Reorganization of the executive branch of the Government is now the Secretary of State, Mr. Dean Acheson. At the time he was appointed he was not in the Government. Mr. Acheson, who had formerly been the Under Secretary of State, brought to the Commission a great deal of detailed information as to the organizational needs of the State Department, then, too we had the assistance of a great task force which made a study of the Department of State, and gave us the benefit of their suggestions.

I feel, and certainly hope, that under the Secretaryship of Mr. Acheson there will be a real reorganization of the State Department. If that reorganization does not come it will not be the fault of the Congress of the United States or of the Committee on Foreign Affairs, which has reported this pending legislation.

What does this bill do? First of all, it reenacts certain provisions of law and expands by four the number of under secretaries and assistant secretaries which the State Department may have. That is done in order to establish a clear line of command from the President down through the Secretary of State to the various divisions of the State Depart-

ment so that the American people and the Congress of the United States can, first of all, hold the President responsible for the conduct of foreign affairs. He in turn can hold the Secretary of State responsible for carrying out his policies, and in turn the Secretary of State, through his division heads, can fix responsibility down to the lowest individual in his department.

Some things have been said on this floor by the gentleman from Illinois to the effect that there is a great need for reorganization of the State Department from several angles. I agree with the gentleman in this particular, and I love to agree with him when he is right. It is time we clean out of the State Department all individuals, regardless of their political philosophy, who are not loyal to the United States of America. So I want to thank the gentleman for that particular comment which he made in his speech.

Under the provisions of this bill, the Department would have one Under Secretary. It has one now, as far as that is concerned. It would have 10 Assistant Secretaries of State. Two of these assistants could be designated by the Secretary of State to serve as Assistant Under Secretaries. The bill goes further, however, and gives the Secretary of State clear and definite power and authority, by amending the Foreign Service Act, to reorganize not only the State Department, but also the Foreign Service, and to consolidate and coordinate the work and efforts of both. It gives the Secretary complete power to direct and control the activities of the Foreign Service of the United States. For a good many years there has been some discussion as to how closely the State Department itself and the Foreign Service worked together on many of our important international and foreign-policy problems. So I say to you that this is a step in the right direction. However, I wish to emphasize again that this proposed law simply confers authority and makes it possible for the State Department to properly reorganize along the lines recommended by the Commission on the Organization of the Executive Branch of the Government.

We have been reorganizing the State Department on and off for a good many years. As I understand it, the Assistant Secretary of Administration now in charge of that reorganization, Mr. Peurifoy, has been working on this task for about 2 years. In my opinion, he has done a better job, and has at least made a better start, than any other individual who has attempted the task. Of course, this bill now before us will make it possible for him, under the direction and with the support of the Secretary of State, Mr. Acheson, to more easily put into effect a proper reorganization of the Department.

If the reorganization plans recommended by our Commission are put into effect, as we hope they will be, then there is no reason why 2 or 3 years from now anyone should be getting up on the floor of the House and charging we have people down in the State Department who do not belong there, because the Secretary of State will have power to get rid of all unsatisfactory employees.

I am hoping that this rule will be adopted and that this bill will be quickly passed.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. VORYS. I think that as this is possibly one of the first reorganization bills to come to the floor, it might be appropriate to pay a word of tribute to my colleague, the gentleman from Ohio [Mr. BROWN]. I know this is embarrassing to him. He was not only coauthor of the legislation to create this reorganization commission last year, but I feel I am justified in telling tales out of school to this extent, that I have found out from some other members of the Commission how valuable his vast knowledge and experience, not only of Government, but of private business, has been in the deliberations and decisions of the Hoover Commission. At the risk of embarrassing him, I want to pay this tribute at this time.

Mr. BROWN of Ohio. I am embarrassed, and I am appreciative at the same time. But, at least your remarks show that we have harmony in the Ohio delegation.

I hope that this resolution will be adopted unanimously, and that this bill will also be enacted by a unanimous vote of the House. After all this is a bipartisan effort that we are making, and all we can do here in the House—I want to reiterate again—is to make it possible for proper actions to be taken. By so doing we have lived up to our responsibility. I hope, and I believe, that the heads of the State Department as now constituted will make every endeavor to carry out the recommendations of the Commission and the will of the Congress through an effective reorganization under the provisions of this bill.

Mr. VORYS. Mr. Speaker, if the gentleman will yield further, I would just like to say that one of the suggestions made in the Committee on Rules is being incorporated in the bill as a committee amendment.

Mr. BROWN of Ohio. Yes. I am very pleased to say that the committee will offer as a committee amendment a slight amendment to the bill, recommended and suggested by the gentleman from New York [Mr. WADSWORTH] and also by myself, which will make certain that the Secretary does have the power to coordinate the efforts of the Foreign Service with the State Department.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, just 158 years ago, less than two short years after the adoption of our great charter of government, the people of Poland adopted for themselves a similar manifesto of freedom. May 3, 1791, became the Fourth of July for the Polish Nation.

The Polish Constitution of that year marked the regeneration of that nation from a serf state into a flowering democracy. Predicated upon the sovereignty of the people the philosophy of that constitution was one of humanitarianism and tolerance. It provided, like our own Constitution, for separation of powers among the executive, legislative, and judicial branches of government under the form of a limited constitutional monarchy. All of the basic freedoms, including that of religion, were guaranteed, and the age-old system of Polish parliamentarianism was preserved.

Unfortunately, expression of the ideals of the Polish people in a constitution did not forestall the third and most lamentable partition of Poland in 1795 when that gallant little country was ravaged by Russia, Germany, and Austria.

It was not until 1918 when under the guidance of the noble principles insisted upon by Woodrow Wilson, that the philosophy of the Polish Constitution of 1791 was possible of effectuation, and from that date until the lowering of the iron curtain Poland stood proudly in the forefront of the ranks of world democracies.

It is ironic, indeed, that the nation which first felt the brunt of Nazi brutality should now find itself under the bondage of Communist despotism. But the entire history of Poland has been one of sacrifice and travail.

As our ally during the last great world war, as a nation whose national aspirations have always been oriented to those of the great Republic of the west, as a land which furnished many heroes in our own struggle for independence, the hearts and hands of the people of the United States have always gone out in sympathy and understanding to the people of Poland. The bond of friendship between the two nations shall survive the present government of Poland.

It is the people of Poland, and not its government, which we salute in this month of the anniversary of the Polish Constitution. The norms, the principles, and the philosophy of that great document have been ingrained in the hearts of the Polish people and have become a part of their national character. The brave people who have witnessed the downfall of Germany, Austria, and czarist Russia will, I am confident, survive to witness the disintegration of the Soviet Government, the rolling back of the iron curtain, and the reestablishment of a full and independent Poland.

When that happy event occurs, and God grant that it will not be too far in the future, a restored Poland, free of the communisim which has paralyzed her liberty, will again arise as a bastion of democracy in eastern Europe. Then the unconquered spirit of these brave and faithful people will soar again in the free air of Poland, and with the blessings of their own constitution as a bulwark of independence, the indomitable courage of the Polish people will carry their native land forward to new and greater heights among the commonwealths of democracy.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, in connection with this legislation regarding the State Department, it seems to me if the

State Department keeps handling the affairs of the world as in the past, so far as our Nation is concerned, we are on the wrong road. We want to get rid of the leftists that are in the State Department and bring the State Department to the realization that they should look after the affairs of America and not assume all the responsibilities of the nations of the world, because we just cannot do it. I hope that there will be someone on the Committee on Foreign Affairs that will take the position that these men who want to assume the responsibilities of the nations of the world, must take a different attitude and look after the interests of the American people, or we are lost—lost in the world morass.

Mr. SABATH. Mr. Speaker, I, too, wish to congratulate the gentleman from Ohio [Mr. BROWN] despite the fact he questioned my veracity as to a statement I made.

Mr. BROWN of Ohio. I never question the gentleman's veracity; I question his judgment.

Mr. SABATH. I am familiar with the splendid work the gentleman has done on the so-called Hoover Commission. It comes natural that he should cooperate with Mr. Hoover and the rest of the gentleman on the Commission, who, as he says, are Republicans, and in this instance, of course, recommending legislation that would strengthen and expand the activities of the State Department.

When the gentleman from Ohio [Mr. BROWN] states that he did not quite understand what I was saying, I sincerely regret it. I further regret that he did not understand or wish to understand what I was saying. However, I do say that the statements I make I can verify.

Now as to General Draper, the gentleman said that the statements I made were not borne out by the facts or founded on facts. Let me read what General Draper stated before a committee here some time ago. He was formerly one of the vice presidents of Dillon, Read & Co., who in conjunction with John Foster Dulles and others was representing the cartels and the Farben industries. This is what Mr. Draper stated when he appeared before the Congress—page 811, hearings before the subcommittee of the Committee on Appropriations, Eightieth Congress, and I quote:

> I personally have been one for 2½ years who has been attacked in the papers probably more than anyone else for trying to build up Germany and for trying to reduce the reparations program. I admit that I have had that point of view.

Certainly he had that point of view. Is not it a fact Draper not only forced himself upon General Clay but his son-in-law, Phillip Hawkins as well, who is now in an influential position in Germany's military government scheme. All this on the theory that General Clay, who actually desired to carry out the provisions of the Potsdam Agreement which provided for denazification, decartelization, and reparations, did not possess the diplomatic acumen that Mr. Draper and his son-in-law were blessed with.

And is it not a fact that a great many gentlemen of the State and War Departments resigned their positions in protest rather than be a party to the actions of General Draper and his associates in their policy of safeguarding the Nazi interests to the detriment of the United States.

Mr. BROWN of Ohio. If the gentleman will yield, for the purpose of clarity, to what gentleman is the gentleman referring? I have no nephew in Germany, if the gentleman means me.

Mr. SABATH. Of course, I did not refer to the gentleman from Ohio. If he had a son-in-law in Germany, our interests would have been protected. I referred to the son-in-law of General Draper, Mr. Phil Hawkins.

Mr. BROWN of Ohio. I did not know anything about General Draper.

Mr. SABATH. That is indeed unfortunate, for I have the facts. I wish that the gentleman did know about his past and his policies as he himself expressed and admitted in his testimony before the Subcommittee of the Committee on Appropriations of the Eightieth Congress, when he stated, and I repeat:

> I * * * have been * * * attacked * * * for trying to reduce the reparations program and build up Germany. * * * I admit that I have had that point of view.

Draper, among others, had been aiding the Farben interests and other German cartels. Of course, I concede that some large American steel corporations and others have interests in these cartels and have bought into them heavily. This is the reason, perhaps, that influence is being used to aid these cartels and rebuild Germany and her war potentials. But it will not inure to the benefit of our country. That is what I am interested in. I am interested in the welfare and future of my country and not in the Nazis or in Japan or in Fascist Spain, Fascist Argentine, Mussolini's policies, or in any of the other countries that have been against us and will be against us when the opportunity presents itself again.

I tried briefly to explain what the bill provides. I stated that it is a step in the right direction. I congratulate the gentleman from West Virginia [Mr. KEE], the chairman of the Committee on Foreign Affairs, for reporting this bill. I hope in view of what has taken place heretofore and in view of what I have said on the floor of the House today and what I have said on previous occasions relative to this question, that these facts will have some effect on the President in appointing men who will not be controlled by these selfish vested interests, whose personal interests always come before the best interests of our country in their connections with these German and British cartels. I hope that these new appointments will not be used or influenced by the shrewd and conniving British diplomats or by Fascist-minded individuals who are always looking for the best and giving us the very worst that they can.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BROWN of Ohio. I think in fairness the gentleman should explain, or should agree, that the Commission on the Reorganization in the Executive Branch of the Government of course has nothing to do with the conduct of affairs in Germany and did not investigate that particular field, and that the whole question which has arisen here and the discussion that the gentleman has had relative to cartels has nothing to do with the Commission or with the pending legislation. I would like to ask the gentleman if he thinks the President should recall Mr. Dulles, and if the President made a grievous error in appointing Mr. Draper. I do not think it is fair to attack those men when we are considering legislation which is nonpartisan, or at least bipartisan, when those gentlemen are not here to speak for themselves.

Mr. SABATH. All I can say is that no man can serve two masters with diverse interests. No man can ride two horses that are going in different directions. The men that I have called attention to have been connected, and some of them still are connected with the banking institutions and law firms who have been representing and financing some of those cartels and some of these German Nazi institutions that gave that beast Hitler to the world and made it possible for Hitler to war against us and against the world. I know the gentleman from Ohio is too well posted on such matters and consequently I am amazed when he says that this Department has nothing to do with the Hoover Commission reports. I exceedingly regret that the Commission of which the gentleman is a member has failed to investigate and penetrate the activities and manipulations of these gentlemen to whom I have previously called attention. I dislike to make the insinuation, but it seems to me that John Foster Dulles was the adviser of ex-President Hoover, the Chairman of the Commission of which the gentleman from Ohio is a member, and adviser to the Republican candidate for President as well. Consequently, from my point of view, it is not nonpartisan or bipartisan, for in this respect, the Republicans under the leadership of these men whom I have heretofore mentioned, have been and are playing a most important part in the rebuilding of Germany. They are entitled to all the credit, and such credit, will, I fear, in years to come operate to their discredit. We have won the war only to lose the peace.

Mr. BROWN of Ohio. I did not make that statement. I said this particular bill had nothing to do with that issue and could not settle it and I said the Commission on Reorganization in the Executive Branch of the Government had nothing to do with the question or with this issue, and that they had not tried to settle it and cannot settle it and I do not think that you or I could settle it on the floor of the House.

Mr. SABATH. But when legislation is here for the Commission, we are legislating in the interests of our country. We have taken the advice and recommendations, or at least the committee has, of that Commission which has been appointed by the President and I hope that their recommendation is in the right direction. I know this bill is. Consequently whenever there is anything good in that report, I know this committee

and any other committee of the House will continue to support it and try to enact it into legislation whenever it is found that it is actually in the best interests of our country.

Consequently, I feel, as I have said before, that the Hoover Commission has not penetrated the activities that have transpired since Potsdam, which in no-wise can inure to the interests of America or eliminate the omnipresent dangers of war or bring about peace to the world.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. KEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3559) to strengthen and improve the organization and administration of the Department of State, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3559, with Mr. DEANE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, general debate is limited to 2 hours, the time to be equally divided and controlled by the gentleman from West Virginia [Mr. KEE] and the ranking minority member of the Foreign Affairs Committee.

The gentleman from West Virginia is recognized.

Mr. KEE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the legislation under consideration today is recommended by the President, advised by the Hoover Commission, requested by the State Department, and endorsed unanimously by the Committee on Foreign Affairs.

The bill before the House is brief, but the changes it will effect in existing statutes are important. That the members of the Foreign Affairs Committee be fully informed with reference to the purposes of the proposed legislation, it called before it the Secretary of State, Hon. Dean Acheson; Assistant Secretary, John E. Peurifoy; and Director General of the Foreign Service, C. M. Ravndal.

All of these gentlemen, each qualified by years of training and experience, went into the matter thoroughly, explained in detail the plan of organization, and fully and without hesitancy answered the many questions propounded to them by the committee members.

From the information thus obtained, as well as from a careful study and analysis of the bill made by the members of the committee, we had no hesitancy about stamping it with our approval. It is so reported to the House with the committee's unanimous recommendation that it do pass. I respectfully commend to the Members of the House a careful reading of the report for a detailed and understandable explanation of the measure and its objectives.

As a matter of fact, the pending bill was designed to carry out in all major respects the recommendations of the Commission on the Organization of the Executive Branch of the Government, commonly known as the Hoover Commission. There are only three provisions in the bill wherein it deviates from the Commission's recommendations. In detail, the differences between the Department's plan and the Commission's recommendations are as follows:

First. The Commission proposed the abolition of the position of counselor of the Department of State; the bill we have under consideration retains this official.

Second. The Commission would create by legislative action two under secretaryships in the Department; the bill simply authorizes the Secretary of State to designate two assistant secretaries as under secretaries.

Third. The Commission would abolish the post of Director General of the Foreign Service; the bill retains this post.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield.

Mr. VORYS. Does the gentleman not feel that this is a distinction without a difference, in that we save a little money by not creating two higher officials, but that we give them the authority to be definitely Under Secretaries, just as the Hoover Commission recommended?

Mr. KEE. That is certainly the opinion and the determination of the committee—a distinction without a difference, as the gentleman well said.

From this simple and direct statement, it will be noted that the Department's plan so closely follows that of the commission that the only material difference between the two is the retention of two posts, viz: that of the counselor and the Director General of the Foreign Service. The difference in the matter of the two Under Secretaries is but slight; in one case the posts of two Under Secretaries would be established by statute, in the other, the statute would authorize the posts, but would provide for the designation by the Secretary of the officials to fill them.

It can be well understood that there was but slight, if any, necessity for any sweeping changes in the organization of the Foreign Service section of the State Department. A reorganization of the Foreign Service was effected in 1946 by a measure enacted by the Seventy-ninth Congress, in which measure I take pride as chairman of a three-man subcommittee of the committee on Foreign Affairs which helped to perfect the legislation. My fellow members on this committee were Hon. JAMES P. RICHARDS, of South Carolina, and Hon. JOHN W. VORYS, of Ohio. It is my information that the Foreign Service has been and is operating smoothly and efficiently since the passage of the act mentioned. Under the pending bill, however, complete authority over the Foreign Service and its personnel is to be vested in the Secretary of State, and he will be responsible, fully and exclusively for all actions in all fields. The bill, in effect, repeals those provisions of the Foreign Service Act of 1946 which provide a special administrative set-up for the Foreign Service and which assigns certain special duties in relation thereto to its Director and other officers subordinate to the Secretary of State. As has been stated, this has been done in order to vest in the Secretary full and complete authority over the Service, from its Director General down to the end of the roll.

In fact, this same principle is followed with respect to every department and division of the State Department. The Secretary is clothed with complete authority and, at the same time, charged with equally complete responsibility. And this also is in line with the recommendations of the Reorganization Commission.

The bill provides for 10 Assistant Secretaries, an increase of four over the present number. Two of these assistants are to be designated by the Secretary as Deputy Under Secretaries. This is, as has been pointed out, a slight deviation from the proposal of the Hoover Commission.

In its report, the Hoover Commission said:

> The State Department should be organized so that the Secretary of State, legally and practically, is in command of the Department and the Foreign Service, so that the line of command from the Secretary of State through the Under and Assistant Secretaries to the lowest level is clear and unencumbered, and so that the Secretary of State is provided with adequate staff services at the top level. * * * This recommendation is fundamental. Its objectives, in terms of the internal organization of the State Department, are to simplify the structure, clarify the Secretary's authority, make his lines of command clear and free from interference, separate staff responsibility from action or line responsibility, and relieve the Secretary and Under Secretary from the burdensome details which now come to them, and thereby afford them an opportunity for thoughtful study of major policy problems.

This is the character of organization the pending measure seeks to effect, and your committee is strongly of opinion that the proposed legislation will accomplish that purpose.

The bill provides that all of the Assistant Secretaries, including, of course, the four additional ones authorized thereby, together with the counselor and legal adviser of the Department of State, shall be on an equal basis of rank, and all are subject to Presidential appointment and senatorial confirmation.

As in all cases of departmental reorganization there will no doubt be raised the question of what will be the additional cost to the Government. I believe it was a surprise even to our committee to learn that this measure can be recommended to the House as one of economy. While the State Department has not pledged that it will result in a reduction of the Department's budget, we were assured that it was the intention to make the new organization work within the present expenditure limit. In fact, we were advised that a saving in operation costs might be reasonably expected.

As I have heretofore stated, the bill retains the office of counselor. This is one of the deviations from the recommendations of the Hoover Commission. It is believed by the State Department, in which our committee concurs, that the

post be maintained so that the Secretary of State may have a confidential adviser to head the planning staff which has long been maintained under the present organization. The counselor will take on the functions of the Secretary's planning adviser. This is dealt with by the Hoover Commission as follows:

> The Secretary of State should continue the present high-level planning activity under a planning adviser, with special emphasis on freeing him and his staff of current problems, upon providing him with broad-gage staff, and upon utilization by him of competent advice from inside and outside the Government.

I believe it to be a fact, known and appreciated by all persons who keep abreast with the times, that within the last few years this Government's Department of State has grown remarkably in stature and importance. This is especially true in the field of foreign affairs. And as the Department expanded so multipled the duties and responsibilities of the head of the Department, the Secretary of State. It is unnecessary to spend time in an explanation of the reasons for this growth and expansion. They are well known. Our Government is today dealing with a different world from that of yesterday, and today, instead of being more or less indifferent to events beyond the seas or beyond the boundaries of our own country and its possessions, we find that we have a vital interest in every event and every incident which may occur in each and every country on the face of the globe. The Secretary of State is the one official who is charged with the duty of taking care of our national interests everywhere. The organization of which he is the head should be as perfect as it is possible for legislation to make it. To accomplish this is the aim and purpose of the measure before the House today, and I trust it may be stamped with your approval.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, I favor the passage of H. R. 3559, a bill to strengthen and improve the organization and administration of the Department of State.

Ever since Subcommittee No. 4 of the Foreign Affairs Committee, on State Department organization and personnel, was created in the Eightieth Congress, there have been vigorous efforts on the part of this committee to improve and make more proficient the personnel of the State Department and the Foreign Service.

The gentleman from Michigan, Bartel J. Jonkman, former chairman of this subcommittee, vigorously probed into the loyalty of some of the State Department personnel, and it was due to a large extent to his efforts that a substantial number were dismissed or permitted to resign. It might be well to call to the attention of the House that during the last 2 years the personnel of the State Department has been reduced by approximately 2,000.

This bill adopts the suggestions made by the Hoover Commission with only two slight deviations. The Commission would abolish the position of the Counselor of the Department of State, whereas this bill retains it. There also is retained an administrative officer who has jurisdiction over the Foreign Service personnel and who the State Department recommends should be retained. In all other matters the Hoover Commission's recommendations have been followed. I am proud that my Foreign Affairs Committee is the first to bring to the floor legislation of this character.

The bill brings about regroupings of functions and responsibilities and establishes clearer lines of authority.

After this bill becomes law and is put into operation, I am hopeful there will not only be greater efficiency in the State Department but that its budget can be reduced on the basis of this law. Also that unnecessary duplication will be rigorously pruned out of the Department. With the necessary number of officials at the top level working through an improved chain of command, it should improve the Department's operations. If this should happen, it would be a progressive step.

As the bill was originally presented, the Board of Examiners for the Foreign Service was placed directly under the authority of the Secretary of State. The gentleman from Ohio [Mr. VORYS] as well as myself suggested that this should not be done. I am therefore glad that the committee amendment will strike out these words so that the Board of Examiners for the Foreign Service will retain its independent, nonpartisan, and nonpolitical nature.

We have given the State Department what they have asked for. Now it is up to them to make it work.

Mr. VORYS. Mr. Chairman, the origin of this bill has been well explained not only by the chairman of the Committee on Foreign Affairs but we have had the unique experience of having a member of the Rules Committee who was a member of the Hoover Commission and the author of the law, my colleague the gentleman from Ohio [Mr. BROWN] in a position also to explain the bill as it fits into the reorganization picture. He did this very ably in presenting the rule for this bill.

We must remember that this bill, which is a short one, does not reorganize the State Department. The bill merely furnishes the steps which the Hoover Commission felt were necessary and which the Department itself feels are necessary so that the Department may reorganize itself.

In the past 10 years since I have been here we have had five Secretaries of State and seven different assistant Secretaries of State for Administration. It has been most discouraging to me to attempt to keep track of the kaleidoscopic reorganizations that have taken place up there in the State Department. The last man in that job of Assistant Secretary for Administration gives me great confidence in this proposed reorganization. I am sure every Member of the House who knows him shares my confidence in the ability, the integrity, and the organizing ability of Jack Peurifoy, Assistant Secretary of State for Administration, who has had the job longer than anyone in fairly recent times and who I hope will hold on to the job and see this reorganization through. As far as I am concerned, this is largely a vote of confidence in him and those who are sponsoring him, who share his ideas and helped form them, former Under Secretary Lovett and the present Secretary of State. It is because of my confidence in those gentlemen that I have great hope that this time the State Department is going to finish its growing pains for a while and become a real organization.

The Foreign Service of our country had a thorough statutory reorganization and going over under the Kee bill of 1946, and it is somewhat gratifying to me, having had some part in the deliberations on that bill which was 106 pages long in typewritten form, to find that time and experience have demonstrated the soundness of its major provisions. It provided a system of selection and promotion on merit, a system of selection up or out, following the Navy, so as to get rid of deadwood; a provision for re-Americanization; a provision for on-the-job training through the Foreign Service Institute. These are some of the provisions of that law that have stood the test of time. The Hoover Commission report says, in substance, that since there is some friction and difference between the Foreign Service and the Department, the entire department should become part of a Foreign Affairs Service which would be similar to the Foreign Service over a period of years; the carrying out of that recommendation is possible under the bill which we bring to you.

However, under the law as we bring it to you, in my judgment, it would not be possible to scrap the civil-service protections afforded the approximately 5,000 people in the Department here at home without giving those persons the protections that are provided under the Foreign Service Act itself. An amendment to that act may become necessary because time marches on and changes may be needed. But it is of the utmost importance that, while we give the Secretary of State the authority and the power recommended by the Hoover Commission, we preserve the integrity and the morale of the Foreign Service.

As our report on the Foreign Service Act of 1946 said, we aimed at "a disciplined and mobile force of trained men, with competitive examinations and advancement by merit." We also said "political influence should be excluded." We find now that the Hoover Commission and Secretary Acheson are in full accord with those aims. Therefore the Secretary is perfectly willing that not only the Board of the Foreign Service should be retained in the Kee law but that the Board of Examiners for the Foreign Service should be retained, so that while the Secretary of State can name the Board, and it acts under his regulations, there must be an examination to get into the Foreign Service just as there must be an examination to get into the Army or the Navy training schools to become a regular officer in the armed forces. Politics and patronage must be kept out of the Foreign Service.

It seems to me that we forget that the Foreign Service is something like a peace army. While we expect of our armed

services that they shall be able to go abroad any time and fight and die, and we do not expect that everyone in the Pentagon should have to wear a uniform, realizing that there may be and can be some civilians working there, some of us forget that the Foreign Service must be a somewhat similar mobile, disciplined force manning these 300 foreign posts, 122 of them hardship posts, men who must be competent and willing and able to go out where they are acting alone as the representatives of our Government, if necessary to suffer, and some of them have died within the past year at their posts.

We cannot expect everyone in the State Department to be in a position to do this. The Hoover Commission itself has recommended three exceptions: First, the top-level officials, second, the technical specialists of various kinds, and third, at the lower levels, the clerical and mechanical force at the bottom of the State Department.

It is my hope that this bill will pass. It creates a lot of assistant secretaries. We are going to have 10 Assistant Secretaries in this Department, more, I believe, than any other Department will have. One reason is that this Department deals with sixty-odd missions of foreign countries, and those who meet with the heads of these missions must have sufficient authority and prestige so that each of these mission chiefs will not insist upon seeing the Secretary of State.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Connecticut.

Mr. LODGE. I wish to compliment the gentleman on his highly intelligent and illuminating statement, and also to express this thought: I hope very much that under the reorganization plan contemplated the officers of the United States Information Service will be considered for promotion. I believe that until we recognize the Public Affairs Branch of the State Department as a top-level organism we will not achieve maximum effectiveness with the Voice of America and its related activities. I believe that today diplomatic relations are largely public relations, and I know that in Europe great importance is attached to rank. I hope that in this reorganization plan some attention will be given to this matter. If we are to obtain and retain the best personnel, adequate inducements of some kind must be furnished.

Mr. VORYS. As the gentleman knows, there were disputes among the Hoover Commission task forces as to how the USIS should be carried on, but the Commission itself recommended that it be carried on as provided under the State Department organization chart, found in our report.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman has given long hours of study to all phases of this matter. Is the gentleman satisfied with the re-Americanization plan?

Mr. VORYS. I am perfectly satisfied with the re-Americanization plan provided by statute, but due to the shortage of funds it has sometimes been impossible to have these people come home as often as they should. The so-called re-Americanization provision of the Kee bill provides that no officer should serve abroad more than 2 years and that every officer should serve at home 3 years out of the first 15 years of his service. However, the funds have not been quite sufficient to provide that rotation and, of course, the war itself and the interruptions all over the world have made it impossible to carry that through.

Mrs. ROGERS of Massachusetts. Is the gentleman satisfied with what the administration of the State Department has done insofar as informing the Foreign Service officers what the foreign policy of the United States is? In 1944 I found that our representatives, our ambassadors, and our chargés d'affaires, and so forth, did not know the foreign policy of the United States and, therefore, were very much handicapped in their activities and their statements.

Mr. VORYS. The gentlewoman has brought up a matter that it might not be helpful to pursue too far here today. We are trying to concentrate on future organization, not past mistakes. I think our chiefs of missions over the world have learned what the foreign policy of the United States was whenever we had one.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. SMITH of Wisconsin. Does the gentleman feel that under Mr. Peurifoy we will get the best kind of reorganization that it is possible to get.

Mr. VORYS. I certainly do. All of us who have worked with him have great confidence in him and that goes far back for the full period that he has been there. Let me say that he is a fine example of a man who has come up from the ranks. He came to Washington and took a job in the State Department and has worked his way up until now he is Assistant Secretary of State for administration and has been confirmed by the Senate also as a Foreign Service officer. He will do a good job.

Mr. SMITH of Wisconsin. I join with the gentleman in that sentiment.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. MANSFIELD. I think it should be said for the record that the fine statements and congratulations tendered by the gentleman from Wisconsin and the gentleman from Ohio showing their high regard of Mr. Peurifoy are shared by the full committee regardless of party. I think it should also be brought out at this time that Mr. Peurifoy and all the other assistant secretaries are working for a salary considerably less than some of the people who are working under them are receiving. I hope we will be able to implement the streamlining of the Department of State as contemplated in this bill at a later date by rectifying that situation and seeing to it that the assistant secretaries are given salaries which go with the positions that they occupy.

Mr. VORYS. I am sure that the committee joins with the gentleman in his hope. It was felt that it would not be in line with the Hoover Commission recommendations or the policy of the President to recommend in this legislation specific salary raises for these people. But our committee is extremely interested in the general salary scale bill which we understand will be brought before the House for consideration at an early time.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. LODGE. I wish to join the gentleman in his commendation of Mr. Peurifoy.

I think this legislation is noteworthy also because it is the first specific legislative implementation of the Hoover Commission report. We in the House have passed legislation authorizing the President to submit to the Congress plans for the reorganization of the executive branch. But this legislation has not yet passed the other body. I simply call attention to the fact that under the Legislative Reorganization Act, the Congress will adjourn on July 31 and that under the reorganization bill for the executive branch, 60 days must elapse following the submission of any plan to the Congress in order for the plan in question to become operative. This is the congressional veto provision. In other words, it is vital that the Congress take action on the reorganization bill substantially before June 1 in order that the many other departments of our Government can be reorganized. The implementation of the Hoover Commission report is in grave danger due to the inaction of the Eighty-first Congress. At least under the legislation before us the State Department can get its plan under way.

Mr. VORYS. Mr. Chairman, one last thought. As I have said, it is my hope that this bill will result in the reorganization which is outlined in our report which is contemplated by the State Department and recommended by the Hoover Commission. I do not wish to give the impression, however, that I think such a reorganization will be a permanently perfect solution of the conduct of our foreign affairs. I do not believe that our State Department has ceased its growing pains, because I do not believe our Government has ceased its growing pains, not necessarily in size, but in form and substance, made necessary by the changes which time and events are bringing upon us. It is my hope that someday in the future we will see not more and more but less and less of merely diplomatic contacts with other nations and that as the world comes closer and closer together economically, it will come closer together politically and that we will have relationships with other nations far closer than those which we have had up to the present time, and then once more we will have to review the system by which we carry on our foreign affairs.

Mr. KEE. Mr. Chairman, I yield such time as he may require to the gentleman from Connecticut [Mr. RIBICOFF].

Mr. RIBICOFF. Mr. Chairman, one thing to be emphasized about the bill to strengthen the organization and administration of the Department of State is its nonpartisan origin and character.

The Department of State has acknowledged this. It has made no partisan point about this reorganization bill. Indeed, it has done the very opposite. There is no reason whatever for any party difference about the substance of this legislation.

All of this is underscored by the close parallel between the instant bill and the reorganization plan which it underwrites on the one hand and the proposal of the Commission on Organization of the Executive Branch of the Government on the other hand.

The Commission has applied to the study of the executive branch a standard of evaluation and a care as to substance and detail never before achieved in such an undertaking.

This is the first piece of legislation to come before either House of the Congress as a result of the Commission's endeavor. It represents the common thinking of the Department of State itself and of the Hoover Commission. I quote from the Hoover Commission report:

> The Commission and its task force have kept in close touch with the organizational plans for the State Department. * * * The Commission is happy to say that its thinking and that of the State Department are in complete accord on principles, and, except for certain particulars * * *, the conclusions of both on specific changes are in agreement.

The House should know precisely the details, however minor in character, in which the bill and the State Department reorganization plan, deviate from the Hoover Commission's recommendations.

The first difference is this: The Hoover Commission has recommended discontinuation of the Office of the Counselor of the Department of State. The bill does not provide for the discontinuation of this office. It does not repeal the existing law under which that office was established—the act of May 18, 1937. The Department's plan is to retain this office and make its occupant the head of the planning staff of the Department of State and also retain its occupant in the role of a confidential adviser to and agent of the Secretary who will not be encumbered by routine operational responsibilities. The retention of the planning staff—indeed the emphasis on its importance in providing foresight and continuity in our foreign policy—is in line with the Hoover Commission recommendations. In effect, the bill and the plan are fundamentally consistent with the spirit of the Commission's ideas in this respect.

The second difference is this: The Hoover Commission would provide for two Deputy Under Secretaries of State, one for substantive matters and one for administration. The present bill does the same in effect, but it does so by authorizing the Secretary to designate two of the Assistant Secretaries as Deputy Under Secretaries. Their power and precedence will stem from the Secretary's designation rather than from their incumbency of a post established by statute. That is the sole difference here. It is a matter of minor concern. Actually, it is even more consistent with the Commission's idea of making the Secretary the master of his own Department than is the Commission's specific recommendation in this respect.

The third difference is as follows: The Hoover Commission would abolish the posts of Director General and Deputy Director General of the Foreign Service. The bill abolishes the deputy's post but retains the Director General of the Foreign Service. The Hoover Commission's recommendation is consistent with its idea that the Foreign Service should soon lose its identity and be merged, along with the Department personnel, into a new Service for Foreign Affairs both at home and abroad. The bill recognizes—as the Department recognizes, and as former Secretary Forrestal's separate observation attached to the Hoover Commission report recognizes, and, finally, as the Committee on Foreign Affairs recognizes—that the merging of the Foreign Service and Department personnel in one service, while desirable as an end objective, cannot be realized at once by a mere stroke of a pen or the enactment of a law. It is a matter for years of development and careful adjustment. Until it can be achieved, there are many advantages and no disadvantages in keeping the director generalship of the Foreign Service.

Those are the sole differences.

Now let me say a word about the harmony between the two—this will, with its underlying plan, and the Hoover Commission's ideas. The basic principles in both are (a) a strong, clear, simple chain of authority and responsibility; (b) adequacy of staff, especially at the top level. In words from the relevant portion of the Commission report:

> The State Department should be organized so that the Secretary of State, legally and practically, is in command of the Department and the Foreign Service, so that the line of command from the Secretary of State through the Under and Assistant Secretaries to the lowest level is clear and unencumbered, and so that the Secretary of State is provided with adequate staff services at the top level. * * * This recommendation is fundamental. Its objectives, in terms of the internal organization of the State Department, are to simplify the structure, clarify the Secretary's authority, make his lines of command clear and free from interference, separate staff responsibility from action or line responsibility, and relieve the Secretary and Under Secretary from the burdensome details which now come to them, and thereby afford them an opportunity for thoughtful study of major policy problems.

Those words express the substance of this bill and the Department's plan. They are simply measures to center in the Secretary the lines of authority in the Department. The lines of authority are to run clear, simple, and firm throughout the organization. At the top level there are to be enough people with sufficient authority to insure the firm guidance that is necessary for decision and enforcement.

The committee's report on H. R. 3559 makes it amply clear that clarity of authority and adequacy of staff at the top level are simply facets of the same thing. It says:

> The two principles are mutually related. Adequacy of staff can be determined only in the light of the degree of authority and the scope of responsibility to be exercised. On the other hand, a chain of command can be no stronger than the integration and power developed at the top level of authority.

That our Government—or State Department—can operate adequately only with clear, central authority and with enough power at the top to get its basic work done, is a proposition so direct and sound that there is no basis upon which the parties can disagree.

The Hoover Commission and the Department are squarely behind this proposal. The Committee on Foreign Affairs has come to the same view after painstaking study. There is no reason why everyone in the House should not go along.

Mr. KEE. Mr. Chairman, I yield such time as she may desire to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. This bill is simple and brief. It represents an effort to enable the Department of State more efficiently and adequately to fulfill its responsibilities as the staff arm of the Government in the field of foreign affairs.

The present organization of the Department of State makes it impossible for a line of action to be determined without the concurrence of two or more units with more or less equal authority and jurisdiction.

This represents a cumbersome application of the idea of checks and balances in the field of executive action. Furthermore, it places an unbearable work load on the person of the Secretary and the Under Secretary as it is these two officers who must spend most of their time resolving conflicting ideas between subordinate units within the Department.

It is this arrangement which the report of the Commission on Organization of the Executive Branch of the Government characterizes as "the present intolerable system of coordinate authority whereby concurrences on different chains of command within the Department are required" and which the Commission says "should be eliminated."

The Commission's report further observes in this connection:

> The State Department, since the war, has at all levels been too much concerned with details and not enough with policy. The Secretary-Under Secretary top command is overburdened by being drawn down into participation in too many daily decisions with the consequence that the entire Department lives day-to-day, and policies tend to be determined in terms of short-range decisions.
>
> The State Department began in recent years to endeavor to reduce the United States objectives and foreign policies to writing. Continued emphasis on this admittedly difficult task, and on making such written statements available to all concerned, will provide the means by which the regional Assistant Secretaries and the international organization Assistant Secretary may assume responsibility for all but the most crucial decisions and afford the top command time for reflection and long-range thinking.

The regrouping of functions and responsibility necessary for effective administration can be accomplished within

the authority of the Secretary to administer the Department and, in his own discretion, to delegate responsibility to subordinates.

To this end this bill revises various statutes vesting authority in departmental matters in officers within the Department and places all such responsibilities in the Secretary himself.

The basic principles in both the Commission's report and the Department's plan are (a) a strong, clear, simple chain of authority and responsibility; (b) adequacy of staff, especially at the top level.

To again quote from the Commission's report:

> The State Department should be organized so that the Secretary of State, legally and practically, is in command of the Department and the Foreign Service, so that the line of command from the Secretary of State through the Under and Assistant Secretaries to the lowest level is clear and unencumbered, and so that the Secretary of State is provided with adequate staff services at the top level. * * *
>
> This recommendation is fundamental. Its objectives, in terms of the internal organization of the State Department are to simplify the structure, clarify the Secretary's authority, make his lines of command clear and free from interference, separate staff responsibility from action or line responsibility, and relieve the Secretary and Under Secretary from the burdensome details which now come to them, and thereby afford them an opportuinty for thoughtful study of major policy problems.

The two principles are mutually related. Adequacy of staff can be determined only in the light of the degree of authority and the scope of responsibility to be exercised. On the other hand, a chain of command can be no stronger than the integration and power developed at the top level of authority.

Mr. KEE. Mr. Chairman, I yield such time as he may require to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman, Congress has given lip service to reorganization of the Government for years and years. Now is the time for action. Here is an opportunity to pass legislation to enable the reorganization of the State Department so that it can really operate efficiently.

The proposal before Congress today, H. R. 3559, is an economy measure in the broadest sense. It is primarily designed to increase efficiency and to guard against the necessity for additional personnel due to continuously increasing demand.

For the first time it gives the Secretary of State complete charge of the Department of State. He has always had the responsibility but up to now his authority has been divided by law.

This reorganization of the State Department has stemmed from the Hoover report made by a bipartisan Commission in the interest of consolidation and more efficient operation of Government. This reorganization plan is almost identical with the suggestions of the Hoover Commission. There are two main differences:

The Hoover report suggested that the positions of counselor of the Department of State and the director general of the Foreign Service should be abolished, while the proposal before Congress today retains them. However, as the reorganization charts will show, there are whole sections of the Department that have been abolished or consolidated. This will result in substantial savings.

This reorganization plan removes wasteful duplication. At the same time it clarifies lines of authority. It relieves the Secretary of State and the Under Secretary of burdensome detail and thereby affords them an opportunity for thoughtful study of major policy. This is accomplished by placing sufficient authority and responsibility for action in five line units under five assistant secretaries.

Four of these assistant secretaries would head up regional units with the responsibility for the four traditional geographic segments of the world—a responsibility that now falls directly on the already overburdened Secretary of State. These four geographic divisions relate to the American Republics, European affairs, far eastern affairs, and near eastern and African affairs.

The fifth assistant secretary would handle the problems and responsibilities of participation in international organizations. You may be surprised to learn that in the fiscal year 1949 the total allocation spread throughout the various Government departments for our participation in international organizations and conferences is $160,000,000 or $40,000,000 more than the combined appropriations for the State Department and Foreign Service. The responsibility for our participation in these international organizations and conferences should be centralized and coordinated by someone familiar with the nature of the task. This would be the function of the new fifth assistant secretary and would obviously result in needed coordination and economies.

This bill before Congress today, H. R. 3559, deserves and should be given the backing of every efficiency- and economy-minded Member of Congress.

Mr. JAVITS. Mr. Chairman, will the gentleman yield for a question?

Mr. KEE. Yes; certainly.

Mr. JAVITS. I wanted to ask the chairman whether he agreed that this particular plan of reorganization is a conservative and realistic approach to the very greatly enlarged job of the State Department. A job now expressed in terms of world responsibility rather than just of relationship to other countries, and whether in creating new assistant secretaries, each to direct affairs regarding a separate region, which is the essential purpose of the bill, the necessary action to meet this new responsibility was being taken?

Mr. KEE. That is certainly my view.

Mr. VORYS. Mr. Chairman, I have no further requests for time on this side.

Mr. KEE. Mr. Chairman, I have no further requests for time here.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> *Be it enacted, etc.*, That there shall be in the Department of State in addition to the Secretary of State an Under Secretary of State and 10 Assistant Secretaries of State.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Chairman, I am happy that we have H. R. 3559 before us for action. I am sure it will be passed unanimously and that there is no opposition to it. It comes at a time when it is needed, at a time in the history of our country when we must give more and more attention to our foreign affairs and to our relations with foreign governments.

I wish to join other members of the committee in paying tribute to the Assistant Secretary of State for Administration, Mr. John E. Peurifoy. I feel, however, that the members of the committee who have said so many complimentary things about Mr. Peurifoy have not gone far enough. Much has been said that this legislation combines many of the recommendations made by the Hoover Commission. As ranking minority member of the committee which makes appropriations for the Department of State, I wish to call attention to the many hearings that were held by our committee, under the chairmanship of the gentleman from Michigan, Hon. LOUIS RABAUT, and later under the chairmanship of myself, and later and presently under the chairmanship of the gentleman from New York, Hon. JOHN ROONEY. You will find in those hearings, word for word, many of the recommendations that have been made by the Hoover Commission. Long before the Hoover Commission came into being, many of the recommendations that are now being acted upon by this House were suggested and originated in the mind of Mr. John E. Peurifoy.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. VORYS. I would like to add also that some of the provisions in the Kee bill and some of the provisions in the State Department reorganization bill are the result of recommendations of the gentleman's subcommittee of the Committee on Appropriations.

Mr. STEFAN. I thank the gentleman very much.

The fact of the matter is that when we brought before this House for action the bill making appropriations for the Department of State for the fiscal year 1950 it implemented many of the recommendations we are making in this authorization legislation.

I wish to take this opportunity not only to commend Mr. Peurifoy, but also the Members of this House who joined us in writing reports and recommendations, the gentleman from New York [Mr. ROONEY], the gentleman from Georgia [Mr. PRESTON], the gentleman from Ohio [Mr. CLEVENGER], and the gentleman from Pennsylvania [Mr. FLOOD].

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Certainly, I yield to the chairman of the Committee on Foreign Affairs.

Mr. KEE. I wish to associate myself with everything the gentleman has said

with reference to Mr. Peurifoy. The committee believes in John Peurifoy.

Mr. STEFAN. I thank the chairman very much.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. JAVITS. I wish to take this opportunity to make reference to Mr. Peurifoy's outstanding talents as a public servant and the sterling character with which he has won the confidence of the committee. May I express to the gentleman our hope that this coordination between the Committee on Foreign Affairs and the Committee on Appropriations, and especially the subcommittee on which the distinguished gentleman from Nebraska serves, may continue. It is very promising for the benefit of the State Department and the country.

Mr. STEFAN. I thank the gentleman very much. I wish to say at this time that the relationships between the House Committee on Appropriations and the Department of State, and the Legislative Committee, the Committee on Foreign Affairs, have been made stronger; and a better understanding has come about as the result of suggestions and advice received from the gentlewoman from Ohio [Mrs. BOLTON]. I wish to take this opportunity to thank the gentlewoman from Ohio and members of the Foreign Affairs Committee for their cooperation. We all want to improve this understanding.

But I want the RECORD to show, Mr. Chairman, in the reorganization program for the State Department, of the importance of the work of the Assistant Secretary of State, Mr. John Peurifoy.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mrs. ROGERS of Massachusetts. I wish to pay my tribute to the gentleman from Nebraska who presently has the floor, for the tireless work he has done for many years in the interest of our Foreign Service, to the end that we might have a settled foreign policy and that the representatives of our country might be informed as to what the policy of their country was.

Mr. STEFAN. I thank the gentlewoman from Massachusetts very much. She was a long-time member of the Foreign Affairs Committee and her valuable work has not been forgotten by us.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. CANFIELD. I am glad to hear the gentleman speak as he does regarding Mr. John Peurifoy. It is my belief, may I say to the gentleman in the well of the House, that there are hundreds of Members of Congress who have never had the privilege and pleasure of meeting Mr. John Peurifoy or, for that matter, the new Secretary of State, Mr. Dean Acheson. Does not the gentleman believe it would be a wholesome thing for some sort of reception or get-acquainted meeting to be arranged so that Members of Congress may see face to face the gentlemen who are running the State Department? I know when we go home to our respective constituencies and we are asked for information and advice concerning the State Department, its leadership, and some of its operations, it is assumed by our constituents that we have unique knowledge, which we do not; the only information we get is from Members on the House Committee on Foreign Affairs and what we hear on the floor of the House. Again I say I believe it would be productive of much good if we could meet the new Secretary of State and his Under Secretary and assistants at some reception or get-acquainted meeting. Does not the gentleman agree with me?

Mr. STEFAN. I agree with the gentleman heartily. It is a valuable suggestion and I hope we can do something about it now.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. KEE. I am interested in the suggestion that the gentleman from New Jersey has just made; and, as chairman of the Committee on Foreign Affairs, I shall be very happy indeed to endeavor to arrange such a meeting between the Members of Congress and the men in the State Department.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. JUDD. Will the gentleman's committee give us entertainment allowance for such a function?

Mr. STEFAN. We shall have to consult the gentleman from Kansas on that.

Mr. CANFIELD. May I say that I am not particularly interested in that item, I think the gentleman knows that. My suggestion, however, was made most seriously and in good faith and I believe such a get-together will benefit both the Department and the Congress.

Mr. STEFAN. I agree with the gentleman's suggestion and I am happy that the chairman of the Committee on Foreign Affairs is going to carry it out.

Mr. Chairman, one of the most important recommendations in the Hoover Commission can be found on page 3 of the committee report which reads in part, as follows:

> The State Department should be organized so that the Secretary of State, legally and practically, is in command of the Department and the Foreign Service, so that the line of command from the Secretary of State through the Under and Assistant Secretaries to the lowest level is clear and unencumbered.

It is that objective which your Subcommittee on Appropriations has been trying to reach for a long, long time and it is this part of the recommendations which the Assistant Secretary of State, Mr. Peurifoy, discussed with our committee many times. We are very happy it is included in this bill.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The Clerk read as follows:

> SEC. 2. The Secretary of State and the officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act. The Secretary may designate two of the Assistant Secretaries as Deputy Under Secretaries.

Mr. VORYS. Mr. Chairman, I move to strike out the last word for the purpose of making a statement on this section of the bill.

Mr. Chairman, It is not so stated on the reorganization chart which is in the report and which will carry out this legislation, but the Deputy Under Secretary of State for Administration will be the many-times-mentioned Mr. Peurifoy. The Counselor of the Department will be head of the policy planning staff, and this position will be filled by Mr. George Kennon, who has rendered such able and valuable advice and assistance to the present Secretary of State and his predecessor. I have felt for years that the job of counselor, as it was set up in the State Department, as a general floater and kibitzer, was not appropriate, and therefore I agreed with the Hoover Commission recommendations that such a post be abolished. But, I want to point out that the bill and the reorganization under the bill will make this counselor the Planning Adviser, head of the policy planning staff, which is an important position, and very necessarily on a staff level under the Hoover recommendation, and under the planned State Department reorganization.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is inherent in or vested in the President of the United States, shall administer, coordinate, and direct the Foreign Service of the United States. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration," the "Assistant Secretary of State in Charge of the Administration of the Department," the "Director General," the "Board of Examiners for the Foreign Service," or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

Mr. KEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Committee amendment offered by Mr. KEE: Page 2, line 13, after the word "State" strike out the comma and insert "and the personnel of the State Department."

The committee amendment was agreed to.

Mr. KEE. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

> Committee amendment offered by Mr. KEE: Page 2, lines 17 and 18, strike out the words "the 'Board of Examiners for the Foreign Service'."

The committee amendment was agreed to.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not expected to speak on this measure, because its purpose and provisions have been fully explained in the committee report and by the chairman of our committee and the gentleman from Ohio [Mr. VORYS]. I

cannot believe anyone will oppose the bill's passage because the more a person may be opposed to State Department performance, the more he should support this as a necessary step toward improvement. But inasmuch as there have been so many references to the development of various features of this reorganization plan I feel under obligation to report that it was first considered and a lot of work done on the problem by the Subcommittee on the Department of State of the Committee on Expenditures in the Executive Departments, beginning in January 1947. The majority leader, the gentleman from Massachusetts [Mr. McCORMACK], and I are the only two members of that subcommittee who are still in Congress. The other members were the former chairman, the gentleman from Colorado, Mr. Chenoweth; our former colleague, the gentleman from Alabama, Mr. Manasco, who has served as one of the congressional members of the Hoover Commission and whose long experience with Government agencies while on the Committee on Expenditures in the Executive Departments was of great value in equipping him to make an exceedingly valuable contribution to the work of the Commission; also our former colleague, the gentleman from Illinois, Mr. Busbey, was a member of that subcommittee.

I must say further that opposition to this long-overdue reorganization of the State Department has not come from congressional circles. Most of the opposition has been from within the Department itself. As the House well knows, the personnel handling our country's foreign relations are divided into two groups: One, those who work in the Department, mostly here in Washington, and under civil service; the other, the Foreign Service, a separate corps of officers, mostly stationed abroad, although some in important posts here. There has always been considerable friction, jealousy, and antagonism between the two, and it led to constant battling within the Department. Some in the Foreign Service were inclined to the old-school-tie attitude, and objected to being considered as belonging to the same team as their colleagues working at the home base. The greatest compliment that can be paid to Mr. Peurifoy—and he deserves everything said about him today- is that after 2 years he has been able to break down much of the resistance within the State Department. The Congress would have been happy long ago, I think, to give authorization for reorganization, but only now has the State Department itself become sufficiently unified to ask for it.

When I first came into contact with Washington officialdom 10 years ago, everybody talked about the State Department as the mustiest and least efficient Department in Washington, and the one most driven with dissension. In those prewar and war years, one frequently heard quarrels even at social functions between members of different agencies. But if there were State Department people present, they would quarrel more with each other than with those from other agencies. There were right wings, left wings, and everywhere in between. It was commonly said that there were at least five major factions in the Department, no two of which spoke to each other, except on state occasions.

The really great achievement thus far is that under Mr. Peurifoy's persuasion and persistence, fully backed by General Marshall and, I assume, equally so by Secretary Acheson, the Department is working better as one team. We hear a great deal nowadays about the difficulties the National Military Establishment is having in getting the three main branches of the armed forces in the National Military Establishment to work unitedly under one head. It is no less important that all of the people working in the field of our foreign relations and diplomacy be equally unified.

Many have spoken today about the great victory in the blockade of Berlin. Well, that victory was due to American spirit coupled with American technical ability and organizational know-how in a struggle that was made necessary only because of the blunders and ineffectiveness, if not worse, of American diplomacy. Military forces are somewhat like ambulances; they are called upon to race down the street to rescue somebody or salvage as much as possible from a smash-up that happens only when or after diplomatic forces have failed to do their job in preventing the catastrophe. Only as we get better handling of our foreign relations can we hope to avoid these jams into which we have been getting too frequently. Only thus can it become possible to cut down our expenditures for armaments and defense and thereby have more money to reduce taxes and to carry on other important programs for our people here at home.

Let me add one further word: I hope that with the direct line of command from the top down and with the adequate staff at top levels which this bill provides, it will be possible for the Secretary of State to get the right and left hands of the State Department working in coordination. It is tragic that it should have awakened so belatedly to the real nature of communism in Europe. But it is even worse that after adopting the Harry Truman policy of resistance to communism in Europe, it still follows the Henry Wallace policy of appeasing communism in China. There will no longer be any excuse for not having a unified policy for the United States of America.

Passing this bill and giving the Department the legislative authority to reorganize does not do the job. The real task lies ahead. Mr. Peurifoy and his associates backed by their superiors have made a good start. They will need the full support of Congress too in what will be a tough struggle, if they are to succeed in carrying out the contemplated reorganization against the great opposition which will still resist from within the Department itself.

Mr. MILLER of California. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, I think the committee has done a fine job in bringing in this bill. I am very happy to hear the compliments that have been showered upon the efficient people who work for the State Department. May I call your attention to the fact that we have done only half this job when this legislation is adopted. The salaries for these people were last adjusted about 25 years ago. The salaries of the Assistant Secretaries of State have not kept pace through the years with other salaries. They are entirely inadequate for the responsibility of the jobs we want them to do. The Committee on Post Office and Civil Service has been struggling with a bill to adjust these salaries on a more rational basis. The Commission on Organization of the Government recommended upward adjustments in these and similar jobs. The matter was started in the Eightieth Congress. Rather extensive hearings covering people in this and comparable categories were held then and have been held recently by the Post Office and Civil Service Committee of the Eighty-first Congress, and we hope to have that bill before you very shortly. When that bill does come to the floor of the House we hope the people who have worked so hard and assiduously on this bill will recognize the necessity for remunerating the people who must carry out these duties in some proper relation to the responsibilities of their respective positions.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from West Virginia.

Mr. KEE. May I say to the gentleman that the committee did discuss this matter in their discussion of the bill before us today, and we agreed with the gentleman that discrepancies must be cured. We determined, however, that this bill is not the place to take cognizance of that. We will wait for the general bill to come to the floor of the House.

Mr. MILLER of California. I appreciate that, and thank the gentleman. I merely wanted to call it to your attention, to alert you to the bill when it comes before you.

Mr. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed out of order for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Chairman, I regret that the gentlewoman from New Jersey [Mrs. NORTON] has left the floor. I regret also that just a short time ago this afternoon, while I was being called off the floor, the gentlewoman brought up and passed by unanimous consent the bill H. R. 4583, calling for the $3,000 increase in clerk hire and $500 increase for telegrams and telephone calls. It would have been far better had the House taken that matter up under a rule and discussed it. We had no previous notice

that this measure would be called up today. Had I been present when this bill was called up unexpectedly I would have objected. If we are to economize we must make certain these proposed additional expenditures are absolutely necessary.

Mr. Chairman, as a member of the Committee on Appropriations, I intend to go into this very carefully when the legislative appropriation bill is considered. I am sorry the bill was brought up in this way, precluding full discussion.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has been suggested that the House Committee on Foreign Affairs could arrange a meeting with the Secretary of State, the Under Secretary and the other secretaries with Members of Congress. I remember during the war I suggested to the Speaker that he ask General Marshall to come to us and talk with us about military affairs. That was done and I think it was very successful. I suggest now, Mr. Chairman, that the chairman of the Committee on Foreign Affairs, if he is willing to do so, invite the Secretary of State the Under Secretary and the other secretaries to meet with us in one of the various auditoriums at the Capitol or at the Coolidge Auditorium to talk with us about foreign affairs and other State Department matters. After the meeting a reception could be held which would involve no expense and no refreshments. We would be delighted to see and hear the Secretaries and I hope they too would derive some pleasure and benefit from talking with us.

Mr. CANFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I shall be very glad to yield.

Mr. CANFIELD. I do not know whether the gentlewoman was present when I made a like suggestion a few moments ago, but the chairman of the committee has agreed to undertake that very thing and I am very happy about it.

Mrs. ROGERS of Massachusetts. I am delighted. I would also like to express my appreciation for the very fine work that the House Committee on Foreign Affairs has done under the chairmanship of that very great statesman and learned gentleman, Judge JOHN KEE, with whom I had the pleasure of serving for a number of years on the Committee on Foreign Affairs, and I want also to say I appreciate the work done by the Committee on Appropriations and the Congress.

Mr. CROOK. Mr. Chairman, I move to strike out the last word in order to make an observation. When the bill comes up before the Congress—the bill about which the gentleman from California [Mr. MILLER] made mention—please bear in mind the proposed salaries are in keeping with the philosophy of the Hoover Commission.

Mr. RABAUT. Mr. Chairman, I move to strike out the period.

Mr. Chairman, during my first year in Congress, through the recommendation of the Speaker, I was appointed to the Committee on Appropriations. From the beginning I served on the subcommittee for State, Justice, and—at that time—Labor, and later on the subcommittee for State, Justice, Commerce, and the Federal judiciary. Because of my many years of service, I feel I am somewhat familiar with the activities of the State Department. At the request of several Secretaries at various times, I traveled to many countries throughout the world and checked intimately the activities of the Department in those places. Every Secretary, from Cordell Hull down—and I have the greatest respect and admiration for all of them—has come here with a reorganization plan. Every time we get a new Secretary we get a new reorganization bill for the State Department. I think the State Department ought to find itself some of these days and settle down with a workable plan to serve permanently the needs of this great Department. Disturbed conditions for the personnel as a result of these reorganizations, to my way of thinking, have been too rhythmical in recent years and do not make for efficiency. It is true the Department deals with the upset conditions in the world, and we have had plenty of them lately; let us hope the correction from now on will be for the better.

Reference is made to bringing men home. It was years ago that we decided that question when we met one of our representatives in Scotland.

He said to me, "Jolly well, by jove, we are awfully glad to hear that you are here."

I said, "Where did you come from? Oxford?"

He said, "No. I have been here a long time."

I said, "When were you home last?"

And he said, "Twenty years ago. My wife does not care to travel."

I said, "From now on you go home every 3 years and learn something about the United States of America."

We have too much of that. The time has come when we set the plan and follow no one. I made that very forcefully known to the leadership in the Department at that time.

There is another condition in the State Department. I do not know whether it has been corrected or not, but we have people doing the identical work in the different consulates and legations, some coming from the United States and others hired in the country in which they reside. The one who comes from the United States receives more money than the one doing similar work in the country where he resides; and the one in the country where he resides teaches the one who comes from the United States as to the requirements of his position. The harmony so made in the Department I fail to understand. It is no good. I hope it has been corrected. If it has not been corrected, I respectfully call it to the attention of the legislative committee that has charge of writing their laws.

I read with interest the statement of the Secretary relative to sending an ambassador to Spain. In my opinion, his statement falls upon deaf ears. When President Roosevelt was in office and we were making arrangements with every country in South America, we had a very distinguished ambassador in Brazil, and if there ever was a dictatorship it was under Vargas. Where we send our ambassadors is our own business. It is true, perhaps that others are afraid we may have a dual front somewhere across the Atlantic Ocean which, in these days of rapid transportation has become a large-sized pond. We might advantageously have a dual front. We might have Spain; we might have England, and we might even have Ireland as a place in which to land. We must start thinking about ourselves and be alerted to the plans and transactions of those making splendid international business deals while we are straining our relations with a sister nation.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. RABAUT] has expired.

The Clerk read as follows:

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, 80th Cong.).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the "Deputy Director General."

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DEANE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3559) to strengthen and improve the organization and administration of the Department of State, and for other purposes, pursuant to House Resolution 203, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1704) to strengthen and improve the organization and administration of the Department of State, and for other purposes, strike out all after the enacting clause and insert in lieu thereof the provisions of H. R. 3559, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That there shall be in the Department of State, in addition to the Secretary of State, an Under Secretary of State and 10 Assistant Secretaries of State. The Secretary of State may designate two Assistant Secretaries to serve as Deputy Under Secretaries.

SEC. 2. The officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Officers enumerated in section 1 holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act.

SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is vested in the President of the United States, shall, under the authority of the President, administer, coordinate, and direct the Foreign Service of the United States. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the Assistant Secretary of State for Administration, the Assistant Secretary of State in Charge of the Administration of the Department, the Director General, the Board of Examiners for the Foreign Service, or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of Dec. 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, 80th Cong.).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the Deputy Director General.

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

Mr. KEE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEE: Strike out all after the enacting clause and insert the following: "That there shall be in the Department of State in addition to the Secretary of State an Under Secretary of State and 10 Assistant Secretaries of State.

"SEC. 2. The Secretary of State and the officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act. The Secretary may designate two of the Assistant Secretaries as Deputy Under Secretaries.

"SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is inherent in or vested in the President of the United States, shall administer, coordinate, and direct the Foreign Service of the United States and the personnel of the State Department. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the 'Assistant Secretary of State for Administration,' the 'Assistant Secretary of State in Charge of the Administration of the Department,' the 'Director General,' or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

"SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

"SEC. 5. The following statutes or parts of statutes are hereby repealed:

"Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, 80th Cong.).

"Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the 'Deputy Director General.'

"Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032)."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which the bill (H. R. 3559) to strengthen and improve the organization and administration of the Department of State, and for other purposes, was passed were vacated, and that bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. KEE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to revise and extend their remarks on the bill H. R. 3559.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

INFORMATION VACUUM

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point of the RECORD and to include an article from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to insert in the RECORD an editorial which appeared in the Washington Post for April 19, 1949, and titled "Information Vacuum." There is much food for thought in this editorial and I commend the reading of it to the Members of this body. It is my hope that the Senate committee now holding hearings on the information and cultural program of the State Department will see fit to increase the amount voted by the House to the end that this vital and necessary program, under the very capable leadership of Assistant Secretary George Allen, can be carried out in the most capable, far-reaching, and penetrating manner.

INFORMATION VACUUM

Those persons who belittle the effectiveness of the United States information program abroad would do well to read the report of the Advisory Commission on Information. This Commission consists of five private citizens acting under terms of the Smith-Mundt Act. Basing its conclusions largely on a first-hand survey by one member, the Commission finds that the quality of the State Department program is good, that the program is reaching the people on both sides of the iron curtain, but that the extent is pitifully inadequate to the need.

For example, the Voice of America is regarded not only as a source of truth behind the iron curtain, but also as tangible evidence that the United States is serious about the business of resisting Communist aggression. It thus serves as a means of spreading hope and encouragement. The Commission urges that both the power and length of broadcasts be increased. With respect to countries beyond the Russian yoke, it is perhaps natural that American radio broadcasts do not compete so effectively with national programs. The Commission recommends increasing the attractiveness of programs and the purchase of time on local stations. It has similar recommendations on libraries, films, and other information media.

What the advisory group says carries unusual weight because of the clear relationship between the information program and the other aspects of foreign policy. It is time that both Congress and the administration recognized through more adequate appropriations that the battle for men's minds is no less important than their military defense and physical well-being. As the Commission notes pointedly: "A budget which contemplates $15,000,000,000 for military, five billion for economic, and only thirty-six million for information and educational services (cut by the House to thirty-four million) does not provide an effective tool for cleaning out the Augean stables of international confusion and misunderstanding."

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. TABER (at the request of Mr. CANFIELD) was given permission to revise and extend his remarks.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House the gentleman from New York [Mr. JAVITS] is recognized for 10 minutes.

THE EIGHTY-FIRST CONGRESS—FIRST SESSION—FIRST REPORT—RECORD AND FORECAST

Mr. JAVITS. Mr. Speaker, the first session is well past the half-way mark

and it is a good time to survey where we stand. Only two major pieces of legislation have been completed with resulting Presidential approval making them law—the Housing and Rent Act of 1947, extended by Public Law No. 31; and the Economic Cooperation Act carrying the authorization for another year's continuance of the European Recovery Program, Public Law No. 47.

Other major legislation, on social security, health, the Labor Management Act, increase of the minimum wage, housing, antipoll tax, and FEPC remain in different stages of the legislative process. It is fair to say that a Congress with a majority elected on what most of our people considered to be a mandate for a program of social welfare turns out to be so far a Congress of frustration. I have diligently devoted my efforts to trying to break this log jam and to trying to get legislation enacted which the people want and should have.

RENT CONTROL

The Housing and Rent Act of 1949 extends rent control for 15 months to June 30, 1950. I took a most active part in the enactment of this legislation and offered various important amendments.

The beneficial changes in the law may be briefly summarized as follows:

First. Certification of services. This new feature of the rent-control law was sponsored by me and requires for the first time a sworn certification by the landlord that he is maintaining all services to tenants as a condition to obtaining a rent increase. This feature of the new rent law will redound to the benefit of all tenants in our district and in the country. One of the most serious complaints which has come to my attention has been the fact that landlords have been filing for and receiving increases of rent while tenants complained the services they have been receiving have been reduced substantially. For the first time, tenants will be assured of adequate services if the landlord seeks an increase of rent. Nor does this prevent tenants from seeking proper redress as they could before, in the event of a decrease of services even though the landlord does not apply for a rent increase.

Second. Fair net operating income: Instead of the former hardship provisions of the rent regulations, the Housing Expediter has set a formula with which the landlord must comply in order to seek relief. The landlord will have to submit records to show that his property is not showing, currently, a fair amount of receipts over expenditures, rather than compare his current income and expenses with previous years.

Third. Evictions: Tightened eviction controls were restored to the Housing Expediter for the first time in 2 years. In New York we have had a temporary city rent commission in this connection and now there are controls both by the city and the Federal Government so that the tenants get greater protection against improper evictions.

Fourth. Tenants' right to appeal: For the first time in the history of rent control the tenants have been granted the absolute right to appeal from any orders issued by a rent office.

Fifth. Treble damages: The Housing Expediter is once again authorized to bring action for treble damages on behalf of tenants. The tenants, of course, still have the right to bring their own actions, in which event, the court is to award court costs and counsel fees besides treble damages.

Sixth. Decontrolled apartments: Apartments which were formerly decontrolled because of the termination of voluntary leases between December 31, 1947, and April 1, 1948, are back under control at the lease rental. Apartments which were decontrolled because they had been vacant for a 24-month period between February 1, 1945, and March 30, 1948, or had been occupied or rented to a member of the landlord's immediate family are now recontrolled. As a result, many tenants who have been paying very high rentals because apartments had been decontrolled will now have their rents reinstated at rentals which prevailed prior to the decontrol ruling.

Permanent residents in nontransient hotels are now back under control with the ceiling rent fixed as of March 1, 1949.

Seventh. Converted dwellings: So-called conversions by landlords as a result of which additional housing accommodations are created are now subject to examination and approval by the Rent Office before decontrol takes effect. Under the previous laws if a landlord claimed he converted a housing accommodation into additional units, he declared himself decontrolled; now he must establish that it was a real conversion and that additional housing has resulted.

In order to protect the people of our district, I have expanded the facilities of the Congressional Rent Clinic, which has helped more than 4,000 residents of the district, so that branches will be operated throughout the district. I am gratified by the very favorable response received during the past 2 years as a result of the work of this Rent Clinic, and express, too, my profound appreciation for the public-spirited group of lawyers in our district rendering this public service without fee under the direction of Hyman W. Sobell, Esq., Chairman of the Congressional Rent Clinic.

HOUSING

Housing continues to be our No. 1 domestic unsolved problem. Together with nine other Members of the House of Representatives I have sponsored a comprehensive housing bill providing for the construction of 800,000 federally assisted low-rent housing units—public housing—a $1,500,00,000 slum-clearance program, $3,000,000,000 in direct, very low interest loans for the construction of housing units for families in the middle-income brackets and opportunities for rural nonfarm and farm housing. Under this bill the construction goal of 1,500,000 new home units per year would be made possible.

The Senate has already passed a public-housing and slum-clearance bill and I am now exerting every effort in cooperation with national civic and veterans' organizations to bring about housing action for all income groups in the House of Representatives. Public housing and slum clearance will pass, but there must be action, too, for the middle-income groups ineligible for public housing, now priced out of the market both for sale and rental. A national housing bill failed to pass on two previous occasions in the House since World War II after passing the Senate. The climate for the enactment of housing legislation in this session of Congress, especially for public housing and slum clearance is the best that it has been since 1937. The catastrophic emergency remains as great as ever, with over 2,500,000 families, largely those of veterans in the middle-income group, living doubled up with their relatives or friends and as many more living in substandard accommodations.

HEALTH AND EDUCATION

Two other critically important fields of social welfare await action by the Congress—legislation accepting the national responsibility for health, and providing Federal aid to education.

The President's health plan has been offered in the form of a compulsory payroll tax like the social security and unemployment insurance taxes for which medical and hospital services and eventually dental and nursing services are promised. Coverage is to be provided for over 80,000,000 Americans paying a pay-roll tax of 3 percent, one-half each from employer and employee, on wages and salaries up to $4,800 per year. Opposition on the part of the medical profession continues unabated. It is a fact that our country enjoys a very high quality of medical service today considering the standard of medical care in other countries. It is important, therefore, that the quality remain high when the quantity is increased, for it is also very important to remember that millions of our citizens are deprived of adequate medical care because of cost or because of geographical location in rural areas not now adequately served by medical facilities.

I have stated before and it continues to be my position that I shall support the acceptance by the Government of the national responsibility for the people's health without compromising freedom of choice. It must be made possible within this framework to provide for increased hospital and medical care for our people, and at the same time not to mislead them with glittering promises of immediate large-scale services which cannot be performed due to shortages of doctors, nurses, dentists, hospitals, and facilities.

I have always advocated and continue to advocate Federal aid to education. The bill already passed by the Senate appropriates $300,000,000 toward achieving a minimum level of education in all the States, supplementing State funds with Federal grants based on State per capita income. It is important to be sure that each State is doing the limit of what can be expected of it for itself, and that this legislation shall not centralize authority over our educational system in the Federal Government or regulate State educational systems otherwise meeting fair standards.

LABOR-MANAGEMENT LEGISLATION

The heated controversy over the Labor-Management Relations Act of 1947—the Taft-Hartley law—has not been dis-

posed of, a stalemate having developed in the House of Representatives.

I originally voted against the Taft-Hartley law and was pledged to its repeal. I consider the recent effort to pass the Wood bill an effort to maintain the essentially punitive basis of Taft-Hartley by another name—an act which has evoked such violent protest from the 16,000,000 hard-working, law-abiding Americans who are union members. Our fundamental objective must be to see that collective bargaining between employers and employees remains and is conducted fairly, and with the least Government interference; save the right of the Government to cope with national emergencies due to labor conflict in the interests of the Nation as a whole, but without coercion.

Other fundamental issues with respect to labor are the increase of the minimum wage and the enactment of a Fair Employment Practices Commission law.

We should expand the protection for employees made available by the Fair Labor Standards Act, as the act has been restrictive in its operations thus far. The cost of living and the general economic level of our country certainly dictate an advance to a minimum wage of 75 cents per hour as a fair one and I have supported such advance.

FEPC legislation, which has operated so successfully in New York, is long overdue. Our constitutional democracy suffers at home and abroad from the absence of this legislation. We give thereby a powerful propaganda weapon to Communist forces seeking to discredit our system.

I have offered an FEPC bill myself, H. R. 192, and have testified in support of it before the House Committee on Education and Labor. I have joined and will continue to join without reserve in the struggle for one of the great privileges of our democracy for all people, regardless of their color, their national origins, or their religious faiths—freedom of job opportunity to the limit of their abilities—and I am convinced that a realization of this goal can be enormously advanced by the enactment of a fair-employment practices law.

NATIONAL THEATER, OPERA, AND BALLET

We are seeking a healthy citizenry with sufficient time for recreation, and fair compensation for our working people so that they may enjoy the satisfactions of which our industrial system is capable. Accordingly, I have offered and worked hard for a bill to ultimately bring about the establishment of a national theater, opera, and ballet, and a bill to help our youth avoid the pitfalls of juvenile delinquency.

People everywhere have enthusiastically endorsed the aim to establish facilities for national theater and music, and to make them available to the tens of millions of Americans who do not now enjoy these arts.

The National Youth Assistance bill seeks $50,000,000 to assist States, municipalities, and social-welfare organizations in their activities for prevention of juvenile delinquency and to afford recreational, educational, and citizenship orientation opportunities for our youth.

I have just completed a country-wide survey of the youth activities sponsored by State and city governments like the activities of Youth Aid, Inc., an organization of public-spirited citizens in our district, of which I am a director. There is agreement by most of the State and municipal authorities that Federal legislation of the character I have proposed is necessary.

VETERANS

My concern with problems of employment, housing, health, youth, and recreation has not, however, overshadowed my great interest in our veterans. A large amount of service continues to be given by my congressional office in individual veterans' cases. I have joined in efforts to assure veterans the utmost in satisfactory hospital and other service benefits. I am gratified that thousands of veterans in our district join me in considering the rejection of the first Rankin pension bill as being a service to the interests of our country, which will result in passage of a reasonable bill.

The care and protection of our veterans remain to me, both as a citizen and fellow veteran, a subject of primary concern.

SOCIAL SECURITY

I have worked, and will continue to work hard for a broadening and improvement of old-age and survivors' insurance benefits. The reserves in the Federal system are great enough to warrant at least a 50-percent increase in these benefits.

In order to be helpful to our pensioners and retired citizens I have offered legislation exempting from Federal income taxes all Federal, State, and city employees' pensions up to $2,000 per annum and also disability pensions.

And while we are on the subject of taxes, it is fair to consider the plight of the ordinary consumer 4 years after the war still paying what are called luxury taxes on baby oil, inexpensive cosmetics, popular-priced handbags, and, yes, on fur coats costing not more than an inexpensive cloth coat. Such taxes ought to be eliminated from the cost of living of the moderate-income family.

PROTECTION OF MINORITIES

As the postwar legacy of Nazi Germany we continue to harvest in our country a group of hatemongers and spreaders of malicious propaganda seeking to turn minority against minority, whether of color or religion, and the majority against all minorities. Accordingly I joined with others of my colleagues in introducing a bill making it unlawful to disseminate malicious and false statements prejudicing the public mind against minorities whether Negroes, Catholics, Jews, Greeks, Italians, or of other races, religions, or national groups. Such legislation is designed to keep our free speech unimpaired and our free press unsullied.

TOTALITARIAN MOVEMENTS

In the past few months I have had occasion to protest vigorously against the resurgence of Nazi activity which has been permitted by the United States military government in Germany, in the management of German industry and German economic and social life.

I protested against the participation by former Nazis and their sympathizers in the German Export Fair in New York City and succeeded in getting the lists of those German businessmen who sought to come over to the fair culled and culled again to eliminate many whose records were questionable.

My efforts have also been directed toward fighting the Communist danger to our freedoms. I have not only fought it in the support of our foreign policy, but have also vigorously protested the outrages against justice such as the "trial" of Cardinal Mindszenty by the Government of Hungary. I introduced a resolution condemning this trial and as a member of the House Foreign Affairs Committee joined in bringing about action on the resolution reported by that committee and passed by the House of Representatives condemning the Mindszenty trial as an outrage on the civilized world. I shall continue in this struggle against the forces of the extreme left and the extreme right, which meet in their efforts to extinguish our freedoms.

DISPLACED PERSONS

I denounced the Displaced Persons Act passed in 1948 as brazenly discriminatory. It excluded tens of thousands of displaced persons who had really suffered under the Nazi terror while it admitted others who actually or ideologically played with the Nazi fifth columns. Great efforts have been made to amend this legislation in this Congress. I have introduced a displaced-persons bill to admit 400,000 DP's on an entirely nondiscriminatory basis and without restrictions on their opportunities in the United States. I have also introduced again in this Congress the bill for the admission of war orphans for adoption by American families.

A new DP bill has just been reported out and should in substance soon pass the House of Representatives from where it will go to the Senate. This bill increases the aggregate number of DP's to be admitted from 205,000 in 2 years to 339,000 in 3 years, and provides for the admission of certain children adopted by American citizens. An especially pertinent amendment changes the cut-off date for DP status qualification which caused so much mischief in the present law, from December 22, 1945, to January 1, 1949. The bill also allocates a quota of 4,000 to refugees from Shanghai, China, a recognition, even if only partial, of the critical situation there.

FOREIGN POLICY

As a member of the Committee on Foreign Affairs of the House of Representatives the great events since the Congress convened in January have been of fundamental concern to me.

One of the major struggles in our foreign policy has been successfully surmounted in both the House and the Senate in the enactment of the authorization for another year of the European recovery program.

ATLANTIC PACT

The Atlantic Pact will soon be under consideration in the Senate which alone

will be called upon to approve or reject it. I am assured that there will be full and complete opportunity for hearings in the Senate before the Senate Foreign Relations Committee of all people and interests who seek to be heard, and that there will be a full debate in the Senate. Though the House of Representatives will not pass on the pact itself it will pass on implementing legislation.

It is significant that shortly after the announcement of this pact we saw the first break in the Soviet intransigence with regard to the blockade of Berlin. The opponents of the pact claimed that it would drive Russia into a hostile isolation, but not this attitude but a contrary attitude has been manifested by the Soviet Union. I think it is fair to say that the Soviet seems to respect facts like the peaceful airlift, more than words.

INTERNATIONAL TRADE ORGANIZATION

As we consider our foreign affairs and the effectiveness of these great policies to rehabilitate our sister democracies, we must look forward to the next step of their ability to stand on their own feet as effective producers with a decent standard of living through their own efforts. The United States has taken the lead in this respect in the setting up of the International Trade Organization designed to facilitate the most extensive and helpful world trade among the nations.

I represented the United States as a member of its delegation in Havana when the organization was formed, and I have introduced legislation in the Congress to bring about United States membership in the International Trade Organization.

It also must be recognized that the Reciprocal Trade Agreements Act, the extension of which for three more years I supported, is one of the keystones in the edifice of economic and political freedom which we are trying to construct in the world.

Finally, there is the "bold new program" referred to by the President in his inaugural address regarding the making available of American skill in the effort to economically and industrially develop under-developed areas. Exports of skill cost us little and are priceless to the recipients. In this way we help them best to help themselves.

INDEPENDENCE OF ISRAEL

No discussion of our foreign affairs is complete without attention to the triumph of justice in which we had an important hand—the establishment of the independence, and now of peace and security in the new state of Israel. Early in the congressional session I fought any interference by Great Britain, out of a misguided sense of her interests in the Middle East, with the beginnings of a peaceful solution of the conflict between Israel and the Arab states.

The valor of the people of Israel, the influence of the United Nations, and the material and moral support of the people of the United States have won them their freedom and their opportunity.

IRELAND

The struggle for the independence of Ireland bears many similarities to the struggle of Israel. Eire should be admitted into the United Nations and at the least a plebiscite should be taken all over Ireland under United Nations auspices for the purpose of bringing about its unification.

UNITED NATIONS

The enhancement of the prestige of the United Nations resulting from its successful efforts with respect to Palestine and the admission of Israel to its membership, have contributed materially to the more optimistic views respecting its future. Under the conditions of the atomic and air age, and with geographical boundaries materially reduced in importance, the development of the United Nations ultimately into a world federal government becomes the surest means of attaining its goal of international peace and security.

NATIONAL DEFENSE

I am convinced that in the interests of our Constitution and our freedom, civilian control of our national security and the limitation of military influence to the technical requirements of the services are essential. National security through our Military Establishment is only one element in our foreign policy. The solutions we seek in the world are solutions through peace. We must see that both in size and in effectiveness our Military Establishment is complete within these proper limitations, but that never shall the United States be rattling a sword in a scabbard.

All of us are aware that in a world of realism while we engage in great efforts of foreign policy, we must also look to our national security. The military budget constitutes about one-third of our total budget for the next fiscal year. The Hoover Commission on the Reorganization of Government has pointed out great wastes which exist in our Military Establishment. In common with others who have served in the armed forces, I am also aware of the need for constant modernization of our concepts of what is the best military posture for national security. These principles and efforts shall have my urgent attention.

CONCLUSION

This is a general review of what has been done in the Eighty-first Congress and what can be seen ahead for the future. Our people may rest secure in the fact that our democracy is working. There are many failures and insufficiencies, much injustice which needs to be righted, and many challenging problems to be met, but our democracy and our people show the vigor capable of meeting them. So long as we remain steadfast in this position, our great Nation is safe.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 11, 1949, present to the President, for his approval bills of the House of the following titles:

H. R. 2440. An act to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising; and

H. R. 3932. An act to exempt artificial limbs from duty if imported for personal use and not for sale.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 56 minutes p. m.), under its previous order, the House adjourned until Monday, May 16, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

614. Under clause 2 of rule XXIV, a letter from the Under Secretary of State, transmitting a draft of a proposed joint resolution entitled "Joint resolution to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters, and for related purposes," was taken from the Speaker's table and referred to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 195. Resolution for the relief of Doris Batey Cox; without amendment (Rept. No. 571). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 194. Resolution for the relief of Mrs. Mary Leimgruber; without amendment (Rept. No. 572). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 115. Resolution providing for the expenses incurred by House Resolution 114; with amendments (Rept. No. 573). Referred to the House Calendar.

Mr. REGAN: Committee on House Administration. House Resolution 186. Resolution providing for holding memorial services on Wednesday, May 25, 1949; with an amendment (Rept. No. 574). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Joint Resolution 21. Joint resolution to provide for the utilization of a part of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray the story of aviation; without amendment (Rept. No. 575). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 156. Resolution to provide funds for the Committee on the Judiciary; with amendments (Rept. No. 576). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. H. R. 4583. A bill relating to telephone and telegraph service and clerk hire for Members of the House of Representatives with an amendment (Rept. No. 577). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 4470. A bill to amend the act of February 19, 1941, as amended, so as to establish a Women's Reserve as a branch of the Coast Guard Reserve; without amendment (Rept. No. 578). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4617. A bill to liberalize the requirement for payment of pension in certain

cases to veterans and their widows and children; with an amendment (Rept. No. 580). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON: Committee on Public Lands. H. R. 1790. A bill to restore certain land in Alaska to the public domain and to authorize its sale to Ford J. Dale, of Fairbanks, Alaska; with amendments (Rept. No. 579). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4659. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. BURNSIDE:

H. R. 4660. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health of children of school age through the development of children's health services for the prevention, diagnosis, and treatment of physical and mental defects and conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 4661. A bill to improve the administration of justice by the creation of an Administrative Court of the United States; to the Committee on the Judiciary.

By Mr. CHESNEY:

H. R. 4662. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committeee on Banking and Currency.

By Mr. JAVITS:

H. R. 4663. A bill to provide annuities to the widows of justices, judges, or former justices or judges of the courts of the United States; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 4664. A bill to provide pensions for sons and daughters of veterans of the War of 1812; to the Committee on Veterans' Affairs.

By Mr. RIBICOFF:

H. R. 4665. A bill to amend section 2000 (c) (1) of the Internal Revenue Code relating to cigars; to the Committee on Ways and Means.

By Mr. SCRIVNER:

H. R. 4666. A bill to amend section 514 of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to permit States and political subdivisions thereof to impose taxes on the personal property of members of the armed services located in such States and political subdivisions; to the Committee on Armed Services.

By Mr. RANKIN:

H. R. 4667. A bill to exclude from the United States mails matter advocating communism or the overthrow of the Government of the United States by force or violence; to the Committee on Post Office and Civil Service.

By Mr. BYRNE of New York:

H. R. 4668. A bill to prohibit the transportation in interstate or foreign commerce of bulls with intent to use such bulls for bullfighting, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORBETT:

H. R. 4669. A bill to clarify and formulate a consistent and coordinated national policy with respect to transportation costs in interstate commerce, to strengthen the antitrust laws of the United States and to provide for their more effective enforcement, and to promote competition by permitting sellers to have access to distant markets; to the Committee on Interstate and Foreign Commerce.

By Mr. KENNEDY:

H. R. 4670. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. PETERSON:

H. R. 4671. A bill to further the policy enunciated in the Antiquities Act and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation; to the Committee on Public Lands.

By Mr. CHUDOFF:

H. Res. 211. Resolution to authorize and direct the Committee on Veterans' Affairs to investigate private trade and business schools and colleges at which veterans are enrolled under the Servicemen's Readjustment Act of 1944; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Ohio, protesting the action of Gen. Lucius Clay in commuting the life sentence of Ilse Koch to a 4-year term of imprisonment and requesting the proper authorities in Washington to have the matter reviewed in order that the ends of justice may be well served; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States against the passage of any legislation providing for socialized medicine and compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 4672. A bill for the relief of MacDougald Construction Co.; to the Committee on the Judiciary.

By Mr. FISHER:

H. R. 4673. A bill for the relief of the widow of Robert V. Holland; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4674. A bill for the relief of Basile Carras and Calliope Carras; to the Committee on the Judiciary.

By Mr. MORRIS:

H. R. 4675. A bill conferring jurisdiction upon the District Court of the United States for the Western District of Oklahoma to hear, determine, and render judgment upon the claim of Troy Hensley against the United States; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. R. 4676. A bill for the relief of Albert D. Petrosino; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 4677. A bill for the relief of Costantinos Demetrias Petropoulous, sometimes known as Petropol; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

842. By Mr. GOODWIN: Memorial of the Massachusetts Legislature, requesting Congress to change the date of Labor Day to the second Monday in September; to the Committee on the Judiciary.

843. Also, memorial of the Massachusetts Legislature, relative to repealing the excise taxes on articles of jewelry, furs, cosmetics, and handbags; to the Committee on Ways and Means.

844. By Mr. SMITH of Wisconsin: Resolution passed by the house of delegates of the Wisconsin State Dental Society, opposing the bill, commonly known as the Wagner-Murray-Dingell bill, to establish a system of compulsory health insurance in the United States; to the Committee on Interstate and Foreign Commerce.

845. By the SPEAKER: Petition of Mrs. Agnes G. Shankle and others, General Welfare Federation of America, Washington, D. C., requesting passage of H. R. 2620, known as the old-age plan; to the Committee on Ways and Means.

846. Also, petition of George W. Johnson and others, Franklin Furnace, Ohio, requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

847. Also, petition of Mrs. Peter Turner and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

848. Also, petition of Ernest G. Perkins and others, Hialeah, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

849. Also, petition of Mrs. M. B. Claypoole and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

850. Also, petition of Bertha Miller and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

851. Also, petition of Robert E. Hardwicke, Jr., Fort Worth Bar Association, Fort Worth, Tex., recommending passage of the bill H. R. 3971, introduced by Mr. BYRNE of New York, which provides for an increase in compensation for referees in bankruptcy; to the Committee on the Judiciary.

852. Also, petition of Mrs. P. O. Marvel, president, Woman's Auxiliary, Nebraska State Medical Association, Giltner, Nebr., opposing any system of compulsory health insurance and to any system of medical care designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

SENATE

FRIDAY, MAY 13, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, we thank Thee for this shrine of the Nation's faith where, facing vast human issues committed to their hands, relying on a strength and a wisdom not their own, those here called to

high public office come humbly to confess "In God we trust." We pray, and would work as we pray, for good government and just laws, for sound education and a clean press, for sincerity and honesty in our relations with one another and with all the peoples of the world; and, above all, for a spirit of service which will abolish pride of place and make possible equal opportunities to all in a human brotherhood without frontiers. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 12, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 12, 1949, the President had approved and signed the act (S. 270) to change the name of Culbertson Dam on the Republican River in the State of Nebraska to "Trenton Dam" and to name the body of water arising behind such dam "Swanson Lake."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1704) to strengthen and improve the organization and administration of the Department of State, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives; and

H. J. Res. 21. Joint resolution to provide for the utilization of a part of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray the story of aviation.

ATOMIC ENERGY COMMISSION FELLOWSHIPS—NOTICE OF HEARING

Mr. McMAHON. Mr. President, I announce that the Joint Committee on Atomic Energy has scheduled a full hearing on May 23 on the so-called fellowship program of the Atomic Energy Commission. An announcement to this effect was made on May 6. The preliminary meeting has already been held, and we shall have an open and complete investigation on May 23.

LEAVES OF ABSENCE

Mr. SALTONSTALL asked and obtained consent to be absent from the Senate today after 4:30 p. m.

Mr. MUNDT asked and obtained consent to be absent from the Senate from 2 p. m. to 3:30 p. m. today in order to make an address before the Pan American Union.

Mr. IVES asked and obtained consent to be absent from the Senate on Monday, May 16, and Wednesday, May 18, 1949.

COMMITTEE MEETING DURING SENATE SESSION

Mr. LONG asked and obtained consent that a subcommittee of the Committee on Post Office and Civil Service considering classification and pay bills be permitted to sit this afternoon during the session of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hoey	Murray
Brewster	Holland	Neely
Bricker	Humphrey	O'Conor
Butler	Ives	O'Mahoney
Cordon	Johnson, Colo.	Robertson
Douglas	Johnston, S. C.	Russell
Ecton	Kem	Saltonstall
Ellender	Kerr	Smith, Maine
Frear	Knowland	Sparkman
Fulbright	Langer	Taft
Gillette	Lodge	Taylor
Graham	Long	Thomas, Utah
Green	Lucas	Tydings
Gurney	McClellan	Wherry
Hayden	McKellar	Wiley
Hendrickson	Miller	Williams
Hickenlooper	Morse	Withers
Hill	Mundt	Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Arizona [Mr. MCFARLAND], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from Mississippi [Mr. STENNIS] are detained on official business in meetings of committees of the Senate.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Mississippi [Mr. EASTLAND] are absent on official business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], and the Senator from Florida [Mr. PEPPER] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the senior Senator from Vermont [Mr. AIKEN], the Senator from Michigan [Mr. FERGUSON], the junior Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the junior Senator from Indiana [Mr. JENNER] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Michigan [Mr. VANDENBERG] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Connecticut [Mr. BALDWIN], the Senator from Washington [Mr. CAIN], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Kansas [Mr. REED] are detained on official business.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Nevada [Mr. MALONE] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may introduce bills and joint resolutions, submit routine matters, and ask to have insertions made in the Appendix of the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT ON PARTICIPATION BY UNITED STATES IN UNITED NATIONS (H. DOC. NO. 178)

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States transmitting a report to the Congress on participation by the United States in the United Nations for the year 1948. Without objection, the message with the accompanying report, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Congress of the United States:

The accompanying report on the participation of the United States in the United Nations for 1948 is transmitted to the Congress on the recommendation of the Secretary of State.

The report has my approval.

At this stage in the life of the United Nations it is appropriate to say a word about the Charter and the organization. The Charter is at once a statement of objectives and a guide to action. It proclaims the objectives of preventing future wars, of settling international disputes by peaceful means and in conformity with principles of justice, of promoting world-wide progress and better standards of living, of achieving universal respect for and observance of fundamental human rights and fundamental freedoms, and of removing the

economic and social causes of international conflict and unrest.

These objectives are well stated in the Charter itself. We subscribed to them at the time we signed the Charter. We are firm in our resolution to work for these objectives.

The Charter is a guide to action. While this is so for all members, it is particularly so for those enjoying the "right of veto". There is a greater obligation on these five powers than on the other members to conduct themselves in accord with the principles of the Charter. They must "settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered." Equally, they must "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations." Fulfillment of these obligations means the exercise of national self-restraint in international relations. Along with other Charter obligations they place limits on our freedom of action. But these limits are self-imposed, because we signed the Charter without reservation. During 1948 we have continued to recognize these Charter obligations as restrictions upon our conduct. We will continue so to recognize them. And we have a right to expect other Members of the United Nations to act similarly, for the Charter is a pledge of good faith exchanged by each Member with all the others.

I recommend the accompanying report to the attention of the Congress. The nature of our participation and the many different ways in which it is manifested may come as a surprise to many members. But it will not be an unpleasant surprise. We have taken the leadership in many fields of international relations. We can be proud of what we have done. If the United Nations as a security organization has disappointed us, as the Secretary of State notes, and if we have had to take supplemental measures to meet actual or potential threats to our security, it is not because the United States has not put forth real efforts to develop the United Nations to its full stature. The world today is not the world we had hoped for when the San Francisco conference adjourned less than 4 years ago.

The United States supports the United Nations in all respects. The following pages tell how that was done in 1948.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 12, 1949.*

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and a letter, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, VETERANS' ADMINISTRATION (S. DOC. NO. 75)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $136,238,000, Veterans' Administration, fiscal year 1949 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AMENDMENT TO BUDGET, FEDERAL HOUSING ADMINISTRATION, HOUSING AND HOME FINANCE AGENCY (S. DOC. NO. 74)

A communication from the President of the United States, transmitting an amendment to the Budget, involving an increase of $1,000,000 in the authorization for administrative expenses of the Federal Housing Administration, Housing and Home Finance Agency, fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROGRESS REPORT OF WAR ASSETS ADMINISTRATION

A letter from the Administrator of the War Assets Administration, transmitting, pursuant to law, the quarterly progress report of that Administration for the period January–March 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. SALTONSTALL (for himself and Mr. LODGE):

Resolutions of the General Court of the Commonwealth of Massachusetts; ordered to lie on the table:

"Resolutions memorializing Congress to repeal the Federal tax on oleomargarine

"Whereas oleomargarine is widely used by the inhabitants of the several States as a substitute for butter; and

"Whereas the Federal tax imposed on the sale of oleomargarine has created a hardship upon a large portion of the population by increasing the cost of living: Therefore be it

"*Resolved,* That the General Court of Massachusetts respectfully urges the Congress of the United States to immediately enact legislation to repeal said Federal tax on oleomargarine; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the State Secretary to the President of the United States, to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth."

By Mr. GREEN (for himself and Mr. MCGRATH):

A resolution of the general assembly of the State of Rhode Island; to the Committee on Expenditures in the Executive Departments:

"Resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their best efforts to see that the recommendation of the Secretary of Labor be carried out and that those agencies which rightfully belong in the United States Department of Labor shall be returned to said Department (Conciliation and Mediation Service; U. S. Unemployment Compensation and Reemployment Agencies)

"*Resolved,* That the Senators and Representatives from Rhode Island in the Congress of the United States are hereby earnestly requested to use their best efforts to see that the recommendation of the Secretary of Labor be carried out and that those agencies which rightfully belong in the United States Department of Labor, such as Conciliation and Mediation Service; the United States Unemployment Compensation and Reemployment Agencies, be returned to the jurisdiction of the United States Department of Labor; and the secretary of state is hereby directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States and to the United States Secretary of Labor."

By Mr. BRICKER:

A resolution of the Senate of the State of Ohio; to the Committee on Armed Services:

"Senate Resolution 48

"Resolution protesting commuting the sentence of Ilse Koch, and requesting the proper authorities in Washington to have the matter reviewed in order that the ends of justice may be served

"Whereas voices of protest in strong indignation are being heard throughout the United States and Ohio against the impending release from imprisonment of Ilse Koch, of Buchenwald, and against the action of Gen. Lucius D. Clay in commuting her life sentence to a 4-year term of imprisonment; and

"Whereas Ilse Koch was the wife of the commandant of the Buchenwald concentration camp, and, as such, her trial disclosed that she was responsible for extreme cruelty being inflicted upon prisoners, some of which resulted in their death; and

"Whereas Ilse Koch was an active participant in the design of the Buchenwald concentration camp and that is the charge under which she was tried; and

"Whereas the revolting atrocities of which Ilse Koch is accused have shocked the civilized world; and

"Whereas it is alleged that Ilse Koch took a fancy to tattooed skin and had lamp shades and other articles in her home made of skin taken from prisoners; and

"Whereas an investigating committee composed of seven Members of the United States Senate has concluded that Ilse Koch should receive no mercy; that she has forfeited her right to associate with society and should spend the remainder of her life in prison: Now, therefore, be it

"*Resolved by the Ohio Senate,* That we protest the action of Gen. Lucius D. Clay in commuting the life sentence of Ilse Koch to a 4-year term of imprisonment, and request the proper authorities in Washington to have the matter reviewed in order that the ends of justice may be well served; and be it further

"*Resolved,* That copies of this resolution be transmitted to President Harry S. Truman, to the Chief of Staff of the United States Army, to Gen. Omar Bradley, and the President of the Senate and Speaker of the House of Representatives of Congress, and to the Ohio Members in the Senate and House of Representatives of Congress, with the urgent request that action be taken in memory of those World War II citizens of the United States who made the supreme sacrifice on the battlefields and in prison camps in defense of their country."

CREDIT FOR MILITARY SERVICE—PETITION

Mr. GILLETTE. Mr. President, I present for appropriate reference a telegram in the nature of a petition, signed by Orion Skidmore, and 104 other veterans and nonveterans, employees of the Des Moines, Iowa, post office, urging all possible speed in bringing credit for military service bill to the floor of the Senate for vote.

The VICE PRESIDENT. The telegram will be received and appropriately referred.

The telegram in the nature of a petition was referred to the Committee on Post Office and Civil Service.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. O'CONOR, from the Committee on the Judiciary:

S. J. Res. 62. Joint resolution authorizing the President of the United States of America to proclaim June 20 of each year as Emblem Day; without amendment (Rept. No. 373).

VIEWS OF CERTAIN MEMBERS OF JOINT COMMITTEE ON LABOR-MANAGEMENT RELATIONS RELATING TO THE TAFT-HARTLEY ACT (REPT. NO. 374)

Mr. MURRAY. Mr. President, I ask unanimous consent to submit for the consideration of the Senate the views of certain members of the Joint Committee on Labor-Management Relations on the subject of the Taft-Hartley Act and the so-called final report of the Ball committee, which I request may be printed. These views are being filed pursuant to the authority of Senate Concurrent Resolution 10, Eighty-first Congress, first session.

The VICE PRESIDENT. Without objection, the views will be received and printed, as requested by the Senator from Montana.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1847. A bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1848. A bill for the relief of Hurmat Ullah; and

S. 1849. A bill for the relief of Agnes Tarjani; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 1850. A bill to authorize the conveyance to the city of Hot Springs, Ark., for public purposes, of certain Federal property known as Whittington Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KNOWLAND:

S. 1851. A bill for the relief of Raymond F. Manning and his daughter, Hilda Rose Schmidt; to the Committee on the Judiciary.

By Mr. THOMAS of Utah:

S. 1852. A bill to provide for the refund of the taxes deducted pursuant to the provisions of subchapter B of chapter 9 of the Internal Revenue Code from the wages of Mexican railroad workers employed in the United States under the agreement of April 29, 1943, between the United States of America and the United Mexican States, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. McCLELLAN:

S. 1853. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Fred E. Gross; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1854. A bill providing for the extension of the time limitations under which patents were issued in the case of persons who served in the military or naval forces of the United States during World War II; and

S. 1855. A bill for the relief of Dr. Margaret Hie Ding Lin; to the Committee on the Judiciary.

By Mr. LODGE:

S. 1856. A bill for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rose Innocenti, and Maria Mancinelli; to the Committee on the Judiciary.

By Mr. McKELLAR:

S. 1857. A bill for the relief of the city of Harriman school district; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1858. A bill to permit the admission of alien spouses and minor children of citizen members of the United States armed forces; to the Committee on the Judiciary.

S. 1859. A bill to transfer from the Administrator of Veterans' Affairs to the Attorney General of the United States for the use of the Bureau of Prisons a certain tract of land located at Chillicothe, Ohio; to the Committee on Labor and Public Welfare.

By Mr. KILGORE (for himself and Mr. LANGER):

S. 1860. A bill to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, to make immigration quotas available to Asian and Pacific peoples, and for other purposes; to the Committee on the Judiciary.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. THOMAS of Utah submitted the following resolution (S. Res. 117), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred to the Committee on Rules and Administration:

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives; and

H. J. Res. 21. Joint resolution to provide for the utilization of a part of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray the story of aviation.

LABOR LEGISLATION—LETTER FROM THE PRESIDENT TO MR. A. F. WHITNEY

[Mr. NEELY asked and obtained leave to have printed in the RECORD a letter addressed by the President of the United States to Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, regarding pending labor legislation, which appears in the Appendix.]

REDUCTION OF UNITED STATES SPENDING—ARTICLE BY MARK SULLIVAN

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "Reversal of Direction is Noted in Move to Cut United States Spending," written by Mark Sullivan, which appears in the Appendix.]

SOCIALIZED MEDICINE—ADDRESS BY ROBERT RICHART GROS

[Mr. CAIN asked and obtained leave to have printed in the RECORD an address on the subject of socialized medicine, delivered by Robert Richart Gros, director of publicity and advertising, Pacific Gas & Electric Co., before the California Medical Association at San Francisco, Calif., on April 29, 1949, which appears in the Appendix.]

AMERICAN POLICY TOWARD SPAIN

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "Wanted: A Spanish Policy," published in the Washington Evening Star of May 12, 1949, which appears in the Appendix.]

ATOMIC ENERGY COMMISSION FELLOWSHIPS—EDITORIAL FROM DAILY TAR HEEL

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "Freistadt, Atomic Energy Scholar," published in the Daily Tar Heel, student publication at the University of North Carolina, for May 12, 1949, which appears in the Appendix.]

LOAN TO SPAIN BY EXPORT-IMPORT BANK—PRESS RELEASE BY AMERICANS FOR DEMOCRATIC ACTION

[Mr. MORSE asked and obtained leave to have printed in the RECORD a press release of May 12, 1949, by Americans for Democratic Action relative to a proposed loan to Spain by the Export-Import Bank, which appears in the Appendix.]

A STRANGE WAY TO PROMOTE ECONOMY—ARTICLE BY ARTHUR KROCK

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "A Strange Way To Promote Economy," written by Arthur Krock, and published in the New York Times of May 13, 1949, which appears in the Appendix.]

THE PUBLIC'S FIGHT, TOO—EDITORIAL FROM THE NEWARK EVENING NEWS

Mr. HENDRICKSON. Mr. President, on February 7, 1949, I introduced in the Senate of the United States for myself and seven colleagues a bill to establish a National Commission on Intergovernmental Relations.

Throughout the past week, this and other bills of similar design and purpose have been the subject of extensive public hearings before a subcommittee of the Committee on Expenditures in the Executive Departments.

In support of the testimony of many distinguished witnesses who have appeared at these hearings, this seems to be a most appropriate time to include in the body of the RECORD an editorial entitled "The Public's Fight, Too," which appeared in the May 12 issue of the Newark Evening News urging the passage of this projected study.

Mr. President, I ask unanimous consent that the editorial be inserted in the body of the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PUBLIC'S FIGHT, TOO

One of the brighter aspects of the continuing fight by the States against Federal tax encroachments is that the fight is continuing. In spite of discouragements and changing State administrations, there is no evidence of weakened resistance to a tax system which,

in effect, makes all States dependents of Washington. Rather, resistance is spreading, and for this credit is due to our alert governors, among whom New Jersey's Governor is conspicuous.

Mr. Driscoll has kept hammering away at the injustices of the Federal tax and grants-in-aid policy at annual governors' conferences when some of the veteran governors have looked upon the battle as "old hat" and not worth the effort.

He has discussed the problem before civic groups, and he has worked on congressional committees. With the cooperation of fellow governors, even some from the have-not States, the issue has been kept alive.

The result has been to impress upon a widening public the realization that the Federal Government not only takes a State's cash, but with it much of the State's capacity for independent action. That was the burden of the testimony given by Governors Lane of Maryland, and Knous of Colorado, who appeared, along with Mr. Driscoll, before a Senate and House joint committee to urge favorable action on the Hendrickson bill. This measure, sponsored by New Jersey's Senator HENDRICKSON, proposes creation of a 14-member commission to study State-Federal fiscal relationships in conformity with recommendations of the Hoover Commission.

Mr. HENDRICKSON should get help for his projected study from newer Members of the Congress, particularly those men who have graduated, as he has, from important posts in State government. They know the cost, waste, and confusion spawned by Federal usurpation of tax territory rightfully belonging to the States. Example: The Federal Government collects $9 to $1 from the liquor industry, but the States bear the full brunt of licensing, administrating, and enforcing the liquor laws.

Wider public support for, as well as recognition of, the States' position is essential. Perhaps it will come when the public recognizes that through a reallocation of tax powers the existing evils of duplicate and overlapping functions can be eliminated and the cost of all government reduced thereby.

PROPOSED NATIONAL COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. WILEY. Mr. President, I believe that one of the most important hearings now under way is that being held by the Joint Committee on Intergovernmental Relations consisting of Members of the Senate and House Committees on Expenditures in the Executive Departments. This joint committee is reviewing the bill which I cosponsored, S. 810 and other bills to establish a Commission on Intergovernmental Relations. I believe that the problem of intergovernmental relations is one of the most critical issues facing the Nation, involving as it does the whole question of overcentralization of authority and of taxing power here in Washington, D. C.

In this connection I have written to Representative HERBERT BONNER, a member of the joint committee, a letter presenting my endorsement of legislation which the joint committee is reviewing. I ask unanimous consent that a partial text of my letter to Representative BONNER be printed at this point in the CONGRESSIONAL RECORD, and that following it, there be printed the text of an interesting editorial published in the February 28 edition of the Green Bay Press Gazette. This editorial, endorsing this bipartisan legislation, was published shortly after S. 810 was introduced. I believe, however, that its pointed comments will be even more interesting to my colleagues now than they would have been at the time of publication.

There being no objection, the letter and the editorial were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
May 11, 1949.

Hon. HERBERT C. BONNER,
Joint Committee on
Intergovernmental Relations,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to you to express my vigorous support of the legislation now being studied by the Joint Committee on Intergovernmental Relations. I know how deeply you personally are interested in this legislation for the establishment of a National Commission on Intergovernmental Relations as evidenced by the fact that you have introduced a bill for that very objective yourself.

May I submit my sincere congratulations to you, to Congressman BOGGS of Delaware, and to all your other associates on the House side who have introduced bills for setting up such a commission.

It has been thrilling to me to note the virtual unanimity with which our objective has been endorsed. In my own State of Wisconsin many State and municipal officials have conveyed to me their endorsement of this legislation. The city manager of Madison, Hon. Leonard Howell, indicated to me, for example, that 30 percent of all the property in our capital city is tax exempt. This tax-exemption problem is being aggravated by the Federal Government taking over more and more property for its use. Mr. Walter J. Mattison, city attorney for Milwaukee, confirmed this general problem in his testimony on Tuesday. Thus, this tax exemption is one of the truly critical phases confronting not only my State, but your State and all of the other States in the Union. It can only be met by a comprehensive survey of the type envisioned by S. 810 and similar bills now being studied by your joint committee.

I know that you will agree that the American people are deeply alarmed, too, by the prospect of higher and higher Federal taxes—now taking three-fourths of all revenue acquired by governmental units. Moreover, the Federal Government is being asked to contribute increased grants in aid, which, in turn, will require higher Federal taxes, which means again more elbowing of the States and localities out of tax areas which they mght otherwise tap so as to meet at the State and local levels their own problems, rather than having to turn to Washington, D. C.

As you know so well, there are over 155,000 governmental units in our Nation. The interrelationship between these units poses a problem of such staggering magnitude and complexity as to require a national commission. These interrelations are at present a jungle, a jumble, and a jangle, as I stated on February 7.

Moreover, the fear in the minds of the American people that higher taxes will be necessary has contributed to the general concern over economic conditions in our country and has thus served to aggravate the present business slump in which we find ourselves. It would be a tremendous shot in the arm to the American economy if this legislation you are now reviewing were favorably reported upon and then passed by the Congress during this first session.

If I may, I would like to add an additional word regarding some related matters. I, for one, believe that the Senate concurrent resolution now pending which would consolidate all 12 appropriation bills which the Congress passes each year into one general appropriation bill—that such an approach would be a worthy supplement to the legislation you are now considering. Of course, this concurrent resolution which has been endorsed by leading business organizations and individuals throughout the Nation, would not be handled by your own joint committee, but I think it represents the same over-all approach, the same comprehensive analysis that your own legislation embodies.

Years ago I suggested that there be formed a joint budget committee in the Congress in order to prepare a comprehensive review of the Nation's income in the form of tax revenue and outgo in the form of appropriations. While this matter is not directly involved in the proposed National Commission on Intergovernmental Relations, it is the type of related issue which I know you and your associates will want to bear in mind.

I know that you will agree that we in Congress are beset by so many isolated bills with a purely segmented approach, so many isolated problems that we tend to lose sight of the forest because of the maze of individual trees. If, however, we can pass this particular legislation you have before you now, I feel that we will begin to understand the nature of the forest, and we can begin working toward decentralization of the Federal Government, a consummation devoutly to be wished.

Thanking you for your kind attention, I am, with assurances of high esteem.

Sincerely yours,

ALEXANDER WILEY.

Senator WILEY would establish a national bipartisan commission to find ways and means to "establish a more orderly and less competitive fiscal relationship between the several levels of government," and "attain an allocation of governmental functions among the several levels of government as will contribute to economy in governmental administration on the one hand, and maximum service to the public on the other."

The issues of tax competition between local government and Washington and the invasion of the National Government into fields of service and control which in earlier days of the Republic were reserved for local sovereignty have become a vicious circle.

As Washington with each succeeding decade has monopolized the fields of taxation once occupied by the States and their localities, those latter have been successively unable to finance the newer demands for public services and have been obliged willy-nilly to surrender their prerogatives to the bureaucrats on the distant Potomac.

Why is the National Government now subsidizing highways, hospitals, airports, schools, and many other institutions and services of purely local or provincial character?

A part of the phenomenon of Federal financing of public programs which intrinsically and logically should be matters of local concern is surely due to the insouciance of local political leadership during the giddy New Deal generation. But a part of the unpleasant and uneconomical circumstance is as surely due to the fact that the tax dollar today is in large part a Federal Government tax dollar. The State and local share of the public's taxpaying ability has shriveled so greatly that city councils, county boards, and State legislatures today dare not levy for public purposes which are clearly in demand and clearly justified. Each year, thereupon, we are depending to a greater degree upon the inefficient generosity of the National Treasury to pay for governmental services we should be financing and managing at home.

A division of the public tax jurisdiction in this Nation is clearly needed if we are to preserve the integrity and the initiative of local government. There is no surer way to achieve complete centralization of American politics, and the ultimate sterilization of local government, than to continue the present trend in public finance. Senator WILEY

has proposed that we take a long look at the problem in a bipartisan way, and we believe that the Congress should approve his bill.

RETIREMENT OF PUBLIC DEBT

Mr. TAFT. Mr. President, yesterday morning President Truman stated, according to the ticker report, that he had retired about $26,000,000,000 in national debt since he took office, and added that that was more than any other President in history had retired.

In order that the facts may be clear, I should like to have incorporated in the RECORD at this point a table showing the state of the national debt at different periods.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total gross public debt and guaranteed obligations

BUDGET SURPLUS OR DEFICIT

[In millions]

June 30, 1944		$202,626
Addition by seventh war loan, May 14 to June 30, 1945: Sales	$26,313	
June 30, 1945	53,941	259,115
Addition by Victory loan, Oct. 29 to Dec. 8, 1945: Sales	21,114	
Feb. 28, 1946		[1] 279,764
June 30, 1946	20,676	269,898
June 30, 1947	754	258,376
June 30, 1948	8,419	252,366
Apr. 30, 1949	763	251,553

[1] Highest point in history.

Mr. TAFT. I wish to point out that the national debt reached its highest point on February 28, 1946, when it was $279,000,000,000. It reached that point, however, because in December 1945 the Truman administration put on a victory drive which many of the departments of the Government thought was entirely unnecessary, and sold $21,000,000,000 in bonds to the American public after the end of the war. It turned out that the sale was wholly unnecessary; and consequently this reduction in national debt, which amounts to $28,000,000,000 today, was brought about by paying back, in effect, the money which the Government had just borrowed from the people. Of the total reduction of $28,000,000,000, $21,000,000,000 was paid out of the proceeds of that unnecessary loan made at the end of 1945. The other $7,000,000,000 was paid out of the surplus of $8,400,000,000 which occurred in the fiscal year ending June 30, 1948. It is perhaps a coincidence that that was the only year which was completely controlled by the appropriations and action of the Republican Congress.

PROPOSED UNIFORM CODE OF MILITARY JUSTICE

Mr. McCARRAN. Mr. President, considerable publicity has recently been given to a letter which I addressed to the senior Senator from Maryland [Mr. TYDINGS], chairman of the Armed Services Committee, in connection with the bill (S. 875), now pending before that committee, which provides for a Uniform Code of Military Justice. My letter was a 35-page analysis of the provisions of the bill, and I regret that the newspaper comments seemed to be confined to the last 2 pages of the letter.

The official statement of the Navy setting forth the numbers and qualifications of the personnel of the Judge Advocate General's office appears in paragraph 2 of the statement made by Rear Adm. George L. Russell, Judge Advocate General of the Navy, before the House Committee on Armed Services, on Monday, April 4, 1949. In the fourth from last paragraph of the same statement is set forth the policy of the Navy with regard to the rotation of legal specialists to line duty and return.

As to the necessity for the establishment of the office of general counsel, staffed by civilians, I refer those interested to the hearings conducted before a Subcommittee of the Committee on Naval Affairs of the Seventy-eighth Congress, pursuant to House Resolution 30, of which subcommittee the present junior Senator from Texas [Mr. JOHNSON] was then chairman.

In order that all persons interested may have the opportunity of evaluating the full text of the letter which I addressed to the senior Senator from Maryland, I ask unanimous consent that it be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 30, 1949.

Hon. MILLARD E. TYDINGS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR TYDINGS: As you know, I have long been interested in the problems presented by the application of our courts-martial system to both the personnel of the armed services and the civilians who happen to be subject to the same jurisdiction. I have always done my utmost to protect the civil rights, so far as it is constitutionally possible, of persons of both classes who must undergo trial by military tribunal. Accordingly, I have made an intensive study of S. 857, which purports to unify and revise the Articles of War and the Articles for the Government of the Navy so as to establish a uniform code of military justice. I am, therefore, submitting for your consideration the following comments relating to the provisions of the proposed legislation.

I regret that they are necessarily lengthy, but the bill is of such great import that it warrants the most detailed consideration possible. In this connection I respectfully request that this letter be made a part of the record on this bill so that all persons interested may have an opportunity to evaluate its contents.

In considering this proposed uniform code of military justice preliminary consideration should be given to the following points:

1. The committee on a uniform code of military justice, which formulated this proposed code, was composed of Prof. Edmund M. Morgan, Jr., acting as chairman, and four members of the Military Establishment. The staff which assisted this committee consisted of 15 members of the Military Establishment. Thus the work was weighted by 19 from the Military Establishment to 1 professor from civilian life.

2. This proposed code will govern in peacetime as well as wartime, a large segment of the population of the United States consisting mostly of civilians and persons drafted from civilian life.

3. This segment of the population will be subject to administrative and military tribunals which Congress is asked to set up or continue completely outside the judicial system as provided in article III of the Constitution.

"In appraising the system of military justice, the emphasis must be on its actual operation rather than on the relevant statutory provisions standing alone. Experience has shown that legislation in this field may not always be taken at face value, since the pressures of military life tend to thwart congressional intention and to deprive statutory language of the meaning it would have in other contexts" (Wallstein, The Revision of the Army Court-Martial System, Col. L. R. 48: 219, March 1948).

COMMENT ON S. 857

Section 1 of S. 857, Eighty-first Congress, proposes a uniform code of military justice applicable to all of the armed forces, including the Coast Guard whether operating as part of the Navy or as an independent organization under the Treasury Department. The definitions are set out in article 1.

Article 2 lists the persons who are subject to the code. Included are persons "awaiting discharge after the expiration of their terms of enlistment." The commentary of the committee on a uniform code of military justice found on page 5 of "Uniform Code of Military Justice—Text, References, and Commentary * * *" merely states that paragraph 1 in which this provision appears, "is an adaptation of Articles of War 2 (a)." However, a perusal of that section fails to disclose any such authority to hold a man subject to the Articles of War after the expiration of an enlistment. If this is to remain in the code it should be qualified to make certain that the code applies only to personnel held after the expiration of their enlistments pursuant to the legal order of a court martial as provided in paragraph (7).

Paragraph (11) subjects to the code "all persons serving with, employed by, accompanying, or under the supervision of the armed forces without the continental limits of the United States * * *" and certain territories. Paragraph (12) goes a step further subjecting "all persons within an area leased by the United States which is under the control of the secretary of a department and which is without the continental limits of the United States * * *" and certain territories. The commentary of the committee on a uniform code of military justice states:

"Paragraphs (11) and (12) are adapted from 34 U. S. C., section 1201, but are applicable in time of peace as well as war. Paragraph (11) is somewhat broader in scope than AW 2 (d) in that the Code is made applicable to persons employed by or under the supervision of the armed forces as well as those serving with or accompanying the same and the territorial limitations during peacetime have been reduced to include territories where a civil-court system is not readily available."

Considering the number of persons who served in the armed forces during World War II and who will serve in the future, these provisions will place a very large portion of the population—both civilian and armed forces personnel—under an almost exclusive jurisdiction of military tribunals. As indicated in the commentary, military law has not heretofore been thus extended, especially in application to peacetime conditions.

Article 3 states that Reserve personnel who are charged with having committed an offense while in a status in which they were subject to this Code, may be retained on duty or may be placed on an active-duty status for disciplinary action without their consent. This provision appears to stem from section 301 of the act of June 25, 1938 (52 Stat. 1180; U. S. C. 34, 855), relating to the Naval Reserve. The enactment of this provision will foreclose appeals to the civil courts in circumstances such as those involved in *Hironimus* v. *Durant* ((1948) 168 F. 2d 288), where a WAC captain on terminal leave was returned to active duty to stand trial. The general rule, heretofore applicable with regard to the

Army, has been stated in *Mosher* v. *Hunter* ((1944) 143 F. 2d 745, 746), thus:

"It is generally true, as contended, that courts-martial jurisdiction is coexistent and coterminous with military service and ceases upon discharge or other separation from such service (sec. 10, ch. 4, Manual of Courts Martial, U. S. Army, 1928), and it does not extend to offenses committed against military law by those who are subsequently discharged or otherwise separated from such military service, unless courts-martial jurisdiction first attached before separation from the service, in which event jurisdiction continues until fully exhausted. (*Carter* v. *McClaughry* (183 U. S. 365, 383, 22 S. Ct. 181, 46 L. Ed. 236; *Ex parte Wilson*, D. C., 33 F. 2d 214. *Cf. Ex parte Clark*, D. C., 271 F. 533.)) Furthermore, all persons under sentence adjudged by a court martial are subject to military law (2d art. of war, subsec. (e), 10 U. S. C. A., section 1473 (e)), and are therefore within the jurisdiction of courts martial for offenses committed against military law. This is true, although his military service ceased before jurisdiction attached and before trial and sentence. (*Carter* v. *McClaughry, supra; Kahn* v. *Anderson* (255 U. S. 1, 41 S. Ct. 224, 65 L. Ed. 469), and *Mosher* v. *Hudspeth, supra.*)"

With regard to subdivisions (b) and (c) of article 3, the commentary states that (b) provides that a person who obtains a fraudulent discharge is not subject to this Code during the period between the discharge and later apprehension for trial of the issue. Subdivision (c) is prompted by *Ex Parte Drainer* ((1946) 65 F. Supp. 410), which held that a discharge from the naval service barred prosecution of a person for desertion from the Marine Corps at a period prior to his enlistment in the Navy (p. 8). In that case the court said (p. 410):

"It is the general rule that a person is amenable to the military jurisdiction only during the period of his service. (*United States* v. *McDonald* (2 Circ., 265 F. 695; Naval Courts and Boards, sec. 334, at p. 92; Winthrop, Military Law and Precedence (sic), 2d Ed. (1920), at p. 89)). And once honorably discharged, such honorable discharge is a 'formal final judgment passed by the Government upon the entire military record' of the person. (*United States* v. *Kelly*, 15 Wall. 34 * * *)."

Thus, article 3 proposes to authorize the retention of complete jurisdiction over personnel of the armed forces for indefinite periods.

Article 4 relates to a dismissed officer's right to a trial by court martial and should be read in conjunction with section 10. If enacted, paragraph (a) should at least be amended by inserting after "President" the following words, "under the provisions of section 10 of this act," so that the first part of the sentence will read:

"(a) When an officer, dismissed by order of the President under the provisions of section 10 of this act, * * *" etc.

The following commentary on this article (p. 10) is illuminative:

"This article should be read in conjunction with the provision being reenacted in section 10 of this act. The right to trial will apply only in the case of a summary dismissal by order of the President in time of war. (Sec. 10 covers the provisions now found in AW 118 and AGN art. 36.)

"If the President fails to convene a court martial where there has been an application for trial, or if the court martial convened does not adjudge dismissal or death as a sentence, the procedure followed will be the same as that prescribed article 75 (d) where a previously executed sentence of dismissal is not sustained on a new trial. This changes the present statutory provisions set out in the references. The change is made because of the doubt, expressed by Winthrop and other commentators, as to the constitutionality of the present provision declaring that an order of dismissal, lawfully issued by the President, shall be void under certain circumstances. Under the proposed procedure it will be possible to achieve the same result—that of restoring the officer.

"No time limit has been set on when an application for trial must be submitted. The present statutory provision has been construed to require that the application be made within a reasonable time, which will vary according to circumstances. (See Winthrop, Military Law and Precedents, 1920 ed., p. 64; Digest of Opinions, Judge Advocate General of the Army, 1912–40, sec. 227.)"

Article 5 states that this proposed "code shall be applicable in all places." Thus universal application is proposed. The commentary (p. 11) states:

"This article reenacts the present Army provision. It is not in conflict with the provisions in article 2 (11) and 2 (12) of this code, which make certain persons subject to the code only when they are outside the United States and also outside certain areas. The code is applicable in all places as to other persons subject to it. Previous restrictive provisions on this subject in the AGN have given rise to jurisdictional problems which this language will correct. (See Keefe Report, p. 262 ff.)"

Article 6, paragraph (a) subjects the assignment of legal officers to the approval of the Judge Advocate General. In this connection we note that sections 246 and 247 of the act of June 24, 1948—Public Law 759—Eightieth Congress created the Judge Advocate General's Corps and provided for the permanent appointment of officers to serve in that corps. Thus the law specialists, insofar as the Army is concerned, would appear to be already under the control of that Judge Advocate General. This suggests that the status of the officers of other Judge Advocates be examined in the light of sections 246 and 247.

Paragraph (c) of article 6 states:

"(c) No person who has acted as a member, law officer, trial counsel, assistant trial counsel, defense counsel, assistant defense counsel, or investigating officer in any case shall subsequently act as a staff judge advocate or legal officer to any reviewing authority upon the same case."

The commentary states (p. 12) that this paragraph is based on AW 11 (see sec. 208 of Pub. Law 759—80th Cong.), and is designed to secure review by an impartial staff judge advocate or legal officer.

While this paragraph appears to correct some of the abuses under the present system (see *Henry* v. *Hodges* (1948) 76 F. S. 968), it could go further toward assuring a thorough and impartial investigation by providing that the investigating officer should not act in any other capacity during the trial of a person he has investigated.

Part II, Apprehension and Restraint, contains articles 7 to 14. This part appears to be a codification of present practices with some enlargement. Any person, authorized under regulations governing the armed forces to apprehend persons, may do so, under the provisions of this proposed Code, upon reasonable belief that an offense has been committed and that the person apprehended committed the offense.

Part III, Nonjudicial Punishment, greatly broadens the authority heretofore exercised in the Army by a commanding officer under AW 104. Without commenting on the Navy phase of this proposal, we give hereunder AW 104 and proposed article 15. The enlargement of the power of a commanding officer to mete out "nonjudicial punishment" is apparent.

"ART. 15. Commanding officer's nonjudicial punishment.

"(a) Under such regulations as the President may prescribe, any commanding officer may, in addition to or in lieu of admonition or reprimand, impose one of the following disciplinary punishments for minor offenses without the intervention of a court martial—

"(1) upon officers and warrant officers of his command:

"(A) withholding of privileges for a period not to exceed two consecutive weeks; or

"(B) restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; or

"(C) if imposed by an officer exercising general court-martial jurisdiction, forfeiture of one-half of his pay per month for a period not exceeding 3 months;

"(2) upon other military personnel of his command:

"(A) withholding of privileges for a period not to exceed two consecutive weeks; or

"(B) restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; or

"(C) extra duties for a period not to exceed two consecutive weeks, and not to exceed 2 hours per day, holidays included; or

"(D) reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command; or

"(E) confinement for a period not to exceed seven consecutive days; or

"(F) confinement on bread and water or diminished rations for a period not to exceed five consecutive days; or [It appears that this provision should go the way of flogging or at least be confined in its application to offenses committed while at sea.]

"(G) if imposed by an officer exercising special court-martial jurisdiction, forfeiture of one-half of his pay for a period not exceeding 1 month.

"(b) The Secretary of a Department may, by regulation, place limitations on the powers granted by this article with respect to the kind and amount of punishment authorized, the categories of commanding officers authorized to exercise such powers, and the applicability of this article to an accused who demands trial by court martial.

"(c) An officer in charge may, for minor offenses, impose on enlisted persons assigned to the unit of which he is in charge such of the punishments authorized to be imposed by commanding officers as the Secretary of the Department may by regulation specifically prescribe.

"(d) A person punished under authority of this article who deems his punishment unjust or disproportionate to the offense may, through the proper channel, appeal to the next superior authority. The appeal shall be promptly forwarded and decided, but the person punished may in the meantime be required to undergo the punishment adjudged. The officer who imposes the punishment, his successor in command, and superior authority shall have power to suspend, set aside, or remit any part or amount of the punishment and to restore all rights, privileges, and property affected.

"(e) The imposition and enforcement of disciplinary punishment under authority of this article for any act or omission shall not be a bar to trial by court martial for a serious crime or offense growing out of the same act or omission, and not properly punishable under this article; but the fact that a disciplinary punishment has been enforced may be shown by the accused upon trial, and when so shown shall be considered in determining the measure of punishment to be adjudged in the event of a finding of guilty." [This would appear to give a vindictive commanding officer two bites at the apple, since a minor offense is nowhere defined.]

Part IV. Courts-martial jurisdiction: Proposed articles 16–21 establish three kinds of courts martial—general, special, and summary—and the jurisdiction of each.

At the outset it should be remembered that courts martial are the creatures of statutes, and, as a body or tribunal, they must be convened and constituted in conformity with provisions of the statute or they are without jurisdiction. (See *Flackman* v. *Hunter* (1948) (75 F. S. 871, 876); *Anthony* v *Hunter* (1947) (71 F. S. 823, 828); and *Runkle* v. *U. S.* (1887) (122 U. S. 543, 555).)

Particular attention is invited to proposed article 18 which reads:

"Subject to article 17, general courts martial shall have jurisdiction to try persons subject to this code for any offense made punishable by this code and may, under such limitations as the President may prescribe, adjudge any punishment not forbidden by this code. General courts martial shall also have jurisdiction to try any person who by the law of war is subject to trial by a military tribunal and may adjudge any punishment permitted by the law of war."

The commentary on proposed article 17 states that it is derived from Articles of War 12 which reads:

"General courts martial shall have power to try any person subject to military law for any crime or offense made punishable by these articles, and any other person who by the law of war is subject to trial by military tribunals: *Provided*, That general courts martial shall have power to adjudge any punishment authorized by law or the custom of the service including a bad-conduct discharge." [There seems to be no reason why the offenses (infra) punished under this code should not be defined in the same language as the Federal Criminal Code and the limitations of punishments be identical. Consideration should also be given to trial in civilian courts, upon information, for offenses committed in United States which offenses are cognizable under Federal civil statutes.]

Article 21 states that the provisions of the proposed code conferring jurisdiction upon courts martial shall not be construed as depriving military commissions or other military tribunals of concurrent jurisdiction. This provision stems from Articles of War 15. The Supreme Court has held that by this provision Congress has explicitly provided, so far as it may constitutionally do so, that military tribunals shall have jurisdiction to try offenders or offenses against the law of war in appropriate cases. (*Ex parte Quirin* (1942) 317 U. S. 1, 28.) Furthermore a military commission may be appointed for this purpose by any field commander, or by any commander competent to appoint a general court martial. (*In re Yamashita* (1946) 327 U. S. 1, 10.)

Articles 22, 23, and 24 list the persons who may convene courts martial.

Article 25 states who may serve on courts martial.

"(a) Any officer on active duty with the armed forces shall be competent to serve on all courts martial for the trial of any person who may lawfully be brought before such courts for trial." Under paragraph (b) warrant officers on active duty are competent to serve on general and special courts martial of any person other than an officer. Enlisted men, exigencies permitting and providing they are not of the same unit, shall constitute at least one-third of the membership of a general or special court martial if the accused makes a written request prior to the convening of the court for the inclusion of enlisted men. As enacted in section 203 of the Selective Service Act of 1948 (Public Law 759, 80th Cong.), from whence this provision stems, the wording is:

"Enlisted persons in the active military service of the United States or in the active military service of the Marine Corps when detached for service with the Army by order of the President, shall be competent to serve on general and special courts martial for the trial of enlisted persons when requested in writing by the accused at any time prior to the convening of the court. When so requested, no enlisted person shall, without his consent, be tried by a court the membership of which does not include enlisted persons to the number of at least one-third of the total membership of the court."

Section 212 of Public Law 759, Eightieth Congress, states that: "No enlisted person may sit as a member of a court martial for the trial of another enlisted person who is assigned to the same company or corresponding military unit." Thus, while the basic right to have enlisted men sit on a court martial trying an enlisted man is retained, a new contingency depriving an enlisted man of this right is proposed, viz, "unless competent enlisted persons cannot be obtained on account of physical conditions or military exigencies." In such a case the convening authority must state the reasons in writing. As indicated by Wallstein earlier, the test of these provisions must be their actual operation and this operation will be under tribunals having neither continuity nor tenure.

Paragraph (d) (2) of proposed article 25 states that: "No person shall be eligible to sit as a member of a general or special court martial when he is the accuser or a witness for the prosecution or has acted as investigating officer or as counsel in the same case." Apparently the addition of this limitation to wording in the last paragraph of Articles of War 4 is necessary even though the requirement of a "thorough and impartial investigation" received careful attention and was enacted into positive law in 1920. This matter will be discussed later in connection with proposed article 32. Returning to the limitation, its need is illustrated in *Henry* v. *Hodges* ((1948) 76 F. Supp. 968) where Judge Ryan stated (p. 974): "The functions of the investigating officer, as contemplated by Article of War 70 are those ordinarily performed both by the civil prosecuting officer and the grand jury. These functions are described in the Soldier and the Law by McCoomsey and Edwards (at p. 155) as being 'similar in many respects to a grand jury investigation in which the grand jury determines whether a man is to be tried.' Surely it would be a travesty of justice to have the complainant-accuser sit on a grand jury, testify before it as a witness in support of the complaint and then vote for and return a true bill. The duties performed by the investigating officer are highly important to the accused. He must be strictly impartial, since he represents both the accused and the prosecution. It is his obligation to gather and record facts which would be admissible evidence in the court-martial trial and to do this he must investigate. It is upon his recommendation that the commanding officer relies in determining whether there is to be a trial at all, and, if so, for what offense and by what type of court. Can it be fairly said that one who assumes the duties of an investigator is not disqualified by reason of the fact that he has previously expressed in a written report his opinion as to the guilt of the accused, when such report has been made the basis of the very charge he is investigating? Can it be argued that one who is to give testimony on behalf of the prosecution (and who subsequently does so, as to the alleged admissions of the accused) has an open mind on the matter, so that his efforts will be directed along investigational channels which might lead as well to the acquittal of the accused as to his condemnation? Can we reasonably hope that such investigator will pursue interrogation and examination of proposed witnesses with the same zealous and unbiased effort as one who has had no previous contact with the case? The answer to these questions is obvious. It is manifestly impossible for him to conduct the thorough and impartial investigation contemplated and directed by act of Congress." [This paragraph (d) (2) should have added, "Violation of this paragraph shall void the proceedings."]

Proposed article 26 stems from the second paragraph of AW 8 which provides for a law member of a general court martial. In his place is a law officer who is no longer a voting member of the court and, except for putting the findings in proper form as required in proposed article 39, he does not consult with members of the court except in the presence of the accused, trial counsel, and defense counsel. (This article cripples the conduct of the court's deliberations in that the accused loses the important safeguard of having an informed lawyer present during the deliberations and voting of the court in closed session as is the present case in the Army and Air Force.)

Under proposed article 27 the commentary states (p. 41): "The trial judge advocate is renamed the trial counsel, and the right of the accused to have a person requested by him act as defense counsel is subject to the availability of that person. (See article 38.)"

"Paragraph (1) of subdivision (b) incorporates the first proviso of AW 11, but the requirement that counsel be qualified as set forth therein is no longer subject to the exception allowed where such qualified persons are not available * * *." In view of the mandatory language of proposed article 27, we are unable to understand the qualifying language in the commentary. We assume that there is no intention to permit the recurrence of a situation such as is found in *Beets* v. *Hunter* ((1948), 75 F. Supp. 825), when a soldier was represented, contrary to his wishes, in court-martial proceedings by an officer who was wholly incompetent to represent him and who did so only on military orders. "The court has no difficulty in finding that the court which tried this man was saturated with tyranny; the compliance with the Articles of War and with military justice was an empty and farcical compliance only, and the court so finds from the facts and so holds as a matter of law" (p. 826).

Proposed article 28, derived from AW 115, shifts the power to appoint reporters and interpreters from the president of the court to the convening authority since the latter will have control of the available personnel (commentary p. 42). Article 29 establishes the procedure whereby general and special courts martial may continue with a case when the required membership has been reduced by reason of physical disability, challenge, or by order of the convening authority for good cause. Recorded testimony must be read to new members prior to continuing the trial.

Part VI. Pretrial procedure: The proposed articles forming part VI are taken largely from AW 46, as enacted in the Selective Service Act of 1948 (P. L. 759, 80th Cong., sec. 222), AW 24 (U. S. C. 10: 1495), and AGN 42 (c) (U. S. C. 34:1200, art. 42 (c)).

The commentaries on two proposed articles, 31 and 32, merit careful consideration. Article 31 states:

"ART. 31. Compulsory self-incrimination prohibited.

"(a) No person subject to this code shall compel any person to incriminate himself or to answer any question the answer to which may tend to incriminate him.

"(b) No person subject to this code shall interrogate, or request any statement from, an accused or a person suspected of an offense without first informing him of the nature of the accusation and advising him that he does not have to make any statement at all regarding the offense of which he is accused or suspected and that any statement made by him may be used as evidence against him in a trial by court martial. (That this can be overdone was brought to my attention in an Army case where the investigating officer, in testimony attempting to show that

a confession was in fact voluntary, stated that he warned the accused no less than 20 times.)

"(c) No person subject to this code shall compel any person to make a statement or produce evidence before or for use before any military tribunal if the statement or evidence is not material to the issue and may tend to degrade.

"(d) No statement obtained from any person in violation of this article or by an unlawful inducement shall be received in evidence against him in a trial by court martial."

"Commentary: Subdivision (a) extends the privilege against self-incrimination to all persons under all circumstances. Under present Army and Navy provisions only persons who are witnesses are specifically granted the privilege. Subdivision (b) broadens the comparable provision in AW 24 to protect not only persons who are accused of an offense but also those who are suspected of one. Subdivision (c) is similar to AW 24 in that the privilege against self-degradation is granted to witnesses before a military tribunal and persons who make depositions for use before a military tribunal. It is made clear that this privilege cannot be invoked where the evidence is material to the issue—where it might be crucial in the determination of the guilt or innocence of an accused. Subdivision (d) makes statements or evidence obtained in violation of the first three subdivisions inadmissible only against the person from whom they were obtained. This conforms with the theory that the privilege against self-incrimination and self-degradation is a personal one.

"The intentional violation of any of the provisions of this article constitutes an offense punishable under article 98.

"It is unnecessary to provide in this article that the failure of an accused to testify does not create a presumption against him. (See title 18, U. S. C., sec. 3481.)"

A question may arise concerning the application of the provision of the fifth amendment stating that "* * * nor shall (any person) be compelled in any criminal case to be a witness against himself * * *" to personnel of the armed forces. *Ex parte Benton* (1945) 63 F. Supp. 808 and *In re Wrublewaski* (1947) 71 F. Supp. 143, affirmed 166 F. 2d 243 indicate that the constitutional guaranties of the fifth and sixth amendments may not be invoked in cases arising in the land or naval forces of the United States. See also *Ex parte Quirin* (1942) 317 U. S. 1, 43; *Ex parte Milligan* (1866) 4 Wall. 2, 123; and *U. S. ex rel. Innes* v. *Crystal* (1943) 131 F. 2d 576.

Article 32 requires a thorough and impartial investigation; requires that the accused be advised of charges against him; that he be permitted to provide civilian counsel of his own or select military counsel if reasonably available. "At such investigation full opportunity shall be given to the accused to cross-examine witnesses against him if they are available and to present anything he may desire in his own behalf * * * and the investigating officer shall examine available witnesses requested by the accused." The charges shall be accompanied by a statement of the substance or the testimony. The article concludes:

"(d) The requirements of this article shall be binding on all persons administering this code, but failure to follow them in any case shall not constitute jurisdictional error." [The paragraph (d) should be amended to read "* * * and failure to follow them in any case shall constitute jurisdictional error."]

Taking this last element first, cases to date have held that such failure was a jurisdictional matter. (See *Waite* v. *Overlade* (1948) 164 F. 2d 722; *Reilly* v. *Pescon* (1946) 156 F. 2d 632; cert. den. 329 U. S. 790; and *Hicks* v. *Hiatt* (1946) 64 F. Supp. 238.) Thus there is an obvious attempt to foreclose any possible review by Federal courts on this point. This is indicated by the commentary (p. 49):

"Subdivision (d) is added to prevent this article from being construed as jurisdictional in a habeas corpus proceeding. Failure to conduct an investigation required by this article would be grounds for reversal by a reviewing authority under the code and an intentional failure to do so would be an offense under article 98."

While failure to conduct the investigation would be an offense under article 98, it is difficult to see how this will benefit the accused who must depend upon a nebulous right of review by a whole maze of reviewing authorities and tribunals.

This requirement of "a thorough and impartial investigation" has been a delicate point of controversy for a long period. The requirement first appears in article 70 of the Articles of War which were enacted as Chapter II of the Army Reorganization Act of June 4, 1920 (41 Stat. 759, 787, 802). This chapter revised an earlier revision of the Articles of War which had been enacted as section 3 of the Army Appropriation Act of August 29, 1916 (39 Stat. 619, 650, 661). As enacted in 1916, Article 70 did not contain the provision requiring "a thorough and impartial investigation."

Returning to the act of June 4, 1920, the law carries the bill number H. R. 12775—Sixty-sixth Congress. This bill, as introduced and passed by the House, was merely a reorganization proposal and did not deal with the Articles of War. On the Senate side another organization bill, S. 3792—Sixty-sixth Congress, was receiving legislative consideration. In the meantime S. 64—Sixty-sixth Congress, entitled "A bill to establish military justice" and proposing an extensive overhauling of the Articles of War, had been the subject of prolonged hearings (1,395 pages) and had been reported. (See CONGRESSIONAL RECORD 59, pt. 6, p. 5712.) While the bill, as introduced, did not have the requirement of "a thorough and impartial investigation," the reported version did contain the wording later enacted in article 70. The report on this bill appears not to have been printed.

During the consideration of S. 3792, this reported version of S. 64 was accepted on the floor as an amendment. (See CONGRESSIONAL RECORD 59, pt. 6, p. 5836.)

In the meantime H. R. 12775 had passed the House and had been reported in the Senate (CONGRESSIONAL RECORD 59, pt. 6, p. 5883). Switching to that bill, the Senate struck out all after the enacting clause (p. 5895) and inserted the amended language of S. 3792, which now contained the amended Articles of War, and as amended, the Senate then passed H. R. 12775 (p. 5898) and this provision was agreed to in conference. The hearings and debate on this legislation are illuminative.

Returning to the application of this requirement, *Hicks* v. *Hiatt* (1946) (64 F. Supp. 238) has held that failure to employ required investigative technique may be a denial of due process. There Circuit Judge Biggs states: "The circuit court of appeals for this circuit in *United States* v. *Hiatt* (3 Cir., 141 F. 2d 664, 666) held that the basic guarantee of fairness afforded by the due-process clause of the fifth amendment applies to a defendant in criminal proceedings in a Federal military court as well as in a Federal civil court and that an '* * * individual does not cease to be a person within the protection of the fifth amendment of the Constitution because he has joined the Nation's armed forces and has taken the oath to support that Constitution with his life, if need be.' The court went on to state: 'This is not to say that members of the military forces are entitled to the procedure guaranteed by the Constitution to defendants in the civil courts. As to them, due process of law means the application of the procedure of the military law. Many of the procedural safeguards which have always been observed for the benefit of defendants in the civil courts are not granted by the military law. In this respect the military law provides its own distinctive procedure to which the members of the armed forces must submit. But the due-process clause guarantees to them that this military procedure will be applied to them in a fundamentally fair way. We conclude that it is open for a civil court in a habeas corpus proceeding * * * and the manner in which it was conducted ran afoul of the basic standard of fairness which is involved in the constitutional concept of due process of law and, if it so finds, to declare that the relator has been deprived of his liberty in violation of the fifth amendment and to discharge him from custody'" (p. 248). (See also *Henry* v. *Hodges* (1948), 76 F. Supp. 968.)

This is, we believe, consonant with the idea that to those in the military or naval service of the United States, the military law is due process (*Reaves* v. *Ainsworth* (1911) (219 U. S. 296); *U. S.* v. *Weeks* (1914) (232 U. S. 383). To this might be added the logical conclusion that it is due process only when complied with.

Article 33 requires that the charges against a person held for a general court martial, together with the investigation and allied papers, be forwarded by the commanding officer to the officer exercising general court-martial jurisdiction within 8 days after arrest, if practicable.

Under article 34 the staff judge advocate or legal officer is required to review the charge and the evidence, prior to referring the charge to a general court martial, to see that such charge alleges an offense under the code and is warranted by the evidence indicated in the report of the investigation. The 1948 amendment to AW 47 (U. S. C. 10: 1518), from whence this proposed article stems, required also a finding "that a thorough and impartial investigation thereof has been made. * * *" This has been deleted. Perhaps it was felt that proposed article 32 covered the situation.

Article 35 requires the service of charges upon the accused and limits the time in which he can be brought to trial before a general or special court martial in time of peace.

Part VII, consisting of articles 36–54, inclusive, establishes the trial procedure. Article 36 authorizes the President to prescribe rules of procedure, including rules of evidence, which shall be reported to Congress. Article 37 seeks to curtail the influence of commanding officers and convening authorities over courts martial. The commentary states that this will not preclude "fair comment" by the reviewing authority (p. 54). [(Art. 37.) The mere prohibition of influence by command is not sufficient. This article should be moved over to "Offenses" and violation thereof punished as a court martial may direct.]

Article 38 states that the trial counsel, in a general or special court martial, shall prosecute in the name of the United States; that the accused shall have the right of counsel; that defense counsel may file briefs and objections for inclusion in the record.

Deliberation and voting by general or special courts martial, under article 39, shall be private but the law officer and the reporter may be used to put the findings in proper form after the vote. "The law officer is not a 'member' of the court and is not to be present during its deliberations and voting" (commentary, p. 57).

Article 40 permits continuances while article 41 permits challenging of members for cause. The accused and trial counsel are each given one peremptory challenge. Article 42 relates to oaths while article 43 establishes the limitations on actions. Subdivision (f) of article 43 lifts section 3287 out of

the recently enacted title 18. The reason for including this section is somewhat obscure. The commentary (p. 62) merely states that subdivision (f) incorporates the provision in title 16, section 3287, which otherwise might not be applicable to court-martial cases. This is puzzling in view of the numerous provisions in title 18 relating to the armed forces which received no notice in the proposed code.

Article 44, captioned "Former jeopardy" reads:

"No person shall, without his consent, be tried a second time for the same offense; but no proceeding in which an accused has been found guilty by a court martial upon any charge or specification shall be held to be a trial in the sense of this article until the finding of guilty has become final after review of the case has been fully completed." [The problem of double jeopardy was partially covered in the discussion of proposed article 31.]

The constitutional provision, the application of which is in doubt, reads: "Amendment (V) * * * nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; * * *" Turner's Case (1676), 16 Charles II, first laid down this rule. (See 33 A. B. A. J. 745.) However, it has been held that the findings of a military court of inquiry acquitting a person of all blame is not a complete bar to a prosecution in the civil courts. *U. S.* v. *Clark* ((1887), 31 F. 710, 715); *U. S.* v. *Cashiel* ((1863), 25 Fed. Cas. No. 14, 744). Conversely *U. S.* v. *Bayer* ((1946), 156 F. 2d 964) (reversed on other grounds, 331 U. S. 532, rehearing denied 332 U. S. 785), and *Ex parte Benton* ((1945), 63 F. Supp. 808, indicates that the principle of double jeopardy applies between military tribunals and Federal courts. See also *In re Wrublewski* ((1947), 71 F. Supp. 143, affirmed 166 F. 2d 243). *U. S. ex rel. Pasela* v. *Fenno* ((1947), 76 F. Supp. 203, affirmed 167 F. 2d 593); *Wade* v. *Hunter* ((1947), 72 F. Supp. 755. However, it is not clear that this rests on constitutional principles rather than upon AW 40 as enacted in the act of June 4, 1920, or R. S. 1342, article 102, or similar provisions. The matter could be clarified by extending the protection of the provision of the fifth amendment rather than granting protection by means of different language in a statutory enactment.

Irregular pleading or silence shall be entered as a plea of not guilty. A plea of guilty will not be received in a capital case (art. 45).

Article 46 seeks to afford the accused an equal opportunity to obtain witnesses and other evidence.

Duly subpenaed persons who neglect or refuse to appear before a military tribunal, commission, or officer designated to take a deposition are deemed guilty of an offense against the United States triable in a United States district court and punishable by maximum penalties of $500 fine and/or imprisonment not to exceed 6 months. In view of other jurisdictional grants relating to activities of civilians, it appears strange that military tribunals should not seek to enforce their own process. (See art. 47.) They have power to punish for contempts. See article 48, derived from AW 32 and AGN 42 (a).

Article 49 relates to depositions; 50 to admissibility of records of courts of inquiry; 51 and 52 to voting and rulings. Subdivision (b) of article 51 reads:

"(b) The law officer of a general court martial and the president of a special court martial shall rule upon interlocutory questions, other than challenge, arising during the proceedings. Any such ruling made by the law officer of a general court martial upon any interlocutory question other than a motion for a finding of not guilty, or the question of accused's sanity, shall be final and shall constitute the ruling of the court; but the law officer may change any such ruling at any time during the trial. Unless such ruling be final, if any member objects thereto, the court shall be cleared and closed and the question decided by a vote as provided in article 52, viva voce, beginning with the junior in rank."

Before voting the law officer of a general court martial and the president of a special court martial shall, in the presence of the accused and counsel, instruct the court as to the elements of the crime and charge the court that the accused is presumed innocent until his guilt is established by legal and competent evidence beyond a reasonable doubt; doubt must be resolved in favor of the accused; doubts as to degree of guilt must be resolved in favor of the lower degree; the burden of proof is on the Government.

Article 53 requires the court martial to announce its findings and sentence to the party as soon as determined. However, *Altmayer* v. *Sanford* ((1945), 148 F. 2d 161, 162) indicates that a failure to do so does not violate any fundamental right of the accused.

Article 54 relates to the records of trials and the authentication thereof.

Part VIII. Sentences, contains articles 55–58 relating to cruel and unusual punishments (on the basis, apparently, that the eighth amendment is inapplicable); to maximum limits; to the effective date of sentences; and to execution of confinement. Attention is invited to the commentaries on these articles. [Art. 58 should not be enacted without careful consultation with the Attorney General and Director of Prisons. The most serious considerations should be given to the question of whether or not a discharge should be executed before transfer to a Federal institution so that the parole facilities of the Federal Parole Board may operate on a prisoner's behalf.]

Part IX. Review of courts martial, should be the focal point for considering the bill for it superimposes on the courts-martial system a review maze which probably will be as indecisive with regard to the rights of the accused as it attempts to be final with regard to possible review by the civil courts.

This labyrinth commences with proposed article 59 which states first that a finding or sentence of a court martial shall not be held incorrect on the ground of an error of law unless the error materially prejudices the rights of the accused. *Hicks* v. *Hiatt* ((1946) 64 F. supp. 238) not only states that it is the duty of the trial judge advocate to see that the accused is dealt with fairly, but that when there are prejudicial errors, the failure of the reviewing authority to order a new trial is an abuse of legal discretion (p. 248). It is difficult to see how an enlarged labyrinth with a sealed outlet could afford an accused person such as Hicks any assurance of justice. The article does permit (subdivision (b)) the reviewing authority to affirm a lesser included offense.

The first review after the court martial is the convening authority or his successor or any officer exercising general court-martial jurisdiction (art. 60). The commentary states that this particular reviewing power vests in the office, not in the convening authority (p. 85). This authority is required by article 61 to refer the record to his staff judge advocate or legal officer for a written opinion if a general court martial is involved. Even if there is an acquittal of all charges, an opinion limited to questions of jurisdiction is still required. The purpose of such an opinion is obscure.

Article 62 brings forth a new proposal. If a case before a court martial has been dismissed on motion and the ruling does not amount to a finding of not guilty, the convening authority may return the record to the court for reconsideration of the ruling and any further appropriate action. Thus the accused may find this passageway in the labyrinth taking him right back to where he started. Subdivision (b) permits nonprejudicial errors or omissions in the record to be corrected by the court when the record is returned by the convening authority for that purpose. The record may not be returned, however, for reconsideration of a finding of not guilty or to increase the severity of the sentence unless a mandatory sentence is prescribed for the offense. Note in this connection proposed article 37 relating to unlawfully influencing the action of a court martial. See also *Hurse* v. *Caffey* ((1945) 59 F. supp. 363) as illustrative of problems which arise in correcting a verdict.

The convening authority may order a rehearing or dismiss the charges if he disapproves the findings and sentence but he cannot order a rehearing where there is lack of evidence in the record to support the findings. A new court is required for a rehearing and while the accused cannot be retried on charges of which he was found not guilty, he may be found guilty of an offense not considered upon the merits in the original proceedings. This provision raises the question: How is the accused to know what he is being tried for if such a finding can be made by the new court?

Under article 64 the convening authority approves only such findings and sentence as he finds correct in law and fact and determines should be approved. Then, under article 65, the convening authority, after taking final action in a general court-martial case, forwards the entire record to the appropriate judge advocate general. Where the sentence includes a bad conduct discharge, the record shall be forwarded to the officer exercising general court-martial jurisdiction to be reviewed or directly to the appropriate judge advocate general to be reviewed by a board of review. All other special and summary court-martial records shall be reviewed by a judge advocate or law specialist.

This board of review is provided in article 66 which authorizes the Judge Advocate General to constitute one or more of such boards which shall review "the record in every case of trial by a court martial in which the sentence, as approved, affects a general or a flag officer or extends to death, dismissal of an officer, cadet, or midshipman, dishonorable or bad-conduct discharge, or confinement for more than 1 year." This review is automatic (commentary p. 94). The board acts only with respect to the findings and sentence as approved by the convening authority. In considering the record, it may weigh the evidence, judge the credibility of witnesses, and determine controverted questions of fact. Except where the board sets aside the findings for lack of sufficient evidence, it may order a rehearing, otherwise it shall order the charges dismissed. However, the Judge Advocate General may within 10 days refer the case for consideration to the same or another board of review. This reference may not amount to a coercive act on his part but an opportunity to exert pressure is certainly afforded. Unless there is to be some further action by the President, or by the Secretary of the Department, or by the Judicial Council, the Judge Advocate General shall instruct the convening authority to take action in accordance with the decision of the board. If the decision is that there shall be a rehearing, but the convening authority finds this impracticable, he may dismiss the charges. Common sense indicates that such a dismissal would not necessarily clear the record of the accused.

With reference to: Article 67. Review by the Judicial Council.

The two questions asked and preliminary answers are as follows:

1. Is this a court? Used in the general sense, this is a "court," however it is not a "court" in the strict constitutional sense in that it does not derive its power from article III of the Constitution. (*Ex parte Quirin*

(1942) 317 U. S. 1, 39.) These military or naval "courts" derive their powers primarily from article I, section 8, clause 14, which states that, "The Congress shall have power * * * To make rules for the Government and regulation of the land and naval forces." The instrumentalities established are generally referred to as "tribunals" and they form no part of the judicial system of the United States. (*Altmayer* v. *Sanford* (1945), 148 F. 2d 161, 162.) At least one author has called these courts "instrumentalities of the executive power." Accordingly, while military and naval courts and commissions, whatever their nomenclatural designation, act like courts to a certain extent, they are not courts in the strict sense and meaning established by article III of the Constitution of the United States. Various terms have been used to describe these organizations—the most common being "tribunal," but whatever their designation, they can and have, under certain circumstances, sentenced persons to death and they can and have sentenced men to terms of years in prison at hard labor with the added infamy of a dishonorable discharge.

2. If this is a "court," can it be set up in the Military Establishment?

Subject to the above preliminary answer which indicates that this is a "court" only in the general sense of the word, rather than in the strict or special constitutional sense, the answer is in the affirmative. In other words the proposed judicial council does not belong to the judicial branch of the Government under present law; it belongs to the executive branch of the Government and can be created subject to certain qualifications to be indicated later.

THE CONSTITUTION

"The Constitution itself provides for military government as well as for civil government." (*Ex parte Miligan*, 4, Wall. 2, 137.) "* * * there is no law for the government of the citizens, the armies or the navy of the United States, within American jurisdiction, which is not contained in or derived from the Consitution. And wherever our Army or Navy may go beyond our territorial limits, neither can go beyond the authority of the President or the legislation of Congress" (p. 141).

The constitutional (art. I, sec. 8) sources of military law and jurisdiction may be said to be the following: "The Congress shall have power * * * to define and punish * * * offenses against the law of nations (clause 10); to declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water (clause 11); to raise and support armies * * * (clause 12); to provide and maintain a Navy (clause 13); to make rules for the government and regulation of the land and naval forces (clause 14); to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions (clause 15); to provide for organizing, arming, and disciplining, the militia, and for governing such part of them as may be employed in the service of the United States * * * (clause 16); * * * To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any Department or officer thereof (clause 18)."

Article II, section 1, clause 1, states: "The executive power shall be vested in a President of the United States of America * * *" and section 2, clause 1, states: "The President shall be Commander in Chief of the Army and Navy of the United States, and of the militia of the several States when called into actual service of the United States * * * and he shall nominate, and by and with the advice and consent of the Senate, shall appoint * * * officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone * * * (clause 2) he shall take care that the laws be faithfully executed, and shall commission all the officers of the United States (sec. 3)." (See *Ex parte Quirin*, 317 U. S. 1, 25–26.)

We note also the fifth and sixth amendments relating to trials.

THE NATURE OF THE JUDICIAL COUNCIL

Article 67 of the proposed Uniform Code of Military Justice (S. 857 and H. R. 2498, 81st Cong.) establishes a Judicial Council of not less than three members who shall receive the pay and allowances of judges of the United States Court of Appeals ($17,500 salary per year. Public Law 646, 80th Cong., enacting title 2 of U. S. C., sec. 44). We do not wish to infer that salary is the factor which determines whether or not an officer is an inferior officer. It is not. The test is whether Congress has vested the power of appointment in the President alone, in a court of law, or in the head of a department. See *Collin's* case ((1878) 14 Ct. Cl. 568, 574) and *United States* v. *Perkins* (1886) 116 U. S. 483, 485).

Two qualifications are required. Appointees shall be from civilian life and shall be members of the bar of the Supreme Court of the United States. Under rules of procedure, which it shall prescribe, the Council shall review on the record:

(1) All cases in which the sentence, as affirmed by a board of review, affects a general or flag officer or extends to death;

(2) All cases reviewed by a board of review which the Judge Advocate General orders forwarded to the Judicial Council for review; and

(3) All cases reviewed by a board of review in which, upon petition of the accused and on good cause shown, the Judicial Council has granted a review.

The accused has 30 days to petition for a review and the Council must act upon the petition within 15 days. Review is limited to the findings and sentence as approved by the convening authority and as affirmed or set aside as incorrect in law by the Judge Advocate General's board of review. Where the Judge Advocate General orders the case forwarded to the Council "action need be taken only with respect to issues specified in the grant of review. The Judicial Council shall take action only with respect to matters of law."

If the Judicial Council sets aside the findings and sentence, it may order a rehearing, except where the reversal is based on lack of sufficient supporting evidence in the record. Otherwise it shall order that the charges be dismissed.

After acting on a case, the Judicial Council may direct the Judge Advocate General to return the record to the board of review for further review in accordance with its decision. Otherwise, unless there is to be further action by the President or the Secretary of the Department, the Judge Advocate General shall instruct the concerning authority to take action in accordance with that decision. If the Council has ordered a rehearing but the convening authority finds a rehearing impracticable, he may dismiss the charges.

You will note that while this Judicial Council has the appearance of an appellate tribunal, its findings are subject to executive or administrative action of the President or the Secretary of the Department. Thus the proposed tribunal is in the final analysis nothing more than an agency of the Executive Department. We believe the following excerpts from Winthrop, Military Laws and Precedents, second edition, 1896, volume I, pages 53–57 (certain citations omitted) characterize this proposed Judicial Council:

"Courts martial of the United States, although their legal sanction is no less than that of the Federal courts, being equally with those authorized by the Constitution, are, unlike those, not a portion of the Judiciary of the United States, and are thus not included among the 'inferior' courts which Congress 'may from time to time ordain and establish.' In the leading case on this subject, the Supreme Court, referring to the provisions of the Constitution authorizing Congress to provide for the government of the Army, excepting military offenses from the civil jurisdiction, and making the President Commander in Chief, observes as follows: 'These provisions show that Congress has the power to provide for the trial and punishment of military and naval offenses in the manner then and now practiced by civilized nations, and that the power to do so is given without any connection between it and the third article of the Constitution defining the judicial power of the United States; indeed that the two powers are entirely independent of each other' (*Dynes* v. *Hoover* (1858), 20 How. 79).

"Not belonging to the judicial branch of the Government, it follows that courts martial must pertain to the executive department; and they are in fact simply instrumentalities of the executive power, provided by Congress for the President as Commander in Chief, to aid him in properly commanding the Army and Navy and enforcing discipline therein, and utilized under his orders or those of his authorized military representatives.

"Thus indeed, strictly, a court martial is not a court in the full sense of the term, or as the same is understood in the civil phraseology. It has no common-law powers whatever, but only such powers as are vested in it by express statute, or may be derived from military usage. None of the statutes governing the jurisdiction or procedure of the 'courts of the United States' have an application to it; nor is it embraced in the provisions of the sixth amendment to the Constitution. It is indeed a creature of orders, and except insofar as an independent discretion may be given it by statute, it is as much subject to the orders of a competent superior as is any military body or person.

"A temporary summary tribunal—not a court of record. As a purely executive agency designed for military uses, called into existence by a military order and by a similar order dissolved when its purpose is accomplished (*Mills* v. *Martin* (19 Johns., 33); *Brooks* v. *Adams* (11 Pick., 442); *Brooks* v. *Daniels* (22 Pick., 501); *In the Matter of Wright* (34 How. Pr., 211; 3 Greenl. Ev., sec. 470)) the court martial, as compared with the civil tribunals, is transient in its duration and summary in its action. ('The discipline necessary to the efficiency of the Army and Navy required other and swifter modes of trial than are furnished by the common-law courts.' *Ex parte Milligan* (4 Wall. 123). In *Coleman* v. *Tennessee* (97 U. S., 513), the Court refer to the 'swift and summary justice of a military court'). It is not, in a legal sense, a court of record (*Chambers* v. *Jennings* (7 Mod., 125); *Ex parte Watkins* (3 Peters 209); *Wilson* v. *John* (2 Binn., 215)) and, unlike the superior courts of record, has no fixed place of session, no permanent office or clerk, no seal, no inherent authority to punish for contempt, no power to issue a writ or judicial mandate, and its judgment is simply a recommendation, not operative till approved by a revisory commander. It thus belongs to the class of minor courts of special and limited jurisdiction and scope, whose competency cannot be stretched by implication, in favor of whole acts no intendment can be made where their legality does

not clearly appear, and which cannot transcend their authority without rendering their members trespassers and amenable to civil action (*Runkle* v. *U. S.* (122 U. S., 556; 19 Opins. At. Gen., 503)).

"Not subject to judicial revision. Further, the court martial being no part of the judiciary of the Nation, and no statute having placed it in legal relations therewith, its proceedings are not subject to be directly reviewed by a Federal court, either by certiorari, writ of error, or otherwise, nor are its judgments or sentences subject to be appealed from to such tribunal. It is not only the highest but the only court by which a case of a military offense can be heard and determined; and a civil or criminal court of the United States has no more appellate jurisdiction over offenses tried by a court martial—no more authority to entertain a rehearing of a case tried by it, or to affirm or set aside its finding or sentence as such—than has a court of a foreign nation. In *Dynes* v. *Hoover*, above cited, this principle is well illustrated by the Court in the declaration that a duly confirmed sentence of a court martial 'is altogether beyond the jurisdiction or inquiry of any civil tribunal whatever,' and further that with the legal sentences of competent courts martial 'civil courts have nothing to do, nor are they in any way alterable by them. If it were otherwise'—it is added—'the civil courts would virtually administer the rules and articles of war irrespective of those to whom that duty and obligation has been confided by the laws of the United States, from whose decisions no appeal or jurisdiction of any kind has been given to the civil magistrate or civil courts.' This ruling has been abundantly affirmed and illustrated in later cases. ('The Judiciary Act of 1789 gave the Federal judiciary no such control, and none has been given since.' *Woolley's Case*, Am. S. R., M. A., v. IV, p. 853. And see *Porret's Case, Perry's Oriental Cases*, 419; *Ex Parte Vallandigham*, 1 Wallace, 243; *Ex parte Milligan*, 4 Do., 123; *In re Grimley*, 137 U. S., 147; *Ex parte Reed*, 100 U. S., 13, 23; *In re White*, 17 Fed., 724–5; *In re Davison*, 21 Fed., 618; *In re Zimmerman*, 39 Fed., 176; *In re Spencer*, 40 Fed., 149; *Swaim* v. *U. S.* (28 Ct. Cl. 173); *In re Esmond*, 5 Mackey, 64; *Moore* v. *Houston* (3 S. & R., 197; *State* v. *Davis* (1 South., 311); *Ex parte Dunbar*, 14 Mass., 393; *Tyler* v. *Pomeroy* (8 Allen, 484); *State* v. *Stevens* (2 McCord, 38); *Ex parte Bright*, 1 Utah, 148, 153; Whiting, War Powers, 278; Cooley, Prins. Const. Law, 113; 12 Opins. At. Gen., 332; Maltby, 151; also *Wales* v. *Whitney* and *Smith* v. *Whitney* (116 U. S. 168).)

"In the recent case of *Wales* v. *Whitney* (116 U. S. 564) a proceeding instituted against the Secretary of the Navy for the discharge on habeas corpus of an officer of the Navy, the Supreme Court of the United States, in holding that no Federal tribunal 'has an appellate jurisdiction over the naval court martial nor over offenses which such a court has power to try,' adds that no such tribunal 'is authorized to interfere with' a court martial 'in the performance of its duty by way of a writ of prohibition or any order of that nature.'

"This ruling was presently affirmed in the case of *Smith* v. *Whitney* (116 U. S. 168) where a petition for a writ of prohibition to the Secretary of the Navy and to a naval general court martial, to prohibit such court from trying a naval officer, was specifically refused by the same court. More recently the same writ has been refused in an Army case by a United States circuit court (*U. S.* v. *Maney* (61 F. 140)). In a still more recent instance (*Johnson* v. *Sayre* (April 1895) (158 U. S. 109) the Supreme Court, in denying relief to a naval court martial, declares, generally—'the court martial having jurisdiction of the person and offense,' and 'having acted within the scope of its legal powers, its decision, and sentence cannot be reviewed or set aside by the civil courts by writ of habeas corpus or otherwise.' "

Returning now to the proposed judicial council, you will note that no term or tenure is provided nor is there the requirement that the nominations be submitted to the Senate. Thus these officers, for whom salaries of $17,500 and allowances are provided, could be considered only as "inferior officers" under article II, section 2, clause 2. They would serve ostensibly at the pleasure of the President. This appears to be a paradoxical proposal in view of the numerous Executive nominations received in the ordinary course of business of the Senate. See, for example, the CONGRESSIONAL RECORD, January 27, 1949, pages 604–640. However, Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone and by article 67 Congress is asked to do so.

That this proposed Judicial Council is merely another administrative agency, as indicated earlier, rather than a military supreme court is indicated by the commentary of the Committee on a Uniform Code of Military Justice. This commentary reads:

"This article is new although the concept of a final appellate tribunal is not. Proposed AGN, article 39 (g) provides for a board of appeals while AW 50 (a) provides for a judicial council. Both of these tribunals, however, are within the Department. The judicial council provided for in this article is established in the National Military Establishment and is to review cases from all the armed forces. The members are to be highly qualified civilians and the compensation has been set to attract such persons.

"Automatic review before the judicial council is provided for all cases which must be approved by the President. See AW 71. The Judge Advocate General may direct that a case be reviewed by the council, and an accused may request review and will receive it where the council finds good cause.

"The time limits specified in subdivision (c) are necessary to eliminate undue delay in the execution of sentences.

"The judicial council takes action only with respect to matters of law. In this it differs from the final appellate tribunals now set up in or proposed for the Departments. It may act only with respect to the findings and sentence as approved by the convening authority. If the Board of Review has set aside a finding as against the weight of the evidence this decision cannot be reconsidered by the council. If on the other hand, the Board has set a case aside because of the improper introduction of evidence or because of other prejudicial error, the judicial council may reverse if it finds there has been no such error.

"The council shall affirm the findings and the sentence if it determines that, with respect to the matters which it considers, there has been no error of law which materially prejudices the substantial rights of the accused. See article 59, Commentary. It may affirm so much of a finding of guilty as involves a finding of guilty of a lesser included offense. See article 59. The only action which the council may take with respect to the sentence is to determine whether or not it is within legal limits."

QUALIFICATIONS OF THE MEMBERS OF THE JUDICIAL COUNCIL

Inasmuch as this is not a constitutional court or a part of the Federal judicial system, as indicated earlier (see *Altmayer* v. *Sanford* (1945), 148 Fed. 161), and inasmuch as Congress has power to vest the appointment of "inferior officers" in the President, it would appear that Congress could constitutionally provide standards of quality for persons designated to fill the positions. In this case there are two. Appointees shall be civilians and they shall have been admitted to practice before the bar of the Supreme Court. Without expressing an opinion as to the legitimacy of these proposed qualifications, we raise, however, the question of whether or not the jurisdiction sought to be conferred ought to be granted to such "inferior officers."

To cure this defect will necessitate the amendment of the bill so that members will be appointed by the President, by and with the advice and consent of the Senate. By thus hoisting these proposed positions out of the "inferior officer" classification, the next question becomes: Of what force and effect are the two proposed qualifications? Only a partial answer is found in the numerous acts of Congress which have sought to prescribe qualifications. While these statutory stipulations may have some merit in that they serve as a guide to the President and also serve as advance notice of what Congress desires in the way of appointees and what the Senate will approve, it is doubtful if such stipulations have any binding legal significance. Notwithstanding a statute setting forth qualifications for a position, and there are many, if the President nominates, the Senate advises and consents thereto, and the nominee is duly commissioned by the President, it may well be doubted seriously if the status of the officer commissioned could be attacked collaterally in a manner which would effect his ouster from the office.

WHY NOT USE CONSTITUTIONAL COURTS?

As Winthrop indicates, Congress has never made proceedings of courts martial subject to direct review by Federal courts. He might have added that at no time in the history of the Federal judiciary have the lower courts been vested with all the jurisdiction that the Constitution gives them the capacity to receive. Harris, the Judicial Power of the United States, page 91. Professor Harris points out that during the debate on the bill which became the Judiciary Act of 1789 (1 Stat. 76) two general groups appeared. The federalists, or proconstitutionalists, took the view that Congress could not withhold from the courts the jurisdiction specified in article III. The other group, he states, consisted of extreme advocates of States' rights and opponents of the new Constitution who wished either to confine the jurisdiction of the Federal courts within narrow limits or to refuse to provide altogether for courts inferior to the Supreme Court and vest their original jurisdiction in the State courts with only appellate jurisdiction vested in the Supreme Court of the United States. Neither group prevailed in its views but the compromise reached was an express recognition by legislative construction of the theory of broad congressional power upon which the opponents of a strong Federal judiciary based their contentions (pp. 87–88). The act of 1789 is important for its omissions in certain instances. Congress failed altogether to confer original jurisdiction upon the Federal courts in cases arising under the Constitution, laws, and treaties of the United States. "Except for the brief period between the enactment of the act of 1801 (2 Stat. 89) and its repeal in 1802 (2 Stat. 132), the lower Federal courts had no jurisdiction in that very important group of cases involving a Federal question, and it was not until 1875 that they were vested with judicial power over such cases * * *" (p. 90).

Harris goes further to state that ever since this practical legislative construction of article III by the First Congress, the national legislature has always proceeded upon the assumption that it had complete discretion to regulate and restrain the jurisdiction, powers, and procedure of the lower Federal courts. Congress has not been alone, he states, in this broad construction of its powers relating to the organization, jurisdiction, and procedure of the lower Federal judiciary. As early as 1799 the Supreme Court

concurred in this view (p. 19, citing *Turner* v. *Bank of North America* (1799) 4 Dall. 8).

Thus, while Congress could confer upon lower Federal courts jurisdiction with regard to military and naval offenses, it has not done so. .

OTHER PENUMBRAL AREAS

The government of the armed forces is not the only instance in which the Congress can set up a judicial system outside the purview of article III of the Constitution. Under article IV, section 3, clause 2, Congress has "Power to * * * make all needful rules and regulations respecting the territory * * * belonging to the United States." Under this provision, even such rights as trial by jury in criminal cases (*Dowell* v. *U. S.* (1911) 211 U. S. 325, 332) or presentment or indictment by a grand jury (*Ocampo* v. *U. S.* (1914) 234 U. S. 91) were held to be statutory matters rather than constitutional rights when applied to Territorial possessions.

SUMMATION

The foregoing indicates that the proposed judicial council (subject to the infirmities noted) cannot be considered a part of the Federal judicial system established under the authority of article III of the Constitution. It is more properly within the designation of a military tribunal, appellate in character. Generally speaking military tribunals established under the authority of acts of Congress are constitutional. *Ex parte Reed* (1879) 100 U. S. 13, 21; *Ex parte Quirin* (1942) 317 U. S. 1; and *Application of Yamashita* (1946) 327 U. S. 1. Accordingly it would be possible to establish an appellate tribunal similar to that proposed by article 67.

Article 68 authorizes the President to direct the establishment of extra boards of review, and in time of emergency, temporary judicial councils.

Article 69 authorizes the office of Judge Advocate General to review minor sentences.

Article 70 authorizes the accused to have representation by counsel at appellate reviews as well as the armed services.

Subdivision (a) of article 71, relating to the execution of sentence and the suspension of sentence, raises an intriguing question as to intent. The subdivision reads:

"(a) No court martial extending to death or involving a general or flag officer shall be executed until approved by the President. He shall approve the sentence or such part, amount, or commuted form of the sentence as he sees fit and may suspend the execution of the sentence or any part of the sentence as approved by him, except a death sentence."

Numerous readings of the last clause stating that the President "* * * may suspend the execution of the sentence or any part of the sentence, as approved by him, except a death sentence" lead to the conclusion that this intends a limitation on the constitutional powers of the President as President and as Commander in Chief. The Constitution not only makes the President Commander in Chief (art. 2, sec. 2, cl. 1), the same article grants to him "* * * Power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment." Now these court-martial cases are to be prosecuted in the name of the United States. See proposed article 38, also AW 17. Accordingly, is this not an attempt to control legislatively the pardoning power of the President? (See 20 Op. Atty. Gen. 668; 27 Op. Atty. Gen. 178; ex parte Garland (1867) 71 U. S. 333), and Taft, Our Chief Magistrate and His Powers (1926), page 121. If something else is intended by the proposed wording, then subdivision (a) should be changed to convey that intention. If it is actually intended to limit the constitutional power of the President, then we invite attention to the statement of Attorney General Jeremiah S. Black in his opinion concerning the memorial of Capt. M. C. Meigs. He stated (9 Op. Atty. Gen. 462, 469):

"Congress is vested with legislative power; the authority of the President is executive. Neither has a right to interfere with the functions of the other. Every law is to be carried out so far as is consistent with the Constitution, and no further. The sound part of it must be executed, and the vicious portion of it suffered to drop. A legislative act is not to be treated as void merely because it is coupled with an abortive attempt to usurp executive powers. It stands to reason that if a condition, such as this is asserted to be, is void, it can have no effect whatever either upon the subject matter or upon other parts of the law to which it is appended. To say that it is void, and yet of such force that it controls the operation of the statute in which it is found, is a contradiction in terms. As a rule of constitutional interpretation, I think this is nowhere denied, and it agrees with all the analogies of the law. The principle universally applied to public and private grants is, that where a grant is made upon an illegal condition, the grant is absolute and the condition void. It is as old as the Yar Books (2 Henry IV, 9); it is laid down by Coke (Co. Litt., 206); the old reports are full of it, (Rolls, Abr., 418; 2 Vent., 109); and no modern authority disputes it. You are therefore entirely justified in treating this condition (if it be a condition) as if the paper on which it is written were blank."

Article 72 establishes the procedure for vacating a suspended sentence.

Article 73 permits a petition for a new trial within 1 year where the sentence extends to death, dismissal, dishonorable or bad-conduct discharge, or to confinement for more than 1 year.

Article 74 permits the Secretary, Under Secretary or Assistant Secretary of the Department, or commanding officer designated by the Secretary to remit and suspend unexecuted portions of sentences other than those approved by the President. An administrative form of discharge is authorized.

Article 75 relates to restoration to duty.

Article 76 seeks to foreclose any possible review by Federal courts. It reads:

"ART. 76. Finality of court-martial judgments.

"The appellate review of records of trial provided by this code, the proceedings, findings, and sentences of courts-martial as approved, reviewed, or affirmed as required by this code, and all dismissals and discharges carried into execution pursuant to sentences by courts martial following approval, review, or affirmation as required by this code, shall be final and conclusive, and orders publishing the proceedings of courts-martial and all action taken pursuant to such proceedings shall be binding upon all departments, courts, agencies, and officers of the United States, subject only to action upon a petition for a new trial as provided in article 73 and to action by the Secretary of a Department as provided in article 74."

This provision is substantially the same as AW 50 (h) as enacted by the Eightieth Congress (U. S. C. 10:1521). Considering *Schita* v. *Cox* (1944) 139 F. 2d 971; *Henry* v. *Hodges* (1943); and *Innes* v. *Crystal* (1943) 131 F. 2d 576, cert. denied 319 U. S. 755, rehearing denied 319 U. S. 788, the question of whether or not Congress desires to completely foreclose review by Federal constitutional courts. [Mention should be made of article 140 which provides for the delegation and subdelegation by the President of all the authority so carefully granted him in the preceding articles. The constitutional question thus presented concerning the right to delegate a judicial function is too involved to be discussed here if there is to be any limit at all to this brief.]

Part X, Punitive articles, includes articles 77-134 and will not be discussed in this memorandum.

Section 2 of the bill carries the savings clause. Section 3 states that no inference of legislative construction is to be drawn from the position of any article in the bill or by reason of the catch lines. Section 4 retains jurisdiction for crimes committed prior to the enactment of this bill. Section 5 proposes an effective date 12 months after approval or on July 1, 1950, whichever is the later date.

Section 6 carries technical amendments relating to residual Articles of War.

Section 7 sets out the authority of naval officers after loss of vessel; the authority of officers of separate marine organizations; the commanders' duties of example and correction; the requirement of divine service and reverent behavior.

Section 8 prescribes the oath of enlistment. Section 9 provides for the removal to Federal district courts of all civil or criminal prosecutions commenced in State courts against personnel of the armed forces on account of activities arising from their status or duties. Section 10 relates to dismissal of officers; sections 11, 12 carry certain amendments and repeals.

SUMMATION S. 857

As indicated at the beginning, in appraising the system of military justice, the emphasis must be on its actual operation rather than upon the relevant statutory provision standing alone.

From the viewpoint of judicial proceedings, review in S. 857 is provided ad infinitum, but nowhere is there assurance that this maze of review will be for any purpose other than to fix the record in such a manner or to such an extent that possible intervention by a constitutional court be precluded.

This brief should not be concluded without some special attention to the operation of the Navy court-martial system, especially since most of the articles under consideration seem to have been adopted from either the present AGN or the proposed AGN.

The Navy has not been subject to the volume of criticism that has befallen the Army for three reasons. First, it is a smaller and more compact organization; second, because of its smaller size, it could be more efficiently administered from the legal standpoint; and third, its powers to execute, discharge, and dismiss offenders were not as broad as those granted the Army.

The present AGN were adopted, in the main, in 1862. There have been no changes of significance since then. Thus it will be seen the situation is substantially different than that prevailing in the Army where great reforms have been effected as late as 1948.

Unlike the Army, the Navy has not now, and never has had, a corps of lawyers. Until the recent war it possessed a very small group of officers who were regular line officers, but who had been sent to law schools. Most of them had never been admitted to any bar outside of an officer's club. Of all the Judge Advocate Generals of the Navy, not more than three have been graduates of law school admitted to practice before the bar of any State of the Union after taking a bar examination. (During the war most legal billets were filled by Reserve officers called for that purpose or by retired Regulars who had had some legal training in the past.) Hithereto the practice was to send officers to sea for a tour of duty after their "legal training." After the sea tour was completed they returned ashore for 3 years' duty in a legal capacity. This rotating system, at the beginning of the present war, forced the creation of the Office of the General Counsel of the Navy Department to provide competent legal assistance in the Navy Department on contract and procurement matters, although the Judge Advocate

General continued to pretend that he was the "legal adviser" to the Secretary. The civilian office still functions. In effect, it causes two separate (and how distant) offices to carry on the legal work of the Navy.

Since the war the Judge Advocate General has accepted some Reserve lawyers in the Regular Navy in the evident hope of regaining some lost ground. However, the Navy continues to consider these lawyers as specialists, and apparently has no plans for integrating them properly into their promotion system, holding fast to the belief that a prerequisite to being the Judge Advocate General is the training and experience necessary to command a battleship or a division of destroyers.

The system presently in vogue is not changed in the proposed code. It is earnestly hoped that Congress will amend the bill so as to set up in the Navy a system similar to the Judge Advocate General Corps in the Army. Such a system at least insures that lawyers will do lawyers' work. It will have the further advantage of enabling lawyers, to some extent, to be promoted on their ability as lawyers. They will work as lawyers at all times during their naval career and thus furnish the Navy with a type of lawyer qualified to cope with those outside the service and with whom they must deal in carrying out their naval duties.

Consideration should be given to having only one Judge Advocate General of all the armed forces, with deputies in the three branches. If we are going to have unification, let's have it.

Finally the bill should be amended so as to provide that no discharge other than one under honorable conditions shall be given except pursuant to sentence of a court martial.

With kindest personal regards, I am,

Sincerely,

PAT MCCARRAN,
Chairman.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. LUCAS. Mr. President, a number of Senators have asked me whether or not there will be a vote upon the pending measure this afternoon. I was unable to tell them definitely. I am wondering if my good friend from South Carolina [Mr. JOHNSTON] could give me any information in order that it may be transmitted to Senators who are inquiring from the Senator from Illinois about the situation.

Mr. JOHNSTON of South Carolina. Mr. President, I shall answer the question of the Senator from Illinois by saying that personally I do not intend to make any extended remarks on the amendments as they come up. I cannot speak for other Senators, but I understand that they will be fairly brief.

Mr. LUCAS. Does the Senator believe that we might reach a vote on the bill this afternoon?

Mr. JOHNSTON of South Carolina. I think so.

Mr. LUCAS. I thank the Senator very much.

Mr. NEELY obtained the floor.

Mr. LANGER. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. LANGER. I wish to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LANGER. Under the agreement, I wished to address the Senate briefly on the question of Germany. Am I prevented from doing so under that agreement?

The VICE PRESIDENT. The Senator is. The Senator from West Virginia has the floor.

Mr. NEELY. Mr. President——

Mr. WHERRY. Mr. President, will the Senator yield for a parliamentary inquiry?

The VICE PRESIDENT. The Senator from West Virginia cannot yield for that purpose, except by unanimous consent.

Mr. WHERRY. I ask unanimous consent that the Senator from West Virginia be permitted to yield to me for a parliamentary inquiry.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WHERRY. I merely wished to ask the distinguished Vice President what the answer was to the question propounded by the Senator from North Dakota [Mr. LANGER] a moment ago. He said something about an agreement.

The VICE PRESIDENT. The agreement was that unanimous consent was given that Senators might submit routine matters and bills, and insert matters in the RECORD. The Senator from North Dakota wanted to know whether he could make a speech.

Mr. WHERRY. I thank the distinguished Vice President.

Mr. NEELY. Mr. President, the text for my observations on the unnecessary, unscientific, and unjust sales-tax proposal before the Senate is the first verse of the second chapter of the Gospel according to St. Luke which is as follows:

> And it came to pass in those days that there went out a decree from Caesar Augustus that all the world should be taxed.

This decree was issued 5 years before the birth of Christ. It has ever since been in continuous, persistent, and progressively distressing operation in every civilized land under heaven. It has one of the attributes of Cleopatra—

> Age cannot wither it, nor custom stale its infinite variety.

The world has ceremoniously noted and long remembered the execution and promulgation of Magna Cartas, Bills of Rights, and Emancipation Proclamations. But all such documents and all other memorials of historical events will be searched in vain for a trace of an attempt to annul the Caesarean decree that all the world should be taxed.

In 1776 the American colonists courageously declared their independence of Great Britain. But they did not have the audacity to declare their independence of a Roman emperor who had been dead more than 1,700 years, and whose ghost is now haunting the Senate Chamber. Those gallant colonists did not have the temerity to consign Caesar's oppressive tax decree to the lake in which sulfur constantly sizzles and brimstone forever burns.

We have not only failed to free ourselves from the burden and bondage of unscientific taxes unrighteously levied upon us, but, by our craven conduct, we have demonstrated our erroneous and preposterous belief that taxation is—

> A monster of such frightful mien,
> As to be hated, needs but to be seen;
> But seen too oft, familiar with its face,
> We (should) first endure, then pity, then embrace.

Originally taxes were levied on only a few things. Now they are levied on everything from swaddling clothes to winding sheets; from cradles to coffins; from the graveyard's granite monuments to the gravel that grinds the grain in a goose's gizzard.

From morning till night we wander through a wilderness of taxes that are levied on everything we touch or taste or hear or see or feel or smell. When we finally go to sleep, we are plagued with nightmares about still other taxes that we know not of, but which we fear some Member of the Congress or of a State legislature will ingeniously devise and with which we and our harassed posterity may be bedeviled forever.

Our present burden of taxation is absolutely inescapable. When at work on the land, it remains on our backs. When we go down to the sea in ships, it is there. When we take the wings of the morning and soar into the stratosphere, it rides by our side and, like the evil spirit in Manfred, shrieks in our ears:

> I am the rider of the wind,
> The stirrer of the storm;
> The hurricane I left behind
> Is yet with lightning warm.

But notwithstanding the taxpayers' countless woes, the ancient Royal Order of Tax Inventors that neither slumbers nor sleeps proposes to saddle the voteless, voiceless people of the District of Columbia with an additional abomination, known as a consumers' sales tax. If the undertaking succeeds, the consumers of the District of Columbia will be compelled to pay on their retail purchases a tribute of $18,000,000 a year.

The proponents of reactionary tax legislation for the District have again and again campaigned for the adoption of a consumers' sales tax. Year after year the spokesmen for the District have informed the Congress that a budgetary crisis existed and that nothing short of a consumers' sales tax would be sufficient to solve the District's financial problems. Year after year District officials have frantically wrung their hands and wept before the congressional wailing wall and argued that the oppressive consumers' sales tax is the only financial salvation for the people of the Nation's Capital. This year's campaign has been waged with extraordinary vigor and apparently with more than ordinary success. The employees of the District have been made to believe that without a sales tax their compensation can never be increased. This is base, false propaganda to which no Senator should, for an instant, lend his ears. But Democratic Senators should be especially deaf to the sales-tax clamor for, be it remembered, that with the assistance of the distinguished Democratic Senators MCGRATH, MYERS, JOHNSTON, and HUMPHREY the last National Demo-

cratic Convention wrote into its platform this unconditional vigorous language:

> We are opposed to the imposition of a general Federal sales tax.

In my opinion, no Democratic Senator can vote for the consumers' sales-tax provision before us without violating both the spirit and the letter of that platform declaration.

We are confronted with the simple question: "Shall we force an unjust consumers' sales tax on the residents of the District when much more equitable means of raising all necessary additional revenue are available?"

We are informed by the second page of the majority report that—

> For the past 12 years committees of Congress, District officials, interested citizens, and civic organizations have lent their efforts in attempts to provide a sound and adequate tax system for the District.
>
> Repeated attempts have been made to broaden the coverage of the District income tax but to no avail.

The records of the efforts that have been made clearly indicate the proper courses that should have been pursued in order to obtain the desired results. Unfortunately, those courses have been habitually shunned or ignored.

In comparison with the other large cities of the country Washington, which for practical purposes is synonymous with the District of Columbia, is undertaxed so far as generally approved methods of raising revenue are concerned. Existing taxes here are so much lower than they are in other similar cities that they could be substantially increased and still remain below the levels which elsewhere prevail. The personal income tax in the District could, with undoubted justice, be made to produce three times as much revenue as the city now derives from its operation.

Notwithstanding the assertion of the majority report that "repeated attempts have been made to broaden the coverage of the District income tax but to no avail," the same majority has incorporated in the bill—section 1, title IV—an income-tax provision which would accomplish what these alleged attempts have so far failed to do. This provision would impose an income tax on all residents who are defined to mean "every individual domiciled in the District on the last day of the taxable year, and every other individual who maintains a place of abode within the District for more than 7 months of the taxable year, whether domiciled in the District or not."

Without any other change in the law, this provision would produce $5,000,000 a year additional revenue. But the majority has failed to recommend the adoption of an adequate income tax. It has offered only lip service to the time-honored principle of ability to pay.

The majority of the committee, having broadened the base of the income tax to include all residents, proceeded in section 12 of the title under consideration to emasculate the income tax by raising the exemptions to $4,000 a year for each taxpayer and providing a $500 exemption for each dependent. Thus, under the bill, a married man with two children would not be subject to taxation if his income were less than $6,000 a year.

In brief, all but a small group of the District's residents would be completely exempt from the payment of a District income tax; while practically all the income of those who would remain taxable would be exempt—leaving only a negligible part of the total income subject to District taxation.

The majority vainly invokes ancient history. Past failure to broaden the coverage of the income tax cannot be the real reason for the majority's sales-tax recommendations because the bill contains broadened coverage. The majority manifestly prefers to levy additional taxes on those in the lower income-tax brackets who can least afford to pay them and, at the same time, lighten the tax burdens of those in the higher brackets who, without hardship, could continue to bear them. The majority has my congratulations for having made the issue so very plain.

Proceeding further with an analysis of the arguments presented in the majority report, we find on pages 3, 4, 5, and 6, statements by authorities on taxation defending the sales tax as an equitable source of revenue. The Members of the Senate should carefully read these statements. Professor Haensel, former professor of economics at Northwestern University, is quoted as follows:

> If we want to tax the rich according to their income, there is an income tax available, but if we apply a sales tax, our exact aim—I repeat, our exact aim—is to reach the poor and the less prosperous mass consumer.

Professor Fairchild, of Yale University, who is also quoted by the majority, challenges the common assumption that the sales tax bears no relation to ability to pay and then goes on to say:

> The amount of tax bears some relation to taxpaying ability. It does not bear the perfect relation. It does not permit the progressive relation such as the income tax allows. It does not, perhaps, even place a burden in proportion to total income or taxpaying ability.

Mr. President, let me supplement Professor Fairchild's discourse with the assertion that a consumers' sales tax is an unfair, burdensome, and distressing tax. It, in effect, enriches the wealthy and impoverishes the poor. Many outstanding economists and tax experts have emphatically declared that a sales tax is unjust, and they might have added that the poor are the first and the last victims of its oppression.

The experts upon whom the majority rely grant that the income tax is the only fair method of raising revenue, but like the majority of the committee, they do not favor taxation according to the humanitarian principle of ability to pay.

Finally it is argued that it would be more desirable to raise $14,000,000 by taxing sales than by increasing the tax on property. This argument is irrelevant to the pending question. The majority wishes to emasculate the income tax so as to make room for a sales tax, and we are informed that this is justified because it would be unfair to raise $14,000,000 by means of the property tax. A property tax is not involved in the consideration of the relative merits of a tax on income and a tax on sales.

To summarize, first, we are informed that past efforts to establish the income tax on an equitable basis have failed. Yet, in the bill the majority sets forth the means by which this result could be achieved.

Second, the majority cites a few tax experts who justify the adoption of the sales tax, but these very experts tell us that the income tax is far superior to the sales tax from the standpoint of justice.

Third, the majority asserts that it is more desirable to raise $14,000,000 by the sales tax than by raising property-tax rates, and fails to compare the income tax and the sales tax in the same way. Here is logic at its worst. I hope that the Members of the Senate will not be influenced by such fallacious reasoning.

I oppose enactment of a sales tax in the District of Columbia because of its notorious injustice to those who cannot afford to pay it. Prices are high enough. Low-income families already find it extremely difficult to purchase the necessaries of life. Any addition to current exorbitant prices will be prejudicial, if not distressing, to all low-income families.

And are there low-income families, and poor people in the District of Columbia? The following figures for March 1949 speak to the point. Two thousand five hundred sixty-two persons receive old-age assistance. If the proposed sales-tax provision is approved, these needy ones would have to pay that tax.

There are 1,710 dependent children in the District. Should a part of their scanty governmental allowance be diverted from the purchase of necessaries to the payment of sales taxes?

There are 223 blind in the District who are receiving Federal aid. The sales tax would add to their sightless distress.

There are 98 poor families and 1,235 poor individuals receiving Federal assistance.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. NEELY. I gladly yield to the able Senator from California.

Mr. DOWNEY. I notice that the memorandum which the Senator is using apparently does not include the number of persons in the District of Columbia who have old-age insurance.

Mr. NEELY. The Senator is correct, I did not obtain that information.

Mr. DOWNEY. There would be a number of persons receiving unemployment compensation.

Mr. NEELY. Of course.

Mr. DOWNEY. All of whom, like myriads of others, are in the very low income group.

Mr. NEELY. That is quite true.

Mr. DOWNEY. I congratulate the Senator on the very able statement he is making.

Mr. NEELY. I am greatly obliged to the Senator for his gracious remark and also for his valuable contribution to my argumentation.

Mr. President, a personal income tax exempts low-income families because they cannot afford to pay taxes. But a

general sales tax is paid by everyone, regardless of his financial status. Thus, an elementary concept of equity is violated every time a sales tax is collected from one of poverty's many unfortunate victims. One of the functions of government is to help the needy. In fact, a substantial part of the District budget is spent for that purpose. Why should we provide public welfare and health services for those who cannot afford to pay for them, and at the same time further impoverish the beneficiaries of those services by compelling them to pay a sales tax on the necessaries of life?

The majority of the committee has recognized the basic injustice of a sales tax by exempting food and medicine from the operation of the proposed law. But we cannot stop there. Shoes, clothing, and shelter, for example, are also indispensable even to the poorest of God's children. There is no dividing line between essentials and nonessentials for low-income families because they have no nonessentials. They cannot afford them. They never enjoy them. All their incomes are spent for the basic necessaries of daily life. We should exempt from taxation everything that is indispensable to the very poor. But under a sales tax, no one is exempt.

A sales tax is a wasteful means of raising revenue. It is a constant irritation to merchants and their customers. It adds greatly to operating costs, because the bookkeeping involved is complicated. In most retail stores taxable and nontaxable merchandise will be sold, and it will be difficult for the merchants to account correctly for their tax liabilities.

Under the bill, customers will pay a 1-cent tax on purchases of 14 to 63 cents, 2 cents on purchases of 64 cents to $1.13, and an added cent for each additional 50 cents of purchase price. Although we are assured that this is a 2-percent sales tax, it would actually be a 5-percent tax on a 20-cent item and a 4-percent tax on a 25-cent item. Merchants would not be required to account for each penny of tax they collect. Instead, they would pay 2 percent of their total receipts, and be permitted to retain the additional pennies collected on inexpensive items.

This is not an insignificant matter. It means a subsidy to the seller, at the expense of the buyer. The poorer the buyer, the smaller his purchase. The smaller the purchase, the more burdensome the tax will be.

The objections to a sales tax we have indicated are arguments for a personal income tax. The latter provides graduated rates, so that taxpayers with high incomes will pay proportionately more than those whose incomes are less. This is taxation according to ability to pay—the important principle of commonsense economics by which we should be guided.

The income tax is more desirable than the sales tax on administrative grounds, as well as on grounds of equity. The sales tax will require substantial initial expenditures to set up its operating machinery. Everything necessary for the collection of income taxes in the District of Columbia already exists. Moreover, all who would be subject to tax under the District income-tax law would also be subject to the Federal income tax. Consequently, it will not be necessary to educate the taxpayer relative to new complications if we depend upon the income tax for the revenue needed.

The sales tax has been utilized in many States as a measure of fiscal desperation. Several States originally adopted the sales tax during the 1930's, when incomes were low, and when direct taxation was expressly prohibited by State constitutions. In the District, we have no legal obstacles to prevent us from imposing the necessary income tax, and we need have no fear that incomes will eventually drop so low that this tax would become a poor revenue producer.

The per capita income of the people of Washington is among the highest in the Nation. The number of very low income families is proportionately smaller than it is in the various States. Income is concentrated in the middle brackets, between $3,000 and $7,000, and it is from these brackets that most of the income-tax revenues are obtained. Should employment drop elsewhere in the country, it would be likely to drop less in the District because those working here are in Government service, which must continue. For these reasons we can be assured that an income tax would provide adequate revenues, and that its yield would, over a long period of time, be more constant here than in any other community in the country.

It will be argued that the need for revenue in the District is urgent, and that it will be necessary to delay this legislation if the sales tax is not enacted. This would be misrepresentation. The bill contains not only provisions for a sales tax, but also the elements of a good income tax. It is only necessary to raise the proposed exemptions to their present levels, and to increase the rates moderately in order to provide additional revenue of $15,000,000 a year.

Mr. President, it is submitted that the arguments of the majority of the committee in favor of a sales tax fail to demonstrate that it is either desirable or necessary. We should not be deceived into believing that only a sales tax can rescue the District from its present financial crisis, when as a matter of fact we can promptly and properly solve the existing financial problem by enacting an adequate personal income-tax law.

District residents have no voice in the affairs of their government. In the absence of local self-government Congress is morally obligated to provide wise and just administration, and a sound and equitable tax structure for the District. This obligation compels us to reject a sales tax and provide an adequate personal income tax in its place.

Mr. President, the following relevant communications have been received by me during the last few days. They speak so impressively for themselves that comment upon them would be superfluous:

WASHINGTON, D. C., *May 11, 1949.*

Hon. MATTHEW M. NEELY,
United States Senate:

In the name and behalf of the membership of the American Federation of Labor I appeal to the Members of the United States Senate to defeat the sales-tax legislation now pending in the United States Senate. The enactment of such a measure would impose upon the masses of the people in District of Columbia an additional tax burden. I hope and trust the sales-tax measure referred to will be decisively defeated.

WM. GREEN,
President, American Federation of Labor.

WASHINGTON, D. C., *May 10, 1949.*

Senator MATTHEW M. NEELY,
Senate Office Building,
Washington, D. C.:

The following telegram was sent today by the CIO to Senator MCGRATH, chairman of the Senate District of Columbia Committee:

"The CIO urges you strongly to oppose the proposed sales-tax bill for the District of Columbia. This bill flies in the face of the best accepted principles of tax legislation, namely, that the tax burden must be distributed on the basis of people's ability to pay. Contrary to this sound principle of ability to pay, this measure would bear down most heavily upon the low-income residents of the District of Columbia. Sales taxes consume a far greater percentage of the income of the poorest families than of those in the upper income brackets. Passage of such legislation would be especially unwise at a time when low-income groups are already experiencing difficulty in purchasing even the bare necessities of life. Congress has continuously resisted retail sales-tax legislation as a national policy, and to impose it upon the people of the District would be both unfair and inconsistent."

NATHAN E. COWAN,
CIO Legislative Director.

UNITED MINE WORKERS OF AMERICA,
Washington, D. C., May 11, 1949.

Memorandum to: United States Senator MATTHEW M. NEELY.

From: Thomas Kennedy.

The position of the United Mine Workers of America, not only as a national organization but in our various districts and local unions, is in opposition to the imposition of any sales tax. Our policy is based on actual experience because we have found, in sections where the sales tax is already in existence, that it falls the heaviest on the wage earner who is less able to handle the situation, particularly the wage earners with large families.

This question has been discussed in many State legislatures, especially in industrial States like Pennsylvania and West Virginia, and the proponents of sales-tax legislation have been unable to refute the contention that the person with the smaller income will be taxed much more heavily under a sales-tax arrangement than other individuals with more ample means.

Furthermore, it is the thought of the United Mine Workers of America, expressed through its president, John L. Lewis, and the undersigned, that to adopt a sales tax in the District of Columbia by the Members of Congress, would establish a precedent which would be the forerunner of similar legislation throughout the Nation, and especially in States that do not now have the sales tax.

Our organization has been consistent in its opposition to this matter for years, and we herewith again express the opposition of the United Mine Workers of America to the sales-tax question. We sincerely believe our position is meritorious and respectfully request that it be given every consideration.

THOMAS KENNEDY,
Vice President.

WASHINGTON, D. C., *May 12, 1949.*

Hon. MATTHEW M. NEELY,
Senate Office Building:

The Brotherhood of Railroad Trainmen is opposed to the sales tax proposed to be levied

on the District of Columbia by H. R. 3704. This measure strikes at the traditionally accepted and truly American principle of distributing the burden of taxation according to ability to pay.

In contrast to the equitableness of the principle of taxation according to ability to pay, the proposed tax would exert a distinct hardship upon only the lower income groups of the Nation's Capital, who even now experience difficulty in maintaining an acceptable standard of living.

The platform of the Democratic Party condemns retail sales tax as a national policy, and to impose a similar tax upon residents of the District is unjust. We urge you and your fellow Senator to oppose this measure.

A. F. WHITNEY,
President, Brotherhood of Railroad Trainmen.

Mr. Benjamin Marsh, in behalf of The People's Lobby, has sent me the following letter:

The proposed District 2-percent sales tax violates the principles of the Democratic Party, and is not essential to obtain the revenue the District needs.

The purpose of a sales tax is to extort income indirectly from people whom Government is afraid to tax directly, and is an income tax, without the exemption which equity requires.

The alleged justification for a sales tax in the District, is to reach nonresidents who trade here, but do not pay the local income tax.

They already pay taxes here, however, in providing the profits of local merchants upon which the District now levies taxes, and rent.

ALTERNATIVES TO A DISTRICT SALES TAX

The two basic principles of taxation are that taxes should be levied according to ability to pay, and benefits received from Government.

Personal income taxes and profits taxes comport with the first principle.

Taxation of land values is the effective way to tax benefits received from Government, since all Government expenditures enhance the selling price of land.

This principle has been ignored in the District.

The assessed value of taxable land in the District is about $505,000,000.

This is an untaxed value, and measures benefits received from Government, and the presence of population, as residents, and nonresidents employed here.

This value is very highly concentrated in business areas.

Three blocks—bounded by Fourteenth Street, Pennsylvania Avenue, Fifteenth Street, and New York Avenue—out of about 4,800 blocks in the District have about 3 percent of the value of all taxable land in the District—about $14,130,000.

Congress should levy an additional tax of 1 percent upon the value of taxable land in the District, exclusive of all improvements thereon, which would yield a little over $5,000,000.

The owners of land in these three blocks would pay $141,390 more; the owners of a small home would pay only $5 to a maximum of $10, in both cases, only a small part of what he would have to pay under a sales tax, which would yield substantial revenue.

Such a tax on land values would enable the Government to obtain land for housing and other purposes, much cheaper than now.

To get the additional revenue for the District, personal-income taxes and profits taxes should be increased.

Mr. President, on the foregoing I rest my case, and now earnestly appeal to Democratic Senators to be loyal to their party's platform pledge of opposition to the consumers' sales tax. I appeal to them to be loyal to the age-old praiseworthy principle of taxation according to ability to pay. I appeal to all Senators, whether Democratic or Republican, to obey the Golden Rule, and in voting on the proposed sales-tax abomination, to do unto the poor of the District of Columbia as Senators would have these unfortunate ones do unto them and thus defeat one of the most objectionable and distressing tax proposals that has ever been seriously considered by the Senate.

Mr. SALTONSTALL. Mr. President, I note that the Senator from Wyoming [Mr. HUNT], who is in charge of the bill, is in the Senate Chamber, and I should like briefly to ask him a couple of questions.

I am a member of the subcommittee of the Committee on Appropriations on the District of Columbia. I have attended all the hearings on that appropriation bill this year. Several things appealed to me very much in that connection.

We increased the salaries of employees of the District of Columbia by approximately $330, on an annual basis. It is my understanding that on that basis for the fiscal year 1949 there is owing to the employees of the District of Columbia approximately $4,937,000. If we place it on an annual basis, for the fiscal year 1950, which is not now included in this budget, the amount would be $5,731,000. The total for the 2 years would be $10,668,000. My question is, Did the committee have this in mind when it was considering the tax bill?

Mr. HUNT. It definitely did. From the very first of our hearings, it seemed to be understood and agreed that there was a moral obligation on the part of the District to make this salary increase retroactive, as of July, the reason being that the increase to the District employees was included, I believe, in Public Law 600, provisionally upon the passage of the sales-tax bill. When that measure failed, as I remember, Public Law 600 was amended to provide for such increases to District employees when moneys were available.

I see the distinguished Senator from Washington [Mr. CAIN] directly behind the Senator from Massachusetts. He was in charge of the bill at that time. He will correct me, I am sure, if my statement is incorrect.

Mr. CAIN. Mr. President, my memory indicates that what the Senator from Wyoming has just said is literally correct.

Mr. SALTONSTALL. I thank the Senator.

I should like to ask another question. I note that in the report on the bill the committee takes up this year's budget. The bill which was passed by the House containing appropriations for the District of Columbia amounted to $98,900,000 in round figures. The Commissioners requested $4,305,000 additional. I listened to all those requests. Many of them appealed to me as extremely reasonable and proper. Some of them involved questions of salaries. Many of them involved questions of hospitals and schools. School buildings and school facilities in the District of Columbia are particularly poor at the present time in comparison with those in many other cities.

I note also that the House committee stated that it believed that many of those requests should be granted if there were additional revenue. I assume that the committee went into some of those subjects when it was considering this bill.

Mr. HUNT. It certainly did. The House action was predicated on the basis that, as of the date of its action, the sales tax had not yet been enacted. Therefore it made some reductions in the budget of the District of Columbia. The committee frankly stated that it was making them solely because at the time it did not see the money available.

Mr. SALTONSTALL. So it is perfectly clear that if we are going to provide proper school facilities for the District and improve the hospitals as we should, if we are going to provide increased pay for District of Columbia employees, for which there is a moral obligation, either there must be a greater contribution by the Federal Government or there must be some tax remedy. Is that correct?

Mr. HUNT. The Senator is absolutely correct.

Mr. SALTONSTALL. Did the committee go into the question of whether or not, in its opinion, increased property taxes and increased income taxes alone would provide the necessary revenue, without making those taxes too burdensome?

Mr. HUNT. Such taxes would not provide the necessary revenue, unless the taxes were entirely out of line.

Mr. SALTONSTALL. If I read the newspapers correctly, the per capita property taxes today in Washington are the second highest of any large city in the Union.

Mr. HUNT. I think that statement is approximately correct. The position of the committee with reference to increased taxes on real estate was that the increase which we have suggested, 15 cents on each $100 valuation, makes a total increase of nearly 40 percent within the past 3 years, since 1946.

Looking further into that question, we had some spot checks made with reference to similar properties in Maryland, Virginia, and the District of Columbia. In each of those spot checks we found that on like properties, the same type of structures, built at the same time, and identical in almost every detail, the taxes in Washington were higher than they were in Maryland or Virginia.

Mr. SALTONSTALL. So in the opinion of the committee, as stated by the Senator from Wyoming, who is in charge of the bill, the issue boils down to this: If we are to provide proper services, and proper pay to employees of the District of Columbia, either there must be an increase in the Federal contribution, the burden of which will fall on all the people in cities and towns outside the District, or there must be a higher payment on the part of residents of the District of Columbia alone.

Mr. HUNT. The Senator is quite correct. If we are to meet our responsibilities we must choose between an increased Federal payment, a sales tax, or

a great increase in the taxes now in effect.

The Senator well knows that the type of school buildings in the District is disgraceful. I think that word was used yesterday. I believe that the Congress should be ashamed because it has not appropriated sufficient money for the schools of the District. The situation is such that if a teacher is ill, she must employ her own substitute and pay the bill.

Mr. SALTONSTALL. I thank the Senator very much.

Mr. MORSE. Mr. President, is the Senator from Massachusetts aware of the fact that if he directed exactly the same questions to members of the minority he would get exactly the opposite answer to practically every question he has asked the Senator from Wyoming?

Mr. SALTONSTALL. Mr. President I respectfully reply to the Senator from Oregon that I have asked those questions of the Senator in charge of the bill [Mr. HUNT] on the theory that he would give me honest answers.

Mr. MORSE. I have no doubt that he gave honest answers, from his sights; but I suggest to the Senator from Massachusetts that if he really wants to get the facts he should also look into the opposing points of view. He will find just the opposite point of view expressed by the minority.

Mr. SALTONSTALL. I will say to the Senator from Oregon that the Senator from Massachusetts attended every hearing this year in connection with the appropriations and the budget of the District of Columbia. The Senator from Massachusetts was shocked, if he may use that extreme expression, by some of the statements made with relation to the schools, the hospitals, and the payment of the personnel of the District of Columbia.

Mr. MORSE. I know how fair the Senator from Massachusetts wants to be in getting both sides of an issue into the RECORD. There is no question that the Senator from Massachusetts is correct about the shocking conditions in the District; but the question I want to ask the Senator from Massachusetts is this: Was any attempt made on the part of the District Committee to make a recommendation for an increase in property taxes and income taxes before the proposal for a sales tax was made?

Mr. SALTONSTALL. I shall have to refer that question to members of the committee for reply.

Mr. MORSE. I think the committee's report speaks for itself. The answer is "No."

Mr. O'CONOR. Mr. President, I should like to propound a question to the able Senator from Wyoming, who is in charge of the bill. It has to do with the exemptions under subsection (m) on page 13, with which the Senator is familiar. It exempts from the operation of the law sales in interstate commerce. Of course, the Senator is very well aware of that exemption. I should like to ask him to amplify slightly, and indicate the sales and the gross receipts from sales which would be exempt under that subsection.

Mr. HUNT. I may say to the distinguished Senator that we have in mind the exemption of any tangible personal property to which interstate-commerce laws apply. In other words, it would not be lawful under the Constitution for a sales tax to be levied on the sales of a magazine printed in the District of Columbia and distributed throughout the United States.

Mr. O'CONOR. Very good. Therefore, I should like to ask the Senator whether my understanding is correct, that gross receipts from the sales of magazines—for example, magazines printed in the District of Columbia, but distributed throughout the country, to subscribers in various of the States of the Union—would be exempt from the operation of the tax.

Mr. HUNT. Yes; that is quite correct. I may say that I think I know, perhaps, one of the companies in which the Senator from Maryland is interested in that connection.

Mr. O'CONOR. It happens that it is a nonprofit association that is operating in the District of Columbia, and has asked me for information on this subject. I refer to the National Rifle Association.

Mr. HUNT. That group has already been declared to be exempt, under the operation of other laws in the District of Columbia.

Mr. O'CONOR. Let me ask a further question, which is prompted by the observations just made by the Senator from Wyoming: Would the gross receipts from the sales of printed matter generally, which is prepared in the District of Columbia but is sent outside the District of Columbia, be exempt from the operation of this proposed law?

Mr. HUNT. They certainly would.

Mr. O'CONOR. I thank the Senator.

DEMOCRATIC PLATFORM PROMISES—TAXES—GERMAN FISHERIES

Mr. LANGER. Mr. President, I am delighted to see so many Democratic Senators in their seats on the other side of the aisle, and I am particularly pleased that the Senator who is national chairman of the Democratic Party is occupying his seat in the Chamber. I wish to call the attention of the distinguished Senator from Rhode Island to the Democratic platform. This platform was drawn up at Philadelphia with the idea, I presume, of getting votes. But, Mr. President, now that the votes have been secured, we are once more confronted with the old cry, "The people be damned."

On page 6 of the platform of the Democratic Party, adopted in July of last year at Philadelphia, we find what the Democratic Party said at the time when it needed votes:

> We are opposed to the imposition of a general Federal sales tax.

Of course, when the Democrats wanted votes, they were opposed to a sales tax; but after the election is all over, we find the Democratic leaders saying, "We want a sales tax."

But, Mr. President, that is not all. They also said in that platform:

> We favor the reduction of taxes, whenever it is possible to do so without unbalancing the Nation's economy, by giving a full measure of relief to those millions of low-income families on whom the wartime burden of taxation fell most heavily.

Mr. McGRATH. Mr. President——

Mr. LANGER. Mr. President, I decline to yield at this time. Later on, I shall be glad to yield.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The Senator from North Dakota declines to yield.

Mr. LANGER. Mr. President, when the President of the United States was looking for votes, he said to the voters: "We are going to reduce taxes."

In contrast to his position at that time, I refer now to a copy of today's Washington Post, and on the front page we find the following headline: "Truman Stands on $4,000,000,000 Tax Hike."

So, he wants $4,000,000,000 more than the Democratic Party ever had in all its history. You see, Mr. President, the election is over, and the Democrats do not need votes now, or for the next 3 years. The election being over, instead of wanting votes, they want $4,000,000,000 more in taxes.

So, although some of the Democratic leaders say they can get along with from $1,000,000,000 to $2,000,000,000 of new taxes, President Truman, having been duly elected and installed, now says he needs and wants $4,000,000,000 of additional taxes.

In contrast to what the Democratic Party said it was going to do for poor people, I call the attention of the Senate to the fact that last year the Republican Party gave an increase of $330 to poor Federal workers. Furthermore, the Republican Party removed the income-tax burden from 7,000,0000 people. That was done by the Eightieth Congress, which the President of the United States condemned so viciously in the campaign. In that Congress, as a result of the action taken by the Republican Party, 7,000,000 people in the low-income groups were entirely relieved from the payment of income taxes.

But the Democratic Party's platform goes on to say that they are going to take care of those who are on relief.

As all Members of the Senate know, there are thousands upon thousands of low-paid Federal workers, some of whom are trying to live on $2,300 or $2,400 a year. Veterans working as mail carriers were receiving $1,900 a year and in many cases were trying to support a wife and two children on that salary, the testimony shows, until the Republican Party gave them an increase of $450, so that those veterans who work in the Post Office Department—and 80 percent of the mail handlers in the Post Office Department are veterans—were able to make a decent living.

But what does the Democratic Party propose to do now? Before I leave this point, I wish to say that my distinguished friend, the Senator from Virginia [Mr. BYRD], was in favor of increasing the wages of the Federal workers in the

lowest bracket. His objection to the proposal was against raising the pay of those who are receiving $10,000 a year or more. I certainly concur in the position the distinguished Senator from Virginia took; and I wish to say that I have always taken pride in the fact that for 6 years I served on the Civil Service Committee with the Senator from Virginia, a man who, so far as the civil service was concerned, did a magnificent job for the Federal employees.

But, Mr. President, what do the Democrats propose now? I hold in my hand a copy of the Times-Herald published here in Washington on May 5, 1949. I read from it:

Bill providing * * * raises of $50.

That does not mean a pay raise of $50 a day or $50 a week, but it means a pay raise of $50 a year. So the Democratic Party is going to take care of 860,000 Federal workers by giving them a pay raise of $50 a year. So, Federal workers who up to the present time have not been able to send their children to college, unless they received scholarships—Federal workers who have been unable to go to Miami Beach to spend the winter—now at the hands of the Democratic Party are going to get $50 a year more than they have been getting, and so, no doubt, they will be able to send their children to college, when the time comes for them to go there.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield now, but I shall yield a little later. I think I know what the distinguished Senator from Louisiana is going to say.

Mr. LONG. I do not believe the Senator from North Dakota does.

Mr. LANGER. Yes; I think I do; and I decline to yield at this time.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. Mr. President, the article which refers to the proposal to give the Federal workers a pay increase of $50 a year is so interesting that I wish to read it in full at this time. It is by Howard Lewis, and was published on the second page of the Times-Herald:

President Truman's bill—

So, the bill comes from the President of the United States. The distinguished Senator from Louisiana had gone to the White House, as chairman of the subcommittee, in order to get the very latest orders from the President of the United States.

Mr. LONG. Mr. President, will the Senator yield, to permit a correction to be made?

Mr. LANGER. I decline to yield at this time.

The Senator from Louisiana went to the White House to get his orders from the President of the United States. Then he returned to the Senate and reported this:

President Truman's bill providing yearly raises averaging $50 a year—

I tell you, Mr. President, compared to the $330 pay increase which the Republicans provided for the average Federal employee last year and the $450 pay increase which the Republican Party gave to postal workers, we find that the Democratic Party now proposes to give Federal workers a pay increase of $50 a year, although the testimony shows that they need a pay increase of more than $1,000 a year.

President Truman's bill providing yearly raises averaging $50 for 860,000 classified Government workers, including 150,000 here, was introduced in the Senate yesterday by Senator LONG (Democrat), of Louisiana, only a few hours after it was sent by the Civil Service Commission to Capitol Hill.

LONG, chairman of the Federal Pay Subcommittee, announced he will put in the hopper today a measure proposing a $150 yearly raise for 450,000 postal workers—

Fifty dollars, Mr. President, for those poor people who last year received an increase of $330, when, in my judgment, they should have had more, and for the postal workers, who got $450, the distinguished Senator from Louisiana says he is going to introduce a bill—I have not seen it yet; it may have been introduced—providing a yearly raise of $150—

for 450,000 postal workers, including 25,000 in the local area, not covered by the President's pay bill.

So it appears that President Truman is running the Senate. He is the man who says whether it shall be $50, $60, $70, $100, or $200. It is not the bill of my friend, the distinguished Senator from Louisiana, at all. It is the President's bill—Mr. Truman's bill, as it is called here in the newspaper. It continues:

The President's proposals—

The President's proposals, not the proposals of the Senator from Lousiana—

were transmitted in a 26-page legislative draft sent to House Speaker RAYBURN by the Civil Service Commission and which, if passed, would revise and simplify the entire salary structure.

Included among the 150,000 local federalites would be 7,600 District of Columbia municipal employees.

The bill, by raising the classified salary ceiling for nonappointive officials from $10,330 to $16,000, would make it possible for some top-bracket career workers to get as much as $5,670 more a year.

In other words, Mr. President, under the bill introduced by the distinguished Senator from Louisiana, Government employees who are getting $10,330 a year have nothing to fear. Under the Democratic pledge, they are raised from $10,330 a year to $16,000. My recollection is that there are now about 3,217 persons who work for the Government who receive $10,000 a year or more. But the poor man, the veteran who spent days and weeks and months in the fox holes, and who is a mail handler now trying to live on $2,300 or $2,400, receives the great sum of $50, or $150 at the most, in the event the bill as introduced is passed. I refer again to the platform of the Democratic Party, wherein the Democrats said they were going to do exactly the opposite. The article continues:

Here are some of the essential features of the proposed measure:

1. The three most important classified services would be merged into one new overall service. Those to be combined would be CAF (clerical, administrative, and fiscal); P (professional); and SP (subprofessional).

EIGHTEEN GRADES TO REPLACE THIRTY

2. More than 30 grades now in the three services to be merged would be consolidated into 19 new grades.

3. The present classified salary ceiling of $10,330 would be raised to $16,000 a year.

I particularly call the attention of the distinguished Senator from Virginia [Mr. BYRD] to the fact that under the bill drawn by the President and by him sent to the Senator from Louisiana, who introduced it on May 5, the present classified salary ceiling of $10,330 would be raised to $16,000 a year—the very measure that was defeated in the Eightieth Congress as a result of a speech made by the distinguished senior Senator from Virginia upon the floor of the Senate.

4. An average raise of $50 a year will be provided for classified workers, but this would be only an average. Some officials would get an increase of more than $5,000; other workers would get a boost of only a few dollars.

The average is $50. I ask unanimous consent that the remainder of the article be printed in the RECORD at this point in my remarks.

There being no objection, the remainder of the article was ordered to be printed in the RECORD, as follows:

5. Several thousand workers in the clerical-mechanical service, all of whom work for the Bureau of Engraving and Printing, would be removed from the classification structure and their wages would be determined by wage boards on the basis of prevailing rates for similar work in private industry.

NEW CUSTODIAL SET-UP

6. Workers in the custodial-protective crafts service would be set up in an entirely independent classified system, with 10 separate grades of their own, which would provide slightly higher wages than these employees now receive.

7. Workers making up to $10,000 under the proposed new schedule would be eligible for longevity increases. These increases would be given workers who have served several years at the top of their grades in dead-end jobs and who presently have no hopes of further promotions.

About 7,600 classified D. C. employees would benefit. Any increase they would get under the bill also would be above and beyond the $300 salary raise, retroactive to last July, which they would get under legislation awaiting action on Capitol Hill. Other nonclassified D. C. employees would not be covered.

In addition, the bill would bring into the Federal classification structure thousands of employees here who are not now covered, such as employees of RFC, who currently have their own classification structure.

Meanwhile, Chairman LONG of the Senate pay subcommittee announced that in an effort to get speedy consideration of the President's pay proposals, the subcommittee will hold hearings on the Federal pay question starting at 10 a. m. Monday.

Mr. LANGER. So, Mr. President, we come again to the pledge on page 6 of the Democratic platform, reading as follows:

We are oposed to the imposition of a general Federal sales tax.

Yet here they are, today, asking for a sales tax in the District of Columbia,

knowing full well that a sales tax such as is provided for in the bill imposes by far the greatest burden upon poor people. Senators know what a terrible burden the sales tax is.

Let us take up further the record of the Democratic Party, the party that said it was going to help the poor, but is giving veterans an increase of $50 a year. That is about $6 a month. I think it comes to about 20 cents a day, perhaps less. The leaders of the Democratic Party say they are able to take excellent care of people in foreign countries, and that is shown by the record compiled by Representative VAN ZANDT, who is a Pennsylvania Republican, who, incidentally, fought in both world wars, and three times was commander in chief of the Veterans of Foreign Wars. Certainly, when a man like Representative VAN ZANDT prepare figures like these, they can be relied upon.

How much money have we given to foreign countries since the end of World War I? Here we have the figures. We gave Austria $885,118,000; Rumania, $39,942,000; Belgium and Luxemburg, $1,744,000,000; the British Empire, $44,679,000,000. Mr. President, do you know how much a billion dollars is? When I was governor of my State the entire assessed valuation of the whole State of North Dakota, including every acre of land, every bit of city property, all the bank deposits, every horse and cow and all sheep, everything we had in the State, was roughly $921,000,000. But there has been given to the British Empire $44,679,000,000, roughly 44 times the value of everything we had in the State of North Dakota at that time, including millions of acres of land and all the other property of every kind, character, and description, including all our public utilities.

Oh, Mr. President, this Democratic Party that gave Great Britain $44,679,000,000, are worried now that we might spend too much money for public health in the United States. It will be recalled how they tried to cut down the few dollars we set aside the other day for cancer research, and the few dollars we appropriated for the investigation of heart disease; and when they came to taking care of mental health, they said we could not afford it, we should let those folks who are crazy just remain crazy; we should let those who are going crazy, go crazy. We have no money to make an investigation to find out how such persons may be kept from becoming insane. If they are insane, why, just let them continue to be insane.

As a matter of fact, by reason of the discovery of insulin, the medical profession is able to cure 80 percent of a certain kind of insanity. It is being done in some of the State hospitals every day. Of course, the treatment is expensive. The patients are treated with insulin by being given 350 units of the drug, and they become unconscious from the shock. Later they have to be fed glucose through the veins, and gradually they recover. But, as I stated previously, it is an expensive process. In any event, it is said we cannot afford it. We will let the sick veterans die. If they are insane, let them stay insane. It is too bad we cannot give them enough medicine, but that is just their hard luck, because we have to take care of Great Britain, Ethiopia, and many other countries.

In addition to the money which we have given to Great Britain, we also gave China $3,446,000,000. We have given China $54,000,000 since, which is not included in the list which I have here. During the debate on the Marshall plan bill, the distinguished Senator from California offered an amendment under which we gave China an additional $54,000,000.

That is much more than was asked in the mental health bill. In any event, the mental health bill was not passed, but there was $54,000,000 more to be spent in China.

The following amounts have been given by the United States to foreign nations:

Czechoslovakia	$17,348,000
Denmark	234,792,000
Egypt	59,700,000
Estonia	25,903,079
Ethiopia	16,447,000
France and possessions	3,371,000,000
Finland	24,600,056
Germany (bizonia)	3,260,000,000
Greece	681,000,000
Hungary	64,000,000
Iceland	20,900,000
Israel	63,009,000
Italy	4,700,000,000
Iran	23,100,000
Iraq	7,805,000
Ireland	142,703,000
Japan	1,891,000,000
Korea	89,469,000
Latvia	10,713,000
Liberia	14,829,000
Lithuania	9,603,059
Netherlands and possessions	979,000,000
Norway	345,000,000
Philippine Islands	708,000,000
Poland	373,600,000
Portugal	11,647,000
Rumania	79,435,000
Russia	12,793,400,000
Saudia Arabia	46,200,000
Sweden	104,100,000
Trieste	35,200,000
Turkey	305,400,000
Yugoslavia	117,200,000
American Republics (13)	1,651,392,000

Mr. President, every time the ruler of one of the foreign nations comes to the United States he is met at the airport by the President, or someone from the Department of State. The red carpet is rolled out, and the ruler gets off the plane with his tin cup and is promptly rushed over to the Blair House or to the White House to get some more money.

I again invite the attention of the Senate to the promise made in the Democratic platform. On page 6 of that document we find:

> We favor the reduction of taxes.

I again invite attention to the fact that in the newspapers this morning it is reported:

> Truman stands on $4,000,000,000 tax hike.

The Democratic Party said, in Philadelphia:

> We shall endeavor to remove tax iniquities and continue to reduce the national debt.

To continue to spend more and more money and send more and more money abroad is a strange way to reduce the national debt.

Mr. McCLELLAN. Mr. President, did the Senator say "tax iniquities"?

Mr. LANGER. Tax iniquities. According to the Democrats' theory, there are no inequities. They simply take all they can possibly get, and by imposing a Federal sales tax they want to get the last cent the poor man in Washington has left after paying his other expenses.

I invite the attention of the distinguished acting majority leader to the Democratic platform, in which it is said:

> We are opposed to the imposition of a general sales tax.

When they were looking for votes they were against the sales tax, but now that the election is over they want to establish a sales tax in the District of Columbia.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LANGER. I shall yield later. I do not want to have my thought interrupted at this particular time. Yes; I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. I wanted to ask the Senator if he interprets a general sales tax to be restricted only to the District of Columbia?

Mr. LANGER. I interpret it to be a Federal sales tax, to take money out of the pockets of the poor people of the Nation, whether it is called a general sales tax or simply a Federal sales tax. It is the same kind of a tax, no matter what it is called. There is an old saying that a rose by any other name would smell as sweet.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the distinguished Senator from Oregon.

Mr. MORSE. Is it the Senator's interpretation of the Democratic platform that that party is opposed to a sales tax only where people vote, but where they do not vote the party is not opposed to a sales tax?

Mr. LANGER. That may be the theory of the persons who drew up the Democratic platform. There were strange people helping in drawing up the platform. I understand that some distinguished Senators who are now on the floor were at the Philadelphia convention, and I am sure they may be able to answer the question of the distinguished Senator from Oregon. But any common, ordinary man reading the Democratic platform would certainly come to the conclusion that the Democratic Party was opposed to a Federal sales tax. It is there in plain, simple, unequivocal, clear language. It says:

> We are opposed to the imposition of a general Federal sales tax.

Mr. President, we cannot rely upon what is said in the Democratic platform. People should have known that by their experience with the Democratic platform of 1932. I dissected the platform of 1932, and with the possible exception of one, not one pledge that was written into the 1932 platform was kept. The distinguished Senator from Iowa [Mr. GILLETTE], now presiding over the Sen-

ate, remembers that in that platform it was said the Democrats were going to cut down the number of bureaus. Instead of cutting down the number, they increased the number. They said at that time all the things they were going to do, that they were going to reduce expenses and the national debt. They also failed to keep those promises.

I call attention now to another paragraph in the Democratic platform. This is on page 3:

We pledge our best endeavors to conclude treaties of peace with our former enemies.

Yet, Mr. President, 4 years have gone by since the war, and they have not yet concluded a treaty of peace with any of the leading nations involved in the war. I repeat, that was nearly 4 years ago.

But that is not the worst of it. The worst is that there are all kinds of secret treaties, with which not only the people of the United States are entirely unfamiliar, but with which the Members of the Senate are unfamiliar, and about which they know nothing. I might add that the members of the Committee on Foreign Relations are in total ignorance of them.

Every once in awhile they come along and take off the ban of secrecy. I have here in my hand the message sent to the Senate a few days ago by the President of the United States, under date of May 9, 1949. Listen to this. This convention, mind you, was sent to the United States Senate:

Convention was read the first time and the injunction of secrecy was removed therefrom. The convention, the President's message of transmittal, and all accompanying papers were referred to the Committee on Foreign Relations and ordered to be printed for the use of the Senate.

This was the international convention for the North Atlantic fisheries.

Mr. LONG. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator, who I understand has to leave to attend a committee meeting.

Mr. LONG. I should like to point out to the Senator from North Dakota that it is true that the bill to which he has referred provides very mild pay increases, and he will notice that in some cases it provides less than $50 in the way of increase. There are some brackets in which the pay increase would be only $1.72, and I understand there are some other brackets in which there would be no increase at all.

If the Senator will refer to page 5568 of the RECORD of May 4, 1949, he will see that I said, at the time I introduced the bill, that it was my understanding that it more or less represented the point of view of the administration. This is not a pay-increase bill, because, as the Senator will see, in some brackets there is no increase at all. If the Senator will refer to page 5568 of the RECORD he will see this statement, in the last paragraph of the letter which I inserted when introducing the bill:

We recommend the proposed bill for consideration and enactment by the Congress. We have been advised that this proposal is in accordance with the President's financial and administrative program.

It was upon that basis that I stated to the Senate I understood that the bill represented the administration's point of view. I will say to the Senator that I did not go to the White House and receive any orders. I merely received the bill, with the attached letter. I presume it is an administration bill, and that it is what the administration would like to have enacted.

Mr. LANGER. The newspapers stated that the distinguished Senator did go to the White House, and that he did meet with the President. As a matter of fact, he introduced the President's bill, and I ask this question, if the Senator cares to answer it: Can the Senator name any other pay-increase bill that is advocated by the administration, except the one we have been discussing?

Mr. LONG. There is none that I know of. I believe that if the Senator will check the appointments with the President, he will find that the junior Senator from Louisiana has not been to the White House for a long time.

Mr. LANGER. So, Mr. President, in spite of the promise in the platform of the Democratic Party which was adopted last summer in Philadelphia, no bill of any kind providing pay increases for Federal employees has been introduced, except the one that has been described as being sent to the Senator by the President, or the Civil Service Commission. That is correct, is it not?

Mr. LONG. So far as I know.

Mr. LANGER. The Senator is chairman of the subcommittee. If anyone in the whole world knew, he would know. The Senator from Louisiana would be the only person who would know it.

Mr. LONG. Mr. President, I must take issue with that statement. Personally I have no idea what the President thinks about a general pay increase, other than what I read in the newspapers on the subject.

Mr. LANGER. In other words, neither from the Civil Service Commission nor from the White House has any bill dealing with pay increases been sent to the committee headed by the junior Senator from Louisiana?

Mr. LONG. Not so far as the junior Senator from Louisiana knows.

Mr. LANGER. So, Mr. President, I come back to the proposition that the Federal pay bill, sent down by the White House, provides raises of $50 a year, on the average. The distinguished Senator from Louisiana says the raise in some cases may amount to $1.72 a year. I contrast that with the comparatively fine record made by the Republican Party in the Eightieth Congress when we, together with the members of the Democratic Party on the committee, voted to increase the pay of postal employees $450 a year and to increase the pay of general Federal workers $330 a year.

I return now, Mr. President, to what I was saying relative to the peace treaty. On page 3 of the Democratic platform we find the following language:

We pledge our best endeavors to conclude treaties of peace with our former enemies. Already treaties have been made with Italy, Hungary, Bulgaria, and Rumania. We shall strive to conclude treaties with the remaining enemy States.

I call this language particularly to the attention of the distinguished Senator from Arkansas [Mr. MCCLELLAN]:

We shall strive to conclude treaties with the remaining enemy States, based on justice and with guaranties against the revival of aggression, and for the preservation of peace.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Does the Senator from North Dakota yield to the Senator from Arkansas?

Mr. LANGER. I yield.

Mr. MCCLELLAN. Does not the Senator from North Dakota agree that our Government, the President, and the administration, and both political parties, have been doing everything possible to bring about peace?

Mr. LANGER. I do not agree with that statement. To the contrary I most emphatically dispute it. I cite as an illustration, for the benefit of the distinguished Senator from Arkansas, the message sent to Congress by the President on the 9th of May, which deals with the matter of the international convention for the North Atlantic fisheries, and which was kept secret until the 9th day of May.

I also call the attention of the distinguished Senator from Arkansas to the meeting held at Potsdam. What did the present President of the United States agree to at that time? It was said at that time, "We are going to take away the fishing rights from the people of Germany." Those people were starving. The committee of Catholic and Protestant clergymen that went to Germany from this country said the people then were trying to live on as low a food standard as 800 calories a day. When some of us tried to have that food standard raised to 2,500 calories a day we were met by the opposition of the administration.

Not only that, but under the terms of the Potsdam agreement the Allied authorities continued to dismantle German industrial plants, to carry out the Morganthau plan of starvation, of making Germany an agricultural country, when, as a matter of fact, it was the most highly industrialized country in all of Europe.

I read again from the Democratic platform:

We shall strive to conclude treaties with the remaining enemy states, based on justice and with guaranties against the revival of aggression, and for the preservation of peace.

What was done the other day with respect to German fisheries? With the taxpayers of the United States spending more than $1,000,000,000 each year in Germany to feed the people of Germany, what was done with respect to German fisheries? The distinguished Senator from Arkansas will remember that General Clay a while ago announced that there was no more important question connected with the solving of the entire world situation than the question: What are we going to do with Germany?

Senators will also remember that persons in the office of the Secretary of State

said that whether Germany went communistic or did not go communistic depended on whether Russia would win the cold war or whether the United States would win the cold war.

Yet what has been going on in Germany? It now appears that our pro-Communist policy of destructive vengeance which Mr. Morgenthau succeeded in putting over on the American people has been leading to such economic, social, and political chaos, that our policy makers have finally been shocked into an awareness of what has been happening.

When Mr. Stewart Alsop and the Washington Post become alarmed about conditions in Germany we have every reason to believe that our policy makers now realize that a complete change of policy and attitude toward the German people is an absolute necessity if we do not drive them into the hands of communism.

On February 27, this same columnist, writing in the Washington Post, devoted his whole article to the question—

What are the real objectives of American policy in Germany?

He went on to say—

This is as important a question as any that confronts the United States.

Mr. President, "it is highly significant that at long last this Government is now making a serious effort to find an agreed and intelligent answer," as the article states.

It is also interesting to read what the article further reveals, that:

An attempt is now being made to draft a whole series of agreed policy papers, dealing with all aspects of American policy in Germany. The preliminary drafting is being done by a four-man committee, which is now quietly meeting two or three times a week in the State Department.

Chairman of this committee is George Kennan, brilliant chief State Department planner. Richard M. Bissell, able Deputy ECA Administrator, speaks for the ECA, which has a vital interest in the German problem; Robert Blum, special assistant to Secretary of Defense Forrestal, represents Forrestal and the Defense Department. The Army and Gen. Lucius Clay, American commander in Germany, are represented by Assistant Secretary of the Army Tracy Voorhees, who may succeed William Draper as Under Secretary of the Army and chief Washington spokesman for Clay.

These four men will not, of course, make German policy independently. The policy papers they draft will be referred back to the organizations and individuals they represent, including General Clay. Moreover, each preliminary paper will be sifted through another higher committee. This committee consists of Secretary of State Acheson, as chairman; ECA Chief Paul Hoffman, and Secretary of the Army Royall. If Acheson's committee approves a paper, it will be referred in turn to the National Security Council and the President for final decision.

There, Mr. President, in this article by Mr. Alsop will be found exactly how the entire matter of treating Germany works.

Then, what Mr. Alsop went on to say was:

What this means is simply that the period of improvising policy in Germany is coming to an end.

Of course, Mr. President, what Mr. Alsop refuses to admit is that the improvising policy toward Germany to which he refers was not an improvisation. It was a policy of planned chaos, designed to destroy the German-speaking peoples and a policy which is now playing directly into the hands of the Communists.

Mr. Alsop continues in his column by protesting that:

We do not want a western Germany kept in a permanent colonial status, at or near the starvation level. We do not want a Germany in constant danger of being drawn into the Kremlin orbit.

Mr. President, these protests amount to nothing but a sorry admission of where the Morgenthau plan has led us. It has produced the very inhuman conditions in Germany which Mr. Alsop now admits are becoming increasingly suicidal, not only to Germany, not only to Europe, but to the United States of America as well.

I do not want to take the time now to recount in detail the insanities underlying our policies toward Germany to date. I want merely to refresh our memories on what has happened, and to point out the inevitable human degradation and chaos that have resulted. What else was to be expected when this Government drafted the basic policy which we have pursued toward the defeated peoples of Central Europe almost 4 years after the end of the war? We pursued it in spite of the fact that the Democratic Party adopted a certain platform in Philadelphia and since that time has consistently ignored it. Under that policy Germany was carved into 5 basic zones of occupation. That policy left in the hands of Russia the maximum of raw materials and the minimum of population, together with the greatest part of the surplus food-producing areas of Germany. The policy resulted in the sinking of the German fishing fleet in the North Sea. That policy tore up by the roots 15,000,000 to 20,000,000 helpless expellees and drove them into the already overcrowded western zones of Germany. The Democratic policy put into practice the despicable de-Nazification program, which has destroyed the economic opportunity and the social and personal security of millions of Germans. The Democratic policy called for the dismantling and destruction of the industrial potential upon which those overcrowded millions were absolutely dependent for a minimum livelihood. The policy called for deliberate deforestation, which has hastened the erosion of the soil resources of western Germany. The Democratic policy has denied the manufacture of fertilizer to enrich the remaining soil, and has resulted in the perpetuation of human slavery in the form of exploitation of prisoners of war, leaving western Germany with pitifully inadequate manpower to operate such farming facilities as are left. The stupid, insane, and suicidal Democratic policy has been grinding out the perfect soil for communism.

Think of it, Mr. President. A Democratic President of the United States signed a document which sold into human slavery millions of German people and permitted the conquerors to take them to their country for slave labor. I refer to those things because the same article states, concerning the new committees and the policy papers containing the draft of a new German policy, that—

The policy papers which result will be and should be secret.

Mr. President, are not the American people, 4 years after the war, entitled to know what secret agreements were entered into? Four years after the war is not the Senate Committee on Foreign Relations entitled to know what agreements were made? Four years after the war are not the American people, who pay the taxes, entitled to know what secret agreements were made 4 or 5 or 6 or 7 years ago? All over the United States this morning, taxpayers pick up the newspaper and read, "Truman stands for $4,000,000,000 increase in taxes."

I invite attention to the fact that southern Senators are all Democrats. On the other side of the aisle they are standing together, terror stricken at the fact that the President has asked for $4,000,000,000 more in taxes, knowing very well that the people of the country are going to revolt against any measure increasing taxes by $4,000,000,000 at the request of the President of the United States.

I am entirely satisfied that as they stand there the distinguished senior Senator from Georgia [Mr. GEORGE] is saying to other Democrats, "Boys, we must go easy. We cannot put on $4,000,000,000 of new taxes. We must keep taxes just as low as we possibly can." The senior Senator from Georgia is perhaps the best fiscal authority in the United States. The senior Senator from Georgia and the junior Senator from Georgia [Mr. RUSSELL] are two men who have their ears to the ground, and who know all about the widespread terrific revolt today against an increase of $4,000,000,000 in taxes. As everyone already knows, the poor taxpayer can hardly pay the taxes assessed at the present time, without such an enormous increase.

I continue in connection with the so-called international convention for the North Atlantic fisheries. Since Mr. Alsop wrote that article and the Washington Post printed it, four major events have taken place.

The first is the West German Occupation Statute, released on Monday, April 11, 1949, in which we are advised that the three occupying powers of the western zone are arranging to restore civilian rule to western Germany.

The second is the publication of the Humphrey report on dismantling, and the announcement of an agreement of the occupying powers in the three western zones of Germany revising the German reparations program.

Every Senator knows about the insane policy adopted by the Democratic Party in the matter of dismantling. We went over there and tore down the finest fertilizer factories anywhere in the world, and then we proceeded to ship fertilizer from the United States to Germany. Of course, they have a planting season over

there, just as there is a planting season in every other place. They have days, weeks, months, and years. There are only 7 days in a week over there, and there are only 30 days in a month. But those who sent the fertilizer over forgot all about that. They did not get the fertilizer over there until many months had elapsed and the planting season was over. There was no fertilizer to put on the ground in Germany, and the result was that 2 years ago and 3 years ago, instead of having a very fine crop, because of the lack of fertilizer, which did not get there from the United States in time, and because of the fact that the fertilizer factories had been torn down under the infamous agreement made at Potsdam, the American taxpayer was stuck for hundreds of millions of dollars in order to see that people were fed.

The third historic event is the signing of the Atlantic Pact.

The fourth is the lifting of the Berlin blockade. Yet, Mr. President, we still do not know what America's basic policy toward Germany really is. In effect, these agreements have taken place against a background of such distortions of fact and such terribly complicated economic problems, which are so highly technical in nature that only experts can grasp their implications, that the new agreements themselves do not help the American people to understand what really is taking place in Germany.

In effect our basic policy toward Germany still lies buried in secrecy, even behind the new developments of which I speak. By way of illustration, I ask any Senator, What does the occupation statute mean? Can any Senator on either side of the aisle explain it? It means that the civilian government in Germany is to be held responsible for the development of policies which it has no power to control. The reservations of the occupation statute leave in the hands of the occupying powers the very authority and control without which no civilian government could effectively function.

I refer specifically to the contradiction which exists between the professed desire of the three occupying powers to increase German exports and the fact that the same occupation authorities so control the economic life of western Germany as to compel the German people to depend upon the export of coal and raw materials, a policy which can only impoverish a highly industrialized people.

This dilemma, which certainly is not being resolved by the new occupation statute, is clearly revealed in the fact that England herself is having a desperate struggle to increase her exports, which are largely based upon the increased valuation of any manufactured article which is the end product of basic raw materials.

A recent article by the director of the Institute for World Economic Affairs shows most clearly the futility of America's continued underwriting of such an economic process in western Europe.

Listen to this, Mr. President; I read now from an article prepared by the Institute of World Economic Affairs:

> England exports, and she exports with success.

That is the same England that refused to help Germany after World War I; during the time of the Weimar Republic, England refused to help the Hindenburg government.

I read further:

> Her 1948 exports will have reached $6,180,000,000, of which $5,384,000,000 were contributed by finished goods, and only $257,000,000 by coal and raw materials. This sum of $6,180,000,000 constitutes the annual importing power of the British Isles, which is increased by $1,500,000,000 of Marshall aid. In contrast, western Germany will have exported goods to the value of not quite $600,000,000, of which coal and raw materials make up by far the greater part, while the amount of finished goods exported is quite insufficient—almost microscopic.

I commented upon this matter 3 weeks ago, and at that time I said that the articles which might be manufactured from raw materials by Germany might have a value of more than one thousand times the raw materials which are being exported by Germany under the present form of government there.

I read further from the article:

> Food imports at the expense of the American taxpayer have so far prevented millions of people from starving in this artificially overpopulated area cut off from its natural access to world markets by throttling of foreign trade, dismantling, and enforced raw-material exports. In 1948 western Germany will have received additional imports from the United States in the value of $1,200,000,000. Two-thirds of the grain, three-quarters of fats consumed by western German town inhabitants are unpaid supplies covered by the United States Army budget or by the Marshall plan. In spite of this historically unprecedented help of a victorious to a vanquished country, nutrition is shockingly insufficient.

Mr. President, the economic consequences of such a program mean that the American people will be permanently compelled to finance the permanent loss of one of America's traditional and largest markets.

What about the new agreement on German reparations, which involves a revision of the former dismantlement program? What light does this new agreement throw on our basic, over-all German policy?

Again we find that this agreement has to be interpreted against the background of such a complicated program that only experts can understand its implications. In the first place, it is a fact that even this new program for reparations has been undertaken without any reference whatever to the role Germany ought to play in the over-all European recovery program. Mr. Hoffman himself so testified before the Foreign Relations Committee.

In the second place, this agreement has been reached in spite of the fact that, so far as I know, there is not in existence today a list of the end uses to which dismantled plants have been put on either side of the iron curtain since the end of the war.

In the third place, it develops that this revised list on dismantling does not contain exemptions, recommended by the Humphrey committee itself. Yet those specific recommendations dealt with the necessity for maintaining within the orbit of German production certain basic key industries, upon which even this agreed level of industry is in reality absolutely dependent.

What are these key industries which are now scheduled for dismantling? The first one is the Bochümer Verein Gussatahlfabrik Bochum. It is interesting to note, Mr. President, that this plant, located in the British zone, is a key industry upon which Germany's railway system is completely dependent. This is one of the greatest locomotive works in Europe.

A second plant, Mr. President, is Deutsche Edelstahlwerke (Tiegelstahl) Bochump. Mr. President, this plant lies at the heart of the hardened-steel industry upon which the machine-tool industry of Germany is so dependent.

A third plant, Mr. President, is the Klockner Werke A. G. in Dusseldorf. Under this new reparations agreement, this plant is to be dismantled. Yet it is a key plant in the manufacture of mining equipment upon which even the export of coal and raw materials from Germany is absolutely dependent.

A fourth illustration, Mr. President, of what this German reparations program is really covering up is the I. G. Farben buna plant at Ludwigshafen. Yet, Mr. President, this is a key plant that manufactures synthetic rubber. The Germans can manufacture synthetic rubber at a cost of around $400 a ton. With the destruction of this plant, the American people will be compelled to pay for the import of natural rubber at the rate of anywhere from $1,200 to $1,600 a ton. Do I need to remind my colleagues that that is nothing but economic insanity?

A fifth illustration, Mr. President, of what lies behind this reparations agreement is that while we are assured that Germany will be able to start rebuilding its merchant marine, we learn at the same time that the only 5-meter heavy plate mill in Europe, located in Hoerde, in the British zone, is to be dismantled. This is the mill which I understand was designed particularly to manufacture steel plates for the shipbuilding industry, not only of Germany, but of Norway, Denmark, Sweden, Holland, Belgium, and other European countries who are receiving ECA aid.

Mr. President, this brings us to the Atlantic Pact and its provision for German participation in the defense of western Europe. Not only do we find that no place has been assigned to Germany in the program for the over-all defense of western Europe, but we learn to our dismay that, so far as Germany is concerned and so far as any future American policy toward Germany is concerned, instead of clarifying and insisting upon the underwriting of our interests, we have surrendered those interests out of our hands for good. A recent article by Walter Lippmann reveals that—

> The pact, because it binds the Atlantic nations together, will mean that in the diplomatic show-down and the negotiations, which must soon begin, the western governments must now act together and can no longer act separately. It will, henceforth, be a violation of the spirit, and indeed the letter of the pact, for American military government in Germany, or for the British Foreign Office, or for the French, to insist

upon, or to carry out separately, any serious policy in Germany which has not been worked out together by the members of the pact. The gentlemen who have talking glibly about whether we should place our bets for Europe on Germany or on France must now shut up and sit down. The choice, if it ever existed, has been made by signing this pact, and from now on our policy in Germany will not be an American policy but a common policy worked out by the Atlantic community.

Mr. President, how plain I wish I could make that to the American people. If the North Atlantic Pact is ratified by the Senate, the United States will not be able to make an agreement with Germany. Although there are in the United States 33,000,000 people who have, to some degree or other, German blood in their veins, no matter whether the Senate might feel that a certain agreement should be made with Germany, under the North Atlantic Pact such an agreement could not be made, for under the North Atlantic Pact such agreements must be made by all the nations which sign the pact. So we would have to satisfy England; we would have to satisfy France; and we would have to satisfy some of the other countries of Europe, where hate and jealousy exist.

Mr. President, I believe the time has come to do away with the secrecy surrounding our policy toward Germany. I showed how the treaty relating to North Atlantic fisheries had been kept secret, month after month. The United States Senate could not be trusted.

I am convinced that we must restore jurisdiction over these basic policies to the United States Senate. I believe a surrender of our constitutional rights and the duty of the United States Senate to safeguard the vital interests of the American people can only end in tragedy. We cannot continue to underwrite policies of economic insanity without playing directly into the hands of the various totalitarian forces we are seeking to destroy. It may be that the new policy makers in our State Department are waiting for the United States Senate to reassert itself in its traditional field of foreign affairs. If this be true, I have here a simple proposition by which to strengthen the hand of these new policy makers in their efforts to draft a basic reorientation of our American policy toward Germany. I am referring, Mr. President, to the simple matter of restoring Germany's rights to construct, to own, and to operate a domestic fishing fleet. For nearly 4 years the German people have been denied the right to supplement their diet through access to this source of protein food and fats.

In his recent testimony before the Senate Foreign Relations Committee, Mr. E. E. Collisson, who was personally appointed by the President to investigate the whole problem of the German economy last summer, testified. Here is what the man appointed by President Truman himself said. The Germans were without a fishing fleet. It had been taken away from them by the Potsdam agreement for 4 years. Testifying before the Foreign Relations Committee of the Senate, Mr. Collisson said:

> The Germans are woefully deficient in fats and oils and proteins. Today, almost 4 years after the end of the war, Germany is existing on a daily ration that is subnormal both in calories and proteins. Germany, through its fishing fleet, supplied a lot of fish which was an excellent protein but through the destruction of their fishing fleet they are not now able to supply that.

Aside from the inhumanity of this policy of stark vengeance, Mr. President, is the economic insanity it involves, which compelled the American people during the second quarter of the operation of the ECA to pay not only for the destruction of that fishing fleet, but because of that destruction, to pay $2,960,000 for the import of whale oil into Germany, and during the third quarter of the ECA to pay $1,440,000 for imports of whale oil from South Africa, $2,400,000 for imports of whale oil from Belgium, and $1,694,000 for imports into Germany of herring oil from Iceland.

Just think of it, Mr. President. By the Potsdam agreement we put this little fishing fleet out of business, and then we paid out last year $2,960,000 to import whale oil into Germany; we paid $1,440,000 to South Africa; $2,400,000 to Belgium; and $1,694,000 for herring oil from Iceland. Every dollar of that money could have been saved to the American taxpayer had the Germans been allowed to retain the fishing fleet which was sunk as a result of the Potsdam agreement. But so long as the Senate will vote to give the President $4,000,000,000 additional taxes, just so long will our money be wasted in Europe.

Therefore, Mr. President, I want to submit a resolution, both as an effort to support and as a means of proving the basic good intentions of those who have now taken over the formulation of a new American policy toward the German-speaking peoples. The resolution is offered on behalf of the Senator from Mississippi [Mr. EASTLAND], the Senator from New Hampshire [Mr. BRIDGES], the junior Senator from Nebraska [Mr. WHERRY], the senior Senator from Nebraska [Mr. BUTLER], and myself. The resolution is as follows:

> *Resolved,* That (a) it is the sense of the Senate that the right to construct, own, and operate a domestic fishing fleet, within the limits defined by international fishing conventions, should be restored to the German people; and (b) the President is requested to take such action as may be necessary and appropriate to effectuate the immediate restoration of such right to persons within American zones of occupation.

I send the resolution to the desk, Mr. President, and ask for its reference to the appropriate committee, which, I take it, will be the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 118) submitted by Mr. LANGER (for himself, Mr. EASTLAND, Mr. BRIDGES, Mr. WHERRY, and Mr. BUTLER), was referred to the Committee on Foreign Relations.

Mr. LANGER. Referring again to the Democratic platform, and referring once more to the fact that they only propose to raise the pay of Federal employees $50, I ask unanimous consent to have printed at this point in my remarks the testimony of Mr. William C. Doherty, president of the National Association of Letter Carriers. The testimony was given by him on May 11 before the Subcommittee on Pay Increases of the Committee on Post Office and Civil Service. It includes questions asked by the various members of the committee. I ask that it be printed in full at this point in my remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF WILLIAM C. DOHERTY, PRESIDENT, NATIONAL ASSOCIATION OF LETTER CARRIERS, BEFORE THE SUBCOMMITTEE ON PAY INCREASES OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. DOHERTY. My name is William C. Doherty. I am president of the National Association of Letter Carriers, which represents more than 95,000 letter carriers in the city, rural, and village delivery service of the Post Office Department.

I want to compliment the chairman and members of this subcommittee for holding these hearings. I also want to assure you that I am very happy for the opportunity to make a statement which expresses the sentiments of the employees I have the honor to represent.

One of the most asked questions among letter carriers is, When is the Eighty-first Congress going to enact legislation to bring postal wages and other conditions affecting postal employees in line with present-day realities? It is my sincere wish that, as a result of the deliberations and recommendations of this subcommittee, the answer will be furnished.

Speaking for the letter carriers, I tell you in all frankness and candor and in all sincerity that I do not consider our request unreasonable. I do not think it is excessive or demanding in any way. And I am equally certain that letter carriers and other postal people are in need of immediate relief.

Letter carriers do an honest day's work every day, rain or shine. Today mail volume is at an all-time peak, with indications of further increases. Letter carriers are delivering heavier loads than ever before. I repeat, letter carriers do an honest day's work, and they expect, they are entitled to, and they hope to get an honest day's pay, no more no less.

Senator BALDWIN. May I interrupt you there, Mr. Doherty?

Mr. DOHERTY. Certainly, Senator BALDWIN.

Senator BALDWIN. There is one question I would like to ask. Have you any information on the question of how often the letter carrier routes are changed?

For example, here you indicate that there is a further increase in the load that a letter carrier has. Now, if a carrier, as I have observed from my own experience in my own home town, has a particular route, is there any effort made by the Post Office Department in the light of the amount of mail that he has to distribute, to readjust those routes? How widely is that done?

Mr. DOHERTY. Senator BALDWIN, there is an annual route inspection of all routes, and there is a regular count and weigh of mail. The two things coincide.

Based on that annual inspection and the count and weigh, the Department attempts to adjust the routes. However, the mail volume has increased so tremendously that it is now difficult for the Post Office Department to secure sufficient appropriations and sufficient carriers to cope with the situation. In other words, the mail volume is always ahead of the readjustments. I think I had better put it that way.

Senator BALDWIN. Thank you. That answers the question.

I had been used to seeing the man that comes to my house year after year after year.

I wondered if he was continuously for his lifetime on that route regardless of the load.

Mr. DOHERTY. Occasionally he gets relief, but not often enough, Senator.

We can only secure relief as the result of congressional action. We have no other bargaining rights; we are not suggesting there should be any other type. My purpose in being here this morning is because I want to impress upon you gentlemen the urgent need to look into our situation and evaluate the merit of our requests.

Shortly after the present Congress convened in January the National Association of Letter Carriers endorsed S. 558, a bill introduced on January 18 by Senators JOHNSTON of South Carolina, O'CONOR of Maryland, LANGER of North Dakota, and BALDWIN of Connecticut. This bill provides for a $650 annual increase in the basic salary of letter carriers. It was a justifiable bill in January; it is equally justifiable today.

Public Law 900, enacted by the Eightieth Congress, granted postal employees a $450 annual wage increase. This was approximately 14.5 percent of the then existing 33 percent spread between postal wages and costs of living. That 19-percent deficit in our purchasing power has been reduced approximately 2.5 percent, according to the Bureau of Labor Statistics as of May 9—2 days ago. We are, therefore, approximately 16 percent behind the economic parade.

Senator LONG. That is relating the economic parade back to what point?

Mr. DOHERTY. Back to 1939, and the adjustments that have been made in postal salaries, Senator LONG, since that time. We are still 16 percent behind the parade.

Senator LONG. In other words, since 1939 you might say that the cost of living has advanced in effect 16 percent more than your pay has been increased. Is that right?

Mr. DOHERTY. That is substantially correct, yes, Senator. That is the point I am making here this morning.

So, while Public Law 900 was at best a halfway measure, nevertheless, it did represent a partial consideration of postal employee needs. Thus far in the Eighty-first Congress we have had very little by way of action on postal personnel problems in either House.

In his annual budget message to the Eighty-first Congress, President Truman asked for more realistic salaries for Government career employees. At another point in the same message we read: "The Government and its employees should be assured that the salaries paid for positions at all levels are fair compensation for the work performed."

I say without equivocation that letter carriers are not now getting fair compensation for work performed; moreover, the Congress, the administration, and the responsible officials of the Post Office Department have a joint moral obligation to correct the situation. It is difficult indeed for letter carriers to understand the apparent reluctance to modernize their wage structure and other considerations affecting hours of duty, sick and annual leave, and other equally important items on a realistic and ever current basis. I want the record to show that the National Association of Letter Carriers at this point renews its unqualified endorsement of S. 558.

There is also a bill before the Senate committee which is designed to provide certain fringe benefits to letter carriers and it is a measure that is wholeheartedly endorsed by the organization I represent. Reference is made to S. 1772, introduced on May 5 by Senators MCKELLAR, of Tennessee; FREAR, of Delaware; HUMPHREY, of Minnesota; KEFAUVER, of Tennessee; LANGER, of North Dakota; BALDWIN, of Connecticut; ECTON, of Montana; and HENDRICKSON, of New Jersey.

S. 1772 amends Public Law 134, enacted July 6, 1945, which is more popularly known as the Postal Reclassification Act. And I might add at this point that Public Law 134 very definitely needs correction in several sections. Many inequities in the law have been exposed during the almost 4 years it has been in operation; S. 1772 is the key to the solution of several of these inequities.

Section 1 of S. 1772 provides for 26 days' annual and 15 days' sick leave, cumulative, for all postal employees. I believe that this particular section of the bill warrants the sympathy of every Member of Congress who is interested in removing an outright discrimination. Letter carriers have never been able to understand why there is no equalization of sick and annual leave, particularly so since the very nature of their work takes them out in all types of weather and is otherwise arduous and hazardous. I think it will be interesting to this committee to have me place into the record statistics which have been furnished by the Compensation Commission. I am advised that, in computing the frequency of injuries, the Commission uses as a basis the rate of disabling injuries per million man-hours. The frequency rate for letter carriers is 17.8. To illustrate the significance of that figure, I want to point out that the frequency in the Post Office for all employees is 8.8; in the Navy Department, 6.5; in the Interior Department, 13.8; in the Federal Works Administration, 15.6. I think these figures show conclusively that letter carriers not only are entitled to equalization in the matter of sick and annual leave, but the nature of their duties requires them to have more than the present 15 days' annual and 10 days' sick leave.

If I might digress for a moment, Mr. Chairman, I would like to state at this point that I have read the CONGRESSIONAL RECORD and the debate which occurred on the floor of the Senate yesterday with reference to a proposed amendment to the Treasury-Post Office Appropriation Act. The amendment has been offered by the distinguished gentleman from Michigan, Senator FERGUSON, and has as its purpose cutting the appropriation 5 percent.

It will probably interest the distinguished chairman and members of this subcommittee to know that Senator FERGUSON has pending before this committee a bill known as S. 95. S. 95 is sort of a perennial bill that Senator FERGUSON introduces and has as its purpose granting 26 days' annual and 15 days' sick leave to civil service postal employees.

Senator LONG. I would like to ask you a question too, since you digress at that point. Do you have an opinion as to whether or not the Post Office appropriations can be reduced 5 percent and be absorbed out of increased efficiency in the Post Office Department? Do you have any idea how that can be done?

Mr. DOHERTY. I say in all sincerity and as conscientiously as I know how, Mr. Chairman, that the Post Office Department appropriation cannot be reduced and insofar as efficiency is concerned, it is the most efficient branch of the Federal Government.

Senator LONG. I was informed when Postmaster General Donaldson testified before this committee, I believe it was yesterday or the day before, that 95 percent of the Post Office expenditures are for either personnel or for mail pay, the mail pay being set by Federal law, and the personnel pay being set by Federal law also.

If we are going to absorb a 5-percent decrease, do you see any way that that can be absorbed other than by the reduction of personnel?

Mr. DOHERTY. The only way it can be absorbed, Mr. Chairman, is to start cutting out delivery service to the public, and I cannot conceive that the people of this great country want a curtailed mail service in the United States of America today, especially with the mail volume ever expanding.

It just cannot be done without increasing the work load on the individual clerk and carrier and the other postal employees.

Senator LONG. Well, now, if this Senate should pass S. 95, would not that make it necessary that you have additional employees or someone to take the place of a man while he had his 26 days' leave during the year?

Mr. DOHERTY. In some instances it probably would. The point I make is that there are approximately 2,000,000 Federal employees, roughly 1,000,000 or more receive 26 days' annual and 15 days' sick leave, and approximately 500,000 postal workers are perpetually discriminated against.

I am not asking that the other employees be reduced to our level, not by any stretch of the imagination, but I am asking that postal field employees be brought up to their level. It is a very fair request.

Senator LONG. I have not had a chance to review your statement, but I feel that we should give some consideration as to how we are going to pay these increases if we can get them. How do you think that these increases could be granted out of current appropriations to the Post Office Department as it stands today?

Mr. DOHERTY. Out of the current appropriation, Senator? No, sir, I do not.

Senator LONG. In other words, it would take either an increase in mail rates or it would take an increase in some of the appropriations to the Post Office in order to enable these to be paid. Is that right?

Mr. DOHERTY. It would probably necessitate a deficiency appropriation if the bill should pass.

Senator LONG. Has your organization taken a stand on the Post Office rates?

Mr. DOHERTY. No, but we have definite views on the subject, Mr. Chairman. We do not think that postage rates should at any time be used as a yardstick for measuring the salaries paid to the employees in the postal service.

As an illustration, the postal deficit for fiscal year 1947 was $263,367,632. Now, the revenues for that year, Senator LONG, were $1,299,141,000. The expenditures that year were $1,562,508,673. I make this point, that the deficit in the year 1947, $263,367,000——

Senator LONG. Which year is that year?

Mr. DOHERTY. For the fiscal year 1947. That deficit actually represents what it costs the Government to operate the postal service.

Senator LONG. That was before the last pay increase, was it not?

Mr. DOHERTY. That is right, and I will get to that too. I will be very happy to, Senator LONG.

Senator LONG. The point I have in mind is this: I have had the impression since coming to this committee that the post office, in line with what every other industry has done, had been compelled to increase its salaries in an effort to catch up with the increased cost of living.

Mr. DOHERTY. That is true.

Senator LONG. And also in the effort to catch up with prevailing wage rates.

Now meanwhile we find that every other business that has had to increase its cost and increase its salaries to its personnel has found that it had to increase its price for the service that it was rendering.

Now it occurs to me that the post office is faced with about the same necessity, and offhand it appears to me that that is one way out of which the money could be found to pay the post-office employees. The letter carriers are justified in a raise in pay.

Mr. DOHERTY. Senator, the post-office worker has never caught up with the increase in the cost of living. We are always the tail on the kite or the caboose on the train. We have to come back each session of Congress and ask for more.

In the latter part of my statement I elaborate upon that at quite some length, but at

this particular moment I am making the point that the $263,000,000 deficit in fiscal 1947 is the actual cost to the Government for operating the Postal Service in its vast ramifications.

Now it is estimated by the very distinguished Postmaster General, a man in whom I have great faith and admiration and respect, that the postal deficit for this year will be about $550,000,000.

Now that being the case, then I would say by the same comparison that the actual cost of operating the Post Office Department to the Government in the current fiscal year is $550,000,000, and I would ask any citizen on the street whether they think that expenditure is worth while, $550,000,000 being the cost to the Government to operate the Post Office Department. That is the deficit, in other words, the excess of expenditures over revenues.

Senator LONG. It occurs to me, a man mailing a 3-cent letter is paying his way if the Post Office Department cost analysis is correct, but there is an enormous number of businesses that are not paying their way, and I am not sure that the man on the street wants to subsidize somebody else. My impression is, everybody is for something for nothing, provided he is the one that is getting it. He is against it if somebody else is getting it.

Mr. DOHERTY. I might remind the Senator that a 3-cent postage stamp costs just as much in Louisiana as it does in any other State in the Union. That is the question that the Congress itself of course will have to answer, but I do not think that any man on the street or anyone in public life would want to turn the post-office service over to private enterprise, and yet it seems that there is a trend in that direction when we start talking about profits.

We are going to abandon service for profit, as I see the picture. That is the trend right now, and I do not agree with that. I am in total disagreement with that philosophy.

Senator LONG. I do not believe we will ever in our lifetime see the post office make a profit, I agree with you on that.

Mr. DOHERTY. May I make one more point, Senator, while we are disgressing? The national defense appropriation for this year is approximately $16,000,000,000. I understand that the European relief program for 1949 is about $7,700,000,000. For 1950 it is estimated to be $11,601,000,000, and no one ever questions appropriations for the Department of Agriculture or for the Army or the Navy or the military or for the Interior Department or the Labor Department.

I do not hear them question those appropriations, so that by comparison then, Mr. Chairman, it would appear to me that the $263,000,000 deficit is a pauper's mite. I think the people of America are very happy to have the postal service operate so efficiently and so effectively.

Now may I take up section 2 of S. 1772?

Section 2 of S. 1772 would extend the meritorious grades to all employees who have sufficient service at the present time to be entitled to the grade increases. Four longevity grades are incorporated in the measure, with $100 being awarded at the completion of 10 years' service; a second $100 at 13 years; a similar amount for 17 years, with the maximum of $400 for an employee with 22 years' service. These longevity awards are particularly desirable in employment such as you find in the Federal service where there are dead-end streets after the first several years. Real honest-to-goodness longevity would be an incentive for young men to make the postal service a career.

Section 3 of the bill provides for the complete elimination of the four lower grades and gives all employees entering the service since July 1, 1945, an increase of four grades.

The present law provides an entrance salary of $2,550 per annum; the next grade is, of course, $2,650; the third, $2,750; and the fourth, $2,850—it is these four lower grades that would be completely eliminated. The entrance salary would then become $2,950 per annum.

Much has been said about the distortions in flat pay increases and that such wage adjustments greatly benefit those in the lower pay brackets. I want to point out that prior to July 6, 1945, grade 1 in the postal service was $1,700 per annum. As previously stated, grade 1 today is $2,550 per annum, an increase of $850 or 50 percent.

Mr. Clague, of the Bureau of Labor Statistics, testified on Monday of this week that the consumers price index for March 1949 had risen to 71.9 over August 1939 levels. In order to break even on living costs, a grade 1 letter carrier should be given an increase of approximately 21.9 percent over the 50 percent previously allocated. It is sad enough that the present starting salary is low, but the injustice is compounded when you stop to consider that practically all of the new men that have been recruited into the postal service during the past 4 or 5 years are veterans of the military. Most of the men in the four lower grades are young men discharged honorably from the military; they are anxious to establish homes, raise families, contribute their share to the development of their communities, live on equal terms with their neighbors—but it is impossible for them to do anything but eke out an existence on $2,550 per year.

The ex-GI in the ranks of letter carriers very often must ask himself: "What price glory?"

Section 4 of S. 1772 grants a flat $150 annual increase to all regular employees, and 5 cents per hour to employees on an hourly basis. In this connection, I presume the eight Senators sponsoring S. 1772 were guided by the opinion recently expressed by Postmaster General Donaldson relative to postal wages. During the hearings in the House on H. R. 3083—the Treasury-Post Office appropriations bill for the fiscal year ending June 30, 1950—Mr. Donaldson states: "I would like to say that I feel very strongly that every salary increase voted by this Congress was fully justified. As a matter of fact, I believe that if this last salary increase of July 1, 1948, had been for $600 instead of $450, you would not have the salary question in front of you now."

Senator LONG. Do you agree with that statement?

Mr. DOHERTY. Yes, I do.

Senator LONG. That if there would have been a $600 increase?

Mr. DOHERTY. It was for $450; it should have been $800.

Senator LONG. You said if it had been $600 instead of $450.

Mr. DOHERTY. I am using that quotation, Senator, in the support of the reclassification bill, S. 1772. I have referred previously to an outright pay raise in S. 558. I am also asking that this committee favorably consider S. 558. This measure that I am now discussing is S. 1772, which in a way compares with the reclassification measure that the administration has sent up here and your committee is considering.

The administration, however, has not sent a reclassification measure for field service postal employees, and we are very grateful to the eight Senators who introduced S. 1772, which is a very fair bill and which we would like to see enacted into law, even with that low salary stipend in there.

However, the Senators and members of the committee may consider increasing that amount to $650, and it would be all right with the employees, I assure you.

The fifth section provides payment of compensatory time at the rate of time and one-half. For 14 years—since the enactment of the 40-hour workweek—letter carriers have been reporting for duty 6 days each week, when the expressed intent of the 40-hour law was to establish a 5-day week. A 5-day workweek is the accepted standard in American industry. If there has to be delivery on Saturday, why penalize the employee by requiring him to dork on Saturday in excess of the legal 40 hours and pay him what amounts to simple straight time?

Actually, a very contradictory situation exists under present law. Payment is made at the rate of time and one-half for overtime, but the overtime that is worked on Saturdays, Sundays, and holidays is paid in compensatory time at the straight time.

Section 6 of S. 1772 provides for a $100 uniform allowance. This amount would be granted all employees in the postal service who are required to wear a uniform in the performance of their duties. It is assumed that the Postmaster General would designate those employees required to wear a distinctive uniform. There is ample precedent for this type of legislation.

Without any ready reference at hand, I think it is safe to say that letter carriers and other postal employees are one of the few, if not the only, Government employees groups required to wear a uniform to be furnished by the employee himself out of his own funds.

The seventh and final section of S. 1772 would eliminate the present efficiency-rating system. The present method of evaluating an employee's competence and ability has nothing to recommend it to any officer or agency engaged exclusively in personnel matters. The elimination of this system which serves no good purpose, either to the Government or the employee, would bring about a tremendous saving by reason of the elimination of the administrative overhead and printing of useless forms necessary to comply with the law.

The shadow of the first session of the Eighty-first Congress is beginning to lengthen. Adjournment is rapidly approaching. Letter carriers are still hopeful that something will be done to extricate them from the economic strait-jacket in which they find themselves.

I urge immediate consideration and favorable action on S. 558 and S. 1772.

Senator LONG. I would like to direct your attention to section 7 of the bill 1772 and I wonder what the purpose is of "existing efficiency rating systems for appraisal of service of officers and employees in the postal field service are hereby abolished. No efficiency rating system shall hereafter be established."

I wonder what the purpose of that is?

Mr. DOHERTY. As I understand its intent, Mr. Chairman, the postal field service is not included in the general efficiency rating system of the Federal Government which was established under the act of 1923. The efficiency rating system in the Post Office Department is a regulation established by the Postmaster General. What this section attempts to do is to abolish that efficiency rating system and to make certain that no efficiency-rating system shall hereafter be established.

However, if you will note in subsection (b), it states very definitely that "Subsection (a) shall not be held to prevent discharge of any such officer or employee for unsatisfactory service."

In other words, if an employee is unsatisfactory, he shouldn't be in the Federal service, whether in the postal service or any other branch of the Federal Government. He ought to be discharged and that is the purpose of section 7.

Senator LONG. Who would determine the unsatisfactory service? Would that be simply the employer?

Mr. DOHERTY. The administrators of the Post Office Department; the Postmaster General——

Senator LONG. The local postmaster——

Mr. DOHERTY. Of course, the employee would have a right to appeal if he felt that he was being discriminated against.

Senator LONG. This would more or less eliminate whatever system they might have for determining whether or not he is unsatisfactory? I take it efficiency would be one of the elements considered if they wanted to discharge a man; wouldn't it?

Mr. DOHERTY. Yes; very definitely. As far as efficiency ratings, the Manual of Instructions for Postal Personnel for 1948, is a very thick volume as you will see, but that part having to do with the efficiency-rating system appears commencing on page 584 thereof, and there are 221 ways to get demerits and only 14 ways to get merits.

While the other people in the Federal Government have 26 days annual leave and 15 days sick leave, I don't think any of them have that animal called "demerits." Here we have in the postal rating system all those ways to get demerits and just a few ways to get merits. Even then, if you are to get merits, it requires that the postmaster in a given city, before he can dispense from 20 to 250 merits for highly meritorious acts which reflect credit upon the service, before the postmaster can mete those merits out, he has to secure approval of the Post Office Department before he can give the man the merits for performing his duties in such——

Senator LONG. Merits or demerits?

Mr. DOHERTY. The merits. The demerits: you can hand those out promiscuously and the postmaster does. If the employee gets 500 demerits he also receives a cut in salary.

Senator LONG. Has it been your experience that there has been a widespread difficulty with that system?

Mr. DOHERTY. Yes; that has been my experience and I contend, Senator, that if it is eliminated, it will save unlimited funds of the postal service in attempting to administer the efficiency-rating system.

As a matter of fact, you cannot standardize a human being and oftentimes, likely as not, the immediate supervisor, or the postmaster, wouldn't like the color of the hair of some man and he will issue a lot of demerits and eventually a cut in salary. Maybe he doesn't like the size shoes he wears, or perhaps he doesn't like his politics. That enters into the picture now and then, not so much in the postal service, but it does enter the picture and he is loaded up with demerits and eventually given a cut in salary. We would like to see the thing go out the window.

Senator LONG. Thank you very much.

Mr. DOHERTY. Thank you, Senator, and members of the committee.

Mr. LANGER. Mr. President, I again call particular attention, as I did a while ago, to the fact that, although we have billions upon billions of dollars for foreign countries, yet the only bill that has been sent to the Congress by the President of the United States in the matter of pay increases provides for an increase of $50, and, in some instances, an increase of as low as $1.72 a year, according to the distinguished Senator from Louisiana, who is in charge of the bill.

I shall close, as I began, by reading portions of the Democratic platform adopted last year at Philadelphia; first, the subject of peace with Germany, on page 3:

> We pledge our best endeavors to conclude treaties of peace with our former enemies. Already treaties have been made with Italy, Hungary, Bulgaria, and Rumania. We shall strive to conclude treaties with the remaining enemy states, based on justice and with guaranties against the revival of aggression, and for the preservation of peace.

I call attention to the fact that the Democratic Party, in bringing out a contemptible, miserable international convention with respect to north Atlantic fisheries, leaves out Germany entirely. Who was it signed by, Mr. President? Under the Potsdam agreement, the fishing vessels of Germany were sunk. The President's own appointee, Collisson, testified before the Foreign Relations Committee that the German people need sea food and supplies of protein, yet we find here an agreement covering northern fisheries, signed by Canada, Denmark, France, Iceland, Italy, Newfoundland, Norway, Portugal, Spain, the United Kingdom of Great Britain and Ireland, the United States of America, and by representatives of the Food and Agricultural Organization of the United Nations, representatives of the International Council for the Exploration of the Sea; but not signed by Germany. Germany is not included in the agreement.

I invite the attention of the Senate again to a portion of the Democratic platform which says:

> We favor the reduction of taxes—
>
> This morning the President of the United States asks for $4,000,000,000 in taxes—
>
> whenever it is possible to do so without unbalancing the Nation's economy, by giving a full measure of relief to those millions of low-income families on whom the wartime burden of taxation fell most heavily.

Now we are confronted, Mr. President, with a sales tax which, admittedly, would impose a burden upon those persons least able to bear it.

Then the platform says:

> We shall endeavor to remove tax inequities and to continue to reduce the public debt.

They are going to reduce the public debt by voting $4,000,000,000 in additional taxes, apparently.

Then the Democratic platform says—and I want to show it to my distinguished friend, the Senator from West Virginia [Mr. NEELY] and have him look at it while I read it—

> We are opposed to the imposition of a general Federal sales tax.

Today we find the Democratic Party fighting for a sales tax on the floor of the Senate.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from West Virginia.

Mr. NEELY. I ask my distinguished and beloved friend from North Dakota if he knows anyone—Democrat or Republican—who is trying more faithfully than I am to redeem that very pledge?

Mr. LANGER. Let me say, Mr. President, that the Senator from West Virginia, all the time he was previously in the Senate, all the time he was the Governor of his State, all during his service in the other body, and since he has returned to the Senate has been a fighter for the benefit of all the people. He has been leading, with the distinguished Senator from South Carolina [Mr. JOHNSTON], a gallant fight in behalf of the little fellows in the District. I am delighted to associate myself with those two Senators. It seems to me that every Democrat upon this floor who had anything to do with the formulation of the Democratic platform, when that party was looking for votes, might as well go home and say to the people in the States which they represent, "We repudiated the platform which we adopted. We did not mean what we said. We were looking for votes at that time, and what we said was only campaign oratory."

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not true that we discussed in the Senate this very same issue on June 19, 1948, just prior to the Democratic National Convention? If the Senator will recall, at that time I took the floor and discussed it at length, and finally the bill was laid aside. Immediately thereafter the National Convention of the Democratic Party met in Philadelphia and adopted the platform from which the Senator from North Dakota has just been reading, placing that party on record as being opposed to a general Federal sales tax.

Mr. LANGER. Mr. President, for hours upon hours the junior Senator from the State of Washington [Mr. CAIN], who was a member of the Committee on the District of Columbia, stood at his place in the Senate and argued for a sales tax for the District of Columbia. He stated that there were thousands of District employees who could not be paid, that there was no money available, unless a sales tax should be imposed. Mark you, Mr. President, those who are so anxious to fasten upon the backs of the people of the District of Columbia the infamous sales tax were not for an amendment to increase the salaries of District employees $330. The Eightieth Congress increased the pay of Federal employees to that extent, but there was no amendment pending at the time with reference to employees of the District government. If there had been such an amendment, I am sure it would have been agreed to. But the distinguished Senator from Washington said; "No; if we are going to raise their pay $330 we must provide funds with which to do it, and the way to do it is to pass a sales tax." The distinguished Senator from South Carolina, in June of last year, only a day prior to the meeting of the Republican convention in Philadelphia, stood upon this floor protesting. He said, "We shall fight a sales tax from A to Z. It will never be passed unless it be done over my dead body."

The distinguished Senator from West Virginia [Mr. NEELY] was not a Member of the Senate at that time, but I know that if he had then been a Senator, he would have associated himself with some of the rest of us, including the distinguished Senator from Oregon [Mr. MORSE].

An adjournment was taken in order to attend the convention in Philadelphia,

so we did not fight out the issue at that time. It has been dragged in again by those interests who want to put their feet upon the heads and the throats of the poor people of the District of Columbia, and tax them for food, clothing, and everything else for which they can possibly tax them.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. JOHNSTON of South Carolina. It is claimed that a sales tax is fair to all. Is it not true that in the Federal income-tax law we try to help those persons who have large families?

Mr. LANGER. That is correct—by giving exemptions.

Mr. JOHNSTON of South Carolina. Suppose we had a general sales tax in force, and suppose there were two men working side by side, each drawing a salary of $3,000. One of them has no wife or children; the other has a wife and five children. Under a sales tax, the man who has no wife or children will pay a sales tax on what he buys to supply himself. The other man, who has five children and a wife, will have to pay a sales tax for everything he purchases for his five children, his wife, and himself. Is not that correct?

Mr. LANGER. There is no doubt about it at all. The man who has five children is rearing them, trying to give them an education, and if a war should break out the boys of his family would be taken in order to fight for their country. The other man, who has no wife or children, receives the benefit which should go to the boys who were born on the other side of the track.

I am concerned about it, Mr. President, when any party, whether Democrat or Republican, deliberately violates his party's platform which was framed in order to induce people to vote for it, and then when their votes are obtained, it is said, "Well, the people of the District do not vote. We will soak them with a sales tax. We shall not try to pass a general sales tax, to be applied all over the country, but we shall just soak the poor people in the District of Columbia."

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Rhode Island.

Mr. McGRATH. The Senator has been reading the Democratic national platform. As I understand it, the language of that platform says, "We do not favor a general Federal sales tax." The bill we are talking about in the Senate has nothing to do with general Federal taxes. The bill we are discussing is a tax bill for the District of Columbia. The capacity in which we are acting is as members of a city council.

If the Senator would take the time to read the testimony before the platform committee of the Democratic National Convention, he would find that the reason why the Democratic Party took the position it stated in its platform was that it felt that this field of taxation should properly be reserved to the States or to the local municipal governments, rather than for the Federal Government to encroach upon it.

I should like to make it perfectly clear in the RECORD that those of us on the Democratic side who favor the proposed legislation for the District of Columbia, purely as a municipal tax, are in no way violating either the spirit or the letter of the Democratic national platform. I think it is less than straightforward to try to read such an implication into what we are attempting to do out of a sincere desire to meet a very serious financial problem which the District of Columbia faces.

This is no more a general Federal tax than would be the real-estate tax in the District of Columbia, or the corporation tax within the District of Columbia, or any other kind of a tax which is assessed solely for the purpose of financing the municipal activities of this city.

I wish to make it perfectly clear that, regardless of the implication sought to be made, there is no violation of the Democratic national platform on the part of those who may support the pending legislation.

Mr. LANGER. Mr. President, I am extremely sorry that a man who holds the high position of chairman of the Democratic National Committee could not offer a better explanation than has been suggested by the Senator from Rhode Island for breaking and violating a pledge made by the Democratic National Convention.

The Senator says to the Senator from North Dakota, "Read the testimony given before the committee over in Philadelphia at the time when the platform was adopted." When they were looking for votes they did not tell the poor devil in North Dakota or in Rhode Island to read any testimony which was given in Philadelphia before any committee. I heard them over the radio, and the only implication one could take from their radio addresses was that they were against a sales tax.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McGRATH. The only reason why I suggest that the Senator read the testimony before the committee is that from his remarks it is quite evident that he does not understand the simple implication of the English language as forcefully expressed in the simple words of this platform. Therefore, since he needs something to supplement this simple language, I refer him to the source of authority.

Mr. LANGER. From the words of the distinguished Senator from Rhode Island, I say that he was a party, as chairman of the Democratic National Committee, to deceiving the poor people of the country, and of making them believe that the Democratic Party was opposed to a Federal sales tax. The distinguished Senator is too bright a man, he has had too good a legal education, not to know that a farmer out in the country, or a workingman, no matter where he be, if he reads a sentence like this, "We are opposed to the imposition of a general Federal sales tax," would say, "The Democratic Party is opposed to a sales tax." That is what the average man or woman would believe. It is exactly on a par with some of the other things contained in the Democratic platform which were absolutely untrue, two of which I brought to the attention of the Senate only a few days ago.

I say, Mr. President, they can use all the weasel words they want to use, they can twist and squirm all they care to, but in the minds of the rank and file of the people the Democratic Party has repudiated a pledge enunciated when they said they were opposed to a general Federal sales tax, and try to get away with it by inserting legalistically the word "general."

Mr. President, if Congress passes a sales tax bill, the people of Mississippi or any other State where there is not a sales tax will say, "Certainly the Democrats are in favor of a sales tax, because the chairman of the Democratic Party, a United States Senator, rose on the floor of the Senate advocating it for the District of Columbia." If it is good for the District of Columbia it is good for Mississippi, it is good for Rhode Island, it is good for every other State.

What difference does it make if by the action of the distinguished Senator from Rhode Island we adopt a three, four, five, or six percent sales tax, and have it enacted by the Democrats in Mississippi or West Virginia, if the people have to pay that tax regardless of whether one is passed by the Federal Government or is not? What difference does it make if by example here, if by actions here, if by what they do here, the Democratic Party of the United States says, "We are in favor of a Federal sales tax in the District of Columbia"? It is an open invitation to the people of every State where there is not a sales tax to adopt one just as rapidly as they possibly can.

CALL OF THE ROLL

Mr. McGRATH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Brewster	Hickenlooper	Morse
Butler	Hill	Murray
Byrd	Holland	Neely
Cain	Hunt	O'Conor
Douglas	Ives	Pepper
Downey	Johnson, Tex.	Russell
Fulbright	Johnston, S. C.	Sparkman
George	Knowland	Taylor
Gillette	Langer	Wherry
Graham	Lucas	Withers
Hayden	McGrath	Young
Hendrickson	Millikin	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. BRICKER, Mr. CORDON, Mr. FREAR, Mr. GURNEY, Mr. KEM, Mr. LONG, Mr. MAGNUSON, Mr. MCCLELLAN, and Mr. MCKELLAR answered to their names when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. LUCAS. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BALDWIN, Mr. WATKINS, Mr. HOEY, Mr. SALTONSTALL, and Mr. MCCARRAN entered the Chamber and answered to their names.

Mr. CONNALLY, Mr. ELLENDER, Mr. GREEN, Mr. JOHNSON of Colorado, Mr. KILGORE, Mr. MCFARLAND, and Mr. STENNIS also entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

ORDER FOR RECESS TO MONDAY

Mr. MCGRATH. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 12 o'clock noon on Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. MORSE. Mr. President, I wish to take 2 or 3 minutes, now that I see my good friend from Washington [Mr. CAIN] in the Chamber, to make a brief reply to certain comments which he made on the floor of the Senate yesterday afternoon. He said:

> There is no doubt in my mind concerning the sincerity of the opponents, for I take for granted that they are expressing what they consider to be the sentiment of their home constituencies.
>
> I think we had a remarkable illustration of that fact just a few minutes ago. The distinguished Senator from Oregon [Mr. MORSE], in opposing the pending measure, and in an answer to an inquiry or observation made to him by the able Senator from Rhode Island [Mr. MCGRATH], said, as I remember, that the speech the Senator from Oregon was giving this afternoon in opposition to the pending measure would make first-class political ammunition to be used in a coming campaign—where? Not in the District of Columbia where the sales tax we talk about is to be established, if approved, but 3,000 miles away from here, in a sovereign and magnificent commonwealth known as Oregon.
>
> It seems to me to be a fact, however, that the opponents of a sales tax are not expressing the feelings of a majority of those who are residents of the District of Columbia. It is likewise true that few of the opponents are members of the Committee on the District of Columbia. I even consider it to be a probable fact that few among the opponents have ever looked at a District budget or considered and studied the staggering and difficult financial problems which confront the District.

In order that my good friend from Washington may have no question at all as to what the junior Senator from Oregon was addressing himself to, let me make clear to him that I was addressing myself in opposition to what I consider to be a notorious system of taxation, namely, a sales tax.

When I was talking about political ammunition, of course I was talking about campaigning in the State of Oregon, because on four occasions my people have made perfectly clear that they will have none of the notorious principle of a sales tax. I stand against that principle, whether I am in Oregon or in the District of Columbia.

But when my good friend the Senator from Washington [Mr. CAIN] says:

> It seems to me to be a fact, however, that the opponents of a sales tax are not expressing the feelings of a majority of those who are residents of the District of Columbia.

He draws the issue with the junior Senator from Oregon, and he draws the issue that the junior Senator from Oregon sought to lay down in his speech yesterday afternoon when he challenged the Democrats, who, he understands, are in favor of home rule in the District of Columbia, to submit this sales tax to a referendum in the District of Columbia. I now draw that issue with the junior Senator from Washington and say to the junior Senator from Washington that if he thinks a majority of the residents of the District of Columbia want a sales tax, then why does not the junior Senator from Washington offer to submit that proposal to a referendum in the District of Columbia?

Mr. President, I will tell you why I think the Senator from Washington does not offer to do so, and I will tell you why the Democrats do not do so. They know in their own consciences that it would go down in an overwhelming defeat. If they do not think so, why do not they accept the challenge of the junior Senator from Oregon?

I say to my good friend the Senator from Washington that I will continue to campaign against the sales tax in Oregon, in the District of Columbia, or at any time that the Congress of the United States tries to impose the principle of a sales tax by way of Federal legislation upon the people of the United States.

Mr. MCGRATH. Mr. President, will the Senator yield for a question which I should like to ask?

Mr. MORSE. I am happy to yield to my good friend the Senator from Rhode Island for a question.

Mr. MCGRATH. Is it not true that no machinery whatsoever by which the citizens of the District of Columbia could give expression to their views in a referendum is provided?

Mr. MORSE. Then why do not the Democrats, the majority party, get busy and put such machinery into operation?

Mr. MCGRATH. We have a home-rule bill pending.

Mr. MORSE. The Democrats have a majority in the Congress. Why do not they vote to pass such a bill?

Mr. MCGRATH. We may be able to do so eventually.

Mr. MORSE. Until the Democrats vote for and pass such a bill, I do not think they have any moral rights to impose upon the residents of the District of Columbia taxation without representation.

Mr. MCGRATH. Mr. President, I may say to the Senator from Oregon that I hope we will have his assistance in securing the enactment of a home-rule bill which will set up machinery by which the residents of the District of Columbia can govern themselves. But the enactment of such a bill is not possible at this particular time. At this time we are trying to obtain sufficient funds for the operation of the Government of the District of Columbia and its affairs.

Mr. MORSE. Of course, in endeavoring to secure the enactment of tax legislation before the enactment of home-rule legislation, the Democrats, the majority party, are putting the cart before the horse, as usual. Instead, they should increase the property taxes and the income taxes applicable in the District of Columbia, before they attempt to impose taxes upon the necessities of life needed by the residents of the District of Columbia, whom they do not give a chance to vote. The majority party does not give the residents of the District of Columbia a chance to come back at it by way of voting.

Mr. MCGRATH. Mr. President, the Senator from Oregon seems to have greater wisdom than all other Members of the Congress, either in the House of Representatives or in the Senate.

Mr. MORSE. Why do not the Democrats check on my wisdom in this case by putting the matter to a vote in the District of Columbia? Mr. President, I will tell you why the Democrats do not do that. They do not do it because they know that the residents of the District of Columbia would sustain me by an overwhelming vote.

Mr. MCGRATH. Mr. President, demagogery is sometimes better than logic, I realize.

Mr. MORSE. Mr. President, if I could ever equal the Senator from Rhode Island in demagoguery, I would be ashamed of myself.

Mr. MCGRATH. The Senator from Oregon will never have occasion to be ashamed, because I am sure he can outshine me in that respect at any time he wishes to do so.

Mr. MORSE. Certainly I will not take any lessons in that subject from the Senator from Rhode Island, I assure him.

Mr. MCGRATH. The Senator from Oregon does not need to.

Mr. MORSE. I will join the Senator from Rhode Island in endeavoring to protect the rights of the people of the country, and my record shows that I have always endeavored to do that; but I will oppose the Senator from Rhode Island if he ever seeks to impose a sales tax upon the people of the District of Columbia without first securing the enactment of home-rule legislation for the people of the District of Columbia.

Mr. President, is there any other question that the Senator from Rhode Island wishes to ask of me?

Mr. MCGRATH. I shall take the floor in my own right.

Mr. President, the Senator from Oregon expresses his own opinions, and he has opinions about practically every issue that arises in the Congress. He generally

expresses himself very forcefully, I may say.

Some of us who come here with many obligations to the people of our home States are not particularly happy when we, too, realize that among the constitutional duties imposed upon Senators is that of looking after and presiding over the affairs of the District of Columbia.

I think all will concede that I have plenty to do to occupy all my waking hours, yet no duty or honor which has befallen me has given me greater pleasure or a finer feeling of patriotic service than that which I get from serving as a member and chairman of the Senate Committee on the District of Columbia.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. KILGORE. The recent discussion in reference to home rule in the District of Columbia recalls to my mind the experience in 1941 when the question of home rule for the District of Columbia was brought up. At that time most of the people in the District of Columbia did not want home rule.

Let me say to the distinguished Senator from Rhode Island that I am opposing the proposed sales tax not because it is a sales tax but because, when I asked some of the officials of the District of Columbia to agree to earmark for education the funds obtained from the proposed sales tax, they declined to do so. Therefore I shall have to vote against it.

Nevertheless, Mr. President, I realize that more revenue must be obtained for the District of Columbia. The only question is how to obtain it.

I wish to point out that situation to the distinguished Senator; and I say that, although complaints may be made against the imposition of a sales tax, at the same time we must realize that the people of the District of Columbia must accept responsibility in these matters, although they have declined to do so thus far, as the distinguished Senator from Rhode Island well remembers.

Although I may differ with the Senator from Rhode Island, at the same time I realize that it is necessary to obtain more funds for the District of Columbia. I have objection on constitutional grounds against the imposition of a sales tax in the District of Columbia unless the funds so obtained are earmarked for a specific objective. Because certain officials of the District of Columbia have refused to agree to do that, I shall vote against the bill. Under the circumstances, I must vote against the bill, regardless of the fact that I realize that more revenue must be raised for the District of Columbia, and regardless of how I may feel about the action taken by the Senate Committee on the District of Columbia in that connection.

It seems to me that when the District of Columbia officials to whom I have referred refused to agree to earmark such funds for some necessary purposes, such as education, they showed a rather short-sighted viewpoint.

Mr. McGRATH. Mr. President, I appreciate the remarks of the Senator from West Virginia. I am not one who believes that municipal funds or State funds should be specifically earmarked. I believe that such funds should go into a common pool, and should be distributed from the pool for specific purposes, as occasions arise, by the appropriating body.

However, I am pleased to note the interest of the Senator from West Virginia in the problem of providing proper education for the children living in the District of Columbia. If the only reason he has for voting against the proposed sales tax in the present instance is that some officials of the District of Columbia have not agreed that the money to be raised by the sales tax shall be devoted solely to educational purposes, I may say to him that, serious and grave as is the educational problem in the District of Columbia, nevertheless we should realize that the amount of money to be raised annually by the sales tax will be in excess of the amount of money which could be judiciously spent for education in the District of Columbia.

I may further say to him that in another bill, which could almost be called a companion bill to the sales-tax bill—and the bill to which I now refer probably should be before us almost simultaneously, if that were possible under the Senate rules, I refer to a bill for home rule in the District of Columbia—there is a provision for fixing the formula by which the obligation of the Federal Government to the District of Columbia in respect to the payment of money by the Federal Government as its share in the over-all payments to meet the bills of the District of Columbia, would be determined. If the proposed formula is adopted, among other things it will provide that any money raised by the sales tax and any money raised under that formula or any money raised by real estate taxes or any of the other taxes imposed upon the residents of the District of Columbia in excess of the amount of money appropriated by the Congress, in connection with the budget sent to the Congress for its consideration, must be earmarked for the purpose of use in constructing and reconstructing schools in the District of Columbia.

We are trying a new experiment. We estimate that the sales tax will raise $14,000,000 or $15,000,000 a year. We may be entirely wrong about that. It is the best estimate that can be made. It may, on the one hand, raise $12,000,000; conceivably, on the other hand, it could raise $18,000,000. It depends upon the prosperity of the District. It depends on what happens here, and we realize this contingency. But we are at a starting point, and so in order to protect whatever revenue may be raised, to insure that it will not be squandered, that it will not be appropriated to the use of any other agency of the government of the District of Columbia, there is proposed a provision under which the District Commissioners may not spend anything beyond that which is approved in their budget, and all the rest of it must be set aside for school purposes.

It is entirely conceivable, Mr. President, if we adopt the formula that will be proposed in the home-rule bill, and if we adopt this legislation which will provide for a sales tax, plus increases in other tax categories, the District of Columbia may for the first time in its history be able to accumulate a surplus of $1,000,000, $2,000,000, or $3,000,000. I assure you, Mr. President, if that could happen, every Member of the Senate and all the Congress should be happy indeed. Then we would have a start on a long-range program for the reconstruction of the school system of the District. After we shall have had 1 or 2 years' experience in the operation of the sales and other taxes, we shall be better able to estimate within a reasonable figure the amount that they can produce.

Mr. President, I started to say that it is not pleasant for any of us to have to spend our time and our energy in advocating policies for the District of Columbia, or in giving our time to the affairs of the District of Columbia. Yet, the job has to be done. The Congress of the United States has not seen fit to pass the responsibility on to the local citizenry. We have wanted to keep it ourselves, and therefore some of us must discharge that responsibility. I assure you, Mr. President, that I have plenty to do, plenty to occupy my time, in connection with matters and measures which are of interest to the people of my State. But I also have a deep feeling within me that the Capital of the Nation and every spot in it, every public shrine and every building here belong fully to every citizen of my State just as they do to everyone who happens to reside here. I like to feel that the people of my State, just as those who are fortunate enough to reside in the city of Washington, have the same deep sense of pride in and admiration for this, the National Capital. I like to feel, Mr. President, that it is the prayer within the hearts of all young men and women, no matter where they may live in the United States of America, that God will permit them to live long enough so that some day they may come to Washington and see the great National Capital, where so much history fateful to mankind has been and is being made. Because I feel so deeply about it, Mr. President, I am willing to take the slings and arrows that may come my way—because, perhaps, of partisan considerations—in order to do what in my heart and conscience I believe to be the right thing for the Nation's Capital in providing the revenue which will make it the greatest, the most beauteous, the most glorious city in all the world.

Mr. President, the city of Washington is not only a shrine of Americans; it is the shrine of freedom. The kind of government it has, the manner in which it is administered as a democratic city, the means with which it is provided by Congress to do the things which enable all the world to look to Washington with pride, constitute the test whether in the long run democracy is really going to survive against other experiments in government which may be brought forth to contest with it.

Ah, Mr. President, I say to you that the day must come, and come soon, when slums will disappear from Washington. The day must come, and I pray it will come soon, when it will have the finest school system in the world, the greatest programs of social security, the finest parks, and the greatest highways, as

well as everlasting monuments to the glories that have been achieved. That cannot come, Mr. President, it cannot even be planned in Washington, D. C., under the fiscal policies which have been pursued by the Congress in all the years that have passed.

Despite all it stands for, the city of Washington, and all who have lived within it, have been nothing more than stepchildren of the Congress of the United States. We have now come forward with a proposal for putting the finances of the city on a solid, a firm foundation. I probably would join with the Senator from Oregon, I probably would join with the Senator from South Carolina, in opposing a sales tax as an instrument of national policy. We are not advocating here an instrument of national policy. We are merely proposing a source of income for the District of Columbia, which has been accepted by a vast majority of the States of the Nation and by a great many of the municipalities of the United States. Nothing in the Democratic platform rebels against a sales tax as an instrument of policy on the local and community level. We have merely said in that platform that we do not favor a national sales tax, a sales tax as an instrumentality for the support of the Federal Government.

There are those, Mr. President, who will say that this establishes for the first time a new concept in Federal taxation. That is not true, for many times in years past the Congress has resorted to the principle of a sales tax, not on the municipal level alone, but on a great broad national scale. The great jewelry industry of my State suffers, and suffers severely, today because of a national policy established by the Congress, growing out of the necessities of war and prevailing conditions, under which a 20 percent sales tax is placed upon every piece of jewelry manufactured and sold in my State. Mr. President, we broke precedent then. Nobody complains about it; but it is none the less a sales tax.

The great fur industry of the United States suffers today almost to the point of collapse because the Congress of the United States, in the name of the emergency of war and in the continuing name of financial necessity, retains a 20-percent sales tax upon the goods of that industry when they are sold.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from New York?

Mr. McGRATH. I am glad to yield.

Mr. IVES. Is it not true, the junior Senator from New York asks the able Senator from Rhode Island, that virtually every excise tax proposed by the Federal Government is a specialized sales tax, and that, on that basis, the Federal Government has for many years adopted the policy of the sales tax as a form of taxation?

Mr. McGRATH. I thank the Senator for his suggestion. It is corroboration of the point I was trying to make. Indeed, we have adopted the sales tax as an instrument of national policy many times in the past, and we adopt it and maintain it today, to the detriment of a great many of our national interests. Every citizen of the United States who buys himself a ticket for interstate transportation in any part of our country pays a sales tax which was imposed by the Congress of the United States. The only remaining great system for fast communication in the United States today is the Western Union Telegraph Co. A sales tax has been placed upon the service which it renders, and it is maintained, even to the point where very soon, if relief is not offered, the United States Government will own the Western Union Telegraph Co.

In the case of this bill we are not breaking with precedent in any manner whatever, even though we might be talking about a Nation-wide Federal general policy. We are talking now only about the District of Columbia. We are talking now only about how to give the greatest possible relief to this city without placing an undue burden on any one segment of the population.

We know, Mr. President, historically, it was never intended that the District of Columbia would grow beyond the immediate needs of the Federal Government. We know, historically, that when this piece of land, 10 miles square, was set aside, it was not the intention that anyone would reside or do business there except those who came for the purpose of doing business with the Federal Government. So the Government undertook, in the very beginning, to pay the entire bill for the operation of the District of Columbia. But the rapid growth of population, the tremendous advance in the science of government, the immediate needs of the great Federal Government, have brought about, without choice on our part, the development of one of the great cities of the world, with hundreds of thousands of persons residing in it who have no relationship whatsoever to the Federal Government, and hundreds of thousands of persons doing business in it who have no relationship to the Federal Government, save that the Government's operations have become the largest industry in the community.

Mr. President, we have long since passed the time when it was the obligation of the Federal Government to bear more than its share. We have long since passed the time, also, when the Federal Government should, as it has done in the recent past, bear less than its share. There is a happy medium between what we have been doing, what we should be doing, and what some persons advocate as the alternative, namely, to have the Government pay the entire bill.

There come to this community, day in and day out, throughout the year, hundreds and thousands of visitors who enjoy the beauty of the city. They take pride in everything that goes on here. They are given the benefit of the protection which the city affords, and they enjoy its beautiful parks, fine highways, splendid historic buildings, and the protection afforded them by the Police and Fire Departments and the health service—all the things which are so expensive in the maintenance of a great American city. But we know that those visitors, however willing they may be to contribute to the upkeep of this great shrine, are not able, under our present tax laws, to do anything about it.

Mr. President, the sales tax will not hurt anyone. It will enable the citizens of the District, by accepting the burden of the sales tax themselves, to receive probably an extra dollar in support of the community from those who come from outside. I am sure that visitors to Washington would hardly regret the expenditure of the few pennies they may leave here in the form of a sales tax. It has been demonstrated to the committee that such a tax will produce hundreds of thousands; yes, millions of dollars, in the course of a year.

I have heard the sympathetic arguments in behalf of the poor man. Mr. President, the program we now propose is indeed a poor man's program, so far as taxpayers in the District of Columbia are concerned, because it says to the taxpayer, as no other tax program can say to him, "For every dollar you are willing to assume yourself in the form of a sales tax, you will receive nearly $2 from outside to help in the problems of your home community."

Mr. President, if we had the machinery and if it were possible to place the question upon a referendum basis and receive an honest and sincere expression from the people of the District of Columbia, I am sure they would choose to accept the sales tax as a proper medium of supporting their government and getting the assistance they know they are entitled to from persons who come here and enjoy the city's benefits.

Mr. President, I have no desire to delay the vote. But here we have a picture drawn by committees of the Congress who have labored unselfishly and devotedly, for certainly none of us can take any advantage to himself in his home community by trying to do a good job in the District of Columbia. A bill of this kind is a sort of jig-saw puzzle. If we take a little bit out here by amendment and attempt to put something else there by amendment, the result will be that it will be found we have taken a square peg out and tried to put a round peg in its place, and, in the end, we shall have the confusion which we have been seeking to overcome through the studies which have proceeded during the past several years. There may be great merit, there may be considerable merit, or merit to a lesser degree, in certain proposals which could be made by every Member of this honorable body in order to amend the bill. We are not here to write a tax law for the District of Columbia on the floor of the Senate. It has been written, to the best of our ability, by the committee appointed, through expert studies and with due consideration to all facets of the problem.

Therefore, I hope, Mr. President, that the Senate will not destroy the picture in the hope that the bill may be improved in a haphazard manner. I hope it will not be torn apart piece by piece through the adoption of amendments, however worthy they may appear to the Senators who offer them.

Let us try it out. We can come back next year and undo everything we have done, if we have been wrong. But let

me remind the Senate that we are starting upon a great experiment in government in the District of Columbia and in the fiscal approach of a city of a million people.

Do it, please, as the experts have pointed out it should be done. Do not destroy the pattern by amendments.

If we shall pass the bill I shall be happy to take the political consequences, for good or evil, adverse or otherwise, that may come to me. I can accept them. I am sure I can explain the situation to my people; but if I cannot, I shall be content to accept the political consequences in the full knowledge that in trying to do this I have tried to do an honest job, to serve my country, and to make the Capital of my country a place which my children and I can be proud of so long as we shall live.

Mr. LANGER. Mr. President, it will not do the country at large any good for my friend to offer to accept the political consequences. After World War I, Senator after Senator, according to the RECORD, rose and said he made a mistake in voting for the declaration of World War I. The RECORD is replete with such speeches. The question is a simple one. If the Senator is right, why not accept the offer of the Senator from Oregon and have a referendum?

The Senator from Rhode Island says the city of Washington is a beautiful city, the shrine of America. It was built, Mr. President, without any sales tax on poor people.

This afternoon, in another speech, I read the amounts of money voted for foreign nations, most of which were supported by the distinguished Senator. We gave money to Austria. There is no sales tax in Austria. We voted $30,000,000 for Rumania. There is no sales tax there. Money was voted for Belgium, the British Empire, China, Czechoslovakia, Denmark, Egypt, Estonia, Ethiopia, France, Poland, Greece, Hungary, Italy, Iran, Iraq, Netherlands, Norway, the Philippine Islands, Portugal, Russia, Saudi Arabia, Sweden, Trieste, Turkey, Yugoslavia, and countries in South America. There are no sales taxes there.

In some of the nations to which we have sent billions of dollars, a few people own all the land, and there is a system of serfdom and peonage, if not worse. Yet the American taxpayer furnished billions of dollars for those nations. If the distinguished Senator from Rhode Island is so eager to help Washington, in addition to helping all those foreign nations, why does he not try to have set aside a few million dollars more for the city of Washington? Why not treat the city of Washington the same way we have been treating London, Amsterdam, and certain other cities across the sea to which we have been contributing our taxpayers' money without having any sales tax in any one of those countries? Why not treat the American taxpayer in the city of Washington on the same basis with the citizens of the foreign countries?

Let us take, for example, Mr. President, a GI coming home to England. A short time ago his family debt was $1,339, while the American GI had a debt of nearly $5,000 per family. Yet they call upon the American GI, through the system of taxation, to help the GI in the British Empire.

I say the time has come to help the taxpayer of America. We are not helping him by sending billions of dollars to foreign countries, while we put our hands in the pockets of a poor man in the city of Washington and take, for taxation purposes, the last penny he has.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Mr. President, I should like to call the attention of the Senate to the fact that the first amendment we have for consideration, as Senators will find if they read it, would make the Federal contribution toward the cost of running the local government of the District of Columbia 25 percent. I was very much impressed by the remarks of the Senator from Rhode Island. He pictured to us what a lovely city Washington is, and he pictured how we must keep it, as the National Capital, looking lovely for all the people who visit this wonderful Capital City.

This city does not belong only to the residents of Washington; it belongs to all the people of this great Nation. That being so, I have advocated all along that we should help, not only in keeping it as it is today, but in building it into a greater National Capital. In order to do that, we should not expect the residents of the District of Columbia to pay all the expenses, or practically all the expenses, and at the same time ask that the Government be given certain privileges which it has in Washington.

I was glad to hear the Senator from Rhode Island refer to the police protection to hundreds of thousands of Government workers here who do not pay any taxes to the District, but pay taxes back home. Their children also attend schools here. As I see it, when these residents of the District are sending taxes back to their homes, the solution would be to have a Federal contribution, not of 50 percent, as it was prior to 1921, but of 25 percent, which is all the pending amendment calls for. The contribution was from 25 to 30 to 40 percent, then a contribution of $9,000,000 was made for several years, which amounted to about 33⅓ percent. But it will be found that in the depression years the Government began to contribute less and less to the District. Today it is contributing only 12 percent, $11,000,000, or $12,000,000, when we count the $1,000,000 which goes into the water fund.

Mr. President, I do not believe that is sufficient. I am calling to the attention of the Senate the fact that the Government can make a contribution of 25 percent to the District, and when it does that we will not have to adopt any other amendment, we will not have to adopt any of the amendments the committee has reported, we will not need any sales tax.

I have another way of raising taxes. It is said they cannot be raised, but I also have other amendments which would provide sufficient revenue, even if Senators did not agree with the distribution of 25–75 percent in paying the expenses. I have another plan, namely, to raise the liquor tax in the District 100 percent. That will make it practically the same, as members of the committee will admit, which Maryland is charging at the present time, in Silver Spring, Bethesda, and all around this territory. Who would pay that tax? The man who bought whisky, not the one who would buy clothing for his little children.

Mr. President, let me give a picture of what the result of the sales tax would be. Let us say that two men are working side by side. One is a single man and the other, working by his side for the same salary, $3,000, will pay an income tax, as will the other. But if a sales tax is enacted, what happens? The man who has no children will buy clothing and necessities only for himself, living in the same stratum of life with the other who has a wife and five children. The latter will buy necessities of life for seven people. So the single man will pay one-seventh, under the sales tax, of what is paid by the married man with five children.

I have an amendment designed to increase the income tax. It would make the tax about twice as much as it is today. I think that would be fair to everybody. There is the lowest income tax in the District of Columbia to be found anywhere in the United States. I ask anyone to look that up, and if my statement is not true, charge me with having made an untrue statement on the Senate floor.

It is realized that the real-estate tax must be low, even when the sales tax is imposed. It is increased from $1.85 to $2.15. An amendment I intend to offer will make it $2.25, which I think will put Washington in line with cities of similar size throughout the United States. I am trying to work out a plan which will be equitable to the people of the District and at the same time raise revenue.

Mr. HUMPHREY. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Is it not true that in the District of Columbia the real-estate property values remain at a more stable figure than they do in other cities throughout the country?

Mr. JOHNSTON of South Carolina. I think that is true. I could not be positive about it. I have not made a study of that, but what the Senator states is the information that has come to me.

Mr. HUMPHREY. Is it the Senator's observation that there has always been, over the long period of time, as compared to other municipalities of similar size, a greater demand for properties within the District of Columbia than there has been in other cities?

Mr. JOHNSTON of South Carolina. That is certainly so, and always will be. Washington is the seat of government; therefore there will aways be a great number of Government workers here. Also the population of the District of Columbia does not depend on industries, as do the populations of most other cities of the United States. Here the people rely almost entirely on one big industry, the United States Government. I think

property values will be found to be quite stable for that reason.

Mr. HUMPHREY. Did the Senator not find in his study of the budget of the District of Columbia that the real-estate taxes for last year amounted to approximately $32,500,000, which was about, if my figures are correct, one-third of the grand total?

Mr. JOHNSTON of South Carolina. Yes. I am glad the Senator mentioned that. The real-estate taxes amounted to about $32,000,000 last year. My amendment would raise the tax about 25 percent. That alone would raise almost half the amount which would be raised by the proposed sales tax.

Mr. HUMPHREY. Is the Senator familiar with the general figures as to the relationship of the property-tax revenues in municipalities throughout the Nation as compared to other revenues?

Mr. JOHNSTON of South Carolina. I have studied that subject somewhat.

Mr. HUMPHREY. Is it not true that according to the American Municipal Association, which makes studies of property-tax revenues as a main source of income for municipalities, that approximately from 60 to 75 percent of municipal revenues in other cities than Washington, are derived from property taxes?

Mr. JOHNSTON of South Carolina. That is true.

Mr. HUMPHREY. One other question. My investigation of the budget of the District of Columbia and the pertinent economic facts relating to it, reveals that approximately 51 percent of the land in the District of Columbia is tax exempt. There are such things as embassies, churches, schools, hospitals, and, of course, large areas of Federal property. Would not the Senator from South Carolina then say that his suggestion that 25 percent of the budget of the District of Columbia should be met by a Federal contribution would be a modest or a reasonable suggestion?

Mr. JOHNSTON of South Carolina. I certainly think so. I should like to call to the Senator's attention that once we had a law on the statute books which called for the payment by the Federal Government to the District of Columbia of 40 percent of its budget. That law remained on the books until 1939.

Mr. HUMPHREY. What was the percentage of Federal contribution compared to the total budget as of last year, exclusive of the water fund.

Mr. JOHNSTON of South Carolina. The Senator speaks of the total budget. Does the Senator mean expenditures?

Mr. HUMPHREY. What was the percentage of the Federal contribution in relation to the total budget?

Mr. JOHNSTON of South Carolina. Less than 12 percent.

Mr. HUMPHREY. Less than 12 percent.

Mr. JOHNSTON of South Carolina. About 12 percent. Let me correct that statement. It was between 12 and 13 percent.

Mr. HUMPHREY. I understand that out of a budget of $103,000,000, which was the total budget of the District of Columbia, there was an $11,000,000 Federal payment, which included $1,000,000 for the water fund, which would mean that there was $10,000,000 of Federal payment, exclusive of the water fund.

Mr. JOHNSTON of South Carolina. I believe that if the Senator will look at the figures he will find that the Federal contribution amounted to $11,000,000, and that $1,000,000 additional was paid to the water fund, which made $12,000,000 in all, as I recollect.

Mr. HUMPHREY. I will accept that figure. I should like to ask this question, Is it not true that under the Federal public housing program we generally consider that the Federal Government would pay to municipalities, where there are not extensive Federal holdings, a minimum or an average of 10 percent of the shelter rent?

Mr. JOHNSTON of South Carolina. That is so.

Mr. HUMPHREY. That would be in the ordinary municipality, let us say, such as Austin, Tex., Charleston, S. C., or Minneapolis, Minn.?

Mr. JOHNSTON of South Carolina. That is true.

Mr. HUMPHREY. Certainly then we would not be wrong, would we, I ask the Senator, if we were to expect that in the Nation's Capital, where 51 percent of the land is tax-exempt, where vast areas of the territory of the District of Columbia are occupied by Federal buildings, there should be a larger percentage of Federal contribution than there is in other municipalities in connection with public housing projects?

Mr. JOHNSTON of South Carolina. That is true. Remember that all those who live in the embassies are tax-exempt, so far as their incomes are concerned. There is reciprocity in that respect, so far as our representatives in other countries are concerned. This is not merely an ordinary city. The city of Washington is the city of the Nation. That is why I call for 25 percent Federal contribution, which I think is not really a contribution. It does not mean that we are giving the District 1 cent, for I believe we owe them that amount in order to keep this the city it ought to be.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I do.

Mr. HUMPHREY. A sales tax is a direct tax upon the individuals who are in the market making purchases. Would the Senator not expect, then, that before a sales tax was placed upon the people of the District of Columbia by the Congress of the United States it might be a good policy for the Congress first to grant the program that has been promised to the residents of the District of Columbia, the program of home rule?

Mr. JOHNSTON of South Carolina. The Senator knows that I differ with him on the question of home rule.

Mr. HUMPHREY. I am very much aware of that, but I want to get first things first.

Mr. JOHNSTON of South Carolina. I want the Senator to know that at the same time, in connection with a matter which is so far reaching as is the sales tax, the people of the District of Columbia ought to have something to say about it. I would be willing to have the bill passed if a proviso were placed in it that the people of the District should first be allowed to vote on the question of the sales tax.

Mr. HUMPHREY. Would the Senator from South Carolina change his point of view about home rule if the sales tax were adopted?

Mr. JOHNSTON of South Carolina. I fear the Senator from South Carolina has convictions on that subject which are so deep rooted that I might not be able to change them simply because the sales-tax bill were passed.

Mr. HUMPHREY. I should like to make an observation in prefacing my next question. It appears to me that a question which is so fundamental to the economic well-being of the individual citizens of the District of Columbia as is a direct sales tax, which surely affects the incomes of the individual citizens, is a question which should be at least faced by the people of the District of Columbia themselves, and decided by their own government.

Mr. JOHNSTON of South Carolina. I will say that if the Congress is thinking about giving home rule to the District of Columbia, it certainly should not impose upon the people of the District a sales tax without permitting the people to decide for themselves whether they want the sales tax. Congress should leave to those who would be in charge of the government of the District of Columbia to decide whether they want a sales tax.

Mr. HUMPHREY. I am glad the Senator from South Carolina has made that observation, because, as he knows, I am an advocate of home rule for the District of Columbia, and I am opposed to the sales tax. I simply want to get the cart and the horse in their right positions. It has appeared to me that if we are going to provide such an extensive tax program for the District of Columbia, which so fundamentally affects the individual lives and the well-being of the citizens, the least we could do would be to hold up that kind of program until such time as we have acted upon the proposal which will be before the Senate, the proposal of home rule, which is being advanced by the Senator from Tennessee [Mr. KEFAUVER]. I simply make that observation. Of course, I respect the convictions of the Senator from South Carolina on the question of home rule. I will say to the Senator that I shall be in his office to see if we cannot work out that problem.

Mr. JOHNSTON of South Carolina. I shall be glad to discuss it with the Senator from Minnesota. I am glad to hear that the Senator believes that what is now proposed to be done under the bill is, in effect, putting the cart before the horse. I believe as the Senator does about leaving the question of sales tax to the decision of the people. Such a vital matter as a sales tax should be left to the people of the District of Columbia. They should be given the right to say whether they want it or not. It seems as though an effort is being made to make an over-all change in the taxation plan of the District of Columbia just before the proposal comes before Congress to give to the people of the District home rule. Then Congress would say to the people of the District, "Here is this tax

law. We have passed it. It is your baby. You carry out its provisions." That would be the effect of our action if we should adopt home rule for the District after the passage of the sales-tax legislation.

Mr. President, I had been speaking of the various amendments I had offered. As was brought out by the junior Senator from Minnesota, $32,000,000 was collected under the real-estate tax in the District. That amount does not represent more than 30 percent of the total revenue collected in the District of Columbia, which is entirely out of line with the tax collections in other cities of similar size in the United States.

Reference has been made to the great amount of property in the District of Columbia which has been taken off the tax books. Much of it is land in Government control. The property occupied by embassies is off the tax books. Fifty-one percent of the land area of the District of Columbia is off the tax books. Would it be wrong to give to the District 25 percent of the total budget, to up the $32,000,000 collected under the real-estate tax? If the Federal Government were to give 25 percent of the total budget for the District, it would mean thirteen or fourteen million dollars additional being paid by the Federal Government. When we add the two together we make up for the loss of real-estate taxation, income taxes, and other forms of taxation which the people in the District of Columbia are not paying to the full extent. I think it would be only right and just toward the District of Columbia, the city of all of us, to make this contribution.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from South Carolina yield to the Senator from Minnesota?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. We were speaking a moment ago about the property tax. I note from the papers which I have before me that my own city, for its budget, obtains 88 percent of its entire revenue for the operation of a municipality of 550,000 people from the property tax.

I also note that the analysis of the present laws pertaining to alcoholic beverages shows that the tax on them is considerably lower in the District of Columbia than are such taxes in my own State. I have heard a great deal of comment since I have been in Washington about the cocktail parties and the social life of the city. I gather from talking with those who have been long-time residents that such parties are often conducted by those who pay visits to the District of Columbia for one purpose or another. I presume that such parties are also given by some of those who have been long-time residents within this beautiful city.

Is it not true, from the Senator's observation and study of the municipal and State tax laws pertaining to alcoholic beverages such as beer, whisky, and wine, that the license fee in this city and the tax per barrel or per case of beer, or per gallon of wine or alcoholic spirits, is among the lowest in the country?

Mr. JOHNSTON of South Carolina. It is one of the lowest in the country. It does not amount to more than one-fifth of what it is in South Carolina.

Mr. HUMPHREY. Is it not true that this is one of the greatest consuming areas in the country?

Mr. JOHNSTON of South Carolina. There is no question about that. If it is desired to tax visitors who come here and pitch parties, there is an opportunity to do so by agreeing to my amendment.

Mr. President, the amendment which is before the Senate at the present time provides for a contribution to the city of 25 percent. I do not intend to consume any more time of the Senate, but I wish to impress upon Senators that it is my judgment that we should pay to the city far more than 25 percent. I believe that if we enact a sales tax and then give to the city of Washington the privilege of home rule, the sales tax will not remain in existence very long. We shall find that some of the proposals in my amendments will be put into effect.

I believe that when Members of Congress study the situation and see the treatment that is being accorded the District of Columbia, they will agree with me. Washington is not like other cities. It cannot expand and take in Bethesda, or any of the surrounding territory in any direction. The boundary lines were written into the law enacted by the Congress of the United States when the Government was brought to Washington, D. C.

The city of Washington is cramped, so to speak. People may live just outside the District and receive the benefits of the city of Washington, paying no taxes for its support. Such people come from the home States of all Senators. They work in our offices, and they work in every department of the Government.

I believe that we owe the District of Columbia even more than 25 percent, when we consider all the advantages that the people of the States are receiving at the present time. I believe that the District budget ought to be balanced, but that is not the only reason why I am advocating a contribution of 25 percent. I believe that we owe it to the people of the District, in fairness. For that reason I urge support for my amendment.

Mr. TAYLOR. Mr. President, inasmuch as we have reached the time when we are about to vote, I should like to say a few words and state for the RECORD how I intend to vote.

I have the greatest sympathy for the dilemma in which the members of the District Committee find themselves in searching for new sources of revenue. I appreciate the circumstances of the Senator from Rhode Island [Mr. MCGRATH], the distinguished chairman of the Democratic Party. I sincerely wish that I could find it in my heart and conscience to vote with him; but I cannot. I am conscientiously opposed to the principle of a sales tax, which falls most heavily in proportion upon the poorest man with the biggest family.

Happily I am in the position of knowing that the people of my State agree with me, because at one time a sales tax was enacted in Idaho. At the very next election the Governor, who was in power when the sales tax was enacted was defeated, although he was one of the most popular Governors we ever had. The sales tax was repealed. However, I do not feel disposed to risk enacting a sales tax in the District of Columbia simply because we were successful in having it repealed in Idaho. I feel that if we enact a sales tax for the District it will set an example for the rest of the country, or at least furnish an excuse for proponents of the philosophy of the sales tax to urge the enactment of similar measures in other parts of the country.

For these reasons I regretfully announce that I cannot support my party chairman. I am happy to note the caliber of other Senators with whom I am about to vote. I shall vote against the bill if it remains in its present form. I intend to vote for the pending amendment to increase the contribution of the Federal Government to 25 percent. I think that is very reasonable. I shall probably vote for other amendments; but if the bill is not amended so as to eliminate the sales-tax feature, I shall have to vote against the bill.

Mr. HUMPHREY. Mr. President, I should like to make a very brief statement in reference to the amendment which is before the Senate and the proposal for a sales tax in the District of Columbia.

I am opposed to the proposal for a sales tax, and I am in support of the first amendment offered by the distinguished Senator from South Carolina.

I realize that the District Committee has a very difficult job. I fully sympathize with members of that committee. If my loyalties and affections were to govern my judgment in this instance, I would, of course, join with the distinguished Senator from Rhode Island [Mr. MCGRATH], the chairman of my party and the chairman of the District Committee, who has given many months of time and much devoted service in an effort to solve the difficult problems which face the District of Columbia and its government. However, I must say that this question goes far beyond loyalty. It even goes far beyond a great personal affection and high respect for the members of the committee, and particularly for its chairman.

I wish to associate myself at this time with the remarks of my colleague the distinguished junior Senator from the State of West Virginia [Mr. NEELY], who spoke earlier in the day and gave to us a very clear and pointed analysis of the meaning of the proposal for a sales tax, as advanced by the committee.

I should like to make some observations as a result of my own experience, observations which I believe will be worthy of the consideration of the Senate, observations from one who has long been interested in municipal government. I made a very brief—and I must say in all candor, a sketchy—study of the government of the District of Columbia. I am not an expert on it. I realize that I do not have all the information which those who have studied the question in greater detail have as to the operations of the District government.

I spent at least 3 years of my life in the study of local government in a university, 2 years of my life as an instructor in the field of local government, and 3½ years as mayor of the fourteenth largest city in the United States. Never have I seen a government so completely confused, so completely lost in detail, and so completely mixed up in terms of its responsibilities and its alinement of authority and power as is the District of Columbia.

The District of Columbia government is a product of the Congress of the United States. I am not condemning the commissioners of the District of Columbia. I am not condemning those who serve ably as responsible executive and administrative officers of the District of Columbia government. I know there are more than 70 departments and agencies in this municipal government, and I submit that three Commissioners appointed by the President cannot, by any stretch of the imagination, supervise that many departments and agencies.

For example, I know that the Treasurer of the United States and the General Accounting Office have something to do with the Government of the District of Columbia. I know that Federal Bureau of the Budget and its executive officers have something to do with the District of Columbia's budget officer. I know there is no way by which we can place our finger upon the focal point of responsibility in the District of Columbia.

I say it would be a disservice to the people of Washington, D. C., and its government for the Congress to vote a sales tax which would produce approximately $18,000,000 of additional revenue and would place a burden on each and every citizen residing in the District of Columbia, until something constructive is done about the nature of the government of the District of Columbia.

So, Mr. President, I must disagree with my esteemed colleague the Senator from South Carolina [Mr. JOHNSTON], who spoke a moment ago, because I believe in home rule. I wish to commend the Senate Committee on the District of Columbia, and particularly the Senator from Tennessee [Mr. KEFAUVER], who has introduced a home-rule bill for the District of Columbia, for their insight into the very basic nature of the problem confronting us in connection with these matters.

I do not wish to see this beautiful city without finances; but I submit to the Senate and to the entire Congress that the troubles of the Government of the District of Columbia are our responsibility. We are the ones who, only recently—at least, according to the records which I have from the Committee on the District of Columbia—since the war have given three salary increases to District of Columbia Government employees—increases which certainly were needed—and a 40-hour week, which certainly the workers are entitled to, and provision for time-and-one-half pay for overtime work, to which workers in the municipal government are entitled just as much as are workers in private industry; but in none of those instances did the Congress of the United States appropriate additional money with which to meet the requirements thus arising for additional funds.

Mr. President, after the war the District of Columbia had a surplus of $10,000,000; but because of the actions of the Congress since that time, that surplus has been used up, and today the District of Columbia has a deficit of approximately $7,500,000. That much money is needed to balance the District of Columbia's budget, and $10,600,000 is needed to pay the salary increases which have been granted to District of Columbia employees and to take care of the retroactive features of the pay-increase bills.

We should do first things first, and I believe the first thing which should be done by the Congress is to give as much power as possible to the people of the District of Columbia. I realize the constitutional limitations; I realize that the District of Columbia and its geographical limits and part of its structure of government are prescribed by the Constitution of the United States. But I submit that when we are dealing with a million people, they should not be dealt with lightly, and we should not try to convert the Congress of the United States into a board of aldermen which occasionally thinks about the municipal problems of the greatest Capital in the world.

So I call upon the distinguished Members of this body to read this measure very carefully, and I call upon them to remember the obligations of the Federal Government in terms of the proper contribution for the Federal Government to make to the government and operation of the District of Columbia. I call upon the Members of this body to remember that what is needed in the District of Columbia, according to my way of thinking, before it receives any more money, is a municipal house-cleaning. I know that the District of Columbia has not had a survey of its municipal government since 1936, 13 years ago. I know that the last time an extensive administrative study was made of the District of Columbia was in 1935, by the firm of Jacobs & Griffenhaugen. I know that in my own city of Minneapolis we had a survey last year, and another 5 years before that, and another 5 years before that, and I know that in practically every city in the United States the authorities have called in experts to study the municipal problems, the governmental problems, the tax problems, and the other problems which confront them.

So, Mr. President, before we talk in terms of obtaining $18,000,000 of additional revenue for the District of Columbia, as is proposed to be raised by an obnoxious, unfair, inequitable sales tax, I submit we should find out where the government of the District of Columbia is going and where responsibility rests in that connection, and what is the just and proper share which the Federal Government should contribute to the government of the District of Columbia, and whether the property tax rate in this city compares favorably with the property tax rate in other cities, and also whether other taxes in the District of Columbia, such as liquor taxes, are levied in the same degree as in the case of other municipalities.

My own observation is—and I feel that I came to this body with some information about municipal affairs—that the city of Washington has been blessed by prolonged prosperity because of the nature of its major industry, namely, government. The property in this city has more value per square foot than the property in almost any other city of comparable size; at least, that is what the real-estate agent told me when I bought my house. He said, "Don't worry about how much you paid for it, for you can always sell it for more than you paid, because property never depreciates in Washington."

Yet, Mr. President, according to the little information we have—I am not willing to testify as to its authenticity—the property tax rate in the city of Washington, D. C., is lower than the property tax rate in any other city of comparable size. The people who live in the city of Washington and who profit from the government business in this city can afford to contribute their fair share in terms of the money needed to maintain a fair degree of health and safety for the people who reside in the city. I also say that the Federal Government can afford to pay its fair share.

With 51 percent of the land in the District of Columbia occupied by tax-free institutions, and with more and more public buildings to be constructed, with many buildings just across the park from the Capitol to be torn down, so as to make way for the construction of a new Senate Office Building, it is obvious that we cannot leave the major burden of finance upon the people who live in this city.

The proposed amendments take into consideration the Federal contribution, the excise taxes—such as liquor taxes, the real-estate taxes, and the most fair form of taxation which is known, namely, the personal income tax. I, for one, will never shunt aside the principle of the personal income tax, which is a fair, equitable, honorable system of taxation, and place in its stead a type of taxation which has been so well explained by the distinguished Senator from South Carolina.

Again I remind my colleagues of the comparison which has been made between the taxes to be paid under a sales tax by a single man earning $3,000 a year and the taxes to be paid by a married man with a wife and four or five children, who also earns $3,000 a year for doing comparable work requiring a comparable degree of skill, and who is of a comparable economic status. Of course, for the purposes of this comparison, it is not necessary to determine whether it would be best to refer to the situation of a family with five children or the situation of a family with four children, for, after all, all children are expensive each and every one of them.

Under the proposed sales tax and under the proposals to adjust the income-tax payments, what will a man with a family of that size and an income of $3,000 a year be paying? First, he will pay the taxes on what he buys for his own use, and then he will pay taxes on every article purchased for the use of his wife and children, with the exception

of food and medicines. For every bundle of diapers or every hair cut or for any other article or service which his family requires, he will have to pay a tax, under the present sales-tax proposal. Would that be fair? To my mind it would be grossly unfair.

If a sales tax were the only means of raising revenue for the city of Washington, I would not oppose it, for this city must have revenue. But I submit that the Commissioners of the District of Columbia and its board of aldermen, the Congress of the United States, have not made a study to determine whether the sales tax is the only revenue-raising means to which to resort.

In some States the sales tax has been resorted to because there was no other means of raising revenue. In some cities the sales tax has been resorted to because the property-tax rates already were so high that those who were responsible for the tax structure did not dare raise the property taxes any higher. However, in the city of Washington the property taxes are not that high—not by a long shot.

The liquor license fees are not very high, either—not by a long shot. And there are plenty of other things in the city of Washington, D. C., in the terms of revenue for municipal government, that have not been fully justified, and until that condition has been rectified, the junior Senator from Minnesota is not going to vote for a sales tax. I would not vote for it in Minneapolis, nor would I vote for it in Minnesota so long as other equitable forms of taxation are available. If my State is faced with a choice between a sales tax and no revenue, then I shall have to make another decision. But the State is not faced with that problem.

In this instance we are faced with a choice of proposals. If the distinguished Senator from South Carolina did not present an alternative, then I should say his argument was fallacious; I would say it was obstructionist. But I submit to this honorable body that those who have signed the minority views, the Senator from South Carolina [Mr. JOHNSTON], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from West Virginia [Mr. NEELY], and the Senator from Delaware [Mr. FREAR], have given to the Senate an alternative—an alternative, if you please, which surely is a fair and honorable alternative. So we are not leaving the District without the means of sustaining its government and of maintaining this beautiful National Capital.

Speaking of beauty, there is nothing beautiful about a sales tax, economically or in any other manner. There is nothing very fair about it, either, no matter how many exemptions are placed in it. If some kind of specialized sales taxes for the District of Columbia are desired, specialized taxes on luxuries, that is still another item. I submit we are talking about a general sales tax, not about a particular type of sales tax upon a particular commodity.

I am of the opinion, I may say to my colleague, the Senator from South Carolina, that the argument is not exactly one that seems to be gathering votes for our side; I hope I am wrong; but it needs to be expressed on the floor of the Senate. We know that in great America, despite its great production and high profits, there is inequity of income. Thirty-four percent of the people of the Nation are receiving less than $2,500 a year income, and vast numbers of people in the District of Columbia receive less than $2,000 a year income. If my recollection of the minority views serves me correctly, I think a recent survey made by the Census Bureau shows that 24 percent of all the families and individuals in the District of Columbia earned less than $2,000 a year in 1947. So we propose a fair system of taxation instead of one which requires a 2-percent sales tax to be paid, except on things to keep a person alive, such as food and medicines, and whatever other few exemptions there may be.

I think it is time to look at the alternatives, to consider their merits, and to consider them on the basis of providing revenue in a minimum amount, a basic minimum revenue. Then, after we have provided a minimum amount of revenue, to balance the budget of the District, to furnish the back pay that is due—that is all—we should examine the governmental structure of the District of Columbia to see whether sound administration prevails, and whether those who are the Commissioners of the District and those who are recommended as the Commissioners of the District are truly concerned with the lot of the ordinary plain people of the District. Until I am convinced that they are, I shall not vote for a sales tax, because I want to be perfectly convinced that those who are entrusted with the powers of the Commissioners, those who are the executive body of the District, are the kind of people who are deeply concerned about the lot of the average everyday citizen, and not about the lot, let me say, of those who can get along well, regardless of waste or inefficiency or any other form of maladministration.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from South Carolina [Mr. JOHNSTON], for himself and the Senator from West Virginia [Mr. NEELY].

Mr. MORSE. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Connecticut [Mr. MCMAHON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alabama [Mr. HILL], the Senator from Oklahoma [Mr. KERR], and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate and is paired with the Senator from Ohio [Mr. TAFT] who is absent on official business. If present and voting the Senator from Vermont [Mr. FLANDERS] would vote "yea" and the Senator from Ohio [Mr. TAFT] would vote "nay."

The Senator from Vermont [Mr. AIKEN], the Senator from Michigan [Mr. FERGUSON], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate. If present and voting, the Senator from Kansas [Mr. SCHOEPPEL] would vote "nay."

The senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the junior Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Nevada [Mr. MALONE] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "nay."

The Senator from Kansas [Mr. REED] is detained on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Ohio [Mr. BRICKER] who is detained on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] would vote "yea" and the Senator from Ohio [Mr. BRICKER] would vote "nay."

The result was announced—yeas 24, nays 41, as follows:

YEAS—24

Connally	Hendrickson	McFarland
Douglas	Humphrey	Magnuson
Downey	Ives	Morse
Ecton	Johnston, S. C.	Murray
Gillette	Kilgore	Neely
Graham	Langer	Pepper
Green	Long	Sparkman
Hayden	McCarran	Taylor

NAYS—41

Anderson	Hoey	O'Conor
Baldwin	Holland	Robertson
Brewster	Hunt	Russell
Butler	Johnson, Colo.	Saltonstall
Byrd	Johnson, Tex.	Smith, Maine
Cain	Kem	Stennis
Cordon	Knowland	Vandenberg
Donnell	Lucas	Watkins
Ellender	McClellan	Wherry
Frear	McGrath	Wiley
Fulbright	McKellar	Williams
George	Miller	Withers
Gurney	Millikin	Young
Hickenlooper	Mundt	

NOT VOTING—31

Aiken	Kefauver	Schoeppel
Bricker	Kerr	Smith, N. J.
Bridges	Lodge	Taft
Capehart	McCarthy	Thomas, Okla.
Chapman	McMahon	Thomas, Utah
Chavez	Malone	Thye
Eastland	Martin	Tobey
Ferguson	Maybank	Tydings
Flanders	Myers	Wagner
Hill	O'Mahoney	
Jenner	Reed	

So the amendment offered by Mr. JOHNSTON of South Carolina for himself and Mr. NEELY was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I now call up my amendment A, which is dated May 9, 1949.

The PRESIDING OFFICER. The clerk will read the amendment offered by the Senator from South Carolina.

The LEGISLATIVE CLERK. On page 74, line 12, it is proposed to strike out "2.15" and insert "2.25."

Mr. JOHNSTON of South Carolina. Mr. President, the Senate will notice that on page 74 of the committee bill, the committee, in line 12 on that page, provides for a tax on real property of "2.15 percent on the assessed value of such property." My amendment would strike out "2.15" and insert "2.25."

The present law provides for 1.85 percent, which raises approximately $32,000,000 for the District——

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. PEPPER. Is that an ad valorem tax on real and personal property?

Mr. JOHNSTON of South Carolina. It is an ad valorem tax on real estate and personal property in the District of Columbia.

It will be found that 1.85 percent raises approximately $32,000,000. I propose to increase the rate from 1.85 to 2.25. It will be found that that increase will raise approximately $8,000,000.

If my amendment is adopted it will not jeopardize the bill as a whole. It will raise additional revenue from property within the District of Columbia. My amendment is fair and just. The Senator from Minnesota [Mr. HUMPHREY] stated a moment ago that his city raised 88 percent of its revenue from the tax on real estate. The rate in the District of Columbia is out of line as compared with that in the city of Minneapolis. Raise the rate just a little here, and approximately $8,000,000 additional revenue will be received.

Of the other two main amendments I have to offer, one relates to whisky, doubling the whisky tax in the District, and making it the same as the Maryland tax. Additional revenue would be raised by that.

Then I propose to increase the income tax in the District, not as high as it is in some States, but to increase it, and that will be another amendment.

If the Senate would adopt those three amendments, we would not need a sales tax. Sufficient revenue would be raised under those amendments to offset what would be raised by the sales tax.

Mr. President, I shall not take the time of the Senate at length, but I hope Senators will consider the amendment seriously. The District real-estate owners would be paying nearer their share of the taxation in the District than they would under the committee bill, and more revenue would be raised for the District.

What else would the amendment accomplish? I predict that if a sales tax of 2 percent is imposed and the officials find there is a deficit, next year they will come back with a proposal to impose a 3-percent sales tax, then later a 4-percent. My amendment would certainly raise some revenue, and it would prevent a deficit, even if the other amendments were not agree to.

Mr. President, this is why I am taking up the real-estate amendment first. I wish to follow it with the other two amendments.

Mr. HUNT. Mr. President, I should like to say that the committee has given consideration to raising the real-estate tax, as appears from the bill. We provide for an increase in the tax rate of 15 cents per hundred dollars of valuation. At the present time real property in the District is bearing 53.87 percent of the total tax load. I would not at all deny that some cities have a greater property tax than is the case of the District of Columbia, but I wish to say that with the increase we have proposed there will have been approximately a 40-percent increase in real-estate taxes in the District since the year 1946. I think the increase the committee has provided for, together with the other increases we have provided, and with the liquor tax and the sales tax, the best program to meet the needs of the District of Columbia will have been adopted.

I hope the Senate will vote down the amendment.

Mr. HOLLAND. Mr. President, will the Senator from Wyoming yield for a question?

Mr. HUNT. I yield.

Mr. HOLLAND. In comparing tax millage rates between the District of Columbia and other cities, is it not necessary to remember that the District is more comparable to a city government, plus a county government, plus a State government, in that the taxes raised here have to meet some costs which frequently are put up by counties or States, such as contributions to the welfare fund, benefits for old age, for the blind, for dependent children, school funds, and the like?

Mr. HUNT. The Senator from Florida is quite right. Within the District of Columbia there is the equivalent of every type of political subdivision of government, including school districts, townships, counties, cities, and States. All are combined in the taxes paid in the District of Columbia.

Mr. McGRATH. Mr. President, I should like to make one brief observation on the amendment offered by the Senator from South Carolina. I tried to reiterate, in my general remarks on the bill, that we are dealing with a composite picture. Once the Senate begins to pick the bill apart, to take one thing out and put in another, we are going to end up where we started, having an incomplete picture, and we would probably find that we would have been better off if we had not wasted our time on the bill.

We have heard much in the debate about putting the burden on the working class, on the poor people, so to speak. I wish to point out that an increase in the real-estate tax in the District of Columbia, under the procedures followed by the rent-control administration of this District, permissible under our law, would automatically be passed to the tenants. So that any increase made in property taxes would result only in an automatic increase in the rent for every rent payer in the District of Columbia. So I believe the Senator from South Carolina is, by the amendment, working against the very people he is trying so hard to serve.

The Senator also stated that the present tax rate was $1.85. The present tax rate is $2, and he proposes to increase it to $2.25. I do not know the amount of money the 25-percent increase would raise, perhaps two or three million dollars, but it would be immediately passed on, so far as rentable property was concerned, to the tenants.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

The amendment was rejected.

Mr. JOHNSTON of South Carolina. Mr. President, I have another amendment which comes in on page 62 of the bill. In the amendment of the committee on page 62, line 9, Senators will find that the committee amendment reads, "A tax of 15 cents on every wine-gallon of wine," and so forth. My amendment would make the tax 20 cents instead of 15 cents. Its effect would be to exactly double the amount of the tax on wine today. At the present time it is 10 cents. The committee proposes to increase it to 15 cents. My amendment would increase it to 20 cents.

Again, on line 13, Senators will find the tax on certain wines is proposed to be fixed at twenty-two and a half cents a gallon. My amendment calls for 30 cents, which again would raise it exactly a hundred percent, from 15 cents, the present tax, to 30 cents.

The PRESIDING OFFICER. It will be necessary to reconsider the vote by which the committee amendment was agreed to. Without objection, the vote by which the amendment of the committee on page 61, beginning in line 21, was agreed to, is reconsidered.

Mr. LUCAS. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Illinois.

Mr. LUCAS. I respectfully request that those who are handling the bill accept the amendment being offered by the senior Senator from South Carolina, and take it to conference.

Mr. HUNT. The committee is agreeable to taking the amendment to conference. I should like to say that there were three reasons for the decision taken by the committee. First, we did increase the license fees by 50 percent. We have likewise increased the tax on spirituous liquors by 50 percent. We have made a like increase on wine. We have increased the tax on beer by $1 per barrel. We were trying to equalize or keep in the middle, so to speak, between Virginia on the one side and Maryland on the other.

We had one other thought in mind, which was that the particular amendment, as offered by the distinguished Senator from South Carolina, did not meet with the approval of the House.

We had those three things in mind. We thought an increase in the tax was

necessary, but we tried to keep the District of Columbia in proper relationship between Virginia and Maryland in respect to this tax. We tried also to write something that would be acceptable to the House. The committee, however, has no objection to taking the amendment to conference, if the Senate wishes to adopt it.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The question is on agreeing to the amendment of the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY], lettered A, and dated May 12, 1949, which is an amendment to the committee amendment on page 62, in line 9, line 13, line 17, and line 19.

The amendment to the amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I call up the amendment offered by me on behalf of myself and the Senator from West Virginia [Mr. NEELY], lettered B, relating to newspapers. On page 12 of the bill newspapers are exempted from the sales-tax provision. I ask that the amendment be stated, and on the amendment I ask for the yeas and nays.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 12 it is proposed to strike out line 8 and redesignate subsections (h) to (q), inclusive, as subsections (g) to (p), respectively.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to say that the proposed sales tax would hit the little people of the District, and exempt the newspapers, which, the record shows, brings in millions of dollars. I should like to have a yea-and-nay vote on the amendment so the people may know exactly how the Members of the Senate feel in regard to my proposal. If adopted, the amendment would not result in bringing in much money in taxes, but it would bring in some additional revenue.

Mr. McGRATH. Mr. President, I remind Senators that the amendment does not penalize newspapers, as I understand. It penalizes subscribers to newspapers.

Mr. JOHNSTON of South Carolina. It applies to newspapers just as it applies to everything else on which a sales tax is applied.

Mr. HUNT. Mr. President, I may say that the Maryland sales-tax law makes no reference to newspapers whatsoever. They are not taxed. The committee feels it would be rather ridiculous to have the newsboys attempt to collect each month from their subscribers one or two pennies for their newspapers. Of course, as they are sold on the newsstands there would be no tax. If the amendment should prevail, we feel the insignificant amount that would be raised by virtue of the adoption of the amendment would not be worth the trouble or the effort to collect it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina for himself and the Senator from West Virginia.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment lettered B, and dated May 12, 1949.

The amendment was rejected.

Mr. JOHNSTON of South Carolina. I call up the amendment offered by me on behalf of myself and the Senator from West Virginia [Mr. NEELY] lettered "B" and dated May 9, 1949.

The PRESIDING OFFICER. The amendment is a long one. Does the Senator desire that it be stated at the desk, or printed in full in the RECORD?

Mr. JOHNSTON of South Carolina. I do not ask that it be read. I ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD at this point.

The amendment is as follows:

Beginning with line 5, page 1, strike out all down to and including line 4, page 58, and insert in lieu thereof the following:

"TITLE I—AMENDMENTS TO ARTICLE 1 OF THE DISTRICT OF COLUMBIA REVENUE ACT OF 1947

"Article 1 of the District of Columbia Revenue Act of 1947, as amended, is further amended as follows:

"Paragraph lettered (s) of section 4 of title I of article 1 of said act is amended to read as follows:

"'(s) The word "resident" means every individual domiciled within the District on the last day of the taxable year, and every other individual who maintains a place of abode within the District for more than 7 months of the taxable year, whether domiciled in the District or not. The word "resident" shall not include any elective officer of the Government of the United States or any employee on the staff of an elected officer in the legislative branch of the Government of the United States if such employee is a bona fide resident of the State of residence of such elected officer, or any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, unless such officers are domiciled within the District on the last day of the taxable year.'

"SEC. 2. Section 2 of title III of article I of said act is amended by adding thereto the following new subsection:

"'(c) Adjusted gross income: The words "adjusted gross income" as used in this article mean gross income less deductions allowed under section 3 (a) of this title: *Provided, however,* That such deductions were directly incurred in carrying on a trade or business: *And provided further,* That in determining adjusted gross income no deductions shall be allowed for charitable contributions, alimony payments, medical and dental expenses, an optional standard deduction, losses of property not connected with trade or business, or for an allowance for salaries or compensation for personal services of the persons liable for the tax.'

"SEC. 3. Section 3 (a) (1) of title III of article I of said act is amended to read as follows:

"'(1) Expenses: All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business (except as otherwise provided herein), traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.'

"SEC. 4. Section 3 (a) (4) (C) of title III of article I of said act is amended to read as follows:

"'(C) of property not connected with a trade or business, if such losses arise from fires, storms, shipwrecks, thefts, or other casualty: *Provided, however,* That no such loss shall be allowed as a deduction under this subsection if such loss is claimed as a deduction for inheritance—or estate—tax purposes: *And provided further,* That this subsection shall not be construed to permit the deduction of a loss of any capital asset as defined in this article.'

"SEC. 5. Section 3 (a) (8) of title III of article I of said act is amended to read as follows:

"'(8) Charitable contributions: Contributions or gifts, actually paid within the taxable year to or for the use of any religious, charitable, scientific, literary, military, or educational institution, the activities of which are carried on to a substantal extent in the District, and no part of the net income of which inures to the benefit of any private shareholder or individual: *Provided,* That such deduction shall be allowed only in an amount which in the aggregate of all such deductions does not exceed 15 percent of the adjusted gross income.'

"SEC. 6. Section 3 (a) (9) of title III of article I of said act is amended to read as follows:

"'(9) Medical, dental, and so forth, expenses of individuals: Expenses in the case of residents, paid by the taxpayer during the taxable year, not compensated for by insurance or otherwise, for the medical care of the taxpayer, his spouse, or dependents as defined in this article. The term "medical care", as used in this subsection, shall include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of diseases, or for the purpose of effecting healthier function of the body (including amounts paid for accident or health insurance): *Provided, however,* That a taxpayer may deduct only such expenses as exceed 5 percent of his adjusted gross income: *And provided further,* That the maximum deduction for the taxable year shall not exceed $1,250.'

"SEC. 7. Section 3 (a) (13) of title III of article I of said act is amended to read as follows:

"'(13) In lieu of the foregoing deductions, any resident may irrevocably elect to deduct for the taxable year an optional standard deduction of 10 percent of the adjusted gross income of $500, whichever is lesser: *Provided, however,* That the option provided in this subsection shall not be permitted on any return filed for any period less than a full calendar or fiscal year.'

"SEC. 8. Section 3 (a) of title III of article 1 of said act is amended by adding thereto a new subsection to read as follows:

"'(15) Reasonable allowance for salaries: A reasonable allowance for salaries or other compensation for personal services actually rendered: *Provided, however,* That in the case of an unincorporated business the aggregate deduction for services rendered by the individual owners or members actively engaged in the conduct of the unincorporated business shall in no event exceed 20 percent of the new income of such business computed without benefit of this deduction: *Provided further,* That nothing herein contained shall be construed to exempt any salary or other compensation for personal services from taxation as a part of the taxable income of the person receiving the same.'

"SEC. 9. Section 4 of title IV of article 1 of said act is amended to read as follows:

"'SEC. 4. Installment sales: If a person reports any portion of his income from installment sales for Federal income-tax pur-

poses under section 44 of the Federal Internal Revenue Code and as the same may hereafter be amended, and if such income is subject to tax under this article, he may report such income under this article in the same manner and upon the same basis as the same was reported by him for Federal income-tax purposes, if such method of reporting is accepted and approved by the Commissioner of Internal Revenue.'

"SEC. 10. Subsections (a) of section 2 of title V of article I of said act are amended to read as follows:

"'(a) Residents and nonresidents: Every nonresident of the District receiving income subject to tax under this article and every resident of the District, except fiduciaries, when—

"'(1) his gross income for the taxable year exceeds $1,000, if single, or if married and not living with husband or wife; or

"'(2) his gross income for the taxable year exceeds $2,000, if married and living with husband or wife; or

"'(3) his gross sales or gross receipts from any trade or business exceeds $5,000, regardless of the amount of his gross income; or

"'(4) the combined gross income for the taxable year of husband and wife living together exceeds $2,000 in the aggregate or the combined gross sales or gross receipts from any trade or business exceeds $5,000 regardless of the amount of their gross income.'

"SEC. 11. Section 3 of title VI of article I of said act is amended to read as follows:

"'SEC. 3. Imposition and rate of tax: There is hereby annually levied and imposed for each taxable year upon the taxable income of every resident a tax at the following rates:

"'Two percent on the first $2,000 of taxable income.

"'Three percent on the next $3,000 of taxable income.

"'Four percent on the next $5,000 of taxable income.

"'Five percent on the taxable income in excess of $10,000.'

"SEC. 12. The Commissioners of the District of Columbia are authorized to make such changes in section 4 of title VI of article I of said act as are consistent with the provisions of sections 1 through 11 above.

"SEC. 13. Title VIII of article I of said act is repealed.

"SEC. 14. Section 10 (a) (4) of title XII of article I of said act is amended to read as follows:

"'(4) For the purposes of subsections (a) (1), (a) (2), and (a) (3), a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day.'

"SEC. 15. The proviso to section 11 of title XII of article I of said act is amended to read as follows: *'Provided,* That if it shall be determined by the Assessor, the Board of Tax Appeals for the District of Columbia, or any court that any part of any tax which was assessed as a deficiency under the provisions of section 5 of this title was an overpayment, interest shall be allowed and paid upon such overpayment of tax at the rate of 4 percent per annum from the date such overpayment was paid until the date of refund, and in addition thereto any interest upon such overpayment which was paid by the taxpayer shall be refunded.'

"SEC. 19. Section 2 (b) of title III of article I of said act is amended by adding thereto the following new paragraph:

"'(14) Dues and initiation fees in the case of any club organized and operated exclusively for pleasure and recreation, no part of the net earnings of which inures to the benefit of any private individual or shareholder. As used in this subsection, the word "dues" means only sums paid or incurred by members on a monthly, quarterly, annual, or other periodic basis for the privilege of being members of such club and any pro rata assessment made against the members as such; the word "dues" does not include any sums paid or incurred by members or their guests for food, beverages, or other tangible personal property purchased or for the use of the club's social, athletic, sporting, and other facilities; and the term "initiation fees" includes any payment, contribution, or loan, required as a condition precedent to membership, whether or not any such payment, contribution, or loan is evidenced by a certificate of interest or indebtedness.'

"SEC. 21. The provisions of this title shall be applicable to taxable years beginning after the 31st day of December 1948."

Mr. LANGER. Mr. President, may we have an explanation of the amendment?

Mr. JOHNSTON of South Carolina. It will be noticed that the amendment would increase the income tax in all brackets.

The amendment provides for the following income tax:

Two percent on the first $2,000 of taxable income.

Three percent of the next $3,000 of taxable income.

Four percent on the next $5,000 of taxable income.

Five percent on the taxable income in excess of $10,000.

It will be found that the amendment raises the present income-tax rate. The bill provides for a $4,000 exemption on everyone before the personal exemptions are applied. Do Senators think such a thing as that should be done, and then provide for a sales tax? Should such a thing be done when there is a source, as can be seen from studying my amendment, from which increased taxes can be obtained? Under the terms of the bill a married man would receive an exemption of $6,000. Is that the right kind of income-tax provision? The rates provided in the committee bill are the lowest income-tax rates in the United States. We can adopt my amendment to provide for increased income tax and also include my amendment which provides for an increase in the liquor tax, and it will be found that we do not need a sales tax.

My next amendment would strike out the sales tax altogether.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ELLENDER. Are we to understand that the exemption at present is $6,000?

Mr. JOHNSTON of South Carolina. The provisions of the committee bill give a $4,000 exemption before the other exemptions apply.

Mr. ELLENDER. What is the present exemption in the law?

Mr. JOHNSTON of South Carolina. The exemption in the present law is $1,000 for a single person and $2,000 for a married couple. But the committee bill would give a $4,000 exemption to begin with, and also retain the $1,000 exemption for a single man and $2,000 for a married couple.

Mr. ELLENDER. Does the Senator know how much the committee bill would reduce the tax source?

Mr. JOHNSTON of South Carolina. I do not know and I do not believe the committee knows either.

Mr. ELLENDER. I wonder if the Senator who has charge of the bill can tell us. In other words, does the bill provide for a reduction in the income taxes?

Mr. JOHNSTON of South Carolina. It provides for a reduction in the income taxes, and a sales tax was provided so that reduction in income taxes would be acted on favorably by the House and the Senate.

Mr. HUNT. Mr. President, I should be glad to answer the distinguished Senator from Louisiana. The bill as presented for the consideration of the Senate will increase the income taxes by approximately $800,000. Answering the Senator's first question, I may say that we purposely exempted income up to $4,000, because as of today an income under $4,000 more or less places a person in the lower income group. If he is going to pay a sales tax, we did not at the same time want to impose an income tax on him.

Mr. ELLENDER. What is the present exemption?

Mr. HUNT. The present exemption is $1,000 for a single person and $2,000 for a married person.

Mr. ELLENDER. That has been increased to $4,000?

Mr. HUNT. We have increased it to $4,000, and we have also increased the rate of payment.

Mr. ELLENDER. That was my next question. What is the rate of payment at present for a single man with more than $1,000 income?

Mr. HUNT. It is graduated. I am not sure that I know exactly what the figures are, but I shall have them in a moment.

At the present time, on the first $5,000 the income tax is 1 percent.

Mr. ELLENDER. That is, with a $1,000 exemption. What is the proposed rate, with a $4,000 exemption?

Mr. HUNT. Does the Senator mean as provided by the bill?

Mr. ELLENDER. Yes.

Mr. HUNT. We start with 1½ percent on the first $5,000 of taxable income, exempting $4,000; 2 percent on the next $5,000; 2½ percent on the third $5,000, and 3 percent on any taxable income in excess of $15,000. The rate of income tax for the District has not been made excessive, because I will say to the distinguished Senator that to my way of thinking the Federal Government is doing a pretty good job in its income-tax collections.

Mr. ELLENDER. Do I correctly understand the Senator to say that with the changes made in the income-tax law a total of $800,000 of additional money would be raised from that source?

Mr. HUNT. I am advised by counsel that this is a combined unincorporated business tax and income tax. On the combined taxes we show an increase of slightly in excess of $800,000.

Mr. ELLENDER. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, what I was trying to bring to the attention of the Senate was that under the terms of the bill it makes no difference who the taxpayer is, or what he is paying; he receives an exemption of $4,000 before he even begins to pay a tax, plus all the other exemptions he may be allowed. That is what the bill would do to the present law.

Mr. President, I do not intend to discuss this question at length, but I do want the yeas and nays on my amendment, because I feel that this is a very important question. Under the provisions of the bill as it is written, those who ought to be paying taxes would be exempted. If the District needs additional revenue, they certainly ought to pay taxes.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUNT. Does the proposed amendment delete the sales-tax feature from the bill?

Mr. JOHNSTON of South Carolina. This particular amendment does not.

Mr. President, I should like to modify my amendment by striking out, on page 1, lines 1 and 2, which deal with the sales tax. That would leave the amendment to deal with the income tax.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. ELLENDER. Mr. President, I should like to ask the Senator from South Carolina a question. Suppose his amendment as modified is adopted. What will be the exemption?

Mr. JOHNSTON of South Carolina. The exemption will be $1,000 for a single person, $2,000 for a married person, and $500 additional for each dependent.

Mr. ELLENDER. How does the rate differ from that in the present law?

Mr. JOHNSTON of South Carolina. I read the rates a little while ago.

Mr. ELLENDER. To what extent are the rates increased?

Mr. JOHNSTON of South Carolina. Mr. President, I desire to withdraw the modification of my amendment.

Answering the Senator's question, the rates will be found on page 7 of the amendment. They are: 2 percent on the first $2,000 of taxable income——

Mr. ELLENDER. That represents an increase of how much over the present rate?

Mr. JOHNSTON of South Carolina. I believe the present rate is 1 percent. The rates are approximately doubled all the way through. My estimate is that this amendment would double income taxes in the District of Columbia.

Mr. ELLENDER. To what extent would the Senator's proposal raise the tax in the higher brackets—say from $10,000 up?

Mr. JOHNSTON of South Carolina. The rate is 3 percent on the next $3,000 of taxable income, 4 percent on the next $5,000 of taxable income, and 5 percent on taxable income in excess of $10,000.

Mr. ELLENDER. Has the Senator stated how much it is anticipated this additional tax would raise?

Mr. JOHNSTON of South Carolina. I think it would more than double the amount, but it would require an expert on taxes to give the exact answer.

Mr. ELLENDER. I should like to have an answer to that question for the RECORD.

Mr. JOHNSTON of South Carolina. I am informed that under this amendment $11,990,000 would be raised. At the present time such taxes raise $4,200,000. This would increase the revenue of the District $7,990,000. I am showing the Senate where we can get the necessary revenue without hurting anyone, and with equitable treatment for all taxpayers. That is the purpose of all my amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. JOHNSTON of South Carolina. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Connecticut [Mr. MCMAHON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senators from New Mexico [Mr. CHAVEZ and Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alabama [Mr. HILL], the Senator from Oklahoma [Mr. KERR], and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. WHERRY. I announce that the Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate and is paired with the Senator from Ohio [Mr. TAFT] who is absent on official business. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea" and the Senator from Ohio [Mr. TAFT] would vote "nay."

The Senator from Vermont [Mr. AIKEN], the Senator from Michigan [Mr. FERGUSON], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Massachusetts [Mr. LODGE], the Senator from Nevada [Mr. MALONE], and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. REED], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Utah [Mr. WATKINS] are detained on official business. If present and voting the Senator from Ohio [Mr. BRICKER] would vote "nay."

The Senator from Massachusetts [Mr. SALTONSTALL] is absent by leave of the Senate.

The result was announced—yeas 34, nays 27, as follows:

YEAS—34

Connally	Hickenlooper	Morse
Douglas	Humphrey	Mundt
Downey	Ives	Murray
Ecton	Johnson, Tex.	Neely
Ellender	Johnston, S. C.	Pepper
Frear	Kem	Sparkman
Fulbright	Kilgore	Stennis
Gillette	Langer	Taylor
Graham	Long	Wiley
Green	McClellan	Young
Hayden	McFarland	
Hendrickson	Magnuson	

NAYS—27

Baldwin	Hoey	Miller
Brewster	Holland	Millikin
Butler	Hunt	O'Conor
Byrd	Johnson, Colo.	Robertson
Cain	Knowland	Russell
Cordon	Lucas	Smith, Maine
Donnell	McCarran	Wherry
George	McGrath	Williams
Gurney	McKellar	Withers

NOT VOTING—35

Aiken	Kefauver	Schoeppel
Anderson	Kerr	Smith, N. J.
Bricker	Lodge	Taft
Bridges	McCarthy	Thomas, Okla.
Capehart	McMahon	Thomas, Utah
Chapman	Malone	Thye
Chavez	Martin	Tobey
Eastland	Maybank	Tydings
Ferguson	Myers	Vandenberg
Flanders	O'Mahoney	Wagner
Hill	Reed	Watkins
Jenner	Saltonstall	

So the amendment B, offered by Mr. JOHNSTON of South Carolina for himself and Mr. NEELY, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I have another amendment, C, which would strike out the provision for the sales tax; but I wish to be fair in presenting the amendment. I do not believe quite enough revenue would be raised by the bill without the inclusion of the sales-tax provision.

So all we can do at this time, as I see the situation, is to vote either for or against the bill as it now stands, with the revenue-raising provisions which it includes at the present time. In view of the way Senators have been voting on the amendments and in view of the way they have been expressing themselves in regard to the proposed sales-tax provisions, I am confident that they would not vote for this measure if they did not feel it would provide sufficient revenue for the District of Columbia.

As I have said, I wish to be entirely frank about the matter. Senators will have a chance to vote either for or against the proposed sales tax when they vote on the question of the final passage of the bill.

Therefore, I would ask for a vote on the question of the final passage of the bill; and on that question I ask for the yeas and nays.

Mr. IVES. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. IVES. Are we now considering the amendment marked "C"?

Mr. JOHNSTON of South Carolina. No; I have not offered it.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. What are we about to vote on?

The PRESIDING OFFICER. The pending question has not yet been stated.

Mr. MILLIKIN. I understood that the yeas and nays were requested.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. PEPPER. I have been one of those who have been voting with the able Senator from South Carolina, I am not in favor of a sales tax of any kind.

Of course, all of us realize that the District of Columbia must have revenue.

What does the Senator from South Carolina propose? If the bill is voted down, is it the opinion of the Senator from South Carolina that another bill can be devised to provide the necessary revenue, without including in it provision for a sales tax?

Mr. JOHNSTON of South Carolina. I think so. So far as I am concerned, I am willing to offer the amendment marked C; but I wish to be perfectly frank, and so I say to the Senate that the amendment B, just adopted, will raise a little more than $10,000,000 of additional revenue. In addition, the whisky-tax amendment, which the Senate has adopted, will raise approximately $2,000,000 or $3,000,000 more. so the total amount to be raised by the amendments already adopted by the Senate is close to the amount which has been anticipated under the proposed sales tax.

Mr. President, if Senators wish to vote on my amendment C, I shall offer it. I think it would be well to dispose of it, and I am inclined to offer it.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. GRAHAM. Will the bill as it now stands provide sufficient money for the schools and social services in the District of Columbia?

Mr. JOHNSTON of South Carolina. The bill as now amended will provide additional revenue in the amount of approximately $10,000,000, which will come in under the District of Columbia income-tax law, as it would be amended by the amendment which has been adopted here. In addition, the bill as thus far amended will provide additional revenue under the whisky-tax amendment, which has been offered by me.

I wish to determine how much additional revenue will be obtained under the bill as thus far amended by the Senate.

Mr. HUNT. I should like to say that as the bill now stands, most certainly there is not sufficient revenue even to start to do anything for the schools, let alone attending to other necessary things.

Mr. JOHNSTON of South Carolina. But there is approximately $10,000,000 additional.

Mr. HUNT. With the sales tax left in, we are in fine shape. With the sales tax out, we should be in dire distress.

Mr. JOHNSTON of South Carolina. How much does the cigarette tax produce? That is included, but there was no such tax last year.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. MORSE. I want the floor in my own right.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. I was absent from the floor a short time ago, attending the session of the Committee on Appropriations, when the distinguished Senator from South Carolina informed the Senate on this matter, but I should like to know what it is expected the amendment that was adopted a moment ago will accomplish.

Mr. JOHNSTON of South Carolina. The amendment we adopted just now increases the income tax brackets. It does not increase exemptions at all. It keeps the exemptions the same as they are at the present time, but it will raise approximately $9,900,000 additional revenue by means of income taxes, business and individual.

Mr. WHERRY. Is that the contention of the Senator from South Carolina?

Mr. JOHNSTON of South Carolina. No, it is not. That is the position of the Senator handling the bill, and is the position of those who are advocating the pending bill as reported by the committee. Those are not my figures. They are theirs. They are the figures presented by advocates of the bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. RUSSELL. Does the Senator from South Carolina, in view of the greatly increased revenue that has been voted, think that if the Federal contribution to the District were now eliminated, the District would have adequate funds with which to operate?

Mr. JOHNSTON of South Carolina. It would be close. My estimate is that it would probably lack about $3,000,000 or $4,000,000, something like that. I am interested in getting on with the amendments. I did not anticipate such questions, but I would say about $4,000,000. My guess would be, it would be within about $4,000,000 of the amount necessary.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. I should like to point out to the Senator, as the floor leader of the opposition to the bill, in view of the amendment just adopted, it seems to me it would be a great mistake to go further with this legislation tonight. I certainly think we ought to have the benefit of a subsequent report by the committee. I should like to move to recommit the bill.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question only, now, in order that I may not lose the floor.

The PRESIDING OFFICER. Does the Senator from Rhode Island desire to ask a question?

Mr. McGRATH. I do not care for the floor in order to ask a question. I want to make a statement with reference to the suggestion made by the Senator from Oregon.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. In view of the action taken by the Senate on the Senator's most recent amendment, the income-tax amendment, is it not true that the amendment not only increased the rates, but also extended the coverage of the District of Columbia income tax?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. HUMPHREY. Is it not true then, according to page 3 of the minority views, that the effect of the adoption of the amendment is that the yield and the levy under the amendment would be raised by $5,000,000 in a full year on those already paying income taxes, and another $10,000,000, by raising the rate to 2 percent on the first $2,000 of taxable income and graduating it to 5 percent on taxable incomes in excess of $10,000?

Mr. JOHNSTON of South Carolina. That is true.

Mr. HUMPHREY. So that in fact is it not true that we have by that one amendment increased the revenues for the District of Columbia by $15,000,000?

Mr. JOHNSTON of South Carolina. It is close to that.

Mr. HUNT. Mr. President——

Mr. HUMPHREY. May I first get an answer? I am confused on this, and I should like to know.

Mr. HUNT. Certainly. But the Senator is getting a wrong answer.

Mr. JOHNSTON of South Carolina. I should say $15,000,000, minus. It raises $15,000,000. Under the amendment the income tax will bring in $15,000,000, but the amount that is being raised at the present time is about $4,200,000. I think that is the answer. The net increase would be somewhere close to $10,000,000. Nobody knows, of course, just what it would be.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. There must be some confusion then, I may say to the Senator from South Carolina, because the minority views go on to state that the $15,000,000 additional revenue which can be raised by the amendment just adopted more than covers the revenue the majority would expect to raise from the sales tax in the full year. I think we ought to have a clear understanding of it.

Mr. JOHNSTON of South Carolina. For the information of the Senator, the minority views so state, and I agree with the minority view. But when I quote the other figures, I am quoting the figures of the opposition. In attempting to anticipate the revenue to be derived from such a proposal as this, the Senator will find that no one knows. It is a matter of speculation to a very large extent. My figure would be somewhere between the two figures mentioned.

Mr. HUMPHREY. Will the Senator yield for a final question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HUMPHREY. Did the Senator not estimate that there would be $3,000,000 additional revenue under the alcoholic-beverage tax?

Mr. JOHNSTON of South Carolina. Approximately that.

Mr. HUMPHREY. Of course, all these things must be approximations, even the sales tax. But is it not true, according to the figures stated in the minority views, which figures I have not had a chance to check, but which I think I should at least accept as being reasonably authoritative, that $15,000,000 would be raised by the amendment just adopted by the Senate, relative to the income tax, and an additional $3,000,000 by the alcoholic-beverage tax, a total of $18,000,000, which is all that was contemplated under the terms of the committee bill providing for a sales tax and a compensatory-use tax for the District of Columbia?

Mr. JOHNSTON of South Carolina. I agree with the Senator; I think the amendment adopted will provide sufficient revenue to take the place of the sales tax alone, but the Senator will find that the bill provides for the raising of additional revenue. Some such provisions are still in the bill, of course, at the present time. We merely struck out the sales tax. But the Senator will find certain other increases. I do not think we would go very far wrong in simply passing the bill as it now stands, striking out the sales tax. With what has been provided through the amendment which has been adopted, I do not think the sales tax is needed. The revenue to be obtained without it, I think, would be very close to the necessary amount; and I think the District would get along much better than it did during the past year.

Mr. LUCAS. Mr. President, will the Senator yield for one question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LUCAS. Can someone inform the Senator from Illinois now how much revenue the bill will raise, with the amendments that have been added?

Mr. HUNT. I can answer the question.

Mr. JOHNSTON of South Carolina. I should be glad to have the Senator from Wyoming answer the question. He has the figures on other phases of it.

Mr. HUNT. The income-tax amendment that has just been adopted will increase the income $6,690,000. The liquor amendment which was adopted will increase the income $2,600,000. The real estate tax increase—I am speaking, also, with reference to the increase already written in the bill—will increase the income $2,400,000. There is a cigarette tax in the bill which, if it shall pass, will bring in $1,000,000. So, in round figures, it leaves the District of Columbia approximately $12,000,000 short.

I think the junior Senator from Oregon has made a very good suggestion, namely, that instead of our acting finally on the bill this evening, with no Senator exactly knowing the score, let us wait until Monday and do the job correctly.

Mr. LUCAS. Mr. President, my question has not yet been answered to my own satisfaction. A certain amount of money would be raised by the sales tax, under the original bill brought in by the committee. We have accepted two amendments which increase the amount. What I am trying to find out is how much more money will these amendments produce than would the original bill reported by the committee.

Mr. HUNT. In round figures, quite close to $11,000,000.

Mr. LUCAS. Mr. President, at the first opportunity I should like to make a motion to take a recess until Monday. Certainly something must be done in the way of a reconsideration of the last amendment, because, if $11,000,000 more than is necessary is voted for the District——

SEVERAL SENATORS. No! No!

Mr. JOHNSTON of South Carolina. We have not yet voted on the last amendment.

Mr. HUNT. The amendments which have been adopted today will increase the revenue, exclusive of the sales tax, by $11,000,000. We need $18,000,000.

Mr. LUCAS. But there is a provision to make a Federal contribution.

Mr. HUNT. That amendment was defeated. I am taking into consideration the presently existing Federal contribution.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. The Federal contribution is not included in the bill. The bill provides only for taxes in addition to what are already in existence. The Federal payment will be provided for in the appropriation bill. The calculation on which we are working contemplates that the contribution for next year will be at least as much as it was last year, namely, $12,000,000.

I do not know whether it is the disposition of the Senate to write the bill on the floor of the Senate. If that be the disposition, it is perfectly all right with me. I shall be very happy to relinquish all responsibility for it. I do not believe a tax bill can be intelligently written in that way. I do not accept the figures which the Senator from South Carolina has given us as to what his amendment will accomplish, but I think every Senator, if he considers the amendment and thinks about what it would do to the business of the District of Columbia, will regret the vote, because I will state, in all frankness, that in the long run the income-tax proposals of the Senator from South Carolina will drive people out of the District and will reduce the amount of money received from taxes. It is a mistake to think that the District of Columbia can get any such sum out of income taxes. If what the Senator from South Carolina has said is correct, it means that out of income taxes we will get 20 percent of the total revenue needed to run the District. That is not true. I do not believe there is a city or a State anywhere in the United States that receives in excess of 5 percent of its total revenues out of income taxes. The amendments we have adopted would require the permanent residents of the District of Columbia—not our employees, but the people who have to live and work and earn their living here—to pay this tremendous sum for the operation of the District government.

So, Mr. President, I think we had better pause and decide what we should do. Are we capable, here on the floor of the Senate, of writing a tax bill by the amendment method? If Senators think we are, then jolly good luck; go ahead and do it. But I think we should give the committee a chance to have the bill passed and take it to conference and see what we can bring back from the conference.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to state, in reply to the Senator from Rhode Island, that the figures which I used a few moments ago I got from his own staff. It will be found that the amendment will increase the amount provided for in the bill approximately $9,900,000. The bill would increase it approximately $800,000. That is where approximately $10,000,000 comes in. It will mean that much additional revenue over the amount received last year.

Mr. McGRATH. Mr. President, let us assume that the figures used are our figures; let us assume that we shall receive approximately $9,000,000. I will say to the Senator, that is an unconscionable amount to expect to get out of the permanent taxpayers of the District of Columbia. It is an unconscionable percentage for those taxpayers to contribute to the support of the District of Columbia.

Mr. JOHNSTON of South Carolina. Mr. President, let me say one thing more. When we collect taxes by imposing an income-tax law, we are doing wrong, according to the statement of the Senator from Rhode Island. We would collect $18,000,000 from a sales tax, imposing the tax on everyone in the city, whether or not he is able to pay the tax. The income-tax increase is still below that of many States in the Union which have income taxes.

The Senator says we will run people out of the District. They will not go back to South Carolina. There is an income-tax law there. It is an income tax which is higher than the present tax.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Delaware.

Mr. FREAR. I should like to ask the Senator from South Carolina this question: What difference in revenue would the amendment just adopted make as compared with the part of the original bill eliminated by the amendment?

Mr. JOHNSTON of South Carolina. The amendment would raise approximately $9,900,000, I am informed.

Mr. FREAR. But would it bring in new revenue?

Mr. JOHNSTON of South Carolina. It would raise approximately $9,000,000 more.

Mr. CAIN. Mr. President, will the Senator yield for one question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from South Carolina yield to the Senator from Washington?

Mr. CAIN. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CAIN. Mr. President, may I inquire whether the bill, as amended, and as it is now before us, continues to include a sales-tax provision?

The PRESIDING OFFICER. It does.

Mr. JOHNSTON of South Carolina. That is correct. I have another amendment to offer which would take it out.

Mr. CAIN. But, in the Senator's opinion, the sales tax continues to be in the bill?

Mr. JOHNSTON of South Carolina. Yes.

Mr. FREAR. I thank the Senator from Washington. That is what I wanted to bring out.

Mr. CAIN. From the way in which I read the Senator's amendment, which has not been modified, he has already eliminated the sales tax from the bill.

Mr. JOHNSTON of South Carolina. There are two amendments at the desk. I think the one which was adopted——

Mr. CAIN. May I suggest that the Senator spoke of modifying his amendment, but the modification was never accepted, and there is no sales tax on the basis of the adoption of the recent amendment.

Mr. WHERRY. Mr. President, will the Senator yield for an inquiry?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Nebraska.

Mr. WHERRY. I am glad the Senator from Washington brought out the point he mentioned. I was attempting to do it a moment ago. I submit to the distinguished Senator from South Carolina that this is not the way to legislate. I agree implicitly with the statement made by the Senator from Rhode Island. I beg the Senator to yield the floor so that the junior Senator from Oregon may renew his motion to send the bill back to the committee, and let the committee bring back a bill at some future date which will iron out all these propositions, and in order that we may not have to continue to legislate, as we are doing now, on the floor of the Senate.

Mr. JOHNSTON of South Carolina. I wish to make the record clear as to one matter. The present income tax revenue is $4,200,000. If the bill is passed it will bring in revenue of $11,990,000, which is an increase of $7,990,000 over the present revenue.

Mr. MORSE. Mr. President, will the Senator yield for a question only?

Mr. JOHNSTON of South Carolina. For a question only.

Mr. MORSE. I wish to question the figures the Senator is presenting in regard to the effect of the amendment the Senate has just agreed to, to make certain whether or not he is correct in the interpretation he makes. I wonder if the Senator would turn to page 6101 of yesterday's RECORD, and looking at the first column, will the Senator answer this question: Is it not true that the amendment offered by the Senator from South Carolina to change income-tax rates and exemptions is identical with the recommendation of the minority in the House of Representatives signed by Mr. KENNEDY, Mr. GRANGER, Mr. BUCHANAN, Mr. MILLER, Mr. KLEIN, and Mr. MORRISON? Is not the Senator's amendment the proposal of the House minority in regard to changes in income-tax rates?

Mr. JOHNSTON of South Carolina. It is. I wish to state that I am quoting here figures presented to me by the proponents of the bill.

Mr. MORSE. I understand that.

Mr. JOHNSTON of South Carolina. This is what some others said it would raise. It is hard to tell about how much will come in the income tax.

Mr. MORSE. I wish to bring out, however, that the minority of the House committee, in its computation as to the effect of the Senator's amendment, reports that it will provide $15,000,000, rather than the smaller figure which the Senator from South Carolina states. Therefore, if the Senator will permit me to make a motion. I should like to make a motion, but unless he yields for the purpose and I get unanimous consent, I cannot make it.

Mr. HUMPHREY. A parliamentary inquiry.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Illinois?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Illinois.

Mr. LUCAS. In view of the confusion which exists at the present time with respect to the bill, and actually as to what it means as the result of the amendments, it seems to the Senator from Illinois that perhaps we might take a recess from now until Monday, and in the meantime the committee could have opportunity to get together tomorrow and ascertain definitely through the experts and through their own knowledge of the legislation, exactly what it means, and perhaps could come in Monday with an agreement and a settlement of the whole problem.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. I should like to ask the Chair whether the amendment which was proposed by the Senator from South Carolina, and which was adopted by the Senate, did not eliminate the sales-tax proposal from the pending bill. I should like to ask the Chair that question, because it is my understanding it did.

The PRESIDING OFFICER. The Chair stated that just a few moments ago.

Mr. HUMPHREY. That it did?

The PRESIDING OFFICER. Yes.

Mr. HUMPHREY. Then I suggest that we proceed with the vote on the bill as amended, from which the sales tax has been eliminated.

Mr. HICKENLOOPER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. Who has the floor?

Mr. JOHNSTON of South Carolina. I have.

Mr. HICKENLOOPER. Will the Senator yield to me for a question?

Mr. JOHNSTON of South Carolina. For a question only.

Mr. HICKENLOOPER. I should like to ask the Senator if I did not go over to his desk prior to casting my vote in favor of his amendment, and ask him the specific question whether he had taken the sales-tax issue out of his amendment, so that the sales-tax issue was not affected by his amendment, and did not the Senator tell me—I so understood him, and I believe he was utterly sincere at the time—that the sales-tax issue had been eliminated from his amendment, but was still in the bill, because I told the Senator that I was for the sales tax? Am I correct in my statement?

Mr. JOHNSTON of South Carolina. Mr. President, the Senator did come to my desk and discuss the matter with me. At that time there was confusion as to what amendment was before the Senate, and I had made a motion, if the Chair will recall, to strike out certain features of one of the amendments that I thought was up, when some Senators called to my attention the fact that I was about to amend the wrong amendment. Then I turned and we went back to this amendment. That is what took place in the situation, I think. I am sorry if the Senator was misled.

Mr. HICKENLOOPER. Will the Senator yield for another question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HICKENLOOPER. I hope the Senator understands, or I will ask him if he does understand, that a substantial influence in my casting my vote in favor of his amendment was that I understood what I have just stated as to the Senator's amendment.

Mr. JOHNSTON of South Carolina. I want to explain for the record that there was confusion as to what amendment was up at that time, and I was also calling the attention of the Chair to the fact that there was another amendment on the desk.

Mr. HICKENLOOPER. Will the Senator yield for another question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HICKENLOOPER. I should like to have the Senator know that under all these circumstances, and with my misunderstanding of the assurance I thought I had had from the Senator, I intend to move to reconsider the vote by which the amendment was agreed to, when I can get the floor in my own right.

Mr. HUMPHREY. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. In view of the ruling of the Chair as to the intent and the impact of the amendment which was presented by the Senator from South Carolina and adopted by the Senate, and in view of what the distinguished Senator from Oregon has said, and accurately said, that the amendment on the income-tax increase and broadening coverage involves $15,000,000 additional revenue, and in view of the fact that the

remainder of the bill as presented by the committee offers $2,400,000 for a real-estate-tax increase, $800,000 for unincorporated business tax increase, and that the so-called whisky amendment would yield an additional $3,000,000, there are items of $15,000,000, and $2,400,000, and $3,000,000, and $800,000, or a total of $21,200,000 worth of revenue provided in the measure which has already been thus far approved; all we need is a positive vote of the Senate, and the District of Columbia will have $21,200,000 in revenue.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield the floor?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Louisiana.

Mr. ELLENDER. I share the view of the distinguished Senator from Iowa. When I cast my vote on the amendment of the Senator from South Carolina, I was under the impression that he had modified the amendment so as to strike out the portion which deleted the sales tax. If that is not the case, and the sales tax has been deleted, I wish to say that, if a motion to reconsider shall be made, I shall vote to reconsider, for I am in favor of both the sales tax and the income tax.

The PRESIDING OFFICER. Does the Senator from South Carolina yield the floor?

Mr. JOHNSTON of South Carolina. I have not yet finished.

The PRESIDING OFFICER. The Senator from Iowa wants to make a motion. Does the Senator yield the floor?

Mr. JOHNSTON of South Carolina. Wait a minute. I will yield for a question.

The PRESIDING OFFICER. The Senator from Iowa wants to make a motion. Will the Senator from South Carolina yield the floor for that purpose?

Mr. JOHNSTON of South Carolina. Mr. President, I have the floor, and I should like to discuss this further if there are any questions any Senator would like to ask.

The PRESIDING OFFICER. The question is whether or not the Senator will yield the floor so that the Senator from Iowa may make a motion.

Mr. JOHNSTON of South Carolina. I would not want to yield the floor to recommit the bill.

The PRESIDING OFFICER. The Senator from Iowa is not proposing to move to recommit. He wants to make a motion to reconsider the vote. Does the Senator from South Carolina yield the floor?

Mr. JOHNSTON of South Carolina. Mr. President, I want to discuss this matter just a minute. If any Senator has voted under a misapprehension respecting the sales tax I should be glad to remedy the situation in any way I can. But I am certain that the Senate voted to increase the income tax. If the Senate wants to amend that amendment I would be glad to have the Senate reconsider that part of it, if it desires to do so, but I do not see why, when the Senate knows that it voted in favor of increasing the income tax, it should reconsider the matter at all. That is my position. I sent an amendment to the desk increasing the income tax, but I did not send the other one to the desk, which would strike out the sales tax. Then the Senate voted on the amendment before it. That is what happened. I should like to have the Senate do what it wants to do. Naturally, I want to do away with the sales tax. I am glad the Senate voted as it did. But at the same time I do not want to confuse any Senator and have him vote under a misapprehension.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. ELLENDER. Does the Senator not recall having stated that it was his purpose to delete that part of the amendment which would strike out the sales tax?

Mr. JOHNSTON of South Carolina. That was the intention of the Senator from South Carolina.

Mr. ELLENDER. Exactly. And I so heard the Senator state.

Mr. JOHNSTON of South Carolina. Yes.

Mr. ELLENDER. Otherwise, I would not have voted for the amendment. The same is also true of the Senator from Iowa.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. I should like to ask the Senator from South Carolina, in view of his having made the statement of his desire not to delete at this particular point the sales tax provision, whether or not now, in retrospect, when we see that we have $21,200,000 worth of revenue already provided by what has already been done thus far in the Senate without the sales tax, it would not be a very practical suggestion at this moment to offer an amendment, just to make positively sure that everything is clear and above board, to eliminate the sales tax from the bill?

Mr. HUNT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Wyoming.

Mr. HUNT. Mr. President, I have just listened to the statement made by the distinguished Senator from Minnesota, and I wish to state for the information of the Senate that he is entirely in error in his summary of the money that would be raised by the amendment which was just adopted.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. MORSE. I should like to ask the Senator two or three very brief questions. Is it not true that it was the understanding of the Senator from South Carolina when we voted on the so-called income-tax amendment that the sales-tax provision was still in the bill?

Mr. JOHNSTON of South Carolina. That is true.

Mr. MORSE. Is it not also true that the Senator from South Carolina understood that the rest of us on the floor of the Senate were of the same understanding?

Mr. JOHNSTON of South Carolina. I can imagine that was so. I cannot read the minds of Senators.

Mr. MORSE. Will not the Senator from South Carolina agree with me then that it is only fair that we proceed now to reconsider that vote, and vote on the amendment which the Senator from South Carolina started to submit when he asked permission to delete from the amendment the lines which would have eliminated the sales-tax provision? Should we not now proceed to vote on the basis of what was our understanding at the time, that if we voted for the income-tax amendment, we would be voting for it with the sales-tax provision still in the bill? We have to be fair about this matter, and I think fairness requires that the vote by which the amendment was agreed to should be reconsidered.

The PRESIDING OFFICER. Will the Senator from South Carolina now yield to the Senator from Iowa to make a motion to reconsider the vote by which the amendment was adopted?

Mr. JOHNSTON of South Carolina. I should like to know just exactly what the Senator's question is.

The PRESIDING OFFICER. The Senator from Iowa wants to move to reconsider the vote by which the amendment was adopted which included the sales tax as well as the income tax.

Mr. JOHNSTON of South Carolina. I should like to ask the Chair this question. Can the bill now, as amended, or the amendment just adopted, be amended, by striking out that part which has reference to the sales tax, and adopting the part containing the income tax? If that can be done I shall agree to that much.

The PRESIDING OFFICER. It would first be necessary that a motion be made to reconsider, and that then the amendment be voted on relating solely to the income tax.

Mr. JOHNSTON of South Carolina. I certainly do not want the Senate to be misled. Much as I want the income tax and much as I abhor the sales tax, I can do nothing else than yield for the purpose of the Senator from Iowa to make a motion to reconsider.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HICKENLOOPER. Mr. President, I move to reconsider the vote by which the Senate adopted the last amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

RECESS TO MONDAY

Mr. LUCAS. Mr. President, this is a very important matter. It is apparent from the debate which has been going on here that a tremendous amount of confusion exists as to exactly what this amendment means, and what its ultimate purport would be so far as raising revenue for the District is concerned when it is considered in relation to the other phases of the bill.

Therefore, Mr. President, under those circumstances it seems to me that the Senate in its best wisdom and judgment should take a recess until Monday, with the view of having the committee and other Members of the Senate study the debate and what has happened here today, and get together and come back here

Monday to vote upon the motion to reconsider.

Therefore, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 17 minutes p. m.) the Senate took a recess until Monday, May 16, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 13 (legislative day of April 11), 1949:

DEPARTMENT OF THE NAVY

Francis P. Matthews, of Nebraska, to be Secretary of the Navy.

Dan A. Kimball, of California, to be Under Secretary of the Navy.

DEPARTMENT OF THE ARMY

Gordon Gray, of North Carolina, to be Under Secretary of the Army.

IN THE NAVY

Vice Adm. John L. McCrea, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as director of the staff, Personnel Policy Board, National Military Establishment.

SENATE

MONDAY, MAY 16, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mercy, bowing at this noontide altar may we be vividly conscious that we need not turn back to bygone centuries to hear Thy voice, as if Thou dost speak no longer in these present days. Give us ears to hear Thy imperial imperatives above the noise of crashing systems, yea, in and through the change and confusion of our troubled day when Thou art searching out the souls of men before Thy judgment seat. So, hearing and heeding the voice divine, may our compassion help to heal the open sores of the world as here we serve the present age our calling to fulfill. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 13, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 13, 1949, the President had approved and signed the act (S. 227) for the relief of Stone & Cooper Coal Co., Inc.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 679. An act to authorize the admission of Mrs. Julia Balint to the United States;

H. R. 2360. An act for the relief of Theodore Papachristopoulos; and

S. J. Res. 42. Joint resolution granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

LEAVES OF ABSENCE

On request of Mr. SALTONSTALL, and by unanimous consent, Mr. HENDRICKSON was excused from attendance on the session of the Senate today.

On request of Mr. LUCAS, and by unanimous consent, Mr. PEPPER was excused from attendance on the Senate today.

Mr. BALDWIN asked and obtained consent to be absent from the Senate today.

Mr. KERR asked and obtained consent to be absent from the Senate from Wednesday through Friday of this week, because of public business.

Mr. MUNDT. Mr. President, in order that I may appear before the grand jury in New York tomorrow, I ask unanimous consent to be absent from the Senate until 3:30 o'clock tomorrow afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Holland	Neely
Baldwin	Johnson, Tex.	O'Conor
Butler	Johnston, S. C.	O'Mahoney
Cain	Kem	Robertson
Capehart	Kerr	Russell
Cordon	Langer	Saltonstall
Ecton	Long	Schoeppel
Ellender	Lucas	Smith, Maine
Ferguson	McCarthy	Sparkman
Frear	McClellan	Stennis
George	McFarland	Taylor
Gillette	McGrath	Thomas, Okla.
Graham	McKellar	Thomas, Utah
Green	Malone	Thye
Gurney	Martin	Tydings
Hayden	Miller	Wiley
Hickenlooper	Morse	Williams
Hill	Mundt	Withers
Hoey	Murray	Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Nevada [Mr. MCCARRAN], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Pennsylvania [Mr. MYERS] are detained on official business in meetings of committees of the Senate.

The Senator from Kentucky [Mr. CHAPMAN] and the Senator from Mississippi [Mr. EASTLAND] are absent on official business.

The Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on public business.

The Senator from South Carolina [Mr. MAYBANK] is necessarily absent.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] and the Senator from Arkansas [Mr. FULBRIGHT] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the junior Senator from Ohio [Mr. BRICKER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], the senior Senator from Ohio [Mr. TAFT], and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from New York [Mr. IVES] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Michigan [Mr. VANDENBERG] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Vermont [Mr. AIKEN], the Senator from Maine [Mr. BREWSTER], the Senator from California [Mr. KNOWLAND], the Senator from Massachusetts [Mr. LODGE], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Kansas [Mr. REED] are detained on official business.

The Senator from Nebraska [Mr. WHERRY] is necessarily absent.

Mr. MCMAHON subsequently said: Mr. President, during the quorum call this morning, the Joint Committee on Atomic Energy was in session with the Joint Chiefs of Staff. I ask unanimous consent that this announcement be placed after the quorum call.

The VICE PRESIDENT. A quorum is present.

Mr. MALONE. Mr. President——

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, which was, to strike out all after the enacting clause and insert:

That section 2 of the Commodity Credit Corporation Charter Act (Public Law No. 806, 80th Cong.) is amended by deleting the words "direction and control of its Board of Directors" at the end of the said section and substituting therefor the words "supervision and direction of the Secretary of Agriculture (hereinafter referred to as the 'Secretary')."

SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: "The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans not to exceed 17½ cents per bushel of the estimated crop to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers."

SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 9. Directors, Advisory Board: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the 'Board'), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

"(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members appointed by the President of the United States, not more than three of whom shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings."

SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 ed., 661)."

SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

(a) by inserting in the second sentence thereof after the word "jurisdiction" a comma and the following: "without regard to the amount in controversy,";

(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: "No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within 6 years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within 3 years after the disability shall have ceased or within 6 years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit."; and

(c) by inserting before the period at the end thereof a comma and the following: "except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this act, be brought in such court."

SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"USE OF WORDS 'COMMODITY CREDIT CORPORATION'

"(f) No individual, association, partnership, or corporation shall use the words 'Commodity Credit Corporation' or a combination of these three words, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both."

SEC. 7. The act entitled "An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad," approved August 11, 1939, is amended to read as follows: "That, notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of which materials are strategic and critical and the determination of the quantities and qualities of such materials which are desirable for stock piling shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets."

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. ANDERSON, Mr. AIKEN, and Mr. YOUNG conferees on the part of the Senate.

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

Mr. LUCAS. Mr. President, a brief explanation perhaps is in order on the pending business that is before the Senate of the United States.

Mr. MALONE. Mr. President——

The VICE PRESIDENT. The Chair was about to state what the pending question is. The question is the motion of the Senator from Iowa [Mr. HICKENLOOPER] to reconsider the vote by which the amendment which struck out the first four titles of the bill and inserted a substitute was adopted.

PROCEEDINGS ON QUORUM CALLS

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CAPEHART. I understand the rules of the Senate provide that Senators must answer to their names on quorum calls in order to be recorded as being present.

The VICE PRESIDENT. That is the rule of the Senate.

Mr. CAPEHART. My parliamentary inquiry is: If after a Senator's name has been called, and he arrives before the roll call is completed, is he supposed to stand up and address the Chair and answer to his name?

The VICE PRESIDENT. The practice of the clerks at the desk is to enter the names of Senators if they see them present. When a quorum call is completed and a quorum is present, it is not customary or necessary for Senators to rise in their places. That is necessary on a yea-and-nay vote, but not on a quorum call.

Mr. CAPEHART. The reason I ask this question is that the able Senator from Nevada [Mr. MALONE] was trying to obtain recognition a moment ago to have his name placed upon the quorum call.

The VICE PRESIDENT. The name of the Senator from Nevada was placed upon the quorum call. He was present, and called that fact to the attention of the clerks, and his name was placed on the call.

Mr. CAPEHART. If a Senator arrives before the quorum call is completed, does the clerk have the right to place his name on the quorum call?

The VICE PRESIDENT. Provided his presence is brought to the attention of the clerk. That is necessary because it is impossible for the clerks to notice every Senator who may enter the Chamber while the roll call is in progress.

Mr. MALONE. Mr. President, I tried to obtain recognition. I see no way in which a Senator can be sure that his name is on the roll call unless he obtains recognition, or unless he takes the trouble to walk to the desk and see that his name is on the quorum call. The Vice President of the United States has ruled that a Senator cannot get his name on the roll call after the roll is called.

The VICE PRESIDENT. When a call is made for a quorum and a quorum is developed, it is not customary for Senators to rise and be recognized so that they may get their names on the quorum call. However, if they let the clerks at the desk know that they are present, their names are placed on the quorum call. The only object of a quorum call is to obtain a quorum; and when a quorum is developed, that is the end of it.

Mr. MALONE. Suppose a Senator arrives a little late at the desk, and the clerk has not previously noticed his presence. The ruling has been that once the roll is concluded, a Senator cannot get his name on it.

The VICE PRESIDENT. Each case depends upon its own situation. However, if a Senator is present during the quorum call, his name is placed upon the quorum call.

Mr. MALONE. I wish to enter a protest against not being recognized for the purpose of having my name placed on the quorum call.

The VICE PRESIDENT. The Senator's protest will be entered.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, before the Senate begins discussing the motion to reconsider, offered by the able Senator from Iowa [Mr. HICKENLOOPER], I ask unanimous consent that Members of the United States Senate may have the opportunity of placing into the RECORD, without debate, routine matters as though we were in the morning hour.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred, as indicated:

SUPPLEMENTAL ESTIMATE, FEDERAL SECURITY AGENCY (S. Doc. No. 76)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $60,000, Federal Security Agency, fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON COOPERATION OF UNITED STATES WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of March 1949 (with an accompanying report); to the Committee on Agriculture and Forestry.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Acting Attorney General of the United States, transmitting, pursuant to law, copies of orders of the Commissioner of Immigration and Naturalization Service suspending deportation as well as a list of persons involved, together with a statement of the facts and pertinent provisions of law, and the reason for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL LANDING CRAFT TO COAST GUARD AUXILIARY FOUNDATION, PHILADELPHIA, PA.

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, that the Coast Guard Auxiliary, Fourth Naval District, Foundation, of Philadelphia, Pa., had requested the Navy Department to transfer two landing craft for use by that organization in training personnel; to the Committee on Armed Services.

REPORT ON TORT CLAIMS PAID BY GENERAL ACCOUNTING OFFICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of tort claims paid by the General Accounting Office during the fiscal year ending June 30, 1948 (with an accompanying report); to the Committee on the Judiciary.

CONSTRUCTION OF HIGHWAY FROM SAN BENITO TO RAMA, NICARAGUA

A letter from the Administrator of the Federal Works Agency, transmitting a draft of proposed legislation to authorize an appropriation for completing the construction of the highway from San Benito to Rama in the Republic of Nicaragua (with an accompanying paper); to the Committee on Foreign Relations.

INTER-AMERICAN HIGHWAY

A letter from the Administrator of the Federal Works Agency, transmitting a draft of proposed legislation to amend the act entitled "An Act to provide for cooperation with Central American Republics in the construction of the Inter-American Highway," approved December 26, 1941 (with an accompanying paper); to the Committee on Foreign Relation.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Legislature of the State of Florida; to the Committee on Labor and Public Welfare:

"Senate Memorial 37

"Memorial to the Congress of the United States against the passage of any legislation providing for socialized medicine and compulsory health insurance

"Whereas strong pressure and propaganda is being used to urge the passage of socialized medicine and compulsory health insurance; and

"Whereas such legislation would seriously impair and practically destroy American enterprise and free initiative: Now, therefore, be it

"*Resolved by the Legislature of the State of Florida*:

"1. That the President and the Congress of the United States are hereby petitioned to vigorously oppose all legislation for the enactment of socialized medicine and compulsory health insurance.

"2. That copies of this memorial be transmitted to the President of the United States, to the Speaker of the House of Representatives, and the President of the Senate in Congress and to each of Florida's Representatives in both the House and Senate in Congress.

"3. That a copy of this memorial be spread upon the Journal of both the Senate and House of Representatives of the State of Florida and sufficient copies thereof be furnished to the press."

A joint resolution of the Legislature of the State of Tennessee; to the Committee on Finance:

"Senate Joint Resolution 51

"Whereas an admissions tax is among the taxes best adapted to local administration because it is fair and easy to administer, because it provides for a minimum of intermunicipal competition, and because it is being increasingly and successfully used by hundreds of municipalities throughout the country; and

"Whereas full utilization of this source by local governments is impossible because of the high Federal tax on admissions; and early reduction in or abolition of the Federal tax has been recommended by congressional committees, the Council of State Governments, the American Municipal Association, and other groups studying the problem of Federal-State-local fiscal relations; and

"Whereas the strengthening of local government finance is essential to the sound functioning of our democracy; and repeal of the Federal excise tax on admissions would be an important step toward the proper segregation of tax sources among the Federal, State, and local governments of the country; and

"Whereas the Tennessee Municipal League has asked the Legislature of Tennessee to pass enabling legislation authorizing municipal admissions taxes to the extent that the Federal admissions taxes are eliminated or reduced, in order that the serious financial

difficulties of Tennessee municipalities may be relieved: Now, therefore, be it

"Resolved by the Senate of the State of Tennessee (the house of representatives concurring therein), That Congress be requested to repeal forthwith the Federal excise tax on admissions; be it further

"Resolved, That the secretary of state be instructed to transmit a copy of this resolution to the President of the United States, to the Presiding Officer of the Senate and House of Representatives of the Congress of the United States, and to each of the Senators and Representatives in Congress from the State of Tennessee.

"Passed April 11, 1949.

"WALTER M. HAYNES,
"Speaker of the Senate.
"MCALLEN FOUTCH,
"Speaker of the House of Representatives.

"Approved April 12, 1949.

"GORDON BROWNING,
"Governor."

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"Assembly Joint Resolution 34

"Joint resolution relative to memorializing the President and the Congress of the United States in relation to securing the release of film industry assets frozen in foreign countries

"Whereas American motion-picture studios have been sending abroad skeleton crews of trained film technicians for purposes of utilizing and drawing upon assets frozen in certain foreign countries; and

"Whereas as a result of such activity, many domestic motion picture workers have been thrown out of employment; and

"Whereas as a result of such activity, a serious economic plight confronts thousands of motion-picture workers, a plight aggravated in many instances by the expiration of unemployment insurance benefits; and

"Whereas the serious dislocation of so many motion-picture employees now affects not only the motion-picture industries of California but all other areas in the United States generally where pictures are made; and

"Whereas the refusal of certain foreign countries to release assets on American film studios, unless the latter draw upon these assets to defray film-production costs incurred in the foreign countries, induces American film studios to engage in such practices: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States are hereby respectfully memorialized and requested to urge the State Department to take such steps as are necessary to secure the release by foreign countries of frozen assets belonging to the American film industry, or to so alter the basis upon which these assets are presently released by foreign countries as to miminize the present disruption of the domestic film industry economy; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives of the United States, and to each Senator and Representative in the Congress of the United States from California."

A resolution of the House of Representatives of the State of Delaware; to the Committee on Labor and Public Welfare:

"House Resolution 42

"Resolution memorializing the Congress of the United States with respect to a national compulsory sickness insurance program

"Whereas the American people now enjoy the highest level of health, the best standards of scientific medical care, and the finest medical institutions ever attained by any major country in the world; and

"Whereas these accomplishments of American medicine are the results of a free people working under a system of free enterprise; and

"Whereas in all countries where government has assumed control of medical care the experience has been a progressive deterioration of medical standards and medical care, to the detriment of the health of the people: Now, therefore, be it

"Resolved by the House of Representatives of the One Hundred and Fifteenth General Assembly—

"That the Legislature of the State of Delaware respectfully petitions the Congress of the United States to refrain from imposing upon the citizens of this Nation any form of compulsory insurance, or any system of medical care designed for national bureaucratic control; and

"That the Honorable JOHN J. WILLIAMS, the Honorable J. ALLEN FREAR, JR., and the Honorable J. CALEB BOGGS, Members of the Congress of the United States from Delaware, be and they are hereby respectfully requested to oppose the enactment of such legislation; and

"That the chief clerk of the house transmit copies of this resolution to the President of the United States, the Presiding Officers of the United States Senate and the United States House of Representatives and to each Senator and Congressman from Delaware."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Banking and Currency:

"Senate Concurrent Resolution 39

"Concurrent resolution requesting the Congress of the United States of America to enact legislation authorizing the United States of America to convey and the Hawaii Housing Authority to acquire the land, improvements and appurtenances comprising the Kalihi war homes project (TH-51030) at Honolulu, T. H.

"Whereas during World War II the United States of America acquired the land and constructed the Kalihi war homes project (TH-51030) at Honolulu, T. H., as a war-housing project; and

"Whereas the said project was constructed in such manner that it is suitable for a permanent housing project in accordance with local laws and ordinances; and

"Whereas as a result of World War II and the war effort of the entire United States of America in the Pacific area, there has existed and will continue to exist for many years at said Honolulu an acute housing shortage; and

"Whereas the present Federal law requires the demolition of the said project by January 1, 1950, unless extended by the Administrator of the Housing and Home Finance Agency after reporting to the Congress of the United States of America; and

"Whereas the provisions of the Lanham Act have consistently required disposal of temporary war-housing projects as materials, indicating that such temporary war housing is as expendable an item of World War II as the products of those installations they were built to serve: Now, therefore, be it

"Resolved by the Senate of the Twenty-fifth Legislature of the Territory of Hawaii (the house of representatives concurring), That the Congress of the United States of America be, and it is hereby respectfully requested to enact legislation authorizing the United States of America to convey and the Hawaii Housing Authority (an instrumentality of the said Territory) to acquire the said Kalihi war-homes project, without compensation to the United States of America, to be operated by the said Hawaii Housing Authority under Territorial law relating to housing; and be it further

"Resolved, That duly authenticated copies of this concurrent resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, to the Administrator of the Housing and Home Finance Agency, and to the Delegate to Congress from Hawaii."

Resolutions of the General Court of the Commonwealth of Massachusetts, relating to the repeal of the Federal tax on oleomargarine; ordered to lie on the table.

(See text of resolutions printed in full when presented by Mr. SALTONSTALL (for himself and Mr. LODGE) on May 13, 1949, p. 6159, CONGRESSIONAL RECORD.)

A resolution of the Senate of the State of Ohio, relating to the commutation of the sentence of Ilse Koch; to the Committee on Foreign Relations.

(See text of resolution printed in full when presented by Mr. BRICKER on May 13, 1949, p. 6159, CONGRESSIONAL RECORD.)

A resolution adopted by the forty-ninth annual convention of the Retail Merchants Association of Texas and allied organizations, meeting jointly in Dallas, Tex., relating to governmental economy, and so forth; to the Committee on Finance.

A resolution adopted by the Delta Council of Mississippi, Cleveland, Miss., relating to communism; to the Committee on the Judiciary.

Resolutions adopted by the Board of Supervisors of Erie County, N. Y., and the Common Council of the city of West Warwick, R. I., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

Resolutions adopted by the Connecticut Dental Hygienists' Association of Bridgeport, Conn.; the Kentucky and Southern Indiana Hearing Aid Dealers Association, of Louisville, Ky.; the Woman's Auxiliary of the Nebraska State Medical Association; the Oklahoma State Dental Association, of Oklahoma City, Okla.; the St. Joseph (Mo.) Chamber of Commerce; and the house of delegates of the Wisconsin State Dental Society, of Milwaukee, Wis., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

By Mr. GREEN (for himself and Mr. MCGRATH):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Interior and Insular Affairs:

"Resolution memorializing the Congress of the United States of America with relation to Senate Act No. 362 to bring about substantial equity between local and Federal taxpayers with respect to Federal-owned real property in respective States

"Whereas the Federal Government owns one-fourth of the total area of the United States which is about one-half billion acres; and

"Whereas in Rhode Island, the smallest of the States, the holdings of the Federal Government represent a considerable section of the real estate therein contained; and

"Whereas as in other sections of the country most of this is tax exempt irrespective of 46 separate provisions of law providing for payments in lieu of taxes in as many specific and isolated circumstances; and

"Whereas this situation has disrupted the tax bases of local governments and has imposed an unfair burden on the remaining real property which is taxable; and

"Whereas there is now pending in the Senate of the United States Senate Act No. 362, providing for contributions to States and local governmental units in lieu of taxes on real property held by the Federal Government; creating a commission to de-

termine and pay such contributions, thereby bringing about substantial equity between local and Federal taxpayers with respect to Federal-owned property: Now, therefore, be it

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States of America be and they are earnestly requested to use their sincere efforts to have enacted into statutory law Senate Act No. 362 now before the Senate of the United States; and the Secretary of State is hereby directed to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution."

REORGANIZATION OF GOVERNMENT AGENCIES—RESOLUTION OF MADISON (WIS.) COMMITTEE ON HOOVER COMMISSION FINDINGS

Mr. WILEY. Mr. President, I have received this morning the text of a resolution adopted by the Wisconsin Committee on Hoover Commission Findings, at Madison, Wis., on May 5, 1949. This resolution urges support by myself and my colleagues of S. 526, the Reorganization Act of 1949.

I know that my brother Senators are deeply interested in implementing the Hoover Commission Reports, just as I am, and for that reason I ask unanimous consent that the text of this important resolution from the Wisconsin Committee be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the Commission on Organization of the Executive Branch of the Government has declared in its report to the Eighty-first Congress that it is necessary to reenact and broaden the power of the President to initiate reorganization plans of the executive branch of the Government; and

Whereas the Commission has recommended that such authority should be given to the President and that the power of the President to prepare and transmit plans of reorganization to the Congress should not be restricted by limitations or exemptions of any executive department or agency; and

Whereas pressures are being exerted by a number of governmental agencies, private groups, and individuals upon Congress to exempt various agencies which threaten to undermine reorganization plans; and

Whereas there is now before Congress such legislation authorizing general reorganization plans and providing no exemption or special status of any executive department or agency in line with the Commission's recommendations: Now, therefore, be it

Resolved, That the Wisconsin Committee on Hoover Commission Findings does hereby go on record as urging adoption by the Eighty-first Congress of the Senate executive expenditure committee's version (S. 526) of the "Reorganization Act of 1949," which provides that reorganization plans submitted to Congress by the President shall become effective unless rejected by resolution of either House, and further provides that no agency within the executive branch of the Government shall have exemption or special status from such plans; and be it further

Resolved, That copies of this resolution be sent to all Members of Congress from the State of Wisconsin.

THE NATIONAL ECONOMY—RESOLUTION OF RETAIL MERCHANTS ASSOCIATION OF TEXAS AND ALLIED ORGANIZATIONS

Mr. LANGER. Mr. President, I present for apropriate reference a resolution adopted at the forty-ninth annual convention of the Retail Merchants Association of Texas and allied organizations, meeting jointly in Dallas, Tex., on May 1, 2, and 3, 1949, relating to the national economy, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas the Retail Merchants Association of Texas; the Texas Retail Dry Goods Association; the Texas Retail Credit Bureaus, Inc.; the Retail Credit Executives of Texas; the Lone Star Council of Credit Women; and the Southwest Petroleum Credit group, in joint convention assembled in Dallas, Tex., on May 1, 2, 3, 1949, are concerned about the state of our national economy; and

Whereas it is our opinion that the national economy, in its present strained condition, cannot continue to withstand the onslaught of extravagant Federal spending and the present high level of Federal taxes; and

Whereas today in the face of lowering prices, declining business, and increasing unemployment, this condition is rapidly becoming a crisis: Now, therefore, be it

Resolved, That this organization go on record requesting the support of the following program by each Member of the United States Senate and House of Representatives:

1. To take the lead in fostering and supporting an economy move designed to curtail Government extravagance and needless spending, thereby permitting a reduction in the tax burden.

2. To foster and support legislation designed to remove the Federal excise tax on so-called "luxury items."

3. To oppose vigorously all efforts to increase the social security pay-roll tax, and to make every effort to freeze it at its present level.

4. To remove the tremendously unfair condition whereby untaxed cooperatives are permitted to operate in competition to private businesses which are all burdened with heavy Federal taxes.

5. To inaugurate and support a move to restore to private industry without delay all governmental functions assumed as a result of the war.

6. To work aggressively for the adoption of the Hoover Commission Report for reorganization of certain branches of the Federal Government since it provides a way to cut Government expense very drastically and also provides a way for the American people to escape the increasing burdens of duplication of effort, red tape, extravagance, and higher taxes; and be it further

Resolved, That a copy of this resolution be mailed to each Member of the United States Senate and House of Representatives so that they may know the tremendous immediate importance attached to these vital matters by these associations representing the largest business organizations in the State of Texas.

Respectfully submitted.

JOHN R. CLARK, *Chairman.*
HORACE C. BARNHART,
R. E. COX,
H. E. DILL,
Members, Resolutions Committee, Retail Merchants Association of Texas.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

H. R. 2285. A bill to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works; without amendment (Rept. No. 375).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1296. A bill for the relief of Murphy and Wischmeyer; without amendment (Rept. No. 378);

H. R. 603. A bill for the relief of Jeptha R. Macfarlane; without amendment (Rept. No. 379);

H. R. 636. A bill for the relief of B. G. Jones, without amendment (Rept. No. 380);

H. R. 639. A bill for the relief of Mark B. Craig and others; without amendment (Rept. No. 381);

H. R. 688. A bill for the relief of John P. Reilly; without amendment (Rept. No. 382);

H. R. 738. A bill for the relief of the estate of Mrs. Minerva C. Davis; without amendment (Rept. No. 383);

H. R. 967. A bill for the relief of the city of El Paso, Tex.; without amendment (Rept. No. 384);

H. R. 1037. A bill for the relief of Samuel Ensler and Louis Puccinelli; without amendment (Rept. No. 385);

H. R. 1057. A bill for the relief of John Keith; without amendment (Rept. No. 386);

H. R. 1076. A bill for the relief of Jennie Olsen Anderson; without amendment (Rept. No. 387);

H. R. 1471. A bill for the relief of E. La Ree Smoot; without amendment (Rept. No. 388); and

H. R. 3663. A bill for the relief of Lawrence Reves; without amendment (Rept. No. 389).

By Mr. O'CONOR, from the Committee on the Judiciary:

S. 1290. A bill to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes; with amendments (Rept. No. 390).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution, and I submit a report (No. 376) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 39) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6199026, Arrate, Eusebio Garate.
A-2450463, Arsenio, Damiano.
A-2160439, Bailey, Joseph Benjamin, or Benjamin Bailey.
A-6145949, Bayot, Margarita Chuidian.
A-6151545, Bayot, Raymond Mario.
A-6151544, Bayot, Teresita Maria.
A-6380365, Bolis, Rolando Guiseppe (alias Rolando or Dino Bolis).
A-6846177, Clausen, Lars Ole.
A-5580935, Covarrubias-Padilla, Jose Anastacio, or Anastacio P. Cuburriaz.
A-3216396, David, William Andrew.
A-5225705, Di Filippo, Irene Madeline.
A-6259257, Drozdibob, Joseph.
A-2802280, Edelsbrunner, Caroline.
A-6265454, Engonopulos, Vasil George (alias Basil George Engonopulos).
A-3475015, Falconer, Leslie Stewart Arthur.
A-3475018, Falconer, Sarah Jane (nee King or Sally Falconer).
A-2486073, Fazakerley, Frederick Percival.
A-6701968, Gage, George Martin, or Georg Martin Strobl.
A-6701967, Gage, Kathleen Kalliope Josephine, or Kalliope Josephine Strobl.
A-6780509, Gallardo, Jose.
A-2688840, Gallo, Salvatore.

A-6261623, Georgalas, Maria Grigoriou (alias nee Goudelia).
A-4399192, Gonzalez, Angeline Morones De.
A-4370168, Grossman, Morris, now known as Edward Milton Gross.
A-6261618, Hadgis, Kaliope, or Calliope Hadgis (nee Zias).
A-4829582, Heid, Michael or Mihaly.
A-6827148, Hernandez, Alberto Ruiz.
A-7009803, Hernandez, Hilaria.
A-2150100, Hoffman, Anthony, or Antoni Hoffmann.
A-1526789, Huala, Rudolph.
A-5199601, Huerto-De La Cruz, Victoriano.
A-3423608, Iglesias, Manuel Antonio.
A-5751650, Jay, Gee, or Gee Jay Ngon.
A-4132920, Johnson, Carl Oscar, or Karl Oscar, Jonsson or Charles Johnson.
A-5582883, Kashkin, Anna (nee Litman).
A-6080991, Kay, Constance.
A-1843482, Kurzweil, Katharina.
A-1829087, Kurzweil, Joseph.
A-5771081, Leader, Josephine Freida, or Josephine Freida Forster (maiden name).
A-4073996, Leriget, Leopoldo.
A-3909614, Licos, Harry or Charalambos.
A-5217397, Lidowitz, Betty (nee Silverberg alias Betty Anenberg).
A-6654060, Livadas, Nicolaos, or Nick Livadas or Nicolas Livadas.
A-2151223, Matiatos, Kostas Anastasios, or Gus Matheios or Gus Mathews or Constantinos Matiatos.
A-3449928, Meyer, Eva (nee Preminger).
A-6810173, Michaud, Jean Antoine.
A-4578274, Nadler, Augusta Julian Marie Pallfelt, or Augusta Juliane-Marie Pallfelt.
A-3390860, O'Donnell, Murdock, or Morton O'Donnell or Merton O'Donnell.
A-2180993, Olivo-Alvarado, Pedro.
A-3990676, Perez De, Maria Perez, or Maria Perez.
A-5803759, Pernstich, Guiseppe, or Joseph Eduard Pernstich or Joseph Eduard Pernet.
A-4015208, Petroff, Lulu, or Lulu Bishop or Mary Lulu Baldwin Bishop or Lulu Saunders.
A-3987370, Pettersen, Nils Christian.
A-6343137, Psipsikas, Elisabet (nee Manda).
A-6731207, Ramirez-Hernandez, Clemente, or Clemente Ramires-Hernandez.
A-3990675, Reyes, Lupe Perez.
A-3456521, Salgado, Paz Paguia (nee Paz Paras Paguia).
A-3098893, Sherman, Rose (nee Schwartzbard).
A-4025778, Steen, Mary (nee Mewha).
A-3887129, Steevels, Barend Bernardus.
A-6377728, Tai, Bobbish Pao-Kuang Soong.
A-6272112, Tai, William Kitong.
A-3875078, Verfaillie, Lucien Andrew.
A-6799298, Vion, James Alfred Laurent.
A-6207280, Vitalis, Georgios Kyriacos (alias George Vitalis).
A-6877269, Weisz, Margarete Henriette.
A-5422164, Wong, Tong, or Lum Wong or Wong Tong or Wang Tang.
A-5962228, Zelger, Alfred Wilhelm.
A-5962227, Zelger, Margarit.

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution and I submit a report (No. 377) thereon.

The VICE PRESIDENT. The report will be received and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 40) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-5912573, Buschbell, Hans George Albert or Thomas Bell or Tommy Bell.
A-9670171, Elgesem, Olav Asbjorn or Elgesen.
A-9836680, Fox, William.
A-6334051, Katsimpas, Fokion (alias Fokion Intzes, alias Frank Katsimpas).
A-9644210, Nilson, Ragnar.
A-9831301, Paps, Jan.
A-6454899, Sarkiss, Marie (nee Marie Takessian).
A-6049961, Chavolla, Jesus.
A-6703246, Christie, Lewis George.
A-5886536, Costa-Ferrandiz, Ricardo.
A-9541562, Gregorio, Jose Gomes.
A-9777524, Intartaglia, Michele Antonio.
A-9632484, Kugis, Janis Osvalds.
A-6709421, McLean, Horace Josiah.
A-9769285, Micouleau, Guy Jacques, or Guy Micouleau.
A-6374360, Salomonsen, Frede Therp, or Ole Frede Therp Salomonsen.
A-6746111, Theodorakis, James, or Dimitrios Michael.
A-6491799, Tsitsinopoulos, Roula (nee Harismagoglou, formerly Bolla).
A-6151590, Andersen, Helge Viggo.
A-6702832, Delgado, Manuel, or Manuel Delgado Hernandez.
A-5719288, Di Filippo, Attilio Guiseppe (alias Attilio Guiseppe Difilippo, alias Jack Di Filippo, alias Di Filippo).
A-6063721, Espinoza, Nicolas.
A-6764661, Garbin, Stanko.
A-9706006, Hamon, Albert Noel.
A-7552259, Ignotus-Veigelsberg, Lily, or Lily Ignotus (nee Berenyi).
A-9566153, Kamstra, Gerardus Andreas.
A-6703255, Lafayette, Benedict Wilberth.
A-6294498, Lianopoulos, Georgios, or George Anastase Lianopoulos.
A-9745492, Matisons, Dimitrius or Dimitrius Matisons or Mike Matisons or Mijta Matisons.
A-6642394, Mesa, Jesus.
A-6642393, Mesa (de) Ysidra Morales, or Ysidra Morales.
A-6315317, Mora, Jesus Antonio Beltran, or Jesus Antonio Beltran or Francisco Beltran Mora.
A-9552697, Nilsson, Nils Erik Gunnar.
A-9573925, Paap, Gijsbertus Eilheimus.
A-1607205, Pajaczkowski, Theodore Nikodem.
A-6267890, Pang, George (alias Pang Wing).
A-6639459, Philipou, Dimitrios (alias James Phillips).
A-9696268, Ricaux, Lionel Fernand.
A-9610538, Ronning, Kristian Alf.
A-9526246, Rosand, Ole Martinsen, or Ole Anskar Martinsen Rosand.
A-6255942, Schneider, Abraham, or Abraham Schneider Feldman.
A-9759876, Sibilo, Johan Cesar.
A-6704359, Tolias, Elias Peter.
A-6743673, De Torres, Maria Luisa Palos, or Severa Palos.
A-5881523, Drakopoulos, Ioannes, or John Drakopulos.
A-9836988, Fook, Cheng, or Tom Fook or Cheng Fu.
A-6364440, Friedenbach, Marcus.
A-5971016, Herpmann, Eric Alfonse.
A-6345769, Jassimides, Georgia (nee Voyadjoglou).
A-6311453, Lissauer, Nanette Elisabeth, or Elisabeth Elenbaas.
A-6307257, Medina-Uriarte, Francisco.
A-6171959, Mooney, Eftychia Toutoulys, or Eftychia Petrou Modinos or Effie Mooney.
A-6758541, Nanez, Everardo, or Everardo Nanez-Gallardo.
A-6758540, Nanez, Mericia, or Mericia Nanez-Ontiveros.
A-6732250, Salloum, Hanna Elias (alias John Elias Salloum).
A-6658774, Shields, Hazel Winston.
A-5919526, Sjogren, Leo Allan.
A-1231356, Vakirdsis, Emanuel or Mike Varkis.
A-6090971, Vodarek, Anton.
A-9581661, Wick, Hjordes Elise Olsen.
A-6611814, Blanco, Refugio.
A-5877886, Brackies, Elsie Alice Verna (nee Elsie Hupchuk or Elsie Hipkins).
A-4769437, Christopher, Norval.
A-6379881, Dabbiero, Sara De Honestis Caggiono (nee De Honestis).
A-6341304, Harris, Neil Guy Ridgway, or Neill Harris or John Harris.
A-9520275, Johnson, Albert.
A-9799882, Leushkanoff, Alexander Alexaich.
A-5524752, Levin, Floresa.
A-6569122, Mears, Wilfred Anthony (alias Willie Mears).
A-6286426, Ornest, Saul Stanley.
A-5870854, Phipps, Sarah Rebecca.
A-5694935, Ramirez, Daniel, Daniel Ramirez Reyes.
A-6153759, Ramos-Suarez, Luis, or Luis Ramos-Flores.
A-6075268, Rogers, Constancia Viola, or Constancia Viola Robert.
A-6596193, Sadez, Olga Genoveva.
A-4436548, Salguero-Martinez, Aristeo.
A-6435630, Valenzuela, Lino.
A-6361178, Westad, Borghild Eugenie Patterson Sheipnes.
A-6550865, Collins, Petronella Dorothea (nee Le Roux).
A-6438487, Hemmo, Emile, or Haviv Hemmo.
A-6407419, Iovine, Marcello.
A-6232120, Johnson, Muriel (nee Muriel Bartlett).
A-6678271, Pinedo-Valdez, Julian.
A-7695210, Terboo, Arend Jan Hendrikus.
A-6639352, Torres, Jesus.
A-6643321, Torres, de Luz Salinas.
A-5017267, Vigini, Giuseppe, or Joseph Vigini.
A-6594747, Alatorre, Amado, or Amado De La Torre or Amado Alatorre Munoz.
A-5016270, Rabsatt, Ellice Alexander.
A-5932932, Rasbatt, Esridge Minovie (nee Fahie).
A-6284045, Spica, Giovanni Rosario, or John Spica.
A-6422507, Torres-Espinosa, Fidensio.
A-6730881, Torres, Elisia Rojar, or Elisia Rojas De Torres.
A-9688512, Van Buren, Arend.
A-6151257, Polo, Larry Nicholas, or Larry Mitchell or Frank Wallace.
A-6151395, Polo, Rubby Anne.
A-6151396, Polo, Soffee Wallace.
A-6040120, Salinas, Guadalupe Salinas.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 16, 1949, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN from the Committee on the Judiciary:

Robert E. Tehan, of Wisconsin, to be United States district judge for the eastern district of Wisconsin vice F. Ryan Duffy, elevated;

W. Bruce Matthews, of Maryland, to be United States marshal for the District of Columbia;

Joseph Y. Wisniewski, of Michigan, to be United States marshal for the eastern district of Michigan, vice John J. Barc, deceased.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1861. A bill to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, to make immigration quotas available to Asian and Pacific peoples, and for other purposes; to the Committee on the Judiciary.

S. 1862. A bill to provide refunds of certain deposits made for the purpose of obtaining credit under the Civil Service Retirement Act of May 29, 1930, as amended, for service in the Army, Navy, Marine Corps, or Coast Guard; to the Committee on Post Office and Civil Service.

By Mr. BALDWIN:

S. 1863. A bill for the relief of Fremont Rider; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 1864. A bill for the relief of Mrs. Marie E. McGrath; to the Committee on the Judiciary.

S. 1865. A bill authorizing the payment of allowances in lieu of quarters or rations in kind to certain enlisted men; to the Committee on Armed Services.

By Mr. RUSSELL:

S. 1866. A bill for the relief of Mrs. Clayre Louise Forsyth; to the Committee on the Judiciary.

By Mr. THOMAS of Utah:

S. 1867. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bacitracin, or any derivative thereof; and

S. 1868 (by request). A bill to amend the Railroad Retirement Act of 1937 so as to provide full annuities at half salary or wages, based on the five highest years of earnings, for individuals who shall have completed 30 years of service; to the Committee on Labor and Public Welfare.

By Mr. MYERS:

S. 1869. A bill for the relief of Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1870. A bill prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds; to the Committee on the District of Columbia.

(Mr. FULBRIGHT introduced Senate bill 1871, to amend the Reconstruction Finance Corporation Act to prohibit the employment of certain personnel of the Corporation by organizations receiving loans or other financial assistance therefrom, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. JOHNSON of Colorado:

S. J. Res. 92. Joint resolution to authorize and direct the Civil Aeronautics Board to investigate and report upon the payments made and to be made by the United States to certain certificated air carriers by way of subsidy and upon the efficiency and economy of such carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

PROHIBITION OF EMPLOYMENT OF CERTAIN PERSONNEL OF RECONSTRUCTION FINANCE CORPORATION

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill to prohibit the employment of certain personnel of the Reconstruction Finance Corporation by organizations receiving loans or other financial assistance therefrom, and I ask unanimous consent that an explanatory statement of the bill by me may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriatedly referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 1871) to amend the Reconstruction Finance Corporation Act to prohibit the employment of certain personnel of the Corporation by organizations receiving loans or other financial assistance therefrom, was read twice by its title, and referred to the Committee on Banking and Currency.

The explanatory statement presented by Mr. FULBRIGHT is as follows:

STATEMENT BY SENATOR J. W. FULBRIGHT

I am today introducing a bill to prohibit the employment of certain personnel of the Reconstruction Finance Corporation by organizations receiving loans or other financial assistance from it.

Recently there have been accounts in the newspapers of cases where employees of RFC have taken positions with business concerns soon after those concerns have received loans from RFC. I have no knowledge of the true facts in these cases, and I have no desire to impute any motive to the individual, the RFC, or the business firm involved.

However, I do not think that it is in the public interest that these cases arise in the future. The practice tends to destroy public confidence in Government officials, regardless of any intent on the part of the persons involved. Furthermore, the character and function of the RFC in our Government require that it be above reproach. This bill will protect it against criticism, justified or unjustified, which might arise out of such cases in the future.

NOTICE OF HEARING ON NOMINATION OF HERMAN P. EBERHARTER TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF PENNSYLVANIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, May 19, 1949, at 10 a. m., in the District of Columbia Committee room in the Capitol, upon the nomination of HERMAN P. EBERHARTER, of Pennsylvania, to be United States district judge for the western district of Pennsylvania, vice Hon. Robert M. Gibson, retired. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Idaho [Mr. MILLER], and the Senator from North Dakota [Mr. LANGER].

COMMITTEE MEETING DURING SENATE SESSION

Mr. McMAHON. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy be permitted to sit at 2:30 o'clock this afternoon, in a very important meeting.

The VICE PRESIDENT. Without objection, permission is granted.

IS BIG BUSINESS TOO BIG?—ARTICLE BY SENATOR O'MAHONEY

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Is Big Business Too Big?" written by Senator O'MAHONEY, and published in the April issue of the Reader's Digest, which appears in the Appendix.]

EDITORIAL TRIBUTES TO SENATOR BYRD

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD seven editorials from various newspapers commenting upon the statement attributed to the President of the United States with respect to Senator BYRD, which appear in the Appendix.]

THE BATTLE THAT SQUANDERS BILLIONS—ARTICLE BY LESLIE A. MILLER

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "The Battle That Squanders Billions," written by Leslie A. Miller, chairman, Natural Resources Committee, Hoover Commission, and ex-Governor of Wyoming, published in the May 14, 1949, issue of the Saturday Evening Post, which appears in the Appendix.]

REGIONAL DEVELOPMENT IN THE COLUMBIA VALLEY—ADDRESS BY ASSISTANT SECRETARY OF THE INTERIOR

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address entitled "Regional Development in the Columbia Valley," delivered by Assistant Secretary of the Interior C. Girard Davidson before the National Emergency Conference on Resources, in Washington, D. C., on May 13, 1949, which appears in the Appendix.]

DISCRIMINATION AND SEGREGATION IN THE BUREAU OF ENGRAVING AND PRINTING—ADDRESS BY MRS. MARGARET GILMORE

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address on the subject of discrimination and segregation among employees of the Bureau of Engraving and Printing, delivered by Mrs. Margaret Gilmore at a mass meeting at Bethel Baptist Church, Washington, D. C., on May 15, 1949, which appears in the Appendix.]

APPRAISAL OF THE WELFARE STATE—ARTICLE OF PROF. HENRY STEELE COMMAGER

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Appraisal of the Welfare State," written by Prof. Henry Steele Commager, and published in the New York Times magazine section of Sunday, May 15, 1949, which appears in the Appendix.]

THE POSITION OF THE AMERICAN NEGRO IN EVENT OF WAR—LETTER FROM J. E. HENDERSON TO SENATOR REED

[Mr. REED asked and obtained leave to have printed in the RECORD a letter received by him from J. E. Henderson, of Independence, Kans., which appears in the Appendix.]

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Iowa [Mr. HICKENLOOPER] to reconsider the vote by which the amendment offered by the Senator from South Carolina [Mr. JOHNSTON], for himself and the Senator from West Virginia [Mr. NEELY], was agreed to.

Mr. HICKENLOOPER. Mr. President, I should like to say one or two things about the motion to reconsider. Senators who were present Friday will recall that a number of Senators voted for the amendment of the Senator from South Carolina in the clear belief that he had so modified and corrected his amendment as to eliminate from the amendment that portion of it which would strike out the provision for a sales

tax in the District, and that the provision for a sales tax was still in the bill and would be subject to consideration later.

After his amendment had been accepted by the Senate we found that, through some oversight or an incorrect modification of his amendment, the proposal to eliminate the sales tax had been left in his amendment, and the adoption of his amendment had therefore removed the sales-tax provision from the bill.

I think the Senator from South Carolina was of the opinion that his amendment did not have that effect. A number of Senators were of the opinion that it did not have that effect. Nevertheless, when we began to examine the amendment, we found that it did. Therefore I made a motion to reconsider the vote by which his amendment was adopted.

In all sincerity, and in the interest of a better approach to this legislation, I feel that the vote should be reconsidered, and that his amendment should then be clearly restated so that Senators may understand just what is in it. I felt restless on Friday at the rather unsatisfactory method of attempting to legislate on the floor of the Senate on important matters such as this. I hope that the Senate will reconsider the vote, so that we may then fully understand the amendment and vote on it on its merits after it has been clarified.

Mr. McGRATH. Mr. President, as has been stated by the Chair, the question before the Senate is the motion to reconsider the vote by which the bill was amended on Friday by the substitution of an increased income tax provision and the elimination from the bill of the provision for a sales tax.

I feel that there has been ample discussion of the merits of the various proposals, that is, the sales tax versus increased income tax or sales tax versus other forms of taxation for the District. In the interest of brevity and clarity I shall try to address myself not to the arguments favoring or opposing one method as against another, but rather to the effect of what we did on Friday afternoon with relation to the figures. After all, we have now reached the point where figures are what count.

First of all, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks two editorials, one from the Washington Star and the other from the Washington Post, dealing with this question.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Sunday Star of May 15, 1949]

CONFUSION WORSE CONFOUNDED

Reading the Senate debate of Friday on the District tax bill is to experience some of the confusion and chaos of a horrible nightmare. The Star trusts that the restful peace of a quiet Sabbath day will restore some of our distinguished Senators to a rational state of mind by tomorrow.

Senator JOHNSTON of South Carolina was responsible for most of the confusion. His whole plan for substituting a higher and tighter income tax for the proposed sales tax is misleading because his estimates are wrong. At one time on Friday he told the Senate it would produce $7,999,000 additional revenue. At another time he said it would produce $10,000,000 additional revenue. At another time, that it would yield $9,900,000 additional. At another, $15,000,000, minus. Then there was his estimate of $11,990,000, which is an increase of $7,990,000 over present revenue.

The estimate of the additional yield by the experts is $6,690,000, as compared with about $15,000,000 anticipated from the sales tax.

Senator JOHNSTON was confused on other things. He thought the real estate tax rate was $1.85, when it is $2. He told the Senate that by increasing it to $2.25 the additional yield would be $8,000,000. Such an increase would produce $5,000,000.

He told the Senate that if it passed his income tax, his higher realty tax and his higher liquor taxes, a sales tax would be unnecessary. His various proposals were voted up or down in such fashion as to leave the Senators uncertain about what they were doing. At one time the majority leader, Mr. LUCAS, was under the impression that the Senate had just voted local taxes which raised $11,000,000 more than the Senate started out to raise. Senator HUNT corrected him by explaining the District was still short $7,000,000 of the needed revenue.

The Senate was told by Senator JOHNSTON that in approving the income tax, it still had the sales tax. That, of course, was a mistake. The Senate had killed the sales tax when it approved the income tax. Whereupon Senator JOHNSTON said that, as he wanted to be perfectly frank, he did not think enough revenue had been raised to meet the District's needs. Later he said he thought those needs had been met by the income tax.

The Star does not think that Senator JOHNSTON at any time deliberately attempted to mislead the Senate. He is a very much confused man. His heart bleeds for the "little man," threatened by the sales tax. Yet, Senator JOHNSTON has proposed a program of local taxation, based on highly erroneous estimates of yield, that would hit the "little man" worse than the sales tax. It would not produce the money to pay the teachers, the firemen, the policemen, and the municipal employees the salary increase which Senator JOHNSTON alone prevented them from getting last year.

The situation as it stands now should be clear enough.

If the Senate defeats the sales tax, the District will obtain no new revenue this year. The same income tax voted by the Senate Friday has been killed two times by the House this year, four or five times in other years. It would be killed again. And the District would be left again with a large deficit that will hit the schools, the hospitals, and the welfare institutions hardest of all.

A tax bill cannot be written on the floor of the Senate. Unless it is willing to approve the bill brought in by the Senate District Committee, the Senate should send the whole business back to the committee. Friday's performance was disgraceful.

[From the Washington Post of May 16, 1949]

COMEDY OF ERRORS

An attempt to write a revenue bill for the District on the Senate floor ended in unutterable confusion. Opponents of the sales tax, led by its most redoubtable and loquacious foe, Senator JOHNSTON of South Carolina, tried to make good their boast that the needed revenue could be obtained by increasing the Federal contribution and raising real estate, income and liquor taxes. The proposal to boost the Federal contribution to more than twice the present figure was defeated as well as another amendment offered by Senator JOHNSTON to increase the realty tax 25 cents per $100 valuation instead of 15 cents as recommended. The Senate then proceeded to approve his proposal to double liquor gallonage taxes in lieu of the 50-percent increase recommended by the Senate District Committee. And finally it accepted the Johnston amendment to extend the District income tax with present exemptions, a broadened coverage, and nearly doubled tax rates.

Nobody, least of all Senator JOHNSTON, knows just how much additional revenue would be produced by the substitute proposals. The Senator from South Carolina said he had been informed that his income tax amendment would bring in close to $12,000,000 and increase returns from this source by nearly eight million. Other estimates put the additional revenue at fifteen million, and Mr. JOHNSTON himself changed his estimates from time to time, finally confessing that nobody knew what the revenue return would be. Senator HUMPHREY brought the debate over these estimates to a bewildering climax by asserting that the Johnston amendments, together with the tax increases left in the mangled committee bill, would yield over twenty-one million—more than three million in excess of the amount needed to balance the budget and increase District employees' salaries.

The scatterbrained way in which the Senate has acted to destroy the carefully worked out committee measure tailored to fit the District's financial needs would be a diverting exhibition if the situation were not so serious. The Senators could not even agree as to whether a vote for the Johnston income-tax proposal had or had not killed the sales tax. Finally they called it a day, and recessed with a motion to reconsider the income tax amendment pending. If that motion—the first order of business on today's calendar—carries, the way will be open for a test vote determining the fate of the sales tax.

It would be futile at this juncture to repeat familiar arguments for and against a District sales tax. The Post has explained many times why it favors this levy as an alternative to other forms of taxation under present conditions. Moreover, the House has approved it, and would not take kindly to the alternative proposals voted last week by the Senate. As Senator MCGRATH said, the revenue bill has been written in committee after expert study and due consideration of the complicated problems involved. By trying to write amendments from the floor the Senate destroyed this carefully designed pattern and produced only a comedy of errors. Its performance is a sharp reminder, if any were needed, of the inability of Congress properly to handle complicated local issues.

Mr. McGRATH. Mr. President, over the week end members of the District Committee and its staff worked very closely with the District Commissioners and the fiscal officers of the District of Columbia, together with the corporation counsel. We have tried to draft a rather simple statement. It is our purpose to point out to Senators the effect, in terms of dollars, of the bill as it presently stands.

The last year for which complete figures are available in the District of Columbia was the fiscal year 1947.

Mr. President, I wish to point out that some confusion may be caused by the fact that the budget is made up on the basis of a fiscal year beginning July 1 and ending June 30; but the income taxes for the District of Columbia, like the Federal income taxes, are paid on a calendar-year basis. I should also like to

point out at this time that the income taxes payable to the District of Columbia, unlike the income taxes payable to the Federal Government, are not payable on a pay-as-you-go basis, but are paid to the District of Columbia almost a year after the year for which they were due. In other words, the income taxes which will be due the District of Columbia for the year 1949 will not be paid to the District of Columbia in the year 1949; but the taxpayers' returns indicating the amounts due on their taxes will not be made until April, 1950, at which time the taxpayers will pay, on the filing of their returns, 50 percent of the amount due. The other 50 percent will not become due until October of that year. In other words, there is a lapse of 6 months.

Therefore, the situation with respect to income taxes, the situation is that the taxes which are due and payable by reason of earned income in the calendar year 1949 become payable in April and October of 1950. So, only 50 percent of that tax actually comes into the District of Columbia's treasury within the fiscal year with which we are now concerned. The problem before the Congress is to provide sufficient revenue to operate the District of Columbia in the fiscal year commencing July 1, 1949 and concluding June 30, 1950. By reason of the explanation I have made, it is obvious that within that period of time, only 50 percent of the money which is actually provided by the way of the income-tax route can possibly reach the District of Columbia's treasury.

In the year 1947 there were approximately 100,000 income-tax payers in the District of Columbia, and they were in the following categories:

Returns with taxable incomes of less than $5,000 accounted for 75,100, or a little more than three-quarters of the total income-tax returns. I wish to emphasize that figure, because to me it is important with respect to the low income-tax groups: Over three-fourths of those who paid income taxes within the District of Columbia were in the class of taxpayers with taxable incomes of less than $5,000.

Returns from taxable incomes of between $5,000 and $10,000 amounted to 18,400.

Returns from taxable incomes of over $10,000 amounted to 6,500—making the total of approximately 100,000 tax returns.

The revenue from the personal income tax in the District of Columbia for the year 1947 amounted to approximately $4,200,000. In addition, $800,000 was derived from the franchise tax on unincorporated businesses. Thus, the total revenue from the tax on individuals and the tax on unincorporated businesses for that year was approximately $5,000,000.

The present District of Columbia individual income tax is imposed upon every resident of the District of Columbia. The law defines a resident of the District of Columbia as—

> Every individual domiciled within the District on the last day of the taxable year, and every other individual who maintains a place of abode within the District for more than 7 months of the taxable year, whether domiciled in the District or not.

However, the law specifically provides—and I now quote directly from the law:

> In the case of any resident who is an elective or appointive officer or an employee of the Government of the United States, and who is domiciled outside the District during the whole of the taxable year, there shall be excluded from the gross income of such resident salaries or wages received from the Government of the United States for services rendered as such officer or employee, and income derived from sources without the District. For the purposes of this act the domicile of such officer or employee for any taxable year shall be in the State which he expressly declares to be the State of his domicile: *Provided*, That he shall have had a domicile in such State under the laws of such State immediately prior to the beginning of the taxable year for which the tax is claimed. Such declaration must be made in writing, under oath, to the Assessor and the time for filing such declaration shall expire 60 days after written demand to file an income-tax return shall have been received by such officer or employee. As used in this subsection the term "State" means the several States, Territories, and possessions of the United States, and the term "Government of the United States" includes any agency or instrumentality thereof, but does not include the government of the District of Columbia.

The last-quoted provision of law, Mr. President, is commonly referred to and spoken of as the "O'Hara amendment." It has the effect of exempting many Federal officers and employees from liability for the District of Columbia income tax. It is estimated by the District of Columbia fiscal officers that if the O'Hara restrictive amendment, hereinbefore referred to, were to be stricken from the law and if the prevailing exemptions and credits for dependents were retained, 90,000 additional returns probably would be filed. In other words, in that case, the number of returns would be increased by approximately 100 percent.

As the O'Hara amendment relates only to employees and officers of the Federal Government, and since under existing law most others who are not exempt under that amendment are already included under the law, practically all the 90,000 additional returns estimated to be filed would be filed by officers or employees of the Federal Government. Thus, if the O'Hara amendment were stricken out, it is estimated that the number of taxable returns would amount to approximately 190,000.

Under the proposal of the Senator from South Carolina [Mr. JOHNSTON], as adopted by the Senate on Friday, the tax rate for those 190,000 taxpayers would be as follows:

Two percent on the first $2,000 of taxable income, 3 percent on the next $3,000 of taxable income, 4 percent on the next $5,000 of taxable income, and 5 percent on the taxable income in excess of $10,000.

With the present exemptions and credits for dependents retained, with all officers and employees of the Federal Government—except the comparatively few specifically excluded as proposed—and with the rates increased as proposed, it is estimated that the number of taxable returns in the various brackets of tax would be in line with the figures I am about to state.

These figures are what could reasonably be expected as the maximum under the Johnston amendment, even going so far as to exclude the provisions of the O'Hara amendment; and I cannot say in detail to what extent his proposal excludes all those restrictions. It broadens the field, but whether it goes the full distance is very difficult at this point to say. Nonetheless, giving all due credit and resolving all doubts in favor of the amendment, the best estimate the fiscal officers of the District can make is that the income-tax payments by the 190,000 persons making returns would divide themselves thus:

	Estimated tax
165,100 returns with incomes of $2,000 or less taxable at 2 percent and returns with increase of $2,000 to $5,000 taxable at 3 percent	$4,777,000
18,400 returns with incomes of from $5,000 to $10,000 taxable at 4 percent	3,706,000
6,500 returns with incomes in excess of $10,000	3,509,000
Estimated total tax shown on total of 190,000 returns	11,992,000

For easy figuring and to keep it in our minds, we therefore arrive at the conclusion that the most accurate figure the experts in fiscal affairs for the District can give for the Johnston amendment is that it will produce, in a full taxable year, approximately $12,000,000. There were various estimates made on the floor of the Senate Friday, ranging anywhere from $7,000,000 to $22,000,000. The correct figure seems to be $12,000,000.

However, let me remind the Senate what I said in the beginning, that this money, though it is the amount that could be realized under the amendment within a whole taxable year, would not all come into the District treasury within the taxable year, and the maximum benefit under the proposal could not be secured by the District before the fiscal year 1951; which would be no help at all to the immediate problem before us, which is to provide adequate revenue for the fiscal operations of the District in the fiscal year beginning July 1, 1949, and ending June 30, 1950.

There is now in the existing law a provision allowing an individual taxpayer in the District to claim as a credit against his District income tax the amount paid by him as income or intangible personal property taxes, or both, for the taxable year, to any State, territory, or political subdivision thereof in which he may be domiciled. This provision of existing law will not be changed by the Johnston amendment since, as hereinbefore stated, every one of the additional taxpayers who would be brought into the coverage of the act by the amendment before the Senate would be an officer or employee of the Federal Government, and since, as is common knowledge to most, if not all of us, the such officers and employees must claim retention of domicile in their home States for purposes of retaining their franchises, for their domiciles in their States are sometimes fully as important to them in the retention of their jobs as any other possible consideration could be. So, as nearly as we can estimate, the deductions which would normally be made by reason of claiming domicile

elsewhere and taking a deduction for the amount paid in the home State in order to retain domicile there, when subtracted from the $12,000,000 figure hereinbefore mentioned, would approximate $1,000,000. A recapitulation of the estimate of additional revenue which would be derived from the District personal income tax, with the amendment now adopted by the Senate retained, would be as follows:

Total income tax from Johnston amendment		$11,990,000
Less present income tax (individuals)	$4,200,000	
Less present franchise tax (unincorporated business)	800,000	
		5,000,000
Total additional revenue from income tax under Johnston amendment		6,990,000

In other words, Mr. President, the estimate which was made on the floor of the Senate by the distinguished Senator from Wyoming [Mr. HUNT], who was sponsoring the bill and who was chairman of the committee which drafted it, when he told us that his quick estimate, made in the confusion on the floor, Friday, was that the additional income would be $7,000,000, comes out almost to the penny.

The total $7,000,000 additional revenue from individual income taxes which would be derived from the Johnston amendment would not be available during the fiscal year 1950. This becomes a little repetitious, but it is worthy of repetition, because it is one of the major points in the consideration of obtaining revenue for the next fiscal year out of income taxes. The changes under the Johnston amendment are made effective for taxable years or portions thereof beginning on and after December 31, 1948. Under existing law, which would not be changed by the Johnston amendment, individual income-tax returns must be filed on or before April 15, succeeding the taxable year. The first returns under the amendment would therefore be due April 15, 1950, and one-half of the tax would be due on the same date the return was made. The balance would not be due until October 15, 1950, which is in the following fiscal year, with which we are not immediately concerned. Thus, from income taxes in the fiscal year which we are considering, only $3,500,000 in additional revenue could possibly be received, if the Johnston amendment remained in the law. We are aiming, not at $3,500,000; we are aiming to raise for the District of Columbia the bare minimum which everybody agrees is its need of $18,000,000.

Mr. President, it seems to me these figures should be accepted by the Senate. They are drafted as honestly as they can possibly be, as disinterestedly as they can possibly be, in trying to present the figures actually and factually to the Senate. They have been drafted by the fiscal experts of the District of Columbia. They have been checked by the Committee on the District of Columbia.

There may be other Senators who want to dispute these figures and say they do not represent the true facts, but, Mr. President, they represent the only facts on which it is possible to lay our hands. If these men do not know, then I do not think we here in the Senate are capable of judging beyond and above their judgment.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield to the Senator from Virginia.

Mr. ROBERTSON. What was the amount of the additional contribution to the District by the Congress as requested by the distinguished Senator from South Carolina and voted down by the Senate?

Mr. McGRATH. The Senator from South Carolina requested an appropriation or contribution of 25 percent of the District budget. Since the District budget is approximately $100,000,000, his request would represent a payment by the Federal Government to the District of approximately $25,000,000.

Mr. ROBERTSON. How much would that be above the amount Congress now appropriates?

Mr. McGRATH. In the last fiscal year—and it is anticipated that the Congress will appropriate at least as much this year—the appropriation was $12,000,000, being $11,000,000 to the general fund and $1,000,000 to the water fund.

Mr. ROBERTSON. If the Senate had been willing last Friday to add as much to the bill from the general treasury as the distinguished Senator from South Carolina requested, the amount would still be $2,500,000 below the amount which the Senator from Rhode Island says is the minimum budget need of the District. The Senator said $3,500,000 additional would be received from the income tax in the coming fiscal year. If the budget is $18,000,000, that leaves $14,500,000.

Mr. McGRATH. There would be $13,000,000 exempted from the formula. But that is not all the story. There are other provisions in the bill, which the Senator from South Carolina is not attacking, which will provide additional revenue. There are increased liquor taxes, which have been agreed to, and a 1-cent tax on cigarettes, which will produce considerable revenue. I am sure it is only fair to say that if the Congress makes a contribution of 25 percent of the District's budget, plus increasing the income taxes to the amount advocated and accepted, together with the other recommendations which are not seriously challenged, we would probably receive in excess of the $18,000,000 required.

Mr. ROBERTSON. Is it the opinion of the distinguished Senator from Rhode Island that we must do one of two things: Contribute money to the general fund from the Federal Treasury or impose a sales tax?

Mr. McGRATH. I see no possible alternative, unless we want to place an undue burden upon one segment of the population, upon one class of taxpayer. As pointed out, by the rates which are proposed the amount of money which the Senator from South Carolina himself says could be raised by income taxes, assuming it would amount to $12,000,000 in a year, would be more than 12 percent of the total amount of revenue required for the operation of the District of Columbia. I think the figures will bear me out that this is far in excess of the percentage which any State takes, by way of the income-tax route, in its total tax picture.

Mr. ROBERTSON. An editorial in the Washington Post this morning states, as I recall, that the amendment tentatively adopted last Friday would raise the income tax in the District 50 percent. Is that correct?

Mr. McGRATH. It would increase it 100 percent. I take it that is what the Senator means. The rates are doubled. In addition to the rates being doubled, a great many more persons would be brought under coverage than are covered under the present law. So the increase would be in excess of 100 percent. The figures will bear out that statement. The District received $4,200,000 in the year 1947, under the present law, and admittedly under the amendment it would receive $12,000,000.

Mr. ROBERTSON. So, as the Senator pointed out last Friday, we would depend upon the income tax to bear 20 percent or more of the cost of the District government.

Mr. McGRATH. The figures which were being thrown around indicated $20,000,000 could be raised by the income-tax proposal. That figure has now been toned down, and we find it would raise $12,000,000. The total budget for the District is $100,000,000. However, the District does not raise the entire $100,000,000. The Federal Government makes a payment of $12,000,000. So the percentage would be whatever percentage $12,000,000 would be of $88,000,000. Roughly speaking, I think it would be approximately 15 or 16 percent.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McGRATH. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. The Senator stated the figures for 1947. He stated that 75,100 of the income-tax payers received incomes of less than $5,000. As I understand, the committee amendment increases the exemption. My question is, Would not the change in the law eliminate from the District income-tax roll a substantial number of the 75,100 taxpayers, or give relief to them?

Mr. McGRATH. It would take off the present tax rolls approximately 45,000 persons. Other changes made in the committee bill would make that up, so that approximately $1,000,000 would be recaptured. By that process we would lose some revenue, but we would also pick up in other categories, and from these sources of taxation would come out, I think, in the neighborhood of $800,000 ahead of the amount which is now received. At the same time, we would have accomplished the result of taking off the tax roll 45,000 taxpayers in the lower-income-tax brackets.

Senators may reasonably argue that we have set the exemption too high.

Perhaps the exemption should be $3,000 rather than $4,000. That is a matter which could be discussed seriously in conference, but it is not of such grave importance that we should attempt on the floor of the Senate to upset the figures on which the whole formula has been worked out, because the difference, I will say to the Senator from Massachusetts, between the amount of revenue which would be secured if we placed the ceiling at $3,000 rather than at $4,000 probably would not amount to more than three or four hundred thousand dollars. It can be amply taken care of in conference. I think that is where we should discuss it, rather than to try to do it here.

It was the feeling of the committee, since the House had written this provision and had been very strict and determined about it—it will be recalled that the bill was before the House twice and had to go back to the committee twice, and this is probably the best solution of our problem—that we did not want to challenge the House on that point. We are perfectly willing to argue it in conference. Since we were going to favor a sales tax, and since we realized that everyone has to pay the sales tax, it was probably a measure of equity and fairness that this great number of persons should be relieved of another form of tax in order to make up for what they would have to pay under the sales tax.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. McGRATH. I yield to the Senator from Iowa.

Mr. GILLETTE. I should like to ask the able Senator this question: In addition to the matter to which the Senator from Massachusetts just called attention, that by increasing the exemption, approximately 45,000 persons would be taken from the tax roll, is it not a fact that approximately 55,000 persons would have their exemptions increased and their income tax lowered proportionately?

Mr. McGRATH. I think that is probably correct. There would be some relief in the categories above $4,000. I believe that would be true.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. ROBERTSON. In view of the fact that the income tax, for which I intend to vote, will carry a larger exemption than we have had in the income-tax law for many years, amounting, I believe, to $4,000 for a single person and $4,000 for a married man, plus $500 for his wife——

Mr. McGRATH. That is correct.

Mr. ROBERTSON. And $500 for each dependent?

Mr. McGRATH. That is correct.

Mr. ROBERTSON. The exemption, then, for a family of four, would be $5,500, would it not?

Mr. McGRATH. It would be $6,000, would it not?

Mr. ROBERTSON. Yes, it would be $6,000. I think the distinguished Senator from Rhode Island will realize that we are making the exemptions completely out of line with the exemptions in every State and under the Federal law. To me that is a little embarrassing. While I agree that it is not easy to rewrite the bill on the floor of the Senate, I certainly hope that if the bill is passed in its present form and goes to conference, the conferees will not insist that it is the firm conviction of the Senate that we should allow a $6,000-income exemption to a family of four, because if we do that, we will certainly set a bad precedent.

Mr. McGRATH. The exemption would be $5,500 for a family of four, a $4,000 exemption for the head of the family and $1,500 exemptions for his wife and two children.

Mr. ROBERTSON. My original hasty figures were correct, then.

Mr. McGRATH. The Senator is correct.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Rhode Island yield?

Mr. McGRATH. I yield for a question.

Mr. JOHNSTON of South Carolina. According to the figures the Treasury Department Division of Tax Research brings to our attention, does the Senator find that any State in the Union allows exemptions such as he has suggested?

Mr. McGRATH. I cannot answer that, because I have not seen the tables.

Mr. JOHNSTON of South Carolina. Is it not true that in a great many States exemptions are as low as $700, ranging up to $750, $1,000, $1,500, and $2,000? The State exemptions are very low, so that they can collect taxes. The Senator is getting it clear out of line when in the case of the District he provides an exemption of $4,000. That is what I think is wrong about what is being suggested. I think the income tax for the District should be based on somewhat the same principles followed in the States. There are taxes imposed by the States, the counties, and the cities, combined, and we should follow somewhat along the State line when we come to the District income tax. Does not the Senator think that is correct?

Mr. McGRATH. I could go quite a way in agreeing with the Senator. The Senate committee was not entirely satisfied, but we knew the legislative history of this matter in the House of Representatives. There was a great desire to get away from the provisions of the O'Hara amendment, which worked very inequitably, and allowed a great many people to escape taxation, while others in the same class continued to bear taxation. While the exemption may be high under the proposal now made, it is high for all people within the class. As I have said, we have removed a great many of the inequities which were in the law by reason of the provisions of the O'Hara amendment.

Perhaps it may be said that is the price we must pay in order to make progress in this field in the House. Probably the Senate committee should make the attempt, and I am very glad to assure the Senator that when the bill goes to conference, if it does, I shall make a determined effort to see if we cannot get the House to take a more realistic view of the income-tax ceiling.

However, I repeat, it probably will not make a great deal of difference in terms of dollars in the next fiscal year. Whether we lower the ceiling from $4,000 to $3,000, or put it back to $2,500 or $2,000, probably it would not make a difference of much more than four or five hundred thousand dollars in the fiscal year with which we are concerned, namely, the fiscal year 1949–50.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to call to the Senator's attention another thing which I think is vitally important. As to the percentage he has used in figuring the tax, namely, 1½ percent on the first $5,000 over the exemptions. I call his attention to the fact that in many States it is 6 percent, in some 4 percent, in some 5 percent, in some 3 percent, in some 4½ percent, but the committee has it 1½ percent in the District of Columbia. I just want to show where the taxes can be collected.

Consider a comparatively small State like South Carolina. We hear talk about it being poor. We pay our Federal taxes, and we are paying an increased State income tax. In Alabama, the first State on the list, the rate is 4½ percent, whereas the committee fixes 1½ percent for the District of Columbia.

Mr. President, this is the kind of thing to which I call attention. This is a source from which money could be procured, if the tax were properly imposed.

Mr. McGRATH. Mr. President, I should like to present in digest form the results which will be produced, or which reasonably could be expected, from the committee bill, on the one hand, and the bill containing the Johnston amendments, on the other. It would be somewhat as follows:

Comparison of additional revenue which would be produced for fiscal year ending June 30, 1950, under committee bill and the same bill with Senate amendments now adopted

	Committee bill
TITLES I, II, AND III	
Estimated revenue from sales, use, and excise tax on automobiles for full year, less decrease resulting from exemptions, including cigarettes ($13,370,000) and less one-sixth for months of July 1949 and June 1950, the tax for latter month being paid in following fiscal year	$11,142,000
TITLE IV	
Increase from unincorporated business	$800,000
(No decrease due to increased exemptions in income tax under committee bill, since this provision applies only to income received after Dec. 31, 1949.)	
INCREASE IN INCOME TAX UNDER JOHNSTON AMENDMENT	
Total income tax from amendment	$11,990,000
Less present income tax	4,200,000
Less unincorporated business tax repealed by amendment	800,000
	5,000,000
	6,990,000
Less one-half not due until following fiscal year	3,495,000

So that the Johnston proposals would result in a net payment to the District in the coming fiscal year of $3,495,000.

Under title V the results would be as follows:

	Committee bill	Bill with Johnston amendments
TITLE V		
Alcoholic beverage license fees	$400,000	$400,000
Taxes on spiritous liquors	1,000,000	2,000,000
Beer	300,000	300,000
TITLE VI		
Cigarette tax	$800,000	$800,000
TITLE VII		
Real-estate tax	$2,400,000	$2,400,000

The recapitulation is that under the committee proposals the District would receive $16,842,000, and under the Johnston proposal, with the bill in its present state, the District would receive $9,395,000, or approximately from eight to nine million dollars short of the requirements for the next fiscal year.

Mr. President, I say in conclusion that I have presented the picture as simply as it can be drawn, and I think the only realistic and sensible thing for the Senate to do is to reconsider the vote taken on Friday by which the amendment was agreed to, pass the bill as recommended by the committee, and send it to conference, and let us see if we cannot start the District on the road to a sound fiscal policy, which it badly needs.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Iowa [Mr. HICKENLOOPER] that the vote by which the Johnston amendment was agreed to on Friday be reconsidered.

Mr. JOHNSTON of South Carolina. Mr. President, to expedite matters in regard to the reconsideration, I have not objected to a reconsideration of the vote by which the amendment was agreed to. I fear that there were some Senators who were misled and voted for my amendment believing that it did not strike from the bill the sales tax feature. If Senators will look at the CONGRESSIONAL RECORD for last Friday, on page 6196, the first column, they will find that I addressed the Chair as follows:

> Mr. President, I should like to modify my amendment by striking out, on page 1, lines 1 and 2, which deal with the sales tax. That would leave the amendment to deal with the income tax.

I made that statement in the RECORD——

Mr. HICKENLOOPER. Mr. President——

Mr. JOHNSTON of South Carolina. Let me explain. At about that time a Senator called to my attention the fact that the amendment I had called up was a different amendment, and that I did not strike from the amendment the sales-tax feature. So we went ahead, I thinking that I had made the motion to strike out that feature, the sales tax, and that we were voting only on the income tax. I did talk with some two or three Senators who asked me, if it included the sales-tax feature. I told them it was stricken out. Therefore I could not vote against reconsideration of the amendment under those circumstances. But at the same time I would be in favor of striking out the sales-tax and inserting the income-tax feature I have offered. For that reason, to expedite matters, I should like to have the vote by which the amendment was adopted reconsidered and then I shall offer an amendment striking all that pertains to the sales tax, and then we can have a vote upon the question of the income tax. I think that would be the best way to work it out under the circumstances in which we find ourselves at the present time.

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. HICKENLOOPER] to reconsider the vote by which the amendment was adopted.

Mr. HICKENLOOPER. Mr. President will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HICKENLOOPER. I wish to thank the Senator from South Carolina for the statement he has just made in which he said he desired reconsideration of the vote to be had. Merely to make the record clear at this point, I wish to quote from the RECORD, in addition to the matter inserted by the Senator from South Carolina. I call attention to the CONGRESSIONAL RECORD of Friday last, on the same page the Senator from South Carolina referred to, also in the first column, to the question asked by the Senator from Wyoming [Mr. HUNT], which is as follows:

> Mr. HUNT. Does the proposed amendment delete the sales-tax feature from the bill?
>
> Mr. JOHNSTON of South Carolina. This particular amendment does not.

And then the Senator from South Carolina further corrected that.

Mr. JOHNSTON of South Carolina. And then I proceeded to modify the amendment.

Mr. HICKENLOOPER. I thank the Senator from South Carolina. I think he has been very fair in this matter.

Mr. JOHNSTON of South Carolina. I do not want to mislead any Senator. I think the proper thing to do is to reconsider the vote by which the amendment was adopted.

Mr. McGRATH. I suggest that the vote be reconsidered.

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. HICKENLOOPER] to reconsider the vote by which the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY] was agreed to.

The motion was agreed to.

The VICE PRESIDENT. The question now is on the amendment offered by the Senator from South Carolina for himself and the Senator from West Virginia [Mr. NEELY].

Mr. JOHNSTON of South Carolina. Mr. President I should like to strike from the pending amendment that part which pertains to the sales tax, in order that the amendment would not include anything but the increase in the income-tax proposal I have offered. That can be done by striking out the language beginning with line 5, page 1, and on down, as I have indicated, inserting in lieu thereof the remaining language of my amendment. I think it will be found that the rest of it pertains to nothing but the income tax.

The VICE PRESIDENT. Has the Senator offered an amendment to his own amendment?

Mr. JOHNSTON of South Carolina. I am offering to modify my own amendment by striking from it everything that deals with the sales tax.

The VICE PRESIDENT. The Senator will have to point out some part of the amendment and designate it as being eliminated.

Mr. JOHNSTON of South Carolina. It will be noted that in the caption there is all that deals with the sales tax. After the word "purposes", strike out everything down through "following", and there will be stricken from the bill all that deals with——

The VICE PRESIDENT. The Parliamentarian advises the Chair that the reference to the sales tax starts at the beginning of the bill and goes down to page 33. Is that what the Senator is moving to——

Mr. JOHNSTON of South Carolina. I think it will be found that the language of the bill relating to the sales tax continues through to page 33. The Chair is correct.

The VICE PRESIDENT. Through line 11 on page 33.

Mr. JOHNSTON of South Carolina. That is correct. My purpose is not to strike that provision from the bill.

The VICE PRESIDENT. The Chair is advised that there are two other titles which indirectly relate to the sales tax—the use tax and the motor-vehicle tax. Is the Senator seeking to strike them out?

Mr. JOHNSTON of South Carolina. No; I am not.

The VICE PRESIDENT. The Senator's amendment, then, does not propose to strike out the language of the bill beginning in line 8, on page 1, down through line 11, on page 33?

Mr. JOHNSTON of South Carolina. That is correct.

The VICE PRESIDENT. The amendment will be stated.

Mr. ROBERTSON. Mr. President, will the Senator from South Carolina yield?

The VICE PRESIDENT. Let the clerk state the amendment.

Mr. JOHNSTON of South Carolina. I yield.

Mr. ROBERTSON. To get before the body the type of amendment it is, I desire to call the Senator's attention to the fact that title II, on page 33, which is the "compensating-use tax," aims to protect the District against purchases made outside the District.

Mr. McGRATH. Title 2 is unnecessary if the sales tax provision is stricken out. If we are not going to have a sales tax that title should also be stricken out.

The VICE PRESIDENT. The Senator from South Carolina proposes to modify his amendment so as to strike out all of the bill beginning with line 3, page 47, to and including line 4 on page 58—being title IV—and to insert a substitute.

Mr. JOHNSTON of South Carolina. The amendment is dated May 9, 1949, and lettered "B." That is inserted at its proper place according to the amendment. I think the amendment is at the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning with line 3, page 47, it is proposed to strike out all of the bill down to and including line 4, page 58, and to insert in lieu thereof a substitute:

Title IV—amendments to article 1 of the District of Columbia Revenue Act of 1947.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] as modified.

Mr. JOHNSTON of South Carolina. I think it will be found that the sales tax and the use tax are tied in together. At present I am not proposing to strike out the sales tax.

Mr. McGRATH. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. The Senator may modify his own amendment.

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. As I understand the Senator's purpose is to remove entirely from the bill all reference to sales tax.

Mr. JOHNSTON of South Carolina. No, I am not doing that. My amendment deals only with the income tax, and I am deleting from my amendment anything that has to do with the sales tax provision.

Mr. McGRATH. In other words, if the Senator's amendment as modified is adopted we will have the sales tax left in the bill, we will have the use tax left in the bill, we will have the automobile tax left in the bill, and the increase that his amendment, as modified, provides by reason of income taxes.

Mr. JOHNSTON of South Carolina. That is true. My particular amendment does nothing more than to increase the income tax. So the net result——

The VICE PRESIDENT. The modification of the amendment had better be stated at the desk so that the Senate will understand it.

The LEGISLATIVE CLERK. Beginning with line 3, page 47, it is proposed to strike out all down to and including line 4, page 58, and insert in lieu thereof the printed amendment dated May 9, 1949, lettered "B."

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. At the expense of being repetitious, in order to get the figures before the Senate—and I think the figures are important in this discussion—am I to understand that the Senator now desires, without any consideration of the sales tax or any other provision of the bill, simply to add to the bill an amendment which would increase the income tax rates and the number of those who would pay an income tax?

Mr. JOHNSTON of South Carolina. I wish to do that; and later I shall offer an amendment striking the sales tax, if I am successful in having adopted the amendments which I desire.

Mr. McGRATH. Am I not correct in the statement that in the event the pending amendment should prevail, at that point we would have a bill providing for a sales tax and all the other taxes, and providing for additional income tax? The figures which I have indicate that the additional income tax would be approximately $7,000,000. So when we arrive at the point of adopting the Senator's amendment, we shall then have a bill which would raise $7,000,000 more than is required for the fiscal operations of the District of Columbia for the next fiscal year. Of course, I understand that the Senator will then offer another amendment.

Mr. JOHNSTON of South Carolina. Yes. I am following this procedure in order to give the Senate an opportunity to vote for the kind of taxes it wishes to impose. If the Senate does not want a sales tax after my amendment is adopted, it can vote for or against a sales tax. That is the way the Senate thought it was voting when it voted on Friday. That is the reason why I am offering the amendment in this form.

Mr. McGRATH. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. Does the Senator realize that the net result, when he gets through with his program, would be that he would add $7,000,000 to the bill by this amendment, beyond what is needed? Then he proposes to offer another amendment which would take off approximately $13,000,000. So in the first instance he leaves us with a bill providing $7,000,000 in excess of the needed revenue; and in the second instance he leaves us with a bill providing $8,000,000 below the needed revenue.

Mr. JOHNSTON of South Carolina. I have other amendments to offer.

I want it plainly understood in the beginning that the amount of revenue to be derived from my amendment has been misquoted. The figures given by the other side on the floor of the Senate on Friday were entirely out of line.

Mr. President, when this amendment goes into full effect for a year, it will produce approximately $15,000,000. The first year it will produce only $8,000,000 for this reason: It will be found that during the fiscal year two payments are made. The first payment in the year constitutes more than half the total amount of the income tax. The records will bear me out. Many taxpayers pay the entire tax at one time. That is the reason why the statement which I have prepared, and which has been placed on every Senator's desk, shows $8,000,000 the first year and $15,000,000 for succeeding years.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. I should like to get some information about this matter. What is the source of the information with reference to the estimated amount of yield?

Mr. JOHNSTON of South Carolina. I can answer that question by saying that the figures will be found in the House proceedings when the House was debating this very same amendment. The subject was thoroughly studied at that time. It will be found that the figures which I am giving were cited time and time again in the House. The figures were prepared by Mr. Bates and the staff in the House at that time.

Mr. McCLELLAN. Do these figures represent estimates made by the House committee staff?

Mr. JOHNSTON of South Carolina. They were estimates made by Mr. Bates. I notice that he has agreed with some of the statements which have been made.

Mr. McCLELLAN. I am merely seeking information. Last Friday afternoon when we were considering the bill a great many figures were cited, and there was a great deal of uncertainty about the accuracy of the figures, and just how much revenue the various amendments would produce. What I wish to determine is whether or not the figures which the Senator is giving are based upon one of the best available estimates.

Mr. JOHNSTON of South Carolina. Yes. I should like to give some of the figures for the various States. To take an illustration, I turned to my home State to find out what was being collected in taxes in that State. I found that from income taxes approximately $28,000,000 was collected in that State during the past year. I should also like to read into the RECORD figures showing what the Federal Government collected in South Carolina.

In South Carolina the number of Federal income tax returns filed in 1945 was 400,838. The number of State income tax returns filed in 1945 was 139,007. The Federal income tax liability in 1945 was $78,998,000. To show how the State income taxes have increased in recent years, the total State income tax liability in 1945 was $14,799,497.74. In 1948 the number of State income tax returns filed was 193,783 and the State income tax liability was $25,871,083.61. I am also informed that there is approximately $2,000,000 or $3,000,000 still outstanding by reason of extensions of time and other factors.

Let us see what the District of Columbia was paying. Does the Senator know that in 1945 the District paid only $3,488,000 in income taxes, while South Carolina was paying $14,799,497.74? It will be noted that the Federal income taxes collected in the District were $158,284,000, while in South Carolina $78,998,000 was collected, showing how much out of line the collections are. Twice as much Federal taxes were collected in the District as in South Carolina. On the other hand, almost four times as much was collected in State income taxes in the State of South Carolina as was collected

in the District through the District income tax. I am trying to show how much out of line the collection of taxes is.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. The Senator refers to South Carolina. I do not know whether that is a safe guide for us to follow, unless the rates are comparable.

Mr. JOHNSTON of South Carolina. I shall read the rates. I have the rates for all the States, which I obtained from the Treasury Department. Mr. President, I am not on a wild goose chase. I have data showing that residents of the District of Columbia are taxed about one-fourth as much as the residents of the majority of States. I shall read the figures for the States, including the exemptions.

Mr. McCLELLAN. I did not mean to imply that the Senator was on a wild-goose chase. I am very sympathetic toward the Senators' amendment. I voted for it last Friday. However, I became confused, and I think many other Senators were confused. I am now trying to obtain factual information which will enable me to make an intelligent decision on the pending amendment.

Mr. JOHNSTON of South Carolina. Let me read some of the tax brackets and the exemptions.

I notice that in the District of Columbia there is an exemption of $1,000 for a single person. The pending bill would allow an exemption of $4,000, plus $1,000, or a total of $5,000. I find that that is entirely out of line with the exemptions in most of the States.

In Arkansas the exemption is $2,500 for a single person; in Colorado, $750; Delaware, $1,000; Georgia, $1,000; Idaho, $700; Kansas, $750; Kentucky, $1,000; Louisiana, $1,000; Maryland, $1,000; Massachusetts, $2,000; Minnesota, $1,000; Mississippi, $1,000; Missouri, $1,200; Montana, $1,000; New Hampshire, $200.

Mr. McGRATH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from South Carolina yield to the Senator from Rhode Island?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. In connection with the statement the Senator from South Carolina has made regarding the States which have low income-tax exemptions, will the Senator also state whether those States have sales taxes, as well? That is an important point.

The committee stated that its reason for excluding a proposal for a considerable increase in income tax was because there would be a sales tax. Of course, an increase in income tax might be more justified if there were no sales tax. However, if we subject everyone in the District to liability for the payment of a sales tax, I do not believe we should also increase the income tax.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. Of course, in Arkansas we have both a sales tax and an income tax.

Mr. President, let me inquire of the Senator from South Carolina whether the figures which have just been placed on our desks are submitted by the Senator from South Carolina in support of his amendment. I refer to the last table of figures which has been passed around.

Mr. JOHNSTON of South Carolina. Those are committee figures, not mine. The committee's figures do not correspond exactly with the figures I have presented. Of course, no two statisticians will agree entirely upon anything.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. I refer to the last table of figures which has been placed on our desks, giving estimates of the amount of taxes which will be raised by means of the various amendments. The Senator says that these are different figures. Does he mean that these figures have been submitted by the Senate committee?

Mr. JOHNSTON of South Carolina. I suppose they have come from the staff of the committee.

Mr. McGRATH. Mr. President, these figures come from the fiscal experts of the District of Columbia.

Mr. McCLELLAN. They come from the District of Columbia experts, and not from the committee staff; do they?

Mr. McGRATH. Yes. Senators will find that they are the same figures which were given to the House committee. We checked with them over the weekend, and then checked in our committee.

Mr. McCLELLAN. Mr. President, if the Senator will further yield, I should like to refer to the figures which were placed on our desks a while ago by the Senator from South Carolina. I understood him to say that they come from the staff of the House committee.

Mr. JOHNSTON of South Carolina. It will be found that those figures were used in the debate on the floor of the House.

Mr. McGRATH. Mr. President, the figures the Senator has were used on the floor of the House by a minority, just as they are being used here by those who are advocating a program different from the one recommended by the committee. Certainly those who disagree with the committee on this matter use a different set of figures, but their figures are not backed by any of the experts of the District of Columbia. The figures are simply produced by the opponents of the sales tax. Where they got the figures, I do not know.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. I simply wish to say to both the Senator from Rhode Island and the Senator from South Carolina that inasmuch as two sets of figures have been placed on our desks in connection with the consideration of an important bill, and inasmuch as the figures and estimates are considerably at variance, naturally I wish to ascertain the source of the figures and their authenticity and reliability. I wonder whether the Treasury Department has submitted any figures in this connection.

Mr. JOHNSTON of South Carolina. I do not think so.

Mr. McGRATH. The only figures we can get are the ones which are prepared by those who deal with this problem day in and day out, year in and year out. The figures they produce are taken from the books, based on the experience which has been had in the District of Columbia. They are the highest source to which we can go; and that situation is the best argument in the world as to why the figures and estimates produced by the committee should be accepted, rather than the figures and estimates coming from a group which does not have access to such information.

Mr. JOHNSTON of South Carolina. The minority group which has presented these figures has referred to studies made by a group of persons in regard to the taxes in various States. As I stated a while ago, in 1945 the total Federal income-tax liability in the State of South Carolina was $78,998,000, while in the District of Columbia it was $158,284,000. The fact that in 1945 the total Federal income-tax liability in the District of Columbia was twice the total Federal income-tax liability in South Carolina, certainly shows the sound basis for the figures we present. Since the rate of taxation in the various brackets is approximately the same in South Carolina as in the District of Columbia, except in the lower brackets, and since the total liability for the State income tax in South Carolina was in excess of $25,000,000 last year, it certainly would seem that the proposed increased income taxes which I would have imposed in the District of Columbia would result in the collection of approximately $20,000,000. Is it not reasonable to assume that at least that much would be collected?

No doubt those who prepared the figures I have presented took a great many factors into consideration, but at the present time I am considering the figures solely on the basis I have just stated. I think Senators can see that the increased income tax which I propose probably will result in the payment of more money than will be needed from the income tax if the sales tax is also adopted.

Of course, Mr. President, my proposal is made on a trial basis. After it has been tried 1 year, the results will be known. But certainly the increased income tax which I propose will bring in a great deal of revenue. Even those who advocate the committee's proposal will have to acknowledge that fact.

Mr. McGRATH. Mr. President, if the Senator will yield to me, let me inquire whether he recognizes the great distinction between the character of the economic life of his own State and the economic life of the District of Columbia. Certainly I recognize that there is considerable difference between the economic life of my State and the economic life of the District of Columbia. The city of Washington is largely a city of salaried people. In the District of Columbia there are no great farms and

there are no big incomes produced from manufacturing operations, although in the State of South Carolina considerable tax funds are obtained from such sources. I dare say that in the State of South Carolina there are thousands of persons earning over $100,000 a year, and large business corporations with tremendous incomes. The cotton industry alone in South Carolina is one of the greatest industries in the world, and in the State of South Carolina there are tremendous sources of income which do not exist in the District of Columbia. Aside from a few merchants who do business in downtown Washington, there are no large commercial operations in the city of Washington and there are no large salaries paid to executives, except in a very few instances. So the income in the District of Columbia is largely income paid to salaried people. The result is that if a certain tax is applied in the District of Columbia, it is bound to produce less than it will in the State of South Carolina or in the State of Rhode Island, for instance, where many heads of industries are paid hundreds of thousands of dollars a year, and where there are thousands of persons who receive salaries ranging from $20,000 to $500,000.

Mr. JOHNSTON of South Carolina. I should like to call the attention of the Senator to the fact that in South Carolina the Federal Government collects only half as much as is collected in the District of Columbia.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LUCAS. In order to expedite the consideration of the bill, I am wondering whether we could not possibly rearrange matters, so to enable the Senate in the first instance to vote upon the question of eliminating the sales tax, which the Senator from South Carolina seeks to do. In other words, at the present time we must first vote upon an amendment, which, if adopted, and if the sales tax remains in the bill, would raise more money than would be necessary. The real issue before the Senate I understand is whether we shall have a sales tax for the District of Columbia. It seems to me we are, so to speak, making a backdoor approach in order to reach the issue which the Senator from South Carolina hopes ultimately to have decided by the Senate. I am wondering whether the Senator could not withdraw the pending amendment, offer his amendment to strike out the sales tax, and let the Senate vote upon that. We shall then perhaps know definitely where we are with respect to the other amendments.

Mr. JOHNSTON of South Carolina. I should like to agree with the Senator from Illinois, but I fear it is probable that some Senators will say "We are not going to vote to strike out the sales tax, because that might result in our not having sufficient revenue." That may be the view some Senators may take unless they feel both proposals can be taken to a free conference for decision.

Mr. LUCAS. I of course understand that. That is another thing I was going to suggest to the Senator. I hope we can get a vote on the question.

Mr. JOHNSTON of South Carolina. Why not agree to my amendment, and then take it to a free conference?

Mr. LUCAS. That of course is up to the Senator from Rhode Island.

Mr. McGRATH. Mr. President, I do not want to take to conference a bill that would produce $7,000,000 more revenue than is needed.

Mr. JOHNSTON of South Carolina. But according to the bill, there would be an increase in the whisky tax. That was in the bill before we began to amend it. The Senator said nothing more was needed in that respect. That is already provided in the bill. That is true, is it not?

Mr. McGRATH. Yes, that is true. We accepted the amendment. We said we would take it to conference.

Mr. JOHNSTON of South Carolina. Let us do the same thing with this question, if the Senator desires to expedite matters.

Mr. McGRATH. The variation of a million dollars one way or another in a $100,000,000 budget is not a serious matter. But certainly taking a bill to conference with $7,000,000 in it more than is needed, I think is a very serious matter. We should have an expression by the Senate as to whether a sales tax is or is not wanted. It is as simple as that. We can settle this in 5 minutes, if we can get a decision on that point.

Mr. JOHNSTON of South Carolina. If the Senate agrees to the pending amendment, then the question of a sales tax will come up.

Mr. McGRATH. If we are not to have a sales tax, then the whole matter has got to be reconsidered, the whole tax bill rewritten, and a new approach made to the entire financial problem of the District. If Senators get a chance to express themselves and vote to provide a sales tax in the District of Columbia, then our problem is simple.

I heartily agree with the distinguished majority leader, the Senator from Illinois, whose suggestion is entirely reasonable. Let us put the issue before the Senate. The arguments have been made. Every Senator knows what he wants to do. Many have conscientious objections to a sales tax, and I honor and respect their opinion. Others of us are accepting it because we feel after serious study it is the only avenue left open to the District, whether we like it or whether we do not. Can we not have a vote on it? Can we not present the issue squarely to the Senate, have a yea-and-nay vote, and have the matter decided?

Mr. LUCAS. Mr. President, if the Senator from South Carolina will yield further, I really believe that the Senator from Rhode Island, in expressing himself as he has, is correct, in attempting to get the issue before the Senate. The Senator from South Carolina is moving, it seems to me, in a sort of roundabout way, before we finally get to the really important issue so far as Senators are concerned. The sales tax, as the Senator well knows, is the real issue. That is the subject upon which Senators have debated pro and con. It is before the Senate. It seems to me the Senator from South Carolina could very well withdraw the pending amendment and present the sales tax amendment immediately, and allow the Senate to take a vote on it. That would determine the matter one way or the other.

Mr. JOHNSTON of South Carolina. As I stated a few moments ago, I should like to agree with the Senator from Illinois, but the Senate, in a way, has already voted upon the amendment which I have pending. It voted favorably upon it once on Friday. Senators at that time thought they were voting on nothing but the income tax amendment. I think that was true of a good many of them. By a majority of seven, the Senate voted to increase the income tax. A motion was made to reconsider the vote, and I agreed to a reconsideration, feeling that probably some of the Senators had voted under a misapprehension. I stated at that time that I would submit an amendment to strike out everything in connection with the sales tax. I want to give the Senate an opportunity to vote upon the question.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. I am sure the Senator does not want us to understand that in his opinion the Senate deliberately added to the revenue bill $7,000,000 beyond the requirements of the District.

Mr. JOHNSTON of South Carolina. I think the matter had been discussed thoroughly. Reference was made to an increase in the whisky tax which had been inserted in the bill. It was stated that the bill was sufficient. Senators must have known that my amendment would certainly provide additional revenue. I feel certain Senators knew that at the time the vote was taken on Friday.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Massachusetts?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SALTONSTALL. I should like to ask the Senator's permission to propound a question to the Senator from Rhode Island in regard to the procedure.

Mr. JOHNSTON of South Carolina. I yield, provided it does not interfere with my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Massachusetts may proceed.

Mr. SALTONSTALL. My question is, If the sales tax is, let us assume, voted down, would it be necessary to recommit the bill in order to have a proper calculation made on the various propositions affecting the revenue of the District?

Mr. McGRATH. In answer to the distinguished Senator from Massachusetts, I may say that the whole heart of the tax bill is the sales tax. Destroy that, and,

comparatively speaking, there is nothing left, and it becomes necessary to start all over again.

Of course, it must either go back to the committee or be rewritten on the floor. I hope the Senate will not take the latter course. The committee has done the best that can be done. It has submitted a report. It has tried to justify its position. We have, after long and laborious months, reached a reasonable agreement with the House of Representatives. I at least hope the Senate will pass the bill and send it to conference.

Mr. SALTONSTALL. If the Senator will yield further, my question was based on what was said by the distinguished Senator from Illinois. It seems to me that if we could determine the issue of the sales tax we could then decide whether to send the bill back to committee or rewrite it on the floor, or whether we should adopt the amendment offered by the Senator from South Carolina and leave it to the conference committee either to include it or eliminate it, in fashioning a bill which will produce the necessary amount of revenue for the District.

I am merely following the suggestion of the Senator from Illinois. It seems to me if we could get that question decided first we could then decide where we were going, and whether to recommit the bill, try to rewrite it on the floor, or leave it to the conference committee.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to answer the question by saying it would be a matter for the entire Senate to decide what is to be done with it, at any point in the procedure. I could not answer that question, any more than could the Senator from Massachusetts.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. FREAR. As the Senator from Rhode Island has just stated, there seems to be a difference of opinion as to whether the revenue shall be raised by way of a sales tax or by way of an income tax. In reference to the statement made by the Senator from Rhode Island, I should like to ask the Senator from South Carolina regarding the $15,000,000 revenue which would be derived from the income tax amendment for the fiscal year 1951. Last Thursday, the Senator from Oregon [Mr. MORSE] placed in the RECORD a statement by Representative BATES, who I believe is a proponent of the sales tax, and who admitted—and I note from the majority report it is admitted—that $5,600,000 was received from the personal income tax. If the base is doubled, that certainly means $11,000,000; and if the rate is increased, that also doubles it, and it certainly would go beyond $20,000,000. Then, if we deduct the $5,000,000 now being received according to my mathematics, that certainly will provide a revenue of $15,000,000.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McGRATH. The Senator from Delaware is quoting incorrect figures. The $5,600,000 represents taxes received from tangible personal property; they are not income tax figures at all.

Mr. JOHNSTON of South Carolina. That would make it even better.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. FREAR. I refer to page 6100 of the CONGRESSIONAL RECORD. In the third column on that page the following appears:

> The estimated $5,000,000 yield which would be obtained from the broadened income tax does not exhaust its revenue potentialities.

From that I take it that the District is already receiving $5,000,000 from income taxes.

Mr. McGRATH. According to the last figures available, which were for 1947, the figure was $4,200,000. The reference is probably to the income tax in round figures, approximately $5,000,000. The actual experience was in 1947, when the figures were $4,200,000, not the figure of $5,600,000 to which the Senator from Delaware referred, that figure representing the tangible personal-property tax.

Mr. FREAR. Even taking the Senator's figures, if we double them and then take the $4,200,000, we would still——

Mr. McGRATH. That is fine. I think a better way to do it would be to go to a pyramid club downtown and come up with $100,000,000.

Mr. FREAR. Maybe the Senator has something there.

Mr. JOHNSTON of South Carolina. Mr. President, looking at the table of the Treasury Department, I notice that the people of the State of Minnesota, on the same amount of taxable income, would be paying at the present time 5 percent, while the District of Columbia would be paying 1½ percent. I am inviting the attention of the committee to the fact that we have a source which we have not tapped. Until we have tapped one of the best sources of revenue, the finest in the world, I do not believe we should go on a sales-tax expedition and guess at how much money will be brought in. At this time no one knows how much it will bring in.

In the State of North Dakota the people pay a tax of as much as 15 percent. In the District of Columbia it is 3 percent.

That shows how the States really tax their citizens. In some States the rate is as high as 7 percent. The State of Georgia has a rate of 7 percent. Georgia, and the South in general are being criticized because it is said that they do not tax the people enough. But in the State of Georgia they are taxed 7 percent.

The rate in Wisconsin is 7 percent.

I am bringing to the attention of the Senate the fact that we have a source of taxation which we have not yet tapped. We can secure the revenue from those persons who are able to pay the tax, after giving them proper exemptions for taking care of a house full of children.

A while ago I spoke of Minnesota. In the highest bracket in Minnesota the tax is 10 percent on taxable incomes.

Mr. President, I ask unanimous consent that tables Nos. 2 and 3, appearing in the Treasury Department's tax study, made by the United States Treasury Department, Division of Tax Research, be inserted in the RECORD at this point in my remarks. I want the Senate to see the amounts.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 2.—*State individual income taxes: Personal exemptions and credits for dependents, July 1, 1947*

States	Personal exemptions		Credit for dependents
	Single	Married or head of family	
Ala	$2,500	$3,500.00	$300
Ariz	[1] 10 (1,000)	[1] 20.00 (2,000)	[2] 4 (320)
Ark	2,500	3,500.00	400
Calif	[3] 3,000	[3] 4,500.00	400
Colo.[4]	750	1,500.00	750
Del	1,000	2,000.00	200
Ga	1,000	2,500.00	400
Idaho	700	1,500.00	200
Iowa	[1] 10 (1,000)	[1] 20.00 (1,500)	[2] 5 [5] (250)
Kans	750	1,500.00	200
Ky	[1] 20 (1,000)	[1] 50.00 (2,500)	[1] 10 (500)
La.[6]	1,000	2,500.00	400
Md	1,000	2,000.00	400
Mass[7]	2,000	2,500.00	250
Minn	[1] 10 (1,000)	[1] 30.00 (2,000)	[2] 10 (333)
Miss	1,000	2,500.00	400
Mo	1,200	2,400.00	400
Mont	1,000	2,000.00	300
N. H.[8]	200	200.00	
N. Mex	1,500	2,500.00	200
N. Y	1,000	2,500.00	400
N. C	1,000	[9] 2,000.00	200
N. Dak	500	1,500.00	500
Okla	1,000	2,000.00	500
Oreg.[10]	750	1,500.00	300
S. C	1,000	1,800.00	200
Tenn.[8]			
Utah	600	1,200.00	300
Vt.[11]	500	1,000.00	500
Va	1,000	2,000.00	200
Wis[12]	[1] 8 (800)	[1] 17.50 (1,600)	[2] 4 (320)
D. C	1,000	2,500.00	400

[1] Tax credit deductible from amount of tax rather than from net income. Sum in parentheses expresses tax credit as income exemption on assumption that latter is always deducted from lowest income bracket.

[2] Tax credit deductible from amount of tax rather than from net income. Sum in parentheses is the amount by which the first dependent raises the level at which a married person or head of family will first become taxable.

[3] Exemptions shown are applicable to taxable years beginning after Dec. 31, 1944, and before Jan. 1, 1948. Permanent exemptions are $2,000 and $3,500.

[4] Exemptions shown are applicable to the period May 1, 1947, to Dec. 31, 1948. Permanent exemptions are $1,000 and $2,500 and the credit for dependents is $400.

[5] In the case of a dependent father, mother, or grandparent, the taxpayer may take a deduction of $300 in lieu of $5 tax credit.

[6] The exemptions and credits for dependents are deductible from the lowest income bracket and are equivalent to tax credits of $20, $50, and $8, respectively.

[7] The exemptions shown consist of a specific exemption of $2,000 on earned income, in addition to a personal exemption on earned income of $500 for husband or wife and a credit for each dependent of $250. A person whose total income from all sources does not exceed $1,000 and whose income together with his spouse's does not exceed $1,500 may have an exemption of $1,000 on his property income.

[8] Tax applies only to interest and dividends.

[9] An additional exemption of $1,000 is provided for a married woman with a separate income.

[10] For taxable years beginning on or after Jan. 1, 1947, the exemptions will be increased or decreased depending upon the approval or rejection of the sales tax by a referendum vote on Oct. 7, 1947. If the sales tax is approved, the exemptions will be $900 and $1,800 and the credit for dependents $400; if rejected, the exemptions will be $500 and $1,000 and the credit for dependents will remain at $300.

[11] An additional $500 exemption is allowed to taxpayers over 65 years of age.

[12] For purposes of the surtax, an additional tax credit of $37.50 is allowed.

From Treasury Department, Division of Tax Research.

TABLE 3.—*State individual income taxes: Rates, July 1, 1947*

State	Brackets of net income after personal exemption (in thousands of dollars) to which designated percentage rates apply																	
	0–1	1–2	2–3	3–4	4–5	5–6	6–7	7–8	8–9	9–10	10–11	11–12	12–15	15–20	20–25	25–30	30–50	50–100	Over 100
Alabama	1.5	3.0	3.0	4.5	4.5	5.0													
Arizona	1.0	1.0	1.25	1.5	2.0	2.5	3.0	3.5	4.0	4.5									
Arkansas	1.0	1.0	1.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	5.0			
California [1 2]	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	3.0	4.0	5.0	6.0		
Colorado [1 3]	1.0	1.0	2.0	2.0	3.0	3.0	4.0	4.0	5.0	5.0	6.0								
Delaware	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0								
Georgia	1.0	2.0	2.0	3.0	3.0	4.0	4.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0	7.0				
Idaho	1.5	3.0	4.0	5.0	6.0	8.0													
Iowa [4]	1.0	2.0	3.0	4.0	5.0														
Kansas	1.0	1.0	2.0	2.5	2.5	3.0	3.0	4.0											
Kentucky [1]	2.0	2.0	2.0	3.0	4.0	5.0													
Louisiana	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	6.0	
Maryland [1 5]	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Massachusetts [7]	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Minnesota [9]	1.0	2.0	3.0	4.0	5.0	6.0	6.0	7.0	7.0	8.0	8.0	8.0	9.0	9.0	10.0				
Mississippi	1.0	1.0	1.0	1.0	2.0	2.0	2.0	3.0	3.0	3.0	4.0	4.0	4.0	5.0	5.0	6.0			
Missouri [10]	1.0	1.5	2.0	2.5	2.5	3.0	3.0	3.5	3.5	4.0									
Montana	1.0	1.0	2.0	2.0	3.0	3.0	4.0												
New Hampshire	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
New Mexico	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	4.0
New York [12]	2.0	3.0	3.0	4.0	4.0	5.0	5.0	6.0	6.0	7.0									
North Carolina	3.0	3.0	4.0	4.0	5.0	5.0	6.0	6.0	6.0	6.0	7.0								
North Dakota	1.0	1.0	2.0	2.0	3.0	5.0	7.5	7.5	10.0	10.0	12.5	12.5	12.5	15.0					
Oklahoma [1 13]																			
Oregon [1 14]	3.0	4.0	5.0	6.0	7.0	7.0	7.0	7.0	8.0										
South Carolina	2.0	2.0	3.0	3.0	4.0	4.0	5.0												
Tennessee [15]	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)
Utah	1.0	2.0	3.0	4.0	5.0														
Vermont [1]	1.0	2.0	2.0	3.0	3.0	4.0													
Virginia	1.5	1.5	1.5	2.5	2.5	3.0													
Wisconsin [17]	1.0	1.25	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0	5.5	6.0	7.0						
District of Columbia	1.0	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	2.5	3.0				

[1] California, Colorado, Kentucky, Oklahoma, Oregon, and Vermont provide an optional simplified tax table for individuals with an adjusted gross income (defined the same as for Federal income-tax purposes) of $5,000 or less. In computing the table, Colorado, Kentucky, and Oklahoma allow a standard deduction of 10 percent while California and Oregon allow 6 percent. In addition, Colorado, Oklahoma, and Oregon allow deduction of Federal income-tax liability as determined by the supplement T table. Maryland provides an optional simplified tax return for individuals whose gross income is $5,000 or less and consists only of salary, wages, or compensation for personal services; or dividends, interest, and annuities not in excess of $100. The return allows a 10 percent standard deduction.

[2] The rates shown apply to the taxable years beginning after Dec. 31, 1942, and before Jan. 1, 1948. The permanent rates are: $1 to $5,000, 1 percent; $5,001 to $10,000, 2 percent; $10,001 to $15,000, 3 percent; $15,001 to $20,000, 4 percent; $20,001 to $25,000, 5 percent; over $25,000, 6 percent.

[3] Gross income in excess of $200 derived from dividends, royalties, and interest is subject to a 2-percent surtax. For the period May 1, 1947, to Dec. 31, 1948, the following temporary rates are applicable: $1 to $1,000, 1 percent; $1,000 to $2,000, 1½ percent; $2,000 to $3,000, 2 percent; $3,000 to $4,000, 2½ percent; $4,000 to $5,000, 3 percent; $5,000 to $6,000, 4 percent; $6,000 to $7,000, 5 percent; $7,000 to $8,000, 6 percent; $8,000 to $9,000, 7 percent; $9,000 to $10,000, 8 percent; $10,000 to $11,000, 9 percent; over $11,000, 10 percent.

[4] The amount of tax payable under these rates was reduced by 50 percent for the taxable years 1942–46.

[5] Effective Jan. 1, 1948, the rate on ordinary income will be 2.5 percent.

[6] Ordinary income, 2 percent; investment income, 5 percent.

[7] A temporary additional tax equal to 10 percent of the tax is applicable to the years 1936 through 1948. A second additional tax equal to 3 percent of the tax is applicable to 1942 and succeeding years.

[8] Earned income, business income, and annuities, 1.5 percent; capital gains, 3 percent; interest and dividends, 6 percent.

[9] The rates are 8 percent on the bracket $9,001 to $12,500 and 9 percent on the bracket $12,501 to $20,000.

[10] The rates apply to total income, not merely to the portion of net incomes falling within a given bracket, but as a result of the following tax credits, the schedule in effect is a bracket-rate schedule: $1,001 to $2,000, $5; $2,001 to $3,000, $15; $3,001 to $5,000, $30; $5,001 to $7,000, $55; $7,001 to $9,000, $90; over $9,000, $135.

[11] Income from intangibles, average property-tax rate.

[12] The tax payable under these rates was reduced by 25 percent for the taxable years 1941–44 and by 50 percent for 1945 and 1946. Capital gains are taxed at one-half the regular rates. Income from unincorporated business is taxed at 3 percent.

[13] The rates are: $1 to $1,500, 1 percent; $1,501 to $3,000, 2 percent; $3,001 to $4,500, 3 percent; $4,501 to $6,000, 4 percent; $6,001 to $7,500, 5 percent; over $7,500, 6 percent.

[14] The first $500 is taxed at 2 percent.

[15] The rate applicable to dividends from corporations having at least 75 percent of their property subject to the Tennessee ad valorem tax is 4 percent.

[16] Interest and dividends, 6 percent.

[17] Surtax: Normal tax less $37.50 divided by 6.

From Treasury Department, Division of Tax Research.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. As I understand the Senator from South Carolina, in the State of North Dakota the people pay a rate as high as 15 percent, in certain brackets, and in the District of Columbia the rate is up to 3 percent?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. LANGER. In other words, we are paying five times as much.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. LANGER. The Senator's position is that before we levy a sales tax on poor people, taxing them on their food and clothing, we should tax the incomes somewhere in the neighborhood of 10 or 15 percent, as some of the States are now doing; is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. LANGER. In other words, the sole question is whether we should tax those persons who can afford to pay, or tax those who cannot afford to pay.

Mr. JOHNSTON of South Carolina. That is the issue, as I see it.

Mr. President, on page 7, line 19, of the bill it will be found that I have increased the tax on taxable incomes on the first $2,000, to 2 percent. It is 3 percent on the next bracket of $3,000 of taxable income; 4 percent on the next $5,000 of taxable income; 5 percent on taxable income of excess of $10,000.

In North Dakota the taxpayer pays, in the $10,000 bracket, 10 percent, which is exactly twice as much as is suggested the people of the District of Columbia should pay on taxable incomes in excess of $10,000. In North Carolina the rate is 6 percent; in New York the rate is 7 percent; in Arkansas the rate is 4½ percent.

I am offering the amendment in order to try to get the necessary revenue for the District of Columbia.

It will be noticed, also, that we have reduced exemptions. Under the committee bill there is an exemption of $4,000, with $500 for each dependent. My amendment provides for an exemption of $1,000 for a single person, $2,000 for a married couple, and $500 for each dependent.

Let us see what the exemptions are in the States.

I notice that in Alabama the exemption is $300 for dependents; in Arkansas it is $400; in California it is $400.

My amendment provides for an exemption of $500. I notice that in my State the exemptions are only $200 for dependents. In Oregon they are $300. In North Carolina they are $200. In the great State of New York, after the taxation to which I referred a few moments ago, the exemption is $400. In New Mexico it is $200. In Montana it is $300. These figures show that the exemptions for dependents are low.

Mr. LANGER. What about North Dakota?

Mr. JOHNSTON of South Carolina. It will be found that in North Dakota the exemption is $500 for a single man, $1,500 for a married person the head of of family, and $500 for each dependent.

Mr. President, I think I have discussed this matter as fully as any one could have discussed it. I am sorry that it has not always been to a full Senate, but, as Senators know, we sometimes do not talk to a full body, and I am glad to see as many Senators present as there are here at this time.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. LANGER. Does not the Senator think he did a remarkably fine job, in view of the fact that after he talked here Friday, by a majority of seven the Senate adopted his amendment providing that revenue should be raised by the collection of income taxes, instead of by the imposition of a sales tax?

Mr. JOHNSTON of South Carolina. I am well pleased with that vote, and I thank each and every Senator for voting as he did. I hope that when we have a vote again on the particular amendment I am now discussing providing for a higher tax on incomes, the Senate will again go on record as in favor of the amendment. Then let it go to a free conference, and at that free conference I think it can be worked out.

Personally I think that if we scrutinize the appropriations and the expenditures, we might be able to cut just a little, and that would eliminate the need for some revenue. I call attention to the fact that a tax on cigarettes is provided, which will result in a return of a million dollars. It will be observed that we will not collect until 6 months late under the pending bill, but in the first year we will be behind only $4,000,000. If the District runs a deficit, it will be found that the next year, under my amendment, there will be $4,000,000 in addition to the needs of the District. What would hinder giving the District the right to borrow three or four million dollars for 1 year?

Mr. President, the big headlines I see in the newspapers amuse me. I see one here, "Higher United States Payments to District Only Solution, McGRATH Says." What would hinder giving them just a little bit more? He introduced a bill to contribute $30,000,000 to the District. My amendment would give them $15,000,000, instead of $12,000,000.

I understand word has been circulated that if we inserted the income-tax provision the House might not approve it, and there would not be any bill.

I notice in the newspaper I hold in my hand a big headline on the front page, "Representative KENNEDY Says House Would Take Senate's Bill for Broader District of Columbia Income Tax." I notice that in his statement he says that is true.

Mr. President, there are several courses we might follow. Remember that when the District's appropriation bill comes to us we will scrutinize it and see how much revenue there is. Then we will decide on how much the appropriation is to be.

Mr. President, I am not surprised to see the District Commissioners and others sitting around in the lobby while the Senate is discussing the sales tax. "Oh," they say, "it is an easy tax. It would just roll the money in." But when it is rolled in, will they not spend it easily, too?

There are many ways we might adopt. Just follow our District leader, the chairman of the committee, not up to the $30,000,000 his bill calls for, but just go about halfway with him above the present figure, and adopt the income-tax amendment, and there will be enough money to run the District government. There is no question about that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Holland	Neely
Brewster	Johnson, Colo.	O'Conor
Butler	Johnson, Tex.	O'Mahoney
Byrd	Johnston, S. C.	Reed
Cain	Kem	Robertson
Capehart	Kerr	Russell
Connally	Knowland	Saltonstall
Cordon	Langer	Schoeppel
Douglas	Lodge	Smith, Maine
Downey	Long	Sparkman
Ellender	Lucas	Stennis
Ferguson	McCarran	Taylor
Frear	McCarthy	Thomas, Okla.
Fulbright	McClellan	Thye
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	Malone	Watkins
Green	Martin	Wiley
Gurney	Miller	Williams
Hayden	Morse	Withers
Hickenlooper	Mundt	Young
Hill	Murray	
Hoey	Myers	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations is conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

REPORT OF ECONOMIC COOPERATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 179)

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I am transmitting herewith the third report of the Economic Cooperation Administration created by the Foreign Assistance Act of 1948, Public Law 472 of the Eightieth Congress, approved April 3, 1948.

The report covers activities under the Economic Cooperation Act of 1948 (title I of Public Law 472) and the China Aid Act of 1948 (title IV of Public Law 472). There is also included a summary of the status of the United States foreign relief program (Public Law 84, 80th Cong.) and the United States foreign aid program (Public Law 389, 80th Cong.).

This report is for the quarter ended December 31, 1948.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 16, 1949.*

DISTRICT OF COLUMBIA REVENUE BILL

The Senate resumed the consideration of the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. McGRATH. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NEELY. Mr. President, I venture to invite the attention of the Senate to a relevant self-explanatory telegram, just received, which is in the following language:

MAY 16, 1949.

Hon. MATTHEW M. NEELY,
United States Senator,
Washington, D. C.:

The Railway Labor Executives' Association, which consists of 20 standard railway labor organizations, is opposed to the sales-tax provisions in H. R. 3704 now pending in the United States Senate. The enactment of such tax legislation would impose upon the masses of the people in the District of Columbia an additional unwarranted tax burden. Therefore, on behalf of the Railway Labor Executives' Association, I earnestly appeal to the Members of the United States Senate to defeat the sales-tax provisions.

H. W. FRASER,
Chairman,
Railway Labor Executives' Association.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Am I correct in my understanding that the parliamentary situation is that the Senate agreed to the motion which was made on Friday last by the distinguished Senator from Iowa [Mr. HICKENLOOPER] to reconsider the vote by which the amendment offered by the Senator from South Carolina was agreed to?

The PRESIDING OFFICER. That motion was agreed to.

Mr. LUCAS. And we are now about to vote upon the amendment which has been offered by the Senator from South Carolina.

The PRESIDING OFFICER. The Senator is correct. The amendment relates to the income tax. The amendment was modified today by the Senator from South Carolina. It is that amendment upon which the Senate is about to vote.

Mr. LUCAS. In other words, the first four titles in the bill remain as they are at the present time. On Friday the amendment which the Senator from South Carolina offered struck out those titles.

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the modified amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY].

Mr. McGRATH. Mr. President, I wish to make it perfectly clear that the situation seems to be this: If the amendment now offered by the Senator from South Carolina prevails, we shall have written into the bill $7,000,000 more than is needed for the next fiscal year. There are some Senators who say, "We should like to express ourselves in favor of a lower ceiling on income taxes, and we also favor retention of the sales tax."

The situation in the conference will be as follows: The Senate will have passed a bill with $7,000,000 more than is needed.

Presumably we can trade with the House in respect to our views on income taxes. But if in connection with the next amendment, which will be to strike out all reference to the sales tax, we decide to keep the sales tax in the bill, then the sales tax issue will be settled as between the House and Senate. It will not be subject to consideration in conference. So there will be nothing left for us to do except to report back to the Senate the fact that since we could not trade on the sales-tax issue, and since it produces the amount of money which is needed, and since we do not want $7,000,000 in excess of that amount, all we could do was to yield and give up the Johnston amendment. We should then find ourselves back where we are at this very moment.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HOLLAND. Am I correct in my understanding that the amendment now to be voted upon would simply strike title IV from the bill and substitute that portion of the amendment offered by the Senator from South Carolina which deals solely with income taxation?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the modified amendment offered by the Senator from South Carolina [Mr. JOHNSTON] for himself and the Senator from West Virginia [Mr. NEELY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The amendment was, beginning with line 3 on page 47, to strike out down to and including line 4 on page 52, as amended, and insert the following:

TITLE I—AMENDMENTS TO ARTICLE 1 OF THE DISTRICT OF COLUMBIA REVENUE ACT OF 1947

Article 1 of the District of Columbia Revenue Act of 1947, as amended, is further amended as follows:

Paragraph lettered (s) of section 4 of title I of article 1 of said act is amended to read as follows:

"(s) The word 'resident' means every individual domiciled within the District on the last day of the taxable year, and every other individual who maintains a place of abode within the District for more than 7 months of the taxable year, whether domiciled in the District or not. The word 'resident' shall not include any elective officer of the Government of the United States or any employee on the staff of an elected officer in the legislative branch of the Government of the United States if such employee is a bona fide resident of the State of residence of such elected officer, or any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, unless such officers are domiciled within the District on the last day of the taxable year."

SEC. 2. Section 2 of title III of article I of said act is amended by adding thereto the following new subsection:

"(c) Adjusted gross income: The words 'adjusted gross income' as used in this article means gross income less deductions allowed under section 3 (a) of this title: *Provided, however,* That such deductions were directly incurred in carrying on a trade or business: *And provided further,* That in determining adjusted gross income, no deductions shall be allowed for charitable contributions, alimony payments, medical and dental expenses, an optional standard deduction, losses of property not connected with trade or business, or for an allowance for salaries or compensation for personal services of the persons liable for the tax."

SEC. 3. Section 3 (a) (1) of title III of article I of said act is amended to read as follows:

"(1) Expenses: All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business (except as otherwise provided herein), traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity."

SEC. 4. Section (3) (a) (4) (C) of title III of article I of said act is amended to read as follows:

"(C) of property not connected with a trade or business, if such losses arise from fires, storms, shipwrecks, thefts, or other casualty: *Provided, however,* That no such loss shall be allowed as a deduction under this subsection if such loss is claimed as a deduction for inheritance—or estate—tax purposes: *And provided further,* That this subsection shall not be construed to permit the deduction of a loss of any capital asset as defined in this article."

SEC. 5. Section 3 (a) (8) of title III of article I of said act is amended to read as follows:

"(8) Charitable contributions: Contributions or gifts, actually paid within the taxable year to or for the use of any religious, charitable, scientific, literary, military, or educational institution, the activities of which are carried on to a substantial extent in the District, and no part of the net income of which inures to the benefit of any private shareholder or individual: *Provided,* That such deduction shall be allowed only in an amount which in the aggregate of all such deductions does not exceed 15 percent of the adjusted gross income."

SEC. 6. Section 3 (a) (9) of title III of article I of said act is amended to read as follows:

"(9) Medical, dental, and so forth, expenses of individuals: Expenses in the case of residents, paid by the taxpayer during the taxable year, not compensated for by insurance or otherwise, for the medical care of the taxpayer, his spouse, or dependents as defined in this article. The term 'medical care,' as used in this subsection, shall include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of diseases, or for the purpose of effecting healthier function of the body (including amounts paid for accident or health insurance): *Provided, however,* That a taxpayer may deduct only such expenses as exceed 5 percent of his adjusted gross income: *And provided further,* That the maximum deduction for the taxable year shall not exceed $1,250."

SEC. 7. Section 3 (a) (13) of title III of article 1, of said act is amended to read as follows:

"(13) In lieu of the foregoing deductions, any resident may irrevocably elect to deduct for the taxable year an optional standard deduction of 10 percent of the adjusted gross income of $500, whichever is lesser: *Provided, however,* That the option provided in this subsection shall not be permitted on any return filed for any period less than a full calendar or fiscal year."

SEC. 8. Section 3 (a) of title III of article 1 of said act is amended by adding thereto a new subsection to read as follows:

"(15) Reasonable allowance for salaries: A reasonable allowance for salaries or other compensation for personal services actually rendered: *Provided, however,* That in the case of an unincorporated business the aggregate deduction for services rendered by the individual owners or members actively engaged in the conduct of the unincorporated business shall in no event exceed 20 percent of the new income of such business computed without benefit of this deduction: *Provided further,* That nothing herein contained shall be construed to exempt any salary or other compensation for personal services from taxation as a part of the taxable income of the person receiving the same."

SEC. 9. Section 4 of title IV of article 1 of said act is amended to read as follows:

"SEC. 4. Installment sales: If a person reports any portion of his income from installment sales for Federal income-tax purposes under section 44 of the Federal Internal Revenue Code and as the same may hereafter be amended, and if such income is subject to tax under this article, he may report such income under this article in the same manner and upon the same basis as the same was reported by him for Federal income-tax purposes, if such method of reporting is accepted and approved by the Commissioner of Internal Revenue."

SEC. 10. Subsections (a) of section 2 of title V of article 1 of said act are amended to read as follows:

"(a) Residents and nonresidents: Every nonresident of the District receiving income subject to tax under this article and every resident of the District, except fiduciaries, when—

"(1) his gross income for the taxable year exceeds $1,000, if single, or if married and not living with husband or wife; or

"(2) his gross income for the taxable year exceeds $2,000, if married and living with husband of wife; or

"(3) his gross sales or gross receipts from any trade or business exceeds $5,000, regardless of the amount of his gross income; or

"(4) the combined gross income for the taxable year of husband and wife living together exceeds $2,000 in the aggregate or the combined gross sales or gross receipts from any trade or business exceeds $5,000 regardless of the amount of their gross income."

SEC. 11. Section 3 of title VI of article I of said act is amended to read as follows:

"SEC. 3. Imposition and rate of tax: There is hereby annually levied and imposed for each taxable year upon the taxable income of every resident a tax at the following rates:

"Two percent on the first $2,000 of taxable income.

"Three percent on the next $3,000 of taxable income.

"Four percent of the next $5,000 of taxable income.

"Five percent on the taxable income in excess of $10,000."

SEC. 12. The Commissioners of the District of Columbia are authorized to make such changes in section 4 of title VI of article I of said act as are consistent with the provisions of sections 1 through 11 above.

SEC. 13. Title VIII of article I of said act is repealed.

SEC. 14. Section 10 (a) (4) of title XII of article I of said act is amended to read as follows:

"(4) For the purposes of subsections (a) (1), (a) (2), and (a) (3), a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day."

SEC. 15. The proviso to section 11 of title XII of article I of said act is amended to read as follows: "*Provided,* That if it shall be determined by the Assessor, the Board of Tax Appeals for the District of Columbia, or any court that any part of any tax which was assessed as a deficiency under the provisions of section 5 of this title was an overpayment, interest shall be allowed and paid upon such overpayment of tax at the rate of 4 percent per annum from the date such overpayment was paid until the date of refund, and in

addition thereto any interest upon such overpayment which was paid by the taxpayer shall be refunded."

SEC. 19. Section 2 (b) of title III of article I of said act is amended by adding thereto the following new paragraph:

"(14) Dues and initiation fees in the case of any club organized and operated exclusively for pleasure and recreation, no part of the net earnings of which inures to the benefit of any private individual or shareholder. As used in this subsection the word 'dues' means only sums paid or incurred by members on a monthly, quarterly, annual, or other periodic basis for the privilege of being members of such club and any pro rata assessment made against the members as such; the word 'dues' does not include any sums paid or incurred by members or their guests for food, beverages, or other tangible personal property purchased or for the use of the club's social, athletic, sporting, and other facilities; and the term 'initiation fees' includes any payment, contribution, or loan required as a condition precedent to membership, whether or not any such payment, contribution, or loan is evidenced by a certificate of interest or indebtedness."

SEC. 21. The provisions of this title shall be applicable to taxable years beginning after the 31st day of December 1948.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the junior Senator from Wyoming [Mr. HUNT]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. MCGRATH. On this vote the Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If the Senator from Washington were present and voting, he would vote "yea." If the Senator from Tennessee were present and voting, he would vote "nay."

The Senator from Florida [Mr. PEPPER] is paired on this vote with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Florida would vote "yea" and the Senator from Ohio would vote "nay."

Mr. MYERS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Connecticut [Mr. MCMAHON] is presiding at a hearing being conducted by the Joint Committee on Atomic Energy and is therefore necessarily absent.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on official business.

On this vote the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Tennessee [Mr. MCKELLAR]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Tennessee would vote "nay."

If present and voting, the Senator from Minnesota [Mr. HUMPHREY] would vote "yea."

Mr. SALTONSTALL. I announce that the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Ohio [Mr. BRICKER], who is absent on official business, is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from Ohio [Mr. BRICKER] would vote "nay," and the Senator from Florida [Mr. PEPPER] would vote "yea."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea."

The Senator from New Jersey [Mr. HENDRICKSON] is absent by leave of the Senate, and is paired with the Senator from Ohio [Mr. TAFT], who is absent on official business. If present and voting, the Senator from New Jersey [Mr. HENDRICKSON] would vote "yea," and the Senator from Ohio [Mr. TAFT] would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Montana [Mr. ECTON], and the Senator from Colorado [Mr. MILLIKIN] are detailed on official business.

The Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from New York [Mr. IVES] is absent by leave of the Senate. If present and voting, the Senator from New York [Mr. IVES] would vote "yea."

The result was announced—yeas 28, nays 39, as follows:

YEAS—28

Butler	Hayden	Mundt
Connally	Hill	Murray
Cordon	Johnston, S. C.	Neely
Douglas	Kem	Sparkman
Downey	Langer	Stennis
Ellender	Long	Taylor
Frear	McClellan	Wiley
Gillette	McFarland	Young
Graham	Malone	
Green	Morse	

NAYS—39

Anderson	Johnson, Colo.	Reed
Brewster	Kerr	Robertson
Byrd	Knowland	Russell
Cain	Lodge	Saltonstall
Capehart	Lucas	Schoeppel
Donnell	McCarran	Smith, Maine
Ferguson	McCarthy	Thomas, Okla.
Fulbright	McGrath	Thye
George	Martin	Tydings
Gurney	Miller	Vandenberg
Hickenlooper	Myers	Watkins
Hoey	O'Conor	Williams
Holland	O'Mahoney	Withers

NOT VOTING—29

Aiken	Eastland	Ives
Baldwin	Ecton	Jenner
Bricker	Flanders	Johnson, Tex.
Bridges	Hendrickson	Kefauver
Chapman	Humphrey	Kilgore
Chavez	Hunt	McKellar
McMahon	Pepper	Tobey
Magnuson	Smith, N. J.	Wagner
Maybank	Taft	Wherry
Millikin	Thomas, Utah	

So the amendment, as modified, offered by Mr. JOHNSTON of South Carolina, for himself and Mr. NEELY, was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk an amendment.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 1, beginning with line 8, it is proposed to strike out down to and including line 2 on page 47.

Mr. JOHNSTON of South Carolina. Mr. President, the effect of the amendment is to strike from the bill everything having to do with a sales tax. The sales tax which would be put into effect if the provision of the committee bill were approved, would be a 2-percent sales tax in the District of Columbia. I am asking at this time that that be stricken. I propose to eliminate the feature which would inaugurate a sales tax within the District.

I shall not take up much of the Senate's time. I wish to give an example of what would happen under the bill reported by the committee. If a man with a wife and one child is drawing a salary of $2,000, $2,500, $3,000, or even as much as $5,000, he is required to pay, with certain exceptions, a sales tax on everything he buys. A man working alongside him, drawing the same salary, may provide for only one dependent. In the last analysis, neither of those men would pay an income tax. A single man making $2,000 would not pay a cent under the present law. Under the bill, neither of those men would pay anything by way of income tax. But if the provision for a sales tax is included, a single man would pay a tax merely on what he bought for himself, while the man earning $2,000 with perhaps as many as eight children, would be required to pay a sales tax on everything he bought for those children. That is illustrative of the way a sales tax would operate. I can see no fairness in that.

Under the amendment to the income-tax law, an initial exemption of $4,000 would be allowed, with an added exemption of $500 for each dependent. That is the way the bill would work out if passed as it now stands.

Striking out the sales tax would automatically send the bill back to the committee. That would probably be the next move. That is what I predict would be done. It would be necessary to do that. If my amendment is rejected, Senators will then vote upon the passage of the bill as it now is. Do Senators want to vote for a sales-tax provision, written as it is written at the present time? I do not.

For that reason I have offered an amendment to eliminate the sales-tax feature. I hope the Senate will not wander into this unknown field in the District, speculating upon how much revenue will be raised by means of a sales tax, when there is such a fertile field from which to collect the tax—the income-tax law. The man with many chil-

dren is given many exemptions. But there are no exemptions under the sales tax, so far as the man who goes to a store to make purchases is concerned. The only exemption he has is so much for a meal. It is the same for everybody. In the field of medicine, it is the same for the rich and the poor. There is no tax on medicine, as I understand.

I shall never agree personally to a sales tax. In offering the amendment, I hope to get a record on how Senators feel regarding a sales tax. I ask for the yeas and nays.

Mr. HILL. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HILL. Am I correct in understanding that the Senator's amendment proposes to eliminate the sales-tax provision from the bill?

Mr. JOHNSTON of South Carolina. It would strike out the sales tax, and only that.

Mr. HILL. I voted in favor of the Senator's amendment to increase the rates under the income-tax provision. The Senate in its wisdom rejected the amendment. I know that certain revenue is required for the District of Columbia in order to maintain its schools, hospitals, health services, and many other public services. Now that the Senate has rejected the income-tax provision, if we should agree to the Senator's amendment striking out the sales tax, where will the necessary revenue for the District come from?

Mr. JOHNSTON of South Carolina. As I stated a few moments ago, if my amendment is adopted, the committee will then understand that the Senate does not want a sales tax, the bill will be recommitted, and the committee will write an equitable income tax, which I regard as the really fertile field. That is what I believe will happen.

Mr. HILL. It seems to me, since the Senate, in its wisdom, has rejected the increase in the income tax, we have no choice at this time, recognizing the compelling need for additional revenue, knowing that there must be additional funds for schools, hospitals, health services, welfare services, and many other services, but to provide the needed revenue by rejecting the Senator's amendment and imposing a sales tax.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] on which the yeas and nays have been requested. Is the demand seconded?

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the Senator from Wyoming [Mr. HUNT]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. McGRATH. On this vote the Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Tennessee would vote "nay."

On this vote the Senator from Florida [Mr. PEPPER] has a pair with the Senator from Ohio [Mr. BRICKER]. If the Senator from Florida were present and voting, he would vote "yea"; if the Senator from Ohio were present and voting, he would vote "nay."

Mr. MYERS. I announce that the Senators from Kentucky [Mr. CHAPMAN and Mr. WITHERS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on official business.

If present and voting, the Senator from Minnesota [Mr. HUMPHREY] and the Senator from West Virginia [Mr. KILGORE] would vote "yea."

Mr. SALTONSTALL. I announce that the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Ohio [Mr. BRICKER] who is absent on official business is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from Ohio [Mr. BRICKER] would vote "nay," and the Senator from Florida [Mr. PEPPER] would vote "yea."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea."

The Senator from New Jersey [Mr. HENDRICKSON] is absent by leave of the Senate and is paired with the Senator from Ohio [Mr. TAFT] who is absent on official business. If present and voting, the Senator from New Jersey [Mr. HENDRICKSON] would vote "yea" and the Senator from Ohio [Mr. TAFT] would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is necessarily absent.

The Senator from Vermont [Mr. AIKEN] and the Senator from Colorado [Mr. MILLIKIN] are detained on official business.

The Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from New York [Mr. IVES] is absent by leave of the Senate. If present and voting, the Senator from New York [Mr. IVES] would vote "yea."

The result was announced—yeas 23, nays 43, as follows:

YEAS—23

Connally	Hayden	Morse
Douglas	Johnston, S. C.	Murray
Downey	Langer	Myers
Ecton	Long	Neely
Ferguson	McCarran	Sparkman
Frear	McFarland	Taylor
Gillette	McMahon	Wiley
Green	Malone	

NAYS—43

Anderson	Hoey	O'Mahoney
Brewster	Holland	Reed
Butler	Johnson, Colo.	Robertson
Byrd	Kem	Russell
Cain	Kerr	Saltonstall
Capehart	Knowland	Schoeppel
Cordon	Lodge	Smith, Maine
Donnell	Lucas	Stennis
Ellender	McCarthy	Thye
Fulbright	McClellan	Vandenberg
George	McGrath	Watkins
Graham	McKellar	Williams
Gurney	Martin	Young
Hickenlooper	Miller	
Hill	Mundt	

NOT VOTING—30

Aiken	Hunt	Pepper
Baldwin	Ives	Smith, N. J.
Bricker	Jenner	Taft
Bridges	Johnson, Tex	Thomas, Okla.
Chapman	Kefauver	Thomas, Utah
Chavez	Kilgore	Tobey
Eastland	Magnuson	Tydings
Flanders	Maybank	Wagner
Hendrickson	Millikin	Wherry
Humphrey	O'Conor	Withers

So the amendment offered by Mr. JOHNSTON of South Carolina was rejected.

The VICE PRESIDENT. The bill is open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. MORSE. Mr. President, I might wish to offer an amendment. I desire first to ask the Senator from Rhode Island a question. I understand that the Senator made some statement on the floor of the Senate a few days ago in regard to the definition of semipublic institutions, and I wondered if his comment covered the subject of some telegrams I have received. I should like to read them, because if the matter is covered, I shall not offer an amendment. The first message I wish to read comes from Howard A. Meyerhoff, administrative secretary of the American Association for the Advancement of Science, and reads:

WASHINGTON, D. C., *May 10, 1949.*

WAYNE MORSE,
Senator From Oregon,
Senate Office Building,
Washington, D. C.:

Reference is made to the pending district sales-tax measure, H. R. 3704, section 18 which in defining semipublic institutions narrowly restricts educational institutions to those with teacher-student relationships.

The century-old American Association for the Advancement of Science, with its 206 affiliated educational and scientific societies, views this wording with great concern, since it might establish a precedent for innumerable tax levies. There is no sound basis for distinguishing between academic institutions and the nonprofit scientific and educational organizations that make Washington their headquarters. If there is no such intent there should be no objection to inserting "scientific" in the first sentence of section 18 and in deleting entirely the last sentence of this section. Consistently section 28 (g) should have added "and publications of semipublic institutions as defined."

We hope that you will introduce an amendment to this effect. With appreciation.

HOWARD A. MEYERHOFF,
Administrative Secretary,
American Association for the Advancement of Science.

I also have a similar message from Ralph E. Himstead, general secretary of the American Association of University Professors, which reads:

WASHINGTON, D. C., *May 11, 1949.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Reference pending District of Columbia sales-tax bill, H. R. 3704. Section 18 this bill defines educational institutions as those with student-teacher relationships. American Association of University Professors, which publishes a quarterly magazine of higher education which is sent to its 33,000 members, urges that section 18 and related sections, H. R. 3704, be amended to include as exempt from sales tax the publications of nonprofit educational associations. Such nonprofit educational associations with central offices in Washington, D. C., are the Association of American Colleges, the American Association of Junior Colleges, and the American Council of Education, of which latter organization the American Association of University Professors is a constituent member.

RALPH E. HIMSTEAD,
General Secretary,
American Association of University Professors.

I ask two questions, first, has the Senator from Rhode Island offered an amendment which covers the subject referred to in these telegrams, and if not, would he agree to take one to conference?

Mr. McGRATH. Mr. President, the subject has been covered by an amendment already adopted. I may state, so that the RECORD will be perfectly clear, that it was never the intention of the committee to change or affect the tax-exempt status of any charitable, educational or religious institution. We had neglected to insert the word "scientific," but now that word has been inserted by amendment. Such organizations are not affected, so long as they are operated in such a manner that no part of the net earnings they may receive inure to the benefit of any private shareholder or individual. I think the desires of those who have communicated with the Senator have been adequately covered.

Mr. MORSE. I thank the Senator.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is on the passage of the bill.

Mr. JOHNSTON of South Carolina and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the junior Senator from Wyoming [Mr. HUNT]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay."

Mr. McGRATH. On this vote the junior Senator from Tennessee [Mr. KEFAUVER] has a pair with the senior Senator from Washington [Mr. MAGNUSON]. If present and voting the Senator from Tennessee would vote "yea." If present and voting the Senator from Washington would vote "nay."

Mr. MYERS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Maryland [Mr. O'CONOR], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] who is absent by leave of the Senate on official business, would vote "yea" if present.

If present and voting, the Senator from Minnesota [Mr. HUMPHREY] would vote "nay."

Mr. SALTONSTALL. I announce that the senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Ohio [Mr. BRICKER] is absent on official business and is paired with the Senator from Vermont [Mr. AIKEN] who is detained on official business. If present and voting, the Senator from Ohio [Mr. BRICKER] would vote "yea" and the Senator from Vermont [Mr. AIKEN] would vote "nay."

The Senator from New Jersey [Mr. HENDRICKSON] is absent by leave of the Senate and is paired with the Senator from Ohio [Mr. TAFT] who is absent on official business. If present and voting, the Senator from New Jersey [Mr. HENDRICKSON] would vote "nay" and the Senator from Ohio [Mr. TAFT] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate. If present and voting the Senator from New York [Mr. IVES] would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea."

The Senator from Indiana [Mr. JENNER] is absent on official business. If present and voting, the Senator from Indiana [Mr. JENNER] would vote "yea."

The Senator from Nebraska [Mr. WHERRY] is necessarily absent.

The Senator from Colorado [Mr. MILLIKIN] is detained on official business.

The Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "nay."

The result was announced—yeas 48, nays 21, as follows:

YEAS—48

Anderson	Hill	Myers
Brewster	Hoey	O'Mahoney
Butler	Holland	Reed
Byrd	Johnson, Colo.	Robertson
Cain	Kerr	Russell
Capehart	Knowland	Saltonstall
Cordon	Lodge	Schoeppel
Donnell	Long	Smith, Maine
Ellender	Lucas	Stennis
Frear	McCarthy	Thye
Fulbright	McClellan	Tydings
George	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	Martin	Williams
Gurney	Miller	Withers
Hickenlooper	Mundt	Young

NAYS—21

Connally	Johnston, S. C.	Malone
Douglas	Kem	Morse
Downey	Kilgore	Murray
Ecton	Langer	Neely
Ferguson	McCarran	Sparkman
Gillette	McFarland	Taylor
Hayden	McMahon	Wiley

NOT VOTING—27

Aiken	Humphrey	O'Conor
Baldwin	Hunt	Pepper
Bricker	Ives	Smith, N. J.
Bridges	Jenner	Taft
Chapman	Johnson, Tex	Thomas, Okla.
Chavez	Kefauver	Thomas, Utah
Eastland	Magnuson	Tobey
Flanders	Maybank	Wagner
Hendrickson	Millikin	Wherry

So the bill (H. R. 3704) was passed.

Mr. McGRATH. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. HUNT, Mr. McGRATH, Mr. JOHNSTON of South Carolina, Mr. McCARTHY, and Mr. SCHOEPPEL conferees on the part of the Senate.

ORGANIZATION AND ADMINISTRATION OF STATE DEPARTMENT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1704) to strengthen and improve the organization and administration of the Department of State, and for other purposes, which was, to strike out all after the enacting clause and insert:

That there shall be in the Department of State in addition to the Secretary of State an Under Secretary of State and 10 Assistant Secretaries of State.

SEC. 2. The Secretary of State and the officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act. The Secretary may designate two of the Assistant Secretaries as Deputy Under Secretaries.

SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is inherent in or vested in the President of the United States, shall administer, coordinate, and direct the Foreign Service of the United States and the

personnel of the State Department. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration," the "Assistant Secretary of State in Charge of the Administration of the Department," the "Director General," or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, 80th Cong.).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the "Deputy Director General."

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

Mr. CONNALLY. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

REORGANIZATION OF GOVERNMENT AGENCIES

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 526, to provide for the reorganization of Government agencies, and for other purposes.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. Calendar No. 213, a bill (S. 526) to provide for the reorganization of Government agencies, and for other purposes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. I have heard it stated that Senate bill 526 may be displaced shortly by the agricultural appropriation bill. I should like to ask the Senator from Illinois, the majority leader, if that is a fact; or, if it is not a fact, if he expects to take up the appropriation bill early tomorrow afternoon?

Mr. LUCAS. The bill will not be displaced during this afternoon by the agricultural appropriation bill. Just when the agricultural appropriation bill will be considered I am not able at this moment to say, but it will perhaps be some time during the week.

Mr. SALTONSTALL. But it will not be on short notice tomorrow?

Mr. LUCAS. I do not believe so, because we have another matter on which we must act tomorrow, which is the motion made by the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the Senate recommitted the Labor-Federal Security appropriation bill. That motion will be taken up at 12 o'clock tomorrow immediately after the Senate convenes.

Mr. SALTONSTALL. I thank the Senator from Illinois.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 526) to provide for the reorganization of Government agencies, and for other purposes, which has been reported from the Committee on Expenditures in the Executive Departments with amendments.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. HOLLAND. Perhaps it was stated while I was not on the floor, but has there been any announcement made as to when the calendar will be called?

Mr. LUCAS. Let me say to the Senator from Florida that there has been no announcement as to when the calendar will be called, but it will be called sometime during the present week.

Mr. President, I yield the floor.

Mr. McCLELLAN. Mr. President, the Committee on Expenditures in the Executive Departments held considerable hearings and gave very careful study to Senate bill 526 before reporting it favorably to the Senate with certain amendments.

Mr. President, the need for reorganization of the executive branch of the Federal Government, in the interest of economy and efficiency of operation, is recognized and acknowledged by the President, by the Congress, and by the citizens of this Nation. It is essential that the Congress, in the public interest, enact legislation to effectuate the necessary reforms to bring the executive structure into a cohesive and workable organization in attune with modern times.

The pending bill, S. 526, continues a practice previously initiated by the Congress to expedite reorganizations within the executive branch of the Government. The original effort toward reorganization by delegation of authority to the President, and proposed to be continued in the pending bill, was first incorporated in the Economy Act of June 30, 1932. Under that authorization, President Herbert Hoover submitted 11 reorganization plans, which were subject to disapproval by either House of Congress within 60 days after submission. Due to the impending change in administrations, all 11 plans submitted after the general elections in 1932 were rejected by the House of Representatives, then under Democratic control, on the ground that the incoming administration should be permitted to review these proposals and submit its own reorganization program to the Congress.

Amendments to the Economy Act in 1933 granted additional reorganization authority to the President, under broadened powers providing that reorganizations could be effected by Executive order effective after 60 days unless Congress set aside such plan by the enactment of a new statute. Under this act, 8 pincipal and 15 subsidiary Executive orders were issued by President Franklin D. Roosevelt, none of which was set aside by statute within the 60-day period.

In 1939 the Congress passed the first Reorganization Act under which Executive initiation of reorganization plans was authorized, to become effective after 60 days unless disapproved by concurrent resolution of both Houses. Under this act five reorganization plans were submitted by President Roosevelt, none of which was rejected by either House. These plans included the creation of the Federal Security Agency, the Federal Works Agency, the Federal Loan Agency, and the Executive Office of the President. Other transfers and consolidations effected under Plans I and II, submitted by the President and effectuated on July 1, 1939, included the Farm Credit Corporation, the Federal Farm Mortgage Corporation, the Commodity Credit Corporation, and the Rural Electrification Administration to the Department of Agriculture; the Foreign Commerce Service, Foreign Agricultural Service, and the Foreign Service Buildings Commission to the Department of State; the Federal Prison Industry and the National Training School for Boys to the Department of Justice; and the Inland Waterways Corporation to the Department of Commerce.

During the war, Congress made further extensive temporary delegations of legislative authority to the President under the War Powers Act, which reorganizations were subject to further direct legislative action by Congress prior to or after such authority had expired, if they were to be made permanent.

The last Reorganization Act approved by Congress was in 1945, providing for the same procedure as under the 1939 act, that reorganization plans would become effective after 60 days unless disapproved by concurrent resolution by both the House and the Senate. Under this act President Truman submitted seven plans to Congress, three of which were rejected by both Houses and failed to become effective; three were rejected by one House but became law; one was not opposed by either House. This act expired April 1, 1948.

I point out at this time that in both the 1939 and the 1945 acts, which provided that reorganization plans should go into effect within 60 days unless disapproved by concurrent resolutions of both the House and Senate, there were specific exemptions as to a number of agencies of the Government. As I recall, the 1939 act contained 21 specific exemptions, and the 1945 act contained 11 exemptions. The pending bill contains no exemptions.

In July 1947 the Congress approved the bill creating the Commission on Organization of the Executive Branch of the Government, to be composed of 12 members, with appointments to be made on a bipartisan basis by the Speaker of the House, by the President pro tempore of the Senate, and by the President. In creating the Commission, the Congress recognized the urgent need for reorganization studies with a view to effectuating extensive consolidations and unification of overlapping and duplicating agencies throughout the entire executive branch. The Commission was composed of Members of Congress, representatives from the executive branch of the Government, and from the public in general.

Former President Hoover was made Chairman. The Commission, with the aid of a large technical staff, made numerous studies extending over a period of 18 months into all phases of the executive branch of the Government activities. The Commission divided its work into functional and departmental segments, and created 24 task forces composed of about 300 outstanding experts with authority to make complete studies and extensive recommendations. The Commission has submitted 18 separate reports to the Congress, in the following order:

First. General Management of the Executive Branch.

Second. Personnel Management.

Third. Office of General Services—supply activities.

Fourth. The Post Office.

Fifth. Foreign Affairs.

Sixth. Department of Agriculture.

Seventh. Budgeting and Accounting.

Eighth. National Security Organization.

Ninth. Veterans' Affairs.

Tenth. Department of Commerce.

Eleventh. Department of the Treasury.

Twelfth. Regulatory Commissions.

Thirteenth. Department of Labor.

Fourteenth. Department of the Interior.

Fifteenth. Social Security, Education, and Indian Affairs.

Sixteenth. Medical Activities.

Seventeenth. Business Enterprises.

Eighteenth. Part 1, Overseas Administration; Part 2, Federal-State Relations; Part 3, General Research.

All these reports are available to Members of Congress, and contain the recommendations of the Commission on the Reorganization of the Executive Branch of the Government.

On January 13, 1949, the Commission submitted a request to the Congress that reorganization authority be granted to the President, in line with previous reorganization acts, to expedite putting into effect the Commission's recommendations. Emphasis was placed on the importance of limiting exemptions. It was the opinion of the Commission that past experience had clearly shown that unrestricted authority should be given to the President in order to insure the prompt submission of reorganizations recommended by the Commission. It was further pointed out that this procedure, where it could be employed, had proved to be preferable to the ordinary legislative processes requiring initiation of legislation by Congress, committee action, and approval by both Houses of Congress and by the President.

On January 17, the President requested the enactment of a law granting to him unlimited authority to submit reorganization plans to take effect after 60 days, unless disapproved by consurrent resolution of the Congress.

Following the President's message, as chairman of the Committee on Expenditures in the Executive Departments I introduced the pending bill, Senate bill 526, providing for the reorganization authority requested by the President. The Committee on Expenditures in the Executive Departments, to which the bill was referred, held full hearings in a sincere effort to report a bill that would give the President substantially the authority he requested. The pending bill was reported favorably to the Senate on April 7, 1949.

In considering a program for effectuating required reorganizations, it was the consensus of the committee that three primary procedures should be followed:

First. That internal reorganizations affecting administrative procedures could be accomplished either by administrative action or by Executive order within the scope of existing law;

Second. That reorganizations relating to abolishing unnecessary or duplicating agencies, or the transfer or consolidation of existing components or related functions, subject to limitations prescribed by Congress, could be effected under authority granted in the pending bill by reorganization plans, with congressional approval. It is the second procedure that the pending bill undertakes to authorize.

Third. That the Congress should initiate substantive legislation required to effectuate broad reorganization programs involving the transfer and consolidation of agencies or components, and the coordination of existing policies and functions.

Mr. President, a study was made by the Bureau of the Budget of the various reports submitted by the Commission on Organization of the Executive Branch of the Government to determine the action necessary to put into effect the 277 recommendations of the Commission by administrative action, reorganization plan, or legislation, on this general premise. The Bureau of the Budget indicates that 114 specific recommendations or suggested reorganizations by the Commission may be effectuated by administrative action, without any further authority from Congress; that 124 separate recommendations by the Commission could be effectuated either by substantive legislation or direct appropriations to already existing components of the Government; and that 80 such reorganizations could be effectuated by reorganization plan, as proposed in the pending bill. There were a total of 288 Bureau of the Budget determinations as to changes required to conform to the 277 specific recommendations made by the Commission, and a total of 318 specified actions indicated as necessary to implement all the Commission recommendations.

Mr. President, I point out the study which has been made by the Bureau of the Budget, not because all the actions recommended as a result of that study are proposed to be undertaken through the passage of the pending measure, for under this bill only approximately 80 of the reorganizations in accordance with the recommendations of the Bureau of the Budget can be effected. As for many others, specific legislation enacted by the Congress will be required in order to place into effect the changes recommended by the Commission on Organization of the Executive Branch of the Government.

Mr. LODGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. McCLELLAN. I am glad to yield.

Mr. LODGE. I dislike to interrupt the Senator, if he prefers to yield later on. However, I wish to ask him whether the text of Senate bill 526 is the same as the text of the corresponding House bill, and whether the new matter inserted is additional to the House bill, or whether the entire bill now before us is new language.

Mr. McCLELLAN. The words in italics are new language, being amendments proposed by the Senate committee. The House also has made some amendments or changes in the bill originally introduced in the House. Both the House bill and this bill vary somewhat from the original bills introduced in the respective Houses.

Mr. LODGE. The measure now before the Senate is not the House bill with certain changes proposed by the Senate committee but is the original Senate bill as modified by the committee; is that correct?

Mr. McCLELLAN. That is correct.

Mr. LODGE. I thank the Senator.

Mr. McCLELLAN. Mr. President, a moment ago I stated that a total of 288 Bureau of the Budget determinations as to changes were required in order to conform to the 277 specific recommendations made by the Commission, and that a total of 318 specified actions were indicated as necessary in order to implement all the Commission's recommendations. This is due to an expansion or consolidation of Commission recommendations into two or more necessary actions required to effectuate the entire reorganization proposed. This would mean that existing laws will permit the implementation of almost 40 percent of the Commission recommendations by administrative action, and about 25 percent can be effectuated by reorganization plan, under the pending legislation. Under this determination, from a minimum of 30 percent to a maximum of 40 percent of all the Commission recommendations will require direct legislative action by Congress.

Action has already been taken by the Committee on Expenditures in reporting the Federal Property and Administrative Services Act of 1949, which is Senate bill 1809, in line with the Commission recommendations in Report No. 3 on the Office of General Services, and involving eight substantive legislation recommendations, according to the Budget Bureau Digest.

Reports from other committees indicate that some legislative action will be taken on other recommendations of the Commission before the end of the present session of Congress. I understand that other committees, to whom have been referred some of the Commission's reports or some of the bills proposed for the purpose of carrying out the recom-

mendations contained in the Commission's reports, have already held hearings, and that some of those measures have already been reported and are on the calendar. Others are in process of being handled by certain of the committees, I understand, just as others are in process of being handled by the Committee on Expenditures in the Executive Departments.

There is no purpose or desire on the part of the membership of the Committee on Expenditures in the Executive Departments in any way to delay or obstruct or impede the processing of proposed legislation which the committee feels is desirable, and much of which is recommended for the purpose of carrying out this reorganization plan. I desire to state—and I am sure that all my colleagues will agree—that in undertaking to enact specific legislation with regard to reorganization proposals, it is often a very technical and complicated matter to decide upon the exact language which should be included in the bill in order to have it accomplish the desired result. I know that other members of the committee share that feeling. Certainly we cannot consider this matter simply on a basis of saying whether we favor or oppose it. Meticulous work is required in order that we may present to the Senate a bill which will do in an intelligent way what has been recommended in the Commission's reports.

So I assure my colleagues that the committee of which I have the honor to be chairman is most anxious to consider as expeditiously as we can and report to the Senate a number of legislative proposals which will be required in connection with the Commission's recommendations on subjects over which our committee has jurisdiction; and reports from other committees indicate that some legislative action will be taken on other recommendations. Making no allowance for recommendations which may not meet with the approval of the committees, nor for any reorganization plans that may be disapproved by Congress, and estimating that the President may initiate 25 percent of the Commission's recommendations by reorganization plans if the proposed legislation is adopted without further delay, it will permit the consideration of up to 40 percent of the Commission's recommendations before the adjournment of Congress. Of course, on that point we cannot be accurate; we do not know what may intervene; but it is possible, at least reasonable hope is afforded, that a large part of the reorganization program may receive consideration before this session of the Congress adjourns. With the 35 percent to 40 percent which may be effectuated by administrative action, the over-all percentage might run up to 65 percent or more by the end of the calendar year.

At this point I ask unanimous consent to have printed in the RECORD a chart headed "Condensed summary of the Hoover Commission's reports and action to be taken." It is a chart prepared by the Bureau of the Budget, pointing out the number of recommendations of the Hoover Commission, and classifying them, those which can be put into effect without new legislation, the number which it is hoped may be achieved by the authority granted under the pending bill, and initiation by the President of reorganization plans, and the number which will possibly require specific legislation. I ask unanimous consent that it be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Condensed summary of Hoover Commission reports and action to be taken

Number and title of reports	House Doc. No.	Supporting documents		Total commission recommendations [1]	Bureau of the Budget digest of effectuation					Legislation proposed	Jurisdiction of committees [5]
		Appendixes	Typescripts		Total recommendations [1]	Substitute legislation	Appropriation legislation	Reorganization plan	Administrative action		
1. General Management of Executive Branch.	55	E	4	27	26	8	4	10	12	S. 942	EXP.
2. Personnel Management	53	A		29	33	13	1	2	18	S.498; S.1762	POCS.
3. Office of General Services	73	B, C	1	25	21	9	1	5	7	S. 1809	EXP.
4. The Post Office	76	I		9	9	6	1		4		POCS.
5. Foreign Affairs	79	H	5	22	22	7	3	3	13	S. 1704	FR.
6. Department of Agriculture	80	M		16	11	4		3	6		AF.
7. Budgeting and Accounting	84	F, D	5	13	14	7	3		7		EXP.
8. National Security Organization	86	G	3	6	14	4		3	7	S. 1843	AS.
9. Veterans' Affairs	92		[2] 2	12	9	2		1	6		FIN; LPW; BC; POCS.
10. Department of Commerce	100	N	11	14	17	4	1	11	5		IFC; PW.
11. Treasury Department	115	F		10	10	4		5	2	S. 1692	FIN.
12. Regulatory Commissions	116	N [3]	(3)	12	11	4		6	1		PW; IFC.
13. Department of Labor	119		1	8	8	1		5	2		LPW.
14. Department of the Interior	122	L, Q	1	15	18	1	1	12	6		EXP.; PW; IIA; IFC; AS; JUD.; AF; FR; BC.
15. Social Security, Education, and Indian Affairs.	129	P	2	17	17	5		4	8	H. R. 782	EXP; LPW; POCS; IIA.
16. Medical Activities	128	O	11	11	10	1	2	4	5		LPW.
17. Business Enterprises	152	J, R, K	5	23	30	20	1	5	4		EXP; BC; AF; IFC; IIA; PW.
18. Part 1. Overseas Administration	140		1	1	1	1					EXP; FR; AS; IIA.
Part 2. Federal-State Relations	140		[4] 6	5	5	4			1	S. J. Res 41	EXP; FIN.
Part 3. Federal Research	140			2	2	1		1		{S. 767; S. 810 / S. 247}	LPW; IFC; EXP.
Total		(20)	58	277	288	106	18	80	114		

[1] Because Commission recommendations have been expanded or consolidated in the Budget Bureau Digest, these 2 totals disagree.
[2] House Committee Print 13 and 14.
[3] Filed with Department of Commerce.
[4] Being printed for use of Subcommittee on Intergovernmental Relations.
[5] The key to abbreviated committee references is as follows: AF—Committee on Agriculture and Forestry; AS—Committee on Armed Services; BC—Committee on Banking and Currency; EXP—Committee on Expenditures in the Executive Departments; FIN—Committee on Finance; FR—Committee on Foreign Relations; IIA—Committee on Interior and Insular Affairs; IFC—Committee on Interstate and Foreign Commerce; JUD—Committee on Judiciary; LPW—Committee on Labor and Public Welfare; POCS—Committee on Post Office and Civil Service; PW—Committee on Public Works.

Mr. McCLELLAN. A comparison of the pending bill with the Reorganization Act of 1945 has been incorporated in the committee report, starting on page 6. For the information of the Senate, I shall endeavor to point out very briefly some of the major differences between the pending bill and the Reorganization Act of 1945.

The 1945 act provided for the disapproval of any reorganization plan submitted to the Congress by concurrent resolution, requiring concurrence by both the House and Senate before such plans became law; while the present bill permits the disapproval of any plan submitted to the Congress by the President by a simple resolution of either House.

Mr. President, I ask my colleagues to bear in mind another important difference, when I reach it. That is, that the bill reported by the committee, which is now before the Senate, is what may be called a clean bill. There is no exemption in it, there is not an exception. Every agency, every branch, every function of the executive branch of the Government is treated alike, and the President is granted full authority to submit reorganization plans that might affect any agency or any function of the executive branch of the Government.

The pending bill includes provisions which are broader than the 1945 act, through authority granted to top officials of Federal agencies to delegate routine functions vested in them by law, now prohibited from delegation under the present statute.

The Hoover Commission, in its studies of the executive agencies of the Government, found many instances of the law requiring the performance by the head of the agency of a specific act which was not of any vital importance or consequence and which might well be delegated by the head of the agency to some competent subordinate or requiring the performance of a duty which in many instances simply placed an undue burden, was time-consuming on the part of the agency, was unnecessary, and therefore the authority could be delegated. The pending bill provides for such delegation of authority. At the same time, of course, we still hold the head of the agency responsible for the performance of the duties entrusted to him. The bill does not remove the responsibility of officials from reviewing actions taken, but permits them to transfer or delegate details and functions vested in them by specific provisions of law, which may be more expeditiously handled by minor officials. The pending bill broadens and simplifies language relating to reorganizations and the creation of offices as compared to the 1945 act.

With reference to that, Mr. President, I may say that after experience and observation it was easily found that the language granting general authority could be simplified very much in comparison to the 1945 act, detracting nothing from the powers therein delegated, but extending and embracing all the powers delegated in it. The changes are largely improvements of expression, a matter of language, changes that do not go to the substance of the bill.

The bill also permits the President more latitude in the creation of new agencies, even to the extent of establishing executive departments of Cabinet rank. The President did not have that authority under the 1945 act; he did not have it under the pending bill as originally introduced; but we have broadened his power to the extent that the President may create an agency or declare the head of an existing agency to have Cabinet rank. The provision in the 1945 act which prohibits consolidation of two or more executive departments by a reorganization plan has been retained, however, in accordance with the President's recommendation that the elimination of executive departments shall only be effectuated by statute. While the President is given power to create a new department of Cabinet status, he is not under the act authorized to abolish an existing Cabinet department.

The bill, as reported by the committee, has eliminated the restrictive provisions relating to quasi-judicial and quasi-legislative functions of independent agencies, and also of certain independent agencies that have been named and that were excluded from the authority delegated in previous reorganization acts. I here make reference again to the fact that in the act passed in 1945, 11 specific exemptions were contained, whereas there are none in the pending bill; and in the 1939 act, my recollection is, there were 21 specific exemptions.

The pending bill also includes the reorganization of the government of the District of Columbia, which has heretofore been excluded from reorganization plans.

Mr. President, I am not an authority on the District of Columbia as to the particular establishment of the District government, but I should assume that in comparison, with respect to size, functions, and expenditures, it is one of the major departments of the Government. If we are to have a bill which absolutely exempts no agency in the executive branch, I think the District of Columbia should be included within the purview of the bill. The committee has so recommended.

The bill passed by the House of Representatives does not grant authority to the President to create a new executive department. The House bill also contains a so-called single-package provision, namely, it provides that a reorganization plan affecting seven named agencies shall not also provide for a reorganization which does not affect such agencies, but permits the transfer to such agencies of the whole or any part of any agency not so named.

At the conclusion of my remarks I shall have something to say in briefly expressing my own views regarding these two basic principles in the bill.

Many amendments were submitted to the committee which would have extended the same treatment to other agencies not named in the House bill. In other words, when our committee undertook to consider the legislation which the House had already passed, having acted hurriedly—I do not mean to say that it had acted with too much speed, but it acted with more speed than we found convenient in the Senate—it had named seven agencies, quasi-judicial legislative commissions, and so forth, and provided that any reorganization which affected either or all should be contained in a separate plan, and no other agency of Government could be included within it, except with respect to the transfer of a function of another agency of Government to the restricted agency.

When the committee considered that question there were a number of amendments submitted, and it was recommended that the committee stop where the House had stopped, at seven. If the committee had adopted the policy of writing in exemptions, I think probably more than those named in the House bill would have been written.

Former President Hoover was questioned when he appeared before the committee relative to this provision, and specifically regarding the proposal to remove the National Military Establishment from restrictions imposed by this section. He was unalterably opposed to such treatment of single segments of the Government under a general reorganization plan.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Arkansas yield to his colleague?

Mr. McCLELLAN. I am glad to yield to my colleague.

Mr. FULBRIGHT. I am not quite clear as to the nature of those seven instances. Are they considered exemptions from the operation of the bill? I should like the Senator to clarify that point. I did not quite catch the significance.

Mr. McCLELLAN. I would not classify them as outright exemptions. Those who opposed any restrictions or limitations in the bill have called them exemptions. Properly, I think they are not actual exemptions, but are restrictive to the extent that the President could not act as freely as he could with reference to all other agencies. I say to my colleague that had the Senate committee not decided to report a clean bill, I would have supported a one-package exemption. But I shall come to that a little later. I want to make some comments with reference to it, and I desire to make clear to the Senate why we have reported the bill in this form. It was in the hope that it might be understood that, as in all legislative processes, it is sometimes necessary to give a little and take a little in order to find a happy medium where everyone's rights are protected and their views generally respected. I think we have that kind of a bill before us.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Maryland.

Mr. O'CONOR. May I ask the very able chairman of the committee, Is it not true that in line with the question just asked by the junior Senator from Arkansas, in the event the House provisions should prevail and remain in the bill, it would be necessary for the President to send down separate messages in regard to those particular agencies, so that if there were any over-all plans desired for a number of agencies that effort would be thwarted?

Mr. McCLELLAN. The President would have to send down separate plans, under the provisions as I interpret them. I think the Senator is eminently correct. Frankly, I would favor outright exemption procedure rather than a one-package provision, as it has been called, because, I believe, if the House does not want a certain agency disturbed, it should say so, and not give the President any authority to reorganize it. If we are not to go that far, then I should prefer a clean bill with what I regard as ample protection for every agency and everyone's particular theory that this agency ought not to be disturbed, and that agency should be reorganized, because I believe we have reported a bill whose provisions will preserve the integrity of the legislative process. I believe this provision in the bill will help to insure that a better quality of reorganization plans will be submitted to the Congress. That is what we all desire. There is no disagreement, no dissension, regarding the over-all objective which we are seeking. I am sure there would not be a dissenting vote with regard to increasing economy and efficiency.

Mr. O'CONOR. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. O'CONOR. Does not the Senator feel, having in mind the interrelationship between and among the various departments, that it is much better to have

a clean bill than to have certain so-called exemptions or certain designated agencies which are not treated in the same manner as are a great number of other agencies?

Mr. McCLELLAN. I think the able Senator from Maryland will recall my views as expressed in committee, in our executive session in connection with this bill. I have always favored the exemption of one or two agencies. I still feel that I would rather see them unmolested and not disturbed. But since we have reported this bill, which was, in some measure, a compromise of our views, as to which, with possibly one exception, the full committee agreed, and since there has been an opportunity for more mature reflection, I am convinced that the bill does afford a free opportunity to the President to submit any kind of a reorganization plan which, in his judgment, he thinks the Congress should accept. I am equally convinced that if good plans are submitted, neither House of the Congress will oppose them.

I believe there is a fundamental principle involved in the process of permitting either House to reject a plan, because otherwise we delegate power. That has been done before, but I call attention again to the fact that it has not been done heretofore where there was a clean bill, because in enacting the legislation Congress stepped in and said, "We will give you authority over these agencies, to reorganize, subject to the disapproval of both Houses, but here are 11 or here are 21 which you must not touch." So I say that the more I have considered the provision in the pending bill, with no restrictions and no limitations, the more impressed I have been that this is the fair way, the equitable way, and the proper and effective way, to get the best reorganization plan submitted to the Congress.

Mr. FULBRIGHT. If I understand correctly, it takes affirmative action of a majority of either House to disapprove one of the plans.

Mr. McCLELLAN. My colleague is correct, it takes affirmative action on a vote to disapprove. Neither House is compelled to act on a plan. They can assent to it, they can acquiesce in the plan by negative action, by doing nothing. They must act affirmatively on a resolution of disapproval, and if they act affirmatively, that action must be taken within 60 days. If not taken within 60 days, then the plan will be effective.

I wish to point out to my colleague that that is why I have found it difficult in the past, in connection with the other acts, to go along with the provision which would require a concurrent resolution of the two Houses to disapprove. I know it is sometimes said, "If we are going to get reorganization, we must give the President power to reorganize." But reorganization of itself may not be a worth-while objective. It is the character and the quality of reorganization we get which will determine whether the effort we are making and the program we are undertaking will actually effectuate wholesome and efficient and economical reorganization of the executive branch of the Government.

Let me say to my colleague and to the Senate that I think there are those who know that there are one or two agencies of Government which I should dislike very much to see disturbed, but notwithstanding that, I am going to defend the pending bill as is, I am going to vote against any amendments placing exemptions in the bill, and unless the Senate starts placing exemptions in the bill, so long as it leaves this provision for a one House veto, which I think preserves the integrity of the legislative process, I am going down the line for the bill and vote against any exemptions and let the President have a clean bill and a free hand. At the same time, I say I have had trouble going along with the requirement that two Houses must disapprove to keep a reorganization plan from becoming law, because if we retain that provision, if we retain that procedure for disapproval, we are in effect abdicating the legislative power and duty of at least one House of the legislative branch of the Government, because the action of the President, with the approval, or no action at all, negative approval, of either House of the Congress, could put into effect a reorganization plan which the other House unanimously opposed, and that plan, once in effect, would be tantamount to the enactment of a law.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am happy to yield to the distinguished Senator from Michigan.

Mr. VANDENBERG. As a very junior member of the Senator's committee, but one who has participated in the general plan which the able Senator from Arkansas has been approving today, I wish cordially to join myself to the philosophy of action which he is recommending in the bill. Furthermore, I wish to pay him the compliment which he deserves, because I know how deeply he is attached to the exemption of at least one or two very important departments or agencies of the Government. I know he considers it of primary importance to him and his area that they should be exempted, and when he is willing to surrender the right of exemption at that point in order to have a clean bill, without exemptions, it seems to me that he not only is behaving in a statesmanlike way himself, but that he is setting an example to the rest of us which we will do well to follow.

If the Senator will permit, I should like to add that I am one of those who would very seriously object to the wrong kind of reorganization for one particular instrumentality in which I have had 10 years' interest, namely, the Federal Deposit Insurance Corporation. I am willing to take my chances on a clean bill if we can have a clean bill. I am willing to take my chances on the forum of the House and Senate for the ultimate trial of the justication of a Presidential plan. But if we are not to have a clean bill, I shall find it irresistably necessary to urge the exemption of the agency in which I am interested, and I strongly suspect that there will be 94 other Senators besides the Senator from Arkansas and the Senator from Michigan who will have the same point of view.

The net result will be a reorganization bill which so totally ties the hands of the President of the United States that he will have, if he desires it, a perfect excuse to do absolutely nothing under the reorganization law. I am not willing to give him that excuse. I do not want to leave the matter in that negative form. On the contrary, I want to give the President every opportunity to make recommendations which can submit themselves to the judgment of the House and Senate.

Mr. President, it seems to me that the recommendation made by the committee is the best possible formula to give reorganization its maximum chance, at long last, to make some progress in demobilizing the executive bureaucracy of the Federal Government.

If the Senator will permit me further to intrude upon his time, I should like to contribute this testimony. The able chairman of the committee knows that before the decision was made by the committee, I took special pains to consult that group on the outside of Congress which is organizing itself in the interest of getting maximum results from the Hoover reports. I submitted to the spokesmen for that group the very frank question, "Which would you rather have, a reorganization bill permitting a veto by each House of Congress, a clean bill with no exemptions under those circumstances, or would you rather have the two-House veto as originally contemplated by the House bill, and a list of exemptions?" I said, "I don't want any snap answer, either. I want you to spend a day to bring me an answer on which I can rely." At the end of the day the answer was that they felt it was infinitely preferable to have a clean bill, as it has been reported by the committee. I do not mean by that testimony to certify that they are satisfied with this arrangement, because of course they would like to have both of these protections. But since it is perfectly obvious that both protections cannot be provided, I think they are right when they choose the protection which has been recommended by the bill, and which is ably supported by the chairman of the committee, in spite of his personal reluctance in connection with some phases of it. I think the Senate will have made the greatest possible contribution to the progress of reorganization under the Hoover reports if it agrees with the able Senator from Arkansas and proceeds to take the bill as he has presented it to the Senate.

Mr. McCLELLAN. Mr. President, I wish to thank the distinguished Senator from Michigan, who is now a member of the committee. He became a member of the committee only this year. I express my personal appreciation to him for the valuable contribution he made in helping us prepare the bill. As I stated earlier this afternoon, legislation of this character is not easy to agree upon. The Senator from Michigan made a very valuable

contribution all the way through in the consideration of the measure. I agree with what the Senator from Michigan has said. If we put enough exemptions and restrictions in the bill we can give the President a reorganization bill but leave him nothing to reorganize. If the Senator from Michigan and I should insist that this agency or that agency, in which we are interested, should be exempted from the provisions of the bill, and, as the able Senator from Michigan suggested, if the 94 other Senators should insist on exempting agencies in which they are interested, as they probably would if they have the same feeling about other agencies that I have about one or two I have in mind, and concessions were made respecting them, the result would be we might pass a so-called reorganization bill, but have nothing to reorganize.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LODGE. I should like to compliment the Senator for the manly way in which he has approached this matter, because I realize that there are agencies of the Government in which he is profoundly interested. I agree with him and I agree with the Senator from Michigan that it is a great step forward if we can put this bill onto the statute books. I think the Senator knows of my strong interest in the whole subject.

The thing which preoccupies me is what is going to be the fate of this legislation when it goes to conference. How optimistic is the Senator from Arkansas on that point, and can he give us a few words of assurance as to his general approach to that topic?

Mr. McCLELLAN. Mr. President, I will say to the able Senator from Massachusetts that, of course, I cannot predict whether the House conferees are going to agree with us or not. But to the Senator from Massachusetts and to the whole membership of the Senate I say that when the bill is passed I shall have no intention, as a conferee, if I am one of the conferees on the part of the Senate, of yielding on either of these basic points. We might just as well settle that question, and I want the Members of the Senate to know now that I, as a conferee on the part of the Senate, am not going to yield on either of these basic points. I think that needs to be known, and I believe the Senate should vote on the bill with that understanding. I think it would be manifestly unfair for me not to take that position. I do not say that, of course, with any disregard for the views the other House may entertain, but we are endeavoring to pass through the Senate a clean bill, and if we cannot keep it clean, then we will have, so far as I am concerned, to try to pass another bill.

Mr. LODGE. I think that is a very forthright statement. It is the kind I would expect the Senator from Arkansas to make. I think it is most helpful and reassuring to have those good words in the RECORD.

Mr. McCLELLAN. That is very much the way I feel about it. There are other members of the committee present, and I know some of them share those views.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LUCAS. In previous reorganization bills different agencies of Government have always been exempted, both by the House and by the Senate. Is that not correct?

Mr. McCLELLAN. That is correct.

Mr. LUCAS. Am I correct in saying that this is the first time that either branch of the Congress has ever come forth with a clean bill wherein no agency of the Government is exempted, and giving the President full power to reorganize?

Mr. McCLELLAN. That is correct with respect to the three major reorganization bills of this character which have been enacted into law in the past. Of course, in the War Powers Act and in the Economy Act there were probably no exemptions. That, however, I do not recall.

Mr. LUCAS. Mr. President, will the Senator again yield?

Mr. McCLELLAN. I yield.

Mr. LUCAS. In reading the committee report I find that the House has exempted from the bill the National Military Establishment, the Board of Governors, Federal Reserve System, the Interstate Commerce Commission and Securities and Exchange Commission.

Mr. McCLELLAN. That was what the committee reported to the floor of the House. Three other agencies were added on the floor of the House. The bill was further amended, as the Senator will see if he reads further along in the report.

Mr. LUCAS. That is what I was coming to next. In addition to the agencies the committee exempted when submitting the report to the floor of the House, three other agencies were exempted on the floor, making in all seven agencies which the House exempted. With respect to the query propounded by the Senator from Massachusetts about what may happen in conference, I do not know what will happen there, and neither does the Senator from Arkansas, of course; but, assuming that the conferees on the part of the House might recede with respect to these agencies and agree with the Senate that no agencies shall be exempt, would that make any difference with respect to the other point the Senator is now stressing with respect to the veto by each branch of the Congress?

Mr. McCLELLAN. Very much so, because I want to keep faith with myself and with every Member of this body. I could not vote for the bill with some exemptions in it if the two-House veto should be retained. I want the Senate to know and understand just how I personally feel about the matter. I say again with reference to the remarks made by the able Senator from Michigan that I feel in bringing forth the bill in the form in which it now is, I have made as much sacrifice as I am asking any other Senator to make in voting for the bill.

Mr. LUCAS. I am sure I understand the able Senator, but I desire to make the matter perfectly clear. In other words, if the House were to recede from the provisions that are now in the House bill with respect to the exemptions contained in it, and have no exemptions whatever in the bill, and if the House should agree to the provisions of the Senate bill, would the Senator from Arkansas under those conditions still insist on a separate veto by each House?

Mr. McCLELLAN. Yes. I would insist because I could not support the bill with exemptions out of it, if it required action on the part of both Houses to disapprove by concurrent resolutions.

Mr. O'CONOR. Mr. President, will the Senator from Arkansas yield to me so that I may ask a question of the Senator from Michigan, whose comment I heard a short while ago?

Mr. McCLELLAN. I yield.

Mr. O'CONOR. Does not the Senator from Michigan feel that with the bill modified as it is our committee has virtually accomplished all that reasonably could be expected, and that looking at the situation realistically it is the best way in which to effect an over-all reorganization program? Does not the Senator so feel?

Mr. VANDENBERG. That is my opinion. I want to make it very plain that I think we are not free agents to write this reorganization formula without any limitations whatever. It is simply not in the cards to write that sort of a bill. We confront this choice of a bill which is a clean bill without agency exemptions, and a one-House veto, or a bill with a two-House veto and a list of exemptions as long as one's arm. Now, if the reorganization plans cannot justify themselves when submitted by the President in both Houses of Congress, then the presumption is, I should say, under the American legislative precedent and system, that the reorganization recommendations are not worthy of approval. That is the basis upon which we write laws. I have never heard of a system under which the House alone could enact a law. That is precisely what would be undertaken in reverse, except as the single-House veto as provided in the Senate recommendation were to be followed.

As a matter of elementary justice, let us see what is involved. The Senator from Arkansas says that when he submits a clean bill he is giving up the right to demand an exemption which is of extreme importance to him and the people of his State. Could we possibly ask the Senator from Arkansas to give up an exemption which is of extreme importance to him and to the people of his State if, on the other hand, we leave the bill in a form in which the Senator from Arkansas might never even have an opportunity to vote upon a recommendation which he considers of such importance? I think that not only is this a sound choice from the standpoint of choosing the better of the relative opportunities which we confront, but, regardless of that relationship, I think fundamentally it is sound for the precise reason which I have indicated.

I wish to make it as clear as I can that I share with the able Senator from Massachusetts [Mr. LODGE] all his hopes and aspirations for this undertaking, for which he was originally responsible in

part through his authorship of the original resolution. I want the Hoover reports to have their maximum opportunity for effective consideration and effective application. Under the economic pressure of the times, when the great Federal bureaucracy has grown, like Topsy, into a thing of utter economic menace to the taxpayers of the United States, I believe the time has come when we must take advantage of this opportunity to undertake to streamline the executive branch of the Government. I think every rational mind in the Senate is dedicated to that objective. I think 95 percent of the American people are dedicated to that objective. I want the Senate to answer those objectives and aspirations to the maximum. In my opinion, we answer them to the maximum when we accept the committee report, because we have given the President carte blanche, without reservation or exemption, to make any recommendations he desires. We simply stand upon our ultimate legislative right to pass judgment in both Houses of Congress on the wisdom of what he proposes. That is the American system. That is the best way to get results from reorganization.

Mr. O'CONOR. Mr. President, I appreciate very much the sentiments of the Senator from Michigan. I fully agree with them.

Mr. McCLELLAN. Mr. President, since the committee reported the bill I have said that I am more impressed with the bill now than I was before. Notwithstanding the fact that there are some agencies which I would not want to see disturbed, if a reorganization plan is submitted which does disturb them, if both Houses agree that they should be disturbed, perhaps I am mistaken. We all must submit to the will of the majority in connection with questions which do not actually reach down into and undertake to uproot a fundamental principle of liberty or of constitutional processes. Certainly this is not such a question. It is a matter of opinion whether a particular function can be better performed by one agency than by another. That question does not involve a basic fundamental of government. If it did, I would have no hesitancy, as many Senators know, in resorting to what might be termed "dilatory tactics" to delay a vote on something which I thought struck at one of the fundamental principles of democracy and liberty. But if a majority of both the House and Senate agrees with what the President has recommended in a reorganization plan, I think it should go into effect. However, I do not believe that any reorganization plan which is, in effect, tantamount to law, should ever go into operation with the approval of one House of the Congress and the disapproval of the other. That would be striking at one of the basic fundamentals of legislative integrity. Fortunately, nothing has happened under the other two acts to cause alarm, but we are passing this bill in the hope that there may be the greatest, most concerted effort toward reorganizing the executive branch of the Government, and that a thorough job will be done.

Mr. President, I am not too optimistic about immediate economies being effected. The economies to be effected will be the result of a better and more orderly arrangement, better management arrangements, and better housekeeping arrangements of the executive branch of the Government. I entertain high hopes for such results. In such a reorganization related functions will be brought together. There will be a better arrangement of the various interrelated functions, and they will be integrated in their operating effect. In that way I believe that economies can be effected in the future.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. THYE. As a former member of the committee, I commend the able Senator from Arkansas, chairman of the committee, and the other members of the committee for reporting such a fine bill to the Senate. A Reorganization Act is a most important and necessary step in our Government.

A year ago when the able Senator from Massachusetts [Mr. LODGE] presented his ideas for reorganization, which developed into the creation of the Hoover Commission, I was most encouraged. I am even more encouraged now, as a former member of the committee, by the fine presentation which the Senator from Arkansas has made as chairman of the committee.

Mr. McCLELLAN. I thank the Senator very much.

Mr. President, I am about to conclude. I do not wish to ask for undue haste, but I am hopeful that we can conclude consideration of the bill this afternoon.

I believe that it is unnecessary for me to proceed with the remainder of my prepared remarks. If I may have unanimous consent that the remainder of my prepared address be inserted in the RECORD at this point as a part of my remarks, I shall not take further time in discussing the measure.

There being no objection, the additional statement was ordered to be printed in the RECORD, as follows:

The House bill continues reorganization authority indefinitely, without time limitation. Specific expiration dates were included in previous acts. An amendment was approved by the committee which continues authority under the pending bill until April 1, 1953. It was the opinion of the committee that Congress should retain some control by which periodical examinations could be made relative to the effectiveness of the reorganization authority and accomplishments attained under its operation, with a view to extending or revising the act as may be found desirable, based on performance and experience. The bill as now proposed would extend more than 2 months into the incoming term of the next administration, permitting the submission of reorganization plans to Congress during the 60-day period following April 1, 1953, and plans submitted under the act to become effective within that period if not disapproved by the House or the Senate.

In adopting the amendment providing for a simple resolution of disapproval by either House, the committee's main objective was to provide the President with as broad reorganization authority as he would require in making any desirable reorganizations without regard to the agencies affected. The committee was sympathetic to suggested amendments submitted by Senators, some of which were included in the bill as passed by the House, relating to special treatment of certain regulatory, quasi-judicial, and quasi-legislative agencies, as recommended by the Commission on Organization of the Executive Branch, if the original provision requiring disapproval by both Houses of Congress by concurrent resolution had been retained in the bill. Realizing these exemptions would open the door to the inclusion of at least a dozen or more such agencies, the committee, in the interest of promoting more expeditious action, and with a view to permitting the President to exercise full reorganization powers, granted him authority to submit any reorganization plan he deems advisable.

In order to permit clear determinations by Congress on specific reorganization proposals, however, an amendment was included in the bill which declares it to be the intent of Congress that it is in the public interest and in accordance with the most effective reorganization procedure that each reorganization plan transmitted by the President shall contain only related reorganizations. The purpose of this amendment is to enable the Congress to act on the merits of reorganization proposals of related agencies without the interjection of some proposal with little or no relation to the major plan involved.

During the hearings it became apparent that if any exemptions or special treatment in the way of so-called one package reorganization-plan restriction were included, many agencies might finally be placed in this category. It was the opinion of the committee that, under these circumstances, it would be far preferable to extend full authority to the President to recommend any desirable reorganization regardless of the agency or function affected, and reserved to both the House and the Senate the right of disapproval by simple resolution.

Some who favor disapproval by the concurrent resolution procedure contend that this is no improvement over the existing legislative process. This is not in accord with the facts. Under the pending bill the President has a free hand to initiate any reorganization plan affecting agencies with related functions and within statutory limitations, extending even to the creation of a new executive department with Cabinet status. This is a clear delegation of authority by the Congress to the President over the initiation of legislative actions exclusively reserved to the legislative branch under the Constitution. The bill also provides that when such plans are submitted to Congress, a resolution of disapproval must be passed by either the House or the Senate within 60 days after its submission, or it automatically becomes law.

The President on May 9 again requested prompt Senate action on the Reorganization Act, and, as a member of the Commission on Organization of the Executive Branch, I join in urging Senate approval of the pending bill in the interest of effecting necessary reorganizations in the Government with the least possible delay.

Mr. McCLELLAN. Mr. President, in conclusion I wish to say that if this proposed legislation is to be enacted in time for the President to submit to the Congress reorganization plans which can be acted upon at this session, the passage of this bill should not be delayed, for consideration of the bill in conference will take at least some time. So I am very hopeful that this afternoon we shall be able to pass the bill, together with the amendments which have been discussed.

and which the committee has recommended; that then the conferees may be able speedily to agree; and that the bill will become law in time to give the President an opportunity to send to the Congress reorganization plans which can be considered and acted upon at this session.

Mr. LODGE. Mr. President, am I correct in my belief that the first question is on the adoption of the committee amendments?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). That is correct; and the clerk will state the first amendment of the committee.

The first amendment of the committee was, on page 3, in line 3, after the word "legislation", to insert: "The Congress further declares that it is in the public interest and in accordance with the most effective reorganization procedure that each reorganization plan transmitted by the President under section 3 contain only related reorganizations."

The amendment was agreed to.

The next amendment was, under the subhead "Other contents of plans," on page 5, in line 18, after the word "Senate", to insert "except that, in the case of any officer of the municipal government of the District of Columbia, it may be by the Board of Commissioners or other body or officer of such government designated in the plan."

The amendment was agreed to.

The next amendment was, on page 6, in line 12, after the word "for", to strike out "winding up" and insert "terminating."

The amendment was agreed to.

The next amendment was, under the subhead "Limitations on powers with respect to reorganizations," on page 6, at the beginning of line 16, after the section number, to insert "(a)."

The amendment was agreed to.

The next amendment was, on page 7, after line 14, to insert:

(b) No provision contained in a reorganization plan shall take effect unless the plan is transmitted to the Congress before April 1, 1953.

The amendment was agreed to.

The next amendments were, under the subhead "Taking effect of reorganizations," on page 8, in line 1, after the word "by", to insert "either of"; in the same line, after the word "a", to strike out "concurrent"; and in line 2, after the word "that", to strike out "the Congress" and insert "that House."

The amendments were agreed to.

The next amendment was, on page 8, in line 11, after the word "certain", to strike out the semicolon and "except that if a resolution (as defined in section 202) with respect to such reorganization plan has been passed by one House and sent to the other, no exclusion under this paragraph shall be made by reason of adjournments of the first House taken thereafter."

The amendment was agreed to.

The next amendment was, under the heading "Title II," on page 11, after line 18, to strike out section 202, as follows:

SEC. 202. As used in this title, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not favor the reorganization plan numbered —— transmitted to Congress by the President on ——, 19—," the blank spaces therein being appropriately filled; and does not include a concurrent resolution which specifies more than one reorganization plan.

And in lieu thereof to insert a new section 202, as follows:

SEC. 202. As used in this title, the term "resolution" means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the —— does not favor the reorganization plan numbered —— transmitted to Congress by the President on ——, 19—," the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; and does not include a resolution which specifies more than one reorganization plan.

The amendment was agreed to.

The next amendment was, on page 12, in line 21, after the word "introduction", to strike out "(or, in the case of a resolution received from the other House, 10 calendar days after its receipt)."

The amendment was agreed to.

The next amendment was, on page 14, after line 20, to strike out:

SEC. 207. If, prior to the passage by one House of a resolution of that House with respect to a reorganization plan, such House receives from the other House a resolution with respect to the same plan, then—

(a) If no resolution of the first House with respect to such plan has been referred to committee, no other resolution with respect to the same plan may be reported or (despite the provisions of section 204 (a)) be made the subject of a motion to discharge.

(b) If a resolution of the first House with respect to such plan has been referred to committee—

(1) the procedure with respect to that or other resolutions of such House with respect to such plan which have been referred to committee shall be the same as if no resolution from the other House with respect to such plan had been received; but

(2) on any vote on final passage of a resolution of the first House with respect to such plan the resolution from the other House with respect to such plan shall be automatically substituted for the resolution of the first House.

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

The bill is open to further amendment.

Mr. BYRD. Mr. President, I have an amendment at the desk, and I offer it and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, in line 18, it is proposed to strike out the period and insert a comma and the following: "and shall specify the reduction of expenditures (itemized so far as practicable) which it is probable will be brought about by the taking effect of the reorganizations included in the plan."

Mr. BYRD. Mr. President, the purpose of the amendment is to require the President to submit to the Congress estimates of the savings which it is anticipated will result from the reorganization plan he sends to Congress; and the amendment would have such estimates of savings submitted by the President to the Congress at the time when the plan is sent to Congress.

I cannot imagine that there will be any objection to the amendment, for one of the main purposes of the bill is to reduce governmental expenditures. I think the Congress should have the information referred to in the amendment presented to it at the time when the plans come to the Congress for action.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD].

Mr. McCLELLAN. Mr. President, I cannot speak for the entire committee, for I do not believe this amendment was presented to the committee. However, I wish to say that, so far as I am concerned, I have no objection to the amendment. Frankly, I shall be very glad to have furnished, along with each reorganization plan, some statement or some figures in regard to the economies which will result from the proposed plan.

Unless there is some objection by some other Member of the Senate, certainly I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. McCLELLAN. Mr. President, inasmuch as we progressed this far in the consideration of the bill, it seems to me that before a final vote is taken on it, a quorum call should be had, in case other Senators have amendments which they wish to propose. Some Senators have gone to their offices, thinking that the consideration of this bill would take some time. Of course I wish to be fair to all Senators, and therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Miller
Butler	Hoey	Millikin
Byrd	Holland	Morse
Cain	Humphrey	Mundt
Capehart	Ives	Murray
Chavez	Johnson, Colo.	Myers
Connally	Johnson, Tex.	Neely
Cordon	Johnston, S. C.	O'Conor
Donnell	Kerr	Reed
Douglas	Kilgore	Robertson
Ecton	Lodge	Russell
Ellender	Lucas	Saltonstall
Frear	McCarthy	Schoeppel
Fulbright	McClellan	Smith, Maine
George	McFarland	Sparkman
Graham	McGrath	Thye
Green	McKellar	Vandenberg
Gurney	Malone	Williams
Hayden	Martin	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations is conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

Mr. FERGUSON subsequently said: Mr. President, I ask unanimous consent to place in the RECORD following the last

quorum call a statement that the Senator from Nevada [Mr. McCARRAN], the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. WILEY], and the junior Senator from Michigan [Mr. FERGUSON] were attending an open hearing of the Judiciary Committee at the time of the quorum call, and therefore were not able to answer to their names, when called, because it was necessary for us to conclude hearing a witness who had to leave town immediately upon the conclusion of his testimony.

The PRESIDING OFFICER. Without objection, the statement will be placed at the point indicated in the RECORD.

The bill is open to further amendment.

Mr. LODGE. Mr. President, I believe this is the first over-all reorganization of the Government ever presented to the Congress. I believe that this reorganization of the executive branch can be the most far-reaching effort at Government economy ever attempted. I invite attention to the fact that the salient reason for the downfall of popular government in the Old World is that government there was no longer able to translate into action the aims and aspirations of the people because it had become so inefficient. I believe, if we are to keep our system of popular government, that we must keep it an efficient government so that the people will have confidence in it. This bill represents compromises on the part of everyone concerned, but it does make possible real progress toward economical and efficient government and I hope it shall pass.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. O'CONOR. Mr. President, I wish to subscribe wholeheartedly to the statement just made by the Senator from Massachusetts. As has been said by the chairman of the committee, this far-reaching measure will do more, possibly, than will any other bill passed by the Congress to effectuate governmental reorganization. Every safeguard has been thrown about the bill to insure proper congressional consideration. I am firmly of the belief that it is a step toward the greatest efficiency in government, and I trust the bill will have the overwhelming support of the membership of the Senate.

Mr. McCLELLAN. Mr. President, I move that the Committee on Expenditures in the Executive Departments, considering House bill 2361, to provide for the reorganization of Government agencies and for other purposes, which is a companion bill to the bill now pending in the Senate, be discharged from further consideration of that bill.

Mr. SALTONSTALL. Mr. President, I inquire, is that the reorganization bill?

Mr. McCLELLAN. It is the House version of the reorganization bill. The purpose of proceeding in this way is to get it into conference.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. I now move that the Senate proceed to the consideration of the House bill 2361.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes.

Mr. McCLELLAN. I move that all after the enacting clause of the House bill be stricken out and that Senate bill 526, as amended, be substituted therefor.

The motion was agreed to.

Mr. McCARTHY. Mr. President, I should like to have 2 minutes in which to perform a very pleasant duty, namely, to express, as the ranking Republican member of the committee—and I think I speak for the entire membership of the committee—the admiration I have for the excellent work which the chairman of the committee has done on this bill. He deserves the gratitude not only of the Members of the Senate, but of the entire Nation, for doing such an outstanding job.

Mr. LUCAS. Mr. President, I also wish to compliment the Senator from Arkansas. I know of no bill since I have been majority leader which has received such prompt action as has the reorganization bill. I assure the Senators of my deep appreciation of the efforts in connection with this extremely important bill and the unanimity of thought which has prevailed with reference to it.

Mr. McCLELLAN. Mr. President, I thank the majority leader and also the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of House bill 2361.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McCLELLAN. I move that the Senate insist on its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCLELLAN, Mr. EASTLAND, Mr. HOEY, Mr. McCARTHY, and Mr. IVES conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, Senate bill 526 is indefinitely postponed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.;

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended;

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.; and

S. 1185. An act to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes.

The message also announced that the House had insisted upon its amendment to the bill (S. 900) to amend the Commodity Credit Corporation Act, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3762) to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 21, 27, 36, 47, and 66 to the bill, and concurred therein.

FIRST DEFICIENCY APPROPRIATIONS, 1949—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on House bill 2632, the first deficiency appropriation bill, 1949, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the report.

The Chief Clerk read the report.

(For conference report, see House proceedings of today's RECORD on pp. 6291–6293.

The PRESIDING OFFICER. Is there objection to consideration of the conference report at this time?

Mr. SALTONSTALL. Mr. President, may I ask whether it is a unanimous report of the conference committee?

Mr. McKELLAR. It is a unanimous report.

Mr. SALTONSTALL. Is the chairman of the committee entirely in favor of it?

Mr. McKELLAR. Indeed he is, or he would not present it.

Mr. CORDON. Mr. President, I should like to ask the Senator from Tennessee to give us a general idea of the basis of the report.

Mr. McKELLAR. As the Senator will recall, there were three controversies involved. One was whether the White House should be rebuilt or repaired. Another controversy was in connection with the Boke-Straus matter, and the third was with reference to the Navajo Indian school item. There was unanimous agreement on the part of the conferees of both Houses.

The White House matter is stricken from the bill and will be up for consideration in the second deficiency bill.

With reference to the Boke-Straus question, the House conferees receded

with reference to that, as the Senator will recall.

The House also receded on the Navajo school item.

Mr. CORDON. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. LUCAS. Mr. President, on March 11 the distinguished chairman of the Finance Committee reported a bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes. I move that the Senate proceed to the consideration of House bill 1211, which is known as the Reciprocal Trade Agreements Act.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. SALTONSTALL. Mr. President, I inquire if it is the intention of the majority leader to ask that the reciprocal trade agreements bill be laid aside temporarily in order that the Senate may proceed tomorrow with the motion for reconsideration made by the Senator from Rhode Island [Mr. GREEN]?

Mr. LUCAS. The Senator from Massachusetts is correct in his assumption. We have an agreement that tomorrow, immediately following the convening of the Senate, the motion made by the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the Labor-Federal Security appropriation bill was recommitted shall be taken up.

Mr. SALTONSTALL. May I ask also whether the Senator can tell us what the intention is concerning the agricultural appropriation bill?

Mr. RUSSELL. Mr. President, if the Senator from Illinois will permit me, I may say that I have discussed that matter with my colleague, the senior Senator from Georgia, and, if it conforms with the wishes and plans of the majority leader, I should like to have the Senate proceed with the consideration of the agricultural appropriation bill at the conclusion of the action of the Senate on the motion to reconsider the recommittal of the Labor-Federal Security appropriation bill.

Mr. SALTONSTALL. I thank the Senator. May I ask whether that is the understanding of the majority leader?

Mr. RUSSELL. If it meets with the plans of the majority leader, I hope to have the agricultural bill taken up at that time.

Mr. LUCAS. The suggestion made by the able Senator from Georgia meets with my approval, and following disposal of the motion to reconsider made by the Senator from Rhode Island [Mr. GREEN], the Senate will proceed to the consideration of the agricultural appropriations bill.

Mr. RUSSELL. I thank the Senator.

Mr. MILLIKIN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Colorado.

Mr. MILLIKIN. Are there any other measures which might be brought up before the Senate begins the active consideration of the reciprocal trade agreements bill?

Mr. LUCAS. There is a possibility that the civil functions appropriations bill may be considered. It will depend on the attitude of the distinguished senior Senator from Georgia, chairman of the Committee on Finance, who will be in charge of the reciprocal trade agreements bill.

SHIPPING STRIKE IN HAWAII

Mr. MORSE. Mr. President, I wish to discuss very briefly two matters for the RECORD. I desire to call attention to the fact that at the present time there is a very serious shipping strike occurring in Hawaii. I do not purport to speak with any authority in regard to the merits of the positions taken by the two parties to the strike. But I do wish to point out that this strike is another example showing the need for the Eighty-first Congress, in this session, passing some labor legislation which will be fair to all parties concerned, including the public. We need legislation which will provide workable machinery in the field of emergency disputes, and which will help at least to avoid or quickly settle the type of dispute now raging in Hawaii.

Mr. President, approximately 2,000 longshoremen, members of the International Longshoremen's and Warehousemen's Union, have been on strike in Hawaii ports since May 1. The strike resulted, I understand, from the collapse of negotiations for a wage increase demanded by the longshoremen. These negotiations for an increase in the hourly rate paid the longshoremen took place under the wage-review section of the current collective-bargaining agreement, which has another year to run. Although the date of the wage review was April 15, the strike was postponed for 2 weeks to permit continued negotiations. The demand of the Hawaiian longshoremen was to increase the current rate of $1.40 an hour by 32 cents, to $1.72 an hour.

The demand for a 32-cent increase is based on the desire to achieve the parity that formerly existed between the hourly rate of longshoremen on the west coast of the United States and in Hawaii. In 1945 the differential between the west coast longshoremen shore rate and the Hawaiian longshore rate was 10 cents an hour. At the present time the west coast longshore rate is $1.82 an hour, and the differential has been increased to 42 cents. The last offer of the employers, I have been advised, was an increase of 12 cents an hour. I understand further, Mr. President, that the union has offered to arbitrate the dispute, and that the shipowners up to date are refusing to arbitrate the dispute. We all know that in disputes of such major importance as this both sides sometimes resort to propaganda that is not always consistent either with facts or with sound public policy.

I wish to put into the RECORD at this time an editorial which appeared in the Honolulu Advertiser for May 13, 1949, entitled "The Real Low-Down," which, in my judgment, conforms neither to the facts or to sound public policy.

I ask permission to have the editorial inserted at this place in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE REAL LOW-DOWN

You want to know the real low-down on why we want arbitration, Joe? I'll give it to you—straight.

First of all, it sounds fair. That's very important. You know, getting a neutral guy or committee to come in and decide what's in the public interest?

Next it places us unions in the position of gaining everything—and losing nothing.

If we don't like the arbitrator's decision—that is, if he don't favor us—all we got to do is disagree with him.

You don't believe it, Joe?

Arbitration has been used in Frisco since 1934. In spite of it we've been able to pull 5 major strikes, and would you believe it, Joe, over 1,400 illegal work stoppages.

The strikes were—

	Days
1936–37	98
1939–40	53
1946	54
1948	98

Our guys have hit the bricks 303 days—nearly a year off the job in 14 years in official strikes, and the Lord only knows how many days by work stoppages (just like we're pulling on the plantations now, only worse).

So you see, Joe, it not only sounds good, but it is good the way we play it. If you get a bum decision, there's many ways to beat it. We have proved that.

Another advantage to arbitration, Joe, is that it makes a total joke out of collective bargaining. You sit around a table and beef—just so it will look good to the public—then after you've wasted enough time, you holler "We want arbitration. These rich guys won't play ball. They're trying to starve us out."

Then some so-called neutral guy gets called in to arbitrate. He makes his decision and if it's for us, O. K.; if it ain't—well, Joe, you do just like we done in Frisco—and it wins for you.

Keeps trouble stirred up; keeps the boys mad; gives us the opportunity to keep collecting their dues.

We get a kick over the fact that arbitrator after arbitrator has resigned in disgust, starting with Judge M. C. Sloss; then Wayne Morse, Daggett, Rathbun, Miller, and others. They all said it was because of the complete disregard by the union of the so-called peace machinery set up in 1934—by arbitration. Of course we said they were lying! Can't see why the employers don't trust us!

Another great advantage of arbitration to us is that if we pull a bum strike, that even the rank and file boys don't like, and the public don't like, then the leaders just got to holler for arbitration; if the arbitrator decides against us, that gets us leaders "off the hook."

They pass the buck to him and scream that they got a dirty deal again. We've used that lots.

Yes, Joe, we've just about busted Frisco as a shipping port. The miles of empty piers that used to be filled with the ships of the world are not used today.

When we get all the sugar mills and pineapple canneries in the islands closed (and it won't be long now), and many of them busted—you'll see what a swell job we've done.

We are on the way, Joe. Arbitration is our best answer—no kidding. The public is for

it—the suckers—'cause they don't know how we work it to our great advantage.

It don't, has not, and won't bring labor peace, that's why we like it. But don't tell the public.

That's the real inside, Joe.

Mr. MORSE. Mr President, as I have said I know very little about the local situation in Hawaii. I am aware of the fact that in the controversy there have been charges and countercharges in regard to "left wingism," some industry officials taking the position that part of the trouble is that, as they see it, they are dealing with what amounts to "commie" tactics on the part of the union.

Mr. President, it is very interesting to read this editorial entitled "The Real Low-Down," and observe the tactics which are being used by this newspaper. Certainly I would not hold any brief for any left-wingism or Communist tactics, but I am a little shocked to read an editorial in a newspaper which seems to be aimed at giving its readers the impression that a proposal to arbitrate a wage dispute is communistic tactics. As I read the editorial, that is the impression I get from it. Let me read just a paragraph or two. The writer of the editorial says:

You want to know the real low-down on why we want arbitration, Joe? I'll give it to you straight.

The editorial purports to present the point of view of the union concerning arbitration.

First of all, it sounds fair. That's very important. You know getting a neutral guy or committee to come in and decide what's in the public interest?

Next it places us unions in the position of gaining everything—and losing nothing.

If we don't like the arbitrator's decision—that is, if he don't favor us—all we got to do is disagree with him.

You don't believe it, Joe?

Arbitration has been used in Frisco since 1934. In spite of it we've been able to pull five major strikes, and would you believe it, Joe, over 1,400 illegal work stoppages.

And then there follows a list of the stoppages.

Our guys have hit the bricks 303 days—nearly a year off the job in 14 years in official strikes, and the Lord only knows how many days of work stoppages (just like we're pulling on the plantations now, only worse).

So you see, Joe, it not only sounds good, but it is good the way we play it. If you get a bum decision, there's many ways to beat it. We have proved that.

Another advantage to arbitration, Joe, is that it makes a total joke out of collective bargaining. You sit around a table and beef—just so it will look good to the public—then after you've wasted enought time, you holler "We want arbitration. These rich guys won't play ball. They're trying to starve us out."

Then some so-called neutral guy gets called in to arbitrate. He makes his decision and if its for us, O. K.; if it ain't—well, Joe, you do just like we done in Frisco—and it wins for you.

Keeps trouble stirred up; keeps the boys mad, gives us the opportunity to keep collecting their dues.

Mr. President, it can be seen that there is no question about what this editorial writer has in mind. He has in mind to discredit arbitration. That is a type of slanting in editorial writing in the field of employer-labor relations, which will not lead to the type of peaceful procedures for settling disputes such as voluntary arbitration for which many of us have been working in America. Many of us are satisfied that if we do not stop the growing class warfare, if we do not insist that men substitute the laws of reason for the laws of the jungle, we are headed straight for a type of class-conscious conflict that is going to threaten the economic and political rights and liberties of both management and labor.

It makes me sad, Mr. President, to read the type of attack on the principle of arbitration as contained in this editorial. Not that arbitrations do not sometimes result in miscarriages of justice, but I do not know what we are going to substitute for arbitration in these great industries which so involve the public interest. We cannot sit by and let economic force be the final arbiter of major disputes which involve the economic welfare of millions of people without at least making available to the parties an opportunity to settle their differences through fair procedure based upon rules of reason.

I want to say that I certainly hope that this editorial does not represent public opinion in Hawaii. I am confident that the responsible citizens of Hawaii see the need for substituting rules of reason for what seems to be in this editorial a squaring-off for a knock-down, drag-out fight by the use of economic weapons. I want to say that if this editorial represents the general feeling among the leaders of Hawaii concerning arbitration as a justifiable means of applying the rules of reason, even though it may be in the field of industrial relations, then Hawaii most certainly is not ready for statehood. I believe we have the right to expect the people of any Territory to demonstrate that they are ready to assume the responsibilities of statehood. If this editorial represents public opinion in Hawaii, then I am very frank to say that so far as my vote is concerned they have not reached the stage yet where they show that they are willing to assume what I think to be their responsibilities in the field of peaceful industrial relations.

Now there is a paragraph in the editorial with regard to which I shall speak only of myself and not of the other persons named in the paragraph:

We get a kick over the fact that arbitrator after arbitrator has resigned in disgust starting with Judge M. C. Sloss; then Wayne Morse; Daggett, Rathbun, Miller, and others. They all said it was because of the complete disregard by the union of the so-called peace machinery set up in 1934—by arbitration. Of course we said they were lying. Can't see why the employers don't trust us.

So there may be no misunderstanding, Mr. President, as to the basis of my resignation as Pacific coast arbitrator of long-shore disputes, I want to say in fairness to the editorial writer that if what he has in mind is my resignation back in the late thirties in connection with a specific case, because, for a period of some 36 hours, the union refused to abide by an award of mine, he is correct that in that particular instance I resigned over the union's failure to accept my award. But what happened? The public was so solidly behind that award that the union quickly recognized its mistake and provided to load the ships in accordance with the arbitration decision. The union and shipowners asked to have me reappointed as arbitrator, but I refused to accept the appointment until a new contract was negotiated. I took the position that the defiance of my award had resulted in the abrogating of the old contract. If that is the instance the editorial writer had in mind, it was proper for him to say that my resignation was caused by the refusal of the union to carry out my decision. But if he wanted to be fair he should have hastened to point out, Mr. President, that as a result of the action I took in that instance the union had to sit down and agree to an entirely new contract with a greatly strengthened arbitration section in it, and from that day until the date of my resignation from the position of Pacific coast arbitrator not one of my many decisions was ever defied or violated either by the union or by the employers.

I want the RECORD to show that my resignation as Pacific coast arbitrator, and the subsequent appointment of Mr. Paul Eliel to take my place, occurred in December 1941, when I resigned as arbitrator in order to accept appointment to a position on the War Labor Board in January 1942.

Mr. President, the shipping companies that serve Hawaii are the same shipping companies that serve the mainland on the west coast. Is it not interesting, Mr. President, that the west coast agreement was recently consummated between the parties, and, interestingly enough, consummated finally by collective bargaining. The agreement was reached after intervention on the part of Mr. Phil Murray, representing the CIO, and a group of industry and public representatives headed by Almon Roth of San Francisco. The agreement was reached after 95 days of costly strike and after the emergency dispute section of the Taft-Hartley law had completely failed, Mr. President, completely failed to settle the dispute. I say that, Mr. President, as a sort of reminder to Members of the Senate who think that so much of the Taft-Hartley law should be continued, including its proved unworkable emergency dispute section.

Following that costly strike a new collective bargaining agreement as I have just stated, was negotiated. Listen to the arbitration provision in regard to wage reviews, applicable on the mainland and negotiated by the shipping companies which serve Hawaii:

(a) Basic straight and overtime rates shall be subject to review on September 30, 1949, and September 30, 1950, at the request of either party. The party desiring wage review shall give notice of such desire not less than 30 days prior to the review date. If no agreement is reached through negotiation in 15 days, the issue shall be referred to the coast arbitrator, the award to be rendered by the review date and become effective 12:01 a. m. of the review date.

(b) The subject of welfare and pension plans for longshoremen may be a matter of

negotiations in any wage review, but is not subject to arbitration or strike under the wage review provision of the agreement.

In this agreement, the Pacific coast longshore agreement of 1948–51, there are other sections dealing with arbitration. I think it is one of the finest and soundest agreements on arbitration of any collective-bargaining agreement which it has ever been my privilege to read; and I have read hundreds of collective-bargaining agreements.

If it be true—and I emphasize the word "if"—that the editorial which I have inserted in the RECORD, and which I think is an unfair criticism of the principle of arbitration, is at all representative of the views of the shipowners serving Hawaii, I am a little puzzled, in view of the fact that the same shipping lines have entered into such a fine arbitration agreement on the mainland. Until proof to the contrary is established, I shall assume that the shipowners believe in the principle of arbitration when all other peaceful methods fail in settling their disputes with labor. I shall continue to believe until the contrary is established, that the writer of the editorial in the Honolulu Advertiser for May 13, 1949, does not represent the shipowners' point of view in regard to arbitration in Hawaii. We must face the reality that a longshore dispute in Hawaii ending in a bottling up of ships there has serious detrimental effects on the mainland, just as when there is a strike on the mainland great demand comes from Hawaii for an early settlement of the dispute.

With these brief remarks on the subject, I raise my voice again, as I have for many years, in support of the application to disputes of the sound principle of arbitration, particularly disputes which have such a great effect on the economy of our country. That is why, during the recent longshore strike on the mainland, from this desk and out in the country last summer, time and time again I pleaded with the parties to submit their dispute to arbitration if they could not settle it by collective bargaining. That will always be my position in these great disputes because I know of no better way of applying the rules of reason than in the judicial atmosphere of an arbitration hearing room.

We are dealing with an industry in which the controversies between management and labor are exceedingly serious. Feelings run high and convictions of the parties are strong in such disputes. That is all the more reason for bringing men of such strong wills and temperments under the rules of voluntary arbitration, to which rules each side pledges its acceptance.

I support voluntary arbitration as one who has found it necessary time and time again to decide against this union, as well as against the shipping companies involved in this dispute. On the basis of that experience I know that when men are brought into an arbitration hearing room, when they are willing to lay the facts before an arbitrator, they can get a fair and judicial decision. I have seen arbitrator after arbitrator in the West render his decision on the basis of the record made before him. I have always prided myself on the fact that we have developed a great difference between arbitration in the West and arbitration in the East, in that we have consistently taken the position in our arbitration, that arbitration is a judicial function, not a mediation function. Arbitration is a judicial function, and not a compromising function. Therefore the notion planted by this editorial, that arbitrations are likely to result in compromises cannot be borne out by the facts.

Other than the information which I have been able to obtain today over the telephone from Government officials, I do not know, and do not pretend to know, the details of the dispute which is waging in Hawaii. However, I do know that if arbitration of wage issues is a sound principle on the mainland—and these shipping companies have agreed to it—it is just as sound a position in Hawaii.

I hope the parties to the dispute in Hawaii will not become parties to the philosophy of the editorial, but will pledge themselves—as have their representatives in San Francisco—to support arbitration as a rule of reason in finally settling their differences.

Mr. President, the last point I wish to make on this subject, by way of applying my views on arbitration to the problem of changing the Taft-Hartley law in respect to emergency disputes, is this: For a long time I have held to the view that in emergency disputes we need decisions. It is the decision that counts; and we need machinery which will guarantee to the American people that there will be decisions. That is why in the amendment which I shall submit in due course of time I shall propose that the emergency board to be set up by the President when an emergency dispute arises in this country shall have the power to render a decision. It can be called a recommendation, if that is desired; but such language will not fool anyone. No one is fooled as to what an emergency board under the Railway Labor Act does. It renders a decision. Of course, under the Taft-Hartley law we have the most ineffective procedure in this respect that I think can be provided. We have a board which can make findings of fact; but what good are findings of fact if the American people are not told, on the basis of the findings, what should be the solution of the problem? Findings of fact have not been any good in any of the emergency disputes we have had thus far, and they will not be any good in future cases unless the solution of the problem is also stated. The American people are still being led to believe in the myth that the emergency disputes section of the Taft-Hartley law has done some good. As a matter of fact, it has done inestimable harm. It has caused great delay and it has failed to settle cases.

So I say we should frankly face the fact that what we need in connection with the emergency board is legislation to give the board the power and the duty and the direction to render a decision. It should be expected to tell the country who is wrong, and why. It should say what should be done about it. The law should provide for the continuation of the board for a period of an additional 30 days after its decision, in the absence of a stoppage of work, to mediate a settlement, if necessary, in carrying out the application of its decision.

Many persons do not realize that, after there is a complicated decision in an emergency dispute, there is the task of putting that decision into effect by applying it to the working problems of the industry concerned. For the record, I simply wish to point out, as an example of that situation, that in 1941, when the President's Emergency Board had finally settled the threatened railroad strike and had given an award as to vacations, it took the Board a good many days to apply its decision to the complicated industry-labor relationships of the railroad industry. Unless someone representing the public had been in the middle, so to speak, when the two parties could not agree on the details of applying the award there would have been another threatened railroad strike.

I hope I can get the Senate to see that in difficult emergency cases we need a continuation of the public's hand in the case until the decision is finally put into effect in all its details in a collective-bargaining agreement.

So, Mr. President, I use the dispute now raging in Hawaii as a peg, so to speak, on which to hang these comments this afternoon, because the present dispute in Hawaii is but another illustration of what will happen in the months immediately ahead as the recession continues and increases in its intensity. There seems to be much evidence that the recession will increase in its intensity before the economic situation improves. As the recession increases in intensity, the responsibility of the Congress, it seems to me, will increase, insofar as seeing to it that before the Congress adjourns this summer, it shall pass some labor legislation which will work in fairness to all concerned.

Believe me, Mr. President, if the Congress walks out on the public by leaving the Taft-Hartley law unchanged or by adopting anything resembling the Woods bill or by taking a course of action which will only deepen the bitterness which already is growing, we as politicians will have no one but ourselves to blame if in 1950–52 a great deal of those campaigns will be taken up with recriminations over a labor issue which can be completely eliminated from the picture now if at this session of Congress we undertake the job of writing fair labor legislation. That is all I am pleading for. If we are to make such legislation fair, let me say, as one who has gone through the battles in many and many a case in which, with labor on one side and management on the other, the principles of voluntary arbitration should be made available to the parties in dispute through the aid and encouragement of the Government. Arbitrators have to be true to their judicial trust and sit down with their own consciences and decide what are the facts and render a decision based on those facts. What arbitrators have to do in arbitration I think is very comparable to what the Senate of the United States should do in the weeks immediately ahead. I think it is perfectly

obvious that the House will not do anything in this field but wait and follow the Senate's lead.

We have listened to labor; we have listened to industry; we have their records. Now we should stop listening to both sides, until we study the record we have and make up our minds, as individual Senators, as to what are the facts. Then, on the basis of those facts—with politics entirely out of the picture—we should write some amendments, here on the floor of the Senate, if necessary, which will put into practice in labor relations the rules of reason.

What impresses me is that it is such a simple and easy thing to do, if we in the Congress will but do it. No great difficulty is involved in providing, by way of amendments to the Thomas bill, some fair procedures not only for settling controversies over emergency disputes but also for settling controversies over secondary boycotts, over jurisdictional disputes, over the free-speech issue, over welfare funds—over each and every one of those issues, which the Thomas bill does not adequately cover. I am satisfied that if the Eighty-first Congress fails the American people in regard to labor legislation, the American people should certainly take note of it the next time they have a chance to go to the ballot box.

I want to make just a brief comment, Mr. President, so I shall not have to take the floor another time, on this whole question of taxation, by saying that once again the Committee for Economic Development has come forward with a document of economic statesmanship. On two previous occasions I have pleaded on the floor of the Senate in support of their recommendations on taxation, and on both those occasions I did not get very far, if the results are to be judged by any legislative action on the part of the Senate, or to be judged even by succeeding in having the recommendations of the Committee for Economic Development submitted to hearings. But defeats never stop me from pressing forward on issues with regard to which I think I am right. I am satisfied that unless we pass a program of tax revision we are not even going to scratch the surface of the causes of the fiscal problems that are producing our present trend toward a recession in this country. The distinguished Senator from Illinois the other day very rightly said that to be a liberal one need not be a wastrel. But it is also true that if one is to be a liberal, he should not be arbitrary. We are not going to solve the economy problems of the Government by adoption of arbitrary rule-of-thumb methods. We are not going to solve the great problem of reducing Government expenditures, meeting the financial obligations of the Government, foreign and domestic, and of paying our national debt, by juggling percentages as far as tax rates are concerned or by following penny-wise and pound-foolish policies so far as cutting out of the budget appropriations needed for sound social legislation in this country. We are not going to do it by adopting arbitrary 5-percent cuts in every appropriation bill that comes before the Senate. I can think of no more wastrel policy than that.

Again, what we need is to have someone on the floor of the Senate point out to us the facts in regard to specific items that should be cut, the reasons why they should be cut, and the amounts in which they can be cut. That is why I have opposed, and shall continue to oppose, as my vote tomorrow will show, any attempt to lay down an arbitrary percentage-wise slashing policy on the recommendations of the Appropriations Committee. Until men can show me wherein the Appropriations Committee on specific items has not kept faith with the Senate for sound economy I am not going to vote to send appropriation bills back to committee with the nice political gesture of cutting them 5 percent or any other political amount. What is the magic of 5 percent, or 6 or 7 or 10? We are not going to solve the fiscal problems of the Government by trying to juggle on the floor of the Senate the amounts recommended after thorough consideration by the Appropriations Committee.

We need, it seems to me, to proceed to discuss in committee and, I hope, on the floor, if necessary, a tax-revision program. So, for the record, because I am satisfied it is sound, and I shall continue to await demonstrable proof as to any weakness in the recommendations, I offer again to the Senate the tax and economy recommendations of the Committee for Economic Development. I shall put those recommendations into the form of a bill within a very few days. I am perfectly aware of the parliamentary rule that tax bills originate in the House, but I know of no reason why we cannot set an example in the Senate by giving them something at least to consider. I hope some friend in the House will introduce a similar bill on the House side. I think the Committee on Economic Development is unanswerably right when it pointed out in its previous two reports, and again in its report this year, that our tax problem is not a problem of tax increases or tax reduction; it is a problem of eliminating gross inequities in our tax structure. Learned scholars in the field of tax economics have been trying to show the Congress that the job of the Congress in the field of taxation is the job of completely revising and overhauling the tax structure of the country if we are to have an equitable tax structure that will encourage incentive. Let us stop playing politics with the tax issue. Unless we solve it right, it will continue to upset our economy. To the extent, Mr. President, that one can say that one cause is greater than another, tax inequities will continue to be one of the greatest causes for producing the serious, dangerous threat of an oncoming recession. Unless we check the growing trend toward a serious recession, we shall suffer in the not too distant future untold hardships in this country which are likely to endanger our entire foreign program and the winning of the peace.

Now is the time to take the steps to stop it. Let us look and see, before it is too late. If the recession continues—and of course out in my section of the country unemployment today is three times greater than the national average—unemployment will soon threaten national prosperity. Must we wait until unemployment in the West is five times or six times or seven times greater than the national average? Must we wait until the unemployment pattern spreads all across the country? Mr. President, you know what the result will be. We are not going to change human nature, even though it is American human nature. The clamor will be to withdraw and withdraw and withdraw support from Europe, to cut down and cut down on economic aid to Europe. Where are those politicians in any great number who are going to dare go before their constituents and say, "Although decreasing foreign aid would seem to meet your immediate need, it will threaten the lives of your grandchildren, and it may threaten the whole democratic destiny of your Nation."

Mr. President, if we follow a course of economic withdrawal from Europe, you and I cannot escape the conclusion that we shall have lost all the gains which have been thus far made in Europe. I want to decrease our allotment to Europe as soon as we can, but we must not do it until we win the fight for developing a society among those people, which we call a society of free people, based upon economic freedom as well as upon political freedom. If we lose that fight we lose the peace. If we lose it, to what forces will we lose it? We will lose it to totalitarianism; I think, communistic totalitarianism, but not necessarily so. If we withdraw because of a depression in the United States, we not only will play into the hands of Joe Stalin but into the hands of every potential Fascist in Europe—and there are still a great many there. I hate both forms of totalitarianism, and I am convinced, Mr. President, that we can make our system of private property work to promote freedom not only here but abroad, but we cannot do it with an unsound fiscal program. We have an unsound fiscal program today. We have an unsound tax program. We have not come to grips with the tax problem, because we have played politics with it. Until someone can offer something better, I think we should try to take at least the best portions of the tax recommendations of the Committee for Economic Development and put them into legislative form in this session of Congress.

Therefore, Mr. President, for the record, and so that there may be easy reference to it, I ask unanimous consent to have printed at this point in my remarks the complete report on tax and expenditure policy for 1949, a statement on national policy, by the research and policy committee of the Committee for Economic Development.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

TAX AND EXPENDITURE POLICY FOR 1949

(Statement on national policy by the research and policy committee of the Committee for Economic Development)

I. INTRODUCTION

For the fiscal year 1950 the President has recommended cash expenditures of more

than $46,000,000,000, an increase of $10,000,000,000 over fiscal 1948 and $6,000,000,000 over the current fiscal year. (Except as otherwise noted, this policy statement will present budgetary data in terms of the Federal fiscal year. This runs from July 1 of one calendar year through June 30 of the next and is designated by the second year. For example, the period from July 1, 1949, through June 30, 1950, is designated as the fiscal year 1950.) The taxpayer's vision of lower Federal budgets and of lower taxes to match has faded into an uncertain future. Instead, he faces the President's recommendations for a $2,000,000,000 pay-roll tax increase and an additional $4,000,000,000 general tax increase. Acceptance of these recommendations by Congress would raise cash receipts to more than $50,000,000,000 annually at a $230,000,000,000 level of national income.

A forty-five- or fifty-billion-dollar Government bears a heavy responsibility to the American people—a responsibility to spend and tax wisely. This obligation is especially serious since effective Government performance has become a major weapon in the current war of economies and ideologies.

Success in maintaining America's world leadership depends in part on demonstrating that our system of government is superior to authoritarian systems in meeting the economic and social problems common to both. In that demonstration, tax and budgetary policy plays a strategic role. A sound fiscal policy can exert a strong stabilizing influence on the economy. It can be our most important force making for efficiency in Government. And, unlike direct controls over prices, wages, and production, fiscal policy does its work in harmony with—not at the expense of—individual freedom of choice.

This policy statement deals with tax and budgetary policy for the fiscal year 1950. It examines the President's budget proposals and some issues they raise, suggests some means of making control of Government expenditures more effective, and spells out some of the implications of spending on the scale proposed.

II. THE 1950 BUDGET [1]

From a wartime peak of $94,300,000,000 in the fiscal year 1945, Federal expenditures declined to $36,500,000,000 in fiscal 1948. This decline was, of course, the natural consequence of the end of hostilities. Moreover, it was reasonable to hope that the decline would continue. The 1948 total included large expenditures of a clearly non-recurring or dwindling character—the cashing of veterans' terminal leave bonds, the costs of surplus property disposal, veterans' readjustment allowances, and so on.

The decline did not continue. Instead, as table I shows, expenditures are higher in 1949 than in 1948 and the President's budget calls for still higher expenditures in 1950. The recommendations itemized in the budget for 1950 total $45,700,000,000. In addition the President has announced, in his budget message and subsequently, that he will submit a request for military aid to the North Atlantic countries not included in the budget figures. If we tentatively add $600,000,000 for this item, the 1950 budget totals $46,300,000,000, or $9,800,000,000 more than actual expenditures in 1948.

The $9,800,000,000 rise in 2 years is the net result of decreases in a few major classes of expenditure and increases in a great many others. About $3,800,000,000 less will be spent in 1950 than in 1948 for terminal leave payments, veterans' readjustment benefits, the United States contribution to the capital of the International Bank and Monetary Fund, surplus property disposal, and the postal deficit. Therefore, to explain the $9,800,000,000 net increase in the total budget we must find the source of about $13,600,000,000 of increas in other programs.

The chief forces at work to raise Federal expenditures are—

1. A great increase of programs for national defense and foreign aid.

2. A large increase of domestic programs, mainly for social welfare and resource development.

3. The proposed payment of $2,000,000,000 for accumulated dividends on veterans' life insurance. (This is a contractual obligation and annual payments in the future will be much smaller.)

4. An increase of about $750,000,000 for farm price-support operations resulting from the lower level of farm prices.

5. Higher costs resulting from higher prices and Government wage rates.

The effects of higher prices and wage rates are spread throughout the budget and cannot be isolated. Moreover, the figure for each major category of expenditures is itself the sum of many individual items in which there may be both increases and decreases. With these reservations, table II identifies the sources of the $9,800,000,000 net increase in expenditures from 1948 to 1950.

TABLE I.—*Cash payments to and receipts from public, fiscal years 1948, 1949, 1950, as shown in the United States budget for fiscal year 1950* [1]

[In billions]

	Fiscal years		
	Actual, 1948	Estimated, 1949	Proposed 1950
PAYMENTS TO THE PUBLIC			
National defense	$12.2	$11.9	$14.3
International affairs and finance	5.8	7.4	6.9
Military aid to North Atlantic countries			.6
Veterans' services and benefits	6.8	6.7	[2] 7.9
Interest on the public debt	3.9	3.9	4.0
Social welfare, health, and security	2.1	2.6	[3] 4.5
Other activities	5.7	7.6	8.1
Total payments to the public	36.5	40.1	46.3
RECEIPTS FROM THE PUBLIC			
Direct taxes on individuals	21.9	19.3	[4] 19.8
Direct taxes on corporations	10.2	11.7	[4] 12.3
Excise taxes and customs	7.8	8.1	8.3
Employment taxes	2.4	2.6	[5] 5.3
Deposits by States, unemployment insurance	1.0	1.0	1.2
Miscellaneous receipts	4.4	2.9	2.4
Less refunds	−2.3	−2.7	−2.1
Total receipts from the public	45.4	42.9	[4] 47.2
Excess of receipts over payments	8.8	2.8	.9

[1] This discussion will refer throughout to the cash-consolidated budget rather than the administrative budget in terms of which Federal expenditures and taxes are commonly stated. For fiscal 1950, the administrative budget figures corresponding to the cash-consolidated figures in table I would be $42,500,000,000 of expenditures and $41,000,000,000 of receipts.

[1] 1950 figures include both existing and proposed legislation. Except for the sum of $600,000,000 estimated as the net additional cost for "Military aid to North Atlantic countries," all figures are as shown in the President's budget. Revenue estimates are based on a projected personal income of $215,000,000,000, corresponding to a national income of $230,000,000,000.

[2] Includes an estimated $2,000,000,000 for dividend payments on national service life insurance.

[3] President's proposed legislation accounts for the bulk of the increase of 1950 over 1949.

[4] Does not include the $4,000,000,000 general tax increase proposed by the President.

TABLE II.—*Changes in Federal cash expenditures, 1948–50*

[In billions]

	Fiscal years		
	Actual, 1948	Proposed, 1950 [1]	Change
Total	$36.5	$46.3	+$9.8
Declining programs [2]	6.4	2.6	−3.8
Rising programs	30.1	43.7	+13.6
Defense and foreign aid	15.5	[1] 21.6	+6.1
Veterans' life insurance dividend		2.0	+2.0
Farm price support	−.2	.6	+.8
Social welfare [3]	3.2	6.2	+3.0
Resource development [4]	2.8	4.4	+1.6
All other [5]	8.8	8.9	+.1

[1] Includes unofficial estimate of $600,000,000 for military aid to North Atlantic countries, not included in budget figures.

[2] Includes veterans' terminal leave payments, United States contribution to capital of International Bank and Monetary Fund, veterans' readjustment benefits, costs of surplus disposal, postal deficit.

[3] Includes following budget categories: social welfare, health and security, education and general research, labor.

[4] Includes following budget categories: natural resources not primarily agricultural, transportation and communication (except post office), agriculture, except price supports.

[5] Mainly interest, General Government, veterans' services not elsewhere specified, housing.

In 1948 Federal cash receipts were $45,400,000,000. The budget estimates show that if no new taxes are enacted receipts in fiscal 1950 would be slightly less—$45,000,000,000. This Treasury estimate is based on the assumption that total personal income will continue at about the $215,000,000,000 annual rate reached in July–December 1948, as compared with the $195,000,000,000 of calendar 1947. In other words, the higher level of national income, if continued, would nearly offset the effect of the 1948 tax-rate reduction upon Federal revenue.

Even at the national income level assumed by the Treasury, the yield of existing tax rates would fall $1,300,000,000 short of the proposed expenditures (including the unofficial $600,000,000 estimate for North Atlantic military aid). The President has proposed higher rates and broader coverage of pay-roll taxes as part of his program for expansion of social security. This tax increase, if enacted, would add $2,200,000,000 to cash receipts in fiscal 1950, according to the budget estimates. There would then be a cash surplus of $900,000,000, compared with $8,800,000,000 in fiscal 1948.

The President's budget message for 1950 leaves one with several inescapable impressions regarding Government expenditure policy:

First. The Federal Government is trying to do an unprecedented number of things at once. It is pushing its domestic programs for social and economic betterment—in social insurance, education, resource development, agriculture, and the like—well beyond their previous high-water marks. It is undertaking the greatest peacetime preparedness program our country has ever known, and it is recognizing its new international position with the most extensive program of foreign relief, reconstruction, and military aid the world has ever seen.

Second. The President visualizes the expenditures projected for 1950 as one step in a rising expenditure trend. He states: "It must be recognized that expenditures in the fiscal year 1951 are likely to be larger than those for 1950." He adds that "expenditures for national defense can be expected to rise substantially above the level estimated for 1950." And many of the commitments we are asked to undertake now, especially in the fields of resource development and social

welfare, would involve steadily rising outlays for many years.

Third. There seems to be no limit to the projects pressing for an expenditure of Federal funds. The President plainly indicates that many candidates for Federal expenditure are waiting to take up any slack which might develop through a reduction in costs of existing projects. Only because of heavy prior commitments and the presence of inflationary forces in our economy has he denied many requests for additional funds which would normally be desirable. His 1949 Economic Report to the Congress makes the point even more strongly:

"We must pursue affirmative programs for housing and health, for education and resource development. Yet the fight against inflation prevents us from undertaking these long-range programs with the speed and on a scale that would otherwise be desirable."

Quite apart from these developmental programs, it is evident that political pressure for larger direct payments to veterans, to farmers, and to the aged could add billions to the Federal budget.

These impressions are reinforced by looking at the expansion of specific expenditure programs from 1948 to 1950 and their projected costs for later years. Most striking, of course, is the $3,500,000,000 jump in defense outlays from $10,800,000,000 in 1948, excluding terminal-leave payments, to $14,300,000,000 for 1950. As wartime stocks are used up and various military programs grow to their authorized limits, the $14,300,000,000 figure could rise substantially. Unofficial estimates place the out-of-pocket cost of military aid to the North Atlantic countries in future years at a level well above the first-year cost of $600,000,000 included in table I. As veterans' readjustment costs shrink, they may be more than offset by the costs of pension plans such as are recurrently proposed in Congress. Cash payments of interest on the debt will rise sharply as war savings bonds mature.

In other areas only one major item—international affairs and finance—is now scheduled for substantial reduction in the next few years. Expanding economic and social programs at home could offset that reduction. Table III shows that the cost of social welfare and resource development programs will increase by 75 percent from 1948 to 1950 if the President's proposals become law. Social insurance and public assistance account for $2,000,000,000 of the $4,500,000,000 increase in this group of activities, and would, of course, grow steadily, though not so sharply, for decades to come. The increase of nearly half a billion dollars for highways, waterways, and airways is indicative of the growing amounts of Federal money we are devoting to public works. Agricultural programs, even apart from price subsidies, are expanding by a third of a billion dollars from 1948 to 1950 and may go on expanding.

Continuation of the 1948–50 rising trend of Federal expenditures need not be accepted as inevitable. Yet if unchecked by successful efforts at economy—or by unforeseen improvements in our relations with Russia—the new trend will carry us over the $50,000,000,000 mark in the next few years.

TABLE III.—*Increases in expenditures for social welfare and resource development, 1948–50*

[In millions]

	Fiscal years		
	Actual, 1948	Proposed, 1950	Increase
Total	$6,034	$10,628	$4,594
Social welfare	3,213	6,228	3,015
Old age and survivors insurance program; total and permanent disability program; temporary disability program	559	2,245	1,686
Public assistance	$733	$1,129	$396
Unemployment compensation	856	1,170	314
Federal aid to education		290	290
Railroad and Federal employees retirement	466	594	128
Public health	146	284	138
Other	453	516	63
Resource development	2,821	4,400	1,579
Highways, waterways, airways	963	1,435	472
Land and water (flood control, power, irrigation, reclamation, etc.)	493	951	458
Agriculture, except price supports	759	1,093	334
Atomic energy	475	725	250
Other	131	196	65

TABLE III.—*Increases in expenditures for social welfare and resource development, 1948–50*—Continued

[In millions]

	Fiscal years		
	Actual, 1948	Proposed, 1950	Increase

III. THE CONTROL OF EXPENDITURES

The budgetary facts and prospects just reviewed[2] bring us face to face with this basic issue of expenditure policy: Can we afford to expand Government activities so rapidly and on so many fronts at once? Or are we reaching the margin where the economic and social costs of certain activities outweigh their benefits? Closely allied to this issue are three further questions:

First, how can the Executive, the Congress, and the public control expenditure decisions more effectively? How can congressional procedure and public understanding be improved?

Second, how can Government do a more efficient and economical job in carrying out the functions assigned to it?

Third, in what areas should we seek savings through cut-backs or deferments of projected expenditures? Federal expenditures that represent one-fifth of total national income raise in compelling form the issue of balancing public against private spending.[3] If Government continues to expand so fast and in so many directions at once, we will suffer damaging consequences to private economic effort and individual freedom of action. The committee feels there is much evidence that we are in or near this danger zone.

Yet the pressure for larger and larger Government spending continues unabated. Plausible—often persuasive—new claims on public funds are constantly being made. At the same time, resources are limited. How are we to strike a balance between private and public use of available resources?

In the committee's opinion, the best insurance that we will achieve such a balance is a budget policy which puts taxes to work as a check on Government spending by requiring that taxes be increased if expenditures are increased. This requirement is a basic element in the stabilizing budget policy recommended by the committee in 1947 in its policy statement, Taxes and the Budget. Each new expenditure would be put squarely to this test: Is it worth the additional taxes needed to finance it? Does the gain from added expenditure exceed the loss from higher taxes?

In answering this question we must count as costs not only the direct reduction of private income through higher taxes but the adverse incentive effects as well. Are taxes already so high that new tax burdens will unduly hamper our economy in providing jobs and promoting economic progress? Will the higher marginal tax rates undermine the incentives to work, save, and invest, which are the mainsprings of increased production and innovation?

Apart from these predominantly economic considerations, the choice between public and private use of resources must be made with this very basic question in view: Are Government expenditures and the activities they finance beginning to impinge on the area of freedom we hold essential to our democratic and individualistic way of life? Is Government beginning to do things and make choices for the citizens for which he should be responsible himself?

It is, of course, clear that we will have to accept very large Federal budgets until true peace is achieved. The move for economy and savings in Government must proceed in harmony with, rather than at the expense of, our essential programs of military security and economic welfare. To the extent that the funds devoted to national defense, foreign aid, and basic economic and social services are efficiently spent and carry out the agreed goals of our national policy, they take priority over the private expenditures they replace.

In the committee's opinion, this general principle in no sense rules out reductions in projected Government expenditures. On the contrary, it underscores the urgent need to control expenditures more effectively and to search for savings more vigorously, both through greater economy and through postponement or curtailment of low-priority programs.

How to make control of expenditures effective

Effective control of Government expenditures requires the combined action of the Executive, the Congress, and the public. The Executive is largely responsible for the initiation and preliminary screening of expenditure proposals and for the administration of programs authorized by the Congress. As we point out in another section of this policy statement, there is a great need and opportunity for more efficient and economical administration of government functions. Moreover, despite improvements in recent years, executive budget procedures still stand in need of reform.

Congress is responsible for weighing the numerous demands for government expenditure against each other and against the general interest in lower taxes. It must also maintain constant scrutiny and exert constant pressure for efficiency and economy. No individual or private agency can do Congress' job for it. But Congress cannot serve its function without the advice and support of an informed public.

Congress is not now adequately organized to do its part of the job. Its machinery is not conducive to a balancing of all of the items on both sides of the budget against each other. Its present organization leads

[2] We have used the President's budget to represent current expenditure proposals. The representation is not precise or complete. For example, there is reason to believe that the social-security expansion program submitted by the administration will not cost as much in fiscal 1950 as the $1,500,000,000 included for that purpose in the budget. On the other hand, proposals for national defense and veterans' expenditures in excess of the President's recommendation have already made some progress through the Congress. Nonetheless, the budget is still the best available indication of the size of the over-all problem.

[3] Adding State and local expenditures to Federal expenditures, the Council of Economic Advisers in its latest Annual Economic Review concludes: "It is expected that total Government cash payments will rise to perhaps $61,000,000,000 for the calendar year 1949, more than $9,000,000,000 higher than in 1948." In other words, total public spending is running in excess of one-fourth of national income.

Congress inevitably to make particular decisions without relation to the whole picture of which they are parts. At the same time Congress is not staffed to exercise a continuing constructive influence on the day-by-day operation of the Government. Its moves for economy tend to be sporadic and spotty.

The Legislative Reorganization Act of 1946 attempted to establish the machinery for an over-all approach toward the budget and a realistic weighing of taxes against expenditures. The essential element in the act was the requirement that a legislative budget be voted by February 15 of each year, upon the recommendation of a joint committee representing the taxing and appropriations committees of both Houses. However, the date set was too early; no special staff was provided to do the necessary spadework; and a conviction that the procedure could accomplish anything seemed to be lacking. Some critics of the act have suggested that the procedure be abandoned.

In the opinion of the committee, the solution to the problem lies rather in perfecting and implementing the procedure implicit in the 1946 act. The action of the present (81st) Congress in setting a later date (May 1) for agreement on the legislative budget, fixing a maximum limit on expenditures, accomplished a necessary first step. A second is to provide an adequate staff for appropriations work on the pattern of the staff of the Joint Committee on Internal Revenue Taxation. The third step would be to consolidate all appropriations bills into a single omnibus bill.

The improvement of machinery alone will not assure wise congressional action on expenditures. Congress is naturally and properly responsive to the desires of the citizens in budget matters.

How can we make citizens more effective in resisting unsound spending proposals and in promoting the best possible allocation of funds among the many legitimate functions of government?

To do this requires that budgetary processes lay the necessary facts on the table in a form that states clearly the costs against which benefits are to be weighed and also makes it possible to appraise the economic impact of Government budgets. Changes in budgetary practice designed to meet this need are examined in this section.

The improvements in budgetary procedure and presentation which must be made to facilitate more informed public participation in the control of Government expenditures can be grouped as follows: (1) use of the cash-consolidated budget; (2) clarifying policy issues by improved classifications; (3) issuing a shorter budget statement; (4) defining public choices.

Use of the cash-consolidated budget

The committee repeats its earlier recommendation that the cash-consolidated budget be adopted as the basic method of presenting budgetary fact to the public. This does not mean that the administrative budget, which now serves as the basis for public presentation, should be abandoned. It was devised—and still serves—as a necessary instrument of internal control and management. It gives a complete picture of what each agency is doing, without distinguishing between an agency's transactions with the public and its relation with other parts of the Government, or between expenditures made in cash and expenditures made by incurring Government liabilities.

The cash-consolidated budget, however, is superior in gaining an over-all view of Government operations and in judging the effects of Federal taxes and expenditures on the economy. Unlike the administrative budget, it shows the total income and outgo of Government, inclusive of trust account operations.[4] Moreover, it is based on actual cash inpayments and outpayments, excluding transactions in Government liabilities.[5] Thus, it shows the amounts being added to and subtracted from private incomes and holdings of public debt. The cash-consolidated budget makes total cash receipts and total cash expenditures the hub around which the decision-making process revolves.

The committee also recommends that the budget message state each year what projection of national income is used in estimating receipts and expenditures. Failure to include this figure has caused much needless confusion in the past concerning the soundness of revenue and expenditure estimates. The recent announcement by the Secretary of the Treasury that the 1950 estimates are based on a $215,000,000,000 personal income (corresponding to a national income of about $230,000,000,000) is a step in the right direction.

Clarifying issues by improved classifications

Effective budget presentation in a democracy should help the public to understand the choices that have to be made. Sensible choices can be made only in terms of government functions, not in terms of particular organization units. Further, public debate should center on broad programs such as agricultural subsidies, national defense, international reconstruction and relief, and the like. It follows, therefore, that budget presentation should (a) focus attention on functions by bringing together related activities and (b) summarize these activities in categories which aid citizens in making policy decisions.

The new functional classification adopted in 1947 is a commendable first step toward a performance budget. It groups expenditures into such categories as national defense, international affairs and finance, and veterans' services and benefits. To complete the process of giving Congress and the public a clear understanding of what spending is proposed for each activity of Government, the broad functions now used should be split up into activities and the activities into projects. This is what the Commission on the Organization of the Executive Branch of the Government (the Hoover Commission) calls a performance budget.[6] The appropriations structure would likewise need to be altered with the objectives of such a performance budget in mind.

Issuing a shorter budget statement

Present budget documents are much too long and complex to be effective in getting budgetary facts and issues across to the public. The budget for 1950 is a 6-pound document running to 1,625 pages. Even the more widely available extract, Budget Message of the President and Summary Budget Statements, is over 300 pages long. A condensed statement of perhaps 50 pages is badly needed. It should contain key excerpts from the President's budget message, together with selected tables and charts. Skillful preparation and wide distribution of such a pamphlet would make a real contribution to public understanding of fiscal affairs.

Defining public choices

Putting the above-recommended changes into effect would help greatly in judging the economic effects of Government's activities and would provide a clearer picture of the costs of Government in a particular year. But that year must also be put in its proper perspective if the citizen is to make intelligent decisions on Government spending and taxing.

The public and Congress are told in January what the Government proposes to spend in the year starting just 6 months later. But they are not told how much of this amount is more or less "untouchable" because of past commitments. Nor can they tell what their choices will cost them not merely in the year just ahead but over the life span of the proposed programs.

The public must be given every opportunity to participate in the broad policy determinations of the Federal program. They naturally wish to address their attention to the area where choices are still open. More effective exercise of democratic control of Government and its expenditures would be possible if the budget would focus attention more sharply upon the new decisions which have to be made.

The committee recommends an addition to the customary budget presentation to give us a longer perspective on the choices before us:

For new programs, especially long-run undertakings, the budget should spell out not merely the costs in the coming year but insofar as possible the expected total and pattern of future costs. For long-run undertakings already in progress, the budget should facilitate continuous review and appraisal by showing their exact status in terms of past, present, and future expenditures.

The first part of this recommendation centers directly on the expanding frontiers of Government. It is the decisions on new programs, on proposed legislation, on today's commitments for future spending that determine in large part whether, and in what direction, Government is to expand.

New proposals should be the occasion for reappraisal of existing programs. Their costs should be assessed in relation to their relative benefits. Only if new proposals are fully explained can such a comparison be accomplished and the total program be adjusted to meet the public's preferences.

Yet, as matters now stand, choices which may be decisive for the whole program have to be made largely in terms of the cost for the first year. The statement of immediate costs should be supplemented by as complete a schedule of future costs as present information allows. If no satisfactory schedule can be given for a proposal, this alone may indicate that it is not yet ripe for submission and public decision. Such a requirement would facilitate control of Government expenditures where they originate and while they are still controllable.

Exclusive attention to new proposals will not, however, accomplish the requisite public control over the program as a whole. Long-run undertakings must be subjected to continuous review to make sure that their development is consistent with the public's wishes.

Here again, the budget presentation should make clear the range of choices. Under

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[4] For example, it includes in the proposed expenditures for fiscal 1950 the $2,000,000,000 national service life insurance dividend which is not shown in the administrative budget. It also adds in the $2,200,000,000 of outpayments from the old-age and survivors insurance trust fund and the $4,100,000,000 of receipts of this trust fund from pay-roll taxes.

[5] For 1950, for example, the administrative budget shows an expenditure of $5,500,000,000 for interest. The actual cash outlay for interest included in the cash-consolidated budget totals only $4,000,000,000 because this budget excludes the accrual of interest on savings bonds and the payment of interest on Government bonds owned by Government trust funds and corporations.

[6] The Commission's Recommendation No. 1 on budgeting is as follows: "We recommend that the whole budgetary concept of the Federal Government should be refashioned by the adoption of a budget based upon functions, activities, and projects. This we designate as a performance budget."

present procedure, commitments grow out of authorizations which are not made by appropriations committees and which may involve little or no appropriation of money at the outset. The public works field provides the prime example of the dimly understood commitment which tends to grow, snowball fashion, as the years go by. The original estimate of the cost to complete the project may be based on limited data. Later revisions and expansions of the program may be cursorily approved merely as amendments to a decision already made. As the preliminary explorations are succeeded by engineering surveys and construction plans, the public should be informed of revised cost estimates and the Congress should exercise continuous surveillance of the broad outlines of the undertaking to insure that new decisions are consciously made. Quite apart from the merit of the project as such, the Missouri Basin development is a good example of a long-range undertaking which has tended to grow piecemeal without adequate congressional or public control of the project as a whole. When first approved by Congress in 1944, the estimated cost of completing the entire project was $1,300,000,000. An initial authorization of $400,000,000 was made at that time to get work started. Today, 5 years later, it is estimated that total Federal costs for the project and related activities may run to $6,000,000,000 over a 6-year period. Part of the increase in estimated costs is due to price rises since the first estimates were made. Most of it, however, appears to be a result of more detailed estimating and additions to the original plan. By June 30, 1949, construction will have begun, according to present plans, on work now estimated to cost $1,400,000,000 to complete. Some $300,000,000 has been appropriated for this work. These parts of the total project, at least, appear to have largely passed beyond the financial control of the public and Congress into the engineering control of the Bureau of Reclamation and the Corps of Engineers.

Even when the total size of a project is beyond effective control because of congressional authorizations, the rate of expenditure may still be subject to control. The impact of the Missouri Basin development on the economy, for example, will obviously be quite different if it is rushed to completion in 5 years than if it is spread over 50 years. Here, the key to control seems to be the new units or segments of projects started. This stage requires approval by Congress through actual contract authorizations and appropriations. An annual summary in the budget document showing the status, proposed total outlay, and projected timing of the expenditure of all authorized long-run construction undertakings would contribute measurably to far-sighted control of Federal expenditures.

The Federal civil public works program and proposals shown in the current budget document are summarized below. Information on the timing of these expenditures beyond 1950 is not available.

[In billions of dollars]

	Estimated expenditures in fiscal 1950	Estimated expenditures after fiscal 1950
Projects begun before 1950	2.7	6.1
Projects proposed to start in 1950	.3	1.9
Projects authorized to start after 1950		12.8
Agency proposals not yet authorized		14.0
Total	3.0	34.8

Public works is only one of several fields in which activities are in fact authorized for many years in advance, thus making it difficult to exercise suitable public policy control by conventional annual budgeting. The 1950 budget offers examples from other fields. Universal military training is estimated to cost $600,000,000 for fiscal 1950, but the budget message mentions a figure of $2,000,000,000 for the next year. Evidence is lacking that this figure is founded on careful analysis. The social insurance proposals offer the paradox of presenting long-run cost information, but very little one can lay one's hands on for the years immediately following 1950. Insofar as possible, cost data should be set forth for the entire period involved in current decisions.

Achieving economy in government

With each billion dollars added to the Federal budget, economy becomes an issue of more direct concern to all taxpayers—which means the whole population. Inefficiency that might not have been heavily damaging in a $5,000,000,000 Government becomes intolerable at nine times that figure. It wastes resources that might otherwise have been put to good use privately or devoted to expansion of needed Government services. Inefficiency begins to be felt in higher taxes than seem justified. Or alternatively, it results in the vetoing of important new programs for which there might have been room taxwise in the absence of waste.

That waste has become a serious problem in government is substantiated by the findings of the Hoover Commission. The Commission's reports show that more efficient organization and procedures can, in the course of time, save hundreds of millions—perhaps even billions—of dollars.

The existence of waste in government is hardly surprising. Government is the Nation's biggest and most complex business. Its officials are spending not their own but other people's money. And it is not compelled to live within its income.

The person who is spending someone else's dollars—whether on a business expense account or on a Government job—will usually be less strict in his standards than if he were spending his own. When the consequences of spending unwisely or too much are borne by someone other than the spender, cost-consciousness usually lessens. As Government spends a larger and larger proportion of our income, this problem becomes increasingly serious.

At the same time, bigness and complexity make it difficult to control and gain accountability in Government spending. In a small business or a small unit of local government, identity, or close contact between the spender and the one who bears the consequences provides the needed incentive. But as that contact is lost either in the large corporation or the remote Federal Government, the incentive becomes weaker and wasteful spending tends to grow.

In private units tendencies toward waste are checked by the painful if not disastrous consequences of living beyond one's income. But Government, by its very nature, lives by different standards. Unlike private units, which must tailor spending to receipts, Government units first decide upon their expenditures and then raise the funds needed to finance them. Only if we adopt a budgetary policy which makes higher taxes a consequence of higher expenditures can we enlist the aid of the revenue test in tightening the expenditure standards of Government. If this general test could be supplemented by a personalized incentive scheme—one which would relate promotions and higher salaries directly to superior performance at least cost—we could make real inroads on the problem of cost-consciousness.

For the most part, inefficiency in Government takes intangible forms—bad organization, deficient procedures, and the lack of incentives to do things the least expensive way. To the extent that waste consists of multiplication of agencies doing uncoordinated and overlapping things, it will yield only slowly to reform. But the more tangible forms of duplication in physical facilities are a promising field for economy, even in the fairly short run. Duplicate inventories of materials throughout Government, for example, can be liquidated by centralizing both purchasing and supplies. As the Armed Services become more truly unified, duplication of air fields, training bases, and service establishments can be avoided or eliminated.

The President's recent attempt to cut back the veterans' hospital program illustrates, however, the resistance that frequently springs up when an attempt is made to economize. Veterans' groups immediately protested the cut-back. Local groups, in the geographic areas affected, quickly joined the hue and cry. As a result it appears probable that most of the cut will be restored.

Resistance of a different kind is encountered in trying to consolidate overlapping agencies, modernize obsolete procedures, and tighten up on the use of supplies. In part, the economizing process is slowed down by the resistance of Government employees who may lose their jobs or their power. But the usual vagueness of the issues and the general inertia of such a hugh organization as the Federal Government are more important obstacles.

The Hoover Commission has made an outstanding contribution in defining the issues, stimulating public awareness, and offering specific suggestions for reform. The most important of these reforms relate to such matters as the elimination of duplication, consolidation of units, improving lines of responsibility and strengthening procedures for budgeting and expense control.

Perhaps the most impressive case for economy is made by the Commission's report on national security. Judging by the report, the armed services provide examples of virtually every type of inefficiency and waste that exists in Government. But the studies of the Commission have suggested improvements and savings in many other areas as well. Only a few examples need be cited here. In the Veterans' Administration reorganization and procedural improvement can, it is held, accomplish a 10-percent increase in the average output of each employee, with consequent savings of as much as $75,000,000 a year. The task-force report on the Post Office states that "total annual expenditures in post offices having receipts of over $1,000,000 per year can be reduced by at least $90,000,000 if operations are placed under better management control," though at least $8,000,000 annually will have to be invested to achieve this economy.

The Research and Policy Committee commends the report of the Hoover Commission for early consideration and appropriate action. Giving the President appropriate powers, with safeguards deemed necessary, to consolidate and reorganize the executive arm of government would be a hopeful start.

Reliance for achieving economy must also be placed on exposures of waste, duplication, and inefficiency. Vigilance on the part of individual citizens, civic groups, and news organs in unearthing and publicizing examples of wasteful spending has a wholesome effect on the responsible officials.

The foregoing comments indicate that economy and efficiency in Government cannot be achieved either easily or quickly. But they show just as clearly that economy is not a mere will-o'-the-wisp. Given the stimulus to achieve economy—and the burdens of a $45,000,000,000 level of Federal spending should certainly provide that stimulus—it is clear that vigorous efforts in that direction can be very rewarding.

Controlling new items of expenditure

Apart from doing the existing jobs of Government at lower cost, can we effect significant savings by postponing or curtailing low-priority Government programs?

The search for savings will be most fruitful in those areas where we are currently being asked to undertake new or expanded commitments. We should focus our attention chiefly on new-item control rather than tilting at the windmill of commitments to which we are legally or morally bound by past actions.

Table IV shows the $8,076,000,000 of expenditures in the President's budget for 1950 which depend on proposed legislation.[7] The largest item in the table is the $4,655,000,000 for the European recovery program and other foreign aid. Although no legal commitment exists for these projects, failure to provide funds would be interpreted both at home and abroad as breaking a definite moral commitment. Leaving out this item, we find $3,421,000,000 of proposed expenditure which depends on new legislation, to which we are not yet committed. In this amount and in the expansion of programs already authorized by statute but for which appropriations are still required lie the best opportunities for free choices affecting the expenditure side of the budget. It should be noted that $1,665,000,000 of the expenditures under new legislation is for social insurance expansion to be financed by pay-roll tax increases.

In the field of public works, the committee thoroughly agrees with the following suggestions made by the President in his budget message: "Present high costs of construction and large competitive demands from various sectors of the economy make it necessary to undertake new river-basin projects only where urgency is evident." Further: "Because of the great increase in the estimated cost of the Missouri Basin development, the present plan should be reexamined to determine needed changes."

TABLE IV—*Costs of proposed new legislation in fiscal year 1950*[1]

[In millions of dollars]

International affairs and finance	4,655
Economic Cooperation Administration	4,300
Other foreign aid (Greece, Turkey, China, Korea)	355
Social insurance	1,665
Old-age and survivors insurance, total and permanent disability, temporary disability	1,500
Unemployment	150
Medical care	15
Other	1,756
National defense (military construction, special programs, military pay adjustment, etc., separate amounts not specified)	385
Universal military training	600
Public assistance	65
Slum clearance, low-rent housing, farm housing and research	160
Special assistance for rental and cooperative housing	50
Federal aid to education	290
Grain storage facilities	25
International wheat agreement	56
St. Lawrence seaway and power project	8
Anti-inflation program, rent control, and export control	42
Surplus property disposal	21
All other	54
Total	8,076

[1] Based on 1950 budget message: excludes military aid to North Atlantic countries.

[7] Excluding expenditures for military aid to the North Atlantic countries.

Parallel with these suggestions, the committee would raise two questions. First, is it good public business to spend as much as $3,000,000,000 of public money on construction in 1950 as recommended by the President? As long as costs are still high and demands for non-Federal construction of some types remain insistent, Federal construction should be slowed down. Slowing down now would make it easier to spend up later if esonomic activity should decline sufficiently to call for an increase of public works expenditure. Some will protest that a slow-down now would be uneconomical because it would interrupt work already under way. To this protest it may be answered that the large projects comprising the bulk of the $3,000,000,000 construction item break down into a series of individual works, especially in flood control and reclamation. The committee is convinced that a project-by-project engineering analysis could squeeze out a sizable sum for 1950 without impairing performance.

The second question regarding public works is this: Are decisions on the proposed $295,000,000 for new projects in 1950 being made with full regard to the total costs involved? We have in mind the total of $2,200,000,000 needed to complete these projects. This proposed expenditure should be evaluated not simply in terms of the benefits yielded to the particular area where the projects are located. It should also take into account for example, the housing or education projects (either public or private) which may have to be foregone to support the proposed public works. Particular attention should be given the projects which are at or approaching the stage of proposed authorizations, such as the St. Lawrence seaway and the Columbia River Basin development. It is at this stage that control can be most effective.

There are, of course, other areas in which diligent probing will reveal opportunities for savings. Such savings can and should be made without sacrificing essential elements of our programs for military security and social welfare. But constant vigilance will be needed to avoid the conversion of savings on one front into unwarranted expansion on another front.

IV. BUDGET POLICY

The proposals in the President's January budget message, excluding the recommended general tax increase, added up to a cash surplus of $1,500,000,000 to be achieved if total personal income remained at about the $215,000,000,000 level of October–December 1948. The President stated in January that he would send up at a later date a proposal for expenditure for military aid to the North Atlantic countries. Inclusion of an unofficial estimate of $600,000,000 for the purpose would reduce the cash surplus to $900,000,000.

The President recommended an increase of tax rates to yield $4,000,000,000 in a full year. He suggested that "the principal source * * * should be additional taxes upon corporate profits," supplemented by higher taxes on estates and gifts and possibly by an "increase of rates of individual income taxes in the upper and middle brackets." Because of the normal lag of tax collections the yield of the additional taxes in fiscal 1950 would be considerably less than $4,000,000,000, perhaps around $2,500,000,000.

Thus the President's budget recommendations would lead to a cash surplus of a little over $3,000,000,000 at a personal income level of $215,000,000,000, the surplus to be achieved by means of a tax increase, mainly on corporate profits, to offset expenditure increases.

This policy, as explained by the President reflects the belief that a surplus is necessary to combat inflation, that reduction of the debt is desirable in conditions of high employment, and that a tax increase is the best means to achieve the surplus.

The principles of budget policy

Any recommendation on budget policy for a particular year reflects, explicitly or implicitly, certain principles or attitudes about the nature of budget policy in general. Should we seek to balance the budget each year, or should the size of the surplus vary with economic conditions? Should policy each year be guided by a current economic forecast or should we rely on more objective standards? We must first arrive at general answers to such questions before we can agree upon, or even discuss usefully, year-by-year budget policy. Our budget is too big, the short-run pressures and uncertainties too great, to allow us to improvise budget policy as we go along.

In 1947 the committee developed the basic principles of a workable budget policy that would contribute to economic stability, Government economy and debt reduction. The key to the program is this:

"Set tax rates to balance the budget and provide a surplus for debt retirement at agreed high levels of employment and national income. Having set these rates, leave them alone unless there is some major change in national policy or condition of national life."

The meaning of this recommendation and the reasoning that lies behind it were explained in detail in our policy statement "Taxes and the budget." We shall spell out the main implications here only in brief and general terms.

If the recommended policy were followed, the size of the actual surplus would vary with the size of the actual national income. The lower employment and national income are, the smaller will be the yield of the existing tax rates and the higher the amount of payments for unemployment compensation. There would be an automatic rise or fall of the surplus that would tend to check any rise or fall of national income and so to help maintain stability. Thus, suppose we arrange our budget expenditure programs and tax rates so that there would be a cash surplus of $3,000,000,000 at a national income about the current level of $230,000,000,000. If the national income falls to, say, $215,000,000,000 or $200,000,000,000, tax revenues will decline and unemployment compensation payments rise. The budget will take less income away from private individuals and businesses and pay more to them. This will serve to cushion the decline of national income. In present conditions, when a large part of Federal revenue comes from corporate profits taxes and business break-even points are unusually high, a decline of national income would reduce tax collections especially sharply and could easily result in a substantial deficit.

In theory it would be possible to go beyond this automatic effect of economic fluctuations upon the budget and the corresponding effects of the budget in reducing fluctuations. That is, in theory it would be possible to cut taxes in depression and raise taxes in inflation and so make a greater contribution to stability. But such a policy can only be effective if the timing is right. It will contribute to instability, not to stability, if the tax rate changes come too soon or too late. The well known unreliability of economic forecasting, plus the difficulties of getting quick action on tax rates, lead us to conclude that such a program would be unlikely in fact to contribute to stability. In conditions of extreme depression or inflation it may be desirable to go beyond the automatic operation of the stable tax-rate program and reduce or increase tax rates. But in more moderate fluctuations the maximum contribution of the budget to stability will, we believe, be obtained from the general policy we have recommended.

Adherence to the stabilizing budget principle would promote economy in Govern-

ment. To maintain taxes at the recommended level—enough to yield a reasonable surplus at agreed high levels of national income—would require that an increase in Government expenditure programs be matched by a corresponding increase in tax rates. This requirement would not, of course, serve as a substitute for the constant sifting and winnowing which is necessary to assure the maximum return per dollar of Government expenditure. Moreover, the committee recognizes that it may be undesirable to raise tax rates to meet a large and clearly temporary expenditure increase. But if the basic principle is followed the general aversion to higher taxes would be a valuable check on unnecessary expansion of the level of Government expenditure.

The committee's proposal would establish the reduction of the Federal debt as a recognized item on our fiscal agenda. Its policy would neither accept a constantly mounting debt as inevitable nor put us in the straitjacket of compulsory debt retirement each year. Rather, debt would be retired at and above satisfactory levels of national income and employment, i. e., when the economy could afford it. If, on the average, we achieve our goal of maintaining high employment, the debt would be gradually reduced.

The committee does not rely on budget or fiscal policy alone to achieve economic stability. As the committee pointed out in monetary and fiscal policy for greater economic stability, economic stability requires coordinated action on many fronts. Fiscal policy must be coupled with monetary and debt-management policy. Monetary-fiscal policy, in turn, needs to be buttressed by appropriate wage-price and agricultural policies and by greater contributions to economic stability than have hitherto been forthcoming from policies prevailing in construction, foreign trade, and international finance, banking and insurance, and in the management of individual businesses.

We wish particularly to emphasize that the effectiveness of budgetary policy as a force for economic stability depends on how well the debt is managed. A surplus of cash receipts over expenditures will be more deflationary if it is used to build up the Treasury's cash balance or to pay off Government bonds held by the Federal Reserve banks than if it is devoted to repayment of savings bonds. Similarly, a deficit financed by borrowing from commercial banks will be more expansionary than one financed by borrowing from individuals. Changes in composition of the debt can have significant economic effects. For example, during an inflation it would be appropriate to intensify the program for selling savings bonds.

The principle recommended here is that the relation between expenditures and tax rates be so adjusted as to yield a moderate surplus at agreed high levels of employment and national income. Application of the principle requires some definition of the size of the surplus and the high-level national income.

In 1947 the committee suggested that tax rates should be set at a level that would yield a $3,000,000,000 cash surplus under conditions of high employment.

The committee recognizes that it is impossible to determine now for the indefinite future how large a cash surplus will on the average be consistent with the maintenance of stability at high employment. We believe that in the prospective condition of the American economy an annual cash surplus of $3,000,000,000 will not ordinarily be too large for the achievement of prosperity, especially if we adopt policies with respect to the tax structure, money and the debt that stimulate private investment. If this belief should in the future prove clearly erroneous, if the $3,000,000,000 annual withdrawal from private incomes and liquid assets should prove an excessive drag upon the economy, it will be desirable to reduce the figure.

The revenue estimates included in the President's January budget message were based on the assumption that total personal income would continue at about $215,000,000,000 a year. This is approximately the level that prevailed in the second half of 1948, somewhat below the peak reached at the end of 1948, and probably close to the current (spring 1949) level. It is a level of income at which we have had high employment with an average level of prices near the present level. The personal income figure of $215,000,000,000 corresponds to a national income figure of $230,000,000,000. Conceivably with a sufficient decline in prices high employment could be maintained at a level of national income lower than $230,000,000,000. However, any considerable fall of national income carries with it the risk of unemployment. There is no strong reason for setting tax rates high enough to yield a cash surplus at a national income figure below that used in the preparation of the budget estimates. Therefore we consider it a reasonable interpretation of our general principle at the present time that the budget should be set to yield a $3,000,000,000 surplus at about $230,000,000,000 national income. It should be clear that this does not imply a forecast that the national income will actually be $230,000,000,000 in 1949–50. If the national income is lower the surplus would be, appropriately, lower.

Need for reform of the tax structure

Before turning to the application of our general principle to the question of the total level of taxes in 1949–50 we wish to emphasize that tax policy is not merely a question of totals. It is also a question of the character of the taxes that yield the total. Our present tax system has seriously detrimental effects upon the vitality and efficiency of our productive system. We have described these effects and made suggestions for remedying them in an earlier policy statement.[8] We shall not repeat them here. Major changes in the tax structure have often in the past been the byproducts of major changes in the level of taxes. However, this need not be the case. Important structural improvements can be achieved without any change in the over-all level of taxes. In fact, the prospect that we may have to live for some while with the present over-all level of taxes makes it especially urgent that we proceed with structural improvements. The present heavy burden of taxes aggravates the structural defects of the existing system.

Pay-roll taxes for social security

The President's proposals include $2,200,000,000 of pay-roll tax increase to finance broader social-security benefits. These benefits, in turn, are estimated by the budget to account for $1,600,000,000 of expenditures.

Without passing on the merits of the expansion of social insurance recommended by the President,[9] the committee would agree that higher pay-roll taxes are the appropriate means of financing it under present circumstances. Such taxes are appropriate here because (1) direct and recognizable benefits are being given in exchange; (2) they generate the feeling that benefits are received as a matter of right rather than charity. The committee is mindful, however, of the broad interest of society in the welfare of the aged and the consequent justification of a measure of financial support from the general revenue. Also, as benefits are increased and coverage is widened, making social insurance more truly a general government function, we will approach the point where, as the committee suggested in Taxes and the Budget, it becomes appropriate to reconsider the entire financial status of the system.

Budget policy for fiscal year 1950

The Choices Before the Country

The expenditure proposals now before the Congress confront the country with the necessity for choosing among three courses of action:

1. To hold expenditures down—so that a moderate cash surplus would be yielded by existing tax rates under conditions of high employment.

2. To allow expenditures to rise and to increase tax rates—so that tax revenue would cover the increased expenditures plus a moderate cash surplus at high employment.

3. To allow expenditures to rise and not to increase tax rates—so that there would be at most a very small surplus and possibly a deficit even at high employment.

The Need for Reduction of Expenditures

In the present situation the only acceptable course to follow is to reduce expenditures.

The committee recognizes the inescapable character of some of the largest Government-expenditure programs. It appreciates the grave risks that must be weighed by those who have to decide the amounts to be spent for national defense or foreign aid. These decisions cannot be governed entirely, or even primarily, by fiscal considerations.

But the existence of a large, hard core of expenditures in the budget does not mean that the budget as a whole is untouchable. On the contrary, the extraordinary demands that the current international situation make upon the Federal budget compel us to practice economy everywhere with more than ordinary rigor. The question is not whether we can find expenditure programs in the budget that are useless. The important questions are (1) can the most essential programs be trimmed and carried on more economically and (2) can the less essential programs be deferred, curtailed, or eliminated, in view of the great demands being made upon the budget?

Expert investigation has shown that large amounts can be saved by reorganization and more efficient operation of the Government. In this connection we have referred in section III to the finding of the Hoover Commission. It is critically imperative that these potential savings be realized quickly and fully. We have also pointed out that many of the expenditure programs, new and old, submitted to Congress represents decisions to be made, not necessities to be accepted. There is, for example, a choice in the rate at which we push ahead expanding public-works programs. There are choices in the rate at which we introduce other new programs and carry on old ones.

Whatever may be said for the need for certain projects that will increase expenditures, the need must surely be weighed against the cost. Under present conditions the cost is raising taxes or foregoing debt reduction. Either cost is too high.

The Cost of Higher Taxes

The burden of taxes in the United States is heavy. Federal taxes alone take about one-fifth of the national income. Federal, State, and local taxes together take about one-fourth of the national income. This heavy tax burden is a serious threat to the growth and efficiency of the American economy. The heavy tax burden reduces the supply of capital available for investment in expansion and improvement of productive capacity. It represses the incentives to use

[8] Taxes and the Budget, a statement on national policy by the Research and Policy Committee of the CED, November 1947.

[9] The committee has earlier recommended one large single element in the program, namely, the broadening of old-age and survivors insurance. We have also suggested broader coverage of unemployment compensation and liberalization of benefits. See Taxes and the Budget.

funds in risky, forward-looking enterprises, since the Government will take a large share of the rewards if the enterprise is successful but will only share in any losses to a much smaller extent, if at all. In some cases the high share that the Government takes of additional earnings weakens the drive to personal effort. A continuing, large flow of capital into additional productive capacity, a continuing search for new and better ways of using funds and personal talent are essential to the future strength of this country and to the well-being of the whole population, indeed of the whole democratic world. Adding to the existing tax burden would further weaken these basic supports and stimulators of our economy.

A tax increase would be particularly risky at the present time. There has already been a substantial softening from the boom economic conditions of a year ago. Employment and production are still high as this is written. We are not now in a depression. But no one can tell when the decline may stop or how far it may go. We should not, if we can avoid it, add the real and psychological impact of a tax increase to the forces making for the current readjustment.

The Cost of Not Providing for Debt Reduction

The principle that if expenditure levels are increased taxes should be increased sufficiently to provide for debt reduction during periods of high employment we regard as essential to the long-run stability of the American economy. Failure now to hold expenditures moderately below the revenues that would be yielded by our tax system under conditions of high employment would be a dangerous departure from that principle.

This principle is a necessary safeguard against excessive increase of Government expenditure. It should be abandoned only in the most extraordinary circumstances. It is not, and should not be, an insuperable barrier to any increase of expenditure. But it does impose upon the Government and the public the discipline of counting the costs of their expenditure decisions. Thus, it tends to confine expenditures to those of which the value is clear after the costs as well as benefits have been weighed. There is no practical substitute for the requirement that taxes be raised when expenditure programs are increased as a means of bringing the costs as well as the gains into the balance-of-expenditure decisions. Without this balancing, we would be exposed to the danger of continuous expansion of the scope of Government and uneconomical diversion of resources from private to Government use.

The principle that the debt should be reduced in periods of high employment is also a necessary safeguard against a long-run inflationary trend. The committee has recognized that the importance of combating economic instability makes it undesirable to attempt to reduce the debt during a period of depression. The same consideration points to the necessity of providing for a surplus in prosperous times. If we run deficits in depression and yet enforce no check against deficits in prosperity we shall get not stability but economic fluctuations around an inflationary trend.

We have indicated that to increase taxes would be especially risky now in view of the present business uncertainty. To allow expenditures to rise so far that existing taxes would not yield a surplus at high employment would add to the existing uncertainty. It would suggest an inability to manage our fiscal affairs.

The committee's conclusion is: The costs of not curtailing expenditures are too high to pay, in terms of their effects upon the stability and efficiency of the American economy. Congress and the President have the responsibility for weighing these costs. They cannot safely accept the position that because expenditure reduction is difficult the only choice lies between raising taxes and foregoing debt reduction. The course of least resistance may be to approve expenditure increases and not to raise taxes. However, if the effort to reduce expenditures finally fails, it is the committee's judgment that Congress must assume responsibility for raising taxes, as the least dangerous of the two other alternatives.[10] In our judgment, however, a tax increase is not necessary because, barring major unforeseen international developments, expenditures for the coming fiscal year can be reduced.

VISIT TO THE SENATE BY GEN. LUCIUS CLAY

Mr. LUCAS. Mr. President, I should like to make an announcement for the benefit of the RECORD, and also for the press.

Gen. Lucius Clay has been invited to speak tomorrow before the House of Representatives. Following his appearance and address in the House of Representatives, he will then come to the United States Senate and address Members of the Senate. I do not know the exact time, but I ask unanimous consent that General Clay be permitted to address Members of the Senate at some time early tomorrow afternoon.

The PRESIDING OFFICER (Mr. KERR in the chair). Is there objection to the request of the Senator from Illinois?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I will state that I feel confident that I express the views of minority Members, as the majority leader expresses the views of Senators on his side of the aisle. We shall be only too happy to hear General Clay, who has made such an excellent record as an administrator in Berlin.

Mr. LUCAS. I thank the able acting minority leader.

Mr. President, I cannot tell the Senate the exact time, but I have conferred with General Bradley, and General Bradley has agreed to have General Clay here immediately following his address in the House of Representatives.

The PRESIDING OFFICER. Without objection, a recess will be ordered at an appropriate time tomorrow so that General Clay may have the opportunity to address Members of the Senate.

RECESS

Mr. LONG. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 17, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 16 (legislative day of April 11, 1949):

IN THE ARMY

Gen. Lucius DuBignon Clay, O9318, commander in chief and military governor, United States zone, Germany (major general, U. S. Army) to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

Maj. Gen. Abram Franklin Kibler, O6668, Army of the United States (brigadier general, U. S. Army), for appointment as major general in the Regular Army of the United States under the provisions of title V, Officer Personnel Act of 1947.

Brig. Gen. Ernest Marion Brannon, O12292, Army of the United States (colonel, Judge Advocate General's Corps, U. S. Army), for appointment as brigadier general, Judge Advocate General's Corps, in the Regular Army of the United States, under the provisions of title V, Officer Personnel Act of 1947, and title II, Public Law 759, Eightieth Congress.

Brig. Gen. George Leland Eberle, O6613, United States Army, for temporary appointment as major general in the Army of the United States under the provisions of section 515, Officer Personnel Act of 1947.

IN THE AIR FORCE

The following-named persons for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Gordon S. Adams, AO538366.
Ernest L. Alexander, AO565337.
George O. Anderson, AO690297.
Jack G. Anderson, AO866362.
Angelo R. Arena.
Stanley E Asplund, AO874164.
Herbert J. Avise, AO900352.
Frank L. Ayres, AO805545.
Theodore Bącha.
Richard A. Baldwin, AO2089172.
Randolph W. Barker.
John W. Barter, AO855959.
Robert P. Baumann, Jr., AO761025.
Gerald J. Beisner, AO836403.
Robert M. Bell, AO736076.
George A. Bennett, AO799753.
William G. Beno, AO817382.
Roy H. Black, AO669170.
Woodrow W. Blalock, AO2098705.
Henry P. Blodgett, Jr., AO709114.
James R. Bohannon, Jr., AO795894.
Charles W. Borders, AO671631.
Arthur W. Bostick, AO871127.
Ralph I. Bowman, AO763049.
Leslie W. Bray, Jr., AO365513.
William L. Brinson, AO789667.
Bernard A. Brisley, AO2089892.
Roy J. Broughton, Jr., AO786046.
Robert S. Buchanan, AO2094453.
James M. Burkhart, AO774518.
John S. Byrn, AO874568.
Nicholas Chima, AO801056.
Charles J. Cochrane.
Perry V. Collins, AO727180.
William Cook, Jr., AO2082983.
Dewey G. Cooper, AO2087125.
Troy N. Crook.
John M. Crowley, AO712085.
Frederick E. Crowther, AO714035.
Ralph J. Curry, AO783924.
Paul E. Darling, AO925885.
Bruce Davis, AO462203.
Irving C. Doe, AO800492.
Charles E. Donegan, AO722012.
George W. Dooley, Jr.
Patrick L. Doran, AO672774.
Louis D. Dumontier, AO748600.
Comly J. Eagle, AO433548.
Donald E. Eberhardt, AO756518.
J. Murray Ellzey, AO761507.
James W. Enochs, Jr.
Graydon K. Eubank, AO663499.
Richard L. Fahrney, AO696347.
Al W. Farnsworth, AO774087.
Richard H. Foote, AO875308.
Harry D. Gilpin, AO664565.
Donald H. Gleaves, AO579951.

[10] Footnote by Beardsley Ruml: "It would not be inconsistent with the position taken by the committee in its policy statement, Taxes and the Budget, if nonrecurring expenditures were financed by the sale of savings bonds to the public. Such sales would be in some measure an alternative to taxation."

Jean G. Goppert, AO520943.
Edwin P. Gourley, AO808414.
Carl W. Grant.
Donald U. Gray, Jr., AO716108.
Norman M. Green, AO2058793.
Vernie B. Greenamyre, AO1541910.
Reginald W. Gregory.
Willie P. Gregory, AO831157.
Robert M. Griffard, AO2065274.
Kenneth E. Gross, AO760831.
Benny B. Hall, AO838767.
Calvin L. Hamilton, AO1045448.
Edward J. Hanigan, Jr., AO715201.
Robert P. Hansen, AO693498.
John T. Hanton, AO667072.
Warren H. Hawes, AO802112.
Neal A. Hess, AO860932.
Malcolm G. Hicks, AO810370.
Maurice E. Hinerman, AO869234.
George E. Hochstetler, AO767234.
Charles A. Hoffman, Jr., AO730783.
James K. Houghtby, AO780960.
Lewis L. Howes, AO875340.
Buford M. Humphries, AO807221.
Dana F. Hurlburt, AO444526.
Guy Hurst, Jr., AO784725.
Paul E. Hutchinson, AO578019.
Charles W. Jackson, AO665567.
Harford P. Jenks, AO659937.
Alvin L. A. Johanson, AO837707.
Clarence L. Johnson, AO722099.
Victor E. Johnson, AO946569.
David B. Jones, AO752680.
Donald A. Jones, AO742724.
Richard E. Jones, AO747812.
Edward G. Kar, AO876791.
Dean L. Kennedy, AO778178.
Benjamin C. Kenyon, Jr., AO767272.
Donald E. Kenyon, AO823621.
Clifford D. Kester, AO681116.
Ivan P. Kirschman, AO2093886.
Jasper F. Kobler.
Arthur W. Latta, AO768863.
Harris Y. Lauterbach, AO705593.
Miles R. League, AO734111.
Oliver W. Lewis, AO2061733.
Herbert M. Light, Jr., AO727354.
Thomas U. Lineham, Jr., AO428206.
David L. Little, AO707488.
Glenn H. Lloyd, AO869910.
James Q. Locklear, AO791949.
Clarence R. Lockridge, AO757533.
Robert F. Long, AO856916.
Donald S. Lopez, AO803409.
Vernon N. Luber, AO660583.
Richard E. Lyons, AO863016.
David L. Malickson.
William J. Malloy, AO869264.
William R. Malone, Jr., AO590160.
Sidney R. Mandina, AO470949.
Sidney C. Marshall, AO701255.
Eugene Martin, Jr., AO2059324.
Edward S. May, AO767849.
Robert H. McCully, AO589853.
Jonathan B. McMinis, AO2072822.
Carl M. Melton, AO813752.
Robert E. Melvin, AO806489.
Robert F. Merino, AO827712.
Frank Mertely, AO701133.
Billy H. Miller, AO572656.
John W. Miller, AO699944.
Arthur J. Mills, AO807495.
Cornelius P. Mills, Jr.
James E. Mills, Jr., AO794564.
Charles F. Moehle, AO729550.
Jack K. Moore, AO855510.
Walter P. Morton, Jr., AO728709.
Norman F. Mueller, AO2084376.
Orlin C. Munns, AO702171.
James T. Nanney, AO854512.
Frederick C. Newton, AO717686.
Christopher J. O'Halloran, AO2063523.
Carl A. Paige, AO1534355.
William J. Palmer, AO735441.
Peter Payant, AO829286.
Wesley L. Pendergraft, AO784531.
Everett E. Penick, Jr., O552246.
Roland A. Perry, AO775527.
Francis D. Peters, Jr., AO792869.
Warren E. Peters, AO590101.
Harry W. Peterson, AO589980.
Jackie T. Phelps.
Thomas R. Philips, Jr., AO1684178.
Charles E. Phillips.
Russell K. Pierce, Jr., AO442962.
Gordon C. Preller, AO759299.
John H. Pulley, Jr., AO675621.
Richard M. Purcell, AO843331.
Theodore M. Raley, AO701055.
Richard C. Randall, AO706303.
Leland R. Raphun, AO659759.
William D. Reeder, AO802784.
Addison T. Reid, AO739680.
Horace J. Reisner, AO2058086.
William J. Rementer, AO2072531.
Bruce E. Reuteler, AO747140.
Cecil H. Rigsby, AO888661.
Siegfried E. Ristau, AO804976.
Jack V. Roderick, AO660810.
Leslie B. Rosenberg, AO870832.
Richard T. Rutherford, AO792156.
John A. Salyards, Jr., AO680725.
Francis P. Sanna, AO1586134.
George R. Schmidt, AO760916.
Howard R. Schmidt, AO466673.
Clifford Schoeffler, AO686497.
Alvin G. Schuering, AO804412.
James T. Seaver, Jr., AO418674.
Frederic D. Selbie, Jr., AO857497.
David M. Sharp, AO680093.
William M. Shelley.
Clifford W. Shewan, AO673632.
Morris E. Shiver, AO841611.
Jefferson D. Sinnett, AO718784.
Bennie C. Smith, AO1581375.
Maurice H. Smith, AO748824.
George F. Snyder, AO1645389.
John T. Snyder, AO1573596.
Loren J. Spencer, AO2092191.
Wayne L. Stephenson, AO830734.
Wendelle C. Stevens, AO697595.
James S. Stone, AO786659.
George E. Talbot, AO661395.
Theodore J. Tanner, AO696977.
Charles K. Taylor, Jr., AO432268.
Harry E. Terrell, Jr., AO688873.
Lucius Theus, AO589788.
Lawrence A. Thompson, Jr., AO699334.
Thomas W. Tigertt.
Horace C. Traylor, Jr., AO804254.
John Trommershausser, AO793866.
Joe W. True, AO590215.
Roland L. Urquhart, AO677334.
Jay C. Van Bloom, AO796071.
John W. Vega, AO2072946.
George B. Vockroth.
Leonard Volet, AO807083.
Harvey P. Walter, AO822148.
Roy F. Weeks, Jr., AO756365.
Donald L. Werbeck, AO817312.
William A. Werber, AO863933.
William T. Wilborn, AO760086.
Lawrence V. Willey.
James C. Williams, AO932644.
Lawrence Williams, AO1017112.
Elbert Wilson, Jr., AO933117.
Richard S. Wilson, AO447410.
Douglas W. Winfree, Jr., AO439610.
Charles S. Wolfe, AO675147.
Paul M. Yeager, AO440148.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

John T. Fuller, Alexander City, Ala., in place of R. A. Blythe, resigned.

Joseph L. Savage, Centre, Ala., in place of C. H. West, removed.

Carl T. Driskill, Dawson, Ala., in place of J. A. Russell, retired.

Clodie M. Hall, Geraldine, Ala., in place of W. P. Gilbert, resigned.

Carey M. Brady, Jr., Lanett, Ala., in place of H. H. Haralson, removed.

Paul H. Woods, Parrish, Ala., in place of Tillman Christian, transferred.

ALASKA

Martin E. Olsen, Dillingham, Alaska, in place of A. K. Griffen, resigned.

ARIZONA

Ernest S. Hulet, Holbrook, Ariz., in place of G. L. Noel, resigned.

ARKANSAS

Ralph B. Ellis, Dermott, Ark., in place of K. D. McNeely, retired.

Basil L. Grigsby, Hartford, Ark., in place of W. S. Sampson, Sr., deceased.

Louis E. Rice, Lonoke, Ark., in place of W. F. Chaney, removed.

Mansel H. Howie, Montrose, Ark., in place of W. T. Sedberry, resigned.

Kate L. Dooley, South Fort Smith, Ark., in place of E. F. Dooley, retired.

William L. Burns, Tillar, Ark., in place of J. L. Hyde, retired.

CALIFORNIA

C. Margaret Dashiell, Baxter, Calif. Office became Presidential July 1, 1948.

Florence M. Dedmon, Belden, Calif., in place of G. M. Morgenthaler, resigned.

Eva A. Harvey, Bieber, Calif., in place of A. C. Bieber, resigned.

Josephine B. Loomis, Bonita, Calif., in place of T. F. O'Brien, resigned.

Harold A. Fornell, Calwa City, Calif., in place of R. E. Patterson, removed.

Catherine C. Krolfifer, Del Monte, Calif., in place of D. M. Christopherson, resigned.

Gene Martin, Denair, Calif., in place of M. L. Horine, transferred.

Anne R. Birch, Descanso, Calif., in place of E. B. Near, retired.

Nina I. Clark, Dorris, Calif., in place of G. M. Tolbert, resigned.

Hazel D. Ashby, Etna, Calif., in place of F. T. Ashby, deceased.

Maxine A. Bartle, Fall River Mills, Calif., in place of M. W. Wilson, resigned.

Duane J. Cox, Groveland, Calif., in place of Minnie Ferretti, resigned.

Marvin Harmon Wharton, Grover City, Calif. Office established March 16, 1947.

James Henley Brammer, Independence, Calif., in place of Nettie Fausel, retired.

Helen G. Hoe, Kenwood, Calif., in place of H. T. Mitchell, appointment rescinded.

Laurence J. Eberhardt, Lone Pine, Calif., in place of A. E. Tate, retired.

Hugh M. Reynolds, Manhattan Beach, Calif., in place of H. A. Bastien, deceased.

Theresa A. Casazza, Martell, Calif. Office became Presidential July 1, 1948.

Willie A. Harp, Montara, Calif. Office became Presidential July 1, 1944.

Eva May Oates, Nubieber, Calif. in place of I. C. Jones, resigned.

Helen G. Braden, Oceano, Calif., in place of L. L. Ford, deceased.

Roy Corhan, Pinecrest, Calif., in place of A. R. Martin, resigned.

Geraldine M. Webster, Project City, Calif., in place of F. M. Davis, resigned.

Max K. Stewart, Red Bluff, Calif., in place of W. A. Hornbeck, deceased.

William E. Krenning, San Diego, Calif., in place of D. M. Stewart, retired.

Otto O. Wiseman, Standard, Calif., in place of E. R. Wiseman, deceased.

Jean A. Caple, Stateline, Calif. Office became Presidential July 1, 1948.

Esther C. M. Landrum, Storrie, Calif. Office became Presidential October 1, 1948.

Theoda H. Stackhouse, Summit City, Calif. in place of A. M. O'Keefe, resigned.

Oliver Corona, Tahoe, Calif., in place of J. D. Watson, retired.

Johannes Philipsen, Tahoe Valley, Calif., in place of A. W. Lampson, resigned.

Irene B. Hawkins, Tennant, Calif., in place of F. M. Filson, resigned.

Marjorie L. Dietz, Wilseyville, Calif. Office became Presidential July 1, 1948.

COLORADO

Doris B. Byrd, Association Camp, Colo., in place of Edward D. Parton, resigned.

Julius M. Lancaster, Eads, Colo., in place of I. Jenkins, transferred.

Myrtie L. Craig, Merino, Colo., in place of E. O. Smith, retired.

CONNECTICUT

David H. Short, Rowayton, Conn., in place of F. R. Stevens, retired.

Elizabeth R. Rockwood, West Suffield, Conn., in place of O. R. Rugbee, deceased.

FLORIDA

Clarence A. Nettles, Chiefland, Fla., in place of L. L. Callaway, retired.

Lawrence P. Abney, City Point, Fla. Office became Presidential July 1, 1948.

John L. Blanchet, Copeland, Fla. Office became Presidential July 1, 1948.

Henry L. Bayless, Grand Island, Fla. Office became Presidential July 1, 1948.

Zackary V. Smallwood, Gulf Hammock, Fla., in place of J. F. Yearty, resigned.

Cecil H. Pillans, Haines City, Fla., in place of Faltha Huie, resigned.

Mary H. Wetz, Lake Jem, Fla. Office became Presidential July 1, 1948.

Francis E. Moore, Marathon, Fla., in place of A. E. Woodburn, retired.

Mark Enfinger, Molino, Fla., in place of B. H. Hastings, retired.

Russell L. Saxon, New Smyrna Beach, Fla., in place of W. P. Wilkinson, deceased.

Marie M. Zimmerman, Ozona, Fla. Office became Presidential July 1, 1948.

John Graham Jones, St. Andrew, Fla., in place of K. G. Mosier, resigned.

GEORGIA

Bessie Sue K. Smith, Atco, Ga., in place of Lucius Hannon, retired.

Hubert Hadley, Chipley, Ga., in place of J. P. Williams, transferred.

Alonza L. Haddock, Haddock, Ga., in place of M. M. Chambliss, retired.

Joseph D. Smith, Lindale, Ga., in place of C. O. Lloyd, resigned.

Vernon L. Roberts, Monticello, Ga., in place of G. W. Cornwell, retired.

Raymond S. Townsend, Wildwood, Ga. Office became Presidential July 1, 1948.

IDAHO

Glenn W. Pratt, Firth, Idaho, in place of H. W. Winschell, resigned.

Arthur Dinnison, Orofino, Idaho, in place of H. S. Detmer, retired.

ILLINOIS

John P. Mallon, Bushnell, Ill., in place of W. C. Vail, retired.

Samuel E. Caldwell, Canton, Ill., in place of S. W. Ash, resigned.

Mildred G. Thompson, Kirkwood, Ill., in place of R. E. Gamble, retired.

Paul E. Ross, Mount Carroll, Ill., in place of R. M. Hartman, deceased.

Paul H. Schenk, Nauvoo, Ill., in place of R. J. Blum, retired.

Andrew Zimmerman, Roanoke, Ill., in place of Jacob Sand, retired.

Joseph Brown, Rossville, Ill., in place of J. R. Prather, deceased.

INDIANA

Herman P. J. Hoessle, Charlestown, Ind., in place of J. C. McKillip, resigned.

Woodbury Mohr, Flat Rock, Ind., in place of D. E. Pherigo, retired.

Donald F. Holle, Hoagland, Ind., in place of D. L. Barkley, retired.

Hobart M. Smith, Patriot, Ind., in place of Clarence Rea, transferred.

Henry P. Childers, Union Mills, Ind., in place of H. J. Thalmann, deceased.

Elmer J. Deetz, Waterloo, Ind., in place of G. A. Kelley, resigned.

IOWA

Monrad C. Paulson, Aurelia, Iowa, in place of A. A. Dingman, retired.

Jack T. Christy, Bonaparte, Iowa, in place of G. L. Lorton, retired.

Wendell Dean Nowels, College Springs, Iowa, in place of M. T. Harper, resigned.

Walter S. Keagle, Collins, Iowa, in place of C. G. Vasey, retired.

James E. McMenamin, Dexter, Iowa, in place of, Mabel Crane, retired.

Philip W. Thurtle, Eagle Grove, Iowa, in place of J. R. Reider, transferred.

A. Alice Daughton, Grand River, Iowa, in place of G. W. Brammer, transferred.

William R. Sharrett, McClelland, Iowa, in place of F. L. Leslie, retired.

Thomas David Casey, Massena, Iowa, in place of J. E. Amdor, transferred.

Hobert A. Bair, Mount Vernon, Iowa, in place of B. S. Clark, resigned.

I. Lucille Larson, Scarville, Iowa, in place of C. L. Larson, transferred.

Herbert A. Rickert, Schleswig, Iowa, in place of P. C. Hollander, retired.

Kathryn H. Chesley, Sutherland, Iowa, in place of C. W. Tigges, resigned.

Mark W. Harris, Jr., Wever, Iowa, in place of H. G. Liddle, deceased.

KANSAS

Ronald K. Cram, Bird City, Kans., in place of C. W. Smull, transferred.

Marie Robinson, Hill City, Kans., in place of I. R. Mort, resigned.

Jessie M. Thompson, Rolla, Kans., in place of G. L. Hunt, resigned.

Earl H. Gibson, Smith Center, Kans., in place of E. L. Pounds, transferred.

KENTUCKY

Carlos P. Hall, Beattyville, Ky., in place of G. T. Smith, resigned.

Jack L. Miller, Bradford, Ky., in place of R. E. Weisbrodt, retired.

Jack G. Talbot, Burkesville, Ky., in place of N. D. McGee, retired.

Joseph Wade Walker, Lancaster, Ky., in place of J. M. Farra, retired.

Newell M. Hargett, Maysville, Ky., in place of James Purdon, retired.

Robert E. Batts, Turners Station, Ky., in place of A. C. Cannon, retired.

John Howard, Utica, Ky., in place of O. L. O'Flynn, resigned.

LOUISIANA

Alverie O. Jarrell, Longleaf, La., in place of Claud Jones, retired.

Paul M. Potts, Natchitoches, La., in place of W. M. Payne, resigned.

Louis V. Mayeux, Plaucheville, La., in place of M. E. Chenevert, retired.

Sion E. Jenkins, Winnfield, La., in place of P. H. Mercer, resigned.

Mamie A. McHugh, Zachary, La., in place of R. E. Loudon, retired.

MAINE

Arthur I. Davis, Canaan, Maine, in place of H. B. Harris, retired.

Margaret B. Manson, Rumford, Maine, in place of E. J. Roderick, deceased.

Irving R. Moulton, West Scarboro, Maine, in place of I. S. Knight, retired.

MARYLAND

William N. Michael, Aberdeen, Md., in place of F. M. Hopkins, resigned.

Sterling P. Lynch, Chesapeake City, Md., in place of H. C. Kirk, deceased.

Edith W. Jenkins, Mechanicsville, Md., in place of H. R. Guyther, resigned.

Winfield S. Wallace, Jr., Ocean City, Md., in place of L. D. Lynch, resigned.

MASSACHUSETTS

Roger W. Fegan, Beverly, Mass., in place of H. J. Cottrell, retired.

Clara E. Dion, Northbridge, Mass., in place of E. J. Dion, deceased.

Lawrence Soule, Norwell, Mass., in place of C. H. Baldwin, removed.

Earle O. Phillips, Rochester, Mass., in place of M. S. Gifford, resigned.

Walter Paul Lech, Thorndike, Mass., in place of E. C. Kelley, retired.

Altha M. Shay, Westminster, Mass., in place of W. A. Shay, deceased.

Ruby M. Durkee, West Peabody, Mass. Office became Presidential July 1, 1948.

MICHIGAN

Frank G. Sibal, Jr., Albion, Mich., in place of D. M. McAuliffe, resigned.

Manard W. Hunt, Clarksville, Mich., in place of M. A. Rush, removed.

Evelyn Panyan Nikorak, Copper City, Mich., in place of Sara Devine, resigned.

Calvin B. Talhelm, Evart, Mich., in place of F. N. Hubbard, resigned.

Percy T. Morden, Hazel Park, Mich. Office established July 1, 1946.

Beatrice Gissberg, Hulbert, Mich. Office became Presidential July 1, 1948.

Lionel R. Haight, Mount Pleasant, Mich., in place of A. S. Warner, resigned.

Guyles M. Dame, Northport, Mich., in place of E. A. Wurzburg, retired.

Horace P. Wheeler, Omena, Mich., in place of H. B. Fouts, deceased.

Monroe G. Dunlap, Oxford, Mich., in place of E. S. Capron, resigned.

Hal O. Fry, Potterville, Mich., in place of L. D. Fosket, resigned.

Edward J. Stimac, Trimountain, Mich., in place of W. N. Holman, retired.

MINNESOTA

Clarence F. Olafson, Akeley, Minn., in place of D. N. Geddes, transferred.

Harold C. Berg, Atwater, Minn., in place of George Enblom, retired.

Dennis J. Peterson, Audubon, Minn., in place of Alfred Gilbertson, resigned.

Oscar G. Brustad, Crookston, Minn., in place of Bernhard Levins, resigned.

David G. Polzin, Dover, Minn., in place of D. J. Laudon, resigned.

Percy C. Miller, Granite Falls, Minn., in place of E. T. Silver, transferred.

Harold S. Rolland, Kensington, Minn., in place of I. S. Rolland, transferred.

Oswald J. Hoese, Mayer, Minn., in place of C. H. Guetzkow, transferred.

Ella V. Closner, Pine Island, Minn., in place of G. H. Tome, retired.

MISSOURI

John K. Morris, Bakersfield, Mo., in place of T. M. Vaughan, retired.

Donald V. Raney, Chula, Mo., in place of W. H. Manning, deceased.

MONTANA

Clara M. Frederick, Martin City, Mont. Office established March 15, 1947.

William J. Neidt, Wisdom, Mont., in place of Wilma Givogre, resigned.

NEW HAMPSHIRE

Hollis Gordon, Jr., North Woodstcok, N. H., in place of E. W. Clement, resigned.

NEW JERSEY

Maurice J. Long., Jr., Palmyra, N. J., in place of X. H. Walter, resigned.

Robert B. Cunningham, River Edge, N. J., in place of James Simpson, removed.

NEW MEXICO

Fannie T. Matthews, Columbus, N. Mex. Office became Presidential July 1, 1948.

Lyle L. Gholson, Hobbs, N. Mex., in place of R. E. Jackson, resigned.

Charles A. Wier, Loco Hills, N. Mex., in place of Louise Miller, resigned.

Tiburcio Frietze, Mesilla, N. Mex. Office became Presidential July 1, 1945.

Irene Graham, Reserve, N. Mex., in place of M. J. Kemp, declined.

Anna M. Hawley, San Jon, N. Mex., in place of T. W. Horne, retired.

Jesse L. Turner, Silver City, N. Mex., in place of A. L. Huff, resigned.

NEW YORK

David E. McCarthy, Alden, N. Y., in place of J. J. Wienand, retired.

Harold J. Smith, Bliss, N. Y., in place of M. E. Brown, resigned.

Paul A. Hughes, Granville, N. Y., in place of D. J. McHenry, retired.

Walter S. Commerdinger, Jr., Nesconset, N. Y., in place of E. G. Commerdinger, resigned.

Florence M. Ripple, Poestenkill, N. Y., in place of N. A. Fisher, retired.
Howard T. Empson, Strykersville, N. Y., in place of M. F. Marzolf, resigned.
Bessie C. Paddock, Westernville, N. Y., in place of M. H. Bingham, resigned.

NORTH CAROLINA

Walter C. Craven, Asheboro, N. C., in place of J. O. Redding, retired.
Clarence H. McCaskill, Candor, N. C., in place of D. P. Steed, transferred.
Elizabeth W. Settle, Cordova, N. C. Office became Presidential July 1, 1948.
Arthur F. Dawkins, East Rockingham, N. C., in place of T. G. Long, resigned.
Marvin D. Harper, La Grange, N. C., in place of R. G. Creech, resigned.
Robert M. McRee, Maiden, N. C., in place of R. A. Rudisill, retired.
Maurice E. Walsh, North Wilkesboro, N. C., in place of J. C. Reins, resigned.
Jasper A. Drye, Richfield, N. C., in place of G. E. Ritchie, transferred.
Thomas F. Norfleet, Jr., Roxobel, N. C., in place of J. C. Norfleet, deceased.
Thomas V. Hall, Spruce Pine, N. C., in place of A. N. Fuller, resigned.
Dewey F. Cockrell, Stony Point, N. C., in place of H. R. Millsaps, transferred.
Harry D. McLaughlin, Waxhaw, N. C., in place of H. A. Sims, transferred.

NORTH DAKOTA

Walter Kessler, Martin, N. Dak., in place of V. C. Magnuson, resigned.
Doyle W. Gordon, Regent, N. Dak., in place of J. P. Jungers, resigned.
Elizabeth N. Fischer, Streeter, N. Dak., in place of Paul Kietzke, deceased.

OHIO

Donald E. Weber, Apco, Ohio, in place of L. T. Lewis, resigned.
Robert E. Jacoby, Blanchester, Ohio, in place of C. C. Reynolds, resigned.
Doris A. Kempf, East Sparta, Ohio, in place of P. C. Patterson, resigned.
Charles F. Roberts, Fayetteville, Ohio, in place of E. J. Brulport, transferred.
Harry L. Flesher, Frankfort, Ohio, in place of D. F. Briggs, Jr., transferred.
Emmett W. Todd, Grove City, Ohio, in place of M. I. Grant, resigned.
Howard W. Brown, Kelleys Island, Ohio, in place of V. L. Keeker, resigned.
John W. Fulton, Jr., Kinsman, Ohio, in place of A. E. Owens, transferred.
Charles C. Marcinko, Long Bottom, Ohio, in place of O. P. Myers, resigned.
Joseph S. Bosko, New Milford, Ohio, in place of Smith Dunn, transferred.
Frank Koenig, Otway, Ohio, in place of C. L. Jones, resigned.
Morley F. North, Randolph, Ohio, in place of E. L. Roliff, resigned.
Lavada A. Myers, Rio Grande, Ohio, in place of E. D. Wickline, transferred.
Mary A. Bedwell, Rossmoyne, Ohio, in place of W. H. Clark, resigned.
Norman C. Juchum, Strongsville, Ohio, in place of E. E. Poots, retired.
Carl Palmer, Uniontown, Ohio, in place of P. A. Wehr, removed.
Clarence L. Nickels, Wellsville, Ohio, in place of Dale Kessel, resigned.
William E. Smith, Woodsfield, Ohio, in place of E. J. Westerman, deceased.
David C. Bradfute, Xenia, Ohio, in place of H. A. Higgins, retired.

OKLAHOMA

Charles H. Terbush, Alva, Okla., in place of R. J. McCormick, deceased.
Grover C. Bayless, Arnett, Okla., in place of C. L. Hanan, resigned.
Donald D. Fry, Beaver, Okla., in place of R. E. Weir, transferred.
Kathleen C. Camp, Buffalo, Okla., in place of M. V. Braly, transferred.
John D. Corbett, Byars, Okla., in place of R. C. Grider, resigned.
Martha V. Cowan, Cache, Okla., in place of L. M. Norris, transferred.
William F. Stratton, Carnegie, Okla., in place of C. D. Hull, transferred.
Maureta G. Pappan, Chilocco, Okla. Office became Presidential July 1, 1948.
Richard H. Maxey, Clayton, Okla., in place of D. H. Blair, deceased.
Grover Franklin Smith, Clinton, Okla., in place of I. J. Loewen, deceased.
Olen V. Lowther, Davis, Okla., in place of W. N. Pierce, transferred.
Howard D. Gerber, Dover, Okla., in place of G. D. Burns, transferred.
Bessie L. M. Fleer, Drummond, Okla., in place of C. M. Jenkins, retired.
Lucy M. Sims, Hanna, Okla., in place of C. B. Burnham, resigned.
Ruby Irene Horn, Haworth, Okla., in place of R. P. McCoy, resigned.
Walter P. Herscher, Hennessey, Okla., in place of J. W. Blye, resigned.
Bolin E. Braswell, Hollis, Okla., in place of J. Q. Tucker, resigned.
Raphael F. Jeffries, Lexington, Okla., in place of J. S. Keller, transferred.
Clarence A. Reffner, Manitou, Okla., in place of O. C. Ball, resigned.
Wilbur L. Smith, Red Oak, Okla., in place of Lee Garner, Jr., resigned.
Rial M. Rainwater, Ripley, Okla., in place of Ethel Shoup, resigned.
William W. Sanders, Rocky, Okla., in place of Hugh Ferguson, resigned.
Stanley R. Roff, Roff, Okla., in place of W. G. Bunyard, transferred.
Bessie Gossett, Savanna, Okla., in place of A. L. Standridge, resigned.
Flavis S. Besett, Sterling, Okla., in place of T. O. Talla, retired.
Mayme L. Field, Stratford, Okla., in place of Jessie Shi, resigned.
B. Mace Williams, Sulphur, Okla., in place of C. E. Fair, retired.
LeCarl Wooten, Texhoma, Okla., in place of I. H. Gist, deceased.
Cordia M. Martin, Velma, Okla. Office became Presidential July 1, 1948.
Donald D. Brown, Verden, Okla., in place of F. G. Ransbarger, transferred.
Bessie R. Houston, Woodward, Okla., in place of A. C. Davis, resigned.
Louis L. Whitaker, Wayne Wood, Okla., in place of J. E. Jennings, resigned.

PENNSYLVANIA

Richard M. Blomquist, Cogan Station, Pa., in place of Nora Schuch, deceased.
Sheridan L. Hower, Elysburg, Pa., in place of E. K. Richard, retired.
George D. Laginja, Hibbs, Pa., in place of Frank Coletti, resigned.
John E. O'Brien, Montrose, Pa., in place of J. L. Meehan, retired.
Louis Joseph DePaul, Mount Pocono, Pa., in place of W. S. Mervine, resigned.
Francis T. Tracy, Pittston, Pa., in place of J. F. Gibbons, retired.
Nellie E. Feeley, Tunnelton, Pa. Office became Presidential July 1, 1948.
Lewis E. Hatch, Whitemarsh, Pa., in place of L. E. Hatch, resigned.

SOUTH CAROLINA

Bennie R. Permenter, Aiken, S. C., in place of T. B. Hallman, deceased.

SOUTH DAKOTA

Earl F. Minier, Brookings, S. Dak., in place of P. W. Waltz, resigned.
Bernard J. Lentz, Estelline, S. Dak., in place of C. E. Cunningham, deceased.
Ambrose M. Schultz, Presho, S. Dak., in place of W. B. Boe, transferred.
Edward S. Gillen, White Lake, S. Dak., in place of W. G. Huebl, resigned.

TENNESSEE

Lawrence J. Bullington, Atwood, Tenn., in place of C. W. Younger, resigned.
Herman D. Eaves, Holladay, Tenn., in place of W. W. Gossett, transferred.
Leonadus F. Yancey, Oakland, Tenn., in place of T. W. Tomlin, resigned.

TEXAS

Willie Frank Crocker, Abbott, Tex., in place of Eugene Bottom, transferred.
Anna J. Witt, Adrian, Tex., in place of D. S. James, resigned.
Ruben A. Felder, Bishop, Tex., in place of L. C. Smith, receased.
Wayne C. Bunton, Borger, Tex., in place of C. S. Campbell, transferred.
Earl Slater, Clyde, Tex., in place of Clark Tabor, transferred.
Mary E. Boyett, Colmesneil, Tex., in place of L. M. Feagin, retired.
Nicolas Cantu, Jr., Encino, Tex. Office became Presidential July 1, 1948.
Elizabeth D. Cline, Friendswood, Tex. Office because Presidential July 1, 1948.
Emil J. Bartosh, Granger, Tex., in place of A. C. Mussl, resigned.
Carrie B. Patterson, Hart, Tex., in place of R. M. Boston, resigned.
Richard E. Phelps, Ingleside, Tex., in place of Anathalie Kindle, resigned.
Charles A. Fleming, Jr., Kress, Tex., in place of C. A. Fleming, resigned.
Grace M. Wright, League City, Tex., in place of J. C. Groce, declined.
Galen S. Brademan, Lexington, Tex., in place of R. L. Peebles, retired.
John H. Seitz, Miami, Tex., in place of R. C. Burnett, resigned.
Jake C. Posey, Missouri City, Tex. Office became Presidential July 1, 1948.
Rufus J. Tyson, Mobeetie, Tex., in place of G. W. Harris, transferred.
James O. Bradford, Pettus, Tex., in place of R. J. Bradford, retired.
Robert C. Brown, Premont, Tex., in place of P. S. Langen, retired.
Luis Felipe Garcia, San Diego, Tex., in place of Domingo Garcia, removed.
Byron T. Worsham, Tioga, Tex., in place of G. L. Orr, deceased.
Marvin J. Cordes, Westhoff, Tex., in place of L. A. Moore, resigned.

VERMONT

John T. McKeever, Brandon, Vt., in place of L. B. Dunn, deceased.

VIRGINIA

Gladys B. Wright, Bland, Va., in place of E. E. Shannon, resigned.
Roy A. Lassiter, Boykins, Va., in place of R. H. Stewart, retired.
Retta E. Litchfield, Buell, Va., in place of L. C. Costen, retired.
John B. Gillespie, Cedar Bluff, Va., in place of L. S. Perkins, resigned.
Vivian C. Simmons, Heathsville, Va., in place of C. B. Hogan, deceased.
James S. Cole, Jewell Valley, Va., in place of H. L. McGlothlin, resigned.
Harry P. Allen, Rich Creek, Va., in place of W. G. Gwinn, resigned.
William T. Brittingham, Temperanceville, Va. Office became Presidential July 1, 1948.
John A. Spivey, Windsor, Va., in place of E. L. Deans, resigned.

WASHINGTON

Janice Smith, Kettle Falls, Wash., in place or J. B. Robertson, retired.
Henry G. Riecks, Mercer Island, Wash., in place of P. G. M. Johnson, retired.
Grace V. B. Coil, Nespelem, Wash., in place of B. J. DeCamp, resigned.

WEST VIRGINIA

Anne M. Bailey, Kingston, W. Va., in place of D. W. Proffit, removed.
Arnold L. Strawderman, Mathias, W. Va., in place of V. L. Mathias, transferred.
Donald E. Post, Morgantown, W. Va., in place of C. L. Hall, retired.
Cornelius B. Carter, Shepherdstown, W. Va., in place of M. J. Snyder, deceased.

WISCONSIN

Robert M. Riley, Hartford, Wis., in place of H. J. Thoma, deceased.
Joseph A. Wirka, Madison, Wis., in place of W. J. Hyland, retired.

Harry A. Nohr, Mineral Point, Wis., in place of Levy Williamson, deceased.

Harry A. Walters, Monticello, Wis., in place of R. S. Richards, deceased.

Valeria Lauerman, Muscoda, Wis., in place of M. L. Shafer, transferred.

Lester B. Schneider, New Holstein, Wis., in place of A. W. Frisch, transferred.

Henry Jacobson, Jr., Pigeon Falls, Wis., in place of H. E. Jacobson, transferred.

Earl R. Means, Schofield, Wis., in place of H. J. Voltz, removed.

Gerald Bergerson, Strum, Wis., in place of R. E. Lyon, transferred.

WYOMING

Lula L. Ayer, Baggs, Wyo., in place of place of I. R. Daugherty, resigned.

George L. Barp, Big Piney, Wyo., in place of J. B. Budd, retired.

Daniel Gerrard, Evanston, Wyo., in place of F. P. Nelson, resigned.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 16, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou Christ who art the open door between two worlds, through which have come light, hope, and promise, unto Thee we offer our prayer.

Examine us and prove us, and help us to hold fast that which is good, that we may be true to ourselves and to Thee, and thus serve wisely our country. Prove to us that self-discipline is the most stable form of character building, and that integrity is the watchword not only for our Republic, but for the nations of earth; for the nation that breaks its promises and sows to the wind shall of that wind reap the whirlwind. Do Thou guide the world and save it. In the name of the Saviour of men. Amen.

The Journal of the proceedings of Thursday, May 12, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed a joint resolution and bills of the House of the following titles:

On May 12, 1949:

H. J. Res. 226. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes.

On May 13, 1949:

H. R. 1467. An act for the relief of Thomas O. Troth; and

H. R. 2605. An act for the relief of John C. Nunes.

On May 14, 1949:

H. R. 711. An act for the relief of Mrs. Margaret Gregg Dilnot;

H. R. 1029. An act authorizing the Secretary of the Interior to issue a patent in fee to Howard C. Heckenlively;

H. R. 1030. An act authorizing the Secretary of the Interior to issue a patent in fee to Francis Howe;

H. R. 1041. An act for the relief of Jeannette and Jesus Esteva and their four children;

H. R. 1052. An act for the relief of Lawrence G. McCarthy;

H. R. 1079. An act for the relief of Maria Veltri Magnone;

H. R. 1109. An act authorizing the Secretary of the Interior to issue a patent in fee to Phena M. Anderson;

H. R. 1281. An act authorizing the Secretary of the Interior to issue a patent in fee to Leslie Paul Schroeder;

H. R. 1468. An act for the relief of Mrs. Anna Smolowitz and Mrs. Sylvia D'Arpe;

H. R. 1508. An act for the relief of Peter Drozd;

H. R. 1876. An act for the relief of Ralph Martin Eizingre, also known as Ralph Seawell;

H. R. 1983. An act for the relief of Edward L. Barreras; and

H. R. 2231. An act for the relief of Marie E. Wright.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 59. Concurrent resolution providing for a joint session of Congress on May 19, 1949, for the purpose of hearing an address by the President of the United States of Brazil.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 42) entitled "Joint resolution granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission."

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the bill H. R. 4009.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. DEGRAFFENRIED asked and was given permission to extend his remarks in the RECORD.

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the RECORD and include an article from the American Federationist.

PERMISSION TO ADDRESS THE HOUSE

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. FEIGHAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MURPHY (at the request of Mr. BREEN) was given permission to extend his remarks in the RECORD and include an address by Hon. James A. Farley, and in addition thereto certain other material.

ATOMIC ENERGY COMMISSION FELLOWSHIP PROGRAM

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, for the past few days we have seen in the press and heard over the radio discussions in regard to the fellowship program administered by the Atomic Energy Commission. That program deals with the training of students in the fields of physics, biology, and medicine as well as other branches of science. Under the direction of Senator MCMAHON, who became chairman of the Joint Committee on Atomic Energy on January 23, 1949, which committee was headed by Senator HICKENLOOPER during the Eightieth Congress, the staff of this committee was authorized to investigate this program in preparation for committee hearings on the subject. A hearing was held on May 5 with the Commission and an open hearing is scheduled for this afternoon at 2:30.

The Commission has taken the position that students who receive a fellowship are not required to have FBI clearance before they are granted such a scholarship. Neither are they obligated in any way for future employment by the Commission. The position taken by the Commission is one that I disagree with. I believe that all students receiving this fellowship should be required to be cleared by the FBI before they are granted. Further, they should be required to render some service to the Federal Government in return for receiving their education. I am thoroughly aware of the need to train scientists and feel that the program could be of great benefit in providing more and better qualified men for the field of science, in which field there is a critical shortage here in America. The Atomic Energy Commission requires FBI clearance of all persons before they are employed by the Commission. Certainly if we are going to train these scientists with the expectation of using them later on I cannot believe it to be a wise policy to train them without FBI clearance first. I do not believe such requirements would trespass on academic freedom. I believe it would have been wise for the Commission to have corrected this, which they could have done under the authority of the Atomic Energy Act of 1946.

Certainly I am opposed to educating anyone out of public funds who admits that he is a Communist as Hans Freistadt has admitted and who has been awarded an Atomic Energy Commission fellowship, or to any other person who is not loyal to our form of government. I assure the Members of the House that I am going to do everything I can to correct this serious mistake of the Commission, so I am, today, introducing a bill

which requires FBI clearance before a person may receive Atomic Energy Commission fellowship. I am deeply interested in the atomic energy program and I know of no Member of Congress who desires to take any action that would jeopardize the program but I do not intend to sit idly by and see the program destroyed by infiltration of Communists.

EXTENSION OF REMARKS

Mr. KEE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Williamson (W. Va.) Daily News.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in three instances and include certain statements and excerpts.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD in two instances and include several letters.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD in two instances.

GEN. LUCIUS D. CLAY

Mr. McCORMACK. Mr. Speaker, it is my pleasure to announce that Gen. Lucius D. Clay, former military governor, United States zone of Germany, and commander in chief of the European command, will visit the Capitol on tomorrow and I, therefore, ask unanimous consent that it may be in order at any time on tomorrow for the Speaker to declare a recess so that the House may receive General Clay.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is anticipated that General Clay will arrive at the House at 12:30 noon, tomorrow. I make that announcement for the information of the Members.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks and include two news articles.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. SMITH of Wisconsin addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an editorial from the Boston Daily Record, lauding Mr. J. Edgar Hoover as a great American.

GRATEFUL AMPUTEES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, do not let anybody think that the veterans forget. Every year since the passage of the veteran's automobile bill, amputees of World War II have come to the Capitol with flowers. This year they were represented by Mr. Wallace W. Daczkowski, national commander of the Amputees of World War II, Mr. Eugene F. Pasquini, adjutant, and Mr. Joseph S. Stryjewski, executive board member. They got up at 4 o'clock in the morning and drove by automobile from Philadelphia to Washington. They came with a basket of the most beautiful red, white, and blue flowers I have ever seen. It was presented to me as the author of the first veterans' automobile bill, but as the boys said to me, as they left, it was meant also for every Member of the House who helped in the passage of the bill—the Committee on Veterans' Affairs, the Appropriations Committee which every year has continued the provisions of their bill, and the entire membership of the House. I placed the basket of flowers in the House dining room in front of the large mirror so that all the Members may see them. We do not forget the amputee veterans and they certainly do not forget us.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

GERHART EISLER

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. ARENDS]?

There was no objection.

Mr. ARENDS. Mr. Speaker, Gerhart Eisler, the No. 1 Communist in the United States fled the country to avoid serving jail terms imposed by two courts for violating American laws. True, he was caught when the ship on which he was first a stowaway and then a luxury passenger reached Britain.

Now the question I want to ask, and to which Members of Congress want the answer is, How was it possible that Eisler was able to elude the surveillance he was supposed to be under and slip through the fingers of the Justice Department and board the ship?

If Eisler was able to walk unmolested aboard an ocean liner unbeknown to the Justice Department, what has he been doing all these months while out on bail? Has he been carrying out the orders of the Kremlin and has he been building up Communist cells of destruction?

Can the Justice Department say that he has not? And what does Attorney General Clark have to say about Eisler's slick trick?

It appears, Mr. Speaker, that the Attorney General has been more interested in other matters than seeing that the No. 1 Communist was made to live up to the laws of the United States as all of our citizens must do.

While Eisler was successfully fleeing the country we are told that the Attorney General was very busy bringing the might of his Department to influence the conduct of a committee of the House.

He wants to run the House Committee on Un-American Activities. Let me say I hope he never gets the opportunity to run that committee, or any other, as he runs the Department of Justice.

I want to say this. While the king pin of the Communist conspiracy in the United States was boarding a ship to flee the country the Attorney General was trying to get the House Committee on Un-American Activities to fire one of its investigators. This has been termed "Blundering interference." A tame label.

Now it is likely that the Attorney General will deny that he has been interfering with a congressional committee. But, Mr. Speaker, what is his answer to his failure to prosecute Communist spies in the United States?

Why does not the Attorney General put the power of his Department behind a drive to rid the Government and the country of these Communists instead of heckling an employee of a House committee?

Maybe Congress should make a little inquiry into the conduct of the Attorney General and his Department of Justice.

THE HOBBS BILL

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, the gentleman from Illinois [Mr. ARENDS] just made out a very strong case for the enactment of the so-called Hobbs bill.

Of course you all remember that at the time bail was fixed for Mr. Eisler in the District of Columbia the Attorney General endeavored to prevail upon the court not to fix any bail whatsoever, and when the court insisted that bail would be fixed, the Attorney General insisted that the amount be $100,000.

However, it does not make any difference what the bail is, because after a man has been released on bail then the FBI no longer places him under surveillance. He is free to go wherever he feels like throughout the United States. However, under the Hobbs bill which passed the House, it would be possible in cases of that sort to incarcerate the man pending final disposition of his appeal from an order of deportation. It certainly seems to me that in the light of what happened recently this House at least should insist that prompt action again be taken on the Hobbs bill.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. WALTER] has expired.

EXTENSION OF REMARKS

Mr. JENSEN asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. WOODRUFF asked and was granted permission to extend his remarks in the RECORD and include an article by James H. McGraw, Jr.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and have them printed in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HOFFMAN of Michigan addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a speech by Dr. Paul B. Dunbar.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

WASTE AND EXTRAVAGANCE IN REPAIRING CAPITOL ROOF

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, those of us who believe in economy have often called attention to the Government's waste and extravagance. But we have been invariably accused of exaggeration.

Here—at the very door of this House—is a shocking example of waste and extravagance which every Member can step outside and see. I refer to the contractor's dream house, with auxiliary buildings and enclosing fence, that are being constructed on the Capitol lawn in connection with the work of remodeling this Chamber and repairing the roof. It appears that the same such elaborate estate is being built on the Senate wing.

As I say, it is a contractor's dream house. Take a close look at it. It was built with the best of lumber and in accordance with the best design. On the first floor there are several rooms, and on the second floor will be the most modern of offices.

And take a close look at the fence that has been erected. It is not made of discarded lumber or seconds. There are no knots in the boards. It is made of beautifully grained plywood that would make as fine a table top as any of us may hope to own.

I do not know how many thousands of dollars this elegant construction lay-out will cost. But I do know that the contractor has a cost-plus-fixed fee contract, and you may be quite sure that it will be the American taxpayer, and not the contractor, who will pay the cost of this unjustified waste and extravagance, which typifies this administration.

The Truman administration may call all this wasteful spending a Fair Deal, but it is a raw deal for the taxpayer. He is the forgotten man.

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Chicago Daily News of last Saturday entitled "Reckless Public Spending Incites Taxpayers' Revolt."

Mr. TOLLEFSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. RIEHLMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

SPECIAL ORDERS GRANTED

Mr. DONDERO asked and was given permission to address the House for 30 minutes on tomorrow after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore granted.

Mr. BOGGS of Delaware asked and was given permission to address the House for 15 minutes today after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore granted.

MULTIPLE SCLEROSIS

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, multiple sclerosis is a dreadful disease. For thousands of victims, multiple sclerosis is a tragic reality. For medical science, multiple sclerosis, with its many unanswered questions, is one of the most baffling diseases in existence. Only the combined efforts of the community and science can someday hope to solve the mystery of multiple sclerosis. In short, multiple sclerosis is a chronic nerve disease in which a patchy destruction of the nervous system occurs. Something must be done about this terrible disease. In response to a heartbreaking appeal from a young mother in my congressional district who is afflicted with the disease, I introduced H. R. 1573 on January 17, 1949. The bill was referred to the Committee on Interstate and Foreign Commerce. Other bills of a like nature have also been introduced. I earnestly urge the Committee on Interstate and Foreign Commerce to take prompt action on this type of legislation. My bill would amend the Public Health Service Act to provide for research and investigation with respect to the causes, prevention, and treatment of multiple sclerosis and related neurological diseases. Perhaps there is yet hope for the thousands of victims of this dreadful disease. Let it not be said that the Congress of the United States has fallen short of its duty by doing everything it can to find the cause and the cure of a disease which is incapacitating thousands of young people in their prime of life.

EXTENSION OF REMARKS

Mr. SANBORN asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous matter.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Wisconsin State Journal.

Mr. LODGE asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

MEDICAL SERVICE TO MEMBERS OF CONGRESS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I read with much interest the column by Mr. Drew Pearson in this morning's Washington Post relative to the supposedly wonderful service along medical lines which the Members of Congress receive here at the Capitol, illustrating thereby that socialized medicine is a great thing.

My only contact with that particular office happened one time when I suffered an injury to my right wrist. I went down there to see what was wrong with that wrist and was told that it was a bad sprain. No X-rays were suggested. I was instructed to go ahead and soak my forearm in hot epsom salts water to alleviate the pain. Fortunately, I had occasion to go to Minnesota 3 weeks later and, as my wrist was still very painful, contacted my home-town doctor and he asked me: "Did you have an X-ray taken of the wrist after the accident?" I answered, "No, none was suggested." My doctor in Tyler, Minn., then took an X-ray and it was found that the wrist had been broken. He said that it was extremely fortunate that the bone had knitted together properly without medical attention.

All I have to say is that, if the medical service we have available here in the Capitol is a sample of socialized medicine, I certainly pity the people of America if that legislation is enacted into law.

ADDITIONAL CLERK HIRE FOR MEMBERS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I listened with a great deal of amusement to the remarks of both the gentleman from Michigan [Mr. HOFFMAN] and the gen-

tleman from Illinois [Mr. CHURCH] this morning, and may I say to both these gentlemen that had they been listening to the proceedings in the House last Thursday they would have had every opportunity to prevent H. R. 4583 from being considered under the unanimous-consent request. So far as the gentleman from Michigan is concerned, he was present on the floor of the House but was very busy reading his newspaper and apparently paying no attention so did not hear the Clerk when he read the title of the bill.

Mr. CHURCH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Illinois.

Mr. CHURCH. I was called to the telephone at the time the bill was called up, as I explained in my remarks that same afternoon at page 6151 of last Thursday's RECORD. I heard what the gentleman from Michigan [Mr. HOFFMAN] said today, and I know there were other Members who did not understand what the gentlewoman from New Jersey was proposing. Regardless of the question of the merits of the bill, I think we ought to have opportunity to discuss it, and particularly bills involving additional expense.

Mrs. NORTON. I cannot be responsible for what the Members understood or did not understand. I may say to the gentleman also that if he does not want the additional clerk he does not have to hire the clerk. Each Member is the keeper of his own conscience. The work in our offices varies, depending upon what kind of service the Member renders to constituents. During my 24 years as a Member of the House I can say my work has doubled. Many Members have found it absolutely necessary to employ extra help at their own expense. Not many Members can afford to do this. Hearings were held by the Subcommittee on House Administration. The bill was carefully considered and a unanimous report was submitted from the committee.

ADVANCE WARNING OF TORNADOES

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and also to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, all of us sympathize deeply with the victims of that terrible tornado that struck Amarillo, Tex., and vicinity, yesterday.

I have communicated with Dr. Reichelderfer of the Weather Bureau in reference to the possibility of giving some sort of special warning of the approach of these tornadoes throughout the country. He tells me that the warning cannot be given as to the approach of an individual tornado, but warning may be given of the approach of tornadic weather. He is studying that matter, and I certainly hope he reaches a decision at an early date which decision will give the people of the tornado areas of the country some sort of special warning permitting the saving of hundreds of lives and millions of dollars in property.

ADDITIONAL CLERK HIRE

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I, too, am a member of the Committee on House Administration, and I would like to say to the gentleman from Michigan that since there has not been any opportunity to do any labor baiting here lately, this bill that passed the House last Thursday gave him a chance for a little publicity. But the proof of the pudding is in the eating, and if the gentleman from Michigan feels that he is giving efficient enough service to his constituents and does not need the additional clerk, that he does not have to hire that clerk. We will wait with interest to see whether he does or not, and that will be sufficient proof of whether or not he is sincere in his remarks to the newspapers.

JUDICIARY AND JUDICIAL PROCEDURE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3762) to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure of the United States Code," and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk proceeded to read the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. BRYSON (interrupting the reading of the Senate amendments). Mr. Speaker, I ask unanimous consent that the further reading of the amendments be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, may I ask the gentleman from South Carolina a few pertinent questions? Have these Senate amendments been considered in the Committee on the Judiciary?

Mr. BRYSON. Yes.

Mr. MARTIN of Massachusetts. Have they been taken up with the ranking minority member of the committee?

Mr. BRYSON. I do not know.

Mr. MARTIN of Massachusetts. He has not taken this matter up with me, and I do not know anything about it, so unless the gentleman from South Carolina withdraws his request, I am going to object.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In view of that statement I suggest that the gentleman from South Carolina withdraw his request and take the matter up with the minority. I had assumed that the regular procedure had been gone through.

Mr. BRYSON. May I say that there is not a single substantive change in the law. This is purely corrective.

The SPEAKER. The gentleman from Massachusetts, the minority leader of the House, asked if the gentleman from South Carolina had taken it up with the ranking minority member of the Committee on the Judiciary.

Mr. McCORMACK. I suggest the gentleman withdraw it for the present.

Mr. BRYSON. Mr. Speaker, I withdraw my request for the present.

DREW PEARSON'S ATTACK ON PRESIDENT TRUMAN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, while the Committee on the Judiciary is working on changing the law, I certainly hope they will take up my bill to protect the American people from these slimemongers of the air who are continuously attacking the characters of people who cannot defend themselves.

President Truman does not expect me to act as his defender, but last night Drew Pearson's attack on him was about the most loathsome and contemptible thing I ever heard.

How much longer are the American people going to stand for this kind of misconduct?

I hope the Committee on the Judiciary wakes up, and while I am at it, let me say to the gentleman from Pennsylvania [Mr. WALTER] that the Committee on Un-American Activities might wake up also and do some investigating at this time.

But, by all means, let us change the law to protect the American people from these slanderers, these slimemongers of the air, if you please, that are using the radio for the purpose of vilifying innocent Americans who have no way to protect themselves from such attacks.

ECONOMIC COOPERATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 179)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the third report of the Economic Cooperation Administration created by the Foreign Assistance Act of 1948, Public Law 472 of the Eightieth Congress, approved April 3, 1948.

The report covers activities under the Economic Cooperation Act of 1948 (title I of Public Law 472) and the China Aid Act of 1948 (title IV of Public Law 472). There is also included a summary of the status of the United States Foreign Relief Program (Public Law 84, 80th Cong.) and the United States Foreign Aid Program (Public Law 389, 80th Cong.).

This report is for the quarter ended December 31, 1948.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 16, 1949.*

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. CANNON submitted a confeernce report and statement on the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

Mr. TRIMBLE. Mr. Speaker, I understand that a rule has been requested on this bill. I, therefore, ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AMENDING HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 173) to amend the Hawaiian Organic Act to prevent the loss of nationality, by reason of continuous residence for 5 years in a foreign state, of certain persons declared to be citizens of the United States under such act.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

STANDING ROCK INDIAN RESERVATION

The Clerk called the bill (H. R. 3974) to promote the rehabilitation of the Standing Rock Sioux Tribe of Indians and better utilization of the resources of the Standing Rock Indian Reservation, and for other purposes.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXCEPTING CERTAIN PERSONS FROM PAYING FEES FOR CENSUS DATA

The Clerk called the bill (H. R. 142) excepting certain persons from the requirement of paying fees for certain census data.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 18 of the act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress", approved June 18, 1929 (U. S. C., 1940 ed., title 13, sec. 218), is amended by inserting before the period at the end of the first sentence the following: ": *And provided further,* That no charge for supplying a certificate shall be made and no payment of the cost of searching the records shall be required in any case in which the individual requesting the data is a member of the land or naval forces of the United States or has been honorably discharged therefrom, or has been retired therefrom, or relieved from active duty therein, under honorable circumstances, or in any case in which the data is requested by an individual as proof of his age for the purposes of his eligibility for old-age assistance or old-age and survivor insurance benefits."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUREAU OF INDIAN AFFAIRS IN ALASKA

The Clerk called the bill (H. R. 3196) to authorize appropriations for roads, trails, and other aids to transportation serving lands and facilities under the jurisdiction of the Bureau of Indian Affairs in Alaska.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, 2 weeks ago when the Consent Calendar was called, I asked that this bill be passed over without prejudice because there was nothing in the bill to inform us what the cost to the Federal Government would be. I am informed by the author of the bill, the gentleman from Oklahoma [Mr. MORRIS] that he will offer an amendment placing a limitation on the amount of money to be spent by the Federal Government, which answers the objection made by the committee of objectors on the Consent Calendar.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That appropriations are hereby authorized, out of any money in the Treasury not otherwise appropriated, for material, equipment, supervision, including engineering, and employment of labor in the survey, improvement, repair, construction, and maintenance of roads, trails, village streets, emergency landing strips, roadside shelters, dock facilities, and other aids to transportation, serving people, lands, and facilities under the supervision of the Bureau of Indian Affairs within the Territory of Alaska. Preference in employment shall be given to natives of the Territory.

SEC. 2. Said appropriations shall be available for administrative expenses in the central office and in the field; for acquisition of rights-of-way, including payment of damages where necessary; and for cooperative work with other Federal or local governmental agencies in the accomplishment of the foregoing purposes: *Provided,* That no expenditures shall be made hereunder on projects for which other Federal aid is available.

SEC. 3. The Secretary of the Interior may prescribe such regulations as he may deem appropriate to carry out the provisions of this act.

Mr. MORRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRIS: On page 1, line 3, after the word "appropriations", insert "not to exceed $500,000 per annum."

Mr. JENSEN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Oklahoma some questions.

The SPEAKER. The gentleman may oppose the amendment which has been offered, but there is no unanimous consent request pending at the present time to which objection can be made.

Mr. JENSEN. Mr. Speaker, I am not objecting to the amendment. I am objecting to the whole bill.

The SPEAKER. The time for such objection has passed. The gentleman can rise in opposition to the amendment, or, for that matter, he may speak against the bill itself.

Mr. JENSEN. Mr. Speaker, I understood that the Chair asked whether there was any objection to the consideration of the bill.

The SPEAKER. That is right. There was no objection to the consideration of the bill. The gentleman from Oklahoma has now offered an amendment, since the bill is pending in the House.

Mr. JENSEN. Mr. Speaker, I had not heard the Speaker say that the bill was passed.

The SPEAKER. The Chair said no such thing. The bill is simply before the House, because there was no objection to its consideration. There is an amendment now pending.

Mr. JENSEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time to ask the gentleman from Oklahoma the purpose of this bill. After all, we appropriate great sums of money for roads and trails and highways and everything else in Alaska. In fact, during the Eightieth Congress we appropriated, as I remember, something in the neighborhood of $20,000,000 for roads in Alaska. I am wondering why it is necessary to come in here with a bill at this time giving the Indian Bureau authority to spend money for roads and trails in Alaska.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. MORRIS. The gentleman is certainly not only within his rights, but he is very proper in asking such a question. I think I can best answer it by reading the report, which is very short, on that point:

H. R. 3196 authorizes appropriations for roads, trails, and other aids to transportation serving lands and facilities in Alaska under the jurisdiction of the Bureau of Indian Affairs. Only those facilities for which there is an urgent practical need and which do not come under the programs of any other Federal or Territorial agency would be furnished.

This legislation is deemed necessary by the Department of the Interior because the provisions and benefits of the basic Indian legislation contained in the act of May 26, 1928 (45 Stat. 750, 25 U. S. C., sec. 318a), as amended, do not grant authority to expend road funds in Alaska. Indian roads

in Alaska are not covered by the Federal Aid Highway Act of 1948.

In other words, as I understand it, there is no way to get to these schools and hospitals and other Indian facilities without this legislation. That is the report of the Bureau, and I take it that is correct. I have not been there myself, but I am assuming that is correct. I think we have a right to assume that it is correct. Of course, as the gentleman knows, the Appropriations Committee will determine the matter when it comes up as to how much to grant.

Mr. JENSEN. Of course, the gentleman realizes that the Federal Government owns about 98 percent of all the land in Alaska. If we are to give the Indian Bureau permission to go in and build roads and trails to all these schools, they could spend $100,000,000.

Mr. MORRIS. But if the gentleman followed the amendment, the amendment provides that they cannot spend more than $500,000 per annum. Your Committee on Appropriations is so organized that it can keep them from spending anything unless it wants them to.

Mr. JENSEN. Well, the gentleman has been here long enough to know that this great spending party in power starts out with bills like this with a little sum, just to get the camel's nose under the tent, and then in a few years they amount to millions upon millions.

Mr. MORRIS. I hope the gentleman will not object to this meritorious bill.

Mr. JENSEN. I am certainly going to ask that this bill go over without prejudice. As much as I respect the gentleman from Oklahoma, I think he has got something to learn yet about this matter. I hope that other Members of the House will also take it upon themselves to find out something about this bill.

So I ask, Mr. Speaker, that the bill go over without prejudice.

I ask unanimous consent that we return to the bill for further consideration.

Mr. MORRIS. Mr. Speaker, I object.

The SPEAKER. The question is on agreeing to the amendment.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the amendment again be reported.

There being no objection, the Clerk again reported the amendment offered by the gentleman from Oklahoma [Mr. MORRIS].

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES

The Clerk called the bill (H. R. 3111) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and section 118 thereof and all acts and parts of acts inconsistent therewith.

The SPEAKER pro tempore (Mr. MONRONEY). Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FUNCTIONS AND ACTIVITIES OF THE DEPARTMENT OF COMMERCE

The Clerk called the bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That appropriations are hereby authorized for the following activities of the Department of Commerce:

(a) furnishing to employees of the Department of Commerce and other Federal agencies (including Army, Navy, and Air Force personnel where Army, Navy, or Air Force facilities or supplies are not available and upon request of the service concerned), and their dependents, in Alaska and other points outside the continental United States, free emergency medical services by contract or otherwise and free emergency medical supplies, where in the judgment of the Secretary furnishing of such supplies and services is necessary;

(b) when deemed necessary by the Secretary of Commerce, purchasing, transporting, storing, and distributing food and other subsistence supplies for resale to employees of the Department of Commerce and other Federal agencies (including Army, Navy, and Air Force personnel where Army, Navy, or Air Force facilities or supplies are not available and upon request of the service concerned), and their dependents, in Alaska and other points outside the continental United States at a reasonable value as determined by the Secretary of Commerce, the proceeds from such resales to be credited to the appropriation from which the expenditure was made: *Provided*, That a report of such transactions shall be made to Congress annually showing the total expenditures made for such supplies and the total proceeds from such resales;

(c) when deemed necessary by the Secretary of Commerce, the establishment, maintenance, and operation of messing facilities, by contract or otherwise, in Alaska and other points outside the continental United States where suitable family facilities are not available, such service to be furnished to employees of the Department of Commerce and other Federal agencies (including Army, Navy, and Air Force personnel where Army, Navy, or Air Force faciilties are not available and upon request of the service concerned), and their dependents, in accordance with regulations established by the Secertary of Commerce, and at a reasonable value determined in accordance therewith, the proceeds from the furnishing of such services to be credited to the appropriation from which the expenditures are made: *Provided*, That a report of such transactions shall be made to Congress annually showing the total expenditures made for such services and the total proceeds therefrom;

(d) reimbursement, under regulations prescribed by the Secretary, of officers and employees in or under the Department of Commerce, for food, clothing, medicines, and other supplies furnished by them in emergencies for the temporary relief of distressed persons in remote localities;

(e) providing motion-picture equipment and film for recreation of crews of vessels of the Coast and Geodetic Survey, for recreation of employees in remote localities where such facilities are not available, and for training purposes;

(f) erecting, altering, repairing, equipping, furnishing, and maintaining, by contract or otherwise, such living and working quarters and facilities as may be necessary to carry out its authorized work at remote localities not on foreign soil where such living and working accommodations are not otherwise available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING CERTAIN OBSOLETE LAWS RELATING TO SALE OF PUBLIC LANDS

The Clerk called the bill (H. R. 3576) to repeal certain obsolete laws and parts of laws relating to the sale of public lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following statutory provisions are hereby repealed:

Revised Statutes section 2354, 43 United States Code section 673;

Revised Statutes section 2355, 43 United States Code section 674;

Section 2 of the act of May 18, 1898 (30 Stat. 418), 43 United States Code section 675;

Revised Statutes section 2365, 43 United States Code section 676;

Revised Statutes section 2357, 43 United States Code section 678;

Section 3 of the act of June 15, 1880 (21 Stat. 238), 43 United States Code section 679;

Section 4 of the act of June 15, 1880 (21 Stat. 238), 43 United States Code section 680;

Revised Statutes section 2368, 43 United States Code section 691.

SEC. 2. Section 1 of the act of March 2, 1889 (25 Stat. 854, 43 U. S. C. sec. 700), is amended by deleting the following: ", except those in the State of Missouri."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSOLIDATION OF PARKER DAM POWER PROJECT AND DAVIS DAM PROJECT

The Clerk called the bill (H. R. 2984) to consolidate the Parker Dam power project and the Davis Dam project.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEASES AND LICENSES IN RECLAMATION LANDS

The Clerk called the bill (H. R. 1922) to amend section 10 of the Reclamation Project Act of 1939.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENT OF BANKRUPTCY ACT

The Clerk called the bill (H. R. 2770) to amend section 77 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. McGUIRE. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McGUIRE and Mr. CUNNINGHAM objected.

AMENDMENT OF RECLAMATION PROJECT ACT OF 1939

The Clerk called the bill (H. R. 1770) to amend the Reclamation Project Act of 1939, and for other purposes.

Mr. DEANE. Mr. Speaker, I understand that a rule is being granted on this bill. I ask unanimous consent, therefore, that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE FOREST SURVEY

The Clerk called the bill (H. R. 2001) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENSEN. The gentleman from Montana [Mr. D'EWART] has just explained to me the bill H. R. 1922, which I asked go over without prejudice. I ask that we return to consider it.

The SPEAKER pro tempore. The Chair suggests that the gentleman wait until the conclusion of the call of the calendar when the gentleman may submit his request.

AMENDMENT OF FEDERAL CROP INSURANCE ACT

The Clerk called the bill (H. R. 3825) to amend the Federal Crop Insurance Act.

Mr. HERTER. Mr. Speaker, I understand that a rule has just been granted on this bill, and that it will come up for consideration under the rule. There may be amendments to be offered. I therefore ask that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SURPLUS AIRPORT PROPERTY

The Clerk called the bill (H. R. 3851) to amend Public Law 289, Eightieth Congress, with respect to surplus airport property and to provide for the transfer of compliance functions with relation to such property.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 13 (g) (2) (A) of the Surplus Property Act of 1944, as amended, is further amended by striking out the following: "*Provided*, That no structures disposed of hereunder shall be used as an industrial plant, factory, or similar facility within the meaning of section 23 of this act, unless the public agency receiving title to such structures shall pay to the United States such sum as the Administrator shall determine to be a fair consideration for the removal of the restriction imposed by this proviso."

SEC. 2. Notwithstanding any other provision of law, the restriction against use of structures for industrial purposes, as contained in any deed or instrument of disposal pursuant to section 13 (g) (2) (A) of the Surplus Property Act of 1944 (58 Stat. 765), as amended by the act of July 30, 1947 (61 Stat. 678), shall, from and after the effective date of this act, be deemed extinguished and of no force and effect. The Administrator of Civil Aeronautics is hereby authorized to issue such instruments of release or correction, as may be necessary to effect removal of record of such restriction from any of such deeds or other instruments of disposal, without monetary consideration to the United States.

SEC. 3. The Administrator of Civil Aeronautics shall have the sole responsibility for determining and enforcing compliance with the terms, conditions, reservations, and restrictions contained in any instrument of disposal by which surplus property is or has been transferred to States and their political subdivisions, municipalities, and tax-supported institutions pursuant to the Surplus Property Act of 1944, for use in the development, improvement, operation, or maintenance of a public airport or to provide sources of revenue from nonaviation businesses at a public airport (including property transferred for any such use pursuant to such act prior to July 30, 1947), and the Administrator is authorized to reform, correct, or amend any instrument of disposal by which such property was conveyed by the issuance of a corrective, reformative, or amendatory instrument where such action is determined by him to be necessary to correct such instrument or to conform the transfer to the requirements of applicable law.

SEC. 4. Notwithstanding any other provision of law, the Administrator of Civil Aeronautics is further authorized, without monetary consideration to the United States, to grant releases from any of the terms, conditions, reservations, and restrictions contained in, and to convey, quitclaim, or release any right or interest reserved to the United States by, any such instrument of disposal, if he determines that the property transferred by such instrument no longer serves the purpose for which it was transferred, or that such release, conveyance, or quitclaim will not prevent accomplishment of the purpose for which the property was transferred and is necessary to protect or advance the interests of the United States in civil aviation: *Provided*, That any such release, conveyance, or quitclaim may be granted on, or made subject to, such terms and conditions as the Administrator of Civil Aeronautics deems necessary to protect or advance the interest of the United States in civil aviation.

SEC. 5. Paragraph 4 of subsection 13 (g) of the Surplus Property Act of 1944, as amended, is repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE WAR CLAIMS ACT OF 1948

The Clerk called the bill (S. 326) to amend the War Claims Act of 1948.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the War Claims Act of 1948 (62 Stat. 1240) is amended in the following respects:

1. The last sentence of section 2 (c) is amended to read as follows: "The limit of time within which claims may be filed with the Commission shall in no event be later than March 1, 1951."

2. Section 8 (a) is amended by striking out the words "March 31, 1949" and inserting in lieu thereof "January 15, 1950."

With the following committee amendment:

Page 1, line 10, strike out "January 15" and insert "March 31."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTIFICATION OF CERTAIN DRUGS

The Clerk called the bill (H. R. 3151) to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bacitracin, or any derivative thereof.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 502 (l) of the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended (U. S. C., 1946 ed., title 21, ch. 9), is amended by deleting the word "or" preceding the word "streptomycin" and inserting in lieu thereof a comma and by inserting after the word "streptomycin" the following: ", aureomycin, chloramphenicol, or bacitracin,".

SEC. 2. (a) The heading of section 507 of such act, as amended, is amended by deleting the word "or" preceding the word "streptomycin" and inserting in lieu thereof a comma and by adding at the end of such heading the following: ", aureomycin, chloramphenicol, or bacitracin".

(b) The first sentence of subsection (a) of such section 507 is amended by deleting the word "or" preceding the word "streptomycin" and inserting in lieu thereof a comma and by inserting after the word "streptomycin" the following: ", aureomycin, chloramphenicol, or bacitracin,".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING THE HOURS OF DUTY AND PAY ON CERTAIN LIGHTSHIPS AND COAST GUARD VESSELS

The Clerk called the bill (H. R. 4471) to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the civil service classification laws and titles II and III of the Federal Employees Pay Act of 1945 shall not apply to civilian keepers of lighthouses and to civilians employed on lightships and other vessels of the Coast Guard.

SEC. 2. Under regulations prescribed by the Secretary of the Treasury, the Coast Guard may prescribe the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times. The existing system governing the pay of such employees may be continued or changed except that overtime compensation, night differential, and extra pay for duty on holidays shall not be paid to such employees. In lieu thereof additional annual compensation may be authorized, which may be prescribed either as a fixed differential or as a percentage of the basic compensation otherwise applicable to such employees. In no case shall basic compensation exceed $3,750 per annum, except that nothing contained in this act shall operate to decrease the basic compensation of any person employed by the Coast Guard on the date of enactment of this act, and in no case shall additions thereto exceed 25 percent of such basic compensation. Provision may be made for compensatory absence from duty when conditions of employment result in confinement because of isolation or in long periods of continuous duty; and provisions may likewise be made for extra allowance for service outside of the continental limits of the United States.

SEC. 3. The additional compensation authorized herein shall be included in any computation of compensation for purposes of the Lighthouse Service Retirement Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SCHOOLS OPERATED BY THE BUREAU OF INDIAN AFFAIRS

The Clerk called the bill (H. R. 3881) to provide for the use of the State course of study in schools operated by the Bureau of Indian Affairs upon petition therefor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after July 1, 1950, the course of study taught in any school operated and maintained by the Bureau of Indian Affairs shall, upon petition by a majority of the parents of children enrolled therein, conform to the course prescribed by the department of public instruction for the public schools of the State in which said Indian school is located.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That on and after July 1, 1950, the course of study taught in any school operated and maintained by the Bureau of Indian Affairs on any Indian reservation in the State of South Dakota shall, upon a majority decision of the parents of children enrolled therein voting at a meeting called for that purpose by the superintendent of the reservation, meet the minimum education requirements prescribed by the department of public instruction for the public schools of that State."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the use of the State course of study in schools operated by the Bureau of Indian Affairs on Indian reservation in South Dakota when requested by a majority vote of the parents of the students enrolled therein."

A motion to reconsider was laid on the table.

INCREASES OF COMPENSATION FOR CERTAIN VETERANS WITH SERVICE-CONNECTED DISABILITIES WHO HAVE DEPENDENTS

The Clerk called the bill (H. R. 2108) to amend the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents" to define the term "wife" to include "dependent husband."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act of July 2, 1948 (Public Law 877, 80th Cong.; 62 Stat. 805), is amended by striking out the period at the end and inserting in lieu thereof a colon and adding the following proviso: "*Provided*, That the term 'wife' as used in this act shall include 'dependent husband.'"

SEC. 2. This act shall take effect on the first day of the second calendar month next succeeding its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE ADMINISTRATOR OF VETERANS' AFFAIRS TO RECONVEY TO THE HELENA CHAMBER OF COMMERCE CERTAIN LAND

The Clerk called the bill (S. 460) to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized to reconvey by quitclaim deed to the Helena Chamber of Commerce, a corporation, two parcels of land in Helena, Mont., commonly designated as lot numbered 10 and the south 55 feet of lot numbered 9 of the Henry Thompson placer mining claim in Lewis and Clark County, Mont., which parcels were conveyed to the United States of America by the Helena Chamber of Commerce by deed dated February 7, 1947, and recorded among the land records of said county, in Book 140 of Deeds at page 63.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARIFYING PROVISIONS OF SECTION 602 (U) OF THE NATIONAL SERVICE LIFE INSURANCE ACT OF 1940, AS AMENDED

The Clerk called the bill (S. 461) to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 602 (u) of the National Service Life Insurance Act of 1940, as amended, as added by section 9 of the act of August 1, 1946 (60 Stat. 786; 38 U. S. C. 802 (u)), is hereby amended to read as follows:

"(u) With respect to insurance maturing on or subsequent to the date of enactment of the Insurance Act of 1946, in any case in which the beneficiary is entitled to a lump-sum settlement but elects some other mode of settlement and dies before receiving all the benefits due and payable under such mode of settlement, the present value of the remaining unpaid amount shall be payable to the estate of the beneficiary; and in any case in which no beneficiary is designated by the insured, or the designated beneficiary does not survive the insured, or a designated beneficiary not entitled to a lump-sum settlement survives the insured, and dies before receiving all the benefits due and payable, the commuted value of the remaining unpaid insurance (whether accrued or not) shall be paid in one sum to the estate of the insured: *Provided*, That in no event shall there be any payment to the estate of the insured or of the beneficiary of any sums unless it is shown that any sums paid will not escheat."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYEES OF THE VETERANS' CANTEEN SERVICE

The Clerk called the bill (S. 1185) to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (d) and (e) of section 2 of the act of August 7, 1946 (60 Stat. 888, 38 U. S. C. 13a), are amended to read as follows:

"(d) To transfer to the Service without charge, rental, or reimbursement such necessary equipment as may not be needed for other purposes, and furnish the Service such services and utilities, including light, water, and heat, as may be available and necessary for its use: *Provided*, That reasonable charges to be determined by the Administrator, shall be paid annually by the Service for the utilities so furnished.

"(e) To employ such persons as are necessary for the establishment, maintenance, and operation of the Service, and to pay the salaries, wages, and expenses of all such employees from the funds of the Service. Such personnel shall be excluded from the determinations and reports required by section 607 of the Federal Employees Pay Act of 1945, as amended (5 U. S. C. 947), with respect to personnel ceilings. Personnel necessary for the transaction of the business of the Service at canteens, warehouses, and storage depots shall be appointed, compensated from funds of the Service, and removed by the Administrator without regard to civil-service laws and the Classification Act of 1923, as amended: *Provided*, That such employees shall be subject to the Veterans' Preference Act of 1944, the Civil Service Retirement Acts, and laws administered by the Bureau of Employees Compensation applicable to civilian employees of the United States."

SEC. 2. Section 2 of the act of August 7, 1946 (60 Stat. 888, 38 U. S. C. 13a), is amended by adding a new subsection (k) at the end thereof as follows:

"(k) To authorize the use of funds of the Service when available, subject to such regulations as he may deem appropriate, and without regard to the provisions of sections 3639 and 3651, Revised Statutes of the United States, as amended (31 U. S. C. 521, 543), for the purpose of cashing checks, money orders, and similar instruments in nominal amounts for the payment of money presented by veterans hospitalized or domiciled at

hospitals and homes of the Veterans' Administration, and by other persons authorized by section 3 of this act to make purchases at canteens. Such checks, money orders, and other similar instruments may be cashed outright or may be accepted, subject to strict administrative controls, in payment for merchandise or services, and the difference between the amount of the purchase and the amount of the tendered instrument refunded in cash."

SEC. 3. Section 4 of the act of August 7, 1946 (60 Stat. 889, 38 U. S. C. 13c), is amended to read as follows:

"SEC. 4. To finance the establishment, maintenance, and operation of the Service there is hereby authorized to be appropriated from time to time such amounts as are necessary to provide for (a) the acquisition of necessary furniture, furnishings, fixtures, and equipment for the establishment, maintenance, and operation of canteens, warehouses, and storage depots; (b) stocks of merchandise and supplies for canteens and reserve stocks of same in warehouses and storage depots; (c) salaries, wages, and expenses of all employees; (d) administrative and operation expenses and premiums on fidelity bonds of employees; and (e) adequate working capital for each canteen and for the Service as a whole. Amounts heretofore or herafter appropriated under the authority contained in this act, as amended, and all income from canteen operations become and will be administered as a revolving fund to effectuate the provisions of this act, as amended."

SEC. 4. The provisions of this act shall take effect on the 1st day of July 1949.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 3 of the Civil Service Retirement Act, approved May 29, 1930, as amended (U. S. C., title 5, sec. 693 (a)), is amended by inserting before the colon preceding the first proviso thereof a comma and the following: "and to all officers and employees of the Columbia Institution for the Deaf at the election of such officers and employees as herein provided."

SEC. 2. Subsection (a) of section 3 of such act is further amended by adding at the end thereof two new sentences as follows: "In the case of any officer or employee in the service of the Columbia Institution for the Deaf on the effective date of this amendment, notice of desire to come within the purview of the act must be given to the disbursing officer by whom his salary is paid within 6 months from the date of enactment of this act. In the case of any officer or employee of the Columbia Institution for the Deaf who enters the service of such institution after the date of enactment of this amendment, such notice of desire to come within the purview of this act must be given within 6 months after the date of entrance into such service."

SEC. 3. The first paragraph of section 5 of such act is amended by inserting after "or the legislative branch of the Government" a comma and "and periods of service as an officer or employee of the Columbia Institution for the Deaf."

SEC. 4. Any service rendered prior to the effective date of this act as an officer or employee of the Columbia Institution for the Deaf shall be considered creditable service for the purposes of section 9 of such act.

With the following committee amendments:

On page 1, lines 8 and 9, strike out the following: "at the election of such officers and employees as herein provided."

Strike out section 2 in its entirety.

On page 2, line 13, strike out "SEC 3." and insert "SEC. 2.", and on page 2, line 18, strike out "SEC. 4." and insert "SEC. 3."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OAK CREEK CANYON, ARIZ.

The Clerk called the bill (H. R. 2872) to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the bill (S. 812) to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz., be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That hereafter mining locations made under the mining laws of the United States within the following-described lands within the Coconino National Forest, Coconino County, Ariz.: Sections 14, 15, 19, 20, 22, 27, 28, 29, 34, of township 19 north, range 6 east; and sections 4, 5, 8, 9, 16, 17, 20, 21, 22, 27, 28, 33, and 34 of township 18 north, range 6 east; and sections 1, 2, 3, 4, southeast quarter of section 8, sections 9, 10, 11, and 12 of township 17 north, range 6 east; Gila and Salt River base and meridian, shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonably necessary to carry on prospecting, mining, and beneficiation of ores including the taking of mineral deposits and timber required by or in the mining and ore-reducing operations, and no permit shall be required or charge made for such use or occupancy: *Provided, however*, That the cutting and removal of timber, except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining and prospecting shall be allowed except under the national-forest rules and regulations, nor shall the locator prevent or obstruct other occupancy of the surface or use of surface resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. That hereafter all patents issued under the United States mining laws affecting lands within the above-described area shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in extracting and removing and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations, but each patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. That valid mining claims within the said lands, existing on the date of the enactment of this act, and thereafter maintained in compliance with the law under which they were initiated and the laws of the State of Arizona, may be perfected under this act, or under the laws under which they were initiated, as the claimant may desire.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLVILLE INDIAN RESERVATION, WASH.

The Clerk called the bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the undisposed-of lands of the Colville Indian Reservation, Wash., dealt with by the act of March 22, 1906 (43 Stat. 80), are hereby restored to tribal ownership to be held in trust by the United States to the same extent as all other tribal lands on the existing reservation, subject to any existing valid rights.

SEC. 2. For the purpose of effecting land consolidations between the Colville Indians and non-Indians in Ferry and Okanagon Counties, the Secretary of the Interior is hereby authorized, under such regulations as he may prescribe, to sell or otherwise dispose of tribal lands, and to acquire in lieu thereof through purchase, exchange, or relinquishment, lands, or any interest in lands, water rights, or surface rights. The acquisition of lands pursuant to this act shall be limited to lands within the boundary of the reservation. Exchanges of lands, including improvements thereon, shall be made on the basis of approximate equal value. This section shall apply equally to trust or other restricted allotments, whether the allottee be living or deceased. In carrying out the provisions of this act if non-Indian lands are involved the proper county officials shall give their written consent before such non-Indian land is acquired for the tribe or an individual Indian.

SEC. 3. Title to lands or any interest therein acquired pursuant to this act shall be taken in the name of the United States of America in trust for the tribe or individual Indian and shall be nontaxable as other tribal and allotted trust Indian lands of the Colville Reservation.

With the following committee amendments:

Page 2, line 1, following the word "authorized", insert the words "with the consent of the tribal council as evidenced by a resolution adopted in accordance with the constitution and bylaws of the tribe."

Page 2, line 2, strike out all of line 2 and the words "lieu thereof" on line 3; insert in lieu thereof the words "sell tribal lands in connection with the acquisition of lieu lands, and to acquire."

Page 2, line 12, strike out the words "proper county officials shall give their written", insert in lieu thereof the words "board of county commissioners of counties in which land is located shall by proper resolution."

Page 2, line 14, add the following sentence: "No lands or interests in lands owned by the Confederated Tribes of the Colville Reservation shall be subject to disposition hereafter without the consent of the duly authorized governing body of the tribes, and no lands or interests in lands shall be acquired for the tribes without the consent of the said governing body."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACT RELATING TO WATERS OF CANADIAN RIVER

The Clerk called the bill (H. R. 3482) granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby given to the States of Oklahoma, Texas, and New Mexico to negotiate and enter into a compact not later than June 30, 1953, providing for an equitable apportionment among the said States of the waters of the Canadian River and its tributaries, upon the condition that one suitable person, who shall be appointed by the President of the United States from the Department of the Interior, shall participate in said negotiations as the representative of the United States and shall make report to the Congress of the proceedings and of any compact entered into. Said compact shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been ratified by the legislature of each of the States aforesaid and approved by the Congress of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSENT OF UNITED STATES TO ARKANSAS RIVER COMPACT

The Clerk called the bill (H. R. 4151) to grant the consent of the United States to the Arkansas River compact.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the compact, signed (after negotiations in which a representative of the United States, duly appointed by the President, participated, and upon which he has reported to the Congress) by the Commissioners for the States of Colorado and Kansas on December 14, 1948, at Denver, Colo., and thereafter ratified by the legislatures of each of the States aforesaid, which said compact reads as follows:

"ARKANSAS RIVER COMPACT

"The State of Colorado and the State of Kansas, parties signatory to this compact (hereinafter referred to as 'Colorado' and 'Kansas,' respectively, or individually as a 'State,' or collectively as the 'States') having resolved to conclude a compact with respect to the waters of the Arkansas River, and being moved by considerations of interstate comity, having appointed commissioners as follows: 'Henry C. Vidal, Gail L. Ireland, and Harry B. Mendenhall, for Colorado; and George S. Knapp, Edward F. Arn, William E. Leavitt, and Roland H. Tate, for Kansas'; and the consent of the Congress of the United States to negotiate and enter into an interstate compact not later than January 1, 1950, having been granted by Public Law 34, Seventy-ninth Congress, first session, and pursuant thereto the President having designated Hans Kramer as the representative of the United States, the said commissioners for Colorado and Kansas, after negotiations participated in by the representative of the United States, have agreed as follows:

"ARTICLE I

"The major purposes of this compact are to:

"A. Settle existing disputes and remove causes of future controversy between the States of Colorado and Kansas, and between citizens of one and citizens of the other State, concerning the waters of the Arkansas River and their control, conservation and utilization for irrigation and other beneficial purposes.

"B. Equitably divide and apportion between the States of Colorado and Kansas the waters of the Arkansas River and their utilization as well as the benefits arising from the construction, operation, and maintenance by the United States of John Martin Reservoir project for water conservation purposes.

"ARTICLE II

"The provisions of this compact are based on (1) the physical and other conditions peculiar to the Arkansas River and its natural drainage basin, and the nature and location of irrigation and other developments and facilities in connection therewith; (2) the opinion of the United States Supreme Court entered December 6, 1943, in the case of *Colorado* v. *Kansas* (320 U. S. 383) concerning the relative rights of the respective States in and to the use of waters of the Arkansas River; and (3) the experience derived under various interim executive agreements between the two States apportioning the waters released from the John Martin Reservoir as operated by the Corps of Engineers.

"ARTICLE III

"As used in this compact:

"A. The word 'Stateline' means the geographical boundary line between Colorado and Kansas.

"B. The term 'waters of the Arkansas River' means the waters originating in the natural drainage basin of the Arkansas River, including its tributaries, upstream from the Stateline, and excluding waters brought into the Arkansas River Basin from other river basins.

"C. The term 'Stateline flow' means the flow of waters of the Arkansas River as determined by gaging stations located at or near the Stateline. The flow as determined by such stations, whether located in Colorado or Kansas, shall be deemed to be the actual Stateline flow.

"D. 'John Martin Reservoir Project' is the official name of the facility formerly known as Caddoa Reservoir Project, authorized by the Flood Control Act of 1936, as amended, for construction, operation, and maintenance by the War Department, Corps of Engineers, later designated as the Corps of Engineers, Department of the Army, and herein referred to as the 'Corps of Engineers.' 'John Martin Reservoir' is the water storage space created by 'John Martin Dam.'

"E. The 'flood control storage' is that portion of the total storage space in John Martin Reservoir allocated to flood-control purposes.

"F. The 'conservation pool' is that portion of the total storage space in John Martin Reservoir lying below the flood-control storage.

"G. The 'ditches of Colorado Water District 67' are those ditches and canals which divert water from the Arkansas River or its tributaries downstream from John Martin Dam for irrigation use in Colorado.

"H. The term 'river flow' means the sum of the flows of the Arkansas and the Purgatoire Rivers into John Martin Reservoir as determined by gaging stations appropriately located above said reservoir.

"I. The term 'the Administration' means the Arkansas River Compact Administration established under article VIII.

"ARTICLE IV

"Both States recognize that:

"A. This compact deals only with the waters of the Arkansas River as defined in article III.

"B. This compact is not concerned with the rights, if any, of the State of New Mexico or its citizens in and to the use in New Mexico of waters of Trinchera Creek or other tributaries of the Purgatoire River, a tributary of the Arkansas River.

"C. (1) John Martin Dam will be operated by the Corps of Engineers to store and release the waters of the Arkansas River in and from John Martin Reservoir for its authorized purposes.

"(2) The bottom of the flood-control storage is presently fixed by the Chief of Engineers, U. S. Army, at elevation 3,851 feet above mean sea level. The flood-control storage will be operated for flood-control purposes and to those ends will impound or regulate the streamflow volumes that are in excess of the then available storage capacity of the conservation pool. Releases from the flood-control storage may be made at times and rates determined by the Corps of Engineers to be necessary or advisable without regard to ditch diversion capacities or requirements in either or both States.

"(3) The conservation pool will be operated for the benefit of water users in Colorado and Kansas, both upstream and downstream from John Martin Dam, as provided in this compact. The maintenance of John Martin Dam and appurtenant works may at times require the Corps of Engineers to release waters then impounded in the conservation pool or to prohibit the storage of water therein until such maintenance work is completed. Flood-control operation may also involve temporary utilization of conservation storage.

"D. This compact is not intended to impede or prevent future beneficial development of the Arkansas River Basin in Colorado and Kansas by Federal or State agencies, by private enterprise, or by combinations thereof, which may involve construction of dams, reservoirs, and other works for the purposes of water utilization and control, as well as the improved or prolonged functioning of existing works. Provided, that the waters of the Arkansas River, as defined in article III, shall not be materially depleted in usable quantity or availability for use to the water users in Colorado and Kansas under this compact by such future development or construction.

"ARTICLE V

"Colorado and Kansas hereby agree upon the following basis of apportionment of the waters of the Arkansas River:

"A. Winter storage in John Martin Reservoir shall commence on November 1 of each year and continue to and include the next succeeding March 31. During said period all water entering said reservoir up to the limit of the then available conservation capacity shall be stored: Provided, that Colorado may demand releases of water equivalent to the river flow, but such releases shall not exceed 100 c. f. s. (cubic feet per second) and water so released shall be used without avoidable waste.

"B. Summer storage in John Martin Reservoir shall commence on April 1 of each year

and continue to and include the next succeeding October 31. During said period, except when Colorado water users are operating under decreed priorities as provided in paragraphs F and G of this article, all water entering said reservoir up to the limit of the then available conservation capacity shall be stored: Provided, that Colorado may demand releases of water equivalent to the river flow up to 500 c. f. s., and Kansas may demand releases of water equivalent to that portion of the river flow between 500 c. f. s. and 750 c. f. s., irrespective of releases demanded by Colorado.

"C. Releases of water stored pursuant to the provisions of paragraphs A and B of this article shall be made upon demands by Colorado and Kansas concurrently or separately at any time during the summer-storage period. Unless increases to meet extraordinary conditions are authorized by the Administration, separate releases of stored water to Colorado shall not exceed 750 c. f. s., separate releases of stored water to Kansas shall not exceed 500 c. f. s., and concurrent releases of stored water shall not exceed a total of 1,250 c. f. s.: Provided, that when water stored in the conservation pool is reduced to a quantity less than 20,000 acre-feet, separate releases of stored water to Colorado shall not exceed 600 c. f. s., separate releases of stored water to Kansas shall not exceed 400 c. f. s., and concurrent releases of stored water shall not exceed 1,000 c. f. s.

"D. Releases authorized by paragraphs A, B and C of this article, except when all Colorado water users are operating under decreed priorities as provided in paragraphs F and G of this article, shall not impose any call on Colorado water users that divert waters of the Arkansas River upstream from John Martin Dam.

"E. (1) Releases of stored water and releases of river flow may be made simultaneously upon the demands of either or both States.

"(2) Water released upon concurrent or separate demands shall be applied promptly to beneficial use unless storage thereof downstream is authorized by the Administration.

"(3) Releases of river flow and of stored water to Colorado shall be measured by gaging stations located at or near John Martin Dam and the releases to which Kansas is entitled shall be satisfied by an equivalent in Stateline flow.

"(4) When water is released from John Martin Reservoir appropriate allowances as determined by the Administration shall be made for the intervals of time required for such water to arrive at the points of diversion in Colorado and at the Stateline.

"(5) There shall be no allowance or accumulation of credits or debits for or against either State.

"(6) Storage, releases from storage and releases of river flow authorized in this article shall be accomplished pursuant to procedures prescribed by the Administration under the provisions of article VIII.

"F. In the event the Administration finds that within a period of 14 days the water in the conservation pool will be or is liable to be exhausted, the Administration shall forthwith notify the State engineer of Colorado, or his duly authorized representative, that commencing upon a day certain within said 14-day period, unless a change of conditions justifies cancellation or modification of such notice, Colorado shall administer the decreed rights of water users in Colorado Water District 67 as against each other and as against all rights now or hereafter decreed to water users diverting upstream from John Martin Dam on the basis of relative priorities in the same manner in which their respective priority rights were administered by Colorado before John Martin Reservoir began to operate and as though John Martin Dam had not been constructed. Such priority administration by Colorado shall be continued until the Administration finds that water is again available in the conservation pool for release as provided in this compact, and timely notice of such finding shall be given by the Administration to the State engineer of Colorado or his duly authorized representative: Provided, that except as controlled by the operation of the preceding provisions of this paragraph and other applicable provisions of this compact, when there is water in the conservation pool the water users upstream from John Martin Reservoir shall not be affected by the decrees to the ditches in Colorado Water District 67. Except when administration in Colorado is on a priority basis the water diversions in Colorado Water District 67 shall be administered by Colorado in accordance with distribution agreements made from time to time between the water users in such district and filed with the Administration and with the State engineer of Colorado or, in the absence of such agreement, upon the basis of the respective priority decrees, as against each other, in said district.

"G. During periods when Colorado reverts to administration of decreed priorities, Kansas shall not be entitled to any portion of the river flow entering John Martin Reservoir. Waters of the Arkansas River originating in Colorado which may flow across the Stateline during each period are hereby apportioned to Kansas.

"H. If the usable quantity and availability for use of the waters of the Arkansas River to water users in Colorado Water District 67 and Kansas will be thereby materially depleted or adversely affected, (1) priority rights now decreed to the ditches of Colorado Water District 67 shall not hereafter be transferred to other water districts in Colorado or to points of diversion or places of use upstream from John Martin Dam; and (2) the ditch diversion rights from the Arkansas River in Colorado Water District 67 and of Kansas ditches between the Stateline and Garden City shall not hereafter be increased beyond the total present rights of said ditches, without the Administration, in either case (1) or (2), making findings of fact that no such depletion or adverse effect will result from such proposed transfer or increase. Notice of legal proceedings for any such proposed transfer or increase shall be given to the Administration in the manner and within the time provided by the laws of Colorado or Kansas in such cases.

"ARTICLE VI

"A. (1) Nothing in this compact shall be construed as impairing the jurisdiction of Kansas over the waters of the Arkansas River that originate in Kansas and over the waters that flow from Colorado across the Stateline into Kansas.

"(2) Except as otherwise provided, nothing in this compact shall be construed as supplanting the administration by Colorado of the rights of appropriators of waters of the Arkansas River in said State as decreed to said appropriators by the courts of Colorado, nor as interfering with the distribution among said appropriators by Colorado, nor as curtailing the diversion and use for irrigation and other beneficial purposes in Colorado of the waters of the Arkansas River.

"B. Inasmuch as the Frontier Canal diverts waters of the Arkansas River in Colorado west of the Stateline for irrigation uses in Kansas only, Colorado concedes to Kansas and Kansas hereby assumes exclusive administrative control over the operation of the Frontier Canal and its headworks for such purposes, to the same extent as though said works were located entirely within the State of Kansas. Water carried across the Stateline in the Frontier Canal or any other similarly situated canal shall be considered to be part of the Stateline flow.

"ARTICLE VII

"A. Each State shall be subject to the terms of this compact. Where the name of the State or the term 'State' is used in this compact these shall be construed to include any person or entity of any nature whatsoever using, claiming or in any manner asserting any right to the use of the waters of the Arkansas River under the authority of that State.

"B. This compact establishes no general principle or precedent with respect to any other interstate stream.

"C. Wherever any State or Federal official or agency is referred to in this compact such reference shall apply to the comparable official or agency succeeding to their duties and functions.

"ARTICLE VIII

"A. To administer the provisions of this compact there is hereby created an interstate agency to be known as the Arkansas River Compact Administration herein designated as 'the Administration'.

"B. The Administration shall have power to:

"(1) Adopt, amend and revoke bylaws, rules and regulations consistent with the provisions of this compact;

"(2) Prescribe procedures for the administration of this compact: Provided, that where such procedures involve the operation of John Martin Reservoir project they shall be subject to the approval of the district engineer in charge of said project;

"(3) Perform all functions required to implement this compact and to do all things necessary, proper or convenient in the performance of its duties.

"C. The membership of the Administration shall consist of three representatives from each State who shall be appointed by the respective Governors for a term not to exceed 4 years. One Colorado representative shall be a resident of and water right owner in Water District 14 or 17, one Colorado representative shall be a resident of and water right owner in Water District 67, and one Colorado representative shall be the Director of the Colorado Water Conservation Board. Two Kansas representatives shall be residents of and water right owners in the counties of Finney, Kearny or Hamilton, and one Kansas representative shall be the chief State official charged with the administration of water rights in Kansas. The President of the United States is hereby requested to designate a representative of the United States, and if a representative is so designated he shall be an ex officio member and act as chairman of the Administration without vote.

"D. The State representatives shall be appointed by the respective Governors within thirty days after the effective date of this compact. The Administration shall meet and organize within sixty days after such effective date. A quorum for any meeting shall consist of four members of the Administration: Provided, that at least two members are present from each State. Each State shall have but one vote in the Administration and every decision, authorization or other action shall require unanimous vote. In case of a divided vote on any matter within the purview of the Administration, the Administration may, by subsequent unanimous vote, refer the matter for arbitration to the Representative of the United States or other arbitrator or arbitrators, in which event the decision made by such arbitrator or arbitrators shall be binding upon the Administration.

"E. (1) The salaries, if any, and the personal expenses of each member shall be paid by the government which he represents. All other expenses incident to the administration of this compact which are not paid by the United States shall be borne by the States on the basis of 60 percent by Colorado and 40 percent by Kansas.

"(2) In each even numbered year the Administration shall adopt and transmit to the Governor of each State its budget covering anticipated expenses for the forthcoming

biennium and the amount thereof payable by each State. Each State shall appropriate and pay the amount due by it to the Administration.

"(3) The Administration shall keep accurate accounts of all receipts and disbursements and shall include a statement thereof, together with a certificate of audit by a certified public accountant, in its annual report. Each State shall have the right to make an examination and audit of the accounts of the Administration at any time.

"F. Each State shall provide such available facilities, equipment and other assistance as the Administration may need to carry out its duties. To supplement such available assistance the Administration may employ engineering, legal, clerical and other aid as in its judgment may be necessary for the performance of its functions. Such employees shall be paid by and be responsible to the Administration, and shall not be considered to be employees of either State.

"G. (1) The Administration shall cooperate with the chief official of each State charged with the administration of water rights and with Federal agencies in the systematic determination and correlation of the facts as to the flow and diversion of the waters of the Arkansas River and as to the operation and siltation of John Martin Reservoir and other related structures. The Administration shall cooperate in the procurement, interchange, compilation and publication of all factual data bearing upon the administration of this compact without, in general, duplicating measurements, observations or publications made by State or Federal agencies. State officials shall furnish pertinent factual data to the Administration upon its request. The Administration shall, with the collaboration of the appropriate Federal and State agencies, determine as may be necessary from time to time, the location of gaging stations required for the proper administration of this compact and shall designate the official records of such stations for its official use.

"(2) The Director, United States Geological Survey, the Commissioner of Reclamation and the Chief of Engineers, United States Army, are hereby requested to collaborate with the Administration and with appropriate State officials in the systematic determination and correlation of data referred to in paragraph G (1) of this article and in execution of other duties of such officials which may be necessary for the proper administration of this compact.

"(3) If deemed necessary for the administration of this compact, the Administration may require the installation and maintenance, at the expense of water users, of measuring devices of approved type in any ditch or group of ditches diverting water from the Arkansas River in Colorado or Kansas. The chief official of each State charged with the administration of water rights shall supervise the execution of the Administration's requirements for such installations.

"H. Violation of any of the provisions of this compact or other actions prejudicial thereto which come to the attention of the Administration shall be promptly investigated by it. When deemed advisable as the result of such investigation, the Administration may report its findings and recommendations to the State official who is charged with the administration of water rights for appropriate action, it being the intent of this compact that enforcement of its terms shall be accomplished in general through the State agencies and officials charged with the administration of water rights.

"I. Findings of fact made by the Administration shall not be conclusive in any court or before any agency or tribunal but shall constitute prima facie evidence of the facts found.

"J. The Administration shall report annually to the Governor of the States and to the President of the United States as to matters within its purview.

"ARTICLE IX

"A. This compact shall become effective when ratified by the legislature of each State and when consented to by the Congress of the United States by legislation providing substantially, among other things, as follows:

"'Nothing contained in this act or in the compact herein consented to shall be construed as impairing or affecting the sovereignty of the United States or any of its rights or jurisdiction in and over the area or waters which are the subject of such compact: *Provided*, that the Chief of Engineers is hereby authorized to operate the conservation features of the John Martin Reservoir Project in a manner conforming to such compact with such exceptions as he and the Administration created pursuant to the compact may jointly approve.'

"B. This compact shall remain in effect until modified or terminated by unanimous action of the States and in the event of modification or termination all rights then established or recognized by this compact shall continue unimpaired.

"In witness whereof, the Commissioners have signed this compact in triplicate original, one of which shall be forwarded to the Secretary of State of the United States of America and one of which shall be forwarded to the Governor of each signatory State.

"Done in the city and county of Denver, in the State of Colorado, on the 14th day of December, in the year of our Lord 1948.

"HENRY C. VIDAL,
"GAIL L. IRELAND,
"HARRY B. MENDENHALL,
"Commissioners for Colorado.

"GEORGE S. KNAPP,
"EDWARD F. ARN,
"WILLIAM E. LEAVITT,
"ROLAND H. TATE,
"Commissioners for Kansas.

"Attest:

"WARDEN L. NOE, *Secretary.*

"Approved:

"HANS KRAMER,
"Representative of the United States."

SEC. 2. Nothing contained in this act or in the compact herein consented to shall be construed as impairing or affecting the sovereignty of the United States or any of its rights or jurisdiction in and over the area or waters which are the subject of such compact: *Provided*, That the Chief of Engineers is hereby authorized to operate the conservation features of the John Martin Reservoir project in a manner conforming to such compact with such exceptions as he and the Administration created pursuant to the compact may jointly approve.

With the following committee amendments:

Page 7, line 8, strike out "reservoirs" and insert "reservoir."

Page 19, line 12, strike out "Governor" and insert "Governors."

Page 20, line 9, strike out "Commissioners" and insert "commissioners."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLERS IN ALASKA TO RECORD NOTICE OF THEIR CLAIMS

The Clerk called the bill (H. R. 4289) to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the part of the act of March 3, 1903 (32 Stat. 1028, 48 U. S. C., sec. 371), which reads: "that the record of said location shall, within 90 days from the date of settlement, be filed for record in the recording district in which the land is situated. Said record shall contain the name of the settler, the date of the settlement, and such a description of the land settled upon, by reference to some natural object or permanent monument, as will identify the same; and, if after the expiration of the said period of 5 years, or at such date as the settler may desire to commute, the public surveys of the United States have not been extended over the land located, a patent shall nevertheless issue for the land included within the boundaries of said location as thus recorded, upon proof to be submitted to the register and receiver of the proper land office, upon proof that he is a citizen of the United States, and upon the further proof required by section 2291 of the Revised Statutes of the United States as heretofore and herein amended, and under the procedure in the obtaining of patents to the unsurveyed lands of the United States, as provided for by section 10 of the act hereby amended, and under such rules and regulations as shall be prescribed by the Secretary of the Interior as hereinbefore provided, without the payment of any purchase price or other charges except the ordinary office fees and commissions of the register and receiver except $1.25 per acre on land commuted:" is hereby amended to read as follows: "that within 90 days from the date of settlement on surveyed or unsurveyed lands a notice shall be filed by or on behalf of the settler for record in the United States land office for the district in which the land is situated. Said notice shall contain the name of the settler and the date of the settlement, and such a description of the land settled upon, if surveyed, by legal subdivisions, section, township, and range, or, if unsurveyed, by reference to some natural object or permanent monument and by a statement if desired, of the approximate latitude and longitude determined from a map of Alaska, as will identify the land; and, if after the expiration of the period of 3 years, or at such date as the settler may desire to commute, the public surveys of the United States have not been extended over the land located, a patent shall nevertheless issue for the land included within the boundaries of said location as thus recorded, upon proof to be submitted to the manager of the proper land office that the settler is a citizen of the United States, and upon the further proof required by section 2291 of the Revised Statutes of the United States as heretofore and herein amended, and under the procedure in the obtaining of patents to the unsurveyed lands of the United States, as provided for by section 10 of the act hereby amended, and under such rules and regulations as shall be prescribed by the Secretary of the Interior as hereinbefore provided without the payment of any purchase price or other charges, except the ordinary office fees and commissions, and except $1.25 per acre on the land commuted:".

SEC. 2. Any person who at the effective date of this act is maintaining a settlement claim on surveyed or unsurveyed public land in Alaska shall file notice of the location of his settlement claim in the United States land office for the district in which the land is situated, (a) within 90 days from the effective date of this act, if notice of the location has not heretofore been filed in the recording district in which the land is situated, or (b) within 2 years from the effective date of this

act, if notice of the location has heretofore been filed in such recording district.

SEC. 3. Unless notice of a settlement claim is filed in the proper district land office within the time prescribed by sections 1 and 2 of this act, the claimant, in making homestead proof or submitting a showing of residence, cultivation, and improvements as a basis for a free survey, shall not be given credit for such residence and cultivation as may have taken place prior to the filing of (a) a notice of the claim in the proper district land office, (b) a petition for survey, or (c) an application for homestead entry, whichever is the earlier.

SEC. 4. A homestead settler on unsurveyed public lands shall make proof of residence, cultivation, and improvements within 5 years from the date of the filing of notice of the settlement claim in the district land office, as a basis for a free survey under section 2 of the act of July 8, 1916 (39 Stat. 352, 48 U. S. C., 375), and thereafter shall submit final or commutation proof in accordance with regulations of the Secretary of the Interior.

SEC. 5. All qualified persons, associations, or corporations now holding or hereafter initiating claims subject to the provisions of section 10, act of May 14, 1898 (30 Stat. 413, 48 U. S. C., sec. 461), as amended, shall file a notice describing such claim in the manner specified by section 1 of this act in the United States land office for the district in which the land is situated within 90 days from the effective date of this act or within 90 days from the date of the initiation of the claim, whichever is later. Unless such notice is filed in the proper district land office within the time prescribed the claimant shall not be given credit for the occupancy maintained in the claim prior to the filing of (1) a notice of the claim in the proper district land office, or (2) an application to purchase, whichever is earlier. Application to purchase claims, along with the required proof or showing, must be filed within 5 years after the filing of the notice of claim under this section.

With the following committee amendments:

Page 2, line 1, strike out "years" and insert "years."

Page 2, line 2, strike out "commute" and insert "commute."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPENDITURES FOR LAND FOR RADIO MONITORING STATIONS

The Clerk called the bill (H. R. 4251) to amend section 4 (g) of the Communications Act of 1934 to permit the Federal Communications Commission to make expenditures for land for radio monitoring stations, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (g) of the Communications Act of 1934 be amended to read as follows:

"(g) The Commission may make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for office supplies, lawbooks, periodicals, and books of reference, for printing and binding, for land for use as sites for radio monitoring stations and related facilities, including living quarters where necessary in remote areas, for the construction of such stations and facilities, and for the improvement, furnishing, equipping, and repairing of such stations and facilities and of laboratories and other related facilities (including construction of minor subsidiary buildings and structures not exceeding $25,000 in any one instance) used in connection with technical research activities) as may be necessary for the execution of the functions vested in the Commission and as from time to time may be appropriated for by Congress."

With the following committee amendments:

Page 1, line 3, after the word "That" insert "the first section of."

Page 1, line 5, strike out "expenditures (including" and insert "including expenditures."

Page 2, line 8, strike out "activities)" and insert "activities."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVISION OF TITLE 14, UNITED STATES CODE

The Clerk called the bill (H. R. 4566) to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title 14 of the United States Code, entitled, "Coast Guard," is hereby revised, codified, and enacted into law, and may be cited as "Title 14, United States Code, section —," as follows:

TITLE 14—COAST GUARD

Part	Sec.
I. Regular Coast Guard	1
II. Coast Guard Reserve and Auxiliary	751

PART I—REGULAR COAST GUARD

Chapter	
1. Establishment and duties	1
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Chapter 1—Establishment and duties

Sec.
1. Establishment of Coast Guard.
2. Primary duties.
3. Relationship to Navy Department.
4. Operation as a service in the Navy.
5. "Secretary" defined.

§ 1. Establishment of Coast Guard

The Coast Guard as established January 28, 1915, shall be a military service and a branch of the armed forces of the United States at all times. The Coast Guard shall be a service in the Treasury Department, except when operating as a service in the Navy.

§ 2. Primary duties

The Coast Guard shall enforce or assist in the enforcement of all applicable Federal laws upon the high seas and waters subject to the jurisdiction of the United States; shall administer laws and promulgate and enforce regulations for the promotion of safety of life and property on the high seas and on waters subject to the jurisdiction of the United States covering all matters not specifically delegated by law to some other executive department; shall develop, establish, maintain, and operate, with due regard to the requirements of the national defense, aids to maritime navigation, ice-breaking facilities, and rescue facilities for the promotion of safety on and over the high seas and waters subject to the jurisdiction of the United States; and shall maintain a state of readiness to function as a specialized service in the Navy in time of war.

§ 3. Relationship to Navy Department

Upon the declaration of war or when the President directs, the Coast Guard shall operate as a service in the Navy, and shall so continue until the President, by executive order, transfers the Coast Guard back to the Treasury Department. While operating as a service in the Navy, the Coast Guard shall be subject to the orders of the Secretary of the Navy who may order changes in Coast Guard operations to render them uniform, to the extent he deems advisable, with Navy operations.

§ 4. Operation as a service in the Navy

Whenever the Coast Guard operates as a service in the Navy:

(a) applicable appropriations of the Navy Department shall be available for the expense of the Coast Guard;

(b) applicable appropriations of the Coast Guard shall be available for transfer to the Navy Department;

(c) precedence between commissioned officers of corresponding grades in the Coast Guard and the Navy shall be determined by the date of rank stated by their commissions in those grades;

(d) personnel of the Coast Guard shall be eligible to receive gratuities, medals, and other insignia of honor on the same basis as personnel in the naval service or serving in any capacity with the Navy;

(e) the Secretary may place on furlough any officer of the Coast Guard and officers on furlough shall receive one-half of the pay to which they would be entitled if on leave of absence, but officers of the Coast Guard Reserve shall not be so placed on furlough; and

(f) personnel of the Coast Guard shall be subject to the laws prescribed for the government of the Navy.

§ 5. "Secretary" defined

As used in this title, the term "Secretary" means the Secretary of the respective department in which the Coast Guard is operating.

Chapter 3—Composition and organization

Sec.
41. Grades and ratings.
42. Number and distribution of commissioned officers.
43. Relative rank of commissioned officers with respect to Army and Navy.
44. Commandant; appointment.
45. Permanent grade of Commandant on expiration of term.
46. Retirement of Commandant.
47. Assistant Commandant and Engineer in Chief; appointment.
48. Permanent grade of Assistant Commandant and Engineer in Chief on expiration of term.
49. Retirement of Assistant Commandant and Engineer in Chief.

§ 41. Grades and ratings

In the Coast Guard there shall be a vice admiral, rear admirals, captains, commanders, lieutenant commanders, lieutenants, lieutenants (junior grade), ensigns, commissioned warrant officers, cadets, warrant officers, and enlisted men. Enlisted men shall be distributed in ratings established by the Secretary.

§ 42. Number and distribution of commissioned officers

The total number of commissioned officers, including permanent, temporary, temporary service, and reserve officers on active duty and excluding commissioned warrant officers, on the active list of the Coast Guard shall not exceed 2,250. Included in this number are the extra numbers in grade

which under law operate to increase the authorized number of line officers upon separation or retirement of the person holding that number, and the members of the permanent commissioned teaching staff of the Coast Guard Academy, who shall not be considered as extra numbers in grade. The commissioned officers shall be distributed in the grades of rear admiral, captain, commander, lieutenant commander, lieutenant, lieutenant (junior grade), and ensign in the same percentages as prescribed by act of Congress for the Navy. To determine the authorized number of officers in the various grades as provided in this section the computation shall be based on the actual number of officers on active duty, including permanent, temporary, and reserve officers on active duty, but not including extra numbers in the Coast Guard at the date of making the computation. The Secretary shall, at least once each year, make such a computation, and the resulting numbers in the various grades as so computed shall be held and considered for all purposes as the authorized number in such various grades. The nearest whole number shall be regarded as the authorized number in case fractions result in the computation. The Secretary may, however, as he may from time to time determine the needs of the Coast Guard require, reduce the percentages applicable to any grade above lieutenant commander, and in order to compensate for such reduction increase correspondingly the percentages applicable to any grade or grades below the grade or grades in which such percentages are so reduced. No officer shall be reduced in permanent grade or pay or removed from the active list of the Coast Guard as the result of any computation or determination made by the Secretary to establish the number of officers in the various grades.

§ 43. Relative rank of commissioned officers with respect to Army and Navy

The commissioned officers of the Coast Guard rank as follows: Vice admirals with vice admirals in the Navy and lieutenant generals in the Army and the Air Force; rear admirals of the upper half with rear admirals of the upper half in the Navy and major generals in the Army and the Air Force; rear admirals of the lower half with real admirals of the lower half in the Navy and brigadier generals in the Army and the Air Force; captains with captains in the Navy and colonels in the Army and the Air Force; commanders with commanders in the Navy and lieutenant colonels in the Army and the Air Force; lieutenant commanders with lieutenant commanders in the Navy and majors in the Army and the Air Force; lieutenants with lieutenants in the Navy and captains in the Army and the Air Force; lieutenants (junior grade) with lieutenants (junior grade) in the Navy and first lieutenants in the Army and the Air Force; and ensigns with ensigns in the Navy and second lieutenants in the Army and the Air Force.

§ 44. Commandant; appointment

The President may appoint, by and with the advice and consent of the Senate, one Commandant for a period of 4 years, who may be reappointed for further periods of 4 years, who shall act as Chief of the Coast Guard. The Commandant shall be appointed from the active list of line officers who hold a permanent commission as commander or above, and who have completed at least 10 years of service as a commissioned officer in the Coast Guard. The Commandant, while so serving, shall have the grade, pay, and allowances of vice admiral. The position vacated by an officer appointed Commandant shall be filled by promotion according to law.

§ 45. Permanent grade of Commandant on expiration of term

If the Commandant is not retired during or on the expiration of his term of service as Commandant, such officer, at the expiration of such term of service, shall have the permanent grade of rear admiral, with the pay and allowances of a rear admiral (upper half) and shall be carried as an additional number in that grade until the number of rear admirals (upper half) is reduced to the number authorized by law.

§ 46. Retirement of Commandant

Upon completion of 3 years or more of service as Commandant, any officer who is so serving or who has so served may, at any time thereafter without regard to total length of service, upon his own application, in the discretion of the President, be retired from active service and, unless entitled by law to retirement with higher grade or pay, shall be placed on the retired list with the grade and retired pay of vice admiral. A Commandant who is retired for physical disability during his term of service as Commandant shall, unless entitled by law to retirement at a higher grade or pay, be placed on the retired list with the grade and retired pay of vice admiral.

§ 47. Assistant Commandant and Engineer in Chief; appointment

The President may appoint, by and with the advice and consent of the Senate, one Assistant Commandant for a period of 4 years, who may be reappointed for further periods of 4 years, and one Engineer in Chief for a period of 4 years, who may be reappointed for further periods of 4 years. The Assistant Commandant shall rank next after the Commandant, shall perform such duties as the Commandant may prescribe and shall act as Commandant during the absence or disability of the Commandant or in the event that there is a vacancy in the office of Commandant. The Assistant Commandant shall be selected from the active list of officers not below the grade of commander, and the Engineer in Chief shall be selected from the active list of officers not below the grade of commander who have qualified for engineering duty. The Commandant shall make recommendations for such appointments. The Assistant Commandant and Engineer in Chief shall, while so serving, have the grade of rear admiral and the pay and allowances of rear admiral (upper half). The position vacated by officers appointed Assistant Commandant or Engineer in Chief shall be filled by promotion according to law.

§ 48. Permanent grade of Assistant Commandant and Engineer in Chief on expiration of term

Officers whose terms of service as Assistant Commandant or Engineer in Chief have expired shall take their place on the lineal list in the permanent grade that they would have attained had they not served as Assistant Commandant or Engineer in Chief, and shall be additional numbers in those grades.

§ 49. Retirement of Assistant Commandant and Engineer in Chief

Upon retirement any officer who is serving, or has served not less than 2½ years, as Assistant Commandant or Engineer in Chief, unless entitled to retire at a higher grade or pay under other provisions of law, shall retire with the grade of rear admiral and with the retired pay of a rear admiral (upper half).

Chapter 5—Functions and powers

Sec.
81. Aids to navigation authorized.
82. Cooperation with Administrator of Civil Aeronautics.
83. Unauthorized aids to maritime navigation; penalty.
84. Interference with aids to navigation; penalty.
85. Failure to maintain lights; penalty.
86. Marking of obstructions.
87. Buoys; color and numbering; passing.
88. Saving life and property.
89. Law enforcement.
90. Ocean stations.
91. Safety of naval vessels.
92. Secretary; general powers.
93. Commandant; general powers.

§ 81. Aids to navigation authorized

In order to aid navigation and to prevent disasters, collisions, and wrecks of vessels and aircraft, the Coast Guard may establish, maintain, and operate:

(1) aids to maritime navigation required to serve the needs of the armed forces or of the commerce of the United States;

(2) aids to air navigation required to serve the needs of the armed forces of the United States as requested by the Secretary of the appropriate department within the National Military Establishment; and

(3) Loran stations (a) required to serve the needs of the armed forces of the United States; or (b) required to serve the needs of the maritime commerce of the United States; or (c) required to serve the needs of the air commerce of the United States as determined by the Administrator of Civil Aeronautics.

Such aids to navigation other than Loran stations shall be established and operated only within the United States, its Territories and possessions, and beyond the territorial jurisdiction of the United States at places where naval or military bases of the United States are or may be located, and at other places where such aids to navigation have been established prior to June 26, 1948.

§ 82. Cooperation with Administrator of Civil Aeronautics

The Coast Guard in establishing, maintaining, or operating any aids to air navigation herein provided shall solicit the cooperation of the Administrator of Civil Aeronautics to the end that the personnel and facilities of the Civil Aeronautics Administration will be utilized to the fullest possible advantage. Before locating and operating any such aid on military or naval bases or regions, the consent of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, shall first be obtained. No such aid shall be located within the territorial jurisdiction of any foreign country without the consent of the government thereof. Nothing in this title shall be deemed to limit the authority granted by the provisions of section 458 of title 5, or by sections 175 (f) or 451–458 of title 49.

§ 83. Unauthorized aids to maritime navigation; penalty

No person, or public body, or instrumentality, excluding the armed services, shall establish, erect, or maintain any aid to maritime navigation without first obtaining authority to do so from the Coast Guard in accordance with applicable regulations. Whoever violates the provisions of this section or any of the regulations issued by the Secretary in accordance herewith shall be guilty of a misdemeanor and shall be fined not more than $100 for each offense. Each day during which such violation continues shall be considered as a new offense.

§ 84. Interference with aids to navigation; penalty

It shall be unlawful for any person, or public body, or instrumentality, excluding the armed forces, to remove, change the location of, obstruct, willfully damage, make fast to, or interfere with any aid to navigation established, installed, operated, or maintained by the Coast Guard pursuant to section 81

of this title, or with any aid to navigation lawfully maintained under authority granted by the Coast Guard pursuant to section 83 of this title, or to anchor any vessel in any of the navigable waters of the United States so as to obstruct or interfere with range lights maintained therein. Whoever violates the provisions of this section shall be guilty of a misdemeanor and shall be fined not more than $500 for each offense. Each day during which such violation shall continue shall be considered as a new offense.

§ 85. Failure to maintain lights; penalty

Any person, firm, company, or corporation required by law to maintain lights upon any bridge or abutment over or in any navigable waters who shall fail or refuse to maintain such lights, or to obey any of the lawful rules and regulations relating to the same, shall be guilty of a misdemeanor and shall be fined not more than $100 for each offense. Each day during which such violation shall continue shall be considered as a new offense.

§ 86. Marking of obstructions

The Coast Guard may mark for the protection of navigation any sunken vessel or other similar obstruction existing on any navigable waters of the United States, whenever the owner thereof has, in the judgment of the Coast Guard, failed suitably to mark the same in accordance with the provisions of section 409 of title 33. Until the abandonment of any such obstruction has been established in accordance with the provisions of section 414 of title 33, the owner thereof shall pay to the Coast Guard the cost of such marking. As soon as the abandonment of any such obstruction has been so established, the Secretary of the Army shall keep the same so marked pending removal thereof in accordance with the provisions of section 414 of title 33, but the Coast Guard may at the request of the Department of the Army continue the suitable marking of any such obstruction for and on behalf of that Department; and the cost of any such marking shall be borne by the Department of the Army. All moneys received by the Coast Guard from the owners of obstructions, in accordance with the provisions of this section, shall be covered into the Treasury of the United States as miscellaneous receipts. No provision of this section shall be construed so as to relieve the owner of any such obstruction from the duty and responsibility suitably to mark the same in accordance with the provisions of section 409 of title 33.

§ 87. Buoys; color and numbering; passing

All buoys along the coast, or in bays, harbors, sounds, or channels, shall be colored and numbered so that passing up the coast or sound, or entering the bay, harbor, or channel, red buoys with even numbers shall be passed on the starboard hand, black buoys with uneven numbers on the port hand, and buoys with red and black horizontal stripes on either hand. Buoys in channel ways shall be colored with alternate white and black vertical stripes.

§ 88. Saving life and property

(a) In order to render aid to distressed persons, vessels, and aircraft on the high seas and on waters over which the United States has jurisdiction and in order to render aid to persons and property imperiled by flood, the Coast Guard may:

(1) Perform any and all acts necessary to rescue and aid persons and protect and save property;

(2) take charge of and protect all property saved from marine or aircraft disasters, or floods, at which the Coast Guard is present, until such property is claimed by persons legally authorized to receive it or until otherwise disposed of in accordance with law or applicable regulations, and care for bodies of those who may have perished in such catastrophies;

(3) furnish clothing, food, lodging, medicines, and other necessary supplies and services to persons succored by the Coast Guard; and

(4) destroy or tow into port sunken or floating dangers to navigation.

(b) The Coast Guard may render aid to persons and protect and save property at any time and at any place at which Coast Guard facilities and personnel are available and can be effectively utilized.

§ 89. Law enforcement

(a) The Coast Guard may make inquiries, examinations, inspections, searches, seizures, and arrests upon the high seas and waters over which the United States has jurisdiction, for the prevention, detection, and suppression of violations of laws of the United States. For such purposes, commissioned, warrant, and petty officers may at any time go on board of any vessel subject to the jurisdiction, or to the operation of any law, of the United States, address inquiries to those on board, to examine the ship's documents and papers, and examine, inspect, and search the vessel and use all necessary force to compel compliance. When from such inquiries, examination, inspection, or search it appears that a breach of the laws of the United States rendering a person liable to arrest is being, or has been committed, by any person, such person shall be arrested or, if escaping to shore, shall be immediately pursued and arrested on shore, or other lawful and appropriate action shall be taken; or, if it shall appear that a breach of the laws of the United States has been committed so as to render such vessel, or the merchandise, or any part thereof, on board of, or brought into the United States by, such vessel, liable to forfeiture, or so as to render such vessel liable to a fine or penalty and if necessary to secure such fine or penalty, such vessel or such merchandise, or both, shall be seized.

(b) The officers of the Coast Guard insofar as they are engaged, pursuant to the authority contained in this section, in enforcing any law of the United States shall:

(1) be deemed to be acting as agents of the particular executive department or independent establishment charged with the administration of the particular law; and

(2) be subject to all the rules and regulations promulgated by such department or independent establishment with respect to the enforcement of that law.

(c) The provisions of this section are in addition to any powers conferred by law upon such officers, and not in limitation of any powers conferred by law upon such officers, or any other officers of the United States.

§ 90. Ocean stations

(a) The Coast Guard is authorized to operate and maintain floating ocean stations for the purpose of providing search and rescue, communication, and air navigation facilities, and meteorological services in such ocean areas as are regularly traversed by aircraft of the United States.

(b) The Coast Guard is authorized, subject to approval by the Administrator of Civil Aeronautics, to operate, on floating ocean stations authorized herein, such air navigation facilities as the Administrator may find necessary or desirable for the safe and efficient protection and control of air traffic. The Coast Guard, in establishing, maintaining, or operating such air navigation facilities shall request the cooperation of the Administrator of Civil Aeronautics to the end that the personnel and facilities of the Civil Aeronautics Administration will be utilized to the fullest possible advantage.

§ 91. Safety of naval vessels

The captain of the port, Coast Guard district commander, or other officer of the Coast Guard designated by the Commandant thereof, or the Governor of the Panama Canal in the case of the territory and waters of the Canal Zone, shall so control the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States, as to insure the safety or security of such United States naval vessels as may be present in his jurisdiction. In territorial waters of the United States where immediate action is required, or where representatives of the Coast Guard are not present, or not present in sufficient force to exercise effective control of shipping as provided herein, the senior naval officer present in command of any naval force may control the anchorage or movement of any vessel, foreign or domestic, to the extent deemed necessary to insure the safety and security of his command.

§ 92. Secretary; general powers

For the purpose of executing the duties and functions of the Coast Guard the Secretary may within the limits of appropriations made therefor:

(a) establish, change the limits of, consolidate, discontinue, and re-establish Coast Guard districts;

(b) arrange with the Secretaries of the Army, Navy, and Air Force to assign officers and enlisted men of the Coast Guard to any school maintained by the Army, Navy, and Air Force, for instruction and training, including aviation schools;

(c) construct, or cause to be constructed, Coast Guard shore establishments, and sell or otherwise dispose of unsuitable or unserviceable shore establishments, the monies received, less amount of expenses incurred from any such disposition (exclusive of governmental personal services), to be covered into the Treasury;

(d) design or cause to be designed, cause to be constructed, accepted as gift, or otherwise acquire vessels, and dispose of them, the monies received, less the amount of expenses incurred from any such disposition (exclusive of governmental personal services), to be covered into the Treasury;

(e) exchange vessels and parts thereof in part payment for new vessels;

(f) acquire land or interests in land, including acceptance of gifts thereof, where required for the purpose of carrying out any project or purpose for which an appropriation has been made;

(g) exchange land or interests in land in part or in full payment for such other land or interests in land as may be necessary or desirable, the balance of such part payment to be defrayable in accordance with other provisions of this section;

(h) exercise any of the powers vested by this title in the Commandant in any case in which the Secretary deems it appropriate; and

(i) do any and all things necessary to carry out the purposes of this title.

§ 93. Commandant; general powers

For the purpose of executing the duties and functions of the Coast Guard the Commandant may:

(a) maintain water, land, and air patrols, and ice-breaking facilities;

(b) establish and prescribe the purpose of, change the location of, consolidate, discontinue, re-establish, maintain, operate, and repair Coast Guard shore establishments;

(c) assign vessels, aircraft, vehicles, aids to navigation, equipment, appliances, and supplies to Coast Guard districts and shore establishments, and transfer any of the foregoing from one district or shore establishment to another;

(d) conduct experiments, investigate, or cause to be investigated, plans, devices, and inventions relating to the performance of any Coast Guard function and cooperate and

coordinate such activities with other Government agencies and with private agencies;

(e) conduct any investigations or studies that may be of assistance to the Coast Guard in the performance of any of its powers, duties, or functions;

(f) collect, publish, and distribute information concerning Coast Guard operations;

(g) conduct or make available to personnel of the Coast Guard such specialized training and courses of instruction, including correspondence courses, as may be necessary or desirable for the good of the service;

(h) design or cause to be designed, cause to be constructed, accept as gift, or otherwise acquire patrol boats and other small craft, equip, operate, maintain, supply, and repair such patrol boats, other small craft, aircraft, and vehicles, and dispose of them, the monies received, less the amount of expenses incurred from any such disposition (exclusive of governmental personal services), to be covered into the Treasury;

(i) acquire, accept as gift, maintain and repair aids to navigation, appliances, equipment, and supplies, and discontinue, or otherwise dispose of obsolete, unsuitable, or unserviceable aids to navigation, appliances, equipment, and supplies, the moneys received, less amount of expenses incurred from any such disposition (exclusive of governmental personal services), to be covered into the Treasury;

(j) equip, operate, maintain, supply, and repair Coast Guard districts and shore establishments;

(k) exchange aircraft, vehicles, and parts thereof, and obsolete, unsuitable, or unserviceable machines, tools, aids to navigation, appliances, equipment, and supplies in part payment for new items of the same or similar character as those proposed to be exchanged;

(l) establish, equip, operate, and maintain shops, depots, and yards for the manufacture and construction of aids to navigation, equipment, apparatus, vessels, vehicles, and aircraft not normally or economically obtainable from private contractors, and for the maintenance and repair of any property used by the Coast Guard;

(m) accept and utilize, in times of emergency in order to save life or protect property, such voluntary services as may be offered to the Coast Guard;

(n) rent or lease, under such terms and conditions as are deemed advistable, for a period not exceeding 5 years, such real property under the control of the Coast Guard as may not be required for immediate use by the Coast Guard, the moneys received from any such rental or lease, less amount of expenses incurred (exclusive of governmental personal services), to be covered into the Treasury;

(o) grant, under such terms and conditions as are deemed advisable, permits, licenses, easements, and rights-of-way over, across, in, and upon lands under the control of the Coast Guard when in the public interest and without substantially injuring the interests of the United States in the property thereby affected; and

(p) establish, install, abandon, reestablish, reroute, operate, maintain, repair, purchase, or lease such telephone and telegraph lines and cables, together with all facilities, apparatus, equipment, structures, appurtenances, accessories, and supplies used or useful in connection with the installation, operation, maintenance, or repair of such lines and cables, and acquire such real property, rights-of-way, easements, or attachment privileges as may be required for the installation, operation, and maintenance of such lines, cables, and equipment.

(q) establish, install, abandon, reestablish, change the location of, operate, maintain, and repair radio transmitting and receiving stations.

Chapter 7—Cooperation with other agencies

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141. General.
142. State Department.
143. Treasury Department.
144. Department of the Army and Department of the Air Force.
145. Navy Department.
146. Post Office Department.
147. Department of Commerce.
148. Maritime instruction.
149. Detail of officers and men to assist foreign governments.
150. Coast Guard officers as attachés to missions .
151. Contracts with Government-owned establishments for work and material.

§ 141. General

(a) The Coast Guard may, when so requested by proper authority, utilize its personnel and facilities to assist any Federal agency, State, Territory, possession, or political subdivision thereof, or the District of Columbia, to perform any activity for which such personnel and facilities are especially qualified.

(b) The Coast Guard, with the consent of the head of the agency concerned, may avail itself of such officers and employees, advice, information, and facilities of any Federal agency, State, Territory, possession, or political subdivision thereof, or the District of Columbia as may be helpful in the performance of its duties. In connection with the utilization of personal services of employees of State or local governments, the Coast Guard may make payments for necessary traveling and per diem expenses as prescribed for Federal employees by the standardized Government travel regulations.

§ 142. State Department

The Coast Guard, through the Secretary, may exchange information, through the Secretary of State, with foreign governments and suggest to the Secretary of State international collaboration and conferences on all matters dealing with the safety of life and property at sea, other than radio communication.

§ 143. Treasury Department

Commissioned, warrant, and petty officers of the Coast Guard are deemed to be officers of the customs and when so acting shall, insofar as performance of the duties relating to customs laws are concerned, be subject to regulations issued by the Secretary of the Treasury governing officers of the customs.

§ 144. Department of the Army and Department of the Air Force

(a) The Secretary of the Army or the Secretary of the Air Force at the request of the Secretary of the Treasury may, with or without reimbursement for the cost thereof, as agreed, receive officers and enlisted men of the Coast Guard for instruction in any school, including any aviation school, maintained by the Army or the Air Force, and such officers and enlisted men shall be subject to the regulations governing such schools.

(b) Officers and enlisted men of the Coast Guard shall be permitted to purchase quartermaster supplies from the Army at the same price as is charged the officers and enlisted men of the Army.

(c) Articles of ordnance property may be sold by the Chief of Ordnance to officers of the Coast Guard for their use in the public service in the same manner as these articles are sold to officers of the Army.

§ 145. Navy Department

(a) The Secretary of the Navy, at the request of the Secretary of the Treasury may, with or without reimbursement for the cost thereof, as agreed:

(1) build any vessel for the Coast Guard at such Navy yards as the Secretary of the Navy may designate; and

(2) receive officers and enlisted men of the Coast Guard for instruction in any school, including any aviation school maintained by the Navy, and such officers and enlisted men shall be subject to the regulations governing such schools.

(b) Officers and enlisted men of the Coast Guard shall be permitted to purchase quartermaster supplies from the Navy and the Marine Corps at the same price as is charged the officers and enlisted men of the Navy and Marine Corps.

(c) When the Coast Guard is operating in the Treasury Department, the Secretary shall provide for such peacetime training and planning of reserve strength and facilities as is necessary to insure an organized, manned, and equipped Coast Guard when it is required for wartime operation in the Navy. To this end, the Secretary of the Navy, for the Navy, and the Secretary of the Treasury, for the Coast Guard, may from time to time exchange such information, make available to each other such personnel, vessels, facilities, and equipment, and agree to undertake such assignments and functions for each other as they may agree are necessary and advisable.

§ 146. Post Office Department

Coast Guard facilities and personnel may be utilized for the transportation and delivery of mail matter during emergency conditions or at isolated locations under such arrangements as may be satisfactory to the Secretary and the Postmaster General.

§ 147. Department of Commerce

In order to promote the safety of life and property on and over the high seas and waters over which the United States has jurisdiction, and to facilitate the preparation and dissemination by the Weather Bureau of the weather reports, forecasts, and warnings essential to the safe and efficient conduct of domestic and international commerce on and over such seas and waters, the Commandant may coperate with the Chief of the Weather Bureau by procuring, maintaining, and making available, facilities and assistance for observing, investigating, and communicating weather phenomena and for disseminating weather data, forecasts and warnings, the mutually satisfactory terms of such cooperation in weather service to be agreed upon and arranged between the Commandant and the Chief of the Weather Bureau.

§ 148. Maritime instruction

The Coast Guard may, when so requested by proper authority, detail officers and enlisted men for duty in connection with maritime instruction and training by the several States, Territories, the District of Columbia, and Puerto Rico, and when requested by the United States Maritime Commission, detail persons in the Coast Guard for duty in connection with maritime instruction and training by the United States. The service rendered by any person so detailed shall be considered Coast Guard duty.

§ 149. Detail of officers and men to assist foreign governments

The President may upon application from the foreign governments concerned, and whenever in his discretion the public interests render such a course advisable, detail officers and enlisted men of the Coast Guard to assist foreign governments in matters concerning which the Coast Guard may be of assistance. Officers and enlisted men so detailed may accept, from the government to which detailed, offices and such compensation and emoluments thereunder appertaining as may be first approved by the Secretary. While so detailed such officers and enlisted men shall receive, in addition to the compensation and emoluments allowed them by such governments, the pay and allowances to which they are entitled in the Coast Guard and shall be allowed the same credit for longevity, retirement, and for all other

purposes that they would receive if they were serving with the Coast Guard.

§ 150. Coast Guard officers as attachés to missions

Commissioned officers may, with the consent of the Secretary of State, be regularly and officially attached to the diplomatic missions of the United States in those nations with which the United States is extensively engaged in maritime commerce. Expenses for the maintenance of such Coast Guard attachés abroad, including office rental and pay of employees and allowances for living quarters, including heat, fuel, and light, may be defrayed by the Coast Guard.

§ 151. Contracts with Government-owned establishments for work and material

All orders or contracts for work or material, under authorization of law, placed with Government-owned establishments by the Coast Guard, shall be considered as obligations in the same manner as provided for similar orders or contracts placed with private contractors, and appropriations for such work or material shall remain available for payment therefor as in the case of orders or contracts placed with private contractors.

Chapter 9—Coast Guard Academy

Sec.
181. Administration of Academy.
182. Cadets; number, appointment, obligation to serve.
183. Cadets; initial clothing allowance.
184. Cadets; degree of bachelor of science.
185. Cadets; appointment as ensign.
186. Civilian instructors.
187. Permanent commissioned teaching staff; composition.
188. Appointment of permanent commissioned teaching staff.
189. Grade of permanent commissioned teaching staff.
190. Retirement of permanent commissioned teaching staff.
191. Credit for service as civilian instructor.
192. Assignment of personnel as instructors.
193. Advisory committee.
194. Annual Board of Visitors.

§ 181. Administration of Academy

The immediate government and military command of the Coast Guard Academy shall be in the Superintendent of the Academy, subject to the direction of the Commandant under the general supervision of the Secretary. The Commandant may select a superintendent from the active list of the Coast Guard who shall serve in the pleasure of the Commandant.

§ 182. Cadets; number, appointment, obligation to serve

The number of cadets appointed annually to the Academy shall be as determined by the Secretary but the number appointed in any 1 year shall not exceed 300. Appointments to cadetships shall be made under regulations prescribed by the Secretary, who shall determine age limits, methods of selection of applicants, term of service as a cadet before graduation, and all other matters affecting such appointments. The Secretary may summarily dismiss from the Coast Guard any cadet who, during his cadetship, is found unsatisfactory in either studies or conduct, or may be deemed not adapted for a career in the Coast Guard. Previous to his admission each cadet shall obligate himself, in such manner as the Secretary shall prescribe, to serve at least 4 years as an officer in the Coast Guard after graduation, if his service be so long required. Cadets shall be subject to rules governing discipline prescribed by the Commandant.

§ 183. Cadets; initial clothing allowance

Each cadet, upon admission to the Academy, shall be credited with the sum of $250 to cover the cost of his initial clothing and equipment issued, to be deducted subsequently from his pay in accordance with regulations prescribed by the Secretary.

§ 184. Cadets; degree of bachelor of science

The Superintendent of the Academy may, under such rules and regulations as the Secretary shall prescribe, confer the degree of bachelor of science upon all graduates of the Academy and may, in addition, confer the degree of bachelor of science upon such other living graduates of the Academy as shall have met the requirements of the Academy for such degree.

§ 185. Cadets; appointment as ensign

The President may, by and with the advice and consent of the Senate, appoint as ensigns in the Coast Guard all cadets who shall graduate from the Academy. Ensigns so commissioned on the same date shall take rank according to their proficiency as shown by the order of their merit at date of graduation.

§ 186. Civilian instructors

The Secretary may appoint in the Coast Guard, subject to the competitive provisions of the civil-service laws and regulations, such number of civilian instructors as the needs of the service require, not to exceed eight, whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Leaves of absence and hours of work for such civilian instructors shall be governed by regulations issued by the Secretary of the Treasury, without regard to sections 29a, 30b–30m, 84, 663, 667, 672a–673, and chapter 18, of title 5.

§ 187. Permanent commissioned teaching staff; composition

The permanent commissioned teaching staff at the Academy shall consist of not more than three professors who may serve as heads of departments, and not more than 12 associate professors, assistant professors, and commissioned instructors, one of whom shall be the librarian. They shall perform duties as prescribed by the Commandant, and exercise command only in the academic department of the Academy.

§ 188. Appointment of permanent commissioned teaching staff

The President may appoint in the Coast Guard, by and with the advice and consent of the Senate, the professors, associate professors, assistant professors, and commissioned instructors who are to serve on the permanent commissioned teaching staff of the Academy. An original appointment to the permanent commissioned teaching staff, unless the appointee has served as a civilian instructor, regular commissioned officer, temporary commissioned officer, or reserve commissioned officer in the Coast Guard, shall be a temporary appointment until the appointee has satisfactorily completed a probationary term of 4 years of service; thereafter he may be regularly appointed and his rank shall date from the date of his temporary appointment in the rank in which permanently appointed.

§ 189. Grade of permanent commissioned teaching staff

Professors shall be commissioned officers with grade not above captain, associate and assistant professors with grade not above commander, and commissioned instructors with grade not above lieutenant commander. All officers of the permanent commissioned teaching staff shall receive the pay and allowances of other commissioned officers of the same grade and length of service. When any such professor, associate professor, or assistant professor is appointed or commissioned with grade less than the highest grade permitted, he shall be promoted under regulations prescribed by the Secretary.

§ 190. Retirement of permanent commissioned teaching staff

Professors, associate professors, assistant professors, and commissioned instructors in the Coast Guard shall be subject to retirement from active service for any cause on the same basis as other permanent commissioned officers of the Coast Guard, and service as a civilian instructor or civilian librarian at the Academy in addition to creditable service authorized by any other law in any of the military services rendered prior to an appointment as a professor, associate professor, assistant professor, or commissioned instructor shall be credited in computing length of service for retirement purposes. The provisions of law relating to retirement for disability in line of duty shall not apply in the case of a professor, associate professor, assistant professor, or commissioned instructor serving under a temporary appointment.

§ 191. Credit for service as civilian instructor

Service as a civilian instructor or civilian librarian at the Academy in addition to creditable services authorized by any other law in any of the military services rendered prior to an appointment as professor, associate professor, assistant professor, or commissioned instructor shall be credited in computing length of service as a professor, associate professor, assistant professor, or commissioned instructor for purposes of pay and allowances.

§ 192. Assignment of personnel as instructors

The Commandant may assign any commissioned officer, warrant officer, or enlisted man to appropriate instruction duty at the Academy.

§ 193. Advisory committee

The Secretary may appoint an Advisory Committee to the Academy, consisting of not more than seven persons of distinction in education and other fields relating to the purposes of the Academy, who shall serve without pay. Members of the Advisory Committee shall be appointed for terms of not to exceed 3 years and may be reappointed. The Secretary shall, in June of each year, appoint one of the members to serve as chairman. The members so appointed shall visit the Academy at least once during the academic year on the call of the Chairman and may convene once each year at Headquarters, at the call of the Commandant, for the purpose of examining the course of instruction and advising the Commandant relative thereto. Each member of the Committee shall be reimbursed from Coast Guard appropriations in conformity with section 73b–1 of title 5, or such actual expenses as permitted by section 73b–2 of title 5 shall be defrayed by the Coast Guard.

§ 194. Annual Board of Visitors

(a) In addition to the Advisory Committee, there shall be appointed in January of each year a Board of Visitors to the Academy, consisting of two Senators and three Members of the House of Representatives, appointed by the chairmen of the committees of the Senate and House of Representatives, respectively, having cognizance of legislation pertaining to the Academy, the chairmen of said committees being ex officio members of the Board, and of one Senator and two Members of the House of Representatives appointed by the President of the Senate and the Speaker of the House of Representatives, respectively. Whenever a member or an ex officio member is unable to attend the annual meeting as provided in this section another member may be appointed in his stead in the manner as herein provided but without restriction as to month of appointment.

(b) Such Board shall visit the Academy annually on a date to be fixed by the Secretary. Each member of the Board shall be reimbursed from the Coast Guard appropria-

tions under Government travel regulations for the actual expense incurred by him while engaged in duties as a member of such Board, or such actual expenses as permitted under such regulations shall be defrayed by the Coast Guard.

Chapter 11—Personnel

Commissioned Officers

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221. Filling of vacancies.
222. Promotion of officers to flag rank.
223. Filling of vacancies by promotion.
224. Filling of vacancies by appointment.
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231. Voluntary retirement after 20 years' service.
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COMMISSIONED OFFICERS

§ 221. Filling of vacancies

Whenever a vacancy occurs in the active list of regular commissioned officers, in the grade of ensign or above, which the Secretary determines shall be filled, such vacancy shall be filled either by promotion through appointment by the President to a higher grade as hereinafter provided or by appointment by the President from among the groups set forth in section 225 of this title.

§ 222. Promotion of officers to flag rank

Commissioned officers, including extra numbers in grade, shall be promoted to the grade of rear admiral by selection, under such regulations as the Secretary shall prescribe. The precedence on the list of rear admirals shall be determined by the date of first appointment to that grade, except that the Assistant Commandant shall, while holding such office, be next in precedence to the Commandant.

§ 223. Filling of vacancies by promotion

(a) When a vacancy below the grade of rear admiral is to be filled by promotion as determined by the Secretary, the senior officer of the next lower grade, not out of line of promotion, shall be appointed by the President, by and with the advice and consent of the Senate, to fill such vacancy as of the date such vacancy occurred. No commissioned officer shall be promoted to a higher grade on the active list until his mental, moral, and professional fitness to perform the duties of such higher grade have been established to the satisfaction of the Secretary, and until he has been pronounced physically qualified to perform the duties of such higher grade.

(b) The Secretary may prescribe regulations dealing with the filling of vacancies by promotion, including, but not limited to, the scope and method of conducting professional and physical examinations, the number of reexaminations permitted, the circumstances under which an officer may be excused from being examined in a particular subject, and the passing marks required; and dealing with the placing of officers out of, and the restoring of officers to, the line of promotion.

(c) An ensign who has completed 3 years' service in his grade shall be eligible for promotion to lieutenant (junior grade) if he is qualified therefor in accordance with such regulations as the Secretary shall prescribe.

§ 224. Filling of vacancies by appointment

(a) Vacancies in the grade of captain and below may be filled by appointment. When a vacancy is to be filled by appointment thereto from among the groups set forth in section 225 of this title as determined by the Secretary, such officer shall be appointed by the President, by and with the advice and consent of the Senate.

(b) The Secretary may prescribe regulations dealing with the filling of vacancies by appointment, including, but not limited to, the scope and method of conducting professional and physical examinations and the passing marks required.

(c) Any person thus appointed as a permanent commissioned officer shall take precedence in the grade in which he is appointed in accordance with the date of his commission as a permanent commissioned officer in such grade. Appointees whose dates of commission are the same shall take precedence with each other as the Secretary shall determine.

§ 225. Permanent appointments

(a) The President may appoint, by and with the advice and consent of the Senate, permanent commissioned officers in the Coast Guard in grades appropriate to their qualifications, experience, and length of service, as the needs of the Coast Guard may require, from among the following categories:

(1) Graduates of the Coast Guard Academy;

(2) Temporary commissioned officers of the Coast Guard who have served at least 2 years as such;

(3) Commissioned warrant officers, warrant officers, and enlisted men of the Coast Guard;

(4) Members of the Coast Guard Reserve who have served at least 2 years as such; and

(5) Licensed officers of the United States merchant marine who have served 4 or more years aboard a vessel of the United States in the capacity of a licensed officer, but any person of this category, commissioned pursuant to this section, shall serve a probationary period of 2 years, during which time his commission may be revoked if his services are unsatisfactory, under such regulations as the Secretary shall prescribe.

(b) No person shall be appointed a commissioned officer until his mental, moral, physical, and professional fitness to perform the duties of a commissioned officer has been established as the result of such examinations as the Secretary shall prescribe.

§ 226. Temporary appointments

(a) The Secretary may appoint temporary commissioned officers in the grade of lieutenant commander or below, appropriate to their qualifications and experience, who, while in service, shall receive the same pay, allowances, and benefits as permanent commissioned officers of corresponding grade and length of service, except that no temporary commissioned officer as such shall be entitled to retirement while serving under his temporary commission. Temporary appointments shall be made only after the candidate has satisfactorily passed such examination as the Secretary shall prescribe. The names of all persons who are appointed temporary commissioned officers shall be placed on a special list of temporary commissioned officers, as distinguished from the list of permanent commissioned officers.

(b) Any warrant officer or enlisted man in the regular Coast Guard may be appointed as a temporary commissioned officer. Notwithstanding such temporary appointment, any such warrant officer or enlisted man shall be entitled to retirement in his permanent grade or rating in the same manner as though he had continued to hold his permanent grade or rating, and upon the termination of such temporary appointment shall be entitled to revert to such grade or rating.

Service under any such temporary appointment shall be included in determining length of service as a warrant officer or enlisted man.

§ 227. Promotion and dismissal of temporary commissioned officers

The Secretary may, without regard to length of service or seniority, promote any temporary commissioned officer to a grade not above that of captain, and may call for the resignation of, dismiss, or reduce in grade, any temporary commissioned officer for unfitness, or misconduct, or when his services are no longer required.

§ 228. Appointment of commissioned warrant officers

(a) The President may appoint, by and with the advice and consent of the Senate, permanent commissioned warrant officers in the Coast Guard, as the needs of the Coast Guard may require, from among the following categories:

(1) temporary commissioned officers of the Coast Guard;

(2) temporary commissioned warrant officers of the Coast Guard;

(3) temporary and permanent warrant officers of the Coast Guard;

(4) enlisted men of the Coast Guard;

(5) members of the Coast Guard Reserve; and

(6) licensed officers of the United States Merchant Marine.

(b) No person shall be appointed a commissioned warrant officer until his mental, moral, physical, and professional fitness to perform the duties of a commissioned warrant officer has been established as the result of such examination as the Secretary shall prescribe.

(c) Appointees under this section shall take precedence with other commissioned warrant officers in accordance with the dates of their commissions. Appointees whose dates of commission are the same shall take precedence with each other as the Secretary may determine.

§ 229. Revocation of commissions during first 3 years of commissioned service

The President, under such regulations as he may prescribe, may revoke the commission of any officer on the active list who, at the date of such revocation, has had less than 3 years of continuous service as a commissioned officer in the Coast Guard, and each officer whose commission is so revoked shall revert to his former status or be separated from the Coast Guard.

§ 230. Compulsory retirement at age of 62

Any commissioned officer who has reached the age of 62 shall be retired from active service, with retired pay of the grade with which retired.

§ 231. Voluntary retirement after 30 years' service

Any commissioned officer who has completed 30 years' service may, upon his own application, in the discretion of the Secretary, be retired from active service with retired pay of the grade with which retired.

§ 232. Voluntary retirement after 20 years' service

Any commissioned officer who has completed 20 years' active service in the Coast Guard, Navy, or Marine Corps, or the reserve components thereof, including active duty for training, at least 10 years of which shall have been active commissioned service, may, upon his own application, in the discretion of the President, be retired from active service, with retired pay of the grade with which retired.

§ 233. Retirement for disabilities incident to service

Any commissioned officer found by a retiring board to be incapacitated for active service because of infirmities of age or physical or mental disability, which is incident to service, shall if the findings of the retiring board are approved by the Secretary, be retired from active service, with retired pay of the grade with which retired.

§ 234. Retirement for failure in physical examination for promotion

Any commissioned officer who fails in his physical examination for promotion shall immediately be brought before a retiring board and if found incapacitated for service by reason of disability contracted incident to service shall be retired from active service with the grade for which he was examined for promotion, with retired pay of such advanced grade.

§ 235. Personnel Board; procedure; recommendations

The Secretary shall designate and assemble annually a Coast Guard Personnel Board of not less than five commissioned officers of the grade of captain or above on the active list. The Personnel Board shall—

(1) recommend for retirement such commissioned officers of the Coast Guard who have 30 years of service as it determines, upon the basis of the needs of the service, should be retired from active service,

(2) recommend for retirement such commissioned officers of the Coast Guard who have been placed out of line of promotion and who have 10 years of commissioned service as the Personnel Board determines, in its discretion, should be retired from active service, and

(3) recommend for placing out of line of promotion such lieutenant commanders on the active list as the Personnel Board determines, in its discretion, should be placed out of line of promotion.

The proceedings, findings, or recommendations of the Personnel Board shall be transmitted to the Commandant for review. If the Commandant approves the recommendations of the Personnel Board, notification thereof shall be given by him in writing to each officer concerned who for the first time under this section is recommended for retirement or for placing out of line of promotion; any such officer who, within 30 days after receipt of such notification, files with the Commandant a written protest of the action taken by the Personnel Board in his case, shall not be retired involuntarily or placed out of line of promotion under this section unless a subsequent annual Personnel Board, none of the members of which was a member of the previous Personnel Board which recommended such officer's retirement or placing out of line of promotion, determines, in its discretion, and recommends that such officer should be retired or placed out of line of promotion, in which case such officer may, upon approval by the President, be retired from active service, or be placed out of line of promotion, as the case may be. At the expiration of 30 days after receipt by an officer of notice as aforesaid, in the event that no such protest is filed by him, such officer may, upon approval by the President, be retired from active service or be placed out of line of promotion, as the case may be, as hereinafter provided. If the Commandant disapproves any recommendation of the Personnel Board, the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered by such Personnel Board. Except as hereinbefore provided, each recommendation of the Personnel Board which is finally approved by the Commandant, together with the proceedings and findings of the Personnel Board, shall be transmitted to the Secretary for further review, and if the Secretary shall disapprove any recommendation of the Personnel Board, the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered by such Personnel Board. Each recommendation of the Personnel Board which is not disapproved by the Secretary shall be laid before the President by the Secretary with his recommendation in the case. The President may, in any calendar year, pursuant to recommendations so laid before him:

(1) place out of line of promotion such number of lieutenant commanders on the active list as the needs of the service require;

(2) retire from active duty such number of commissioned officers who have 30 or more years of service as the needs of the service require; and

(3) retire from active duty any officer who has been placed out of line of promotion and who has 10 years or more of commissioned service.

§ 236. Pay and grade upon involuntary retirement after 30 years' service

Any commissioned officer who has completed 30 years' service and who has been retired from active duty by the President pursuant to the action of a Personnel Board shall, unless entitled to retire at a higher grade or pay under other provisions of law, receive the retired pay of the grade with which retired.

§ 237. Pay and grade upon involuntary retirement after 10 years' service

Any commissioned officer who has completed 10 years' commissioned service and who has been retired from active duty by the President pursuant to the action of a Personnel Board shall, unless entitled to retire at a higher grade or pay under other provisions of law, be retired in the permanent grade held at the time of such retirement, with retired pay of the grade with which retired.

§ 238. Voluntary retirement when out of line of promotion

Any commissioned officer who, under regulations prescribed by the Secretary, is placed out of line of promotion, and who has completed 10 years commissioned service, may, at his own request and with the approval of the Secretary, be retired from active service with the permanent grade held at the time of such retirement, with retired pay of the grade with which retired.

§ 239. Retirement in case of special commendation

Any commissioned officer who has been specially commended for his performance of duty in actual combat prior to December 31, 1946, by the head of the executive department under whose jurisdiction the duty was performed, shall, upon retirement, be placed on the retired list one grade higher than the grade in which serving at the time of retirement, with 75 percent of the active-duty pay of the grade in which serving at the time of retirement and the grade in which serving at the time of retirement shall be construed to mean the highest grade in which so serving whether by virtue of permanent or temporary appointment therein.

§ 240. Recall to active duty during war or national emergency

In time of war or national emergency, the Secretary may order any commissioned officer on the retired list to active duty. While on active duty, a retired commissioned officer shall receive full pay, allowances, and benefits authorized by law, including longevity credit for the time retired. When relieved of active service after recall from the retired list, such commissioned officer shall, unless entitled to be advanced on the retired list with a higher grade or pay under other provisions of law, be retained on the retired list with the grade held at the time of retirement and with retired pay computed on the active-duty pay and increase received at the time of relief from active duty.

§ 241. Recall to active duty with consent of officer

Any commissioned officer on the retired list may, with his consent, be assigned to such duties as he may be able to perform, but no commissioned officer on the retired list who has reached the age of 62 years shall be recalled in time of peace. While on active duty, such commissioned officer shall receive full pay, allowances, and benefits authorized by law, including longevity credit for the time retired. When relieved of active service after recall from the retired list, such commissioned officer shall, unless entitled to be advanced on the retired list with a higher grade or pay under other provisions of law, be retained on the retired list with the grade held at the time of retirement and with retired pay computed on the active-duty pay and increase received at the time of relief from active duty.

§ 242. Relief of retired officer promoted while on active duty

Any commissioned officer on the retired list recalled to active duty who during such active duty is advanced to a higher grade under a temporary appointment shall, upon relief from active duty, if his performance of duty under such temporary appointment has been satisfactory, be advanced on the retired list to the highest grade held while on active duty, with retired pay of such highest grade.

§ 243. Retirement in cases where higher grade has been held

Any commissioned officer who is retired under any provision of sections 230, 231, 232, 233, or 234 of this title, or that provision of section 235 of this title which provides for retirement of officers after 30 years' service, shall be retired from active service with the highest grade held by him while on active duty in which, as determined by the Secretary, his performance of duty was satisfactory, but not lower than his permanent grade, with retired pay of the grade with which retired.

§ 244. Resignation when out of line of promotion

Any commissioned officer who, in accordance with applicable regulations, is placed out of line of promotion may, with the approval of the Secretary, if his commissioned service is less than 10 years, resign from the Coast Guard with 1 year's pay computed at the rate of pay he was receiving on the date of his resignation.

§ 245. Retiring or dropping for disabilities not incident to service

Any commissioned officer found by a retiring board to be incapacitated for active service for reasons not incident to service shall, if the findings of the retiring board are approved by the Secretary, be dropped from the service with or without 1 year's pay, as determined by the Secretary.

§ 246. Dropping for disabilities due to vicious habits

Any commissioned officer found by a retiring board to be incapacitated for active service because of his own vicious habits shall, if the findings of the retiring board are approved by the President, be dropped from the service.

WARRANT OFFICERS

§ 301. Permanent appointments

(a) The Secretary may appoint permanent warrant officers, as the needs of the Coast Guard require, from among the following categories:

(1) temporary commissioned warrant officers and temporary warrant officers of the Coast Guard;

(2) enlisted men of the Coast Guard;

(3) members of the Coast Guard Reserve; and

(4) licensed officers of the United States Merchant Marine.

(b) No person shall be appointed a warrant officer until his mental, moral, physical, and professional fitness to perform the duties of a warrant officer has been established as the result of such examinations as the Secretary shall prescribe.

(c) Appointees under this section shall take precedence with other warrant officers in accordance with the dates of their appointments. Appointees whose dates of appointment are the same shall take precedence with each other as the Secretary may determine.

§ 302. Temporary appointments

(a) The Secretary may appoint temporary warrant officers appropriate to their qualifications and experience. Such temporary warrant officers, while in service, shall receive the same pay, allowance, and benefits as permanent warrant officers of corresponding length of service, except that no temporary warrant officer as such shall be entitled to retirement while serving under his temporary appointment. All temporary appointments as warrant officers shall be made only after the candidates have satisfactorily passed such examinations as the Secretary shall prescribe.

(b) Any enlisted man in the regular Coast Guard may be appointed as a temporary warrant officer. Notwithstanding such temporary appointment, any such enlisted man shall be entitled to retirement in his permanent rating in the same manner as though he had continued to hold his permanent rating, and upon the termination of such temporary appointment shall be entitled to revert to such rating. Service under any such temporary appointment shall be included in determining length of service as an enlisted man.

§ 303. Compulsory retirement at age of 62

Any warrant officer who has reached the age of 62 years shall be retired from active service, with retired pay of the grade with which retired.

§ 304. Voluntary retirement after 30 years' service

Any warrant officer who has completed 30 years' service may, upon his own application, in the discretion of the Secretary, be retired from active service, with retired pay of the grade with which retired.

§ 305. Voluntary retirement after 20 years' service

Any warrant officer who has completed 20 years' active service in the Coast Guard, Navy, or Marine Corps, or the Reserve components thereof, may, upon his own application, in the discretion of the Secretary be retired from active service, with retired pay of the grade with which retired.

§ 306. Retirement for disabilities incident to service

Any warrant officer found by a retiring board to be incapacitated for active service because of infirmities of age or physical or mental disability, which is incident to service, shall, if the findings of the retiring board are approved by the Secretary, be retired from active service, with retired pay of the grade with which retired.

§ 307. Retirement upon recommendation of personnel board

The Coast Guard Personnel Board may recommend for retirement such warrant officers who have 30 years of service as it determines upon the basis of the needs of the service should be retired from active service. The procedures for the retirement of commissioned officers pursuant to the action of a personnel board, after 30 years' service, shall govern the retirement of warrant officers under this section, except that in the case of warrant officers the final review and action shall be by the Secretary instead of by the President.

§ 308. Pay upon involuntary retirement after 30 years' service

Any warrant officer who has completed 30 years' service and who has been retired from active duty by the Secretary, pursuant to the action of a personnel board, shall, unless entitled to retire at a higher grade or pay under other provisions of law, receive the retired pay of the grade with which retired.

§ 309. Retirement in case of special commendation

Any warrant officer who has been specially commended for his performance of duty in actual combat prior to December 31, 1946, by the head of the executive department under whose jurisdiction the duty was performed shall, whether serving under a permanent or temporary appointment, upon retirement, be placed upon the retired list with the grade of commissioned warrant officer and with 75 percent of the active-duty pay of warrant officer.

§ 310. Recall to active duty during war or national emergency

In times of war or national emergency, the Secretary may order any warrant officer on the retired list to active duty. While on active duty, a retired warrant officer shall receive full, pay, allowances, and benefits authorized by law, including longevity credit for the time retired. When relieved of active service after recall from the retired list such warrant officer shall, unless entitled to be advanced on the retired list with a higher grade or pay under other provisions of law, be retained on the retired list with the grade of warrant officer, and with retired pay computed on the active-duty pay and increase received at the time of relief from active duty.

§ 311. Recall to active duty with consent of officer

Any warrant officer on the retired list may, with his consent, be assigned to such duties as he may be able to perform, but no warrant officer on the retired list who has reached the age of 62 years shall be recalled in time of peace. While on active duty, such warrant officer shall receive full pay, allowances, and benefits authorized by law, including longevity credit for the time retired. When relieved from active service after recall from the retired list, such warrant officer shall, unless entitled to be advanced on the retired list with a higher grade or pay under other provisions of law, be retained on the retired list with the grade of warrant officer and with retired pay computed on the active-duty pay and increase received at the time of relief from active duty.

§ 312. Relief of retired warrant officer promoted while on active duty

Any warrant officer on the retired list recalled to active duty who during such active duty is advanced to a higher grade under a temporary appointment shall, upon relief from active duty, if his performance of duty under such temporary appointment has been satisfactory, be advanced on the retired list to the highest grade held while on active duty, with retired pay of such highest grade.

§ 313. Retirement in cases where higher grade has been held

Any warrant officer who is retired under any provision of sections 303, 304, 305, 306, or 307 of this title shall be retired from active service with the highest grade held by him while on active duty in which, as determined by the Secretary, his performance of duty was satisfactory, but not lower than his permanent grade, with retired pay of the grade with which retired.

§ 314. Retiring or dropping for disabilities not incident to service

Any warrant officer found by a retiring board to be incapacitated for active service for reasons not incident to service shall, if the findings of the retiring board are approved by the Secretary, be dropped from the service with or without one year's pay, as determined by the Secretary.

§ 315. Dropping for disabilities due to vicious habits

Any warrant officer found by a retiring board to be incapacitated for active service because of his own vicious habits, shall, if the findings of the retiring board are approved by the Secretary, be dropped from the service.

ENLISTED MEN

§ 351. Enlistments

Under regulations prescribed by the Secretary, the Commandant may enlist men for minority or terms of full years not exceeding six years. Enlistment contracts shall be of two types, regular and temporary. A man enlisted and serving under a regular enlistment contract shall be entitled to all applicable retirement benefits provided by law. A man enlisted and serving under a temporary enlistment contract shall not be entitled to retirement benefits. All original enlistments shall be temporary, and succeeding enlistments may be temporary under regulations prescribed by the Secretary.

§ 352. Promotion

Enlisted men shall be advanced in rating by the Commandant under regulations prescribed by the Secretary.

§ 353. Compulsory retirement at age 62

Any enlisted man who has reached the age of 62 shall be retired from active service, with retired pay of the grade or rating with which retired.

§ 354. Voluntary retirement after 30 years' service

Any enlisted man who has completed 30 years' service may, upon his own application, in the discretion of the Commandant, be retired from active service, with retired pay of the grade or rating with which retired.

§ 355. Voluntary retirement after 20 years' service

Any enlisted man who has completed 20 years' service may, upon his own application, in the discretion of the Commandant, be retired from active service, with retired pay of the grade or rating with which retired.

§ 356. Retirement for disabilities incident to service

Any enlisted man found by a retiring board to be incapacitated for active service because of infirmities of age or physical or mental disability, which is incident to service, shall, if the findings of the retiring board are approved by the Secretary, be retired from active service, with retired pay of the grade or rating with which retired.

§ 357. Enlisted Personnel Board

(a) The Commandant shall assemble annually a Coast Guard Enlisted Personnel Board, of not less than three commissioned officers on the active list, who shall recommend for retirement such enlisted men who have 20 years of service, as the Board determines, in its discretion, should be retired from active service. The recommendations of the Board shall be transmitted to the Commandant for final action. If the Commandant approves the recommendations of the Board, the enlisted men concerned shall be notified thereof in writing, and any enlisted man who, within 30 days after receipt of such notification, files with the Commandant a written protest of the action taken by the Board in his case, shall not be retired involuntarily under this section unless a subsequent annual Board again determines, in its discretion, and recommends that such enlisted man should be retired, in which case such enlisted man may, upon approval by the Commandant, be retired from active service. At the expiration of 30 days after receipt by an enlisted man of notice as aforesaid, in the event that no such protest is filed by him within the period prescribed, such enlisted man may, upon approval by the Commandant, be retired from active service. If the Commandant disapproves any recommendation of the Board the enlisted man concerned shall retain his status to the same extent as if his case had not been considered.

(b) Any enlisted man who has completed 20 years' service and who has been retired from active duty by the Commandant pursuant to the action of an Enlisted Personnel Board shall receive the retired pay of the grade or rating with which retired.

(c) Any enlisted man retired by reason of 20 years' service, whether voluntarily or involuntarily, who has been cited for extraordinary heroism in line of duty, as determined by the Secretary, whose determination shall be final and conclusive, or any enlisted man so retired whose average marks in conduct during his service in the Coast Guard were not less than 97½ percent of the maximum, or any enlisted man so retired who shall have been both so cited and shall have received such average marks, shall be entitled to have his retired pay increased by an amount equal to 10 percent of the active-duty pay and permanent additions thereto of the grade or rating with which retired.

§ 358. Limitation of retirements

The total number of enlisted men who may be retired in any one calendar year by reason of having completed 20 years of service shall not exceed the whole number nearest to 1 percent of the total enlisted force of the Coast Guard on the active list as of January 1 of such year, to be divided in such proportions between voluntary retirements and involuntary retirements as may be determined by the Commandant. In case the number of enlisted men authorized to be retired annually by this section are not retired during a calendar year, the remainder of the authorized number may be retired during any subsequent calendar year providing that the total retired in that year does not exceed 3 percent of the total enlisted force as of January 1 of such calendar year.

§ 359. Recall to active duty during war or national emergency

In times of war or national emergency, the Commandant may order any enlisted man on the retired list to active duty. While on active duty, a retired enlisted man shall receive full pay, allowances, and benefits authorized by law including longevity credit for the time retired. When relieved of active service after recall from the retired list such enlisted man shall, unless entitled to be advanced on the retired list with a higher grade, rating, or pay under other provisions of law, be retained on the retired list with the rating held at the time of retirement, and with retired pay computed on the active-duty pay and increase received at the time of release from active duty.

§ 360. Recall to active duty with consent of man

Any enlisted man on the retired list may, with his consent, be assigned to such duties as he may be able to perform, except that no enlisted man on the retired list who has reached the age of 62 years shall be recalled in time of peace. While on active duty such enlisted man shall receive full pay, allowances, and benefits authorized by law, including longevity credit for the time retired. When relieved of active service after recall from the retired list such enlisted man shall, unless entitled to be advanced on the retired list with a higher grade, rating, or pay under other provisions of law, be retained on the retired list with the rating held at the time of retirement and with retired pay computed on the active-duty pay and increase received at the time of release from active duty.

§ 361. Relief of retired man promoted while on active duty

Any enlisted man on the retired list recalled to active duty who during such active duty is advanced to a higher grade or rating under a permanent or temporary appointment or promotion shall, upon relief from active duty be advanced on the retired list to the highest grade or rating held while on active duty with retired pay of such highest grade or rating. In case the appointment or promotion was temporary the advancement on the retired list shall be made only to such grade or rating in which the man served satisfactorily on active duty.

§ 362. Retirement in cases where higher grade or rating has been held

Any enlisted man who is retired under any provision of section 353, 354, 355, 356, or 357 of this chapter shall be retired from active service with the highest grade or rating held by him while on active duty in which, as determined by the Secretary, his performance of duty was satisfactory, but not lower than his permanent grade or rating, with retired pay of the grade or rating with which retired.

§ 363. Retiring or dropping for disabilities not incident to service

Any enlisted man found by a retiring board to be incapacitated for active service for reasons not incident to service shall, if the findings of the retiring board are approved by the Secretary, be dropped from the service with or without one year's pay, as determined by the Secretary.

§ 364. Dropping for disabilities due to vicious habits

Any enlisted man found by a retiring board to be incapacitated for active service because of his own vicious habits, shall, if the findings of the retiring board are approved by the Secretary, be dropped from the service.

§ 365. Extension of enlistments

Under regulations prescribed by the Secretary, the term of enlistment of any enlisted man may, by voluntary written agreement, be extended for a period not exceeding four full years from the date of expiration of the then-existing term of enlistment, and subsequent to such date an enlisted man who so extends his terms of enlistment shall receive the same pay and allowances in all respects as though regularly discharged and reenlisted immediately upon expiration of his term of enlistment. No such extension shall operate to deprive the enlisted man concerned, upon discharge at the termination thereof, of any right, privilege, or benefit to which he would have been entitled if his term of enlistment had not been so extended.

§ 366. Retention beyond term of enlistment in case of disability

Any enlisted man of the Coast Guard in the active service whose term of enlistment expires while he is suffering disease or injury incident to service and not due to misconduct, and who is in need of medical care or hospitalization, may, with his consent, be retained in such service beyond the expiration of his term of enlistment. Any such enlisted man shall be entitled to receive at Government expense medical care or hospitalization and his pay and allowances, including credit for longevity, until he shall have recovered to such extent as would en-

able him to meet the physical requirements for reenlistment, or until it shall have been ascertained by competent authority of the Coast Guard that the disease or injury is of a character that recovery to such an extent would be impossible. Any enlisted man whose enlistment is so extended shall be subject to forfeitures in the same manner and to the same extent as if his term of enlistment had not expired. Nothing contained in this section shall prevent any enlisted man from being held in the service without his consent under section 367 of this title.

§ 367. Detention beyond term of enlistment

(a) Under regulations prescribed by the Secretary, an enlisted man may be detained in the Coast Guard beyond the term of his enlistment:

(1) until the first arrival of the vessel on which he is serving at its permanent station, or at a port in a State of the United States or in the District of Columbia; or

(2) if attached to a shore station beyond the continental limits of the United States or in Alaska, until his first arrival at a port in any State of the United States or in the District of Columbia where his reenlistment or discharge may be effected, or until he can be discharged or reenlisted at his station beyond the continental limits of the United States or in Alaska, whichever is earlier, but in no event to exceed 3 months; or

(3) while awaiting disciplinary action or trial and disposition of his case; or

(4) during a period of war or national emergency as proclaimed by the President, and, in the interest of national defense, for a period not to exceed 6 months after the end of the war or the termination of the emergency; or

(5) for a period of not exceeding 30 days in other cases whether or not specifically covered by this section, when essential to the public interests, and the determination that such detention is essential to the public interests, made in accordance with regulations prescribed by the Secretary, shall be final and conclusive.

Any person detained in the Coast Guard as provided in this section shall be entitled to receive pay and allowances and benefits under the same conditions as though his enlistment period had not expired, and shall be subject in all respects to the laws and regulations for the government of the Coast Guard until his discharge therefrom. Enlisted men detained under the provisions of (1) of this subsection shall be entitled to the pay and allowances provided for enlisted personnel of the Navy detained under similar circumstances. Enlisted men detained under the provisions of (3) of this subsection shall not receive pay or allowances for any period beyond the term of enlistment, if the trial results in conviction.

(b) Any enlisted man who, without proper authority, absents himself from his ship, station, or duty for more than 1 day, or who is confined for more than 1 day under sentence, or while awaiting trial and disposition of his case, if the trial results in conviction, may be permitted to serve, after his return to a full-duty status, for such period as shall, with the time he may have served prior to such unauthorized absence or confinement, amount to the full term of his enlistment.

§ 368. Discharge in case of under-age enlistment

Upon presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Coast Guard within 90 days after the date of his enlistment, any man enlisted in the Coast Guard under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged by reason of minority.

§ 369. Inclusion of certain conditions in enlistment contract

The enlistment contract shall contain the substance of sections 365 to 368, inclusive, of this title.

GENERAL PROVISIONS

§ 421. Retirement

(a) Every commissioned officer, warrant officer, or enlisted man who is retired under any provision of this title shall be retired with the permanent grade or rating held at the time of retirement unless entitled to retire with a higher grade or rating under any provision of this title or any other law.

(b) Where an officer is entitled, under any provision of law, to retire with one grade higher than the grade in which serving at the time of retirement, the next higher grade in the case of captain shall be rear admiral, and the next higher grade in the case of commissioned warrant officer shall be lieutenant (junior grade).

§ 422. Status of recalled personnel

All retired personnel when recalled to active duty shall serve in the grade or rating in which they were serving at the time of retirement.

§ 423. Computation of retired pay

The retired pay of a grade or rating shall be computed at the rate of 2½ percent of the sum of the active-duty pay of that grade or rating, and all permanent additions thereto including longevity credit, to which the officer or enlisted man concerned was entitled at the time of retirement, multiplied by the number of years of service for which he was entitled to credit in the computation of his pay when last on active duty. In the case of an officer or enlisted man retired for disability or an officer retired in a higher grade because of a special commendation the retired pay shall be 75 percent of the sum of the active-duty pay and all permanent additions thereto, including longevity credit to which the officer or enlisted man concerned is entitled, of the grade on which the retired pay is computed. In the case of an officer whose retired pay is computed on the pay of a grade for which active-duty pay is not based upon years of service the retired pay shall be 2½ percent of his active-duty pay in the grade in which serving at the time of retirement multiplied by the number of years of service for which he would be entitled to credit in the computation of pay on the active list had he been serving in the grade of captain at the time of his retirement. A fractional year of 6 months or more shall be considered a full year in computing the number of years of service by which the rate of 2½ percent is multiplied.

§ 424. Limitations on retirement and retired pay

The provisions of any section of this title shall not be construed so as to prevent any officer or enlisted man from being placed on the retired list with the highest grade or rating and the highest retired pay to which such officer or enlisted man may be entitled under the provisions of any other section of this title or under the provisions of any other law. In no case shall the retired pay of an officer or enlisted man exceed 75 percent of the sum of active-duty pay and all permanent additions thereto, including longevity credit to which the officer or enlisted man concerned is entitled, of the grade or rating on which his pay is computed.

§ 425. Retiring boards

(a) The Secretary shall designate and assemble from time to time a Coast Guard retiring board, composed of officers of the Coast Guard and medical officers of the Public Health Service, consisting of not less than five commissioned officers, two-fifths of whom shall be medical officers of the Public Health Service, for the purpose of examining and reporting on such commissioned officers, warrant officers, and enlisted men of the Coast Guard as appear to be incapable of performing the duties of their office and are ordered by the Secretary to appear before it.

(b) A retiring board shall inquire into and determine the facts touching the nature and occasion of the disability of any commissioned officer, warrant officer, or enlisted man ordered to appear before such board, and shall have such powers as may be necessary for that purpose. When the board finds a commissioned officer, warrant officer, or enlisted man incapacitated for active service it shall also find and report the cause which in its judgment has produced his incapacity, whether due to infirmities of age or physical or mental disability, and whether incident to service, or whether due to his own vicious habits.

(c) In the case of a commissioned officer, the proceedings of the retiring board shall be transmitted to the Secretary and shall by him be laid before the President for his approval or disapproval and his orders in the case. In the case of a warrant officer or enlisted man the proceedings shall be transmitted to the Secretary for his approval or disapproval and his orders in the case.

Chapter 13—Pay, allowances, awards, and other rights and benefits

Sec.
461. Pay and allowances.
462. Pay and allowances of rear admirals.
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§ 461. Pay and allowances

Commissioned officers, commissioned warrant officers, cadets, warrant officers, and enlisted persons shall, except as otherwise provided by law, receive the same pay, allowances, increases, additions, and gratuities as prescribed for corresponding ranks, grades, or ratings for personnel of the Navy, including any extra pay and allowances for special duty.

§ 462. Pay and allowances of rear admirals.

The number of rear admirals on the active list entitled to the pay and allowances provided by law for rear admirals of the upper half, exclusive of those whose pay and allowances are specifically provided by this or any other law to be the pay and allowances of the upper half, shall be one-half of the number of officers on the active list of that rank. Where the division results in an odd number the odd number shall be placed in the upper half. No officer who has or may become entitled to the pay and allowances of a rear admiral of the upper half shall suffer a reduction of his pay and allowances solely by reason of the fact that the number of rear admirals may for any reason be reduced.

§ 463. Continuation of additional pay

Officers and enlisted men of the Coast Guard who are awarded any Navy medal or insignia of honor which carries with it any additional pay shall not be deprived of such additional pay when the Coast Guard is in the Treasury Department, whether or not their service has been continuous subsequent to such award.

§ 464. Allotment of pay

Officers and enlisted men, under regulations prescribed by the Secretary, may make allotments from their pay and allowances.

§ 465. Advances to officers ordered to and from sea or shore duty beyond the seas

Advances of pay not to exceed 3 months' pay in any one case may be made to officers ordered to and from sea duty and to and from shore duty beyond the seas, under regulations prescribed by the Secretary. The Commandant may direct such advances as he deems necessary and proper to persons in the Coast Guard employed on distant stations where the discharge of the pay and emoluments to which they are entitled cannot be regularly effected.

§ 466. Settlement of accounts of deceased officers and men

In the settlement of the accounts of deceased officers or enlisted persons, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower is dead at the time of settlement, then to the children or their issue per stirpes; third, if no widow, widower, or descendants, then to the father and mother in equal parts; fourth, if either the father or mother is dead, then to the one surviving; fifth, if there is no widow, widower, child, father, or mother, at the date of settlement, then to the brothers and sister and children of deceased brothers and sisters, per stirpes. This section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

§ 467. Computation of length of service

In computing length of service of officers and enlisted personnel for any purpose all creditable service in the Army, Navy, Marine Corps, Air Force, Coast Guard, Revenue Cutter Service, and Life Saving Service shall be included in addition to any other creditable service authorized by any other law.

§ 468. Procurement of personnel

The Coast Guard may make expenditures as necessary in order to obtain recruits for the Service and cadet applicants, including advertising.

§ 469. Training

The Coast Guard may make expenditures for the training of personnel, including books, school supplies, correspondence courses, motion-picture equipment, and other equipment for instructional purposes.

§ 470. Special instruction at universities

Coast Guard personnel may be assigned for special instruction at private or State colleges or universities, and their expenses, including tuition, books, laboratory equipment and fees, and school supplies, may be defrayed by the Coast Guard.

§ 471. Attendance at professional meetings

Coast Guard personnel may be directed to attend meetings of technical, professional, scientific, and other similar organizations and may be reimbursed for expenses thereby incurred at the rates authorized by law.

§ 472. Travel allowance to enlisted men on discharge

The provisions of law authorizing travel allowances to enlisted men of the Navy upon discharge shall apply to enlisted men of the Coast Guard upon discharge, in the same manner, to the same extent, and under the same conditions.

§ 473. Allowances to under-age discharged persons

The Secretary, under regulations prescribed by him, may discharge from the Coast Guard, with pay and allowances and discharge certificate found appropriate for their service after enlistment, enlisted persons who have secured enlistment by reason of false statement of age on their applications for enlistment and have therefore been enlisted while under the minimum statutory or administrative age limit. When so discharged or released such enlisted persons shall be furnished transportation in kind and subsistence from the place of discharge to their home.

§ 474. Compensation for travel tolls and fares

Coast Guard personnel may be directed to secure transportation necessary in conducting official governmental business within the limits of their duty stations, and expenses incurred thereby for train, bus, streetcar, ferry, bridge, and similar fares and tolls may be defrayed by the Coast Guard, or the personnel so directed may be reimbursed for such expenses.

§ 475. Hiring of quarters for personnel

Where sufficient quarters are not possessed by the United States, the Commandant may hire quarters for personnel, including personnel on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable. Such accommodations shall not be available for occupancy by the dependents of such personnel.

§ 476. Contingent expenses

The Commmandant may expend for contingencies of the Coast Guard a sum not to exceed $7,500 in any one fiscal year. The Commandant may authorize the Superintendent of the Academy to extend not to exceed $2,500 of this amount for contingencies of the Academy.

§ 477. Equipment to prevent accidents

The Coast Guard may make such expenditures as are deemed appropriate for promotion and maintenance of the safety and occupational health of, and the prevention of accidents affecting, personnel of the Coast Guard, including the purchase of clothing, equipment, and other materials necessary thereto.

§ 478. Rations or commutation therefor in money

(a) Enlisted men of the Coast Guard, civilian officers and civilian crews of vessels, and working parties in the field shall be allowed a ration or commutation thereof in money, in such amount and under limitations and regulations prescribed by the Secretary.

(b) Money for commuted rations shall be paid, under such regulations as the Secretary shall prescribe, on proper vouchers or pay rolls, to persons entitled to receive it, or to the officers designated by the Commandant to administer the financial affairs of the messes in which such persons may be subsisted.

(c) Money paid for commuted rations to the designated officer may be deposited in general or limited depositories of public money or in any bank in which deposits are insured. Such funds shall be expended and accounted for under such regulations as the Secretary shall prescribe.

(d) Nothing contained in this section shall be construed as modifying or changing in any manner the provisions of law pertaining to subsistence allowances for enlisted men, but no ration or commutation thereof shall be allowed a person receiving a subsistence allowance.

§ 479. Sales of ration supplies to messes

Ration supplies may be purchased by the cabin, wardroom, warrant officers', and other authorized messes and payment therefor made in cash to the commissary officer. The prices to be charged for such supplies shall not be less than the invoice prices, and the cash received from such sales shall be accounted for on the ration return and may be expended for the general mess.

§ 480. Flight rations

There may be furnished to officers, enlisted men, and civilian employees, while actually engaged in flight operations, an aircraft flight ration in kind, chargeable to the proper Coast Guard appropriation, which flight ration shall be supplementary to any ration or subsistence allowance now granted to such personnel. No part of an aircraft flight ration shall be furnished without cost to any person in a travel status or to any person to whom a per diem allowance is granted in lieu of actual subsistence.

§ 481. Payments at time of discharge for good of service

Enlisted men discharged by dishonorable discharge, bad-conduct discharge, or any other discharge for the good of the service, may, upon discharge, be paid a sum not to exceed $25. The sum paid shall be fixed by and in the discretion of the Commandant, and shall be paid only in cases where the person so discharged would otherwise be without funds to meet his immediate needs.

§ 482. Clothing at time of discharge for good of service

Enlisted men discharged for bad conduct, undesirability, unsuitability, or inaptitude may be furnished civilian clothing, including an overcoat when necessary, the cost of such furnished clothing not to exceed $30 per person.

§ 483. Right to wear uniform

When authorized by and in accordance with applicable regulations:

(a) any commissioned officer, warrant officer, or enlisted man who has served honorably in the Coast Guard during war shall, when not in active service, whether or not on the retired list, be entitled to bear the official title and upon occasions of ceremony to wear the uniform of the highest rank or rating held by him during his war service, and

(b) any commissioned officer, warrant officer, or enlisted man on the retired list shall be entitled to wear the uniform of his rank or rating.

§ 484. Protection of uniform

The provisions of law relating to the protection of the uniform of the United States Army, Navy, or Marine Corps shall apply to the protection of the uniform of the Coast Guard, in the same manner, to the same extent, and under the same conditions.

§ 485. Clothing for officers and enlisted personnel

(a) The Coast Guard may purchase uniforms, accouterments, and related equipment for sale to officer personnel and cadets of the Coast Guard.

(b) The Coast Guard may purchase uniform clothing for sale to enlisted personnel of the Coast Guard. The actual cost of the clothing thus sold to enlisted personnel may be withheld from their pay.

(c) The Coast Guard may purchase uniform clothing for distribution to enlisted personnel of the Coast Guard pursuant to law, or to pay to such enlisted personnel a cash-clothing allowance pursuant to law.

§ 486. Clothing for destitute shipwrecked persons

The Coast Guard may furnish clothing and subsistence to destitute shipwrecked persons, and the Coast Guard may reimburse, in cash or in kind, Coast Guard personnel who furnish clothing and subsistence to destitute shipwrecked persons.

§ 487. Procurement and sale of stores to officers, enlisted men, and civilian employees

Such stores as the Secretary may designate may be procured and sold to officers and enlisted men of the Coast Guard, and to the widows of such officers and enlisted men. Such designated stores may also be procured and sold to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary, at Coast Guard stations and other units beyond the continental limits of the United States or in Alaska.

§ 488. Advancement of public funds to personnel

The Commandant, under regulations prescribed by the Secretary, may advance public funds to personnel when required to meet expenses of officers and men detailed on emergency shore duty. Funds so advanced shall not exceed a reasonable estimate of the actual expenditures to be made and for which reimbursement is authorized by law.

§ 489. Death gratuity

The provisions of law relating to the payment of an additional amount of pay to the widow, children, or other dependent relative of an officer or enlisted person of the Regular Navy or Marine Corps upon official notification of the death of such officer or enlisted man shall apply in the same manner, to the same extent, and under the same conditions to officers and enlisted men of the Regular Coast Guard. The authority and duty vested in the Secretary of the Navy by such provisions of law shall be exercised by the Secretary of the Treasury in the application and administration of such laws to the Coast Guard when it is in the Treasury Department.

§ 490. Settlement of claims of military and civilian personnel.

(a) The Secretary, and such other officer as he designates for such purposes and under regulations prescribed by him, may consider, ascertain, adjust, determine, settle, and pay any claim against the United States, including claims not heretofore satisfied arising on or after December 7, 1939, of military personnel and civilian employees of the Coast Guard, when such claim is substantiated, and the property determined to be reasonable, useful, necessary or proper under the attendant circumstances, in such manner as the Secretary may by regulations prescribe, for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service, or to replace such personal property in kind, if the damage to or loss, destruction, capture, or abandonment of property shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agent, or employee, and shall not have occurred at quarters occupied by the claimant within the continental United States, excluding Alaska, which are not assigned to him or otherwise provided in kind by the Government.

(b) No claim shall be settled under this section unless presented in writing within 1 year after the accident or incident out of which such claim arises shall have occurred, if such accident or incident occurs in time of war, or if war intervenes within 1 year after its occurrence, any claim may, on good cause shown, be presented within 1 year after termination of the war.

(c) Any such settlement made by the Secretary, or his designee, under the authority of this section and such regulations as he may prescribe hereunder, shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

(d) Such appropriations as may be required for the settlement of claims under the provisions of this section are authorized. Coast Guard appropriations shall be available for the settlement of claims by the Secretary or his designee under the provisions of this section.

§ 491. Medal of honor

The President may present, in the name of Congress, a medal of honor to any person who, while in the service of the Coast Guard, in action involving actual conflict with the enemy, or in the line of his profession, distinguishes himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty and without detriment to the mission of his command or to the command to which attached. The design of this medal shall be the same as that of the Navy medal of honor.

§ 492. Distinguished service medal

The President may present, but not in the name of Congress, a distinguished service medal of appropriate design, with accompanying ribbon, together with a rosette or other device, to be worn in lieu thereof, to any person who, while serving in any capacity with the Coast Guard, distinguishes himself by exceptionally meritorious service to the Government in a duty of great responsibility.

§ 493. Coast Guard medal

The President may present, but not in the name of Congress, a medal to be known as the Coast Guard medal, of appropriate design, with accompanying ribbon, together with a rosette or other device to be worn in lieu thereof, to any person who, while serving in any capacity with the Coast Guard, distinguishes himself by heroism not involving actual conflict with an enemy.

§ 494. Insignia for additional awards

No more than one medal of honor, distinguished service medal, or one Coast Guard medal shall be issued to any one person; but for each succeeding deed or service sufficient to justify the awarding of a medal of honor, distinguished service medal, or Coast Guard medal, the President may award a suitable emblem or insignia to be worn with the decoration and a corresponding rosette or other device. No more than one Coast Guard commendation ribbon shall be issued to one person; but for each succeeding deed or service sufficient to justify the awarding of a Coast Guard commendation ribbon the Commandant may award a suitable emblem or insignia to be worn with the ribbon.

§ 495. Additional pay for holders of medals

Each enlisted man in the Coast Guard who is awarded a medal of honor, a distinguished service medal, or a Coast Guard medal shall be entitled to additional pay at the rate of $2 per month from the date of the deed or service for which the award is made, and each emblem or insignia in lieu of a medal of honor, a distinguished service medal, or a Coast Guard medal shall entitle him to further additional pay at the rate of $2 per month from the date of the deed or service for which such award is made, and such additional pay shall continue throughout his active service, whether such service shall or shall not be continuous.

§ 496. Time limit on award; report concerning deed

No medal of honor, distinguished service medal, Coast Guard medal, Coast Guard commendation ribbon, or emblem or insignia in lieu thereof shall be issued to any person after more than 5 years from the date of the deed or service justifying the awarding thereof, nor unless a specific statement or report distinctly setting forth the deed or service and suggesting or recommending official recognition thereof shall have been made by his superior through official channels at the time of the deed or service or within 1 year after the deed or termination of the service.

§ 497. Honorable subsequent service as condition to award

No medal of honor, distinguished service medal, Coast Guard medal, Coast Guard commendation ribbon, or emblem, or insignia in lieu thereof shall be awarded or presented to any individual, or to the representative of any individual, whose entire service subsequent to the time he distinguished himself shall not in the opinion of the Commandant have been honorable.

§ 498. Posthumous awards

In case an individual who distinguishes himself dies before the making of any award to which he may be entitled, as authorized in this chapter, the award may be made and presented within 5 years from the date of the act or service justifying the award to such next of kin as may have been designated by the individual, or in the absence of such designation, or if the designated person is not alive at the time of the award, or the relationship between such person and the serviceman shall have been terminated before his death, then to such representative as the President designates. In the event of a posthumous award when the award will be made to the parents of the deceased and the parents have been divorced or separated, a duplicate award may be made to each parent.

§ 499. Delegation of powers to make awards; rules and regulations

The President may delegate to the Secretary, under such conditions, regulations, and limitations as he prescribes, the powers conferred upon him to make the awards designated in this chapter, and the President may make any and all rules, regulations, and orders which he deems necessary in the conferring of such awards.

§ 500. Life-saving medals

(a) The Secretary of the Treasury may, under regulations prescribed by him, award a Life-saving medal of gold or silver to any person, including personnel of the Coast Guard, who rescues or endeavors to rescue any other person from drowning, shipwreck, or other peril of the water in accordance with the following provisions:

(1) If such rescue or attempted rescue is made at the risk of one's own life and evidences extreme and heroic daring, the medal shall be of gold;

(2) If such rescue or attempted rescue is not sufficiently distinguished to deserve the medal of gold, but evidences the exercise of such signal exertion as to merit recognition, the medal shall be of silver.

(b) In order for a person to be eligible for the Life-saving medals the rescue or attempted rescue must take place in waters within the United States or subject to the jurisdiction thereof, or if the rescue or attempted rescue takes place outside such waters, one or the other of the parties must be a citizen of the United States or from a vessel or aircraft owned or operated by citizens of the United States.

(c) No persons shall receive more than one gold medal and one silver medal; but any person who has received or may hereafter receive a gold or silver medal and who again performs an act which would entitle him to receive another medal of the same class may be awarded, in lieu of a second medal of the same class, a gold or silver bar, as the case may be, to be worn with the medal already bestowed, and for every such additional act, an additional bar may be awarded. Medals and bars in lieu thereof, authorized by this subsection, may be awarded posthumously.

§ 501. Replacement of medals

In those cases where a medal, or a bar, emblem, or insignia in lieu thereof, awarded pursuant to this chapter has been lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was awarded, such medal, or bar, emblem, or insignia in lieu thereof, shall be replaced without charge, or, in the discretion of the Secretary, upon condition that the Government is reimbursed for the cost thereof.

§ 502. Award of other medals

Coast Guard personnel, notwithstanding the provisions of this chapter, may be awarded medals, bars, emblems, or insignia to which such personnel may be entitled under other provisions of law.

§ 503. Awards and insignia for excellence in service or conduct

The Coast Guard may award trophies, badges, and cash prizes to Coast Guard personnel or groups thereof, including personnel of the Reserve components thereof whether or not on active duty, for excellence in accomplishments related to Coast Guard service, to incur such expenses as may be necessary to enter such personnel in competitions, and to provide badges or buttons in recognition of special service, good conduct, and discharge under conditions other than dishonorable.

§ 504. Disposition of remains of personnel

The provisions of law relating to the disposition of the remains of military personnel of the Navy and Marine Corps and certain civilian employees of the Navy shall apply to military personnel and certain civilian employees of the Coast Guard in the same manner, to the same extent, and under the same conditions. The authority and duty vested in the Secretary of the Navy by such provisions of law shall be exercised by the Secretary of the Treasury in the application and administration of such laws to the Coast Guard when it is in the Treasury Department.

§ 505. Escorts for deceased officers and enlisted men

The Secretary may furnish one person as an escort to the place of burial for the body of an officer or enlisted man who has lost his life in the Coast Guard.

§ 506. Issue of national flag free of cost

The Commandant may issue free of cost the national flag (United States ensign No. 7), used for draping the coffin of any officer or enlisted man whose death occurs while in the service of the Coast Guard, upon request, to the relatives of the deceased officer or enlisted man, or, upon request, to a school, patriotic order, or society of which the deceased officer or enlisted man was a member.

§ 507. Disposition of effects of decedents

All moneys, articles of value, papers, keepsakes, and other similar effects belonging to deceased persons in the Coast Guard, not claimed by their legal heirs or next of kin, shall be deposited in safe custody, and if any such moneys, articles of value, papers, keepsakes, or other similar effects so deposited have been, or shall hereafter be, unclaimed for a period of 2 years from the date of the death of such person, such articles and effects shall be sold and the proceeds thereof, together with the moneys above-mentioned, shall be deposited in the Treasury as miscellaneous receipts. The Secretary shall make diligent inquiry in every instance after the death of such person to ascertain the whereabouts of his heirs or next of kin, and prescribe necessary regulations to carry out the foregoing provisions. Claims may be presented hereunder at any time within 5 years after such moneys or proceeds have been so deposited in the Treasury, and, when supported by competent proof in any case after such deposit in the Treasury, shall be certified to Congress for consideration.

Chapter 15—Discipline and related matters

Sec.

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§ 561. Commanding officer's punishments

No commanding officer shall inflict upon a commissioned or warrant officer under his command any other punishment than private reprimand, suspension from duty, arrest, or confinement; and such suspension, arrest, or confinement shall not continue longer than 10 days, unless a further period is necessary to bring the offender to trial; nor shall he inflict or cause to be inflicted upon any other person under his command for a single offense, or at any one time, any other punishment than one of the following punishments, namely:

(a) reduction of any rating established by himself;

(b) confinement, not exceeding 10 days, unless further confinement be necessary in the case of a prisoner to be tried by a court-martial;

(c) solitary confinement on bread and water not exceeding 5 days;

(d) solitary confinement not exceeding 7 days;

(e) deprivation of liberty on shore for a period not exceeding 30 days;

(f) forfeiture of 2 days' pay for each day of unauthorized absence not in excess of 5 days; and

(g) extra police duties.

No other punishment shall be imposed except by sentence of a court-martial. All punishments inflicted by a commanding officer or by his order, except reprimand, shall be entered upon the log of the vessel or unit concerned.

§ 562. Deck courts: authority to convene; composition; punishments; effective date of sentence

(a) Deck courts, consisting of one commissioned officer, may be ordered upon enlisted persons in the service under his command by the commanding officer of any vessel or unit, if the commanding officer is a commissioned officer, for the trial of minor offenses; and said courts shall, under regulations approved by the Secretary of the Treasury, be governed in their organization and procedure substantially in accordance with deck courts of the Navy.

(b) Deck courts may sentence enlisted persons to either a part or the whole as may be appropriate, of any one of the following punishments, namely:

(1) confinement not exceeding 20 days;

(2) solitary confinement not exceeding 20 days;

(3) solitary confinement not exceeding 20 days, on bread and water, or on diminished rations;

(4) reduction to next inferior rating;

(5) deprivation of liberty on shore for a period not exceeding 2 months; and

(6) extra police duties not to exceed 3 months and loss of pay not to exceed 20 days.

Extra police duties and loss of pay within the limits prescribed may be added to any one of the first five punishments enumerated above.

(c) No sentence of a deck court shall be carried into effect until approved by the officer ordering the court or his successor in office.

§ 563. Summary courts-martial: authority to convene; composition; punishments; effective date of sentence

(a) Summary courts-martial, consisting of three commissioned officers not below the grade of ensign as members and of a recorder, may be ordered upon enlisted persons in the service under his command by the commanding officer of any vessel or unit, if the commanding officer is a commissioned officer, for the trial of offenses which such commanding officer deems deserving of greater punishment than he or a deck court may inflict, but not sufficient to require trial by general courts-martial. Such courts-martial shall, under regulations approved by the Secretary of the Treasury, be governed in their organization and procedure substantially in accordance with summary courts-martial of the Navy.

(b) Summary courts-martial may sentence enlisted persons to either a part or the whole, as may be appropriate, of any one of the following punishments, namely:

(1) discharge from the service with a bad conduct discharge, but the sentence shall not be carried into effect in a foreign country;

(2) confinement not exceeding 2 months;

(3) solitary confinement not exceeding 30 days;

(4) solitary confinement, not exceeding 30 days, on bread and water or on diminished rations;

(5) reduction to the next inferior rating;

(6) deprivation of liberty on shore for a period not exceeding 3 months; and

(7) extra police duty and loss of pay not to exceed 3 months.

Extra police duties and loss of pay within the limitations prescribed may be added to any one of the first six punishments enumerated above.

(c) No sentence of a summary court-martial shall be carried into execution until the proceedings and sentence are approved by the Secretary.

§ 564. General courts-martial: authority to convene; composition; punishment; effective date of sentence

(a) General courts-martial may be convened by the Secretary of the Treasury, by the Commandant, or by such officers as may be specifically empowered by the Secretary of the Treasury or by the Commandant. Such courts shall consist of not less than five nor more than nine commissioned officers and of a judge advocate and shall, under regulations approved by the Secretary of the Treasury, be governed in their organization and procedure substantially in accordance with general courts-martial of the Navy.

(b) General courts-martial may sentence a commissioned or warrant officer to any of the following punishments, namely:

(1) dismissal from the service;

(2) suspension from duty for a period of 2 years or any part thereof upon reduced pay which shall in no case be less than one-half nor more than three-fourths of the duty pay of such officer;

(3) reduction of grade;

(4) loss of numbers;

(5) imprisonment for a period not to exceed 5 years; and

(6) official reprimand.

(c) General courts-martial may sentence any person in the Coast Guard other than a commissioned or warrant officer either to a part or the whole, as may be appropriate, of any one of the following punishments, namely:

(1) dishonorable discharge;

(2) imprisonment for a period not to exceed 5 years and forfeiture of any pay that may accrue during the period of imprisonment, and any sentence of imprisonment shall include reduction to the rating of apprentice seaman; and

(3) any sentence which a summary court-martial is authorized to inflict.

(d) No sentence of a general court-martial shall be carried into execution until the proceedings and sentence are approved by the Secretary, and no sentence of a court-martial extending to the dismissal of a commissioned officer shall be carried into execution until the proceedings and sentence are approved by the President of the United States.

§ 565. Public Health Service officers as court members

Any commissioned officer of the Public Health Service on active duty with the Coast Guard may serve on Coast Guard courts-martial, but in no circumstance shall more than one-third of the membership of a court-martial consist of officers of the Public Health Service.

§ 566. Reviewing authorities

(a) The officer ordering a court, and his immediate superior in command, if any, in the case of a summary court-martial, or his successor in office, may set aside the proceedings or remit or mitigate, in whole or in part, but not commute, the sentence of such court.

(b) The Secretary of the Treasury may set aside the proceedings, or remit or mitigate in whole or in part, but not commute, the sentence imposed by any court convened by his order or by that of any officer.

§ 567. Jurisdiction of offenses

The jurisdiction of Coast Guard courts shall extend to the following offenses, namely: absence after leave has expired; absence without leave; aiding or inducing others to desert; aiding the escape of a person under arrest; assaulting another person in the Coast Guard; breaking arrest; bribery; conduct to the prejudice of good order and discipline; conduct unbecoming an officer and a gentleman; conspiracy; cruelty toward, or oppression or maltreatment of, a subordinate person in the Coast Guard; culpable inefficiency in the performance of duty; desertion; destroying or damaging public or private property; disobeying the lawful order of a superior officer; disorderly conduct; disrespect to a superior officer; drunkenness; embezzlement; endangering the lives of others through carelessness; extortion; failure to apprehend offenders; falsehood; false imprisonment; forgery; fraudulent enlistment; gambling; leaving station before being regularly relieved; making a false muster; making a mutiny; malingering; maltreatment of a person in the Coast Guard; manslaughter; misappropriating mess or welfare funds; misappropriating or applying to his own use property or money of the United States intended for the Coast Guard; neglect of duty; negligent handling of firearms; negligent operation of a vehicle; perjury; presenting, or causing to be presented, for approval or payment, a claim against the United States, knowing such claim to be false or fraudulent; receiving stolen property; resisting arrest; scandalous conduct tending to the destruction of good morals; sleeping on watch; smuggling liquor on board a vessel of the Government; striking another person in the Coast Guard; striking or assaulting a superior officer; suffering a vessel of the Coast Guard to be stranded or run upon a rock or shoal or improperly hazarded through inattention or negligence; theft; unauthorized use of a vehicle; using profane, abusive, obscene, or threatening language; and violation of a lawful order or regulation issued by the Secretary of the Treasury, or the Commandant.

§568. Limitations

(a) Except as provided in this section, no person shall be tried by a Coast Guard court or otherwise punished for any offense which appears to have been committed more than 2 years before the issuance of the order for such trial or punishment, unless by reason of having absented himself or of some other manifest impediment he shall not have been amenable to justice within that period.

(b) No person shall be tried by a Coast Guard court or otherwise punished for desertion in time of peace committed more than 2 years before the issuance of the order for such trial or punishment, unless he shall meanwhile have absented himself from the United States or by reason of some other manifest impediment shall not have been amenable to justice within that period, in which case the time of his absence shall be excluded in computing the period of the limitation. In no event shall the period of limitation begin until the end of the term for which such person was enlisted in the service.

§ 569. Trial by civil authorities; offenses against United States

(a) For offenses against the laws of the United States other than those specified in section 567 of this title, offenders shall be turned over to the civil authorities for trial.

(b) The jurisdiction conferred by this chapter for the punishment of offenses shall not be regarded as exclusive, but offenders may, in the discretion of the Secretary of the Treasury, be turned over to the civil authorities for trial by any court having jurisdiction of the offense.

§ 570. Designation of Federal prison

The Secretary of the Treasury may designate, as the place of execution of the sentence of a Coast Guard court involving imprisonment, any prison or penitentiary that receives Federal prisoners.

§ 571. Treasury and Navy Department jurisdiction

In the initiation, prosecution, and completion of disciplinary action, including remission and mitigation of punishments for any offense committed by any officer or enlisted person of the Coast Guard, the department having jurisdiction of the person of the offender at the time the first report of a violation is made shall have jurisdiction to carry the prosecution through to completion, and the proceedings, punishment, review, and serving of the sentence, shall be in accordance with the laws and regulations of that department, notwithstanding the fact that the Coast Guard may be transferred from one department to another after commission of the offense and before ultimate completion of any sentence imposed as the result of such violation.

§ 572. Courts of inquiry: authority to convene; composition; subpenas; proceedings as evidence

(a) Courts of inquiry may be convened by the Secretary of the Treasury, by the Commandant, and by any officer of the Coast Guard authorized to convene general courts-martial. A court of inquiry shall consist of not more than three commissioned officers as members and of a judge advocate.

(b) Courts of inquiry may summon witnesses, administer oaths, and punish contempts in the same manner as general courts-martial, but they shall only state facts and shall not give their opinion unless expressly required so to do in the convening order.

(c) The proceedings of courts of inquiry shall be authenticated by the signature of the president of the court and of the judge advocate, and shall, in all cases not extending to the dismissal of a commissioned or warrant officer, be evidence before a general court-martial, provided oral testimony cannot be obtained.

§ 573. Contempts of court

Whenever any person refuses to give his evidence before a general court-martial or court of inquiry, or prevaricates, or behaves with contempt to the court, the court may imprison him for not more than 2 months. The person charged shall, at his own request, but not otherwise, be a competent witness before a general court or court of inquiry, and his failure to make such request shall not create any presumption against him.

§ 574. Subpenas; penalties

(a) A general court martial or court of inquiry may issue process to compel witnesses to appear and testify in the same manner as United States courts of criminal jurisdiction within the State, Territory, or District where such court martial or court of inquiry is ordered to sit.

(b) Any person duly subpenaed to appear as a witness before a general court martial or court of inquiry, who willfully neglects or refuses to appear, or refuses to qualify as a witness or to testify or produce documentary evidence which such person may have been legally subpenaed to produce, shall be deemed guilty of a misdemeanor, for which such person shall be punished on information in the district court of the United States; and the United States attorney shall, on the certification of the facts to him by such Coast Guard court martial, file an information against, and prosecute the person so offending, and the punishment of such person, on conviction, shall be a fine of not

more than $500, or imprisonment not to exceed 6 months, or both, at the discretion of the court. This subsection shall not apply to persons residing beyond the State, Territory, or District in which such Coast Guard court martial is held, and the fees of such witness and his mileage at the rates provided for witnesses in the United States district court for said State, Territory, or District shall be duly paid or tendered said witness, such amounts to be paid by the Coast Guard. No witness shall be compelled to incriminate himself or to answer any question which may tend to incriminate or degrade him.

§ 575. Deserters: arrest of by civil authorities; penalties

(a) Any civil officer having authority to arrest offenders under the laws of the United States or of any State, Territory, or District may arrest summarily a deserter from the Coast Guard and deliver him into the custody of Coast Guard authorities. The Commandant may, pursuant to applicable regulations, provide for reimbursement for the transportation and other necessary expenses to effectuate such delivery.

(b) No person who is convicted by court martial for desertion from the Coast Guard in time of war, and as the result of such conviction is dismissed or dishonorably discharged from the Coast Guard, shall afterwards be enlisted, appointed, or commissioned in any military or naval service under the United States, unless the disability resulting from desertion, as established by this section, is removed by a board of commissioned officers of the Coast Guard convened for consideration of the case, and the action of the board is approved by the Secretary; or unless he is restored to duty in time of war.

§ 576. Prisoners: allowances to; transportation

(a) Persons confined in prisons in pursuance of the sentence of a Coast Guard court shall, during such confinement, be allowed a reasonable sum, not to exceed $3 per month, for necessary prison expenses, and shall upon discharge be furnished with suitable civilian clothing and paid a gratuity, not to exceed $25. Such allowance shall be made in amounts to be fixed by, and in the discretion of, the Secretary and only in cases where the prisoners so discharged would otherwise be unprovided with suitable clothing or without funds to meet their immediate needs.

(b) The Commandant may transport to their homes or places of enlistment, as he may designate, all discharged prisoners; the expense of such transportation shall be paid out of any money to the credit of prisoners when discharged.

Chapter 17—Administration

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§ 631. Delegation of powers by the Secretary

The Secretary of the Treasury is authorized to confer or impose upon the Commandant of the Coast Guard any of the rights, privileges, powers, or duties, in respect to the administration of the Coast Guard, vested in or imposed upon the Secretary of the Treasury by this title or other provisions of law.

§ 632. Functions and powers vested in the Commandant

All powers and functions conferred upon the Coast Guard, or the Commandant, by or pursuant to this title or any other law shall, unless otherwise specifically stated, be executed by the Commandant subject to the general supervision of the Secretary. In order to execute the powers and functions vested in him, the Commandant may assign personnel of the Coast Guard to duty in the District of Columbia, elsewhere in the United States, in any Territory of the United States, and in any foreign country, but such personnel shall not be assigned to duties in any foreign country without the consent of the government of that country; assign to such personnel such duties and authority as he deems necessary; and issue rules, orders, and instructions, not inconsistent with law, relating to the organization, internal administration and personnel of the Coast Guard.

§ 633. Regulations

In addition to the authority conferred by other provisions of this title, the Secretary may promulgate such regulations and orders as he deems appropriate to carry out the provisions of this title or any other law applicable to the Coast Guard.

§ 634. Officers holding certain offices

(a) Any officer, including any petty officer, may be designated by the Commandant as captain of the port or ports or adjacent high seas or waters over which the United States has jurisdiction, as the Commandant deems necessary to facilitate execution of Coast Guard duties.

(b) Commissioned officers may be appointed as United States Commissioners or United States Deputy Marshals in and for the Territory of Alaska. Any such officer appointed as United States Commissioner in and for the Territory of Alaska shall not be required to execute a bond for the faithful performance of his official duties as such Commissioner.

§ 635. Oaths required for boards

The members of a retiring board, selection board, examining board, and any other board authorized to be assembled pursuant to this title shall be sworn to discharge their duties honestly and impartially, the oath to be administered to the members by the president or other presiding officer of the board, and to him by the junior member or recorder.

§ 636. Administration of oaths

(a) Such commissioned and warrant officers of the Coast Guard as may be designated by the Commandant may, pursuant to rules prescribed by the Commandant, exercise the general powers of a notary public in the administration of oaths for the following purposes:

(1) execution, acknowledgment, and attestation of instruments and papers, oaths of allegiance in connection with recruiting, oaths in connection with courts and boards, and all other notarial acts in connection with the proper execution of Coast Guard functions;

(2) execution, acknowledgment, and attestation of instruments and papers, and all other notarial acts in time of war or national emergency; and

(3) execution, acknowledgment, and attestation of instruments and papers, and all other notarial acts in Alaska and places beyond the continental limits of the United States where the Coast Guard is serving.

(b) No fee of any character shall be charged by any commissioned or warrant officer for performing notarial acts. The signature and indication of grade of any commissioned or warrant officer performing any notarial act shall be prima facie evidence of his authority.

§ 637. Stopping vessels; immunity of Coast Guard officer

(a) Whenever any vessel liable to seizure or examination does not bring-to, on being ordered to do so or on being chased by any Coast Guard vessel or aircraft which has displayed the ensign, pennant, or other identifying insignia prescribed for vessels or aircraft of the Coast Guard, the person in command or in charge of such Coast Guard vessel or such Coast Guard aircraft may, after a gun has been fired by the Coast Guard vessel or aircraft as a warning signal, fire at or into such vessel which does not bring-to.

(b) The person in command of such Coast Guard vessel or such Coast Guard aircraft and all persons acting by or under his direction shall be indemnified from all penalties or actions for damages for so doing. If any person is killed or wounded by such firing, and the person in command of the Coast Guard vessel or aircraft or any person acting pursuant to his orders is prosecuted or arrested thereto, he shall be forthwith admitted to bail.

§ 638. Coast Guard ensigns and pennants

(a) Coast Guard vessels and aircraft shall be distinguished from other vessels and aircraft by an ensign, pennant, or other identifying insignia of such design as prescribed by the Secretary. Such ensign, pennant or other identifying insignia shall be displayed in accordance with regulations prescribed by the Secretary.

(b) No vessel or aircraft without authority shall carry, hoist, or display any ensign, pennant, or other identifying insignia prescribed for, or intended to resemble, any ensign, pennant, or other identifying insignia prescribed for Coast Guard vessels or aircraft.

Every person violating this subsection shall be fined not more than $5,000, or imprisoned for not more than two years, or both.

§ 639. Penalty for unauthorized use of words "Coast Guard"

No individual, association, partnership, or corporation shall use the combination of letters "USCG" or "USCGR", the words "Coast Guard," "United States Coast Guard," "Coast Guard Reserve," "United States Coast Guard Reserve," "Coast Guard Auxiliary," "United States Coast Guard Auxiliary," "Lighthouse Service," "Life Saving Service," or any combination or variation of such letters or words alone or with other letters or words, as the name under which he or it shall do business, for the purpose of trade, or by way of advertisement to induce the effect of leading the public to believe that any such individual, association, partnership, or corporation has any connection with the Coast Guard. No individual, association, partnership, or corporation shall falsely advertise, or otherwise represent falsely by any device whatsoever, that any project or business in which he or it is engaged, or product which he or it manufactures, deals in, or sells, has been in any way endorsed, authorized, or approved by the Coast Guard. Every person violating this section shall be fined not more than $1,000, or imprisoned not more than one year, or both.

§ 640. Interchange of supplies between Army, Navy, and Coast Guard

The interchange, without compensation therefor, of military stores, supplies, and equipment of every character, including real estate owned by the Government, is authorized between the Army, Navy, and Coast Guard upon the request of the head of one service and with the approval of the head of the other service.

§ 641. Disposal of certain material

(a) The Commandant may dispose of, with or without charge, to the sea-scout service of the Boy Scouts of America, to any regularly organized flotilla or other organized unit of the Coast Guard Auxiliary, and to any public body or private organization not organized for profit having an interest therein for historical or other special reasons, such obsolete or other material as may not be needed for the Coast Guard.

(b) The Commandant may, under regulations prescribed by the Secretary, sell apparatus or equipment manufactured by or in use in the Coast Guard, which is not readily procurable in the open market. The money received from such sale shall be deposited in the Treasury to the credit of the current appropriation from which purchase of similar apparatus or equipment is authorized.

§ 642. Deposit of damage payments

Whenever an aid to navigation or other property belonging to the Coast Guard is damaged or destroyed by a private person, and such private person or his agent shall pay to the satisfaction of the proper official of the Coast Guard for the cost of repair or replacement of such property, the Commandant may accept and deposit such payments, through proper officers of the Fiscal Service, Treasury Department, in special deposit accounts in the Treasury, for payment therefrom to the person or persons repairing or replacing the damaged property and refundment of amounts collected in excess of the cost of the repairs or replacements concerned. In the event that repair or replacement of the damaged property is effected by the Coast Guard, the appropriations bearing the cost thereof and current at the time collection is made shall be reimbursed from the special deposit account.

§ 643. Rewards for apprehension of persons interfering with aids to navigation

The Coast Guard may offer and pay rewards for the apprehension and conviction, or for information helpful therein, of persons found interfering in violation of law with aids to navigation maintained by the Coast Guard; or for information leading to the discovery of missing Coast Guard property or to recovery thereof.

§ 644. Payment for the apprehension of stragglers

The Coast Guard may offer and pay rewards for the apprehension and delivery of deserters, stragglers, and prisoners.

§ 645. Settlement of claims incident to activities of the Coast Guard

(a) The Secretary and, subject to appeal to the Secretary, such other officer as he may designate for such purposes and under regulations prescribed by him, may consider, ascertain, adjust, determine, settle, and pay in an amount not in excess of $1,000, where accepted by a claimant in full satisfaction and final settlement, any claim against the United States arising on or after May 27, 1941, when such claim is substantiated in such a manner as the Secretary may by regulations prescribe, for damage to or loss or destruction of property, real or personal, or for personal injury or death, caused by military personnel or civilian employees of the Coast Guard while acting within the scope of their employment (excluding claims cognizable under chapter 20 of title 28), or otherwise incident to noncombat activities of the Coast Guard, including claims for damage to or loss or destruction by criminal acts of registered or insured mail while in the possession of Coast Guard authorities, claims for damage to or loss or destruction of personal property bailed to the Government, and claims for damages to real property incident to the use and occupancy thereof, whether under a lease, express or implied, or otherwise. The provisions of this section shall not apply to claims for personal injury or death of military personnel or civilian employees of the Coast Guard if such injury or death occurs incident to their services. The provisions of this section shall not apply where the damage to or loss or destruction of property, or the personal injury or death, has been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agent, or employee. The amount allowed on account of personal injury or death shall be limited to reasonable medical, hospital, and burial expenses actually incurred, except that no payment shall be made to any claimant in reimbursement for medical or hospital services furnished at the expense of the United States nor, in the case of burial, of such portion of the expense thereof as may be otherwise paid by the United States.

(b) No claim shall be settled under this section unless presented in writing within 1 year after the occurrence of the accident or incident out of which such claim arises unless it occurs in time of war, or war intervenes within 1 year after its occurrence, in which event any claim may on good cause shown be presented within 1 year after the war is terminated.

(c) Any such settlement made by the Secretary, or his designee, under the authority of this section and such regulations as he may prescribe hereunder, shall be final and conclusive for all purposes, notwithstanding any other provisions of law to the contrary.

(d) Such appropriations as may be required for the settlement of claims under the provisions of this section are authorized. Coast Guard appropriations shall be available for the settlement of claims by the Secretary or his designee under the provisions of this section.

§ 646. Claims for damages occasioned by vessels

(a) The Secretary of the Treasury may consider, ascertain, adjust, determine, compromise, or settle claims for damages caused by vessels in the Coast Guard service, and for compensation for towage and salvage services, including contract salvage, rendered to such vessels, and pay the amount of any claim so determined, compromised, or settled, and upon acceptance of such payment by the claimant, and not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. This section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing consideration, adjustment, determination, settlement, and payment of claims. No claim in excess of $3,000, which accrued prior to September 8, 1939, shall be considered hereunder. All payments of claims made under this section shall be paid out of Coast Guard appropriations. The payment of any claim on which a net amount exceeding $25,000 is determined to be due from the United States, or which is compromised or settled at a net amount exceeding $25,000 payable by the United States, is not authorized by this section, and all claims determined, compromised, or settled hereunder at a net amount exceeding $25,000 payable by the United States shall be certified by the Secretary of the Treasury to the Congress.

(b) On payment of any claim determined, compromised, or settled under this section at a net amount exceeding $3,000, but not exceeding $25,000, payable by the United States, the Secretary of the Treasury within 20 days of payment shall report to the Congress setting forth the nature of the claim, the vessel involved, the amount paid with respect thereto, the basis of the determination, compromise, or settlement, and other pertinent facts. The Secretary of the Treasury shall report to the Congress, at each session thereof, all claims which have been paid under this section. During any war the reports required under this section may omit any fact or facts disclosure of which, in the opinion of the Secretary, would be prejudicial to the national security.

§ 647. Claims for damage to property of the United States

(a) The Secretary of the Treasury may consider, ascertain, adjust, determine, compromise, or settle claims for damage cognizable in admiralty in a district court of the United States and all claims for damage caused by a vessel or floating object, to property of the United States under the jurisdiction of the Coast Guard or property for which the Coast Guard may have assumed, by contract or otherwise, any obligation to respond for damage thereto. The Secretary of the Treasury is further authorized to receive in payment of any such claim the amount due the United States pursuant to determination, compromise, or settlement as herein authorized and, upon acceptance of such payment but not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. All such payments shall be covered into the Treasury of the United States as miscellaneous receipts. The Secretary of the Treasury is further authorized to execute on behalf of the United States and to deliver in exchange for such payment a full release of such claim. This section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise, or settlement of claims for damage to property hereinabove described. No settlement or compromise where there is involved a payment in the net amount of over $25,000 is authorized by this title.

(b) Within 20 days after receipt of a payment in a net amount exceeding $3,000 due the United States pursuant to determination, compromise, or settlement of any claim under this section, the Secretary of the Treasury shall report to the Congress setting forth the nature of the claim; the vessel or vessels involved; the amount received; the basis of determination, compromise, or settlement; and other pertinent facts. During any war the reports required under this section may omit any fact or facts, disclosure of which, in the opinion of the Secretary, would be prejudicial to the national security.

§ 648. Accounting for industrial work

The Secretary may prescribe regulations governing accounting for industrial work, including charges for overhead for civilian labor and for maintenance of industrial plant and equipment, performed at the Coast Guard Yard or such similar Coast Guard industrial establishments as he may designate. Any orders placed for such industrial work shall be covered by a transfer or advance of funds to cover the estimated cost thereof, and shall be credited to such accounts as may be necessary and established by the Secretary to carry out the provisions of this section. Accounts so established shall be available for materials, supplies, or equipment, and civilian labor, including overhead and maintenance, required in performing the work ordered. Upon completion of an order an adjustment will be made to make the amount transferred or advanced equal to the actual cost as computed in accordance

with the accounting regulations prescribed by the Secretary.

§ 649. Supplies and equipment from stock

Supplies and equipment for special work of the Coast Guard may be furnished from general stock and the applicable appropriation reimbursed therefor from the respective appropriations for such special work.

§ 650. Coast Guard supply fund and supply account

A Coast Guard supply fund is authorized. The capital of the Coast Guard Supply Fund shall be increased by the value of commissary provisions and uniform clothing on hand on July 1, 1949, and thereafter, under regulations prescribed by the Secretary, the Coast Guard Supply Fund shall be charged with the cost of procurement and credited with the value of provisions consumed or sold, and the value of issues and sales of clothing, such values to be determined on a basis which will not increase the capital of the fund.

§ 651. Annual report

In January of each year, the Commandant, through the Secretary, shall report to Congress the operations and expenditures of the Coast Guard during the preceding fiscal year.

§ 652. Removing restrictions

Any law removing for the duration of a war or national emergency proclaimed by the President any restriction contained in any then-existing law as applied to the Navy, including, but not limited to, restrictions relating to the manner in which purchases may be made and contracts awarded, fiscal operations, and personnel, shall, in the same manner and to the same extent, remove such restrictions as applied to the Coast Guard.

§ 653. Employment of draftsmen and engineers

The Coast Guard may employ temporarily, at the seat of government, draftsmen and engineers for the preparation of plans and specifications for vessels, lighthouses, aids to navigation, and other projects for the Coast Guard that may be authorized or appropriated for by Congress, to be paid from the appropriations applicable to such projects.

PART II—COAST GUARD RESERVE AND AUXILIARY

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Chapter 21—Coast Guard Reserve

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§ 751. Purpose and administration of Reserve

The Coast Guard Reserve, as established on June 23, 1939, is a military organization and a component part of the Coast Guard for the purpose of providing a trained force of officers and enlisted persons which, added to the personnel of the regular Coast Guard, will be adequate to enable the Coast Guard to perform its functions and duties at all times. The Reserve shall be administered by the Commandant under such regulations as the Secretary of the Treasury, with the concurrence of the Secretary of the Navy, may prescribe.

§ 752. Eligibility

The Reserve shall be composed of citizens of the United States and of its Territories and possessions, between the ages of 17 and 62, who are physically and otherwise qualified for the performance of duty, and who, through appointment or enlistment therein, obligate themselves to serve in the Coast Guard in time of war or during any period of national emergency declared by the President to exist.

§ 753. Term; duty; training

(a) The term of appointment or enlistment in the Reserve shall be for 3 years. In time of war or national emergency declared by the President to exist any member of the Reserve may be ordered to active duty for the duration of the war or until the termination of the emergency as declared by the President, and may be continued on such active duty for such duration and 6 months thereafter notwithstanding that the term of appointment or enlistment may have expired. In time of peace, except for disciplinary purposes as provided in section 758 of this title, no member of the Reserve may be ordered to or continued on active duty without his consent except that any member of the Reserve may be continued on active duty in the interest of national defense for a period not to exceed 6 months after the termination of a war or national emergency as proclaimed by the President. The Commandant may release any member of the Reserve from active duty at any time. In time of peace, members of the Reserve may, with their consent, be given training or other duty either with or without pay as authorized by the Secretary. When authorized training or other duty without pay is performed by members of the Reserve, they may, in the discretion of the Secretary, be furnished with transportation to and from such duty, with subsistence and transfers en route, and, during the performance of such duty, with subsistence in kind or commutation thereof at a rate to be fixed by the Secretary.

§ 754. Grades and ratings; military authority

The grades and ratings, including cadets, in the Reserve shall be the various grades and ratings not above rear admiral, prescribed by law for the Coast Guard. Members of the Reserve, while engaged on active duty, shall be vested with the same power, authority, rights, and privileges in the execution of their duty and shall wear the same uniforms as members of the Regular Coast Guard of corresponding grades or ratings.

§ 755. Pay, allowances, and other benefits

(a) Personnel of the Reserve when engaged on active duty, on active duty while undergoing training, on training duty with pay, or when engaged in authorized travel to or from such duty, shall receive the same pay, allowances, and benefits as provided for personnel of the Naval Reserve of corresponding grade, rating, and length of service. In determining length of service for the purpose of this section, there shall be included all service for which credit is given by law to members of the Regular Coast Guard.

(b) The provisions of chapter 13 of this title, except for sections 461, 462, and 485 (c), shall apply to members of the Reserve under the same conditions and limitations as are applicable to officers and enlisted men of the Regular Coast Guard.

(c) Members of the Reserve who suffer sickness, disease, disability, or death shall be entitled to the same benefits as prescribed by law for members of the Naval Reserve who suffer sickness, disease, disability, or death under similar conditions.

(d) Members of the Reserve, when on active duty, shall be entitled to the benefits of section 253 (a) of title 42, and, except for training duty, to the benefits of section 253 (b) of title 42.

(e) Members of the Coast Guard Reserve shall be entitled to the same retirement benefits as prescribed by law for personnel of the Naval Reserve, and wherever any such law confers authority upon the Secretary of the Navy, similar authority shall be deemed given to the Secretary of the Treasury to be exercised with respect to the Coast Guard when the Coast Guard is operating under the Treasury Department.

§ 756. Temporary membership; eligibility; compensation

The Commandant may enroll as temporary members of the Reserve, for duty under such conditions as he prescribes, including but not limited to part-time and intermittent active duty with or without pay, and without regard to age, citizens of the United States, its territories and possessions who are members of the Auxiliary, officers and members of the crew of any motorboat or yacht placed at the disposal of the Coast Guard, or persons (including Government employees without pay other than compensation of their civilian positions) who by reason of their special training and experience are deemed by the Commandant to be qualified for such duty. The Commandant is authorized to define the powers and duties of temporary members of the Reserve, and to confer upon them, appropriate to their qualifications and experience, the same grades and ratings as are provided for the personnel of the Reserve. When performing active duty with pay, as authorized by this section, temporary members of the Reserve shall be entitled to receive the pay and allowances of their respective ranks, grades, or ratings, authorized for members of the Reserve.

§ 757. Exemption from military training and draft

Members of the Reserve, other than temporary members, shall be exempt from registration and liability for military training and service under any other law, and no member of the Reserve, other than a temporary member, shall be a member of any other naval or military organization. Temporary members of the Reserve who are members of any other naval or military reserve, if ordered to active duty therein, shall be forthwith released from all active duty with the Coast Guard, and their status as temporary members of the Reserve terminated.

§ 758. Discipline

All members of the Reserve when engaged on active duty or in authorized travel to or from such duty, or while wearing a uniform prescribed for the Reserve, shall be subject to the laws, regulations, and orders governing the discipline of officers and enlisted men of the Coast Guard. Disciplinary action for an offense committed while subject to such laws, regulations, and orders shall not be barred by release from duty status of any person charged with the commission thereof, and, for the purpose of carrying out the provisions of this section, members of the Reserve may be retained on or returned to duty status without their consent, but not for a longer period of time than may be required for disciplinary action.

§ 759. Uniform allowance

(a) Upon first reporting for active duty or training duty at a location where uniforms are required to be worn, a commissioned or warrant officer of the Reserve may be paid a sum, not to exceed $100, as reimbursement for the purchase of the required uniforms, and thereafter such officer may be paid an additional sum of $50 for the same purpose upon the completion of each period of not less than 4 years in the Reserve. This latter amount of $50 shall not become due any

officer until called to active or training duty after the expiration of the previous 4-year period. In times of war or national emergency a further sum of $150 for the purchase of required uniforms may be paid to officers of the Reserve upon first reporting for active duty. Notwithstanding the foregoing provisions of this section, the Commandant may prescribe a lesser amount as a uniform allowance to commissioned and warrant officers of the Reserve who are not required to purchase or have in their possession the complete outfit of uniform clothing prescribed for other commissioned and warrant officers of the Reserve.

(b) Cadets and enlisted personnel of the Reserve may be allowed the cost of or issued such uniforms, bedding, and equipment as may be prescribed by the Commandant, the value of such allowances or of items so issued to any person during any 3-year period not to exceed $100. Notwithstanding the foregoing limitations, enlisted personnel of the Reserve, upon first reporting for active duty in time of war or national emergency, may be issued such additional articles as are required to give them the same outfit authorized for enlisted personnel of the regular Coast Guard upon first enlistment.

§ 760. Disability or death benefits for temporary members

(a) In case of physical injury, or death resulting from physical injury, to any temporary member of the Reserve incurred incident to service while performing active Coast Guard duty, or engaged in authorized travel to or from such duty, the provisions of law authorizing compensation for employees of the United States suffering injuries while in the performance of their duties, subject to this section, shall apply, and shall be administered by the Bureau of Employees' Compensation, Federal Security Agency, in the same manner and to the same extent as if such person were a civil employee of the United States and were injured in the performance of his duty. For benefit computation, regardless of pay or pay status, such person shall be deemed to have had monthly pay of $150.

(b) This section does not apply in any case coming within the purview of the workmen's compensation law of any State, Territory, or other jurisdiction because of a concurrent employment status of such temporary member; and where such temporary member or dependent would be entitled to a benefit under the provisions of law authorizing compensation for employees of the United States suffering injuries while in the performance of their duties and also to any concurrent benefit from the United States on account of the same disability or death, such temporary member or dependent shall elect which benefit he shall receive.

(c) Whenever, pursuant to this section a claim is filed with the Bureau for benefits because of an alleged injury or death, the Bureau shall notify the Commandant who shall cause an investigation to be made into the facts surrounding such alleged injury and make certification with respect thereto, including certification as to such injured or deceased person's temporary membership in the Reserve and his military status, and whether the injury or death occurred incident to service.

(d) Temporary members of the Reserve who incur physical disability or contract sickness or disease while performing any specific duty to which they have been assigned by competent Coast Guard authority shall be entitled to the same hospital treatment afforded officers and enlisted men of the Coast Guard.

§ 761. Engaging in civil occupation; leave for training duty

No existing law shall be construed to prevent any member of the Reserve solely by reason of membership therein from accepting employment in any civil branch of the Federal Government or of the District of Columbia nor from receiving the pay and allowances incident to such employment in addition to the pay and allowances to which he may be entitled as a member of the Reserve, nor as prohibiting him from practicing his civilian profession or occupation before or in connection with any department of the Federal Government. Officers and employees of the United States or of the District of Columbia who are members of the Reserve shall be entitled to leave of absence from their respective duties, without loss of pay, time, or efficiency ratings when on training duty in the Reserve, not to exceed 15 calendar days in any one calendar year. All members of the Reserve who are in the employ of the United States Government or of the District of Columbia and who are ordered to duty by proper authority shall, when relieved from duty, be restored to the positions held by them when ordered to duty.

§ 762. Women's Reserve

(a) The Women's Reserve shall be a branch of the Coast Guard Reserve and shall be administered in the same manner as provided for the Reserve in all respects, except as may be necessary to adapt such provisions to the Women's Reserve, or as may be otherwise provided by act of Congress.

(b) Members of the Women's Reserve may be commissioned, appointed, or enlisted in grades and ratings as prescribed by the Secretary, but not above the grade of captain.

(c) Military authority of members of the Women's Reserve may be exercised over other members of the Women's Reserve only.

(d) Members of the Women's Reserve shall not be assigned duty on board combat vessels, or in combat aircraft, nor shall they be otherwise assigned to combat duty. They shall not be assigned to duty other than in the United States, its territories and possessions, and shall not be assigned to duty outside the continental limits of the United States, unless they have requested such duty.

Chapter 23—Coast Guard Auxiliary

Sec.
821. Administration.
822. Purpose.
823. Eligibility, enrollments.
824. Disenrollment.
825. Membership in other organizations.
826. Use of member's facilities.
827. Vessel deemed public vessel.
828. Aircraft deemed public aircraft.
829. Radio station deemed government station.
830. Availability of appropriations.
831. Assignment and performance of duties.
832. Injury or death in line of duty.

§ 821. Administration

The Coast Guard Auxiliary established on February 19, 1941, is a nonmilitary organization administered by the Commandant under the direction of the Secretary.

§ 822. Purpose

The purpose of the Auxiliary is to assist the Coast Guard—

(a) to promote safety and to effect rescues on and over the high seas and on navigable waters;

(b) to promote efficiency in the operation of motorboats and yachts;

(c) to foster a wider knowledge of, and better compliance with, the laws, rules, and regulations governing the operation of motorboats and yachts; and

(d) to facilitate other operations of the Coast Guard.

§ 823. Eligibility, enrollments

The Auxiliary shall be composed of citizens of the United States and its territories and possessions, who are owners, sole or part, of motorboats, yachts, aircraft, or radio stations or who by reason of their special training or experience are deemed by the Commandant to be qualified for duty in the Auxiliary, and who may be enrolled therein pursuant to applicable regulations.

§ 824. Disenrollment

Members of the Auxiliary may be disenrolled pursuant to applicable regulations.

§ 825. Membership in other organizations.

Members of the Auxiliary may be appointed or enlisted in the Reserve, pursuant to applicable regulations, and membership in the Auxiliary shall not be a bar to membership in any other naval or military organization.

§ 826. Use of member's facilities

The Coast Guard may utilize for any purpose incident to carrying out its functions and duties as authorized by the Secretary, any motorboat, yacht, aircraft, or radio station placed at its disposition for any of such purposes by any member of the Auxiliary, by any corporation, partnership, or association, or by any State or political subdivision thereof.

§ 827. Vessel deemed public vessel

Any motorboat or yacht while assigned to authorized Coast Guard duty shall be deemed to be a public vessel of the United States, and within the meaning of section 646 of this title shall be deemed to be a vessel of the Coast Guard.

§ 828. Aircraft deemed public aircraft

Any aircraft while assigned to authorized Coast Guard duty shall be deemed to be a vessel of the Coast Guard within the meaning of section 646 of this title.

§ 829. Radio station deemed government station

Any radio station while assigned to authorized Coast Guard duty shall be deemed to be a radio station of the Coast Guard and a Government station within the meaning of chapter 5 of title 47.

§ 830. Availability of appropriations

Appropriations of the Coast Guard shall be available for the payment of actual necessary traveling expense and subsistence, or commutation of ration allowance in lieu of subsistence, of members of the Auxiliary assigned to authorized specific duties and for actual necessary expenses of operation of any motorboat, yacht, aircraft, or radio station when assigned to Coast Guard duty, but shall not be available for the payment of compensation for personal services, incident to such operation, other than to personnel of the Coast Guard or the Reserve. The term "actual necessary expenses of operation," as used in this section, shall include payment for fuel, oil, power, water, supplies, provisions, replacement or repair of equipment, repair of any damaged motorboat, yacht, aircraft, or radio station and for the constructive or actual loss of any motorboat, yacht, aircraft or radio station where it is determined, under applicable regulations, that responsibility for the loss or damage necessitating such replacement or repair of equipment, or for the damages or loss, constructive or actual, of such motorboat, yacht, aircraft, or radio station rests with the Coast Guard.

§ 831. Assignment and performance of duties

No member of the Auxiliary, solely by reason of such membership, shall be vested with or exercise, any right, privilege, power, or duty vested in or imposed upon the personnel of the Coast Guard or the Reserve, except that any such member may, under applicable regulations, be assigned specific duties, which, after appropriate training and examination, he has been found competent to perform, to effectuate the purposes of the

Auxiliary. No member of the Auxiliary shall be placed in charge of a motorboat, yacht, aircraft, or radio station assigned to Coast Guard duty unless he has been specifically designated by authority of the Commandant to perform such duty. Members of the Auxiliary, when assigned to specific duties as herein authorized shall, unless otherwise limited by the Commandant, be vested with the same power and authority, in the execution of such duties, as members of the regular Coast Guard assigned to similar duty. When any member of the Auxiliary is assigned to such duty he may, pursuant to regulations issued by the Secretary, be paid actual necessary traveling expenses, including a per diem allowance in conformity with standardized Government travel regulations in lieu of subsistence, while traveling and while on duty away from his home. No per diem shall be paid for any period during which quarters and subsistence in kind are furnished by the Government, and no per diem shall be paid for any period while such member is performing duty on a vessel.

§ 832. Injury or death in line of duty

When any member of the Auxiliary is physically injured or dies as a result of physical injury incurred while performing any specific duty to which he has been assigned by competent Coast Guard authority, such member or his beneficiary shall be entitled to the same benefits provided for temporary members of the Reserve who suffer physical injury or death resulting from physical injury incurred incident to service. Members of the Auxiliary who incur physical injury or contract sickness or disease while performing any specific duty to which they have been assigned by competent Coast Guard authority shall be entitled to the same hospital treatment afforded officers and entlisted men of the Coast Guard.

Chapter 25—General provisions for Coast Guard Reserve and Auxiliary

Sec.
891. Flags; pennants; uniforms and insignia.
892. Penalty.
893. Limitation on rights of members of the Auxiliary and temporary members of the Reserve.
894. Availability of facilities and appropriations.

§ 891. Flags; pennants; uniforms and insignia

The Secretary may prescribe one or more suitable distinguishing flags, pennants, or other identifying insignia to be displayed by the motorboats, yachts, aircraft, and radio stations owned by members of the Auxiliary and one or more suitable insignia which may be worn by members of the Reserve or the Auxiliary, and may prescribe one or more suitable uniforms which may be worn by members of the Auxiliary. Such flags, pennants, uniforms, and insignia may be furnished by the Coast Guard at actual cost, and the proceeds received therefor shall be credited to current appropriations from which purchase of these articles is authorized.

§ 892. Penalty

Whoever, without proper authority, flies from any building, aircraft, motorboat, yacht, or other vessel, any flag or pennant or displays any identifying insignia or wears any uniform or insignia of the Reserve or the Auxiliary shall be fined not more than $500.

§ 893. Limitation on rights of members of the Auxiliary and temporary members of the Reserve

Members of the Auxiliary and temporary members of the Reserve shall be entitled only to such rights, privileges, and benefits as are specifically set forth for them in this title or as may be specifically provided for them in any other act of Congress. Any act of Congress which grants rights, privileges, or benefits generally to military personnel, or among others, to personnel of the Coast Guard and the Coast Guard Reserve, without specifically granting such rights, privileges, or benefits to members of the Auxiliary or temporary members of the Reserve, shall not be deemed applicable to members of the Auxiliary or to temporary members of the Reserve.

§ 894. Availability of facilities and appropriations

The services and facilities of and appropriations for the Coast Guard shall be available to effectuate the purposes of the Reserve and the Auxiliary.

SEC. 2. If any part of Title 14, United States Code, as enacted by section 1 of this act, shall be held invalid the remainder of such title shall not be affected thereby.

SEC. 3. No inference of a legislative construction is to be drawn by reason of the chapter in Title 14, Coast Guard, as set out in section 1 of this act, in which any section is placed, nor by reason of the catch lines used in such title.

SEC. 4. All orders, rules, and regulations of the Coast Guard in effect under provisions of law superseded or amended by this act shall, to the extent they would have been authorized under this act, remain in force and effect as the regulations and orders under the provisions of this act and shall be administered and enforced under this act as nearly as may be until specifically repealed, amended, or revised.

SEC. 5. Nothing contained in this act shall operate to abolish or reduce the grade, rank, rating, pay, allowances, or other benefits to which any person in the Coast Guard is entitled on the effective date of this act.

SEC. 6. Section 1442 of the Revised Statutes, as amended, is further amended to read, as follows:

"The Secretary of the Navy shall have authority to place on furlough any officer on the active list of the Navy and Marine Corps. This section shall not apply to reserve officers of such organizations."

SEC. 7. Section 126 of the act approved June 3, 1916, chapter 134 (39 Stat. 217; 10 U. S. C., sec. 752; 14 U. S. C., sec. 138; 34 U. S. C., sec. 895), is further amended to read as follows:

"SEC. 126. An enlisted person of the Army, Navy, or Marine Corps, including reserve components thereof, upon discharge except by way of punishment for an offense, retirement, or relief from active duty shall, under such regulations as the head of the department concerned may prescribe for personnel under his jurisdiction, receive a money allowance of 5 cents per mile for the distance from the place of discharge or release from active duty to his home, or place of acceptance for active duty, or place from which ordered to active duty, or such other place as may be determined to be most appropriate by the head of the department concerned. For sea travel involved in travel between place of discharge or release from active duty and place to which travel is authorized only transportation in kind and subsistence en route shall be allowed."

SEC. 8. The fifth and sixth paragraphs of section 7 of the act approved July 1, 1918, chapter 114 (40 Stat. 717; 14 U. S. C., secs. 164, 165), are amended to read, as follows:

"That hereafter, during the existence of war or of a national emergency declared by the President to exist, any commissioned or warrant officer of the Navy or Marine Corps of the United States on the retired list may in the discretion of the Secretary of the Navy, be ordered to active duty at sea or on shore; and any retired officer performing such active duty in time of war or national emergency, declared as aforesaid, shall be entitled to promotion on the retired list to the grade or rank, not above that of lieutenant commander in the Navy or major in the Marine Corps, and shall thereafter receive the pay and allowances thereof, which his total active service as an officer both prior and subsequent to retirement, in the manner rendered by him, would have enabled him to attain in due course of promotion had such service been rendered continuously on the active list during the period of time last past.

"That during the existence of war or of a national emergency, declared as aforesaid, any commissioned or warrant officer of the Navy or Marine Corps of the United States on the retired list, while on active duty, may be temporarily advanced to and commissioned in such higher grade or rank on the retired list, not above that of lieutenant commander in the Navy or major in the Marine Corps, as the President may determine, and any officer so advanced shall, while on active duty, be entitled to the same pay and allowances as officers of like grade or rank on the active list: *Provided*, That any such commissioned or warrant officer who has been so temporarily advanced in grade or rank shall, upon his relief from active duty, or in any case not later than 6 months after the termination of the war or of the national emergency, declared as aforesaid, revert to the grade or rank on the retired list and to the pay and allowance status which he would have held had he not been so temporarily advanced: *Provided further*, That nothing in this act shall operate to reduce the pay and allowances now allowed by law to retired officers."

SEC. 9. The act of January 12, 1919, ch. 8 (40 Stat. 1054; 34 U. S. C., sec. 537) is amended to read, as follows:

"That hereafter uniforms, accouterments, and equipment shall, upon the request of any officer of the Navy or any officer of the Marine Corps or any officer of the Coast Guard while operating with the Navy or any midshipman at the Naval Academy, be furnished by the Government at cost, subject to such restrictions and regulations as the Secretary of the Navy may prescribe."

SEC. 10. The last paragraph under the heading, "Pay, Miscellaneous," of the act approved July 11, 1919, as amended (41 Stat. 132; 10 U. S. C., sec. 1274; 14 U. S. C., sec. 50b; 34 U. S. C., sec. 540a), is further amended to read, as follows:

"The interchange, without compensation therefor, of military stores, supplies, and equipment of every character, including real estate owned by the Government, is hereby authorized between the Army and Navy upon the request of the head of one service and with the approval of the head of the other service."

SEC. 11. The sixth paragraph under the heading Miscellaneous in the act approved March 2, 1923, ch. 178 (42 Stat. 1385), is amended to read as follows:

"Nothing contained in any existing laws, or regulations or orders promulgated in pursuance of law, shall authorize on or after July 1, 1922, the issue of heat or light in kind to any person in the Army, Navy, Marine Corps, Coast and Geodetic Survey, and Public Health Service while such person is receiving an allowance for rental of quarters under the provisions of the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service,' approved June 10, 1922."

SEC. 12. Section 2 of the act approved June 21, 1930, chapter 563 (46 Stat. 793; 10 U. S. C.

1028b; 14 U. S. C. 167b–2; 34 U. S. C. 399d), is amended to read as follows:

"SEC. 2. All persons who have served honorably in the Army, Navy, or Marine Corps of the United States during war shall, when in the active military and/or naval service of the United States, be entitled to bear the official title and upon occasions of ceremony to wear the uniform of the highest grade held by them during their war service."

SEC. 13. The act approved May 25, 1933 chapter 37 (48 Stat. 73; 10 U. S. C., sec. 486a; 14, U. S. C., sec. 15a; 34 U. S. C., sec. 1057a), is amended to read as follows:

"That the superintendents of the United States Naval Academy and the United States Military Academy may, under such rules and regulations as the Secretary of the Navy and the Secretary of War may prescribe, confer the degree of bachelor of science upon all graduates of their respective academies, from and after the date of the accrediting of said academies by the Association of American Universities."

SEC. 14. The act approved June 6, 1941, chapter 177 (55 Stat. 247; 14 U. S. C., sec. 31b; 34 U. S. C., sec. 532a), is amended to read as follows:

"That the Secretary of the Navy, insofar as Navy property is concerned, is authorized to exchange motor-propelled vehicles, airplanes, engines, and parts thereof, and obsolete, unsuitable, and unserviceable machines and tools, and parts thereof, in part payment for new equipment of the same or similar character as those proposed to be exchanged."

SEC. 15. The act approved December 12, 1941, chapter 566 (55 Stat. 797; 10 U. S. C., sec. 628a; 14 U. S. C., sec. 35b; 34 U. S. C., sec. 185), is amended to read as follows:

"That hereafter any enlisted man of the Army, Navy, and Marine Corps of the United States in the active service, whose term of enlistment shall expire while he is suffering disease or injury incident to service and not due to misconduct, and who is in need of medical care or hospitalization, may, with his consent, be retained in such service beyond the expiration of his term of enlistment, and any such enlisted man shall be entitled to receive at Government expense medical care or hospitalization and his pay and allowances (including expense money authorized by law and credit for longevity) until he shall have recovered to such extent as would enable him to meet the physical requirements for reenlistment, or until it shall be ascertained by competent authority of the service concerned that the disease or injury is of a character that recovery to such an extent would be impossible, whichever is earlier: *Provided*, That any enlisted man whose enlistment is extended as provided herein shall be subject to forfeiture in the same manner and to the same extent as if his term of enlistment had not expired, and nothing contained in this act shall prevent any enlisted man of the Army, Navy, or Marine Corps from being held in the service without his consent under, respectively, the provisions of the one hundred and seventh article of war, the act of August 29, 1916, as amended. (40 Stat. 717), and section 1, subsection (a), of the act of May 26, 1906, as amended (50 Stat. 547)."

SEC. 16. The act approved June 6, 1942, ch. 383 (56 Stat. 328) is amended to read as follows:

"That all officers of the Coast and Geodetic Survey who have been specially commended for their performance of duty in actual combat by the head of the executive department under whose jurisdiction such duty was performed, shall, upon retirement, be placed upon the retired list with the rank of the next higher grade and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement."

SEC. 17. Section 8 of the act approved June 27, 1942, ch. 451 (56 Stat. 423), is amended to read as follows:

"The provisions of this act, except as may be necessary to adapt the same thereto, shall apply to the Marine Corps in like manner and to the same extent and with same relative conditions in all respects as are provided for in the Regular Navy."

SEC. 18. The last paragraph under the subheading "General Provisions" under the heading "Navy Department" of the act approved December 23, 1943, chapter 380 (57 Stat. 628; 14 U. S. C., sec. 148; 34 U. S. C., sec. 197a and 722), is amended to read as follows:

"On and after July 1, 1943, the limitation on the cost of civilian clothing per person, including an overcoat when necessary, for enlisted personnel of the Navy and Marine Corps given discharges for bad conduct, undesirability, unsuitability, or inaptitude is hereby increased to $30."

SEC. 19. Section 1 of the act approved February 25, 1946, ch. 35 (60 Stat. 30) is amended to read as follows:

"That, hereafter, in the settlement of the accounts of deceased officers or enlisted persons of the Navy and Marine Corps, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow, widower, or descendants, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes: *Provided*, That this act shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers."

SEC. 20. This act shall take effect on the first day of the third month after approval by the President but shall not affect any proceedings commenced by or against any person prior to the effective date of this act.

SEC. 21. The sections or parts thereof of the Revised Statutes or Statutes at Large enumerated in the following schedule are hereby repealed. Any rights or liabilities now existing under such sctions or parts thereof shall not be affected by this repeal.

Revised Statutes	U. S. Code		Revised Statutes	U. S. Code	
	Title	Sec.		Title	Sec.
Section:			Section—Con.		
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2749	14	58	4245	14	94
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2756	14	131	4402	46	371
2758	14	51	4668	33	739
2759	14	60	4673	33	745
2760	14	66	4676	33	736
2761	14	70	4678	33	734
2762	14	67	4741	14	177
2764	14	64			
2765	14	68			

[1] Only that portion of line 3 as follows "or of the sales of revenue cutters."

[2] Only that portion of line 2 as follows "or the sale of revenue cutters."

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[3] Only the ninth paragraph on page 220 of volume 18 of the Statutes at Large.

[4] Only the last paragraph under the heading, "For Life-Saving and Life-Boat Stations."

[5] The proviso in line 21 under the heading "Lighthouses, Beacons, and Fog Signals."

[6] Only the last paragraph under the heading "Lighthouses, Beacons, and Fog Signals."

[7] Only the last clause of the first paragraph under the heading "Revenue-Cutter Service," reading as follows: "And hereafter revenue cutters shall be used exclusively for the public service and in no way for private purposes."

[8] Only the last paragraph under the heading "Revenue-Cutter Service."

[9] Only the last sentence under the heading "Office of Life-Saving Service."

[10] Only the proviso under the heading "Revenue-Cutter Service."

[11] All three provisos under the heading "Revenue-Cutter Service."

[12] Only the fifth paragraph under the heading "Life-Saving Service."

[13] Only the proviso under the heading "Revenue-Cutter Service."

[14] Only the second paragraph under the heading "Revenue-Cutter Service."

[15] Only the clause after the last semicolon under subheading "Lighting of Rivers" under the heading "Lighthouse Establishment," reading as follows: "The Lighthouse Board being hereby authorized to lease the necessary ground for all such lights and beacons as are for temporary use or are used to point out changeable channels and which in consequence cannot be made permanent. * * *"

[16] Only the proviso in the first paragraph of subheading "Repairs to Lighthouse Tender Pansy" under the heading "Lighthouse Establishment."

[17] Under the heading "Thirteenth Lighthouse District."

[18] Only the last three paragraphs under the heading "Eighteenth Lighthouse District."

[19] Only the proviso in paragraph 1 under the heading "Revenue-Cutter Service."

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Aug. 16	665		50	666	33	736, 721a, 720a
1938-Jan. 12	3		52	4	14	175a–175f

[20] All that portion under the heading "Coast Guard," and the first two paragraphs under the heading "Lighthouse Service."

[21] Only the third full paragraph on said page.

[22] Only the eleventh paragraph under the heading "Coast Guard."

[23] Only the third and last three paragraphs under the heading "Coast Guard."

[24] Only the second proviso on page 772.

Statutes at Large					U. S. Code	
Date	Ch.	Sec.	Vol.	Page	Title	Section
1938-May 26	288		52	447	10	716a
					14	133
					34	914
1939-Apr. 20	75		53	582	14	15k
May 24	146		53	755	14	185a–185e
May 24	148		53	756	14	10, 11a, 12
June 15	288		53	1044	14	15h
July 27	388	1	53	1130	33	716
Aug. 4	416		53	1181	14	49
Aug. 5	477	1, 4, 5	53	1216	14	10f, 20b, 20c
Aug. 5	478		53	1217	14	5, 5a, 5b, 5c, 10, 10i
1940-Mar. 25	71		54	[25] 64	14	134
June 6	257	1–4, 8–11	54	246	14	11, 11a, 12, 41a, 93, 135, 161, 161a, 162, 174
Oct. 9	778		54	1029	14	165a, 165b
1941-Feb. 19	8		55	9	14	260, 266, 266a, 266b, 267–271, 301, 315, 351, 354
May 31	156		55	[26] 221	14	134
July 11	290	1, 2, 5, 6 (a), 7, 8, 10	55	584–588	14	1, 35, 45, 48, 268, 302, 305, 306, 310
July 15	302		55	597	14	Note preceding Sec. 51.
Aug. 18	364	3	55	629	14	35a
Nov. 15	471	1	55	763	14	48a
Dec. 16	586		55	807	14	72, 72 note, 73, 74
1942-Feb. 7	46		56	[27] 71	14	134
May 2	273		56	265	14	15b, 15d
June 6	384		56	328	14	31c
June 6	385		56	329	14	267, 303, 306, 307, 310
June 19	419	2	56	372	14	133a
June 23	444		56	[28] 389	14	132a, 34a, 137
Oct. 26	623		56	987	14	3a
Oct. 26	628		56	990	14	262, 302, 307
1943-May 25	99		57	84	14	15a–1
June 26	147		57	[29] 211–212	14	34a, 132a, 134
Dec. 23	378		57	609		
1944-June 22	269		58	[30] 316–317	14	34a, 132a, 134
Sept. 30	449		58	756	14	312, 267
Sept. 30	453		58	759	14	261, 262, 265, 266a, 266b, 267, 268, 270, 271, 352
1945-May 29	130		59	[31] 216–217	14	34a, 132a, 134
1946-Feb. 21	34	10	60	29	14	162a
					34	410e
Mar. 20	[32] 104		60	56	31	222g
July 12	569		60	[33] 531	14	50a, 134
Aug. 2	756	29, 32	60	856	14	50c
					31	487b
Aug. 7	782		60	883	14	50b
1947-July 23	301	1, 2, 3, 4 [34], 5, 6, 7 [34]	61	409	14	6a, 6b, 6c, 20a–1, 20a–2, 21a
Aug. 6	502		61	786	14	29
1948-May 19	305		62	239	14	6b
June 22	600		62	574	14	50k, 50l
June 26	672		62	1050	14	50m, 50n, 50o
June 29	708	311	62	1090	14	186

[25] Only the last proviso of subheading "Pay and allowances" under the heading "Coast Guard."

[26] Only the last proviso of subheading "Pay and allowances" under the heading "Coast Guard."

[27] Only the last proviso of subheading "Pay and Allowances" under the heading "Coast Guard."

[28] Only the proviso in the second and third paragraphs, and the entire last paragraph, under the heading "Coast Guard (Navy)."

[29] Only the last two provisos in subheading "Pay and Allowances," and the proviso in subheading "General Expenses, Coast Guard," under the heading "Coast Guard."

[30] Only the last two provisos in subheading "Pay and Allowances," and the proviso in the subheading "General Expenses, Coast Guard," under the heading "Coast Guard."

[31] Only the last 2 provisos in subheading "Pay and Allowances," and the proviso in subheading "General Expenses, Coast Guard," under the heading "Coast Guard."

[32] Only that portion adding sec. 5 to Public Law 277, 79th Cong.

[33] Only the last proviso in subheading "Pay and Allowances" and last proviso in subheading "General Expenses" under the heading "Coast Guard."

[34] Only the first 2 sentences.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, this bill is a clean bill which has been reported unanimously by the Committee on the Judiciary after consideration of the bill, H. R. 273.

This bill is part of the comprehensive plan to enact each title of the United States Code into law. It follows the style of the eight other titles which were enacted into law in the Eightieth Congress. This is the first of the titles of the code relating to a subject matter which is not ordinarily within the jurisdiction of the Committee on the Judiciary. Accordingly, the Committee on Merchant Marine and Fisheries, which has jurisdiction over legislation relating to the Coast Guard, was invited to study the bill in conjunction with Subcommittee No. 4 of the Committee on the Judiciary. A subcommittee of three members of the Committee on Merchant Marine and Fisheries met with a subcommittee of three members of our committee on several occasions at which time the bill was considered in detail, section by section, and each proposed change in substantive law was called to the attention of that committee by our law revision counsel. In addition, the Commandant of the Coast Guard and two other officers of the Coast Guard were present and assisted in explaining the reasons for the proposed changes. After full consideration the subcommittee of Merchant Marine and Fisheries Committee reported favorably to the full committee and the approval of that committee was expressed in the following letter dated May 3, 1949, from the distinguished chairman of that committee, the gentleman from Virginia [Mr. BLAND] to the chairman of the Judiciary Committee:

MAY 3, 1949.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives,
Washington, D. C.

DEAR MR. CELLER: The Committee on Merchant Marine and Fisheries has completed its study of the bill (H. R. 273) to revise, codify, and enact into law title 14, of the United States Code, entitled "Coast Guard."

The committee appreciates the opportunity afforded to it to engage in this study, through the policy of the Committee on the Judiciary to submit its codification bills to the standing committee of the House having jurisdiction over the subject matter contained in such bills.

A subcommittee of this committee together with its counsel studied all the changes in substantive law proposed by the bill. It met on three occasions with a subcommittee of your committee and its counsel at which time it had the benefit of statements from representatives of the Coast Guard, and all proposed changes were explained in detail.

We believe your committee has done excellent and commendable work in this field. It is accordingly the belief and judgment of

the Committee on Merchant Marine and Fisheries that the bill H. R. 273, with the minor changes agreed upon during the course of the meetings referred to above, merits the favorable action of the Congress. We recommend such action.

Sincerely yours,

S. O. BLAND, *Chairman.*

The Bureau of the Budget has also approved the bill after reference of it to all departments concerned, particularly the Navy, Treasury, and Commerce.

CONVEYANCE OF LAND IN MISSOULA COUNTY, MONT.

The Clerk called the bill (H. R. 1720) to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to donate and convey, to the State of Montana for the use and benefit of Montana State University, Missoula, Mont., all the right, title, and interest of the United States in and to certain land situated in Missoula County, Mont., more particularly described as follows:

The southwest quarter of the northeast quarter, the south half of the northwest quarter, and the north half of the southwest quarter, section 30, township 13 north, range 19 west, Montana principle meridian, containing approximately 200 acres.

With the following committee amendments:

Page 1, line 4, strike out "donate" and insert "sell."

Page 1, line 4, after the comma, insert "at one-half the value thereof fixed by the Secretary of the Interior."

Page 2, line 6, insert:

"SEC. 2. The patent issued under this act shall contain a reservation to the United States of all mineral deposits in the lands and of the right to prospect for, mine, and remove the same under applicable laws and under regulations to be established by the Secretary."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COTTON STATISTICS

The Clerk called the bill (H. R. 3444) to provide for the collection and publication of cotton statistics.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of April 2, 1924 (43 Stat. 31), be amended to read as follows: "That the statistics of the quantity of cotton ginned shall show the quantity ginned from each crop prior to August 1, August 16, September 1, September 16, October 1, October 18, November 1, November 14, December 1, December 13, January 16, and March 1: *Provided,* That the Director of the Census may limit the canvasses of August 1 and August 16 to those sections of the cotton-growing States in which cotton has been ginned. The quantity of cotton consumed in manufacturing establishments, the quantity of baled cotton on hand, the number of active consuming cotton spindles, the number of active spindle-hours, and the statistics of cotton imported and exported shall relate to each month, and shall be published as soon as possible after the close of the month. The Director of the Census shall furnish to the Department of Agriculture, immediately prior to the publication of each report of that Department regarding the cotton crop, the latest available statistics hereinbefore mentioned, and the said Department of Agriculture shall publish the same in connection with each of its reports concerning cotton."

SEC. 2. That the last sentence of section 6 of the act of April 2, 1924 (43 Stat. 31), be amended to read as follows: "When such date of release falls on Sunday, a legal holiday, or other day which pursuant to statute or Executive order is a nonworkday in the Department of Commerce at Washington generally, the reports shall be issued at 11 o'clock antemeridian of the next succeeding workday."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COUNTY OF MISSOULA, MONT.

The Clerk called the bill (H. R. 2197) to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized, in his discretion, to transfer without consideration title to the county of Missoula, State of Montana, to certain lands described as follows: Southeast quarter northeast quarter, southeast quarter southeast quarter, southwest quarter southwest quarter, section 30, township 13 north, range 19 west, Montana principal meridian; south half northeast quarter, southeast quarter, section 25, township 13 north, range 20 west, Montana principal meridian. Such transfer shall be subject to a reservation to the United States of all mineral deposits in the land conveyed and of the right to mine and remove same, subject to such regulations as may be established by the Secretary.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Interior be, and hereby is, authorized, in his discretion, to sell and convey, at one-half the value thereof fixed by the Secretary, certain lands to the county of Missoula, State of Montana, described as follows: Southeast quarter northeast quarter, southeast quarter southeast quarter, section 30, township 13 north, range 19 west, Montana principal meridian; south half northeast quarter, southeast quarter, section 25, township 13 north, range 20 west, Montana principal meridian.

"SEC. 2. The patent issued under this act shall contain a reservation to the United States of all mineral deposits in the lands and of the right to prospect for, mine, and remove the same under applicable laws and under regulations to be established by the Secretary."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 3512) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress whose employment is temporary or of uncertain duration.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection 3 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

"(c) The provisions of this act shall not aply to employees of the Senate or the House of Representatives whose employment is temporary or of uncertain duration; and the Architect of the Capitol and the Librarian of Congress are authorized to exclude from the operation of this act any employees under the Office of the Architect of the Capitol and the Library of Congress, respectively, whose tenure of employment is temporary or of uncertain duration."

With the following committee amendment:

Page 1, line 7, after "duration" insert "or to temporary employees of the Administrative Office of the United States Courts or of the courts specified in section 610 of title 28 of the United States Code."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration."

A motion to reconsider was laid on the table.

ADMINISTRATION OF THE CIVIL AERONAUTICS ACT OF 1938

The Clerk called the bill (H. R. 4082) to improve the administration of the Civil Aeronautics Act of 1938, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1001 of the Civil Aeronautics Act of 1938, as amended, is hereby further amended by adding after the word "Proceedings" in the heading a semicolon and the words "Assignment of Functions"; by inserting after such heading a subheading as follows: "Proceedings of the Board"; by inserting "(a)" after 1001; by striking out the word "may" in the first sentence and inserting in lieu thereof the word "shall"; and by adding at the end of such section a new subsection as follows:

"ASSIGNMENT OF WORK, BUSINESS, OR FUNCTIONS

"(b) (1) The Board may direct that any of its work, business, or functions under any provision of this act (except final orders predicated upon notice and hearing under sections 401 (d), 401 (h), 401 (i), 401 (k), 401 (n), 402 (b), 402 (g), 402 (h), 406 (a), 1002 (d), 1002 (f), 1002 (g), 1002 (h), 1003, and this subsection) be assigned to an individual member or members of the Board, or to an eligible employee or employees of the Board designated by such order for action thereon. The Board may by order at any time amend, modify, supplement, or rescind any assignment.

"(2) Eligible employees for purposes of this subsection shall include the general counsel, the Secretary, any bureau director,

any division or section chief, and any employee having responsibilities of comparable importance. When any member or any employee is unable to act upon any matter so assigned because of absence or other cause, the Chairman of the Board may designate another member or employee, as the case may be, to serve temporarily until the Board otherwise orders.

"(3) Individuals to whom assignments are so made shall have authority to perform the work, business, or functions assigned to them under this subsection and for such purpose shall have all the jurisdiction and powers conferred by this act upon the Board, and be subject to the same duties and obligations. The Secretary and seal of the Board shall be the Secretary and the seal for each such individual. Except as otherwise provided in this subsection (b), any order or other action of any such individual or individuals with respect to any matter assigned to him or them shall have the same force and effect and may be made, evidenced, and enforced, and shall be subject to judicial review, in the same manner as if taken by the Board.

"(4) Any party affected by an order or other action taken by any such individual or individuals with respect to any matter assigned to him or them under this subsection may apply for consideration by the Board of such order or other action, subject to such reasonable limitations as may be established by the Board. Such application shall be passed upon by the Board, and the Board may grant such application and reconsider such order or other action if it has reason to believe that such order or other action was issued or taken in error. The Board, upon its own initiative, may reconsider the order or other action of such individual or individuals either before or after it has become effective. If upon reconsideration by the Board it shall appear that the order or other action in question is in any respect unjust or unwarranted, the Board shall reverse, change, or modify the same accordingly; otherwise the Board shall affirm such order or other action. The making of such an application for reconsideration shall not excuse any person from complying with or obeying the order or other action or operate to stay or postpone the enforcement thereof unless the Board shall otherwise have provided by rule or order."

With the following committee amendments.

Page 2, line 10, strike out "by such order."

Line 11, strike out "by order."

Page 3, line 16, after "and" strike out the remainder of line 16 and all of lines 17, 18, and 19, down to and including "error", and insert "reconsideration may be granted if sufficient reason therefor be made to appear."

Page 3, line 23, after "effective." strike out the remainder of line 23 and all of lines 24 and 25, and on page 4, lines 1 and 2, down to and including "action.", and insert "Upon reconsideration, the Board may reverse, change, modify, or affirm such order or other action in whole or in part."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 10 OF THE RECLAMATION PROJECT ACT OF 1939

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 107, the bill (H. R. 1922) to amend section 10 of the Reclamation Project Act of 1939.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. JENSEN. Reserving the right to object, Mr. Speaker, I previously objected to the consideration of this bill but have since conferred with the gentleman from Montana [Mr. D'EWART] who has explained the bill to my satisfaction. Therefore, I withdraw my objection to the bill.

Mr. Speaker, I would like at this time to make a statement regarding the bill H. R. 2984. I objected to that. I have no objection to tying Parker Dam and Davis Dam together, but I do fear that this is an attempt to tie Hoover Dam power with Davis Dam and Parker Dam, which is against the law.

The SPEAKER pro tempore (Mr. MONRONEY). Is there objection to the request of the gentleman from Iowa [Mr. CUNNINGHAM]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in section 10 of the Reclamation Project Act of 1939 (53 Stat. 1187, 1197), the words ", for periods not to exceed 50 years," are hereby repealed.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert "That clause (b) of section 10 of the Reclamation Project Act of 1939 (53 Stat. 1187, 1197) is hereby amended to read as follows: 'grant leases and licenses for periods not to exceed 50 years, and easements or rights-of-way with or without limitation as to period of time affecting lands or interest in lands withdrawn or acquired and being administered under the Federal reclamation laws in connection with the construction or operation and maintenance of any project.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERLIN AIRLIFT MEDAL

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2737) to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. O'HARA of Minnesota. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON. Mr. Speaker, I am sure that no Member of the House will object to this bill. I appreciate the opportunity to briefly pay tribute to those who rendered such outstanding service in the Berlin airlift. This bill provides a medal for those who participated in the Berlin airlift. Mr. Speaker, I am going to make a full statement if there is no objection to the consideration of the bill.

Mr. O'HARA of Minnesota. In that event, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby created a decoration to be known as the Medal for Humane Action, with suitable appurtenances and devices, which the President, under such rules and regulations as he shall prescribe, may award to any person who while serving in or with the armed forces of the United States at any time during the period commencing with and terminating on such appropriate dates as the President may determine shall have distinguished himself by meritorious participation in the humane military effort to supply necessities of life to the people of Berlin, Germany.

SEC. 2. No more than one Medal for Humane Action shall be issued to any one person, but for succeeding actions justifying the award of such medal the President may award a suitable bar or other device to be worn as he shall direct.

SEC. 3. Any individual who shall have qualified for an award under this act who shall have died before the making thereof may nevertheless be granted such award posthumously, in which event the award shall be presented to such representative of the deceased as the President may designate.

Mr. VINSON. Mr. Speaker, the purpose of the proposed bill, which has the unanimous support of the Armed Services Committee, is to provide additional and specific congressional recognition for the magnificent achievement of personnel who have participated in the Berlin airlift. The recognition proposed in the bill is a Medal for Humane Action which the President is authorized to award to personnel participating in the airlift.

The proposed bill is not a departmental measure. It is initiated by the Committee on Armed Services for the reason that the accomplishments of the Berlin airlift personnel have been so tremendous and have already had such far-reaching effects internationally that, the committee feels, specific congressional recognition should be given.

The combined airlift task force of the western allies has been the greatest air-cargo undertaking in the history of the world. It substantially exceeds the tremendous wartime effort made in flying food, fuel, personnel, and machinery between India and China across the Himalayan Mountains. So vast has been this effort and so striking its success that your committee believes the entire free world should pay homage to those who carried the effort through to completion.

The airlift was initiated on June 25, 1948, after the land route to Berlin had been blockaded by the Russians. It was on that date that our European commander in chief in Berlin requested the Air Force commander in Wiesbaden, Germany, to deliver 45 tons of supplies to Berlin by air. Eighty tons were delivered the next day. Meanwhile the British had commenced their efforts,

and the historic undertaking was begun in earnest.

Quickly thereafter all available aircraft in western Europe were placed in operation in the airlift. Within 2 weeks 54 of the giant C–54's had been assembled from Texas, Alaska, the Caribbean, and Hawaii, and the British brought into use 16 additional of their cargo aircraft. This was soon augmented by 82 more British aircraft, so that by the end of July over 1,000 long tons of supplies were being moved into Berlin by the British.

By late July, Maj. Gen. William H. Tunner, operations chief of the Military Air Transport Service and the wartime commander of the famous "Hump" flights from India into China, had arrived in Wiesbaden, Germany, the headquarters of this vast operation.

What was now underway, and to which American, British, and French genius was to be devoted for many months, was the supplying by air 2,500,000 people living in western Berlin, an effort far beyond any comparable undertaking in history. It was estimated that 4,500 tons of food and supplies daily would be required to meet minimum needs, and to accomplish this, the United States would need to supply at least 225 C–54 aircraft.

However, only 180 such aircraft could be quickly assembled for the airlift, so the problem at the outset was one of making the available aircraft perform with such efficiency as to compensate for the deficiency in number. To obtain even the minimum number, the aircraft had to be assembled from Japan, Panama, Alaska, Hawaii, and from Air Force and Navy stations throughout the United States.

From this point on the airlift becomes a saga of accomplishment, of teamwork, of ingenuity, and of heroic effort which almost surpassed the realm of possibility. The effort itself seemed utterly fantastic. That it succeeded despite Russian interference, despite adverse weather, despite aircraft shortages, despite the magnitude of the task, will surely result in its being recorded in history as one of the great human accomplishments of all time.

Twenty-seven Americans and 22 British pilots lost their lives in this undertaking. But their efforts and the efforts of the thousands of others engaged in the airlift resulted in the bringing to Berlin, entirely by air, more than 1,500,000 tons of food, fuel, and other supplies. In one 24-hour period nearly 13,000 tons of supplies were brought to Berlin.

The daily food requirements alone imposed a huge burden upon the airlift. To meet the very minimum daily needs of the people of Berlin, British and American aircraft had to provide 3 tons of yeast, 5 tons of dried whole milk, 10 tons of cheese, 11 tons of coffee, 19 tons of salt, 38 tons of dry skimmed milk, 64 tons of fats, 85 tons of sugar, 109 tons of meat and fish, 125 tons of cereals, 144 tons of vegetables, 180 tons of potatoes, and 646 tons of flour and wheat, for a total of 1,439 tons of food daily. In addition, coal, mail, consumers goods, medical and industrial supplies, and personnel had to be brought in, with the daily minimum requirement averaging approximately 4,500 tons.

Not only was this requirement met, but it was substantially exceeded. The food ration was even increased while the airlift was in operation.

In the face of such astounding achievements, it is not surprising that the Russians started seeking a means of removing themselves from their predicament. Very recently the blockade has been lifted, the western sectors of Berlin have been saved, the firm determination of the United States, England, and France to maintain their position in the face of hostile pressure has been demonstrated, and freedom-loving people throughout the world have taken renewed assurance as to the security of their way of life.

As of May 10, there were 16,468 Air Force personnel participating in the direct support of the Berlin Airlift. There were 820 Navy personnel and 7,000 Army personnel, with an aggregate of approximately 70,000 American military personnel involved in this great undertaking. Also as of May 10, United States aircraft had made 130,411 flights into Berlin carrying cargo and 969 flights carrying passengers. American aircraft had carried 1,207,801 tons of food, equipment, supplies, and personnel into Berlin as of May 10.

As regards the Air Force aircraft participating in the airlift, there were 5 C–82 Fairchild flying boxcars and 204 C–54 four-motor Douglas aircraft, for a total of 209. In addition, 21 R5D naval aircraft—four-motor Douglas—participated, making a total of 230 American aircraft serving the airlift. These aircraft were organized into 5 groups composed of 16 troop-carrier squadrons, 2 Navy squadrons, 2 medical groups, 2 air-base groups, 2 matériel and supply groups, 2 air-base groups at Burtonwood, England.

As for the cumulative cost of the airlift, it was as follows:

Total operating costs	$56,355,300
Total support costs	62,596,500
Reserves	40,541,100
Aircraft wrecked	7,522,000
Depreciation of aircraft	10,852,200
Total through May 9, 1949	177,867,100

Represents cost of Air Force and Navy operations with Navy cost computed by using comparable Air Force factors.

Operating costs: Includes crew and base support personnel in USAFE, fuel and oil, USAFE maintenance, subsistence, and clothing.

Support costs: Includes accrued AMC depot maintenance, civilian performed 1,000 overhaul, movement of units to operation, commercial air lift, commercial truck military-water transportation, engineers, supplies for new runways and per diem in transit.

Reserves: For costs of terminating the operation and inventories.

Aircraft wrecked: Eighteen C–54's and two R5D's at $310,000; eight C–47's at $110,000; one C–82 at $442,000.

Depreciation of aircraft: Based on 10,321 hours life, no salvage value.

Total cost: From June 26, 1948, to date of report and reflects actual operating costs through February 28, 1948; estimated operating costs March 1, 1949 to date, and estimates for all other costs.

This tremendous effort, though costly, has had far-reaching results of considerable and lasting value. It is estimated that the experience gained in the airlift has advanced the science of air-cargo transport by 10 to 20 years. Certainly the airlift was a convincing demonstration of the ability of free people to work together as a team. Further, it was evidence of magnificent cooperation between the American Army, Navy, and Air Force and the many American civilian organizations and technicians without whose efforts the airlift could not have succeeded. Moreover, the close cooperation with the British and French in this allied undertaking was powerful evidence of the integration of the western democracies in the face of hostile pressures which, only a few years ago, might have been met by vain efforts to counter the menace single-handedly.

The political consequences, internationally, of the airlift are enormous. Unquestionably the accomplishments of these aviators have markedly raised American standing throughout the world. The economic consequences are likewise vast, for currency in the western sector of Berlin has been stabilized and the firmness of American determination to work toward the building of a sound European economy has been convincingly demonstrated. The airlift, moreover, has become a symbol of hope throughout the world—so much so that the determination of free people throughout all Europe to resist Russian expansion has been increased manyfold.

The airlift has saved this Nation and the western democracies from a terrible loss in prestige; conversely, its success has raised that prestige to new heights. The airlift has saved western Berlin from starvation—doubtless from communism. It has had many other far-reaching effects, to such an extent that the Armed Services Committee unanimously recommends immediate passage of the proposed bill as a measure of congressional recognition of this vast accomplishment and the appreciation of the American people for the courage and capacity that the airlift personnel have so splendidly demonstrated to the world.

The proposed bill has the endorsement of the National Military Establishment and the approval of the Bureau of the Budget.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. DEANE. I join with my colleague, the gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services, in recognizing the wonderful feat performed by American and British airmen, in carrying out the Berlin airlift. I was very much interested to note recently their March efficiency ratings of these air units. Both the units from the Air Force as well as the two Navy squadrons have performed wonderful feats.

Statistical summary of all United States squadrons, March 1949

	Unit	Assigned aircraft	Trips	Hours	Tons	Utilization	Efficiency
Rhein-Main	VR-8	9.57	950	3,607.8	10,083.2	12.2	151.1
Do	VR-6	10.12	901	3,234.0	9,161.0	10.3	135.5
Do	331st	10.65	844	3,164.0	8,276.0	9.6	120.6
Do	15th	11.13	862	3,297.4	8,898.5	9.6	117.8
Do	53d	11.46	864	3,297.7	8,609.6	9.3	114.7
Do	14th	11.56	838	3,248.3	8,501.7	9.1	109.6
Fasberg	39th	14.25	1,357	3,095.0	13,415.5	7.0	107.7
Wiesbaden	333d	12.14	723	2,917.0	7,048.0	7.7	103.8
Do	12th	12.24	721	2,931.0	7,084.3	7.7	103.3
Rhein-Main	332d	10.68	717	2,765.0	6,829.0	8.4	101.0
Fasberg	40th	14.46	1,245	2,852.0	12,193.6	6.4	97.7
Rhein-Main	330th	10.46	673	2,572.0	6,628.7	7.9	97.6
Fasberg	41st	14.02	1,190	2,716.5	11,787.4	6.2	96.0
Celle	313th Group	(1)	3,549	8,073.0	35,011.5	5.9	90.4

Rhein-Main to Berlin	1 hour 45 minutes
Wiesbaden to Berlin	1 hour 50 minutes
Basberg, Celle to Berlin	About 45 minutes

[1] Squadron break-down unavailable.

Statistical summary of top United States squadrons—Period of December to March, inclusive

Unit	Assigned aircraft	Trips	Hours	Tons	Utilization	Efficiency
Rhein-Main:						*Percent*
VR-8	10.75	3,397.0	12,773.1	35,627.1	9.8	127.3
VR-6	10.91	2,999.0	10,851.5	30,826.3	8.3	109.1
15th	10.53	3,013.5	11,428.0	30,657.2	8.9	111.2
331st	9.68	2,746.0	10,413.6	27,003.7	8.8	109.7
Navy	10.83	6,396.0	23,624.6	66,453.4	9.0	118.2
Air Force	10.10	5,759.5	21,841.6	57,660.9	8.8	110.4

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. O'HARA of Minnesota. I wish to say to the gentleman that I agree with everything he has said about the importance of the Berlin airlift. But, of course, day after day many of our fliers are doing the same kind of service in peacetime that is not connected with the airlift, and for which they are getting no medal or decoration.

Mr. VINSON. That may be true, but, at the same time, this was such an outstanding feat and it had such significant international complications that the committee felt it should be recognized in this way.

The SPEAKER pro tempore. The time of the gentleman from Georgia [Mr. VINSON] has expired.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLLIER'S ANNUAL CONGRESSIONAL AWARD FOR DISTINGUISHED SERVICE TO THE NATION

Mr. WORLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WORLEY. At a ceremony at the White House on May 7, President Truman presented Collier's annual congressional award for distinguished service to the Nation to our beloved Speaker and my fellow Texan, SAM RAYBURN of Bonham, with these words:

He hasn't had to die to be a statesman.

The award was given to Speaker RAYBURN for his service to the country in 1948, at which time, he was Democratic leader in the Republican controlled Eightieth Congress.

Mr. Truman presented to Senator ARTHUR H. VANDENBERG, of Grand Rapids, Mich., a like award on behalf of Collier's magazine. It was the second time Senator VANDENBERG had received the award. President Truman recalled that during the 1948 presidential campaign he spoke in the Senator's home town saying that city contained a statesman I am very fond of and his name is VANDENBERG.

Subsequently at a luncheon at the Carlton Hotel, attended by Vice President Alben W. Barkley, Chief Justice Fred M. Vinson, members of the Cabinet, our Majority Leader John W. McCormack, Eric Johnston, award committee chairman, and others who attended the White House ceremony, Mr. Truman spoke informally, saying:

I sometimes have disagreements with the Congress—the Eightieth. I haven't had any disagreements with the Eighty-first. It is the privilege of the President to disagree with Congress; it is the privilege of the Congress to disagree with the President; and the people have to decide who is right.

Mr. Speaker, I ask unanimous consent to insert into the record at this point the text of the President's remarks on the occasion and an article written by James C. Derieux and published by Collier's in the May 14 issue, explaining the awards to Speaker RAYBURN and Senator VANDENBERG.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

(The matter referred to follows:)

INFORMAL REMARKS OF THE PRESIDENT AT THE COLLIER'S AWARD LUNCHEON, CARLTON HOTEL, WASHINGTON, D. C., MAY 7, 1949

Mr. Chairman, Mr. Vice President, Senator Vandenberg, Mr. Speaker, Mr. Chief Justice, and publishers and president of Collier's. I am at a very serious disadvantage. You have been sitting here for the last hour and a half listening to the cream of the crop in storytellers and oratory. Your President is not gifted in that direction at all. I can't tell a story. When they passed around the gift of gab, they left me out. But I am very much interested in what Collier's has been doing the last 4 years, to give the people of the country a viewpoint as to what their responsibility is toward that greatest of all legislative bodies—the Congress of the United States.

I was a Member of that Conrgess for 10 years. I know their difficulties, and I know that mail situation, Van. I know that the people who are in disagreement with you are very anxious to let you know about it, and those who agree with you don't care whether you know it or not. And that is a difficult situation for a man to find himself in, for the simple reason that a Congressman and a Senator—a Senator is a Congressman, but a Congressman is not always a Senator—a man must, when he is a Member of that great legislative body, remember that he is an elected representative of the people of his State and district, and that the people who elect him expect him to find out what the facts are, and then make up his mind on what he thinks is right. Sometimes that is not always in agreement with the constituents.

It is the business of the Congressman and the Senator, then, to inform his constituents as to what the facts are and, if he is right, they will stay with him—polls or no polls, Dr. Gallup. And that, I think, is what this award is intended to do, to bring home the fact that we are a Republic, that we have a representative form of government, and that the representatives of the people are elected by the people because they think—the people think—those representatives have brains enough to get the facts and make up their minds on what is right. And so long as that condition prevails, our form of government is absolutly safe—and I am here to tell you that I think it is the greatest form of government in the history of the world.

The men—they were not old, but rather young men—who met in 1787 and wrote the Constitution of the United States were plowing new ground, they were taking a chance on whether the system of government which they set up would work or not. And it took us 80 years to make it work. Now we are getting the fruits of what those forefathers of ours foresaw.

I am pleased to death that Collier's is bringing it home to the people in a way they can understand. I sometimes have disagreements with the Congress—the Eightieth. I haven't had any disagreements with the Eighty-first. It is the privilege of the President to disagree with Congress, it is the privilege of the Congress to disagree with the President; and the people have to decide who is right.

I hope that Collier's will continue this program. It has been my privilege—it was my privilege in the beginning—to consult with the editors and publishers of Collier's when they had this idea in mind, and when it was first inaugurated. I was Vice President of the United States when they talked to me about it, and it happened to be my privilege to make the first award, the second award, the third award, and today the fourth award. And I hope it will be my privilege to make one next year, and the year after that, and the year after that.

I want it distinctly understood that the President of the United States never made a suggestion to the committee as to who should get an award, but I will say this to you, that if I had made a suggestion I would probably have made the ones they picked.

I hope that the situation will continue, and that out of it will grow a responsibility of the constituents to the Members of Congress, and a stronger responsibility of the Congressmen and Senators to do what they think is right, regardless of how, sometimes, it may not please a great many people. In the long run, I have always believed and I still believe, that right does and will prevail.

Thank you.

[From Collier's Magazine]

COLLIER'S CONGRESSIONAL AWARDS

(By James C. Derieux)

ARTHUR H. VANDENBERG, Republican Senator from Michigan, serving his twenty-first year in the United States Senate, and SAM RAYBURN, Representative from Texas, Democratic veteran of 36 years in the House, are the 1948 winners of Collier's congressional awards for distinguished service to the Nation.

At a special ceremony at the White House on May 7, President Truman will present each of these two distinguished legislators with a beautiful engraved silver plaque. And to show its good faith, Collier's will also make two gifts of $10,000 each to be given to whatever public purposes the winners designate. The beneficiaries will be announced at the ceremony.

Collier's believes that these annual awards—one to a Senator and one to a Representative—help to point up the fundamental role that Congress plays in our system of government. When this award program was initiated in 1945, an alarming number of men in wide areas of the world had turned from representative government, and even in this country there was noisy impatience with the necessarily slow process of the legislative body. Collier's felt that by putting the spotlight on legislators who had done outstanding jobs, the public's faith in our democratic institutions would be stimulated and maintained.

The committees making these selections have been composed of noted citizens who, in reaching their decisions, always have acted independently of Collier's. The committees have served under the chairmanships of Owen D. Young, Chester Davis and Eric Johnston, the latter serving as chairman for 1947 and for 1948, the year for which the latest awards are made.

In previous years, under the rules of the committee, a winner was not eligible to compete again. But this year's committee threw the competition wide open to all members of the Senate and House, and Senator VANDENBERG won the Collier's award for a second time. In 1945 he was chosen because of his key role in establishing a national, as distinguished from a partisan, foreign policy for the United States.

Recall the uneasy position of world peace last spring and the role Senator VANDENBERG took in shoring it up and you will see why the committee chose him again:

The World Bank had not brought economic stability to the world. The British loan had not proved, as promised, all that was needed to win the peace. The United Nations was stymied behind many Russian vetoes. America was rapidly losing her faith in the United Nations.

Working closely with the Department of State, Senator VANDENBERG, as chairman of the Senate's Committee on Foreign Relations, drew up what has become known as the Vandenberg resolution, which passed the Senate June 11, 1948, by a vote of 64 to 4; and this resolution gave headway to thinking and planning for regional pacts, such as the one recently announced by the North Atlantic nations.

At this moment in history Senator VANDENBERG's dynamic resolution was offered to support the United Nations and strengthen the security of democratic countries.

Though described as the successor to the Monroe Doctrine and as a possible turning point in the affairs of America and the world, the resolution was not extensively commented on when before the Senate. Only a few newspapers appeared to get its full significance. One of these, the New York Times, described it as undertaking "to accomplish in the military field what the European recovery program is designed to accomplish on the economic plane * * *."

Though escaping wide popular attention at the time of its passage, it did not escape the notice of the 25 men and women who make up Collier's congressional awards committee. Senator VANDENBERG's support of the European recovery program strengthened the committee's judgment concerning him. So the 65-year-old Michigan Republican, a former isolationist, became the first man to win two Collier's congressional awards—both times by his work in the field of international affairs.

Runners-up for the award in the Senate were EUGENE D. MILLIKIN, Republican, of Colorado; WAYNE MORSE, Republican, of Oregon; JOSEPH C. O'MAHONEY, Democrat, of Wyoming; ROBERT A. TAFT, Republican, of Ohio. The listing is alphabetical.

Representative RAYBURN (he became Speaker again in 1949) was selected winner in the House mainly because of his high performance as minority leader in 1948 and for his party loyalty, a fundamental quality if our two-party system is to survive.

In 1946, when the Republicans had swept into power in Congress, Mr. RAYBURN, who had enjoyed a long and distinguished career as Speaker in a Democratic House, was asked by his party colleagues to serve as minority leader.

He didn't want to. But his party called, and SAM RAYBURN answered: "Our representative Government is based on the two-party system; and that system is based on party organizations. It takes a mighty big man to be bigger than his party. I know I am not that big. So I serve my party, as the best way open to me to serve my country."

It was this attitude that made him work as conscientiously at being minority leader as if he were a man on his way up, instead of a man who already had been to the top.

A less distinguished legislator in Representative RAYBURN's position might have become merely a perfunctory critic of the Republican majority, making a hot speech now and then.

In the course of 1948 Mr. RAYBURN was a real leader, and never hesitated to risk his own political neck when faithfulness to party policy called on him to do so. He took a stand on every issue. The party line in domestic affairs, the national line in foreign affairs—that was his record in 1948, and it was consistent with his record of the 36 years he has served in the House.

Eight other Members of the House—given below in alphabetical order—received one or more votes for the award: ROBERT CROSSER, Democrat of Ohio; HELEN GAHAGAN DOUGLAS, Democrat of California; CHARLES A. EATON, Republican of New Jersey; HERMAN P. EBERHARTER, Democrat of Pennsylvania; CHRISTIAN A. HERTER, Republican of Massachusetts (received the House award last year); ESTES KEFAUVER, Democrat of Tennessee (now a Senator); JOHN M. VORYS, Republican of Ohio; JAMES W. WADSWORTH, Republican of New York.

Before casting their ballots for both House and Senate winners members of the awards committee made extensive studies of the candidates' voting records, their legislative proposals and speeches. They got behind the news stories, behind the popular conceptions, to learn who really did the big jobs in Congress in 1948.

AMENDMENT OF UNITED STATES CODE, TITLE 18, CRIMES AND CRIMINAL PROCEDURE; AND TITLE 28, JUDICIARY AND JUDICIAL PROCEDURE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 3762) to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

Since the bill was called up earlier today I have talked with the majority leader and with the minority leader. These gentlemen are now in accord with the situation and concur in my action.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. MICHENER. Mr. Speaker, reserving the right to object, I understand the objection earlier today was based on the ground that the gentleman from South Carolina, chairman of the subcommittee of the Committee on the Judiciary having charge of this particular work, did not state that he had cleared his request through the Speaker, the majority leader, and the minority leader.

It has been a standing custom of the House for many years that when a Member desires to call up a bill for immediate consideration by unanimous consent he may not do so until he has cleared his request through the Speaker, the majority leader, and the minority leader. We on this side always had to comply with that rule and I admired the gentleman from Massachusetts [Mr. MCCORMACK], and the gentleman from Texas [Mr. RAYBURN], for compelling that compliance; I think it is a good practice. I hope that no bills will be permitted to be considered in the House by unanimous consent until the member submitting the request states to the House that there has been such compliance.

The gentleman from North Carolina has now complied with the custom. I am familiar with this bill; it was before the Committee on the Judiciary. It is technical; it is long; the committee has done a vast amount of work on it, and I think it is in as good shape as we can get it. The House passed it by unanimous consent; it went to the Senate. The Senate made a few amendments which the subcommittee thinks are clarifying. Under the circumstances I hope that the unanimous-consent request will be granted and the Senate amendments agreed to.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate amendments?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 7, line 6, after "States", insert "or in the Canal Zone."

Page 15, line 2, strike out ", nor does this section apply to such lands" and insert "or rights-of-way through Indian reservations, and this section does not apply to such lands or rights-of-way."

Page 15, line 10, strike out "such lands" and insert "Indian reservations."

Page 18, line 1, strike out "deposit" and insert "delivery."

Page 23, line 10, after "may", insert "for cause."

Page 25, line 9, strike out "Circuit."

Page 28, line 5, strike out "(c)" and insert "(d)."

Page 28, after line 12, insert:

"SEC. 64a. The first paragraph of section 91 of title 28 of the United States Code, entitled 'Judiciary and Judicial Procedure,' is amended by striking out at the end thereof the words 'and Jarvis Island,' and inserting in lieu thereof the words 'Jarvis Island, Canton Island, and Enderbury Island: *Provided*, That the inclusion of Canton and Enderbury Islands in such judicial district shall in no way be construed to be prejudicial to the claims of the United Kingdom to said Islands in accordance with the agreement of April 6, 1939, between the Governments of the United States and of the United Kingdom to set up a regime for their use in common'."

Page 30, line 3, strike out "and."

Page 30, line 7, after "Guard", insert ", and (8) by striking out immediately after 'Director of the Census' the words 'Chief Forester, National Park Service, Department of the Interior' and inserting in lieu thereof the words 'Chief of Forest Service, Department of Agriculture'."

Page 31, after line 17, insert:

"SEC. 72a. The analysis of chapter 41 of title 28, United States Code, immediately preceding section 601 of such title, is amended by striking out the item '609. Courts, appointive power unaffected' and inserting in lieu thereof, the following: '609. Courts' appointive power unaffected'."

Page 31, lines 24 and 25, strike out "Commissioner" and insert "commissioner."

Page 32, after line 22, insert:

"SEC. 78. (a) The analysis of chapter 57 of title 28, United States Code, immediately preceding section 951 of such title is amended by striking out the item '955. Practice of law by clerks restricted and inserting in lieu thereof the following: '955. Practice of law restricted'."

Page 33, strike out lines 3 to 7, inclusive, and insert:

"SEC. 80. (a) Subdivision (1) of subsection (a) of section 1346 of title 28, United States Code, is amended by striking out the semicolon immediately following the words 'internal-revenue laws,' and by inserting in lieu thereof a comma and immediately following such comma the words and characters as follows: '(i) if the claim does not exceed $10,000 or (ii)'."

Page 33, after line 10, insert:

"(c) Section 1351 of title 28, United States Code, exclusive of the catch line, is amended to read as follows: 'The district courts shall have original jurisdiction, exclusive of the courts of the States, of all actions and proceedings against consuls or vice consuls of foreign states'."

Page 33, strike out lines 11 to 14, inclusive, and insert:

"SEC. 81. Subsection (a) of section 1406 of title 28, United States Code, is amended by striking out the word 'shall' and inserting in lieu thereof the words 'shall dismiss, or if it be in the interest of justice,'."

Page 36, line 12, after "69." insert "(a)."

Page 36, after line 25, insert:

"(b) Paragraph No. (2) of section 1542 of title 28, United States Code, is amended to read as follows:

"'(2) the Commissioner of Patents as to trade-mark applications and proceedings as provided in section 1071 of title 15.'"

Page 37, after line 9, insert:

"SEC. 92. (a) The analysis of chapter 115 of title 28, United States Code, immediately preceding section 1731, is amended by striking out the item '1745. Printed copies of patent specifications and drawings.' and by renumbering item 1746 as '1745'."

Page 37, line 10, strike out "SEC. 92." and insert "(b)."

Page 37, after line 13, insert:

"(c) The first paragraph of section 1744 of title 28, United States Code, is amended by striking out after 'relating to' the words 'registered trade-marks, labels, or prints,' and inserting in lieu thereof the word 'patents,', and by inserting after 'Commissioner of Patents,' the words 'or by another officer of the Patent Office authorized to do so by the Commissioner'."

Page 37, after line 13, insert:

"(d) Section 1745 of title 28, United States Code, is repealed.

"(e) Section 1746 of title 28, United States Code, is renumbered '1745'."

Page 44, line 12, after "title," " insert ", and by inserting after 'instituting' and before 'any proceeding' the words 'or prosecuting'."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

STANDING ROCK SIOUX TRIBE OF INDIANS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3974) to promote the rehabilitation of the Standing Rock Sioux Tribe of Indians and better utilization of the resources of the Standing Rock Indian Reservation, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Florida explain this bill?

Mr. PETERSON. Mr. Speaker, this bill contemplates a series of loans in order to rehabilitate the Standing Rock Sioux Tribe of Indians. This Indian tribe has a very remarkable record where loans have been heretofore made. They have paid back 99 percent of these loans. It is felt that this particular method will enable them to rehabilitate themselves and, in turn, pay the loans back without actually becoming a charge on the Federal Government.

Mr. MARTIN of Massachusetts. This is a loan to the Sioux Indians?

Mr. PETERSON. Yes, the Standing Rock Sioux Tribe.

Mr. MARTIN of Massachusetts. How much?

Mr. PETERSON. It contemplates $250,000, then an additional $250,000 to be in land purchases, which also will be a loan. This could, over a period years, run up to as much as $10,000,000, but it is a revolving fund.

Mr. MARTIN of Massachusetts. The Sioux Tribe has paid back 99 percent of their previous loans?

Mr. PETERSON. Yes. These particular ones have a 99-percent record. In the report we set out the exact details. The gentleman from North Dakota [Mr. LEMKE] has followed this matter very closely and is heartily in accord with it. He asks for the immediate consideration of the bill because of the problems out there.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from North Dakota.

Mr. BURDICK. Mr. Speaker, I may say for the information of the minority leader that in the case of 260 individual Indians to whom they furnished cattle on the theory they would pay back what the Government put in all but 16 paid up. The Government did not lose on the 16 either because as soon as the committee discovered they were not putting up hay enough for these cattle, the 16 herds were taken away and given to other Indians. So we have had no loss.

Mr. PETERSON. The gentleman is correct.

Mr. MARTIN of Massachusetts. I commend the Sioux Tribe of Indians for their action and I hope it will spread to other debtors that the United States may have.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to provide facilities, employment, and services essential for a self-supporting economy for the Standing Rock Sioux Indians, and to lay a stable foundation on which these Indians can engage in diversified economic activities, ultimately attain standards of living comparable with those enjoyed by other citizens, and looking forward to the withdrawal of Federal services and supervision from these Indians, the Secretary of the Interior is hereby authorized and directed to undertake, within the limits of the funds from time to time appropriated pursuant to this act, a program of basic improvements for the conservation and development of the physical and human resources of the Standing Rock Sioux Reservation, including development of off-reservation employment and assistance in adjustments related to such employment.

SEC. 2. In order to assist in carrying out the purposes of this act, there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $10,000,000, from which the Secretary of the Interior, under such rules and regulations as he may prescribe, may make loans to the tribe or to members of the tribe for the purposes hereinafter set forth.

SEC. 3. Not to exceed $2,000,000 may be used for loans for the purchase of lands and interests therein, including water rights and improvements. All lands and interest therein, water rights and improvements, including restricted, trust, or tribal property, may be exchanged for other lands of equal value. Title to the lands and rights acquired may be taken in the name of the United States in trust for the tribe or members thereof, and shall be exempt from taxation so long as title shall be held by the United States. The maximum maturity on such loans shall be 40 years. Upon repayment of loans, the interests of the United States in such lands shall be released, and the lands shall then become subject to taxation. Of the amount authorized, the sum of $250,000 is hereby authorized to be appropriated for fiscal year 1950 out of any money in the Treasury not otherwise appropriated.

SEC. 4. Not to exceed $7,000,000 may be used for the purchase of livestock, which shall be loaned to the tribe or members thereof on a repayment-in-kind basis. Title to the livestock may be taken in the United States in trust for the tribe or members thereof, and shall be exempt from taxation so long as the title shall be held by the United States. The maximum maturity on such loans shall be 25 years. Upon repayment of loans, the interests of the United States in such livestock shall be released, and the livestock shall then become subject to taxation. Of the amount authorized, the sum of $250,000 is hereby authorized to

be appropriated for fiscal year 1950 out of any money in the Treasury not otherwise appropriated.

SEC. 5. Not to exceed $1,000,000 shall be used for the establishment of a revolving fund for loans to the tribe or members thereof for any purpose which will promote the economic development of the tribe and its members and for educational purposes: *Provided,* That reimbursement of the capital fund to the United States shall be made within 40 years.

SEC. 6. Not to exceed 10 percent of amounts appropriated for loans may be used to make grants to borrowers for assistance during initial periods of operations.

SEC. 7. Notwithstanding any other provision of existing law, the tribal funds now on deposit, or hereafter placed to the credit of the Standing Rock Sioux Tribe of Indians in the United States Treasury, shall be available for such purposes as may be designated by the Standing Rock Sioux Tribal Business Council and approved by the Secretary of the Interior or his authorized representative.

SEC. 8. Title to lands and interests in lands, together with improvements thereon, which have been acquired by the United States on or adjacent to the Standing Rock Indian Reservation in the States of North and South Dakota, under authority of title II of the National Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive order, is hereby declared to be in the United States in trust for the use and benefit of the Standing Rock Sioux Tribe. For the purposes of land consolidation, the Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to sell or exchange such lands, and improvements thereon, with the consent of the Standing Rock Sioux Tribal Business Council.

SEC. 9. There is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, sums necessary for administrative and technical services and facilities necessary for carrying out the purposes of this act. The sum of $50,000 is hereby authorized to be appropriated for the salaries and expenses of credit and land personnel required to initiate and carry out the purposes of this act during the fiscal year 1950.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

COOPERATIVE FORESTRY PROGRAMS

Mr. GRANGER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653).

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated annually not more than $20,000,000 to enable the Secretary of Agriculture to carry out the provisions of sections 1, 2, and 3 of the act of June 7, 1924 (43 Stat. 653), as amended: *Provided,* That the appropriation under this authorization shall not exceed $11,000,000 for the fiscal year ending June 30, 1950; $13,000,000 for the fiscal year ending June 30, 1951; $15,000,000 for the fiscal year ending June 30, 1952; $17,000,000 for the fiscal year ending June 30, 1953; and $19,000,000 for the fiscal year ending June 30, 1954.

SEC. 2. Section 4 of the act of June 7, 1924 (43 Stat. 654), is hereby amended to read as follows:

"SEC. 4. The Secretary of Agriculture is hereby authorized and directed to cooperate with the various States in the procurement, production, and distribution of forest-tree seeds and plants, for the purpose of establishing forests, windbreaks, shelter belts, and farm wood lots upon denuded or nonforested lands within such cooperating States, under such conditions and requirements as he may prescribe to the end that forest-tree seeds or plants so procured, produced, or distributed shall be used effectively for planting denuded or nonforested lands in the cooperating States and growing timber thereon. The amount expended by the Federal Government in cooperation with any State during any fiscal year for such purposes shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make expenditures on the certificate of the State official having charge of the cooperative work for the State that State expenditures as provided for in this section have been made. There is hereby authorized to be appropriated to enable the Secretary of Agriculture to carry out the provisions of this section not more than $1,000,000 for the fiscal year ending June 30, 1950; $1,500,000 for the fiscal year ending June 30, 1951; $2,000,000 for the fiscal year ending June 30, 1952; and $2,500,000 for each subsequent fiscal year."

SEC. 3. Section 5 of the act of June 7, 1924 (43 Stat. 654), is hereby amended to read as follows:

"SEC. 5. The Secretary of Agriculture is hereby authorized and directed, in cooperation with the land-grant colleges and universities of the various States or, in his discretion, with other suitable agencies, to aid farmers through advice, education, demonstrations, and other similar means in establishing, renewing, protecting, and managing wood lots, shelter belts, windbreaks, and other valuable forest growth, and in harvesting, utilizing, and marketing the products thereof. Except for preliminary investigations, the amount expended by the Federal Government under this section in cooperation with any State or other cooperating agency during any fiscal year shall not exceed the amount expended by the State or other cooperating agency for the same purpose during the same fiscal year, and the Secretary of Agriculture is authorized to make expenditures on the certificate of the appropriate State official that the State expenditures, as provided for in this section, have been made. There is hereby authorized to be appropriated annually out of any money in the Treasury not otherwise appropriated, not more than $500,000 to enable the Secretary of Agriculture to carry out the provisions of this section."

SEC. 4. It is hereby declared to be the policy of the Congress to encourage the development and maintenance of adequate forest resources as essential to national defense, full employment, and national prosperity. It is recognized that to attain these objectives, the management of privately owned forest lands which constitute the bulk of the Nation's forest-land resources, must be in accordance with sound forestry practices, that wastage in processing and utilization of forest products must be reduced to a minimum, and that in addition to the educational and demonstrational activities contemplated by section 5 of the act of June 7, 1924 (43 Stat. 654), as amended, it is essential that adequate provision be made for the furnishing of technical services and assistance to owners of forest lands and processors of forest products. It is the intent of the Congress that the facilities for such technical services and assistance be provided mainly through cooperation with State forestry agencies. It is intended that the powers and authority of the Secretary of Agriculture under this section shall be supplementary to the powers and authority conferred on him under any other act. To carry out the purposes of this section, the act of June 7, 1924 (43 Stat. 653), is amended by adding thereto the following section:

"SEC. 10. (a) The Secretary of Agriculture is hereby authorized and directed to establish and maintain services and facilities for furnishing technical services respecting the proper management of privately owned forest lands and federally owned lands administered by the States; for giving technical services to forest-land owners concerning the value of their forest products and the efficient production and marketing thereof; for assisting forest owners and processors in reducing timber harvesting and processing costs, utilizing inferior species and grades, improving the quality and expanding the uses of forest products, establishing markets, and developing rural forest industries; for giving technical services to consumers with respect to the selection and use of forest products; and for otherwise effecting improvements in the growing, harvesting, marketing, and utilization of forest products.

"(b) The Secretary of Agriculture is authorized under such terms and conditions as he deems appropriate to cooperate with State forestry agencies in carrying out the purposes of this section and in promoting its objectives. The amount expended in any State by the Federal Government through such cooperative action shall not exceed during any fiscal year the amount expended by the cooperating State for the same purpose during the same fiscal year, and the Secretary of Agriculture is authorized to make expenditures on the certificate of the appropriate State official having charge of the cooperative work for the State that State expenditures as provided in this section have been made.

"(c) The Secretary of Agriculture is further authorized, under such terms and conditions as he may deem appropriate, to cooperate with public and private agencies and persons to obtain assistance in carrying out the purposes of this section. Money contributions received from cooperators shall be covered into the Treasury and shall constitute a special fund, which is hereby appropriated and made available until expended as the Secretary may direct for conducting activities authorized by this section and for making refunds to contributors of amounts paid by them in excess of their share of the cost of cooperative work.

"(d) There is hereby authorized to be appropriated to enable the Secretary of Agriculture to carry out the provisions of this section the following sums: $1,500,000 for the fiscal year ending June 30, 1950; $3,000,000 for the fiscal year ending June 30, 1951; $4,500,000 for the fiscal year ending June 30, 1952; and $6,000,000 for each subsequent fiscal year."

SEC. 5. The act of May 18, 1937 (50 Stat. 188), known as the Cooperative Farm Forestry Act, is hereby repealed effective June 30, 1950.

SEC. 6. Notwithstanding any other provision of law, no funds heretofore or hereafter authorized to be appropriated to the Department of Agriculture or available under any other than the act of June 7, 1924 (43 Stat. 653), shall be used for carrying out the programs or activities authorized by sections 1, 2, and 3 of said act, as amended: *Provided,* That whenever the programs and activities being carried out under the provisions of sections 1, 2, and 3 of said act are inadequate to the needs and purposes of programs and activities authorized by other law the use of funds specifically authorized to be appropriated to the Department of Agriculture or made available under other law shall not be prohibited to the extent that the programs and activities under said sections of the act of June 7, 1924, are inadequate to accomplish

the purposes of such other programs or activities.

The SPEAKER pro tempore. Is a second demanded?

Mr. HOPE. Mr. Speaker, I demand a second.

Mr. GRANGER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. GRANGER. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, the bill, H. R. 2296, is a measure that was thoroughly considered by the Committee on Agriculture and, so far as I know, there is no objection to the passage of it by any member of the committee. It is legislation that in my opinion is long past due. At this time when we are being magnanimous to all the nations of the earth it seems to me that we should take time enough to look at our own resources and take steps to keep them in order so that we might have something left with which to be magnanimous. Our Nations' forests are among our greatest natural resources, and this bill is aimed to preserve what we have left of them and also to plant trees and to replenish the trees that have been used, or misused, as the case may be.

There is nothing new in this bill except the amount of the authorization, which is a considerable amount, but it seems to me that it is entirely justified because of the subject matter with which it deals. There were about 20 bills introduced that dealt with this subject, and nearly 100 Members of the Congress appeared before the committee advocating the passage of this bill.

In a word, the bill authorizes an increase in the appropriation to fight fires and to further develop our fire-fighting apparatus and to furnish the necessary personnel to do the job in fire fighting. It also provides for nurseries to be established to increase the number of trees that we might plant. About 70,000,000 acres of trees have been taken out and nothing has been planted in their stead. This bill provides for money to establish the nurseries that will develop the trees that will be planted on these barren acres. Other sections in the bill are simply clarifying and are for the purpose of getting together all the appropriations so that they will come under the provisions of this act and will be more orderly administered.

I do not think there is any need for long debate on this bill. In my opinion it is very important and should receive the unanimous approval of the Congress.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Arizona.

Mr. MURDOCK. I want to congratulate the gentleman and his committee in bringing this legislation before the House. It is very meritorious, and I hope it will be passed unanimously.

The gentleman has been quite energetic all during the time I have known him in Congress in the direction of protecting our forests and establishing new forests through reforestation. The bill now before us is a splendid effort, which I heartily approve.

Mr. GRANGER. I thank the gentleman from Arizona.

May I say that this legislation refers entirely to private forests. The national forests are not concerned. This is a program that has been previously authorized. It is carried out on a cooperative basis between the Federal Government and the various States. Up to this time the States have contributed considerably more than the Federal Government in carrying ont this worthy program.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Kentucky.

Mr. CHELF. I am very much in favor of this legislation. Over 90 percent of the forest land in my State of Kentucky is privately owned. This will be a great help to a State such as Kentucky. We rank 29th in forestry. The production of wood is quite an industry, and means a lot not only to Kentucky but throughout the Nation. I thank the gentleman and the committee for the time, effort, and patience they have put into the development of this legislation, and I wholeheartedly endorse and support it.

Mr. GRANGER. I thank the gentleman.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from New York.

Mr. COLE of New York. As I understand, the bill authorizes an annual appropriation of $20,000,000 for the purpose of cooperative action between the Federal Government and the States. What amount would be spent in the aggregate by the States, comparable to the $20,000,000?

Mr. GRANGER. That is a question into which the committee went very thoroughly. The Federal Government requires the State to make its contribution first. When it has spent a certain amount of money it can requisition from the Federal Government only the equivalent of the exact amount it has spent.

Mr. COLE of New York. Must the States spend at least $20,000,000?

Mr. GRANGER. The States must spend at least the amount the Federal Government is contributing.

Mr. COLE of New York. So the national expenditure, both Federal and State, would be at least $40,000,000?

Mr. GRANGER. The gentleman is correct.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Louisiana.

Mr. BROOKS. Let me commend the committee and the gentleman personally on his efforts in bringing in this bill. Forestry is becoming a greater industry in this country every year. In my section we have the headquarters of much of the forestry industry. We are deeply concerned with the development of the forestry resources of the United States.

Mr. GRANGER. I thank the gentleman.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Minnesota.

Mr. JUDD. As I understand it, this bill has a double-barreled function. One is, better to preserve from fire or improper cutting the forests we still have; and the other is to try to build up and improve those forests which have been slashed or improperly cut, and to regrow usable forests in the many areas where the original timber has been destroyed, leaving land that is of little or no use for agricultural purposes, in fact it is practically waste land for anything except reforesting.

Mr. GRANGER. That is well said. That is the purpose of the legislation.

Mr. JUDD. I commend the gentleman and the committee. I come from a State where in the early days probably our greatest resource was our virgin timber. Many of those forests were so destroyed that the land is practically worthless at the present time. I believe there is no State that needs more this assistance on a cooperative basis in order to restore over a period of decades that great natural and indispensable resource.

Mr. GRANGER. I thank the gentleman, and commend him on the assistance he has been willing to give in the passage of this legislation.

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. As I understand this bill, it is an extension of the authorization contained in what we call the Clarke-McNary Act.

Mr. GRANGER. That is right.

Mr. ELLSWORTH. For the benefit of the House, may I say that this cooperative program is extremely important in the preservation against fire of the forests of the Northwest. The Federal contribution is on an entirely sound basis for the reason that fires occurring on privately owned forests, which are often intermingled with Federal forests, can quickly spread to Federal forests. Therefore, this cooperative type of protection is ideal for intermingled lands. I congratulate the committee on bringing in a very good bill dealing with this problem.

Mr. GRANGER. Mr. Speaker, I thank the gentleman for his contribution.

Mr. HOPE. Mr. Speaker, I yield myself 5 minutes.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HOPE. Mr. Speaker, I yield to the gentleman.

JOINT COMMITTEE ON LOBBYING ACTIVITIES

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. J. Res. 196, Rept. No. 586), which was referred to the House Calendar and ordered to be printed:

Whereas there has developed much doubt and confusion concerning the application of the laws relating to the registration and reporting of lobbyists; and

Whereas there is widespread public belief that lobbying activities are being carried on by persons not making reports thereof, as prescribed by law, in some instances because they do not believe the law applies to them and their activities; and

Whereas Members of the Congress and citizens petitioning their Congress in behalf of measures are not able to ascertain through the disclosures now being made under the law the affiliations of many of those persons who are lobbying; and

Whereas it is desirable in strengthening the democratic process to have complete identification of all individuals and organizations lobbying before Congress, the nature, sources, and amounts of their support; and

Whereas there is every evidence of general public support for enactment of legislation to strengthen the Lobbying Registration Act of 1946: Now, therefore, be it

Resolved, etc., That there is hereby established a joint congressional committee to be known as the Joint Committee on Lobbying Activities (hereinafter referred to as the committee), which shall be composed of seven Members of the Senate to be appointed by the President of the Senate and seven Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

SEC. 2. A vacancy in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original appointment. The members of the committee shall select a chairman from among their number. The members of the committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session.

SEC. 3. It shall be the duty of the committee—

(1) to make a full and complete investigation of all lobbying activities, and all efforts to influence, encourage, promote, or retard legislation, directly or indirectly;

(2) to report from time to time to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of the House if the House is not in session) the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 4. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, documents, and tangible things, to administer such oaths, to take such testimony, to procure such binding and printing, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee, and shall be served by any person designated by him. The cost of stenographic services in reporting such hearings as the committee may hold shall not be in excess of 25 cents per hundred words.

SEC. 5. The committee is authorized to appoint and fix the compensation of such experts and such clerical, stenographic, and other assistants as it deems advisable.

SEC. 6. The expenses of the committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

With the following committee amendments:

Page 3, strike out lines 3 to 6 inclusive, and insert in lieu thereof the following language:

"(1) To make a full and complete investigation of all lobbying activities intended to influence, encourage, promote or retard legislation.

"(2) To make a full and complete investigation of all activities of agencies of the Federal Government intended to influence, encourage, promote, or retard legislation."

Page 3, line 7, strike out "(2)" and insert in lieu thereof "(3)."

COOPERATIVE FORESTRY PROGRAMS

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. CHELF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, Kentucky's forests have been a major factor in the development of our State. Since the days of our earliest settlement we Kentuckians have drawn heavily on our forests for lumber, poles, posts, mine props, and many other raw materials needed for the State's growth and development.

Kentucky needs its forest. We have some 1,800 sawmills and 1,900 veneer mills, cooperage plants, handle plants, and other wood-processing industries. Some 40,000 of our people derive their entire livelihood from the forests. Our products from the forestry industry is worth in the neighborhood of $50,000,000 a year to the State.

We stand twenty-ninth among all the States in the Union in lumber production—but more wood is used by nonlumber plants than is used for lumber; for example, poles, hewn cross ties, fuel wood, fence posts, firewood to cure tobacco, and so forth.

In Kentucky, we are very proud of our Cumberland National Forest and we want to support this fine work. It may be interesting to the House to learn that 90 percent of the forest land in all of Kentucky is privately owned, and that there are 189,000 small forest owners in our State. If we are going to restore and build up our forest resources, we must work with this large number of small landowners.

Kentucky is attempting to help these small landowners build up their forest properties, but we have hardly made much more than a beginning. For instance, we have only one extension forester. We have a few farm foresters where we should have dozens. Our State is anxious to expand these aids and is attempting to do so now. This work would go on much faster with assistance and encouragement from the Federal Government. We need a very considerable expansion of our tree-planting program, and the State has made plans to triple present tree production; provided, reasonable assistance can be obtained through the farm and other private forestry cooperation item.

The Kentucky legislature has recently doubled the appropriation for the control of forest fires, but, unfortunately, three-fourths of our total forest land still lacks organized forest-fire protection. I understand that the Federal appropriation for cooperation with the several States in fire protection is now at the maximum amount authorized. We Kentuckians want the House to know that our people are doing their share—fact is, more than their share in this important work and we are so anxious that Federal financial participation be increased as soon as possible.

I support this measure wholeheartedly and trust it will pass the House by an overwhelming vote.

Mr. HOPE. Mr. Speaker, in my opinion, this is one of the most important bills that will come before Congress this session. The measure does not take us into any new fields, but it provides for a much-needed expansion of activity on the part of the Federal Government in connection with the cooperative Federal-State forestry program which was begun under the Clarke-McNary Act of 1924. That act has been supplemented by other legislation in succeeding years, including the Norris-Doxey Act of 1937, which dealt particularly with cooperative work in farm forestry.

This bill expands the present cooperative Federal-State program in four ways: First, it increases the authorization for appropriations for forest-fire prevention; second, it authorizes increased appropriations for the production and distribution of forest trees for planting; third, it expands educational work in forestry through the Extension Service; and, fourth, it provides for increased technical aid and assistance in forestry to private landowners.

In order to fully understand the importance of this legislation one must keep in mind the fact that over three-fourths of the timberland of this country is privately owned. We have our great national forests as well as millions of acres in State forests. Many times we think of these great forests as comprising most of our future source of timber. That however is not the case. The great bulk of the land upon which our timber will be produced in the years ahead is under private ownership and the greater part of it is in the hands of a large number of small owners. Perhaps these statistics which were brought out in the course of the hearings before the Committee on Agriculture may be of interest: Out of 461,000,000 acres of commercial forest area in the United States, 344,973,000 acres are under private ownership; 50,672,000 acres of this privately owned land is in large tracts. Medium-sized tracts—that is, those from 5,000 to 50,000 acres—aggregate 32,916,000 acres. The remainder, 261,385,000 acres, is in small tracts of less than 5,000 acres each, the average size of which is only 62 acres. They are owned by 4,225,000 different private owners.

In the past we have depended upon our large stands of virgin timber, but we now have left only about 45,000,000 acres of virgin timber. Our supply of lumber, wood pulp, and other forest products in the future is going to depend upon how well we handle our second-growth forests, particularly those in private

ownership. The fact that such a large proportion of this privately owned acreage consists of small tracts in the hands of owners who have neither the technical knowledge nor the capital to manage them to the best advantage makes it imperative that this legislation be enacted.

The programs which have been inaugurated under the Clarke-McNary Act have worked well, but we cannot continue to expand them unless larger appropriations on the part of the Federal Government are authorized. In addition to providing greater protection against fire, it is necessary, if we are to have a sound forestry program, that increasing areas be planted or replanted. That is the purpose of section 2 of the bill, which increases the authorization of Federal funds for the procurement, production, and distribution of forest trees, seeds, and plants to an eventual total of $2,500,000.

It is not expected that all of this expansion will take place at once, but if the Committee on Appropriations will increase appropriations over a period of years to the extent now authorized in this bill we can have a tremendous expension of planting on farms and other privately owned lands. This bill goes further than the Norris-Doxey Act in that it covers all privately owned forest lands whereas the Norris-Doxey Act covered only farm forestry.

Sections 3 and 4 of the bill will permit an expansion of education and technical services now being carried out by the Federal Government in cooperation with the States. If we are to get the best use out of our widely owned small forest tracts it will be necessary that much more be done along this line. I have had an opportunity to see something of the work which is being done in some of the farm woodland management projects. It is excellent but at present reaches only a small part of the farm forest owners who desire and need such aid.

This bill was unanimously reported by the Committee on Agriculture after extensive hearings on the part of a subcommittee. Many Members of Congress have introduced similar bills and a large number of Members made statements before the subcommittee in support of this legislation. This great interest is, of course, a recognition of the need which exists for this type of legislation. I believe that without any doubt the passage of this legislation will be one of the most constructive steps in the field of conservation which has been taken for many years. To me it is in the category of must legislation.

The SPEAKER pro tempore. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOPE. Mr. Speaker, I yield myself two additional minutes.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. HOLMES. I have listened very carefully to the remarks of the ranking minority member of the committee, and I congratulate the committee upon bringing out this bill. I hope it will be passed unanimously. The two important factors of raising young trees for planting and increasing the matching funds for forest protection are basic in any heavily forested area of the country. I appreciate the importance of this bill and appreciate the work of the committee in bringing it out.

Mr. HOPE. I thank the gentleman from Washington [Mr. HOLMES], who has been a consistent and active supporter of this type of conservation legislation.

I reserve the remainder of my time, Mr. Speaker.

Mr. GRANGER. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Speaker, I am just taking this time to register my approval of this legislation. In 1 minute I do not have time to do what I intended to do, so I will not begin it. However, sometime I intend to tell this House the story of a 25-acre field. The first time I saw it was about the beginning of this century. It stood in wonderful hardwood timber. Today that particular field is not only devoid of timber, but the soil is gone also. There is not a vestige of top soil left in that particular field, and there are ditches in it that are 10 feet deep. Nothing is left but the subsoil. So I am very much in favor of this bill if it will help save the trees on our land and help save the soil of our land.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Speaker, with respect to the remarks of the gentleman from Missouri [Mr. CHRISTOPHER] regarding the depreciation and the destruction that has taken place not only in our timber but our soil resources, I want to say the same thing has been found true in Indiana.

On our farm we have two plots of ground that are in what we call a forest preserve, in which we are attempting to replace the timber that has been lost due to careless management. A great amount of our timber resources have been lost through misuse rather than use. I think the provision of this bill which will make technical assistance available to the small wood-lot owner is a most appropriate one. The fact was brought out by the gentleman from Kansas [Mr. HOPE] that nearly four-fifths of our existing timber supply is still in the hands of private owners, and that a great deal of that, in turn, is in relatively small tracts. Without the provision in here for reforestation and technical assistance plus the greater advantage of greater fire protection we certainly will find ourselves entirely destitute as far as timber resources are concerned in the very near future. I wish to commend the committee for this progressive and constructive piece of legislation.

Mr. HOPE. Mr. Speaker, I yield such time as he may require to the gentleman from Maine [Mr. NELSON].

Mr. NELSON. Mr. Speaker, I want to compliment the committee most highly on bringing out this legislation. I hope it is but the beginning of a continued and increasing campaign to conserve and improve our forestry resources. Increasingly in my State, as in the Nation, forest resources are being destroyed by pests and fires faster than by cutting. While we spend billions for foreign aid and contemplate millions for undeveloped areas in other lands, our own resources are being wasted or neglected. We must learn in America that our resources are not inexhaustible and that unless we are prudently charitable we will kill ourselves with kindness. I hope, as I have said, that this will mark an ever-increasing effort for the protection, conservation, and improvement of our own resources before we develop foreign areas. The money appropriated is little enough in comparison. Yet upon this and similar appropriations for fire protection, planting, and replanting of trees, and securing adequate timber growth on small, privately owned tracts, depends the entire future timber supply in the United States. I certainly urge passage of this bill.

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I wish to take this opportunity to compliment the committee on bringing out this much-needed legislation. I know that it will be a great and contributing factor to the protection, development, and preservation of our great forest areas. One point that has not been brought to the attention of the committee is the fact that this will also be a contributing factor to flood control. We spend millions of dollars in flood-protection measures, yet at the same time we fail to recognize the part forests play in flood control and the great help they can be to the flood-control program.

The guidance of research is essential if Federal programs of flood control are to be intelligently designed.

These and many other problems require a stepped-up program of forest research. The meager research results that have been obtained are already being applied in the Allegheny National Forest of one-half million acres, in my State. Private land owners attempting to practice forestry are also using these results. However, too many managers of forest lands cannot find the answers to their technical problems and an expansion of this program is essential to provide guidance and leadership in both public and private management efforts.

I am glad to see the interest that is being taken by the Members in these forestry programs. It is a matter which has been neglected for many years, and it is heartening to see the great interest now being taken in my State of Pennsylvania in the development and protection of the forests we still have. The Forest Service has turned in a very fine performance, and the results achieved on the appropriations that have been available for the past several years are remarkable. It is a wise expenditure of the taxpayers' money. I hope this legislation will meet with the unanimous approval of every Member of the House.

When I ride through my district and see these great denuded areas where the forests have been slaughtered with no thought of rehabilitation, no thought of protection of what we have left, with

but little attempt being made to develop these great areas that have been a productive resource in my State for many years, I fully realize how helpful this legislation will be in protection and development of these great forest areas and I want the committee to know that I heartily support the bill.

Mr. GRANGER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, the forests, a natural resource of our country, are indispensable to its welfare; they protect the watersheds of the West and they must be preserved for that purpose if for no other. We have been prodigal with our forests; we have not kept pace with their rehabilitation and replacement. One of the great lumber producers of the West has adopted the slogan: "The timber is a crop." It is time that we begin to look upon our forests as a replaceable commodity. We must preserve them for future generations if we are to have the supply of lumber and wood products which is so necessary in our economy.

This bill aids in a reforestation program long overdue.

The forests harbor our important wildlife resources and are indispensable to the recreation of the people of this country.

This recognition of a plan that will preserve and return our forests to their former grandeur is important to all of us.

Mr. GRANGER. Mr. Speaker, I yield such time as he may desire to the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Speaker, I rise in support of the pending bill, H. R. 2296, which has for its purpose the protection and restocking of one of our greatest natural resources, our forests. Our country has depended to a large extent upon our natural resources. Our forests down through the years have provided one of the greatest industries and means of employment for thousands of people. During the depression, it meant much to the small farmers to be able to harvest their timber crops and in many instances save their homes. Many people found employment working in the timber industry.

It is also vital to our economy that we preserve, protect, and restock our timberlands. Down through the years, our timber has been harvested but no adequately planned program for protection, restocking, reforestation, or planned harvesting has been carried out to assure the continuous supply to meet the future demands and necessities.

Recently, many of our States have taken a number of progressive steps and measures in an effort to alleviate the butchering of our timber, to start replenishment of our forests, to prevent its destruction by fire, to foster the proper management of timberland and to stimulate the regular and planned harvesting of the timber crops. It is impossible, however, for the several States to carry on this work as adequately as it can be carried on through the aid and assistance of the Federal Government, which is in a better position to coordinate and correlate the various programs that can be of such great help in carrying out an adequate forestry program to meet the needs of this important resource.

This bill supplements and amends the act of June 7, 1924, as amended, which act is the legislation establishing Federal-State cooperation in forestry activities and the measure before us deals exclusively with the Federal-State cooperative forestry program, in which the Federal expenditure is limited to an amount not exceeding that of each State or territory. No Federal lands are included in the program dealt with in this bill. It authorizes the Secretary of Agriculture to cooperate with the proper officials of each State in the fire-protection program. The Federal contribution for this purpose is limited to an amount not to exceed the amount expended by the State for the same purpose during the same fiscal year. It increases from $9,000,000 to an eventual total of $20,000,000 the authorization for Federal appropriation for the fire-protection program.

The protection available now is not adequate. The degree of protection aimed at under this program is that which provides basic public protection but leaves part of the responsibility on the private owner. The maximum Federal participation in the program is hoped to be reached by 1959.

Protection against fire is one of the basic requirements of our forests. It is a public responsibility to be shared equally by the Federal Government, the States, and private industries. It is hoped that through this bill the Federal Government's efforts will reach that of the States.

The other main features of the bill deal with Federal cooperation with the States in the production and distribution of forest-tree seeds and plants. The present authorization of $100,000 is increased to an eventual total of $2,500,000.

Of prime importance to a sound forestry and soil-conservation program is the planting or replanting of trees on acres which should be in forest growth but are now diluted and are so poorly stocked that they will not reseed themselves.

Heretofore, always the entire burden of this part of the Federal-State forestry program has fallen upon the States, which has fallen far short of meeting the demands and requirements, there being approximately 62,000,000 acres of privately owned forest lands that need restocking.

The State production ceiling in 1948 was such as to plant only about 165,000 acres. One of the objects of this bill is to make available to forests and farm owners such seedlings that will make possible the planting of about 100,000,000 acres a year, which will require approximately 1,000,000,000 seedling trees each year. The production costs of which are approximately $38 per thousand.

The bill further provides and authorizes direct technical assistance to farmers and forest owners in the planting and harvesting of timber crops to be carried out through the State foresters. This is one of the important phases of the program so far as the future timber supplies of this country are concerned, because of the valuable assistance that can be rendered the small forestry owners of the Nation.

All in all, this is a most beneficial bill and one that will redound to the benefit of all segments of the country and I heartily recommend that this bill be passed unanimously by the House.

Mr. GRANGER. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Speaker, I am very happy to support this legislation. On January 6, 1949, I introduced H. R. 977, which is the same as section 1 of the pending bill. I had a bill last year similar to H. R. 977.

The growing of timber is a matter of extreme importance to Louisiana. This is particularly true in the Eighth Congressional District, which I have the honor to represent. The Keatchie National Forest, the only national forest in Louisiana, is all situated in the Eighth District. The fine cooperative spirit on the part of both the Federal and the State governments has gone far in the direction of conserving our forests and growing new timber. But much remains to be done. Considerable progress has been made all over the Nation, but we must put much more money into this fine work if we are to rehabilitate our forests for future generations. This bill providing for further cooperative effort between the Federal Government and the States will greatly help in this progressive work.

I am particularly interested in replanting denuded forest land. All phases of forestry are important, but unless we replant land which has been practically denuded, little can be expected. I consider it a great investment to spend money for this purpose. Our natural resources are fast being depleted and our virgin timber is virtually gone, and unless we take adequate steps to reforest both public and private lands, we will fail in our obligation. Of course, this bill applies to private lands. It is a matter of extreme importance to help private landowners reforest their lands. I have found recently that there is considerable interest on the part of small landowners in my section in the reforestation program. The work of the Federal and State Governments has served to teach us that the growing of timber is good business and one of the finest crops that we can grow. That is particularly true of most of Louisiana, where the slash pine grows so fast and on even the poorest soil.

The growing of timber is also important in the prevention of floods. I have seen this demonstrated in my own section. The growing of timber is one of the best means of protecting land from erosion. Erosion fills up streams.

I am pleased that the committee has reported out this bill. I congratulate the committee, and I hope this bill passes unanimously.

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this bill to extend good forestry

practices on a basis of cooperation with the States and with farmers and other owners of timber and wood lots is desirable legislation.

I am particularly glad to see that it places emphasis upon each side in the cooperative agreements doing its fair share.

Often we feel it is a failure on the part of the States to do their fair share in mutual undertakings. In some instances, however, in this tree work the States have been doing more than their equal share.

For instance, on forest-fire cooperation, as table I on page 4 of the committee report shows, the total expenditure by the States is in the ratio of 14 to 8 by the Federal Government. My State of South Dakota, on the other hand, has spent for this purpose in the ratio of 24 to 7 by the Federal Government.

Mr. Speaker, this bill has several good features and should be passed. I trust that its enactment will lead to a thoroughgoing program of cooperation in all phases of the work it authorizes. Trees are national wealth. Their propagation and care are in the national interest.

Mr. HOPE. Mr. Speaker, I yield to the gentleman from Oregon [Mr. ANGELL] such time as he may desire.

Mr. ANGELL. Mr. Speaker, I commend the committee for bringing in this legislation. We in the West are very much interested in this legislation, particularly the great State of Oregon. The State of Oregon has the largest stand of commercial timber of any State in the Union. The United States has been rather dilatory in preserving this great natural resource, which is one of our great assets. It is an asset that needs protective care, and, as I stated, I am glad the committee is looking toward the future preservation of the forests of our country.

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, I shall support this measure. It is a much-needed step in the conservation of our forests and their restoration and will result in great good to the people of the entire country.

The bill, H. R. 2296, reported to the House by the Committee on Agriculture, authorizes cooperative forestry programs between the Federal Government and the various States in the procurement, production, and distribution of forest-tree seed and plants to establish forests, windbreaks, shelter belts, and farm wood lots upon denuded or nonforested lands in States which cooperate with the Federal Government on a 50–50 basis under the program established by this act. One million dollars to carry out the provisions of the act is appropriated for the fiscal year ending June 30, 1950; $1,500,000 for the fiscal year ending June 30, 1951; $2,000,000 for the fiscal year ending June 30, 1952; $2,500,000 for each subsequent fiscal year.

The proposed act declares it to be the policy of Congress to encourage the development and maintenance of adequate forest resources essential to national defense, employment, and national prosperity.

The Secretary of Agriculture under the terms of this act is authorized to cooperate with public and private agencies and persons in obtaining assistance to carry out the purposes of the act.

The people of this country are beginning to realize as never before that we must conserve our soil, our water, our timber and all other natural resources that make human life on this earth possible. I can remember when the greater portion of my native county of Campbell's heavily timbered tracts of land were virgin forests, when the surface of her coal fields had not been scratched, when if a field had become eroded and was no longer productive, the usual procedure was to abandon this field and clear new ground. That day is past. Our virgin forests have been cut and sawed into lumber. Many of our coal mines have been exhausted, and fields that were once fertile and productive have been in many instances abandoned. In the face of these conditions, no other people in all Tennessee have matched the efforts of the public-spirited citizens of Campbell County in reforesting her cut-over lands. I have read with interest of the recent celebration at which public officials and public-spirited citizens of Campbell County planted the eight millionth tree on the courthouse lawn at Jacksboro. A young white pine was planted on the lawn of the courthouse by William Perkins, a World War II veteran who was chosen because he had helped to plant some of the first trees in the county as a member of one of the numerous CCC camps when the work was started some 12 years ago. The total land area of this county is 286,000 acres and 8 out of every 10 of these acres are forest lands.

Because of the great abundance of minerals, food, wood, water and wildlife which originally existed on this earth, men have taken them for granted without any thought that the time might come when these great sources of human life were reduced through the waste and destruction of man until their disappearance would threaten human life on this earth. Most of the continents of the world are face to face with a serious depletion of natural resources. More than one country is bankrupt. Bankruptcy in the natural resources of productive soil, forests, water, and wildlife has heretofore wiped out civilizations and millions of people. We cannot escape such a fate unless we begin with might and main and with intelligence to restore our waste places and to conserve the soil and water, the timber, and the animal life which we have left.

The fertility of much of the earth, through the ignorance and mistreatment of mankind, has fallen to such an extent that what 1 man in an hour of labor could formerly produce now requires 10, 50, or even 100 man-hours of labor. You need only to travel through any part of this country to see scattered saw timber where once were virgin forests and exhausted, abandoned old fields which once were fertile and capable of producing crops. This is true of the grazing lands of the West.

It is not enough to improve political and economic systems; we must improve, conserve, and wisely use the land out of which everything we use is derived. From the land and from the sea we obtain our food, our clothing and our shelter. Men in every walk of life, on the farm, in the office, in the shop, behind the counter, in our armed forces, in our schools, in government, must realize the dependence of man on his environment. These facts have been stressed by one of the wisest men in this country, Bernard M. Baruch, in a word of introduction to a book entitled "The Road to Survival," which recently came to my desk. The truths set forth in this book are based upon human history and the experience of mankind for 3,000 years.

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, I know the Members realize my own great interest in all things connected with forestry. I want to join at this time with my colleagues, and particularly the gentleman from the neighboring State of Oregon, in their commendation of the committee for reporting this bill. I hope that the bill passes unanimously.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to extend their remarks in the RECORD on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended so as to read: "A bill to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes."

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 900) entitled "An act to amend the Commodity Credit Corporation Charter Act, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. ANDERSON, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

CONTINUING AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 235) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MICHENER. Mr. Speaker, reserving the right to object, has the gentleman cleared this matter through the majority leader and the minority leader?

Mr. BLAND. I have cleared it with everybody I know anything about.

Mr. MICHENER. I just want the record to show that.

Mr. BLAND. Yes. I cleared it with everybody, including the gentleman from Ohio [Mr. WEICHEL], the ranking minority member of the committee, who has also agreed.

Mr. CASE of South Dakota. Mr. Speaker, further reserving the right to object, will the gentleman state what this means as far as appropriations to the Maritime Commission are concerned?

Mr. BLAND. I do not know that it means anything so far as appropriations are concerned, or the amount of them. I understand that the Committee on Appropriations has under consideration funds that were requested for the further extension of chartering, but it is absolutely necessary now that the charter powers, which expires on the 30th day of June 1949, be extended and be carried on, as we ask here, for 1 year, and in that time I will say that the Committee on Merchant Marine and Fisheries has scheduled a long-range program to take care of the whole situation before 1950.

Mr. CASE of South Dakota. The gentleman from Virginia, of course, is well aware of the fact that during the past year the Maritime Commission used this power to sell several vessels on which it was later discovered that there was valuable scrap which, in some instances, exceeded the amount for which the vessel was sold.

Mr. BLAND. I will say that our accounting man, who is employed by the committee, is now investigating the matter, and I hope to have a report soon. He told me no later than last Saturday that it looked as though considerable funds are going to be recovered.

Mr. CASE of South Dakota. Does the gentleman have any assurance that the Maritime Commission will follow any better practice in inventorying these vessels to determine the value of this scrap before they are sold?

Mr. BLAND. I will say to the gentleman that the committee will try to have a correction made of all practices of that nature. As a matter of fact, we are making that investigation now.

Mr. CASE of South Dakota. That is not very assuring. During the hearings on the appropriation bill this year for the Maritime Commission we went into the matter at some length, and we were furnished by the committee's investigating staff with a list of two or three pages of vessels sold, and in numerous instances the amount of scrap later discovered approximated and in some cases exceeded the amount that was gotten for the vessel. We were unable to get from the Maritime Commission any firm commitment that they would adopt any better policy. About all was that hereafter, when a vessel was sold, a representative from the Commission would accompany the purchaser in an inspection, and the purchaser would be required to report the presence of any scrap.

Mr. BLAND. Every effort to correct that situation is being made by the committee. And, I will say also that I understand there is to be a new head of the Commission. General Fleming has been named. I hope he will accept it. He does not know anything about a ship, but he does know about administration, and I believe that he will make a very effective man. I am not only going into that, but I have also asked the committee to investigate the reports of the Hoover Commission and see if anything can be done toward a better reorganization. But, that is not going to help us now, because we have to have these ships in order to send this ECA material over. The cost of chartering, of transporting, is going up, and I am told that the extension of charter powers is essential to get the program carried out.

Mr. CASE of South Dakota. Mr. Speaker, I am well aware of the importance of this ECA material being transported as cheaply as possible, and I am not disposed to interfere with that. At the same time, in view of the failure of the Maritime Commission to give the Committee on Appropriations any assurance whatsoever that they would adopt any real corrective changes in their practices of selling these ships, I am constrained to object at this time, unless the gentleman will consider withdrawing the bill so that we may have an opportunity to consider whether or not it is possible to get some restrictions or corrective measures written into the law.

Mr. BLAND. That will interfere materially with the transportation of the material. I can assure the gentleman that so long as I am Chairman of the Committee on Merchant Marine and Fisheries—and I expect to be until certainly this Congress expires, the Lord helping me to live that long—I will do everything I can to have these things corrected.

Mr. CASE of South Dakota. I appreciate that, and I hope that the gentleman is chairman of the committee as long as there is a Democratic Congress. But, I do know that the Committee on Appropriations endeavored to get definite and adequate assurances from the Commission. The assurances were not forthcoming at our hearings. I must object unless the gentleman will consent to withdraw his bill at this time, so that we may confer further on the matter.

Mr. BLAND. I do not feel that I ought to withdraw it at this time, because I think it is too important, but I will do everything I can to comply with the gentleman's request. I hope he will not object.

Mr. CASE of South Dakota. I object, Mr. Speaker.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 20, 24, 25, 26, 34, 48, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 7, 8, 9, 10, 11, 18, 19, 30, 32, 35, 37, 41, 42, 44, 45, 55, 62, 63, 64, 65, and 67, and agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out "$175,000" and insert in lieu thereof "$137,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$23,500,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"UNITED STATES MARITIME COMMISSION

"VESSEL OPERATING FUNCTIONS

"Funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the entire fiscal year: *Provided*, That the total obligations under this head for the fiscal year 1949 shall not exceed $23,000,000."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$13,250,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"ADMINISTRATIVE EXPENSES

"For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $75,000, to

be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948)."

And the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "and the limitation under said head on force account activities is hereby amended to read as follows: ': *Provided further*, That not exceeding 12 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator' "; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In line 10 of the matter inserted by said amendment strike out "10" and insert in lieu thereof "12"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,750,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,900,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,750,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,800,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: ": *Provided*, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $9,250,000: *Provided further*, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $54,500,000: *Provided further*, That the limitation of three thousand five hundred contained in the fifth proviso under this head in said Act is hereby increased to three thousand six hundred and twenty-five"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$450,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment strike out "1942" and insert in lieu thereof the following: "1940"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 21, 27, 36, 47, and 66.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2 are reported in disagreement.

Amendments Nos. 3 and 4 relate to the Senate and the House recedes.

Amendments Nos. 5 and 6 are reported in disagreement.

Amendments Nos. 7 to 11, inclusive, relate to the Senate and the House recedes.

Amendments Nos. 12 to 17, inclusive, are reported in disagreement.

INDEPENDENT OFFICES

Amendments Nos. 18 and 19 insert formal language as proposed by the Senate.

Amendment No. 20 strikes out an appropriation, proposed by the Senate, for modernization of the Executive Mansion.

Amendment No. 21 is reported in disagreement.

Amendment No. 22, relating to the Bureau of Community Facilities, Federal Works Agency, appropriates $3,000,000 for maintenance and operation of schools as proposed by the Senate but appropriates $137,500 for administrative expenses instead of $175,000 as proposed by the Senate.

Amendment No. 23, relating to Federal Housing Administration, provides $23,500,000 for administrative expenses instead of $23,000,000, as proposed by the House, and $23,800,000 as proposed by the Senate.

Amendments Nos. 24, 25, and 26 strike out language proposed by the Senate to repeal certain provisos in the 1948 and 1949 Government corporations appropriation bill.

Amendment No. 27 is reported in disagreement.

Amendment No. 28 makes $4,568,000 available for operation of vessels, Maritime Commission, as proposed by the Senate, but language is amended to simplify accounting.

Amendment No. 29 appropriates $13,250,000 for the War Assets Administration instead of $12,500,000, as proposed by the House, and $13,750,000, as proposed by the Senate.

Amendment No. 30 inserts a title as proposed by the Senate.

Amendment No. 31 appropriates $75,000 for the War Claims Commission instead of $100,000, as proposed by the Senate, and deletes proviso proposed by the Senate.

Amendment No. 32 appropriates such amounts as may be necessary for the payment of war claims as proposed by the Senate.

DEPARTMENT OF AGRICULTURE

Amendment No. 33 appropriates $1,250,000 for control of insect-pest outbreaks instead of $1,000,000, as proposed by the House, and $1,350,000, as proposed by the Senate.

Amendment No. 34 strikes out a provision, proposed by the Senate, requiring a special report on insect-pest outbreaks.

Amendment No. 35 corrects a misspelled word.

Amendment No. 36 is reported in disagreement.

DEPARTMENT OF COMMERCE

Amendment No. 37 appropriates $366,000 for the Coast and Geodetic Survey, as proposed by the Senate, instead of $290,000, as proposed by the House.

DEPARTMENT OF THE INTERIOR

Amendment No. 38 increases amount of funds available for force-account work from 8 to 12 percent instead of to 10 percent as proposed by the Senate.

Amendment No. 39 appropriates $1,000,000 for Navajo Agency services instead of $360,000, as proposed by the House, and $1,310,000, as proposed by the Senate, and strikes out language as proposed by the Senate.

Amendment No. 40 eliminates language proposed by the Senate to require a special report to Congress on Navajo services.

Amendment No. 41 appropriates $50,000 for education of Indians, as proposed by the Senate.

Amendment No. 42 appropriates $75,000 for conservation of health of Indians, as proposed by the Senate.

Amendment No. 43 appropriates $400,000 for welfare of Indians instead of $385,000, as proposed by the House, and $560,000, as proposed by the Senate.

Amendment No. 44 strikes from the bill language with respect to payment of welfare amounts to Indians as proposed by the Senate.

Amendment No. 45 appropriates $3,750,000 for conversion of the Bushnell Army Hospital as proposed by the Senate.

Amendment No. 46 appropriates $500,000 for conversion of a ship instead of $700,000 as proposed by the Senate.

Amendment No. 47 is reported in disagreement.

Amendment No. 48 strikes out an appropriation of $25,000 tribal funds proposed by the Senate.

Amendment No. 49 increases from 8 to 12 percent the amount of funds available for force-account work instead of 10 percent as proposed by the Senate.

Amendment No. 50 appropriates $4,750,000 for the Davis Dam project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 51 appropriates $1,900,000 for the Colorado-Big Thompson project instead of $1,800,000, as proposed by the House, and $2,000,000, as proposed by the Senate.

Amendment No. 52 appropriates $4,750,000 for the Columbia Basin project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 53 appropriates $4,800,000 for the Missouri River Basin instead of $4,500,000, as proposed by the House, and $5,100,000, as proposed by the Senate.

Amendment No. 54 increases limitations on personal services to $9,250,000 and $54,500,000 instead of $8,410,000 and $53,376,000, as proposed by the Senate, and repeal of such limitations as proposed by the House.

Amendment No. 55 strikes out language proposed by the House repealing a proviso in the Interior Department Appropriation Act, 1949.

Amendment No. 56 appropriates $325,000 for the Lewiston Orchards project instead of $300,000, as proposed by the House, and $350,000, as proposed by the Senate.

Amendment No. 57 appropriates $450,000 for the Provo River project instead of $400,000, as proposed by the House, and $500,000, as proposed by the Senate.

DEPARTMENT OF THE ARMY

Amendment No. 58 continues available $2,000,000 of an appropriation for payment of obligations incurred during the fiscal years 1940–46 instead of during the years 1942–46, as proposed by the Senate.

Amendment No. 59 appropriates $10,500,000 for rivers and harbors, as proposed by the House, instead of $10,509,000, as proposed by the Senate.

Amendment No. 60 appropriates $10,000,000 for "Flood control, general," instead of $2,500,000, as proposed by the House, and $20,000,000, as proposed by the Senate.

Amendment No. 61 limits the amount available for section 205 of the Flood Control Act to $500,000 instead of $2,000,000 as proposed by the Senate.

TITLE II—CLAIMS AND JUDGMENTS

Amendment No. 62 appropriates $22,700,571.07 for payment of claims and judgments as proposed by the Senate.

TITLE III—GENERAL PROVISIONS

Amendments Nos. 63 and 64 make formal changes in language as proposed by the Senate.

Amendment No. 65 strikes out a provision with respect to purchase of typewriters as proposed by the Senate.

Amendment No. 66 is reported in disagreement.

Amendment No. 67 corrects a section number as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized a motion to recede from disagreement and concur in the amendments remaining in disagreement.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

Mr. TABER. Mr. Speaker, I think the gentleman should explain the conference report.

Mr. KERR. Mr. Speaker, I withdraw my motion and yield myself 3 minutes.

Mr. Speaker, for the information of the membership of the House, I wish to summarize the action of the conferees on the first deficiency appropriation bill. The Senate receded on 5 amendments involving $5,409,000, and the House receded on 37 amendments involving something over $42,000,000. Of this latter amount, however, claims and judgments, which were included in the Senate version of the bill, accounted for something over $31,000,000. The total of the items agreed upon by the conferees is approximately $52,800,000. When the amount of $31,000,000, included for claims and judgments, is excluded, the bill as finally agreed to by the conferees reflects an increase of $21,769,725 above the House figure and $18,079,000 under the Senate figure. I want to point out, however, that a considerable portion of the increase over the House figure is represented by deficiency estimates which were received in the Senate and were not previously considered by the House committee.

The House conferees were determined to limit the Senate increases as much as possible and, as a matter of fact, it took four conferences before a conclusion could be reached.

Such amendments as are reported in disagreement are done so for technical reasons and not because of actual disagreement between the House and Senate conferees.

On the whole, I feel that the House conferees have done an excellent job, and I hope that the conference report will be agreed to.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. HINSHAW. On page 14 of the bill as marked up by the conferees, provision is made for administrative expenses of the War Claims Commission. Would the gentleman be willing to state the final figure agreed upon between the House and Senate as to the appropriation for the balance of the fiscal year 1949 for the War Claims Commission?

Mr. KERR. The amount of $75,000 was finally agreed upon.

Mr. HINSHAW. May I ask if the proviso at the end of the paragraph was deleted, or whether it still remains in the bill.

Mr. KERR. This was necessary under the rule. The Senate has passed a bill which covers this.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. PHILLIPS of California. I think I understood it to read that there was an item of something over $3,000,000 for the development of the schools for Navajo Indians at Salt Lake City. It is amendment No. 45, I am advised.

My question is this: These Indians are now being sent to school in Arlington, near Riverside, Calif., which is adequately equipped, and so far has been adequate for them. Therefore, does this not represent an unnecessary expenditure of $3,500,000 or more, or is it necessary that both schools shall be used for that purpose?

Mr. KERR. This amount is required by law. We agreed with the Senate in the amount we put in.

Mr. PHILLIPS of California. The question is, Is it not a waste of money as long as the school presently in use at Arlington, near Riverside, Calif., is adequate? Is that school not to be used or is it to be discontinued?

Mr. KERR. The distribution of the funds did not enter into the picture at all.

Mr. PHILLIPS of California. Does the gentleman mean the committee just put $3,500,000 in the bill without any discussion of it?

Mr. KERR. That was the need determined from the evidence and that is the amount that we gave them.

Mr PHILLIPS of California. The gentleman has not yet answered my question. Perhaps he did not understand me. The gentleman is saying, in effect, that this item was put in without any discussion as to the need of it. Ordinarily, that is not the way we spend $3,500,000.

Mr. RABAUT. No; and that is not the way we spend it here, either.

Mr. PHILLIPS of California. I am glad to hear that.

Mr. RABAUT. The first thing is, the gentleman is talking about something that is not in this bill. What we are talking about is what is listed on line 19, page 21. For this item we gave $3,750,000. We gave it under provision of law which was recently passed by both Houses. What the gentleman is talking about does not come in this bill, and we know nothing about that.

Mr. PHILLIPS of California. No. The gentleman still has not answered my question.

Mr. RABAUT. I have answered as much as I can understand what you are talking about.

Mr. PHILLIPS of California. May I make it a little clearer. It is probably my fault. This says that $3,750,000 is to be expended to convert Bushnell Hospital in Utah for school purposes.

Mr. RABAUT. That is right.

Mr. PHILLIPS of California. I am advised that the school purpose is for the education of Navajo Indian children.

Mr. RABAUT. That is correct.

Mr. PHILLIPS of California. Therefore, I am asking what has happened to the program which presently educates these Navajo Indian children at the school near Riverside, Calif., which up to this time has been adequate for their education, and which would therefore

seem to me to be a wasteful appropriation.

Mr. RABAUT. There is no reference at all to this other project that the gentleman is talking about in this bill. This comes with the budget estimate that was approved by the budget and was recognized by both bodies of Congress. Both bodies of Congress passed it and this is the appropriation for the project. What happened to the other project evidently did not concern the budget at the time. Whether they need additional facilities and are going to discontinue the other facilities, I do not know. Something will be done with it, but this project was proven to everybody concerned—proven in the Senate, proven in the House, proven before the Bureau of the Budget, and finally passed and brought up in the form of this appropriation at this time.

Mr. PHILLIPS of California. Then I respectfully point out to the gentleman that I am right when I say that the conferees put into the bill an item of $3,750,000 without knowing what it was all about.

Mr. RABAUT. Well, I would say to the gentleman that variety of opinions makes horse races.

Mr. PHILLIPS of California. Well, it is a fairly expensive horse race.

Mr. RABAUT. Well, it may be a fairly expensive horse race, but there is evidently an attempt here to embarrass—to talk about something that is not in this bill. There are numerous Indian schools, but only one in this bill.

Mr. PHILLIPS of California. There is no attempt to embarrass.

Mr. RABAUT. There cannot be any other attempt.

Mr. PHILLIPS of California. There is a very definite attempt, if the gentleman please, to find why there is $3,750,000 added to this bill without knowing, apparently, that other money was being spent for that purpose, adequately, in another school. If that be embarrassment, then I hope for the sake of the taxpayers there will be more embarrassment of that kind every day we are in session.

Mr. RABAUT. That is the answer.

Mr. PHILLIPS of California. I thank the gentleman.

Mr. RABAUT. Further for the gentleman's information, if he wishes——

Mr. PHILLIPS of California. Yes; I would thank the gentleman for it.

Mr. RABAUT. There are 5,000 of these Indians now in school, yet 20,000 should be in school. From those facts the gentleman might figure that it is an additional needed facility and accordingly provided.

Mr. PHILLIPS of California. I thank the gentleman. It is a very interesting explanation.

CALL OF THE HOUSE

Mr. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present. The people are against excessive expenditure, I found out during the week; and I make the point of no quorum if we are going to talk about a $3,750,000 item with no chance to vote against it.

The SPEAKER. The gentleman is out of order. He has already made the point that a quorum is not present. If he takes himself off the floor, that is his business.

Evidently no quorum is present.

Mr. KERR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 95]

Auchincloss	Gorski, Ill.	Pfeiffer,
Bailey	Granger	William, L.
Barden	Green	Philbin
Baring	Gregory	Polk
Barrett, Pa.	Gwinn	Potter
Bates, Mass.	Hall,	Powell
Beall	Edwin Arthur	Quinn
Biemiller	Halleck	Rains
Boggs, La.	Hart	Reed, Ill.
Bolton, Ohio	Hedrick	Regan
Bonner	Heffernan	Ribicoff
Bosone	Heller	Rich
Buchanan	Hobbs	Sadlak
Buckley, N. Y.	Hull	Sadowski
Burnside	Irving	St. George
Burton	Jackson, Calif.	Scott,
Byrne, N. Y.	Kearney	Hugh D., Jr.
Canfield	Keogh	Shafer
Carroll	Kilburn	Short
Celler	Klein	Sikes
Chatham	Latham	Smathers
Chiperfield	Lichtenwalter	Smith, Ohio
Chudoff	Lind	Smith, Va.
Clevenger	McMillen, Ill.	Stanley
Cooley	Macy	Tauriello
Corbett	Madden	Taylor
Cotton	Mahon	Thomas, N. J.
Coudert	Marcantonio	Thomas, Tex.
Crosser	Merrow	Underwood
Davenport	Miller, Nebr.	Vinson
Dawson	Morton	Vorys
Delaney	Multer	Vursell
Dingell	Murphy	Walsh
Donohue	Murray, Wis.	Weichel
Douglas	Norblad	Werdel
Fernandez	O'Neill	Whitaker
Flood	O'Toole	Wilson, Ind.
Fogarty	Passman	Wood
Fulton	Patterson	Young
Garmatz	Pfeifer,	Zablocki
Gilmer	Joseph L.	
Golden		

The SPEAKER. Three hundred and nine Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

MINORITY VIEWS

Mr. COLE of Kansas. Mr. Speaker, on behalf of my colleague, the gentleman from Ohio [Mr. SMITH], I ask unanimous consent that he may file minority views on the bill H. R. 4009.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER (at the request of Mr. TABER) was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. ROONEY asked and was granted permission to extend his remarks in the Appendix and include a speech he delivered on yesterday.

Mr. SHEPPARD asked and was granted permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SHEPPARD asked and was granted permission to extend his remarks in the RECORD and include the remarks of Mr. Tony Siminoff.

Mr. O'HARA of Minnesota (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD in two instances—one, on the subject United Mine Workers of America Oppose the St. Lawrence Seaway Project, and the other, Marine Corps Demonstration at Quantico.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter in each instance.

FEDERAL CROP INSURANCE ACT

Mr. McSWEENEY, from the Committee on Rules, submitted the following resolution (H. Res. 212) on the bill (H. R. 3825) to amend the Federal Crop Insurance Act, which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. KERR. Mr. Speaker, does the gentleman from New York [Mr. TABER] desire some time on this conference report?

Mr. TABER. Yes; I would like 10 minutes, if I may have it.

Mr. KERR. Mr. Speaker, I yield 10 minutes to the gentleman from New York.

Mr. TABER. Mr. Speaker, in this report there are two or three things that I feel I should call attention to.

The language with reference to the Mike Straus and Boke proposition which the House carried was stricken out by the Senate, and the conferees yielded to the Senate and left it out. So that the Interior Department appropriation bill which was passed a year ago still stands, and the prohibition against paying a salary after January 31 to anyone who is not a licensed engineer in the capacity of Commissioner of Reclamation or in the capacity of chief engineer of the Central Valley Authority continues as it was.

There is another item that I think I should call attention to. The amendment is in disagreement, but it will be offered for agreement in a motion made by the committee increasing the appropriation for the Unemployment Insurance Administration from $10,000,000 to $14,000,000. It will be remembered that the House voted on a motion to recommit on just that proposition offered by the gentleman from Connecticut [Mr.

SADLAK] and the House refused to do so. It was manifest at that time that it was necessary that we do it.

There is an item that has been referred to by the gentleman from California [Mr. PHILLIPS], providing $3,750,000 for the conversion of a hospital at Brigham City, Utah, into an Indian school for Navajos. Frankly, no one in the conference committee, in my opinion, knew anything about the school at Riverside, Calif., at the time that item was under consideration. For my own part, I felt it was a very liberal amount to provide for the conversion of a hospital into a school; in other words, it was a hospital with 4,000 beds and they wanted $3,750,000 to convert it into a school for 2,000 boarding pupils. That sounded like a very liberal amount, and I felt that it was too much money; but, be that as it may, the conferees did not have before them the question as to whether or not there was an adequate facility at Riverside, Calif. There was a story of a boarding school on the Navajo reservation that did not meet the situation, and that is all we were presented with.

The situation does not turn out to be the way it was presented to the committee. What the House wants to do about it I do not know. What the situation is with reference to the Riverside school, I do not know. It would be up to the House, however, to pass on it.

There are a lot of other items in disagreement that will have to be acted on by a separate vote of the House.

The committee is in agreement as to what shall be done with those individual items. I think that is all I care to say at this time.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. PHILLIPS of California. I thank the gentleman from New York. This was the situation which brought about, apparently, the request for a quorum call, as the gentleman from New York knows: Here we have a bill of considerable magnitude confronting the taxpayers of the country and in it are several items which should have careful consideration.

My attitude about the Indian school item is simply that when you have $3,750,000 in a bill somebody ought to be able to say what it is for and whether there is any conflict with any money being spent elewhere; so I raised the question, as the gentleman from New York knows, and has said. We have at Riverside, Calif., a school called the Sherman Institution which presently is taking care of Navajo children, educating Navajo children; and I asked whether, in reequipping the Bushnell Hospital and making it a boarding school for approximately 2,000 children, the Riverside school was to be closed or if we were to use both schools. I thought that was a very simple question, but I was unable to get an answer. I have, during the course of the roll call, been able to call the Indian Service and find out that it is not the intention to close the school in California but to use both schools. That should have been a simple reply to a question put to the majority members of the committee whom I was asking. I thought that was a desirable thing to do when we were dealing with three and three-quarters millions. The taxpayers are entitled to know.

I raise this additional question with the gentleman from New York: If we have a hospital that has 4,000 beds and we are making it over into a school to take care of 2,000 Navajo Indian children and the amount involved is $3,750,000 which we are spending for it, it means that for every child we are spending $1,875. Does it not seem to the gentleman from New York that that is a rather large amount to spend on a hospital, already equipped, to make it over into a school for Indian children? That is almost $2,000 a child for the cost of reconverting from a hospital, already equipped with facilities such as kitchens and other most expensive things in the school. This is simply the conversion of a building. It is already built. It is already equipped. Does it not seem to the gentleman from New York that that is a rather large amount? May I ask also, what discussion was there of this amount in the conference committee?

Mr. TABER. I felt that amount was too elaborate and I said so. I feel that way now, but I did not know about this other school at Riverside.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. KERR. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. JENSEN. Has this matter ever gone through a legislative committee? Have we ever had any hearings on it?

Mr. TABER. There has been a legislative bill authorizing an appropriation of this $3,750,000; yes.

Mr. JENSEN. The fact is we need hospitals for Indians in that particular Navajo area, we also need schools; but, certainly, when we convert a hospital to a school at this terrific amount, it just does not make sense.

Mr. TABER. Frankly, I thought it was too big a figure and I think so now.

Mr. JENSEN. I would say that if we were spending this amount possibly to increase the size of the hospital for Indian people it might be justified because of the fact that we do need hospitals for the Indians out in that area.

Mr. TABER. The hospital has been closed for 2 years now and has been out of use. It is proposed now to take it and convert it into a school.

Mr. JENSEN. It would be much more to the point to take this money and build a school close to the Navajo and Hopi Reservations than to build hospital facilities away from the Indian reservation, a long distance away from the reservation. There is no railroad running from the reservation to this point where they want to build the hospital. It appears to me it is foolhardy and a waste of money and we will get exactly nothing in return.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. KERR. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, this is another case of where you are always wrong, no matter what you do, according to the opposition.

In the first place, this building is too far away to be established for an Indian hospital. That is point No. 1. It was an Army hospital before, and, as we all know, they establish Army hospitals for different purposes in various parts of the country. It is too far away to be established as an Indian hospital. It will be an Indian boarding school. I hope you get that now; it will be an Indian boarding school. This sum of $3,750,000 is going to be expended to do certain renovating of the buildings, and procuring of equipment for the school, including books, desks, and everything else that goes with a school system. This measure was approved by the Bureau of the Budget and passed in the committee and approved by both Houses.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Iowa.

Mr. JENSEN. Of course, the gentleman understands that after we convert this building into a boarding school that it will be necessary to have a complete faculty and to have everything that goes with it. If you would spend this money to build an addition to a school in Albuquerque, N. Mex., or Gallup, or someplace like that close to the reservation, then we could have the same staff to take care of them.

Mr. RABAUT. I have just explained the situation to the gentleman, and he still continues to insist upon his views. Everything for the operation of a first-class boarding school to serve the Indians is proposed here, and that is what the conference passed upon. I am somewhat surprised at the argument that infers that we abandon these facilities and finds fault for doing something with what we have on hand. So, with that, I hope to drop this subject.

The following is a letter from the Comptroller General:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 11, 1949.

Hon. KENNETH MCKELLAR,
Chairman, Committee on Appropriations, United States Senate.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives.

MY DEAR MESSRS. CHAIRMEN: I have your letter of May 10, 1949, in which you request my views on three questions pertaining to the proviso in the Interior Department Appropriation Act, 1949, Public Law 841, Eightieth Congress, which stipulated that "after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1)

Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) regional director of reclamation." It appears that the Commissioner of Reclamation and a regional director of reclamation have been unable to meet these qualifications, but have retained their positions serving without pay since January 31, 1949.

While the matters presented in your letter do not involve proposed payments or otherwise amount to a presentation as to which I am required by law to render an advance decision, in view of the provisions of 31 United States Code 53 (b)—providing that, at the request of any committee of either House of Congress having jurisdiction over revenues, appropriations, or expenditures, the Comptroller General shall furnish such aid and information as the committee may request—the following comments are submitted. Your questions are quoted in order and discussed below:

"(1) Would the proviso prevent the use of funds other than those appropriated in the Interior Department Appropriation Act, 1949, for the payment of the salaries of these individuals?"

The proviso applies, by its terms, to any appropriation for the Bureau of Reclamation contained in this act (Interior Department Appropriation Act, 1949). Hence, the question is considered as applying to supplemental or deficiency appropriations for the Bureau of Reclamation for the fiscal year 1949. The general rule followed by the accounting officers with respect to the applicability to supplemental or deficiency appropriations of restrictive language contained in the original appropriation act is that a supplemental or deficiency appropriation supplements the original appropriation, partakes of its nature and is available to the same extent and for the same period as the original appropriation in the absence of a clear indication otherwise (4 Comp. Dec. 61; 20 Comp. Gen. 769; 25 id. 61; 27 id. 96). Accordingly, assuming that the question pertains to a supplemental or deficiency appropriation act for the fiscal year 1949, which by its terms would merely add additional money to the appropriations contained in the regular annual appropriation act, it would appear that the restriction of the proviso here involved would be equally applicable to funds appropriated by acts so making supplemental or deficiency appropriations for the Bureau of Reclamation for the fiscal year 1949, even though the restrictive proviso in question is not specifically repeated in such supplemental or deficiency appropriation acts; unless, of course, the restrictive proviso be repealed in such acts.

"(2) Is the continued employment of the two persons above referred to by the Department of the Interior in contravention of that portion of section 665 of title 31 of the United States Code which reads 'nor shall any department or any officer of the Government accept voluntary service for the Government or employ personal service in excess of that authorized by law?'"

For the purposes of this letter, it is assumed the present incumbents of the positions here involved were legally and properly appointed thereto prior to the date of enactment of the proviso in question and have continuously occupied the positions and rendered service therein to the present time. On that assumption, I have no doubt they are de jure employees of the United States. The pertinent proviso in the Interior Department Appropriation Act, 1949, does not by its terms vacate their positions, but merely renders certain appropriations in that act unavailable for the payment of salaries and expenses thereof; and obviously the Congress could later make an appropriation available for such salaries and expenses. The voluntary service referred to in 31 U. S. C. 665 is not necessarily synonymous with gratuitous service but contemplates service furnished on the initiative of the party rendering the same, without request from, or agreement with, the United States therefor (7 Comp. Gen. 810). Accordingly, since, as pointed out above, the incumbents are holding the positions involved under valid appointments by the United States, the continued employment of said individuals in my opinion, would not violate the quoted provision of 31 U. S. C. 665:

"(3) In the event the persons above referred to, who have continued in employment without receiving compensation therefor, should institute suit against the United States for compensation for their services what, in your opinion, consideration should be given to the decisions in the so-called Watson, Lovett, and Dodd cases in determining the matter?"

While it is not possible, of course, for me to forecast the outcome of any suits that might be filed by the incumbents of the positions here involved, or the weight which would be given in such suits to the decisions of the Court of Claims and of the Supreme Court of the United States in the case of *Robert Morss Lovett et al.* v. *United States* (104 C. Cls. 557, 328 U. S. 303), it is my view that the majority opinion in the Court of Claims, and the concurring opinion of Mr. Justice Frankfurter in the Supreme Court, well might lead to a conclusion that the suits were for the payment of unpaid salaries, that the obligation to pay the salaries had not been destroyed and that the prohibition contained in the proviso in the Interior Department Appropriation Act of 1949 does not preclude the courts from rendering a judgment in favor of the incumbents for their unpaid compensation.

Of course, I express no view regarding the question whether the proviso herein considered should be continued or repealed as that is a question of legislative policy for determination by the Congress.

Sincerely yours,

LINDSAY WARREN,
Comptroller General of the United States.

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the conference report.

The question was taken; and on a division (demanded by Mr. CHURCH), there were—ayes 70, noes 30.

Mr. CHURCH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 292, nays 17, not voting 122, as follows:

[Roll No. 96]

YEAS—292

Abbitt	Bentsen	Camp
Abernethy	Bishop	Cannon
Addonizio	Blackney	Carnahan
Albert	Bland	Case, N. J.
Allen, Calif.	Blatnik	Case, S. Dak.
Allen, Ill.	Boggs, Del.	Celler
Allen, La.	Bolling	Chelf
Anderson, Calif.	Bolton, Md.	Chesney
Andrews	Boykin	Clemente
Angell	Bramblett	Cole, Kans.
Arends	Breen	Cole, N. Y.
Aspinall	Brooks	Colmer
Auchincloss	Brown, Ga.	Combs
Barrett, Wyo.	Brown, Ohio	Cooper
Bates, Ky.	Bryson	Cox
Bates, Mass.	Buchanan	Crawford
Battle	Buckley, Ill.	Crook
Beckworth	Burke	Cunningham
Bennett, Fla.	Burleson	Curtis
Bennett, Mich.	Byrne, N. Y.	Dague
Davies, N. Y.	Jones, Mo.	Perkins
Davis, Ga.	Jones, N. C.	Peterson
Davis, Tenn.	Judd	Phillips, Calif.
Deane	Karst	Phillips, Tenn.
DeGraffenried	Karsten	Pickett
Denton	Kean	Poage
D'Ewart	Kearns	Polk
Dollinger	Keating	Potter
Dolliver	Kee	Poulson
Dondero	Keefe	Preston
Doughton	Kelley	Price
Doyle	Kennedy	Priest
Durham	Kerr	Rabaut
Eaton	Kilday	Ramsay
Eberharter	King	Rankin
Elliott	Kirwan	Redden
Ellsworth	Klein	Rhodes
Engel, Mich.	Kruse	Richards
Engle, Calif.	Kunkel	Riehlman
Evins	Lane	Rivers
Feighan	Lanham	Rodino
Fellows	Larcade	Rogers, Fla.
Fenton	LeCompte	Rogers, Mass.
Fisher	LeFevre	Rooney
Forand	Lesinski	Sanborn
Ford	Linehan	Sasscer
Frazier	Lodge	Scudder
Fugate	Lovre	Secrest
Furcolo	Lucas	Sheppard
Gary	Lyle	Simpson, Ill.
Gavin	Lynch	Simpson, Pa.
Gillette	McCarthy	Sims
Goodwin	McConnell	Smith, Va.
Gordon	McCormack	Spence
Gore	McCulloch	Staggers
Gorski, N. Y.	McDonough	Steed
Gossett	McGrath	Stefan
Graham	McGregor	Stigler
Granahan	McGuire	Stockman
Grant	McKinnon	Sullivan
Gross	McSweeney	Sutton
Hagen	Mack, Ill.	Tackett
Hale	Mack, Wash.	Talle
Hall, Leonard W.	Magee	Tauriello
	Mansfield	Teague
Halleck	Marsalis	Thomas, Tex.
Harden	Marshall	Thompson
Hardy	Martin, Iowa	Thornberry
Hare	Martin, Mass.	Tollefson
Harris	Meyer	Trimble
Harrison	Michener	Van Zandt
Harvey	Miles	Velde
Havenner	Miller, Calif.	Vinson
Hays, Ark.	Miller, Md.	Vursell
Hays, Ohio	Mills	Wadsworth
Hébert	Mitchell	Wagner
Herlong	Monroney	Walsh
Herter	Morgan	Walter
Heselton	Morris	Welch, Calif.
Hill	Morrison	Welch, Mo.
Hinshaw	Moulder	Wheeler
Hoeven	Murdock	White, Calif.
Hoffman, Ill.	Murray, Tenn.	White, Idaho
Holifield	Nelson	Whitten
Holmes	Nixon	Whittington
Hope	Noland	Wickersham
Horan	Norrell	Wier
Howell	Norton	Wigglesworth
Huber	O'Brien, Ill.	Williams
Jackson, Calif.	O'Brien, Mich.	Willis
Jackson, Wash.	O'Hara, Ill.	Wilson, Okla.
Jacobs	O'Hara, Minn.	Wilson, Tex.
James	O'Konski	Winstead
Jenison	O'Neill	Wolcott
Jenkins	O'Sullivan	Woodhouse
Jennings	Pace	Worley
Jensen	Patman	Yates
Jones, Ala.	Patten	

NAYS—17

Andersen, H. Carl	Elston	Smith, Kans.
	Gamble	Smith, Wis.
Andresen, August H.	Hoffman, Mich.	Taber
	Mason	Towe
Byrnes, Wis.	Reed, N. Y.	Woodruff
Church	Rees	
Davis, Wis.	Scrivner	

NOT VOTING—122

Bailey	Canfield	Delaney
Barden	Carlyle	Dingell
Baring	Carroll	Donohue
Barrett, Pa.	Cavalcante	Douglas
Beall	Chatham	Fallon
Biemiller	Chiperfield	Fernandez
Boggs, La.	Christopher	Flood
Bolton, Ohio	Chudoff	Fogarty
Bonner	Clevenger	Fulton
Bosone	Cooley	Garmatz
Brehm	Corbett	Gathings
Buckley, N. Y.	Cotton	Gilmer
Bulwinkle	Coudert	Golden
Burdick	Crosser	Gorski, Ill.
Burnside	Davenport	Granger
Burton	Dawson	Green

Gregory	Mahon	Sabath
Gwinn	Marcantonio	Sadlak
Hall,	Merrow	Sadowski
Edwin Arthur	Miller, Nebr.	St. George
Hand	Morton	Scott, Hardie
Hart	Multer	Scott,
Hedrick	Murphy	Hugh D., Jr.
Heffernan	Murray, Wis.	Shafer
Heller	Nicholson	Short
Hobbs	Norblad	Sikes
Hull	O'Toole	Smathers
Irving	Passman	Smith, Ohio
Javits	Patterson	Stanley
Johnson	Pfeifer,	Taylor
Jonas	Joseph L.	Thomas, N. J.
Kearney	Pfeiffer,	Underwood
Keogh	William L.	Vorys
Kilburn	Philbin	Weichel
Latham	Plumley	Werdel
Lemke	Powell	Whitaker
Lichtenwalter	Quinn	Wilson, Ind.
Lind	Rains	Withrow
McMillan, S. C.	Reed, Ill.	Wolverton
McMillen, Ill.	Regan	Wood
Macy	Ribicoff	Young
Madden	Rich	Zablocki

So the conference report was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Gorski of Illinois with Mr. Werdel.
Mr. Gregory with Mr. Beall.
Mr. Heller with Mrs. St. George.
Mr. Gilmer with Mr. Patterson.
Mr. Keogh with Mr. Macy.
Mr. Davenport with Mrs. Bolton of Ohio.
Mr. Biemiller with Mr. Reed of Illinois.
Mr. Joseph L. Pfeifer with Mr. Fulton.
Mr. Garmatz with Mr. Short.
Mr. Fallon with Mr. Edwin Arthur Hall.
Mr. McMillan of South Carolina with Mr. Wolverton.
Mr. Murphy with Mr. Clevenger.
Mrs. Douglas with Mr. Lemke.
Mr. Donohue with Mr. Gwinn.
Mr. Philbin with Mr. Sadlak.
Mr. Rains with Mr. Coudert.
Mr. Sadowski with Mr. Latham.
Mr. Irving with Mr. Canfield.
Mr. Hobbs with Mr. Morton.
Mrs. Bosone with Mr. Chiperfield.
Mr. Bonner with Mr. Plumley.
Mr. Burnside with Mr. Smith of Ohio.
Mr. Multer with Mr. Taylor.
Mr. Stanley with Mr. Miller of Nebraska.
Mr. Whitaker with Mr. Corbett.
Mr. Wood with Mr. Walter E. Brehm.
Mr. Young with Mr. Lichtenwalter.
Mr. Zablocki with Mr. Hardie Scott.
Mr. Sikes with Mr. Hugh D. Scott, Jr.
Mr. Heffernan with Mr. Shafer.
Mr. Hart with Mr. Hand.
Mr. Green with Mr. Jonas.
Mr. Barrett of Pennsylvania with Mr. Wilson of Indiana.
Mr. Chudoff with Mr. Weichel.
Mr. Buckley of New York with Mr. Nicholson.

Mr. HARVEY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 1, line 9, insert:

"For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500."

Mr. KERR. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 1 to 16 inclusive be considered and voted on en bloc.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 1, insert:

"For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500."

Senate amendment No. 5: Page 2, line 17, insert:

"Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700."

Senate amendment No. 6: Page 2, line 21, insert:

"Commencing March 1, 1949, the appropriation for 'Salaries of officers and employees of the Senate' contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120."

Senate amendment No. 12: Page 3, line 4, insert:

"Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States."

Senate amendment No. 13: Page 3, line 18, insert:

"The basic salary of the research assistant to the minority leader authorized by Senate Resolution No. 158, agreed to December 9, 1941, hereby is increased from $6,000 to $7,320 per annum."

Senate amendment No. 14: Page 3, line 22, insert:

"Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation 'Miscellaneous items, contingent expenses of the Senate', shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949."

Senate amendment No. 15: Page 4, line 10, insert:

"For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500."

Senate amendment No. 16: Page 4, line 21, insert:

"JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES

"For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in Senate amendments Nos. 1 to 16, inclusive.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 8, line 12, strike out "$10,000,000" and insert "$14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 9, line 18, insert:

"GENERAL ACCOUNTING OFFICE BUILDING, DISTRICT OF COLUMBIA

"The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 11, line 5, insert:

"MOTOR CARRIER CLAIMS COMMISSION

"Salaries and expenses

"For expenses necessary for the Motor Carrier Claims Commission established by the act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $50,000: *Provided*, That section 6 of the aforesaid act of July 2, 1948, as amended, is further amended by striking out the words '9 months' and inserting in lieu thereof the words '15 months', and section 13 of said act, as amended, is further amended by striking out the words '9 months' period' and inserting in lieu thereof the words '15 months' period.' "

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 17, line 4, insert:

"FARMERS' HOME ADMINISTRATION

"Loans to farmers, property damage

"The funds ppropriated under the head 'Loans to farmers, 1948 flood damage,' in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 22, line 8, insert:

"Payment to Choctaw and Chickasaw Nations of Indians, Oklahoma

"For payment to the Choctaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between the United

States of America and the said nations as authorized by the act of June 28, 1944 (58 Stat. 483), and as ratified by the act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above acts: *Provided*, That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chickasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid act of June 24, 1948, any or all of the funds held by the Government of the United States for the benefit of said tribes."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: Page 33, line 8, insert:

"SEC. 302. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. KERR. Mr. Speaker, I ask unanimous consent that all Members may have 24 hours in which to extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONTINUING AUTHORITY OF THE MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 235) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

When this joint resolution was brought up earlier in the day the gentleman from South Dakota objected to its consideration, but he now has an amendment to offer and I understand will withdraw his objection.

Mr. CASE of South Dakota. If the gentleman will yield, I raised a question about one point with regard to the extension of authority. I have since conferred with the gentleman from Virginia and have prepared an amendment. With the understanding that that amendment will be agreed to, I have no objection to the consideration of the joint resolution at this time.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the joint resolution entitled "Joint resolution to continue until June 30, 1949, the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes," approved February 28, 1949 (Public Law 12, 81st Cong.), is amended by striking out the date "June 30, 1949" wherever it appears therein and inserting in lieu thereof the date "June 30, 1950."

With the following committee amendment:

At the end of the bill add the following:

"SEC. 2. Any charter in effect at the time of the enactment of this joint resolution shall be terminated by the Commission at the earliest date permitted under the terms thereof after June 30, 1949, unless the charterer enters into an agreement with the Commission that each vessel delivered or retained under such charter shall not be redelivered to the Commission, at the option of the charterer, within less than 6 months for liner services, except coastwise services, or 4 months for bulk services and coastwise services, or for the remainder of the period ending June 30, 1950, if such period is less than said periods of 6 or 4 months, respectively. No charter shall be made by the Commission under authority of this joint resolution or after the date of enactment thereof unless the charterer enters into an agreement with the Commission that each vessel delivered or retained under the terms of such charter shall not be redelivered to the Commission, at the option of the charterer, within less than 6 months for liner services except coastwise services, or 4 months for bulk services and coastwise services, or for the remainder of the period ending June 30, 1950, if such period is less than said periods of said 6 and 4 months, respectively: *Provided, however*, That no vessel so chartered may begin a new voyage after June 30, 1950.

The committee amendment was agreed to.

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 1, line 9, strike out the period, insert a colon and the following: "*Provided*, That hereafter no sale of a vessel by the Maritime Commission shall be completed until its ballast and equipment shall have been inventoried and their value taken into consideration by the Commission in determining the selling price."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and KUNKEL.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include a letter from the Comptroller General of the United States.

UNITED STATES-WASHINGTON AND LEE UNIVERSITY BICENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 636, Eigtieth Congress, the Chair appoints as members of the United States-Washington and Lee University Bicentennial Commission the following Members on the part of the House to serve with himself: Messrs. HARRISON, ALBERT, BROWN of Ohio, and WADSWORTH.

The SPEAKER. Under previous order of the House the gentleman from Delaware [Mr. BOGGS] is recognized for 15 minutes.

SOME FACTS ON PUBLIC HEALTH AND CHEMICAL FOOD ADJUNCTS

Mr. BOGGS of Delaware. Mr. Speaker, on March 2 and again on May 9, our colleague and my good friend, the distinguished and able Representative from Wisconsin [Mr. KEEFE], addressed the House on the subject of public health and the use of chemicals in the Nation's food industry.

In the course of his discussions the gentleman from Wisconsin made several remarks pertaining to one of the Nation's foremost chemical research and manufacturing concerns. The company referred to in his remarks is the Atlas Powder Co., of Wilmington, Del.

I am well acquainted with the reputation of the Atlas Powder Co. Its home office, as well as some of its manufacturing facilities, are located in the State which it is my very great privilege and honor to represent. Many of the officers and employees of the Atlas Powder Co. are my personal acquaintances and friends. The Atlas Powder Co. was organized in 1912. It has nine manufacturing plants scattered from coast to coast. It is my opinion that the Atlas Powder Co. enjoys a reputation for excellence of products unsurpassed in the American chemical and industrial fields.

In view of the remarks by my friend from Wisconsin and in view of my personal knowledge of the excellent reputation of the Atlas Powder Co., I have undertaken to look into the problem to which the gentleman from Wisconsin has directed his remarks. I would like, therefore, to present at this time a few observations, so that the remarks of the gentleman from Wisconsin concerning the Atlas Powder Co. will no longer be misunderstood or unchallenged.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I would like to yield to the gentleman, and I will yield to him at the conclusion of my remarks.

Mr. KEEFE. I think the gentleman should yield now, in view of the fact that he has referred to me in the manner in which he has. I would like to ask the gentleman to point out, in any speech that I have made, where I have unjustly criticized or cast aspersions of any kind whatsoever upon the Atlas Powder Co. Rather than stating bare conclusions, I would suggest that the gentleman refer to my statements.

Mr. BOGGS of Delaware. I thank the gentleman for his observation. I am coming to that directly.

Mr. Speaker, the Atlas Powder Co. is an organization of undisputed, excellent reputation. It means very much to the citizens of the State of Delaware by way of employment and otherwise; and to the entire Nation because of its useful and unsurpassed products. It has contributed greatly to the proud reputation which the State of Delaware holds as "The Chemical Capital of the World."

Certainly the gentleman from Wisconsin desires to be fair in this matter. Therefore, I cannot understand how he permitted himself to make remarks reflecting upon the excellent reputation of the Atlas Powder Co.

The gentleman from Wisconsin, as we all know, is sincerely interested in improving the public health of our Nation. This interest, he has told us, prompted the two speeches in which unfavorable reference was made to Atlas Powder Co. Let me make it clear then, that it is my firm conviction that Atlas Powder Co. is as sincerely interested in improving the public health of our Nation and protecting each individual's health as anyone could be. Furthermore, the company has made ample demonstration of this sincere interest and objective.

There is another point I believe the facts will clarify. We all know the gentleman from Wisconsin represents a great dairy and agricultural area. He naturally is on the alert to protect these interests. He fears, therefore, any competition by way of substitutes for agricultural products, because such substitutes could possibly diminish the market and use of those agricultural products.

His fears are not well grounded as far as Atlas Powder Co. products are concerned. In fact, I find that the Atlas Powder Co.'s products, to which reference has been made, are not food substitutes, nor are they substitutes for any agricultural product. The truth is that all Atlas Powder Co. emulsifiers are made from farm-produced fats and oils. Moreover, I have found that Atlas, in making most of these emulsifiers, is primarily dependent upon corn grown on our farms and uses this farm product in enormous quantities. The use of farm-produced corn fats and oils in the making of Atlas emulsifiers exemplifies an expanding field of uses and an enlarged market for farm-grown products. Therefore, I say that as between the agricultural interests and the chemical field there is no conflict whatsoever, as far as the Atlas products are concerned.

In talking informally, I often get this simple question: What are the Atlas food emulsifiers and what are they used for?

The simple answer is that they are merely food adjuncts. They are not food substitutes, nor a substitute for shortening or any other food ingredient. They are used in very small proportional quantities in the preparation of certain foods, such as in the baking industry, in order to develop a better dispersion of the fats and oils with the other mix of the foods, thus enhancing the natural flavor, quality, and appearance of the foods.

Now there is another question: Are the Atlas emulsifiers safe to put in food? Are they safe for human consumption?

The answer, Mr. Speaker, is that there is no evidence anywhere to show that they are not safe for human consumption. As a matter of fact, extensive feeding studies, including human feeding studies, have been conducted by eminently qualified experts, and have demonstrated that Atlas emulsifiers are safe for use in food products and for human consumption.

Now the next question is: Why all this discussion here on the floor of the House of Representatives?

In answer to that question let me point out that the Pure Food and Drug Administration, an agency of the United States Government, is at the present time conducting hearings for the development of standards of identity for bread products. At this hearing, which is in the nature of a judicial hearing where evidence is submitted pertaining to all ingredients in bread products, the Atlas Powder Co. has in regular course been offering its evidence concerning its food emulsifier products. These hearings before the Food and Drug Administration have not been concluded, nor has the Food and Drug Administration or the Federal Security Agency, of which it is a part, reached a decision as a result of these hearings. The Atlas Powder Co., having every confidence in its products and the evidence which is being submitted in support of these products, has naturally and properly refrained from public controversy.

However, it may be stated that there are those who make competitive emulsifiers. In fact, they have had a monopoly in this field. They are represented at the hearings before the Pure Food and Drug Administration and are bitterly opposing the Atlas emulsifiers for competitive reasons. These interests, for their own selfish reasons, of course, are endeavoring to use to their advantage those genuinely interested in improving our public health. And, therefore, statements have thus been made here on the floor of the House, prompted by a sincere interest in public health, but nevertheless untimely because of the hearings which are still in progress.

That is the simple explanation, in my opinion, for the references which have been made here on the floor of the House concerning Atlas Powder Co. and its emulsifier products.

May I also say at this point, Mr. Speaker, that the Pure Food and Drug Administration has a staff of able and qualified personnel, technically trained to study this problem. It is my definite opinion that this agency of the Government should be given every opportunity to reach its conclusions after a full consideration of all the evidence. It should be permitted to do so without being subjected to any indirect influences from any source which does not have all of the evidence and which may not be fully qualified to interpret that evidence.

Now, in conclusion, may I say that it is my hope that these hearings before the Pure Food and Drug Administration will be given an opportunity to run their natural course so that the Pure Food and Drug Administration may reach logical conclusions based on the facts. However, I shall continue to study this matter personally, not only because of my own interest in improving the public health of our Nation, but in order to advise the membership of this House of the further facts if a continued public discussion makes that necessary. And furthermore, I want to assure my good friend from Wisconsin that his expressed desire for a thoroughgoing investigation of the harmlessness and suitability for use in foods of any new ingredient is a most commendable objective. In this connection I want to point out that the research and investigation and study on the Atlas Powder Co. emulsifiers, unquestionably are outstanding and may be considered to be exemplary in this field.

I now yield to the gentleman from Wisconsin.

Mr. KEEFE. I assume that the gentleman, of course, is reiterating what the Atlas Powder Co. has in their propaganda that is now being circulated throughout the country, but I wish to ask the gentleman if he is familiar with this situation at all. Whether or not it is not a fact established without a question of doubt that the Atlas Powder Co. and the Glycol Products Co., and the Patterson Co. are presently selling millions and millions of pounds of these chemicals for inclusion in the food supply of the Nation before it has been clinically determined whether or not they are harmful upon the health of the people of America; that they have not waited for a determination on the part of the Pure Food and Drug Administration, but are flooding the market and the food supplies of this Nation this very hour with these chemicals while they are carrying on these hearings which have for their purpose the determination of whether or not they are to be included in bread standards?

I would say to the gentleman in response to the question he has raised with respect to my attitude that I could not as a Member of Congress having knowledge of those facts stand idly by and see these hearings carried on month after month after month while at the same time these chemicals are finding their way into the food supply, and no one has the ability to stand up and say what the effect upon the human beings who consume the food products containing these chemicals is to be. I will say to the gentleman that if he will read my speeches—and I assume that he has—he will find that I have not put the finger upon Atlas Powder Co. or any other company except to take the position that until they can demonstrate the

harmlessness of their product they ought not to be permitted to put it into the food stream of the Nation. They are taking the position that it is incumbent upon the Pure Food and Drug Administration to show that it is harmful before they will stop. Everyone knows that 30 years ago when they started the agenizing process in the milling of flour, the same pathologists and toxicologists said that agenizing the flour of this Nation through this agenizing process where they use sodium trichloride never could be deleterious to the public health, and for 30 years we have been subjecting wheat flour deprived of its essential vitamins and all its germ content to this chemical. Thirty years have passed before the toxicologists and the men in the research field have finally determined that the process is so dangerous that last year Canada prohibited its use and England is doing likewise. Our own millers have voluntarily quit using the process in this country because at long last they have concluded after years of research that there is some relationship between the degenerative diseases and the constant ingestion of even small, minute quantities of poison into the food supply of the Nation.

So far as the Atlas Powder Co. is concerned, I have the highest regard for its officials and its personnel. The gentleman will recall that the president of that company, his general counsel and the gentleman who is now speaking on this subject, sat in my office and we went over the situation. The gentleman knows, and the president of that company knows, the attitude of the gentleman from Wisconsin on this matter. I stated to him, and I have repeatedly stated on this floor, that if and when the chemical companies can demonstrate clinically and otherwise that their products injected into the food supply of this country is in the interest and the welfare of the Nation I will not stand against them; but until they can so demonstrate I am going to use my voice and every talent I have to stop this ever-increasing flow of synthetics that is coming into the food supply of the Nation and that are poisoning people without their knowing it.

In view of the fact that the chairman of the Rules Committee is present on the floor, I hope that the Rules Committee will grant a rule on the resolution which is now pending. Let us have this investigation. I promise the gentleman from Delaware if that investigation is made, that the people of America and the Members of this Congress will be simply amazed and alarmed at the showing that will be made in this field. I do not want anything the gentleman has said to indicate, by even the remotest connection, that I have any interest in this matter, because I happen to come from Wisconsin, a dairy State, except to see that the food supply of this Nation is kept free of contamination.

The best indication of that is the fact that the gentleman from Wisconsin has stood right behind Dr. Dunbar, of the Pure Food and Drug Administration, in the efforts which that agency is making to keep DDT out of the milk supply of the Nation. It is an important question. I am glad the gentleman has raised it, but it cannot be approached from the narrow ground of partisan interest, because the gentleman comes from Delaware, the seat of the chemical industry in the country, and I happen to come from Wisconsin. That does not mean that he and I are not alive to the situation that confronts the people in this field of public health.

Mr. BOGGS of Delaware. I thank the gentleman for his clarifying remarks.

THE WAC

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Saturday the Wacs celebrated their seventh birthday anniversary. First, legislation was passed making them the Women's Auxiliary Corps, then legislation was passed taking them into the Army and finally legislation was passed making them a part of the Army.

These women have survived many attacks, yet they have performed a wonderfully hard, successful service both at home and abroad during the war and have won the respect and admiration of the American people. The War Department last year requested that they be made a part of the Army and today they are fine, outstanding, and successful members of the Army. I know that the House wishes to join with me in extending to them a happy birthday. I would like to say to the House that I talked with many of the Wacs there. I asked them why they liked being in the Army rather than serving under the previous titles. Their reply was, "The chief reason we like it is because we now are assigned to duties that we are especially qualified to perform." I had the privilege of cutting their birthday cake, and every Wac there said to me, "Thank you and the Members of the House of Representatives and the Congress for allowing us the privilege of serving in the military forces." Could there be a finer feeling than that? The following is a brief story which appeared in the Washington Star of May 15:

THREE HUNDRED AND FIFTY WACS HERE JOIN IN PARTY OBSERVING CORPS' SEVENTH BIRTHDAY

More than 350 Wacs from the military district of Washington were busy wishing each other happy birthday yesterday at a WAC party at Fort Myer.

Representative EDITH NOURSE ROGERS, Republican, of Massachusetts, mother of the WAC, who fostered the bill in Congress for their organization, cut the elaborately decorated birthday cake with seven candles marking the WAC's 7 years of existence. Brig. Gen. Don C. Faith, United States Army, retired, professor of veterans' education at George Washington University, who first commanded the Wacs at their first training center at Fort Des Moines, got the first slice of cake.

FOUR THOUSAND CELEBRATE

While the reception was going on here, 4,000 Wacs in every State and in commands in the Far East, Caribbean and European areas were also celebrating their creation on May 14, 1942, as the Women's Army Auxiliary Corps. On September 1, 1943, the corps became a part of the Army and the name was changed to the Women's Army Corps. Since June 12, 1948, the corps has been a permanent part of the Regular Army and Organized Reserve Corps.

Lt. Col. Mary L. Milligan, deputy director of the WAC, represented Col. Mary A. Hollaren, WAC director, who is in Germany on an inspection tour of the Wacs overseas. Representing the other women's services were Maj. Julia Hamblet, deputy director of the women Marines; Comdrs. Louise Wilde and Bess Dunn, assistant directors of the WAVES; Col. Geraldine May, director of the WAFS, and Air Commandant F. H. Hanbury, director of the Women's Royal Air Force.

GAY HEADS RECEIVING LINE

Maj. Gen. Hobart Gay, commanding general of the Military District of Washington, headed the receiving line at the reception. Others in the receiving line were Maj. Cloe E. Doyle, WAC staff adviser of the military district of Washington; Capt. Mercedes Ormston, commanding officer of the WAC detachment at Fort Myer north post, and Col. John T. Cole, chief of staff of the military district of Washington.

CIVIL AIR PATROL CADETS

Now, Mr. Speaker, I would like to talk of the Civil Air Patrol demonstration, the drills at Bolling Field by the Civil Air Patrol Cadets yesterday afternoon. A number of the States sent their young cadets by air including my own Commonwealth of Massachusetts to take part in the competitive drill. Gen. Beau, head of the Air Patrol, invited them. He also guides all of the work of the Civil Air Patrol. Those young men from our different States paid their own expenses here. They bought their own uniforms. They have no Federal appropriation. All that they asked for was legislation which authorized them to come into being.

Mr. Speaker, it seems to me that there could be nothing finer today against subversive activities, nothing finer for making these young men splendid citizens than this work that they do in the Civil Air Patrol. If you could have seen their faces as I did when they drilled, when they came on the field, when they marched off, when they took part in the parade afterwards, you would agree that the Congress did an extremely fine thing when it brought them into being. I hope that they will increase all over the country. The officers have told me that they have felt that it was tremendously useful in making these young men good Americans, in preventing them from getting into difficulties, from associating, perhaps, with groups that are subversive in character; groups that today, I believe, are more dangerous to the safety of the United States than the foreigners from without our shores. It is most appropriate to hold the drill on I Am An American Day. Truly these young civil air patrol cadets can say I am an American.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. IRVING (at the request of Mr. SULLIVAN), for 4 days, on account of urgent business.

To Mr. BARING, for today, on account of official business.

To Mr. CHIPERFIELD (at the request of Mr. ARENDS), for May 16 and 17, 1949, on account of official business.

To Mr. TAURIELLO (at the request of Mr. GORSKI of New York), for Monday, May 16, 1949, on account of official business.

To Mr. DAVENPORT (at the request of Mr. BUCHANAN), for Monday, May 16, 1949, on account of death in family.

To Mr. GREGORY (at the request of Mr. BATES of Kentucky), for week of May 16, 1949, on account of attending funeral of friend.

To Mr. PASSMAN (at the request of Mr. LARCADE), for 2 days, on account of official business.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 679. An act to authorize the admission of Julia Balint to the United States; and

H. R. 2360. An act for the relief of Theodore Papachristopoulos.

The Speaker announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 42. Joint resolution granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 17, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

615. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Army recommending the enactment of a proposed draft of legislation entitled "A bill to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes"; to the Committee on Armed Services.

616. A letter from the Acting Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved; to the Committee on the Judiciary.

617. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

618. A letter from the Administrator, Federal Works Agency, transmitting a proposed amendment to the act approved December 26, 1941, entitled "An act to amend the act entitled 'An act to provide for cooperation with Central American Republics in the construction of the International American Highway,'" approved December 26, 1941; to the Committee on Foreign Affairs.

619. A letter from the Administrator, War Assets Administration, transmitting the Quarterly Progress Report of the War Assets Administration, for the period January–March 1949; to the Committee on Expenditures in the Executive Departments.

620. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to authorize certain administrative expenses for the Treasury Department, and for other purposes"; to the Committee on Expenditures in the Executive Departments.

621. A letter from the Acting Secretary of the Navy, transmitting a request by the Coast Guard Auxiliary, Fourth Naval District, located at Philadelphia, Pa., requesting the transfer of two landing craft for use by the organization in training personnel in the United States Coast Guard Auxiliary, Third Coast Guard District, Southern Area; to the Committee on Armed Services.

622. A letter from the Administrator, Federal Works Agency, transmitting a draft of a proposed bill entitled "A bill to authorize an appropriation for completing the construction of the highway from San Benito to Rama in the Republic of Nicaragua"; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON of California: Committee on Foreign Affairs. Part II, minority views on H. R. 2785. A bill to provide for further contributions to the International Children's Emergency Fund; without amendment (Rept. No. 569). Ordered to be printed.

Mr. WALTER: Committee on the Judiciary. H. R. 4567. A bill to amend the Displaced Persons Act of 1948; without amendment (Rept. No. 581). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. S. 213. An act to provide benefits for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training; without amendment (Rept. No. 582). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 4591. A bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; with an amendment (Rept. No. 583). Referred to the Committee of the Whole House on the State of the Union.

Mr. McSWEENEY: Committee on Rules. House Resolution 212. Resolution providing for the consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act; without amendment (Rept. No. 585). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Joint Resolution 196. Joint resolution creating a Joint Committee on Lobbying Activities; with an amendment (Rept. No. 586). Referred to the House Calendar.

Mr. PETERSON: Committee on Public Lands. H. R. 892. A bill to authorize the establishment of a Federal Interagency Committee on Recreation; with an amendment (Rept. No. 588). Referred to the Committee of the Whole House on the State of the Union.

Mr. REGAN: Committee on Public Lands. H. R. 1694. A bill to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects; with an amendment (Rept. No. 589). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 4009. A bill to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes; without amendment (Rept. No. 590). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON: Committee on Public Lands. H. R. 4261. A bill authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi; without amendment (Rept. No. 587). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLER of California:

H. R. 4678. A bill to reclassify postmasters, assistant postmasters, and other positions in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. ANGELL:

H. R. 4679. A bill authorizing the widening and deepening of Columbia slough, a side channel connecting the Columbia and Willamette Rivers, Oreg.; to the Committee on Public Works.

By Mr. BEALL:

H. R. 4680. A bill to amend the District of Columbia Alcoholic Beverage Control Act to restrict the sale on credit of beverages, except beer and light wines, not consumed on the premises where sold; to the Committee on the District of Columbia.

By Mr. BLAND:

H. R. 4681. A bill to provide for a preliminary examination and survey of Guilford Creek, Accomac County, Va., and the channel connecting with the Chesapeake Bay; to the Committee on Public Works.

By Mr. CELLER:

H. R. 4682. A bill to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States; to the Committee on the Judiciary.

H. R. 4683. A bill to provide protection of persons from lynching, and for other purposes; to the Committee on the Judiciary.

H. R. 4684. A bill to amend subsection (c) of section 19 of the Immigration Act of 1917 and subsection (a) of section 338 of the Nationality Act of 1940; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 4685. A bill to amend the Commodity Exchange Act, as amended; to the Committee on Agriculture.

By Mr. FARRINGTON:

H. R. 4686. A bill to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii; to the Committee on Public Lands.

H. R. 4687. A bill to amend the Railway Labor Act; to the Committee on Interstate and Foreign Commerce.

H. R. 4688. A bill to ratify and confirm act 4 of the Session Laws of Hawaii, 1949, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; to the Committee on Public Lands.

By Mr. HUBER (by request):

H. R. 4689. A bill to provide a more satisfactory program of benefits relating to active service in the armed forces of the Commonwealth of the Philippines during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McGRATH (by request):

H. R. 4690. A bill to adjust the salaries of certain railway postal clerks who were not promoted from a substitute position to a regular position before July 1, 1945; to the Committee on Post Office and Civil Service.

By Mr. MOULDER:

H. R. 4691. A bill to permit certain temporary and substitute employees in the postal field service to qualify for appointment to regular positions by passing noncompetitive examinations; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Minnesota (by request):

H. R. 4692. A bill to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II; to the Committee on the Judiciary.

By Mr. PICKETT:

H. R. 4693. A bill to grant an increased monthly pension rate to certain widows of veterans of the Mexican War; to the Committee on Veterans' Affairs.

By Mr. POAGE:

H. R. 4694. A bill to authorize the Administrator, Federal Works Agency, to sell certain tracts of land, surplus to the needs of the Federal Government, to the city of Temple, Tex.; to the Committee on Expenditures in the Executive Departments.

By Mr. RANKIN (by request):

H. R. 4695. A bill to transfer from the Administrator of Veterans' Affairs to the Attorney General of the United States, for the use of the Bureau of Prisons, a certain tract of land located at Chillicothe, Ohio; to the Committee on Veterans' Affairs.

By Mr. REES:

H. R. 4696. A bill to provide certain benefits for persons who served in the armed forces of the United States in Mexico or on its borders during the period beginning December 8, 1910, and ending April 6, 1917, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 4697. A bill relating to the income restrictions placed upon the payment of certain pensions to the widows and children of veterans of World Wars I and II; to the Committee on Veterans' Affairs.

By Mr. SANBORN:

H. R. 4698. A bill to authorize the Secretary of the Interior to make provision for public roads in connection with the construction of the Hunt unit of the Minidoka reclamation project, Idaho; to the Committee on Public Lands.

H. R. 4699. A bill to authorize the Secretary of the Interior to make arrangements for adequate educational facilities in connection with the opening of lands on the Hunt unit of the Minidoka reclamation project, Idaho; to the Committee on Public Lands.

By Mrs. WOODHOUSE:

H. R. 4700. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

H. R. 4701. A bill to establish a Connecticut Valley Administration to provide for unified water control and resource development on the Connecticut River, its tributaries and watershed, to prevent floods, encourage agriculture, stimulate industrial expansion, develop low-cost hydroelectric power, promote navigation, increase recreational possibilities, protect wildlife, strengthen the national defense, and for other purposes; to the Committee on Public Works.

By Mr. DURHAM:

H. R. 4702. A bill to prevent the use of Atomic Energy Commission funds for the education of subversive science students; to the Joint Committee on Atomic Energy.

By Mr. BRYSON:

H. R. 4703. A bill relating to the internal security of the United States; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 4704. A bill to prohibit the purchase of fermented malt beverages on credit in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARRIS (by request):

H. R. 4705. A bill to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and Commission on Mental Health from the government of the District of Columbia to the Administrative Office of the United States Courts for budgetary and administrative purposes; to the Committee on the District of Columbia.

H. R. 4706. A bill to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $5,000; to the Committee on the District of Columbia.

By Mr. HERTER:

H. R. 4707. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, as amended, in order to preserve the integrity of collective-bargaining agreements and to protect the right of collective bargaining, and for other purposes; to the Committee on Education and Labor.

By Mr. KEE:

H. R. 4708. A bill to amend the United Nations Participation Act of 1945; to the Committee on Foreign Affairs.

By Mr. LANE:

H. R. 4709. A bill conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon claims arising out of certain blasting operations on the Merrimack River; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 4710. A bill to amend the Home Owners' Loan Act of 1933 with respect to Federal savings and loan associations; to the Committee on Banking and Currency.

By Mr. BYRNES of Wisconsin:

H. R. 4711. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. FISHER:

H. R. 4712. A bill granting additional time to file claims for refunds of income taxes paid by members of the armed forces who died in active service; to the Committee on Ways and Means.

By Mr. HOLIFIELD:

H. R. 4713. A bill to amend section 2402 (a) of the Internal Revenue Code, as amended, and to repeal section 2402 (b) of the Internal Revenue Code, as amended; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 4714. A bill to amend the act of August 1, 1947, providing appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II, and for other purposes; to the Committee on Armed Services.

By Mr. McSWEENEY:

H. R. 4715. A bill to authorize the conveyance of certain war-housing projects in Canton, Ohio, to the Canton Metropolitan Housing Authority for low-rent use; to the Committee on Banking and Currency.

By Mr. YATES:

H. R. 4716. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, in order to assure the availability of low-cost financing on liberal terms to World War II veterans who need homes; to the Committee on Veterans' Affairs.

By Mr. BOGGS of Delaware:

H. J. Res. 241. Joint resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. LEONARD W. HALL:

H. J. Res. 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad; to the Committee on Ways and Means.

By Mr. RANKIN:

H. Res. 213. Resolution providing electric typewriters for Members and standing committees of the House of Representatives; to the Committee on House Administration.

By Mr. HOFFMAN of Michigan:

H. Res. 214. Resolution to rescind House action on H. R. 4583; to the Committee on House Administration.

By Mr. BLAND:

H. Res. 215. Resolution investigating certain matters pertaining to the merchant marine and fisheries of the United States; to the Committee on Rules.

By Mr. KLEIN:

H. Res. 216. Resolution favoring the temporary operation of certain nonsubsidized air-coach air lines; to the Committee on Interstate and Foreign Commerce.

By Mr. PETERSON:

H. Res. 217. Resolution providing for the consideration of H. R. 331, a bill to provide for the admission of Alaska into the Union; to the Committee on Rules.

H. Res. 218. Resolution providing for the consideration of H. R. 49, a bill to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States; to the Committee on Rules.

By Mr. KILDAY:

H. Res. 219. Resolution providing for the consideration of H. R. 4591, a bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California memorializing the President and the Congress of the United States relative to securing the release of film-industry assets frozen in foreign countries; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Delaware memorializing the President and the Congress of the United States with respect to a national compulsory sickness-insurance program; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Massachusetts memorializing the President and the Congress of the United States to repeal the Federal tax on oleomargarine; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Tennessee requesting the repeal of Federal excise tax on admissions; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii memorializing the President and the Congress of the United States to enact legislation authorizing the United States of America to convey and the Hawaii Housing Authority to acquire the land, improvements, and appurtenances comprising the Kalihi war homes project (TH-51030) at Honolulu, T. H.; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 4717. A bill to provide for the readmission of Carolina Maria Giardina to United States citizenship; to the Committee on the Judiciary.

By Mr. BATES of Massachusetts:

H. R. 4718. A bill for the relief of John A. Spartacos, concert pianist and composer from Greece; to the Committee on the Judiciary.

By Mr. FURCOLO:

H. R. 4719. A bill to admit Hiedi Cleff to the United States for permanent residence; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 4720. A bill for the relief of Stella Avner; to the Committee on the Judiciary.

By Mr. MURPHY:

H. R. 4721. A bill for the relief of Thomas Nicholas Epiphaniades and Wanda Julia Epiphaniades; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 4722. A bill for the relief of Vasilios Serbeniades; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

853. By Mr. ELSTON: Petition of the Cincinnati Automobile Club, Cincinnati, Ohio, in behalf of its more than 36,000 members, urging Congress to repeal the 15-percent Federal transportation tax; to the Committee on Ways and Means.

854. By Mr. FORAND: Resolution passed by the General Assembly of the State of Rhode Island and Providence Plantations, requesting the Senators and Representatives from Rhode Island to use their best efforts to see that the recommendation of the Secretary of Labor be carried out and that those agencies which rightfully belong in the United States Department of Labor shall be returned to said Department—Conciliation and Mediation Service, United States unemployment compensation and reemployment agencies; to the Committee on Education and Labor.

855. Also, resolution passed by the General Assembly of the State of Rhode Island and Providence Plantations, memorializing the Congress with relation to Senate Act No. 862 to bring about substantial equity between local and Federal taxpayers with respect to Federal-owned real property in the respective States; to the Committee on Public Lands.

856. By Mr. GOODWIN: Memorial of the Massachusetts Legislature, asking Congress to repeal the Federal tax on oleomargarine; to the Committee on Agriculture.

857. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, asking repeal of the Federal tax on oleomargarine; to the Committee on Agriculture.

858. By Mr. MERROW: Petition of the Claremont (N. H.) City Council, memorializing and petitioning the Congress to pass, and the President to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the Congress; to the Committee on the Judiciary.

859. By Mr. SMITH of Wisconsin: Petition of the Racine Woman's Christian Temperance Union, Racine, Wis., urging passage of a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and the broadcasting of alcoholic beverage advertising over the radio, similar to the Bryson bill, H. R. 2428; to the Committee on Interstate and Foreign Commerce.

860. By Mr. SULLIVAN: Petition of the general executive board of the United Shoe Workers of America, CIO, protesting the trial and sentencing of Josef Cardinal Mindszenty, prince of the church and primate of all Catholics of Hungary, and the indictment of the 15 Protestant clergymen in Bulgaria, and the arrest and imprisonment of Bishop Lajos Ordass, of the Lutheran faith, by the Communist government of Hungary; denouncing such actions as actuated solely by the desire to destroy religious freedom and freedom of worship; and calling upon the Congress and the State Department to register the protest of the American people through the United Nations; to the Committee on Foreign Affairs.

861. By Mr. WHITE of California: Memorial of the Assembly and Senate of the State of California, asking enactment of pending legislation which will provide a secondary market for veterans' loans under the Servicemen's Readjustment Act of 1944; to the Committee on Banking and Currency.

862. Also, memorial of the Assembly and Senate of the State of California, urging the State Department to take such steps as are necessary to secure the release by foreign countries of frozen assets belonging to the American film industry, or so to alter the basis upon which these assets are presently released by foreign countries as to minimize the present disruption of the domestic film industry economy; to the Committee on Foreign Affairs.

863. Also, memorial of the Assembly and Senate of the State of California, asking that an open hunting season on wild pigeons be established; to the Committee on Merchant Marine and Fisheries.

864. Also, memorial of the Assembly and Senate of the State of California, to provide for public recreation and fish and wildlife development in project plans and to authorize them as project purposes along with flood control, irrigation, and power production; to the Committee on Public Lands.

865. By the SPEAKER: Petition of Louis de Bourbon, New York, N. Y., transmitting a supplement to his petition of March 5 requesting an investigation of his lost American citizenship; to the Committee on the Judiciary.

866. Also, petition of William M. Fountain and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

867. Also, petition of Mrs. Ida M. Kinney and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

868. Also, petition of Laura F. McBride and others, Albuquerque, N. Mex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

869. Also, petition of Mrs. Dora Mathers and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

870. Also, petition of E. H. Jones and others, Delray Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan, to the Committee on Ways and Means.

871. Also, petition of Dessa Gaines and others, Hollywood, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

872. Also, petition of Mrs. Lillian Rhynas and others, Sandusky, Ohio, requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

873. Also, petition of Lela Clay Owen and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

874. Also, petition of William Marcus and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

875. Also, petition of B. W. Kellogg and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

876. Also, petition of Mrs. Ella Zeigler and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 17, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou whose throne is truth, frail creatures of dust serving out our brief day on the world's confusing stage, we would set our little lives in the midst of Thy eternity and feel Thy greatness and Thy peace. So guide by Thy wisdom the deliberations of this body, entrusted with such power that awes and solemnizes our hearts, that in this forum of freedom there may be heard by a listening world the solemn summons to men of good will, of all races and of all nations, to a new commonwealth of global brotherhood in which power shall be administered as a sacred trust dedicated to the common good. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 16, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 326) to amend the War Claims Act of 1948, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and

joint resolution, in which it requested the concurrence of the Senate:

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 1720. An act to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University;

H. R. 1922. An act to amend section 10 of the Reclamation Project Act of 1939;

H. R. 2108. An act to amend the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents" to define the term "wife" to include "dependent husband";

H. R. 2197. An act to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 2432. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes;

H. R. 2737. An act to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany;

H. R. 3151. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bactiracin, or any derivative thereof;

H. R. 3196. An act to authorize appropriations for roads, trails, and other aids to transportation serving lands and facilities under the jurisdiction of the Bureau of Indian Affairs in Alaska;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3482. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration;

H. R. 3576. An act to repeal certain obsolete laws and parts of laws relating to the sale of public lands;

H. R. 3851. An act to amend Public Law 289, Eightieth Congress, with respect to surplus airport property and to provide for the transfer of compliance functions with relation to such property;

H. R. 3881. An act to provide for the use of the State course of study in schools operated by the Bureau of Indian Affairs on Indian reservations in South Dakota when requested by a majority vote of the parents of the students enrolled therein;

H. R. 3974. An act to promote the rehabilitation of the Standing Rock Sioux Tribe of Indians and better utilization of the resources of the Standing Rock Indian Reservation, and for other purposes;

H. R. 4082. An act to improve the administration of the Civil Aeronautics Act of 1938, and for other purposes;

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact;

H. R. 4251. An act to amend section 4 (g) of the Communications Act of 1934 to permit the Federal Communications Commission to make expenditures for land for radio monitoring stations, and for other purposes;

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes;

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard;

H. R. 4566. An act to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard"; and

H. J. Res. 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 2632. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; and

H. R. 3762. An act to amend title 18, entitled, "Crimes and Criminal Procedure," and title 28, entitled, "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

APPOINTMENT OF COMMITTEE TO ESCORT GEN. LUCIUS D. CLAY TO SENATE CHAMBER

The VICE PRESIDENT. In view of the expectation that General Clay will visit the Senate as soon as he completes his assignment in the House of Representatives, the Chair deems it proper to appoint a committee to escort General Clay from the House to the Senate Chamber. The Chair will do that now so that those who are appointed may be informed. The Chair appoints the Senator from Illinois [Mr. LUCAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Nebraska [Mr. WHERRY] as the committee. The Chair has been advised that General Clay will probably finish his visit to the House at 20 or 25 minutes after 12 o'clock.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Graham	Kem
Anderson	Green	Kilgore
Butler	Gurney	Langer
Byrd	Hayden	Lodge
Capehart	Hendrickson	Long
Chavez	Hill	Lucas
Cordon	Hoey	McCarthy
Donnell	Holland	McClellan
Douglas	Humphrey	McGrath
Ecton	Hunt	McKellar
Ellender	Ives	Martin
Ferguson	Jenner	Miller
Frear	Johnson, Colo.	Morse
Fulbright	Johnston, S. C.	Murray
Gillette	Kefauver	Neely
Pepper	Sparkman	Wherry
Robertson	Taylor	Wiley
Russell	Thomas, Okla.	Williams
Saltonstall	Thye	Withers
Schoeppel	Tydings	Young
Smith, Maine	Vandenberg	

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from California [Mr. DOWNEY], and the Senator from Mississippi [Mr. EASTLAND] are absent on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from South Carolina [Mr. MAYBANK], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arizona [Mr. MCFARLAND], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Mississippi [Mr. STENNIS], and the Senator from Utah [Mr. THOMAS] are detained on official business in meetings of committees of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Connecticut [Mr. MCMAHON] is presiding at a hearing being held by the Joint Committee on Atomic Energy, and is therefore necessarily absent.

The Senator from Texas [Mr. CONNALLY] and the Senator from Florida [Mr. PEPPER] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from New Hampshire [Mr. BRIDGES] are absent on official business.

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Nevada [Mr. MALONE] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] is excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Connecticut [Mr. BALDWIN], the Senator from Washington [Mr. CAIN], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], the Senator from South Dakota [Mr. MUNDT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Utah [Mr. WATKINS] are detained on official business.

The Senator from Ohio [Mr. BRICKER] and the Senator from Kansas [Mr. REED] are detained on official committee business of the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

DEVELOPMENT OF MISSOURI RIVER—RESOLUTION OF CITY COUNCIL OF MITCHELL, S. DAK.

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the City Council of Mitchell, S. Dak., relating to the development of the Missouri River, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Whereas the governing body of the city of Mitchell has been informed that the completion of the present plans for the development of the Missouri River will provide inadequate safeguards for the health of persons residing in the vicinity of such river, cause at least one community, namely Chamberlain, S. Dak., to be substantially relocated, and may in other ways have certain undesirable results: Now, therefore, be it hereby

Resolved by the City Council of Mitchell, Davidson County, S. Dak., That any plans for the development of the Missouri River be reviewed for the purpose of eliminating therefrom, wherever possible, such features thereof as may be undesirable to, or impose undue hardship upon, persons residing in the vicinity of such Missouri River; and be it further

Resolved, That this governing body is expressing no opinion with respect to the various plans and programs for the development of the Missouri River, but is limiting its position strictly to the objectives set forth in the preceding paragraphs.

Passed and approved this 2d day of May 1949.

DAMON CLARK,
Mayor.

Attest:

MARGARET GALES,
Auditor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 55. A bill to include certain lands in the Carson National Forest, N. Mex., and for other purposes; without amendment (Rept. No. 397);

H. R. 1337. A bill to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes; with an amendment (Rept. No. 401);

H. R. 2566. A bill granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; without amendment (Rept. No. 391);

H. R. 2812. A bill to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America; without amendment (Rept. No. 398);

H. R. 2931. A bill to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him; without amendment (Rept. No. 399);

H. R. 3181. A bill to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes; without amendment (Rept. No. 392);

H. R. 3259. A bill to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose; without amendment (Rept. No. 393); and

H. R. 3396. A bill to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin; without amendment (Rept. No. 400).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry:

S. 478. A bill for the relief of Carl Piowaty and W. J. Piowaty; without amendment (Rept. No. 394); and

H. R. 2906. A bill to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers; without amendment (Rept. No. 395).

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

S. 1659. A bill granting the consent and approval of Congress to an interstate forest fire protection compact; without amendment (Rept. No. 396).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

S. 1872. A bill to clarify the active duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. REED:

S. 1873. A bill to amend the Natural Gas Act approved June 21, 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. McFARLAND (for himself and Mr. HAYDEN):

S. 1874. A bill to protect scenic values along the Grand Canyon Park South Approach Highway (State 64) within the Kaibab National Forest, Ariz.; to the Committee on Interior and Insular Affairs.

JOINT COMMITTEE ON LOBBYING ACTIVITIES

Mr. KILGORE submitted the following concurrent resolution (S. Con. Res. 41), which was referred to the Committee on the Judiciary:

Whereas there has developed much doubt and confusion concerning the application of the laws relating to the registration and reporting of lobbyists; and

Whereas there is widespread public belief that lobbying activities are being carried on by persons not making reports thereof, as prescribed by law, in some instances because they do not believe the law applies to them and their activities; and

Whereas Members of the Congress and citizens petitioning their Congress in behalf of measures are not able to ascertain through the disclosures now being made under the law the affiliations of many of those persons who are lobbying; and

Whereas it is desirable in strengthening the democratic process to have complete identification of all individuals and organizations lobbying before Congress, the nature, sources, and amounts of their support; and

Whereas there is every evidence of general public support for enactment of legislation to strengthen the Lobbying Registration Act of 1946: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be known as the Joint Committee on Lobbying Activities (hereinafter referred to as the committee), which shall be composed of seven Members of the Senate to be appointed by the President of the Senate, and seven Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

SEC. 2. A vacancy in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original appointment. The members of the committee shall select a chairman from among their number. The members of the committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session.

SEC. 3. It shall be the duty of the committee—

(1) to make a full and complete investigation of all lobbying activities, and all efforts to influence, encourage, promote, or retard legislation, directly or indirectly;

(2) to report from time to time to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to Clerk of the House if the House is not in session) the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 4. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, documents, and tangible things, to administer such oaths, to take such testimony, to procure such binding and printing, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee, and shall be served by any person designated by him. The cost of stenographic services in reporting such hearings as the committee may hold shall not be in excess of 25 cents per hundred words.

SEC. 5. The committee is authorized to appoint and fix the compensation of such experts and such clerical, stenographic, and other assistants as it deems advisable.

SEC. 6. The expenses of the commtitee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1950, AMENDMENTS

Mr. PEPPER submitted an amendment, and Mr. LANGER (for himself and Mr. HUMPHREY) submitted three amendments, intended to be proposed by them, to the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED, OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred or placed on the calendar, as indicated:

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 3444. An act to provide for the collection and publication of cotton statistics; and

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration; to the Committee on Post Office and Civil Service.

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 4082. An act to improve the administration of the Civil Aeronautics Act of 1938, and for other purposes;

H. R. 4251. An act to amend section 4 (g) of the Communications Act of 1934 to permit the Federal Communications Commission to make expenditures for land for radio monitoring stations, and for other purposes;

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard; and

H. J. Res. 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 1720. An act to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University;

H. R. 1922. An act to amend section 10 of the Reclamation Project Act of 1939;

H. R. 2197. An act to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes;

H. R. 2432. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes;

H. R. 3196. An act to authorize appropriations for roads, trails, and other aids to transportation serving lands and facilities under the jurisdiction of the Bureau of Indian Affairs in Alaska;

H. R. 3482. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico;

H. R. 3576. An act to repeal certain obsolete laws and parts of laws relating to the sale of public lands;

H. R. 3881. An act to provide for the use of the State course of study in schools operated by the Bureau of Indian Affairs on Indian reservations in South Dakota when requested by a majority vote of the parents of the students enrolled therein;

H. R. 3974. An act to promote the rehabilitation of the Standing Rock Sioux Tribe of Indians and better utilization of the resources of the Standing Rock Indian Reservation, and for other purposes; and

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 2108. An act to amend the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents" to define the term "wife" to include "dependent husband;" to the Committee on Finance.

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2737. An act to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany; to the Committee on Armed Services.

H. R. 3151. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bactiracin, or any derivative thereof; to the Committee on Labor and Public Welfare.

H. R. 3851. An act to amend Public Law 239, Eightieth Congress, with respect to surplus airport property and to provide for the transfer of compliance functions with relation to such property; to the Committee on Expenditures in the Executive Departments.

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact; ordered to be placed on the calendar.

H. R. 4566. An act to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard"; to the Committee on the Judiciary.

RESPONSIBLE AMERICAN CITIZENS—THEIR JOB IN NATIONAL POLITICS—ADDRESS BY SENATOR AIKEN

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an address entitled "Responsible American Citizens—Their Job in National Politics," delivered by him before the Fourth National Conference on Citizenship, in New York City, on May 16, 1949, which appears in the Appendix.]

FIRST ANNIVERSARY OF ESTABLISHMENT OF ISRAEL—ADDRESS BY SENATOR O'CONOR

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an address by Senator O'CONOR at the exercises in the Fifth Regiment Armory, Baltimore, May 15, 1949, commemorating the first anniversary of the establishment of the State of Israel, which appears in the Appendix.]

A TRIBUTE TO NORWAY BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a tribute by him to Norway, on Norwegian Independence Day, May 17, 1949, which appears in the Appendix.]

EDITORIAL COMMENT REGARDING SENATOR BYRD

[Mr. BRICKER asked and obtained leave to have printed in the RECORD several newspaper comments regarding Senator BYRD, which appear in the Appendix.]

PROGRAM FOR GOVERNMENT ECONOMY—STATEMENT BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement prepared by him entitled "Program for Government Economy," which appears in the Appendix.]

CAN FARMERS AFFORD IRRIGATION UNDER THE PICK-SLOAN PLAN?—EDITORIAL FROM THE BISMARCK (N. DAK.) LEADER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Can Farmers Afford Irrigation Under the Pick-Sloan Plan?" from the Bismarck (N. Dak.) Leader of May 13, 1949, which appears in the Appendix.]

EUROPE RELIEVED BY OPPOSITION TO FRANCO SPAIN—ARTICLE BY C. L. SULZBERGER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "United States Stand on Spain Calms Moderates," by C. L. Sulzberger, from the New York Times of May 15, 1949, which appears in the Appendix.]

REORGANIZATION OF GOVERNMENT AGENCIES—ARTICLE BY LINDSAY C. WARREN

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article regarding reorganization of Government agencies, by Lindsay C. Warren, which appears in the Appendix.]

EVIDENCE OF UNCONTROLLED BUDGET—ARTICLE BY RAYMOND MOLEY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "Evidence of Uncontrolled Budget," written by Raymond Moley, and published in the Lincoln (Nebr.) Journal of May 10, 1949, which appears in the Appendix.]

HEART AND CANCER RESEARCH—ADVERTISEMENT BY NATIONAL HEART COMMITTEE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an advertisement entitled "Senators, Please Think This Over!" published in the Washington Post of May 16, 1949, and the Washington Times-Herald of May 16, 1949, which appears in the Appendix.]

AID FOR NON-COMMUNIST FORCES IN CHINA

Mr. KNOWLAND. Mr. President, last Saturday the State Department issued a bulletin, an outline of foreign affairs called Building the Peace, in which they suggest that the arms implementation program that will follow the Atlantic Pact for consideration by the Congress should contain the provision that all projects of United States military aid should be brought together in one program.

I reluctantly have come to the conclusion, from a careful reading of this document issued by the Department of State, that the Department has no intention of giving any aid to the non-Communist forces of China to prevent that country from being overrun by the Communist forces now making an effort to do so.

I wish to serve notice, on behalf of myself and a number of other Senators on both sides of the aisle, that I shall be prepared to offer an amendment to the implementation legislation when it comes before the Senate, to provide aid to the non-Communist forces in China at the time we are supplying aid to enable the democratic forces in western Europe to keep from going behind the iron curtain.

Mr. President, I ask to have inserted in the RECORD at this point as part of my remarks a resolution passed by the Texas State Legislature, pointing out to the Congress the feeling of the legislative body of that important and great State of the Union that they believe our foreign policy in the Far East has not been following a sound course.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Stalin has clamped a stranglehold on 120,000,000 Europeans and is now attempting to add another 450,000,000 Chinese to his war machine for the very evident purpose of strengthening the Russion military machine for a third world war; and

Whereas the Communist threat to these United States is at present far more dangerous than the combined threat of Nazi Germany, Fascist Italy, and imperialistic Japan ever was; and

Whereas the confidence of American citizens in the atomic bomb is beginning to resemble the foolish confidence the French people had in the Maginot Line and is comparable to the false sense of security the United States had in the supposedly invincible American fleet prior to Pearl Harbor; and

Whereas today we are permitting Stalin to make the Chinese people his vassals through enslavement which will possibly involve us in a struggle not for security but for survival to maintain the fruits of our victory won at the expense of thousands of American lives in World War II; and

Whereas the Chinese Communist leader, the leader of the French Communists, and the leader of the Italian Communists have publicly stated that they would fight on the side of communistic Russia in the event of a war with United States; and

Whereas China is the key to all Asia and if it falls, Indochina, Siam, Burma, and Malay states, and Indonesia will surely fall into the hands of the Communists which will then leave India well within the sphere of Soviet influence; and

Whereas we have been so proud of the record our aviators have made in supplying Berlin by air that we have almost forgotten the daily insults which the Russians inflict upon our country by preventing us from using the ground approach to Berlin; and

Whereas our State Department has seemingly adopted a policy of passive resistance toward the Soviet Union at the expense of American prestige built up by the sacrifice of thousands of American lives and has also gone so far as to employ people whose loyalty to the American way of life has been openly questioned; all of this allowing valuable time to run in favor of the Communists; and

Whereas the American people live by the beliefs expressed in our Declaration of Independence that men are "endowed by their creator with certain inalienable rights;" that the state is a tool of man, a means and not an end, and that man is responsible for the moral behavior of the state; and

Whereas the Communist creed is the exact reverse and directly opposed to this American doctrine and teaches that there is no God, no moral law, but that the communistic state is above all morality; and

Whereas from eastern Germany to China, men have already learned the terrible truth of William Penn's words, "Those people who are not ruled by God, will be ruled by tyrants"; and

Whereas public opinion in the United States has not been alerted to our present peril which is increasing daily; and

Whereas we know an American is a free man or he is nothing; that we, like our forefathers, are ready to face without flinching whatever fate the Lord God may bestow, ready to give all that we have and all that we are to defend the greatest adventure in human freedom that this earth has ever known—our America: Now, therefore, be it

Resolved, by the house of representatives of the fifty-first legislature in regular session (the senate concurring), That the Government of the United States should immediately use all its influence and power to diminish the burden on our own country and increase Europe's chances to survive by bringing about the creation of a European federation; and that

The Government of the United States should dismiss from the Department of State and the foreign services the men whose records show that they have helped to bring our country into its present peril by following the policy of treating the Soviet Union as a peace-loving democracy and the Chinese Communists as mere agrarian reformers who have no connection with Moscow; and that

The Government of the United States should take immediate steps to prevent Stalin from controlling China and should cease to throw away all that was won for us by our men who fought and died in the Pacific; and that

The American Government should immediately reassert our rights to supply our section of Berlin by train or truck by putting through trains or trucks to Berlin; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the Secretary of State for the United States, and each Senator and Member of the House of Representatives in the Congress of the United States from Texas.

Mr. KNOWLAND. Mr. President, I also ask that there be printed as part of my remarks at this point an article which appeared in the Houston Chronicle under date of April 27, 1949, containing the address of the Honorable William Bullitt, former United States Ambassador to France and Russia, in which he discusses our foreign policy, with particular relation to that followed in the Far East.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EX-ENVOY TELLS SOLONS OF MENACE TO PEACE—STATE DEPARTMENT POLICY CRITICIZED IN ADDRESS DELIVERED TO TEXAS LEGISLATURE

AUSTIN, April 27.—A challenge to accomplish the impossible in arousing public opinion to the danger of the Soviet menace to world peace was issued to Texas legislators here Wednesday by William C. Bullitt, former Ambassador to France and Russia.

Texans, Mr. Bullitt added, have always known they could accomplish the impossible.

In a speech delivered to a joint session of the Texas Legislature, Mr. Bullitt flayed the State Department's policies in the Far East and predicted that Russia would probably have an atomic bomb by 1952.

World War III is certain, he warned, if we allow Russia to conquer China, as it is now doing.

The full text of Mr. Bullitt's address follows:

"Your invitation to me to address you today I value as an exceptional honor. For Texas is both a great State and a great state of mind—the state of mind of men who know that the good life is the free life, that the adventure of life is in striving, making mistakes, striving again, and bending circumstances by human will.

"In these days of atomic energy and jet planes, history has become the biography of the impossible. Texans—from Sam Houston to Jesse Jones—have always known they could accomplish the impossible.

"And if we are to bring to fulfillment the promise of American life, in spite of the enemies who are striving to destroy us, it will be because we, as a nation, begin to act with the spirit which is yours in Texas.

"What is the threat that we face today?

"The Soviet Government is directing all the forces of world communism toward the objective of conquering not only Europe, Asia, Africa, and Latin America, but also the United States. Stalin, like Hitler, will not stop. He can only be stopped. We cannot get off this earth.

"Therefore, we shall have to stop him or submit to his rule. Our forefathers came to this continent because they would submit to no master but God. We will not submit to Stalin.

"What, then, lies before us? War?

"Our chance to preserve our freedom without fighting has decreased each day since the close of the Second World War. We never had a chance, of course, to achieve lasting peace by appeasing Stalin.

"The Communist creed demands the installation of Communist dictatorship throughout all the world. And Stalin embraces a free country in pretended friendship only in order to get close enough to strangle it."

FAILED TO USE POWER

"We did have a chance during the war, when the Soviet Union was dependent for survival on lend-lease aid, to make certain that the countries we were liberating from the Nazis and the Japanese would not be enslaved by Stalin.

"But we did not use our power while we had it, and Stalin mounted the saddles of both Hitler and the Japanese militarists.

"We had a chance also at the close of the war to build up throughout the world such moral and physical force against Soviet imperialism that Stalin would have stopped his aggressions in fear.

"But our Government was still wandering, like Alice, in a wonderland created by Communist propaganda, a wonderland in which the Soviet Union was a peace-loving democracy and the Chinese Communists were mere agrarian reformers who had no connection with Moscow.

"So we threw away most of the arms we had manufactured—at considerable cost—and destroyed the arms we had captured, and demobilized, and waited for the United Nations to bring us peace.

"Meanwhile, Stalin clamped a stranglehold on 120,000,000 Europeans, and set out to conquer Asia. Our Government did not wake up till he threatened to invade Turkey. Then it began to realize that it must do something to prevent him from taking over the Near East and the rump of Europe which was still outside his grasp.

"But it did not awake sufficiently to make the small effort which was then necessary to prevent his conquest of China. In consequence, Stalin has grown so strong that it will no longer be easy to build up the overwhelming force necessary to convince him that he had better not, at some future date, risk war.

"And it will certainly be impossible if we leave the initiative in the cold war in Stalin's hands. No war—hot or cold—was ever won by defensive action. Yet we are leaving the offensive to Stalin.

"Today, using his Chinese accomplices as instruments, Stalin is conquering China. The Chinese Nationalists, our friends, the same men who fought as our allies against the Japanese, abandoned today by us, are still fighting a desperate fight to preserve the independence of their country.

"And our Government is saying that we must sit by and watch Stalin add 450,000,000 Chinese to his war potential."

PERVERSION OF UNITED STATES POLICY

"The most conspicuous triumph of Soviet psychological warfare has been the gradual perversion of American policy toward China.

"Roosevelt and Hull rightly believed that control of China by a power which might become hostile to us would constitute such a threat to the security of the United States that we must prevent it—by war if necessary.

"On the basis of that conviction we got into the Second World War. And our fighting men, by defeating Japan, won for us what might have been security on the Pacific side. But the 1941 policy of Roosevelt and Hull has been reversed, although the Communist threat to our country is far more dangerous than the Japanese threat ever was.

"We are allowing a power which is hostile to us to conquer China, and thus we are

making certain the coming of a third world war.

"Moreover we are doing this in spite of the fact that no ranking American general has been able to devise any method by which we could compel the Soviet Government to surrender if the 450,000,000 Chinese should be added to the Soviet war potential.

"We could destroy Russian cities with the atomic bomb; but the idea that the Russians would sue for peace if we should destroy their major cities is illusion. They are made of tougher stuff than that, and they would continue to fight even though they might have to retreat into the wilds of Siberia and China."

TOO CONFIDENT OF A BOMB

"The confidence of Americans in the atomic bomb is beginning to resemble the confidence of the French in the Maginot line. Many Americans believe that because we have the bomb we are certain to win a war against the Soviet Union.

"That is not true. We would run into great difficulties with Soviet fighter planes in our attempt to deliver the bomb, and it is not an efficient weapon against dispersed bodies of men.

"Unless we are more exact in our thinking, our overconfidence in the atomic bomb may become as fatal to us as overconfidence in the Maginot line was to France.

"Without Chinese allies, or a new weapon of mass destruction as deadly to groups of men as the atomic bomb is to cities, we would not have the men or the means to root the Communists out of Siberia and the Far East. We have no such new weapon, and we are permitting Stalin to make the Chinese his allies.

"One of the healthiest traditions of our country is that when a general loses an army or a division through incompetence he is court martialed. But the officials of the Department of State lose whole countries and even continents through incompetence, and receive not dismissals but promotions.

"We are today in a struggle not for security but for survival. We owe that bitter fruit of our victory in the Second World War to the men who based our foreign policy on the lie that the Soviet Union was a peace-loving democracy and the brother lie that the Chinese Communists were mere agrarian reformers who had no connection with Moscow.

"The State Department and the Foreign Service are still rancid with those men.

"They are now advising our President that we should wash our hands of China—in spite of the fact that the Chinese Communist leader Mao Tse-tung announced on the third of this month that Communist China would fight as the ally of the Soviet Union against the United States. Our President can try to wash his hands of China, but he cannot wash them clean."

OPPOSE OR ASSENT

"Unless we oppose Communist conquest of China we assent to it. And our children will face assault by overwhelming masses of Communist driven slaves. Pontius Pilate washed his hands, but the world has never forgiven him. History does not forgive craven evasions—whether by Roman governors or American Presidents.

"China is the key to all Asia. If China goes, Indochina, Siam, Burma, the Malay States, and Indonesia will fall into the hands of the Communists. India will be at Stalin's mercy, and the Japanese who depend on Asia for raw materials and food, and markets for their products, will know that they can become self-supporting only by crawling under Stalin's iron curtain and making their country a Soviet satellite.

"The Japanese and many other Asiatics are already beginning to say that to be a friend of the United States is too dangerous. Our present policy in Asia is defeatism—scuttle and run. We are in full retreat—in abject flight—and Stalin is advancing triumphantly.

"But Europe—can we not congratulate ourselves on our European policy? Have we not seized the initiative in Europe from Stalin? We have not. Our policy in Europe is not deadly to our national interests, as is our policy in Asia. It is now, at last, on the right line. But it is weakly right. And in international affairs to be weakly right is often as fatal as to absolutely wrong."

ATLANTIC PACT LATE

"We have concluded a North Atlantic Pact—3 years late. But the North Atlantic Pact is a frame without a picture; an excellent idea without substance. It will have substance when the European democracies are once more able to feed themselves and defend themselves without doles from the American taxpayer.

"Our Congress voted ECA aid to Europe as a great gift to end the need for further gifts after 1952. But our European friends have already informed us that they will need some billions of dollars annually in gifts from us even after 1952.

"And they have also informed us that they cannot pay for their essential rearmament. Today they have only six divisions armed to meet a possible assault by the Red Army. They would need from 40 to 60 divisions, armed in the most modern manner, to have a chance of preventing the Red Army from marching to the Atlantic. The cost of western European rearmament will run to at least $12,000,000,000.

"Who is going to pay that sum? The American taxpayer?"

NEED STANDARDIZATION

"It is clear today that the western European democracies will never be able to feed and clothe themselves and defend themselves unless they introduce efficient standardization and specialization of production of the sort we have in America.

"But fully modernized production with large volume and low costs cannot be achieved anywhere without the existence of a broad market in which products can be sold without barriers or restrictions.

"The states of western Europe are separated by tariff barriers, quotas, export and import licenses, different currencies and exchange restrictions.

"If our 48 States had been thus separated, we should never have been able to develop our effective mass-production system. The markets open to the individual European democracies are not broad enough to permit fully modernized production.

"Unless they will, by some form of union or federation, break down the barriers which now obstruct the flow of goods, manpower and capital among them, they will not be able to support themselves without annual doles from the American taxpayer—and they will not be able to carry more than a small fraction of the cost of their military defense.

"The individual states of western Europe cannot survive as disunited competitors, but if they unite themselves freely as members of a federation they may be able to avoid being united forcibly by Stalin.

"To attempt to build the economic prosperity and the defense of western Europe without laying the foundation of European federation is to attempt to build a skyscraper on quicksand. That is what we are doing.

"In consequence, the Soviet Government is confident that the problems of European economic life and defense will not be solved, and that we, by attempting to carry the burden of rehabilitating and rearming Europe, will produce in our own country an inflation which will hit all Americans so hard that we shall begin to quarrel among ourselves—farmers against city dwellers, employees against employers, race against race—until we lose our national unity and our will to resist.

"The Soviet Government, therefore, has no fear that time is running against it in Europe. And nothing short of the creation of a European federation—including western Germany—and the rapid rearmament of western Europe will put us in position to wrest the offensive in Europe from Stalin."

REDS IN WEST EUROPE

"To take the political offensive in Europe, we shall, in addition, have to deal successfully with the problem of the Communists in western Europe. Today about one out of four of the French votes Communist, and about one out of four taken into the French Army is a Communist sympathizer.

"The head of atomic research in France is an open and avowed member of the Communist Party. And the French Communists have announced that they will fight on the Soviet side against their own country in case of war. In Italy about one out of three voters votes Communist.

"We shall not be able to have much confidence in either the economic or the military strength of France and Italy until Stalin's fifth columns are eliminated from those countries.

"ECA has prevented the conquest of France and Italy by the Communists. It has arrested the growth of the Communist cancer, it has not eliminated the cancer. But a healthy France and Italy are essential if Europe is to survive and if we are to take the political offensive on a broad scale in Europe.

"Is there any place in Europe where we can seize the initiative now? Yes; Berlin.

"We have been so proud—and rightly proud—of our aviators who have been supplying Berlin by air that we have almost forgotten the daily insult which the Russians inflict on our country by preventing us from using the ground approaches to Berlin. We have a right to supply our section of Berlin by train or truck.

"The Russians daily forbid us to exercise that right. If you were to go home tonight and find a thug on your doorstep who threatened to slug you if you went in your front door, and if you were then to get a ladder and climb in a second-story window, and if you were to repeat that humiliating performance night after night, you would not be likely to boast of your cleverness and courage in finding a way to get into your house."

NO PRAISE FOR LEADERS

"That is our situation in Berlin. No praise is too high for our aviators who carry on the airlift in spite of fog and storm. But no praise at all is due to our political leaders who let that situation continue month after month.

"Would Stalin order his troops to shoot if we should send a truck convoy into Berlin? He might, if he were very foolish. But he has not been foolish in the past. And he knows that war today would prevent him from adding the races and resources of Asia to his war potential and prevent him from getting the atomic bomb before attacking us.

"He also knows that he is increasing the armed might of the Soviet Union and its satellites at a far greater rate than we and the European democracies are increasing our means of defense.

"We are spending all we can on armaments while living at the world's highest standard of consumption and contemplating further expenditures for welfare benefits.

"Stalin is keeping the standard of existence of the peoples of the Soviet Union and the satellite states at the lowest endurable point, while turning all their best energies into production for war. He is working feverishly to increase his air force."

BUILDING BOMBERS

"He already has hundreds of copies of our efficient long-range bomber, the B–29. And he is beginning production of bombers with

even greater range. He is striving with every resource he possesses to manufacture an atomic bomb.

"Our experts estimate that he will have an atomic bomb by 1952 and that he will have quantities by 1956. He is sure that time is running in his favor, and he is not likely to risk war now.

"This is a moment when we can afford to be bold. Indeed, it is a moment when we cannot afford not to be bold. For it is true that we are allowing time to run in favor of the Communists. Yet there is no indication in the recent statements of our State Department that our Government will act intelligently, vigorously, and rapidly in either the Far East or Europe.

"What can we do about it? We cannot lead our leaders, but we can drive our leaders by arousing public opinion.

"The legislature of this great State of Texas—you gentlemen here present—have it in your power to create such a public opinion. You can do your part in this time of cold war as Texans always do their part when the shooting starts.

"You can pass resolutions telling our national leaders that you will not consider them good stewards unless they diminish the burden on our own country, and increase Europe's chance to survive, by bringing about the creation of a European federation.

"You can demand that they throw out of the State Department and the Foreign Service the men whose records show that they have helped to bring our country into its present peril.

"You can tell them that you will hold them responsible if, by allowing Stalin to control China, they throw away all that was won for us by our men who fought and died in the Pacific.

"You can demand that we furnish officers to help the Chinese Nationalists to organize a last-ditch defense which would be also, in the final analysis, a defense of the United States; that we furnish planes, arms, munitions, and silver for troop pay; that we stop Stalin—not in Alaska or California or Texas but where he stands today.

"We are, in fact, already in a war in which there is no discharge. But if our situation is serious, it is also thoroughly inspiring. We live by the belief expressed in our Declaration of Independence that men are 'endowed by their Creator with certain unalienable rights,' that man as a son of God is an end in himself, that the state is a tool of man, a means not an end, and that man is responsible for the moral behavior of the state."

OPPOSITE BELIEF

"The Communist creed is the exact reverse of this American doctrine.

"It teaches that there is no God, that there is no moral law, that the Communist state is above all morality, that the state is man's master not his tool, that man is not an end in himself but a means to produce world conquest for the Communist state.

"And the Communists are determined to force us to accept the life of fear and slavery which is produced by their doctrine.

"From eastern Germany to China, men have already learned the terrible truth of William Penn's words:

" 'Those people who are not ruled by God will be ruled by tyrants.' And we too shall learn that terrible truth in the sweat of slavery unless we arouse ourselves now and say to our Government that we do not ask for privileges but for duties; that we do not want to hear what we can get from our country but we do want to hear what we can give to our country; that we know an American is a free man or he is nothing; that we, like our forefathers, are ready to face without finching whatever fate the Lord God may bestow, ready to give all that we have and all that we are to defend the greatest adventure in human freedom that this earth has known—our America."

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

LABOR-FEDERAL SECURITY APPROPRIATIONS—MOTION TO RECONSIDER

Mr. RUSSELL. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside in order that the Senator from Rhode Island [Mr. GREEN] may make a motion.

The VICE PRESIDENT. The Chair would suggest that instead of the Senator making a motion, which, if carried, would displace the unfinished business, the Senator ask unanimous consent to proceed to the consideration of the motion.

Mr. RUSSELL. I do not know how we could proceed with the consideration of the motion until the Senator from Rhode Island has made it, but I would ask——

The VICE PRESIDENT. The Senator from Rhode Island entered the motion several days ago, and he can now make it, but unanimous consent can be granted temporarily to lay aside the unfinished business and take up the motion.

Mr. RUSSELL. That was the effect of the unanimous-consent request I made.

Mr. WHERRY. Mr. President, reserving the right to object, my understanding is that the unfinished business is the so-called extension of the reciprocal trade agreements legislation.

The VICE PRESIDENT. The Senator is correct.

Mr. WHERRY. The unanimous-consent request is temporarily to displace that bill, and take up for consideration the motion made by the distinguished Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the Labor-Federal Security appropriation bill was recommitted.

Mr. RUSSELL. With instructions.

Mr. WHERRY. Yes; with instructions.

Mr. RUSSELL. The Senator from Nebraska is correct.

Mr. WHERRY. Mr. President, I wish to make an inquiry of the distinguished majority leader. The motion made by the Senator from Rhode Island is debatable, of course. After the motion is disposed of, what will be the program for the day?

The VICE PRESIDENT. Automatically the Senate will return to consideration of the unfinished business, which is the reciprocal trade-agreements legislation.

Mr. WHERRY. Yes; I understand that. But my inquiry of the majority leader is whether he intends to have the Senate consider that legislation today, or whether he plans to have it set aside so the Senate may consider some other measure during the afternoon.

Mr. LUCAS. Let me say, Mr. President, that following the disposition of the motion made by the Senator from Rhode Island it is expected that a unanimous-consent request will be made to lay aside the unfinished business, for the purpose of considering the Department of Agriculture appropriation bill. The senior Senator from Georgia [Mr. GEORGE] who is in charge of the reciprocal trade agreements bill, is indisposed today; therefore it is necessary for us to move on to some other part of the Senate program.

Mr. WHERRY. Mr. President, I have no objection to consideration of the motion made by the Senator from Rhode Island in view of the announcement just made by the Senator from Illinois, which has clarified for us what the program will be for today.

The VICE PRESIDENT. Without objection, the Senate will now proceed to the consideration of the motion made by the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the appropriation bill was recommitted.

The question now is on agreeing to the motion to reconsider.

Mr. GREEN. Mr. President, is my motion to reconsider now before the Senate?

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which House bill 3333 was recommitted to the Committee on Appropriations with instructions.

Mr. GREEN. Mr. President, it seems to me that the discussions reported in the RECORD are ample. Most Senators had already made their decision when they acted on a former occasion. In the meantime, those who were absent, as I unfortunately had to be at the time of the vote, have made up their minds. Personally I feel that there is no occasion for debating the matter further.

Mr. CAPEHART. Mr. President, I wish to repeat what I have said many times on the floor of the Senate during the past 4 months, namely, that we should reduce all the appropriation bills and should cut the expenses of the Government. We have been talking about cutting them 5 percent. In my opinion they should be cut not less than 20 percent.

Yesterday I voted for the reorganization bill. I think it is a fine thing, and I hope the President will be successful in reorganizing the Federal Government and in reducing expenses. However, I remind the Senate that the responsibility for reducing expenses, the responsibility for cutting appropriations, and the responsibility for not appropriating money belong to the Congress, and not to the President of the United States.

I cannot help feeling that in the fiscal year ending June 30, 1950, we shall incur a deficit of between $5,000,000,000 and $15,000,000,000 unless we reduce expenses by that amount. Possibly we could correct the situation somewhat by increasing taxes; but I am of the opinion that if we increase taxes they will show a diminishing return.

I think there is no question, if one reads the business signs correctly, that the volume of business is declining. The number of dollars business is handling today is less than it was a year ago. In

my opinion it will grow smaller. I am thinking now in terms of volume, in terms of dollars. I am not saying that I think we are going to have a depression. I do not think we shall. But we must remember that only a year ago the President of the United States, the Congress, and the people were complaining that prices were too high, and must come down. There were those who said that if they did not come down of their own weight we should enact legislation to reduce them. Prices are now falling. They have been reduced by their own weight.

I cannot think of anything worse for this Nation than to continue to operate at a deficit in peacetime. That is particularly true when taxes are as high as they are, and when our budget and our appropriations at the moment are running above $40,000,000,000. I am thoroughly convinced that Federal revenues for the fiscal year ending June 30, 1950, will not be more than $35,000,000,000. I made that statement 3 months ago, and I repeat it today. I remember that 3 months ago it was estimated that revenues would amount to $40,000,000,000. The other day someone in authority stated that it seemed that they would go to $38,000,000,000. That is only $3,000,000,000 more than my estimate. My estimate is only an opinion; but suppose I am wrong. Suppose the revenues are $40,000,000,000 or $42,000,000,000. Is it not much more sound, more businesslike and more in the interest of world peace and in the interest of our economy and our people that we stay within our income and run a surplus rather than a deficit?

I do not know what we are thinking about. I cannot understand why Members of the Senate should deliberately, day in and day out, pass appropriation bills which we know will run our Government in the red during the fiscal years for which we are appropriating money. Is there a single Member of the Senate who feels that our Government can remain strong and run a deficit in peacetime, adding that deficit, whether it be $1,000,000,000, $2,000,000,000, $5,000,000,000, $10,000,000,000 or $15,000,000,000 to a national debt of $252,000,000,000?

What are we thinking about? When are we going to cut expenses? Why do we "pass the buck" to the President of the United States? Why do we not accept the responsibility ourselves? Why do we not do what the Reorganization Act calls for, namely, arrive at the estimated revenues for the fiscal year, and then appropriate not one dollar more than the revenues reasonably to be anticipated? An expenditure of $40,000,000,000 does not frighten me. An expenditure of $50,000,000,000 does not frighten me. An expenditure of $60,000,000,000 does not frighten me. The thing that frightens me is the fact that we are spending more money than we are going to take in. I agree that the time might come when we might well spend $50,000,000,000, if the national income and the volume of business should warrant it. The fact that the expenditure is $40,000,000,000 does not frighten me. It is not the amount of money that should frighten us. It is the fact that we are spending more money than we are taking in, and adding the deficit to a national debt of $252,000,000,000.

I repeat that in my personal opinion every appropriation bill that comes before the Senate should be reduced, so that the sum total of appropriations will be not more than $35,000,000,000. I think we owe it to the American people to do so. We could well appropriate more money later if we saw that our revenues were going to be greater than it seems at the moment they will be. I plead with the Congress not to appropriate a single penny more than it is reasonably expected we shall receive in revenues.

This morning I noted in the press that last night or the night before the President of the United States made a Nation-wide radio appeal to the American people to buy $1,000,000,000 worth of E bonds, on the basis that we need the money in order to maintain world peace and for our own security. I have no objection to that. I think it is a fine thing. We need to borrow money because we are running deficits each day.

Mr. President, I am sincere when I say it is my opinion that the great majority, if not all, of the 147,000,000 Americans are looking to this Congress to reduce governmental expenditures, to reduce the Government's budget, to balance the budget, to reduce the national debt. I do not know how any man in his right mind can feel that any individual, any institution, any company, any government, any organization can continue, year in and year out, to spend more money than it receives. The end of such a course must be calamity. Of course a government does not go bankrupt, but a government can get into such a position or condition that the people lose confidence in its money and bonds and management. When that time comes, there is chaos and inflation.

I have in my pocket a certificate issued by the Chinese Government, supposedly worth $2,500,000. It is a 25,000 unit certificate. Of course, today this certificate is practically valueless because the Chinese people have lost confidence in their Government.

Mr. President, I say this matter is extremely serious. We talk about reducing governmental expenditures by 5 percent. However, thus far we have not been able to make even a one-penny reduction in the appropriations. We were not able to reduce by one penny the $5,880,000,000 ECA appropriation. We have not been able to reduce by one penny any appropriation which has come before the Senate to date. It is my understanding that the House has increased the amounts carried in either six or nine appropriation bills by a total of approximately $4,500,000,000 more than was spent last year by the agencies for which the appropriations are made.

So, Mr. President, this situation is extremely serious. The very fact that the President of the United States spoke on the radio, on a Nation-wide hook-up, several evenings ago, in an endeavor to increase the sale of Government bonds, the very fact that we now have to use the President of the United States and organized bond-selling drives in an effort to obtain more funds for the Government, in itself should sober every Member of the Senate and should bring to all of us a realization that the time has come when we must reduce governmental expenditures. After all, how can we expect to ask the people to pay more taxes, when the Government is spending more money?

Mr. President, I shall not take further of the time of the Senate to discuss this matter. I simply say in closing, let us have the courage to do what each and every one of us knows should be done. Let us have the courage to face our own responsibility in this matter, the responsibility which the Congress has to appropriate the necessary money and to cut governmental expenses. We can pass all the reorganization acts we wish to, and the President of the United States can do the best he can under them, but I say we shall never stop the growth of governmental bureaucracy and we shall never stop the wasting of hundreds of millions of dollars by Government spending until the Congress of the United States has the courage to cut off and shut off appropriations.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield to the Senator from Nebraska.

Mr. WHERRY. In line with the very forceful remarks the distinguished Senator from Indiana has made, I should like to ask him a question. Is it not true that the correspondence the distinguished Senator from Indiana is receiving from his State today and from the places where he has gone shows that there is a grass-roots demand that Federal Government expenditures be reduced in the appropriation bills now before the Congress?

Mr. CAPEHART. Mr. President, there is no question about that. On Friday night I am to go to Fort Wayne, Ind., at the invitation of the labor unions of that city, to consult with them regarding unemployment. More than 10,000 persons are unemployed in Fort Wayne, Ind.; and in the invitation which the labor unions have sent me, they state that they wish me to explain to them why and how it is possible for our Government to be spending billions upon billions of dollars, and yet there is widespread unemployment in Fort Wayne.

Mr. President, if Senators do not believe that the American people are aroused over the failure of this Congress to cut expenses, then Senators are making a great mistake.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. PEPPER. I wonder whether the Senator from Indiana noticed in yesterday's newspapers a statement that the value of the national product has, in the course of the last few weeks, declined approximately $9,000,000,000; and I wonder whether the Senator would attribute a part of the unemployment to some of the deflationary trends which have appeared in the last few months, and

whether he will agree that this so-called economy drive which is accelerating the deflationary trends is likely to produce more unemployment, rather than less.

Mr. CAPEHART. Mr. President, it simply does not make sense that that would be true. If we are going to proceed on the premise that we must have a synthetic prosperity or a synthetic economy in our Nation, if we are going to develop into a 100-percent welfare state, if we are going to abandon the private enterprise system, and if the Government is going to take over all business and is going to provide employment, that is one thing. Personally, I am 100 percent opposed to it. I think that if we have unemployment today, it is due to the fact that there is lack of confidence in the financial situation in Washington.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. CAPEHART. I am happy to yield.

Mr. PEPPER. Does not all our economic experience show that what causes lack of confidence is the fear of a prospective loss of business, which means that the opinion of business is that purchasing power is less, that the market is smaller and has shrunken, and are not the people who are shouting from the housetops about Government economy and cutting all Government expenditures setting an example to private enterprise in the United States to do the same thing? And if manufacturers cut down their production because inventories are being reduced by wholesalers and jobbers and distributors, is not that the very sort of thing that produces unemployment in factories and on farms?

Mr. CAPEHART. Mr. President, first let me say that I cannot and I will not debate this subject with anyone who does not agree that no individual, no company, no institution, or no organization can long exist if it spends more money than it takes in. I simply refuse to debate this subject with ayone who does not agree with that premise.

Mr. PEPPER. Mr. President, will the Senator further yield?

Mr. CAPEHART. I yield.

Mr. PEPPER. If the Senator from Florida gave any impression that he advocates having the Government spend more money than it takes in, he certainly welcomes the opportunity to correct the error or misunderstanding.

Nor is the President of the United States advocating an unbalanced budget. On the contrary, he is advocating that when governmental expenditures exceed receipts, the proper course is to increase taxes, and I agree.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Massachusetts?

Mr. CAPEHART. I am very happy to yield.

Mr. SALTONSTALL. I should like to call to the Senator's attention, for any comment he may desire to make in connection with what he has just said, to the daily statement of the United States Treasury, dated May 12, 1949, which shows, on page 2, that the receipts this year amounted to $32,345,000,000, as opposed to the receipts of the corresponding fiscal period 1948, in the amount of $36,434,000,000, a decrease of $4,100,000,000. Meanwhile, along the line of what the Senator from Florida has stated, the total expenditures in the same period, for this year, amounted to $30,800,000,000, as opposed to $28,700,000,000 a year ago. Therefore, if my arithmetic is correct, the United States Government is about $6,000,000,0000 worse off this year, at this moment, than it was last year. Does the Senator have any comment on that, in connection with the statement made by the Senator from Florida?

Mr. CAPEHART. Of course, that is what we have been talking about. That is the position we have been taking all along, that revenues are dropping, and that the Government is spending more money. Receipts and expenditures are out of balance. Each day the deficit is increased. Instead of conditions getting better, they are getting worse, because we are appropriating and getting ready to spend more money in the next year than we spent this year.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield.

Mr. WHERRY. I thank the Senator for yielding, because I wanted him to bring out primarily the demand that is coming from the grass roots. I am in total agreement with the distinguished Senator when he states that he refuses to debate with anyone who fails to differentiate between real prosperity and synthetic prosperity. I ask the Senator, is it not true that the reason business today is apprehensive is because of the very fact that it looks as though there is nothing ahead but increased taxes, and therefore business is fearful of expanding or of going on with the present volume and with the program it has today?

Mr. CAPEHART. Businessmen are apprehensive because of that situation and likewise because the President and the administration—I could well say all of us—felt a year ago that prices were too high and had to be reduced. Prices have been reduced, and they are going to be reduced still more, because certain prices are still high. As prices are reduced, it will be found that the number of dollars we have is likewise reduced. When the volume is reduced and when the market is falling, there is a natural reaction on the part of business interests, whether the businessman be a farmer or engaged in some other line. A man contemplating a $50 purchase will wait to see whether the price is going down. Last year we complained that prices were too high. Now we are beginning to complain that they are too low. Industry and business are now doing what the administration and the President of the United States advocated last year. Revenues are declining, as a result. That was the natural consequence of handling fewer dollars, or everybody reducing prices, and doing what many people thought should have been done last year. But they forget, in doing that, that the Government is going to have less revenue. We, in the Government, have forgotten to reduce our expenses and our "prices," if we care to call them that, in proportion to what the people of the United States are doing.

GREETING TO RED CROSS WORKERS IN THE GALLERY

Mr. TAYLOR. Mr. President, I have noticed in the Senate gallery a group of ladies in Red Cross uniforms. In recognition of the wonderful work that is being done by the ladies of the Red Cross, I move that the Senate stand for a moment in their honor, and give them a hand.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Idaho.

The motion was unanimously agreed to; and the Members of the Senate rose and applauded.

COMMITTEE MEETING DURING SENATE SESSION

Mr. MYERS. Mr. President, I ask unanimous consent that a subcommittee of the Committee on Interstate and Foreign Commerce which is considering certain legislation with regard to the Natural Gas Act be permitted to meet this afternoon while the Senate is in session.

The VICE PRESIDENT. Without objection, permission is granted.

Mr. MYERS. I wish to announce that the committee met this morning, and that the following Senators were in attendance: The Senator from Arizona [Mr. McFARLAND], the Senator from Kansas [Mr. REED], the Senator from Ohio [Mr. BRICKER], the Senator from Texas [Mr. JOHNSON], and I, all of whom missed the first quorum call because they were in attendance upon the committee at that time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON, Mr. HOLIFIELD, Mr. McCORMACK, Mr. HOFFMAN of Michigan, and Mr. RICH were appointed managers on the part of the House at the conference.

ECA HAS FURTHERED BRITISH SOCIALISM

Mr. KEM. Mr. President, there appeared recently in the Washington Post, an article by Frank Gervasi, prominently displayed under the headline, "ERP hasn't financed socialism." I understand the same article appeared in other leading newspapers.

The article evidently was aimed at the amendment to be proposed to the forthcoming ECA appropriation bill, to prohibit Marshall plan funds being used to finance further nationalization of basic industries in the participating countries.

BRITISH PROPAGANDA LINE

Since Mr. Gervasi was writing from London, it is perhaps not unnatural that his article reflects the propaganda line

of the British Information Service; which, of course, is the propaganda line of the Socialist Government and the Socialist Party in Britain.

At an appropriate time, I expect to speak at some length upon the manner and extent to which Marshall-plan funds have been used to further the socialization program in England. However, I feel that I should not delay until the appropriation bill comes before the Senate to correct certain entirely erroneous impressions that were conveyed by the Gervasi article.

I do not intend at this time to discuss either the merits or demerits, or the work or failure to work, of the Marshall plan as a whole. I do intend to show, in brief outline, that American funds are being used to further the nationalization of industry, and the medical profession, in England.

Mr. Gervasi, in his article, states:

> Such socialist enterprises as the nationalization of the Bank of England, of transportation, of electric light and power and of the coal industry were purely internal transactions involving sterling, not dollars. Nationalization of the bank, which was little more than the creation of a British version of our own Federal Reserve System, was accomplished by issuance of $232,000,000 in Government bonds to the former stockholders.
>
> So it was with the other enterprises which were transferred to the Government from private to public ownership. The shareholders received stocks and bonds paying from 2½ to 3 percent interest. No dollars changed hands.

Now, Mr. President, that is the type of clever half-truths that have become a favorite weapon of certain propagandists in our own Government. Of course, no dollars actually went directly from the American Treasury to pay for the purchase of the socialized industries. But that is simply a bookkeeping technicality.

COUNTERPART FUNDS USED TO CANCEL DEBT

What did happen was this:

The bonds for the purchase of the industries were charged to the British national debt. The assumption of this added debt put such a strain upon the financial structure of the British Government that last year ECA came to the rescue. The British Government was permitted by ECA to use 82,000,000 pounds sterling of the Marshall Plan counterpart funds for the cancellation of debt. This figure appears as a part of Mr. Hoffman's testimony, on page 41 of the Senate Foreign Relations Committee's hearings on the extension of European aid.

For what are the counterpart funds supposed to be used? It was insisted from the very beginning that European aid could not simply be for relief. It must also be for the rehabilitation of the western European economy. Therefore, for every dollar given in aid, each country must match that dollar in its own funds in a segregated account that must go for capital investment. The intention of Congress was that these counterpart funds should be used only for recovery or rehabilitation. But ECA dumped 82,000,000 pounds sterling of this fund into the laps of the Labor Government to cancel debt—British national debt—which had been swollen by the cost of the purchase of the socialized industries. And yet, Mr. Gervasi and the hand-outs of the British Information Service insist that Marshall-plan aid is not helping to socialize Britain.

EFFECT OF AID ON SOCIALISM PROGRAM

The industries which Britain has socialized have lost great sums of money. The civil aviation industry, for example, lost $100,000,000 the first 14 months. These losses must be made up.

The money which has gone to meet these deficits could have otherwise been used for goods and services, thereby lessening the load, to quote Winston Churchill, upon the heavily burdened people of the United States.

Raw materials have been flowing from the United States in a constant stream, further mitigating the strain which the nationalization program places upon the British economy.

It may possibly be said that the British Laborites would have attempted socialization even if they had had no American aid. If so, it is interesting to speculate as to what a Pandora's box of economic troubles would have been opened. As it is, the smooth and undisturbed flow of American billions, the rivers of cotton, wheat, and raw materials of all kinds, have enabled the Labor Party to cushion the transition and render socialization relatively painless.

The lower volume of production and consequent lower standard of living which are implicit in the Socialist program have been avoided. William A. Richardson, editor of Medical Economics, recently spent a month in England. He quotes a Member of the House of Commons as dismissing the huge cost of the socialization plan with this comment:

> What does it matter? the Americans are paying for it.

Socialism in England is being accomplished by the use of sedatives. The United States is supplying the economic soothing sirup which does the job.

It is interesting to note that Mr. Gervasi conceded that without Marshall-plan aid the present British Government probably would have had to delay its biggest Socialist venture, the National Health Service. Here, then, is a frank confession from an apologist for the Marshall plan, that without the aid of our money socialized medicine in England probably would not now be in effect.

It is the opinion of many intelligent observers that without the Marshall-plan money, the whole Socialist program in England would have collapsed long since. These funds, provided by the American taxpayers, which should have gone into rebuilding the British economy have gone, instead, to bolster the British Socialist Government and to implement its program of nationalizing industry.

NEW PROGRAM FOR SOCIALIZATION IN BRITAIN

There is one more point in Mr. Gervasi's article on which I will comment briefly. Mr. Gervasi states:

> The evidence is that Marshall-plan aid has slowed up rather than accelerated British socialism.

Mr. President, no evidence is offered in support of this statement. I submit that the evidence is to the contrary.

Let us look at the record:

On April 12, 1949, a new 5-year program for socialization in Great Britain was announced by the executive committee of the Socialist Party. In addition to the activities already socialized, it is now proposed that the Government take over the cement industry, all suitable mineral deposits, cold storage facilities not already publicly owned, sugar manufacturing and refining, and appropriate sections of the chemical industry, together with two great insurance companies, both of which have vast investments in other business enterprises.

Mr. MYERS. Mr. President, I wonder if the Senator from Missouri would yield for a request that the Senate stand in recess. I understand General Clay is on his way to the Senate.

Mr. KEM. I shall detain the Senate only briefly.

This announcement of the program was followed by the passage of the second ECA authorization bill by the Congress, on April 19, 1949. At that time the same argument was made as has since been advanced by Mr. Gervasi, that is, that our money would "slow up" the socialization program in Great Britain.

But there has been no announcement, official or otherwise, of any departure from the official program promulgated by the Socialist Party on April 12, 1949.

To confirm and to substantiate that program two important developments have occurred. These occurrences may be surprising to Members of this body who have hitherto accepted at face value the assurances of socialism "slowing up." In my judgment, these developments require the reexamination and the reappraisal of the entire ECA program by the Congress of the United States.

These events of great significance are:

First. On May 1, 1949, the British Government took over the gas industry.

Second. On May 9, 1949, the House of Commons passed the bill to socialize the all-important iron and steel industry.

Does this look like the nationalization of industry is being "slowed up"? If so, it is pertinent to ask: What would the program have been in the absence of the Marshall plan and its golden flow of dollars from the United States?

UNFAIR COMPETITION FOR UNITED STATES INDUSTRY

The plain fact is that funds which the Congress appropriated for economic rehabilitation are being used to achieve a competing economic system that will rise to plague us. It is obvious that these nationalized industries enjoy advantages of freedom from taxation, monopoly of home markets, and governmental financial support. American industry and American workers may find it extremely difficult, in the years ahead, to cope with this type of competition which is now being thoughtlessly subsidized by their tax dollars.

It is interesting to recall that when Mr. Truman was a Member of the United States Senate, he was an outstanding crusader against cartels and monopolies. Yet during his administration as Presi-

dent, this type of competition is being created in much of Europe today through the application of Marshall-plan dollars.

My position is that we should cease to underwrite these nationalized monopolies. I bespeak thoughtful consideration of the subject when the ECA appropriation bill reaches the Senate.

VISIT TO THE SENATE OF GEN. LUCIUS D. CLAY—RECESS

The VICE PRESIDENT. Under the order of the Senate of yesterday, the Senate will stand in recess subject to the call of the Chair in order that we may receive a very distinguished American as our guest.

Thereupon (at 1 o'clock p. m.) the Senate stood in recess, subject to the call of the Chair.

During the recess, Gen. Lucius D. Clay and Mrs. Clay, escorted by the committee appointed by the Vice President, consisting of Mr. Lucas, Mr. Tydings, and Mr. Wherry, and accompanied by Gen. Omar N. Bradley, Chief of Staff, United States Army, and Lt. Col R. V. Strauss, entered the Chamber.

General Clay and the members of the committee proceeded to the seats assigned them immediately in front of the desk of the Vice President.

The VICE PRESIDENT. Members and guests of the Senate, it gives me the greatest of pleasure to present to you a very distinguished American, who combines in his character and his services a composite of America hardly ever, if ever, excelled. A great engineer, a great soldier, he was assigned to a great task in a great country. By his patience, his foresight, his courage, he performed that task to the satisfaction of the American people, as has been evidenced by their acclaim, and by the organization of a self-governing nation in the jurisdiction over which he in part presided. His father was a distinguished Member of the Senate for 13 years, from 1897 to 1910.

It gives me great pleasure to present to you Gen. Lucius D. Clay.

[Great applause, Senators and guests rising.]

ADDRESS BY GEN. LUCIUS D. CLAY

General CLAY. Mr. President, honorable Members of the Senate, I think you will understand that today, when a soldier returns home after having tried to do his duty, it is difficult indeed for him to find words to express the deep gratitude which he holds in his heart. I know that in permitting me to be here today you are animated by a desire to express a feeling of satisfaction with the men and women of the occupation forces in carrying out American policy in Germany, and that, also, it is a tribute to the men who flew the airlift, subjecting themselves to hazards of weather and of minimum safety conditions which led to a number of them giving their lives in the effort to sustain the city of Berlin. I think that we can measure their work well.

It would be impossible in a few minutes to summarize the events of the past 4 years in Germany. For 2 years the United States, both in international conferences and within Germany, devoted its every effort to live up to the international agreements which called for a four-power rule of Germany. In those 2 years we found that there was no common ground then existing for agreement. While we had joined with others in exacting security measures which would prevent Germany from again being an aggressive nation, while we fully intended that Germany would pay the costs thus exacted, we always had as a constructive purpose the effort to redirect these 65,000,000 people into a democratic way of life in which they could again be received into the comity of nations.

We failed, but perhaps in that failure came our greatest success, because as a result we realized that the free nations of the world had to be given support and encouragement so that they could again raise their heads and prevent the inroads then being made by forces which believe in the rights of the state being superior to the basic rights of the individual.

The climax in this struggle came when it appeared certain that with our aid European recovery would take place, and that Germany would be included in the program for European recovery, which was designed to bring the free nations of Europe not only into a common economic effort, but into a general program which would make possible freedom of the individual.

The threat of that program led to a blockade of Berlin. Technical difficulties, currency reform, and even other reasons, were alleged to be the cause of the blockade. Primarily it was designed to retard European recovery, to force the Allied Powers from Berlin, and to re-create the conditions of fear which are the only conditions under which a police state can be created.

Even with that decision made, there still remained a feeling of fear among the western European nations who were Germany's neighbors, and who remembered well Germany's part in aggressive war. Therefore, it was not until we had entered into a common security pact with these nations that fear became allayed, and that our Secretary of State, in a few hours of conference, was able to agree on a clear-cut, well-defined program to be supported by Great Britain, France, and the United States, which would lead to the establishment of democratic government in Germany, which could be accepted into the European concept as rapidly as Germany's neighbors were prepared to accept her into that concept.

The German people responded to this magnanimous gesture of the three western powers, and through their parliamentary council quickly adopted a constitution which guarantees free electoral processes and which is devoted to reestablishing in Germany the dignity of man. [Applause.]

At the risk, perhaps, of saying something that sounds sentimental, I wish to recall two personal incidents. Almost 4 years ago, in early August of 1945, the American flag was raised over our headquarters in Berlin in the presence of the President of the United States. At that time, in a short and simple speech, he said that out of victory we had no desire for territorial or material gain; that the United States wanted only a world in which there could be peace and freedom. [Applause.]

I saw the people of Berlin, two and one-half million strong, have their second choice, their second opportunity to choose freedom, and this time they did not repeat the error they first made. They decided that they would live by airlift; that they would undertake the discomforts of a cold winter without electricity and with employment for only a few. They had decided to cast their lot with those who loved freedom. I think that perhaps the example which they have set may indeed become an example for all of Germany.

As I said a few minutes ago in the House of Representatives, it is impossible either to forget or to forgive Germany for what she has brought upon the world, but it is also unfair to hold forever against 65,000,000 people the fact that their moral integrity deteriorated under a police state. I have seen the police state at close hand for 4 years, and I can testify how difficult indeed it would be for a people once under its control to raise their heads and voices for freedom.

Sunday, 2 days ago, I saw my last retreat in Berlin. I watched our flag being lowered, in the full knowledge that it would be raised again on the following morning. I felt that in these 4 years it had become a symbol of firm justice and not of oppression, of a rule of law, but not arbitrary law, and that indeed it had become to millions of people not of our land the same symbol of freedom and of the dignity of man that it is to us.

I am very grateful to have been able to have spoken to you today. Thank you very much. [Great applause, Senators rising.]

Following his address, General Clay and Mrs. Clay and the distinguished visitors accompanying him were escorted from the Chamber.

At 1 o'clock and 16 minutes p. m., the Senate reassembled, when called to order by the Vice President.

LABOR-FEDERAL SECURITY APPROPRIATIONS—MOTION TO RECONSIDER

The Senate resumed the consideration of Mr. GREEN'S motion to reconsider the vote by which the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, was recommitted to the Committee on Appropriations with instructions.

Mr. MARTIN. Mr. President, I rise in opposition to the motion to reconsider. In my opinion, the adoption of this motion would be an error of serious proportions and of grave consequence to the whole picture of Government spending.

From many sources I have heard enthusiastic approval of the step taken by the Senate when it acted for a 5-percent reduction in all items of the Labor-Federal Security agencies appropriation bill

not fixed by law. To reverse that step now would be an admission that we have dismissed from our minds all thought of economy and prudence in the conduct of our Government.

For my own part, I believe that the 5-percent reduction which we instructed the Appropriations Committee to make was not enough. I am convinced that we could cut much deeper without impairing the essential services of the agencies in question or any other agency or department. Are we now to proclaim that we no longer regard the practice of economy, prudence, and efficiency as an essential attribute of good government? Are we to surrender sound principles because we encounter opposition to every suggestion for a reduction in the cost of government?

It is not surprising that there are some among us who have almost reached the conclusion that resistance to the ever-rising tide of spending cannot have any hope of success. Mr. President, I do not subscribe to that kind of thinking. I believe that the solvency of our Republic must always be maintained as one of the great bulwarks of our freedom and independence. I believe that this body should be the front line of attack against unrestricted spending by an entrenched bureaucracy.

There can be no doubt that we are approaching a period of reduced national income. The other day the Department of Commerce, in its monthly survey, revealed a drop in consumer income to an annual rate of $214,300,000,000 from the high of $221,000,000,000 reached last December. This drop in income, according to the Department of Commerce, was the third successive decline since the beginning of the year.

Can we at a time of declining national income and consequent reduction in Federal revenue give approval to new or expanded spending programs without danger to the national economy? Shall we close our eyes to the alarming deficits that will add more billions of debt to the present mortgage of nearly $252,000,000,000? Or shall we face the situation with courage and determination to fight for sound fiscal policies, for a balanced budget, and a realistic commonsense approach to our financial problems?

A decision of tremendous importance is before us. One need not be an economist to recognize that our national wealth is not inexhaustible. One does not need to be a fiscal expert to recognize that national bankruptcy awaits at the end of the road we have been traveling.

Simple arithmetic gives the answer. An individual, a family, a business concern, or a nation is subject to the same fundamental laws. Spending beyond one's means is the way to disaster. When a nation goes broke, state socialism or some other form of dictatorship gains control and the freedom of the individual citizen is destroyed.

Mr. President, all recorded history from ancient times to the present day proves that excessive taxation robs the people of initiative and deprives them of incentive.

I submit that the time to cut the cost of government is here—now. Retrenchment all along the line should be uppermost in our thinking, even when we consider projects that are of unquestioned merit.

I appeal to my colleagues on both sides of the aisle to stand firm for the 5-percent reduction and to vote in opposition to the motion to reconsider.

Today we have heard from one of the great soldiers of America. He is a disciplined man, and for that reason he could bring order out of chaos. A few moments ago he told us that in Germany they were observing not the rule of men, but of a government of laws. When we have an entrenched bureaucracy, that situation does not exist.

I know some of my well-meaning colleagues have stated that we can cut the appropriations when all the appropriation bills are completed. I feel that, if we do not do it now, we may fail to do it; and if we do not cut the appropriations to fit the amount of our revenues, the Nation is doomed to bankruptcy. Bankruptcy in government means a dictatorship of some kind. If America is to continue the leadership which it has had during the past few years, when it has saved the world from chaos and ruin, America must remain solvent; and we can remain solvent only by cutting down the cost of government. The time to do it, Mr. President, is now.

The PRESIDING OFFICER (Mr. KERR in the chair). The question is on agreeing to the motion of the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which House bill 3333 was recommitted to the Committee on Appropriations with instructions.

Mr. KEM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Miller
Anderson	Hoey	Morse
Baldwin	Holland	Murray
Bricker	Humphrey	Myers
Butler	Ives	Neely
Cain	Jenner	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Connally	Kem	Smith, Maine
Cordon	Kerr	Sparkman
Donnell	Kilgore	Stennis
Douglas	Knowland	Taylor
Downey	Langer	Thomas, Okla.
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Frear	McCarthy	Tydings
Gillette	McClellan	Vandenberg
Graham	McFarland	Watkins
Green	McGrath	Wherry
Gurney	McKellar	Williams
Hendrickson	McMahon	Withers
Hickenlooper	Martin	Young

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations is conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Rhode Island to reconsider the vote by which House bill 3333 was recommitted with instructions.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator who made the motion what his understanding or interpretation is of the status of the bill to which the motion relates. The motion is to reconsider the vote by which the bill was recommitted to the Appropriations Committee with instructions.

The Senator from Rhode Island knows the procedure in such cases. Is it his understanding that, if the motion to reconsider is adopted and if subsequently the motion to recommit is rejected, the bill will return before the Senate exactly as it was when it was previously voted to be recommitted?

Mr. GREEN. That is my understanding.

Mr. WHERRY. There has been considerable discussion to the effect that the moment the bill was recommitted it was stripped of all the amendments which had been added on the floor of the Senate. Of course, several views are taken of that point. One opinion even is that under such circumstances the bill would return to the Senate with the figures inserted by the House of Representatives.

So I should like to have the opinion of the distinguished Senator from Rhode Island as to whether, if the Senate adopts the motion to reconsider the vote by which the bill was recommitted, and subsequently rejects the motion to recommit, the bill will again be before the Senate in exactly the same form that it was when the motion to recommit was originally agreed to; in other words, with all the amendments which the Senate added to it.

Mr. GREEN. Mr. President, I cannot do better than to quote the statement made by the distinguished Vice President in this connection. He said the following:

> The Chair will advise Senators that when a bill is recommitted to the committee from which it emanates, such action nullifies all amendments that have been agreed to on the floor of the Senate, and the bill goes back to the committee—if it happens to be a House bill—in the same shape in which it came to the Senate from the House, regardless of the intention of any Senator.

Mr. WHERRY. Then, under that interpretation, the bill will be stripped of the amendments made on the floor of the Senate; is that the view of the Senator from Rhode Island?

Mr. GREEN. That is correct.

Mr. WHERRY. Then I ask this question: If the motion to reconsider prevails, will it be necessary for the Senate again to proceed to the consideration of the bill and of all the amendments which previously were adopted by the Senate?

Mr. GREEN. That would not be necessary; the Senate could pass the bill as it was reported by the committee.

Mr. WHERRY. I know that. However, if amendments are to be offered, the bill will be open to amendment; will it not?

Mr. GREEN. Yes.

Mr. WHERRY. So, if the bill is again before the Senate, it will come before the Senate as it came from the Appropriations Committee in the first place; will it not?

Mr. GREEN. Yes.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. If the motion to reconsider is adopted, then the question will be on agreeing to the motion to recommit, on which another vote would be had.

Mr. WHERRY. If the motion to reconsider prevails, we shall return to the consideration of the motion to recommit; shall we?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Until the bill is recommitted, it seems to me that the amendments which already have been adopted remain in the bill. Why is it stripped of all the amendments which have been added on the floor of the Senate? That is the point I wish to make, and the question I wish to ask.

The PRESIDING OFFICER. That would depend upon the action taken by the Senate.

Mr. WHERRY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. If the motion to reconsider prevails, and if the motion to recommit does not prevail, then does not the bill stand before the Senate in the form in which it was amended previously on the floor of the Senate?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. Then, that is all there is to it.

Mr. FERGUSON. Mr. President, the Senate now has before it a motion to reconsider its previous action in voting to recommit to the Appropriations Committee, with certain instructions, the Labor-Federal Security appropriations bill. The instructions to the committee were that it should attempt to perform that which had been moved in the Senate, namely, to make a cut of 5 percent in all appropriations carried by that particular bill.

For a moment, a couple of weeks or so ago, the Senate became economy-minded. In other words, the Senate marched up the hill, saying, "We realize that we must cut expenditures of the Federal Government, for if we do not do so we shall be compelled to increase taxes or resort to deficit spending, or even to both deficit spending and an increase in taxes."

I say we became economy-minded for a short time. But, within less than 24 hours, the majority side of the Senate decided that it wished to march right back down that hill again, and to insist upon the expenditure of a sum of money which in the opinion of the Senate was so great that we would not be able to provide it unless we engaged in deficit spending or increased taxes, or even both.

There seems to be no doubt in the minds of many persons who understand the present situation that there has been a marked decrease in the national income which, after all, is the basis for the collection of taxes, since the Government has no money of its own, and must take from the citizens every dollar that it wishes to spend.

Only last night on the radio the United States Government had a number of Hollywood stars, the Secretary of the Treasury of the United States, and the President of the United States asking the people to invest in Government bonds in order that the United States Government might obtain money with which to conduct its operations. During that radio broadcast, the people were told in no uncertain words that Government bonds of the United States of America were the safest investment in all the world. If the Senate today is to march down the hill again, after having voted to recommit the bill with instructions that the committee must reduce it, then we are saying to the people that United States Government bonds may not be the safest investment in the world. We have at times seen bonds of the United States Government selling at less than par; but why are they not selling at less than par today? Not entirely because of the financial condition of the United States. It is because the Government itself will buy in any bond at its full par value. But there will come a time when, if we do not receive enough money from the taxpayers, we may be unable to do that.

There came from the White House only a few days ago a statement that the present administration had paid on the national debt the greatest sum of money that has ever been paid in the history of this or of any other nation. Let us analyze the situation and see what really happened. Let us determine whether the Government actually made a debt reduction of $27,000,000,000, as was claimed. Four years ago our Nation was at war, proceeding with full force and at full speed. In 1945 we conducted a great bond sale. Billions of dollars worth of bonds were sold. Not knowing how long the war would continue, we were, as I say, going ahead with full force, raising every dollar we could, paying no attention to deficit spending or to the amount the people were taxed. We faced the common enemy and we had to win. We contracted an immense debt. The war ended abruptly. Then what did we do? Did we actually begin to retire that debt? What we did was simply to cancel obligations in the amount of $20,000,000,000, and returned to the bondholders the money. Is that what is meant by paying off the debt? Oh, yes; we did pay off $7,000,000,000. But that was in 1947 and 1948. The present administration was not in control of the Congress which accomplished that reduction.

Today many promises are made to us. I say to the people of the United States that the time has come when they must distinguish between promises and performance. A great deal is said about economy in Government. It is only a promise, when we hear it said we are going to reduce expenditures by so much. The test is whether we, as Members of the Senate, are willing to vote for cuts and a balanced budget, so that we shall not have to resort to deficit spending or to an increase in taxes, or even both.

Action is what will speak, and the Senate has acted. It voted to recommit the bill with instruction for a reduction. But before it reached the Appropriations Committee and before any positive economy steps were taken, a motion was made to reconsider the Senate's action. The bill is now on the desk of the Senate, and we are about to vote whether it shall be returned to the Appropriations Committee, and whether the committee shall be required to follow the instructions which were the expressed will of the Senate.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from New York?

Mr. FERGUSON. I yield.

Mr. IVES. The junior Senator from New York would like to ask the able Senator from Michigan whether it was not the Senator's understanding, when the bill was recommitted the other day by the vote on which we are about to take action on a motion to reconsider, that the Senate intended to have the committee act on the bill as it was at the moment when the motion to recommit was agreed to?

Mr. FERGUSON. That is correct. It was intended that none of the amendments which had been adopted should be taken out, that they would be included by the committee but less the amount by which we were instructing the committee to reduce the various items over-all.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield to the Senator from New York.

Mr. IVES. The interpretation which has been placed upon the action taken by the Senate apparently is that, when the bill was returned to the committee, it was returned in its original form, without any amendment whatever being attached to it. Is that correct?

Mr. FERGUSON. That was the ruling of the Chair; but that was not the intent of the Senate. That was not the intent of the Senator from Ohio, as shown by the statement read by him on the floor of the Senate since that day. The legislative history of the vote clearly demonstrates that the Senate did not intend that the bill should come back from the Committee on Appropriations without the amendments which had been adopted on the floor.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield to the Senator from New York.

Mr. IVES. Then, that being the case, is it the Senator's idea at the present time, assuming the motion to reconsider prevails, as it may, in the present instance, to move to recommit the bill with specific instructions that the Senate committee shall act upon it in the condition in which it actually leaves the Senate.

Mr. FERGUSON. I shall have to answer that by saying I do not know. I have no knowledge of what motions may be made if the motion to reconsider prevails. The able Senator from New Hampshire is not on the floor, and he is the ranking minority member of the committee which has charge of the bill. Therefore, I do not have knowledge at present upon which I can advise the Senator.

Mr. CHAVEZ. Mr. President, will the Senator yield for a moment?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I was handling the bill on the floor, and it was my understanding and interpretation that what the motion of the Senator from Ohio meant was that the bill should be recommitted as it was, in the same status that it had at the time the motion was made, including the amendments that had been adopted on the floor.

Mr. FERGUSON. That is correct. That is the legislative history. The record shows that.

Mr. CHAVEZ. That was the understanding of the chairman of the subcommittee. If we are still to carry out the mandate of the Senate, unless the motion of the Senator from Rhode Island prevails, so far as the chairman of the subcommittee is concerned, that will be the understanding.

Mr. IVES. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I yield to the Senator from New York.

Mr. IVES. That being the situation, the committee was then, I take it, instructed by the Senate—up until the present time of reconsideration, at least, this condition would appear to prevail—to take 5 percent off the bill, in line with the terms of the amendment, and to have that 5 percent cover not only what was in the bill when originally reported to the Senate, but also the amounts added for heart research and for cancer research, together with other items which were added by amendment in the Senate. Is that correct?

Mr. FERGUSON. I will yield to the Senator from New Mexico to give his version.

Mr. CHAVEZ. That is correct, so far as the chairman of the subcommittee is concerned.

I further understood from the debate and the reasons given as to why the bill should be recommitted that the committee was instructed that the reduction of 5 percent was to apply generally to all the items in the bill, including administrative expenses.

Mr. FERGUSON. That is correct. But the committee would have the discretion of reducing one item more than another, so that it would average a 5-percent cut, but it could not cut below 20 percent on any particular item. That is just as the agency would have been instructed and required to do by virtue of the motion of the Senator from New Hampshire and the Senator from Michigan if the motion had been agreed to.

Mr. IVES. Mr. President, will the Senator yield once more, in order that I may have the question clear in my own mind?

Mr. FERGUSON. I shall be glad to yield to the Senator from New York.

Mr. IVES. In the present instance a vote against the motion to reconsider would be, in effect, a vote further to instruct the Senate committee to take off 5 percent from the over-all bill, as amended, when it was returned to the Senate committee. Is that correct?

Mr. FERGUSON. That would be the fact; 5 percent of the amount of the bill as it was when it went back to the committee.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Florida.

Mr. PEPPER. If the Senator will allow, that is not the effect of the statement of the Chair when the matter was under consideration a few days ago, and it is not the advice of the Parliamentarian. The advice of the Parliamentarian, as confirmed by the Vice President when the subject was under discussion, was that the effect of the Taft motion to recommit, if it should be allowed to stand, was, first, to strip the bill of all amendments added in the Senate; the second, to strip the bill of all amendments added by the Senate Appropriations Committee; and, third, to take off 5 percent of the over-all volume of the bill as it came from the House of Representatives.

The PRESIDING OFFICER. The present ruling on the question before the Senate is that if the motion to reconsider shall be agreed to, the question will then recur on the motion to recommit the bill to the committee, to carry out the instructions of the Senate as contained in the motion to recommit.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. PEPPER. We were talking about what would be the effect of the motion to recommit. Of course, if the motion to reconsider should be agreed to, the Senate would vote on the motion to recommit. If the Senate should adhere to its previous action in agreeing to the motion to recommit, the effect would be what the Senator has stated.

Mr. FERGUSON. But the able Senator from New Mexico has stated what he would do with the bill, according to the instructions laid down by the motion to recommit, and the further explanation by the able senior Senator from Ohio——

Mr. GREEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall yield in a moment.

When the bill came back to the Senate it would have all amendments in it; it would come back to the floor with the instructions taken care of. The committee would attempt to reduce the bill an over-all of 5 percent.

Mr. CHAVEZ. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I think we are losing a good deal of time by debating that particular question, because what we are now working on is the problem as announced by the Chair at the moment, that, after the motion of the Senator from Rhode Island, if it shall prevail, the next step will be to revert to the motion of the Senator from Ohio.

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. What I have in mind is that if the motion to recommit shall prevail and the bill goes back to the Senate committee, the instructions of the Senate will have to be carried out, but I think we have not yet reached that point, because, first, we shall have to vote on the motion to reconsider made by the Senator from Rhode Island. We do not have to worry about what happened before, because we have the motion of the Senator from Ohio just as if it had not previously been made. So why should we worry about the other at the moment? It seems to me it is perfectly possible to reach a solution of the problem. If the motion to reconsider is adopted, and then a motion is made to recommit, and there is attached to the motion to recommit the proviso that the bill shall go back to the committee with all the amendments adopted in the Senate, that would make it perfectly clear and would avoid any ambiguity or misunderstanding.

Mr. FERGUSON. But if the motion shall not prevail, as the able Senator from New Mexico has said, the understanding of the subcommittee of which he is chairman——

Mr. PEPPER. That does not bind the Senate.

Mr. FERGUSON. It binds the committee.

Mr. CHAVEZ. It cannot bind the committee if no action has been taken. If the motion of the Senator from Ohio shall prevail, we shall be in the same status as if no action had been taken heretofore.

Mr. FERGUSON. But if the motion shall prevail, the bill will be sent back to the Appropriations Committee.

Mr. CHAVEZ. Of course; and then the committee will act.

Mr. IVES. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from New York.

Mr. IVES. It is still not clear in my own mind. If the motion to reconsider does not prevail, as I understand, the bill is still in committee, under instructions to cut 5 percent the over-all amount appropriated. It is in its original form, without the amendments made in committee and amendments made on the floor. Is that correct?

Mr. FERGUSON. That is the ruling of the Chair. But the ruling of the Chair does not overrule the understanding of the Senator from New Mexico in what he has stated this afternoon with reference to what he considers the instructions to be.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. IVES. Let us see if we cannot trace it out, step by step. Let us leave it as stated, and assume that that is its status. Assuming the motion now before the Senate should prevail, it would be followed by a motion to recommit. Is that correct?

Mr. FERGUSON. There would be a vote upon the motion of the Senator from Ohio.

Mr. IVES. The motion would be to recommit, and that would be the question immediately before the Senate.

Mr. FERGUSON. That is correct.

Mr. IVES. If that motion should prevail, does the bill return to the committee with instructions to do exactly as the Chair has apparently ruled it was instructed to do, in the present instance? We had better find out where we are on this question.

Mr. FERGUSON. I should say, because of the statement of the Senator from Ohio, the instructions would not be according to the ruling of the Chair, and also because of the statement made by the able Senator from New Mexico, that he would accept the instructions that the amount was to be cut.

Mr. IVES. Mr. President, will the Senator yield for one more question?

Mr. FERGUSON. I yield.

Mr. IVES. I think we are speculating now. Is it not possible for this body to recommit a bill to a committee, or to commit it to a committee, with definite instructions to have the committee act on it as instructed, and to have it reported forthwith following the carrying out of those instructions?

Mr. FERGUSON. There is no doubt about that.

Mr. IVES. Cannot that be done in this instance?

Mr. GREEN. Mr. President, that was the suggestion of the Senator from Rhode Island.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CORDON. I should like to propound a parliamentary inquiry in regard to the subject at hand.

The PRESIDING OFFICER. The Senator will state it.

Mr. CORDON. If the pending motion to reconsider shall prevail, the bill then will have this parliamentary status: I understand it will be then pending under the motion of the senior Senator from Ohio to recommit, with instructions.

The PRESIDING OFFICER. The motion will be pending.

Mr. CORDON. That is correct. The bill will be subject to the pending motion. The parliamentary question is, will the motion pending be subject to amendment?

The PRESIDING OFFICER. By action of the Senate, yes.

Mr. CORDON. The answer is that at that time at least a motion would be in order to amend the instructions contained in the motion to recommit?

The PRESIDING OFFICER. That is correct.

Mr. CORDON. So that at that time the instructions might be amended so as to direct the committee to reduce by 5 percent the appropriated amount as it existed in the bill after action on the floor of the Senate.

The PRESIDING OFFICER. That would be in order.

Mr. FERGUSON. Mr. President, there should not be any confusion over what the Senate attempted to do, because the able Senator from Ohio stated in no uncertain terms, when he made his motion. He stated that under the instructions the committee would have to do that which the motion of the Senator from New Hampshire and the Senator from Michigan would have required the two Departments to do, namely, to make an over-all cut of 5 percent, using its discretion in making the cut, but not cutting any particular item more than 20 percent.

Mr. President, there are some who might feel that the way to do this is to reconsider. Nothing would be gained by that. The able Senator from New Mexico has indicated what he believes to be the instructions now.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. Of course, the Senator from New Mexico will follow the instructions of the Senate, but that does not mean that he agrees with those instructions. He still thinks that the committee reported a good bill.

Mr. FERGUSON. There is no doubt about that being the feeling of the Senator. He objected to the motion, and still objects to the motion, and I assume from what he is now saying that he will vote in favor of reconsideration. But if the motion to reconsider is not agreed to, I assume he will then obey what he considered to be the instructions of the Senate of the United States. He has so expressed himself on the floor of the Senate.

There are those who feel that the best way to bring about a reduction is to wait and provide for a reduction at the end of the consideration of the bill by virtue of an amendment to the bill. If that is sound, then there must be a two-thirds vote, because such an amendment would be legislation on an appropriation bill. Those who propose that may say, "Well, that can be avoided by framing a regular bill to accomplish the result, making a cut in all appropriations or specific appropriations by 5 percent." Such a bill could be passed by a majority vote, but if the President vetoed it, it would still take a two-thirds vote, not only of the Senate, but a two-thirds vote of the House of Representatives, to pass such a bill. So, if we come down the hill we have ascended, having instructed the Committee on Appropriations to cut 5 percent, we face the possibility of the necessity of a two-thirds vote, not only in the Senate, but in the House of Representatives. That is the position in which we would place ourselves.

Mr. President, I hope that for the good of the people of the United States the Congress will retain its control of the purse strings. If it is to remain in control of the purse strings, it must determine what the costs of the Government of the United States shall be. I know of no better or more scientific way to cut appropriations—that is, to reduce the costs of government—than to provide that a certain amount shall be taken from the appropriation bill, and that the agency itself shall be required to make the cuts in the most appropriate places.

I realize that every agency believes it does not receive sufficiently large appropriations. That is why Congress has to act, that is why Congress must control the purse strings. I have sat on the Committee on Appropriations for many years, and I have never found one agency which thought it was getting sufficient money in an appropriation bill. The agencies of the Government are not even satisfied with what the Bureau of the Budget allows them.

The agencies have instructions which prevent them from asking for more than the Bureau of the Budget recommends as the proper appropriation. But a representative of an agency will go to a Senator's office and ask the Senator to ask him, when he comes before the committee, questions about what the Bureau of the Budget did, and ask him about whether the agency cannot use more money. That is not unusual. If that is done, under the rule of the executive branch of the Government, such officials are allowed to ask for more and to explain fully what they really need. Under those circumstances they get even more than the Bureau of the Budget said they were entitled to. That is not unusual, as I have said.

The rule is that the agencies have to come before the committees of Congress and not ask for more than the Bureau of the Budget allowed them, but, as I have just stated, if a Senator or a Representative brings up the subject, they can come forward and tell their whole story, and there is no limitation. That happens not once, but many, many times.

So, Mr. President, I say that if we expect voluntary cuts by the bureaus and departments of the Government, if the taxpayers are waiting until 1950 to get voluntary cuts, that is, nonuse of money appropriated in appropriation bills, they are not going to find their desires realized to the extent of 1 cent. I say to them now, not only will there not be a cut of 1 cent, but in most cases all the money appropriated will be used and the agency will come back next spring and ask for deficiency appropriations, as is being done today. This afternoon there will be before the Committee on Appropriations a second deficiency appropriation bill to take care of certain departments of the Government which have used all that was appropriated for them last year. The same thing will be repeated next year.

Mr. President, this is a very serious problem to the people of the United States. They expect us to live up to our promises, and we must live up to them by our votes on the Senate floor. We said a couple of weeks ago that we wanted the bill cut 5 percent. I hope that the Senate will affirm its previous action, and allow the Committee on Appropriations to perform its function and make the cut as directed when the motion to recommit was agreed to.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the appropriation bill was recommitted.

Mr. CHAVEZ obtained the floor.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WILEY. Mr. President, several hours ago a gentleman from Middletown, Ohio, who appeared before the Foreign Relations Committee, placed in the RECORD an exhibit which related to the subject of foreign aid and the Atlantic Pact. Part of this exhibit caught my attention,

because it was headed: "By getting the truth into Europe."

It may not appear that I am now speaking to the issue which is before the Senate at this time when I take a few moments to give to the Senate what I consider to be words of wisdom that came from this gentleman from Middletown, Ohio. Yet I am going to apply his very thesis, "By getting the truth into Europe," to the subject of economics by getting the truth into America. This is what he said about getting the truth into Europe:

1. Encourage and support the continuance and growth of the Voice of America.

It is a sad commentary on what we are doing that while we are stressing "Getting the truth into Europe," into foreign countries, we do not stress having the Voice of America give the truth to Americans. If we were to use the Voice of America in speaking to Americans, as we use it in speaking to the people of foreign countries, it would mean getting the whole economic picture to the people of America. Our domestic conditions and foreign conditions and our domestic problems and foreign problems are intertwined, they are intermingled. Yet when we discuss a certain problem we discuss it on the theory that it is isolated and apart from all the related issues, foreign and domestic.

I read the second point:

2. Publicize everywhere the Soviet violations of agreements.

Mr. President, we were certainly appreciative of the remarks made by General Clay today. General Clay, a great soldier, a great American, gave us a brief word picture of the problems he has had to face. He has now returned to the United States. I am sure that if we had the privilege of asking him he would tell us of his belief in the biblical expression, "The truth shall make you free," and that he would say to us that it was the truth which was given to the Germans, which made the Germans free of fear, so that they adhered to what he called the democratic side of the issue.

The gentleman from Middletown said:

Publicize everywhere the Soviet violations of agreements.

Mr. President, when we consider our domestic economy we must realize that some of the sayings of Franklin, such as "A stitch in time saves nine," and "If you have a dollar and you spend a dollar and one cent, you are a failure; but if you have a dollar and spend ninety-odd cents and save the rest, you are a success," are worthy of consideration as we enter upon the task of evaluating the economic picture in America.

I heard the distinguished Senator from Florida today ask the distinguished Senator from Indiana a question which related to the effective workings of what might be called the economic shot in the arm. Mr. President, economics is not a static thing any more than any other branch of human knowledge is static. Sometimes there comes a time when a country becomes economically sick and certain economic medicine is needed to cure the patient. On the other hand, the time may come when the same patient is overfed, bloated, and it does no good to feed him any more.

Applying what I have said in a general way to our country, we have had a feverish economic condition ever since the beginning of the war. We have had a 40-cent dollar, a 50-cent dollar, a 57-cent dollar, and now it is said we have a 63-cent dollar.

Mr. President, we have unemployment, so it is suggested that perhaps we should give the patient, our country, an economic shot in the arm to do away with that condition. Let us see whether a shot in the arm would do away with such a situation. In those lines where we have caught up with demand, where already the market is filled, where the warehouses and the stores are filled, and buying power is no longer centered on particular items, we know that a shot in the arm would do no good. Probably in some lines Federal aid might do good. But we have social security and we have the fourth round of wage increases coming up. We have strikes. We have the Communist influence creating friction between classes and groups. Is not what is needed just what the gentleman from Middletown, Ohio, said the Commies and other people in Europe needed, which is the truth that makes men free?

He said further:

3. Penetrate the iron curtain by pamphlets, newspapers, votes of the United Nations Assembly, radio, word of mouth.

Mr. President, we must penetrate into the minds of some of our own people at home. We must make our people realize that no matter how hard we may try to upset the law of supply and demand, it is constantly operating. The law of supply and demand has its influence upon the thinking and the living of the people of this country.

Pretty soon the Senate will consider the extension of the reciprocal-trade agreements. If in our analysis of that subject we disregard the law of supply and demand in the United States, and act on the theory that we can safely disregard that law in acting on the trade agreements, we will open up the gates of America to the inflow of foreign goods, and the law of supply and demand will do its work. It will put many Americans out of business. It will flood our markets with foreign goods. It will bring on some more economic sickness in this country. How would Senators undertake to cure such a sickness? Would they endeavor to cure it by taking more and more of the American market away from the American producer, or what would they do? I repeat the third point:

Penetrate the iron curtain by pamphlets, newspapers, votes of the United Nations Assembly, radio, word of mouth.

Let us endeavor to penetrate the minds of the people of America, so that they will get down to a consideration of fundamental, basic principles. We should realize that what we must do is to apply some of the simple principles we were taught when we were youngsters in school. One of those principles is to cut out chiseling. Put a full day's work into production. If a person does not have the money with which to buy something, let him refrain from buying it. Let us teach the principles of economy and clean living in the homes and in the schools, and it will be discovered that many of our problems will disappear. And we will find solutions for many other problems.

The gentleman from Middletown, Ohio, said further:

4. In every way possible, entice willing and freedom-loving peoples away from the Russian sphere.

Oh, how applicable those words are to America. Let us entice Americans who have gone cockeyed because of their absorption of foreign isms, especially communistic ideas, away from the crooked way of thinking, back to the American way of thinking, back to that position where they stand as free men who want to go to work, who do not want to accept charity, who do not want to become chiselers and grafters, but who want to become builders and, if necessary, renovators of an economy which now is a little bit sick.

Yes, Mr. President, let us entice Americans who have thought that the pastures of Europe are greener than ours away from that concept, back home where they can see this country as it is, with 148,000,000 people, the hope of the world, the political and economic reservoir of the world. Let them see what we have here, instead of constantly taking the attitude that there are greener pastures elsewhere.

The next point of the gentleman from Middletown in connection with getting the truth into Europe is:

6. Drop 1,000,000 copies of the Sears, Roebuck catalog in Russia, Poland, Rumania, Hungary, and Yugoslavia.

Penetrate the curtain of ignorance. By means of the Sears, Roebuck catalog show what one great institution has on hand for the people of America, giving the people of Europe a picture of the productivity and the plenty which prevail here.

Let us reverse the roles. Let us on the American front take an inventory of what we have here, an inventory of our American freedoms, our rights, and our privileges. Let us also take an inventory of our responsibilities. Let us have a Sears, Roebuck catalog of the great freedoms of America. That is something which we might well take into consideration. Those of us who have a sense of appreciation of what America means, not only to us but to the world, had better see to it that our children recognize that the price of liberty is eternal vigilance. Eternal vigilance as applied to the present means educating our youngsters to an appreciation of what America is and what she stands for in the world, an appreciation by contrast with what other nations have, which will educate them away from the notion that the Russians are better off than we are.

Remember that the technique of psychological warfare which is continually going on, the technique of repeatedly stating falsehoods, is the technique whereby Hitler overcame country after country. It is the technique by which, after the war, Russia took 100,000,000

people into her orbit without firing a shot.

So, Mr. President, let us apply this rule of the citizen from Middletown. Let us drop 100,000,000 copies of Americana into the hearts and souls and minds of America, especially of our growing youth, many of whom are totally oblivious of the challenges of the atomic age in which they are living.

The gentleman from Middletown had this suggestion about getting the truth into Europe:

7. Supply our comrades in this propaganda battle with the best of our technical know-how, publicity, and advertising genius.

I have practically covered that point by applying it to the home front. Let us supply our youngsters in the schools, our preachers in the pulpits, and the teachers who teach our youth with an appreciation of the virtues, the qualities, and the rights which are the result of the march of mankind upward through the centuries. If we supply them with such education, they will become dynamic teachers.

The gentleman from Middletown was talking about what we should do in Europe. I am telling the Senate that we must do it here.

His next point is:

8. Encourage the bolstering of morale among individual Europeans by adoption of European cities by American cities.

He is talking about the great brotherhood of cityhood. Some cities in America have adopted cities over there which have been bombed out and killed economically. Their property has been destroyed. It would not be a bad idea for the citizens of Washington do adopt Washington and do for Washington what they should do in order to meet their responsibility. They should not put everything in the hands of the Government. Other cities have accepted the challenge to get rid of places such as those depicted in the pictures which we have recently seen. Such places exist in Washington, which has never known a depression, which has an economic current which is constant because of 250,000 persons on the Federal pay roll. No matter whether prices are high or low, Washington has enjoyed the benefit of a swift economic current, which means economic health. Much property is assessed below its real value. The tax rate is the lowest in the country, considering the assessed valuation. A reassessment of all property should be brought about.

The economic, social, and other leaders of Washington should "adopt" Washington, and not pass the buck to Congress to take care of many of their economic needs. It is their responsibility. They are living on the fat of the land. Where else in America, or elsewhere, is there so much wealth per capita as there is in Washington? Where else is there greater need to look after the underprivileged than in Washington? Whose job is is but that of the citizens of Washington to look after their own underprivileged? It is not the responsibility of the Federal Government.

The gentleman from Middletown suggests that it is the privilege and opportunity of American cities to look after cities in Europe. I think that is part of the doctrine of brotherhood, and it is all right; but I am applying it to Americans, in this country.

His next point is:

9. Carefully censor American movies produced for world consumption. We want other nations to understand the true American way of life.

The American way of life speaks for itself. We in America might well look to the character of things which go to make up the thinking of our youth. It is exceedingly significant that this man recognizes that there are motion pictures which we should not send to Europe, because they give a wrong concept of the American way of life. I am asking whether there are not motion pictures that we have seen which give to us the wrong concept of the American way of life. If so, let us think the thing through.

Mr. President, I have practically concluded. Number 10 in this remarkable statement is as follows:

10. Educate our own people to our world responsibilities.

Yes, Mr. President; I think we must do that. Yet I think we must go a little higher than world responsibility in order to get the right perspective. I was in California last year. I visited Mt. Palomar, where the great 200-inch telescope is located. I was told that it measures light from stars which are 500,000,000 light years away. Light travels at the rate of 186,000 miles a second. This little earth of ours is only 10,000 miles in diameter. The sun is 1,000,000 miles in diameter. Through that telescope we are discovering solar systems in which the sun is as much larger in comparison with our sun as our sun is compared to the earth.

I agree that we must educate our people to world responsibility. First and last, that responsibility is to keep the United States strong, both economically, morally, and politically.

Today we are discussing the issue of keeping the United States strong economically. How are we to do it if our Government constantly spends more than it takes in?

Mr. President, when the North Atlantic Pact was being discussed on the floor of the Senate, I said that we as a government had gone into the red before, and that going into the red is not always bad business, but that going into the red continually is always bad business, either for a business firm or for a government.

Now the time has come when we must face that issue squarely. I have just returned from a trip to my own State, where I talked with many of the people—young men, young women, businessmen, homemakers. As I have previously stated on the floor of the Senate, they are concerned with the amount of money the United States Government is spending. They may not see the over-all picture; but they are concerned with the fact that today, after two years of attempts to balance the budget and to make payments on the national debt, and after helping Europe, and making plans to continue to help her, our Government is going into the red. The people are asking questions about the situation.

Mr. President, I shall inform the Senate some of the questions the people at home are asking, and I ask my associates in this body to give them consideration. The people ask: "If the United States' dollar is worth more now than it was in January, if it will buy more, why cannot the $15,000,000,000 the Congress assigned for the national-defense forces be cut at least the percentage the dollar has appreciated in purchasing power?

Mr. President, I think that is a pertinent question. In other words, if the United States' dollar has appreciated in purchasing power 10 percent, why cannot we cut that $15,000,000,000 10 percent? I do not know any reason why that cannot be done, especially if we consider in that connection the fact that prices have been decreasing. So I do not know why such a 10 percent reduction or saving cannot be made.

Another question which the people back home have been asking is this: "What about former President Hoover's recommendations? What are you going to do about them? He said the Government could save $1,500,000,000. What are you going to do about that?"

My reply has been, "I hope the majority party, which is in absolute control of the Senate and House, will see fit to adopt those suggestions and again cut that part of the budget."

The people back home also asked this question: "Is it true that there are parts of the administrative branch of the Government where there is a surplus of help, if the help would work 44 hours a week?"

Mr. President, some of those questions are, at least, to my way of thinking, "right down the alley." I have heard reports pro and con in regard to the subject matter of that question. I have heard reports that many Government agencies could obtain effective results if they were headed by effective administrators who would conduct them in the way a successful businessman operates his business. In other words, Mr. President, it is quite true that when the head of a large business sees that the sales of his firm are decreasing and that its income is falling off, it is common practice for him to tell the heads of the various departments under him that they must cut their expenses by a certain amount, in order to keep the firm from going into the red. So, Mr. President, the question arises, Should we apply that rule to our Government now, after our Government has passed through a period of 2 years in which it was able to accumulate a surplus?

Of course, Mr. President, I do not favor the application of the meat-ax method. I think there must be reason in everything we do. Good judgment and common sense must be applied. But the Government belongs to the 148,000,000 people of the United States; and in this period of tremendous change we are faced with the question of maintaining the integrity of the $250,000,000,000 of United States bonds which are the foundation stone of every insurance company and every bank in the United States. If

any question develops about the integrity of those bonds, then we shall encounter a fiscal storm which will soon develop into a hurricane.

Mr. President, the people back home, those at the grass roots, who have been asking these questions, have a right to be answered.

Therefore, Mr. President, I say that if we are to educate our own people to their world responsibility, we should bring them to a realization that they must insist that the United States be maintained sound economically, sound politically, and sound spiritually.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. WHERRY. The distinguished Senator from Wisconsin, who is making a very able address in the interest of economy, has just stated a list of questions which have been asked by people at the grass roots in regard to whether savings can be made in the operations of the United States Government because of the percentagewise increase in the purchasing power of the dollar, which has been felt since January; and the Senator has applied that question first to the expenditures for national defense, as well as to expenditures for other agencies of the Government.

I wish to ask the Senator whether any of the people at the grass roots have suggested that similar savings might be made in the appropriations for ECA? In other words, I ask the Senator this question: If savings can be made because of the increased purchasing power of the dollar, should not all Government appropriations be reduced—both those for world-wide purposes and those for domestic purposes—accordingly?

Mr. WILEY. Mr. President, I am very happy to have the Senator from Nebraska ask that question. It is the fourth question on which I have planned to comment.

Mr. WHERRY. I thank the Senator. If he will speak on that point, I shall be most appreciative.

Mr. WILEY. Mr. President, it is true that the folks back home have asked whether the Appropriations Committee is going to reconsider the authorization for ECA. Being a member of the Foreign Relations Committee, I said to them what every member of the Foreign Relations Committee has said on the floor of the Senate, namely, that there were a number of imponderables that did not appear in November of last year when the estimates for the ECA authorization were drawn up by the President of the United States and his advisors, and that since that time those imponderables have come to light—one of them being that the dollar has appreciated in purchasing power. Another is that the foreign countries themselves have recovered to a much greater extent than was expected; and a third important factor is that during this very period when conditions in Europe have definitely improved, conditions in the United States have deteriorated. In other words, our national income has decreased, and we have approximately 3,500,000 unemployed persons in the United States. In my humble opinion, those conditions require a revaluation—as I have stated to the people who have asked questions of me—as to the amount which can properly be appropriated for all governmental purposes; and I believe we must do that in order to show our understanding of our responsibility in the world situation.

Some of the people back home have asked me, "What about the St. Lawrence waterway? If we can appropriate money for foreign aid, why can't we go ahead with the St. Lawrence waterway"—a project which is so vital to the Midwest.

The people back home have also asked me about the oleomargarine legislation and other proposed legislation.

In connection with those matters, Mr. President, I wish to speak on the point on which my good friend from Middletown, Ohio, spoke today, namely, our own responsibility to the world. I repeat, that responsibility is, first, to diagnose America, to hold a clinic over her, to see what is needed for her economic health, for her political stability, and for her spiritual strength. Once that is done, and once we have the answer to that question, then we may reach out and apply the rule of brotherhood or the rule of the good Samaritan on a world-wide scale. When that is done, we shall have fulfilled our mission in the period in which we are living.

I am not a pessimist, Mr. President; I am an optimist. I sense that in many ways this is the most wonderful age in the history of mankind. Never before have we seen a condition in which the world was, literally, through the ingenuity of man, compressed into a small ball, so that sound travels around the earth in 2 seconds; a plane can cross the ocean in a matter of 4 hours; we have produced jet planes that will travel under guidance approximately 2,000 miles; we travel from coast to coast in a matter of 4 hours; and atomic energy may be utilized to generate great forces, not for war, but for peace.

While we have progressed in a material way, while the ingenuity of man has developed and grown we might say as a fungus grows, perhaps, the race has not sensed that it must also grow in an another sense. It must grow in great spiritual values, and in the sense of the great need for understanding.

So, Mr. President, what the gentleman from Ohio is suggesting is that by getting the truth into Europe, by getting it into the minds and souls of those behind the iron curtan and even of those on this side of the iron curtain, there is a hope that the truth will make men free, that the consciences and minds of men will become open, so that they may sit around the council table—let us hope, of the United Nations—and there work out a plan, so that war shall be no more, so that literally, not figuratively, we shall beat our swords into plowshares, and so that the people will learn war no more.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider.

Mr. McKELLAR. I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, before the Senator makes the sugegstion of the lack of a quorum, may I be permitted to make an observation?

Mr. McKELLAR. I withhold the suggestion.

Mr. WHERRY. I should like to ask the distinguished Senator from Tennessee, as chairman of the Committee on Appropriations, whether the Secretary of Agriculture has submitted to Members of the Senate the flood-control survey which was requested in the recommendations made by the committee about a week ago?

Mr. McKELLAR. Unless it has been done today, it has not been done. I shall find out and will let the Senator know about it immediately.

Mr. WHERRY. I should like to know, before the appropriation bill is considered, whether the survey has been submitted to Members of the Senate.

Mr. McKELLAR. I shall send for the information immediately.

Mr. WHERRY. I thank the Senator.

Mr. President, in a very brief moment, I should like to say it is my intention to vote against the motion to reconsider made by the distinguished Senator from Rhode Island. I suppose it is unnecessary to give again the many reasons which Senators on this side have given time and time again on the motions made to cut Government expenditures. I feel that if the motion to recommit is interpreted in the spirit in which it was made, if it is interpreted as it was intended by the distinguished Senator from Ohio, it will take from the bill in the neighborhood of $15,000,000 only. I am quite satisfied that in a measure of this kind, which carries an appropriation of more than $2,000,000,000, this slight saving can be made without loss to a sound administration of the Government.

Mr. McKELLAR. Mr. President, I have asked the Secretary to the committee about the matter requested by the Senator from Nebraska. He tells me the request was interpreted as meaning that the Secretary should furnish the Senator with that information. It has not been furnished to the committee.

Mr. WHERRY. I thank the Senator for the answer. I am intensely interested in getting the survey of the soil conservation legislation which was enacted in the last Congress, with respect to the Missouri River Basin. The appropriations were made, the survey has been made, and as I have said on the Senate floor, the survey has been made public. It has been given to several of the Governors in the 10 States.

It seems to me that in appropriating a considerable amount of money for soil conservation, as we are going to do, in connection with agriculture, we at least should have a report of the survey, in order that we may have a guidepost to intelligent legislative procedure, if we are to keep faith with the Congress which authorized it and asked that the survey be made for the purposes for which we wanted it, namely, as a guide to appropriations.

Mr. McKELLAR. I agree with the Senator entirely, and I shall instruct the

secretary of the committee to obtain the information and send it to the Senator.

Mr. WHERRY. I thank the distinguished chairman of the Committee on Appropriations.

Mr. President, I not only intend to vote against the motion to reconsider, but I hope the distinguished Senator from Michigan, who was a joint sponsor of the former motion to recommit, will again offer his motion, in the event the motion to reconsider prevails. I think the Members of the Senate ought to know that.

Mr. FERGUSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. WHERRY. I am glad to yield.

Mr. FERGUSON. I wish now to state to the Senator from Nebraska and also to the Senate that, in case the motion to reconsider prevails, I have prepared and will immediately send to the desk a substitute for the motion to recommit, which will set forth clearly what was intended by the Senator from Ohio, and I shall ask that it be voted upon.

Mr. WHERRY. Mr. President, I very much appreciate the observation made by the distinguished Senator from Michigan. If the Members of the Senate are to vote to reconsider the motion to recommit because there is doubt in regard to what the instructions really meant, I can see some justification for that; but I feel that in the event the motion prevails, the motion should be made to recommit, and it should be made in such certain terms that this small saving can be effected in the appropriation bill. I think such an attempt should be made in all appropriation bills, as they are considered by the Senate.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. FERGUSON. I have ready the proposed substitute motion.

The VICE PRESIDENT. The Chair will state that, if the motion to reconsider prevails, the motion to recommit will then become the pending question, subject to amendment.

Mr. FERGUSON. Then I ask that what I have prepared be a substitute, so that the Senate may know what to expect.

Mr. WHERRY. Mr. President, in order to clarify the situation on the floor, I ask that the distinguished Senator from Michigan read the proposed substitute. I feel that it should be before the Members of the Senate when we are considering the motion to reconsider.

Mr. FERGUSON. Mr. President, I ask unanimous consent to read the substitute.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FERGUSON. The substitute motion reads as follows:

I move that the bill be recommitted to the Committee on Appropriations with instructions to report the same back to the Senate with amendments providing for a certain reduction equivalent to that provided in the amendment offered by the Senator from New Hampshire [Mr. BRIDGES], for himself and the Senator from Michigan [Mr. FERGUSON]: *Provided, however,* That any such reduction shall be based on the amount of the appropriations contained in the bill as amended by the Senate, including committee amendments, at the time of its recommittal.

That would make plain the status of the amendments.

Mr. WHERRY. If the Senator will permit me, it would apply, would it not, to the amendments adopted on the Senate floor prior to the time the motion was made to recommit?

Mr. FERGUSON. That is correct.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CAIN. The junior Senator from Washington was among those Senators who supported the Taft motion. In order to make certain that the 5-percent cut is accomplished in due time, would it not be proper for us to vote in favor of the motion offered by the Senator from Rhode Island [Mr. GREEN] in order that we may be certain to have an opportunity to vote for a clarification of the original motion?

Mr. WHERRY. Mr. President, that is one way, of course. If there be any doubt as to the interpretation of the motion of the distinguished Senator from Ohio, that is one way in which it can be clarified. For that reason I took the floor to state that I felt I should oppose the motion to reconsider because I place the same interpretation upon the motion as was placed upon it by the distinguished Senator from Ohio when he made it, but I stated that if the motion to reconsider should prevail, I wanted to know from the distinguished Senator from Michigan, who was joint sponsor of the amendment offered by the distinguished Senator from New Hampshire [Mr. BRIDGES], prior to the motion to recommit, if the instructions which have just been read by the Senator from Michigan would be explicit. In that way any Senator who has any doubt as to what the motion means can resolve it, or any Senator who cares to offer an amendment providing for further clarification may do so.

Mr. CAIN. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WHERRY. I shall yield, first, to the Senator from Washington.

Mr. CAIN. May I inquire what the status of the Taft amendment will actually be if the motion of the Senator from Rhode Island is rejected?

Mr. WHERRY. The Vice President has informed the Members of the Senate that the pending question, if the motion to reconsider shall prevail, will be the motion to recommit. It will be open to amendment. I asked the distinguished Senator from Michigan if he wished to offer a clarifying amendment, and he has just read to the Senate the motion which he intends to present. I think it clarifies the intention of the Senator from Ohio. If there be any doubt about it, the Senator from Michigan can offer an amendment still further to clarify it.

I shall now be glad to yield to the distinguished Senator from California.

Mr. KNOWLAND. Will not the Senator from Nebraska agree that should the motion to reconsider not prevail, it is entirely within the jurisdiction of the Appropriations Committee to take the Senate's intent as expressed by the Senator from Ohio, and to report as committee amendments such sums as, in the judgment of the committee, are in accordance with the Senate's intent, so we would then have before us practically the same situation?

Mr. WHERRY. I thank the distinguished Senator from California for his observation. That was the second point which I expected to make in my argument for resisting the motion to reconsider, because the Senate committee can accomplish that very thing. That is the second reason why I shall oppose the motion. The third reason is that I feel that the committee members, including the distinguished chairman of the Appropriations Committee, for whom I have the highest regard, should not consider it as a personal affront because the motion was made. I feel that there have been sufficient statements and observations made so that the Members of the Senate have full faith and confidence in whatever action the committee shall take in reference to the bill. I cannot see any reason in the world why the intent of the Senate cannot be accomplished without agreeing to the motion to reconsider.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the distinguished Senator from Rhode Island.

Mr. GREEN. Mr. President, I do not quite understand the Senator's second point. How is the Senate to amend the bill when it is in the committee?

Mr. WHERRY. If the motion to recommit shall prevail, the bill will go to the committe stripped of all amendments made on the floor. But I am of the opinion that the Members of the Senate have received so much information that the committee could adopt the amendments and bring the bill back as it left the Senate. That would accomplish the 5-percent saving desired.

Mr. GREEN. The Senator does not think the instructions of the Senate are exclusive.

Mr. WHERRY. That is my interpretation.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Michigan.

Mr. FERGUSON. That very question was asked the able Senator from New Mexico, who is chairman of the subcommittee, and he has expressed his opinion on the floor, which appears in the RECORD, that he would interpret it as it has been explained by the Senator from Ohio, and which, in effect, would also be accomplished by the motion which I have read to the Senate.

Mr. WHERRY. Mr. President, I do not want to detain the Senate longer on this question. I shall vote to recommit the bill with instructions in accordance with the motion offered by the Senator from Michigan, if the motion to reconsider shall prevail. I feel that there is a demand from the grass roots of the country that Congress take the leadership in reducing the cost of Government and in cutting the cloth to fit the pattern.

The Senator from Indiana [Mr. CAPEHART] made observations this morning relative to the leveling off of business. The reason why some unemployment is appearing in the Nation is that the businessmen of the country are afraid of increased taxes. They do not know what will happen; they do not know what the administration's programs will cost. They know that there are three alternatives—either we must increase taxes, resort to deficit spending, or cut the cost of Government. I choose the latter method. I think that as business retrenches the Government must retrench. If prices come down and the dollar purchases more, the cost of Government should come down also. That would not destroy the efficiency of the agencies of the Government.

In accordance with that feeling on my part, I am glad to know the Nebraska State Legislature has acted. In the Omaha World-Herald, a newspaper which largely covers the Missouri River Basin, there appears this statement:

The Nebraska Legislature Friday added its voice to the growing cry for a slash in Federal spending.

By a vote of 26 to 5, the legislators adopted a resolution urging Congress to make a 10-percent slash "in all Federal expenditures possible."

They are admonishing the Government of the United States.

The resolution had been offered by Senator W. J. Norman.

I know Mr. Norman personally. He is a businessman of Omaha, and a very sound and progressive one. He is one of my very best friends and is a very able legislator. He introduced the resolution, which contains the following provision:

1. If President Truman's proposed budget is accepted by Congress, the Federal tax bill would amount to at least one-fifth of the individual taxpayer's income.

We are told by leading economists that 27 cents of every dollar we spend is taken for local, State, and Federal taxes.

We talk about restricting liberty. The power to tax is the power to destroy; and when approximately 25 cents out of each dollar goes to the Federal Government for taxes, and, in addition to that, we have to pay local and State taxes, that is a restriction upon the liberties of the American people.

2. New taxes at such times as these may accelerate a minor business recession into a major depression.

With that observation I completely agree. If we increase taxes to meet a deficit of five, six, eight, ten, or eleven billion dollars—and that is the figure which has been submitted by the distinguished Senator from Virginia [Mr. BYRD] up to and including the fiscal year 1951—it might not only cause a minor depression, it might cause a major depression. At least it would mean hard times. I read further:

It is the general opinion that sources of Federal revenue are "seeking lower levels." This opinion is buttressed by "all official calculations" of economic developments for the first quarter of 1949.

Mr. President, the remarks made a few minutes ago by the distinguished Senator from Wisconsin [Mr. WILEY] were to the effect that the dollar will buy more at this time, which means that prices are falling, and if we get more for our dollar, why do we not effect that saving, because many of the budgets were made up in October and November, when prices were considerably higher than they are today? Why not effect the savings now?

I should like to say to the distinguished Senator from Wisconsin that not only should we begin at home, but I think the measuring stick should go clear across the line, and certainly should apply to the ECA and other foreign commitments. I see no difference between foreign and domestic commitments, so far as that is concerned. That was one of the reasons why I offered an amendment to cut the authorization of ECA 15 percent when it was before the Senate. That amendment was lost, and I supported an amendment to cut it 10 percent, and that was lost. Since that time even the President of the United States has recommended that if savings can be made because of falling prices, they could well come off the appropriations for ECA. So when we apply the measuring stick, let us apply it not only domestically, but clear across the board. Let us make the savings abroad as well as at home.

I read further from the Omaha Evening World-Herald:

The resolution urges Nebraska's representatives in Congress to use every effort at their command to reduce the Federal budget for the 1949–50 fiscal year.

Mr. President, I shall vote against the motion to reconsider for the reasons already given, first, that the committee can itself completely carry out the interpretation placed by the distinguished Senator from Ohio on his motion; for the further reason that, in accordance with observations made on the Senate floor, the Committee on Appropriations can carry out the original intention of the Senator from Ohio; and for the further reason that the time has arrived when we must start to cut appropriations. It simply has to be done, and I am going to do everything in my power to accomplish it. Therefore, I shall vote against the motion to reconsider, and I shall support any motion to recommit the bill to the committee in an effort to effect the savings which are desired by the proponents of the motion, and cut the expenditures recommended in this particular appropriation bill.

Mr. President, I ask unanimous consent that the article from which I have been reading be printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES CUT IN SPENDING URGED BY LEGISLATURE—MOVE IS TAKEN IN RESOLUTION BY STATE BODY—NORMAN INTRODUCER OF PLEA TO MAKE SLASH IN GOVERNMENT COST

The Nebraska Legislature Friday added its voice to the growing cry for a slash in Federal spending.

By a vote of 26 to 5, the legislators adopted a resolution urging Congress to make a 10-percent slash in all Federal expenditures possible. The resolution had been offered by Senator W. J. Norman, of Omaha.

Voting against it were Senators Lester Anderson, Babcock, Carson, Cretsinger, and Schroeder.

Commented Senator N. F. Schroeder: "It's silly. How can we ask Congress to cut down? Look at our budget."

The 1949–51 State budget bill now under debate by the legislature is the largest in Nebraska's history.

Senator Norman's resolution declares:

1. If President Truman's proposed budget is accepted by Congress, the Federal tax bill would amount to at least one-fifth of the individual taxpayer's income.

2. New taxes at such times as these may accelerate a minor business recession into a major depression.

3. It is the general opinion that sources of Federal revenue are seeking lower levels. This opinion is buttressed by all official calculations of economic developments for the first quarter of 1949.

The resolution urges Nebraska's Representatives in Congress to use every effort at their command to reduce the Federal budget for the 1949–50 fiscal year.

Senator Norman earlier Thursday had warned his colleagues of the trend in Federal spending and taxation.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider made by the Senator from Rhode Island [Mr. GREEN].

Mr. CHAVEZ. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Murray
Baldwin	Humphrey	Myers
Bricker	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Reed
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kem	Saltonstall
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Sparkman
Downey	Langer	Stennis
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Okla.
Ferguson	Lucas	Thomas, Utah
Frear	McCarran	Thye
Fulbright	McCarthy	Tobey
Gillette	McClellan	Tydings
Graham	McFarland	Vandenberg
Green	McGrath	Watkins
Gurney	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Martin	Williams
Hickenlooper	Maybank	Withers
Hill	Millikin	Young

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations is conducting hearings on the North Atlantic Pact.

The VICE PRESIDENT. A quorum is present.

The question is on the motion of the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the bill (H. R. 3333), the Labor-Federal Security

appropriation bill, was recommitted, with instructions.

Mr. PEPPER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Washington [Mr. MAGNUSON] and the Senator from Georgia [Mr. GEORGE] have a pair. If the Senator from Washington were present and voting he would vote "yea," and if the Senator from Georgia were present and voting he would vote "nay."

I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Idaho [Mr. MILLER] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Ohio would vote "nay."

The Senator from New York [Mr. WAGNER] is paired on this vote with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New York would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business. If present and voting, he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business and is paired with the Senator from New York [Mr. WAGNER]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from New York would vote "yea."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, he would vote "nay."

The Senator from Nevada [Mr. MALONE] is necessarily absent. If present and voting, he would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, he would vote "nay."

The Senator from Ohio [Mr. TAFT], who is necessarily absent, is paired with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Ohio would vote "nay" and the Senator from Idaho would vote "yea."

The Senator from South Dakota [Mr. MUNDT] is detained on official business. If present and voting, he would vote "nay."

The result was announced—yeas 43, nays 41, as follows:

YEAS—43

Aiken	Hoey	McFarland
Anderson	Humphrey	McGrath
Chapman	Hunt	McKellar
Chavez	Johnson, Tex.	Maybank
Connally	Johnston, S. C.	Morse
Downey	Kefauver	Murray
Ellender	Kerr	Myers
Fulbright	Kilgore	Neely
Graham	Langer	O'Conor
Green	Long	O'Mahoney
Hayden	Lucas	Pepper
Hill	McCarran	Russell
Sparkman	Thomas, Okla.	Withers
Stennis	Thomas, Utah	
Taylor	Tydings	

NAYS—41

Baldwin	Hendrickson	Reed
Bricker	Hickenlooper	Robertson
Butler	Holland	Saltonstall
Byrd	Ives	Schoeppel
Cain	Jenner	Smith, Maine
Capehart	Johnson, Colo.	Thye
Cordon	Kem	Tobey
Donnell	Knowland	Vandenberg
Douglas	Lodge	Watkins
Ecton	McCarthy	Wherry
Ferguson	McClellan	Wiley
Frear	McMahon	Williams
Gillette	Martin	Young
Gurney	Millikin	

NOT VOTING—12

Brewster	George	Mundt
Bridges	Magnuson	Smith, N. J.
Eastland	Malone	Taft
Flanders	Miller	Wagner

So Mr. GREEN'S motion to reconsider was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 392. An act authorizing the issuance of a patent in fee to Thomas A. Pickett;

S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments;

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations; and

S. J. Res. 18. Joint resolution for the relief of the First-Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.;

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended;

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.;

S. 1185. An act to provide that all employees of the veterans' canteen service shall be paid from funds of the service, and for other purposes; and

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes.

LABOR-FEDERAL SECURITY APPROPRIATIONS—MOTION TO RECONSIDER

The Senate resumed the consideration of Mr. Green's motion to reconsider the vote by which the bill (H. R. 3333), making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, was recommitted to the Committee on Appropriations, with instructions.

The VICE PRESIDENT. The question now recurs on the original motion of the Senator from Ohio [Mr. TAFT] to recommit the bill to the Committee on Appropriations with instructions.

Mr. FERGUSON. Mr. President, I send to the desk a motion as a substitute for the motion of the senior Senator from Ohio, and ask that it be read.

The VICE PRESIDENT. The motion will be read for the information of the Senate.

The Chief Clerk read as follows:

I move that the bill be recommitted to the Committee on Appropriations with instructions to report the same back to the Senate with amendments providing for a reduction equivalent to that provided in the amendment offered by the Senator from New Hampshire [Mr. BRIDGES], for himself and the Senator from Michigan [Mr. FERGUSON]: *Provided, however,* That any such reduction shall be based on the amount of the appropriations contained in the bill as amended by the Senate (including committee amendments) at the time of its recommittal.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] by way of a substitute for the original motion of the Senator from Ohio [Mr. TAFT] to recommit the bill to the Committee on Appropriations with instructions.

Mr. FERGUSON. Mr. President, just a few words in explanation——

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

Mr. FERGUSON. I yield to the Senator from Georgia for a parliamentary inquiry.

Mr. RUSSELL. I understood that the Senator from Ohio [Mr. TAFT] made the original motion to recommit.

The VICE PRESIDENT. This is a substitute for the motion originally made by the Senator from Ohio.

Mr. FERGUSON. Mr. President, I should like to make a brief explanation of the substitute motion.

During the debate on the motion to reconsider, some doubt was expressed as to the meaning of the original motion to recommit. There had been a ruling by the Chair that when the bill was recommitted, under the rules of the Senate all amendments adopted on the floor would be stricken out and the bill would find itself in the Appropriations Committee in its original form.

There was also some doubt as to the method by which the cut was to be made, and on what items. The substitute motion leaves no doubt, and makes crystal clear what is intended by the instructions in the motion.

The instructions are that the Appropriations Committee receive the bill as it now is, including all committee amendments and all amendments made on the floor. The committee would be asked to cut from the bill the amount of 5 percent, as originally set forth in the amendment offered by the senior Senator from New Hampshire [Mr. BRIDGES], for himself and the junior Senator from Michigan. That amendment was held to be legislation, and was not made a part of the bill. There are certain items not subject to the cut.

Under the original motion of the Senator from Ohio [Mr. TAFT] the bill went back to the committee with instructions to cut at least 5 percent off the items subject to reduction, and in no case to cut more than 20 percent off any particular item. It would be necessary, therefore, for the committee to go into the items

with those who are to administer the law, in the same way as was proposed by the amendment of the Senator from New Hampshire. It would be necessary to obtain the advice of the Federal Security Administrator and the Secretary of Labor, in order that the proper reductions might be made in the amounts to be expended.

Mr. President, I hope the Senate will vote to send the bill back to the committee, with the specific instructions which clarify the intent of the Senate in its original recommittal action.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Vermont.

Mr. AIKEN. I wonder whether the Senator from Michigan will designate some of the items in the bill in which he thinks cuts can best be made. I admit that his substitute improves the situation somewhat, because I do not think the appropriation items for the control of diseases should be reduced in amount. So I should like to have the Senator from Michigan suggest some of the items for which the appropriations might be reduced without damaging the national health or the national economy in any way.

Mr. FERGUSON. Of course, the bill as reported by the committee provides for appropriations in excess of those provided in the bill as passed by the House of Representatives. I think a 5-percent cut can be made in almost all the items, except those as to which it was specifically stated that reductions in the appropriations would not be made—for instance, the items for appropriations for pensions in cases in which the Government has agreed to return a certain amount of the funds already paid in by the persons concerned, and the items for unemployment compensation. Such provisions have already been made.

Mr. AIKEN. Can the Senator give us an idea of the approximate amount of the cuts which might be made?

Mr. FERGUSON. I should think it would be approximately fourteen or fifteen million dollars.

Mr. AIKEN. Can the Senator give us a general idea as to how much of that amount would otherwise be expended for supplies?

Mr. FERGUSON. I do not have the figures before me at this time, so I am sorry I cannot answer that question.

Mr. AIKEN. I still believe that the place where the cutting of appropriations should be done is in the committee, before the bill is reported to the floor of the Senate. I very much dislike to see cuts made in appropriation items which affect the health or perhaps even the lives of our people.

Mr. FERGUSON. I am sure the Senator from Vermont and other Senators will be able to rely upon the Appropriations Committee not to make cuts which would vitally affect the health or the welfare of the people.

After the committee has acted on the bill, the bill will return to the floor of the Senate, and at that time it will be subject to further consideration by the Senate. If the Senate then feels that the Appropriations Committee has made a mistake in the case of any particular reduction in an appropriation, after obtaining the advice of the Federal Security Administrator and Secretary of Labor, the Senate will be in complete charge of the bill at that time and will be able to make whatever amendments it thinks should be made to the bill. So no real injustice will be done to any particular program.

Mr. AIKEN. Under the Senator's substitute motion, if cuts were made in the appropriations for the control of heart disease and other diseases, they would be made in the figures as finally approved by the Senate when the bill was previously before the Senate; would they not?

Mr. FERGUSON. That is correct.

Mr. AIKEN. Those cuts would not be made from the figures which were contained in the bill when it came to the floor of the Senate. Is that correct?

Mr. FERGUSON. That is correct. The substitute motion is specific on that point. The bill would go back to the committee with the full amounts as previously approved by the Senate.

Mr. AIKEN. Then I think the Senator's substitute improves the situation.

The VICE PRESIDENT. The question is on agreeing to the substitute proposed by the Senator from Michigan [Mr. FERGUSON] for the motion of the Senator from Ohio [Mr. TAFT] to recommit the bill with instructions.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, prior to the vote, the estimates of Federal receipts for the fiscal years 1949 and 1950, prepared by the staff of the Joint Committee on Internal Revenue Taxation, of which committee the able Senator from Georgia [Mr. GEORGE] is a member. The staff of that joint committee estimates that the deficiency for the year 1950 will be $2,900,000,000; and the receipts for the next fiscal year are estimated to be $2,100,000,000 less than those estimated by the Director of the Bureau of the Budget and the President of the United States, as stated in the message which has been sent to the Congress.

There being no objection, the estimates were ordered to be printed in the RECORD, as follows:

ESTIMATES OF FEDERAL RECEIPTS FOR FISCAL YEARS 1949 AND 1950

The joint committee staff estimate of Federal receipts for the fiscal year 1949 is $39,300,000,000 and for the fiscal year 1950 is $38,900,000,000. Taken with the President's January budget estimate of expenditures these estimated receipts would result in a surplus in the fiscal year 1949 of $2,100,000,000 (excluding expenditures of $3,000,000,000 from the Foreign Economic Cooperation trust fund) and in a deficit in the fiscal year 1950 of $2,900,000,000. If the reduction resulting from the effect of the Foreign Economic Cooperation trust fund were ignored, there would be a deficit in the fiscal year 1949 of $900,000,000 instead of a surplus. However, expenditures in 1949 (including the $3,000,000,000 FEC expenditures) in May and June must exceed those in the same period last year by $1,600,000,000 in order to reach the estimate in the budget. Should this not occur, the deficit would be smaller than $900,000,000 and might disappear altogether.

The attached table compares the staff estimates with the estimates of receipts appearing in the January budget. It will be noted that the joint committee staff estimates of receipts for the fiscal year 1950 are $2,100,000,000 below the estimates appearing in the January budget. The primary reason for this is that the staff's estimates are based on a lower assumed level of business activity. The staff assumed a personal income level of $212,000,000,000 in the calendar year 1949, and $198,000,000,000 in the first 6 months of the calendar year 1950. This compares with a personal income level of $215,000,000,000 for this entire 18-month period, which is reported to have been assumed in the preparation of the budget. The assumed level of corporate profits used by the staff in estimating corporate income tax collections was $29,000,000,000 for the calendar year 1949, which is about 11 percent below the actual corporate profits for 1948 or $32,200,000,000.

The low level of business activity was assumed by the staff only after consultation with a number of outstanding economic analysts, both in private business and in the Government. The assumed decline is moderate and does not take into consideration the effect of any sizable increase in Government expenditures above the level forecast in the January budget, or any possible increase in tax rates.

Estimated budget receipts, expenditures, and the surplus or deficit of the Federal Government

[In billions of dollars]

	Staff	Budget	Excess of budget over staff estimates
Fiscal year 1949:			
Receipts	$39.3	$39.6	$0.3
Expenditures	[1] 37.2	[1] 37.2	
Surplus	2.1	2.4	.3
Fiscal year 1950:			
Receipts	38.9	41.0	2.1
Expenditures	[2] 41.9	41.9	
Deficit	2.9	.9	2.1

[1] January 1949 budget estimates excluding expenditures of $3,000,000,000 from the Foreign Economic Cooperation trust fund. Including these expenditures would result in a deficit of $900,000,000 using the staff estimate of receipts, and $600,000,000 using the budget estimate of receipts. But expenditures in 1949 including the $3,000,000,000 FEC expenditure must in May and June exceed those in the same period of last year by $1,600,000,000 in order to reach the estimate. Any portion of this increase not expended would reduce the above-mentioned deficits accordingly and could possibly result in a surplus even though the FEC expenditure is attributable to 1949.

[2] January 1949 budget estimates.

NOTE.—Because of rounding figures do not add to totals.

NOTE.—Assumptions used in calculating above receipts:

	Staff	Budget
Personal income:	*Billions*	*Billions*
Calendar year 1948 (actual)	$214	$214
Calendar year 1949 (estimated)	212	215
Calendar year 1950 (estimated first half annual rate)	198	215
Corporate profits before tax (Commerce definition):		
Calendar year 1947 (actual)	29.8	29.8
Calendar year 1948 (preliminary)	32.2	(1)
Calendar year 1949 (estimated)	29.0	(1)

[1] Not available.

Source: Staff of the Joint Committee on Internal Revenue Taxation, May 14, 1949.

The VICE PRESIDENT. The question is on agreeing to the substitute proposed by the Senator from Michigan [Mr. FERGUSON] for the motion of the Senator from Ohio [Mr. TAFT] to recommit the bill with instructions.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CHAVEZ. Mr. President, before the vote is taken, the Senate should consider the situation carefully. At the present moment the question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT], as modified or amended by the Senator from Michigan [Mr. FERGUSON]. I hope the Senate will vote against that motion, and will let the Senate conferees take this measure to conference with the conferees on the part of the House, and determine in conference whether a bill satisfactory to both Houses can be determined upon.

Mr. CORDON. Mr. President, before the vote is taken on the motion, I wish to say that I believe some of my colleagues will be interested in knowing at least what the motion is.

On page 5213 of the CONGRESSIONAL RECORD for April 28 appears the orignal amendment offered by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON]. I shall read the amendment for the benefit of my colleagues who would like to have their memories refreshed as to the extent to which this motion, if adopted by the Senate, could affect the pending measure, and the extent to which the committee to which the bill would be recommitted would have authority to act, and the field within which it could exercise that authority.

The amendment proposed by the Senator from New Hampshire and the Senator from Michigan reads as follows:

SEC. 502. (a) The Secretary of Labor, with respect to appropriations made in title I of this act, and the Federal Security Administrator, with respect to appropriations made in title II of this act, are authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations made in each such title as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein (less in the case of title II amounts appropriated for grants under titles I, IV, and X of the Social Security Act, and grants to the States for unemployment compensation and employment-services administration), except that appropriations for grants under titles I, IV, and X of the Social Security Act, grants to the States for unemployment compensation and employment-services administration shall not be reduced. The Secretary of Labor and the Federal Security Administrator shall certify the reduction in each appropriation account to the Secretary of the Treasury and to the Committees on Appropriations of the Senate and House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

(b) Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficiency of the service.

(c) No item of appropriation contained in either of such titles shall be reduced more than 20 percent.

(d) A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year 1951.

The motion before the Senate is to refer the bill back to the committee with instructions to the committee to report back a bill effecting these reductions, in amounts not over those set out, and within the classes of activities which are not prohibited in the proposed amendment, which was not adopted due to the fact that objection was made on the basis of a point of order.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. AIKEN. The Senator evidently has the bill before him. The rest of us are not so fortunate. Will the Senator read the 10 items from which cuts could be made, so that we may know what they are?

Mr. CORDON. Title I, which is within the group where amendments or reductions are directed, is in the Office of the Department of Labor. The items are:

Salaries and expenses, $1,154,000.

Office of Solicitor, salaries and expenses, $1,093,900.

Bureau of Labor Standards, salaries and expenses, $550,000.

Bureau of Veterans' Employment Rights, salaries and expenses, $270,000.

Bureau of Apprenticeship, for salaries and expenses, $2,605,000.

Bureau of Labor Statistics, salaries and expenses, $5,506,500.

Women's Bureau, salaries and expenses, $334,800.

Wage and Hour Division, salaries and expenses, $5,252,000.

That completes title I. The Senator will note that this is entirely for salaries and expenses of administration.

Mr. AIKEN. What is the aggregate? Is it about $15,000,000?

Mr. CORDON. I do not have it added, but I can give it in a minute.

Mr. AIKEN. The Senator read two $5,000,000 items and then several smaller ones.

Mr. CORDON. I think it would be around $15,000,000 to $17,000,000.

Mr. AIKEN. I gather the other reductions would have to come on items of public health at places where cuts could be made.

Mr. CORDON. I should be glad to go through the other title. The next reductions are in the Federal Security Administration with respect to appropriations made in title II. In the case of title I the reductions would be made by reducing the salary and expense items which I read to the Senate by an estimate of 5 percent, which might be spread anywhere within that group of items, all of which represent salary and expense or administrative items. It goes to no substantive grant.

Mr. President, I merely want to say before closing that there have been made a number of motions of this character, going to different bills coming from the Appropriations Committee. I have been a member of that committee for about 3½ years. I should like to be able to say to the Senate that we who work in that committee—and we do work—know that every dollar which we recommend for appropriation is being wisely spent. I cannot make that statement. I know that no member of the committee can. The chore that we have is beyond the capacity of any group the size of the Appropriations Committee, with the help the committee has, or with the help that can be granted the committee short of the setting up of another bureau of the budget, to accomplish in a way satisfactory either to ourselves or sufficient to give to the people of the country knowledge that they are getting a dollar's worth for every dollar of the money they spend.

Those who come before us—and particularly is this true on the side of the Senate—come as special pleaders. They come seeking money. I do not mean to imply by that that they are dishonest in their representations; I do not mean to imply that they seek money which they do not believe can be wisely spent; but I do say that they come as special pleaders seeking funds to advance the thing they are charged with doing. They do not come with any over-all knowledge of the other calls which will be made upon the Treasury. They do not come with the knowledge that there is a limit to what Congress can find in the way of money to appropriate.

Mr. RUSSELL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Georgia?

Mr. CORDON. I am glad to yield.

Mr. RUSSELL. I should like to ask if it is not also the usual thing for most of them to come with a statement that they are very highly in favor of the utmost economy in government, but that this one item is so important that the committee should approve it, regardless of what the item may be?

Mr. CORDON. I suppose one or two have come without making that statement, but I cannot now identify them.

Mr. President, the net result is that the committee cannot do the kind of job it wants to do. I know that many members of the Appropriations Committee feel that there are many places where there could be reductions in the amounts of expenditures, but we cannot find them. We have tried to find them, we have done all we can to try to find them. I undertake to say that whatever happens to the motion, or to the bill, or to the appropriations made this year, in the last analysis there will never be a reduction in the expenditures of the Federal Government or any other public spending of money, except to the extent that there is a will in the spending divisions to make the reduction. That I know to be true.

Mr. President, I am going to vote for the motion. I am a member of the Appropriations Committee which reported the bill and recommended it to the Senate. That would seem to me a paradoxical and inconsistent position for me to take. I have tried to explain why I believe that something more can be done than we have been able to do. It does not mean that I am at all satisfied that we shall come back with the result I wish we could come back with, if the motion be adopted; I am not at all certain. But I should like to have the test made, I should like to determine what can be done by the use of this particular approach.

Let me say that in good faith I have endeavored to go over the possibilities of what could be done by the Appropriations Committee, if the bill were recommitted, to effectuate the results indicated

in the motion to recommit. It seems to me, Mr. President, that if the bill is recommitted we could ask the affected departments, under the directions which bind us, to bring the recommendations of each department to the committee, indicating how the appropriations might be reduced, still save all of the essential services, effect the greatest economy possible, and do the least amount of damage.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I shall be glad to yield for a question.

Mr. CHAVEZ. This appropriation bill is the one bill which directly affects human beings. It affects the Children's Bureau, public welfare, public health—everything that touches humanity——

Mr. CORDON. Will the Senator come to his question, please?

Mr. CHAVEZ. I shall ask the question. Why pick public health or the Children's Bureau in order to make an example of how economical we can be? Why pick on cancer research, research in dentistry, research in connection with heart ailments? Why pick on anything which affects the welfare of the people?

Mr. CORDON. Mr. President, I have not particularly picked this bill. It is a bill in which it would seem that Members of the Senate felt some reductions might be made. I suspect, without knowing, that additions made to the bill as reported to the Senate involve considerably greater amounts than were contained in the bill as it passed the House. Those facts may have had something to do with the action of the Senate in returning the bill to the Appropriations Committee. I can understand that might well be true. We know that additional amounts were added on the floor of the Senate. Whether the amounts so added were proper, whether they can be profitably and efficiently expended, may be questions which the Senate would like to have inquired into more carefully than can be done on the floor of the Senate. It may be that Members of this body have felt that if those additional amounts affect certain items, there may be other adjustments of an offsetting nature which could be made. I am simply suggesting reasons why the Senate may have been moved to take the action which it took.

Mr. President, I return to the point I was making when the Senator from New Mexico rose to propound his question. I had suggested that we might request the several spending agencies to report their recommendations to the committee. I think it would also be very proper for the committee to request the Bureau of the Budget to consider the recommendations and report to the Congress its recommendation as to how reductions might best be applied. So far as I am concerned, Mr. President, if the bill is recommitted to the committee I hope the whole committee will meet in advance of the meeting of the subcommittee and at least suggest to the subcommittee that in view of the fact that considerable sums were added on the floor of the Senate, the Members of the Senate should be asked by letter to advise the Appropriations Committee whether they desire inquiry made as to the amount added to the bill on the floor of the Senate. I think, if the Appropriations Committee is directed to reexplore the matter, it should at least have from Senators, over their signatures, statements that they are willing to have their action on the floor of the Senate reexamined and the facts which might be ascertained from such a reexamination presented. Under such a procedure it may well be that a better considered bill than the one we have before us might be presented to this body.

In closing, Mr. President, I simply suggest that once the bill is reported, it is in the same position as was this bill when it reached the floor the first time. It is subject to the same scrutiny by Members of the Senate. It is subject to any corrections which this body may desire to make. The Senate in nowise surrenders its control over final action on the bill.

Mr. President, I shall vote for the pending motion.

Mr. McCLELLAN. Mr. President, I do not want to delay the Senate, but I wish to make certain that my interpretation of the pending motion is correct. If I may have the attention of the able Senator from Michigan, according to my interpretation of the motion which the Senator has submitted, if this bill is returned to the committee for reconsideration, there will have to be retained in the bill when it is reported to the Senate the additional amounts added to the bill by amendment on the floor of the Senate when the bill was considered. Is that correct?

Mr. FERGUSON. Subject to an overall reduction of 5 percent, or not to exceed 20 percent on any item. That is correct.

Mr. McCLELLAN. Subject to a cut of 5 percent, or not to exceed 20 percent?

Mr. FERGUSON. The committee may not cut any specific item more than 20 percent in reducing the total by 5 percent.

Mr. McCLELLAN. Then, in other words, the committee is not free, when the bill is recommitted, to work it over and to report a new bill if the committee should prefer to do so?

Mr. FERGUSON. No. I would say that it is recommitted with specific instructions.

Mr. McCLELLAN. In other words, it is recommitted, and the committee must be bound by what the Senate has already done; is that correct?

Mr. FERGUSON. That is correct.

Mr. McCLELLAN. I thank the Senator from Michigan.

Mr. President, I voted to recommit the bill a few days ago because I felt if we were to consider bills and increase the amounts considerably by amendments on the floor, we would have to resort to some remedy, to try to find a way to economize, if we are to hold expenditures within the budget. That is the way I felt about it. But I do not believe that is the best way to achieve the desired result, because if we make a practice, every time a bill is before us and it is recommitted, of reducing the amounts 5 percent, there will be testimony on the part of representatives of governmental agencies to indicate why they need a larger appropriation, and there will be a tendency on the part of some members of the committee, under certain circumstances, to report a bill with anticipation that there will be a 5-percent reduction. That is not the sound, safe, or practical way to get reductions. I shall vote against the pending motion.

Mr. President, I understand—I am not fully advised about it—that an effort is now being made by able members of the Appropriations Committee to find some kind of formula to bring in at the conclusion of consideration of appropriation bills by which we can make adjustments and try to bring down the total amount of appropriations this year, within the budget, or within the anticipated revenues for the next fiscal year. I sincerely hope that some kind of a formula can be found and that such a proposal will be presented, so that I may have an opportunity to vote for it in connection with all appropriation bills.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from California.

Mr. KNOWLAND. I should like to ask the able Senator from Arkansas if there is not the difficulty, in connection with such a formula as he suggests, that we shall have to take one of two courses: Either it amounts to legislation on an appropriation bill, and thereby might be subject to a point of order, or, if it is treated as a separate piece of legislation which goes to the President of the United States separately, he is then in a position to veto it on the theory that he has already passed on the budget and has given the budget figures as his best judgment; that his judgment is that there should be $4,000,000,000 in new taxes; and therefore he can nullify the intent of the Congress?

Mr. McCLELLAN. Mr. President, let me answer the Senator by saying that irrespective of which approach is taken, if two-thirds of the Members of Congress desire actually to reduce expenses, it can be done.

Mr. AIKEN. Mr. President, there is no question that Congress should scrutinize very carefully every request which is made for an appropriation. I agree with the senior Senator from Oregon when he says we must take the broad, over-all viewpoint of the entire appropriation situation. But each of us is entitled to his own idea as to where cuts should be made in appropriations for running the Government.

Personally, I am prejudiced in favor of doing everything possible to improve the health of the people, to improve the opportunities for our children, particularly homeless children who come under the care of the Children's Bureau and the various State children's departments. I would much rather see a 20-percent cut made in the appropriation for rivers and harbors or a higher percentage of cuts made in other appropriation bills which may come before the Senate, than in the bill which is before us at this time. All over the United

States, in every State, in every city, and in every small community, there are people who are afflicted with deadly, creeping, pernicious diseases, who are hoping and praying that help may come and discoveries be made to save them before it is too late. I do not believe we should make a cut from any appropriation which would save one single life in the United States.

Mr. President, I suspect some of the money appropriated for health services is wasted. If it is not, it is the only appropriation we make from which some funds are not wasted. But would it not be better to make the cuts in appropriations for rivers and harbors and flood control, in the appropriations for the Army, which wastes more every 6 months than this entire bill from which cuts would be made amounts to, or in appropriations for some of our foreign commitments? I believe that is the case, Mr. President, and for one I cannot vote to take from anybody the chance which he may have to live a little longer by reason of an adequate appropriation.

Mr. FERGUSON. Mr. President, when the able Senator from Vermont asked me some questions I did not have before me the information I now have. I wish to call to his attention some of the items, and how they would be affected.

For instance, on page 2 of the bill appears the amount appropriated for the office of the Secretary of Labor. I realize that because this bill concerns the Department of Labor and the Federal Security Agency there is involved a question about the health of the people. But I call the attention of the able Senator to the fact that in cutting this appropriation 5 percent, or an amount equal to 5 percent of the over-all, it should not affect those services. As I understand the able Senator from Vermont, he is interested in protecting the lives of the people of America. That would necessarily go to the question of research. But there are many items affecting those who work beyond the man who is engaged in actual research which can be cut 5 percent, without cutting the actual research appropriation any amount. In fact, a greater amount could be used for actual research.

Last Friday evening I was talking with Mr. Charles F. Kettering, one of the most able scientists and research men in America, about research in the Government. He called my attention to how some of his research work and that of other scientists had been done. We spoke then about whether or not we needed marble buildings in which to conduct research. It has been well known that much of the research in America has never been conducted in marble buildings. It has been done even in lofts, and places of that sort. The important thing is not the setting but the will of the man who is doing the research. I, for one, want the Government to aid in every way it can, and I would not take one dollar from the man who is engaged in research activities.

I turn to the item affecting the office of the Secretary of Labor. The Senate bill appropriates $1,154,000 to operate the office of the Secretary. The House of Representatives provided only $1,074,000. The Senate added $80,000.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. What was the reason for making the increase in the appropriation?

Mr. FERGUSON. It was because, according to the Secretary, more help was needed in his office.

Mr. AIKEN. If the appropriation for the Secretary's office is too much, would it not be more to the point to offer an amendment on the floor of the Senate reducing the appropriation $100,000, if the bill calls for $100,000 more than is needed?

Mr. FERGUSON. That is one way to get at it. But that item has already been passed on as a committee amendment, and therefore it is not subject to review by the Senate, unless we recommit the bill to the Committee on Appropriations.

Mr. CHAVEZ. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Let us get the record straight so far as the $80,000 is concerned.

Mr. FERGUSON. Yes.

Mr. CHAVEZ. Is the Senator reading from page 3 of the report?

Mr. FERGUSON. No, from the bill itself. I shall be glad to have the Senator read from the report.

Mr. CHAVEZ. Is the Senator speaking of the $80,000 item for the Department of Labor?

Mr. FERGUSON. Yes.

Mr. CHAVEZ. That has nothing whatsoever to do with health, except in a general way. That appropriation is composed of the following items: $27,795 for the International Labor Organization program, a program authorized by the Congress; $6,901 for the Trade Union Advisory Committee program, authorized by the Congress of the United States; $11,238 for the United Nations and other international organizations; $22,978 for the foreign-service program, authorized by the Congress, and to which we are committed, $11,088 for the trade-agreements program, authorized by the Congress.

There are five different items which make a total of $80,000, representing the increase in the Department of Labor appropriation.

Let me say to the Senate that the total increase by the Senate Committee on Appropriations, which was agreed to by the Senate, was only $216,200. That was the total increase over the House figures, and that was due to the fact that a new convention had been made by the governments which belong to the International Labor Organization. That is all that item amounts to. It has nothing to do with health, except as trade agreements would have to do with health.

Mr. FERGUSON. Mr. President, that does not change what the Senator from Michigan has said as to the Department of Labor. The appropriation is for more employees in the Department. For instance, under the trade-agreement program, the Department wanted $11,038 increase, and the Senate increased the appropriation that much. I call the Senator's attention to the fact that if we reduce the program now 5 percent, we will take from that program only $57,700. It could be tested in this way: Instead of trying to accomplish what we seek to accomplish on the floor of the Senate, let us call before the committee the Secretary of Labor and ask him whether he can reduce the item of $1,154,000 by $57,700.

Mr. President, it is not unusual for the Appropriations Committee, for instance, to send to the Army engineers three sets of figures, and ask them:

> If you had the amount of money represented by the first figure how would you apply it to projects already begun, and to projects not begun?
>
> Take the second figure. How would you apply that amount to the projects already begun, whether they are on the way to completion, or are simply new projects, after reconsidering the whole program?
>
> Take the amount represented by the third figure. How would you apply it to the various projects you have in mind, if it was all the money you were given?

Such a thing is not unusual.

Mr. President, by what I am saying I do not wish to cast any reflection on the subcommittee, of which I happen to be the ranking minority member. The committee did the best it could under the circumstances, at the time it considered the bill. But I say to the Senate that since that time the conditions in America have changed. We find a realization that things are not now going so well as they were when the bill was being considered, and that we will face a deficit unless we take some action of the kind now proposed. As a member of the committee responsible for bringing the bill to the floor, in connection with this program, or any other program, I shall at all times endeavor to do my best to effect economies wherever possible. What I now say is meant in nowise to be a reflection on any member of the committee. What I am attempting to do is to save the taxpayers from a deficit or an increase in taxes.

Let us consider the next item. I do not intend to cover all the items, but the next item is the Solicitor's office, the office of the legal adviser, for which the sum of $1,093,900 is provided. We appropriate for the office of the Secretary for all services $1,154,000, and then appropriate for the lawyers in that Department $1,093,900. I wish to ask anyone who has had experience in the law profession, who has practiced law, whether 5 percent, or $54,695, could not safely be cut from the total of $1,093,900 provided for the Office of the Solicitor?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does not the Senator believe the office of the Solicitor is another good place where an amendment could be offered to cut the amount? Based on my knowledge of the office of the Solicitor in a department of the Government, I would say that a large part of the time

of the lawyers in the office of the Solicitor is spent in misinterpreting the acts of the Congress and devising ways and means of getting around what Congress itself has enacted. The Senator from Michigan has put his finger on one spot where money could be saved, not only in the Department of Labor, but in almost every other department of the Government. If the Senator will offer an amendment to cut the appropriation for the office of the Solicitor one-third I shall be glad to vote for it.

Mr. FERGUSON. Mr. President, under present conditions practically each department and each agency has its own solicitor's office. I think the Senator from Vermont has hit the nail squarely on the head. We have sat together in the Committee on Expenditures in the Executive Departments and we have discovered that what the Senator just said is true. The reason the departments and agencies want large offices of solicitors within their own departments or agencies, and will not go to the Attorney General, who is the law officer of the United States, and who has to interpret the law and advise the different agencies, is, as the Senator has said, that they want the law to be interpreted in the way in which they wish to carry it out. Thus we find different departments carrying out a provision of law, each in its own way, entirely different from the way it is carried out in other departments.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. The Senator from Michigan is perfectly aware that the head of a Government department wants an act of Congress to be interpreted by someone who is employed by him, who is under fear of losing his job if he does not bring to the department head the kind of interpretation of the law the department head desires. The Senator from Michigan is perfectly correct when he states that they no longer go to the Attorney General, as was contemplated and provided by the founders of the Government, to secure interpretations of laws enacted by Congress, but insist upon having huge solicitors offices in nearly all major departments to interpret the acts of Congress in such way as they want them to be interpreted.

Mr. FERGUSON. Mr. President, that is one thing which is really apparent in all these appropriations. Let us consider what is done in connection with income-tax evasions. The office of the Solicitor in the Treasury Department prepares the entire case before it is brought to the Attorney General for criminal proceedings. Then the Attorney General reviews the case before he takes it to the district attorney in a State where he wishes to bring the prosecution before a grand jury. So the Attorney General says he needs additional legal help for the making of such reviews. Thus we have three sets of lawyers in the Government examining all the facts and examing all the law to decide whether the Government has a case on which it can secure an indictment.

No indictment can be secured by the Treasury Department. The Treasury Department, which has lawyers trained in matters relating to the income-tax laws, lawyers who are familiar with all the sections of the income-tax laws, who know when a violation has been committed, and who are responsible for collecting all the facts, does not take the case to the district attorney in Detroit. The department does not take a case directly to the district attorney in Chicago. No, the department lawyers take the case to the office of the Attorney General in Washington. Then does the Attorney General begin the action? No, he takes the case to the district attorney in the city in which an indictment is to be sought, and the district attorney must then go over the entire case, and he will be responsible for presenting it not only to the grand jury but to the trial jury. There we have a duplication of work by three sets of lawyers. They do the work that could be done by one set of lawyers.

Mr. President, I hope the time will come when the Attorney General of the United States will be the legal adviser of each department, even though the department may be a large one. In that way we could probably dispense with more than half the lawyers who are now serving the Government. I believe that could be done if the legal services were performed through one office that is responsible to the President for the interpretation of law. That, Mr. President, would be much better than running around the bush and allowing the solicitor of each department to interpret the law according to the way the head of the department wants it carried out.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. Yes; I am glad to yield.

Mr. AIKEN. Will the Senator agree that if Congress can devise a way to prevent the departments of Government from misinterpreting and misapplying the acts of the Congress we would probably save considerably more than the 5 percent of total Government expenditures we are attempting to save in one way or another at this time?

Mr. FERGUSON. The percentage would be enormous.

Mr. AIKEN. That is correct.

Mr. FERGUSON. There is one way to accomplish that objective, namely, to have the law interpreted by one agency, which is the Department of Justice, the Office of the Attorney General of the United States, instead of having each department interpret the law as suits its own wishes.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LANGER. The Senator was a member of the Committee on the Judiciary 2 years ago during the Eightieth Congress. The Senator is familiar with the fact, is he not, that I submitted a bill to accomplish the very purpose which the distinguished Senator has now brought to the attention of the Senate, but we could not get the bill out of committee.

Mr. FERGUSON. That is true. The Senator will recall also that the Senator from North Dakota and the Senator from Michigan have been attempting to see how appropriations were spent, so far as antitrust cases are concerned. No satisfaction has ever been had. Let us appropriate more money for antitrust cases. Let us also hold someone responsible for getting action in antitrust cases. The House of Representatives has allowed $100,000 over and above the budget, and not asked for by the Attorney General, for antitrust cases.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does the Senator know any good reason why most of the antitrust suits should be brought 2 or 3 months before an election and forgotten after the election?

Mr. FERGUSON. I must answer that question with absolute frankness. The reason is pure politics. A candidate can make votes by saying that he is going to prosecute someone, and by obtaining an indictment. After the election he can get a nolle prosequi, or a nolo contendere, the defendants can be fined a small amount, and the voters will think he is actually doing something.

Let me come back to the question of antitrust laws and the appropriation of $100,000. An appropriation of $100,000 would be insignificant if those cases were prosecuted. The report shows that prosecutions are desired in connection with housing, clothing, and food. If the American people could be assured that there was no monopoly in housing materials, food, and clothing, $100,000 would be but a drop in the bucket. But if $100,000 is appropriated for that purpose, I ask that a report be submitted to Congress showing that it has been spent in an endeavor to prosecute monopolies in those lines.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. KNOWLAND. In view of the statement the Senator has made with regard to the office of the Solicitor, I ask the Senator if he is familiar with the fact that the record shows the appropriations for that office over a 10-year period? What is the appropriation for the office of Solicitor for the fiscal year 1950?

Mr. FERGUSON. For salaries and expenses, office of the Solicitor, $1,093,900. That item is found on page 2, line 16.

Mr. KNOWLAND. I wonder if the Senator is familiar with the fact that for the fiscal year 1942 the appropriation was $850,000; for 1943, $841,000; for 1944, $715,000; for 1945, $834,000; for 1946, $714,177. Then there was increased pay allowed by the Congress of $110,900. For 1947 the figure was $953,000; and for 1948, $808,000.

Mr. FERGUSON. I appreciate very much the interest of the able Senator from California, and I am glad to have in the RECORD the figures which he has given. They show what is happening in connection with this bill so far as the Solicitor's Office is concerned.

Mr. President, I do not intend to review all the items. However, Senators asked certain questions, and I did not

then have the facts before me. I wanted to place some of them in the RECORD.

I do not wish to repeat what I have said on the original motion, or what I have said on the question of economy in various statements which I have made in connection with this program. I think the time has come when it is no longer a question of promises to economize. It is time to try to do the job. For every Senator it is a question of actually doing the job. This is the time and this is the place to do it.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] as a substitute for the motion originally made by the Senator from Ohio [Mr. TAFT] to recommit the bill to the Committee on Appropriations with instructions. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Delaware [Mr. FREAR] are absent on official business.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Georgia [Mr. GEORGE] is paired on this vote with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Washington would vote "nay."

The Senator from New York [Mr. WAGNER] is paired on this vote with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New York would vote "nay" and the Senator from New Hampshire would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Ohio would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business. If present and voting, he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], who is absent on official business, is paired with the Senator from New York [Mr. WAGNER]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from New York would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, he would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, he would vote "yea."

The Senator from Ohio [Mr. TAFT], who is necessarily absent, is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Tennessee would vote "nay."

The result was announced—yeas 41, nays 44, as follows:

YEAS—41

Baldwin	Hickenlooper	Reed
Bricker	Holland	Robertson
Butler	Ives	Saltonstall
Byrd	Jenner	Schoeppel
Cain	Johnson, Colo.	Smith, Maine
Capehart	Kem	Thye
Cordon	Knowland	Tobey
Donnell	Lodge	Vandenberg
Douglas	McCarthy	Watkins
Ecton	McMahon	Wherry
Ferguson	Malone	Wiley
Gillette	Martin	Williams
Gurney	Millikin	Young
Hendrickson	Mundt	

NAYS—44

Aiken	Johnson, Tex.	Murray
Anderson	Johnston, S. C.	Myers
Chapman	Kerr	Neely
Chavez	Kilgore	O'Conor
Connally	Langer	O'Mahoney
Downey	Long	Pepper
Ellender	Lucas	Russell
Fulbright	McCarran	Sparkman
Graham	McClellan	Stennis
Green	McFarland	Taylor
Hayden	McGrath	Thomas, Okla.
Hill	McKellar	Thomas, Utah
Hoey	Maybank	Tydings
Humphrey	Miller	Withers
Hunt	Morse	

NOT VOTING—11

Brewster	Frear	Smith, N. J.
Bridges	George	Taft
Eastland	Kefauver	Wagner
Flanders	Magnuson	

So Mr. FERGUSON's substitute for Mr. TAFT's motion to recommit with instructions was rejected.

The VICE PRESIDENT. The question recurs on the original motion of the Senator from Ohio to recommit the bill with instructions. [Putting the question.]

The "noes" appear to have it.

Mr. WHERRY. I ask for a division.

The Senate proceeded to divide.

Mr. TAYLOR. I ask for the yeas and nays.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll.

Mr. AIKEN. Will the Chair please state the pending question?

The VICE PRESIDENT. The yeas and nays have been ordered, the Secretary has proceeded to call the roll, and one Senator has answered to his name, when called.

Mr. AIKEN. Notwithstanding the fact that that has occurred, Mr. President, I ask that the Chair state the question.

The VICE PRESIDENT. The question is on agreeing to the original motion of the Senator from Ohio [Mr. TAFT] to recommit the bill with certain instructions.

The Secretary will continue with the call of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent. If present and voting the Senator from New York would vote "nay."

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Texas [Mr. CONNALLY] is paired on this vote with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Texas would vote "nay," and the Senator from New Hampshire would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Tennessee would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Georgia would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business. If present and voting, he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], who is absent on official business, is paired with the Senator from Texas [Mr. CONNALLY]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from Texas would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate. If present and voting, he would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, he would vote "yea."

The Senator from Ohio [Mr. TAFT], who is necessarily absent, is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Tennessee would vote "nay."

The result was announced—yeas 41, nays 43, as follows:

YEAS—41

Baldwin	Holland	Reed
Bricker	Ives	Robertson
Butler	Jenner	Saltonstall
Cain	Johnson, Colo.	Schoeppel
Capehart	Kem	Smith, Maine
Cordon	Knowland	Thye
Donnell	Lodge	Tobey
Douglas	McCarthy	Vandenberg
Ecton	McClellan	Watkins
Ferguson	McMahon	Wherry
Gillette	Malone	Wiley
Gurney	Martin	Williams
Hendrickson	Millikin	Young
Hickenlooper	Mundt	

NAYS—43

Aiken	Johnson, Tex.	Myers
Anderson	Johnston, S. C.	Neely
Chapman	Kerr	O'Conor
Chavez	Kilgore	O'Mahoney
Downey	Langer	Pepper
Ellender	Long	Russell
Frear	Lucas	Sparkman
Fulbright	McCarran	Stennis
Graham	McFarland	Taylor
Green	McGrath	Thomas, Okla.
Hayden	McKellar	Thomas, Utah
Hill	Maybank	Tydings
Hoey	Miller	Withers
Humphrey	Morse	
Hunt	Murray	

NOT VOTING—12

Brewster	Eastland	Magnuson
Bridges	Flanders	Smith, N. J.
Byrd	George	Taft
Connally	Kefauver	Wagner

So Mr. TAFT's original motion to recommit with instructions was rejected.

The VICE PRESIDENT. The parliamentary status is that the various motions have brought the bill back before the Senate as it was before the original motion was made to recommit; which restores all the amendments, including committee amendments and those adopted from the floor.

The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill, H. R. 3333, was read the third time and passed.

Mr. CHAVEZ. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. CHAVEZ, Mr. MCCARRAN, Mr. RUSSELL, Mr. FERGUSON, and Mr. GURNEY conferees on the part of the Senate.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

AGRICULTURAL APPROPRIATIONS, 1950

Mr. RUSSELL. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar 351, House bill 3997.

The VICE PRESIDENT. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia?

Mr. WHERRY. Reserving the right to object, may I ask, for the benefit of Members of the Senate, what the opinion of the majority leader is relative to the length of time the consideration of this bill might take, and whether it is contemplated to try to finish it tonight?

Mr. LUCAS. If I may, I yield to the Senator from Georgia for an answer to the question.

Mr. RUSSELL. I know of no particular controversy over the several Senate amendments. I should like to obtain unanimous consent to dispense with the formal reading of the bill, to have the bill read for amendment, the Senate committee amendments to be first considered, and to proceed with the Senate amendments. If too much time is not taken, we might complete those tonight and let the remainder of the bill go over until tomorrow.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill H. R. 3997?

There being no objection, the Senate proceeded to consider the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. RUSSELL. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Without objection, it is so ordered.

ANNOUNCEMENT AS TO LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, will the Senator yield for an announcement?

Mr. RUSSELL. I yield.

Mr. LUCAS. I should like to say to the Senate that following the disposition of the bill now pending before the Senate, we shall probably take up Calendar No. 350 (H. R. 3734), the civil functions appropriation bill, in the event the senior Senator from Georgia [Mr. GEORGE] is not well enough to take up the reciprocal trade-agreements bill. There is also a possibility that, following that, we may take up Calendar No. 356, Senate bill 1843, the unification bill, which has been reported by the Committee on Armed Services. I merely make that announcement in order that the Senate may know about what to expect.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to ask the majority leader, relative to the future procedure: Has the distinguished majority leader given any consideration to taking up Calendar No. 284, Senate bill 1008, the so-called basing-point or moratorium bill, which is on the calendar?

Mr. LUCAS. The Senator from Nebraska propounded that inquiry to the Senator from Illinois this morning over the telephone. I may say, in response, that I have not. We are to have a meeting of the policy committee tomorrow morning, and I assure the Senator that we shall discuss it at that time.

NATIONAL HEALTH INSURANCE

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

The VICE PRESIDENT. The Chair would like to admonish the Senator from Georgia that he cannot yield for insertions in the RECORD.

Mr. RUSSELL. Mr. President, I am not seeking to control the floor. I do not approve of the practice of Senators undertaking to hold the floor while a bill is being read for amendment. I shall take my seat.

The VICE PRESIDENT. The Chair had recognized the Senator from Georgia.

Mr. WHERRY. Mr. President, is it in order to offer insertions in the RECORD in my own time?

The VICE PRESIDENT. In the Senator's own time; yes.

Mr. WHERRY. Mr. President, I ask unanimous consent to insert in the RECORD at this point, as part of my remarks, a copy of an open letter addressed to President Truman by Mr. John F. Lawlor, president of the Lincoln, Nebr., Chamber of Commerce, transmitting the stated opposition of the board of directors of that organization on the subject of the pending compulsory national health insurance bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE LINCOLN CHAMBER OF COMMERCE,
April 29, 1949.

HON. HARRY S. TRUMAN,
President of the United States,
White House, Washington, D. C.

DEAR MR. PRESIDENT: The board of directors of the Lincoln Chamber of Commerce, an organization composed of more than 3,300 business and professional men and women, is opposed to the national compulsory health insurance bill now before the Congress.

We believe that instead of achieving its stated objective of improving our general standards of health service, such legislation inevitably would lower the caliber of medical facilities and services available to each individual citizen.

Great strides are being made, through voluntary health insurance paid for by individuals and through numerous fine health services paid for in part or in full by employers, toward raising the whole level of physical well-being in this country. This is proceeding in an orderly manner, and both individuals and employers are adjusting themselves to the cost as rapidly as possible.

It is well known that no indigent or even low-income person needs to be without competent and adequate medical care, generally speaking. Millions of dollars' worth of such service is given freely each year by doctors and hospitals, while much other such care is provided through privately financed welfare organizations or governmental agencies.

Other millions of dollars are contributed annually by our firms and citizens, voluntarily, for health research in the fields of cancer, heart disease, infantile paralysis, etc. Now, it is proposed that many millions of tax dollars also be appropriated directly for similar purposes.

However, even these huge sums become trifles compared to the billions of dollars which would be required to finance the proposed compulsory health insurance plan. The national economy is in no position to stand such a shock at this time.

Even more important than the fantastic cost involved is the unsatisfactory experience with such measures where attempted in other countries.

We respectfully urge that you withdraw your support of this proposal so that the Congress can devote itself to measures more vital to the national welfare.

Very truly yours,

JOHN F. LAWLOR,
President.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The Secretary will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of Agriculture—Office of the Secretary—Salaries and expenses," on page 2, line 19, after the word "expenses", to strike out "except that not more than the amount

shown in the budget schedule for 1948 may be so transferred from the appropriation for flood control"; and in line 23, after the words "total of", to strike out "$95,764" and insert "$109,280."

The amendment was agreed to.

The next amendment was, under the heading "Research and Marketing Act of 1946," on page 5, line 3, after the numerals "1946)", to strike out "$6,000,000" and insert "$6,020,000."

The amendment was agreed to.

The next amendment was, on page 5, line 4, after the words "in all", to strike out "$19,000,000" and insert "$19,020,000."

The amendment was agreed to.

The next amendment was, under the heading "Library, Department of Agriculture," on page 10, line 9, after the word "members", to strike out "$700,000" and insert "$722,400"; and in the same line, after the word "exceed", to strike out "$515,775" and insert "$520,840."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Agricultural Economics," on page 10, line 14, after the word "exceed", to strike out "$2,370,000" and insert "$2,419,000."

The amendment was agreed to.

The next amendment was, on page 11, line 6, after the word "trends", to strike out "$1,850,000" and insert "$2,180,000."

The amendment was agreed to.

The next amendment was, under the heading "Agricultural Research Administration—Special research fund, Department of Agriculture," on page 15, line 21, after the word "Columbia", to strike out "$1,230,000" and insert "$1,242,000."

The amendment was agreed to.

The next amendment was, under the subhead "Research on strategic and critical agricultural materials," on page 16, line 11, after the word "Columbia", to insert "purchase of not to exceed 60 acres of land in Texas for nursery and other production tests on guayule and construction on such land of buildings costing not in excess of $10,000 each"; and in line 14, after the amendment just above stated, to strike out "$349,000" and insert "$522,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Animal Industry—Salaries and expenses," on page 19, line 18, after the word "hatcheries", to strike out "$1,252,000" and insert "$1,302,000."

The amendment was agreed to.

The next amendment was, on page 21, line 21, after the word "products", to strike out "$11,995,000" and insert "$12,577,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Plant Industry, Soils, and Agricultural Engineering—Salaries and expenses," on page 25, line 12, after the word "crops", to strike out "$2,498,000" and insert "$2,805,000, of which not to exceed $85,000 shall be available for the construction of an office and laboratory building at the Southern Great Plains Field Station, Woodward, Okla."

Mr. SALTONSTALL. Mr. President, may I ask the Senator from Georgia with relation to the eradication of foot-and-mouth disease, whether this appropriation applies to the establishment of any laboratory in New England?

Mr. RUSSELL. It does not carry one dime for the erection of any laboratory dealing with the foot-and-mouth disease. Appropriation is being sought for that purpose in the second deficiency bill.

Mr. SALTONSTALL. Is there an appropriation for that purpose in the second deficiency bill?

Mr. RUSSELL. I do not think it is in the bill yet, but funds may be asked for it in the second deficiency bill.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 25, line 12.

The amendment was agreed to.

The next amendment was, on page 25, line 19, after the word "plants", to strike out "$2,347,000" and insert "$2,581,000."

The amendment was agreed to.

The next amendment was, on page 25, line 22, after the word "control", to strike out "$383,480" and insert "$420,000."

The amendment was agreed to.

The next amendment was, on page 26, line 9, after the word "management", to strike out "$1,900,000" and insert "$2,050,000, including not to exceed $16,000 for remodeling two structures at the United States Northern Great Plains Field Station, Mandan, N. Dak., to provide laboratory facilities for investigations on lands to be irrigated under the Missouri Basin development program."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Entomology and Plant Quarantine—Salaries and expenses," on page 28, line 3, after the word "exceed", to strike out "$797,600," and insert "$805,800."

The amendment was agreed to.

The next amendment was, on page 28, line 21, after the word "application", to strike out "$2,993,000" and insert "$3,921,600: *Provided*, That $800,000 of this amount shall be available for oriental fruitfly, of which not to exceed $500,000 may be used for contracts with public or private agencies for research without regard to provisions of existing law, and the amounts obligated for contract research shall remain available until expended."

The amendment was agreed to.

Mr. WHERRY. Mr. President, may I ask the distinguished Senator from Georgia the reason for the increase on page 26, line 10?

Mr. RUSSELL. That is merely a restoration of the budget estimate having to do with dry-land agriculture. It was represented to the committee that, because of difficulties which have been encountered in irrigated lands by reason of the land souring, and because of the waste of water, the budget estimate should be restored, and we merely restored it.

Mr. WHERRY. Is the amount recommended by the committee the budget estimate?

Mr. RUSSELL. It is.

Mr. WHERRY. Was there any new evidence submitted to warrant the increase over the House figure?

Mr. RUSSELL. It is an increase over the House figure of approximately $150,000, but it is the budget estimate.

Mr. WHERRY. Was there any new evidence offered to the committee regarding the matter?

Mr. RUSSELL. A number of witnesses appeared before the subcommittee and testified as to the great need for the classification of soils and the preservation of irrigation water. Some witnesses testified that as much as 50 percent of the water in reservoirs was wasted before it reached the land.

Mr. WHERRY. Does the Senator know whether in the survey made for flood control——

Mr. RUSSELL. I will say to the Senator that this is not a flood-control question.

Mr. WHERRY. I so understand; but I was about to ask the distinguished Senator whether this is strictly applied to the contents of the soil?

Mr. RUSSELL. It is pure research.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 30, at the beginning of line 2, to strike out "$3,364,000" and insert "$3,564,000."

The amendment was agreed to.

The next amendment was, on page 31, line 8, after "(7 U. S. C. 147a)" to strike out "$2,296,000" and insert "$2,325,000."

The amendment was agreed to.

The next amendment was, under the subhead "Control of emergency outbreaks of insects and plant diseases," on page 31, line 11, after the word "necessary," to strike out "to enable the Secretary, through such agencies as he may determine"; and in line 14, after "(7 U. S. C. 148–148e)", to strike out "and of section 1 of the Forest Pest Control Act (16 U. S. C. 594–1)."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Agricultural and Industrial Chemistry—Salaries and expenses," on page 32, line 1, after the word "exceed," to strike out "$242,622" and insert "$251,870."

The amendment was agreed to.

The next amendment was, on page 32, line 21, after the word "stores," to strike out "$637,550" and insert "$653,500."

The amendment was agreed to.

The next amendment was, on page 33, line 2, after the word "commodities", to strike out "$5,016,000" and insert "$5,196,000: *Provided*, That $180,000 of this amount shall be available for research on fats and oils, of which not to exceed $45,000 may be used for contracts with public or private agencies for research without regard to provisions of existing law, and the amounts obligated for contract research shall remain available until expended."

The amendment was agreed to.

The next amendment was, under the heading "Control of forest pests," on page 34, line 10, after "(7 U. S. C. 147a)", to strike out "$550,000" and insert "$601,000."

The amendment was agreed to.

The next amendment was, on page 34, line 11, after "Forest Pest Control Act", to strike out the comma and "surveys: For surveys authorized by the Forest Pest Control Act" and insert a colon and "For

carrying out the provisions of the act approved June 25, 1947"; and in line 14, after "(16 U. S. C. Supp. I, 594–1—594–5)", to strike out "$272,300" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, on page 34, at the beginning of line 17, to strike out "$3,595,000" and insert "$3,695,000"; in the same line, after the word "amount", to strike out "$557,850" and insert "$572,850"; in line 23, after the word "States", to strike out "$1,894,550" and insert "$1,945,550"; and in line 25, after the word "and", to strike out "$1,142,600" and insert "$1,176,600."

The amendment was agreed to.

The next amendment was, under the heading "Forest Service—Salaries and expenses," on page 38, line 10, after the word "forests", to strike out "$24,971,000" and insert "$26,752,000"; and in line 11, after the word "site", to insert "and not to exceed $36,000 shall be available for the construction of one building at Horseshoe Organization Camp, W. Va."

The amendment was agreed to.

The next amendment was, on page 39, line 7, after the word "watershed", to strike out "shelterbelts"; and in line 12, after the word "elsewhere", to strike out "$2,808,500" and insert "$2,818,500."

The amendment was agreed to.

The next amendment was, under the subhead "Forest development, roads and trails," on page 40, line 1, after the word "administration", to strike out "$9,748,000" and insert "$10,748,000"; and in line 4, after the word "exceed", to strike out "$111,188" and insert "$121,188."

The amendment was agreed to.

The next amendment was, under the subhead "Acquisition of lands for national forests," on page 42, after line 6, to insert:

Superior National Forest: For the acquisition of forest land within the Superior National Forest, Minn., under the provisions of the act approved June 22, 1948 (Public Law 733), $100,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Flood control," on page 43, line 12, after the word "improvements", to strike out "$8,975,000" and insert "$10,000,000."

Mr. WHERRY. Mr. President, may I inquire of the distinguished Senator from Georgia if the report of the Secretary of Agriculture has been submitted?

The VICE PRESIDENT. Does the Chair understand the Senator from Nebraska to be objecting to the amendment last stated?

Mr. WHERRY. Yes, I reserve the right to object. I wish to ask the distinguished Senator from Georgia a question because this has to do with the appropriation for flood control. I am for the flood control appropriation, but the Senator well remembers that in the appropriation bill for last year a million dollars was appropriated for additional surveys, and $500,000 was earmarked for a complete investigation of the flood control needs of the Missouri River Basin States. The distinguished Senator from Georgia was very much interested in the legislation, along with the junior Senator from Nebraska. Senator Brooks, of Illinois, was the chairman of the subcommittee, and recommended the appropriation to the full committee, and the full committee recommended it, and the Senate adopted the recommendation.

Mr. RUSSELL. We had no difficulty with that. We did have a little difficulty in the conference.

Mr. WHERRY. That is correct. I deeply appreciated what the conferees did in keeping the provision in the bill. It became the law, and the survey was made commencing last July.

The Senator knows that I appeared before the subcommittee having charge of agricultural appropriations, and asked whether the survey report had been made. At that time I informed the members of the Appropriations Subcommittee, and finally all members of the Committee on Appropriations, that I felt that it was necessary that the report of the survey be made available in order to enable Members of Congress intelligently to appropriate for a flood-control program. The distinguished Senator well knows that in his splendid cooperation he called the Secretary of Agriculture to ask if the report might not be made available. Will the Senator from Georgia state now whether or not the report has been made available?

Mr. RUSSELL. So far as I am advised, the report has not been made available. But as I understand the committee report in the language that appears on page 12, the report will be furnished to Members of Congress from the States affected rather than to the committee, so the Senator from Nebraska would have more knowledge as to whether the report had been made available than would the Senator from Georgia.

Mr. WHERRY. I deeply appreciate the language written in the Senate report, and I thank the members of the committee for including in the report the reference on page 12. But let me point out to the Senator that more than a month ago I called this matter to the attention of the Members of the Senate. I submitted a resolution asking that the distinguished Secretary of Agriculture submit his report to Congress, even before the Committee on Appropriations considered the appropriation for flood control. I sent a copy of the resolution to the Secretary of Agriculture. I did that after the Secretary of Agriculture had apparently—I will not say ignored or refused to furnish the report, but at least he did not furnish a copy of the report I asked for.

I am not the only Senator who wrote and asked him for the report. When this matter was mentioned on the Senate floor nearly a month ago several Senators attempted to get from the Secretary of Agriculture the report of the survey which has been made. I have been informed reliably that the survey has been made. I have been reliably informed that the report has been made, at least in what I would call its yellow-print stages, and the data submitted to several governors. I knew that as early as last January. It seems to me that, in view of the fact that the survey has been made, and that it is of interest to every Member of the Senate who is vitally concerned in the Missouri River Basin, the request having been made more than a month ago, the Secretary of Agriculture should furnish the report, in whatever form it may be, to the Members of the Senate when they are called upon to make appropriations for the fiscal year 1950.

I may say that I do not know how to get the report. I would not care to attempt to write legislation in an appropriation bill in an effort to get the report, because I know it would not carry. We have made similar efforts heretofore. But I appeal to the Members on both sides of the aisle who are interested. It certainly is not in keeping with the spirit of the law; it is not in keeping with the intention of the Committee on Appropriations, of which I am a member, and certainly it is not in keeping with the very definite promise the Secretary of Agriculture made me on April 8 that he would have the report in my hands the following Tuesday. The promise was made on Friday, and it was to be furnished within 3 or 4 days after that.

I ask the distinguished Senator if there is not some way he can suggest so that Members of the Senate can get the survey report.

Mr. RUSSELL. Mr. President, I am frank to say that, while I have the greatest sympathy with the Senator from Nebraska in the difficulties he has encountered in securing a copy of the report, I know of no language we can write into the bill which would compel the furnishing of the report to the Senator from Nebraska.

Mr. WHERRY. Would the Senator object to language in the appropriation bill providing that the bill would be held up until we received the report?

Mr. RUSSELL. I would not care to commit myself until I saw the language. I have always believed that Members of Congress are just as much interested in the particular funds they appropriate as is any official of the Government, and I think Members of the Congress are entitled to be kept fully informed as to the progress that is made on the expenditures of all public funds paid out of the Treasury of the United States. But I certainly would have to see the language before I could agree to accept it.

I should like to say that it is incomprehensible to me why these reports have not been furnished. In an effort to cooperate with the Senator from Nebraska, I telephoned the office of the Secretary of Agriculture. The Secretary happened to be out of the city on that day, but I spoke to a gentleman, whose name I do not recall at the moment, who was said to be in charge of the office in the Secretary's absence. He told me that the stencils were being cut at that time so the report could be mimeographed. He further said that there had been some difficulty in assembling the various parts of the report in order that it might be comprehensive. But he stated that active steps were being taken to supply the information to the Members of Congress. I am frankly surprised that the Senator from Nebraska has not received the report, all the more so in view of the fact

that the Secretary in his letter written to the committee several weeks ago, when the appropriation bill first came over from the House, took occasion to state that the Department is endeavoring to expedite the completion of survey reports on the watersheds where the Congress has authorized and directed that surveys be made.

I know of no reason why the Senator from Nebraska should not have been furnished the report, and, in my judgment, if the report has been completed the Senator from Nebraska is as much entitled to it as the Governor of Nebraska or anyone else. But I do not know of any steps the Senate could take to see that the report was furnished.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. WHERRY. I trust the bill will not be passed until tomorrow. I do not want to be at all unreasonable or unfair, but——

Mr. RUSSELL. I have no objection to the amendment going over until tomorrow, if the Senator desires.

Mr. WHERRY. I should like to have the amendment passed over until tomorrow. I can conceive that the Department wants to have the several reports compiled into one report. But if the reports are ready I should like to have the opportunity to make at least another request of the Secretary for them, so I may see them before the bill is passed. So I ask that the Senator agree to pass the amendment over until tomorrow.

Mr. RUSSELL. I have no objection to the amendment being passed over until tomorrow.

The VICE PRESIDENT. Without objection, the amendment will be passed over.

The clerk will state the next committee amendment.

The next amendment was, under the heading "Soil Conservation Service," on page 45, line 21, after the word "installations", to strike out "$994,000" and insert "$1,751,000."

The amendment was agreed to.

The next amendment was, under the heading "Land utilization and retirement of submarginal land," on page 46, line 13, after the word "exceed", to strike out "$29,100" and insert "$32,150"; and in line 14, after the word "Columbia", to strike out "$1,124,000" and insert "$1,327,000."

The amendment was agreed to.

The next amendment was, under the heading "Production and Marketing Administration—Conservation and use of agricultural land resources," at the top of page 48, to insert the following additional proviso: "*Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State or county information employees, but this shall not preclude the answering of inquiries or supplying of information to individual farmers"; in line 14, before the word "including", to strike out "$262,500,000" and insert "$300,000,000"; in line 21, after the word "than", to strike out "$2,500" and insert "$1,500"; and on page 49, line 10, after the word "head", to strike out the colon and the following proviso: "*Provided further*, That the county agricultural conservation committee in any county may allot not to exceed 10 per centum of its allocation for the agricultural conservation program to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program and the funds so allotted shall be utilized by the Soil Conservation Service for technical and other assistance in such county."

The amendment was agreed to.

The next amendment was, under the subhead "Section 32 funds—Exportation and domestic consumption of agricultural commodities," on page 51, line 8, after the word "exceed", to strike out "$500,000" and insert "$150,000."

The amendment was agreed to.

The next amendment was, under the subhead "National School Lunch Act," on page 51, line 16, before the word "Provided", to strike out "$75,000,000" and insert "$87,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Marketing services," on page 52, line 6, after the word "products", to strike out "$1,864,000" and insert "$1,900,000."

The amendment was agreed to.

The next amendment was, on page 52, line 23, after the word "supplies", to strike out "standarization" and insert "standardization."

The amendment was agreed to.

The next amendment was, under the heading "Farmers' Home Administration," on page 56, line 6, after the numerals "1000", to strike out "1023" and insert "1032."

The amendment was agreed to.

The next amendment was, on page 57, line 4, after the word "acts", to strike out "on any loans made hereunder."

The amendment was agreed to.

The next amendment was, on page 57, line 20, after the numerals "1946", to strike out "$23,249,000" and insert "$23,649,000."

The amendment was agreed to.

The next amendment was, under the heading "Title II," on page 63, after line 9, to strike out:

Regional Agricultural Credit Corporation of Washington, District of Columbia: Not to exceed $90,000 (to be computed on an accrual basis) of the funds of the Corporation shall be available for administrative expenses, including services performed for the Corporation by other Government agencies (except services and facilities furnished and examinations made by the Farm Credit Administration central office); and said total sum shall be exclusive of interest expense, legal and special services performed on a contract or fee basis, and expenses in connection with the acquisition, operation, maintenance, improvement, protection, or disposition of real or personal property belonging to the Corporation or in which it has an interest: *Provided*, That for the current fiscal year, the revolving fund in the Treasury of the United States created by section 84 of the act of June 16, 1933 (12 U. S. C. 1148a), for investment in any regional agricultural credit corporation shall be available only in the amount of $25,000,000: *Provided further*, That notwithstanding any provisions of law to the contrary, in addition to the foregoing the Corporation is authorized to utilize, from the revolving fund created by section 84 of the Farm Credit Act of 1933 (12 U. S. C. 1148a), such sums as may be necessary (a) to make loans, during a period of 4 years, to bona fide fur farmers in accordance with the provisions of section 201 (e) of the Emergency Relief and Construction Act of 1932, as amended (12 U. S. C. 1148), all such loans to carry full personal liability of the borrowers and to be secured by such collateral as is deemed by the Corporation to be necessary to afford reasonable assurance of repayment, the aggregate principal amount of which loans shall not exceed $4,000,000 outstanding at any one time.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is there anything in the Commodity Credit Corporation legislation, contained in the amendment, that in any way cancels any of the so-called indebtedness which has been brought to the attention of the Members of the Senate by the distinguished Senator from Delaware [Mr. WILLIAMS]?

Mr. RUSSELL. No, there is nothing affecting the Commodity Credit Corporation, so far as I am aware, except the administrative expenses for the Commodity Credit Corporation.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 63, after line 9.

The amendment was agreed to.

The next amendment was, under the heading "Title III.—General provisions," on page 65, after line 3, to strike out:

SEC. 301. No funds appropriated or made available under this act shall be used to pay the compensation or expenses of any officer or employee of the Department or any bureau, office, agency, or service of the Department, or any corporation, institution, or association supervised thereby, who makes or approves, or directs or authorizes the approval of, any loan or advance by the Regional Agricultural Credit Corporation of Washington, D. C., unless such loan or advance (1) is for the purpose of protecting the security for or assisting in the collection of a loan or advance theretofore made by the Corporation, or (2) is for use in and confined to a specific area or region in which the Secretary of Agriculture shall have found that such loans for specified agricultural purposes and for limited time periods are necessary because of economic emergencies or production disasters. All loans and advances made pursuant to this section will carry the full personal liability of the borrower, shall be secured by crops or livestock and such additional collateral as is deemed necessary to afford reasonable assurance of repayment, and will be accompanied by a certificate of refusal of the loan or advance by a local bank or the production credit association serving the area: *Provided, however*, That the Secretary of Agriculture may authorize the Regional Agricultural Credit Corporation to reenter an area or region where an economic emergency or production disaster has occurred, in conformity with the provisions of section 201 (c) of the Emergency Relief and Construction Act of 1932, as amended (title 12, U. S. C. 1148).

The amendment was agreed to.

The next amendment was, on page 66, line 7, to change the section number from "302" to "301."

The amendment was agreed to.

The next amendment was, on page 66, line 23, to change the section number from "303" to "302."

The amendment was agreed to.

The next amendment was, on page 67, line 6, to change the section number from "304" to "303."

The amendment was agreed to.

The next amendment was, on page 67, line 9, to change the section number from "305" to "304."

The amendment was agreed to.

The next amendment was, on page 67, line 13, to change the section number from "306" to "305."

The amendment was agreed to.

The next amendment was, on page 69, line 8, to change the section number from "307" to "306."

The amendment was agreed to.

The next amendment was, on page 69, line 12, to change the section number from "308" to "307."

The amendment was agreed to.

The next amendment was, on page 69, line 14, to change the section number from "309" to "308."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. RUSSELL. Mr. President, there was an amendment approved by the committee, on page 56, in line 20, which because of an error in printing did not appear in the bill. As appears in the report of the committee on page 15, the committee recommends the deletion of the words "either without interest or." Those words appear in line 20 on page 56. But because of a printer's error that language does not appear in the bill as a committee amendment, to be stricken. I ask that that committee amendment be agreed to.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. WHERRY. Mr. President, I understood the Senator to say that the words stricken are "or either"?

Mr. RUSSELL. "Either without interest or."

Mr. WHERRY. Those words appear in line 20 on page 56.

Mr. RUSSELL. The Senator is correct.

Mr. SALTONSTALL. Mr. President, the bill I inquire of is now open to further amendment?

The VICE PRESIDENT. There is still one committee amendment pending, which was passed over until tomorrow.

Mr. SALTONSTALL. I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 5, at the end of line 21, after the word "development", it is proposed to insert the words "of inspection, grading, standards, and."

On page 5, in line 22, it is proposed to strike out the word "of."

Mr. SALTONSTALL. Mr. President, the amendment involves no expenditure of money. It purpose is to permit, under the guidance of the Department of Agriculture, the fishing industry to adopt certain inspection, grading and standards which are necessary in the marketing of fish products. I have discussed the amendment with the Senator from Georgia and I understand he is willing to take the amendment to conference.

Mr. RUSSELL. Mr. President, I have not had an opportunity to look into the amendment with the legal authorities of the Department of Agriculture who deal with fish or shellfish, but in view of the statement made by the Senator from Massachusetts I have no objection to taking the amendment to conference.

Mr. SALTONSTALL. I thank the Senator.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LANGER. Mr. President, I send to the desk an amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 58, line 8, it is proposed to strike out "$6,063,000" and insert in lieu thereof "$7,063,000."

Mr. LANGER. Mr. President, the purpose of the amendment is to see to it that the REA, the Rural Electrification Administration, has money enough so it can keep up with the work when it comes to laying out new lines, particularly in some of the more sparsely settled States. I think every Senator is familiar with the fact that although last year, in the Eightieth Congress, the President recommended only $300,000,000 for REA, Congress finally, after we brought the matter to its attention, made an appropriation for $400,000,000.

The trouble was that the money needed for the administration of the act was cut down. I now want to make it very clear that an REA line cannot be built anywhere in the United States unless the engineer first locates every single pole. Blueprints must be drawn up and must be submitted by a competent engineer who is retained by the REA cooperative, but who is approved in Washington by the National Administrator. The result is that last year roughly 167 engineers lost their positions because there was no money with which to pay them.

Mr. WHERRY. Mr. President, will the Senator yield.

Mr. LANGER. I yield.

Mr. WHERRY. The amendment the Senator from North Dakota is offering is one which I think is of interest to many Senators. I do not want in any way to hinder the Senator from speaking to his amendment if he desires. If he wishes to proceed tonight, very well. My feeling is that possibly before a vote is had on his amendment more Senators would like to hear what the amendment would accomplish. I ask the distinguished Senator from Georgia if it is his intention to continue with the consideration of further amendments tonight? If it is, it seems to me more Senators should be present on the floor. The Senator from North Dakota, as I understand, desires to present a series of amendments.

Mr. RUSSELL. Mr. President, I have no objection to the Senate taking a recess at this point if the Senator from Nebraska so desires.

Mr. WHERRY. Mr. President, I do not particularly care for a recess, unless the Senator from Georgia so wishes. It was my understanding that when the committee amendments had been acted upon other amendments would probably be offered from the floor tomorrow. If the Senate is to continue to consider amendments offered from the floor perhaps we should have a quorum call to bring more Senators to the floor so they may be informed of the nature of the amendments being offered.

Mr. RUSSELL. I have no objection to a quorum call being had at this time, but I would say that the attendance at this time is pretty fair. There are at present on the floor the number of Senators who are usually present on such an occasion. But if the Senator from Nebraska desires the Senate to take a recess I shall be glad to make a motion to that effect, if there is nothing on the Executive Calendar to be considered.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FERGUSON. Would it be possible to agree upon the amendments which are not in dispute, and pass over until tomorrow the amendments which are to be offered by the Senator from North Dakota?

Mr. RUSSELL. The Senate has completed the committee amendments, with the exception of one passed over, and the Senator from North Dakota is now offering amendments to the general bill.

Mr. FERGUSON. I beg the Senator's pardon. I did not know that the committee amendments had been adopted. Would it be possible to have the amendments of the Senator from North Dakota printed tonight so we may have them on our desks in the morning in order to study them and become familiar with them?

Mr. RUSSELL. Mr. President, I always try to be as agreeable as possible when I am charged with responsibility for legislation on the floor of the Senate. I cannot always accept amendments which Senators offer. We have made very fine progress with the committee amendments this afternoon, and if Senators wish to recess at this early hour I have no objection. I thought we might proceed and make such progress as we could.

Mr. FERGUSON. Mr. President, will the Senator yield so I may ask the Senator from North Dakota a question?

Mr. RUSSELL. I yield.

Mr. FERGUSON. I ask the Senator from North Dakota how many amendments he proposes to offer?

Mr. LANGER. I have three amendments, all dealing with the REA.

The VICE PRESIDENT. Only one amendment can be pending, which is the amendment which has been offered. The others may be printed and lie on the table.

Mr. WHERRY. Mr. President, in view of the fact that it is agreeable to the Senator from North Dakota to postpone consideration of his amendments until tomorrow, I suggest to the distinguished Senator from Georgia that I think the suggestion of the Senator from Michi-

gan that they be printed and lie on the table would probably expedite progress. I believe it would possibly work to our advantage to have the amendments printed and taken up tomorrow.

Mr. RUSSELL. Does the Senator from Nebraska think that would save time?

Mr. WHERRY. I am perfectly willing to proceed further this evening, but I think it would save time to have the amendments printed and lie on the table, and take them up tomorrow.

Mr. PEPPER. Mr. President, I should like to submit an amendment and have it go over until tomorrow for consideration.

The VICE PRESIDENT. The Senator may have his amendment printed and ordered to lie on the table.

Mr. PEPPER. On page 39, line 12, I should like to increase the figure of $2,818,500 by $35,000.

The VICE PRESIDENT. That is a committee amendment which has already been agreed to. The Senator's amendment could be considered only by reconsidering the vote by which the committee amendment was agreed to.

Mr. PEPPER. I submit an amendment to lie on the table and be printed, on page 39, line 12, to increase the figure of $2,818,500 by $35,000.

The VICE PRESIDENT. The amendment cannot be offered unless the committee amendment is reconsidered.

Mr. RUSSELL. If the Senator from Florida serves notice of a motion to reconsider the vote by which the committee amendment was agreed to, his amendment will then be in order, will it not?

Mr. PEPPER. Mr. President, I serve notice that I shall make a motion to reconsider the action by which the Senate adopted the figure of $2,818,500, on page 39, line 12, and will offer an amendment, if the motion to reconsider is favorably acted upon, to increase the figure by $35,000.

Mr. LONG. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. LONG. The Senator will recall that I appeared before the subcommittee on behalf of the continuation of the pecan experiment station near Shreveport, La. That subject is referred to on page 81 of a memorandum on House bill 3997. I ask the Senator whether the action of his committee in increasing the amount on page 28, line 21, contemplates the continuation of the pecan experiment station.

Mr. RUSSELL. It does. The committee was advised by the Department that if the House reduction below the budget estimate were sustained, it would be necessary to close the pecan laboratory at Shreveport, La.; but the action of the Senate committee in restoring the budget estimate will keep the laboratory in operation, provided the other body sees fit to agree to the action taken by the Senate. The committee amendment has already been adopted by the Senate.

Mr. LONG. In view of the fact that it is very vital to an industry in my State, I thank the Senator for his consideration of the item.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. PEPPER. Knowing the great interest which the able Senator from Georgia, who is in charge of the bill, has always taken in the school-lunch program, I invite his attention to the committee amendment on page 51, which was adopted. The amount approved was $87,500,000, which is $12,500,000 in excess of the amount provided for the fiscal year 1949. I ask the able Senator whether he believes that the increase made by the committee is sufficient. Does he believe that the appropriation recommended is large enough to meet the school-lunch needs of the country?

Mr. RUSSELL. Mr. President, since the Senator puts the question in that way, an honest answer, of course, would have to be "no." It does not meet all the needs of the school-lunch program. However, it is the largest amount that has ever been recommended by either body of the Congress for the school-lunch program, and I think it will allow for a healthy expansion and development of that program. There is no doubt that as much as $115,000,000 could be expended on the school-lunch program.

Mr. PEPPER. Until I confer with some of my colleagues who are interested in the same point, I do not wish to make a motion at this time to reconsider that item, but I should like to give notice of the possibility of a motion tomorrow to reconsider the item of $87,500,000 in line 16, on page 51.

Mr. RUSSELL. Mr. President, in view of the statements which have been made, and the fine progress we have made with the committee amendments, even though notice has been given that motions will be made to reconsider two of them, I think it might be well to take a recess at this time.

Mr. WHERRY. Mr. President, will the Senator yield to the Senator from North Dakota [Mr. LANGER] so that he may have his amendments printed and ordered to lie on the table?

Mr. RUSSELL. I yield.

Mr. LANGER. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], and myself, I send to the desk three amendments and ask that they be printed and lie on the table.

The VICE PRESIDENT. The amendments will be printed and lie on the table.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3704) to provide additional revenue for the District of Columbia; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN of South Carolina, Mr. SMITH of Virginia, Mr. JONES of Missouri, Mr. BATES of Massachusetts, and Mr. O'HARA of Minnesota, were appointed managers on the part of the House at the conference.

EXECUTIVE SESSION

Mr. RUSSELL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Mon C. Wallgren, of Washington, to be chairman of the National Security Resources Board, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Robert E. Tehan to be United States district judge for the eastern district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of W. Bruce Matthews to be United States marshal for the District of Columbia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Joseph L. Wisniewski to be United States marshal for the eastern district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be notified forthwith of all nominations confirmed this day.

That completes the Executive Calendar.

RECESS

Mr. RUSSELL. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 27 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 18, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of April 11), 1949:

IN THE NATIONAL GUARD OF THE UNITED STATES OF THE ARMY OF THE UNITED STATES

The officers named herein for appointment in the National Guard of the United States of the Army of the United States under the provisions of section 38 of the National Defense Act as amended:

To be brigadier generals of the line

Brig. Gen. Hugh John Cox, New York National Guard, to date from February 28, 1949.

Brig. Gen. Charles Joseph Hodge, New Jersey National Guard, to date from February 28, 1949.

Brig. Gen. John Lewis Thompson, Jr., Texas National Guard, to date from February 28, 1949.

To be major generals, Adjutant General's Department

Maj. Gen. Kearie Lee Berry, Texas National Guard, to date from March 1, 1949.

Maj. Gen. Edward Clark Rose, New Jersey National Guard, to date from March 1, 1949.

To be brigadier generals, Adjutant General's Department

Brig. Gen. Carl Ausey Anderson, Tennessee National Guard, to date from February 28, 1949.

Brig. Gen. John Augustus Harris, Missouri National Guard, to date from February 28, 1949.

Brig. Gen. Robinson Hitchcock, Indiana National Guard, to date from February 28, 1949.

Brig. Gen. William Hoy Kelly, New York National Guard, to date from February 28, 1949.

Brig. Gen. Earl Thornton Ricks, Arkansas National Guard, to date from February 28, 1949.

IN THE NAVY

Midshipman Charles H. Mays (Naval Academy) to be an ensign in the Navy, from the 3d day of June 1949, in lieu of second lieutenant in the Marine Corps, as previously nominated and confirmed.

The following-named midshipmen (Naval Academy) to be ensigns in the Navy, from the 3d day of June 1949, in lieu of ensigns in the Navy, as previously nominated and confirmed to correct names:

Hiram P. Llewellyn
Richard A. Mergl

Midshipman John J. Campanile (Naval Academy) to be an ensign in the Supply Corps of the Navy, from the 3d day of June 1949, in lieu of ensign in the Navy, as previously nominated and confirmed.

Midshipman Lemond DeK. Lang (Naval Academy) to be an ensign in the Civil Engineer Corps of the Navy, from the 3d day of June 1949, in lieu of ensign in the Civil Engineer Corps of the Navy, as previously nominated and confirmed, to correct name.

Midshipman George A. P. Haynes (Naval Academy) to be a second lieutenant in the Marine Corps, from the 3d day of June 1949, in lieu of ensign in the Navy, as previously nominated and confirmed.

The following-named (Naval R. O. T. C.) to be ensigns in the Navy, from the 3d day of June 1949:

Russell J. Lear
Jack L. Worden

Ralph R. Barnard (Naval R. O. T. C.) to be an ensign in the Navy, from the 3d day of June 1949, in lieu of Ensign in the Civil Engineer Corps of the Navy, as previously nominated and confirmed.

Julius E. Morris (Naval R. O. T. C.) to be an ensign in the Navy from the 3d day of June 1949, in lieu of ensign in the Supply Corps of the Navy, as previously nominated and confirmed.

Kenneth E. Thorp (Naval R. O. T. C.) to be an ensign in the Civil Engineer Corps of the Navy, from the 3d day of June 1949.

The following-named (civilian college graduates) to be ensigns in the Navy, from the 3d day of June 1949:

Donald F. Ault	John K. Keller
Stanford C. Balmforth	Edward S. King
	Richard H. Lockey
Anthony P. DeFalco	Paul J. Myatt, Jr.
John A. DeMasters	Paul P. Pierson, Jr.
Howard R. Eyer	Richard C. Slusser
Tilden "J" Farris, Jr.	Allan R. Smith
Jack E. Franklin	Curtis L. Smith
John A. Gallagher	David J. Spowart, Jr.
Richard F. Huss	Thomas C. Stephenson
Philip G. Inscoe	

Charles E. Moran (civilian college graduate) to be a lieutenant commander in the Medical Corps of the Navy.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

Charles S. Anderson	Stephen O. Bartlett
William H. Barnett	Kenneth E. Beach
William S. Barr	Earl M. Behning
Richard C. Berguson	Edward S. Laskowski
Thomas M. Boardman	Michael L. Leahy
George W. Bremner	Wilbur LeR. Lehman
Herbert Bricken	William G. Lehmann
Milton F. Byers	Robert J. Leupold
Jack A. Carlson	Ronald G. Light
Brent E. Clark, Jr.	Jack A. Lyons
Dean V. Clark	Jack D. Mahoney
Dana E. Cook	Dennis J. Manion
Gordon H. Cooley	William E. Martin, Jr.
Allen A. Copping	Frank T. Meisel, Jr.
James W. Cross	George B. Menkoff
Wellington F. Dean	Robert J. Morstad
Adolph S. DesGeorges	Robert J. Murray, Jr.
Robert E. Dickson, Jr.	Jack D. Nelson
Anthony J. DiJohn	Alan L. Neuhaus
Walter E. Dilts	John E. O'Malley
Louis J. Dunn	Robert E. Oslar
Ernest N. Duvall, Jr.	John E. Parent
Archie D. Echols, Jr.	George W. Perdue
John O. Esposito	Eddie Perry
James F. Faith	Raymond J. Powers
Howard F. Findley	Robert A. Probst
Irwin Fine	Hugh S. Reaves
Gerald L. Gardner	Darwin M. Reed
Harry C. Good, Jr.	Neil M. Roth
Jesse Gutman	Homer S. Samuels
Norman R. Hagen	Alan P. Shapiro
James R. Harvey	Alvin P. Spiro
Albert LeR. Heise	Ray C. Standish
Lewis S. Henderson, Jr.	Thomas D. Stephenson
Thomas H. Hicks III	
Robert E. Higgins	James A. Stockton
Clem J. Hill	Donald S. Taber
Corey H. Holmes	Robert W. Timberlake
Louis A. Holmes	William L. Turnley, Jr.
James E. Hultberg	
James F. Hutto	Arthur W. Wagner
Herman R. Iles	Richard P. Walker
William J. Jasper	Jack W. Weber
Gordon L. Kiester	Fred W. Wertheimer
William R. Kline	Leo J. Wiley
Seymour Kosofsky	Horace S. Woodland
Edmund H. Lange	George K. Woodworth

Frederick S. Welham (civilian college graduate) to be a lieutenant commander in the Dental Corps of the Navy, in lieu of lieutenant in the Dental Corps of the Navy, as previously nominated and confirmed.

The following-named officers to the grades indicated in the Medical Corps of the Navy:

CAPTAIN

Everett H. Dickinson

LIEUTENANT COMMANDERS

Virgil A. Beuerman
Casimir F. Park

LIEUTENANT (JUNIOR GRADE)

Lynn E. Anthony

Harry E. Denen to be a commander in the Dental Corps of the Navy, in lieu of lieutenant commander in the Dental Corps of the Navy, as previously nominated and confirmed.

The following-named officers to the grade indicated in the Nurse Corps of the Navy:

LIEUTENANTS (JUNIOR GRADE)

Lucille M. Croteau
Helen Udich

Louise M. Novak to be a lieutenant in the Nurse Corps of the Navy, in lieu of lieutenant (junior grade) in the Nurse Corps of the Navy, as previously nominated and confirmed.

The following-named officers to the grades indicated in the line of the Navy, for limited duty only:

LIEUTENANT COMMANDERS

Gilbert W. Bane	Charles A. Mattson
William P. Brett	Francis P. Moran
John H. Geyer	John W. Rogers
George B. Greer	Alexis T. Terrio
Albert V. Kerr	Frank Watts
Ernest Maltby	Francis M. Young

LIEUTENANTS (JUNIOR GRADE)

Charles C. Allen	Fred W. Berry
Jesse R. Austin, Jr.	Forrest C. Borgstedt
William J. Begert	Leo R. Brown
Lloyd O. Butts	Robert R. Ragsdale
Herbert C. Carroll	Robert A. Mowrer
William S. Ellis	Milton M. Routzahn
Eudore A. Forcier	Paul A. Smith
Victor S. Forys	Alfred W. Stepro
Frank D. Gallagher	Robert N. Vehorn
Zacharie T. Hampton	Joseph W. Wallace
John R. Hatcher	Walter R. Watkins
Glenn W. Holmes	Robert E. Wheeler
Gaddis G. McKee	Gerald W. Wilson
Norman F. Mennecke	Francis J. Woznack
Carl W. Minniear	

ENSIGNS

Kenneth Brown	Raymond K. Marker
James V. Carney	Joseph C. Mayer
Albert F. Christener	Donald M. Murdoch
Roy E. Clymer, Jr.	Marler W. Owen
Theodore F. Drac	Otis G. Pennington
Donald D. Dunton	John F. Pierce
John P. Dutton	Plynn J. Pulliam
Chester E. Elliott	Herbert E. Reynolds
Robert Gilmour, Jr.	Norbert R. Schneible
Claude E. Hale	Linus H. Schuh
George Hamilton	Arnold N. Singer
Norman Huffnagle	Andrew G. Szymanski
William M. Iverson	James L. Thompson
Charles E. Kaessinger	Edmund L. Wells
Gordon E. Kaufman	Hall B. Wessinger
Helmuth A. Ludwig	Alfonz Zimm
Donald B. McOmie	

The following-named officers to the grades indicated in the Supply Corps of the Navy, for limited duty only:

LIEUTENANT COMMANDER

Embrey J. Beasley

LIEUTENANTS

Frank M. Berger	William C. Parrish
James A. Gardiner	Glenn S. Pirkle
Earl B. Keck	Robert C. Powell, Jr.
Callison Morton	Bert E. Ward
Edgar G. R. Oberg	

LIEUTENANTS (JUNIOR GRADE)

Jesse L. Bercaw	James C. Keener
Andrew F. Bevill	Lyle E. Keyes
Frederick J. Cadotte	George Lott
Robert W. H. Darrow	Marti O. Mattila
John M. Dunn	Harold M. Olbrey
Lovelace H. Eller	James W. Post
Eugene G. Greene	Edmund J. Prosch
Joseph M. Greene	James B. D. Skelly
Harry G. Handy	William R. Whitney
Morton D. Jones	Clarence R. Wright

ENSIGNS

Carl N. Beatty	Gerald E. Roberts
Robert L. Breeden	Ray L. Rogers
Harold R. Davis	Loveman F. Rolen
Robert L. Jones	James F. Simpson
Byron F. McElhannon	Earl G. Siemons
Don C. Mandeville	Charles W. Smith
Joseph A. Mayo, Jr.	Raymond H. Stutheit
Richard B. Page	Byron Uskievich

The following-named officers to the grades indicated in the Civil Engineer Corps of the Navy, for limited duty only:

LIEUTENANTS (JUNIOR GRADE)

Harlin L. Bowman
Robert W. Marshall

ENSIGNS

Justin D. Denman	William R. Lemmon
Johnnie C. Dennis	Donald O. Taber
Charles M. Gassett	Romeo E. Wilcox
Albert C. Gillespie	

The following-named officers to the grade of lieutenant commander in the line of the Navy, limited duty only, in lieu of lieutenant in the line of the Navy, limited duty only, as previously nominated and confirmed:

George M. Chaffin	Ralph H. Packer
Joe B. Decker	Clarence O. Payne
Carl F. Lee	Preston R. Rucker

The following-named officers to the grade of lieutenant in the line of the Navy, limited duty only, in lieu of lieutenant (junior grade) in the line of the Navy, limited duty only, as previously nominated and confirmed:

Norman W. Bixby	George W. Bolt
Robert G. Blakely	Arthur L. Bureau

Norbert A. Commons	Arthur C. McLean, Jr.
Vincent R. Dahlen	Malcolm R. Massie
Edward H. Daughtrey	Kenneth L. Mell
William B. Dickson	Howard B. Miller
Harold F. Duval	Roman G. Mislicky
William T. Davern	Jerry P. Morelock
Jack M. Feliz	Charles F. Murray
Paul E. Fournier	Stephen J. Nemeth
John W. Gay	John W. Newman
John E. George	Victor S. Pedersen
Stuart V. Glenn	Miles E. Piper
William D. Hall	Jack O. Polk
Robert B. Harris	Loren J. Roberts
Max W. Henry	William F. Salkowski
Frederick G. Hewitt	Howard K. Smith
Orville B. Hoel	Sumner E. Thompson, Jr.
Robert G. Hoffman	
Spencer W. Horner, Jr.	Alfred H. Thorne
	Cecil R. Thorne
Boyd D. Hughes	John T. Timmerman
Ben G. Jones, Jr.	Joseph W. Trumbo
Fowler H. Justus	Irving E. Wetmore
George L. Kent	Jesse L. White
Roland L. Loper	

The following-named officers to the grade of lieutenant (junior grade) in the line of the Navy, limited duty only, in lieu of ensign in the line of the Navy, limited duty only, as previously nominated and confirmed:

Charles C. Allen	Edwin R. Jenks
James M. Arnold, Jr.	Stuart M. Johnston
Horace W. Atkisson	Robert F. Jones
Louis A. Barich	William Kahler
Richard K. Barley	Willard Koone
Henry F. Berck	Edgar H. LaRose
Marion L. Bohgren	Francis E. Law
Woodson P. Bremer	Norman N. LeMote
George W. Brooks	Howard E. Lyon
Francis M. Brosnihan	Roy W. McCotter
Steward V. Buchanan	Marcus McHenry
John J. Butlak	Troy M. McKinney
Don M. Cameron	Philip L. Mann
Clinton F. Churchill	Francis F. Matthewson
Warren L. Clary	David L. Miller
Hugh A. Cleveland	William J. Miller
Charles W. Combs, Jr.	Freeman H. Myers
Max A. Crain	John E. Nichols
Anthony S. Creider	Robert L. Odell
Edward O. Crosby	Howard J. Owen
Leonard W. Cushing	Charles F. Pape
Luis A. Dasso	Aquilino L. Poncitoli
Jesse W. Dunwoody	Glenn O. Poplin
William A. Dyrdahl	Elmer R. Rath
Elmer H. Earnhardt	Kenneth Richardson
William J. Egan	Chesley W. Richey
Marion S. Evans	Russell D. Rider
John W. Fietsch	Claude E. Riley
Raymond A. Frady	Francis J. Rodstrom
George H. Gaddy	Russell L. Sanders
Vardy D. Garvey	Ray W. Seiwert
Vaughn H. Gary	Anderson V. Showen
John B. Griffin	James M. Simpson
Arthur L. Hage	Gerald O. Spears
Louis C. Hambley	Harold M. Steeves
George T. Hamilton	Charles R. Sullenger
Robert L. Holt	Charles C. Tidwell, Jr.
Vernon L. Homer	Harry E. Weber
Reo M. Hood	Billis L. Whitworth
Judson D. Huggins	George Wilder
Joe H. Hunt	

The following-named officers to the grade of lieutenant in the Supply Corps of the Navy, limited duty only, in lieu of lieutenant (junior grade) in the Supply Corps of the Navy, limited duty only, as previously nominated and confirmed:

Widar J. Forde
Robert F. Hart
Luther N. White

The following-named officers to the grade of lieutenant (junior grade) in the Supply Corps of the Navy, limited duty only, in lieu of ensign in the Supply Corps of the Navy, limited duty only, as previously nominated and confirmed:

William Backer
Emlin N. Brown, Jr.
Paul J. Metcalf

The following-named officer to the grade of lieutenant in the Civil Engineer Corps of the Navy, limited duty only, in lieu of lieutenant (junior grade) in the Civil Engineer Corps of the Navy, limited duty only, as previously nominated and confirmed:

Kerman C. McDuffie

The following-named officer to the grade of lieutenant (junior grade) in the Civil Engineer Corps of the Navy, limited duty only, in lieu of ensign in the line of the Navy, limited duty only, as previously nominated and confirmed:

Jack J. Jones

WITHDRAWAL

Executive nomination withdrawn from the Senate May 17 (legislative day of April 11), 1949:

NATIONAL SECURITY RESOURCES BOARD

Mon C. Wallgren, of Washington, to be Chairman of the National Security Resources Board.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of April 11), 1949:

UNITED STATES DISTRICT JUDGE

Robert E. Tehan to be United States district judge for the eastern district of Wisconsin.

UNITED STATES MARSHALS

W. Bruce Matthews to be United States marshal for the District of Columbia.

Joseph L. Wisniewski to be United States marshal for the eastern district of Michigan.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 17, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord our God, how manifold are Thy works; in wisdom hast Thou made them all.

In these confused days we await Thy will concerning us. In our hopes and aspirations be Thou our anchor, for without Thy guiding hand our labors may become a delusion and our devotion a weakness.

Today we honor one who has defended human rights against tyranny and pagan forces. In the light of his magnanimous and patient leadership, enable us to assert our everlasting obligations and swing our country on the right side of every question, as persuasive as truth and as uncompromising as justice. O give us a mighty uprush of courage as we challenge any who fail to call Thee Lord and Master, and Thine shall be the glory and ours the blessing. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCLELLAN, Mr. EASTLAND, Mr. HOEY, Mr. MCCARTHY, and Mr. IVES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3704. An act to provide additional revenue for the District of Columbia.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HUNT, Mr. MCGRATH, Mr. JOHNSTON of South Carolina, Mr. MCCARTHY, and Mr. SCHOEPPEL to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes."

The message also announced that the Vice President had appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49–12.

FEPC HEARINGS

Mr. POWELL. Mr. Speaker, I ask unanimous consent that the subcommittee holding hearings on the bill H. R. 4435, as well as other bills, may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. REDDEN asked and was given permission to extend his remarks in the RECORD.

DR. DAVID J. PRICE

Mr. FENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Speaker, on May 16 Secretary of Agriculture Brannan presented a superior service award to Dr. David J. Price, of the Bureau of Agricultural and Industrial Chemistry, for outstanding service to agriculture in the development of methods for the prevention of grain-dust explosions and the prevention of fires on the farms and in the rural communities of the United States.

Dr. Price recently completed 37 consecutive years of Federal service and is a native of Ashland, Pa., which is in the district I have the honor to represent. He has made distinguished contributions in the chemical engineering field and is an internationally recognized authority on the prevention of dust explosions in industrial plants and in grain milling and processing operations.

Dr. Price served as president of the National Fire Protection Association from 1942 to 1944 and has rendered valuable assistance to the firemen of the Nation in the development and application of safety measures for fire-fighting operations.

The award to Dr. Price by the Secretary of Agriculture is a well-deserved recognition of the splendid services rendered by one of the Department of Agriculture's distinguished research scientists.

EXTENSION OF REMARKS

Mr. HALLECK asked and was given permission to extend his remarks in the RECORD and include an editorial from this morning's Washington Post entitled "Saving the Taft-Hartley Act."

Mr. COLE of New York (at the request of Mr. HALLECK) was given permission to extend his remarks in the RECORD and include an article by Admiral Halsey.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GOLDEN asked and was given permission to extend his remarks in the RECORD and include a report of the miners' welfare and retirement fund.

Mr. FELLOWS asked and was given permission to extend his remarks in the RECORD and include an editorial.

GERHART EISLER

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FELLOWS. Mr. Speaker, Gerhart Eisler, the convicted criminal, the friend and companion of fraud and perjury, bail jumper, stowaway, and fugitive from justice, our No. 1 Communist, and exponent of bloody revolution, appeared at our oldest university by invitation of its authorities to inspire youth in the nobility of human service, the dignity of the individual, the blessedness of Christian sacrifice and living, the brotherhood of man, and the love and glory of God and got paid for it.

I hope the Judiciary Committee will act favorably on H. R. 10, the Hobbs bill.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. FELLOWS. I yield.

Mr. RANKIN. What college was that?

Mr. FELLOWS. Harvard.

The SPEAKER. The time of the gentleman from Maine has expired.

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include a dedication address by Dr. Scheele at the laying of the cornerstone of Goldblatt Memorial Hospital, Chicago, Ill.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and to include an editorial from this morning's Washington Post.

LEAVE OF ABSENCE

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that I may be granted leave of absence from May 20 to May 27, inclusive, on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

EXTENSION OF REMARKS

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include a resolution, together with his comments with respect to the labor situation in Hawaii.

Mr. HAGEN asked and was granted permission to extend his remarks in the RECORD and include an article concerning Concordia College Choir, of Moorhead, Minn.

Mr. LEONARD W. HALL asked and was granted permission to extend his remarks in the RECORD and include a speech by former Congressman Hamilton Fish.

ADDITIONAL CLERK HIRE FOR CONGRESSMEN

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the morning RECORD states that yesterday the Representative from New Jersey [Mrs. NORTON], chairman of the Committee on House Administration, made the statement that I was reading the paper when she was putting through that $3,000 additional for Congressmen's secretary-hiring fund.

Now, I try to keep track of what is going on in the House, especially when I am on the floor. I was here, on the House floor and I moved down in front, but maybe I am like that Hague machine in New Jersey. They tried to keep track of what was going on in New Jersey, but they did not know what was happening election day last Tuesday. I had no way of knowing what the Member was going to bring to the floor. I do not know how she can say I was reading the paper when I am sitting over there and she is standing down here on the left of the Speaker, addressing the Speaker with her back to the House. Does she have eyes in the back of her head? Somebody misinformed the lady and they should not do that. When the Boss Hague political machine in her district and State does not know what is happening to it, she should not blame me if I do not know what she is doing down in the well with her back to the House and mumbling about a bill when all we expect is a privileged resolution.

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

SPECIAL ORDER GRANTED

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that today, after the legislative business of the day and any other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wiscon [Mr. BYRNES]?

There was no objection.

THEODORE ROOSEVELT NATIONAL MEMORIAL PARK

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota [Mr. LEMKE]?

There was no objection.

Mr. LEMKE. Mr. Speaker, on Saturday, June 4, next, the Theodore Roosevelt National Memorial Park will be dedicated at Medora, N. Dak.

On behalf of the Governor of the State of North Dakota, the Greater North Dakota Association, and all the people of the State of North Dakota, I wish to extend to each and every one of you a most hearty invitation and welcome to attend this dedication.

I want to say that I have personally heard Theodore Roosevelt say that but for having lived in North Dakota he never would have been President of these United States. I wish to say to my Democratic friends that you should take note of that, because unless Theodore Roosevelt had become President of the United States, we perhaps never would have heard of Franklin Delano Roosevelt.

So, it is proper for both Republicans and Democrats to join in this dedication, paying tribute to a great American. I sincerely hope to see most of you there on that occasion. You will get a real opportunity to see the best of the West. You will also see a national park that is different from any of the others.

Most of the parks display their beauty and grandeur above the ground. Here, however, you will find it below in a sunken valley that reminds you of a sunken city. It is a different kind of beauty, but

one that I believe will interest you as much, if not more, than that of any other national park.

I again extend to you a most hearty and welcome invitation to attend this dedication.

The SPEAKER. The time of the gentleman from North Dakota has expired.

CALL OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 97]

Beall	Hall,	Plumley
Biemiller	Edwin Arthur	Rooney
Bonner	Hand	Sadowski
Bosone	Hedrick	St. George
Buckley, N. Y.	Heller	Scott, Hardie
Byrne, N. Y.	Hobbs	Scott,
Canfield	Hull	Hugh D., Jr.
Carroll	Irving	Shafer
Clevenger	Jonas	Smathers
Cotton	Mahon	Smith, Ohio
Crosser	Marcantonio	Smith, Va.
Dawson	Merrow	Smith, Wis.
Dingell	Mitchell	Taylor
Durham	Morrison	Thomas, N. J.
Flood	Murphy	Underwood
Fogarty	Murray, Wis.	Vorys
Furcolo	Passman	White, Idaho
Gamble	Patten	Wood
Gilmer	Patterson	Zablocki
Granger	Pfeifer,	
Gregory	Joseph L.	

The SPEAKER. On this roll call 372 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GEN. LUCIUS D. CLAY

The SPEAKER. The Chair appoints the following Members as a committee to escort General Clay into the Chamber: the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Georgia [Mr. VINSON], and the gentleman from Massachusetts [Mr. MARTIN].

The Chair declares the House in recess at this time, subject to the call of the Chair.

RECESS

Accordingly (at 12 o'clock and 37 minutes p. m.) the House stood in recess, subject to the call of the Chair.

During the recess the following occurred:

Gen. Lucius D. Clay entered the Hall of the House of Representatives at 12 o'clock and 42 minutes p. m., and was escorted to the Speaker's rostrum by the committee appointed for that purpose.

The SPEAKER. Members of the House of Representatives and your guests, it has been my high privilege to present many distinguished guests to this House. I never had more pleasure in my life in presenting anyone than I do in presenting our distinguished guest today. An old friend has come home from his labors, which have been stupendous and great. He has served not only you and me, but his imprint has been and will be left upon world history.

I present to you a man of the many men I have seen who I think is as able as any man I ever met in the Army or out. It is a high privilege and a distinct pleasure to present to you Gen. Lucius D. Clay. [Applause.]

General CLAY. Mr. Speaker, honorable Members of the House of Representatives, I am honored beyond measure to be here today. The reception which I have received today has made it very difficult for me to express myself. I only knew last night that I was going to have an opportunity to appear here. I have no prepared talk, and I hope that by the sincerity of what I say I may make up for my lack of preparation.

I know that my appearance here today is not a personal tribute; it is a tribute to the men and women who have represented America in Germany and who have been responsible for the carrying out of our American policy. [Applause.] It is meant for the American soldier, and above all, for our gallant airmen who flew the airlift to Berlin under every type of weather, under minimum safety standards; and some, indeed, gave their lives to the success of that effort. [Applause.]

It would be impossible in a few brief moments to report to you on the events of the last 4 years in Germany; I should like to make a few comments: For 2 years we tried desperately to make the four-power government of Germany set up at Yalta and Potsdam, work as an example of international cooperation. We failed, because we found that one of the four powers had but two objectives in Germany: The one of those was to exact the maximum in reparations, and the other was to establish the type and kind of government which could be controlled or at least exploited to the full by a police state. That was not our objective in Germany. Yes; Germany had been an enemy nation, and we had laid down the price that Germany had to pay for having waged aggressive war, but it was expressed in specific terms, and it was to be executed under a rule of law and not a rule of caprice.

We found that the three western occupying powers believing in true democratic principles had to go alone. However, it was not until there had been established by the security pact a feeling of security throughout the world that conditions were finally created in which the three western occupying powers here in Washington, a little over a month ago, agreed to a constructive policy which would give the German people an opportunity to earn their right to return to the comity of nations. The German people have responded, and their parliamentary council has adopted a constitution for western Germany which guarantees not only free, electoral processes and procedures, but also the basic rights of the individual. The Germans have cast their die for a government which stands for the dignity of man as an individual.

It is impossible to forget, and it is difficult to forgive. We all remember that Germany started the aggressive war which has brought the world to the conditions which we have seen during the past 4 years. One has only to revisit Buchenwald and Dachau to remember the extreme cruelty of the Nazi regime. It is difficult, however, for us living here in this free country to realize the moral deterioration of a people who come under a dictatorship, under a secret police, when one's next-door neighbor may, in deed, be an informer on one's daily activities. A people who have been subject to such a regime cannot be restored to democracy overnight nor by oppression; they can be led back to democracy. Today they need the helping hand of the freedom-loving democratic people of the world.

I saw in Berlin the spirit and soul of a people reborn. Two and one-half million Germans had a second opportunity, and few people in this world have a second opportunity to choose freedom. They had foregone their first opportunity; they did not forego their second opportunity. [Applause.] Men, women, and children in that city took their stand, and they lived through a cold and hard winter with steadfast spirit, and some of that spirit has spread throughout Germany. It may, indeed, be the spirit that lights a flame for freedom in Germany that may grow with the years. It is our only hope to a peaceful and stable Europe that we encourage that flame, and that we try to develop a Germany which sees Germany not alone but as a part of a new European concept devoted to common economic effort and to a common love for freedom. [Applause.]

I could not leave this Chamber without expressing my own appreciation for the friendship and confidence which I have received from that grand and great American who is your Speaker. [Applause, the Members rising.]

At 12 o'clock and 53 minutes p. m., Gen. Lucius D. Clay retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, at 12 o'clock and 55 minutes p. m., the House was called to order by the Speaker.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON EDUCATION AND LABOR

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Education and Labor be permitted to sit during this week while the House is engaged in general debate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include in one a radio address.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in five instances and include extraneous matter.

Mr. KELLEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BURNSIDE asked and was given permission to extend his remarks in the RECORD.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD in two instances and include articles.

Mr. BUCKLEY of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Stanislaw Mikolajczyk. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $243.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Buffalo Courier.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD in three instances and include editorials.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in three instances and include certain excerpts.

Mr. BENNETT of Florida asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. TALLE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include a set of resolutions of the Russell E. Marshall Post of the American Legion.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

GEN. LUCIUS D. CLAY

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, we have just had a visit from a great soldier-statesman, known to and honored by all the world, who has spent the youth of his life in the service of his country, and now comes home to receive the thanks and the plaudits of the multitude before retiring to private life.

Mr. Speaker, this distinguished American is a native son of Georgia, and Georgia and all Georgians are justly proud of him. With open arms and hearts of love we welcome him back to his native soil.

SPECIAL ORDER VACATED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order I have for today be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan (at the request of Mr. HALLECK) was given permission to address the House for 10 minutes on Thursday next at the conclusion of the legislative program of the day and following any special orders heretofore entered.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

JOHN F. GALVIN

The Clerk called the bill (H. R. 766) for the relief of John F. Galvin.

Mr. LICHTENWALTER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PEERLESS OIL CO.

The Clerk called the bill (H. R. 656) for the relief of the Peerless Oil Co., of Brooklyn, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Peerless Oil Co., Brooklyn, N. Y., the sum of $2,320.03. Such sum is claimed by such corporation to be equitably due and payable to it by reason of an increase in the price of oil sold by it from April to June 1942 to the Department of War under authority of Office of Price Administration amendments 4 and 10 to Revised Price Schedule No. 88. Such increase was incorporated by subsequent amendment into contract Tps 45255 for the purchase of such oil as aforesaid. The payment of such sum shall be in full settlement of all claims under such contract. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERD H. GIBLER

The Clerk called the bill (S. 749) for the relief of Ferd H. Gibler.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DOLLIVER and Mr. LICHTENWALTER objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

GEORGE H. WHIKE CONSTRUCTION CO.

The Clerk called the bill (H. R. 4419) for the relief of George H. Whike Construction Co.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FOREIGN SERVICE OF THE UNITED STATES

The Clerk called the bill (H. R. 4106) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is authorized to be appropriated, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following sums of money, which sums represent the value of reasonable and necessary personal property lost by the claimants as a result of war conditions.

Charles Franklin Hawley, $3,868.24; Clarence J. Spiker, $12,899.92; Edward E. Rice, $2,603.20; J. Hall Paxton, $862.55; Richard P. Butrick, $864; John K. Caldwell, $1,754.85; Richard H. Davis, $275; Waldo Ruess, $584.85; John H. Bruins, $5,729.21; Kingsley W. Hamilton, $535; Harold B. Quarton, $90; Martin Meadows, $5,500; Agnes Sholes John, $1,680; Augustus Ostertag, $1,896.20; Mary Jane Porter, $4,367.50; Carlos J. Warner, $614.50; Emma B. Brooker, $2,809.55; William L. Smyser, $4,427.90; Robert M. Winfree, $380; Sam E. Woods, $9,895; Edward J. Remey, $3,068; C. Porter Kuykendall, $9,516.60; Cavendish W. Cannon, $2,537; Robert B. Macatee, $8,476.80; Elma P. Laurvik, $2,640; Samuel Hamilton Wiley, $3,451; Douglas MacArthur 2d, $1,675.50; Harold M. Granata, $3,600; Erich W. A. Hoffmann, $1,417.75; Frederick L. Washbourne, $440; estate of Franklin B. Atwood, $4,358.70; Gilbert Barreras, $150; Elizabeth Oxford Plowman, $1,606; C. Burke Elbrick, $4,000; Carl Birkeland, $7,000; Eugenia McQuatters, $4,000; Edna M. Klath, $4,900; John F. Mazionis, $1,471; L. Pittman Springs, $6,000; Arthur Bliss Lane, $9,304.95; Irma S. Calnan, $4,232.50; Edwin J. Paxton, Jr., $110; Gerald D. Coleman, $165; Miriam Kaufman, $500; Shirley R. Wallace, $1,000; Joseph Savalli, $434.52; Ann Satterthwaite, $1,000; A. L. Ellison, $407.05; Arthur S. Alberts, $1,053; Alice Helen Moore, $98.90; Thomas Edmund Burke, $5,000; Harold H. Adams, $125.50; Renzo Pagin, $463.79; Walter W. Orebaugh, $1,275.19; Marian Hannah Winter, $533.76; Roy E. Foulke, $329; M. B. Lundgren, $313.50; Laurence W. Taylor, $305; Frank E. Phillips, $466.50; Louis G. Levine, $591.95; Robert Kleiman, $351.25; Curtis E. Malsberger, $500.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PEARSON REMEDY CO.

The Clerk called the bill (H. R. 4366) for the relief of Pearson Remedy Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of Pearson Remedy Co., Burlington, N. C., for draw-back, pursuant to section 3250 (1) of the Internal Revenue Code, of tax with respect to distilled spirits used in the manufacture or production of nonbeverage products during the quarter beginning October 1, 1944, and ending December 31, 1944, filed with the Commissioner of Internal Revenue during the month of April 1945, is authorized to be considered and acted upon as if it had been filed within the period of limitations properly applicable thereto. The general manager and secretary and treasurer of the said Pearson Remedy Co., C. M. Houser, was unable on account of illness to file such claim on or before March 31, 1945, the date of the expiration of the period of limitations.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAY G. SCHNEYER AND DOROTHY J. SCHNEYER

The Clerk called the bill (H. R. 4373) for the relief of Ray G. Schneyer and Dorothy J. Schneyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 to Ray G. Schneyer; to pay the sum of $500 to Dorothy G. Schneyer, both of Whittier, Calif., in full settlement of all claims against the United States for personal injuries, hospital and medical expenses, and property damage, and loss of wages sustained as the result of an accident involving a United States Army vehicle on Rosemead Boulevard, Rosemead, Calif., on September 30, 1944: *Provided*, That no part of the amounts appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS A. PICKETT

The Clerk called the bill (S. 392) authorizing the issuance of a patent in fee to Thomas A. Pickett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon application in writing, the Secretary of the Interior is authorized and directed to issue to Thomas A. Pickett, of Berkeley, Calif., a patent in fee to the following-described allotted lands situated in the State of Montana: (1) Lots 9 and 10 of section 3, the east half of section 10, the east half of the northeast quarter, and the east half of the west half of the northeast quarter of section 15, township 2 south, range 30 east, Montana principal meridian, and (2) the southwest quarter of the southeast quarter of section 12, and the south half of the southwest quarter of section 14, township 6 south, range 31 east, Montana principal meridian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE PETERS

The Clerk called the bill (S. 716) authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon the filing of a written application by George Peters, Crow Indian allottee No. 1292, the Secretary of the Interior is hereby authorized to sell to a Crow Indian, under existing regulations, the homestead and other land of said George Peters, described as all of section 20; the north half of the north half; the north half of the north half of the south half of the north half of section 29, township 4 south, range 37 east, Montana principal meridian, containing 840 acres, the status of such land with respect to taxability to remain unchanged.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LULU TWO SPEARS IRON BIRD

The Clerk called the bill (H. R. 3616) authorizing the issuance of a patent in fee to Lulu Two Spears Iron Bird.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Lulu Two Spears Iron Bird, of Cheyenne Agency, S. Dak., a patent in fee to the following-described land situated on the Cheyenne River Indian Reservation in the State of South Dakota: Allotment numbered 254, east half of the southwest quarter, lots 3 and 4, section 7, township 17 north, range 28 east, of the Black Hills principal meridian, South Dakota, containing one hundred and fifty-seven and six one-hundredths acres.

With the following committee amendment:

Page 1, line 11: Add the following: "*Provided*, That when the land herein described is offered for sale, the Cheyenne Tribe, or any Indian who is a member of said tribe, shall have 30 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEANETTE PEARL BURNS

The Clerk called the bill (H. R. 3886) authorizing the Secretary of the Interior to issue a patent in fee to Jeanette Pearl Burns.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Jeanette Pearl Burns, of Hardin, Mont., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: Lots 1, 2 and 3 and the south half of the south half of section 5, township 6 south, range 38 east, Montana principal meridian, containing two hundred and ninety-nine and nine one-hundredth acres more or less.

With the following committee amendment:

Page 1, line 10, add the following proviso: "*Provided*, That when the land herein described is offered for sale, the Crow Tribe, or any Indian who is a member of said tribe, shall have 6 months in which to exercise preferential rights to purchase said tract of land, at a price offered to the seller by a prospective buyer willing and able to purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION OVERPAYMENTS

The Clerk called the bill (S. 633) to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the employees responsible for the excess or erroneous payments represented by the sums herein stated be, and they are hereby, relieved of financial liability therefor and the Comptroller General is authorized and directed to take action to grant the said relief: *Provided*, That this act shall not be construed to bar recovery of the amounts herein specified from the persons to whom and through whom such amounts have been paid:

First: H. H. Milks, certifying officer at Veterans' Administration, Washington, D. C., in the sum of $19.36, which amount was expended in August 1944, under symbol 11559.

Second: G. O. Haynes, certifying officer at Veterans' Administration, Washington, D. C., in the sum of $7.58, which amount was expended in September 1943, under symbol 11559.

Third: M. Meyers, certifying officer at Veterans' Administration, Washington, D. C., in the sum of $10.50, which amount was expended in January 1943, under symbol 11561.

Fourth: H. L. McCoy, certifying officer at Veterans' Administration, Washington, D. C., in the sum of $5.27, which amount was expended in October 1944, under symbol 100–3225.

Fifth: D. M. Wolfe, certifying officer at Veterans' Administration, Washington, D. C., in the sum of $20.47, which amount was expended in February 1946, under symbol 200–3225.

Sixth: C. J. Reichert, certifying officer at Veterans' Administration, New York branch of central office, in the sum of $98.39, which amount was expended from January 1, through October 31, 1943, under symbol 11564.

Seventh: M. E. Head, certifying officer at Veterans' Administration, Lyons, N. J., in the sum of $32.25, which amount was expended in September 1942, under symbol 11564.

Eighth: John H. Ale, certifying officer at Veterans' Administration, Dayton, Ohio, in the sum of $26.56, which amount was expended in November 1943 and September 1944, under symbols 11568 and 104–3225.

Ninth: Eugene H. Dibble, Jr., certifying officer at Veterans' Administration, Tuskegee, Ala., in the sum of $51.64, which amount was expended from June 1 through August 31, 1942, and in June 1943, under symbol 11569.

Tenth: R. D. Beer, certifying officer at Veterans' Administration, Hines, Ill., in the sum of $14.37, which amount was expended in December 1943, under symbol 11571.

Eleventh: Guy F. Palmer, certifying officer at Veterans' Administration, Dearborn, Mich.,

in the sum of $53.48, which amount was expended in May 1942, October 1942, and July 1943, under symbol 11571.

Twelfth: W. A. Birmingham, certifying officer at Veterans' Administration, Batavia, N. Y., in the sum of $56.50, which amount was expended from April 1 through July 31, 1942, under symbol 11564.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. A. RAGLAND, SR.

The Clerk called the joint resolution (S. J. Res. 18) for the relief of the First-Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas a bill (S. 961) entitled "A bill for the relief of C. A. Ragland, Sr.," was introduced in the Senate on April 6, 1943, providing for the payment of the sum of $61,198.18 to C. A. Ragland, Sr., in full satisfaction of his claim against the United States for work done by him under two contracts Nos. 1-1P-5554 and 1-1P-5688, dated, respectively, December 14, 1935, and February 17, 1936, on projects 1T1 and 2E2, Shenandoah-Great Smoky Mountains Parkway; and

Whereas on March 9, 1944, such bill was referred, pursuant to section 151 of the Judicial Code, to the Court of Claims by Senate Resolution 256, which directed the court to proceed in accordance with such section and report to the Senate, irrespective of any statute of limitations or any administrative requirement or contractual provision relative to notice of protest as to filing claim therefor, giving such findings of fact and conclusions thereon as shall be sufficient to inform Congress of the nature of the claim, legal or equitable, of the said C. A. Ragland against the United States, and the amount, if any, legally or equitably due from the United States to the claimant; and

Whereas the Court of Claims has considered such claim pursuant to such resolution and has certified on March 2, 1948, to the Senate its findings of fact, conclusions thereon, and its opinion on the several items of such claim: Therefore be it

Resolved, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the First-Citizens Bank & Trust Co., of Raleigh, N. C., as administrator of the estate of C. A. Ragland, Sr., deceased, (1) the sum of $9,860.35, the amount to which the Court of Claims found the said First-Citizens Bank & Trust Co. entitled, the payment of such sum being in full satisfaction of the claim of the said First-Citizens Bank & Trust Co. against the United States for compensation for work performed by the late C. A. Ragland, Sr., under contracts Nos. 1-1P-5554 and 1-1P-5688, on projects 1T1 and 2E2, Shenandoah-Great Smoky Mountains Parkway.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. OTEEIN FOXWORTH

The Clerk called the bill (H. R. 703) conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteein Foxworth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon, notwithstanding the lapse of time or any provision of law to the contrary, the claim of Mrs. Oteein Foxworth, of Marion, S. C., against the United States for damages arising from the alleged death of her husband, Cecil Foxworth, on April 10, 1944, sustained as a result of personal injuries on September 11, 1936, while in a performance of his duties as an employee of the Bureau of Internal Revenue. Such suit shall be instituted within 1 year from the date of enactment of this act.

With the following committee amendment:

Page 2, line 5, after the period insert "*Provided*, That the United States shall be entitled to the benefits of all exemptions and all limitations of liability accorded by law to private parties."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORENCE BRYANT PETERS AND E. B. PETERS

The Clerk called the bill (H. R. 1173) for the relief of Florence Bryant Peters and E. B. Peters.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Florence Bryant Peters and E. B. Peters, of Savannah, Ga., the sum of $420. The payment of such sum shall be in full settlement of all claims of the said Florence Bryant Peters and E. B. Peters against the United States for losses sustained as the result of the failure of the War Department to carry out its plans to lease certain property owned by the said Florence Bryant Peters and E. B. Peters and located at 310 Drayton Street, Savannah, Ga. A lease providing for the rental of such property by the United States at the rate of $420 per annum was signed on November 3, 1944, by the said Florence Bryant Peters and E. B. Peters. On October 4, 1945, the War Department returned such lease unsigned by any representative of the United States, although the War Department had had the use of such property since November 3, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES F. DELAHANTY

The Clerk called the bill (H. R. 1470) for the relief of the estate of James F. Delahanty, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to the estate of James F. Delahanty, deceased, of Boston, Mass., in full settlement of all claims against the United States as compensation for the death of the said James F. Delahanty, who was killed as a result of an accident involving a United States Army vehicle near Possuoli, Italy, on May 28, 1945. Said claim not coming within the purview of the Federal Tort Claims Act of 1946 because the accident occurred in a foreign country: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 10, strike out "Possuoli" and insert "Pozzuoli."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. THELMA LEE RYNAARD

The Clerk called the bill (H. R. 1496) for the relief of Mrs. Thelma Lee Rynaard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Thelma Lee Rynaard (formerly Thelma Lee Orwig), of Martinez, Calif., the sum of $25,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Thelma Lee Rynaard against the United States for personal injuries, medical and hospital expenses, and loss of earnings incurred by her as the result of having fallen, on July 4, 1942, from a bridge on the Larch Mountain Trail, Multnomah County, Oreg., under the jurisdiction of the Forest Service of the Department of Agriculture, such fall having been caused by the collapse of a guard rail of such bridge: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$25,000," and insert in lieu thereof "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ST. ELIZABETH HOSPITAL, YAKIMA, WASH.

The Clerk called the bill (H. R. 1619) for the relief of St. Elizabeth Hospital, Yakima, Wash., and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to St. Elizabeth Hos-

pital, Yakima, Wash., the sum of $1,085.50; Hopkins Mortuary, Toppenish, Wash., $8; Dr. Guy Marcy, Seattle, Wash., $250; Dr. Thomas Angland, Yakima, Wash., $100; Emily Pursell, Yakima, Wash., $15; and Brown's Pharmacy, Toppenish, Wash., $1.52; a total of $1,460.02. The payment of such sums shall be in full settlement of all claims of the said claimants against the United States for reimbursement for hospital and other services rendered pursuant to authorization by the Yakima Indian Agency to James Whitebull, a Canadian Indian: *Provided*, That no part of any sum appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim satisfied by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT E. BRIDGE AND LESLIE E. ENSIGN

The Clerk called the bill (H. R. 1620) for the relief of Robert E. Bridge and Leslie E. Ensign.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert E. Bridge, of Hamilton, Wash., the sum of $308.08, and to Leslie E. Ensign, of Hamilton, Wash., the sum of $272.56. The payment of such sums shall be in full settlement of all claims of the said Robert E. Bridge and the said Leslie E. Ensign against the United States for reimbursement for property lost when the boat they were using in the course of their duties as employees of the Fish and Wildlife Service capsized in Alaska on August 22, 1947, without fault on their part: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS M. BATES

The Clerk called the bill (H. R. 1676) for the relief of Thomas M. Bates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, the sum of $15,000 to Thomas M. Bates, of Miami, Fla., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and other losses sustained as result of being injured in a collision between a freight train of the Seaboard Air Line Railway Co. and a trailer attached to a United States Navy vehicle, at the intersection of Northwest One Hundred and Sixty-seventh Street, on the tracks of the said Seaboard Air Line Railway Co., in Dade County, Fla., on January 19, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 1 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in a sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$15,000" and insert "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICERS AND EMPLOYEES OF UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

The Clerk called the bill (H. R. 2759) for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that S. 1152 be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out, of any money in the Treasury not otherwise appropriated, the following sums of money to the following-named officers and employees of the Office of United States High Commissioner to the Philippine Islands, which sums represent the value of reasonable and necessary personal property lost by them, while in the course of their respective duties, as a result of war conditions:

Helen Burke, $4,779.16; Claude Buss, $3,355; Donald L. Cochran, $1,558; William H. Cropper, $117.50; Gordon W. Ells, $3,119.82; Elise Flahavan, $1,268; Charles W. Franks, $5,582.50; George O. Gray, $445; Bertha T. Greusel, $834; Grace Jurgensen, $392.50; Ruth P. Lovell, $1,217; Edward L. Mack, $540; James Moses, $3,335.97; Anna Belle Newcomb, $790; Frederick H. Noble, $700.50; Margaret Pierce, $265; Mona Raymond, $852; Ervin C. Ross, $3,086; Francis B. Sayre, $2,037; William J. Stumpf, Jr., $1,251; Woodbury Willoughby, $2,434; James D. Wilson, $1,045; Mrs. Marie F. Wolff, $1,070.

SEC. 2. If any of the beneficiaries under this act shall have died before the payment herein provided for is made, said payment shall be made to the estate of such beneficiary.

SEC. 3. The acceptance of any payment herein authorized shall constitute a complete discharge of the United States of all claims and demands touching any of the matters involved in section 1 of this act.

SEC. 4. That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. TRIMBLE. Mr. Speaker, I offer an amendment to the Senate bill.

The Clerk read as follows:

Amendment offered by Mr. TRIMBLE: Page 2, line 12, after the figure "$2,434", strike out "James" and insert in lieu thereof "Janet."

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2759) was laid on the table.

IGNACIO COLON CRUZ

The Clerk called the bill (H. R. 3320) for the relief of Ignacio Colon Cruz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Ignacio Colon Cruz, who was injured on October 17, 1941, by a United States Army truck in Road No. 4, kilometer 0, Guayama, Puerto Rico. The payment of such sum shall be in full settlement of all claims against the United States on account of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$5,000" and insert "$3,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLORIA ESTHER DIAZ

The Clerk called the bill (H. R. 3321) for the relief of Gloria Esther Diaz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000, to Gloria Esther Díaz, who was injured on June 11, 1944, when a United States Army truck overturned on Insular Highway No. 25 between Cataño and Santurce, Puerto Rico. The payment of such sum shall be in full settlement of all claims against the United States on account of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$2,000" and insert "$300."

Page 1, line 6, strike all of lines 6, 7, 8, 9, and 10 and insert "$1,000 to Lydia Velez, and the sum of $5,000 to Gladys Prieto, all of Puerto Rico, in full settlement of all claims against the United States for personal injuries sustained as a result of an accident involving an Army vehicle on Insular Highway No. 25, between Cataño and Santurce, Puerto Rico, on June 11, 1944."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Gloria Esther Díaz, Lydia Velez, and Gladys Prieto."

A motion to reconsider was laid on the table.

MRS. SARAH J. MILLER

The Clerk called the bill (H. R. 3471) for the relief of Mrs. Sarah J. Miller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim or claims for payment of the amount due the estate of Marion Miller, private, first class, Army of the United States, deceased, incident to his service in the Canadian Army which amount was paid to the United States by the Government of the Dominion of Canada, February 27, 1943, for his credit but which was erronsously paid by a United States finance officer to another individual of a similar name, and to allow in full and final settlement of the claim or claims not to exceed $59.58. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $59.58, or so much thereof as may be necessary, for the payment of such claim or claims.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERWIN F. EARL

The Clerk called the bill (H. R. 3720) for the relief of Erwin F. Earl.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Erwin F. Earl, of Honolulu, T. H., the sum of $10,509.21, in full settlement of all claims against the United States on account of the total loss on December 19, 1941, of his 12-ton sampan, *Eldora*, Federal Serial No. 32–B–534, which he suffered as a result of the activities of the armed forces of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,509.21" and insert "$9,067.42."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVER READY SUPPLY CO. AND HAROLD A. DAHLBORG

The Clerk called the bill (H. R. 4307) for the relief of Ever Ready Supply Co. and Harold A. Dahlborg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $210 to Ever Ready Supply Co., and to pay the sum of $57.60 to Harold A. Dahlborg, of Brockton, Mass., in full settlement of all claims against the United States for property damage, personal injuries, and loss of wages sustained as a result of an accident involving a United States Army ambulance, at the intersection of Washington and Main Streets, North Easton, Mass., on July 16, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATENTS TO CERTAIN LANDS FOR V. LEBLANC AND C. RICCARD

The Clerk called the bill (H. R. 2588) to direct the Secretary of the Interior to issue patents for certain lands to V. LeBlanc and C. Riccard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue—

(1) To V. LeBlanc, a patent for section 44, township 6 south, range 12 east, containing seventy-eight and fifty-five one-hundredths acres, situated in the parish of West Baton Rouge, State of Louisiana, Southeastern Land District of Louisiana, Louisiana meridian; and

(2) To C. Riccard, a patent for section 45, township 6 south, range 12 east, containing forty-eight and eighty-eight one-hundredths acres, situated in the parish of West Baton Rouge, State of Louisiana, Southeastern Land District of Louisiana, Louisiana meridian.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That there is hereby confirmed—

"(1) To V. LeBlanc, title to section 44, township 6 south, range 12 east, containing seventy-eight and sixty-six one-hundredths acres, situated in the parish of West Baton Rouge, State of Louisiana, Southeastern Land District of Louisiana, Louisiana meridian; and

"(2) To C. Riccard, title to section 45, township 6 south, range 12 east, containing forty-eight and eighty-eight one-hundredths acres, situated in the parish of West Baton Rouge, State of Louisiana, Southeastern Land District of Louisiana, Louisiana meridian."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to confirm title in V. LeBlanc and C. Riccard to certain lands in West Baton Rouge Parish, La."

A motion to reconsider was laid on the table.

SADAKO TAKAGI

The Clerk called the bill (H. R. 623) for the relief of Sadako Takagi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of law excluding persons of certain races from admission to the United States for permanent residence, the alien Sadako Takagi, of Kyoto, Japan, shall be admitted to the United States for permanent residence, if she is otherwise admissible under the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That in the administration of the immigration and naturalization laws the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which excludes from admission to the United States persons who are ineligible to citizenship, shall not hereafter apply to Sadako Takagi of Kyoto, Japan, financée of Lt. William M. Marutani, of Chicago, Ill., presently a tubercular patient at the Veterans' Administration Hospital in Waukesha, Wis., and a retired United States Army officer of World War II, and that if otherwise admissible under the immigration laws she shall be granted admission to the United States for permanent residence upon application hereafter filed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOY C. WONG

The Clerk called the bill (H. R. 1042) for the relief of Hoy C. Wong.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law to the contrary, the alien Hoy C. Wong, who served in the military forces of the United States, shall be held and considered to have been lawfully admitted to the United States for permanent residence and shall be permitted to become a naturalized citizen of the United States without complying with any other provision of the naturalization laws by taking before any naturalization court the naturalization oath required by law to be taken in open court, before admission to citizenship, by persons who have petitioned for naturalization.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That in

the administration of the immigration and naturalization laws, the alien Hoy C. Wong, who served in the military forces of the United States, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of November 14, 1946, the date on which he last entered the United States as a temporary visitor.

"SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Chinese persons of the first year that such quota number is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. WLODZIMIERZ ONACEWICZ

The Clerk called the bill (H. R. 2349) for the relief of Col. Wlodzimierz Onacewicz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) in the administration of the immigration and naturalization laws Wlodzimierz Onacewicz, colonel, Polish Army, retired, who was awarded by the President of the United States the Legion of Merit, degree of officer, shall be deemed to have been lawfully admitted to the United States for permanent residence as of April 29, 1941, the date on which he was admitted to the United States as the military attaché of the Polish Embassy.

(b) The said Wlodzimierz Onacewicz may be naturalized upon compliance with all the requirements of the naturalization laws, except that no declaration of intention shall be required.

With the following committee amendments:

On page 1, line 3, after the word "That", strike out "(a)."

On page 1 strike out line 11, and on page 2 strike out lines 1, 2, and 3, inclusive.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DENISE SIMEON BOUTANT

The Clerk called the bill (H. R. 2850) for the relief of Denise Simeon Boutant.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of law excluding persons of races, ineligible to citizenship from admission to the United States, Denise Simeon Boutant, now Denise Simeon Boutant Peterson, who is the legal wife of William S. Peterson, a United States citizen, may be admitted to the United States for permanent residence upon meeting all the other requirements of the immigration laws.

SEC. 2. The Secretary of State is hereby authorized and directed to instruct the proper quota control or other proper officer to issue for Denise Simeon Boutant Peterson, one quota immigration visa of the quota for persons born in Japan.

With the following committee amendment:

Page 1, line 2, strike out section 2 of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAN LIGA

The Clerk called the bill (H. R. 4186) for the relief of Jan Liga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 165.3 (a) (3) (ii), title 8, Code of Federal Regulations, the alien Jan Liga who arrived at the port of New York, N. Y., on January 24, 1949, with a nonquota immigration visa issued under section 4 (a) of the Immigration Act of 1924, as amended, shall be admitted for permanent residence in the United States.

With the following committee amendment:

Page 1, line 3, after the word "That" strike out the balance of line 3 and all of line 4 to the word "the."

Page 1, add a new section to read as follows:

"SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Czechoslovakia for the first year that such quota number is available."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CENTRAL BANK, ASSIGNEE OF JOHN C. WILLIAMS

The Clerk called the bill (H. R. 1009) for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Navy Department be, and is hereby, authorized and directed to receive, consider, and pay the claims of Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, California, arising under Navy Department, Bureau of Ships contract NObs 10824, amounting to $30,644.39, by reason of claimant's failure to comply with the provisions of article 5 (b) of said contract: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 3, strike all after the enacting clause down to the colon in line 1, page 2, and insert in lieu thereof "That the Navy Department be, and is hereby, authorized to waive compliance by the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif., with the requirement of article 5 (b) of the Navy Department, Bureau of Ships contract NObs-10824 that estimates of the cost of performing change orders be submitted within 10 days of the receipt of such orders or within such further time as the naval inspector may allow in writing within said 10-day period."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALVIN G. PATTON

The Clerk called the bill (H. R. 1297) for the relief of Alvin G. Patton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alvin G. Patton, Los Angeles, Calif., the sum of $221.13. Such sum represents payment for 189 hours of accumulated annual leave earned by the said Alvin G. Patton while employed under contract N244s-37735, dated September 1, 1943, in the district security office, headquarters, Eleventh Naval District, San Diego, Calif., for the period beginning September 1, 1943, and ending June 30, 1944. Funds were not available after June 30, 1944, to renew such contract, and, therefore, the services of the said Alvin G. Patton were terminated without an opportunity for him to take such accumulated leave.

With the following committee amendment:

At the end of bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARTHUR HOLBERT ET AL.

The Clerk called the bill (H. R. 3138) for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Arthur Holbert, of Jefferson County, Tenn.; the sum of $10,000 to the estate of Ernest L. Gass, deceased, late of Jefferson County, Tenn.; and the sum of $10,000 to the estate of James L. Thomas, deceased, late of Jefferson County, Tenn., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses sustained by the said Arthur Holbert and Ernest L. Gass, and for the death of James L. Thomas sustained as a result of being shot by M. H. Rogers and A. E. Leake, investigators, Alcohol Tax Unit, Internal Revenue Department, in the foothills of English Mountains, Jefferson County, Tenn., on April 11, 1946: *Provided*, That no part of any sum appropriated in this act in excess of 10 percent thereof shall be paid or

delivered to or received by any agent or attorney on account of services rendered in connection with the claim satisfied by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$10,000" and insert "$8,396."

Page 1, line 6, strike out "$10,000" and insert "$2,617.60."

Page 1, line 8, strike out "$10,000" and insert "$7,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS BROWN

The Clerk called the bill (H. R. 4559) for the relief of Louis Brown.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Louis Brown, of Steelton, Pa., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and loss of earnings sustained as a result of an accident involving a United States Army vehicle at Nome, Tex., on August 12, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORREN J. LUCHT

The Clerk called the bill (H. R. 2252) for the relief of Orren J. Lucht.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. WALTER. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DOLLIVER and Mr. LICHTENWALTER objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

JACOB GROSS, A MINOR

The Clerk called the bill (H. R. 3127) to authorize the admission into the United States of Jacob Gross, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State be, and he is hereby, authorized to instruct the proper United States consular officer in Paris, France, to issue an immigration visa to Jacob Gross, a minor orphaned grandchild of Rabbi Solomon Horovitz, of New York, N. Y.: *Provided*, That the child is otherwise eligible for immigration into the United States.

SEC. 2. Upon the issuance of a visa to the said Jacob Gross, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Rumania for the first year that such quota number is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SALE OF CERTAIN LAND IN ALASKA TO FORD J. DALE, OF FAIRBANKS, ALASKA

The Clerk called the bill (H. R. 1790) to restore certain land in Alaska to the public domain and to authorize its sale to Ford J. Dale, of Fairbanks, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Ford J. Dale of Fairbanks, Alaska, is hereby authorized, for a period of one year from and after the effective date of this act, to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to restore to the public domain and convey to Ford J. Dale for trade and manufacturing purposes the following-described land situated in Alaska:

Beginning at post No. 1, which is located on the west right-of-way line of the Richardson Highway, approximately two one-hundredths mile north of post 183; thence northerly along said right-of-way line, a distance of approximately six hundred feet to post numbered 2; thence westerly at right angles approximately two hundred feet to post numbered 3, which is located on the east shore of Paxon Lake; thence southerly along the shore of the lake approximately six hundred and fifty feet to post numbered 4; thence due east a distance of approximately two hundred feet to post numbered 1 and point of beginning, said tract to embrace approximately five acres located in approximate latitude 62 degrees 50 feet north and longitude 145 degrees 30 feet west.

SEC. 2. That the conveyance shall be made upon the payment by said Ford J. Dale for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary of the Interior: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under regulations to be prescribed by the Secretary of the Interior.

With the following committee amendments:

Page 2, line 12, after the word "west", insert "*Provided*, That the cost of any survey necessary to the issuance of patent shall be paid by Ford J. Dale prior to the commencement of such survey."

Page 2, line 24, after the word "under", insert "applicable laws and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO L. J. HAND

The Clerk called the bill (H. R. 4261) authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER. That completes the call of bills on the Private Calendar.

REORGANIZATION OF GOVERNMENT AGENCIES

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DAWSON, HOLIFIELD, MCCORMACK, HOFFMAN of Michigan, and RICH.

ASSISTING STATES IN COLLECTING SALES AND USE TAXES ON CIGARETTES

Mr. SABATH. Mr. Speaker, I call up House Resolution 190 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order the consideration of the bill H. R. 195, reported unanimously, I understand, from the Committee on Ways and Means. It is the so-called cigarette bill. The House passed a similar bill in the last Congress, but unfortunately it did not pass in the other body.

The purpose of this bill is to assist the States in collecting State-imposed sales and use taxes on cigarettes. The bill provides that—

Any person selling or disposing of cigarettes in interstate commerce whereby such cigarettes are shipped to other than a distributor licensed by or located in a State taxing the sale or use of cigarettes shall, not later than the 10th day of each month, for-

ward to the tobacco tax administrator of the State into which such shipment is made, a memorandum or a copy of the invoice covering each and every such shipment of cigarettes made during the previous calendar month into said State; the memorandum or invoice in each case to include the name and address of the person to whom the shipment was made, the brand, and the quantity thereof.

Mr. Speaker, there is a general demand for this legislation, because there are several States that have no tax on cigarettes, and the mail-order houses find it profitable to send great quantities of cigarettes into those States. The dealers in those States resell them indirectly via mail and on the "q. t." basis without in any way paying a tax thereon. The States lose a great deal of revenue and so does the Federal Government. Consequently, there is a general demand for this legislation, as I said before.

The bill will be taken up under the general rules of the House. This is an open rule, and it provides for 2 hours of general debate.

I do not believe it is necessary for me to say anything more about the bill because I know it will be fully explained by the gentlemen representing the Committee on Ways and Means and also the gentleman who originally introduced the bill.

Mr. Speaker, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use, and ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois has explained, House Resolution 190 makes in order, with 2 hours of general debate, the consideration of H. R. 195, a bill introduced by the gentleman from Ohio [Mr. JENKINS], which was reported unanimously from the Committee on Ways and Means. It is for the purpose of assisting the States in collecting sales and use taxes on cigarettes.

This is a very meritorious measure, and one in which there is a widespread national interest.

Mr. SABATH. Mr. Speaker, I yield 10 minutes to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Speaker, I am opposed to this bill. I firmly believe that it is bad in principle and that it is not the kind of legislation to which this Congress should direct itself. For the first time in history this Congress is being approached by the States with a confession by those States that they cannot deal with their own citizens. The great State of Ohio has come here, according to the gentleman who introduced this bill, and said, "Our citizens will not obey our cigarette-tax law as we construe it. We need the help of the Federal Government to compel interstate shippers to tell us who these citizens are. We wish the Federal Government to force the shippers to act as revenue agents of our State so that we may be informed of which of our citizens has chosen to buy in the interstate market rather than the local market, and then we wish to attempt to collect taxes from those persons." It seems to me that this is a violation of the entire principle of Federal-State relationship. State taxation has been regarded by the States as solely their own business and of no concern of the Federal Government whatever. I am sure that the States would resent Federal interference and instruction as to what type of tax structure they must have. Yet, here we have the spectacle of the States asking the Congress to help enforce their tax laws. Of course, what we are being asked to do today is to say that we approve of the State sales taxes and use taxes on cigarettes and that we will lend the aid of this Congress and the executive branch of the Federal Government to help collect those taxes. We are being asked to make available the services of Federal district attorneys to prosecute violations of this law and of the FBI to prepare cases for trial. I, for one, am unwilling to do this. I believe Congress should not be asked to pass judgment on the tax structure of the various States of the Union. It should not be asked either to say that it approves of the tax structure of the State of Ohio or that it disapproves of it. It should not be asked to interfere with that tax structure in any way, either to hinder or to help. However, if we are to pass on that subject—and I cannot see what else is proposed here—I cannot approve of the State cigarette taxes. They are sales and excise taxes on necessities, and I am opposed to those taxes. I was elected on the platform of my party, which states that it is opposed to sales taxes. I believe in that platform, and I will not knowingly do anything to aid in furthering the spread of such taxes. They impose a disproportionate burden on the poor. The present bill, if passed and effective in accomplishing the objectives of its supporters, will make it impossible for the workingman in tax States to escape the consequences of local high taxes, or of local so-called fair-trade laws, which make him pay more for cigarettes, which to him are a necessity of life. That cigarettes are a necessity to smokers cannot be doubted. We spent millions getting them to our armed forces and they are part of Marshall-plan aid.

I have before me a copy of the magazine the Tobacco Leaf which is a vigorous supporter of this Jenkins bill. It has in its issue of May 7 an editorial called Sharpshooters on the March, headlined "They are making a determined and methodical fight against every form of law that makes price cutting difficult." The editorial is equally divided between support of the Jenkins bill and the so-called fair-trade laws on cigarettes in the States. I quote from the editorial:

> Now the Miller-Tydings law, the fair-trade practice laws, the unfair-trade practice laws, and the Jenkins bill have but one thing in common; all of them are intended to make price cutting more difficult.

Gentlemen, I am not interested in making price cutting more difficult. I believe in the way of free competition. I believe it will result in cheaper products for consumers. It will increase the real income of the American people. I do not believe in artificial restraints designed to keep prices high and to prevent the lowering of prices. Accordingly, the whole purpose of this bill is one which runs counter to the entire philosophy in which I believe. I am opposed to sales taxes on necessities. I am opposed to high prices on necessities of life and I am opposed to the Federal Government interfering in the tax structure of the States.

Furthermore, if I am to be asked and compelled to consider the tax structure of my neighboring State, the great State of Ohio, I may ask, Why it is that that State which is so eager to have the Federal Government assume part of its own burdens of tax collections, does not adopt a form of taxation which is not so easily avoided? Since the suggestions of the Congress have been invited by the Jenkins bill, I believe it is appropriate to suggest the State of Ohio should adopt a graduated income tax which it has not seen fit to do rather than this inequitable sales tax which singles out a necessity of life and imposes heavy taxation upon it. It is generally conceded by tax experts that an income tax is to be much preferred to a sales tax. I would have thought that this was a matter upon which the State of Ohio, for example, was entitled to do whatever it saw fit without comment by me or by any other Member of this body. However, that State has sent its tax commissioner here to ask the aid of the Congress and voluntarily submitted to this Congress the question of whether the Federal Government should aid the State of Ohio to collect this tax or whether the State of Ohio should be limited to its own devices. I say let the State of Ohio collect or not collect the present tax or seek other means of taxation which do not require the aid of the Federal Government. I will not do anything to increase the burden of taxation by way of a sales tax on necessities except in a case of absolute necessity. No such necessity is shown here.

In addition, the bill before us is not only a precedent shattering bill, it is one as to whose constitutionality there is substantial doubt. I have in my possession a brief filed before the Ways and Means Committee of the House by Judge Thurman Arnold, former judge of the United States Court of Appeals for the District of Columbia. We in West Virginia know him well. He was at one time dean of our law school at the University of West Virginia. Judge Arnold's brief points out with citation of specific cases that the Jenkins bill proposes to aid the States in collecting sales and use taxes which they are prohibited from collecting under the Constitution. His brief cites specific examples of State laws which it is unconstitutional to apply to interstate shipments. I have read the report of the committee and I do not see any answer to these arguments or, indeed, any treatment of them except a simple statement of the committee's conclusion that the bill is constitutional. I believe it would have been helpful to

this body to have a more detailed analysis of the specific charges made in that brief. For example, the brief states that the cigarette tax of the State of Illinois has been held unconstitutional as applied to interstate shipments to people who buy for consumption. It states further that under the Jenkins bill a shipper into the State of Illinois would still have to send to the tax commissioner of Illinois an invoice on every customer to whom he sent cigarettes in the State of Illinois. If this is so, it seems clear to me that it is imposing a very heavy burden on the shipper and giving absolutely no aid whatsoever to the State of Illinois. I would like to know from the supporters of the bill whether that is the kind of thing we are being asked to do. I would also like to know whether it is not true that most of the cigarette-tax laws require a license before any purchase is made in interstate commerce and I would like to ask whether such a requirement of a license is not in violation of the commerce clause and is not a restriction on free trade among the several States which the commerce clause was intended to protect and foster.

Also, I note in the hearings on this bill that the proponents of the bill agree that the principle of the bill is equally applicable to every kind of commodity and is not limited merely to cigarettes. Under the circumstances it seems clear to me that once this bill is enacted we will be faced with a drive to strike out the word "cigarette" and to insert "any commodity." This bill seems to me to be the opening wedge in a drive to stifle interstate commerce in a welter of restrictions based on local taxation of interstate traffic.

I also note in examining the hearings that there is no comment from the Post Office Department whose revenues might be affected; from the Department of Justice or from the Treasury Department. I assume that the Treasury Department and the Justice Department have by now answered the request of the committee for comments and I respectfully suggest that those comments should now be made available to the membership of the House. I have the greatest respect for the members of the Ways and Means Committee but I suggest that in this instance they have acted somewhat hastily without having before them the comments of the Government departments involved and without having an analysis of the State laws which the Congress is being asked to help the States enforce. I respectfully suggest that the matter be referred back to the committee for it to give this situation the attention which such a substantial departure from precedent requires. I suggest that the legal and constitutional arguments which have been raised be subjected to careful analysis.

One other thing which deserves notice is the loose use of estimates. Tax commissioners appeared and estimated that their States were losing substantial sums of money as a result of the interstate traffic in cigarettes by mail to consumers. The report of the committee states that a fair estimate of the loss is $40,000,000 annually. I have examined some figures which are matters of official record. During the past year approximately 1,700,000,000 cartons of cigarettes were moved into domestic consumption. The 39 tax States accounted according to their own published figures for about 1,350,000,000 cartons. On the same basis ordinary local consumption in the 9 nontax States would account for another 270,000,000 cartons even assuming—contrary to fact—that the consumption in a nontax State is as low in a tax State. Territories and reservations and armed forces and VA hospitals which are not subject to tax, would account for another 70-odd million cartons. Thus by the roughest sort of figuring it is clear that the maximum interstate shipment would not exceed 20,000,000 cartons which even at a 3-cent average tax would equal $6,000,000. In fact, experience shows that more cigarettes are carried in interstate commerce by automobile where citizens near the border go into a nontax State to buy their cigarettes than are shipped by mail. Accordingly, this $6,000,000 figure should be cut well below half and if divided among the 30 nontax States, the average loss of revenue at the maximum per State is about $75,000 per State.

It is because of this possibility that States may be losing this much revenue that the Congress of the United States is requested to consider and put its approval on the tax laws of the various States in violation of basic principles of States' rights and to set up enforcement machinery to carry out that program. I tell you that before we are through it is likely to cost the Federal Government more money to help the States try to collect this trickle of funds than it will realize to the States.

I appreciate that there has been a campaign conducted by some tax commissioners from a few States. The main drive has come from the National Association of Tobacco Distributors who are interested in stopping mail shipments because they regard it as a means of price cutting and giving the consumer a product at a cheaper price. I find to my surprise that the tax commissioner from my State has written a letter which appears in the RECORD supporting this bill. It is obvious to me that he could not have understood the implications of this bill. The State of West Virginia has only a 1 cent per pack tax on cigarettes and I know of no problem of mail shipment which is presented by that tax. So far as I know people who buy by mail in West Virginia do so only for purposes of convenience because it costs as much to buy through the mails as it does to pay the 1-cent local tax. Accordingly, I am sure that West Virginia does not have the kind of tax problem from sales through the mails that Louisiana with its 8-cent tax has. I must say that I regard this legislation as ill-considered and an invasion of States' rights. While I will oppose the invasion of State's rights in this respect, if I am nevertheless required to pass judgment on the tax laws of the various States, I will say that a sales or use tax on cigarettes is perhaps the last kind of tax that I would wish to assist the States in collecting.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. BURNSIDE. I yield.

Mr. COOLEY. What right do we have to spend Federal funds to enforce State laws?

Mr. BURNSIDE. I do not think we have that right. Answering the gentleman further, we are taking two or three million dollars from the Post Office Department by this bill.

Mr. COOLEY. What right do we have to impose upon the budget of the Department of Justice the financial burdens which will be imposed upon that Department in the event this legislation is enacted?

Mr. BURNSIDE. I do not think we have a right at all to do that.

Mr. DOUGHTON. What provision of the bill provides that the Department of Justice should perform any such function? Read the section of the bill that makes any such provision as that.

Mr. BURNSIDE. I do not have the bill before me just at this time.

Mr. DOUGHTON. I will furnish you with a copy of it. Read the provision which says that the Department of Justice should perform any such function.

Mr. BURNSIDE. The gentleman will admit this will be an additional burden upon the United States Government.

Mr. DOUGHTON. What provision of the bill provides for that?

Mr. BURNSIDE. Let us take it in general terms. Would the States have come to the United States Government asking for help if they did not expect the United States Government to perform some service of this nature?

The SPEAKER pro tempore. The time of the gentleman from West Virginia [Mr. BURNSIDE] has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Delaware [Mr. BOGGS].

Mr. BOGGS of Delaware. Mr. Speaker, H. R. 195 which the rule under consideration makes in order is so fundamentally contrary to the whole scheme and philosophy of our Federal system that I must oppose this rule. I urge the entire membership of this House to oppose this rule upon principle.

I suggest that a State tax on a package of cigarettes is one thing and important fundamental principles of our Federal-State system of government are another of much greater significance to our present and future well-being.

This rule makes in order a bill which with criminal penalties seeks to make a citizen of one State without his consent and probably against his wishes, an informer or helper to the tax collector of another State. If that is not bad enough itself, it further makes the Federal Government responsible to see that this is done and, in fact, puts the Federal Government in the business of collecting State sales and use taxes. If that is not bad enough, it further has a result of permitting any one of the 48 States by State action only to determine in effect our national revenue-raising policy. Under this bill the Federal Government would be committed to assisting in collecting these taxes—which taxes in all probability would have 48 different

names, amounts, percentages, and other incidents which most certainly would add greatly to the already chaotic confusion which exists in the taxation field; or else it will be a precedent for Federal examination and approval of the tax statutes of the various States and thus an interference with basic States' rights.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. DONDERO. The point the gentleman raises is exactly what General Clay mentioned in his few remarks before the House that happened in Germany under dictatorship where one's next door neighbor might be an informer against him.

Mr. BOGGS of Delaware. The gentleman is exactly right.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. CHURCH. I wish to join in the gentleman's statement. On principle I am opposed to this sort of legislation. I appreciate the gentleman's statement on the floor of the House.

Mr. BOGGS of Delaware. I thank the gentleman.

From a practical, everyday standpoint, this bill will cost the Federal Government substantial sums of money to enforce, if it is enforceable at all.

Now, from a pure legislative, practical point of view, this legislation is not only bad in its theory, conception and content but its obvious purpose is close to being met by other legislation with which I may not be in accord but which in principle is sound and in line with all our fundamental concepts of the Federal system of government. I refer to the postage-rate-increase bill. Increased postage rates, I am advised, will accomplish the objective of the author of this bill now under consideration. The cigarette mail-order business will be destroyed by increased postage rates because there is such a slim margin of profit in the business even at the current rates.

Let us not be hasty, let us not violate fundamental principle, let us not establish precedent that leads us on to a completely nationalized system, let us not pass legislation for which there may not be any necessity.

I urge you to vote down this rule.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. CHURCH. The gentleman mentioned certain other items in interstate commerce; the necktie business in interstate commerce, or any other item that enters into interstate commerce could be affected by similar legislation. This bill simply sets a precedent to extend this type of legislation to many other things.

Mr. BOGGS of Delaware. The history of this legislation, as the gentleman well knows, is long; and it has been before the Congress in many different phases for a long period of time. It has never been enacted into law. Certainly, there is no reason for this Congress today to take up this matter further because it is so wrong in principle; and, furthermore, there is legislation pending in Congress right at this time that may cure the evil of which the gentleman from Ohio complains.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. KEEFE. In the event a person desired to send a carton of cigarettes to a son, relative, or friend in some distant State, would it not be incumbent upon the shipper to ascertain the State laws before shipping the carton of cigarettes as a gift?

Mr. JENKINS. No; it would not be.

The SPEAKER pro tempore. The time of the gentleman from Delaware has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield two additional minutes to the gentleman from Delaware.

Mr. BOGGS of Delaware. It certainly would be incumbent upon the party to look into the law; otherwise, he might be subject to the criminal penalty which this bill provides of $1,000 fine, or imprisonment for not more than 6 months, or both.

Mr. KEEFE. And the burden of enforcing this act will be on the Federal Department of Justice.

Mr. BOGGS of Delaware. I do not know who else would enforce it.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. JENKINS. I wish to advise the gentleman that his answer with reference to the shipment of a present of cigarettes through the mails is absolutely erroneous. The shipper of a gift would not have any obligation or responsibility whatsoever under this bill in the matter of State laws.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield.

Mr. COOLEY. What section, may I inquire, eliminates gifts?

Mr. JENKINS. I believe the gentleman must have the old bill in mind, the one before it was amended in the last session of Congress. In section (b), page 1, that very matter was taken out.

Mr. BOGGS of Delaware. The gentleman from Ohio has stated his point of view and I understand his answer; but it would be incumbent on any citizen in any State to study the law if he were sending a couple of cartons of cigarettes to somebody; otherwise, how could he know that he might not be subject to this penalty? He is assumed to know what the law is. He better be sure about it.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I yield to the gentleman from Ohio.

Mr. JENKINS. If this bill is passed there are only a few who will violate it and those are the ones who are engaging in this nefarious business at the present time. One of the worst offenders stated that if this bill were passed he would be put out of business. Well, nobody would have to watch him. The same will be true of all of them.

Mr. CHURCH. May I say to the gentleman that I do not use cigarettes, so I hold no brief for them. But all of these people receiving these articles in interstate commerce at home will be harassed by these State checkers.

The SPEAKER pro tempore. The time of the gentleman from Delaware has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I want to reply to the distinguished gentleman from West Virginia who lives just across the river from where I live. He is a very fine gentleman, but he is just as wrong as he can be in practically every detail so far as this bill is concerned.

May I inform him, if he does not already know it, that the governor immediately preceding this present governor endorsed the principle of this bill and the State tax official also endorsed it in principle at least and I think he endorsed it unqualifiedly. I think the present governor has endorsed the principle of this bill and also the principal tax commissioner of his State has endorsed it. The laws of West Virginia provide for a sales tax the same as the laws in the other 39 States that have endorsed this program.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Michigan.

Mr. MICHENER. May I refer to section 2 which reads in part as follows:

> Any person selling or disposing of cigarettes in interstate commerce whereby such cigarettes are shipped.

Suppose I went into a store in Washington and bought five cartons of cigarettes and I was going to visit a constituent friend of mine in another State. Could I take those five cartons of cigarettes in my grip and deliver them to my constitutent in an adjoining State without violating this law?

Mr. JENKINS. The gentleman could, because the language used is "'disposing of' means any transfer for profit." The gentleman could take all he pleased, if he took them as he said he would and he could send them to as many as he pleased, but if he is in the business of selling them for profit then, this bill, if passed, would reach a case like that. This bill only reaches those who ship for profit and who fail or refuse to notify the taxing authority in the State into which they ship, if that State has a sales or use tax, that they have made such a shipment.

Mr. MICHENER. I thank the gentleman.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken and the Speaker pro tempore announced that the ayes had it.

Mr. BURNSIDE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 323, nays 24, not voting 84, as follows:

[Roll No. 98]

YEAS—323

Abernethy	Fellows	Lyle
Addonizio	Fenton	McCarthy
Albert	Fisher	McConnell
Allen, Calif.	Forand	McCormack
Allen, La.	Ford	McCulloch
Andersen, H. Carl	Frazier	McGrath
	Fugate	McGregor
Andresen, August H.	Fulton	McGuire
	Gamble	McKinnon
Andrews	Garmatz	McMillan, S. C.
Angell	Gary	McMillen, Ill.
Arends	Gavin	McSweeney
Aspinall	Gillette	Mack, Ill.
Auchincloss	Golden	Mack, Wash.
Bailey	Goodwin	Macy
Baring	Gordon	Madden
Barrett, Pa.	Gore	Magee
Barrett, Wyo.	Gorski, Ill.	Mansfield
Bates, Ky.	Gorski, N. Y.	Marsalis
Bates, Mass.	Gossett	Marshall
Battle	Graham	Martin, Iowa
Beckworth	Granahan	Martin, Mass.
Bennett, Fla.	Granger	Mason
Bennett, Mich.	Grant	Meyer
Bentsen	Green	Michener
Bishop	Gross	Miller, Calif.
Blackney	Gwinn	Miller, Md.
Blatnik	Hagen	Miller, Nebr.
Boggs, La.	Hale	Mills
Bolling	Hall, Leonard W.	Mitchell
Bolton, Md.		Monroney
Bosone	Halleck	Morgan
Boykin	Harden	Morris
Bramblett	Hardy	Murdock
Breen	Hare	Murray, Tenn.
Brehm	Harris	Nelson
Brooks	Hart	Nicholson
Brown, Ga.	Harvey	Nixon
Brown, Ohio	Havenner	Noland
Bryson	Hays, Ark.	Norrell
Buchanan	Hays, Ohio	Norton
Buckley, Ill.	Hébert	O'Brien, Ill.
Burdick	Heffernan	O'Brien, Mich.
Burke	Herlong	O'Hara, Ill.
Burleson	Herter	O'Hara, Minn.
Burton	Heselton	O'Neill
Byrne, N. Y.	Hoeven	O'Toole
Byrnes, Wis.	Hoffman, Ill.	Pace
Camp	Hoffman, Mich.	Patman
Cannon	Holifield	Patten
Carlyle	Holmes	Patterson
Carnahan	Hope	Perkins
Case, N. J.	Horan	Peterson
Case, S. Dak.	Howell	Pfeiffer, William L.
Cavalcante	Huber	
Chelf	Jackson, Calif.	Philbin
Chesney	Jackson, Wash.	Phillips, Calif.
Clemente	Jacobs	Phillips, Tenn.
Cole, Kans.	James	Pickett
Colmer	Javits	Poage
Combs	Jenison	Polk
Cooper	Jenkins	Potter
Corbett	Jennings	Powell
Coudert	Jensen	Preston
Cox	Johnson	Price
Crawford	Jones, N. C.	Priest
Crook	Judd	Quinn
Cunningham	Karsten	Rabaut
Curtis	Kean	Rains
Dague	Kearney	Rankin
Davenport	Kearns	Redden
Davies, N. Y.	Keating	Reed, Ill.
Davis, Ga.	Kee	Reed, N. Y.
Davis, Tenn.	Keefe	Rees
Davis, Wis.	Kelley	Rhodes
Deane	Kennedy	Ribicoff
DeGraffenried	Keogh	Rich
Delaney	Kilburn	Richards
D'Ewart	Kilday	Riehlman
Dollinger	Kirwan	Rivers
Dolliver	Klein	Rodino
Dondero	Kruse	Rogers, Fla.
Donohue	Kunkel	Rogers, Mass.
Doughton	Lane	Sabath
Douglas	Lanham	Sadlak
Doyle	Larcade	Sanborn
Eaton	Latham	Scrivner
Eberharter	LeCompte	Scudder
Elliott	LeFevre	Secrest
Elston	Lemke	Sheppard
Engel, Mich.	Linehan	Sikes
Engle, Calif.	Lodge	Simpson, Ill.
Evins	Lovre	Simpson, Pa.
Fallon	Lucas	Sims
Smith, Kans.	Trimble	Whittington
Spence	Van Zandt	Wickersham
Stanley	Velde	Wier
Steed	Vursell	Wigglesworth
Stefan	Wadsworth	Williams
Stigler	Wagner	Willis
Sullivan	Walsh	Wilson, Ind.
Sutton	Walter	Wilson, Okla.
Taber	Weichel	Wilson, Tex.
Tackett	Welch, Calif.	Winstead
Talle	Welch, Mo.	Wolcott
Tauriello	Wheeler	Woodhouse
Teague	Whitaker	Woodruff
Thomas, Tex.	White, Calif.	Worley
Thornberry	Whitten	Young

NAYS—24

Abbitt	Ellsworth	Moulder
Barden	Harrison	Norblad
Boggs, Del.	Hill	O'Konski
Burnside	Hinshaw	O'Sullivan
Church	Jones, Mo.	Poulson
Cooley	Karst	Sasscer
Denton	Lind	Staggers
Durham	McDonough	Stockman

NOT VOTING—84

Allen, Ill.	Gregory	Ramsay
Anderson, Calif.	Hall, Edwin Arthur	Regan
Beall		Rooney
Biemiller	Hand	Sadowski
Bland	Hedrick	St. George
Bolton, Ohio	Heller	Scott, Hardie
Bonner	Hobbs	Scott, Hugh D., Jr.
Buckley, N. Y.	Hull	
Bulwinkle	Irving	Shafer
Canfield	Jonas	Short
Carroll	Jones, Ala.	Smathers
Celler	Kerr	Smith, Ohio
Chatham	King	Smith, Va.
Chiperfield	Lesinski	Smith, Wis.
Christopher	Lichtenwalter	Taylor
Chudoff	Lynch	Thomas, N. J.
Clevenger	Mahon	Thompson
Cole, N. Y.	Marcantonio	Tollefson
Cotton	Merrow	Towe
Crosser	Miles	Underwood
Dawson	Morrison	Vinson
Dingell	Morton	Vorys
Feighan	Multer	Werdel
Fernandez	Murphy	White, Idaho
Flood	Murray, Wis.	Withrow
Fogarty	Passman	Wolverton
Furcolo	Pfeifer, Joseph L.	Wood
Gathings		Yates
Gilmer	Plumley	Zablocki

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Furcolo with Mr. Towe.
Mr. Gregory with Mr. Lichtenwalter.
Mr. Hobbs with Mr. Hand.
Mr. Sadowski with Mr. Allen of Illinois.
Mr. Wood with Mr. Canfield.
Mr. Morrison with Mr. Taylor.
Mr. Gilmer with Mr. Wolverton.
Mr. Irving with Mr. Hardie Scott.
Mr. Jones of Alabama with Mr. Edwin Arthur Hall.
Mr. Biemiller with Mrs. St. George.
Mr. Vinson with Mr. Hugh D. Scott, Jr.
Mr. Feighan with Mr. Shafer.
Mr. King with Mr. Short.
Mr. Fogarty with Mr. Smith of Ohio.
Mr. Bonner with Mr. Plumley.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes, with Mr. TRIMBLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DOUGHTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill we are presently considering, H. R. 195, was introduced by the gentleman from Ohio [Mr. JENKINS]. The House passed a similar bill during the last session, which failed of passage in the other body on account of lack of time for its consideration, not because the bill was defeated or anything of that nature.

The Committee on Ways and Means of the House has held extensive public hearings on this bill and reported it unanimously after full and complete hearing.

The purpose of the bill, Mr. Chairman, is to aid the States in the collection of their sales and use taxes on cigarettes. Approximately 39 States have imposed a sales or use tax on cigarettes and, as I stated, the purpose of the bill is to aid the States in the collection of those taxes.

When the rule was under consideration, someone mentioned that the penalties provided by the bill might be applicable if a small quantity of cigarettes were to be sent to a friend in another State. If that were the only trouble this bill would not be here for our consideration. The fact of the matter is that there are about $40,000,000 or $50,000,000 a year in State taxes being lost through evasion in payment of the State sales taxes.

A number of the States have laws imposing a tax on cigarettes. This bill imposes the duty upon the distributors of cigarettes in those States to furnish to the tax authorities of the States affected and to which the cigarettes are shipped information as to the consignee and the number of cigarettes shipped; in other words, information upon which the taxing authorities of a particular State may enforce its own tax laws and collect the taxes that are imposed or levied by the State.

As I stated, there are about 39 States that have such laws and I believe 25 Governors of States have requested the enactment of this legislation.

In many of the States that have imposed this tax, it is provided that the revenue derived from the tax be earmarked for specific purposes, such as the payment of the soldiers' bonus, for old-age assistance, or for the purpose of education and other designated purposes.

Mr. Chairman, this is quite a serious matter and it is only for the purpose of aiding the various States that impose the sales and use tax on cigarettes that this bill is offered. We all know that large quantities of cigarettes have been and are being shipped into those States by parcel post, the expense of which is very light. You can ship a considerable quantity of cigarettes by parcel post at very small expense, which results in the State laws being very easily evaded. The sole purpose of this bill is to aid the various States in the collection of their revenues and to help the States in preventing the evasion of their tax laws. This is meri-

torious legislation and I hope it receives favorable action by the House.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. JENKINS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill was before this House in the last Congress, and it passed by an overwhelming vote. I do not have the figures here and I forget just what the vote was, but it was a very large majority.

While the gentleman who spoke on the rule said that this legislation had been before Congress for many years, in that respect the gentleman was mistaken, because last year was the first year that this legislation was presented and to my best information no legislation of this import has ever been introduced before I introduced this in the last session of Congress. My very distinguished friend the Chairman of the Ways and Means Committee, the gentleman from North Carolina [Mr. DOUGHTON] stated that this legislation was not considered in the other body in the last Congress because it was not reached. As you know, that happens quite frequently. It no doubt would have been considered except for the fact that one of the leading members of the Finance Committee of the Senate was called away. In order to set the membership right as to the importance and the merits of this proposed legislation I should like to say that 39 out of the 48 States of the Union have either through their governors or through their secretaries that have charge of finance—I think they call them financial directors—indicated their approval of this legislation. There were a few States that did not approve of it because they have not seen fit to pass a sales tax or a use tax on cigarettes. Practically all of the larger States are in this category of favoring this legislation. For instance, the State of New York estimates that it loses at least $3,000,000 a year which it would not lose if this bill would pass into legislation. Up until about 1 year ago New York State lost this revenue to shippers from the State of New Jersey—but the State of New Jersey got tired of staying in that class, realized that it would be wise for the State treasury of New Jersey to have some of those millions that were going into the hands of these economic marauders who were making these unfair and unjust profits. So New Jersey passed a use tax and then the bootleggers in New Jersey moved down into Delaware and Maryland. After a while these two States will wake up and will pass laws that will be for the benefit of all their people and not for a few unethical cigarette operators. I think the State of Oklahoma maybe comes next in the amount it loses because it has a large tax, and it loses more than $2,000,000 a year. The State of Pennsylvania loses over $1,000,000 a year and the State of Ohio loses $750,000 a year.

Who gets that money? They lose it to somebody. Now, who gets it? While the cigarette seller in Ohio and in New York and in Oklahoma steps up and pays his license fee and pays for his stamps and pays for his part of the business, there are a few people in this country who ship the cigarettes into these tax States and avoid paying the taxes. Some may argue that practice is not unlawful and for that reason should not be designated as bootlegging. But it is shamefully unethical and cannot get the approval of a totally disinterested person. Now, there are not very many of these people in the country. The distinguished gentleman from West Virginia [Mr. BURNSIDE] who spoke on the rule saw fit to argue against this legislation, but as I have already stated, a governor of his State sent to the Committee on Ways and Means his approval, as did a tax commissioner. We only had two men from West Virginia testify before the committee. One of them said he was representing the other, and that other told us that he was the only man in West Virginia that he knew of that shipped cigarettes out to other States. That man lives nearly across the river from where I live. He ships these cigarettes into Ohio, brings or sends them across the river, and sells them for 2 cents less than the merchant in my home town could sell them, because he does not put the tax stamps on.

If this practice is a worthy one and that would justify the support of the Congressman from West Virginia he should be able to find more than one person in the whole State who would engage in that kind of an unfair and unethical practice. All the high-class shippers comply with the law.

We had a gentleman appear before our committee who resented very much the designation applied to that class of shippers as being bootleggers. Well, I do not want to use that name and hurt anybody's feelings, and I shall try to refrain from using it but I do not know of any other name that would apply.

I do not know what you would call a man who does not provide stamps for his cigarette packs and might operate right across the street from where another man operates and who provides tax stamps for his cigarettes; one man has an agent planted around here, there, and yonder, and he peddles out these cigarettes so he can sell the packages for 2 cents a pack less than the man who engages in the cigarette business in a lawful way and pays the tax and pays his clerks, and so forth.

You say, "Well, what would you do with a company like Sears, Roebuck, for instance?" Do you know what Sears, Roebuck does? Sears, Roebuck has a little item on every bill it sends out saying that it is understood that whoever buys from it who lives in Ohio or New York or Indiana or any other of these States will have to pay that tax. For Ohio, Sears, Roebuck will probably collect as much as $100,000 a year in taxes and send it to the tax collector in Ohio. That is the way they do business. This is the way thousands of other mail-order companies do. That is the way men who want to do business honestly and fairly will do.

Then someone may say to me, "You are going to put a terrific burden on somebody." On how many people? How many people will be burdened? Only about half a dozen came before our committee, not very many. Out of $750,000 that we lose in Ohio, one concern knocks down $150,000. I dare say there will not be more than 30 or 40 concerns who will ship unlawfully into one State. Oh, there might be 50 or 75, maybe 150, I do not know, but the number is very small.

You who are going to speak on this subject and who are afraid about the enforcement of this bill if it becomes a law, just take the testimony of a little old gentleman who came before us from North Carolina. He said he was a Presbyterian, and he used to live in Georgia, but when he found that he could go up into North Carolina and get cigarettes tax-free and send them into some other States, he said, in effect "Why, I am a Presbyterian, but I think that is all right if I can beat that game. If I can undersell these other fellows, I think it is all right. But if and when you pass this legislation, I am going out of business. Nobody is going to prosecute me." That in effect is what he said. That is the very reason we want this legislation. If it is passed these piratical operators will all go out of business.

You talk about somebody going to snoop around. Certainly the tax enforcing officers in Ohio can snoop around. There are a lot of people who have imported these cigarettes through the mails. Most of them are good citizens but they know when they carry around in their pockets a pack of cigarettes that does not bear a Government stamp or a use-tax stamp they are violating the law. However, our officers do not do that kind of business. They do not want to run around and find a fellow with a package of cigarettes in his pocket on which he has not paid the tax, and then haul him in. They do not do it in Ohio or so far as I know in any other States. They do not want to do that. They want to localize it down to these few people who do this business.

You say, "It has never been done before." I do not have the time right now to give you a list of all the decisions of the Supreme Court that deal with this subject. They start back with the old liquor laws. You say, "Well, tobacco is not liquor." All through the taxing laws of this Nation from the beginning down to now they have always listed tobacco and liquor as nuisances to be taxed, not always in the same legislation but in the same category.

Someone said, "People will go across the line to buy neckties and things like that." No; there is no commodity except liquor that carries a tax so far out of proportion to the value of the article sold, except cigarettes. Do you know how much taxes you pay on a package of cigarettes now? I think you pay the Federal Government 6 or 7 cents, and you pay the State government whatever the law provides in the particular State. In Ohio it is 2 cents, in Oklahoma I think it is 4 or 5 cents, in New York probably 2 or 3 cents, and in some States only 1 cent. You cannot put cigarettes in the same category as you do shoes. No one is going to go way off to some other State to buy shoes because he can get them 12 or 13 cents

cheaper. No one is going to go across to buy a necktie in some other State and pay streetcar fare, and so on. No one is going to bother to import a necktie if he is going to save only a cent or two by it. On cigarettes you save a much larger proportion. You pay a dollar or maybe $5 for a necktie and maybe only save 10 or 15 cents.

How do these clandestine shippers do business? A man who is working in a big factory, we will say, who is a smart fellow, will communicate with one of these companies that ship cigarettes. Then he will go through the shop and he will say, "Bill, how much do you pay for your cigarettes?" Bill will say, "Twenty-two or twenty-four cents, whatever they are." "I can save you 2 cents on every pack, and I will sell them to you. You let me know how many you want, and next Monday or Tuesday I will come through the plant and I will bring them to you." Then he may bring his car to the plant loaded down with cigarettes and most likely though he will take the orders from his friends and then send in maybe a hundred or 200 orders and these will be delivered by mail. He does this while your merchants are paying a tax, and that tax money goes into the State treasury for what purpose? Just as the gentleman from North Carolina said, it goes there maybe to pay a soldiers' bonus, or to pay for the schools and similar necessary public activities, or maybe it goes to maintain the hospitals. That is the kind of purpose it is used for. I tell you it is nothing short of a scandal that these great States that pay all this money permit two or three hundred fellows like that to knock down about $30,000,000 a year of our money. It is not fair and it is not right.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JENKINS. Mr. Chairman, I yield myself three additional minutes.

Mr. Chairman, this law is absolutely constitutional. I am not going to inflict a lot of court decisions on you here, but if anybody provokes me to do so, I will. Just let me read to you what Chief Justice Hughes said in one case. I will read just one case to you. Here is what he says:

> While the power to regulate commerce resides in the Congress, which must determine its own policy—

Now, listen to this—

> the Congress may shape that policy in the light of the fact that transportation in interstate commerce, if permitted, would aid in the frustration of valid State laws.

That is what Chief Justice Hughes said. We can pass any kind of law that we want controlling interstate commerce, if it has for its purpose, preventing the frustration of the laws of any State. In my State and in your State and in all the other States, of course it works a frustration of our laws because they come in and bootleg cigarettes and our people pay the price.

What else does Chief Justice Hughes say? He paid a great compliment to the Congress and you Members who are lawyers will be able to take a great deal of satisfaction in the way the Chief Justice Hughes praises the power of the Congress. Here is what he said:

> The Congress has formulated its own policy, and established its own rule. The fact that it has adopted its own rule in order to enforce the valid State laws, affords no ground for a constitutional objection.

That is exactly the point. He says that we can pass any kind of law that we please to keep interstate commerce, which is a child of the Government, from being abused. That is what we do here. We prevent the violation of this great instrumentality and we do it so that the States can enforce their own laws, which they will enforce anyhow. It is said that it is going to cost a great deal of money. Do not let anybody take the position that it is going to cost a lot of money. The testimony of these people who appeared before us was to the effect that if we pass this bill they will go out of business. Take this man who went broke up in New York a few days ago. There was the most scandalous bankruptcy case that I think I ever heard or read of. There was a man who was in this business, who was dealing with people all over the country. He knew he was going into bankruptcy. He had a lot of these weekly checks coming in from all over the country. He cashed those checks and put the money in his pocket. He owed, I think, about $151,000 and he had, I think, about $3,000 to back him up. That is the kind of fellow who is in this business. Why do we owe him any obligation? Are the great States, the great sovereign power of our country going to allow our laws to be frustrated and to compel our people to pay taxes to let somebody else come in and bootleg and take down $30,000,000 a year for his trouble? I say no, the sense of fairness of Americans rebels and we will stop this practice.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, on account of my love and devotion for the chairman of this distinguished committee, I hesitate to rise in opposition to this bill. I want to make it perfectly clear that I am unalterably opposed to taxes on tobacco. I am opposed to taxes of all kinds on tobacco. It is the only agricultural commodity in this Nation which is taxed, and heavily taxed, not only by the Federal Government, but by about 39 States of the Union.

I, for one, do not want to make it any easier for the States to levy and to collect additional taxes on an agricultural commodity upon the production of which my people depend for their livelihoods.

I know the distinguished gentleman from Ohio [Mr. JENKINS] is a smart, intelligent legislator, and I will add to that that he is a great American, but I must say I think he has just made one of the weakest arguments I have ever heard him make in this House. In the first place, the gentleman says 39 governors called upon us to throw the force of the Federal Government into the enforcement of State laws. So what? Suppose 48 governors called upon us. Are we going to so forget our own responsibilities that we are going to embark upon a program of enforcing State laws? That is just what this bill does.

The gentleman says thousands of dollars worth of cigarettes are transported across the river and sold in his State of Ohio, but the police force of the State of Ohio hesitates to snoop around and find out whether or not the taxes have been paid. Pray tell me, why should the Federal law-enforcement officers be placed in the position of going around to ascertain whether State laws have been complied with? We might as well admit the fact that this is the opening wedge. Oh, yes, the Federal Government is aiding the States, perhaps, in enforcing some laws which seem to be beyond the power of the States to enforce. We made kidnaping amenable to Federal law. We have the white slave law and the Narcotics Act. But what about firearms? There are many sorry white men and Negroes in my State who are ordering from Sears, Roebuck, and other mail-order houses, pistols, bowie knives, blackjacks, and every other kind of deadly instrumentality, in violation of the laws of the State of North Carolina. Certainly there is more reason for the Federal Government to throw its strong arm into a situation like that and try to protect the people of my State from the menace to which they are subjected on account of the violation of that type of law. But here is a tax, a civil tax, levied upon an agricultural commodity. Those 39 States are clamoring for the assistance of the Federal Government. Now, if it is not going to cost anything, if Mr. Tom Clark and his coworkers are not going to enforce this law, why did you bring it to the floor of the House? You know it is going to cost something. It puts the responsibility upon the Department of Justice to prepare and prosecute cases.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. KEEFE. If I understand the gentleman's argument, it is that he is opposed to a tax on any agricultural commodity. Did I so understand the gentleman?

Mr. COOLEY. The gentleman is not far wrong.

Mr. KEEFE. I was wondering what the gentleman's attitude would be about the tax on whisky, which has its origin in corn or rye.

Mr. COOLEY. Well, they do not grow whisky in North Carolina.

Mr. KEEFE. I understand they do in certain sections of North Carolina.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman from North Carolina three additional minutes.

Mr. KEEFE. I just wondered if the gentleman's parity of reasoning extends that far.

Mr. COOLEY. Maybe not quite that far.

Mr. KEEFE. That he would not impose a Federal tax on an item simply because it had its genesis in an agricultural product.

Mr. COOLEY. No, I would not go that far.

Tobacco is purely and simply an agricultural product. It is not mixed at all, it is not blended except with other tobacco. But the fact is that the arguments made here, that the States are unable to enforce this law, is weak. The burden of the argument of the gentleman from Ohio is that the States are not making an honest and diligent effort to enforce the law. If you know the wholesaler is shipping into your district, and if you know that the retailer receives and sells cigarettes with impunity, you know that your law enforcement officers are not doing a good job. They should apprehend the violators and bring them to justice.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENKINS. How much is the value of the tobacco in a cigarette? What is its proportion of the 24-cent per pack price?

Mr. COOLEY. It is negligible, it is not any great amount. This does not touch the question of what the farmer receives for his tobacco.

Mr. JENKINS. Then the argument with reference to a pack of cigarettes, that the ingredients make up 8 to 10 percent of the value ought to have a whole lot more weight than the argument that the value of the ingredients is negligible.

Mr. COOLEY. Maybe the gentleman's thought is that every State should come forward and double their tax on tobacco. The point is that this bill establishes a precedent. If we are going to help the States collect taxes this is the beginning point, here is where we start. Here we help them collect taxes on tobacco, then it will be on liquor, then perhaps it will be on cosmetics and all other items that are now taxed. I remember, when we had a sales tax in the State of North Carolina and they did not have one in the State of Virginia. Many of our citizens went across the State line into Virginia to shop, and they purchased large amounts of valuable merchandise, but we certainly never called upon the Federal Government to help us collect our taxes.

I think this bill should be defeated; I think we should not place the burden on the Federal Government. I wish to ask one question: Has this bill been submitted to the Bureau of the Budget? If so has the Bureau of the Budget approved it?

Mr. DOUGHTON. This bill does not impose any semblance of Federal tax. What has the Bureau of the Budget to do with the matter of helping collect the State tax?

Mr. COOLEY. That is right; I think the gentleman has answered my question. So the Bureau of the Budget has not been consulted with regard to the possible cost of this bill, whether it will be $10,000 or $10,000,000; we do not know.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. COOPER. The Director of the Bureau of the Budget has advised, and the Treasury Department has advised that they have no objection to the presentation of this report.

Mr. COOLEY. Of the report; but does the report recommend passage of the bill?

Mr. COOPER. Yes; that is the usual report from the Bureau of the Budget.

Mr. COOLEY. Do you have any information from the Department of Justice?

Mr. COOPER. Yes.

Mr. JENKINS. Yes.

Mr. COOLEY. Does that department have objection to it?

Mr. COOPER. They have no objection either.

Mr. COOLEY. There is no objection from the Department of Justice, and no objection then from the Bureau of the Budget?

Mr. COOPER. That is right.

Mr. COOLEY. That is some information that the gentleman from Ohio failed to give the House. I am still opposed to it, these facts to the contrary notwithstanding.

Mr. JENKINS. And the Treasury is in the same category as the others. This is all in the report.

Mr. COOLEY. The Treasury wants it, the Department of Justice wants it.

Mr. JENKINS. Everybody but the gentleman from North Carolina.

Mr. COOLEY. I would not want it under any circumstance.

Mr. BOGGS of Delaware. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. COOLEY. I yield to the gentleman from Delaware.

Mr. BOGGS of Delaware. Is there a report on this measure from the Post Office Department?

Mr. COOLEY. Maybe the gentleman from Ohio, the gentleman from Tennessee, or the gentleman from North Carolina can answer the gentleman's question; I am certain I cannot.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. MASON. I will answer that for 10 years a similar bill was before the Committee on Post Office of this Congress and was turned down on the recommendation of the Post Office Department.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BURNSIDE. One other thing, it would cost the Post Office Department between $2,000,000 and $3,000,000; yet we are worrying now about trying to get enough revenue for the Post Office Department.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. CURTIS. What additional duties would this impose upon the Post Office Department?

Mr. SHORT. It causes loss of revenue, chiefly. It does not impose any duties upon the Post Office Department. It certainly does upon the Department of Justice.

Mr. CURTIS. The gentleman is assuming that these men do not want to pay the tax.

Mr. COOLEY. I think the gentleman from Missouri has answered the question. It involves a loss of revenue.

Mr. JENKINS. May I say that the legislation referred to by the distinguished gentleman from Illinois [Mr. MASON] was legislation that permitted certain investigators to investigate the mail. It was not a case such as this at all. It was not like this matter. It was an entirely different proposition and an entirely different situation.

Mr. COOLEY. Does not the gentleman agree that this is setting a precedent?

Mr. JENKINS. No, sir; not a bit.

Mr. COOLEY. Does the gentleman have any other precedents?

Mr. JENKINS. No.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I want to congratulate the distinguished gentleman from North Carolina [Mr. DOUGHTON] for the very clear and comprehensive statement he made with reference to the provisions of the pending bill. This is not a bill for the collection of taxes. It is merely a bill providing that the shippers of cigarettes outside of a taxing State, a shipper that uses the instrumentalities of interstate and foreign commerce, must furnish an invoice and send it to the commissioner of taxes of the taxing State. That is everything this Congress has to consider in connection with this bill.

There are 39 States of the Union that have a cigarette tax. There are a number of shippers in various States shipping into these taxing States and they and their consignees are evading payment of the cigarette tax. In my particular State of Florida we suffer a loss of revenue of a quarter of million dollars or more annually through this practice. This is small in comparison with other States. A number of the States suffer a greater loss than that.

Mr. Chairman, let us see what the evil is we want to correct and let us observe what the remedy is we want to apply. The evil in the shipping of cigarettes into a taxing State in competition with the honest merchants who have to pay a local tax and who have to keep up the expenses of that particular jurisdiction. Some of my friends have made reference to the Post Office Department. Are we going to make the post office an avenue of transmission so that the State tax might be evaded? But that is not my conception of the functions of the United States Post Office. If you analyze clearly the arguments that have been proposed here that is what it would do because these cigarettes are dumped into these various taxing States by parcel post and they are using the Post Office

Department in order to evade the payment of a legitimate local cigarette tax. Now, that is what they are doing. Are you going to condone that?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I might say before I yield, that in paying this tax there will not be one less leaf of tobacco grown. They will still smoke the same amount of cigarettes, but the taxes will be collected on them if this bill is passed. Now I yield to the gentleman from North Carolina.

Mr. COOLEY. That argument of mine was secondary. But, we have State control of liquor in North Carolina, and yet the Federal Government will issue a license and collect a fee and permit whisky stills to be erected in any part of that State. Now, does not the gentleman think that that is more of an evil than exists in this situation where cigarettes are going into a State without paying the tax?

Mr. ROGERS of Florida. Certainly they do that. I certainly think that the Federal authorities can enforce the law in that respect, but in this instance the State authorities cannot enforce the law without the information from shippers.

Mr. COOLEY. Why can they not do it?

Mr. ROGERS of Florida. Because of the fact that they use the Post Office Department or the express company to ship the cigarettes into various States and that the local authorities cannot get in touch with them. The Federal Government does not enforce that feature. The State must collect the taxes after the cigarettes are shipped and delivered. It is not the Federal Government that does that.

Mr. CAMP. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Georgia.

Mr. CAMP. Is it not a fact that we have seven Federal acts exactly in line with this act wherein the Federal Government does assist the States in the collection of taxes?

Mr. ROGERS of Florida. I think that is correct.

Mr. CAMP. And we also furnish information right now to the State income-tax collectors regarding Federal income-tax returns. There is a Federal law regarding the furnishing of information about liquor being shipped into dry States which is almost verbatim with this.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. ROGERS of Florida. Mr. Chairman, I cannot see how anyone can object to the passage of this bill. As I see it, it is so simple. It is not the imposition of an additional tax, but it is just the means of assisting the States in collecting these taxes. The cigarette tax is used in various States for different purposes. Some taxes are used for the payment of veterans' bonuses; now, all of us are in favor of payments to veterans. In some States the tax is used for the purpose of assisting in aiding education and for charitable purposes. All of us are in favor of that. How can any reasonable man who wants to assist the States collecting cigarette taxes object to carrying out the laws of the States where, in some instances, the States are being cheated out of four or five million dollars in revenue by reason of permitting the transportation of these cigarettes into those States without the imposition of this tax? I trust that this bill will be unanimously passed. It did pass in the last Congress in the House, and it went over to the other body, and it would have passed over there, I think, but for the fact that the chairman of the Finance Committee, due to the loss of his father, had to leave at the time the bill was to be called up.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Ohio.

Mr. HUBER. If I am a resident of Florida and I buy a suit of clothes from Sears Roebuck, will that tax be collected?

Mr. ROGERS of Florida. I cannot answer that, but I presume that it will.

Mr. HUBER. I heard Members of Congress who come from States where a State sales tax is charged say that if they have something shipped to the District, they would not be required to pay the tax.

Mr. ROGERS of Florida. Well, there are two different taxes, the sales tax and the use tax.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I am in favor of this bill. The point was raised by the gentleman from North Carolina [Mr. COOLEY] that the post office would lose revenue. As a matter of fact, this would be a great saving to the Post Office Department, because in many of the post offices these cartons of cigarettes are piled up high, and they are utilizing the space needed for the regular mail, and if this tax-evasion proposition goes on, you will have to have more post offices and more filing space in which to operate for the regular parcel post mail. So I believe this will really save money to the taxpayers of this country.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not a fact that in many of the big cities of the country the post office does a bigger cigarette business than any other company in that city?

Mr. REED of New York. There is no question about that. The gentleman from Georgia [Mr. CAMP] raised an interesting point, and that is that the Federal Government now cooperates with the States to help them collect income taxes and the States assist the Federal Government to collect its income taxes. There is no new principle involved here.

I call attention to the effect this evasion of taxes has on the merchants of New York State. Here is the testimony of Mr. Jerome Kaufman, director of industry and public affairs, National Association of Tobacco Distributors, New York City:

> In view of the serious effect on more than a million local merchants of the shipments of cigarettes from nontax States into the cigarette-tax States for the purpose of evading the tax laws of those States, we consider it our duty to emphasize the dire need of a law which will afford relief and equity to the merchants so affected. These local merchants in every city, town, and hamlet of our Nation depend, in small or large measure, for their livelihood upon the sale of cigarettes in their communities, and it is they who give employment to local residents and in the aggregate pay a substantial portion of the taxes used to support their local, State, and Federal Governments.

We all know that these cigarette taxes in some 39 or 40 States go for various purposes that are of the greatest importance, some to pay the soldiers' bonus, some for the purpose of education, some to take care of crippled children, and so on down the line of the whole social scale.

Mr. Chairman, I am heartily in favor of this bill to do away with this questionable practice.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. WILLIAM L. PFEIFFER].

Mr. WILLIAM L. PFEIFFER. Mr. Chairman, 39 States, representing approximately 80 percent of the total population of the country, have cigarette tax laws on their statute books. The combined income to these States from cigarette taxes, according to the most recent official report, will approximate $400,000,000 in 1948. According to present estimates, it is also reliably reported, on the basis of the best available figures, that between 15 percent and 20 percent of this huge income is lost to the States, individually and collectively, as the result of parcel-post shipments of cigarettes from nontaxing States into taxing States. Thus, a State that imposes a tax on cigarettes which, based on consumption, should produce $12,000,000 a year, establishes its budget on that basis. When approximately 20 percent of the consumers purchase untaxed cigarettes from out-of-State sources, the State—instead of securing $12,000,000 a year—obtains only $9,600,000, being deprived of $2,400,000. This inescapably throws the entire budgetary estimates out of keel and the legislature is thus confronted with the necessity of imposing additional taxes. The following is a case in point: To provide adequate funds for paying a bonus to its veterans, the New York State Legislature imposed an additional 1 cent tax per package on cigarettes, which was ratified by popular referendum. The State expected to receive a specified amount annually from this source and was fully entitled to expect every cigarette consumer in the State to pay his share. We know from experience that a substantial portion of the cigarettes consumed in New York State is being obtained from mail-order houses in Delaware and other nontaxing States. The result has been a substantial reduction of revenue intended for the veterans' bonus and unlimited evasion by a large number of persons.

As a practical matter, this is what happens. Wholesale distributors in nontaxing States secure or purchase lists of cigarette smokers in States which impose cigarette taxes. These smokers are then circularized with tempting offers to mail their remittances in advance for cigarettes which will be sent to them by mail with a saving in the amount of the State tax. State cigarette taxes vary in amount from 1 cent per package to as high as 8 cents per package. A carton of cigarettes contains ten packages, offering an inducement of a 10-cent to 80-cent saving per carton. It is therefore easy to visualize the extent of the diversion of cigarettes from the ordinary channels of trade and the large amounts of needed revenue lost to the taxing States.

The circumvention and flaunting of State cigarette tax laws in this manner constitute, in the eyes of the public, a mockery of all laws enacted by the elected representatives of the people of the States concerned. When the majority of people are required to conform with our laws and a minority permitted to ignore them, it cannot help but weaken our respect for the laws and for the governmental agencies entrusted with their administration and enforcement. Moreover, because each citizen is expected and should bear his just burden of taxation—be it Federal, State, or local—any condition or practice which renders it simple and effortless for him to evade such taxation, encourages general violation of the law and—just as significant—saddles the law-abiding citizens with a heavier and unwarranted tax burden.

There are also other practical considerations. In each taxing State there are hundreds of wholesalers and thousands of retailers who depend for their livelihood on the sale of cigarettes. The constantly increasing abuse of State cigarette tax laws deprives these merchants of the sales they are rightfully entitled to and would have had if it were not for the illicit shipment of cigarettes into their State. These deserving businessmen are penalized merely because they are located in a State which imposes a cigarette tax. Aside from the loss of business, however, the general effect of this practice on the wholesale distributor—who serves as the primary medium for collecting State cigarette taxes—is to demoralize him and to undermine his desire to cooperate with the taxing States in protecting this valuable and needed source of revenue.

What is the effect on Federal cigarette tax collections of the practice of shipping cigarettes, interstate, to avoid payment of State taxes? Here is the picture:

Cigarette tax income to the Federal Government during 1947 exceeded $1,250,000,000. Certainly, a product that is responsible for this prodigious amount of revenue to the Federal Government should not be permitted to fall into the state of disrepute which inescapably results from illicit handling. It would appear to be sound and prudent business judgment on the part of the Congress to protect this valuable source of revenue.

A workable solution to this problem has been sought for some time. Efforts were made to enlist the aid of the Federal postal authorities to prevent parcel-post shipments of cigarettes made to circumvent State cigarette-tax laws. We also looked to the Federal Trade Commission to find a proper and adequate solution within the framework of that agency's delegated powers. These attempts were not successful.

It is my opinion that an appeal to the Congress of the United States for this legislation is warranted and justified, since the matter it is sought to correct involves a condition which affects interstate commerce, is injurious to the public welfare, and, as has been demonstrated, cannot be rectified on an individual-State basis. It is, I think, in this type of situation that it becomes necessary for the Congress to come to the rescue.

I do not believe that a law of the type proposed would establish a precedent in the field of Federal legislation. Many other business practices, potentially dangerous to the public interest, are presently controlled by Federal regulatory agencies. Among these agencies are the Interstate Commerce Commission which regulates and controls all interstate travel of public vehicles; the Federal Communications Commission which prescribes and administers regulations controlling all radio facilities; the Food and Drug Administration which establishes standards of acceptability for food and drug products.

The proposed law does not call for or require the establishment of a governmental agency. It will merely place in the hands of the State tax administrators the means for removing an inequity in the collection of State cigarette taxes, facilitating the collection of such taxes, and assuring the equal application of the tax acts to everyone.

In view of what I have pointed out are the adverse effects of illicit shipping of cigarettes—on taxing States, on the hundreds of thousands of wholesalers and retailers all over the Nation, and on Federal cigarette-tax collections—I urgently request your favorable consideration and support of this bill.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, considerable comment has been made pertaining to this bill in reference to its placing additional burdens on the various departments of the Federal Government. This bill does not place any additional burdens on the Post Office Department. It will call for no additional expenditures. No agency of the Federal Government is called upon to enforce a State law or collect a State tax. It merely provides that if a licensed distributor sells cigarettes and sends them in interstate commerce the seller must send a duplicate of the invoice to the taxing authority in the State where the sale is consummated.

This will be self-enforcing. The Federal Government is not asked to follow that transaction to seek out the purchaser and see that he pays the tax. That will be the responsibility of the State that will receive the tax.

Perhaps every State that has a cigarette tax has been faced with this problem. Mail-order houses have sprung up over the country and they circularize the boxholders and say, "Order your cigarettes from us. They will be sent to you in a plain wrapper and you do not need to pay the cigarette tax imposed by your State government." Those transactions can still go on. Those people can remain in business. The only requirement is that they must send a copy of their invoice to the State taxing authority so that the State may collect the tax. It has been said that the Post Office would lose money because they would lose revenue. On every sale they will pick up 3 cents additional revenue, because the invoice must be sent to the State taxing authority. It will place no additional burden on the Department of Justice or on the Post Office Department. Here you have merchandising being carried on almost solely through an agency of the Government of the United States, the Post Office Department, which is operating at a deficit. Certainly the Congress of the United States has a right to lay down the rules as to how interstate commerce shall be transacted, and to say to these people, if they are going to use this Government subsidy to deliver their cigarettes, what the shipping requirements are. One of the shipping requirements shall be that a copy of the invoice must be sent to the State capital to the proper taxing officials where the tax is to be collected.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. McSWEENEY. My distinguished colleague, the gentleman from Ohio [Mr. JENKINS], said that these mail order houses distinctly said that they will refund the taxes to the State taxing authority. That is my first question. I am in sympathy with the bill.

Mr. CURTIS. What is the gentleman's question?

Mr. McSWEENEY. Did the gentleman say that some mail order houses send out advertisements that they would send cigarettes in plain packages so that the tax could be avoided?

Mr. CURTIS. Oh, yes. They say that right in the advertising. That was incorporated in last year's hearings.

Mr. McSWEENEY. My colleague says that the mail order houses tell you that they will refund the taxes to the State tax authority.

Mr. JENKINS. Mr. Chairman, if the gentleman will yield—what I meant was that the great bulk of the mail order houses in the country, like Sears, Roebuck, obey the laws, and a company like Sears, Roebuck sends thousands and thousands of dollars a year to the State of Ohio. They collect their own taxes and send the money to the State. They do not violate the law.

Mr. McSWEENEY. What mail order houses was he referring to?

Mr. JENKINS. The ones that we are seeking to reach by this law.

Mr. CURTIS. If the gentleman from Ohio will secure the hearings which were

prepared for the bill last year, he will see incorporated in those hearings copies of those advertisements.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. COOPER. I am sure the gentleman will recall that the evidence presented to the committee indicated that some of these fly-by-night so-called mail-order houses are doing business just for the purpose of carrying on this cigarette trade.

Mr. CURTIS. There are facts which would indicate that that is probably true. They can stay in business if their customers pay the tax, and we will not hurt them a bit.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Chairman, I am opposed to this bill because the result accomplished by its passage will not primarily be to aid the States in collecting their local State revenues as claimed. The result will be to permit States to go higher and higher in the imposition of cigarette taxes, a commodity which is excessively overtaxed. The farmer gets about 2 cents for his contribution to each pack of cigarettes; the Federal Government gets 7 cents on each pack of cigarettes; the State tax ranges up as high as 5 cents a pack, and now municipalities have gone into this field of taxation. In some cases the tax in municipalities ranges as high as 2 cents additional, making a total in some instances of 14 cents tax on a pack of cigarettes, on which the farmer only gets 2 cents. This cigarette tax has been the goose that has laid the golden egg in the field of taxation. I fear that if we lock this old goose's feet so that she cannot move a little bit when it gets plucked too hard by the pyramiding of these taxes, it will affect the over-all tax income from this source, and, primarily, if you make it easier for the States to pyramid cigarette taxes you will depress the farm market on this agricultural commodity.

The Federal Government receives one and one-quarter billion dollars every year from cigarette taxes. The States receive $340,000,000 a year.

Now, let us move cautiously in this productive field of revenue. Let us move cautiously, because if we do not, true to the chart sheet of every instance where any one source has been overtaxed, the source of revenue dries up. Let us move slowly because the real purpose of this legislation is not to bring in the Government to help States collect this tax, as claimed, but it is to lock it so that they can pyramid more and more State taxes without any possible competition at all.

This has been referred to as bootlegging. It is legitimate in the States in which a sale is made. If it is illegitimate in a State to which it is shipped, then those local States should enforce their laws and not ask the Federal Government, with the stroke of a pen, to wipe out that form of competition, so that they can get more taxation from a product that cannot stand any tax. If you handcuff it and lock it you will sink it.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. SASSCER] has expired.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Delaware [Mr. BOGGS].

Mr. BOGGS of Delaware. Mr. Chairma, I am opposed to the bill, H. R. 195. Some of my reasons for opposing this bill are as follows:

First. It permits the creation of trade barriers, in violation of the purposes of the commerce clause of the Constitution, to create an area of free trade among the several States.

Second. It is the first attempt to use the power of the Federal Government, by criminal processes, if you please, to help the States to collect their local taxes.

Third. It will be a precedent for the extension of this legislation to all other commodities, with the substantial destruction of interstate trade and mail-order business.

Fourth. It will subject such properties as mail-order customers' lists, worth many millions of dollars, to the risk of arbitrary or improper dispersion.

Fifth. It is not only Federal aid to collection of purely local taxes, but is truly a harrassment of interstate business, aimed principally at destruction of it so far as sale of cigarettes is concerned.

Sixth. It will be a precedent for Federal examination and approval or disapproval of the tax statutes of the various States and thus an interference with basic States rights.

Seventh. It will cost the Federal Government substantial sums of money in attempting to enforce the legislation and will destroy many present sources of postal revenue to the Federal Government.

I have said the Jenkins bill would create a precedent, and I want to say now that I believe that precedent to be a most dangerous one. The large mail-order houses who do not sell cigarettes have expressed strong opposition to the bill as a matter of principle and have long opposed similar legislation in the past. The Post Office Department, although not consulted on this bill, has opposed previous bills of the same type. The Department of Justice last year took no position on the bill but pointed out its effect in creating a precedent the bounds of which could not be estimated. This is the first time in history that the Federal Government has been asked to help States collect local taxes. The arguments in favor of this bill apply equally to every commodity shipped in interstate commerce, be it shoes, clothing, food, and so forth. Gasoline taxes are an obvious example of transactions which may in some instances avoid State taxes—gifts for the family on return from trips, special licenses for particular types of commodities such as firearms and ammunition—the examples could be multiplied indefinitely. If the Jenkins bill is applied as a precedent, it would have disastrous consequences. The Federal Government would then be closing the channels of interstate commerce instead of opening them. It would stifle free trade and create independent sovereignties of the States, each with a protective tariff around it erected in the interest of the local merchant and the local tax collector and to the detriment of the national welfare.

This bill is most untimely for two reasons. There is already pending in the Congress a bill to increase postal rates. If such legislation is enacted, in all probability this vicious piece of legislation would not be necessary to accomplish the purpose of H. R. 195. The postal rates increase bill would automatically shut off the mail-order business in cigarettes because there is such a small margin of profit in this business. Furthermore, this bill comes at a time when every attempt is being made, without much success, to keep down Federal expenditures.

This bill proposes to destroy substantial sources of revenue for the Federal Government and impose additional burdens upon the Federal enforcement agencies. It will reduce postal revenue from interstate shipment. It will throw many people out of employment. It will impair existing businesses which pay the United States Government substantial taxes. It will impose upon the Department of Justice the expensive job of investigating and trying those who violate the statute.

This bill endeavors to accomplish something which is prohibited by the Constitution of the United States. It is a basic constitutional principle not subject to challenge that a State may tax only events which take place within its own borders. An attempt by a State to tax a citizen of another State for an act committed by the citizen of the other State in his own State would violate the due-process clause of the fourteenth amendment—*Frick* v. *Pennsylvania* (268 U. S. 473 (1925)); *Union Refrigerator Transit Co.* v. *Kentucky* (199 U. S. 194 (1905)). It would be an attempt to extend the jurisdiction of the State beyond its borders. For example, it would be unconstitutional under the due-process clause for the State of New York to attempt to tax a sale made in Delaware. But on an ordinary shipment of cigarettes from Delaware to New York for consumption, the entire transaction of sale takes place in Delaware. The cigarette smoker in New York, having received a circular by mail or having seen an advertisement, sends an order blank and a check to Delaware. In Delaware the check is accepted, the cigarettes are shipped by mail to the purchaser. Delaware is the place where the order is accepted, where transfer of title is effected, and where the shipment is made. The sale is a Delaware sale. For the State of New York to attempt to place a tax on that Delaware sale would be to attempt to tax an event which is outside its jurisdiction and it would be powerless to do so under the due-process clause.

Under the commerce clause the same transaction is equally immune from taxation by the State of New York. It is well established that a State may not tax transactions in interstate commerce. As long ago as 1887, the Supreme Court said in *Robbins* v. *Shelby County* (120 U. S. 489, 497):

> Interstate commerce cannot be taxed at all, even though the same amount of tax

should be laid on domestic commerce, or that which is carried on solely within the State.

That principle has recently been reaffirmed by the Supreme Court in the case of *McLeod* v. *J. E. Dilworth Co.* (322 U. S. 327 (1944)). There the Court held that it would be a violation of the commerce clause of the Constitution for Arkansas to place a sales tax on the sale of machinery and mill supplies from Memphis, Tenn. In that case the selling company had salesmen who traveled through Arkansas, but orders were accepted in Memphis and goods shipped from Tennessee. Title passed in Memphis and the sales price was collected there. As the Court said at page 328:

In short, we are here concerned with sales made by Tennessee vendors that are consummated in Tennessee for the delivery of goods in Arkansas.

Therefore, at page 330:

We would have to destroy both business and legal notions to deny that under these circumstances the sale—the transfer of ownership—was made in Tennessee. For Arkansas to impose a tax on such transactions would be to project its powers beyond its boundaries and to tax an interstate transaction.

And again at pages 330, 331:

The very purpose of the commerce clause was to create an area of free trade among the several States. That clause vested the power of taxing a transaction forming an unbroken process of interstate commerce in the Congress, not in the States.

It is, accordingly, perfectly clear that no State may impose its sales taxes on an interstate shipment of the type to which this bill would apply. The sales in all cases take place in the State of the shipper and not in the State of the consumer. The consumer's State may not constitutionally under the due-process clause and the commerce clauses apply its sales tax to the transaction of sale. Plainly, the purpose of H. R. 195 insofar as it is to assist States in collecting sales taxes on cigarettes is a bill to assist States in collecting taxes which they are prohibited by the Constitution from collecting.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, I am opposed to this bill. Not only am I opposed to the bill, but I voted against the rule. I seldom vote against a rule in this House, because I think in almost all cases a piece of legislation is entitled to be brought to the floor and discussed and acted upon. But in this case it seems to me the Congress is out of line in considering a measure of this kind, interfering, as it does, in the affairs of State government and in the field of taxation within the States.

Secondly, I have heard most of this debate. The reasoning for the passage of this bill seems to be based largely on the fact that the Governors or State administrations in several of the States want it. Arguments for the bill seem to be based also on losses to certain businesses in some of the States, but I have heard almost nothing said about the fact that the State taxes on cigarettes are taxes levied heaviest upon the poor people—people who have little incomes, who have few diversions. Call smoking a bad habit if you will; we are not legislating on the subject of morals at the moment; we are legislating on the subject of State taxes. It seems to me that this product, already taxed 40 percent of its normal retail value by the Federal Government, is supporting tax load enough. It seems to me that when a user of this product pays 6 or 7 cents Federal tax per pack that is tax enough under any circumstance. Many States; I do not know how many; I believe 39. Am I correct, I ask the gentleman from Tennessee?

Mr. COOPER. Thirty-nine States now tax cigarettes, and the rates range from 1 to 8 cents on the package.

Mr. ELLSWORTH. Thirty-nine States have seen fit to impose a tax on this particular commodity. Now they are finding some difficulty in collecting the higher tax. If the States were more modest in their tax demands on this product, quite likely this situation would not have developed; but the fact is that the States are overtaxing this product, and the situation is that the Federal Government is now to be asked to police the shipment of cigarettes. I do not think the Federal Government should have any part in such an effort. I think that if the States are suffering as the result of their own folly in making the tax too high upon a product that is already overtaxed, they themselves should pay the penalty involved as the result of their own actions, and I do not think the Federal Government should be required, or that we here in Congress should be required, to help them out.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. HUBER. I agree with everything the gentleman has said. The House not long ago refused to place a 1-cent tax on the sale of cigarettes. When the tax bill for the District of Columbia was under consideration I offered an amendment for that purpose, but the House would not go along with it, yet we were seeking every possible means to increase the revenues of the District. The House in its wisdom did not see fit to charge 1 cent a package on cigarettes here in the District of Columbia.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. ROGERS of Florida. Will the gentleman state whether or not his State has a tax on cigarettes?

Mr. ELLSWORTH. My State, I am proud to say, does not have a cigarette tax.

Mr. ROGERS of Florida. So it makes no difference to the gentleman's State whether we pass this bill or not.

Mr. ELLSWORTH. I will put it this way: It will make little or no difference to my State whether we pass this bill or not. As to whether or not the people in my State would favor or not favor this legislation, I should say there would be about as much sentiment one way as the other. I believe it is quite likely that many people in my State approve of this bill. I oppose it on principle, because I think the Congress of the United States has no business legislating on such matters. The States, by their own tax laws have created the situation we are now asked to remedy. Let the States themselves undo what they have done and at the same time relieve their citizens who can least afford it from the tax burden that has been placed on them.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I am very much in favor of this legislation. I believe it is forward-looking legislation. I think the gentleman from Ohio [Mr. JENKINS] is to be congratulated upon proposing it. The reason I am in favor of it is that if we do not pass this legislation New York State will continue to lose $7,500,000 a year as a result of people sending cigarettes into New York State without a tax, while the great majority of the people of our State pay cigarette taxes. I think that is important; I think it is so important that when 39 States have a tax on cigarettes and it is possible for the few remaining States to evade that tax and cause a tax loss to the 39, it is about time we did something to try to help those States.

It has been said that this is a new departure. May I say that the New York State Assembly on March 30, 1949, passed the following resolution, which was subsequently concurred in by the senate, and about which I more recently received a letter from the chairman of the tax commission of the State of New York:

STATE OF NEW YORK,
IN ASSEMBLY,
Albany, March 30, 1949.

Resolution 124

By Mr. Ostertag:

Whereas there is a tax levied by the State of New York on the sale of cigarettes; and

Whereas the revenue therefrom is essential to the payment of the State bonus to veterans and other obligations; and

Whereas the avoidance of this tax is possible and substantial revenue is being lost to the State by such avoidance; and

Whereas such avoidance occurs principally through the interstate shipment of cigarettes into the State from non-cigarette-taxing States; and

Whereas there is no remedy available for the stoppage of such avoidance except by action of the Federal Government to which by the Constitution of the United States has been delegated by the States the power to regulate commerce between the States; and

Whereas there are now 38 other States similarly affected: Now, therefore, be it

Resolved (if the senate concur), That the Legislature of the State of New York respectfully urge the Congress of the United States to speedily pass appropriate legislation effecting the disclosure to the tax administrators of the States taxing cigarettes by shippers thereof in non-cigarette-taxing States of shipments of cigarettes to other than State-licensed distributors in cigarette-taxing States; and be it further

Resolved (if the senate concur), That the Legislature of the State of New York respectfully urge the President of the United States to speedily approve such corrective legislation when, as, and if submitted to him for Executive approval; and be it further

Resolved (if the senate concur), That copies of this resolution be sent to the President of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each Member of the Congress of the United States.

In senate, March 30, 1949.

Concurred in without amendment.

By order of the senate:

WILLIAM S. KING, *Clerk.*

By order of the assembly,

ANSLEY B. BORKOWSKI, *Clerk.*

Mr. Chairman, there is the action of the Legislature of the State of New York asking that we pass this legislation.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I am in sympathy with the legislation generally, but I am worried a little about the field of cosmetics and other items on which there is an excise tax and that we might be called upon to pass the same sort of legislation with reference to those taxes.

Mr. LYNCH. As far as I know, we have no State excise tax on cosmetics in New York. I do not know whether there is any such excise tax in any other State of the Union. I am referring to States which have specific taxes on cigarettes. Those States number 39. There are some of the other States that take advantage of the situation and bootleg cigarettes to the extent that we are seriously affected in New York to the tune of $7,500,000 a year, which has to do with the payment of bonuses to veterans. We are very much opposed to such avoidance of State taxes and we are glad, as is indicated by the resolution of the Assembly of the State of New York, to have the support of the United States Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. McSWEENEY. Is it not a fact that in the State of New York there is a law which permits any municipality to set up a sales tax of its own and might not that city put a sales tax on cosmetics and other things that might be affected by this law?

Mr. LYNCH. We have a law in New York which permits the city of New York to impose a sales tax. If the city of New York desires to impose a sales tax upon certain products in order to get money to aid those people who would be on public assistance, we believe we are perfectly justified in imposing such a tax as the city of New York desires to impose. But we get this permission from the State legislature. We have no right in New York City to impose any general taxes except those that are imposed under what we call the home-rule amendment whereby the State gives permission to do that which the gentleman has suggested. We have a sales tax in New York City, but it has not been abused.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 8 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, there has been a good deal of confusion regarding this bill. Some of those who are opposed to it have not done much to clear the confusion. I was right well amused at the distinguished gentleman from North Carolina, the chairman of the Committee on Agriculture. It so happens that he is from one of the States that does not tax cigarettes, and from which State some of these so-called bootleggers are operating most extensively. You see, these operators that this bill is aimed at started in business over in Pennsylvania, and when Pennsylvania passed a cigarette use tax—by the way, let me digress here to say that this is not a sales tax in these States, but a use tax, the State law providing that a person who smokes cigarettes or who purchases cigarettes that do not have the State tax stamp on them is violating the law—when the State of Pennsylvania passed a law providing for a State tax on cigarettes, why that same jobber immediately moved over into another State. Some of these jobbers we have traced through three or four States. The one who is selling most of the non-tax-paid cigarettes in Georgia is a Georgian who moved up to North Carolina, just over the line, and is flooding our State with these non-tax-paid cigarettes.

Now, the gentleman asked me if there had ever been any precedent for any such law as this. I now want to cite him some precedents. The Congress has, for almost a century, passed laws regulating commerce between the States but especially have the following acts been passed to assist in the enforcement of State laws:

The Webb-Kenyon Act of March 1, 1913, prohibited the shipment of intoxicating liquor into a dry State in violation of the State law.

The Plant Inspection Act of March 4, 1915, provides that parcels containing plants or plant products addressed to a State having terminal-inspection facilities must be delivered to these inspection depots.

There were several laws passed to assist the States in the collection of revenues—mainly the law which opens Federal income-tax returns to the inspection of the taxing authorities in the States that have State income-tax laws, and the law which gives such information to the States that tax alcoholic liquors.

This act is similar to these. This simply provides that any person shipping cigarettes into a State that has a State tax on cigarettes must forward to the tax authorities of the State of the consignee a duplicate or copy of the invoice. That is all that is required.

We have the Post Service Act of March 3, 1917, prohibiting the use of the mails for liquor advertising or solicitation of orders for delivery at any place in any State where local law forbade the advertisement, sale, or solicitation of orders for liquor.

We have three acts of Congress to assist in the enforcement of the State tax laws.

We have the Costigan amendment to the Revenue Act of 1936, wherein it is provided that all Federal income returns shall be open to inspection by any official body or commission charged with the administration of any State tax law.

Then there is the Hayden-Cartwright Act of June 16, 1936, wherein the officer in charge of a post exchange or similar agency on Federal territory is directed to submit a written statement as to taxable gasoline sold and to remit the tax on same to the State tax administrator.

There are 8 or 10 more of these laws that have been passed by Congress to assist in the collection of State taxes, and they are here for anybody to see.

I wish you could read some of the advertisements of these men. I call them bootleggers, and I do not apologize for it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from North Carolina.

Mr. COOLEY. Did you say that the biggest bootlegger in North Carolina came from Georgia?

Mr. CAMP. I said he moved up into the gentleman's State in order to ship non-tax-paid cigarettes back into Georgia. I am wondering if the gentleman from North Carolina has ever talked to that gentleman.

Mr. COOLEY. I do not know the gentleman.

Mr. CHUDOFF. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Pennsylvania.

Mr. CHUDOFF. I have an open mind on this bill.

Mr. CAMP. I am mighty glad to hear it.

Mr. CHUDOFF. Suppose one of these people does not do what he is supposed to do under this bill, who enforces it?

Mr. CAMP. What do we have United States district attorneys in all these districts for?

Mr. CHUDOFF. Then the Department of Justice will have to enforce it?

Mr. CAMP. Of course it will. It is charged with the enforcement of all Federal law. If one of these fellows does not send this copy in, of course we expect the Department to go and get him, else why would we want this bill passed?

Mr. CHUDOFF. Then the Department of Justice would have to spend some money?

Mr. CAMP. Yes, and the Department of Justice approves this bill.

Some of the States that have levied these taxes have allocated the funds to the schools, some to the hospital authorities, and so on. The tax has dwindled so that in the last year it amounted to thirty or forty million dollars. We must cooperate with the States in the collection of taxes, as they must cooperate with us. We have had meetings of the committee of which I am a member with the State committees, in which we have discussed ways in which the Federal and the State Governments can cooperate so that one may help in one field and one in the other. This is a question of helping a State to enforce its laws, and I certainly ask your cooperation in passing the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield further?

Mr. CAMP. I yield.

Mr. COOLEY. Does the gentleman know why these letters from the Department and the Bureau of the Budget were not incorporated in the report?

Mr. CAMP. I have not seen them. Are they in the report?

Mr. COOLEY. No; they are not in the report.

Mr. CAMP. I am sure the gentleman could get them from the clerk of our committee if he wants them. Does the gentleman think there is any doubt about their doing it?

Mr. COOLEY. No. I just wondered why they were not in the report.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, when the roll call was had on the rule I was having lunch at the other end of the Capitol with the Vice President of the United States, the Speaker of the House, and other distinguished Members of both bodies in honor of Gen. Lucius Clay, whom we listened to with such great interest and profit today. Had I been present when the roll was called, I doubt if I would have voted against the rule, particularly after the Committee on Rules was kind enough to give me a hearing in opposition to this legislation. Whether we approve or disapprove of a bill, I think every man should have his day in court. It is with rare exception that I have ever voted against a rule for the consideration of any legislation whether I was in favor of it or opposed to it.

I want it distinctly understood, however, that I am unalterably opposed to this legislation because I believe it is dangerous.

It is most difficult and disagreeable to differ with or oppose any measure sponsored by that very venerable and able gentleman from North Carolina, our beloved BOB DOUGHTON, and my good friend, the gentleman from Ohio [Mr. JENKINS] or, for that matter, any other member of the distinguished Committee on Ways and Means.

But, I have always been taught in the schools that I have attended that we have a dual system of government. We have a Federal Government and we have 48 State governments. Whatever powers are not specifically delegated or granted to the Federal Government are reserved to the various States.

I am in opposition to this legislation on fundamental grounds. It is basically wrong. It strikes at the very core of States' rights, and if adopted, I fear it will bring us into chaos. I am not a lawyer, nor the son of a lawyer, and I cannot speak with the authority of the gentleman from Georgia [Mr. CAMP], but it seems to me the acts to which he refers are inapplicable in the present instance. I do not think the examples he cites are at all comparable or analogous to the pending legislation. In my humble, but honest opinion, this is the first time where the power of the Federal Government has been asked, with criminal penalities, if you please—6 months in jail and a thousand dollars fine—to help the various States collect their local taxes. If the local tax authorities can get the Federal Government to come in and help them collect taxes on cigarettes, they then can ask the Federal Government to come in and collect poll taxes or any other kind of taxes on all kinds of commodities. This would be unwise.

Mr. Chairman, I do not like these epithets, and words of opprobrium that have been hurled at men who are engaged in a lawful and legal business, branding these men as bootleggers and racketeers. They are not. Bootlegging is an unlawful activity. If this were a racketeering business or if this were bootlegging and if it were illegal and unlawful, then this legislation would not be before us at this moment. Everyone knows that. These men are engaged in a legal and lawful enterprise. Do you mean to tell me that if you live in a State where you pay 6 or 7 cents a gallon tax on your gasoline and you cross the border to buy your gas in some other State, or, let us say, in the District of Columbia, where you pay only 3 or 4 cents, that you are violating the law? Are you a criminal? Should you pay a fine or go to jail?

I think this law is absolutely unconstitutional. I thing it is unwise and unsound. It is unenforceable. If it is adopted, I think you are going to give encouragement to the expansion of this kind of legislation, not only to cigarettes, but to every other commodity. I do think that it strikes at the mail-order business in this country. Perhaps Sears, Roebuck sends out their statements, but I do not know who checks on them. And what about the other companies? If this legislation is passed, I believe the Post Office Department will lose hundreds of thousands and perhaps millions of dollars in revenue and at the same time I think it will impose additional burdens upon the Department of Justice and the additional expense will perhaps be as much as any tax that might be collected. Why harass our people further?

Not only do I believe the law is unconstitutional, but I think it is unenforceable. It is unworkable. I do not know who is going to be the stool pigeon or the spy or the snooper who is going to go around and visit every home or household to find out who is or is not getting legal cigarettes. I do not believe we want this kind of legislation. It has no place in America. Why, you might as well levy a tax upon the people who go to Reno or to Florida to get a divorce because of the cheap and lax laws in those States covering divorces. How can anyone who believes in States' rights and local self-government support such a measure?

Mr. Chairman, I hope we can defeat this legislation.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I am opposed to this bill on principle. I am opposed to it on the basis of our system of government. We are getting into the wrong type of thing when we legislate in this field.

Let me give you one illustration that probably you have not thought about. Suppose each individual here should buy four or five cartons of cigarettes and ship them home. If this law were enacted, would you not violate the same law? If you will read the section of this bill to which I refer, you will find that you will violate the law.

Can the States not pass proper laws to look after their own taxation? I feel sure that they can. After any package or packages of cigarettes have been shipped, when they come to a state of rest in another State, then the State has complete jurisdiction of those cigarettes, or anything else, for that matter. Then they could properly tax them.

We had some of this same trouble with automobiles. My State had to pass a use tax on automobiles. The cigarette tax that we are proposing is not a use tax, as has been stated today. It is a consumer tax.

I certainly would have as much sentiment for schools and veterans as anyone in this House. I am much in favor of building up our school system. I have taken opportunity on many occasions to speak for the schools of this country. As a matter of fact, I was a former professor. I taught constitutional law and I taught public administration. So I have been vitally interested in schools. I am opposed to this legislation on the basis of principle, so we will not violate our system of government. I could not lose this opportunity to speak in behalf of things that I hold dear today.

This is class legislation. Great lawyers, lawyers such as Mr. Arnold, have declared that this is class legislation. I wish to call your attention to the testimony that he gave before the committee.

This would mean a loss of revenue to the Post Office Department. You have men already assigned to do these jobs. If the cigarettes were not sold and shipped in interstate commerce, the revenue would drop off to the extent of two or three million dollars.

Let us examine the red tape. I have heard so many people say that they do not believe in red tape; they do not believe in red tape in government. It is unfortunate that I find those very same people today advocating very much expansion of red tape in government. Let us look at section 2 of this bill:

SEC. 2. Any person selling or disposing of cigarettes in interstate commerce whereby such cigarettes are shipped to other than a distributor licensed by or located in a State taxing the sale or use of cigarettes shall, not later than the 10th day of each month, forward to the tobacco tax administrator of the State into which such shipment is made, a memorandum or a copy of the invoice covering each and every such shipment of cigarettes made during the previous calendar month into said State; the memorandum or invoice in each case to include the name and address of the person to whom the shipment was made, the brand, and the quantity thereof.

If that is not a vast amount of red tape, I do not know what red tape is. We of the Committee on Expenditures in Executive Departments are trying to cut down on the cost of government. We have been meeting twice a day trying to iron out these difficulties and differences in government. Here we are establishing more functions for government to perform. Certainly this is a new job, if you are going to check it adequately.

Some of these people have been calling others bootleggers. If any of the men who used that name would use it off the floor, they could be prosecuted for using that expression.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. BURNSIDE] has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 8 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I have listened very diligently to this debate as it has gone on here today and I am convinced by the arguments of those in opposition to the pending bill that they would be on sound, solid and very good ground if they were serving in the various State legislatures arguing against enactment of a State cigarette tax.

But we are not faced with that problem of levying a State cigarette tax. If we believe in the right of the States to levy their own taxes then I think we should recognize the responsibility that the Federal Government has not given aid in violating those State laws and thus help to make it impossible for the States to collect the taxes which the legislatures have determined should be raised in those various States.

The gentleman from Missouri [Mr. SHORT] spoke about States' rights. I am in favor of his citizens of Joplin, Mo., and these mail-order cigarette men enjoying all the State rights within the boundaries of the State of Missouri that they can enjoy. But when they dump millions of dollars worth of untaxed cigarettes over in Oklahoma and evade a State tax in the amount of about $3,000,000 then it ceases to be a State-rights question for the State of Missouri and becomes a part of the State rights of the State of Oklahoma. Thus these 39 cigarette-taxing States protest and look for some help to try and prevent the loss of some forty to fifty million dollars' worth of revenue that is so badly and desperately needed by these States for schools, veterans' benefits, pensions, and the like.

Mr. MAGEE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Missouri.

Mr. MAGEE. The gentleman would want the citizens of Missouri to be taxed so that the Department of Justice could have a corps of agents go around over the State to help you folks collect your taxes?

Mr. MONRONEY. Oh, no. The only reason that these so-called mail-order cigarette houses exist is simply to evade the State cigarette tax in other States. The minute they have to make a return to the State taxing authorities, you will find that they will be out of business. Their only stock in trade is the tax evasion that they encourage.

Listen to this. Here is what they all say. I think we had over 100 of these advertisements in the hearings last year. Safety in tax evasion—it runs throughout every single one of these hearings, and no one can dismiss the fact that they are enjoying a business based on tax evasion that comes through the United States mail. This advertising quote is from the testimony of the chairman of the Oklahoma Tax Commission as found on page 114 of the hearings:

> Cigarettes at wholesale prices. Our best reference is the fact that we are conducting our business through the United States mails. Therefore, it is strictly legal and you are assured the privacy of the United States mails.

There we have the whole story behind an allegedly fine enterprise that is costing the various States multiplied millions of dollars.

These States are struggling to pay for their veterans' bonuses, their aid to education, their old people's pensions out of their cigarette taxes, and yet into every State go those advertisements by the hundreds of thousands to chip away their tax funds.

Let me tell you something. I have seen passed, in one-tenth of the time this bill has consumed, Federal aid for forty or fifty million dollars through this House. And yet today we spend 2 or 3 hours debating whether to cooperate with the States to collect forty or fifty million dollars of revenue that is justly theirs.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. I am a resident of the State of Pennsylvania. Suppose that I write to a mail-order house in Chicago and tell them to ship me four cartons of cigarettes, and enclosed herewith is the postage; please send them to me by parcel post. And they proceed to ship me those cigarettes. Who is the bootlegger, the mail-order house that is legitimately set up in Chicago, Ill., or me, in the State of Pennsylvania?

Mr. MONRONEY. Let me tell you who I think is the principal, though unwilling, bootlegger in this case, and I think we ought to do something about it. The biggest seller of tax-evaded cigarettes in every single one of the 39 States that have cigarette taxes is the United States Post Office. They sell more cigarettes in your town and in my town than any other single store in the whole city. Thus, you are not only discriminating against the States that are losing this forty to fifty million dollars of revenue, but you are discriminating against 1,500,000 licensed cigarette dealers who pay from $5 to $25 for the right to sell cigarettes on a legitimate, respectable basis in the State and at the same time collecting tax money for the State itself.

They pay for the privilege of selling the cigarettes, and they also collect the money to pay for the old folks' benefits, school aid, and the veterans.

In my State—get this figure, because it is true—we have 20,000 dealers who are paying $202,000 a year to sell cigarettes in Oklahoma, yet my State tax commissioner advises that more than $3,000,000 of State taxes are evaded.

Let us look at the story and see what happens. These 20,000 dealers, your constituents and mine, pay $202,000 to sell cigarettes. They are undersold by 50 cents a carton by these alleged mail-order houses that pay no taxes into these States, who have no license to do business there. But these licensed dealers are undersold by 50 cents. So, these dealers lose the sale of that carton of cigarettes because they cannot possibly take 50 cents off of the price. That 50 cents comes out of the tax that they would be compelled by law to levy.

The State also loses that 50 cents, and that is gone. Who makes the money? I will tell you who makes it. One of these 200 mail-order cigarette bootleggers makes it. But he does not make the 50 cents that the dealer loses; he does not make the 50 cents that the State loses. He makes 10 cents. So there you have the story of the break-down of a system of revenue for the States that is truly dangerous.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from North Carolina.

Mr. COOLEY. Why could not the State of Oklahoma make it unlawful to receive or consume cigarettes upon which the State tax has not been paid?

Mr. MONRONEY. It is unlawful, but these cigarettes all come in, as the gentleman knows.

Mr. COOLEY. The gentleman says it is unlawful now to receive and use them?

Mr. MONRONEY. It is unlawful. It is a use tax, and it is unlawful to have in your possession a package of cigarettes on which the tax has not been paid.

Mr. COOLEY. Why could you not go to the post office and find out who is violating the law?

Mr. MONRONEY. That is a thing we cannot do, and that is the reason for this bill. The sanctity of the United States mails is involved. If it were a private business, sure, we could collect that tax, but we are building up this great cigarette business in the United States post offices and depriving our States of this needed revenue. The confidential nature of these parcel post shipments make it possible to safely evade State law.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I have been greatly interested and informed by my able and distinguished colleagues in the debate on this measure. My interest in this measure is to protect the taxpayers of my State, the small-business man who is your neighbor and mine. We must have taxes. Only the savage pays no taxes. And I am interested in preserving the prosperity of the men and women who support our churches, our schools, our disabled veterans, and our old people.

I had a predecessor in this House more than 30 years ago who voted against all tax measures and in favor of all appropriations. That was his program always, in and out of Congress.

With respect to the use of tobacco, I quit again, for the fourth time, 3 years ago and I think finally. It burned a hole in my pocketbook and in my clothes and I thought hurt me physically. For quite a while I was a little bit like a lawyer in the town in which I grew up who was addicted to strong drink. He was a fine and able man, and when he would sober up he would be remorseful. His friends would say to him, "Reid, why don't you quit?" He would say in reply, "My trouble is I quit too often."

On my farm, I raise tobacco. It is a profitable crop in Tennessee. It is a profitable crop all over the country. The tobacco crop brings the tobacco farmers $1,000,000,000 a year. That is no mean sum for the people of the States where it is grown and for the people of the entire country, and the taxes on tobacco bring to the Government of this country

$1,000,000,000 yearly in revenue. This is one crop that more than pays its way.

Why not afford protection to the home dealers in cigarettes, the corner drug stores, the grocery stores, the tobacco stores, all the dealers who pay a privilege tax, ad valorem taxes, and property taxes on their places of business and on their homes? Why not afford them protection? They pay taxes that support the schools of their communities, that maintain the streets and the roads of the cities and towns in which they live. These people are our neighbors, our friends who help support the old people and contribute to the support of our local, State, and Federal Governments.

This is not a drastic bill. I see nothing in it that threatens the liberties of the people of this country. It places the duty upon a dealer in cigarettes, who ships them from one State to an unlicensed dealer in another State, to send a duplicate invoice to the taxing authority of the States into which he ships these cigarettes.

Oh, they say there will be an army of spies and informers turned loose on the people. That will not happen. The average man who has money and intelligence enough to engage in an interstate business shipping cigarettes to other States is not going to subject himself to a prison term or to a fine of a thousand dollars by violating this law. I just cannot see anything here which constitutes a threat to the liberty of the people. I do not see in this proposed law any hidden weapon which is designed to overthrow the Constitution. When a fellow is hard up in a lawsuit, he, as a last resort, raises the question of the constitutionality of the law involved. This proposed measure will protect the local dealer in cigarettes who pays taxes against the competition of a nonresident dealer who pays no taxes. This proposed law simply says to the fellow who wishes to ship cigarettes from one State to another to an unlicensed dealer in cigarettes that when he makes the shipment he shall mail a duplicate invoice to the State taxing authority. As I have pointed out such a dealer has money and is intelligent, and he will observe the law. If he does not, he has no one to blame but himself. We ought to keep the tobacco trade on the level of a lawful business. As I said a while ago, it is an important source of revenue to the people of the country. The 5,000 tobacco growers in my district reap a reward each year through the sale of their tobacco of $3,000,000. The dealers also make a profit. They all contribute to the prosperity of their community and to the support of their Government. For these reasons I shall support this bill.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. JENKINS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want to compliment the Members who have engaged in this debate this afternoon. In other words, I think, outside of listening to me, we have all had a pretty good time. It has been my purpose to grant time to those in opposition as well as to the proponents of the bill. We do not wonder that the Members who come from other States which do not have a use tax would have a different interest than those who come from States whose tax laws are being thwarted. I would like to leave this thought with you. There is a difference between a sales tax and a use tax. The use tax is a tax on your right to use a commodity. In my State of Ohio we have a 2-cent use tax. That means that a man has no right to use a pack of cigarettes until he has paid that 2 cents tax. There has been so much talk here that there are going to be so many violations. I just want to read to you a few statements made by the tax authority in Ohio to show how fine and law-abiding and magnificent most of the people of the Nation are who are engaged in shipping cigarettes. As I said before, there are only a comparatively few of these so-called bootleggers. There are not very many. But they are very disturbing, and they are taking a terrific toll. In my State we do not run after these people who may have a pack of cigarettes that does not have a stamp on it. We do not run after such people, because it is too much trouble, and, furthermore, what would be the use? Let me show you how nicely most of these shippers of cigarettes cooperate. Here is what Mr. Glander, the tax commissioner of Ohio, says. He is an able man, a good lawyer, and a fine administrator. I do not know whether he is a Republican or a Democrat, for he is now serving under a Democratic governor, and served under the last governor, who is a Republican.

I would at least like to get the attention of the Members from Ohio before I read what Mr. Glander says:

> There are some 300 out-of-State firms registered and authorized to collect the use tax, without using stamps to make quarterly remittances to Ohio.

There are 300 of them, like Sears, Roebuck and these other big mail-order houses. There are 300 of them that make their own reports and their own returns to the State of Ohio, which accepts them. They send in hundreds of thousands of dollars in taxes. These people cooperate.

Let us see further what this tax man says. He has two other categories:

> In addition to these, there are approximately 1,000 out-of-State firms registered under our use-tax laws, who make use of the stamp taxes.

There are a thousand of them outside of these 300 big fellows who qualify and meet the test of the law. If all the principal shippers cooperate, why permit a lot of unethical operators to violate the principle of the law?

You recall the case of this man who came up out of the State of Georgia into North Carolina and who told us that he had left Georgia and gone to North Carolina because he knew he could undermine these laws. He said he was going to carry on in this way even if he was a Presbyterian. But he said in effect: "As soon as you pass this law I will go back to Georgia."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. We have a sales tax in South Dakota which applies to commodities generally. In order to make that sales tax effective, we have a use tax and it operates exactly as the gentleman from Ohio has described. It is easy to make the use tax effective if it is an automobile, because when you register your car, if you have not paid the original sales tax, you have to pay the use tax. There is nothing that compels a man when he smokes a cigarette to come in and pay the tax.

Mr. JENKINS. Yes. It is a violation of law in Ohio and all of these other States that have use taxes, for a man to use cigarettes, just as it would be for him to use them without the Federal tax stamp on them. But we do not want to be snooping around. The cigarette business is a tremendously large business. The States collect a total tax of hundreds of millions of dollars. We know that the great bulk of the people comply with the spirit of the law. There are only a few people who do not. We want to reach them. That is what we are trying to do.

I cannot understand how the gentleman from West Virginia [Mr. BURNSIDE] can justify himself from the standpoint of rendering service to his State and his constituents. There was only one man who came out of his State before the committee and he testified that he was the only man in West Virginia engaged in that line of business. I do not see why the gentleman, an ex-professor in school, can justify his action with reference to ethics, that he would encourage that man to follow a course entirely different from the course followed by about 99 percent of the persons engaged in shipping cigarettes.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. JENKINS] has expired.

Mr. JENKINS. I yield myself five additional minutes, Mr. Chairman.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. COOLEY. I want to know to whom you had reference when you looked this way and said something about somebody having a client who was a bootlegger.

Mr. JENKINS. I will withdraw the word "client." I meant constituent.

Mr. COOLEY. He is not even my constituent. I do not have any constituents engaged in any such business. I do not even know the man that you have reference to.

Mr. JENKINS. I assume the gentleman, with his great ability, represents the whole State of North Carolina. I am sure he is highly esteemed down there as he is here in Congress. He knows of the high esteem I have for him.

Mr. COOLEY. I do not know to whom you had reference. I do not represent any bootlegger.

Mr. JENKINS. Let not your heart be troubled, we all understand that. I told you I had reference to the man who came out of Georgia and said he came up to North Carolina so he could stay in your State long enough to make some

money by shipping cigarettes into States which had a tax on the use of cigarettes.

Mr. COOLEY. That was the gentleman from Georgia's [Mr. CAMP'S] constituent.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. I would like to ask the gentleman: Suppose a person from the State of Ohio should write to one of these companies and ask them to ship cigarettes to him.

Mr. JENKINS. All right. If he does that, whoever employs the mails or an instrumentality of interstate commerce to ship cigarettes into the State of Ohio without having made arrangements to stamp them must send notice to the Ohio tax authorities. That is all he would have to do.

Mr. BURNSIDE. Is that in the bill?

Mr. JENKINS. Yes; that is in the bill. That is the very essence of the bill. I am sure that if the gentleman had studied the bill carefully he would be in favor of it as I dare say 90 percent of the people of West Virginia are.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. McSWEENEY. The gentleman has spoken about the interest in this debate. I think that was a credit to you for allowing even your opponents to have plenty of time to discuss it. I do not like your use of the word "bootlegger," because I was in Italy and I saw a lot of boys who bought cigarettes for 50 cents a carton and sent them home to their people who did not have any cigarettes. They were not violating the law, but they were simply trying to take care of their people.

Mr. JENKINS. I thank the gentleman. I am not responsible for this word which they use. It is the word they use in the trade. I think that is what they call themselves.

I want to pay a compliment to the great bulk of people who ship cigarettes. I do not want to be tedious about this. I have mentioned it before, but the great bulk of the people, 95 or 99 percent of them, obey the law, not only the law of Ohio but of every other State. They found out it was best to do it. Why do you shed so many tears over so few people? I expect one of the No. 1 men in the business went out of business in New York a few days ago when he took advantage of the bankruptcy laws.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. JENNINGS. There has been a good deal said in this debate about the loss of revenue to the Postal Department. Is it not a known fact that the Postal Department carries commodities like cigarettes, books, and other merchandise at a loss?

Mr. JENKINS. Yes. There is a bill pending in this Congress to increase the rate on second-class mail matter, because it does not pay. It is an unsound argument to advance by claiming that the Post Office Department loses revenue. It does not lose revenue when it costs $2 for every $1.50 that comes back in postage.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. RIVERS. Are you putting into the RECORD the amount of revenue lost by the respective States as a result of this tax?

Mr. JENKINS. I am not sure that I have them all. If I have, I will put them in the RECORD. My best recollection is that the States lose $40,000,000. In fact, I know that one person testified to that figure.

Mr. Chairman, I have prepared a complete brief showing the Supreme Court decisions on all phases of any charge that this bill when enacted into law will be unconstitutional. This brief is as follows:

The objection has been raised that such a measure as House Resolution 195 "may set a precedent for similar legislation with respect to other items upon which the States have imposed, or may impose, a sales or use tax."

As to this argument it is respectfully submitted that a precedent would not be established. On the contrary, the Congress actually has established a precedent for such action by enacting legislation to aid the States in the enforcement of certain State laws.

The Wilson Act of August 8, 1890 (26 Stat. L. 313, ch. 728), subjected intoxicating liquors transported into any State to the operation of State laws to the same extent as though they had been produced within the State, although still in the original package. This act was upheld by the Supreme Court in *Re Rahrer* (140 U. S. 545, 35 L. Ed. 572, 11 S. Ct. 865).

The Wilson Act did not apply until the transportation was completed by actual delivery to the consignee. Thus Congress enacted the Webb-Kenyon Act of March 1, 1913 (37 Stat. L. 699, ch. 90). This act prohibited the transportation of intoxicating liquors into any State where it was intended that they should be "received, possessed, sold, or in any manner used" in violation of its laws. The Supreme Court upheld this act in *Clark Distilling Company* v. *Western Maryland R. Co.* (242 U. S. 311, 61 L. Ed. 326, 37 S. Ct. 180).

Justice White, speaking for the Court, on page 324, said: "Reading the Webb-Kenyon law in the light thus thrown upon it by the Wilson Act and the decisions of this Court which sustained and applied it, there is no room for doubt that it was enacted simply to extend that which was done by the Wilson Act, that is to say, its purpose was to prevent the immunity characteristic of interstate commerce from being used to permit the receipt of liquor through such commerce in States contrary to their laws, and thus in effect afford a means of subterfuge and indirection to set such laws at naught."

The Hawes-Cooper Act of January 19, 1929 (45 Stat. L. 1084, ch. 79, 49 W. S. C. A., par. 65), provided that convict-made goods transported into any State should be subject upon arrival, whether in the original package or not, to the operation of State laws as if produced within the State. This act was upheld in *Whitfield* v. *Ohio* (297 U. S. 431, 80 L. Ed. 778, 56 S. Ct. 532). The Court in this case held that this was not a delegation of congressional power to the States but was a removal of impediment to State control presented by the broken package doctrine. The Court also held that there was no violation of the privileges and immunities clause of the Federal Constitution where the statute also prohibited sale in open market of goods made in Ohio by convict labor.

The Hawes-Cooper Act was followed by the Ashurst-Summers Act of July 24, 1935 (49 Stat. L. 494, ch. 412, 49 U. S. C. A., pars. 61, 62). This act relates to the interstate transportation of convict-made goods and has about the same provisions as those of the Webb-Kenyon Act with respect to intoxicating liquors. It also required that packages containing convict-made goods be labeled, disclosing the nature of the contents, the name and location of the penal institutions where the goods were produced, and the names and addresses of shippers and consignees. The act was upheld by the Supreme Court in *Kentucky Whip & Collar Company* v. *Illinois Central Railroad Company* (299 U. S. 334, 81 L. Ed. 270, S. Ct. 277). The opinion in this case, written by Mr. Chief Justice Hughes, contains an excellent review of congressional enactments "designed to prevent the use of interstate transportation to hamper the execution of State policy." The opinion stated "while the power to regulate commerce resides in the Congress, which must determine its own policy, the Congress may shape that policy in the light of the fact that transportation in interstate commerce, if permitted, would aid in the frustration of valid State laws for the protection of persons and property. * * * The Congress has formulated its own policy and established its own rule. The fact that it has adopted its rule in order to aid the enforcement of valid State laws affords no ground for constitutional objection."

Another instance of action by the Congress in order to protect the declared policy of the States is the enactment into law of prohibitions on the interstate transportation of lottery tickets, lists, etc. This legislation was upheld in the famous case of *Champion* v. *Ames* (23 S. Ct. 321, 188 U. S. 321). Justice Hughes, speaking for the Court, said: "In legislating upon the subject of the traffic in lottery tickets, as carried on through interstate commerce, commerce only supplemented the action of those States—perhaps all of them—which, for the protection of the public morals, prohibit the drawing of lotteries, as well as the sale or circulation of lottery tickets, within their respective limits. It said, in effect, that it would not permit the declared policy of the States, which sought to protect their people against the mischiefs of the lottery business, to be overthrown or disregarded by the agency of interstate commerce. We should hesitate long before adjudging that an evil of such appalling character, carried on through interstate commerce, cannot be met and crushed by the only power competent to that end."

By the enactment of the Connelly Act (15 U. S. C. 715), Congress declared its policy to be that of protecting interstate and foreign commerce from the diversion and obstruction of and the burden and harmful effect upon such commerce caused by contraband oil. In this act, contraband oil was defined as petroleum, any constituent part of which was produced, transferred, or withdrawn from storage in excess of the amounts permitted to be produced, transferred, or withdrawn from storage under the laws of a State. The constitutionality of this enactment was upheld in the case of *Griswold* v. *The President of the United States* (82 F. 2d 922). The Court said the purpose of the act was to aid the States in enforcing laws limiting the amount of oil permitted to be produced from wells in designated fields by prohibiting shipments of excess oil commonly known as "hot oil" in interstate commerce. It is settled that the law is a valid enactment of Congress to effect that purpose. In the case of *United States* v. *Skeen* (118 F. 2d 58), the Court said the statute authorizing district courts to enjoin persons dealing interstate in contraband oil from doing so is not invalid as an invasion of State powers or as improper legislation of interstate commerce since the act dealt only with interstate com-

merce for the purpose of supplementing State legislation. It takes up where State policy ends and by supplementing its legislation it makes effective the general will of the people of Texas expressed in its conservation laws.

Congress again aided the States in the enforcement of their laws by enacting a law prohibiting game birds killed contrary to State laws from being shipped in interstate commerce and prohibited transportation from one State to a State where the importation is prohibited by State law. In *Bogle* v. *White* (61 Fed. 2d 930) the court said the definition of the offense is the taking, capture, etc., of birds contrary to laws of the State and makes this section of the Federal law coextensive with and effective to enforce their acts. (The acts of the States.)

There are many other instances where Congress has regulated interstate commerce to prevent the use of that commerce as an impediment to State policy. Congress has provided for penalties for transportation or distribution in commerce of misbranded wool products (15 U. S. C. 68 (a)); has set up standards for shipment of goods or dry commodities in barrels of less capacity than standard barrels as defined (15 U. S. C. 235); has provided against the shipment of falsely marked gold or silverware manufactured after June 13, 1907 (15 U. S. C. 331); has provided against the shipment of firearms in interstate commerce (18 U. S. C. 361); has provided against the introduction into interstate commerce of adulterated or misbranded food products (21 U. S. C. 331); has provided against advertising securities without disclosing consideration (15 U. S. C. 77 (b)); has provided against the transportation of contraceptive drugs (18 U. S. C. 396). In the *Eureka Productions* v. *Lehman* (17 F. Supp. 259) the Court stated that the purpose of this section (18 U. S. C. 396) was to supplement State legislation.

The courts have upheld the regulation by Congress of interstate commerce to supplement State laws. As in the case of *Reid* v. *Colorado* (187 U. S. 137), it was held that Congress could prevent diseased stock from entering into interstate commerce. In the *Lottery Case* (188 U. S. 321) it was held that Congress could prevent the transmission of lottery tickets in interstate commerce. In the *Hipolite Egg Co.* v. *United States* (220 U. S. 45) it was held that Congress could prevent the transportation of adulterated articles if it would deceive or injure purchasers.

These instances are merely examples of Congress exercising police power with the field of interstate commerce for the benefit of the people. Congress can regulate interstate commerce to the extent of punishing and forbidding its use as an agency to promote immorality, dishonesty, or the spread of any evil or harm from one State to the people of another State (*Brooks* v. *United States* (267 U. S. 432)).

The unregulated sale of cigarettes in interstate commerce promotes violation of the law, and therefore the sale of cigarettes in interstate commerce from a nontaxing State to a taxing State where the seller does not collect the tax nor advise the State of those to whom he sells, but actually solicits business on the basis that the people of the State can evade their tax laws by purchasing from him, would be a proper case for Congress to act to prevent these sellers from aiding and abetting tax evasions by the citizens of a taxing State. The *Kentucky Whip case* (299 U. S. 334) states: "Congress has the power to prohibit the movement of harmless and useful goods in interstate commerce. The social interest of protection of life and welfare in business is sufficient to satisfy the due process of law requirement of the Constitution."

One who successfully evades his legal obligations obtains a competitive advantage over his law-abiding competitor. In the interest of fair competition among the sellers selling to those in taxing States, Congress should pass such legislation as proposed in H. R. 195. Congress should not let interstate commerce be used as a shield by the seller to secure an unfair competitive advantage over those sellers who must collect and do collect taxes under State law. For Congress to deny the right to supplement State tax laws in this instance would be to deny merchants an equal competitive basis under the law and unfair competition would be fostered as would tax evasion.

The opponents to H. R. 195 have questioned the constitutionality of such an act in that it would be a burden on interstate commerce and that such an enactment is not a valid exercise of Federal power.

The requirements set forth in H. R. 195 to require all out-of-State sellers to furnish the tax administrator of the State in which shipment is made with names and addresses of their purchasers, together with the cigarettes and the quantity thereof, is not a burden on interstate commerce in that he may either do this or collect and remit the tax as other sellers within the State. There is no discrimination, in that the State imposes a tax on cigarettes sold in the State as well as a tax on the use of cigarettes which are brought in from outside the State and consumed in the State. The United States Supreme Court has upheld the right of a State to require an out-of-State seller to collect the use tax (*General Trading Co.* v. *Iowa* (322 U. S. 335)). The effect of the law would not be to burden interstate commerce but, instead, would serve to alleviate unfair competition, as in the case of a resident-seller who must collect the tax whereas the out-of-State seller does not and, as a result, continually undersells the local dealer. However, Congress, within the limits of the fifth amendment, has the authority to burden commerce if they deem it a desirable means of accomplishing a permitted end (*Morgan* v. *Commonwealth of Virginia* (66 S. Ct. 1050)).

The opponents to H. R. 195 further state that they have a property right in the names and addresses of the customers and that H. R. 195 would violate the provisions against unlawful search and seizure. The same question was raised by Kentucky dealers under a Kentucky statute which required cigarette sellers to report alleged exempted sales to the tax commissioner. Such a list of customers and addresses was furnished Ohio under an agreement for mutual assistance in enforcing the Kentucky cigarette tax on Ohio use tax. *Dixie Wholesale* v. *Martin* (278 Ky. 275) held that transmitting such report to the commissioner was no violation of the Federal Constitution. Such act would not constitute (1) interference with interstate commerce nor (2) illegal search and seizure inasmuch as there would be no proceeding of any kind against the seller on the basis of information furnished and he may refuse to furnish the names and addresses of his customers by collecting the cigarette use tax. Certiorari was denied by the United States Supreme Court (308 U. S. 609).

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. JENKINS. Mr. Chairman, I yield myself one additional minute.

Mr. COOLEY. I wish to ask the gentleman, in view of the argument made by the gentleman from Georgia [Mr. CAMP], if he knows of any law that requires distillers of alcoholic beverages to transmit invoices to the States to which the whisky is sent?

Mr. JENKINS. No; they are not nearly as lenient as we are in this bill. They make it a violation of law.

Mr. COOLEY. But they do not require the transmittal of invoices.

Mr. JENKINS. No. That is a complement to this bill. All a man has to do is to send an invoice or statement that he has sent the cigarettes into the State. It is very simple, more simple than in any other law of this kind.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may require to the gentleman from Virginia [Mr. HARRISON].

BUREAUCRACY EYES THE CIGARETTE TAX

Mr. HARRISON. Mr. Chairman, this bill will impose upon the Federal taxpayer the cost of enforcing local tax laws in many States and cities. It will impose unfair and unconstitutional restrictions upon tobacco, a great agricultural industry.

Tobacco is paying an excessive and oppressive share of the taxes collected by the Federal Government, the States, and some municipalities. From each pack of cigarettes the tobacco farmer is lucky if he gets 2 cents. The Federal Government levies 7 cents on every pack. On top of this, 39 States have seen fit to levy a tax of from 1 to 8 cents a pack. In recent years, municipalities have imposed additional sales levies.

And now, in this legislation, these States and large cities want to spend the money of Federal taxpayers, including that of tobacco farmers themselves, to increase the unconscionable burden which tobacco growers already are forced to bear.

I have listened with interest to the distinguished Representatives from large eastern areas in their descriptions of the desperate need of their States and cities for the revenue from taxation of cigarettes. I sympathize with their predicament. Possibly if they could induce the authorities of their States and cities to practice economy in government, as we do in Virginia, their problems would not be so pressing. But that is a matter that lies within the discretion of their local governments. All we in rural areas ask of them is that they manage their own affairs and leave us alone to manage ours.

But this is something the great urban centers of the northeastern section of the country simply will not do. They want this Congress to pass laws telling us who may vote in our local elections; they want Federal laws taking from us our local police powers; in their iniquitous FEPC proposal they want to subject all business and business relations to total control of Washington bureaucracy, enforced by a Federal gestapo.

Although theirs is the wealthiest section of the Nation, we never turn around without finding their governors or mayors, hat in hand, begging for Federal money to bail them out of some trouble of their own making. They want to impose additional crushing taxation upon us to build houses in their great cities to be rented to their citizens on subsidy supported by Federal taxation. They want to tax us to provide for them when they are sick and when they are well, when they are young and when they are old. In extortionate tariff levies they impose heavy burdens upon

us to protect their industries from competition.

In the bill now before the House, they want the Federal taxpayer to put up the money and provide the police to do the budgetary housekeeping in their own States. For this purpose the swollen Federal bureaucracy must have more agents, more prosecutors, more personnel to provide for this adventure in snoopery.

They claim that mail orders for cigarettes paying no State taxes on tobacco have reached the proportions of big business. If this is true, the passage of this bill will add substantially to the large loss in the operation of the Post Office Department by depriving it of the postage revenue from mail-order shipments. It is only in States which have resorted to unreasonable imposts on cigarettes that tax avoidance through mail purchases has become a problem.

It is true that the tobacco farmer is the only producer hurt in this particular bill, but I want to warn those of you who do not represent tobacco-growing areas that those States and cities which tax tobacco so heavily that they have to come to the Federal Government to enforce their levy on their own citizens already are taxing everything in the heavens above, the earth beneath, and the waters under the earth. Once they get the Federal Government to act as policemen over tobacco, they will be here asking for the same bureaucratic control on products grown or manufactured in your district.

For these reasons I urge the defeat of this measure.

Mr. JENKINS. Mr. Chairman, we have no further requests for time on this side.

Mr. DOUGHTON. Mr. Chairman, I yield the remainder of my time to the gentleman from Tennessee [Mr. COOPER].

The CHAIRMAN. The gentleman from Tennessee is recognized for 8 minutes.

Mr. COOPER. Mr. Chairman, it is not my intention to ask the indulgence of the House very long on this occasion. I believe that any opposition to the pending bill can readily be cured by reading the bill by sections. The bill is simple, and its purpose is very clear: The main purpose and effect of the enactment of this legislation is to require the citizen of a State to observe the laws of his own State; that is all there is to it. If a man lives in a State that has a State cigarette tax and he wants to order cigarettes from some other State where there is no tax, wants to order them for the purpose of evading the tax levied by his own State, he is the man who should be designated as the tax evader, or whatever you wish to call a man who is evading a tax imposed by his State on cigarettes.

When the distinguished gentleman from North Carolina, my good friend, the chairman of the Committee on Agriculture, said that he was against all tobacco taxes, he covered his field; and that is the reason for his speech. He is against all tobacco taxes. But 39 States of the Union, in the wisdom of their legislatures, have seen fit to levy a cigarette tax. The purpose of this bill is to assist those States in the collection of that revenue from the citizens of those States, and that is all it amounts to.

The only duty or obligation imposed upon anybody under this bill who ships cigarettes into a State where a State tax is imposed is simply to forward to the taxing authority of that State a copy of the invoice, or a simple memorandum; in other words, if somebody in the great State of Missouri, where they do not have a State cigarette tax, wishes to send a shipment of cigarettes to my State of Tennessee, he simply mails to the commissioner of finance and taxation of the State of Tennessee a copy of the invoice or a simple memorandum that he has shipped those cigarettes, and he is free; no other duties or obligations are imposed upon him. He simply states to the commissioner of finance and taxation of Tennessee in writing that: "On the 17th day of May 1949, I shipped to JERE COOPER, at Dyersburg, Tenn., 10 cartons of Camel cigarettes." That is all. There is no further duty or obligation imposed upon him. It is thought by your committee that this is only a fair and reasonable degree of cooperation for the Federal Government to give these 39 States to help them see to it that the citizens of those States obey the laws of the States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman has been a member of the Ways and Means Committee for a number of years. Can he tell us of any other single solitary Federal act comparable to this?

Mr. COOPER. The gentleman asked that same question a year ago.

Mr. COOLEY. And I got no answer.

Mr. COOPER. I answered it then and many others have answered it. There are many, many acts of Congress directly comparable with the pending bill. There is no question about that. The hearings amply show it. And if the gentleman will take the time to look them up or simply walk back there to the table, the clerk of the Ways and Means Committee will be delighted to point them out to him and assist him in that respect.

Mr. COOLEY. If the gentleman will mention one of the acts I would appreciate it.

Mr. COOPER. There are plenty of them. The gentleman from Georgia [Mr. CAMP] has already mentioned quite a number of them.

Mr. COOLEY. None of them are applicable.

Mr. COOPER. Every one of them is absolutely and directly applicable.

As I said a moment ago, 39 States of the Union impose a State cigarette tax. By this method that has developed very largely in recent years of people setting themselves up in business in a State where the cigarette tax is not imposed and shipping cigarettes into States where the tax is imposed, the States imposing the cigarette tax are losing around forty or fifty million dollars a year in State revenue by reason of this evasion. As I said earlier, it simply means that a citizen of that State is evading the law of his own State.

This State tax ranges all the way from 1 cent a pack in West Virginia to 8 cents a pack in the State of Louisiana. Think about that for a moment. Think about what 8 cents a pack on cigarettes means. If they are evading the tax, the profit of that amount will run to an enormous figure. Some States have six, some five, some four, I believe more of them have three than any other figure. When you consider the margin of profit in a package of cigarettes and consider further the fact that you are shipping them in volume—maybe a dozen or 20 or 50 or 100 cartons—you can see how much this tax amounts to. These people are largely setting themselves up in business to make the profit of this tax on the sale of cigarettes, thereby enabling the citizens of a State to evade the law of their own State and prevent the payment of a tax the legislature of that State has imposed upon them.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. The gentleman heard the statement made a while ago that the Post Office Department would lose some $2,000,000 by virtue of the revenues they were getting. Is it not a fact that Postmaster General Donaldson has stated that the Post Office Department is losing money on the parcel-post business?

Mr. COOPER. That is absolutely true. In all probability the mailing of these invoices and these memoranda by first-class mail will bring in more revenue than the Post Office Department will lose on the parcel-post items.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I am deeply interested in the gentleman's analysis because he is very basic in his consideration of legislation. Does he think it will follow that cosmetics and other things will come in the same category as we place cigarettes if this legislation is passed?

Mr. COOPER. I appreciate the gentleman's comment, but nothing else can come under this law unless the Congress acts.

Mr. McSWEENEY. Could it not be applied upon cosmetics as well?

Mr. COOPER. I do not think so; the fact remains that nothing of that kind could be done unless the Congress passed legislation providing for that.

Bear in mind another thing, as was pointed out earlier, with the exception of liquor, you can scarcely find any commodity that carries as high a relative tax as cigarettes and tobacco. I do not think it would establish a precedent at all.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. I used the example of a citizen of Pennsylvania sending a letter to Chicago, a mail-order house, and ordering four cartons of cigarettes. Under this bill the mail-order house will send a copy of the invoice to the State of Pennsylvania that the mail-order house has sold the citizen of Pennsylvania four cartons of cigarettes. Now may I ask the gentleman this question? If the tax is imposed upon the sale of the cigarettes in the State of Pennsylvania, how will any law declare the consumer, the citizen who merely consumes that cigarette, in violation of the law, or a bootlegger—how will this act assist the State in collecting any tax there?

Mr. COOPER. That will depend entirely on your State law. If the State statute in Pennsylvania imposes a use tax on cigarettes, and your State taxing official—in Tennessee it is the commissioner of finance and taxation, but whatever your comparable State official is—when he has knowledge that John Jones in a certain city in Pennsylvania has received this shipment of cigarettes, then it is his duty to apply the law of the State of Pennsylvania. If that law imposes a use tax, he can collect. Of course, if there is a defect in the law of the State of Pennsylvania, that is a job for the State Legislature of Pennsylvania.

Mr. CAVALCANTE. If the State law imposes a sales tax, there has been a sale of cigarettes made, but the State of Pennsylvania cannot collect any tax.

Mr. COOPER. That will depend on your State law.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Oklahoma.

Mr. STEED. The gentleman is aware that while the testimony shows that this year several States are losing forty to fifty million dollars in revenue, the history of this whole thing, since the imposition of cigarette taxes, is that each year it gets larger, and, unless the Congress acts on this bill, as the years go by this loss can be expected to increase to many millions of dollars more than the record now shows is being lost.

Mr. COOPER. The gentleman is correct. On page 72 of the hearings you will see a list of the 39 States that impose a cigarette tax. You will find the amount of the tax ranging from 1 to 8 cents a pack; you will find in the year 1948 the amount received from that tax and then you will find also the amount of the loss of the tax to those different States.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. DONDERO. Not long ago the National Building Administrator came before the Committee on Public Works, Mr. Reynolds, in whom we have a great deal of confidence, and said that if it were not for the parcel post that the present facilities of the Post Office Department in this country were sufficient to handle the traffic. But, this particular item that is brought up under this bill adds to the burden of the handling of the parcel post, because a great deal of this business goes through that channel, or nearly all of it.

Mr. COOPER. The gentleman is absolutely correct, and to use his great State of Michigan as an example, I believe the figures here show that the State of Michigan is losing about three and one-third million dollars a year in revenue on the State cigarette tax.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That as used in this act the term—

(a) "person" means any individual, partnership, corporation, or association;

(b) "disposing of" means any transfer including a gift of more than 200 cigarettes;

(c) "cigarette" means any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and whether or not such tobacco is flavored, adulterated, or mixed with any other ingredient, the wrapper or cover of which is made of paper or any other substance or material except tobacco;

(d) "licensed distributor" means any person authorized by State statute or regulation to distribute cigarettes at wholesale or retail;

(e) "use", in addition to its ordinary meaning, means the consumption, storage, handling, or disposal of cigarettes;

(f) "tobacco tax administrator" means the State official duly authorized to administer the cigarette tax law of a State.

With the following committee amendment:

Page 1, line 6, after "transfer", strike out "including a gift of more than 200 cigarettes" and insert "for profit."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. Any person selling or disposing of cigarettes in interstate commerce whereby such cigarettes are shipped to other than a distributor licensed by or located in a State taxing the sale or use of cigarettes shall, not later than the 10th day of each month, forward to the tobacco tax administrator of the State into which such shipment is made, a memorandum or a copy of the invoice covering each and every such shipment of cigarettes made during the previous calendar month into said State; the memorandum or invoice in each case to include the name and address of the person to whom the shipment was made, the brand, and the quantity thereof.

SEC. 3. Whoever violates the provisions of this act shall be guilty of a misdemeanor and shall be fined not more than $1,000 or imprisoned not more than 6 months, or both.

Mr. CHUDOFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHUDOFF: On page 3, at the end of the page add a new section, as follows:

"SEC. 4. Any tax recovered by any State by virtue of the enforcement of this act shall pay into the Treasury of the United States a sum equal to 10 percent of all such taxes recovered."

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill or any provision of the bill.

The CHAIRMAN. Does the gentleman from Pennsylvania desire to be heard on the point of order?

Mr. CHUDOFF. I will stand by the decision of the Chair, Mr. Chairman.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Pennsylvania adds a new section, section 4, which is, by its own language, legislation that is not germane to the bill in question. The point of order is sustained.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes, pursuant to House Resolution 190, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

THE FEDERAL SECURITY AGENCY, WHEN ESTABLISHED AS A DEPARTMENT OF WELFARE, SHOULD NOT INCLUDE THE UNITED MEDICAL ADMINISTRATION

Mr. HOFFMAN of Michigan. Mr. Speaker, the bill to create a Department of Welfare was on the schedule for consideration today, but was withdrawn with the suggestion that it would come up at some later date.

In anticipation of its reappearance, I wish to ask consideration at this time of some of the reasons why the Hoover reports, rather than the recommendations of the Federal Security Agency, should be followed.

Because the consideration of an action on H. R. 782, a bill to constitute the Federal Security Agency a Department of Welfare, which is the first measure sent to the House purporting to embody recommendations of the Hoover Commission, may establish a precedent, careful consideration by the Members is warranted.

The Congress established the Hoover Commission in a so-called last-ditch effort to bring about economy and efficiency in the sprawling executive departments, about which the Comptroller General of the United States, Lindsay C. Warren, testifying on January 25, 1949, before the House Committee on Expenditures in the Executive Departments on the question of the reorganization of Government agencies, said:

Of course, some of these problems may be solved by the Hoover Commission's report, but it is too much to hope they can all be worked out at once, by any over-all master plan, and, anyway, some method must be provided to translate into law their valid recommendations.

That is why I said, and still, on the whole, reiterate, that the present set-up is a hodgepodge and crazy quilt of duplications, overlappings, inefficiencies, and inconsistencies with their attendant extravagance. It is probably an ideal system for the taxeaters and those who wish to keep themselves perpetually attached to the public teat, but it is bad for those who have to pay the bill. That is why I say the Government should put its own house in order.

The Hoover Commission, made up of men of outstanding ability and character, with its assistants, practically all of whom were experts in their line, spent almost 2 years in gathering facts and reaching conclusions.

The cost of the Commission's activities approximated $2,000,000 and even a casual reading of the reports shows that the money was well spent.

President Truman approved of the activity and has requested, and will undoubtedly within the month get, enabling legislation permitting him to send to the Congress his recommendations, which, when considered with those of the Commission, should enable the Congress to enact effective legislation which will tend to bring economy and efficiency to the executive departments.

The present bill, which seeks to establish a Department of Welfare, was reported to the House on the 15th of February, this year.

This bill was written by the legal department of the Federal Security Agency. Note the testimony:

Mr. PFEIFFER. Did you or did you not have anything to do with the drafting of this legislation?

Mr. EWING. I saw the draft before it came up here. The bill was originally drafted, I think, in our legal department.

* * * * *

Mr. PFEIFFER. You are not the author of this bill, then?

Mr. EWING. I didn't write it; no. It was written in our legal department.

Mr. PFEIFFER. But you did see it before it was presented?

Mr. EWING. Oh, yes.

In view of the testimony of Mr. Ewing, it may fairly be stated that one of the purposes of the bill was to enlarge the Department, to extend its power.

It is a matter of common knowledge that, although several statutes forbid and make it a criminal offense for executive agencies to use Federal money to propagandize their existing and proposed activities and the claimed need therefor, the line of demarcation between the furnishing of useful and essential information and propaganda is difficult to define.

Mr. Ewing himself was questioned as to his views on propaganda and he quite frankly attempted to justify his own activities along that line. In substance, he claimed that he not only had the right, but that it was his duty to convince people—taxpayers—as to the necessity of spending additional tax dollars for future extended, as well as for the present, activities of the Department in which he was interested.

He insisted that it was his right to travel about the country disseminating information advocating the extension of the activities of the Department over which he was the head, even though that information was compiled through the expenditure of Government funds.

His testimony along that line does not appear in the record. He evidently deleted it, but he gave it, and specific instances of Mr. Ewing's advocacy of socialized medicine, of the end of segregation, of Federal aid to education, can be cited.

The Hoover Commission's reports were not referred to the House until March, and the present bill does not follow the recommendations of that report.

Nor has the President as yet had an opportunity to send up to us his views as to the establishment of a Department of Welfare and the inclusion therein of the activities of the Public Health Service.

When the bill was reported out, a minority report was filed in which, among other things, it was said:

While the minority members are in favor of the objectives of this legislation, this bill, H. R. 782, is premature and may not be in accordance with the recommendations of the Hoover Commission's report.

And further:

Apparently it is an effort on the part of the Federal Security Agency to, as it were, "jump the gun" to now obtain more power or a wider jurisdiction over additional social services to be rendered by the Federal Government to various segments of the population. It seems on its face to be an effort of this particular agency to "blow itself up" not only from an agency into a department but to give it exclusive jurisdiction over departments or agencies of health, education, and the general welfare of the people.

Subsequent events have shown the wisdom of the minority report, for the Hoover Commission, in its task force report on Federal medical services, supplement to appendix O, page 1, dated February 8, which was not before the committee when H. R. 782 was considered and reported out, as well as in reports, recommended that there be established an independent medical agency, to function either as an independent department or agency.

In deciding that question, among other things, it said:

It remains to consider whether such an alternative would be preferable. This question has been fully considered by our committee, and we have reached the conclusion that such an independent organization would be preferable to placing this function in a larger department, as the Commission originally proposed.

In favoring this, we recognize that such an organization would create some additional problems. For example, the administration of health and welfare require close coordination in certain areas. Their separation would require an adjustment of the dual functions of the Children's Bureau and of the Office of Vocational Rehabilitation. These, however, can be solved without undue difficulty.

The advantages of an independent agency are:

(a) The health agency, if submerged within a multipurpose department, would be more likely to find its health functions impeded by collateral considerations pertaining to welfare and insurance.

(b) Appropriations for health should, if possible, be clearly identified as such and not confused with those for social security, welfare, or other social programs.

(c) Other departments, such as the armed forces, using the medical-service agency would be concerned only with its health functions as such and would thus be protected from any collateral and irrelevant considerations having to do with welfare, social security, etc.

(d) The special personnel policies which we have recommended in our main report (sec. XI) could be established with much greater freedom and better success for an independent agency than they could be for one of three bureaus standing side by side in a single department. The new plan would, therefore, greatly facilitate obtaining personnel of the highest quality for the key positions. Under the previous plan, this was a problem which occasioned serious concern in our minds because of the contrast between the great responsibilities of the director general and the heads of his three main divisions (especially the Medical Care Division) and the relatively limited governmental position and pay of the head of a bureau and the chiefs of its subordinate divisions. We believe, therefore, that the new proposal would go far to solve this problem which we regard as the most serious affecting the original plan.

(e) The head of such an independent agency should be assisted by an advisory committee, representing the several departments and agencies which would be the principal users of medical services, such as the Medical Departments of the Army, Navy, and Air Force, the new proposed Department of Welfare, and the Veterans' Administration. With the agency independent, it would be more flexible to adapt its services, with the assistance of such advisory committee, to the needs of the several interested departments and agencies in its medical-care facilities, in the training and staffing of professional and technical personnel, in its public health functions, and in other ways.

In considering the establishment of such an independent health agency, our committee again calls attention to a most important consideration pointed out in chapter III (p. 26) of our main report. The agency should be headed by a professional career director general. Under the new plan he should report directly to the President, and should, in the nonmilitary Federal medical organization, be the highest ranking physician in the Government. The supreme medical importance of the position of the Director General should command, irrespective of all other considerations, the ablest medical and health administrator whose services can be obtained by the Government.

For these reasons, the committee views the present proposal for an independent organization as a significant improvement over the previously submitted plan.

The Commission's report on medical activities, which was transmitted by Mr. Hoover to the Congress on the 16th day of March 1949, among other things states:

REORGANIZATION OF FEDERAL MEDICAL ACTIVITIES

The immediate purpose of the Commission, in recommending reorganization of Federal medical activities, is to unite the functions now in five major agencies so as to eliminate overlap, waste, and inefficiency. The proposed form of organization is a unification in which each of the major agencies will have an advisory voice in management.

However, the much wider and critically necessary objectives are:

First. To provide better medical care for the beneficiaries of the Federal Government's medical programs.

Second. To create a better foundation for training and medical service in the Federal agencies.

Third. To reduce the drain of doctors away from private practice. The country is now dreadfully short of doctors.

Fourth. To provide better organization for medical research.

Fifth. To promote a better state of medical preparedness for war.

RECOMMENDATION NO. 1

To accomplish these purposes, the Commission recommends the establishment of a United Medical Administration into which would be consolidated most of the large-scale activities of the Federal Government in the fields of medical care, medical research, and public health (in which we include preventative medicine).

It should be said at once that, under this plan, the military medical services would remain intact, except for hospitalization within the United States. Each of the three services would retain one major teaching and research center (such as the Naval Medical Center at Bethesda, Md., and the Walter Reed General Hospital, Washington, D. C.). The professional personnel of the services may be assigned to the new Administration for duty, research, and training. The proposed United Medical Administration would provide the major part of all hospital care required by the military forces in the continental United States.

The Veterans' Administration would continue to certify patients for treatment and would determine disability, ratings, etc., but the United Medical Administration would look after veterans' medical care.

The recommendation of our task force that medical supply be centralized in a single agency, preferably in one of the armed forces or in the United Medical Administration, merits favorable consideration.

In reaching the conclusion that medical services should be unified, the Commission had the aid of extensive surveys by its distinguished task forces on medical services and on the national security organization. The recommendations set forth in our report are generally in accord with those submitted by these two task forces.

The task force on medical services was instructed to "base its orlignal report on the premise that the Commission will recommend a Cabinet department embracing health, education, and security." However, in view of the size of the medical operations of the Federal Government and the extreme dissimilarities among the activities which would have composed such a department, the task force was later requested to consider the advisability of placing medical-service functions in a single agency. Its supplementary report favors very strongly a separate United Medical Administration. This supplement, with the task force's main report (appendix O) is being transmitted separately, along with this Commission's report.

A proposed United Medical Administration is recommended in subsequent pages of the report beginning on page 15, where it is said:

Only the creation of a new United Medical Administration can remedy the weaknesses of the present organization and give the leadership, direction and planning urgently needed. To it would be transferred the Government's major services in the field of medical care, public health, and medical research.

The Nation's vast medical services, which we have noted lack any central plan of operation, require unified responsibility. The Government must have a central plan if waste and inefficiency are to be avoided. The advantages of unification of Federal medical services include the following:

(a) The general standard of Federal medical care would be improved.

(b) There would be central supervision of the major Federal medical care, public health, and medical research activities. Unified responsibility is the key to good management. The President, the Congress, and the public could look to one man for results.

(c) Construction costs could be standardized and reduced.

(d) Federal hospitals could be utilized to the fullest extent by eliminating present distinctions as to the particular types of beneficiaries for which each can care. After all, a patient is a patient whether he is a veteran, a merchant seaman, or in the Army, Navy, or Air Force.

(e) The medical manpower at the call of the Federal Government could be used to the fullest extent, and present deficits in skilled personnel could be greatly reduced.

(f) The need for any draft of medical manpower in time of peace would be greatly lessened.

(g) The cost of health and medical services would be clearly identified and known to Congress.

(h) The facilities of private hospitals and the skills of physicians in private life and in the universities could be utilized far more effectively than they are now.

The Commission's report on Social Security, Education and Indian Affairs, which was transmitted to the Congress by Mr. Hoover on the 18th of March, 1949, states, page 4:

In our report on medical services, we have recommended a separate United Medical Administration, reporting directly to the President. That agency would embrace the major hospitalization, medical research, and public health activities of the Government and, by its creation, bring about better medical care, development of medical staff, research, and protection of public health, together with large economies in administration.

The same report on the same page calls attention to the fact that the commission in its report on the Labor Department had recommended the return of several agencies now in the Federal Security Agency to the Labor Department. The report then continued:

There remain, however, certain most important bureaus or agencies relating to education and security which must be organized into a workable department. They are now, with one exception (the Bureau of Indian Affairs), in the Federal Security Agency.

The size of these agencies, after making the changes we have outlined, is somewhat indicated by the fact that they embrace about 20,000 employees. The administrative expenditures would be roughly $50,000,000. The grants-in-aid to be distributed would approximate $800,000,000 (in addition, the budget for 1950 includes $301,200,000 for Federal aid to education and $65,000,000 for the extension of public assistance programs). For the calendar year 1948, the collections of old-age and survivors insurance approximated $1,688,000,000, and the disbursements $550,000,000. The accumulated funds on August 31, 1948, were $10,388,000,000.

While we discuss the educational problems at greater length later, it may be said here that it has long been suggested that the educational activities of the Federal Government should be given independent or Cabinet status. However, the Federal Government is not engaged in direct educational activities (except in a small way in the case of Howard University). Its function is that of stimulating educational advancement by research, issuing publications, and making grants-in-aid to the States. The administrative staff required is less than 500 persons.

We believe that the functions, including education, which we propose to assign to this Department have such an important relationship to the formation of the domestic policies of the Government that the person in charge of the functions should be a member of the President's Cabinet.

RECOMMENDATION NO. 1

We therefore recommend that a new Department to administer the functions set forth in this report be created and headed by a Cabinet officer.

EVERYONE WANTS IT

Efficiency and economy in the executive departments, the objectives of the Hoover Commission, have the approval of President Truman and every thinking citizen who has the welfare of the country at heart. An overwhelming majority of the people, if communications from our constituents and the comments in the public press are to be considered, support in general the findings and the recommendations of the Hoover Commission.

Action by the House on this bill is the first test as to whether the principles enunciated in the recommendations of the Hoover Commission are to be followed or whether the Congress is to follow the time-honored procedure of permitting the agencies, the bureaus, and the departments in the executive department to write legislation designed, not primarily in the interests of the people as a whole, but to further the purpose and the objectives of the various agencies, bureaus, and departments.

It is only natural that an agency, bureau, or department, once established, should seek to enlarge its sphere of influence, to increase its personnel, bring under its jurisdiction additional activities of the Government. That has been the procedure in the past every time the Congress sought to economize in or make more efficient the executive branch of the Government.

It was because, and only because, the Congress realized the futility of its efforts that it created the Hoover Commission and gave it almost $2,000,000 to outline the legislation which was needed to accomplish what the people and the Congress have long desired—economy and efficiency.

If we adopt this bill as it is written, we will, in my opinion, have again surrendered to the bureaucrats in the executive department, in this instance to the Federal Security Agency.

We will have denied to the President of the United States the opportunity to send up to us his recommendations under a reorganization bill which we will have adopted before the month is ended.

We will have repudiated the recommendations of the Hoover Commission.

The passage of this bill as written will be a notice to the economy-minded people of the United States that the Congress lacks either the ability, the inclination, or the courage to give them what they so greatly desire—economy and efficiency in the executive branch of their Government.

This bill should be recommitted to the committee, which will undoubtedly shortly have before it some of the President's recommendations on reorganization.

The committee can then, after considering the Hoover recommendations and

the recommendations of President Truman, write a bill creating a Department of Public Welfare and an independent agency to deal with the medical activities of the Federal Government.

A plan for such an agency is outlined in the Hoover reports to which reference has just been made.

EXTENSION OF REMARKS

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include an editorial from the St. Louis Post-Dispatch on the two hundred and fiftieth anniversary of the founding of Cahokia, Ill.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a manuscript entitled "National Constitution and Bylaws of the Auxiliary of AMVETS—American Veterans of World War II."

I have an estimate from the Public Printer that this extension will make three and two-thirds pages in the CONGRESSIONAL RECORD at a cost of $275; notwithstanding, I ask unanimous consent that the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELSTON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Cincinnati Times-Star of May 10.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. DONDERO asked and was given permission to revise and extend his remarks in the RECORD.

AMENDING FEDERAL CROP INSURANCE ACT

Mr. McSWEENEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 212 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. McSWEENEY. Mr. Speaker, House Resolution 212 makes it in order to consider a bill which has to do with the increase of and continuation of crop insurance. Those of us who come from agricultural communities realize how important this legislation is. I learned that this was reported out unanimously by the Committee on Agriculture. Therefore, I am not going to take up the time of the House to discuss it further.

Mr. Speaker, I reserve the balance of my time and yield to the gentleman from New York [Mr. WADSWORTH] one-half hour. The gentleman from New York has consented to represent the minority on the rule.

Mr. WADSWORTH. Mr. Speaker, the gentleman from Ohio has described the purpose of the bill. Since there are no requests for time on this side, I yield back the balance of my time.

Mr. McSWEENEY. Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3825, with Mr. MONRONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] is entitled to 1 hour and the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is entitled to 1 hour.

The gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill before us at this time continues the Federal crop insurance program on an experimental basis.

I am sure most of you will recall that the original crop-insurance program was all too ambitious. At the time we embarked upon it, it was contemplated that we might suffer losses aggregating as much as $100,000,000. The fact is the losses were very substantial, but did not amount to as much as $100,000,000. This bill provides for authority to write off of the books of the Corporation the amount of accrued losses to date. Those losses were so substantial that everyone knows it will never be possible for the Corporation to earn enough to become solvent. We have, according to our report, a deficit of approximately $73,000,000.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. AUGUST H. ANDRESEN. The losses to which the gentleman has referred were losses that were incurred prior to the institution of the experimental program?

Mr. COOLEY. The gentleman is correct. Since the program has been on an experimental basis it has operated rather successfully, and according to the information before the committee last year the premiums collected amounted to $12,500,000. The losses amounted to $5,200,000.

In addition to authorizing the writing off of the losses which have accrued to date, the program is continued on an experimental basis, on a somewhat broader basis, however, because the Corporation is permitted to increase the number of counties by not to exceed 50 percent in any one calendar year.

Someone asked the question before the Rules Committee as to the participation. According to our information, in wheat the participation has been 37 percent of the eligible growers in the counties in which the program was in effect. The eligible growers of corn in the counties where the program was in effect was 20 percent; flax, 35 percent; tobacco, 35 percent; cotton, 13 percent; beans, 26 percent; multiple crop insurance, 26 percent.

The committee has authorized the Corporation to enlarge its multiple crop insurance program, which we think should be done.

The administrative expenses, of course, are not paid from the premiums, but are borne by the Government.

There is one other provision I would like to call attention to. We have authorized the Corporation to investigate the feasibility of a crop insurance program on livestock. I am sure you will also recall that a provision was inserted in the bill some time ago which required the Corporation to operate on an actuarially sound basis, after the passage of 2 or 3 years, or perhaps 3 or 5 years. That was not considered practical in view of the fact that you could not determine the losses incurred in any 1 year until all the claims had been submitted and adjudicated, and in the event some of the claims were to become involved in litigation court action might result in delay in the payment to many policyholders who would be entitled to benefits. Since it does appear that the program is now operating successfully we thought that it was no longer necessary to have that restriction in the law, so the bill removes the restriction.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Mr. Chairman, I yield myself two additional minutes to yield the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish to make this observation in the gentleman's time and have his reaction to it: We have had some very disastrous results in the crop-insurance program. We are now operating it on an experimental basis. The only thing that I fear under the present proposal is a larger expansion of the experimental program than is advisable. We have had the experimental program in operation for 1 year, one of the best crop-growing years we have had in the history of our country; and, of course, it makes a good showing.

They collected more in premiums than they paid out in losses. I only sound this as a word of caution because should we have extensive crop failures under the new experimental and expanded program, crop insurance will be gone forever; that is, if we have to pay out considerable money from the Treasury. I am hopeful that those who administer the law will go slowly in picking out counties and conducting this expanded experimental program, because I feel that one of the strong planks in a sound and long-range farm program would be an insurance program to secure the farmers in the losses they might have at least for the expense of putting in the seed and tilling the soil. I want a self-sustaining program, one that will carry its own weight; and I am sure the gentleman will agree with me on that point as a part of the long-range permanent farm program.

Mr. COOLEY. I agree with the gentleman, and I believe that the entire membership of our committee agrees with him in that regard, but I do not think we have expanded the program too much by this pending legislation; time alone, of course, will tell. I agree with the gentleman that it would be well for the Corporation to go slowly and not to expand too rapidly.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Kansas is recognized for 10 minutes.

Mr. HOPE. Mr. Chairman, we have had crop-insurance legislation on the books since 1938, and some kind of program in effect most of the time since that date. Crop insurance has had a rather checkered history. It certainly has not been a successful program up until, I would say, the last year when it was on an experimental basis. I believe, however, that we have learned a great deal about crop insurance in the course of these programs, and there is no doubt in my mind but what we are in a far better position now than we have ever been to carry out a successful program. I believe it is only fair to the program to state that a considerable part of the difficulty that we have had with crop insurance in the past has been due to poor management; I think part of it is due to the fact that we started out on the wrong theory in the first place. Crop insurance was begun at a time which was not too far removed from the period of the drought, the dust bowl, and low farm prices. Very frankly, I think that those who were administering the program in the early part of it were more or less of the opinion that they were carrying out a relief program and administered it very much in that fashion.

The losses were so great that in 1943, I believe it was, the Appropriations Committee refused to make any further appropriations for crop insurance and efforts were made to wind up the program altogether. However, following that we amended the law, putting some safeguards in it, but even with those changes we had a very disastrous program in connection with cotton during the 1946 crop year with a loss of over $50,000,000 in cotton alone, a very large part of it due to extremely heavy losses in west Texas. I think anyone who has looked into the matter will agree that a great part of those losses was due to mismanagement on the part of the Crop Insurance Corporation.

In 1947 we enacted legislation putting the program entirely upon an experimental basis, one which took into account what we had learned through past experience. Perhaps the greatest change made was one which to a large extent eliminated the moral risk. The fact that we had such a high moral risk in the early crop-insurance program is responsible more than anything else for its failure, because the way the program was set up in wheat and cotton in its early years it was frequently more profitable to have a loss than to grow a crop. You cannot make any kind of an insurance business a success if it is more profitable to have a loss than not.

We have a program now which has very largely eliminated that factor because we do not insure any producer for more than the amount he has invested in a crop. There is no way by which he can gain any advantage for himself by having a loss as compared with producing a crop.

Mr. Chairman, it is only fair to say that the Crop Insurance Corporation at the present time is under extremely good management. Mr. G. F. Geissler who has managed the Corporation during the last 2 years is one of the most competent and able administrators in the Government service. He has done an excellent job and I know the committee has been very much impressed with it.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. MICHENER. I want to impress upon the farmers of the country and in my district in particular, and those interested in this crop-insurance program, the fact that this bill writes off a loss of $73,000,000. I was one of those in 1938, when this matter was first suggested, who felt, and so expressed my feeling at that time, that this matter should be handled as ordinary insurance by the private insurance industry. We were told at that time by the insurance companies that the risk was too great, that they could not afford to take the chance, in fairness to their other risks; but the assurance came from the farmers and the groups advocating this crop insurance that there would not be any losses. I believe in crop insurance if it can be provided by private companies, and if not, then by the method suggested in this bill. In these days when the Government is being asked to do so much for all of the people all of the time, it is well to point out the cost to the taxpayer. We must proceed with caution. I have much faith in the gentleman from Kansas, whose approach to all farm problems is always sound and objective. We have now done some pioneering work. It has been proven that these experiments cost a lot of money, and I hope we have gotten $73,000,000 worth of benefit out of the experience. When I go back home and when other Members from agricultural districts go back home and talk with the farmers who are so enthusiastic about this crop insurance, I hope that they will understand that there has been a loss and that we are trying to work out something now so that we will avoid these losses in the future.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I always turn to the gentleman from Kansas for information on agricultural matters since serving with him on the Committee on Agriculture. Is it necessary to charge off all of the $73,000,000? Will there not be any possibility for some earnings to come under this present law that might take care of, say, half of it?

Mr. HOPE. I might say this to the gentleman, that if we had a full program now, there would be a better chance, of course, for some earnings that might absorb part of this loss, but the program we are on now is simply an experimental program. It covers only a few commodities. It is in effect in only a comparatively small number of counties, less than 400 counties in the United States, and it would take a very long time under this experimental program to build up reserves to even take up a part of this loss. I think it would be unfair to those farmers who go into the program now—a sound program as I believe it to be, and an experimental program—to charge premiums which would have to be used to make up this loss. I think we simply have to charge this loss to experience and bad management and write it off and start over again.

Mr. McSWEENEY. Mr. Chairman, if the gentleman will yield further, what becomes of any surpluses that are earned under the program? Do they go back to the Treasury?

Mr. HOPE. They go to build up a reserve; that is, the premiums which are charged under this program, just as they are in any insurance business, are based upon what it is estimated the risk will be, and if we have any excess, it goes to build up a reserve. I think it is very important for the Crop Insurance Corporation to build up a reserve as it goes along, and that is especially true as we are expanding, because unless we build up a pretty good reserve on the smaller business this year it will be inadequate as a reserve to take care of the larger business next year, and a still larger business the following years as we expand.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOPE. Mr. Chairman, I yield myself five additional minutes.

I believe that we should consider this $73,000,000 as gone and try to build up a sound reserve under the present program.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As far as building up reserves, I would like to make this observation: We have had 7 or 8 years of ideal production and

growing weather in agriculture, and if the law of averages operates at all, why, we can look for some crop failures in the next 6 or 7 years. In all probability in some of those years the losses will be greater than the income, so whatever reserves are built up now during the good years would have to be used during the poor years when the insurance-premium income would be lower, so I doubt very much if anything could be paid on that $73,000,000.

Mr. HOPE. I quite agree with the gentleman. I think that without any doubt we have poor years from a crop production standpoint ahead of us, and it is important to have sizable reserves built up to take care of the losses that are bound to occur in those years.

Just very briefly I want to call attention to the principal changes which this bill makes in existing law. For one thing it provides for an orderly expansion of coverage. Under existing law insurance is available to farmers in only approximately 400 counties and there is no provision for expansion except into new commodities. This bill sets up a formula for expansion. It authorizes as to each type of insurance an increase each year of not to exceed 50 percent of the number of counties in which that type of insurance was offered during the previous year.

In the second place, it provides for multiple crop insurance. That is something we have not had heretofore except in an experimental way in a couple of counties this past year. Under that program the Corporation will be able to insure all of the important crops on a farm in one policy. That should be a more stable type of insurance. It will not only be of greater benefit to the farmer, himself, to have all of his major crops insured, but by reason of the fact that there is very seldom a failure of all crops in any particular year it will stabilize the entire program.

It is provided in this legislation that beginning with next year we will try out the multiple-crop-insurance program in 50 counties. That is subject to increase in succeeding years under the formula which I mentioned a moment ago. Reference has already been made to the fact that the bill provides for wiping out the $73,000,000 loss that has already occurred.

The next matter I want to mention is that this bill repeals a provision in an earlier act which provides that if the premiums are not sufficient to pay all the losses the loss payments must be prorated. That is a very unsatisfactory provision. We are told by the Comptroller General's office and also by the Crop Insurance Corporation that it might in some cases be 2 or 3 years before it could be determined what the indemnity paid to an insured farmer might be, and he would have to wait that long in order to receive his payments, which of course is a very unsatisfactory situation. I do not see how you can build up any sort of an insurance business under conditions of that kind.

Another section of the bill repeals a provision that would go into effect in 1950 which provides that the administrative expenses shall be no more than 25 percent of the premiums collected. I am advised that for insurance companies generally over the country the administrative expenses amount to about 35 percent. Certainly it would be asking a great deal, I think, to expect this Corporation, which is conducting its business only on an experimental basis, and which cannot for that reason have a very large volume, to carry out its operations with an administrative expense that is considerably lower than private insurance companies.

Furthermore, if we limit the amount to 25 percent in the years when large losses occur, it might be impossible to make adequate adjustments and the Corporation might suffer losses because it was not possible to make careful inspections and adjustments. Therefore, I believe we are fully justified in removing that 25-percent limitation. Of course, we expect the Corporation to conduct its operations in as economical a way as possible, but we do not expect them to do the impossible.

Mr. Chairman, this bill was reported out unanimously by the Committee on Agriculture. I think I can say the committee was very well pleased with the report which the Crop Insurance Corporation made of its operations over the past year. I think we have confidence in the present management of the Corporation and that we are now on the road to working out a successful crop-insurance program. I agree with what the gentleman from Minnesota says, in that I do not think we ought to go too fast. I think it is a question of moving slowly to gain experience as we go along, because, after all, the basis of all insurance business everywhere is experience.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. COOLEY. Mr. Chairman, I have no further requests for time on this side. Does the gentleman from Kansas have any requests for time?

Mr. HOPE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (a) of section 508 of the Federal Crop Insurance Act, as amended, is amended to read as follows:

"(a) Commencing with crops planted for harvest in 1948, for the purpose of determining the most practical plan, terms, and conditions of insurance for agricultural commodities, if sufficient actuarial data are available, as determined by the Board, to insure, or to reinsure insurers of, producers of such agricultural commodities under any plan or plans of insurance determined by the Board to be adapted to any such commodity. Such insurance shall be against loss of the insured commodity due to unavoidable causes, including drought, flood, hail, wind, frost, winterkill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board. In 1948 insurance shall be limited to not more than seven agricultural commodities (including wheat, cotton, flax, corn, and tobacco) and to not more than three additional agricultural commodities in each year thereafter: *Provided,* That other agricultural commodities may be included in multiple crop insurance (insurance on two or more agricultural commodities under one contract with a producer). Insurance shall be limited to producers in not to exceed 200 counties in the case of wheat, 56 counties in the case of cotton, 50 counties each in the case of corn and flax, 35 counties in the case of tobacco, 20 counties in the case of any other agricultural commodity, and, in addition, 50 counties in the case of multiple crop insurance: *Provided further,* That, beginning with crops planted for harvest in 1950, the number of counties for insurance on wheat, cotton, corn, flax, and tobacco, and for multiple crop insurance may be increased each year by not in excess of 50 percent of the number of counties in which such insurance was provided the previous year and the county limitations specified for other insurance may be similarly increased as to any agricultural commodity after insurance for such commodity has been provided for 3 years. Reinsurance for private insurance companies shall be limited to not to exceed 20 counties which may be selected without regard to the other county limitations specified herein. Any insurance offered against loss in yield shall not cover in excess of 75 percent of the recorded or appraised average yield of the commodity on the insured farm for a representative period subject to such adjustments as the Board may prescribe to the end that the average yields fixed for farms in the same area, which are subject to the same conditions, may be fair and just: *Provided further,* That if 75 percent of the average yield represents generally more protection than the investment in the crop in any area, taking into consideration recognized farming practices, the Board shall reduce such maximum percentage so as more nearly to reflect the investment in the crop in such area. Insurance provided under the subsection shall not cover losses due to the neglect or malfeasance of the producer, or to the failure of the producer to reseed to the same crop in areas and under circumstances where it is customary to so reseed, or to the failure of the producer to follow established good farming practices. Counties selected by the Board shall be representative of the several areas where the agricultural commodity insured is normally produced. The Board may limit or refuse insurance in any county or area, or on any farm, on the basis of the insurance risk involved. Insurance shall not be provided in any county unless written applications therefor are filed covering at least 200 farms or one-third of the farms normally producing the agricultural commodity, excluding farms refused insurance on the basis of the risk involved; nor shall insurance on any agricultural commodity be provided in any county in which the Board determines that the income from such commodity constitutes an unimportant part of the total agricultural income of the county. The Corporation shall report annually to the Congress the results of its operations as to each commodity insured."

SEC. 2. Subsection (b) of section 508 of the Federal Crop Insurance Act, as amended, is amended by striking out the proviso in the second sentence and the colon which precedes it and substituting a period therefor.

SEC. 3. Subsection (c) of section 508 of the Federal Crop Insurance Act, as amended, is amended to read as follows:

"(c) To adjust and pay claims for losses in the agricultural commodity or in cash, under rules prescribed by the Board: *Provided,* That indemnities may be determined on the same price basis as premiums are determined for the crop with respect to which such indemnities are paid. The Corporation shall provide for the posting annually in each county at the county courthouse of a list of indemnities paid for losses on farms in such county. In the event that any claim for indemnity under the provisions of this title is denied by the Corporation, any action on such claim hereafter brought against the

Corporation shall be brought in the United States district court sitting in the district in which the insured farm is located, and jurisdiction is hereby conferred upon such district courts to determine such controversies without regard to the amount in controversy: *Provided further,* That no such claim shall be allowed under this section unless the same shall have been brought within 1 year after the date when notice of denial of the claim is mailed to and received by the claimant."

SEC. 4. Subsection (e) of section 508 of the Federal Crop Insurance Act is hereby repealed.

SEC. 5. Subsection (a) of section 504 of the Federal Crop Insurance Act is amended by striking out the second sentence thereof.

SEC. 6. The Secretary of the Treasury is hereby authorized and directed to cancel, without consideration, outstanding receipts for payments for or on account of the stock of the Corporation in excess of $27,000,000.

SEC. 7. Subsection (b) of section 504 of the Federal Crop Insurance Act is amended to read as follows:

"(b) There is hereby authorized to be appropriated such sums as are necessary for the purpose of subscribing to the capital stock of the Corporation."

SEC. 8. Subsection (c) of section 505 of the Federal Crop Insurance Act, as amended, is amended by striking out the second sentence and inserting in lieu thereof the following: "The members of the Board who are not employed by the Government shall be paid such compensation for their services as directors as the Secretary of Agriculture shall determine, but such compensation shall not exceed $100 per day each when actually employed and transportation expenses plus not to exceed $10 per diem for subsistence and other expenses when on business of the Corporation away from their homes or regular places of business."

SEC. 9. Subsection (b) of section 506 of the Federal Crop Insurance Act, as amended, is amended to read as follows:

"(h) may conduct researches, surveys, and investigations relating to crop insurance and shall assemble data for the purpose of establishing sound actuarial bases for insurance on agricultural commodities."

SEC. 10. Section 518 of the Federal Crop Insurance Act, as amended, is amended by striking therefrom the words "determined by the Board pursuant to subsection (a) (2) of section 508 of this title" and substituting therefor the words "determined by the Board pursuant to subsection (a) of section 508 of this title."

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that the bill be considered as read and be printed at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 2, line 20, strike out the word *"further."*

The committee amendment was agreed to.

Committee amendment: Page 3, line 13, strike out the word *"further."*

The committee amendment was agreed to.

Committee amendment: Page 3, line 19, change the words "under the subsection" to read "under this subsection."

The committee amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendments be considered en bloc and be printed at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The balance of the committee amendments are as follows:

Page 5, lines 6 to 17, beginning with the words "In the event that," strike out the rest of the section and insert in lieu thereof the following: "In the event that any claim for indemnity under the provisions of this title is denied by the Corporation, an action on such claim may be brought against the Corporation in the United States district court, or in any court of record of the State having general jurisdiction, sitting in the district or county in which the insured farm is located, and jurisdiction is hereby conferred upon such district courts to determine such controversies without regard to the amount in controversy: *Provided,* That no suit on such claim shall be allowed under this section unless the same shall have been brought within one year after the date when notice of denial of the claim is mailed to and received by the claimant."

Page 5, lines 18 and 19, strike out all of section 4.

Page 5, line 20, change "Sec. 5" to "Sec. 4."

Page 5, line 23, change "Sec. 6" to "Sec. 5."

Page 6, line 4, change "Sec. 7" to "Sec. 6."

Page 6, line 9, change "Sec. 8" to "Sec. 7."

Page 6, line 15, strike out "$100" and insert in lieu thereof "$50."

Page 6, line 17, change the words "per diem for subsistence and other expenses" to read "per diem in lieu of subsistence expenses."

Page 6, line 20, change "Sec. 9" to "Sec. 8" and change "Subsection (b)" to "Subsection (h)."

Page 6, line 24, following the word "crop", insert the words "and livestock."

Page 7, line 2, after the word "commodities," insert the words "and livestock."

Page 7, line 3, change "Sec. 10" to "Sec. 9."

Page 7, after line 8, add the following new section:

"SEC. 10. Subsection (a) of section 507 of the Federal Crop Insurance Act is amended to read as follows:

"'(a) The Secretary shall appoint such officers and employees as may be necessary for the transaction of the business of the Corporation pursuant to civil-service laws and regulations, fix their compensation in accordance with the provisions of the Classification Act of 1923, as amended, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require bond of such of them as he may designate, and fix the penalties and pay the premiums of such bonds: *Provided,* That personnel paid by the hour, day, or month when actually employed, and county crop insurance committeemen may be appointed and their compensation fixed without regard to civil-service laws and regulations or the Classification Act of 1923, as amended.'"

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. McCORMACK. Mr. Chairman, may I suggest, for the purposes of the RECORD, that it be understood that any Member who wants to offer an amendment to any of these committee amendments tomorrow may do so, and that the chairman will not object to a unanimous-consent request that such amendments be considered.

The CHAIRMAN. Does the gentleman from Massachusetts make a unanimous-consent request to that effect?

Mr. COOLEY. Mr. Chairman, I make that unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MONRONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3825) to amend the Federal Crop Insurance Act, had come to no resolution thereon.

CONTRACT SETTLEMENT ACT OF 1944

Mr. MADDEN, from the Committee on Rules, submitted the following privileged resolution (H. Res. 220), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3704) to provide additional revenue for the District of Columbia, with Senate amendments, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. MCMILLAN]?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is this agreeable to the ranking minority member, the gentleman from Massachusetts [Mr. BATES]?

Mr. McMILLAN of South Carolina. It is.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. MCMILLAN of South Carolina, Mr. SMITH of Virginia, Mr. JONES of Missouri, Mr. BATES of Massachusetts, and Mr. O'HARA of Minnesota.

EXTENSION OF REMARKS

Mr. LATHAM (at the request of Mr. MARTIN of Massachusetts) was granted permission to extend his remarks in the Appendix of the RECORD and include an article.

INVESTIGATION OF DOMESTIC FISHING INDUSTRY

The SPEAKER laid before the House the following communication, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

MAY 17, 1949.

The Honorable SAM RAYBURN,
Speaker of the
House of Representatives.

MY DEAR MR. SPEAKER: I have further reference to your letter of April 5, 1949, transmitting a signed engrossed copy of House Resolution No. 147, requesting the Secretary of State to cause an immediate study to be made of the effect on the domestic fishing industry of increasing imports of fresh-water and salt-water fresh and frozen fish, especially groundfish fillets, and to make his report and recommendation to the House of Representatives not later than May 15, 1949. The requested study has been made and I am enclosing the requested report, with recommendations.

The Department recognizes that the report is not as comprehensive as may be desired, but is the best that could be made within the time limit set by the resolution and with the limited facilities available to the Department for undertaking such a study.

The Tariff Commission and the Fish and Wildlife Service, in accordance with the Department's request, generously supplied much of the basic data which are reproduced in the report. Interdepartmental consideration of the report was undertaken in the Committee on Trade Agreements, whose membership consists of representatives of the Departments of State, Agriculture, Commerce, Labor, and Treasury; the National Military Establishment; and the Economic Cooperation Administration. All of these agencies concur in this report.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

(Enclosure: Report on House Resolution No. 147.)

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. DONDERO] is recognized for 30 minutes.

COMMUNISM IN THE HEART OF AMERICAN ART—WHAT TO DO ABOUT IT

Mr. DONDERO. Mr. Speaker, on two occasions recently I have placed in the RECORDS of this Congress my remarks on a situation which I firmly believe to be of serious import to the Nation; namely, the penetration by deception, stealth, and fraud of Communist standards and theories into the great cultural life of our Republic. The evidence which is available upon this subject is so extensive, so difficult of complete anlysis that to study the situation comprehensively would require a major investigation on the part of a competent Government agency.

There are, however, two things which I consider it my duty to do, and which I now propose to do. The first is to turn the revealing light of publicity on a limited area, which I believe to be typical of the general condition of which I speak, and by informing the public, put them on guard to successfully resist encroachment by subtlety and falsehood into our national traditions. I wish to talk more about the abasement of our art standards by Communist infiltration and by the willing coservice of unprincipled, radical adherents to Marxist theories. I want to talk about a spearhead of radical influence. It is the ACA Gallery at 61 and 63 East Fifty-seventh Street in New York City. These letters ACA are particularly interesting and are typical of a practice, which has long existed in Communist circles, of stealing a word, a good word, a constructive word, and, by misappliance and distortion, changing its meaning completely. ACA stands for American Contemporary Art. I might go so far as to say that not only is the word "contemporary" stolen and misapplied, but so are the other two words, in that this so-called art is no more American than it is Russian; it is no more contemporary in the true sense than smallpox, cancer, and bubonic plague are contemporary. It just happens that the human race is afflicted with such ailments in our present day. I might say further that it is not even art in its true sense. It signifies a caricature of art, art that is abortive, that is distorted, and that is repulsive. The word "contemporary" has been stolen, as the word "modern" has been stolen, by the same Marxist advocates, but it would be truer to say that the art of the Communist and the Marxist is the art of perversion, just as communism itself is political perversion, and as depravity is moral perversion. God forbid that I should admit or charge for one instant that the great throng of illustrious, competent, distinguished, patriotic American artists, modern and contemporary in the true sense of the word, are afflicted with this Marxist disease of art perversion.

This so-called American Contemporary Art Gallery, of which I now speak was organized just 17 years ago by a man named Herman Baron who still guides its destiny.

A somewhat casual scrutiny discloses to me the fact that Herman Baron first receives official mention in the reports of the Special Committee on Un-American Activities under a date in the year 1936, when he was one of the signers of the "call," which was directed to radical artists throughout the United States to assemble and unite in solidarity. This "call" was essentially communistic in its form and largely so in its subject matter, protesting against oaths of allegiance, investigation of colleges for radicals, discrimination against foreign-born, demanding preservation of civil liberties, and deploring the imprisonment of revolutionary artists and writers. The "call" resulted in the organization of the American Artists Congress in December of 1936. In the book titled "Citations," by official Government agencies, and on page 5 thereof, the American Artists Congress is classified as "typical of Communist created and controlled organizations."

I next find Baron mentioned in the reports of the Special Committee on Un-American Activities as being a sponsor of a meeting held in October of 1942 by the Artists Front to Win the War. The official report states that many of the sponsors of the Artists Front to Win the War were leading sponsors of the American Artists Congress, which I have just mentioned. Among these sponsors of the American Artists Congress is Comrade Herman Baron, and also many of those individuals whom I have mentioned in my previous remarks as being prominent among the radicals in art organizations. It was at this meeting of the Artists Front to Win the War that Charles Chaplin, its honorary chairman, addressed his audience as "comrades," and I have no doubt that Chaplin was right in his designation. The individuals in the art section of the Artists Front to Win the War are 42 in number. Thirteen of these individuals, namely: Paul Burlin, Philip Evergood, William Gropper, Chaim Gross, Minna Harkavy, Joe Hirsch, Sidney Hoff, Rockwell Kent, Leon Kroll, Anton Refregier, Raphael Soyer, Paul Strand, and Max Weber, who were associated with Baron back in 1942, were sponsors for the pro-Soviet cultural and scientific conference held at the Waldorf Astoria in March of the present year.

We next find Herman Baron as one of the sponsors of a meeting of the American Russian Institute. This was held at the Commodore Hotel in New York City. The American Russian Institute is twice designated in the book Citations, by official Government agencies, as "a Communist organization supported by intellectuals" and again as "a direct agent of the Soviet Union engaged in traitorous activities under the orders of Stalin's Consular Service in the United States."

I think these references to Comrade Herman Baron give a pretty clear picture of him and the purposes which motivate him, but perhaps it would be more interesting to see what he, himself, has to say about his connection with the American Artists Congress, designated as "typical of Communist created and controlled organizations." Comrade Baron published a little booklet about the ACA Gallery, and on page 7 thereof he writes, when speaking of the American Artists Congress:

> Aside from the fact that the congress was organized at the ACA Gallery, the two were too closely related to separate them.

In this little booklet Comrade Baron sets forth the aims of the ACA Gallery as he sees them. He says: "Behind the ACA lies the idea of building a people's art gallery," and in explanation of his use of the descriptive phrase "a people's art gallery," he continues, "above all, those who direct a people's art gallery must be convinced that art serves a social function." He enlarges upon the meaning of "social function" by saying: "The ACA is proud of having been the cradle of the social content movement." Further explaining the scope of "social content," he adds, "social protest is only one aspect of the social content school of art."

Now this would seem to be a very frank statement, in plain language, and one might be persuaded readily that this

ACA Gallery went into business to meet a popular demand and give a constructive service. Any thought to this effect, however, may be destroyed completely if one finds that in practice the gentle sounding phrase of "social content" is sinister and destructive of our inherited and traditional values. We are certainly justified in further exploring how the ACA Gallery and Comrade Baron practiced their announced credo.

The first exhibit was held at an address on Madison Avenue from August 15 to September 6 in 1932. This was the original address of the ACA Gallery. The display of paintings was very meager and entirely unimportant. The first real exhibit in which the gallery expresses pride is that which was held from November 7 to November 20 of the same year. This exhibit was under the aegis of the John Reed Club, which is three times cited in the official Government agencies publication "Citations," and is unquestionably a Communist Party organization. If there could be any shadow of doubt that this early exhibit was for the purpose of foisting Communist propaganda on the American public under the guise of social protest, one has only to cast an appraising eye on the 20 individuals who exhibited their works. Six of them were members of the International Workers Order, listed eight times in "Citations" as Communist, subversive and un-American. At the time these members of the International Workers Order were exhibiting their paintings at the ACA Gallery, the president of their organization was William Weiner, an individual who paid large sums to Samuel Carr, the head of the atom spy ring in Canada.

Of the 14 additional individuals displaying their works at that time at the ACA Gallery, 13 are cited 81 times in the reports of the Committee of the House of Representatives on Un-American Activities, and they were active in no less than 23 different organizations or publications found by this committee to be Communist or Communist front, and cited as such in the committee's report dated December 18, 1948.

At that early date the ACA Gallery was favored with very little publicity in the press, but the New York Evening Post of that time stated:

> The paintings concern themselves more with social propaganda than with aesthetic ideas. On the aesthetic score there is little to be recommended.

But this critic lets the cat out of the bag, if there ever was much of a bag around the cat, because the critic names "social content" in art by its true name—"propaganda."

During that year the ACA Gallery held many auctions and gave benefit shows, the purpose of which was to render financial assistance to "causes which had social implications." Some of the organizations helped were the Spanish Aid Committee, Russian War Relief, the American Artists Congress and the New Masses. It does not take any amplification from me to reveal to you the true character of these causes which were aided—you know them, and they are all Communist. The booklet from which I have quoted when speaking of the John Reed Club exhibition states:

> It settled the fate of the ACA as far as its Madison Avenue location was concerned. The propaganda label proved too much for the neighborhood.

I applaud the neighbors who forced them to get out, bag and baggage.

For 2 weeks in March of 1935 the ACA Gallery housed an exhibition which was sponsored by the John Reed Club, the Artists Union, the League of Struggle for Negro Rights, and the International Labor Defense, which exhibition was undisguised political propaganda for the Costigan-Wagner antilynching bill. It has always been a part of the Communist Party line to cultivate discontent and unrest among our Negro citizens, and in promoting this exhibition the ACA Gallery was adhering strictly to the Communist Party line. The sponsoring organizations are cited as Communist and subversive.

The first one-man show held by the ACA Gallery was during May and June of 1935. The exhibitor was Joe Jones, and Comrade Baron recites that "this exhibition helped to establish 'social content' as a dominant school in art." Now this Joe Jones clutters up the record of the congressional Committee on Un-American activities to such an extent that it would be a waste of a lot of time for me to recite details of his Red activities. He is recorded on 16 different occasions, and he has not deviated from activities in Communist movements, activities in Communist front organizations and general conduct that is subversive and un-American.

According to the November 1937 issue of New Order, a publication of the International Workers Order, Joe Jones is a member of the IWO, and so popular with that organization that branch 521 held its meeting on November 12 at the ACA Gallery, where they not only admired the art of their fellow member, but conducted their regular business affairs and had a doctor present to examine new members. Continuing to quote an article from this publication it is said:

> Of course, this couldn't happen in the average snobby art gallery. The ACA Gallery is devoted to the work of social conscious artists. Its director, Herman Baron, an IWO member himself, has the great desire of bringing art and culture to the masses of people, and he was happy to see the gallery filled with workers.

There was another exhibition in the ACA Gallery in 1935, of which I wish to speak briefly. It was the first exhibition of the American Artists Congress, and established a precedent which was continued in subsequent years. It was in the exhibition of 1937 by this organization at the ACA Gallery that there was an exhibit which indicates as accurately and clearly as possible the true meaning of art with social protest. Comrade Baron recites that "one of the works on exhibition was a Fascist head under glass with live ants crawling all over it." For my part, I do not know of any way to distinguish the detached head of a Fascist from, let us say, the detached head of a martyr such as that of John the Baptist. It seems to me that in death all political evaluations cease most definitely. I cannot contemplate that the brutal, cruel, repulsive, and repugnant can ever cease to be abhorrent to all decent persons and become "art with a social content," or any other kind of art.

The year 1936 was outstanding in the history of the ACA Gallery, because in February of that year there was featured the exhibition of the paintings of William Gropper. This is the individual whom I mentioned in my recent speech concerning the Artists Equity Association, and I have little to add to his record as it was then given, namely, connections with over 60 radical movements, other than to say that he, likewise, is a member of the International Workers Order.

The outstanding exhibition of 1937 at the ACA Gallery was sponsored by such persons as George Seldes, who bartered his soul to the Communist Party; Rockwell Kent, president of the IWO, the man who cursed his own country, damned as traitorous its legislators and applauded the brutal and aggressive acts of Russia; John Howard Lawson, a Communist who even now is under indictment for contempt of this congressional body; Van Wyck Brooks, cited 15 times in the 1948 issue of the Tenney Report on Communist and Communist front organizations; and Lewis Mumford, cited 3 times in this same Tenney Report.

The year 1938 was a milestone in the history of the ACA Gallery because it marked the exhibition of the works of Philip Evergood, who is regarded by the radical element as a master of social protest propaganda. To recite his complete history of Communist affiliations is unnecessary, and I have only to point out that he was one of those individuals who sponsored the recent pro-Soviet gathering at the Waldorf Astoria Hotel, and that he is a contributing editor of the Communist publication, Masses and Mainstream.

In 1940 the ACA Gallery presented for public exhibition a collection of woodcuts and colored cartoons purported to depict phases of the Chinese struggle for liberation. That liberation into Russian-dominated Communist servitude is now being effected before the eyes of the world. But in July and August of 1940, when this exhibition was held, Russia was an ally of Germany and the Communists throughout the world were naming World War II a capitalistic and imperialistic war of aggression. The exhibition at the ACA Gallery opened on an unbearably hot night, but nevertheless the gallery was crowded, and why do you suppose so many persons came to the gallery, and what was the lodestone of attraction? Comrade Baron in his booklet on the ACA Gallery says, and I quote: "The guest of honor was the late Constantine Oumansky, then Soviet Ambassador to the United States." Comrade Baron comments lightly that, "Soviet Russia was unpopular in many American circles in those days," but that the men and women present at the gallery "surrounded him"—Oumansky—"with warmth and good fellowship." Evidently the Fascist head crawling with ants, which had been on exhibit earlier, must have been removed to spare the

delicate sensibilities of the Russian Ambassador when so viewing his ally.

My remarks are becoming more lengthy than I intended, and I shall speak but briefly on the exhibits of 1941, 1942, 1943, and 1944. These years featured the works of Harry Gottlieb, another member of the International Workers' Order; Robert Gwathmey, contributing editor of Communist publications and quite recently a sponsor of the pro-Soviet conference at the Waldorf Astoria; Hugo Gellert, another member of the International Workers' Order; and Moses Soyer, art critic for the Communist publication New Masses.

Can there now be in your minds any least shadow of doubt that this so-called American Contemporary Art Gallery is, in fact, a hotbed of Communist-inspired impulses, thinly veiled propaganda that is intended to undermine and destroy the fine heritage and traditions which have been built up over the generations of our existence as a great Republic? I believe it to be the hub, the gathering point of Marxists in art, where subtle, nefarious un-American schemes receive their prime incitement. It should be shunned like a plague center of infection.

On the last page of the booklet from which I have made quotations there appears a list of 39 individuals who are noted as ACA artists. Many of these names have already been mentioned, but I wish to classify them generally so that we can better judge their motives.

Of the 39 individuals named as ACA artists by Comrade Baron in his booklet, 24 have a total of 123 references to their names appearing in the index volumes of the congressional committee investigating un-American activities in the United States. A study of the references reflects that these persons were affiliated with 23 different organizations and publications found by the committee to be Communist or Communist fronts and cited by the committee as such in its Citations Report, dated December 18, 1948. While the names of the remaining 15 ACA artists do not appear in the committee's index volumes, they have, with few exceptions, been equally active in the Marxist movement in distorted art and have participated in the activities of such organizations as the American Artists' Congress, the International Workers' Order, and the National Council of Arts, Sciences, and Professions.

The pamphlet by Comrade Baron, from which I have made these selections and which I have now laid aside, is not the only booklet which has been published by the ACA Gallery. I do not know that I have the complete list, but there are several which have been brought to my attention. There is a booklet devoted entirely to David Burliuk. In the Communist clique Burliuk is an heroic figure. Born in Russia in 1882, he came to America when he was 40 years of age. Among Communists he is accredited with being the friend, discoverer, and teacher of the Russian Communist poet, Mayakovsky, who is heralded as the poetic instrument of the revolution. The pamphlet on Burliuk was written by Michael Gold, who is a self-confessed, militant Communist. He says of Burliuk, "He lectured on the new art, published manifestos, encouraged other young rebels, and in every other conceivable manner maintained an offensive barrage against traditions and the academies."

There is a booklet on Robert Gwathmey, whose Red record I have called to your attention, and this pamphlet is written by Paul Robeson, Communist, who has avowed that he would fight for Communist Russia against his own native land, if he had that choice to make.

A booklet on the John Reed Club member, Jan Matulka, was written by Dr. Isaac Kloomak, cultural director for the International Workers Order. There is another booklet put out by the ACA Gallery, which deals solely with the works of Benjamin Kopman. He is another of the radical group in art, and not worthy of any particular attention, but it is important to know that this book was written for the ACA Gallery by Clifford Odets. Probably every member of this body has heard this name, generally present whenever Communist infiltration, Communist front organizations, and subversive activities are the subjects of consideration. In the Tenney report there are 21 references to Clifford Odets, and in the report of the Congressional Committee on Un-American Activities he is mentioned 48 times.

It is obvious that the persons who have written these books for the ACA Gallery are comrades of the first order. I am amazed to find another name in this company, and to me it is a startling indication of the degree to which Marxist influence in American art has been promoted and foisted upon a complacent public. I find the name Elizabeth McCausland, who has written several booklets, especially that on the Spanish Communist artist Picasso. Picasso, as you will recall, is that individual concerning whom the retiring President of the Royal Academy of England, Sir Alfred Munnings, recently expressed a desire to kick hard in a certain part of his anatomy. Winston Churchill voiced his complete willingness to add his boot to the treatment.

Miss McCausland is the art critic of the Springfield Republican, of Springfield, Mass., and of the Magazine of Art. She has long been a devotee of Marxism in art and has given a great deal of aid and comfort to this debasing influence to American art standards. This art critic is prolific in her writings, and is credited with having written the report on which was formulated the socialized art plank in the platform of the Henry Wallace party. More recently she was one of the sponsors for the pro-Soviet conference held at the Waldorf Astoria Hotel in New York City. She was one of those persons whose name appeared in the Daily Worker of March 5, 1941, as defending the Communist Party. She was a member of the advisory board of the Photo League School, denominated a Communist front, and like all sponsors of radicalism, she was one of those who opposed the renewal of the Congressional Committee on Un-American Activities. She is six times mentioned in the reports of the Un-American Committee.

This matter of favorable press for perverted art is, to my mind, a very serious matter indeed. For some reason, art critics seem to enjoy complete freedom from directional supervision. Many of them have gone overboard for Marxist art and have given aid and support to an enemy which is undermining the traditions of our academies. With many of them it has become the fashion to sneer at that which is long established and of high quality, or to ignore it completely, and to give great space and laudatory comment to an influence which is principally destructive.

In this connection I must again refer to the history of the ACA Gallery in which Comrade Baron states that—

> The first show which broke the ice in the metropolitan press was that of Joe Jones in the spring of 1935. Since then news of the ACA in art columns has increased in volume and favorableness.

For a time the ACA Gallery published regularly a news pamphlet, but this was discontinued in the spring of 1946. In looking through this publication, we find that in the year 1945, 10 years after the ACA Gallery first crashed favorably into the metropolitan press, Comrade Baron caused a survey to be made to show graphically how favorably the reviews in the metropolitan press had become. There is a chart published which measures the favor with which the critics viewed the shows of six art exhibits at the ACA Gallery. These exhibits were by the following painters: Benjamin Kopman, Harry Sternberg, Margaret Lowengrund, Anton Refrigier, Moses Soyer, Mervin Jules.

If there were time, I would like to give you the list of Communist-front and subversive organizations to which these six have subscribed, but there is no difference in them, except that of degree. Margaret Lowengrund is mentioned in the reports of the Committee on Un-American Activities only three times; once as a member of the American Artists Congress, to which has been appended the official Red tag, whereas Anton Refrigier has many references. All of these individuals are left-wingers, and as painters they all produced work which creates social unrest. The chart shows that in this year, 1945, the exhibitions were reviewed by the art critics of the New York Times, the Herald Tribune, the World Telegram, the New York Sun, the Brooklyn Eagle, the New Yorker Magazine, Art News, Art Digest, and Pictures on Exhibition. The New York Times gave one courtesy mention, three favorable reviews, and two very favorable reviews; the Herald Tribune gave a favorable review in every instance; the World Telegram gave one favorable review and otherwise all very favorable reviews; the New York Sun gave one very favorable review, two favorable, and three with mixed favorable and unfavorable content; the Brooklyn Eagle gave one very favorable and two favorable criticisms; Art News gave one favorable criticism and two that were mixed favorable and unfavorable; the New Yorker gave two reviews which were partly favorable and partly unfavorable; Art Digest gave one very favorable review, two favorable reviews, and one of mixed content; Pictures on Exhibition gave two

complimentary mentions and two favorable reviews.

Now, I must admit that the evaluation of the criticisms and reviews is that of the ACA Gallery, but taking their own estimate of the situation, it is apparent that the metropolitan press was generally very kindly in its attitude toward these left-wing so-called artists. It is an amazing condition to discover that the World Telegram, which has fought communism and Communist infiltration in an outstanding manner, to win the applause of the entire Nation, gave not one single review, according to this chart, which was in any degree unfavorable; in fact, the publicity varied from favorable to very favorable.

One of the artists among these six on the chart is noted as Margaret Lowengrund. Since that time she has become associate editor of the Art Digest, and it is not unexpected that she should now laud and magnify the work of the left-wingers with whom she has associated in the past.

It is not my purpose to suggest that newspapers should clap censorship on their art critics, but I do say that, if this condition of overemphasis and an attempt to glorify the vulgar, distorted, and the perverted has come about due to neglect and lack of proper supervision, then it is high time that some of our newspapers start cleaning house in the smaller compartments of their organizations.

When I commenced my remarks today, I said that there were two things I felt it my duty to do, and I think I have accomplished the first by casting the bright light of publicity on an unhealthy and un-American condition which I know to exist, and I wish now to present the second part of my premise.

It is my conclusion that this unhealthy condition in the American field of culture has come about primarily because the hard-working, talented, reserved, patriotic proponents of academic art in the United States have been reluctant to engage in an argument or a quarrel with the highly organized minority group which has invaded their associations and preempted their offices, or set up new organizations with false standards. I well know that there are thousands of able artists in the United States who abhor the conditions which I have been discussing. Some of them are unaware of the magnitude of the invasion; others are unwilling to act alone. It is my firm conviction that the time has come when the loyal, patriotic, clean-minded, right-thinking artists of this country must rouse themselves, band together and purge their establishment of this social disease. The labor organizations of the country are doing a noble task in throwing out the Communists and the Communist sympathizers head over heels, and it would indeed be an admission of transcendent weakness and feeble manhood if such powerful and healthy organizations as the National Academy of Design, the American Artists Professional League, the Allied Artists of America, the Illustrators Society, and the American Watercolor Society were unwilling, or reluctant, now to gird themselves for battle in a common cause, and throw the Marxists out.

Where the radicals and proponents of communism have taken over organizations as a minority group in control, let the right-thinking members, or a militant part of them, organize themselves and fight these traducers of our American inheritance with their own weapons, if need be. It is time that those persons and organizations which believe in the American tradition reestablish their standards of work, and that there be no appeasement at any time which will permit a form of art distortion and perversion to further lower our standards. It is time for the reluctant warriors of the right and center to take up their swords and not to sulk in their tents, and where they find that the lists and the juries are loaded against them, as many are, to smite for the right and purge them, as it is their duty to do. Let them meet their obligation and regain for America that which belongs to Americans.

The SPEAKER. Under the previous order of the House, the gentleman from Wisconsin [Mr. BYRNES] is recognized for 20 minutes.

GOVERNMENT FINANCING

Mr. BYRNES of Wisconsin. Mr. Speaker, I do not intend to use the full 20 minutes that have been allotted to me, but I cannot help making a few statements on what to me seems to be the most serious program confronting this Congress and confronting the Nation: the problem of determining upon a sound fiscal policy. The spending and taxing procedure of the Federal Government certainly demand our attention, and its importance to us today is certainly amply demonstrated by what is happening in this first session of the Eighty-first Congress. We see even today a recognition of the fact that we have already outappropriated our anticipated revenues, and any neutral observer of this Congress can only conclude that we have let the appropriating processes run wild; we have spent money with little thought to where it is coming from, how much it will total, or what its effects will be upon our economy and our national life. Unless Congress corrects its spend-thrift habits by a sounder method of budgeting and appropriating, we shall shortly be faced, in my judgment, with fiscal disaster.

We hear a good deal today, Mr. Speaker, about the reorganization of the executive branch of our Government; and I, for one, sincerely hope that the recommendations of the Hoover Commission are carried out and carried out very promptly and at the earliest possible date; but I wish the Members of the Congress would think back to 1946 when we passed the Congressional Reorganization Act. Many forward steps were taken in the passage of that legislation, but I believe we all recognize today that if it had any weaknesses its principal one was in the field of reorganization of the spending procedures of Congress. In that act we set up a provision for a legislative budget. That budget was to be submitted to the Congress by a Committee on the Legislative Budget on the 15th of February. This year, Mr. Speaker, when the 15th of February arrived, the date for the submission of that budget, it was put off and postponed until May 1; and since May 1 we have heard nothing about it. In other words, it is just another piece of legislation on the statute books that we are completely ignoring but which in itself could have the possibility of being of value to us if proper corrections were made.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I am happy to yield to the distinguished gentleman from Oklahoma who was the vice chairman of the committee which set up the Reorganization Act of Congress back in 1946 and who did a splendid job in that regard.

Mr. MONRONEY. I appreciate very much what the gentleman has said.

I feel that the principal task facing any Congress is to plot its financial chart before it starts the session, to know how much it expects to spend and how much it expects to take in. That is the purpose, as the gentleman has well described, of the legislative budget. It has not worked this year, it did not work last year, and it did not work the year before; but I do believe that the principal reason for its failure to work is that the men who were supposed to make it work were not enthusiastically supporting it and that a sufficient staff was not provided to do the necessary work to make it effective. I hope the gentleman may have some suggestions by which the procedure can be tightened up so that we shall be able to file a flight plan before we take off and know where we are going before the time comes when we must land.

Mr. BYRNES of Wisconsin. I appreciate the gentleman's attitude on this subject. I would say, however, that at least the Eightieth Congress did make an attempt to have the legislative budget work, but this year we have even discarded the idea of trying to make an attempt to make it work.

I propose, Mr. Speaker, that this Congress, instead of condemning the legislative budget to a lingering death or abandonment, breathe new life into it by correcting its defects and providing it nourishment and giving it its rightful place in the sun.

As a basis for further investigation by the Congress I would like to make here today a series of proposals leading toward the reform of our budgetary and appropriation processes. Some of these proposals, I should say, are not new; many of them have been suggested before; but my attempt today is to try to collect them into one place along with some suggestions of mine as the basis for a comprehensive program of reform that we can at least start out from.

I made three principal categories for reform:

First. Changes in the budgeting procedure.

Second. Change in the appropriation procedure.

Third. Reform in reporting and considering legislation authorizing the expenditure of funds.

First, let us look at the matter of budgeting procedure. We get in this

Congress various reports from the executive branch and from our own committees which have to do with either appropriations or with the establishment of a budget. I believe, Mr. Speaker, that much advantage can be gained by a new timetable for the receipt of these reports and I, therefore, suggest the following timetable:

(a) The President's state of the union message: First day of regular session.

(b) The President's Economic Report: January 15.

(c) Report of the Joint Economic Committee: March 1.

(d) The President's budget message: March 15.

(e) Report of the Legislative Budget Committee: April 15.

(f) Report of the Appropriations Committee: May 1.

With this timetable, we could reasonably expect the following:

The state of the Union message would be studied without the competition of the economic report since the latter would be submitted 2 weeks later. Similarly, the President's Economic Report and the report of the Joint Committee on the Economic Report, reflecting the economic situation with its important bearing upon governmental income and outgo, would be available to Congress unhampered by the budget document.

Postponing the President's budget message to March 15 would remedy two defects in present timing, as reported by the Hoover Commission task force, on fiscal, budgeting, and accounting activities. The present timing "requires a budget to be submitted by an outgoing President whenever there is a new President" and makes for "poor estimates and incomplete budget recommendations"—see pages 72–74, appendix F, Hoover Commission reports. Submission of the budget message on March 15 does not preclude, however, earlier submission of budgets for individual agencies and departments to the Appropriations Committees as they become available. The Appropriations Subcommittees would begin work, as at present, early in the session.

The report of the Legislative Budget Committee would come 1 month after receipt of the budget message, or on April 15. Through reconstitution of the committee and adequate staffing—discussed later—1 month should be sufficient time for this committee to report. Since it is suggested that this committee should study the budget picture continuously, the 1-month period might be considered as a time to put the final touches to its recommendations, which would take into consideration all of the important reports which have preceded it.

It should be emphasized here, perhaps, that the most we can expect of the legislative budget report, and its subsequent adoption by Congress if that is politically possible, is to focus the attention of Congress and the people upon governmental income and outgo and its relation to increased taxation and the national debt. Congress cannot require future Congresses to adopt the legislative budget, but it should be morally binding upon congressional leadership to bring the legislative budget to the floor for debate. At an extremely important time in the appropriations process, it focuses public opinion and congressional attention upon the important questions involved in Government spending and taxation. Therein lies its vital contribution to sound procedure.

A REVISED MEMBERSHIP ON THE JOINT COMMITTEE ON THE LEGISLATIVE BUDGET WITH PROVISION FOR AN ADEQUATE STAFF TO PROVIDE YEAR-ROUND OPERATION

I propose that the Joint Committee on the Legislative Budget be composed of the following members:

(a) The members of the Joint Committee on Internal Revenue Taxation.

(b) The members of the Joint Committee on Appropriations—to be discussed later.

(c) Five members from the Joint Committee on the Economic Report, three from the majority party and two from the minority party, appointed by the chairman of the committee.

This would provide a 25-member Joint Committee on the Legislative Budget instead of the present unwieldy one-hundred-odd-man committee. It would contain the top fiscal-policy makers and would have representation from the top economic committee. It would be almost evenly weighted between House and Senate, equally weighted between the spending and taxing committees, and it would have a 15–10 majority-minority ratio. Its staff would be small, but expert, and would draw largely upon studies being continuously made by the Joint Committees on Taxation, appropriations and Economics. Its job would be to collate rather than collect facts.

THE ESTABLISHMENT OF A JOINT COMMITTEE ON APPROPRIATIONS

This committee would consist of the three members of the majority party and two members of the minority party from both the Senate and House Appropriations Committees, 10 members in all, with the chairman of the House Committee on Appropriations as chairman and the chairman of the Senate Committee on Appropriations as vice chairman.

At present, the Appropriations Committees of the House and Senate are divided into subcommittees concerned with separate agencies and departments. This is necessarily so. As a consequence, it is difficult, if not impossible, for these committees to look dispassionately at the whole picture, nor do they have the staffs which permit this.

It would be the duty of this committee to determine the over-all expenditure aspects of the budget, based upon continuing and exhaustive studies of an effective professional staff. It would not trespass upon any functions of the separate committees but would work closely with them. It would set goals for the subcommittees in the light of its knowledge of over-all requirements. It is to be hoped that it can be made as continuously effective as the present Joint Committee on Internal Revenue Taxation. Like that committee, it should be in close touch with executive agencies in its field.

SUMMARY THUS FAR

I have attempted to provide for the orderly submission of pertinent data to the Congress; for a workable Joint Committee on the Budget, well-staffed and having available to it expert and exhaustive information provided from a joint committee on taxation and a joint committee on spending; for all of the machinery necessary for a report on the legislative budget which will represent the sum total of exhaustive study and expert advice from the best minds that Congress can bring to bear upon the subject. An objective is, in short, a report on the legislative budget which will receive serious consideration by Congress because it will be backed by prestige, competence, authority, and experience.

It should be emphasized again that, thus far, we have only arrived at a budget. It represents what we think we will receive and what we think we should spend. It does not represent what we will actually receive and what we will actually spend. It does provide the Congress, however, as a family budget provides for the family, attainable objectives set up in advance.

CONSOLIDATION OF APPROPRIATIONS INTO A SINGLE BILL

This is the Byrd proposal. It has the merit of providing an exact comparison between the goal, as established in the legislative budget, and the actual appropriation itself. Any attempts to increase individual appropriations in the bill would concentrate attention upon the effect of such action upon the grand total of the bill, and upon the legislative budget.

Any attempt to strengthen the legislative budget would be largely nullified if we retain the present system of appropriating funds in a dozen different bills and at a dozen different times. If we are to establish a goal, then we must know whether or not we are reaching that goal. This cannot be done unless we consider the total of all appropriations in one bill and at one time, so that our action can be mathematically compared with our budget.

Under the revised time schedule here proposed, the Appropriations Committee of the House would have been considering individual appropriations as they were made available after the beginning of the session and would have the Presidential budget document by March 15. The same information would, of course, be available to the Senate Committee and the Joint Committee on Appropriations. Likewise, a goal would have been established, taking into consideration the substance of the appropriations requests, in the legislative budget on April 15.

It is suggested, therefore, that the single appropriation bill be scheduled for House debate during the first 2 weeks of May, so that it might be reported to the Senate by May 15. In the meantime, there is nothing to prevent the Senate Committee on Appropriations from conducting its own hearings on the President's requests so that it might be prepared to report the House-originated appropriations bill as quickly as possible to the Senate Chamber. In fact, the present role of the Senate Appropriations Committee as a "court of appeals" on budget cuts leaves much to be desired. Too often, because of this role,

the committee is subject to intense pressure on isolated items and is prevented from giving over-all appropriations requests the diligent study which is the essence of sound fiscal control by Congress. The only solution to this problem and to the time problem is for the Senate committee to hold hearings during the same period as the House committee.

At any rate, it is important that the single appropriations bill be on the Senate floor by June 1 or thereabouts, permitting its passage by the end of the fiscal year. Definite scheduling of the single appropriation bill during the latter days of the session by the leadership would have the subsidiary effect of a more precise programing of other legislation during the earlier days.

ADOPTION OF RULES IN THE HOUSE AND SENATE TO PREVENT THE CONSIDERATION OF AUTHORIZING LEGISLATION WITHOUT KNOWING ITS COST AND EFFECT UPON THE BUDGET

Too often authorizations for new programs are approved by Congress without adequate consideration of the immediate and projected cost of such programs. Too often the prevailing attitude on the floor is to let the Appropriations Committee determine the cost and appropriate the funds. This not only makes for bad budgeting but for bad legislation as well. It is impossible to legislate intelligently unless benefits can be related to costs.

For this reason I propose:

(a) That all bills authorizing appropriations, or involving the expenditure of Federal funds, be referred, after having been reported by the legislative committee concerned, to the Joint Committee on the Budget for a report.

(b) That the joint committee's report shall contain the estimated immediate and projected cost of the legislation, the number of employees required for its implementation, its effect upon the legislative budget, and a statement as to whether or not, in the committee's opinion, implementation of the legislation would require an increase in the national debt or increased taxation, or both.

It is contemplated that the report on authorizing legislation would be largely factual, the staff, for the most part, gathering the data and preparing the report. Hearings would be permitted, if necessary, and the committee would work closely with the Bureau of the Budget and any other agencies of the Government which might be involved.

The legislation could not be held in the committee longer than 21 days. It could be discharged by unanimous consent, but in normal practice neither body would consider the legislation until the cost analysis had been made by the joint committee and a report had been issued.

ADOPTING THE PERFORMANCE BUDGET, AS RECOMMENDED BY THE HOOVER COMMISSION

The compelling reasons for the preparation of a budget based upon functions, activities, and projects are discussed fully in the Hoover Commission Report on Budgeting and Accounting—page 8. Submission of a budget in this form will give new meaning to the proposals already mentioned.

I hope, Mr. Speaker, to have legislation covering a major share of the proposals I have made today ready for introduction at an early date.

EXTENSION OF REMARKS

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LICHTENWALTER (at the request of Mr. GRAHAM), indefinitely, on account of illness.

To Mr. HOBBS (at the request of Mr. ANDREWS), through the week of May 30, on account of illness.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2632. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; and

H. R. 3762. An act to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure, of the United States Code," and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.;

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended;

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.;

S. 1185. An act to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the service, and for other purposes; and

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 16, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 679. An act to authorize the admission of Mrs. Julia Balint to the United States; and

H. R. 2360. An act for the relief of Theodore Papachristopoulos.

ADJOURNMENT

Mr. MONRONEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 18, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

623. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948"; to the Committee on Agriculture.

624. A letter from the Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of March 1949; to the Committee on Agriculture.

625. A letter from the Director, Division of Territories and Island Possessions, Department of the Interior, transmitting a copy of a joint resolution enacted by the Legislature of the Territory of Hawaii requesting the Congress of the United States to undertake the development of water facilities for the protection of hydroelectric power and for the irrigation of certain upper land areas at Waimea, county of Kauai; to the Committee on Public Lands.

626. A letter from the Assistant Secretary of State, transmitting a report authorized under House Resolution 147 with reference to the domestic fishing industry (H. Doc. No. 180); to the Committee on Merchant Marine and Fisheries and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KEE: Committee on Foreign Affairs. H. R. 4708. A bill to amend the United Nations Participation Act of 1945; without amendment (Rept. No. 591). Referred to the Committee of the Whole House on the State of the Union.

Mr. MANSFIELD: Committee on Foreign Affairs. House Joint Resolution 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938; without amendment (Rept. No. 592). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 220. Resolution for consideration of H. R. 834, a bill to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes; with an amendment (Rept. No. 593). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Louisiana (by request):

H. R. 4723. A bill to amend the act of June 18, 1934, in order to extend foreign trade zone privileges to certain types of warehouses; to the Committee on Ways and Means.

By Mr. BOLLING:

H. R. 4724. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

H. R. 4725. A bill to provide for research relating to child life and development; to

disseminate information as to the practical application of such research by parents, professional persons, and others; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAGEN:

H. R. 4726. A bill conferring jurisdiction upon the Indian Claims Commission to hear and determine the claims of the Wisconsin Band of Pottawatomie Indians; to the Committee on Public Lands.

By Mr. HALE:

H. R. 4727. A bill to increase the pensions of certain helpless adult children of veterans; to the Committee on Veterans' Affairs.

By Mr. McMILLAN of South Carolina (by request):

H. R. 4728. A bill to authorize Washington Gas Light Co. to consolidate or merge with any of its subsidiary companies; to the Committee on the District of Columbia.

H. R. 4729. A bill to amend an act entitled "An act to incorporate the Washington Gas Light Co.," and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLS:

H. R. 4730. A bill to provide that any corporation, estate, trust, or nonresident alien electing to pay the income tax in installments shall make payment thereof in two installments instead of in four installments, and for other purposes; to the Committee on Ways and Means.

By Mr. NORBLAD:

H. R. 4731. A bill for the relief of the city of Corvallis, Oreg.; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 4732. A bill to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge; to the Committee on Armed Services.

By Mr. VINSON:

H. R. 4733. A bill to authorize the appointment in the Navy of additional officers for special duty in the field of law, and for other purposes; to the Committee on Armed Services.

By Mr. KLEIN:

H. R. 4734. A bill to provide for the issuance of a special stamp in tribute to the lawyers of America; to the Committee on Post Office and Civil Service.

H. R. 4735. A bill to amend the Alcoholic Beverage Control Act of the District of Columbia of 1934, as amended; to the Committee on the District of Columbia.

By Mr. MULTER:

H. R. 4736. A bill to prohibit the Home Loan Bank Board from revising its regulations so as to change the essential character of Federal savings and loan associations, and for other purposes; to the Committee on Banking and Currency.

By Mr. BYRNE of New York:

H. R. 4737. A bill to protect livestock while in the course of interstate commerce and to repeal the act of Congress approved June 29, 1906 (34 Stat. 607; 45 U. S. C., 1946 ed., 71–74); to the Committee on Interstate and Foreign Commerce.

By Mr. WEICHEL:

H. R. 4738. A bill to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of multiple sclerosis and related neurological diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BUCHANAN:

H. J. Res. 244. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. WALTER:

H. Con. Res. 61. Concurrent resolution to authorize the reprinting of 5,000 copies of (Committee Print) Appendix IX, Communist-Front Organizations With Special Reference to the National Citizens Political Action Committee, 1944, being appendix to public hearings and in sections 1 to 6, inclusive, with accumulative index; to the Committee on House Administration.

By Mr. BUCHANAN:

H. Con. Res. 62. Concurrent resolution creating a Joint Committee on Lobbying Activities; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to take the necessary steps to secure the establishment of a national cemetery at Fort Custer; to the Committee on Public Lands.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to amend the Servicemen's Readjustment Act so that veterans' readjustment allowances may be extended for at least five additional years after July 25, 1949, as proposed in H. R. 1374, Eighty-first Congress; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States relative to making application to the Congress of the United States for the elimination of the 15-percent Federal transportation tax on rail, air, and bus transportation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HAVENNER:

H. R. 4739. A bill for the relief of Mrs. Mercedes Marinas (formerly Mrs. Mercedes Santos); to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4740. A bill for the relief of Mrs. Nancy Belle Norton; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4741. A bill for the relief of Angelo Incorvaia; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4742. A bill to provide for the extension of patent No. 1,885,846, issued November 1, 1932, to Edgar Earle Littlefield; to the Committee on the Judiciary.

H. R. 4743. A bill to provide for the extension of patent No. 1,862,937, issued June 14, 1932, to Edgar Earle Littlefield; to the Committee on the Judiciary.

H. R. 4744. A bill to renew and extend certain letters patent; to the Committee on the Judiciary.

H. R. 4745. A bill to provide for the extension of patent No. 1,893,627, issued January 10, 1933, to Edgar Earle Littlefield; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 4746. A bill to record the lawful admission of Miran John Aprahamian to the United States for permanent residence; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. R. 4747. A bill for the relief of Miss Louise Ahting; to the Committee on the Judiciary.

H. R. 4748. A bill for the relief of Ben W. Schubert; to the Committee on the Judiciary.

By Mr. SHORT:

H. J. Res. 243. Joint resolution for the relief of Benton Wilson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

877. By Mr. BARING: Certified copy of Assembly Joint Resolution 9, approved by Governor Pittman March 29, 1949; to the Committee on Foreign Affairs.

878. Also, certified copy of Assembly Joint Resolution 25, approved by Governor Pittman March 29, 1949; to the Committee on Public Works.

879. By Mr. BOGGS of Delaware: Petition of Woman's Christian Temperance Union of Blades, Del., containing 68 signatures, in support of H. R. 2428, a bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

880. Also, petition of Woman's Christian Temperance Union of Seaford, Del., containing 71 signatures in support of H. R. 2428, a bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

881. Also, memorial of House of Representatives, State of Delaware, One Hundred and Fifteenth General Assembly, memorializing the Congress of the United States with respect to a national compulsory sickness-insurance program and requesting the Delaware delegation in the United States Senate and House of Representatives to oppose the enactment of such legislation; to the Committee on Interstate and Foreign Commerce.

882. Also, memorial of the Senate of the State of Delaware, One Hundred and Fifteenth General Assembly, memorializing the Congress of the United States with respect to a national compulsory sickness-insurance program and requesting the Delaware delegation in the United States Senate and House of Representatives to oppose the enactment of such legislation; to the Committee on Interstate and Foreign Commerce.

883. By Mr. HALLECK: Petition of citizens of Otterbein, Ind., favoring repeal of wartime excise taxes; to the Committee on Ways and Means.

884. Also, petition of citizens of Winamac, Ind., favoring repeal of wartime excise taxes; to the Committee on Ways and Means.

885. Also, petition of citizens of Valparaiso, Ind., favoring repeal of wartime excise taxes; to the Committee on Ways and Means.

886. By the SPEAKER: Petition of Delta Council of Mississippi, Stoneville, Miss., urging the Congress of the United States to speedily enact the necessary laws outlawing and banishing communism and its related agencies and fronts from the United States; to the Committee on Un-American Activities.

887. Also, petition of Association of Interstate Commerce Commission Practitioners, Washington, D. C., requesting an investigation to correct the individual injustice and grave public disservice threatened by the action of the Civil Service Commission, purportedly under the Administrative Procedure Act; to the Committee on Post Office and Civil Service.

888. Also, petition of San Antonio Council of Churches, San Antonio, Tex., relative to their opposition to any provision in S. 246 that would permit diversion of Federal funds to other than public schools; to the Committee on Education and Labor.

889. Also, petition of Connecticut Dental Hygienists' Association, Bridgeport, Conn., urging that the United States Congress not enact any legislation which will hamper that freedom such as embodied in the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

890. Also, petition of Oklahoma State Dental Association, Oklahoma City, Okla.,

stating opposition to, and requesting that no legislation be enacted containing the principle of, compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

891. Also, petition of Board of Supervisors of Erie County, Buffalo, N. Y., urging approval of the General Pulaski's Memorial Day resolution now pending before the United States Congress; to the Committee on the Judiciary.

892. Also, petition of Mrs. Effa K. Collings and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

893. Also, petition of O. L. Williams, president, Tampa Townsend Club, No. 1, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, MAY 18, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of grace and glory, in hours of perplexity and confusion we are sure of no light but Thine, no refuge but in Thee. With swift and unpredictable events tumbling upon us without warning in a violent and chaotic world, O Thou God of the changing years, in a still moment like this as we bow at our noontide altar, may a holy hush within our spirits whisper words of courage and fortitude and fidelity. In these days of decision and destiny may we not miss the things belonging to our peace and to the peace of the world. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 17, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 1152) for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 623. An act for the relief of Sadako Takagi;

H. R. 656. An act for the relief of the Peerless Oil Co., of Brooklyn, N. Y.;

H. R. 703. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteein Foxworth;

H. R. 1009. An act for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.;

H. R. 1042. An act for the relief of Hoy C. Wong;

H. R. 1173. An act for the relief of Florence Bryant Peters and E. B. Peters;

H. R. 1297. An act for the relief of Alvin G. Patton;

H. R. 1470. An act for the relief of the estate of James F. Delahanty, deceased;

H. R. 1496. An act for the relief of Mrs. Thelma Lee Rynaard;

H. R. 1619. An act for the relief of St. Elizabeth Hospital, Yakima, Wash., and others;

H. R. 1620. An act for the relief of Robert E. Bridge and Leslie E. Ensign;

H. R. 1676. An act for the relief of Thomas M. Bates;

H. R. 1790. An act to restore certain land in Alaska to the public domain and to authorize its sale to Ford J. Dale, of Fairbanks, Alaska;

H. R. 2349. An act for the relief of Col. Wlodzimierz Onacewicz;

H. R. 2588. An act to confirm title in V. LeBlanc and C. Riccard to certain lands in West Baton Rouge Parish, La.;

H. R. 2850. An act for the relief of Denise Simeon Boutant;

H. R. 3127. An act to authorize the admission into the United States of Jacob Gross, a minor;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3320. An act for the relief of Ignacio Colon Cruz;

H. R. 3321. An act for the relief of Gloria Esther Diaz, Lydia Velez, and Gladys Prieto;

H. R. 3471. An act for the relief of Mrs. Sarah J. Miller;

H. R. 3616. An act authorizing the issuance of a patent in fee to Lulu Two Spears Iron Bird;

H. R. 3720. An act for the relief of Erwin F. Earl;

H. R. 3886. An act authorizing the Secretary of the Interior to issue a patent in fee to Jeanette Pearl Burns;

H. R. 4106. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions;

H. R. 4186. An act for the relief of Jan Liga;

H. R. 4307. An act for the relief of Ever Ready Supply Co. and Harold A. Dahlborg;

H. R. 4366. An act for the relief of Pearson Remedy Co.;

H. R. 4373. An act for the relief of Ray G. Schneyer and Dorothy J. Schneyer; and

H. R. 4559. An act for the relief of Louis Brown.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. LONG asked and obtained consent that a subcommittee of the Committee on Post Office and Civil Service considering pay and classification legislation be permitted to meet this afternoon at 3 o'clock during the session of the Senate.

Mr. BALDWIN asked and obtained consent for a subcommittee of the Armed Services Committee to hold hearings during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, the Senate has met after a recess, and before the Senator proceeds I ask unanimous consent that Senators may introduce bills and joint resolutions, submit routine matters, and ask to have insertions made in the RECORD without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Appropriations:

"Joint Resolution 14

"Joint resolution memorializing the Congress of the United States of America to provide funds for the maintenance and care of veterans' memorial cemeteries in the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to provide $40,000 annually for the maintenance and care of veterans' memorial cemeteries on each of the islands of the Territory of Hawaii, as follows:

Kauai	$10,000
Hawaii	10,000
Maui	10,000
Molokai	10,000

"SEC. 2. Duly authenticated copies of this joint resolution shall be forwarded to the Delegate to Congress from Hawaii, the Secretary of the Interior, and to each of the two Houses of the Congress of the United States.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 4th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 13

"Joint resolution memorializing the Congress of the United States of America to undertake the development of water storage facilities for the production of hydroelectric power and for the irrigation of certain upper land areas at Waimea, County of Kauai

"Whereas in the upper land area of Waimea, near Kokee, County of Kauai, there is approximately 15,000 acres of land which

would be suitable for agricultural purposes if irrigated; and

"Whereas there is sufficient water available, amounting to a flow of nearly 2,000,000 gallons per day, for irrigating such lands but lack of water storage facilities prevent its use for controlled irrigation; and

"Whereas there have been studies completed showing the feasibility and practicality of constructing reservoirs and of providing irrigation for such lands; and

"Whereas it is also both feasible and practical to include as part of the water storage facilities and irrigation project facilities for generating hydroelectric power: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby requested to appropriate adequate funds for and to provide for the undertaking of the development of facilities for the impounding of water in the upper land area of Waimea, near Kokee, County of Kauai, such water to be used for generating hydroelectric power and for irrigating land in the area. It is requested that included in the project be three reservoirs to be designated, to have the approximate capacities, and to be located in the County of Kauai, as follows:

"1. Kawaikoi reservoir, to be located below the junction of the east fork and the north fork of the Kawaikoi stream, at an elevation of approximately 3,431 feet and to have a capacity of at least 2,400,000,000 gallons of water; and

"2. Kokee reservoir, to be located near Kokee, at an elevation of approximately 3,500 feet, and to have a capacity of at least 140,000,000 gallons of water to be derived from the waters of the Kokee stream, the Noe stream, and the Waineke stream; and

"3. Kanalohuluhulu reservoir, to be located north and west of Kokee at an elevation of approximately 3,620 feet, and to provide storage facilities for at least 280,000,000 gallons of water naturally accumulating in that area, which water is to be subsequently discharged into the Waineke stream.

"SEC. 2. Certified copies of this joint resolution shall be forwarded to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior and to the Delegate to the Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 29th day of April A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Labor and Public Welfare:

"Joint Resolution 17

"Joint resolution requesting the Congress of the United States of America to enact legislation in regard to the stoppage or curtailment of sea-borne commerce between ports of the continental United States and ports of the Territory of Hawaii due to labor disputes

"Whereas the Territory of Hawaii, not being self-sufficient, and being located over 2,000 miles from the continental United States, and deriving much of its food and other essential supplies therefrom, as well as shipping much of its products thereto, is largely dependent upon sea-borne commerce between ports of the continental United States and ports of the said Territory for such food and essential supplies, as well as for the transportation for such products; and

"Whereas such commerce has been stopped or greatly curtailed from time to time, by reason of labor disputes between employers, on the one hand, and labor unions representing maritime workers or harbor workers, on the other hand, as a result of which labor disputes the economy of the said Territory has been injured, its productive effort has been damaged, and its people have suffered from protracted shortages of food and other essential supplies; and

"Whereas the best interests of the said Territory and its people are served by the prompt and orderly settlement of the aforesaid labor disputes; and

"Whereas the Congress of the United States of America enacted the Federal Railway Act (title 45, U. S. C., ch. 8) for the prompt and orderly settlement of labor disputes between railway employers and railway employees, but has enacted no similar legislation for the settlement of labor disputes between the aforesaid employers and the aforesaid maritime workers and harbor workers, although both classes of labor disputes equally affect the public interest and the health, welfare, and safety of the people: Now, therefore,

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it is hereby respectfully requested to enact legislation similar, in principle, to the said Federal Railway Labor Act for the prompt and orderly settlement of labor disputes between employers, on the one hand, and maritime employees on ships engaging in commerce between ports of the continental United States and ports of the Territory of Hawaii and harbor workers in said ports, on the other hand, to the end, that such commerce will not be stopped or curtailed, and all such disputes will be settled as promptly and orderly as possible.

"SEC. 2. That certified copies of this joint resolution shall be transmitted to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, to the Secretary of Labor, to the United States Maritime Commission and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 5th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A letter in the nature of a petition signed by Edward R. Burke, counsel, Hawaii Statehood Commission, of Washington, D. C., relating to statehood for Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Common Council of the City of Bellaire, Ohio, favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

A paper in the nature of a memorial from the Association of Interstate Commerce Commission Practitioners of Washington, D. C., signed by Chester C. Thompson, president, remonstrating against the action of the United States Civil Service Commission in reducing the number of hearing examiners employed by the Interstate Commerce Commission; to the Committee on Post Office and Civil Service.

COMPULSORY HEALTH INSURANCE — RESOLUTION OF HOUSE OF REPRESENTATIVES OF DELAWARE

Mr. WILLIAMS. Mr. President, I present for appropriate reference House Resolution No. 42 of the One Hundred and Fifteenth General Assembly of the State of Delaware, petitioning the Congress to refrain from imposing upon the citizens any form of compulsory health insurance.

The resolution was received and referred to the Committee on Labor and Public Welfare.

(See text of resolution printed in full when presented by the Vice President on May 16, 1949, p. 6204, CONGRESSIONAL RECORD.)

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE — PETITION

Mr. WILLIAMS. Mr. President, I present for appropriate reference a petition signed by 56 citizens of Lewes, Del., in support of H. R. 2428, to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic beverages over the radio.

The petition was received and referred to the Committee on Interstate and Foreign Commerce.

FEDERAL REGIONAL OR VALLEY AUTHORITIES — RESOLUTION OF NATIONAL WILDLIFE FEDERATION

Mr. WILEY. Mr. President, I have in my hand a resolution unanimously adopted by the National Wildlife Federation at its annual meeting on March 6 here in Washington. This resolution, representing the viewpoint of over 5,000,000 sportsmen and conservationists in the United States, opposes formation of any additional Federal, regional, or valley authorities. According to David A. Aylward, president of the federation, its membership believes that it would be better to handle the Nation's resources through interstate compact rather than further Federal valley authorities. There is, of course, a considerable amount of legislation now pending in the Congress for setting up additional valley or regional authorities, and I believe that the congressional committees evaluating this legislation should, while reviewing all of the facts in the matter, consider the viewpoint of the Nation's conservationists.

I ask unanimous consent that the text of the National Wildlife Federation resolution be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

RESOLUTION SUBMITTED BY THE IDAHO WILDLIFE FEDERATION

Whereas the National Wildlife Federation favors the maximum feasible conservation of America's natural resources; and

Whereas we believe that the creation of any Federal Valley Authority would interfere with the inherent rights of States in the management and conservation of their natural resources; and

Whereas there are now before the Congress of the United States bills to create additional valley authorities: Therefore be it

Resolved, That the National Wildlife Federation, a national organization in regular annual meeting assembled at Washington, D. C., March 6, 1949, is unalterably opposed to the creation of any additional Federal regional or valley authorities as being unjustified, unnecessary, and a dangerous departure from our American form of Government.

PRO-COMMUNIST SPEECH BY HONOLULU (HAWAII) HIGH-SCHOOL GIRL—LETTER AND RESOLUTION OF HAWAII EDUCATION ASSOCIATION

Mr. McCARRAN. Mr. President, I hold in my hand a letter which I have just received from James R. McDonough, executive secretary of the Hawaii Education Association. This letter submits to me a resolution unanimously adopted by the Hawaii Education Association in convention assembled on April 14, 1949. The purport of the resolution is to declare that the pro-Communist speech made by a school girl in Honolulu, to which I called the attention of the Senate some weeks ago, does not represent the attitude of the student body at this particular high school.

I am very glad to have this assurance, and I am happy to comply with the request that this resolution be inserted in the CONGRESSIONAL RECORD.

Accordingly, Mr. President, I now ask unanimous consent that the letter to which I have referred, together with the accompanying papers, including the list of signatures to the petition, may be appropriately referred and printed in the RECORD at this point as a part of my remarks.

There being no objection, the matters were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

THE HAWAII EDUCATION ASSOCIATION,
Honolulu, Hawaii, U. S. A., May 4, 1949.

The Honorable PATRICK MCCARRAN,
Senator from Nevada, Senate Office Building, Washington, D. C.

DEAR SENATOR MCCARRAN: I respectfully submit herewith a resolution unanimously adopted by the Hawaii Education Association in convention assembled April 14, 1949.

Truly yours,
JAMES R. MCDONOUGH,
Executive Secretary.

Whereas the action of Senator PATRICK MCCARRAN in reading into the CONGRESSIONAL RECORD an ill-advised speech on communism delivered by a 16-year-old school girl on the assigned topic, The Russian Problem, in a contest sponsored by the Daughters of the American Revolution, and the Senator's remarks upon this occasion, appear calculated to cast doubts upon Hawaii's teachers and students; and

Whereas the declaration framed by the student body of Kaimuki High School, dated April 8, 1949, which was read on the floor of the Territorial Senate on Wednesday morning, April 13, 1949, a copy of which is appended to this resolution, expresses what we believe to be the sincere convictions of the youth of Hawaii; and

Whereas the Territorial Senate voted to send to Congress this declaration and the remarks of Senators Herbert K. H. Lee and Eugene S. Capellas, Sr., with the request that it be inserted into the CONGRESSIONAL RECORD: Therefore be it

Resolved, That the Hawaii Education Association in convention assembled this 14th day of April 1949 heartily endorse the statement by the Kaimuki High School students and the comments by the Territorial senators; and be it further

Resolved, That the Hawaii Education Association add its request to that of the Territorial Senate that this statement be inserted in the CONGRESSIONAL RECORD, supporting this request with the assertion of its confidence in the loyalty, patriotism, and Americanism of Hawaii's public-school teachers and pupils; and be it further

Resolved, That copies of this resolution be sent to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to Hon. JOSEPH R. FARRINGTON, Delegate to Congress from Hawaii, and to Senator MCCARRAN.

HAWAII EDUCATION ASSOCIATION.
Adopted April 14, 1949.

KAIMUKI HIGH SCHOOL STUDENT GOVERNMENT,
Honolulu, Hawaii, April 8, 1949.

DECLARATION

Because we are students of Kaimuki High School and loyal American citizens devoted to the American way of life;

Because there appears to be some damage to our school reputation because of a student speech given in a school assembly in November 1948, which speech did not and does not represent our school or our beliefs and attitudes;

Because the ideas of communism play no part in our lives, and any assumption to the contrary is unfair, unjust, and with no basis in fact;

Because Kaimuki High School has been on record since 1947–48 as favoring statehood;

Because the speech and publicity given to it may have injured the cause of statehood for Hawaii;

Therefore, we the undersigned representatives of the student body of Kaimuki High School respectfully submit the following declaration:

We resent and we reject all implications that communism has any hold whatsoever on the students of Kaimuki High School, and we reaffirm our undivided loyalty to the United States of America and our devotion to the American way of life.

And we therefore are sending copies of this declaration to the following: The Honorable Ingram M. Stainback, Governor of Hawaii; the Honorable Wilfred C. Tsukiyama, president of the Senate, Territory of Hawaii; the Honorable Hiram L. Fong, speaker of the House of Representatives, Territory of Hawaii; the Honorable Alben W. Barkley, Vice President of the United States of America and President of the Senate of the United States of America; the Honorable Samuel Rayburn, Speaker of the House of Representatives of the United States of America; the Honorable Joseph R. Farrington; Delegate to Congress from Hawaii; Dr. W. Harold Loper, superintendent of public instruction, Territory of Hawaii; Mr. Edward N. Sylva, chairman, board of commissioners of public instruction, Territory of Hawaii; Mr. Julius Krug, Secretary, Department of the Interior, of the United States of America; Mr. Robert M. Faulkner, supervising principal of Honolulu schools.

Henry Au Hoy, Student Government President; Walter Ito, Student Government Vice President; Nancy Oyama, Student Government Secretary; James Nohara, Student Government Treasurer; Robert Sasaki, Sergeant-at-Arms; Fujiko Zukeran, Inter School Council Chairman; Yuriko Hisano, Room 7 Representative; Alice Sakai, Room 19 Representative; Helen Higa, Room 38 Representative; Thelma Kaneshiro, Room 9 Representative; Dorothy Haitsuka, Room 15 Representative; Lillian Okuhara, Room 14B Representative; Sadie Ono, Chairman, Archives Committee; Edna Yamamoto, Chairman, Assembly Board Committee; Helen Fuchise, Room 4 Representative; Robert Freitas, Police Chief; William Kaneshiro, Representative, Library; Leighton Anderson, Room 7 Representative; George Gasper, Cafeteria E Representative; Joyce Matsuda, Room 11 Representative; Lottie Kobayashi, Room 9 Representative; James Hare, Room 26 Representative; Rickey Hamasaki, Junior Class President; Herman Ping; Room 34 Representative; Jean Kashiwamura, Cafeteria K Representative; Patsy Minatodani, Room 21 Representative; Jan Jo, Editor—Annual; Gail Omura, Identification Bureau Chairman; Mabel L. Kam, Handbook Committee Chairman; Nancy Onaga, Newspaper Editor; Harold Abe, Room 31 Representative; M. Freitas, Room 16 Representative; Oi Wun Young, Room 21 Representative; Katherine Niau, Room 18 Representative; Violet Oki, Room 17 Representative; James Kurashige, Room 24 Representative; Veronica Lim, Room 24 Representative; Grace Oshima, Room 24 Representative; Rebecca Goodness, Junior Class Adviser; Cathryn M. Irvine, Senior Class Adviser.

THE SPANISH MUDDLE—EDITORIAL

Mr. McCARRAN. Mr. President, there has been considerable discussion recently, on the floor of this body, with respect to our attitude toward Spain.

In that connection, I hold in my hand an article from the Paris edition of the London Daily Mail, dated Friday, April 22, the title of which is "The Spanish Muddle," and the author of which is Sir Duff Cooper, former British Ambassador to France.

Because I believe this article will be of special interest to many Senators, I ask unanimous consent that it may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the body of the RECORD, as follows:

THE SPANISH MUDDLE—WHY TREAT SPAIN WORSE THAN OUR EX-ENEMIES?—BRITAIN SHOULD ABANDON INDEFENSIBLE POLICY

(By Sir Duff Cooper, former British Ambassador to France)

The political situation is subject to perpetual change. Men who refuse to recognize the changes that take place are doomed to failure. Those who in 1949 adhere obstinately to a policy that was defensible in 1945 are the stupidest sort of diehards. They fail to understand that in foreign affairs a complete revolution has taken place in 4 years.

When the war ended, Britons of all parties were anxious for continued close collaboration with their Russian ally. Today men of all parties, except Communists and crypto-Communists, have reluctantly come to the conclusion that such collaboration is, at present, impossible.

It is the Russians who have driven them to that conclusion and who, in doing so, have created a gang of police states, each ruled by minority governments, who defy the principles of the United Nations, who are arming in defiance of the peace treaties they have signed, and whose attitude constitutes a menace to the peace of the world.

To meet this menace the free nations are wisely pursuing two methods. They are forming a union of the powers of western Europe, and are concluding a pact with their great ally on the other side of the Atlantic Ocean. At the same time this great ally, in order to prevent her friends in Europe from collapsing under the strain of postwar economic conditions, is extending toward them generous financial assistance.

NEVER INVITED

The following, therefore, are now the four main features of the situation—Communist

menace, western union, Atlantic Pact, and Marshall aid. Four years ago the first of these was not generally recognized as existing, and the other three did not exist. So the change in the situation is immense, and the change in our attitude toward it should be commensurable.

In the lists of nations belonging to the western union and the Atlantic Pact, and in that of those receiving Marshall aid, there is one name conspicuously absent. Spain has never been invited to associate herself with her neighbors, and although she is in dire financial straits, no helping hand has been extended toward her.

Whenever it is suggested that there should be some alteration in the anti-Spanish policy adopted 4 years ago, Britain's prim, little leftist politicians purse up their lips in disapproval, like that of maiden aunts toward the bad girl of the family, and exclaim: "Spain! Oh, no, we never mention her."

In more sensible circles there is a growing uneasiness about this attitude. To nurse a grudge is foolish in an individual—it is unpardonable in the government of a great country. To send a member of society to Coventry is schoolboy justice, and should be abandoned by those who have left the schoolroom.

Britain says that it is not the Spanish people but their government with whom she is angry; yet, it is the people who are suffering and the government who are gaining as the result of Britain's policy. Heaven forbid that Britain should seek to appeal to the Spanish people over the head of their government, that elementary political blunder, which President Wilson made in the case of Italy 30 years ago, but Britain should make some attempt to explain her policy to Spaniards, and she cannot explain it without changing it, for as it stands it is inexplicable.

Her whole policy toward Spain is based upon dislike of her present government. That Britain has grounds for her dislike may be granted, but whether such dislike constitutes in itself a sufficiently sound basis for the policy of one country toward another must be questioned.

PROUD PEOPLE

If we are to succeed in the formation of unions and pacts comprehensive of many nations, it can hardly be expected that each one of those nations will entirely approve of the form of government existing in each one of the others. It is even possible that Britain's Government may arouse no particular enthusiasm among some of her closest friends.

Both great political parties in the United States detest socialism, yet Britain's Socialist government demands and obtains unfailing sympathy and assistance from those who deplore its principles. The British Government would be outraged, even those of us who do not support it would be deeply offended, if the Americans were to say one morning: "If you wish to retain our friendship, you must change your government." Yet this is precisely what Britain is saying every morning to Spain.

The Spaniards are a very proud people. They are not going to make excuses, nor to ask Britain questions, but there are many good excuses they could make which would clarify the situation, and many questions they could ask which would be hard to answer.

RESISTED THREAT

Admitting that their attitude in the war was more friendly to Britain's foes than to Britain, they might remind Britons that they had just emerged from a civil war in which they had lost more killed than Great Britain lost either in the Second or in the First World War; that Hitler, triumphant, was standing on their frontiers, using all the pressure at his command to persuade them to come into the war on his side, and promising them Gibraltar and much else beside as their reward.

Yet they resisted both the threat and the bribe, and remained neutral, so that we learn from the recently published official papers of Ciano how the Germans were complaining in the fateful year of 1940 of the lack of cooperation from Spain, and comparing it unfavorably with the valuable support they were receiving from Russia.

Spaniards cannot believe it possible that they should be thought to have behaved worse toward the Allies during the war than either Germany or Italy. Yet they are being worse treated today.

They see the Allies making gigantic efforts to feed the Germans and yet they are hungrier than the Germans, but nobody ever thinks of feeding them. Italy has been forgiven, as though she had never been guilty, and is a highly respected member of the western union and of the Atlantic Pact.

Spaniards know that we do not like dictatorships. Nor do they. But they know also that there is a dictatorship in Portugal, and they suspect that the methods of the Turkish Government are not always strictly democratic. Yet these facts have not, fortunately, interfered with Britain's friendly relations with these countries.

They have been told that the ambassadors of the democracies were withdrawn from Madrid because it was considered that Spanish political offenders had been treated with excessive severity. Yet they have seen the heroic Petkov judicially murdered in Bulgaria and the saintly Mindszenty unjustly condemned to lifelong imprisonment in Hungary, and they know that Britain is still represented by fully accredited diplomatists in both countries.

These are some of the questions that Spaniards would be justified in asking Britain, and that Britain would find it very difficult to answer. They might also add that, if Britain is afraid that she may have to fight communism, they have already fought it, and defeated it—a fact that should entitle them to some consideration.

TWO ATTITUDES

It is high time that Britain abandoned a policy, for which there may have been some justification 4 years ago, but which is indefensible today. The main objective of the new policy should be to bring Spain back to the community of nations, and the first step toward that objective should be the appointment of ambassadors.

There are only two attitudes which a sensible man can adopt toward others. Either he must be polite or he must refuse to speak to them. No sensible man would adopt the policy of being perpetually rude.

To be represented by a chargé d'affaires and to refuse to appoint an ambassador is a policy of incivility. It may be permissible as a temporary expedient, but when it is prolonged over a period of years it becomes ridiculous. It is the worst of all policies to adopt toward the most courteous of nations.

When the ambassadors have been appointed and when they have got into touch with the Spanish Government, as only ambassadors can do, they should report to their own governments as to the next steps that should be taken in order to arrive at the end desired.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

H. R. 858. A bill to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries; with amendments (Rept. No. 402).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 18, 1949, he presented to the President of the United States the following enrolled bills:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.;

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended;

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.;

S. 1185. An act to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes; and

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Roderick Murray and Paul D. Pedersen, for appointment in the regular corps of the Public Health Service; and

Ardell B. Colyar, and sundry other candidates for appointment and promotion in the regular corps of the Public Health Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. TYDINGS introduced Senate bill 1875, to authorize certain construction at military and naval installations, and for other purposes, which was referred to the Committee on Armed Services, and appears under a separate heading.)

(Mr. TYDINGS also introduced Senate bill 1876, to provide pay, allowances, retirement, and survivor benefits for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, which was referred to the Committee on Armed Services, and appears under a separate heading.)

By Mr. GREEN:

S. 1877. A bill providing for the conveyance of the former Fort Phillip Kearney Military Reservation to the State of Rhode Island; to the Committee on Banking and Currency.

By Mr. HOLLAND:

S. 1878. A bill for the relief of W. L. Clark; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1879. A bill to allow an exclusion from the gross income of an employee for income-tax purposes of payments, made by his employer, of premiums on not to exceed $10,000 of term insurance on the employee's life; to the Committee on Finance.

(Mr. LANGER also introduced Senate bill 1880, to provide aid to persons in the United States desirous of migrating to the Repub-

lic of Liberia, and for other purposes, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 1881. A bill to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia; to the Committee on the District of Columbia.

By Mr. THOMAS of Oklahoma:

S. 1882. A bill to amend the Agricultural Adjustment Act of 1932, as amended by the Agricultural Act of 1948; to the Committee on Agriculture and Forestry.

By Mr. LODGE:

S. 1883. A bill for the relief of Jeannette Passayanni-Capodistria; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1884. A bill for the relief of Rev. Lambros Economakos; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 1885. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and enter judgment upon the claims of the State of California for reimbursement for moneys advanced and expended in aid of the United States; to the Committee on the Judiciary.

By Mr. HAYDEN (for himself and Mr. MCFARLAND):

S. 1886. A bill to permit shipment by mail of live scorpions to be used for medical research purposes; to the Committee on Post Office and Civil Service.

By Mr. McFARLAND (for himself and Mr. HAYDEN):

S. 1887. A bill to authorize the Secretary of the Interior to transfer certain property for the use and benefit of the Colorado River Indian Tribes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of Colorado (by request):

S. 1888. A bill to amend the Federal Airport Act; to the Committee on Interstate and Foreign Commerce.

CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. TYDINGS. Mr. President, I am about to introduce a bill to authorize certain construction at military and naval installations, and for other purposes. In view of the fact that the bill will provide authorizations for $623,125,682, I shall take the liberty of reading a short letter, so that it may appear in the RECORD and put Senators on notice, because the projects are scattered all over the United States, as well as in Canada and in our possessions. I shall first read the letter.

The PRESIDENT pro tempore. Is there objection to the reading of the letter? The Chair hears none, and the Senator may proceed.

Mr. TYDINGS. The letter reads:

THE SECRETARY OF DEFENSE,
Washington, May 17, 1949.

Hon. MILLARD E. TYDINGS,
Chairman, Armed Services Committee, United States Senate.

MY DEAR MR. CHAIRMAN: There is transmitted herewith a draft of a proposed bill authorizing the Secretaries of the Army, Navy, and Air Force to proceed, under the direction of the Secretary of Defense, with the construction of certain public works and for other purposes.

The purpose of the proposed legislation is to authorize the appropriation of necessary funds for the immediate and critical housing and public-works requirements of the National Military Establishment.

The proposed bill consists of four titles. The first three titles enumerate the projects sought to be authorized for each of the services, grouped according to specific station or locality. Title IV contains general authority for the three Secretaries to acquire lands or interests therein by donation, purchase, or otherwise, in connection with the construction under the proposed bill, provides that appropriations may be made available until expended and authorizes the granting of contract authority in lieu of appropriations.

Sections 404 and 405 of the bill have been included therein as a result of Bureau of the Budget review of the legislation. Section 404 would limit the net floor area of the family quarters authorized to 1,080 square feet per unit. Section 405 would provide a limit of not to exceed $14,000 cost per family unit including kitchen range, refrigerator, telephone, architectural and engineering services and all contingencies, as well as a limit of not to exceed $2,500 per family unit for site development and outside utilities including architectural and engineering services and all contingencies.

There would be authorized under section 402 of this title, total appropriations of not to exceed $623,125,682, including $25,000,000 for emergency projects specifically authorized by the three Secretaries and $14,529,000 for the special weapons project, with the balance allocated as follows:

	Army	Navy	Air Force
Inside continental United States	$69,889,700	$98,493,300	$175,540,500
Outside continental United States	81,177,700	89,219,501	69,275,981

This bill has been developed as a result of the studies of Mr. Donald F. Carpenter, Chairman of the Munitions Board, who has been designated my personal representative in this matter. It represents the minimum requirement for authorizations which are immediately necessary and critical in the light of the over-all strategic considerations of the services as indicated in Mr. Carpenter's report to me. As my representative, Mr. Carpenter is available to furnish any information which may be desired and is authorized to act for me in this matter.

I earnestly request on behalf of the National Military Establishment favorable consideration of this legislation.

The National Military Establishment has been advised by the Bureau of the Budget and there is no objection to the submission of the proposed legislation to the Congress for its consideration.

With kindest personal regards, I am,

Sincerely yours,

LOUIS JOHNSON.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WHERRY. Did I understand the Senator from Maryland to say that the bulk of the money was for housing on or off the bases?

Mr. TYDINGS. I would not like to answer that question "yes" or "no," but I can say that a great deal of it is for housing. I have not recapitulated the figures so as to be able to give the Senator a positive answer to his question.

Mr. WHERRY. Does the distinguished Senator know whether the bill provides for the construction by the military itself of space to house military personnel, that is, single men, such as a barracks, or does it provide simply for the building of homes?

Mr. TYDINGS. It includes homes, family quarters, public utilities, and various other matters related to homes, as well as a great many critical projects such as, for example, construction of facilities for rocket development.

Mr. WHERRY. I am interested primarily in the housing construction.

Mr. TYDINGS. Let me say to the Senator that one of the items which quickly catches my eye—and I mention this because the Senator has presented to me the need for it many times before—is the Sioux Ordnance Depot in Nebraska. Family quarters and utilities to the extent of $99,000 are provided at that one place. That is for the Army. There may be other Nebraska items in the bill. That is the thing the Senator and I have been discussing in part heretofore.

Mr. WHERRY. So if I correctly understand the provisions of the bill, it contemplates that the military will construct these facilities either on or off the base, and they will be rented, I imagine, to the personnel under their allowances. Is that correct?

Mr. TYDINGS. I think the Senator's observation is accurate.

Mr. WHERRY. This is not a private enterprise housing bill. It provides money which the military itself expects to expend. The military itself will control the housing, will it not?

Mr. TYDINGS. The military may have private persons do the building, but the military will supervise the work.

Mr. WHERRY. The military will own it, and there will be no loans issued against it?

Mr. TYDINGS. That is correct. This is a straight-out preparedness and critically needed list of projects, both in the field of housing and in the field of ranges, test laboratories, and the like.

Mr. WHERRY. I thank the Senator.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MURRAY. I should like to inquire whether the bill provides for the construction of housing facilities at the Army air base at Great Falls, Mont., which has been in great need of a program of that kind for a number of years.

Mr. TYDINGS. The bill is so long, and contains so many provisions, it would take me a little while to find out. I will tell the Senator privately whether it contains that item in a moment.

Mr. MURRAY. If it contains provisions of that character it would influence me a great deal.

Mr. TYDINGS. Yes.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD following my remarks, for the information of Senators.

There being no objection, the bill (S. 1875) to authorize certain construction at military and naval installations, and for other purposes, introduced by Mr. TYDINGS, was read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

TITLE I

SECTION 101. The Secretary of the Army, under the direction of the Secretary of Defense, is hereby authorized to establish or develop military installations and facilities

by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Aberdeen Proving Ground, Md.: Climatic testing facilities, air-to-ground rocket-firing research facilities, high explosives loading and dissassembly facilities and compressor building for supersonic windtunnel; $2,930,000.

Arlington Hall, Virginia: Extension between wings 1 and 2, building No. 450, extension of wing No. 1, building No. 450; $94,000.

Army-Navy General Hospital, Arkansas: Ground storage water reservoir; $65,000.

Army Chemical Center, Maryland: Process laboratory, radiological "cold" laboratory, low temperature test chambers, experimental loading and filling building, test chamber for aerosols, radiological "hot" laboratory, protective equipment laboratory, explosion test chamber, collective protector and air filter laboratory, facilities for assembly of clusters and fire bombs, high pressure laboratory, storage building for radiological equipment laboratory for radiological defense school; $2,861,000.

Army Receiving Station, La Plata, Md.: Family quarters and utilities barracks, receiving building, power house and garage; $634,500.

Army Transmitting Station, District of Columbia Area: Improve roads, land acquisition, power facilities, power house and garage, telephone facilities, transmitter building, barracks, family quarters and utilities; $1,285,500.

Fort Belvoir, Va.: Communications building, $118,000.

Benicia Arsenal, Calif.: Improvements to water system; $243,800.

Fort Benning, Ga.: Family quarters and utilities, repair shops, dispensary, magazines, storage facilities, administration building, gasoline station and pump house, central heating plant, obstacle and test course, testing pool, lavatory building, target house, range facilities; $6,512,000.

Black Hills Ordnance Depot, S. Dak.: Family quarters and utilities, improvements to water system; $249,000.

Fort Bliss, Tex.: Mechanical laboratory, X-ray laboratory, carbon disulfide storage tank, two gas cylinder storage buildings, two chemical storage buildings, storage igloo in ordnance area, components assembly building, fence, family quarters and utilities; $1,024,000.

Fort Bragg, N. C.: Family quarters and utilities; $6,666,000.

Brooklyn Army Base, N. Y.: Fire protection of piers; $150,000.

California Institute of Technology, California: Test cells, hazardous propellant storage, construction modification and relocation of facilities; $685,000.

Deseret Chemical Depot, Utah: Family quarters and utilities, barracks; $497,700.

Camp Detrick, Md.: Family quarters and utilities, civilian dormitory, decontamination facilities, munitions building, aerobiological building, basic science building, meteorological building, pilot plant for crop studies, surveillance building laboratory, storage facilities, maintenance shops; $3,313,500.

Fort Dix, N. J:. Family quarters and utilities; $924,000.

Frankford Arsenal, Pa.: Improvements to water system; $127,000.

Camp Hood, Tex.: Family quarters and utilities, battalion motor park, highway bridge, improvements to water system; $9,100,000.

Fort Jackson, S. C.: Family quarters and utilities, $528,000.

Fort Knox, Ky.: Family quarters and utilities; $924,000.

Camp Lee, Va.: Family quarters and utilities; $3,135,000.

Fort Lewis, Wash.: Family quarters and utilities, removal of structures and relocation of post office and finance building, telephone exchange building; $4,793,000.

Lima Ordnance Depot, Ohio: Heat and power plant, connection with city water supply and utilities; $290,000.

Malta Test Station, N. Y.: Additional garage space, additions to electrical distribution system; Quonset huts and platforms; fencing, drainage, roads, fire lanes and clearings, vehicle storage sheds, well, pump and water distributing system, addition to test structure No. 6, chemical test structure and test cells, oxygen pump and turbine test buildings, extension of nitrogen and oxygen gas lines to pits 1 and 2 and chemical pit, fire alarm system, increase storage for new type fuels, stockroom addition, extension engineering and laboratory building, water pipe wall for pits 3 and 4, addition to ram jet structure: $840,000.

Marion Engineer Depot, Ohio: Sprinkler system, special storage facilities; $533,000.

Midwest Chemical Depot, Ark.: Storage sheds; $551,000.

Fort Monmouth, N. J.: Family quarters and utilities; $3,069,000.

Muroc Air Force Base, Calif.: Improvement to range bombing facilities; $144,000.

Murphy General Hospital, Mass.: Family quarters and utilities, land acquisition; $241,000.

Navajo Ordnance Depot, Ariz.: Utilities for Navajo Village; $225,000.

Oliver General Hospital, Ga.: Family quarters and utilities; $396,000.

Picatinny Arsenal, N. J.: Construction of facilities for rocket development and test purposes and utilities (Loki project); $601,000.

Princeton, N. J.: Acquisition of Rockefeller Institute Facilities for Chemical Corps research; $3,000,000.

Redstone Arsenal (Huntsville), Ala.: Chemical laboratory and administration-engineer buildings and rocket motor test stand; engineer building, administration building, laboratory buildings; four rocket motor test stands; storage facilities; flight test range; nitroglycerin plant; two temperature conditioning buildings; modification of eight buildings; modification of one building for machine shop; expansion and modification of utilities, roads and fences; $4,250,000.

For Riley, Kans.: Underground magazines, family quarters and utilities; $143,000.

Rossford Ordnance Depot, Ohio: Fire-proofing of warehouses; $500,000.

St. Louis Medical Depot, Mo.: Modification of medical laboratory building; $125,000.

Schenectady General Depot, N. Y.: Base maintenance shop building facilities and utilities; $749,000.

Sharpe General Depot, Calif.: Equipment-processing building; $184,900.

Fort Sheridan, Ill.: Beach-erosion protection; $150,000.

Sierra Ordnance Depot, Calif.: Family quarters and utilities; $165,000.

Fort Sill, Okla.: Family quarters and utilities, control tower; $660,000.

Sioux Ordnance Depot, Nebr.: Family quarters and utilities; $99,000.

Tooele Ordnance Depot, Utah: Family quarters and utilities; $132,000.

Two Rock Ranch, California: Family quarters and utilities; $231,000.

Valley Forge General Hospital, Pa.: Family quarters and utilities, enlarge sewage collection and pumping facilities, acquisition of land (30 acres); $435,000.

Vint Hill Farms, Virginia: Family quarters and utilities; $759,000.

White Sands Proving Ground, New Mexico: Family quarters and utilities; barracks, extension of field instrumentation, automotive-maintenance shops, fuel stations, improvements to airfield facilities, meteorological station, refrigeration and ice plant, utilities shops, storage facilities, extension of water-supply system, and electric-power system, and bachelor officers quarters; $4,321,400.

Yuma Test Branch, Ariz.: Family quarters and utilities, barracks, cold-storage ice plant, and commissary; $215,400.

SPECIAL WEAPONS PROJECT

Construction at classified installations; $14,529,000.

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Survey Valdez pipe line; $315,000.

Eielson Air Force Base, Alaska: Petroleum terminal storage; $6,800,000.

Fort Richardson, Alaska: Ordnance shops, water intake, petroleum terminal storage and dock, design of 400-bed station hospital, water supply, warehouses, heat and power plant, water treatment, enlisted men's service club, outside utilities, bachelor officers quarters, barracks, family housing and utilities; $46,720,000.

Whittier, Alaska: Outside utilities, central heat and power plant, composite bachelor housing, service and recreation building; $12,645,700.

Okinawa: General depot facilities, road net, water-supply system; $1,439,000.

Naha, Okinawa: Sewers including sewers at Machinato, ship basin; $1,139,000.

Sukiran, Okinawa: Signal and telephone system, utilities, roads, site preparation, family quarters and utilities; $11,305,000.

Helemano, Oahu, T. H.: Land acquisition, $6,000.

St. Thomas, V. I.: San Jose project, $808,000.

TITLE II

The Secretary of the Navy, under the direction of the Secretary of Defense, is hereby authorized to establish or develop naval installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Naval Air Station, Alameda, Calif.: Jet overhaul building and accessories; $950,000.

Naval Research Laboratory, Anacostia, D. C.: Research laboratory building and accessories, correction of deficiencies to existing facilities; $1,570,000.

Naval Engineering Experiment Station, Annapolis, Md.: Submarine propulsion test facility; $2,000,000.

Naval Ammunition Depot, Bangor, Wash.: Mine assembly facilities, including buildings and accessory construction; $1,000,000.

Naval Training School, Massachusetts Institute of Technology, Cambridge, Mass.: Combustion test and development facility; $682,000.

David Taylor Model Basin, Carderock, Md.: Alter 24 inch variable pressure water tunnel, wind tunnel and associated facilities, completion of 3 meter wind tunnel, free surface test facility; $2,344,000.

Marine Corps Air Station, Cherry Point, N. C.: Family quarters and utilities; $1,765,500.

Naval Aviation Ordnance Test Station, Chincoteague, Va.: Family quarters and utilities, guided missile range and facilities; $1,165,000.

Naval Auxiliary Air Station, Chincoteague, Va.: Family quarters and utilities; $346,500.

Naval Proving Ground, Dahlgren, Va.: Interior ballistics measurements building; $410,000.

Naval Ordnance Aerophysics Laboratory, Daingerfield, Tex.: Addition to test chamber to increase capacity of wind tunnel and additional laboratory facilities; $864,500.

Naval Ammunition Depot, Earle, N. J.: Mine assembly facilities, including buildings and accessory construction; $1,100,000.

Naval Training Center, Great Lakes, Ill.: Addition to main power plant, including boilers and accessory construction, conversion

of barracks to family quarters and utilities; $1,575,000.

Naval Ammunition Depot, Hawthorne, Nev.: Additional water storage facilities; $320,000.

Naval Ordnance Test Station, Inyokern, Calif.: Morris Dam under water test facilities, static firing facilities for liquid fuels, aerodynamics ballistic track range, ballistic ground ranges and additional instrumentation for and modification of guided missile range, ballistics range facilities, family quarters and utilities; $10,992,000.

Naval Air Station, Jacksonville, Fla.: Aircraft berthing, turning basin and approach channel, Mayport, Fla.; $4,920,000.

Naval Fuel Storage Facility, Jacksonville, Fla.: Acquisition and expansion of residual terminal facility, including tankage, pipe lines and accessory construction; $3,175,000.

Naval Air Development Station, Johnsville, Pa.: Extension of runways for jet operations, acquisition of aviation easements in runway approach zone, development and test facilities; $5,253,500.

Naval Station, Key West, Fla.: Dredging at submarine basin; $739,000.

Naval Aeronautical Rocket Laboratory, Lake Denmark, N. J.: Rocket test and development facilities; $7,500,000.

Marine Barracks, Camp Lejeune, N. C.: Family quarters and utilities; $5,808,000.

Naval Hospital, Camp LeJeune, N. C.: Family quarters and utilities (conversion); $128,000.

Naval Auxiliary Air Station, Miramar, Calif.: Aircraft maintenance hangar, parking utilities, services and gasoline storage; $2,230,000.

Submarine Base, New London, Conn.: Additional torpedo storage, $135,000.

Naval Base, Newport, R. I.: Acquisition of land on Conanicut Island for small-boat landings; $9,000.

Naval Air Station, Norfolk, Va.: Test cells for turbine engines; $485,000.

Headquarters, Commander in Chief, Atlantic Fleet, Norfolk, Va.: Combined antisubmarine warfare plot and administration building; $650,000.

Naval Communication Station, Norfolk, Va.: Communication facilities for Headquarters, Commander in Chief, Atlantic Fleet; $11,650,000.

Naval Air Test Center, Patuxent River, Md.: Family quarters and utilities; $775,500.

Naval Electronics Laboratory, Point Loma, Calif.: Laboratory supply and utility buildings, including services and accessories; $3,450,000.

Naval Air Station, Quonset Point, R. I.: Completion of two engine test cells; $300,000.

Naval Air Station, San Diego, Calif.: Turbo prop engine test cells; $530,000.

Special Devices Center, Sands Point, Long Island, N. Y.: Acquisition of land and buildings; $350,000.

Naval Shipyard, San Francisco, Calif.: Conversion of building No. 301 for radiological laboratory; $1,000,000.

Naval Communications Station, Skaggs, Island, Calif.: Family quarters and utilities; $495,000.

Naval Civil Engineering Laboratory, Solomons, Md.: Laboratory building and associated facilities; $2,000,000.

Thirteenth Naval District: Radio direction-finder facilities for supplementary communication requirements; $211,000.

Twelfth Naval District: Vacuum-system housing at Naval Ordnance Activity; $85,000.

Naval Air Station, Whidbey, Island, Wash.: Acquisition of rocket target range (314.62 acres); $35,600.

Naval Ordnance Laboratory, White Oak, Md.: Model test tank, ballistics laboratory; $1,540,000.

Navy Communication Station, Winter Harbor, Maine: Addition to radio operating building, permanent remote control high-frequency direction finder facilities, family quarters and utilities; $509,000.

Location to be determined: Advanced undersea warfare school, $275,000. Naval experimental range (vertical firing range for VT fuses and range for aircraft damage trials); $850,000.

Various locations: Additional aviation fuel storage to support jet operations, $5,000,000. Extension of runways for jet operations at Naval Air Station, Alameda, Calif.; Naval Auxiliary Air Station, Charleston, R. I.; Marine Corps Air Station, Cherry Point, N. C.; Marine Corps Air Station, El Toro, Calif.; Naval Air Station, Norfolk, Va.; Naval Auxiliary Air Station, Oceana, Va.; and/or at such stations as changes in strategic dispositions indicate; $11,320,000.

OUTSIDE CONTINENTAL UNITED STATES

Adak, Alaska: Permanent communication facilities, including buildings, collateral equipment, and accessory construction, magazine buildings and accessory construction, permanent facilities including buildings, collateral equipment, and accessory construction of communication supplemental activity, family quarters and utilities; $22,616,000.

Naval Operating Base, Kodiak, Alaska: Extension of runway, family quarters, and utilities; $2,548,000.

Submarine Base, Balboa, C. Z.: Family quarters; $1,498,000.

Fourteenth Naval District: Communication control links, including equipment and land; $527,000.

Naval Operating Base, Grondal, Greenland: Marine railway, machine shop and accessories; $90,000.

Navy communication supplementary activity, Guam: Permanent facilities for communication supplementary activities, interim operating building and accessory construction; $8,870,000.

Naval Supply Center, Guam: Additional petroleum storage facilities; $14,200,000.

Agana Naval Air Station, Guam: Water, electric and sanitary systems; $1,850,000.

Naval Operating Base, Guam: Extension of power generation, transmission and distribution system, water supply and distribution system, family housing, and completion of civil-service bachelor quarters; $21,936,000.

Oahu, Hawaii: Acquisition of part of Oahu railroad; $1.

Naval Operating Base, Kwajalein: Water supply and distribution, power plant, and water distillation, refrigerated storage, sewage disposal system, barracks, mess and gallery; $5,958,000.

Argentia, Newfoundland: Permanent communication facility, family quarters and utilities (conversion); $3,193,000.

Pacific: Naval government facilities in Trust Territories; $1,000,000.

Roosevelt Roads, P. R.: acquisition of land (4,170 acres); $330,000.

Naval station, Tutuila Island, Samoa: Acquisition of land (11 acres); $3,500.

Various: Additional communications facilities, $1,000,000. Aviation gas storage (200,000 bbls.); $3,600,000.

TITLE III

The Secretary of the Air Force, under the direction of the Secretary of Defense, is hereby authorized to establish or develop installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Bakersfield, Calif.: Purchase and rehabilitation of Mohawk Oil Co. plant, including land; $141,000.

Bergstrom Air Force Base, Austin, Tex.: Family quarters and utilities; $1,551,000.

Biggs Air Force Base, El Paso, Tex.: Additional aviation fuel storage and airfield pavements, family quarters and utilities; $4,717,000.

Campbell Air Force Base, Hopkinsville, Ky.: Control tower and security fence, family quarters and utilities; $496,000.

Castle Air Force Base, Merced, Calif.: Airfield pavements, land for runway extension, and aviation fuel storage facilities, family quarters and utilities; $6,171,000.

Chatham Air Force Base, Savannah, Ga.: Aviation fuel storage facilities, airfield pavements; $1,275,000.

Davis-Monthan Air Force Base, Ariz.: Family quarters and utilities; $2,244,000.

Eglin Air Force Base, Fla.: Family quarters and utilities; $1,584,000.

Ellington Air Force Base, Houston, Tex.: Celestial navigation training buildings; $57,000.

Fairfield-Suisun Air Force Base, Calif.: Family quarters and utilities; $1,584,000.

Great Falls Air Force Base, Great Falls, Mont.: Aviation fuel storage facility and airfield pavements, family quarters and utilities; $7,051,000.

Griffiss Air Force Base, Rome, N. Y.: Shelter and laboratories for automatic radio grid direction finder, alterations of buildings for Watson laboratories, development of instrument landing system, NAVA globe system building, $3,114,500.

Hamilton Air Force Base, San Rafael, Calif.: Airfield pavements, aviation fuel storage facilities, family quarters and utilities; $2,192,000.

Holloman Air Force Base, Alamogordo, N. Mex.: Instrumentation building, telephone circuits to instrumentation sites, utilities, conversion of electrical distribution system, water supply and storage facilities, missile assembly buildings, photo laboratory, commissary, sales store and warehouse, tracking device, telemetering and radar, access trails in range area, technical building, family quarters and utilities, upper atmosphere research station; $7,679,725.

Hood Air Force Base, Temple, Tex.: Family quarters and utilities, operation building, control tower and fire crash station, night lighting, transformer building, fuel storage, oil storage, electrical distribution system, gas mains, water mains, sewage-disposal facilities, grading and seeding, roads and parking areas, gatehouse, obstruction lighting, airfield pavement; $2,309,467.

Kirtland Air Force Base, Albuquerque, N. Mex.: Family quarters and utilities; $792,000.

Lawson Air Force Base, Columbus, Ga.: Airfield pavement reconstruction; $500,000.

Limestone Air Force Base, Limestone, Maine: Family quarters and utilities, barracks, aviation fuel storage facilities, heating plant and extension to existing heating facilities, warehouses, maintenance shops, fire and crash station, bomb handling and storage facilities, airfield pavements, oil storage facilities, commissary, nose hangars, training school building, utilities, roads and parking areas, administrative telephone system, communications and electronic facilities; $25,134,200.

MacDill Air Force Base, Tampa, Fla.: Aviation fuel storage facilities and airfield pavements, family quarters and utilities; $4,412,000.

McGuire Air Force Base, Trenton, N. J.: Aviation fuel storage facilities; $700,000.

March Air Force Base, Riverside, Calif.: Family quarters and utilities; $528,000.

Moses Lake Air Force Base, Moses Lake, Wash.: Barracks, family quarters and utilities; $5,230,000.

Mount Washington Weather Station, N. H.: Climatic projects laboratory, $363,600.

Muroc Air Force Base, Calif.: Quartermaster warehouse, experimental parachute facilities, electrical system, land for base expansion, unconventional fuel storage, water system, armament engineering test facilities, radar and telemetering station, hangars, pavements, runway and taxiway, warehouse

and railroad spur, hangar shop and warehouse, rocket static test facilities, barracks, family quarters and utilities; $30,832,580.

Norwalk, Calif.: Rehabilitation and provision of additional operating facilities, purchase of Wilshire and Sunset Oil Co. plants; $767,000.

Offutt Air Force Base, Omaha, Nebr.: Reconstruction of barracks for troop housing; $300,000.

Otis Air Force Base, Falmouth, Mass.: Aviation fuel storage facilities and hangar; $1,150,000.

Panama City, Fla.: Purchase and rehabilitation of Panama City Oil Co. plant; $537,339.

Rapid City Air Force Base, Rapid City, S. Dak.: Family quarters and utilities; $2,376,000.

Scott Air Force Base, Belleville, Ill.: Land acquisition, family quarters and utilities; $1,167,000.

Selfridge Air Force Base, Mount Clemens, Mich.: Aviation fuel storage facilities and airfield pavements; $600,000.

Smoky Hill Air Force Base, Salina, Kans.: Family quarters and utilities; $2,244,000.

Spokane Air Force Base, Spokane, Wash.: Purchase of land, airfield pavements, aviation fuel storage facilities, barracks; $6,645,000.

Tacoma, Wash.: Purchase and rehabilitation of General Petroleum Terminal No. 2 facilities; $200,000.

Topeka Air Force Base, Topeka, Kans.: Family quarters and utilities; $1,452,000.

Torrence, Calif.: Ram jet test facilities; $250,000.

Walker Air Force Base, Roswell, N. Mex.: Aviation fuel storage facilities, airfield pavements, family quarters and utilities; $6,672,000.

Westover Air Force Base, Chicopee Falls, Mass.: Family quarters and utilities; $1,584,000.

Williams Air Force Base, Chandler, Ariz.: Family quarters and utilities; $1,584,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Structure branch storage, addition to electrical distribution system for engineering laboratory building, modification to shop and office (Wind Tunnel Building 24C), addition to film storage building, compass test building, modification of wind tunnel (Building 24B), addition to radar test building, high-powered electric whirlrig, extension to electric system, coal handling facilities (Area C), extension to engineer shops, vibration test building; $3,340,010.

Location to be determined: Additional strategic bulk petroleum storage facilities; $14,200,000.

Various locations:

Conversion of engine overhaul and test facilities	$ 7,990,000
Airways navigtional aids and communication facilities	10,823,080
Repair and replacement of airfield lighting	1,000,000

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Warmup shelters for aircraft, $1,000,000.

Eielson Air Force Base, Alaska: Theater, maintenance docks, utilities, utilidor and tie-in to new power plant, refrigeration building, power and steam plant, telephone exchange, truck fill stands, barracks, bachelor officers quarters, family quarters and utilities; $28,156,200.

Elmendorf Air Force Base, Fort Richardson, Alaska: Telephone system, outside utilities, warm storage for vehicles; $3,664,600.

Ladd Air Force Base, Fairbanks, Alaska: Family quarters and utilities; $5,610,000.

Kindley Air Force Base, Bermuda: Completion of bridge; $600,000.

Johnston Island Air Force Base: Petroleum storage facilities, salt water flushing system, fresh water supply system, airfield lighting, dock repair and replacement, electrical distribution system, electric power plant, communications facilities; $2,031,000.

Naha Air Force Base, Okinawa: Sewage facilities; $1,361,250.

Kadena Air Force Base, Kadena, Okinawa: Sewage system; $2,825,000.

Dhahran Air Transport Station, Saudi Arabia: Additional facilities; $4,500,000.

Various locations:

Weather broadcast and point to point communications facilities	$1,181,661
Northeast Loran Chain	2,850,000
Ground control approach facilities	722,934
Air-ground radio stations	2,595,737
Three multichannel single side band stations	3,741,183
Radar set facilities	436,415
Demountable or low-cost family housing	8,000,000

TITLE IV

GENERAL PROVISIONS

SEC. 401. To accomplish the above-authorized construction, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, under the direction of the Secretary of Defense, are authorized to acquire lands and rights pertaining thereto, or other interests therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended. When necessary, the Secretary of the Army, under the direction of the Secretary of Defense, is authorized to commence construction authorized in title I hereof for the special weapons project prior to approval of title to such lands by the Attorney General as required by section 355, Revised Statutes, as amended.

SEC. 402. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary for the purposes of this act, but not to exceed:

(1)	For public works authorized by title I:	
	Inside continental United States	$69,889,700
	Outside continental United States	81,177,700
	Special weapons project	14,529,000
(2)	For public works authorized by title II:	
	Inside continental United States	$98,493,300
	Outside continental United States	89,219,501
(3)	For public works authorized by title III:	
	Inside continental United States	$175,540,501
	Outside continental United States	69,275,980

(4) For such emergency construction projects within and without the continental United States as may be authorized, under the direction of the Secretary of Defense, by the Secretary of the Army, $9,000,000; by the Secretary of the Navy, $6,000,000; and by the Secretary of the Air Force, $10,000,000.

SEC. 403. The approximate cost of each project enumerated and authorized by titles I, II, and III of this act may, in the discretion of the Secretary concerned, be varied upward 10 percent, but the total cost of work for each title as authorized in section 402 shall not be exceeded.

SEC. 404. No family quarters shall be constructed under the authority of this act which are in excess of a net floor area of 1,080 square feet per unit.

SEC. 405. No family quarters shall be constructed under the authority of this act at (1) a cost per family unit in excess of $14,000 for construction, including kitchen range, refrigerator, telephone, architectural and engineering services, and all contingencies; nor at (2) a cost per family unit in excess of $2,500 for site development and outside utilities, including architectural and engineering services therefor and all contingencies: *Provided*, That when such units are constructed outside the continental United States, or in Alaska, the limitations on unit costs as specified in this section shall be applicable to the average costs of all units so constructed, and said average unit costs may each be increased by not more than 100 percent.

SEC. 406. Appropriations made to carry out the purposes of this act shall be available for expenses incident to construction, including administration, overhead planning and surveys, and shall be available until expended when specifically provided in the appropriation act.

SEC. 407. Any projects authorized herein may be prosecuted under direct appropriations, or authority to enter into contracts in lieu of such appropriations.

UNIFORMED SERVICES PAY BILL

Mr. TYDINGS. Mr. President, at the request of the National Military Establishment, I introduce for appropriate reference a bill covering various aspects of military pay and retirement. For some months exhaustive studies have been made on this subject by various groups and the bill as introduced represents the results of those studies. For some 40 years there has been no careful or systematic study made of our military-pay structure and it appears that there is a vital need for consideration of this problem at this time.

I do not propose to discuss the matter in detail at this time because the Armed Services Committee plans to study the matter carefully before making recommendations to the Senate. I would like to state, however, that in the opinion of responsible people in the Military Establishment, the President and myself, this problem of pay and personnel is one of the most pressing matters facing us today. Our military machine can be no better than the personnel who man it. The record shows clearly that we have been losing large numbers of competent personnel whom we may vitally need in the event of war. Such legislation will aid us in attracting and retaining the high-caliber personnel which we need in these days of highly technical military science and activities.

The bill (S. 1876) to provide pay, allowances, retirement, and survivor benefits for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, introduced by Mr. TYDINGS, was read twice by its title, and referred to the Committee on Armed Services.

AID TO PERSONS MIGRATING TO REPUBLIC OF LIBERIA

Mr. LANGER. Mr. President, I introduce for appropriate reference a bill to provide aid to persons in the United States desirous of migrating to the Republic of Liberia, and for other purposes, and I ask unanimous consent that the bill together with a letter addressed to me from the Universal African Nationalist Movement, New York City, N. Y., dated May 17, 1949, signed by Benjamin Gibbons, president, be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, without

objection, the bill and letter will be printed in the RECORD.

The bill (S. 1880) to provide aid to persons in the United States desirous of migrating to the Republic of Liberia, and for other purposes, introduced by Mr. LANGER, was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That it is hereby declared to be the policy of Congress to cooperate with the Republic of Liberia in furthering the interests and welfare of large numbers of persons who are residing in the United States and who desire to emigrate to and settle permanently in the Republic of Liberia. It is the intent of Congress that the benefits and provisions of this act shall apply to citizens of the United States, and aliens who are lawful residents in the United States, who may qualify as eligible for citizenship in the Republic of Liberia, and who by character, physical fitness, and climatic adaptability may qualify as migrants to be permanently settled in the Republic of Liberia, and who shall have voluntarily expressed a desire to become migrants under the provisions of this act.

SEC. 2. The President is hereby authorized and directed to enter into negotiations with the Government of the Republic of Liberia for the purpose of obtaining the consent of that country to the migration and permanent settlement of individuals assisted in accordance with the provisions of this act. The President shall further negotiate with the Government of the Republic of Liberia to secure reasonable guaranties that safety of life and limb and freedom of action for the migrants while under Liberian rule will be assured; that the Government of the Republic of Liberia will earnestly prohibit and punish any act or acts of intolerance or persecution, either political, social, or economic, of the migrants because of their condition as migrants; and that the migrants while aliens in the Republic of Liberia shall enjoy all the privileges and immunities of any other aliens resident in the Republic of Liberia, and that, after naturalization, they shall enjoy all the privileges and immunities of other citizens of the Republic of Liberia. The provisions of this section shall be a condition precedent to other provisions of this act.

SEC. 3. There is hereby created a Commission to be known as the Liberian Migration Commission, consisting of three members to be appointed by the President, by and with the advice of the Senate, for a term ending June 30, 1954, and one member of the Commission shall be designated by him as chairman. Each member of the Commission shall receive a salary at the rate of $10,000 per annum. The Commission may employ necessary personnel, including technicians, without regard to the civil-service laws or the Classification Act of 1923, as amended, and make provision for necessary supplies, facilities, and services to carry out the provisions and accomplish the purposes of this act. It shall be the duty of the Commission to formulate and issue regulations, necessary under the provisions of this act, and in compliance therewith, for the migration of eligible persons to the Republic of Liberia. It shall also be the duty of the Commission to report on February 1, 1950, and semiannually thereafter to the President and to the Congress on the situation regarding the migration of eligible persons to Liberia. At the end of its term the Commission shall make a final report to the President and to the Congress.

SEC. 4. (a) Under such regulations as the Commission may prescribe, any citizen of the United States, and any alien who is a lawful resident of the United States, who is in good physical condition and is capable by reason of his training, adaptability, intelligence, and ambition of becoming a self-sustaining settler in the Republic of Liberia, and who desires to become a migrant and settler in such country, may file an application on blanks prepared and supplied by the Commission requesting assistance in migrating to and permanently settling in the Republic of Liberia. Such application shall furnish such information as will enable the Commission to properly assess and evaluate the qualifications of the applicant. If the applicant is a householder, he may make application for all the members of his household as a unit. The application of a person responsible for the support and maintenance of children under the age of 16 years shall not be favorably acted upon unless such children are to accompany such applicant on his migration, or unless he has made adequate provision for their support and maintenance pending their transfer to join the applicant in the Republic of Liberia.

(b) The following persons shall not be eligible for migration under this act: Escaped convicts or fugitives from justice, persons under indictment and awaiting trial, persons who by reason of past criminal offenses are poor risks of becoming law-abiding and self-sustaining settlers in the Republic of Liberia, persons applying for migration for the purpose of defrauding creditors, and such other persons as the Commission may reasonably believe are likely to become public charges or social liabilities in the Republic of Liberia or who are otherwise unacceptable to the Government of the Republic of Liberia. The findings of the Commission with respect to the eligibility of any person for migration under this act shall be final.

SEC. 5. (a) The Commission is authorized to lease, furnish, and equip such office space in the District of Columbia and elsewhere as it may deem necessary; order goods and services from private individuals or concerns in the ordinary course of trade; requisition any department, board or agency of the United States for any available goods, services, or facilities which may be necessary in carrying out the provisions of this act, without affecting the proper operation of such department, board, or agency; provide transportation by land and by sea to qualified applicants migrating under the provisions of this act, and to their households, from the initial point of departure in the United States to the point of settlement in the Republic of Liberia, and to contract with land and maritime transportation companies for such purposes to the extent necessary by reason of the fact that such transportation facilities are not available from the Government of the United States; and provide adequate subsistence, medical care, and other necessities of life for the migrants during transit and until finally settled at the point of settlement.

(b) With the consent of the Government of the Republic of Liberia, the Commission is authorized to select or approve suitable sites for settlement of migrants in the Republic of Liberia; to establish and operate reception and disembarkation centers, supply depots, commissaries, temporary housing at points of settlement, dispensaries, pharmacies, and first-aid stations, and such other buildings and facilities as are necessary and proper to safeguard the health of the migrants and to carry out the purposes of this act, together with all necessary equipment and personnel.

(c) The Commission is further authorized, within the limits of such funds as may be appropriated to it to supply tools, equipment, materials, and technical assistance and advice, to the migrants when necessary to assist them in becoming self-sustaining members of their communities; to make loans to individuals, partnerships, or corporations composed of migrants, in meritorious cases, not to exceed $1,000 in any case, on reasonably liberal terms and conditions, as initial capital for business and industrial enterprises in Liberia; and to cooperate with and render technical and other assistance to the Government of the Republic of Liberia, or its responsible agencies, in the establishment of towns and rural districts, improvement of conditions of public sanitation, construction of public works and facilities, reclamation of land, development and improvement of utilities, schools, hospitals, and transportation facilities, encouragement of business enterprise and capital investments in the Republic of Liberia, and the construction, development, or encouragement of such other public works or projects as will tend to raise the standard of living and increase the productivity of the Republic of Liberia.

SEC. 6. Such sums as are necessary to carry out the provisions of this act are hereby authorized to be appropriated.

SEC. 7. The authority conferred by this act shall expire on June 30, 1954. This act shall become effective upon the date of its enactment.

The letter presented by Mr. LANGER is as follows:

UNIVERSAL AFRICAN NATIONALIST MOVEMENT, INC.,
New York, N. Y., May 17, 1949.

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: Receipt of your letter of May 12, 1949, with enclosure of proposed bill is hereby acknowledged with much thanks and appreciation.

We have gone over the contents thereof and have given it much consideration, and wish to state that it meets our hearty approval.

If there is anything within our power that will help to further its passage, we would be only too glad to contribute thereto, and we do sincerely hope that you will be able to obtain the necessary support to enable its successful enactment.

May we express to Mr. Reynolds and all those who helped to frame this bill our greatest appreciation, for through your kind direction, it is all that one can expect it to be; may God ever bless you with longevity of life that you may continue to do much good for humanity.

While hoping to hear from you in the very near future, with the very best of wishes, I have the honor to be,

Most respectfully yours,
BENJAMIN GIBBONS,
President.

CONSERVATION OF ORES, METALS, AND MINERALS—AMENDMENT

Mr. MURRAY (for himself, Mr. HAYDEN, and Mr. MCFARLAND) submitted an amendment in the nature of a substitute, intended to be proposed by them, jointly, to the bill (S. 240) to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

CLASS IV AND LARGER AIRPORT PROJECTS (S. DOC. NO. 77)

Mr. JOHNSON of Colorado. Mr. President, on May 2 there was laid before the

Senate a letter from the Acting Secretary of Commerce transmitting a request of the Administrator of Civil Aeronautics for authority to undertake certain projects for the development of class IV and larger airports during the fiscal year 1950.

I ask unanimous consent that the letter from the Acting Secretary of Commerce together with the accompanying papers be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes; to the Committee on Finance.

H. R. 623. An act for the relief of Sadako Takagi;

H. R. 656. An act for the relief of the Peerless Oil Co., of Brooklyn, N. Y.;

H. R. 703. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteein Foxworth;

H. R. 1009. An act for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.;

H. R. 1042. An act for the relief of Hoy C. Wong;

H. R. 1173. An act for the relief of Florence Bryant Peters and E. B. Peters;

H. R. 1297. An act for the relief of Alvin G. Patton;

H. R. 1470. An act for the relief of the estate of James F. Delahanty, deceased;

H. R. 1496. An act for the relief of Mrs. Thelma Lee Rynaard;

H. R. 1619. An act for the relief of St. Elizabeth Hospital, Yakima, Wash., and others;

H. R. 1620. An act for the relief of Robert E. Bridge and Leslie E. Ensign;

H. R. 1676. An act for the relief of Thomas M. Bates;

H. R. 2349. An act for the relief of Col. Wlodzimierz Onacewicz;

H. R. 2850. An act for the relief of Denise Simeon Boutant;

H. R. 3127. An act to authorize the admission into the United States of Jacob Gross, a minor;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3320. An act for the relief of Ignacio Colon Cruz;

H. R. 3321. An act for the relief of Gloria Esther Diaz, Lydia Velez, and Gladys Prieto;

H. R. 3471. An act for the relief of Mrs. Sarah J. Miller;

H. R. 3720. An act for the relief of Erwin F. Earl;

H. R. 4106. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions;

H. R. 4186. An act for the relief of Jan Liga;

H. R. 4307. An act for the relief of Ever Ready Supply Co. and Harold A. Dahlborg;

H. R. 4366. An act for the relief of Pearson Remedy Co.;

H. R. 4373. An act for the relief of Ray G. Schneyer and Dorothy J. Schneyer; and

H. R. 4559. An act for the relief of Louis Brown; to the Committee on the Judiciary.

H. R. 1790. An act to restore certain land in Alaska to the public domain and to authorize its sale to Ford J. Dale, of Fairbanks, Alaska;

H. R. 2588. An act to confirm title in V. LeBlanc and C. Riccard to certain lands in West Baton Rouge Parish, La.;

H. R. 3616. An act authorizing the issuance of a patent in fee to Lulu Two Spears Iron Bird; and

H. R. 3886. An act authorizing the Secretary of the Interior to issue a patent in fee to Jeanette Pearl Burns; to the Committee on Interior and Insular Affairs.

PROCEEDINGS ON THE OCCASION OF DEDICATION OF PLAQUE TO JOHN TYLER AT RICHMOND, VA.

[Mr. BYRD asked and obtained leave to have printed in the RECORD the proceedings on the occasion of the dedication of a plaque to John Tyler, tenth President of the United States, on the capitol grounds in Richmond, Va., on April 12, 1949, which appear in the Appendix.]

ADDRESS BY SENATOR BYRD ON OCCASION OF DEDICATION OF PLAQUE TO JOHN TYLER AT RICHMOND, VA.

[Mr. BYRD asked and obtained leave to have printed in the RECORD the address delivered by him on the occasion of the dedication of a plaque to John Tyler, the tenth President of the United States, on the capitol grounds in Richmond, Va., which appears in the Appendix.]

MODERATION FOR REPUBLICANS—ADDRESS BY SENATOR SMITH OF MAINE

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an address on the subject Moderation for Republicans, delivered by her at the Lincoln Day dinner of the Republican Committee, in Washington, D. C., on February 8, 1949, which appears in the Appendix.]

POWER OF THE PRESS—ADDRESS BY SENATOR SMITH OF MAINE

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an address on the subject Power of the Press, delivered by her at the annual dinner of the American Newspaper Publishers' Association in New York on Thursday, April 28, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR HUMPHREY BEFORE NATIONAL CONFERENCE ON CITIZENSHIP

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD the address delivered by him before the National Conference on Citizenship, at New York City, on May 16, 1949, which appears in the Appendix.]

MARSHALL PLAN AID AND SOCIALIZATION—ARTICLE BY FRANK GERVASI

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "ERP Hasn't Financed Socialization," written by Frank Gervasi and published in the Washington Post of May 1, 1949, which appears in the Appendix.]

ADDRESS BY RALPH E. BECKER BEFORE THE NEW ENGLAND COUNCIL OF YOUNG REPUBLICANS AT PORTSMOUTH, N. H.

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the address delivered by Mr. Ralph E. Becker, chairman of Young Republican National Federation, before the New England Council of Young Republicans at Portsmouth, N. H., on May 14, 1949, which appears in the Appendix.]

CONFLICTING JURISDICTION IN FEDERAL, STATE, AND LOCAL GOVERNMENTS—EDITORIAL FROM WILMINGTON (DEL.) JOURNAL EVERY EVENING

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "Backing For Boggs' Bill," published in the Wilmington (Del.) Journal-Every Evening, on Tuesday, May 10, 1949, which appears in the Appendix.]

TINY PITCHER MOLDED BY TEXAS POTTER—ARTICLE FROM MARSHALL (TEX.) NEWS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "Tiny Pitcher Molded by Texas Potter," published in the Marshall (Tex.) News of May 10, 1949, which appears in the Appendix.]

LOANS TO GERMANY AND DILLON, READ & CO.—ARTICLE FROM THE MAGAZINE PREVENT WORLD WAR III

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Loans to Germany and Dillon, Read & Co.," published in the magazine Prevent World War III, issue of March-April 1949, which appears in the Appendix.]

GOVERNOR LEE, OF UTAH—EDITORIAL FROM OMAHA DAILY JOURNAL STOCKMAN

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Answer to Taxpayer's Prayer?" published in the Omaha Daily Journal Stockman of April 25, 1949, which appears in the Appendix.]

THE NORTH ATLANTIC PACT—EDITORIAL FROM WALL STREET JOURNAL

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "The Loaded Automatic," published in the Wall Street Journal of May 17, 1949, which appears in the Appendix.]

SOCIALIZED MEDICINE — EDITORIAL FROM PRICE (UTAH) SUN-ADVOCATE

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Socialized Medicine," published in the Price (Utah) Sun-Advocate of May 12, 1949, which appears in the Appendix.]

BROTHERHOOD OF MAN—ADDRESS BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by him at the Brotherhood Day dinner of the Philadelphia Chapter, National Conference of Christians and Jews, at the Bellevue-Stratford Hotel, Philadelphia, May 10, 1949, which appears in the Appendix.]

THE NORTH ATLANTIC PACT—STATEMENT BY REV. EDGAR M. WAHLBERG

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a statement before the Committee on Foreign Relations by Rev. Edgar M. Wahlberg, of Denver, Colo., which appears in the Appendix.]

INVITATION TO ROOSEVELT PARK DEDICATION

Mr. LANGER. Mr. President, I ask unanimous consent to address the Senate for 3 minutes, in order to extend an invitation to the Members of the Senate to attend the dedication of Roosevelt Park, at Medora, N. Dak., on June 4.

The PRESIDENT pro tempore. Without objection, the Senator from North Dakota may proceed.

Mr. LANGER. Mr. President, the Roosevelt National Memorial Park, established in honor of Teddy Roosevelt, as authorized by Public Law 38 of the Eightieth Congress, will be dedicated at Medora, N. Dak., on June 4, and, on behalf of the citizens of my State, I am

extending an invitation to my colleagues to attend this auspicious occasion and to visit the park on the day of its introduction to the entire Nation.

This national park has been established in the Badlands in western North Dakota in memory of Theodore Roosevelt.

I quote from House Report No. 49 on House bill 731:

It was to this area that 25-year-old Theodore Roosevelt came in 1892 for a hunting trip, to drown his sorrow and recover his health after serving an arduous term in the New York Legislature and saddened by the loss of his mother and wife. He became so attached to this scenic area and its possibilities for stock raising that he decided to remain. He purchased the Chimney Butte, or Maltese Cross, ranch south of Medora for $45,000 and later established the Elkhorn ranch 40 miles north of the Maltese Cross ranch and north of the village.

At the latter ranch and in Medora several of his books on hunting trips were written. He was deputy sheriff of Billings County and took an active part in civic affairs in this area. He invested about $125,000 in his ranching enterprises in the vicinity. * * *

The Badlands of North Dakota have a distinct value from a recreational, scenic, and historical viewpoint. The nature of the terrain of this area is not mountainous; it is an area where the wind and water have eroded the soft earth away, causing that portion of the land and rock formations that were slightly harder to stand out, forming canyons, peaks, spires, eroded hills, and mesas.

This is truly rugged, scenic territory, where the imagination may perceive most any shape or semblance. There is a great deal of agate and petrified wood in this area. The people of North Dakota have been advocating a national park in the Badlands for many years and it is now being dedicated on June 4 to the memory of one of our most prominent citizens and former Presidents.

It is believed that this park will preserve for posterity an area of great interest and benefit to the citizens of the entire Nation. This area is about midway between the heavily populated sections in the Great Lakes region and the Yellowstone and other national parks. Its scenery is different from that of any other national park.

In my opinion it is more beautiful than the Grand Canyon.

Many tourists have pronounced it as more interesting and alluring than any other national park they have visited.

I can assure the Members of the Senate that they will experience genuine North Dakota hospitality if they can attend the ceremonies on this occasion.

THE LONGSHOREMEN'S STRIKE IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I received from a distinguished citizen of Honolulu under date of May 12; that following the letter there be published in the RECORD an editorial entitled "Mr. Schmidt's Loose Tongue," published in the Honolulu Advertiser of May 11, 1949; and that following the editorial there be published in the RECORD a letter addressed to me under date of May 13, 1949, by a prominent citizen of Honolulu. The letters and editorial will give the Senate some information with reference to the situation which exists in Hawaii at this time. I have omitted the names of those who sent me the letters, but I can assure Senators that they were written by very responsible individuals.

There being no objection, the letters and the editorial were ordered to be printed in the RECORD, as follows:

HONOLULU, HAWAII, *May 12, 1949.*

Senator HUGH BUTLER,
Washington, D. C.

DEAR SENATOR BUTLER: Enclosed is an editorial clipped from yesterday morning's Advertiser.

This man Schmidt is one of the leading Communists on the coast, a right-hand man of Harry Bridges. He, in his remarks, made it clear that it is the intention of the Communists on the coast to take their spite out on the Territory.

Mr. FARRINGTON has said that there are no more Communists in proportion in Hawaii than there are on the mainland. That is not the point at all. In no State has one Communist leader the power to starve the people of that State. Harry Bridges has, and has demonstrated that power many times.

It is my sincere belief that if an election in Hawaii did not go to suit him that he would call a strike simply to punish the people here. He has called them for much less in the past.

The Honolulu Record (a Communist paper which is run by a Japanese Communist inspired through Dr. John Reinecke) is continuously trying to create race hatred and has succeeded very well in the past. They have gone back to the days of the monarchy in an attempt to prove racial discrimination.

Plainly speaking, the coast Communists have us by the throat, and the disastrous strike now in progress here is simply to prove the power that the Communist leaders have over their followers here.

So long as we are under the control of the United States Congress, there is some hope of relief for our troubles. If we were a State, there could be no interference.

Sincerely.

[From the Honolulu Advertiser of May 11, 1949]

MR. SCHMIDT'S LOOSE TONGUE

Imported strike leader Henry Schmidt talked with a loose tongue aboard the *Lurline* Monday. He told with brutal frankness how the longshore strike leaders are wearing down the community, expect to reduce it to submission within a few weeks, and how they are making gestures to fool the public. Here are some of the things he said:

"They (Hawaii's people) can't take it much more than a month."

"The *Lurline* (whose crew supposedly is not on strike) was tied up here to boost the morale of the striking longshoremen."

The longshore union's offer to help stranded passengers get hotel accommodations was "merely a gesture to the public (to) take the heat off the union and put it on Matson."

When he called some 300 *Lurline* employees into the ship's dining room to hear him talk, Mr. Schmidt did not recognize two reporters, one from the Advertiser and one from the Star-Bulletin, among them. When both these reporters quoted him accurately, Mr. Schmidt did not like it. He called the reporters liars, tried to crawl out of what he had said. But that was of no avail. Both are men whose credibility has long been established. Both men heard the same things, both of them printed the truth.

Now the public knows just how Mr. Schmidt and his fellow strike leaders are directing this strike straight at the people of all Hawaii. It is information that came directly from Mr. Schmidt himself.

HONOLULU, HAWAII, *May 13, 1949.*

Senator HUGH BUTLER,
Washington, D. C.

DEAR SENATOR BUTLER: I am enclosing the front and back page of this morning's Advertiser.

You will note that our people are becoming quite disturbed by their letters to the paper. It is said there are only a few hundred Communists here. Thank God there are no more.

One Communist on the mainland, Harry Bridges, has it in for our people here and is doing us tremendous harm. There is no doubt but that his stooges here control from thirty to forty thousand votes.

The threat has already been made that at the next election we will show them something. They are already showing us what they can do. Were we a State, they would be in control.

Leading citizens here admit that this is true. Fear keeps them from talking.

Sincerely.

ISSUANCE OF VISAS TO PERSONS OF GERMAN ETHNIC ORIGIN—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a brief statement which I have prepared on the subject of expelled persons of German ethnic origin and their admission to our country.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR ALEXANDER WILEY ON ISSUANCE OF VISAS TO PERSONS OF GERMAN ETHNIC ORIGIN

On previous occasions I have called the attention of the Senate to the critical situation involving the lagging in the issuance of visas to persons of German ethnic origin, that is, to the so-called expellees under the displaced-persons law. Although the DP law is almost a full year old right now, only a tiny trickle of expellees have come in thus far. Some 400 quota numbers were allocated for issuance to persons of German ethnic origin in April. Consular offices have thus far reported issuance of 104 of these numbers.

Five hundred quota numbers have been allocated for May issuance and 400 allocated for June issuance. Consulates have been informed that additional numbers are immediately available upon request. If 500 represents a peak achievement almost a full year after the passage of the law, it can easily be seen that the progress under the expellee portion of this law is hopelessly slow, even in relation to the tardiness in handling the over-all DP law.

Under the DP law, half of the regular Austrian and German quotas are made available to expellees, amounting in summary to around 13,000 annually in the case of the German quota and a little over 700 in the case of the Austrian quota. Obviously, these numbers will hardly be filled by expellees on the basis of the present lagging condition.

I can well understand some of the administrative complications involved in trying to set up machinery for admission of the expellees. The very problem of the definition of persons of German ethnic origin, the time necessary for screening, the problem of adequate personnel—these and other questions I do not for one moment underestimate. At the same time, it is obvious that this is a tremendous matter of heartache and heartbreak to the families involved, and every passing day causes that much more woe and, yes, financial and personal anxiety.

In making these comments I do not for one moment underestimate the importance of speed in connection with the regular categories of displaced persons. Throughout the discussion on this subject I have pointed out that the problem is not a matter of securing justice for displaced persons or expelled persons, but rather securing justice for both of these groups to the greatest extent possible

in accordance with our humanitarian obligations to all suffering people regardless of the cause of their suffering.

Along a somewhat related line, I have contacted the Post Office Department and urged that immediate action be taken for resumption of the private gift-package service to the Soviet zone in Berlin and the Soviet zone in Germany, now that the Berlin blockade has been ended. During the blockade, of course, normal shipment of these private gift packages ceased both to our zones in Germany and Berlin as well as to the Soviet areas. Now, however, I am hoping that the Post Office Department will take immediate steps to contact the Soviet officials in order to have this humanitarian service resumed. Not only is it a matter of essential food supplies being sent in, but also vital medical equipment and other items which are essential for the sustaining of life and health.

AMENDMENT OF WAR CLAIMS ACT OF 1948

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 326) to amend the War Claims Act of 1948, which was, in lines 10 and 11, to strike out "January 15" and insert "March 31."

Mr. McCARRAN. Mr. President, I move that the Senate concur in the amendment of the House.

Mr. WHERRY. Mr. President, will the Senator from Nevada explain the purport of the amendment?

Mr. McCARRAN. It is merely a minor amendment which changes the date of the effectiveness of the bill, and does not change the jurisdiction or the subject matter.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

RELIEF OF CERTAIN OFFICERS AND EMPLOYEES OF OFFICE OF UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1152) for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions, which was, on page 2, line 12, to strike out "James" and insert "Janet."

Mr. McCARRAN. Mr. President, let me say by way of explanation that the amendment merely corrects what may have been a clerical error by changing the name from "James" to "Janet." I move that the Senate concur in the House amendment.

The motion was agreed to.

THE SPREADING THREAT OF COMMUNISM IN THE FAR EAST

Mr. JENNER. Mr. President, no one can possibly watch the spreading threat of communism in the Far East gather momentum without a feeling of disgust and alarm.

No real American can anticipate a Communist conquest of China without terrible misgiving. There are some in our midst who are overjoyed at the prospect of a Communist victory in China. This is what they have been working for for years, right in our own midst.

There is another group that is preparing the American people to accept a wholly new propaganda line concerning the issues that are at stake in the Far East.

This new line first broke into print in respectable circles in a New York Times article of January 28, 1949, carrying the sentiments expressed by Prof. Edward C. Acheson, the brother of our Secretary of State, who is quoted as saying:

> In a few weeks we will have to write off China as a 100-percent loss. * * *
>
> If the Russians get into China they will have the same miserable experience they had when they sent Michael Borodin there in the 1920's.
>
> Borodin got nowhere then, and I see little prospect of the Russians getting anywhere now. * * *
>
> I do not think that the Chinese Communists are Moscow Communists.
>
> Even if they were, they will still have their hands full administering the vast territories they have overrun.

A few weeks later, Mr. President, echoing these administration thoughts, Mr. C. L. Sulzberger, writing in the New York Times, said:

> Quite plainly, the policy makers of the United States are counting upon the historic forces of Chinese nationalism to assert themselves strongly under a Mao Tze-tung government vis-à-vis the U. S. S. R. as they did under a Chiang Kai-shek government vis-a-vis the United States.

In a recent letter to my distinguished colleague the senior Senator from Nevada [Mr. McCARRAN], no less a person than our own Secretary of State attempted to quiet the rising fears of the American people by echoing this same propaganda line, and at the same time insisted that there was nothing more the United States could do to save the situation.

How closely all of this follows the pro-Communist line is reflected in a recent book, now documented, titled "The Situation in Asia," by Owen Lattimore, in which he insists that although China is certain to go Communist, it will continue to function as an independent state, because it will be impossible for Russia to step in and control the Chinese Communist leaders.

Yet, Mr. President, the ink was not dry on the proof copy of this manuscript when, on April 3, a United Press dispatch from Nanking quoted a Communist broadcast of a statement signed by No. 1 Communist Mao Tze-tung and other Chinese Communist leaders denouncing the North Atlantic Pact and pledging to fight on the side of Russia in the event of any war between the Soviet Union and the North Atlantic Treaty nations.

However, Mr. President, a great number of Americans are becoming increasingly alarmed over the real implications of these ominous developments in China.

On May 4, 1949, William Henry Chamberlin recognized the seriousness of this situation when he wrote:

> The news from China represents one of the greatest diplomatic fiascos in American history.
>
> The open door to that vast country, one of the pillars of traditional American foreign policy, is slamming shut very hard.
>
> The most numerous people in the world are rapidly passing under the sway of a regime that is linked up by very close ties with Moscow, that makes no secret of its violent hostility to this country. * * *
>
> What has happened in China is tragic, from the standpoint both of the Chinese people and of United States foreign policy.

Even Walter Lippmann himself admits that matters have so deteriorated that—

> There can be no such thing as an American policy which "unsolves" the Chinese problem.
>
> Our policy, when we are again in a position to have one, will necessarily be limited to making such contacts as we can on the best terms that can be arranged with the Chinese authorities on or near the coast of China.
>
> Whether they will also have authority in the deep interior, no man can say.
>
> It is quite conceivable that there will not be for decades, perhaps for generations, any Chinese government which, except in name, is obeyed by all the Chinese.

And Mr. Chamberlin and Mr. Lippmann are in essential agreement when we find Mr. Chamberlin also saying:

> For the immediate future, we have little choice except to go isolationist as regards China.
>
> We might have been in a better position today if we had set our course in that direction 10 or 15 years ago.

The sorry truth is, however, Mr. President, that we now confront this tragic Communist conquest in China in face of the fact that we did not remain isolationist, that we did enter the most tragic war in history, throwing the tremendous resources of the American people into a struggle to preserve the independence and integrity of China.

This is why the economic, the political, and the military defeat that is now being inflicted upon the American people, after we won the war in the Pacific, carries such staggering implications.

The full measure of our defeat in China can be measured by the fact that there would have been no Pearl Harbor, no savage Bataans, no tragic and terrible victories on Okinawa, Iwo Jima, and no sweating, suffering, and dying by the American GI's in the plague-ridden jungles of the Orient, if it had not been for the determination of an American President to support the independence and the integrity of China against the savage aggression of Japan.

In his autobiography, On Active Service, Mr. Henry L. Stimson, Secretary of War in the Roosevelt Cabinet, admits:

> A careful reading of the diplomatic negotiations that preceded Pearl Harbor can lead to no conclusion but that it was American support of China—American refusal to repudiate the principles of Hay, Hughes, Stimson and Hull—which proved the final cause of the break-down of negotiations and the beginning of war.
>
> If at any time the United States had been willing to concede to Japan a free hand in China, there would have been no war in the Pacific.

The reason, Mr. President, why such an increasing number of Americans are becoming so alarmed is that such a staggering defeat is being inflicted on the United States while the United States Government stands idly by, refusing further aid

to our traditional friends and refusing to account for the disaster.

The surest way in the world to add chaos to tragedy is to fail to profit by the errors and the bloodiness and betrayals that produce the tragedy.

The leading editorial of the Wall Street Journal of May 4, 1949, points up the tragic dilemma in which we now find ourselves:

> In 1940 this country was given the story that Chiang Kai-shek was a great military strategist, a great patriot, and a great idealist.
>
> Today the version is that Chiang is a military moron, and is under the suspicion of being an absconder, or at least a man of wholly selfish motives.
>
> And it is sad to say that our foreign policy is still supported by efforts to keep the American people from considering more than one view.
>
> It is still being framed in an atmosphere of slanted information and withheld facts.

Mr. President, the American people are going to hold a day of reckoning. They expect their representatives in the United States Senate to do everything in their power to drag out into the open for all to see the facts that lie behind the collapse of China, together with all the implications, and to demand that America's interests, based on a restoration of basic American principles, be safeguarded within the framework of a genuine over-all foreign policy, the heart of which gives the American people control once more over their own destiny.

What lies behind the collapse of our policies in China? First, we now know that, in spite of all the terrible sacrifice and suffering, borne largely by American GI's, the conduct of the war and of American diplomacy during and since the war could not have been better designed to defeat our own vital interests and to play directly into the hands of the Communists in the Far East.

There can be no question that American policies in China have succeeded thus far only in destroying the one oriental nation that was strong enough to prevent Communist expansion in Asia, and in turning loose the Communist tyranny which the Japanese alone were able to hold in check.

Is it any wonder that the American people are now demanding an investigation of the personnel and policies of the State Department which laid the groundwork for such a tragic defeat?

In the second place the American people are just beginning to realize what a criminal betrayal of China took place at the Yalta Conference, where the following secret agreement concerning China took place without the knowledge, advice, or consent of any authorized Chinese Government representative. That part of the secret agreements made at Yalta pertaining to China and Japan is in full as follows:

> 1. The status quo in Outer Mongolia (the Mongolian People's Republic) shall be preserved;
>
> 2. The former rights of Russia violated by the treacherous attack of Japan in 1904 shall be restored, viz:
>
> (A) The southern part of Sakhalin as well as all the islands adjacent to it, shall be returned to the Soviet Union.
>
> (B) The commercial port of Dairen shall be internationalized, the preeminent interests of the Soviet Union in this port being safeguarded and the lease of Port Arthur as a naval base of the U. S. S. R. restored.
>
> (C) The Chinese-Eastern Railroad and the South Manchurian Railroad, which provide an outlet to Dairen, shall be jointly operated by the establishment of a joint Soviet-Chinese company, it being understood that the preeminent interests of the Soviet Union shall be safeguarded, and that China shall retain full sovereignty in Manchuria.
>
> 3. The Kurile Islands shall be handed over to the Soviet Union.
>
> It is understood that the agreement concerning Outer Mongolia and the ports and railroads referred to above will require concurrence of Generalissimo Chiang Kai-shek.

Mr. President, note that Chiang Kai-shek was not there; no representative was there. But they pulled the rug out from under him and then tacked on that statement at the end.

I read further:

> The President will take measures in order to obtain this concurrence on advice from Marshal Stalin.

Mr. President, to this moment the Yalta agreement, along with Tehran, Potsdam, and other secret agreements, form the basis of our international relations, although they have no standing whatever as treaties. They have never been submitted to the Senate for acceptance, amendment, or repudiation. They certainly cannot be classified as executive agreements. They are neither bird, beast, nor fish, and the American people are now demanding that their representatives in the United States Senate refuse longer to be bound by these outrageous betrayals of American principles in the future handling of our international relations.

For all we know now, until the status of these agreements has been decided with the knowledge, advice, and consent of the United States Senate, American Government representatives can continue to sell America down the river with their left hand, while they continue to wave the flag of international cooperation above our heads with their right hand.

This is just such a condition as existed during and since the war, as is described by Gen. Patrick J. Hurley, who told the Senate Foreign Relations Committee on November 27, 1945—8 months after the Yalta sell-out:

> The astounding feature of our foreign policy is the wide discrepancy between our announced policies and our conduct of international relations.
>
> The professional Foreign Service men sided with the Chinese Communist armed party and the imperialist bloc of nations whose policy it was to keep China divided against herself.
>
> I requested the relief of career men who were opposing the American policy in the Chinese theater of war.
>
> These professional diplomats were returned to Washington and placed in the Chinese and far eastern divisions of the State Department as my supervisors.
>
> In such positions, most of them have continued to side with the Communist armed party and, at times, with the imperialist bloc of nations.

Mr. President, until the status of these outrageous secret agreements is cleared up, and we can start anew with a clean and clear record, we cannot possibly prevent a repetition of double talking and double dealing by those representing us in international affairs, who either want to sell us down the river, or who want to continue to cover up the part they have played in the outrageous betrayal of American principles that has led to a catastrophe in China.

Of this much we can be sure, Mr. President: As matters now stand, the Chinese Communist conquest of Asia was not made possible in China. It was engineered right here in Washington, by the top policy makers of this Government, who are now sorrowfully wringing their hands behind their backs and mouthing futile formulas of nonintervention as the only course of action left to us.

The third implication, Mr. President, of the tragedy that is in the making in the Far East is that, with China's loss, we face a complete defeat in the Orient.

In the spring of 1948, Gen. George Marshall told Congress that if Manchuria were lost to the Chinese Communists, the United States position in southern Korea would be untenable.

In the fall of 1948, Gen. Douglas MacArthur warned the Joint Chiefs of Staff that if the Chinese Communists took the lower Yangtze Valley and Shanghai, the American military bastion on Okinawa would be outflanked and his position in Japan would be as exposed and untenable as it was in the Philippines during 1941.

When we realize that General Bradley just recently told the Senate Foreign Relations Committee that our system of military defenses in the Pacific was based on Japan, the Philippines, and Okinawa, we get a better understanding of the threat to our own military security which the continued Communist advance in China carries.

Then, Mr. President, in his recent book, Way of a Fighter, Gen. Claire Chennault warned:

> A complete Communist victory in China will channelize the undercurrents of native unrest already swirling through Burma, India, Malaya, and Indonesia into another rising tide of Communist victories.
>
> The ring of red bases can be stretched from Siberia to Saigon.
>
> Then the stage will be set for the unannounced explosion of world war III.

It is perfectly obvious, Mr. President, where this steady spread of Communist aggression will end.

The avowed aim of the Chinese Communists and of the Communist movements throughout the Asiatic Continent is to drive the white man and every last vestige of western imperialism out of Asia.

This means French Indochina, Indonesia, the Malayan States, and even India will be swallowed up.

The fourth implication, Mr. President, of what lies ahead is what the loss of both the raw material resources of the colonial areas will mean, both to the western imperial powers we are supplying with Marshall plan aid, as well as to ourselves.

If these raw material resources are lost to the nations embraced within the

Atlantic Pact, the additional burden placed upon the United States to try to stretch its own resources to share with the western European nations that will be deprived of these materials will automatically put the American economy into the strait-jacket of a ration system that will make the OPA seem like a utopia.

In addition, the loss of these areas to Communist domination will make a mockery of the President's plan to raise the standard of living of the underdeveloped areas of the world as potential markets for the increased industrial potential which we are subsidizing under the Marshall plan in western Europe.

A fifth implication, Mr. President, of this expanding Communist threat in the Orient lies in the fact that since we have already committed ourselves under the Marshall plan to assisting in the reimposition of British, French, and Dutch colonial imperialism in Asia, continued guaranties of support of such policies will help to spread the Communist plague even further and more rapidly.

We will put ourselves in a position where we will be continually blackmailed by our own associates, who will use the threat of Communist fifth-column activity in their colonial possessions as a basis for continued demands on our resources to underwrite the perpetuation of conditions that give the Communist propaganda knife its cutting edge.

No one has more clearly seen the nature of this dilemma than has Walter Lippmann, who wrote in the Washington Post of January 12, 1949:

> Our friends in western Europe should try to understand why we cannot and must not be maneuvered, why we dare not drift into general opposition to the movements for independence in Asia.
>
> They should tell their propagandists to stop smearing these movements.
>
> They should try to realize how disastrous it would be to them, and to the cause of western civilization, if ever it could be said that the western union for the defense of freedom in Europe was in Asia a syndicate for the preservation of decadent empires.

In the sixth place, a recent Christian Science Monitor article of April 6, 1949, reveals the additional danger to American security by the success of the Communists in China by analyzing a demand by Communist representatives for recognition by the United Nations.

Note, Mr. President—recognition by the United Nations.

This same demand was made during the San Francisco Charter Conference—a demand which was turned down by our insistence that we were backing the Nationalist regime.

But the Security Council, with the veto provisions, was set up on the basis of a continued recognition of the Nationalist regime in China.

Since we ourselves are committed to a policy of noninvolvement in the internal affairs of another nation, we have already taken the position in this international booby trap that we shall be the first ones who are obligated to recognize the Chinese Communist de facto government, which will join the select circle within the Security Council, and add its veto to that of Russia, where America's vital interests and polices are at stake.

Is not that something?

Mr. President, another implication of this China collapse lies both in the field of economic and military strategy, so far as Russia is concerned.

Russia will take over control of the raw materials and the markets of the Far East, with which she can increase her bargaining power with the western European nations to neutralize Europe at her back while she takes over Asia which lies before her.

Russia will also be able to make up for the greatest single liability she confronts in Europe, namely, her fear to permit Russian soldiers to contact the higher standards of living of western civilization.

She will be able to take ten or twenty-five or fifty million Chinese Communists, train and equip them, and ship them to the eastern frontiers of the European countries, to be turned loose without any fear of domestic upheaval when the time comes in Russian strategy once more to press her advantages in Europe.

Then, incredible as it may seem, Mr. President, we find that we are also obligated to furnish China with the majority of reparations from Japan. It will be remembered that this is the same deal which we have in Italy. We send our Marshall-plan dollars to Italy, under the treaty which we ratified with Italy. Italy, in turn, takes our products and our wealth and sends them on to Russia in reparations. We are committed to the same thing in China, which means that we are obligated to subsidize the Communist regime if and when it takes over in China.

Mr. President, while all these implications are involved in the steady expansion of the Communist threat in China, there is another implication which is far more serious and imminent than this administration dares to admit.

I am speaking of the immediate possibility of involvement in an undeclared war with the Chinese Communists on the Asiatic mainland, because of a conflict between the Chinese Communists and our so-called western allies who have already signed the Atlantic Pact, and through such involvement to be drawn into a conflict with Russia.

I have already mentioned the Communist broadcast of April 3 of a statement by Mao Tze-tung denouncing the western treaty and pledging aid to fight on the side of Russia in the event of a war.

Furthermore, Mr. President, the Christian Science Monitor of May 5, 1949, revealed that the Chinese Communists have joined in a Russian-sanctioned alliance with Korean and Burmese Communists as part of "the joint struggle against American and British imperialism."

Immediately following this announcement, a United Press dispatch of May 7 in the Washington Post revealed that President Rhee, of the Republic of South Korea, had inquired of the United States Government whether it would regard an invasion across the 38th parallel by the Soviet-dominated North Korean Republic as "tantamount to an attack on the American people." President Rhee specifically asked, "in case of an attack by an outside power, would the Republic of South Korea be able to count on all-out military aid?"

Then we learn, Mr. President, that it has become necessary for the French Government to ship additional reinforcements into Indochina in order to stop the current infiltration of Communist Chinese guerrilla forces.

On April 19, 1949, another dispatch to the Christian Science Monitor revealed that the French are shipping 15,000 additional troops, in north African and Senegalese contingents, to Indochina, bringing French military forces to 125,000—forces which are supplied with matériel acquired from United States surplus military stocks.

On May 5, a United Press dispatch from London revealed that Britain's Defense Minister, A. V. Alexander, was greeted in the House of Commons by a stormy demand for a Pacific pact similar to the Atlantic Pact, within which it would be stated that:

> Any attack against Hong Kong would be regarded as an attack of aggression as against Britain.

Do Senators realize the situation into which we are getting ourselves?

Moreover, Mr. President, we learned from this same dispatch that the British were sending additional air, sea, and land reinforcements to the defense of Hong Kong against the threatened Communist attack.

We also learn that these forces will augment existing British military forces in the Far East, which have been reorganized into an entirely new defense setup in the Far East.

Over the ticker in the Senate anteroom on May 9, 1949, in a Tokyo dispatch via Hong Kong, we were informed that:

> Some American officials in Japan are wondering if the United States would be obligated under the Atlantic Pact to help defend Hong Kong if the Chinese Communists attack it.
>
> Reliable British quarters here are sure that the Communists will attack the British crown colony.
>
> One informed British source said it is not a question of if it will be attacked, but of when.
>
> Neutral observers say the Chinese Communists appear to hold no fear of the British.
>
> The Communists have repeatedly demanded the elimination of all foreign influence from China.

It must be obvious to the American people by now, Mr. President, how grave these implications are, particularly when we realize that in the face of this imminent conflict between the Chinese Communists backed by Russia and the western European imperial powers who have become signatories to the Atlantic Pact, this Government is already acting as though the ratification of the pact is a fait accompli.

The uneasiness which such a situation has aroused has been given expression by one of the outstanding members of the Senate Foreign Relations Committee, my distinguished colleague, the senior Senator from Georgia [Mr. GEORGE], who announced his whole-

hearted support of a reservation to be attached to the Atlantic Pact in the Senate which would spell out the fact that the United States, by ratification of the pact, is not committed to give aid to pact members who are having colonial troubles.

The Senator is quoted as saying:

I don't see how we can be concerned with a revolutionary attack in the colonies of other signatories.

That point is left in some doubt, and it ought to be cleared up.

On that point, Mr. President, if we give the Dutch arms and equipment and they send them to the east, or if we give them to France and they send the arms and equipment and men to Indochina, or if we give them to Britain, for our own defense and our own security, and they ship them to Hong Kong, I ask, are we not actually involving ourselves in the far eastern struggle?

My own uneasiness and my own vigorous protest against any easy acceptance of a notion that we are committed to underwrite the colonial areas of the signatories of this pact are based on the document prepared by the Secretary of State entitled "The North Atlantic Pact," publication 3462, which reveals on page 5, the following interesting provision:

The treaty will come into force when the ratifications of the majority of the signatories, including Belgium, Canada, France, Luxemburg, the Netherlands, the United Kingdom, and the United States, have been deposited.

For the other signatory states, and for those states which become parties at a later date, the treaty will come into effect on the date of the deposit of their individual ratifications.

Mr. President, it is time the implications of this provision were clearly presented to the American people, for until this is done, we are, for all intents and purposes, actually committing ourselves to underwriting the Brussels military defense pact, which was drafted by the western imperial powers with a view not only to preserving the status quo in Europe, but the status quo in their colonial possessions around the world.

Mr. President, that is the purpose of the Brussels Pact, and as the North Atlantic Treaty now stands, even in its present status, we are becoming inescapably involved in moral commitments, at least, to defend with American resources and manpower not only these western imperial powers, but their colonial possessions, upon the maintenance of which their whole political, economic, and military security is based.

Proof of this charge lies behind an admission by our own Ambassador Jessup, who, on March 17, 1949, in speaking of the Atlantic Pact, said:

It has, as you know, a rather immediate background—

And I ask my colleagues to note this—

It has, as you know, a rather immediate background in terms of the Brussels Pact, the Vandenberg resolution, and the Rio Pact.

So we recognize it, do we not?

Mr. President, in support of this charge, I want to enter into the RECORD four specific events that are memorable because of the sequence in which they have taken place within recent weeks.

The first is Mr. Churchill's speech in early April in which he said that only the deterrent of the atomic bomb in the hands of the United States holds Soviet imperialist expansion in check.

I do not know how much we have got it in our hands after reading the morning newspapers about the carryings on of Mr. Lilienthal and others. I do not know whether we still have it in our hands. Anyway Mr. Churchill in April thought we had.

Just a few days later, on April 6, President Truman, referring to his decision in July 1945 to use the atomic bomb, said:

Now, I believe we are in a position where we will never have to make that decision again, but if it has to be made * * * I wouldn't hesitate to make it again.

On the same day Secretary Royall told a Chicago mass meeting that the Atlantic Pact nations are counting on American arms for their own troops and also counting on the support of an American army overseas.

Then, on May 3, former Under Secretary of State Will Clayton, flying in the face of all the optimistic propaganda of how we were winning the cold war with Russia, testified before the Senate Foreign Relations Committee that Russia is winning the cold war by frightening democratic governments into excessive expenditures for defense, waging this war on all fronts simultaneously at a relatively small cost to herself.

Then he went on to say that so far the Soviet efforts to undermine the democracies appear to be succeeding and offered as a solution the proposition—and note this, Mr. President—that this Atlantic Pact treaty be used as a base for the development of a federal union, of a political union, of the signatory nations—in other words, a semisuper state.

Mr. President, it is perfectly obvious where this trend is leading, and it is time that the United States Senate refuse longer to lend its support to policies which get us more deeply involved with every day that passes in commitments under which we are rapidly losing any power of self-direction.

The time has come for a clarification of the basic intentions of this administration, where they put all the facts out in the open for us all to see.

For myself, as matters now stand, I believe it is the duty of the Members of the United States Senate to carry out an exhaustive investigation of the policies and personnel that have brought the Chinese catastrophe upon us.

And that we serve notice now to the President and to the other signatory powers of the North Atlantic Pact that we are determined to straighten out the mess we are in, put solid ground beneath our feet once more, and clarify the areas wherein lie our crucial interests and security before we commit ourselves to the further squandering of American financial, economic, and military resources.

This road—the road we are traveling—can only lead to a deeper involvement in the vicious power politics in which we are already caught, and the final destruction of our form of government and our way of life.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article by George Sokolsky published in the Washington Times-Herald of May 12, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THESE DAYS

(By George Sokolsky)

Just before each of the international conferences, a terrific advertisement campaign is launched upon the American people to convince them that this is the conference to end all conferences, that a sure and lasting peace is about to be achieved, that whatever money we have to pay to get that sure and lasting peace will be the final payment.

Well, it has never worked out that way. Instead, the American people have been lied to by their own officials, who made shameless as well as shameful agreements, condoning even slavery.

They have obligated us to enormous expenditures of our wealth to little avail either in the attainment of peace or in the rehabilitation of peoples.

Secret agreements, secret contracts, under-the-table arrangments have bound us, most of which we have only come to know by accident or by the course of events.

Therefore, let us watch this four-power conference distrustingly. The fact that the same people who produced Tehran, Yalta, Potsdam, Bretton Woods, San Francisco, the various London and Paris talkfests, the British loan, are going to this one, counsels caution.

The point is not that they are unfit or unworthy; it is rather that we have been fooled so often by the same people.

For instance, you read in the newspapers that President Truman invited Senators STYLES BRIDGES and KENNETH WHERRY to the White House to discuss our China policy. The President singled out two Republicans for a private conference, the sort of thing that is usually limited to the highest level of Democratic leadership.

Actually, the President intervened in a quarrel within the Republican Party where Senators BRIDGES and WHERRY gave Senator VANDENBERG a going-over on the subjects of China and Germany, Senator VANDENBERG having maintained the State Department position, which is as untenable as it is dangerous for the welfare of this country.

So the President took time off to try to convince the Republican Senators that it was Chiang Kai-shek, and not Generals Stilwell and Marshall, advised by John S. Service, Owen Lattimore, Lauchlin Currie, John Carter Vincent, W. Walton Butterworth, Jr., and several representatives of the Treasury Department suspected of Communist Party associations, who confused that situation.

The President was drawing a red herring across the trail.

Apparently, he failed to convince Senators BRIDGES and WHERRY, who are still hammering away at getting at the truth of the China and German situations, just as Senator PAT MCCARRAN is demanding the truth and calling for an investigation of both problems.

The President and the State Department seem to resent congressional intervention in these matters, although when they think it might help them they arrange for a congressional committee to go somewhere to see for themselves, as they did with the delegation led by Representative CHRISTIAN HERTER, in anticipation of the organization of ECA.

Neither the President nor the State Department has favored a congressional investigation of our far eastern policies on the spot.

In fact, I heard from China that during two recent trips to the Far East, Gen. Albert C. Wedemeyer, our leading military authority in that field, was importuned by Chiang Kai-shek to meet him, Chiang offering to go anywhere on Chinese soil for the purpose.

But Wedemeyer was not permitted to see Chiang, to hear his side, to listen to a proposal. In a word, we insist upon being blind, deaf, and dumb.

It is interesting, in this connection, to note that the postponements in the Alger Hiss trial are requested by our Government. Were that trial held, it is beyond doubt that information would be disclosed which American officials prefer to have kept secret from the American people.

Alger Hiss' defense, if the charges stand, may be that he followed instructions, he being on a subordinate level. What were those instructions and who gave them and why did the Government suppress the Chambers-Hiss story, of which they had full knowledge for 10 years?

So, let us beware of the four-power conference, a secret session, and support Senator PAT MCCARRAN'S investigation. We need to know the truth.

This country is still the property of the American people, and the officeholders are still employees accepting our wage.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARY, Mr. FERNANDEZ, Mr. PASSMAN, Mr. CANNON, Mr. CANFIELD, and Mr. COUDERT were appointed managers on the part of the House at the conference.

The message notified the Senate that Mr. LOVRE had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, vice Mr. RICH, excused.

The message also announced that the House of Representatives having proceeded to reconsider the bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

AGRICULTURAL APPROPRIATION, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the amendment lettered "A," offered by the Senator from North Dakota [Mr. LANGER], on page 58, line 8, to strike out "$6,063,000" and insert "$7,063,000."

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Johnston, S. C.	Myers
Baldwin	Kefauver	Neely
Bricker	Kem	O'Mahoney
Butler	Kerr	Pepper
Capehart	Kilgore	Reed
Chapman	Knowland	Russell
Cordon	Langer	Saltonstall
Donnell	Lodge	Schoeppel
Ellender	Long	Smith, Maine
Ferguson	Lucas	Sparkman
Frear	McCarthy	Stennis
Fulbright	McClellan	Taft
Green	McGrath	Thye
Hendrickson	McKellar	Tydings
Hill	McMahon	Wherry
Hoey	Martin	Wiley
Holland	Maybank	Williams
Humphrey	Millikin	Withers
Ives	Morse	Young
Jenner	Murray	

Mr. MYERS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], the Senator from North Carolina [Mr. GRAHAM], the Senators from Arizona [Mr. HAYDEN and Mr. MCFARLAND], the Senator from Wyoming [Mr. HUNT], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], the Senator from Texas [Mr. JOHNSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business in meetings of committees of the Senate.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Maryland [Mr. O'CONOR], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Texas [Mr. CONNALLY], and the Senator from Utah [Mr. THOMAS] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations, which is holding hearings on the North Atlantic Pact.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Utah [Mr. WATKINS] is absent by leave of the Senate for the purpose of being present at a meeting of the Committee on Foreign Relations.

The Senator from Michigan [Mr. VANDENBERG] and the Senator from Iowa [Mr. HICKENLOOPER] are excused by the Senate for the purpose of attending sessions of the Committee on Foreign Relations holding hearings on the North Atlantic Pact.

The Senator from Maine [Mr. BREWSTER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Washington [Mr. CAIN], the Senator from Montana [Mr. ECTON], the Senator from South Dakota [Mr. GURNEY], the Senator from Nevada [Mr. MALONE], the Senator from South Dakota [Mr. MUNDT], and the junior Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The PRESIDING OFFICER. A quorum is present.

Mr. LANGER. Mr. President, I ask unanimous consent that my amendment "A" and my amendment "C," which I now submit, both of which are offered by me in behalf of the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], and myself, be considered together.

The PRESIDING OFFICER. For the information of the Senate, the amendment "C" of the Senator from North Dakota will be stated.

The LEGISLATIVE CLERK. On page 58, in line 14, it is proposed to strike out "$150,000,000", and insert in lieu thereof "$350,000,000."

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota that his amendments "A" and "C" be considered together? The Chair hears none, and it is so ordered.

Mr. LANGER. Mr. President, these amendments deal with rural electrification. I am delighted that the distinguished junior Senator from Georgia [Mr. RUSSELL], who is in charge of this bill, is here.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. RUSSELL. I hope the Senator from North Dakota does not mean to infer that the Senator from Georgia has not been here throughout the consideration of this bill. I have been here at all times during its consideration.

Mr. LANGER. I said that I am delighted that the Senator from Georgia is here, so that I can discuss this matter with him.

Mr. RUSSELL. Yes.

Mr. LANGER. I may say that I originally went to the distinguished Senator from Georgia and tried to get him to agree to report the amendments from the committee. The Senator from Georgia is a very good friend of agriculture and a very good friend of the REA; and I was somewhat surprised when he would not accept these amendments. It is my considered opinion that the reason why he has not accepted them is that I have been unable to make perfectly clear to him exactly what the amendments would do for the farmers of the United States.

Mr. President, there are really three classes of farmers who are concerned with the REA. First, there are the farmers in States where 9 out of 10 farmers already have REA.

As a matter of fact, there are four States which have no REA at all, because those States were thoroughly electrified before the establishment of REA.

Today in the States of California, Connecticut, Idaho, Indiana, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Oregon, Rhode Island, and Washington more than 95 farmers out of every 100 already have REA.

Then we have States which at present need REA very much. In Alabama, ap-

proximately 40 out of every 100 farmers do not have REA. In Florida, only 65 farmers out of every 100 have REA. In Iowa, approximately 20 farmers out of every 100 do not have REA. In Kansas, 50 farmers out of every 100 do not have REA. In Kentucky, 50 farmers out of every 100 do not have REA. In Louisiana, 45 farmers out of every 100 do not have REA; in Mississippi, more than 60 farmers out of every 100 do not have REA; in Minnesota, 31 farmers out of every 100 do not have REA; in Missouri——

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield for a question.

Mr. FERGUSON. Do those figures mean that the number of farmers indicated out of every 100 do not have electricity of any kind on their farms?

Mr. LANGER. That is correct; they have neither electricity nor power of any kind, unless they have a small generator that is turned by a windmill or unless they have a Delco plant. However, I am talking about electricity and power.

I say to my friend the Senator from Michigan that in the United States 2,000,000 farm homes are without electricity of any kind. I have here the exact figures bearing on that situation. In other words, today our country is only a little more than one-half electrified.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Missouri.

Mr. DONNELL. I think the Senator from North Dakota started to give the figures for Missouri, and I shall be pleased if he will do so.

Mr. LANGER. Missouri is a little more than one-half electrified, the figure being 53.4 percent.

Mr. DONNELL. I thank the Senator.

Mr. LANGER. Mississippi is only a little more than one-third electrified; in Nebraska, only 43 farmers out of 100 have REA; in Nevada, 41 farmers out of 100 do not have it; New Mexico is less than one-half electrified; in Oklahoma, only 44 farmers out of 100 have REA; in South Dakota, only 23 farmers out of 100 have REA; in Tennessee, only 50 out of 100 have REA. Texas is only two-thirds electrified; West Virginia is just a trifle more than one-half electrified; in Wisconsin, 15 farmers out of every 100 do not have REA. In North Dakota—I call these figures particularly to the attention of my distinguished friend—not quite 23 farmers out of every 100 have REA.

It will be noticed by examining the figures that the areas lacking REA are generally concentrated in two sections of the United States. I have before me maps which have been prepared by the REA. From them it will be observed that the lack of electricity is concentrated in the north Plains area and in the Southern States, such as Mississippi and Arkansas. Anyone who is interested in the matter and who wishes to examine the maps, will note from an REA map for June 30, 1937, which I now have before me, that in States such as Montana and Alabama there was practically no REA at all, at that time.

The map for 1940 shows how REA had been developed up to that time, although it still was lacking in many of the Southern States.

The REA map for 1944 shows how the REA was then concentrated in the East and in the middle section of the country, but was almost totally lacking in the north Plains area.

Finally, Mr. President, I have the map for 1947. It will be noticed that very little was done between 1944 and 1947. That was due primarily to the lack of material. Most of the supplies had been used during the war. It was impossible to obtain a conductor or a transformer. The result was that construction was very much delayed.

The pending bill, on page 58, in line 9, provides as follows:

For loans in accordance with sections 3, 4, and 5 of said act, and for carrying out the provisions of section 6 thereof, $350,000,000—

Three hundred and fifty million dollars, offhand, looks like a large amount of money—

to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act, and such additional amounts, not to exceed a total of $150,000,000, to be borrowed under the same terms and conditions if and to the extent that the Secretary of Agriculture shall certify, from time to time, to the Secretary of the Treasury that such additional amounts are required during the fiscal year 1950.

I call the attention of my distinguished friend from Georgia to the peculiar situation which we face. I desire to cite the difference between conditions in North Dakota and certain of the other north Plains States and the conditions in the South. The only way I can do that, to make absolutely certain the Senator has the best possible proof of what I am saying, is to quote Claude Wickard, the man who has charge of REA, in whom I am sure the Senator from Georgia has confidence, as I have. I think Mr. Wickard has done a very fine job. I call the attention of my distinguished friend to an ordinary newspaper clipping, from a little newspaper published in Oliver County, N. Dak., stating what must be done by farmers in the county in order to obtain REA. It is typical of the situation in Montana, South Dakota, Wyoming, Nebraska, Kansas and other States. It says:

The Center Construction Co., of Center, N. Dak., arrived at Hazen on Thursday morning and immediately started to string copper conductor on the 3-phase line north of Emil Malke's farm. About six farm folks of that area turned out to assist in stringing this conductor. With the high snow banks and deep snow it was very difficult to do without the aid of the farmers of this area. They assist in carrying the four heavy strands of wire up and above the snow banks over to the poles where the linemen climb poles and hoist the wire on up to the crossarm. It was felt that by getting this strung over some of the pot holes and lakes that would be filled up with water as soon as the snow melts that there would be no further delay in energizing the area north of Hazen, and toward Pick City.

In the South it is possible to dig post holes throughout the year. In that area there is no snow, such as there is in the north Plains area, to cause a delay of 3, 4, or 5 months in some years in carrying on any construction work at all. Our construction work must be done within a period of 5, 6, or 7 months, depending upon the weather.

As I said a moment ago, anyone reading the bill could say, "Why, there is $350,000,000. That means there is going to be ample money to take care of the Southern States as well as the States in the north Plains area." But how is the money to be divided? Certain States, such as Montana, Nebraska, North Dakota, South Dakota, Missouri, and others, are less than one-half electrified; in some instances, only one-fifth. How much of the $350,000,000 would those States get? How much would it be possible for them to get under the bill? Mr. Wickard had this to say on the subject:

I shall now show how the REA program works. The amount which REA is authorized to lend annually is fixed by Congress, and REA then borrows the amount of its loan authorization from the United States Treasury.

We begin, in the event the bill is passed, with an appropriation of $350,000,000, which is available for REA loans. Proceeding now to the north Plains area, the quotation continues:

Half of the amount available for loans in any given year—

That is, $175,000,000 of the amount—

is reserved for loans in the various States on the basis of the proportion that each State's unelectrified farms bear to the total number of unelectrified farms in the country.

We can imagine the small amount of money any particular State will get.

The other half of the fund may be used for loans at the discretion of the Administrator, but not more than 10 percent may be loaned in any one State or Territory.

I want to make it plain to the distinguished Senator from Georgia that the States about which I am talking are suffering from another great handicap in comparison with the States that now have REA. The States in the latter category got it when the price of materials was low, when it cost to build REA but half as much as it costs today. I have the figures to show exactly the difference in cost. In some instances the cost has risen more than 115 percent—again referring to figures furnished by Mr. Claude Wickard. In other words, let us assume that the State of Connecticut is electrified 100 percent, and that the State of Kansas today wants to construct a line similar to the one in Connecticut. Because of the increased cost of materials, the cost of the line in Kansas would be 115 percent more than the cost of the line constructed in Connecticut originally.

I think it important to consider the situation of the north Plains States, to show the desperate plight in which they find themselves. Let us take North Dakota and South Dakota, which are typical of certain of the other States, although they happen to be at the bottom. Of them it is said:

Although good progress is being made in bringing electric power to North Dakota farms, the State lags far behind most other States in the percentage of farms served by electric lines.

This situation is brought out in a report released by the Rural Electrification Administration to the North Dakota Extension Service.

According to the tabulation, made as of June 30, 1947, North Dakota ranks last in percentage of farms having electric service. The State had 58,689 farms, or 84.4 percent of its total number of farms, without electricity on this date.

South Dakota is in about as bad shape as North Dakota in percentage of electrified farms, according to the summary. In South Dakota 81.8 percent of the farms have no electric service. Minnesota has only 37.6 percent of its farms, which is less than the national average, without electricity. Montana has 58.6 percent of its farms without power lines.

The information supplied by REA to the North Dakota Extension Service shows two and one-quarter million farms in the United States, or 39 percent of all farms, without electric power lines.

It is pointed out that North Dakota has a challenging job ahead in bringing electricity to its farms. The REA states that a minimum of $2,890,099 in new loans will be available to rural electric groups in North Dakota before June 30, 1948. Congress has made available $225,000,000 in loan funds for national use during this fiscal year, of which half is allotted to the various States in direct proportion to their needs. The other half is available on a flexible basis, with no single State getting more than 10 percent of it.

Claude R. Wickard, REA Administrator, pointed out that "for the most part, the areas easy to electrify have been electrified. Only a policy of full area coverage, such as has been adopted by the more than 1,000 REA-financed cooperatives and power districts, gives assurance that the two and one-quarter million unserved farms ultimately will get power."

Mr. President, I wish to make very plain to the Senate what the farmers in the sparsely settled communities are up against. First of all, Mr. Wickard says that where there are many farms in a valley there is REA service, but where there is one farmer within a mile or a mile and a half, the service is not only more costly than formerly, but, in some instances, it is 115 percent as costly as was constructing a line in 1935. When the farmers are located in sparsely settled areas the cost to the individual farmer is much greater.

Mr. President, we are not asking for a gift. There is not a farmer in any of the States I have mentioned who wants something for nothing. All they are asking for is an opportunity to borrow money with which to get electricity installed on their farms. I have not the slightest doubt that some Senators here today, who were farm boys, were able to get an education because their mothers were able to save the butter money and egg money to assist in getting an education for their sons. But in the sparsely settled areas everything is against the pioneer mothers today. They have no electric lights; they have no electric power. Instead of being able electrically to operate their churns for the purpose of making butter, they have to do it by hand. Instead of having a deep-freeze in which to keep their meat so it will not spoil, and a place to keep their milk and cream where they will not get sour, they have to lower the cream and butter down into a well, where the temperature may be a little bit lower than it is on the surface. I know the drudgery through which the womenfolks on the farm have to go when there is no REA service on the farms.

That is not all, Mr. President. The States to which I have referred have been losing population in the past few years. North Dakota has lost 121,000 persons, more than 21 percent of its population, during the past 6 or 7 years. In the State of South Dakota the situation is almost as bad. Kansas is third in the Nation in loss of population from the farms.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Montana.

Mr. MURRAY. In the State of Montana we have lost 12 and a fraction percent of our population. There are fewer persons in the State than there were 30 or 40 years ago. It is because of the lack of development and the failure to provide a balanced economy. People are leaving the State for that reason. After the First World War many of the boys who went to fight for their country did not return to the State, because there was nothing to which to return. The same situation followed World War II.

There is one point to which I should like to invite the Senator's attention. I appreciate the fact that he is making a very able argument in favor of the extension of the rural-electrification program, but one of the difficulties is the matter of getting transmission lines to bring the power into the back territories of the States. I hope the Senator will cover that point, because it is very important.

Mr. LANGER. I shall cover that point.

Mr. President, I want to refer to another matter, if the Senator from Montana will indulge me. There were millions of farm boys in the war. When they got over to barbaric Japan, as it was called, they found that more than 95 percent of the Japanese farmers had electricity upon their farms. When they went to Germany they found approximately 90 farms out of every 100 had electricity. When they reached Norway, Sweden, and Denmark, they found the percentage even higher than that, 97 or 98 farms out of 100 having electricity. Only farms in the most isolated portions of those countries did not have electricity.

One of these boys comes back home and wants to get married and to rent a farm. His girl says, "I want to go some place where I do not have to milk by hand, some place where I do not have to undergo the slavery and drudgery of farm work. So let us look around and find a farm which is electrified."

There are only 23 farms out of 100 in South Dakota, and 23 out of 100 in North Dakota, which are electrified. In Montana the figure is less than that. The young folks do not want to rent a farm which is not electrified. They read in the newspaper that in the State of Washington, where the Coulee Dam is located, 50 or 90 out of 100 farms are electrified. So the girl says, "Let us move out there where we shall not have to work so hard." Or they go to California, or to some of the other States which I have named this afternoon, where electrification is approximately 100 percent.

That, Mr. President, is one reason why we have lost the population which my distinguished friend from Montana has mentioned.

I shall not take all afternoon, because I want to make my remarks as brief as I possibly can. Mr. Wickard testified before the committee. I want to refer to his testimony, to show, again, that $350,000,000, which looks large in the beginning, does not amount to so much by the time Mr. Wickard gets through analyzing it. He says, "half of the amount available for loans in any given year is reserved for loans in the various States on the basis of the proportion that each State's unelectrified farms bear to the total number of unelectrified farms in the country. The other half of the fund may be used for loans at the discretion of the Administrator, but not more than 10 percent may be loaned in any one State or Territory."

Mr. President, I call attention to the fact, for example, that in the State of Connecticut, in the State of Rhode Island, in the State of Massachusetts, and in the State of West Virginia none of the money set aside by the Congress was used. Therefore, that money remained in the Treasury. In my opinion, the Administrator should have the power to use, in his discretion, any money not used, because it can readily be seen that when the Appropriations Committee meets, or when the political committee of either the Democratic or Republican Party meets, it gets a report from the REA Administration which says, "There is $5,000,000, $10,000,000, $50,000,000 available which has not been used," when as a matter of fact that is not strictly true, because either it has already been assigned to projects which are in the course of being constructed or it is set aside for those States which are not going to use it, and the Administrator knows it is not going to be used. So this provision, that the other half of the fund may be used for loans in the discretion of the Administrator, but not more than 10 percent may be loaned in any one State, is not quite sufficient, and the law should be changed as provided in the bill I introduced.

I introduced a bill, which was referred to the Committee on Agriculture and Forestry, providing that out of the money appropriated the Administrator should have authority to allot to the 10 lowest States—and some were in the South, one being Mississippi, and some were in the Great Plains area—more money than was allotted to the other States, which already had 60 or 70 or 80 or 100 percent electrification. I could not get the bill reported from the committee. The committee said they were going to take care of the matter, and they did try, and I wish to compliment the Senator from Georgia for endeavoring to take care of it by the additional $150,000,000 recommended. On page 58 of the pending bill it is provided that $150,000,000 may be used whenever the Secretary of Agriculture certifies that applications are pending.

Now I wish to make another matter clear to the Senate, namely, that one group of people are paying back to the Government every dollar they borrowed. Mr. Wickard says in the letter:

The REA borrowers have paid the Government $176,301,661 in principal and interest. Of this $18,504,792 was paid in advance—

It was paid before it was ever due—

and less than 1 percent is delinquent more than 30 days.

Mr. President, that is a perfectly remarkable showing. The letter is so illuminating that I wish to read all of it. This REA is one Government agency of which every man, woman, and child in the United States can be proud. Mr. Wickard said in this letter, dated December 21, 1948:

We are pleased to send you the enclosed progress report on rural electrification. These statistics, based on the latest reports we have from our borrowers, show that the program is continuing to move forward in every part of the country at a rapid pace. During the first 9 months of 1948, REA borrowers set a new all-time record for miles of power line placed in operation. During this period a total of 108,806 miles of line was built. The size of the job is indicated by the fact that the 9-month total this year exceeds the entire year of 1947 by 13 percent. The number of consumers connected likewise is at a high level, and 1948 promises to be the best in this respect of any year since the program was inaugurated. A total of 368,150 consumers was connected during the first 9 months of the calendar year 1948.

Even with progress of such proportions, there is still a tremendous job to be done. As will be noted on page 4 of the enclosed bulletin, nearly one-third of the Nation's farms still lack electricity. It is estimated that 1,800,000 farms and an even larger number of other rural establishments are still unserved. The difficulty of bringing service to these people is recognized, but REA borrowers are facing up to the challenge of providing area-wide coverage. Applications for REA loans on hand and in process total approximately $411,000,000, and applications are being received at the rate of about $41,000,000 a month.

The problem of reaching the unserved rural people—

That brings up the very question propounded by the distinguished Senator from Montana a few minutes ago.

The problem of reaching the unserved rural people, many of them in thinly settled areas, is paralleled by the growing problem of providing adequate power for the new consumers as well as for those already being served. As the energy statistics on page 1 of the bulletin indicate, the consumption of power on farms is increasing at a rapid rate.

A most serious obstacle to further development is the current power shortage. REA-financed cooperatives in many areas are finding it difficult to obtain from the present suppliers the additional amounts of power they need.

Another problem with which REA borrowers are concerned is that of heavying-up existing facilities to care for the growing loads.

Mr. President, that is one of the most important things in this entire problem. The people in western North Dakota get together to establish an REA, or the people in Kansas get together, as at Victoria, Kans., to build an REA. Let us assume they get an allocation of only three or four million dollars. Then, of course, the generating plant will be too small, because as the load becomes heavy, as the months and years go by, it will mean that instead the capacity of the small generating plant will have to be increased, or it will have to be torn down and a new one put up.

We were up against that problem at Grand Forks, N. Dak. Two units were built. Three years later, as I remember, two more were added. Later those were torn down and a generator was built with about 10 units. Last summer it was found that did not begin to take care of the load, so $6,197,000 was appropriated for a generating plant. In a conversation I had with the manager there he said that if a sufficient amount of money had originally been available so that the engineers could have said, "We are not limited by two or three million dollars, we are going to build the kind of generating plant that is going to take care of the whole area when all the farmers are hooked up," it would have meant a much larger appropriation at the beginning, but in the long run it would have saved the farmers a very large sum of money.

Mr. Wickard continued:

Indeed, many REA-financed co-ops are now engaged in this work to a considerable extent. During the last year, nearly every loan made to an existing borrower included an appropriate provision for increasing the capacity of present facilities.

While carrying forward the program of building new lines and improving facilities, REA borrowers are continuing their excellent financial record.

Mr. President, there was a time when it was not possible to get material, and I anticipate that the distinguished Senator from Georgia will say, "What is the use appropriating and setting aside a lot of money, when it is not possible to get the material?" I say to him that today it is possible to get all the material needed to build lines all over the United States of America. We had a full and complete hearing before our committee, and I have the report of the hearing here with me, if the Senator from Georgia or any other Senator is interested in referring to it. The record shows the names of those who were subpenaed, and also the testimony they gave the committee. Every manufacturer of transformers appeared before the committee. We had before us every important manufacturer of aluminum wire or copper wire. We had before us, as I previously said, those who furnish the conductors, and we had before us those who furnish the transformers. There was only one small shortage, and that was a shortage of transformers for substations. Three months ago there was still a shortage of transformers. The testimony given at that time showed—and I have the testimony before me—that it might be a year before that shortage for the substations could be supplied. That testimony was given 3 months ago, so that shortage will be supplied in 8 or 9 months from now. At that time the testimony was that it might be at the most a year before the transformers could be furnished.

Mr. President, I simply cannot conceive that my friend the Senator from Georgia, who has done so much for the farming population of America, would take the position that if we increase the amount from $150,000,000 to $350,000,000 we would do any harm. I say that because a reading of the bill will show that not one penny of that amount of money, assuming the increase to $350,000,000 were made, would be spent unless "the Secretary of Agriculture shall certify, from time to time, to the Secretary of the Treasury that such additional amounts are required during the fiscal year 1950."

Let us view the situation in the most pessimistic light. Let us assume that the shortage of the large transformers should continue 1 or 2 months longer than I stated. Even so there is no reason why the lines from the individual farms cannot be built, so they can be energized immediately after the transformers are installed in the substations.

My other amendment would raise the administrative expenses from $6,063,000 to $7,063,000. If the loan authorization is increased it will mean that more engineers must be employed. I refer once more to the fact that we need a large number of engineers in the Great Plains area for the 6 or 7 months during the year when they can work. For the remainder of the year they can work in the South. During the time the Northern States have snow and cold weather it is almost impossible for the engineers to build REA lines.

Mr. President, I hope the Members of the Senate may accept my two amendments, which are being considered together, and help the farmers, chiefly those located in the sparsely settled areas, who are on their farms by themselves, widely separated from other farms and communities, where they badly need light and power, much more so than do those in more congested areas.

Mr. RUSSELL. Mr. President, I deem it unnecessary to state here that I have been interested in the program of rural electrification. I supported the first bill for this purpose which was ever introduced in Congress. It so happened that I was a member of the standing Committee on Agriculture and Forestry and handled on the floor of the Senate the legislation under which the Rural Electrification Administration is operating at the present time. I have served on the Subcommittee on Agricultural Appropriations during the entire life of the Rural Electrification Administration. In the years gone by, back in 1938 and 1939, I offered in the Senate committee amendments, which were brought to the floor of the Senate, to increase the loan authorizations for the Rural Electrification Administration. I do not know of any program inaugurated during the days of the so-called New Deal which has made a more permanent contribution to improving life in the United States than the rural electrification program. It has enabled us to keep upon the farms of the Nation the ambitious young men and women who were heretofore rushing to the cities because they could see their cousins who live in town enjoying the good things of life which were not available to them on unelectrified farms.

Mr. President, with that background, I wish to say that, in my judgment, the

Senate should not accept the amendments proposed by the distinguished Senator from North Dakota.

It so happens that in this bill at the present time there are provided administrative expenses and funds for loans in excess of any amount which has ever been provided in any appropriation bill, or in any one year through the regular appropriation bill and by way of deficiency appropriations. The bill carries or makes available the sum of one-half billion dollars for rural electrification. Ardently as I believe in the program, I think it would be most unwise, almost to the point of folly, for the Senate to add $200,000,000 additional to these authorized funds.

Mr. President, in addition to this one-half billion dollars, there has been allotted the sum of $528,000,000 to rural-electrification cooperatives which has not been drawn from the Treasury of the United States. Certainly, with this sum of more than $1,000,000,000 available for the work program in expanding rural electrification during the coming year we would not be justified in accepting, or the Senate in adopting, the amendment.

Mr. CAPEHART. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). Does the Senator from Georgia yield to the Senator from Indiana?

Mr. RUSSELL. I yield.

Mr. CAPEHART. Are we to understand that there is over $500,000,000 in the fund at the moment which has not been spent?

Mr. RUSSELL. That is correct.

Mr. CAPEHART. And we are appropriating another $500,000,000 under the bill?

Mr. RUSSELL. It is not a direct appropriation, I may say to the Senator from Indiana. It is a loan authorization. I think it occupies a somewhat different status from an appropriation.

Mr. CAPEHART. I understand.

Mr. RUSSELL. But we are making available $350,000,000 outright, with an additional $150,000,000 which will be available in the event the Secretary of Agriculture certifies to the need of it, and that it can be wisely spent.

Mr. CAPEHART. That is above the $500,000,000 which is now available from previous appropriations?

Mr. RUSSELL. I stated that there was a total of more than a billion dollars which has not been expended, which will be available if the fund of $500,000,000 provided by the pending bill is approved.

Mr. CAPEHART. How much has been spent on REA since the beginning of the Rural Electrification Administration?

Mr. RUSSELL. The total authorization, not including the funds contained in the pending bill, is $1,875,000,000 in round figures.

Mr. CAPEHART. Does that mean that up to this time we have spent $1,800,000,000?

Mr. RUSSELL. No, because $528,000,000 of that money has not yet been expended. There has actually been expended or advanced to the cooperatives $1,220,000,000, in round figures.

Mr. CAPEHART. In other words, we have accomplished the fine results we have today with the expenditure of $1,250,000,000?

Mr. RUSSELL. $1,220,000,000.

Mr. CAPEHART. Now, with the money that is left over from last year—

Mr. RUSSELL. That is an accumulation. It is not all from last year.

Mr. CAPEHART. The accumulation the Senator spoke of, plus the $500,000,000 contained in the present bill, will mean a total of nearly $1,000,000,000, which is almost as much as the REA has used in 14 years.

Mr. RUSSELL. That is true, but, of course, it would stand quite a bit of explanation. There has been a very large increase in the cost of material and labor for installing REA lines. I suppose the increase in these costs is about as marked as it is in any other commodity on the American market today; but there is a very substantial sum of money available.

Mr. CAPEHART. One other question. Is it not almost impossible for REA to spend in the next 12 months $1,000,000,000?

Mr. RUSSELL. I do not think they can spend it or will spend it, I may say to the Senator from Indiana, but because of the peculiar formulae under which these funds are allocated some States will be able to spend it all, while other States will not be able to spend it, and some of the money will eventually be returned to the Treasury of the United States.

Mr. CAPEHART. But it is the able Senator's opinion that the $1,000,000,000 available from this year's appropriation plus the money which has accumulated over a period of years is absolutely ample?

Mr. RUSSELL. In my judgment there is as much money available in the hands of the agency as the Congress ought to make available to any agency of this size at one time. That is my own view.

Mr. CAPEHART. Did the Administrator, Mr. Wickard, ask for more money?

Mr. RUSSELL. No; Mr. Wickard did not ask for more money. He was bound somewhat by the budgetary limitations imposed on any administrator. Mr. Wickard is an enthusiast for REA. I suppose that if all restrictions were removed, he might support the amendment of the Senator from North Dakota. I do not know what his views are. I am giving my views. I think there is ample money in the bill for this purpose. As a friend of REA, who fought the battles of REA on the floor for 15 years, I think there is plenty of money available for REA for 1 year's expenditures.

Mr. CAPEHART. If it is impossible to spend $1,000,000,000 in the next 12 months, what would be gained by appropriating more money?

Mr. RUSSELL. I do not think it would result in substantial advancement in rural electrification. As the Senator from North Dakota has pointed out, we do not now have shortages in equipment which slowed down the program for 2 or 3 years. That fact has contributed to the carry-over. Material was not available.

Mr. CAPEHART. The fact still remains that the money is available now.

Mr. RUSSELL. The money is available now. There are some shortages in equipment. I think there is now plenty of wire, and poles are available, but with respect to certain generator parts there is a shortage, and there will remain a shortage for perhaps 12 or 15 months.

Mr. CAPEHART. The REA has spent only one and a quarter billion dollars in 14 years. Is that correct?

Mr. RUSSELL. I think so. It started in 1935. As I recall, the law was enacted in 1935.

Mr. CAPEHART. That would make it 15 years. If the REA has spent only one and a quarter billion dollars in 15 years, and it will have available after this appropriation, plus the appropriation for loan purposes, $350,000,000, plus $150,000,000 authorized, or a total of $500,000,000, plus the $500,000,000 which has been accumulated, or a total of a billion dollars, that certainly should be enough for 1 year. It has spent only $1,250,000,000 in 15 years.

Mr. RUSSELL. I think it is sufficient. For that reason I am opposing the amendment of the Senator from North Dakota.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MURRAY. The Senator realizes, does he not, that at the present time unemployment is developing in many of the areas involved in this debate? It seems to me that if it is possible at the present time to expand rural electrification in any areas because of the fact that material is now available which has not been available during the past 3 or 4 years, there is no reason why the States which have lacked development of rural electrification during the past 4 or 5 years should not now have the opportunity to go forward with their programs, which at the same time would afford relief in the unemployment situation.

Mr. RUSSELL. Mr. President, I do not look upon the rural electrification as a make-work program. It contributes to the economy. I am delighted that it does add to employment in the country, but this would be a rather expensive method of providing work, because of the great costs involved in building the lines. I have the utmost sympathy with the States which are not up to the national average in rural electrification, but if we are going to be frank and not undertake to deceive ourselves, we must recognize the fact that the States which are deficient have only themselves to blame. Some of the States about which we hear so much today, including the State represented by the distinguished Senator from North Dakota, as well as the State of South Dakota, did not inaugurate any program of any significance until 2 or 3 years ago, and, of course, they are behind the rest of the country.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LANGER. Let me inform the distinguished Senator from Georgia that when I was Governor of my State it was the first State in the United States to

adopt the program. The second REA project in the United States was built at Kindred, N. Dak., but we could not get the money. We came to Washington and tried to get it. The Senator is familiar with many of the good reasons why we could not get it. I am not condemning anyone. But the men who were here representing North Dakota at that time were not interested. I will concede that. However, our farmers got together, and the Kindred Cooperative is one of the largest in America. I assure the distinguished Senator from Georgia that we could not get the money. I have a farm located in that cooperative area. We begged for the money, but we could not get it.

Mr. RUSSELL. I do not know the specific reasons why the Senator's State did not get the money; but I have kept up with this program since its inception. At least the allotments were not made to the State of North Dakota to which it was entitled under the division of funds provided in the authorization. I presume that that was for good and sufficient reasons which appealed to the Administrator. The Senator's State may have had the first REA cooperative in the United States, but if the Senator from North Dakota will check back on the figures he will find that there were several years when North Dakota did not make use of all the funds allotted to it in Washington under the authorization.

Mr. LANGER. The same situation prevails in South Dakota, Montana, Minnesota, Kansas, and Nebraska. All through the plains States area the situation is almost identical. Mr. Wickard told us the reason why. He told us, for example, why Wyoming jumped from the forty-seventh State to the twenty-sixth. He stated that it was because in Wyoming there were thickly populated valleys, so he used the discretion which he has under the act, and put the money into Wyoming. Wyoming advanced and Nebraska went back. The figures will show the difference between Wyoming and Nebraska during the past 3 years. I assure the distinguished Senator that we did everything we could think of, at least during the time I was Governor, to get REA aid for our State.

Mr. RUSSELL. I am quite sure that the Senator did; but the fact remains that the percentage of farm electrification in the Senator's State is comparatively low. I do not carry the figures in my head, but, as I recall, it is much higher in Kansas and Minnesota than it is in the State of North Dakota. I am quite sure that the charts prepared by the Agency will bear out that statement.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. Why is it not possible for North Dakota and other States which are so low on the list to get sufficient funds from the $1,000,000,000 which will be available to do what they want to do?

Mr. RUSSELL. They can get only the amounts to which they are entitled under the formula prescribed in the basic act. I do not know what those amounts are.

Mr. CAPEHART. Let us change the formula, then, instead of appropriating more money.

Mr. RUSSELL. I know that time and again the Senator from North Dakota [Mr. LANGER] has spoken about his interest in rural electrification and his efforts to obtain more money for his State and area. The fact that he has offered this amendment is proof of his diligence. I have served on the committee with the distinguished junior Senator from North Dakota [Mr. YOUNG], and I know of his great interest in the problem. He has been energetic, both in the committee and on the floor, in getting sufficient funds. I do not believe that the mere fact that there happens to be a shortage in the Senator's State justifies making available $200,000,000 which is not needed over the country as a whole.

Mr. REED. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. REED. I wish to invite the attention of the Senator from Georgia to the figures which appear in the most recent monthly publication of the REA. I also invited the attention of the Senator from North Dakota. He is either misinformed, or he does not grasp the facts.

On the 30th of June 1948, the loans approved in North Dakota were $38,670,000. On February 28, 1949, 8 months later, the loans approved in North Dakota were $64,122,000. That is an increase in 8 months of 70 percent. I do not know why the Senator from North Dakota would not be satisfied with that.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. RUSSELL. I shall be glad to yield if the Senator from Kansas has concluded his statement.

Mr. LANGER. I am perfectly aware of the fact that there was such an increase. A representative of the REA was in North Dakota, and we had 23 meetings. North Dakota is getting the money. When the REA spends the $520,000,000——

Mr. REED. What is the Senator complaining about?

Mr. LANGER. I want to help Kansas. I want to help Nebraska. I want to help South Dakota. I want to help Montana. I want to help Mississippi.

Mr. REED. I thought the Senator was wailing about North Dakota.

Mr. LANGER. I am not. I am talking about the other States. I want them to be taken care of in the same way that North Dakota has been taken care of. When this money is spent, in North Dakota, 79.9 farmers out of 100 will have REA service. But similar development is not occurring in South Dakota and some other States. I am interested in seeing that the other States also have a chance to borrow REA money. In my State the power companies have endorsed this program. They say they do not have enough money to build the transmission lines, and they are perfectly willing to have the REA build them and give them a chance to help out. The people want it; the power companies want it; everybody is in favor of it.

Mr. RUSSELL. And we will build it.

Mr. LANGER. I certainly cannot see what harm it will do to make a sum of money available to a group of farmers who organize a cooperative, so as to give them a chance to borrow the money. The Secretary of the Treasury says the amount of money available is not sufficient to meet the needs of the great number of applications which have been filed. Certainly these people should have a chance to borrow what they need.

We do not have a billion dollars available for this purpose. Mr. President, $520,000,000 has already been appropriated.

For instance, let me read from a news item which I have before me now:

> Two REA jobs total $717,960.

That is the headline of an article appearing in the Renville County Farmer of March 31, being in reference to the North Central Electric Cooperative at Bottineau, N. Dak.

That money is a part of the $20,000,000 which already has been allocated by REA.

Mr. CAPEHART. It has been allocated, but it has not been spent, and the facilities have not been completed.

Mr. LANGER. But in a majority of the cases the contracts have been let.

Mr. RUSSELL. Mr. President, magnificent progress is being made in this direction, but I think it would be most uneconomical and would tempt the administration to indulge in great extravagance if we were to add the proposed $200,000,000 to the amount already recommended for this purpose.

The REA has undertaken to build many facilities; but we know that in many cases the cooperatives are not equipped to handle expensive machinery. If the proposed increase in the amount of money to be made available were made, the only change would be to permit the purchase of expensive machinery which the REA cooperatives are not generally equipped to handle.

When Mr. Wickard appeared before the House committee, he said:

> When we drew up the budget estimates we estimated that we would only be able to loan about $375,000,000 during this fiscal year.

That was the full amount of the new loan.

Then he said:

> Now we have raised that estimate by $50,000,000, to $425,000,000.

The bill provides $75,000,000 more than what Mr. Wickard estimated he could loan. However, he made a fairly good guess, because the figures which I secured this morning from the Rural Electrification Administration show that the applications being submitted are running a little less than $42,000,000 a month. That is the total of applications which are being made. Of course, I do not assume that the REA will give every one of the cooperatives every dollar it requests. However, if that rate is maintained, and if the REA were to approve every application for 100 percent of the amount applied for, the amount now provided in the bill would just about be used up.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield, and I apologize to the Senator from Kansas for having kept him on his feet so long.

Mr. SCHOEPPEL. That is quite all right.

I wish to say that I think the rural-electrification program in Kansas is coming along very satisfactorily.

I should like to ask the distinguished Senator from Georgia one question. There has been some talk and certainly some discussion in the press to the effect that the technical staffs of the rural electrification program probably were not adequately financed. What is the judgment of the distinguished Senator in regard to that matter, as respects the appropriations which are set forth in this measure? Will they be sufficient, in his judgment and in the judgment of the committee?

Mr. RUSSELL. I wish to answer the Senator frankly. I say that of course this bill does not provide as much money as the REA wants for administration, but it provides more money than the bill last year provided. Last year the budget recommended $250,000,000 for REA. The Congress allowed $5,675,000 for administration, which as I recall was slightly less than the budget estimate, and was based on a $250,000,000 loan authorization. However, with that administrative fund, the REA handled $400,000,000 of loan authorizations which were made available to them.

This bill makes available $6,063,000 for administrative purposes for the coming fiscal year, with loan authorizations of $500,000,000. In my opinion that would keep approximately the same burden of work upon the administrative staff as it has at the present time. It is true that the bill this year will provide more money, but the REA is making larger loans. So the total effect will be that not a great deal more work will be involved. Somewhat more work may be required; for instance, no doubt more engineering work is required on a $50,000,000 loan than on a $40,000,000 loan.

So the number of loans probably will not be much greater, although the amounts to be authorized will be considerably greater. The result may be to place a somewhat heavier burden upon the administrative staff and the technical employees of the Rural Electrification Administration, but in my judgment, they will be able to come through all right with the $6,000,000 provided in the bill for administration.

Mr. SCHOEPPEL. I thank the Senator. That is one of the things in which I was very much interested, because if the REA is allowed sufficient funds to cover the over-all situation in regard to loans, certainly the REA should be allowed adequate funds for the administration of the loans, by way of engineering work, and so forth.

Mr. RUSSELL. This is a hard-working organization. In my judgment, it does a good job. I wish to see it obtain adequate funds without having the Congress be extravagant in advancing funds to it.

I intend to be perfectly frank with the Senator, and I say that I think the administrative staff of this agency does work somewhat harder than do the administrative staffs of some other agencies of the Government, but I doubt very much whether the health of the members of the REA staff is being endangered by the amount of work that is done.

I yield the floor.

Mr. REED. Mr. President, there has been so much misconstruction, misapprehension, and misunderstanding about this matter that I shall take the next 10 minutes to see if some of it can be cleared up.

I trust that the Senator from Georgia [Mr. RUSSELL] will agree with me that a burden rests upon a local community to form a cooperative under the proper rules and regulations and standards, before it will be eligible to receive a loan. If a State does not move fast enough, the States which move faster will originally benefit in that way. I have no doubt that the trouble in North Dakota was because of slowness and delay in taking action in that respect.

The Senator from North Dakota has not used quite correctly the figures to which he has referred. The Senator from Georgia has touched upon that point.

One billion eight hundred and seventy-five million dollars has been authorized. As the Senator from Georgia knows, there is a lag between the time of the making of the authorization by Congress and the time when the loans are approved, and a further lag between the approval of the loan and the actual expenditure of the money.

As against the $1,875,000,000 which has been authorized, as of February 28 of this year—and let me at this point ask the Senator from Georgia, who read from a letter, when he obtained from the REA the figures he used earlier today.

Mr. RUSSELL. These are figures as of May 6, 1948.

Mr. REED. I am using the last printed figure, I believe; but the Senator from Georgia used a later figure, which he received today.

Mr. RUSSELL. Yes, as of May 6.

Mr. REED. But as of February 28 of this year—the figure for that date being the last printed figure available—the loans approved amounted to $1,651,000,000. Congress had made an authorization of $1,875,00,000. The REA had approved loans of $1,651,000,000. The difference represents the lag between the amount of money authorized and the amount of money advanced or spent. After Congress makes the authorization—in this case, $1,875,000,000—the REA has to approve the loans, which thus far has been done to the extent of $1,651,000,000. There is a lag of more than $200,000,000 between the authorization and the approval of loans. Furthermore, the funds advanced—that is, where the REA furnishes the cash to go ahead and do the work—amounted to $1,152,000,000 on February 28. The program is moving as fast as it reasonably and efficiently can.

I agree with every word the Senator from Georgia has spoken in the course of the debate. I have served with him throughout my years of service in the Senate. The REA has no better friend in Congress than the Senator from Georgia. He has done all that can be done. I have been delighted to help him. I cannot claim to rank with him, but I have been a consistent supporter of REA.

Mr. RUSSELL. I want to say the Senator from Kansas has been not only a consistent supporter, but he also has had a fine understanding of the problems of the local cooperatives.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. LANGER. I want to make it plain that I myself said at the beginning of my remarks, the Senator from Georgia is one of the best friends of REA we have in the United States. I am not criticizing him in any way whatever.

Mr. RUSSELL. I thank the Senator. I did not take as personal criticism anything the Senator said.

Mr. REED. Mr. President, the Senator from Georgia stated the facts. It is possible to get materials only as they become available. During the war it was impossible to get them at all. At times REA has been from 18 months to 2 years behind on transformers. Nothing could be done. The complaints which come to me in Kansas are not complaints about the progress of REA, or about its getting started. The complaints are that they are so far behind in some cases by reason of the shortage of materials. But they will catch up in the course of time.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from South Carolina?

Mr. REED. I yield.

Mr. JOHNSTON of South Carolina. I am glad the Senator brought out the facts regarding the shortage of materials. In a State where the population is not too dense, it means that many poles are required in order to construct a line to an individual home. The same thing is true with respect to wire and other materials. That means a greater pinch will be felt in such a State than will be experienced in more densely populated States. That is the trouble in South Carolina.

Mr. REED. About half the farms in Kansas are energized; but, Mr. President, one-half of that half is furnished by private utilities. The REA serves only about 25 percent of the Kansas farms; private utilities, 25 percent.

Mention was made of conditions in Massachusetts and Connecticut. The REA is not operating in Massachusetts at all, nor is it operating in Connecticut. It is not operating in Rhode Island at all. The reason is that the farms are small and they are already connected up with private utilities. There is a different situation in California, where 94.7 percent of the farms are connected up with electric energy, though California has but five REA cooperatives connected. Ninety-four percent of the farms in California are connected up; yet there are but six REA projects, which serve 7,000 farms. Of the millions of farmers in California, only 7,000 are connected up with REA. The rest of them are not furnished electric energy. A similar situation prevails in Colorado, which is energized 79 percent, yet there are but 32,000 REA customers.

Mr. President, I highly esteem the Senator from North Dakota, but he had just as well confine his sympathy to his own State. The farms in the State of Kansas are being connected up. Our State was a little slow in getting started, but the work is now progressing at full speed. The private utilities in Kansas have helped. One-half the farms in the State have electric energy, obtained in part from private utilities, that, with two or three minor exceptions, have cooperated almost perfectly. Nebraska, I think, is slow; South Dakota, I think, is slow; perhaps for the reason mentioned by the Senator from North Dakota in connection with his State. But there is nothing in the whole situation to cause concern. There is no earthly reason why the amendment offered by the Senator from North Dakota should be adopted. As the Senator from Georgia pointed out, between the authorization and the approval of funds, there is $500,000,000 provided in the bill. I may ask the Senator from Georgia, is that not correct?

Mr. RUSSELL. The amount was $528,000,000 as of May 5.

Mr. REED. Five hundred and twenty-eight million dollars is available. There is a sum in excess of $1,000,000,000 to carry forward the program. It simply does not make sense to bring in a proposition to increase the authorization $200,000,000. There is no possible need of it; there is no possible justification for it.

Mr. LANGER. Mr. President, I wish that every Senator upon the floor would get it into his head that I am not here fighting for North Dakota alone. The cold-blooded record shows that in Kansas every other farmer is without light and power. If the senior Senator from that State is satisfied with that condition, so am I. If he is satisfied to let every other farmer go without light and power, that is all right with me. That is his own State. I am following his suggestion in keeping my nose out of the State of Kansas. I shall put my nose into the other 47 States.

Today there are 2,250,000 farms without light and power. I shall not stand on the floor of the Senate and see the poor farm women in those States slaving as my mother slaved, without light and power. I shall not stand here, seeing in mind mind's eye, poor farm women in West Virginia, Texas, South Dakota, North Dakota, or Georgia operating a churn by hand, when a small motor would do the work for them. I favor refrigeration of meat to keep it from spoiling. There are, of course, certain States that are in better shape than others. For example, I notice that in Virginia, a State of which the distinguished senior Senator formerly was Governor, there are far more farms electrified proportionately than in West Virginia—73 percent in Virginia, with only 50 percent in West Virginia.

But, Mr. President, are the poor farm women to blame because in some States the State officials went all out for REA, and in other States there were officials who reneged on their job? It seems to me it is the duty of a Senator to fight for the entire Nation and not simply for one State. I took care of North Dakota, Mr. President. Last November I traveled all over the State. We held 23 meetings and had enormous crowds. The result was that the REA gave us approximately $30,000,000. When that money is expended it will mean that approximately 80 out of every 100 farms will have electricity furnished by REA. I think that is a very good record. We shall get the other 20 percent, so that every woman who wants electricity will have a chance to have it. We shall certainly make it 100 percent if we can.

But, Mr. President, I am greatly interested in the other States——

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Does the Senator from North Dakota think that efforts to get REA service will be cut off? We shall continue them, shall we not?

Mr. LANGER. There are applications which are 9 years old. Some Senator made the statement that North Dakota was not on the job. I have here letters, thousands of them——

Mr. SCHOEPPEL. Mr. President, will the Senator yield for another question?

Mr. LANGER. One moment. One question at a time.

I have letters showing applications made in 1939, 1940, 1941, 1942, and 1943. I have one here which is typical, if the Senator will bear with me a moment.

Mr. SCHOEPPEL. Certainly.

Mr. LANGER. This letter is from a group of farmers in Ransom County, N. Dak., requesting me to apply for action on their applications made in 1945.

Mr. SCHOEPPEL. I can show the Senator letters with reference to applications made in 1939, 1940, and 1941.

Mr. LANGER. The letter says their applications were made in February 1945, at which time they paid $5 and that—no action has been taken, to our knowledge.

I will show the Senator the names.

Mr. SCHOEPPEL. Mr. President, will the distinguished Senator yield further?

Mr. LANGER. I yield.

Mr. SCHOEPPEL. Does the distinguished Senator feel that with the impetus which has already been given, and the reception which this great improvement has received all over the rural areas of the United States, within the next 3 or 4 or 5 years some of the States which the Senator has mentioned will be in the 80- and 90-percent columns?

Mr. LANGER. In 4 or 5 or 10 years, or 50 years——

Mr. SCHOEPPEL. I said, 3 or 4 years.

Mr. LANGER. Does not the Senator believe that a group of people who made application in 1941, 1942, and 1943 are entitled to action?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Indiana.

Mr. CAPEHART. The Senator says they have not received action. That was not because the money was not available, was it?

Mr. LANGER. It was not until last year, through action of the Eightieth Congress, that, for the first time, there was sufficient money. In the Eightieth Congress there was a recommendation from the President for $300,000,000. My distinguished colleague [Mr. YOUNG] and I went before the committee and got $100,000,000 more than the President had recommended.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. LANGER. I yield.

Mr. CAPEHART. Whatever the reason may be that the persons to whom the Senator has referred did not receive the service, it was not because the funds were not available.

Mr. LANGER. That is correct.

Mr. CAPEHART. Materials were not available.

Mr. LANGER. That is correct.

Mr. CAPEHART. It was brought out a moment ago that there is $500,000,000 available at the moment, in addition to the appropriation now requested.

Mr. LANGER. May I once again make it clear? I thought I had previously made it clear——

Mr. CAPEHART. The money has been allocated, but has not been spent.

Mr. LANGER. That is correct. That is because of the fact that the cost has increased enormously. In Mr. Wickard's testimony he stated that in 1939 the average cost of stringing a power line was $744 a mile. Today the cost of a mile of line is approximately $1,600, representing an increase of 115 percent.

The people in Indiana are very fortunate. Ninety-six and a fraction percent of them have REA service. I know that, as a Senator, the Senator from Indiana is anxious to see persons in other States get light and power on their farms. The farmers of Indiana got their light and power at a time when it was possible to construct a line for $744 a mile.

Mr. CAPEHART. I am in favor of REA, and always have been in favor of it. I enjoy it on my farm. I have both REA service and privately owned electrical service. But the big question in my mind is, How can REA spend more than a billion dollars in the next 12 months?

Mr. LANGER. Mr. Wickard answered that in his testimony. I asked him at the time of the hearing, and he said:

> We could use that, and more, too, if we had it.

That was his response to my question.

Mr. CAPEHART. I presume he could use enough money in 1 year to put power on every farm, which we hope eventually to do, but I am just wondering——

Mr. LANGER. Mr. Wickard said he was satisfied with $300,000,000. We increased that amount $100,000,000 more. I have not the least doubt that Mr. Wickard is satisfied with what he requests now. He has certainly told me nothing to the contrary. One year ago the amount was increased 25 percent. Practically all the money was allocated.

Last December there were sufficient applications to take more than the $400,000,000 allotted last year.

Mr. President, I now come to another point which I think is very important. That is the matter of power. It is necessary to build generating plants. In one instance it cost aprpoximately $6,000,000, and in another case it was $4,000,000.

The money is not being thrown away. If the Secretary of Agriculture should certify that there are no applications, and no one wants the service, there will be no harm done. But why not make the money available?

Again, Mr. President, I want to say that I know the fine record of the Senator from Georgia. I did not intend in the slightest degree to criticize him. I do not know of a better friend of REA than is the Senator from Georgia.

Mr. RUSSELL. I can assure the Senator from North Dakota that it is simply a matter of a difference of opinion between the Senator from Georgia and the Senator from North Dakota as to how much money should be available in 1 year for a purpose which we both agree is most worthy and meritorious. The Senator from North Dakota believes that REA needs more money. I think it has more than it can spend. In my judgment, when the question comes up next year there will probably be approximately $145,000,000 which will not have been spent by the REA.

Mr. LANGER. In 1945, 1946, and 1947, after the war, we could not get materials. Now, for the first time, materials have become available. Now, for the first time, we need a large group of engineers. I have here the list of the force they have. The REA staff currently numbers about 925 persons, of whom 680 are employed in Washington and 245 outside. REA has field offices.

What happened in the Eightieth Congress. The junior Senator from Kansas inquired about personnel. It is a fact absolutely definitely established before our Civil Service Committee that there is not enough personnel. Last year, for example, with the shortage of engineers, in North and South Dakota and Minnesota there was one engineer. To me it seems utter nonsense to say they have enough personnel when, as a matter of fact, there must be a blueprint of every single line of REA that is built because that is the only basis on which they can borrow money. The engineers have to be available to lay out every single post. They can use local help, and have in some instances, but in the last analysis the engineer who is selected by the local REA and finally approved in Washington is a man who has to sign up before a loan is made.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Georgia.

Mr. RUSSELL. The REA administrative funds are not used for paying engineers.

Mr. LANGER. I beg the Senator's pardon; the testimony of Mr. Wickard is here to that effect.

Mr. RUSSELL. I do not care what he testified; the Senator from Georgia knows that the rural-electrification funds do not go to pay the engineer for any local cooperative.

Mr. LANGER. That is correct.

Mr. RUSSELL. He is paid by the local cooperative.

Mr. LANGER. That is correct.

Mr. RUSSELL. There are no Federal funds appropriated for that purpose. They may borrow money and they are supposed to pay the engineer out of what they collect for the electricity, and I would be bitterly opposed to the Federal Government assuming the engineering costs of the local cooperatives. I am not in favor of giving the cooperatives engineering service.

Mr. LANGER. Is it not true that the local cooperative hires the engineer and pays him?

Mr. RUSSELL. Yes.

Mr. LANGER. But he has to be confirmed in Washington?

Mr. RUSSELL. That is correct, but it does not take any great amount of administrative money to check to see if he should be approved.

Mr. LANGER. The engineers in Washington are paid out of the administrative funds.

Mr. RUSSELL. The REA man who approves the blueprints is paid here, but the engineer actually working for the cooperative is not paid out of the administrative funds, he is paid out of the cooperative funds.

Mr. LANGER. Mr. Wickard says:

> The Engineering Division is responsible for all REA activities pertaining to engineering advice and assistance to borrowers in the design, construction, and technical operation of rural electric systems.

Mr. RUSSELL. That is true, but this matter has been pretty well standardized. I think there are rural electric cooperatives in every State of the Union except two, and everything is pretty well standardized. I am not saying anything disparaging about the engineers of the REA. They have done a superlative job, but those in the field with the cooperatives have no connection whatever with the administrative funds of the agency in Washington.

Mr. LANGER. Last year they did not have a sufficient number of engineers in Washington, according to the testimony of Mr. Wickard.

Let me say to the Senator from Georgia that last year the President recommended $300,000,000 for REA. The amount was increased by $100,000,000. But what did the Eightieth Congress do? It took away from administrative expenses $600,000. The result was that Mr. Wickard found himself with not enough money to pay his engineers and his other help. As I now remember, 172 were released, or quit, or were not paid enough money and did not remain. As a consequence, all over the Great Plains area, which includes Kansas, Nebraska, Wyoming, North and South Dakota, and Montana, the REA work was at a standstill. One reason why there is $528,000,000 available in approved loans today is because of the action of the Eightieth Congress which cut $600,000 from the administrative expense appropriation, so that no engineers were available. Contracts were let, but it was not possible to get the work done.

Mr. RUSSELL. The Senator should certainly not point the finger of responsibility at me. I led the fight in the committee, and the Senate restored the budget estimates so far as the administrative funds for REA were concerned, and it was done on the motion of the Senator from Georgia. But when we got into conference, we ran into almost insuperable difficulties and were compelled to yield on some of the funds. The REA was overstretched somewhat, because I do not think it had quite so much surplus as some other agencies had. So the President sent supplemental estimates recommending additional appropriations for administrative expenses, and the Senator from Georgia battled most valiantly, in his own opinion, for such appropriations, and managed to secure a great deal of the supplemental appropriations. So the Senator from Georgia was not responsible for the reduction in the administrative expenses.

Mr. LANGER. Let me say again that I praise the Senator for what he did. I have said now three times that he is one of the best friends the REA has.

Mr. RUSSELL. I know that, but I thought the Senator had forgotten what he said before. I assure the Senator that I did all in my power, as the ranking minority member of the Subcommittee on Agricultural Appropriations, to see that the REA's administrative funds were protected.

Mr. LANGER. I confirm that. The distinguished junior Senator from Kansas asked about having enough money for administrative expenses. When the Eightieth Congress got through, we were about $600,000 short. The result was that the projects were not completed and the works in the Great Plains area were at a standstill.

The Senator from Kansas says that we have the money now. But that money should have been spent. Instead of engineers being taken away, they should have been out in that area, and we would have had the money spent, whereas now we will have to wait 3 or 4 or 5 or 6 months, perhaps, before the money can be spent.

Mr. PEPPER. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Florida.

Mr. PEPPER. Do I understand correctly that the Senator offers two amendments, one to add a million dollars, or a little over a million, to the figure "$6,063,000" in line 8, page 58, and perhaps to make an addition to the figure "$150,000,000" in line 14, page 58? What is the amount of the addition?

Mr. LANGER. Two hundred million dollars more.

Mr. PEPPER. If I understand correctly, the larger part of the Senator's amendment, that is, the $200,000,000 item he would add, in the first place, is not a grant of funds, it is a loan. In the second place, these funds are loaned upon the same basis on which other loans are made. Is that correct?

Mr. LANGER. That is correct.

Mr. PEPPER. If the Senator will yield further, am I to understand that these loans not only will be made upon the same terms and conditions upon which other loans are made, but also shall be made only "to the extent that the Secretary of Agriculture shall certify, from time to time, to the Secretary of the Treasury that such additional amounts are required during the fiscal year 1950, under the then existing conditions, for the expeditious and orderly development of the program"?

Mr. LANGER. The Senator from Florida is exactly correct.

Mr. PEPPER. Does not the Senator think, then, that this is just a loan that is in the nature of a capital investment for a public improvement of a sound character and a useful purpose, and that the limitations that are imposed thoroughly protect the public? That is to say, no loan is made unless the Secretary of Agriculture certifies to the Treasury that the funds are needed, or, to use the language of the amendment, required for the orderly and expeditious development of the program in the next fiscal year. If all these safeguards are thrown around this advancement of Federal funds as a loan, can the Senator see anything but benefit to the public interest in such additional funds being made available?

Mr. LANGER. Mr. President, I may say to my distinguished friend that nothing but benefit could accrue to the public. It is not fair, in my judgment, for anyone to say that the farmer has as much money now or even more than he had a year or 2 or 3 years ago. Does not the Senator realize that the REA is now loaning money to farmers to wire their houses? We have more than 6,000,000 farmers in submarginal areas. The testimony given a few days ago was that 2,000,000 of them make in the neighborhood of four or five hundred to six hundred dollars a year. They have no money with which to wire their houses.

I read from a letter I received from Mr. Wickard a short time ago:

> This is in response to your letter dated February 14, 1949, regarding an inquiry which you have received from Mr. Leo Otte, Verona, N. Dak., concerning the possibilities of obtaining a loan to finance the costs of wiring his farmstead for electric service.

Why should not a farmer be able to borrow money to wire his house? Mr. Wickard continued in his letter:

> The Congress, in passing the Rural Electrification Act of 1939 and subsequent amendments to the act, charged REA with the responsibility of lending funds to rural people through its borrowers at low-interest rates, to speed the wiring of rural farmsteads and the purchase of plumbing and electrical equipment.
>
> Loans made to borrowers for this purpose bear the same rate of interest as all other REA loans, 2 percent. The Rural Electrification Administration has set 4 percent as the interest rate which its borrowers may charge members on all installation loans.
>
> Installation loans approved by the borrower to its members are subject to the following terms:

So, in addition to all the other things REA has done in the past, we find that they are now lending farmers who are poor and destitute, who live on submarginal lands, many of whom are broke, some of whom we know have not had a crop in 5 years—they are lending them money so they can get electricity and power in their homes and live like decent human beings.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. PEPPER. I want to join with what the Senator from North Dakota has said, that there has been no champion of this cause who has been more diligent in its behalf and furtherance than the able junior Senator from Georgia, and we all realize that any limitations imposed upon the Senator from Georgia come not from his own inner impulses but probably from external circumstances over which he has at present no effective control.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. RUSSELL. I thank the Senator from Florida for his kindly comment, but I feel under no restraints here other than those dictated by sound judgment and the information that is before me. When the Administrator of this fund himself comes forward and says he can use but $475,000,000, when applications are running at a rate of only $42,000,000 a month, and when the Rural Cooperative Association, which certainly has not been backward in seeking to benefit the local cooperatives and the local farmers, asks for only $450,000,000 to be allocated for loans, and I find $500,000,000 in the bill, I think it would be an utterly vain and futile gesture to increase that amount. That is the reason I am opposing the Senator's amendment. I am not opposing it because I feel under any restraint by reason of any action of the committee. I have never hesitated to be frank with any committee of which I have been a member. I simply do not think the REA can handle any more than $500,000,000.

I appreciate the Senator's argument as to limitations placed on the Secretary of Agriculture. I think that if we are going to increase the amount at all we might as well take off the limit. In such event I do not see any reason why we should limit it to $200,000,000 more, as proposed by the Senator from North Dakota. Then we ought to say that as much money as the Secretary of Agriculture believes can be expended on rural electrification should immediately be authorized to him by the RFC.

Mr. LANGER. Mr. President, if the Senator thinks that should be done, I will offer an amendment to that effect.

Mr. RUSSELL. No; I do not think any such thing should be done. I do not think the REA can spend the money proposed to be given to it. I like to be somewhat orderly in my approach to the consideration of such bills.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. PEPPER. Will the Senator from Georgia show me the testimony of Mr. Wickard on the subject?

Mr. RUSSELL. I shall be glad to read it to the Senator and then hand it to him.

> When we drew up the budgest estimates—

I might say that certainly no one could charge this administration, or the administration which preceded it, with not being interested in the rural-electrification movement, and with not having dealt very generously with it.

Mr. Wickard testified before the House committee. We did not have him before the Senate committee because there was no request made for an increase, and we did not propose to reduce the amount allowed by the House. So we did not invite Mr. Wickard to appear before the Senate committee.

> When we drew up the budget estimates, we estimated that we would only be able to loan—

He used the word "only"—

> we would only be able to loan about $375,000,000 during this fiscal year. Now we have raised that estimate by $50,000,000 to $425,000,000.

Then we have here the resolution adopted by the association of all the REA cooperatives who met together. Certainly they have vigorously championed the cause of rural electrification. That association is composed of men who spend their time working for rural electrification. They are directors of the small farmers' cooperatives that have done such a wonderful work. Three thousand six hundred of them were gathered in New York, and adopted the following resolution.

> *Be it resolved*, That this association urge the Congress to authorize not less than $450,000,000 for the rural electrification program for the fiscal year 1950.

The bill contains $50,000,000 more than the association of cooperatives requested.

Mr. LANGER. I want to respond to that myself. The Senator will agree with me that a year ago the same bunch of cooperatives, when they met, set $300,000,000 as the figure.

Mr. RUSSELL. No; the Senator is in error about that. They came here requesting $400,000,000 and we allowed them $400,000,000 just what they requested.

Mr. LANGER. But that was after the distinguished junior Senator from North Dakota [Mr. YOUNG] appeared before the Senator's committee and urged that the amount be raised to $400,000,000. But the association at their convention adopted no resolution requesting $400,000,000.

Mr. RUSSELL. The Senator from North Dakota is not correct in that statement. The House placed the sum of $400,000,000 in the bill last year, and the Senate committee did not reduce that amount. The Senator's colleague [Mr. YOUNG] has been a very energetic and earnest advocate of rural electrification. He opposed very vigorously the effort which was made by a certain Senator, whom I shall not name, to cut the amount. A determined effort was made in the subcommittee of the Senate committee to cut the $400,000,000. The motion to that effect did not prevail. The Senator's colleague was very active in opposing that motion. This year the bill provides $50,000,000 more than the association asked for.

Mr. LANGER. I should like to call attention to what I said last year, on February 17, 1948, as it appears in the CONGRESSIONAL RECORD, volume 94, part 1, page 1375, when we discussed the testimony given by Mr. Wickard. I said at that time:

> Mr. President, all I can possibly do so far as REA is concerned is in my feeble, humble way, to keep on bringing to the attention of my colleagues on this side of the aisle the fact that Mr. Wickard says that at least $1,000,000,000 is needed for the purpose. He did not testify to that directly, because he

said the President's budget called for $300,000,000, but he frankly admitted that $300,000,000 would not begin to take care of the amount which has been applied for. If Senators will read the exhibit showing the applications by States they will see that much more money has been asked for than is available.

Mr. RUSSELL. When was that testimony delivered?

Mr. LANGER. That testimony was given about in January.

Mr. RUSSELL. January of this year?

Mr. LANGER. No; January a year ago.

Mr. RUSSELL. Yes; of course it was true then. They had not had any construction at that time, and the Rural Electrification Administration had hundreds of millions of dollars which they were ready to apportion under loans and have approved. There is not a State of the Union at this very moment in which Rural Electrification projects are not going forward and being built under those funds, except, I believe, Connecticut and one or two others which have already been electrified.

Mr. LANGER. Mr. President, I yield the floor so the Senator from Florida [Mr. PEPPER] may speak.

Mr. PEPPER. Mr. President, I will speak but a few minutes. I read the testimony of Mr. Wickard following that which was read by the Senator from Georgia. I assume Mr. Wickard, in his testimony, is referring to the present fiscal year.

> And I suspect that with our present force we will be out of funds in several States before the end of the year because we are now several millions ahead of what we thought we would be when we presented these estimates to the Budget Bureau.

Mr. RUSSELL. That is correct.

Mr. PEPPER. That indicates——

Mr. RUSSELL. The Senator knows what that means, of course.

Mr. PEPPER. I am not sure that I do.

Mr. RUSSELL. Mr. Wickard means that under the formula in the Rural Electrification Act there is a limit on the funds which can go to any one State. There is a formula, and some of the States had demands slightly in excess of the funds available to them under the formula. He means that under the formula he will have completed the allocation of all the funds to which the States are entitled.

Mr. PEPPER. What I wish to call attention to is the fact that Mr. Wickard says:

> And I suspect that with our present force we will be out of funds in several States before the end of the year.

That might not apply to all States, but at least it applies to several States. I do not know what the figures are, and I have not had an opportunity to get them.

I should like to know whether or not—and this is the pertinent question—the sums available under this item are equal to the total of the pending applications which are sound in character. Does the Senator from North Dakota have any facts on that subject?

Mr. LANGER. As I remember, the applications now being received total $41,000,000 a month.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. RUSSELL. I read the figures a while ago. Figures have been submitted by the Rural Electrification Administration showing that applications are now being received in the amount of approximately $42,000,000 a month. If that ratio is maintained throughout the year, and if the REA should approve every application submitted—which is most unlikely—we would be $4,000,000 short with the funds contained in this bill.

Mr. PEPPER. I am very glad to get that information. I should like to make this observation. First the able Senator from Georgia tells us that if the present rate of applications continues, the funds in the bill will be about $4,000,000 short.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. RUSSELL. The Senator left out a very important limitation. I said if every application submitted is approved, 100 percent, which I contend is most unlikely.

Mr. PEPPER. Perhaps so. At any rate, approximately the amount of money available is being applied for. We can put it that way, and agree upon that statement.

Mr. RUSSELL. That is correct.

Mr. PEPPER. I have observed a similar situation with respect to veterans applying for admission to veterans hospitals. That is a question which we shall have to consider a little later, when we consider the continuation of the program of construction of veterans' hospital facilities. Someone in the Bureau of the Budget discovered that the number of applications outstanding represented only about a 12-day intake in the veterans' hospital system, and he naturally concluded that if in 12 days the entire waiting list could be taken care of, there was no need for new hospitals. But when we brought witnesses here from every one of the States affected—I think there were 19—without exception the representatives of veterans, responsible citizens in the communities, pointed out that the experience of the veterans was that the hospitals were so far behind in taking veterans in that many veterans simply did not apply for admission to the hospitals, because it took so long to get in.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. JOHNSTON of South Carolina. We found that thousands of boys were being cared for in county hospitals, city hospitals, and local hospitals.

Mr. PEPPER. That situation was true all over the country. Some died in ambulances on the way to the hospitals. Some died in the vestibules of hospitals, and some in the waiting rooms. Some died who never could get any kind of medical attention because they could not get into the hospital until they became life-and-death cases. The average veteran thought to himself, "If I file an application, I do not know how long it will be before I get in." Human nature being what it is, he did not apply when he should have applied, and was not admitted when he should have been admitted to save his life. Incidentally, in many cases the Government was saved the expense of paying disability allowances for the remainder of the veterans' lives, because their condition became aggravated when it could have been helped.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. JOHNSTON of South Carolina. Does the Senator from Florida remember the testimony that in the State of South Carolina we had a daily average of approximately 500 ex-soldiers who were cared for in hospitals other than veterans' hospitals?

Mr. PEPPER. I remember that testimony very well.

Mr. JOHNSTON of South Carolina. Does the Senator also recall that in the State Hospital for the Insane we had a daily average of about 100 ex-soldiers?

Mr. PEPPER. Yes; I remember that very well; and I remember what an imperative showing of need I thought was made, not only in South Carolina, but in the other States affected.

From that principle, and that known experience, I deduce a similar situation in respect to REA applications. The people learn, in a general way, about what funds are available. When the impression exists, or the information is in their possession that funds are not going to be available for them, I do not believe they apply in as large numbers as they would if they knew the funds were available and that the only thing they had to do was to show that the project was sound, and have the Secretary of Agriculture certify that fact to the Secretary of the Treasury.

In this case all the Senator from North Dakota is asking is that a cooperative make a sound case, a case which satisfies the same standards, conditions, and requirements that any other case must meet, and show that the Secretary of Agriculture should certify to the Secretary of the Treasury that the money is required. The language of this amendment is "required"; not "needed" or "desirable," but required, not in the remote future, but in the next fiscal year, the fiscal year 1950, for what purpose? For the expeditious and orderly development of the program.

If we open the door that wide to cooperatives throughout the country, it will not be a shortage of funds that will necessitate the declination of applications. For example, in my State a third of the farms still lack electricity. If we open the door, I believe that it will be simply a matter of passing upon the applications.

Mr. President, a great work has been done in the field of rural electrification. All honor and credit to every one who has had a part in it. I do not know of any greater contribution toward lightening the burdens of rural life and leading people from the congestion of cities back to the wholesomeness of the farms than what has been contributed by rural electrification to make living on the farm better and to lighten the burdens upon the housewife and make the home a more habitable place for the family. But, Mr. President, we still have a long way to go in this field.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. JOHNSTON of South Carolina. This is not a gift, is it?

Mr. PEPPER. No, indeed. As was pointed out a while ago, this is a loan. The funds proposed to be made available by the amendment of the Senator from North Dakota, if it prevails, are to be loaned upon the same terms and conditions as other funds provided under the law.

Mr. JOHNSTON of South Carolina. Is it not true that in the past the loans have been paid back on time?

Mr. PEPPER. I think everyone agrees that the record of repayment is phenomenally good. I believe the Senator from Georgia would testify that the record of repayment has been good.

Mr. RUSSELL. The record has been fine. Legislation enacted 3 or 4 years ago extended the time of repayment; but I believe that only about one out of a thousand of the cooperatives was in default, and the amount in default was very small. In many cases payments have been anticipated.

Mr. JOHNSTON of South Carolina. I should like to read one paragraph from a letter from Claude R. Wickard:

> While carrying forward the program of building new lines and improving facilities, REA borrowers are continuing their excellent financial record. The table at the bottom of page 1 of the bulletin shows that borrowers have paid the Government $176,030,661 in principal and interest. Of this $18,504,792 was paid in advance of due date and less than 1 percent is delinquent more than 30 days.

Mr. PEPPER. I thank the Senator. That is a fine testimonial to the character and responsibility of those who have applied for these loans.

Let me add another testimonial. The other day I was talking with one of the higher officials of the Federal Housing Administration. I may be a little in error in the figures I give, but the substance of what I shall say is true. In the course of the general conversation I said to this gentleman, "About how many loans did the Government make on homes under the HOLC during the days of the depression?" He said, "Oh, I think something over 2,000,000."

I said, "In other words, you saved something over two million homes from foreclosure and loss during those dark days, did you?"

He said, "Yes, something like that."

I said, "How much did you lose?"

He said, "Nothing."

I said, "Under FHA you have been building new homes, haven't you, for a great many Americans?"

He said, "Yes."

I said, "How many have you built?"

He said, "Oh, I judge 2,250,000, or something like that."

I said, "How much did you lose on that operation?"

He said, "We have $100,000,000 in the Treasury."

Mr. President, is not that a fine tribute to the wisdom of the program and the responsibility of the people who, in some instances, saved old homes which in many cases had been procured by the sweat and sacrifice of those families, and in other instances built wholesome, sanitary, safer new homes? Yet neither program cost the Government anything, and in one case there was $100,000,000 in the Treasury, as against future contingencies.

A few years ago many persons thought such a program could not be engaged in—the building of REA cooperatives, lending them money, and depending upon them to pay the money back. Yet the tribute which has just been read is the finest sort of testimony to their responsibility and character.

Mr. President, I spoke about the job ahead. Here is a paragraph from a statement which Mr. Wickard placed in the record when he was testifying on this matter before the House committee; I read from page 687:

> CURRENT ACTIVITIES
>
> REA borrowers, through REA financing and technical assistance, are working to bring about the electrification of an estimated 4,073,000 farm and other rural dwellings that are still without central station service, and to keep pace with the growing demands for power created by the sharp increases in farm uses of electricity. Many of the unserved farms are in areas most difficult to electrify, which materially increases the complexity of the task of reaching and serving them. The size and scope of the current REA program is indicated by the following data.

Then he told about the volume of applications on file. His statement is in support of what I said a moment ago about the increase in the number of applications when the funds are increased:

> 1. Volume of loan applications at an all-time high: Borrowers are applying to REA for loan funds at the rate of $41,000,000 a month. As of November 19, 1948, REA had applications on hand or in the field totaling about $422,000,000, the highest on record, notwithstanding the fact that loans made during fiscal year 1948 totaled $313,000,000; also the largest on record.

I wonder whether the Senator from Georgia would be kind enough to give me the figures for the last fiscal year, as compared with the figures for the previous fiscal year, in respect to the funds available. He said $313,000,000 of loans were made last year. My recollection is that the appropriation last year was larger than the previous one.

Mr. RUSSELL. The amount available in 1948 was the same as in 1949, being $400,000,000 a year, for each year.

Mr. PEPPER. What was the amount for the fiscal year 1947?

Mr. RUSSELL. Two hundred and fifty million dollars.

Mr. PEPPER. That is the point I wish to make: For 1947, the funds available amounted to $250,000,000.

Mr. RUSSELL. That was all we made available then, because during the war we had a tremendous, even stupendous, carry-over.

Mr. PEPPER. The point I was trying to make—and I think it is a sound one—is that as the funds available have increased, the number of applications and, of course, the number of loans have increased.

Mr. RUSSELL. Oh, no; the applications have greatly decreased.

During the war period, when equipment could not be obtained for these purposes, a large backlog of applications was built up. Since then, the applications have been fairly regular in number.

But during the war, various materials needed for this work—for instance, copper, and many other materials—could not be obtained, because they were needed for use in connection with the war and war industries.

Mr. PEPPER. But the Senator from Georgia has told us that the loan funds available in 1947 amounted to $250,000,000, and in 1948 and 1949——

Mr. RUSSELL. That was the amount authorized in those years. I did not mean that was the amount available. Much more than that was available, because of the accumulation during the war period. However, we authorized $250,000,000 of loans in 1947.

Mr. PEPPER. Very well; $250,000,000 in 1947, $400,000,000 in 1948, and $400,000,000 in 1949.

What is the amount carried in this bill?

Mr. RUSSELL. $500,000,000, in this bill.

Mr. PEPPER. Very well; there was an increase of $150,000,000 after 1947, so that $400,000,000 was made available in 1948 and in 1949, and now there is to be an increase of $100,000,000 over the amounts available in 1948 and 1949. The Senator from North Dakota proposes that we accelerate the increase, and make funds available as need may arise. That is the important point.

What about my State, where one-third of the farms are yet to be electrified?

Mr. RUSSELL. Does the Senator from Florida know the amount available for cooperatives in Florida?

Mr. PEPPER. I do not have the figures before me. Does the Senator from Georgia have that information?

Mr. RUSSELL. I have it somewhere here.

Mr. PEPPER. But I know that many people in Florida are saying that they want more money available for REA expansion and extension, and I know that various cooperatives are appealing to my office to help them to obtain more funds for the expansion of their programs.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Florida yield to the Senator from North Dakota?

Mr. PEPPER. I yield.

Mr. LANGER. The Senator from Florida also knows that in many cases the funds have already been allotted to the cooperatives, but they simply have not had time to expend them.

Mr. RUSSELL. Oh, yes. As I understand, $64,000,000 has been approved for distribution; and four million——

Mr. LANGER. I say it is not available to Mr. Wickard, for it has already been assigned.

Mr. RUSSELL. Yes; but I wished to say that the situation is not quite so bad as it would appear to be from the statement that 32 percent of the farms in Florida do not have electricity at this time. The people on those farms should not be entirely bereft of hope, because

in many cases funds are available to them. Although I cannot know the circumstances in every case, yet I am not afraid to say as a matter of fact that houses are being electrified on Florida farms today.

Mr. PEPPER. Of course, there is no doubt as to that, and we are profoundly grateful for it. But I am speaking of the one-third of Florida farm homes that are not electrified, although the people on them want to have them electrified. I am asking about the situation in regard to them. Mr. President, when under this program we loan the money, rather than give it; when each loan has to be sound; and when the Secretary of Agriculture has to certify that the loan is required in order to bring about an expeditious and orderly development of the program in the next fiscal year, how can the Government be hurt? How can anything but the public interest be served by making the funds available within the range of reason—funds that are needed and are shown to be applied for by sound and responsible applicants.

Since such expenditures constitute capital outlays, since they will be for a useful public purpose, since the loans will be sound by hypothesis, and since the money loaned will be paid back, why not proceed with the program, at least within the bounds of reason, as fast as can be done in a sound and responsive manner?

Mr. President, signs of unemployment are beginning to appear. Even agricultural areas have their problems in that respect. If we are going to arrest that shrinkage of employment—which, if continued, will result in diminishing tax returns, and will tend to injure the whole public interest—how better can we serve the public interest than by providing for a sound outlay of capital public funds so as to permit cooperatives which make a satisfactory showing to obtain loans which will make possible the initiation or expansion of REA projects and programs?

A little while ago we for the first time liberalized the housing program so as to give aid to rural homes to which such aid had never before been available. The Senator from Georgia [Mr. RUSSELL], who always is active in aiding any matters affecting agriculture, as well as many other matters, had a great deal to do with that, and other Senators also did a magnificent job in that connection. The result was to extend aid for the first time to those at the bottom of the economic ladder, those in the submarginal class. By that program we made $1,000 available to such persons, respectively, to permit them to put screens on doors and windows and to install running water in their homes, so as to make life a little easier for them. Why could not we also make it possible for those persons to electrify their homes?

Of course, those who are in the next higher class, those who might be classified as farming on marginal land or on land a little better than marginal land, also would like to be able to have electricity on their farms. In such a family, the wife who bends under the burden of family toil would like some succor, some means of lightening the burden and strain which are imposed upon her.

Mr. LANGER. Mr. President, if the Senator will yield, the present REA law provides that the Secretary may loan money to wire a home.

Mr. PEPPER. Certainly.

Mr. LANGER. Yet it is proposed to limit it to take care of comparatively few people, instead of 2,250,000 people who need it and want it.

Mr. PEPPER. The Senator from Georgia asked about the situation in Florida. Loans amounting to $22,000,000 were approved as of December 31, 1948. That is fine; that is helping a great deal; but what about all those who are not able to extend electrification to their farms? They are the ones I am talking about. I am sure that if we leave it up to the judgment of Mr. Wickard and the Secretary of Agriculture and the same authorities that administer the remainder of the program, they will be just as circumspect in the use of the funds as they would be in the use of the $500,000,000 available under the item as it now appears before the Senate.

So I say to the Senator from North Dakota, just as he was the one to initiate the increase in funds to be made available for building new farm homes and repairing old, which rendered a great service to the farmers of the country, to the home life of rural America, and to the strength of the Nation, so he today is trying to bring light to the little homes where the screen doors and the screen windows he was instrumental in providing are shielding the health of the child against the ubiquitous mosquito or other infection conveyors. Just as he has tried to save the life and protect the health of that family, he is now trying to bring light to that little home, to dispel its very darkness and put in place of the flickering candle or the smoking lamp the virtues and the blessings of electrification, and even to bring within the reach of the humble farm wife the modern aids which make her burdens less onerous.

NOMINATION OF MON C. WALLGREN

Mr. BYRD. Mr. President, now that the nomination of former Gov. Mon Wallgren of the State of Washington as Chairman of the National Security Resources Board has been withdrawn by the President, I desire to make a brief statement, for the purpose of the record, of my action as a member of the Armed Services Committee in voting against the confirmation of Governor Wallgren.

Hearings were held at length by the committee on this nomination. I gave the utmost consideration of which I am capable to every phase of the qualifications of Governor Wallgren for this particular position. When I realized I had the deciding vote, on the Armed Services Committee, I felt keenly the responsibility that rested upon me. I made my decision entirely without political or personal bias and for what I regarded to be the best interests of our country. This position is of the most vital consequence in our national defense program. It is hardly second to the Secretary of Defense, as the Chairman of the National Security Resources Board has complete responsibility for the mobilization of the civilian forces of this country as a part of our national defense program. It is of such consequence that when the position was established, the Congress provided that the person to serve as chairman must be confirmed by the Senate and be paid $14,000 annually, only $1,000 less than a Cabinet officer.

As a member of the Senate Armed Services Committee, I participated in the passage of the Security Act of 1947, which created the National Security Resources Board, and was therefore fully informed of the importance of the position as affecting our national defense.

Confirmation by the Senate of appointments made by the President is one of the checks and balances of our system of representative democracy. It should not be performed as a perfunctory act, but each individual appointment should be scrutinized with the utmost care, and no person should be confirmed for a position for which he is unqualified. This is particularly true in this day when the responsibilities of our Federal Government have assumed such gigantic proportions.

After the most careful consideration of all the factors involved, I reached the definite conclusion, as did a majority of the committee, that former Governor Wallgren was not competent to perform in a satisfactory manner the duties of Chairman of the National Security Resources Board. Therefore, as a member of the Armed Services Committee, I voted to lay this nomination on the table, and it was tabled by a vote of 7 to 6. This procedure has been criticized in some quarters, but, under the rules of the Senate, any committee has the right to table any matter before it, either a nomination or a bill, unless otherwise directed by the Senate itself. If a nomination is tabled, it can be brought before the Senate by a simple majority of those present and voting to discharge the committee—that is to say, if 49 Senators were present, constituting a quorum, 25 could vote to discharge the committee and bring the matter to the floor of the Senate. No such motion was made in the case of the nomination of Governor Wallgren, and it is, therefore, to be assumed that a majority of the Senate was not willing to discharge the Armed Services Committee.

In order to make my position fully clear, Mr. President, I ask unanimous consent to insert, as a part of my remarks, a statement I issued on March 15, when this matter was voted upon by the Armed Services Committee, and likewise a statement showing the responsibilities of the position of Chairman of the National Security Resources Board.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HARRY F. BYRD, DEMOCRAT, OF VIRGINIA, MEMBER OF THE SENATE ARMED SERVICES COMMITTEE, IN CONNECTION WITH THE CONFIRMATION OF THE APPOINTMENT OF GOV. MON WALLGREN AS CHAIRMAN OF THE NATIONAL SECURITY RESOURCES BOARD

Throughout my service as a Senator I have never regarded my duties with respect to confirmation of a Presidential appointment as merely perfunctory. At the same time, I believe the President should have a wide latitude in his appointees, and I have frequently voted to confirm officials whom I would not have appointed myself, if the responsibility had been mine. The confirmation authority of the Senate is one of

the checks and balances of our democracy, and should be exercised by Members of the Senate temperately and courageously. No Senator should hesitate to oppose a Presidential nomination if he conscientiously believes the person appointed is unworthy, or incompetent to perform vital functions of major importance.

As a member of the Senate Armed Services Committee, I have approached the appointment of former Gov. Mon Wallgren as Chairman of the National Security Resources Board without the slightest bias. In fact, my association with him in the United States Senate for 4 years was a very pleasant experience to me and, if anything, my bias would be in his favor.

We must first recognize that the National Security Resources Board is a very vital arm of our national security. If the functions of this Board are not effectively administered, it may be impossible for our armed forces to protect our national security. If another war should occur, it very likely would come by sudden attack, with the use of atomic weapons. In the future we will not have the time, as in the past, to prepare for our home defense. The industrial and civilian mobilization of our resources is the first step before our armed services can operate effectively. The National Security Resources Board, as at present constituted under the existing law, will perform all of the functions which have heretofore been vested in the War Production Board, the Petroleum Administration for War, the War Foods Administration, the War Manpower Commission, the Office of Defense Transportation, and the War Shipping Administration. It will have complete charge of plans concerning industrial and civilian mobilization, the stock piling of strategic and critical materials, and likewise the strategic relocation of industries and other activities, which might be necessary by reason of the possibility of an atomic attack.

Never before have such tremendous responsibilities been vested by law in a single agency. The potentialities of its duties, in my judgment, make the appointment of the Chairman one of the most important that can come before the Senate for confirmation. This is particularly so because it is a one-man Board in the sense that excepting the Chairman, the members are ex officio, as they are members of the President's Cabinet and are fully occupied with their own duties, so that they could not give detailed attention to the work of the Board. The Chairman is the only active member.

Mr. Ferdinand Eberstadt, a man of great ability, who assisted in the preparation of the legislation to establish the Board, testified that: "The National Security Resources Board should be established at once. It should have the most competent chairman you could find who should be on the job all the time."

The responsibilities of this position are so vast and so vital to our security that we need a man of the caliber of Bernard Baruch. The competency, the breadth of vision, and the administrative capacity of the Chairman of this Board may be a powerful factor in the ability of this country to survive a future war. This position should be filled by the most competent and capable man available without regard for past political services or personal friendship.

It is because of these compelling reasons that, as a member of the Armed Services Committee, I have given the utmost consideration of which I am capable to the nomination of Mr. Wallgren now pending. I have reluctantly reached the conclusion that Mr. Wallgren does not possess the administrative qualifications from the standpoint of training, experience, and competency to perform the extremely important functions devolving upon him should his appointment be confirmed. I want to say that my decision has not been influenced by any unsupported charges made against him. I do not believe Mr. Wallgren is a Communist or that he has any sympathy with communism, and I do not impugn his integrity. But the testimony before the committee convinces me that he has been careless in some of his appointments as Governor of the State of Washington. I shall discuss this further, from the committee record, when the occasion arises.

I am unfavorably impressed by the fact that, even though Mr. Wallgren had not been confirmed by the Senate, Jack Gorrie, who served as Assistant Governor of the State of Washington under Governor Wallgren, John Ballew, who served as director of the department of finance, budget, and business, and John Davis, who served for Governor Wallgren as director of the State department of unemployment security, were employed by the National Security Resources Board some weeks ago, each receiving $50 a day and expenses, in anticipation of Mr. Wallgren's confirmation. These gentlemen, I assume, are to receive high positions in the National Security Resources Board organization.

This was significant to me, in that Governor Wallgren was defeated for reelection as Governor of Washington last November, notwithstanding the fact that President Truman swept the State in what may be termed a Democratic landslide. There is nothing dishonorable in defeat for public office, but, in this instance, it must be assumed that Mr. Wallgren's defeat in a Democratic year was occasioned by the widespread feeling throughout the State of Washington that his administration had been unsatisfactory to those who best knew him and those in his administration.

Yet immediately after they were given a vote of no confidence in their own State, it is proposed to move Governor Wallgren and three of his principal assistants to Washington at the head of a critical Government agency, with his three assistants precipitately installed there even before the confirmation of Governor Wallgren.

I have reached the definite conclusion that it is my duty as a Senator to vote against the confirmation of Governor Wallgren because of my sincere belief that he is not qualified to perform such vast responsibilities as will be placed upon him should he be confirmed as Chairman of the National Security Resources Board, where, I repeat, he would be the only active member and the most powerful influence in its operations and important decisions.

RESPONSIBILITIES OF THE POSITION OF CHAIRMAN OF THE NATIONAL SECURITY RESOURCES BOARD

By statute: The National Security Act of 1947 provides:

"It shall be the function of the Board to advise the President concerning the coordination of military, industrial, and civilian mobilization, including—

"(1) policies concerning industrial and civilian mobilization in order to assure the most effective mobilization and maximum utilization of the Nation's manpower in the event of war;

"(2) programs for the effective use in time of war of the Nation's natural and industrial resources for military and civilian needs, for the maintenance and stabilization of the civilian economy in time of war, and for the adjustment of such economy to war needs, for the maintenance and stabilization of the civilian economy in time of war, and for the adjustment of such economy to war needs and conditions;

"(3) policies for unifying, in time of war, the activities of Federal agencies and departments engaged in or concerned with production, procurement, distribution, or transportation of military or civilian supplies, materials, and products;

"(4) the relationship between potential supplies of, and potential requirements for, manpower, resources, and productive facilities in time of war;

"(5) policies for establishing adequate reserve of strategic and critical material, and for the conservation of these reserves."

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. LUCAS. The able Senator from Virginia brought up the question of the right of the Senate to confirm an appointment made by the President. I certainly agree that confirmation is absolutely essential upon an important position such as the one that was before the Committee on Armed Services. But I am wondering whether the able Senator from Virginia would not favor a rule coming from the Committee on Rules and Administration which would permit the Senate to vote upon an appointment of this kind, even though there might be an adverse report by the committee.

Mr. BYRD. I may say to the Senator the rules already permit it. All the Senator from Illinois, as the majority leader of the Senate, had to do in this case was to move to discharge the committee, and, had he obtained the votes of a simple majority of the Senators present, the nomination would then have come before the Senate.

Mr. LUCAS. Yes, I understand, I may say to my good friend from Virginia, that that is the rule. But the Senator from Virginia well knows that unless the chairman of a committee is almost willing to go on the floor of the Senate himself and say, "I am willing, and will vote to discharge my own committee," it is almost impossible to discharge a committee under those circumstances. I am sure the Senator from Maryland [Mr. TYDINGS] never would have agreed to vote to discharge his own committee. As the Senator well knows, it is a very delicate and dangerous thing to discharge a committee from the consideration of any kind of bill or of an appointment by the President. I doubt that there is a member of the Armed Services Committee who would have voted to discharge the committee from the consideration of the appointment, after the position of the committee was disclosed by a vote of 7 to 6.

Mr. BYRD. I may say to the Senator that the distinguished chairman of the committee voted for the confirmation of Governor Wallgren.

Mr. LUCAS. I understand that.

Mr. BYRD. On the floor of the Senate, had he cared to do so, he would have had a perfect right to vote to discharge the committee and bring the nomination before the Senate.

Mr. LUCAS. That is correct; and the Senator from Maryland would have had a right, of course, to move to discharge his own committee.

Mr. BYRD. The Senator from Maryland would not have had to make the motion necessarily.

Mr. LUCAS. No; any Senator could have made the motion.

Mr. BYRD. Any Senator could make it.

Mr. LUCAS. That is correct.

Mr. BYRD. The Senator well knows that the privilege of a committee to lay a matter on the table applies not only to

a nomination but to any bill. Any matter that comes before the committee can be laid on the table by a majority of the membership of the committee.

Mr. LUCAS. I thoroughly understand that. Let me say to my distinguished and able colleague from Virginia that the only point I raise—and I think it is a very important one—is that there was an appointment made by the President of the United States. We all know—it has been argued times without number on the floor of the Senate—that once an appointment is made by the President of the United States, it carries within itself great weight in assuring that the individual who is so appointed possesses the necessary qualifications to fill the position for which he is nominated. We have here a situation in which one individual Senator overrides the President of the United States, and the Senate of the United States has no opportunity whatever to pass upon the nomination, other than through the discharge of the committee. The Senator from Virginia well knows that when the able Senator from California [Mr. KNOWLAND] moved to discharge the Committee on Rules and Administration from the consideration of a resolution to amend the cloture rule, the Democrats met in caucus and discussed the subject; they discussed thoroughly the delicacy and seriousness of the question involved in the discharge of the committee. We agreed that the orderly business procedure of the Senate was involved in the motion. Every Democrat in the caucus voted not to discharge the committee, because of the importance of the principle involved in taking away from a committee something which had been assigned to it.

Mr. BYRD. But, under those peculiar circumstances, one Democrat voting against the confirmation, it would have been entirely proper for any member of the committee to have submitted a motion to discharge the committee from consideration, and it could have been argued on the basis that here was one Democrat who voted with the Republicans not to confirm the nomination. It would seem to me that if the President thought it was so vitally important to bring the matter before the Senate, the Senator should have made such a motion.

Mr. LUCAS. The Senator may be correct, but I still make the point that with respect to an appointment so important as is the one we are discussing, no committee should have a right to refuse to bring the nomination before the Senate. In other words, if the committee voted adversely on the appointment, the matter should come to the floor of the Senate. That was done in the case of the Honorable Raymond McKeough, a citizen from my State, who was appointed a few years ago to fill a position on the Maritime Commission. The committee voted 10 to 8 not to report the nomination favorably. But the committee did not table the nomination. It said, "Even though the committee does not favor the nomination of Raymond McKeough, we shall report it adversely, take it to the floor, and let the Senators themselves debate it and make the decision." That was done, and Raymond McKeough's nomination was confirmed by the Senate.

Mr. BYRD. In this instance why did not the Senator from Illinois, as majority leader, make the motion to discharge?

Mr. LUCAS. I will say to the Senator from Virginia that the majority leader did not make the motion for the simple reason that he was satisfied, from his slight investigation, that the Committee on Armed Services would not have stood with the majority leader in a motion to discharge the committee. If the Armed Services Committee would not stand with the majority leader in a motion to discharge the committee from consideration of the question, he would not have had much of a chance to get it to the floor.

Mr. BYRD. The Senator has said that the nomination was tabled by reason of the vote of one Senator.

Mr. LUCAS. That is correct.

Mr. BYRD. The Senator from Virginia assumes full responsibility for casting the deciding vote. He does not evade any responsibility whatever.

Mr. LUCAS. It could have been any one of seven Senators.

Mr. BYRD. Let me finish my statement, please. If the Senator from Virginia acted in an arbitrary manner or in a manner which showed bias or political prejudice, why should not the committee have been discharged and the question brought to the floor of the Senate? If the other Democratic members of the committee would not vote to discharge the committee, I think that is evidence that the committee thought the Senator from Virginia had not assumed a biased or partisan attitude.

Mr. LUCAS. Let me ask the able Senator this question: In all the Senator's experience, does he recall any other important appointment of this kind being tabled in the committee?

Mr. BYRD. In all the time I have been in the Senate I have never seen such a poor witness, such an incompetent witness, and one who was in such complete ignorance of his duties in the position for which he was nominated, as was the gentleman in question. Other members of the committee who voted in favor of the distinguished former Governor of Washington have told me the same thing. The testimony lasted a week, and the subject was gone into very fully.

Mr. LUCAS. Mr. President, that does not answer my question. I am not at this particular time arguing the merits or the demerits of the former Governor of Washington, Mon Wallgren. I am inquiring with reference to a very vital, fundamental, and basic principle involving an appointment made by the President of the United States, irrespective of the qualifications of the individual. It is the first time, within my knowledge—and I cannot find a similar case in the records which I have searched—that a committee has ever tabled an important nomination to such a high position in the executive branch of the Government. In other words, the committee would not permit it to come before the Senate on an adverse report and take the chance of the Senate confirming the nomination. It was tabled, and that was the end of it.

Mr. BYRD. If the matter was so vitally important, the Senate of the United States has complete control of all legislation and of all nominations sent to the Senate, and the committee could have been discharged. The Senator from Illinois knows of many important bills which have been laid on the table—bills as important as are nominations.

Mr. LUCAS. Oh, no.

Mr. BYRD. I have not searched the records, but I am sure quite a number of nominations have been laid on the table. I know of some which have been kept by the committee for many months.

Mr. LUCAS. The Senator from Illinois does not agree with the Senator from Virginia that an inanimate bill is in the same category as an appointment of a human being to an important executive position.

Mr. BYRD. It seems to me to be very strange that the majority leader has remained silent all this time. He evidently thought he would be defeated, or he would have made the effort.

Mr. LUCAS. The able Senator from Virginia undoubtedly knew he would be defeated, or the motion to table would never have been made.

Mr. BYRD. I do not agree with the Senator from Illinois.

Mr. LUCAS. Why was the motion to table made?

Mr. BYRD. I did not make the motion to table, but I shall tell the Senator why I voted for it. I regard this appointment as one of the most important sent to the United States Senate in a long time, and I regard former Governor Wallgren as being less competent for the position than any man ever nominated to a position of this kind. I thought it my duty as a Senator, in a matter vitally affecting the security of the country, affecting the lives of our boys if there should be another war, to use every parliamentary procedure I could to defeat the nomination. I proceeded strictly in accordance with the rules. I felt so keenly on the subject that I exercised that right.

Mr. LUCAS. I know the Senator felt keenly about it, and I am not objecting to that. But I submit that when an individual is nominated by the President of the United States for a position that has Cabinet standing there is a presumption that the person nominated has the necessary qualifications to fulfill the position, and it seems to me the Senate of the United States ought to have the right to vote upon it.

Mr. President, I shall soon offer a rule to prohibit a repetition of this type of parliamentary procedure. I am prepared to go before the Committee on Rules and Administration in an endeavor to make it absolutely necessary for the committee to report a nomination, regardless of whether it is good or bad, to the floor of the Senate and let it be argued out by the Members, instead of having a committee of 13 make a decision upon an appointment of this kind. I believe such a rule will be adopted by the Senate. I do not believe the Senate of the United States will permit any committee, from here on, to bottle up a Cabinet appointment, or an appoint-

ment of equal type and dignity, and not permit the Members of the Senate themselves to decide whether the President of the United States is right or wrong.

The Senator from Virginia says this man is not qualified. The President of the United States thought he was qualified, and a number of Senators believe he is qualified. I seriously doubt that there is a member of the Armed Services Committee who voted against Mon Wallgren who does not think he himself is well qualified to fill the position. I doubt that there is a Senator in the United States Senate today who does not feel he is qualified to fill the position. If any Senator now on the floor believes that he is devoid of the necessary qualifications to fill the position, I should like to have him stand and let his constituents know that he is not capable of filling the position.

Mr. BYRD. If our constituents think we are not qualified as Senators, we are not sent back. That is not the case with someone who is nominated by the President to fill a position of vital consequence, when the lives of Americans may be at stake.

Mr. LUCAS. He was a Senator and he was a Governor, and I do not believe there is presently a Member of the United States Senate, if the President should appoint him today, who would not be confirmed, regardless of who he is.

Mr. BYRD. I stand and say Governor Wallgren is not qualified.

Mr. LUCAS. Does the Senator from Virginia feel he is qualified to serve in that important post?

Mr. BYRD. I do not aspire to any office except that of Senator. My constituents appear to believe me to be qualified, because I have been elected in four elections, and I owe my allegiance to my constituents in Virginia.

I do not think a confirmation by the Senate is a perfunctory thing. I think that when the Constitution says that certain appointments shall be made by and with the advice and consent of the Senate it means something. It does not mean that we should approve blindly every nomination the President submits.

Mr. LUCAS. Why did we not have the opportunity to give advice and consent?

Mr. BYRD. Because under the rules of the Senate the Senator did not avail himself of the opportunity to move to discharge the committee. The Senator from Illinois was as much to blame as anyone for this matter not coming before the Senate, because he made no effort, he did not offer a motion, never said a word, never appeared before the committee asking that Mr. Wallgren's nomination be reported to the Senate, never mentioned the matter, so far as I know, in a public way, until now.

Mr. LUCAS. Will the Senator further yield?

Mr. BYRD. I yield.

Mr. LUCAS. The distinguished Senator from Virginia was chairman of the Committee on Rules before the Reorganization Act was passed, and I was a member of the committee. He was a great chairman, he is a courageous Senator, and I have a great affection for him, but I know that anyone who had desired to have the Rules Committee discharged from the consideration of a matter at that particular time never would have gotten the vote of the Senator from Illinois. If anyone wanted to discharge the Committee on Finance, headed by the able Senator from Georgia [Mr. GEORGE], he could not get the majority leader's vote.

Mr. BYRD. The Senator never made an attempt.

Mr. LUCAS. The Senator knows how little good it would have done.

Mr. BYRD. If the Senator was leading in such a great cause, he could have made a motion to discharge the committee and bring the nomination before the Senate for discussion, but he knew he would be defeated, and that is why he did not do it.

Mr. LUCAS. No; the Senator from Virginia knew he would be defeated, and that is why the motion to table the nomination was made.

Mr. BYRD. The Senator from South Dakota [Mr. GURNEY] made the motion to lay the nomination on the table. That is not the reason. I exercised the privilege I had as a Senator, under the parliamentary procedure of the Senate. I have no apologies to make to the Senator from Illinois, to the President, or to anyone else, for doing what I did.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. SCHOEPPEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Brewster	Holland	Myers
Bricker	Humphrey	Neely
Bridges	Johnson, Colo.	Pepper
Butler	Johnson, Tex.	Reed
Byrd	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Knowland	Sparkman
Douglas	Langer	Stennis
Downey	Long	Taft
Ecton	Lucas	Taylor
Ferguson	McCarran	Thomas, Utah
Frear	McClellan	Thye
Fulbright	McFarland	Tobey
Graham	McMahon	Watkins
Green	Martin	Wherry
Hendrickson	Maybank	Williams
Hickenlooper	Millikin	Withers
Hill	Mundt	
Hoey	Murray	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER].

Mr. LANGER. Mr. President, I ask unanimous consent that the two amendments may be voted upon separately. I ask for a separate vote on my amendment lettered "A" first. And on that amendment I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from North Dakota asks unanimous consent to have a separate vote on his two amendments.

Mr. RUSSELL. Mr. President, reserving the right to object, I wish to say that the Senator from North Dakota previously asked and obtained unanimous consent to have the two amendments voted on together. No objection was interposed. I thought it would be in the economy of time to have the two amendments voted on together. I have no objection to a separate vote being taken on each of the Senator's amendments, but I do not understand why the Senator desires it at this time.

Mr. LANGER. Mr. President, I am inclined to think that if the two amendments are voted on separately I can succeed in having one adopted, even though the other is defeated.

Mr. RUSSELL. Mr. President, I shall not object to the Senator's request, but I hope the Senate will not agree to either amendment.

The PRESIDING OFFICER. Without objection, the Senate will vote separately on the two amendments offered by the Senator from North Dakota. The first amendment will be stated.

The LEGISLATIVE CLERK. On page 58, line 8, it is proposed to strike out "$6,063,000" and insert "$7,063,000."

Mr. LANGER. On this amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from North Dakota.

The LEGISLATIVE CLERK. On page 58, line 14, it is proposed to strike out "$150,000,000" and to insert in lieu thereof "$350,000,000."

Mr. LANGER. On that amendment I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from North Dakota has asked for the yeas and nays on his amendment lettered "C."

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was rejected.

Mr. LANGER. Mr. President, I call up my amendment lettered "B," and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 58, between lines 20 and 21, it is proposed to insert the following:

> Extension of telephone service: To enable the Secretary of Agriculture to make such studies, surveys, and investigations as may be necessary to enable him to ascertain and develop methods of utilizing Rural Electrification Administration lines for the purpose of extending telephone facilities to farmers and persons living in rural areas who are not adequately supplied with telephone service, $50,000.

Mr. LANGER. Mr. President, my purpose in offering the amendment is to find out whether we can bring telephone service to farmers living in rural areas where there are no telephone lines of any kind or description; whether we can utilize the REA lines for the purpose of bringing telephones into these farm homes. I might add that at the present time an

experiment along this line is being conducted in Macon, Mo. I understand there is not sufficient money available to enable those who are conducting the experiment to complete it. Therefore I hope the Senate will vote to adopt my amendment and provide $50,000 for such purposes.

Mr. RUSSELL. Mr. President, now that we have the Rural Electrification Administration in operation, there is nothing more important than some means of bringing telephone service or other means of communication to the farmers of the country. A number of bills dealing with the subject have been introduced. As I recall, the distinguished Senator who now graces the Chair as Presiding Officer, the Senator from Alabama [Mr. HILL], introduced a bill providing for rural telephone service; the distinguished Senator from North Dakota introduced a bill dealing with the same subject, and Representative POAGE, of Texas, has introduced a bill in the House, which has been reported to the floor of the House. Being charged with responsibility for this legislation I am enjoined by the rules to make a point of order against legislation on an appropriation bill. This is legislation, and I make the point of order that it is legislation on an appropriation bill and is out of order.

Mr. LANGER rose.

The PRESIDING OFFICER. Does the Senator from North Dakota wish to be recognized?

Mr. LANGER. Mr. President, I concede the point of order is well taken.

The PRESIDING OFFICER. The Chair sustains the point of order.

The clerk will state the next committee amendment which was not disposed of yesterday.

The CHIEF CLERK. On page 43, line 12, it is proposed to strike out "$8,975,000" and insert "$10,000,000."

Mr. WHERRY. Mr. President, does this represent the increased appropriation requested for flood control?

Mr. RUSSELL. That is correct. This amendment was passed over yesterday. I have since received a copy of the report to which reference was made yesterday, and I understand that earlier in the afternoon a copy of the report was furnished to the Senator from Nebraska.

Mr. WHERRY. Did I correctly understand the distinguished Senator from Georgia to say that he had received a copy of the report?

Mr. RUSSELL. Yes.

Mr. WHERRY. Perhaps that is the reason why my office is now trying to reach me. If the distinguished Senator from Georgia has received a copy of the report, I have no objection to the consideration of the committee amendment.

Mr. RUSSELL. I am advised that a copy of the report has been on the desk of the Senator from Nebraska since about 1 o'clock today.

Mr. WHERRY. I thank the distinguished Senator from Georgia for notifying me that a copy of the report is on my desk. I have not been in the Chamber. I have been in attendance at an Appropriations Subcommittee hearing in connection with the independent-offices bill. I have just returned to the floor.

Mr. President, I have no objection to the present consideration of the committee amendment.

Mr. McCLELLAN. Mr. President, I should like to ask the able Senator from Georgia a question in this connection. Is this the amendment which provides some money to employ an additional staff member to help get out the agricultural flood-control reports?

Mr. RUSSELL. No. The amendment which was passed over provides $10,000,000 for field work in the various watersheds in the country. The amendment providing a smaller amount for a man in the office of the Secretary was agreed to yesterday.

Mr. McCLELLAN. That item is not in the House language; is it?

Mr. RUSSELL. It is not. It was added by the Senate.

Mr. McCLELLAN. Mr. President, I shall not ask that that amendment be reconsidered, but I ask the able Senator from Georgia, who is in charge of the bill, to look into that question before going to conference. In my judgment, there is some doubt about its being needed, in the first place; and in the second place, the reports have not yet been made available, unless the report which the Senator mentioned a few minutes ago is such a report.

Mr. RUSSELL. There has been widespread complaint that reports have not been made available. I have undertaken to communicate with the office of the Secretary of Agriculture with respect to the delay. Only today, after the question was raised by the Senator from Nebraska [Mr. WHERRY], the report of the survey in the Missouri River Basin has been furnished to me, and I am advised that all the reports which have been concluded will be in the mail within the next day or two, and will be furnished to all Senators who are interested in the various watersheds.

Mr. McCLELLAN. If the reports have been concluded, why is an additional man needed to try to get them out?

Mr. RUSSELL. As I understand, the extra man in the office of the Secretary was not to handle the reports. He was to be an engineer, who was to undertake to coordinate the work done by field parties of the Soil Conservation Service.

Mr. McCLELLAN. I am willing to follow the judgment of the able Senator from Georgia, but the subject has been called to my attention. I am sure that the Senator from Georgia will look into it further before the bill goes to conference, or while it is in conference.

Mr. RUSSELL. The Senator knows that our hearings are largely ex parte. The House omitted this particular item. I assume that the House had what it considered to be a sound reason for doing so. Two or three witnesses appeared before our committee to request that the item be restored; and, on the basis of the case made before us, I thought it was worthy of consideration, and I supported its restoration. I assure the Senator that I will meet the House conferees with an open mind, and will be glad to hear any reasons they may have for omitting that provision.

Mr. McCLELLAN. The item may be fully justified, but I have received some complaints about it. I merely wished to call it to the attention of the Senator in charge of the bill so that he might look into the question further before going to conference.

Mr. WHERRY. Mr. President, yesterday I asked the distinguished Senator from Georgia if he would not hold up this committtee amendment until today, so that we might have another opportunity to see whether or not the Secretary would submit the report of the survey made of the Missouri Basin States, which survey was authorized by the last Congress. The Senator from Georgia agreed to do so. A moment ago I stated that I had no objection to the present consideration of the committee amendment. Of course, it has nothing to do with the report which I wanted.

I have just taken this question up with my office, and I have been informed that a report has been left there. It is marked "confidential." Inasmuch as it is confidential, I do not propose to comment on it at this time. However, I am informed by my secretary that a hurried examination reveals that it is not the report for which we asked. However, it is a report. I shall reserve my comments about it until later. I shall not object to the consideration of this amendment now, but I feel that this is one time when the head of an agency of Government has thwarted the will of Congress. I expect to make some remarks on the subject after the report has been released and is no longer confidential, to show what has been done to thwart the interests of Senators from the Missouri River Basin who might have something to say about flood-control appropriations in this bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 43, line 12.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG. Mr. President, I move to reconsider the vote by which the committee amendment on page 51, line 16, was agreed to. My purpose in moving to reconsider the vote is to offer an amendment.

The PRESIDING OFFICER. The clerk will state the committee amendment heretofore agreed to.

The LEGISLATIVE CLERK. On page 51, at the beginning of line 16, to strike out "$75,000,000" and insert "$87,500,000."

Mr. LONG. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

Mr. RUSSELL. Mr. President, did the Senator state the purpose which he has in mind?

Mr. LONG. Yes.

Mr. RUSSELL. I want to be agreeable, but I do not want to reconsider an item merely for the purpose of reconsidering it. I think some statement should be made as to what the Senator has in mind before we accede to the motion.

Mr. LONG. I shall be glad to state my purpose. I should like to offer an amendment, if I am able to obtain re-

consideration of this amendment, to increase the amount for the school-lunch program from $87,500,000 to $100,000,000.

Yesterday the Senator from Georgia stated that in his opinion this program for an orderly increase could well stand as much as $115,000,000. I should like to see the item larger than that. I am proposing in my amendment to split the difference with the Senator from Georgia, as between what he thinks this program could use and the amount which the committee has authorized.

Mr. RUSSELL. If the Senator wishes to offer an amendment, we can have a vote on it one way or the other. If the Senate wishes to reconsider the vote by which the committee amendment was agreed to, the issue can be drawn on the amendment. If the Senate does not wish to reconsider the amendment, the Senator's amendment will stand where it is. I am opposed to the Senator's amendment, for reasons which I shall be happy to state. We might avoid the necessity of two votes by having the vote come on the motion to reconsider. Senators understand the issue involved. I think perhaps that would save us a little time.

The Senator is dealing with something that has always been dear to my heart. I have made many statements favorable to the school-lunch program. However, I do not believe that I stated that this was not an orderly increase in the program. The committee has increased the amount to $87,500,000. That is a very substantial increase, and is the largest amount ever allowed by any committee of either body for the school-lunch program.

Mr. LONG. I ask the Senator from Georgia to refer to page 6335 of the CONGRESSIONAL RECORD for yesterday. The Senator from Georgia was asked the following question:

> Does he believe that the appropriation recommended is large enough to meet the school-lunch needs of the country?

To which the Senator from Georgia answered:

> Mr. President, since the Senator puts the question in that way, an honest answer, of course, would have to be "No." It does not meet all the needs of the school-lunch program. However, it is the largest amount that has ever been recommended by either body of the Congress for the school-lunch program, and I think it will allow for a healthy expansion and development of that program. There is no doubt that as much as $115,000,000 could be expended on the school-lunch program.

Mr. RUSSELL. Oh, yes. More than that could be expended.

I am not sure, but I thought I stated in the course of that discussion or colloquy that the evidence disclosed that many persons interested in schools thought $115,000,000 could be expended. I never charge the reporters with an error, but I thought I stated that the evidence before the committee was that all the representatives of the parent-teacher organizations and the representatives of the schools had suggested that $115,000,000 could be expended.

Perhaps the Senator from Florida may recall my remarks, because his statement elicited them.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PEPPER. I ask the Senator from Louisiana, is it not to be hoped that the able Senator from Georgia, in view of the fact that the committee amendments were adopted in a rather short time yesterday afternoon, and that notice was given—although I gave it for myself, yet I am one of the Senators who joins the Senator from Louisiana in respect to the amendment he desires to present——

Mr. LONG. Mr. President, if the Senator will yield, let me say that at the time I suggested that that be done.

Mr. PEPPER. Yes. I was going to suggest that it seems to me that it is to be hoped that the Senator from Georgia will permit the reconsideration of the vote by which the amendment was adopted, so that we may present this matter.

Mr. RUSSELL. Mr. President, the question of whether the Senate should reconsider the vote by which the amendment was adopted is a rather important and material one. Nevertheless, I ask unanimous consent that the vote by which the amendment was adopted yesterday be reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia that the vote by which the committee amendment on page 51, in line 16, was adopted be reconsidered? The Chair hears no objection; the vote by which the amendment was adopted is reconsidered, and the amendment is before the Senate.

Mr. LONG. Mr. President, I offer and send to the desk an amendment to the committee amendment, and I ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 51, in line 16, it is proposed to strike out "$87,500,000" and insert "$100,000,000."

Mr. LONG. Mr. President, this amendment to the committee amendment is offered by me, in behalf of the Senator from Florida [Mr. PEPPER], the Senator from South Carolina [Mr. JOHNSTON], and myself.

In speaking in support of the amendment to the committee amendment, I wish to say that in my State we very much appreciate the aid of the Federal school-lunch program. However, the pending amendment to the committee amendment probably would do my State less good than it would do almost any other State in the Nation, because in my opinion my State leads the Nation in its school-lunch program. The Federal Government is spending in my State approximately $1,500,000 of the $75,000,000 authorized for this purpose by the Eightieth Congress. That is about $1 for every $5 which we in Louisiana spend on school lunches. The amount being spent by the Federal Government on school lunches in my State is a mere drop in the bucket, as compared to the amount of money which my State is spending for that purpose. Of course, we can very well use the assistance proposed under this program.

I know that in the next year and in the years ahead we must find some way to try to dispose of our enormous agricultural surpluses. One of the strongest reasons why some Senators voted for the European recovery program was the amount of agricultural commodities which it is anticipated will be purchased in this country under that program. Certainly, Mr. President, if we can afford to spend billions of dollars in sending food to Europe, we can afford to spend a few million dollars additional to feed our own school children. If we have to economize, I would rather economize by making reductions in the program for European aid in the amount of ten times the amount carried by the amendment we are now considering, rather than by making reductions at the expense of our own school children.

I have received from the school authorities in my own State communications to the effect that since the school-lunch program has been commenced in Louisiana, great improvements in the health of our school children have been observed. That is the beneficial work the Federal Government is aiding with its meager assistance of $1,500,000 to Louisiana under the school-lunch program. If my amendment to the committee amendment is adopted, the result will be a slight increase in the amount of Federal assistance for the school-lunch program in Louisiana—increasing the aid for Louisiana to $1,800,000, which will be a mere drop in the bucket, but a good drop in a good bucket.

That being the case, I believe we should help in this way to improve the school-lunch program.

The committee amendment would do such a fragmentary job in supplying the need that it would result in very little help to the program. If I correctly interpret the School-Lunch Act and what its purpose seems to be, it was intended as a pump-priming action, with the result that eventually the States themselves would take over the program and improve it. Judging from the slow rate at which the program is being developed, it will be many years before the other States of the United States will have an adequate school-lunch program. My State can very well use the small increase in funds which it would obtain from the Federal Government under the school-lunch program.

It may be said that some Members of Congress cannot be interested in providing lunches for school children, but can be interested in a program which will help dispose of farm commodities. If that be the case, let us consider the program on the basis of what it will do to help dispose of farm commodities, rather than to help school children. In any case, I say we should increase by $12,500,000 the appropriation to provide lunches for school children.

At the rate at which we are now proceeding in connection with this program, I do not believe the Nation will

ever have an adequate school-lunch program. I do not believe we shall be properly encouraging it to the extent that we should, even if my amendment to the committee amendment is adopted; but, in any event, by adopting my amendment to the committee amendment we shall at least be making a move in the right direction; in the direction of feeding hungry school children. If that step is taken, I am sure the good results which have been obtained in my State will be obtained in other States, if there is proper interest and proper Federal encouragement of the school-lunch program.

Mr. President, I ask for the yeas and nays on my amendment to the committee amendment.

The yeas and nays were not ordered.

Mr. PEPPER. Mr. President, I am in hearty accord with the able Senator from Louisiana in offering this amendment to the committee amendment. The proposal is to increase by $12,500,000 the amount carried by the committee amendment, which in turn represents a $12,500,000 increase in the amount allowed for this purpose by the House of Representatives.

So if the amendment of the Senator from Louisiana, the Senator from South Carolina [Mr. JOHNSTON], and myself is adopted to the committee amendment, the result will be to add only an additional $25,000,000 to the amount allowed for this purpose by the House of Representatives.

Mr. President, we live in a practical world, and the Congress is a practical Congress. As this bill was passed by the House of Representatives, $75,000,000 was allowed for the program we are now discussing. The Senate committee has reported an amendment which would increase that amount to $87,500,000, which is an increase of $12,500,000 over the amount allowed by the House of Representatives. I doubt whether the conferees on the part of the Senate would be able to succeed in retaining the entire $12,500,000, in the conference with the House of Representatives. Certainly no one would contend that either $87,500,000 or $100,000,000 or even $150,000,000, as my distinguished colleague and I have sought to have provided by means of a bill we have introduced, would meet the needs of the school children. So we are not likely to approach anywhere near the full public need if we appropriate $100,000,000 for this purpose, as will be done if the amendment of the Senator from Louisiana to the committee amendment is adopted by the Senate and remains in the law as finally enacted.

Mr. President, the $75,000,000 allowed for this program by the House of Representatives is grossly inadequate. The House of Representatives is to be commended for taking the school-lunch appropriation out of the general fund of the Treasury and not out of section 32 funds, which were directly designed and intended by the Congress to be used by the Government to acquire surplus agricultural commodities which the farmers desired to dispose of. So the House of Representatives is to be commended for making this particular appropriation payable directly out of the Public Treasury, as in the case of other appropriations. Certainly that should be done. Then the section 32 funds, which were intended to be used to help the farmers dispose of surplus agricultural commodities, which otherwise would be sold in glutted markets, will be available for the purpose for which they were originally intended.

Mr. President, in the fiscal year 1948, only 21.5 percent of the schools of the United States participated in the school-lunch program. In other words, only approximately one-fifth of the schools of the United States were able to participate in the school-lunch program; the remainder were unable to participate in it, because of a lack of adequate and necessary funds. The result has been that only 21.1 percent of the 26,124,141 school children in the United States were able to participate in the school-lunch program in 1948. So what do we see? At the present time, with the $75,000,000 appropriation, which was the amount last year, only one-fifth of the schools and a fifth of the children of the country are able to participate in the school-lunch program.

Is the Senate satisfied with that, to feed one child out of five, to aid one school out of five? Is that enough? Is it extravagant, prodigal, and wasteful to attempt more than that, even a little more? I am sure we do not think it is. In Florida, fortunately, we were able to get the figures a little higher by a larger State contribution.

An estimated 972,000,000 meals were served in 1948, as compared with 911,000,000 in 1949. About 55 percent were nutritious meals, which are complete, furnishing the equivalent of about one-third of a day's nutritive requirements for children.

But, Mr. President, while the States and the local communities were spending $260,000,000, the Federal Government spent only $70,000,000 in trying to provide one nutritious meal a day for the children of the country. Furthermore, Mr. President, only 12 percent of the school children who participate receive free meals, or receive meals at less than cost. Only 12 percent of the children, a little more than one-eighth of the children, receive free meals, or meals at less than cost.

Here is something I have discovered in my State by visiting some of the public schools. I am told that in many cases, where there is more than one child in the family, the children have to get the lunches alternately, or every third day, because the family is unable to pay the required 23 cents a meal for each child every day.

At the present time, State appropriations are inadequate. Local public authorities do not have the funds. In order to supplement the Federal appropriation, they have to rely upon gifts by civic clubs and private citizens, to make it possible for children who cannot pay the real cost to get at least one nutritious meal a day.

So there is a need for these funds. I may point out one other fact. These funds have not increased in the past two fiscal years. The appropriation was $75,000,000 last year, which is the same amount the House provided this year. The Senate bill appropriates $87,500,000, representing only a small increase over last year. Yet the average cost per meal rose 47.5 percent between 1943 and 1948. In 1946 it was 15 cents a meal; in 1947, 20 cents, and in 1948, 25 cents. So the increase in the cost of a meal tends to offset the increase in the contribution.

Mr. LONG. Mr. President, will the Senator yield at this point for a question?

Mr. PEPPER. I yield.

Mr. LONG. The Senator speaks of the increased cost of the meal. That relates back to what was required for school lunches. Can the Senator refer me to a time when we ever had a school-lunch program in this country that was in any way adequate?

Mr. PEPPER. Never. On the contrary, I may read from page 438 of the hearings in the House of Representatives. This relates to the volume of funds required to meet the demands for the school-lunch program:

Mr. STIGLER. Is your appropriation adequate to meet the demand of the program from the various States?

Mr. TRAINER—

He was representing School Lunch Program Division of the Department of Agriculture—

According to the reactions of the State agencies and their feeling about it and their representations to us, frankly, it is not adequate.

Mr. STIGLER. How much would it take to meet the present demand made upon you?

Mr. TRAINER. And permit normal expansion within the States?

Mr. STIGLER. Yes.

Mr. TRAINER. I would say today it would take within the neighborhood of $150,000,000.

And all we are asking in the Senate is $100,000,000, which will have to run the gamut of further conference with the House of Representatives.

Just one other fact. Scientific studies show, first, that children all over the country lack a proper daily diet. In Florida a survey of rural-school children revealed that less than 10 percent receive proper nutrition. In this appropriation we are dealing with the future strength of America. We are talking about the ability of the citizenship of tomorrow to work and to fight for America, and for what she stands. I am saying we are voting this afternoon on the amount of strength that goes into the bones of the school children of America. That is what we are voting here this afternoon, not for a few dollars. We are voting on the strength of the constitution and the stamina of the citizenship of America tomorrow.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. LONG. Does the Senator know that during the last war the draft boards found that 30 percent of the young men they examined could not physically qualify for the service, and that, among colored men, it ran as high as 50 percent of the young colored men they examined, who could not physically qualify? Does not the Senator realize that malnutrition had something to do with that?

Mr. PEPPER. Undoubtedly so; undoubtedly so.

The following are some of the more important deficiencies: Milk 97 percent, eggs 90 percent, vegetables 65 percent, citrus 64 percent—even in Florida, fats 77 percent. Another study of the effects of the school-lunch program in Florida shows that pupils with gross symptoms of malnutrition were given special vitamin and iron concentrates and a good lunch. In another school, anemic children were given iron and liver concentrate plus a good lunch. In both instances, the children showed excellent improvement in physical measurements, developmental age, general health, and school attendance, and marked decreases in ailments.

Mr. President, it would not be too much to say that the money we spend in bettering the diet of the children of America will be saved in hospital and doctor's bills. It is not too much to say that it is a fine investment in good citizenship. Healthiness and normality tend to make for the sort of citizenship that saves expenditures upon crime and juvenile delinquency in America.

It should be noted that in Minnesota, North Carolina, Iowa, Missouri, Michigan, Virginia, and New Mexico, surveys showed similar results. The National School Lunch Act has been most beneficial for our school children, even though they get only one decent meal a day.

Senators, of course, do not need to be advised upon this matter. I am only pleading for economy. I am pleading to prevent waste. I am pleading for the wise expenditure of our treasures. I am pleading for something far more valuable and important and productive than the dollars we spend. I am pleading not only for children but for a stronger and greater and a more productive America.

I need not remind this assemblage of sympathetic Senators of the admonitions concerning the dignity and the worth of those with whom we deal, when I quote what the Master himself said to those who would be inconsiderate of the children:

> Suffer little children, and forbid them not, to come unto me; for of such is the Kingdom of Heaven.

It might be added, of such is the future of the earth, as well.

Mr. JOHNSTON of South Carolina. Mr. President, the increase proposed by the amendment is $12,500,000. It will be noted that there are in the United States approximately 26,000,000 children. That means that we shall be voting for only approximately 50 cents more a child a year. Under the present bill there is $87,500,000 provided. If we divide the 26,000,000 children into that amount we have only $3.25 a child. Think of that measly amount. If we add 50 cents more to it, it will amount to $3.75. Is not that a small amount?

I invite the Senate's attention to the fact that only a few days ago we gave to the people of other lands $5,500,000,000. I venture to say that, of that sum, many times the amount which is here involved will be given to the children of other lands. Shall we treat our children any differently from the way we would treat the children of other nations?

As I see it, Mr. President, this amendment will encourage the schools throughout the land to enter the school-lunch program. There are certain foods which are in surplus. I remember when there was a surplus of Irish potatoes which could be purchased very cheaply. When they were purchased, it helped the farmers. There were some places in which there were so many potatoes that they were being thrown into the gutter.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. Is not what the Senator and I are proposing, in effect, to take those potatoes and feed them to children instead of throwing them away or feeding them to the hogs? Is not that correct?

Mr. JOHNSTON of South Carolina. That is correct. Food is bought up throughout the Nation where there is an overproduction or an oversupply, and, in many instances, when it would otherwise go to waste, it is bought and used for the school children.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Delaware.

Mr. FREAR. What percentage of the 26,000,000 children mentioned are underprivileged or indigent or cannot afford to buy their school lunches?

Mr. JOHNSTON of South Carolina. In some States the number is far greater than in others. I do not know the exact percentage throughout the United States. I do know, however, that in a great many sections of the Nation it is not possible for some of the children to purchase their lunches.

Mr. FREAR. Does not the Senator think it would be more equitable to limit the school-lunch program to the underprivileged children, rather than to consider the over-all picture and include those who can afford to pay, and give them free lunches?

Mr. JOHNSTON of South Carolina. Personally, I do not. We are only encouraging the program of the States. It helps out in that way. The schools cannot feed a child a week for $3.25.

Mr. FREAR. Do I correctly understand that the underprivileged school children do pay something for their school lunches?

Mr. JOHNSTON of South Carolina. In some places they do and in some places they do not. That is up to the particular school involved. The Federal Government does not regulate that, as I understand.

Mr. FREAR. Who pays the difference? If a school child cannot afford to pay anything, and the Government contributes only a portion of the cost, who pays the difference?

Mr. JOHNSTON of South Carolina. In some places there are different kinds of systems. Under some systems money is raised by various and sundry means in order to have a surplus fund. The Federal appropriation helps to buy the food. No school I know of makes one red penny. The meals are prepared at the schools and are given to the children at cost.

Mr. FREAR. I am in favor of indigent children having free lunches, and I encourage it. But the question I ask is, Why should the Federal Government give a part of the cost of a free lunch to those students who can afford to pay for it? Would it not be better to allot the money entirely to the indigent children instead of giving it to those who can afford to pay a part of the cost?

Mr. JOHNSTON of South Carolina. I would answer the Senator's question by saying that would be true if there were a sufficient number of students in each school to justify that end. But the great difficulty is that in each school it will be found there are very few who cannot afford to pay something and we cannot always draw the line without making some child feel embarrassed.

Mr. FREAR. I can appreciate that there might be some embarrassment with respect to some children accepting a free lunch, but I think, for the sake of the health of all the children, it would be better for the underprivileged children to have greater amounts contributed to them, and withhold the money from those who can afford to pay. Any school which has a sufficient number of children to put on a lunch program has underprivileged children as well as those who can pay a hundred percent for their lunches. There would be no distinction other than that the underprivileged would not pay, but those who could pay would pay in proportion.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Florida.

Mr. PEPPER. Referring to page 425 of the House report, the Federal Government's appropriation was $70,000,000. That was 26.9 percent of the total cost of the meals furnished. Sources within the States contributed $138,232,000, or 53.2 percent of the total cost. That is broken down as follows:

State and local governmental appropriations, $29,052,000, or 11.2 percent.

Other local contributions, such as contributions by civic clubs and generously disposed persons, 8.7 percent of the total cost.

Total State contributions, $190,008,000, or 73.1 percent of the total cost.

My advice is that only 12 percent of the children received meals at less than cost, or free, so that those children who were considered by the local people, who knew the situation, to be unable to pay the full cost or anything toward the cost of the meals, were given their meals at what it was thought they could pay, or at no cost at all. So that what the Senator proposes, as I understand, is already being carried out. Those who can pay are paying the full cost of the meals, and those who cannot pay the full cost are given their meals free or are paying what they are able to afford.

Mr. FREAR. May I ask the Senator, is that true all over the country, or is it true by communities or States?

Mr. PEPPER. I dare say there is some variation in the program, because, as the Senator knows, the Federal Government puts up only 26.9 percent of the total appropriation. Most of it is local, so there is undoubtedly a variation.

Mr. FREAR. May I ask if in adding his figures the Senator got up to 100 percent?

Mr. PEPPER. Yes; I got up to 100 percent of the total $260,000,000. The total includes contributions by children, by the local communities and the States, and by the Federal Government.

Mr. JOHNSTON of South Carolina. Mr. President, the Senator from Florida is correct. He will find that throughout the United States there are different patterns and different systems in different schools.

Mr. LONG. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. Is it not true that the school-lunch program is a good thing even if the children have to pay the price of the meal? If there is a school-lunch program, the children who go to school eat a balanced diet. Otherwise, if there is no school-lunch program, which is the case in an enormous number of schools, the family gives the little child the money to buy a lunch, and sometimes it goes into Crackerjack, popcorn, or peanuts, and the child never does have the good, nutritious food it should eat, such as he would have if there were a good, well-organized school-lunch program.

Mr. JOHNSTON of South Carolina. I think that what the Senator from Louisiana has said is true. Even though we were not caring for those who were not able to pay, if we would only encourage the system and care for them along with the others, we would find that the system itself was worth the money the Federal Government is paying out, to encourage a school-lunch program within the schools.

Mr. FREAR. Mr. President, I thought I made myself clear that I am in favor of the school-lunch program—100 percent in favor of it. But I am in favor of the underprivileged receiving more than those who can afford to pay, not putting them all on a par, whether it is under a State contribution, a Federal contribution, or other contribution.

Mr. JOHNSTON of South Carolina. I think the Senator will find that if his State wants to go into a State program, the Federal program would not keep it from doing so. It is left to the States to say what kind of a program they want to enter into. I am a great believer in leaving it to the States to run their own affairs.

Mr. FREAR. I agree with what the Senator has just said. I believe that there are some underprivileged children in Delaware, but I do not think our percentage is as high as it is in some of the other States, so when I am speaking of the underprivileged children, I am speaking perhaps for States which have a greater percentage of underprivileged children than does my own State.

Mr. RUSSELL. Mr. President, if I have ever felt cast out of character, it is this afternoon. I am occupying the very unusual position of opposing increases in the appropriations for the rural electrification program and the school-lunch program. It so happened that for a number of years I undertook to protect and nurture both those programs, particularly the school-lunch program. It originated in my committee. Year after year the bill would come from the other body without any provision for the school-lunch program, and we would be compelled to resort to various devices, such as finding some bit of legislation in the bill to which we could tie it without the necessity of obtaining a two-thirds vote.

I had something to do with the introduction and passage of the permanent school-lunch legislation. I think it has been a program of tremendous benefit to the Nation, and I favor its expansion as rapidly as is possible. However, Mr. President, I do endeavor to be reasonable about these matters. One would think from some of the remarks which have been made here this afternoon that the committee had been very penurious in its approach to the school-lunch program. It so happens that the largest item of increase the committee made over and above the budget was the committee amendment to the school-lunch program. We exceeded the budget by the sum of $12,500,000, and over half of the Senate increase to the totals of the bill is found in the amendment for the school-lunch program. The amount that is carried in the bill as it is presented to the Senate is greater than any appropriation that has ever been approved by a committee of any branch of the Congress for a school-lunch program.

There are other increases which are not immediately evident which will accrue from the way the bill is written. In the first place, it is common knowledge that food prices are coming down. Therefore the funds made available by the committee will purchase approximately, considering the increase, 33⅓ percent more food for the coming fiscal year than the $75,000,000 appropriation for last year would have purchased.

Furthermore, in our desperate effort to save this program—and we did have a very difficult time maintaining any school-lunch program in 1947—we were compelled to resort to the device of going into section 32 funds to get the money to carry on the program. We are not resorting to section 32 funds this year, and it is made a direct appropriation. That leaves available the sum of $125,000,000 from customs receipts for the purposes of section 32.

Witnesses appeared before the committee who advocated, with logic and merit, an additional appropriation to section 32 funds because some agricultural commodities are going to be confronted with great difficulties next year. That is particularly true of the products of horticulture. There are also rumblings of difficulty being encountered in the case of some of the commodities about which people complained so much during the war years. Prices of butter and milk and other commodities are declining very rapidly, and it will probably be necessary to use some of the $125,000,000 for the purpose of purchasing these foods.

Who will have a prior call on these foods when they are purchased under section 32 funds? It will be the school-lunch program. It will probably get grapefruit juice and other fruit juices from the State of Florida. It will get apples and figs and prunes from the great Pacific coast. It will get other foods from other sections. During the past year when the Department of Agriculture had its unfortunate experience with potatoes, enormous quantities of potatoes have been diverted to the use of the school-lunch program. So for the coming year it is in infinitely better shape than it has even been before.

Mr. LONG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Lousiana.

Mr. LONG. What good is it going to do the schools all over the country if they are given whole boxcar loads of perishable food items when they have no kitchen facilities and no storage facilities to employ in preparing or preserving the foods, storing them until they can get around to using them? In my State we appropriate about four times as much as the Federal Government is giving us to do the job. We found we had to turn down the surplus commodities because we had no place to put them, and we did not have money to arrange for warehousing.

Mr. RUSSELL. The Senator's State should make arrangements for warehouses, as any other State should. I do not believe in the Federal Government going into the warehouse business to store food, although I have supported every other phase of the lunch program. If the Senator is going to propose an amendment to have the Federal Government build a warehouse at each school house, I cannot support any such venture.

Mr. LONG. How does the Senator feel about refrigerators, or adequate stoves?

Mr. RUSSELL. I think that would be very desirable. When we passed the legislation providing for the permanent school-lunch program we wrote in title II, a provision which allowed the appropriation of not to exceed $10,000,000 a year to assist the schools in providing equipment for the school-lunch program. If the Senate today wishes to take $10,000,000 out of this appropriation for that purpose it has a perfect right to vote such a provision into the bill. Experience demonstrated, however, that the amount of $10,000,000, when it was spread all over the United States, was not very beneficial or helpful, and that more good was derived from the program by devoting the whole appropriation to food program.

In all the history of American progress there has never been a matching program so broad in its provisions as the school-lunch program. We do not require the States to match the Federal contribution. The parent-teachers associations can match it. The Kiwanis Club can match it, and does, in some instances. The Lions Club can match it, and does, in some instances. We even wrote into the bill that the amount paid into the schools by the children who were able to buy their lunches could go into a matching fund, and $138,000,000 was so used last year. In my State, while, of course, we could use much better equipment, I do not know that the PTA's have built any warehouses, but

local civic associations have assisted greatly in equipping kitchens in order that the schools could serve lunches for the school children.

Mr. LONG. Even if my amendment were adopted it would mean that only $4 for each school child would be provided by this appropriation. I would say that the Federal Government is very liberal respecting the conditions with respect to matching funds, but is extremely close in the matter of the amount it puts up. My State, for example, puts up $6,000,000 annually and the Federal Government puts up $1,500,000. The Federal Government, as I said, will match on liberal conditions, but not with considerable money.

Mr. RUSSELL. Mr. President, I congratulate the Senator from Louisiana on what his State has done in this matter. It has done more than any of the 48 States I know about in providing a school-lunch program. I congratulate the State of Louisiana on the remarkable progress it has made. Louisiana is the 1 State out of the 48 that has done what we hoped would be done when the school-lunch legislation was passed originally.

It was never thought that the school-lunch program would be financed on a 50–50 basis. The program was adopted in order to encourage the States to come in. Therefore, we wrote the measure on a sliding-scale basis of 50 percent at the outset, and then the amount the Federal Government will eventually endeavor to match is increased $2, $3, and $4 a year.

Again I congratulate the State represented by the distinguished Senator from Louisiana for its accomplishment in providing State support for the school-lunch program. I say with profound regret that my own State has been very niggardly in appropriating funds for this program. My State has appropriated only some administrative funds. The burden has been borne by the local civic bodies, by patriotic superintendents of schools and by others who have undertaken to mobilize local interests in an effort to provide the required matching funds and also to provide the facilities needed in the school to prepare the lunches.

Mr. LONG. Mr. President, will the Senator again yield?

Mr. RUSSELL. I yield.

Mr. LONG. I should like to read one paragraph from a letter by the State superintendent of education of my State, which more or less indicates the attitude of my State, which has expended considerable money on school lunches.

Mr. RUSSELL. I am glad the Senator proposes to read it. I hope it will be disseminated throughout the country and serve as an inspiration to the school superintendents and to the State legislative bodies in the other States of the United States. I make that statement without desiring to diminish the Federal program. I am not afraid of the program becoming a socialistic program. I think the Federal Government can well afford to participate in it on a permanent basis.

Mr. LONG. I read a paragraph from the letter from the State superintendent of education of my State, as follows:

> An increased Federal appropriation for food assistance and an additional appropriation for equipment would certainly help the program in Louisiana. We need more heavy-duty equipment since more children are participating; Federal assistance in purchasing this equipment would be of real value to our program. For example, many schools serving 300 last year are now serving 1,500 children. You can readily understand that schools now serving such a large number of children need equipment in order to serve adequate lunches that meet the minimum nutritional requirements established by the Federal Government.

I may say to the Senator in that connection that one of the greatest difficulties we experienced in undertaking to expand the program in my State was that of finding larger lunch-room space, stoves, and adequate kitchen facilities.

Mr. RUSSELL. If the Senator's State has had any difficulties in that connection, I would say the difficulties are four times greater in other States, because I understood him to say that his State appropriated four times as much as the Federal Government allotted to his State. If the Senate wants to take $10,000,000 out of this fund for equipment, very well. But I should prefer that the bill be left as it is. Experience has shown that $10,000,000 for equipment would not be a sufficient amount to encourage the local communities along that line. The way to go about it is to provide them with funds with which to purchase food. As a rule, when the mothers of a community see that food is available the mother instinct oftentimes causes them to go to the school kitchen to prepare the food. In many of the communities of my State the mothers rotate in working in the school kitchen. Each mother will have a day of the week when she goes to the school kitchen to prepare the school lunch. It would certainly be a revelation to Senators if they were to visit a country school in Georgia and eat a school lunch prepared by the mothers of the children who attend the school. I can assure Senators such a lunch would compare favorably with any meal they have had for some time.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DOWNEY. Does the Senator not think that his suggestion that a part of the appropriation might be used to buy facilities for refrigeration might be materially affected by the difference in the amount as affected by section 32? In other words, apparently there is going to be a large amount of food available, not only because of increased production and decreased prices but likewise because of the change of status under section 32. That also tends to make even more important the purchase of facilities by the schools.

Mr. RUSSELL. That argument might well be made. But I will say to the distinguished Senator from California that the witnesses from the Pacific coast who appeared before the committee with respect to surplus foods did not indicate that there would be surpluses of perishable foods. The surpluses are of foods which have been either dried or canned and have been offered for export in years past. I do not think that much of the foods we have of which there is an impending surplus are of the extremely perishable type. It is largely the dried foods and the canned foods which are in surplus.

As I said, I will have no quarrel if the Senate wishes to strike out the language on page 51, line 16. If the Senate strikes out that proviso, it can, if it wishes to do so, provide that a part of the money shall be used for equipment.

Mr. LONG. I have not moved to strike it out.

Mr. RUSSELL. No; but if the Senate wishes to go into the equipment phase, it can be done very simply by striking out the limitations commencing in line 16, on page 51. It is my judgment that the bill will serve more people, will be more beneficial, and strengthen the movement throughout the Nation if we leave the provision as it is. I think we will come nearer to getting the increased cooperation that is needed if we stand by the committee, and not try to go too far or too fast by adopting an amendment to increase the amount to $100,000,000, desirable as that would be to me personally.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DOWNEY. I wish to make a comment. I thoroughly agree with the Senator from Georgia in his statement that a large proportion of the surplus of some products from the Pacific coast at least will be nonperishable.

Mr. RUSSELL. That was the evidence before the committee.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I am glad to yield to the Senator from Florida.

Mr. PEPPER. The Senator agrees, however, does he not, that the present Federal appropriation, with the present ratio of local matching, is extending the program only to something like 20 or 22 percent of the school children of the country?

Mr. RUSSELL. I think that is true. But, of course, if we are going to extend it overnight to all school pupils it would require some two or three hundred million dollars. If the Senate were to adopt such an amendment, it would load up the bill and defeat the entire school-lunch program. We are moving forward. The Senate committee has increased the amount by $12,500,000. With declining food prices and surplus foods which are available we will be enabled to reach many school children never reached before. Once a school adopts the program it will never surrender it. I have never heard of a school—doubtless there have been some in the country, but I have never heard of one—which has adopted and maintained the school-lunch program for a reasonable length of time that would ever after that undertake to operate without it. We are going forward very rapidly, and I think that if in this program we can maintain the amount of $87,500,000, with the favorable prospect of lower food prices, and of surplus food available under section 32, this year's progress will probably be the greatest we have ever made in extending the program throughout the United States.

For that reason I ask the Senate to reject the amendment.

Mr. PEPPER. Mr. President, reference was made by the able Senator from Georgia to the fact that prices have declined, and in some instances, of course, that is definitely true, but I think I should also call attention to the testimony of a witness, Mr. Trainer, from the Department of Agriculture, who dealt with the school-lunch program. He called attention to the growing school population of the country. This is what he said:

> We use, as you understand, the latest published figures of the Office of Education on enrollment. The latest figure for 1945–46 is 26,500,000 children enrolled. They estimate, however, in 1949–50 there will be 29,700,000 children in school. By 1954–55 they estimate 35,700,000 children will be in school.

In other words, there is a large increase in the school population every year, and, of course, that results in a growing demand upon the fund.

Mr. President, I have never been able to adapt my psychology to the sentiment and spirit of unnecessary compromise. It may be all right, when we are dealing with human nature and the reluctance of some people to make necessary progress, to say that we should be content with what we can get. I hope the last utterance I ever make will be aimed at striving to achieve what we ought to have; and if I am condemned as an unrealistic, impractical dreamer for saying that we ought to do what is right, I am willing to be condemned by that kind of criticism.

If the school-lunch program is right for one child out of five, it is right for five children out of five. If the United States Government is rich enough to help one child out of five to have a better body, it is rich enough to help five of its children out of five to have better bodies.

The school-lunch program is either right or wrong. If we are so niggardly, so penurious, and so bankrupt that we can help only one child out of five, we are unrealistic when we sacrifice four children to save a few hundred million dollars. That is all there is to it. Either we want the children of the country to have a good lunch, or we do not. If we want them to have it, we have the two or three or four hundred million dollars necessary to provide it. And I would like to vote the full amount now, but I know we cannot act. That is why we only have to make another small step in the right direction, above that recommended by the Senate Appropriations Committee.

According to the estimate of my able friend, I am sure that at the rate we are going the children of most of the children now receiving the benefits of this program will be the recipients of the expanded program. At least we can expect that the grandchildren of the present recipients will surely be included within the munificence of the Federal Government, at the rate we are going. It is a question of what generation we want to help.

I am for helping the children now in school. Their bodies are now building. Their bones are being formed. We can not wait until 5 years from now to put calcium in those bones and vitamins in those bodies. We are not saying. With our extravagant economy we are losing those children. I would just as soon not vote for any money at all as to make a discrimination, and help only one out of five, leaving four hungry. Surely we can provide a little more than the amount approved by the committee. Testimony has come to me from my State showing examples of families with as many as four children, because they could not put up the 25 cents apiece, and the local civic clubs had put up all they could provide, and the State and local agencies could put up no more, a child received a lunch only every third day; and yet those children were expected to keep up their work in school and have healthy, strong bodies, and be good citizens.

If that be impractical and unrealistic, I plead guilty. I am becoming sick and tired of having to overcome the barrage of "can't's" every time a proposal is made in the Senate for a good program. We are told "We are going too fast," or "We have not enough money. Let us be more realistic. Let us get a little now and some more next year, and perhaps an increase thereafter."

Why do we have to wait? Who says that we must wait to do right? We have not $5,000,000,000, either, but when we really want to provide it we find it. We have not one and a half billion for arms, but when we think it is in the public interest we dig it up. We did not have $16,000,000,000 to give the world, which was broken by the war from the end of hostilities to the beginning of the Marshall plan, but we found it, in spite of all those who spoke with alarm about the state of the budget. When the Marshall plan came along we received the shocking information that it would require $17,000,000,000, more than all the school lunches would probably cost for the next century. But we found the $17,000,000,000. If tomorrow we were impressed with the necessity of finding another $17,000,000,000, somehow or other we would find it. Congress finds the money to do what it wants to do, or what it feels to be imperative.

With all deference to the Marshall plan and its advocates, I say that it is no more important than the children of America. If we can meet the demands of the Marshall plan, I see no reason why we cannot give enough aid to provide one nutritious meal at cost to the children who can buy it, and provide whatever is necessary to furnish one nutritious meal a day to those who cannot buy it.

I do not think there is anything in this country worth more than its children. We are not spending nearly as much money on our children as we spend on livestock and on many other things in which we are investing our capital. Where is there a greater return? Look at the children who have had their emaciated bodies broadened out into the bodies of children, and who ceased to be waifs and haggard specimens who almost belied their Divine Creator. Let us ask ourselves whether or not that money was well spent. All I have to say, Mr. President, is that, thank God, I am not practical when it comes to a wise expenditure of the public money.

We are told that we need four times what we are appropriating. It is admitted that we are extending aid to only one out of five children. I say that if the one child needs it, so do the five. America is rich enough, if it is good enough, to provide it.

Mr. RUSSELL. Mr. President, the distinguished Senator from Florida, with his usual fluency and eloquence and with more than usual vehemence, has attacked the committee's position in this matter as being a compromise. He states with great force that he would rather vote for no money at all than to provide for only one child out of five. Unless we provide for five out of five, he would rather not vote for any appropriation at all. That being true, the distinguished Senator will, of course, have to vote against his amendment, because that amendment would provide for only about one out of four and three-quarters. It would not reach five out of five. He says that we should provide forthwith for five out of five. His amendment is as much of a compromise as is the Senate committee amendment. It would not reach all the children for whom he has so eloquently pleaded, and whose case he has presented so well.

Mr. President, this provision in the bill was the very best the committee could do. It is a compromise, just as the amendment of the Senator from Florida is a compromise. I am amazed that he would join in offering the amendment and make a speech, if we had to provide for five children out of five, when his amendment would not reach more than one out of four and three-quarters, or perhaps one and a half out of four and three-quarters, at the very best.

Mr. President, we wrote this provision in the bill in the very best way in which we could write it. We recommended total appropriations slightly below the budget estimate. If the Senate wishes to increase it above the budget estimate by $8,000,000 or $10,000,000, it has the power to do so by adopting the pending amendment.

Whether we adopt the compromise suggested by the Senator from Florida or the committee compromise, we shall still not reach all the children. As a practical matter—and I have no fear of the word "practical"—we shall do more to expand the school-lunch program by adopting the committee amendment and endeavoring to make it stick in the conference, together with the surplus food under section 32, than we would by overloading the bill and getting it above the budget, and perhaps having it sent back to the committee where no one could predict what would happen to any item in the bill.

I think this is a reasonably well-balanced bill. A school-lunch program appeals to me as much as it does to the Senator from Florida or any other Member of the Senate. As the bill is now before us, it is a reasonable one, with the funds well distributed.

I do not know that the bill takes better care of the horses to which reference has been made, than it does of the school children. If it does, I have not located any item which would do so. There are in the bill certain appropriations of funds for the detection of diseases in

animals, but such a program will also be of value to the children of the United States, for one bite of infected meat might kill a child outright, whereas otherwise the child would have a chance to get at least two nutritious meals a day.

So, Mr. President, I ask the Senate to reject the amendment which has been proposed to the committee amendment. By such action, I think Senators will be giving more real aid to the school children of the United States than they will if they overload the bill, so far as the appropriations for this program are concerned.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana and other Senators to the committee amendment.

Mr. PEPPER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CORDON. Mr. President, on this question I simply wish to add my plea to that of the able Senator from Georgia [Mr. RUSSELL] that the Senate stand by the amendment as reported by the committee. I have served for a number of years on the Appropriations Committee's subcommittee handling the agricultural appropriations bill, as well as on other subcommittees and committees, but I have never worked with any man, either in or out of the Senate, who is more sincerely interested in agriculture in all its ramifications, and who knows more about the subject in all its ramifications, than does the Senator from Georgia. I have never known anyone better equipped to do a good job in this connection or who has tried more sincerely to do a good job in bringing to the floor of the Senate a bill which will help agriculture, than has my friend, the Senator from Georgia.

Let me say that this particular item was, above all others, nearest the heart of the Senator from Georgia. When he put this figure in the bill, it represented his best judgment, as well as the best judgment of the other members of the committee.

So, I join him in asking that the Senate support the committee, and reject the amendment proposed to the committee amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana on behalf of himself and other Senators, to the committee amendment.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted "yea," when his name was called.

Mr. REED. Mr. President, a parliamentary inquiry: Will the Chair state the pending question? Are we voting on the question of adopting the committee amendment, or on the question of adopting the amendment proposed to the committee amendment?

The PRESIDENT pro tempore. The Senate is voting on the question of adopting the amendment proposed by the Senator from Louisiana [Mr. LONG], for himself and other Senators, to the committee amendment, which proposal is to strike out "$87,500,000," and insert "$100,000,000," on page 51, in line 16.

Mr. REED. A vote of "yea" will be a vote to substitute "$100,000,000" for "$87,500,000"; will it?

The PRESIDENT pro tempore. That is correct.

The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senator from Wyoming [Mr. HUNT], the Senator from West Virginia [Mr. KILGORE], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] and the Senator from New York [Mr. IVES] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Indiana [Mr. CAPEHART], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Michigan [Mr. VANDENBERG], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 14, nays 60, as follows:

YEAS—14

Aiken	Kefauver	Neely
Douglas	Langer	Pepper
Holland	Lodge	Taylor
Humphrey	Long	Withers
Johnston, S. C.	Murray	

NAYS—60

Anderson	Hayden	Mundt
Baldwin	Hendrickson	Myers
Brewster	Hickenlooper	O'Conor
Bricker	Hill	O'Mahoney
Bridges	Hoey	Reed
Butler	Jenner	Robertson
Byrd	Johnson, Colo.	Russell
Cain	Johnson, Tex.	Saltonstall
Chapman	Kem	Schoeppel
Chavez	Kerr	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Lucas	Stennis
Downey	McCarran	Taft
Ecton	McClellan	Thomas, Okla.
Ellender	McFarland	Thomas, Utah
Ferguson	McKellar	Thye
Frear	McMahon	Tobey
Fulbright	Martin	Wherry
Green	Maybank	Williams
Gurney	Millikin	Young

NOT VOTING—22

Capehart	Ives	Smith, N. J.
Connally	Kilgore	Tydings
Eastland	McCarthy	Vandenberg
Flanders	McGrath	Wagner
George	Magnuson	Watkins
Gillette	Malone	Wiley
Graham	Miller	
Hunt	Morse	

So the amendment offered by Mr. LONG, for himself and other Senators, to the committee amendment was rejected.

The PRESIDENT pro tempore. The question now is on agreeing to the committee amendment.

The amendment was agreed to.

HOUR OF MEETING TOMORROW

Mr. LUCAS. Mr. President, I desire to make a brief announcement. I have received word from the Speaker of the House of Representatives that the joint session tomorrow in honor of General Dutra, the President of Brazil, will be at 12:15 p. m. When we recess today it will be until 11:45 tomorrow morning. I make the announcement so that, when the bell rings at 11:30, Senators will respond at 11:45.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. What is the status of the bill at the present time?

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. FERGUSON. Have all the committee amendments been agreed to?

The PRESIDENT pro tempore. All the committee amendments have been agreed to.

Mr. FERGUSON. On behalf of the Senator from New Hampshire [Mr. BRIDGES] and myself, I offer the amendment which I send to the desk and of which notice has been given, which I desire to have read.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following:

SEC. 309. (a) The Secretary of Agriculture, with respect to appropriations made in title I of this act, is authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations made in such title as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein. The Secretary of Agriculture shall certify the reduction in each appropriation account to the Secretary of the Treasury and to the Committees on Appropriations of the Senate and the House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

(b) Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficiency of the service.

(c) No item of appropriation contained in title I shall be reduced more than 20 percent.

(d) A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year 1951.

Mr. FERGUSON. Mr. President, the amendment is similar to those which have been offered to the Labor-Federal Security and the Treasury and Post Office appropriation bills. It is now offered as an amendment to the Agriculture appropriation bill.

As was stated at the time this amendment was offered to the other bills, it

was not the purpose to single out any particular bill in applying this reduction procedure. This is an effort to call to the attention of the Senate an attempt to arrive at a reduction of expenditures in order to meet present conditions, as they have become known. It may be considered as a persistent effort to reduce appropriation bills in the best possible way; that is, to give to the various Government departments and agencies specific directions but to permit discretion to them to reduce the amount of an appropriation in any way they may deem feasible in order to arrive at an over-all reduction of 5 percent, but not to reduce any one particular item more than 20 percent.

The amount of the bill reported to the Senate was $723,083,249. The Senate committee increased the bill which came from the House by $21,961,170. So the increase in this particular appropriation over 1949 becomes $149,194,296. It is under the estimate of the Budget Director by only $3,823,659. If the 5-percent reduction were allowed, it would be 5 percent of $723,083,249, or $36,154,162.45.

Congress has had many experiences in the interpretation of laws by Government agencies themselves, and unless we take specific action, such as the amendment proposes, I think we all realize we shall be unable to decrease expenditures.

Now it has been proposed by a bill introduced in the House, as another way out, that instead of reducing expenses, the way to avoid deficit financing is to compel corporations to pay their taxes in the first half of the fiscal year rather than over the entire 12 months. But that is merely a matter of bookkeeping. It dodges the issue. As I view it, that would not solve the problem of deficit spending we are facing. Next year, we would still face the deficit prospect and we would find ourselves in further difficulty. We now have a drop in employment. Such a plan as proposed in the House would merely accelerate the drop in employment. Only the small corporations would be hurt. For instance, let us say in Michigan there are 10 large corporations and 19,000 small corporations. It is known that of the corporations that pay about $11,000,000,000 in taxes, the small ones do not set up a reserve. They would not be able to pay out of a reserve. Many of them would find their assets only in inventory, and if they were compelled to liquidate their inventory in the first 6 months in order to meet taxes, we would find that unemployment would be accelerated rather than diminished. This is an example of what can happen if we try to find ways of dodging this problem, which can be solved only by facing it and reducing expenditures.

As I said, we cannot expect Government agencies to do this unless we are definite. To illustrate, it has recently been discovered that the United States Government has appropriated money for scholarships. We find that at least one of the persons receiving a scholarship is a Communist—two of them, as stated to the press by an able Senator who is not now on the floor. The great Government of the United States which is spending millions of dollars to fight communism at least halfway round the world is making a donation, a gift, in America, to educate a person who is an avowed Communist. That does not make sense.

Only a few years ago, the able Presiding Officer offered a resolution calling for the inclusion in each appropriation bill of a proviso that appropriated funds shall not be used for payment of wages or salaries to those who advocate the overthrow of the Government by force and violence. It was adopted. The provision has been included in each bill since reported by the Appropriations Committee, and it is in the pending bill. It was in the bill last year, which provided an appropriation for the Atomic Energy Commission. Money included in that appropriation is now being used to educate a known Communist.

In the appropriation act there is the provision I have mentioned. The able Senator from Wyoming is chairman of the Independent Offices Subcommittee of the Committee on Appropriations, which handles appropriations for the Atomic Energy Commission. In that capacity, he reports that he has written a letter to the chairman of the Atomic Energy Commission, David E. Lilienthal, in which he expressed the view that existing limitations on appropriated funds forbid payment to anyone who is a member of an organization which advocates overthrow of the Government of the United States by force or violence. The limitation on payments, as he views it, applies to scholarship or fellowship funds.

Mr. President, naturally it would be thought, in the discretion of those who are spending the appropriation, that the law provides when it cannot be used to pay any salary or wage to a Communist, it would not be used for the purpose of educating such a person in the science of atomic energy. No. That is not what they do. They use their own solicitor's office to obtain an opinion, not the office of the Attorney General. I should say, from a reading of the provision in the bill, the solicitor may be technically correct in his interpretation. Mr. Lilienthal has stated that the Commission's legal adviser holds that such a prohibition applies only to employees of the Commission, and that fellows are not employees. I should say, from a reading of the provision in the bill, that the solicitor may be technically correct in his interpretation. But the point is that the solicitor gave the sort of opinion the Commission obviously desired. It could not have been objective.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Ohio.

Mr. BRICKER. Does the Senator from Michigan know whether the general counsel of the Atomic Energy Commission is the man who was first there as general counsel and was let out of the Navy because of his left-wing associations?

Mr. FERGUSON. I am unfamiliar with the name of the gentleman who is general counsel for the Atomic Energy Commission. The quotation from the Chairman does not give his name.

Mr. BRICKER. As the Senator remembers, the first general counsel was let out of the Navy because of what were said to be his left-wing associations.

Mr. FERGUSON. I remember very well the able junior Senator from Ohio bringing that fact to the attention of the Senate. There was no doubt as to what the record showed, and all Senators were advised as of that time.

But I raise this question, because it is very material and important that if money is to be expended in a particular way we must specifically show the purpose in the appropriation bill. Even though it could be classed as legislation on an appropriation bill, it is necessary that it be placed in the bill in no uncertain words. After the interpretation by Mr. Lilienthal's chief counsel, I feel we must place in the Atomic Energy appropriation bill, when it comes up, at least a limitation providing that no funds shall be used to educate in the science of atomic energy anyone who is a known Communist, when we are trying to prevent destruction by stopping communism elsewhere in the world.

I think, Mr. President, we must be specific in that legislation as we must now be specific in this legislation, when we seek reductions in expenditures.

We attempted to do something with reference to the Solicitor's office in 1948——

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Ohio.

Mr. BRICKER. Does the Senator agree with the junior Senator from Ohio that the Atomic Energy Commission is a far more dangerous place for the Government to employ Communists than is either the Army or the Navy, in which it was testified before the House committee there are a thousand trained Communists, or in the State Department, where it is well known that Communists show up every now and then as spies for a foreign government?

Mr. FERGUSON. On the basis of the knowledge possessed by the Senator from Michigan, I think the Senator from Ohio is correct. We have today read in the press an item with reference to the disappearance of a certain amount of the U–235 material used by atomic-energy scientists—either lost, strayed, or stolen. That has obviously dangerous implications. I think it is very vital to America that if we are to educate and train men in the science of atomic energy we should train only those who are loyal to the institutions of America. After all, we are making a donation, a gift, for the purpose of educating such students, in anticipation that they will become scientists who will apply their knowledge for the benefit of America and for the benefit of the institutions of America, not for the benefit of a conspiracy which would overthrow this great Government. Should we educate those who would destroy America? That is the issue which we have before us.

We speak of freedom of thought. What is freedom of thought? It certainly does not exist in the minds of Communists. A Communist is not able to think scientifically; he must think as

he is told to think by the Communist Party. Therefore, anyone who advocates freedom of thought can certainly not advocate any such system as we have of trying to teach a person who is a Communist the science of atomic energy, with the Federal Government paying for his instruction.

Mr. President, this subject is very vital. There came before the Committee on the Judiciary a few days ago a man by the name of Crouch, if that is his correct name. He told of serving in our armed forces. He was an avowed Communist. He told the committee there were also other men in the armed services who were there for the sole purpose of receiving training as soldiers in order to overthrow the United States Government. In other words, they were being trained as soldiers to fight against the United States rather than as soldiers to fight for it. When witnesses appear before committees and testify that they entered the armed services of the United States not to get training to defend the Nation but to overthrow it, I think that fact answers the question of the junior Senator from Ohio.

Mr. BRICKER. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I am glad to yield.

Mr. BRICKER. Is it the judgment of the Senator from Michigan, as it is that of the junior Senator from Ohio, that the Atomic Energy Commission is the most dangerous spot in this country or in the world in which a Communist could be placed?

Mr. FERGUSON. I agree wholeheartedly.

Mr. BRICKER. Does the Senator from Michigan know that the Chairman of the Atomic Energy Commission has said that he would not only object to discontinuing such training, but would discontinue it only if it were recommended by the committee?

Mr. FERGUSON. I understand that is correct, and I understand that is how he feels about it. He feels that way because he believes the Federal Government should not interfere in education. But it is not an interference with education. It is a grant to a specific person for a scholarship in order to train him to defend America through the science of atomic energy.

Mr. BRICKER. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. BRICKER. Is there any other conceivable reason for the scholarship program of the Atomic Energy Commission than to train men to defend the United States and the peace-loving peoples of the world against tyranny?

Mr. FERGUSON. There is no other idea in mind at the present time than to defend America and those who believe as America does, and who would be on the side of America in any conflict.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Ohio.

Mr. BRICKER. Then this program, as conducted and carried out by the Atomic Energy Commission and its Chairman, would defeat the very purpose of the appropriation for these scholarships, namely, to defend America, and it might ultimately, if carried out in the way suggested, by training Communists, result in the destruction of the very Government it is conceived to defend and protect.

Mr. FERGUSON. I think the able Senator from Ohio has stated the matter very well. If we train one man, what would prevent him from then taking a ship belonging to one of the satellite countries, let us say Poland because a Polish ship has been in the news lately, and going where he could give this information to that institution in which he believes, namely, communism? We would expect him to be able to get over there without a passport. It seems to be very easy to get on one of these ships and leave this country without even a passport.

The Commission talks about character. They say they go into the question of a man's character. I wonder whether America does not understand communism well enough to know that if a man is a Communist, that affects his character so far as being a good American is concerned.

Mr. BRICKER. Mr. President, does the Senator understand that if the uranium 235, was either lost, stolen, or in some other way got away from the Atomic Energy Commission laboratories at Chicago, that will reveal to any enemy into whose hands it might fall some of the most innermost secrets of the whole atomic-energy program and of the use of fissionable material in bombs?

Mr. FERGUSON. I answer by saying that, from what little I know, I should think it would be very dangerous. After we have done something with a substance as in the case of the particular ore referred to, I should believe it very dangerous to have it get into the hands of unknown scientists. They would have then the processed substance to work with. I think it would be very dangerous, especially in the case of this substance, which has been deemed so important that it is transported under armed guard.

Mr. President, I remember talking to a scientist who said the scientists felt that the Senate and the House were trying to compel them to "close their windows at night," and they objected. That is the way he expressed it. He said, "Are you going to treat us scientists in this way? Are you going to require us to close our windows? You are even going to require us to clean off our desks at night." He was saying that science was world-wide, and he thought any government arbitrary and dictatorial which would say to a scientist that he had to close his windows or clean off his desk at night, and lock up the things with which he had been dealing, that is, to take security precautions.

Is it any wonder that some of this very vital material was lost, strayed, or stolen?

In my opinion, as lawyers and as legislators, we owe a high loyalty, the highest loyalty there is, to the United States of America. And any scientist, if he is being employed by our Government, even though he thinks in world-wide terms, owes his first allegiance to the United States of America rather than to any foreign government.

Mr. JENNER. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Indiana.

Mr. JENNER. It would not make a great deal of difference what the scientist thought, if the head of the Commission refused to take the recommendation of the Commission's own security officer, who is placed there to determine what is best for the security of information relating to the atomic bomb. Is not that correct?

Mr. FERGUSON. I should have to answer the question in the affirmative. I think the reflection of what the Chairman of the Commission feels must go on down through the line. I think that all the Communists in America need to help them along is a little encouragement, and they seem to get it from many quarters.

Mr. JENNER. Does the Senator from Michigan know that Admiral Gingrich, the security officer of the Atomic Energy Commission, has made recommendations which have been completely ignored by the Commission?

Mr. FERGUSON. I have no knowledge as to that.

Mr. JENNER. Does the Senator from Michigan know that at this very moment there is not a security officer in the Atomic Energy Commission, because Admiral Gingrich, I am informed, resigned in disgust on May the 1st?

Mr. FERGUSON. I have not that knowledge, but I accept the statement of the able Senator from Indiana.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. I wonder how long the distinguished Senator expects to continue.

Mr. FERGUSON. Just a very few minutes.

Mr. WHERRY. I desired to ask the majority leader how long the Senate was to continue in session this evening.

Mr. LUCAS. I had hoped that we might continue until we concluded the consideration of the bill. If the Senator from Michigan is to take some time, I shall make a motion to recess.

Mr. FERGUSON. I did not bring this matter up in order to make a speech on it at this particular time. We were diverted from my original point that in the appropriation before us, as in other legislation, we must state our objectives clearly if we hope they will be accomplished.

Mr. WHERRY. I understand that, and I did not mean to interrupt the Senator at all.

Mr. RUSSELL. Mr. President, I am very anxious to conclude with the bill this evening if possible. However, I do not wish to lose any parliamentary rights I have in respect to the amendment of the Senator from Michigan. The Senator from Michigan launched into a speech before I could make a point of order against his amendment.

The PRESIDENT pro tempore. The Senator can make the point or order at any time.

Mr. FERGUSON. I shall yield the floor in order that the Senator may make the point of order.

Mr. RUSSELL. Mr. President, I wish to make a brief statement about the bill, to show why I make the point of order. I can make it tomorrow.

Mr. FERGUSON. I should like to conclude what I have to say.

Mr. LUCAS. May I inquire whether there will be any further motions?

Mr. WHERRY. There will be another motion or two.

Mr. FERGUSON. It depends on what happens to the pending motion.

Mr. LUCAS. After the Senator completes his remarks on this point, I think the Senate had better take a recess until tomorrow.

Mr. FERGUSON. I will yield the floor, then, with the understanding that I may have it tomorrow in order to conclude my statement on the pending amendment.

Mr. RUSSELL. Mr. President, I believe I would prefer to make the point of order tomorrow. I desire to make a brief statement in connection with the point of order, and I should like to do it when all Senators are free to be away from their offices.

R. C. OWEN ET AL.—VETO MESSAGE

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 18, 1949.

The House of Representatives having proceeded to reconsider the bill (H. R. 1036) entitled "An act for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen," returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Mr. McCARRAN. Mr. President, the message from the House relates to a veto message from the President that was acted upon by the House of Representatives today and sent to the Senate. I respectfully suggest that the bill and the message be printed in the RECORD, and lie on the table until a later date, at which time I shall call it up.

The PRESIDENT pro tempore. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? Without objection the message and the bill will lie on the table and will be printed in the RECORD.

The message from the President, and the bill, are as follows:

To the House of Representatives:

I return herewith, without my approval, the enrolled bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen.

The bill provides for payment of the sum of $8,437.98, to R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn., which sum represents the amount they paid to the United States for internal-revenue tobacco stamps, which stamps were completely destroyed on December 24, 1945, when a fire destroyed claimants' factory, together with the equipment, tobacco, and tobacco stamps therein.

It appears that claimants' firm was a dealer in leaf tobacco and also a manufacturer of certain tobacco products in Gallatin, Tenn. On the night of December 24, 1945, one of the buildings belonging to the firm, part of which was used as a factory and part as a warehouse, was destroyed by fire. According to affidavits submitted by R. C. Owen, Jr., as a member of the firm, the chief of police, and the assistant chief of the fire department, the building, including its contents, was a complete loss. The firm filed a claim with the Bureau of Internal Revenue for the value of the tobacco stamps allegedly on hand in the factory at the time of the fire and therefore destroyed by it, but this claim was disapproved by that Bureau on the ground that under existing law refund could be made only where the stamps were submitted to the Bureau in a recognizable condition or were destroyed under the supervision of a deputy collector.

A person who loses currency through destruction by fire may recover such loss only to the extent that such currency can be submitted in a recognizable form for replacement. Such rule is necessary to protect the Government against fraudulent claims. A similar situation prevails with regard to postage stamps. The Government does not assume the obligation of an insurer at the time of selling internal-revenue stamps to a taxpayer for subsequent use in payment of a particular excise tax. Enactment of the bill would grant relief to this firm which is not granted to other persons similarly situated, and such special treatment would be discriminatory against taxpayers generally.

The regulations which prohibit refunds in cases of this type were promulgated with the view to preventing frauds upon the Government. The situation of claimant firm is not different from that of a number of other persons who have been refused refunds because of their inability to comply with the regulations pertaining to such refunds. The Government cannot make refund in the absence of satisfactory proof that the stamps in question were actually destroyed.

Accordingly, I am unable to approve the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 21, 1949.*

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn., the sum of $8,437.98. This sum represents the amount which they paid to the United States for internal revenue tobacco stamps, which stamps were completely destroyed on December 24, 1945, when a fire destroyed the said tobacco factory of said partners (registered as "Tobacco Factory No. 102, District of Tennessee"), together with the equipment, tobacco, and tobacco stamps therein: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 11:45 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 19, 1949, at 11:45 a. m.

NOMINATIONS

Executive nominations received by the Senate May 18 (legislative day of April 11), 1949:

POST OFFICE DEPARTMENT

Harrison Parkman, of Kansas, to be purchasing agent for the Post Office Department. (A reappointment.)

IN THE ARMY

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY OF THE UNITED STATES

The officers named herein for appointment in the Officers' Reserve Corps of the Army of the United States under the provisions of section 37 of the National Defense Act as amended:

To be brigadier generals

Col. Daniel Collier Elkin, Medical Corps Reserve, Army of the United States.

Col. Edward Taylor Kirkendall, Medical Corps Reserve, Army of the United States.

Col. Harry Paul Newton, Coast Artillery Corps Reserve, Army of the United States.

Col. Harry Hodges Semmes, Armored-Cavalry Reserve, Army of the United States.

Col. Lawrence Harley Whiting, Adjutant General's Department Reserve, Army of the United States.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 18, 1949

The House met at 12 o'clock noon.

Father Joseph C. Walen, director of Catholic Charities, diocese of Grand Rapids, Mich., offered the following prayer:

Direct, we beseech Thee, O Lord, our actions by Thy holy inspirations, and carry them on by Thy gracious assistance; that every prayer and work of ours may always begin from Thee, and through Thee be happily ended.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3333. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. MCCARRAN, Mr. RUSSELL, Mr. FERGUSON, and Mr. GURNEY to be the conferees on the part of the Senate.

MISSING ATOMIC COMPOUND

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, the Atomic Energy Commission is-

sues a formal statement, after the story broke in the press and on the radio, that a quantity of uranium 235 cannot be accounted for at its Chicago laboratories.

The Commission says mildly that the missing atomic compound is not believed to have been stolen or lost.

Now, when nearly one-quarter of an ounce of uranium 235 is missing, whether lost or stolen, it is a matter for concern to the whole Nation, not alone Congress.

Something is wrong somewhere. What is the degree of laxity or inefficiency in the handling of this vital element? With all the security precautions supposed to be in effect, just how could such a thing happen?

An inventory early in February revealed a discrepancy of 32 grams of U–235. The Commission floundered around until the middle of March before calling in the FBI. Now the Commission says all but 7 grams, nearly one-quarter ounce, has been accounted for, and they are looking for the missing uranium which they do not believe was lost or stolen. But where is it?

The law says that the Atomic Energy Commission must keep the Joint Committee on Atomic Energy currently and fully informed of all developments and all the facts. So far as I am aware, the Commission has never reported the disappearance of this U–235 to the committee.

I just want to call the attention of the House to this:

In 1945 a British spy gave a Russian espionage agent 1 milligram of U–235 compound stolen from a Chicago laboratory. This was promptly flown to Russia.

Now a quarter ounce equals about 7,000 milligrams. So you can imagine the joy in Moscow if nearly 7,000 milligrams of U–235 could come into the hands of the Kremlin's scientists.

Mr. Speaker, the disappearance of this vital element, the core and heart of the atomic bomb, must not be lightly brushed off. Congress and the people cannot be kept in the dark on such incidents as the Commission reveals today.

Any time the FBI is called in, something is drastically wrong. I ask what is wrong in the security set-up in the Commission's laboratories? Congress has the right to know.

EXTENSION OF REMARKS

Mr. COLE of New York asked and was given permission to extend his remarks in the RECORD and include an address delivered by General White.

PECOS RIVER COMPACT

Mr. REGAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3334) to grant the consent of the United States to the Pecos River compact.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, may I ask the gentleman if this bill has a unanimous report from the Committee on Public Lands?

Mr. REGAN. It has.

Mr. MARTIN of Massachusetts. Will the gentleman explain the bill?

Mr. REGAN. This bill grants the consent of the United States to a compact between the States of Texas and New Mexico regarding the Pecos River, on which several irrigation projects have been formed during the past 40 years. The river rises in the State of New Mexico and flows into the Rio Grande within the State of Texas. The projects are in both New Mexico and Texas, and both States are unanimous in asking the consent of the Congress to this compact.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. RICH. I should like to ask the majority leader or someone else in authority here with reference to a lot of the bills that are coming in here and being passed by unanimous consent, when some of us would like to have the opportunity to object to them and we are not here on the floor to do so.

The SPEAKER. No bill is called up that has not been discussed with the majority and minority leaders and the ranking members of the committee.

Mr. MARTIN of Massachusetts. I would suggest to the gentleman that he always has the opportunity to object to a bill which comes up by unanimous consent.

Mr. RICH. The other day I was told by the minority leader that a certain bill had passed the House in reference to increased pay for Members of Congress. It would not have gone through without a complete hearing had we had the opportunity to be here while it was considered. However, we do have to eat lunch once in a while, and that applies to the majority leader and the minority leader and everybody else, so it is nothing for anyone to be off the floor when legislation of that kind comes up. I think the Speaker or the majority leader or the minority leader ought to notify the Members at least a day in advance before any legislation is considered on the floor. That would be only good, sound business procedure.

Mr. MARTIN of Massachusetts. I would say in all fairness you cannot always tell 24 hours ahead what individual bills are coming up. In order to protect the rights of the individuals, if a minority Member will inform me at any time of any particular legislation to which he wants to object, I will be very happy to see that it is held up if he is not on the floor.

Mr. RICH. I may say to the minority leader that this is a pretty big organization here.

Mr. MARTIN of Massachusetts. Of course it is, and its business must proceed.

Mr. RICH. The Members do not know what is coming up here. It seems to me it would only be courtesy and good business procedure to try to let the membership know what measures are coming up.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, may I say to the gentleman from Massachusetts that I do not believe I have ever missed the gentleman from Pennsylvania [Mr. RICH] on the floor. He seems to be here all the time.

May I ask the gentleman from Texas if he has consulted the chairman of the Committee on Public Works, and if there is any objection on the part of that committee to this measure?

Mr. REGAN. I know of no objection from anybody, including the Bureau of Reclamation, the Public Works Agency, or any other agency. It is strictly a matter between the States of Texas and New Mexico. They have been unanimous in desiring this compact. It was ratified by the two States without a dissenting vote. I hope the Congress will give consent to the compact.

Mr. WILSON of Indiana. Mr. Speaker, reserving the right to object, I do so solely for the purpose of making the record straight. I do not know where the gentleman from Pennsylvania got his misinformation. There was no bill which came before the House which was passed to increase the pay for Members of Congress. I think the RECORD should be made straight and the gentleman from Pennsylvania [Mr. RICH] go back and read the RECORD and read it correctly and straighten out that observation himself.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I want to point out for the RECORD that under the Legislative Reorganization Act, which was passed by the last Congress, each Member of the other body was given an administrative assistant at $10,300 a year. No Member of the House was given that, except the leadership, and that was done, of course, because it was vitally essential and should have been done. I think the public should know the facts. Of course, we know that demands upon Members of the House are just as much of a strain as they are upon Members of the other body. I am sure there is no difference in that respect between the two Houses at all. We are all working from 14 to 18 hours a day from what I can see, and certainly I do not apologize for the hours that I put in, and I know that all of my colleagues are putting in long hours, the same as I am. We are not asking for any sympathy, but on the other hand, we want the facts known. I think that when the public knows them, they will appreciate our position. There was a feeling that administrative assistants ought to be provided for Members of the House. I think that should be done. Proposals were made to provide for $5,000 or $5,500, instead of the $10,300 salary, which the administrative assistants in the other body receive. Then a compromise was made on $3,000. I do not think any one of us needs to apologize for what was done, if we tell the facts to the people.

So far as I am concerned, I am in favor of an increase in our salaries. I think we ought to get $25,000 a year salary. That is my point of view. I offer no apologies for my position. I am not ashamed to go before the people of my district and tell them that I work, and that I am worth at least $50,000 to $75,000 a year in private practice of law, certainly I feel we ought to get a salary of $25,000 as a Member of Congress. In any event our salary should be increased.

Mr. RANKIN. Mr. Speaker, further reserving the right to object, I understood that was merely a measure to give each Member an extra clerk at $3,000 a year. I have introduced a bill to provide each Member of Congress and each committee with an electric typewriter. I would rather have that than an extra clerk.

I think if you will investigate the proposition you will find that an electric typewriter will do more to lighten the burdens of the office of the average Congressman than anything else that we can do at this time.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. REGAN]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the compact, signed (after negotiations in which a representative of the United States, duly appointed by the President, participated and upon which he has reported to Congress) by the Commissioners for the States of New Mexico and Texas, on December 3, 1948, at Santa Fe, N. Mex., and thereafter ratified by the legislatures of each of the States aforesaid, which compact reads as follows:

PECOS RIVER COMPACT

The State of New Mexico and the State of Texas, acting through their commissioners, John H. Bliss for the State of New Mexico and Charles H. Miller for the State of Texas, after negotiations participated in by Bereley Johnson, appointed by the President as the representative of the United States of America, have agreed respecting the uses, apportionment and deliveries of the water of the Pecos River as follows:

ARTICLE I

The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of the Pecos River; to promote interstate comity; to remove causes of present and future controversies; to make secure and protect present development within the States; to facilitate the construction of works for, (a) the salvage of water, (b) the more efficient use of water, and (c) the protection of life and property from floods.

ARTICLE II

As used in this compact:

(a) The term "Pecos River" means the tributary of the Rio Grande which rises in north-central New Mexico and flows in a southerly direction through New Mexico and Texas and joins the Rio Grande near the town of Langtry, Tex., and includes all tributaries of said Pecos River.

(b) The term "Pecos River Basin" means all of the contributing drainage area of the Pecos River and its tributaries above its mouth near Langtry, Tex.

(c) "New Mexico" and "Texas" mean the State of New Mexico and the State of Texas, respectively; "United States" means the United States of America.

(d) The term "Commission" means the agency created by this compact for the administration thereof.

(e) The term "deplete by man's activities" means to diminish the stream flow of the Pecos River at any given point as the result of beneficial consumptive uses of water within the Pecos River Basin above such point. For the purposes of this compact it does not include the diminution of such flow by encroachment of salt cedars or other like growth, or by deterioration of the channel of the stream.

(f) The term "Report of the Engineering Advisory Committee' means that certain report of the Engineering Advisory Committee dated January 1948, and all appendices thereto; including, basic data, processes, and analyses utilized in preparing that report, all of which were reviewed, approved, and adopted by the Commissioners signing this compact at a meeting held in Santa Fe, N. Mex., on Decem'er 3, 1948, and which are included in the minutes of that meeting.

(g) The term "1947 condition" means that situation in the Pecos River Basin as described and defined in the report of the Engineering Advisory Committee. In determining any question of fact hereafter arising as to such situation, reference shall be made to, and decisions shall be based on, such report.

(h) The term "water salvaged" means that quantity of water which may be recovered and made available for beneficial use and which quantity of water under the 1947 condition was nonbeneficially consumed by natural processes.

(i) The term "unappropriated floodwater" means water originating in the Pecos River Basin above Red Bluff Dam in Texas, the impoundment of which will not deplete the water usable by the storage and diversion facilities existing in either State under the 1947 condition and which if not impounded will flow past Girvin, Tex.

ARTICLE III

(a) Except as stated in paragraph (f) of this article, New Mexico shall not deplete by man's activities the flow of the Pecos River at the New Mexico-Texas State line below an amount which will give to Texas a quantity of water equivalent to that available to Texas under the 1947 condition.

(b) Except as to the unappropriated floodwaters thereof, the apportionment of which is included in and provided for by paragraph (f) of this article, the beneficial consumptive use of the waters of the Delaware River is hereby apportioned to Texas, and the quantity of such beneficial consumptive use shall be included in determining waters received under the provisions of paragraph (a) of this Article.

(c) The beneficial consumptive use of water salvaged in New Mexico through the construction and operation of a project or projects by the United States or by joint undertakings of Texas and New Mexico is hereby apportioned 43 percent to Texas and 57 percent to New Mexico.

(d) Except as to water salvaged, apportioned in paragraph (c) of this article, the beneficial consumptive use of water which shall be nonbeneficially consumed, and which is recovered, is hereby apportioned to New Mexico but not to have the effect of diminishing the quantity of water available to Texas under the 1947 condition.

(e) Any water salvaged in Texas is hereby apportioned to Texas.

(f) Beneficial consumptive use of unappropriated floodwaters is hereby apportioned 50 percent to Texas and 50 percent to New Mexico.

ARTICLE IV

(a) New Mexico and Texas shall cooperate to support legislation for the authorization and construction of projects to eliminate nonbeneficial consumption of water.

(b) New Mexico and Texas shall cooperate with agencies of the United States to devise and effectuate means of alleviating the salinity conditions of the Pecos River.

(c) New Mexico and Texas each may—

(i) Construct additional reservoir capacity to replace reservoir capacity made unusable by any cause.

(ii) Construct additional reservoir capacity for the utilization of water salvaged and unappropriated floodwaters apportioned by this company to such State.

(iii) Construct additional reservoir capacity for the purpose of making more efficient use of water apportioned by this compact to such State.

(d) Neither New Mexico nor Texas will oppose the construction of any facilities permitted by this compact, and New Mexico and Texas will cooperate to obtain the construction of facilities that will be of joint benefit to the two States.

(e) The Commission may determine the conditions under which Texas may store water in works constructed in and operated by New Mexico.

(f) No reservoir shall be constructed and operated in New Mexico above Avalon Dam for the sole benefit of Texas unless the Commission shall so determine.

(g) New Mexico and Texas each has the right to construct and operate works for the purpose of preventing flood damage.

(h) All facilities shall be operated in such manner as to carry out the terms of this compact.

ARTICLE V

(a) There is hereby created an interstate administrative agency to be known as the "Pecos River Commission." The Commission shall be composed of one Commissioner representing each of the States of New Mexico and Texas, designated or appointed in accordance with the laws of each such State, and, if designated by the President, one Commissioner representing the United States. The President is hereby requested to designate such a Commissioner. If so designated, the Commissioner representing the United States shall be the presiding officer of the Commission, but shall not have the right to vote in any of the deliberations of the Commission. All members of the Commission must be present to constitute a quorum.

(b) The salaries and personal expenses of each Commissioner shall be paid by the government which he represents. All other expenses which are incurred by the Commission incident to the administration of this Compact and which are not paid by the United States shall be borne equally by the two States. On or before November 1 of each even-numbered year the Commission shall adopt and transmit to the governors of the two States and to the President a budget covering an estimate of its expenses for the following 2 years. The payment of the expenses of the Commission and of its employees shall not be subject to the audit and accounting procedures of either of the two States. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified independent public accountant and the report of the audit shall be included in, and become a part of, the annual report of the Commission.

(c) The Commission may appoint a secretary who, while so acting, shall not be an employee of either State. He shall serve for such term, receive such salary, and perform such duties as the Commission may direct. The Commission may employ such engineering, legal, clerical, and other personnel as in its judgment may be necessary for the performance of its functions under

this compact. In the hiring of employees the Commission shall not be bound by the civil-service laws of either State.

(d) The Commission, so far as consistent with this compact, shall have power to:

1. Adopt rules and regulations;

2. Locate, establish, construct, operate, maintain, and abandon watergaging stations, independently or in cooperation with appropriate governmental agencies;

3. Engage in studies of water supplies of the Pecos River and its tributaries, independently or in cooperation with appropriate governmental agencies;

4. Collect, analyze, correlate, preserve, and report on data as to the stream flows, storage, diversions, salvage, and use of the waters of the Pecos River and its tributaries, independently or in cooperation with appropriate governmental agencies;

5. Make findings as to any change in depletion by man's activities in New Mexico, and on the Delaware River in Texas;

6. Make findings as to the deliveries of water at the New Mexico-Texas State line;

7. Make findings as to the quantities of water salvaged and the amount thereof delivered at the New Mexico-Texas State line;

8. Make findings as to quantities of water nonbeneficially consumed in New Mexico;

9. Make findings as to quantities of unappropriated flood waters;

10. Make findings as to the quantities of reservoir losses from reservoirs constructed in New Mexico which may be used for the benefit of both States, and as to the share thereof charged under article VI hereof to each of the States;

11. Acquire and hold such personal and real property as may be necessary for the performance of its duties hereunder and to dispose of the same when no longer required;

12. Perform all functions required of it by this compact and do all things necessary, proper, or convenient in the performance of its duties hereunder, independently or in cooperation with appropriate governmental agencies;

13. Make and transmit annually to the governors of the signatory States and to the President of the United States on or before the last day of February of each year, a report covering the activities of the Commission for the preceding year.

(e) The Commission shall make available to the governor of each of the signatory States any information within its possession at any time, and shall always provide free access to its records by the governors of each of the States, or their representatives, or authorized representatives of the United States.

(f) Findings of fact made by the Commission shall not be conclusive in any court, or before any agency or tribunal, but shall constitute prima facie evidence of the facts found.

(g) The organization meeting of the Commission shall be held within 4 months from the effective date of this compact.

ARTICLE VI

The following principles shall govern in regard to the apportionment made by article III of this compact:

(a) The Report of the Engineering Advisory Committee, supplemented by additional data hereafter accumulated, shall be used by the Commission in making administrative determinations.

(b) Unless otherwise determined by the Commission, depletions by man's activities, State-line flows, quantities of water salvaged, and quantities of unappropriated flood waters shall be determined on the basis of 3-year periods reckoned in continuing progressive series beginning with the 1st day of January next succeeding the ratification of this compact.

(c) Unless and until a more feasible method is devised and adopted by the Commission the inflow-outflow method, as described in the Report of the Engineering Advisory Committee, shall be used to:

(i) Determine the effect on the State-line flow of any change in depletions by man's activities or otherwise, of the waters of the Pecos River in New Mexico.

(ii) Measure at or near the Avalon Dam in New Mexico the quantities of water salvaged.

(iii) Measure at or near the State line any water released from storage for the benefit of Texas as provided for in subparagraph (d) of this article.

(iv) Measure the quantities of unappropriated flood waters apportioned to Texas which have not been stored and regulated by reservoirs in New Mexico.

(v) Measure any other quantities of water required to be measured under the terms of this compact which are susceptible of being measured by the inflow-outflow method.

(d) If unappropriated flood waters apportioned to Texas are stored in facilities constructed in New Mexico, the following principles shall apply:

(i) In case of spill from a reservoir constructed in and operated by New Mexico, the water stored to the credit of Texas will be considered as the first water to spill.

(ii) In case of spill from a reservoir jointly constructed and operated, the water stored to the credit of either State shall not be affected.

(iii) Reservoir losses shall be charged to each State in proportion to the quantity of water belonging to that State in storage at the time the losses occur.

(iv) The water impounded to the credit of Texas shall be released by New Mexico on the demand of Texas.

(e) Water salvaged shall be measured at or near the Avalon Dam in New Mexico and to the quantity thereof shall be added a quantity equal to the quantity of salvaged water depleted by man's activities above Avalon Dam. The quantity of water salvaged that is apportioned to Texas shall be delivered by New Mexico at the New Mexico-Texas State line. The quantity of unappropriated flood waters impounded under paragraph (d) of this article, when released shall be delivered by New Mexico at the New Mexico-Texas State line in the quantity released less channel losses. The unappropriated flood waters apportioned to Texas by this compact that are not impounded in reservoirs in New Mexico shall be measured and delivered at the New Mexico-Texas State line.

(f) Beneficial use shall be the basis, the measure, and the limit of the right to use water.

ARTICLE VII

In the event of importation of water by man's activities to the Pecos River Basin from any other river basin the State making the importation shall have the exclusive use of such imported water.

ARTICLE VIII

The provisions of this compact shall not apply to, or interfere with, the right or power of either signatory State to regulate within its boundaries the appropriation, use, and control of water, not inconsistent with its obligations under this compact.

ARTICLE IX

In maintaining the flows at the New Mexico-Texas State line required by this compact, New Mexico shall in all instances apply the principle of prior appropriation within New Mexico.

ARTICLE X

The failure of either State to use the water, or any part thereof, that use of which is apportioned to it under the terms of this compact, shall not constitute a relinquishment of the right to such use, nor shall it constitute a forfeiture or abandonment of the right to such use.

ARTICLE XI

Nothing in this compact shall be construed as:

(a) Affecting the obligations of the United States under the treaty with the United Mexican States (treaty series 994);

(b) Affecting any rights or powers of the United States, its agencies, or instrumentalities, in or to the waters of the Pecos River, or its capacity to acquire rights in and to the use of said waters;

(c) Subjecting any property of the United States, its agencies or instrumentalities, to taxation by any State or subdivision thereof, or creating any obligation on the part of the United States, its agencies or instrumentalities, by reason of the acquisition, construction, or operation of any property or works of whatever kind, to make any payment to any State or political subdivision thereof, State agency, municipality, or entity whatsoever, in reimbursement for the loss of taxes;

(d) Subjecting any property of the United States, its agencies or instrumentalities, to the laws of any State to an extent other than the extent to which such laws would apply without regard to this compact.

ARTICLE XII

The consumptive use of water by the United States or any of its agencies, instrumentalities, or wards, shall be charged as a use by the State in which the use is made: *Provided*, That such consumptive use incident to the diversion, impounding, or conveyance of water in one State for use in the other State shall be charged to such latter State.

ARTICLE XIII

This compact shall not be construed as establishing any general principle or precedent applicable to other interstate streams.

ARTICLE XIV

This compact may be terminated at any time by appropriate action of the legislatures of both of the signatory States. In the event of such termination, all rights established under it shall continue unimpaired.

ARTICLE XV

This compact shall become binding and obligatory when it shall have been ratified by the legislature of each State and approved by the Congress of the United States. Notice of ratification by the legislature of each State shall be given by the Governor of that State to the Governor of the other State and to the President of the United States, and the President is hereby requested to give notice to the Governor of each State of approval by the Congress of the United States.

In witness whereof, the Commissioners have executed three counterparts hereof each of which shall be and constitute an original, one of which shall be deposited in the archives of the Department of State of the United States, and one of which shall be forwarded to the Governor of each State.

Done at the city of Santa Fe, State of New Mexico, this 3d day of December 1948.

JOHN H. BLISS,
Commissioner for the State of New Mexico.

CHARLES H. MILLER,
Commissioner for the State of Texas.

Approved:

BERKELEY JOHNSON,
Representative of the United States of America.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SIKES asked and was given permission to extend his remarks in the RECORD and include a speech by James H. Allen.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. GARMATZ asked and was given permission to extend his remarks in the RECORD and include a speech by Hon. Thomas D'Alesandro, mayor of the city of Baltimore and chairman of the standing committee on legislation at the conference of mayors.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD in two instances and include therein brief newspaper excerpts.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

PERMISSION TO ADDRESS THE HOUSE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. MULTER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. COUDERT asked and was granted permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MERROW asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. PATTERSON asked and was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. BOGGS of Delaware asked and was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. BOGGS of Louisiana asked and was granted permission to extend his remarks in the Appendix of the RECORD and include some extraneous material.

Mr. LODGE asked and was granted permission to extend his remarks in the Appendix of the RECORD in two instances and to include extraneous material.

LEAVE OF ABSENCE

Mr. CASE of New Jersey. Mr. Speaker, I regret to announce that my colleague the gentleman from New Jersey [Mr. CANFIELD] is detained at home on account of serious illness in his family. I ask unanimous consent that he be granted leave of absence from his official duties for such time as is necessary.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. CASE]?

There was no objection.

UNEMPLOYMENT—WHAT ARE WE DOING ABOUT IT?

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. PATTERSON]?

There was no objection.

Mr. PATTERSON. Mr. Speaker, a subject being granted too little attention in the Halls of Congress is that of the continuing unemployment of our citizens. Each succeeding day the problem becomes more real and pressing. In Connecticut alone almost 100,000 of our people are seeking work to keep themselves and their families in the necessities of life. Thousands have used up their total benefits under unemployment compensation, with no relief in sight. Our communities cannot absorb the welfare load being placed upon local agencies, but no solution is being proposed by the administration.

In the face of declining prices, decreased employment and production, the President maintains that the Congress should tax our people to the tune of $4,000,000,000 more. Let us consider the problems of our own people for a change before we continue to expend all our energies and resources on those of foreign countries.

Are the administration and the Democratic majority in Congress to continue ignoring the seriousness of the present unemployment picture? Are we to tell our people that we are too busy appropriating billions for aid overseas and for armaments to help them attain a decent living standard?

Call it disinflation or what you will, but the people need help and assurance, which has not been given by our Government. A man's primary concern is the immediate preservation of his family, and that should be the subject of Government concern as well.

Let us not forget that there is no greater seed for discontent than lack of employment. A man or woman working suitable hours for decent wages is a fruitful citizen.

Mr. LODGE. Mr. Speaker, will the gentleman yield?

Mr. PATTERSON. I yield.

Mr. LODGE. The latest information which I have is that there are some 13,000 unemployed in the city of Bridgeport.

Mr. PATTERSON. That is correct; and that includes only those who are on the United States unemployment compensation rolls.

In Waterbury, Conn., there are at least 10,500 unemployed at this time. That is not a true picture, because there are a great many who are working only 1 day a week.

The SPEAKER. The time of the gentleman from Connecticut has expired.

ADDITIONAL FBI PERSONNEL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the press today carries the story that uranium and other atom bomb secrets have been stolen. I think it makes us feel more and more the necessity for having enough FBI agents to apprehend these thieves, and to pay attention to every rumor that might lead to the capture of Communists and subversive people. I have warned and warned against subversive activities in the United States Government. It obviously still continues and very dangerously. According to the press the FBI were not notified promptly of the theft of the uranium. I do not know the details, of course, but I do state I feel very strongly the House will want to appropriate enough money to prevent thefts of this kind which affect not only the welfare of the United States but affect the welfare of all freedom-loving people in the world.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

INVESTIGATIONS BY COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, what we need is for the Committee on Un-American Activities to get busy.

We investigated these Communist-front organizations when I was a member of that committee. That investigation showed that the Southern Conference for Human Welfare was nothing in God's world but a Communist-front organization. Nothing has been done about it. We could get no response, if you please, from the Attorney General. When we undertook to get the Dr. Condon letter which the FBI wrote condemning Condon, the Attorney General even had it sent to the White House to keep the committee from getting it.

The American people are simply horrified to find that the Atomic Energy Commission is educating, at the expense of the Federal Government, a Communist at the University of North Carolina, teaching him how to blow up this country in the years to come.

I appeal to the Committee on Un-American Activities to get busy and investigate these subversive activities of all kinds, before it is too late.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

[Mr. FOGARTY addressed the House. His remarks appear in the Appendix.]

SPEAKER EMPOWERED TO DECLARE RECESSES ON MAY 19

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on tomorrow for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FLOOR RULES FOR JOINT SESSION, MAY 19

The SPEAKER. The Chair desires to make a statement. After consultation with the majority and the minority leaders of the House and remembering the terrific jam we had upon this floor on previous occasions, with the consent and approval of the floor leaders the Chair announces that on tomorrow during the joint session the door immediately opposite the Speaker will be open and the doors on the Speaker's left and right and none other. No one will be allowed upon the floor of the House who does not have the privilege of the floor of the House.

AMENDING FEDERAL CROP INSURANCE ACT

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 3825, to amend the Federal Crop Insurance Act, with Mr. MONRONEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the bill had been considered as read, and all the Committee amendments had been agreed to.

Are there further amendments to the bill?

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all Members may have the privilege of extending their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. ABBITT. Mr. Chairman, the bill under consideration, H. R. 3825, has for its purpose the amendment of the present Crop Insurance Act by providing a formula for gradual expansion of crop insurance, which was not provided for in the revision of the act of 1947 which act placed the program on an experimental basis, and makes other important changes in the existing law to make it more applicable to the new program which has been developed since the 1947 revision of the act.

The Federal Crop Insurance Corporation came into being in 1938 for the purpose of insuring producers of wheat against loss due to unavoidable causes starting with the 1939 crop. In 1942 cotton was added. In 1944 flax was added on a national basis and other crops on an experimental basis. This program was not a success. Great losses were suffered by the Corporation.

In 1947 the entire crop-insurance law was changed, revamped, and put on a sound and experimentation basis in an endeavor to fulfill two basic requirements:

First. Sound from a business standpoint, that is, capable of paying its own way and operating without loss to the Government.

Second. Offer farmers a type of insurance they want and are willing and able to pay for.

As a result of the 1947 act the insurance program is on an experimental basis with the number of commodities insurable limited and the number of counties in which insurance could be offered limited.

The coverage was limited to an amount somewhere nearer the farmer investment in the crop.

Since the overhaul and revision of the crop-insurance law in 1947, the Corporation has been on a sound basis and has gone about the job of establishing a crop-insurance program under the new law in a forthright and businesslike manner.

Due to the restriction in the number of counties in which insurance could be offered under the experimental program, insurance has been denied to many farmers who wanted it, as well as to a good many counties who had a favorable crop-insurance record. It is believed that the Corporation, although still on an experimental basis, is ready for an orderly expansion of the program of the types of insurance which appear to be on a sound actuarial basis. The development of sound crop insurance is only part of the objective sought by Congress. The other part is the extension of crop insurance as fast as is justified to farmers to whom insurance is not now available. The bill under consideration provides a formula for such expansion. It authorizes as to each type of insurance an increase each year of not to exceed 50 percent of the number of counties in which that type of insurance was available the previous year, beginning in the year 1950. This, of course, does not mean that the insurance in each commodity in the program will be increased 50 percent each year, but this allows for an orderly increase not to exceed that amount, and it is contemplated that the expansion will take place only as the experience of the Corporation and the demand for the insurance justifies.

The present law limits the insurance to not more than seven agricultural commodities, including wheat, cotton, flax, corn, and tobacco and not more than three additional agricultural commodites in each year thereafter. Insurance is limited to producers in not to exceed 200 counties in the case of wheat, 56 counties in the case of cotton, 50 counties each in the case of corn and flax, 35 counties in the case of tobacco, 20 counties in the case of any other agricultural commodity. The present bill provides a new and promising type of crop insurance, tried experimentally in two counties during the 1948 crop year and being expanded to seven counties in 1949, to be known as multiple-crop insurance. In this type of insurance all major crops on the farm may be insured, although the crops are to be considered separately in considering the amount of coverage and premium rate, thereby guaranteeing the farmer a return from all insured crops equal to the amount of his insurance. In other words, if the return from all crops combined is less than this amount, the farmer is then indemnified the difference, which means that losses are not determined separately on individual crops.

This type of insurance is authorized in 50 counties with the same formula for expansion applying as in the commodity-insurance program.

As has been previously stated, prior to the new act of 1947 going into effect, the crop-insurance program was conducted at considerable loss. Since the new experimental program has been in effect, it has operated on a sound basis. It is thought, therefore, that it is only fair that the loss under the old program be charged off as part of the loss of developing crop insurance on a trial-and-error basis and that the experimental program on which the corporation is now engaged not be burdened with the deficit of the trial-and-error program.

This bill charges off the deficit of approximately $73,000,000 that was incurred under the old program.

The present law has a provision in it that, if the premiums and reserves on any commodity are not adequate in any year to meet the losses on any commodity, the losses would be paid only on a pro rata production basis which means that farmers would have no guaranteed protection in any widespread failure and it would not be possible to indemnify a farmer for any loss until the entire loss was known and the claims approved. The present bill remedies that situation.

The present law provides that, starting in 1950, the administrative expenses shall be limited to not in excess of 25 percent of the premium collected the preceding year, which provision was adopted in 1944 while the program was on a Nationwide basis. We are now on an experimental basis, with the hopes that crop insurance will be expanded. This provision will greatly hamper the expansion program, and since the Congress appropriates annually to cover the needs for the Corporation it appears that there is no need for the present limitation and the bill eliminates this provision.

The present law does not cover insurance on livestock. We have recently experienced what can happen to livestock producers. No insurance is available to them. This act authorized the Corporation to conduct research on livestock insurance.

The present law provides that insurance shall be against loss of the insured commodity while in the field due to unavoidable causes. The present bill leaves out the words "while in the field," which will enable the Corporation to conduct its insurance protection until the crop is ready for market.

In most instances the crop is ready for market when it is threshed or otherwise housed in the field. But this is not true as to every crop, particularly tobacco, which crop is not ready for market until it has remained sometime in the curing barn. This amendment permits the Corporation to insure such crops until they are a marketable commodity and their value can be determined. There is no available private insurance to cover this phase of the curing of the crops. Due to the fact that disease or insects can cause much damage while the crop is in the barn being cured and made ready for the market.

All in all, it is thought that much progress has been made since the 1947 act. Provisions in this bill will be most helpful in carrying out the intent of the Congress and in expanding a sound, real insurance program that will be of help to the producers of this country.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MONRONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3825) to amend the Federal Crop Insurance Act, pursuant to House Resolution 212, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1950

Mr. GARY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. COUDERT. Mr. Speaker, reserving the right to object, on behalf of the minority there is no objection, but I should like to point out that the Senate has raised the House bill beyond all reason and I certainly hope the conference committee will be able to bring back something closely resembling the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. GARY, FERNANDEZ, PASSMAN, CANNON, CANFIELD, and COUDERT.

RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the House stand in recess until 1 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Accordingly (at 12 o'clock and 28 minutes p. m.) the House stood in recess until 1 o'clock.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock p. m.

R. C. OWEN AND OTHERS

Mr. CELLER. Mr. Speaker, I submit a privileged report (No. 611) from the Committee on the Judiciary on the bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen, which I send to the desk and ask to have read.

The Clerk read as follows:

CONSIDERATION OF H. R. 1036 OVER VETO MESSAGE

Mr. CELLER, from the Committee on the Judiciary, submitted the following report:

The Committee on the Judiciary, to whom was referred the bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn., together with the objections of the President thereto, having reconsidered said bill and the objections of the President thereto, report the same back to the House with the recommendation that said bill do pass, the objections of the President to the contrary notwithstanding.

This bill, H. R. 1036, provides for payment of the sum of $8,437.98 to R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn.; such sum represents the amount which they paid to the United States for internal-revenue tobacco stamps; such stamps were completely destroyed on December 24, 1945, when a fire destroyed claimants' factory, together with the equipment, tobacco, and tobacco stamps therein.

These stamps, which were in various denominations, were valued at $8,437.98, which was the price paid for them by the said manufacturer. The Treasury Department requires the manufacturer, through his collector of internal revenue, to always keep a record reflecting the amount of stamps on hand and that a report of this balance be returned to the collector once each month. The collector did not require that the records show the various denominations of the stamps but only their total value. The report to the collector reflected only the total value. These records were properly kept by the Owens and at the time of the fire showed stamps on hand of the value set forth in this bill, which were completely destroyed by fire. Not only did the records of the Owens show this but the records of the collector's office at Nashville, Tenn., showed the same thing.

Immediately after the fire, R. C. Owen filed claim on form 843 with the collector of internal revenue, Nashville, Tenn, seeking a refund of the value of the stamps or the stamps themselves replaced, as provided for in sections 156 and 3304, title 26, United States Code Annotated. This claim was filed January 10, 1946. At the time of the fire the records of R. C. Owen indicated the exact amount of the stamps on hand, as well as the amount with which R. C. Owen was charged by the collector of internal revenue. Soon after the fire, Mr. S. C. Willis, a deputy collector for the Nashville, Tenn., office, investigated the fire, acknowledged the loss of these stamps by the fire, and R. C. Owen was given credit against his inventory for these stamps and was no longer charged with them by the collector of internal revenue. This claim has been rejected by the collector of internal revenue and, in turn, rejected by the Commissioner in Washington. The reason given was that heretofore the Secretary of the Treasury ruled that no refund or redemption might be allowed unless the stamps themselves were submitted. However, in this instance, the fire was of an unknown origin and there was no way to submit the stamps or the destruction of the same being supervised by the Commissioner.

The Treasury Department in its report states: "As is commonly known, a person having the misfortune of losing an amount of currency through destruction by fire may recover his loss by claim upon the Government only to the extent that the currency can be submitted in recognizable form for replacement. Obviously, that rule is necessary to protect the Government against fraudulent claims."

The veto message states: "It appears that claimants' firm was a dealer in leaf tobacco and also a manufacturer of certain tobacco products in Gallatin, Tenn. On the night of December 24, 1945, one of the buildings belonging to the firm, part of which was used as a factory and part as a warehouse, was destroyed by fire. According to affidavits submitted by R. C. Owen, Jr., as a member of the firm, the chief of police, and the assistant chief of the fire department, the building, including its contents, was a complete loss. The firm filed a claim with the Bureau of Internal Revenue for the value of the tobacco stamps allegedly on hand in the factory at the time of the fire and therefore destroyed by it, but this claim was disapproved by that Bureau on the ground that under existing law refund could be made only where the stamps were submitted to the Bureau in a recognizable condition or were destroyed under the supervision of a deputy collector.

"A person who loses currency through destruction by fire may recover such loss only to the extent that such currency can be submitted in a recognizable form for replacement. Such rule is necessary to protect the Government against fraudulent claims. A similar situation prevails with regard to postage stamps. The Government does not assume the obligation of an insurer at the time of selling internal-revenue stamps to a taxpayer for subsequent use in payment of a particular excise tax. Enactment of the bill would grant relief to this firm which is not granted to other persons similarly situated, and such special treatment would be discriminatory against taxpayers generally.

"The regulations which prohibit refunds in cases of this type were promulgated with the view to preventing frauds upon the Government. The situation of claimant firm is not different from that of a number of other persons who have been refused refunds because of their inability to comply with the regulations pertaining to such refunds. The Government cannot make refund in the absence of satisfactory proof that the stamps in question were actually destroyed.

"Accordingly, I am unable to approve the bill."

The attention of the House is called to a report submitted to the Committee on the Judiciary, dated August 26, 1948, which states as follows:

"FOR THE RELIEF OF JAMES G. SMYTH (INTERNAL REVENUE COLLECTOR)

"The facts in the case are as follows: On April 6, 1948, Mrs. Idyl Acuff, stamp deputy of the Santa Rosa, Calif., branch office of the first California internal revenue collection district, received a shipment of wine stamps from the main office at San Francisco, Calif. The shipment consisted of 50,000 stamps of the 60-cent denomination, 50,000 stamps of the $1.44 denomination, 10,000 stamps of the $5 denomination, and 100 stamps of the $500 denomination. The stamps were unwrapped and counted by Mrs. Acuff and found to agree with the invoice. Pending verification of the count, the wrappings were preserved on top of one of the safes, of which there were three in the Santa Rosa office. In storing the stamps, the Santa Rosa office keeps those of large denominations, used for evidencing tax payment on tank lot withdrawals, in a separate manila envelope. To complete storage of the shipment in question, this envelope was taken from the safe for insertion of the $500 denomination stamps, consisting of 2 sheets of 50 each. The prior contents of the envelope consisted of 31 stamps of the $3,000 denomination. All evidence points to the fact that through some quirk of fate the envelope was associated with the shipment wrappings which were deposited in a waste basket after verification of their contents. Early the next morning the janitor dumped the contents of the office waste baskets into a pasteboard carton, without examination of the contents, and incinerated the carton in the building furnace.

"Later in the morning of April 7, 1948, the office had an order for a $3,000 denomination of stamp, and, not being able to locate the envelope, Mrs. Acuff and Deputy Collector Walter J. Butler went to the furnace room to examine the wastepaper collection, but which in the meantime had been incinerated. The ashes were raked out, but all paper had been completely consumed by fire.

"This stamp loss was thoroughly investigated by Special Intelligence Agent Anthony Sherman with the conclusion that the stamps were destroyed as stated.

"Shortly after the stamp loss was discovered the Santa Rosa office was checked and examined by Supervisor of Accounts and Collections Frank L. Blote, who found the stamp accounts in perfect condition, except for the shortage of 100 stamps of the $500 denomination and 31 stamps of the $3,000 denomination. There was no evidence of the safes having been tampered with or in fact of any theft. Acting District Supervisor J. F. Corridan, alcohol tax unit, will have all $500 and $3,000 wine stamps presented for cancellation in his district checked against purchase orders as a cautionary measure.

"This department is satisfied that the Government has suffered no loss in this case and recommends that bill H. R. 6562 for the relief of James G. Smyth be favorably considered."

The committee is unable to reconcile these two reports. Public Law No. 321 of the Eightieth Congress is as follows:

"That the General Accounting Office is authorized, after consideration of the pertinent findings and if in concurrence with the determinations and recommendations of the head of the department or independent establishment concerned, to relieve any disbursing or other accountable officer or agent or former disbursing or other accountable officer or agent of any such department or independent establishment of the Government charged with responsibility on account of physical loss or deficiency of Government funds, vouchers, records, checks, securities, or papers in his charge, if the head of the department or independent establishment determines (1) that such loss or deficiency occurred while such officer or agent was acting in the discharge of his official duties, or that such loss or deficiency occurred by reason of the act or omission of a subordinate of such officer or agent; and (2) that such loss or deficiency occurred without fault or negligence on the part of such officer or agent. This act shall be applicable only to the actual physical loss or deficiency of Government funds, vouchers, records, checks, securities, or papers, and shall not include deficiencies in the accounts of such officers or agents resulting from illegal or erroneous payments."

And relief has been given many Government employees under this law. However, there is no law to give relief to private business, and it would appear to the committee that it is discriminatory for the departments to give relief to Federal employees and to oppose legislation which passed the Congress for the relief of private business.

The report in connection with relief for James G. Smyth, collector for the Bureau of Internal Revenue for the west California district, is not consistent with the report and veto on H. R. 1036 for the relief of the R. C. Owen Tobacco Co. Also, in this report it is stated that the Department was satisfied that the Government had suffered no loss in this case and recommended that it be given favorable consideration. The Committee on the Judiciary is unable to see where the Government had any loss in the R. C. Owen Tobacco Co. claim. The amount in which the Treasury Department desires to relieve Mr. Smyth is $143,000, while the Owen claim amounts to only $8,437.98. The Treasury Department also states that to give the Owens relief would be giving special treatment in discrimination against taxpayers generally. It would appear that the same situation should apply to Mr. Smyth, the internal-revenue collector of California. However, the Department doesn't appear to feel that way about the matter.

[H. Doc. 161, 81st Cong., 1st sess.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, RETURNING WITHOUT APPROVAL A BILL (H. R. 1036) FOR THE RELIEF OF R. C. OWEN, R. C. OWEN, JR., AND ROY OWEN

To the House of Representatives:

I return herewith, without my approval, the enrolled bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen.

The bill provides for payment of the sum of $8,437.98, to R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn., which sum represents the amount they paid to the United States for internal-revenue tobacco stamps, which stamps were completely destroyed on December 24, 1945, when a fire destroyed claimants' factory, together with the equipment, tobacco, and tobacco stamps therein.

It appears that claimants' firm was a dealer in leaf tobacco and also a manufacturer of certain tobacco products in Gallatin, Tenn. On the night of December 24, 1945, one of the buildings belonging to the firm, part of which was used as a factory and part as a warehouse, was destroyed by fire. According to affidavits submitted by R. C. Owen, Jr., as a member of the firm, the chief of police, and the assistant chief of the fire department, the building, including its contents, was a complete loss. The firm filed a claim with the Bureau of Internal Revenue for the value of the tobacco stamps allegedly on hand in the factory at the time of the fire and therefore destroyed by it, but this claim was disapproved by that Bureau on the ground that under existing law refund could be made only where the stamps were submitted to the Bureau in a recognizable condition or were destroyed under the supervision of a deputy collector.

A person who loses currency through destruction by fire may recover such loss only to the extent that such currency can be submitted in a recognizable form for replacement. Such rule is necessary to protect the Government against fraudulent claims. A similar situation prevails with regard to postage stamps. The Government does not assume the obligation of an insurer at the time of selling internal-revenue stamps to a taxpayer for subsequent use in payment of a particular excise tax. Enactment of the bill would grant relief to this firm which is not granted to other persons similarly situated, and such special treatment would be discriminatory against taxpayers generally.

The regulations which prohibit refunds in cases of this type were promulgated with the view to preventing frauds upon the Government. The situation of claimant firm is not different from that of a number of other persons who have been refused refunds because of their inability to comply with the regulations pertaining to such refunds. The Government cannot make refund in the absence of satisfactory proof that the stamps in question were actually destroyed.

Accordingly, I am unable to approve the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 21, 1949.*

H. R. 1036

EIGHTY-FIRST CONGRESS OF THE UNITED STATES OF AMERICA AT THE FIRST SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON MONDAY, THE 3D DAY OF JANUARY 1949

An act for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. C. Owen, R. C. Owen, Jr., and Roy Owen, former partners doing business as R. C. Owen, of Gallatin, Tenn., the sum of $8,437.98. This sum represents the amount which they paid to the United States for internal revenue tobacco stamps, which stamps were completely destroyed on December 24, 1945, when a fire destroyed the said tobacco factory of said partners (registered as "Tobacco Factory No. 102, District of Tennessee"), together with the equipment, tobacco, and tobacco stamps therein: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SAM RAYBURN,
Speaker of the House of Representatives.

KENNETH MCKELLAR,
President of the Senate pro tempore.

[Endorsement on back of bill:]

I certify that this act originated in the House of Representatives.

RALPH R. ROBERTS, *Clerk.*

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, it is with great reluctance that the Committee on the Judiciary asks that this action be taken, mainly to pass the bill H. R. 1036, the President's veto notwithstanding. I personally feel apologetic in asking this action but the merits of the case demand just such action. The bill provides for relief of a concern operated by R. C. Owen, his son, and brother in Tennessee, in pursuance of a bill offered by our distinguished colleague from Tennessee [Mr. GORE]. The Government has suffered no loss. There was a fire in which a number of tobacco stamps was destroyed. There was no evidence whatsoever of any negligence, any fraud, any deceit, or any chicanery on the part of these tobacco merchants. This was a clean-cut case. It is a most praiseworthy case and relief should be afforded. It is rather anomalous that in a number of these cases where the Committee on the Judiciary has given relief and the House approved the action of the Committee on the Judiciary, the Treasury Department has approved the granting of relief. Such cases were on all fours with the instant case. But here the Treasury, for some unknown reason, denies relief. I cannot understand such inconsistency. In cases where stamps and even currency was destroyed the Treasury agrees to restitution. In this case the Treasury stubbornly says "No."

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. JENNINGS. Mr. Speaker, this is a case where a citizen loses by fire tobacco stamps for which he had paid the Government $8,437.98. The deputy collector of internal revenue admits that these stamps had been purchased and were in the hands of the purchasers in their place of business in Gallatin, Tenn., at the time they were burned and completely destroyed on the night of December 24, 1945.

In a similar case, James G. Smyth, internal revenue collector of Santa Rosa, Calif., lost by fire wine stamps of the value of and for which he was charged $143,000 by the internal revenue department. The department recommended the passage of a bill to relieve Mr. Smyth of all liability for said loss. Not only that, but in the last hours of the Eightieth Congress this House passed a bill that had been passed by the Senate, that had also been introduced and sponsored by the gentleman from Virginia [Mr. HARRISON] for the relief of one of his constituents who was a member of the armed forces of the United States and was captured on Corregidor, and who turned over $1,800 of his money to one of his superior officers who was also a prisoner of the Japanese on the ship on which he, along with many others, was being transported to Japan. The ship was sunk by the Japs. The money was lost. Of course, this soldier had no trace of the money. He was unable to offer it in evidence in support of his claim. Very properly this House passed the bill to reimburse him for the loss of his money, and the President signed the bill.

In my opinion, this is a meritorious claim, just as is another claim which the gentleman from Indiana [Mr. HALLECK] has pending before the Committee on the Judiciary of this House. It is not a partisan matter. The question before us now is: Shall we deal justly with an American citizen? Here now, in this House, is the only place to which he can go for justice. Let us give it to him.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Mississippi.

Mr. COLMER. Did the Department of the Government admit that these stamps were in the possession of this man?

Mr. CELLER. Yes. They did admit it, and the Deputy Collector of Internal Revenue had supervision of this plant. He reported that there was a fire from unknown causes, which actually destroyed these stamps. And he recommended that the refund be made. But his chiefs in Washington repudiated his recommendation.

Mr. COLMER. This specific amount of stamps?

Mr. CELLER. Correct. Apparently, the officials in Washington refused to abide by the report of the local agent. Treasury said it would refund if evidence of the stamps, even if mutilated or marred, were produced. How can you produce any vestige of stamps if they were destroyed by fire? The Treasury is wrong, and unfortunately the President, urged by the Treasury, is in error. Our action in passing the bill over the President's veto is no reflection on our President, whom we honor and revere. His has been a mistake in judgment in following too closely on the matter the Treasury's recommendation.

Mr. Speaker, I now yield to the gentleman from Tennessee [Mr. GORE].

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. GORE. Yes; I yield.

Mr. KEEFE. Is it not a fact that in a matter of this character, this tobacco merchant buys his stamps from the Bureau of Internal Revenue in the local collector's office where a record is kept?

Mr. GORE. That is right.

Mr. KEEFE. That is a record of the stamps purchased?

Mr. GORE. That is right.

Mr. KEEFE. And likewise a record is kept of the stamps used?

Mr. GORE. That is right.

Mr. KEEFE. So that in this case, dealing with a matter of revenue stamps, if there was a fire and the stamps were destroyed, the Bureau of Internal Revenue would have a record of the stamps sold and a record of the stamps used. So that the element of fraud would be out of this picture almost conclusively, would it not?

Mr. GORE. The gentleman states a situation which is the fact in this case.

Mr. KEEFE. I cannot see any reason why we do not support the committee on this matter.

Mr. GORE. I thank the gentleman.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. WALTER. Do not the facts disclose that the record of the Department and the record of the claimant under this bill coincide to the penny?

Mr. GORE. Absolutely.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. JENNINGS. The Department makes an adverse report in this matter on two grounds: First, that the people who lost these stamps in this fire could not reproduce the burned stamps; second, because the fire did not occur under the auspices and supervision of the Revenue Department.

Mr. GORE. I am grateful for the gentleman's contribution.

Mr. REED of New York. Will the gentleman yield?

Mr. GORE. I yield.

Mr. REED of New York. If I understood the gentleman from Tennessee [Mr. JENNINGS] correctly, he gave an instance of a bill being passed in the last Congress to pay the claim of a soldier on Corregidor, who turned his money over to an officer, and then it was lost at sea, and that bill passed the House and was approved by the President. Now, why should we approve that bill and not approve this one?

Mr. GORE. I thank the gentleman from New York. I wonder if the Members would not let me first make a statement of the case. I know it is new to many Members of the House. Of course, I felt reluctant to request the Judiciary Committee to favorably report a bill to pass over the President's veto, which seeks to relieve only one citizen of this great United States of America. It is a small thing upon which to claim the attention of the House, but often the test of the efficacy of a democracy is the manner in which it can deal with small things, individual citizens, for instance.

Here is a just claim, in my opinion. I would like to say that, although this man is a constituent of mine, he is, upon occasion, of opposite political persuasion. I owe him no personal or political obligation, but he is a fellow citizen and a constituent, and, in my opinion, he has a just claim. When a citizen has a just claim he is entitled to relief some place. This citizen has been denied relief except on the floor of Congress.

What are the facts? He is a small manufacturer of smoking tobacco. He possessed certain Government revenue stamps, an obligation, mind you, which the Congress imposed upon him in consequence of the operation of his business. Also, we impose upon all private citizens having revenue stamps—and this differentiates between the case of currency destruction and revenue stamps as referred to by the gentleman from Wisconsin—the obligation of keeping an accurate inventory of the stamps in his

possession; likewise, the collector of internal revenue is required to keep an accurate inventory of the revenue stamps in the possession of all citizens. On Christmas eve night, 1945, this small but old concern burned, burned completely. There is incontrovertible evidence that the stamps were burned; as a matter of fact, the deputy collector of internal revenue at Nashville, Tenn., came out and investigated the fire. His inventory compared to the penny with the inventory of this private citizen who possessed Government revenue stamps, not because he courted them but because his Government imposed upon him the obligation of placing such stamps upon his product.

After investigation, the deputy collector relieved this private citizen of the obligation of possession, crediting his inventory with destruction of stamps. Thereby, this agent of the Government recognized and acknowledged the destruction of these stamps by fire.

This is no partisan matter; I think enactment of this bill might serve well to bring some order out of chaos, this uncoordinated writing of veto messages by various Government agencies which, of course are—well, I do not see how the President of the United States could possibly give very much time and attention to a veto message upon so small a matter as this. Whether or not he actually wrote the message I do not know, but the message of the veto is on all fours with the statement of the Treasury Department in opposition to enactment of the bill. Despite the Treasury objection, this Congress passed the bill unanimously.

I find, however, that the Treasury Department sent up a recommendation for the passage of a bill providing relief in the amount of $143,000 to the collector of internal revenue of the State of California for revenue stamps which he said were lost. He lost them. He thinks they found their way into the waste basket, and in all probability burned. The Treasury now recommends under those circumstances, that because this internal revenue collector misplaced or lost stamps which may have found their way into the incinerator, they recommend giving that fellow relief. On what grounds? Because, as they say, the Government suffered no loss.

We know what happened to my constituent's stamps; they got burned up; and neither did the Government suffer any loss in this case. This manufacturer, this small-business man, bought the stamps from the internal revenue collector and paid for them. They are gone, now, transmuted into carbon and gas.

In the first instance, this claim is just; in the second instance, I think it is right for this Congress to give relief to an individual citizen who has a just claim who cannot get relief any other place.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. EVINS. I merely wish to state that I know the parties who bought these stamps. They are honorable and upright citizens. They would not make a false statement. They are very honorable, outstanding citizens.

Mr. GORE. I thank the gentleman.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. CHELF. I may say to the gentleman that he is exactly right in his presentation here and he is supported and substantiated by the facts. The subcommittee of the Committee on the Judiciary that first had to do with this bill reported it favorably and unanimously. The full committee acting upon their recommendation did likewise. When the bill was vetoed and came back to our committee for decision as to whether it would be voted up or down, to the contrary of the President's veto, it was likewise unanimously voted that the bill should be brought before the House for decision.

I am a Democrat and I have a great amount of loyalty to my party and to my President, but if I have to make a choice between a friendship on the one hand and right or wrong on the other, I will vote to override the President's veto if I think he is wrong. The gentleman is right, his constituent is right and is entitled to a rebate, and I am going to vote to override the veto.

Mr. GORE. I thank the able and forthright gentleman from Kentucky.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from New York.

Mr. KEATING. As a member of the Committee on the Judiciary Subcommittee dealing with this claim, it appears to me that it is a just claim and that the only distinction between the claim of the gentleman from Tennessee and that which was approved by a Government department is that the gentleman's constituent did not happen to be one of the boys.

Mr. GORE. The gentleman's assistance is appreciated.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Is it not true, as a matter of fact, that the President does not personally pass upon vetoes of this nature; that they are written by someone down in a department?

Mr. GORE. In this case I do not know.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from California.

Mr. ANDERSON of California. I think the gentleman has made an excellent case; and if he will let the House vote, I believe we will pass his bill.

Mr. GORE. I thank the gentleman. Perhaps he has made a valuable suggestion.

Mr. CELLER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The question was taken; and there were—yeas 318, nays 49, not voting 64, as follows:

[Roll No. 99]

YEAS—318

Abbitt	Dollinger	Kearney
Abernethy	Dondero	Kearns
Albert	Donohue	Keating
Allen, Calif.	Douglas	Keefe
Allen, Ill.	Eaton	Kennedy
Allen, La.	Elliott	Kerr
Andersen, H. Carl	Ellsworth	Kilburn
Anderson, Calif.	Elston	Kilday
Andresen, August H.	Engel, Mich.	Kirwan
Andrews	Engle, Calif.	Klein
Angell	Evins	Kruse
Aspinall	Fallon	Kunkel
Auchincloss	Fellows	Lane
Bailey	Fenton	Lanham
Barden	Fernandez	Larcade
Baring	Fisher	Latham
Barrett, Pa.	Flood	LeCompte
Barrett, Wyo.	Fogarty	LeFevre
Bates, Ky.	Forand	Lemke
Bates, Mass.	Ford	Lesinski
Battle	Frazier	Lind
Beall	Fugate	Lodge
Beckworth	Fulton	Lovre
Bennett, Fla.	Furcolo	Lyle
Bennett, Mich.	Gamble	Lynch
Bentsen	Garmatz	McCarthy
Biemiller	Gary	McConnell
Bishop	Gathings	McCulloch
Blackney	Gavin	McDonough
Bland	Gillette	McGregor
Blatnik	Golden	McGuire
Boggs, Del.	Goodwin	McMillan, S. C.
Boggs, La.	Gore	McMillen, Ill.
Bolling	Gorski, Ill.	Mack, Ill.
Bolton, Md.	Gorski, N. Y.	Mack, Wash.
Bolton, Ohio	Gossett	Magee
Bosone	Graham	Mansfield
Bramblett	Granahan	Marsalis
Breen	Grant	Martin, Iowa
Brehm	Gross	Martin, Mass.
Brown, Ga.	Hagen	Mason
Brown, Ohio	Hale	Merrow
Bryson	Hall, Leonard W.	Michener
Bulwinkle	Halleck	Miles
Burdick	Hand	Miller, Calif.
Burke	Harden	Miller, Md.
Burleson	Hardy	Mills
Burnside	Hare	Mitchell
Burton	Harris	Monroney
Byrne, N. Y.	Harrison	Morris
Byrnes, Wis.	Harvey	Morton
Camp	Havenner	Multer
Carlyle	Hays, Ark.	Murray, Tenn.
Carroll	Hays, Ohio	Murray, Wis.
Case, N. J.	Hébert	Nelson
Cavalcante	Hedrick	Nicholson
Celler	Heller	Nixon
Chelf	Herter	Noland
Chiperfield	Heselton	Norblad
Chudoff	Hill	Norrell
Church	Hinshaw	O'Hara, Minn.
Clemente	Hobbs	O'Konski
Cole, Kans.	Hoeven	O'Neill
Cole, N. Y.	Hoffman, Ill.	Passman
Colmer	Hoffman, Mich.	Patten
Combs	Holifield	Patterson
Cooper	Holmes	Peterson
Corbett	Hope	Philbin
Cotton	Horan	Phillips, Calif.
Coudert	Howell	Phillips, Tenn.
Cox	Huber	Poage
Crawford	Jackson, Calif.	Polk
Crook	Jackson, Wash.	Potter
Cunningham	Jacobs	Poulson
Dague	James	Powell
Davenport	Javits	Preston
Davies, N. Y.	Jenison	Price
Davis, Ga.	Jenkins	Priest
Davis, Wis.	Jennings	Rains
Deane	Johnson	Rankin
DeGraffenried	Jones, Ala.	Redden
Delaney	Jones, Mo.	Reed, Ill.
Denton	Jones, N. C.	Reed, N. Y.
D'Ewart	Judd	Rees
	Karst	Regan
		Rhodes

Richards	Stanley	Wadsworth
Riehlman	Steed	Walter
Rivers	Stefan	Weichel
Rodino	Stigler	Welch, Mo.
Rogers, Mass.	Stockman	Werdel
Sadlak	Sullivan	Wheeler
St. George	Sutton	White, Calif.
Sanborn	Taber	Whitten
Sasscer	Tackett	Whittington
Scott, Hardie	Talle	Wickersham
Scrivner	Tauriello	Wier
Scudder	Teague	Wigglesworth
Shafer	Thomas, Tex.	Williams
Sheppard	Thompson	Willis
Short	Thornberry	Wilson, Okla.
Sikes	Tollefson	Winstead
Simpson, Ill.	Towe	Withrow
Sims	Trimble	Wolcott
Smathers	Van Zandt	Wolverton
Smith, Kans.	Velde	Woodruff
Staggers	Vursell	Zablocki

NAYS—49

Addonizio	Kean	Perkins
Brooks	Kelley	Quinn
Buchanan	Keogh	Rabaut
Buckley, Ill.	Linehan	Ramsay
Cannon	McGrath	Ribicoff
Carnahan	McKinnon	Sabath
Chesney	McSweeney	Spence
Christopher	Madden	Vorys
Dawson	Marcantonio	Wagner
Doyle	Marshall	Walsh
Eberharter	Miller, Nebr.	Welch, Calif.
Gordon	Morgan	White, Idaho
Granger	O'Brien, Ill.	Worley
Green	O'Brien, Mich.	Yates
Hart	O'Hara, Ill.	Young
Heffernan	O'Sullivan	
Karsten	O'Toole	

NOT VOTING—64

Arends	Hull	Pickett
Bonner	Irving	Plumley
Boykin	Jensen	Rich
Buckley, N. Y.	Jonas	Rogers, Fla.
Canfield	Kee	Rooney
Case, S. Dak.	King	Sadowski
Chatham	Lichtenwalter	Scott,
Clevenger	Lucas	Hugh D., Jr.
Cooley	McCormack	Secrest
Crosser	Macy	Simpson, Pa.
Curtis	Mahon	Smith, Ohio
Davis, Tenn.	Meyer	Smith, Va.
Dingell	Morrison	Smith, Wis.
Dolliver	Moulder	Taylor
Doughton	Murdock	Thomas, N. J.
Durham	Murphy	Underwood
Feighan	Norton	Vinson
Gilmer	Pace	Whitaker
Gregory	Patman	Wilson, Ind.
Gwinn	Pfeifer,	Wilson, Tex.
Hall,	Joseph L.	Wood
Edwin Arthur	Pfeiffer,	Woodhouse
Herlong	William L.	

So (two-thirds having voted in favor thereof) the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

General pairs until further notice:

Mrs. Woodhouse with Mr. Arends.
Mr. Morrison with Mr. Canfield.
Mr. Irving with Mr. Dolliver.
Mr. Gregory with Mr. Lichtenwalter.
Mr. Gilmer with Mr. Macy.
Mr. Pickett with Mr. William L. Pfeiffer.
Mr. Chatham with Mr. Rich.
Mr. Bonner with Mr. Simpson of Pennsylvania.
Mr. Feighan with Mr. Taylor.
Mr. Moulder with Mr. Clevenger.
Mr. Murphy with Mr. Hugh D. Scott, Jr.
Mr. Whitaker with Mr. Plumley.
Mr. Vinson with Mr. Smith of Ohio.
Mr. Wood with Mr. Smith of Wisconsin.
Mr. King with Mr. Gwinn.
Mr. Underwood with Mr. Edwin Arthur Hall.

The result of the vote was announced as above recorded.

CHANGE OF CONFEREES ON GOVERNMENT REORGANIZATION BILL

The SPEAKER laid before the House the following communication, which was read by the Clerk:

MAY 18, 1949.

Mr. SPEAKER: On account of previous engagements over the week end I will not be in Washington and I have asked of my chairman, Mr. DAWSON, that another be selected in my place as conferee on the reorganization bill, H. R. 2361.

Thanks for your consideration.

I am,

Respectfully,

ROBERT F. RICH.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from South Dakota [Mr. LOVRE] as a substitute conferee; and the Clerk will notify the Senate of the change.

COMMITTEE ON EDUCATION AND LABOR

Mr. POWELL. Mr. Speaker, I ask unanimous consent that the Subcommittee of the Committee on Education and Labor considering the bill H. R. 4453 may sit during general debate during sessions of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. WOODRUFF asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an address by Mr. Clark L. Brody, executive secretary of the Michigan Farm Bureau.

Mr. BURDICK asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement in regard to payments to retired Army men.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include two letters.

Mr. McKINNON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article appearing in the newspaper.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of shortage of doctors in the Department of National Defense.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an article from the Chicago Daily News on conditions in the country, and in the other a speech delivered by the Honorable James Farley to the Boys' Club in Chicago.

JOINT COMMITTEE ON LOBBYING ACTIVITIES

Mr. SABATH, from the Committee on Rules, reported a privileged resolution (H. Con. Res. 62, Rept. No. 612), which was referred to the House Calendar and ordered to be printed.

Mr. SABATH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 62.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint congressional committee to be known as the Joint Committee on Lobbying Activities (hereinafter referred to as the committee), which shall be composed of seven Members of the Senate to be appointed by the President of the Senate and seven Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

SEC. 2. A vacancy in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original appointment. The members of the committee shall select a chairman from among their number. The members of the committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session.

SEC. 3. It shall be the duty of the committee—

(1) to make a full and complete investigation of all lobbying activities intended to influence, encourage, promote, or retard legislation;

(2) to make a full and complete investigation of all activities of agencies of the Federal Government intended to influence, encourage, promote, or retard legislation;

(3) to report from time to time to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of the House if the House is not in session) the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 4. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, documents, and tangible things, to administer such oaths, to take such testimony, to procure such binding and printing, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee and shall be served by any person designated by him. The cost of stenographic services in reporting such hearings as the committee may hold shall not be in excess of 25 cents per hundred words.

SEC. 5. The committee is authorized to appoint and fix the compensation of such experts and such clerical, stenographic, and other assistants as it deems advisable.

SEC. 6. The expenses of the committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

Mr. SABATH. Mr. Speaker, after I conclude I will yield 30 minutes to my colleague the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, I do not know whether the Members heard the reading of this resolution, so consequently I will make a short explanation of what it intends to do. The resolution intends to appoint a joint committee of the House and the Senate, seven Members from each body, four Democrats and three Republicans from the House, and the same from the Senate, for the purpose of investigating the lobbyists that have infested this Capitol for these many years, especially the last few years. This resolution has been broadened by the Committee on Rules so that it will also embrace activities of the agencies of the Federal Government. It provides for making a full and complete investigation of all lobbying activities intended to influence, encourage, promote, or retard legislation, also to make a full and complete investigation of all activities of agencies of the Federal Government intended to influence, encourage, promote, or retard legislation.

From time to time we have heard from many of these gentlemen, some of whom draw as much as $150,000 a year, lobbying and trying to urge and retard various legislation for which they have been hired by corporations or groups. However, many times these lobbyists have succeeded in securing employment from various manufacturers and businessmen under the pretense that they can influence and sway the Members of Congress. In many instances these lobbyists obtain their money by fraud and misrepresentation, because I know of many of them, and I know they cannot deliver anybody, and further, I doubt very much that they can influence the membership. However, they are here annoying and harassing the Members from day to day. I feel that we should know just exactly what legislation should be enacted to put a stop to this infamous practice that has prevailed now for many years.

I remember years ago when the country was very excited over the legislation intended to affect the activities of the holding companies and power combines, as evidenced by the report that they spent over $2,000,000 under the leadership of Hopson in an endeavor to kill that legislation, which they designated as a death sentence to the power and utility companies. As many of you older Members recall, this legislation was eventually enacted and the power companies are still very much alive notwithstanding the fact that this law is on the statute books today.

I know that in the last few years many more millions have been spent on the part of many corporations and businesses who are endeavoring to enact legislation in their favor and stop legislation which they are opposed to. Many of you older members remember that I have attacked these professional lobbyists for years. I introduced a bill 4 years ago, the provisions of which are embodied in the present Legislative Reorganization Act but which unfortunately, is not clear enough and does not not go far enough, for the abuses still continue. This committee will recommend "teeth" that can properly be enacted into law thereby eliminating these abuses.

I am indeed gratified and it gives me sincere pleasure to support the resolution that has been introduced by the distinguished gentleman from Pennsylvania [Mr. BUCHANAN], a man of great ability and a person with an exceptionally fair mind. If appointed chairman of this committee to investigate lobby activities, as I believe he will, I am certain that he will make a thorough and honest investigation without any unjustified smearing of anyone, for I am confident that such an investigation will give us an opportunity and basis for proceeding further on corrective legislation designed to eliminate permanently these infamous lobbying practices. I intended to mention the names of some of these lobbyists but I will forego mentioning their names because I feel that after the committee has been appointed and makes its investigation, light will be shed on some of those things in this regard, which came to my attention during the last few years.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I take this minute to inquire of the majority leader what the program will be for the rest of the week and for next week, insofar as he is able to state it.

Mr. McCORMACK. I am unable to state now the program for next week, but shall do so tomorrow.

The pending concurrent resolution is the last business for today.

Tomorrow there will be the joint session at which the President of Brazil will be the guest of the Congress. Following that will come the consideration of the Army pay-increase bill. If that bill is disposed of tomorrow, which I hope it will be, I expect to ask unanimous consent that the House adjourn over until Monday.

Mr MICHENER. I thank the gentleman.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 10 minutes, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois, the chairman of the Committee on Rules, has told you, House Concurrent Resolution 62, introduced by the gentleman from Pennsylvania [Mr. BUCHANAN], provides for the creation of a Joint Committee on Lobbying Activities, to consist of 14 Members, 7 from the House and 7 from the Senate. It is my understanding that there will be 4 Members from the majority party and 3 from the minority party named from each branch of the Congress.

The duties of the committee are set forth under three particular paragraphs or provisions of the resolution.

First, it shall be the duty of the committee to make a full and complete investigation of all lobbying activities, intended to influence, encourage, promote, or retard legislation.

Second, and this particular provision, I might add, was written into the resolution by action of the Committee on Rules, which had original jurisdiction over this resolution, to make a full and complete investigation of all activities of agencies of the Federal Government intended to influence, encourage, promote, or retard legislation.

Third, the final duty and responsibility of this committee, if it is created, is to report from time to time to the Senate and to the House the results of its studies and investigations, together with such recommendations as it deems advisable.

Mr. Speaker, I recall that in the Seventy-ninth Congress the gentleman from Illinois, the chairman of the Committee on Rules [Mr. SABATH], introduced a resolution to investigate lobbying activities at that time. I supported that measure, but for some reason or other it was never acted upon by the Committee on Rules, and consequently no investigation was ever conducted.

I do not believe any fair-minded person in the Congress or out of the Congress can object to the proper kind of investigation of lobbying activities. We realize fully that in the minds of the public there is often some thing rather reprehensible connected with the words "lobby," or "lobbyist," or "lobbying." Yet, there are many good lobbyists. Under the rather complex economic system and governmental structure which we have created, perhaps it has become a necessity for different groups and organizations to have some representative spend a great deal of time keeping tab on the activities of the legislative branch of the Government. Since we passed the new Lobbying Act, there has been many questions raised as to just who, just what individuals and what organizations, are covered by that law, and who must register as lobbyists under the act. There are many individuals in and out of Washington who, of necessity, for their own protection, or for that of the business or industry in which they are engaged, must keep in rather close contact with the Congress and know exactly what is going on in a legislative way at the Capitol. Today any action taken by the Congress may vitally affect some business or industry or individual, as well as business or individual investments and incomes, and all of the varied activities of the business and industrial world. I want to express the hope that this committee, if authorized, will not engage in a witch hunt, or

act for the purpose of embarrassing any individual or any representative group in America that has a legitimate right to keep in contact with the activities of Congress and to present the views of themselves individually, or of the organizations they represent to the various Members of Congress, so long as their activities are conducted in the proper manner. Certainly I would not support legislation, such as this, if I thought for one moment that the committee created by this resolution was for the purpose of smearing anyone, or scaring anyone, or saying to an individual businessman or to any business concern: "You had better not go down to Washington, or write a letter to your Congressman, or see him at his home about anything that Congress may have before it which will affect your welfare, or you are liable to get in trouble. Neither do I want any American to be made to feel he is liable to have a committee down here in Congress yank him before it and smear him all over the lot because he may have the temerity to tell his Representative in the Congress of the United States what he thinks about pending legislation.

Mr. Speaker, I hope that such a policy is not to be followed. I might add that we were given assurances in the Committee on Rules by the gentleman from Pennsylvania [Mr. BUCHANAN], the author of the legislation, that such is not his intent or purpose. Originally the gentleman from Pennsylvania [Mr. BUCHANAN] had introduced a House resolution to establish a special House committee to carry on this investigation. Later there was a similar resolution introduced in the Senate for the naming of a Senate committee for the same purpose. This concurrent resolution is before us providing that a joint committee be created so that both bodies will be represented as a better method of procedure than having two separate committees looking into the same situation.

I mentioned a moment ago that the Committee on Rules, acting or sitting as a legislative committee, had adopted an amendment offered by the gentleman from New York [Mr. WADSWORTH] to add a section to this resolution to authorize and require the joint committee, if it is created, to make a full and complete investigation of all activities of the various agencies of the Federal Government intended to influence, encourage, promote, or retard legislation. That amendment was adopted for a very, very pertinent reason. There are all sorts of lobbyists, when it comes right down to real lobbying activities, as you well know. I am rather convinced that the greatest lobbying I have ever seen, and the most influence I have ever felt in connection with legislation, since I have been a Member of Congress, has been by and from some of the bureaucratic agencies of our Federal Government. I say to you, we have no business attempting to put a halter on the activities of the representatives of private individuals, business, or industry in connection with legislation, unless we exert exactly the same restraining influence upon the various agencies of government who are conducting lobbying activities, or conducting pressure campaigns with the people's money, in the attempt to influence the people's representatives in their legislative work in the Halls of Congress.

We have had several examples of that. We certainly had a plain example, as developed by the House Committee on Expenditures, in connection with the activities of some of the agencies of Government interested in putting across a certain public health program, or, should I speak frankly and say, socialized medicine. I personally experienced the pressure a Government agency could exert on a Member of Congress in connection with universal military training legislation before the last Congress.

Recently there has been a great deal of cloak-room gossip as to just how certain aviation contracts, if I might mention one illustration, have been obtained. I am not at all sure that the committee created under this resolution could go into the question of influence used in connection with obtaining such contracts from Government agencies, but that is another form of lobbying—although outside of Congress.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself three additional minutes.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. McCORMACK. I suppose the gentleman also has in mind, although he has not expressed it, but I am sure that must be running through his mind, the reorganization bill as it passed the House and is now in conference. Certainly there has been one bureau or agency of Government that has been very powerful in retarding the passage of the legislation. There are many of us who are friends of that activity who are very much disturbed about the extent to which they have gone. I am referring to the United States Army engineers.

Mr. BROWN of Ohio. Yes. I do have in mind that particular activity, but I also have in mind the activities of a number of the other agencies of Government. Of course, you and I all know there is a law on the statute books which makes it a criminal offense for any agency of Government or for any public official to spend public funds for the purpose of influencing legislative action by the Congress. Yet that law has been violated time after time without any action being taken by our law-enforcement officers against those who have violated it. Yes, I do have those things in mind.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I have been looking at section 3, subparagraph (1), of the resolution, which provides that it shall be the duty of the committee to make a full and complete investigation of all lobbying activities, intended to influence, encourage, promote, or retard legislation. I do not find anywhere in the legislation any definition of the term "lobbying." I take it that would be broader than the activities of registered lobbyists, under the Congressional Reorganization Act. I could well interpret the use of the word there in its generally understood meaning to include not only the efforts of registered lobbyists, in the Government or out of the Government, in any capacity, who are engaging in what is commonly known as lobbying to influence the passage or prevent the passage of legislation.

Mr. BROWN of Ohio. I am glad the gentleman from Indiana has brought up that particular point because I have been very much concerned over that same question. When this resolution was before the Committee on Rules, I suggested that we insert the word "paid" before "lobbying activities," so as to differentiate between those who come here representing themselves or their own private business and those persons who are receiving compensation for their activities as hired representatives of some organization attempting to influence legislation. I think that perhaps if that amendment were added to this legislation in conjunction with section 2 it would probably cover the practices we want to investigate without bothering any individual businessman or citizen who may come to Congress to express his individual opinion concerning his own efforts or industry.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I am glad to hear the gentleman make the statement that he has just made because, speaking only for myself, I certainly would not want to be a party to anything that would undertake to deprive an American citizen, whatever his business, profession, or position, from petitioning the Congress for a redress of grievances or operating in his own interest in such a way as he sees fit in connection with Congress or the individual Members of Congress. In other words, what I am trying to say is that, in my opinion, we would not be doing the committee or the Congress a service if any such investigation as might be contemplated would be calculated to deprive the individual citizen of the right that he ought to have to make his voice heard and his influence felt in affairs of Government, so long as it is properly exercised.

Mr. BROWN of Ohio. I thank the gentleman from Indiana. If the Constitution of the United States still means what I have always believed it to mean, I rather question that any congressional committee can long violate the rights of any individual to petition his Congress; and I doubt that the courts can or will permit any program or investigation to be carried on which will prevent an individual citizen from exercising the constitutional right to petition the Congress. I join with the gentleman in ex-

pressing the hope that this committee will not in any way attempt to invade the rights or privileges of the individual citizen to make known his position on legislative matters to his representatives in the Congress of the United States. After all, we do represent the people here, and they have not only the right, but the duty, to tell us what they think.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. MICHENER. The purpose of the resolution is undoubtedly laudable. It would be very difficult to write language that would satisfy everybody everywhere in every way as we want them safeguarded, but I wish to call the gentleman's attention to the fact that in the final analysis no law is better than its administration. Whether or not this resolution is effective and just, will depend upon the action of the personnel of the committee. I feel sure that the Speaker, who will name the membership from the House side, will take particular interest in this particular resolution and select a committee which will do that which the House wants done.

Mr. BROWN of Ohio. I thank the gentleman from Michigan very much. It, of course, is my belief and my hope, that the personnel of this committee will be of such high character as the gentleman suggests. I am sure the Speaker on this body will name such a committee, and that without question the proper rights and privileges of all citizens will be protected during any investigation made by the committee. I hope, however, that before this debate is concluded, the sponsors of this legislation will give full assurances here on the floor to the House that the rights of all individuals will be properly safeguarded and protected, that there will be no attempt by the committee to in any way frighten, scare, or smear anyone, and that there will be a full and complete investigation of the activities of all Government agencies as well as of certain other organizations which seemingly have not paid any attention to our lobbying laws.

I hope there will be a careful investigation of all such activities, including the use of Government planes and transportation by those public officials who have been running around the country in the last few months busily engaged in building up pressure groups and pressure influence to control the actions of this Congress on several pieces of very important legislation. If that assurance is given, then I think we can all support the resolution.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Illinois.

Mr. SABATH. This is merely giving the power to the committee to make an investigation but not to report legislation.

Mr. BROWN of Ohio. The committee may make recommendations only, and not report legislative bills.

Mr. SABATH. As I stated to the House before, I am positive that the Speaker will appoint only competent men.

Mr. BROWN of Ohio. I have the same confidence in our great Speaker of the House that the gentleman has expressed.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the gentleman from Ohio [Mr. BROWN] need have no fear about any investigation controlled by the Democrats being fair. The Democratic Party is noted for its fairness, for its decency, and when we investigate we do not undertake to smear. We seek the facts.

During the last few years I was a minority member of three investigating committees and I could write a book on what happened. So the gentleman from Ohio need have no fear along those lines. He knows because he served as a member of the Committee on Expenditures during the last 2 years, on which committee I served also, and I think we were together on one other investigating committee. We Democrats always do the right thing.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The right thing in the wrong way.

Mr. McCORMACK. Well, of course, of one thing I am certain. I knew a bill was going through the other day although I was not on the floor. I knew it was going through, though. The gentleman was on the floor and did not know it was going through.

Mr. HOFFMAN of Michigan. That is right.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I just add that I think the Democrats do the right thing if we can get them to agree but it is like the situation today, it is a matter of getting the Democrats to agree on the right thing to do. The Republicans usually agree.

Mr. McCORMACK. I may say to the gentleman that there is harmony on this matter. Of course, there is an amendment in there which means nothing. I refer to the investigation of Government departments, which would come under this resolution anyway. In addition, there is a criminal statute against the use of public funds for propaganda purposes. So my Republican friends may have the consolation of going along with this resolution because someone offered an amendment which was covered by the original resolution anyway. The amendment does not add anything because it is already covered by law.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. Is the gentleman in favor of this resolution or against it?

Mr. McCORMACK. I think I am the motivating influence for bringing it in.

Mr. GROSS. Perhaps this is not needed because, as the gentleman says, we already have criminal law on the subject.

Mr. McCORMACK. No. I referred to the amendment relating to the Federal agencies and departments. I said that was not necessary.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. VORYS. I hope what the gentleman said was facetious, because I am alarmed.

Does the gentleman mean that the section of this resolution referring to an investigation of the agencies of the Federal Government does not mean anything?

Mr. McCORMACK. It does not add anything to the resolution. I will withdraw the word "mean." It does not add anything to the resolution because the original resolution would cover it anyway.

Mr. VORYS. But the gentleman said that since it was covered by a criminal statute, that there would be no investigation in the matter.

Mr. McCORMACK. Oh, no.

Mr. VORYS. It is my hope that there will be an investigation as to whether criminal statutes are being violated by these agencies.

Mr. McCORMACK. I did not say that there would be no investigation.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. MICHENER. My friend is generally so sound in his argument that I am rather concerned about his observation with reference to subsection 1. Subsection 1 would authorize this committee to make a full and complete investigation of all lobbying activities intended to influence, encourage, promote, or retard legislation. Now, the gentleman has indicated that that is just so much window-dressing; that it has no vitality; that it has no force or effect, because there is now a criminal law covering the subject matter. May I call his attention to this, that the criminal law to which he refers, fixes a penalty for a violation of a statute, and the investigating, if any, must be done entirely by the law-enforcing agency of the Government. This provision would set up a congressional investigation; that is, there might be two investigations at the same time—one by the Department of Justice and the other by the Congress.

Mr. McCORMACK. What I said was this, that the original resolution would

cover the specific language put in by the Committee on Rules. I do not think there is any disagreement about what the gentleman from Michigan said and what I heretofore said in that respect. I agree with the gentleman from Indiana that a joint committee is highly advisable. It is only right and proper that it should be a joint investigating committee. I know that there will be no smearing. This will be as serious an investigation as possible. I know that the Speaker will appoint, and the minority leader will recommend to him on the Republican side, outstanding Members. This is a very important matter, not only concerning whether there are any amendments to existing lobbying statutes necessary, but whether there is any improper lobbying going on. Lobbying, in itself, is all right; there is nothing wrong with that if it is done legitimately.

Furthermore, it must be clearly kept in mind that there is a distinction between lobbying and the right of petition. The right of petition is one of the four cornerstones of personal liberty. I do not think any of our businessmen or labor men should be denied the right of petition. My friend from Ohio talked about small business; I also include labor, small business, the farmers, and everyone else. They are not violating any law by writing us or seeing us or contacting us in any way, and certainly none of them need be scared. One thing is certain. According to the records there have been about $40,000,000 paid in for some activities of this kind, and only $9,000,000 per year have gone for salaries. It might be interesting to know where the other money went.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, I intended to take 2 minutes on this subject, but the majority leader has expressed my views exactly, so I will yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, no one can deny the need to do the job this resolution provides be done here in Congress. I compliment my colleague, a distinguished fellow member of the Committee on Banking and Currency, the gentleman from Pennsylvania [Mr. BUCHANAN] on his interest in this matter.

I rise merely to express the deep regret that, as we undertake this important assignment on lobbying activities, we do not follow better organizational procedures and insist that the regular standing committee of the House having jurisdiction over lobbying activities, which is the Committee on the Judiciary, take that up as a part of its regular work, even operating as a joint committee with the Senate Committee on the Judiciary.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. Does the gentleman know that 43 percent of all the bills introduced in this House this year have been referred to the Committee on the Judiciary and that we have our hands full?

Mr. MONRONEY. I am very familiar with the work load the Committee on the Judiciary has. However, much of that is a private-bill load, which I believe they should divest themselves of by passing general legislation.

Mr. GRAHAM. Nevertheless, the gentlemen on the Reorganization Committee put that work on us.

Mr. MONRONEY. Indeed they did. They thought you would get rid of much of your work load of private immigration bills and private claims bills. Two or three things were missed in that Reorganization Act. We do think that if you would divest yourselves of much of that load of private bills, you would have more time for the general legislation.

Evidently the House is not going to try to follow this line of organization. I think it is unfortunate because when this committee does report its findings and recommends proposed changes in the Lobbying Act, it should have the powers of the standing committee to take that legislation right on through.

I again compliment my distinguished friend from Pennsylvania. The original resolution provided for such an investigation by the House Judiciary Committee. It is obvious the Judiciary Committee is too overloaded at this time to take up this added work. But I cannot help but express regret that we are not sticking closer to organizational lines, because the setting up of every single special committee, whether it be a special committee of the House or a joint committee of the House and Senate, tends to destroy and tear down the jurisdictional lines of the regular standing committees of the Congress.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentlewoman from Utah [Mrs. BOSONE].

Mrs. BOSONE. Mr. Speaker, I heard of this concurrent resolution for the first time this afternoon. I am sorry I cannot support this type of legislation. I am shocked at this measure. I have heard of bootleg whisky, and I have heard of bootleg cigarettes, and now, if this resolution is adopted, I am sure I am going to hear of bootleg lobbyists.

I wonder how we are going to touch the lobbyist who gets himself elected to a legislative body. What are we going to do with that one? The most vicious of all lobbyists is the selfish person who represents certain selfish interests and then gets himself or herself elected. That occurs not only in one legislative body but you and I know, since most of us have had experience in State legislatures, that it happens there, and maybe in the Congress of the United States.

If we pass this bill and vote "yes," we are casting aspersions upon our own intelligence, our own understanding, and our own integrity and courage, so I could not vote "yes" on this type of bill. If you and I, who have reached the national level of being Members of Congress, cannot withstand the individual lobbyists and the group lobbyists and the pressure lobbyists, we should not be here. So I shall vote "no" if that opportunity comes.

Mr. BROWN of Ohio. Mr. Speaker, I yield the remaining time on this side to the gentleman from New York [Mr. WADSWORTH] and ask if the gentleman would yield to me for a moment.

Mr. WADSWORTH. I yield.

Mr. BROWN of Ohio. I would like to ask the gentleman, in view of the statement made by our distinguished friend, the majority leader, if it is not a fact that in the consideration of this legislation by the Committee on Rules, the sponsor of the legislation agreed that there was some question as to whether the measure, as originally drawn, would permit the proper study and investigation of the activities of the various agencies of the Federal Government in influencing legislation and that for that reason in order to make certain that the investigation could cover all attempts to influence legislation, the Committee on Rules, by unanimous vote, saw fit to adopt the amendment which added paragraph 2 to section 3 on page 2. Is that correct?

Mr. WADSWORTH. In reply to the gentleman from Ohio, I will say that that is my impression, to the best of my recollection of the discussions which took place in the Committee on Rules.

Mr. Speaker, I may seem somewhat unconventional as I proceed for a few moments, in that I shall not mention the name Republican or Democrat. This is a very, very difficult problem. The Congress embarked upon this legislative experiment 2 or 3 years ago with the best of intention. The best information that comes to us is that there is an element of uncertainty in the minds of thousands of people as to just what the present law means and how far it extends. Many persons in reading the law say "Well, it looks as if I will have to register." Other people, perfectly honest, reading the law, reach the conclusion that they do not have to register. I think this has never been construed with the degree of certainty that would be desirable. It is pretty hard to say just when a man is a typical lobbyist and when he is not. My conception of the meaning of the word "lobbyist" is that he is a person who is paid professionally to represent an interest. The interest in itself may be entirely legitimate. Yet, on the other hand, you may find a concern situated 500 miles from Washington that may say to its vice president or to its head, "We want you to go to Washington to talk to our Members of Congress and to our Senators and with others whom you may know, about certain legislation, and we will pay your expenses for going to Washington." Is he a professional lobbyist?

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman for just a moment.

Mr. VORYS. The word "lobbying" is defined in the existing law. Would this

resolution not be defining it in terms of that definition?

Mr. WADSWORTH. Probably not.

Mr. VORYS. Has the Committee on Rules looked into that?

Mr. WADSWORTH. The Committee on Rules did its best to do justice to the problem. I cannot say to the gentleman from Ohio that the Committee on Rules knows all there is to know about it.

Just a moment ago I was giving my own impression of the public's impression of what a lobbyist is. There is a twilight zone and many people find themselves caught in it. There may be some evasion, and probably there is some evasion of the present law, or at least the spirit of the present law, which should be halted. On the other hand, there may be some other people who should not be under the provisions of this act, and who, leaning over backwards—if I may use that expression—would rather be regarded as coming under the provisions of the act than be under suspicion.

The gentleman from Massachusetts has said something about that paragraph which has to do with the investigation of the activities of governmental agencies. I have been in and out of Congress since 1915. I have seen, as you have all seen, the steady growth of the influence of what I may term the bureaucracy. It is inevitable as the Federal Government has assumed a new function, and it assumes three or four new functions in every session of Congress, that naturally those functions have to be administered by another agency created or already a part of the executive establishment. Their number has vastly increased. Their contracts with individual citizens all over the country have become more and more intimate. Obviously, they have become more and more influential with respect to legislation.

Reference has been made to the provision in the criminal statute which forbids the expenditure of Federal funds by any agent of the Federal Government for the purpose of influencing legislation. True, that law is on the statute books. Unfortunately, it has not been enforced in certain instances of which I have personal information. The committee to which reference has already been made, perhaps accidentally, stumbled upon some instances in which the traveling expenses and per diem allowances of Federal employees were paid out of the Federal Treasury for organizing meetings of citizens, scattered over the country, coaching speakers who were to address those meetings, supplying them with the material to be used in their speeches, and then arranging that a resolution should be passed in the public meeting petitioning the Congress to pass legislation for which the Federal agents were propagandizing. That is an absolute violation of the law. They were being paid by the Federal Government while doing that work.

The committee reported these violations to the Attorney General of the United States, with all the evidence in black and white, uncontrovertible; and no action was taken whatsoever. It may be that the Attorney General thought the exposure of those incidents would stop their repetition, and in two departments of Government the exposure did stop repetition of that practice. One was in the War Department. In that case Secretary Royall was most square and fair about the whole thing. My impression was that he did not know what some of his subordinates were doing in the expenditure of Federal money. In any event, he ordered it stopped, and it was stopped immediately.

Perhaps the same result was achieved in the Federal Security Administration with respect to lobbying for socialized medicine, which was being paid for by the Federal Government, and carried on by Federal employees professionally.

In our discussions before the Rules Committee, the author of the resolution, in the best of good faith, gave us the impression that the objective of this resolution was to investigate the workings of the lobbying law of 1947, a part of the Congressional Reorganization Act, and the activities of this committee would be confined to a search-out in that field alone. When reminded that there were other lobbyists, and the most powerful of all of them was the bureaucrat, no objection was made to having the thing made perfectly clear.

I do not envy the job that this committee is going to do. It is going to be a very, very difficult one to actually draw the line of demarcation through that twilight zone which I mentioned a few moments ago, and which will define what we mean in the law, and which will be certain to eliminate from its provisions citizens of the United States who, under the Constitution of the United States, are entitled to petition their Congressmen and the Congress as a whole.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CASE of South Dakota. It occurred to me that the instance which the gentleman has cited, where actual violations of law were going on, might be corrected if they were currently going on and were reported to the Comptroller General. As I conceive the responsibility of a man like Lindsay Warren, and the feeling he has about the law, he would put a stop to the payment of salaries or expenses used for illegal purposes if he knew about it in time to do it.

Mr. WADSWORTH. That may be true, but the Comptroller General is not a law-enforcement officer. He cannot bring suit against a violator. He might find ways of withholding his pay, but in the cases I have cited the pay has already gone out.

Mr. CASE of South Dakota. I understand that; that is why I was wondering. Subparagraph 2, section 3, makes it the duty of this committee to report from time to time to the Senate and to the House of Representatives the results of this study and investigation. The General Accounting Office, of course, is the agency of the Congress.

Mr. WADSWORTH. I assume that the committee, should it desire to do so, could call the attention of the Comptroller General to any irregularity it had unearthed.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, I wish to thank the chairman of the Committee on Rules and the members of the committee for their very deliberate discussion of this resolution and for reporting this measure at this time. As has been stated here, the intent and purpose of a committee of this character would be entirely objective in nature; and, as the gentleman from New York has stated, it is no easy task. I am certain that the Speaker of the House and the President of the Senate, should the Senate also see fit to adopt this measure, will appoint men of high character, men who would approach the subject dispassionately, men who want to seek out and bring about a reasonable solution to a problem that has caused a lot of doubt and confusion.

Many public-relations firms engaged in legitimate educational activities have asked their legal counsel for opinions as to whether or not they could be compelled to register under the terms of the Lobbying Act of 1946, as to whether or not their activities were to be included; and in many cases they were advised not to. Referring then to the Department of Justice for an interpretation and opinion relative to the same activities the Department has advised them that they were included and that they had better comply with the law; and they have done so.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. BROWN of Ohio. I wonder whether it has been the experience of the gentleman from Pennsylvania, as it has been mine and that of almost every other Member of this Congress, I am sure, that constituents have contacted us to inquire as to their rights under this law and as to whether or not they would have to register if they came here as a member, perhaps, of an association when other members of the same association were coming to tell their own Members of Congress what effect certain legislation would have on their business. Has the gentleman had that experience?

Mr. BUCHANAN. I have; and I am sure every Member of Congress has had the same type of queries from various business groups.

Mr. Speaker, at the behest of many who have approached me on the subject I first introduced a House resolution; and then, as has been stated by a member of the Committee on the Judiciary, their work load was such that it would be rather difficult for that committee to take on a problem as great in scope as this problem really is.

There is no doubt there is a shadow area or twilight zone. If we can reduce the doubt and confusion to some degree, and clarify and amplify, and augment

the law from basis of the past 3 years of experience we have had under the Lobbying Act of 1946, I am certain that the over-all objectiveness of this committee will be of great worth to the Members of the House.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. VORYS. I wish to ask the gentleman whether he feels that this committee should be limited solely to an investigation of lobbying as defined in the Lobbying Act, or whether he feels that it was broader and would cover the popular and dictionary definition so that the gentleman's committee would make a study of the activities intended to encourage or retard legislation on the basis of such activities with which the Congress should be familiar, and as to whether more legislation is needed in addition to merely clarifying the present lobbying law.

Mr. BUCHANAN. I may say in answer to the gentleman from Ohio that the present terminology of the Registration of Lobbying Activities Act passed in 1946 by the Seventy-ninth Congress, Public Law 601, does define to a degree, but as has been stated, there is still doubt and confusion as to how far that would go. We have had 3 years of experience under that act and I believe that the committee so chosen may recommend to the proper committee of the House for augmentation and simplification, if that is at all possible, and clarification of the terminology that now exists. It is with that thought and purpose in mind that such an investigation of this nature has been requested and I assure the Members that if I become a member of this committee all business groups, labor groups, consumer groups, or any other special-interest groups, as well as any Federal agencies, will be treated with due respect.

It is certainly not my intent that this committee would indulge in any "muckraking" campaign.

Mr. SABATH. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, all of you who have heard the gentleman from Pennsylvania and all of you who have served with him during the years he has been a Member of Congress I am sure recognize the fact that he is a fair-minded, sincere gentleman, and that if he becomes chairman of this committee, as I believe he will, there will be a fair investigation, as I said before.

This committee has no power to legislate. It has only the power to investigate, and report thereon.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman will agree the committee also has the power to recommend legislation?

Mr. SABATH. Yes, it will have the power to recommend.

Mr. BROWN of Ohio. Then the proper legislative committee having jurisdiction will take control of any recommendation that is made?

Mr. SABATH. That is correct.

Mr. Speaker, I am of the opinion that this legislation is needed. Originally the resolution did not include the second paragraph that states: "to make full and complete investigation of all activities of agencies of the Federal Government intended to influence," but I agreed to that amendment because I believe that two wrongs do not make a right. All lobbying on the part of Government departments or individuals which tends to influence the action of this House should be investigated and stopped. By this I do not mean to infer that private individuals or businessmen should be deprived of their right to petition Congress or appeal and espouse their viewpoints and recommendations on various legislation. At the same time, I feel that this committee will clarify the doubt expressed by the definition and meaning of the term "lobby" or "lobbyist" to the end that the committee will, in its report, adequately define the term "lobby" and "lobbyist" so that there can be no misunderstanding thereon. I personally believe the term should apply to all individuals or groups of individuals who are paid or hired to stop or promote legislation by way of influencing Congressmen. In fact, the definition should be broadened to include lobbyists connected with the various agencies and departments of the Federal Government.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It should be clearly stated—and I would like to get the gentleman's reaction—for the RECORD that by the insertion of that language it is not intended and it does not in any way take away jurisdiction from the Committee on Expenditures in Executive Departments. Is that correct?

Mr. SABATH. I am satisfied the gentleman is correct, as usual.

Mr. McCORMACK. It is within the jurisdiction of that committee, of which my very valued friend the gentleman from Michigan [Mr. HOFFMAN] was chairman the last 2 years. It certainly carried on any number of investigations of departments and agencies. I was a member of several subcommittees and they kept me busy all the time. It is distinctly understood that that language in no way is intended to take away any of the jurisdiction of the Committee on Expenditures; is that right?

Mr. SABATH. The gentleman is right as always.

Mr. BROWN of Ohio. Mr. Speaker, it has been called to my attention that in line 25, page 2, and in line 5 on page 3, the words "subpena" and "subpenas" are misspelled. I ask unanimous consent that the Clerk be instructed to correct the spelling of those words.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill S. 900.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. BEALL asked and was given permission to extend his remarks in the RECORD.

Mr. BREHM asked and was given permission to extend his remarks in the RECORD.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 17, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 2632. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; and

H. R. 3762. An act to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Thursday, May 19, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

627. Under clause 2 of rule XXIV, a letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to authorize certain construction at military and naval installations, and for other purposes," was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENTON: Committee on the Judiciary. S. 30. An act to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service; without amendment (Rept. No. 610). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. H. Con. Res. 62. Concurrent resolution creating a Joint Committee on Lobbying Activities; without amendment (Rept. No. 612). Referred to the House Calendar.

Mr. BROOKS: Committee on Armed Services. S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes; without amendment (Rept. No. 618). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes; without amendment (Rept. No. 619). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. S. 1270. An act to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes; with an amendment (Rept. No. 620). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAVENNER: Committee on Armed Services. H. R. 263. A bill to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.; without amendment (Rept. No. 621). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 2418. A bill to authorize restocking, propagation, and conservation of game in the Elkin Field Reservation; with an amendment (Rept. No. 622). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 3155. A bill to amend Public Law 885, Eightieth Congress, chapter 813, second session; with an amendment (Rept. No. 623). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 4007. A bill to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947; with an amendment (Rept. No. 624). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 4384. A bill to provide for the appointment of female doctors and specialists in the Medical Department of the Army, and for other purposes; with an amendment (Rept. No. 625). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades; with an amendment (Rept. No. 626). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. First intermediate report of the Committee on Expenditures in the Executive Departments; without amendment (Rept. No. 627).

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 1499. A bill for the relief of John K. Jackson; without amendment (Rept. No. 594). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 41. An act for the relief of the city of Reno, Nev.; without amendment (Rept. No. 595). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 42. An act for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson; without amendment (Rept. No. 596). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 146. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others; without amendment (Rept. No. 597). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 147. An act for the relief of H. Lawrence Hull; without amendment (Rept. No. 598). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 165. An act for the relief of William F. Thomas; without amendment (Rept. No. 599). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken; without amendment (Rept. No. 600). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 191. An act for the relief of Louis J. Waline; without amendment (Rept. No. 601). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 408. An act for the relief of the estate of William E. O'Brien; without amendment (Rept. No. 602), Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 782. An act for the relief of William S. Meany; without amendment (Rept. No. 603). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 948. An act for the relief of Mickey Baine; without amendment (Rept. No. 604). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4094. A bill for the relief of Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp.; without amendment (Rept. No. 605). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 559. A bill for the relief of the city of Needles, Calif.; with an amendment (Rept. No. 606). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 605. A bill for the relief of the estate of James B. Stirling, deceased; without amendment (Rept. No. 607). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 701. A bill for the relief of Dolan Calcutt; without amendment (Rept. No. 608). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1132. A bill for the relief of Mabel H. Slocum; without amendment (Rept. No. 609). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton; without amendment (Rept. No. 613). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott; without amendment (Rept. No. 614). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett; without amendment (Rept. No. 615). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson; without amendment (Rept. No. 616). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson; without amendment (Rept. No. 617). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 4749. A bill to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health; to the Committee on the District of Columbia.

By Mr. BARING:

H. R. 4750. A bill to provide for the location of mining claims by geological and geophysical prospecting methods, and for other purposes; to the Committee on Public Lands.

By Mr. BARTLETT:

H. R. 4751. A bill to repeal the tax on transportation of persons; to the Committee on Ways and Means.

By Mr. CASE of South Dakota:

H. R. 4752. A bill providing for the disposition of 50 percent of the grazing receipts from certain public lands, and for other purposes; to the Committee on Agriculture.

By Mr. COOLEY:

H. R. 4753. A bill to amend the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948; to the Committee on Agriculture.

By Mr. HOLIFIELD:

H. R. 4754. A bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. MILES:

H. R. 4755. A bill to authorize the appointment of an Advisory Committee on Indian Affairs; to the Committee on Public Lands.

By Mr. MORRIS:

H. R. 4756. A bill to set aside certain lands in Oklahoma formerly a part of the Cheyenne-Arapaho Reservation and known as the Fort Reno Military Reservation for the Cheyenne-Arapaho Tribes of Indians of Oklahoma; to the Committee on Public Lands.

By Mr. MORRISON:

H. R. 4757. A bill to reclassify postmasters, assistant postmasters, and other positions in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. O'NEILL:

H. R. 4758. A bill to provide for a branch post-office building in Scranton, Pa.; to the Committee on Public Works.

H. R. 4759. A bill to provide for the construction of an addition to the main post-office building in Scranton, Pa.; to the Committee on Public Works.

By Mr. PATMAN:

H. R. 4760. A bill to provide that small business shall receive a fair share of Government procurements; to the Committee on Expenditures in the Executive Departments.

By Mr. PATTEN:

H. R. 4761. A bill to provide a more satisfactory program of benefits relating to active service in the armed forces of the Commonwealth of the Philippines during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. POULSON:

H. R. 4762. A bill to amend title 25, section 247, of the Code of Laws of the United States of America, to empower the courts to remit or mitigate forfeitures; to the Committee on Public Lands.

H. R. 4763. A bill to amend Public Law 725, Seventy-ninth Congress, section 624; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H. R. 4764. A bill to provide that standard time shall be the measure of time for all purposes and to authorize Congress to establish daylight-saving time for any year by concurrent resolution; to the Committee on Interstate and Foreign Commerce.

By Mr. SUTTON:

H. R. 4765. A bill relating to full-time institutional trade and industrial training for veterans; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 4766. A bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

H. R. 4767. A bill to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 4768. A bill to clarify and formulate a consistent and coordinated national policy with respect to transportation costs in interstate commerce, to strengthen the antitrust laws of the United States and to provide for their more effective enforcement, and to promote competition by permitting sellers to have access to distant markets; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 4769. A bill to extend the benefits of section 5 of the War Claims Act of 1948 to certain citizens of Guam captured at Wake Island; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL:

H. R. 4770. A bill creating a Commission on Federal Reimbursement to States and Local Governments by reason of Federal ownership of improved and unimproved real property; to the Committee on Public Lands.

H. R. 4771. A bill to amend section 1 of the act entitled "An act to amend section 624 of the Public Health Service Act so as to provide a minimum allotment of $100,000 to each State for the construction of hospitals" (Pub. Law 830, 80th Cong.); to the Committee on Interstate and Foreign Commerce.

By Mr. RHODES:

H. R. 4772. A bill to provide a 40-hour week for rural carriers, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 4773. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. BREEN:

H. R. 4774. A bill to authorize the interment of Chaplain and Mrs. William R. Hughes in the Veterans' Administration cemetery at Dayton, Ohio; to the Committee on Veterans' Affairs.

By Mr. BRYSON:

H. J. Res. 245. Joint resolution authorizing the President to issue a proclamation establishing National Temperance Day; to the Committee on the Judiciary.

By Mr. ADDONIZIO:

H. J. Res. 246. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mrs. BOLTON of Ohio:

H. J. Res. 247. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. J. Res. 248. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. CHUDOFF:

H. J. Res. 249. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. DOLLINGER:

H. J. Res. 250. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. HELLER:

H. J. Res. 251. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. JAVITS:

H. J. Res. 252. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. KEATING:

H. J. Res. 253. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. KLEIN:

H. J. Res. 254. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. LODGE:

H. J. Res. 255. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. MITCHELL:

H. J. Res. 256. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. J. Res. 257. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. O'HARA of Illinois:

H. J. Res. 258. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. TAURIELLO:

H. J. Res. 259. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 4775. A bill for the relief of Harold L. Corzett, commander, United States Naval Reserve; to the Committee on the Judiciary.

H. R. 4776. A bill for the relief of Satirios Christos Roumanis; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 4777. A bill for the relief of J. D. Lecky; to the Committee on the Judiciary.

By Mr. HORAN:

H. R. 4778. A bill for the relief of Mrs. Sylvia Simonson; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 4779. A bill for the relief of Mrs. Beulah Hart; to the Committee on the Judiciary.

H. R. 4780. A bill for the relief of Edgar A. Taylor, Jr.; to the Committee on the Judiciary.

By Mr. SULLIVAN:

H. R. 4781. A bill for the relief of Veronica Jolly; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

894. By Mr. LECOMPTE: Petition of Paul S. Beer, druggist, and other citizens of Centerville, Iowa, urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

895. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, memorializing Congress to repeal the Federal tax on oleomargarine; to the Committee on Agriculture.

SENATE

THURSDAY, MAY 19, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 11 o'clock and 45 minutes a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, fountain of our being, light of all our seeing; for the beauty of the earth, robed in the blooming garb of spring and for the tint of the tiniest flower, we raise our hymn of morning praise. As in all the bewilderment of the world's fiery strife our burdened hearts seek the quiet sanctuary of Thy healing presence, wilt Thou refresh our souls and restore our faith.

As this day with warm friendship we welcome the head of a great nation of the southern continent, may this neighborly handclasp between two democracies of our hemisphere be a symbol of closer cooperation and deeper understanding. Together, as colleagues, believing in the dignity of the individual, may we plan wisely and well for the common welfare of our peoples and for the peace of the whole world. In the dear Redeemer's name. Amen.

THE JOURNAL

On request by Mr. RUSSELL, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 18, 1949, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3334. An act to grant the consent of the United States to the Pecos River compact; and

H. R. 3825. An act to amend the Federal Crop Insurance Act.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 62) creating a Joint Committee on Lobbying Activities, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Mundt
Anderson	Hoey	Myers
Baldwin	Holland	Neely
Bricker	Humphrey	O'Mahoney
Butler	Ives	Pepper
Byrd	Jenner	Robertson
Cain	Johnson, Colo.	Russell
Chapman	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kem	Sparkman
Donnell	Kilgore	Stennis
Douglas	Knowland	Taft
Eastland	Langer	Taylor
Ecton	Lodge	Thomas, Okla.
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Frear	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
Gillette	McClellan	Watkins
Graham	McFarland	Wherry
Green	McKellar	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Withers
Hendrickson	Millikin	Young
Hickenlooper	Morse	

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Idaho [Mr. MILLER], and the Senator from Montana [Mr. MURRAY] are detained on official business in meetings of committees of the Senate.

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. MCGRATH], and the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS] are absent on public business.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Connecticut [Mr. MCMAHON] is presiding at a hearing being held by the Joint Committee on Atomic Energy, and is therefore necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] is necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nevada [Mr. MALONE], and the Senator from Kansas [Mr. REED] are detained on official business.

The PRESIDENT pro tempore. A quorum is present.

JOINT SESSION OF THE TWO HOUSES—VISIT OF THE PRESIDENT OF BRAZIL

Mr. LUCAS. Mr. President, the Senate is to meet in joint session with the House of Representatives at 12:15 o'clock, and I think the time has arrived when the Senate should proceed to the House Chamber. After the ceremony in the House, Members of the Senate will return to the Senate Chamber and resume consideration of the unfinished business. In my opinion Senators should return in a body.

I now move that the Senate proceed to the Hall of the House of Representatives for the joint session.

The motion was agreed to; and (at 12 o'clock and 2 minutes p. m.) the Senate, proceded by its Sergeant at Arms (Joseph C. Duke), its Chief Clerk (Emery L. Frazier), and the President pro tempore, proceeded to the Hall of the House of Representatives to receive the President of Brazil, Maj. Gen. Eurico Gaspar Dutra.

At 12 o'clock and 50 minutes p. m., the Senate reassembled in its Chamber, and was called to order by the President pro tempore.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PETITION

A petition was presented and referred as indicated:

By Mr. PEPPER (for himself and Mr. HOLLAND):

A resolution of the Legislature of the State of Florida, relating to the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

(See text of resolution printed in full when presented by the Vice President on May 16, 1949, p. 6203, CONGRESSIONAL RECORD.)

THE BUDGET—RESOLUTION OF NEBRASKA LEGISLATURE

Mr. WHERRY. Mr. President, 2 days ago, I made a few observations relative to a resolution adopted by the Legislature of Nebraska, memorializing the Congress in respect to the budget for the next fiscal year. I now have the resolution, and ask that it be printed in the RECORD.

The resolution was ordered to be printed in the RECORD, under the rule, as follows:

Legislative Resolution 27

Resolution memorializing the Congress of the United States in respect to the budget for the next fiscal year

Whereas it is the general consensus that sources of Federal revenue are seeking lower levels and this consensus is supported by all official calculations which have been made of the economic developments of the first calendar quarter of 1949;

Whereas new taxes at such times as these may accelerate a minor business decline into a major depression; and

Whereas if the President's budget were enacted, the Federal tax bill would amount to at least a fifth of the individual's income: Now, therefore, be it

Resolved by the members of the Nebraska Legislature in sixty-first session assembled:

1. That the Legislature of the State of Nebraska respectfully request the Congress of the United States to make a 10 percent cut in all Federal expenditures possible.

2. That Nebraska Senators and Representatives now in the Congress of the United States be and hereby are respectfully requested to use every effort at their command to obtain the reduction in the Federal budget for the next fiscal year.

3. That copies of this resolution be transmitted by the clerk of the legislature to the Vice President of the United States as presiding officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Member from Nebraska in the Senate of the United States and in the House of Representatives of the United States.

CHARLES J. WARNER,
President of the Legislature.

I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 27, which was passed by the Legislature of Nebraska in sixty-first regular session on the 13th day of May 1949.

HUGO F. SRB,
Clerk of the Legislature.

NATIONAL COMMISSION ON INTERGOVERNMENTAL RELATIONS — EDITORIAL AND RESOLUTIONS

Mr. WILEY. Mr. President, I have previously referred to the vital legislation now pending for the establishment of a National Commission on Intergovernmental Relations. It has been my privilege to serve as a cosponsor of this legislation in the form of S. 810 just as I have fought all through the years for decentralization of Federal functions to the States and localities.

In this connection, Mr. President, I have in my hand a splendid editorial from the largest newspaper in Wisconsin, the Milwaukee Journal. This editorial, published in the May 16 issue, entitled "The Plight of the Cities," endorses the National Commission legislation.

I also have copies of certain resolutions adopted by the Wisconsin Committee on Hoover Commission Findings. This committee has also endorsed the bill of which I am a cosponsor, S. 810, plus endorsing the Federal Property Act of 1949 and amendment.

I ask unanimous consent that the text of the Milwaukee Journal editorial and the text of the two resolutions of the Wisconsin Committee on Hoover Commission Findings be appropriately referred and printed at this point in the body of the RECORD.

There being no objection, the editorial and resolutions were referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal of May 16, 1949]

THE PLIGHT OF THE CITIES

Spokesmen for American cities, appearing before the congressional subcommittee on intergovernmental relations, strongly urged passage of the Wiley bill to set up a national commission to study the problems created in one government by the actions of others.

The plight of the cities was graphically described by speaker after speaker. Among the problems cited were restriction of revenue sources, overlapping of services, competition for personnel, and the effect of Federal grants and Federal standards on local government.

A commission to study these complications, it was argued, might in time bring about agreement on a Federal-State-local fiscal policy, which would be advantageous to all levels of government. It might also result in merging in one government functions now carried on almost competitively by several.

The establishment of such a commission would be a good thing. There is no question that a problem exists and that it cannot be solved by the cities alone, or by the States alone, or by the Federal Government alone. It is a matter of the meeting of the best minds to arrive at the best solution.

One thing is sure. The present method of cities running to the States for aids and the States running to the Federal government for hand-outs is not the ultimate answer.

Whereas the Hoover Commission has found in its report to Congress that the question of Federal-State relations and the problems incident thereto are an important part of our governmental structure and operations; and

Whereas it is generally recognized by the Commission that there is a need for finding ways and means of establishing a more orderly and less competitive relationship between the several levels of Government, solving such problems as the overlapping and confused system of taxation and the increasing, patternless demands made upon the Federal Government and the States for tax-sharing and grants-in-aid; and

Whereas the Commission has recommended to Congress that a continuing agency on Federal-State relations be created with primary responsibility for study, information, and guidance in the field of Federal-State relations: Now, therefore, be it

Resolved, That the Wisconsin Committee on Hoover Commission Findings does hereby go on record as favoring bills S. 810 and H. R. 2389, which provide for the establishment of a National Commission on Intergovernmental Relations for the purpose of studying and making recommendations to the President and Congress to obtain the above objectives and aims; and be it further

Resolved, That copies of this resolution be sent to all Members of Congress from the State of Wisconsin.

Adopted, Madison, May 5, 1949.

Whereas the Hoover Commission has filed with Congress reports declaring that the Federal Government now operates one of the largest supply businesses in the world and is spending more than $6,000,000,000 a year for new materials, supplies, and equipment, and maintaining civilian and military inventories valued at $27,000,000,000; and

Whereas the report of the Commission on supply activities indicates clearly that the present deficiencies in Federal supply operations spring to a large extent from the lack of central direction and coordination due to the fact that these activities are carried on in several places within the executive branch with varying degrees of adequacy; and

Whereas the recommendations made by the Hoover Commission emphasize that all supply activities should be placed in one central office of the executive branch; and

Whereas there is now before Congress the Federal Property Act of 1949 (S. 990 and H. R. 2781), establishing a central supply office in accordance with the Commission's recommendations and providing the Government with an economic and efficient system for procurement and utilization of Government property and disposal of surplus property; and

Whereas amendment S. 859 to bill S. 990 provides for proper and expeditious disposal of surplus property: Now, therefore, be it

Resolved, That members of the Wisconsin Committee on Hoover Commission Findings do hereby go on record as favoring the Federal Property Act of 1949 (S. 990 and H. R. 2781) and amendment (S. 859) relating to the proper and expeditious disposal of surplus property; and be it further

Resolved, That copies of this resolution be sent to all Members of Congress from the State of Wisconsin.

Adopted, Madison, May 5, 1949.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Agriculture and Forestry:

S. 930. A bill to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; without amendment (Rept. No. 403).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. 1760. A bill to amend section 101 (b) of the Department of Agriculture Organic Act of 1944 (58 Stat. 734; 7 U. S. C. 429); with an amendment (Rept. No. 407).

By Mr. YOUNG, from the Committee on Agriculture and Forestry:

S. 1749. A bill to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; with amendments (Rept. No. 408).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry:

S. 1464. A bill to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders; without amendment (Rept. No. 406).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

H. R. 1754. A bill extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949; with amendments (Rept. No. 404); and

H. R. 3754. A bill providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States; with amendments (Rept. No. 405).

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, RELATING TO CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of March 1949, and in accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, FEBRUARY–MARCH 1949, AND PAY, JANUARY–FEBRUARY 1949

NOTE WITH REFERENCE TO PERSONAL SERVICE EXPENDITURE FIGURES

It should be noted that the latest expenditure figures for personal service shown in table I of this report are for the month of February, and that they are compared with personal service expenditure figures for the month of January, whereas the latest employment figures covered in this report are for the month of March and are compared with the month of February. This lag in personal service expenditure figures is necessary in order that actual expenditures may be reported.

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States, by agency. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

PERSONNEL AND PAY SUMMARY

According to monthly personnel reports for March 1949 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

	Civilian personnel in executive branch		
	In March numbered—	In February numbered—	Increase (+) or decrease (−)
Total	2,111,257	2,104,979	+6,278
1. Agencies exclusive of National Military Establishment	1,215,795	1,210,242	+5,553
2. National Military Establishment	895,462	894,737	+725
Within National Military Establishment:			
Office of the Secretary of Defense	1,335	1,295	+40
Department of the Army	370,903	370,024	+879
Department of the Air Force	162,697	160,232	+2,465
Department of the Navy	360,527	363,186	−2,659

	Pay roll (in thousands of dollars) in executive branch		
	In February was—	In January was—	Increase (+) or decrease (−)
Total	508,802	527,581	−18,779
1. Agencies exclusive of National Military Establishment	299,045	307,968	−8,923
2. National Military Establishment	209,757	219,613	−9,856
Within National Military Establishment:			
Office of the Secretary of Defense	439	434	+5
Department of the Army	83,094	87,376	−4,282
Department of the Air Force	36,983	38,297	−1,314
Department of the Navy	89,241	93,506	−4,265

Table I breaks down the above figures on employment and pay by agency.

Tables II, III, and IV break down the above employment figures to show the number of employees inside continental United States, the number outside continental United States, and the number in the so-called industrial categories. This further breakdown in tables II, III, and IV does not include pay figures because pay-roll reports submitted to the committee by some agencies are inadequate for this purpose.

INSIDE CONTINENTAL UNITED STATES

(See table II)

Federal personnel within the United States increased 8,597 from the February total of 1,911,126 to the March total of 1,919,723.

Exclusive of the National Military Establishment there was an increase of 4,926 from the February total of 1,154,794 to the March total of 1,159,720.

Total civilian employment within the United States for the National Military Establishment for March was 760,003, an increase of 3,671 over the February figure of 756,332.

The Office of the Secretary of Defense increased 40 from the February figure of 1,295 to the March figure of 1,335.

The Department of the Army civilian personnel within the United States increased 2,066 from the February figure of 300,624 to the March figure of 302,690.

The Department of the Air Force civilian personnel within the United States increased 2,585 from the February figure of 132,985 to the March figure of 135,570.

The Department of the Navy civilian personnel within the United States decreased

1,020 from the February figure of 321,428 to the March figure of 320,408.

OUTSIDE CONTINENTAL UNITED STATES

(See table III)

Outside continental United States Federal personnel decreased 2,319 from the February total of 193,853 to the March total of 191,534.

An increase of 627 was reported by the departments and agencies other than the National Military Establishment, from the February total of 55,448 to the March total of 56,075.

Total civilian employment outside continental United States for the National Military Establishment decreased 2,946 from the February total of 138,405 to the March figure of 135,459.

The Department of the Army reported a decrease of 1,187 from the February figure of 69,400 to the March figure of 68,213.

The Department of the Air Force reported a decrease of 120 in its overseas civilian employment from the February figure of 27,247 to the March figure of 27,127.

The Department of the Navy reported a decrease of 1,639 in overseas civilian employment from the February figure of 41,758 to the March figure of 40,119.

INDUSTRIAL EMPLOYMENT

(See table IV)

Total industrial employment during the month of March decreased 1,631 from the February total of 574,746 to the March total of 573,115.

The departments and agencies other than the National Military Establishment decreased 419 from the February total of 19,488 to the March total of 19,069.

The National Military Establishment decreased its total industrial employment 1,212 from the February figure of 555,258 to the March figure of 554,046.

The Department of the Army reported a net decrease of 223 from the February figure of 207,865 to the March figure of 207,642. Inside continental United States the Army increased its industrial employment 940, while outside continental United States there was a decrease of 1,163.

The Department of the Air Force reported an increase of 1,801, from the February figure of 95,873 to the March figure of 97,674. Of this increase in Air Force industrial personnel 1,352 was inside continental United States and 449 was outside continental United States.

The Department of the Navy decreased its industrial employment 2,790 from the February figure of 251,520 to the March figure of 248,730.

The term "industrial employees," as used by the committee, refers to unskilled, semiskilled, skilled, and supervisory employees paid by the Federal Government who are working on construction projects, such as airfields and roads, and in shipyards and arsenals. It does not include maintenance and custodial employees.

SPECIAL TABLE ON CIVILIAN AND MILITARY PERSONNEL OF THE NATIONAL MILITARY ESTABLISHMENT, JUNE 1945–MARCH 1949

Table V, carried at the end of this report, shows by months the civilian and military personnel of the National Military Establishment since the end of the war in 1945. This table is broken down to show the employment trends in each of the branches of the Military Establishment since the effective date of the Armed Services Unification Act of September 1947; pursuant to Public Law 253, Eightieth Congress, first session.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1949, and comparison with February 1949; and pay for February 1949 and comparison with January 1949*

Department or agency	Pay (in thousands of dollars)				Personnel			
	January	February	Increase	Decrease	February	March	Increase	Decrease
Executive departments (except National Military Establishment):								
Agriculture	17,805	17,974	169		73,940	75,290	1,350	
Commerce	12,118	11,240		$978	40,240	40,970	730	
Interior	12,826	12,478		348	49,901	50,109	208	
Justice	8,831	8,622		209	26,186	26,140		46
Labor	1,100	1,060		40	3,399	3,588	189	
Post Office	122,108	120,505		1,603	507,430	508,925	1,495	
State	5,369	5,184		85	20,210	20,439	229	
Treasury	26,074	25,203		871	91,302	92,619	1,317	
Executive Office of the President:								
White House Office	119	89		30	225	229	4	
Bureau of the Budget	244	233		11	531	529		2
Executive Mansion and Grounds	15	13		2	60	61	1	
National Security Council [1]	9	7		2	22	18		4
National Security Resources Board	150	160	10		407	373		34
Council of Economic Advisers	22	20		2	39	40	1	
Emergency war agencies: Office of Defense Transportation	12	8		4	39	39		
Postwar agencies:								
Displaced Persons Commission	46	54	8		179	213	34	
Economic Cooperation Administration	926	953	27		3,078	3,395	317	
Office of the Housing Expediter	1,535	1,395		140	4,884	4,821		63
Philippine Alien Property Administration	32	37	5		127	125		2
Philippine War Damage Commission	190	188		2	943	952	9	
War Assets Administration	2,777	3,235	458		4,899	4,706		193
Independent agencies:								
American Battle Monuments Commission	14	16	2		143	149	6	
Atomic Energy Commission	1,652	1,546		106	4,811	4,699		112
Civil Aeronautics Board	254	236		18	682	684	2	
Civil Service Commission	1,167	1,135		32	4,227	4,245	18	
Export-Import Bank of Washington	55	53		2	121	120		1
Federal Communications Commission	485	459		26	1,349	1,350	1	
Federal Deposit Insurance Corporation	355	355			1,062	1,085	23	
Federal Mediation and Conciliation Service	185	158		27	368	368		
Federal Power Commission	311	293		18	819	808		11
Federal Security Agency [2]	9,007	8,598		409	35,267	35,718	451	
Federal Trade Commission	259	298	39		662	656		2
Federal Works Agency	5,776	5,298		478	23,124	23,230	106	
General Accounting Office	2,773	2,641		132	9,430	9,460	30	
Government Printing Office	2,237	2,202		35	7,037	7,032		5
Housing and Home Finance Agency	3,741	3,048		693	11,873	11,763		110
Indian Claims Commission	6	6			11	11		
Interstate Commerce Commission	826	780		46	2,228	2,212		16
Maritime Commission	1,910	1,730		180	6,631	6,531		100
National Advisory Committee for Aeronautics	2,059	1,968		91	6,904	6,881		23
National Archives	116	110		6	388	389	1	
National Capital Housing Authority	75	71		4	305	309	4	
National Capital Park and Planning Commission	7	7			18	17		1
National Capital Sesquicentennial Commission	1	1			3	3		
National Gallery of Art	79	74		5	325	319		6
National Labor Relations Board	509	484		25	1,517	1,517		
National Mediation Board	48	46		2	113	113		
Panama Canal	3,590	3,224		366	22,804	22,761		43
Railroad Retirement Board	654	627		27	2,451	2,497	46	
Reconstruction Finance Corporation	1,771	1,674		97	4,589	4,577		12
Securities and Exchange Commission	450	429		21	1,163	1,152		11
Selective Service System	1,126	853		273	5,834	5,755		79
Smithsonian Institution	160	152		8	547	549	2	
Tariff Commission	99	94		5	240	241	1	
Tax Court of the United States	53	53			121	122	1	
Tennessee Valley Authority	3,914	3,729		185	13,581	13,208		373
Veterans' Administration	49,936	47,939		1,997	211,453	211,683	230	
Total, excluding National Military Establishment	307,968	299,045	718	9,641	1,210,242	1,215,795	6,806	1,253
Net change, excluding National Military Establishment			8,923				5,553	

[1] Exclusive of personnel and pay of the Central Intelligence Agency.
[2] Includes personnel and pay of Howard University and the Columbia Institute for the Deaf.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1949, and comparison with February 1949; and pay for February 1949 and comparison with January 1949*—Con.

Department or agency	Pay (in thousands of dollars)				Personnel			
	January	February	Increase	Decrease	February	March	Increase	Decrease
National Military Establishment:								
Office of the Secretary of Defense	434	439	5		1,295	1,335	40	
Department of the Army:								
Inside continental United States	73,617	71,031		$2,586	300,624	302,690	2,066	
Outside continental United States	13,759	12,063		1,696	69,400	68,213		1,187
Department of the Air Force:								
Inside continental United States	33,800	31,917		1,883	132,985	135,570	2,585	
Outside continental United States	4,497	5,066	569		27,247	27,127		120
Department of the Navy	93,506	89,241		4,265	363,186	360,527		2,659
Total, National Military Establishment	219,613	209,757	574	10,430	894,737	985,462	4,691	3,966
Net change, National Military Establishment			9,856				725	
Grand total, including National Military Establishment	527,581	508,802	1,292	20,071	2,104,979	2,111,257	11,497	5,219
Net change, including National Military Establishment			18,779				6,278	

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during March 1949, and comparison with February 1949*

Department or agency	February	March	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	71,784	73,185	1,401	
Commerce	37,199	37,900	701	
Interior	44,222	44,366	144	
Justice	25,710	25,663		47
Labor	3,363	3,552	189	
Post Office	505,700	507,164	1,464	
State	7,792	7,871	79	
Treasury	90,613	91,925	1,312	
Executive Office of the President:				
White House Office	225	229	4	
Bureau of the Budget	531	529		2
Executive Mansion and Grounds	60	61	1	
National Security Council [1]	22	18		4
National Security Resources Board	407	373		34
Council of Economic Advisers	39	40	1	
Emergency war agencies: Office of Defense Transportation	39	39		
Postwar agencies:				
Displaced Persons Commission	66	69	3	
Economic Cooperation Administration	931	931		
Office of the Housing Expediter	4,859	4,795		64
Philippine Alien Property Administration	2	2		
Philippine War Damage Commission	5	6	1	
War Assets Administration	4,896	4,703		193
Independent agencies:				
American Battle Monuments Commission	10	10		
Atomic Energy Commission	4,808	4,695		113
Civil Aeronautics Board	662	664	2	
Civil Service Commission	4,222	4,240	18	
Export-Import Bank of Washington	119	118		1
Federal Communications Commission	1,314	1,315	1	
Federal Deposit Insurance Corporation	1,060	1,085	25	
Federal Mediation and Conciliation Service	368	368		
Federal Power Commission	819	808		11
Federal Security Agency [2]	34,279	34,715	436	
Federal Trade Commission	662	656		6
Federal Works Agency	22,500	22,546	46	
General Accounting Office	2,430	2,460	30	
Government Printing Office	7,037	7,032		5
Housing and Home Finance Agency	11,828	11,720		108
Indian Claims Commission	11	11		
Independent agencies—Continued				
Interstate Commerce Commission	2,228	2,212		16
Maritime Commission	6,592	6,492		100
National Advisory Committee for Aeronautics	6,904	6,881		23
National Archives	388	389	1	
National Capital Housing Authority	305	309	4	
National Capital Park and Planning Commission	18	17		1
National Capital Sesquicentennial Commission	3	3		
National Gallery of Art	325	319		6
National Labor Relations Board	1,506	1,506		
National Mediation Board	113	113		
Panama Canal	646	643		3
Railroad Retirement Board	2,451	2,497	46	
Reconstruction Finance Corporation	4,577	4,566		11
Securities and Exchange Commission	1,163	1,152		11
Selective Service System	5,664	5,589		75
Smithsonian Institution	542	544	2	
Tariff Commission	240	241	1	
Tax Court of the United States	121	122	1	
Tennessee Valley Authority	13,581	13,208		373
Veterans' Administration	209,833	210,053	220	
Total, exclusive of National Military Establishment	1,154,794	1,159,720	6,133	1,207
Net increase, exclusive of National Military Establishment			4,926	
National Military Establishment:				
Office of the Secretary of Defense	1,295	1,335	40	
Department of the Army	300,624	302,690	2,066	
Department of the Air Force	132,985	135,570	2,585	
Department of the Navy	321,428	320,408		1,020
Total, National Military Establishment	756,332	760,003	4,691	1,020
Net increase, National Military Establishment			3,671	
Grand total, including National Military Establishment	1,911,126	1,919,723	10,824	2,227
Net increase, including National Military Establishment			8,597	

[1] Exclusive of personnel of the Central Intelligence Agency.

[2] Includes employees of Howard University and the Columbia Institute for the Deaf.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during March 1949, and comparison with February 1949*

Department or agency	February	March	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	2,156	2,105		51
Commerce	3,041	3,070	29	
Interior	5,679	5,743	64	
Justice	476	477	1	
Labor	36	36		
Post Office	1,730	1,761	31	
State	12,418	12,568	150	
Treasury	689	694	5	
Postwar agencies:				
Displaced Persons Commission	113	144	31	
Economic Cooperation Administration	2,147	2,464	317	
Office of the Housing Expediter	25	26	1	
Philippine Alien Property Administration	125	123		2
Philippine War Damage Commission	938	946	8	
War Assets Administration	3	3		
Independent agencies:				
American Battle Monuments Commission	133	139	6	
Atomic Energy Commission	3	4	1	
Civil Aeronautics Board	20	20		
Civil Service Commission	5	5		
Export-Import Bank of Washington	2	2		
Federal Communications Commission	35	35		
Federal Deposit Insurance Corporation	2			2
Federal Security Agency	988	1,003	15	
Federal Works Agency	624	684	60	
Housing and Home Finance Agency	45	43		2
Independent agencies—Continued				
Maritime Commission	39	39		
National Labor Relations Board	11	11		
Panama Canal	22,158	22,118		40
Reconstruction Finance Corporation	12	11		1
Selective Service System	170	166		4
Smithsonian Institution	5	5		
Veterans' Administration	1,620	1,630	10	
Total, excluding National Military Establishment	55,448	56,075	729	102
Net increase, excluding National Military Establishment			627	
National Military Establishment:				
Department of the Army	69,400	68,213		1,187
Department of the Air Force	27,247	27,127		120
Department of the Navy	41,758	40,119		1,639
Total, National Military Establishment	138,405	135,459		2,946
Net decrease, National Military Establishment			2,946	
Grand total, including National Military Establishment	193,853	191,534	729	3,048
Net decrease, including National Military Establishment			2,319	

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during March 1949, and comparison with February 1949*

Department or agency	February	March	Increase	Decrease
Executive departments (except National Military Establishment):				
Commerce	1,116	1,119	3	
Interior	4,372	4,352		20
State	352	355	3	
Treasury	4,402	4,415	13	
Independent agencies:				
Atomic Energy Commission	151	148		3
Housing and Home Finance Agency	6	2		4
Panama Canal	1,831	1,827		4
Tennessee Valley Authority	7,258	6,851		407
Total, excluding National Military Establishment	19,488	19,069	19	438
Net decrease, excluding National Military Establishment			419	
National Military Establishment:				
Department of the Army:				
Inside continental United States	160,876	161,816	940	
Outside continental United States	46,989	45,826		1,163
Department of the Air Force:				
Inside continental United States	75,950	77,302	1,352	
Outside continental United States	19,923	20,372	449	
Department of the Navy	251,520	248,730		2,790
Total, National Military Establishment	555,258	554,046	2,741	3,953
Net decrease, National Military Establishment			1,212	
Grand total, including National Military Establishment	574,746	573,115	2,760	4,391
Net decrease, including National Military Establishment			1,631	

TABLE V.—*Civilian and military personnel of the National Military Establishment, June 1945 to March 1949—showing departmental figures since the Unification Act became effective in personnel records* [1]

[The Air Force was divorced from the War Department as of September 1947, pursuant to Public Law 253, 80th Cong. The figures in this table for the period between the end of World War II and September 1947, when the Air Force was separated from the Army, are shown only in composite monthly totals. The figures for the period since the Unification Act became effective in the records of civilian and military personnel in the National Military Establishment are broken down to show not only the composite total but also the departmental totals within the Military Establishment, including the Office of the Secretary of Defense which was established under the reorganization. The Armed Services Unification Act of 1947 became effective with respect to personnel records in the Military Establishment as of October 1947]

Month	Total, National Military Establishment				Department of the Army [2]				Department of the Air Force [2]				Department of the Navy				Secretary of Defense	
	Civilian employees	Increase (+) or decrease (−)	Military personnel	Increase (+) or decrease (−)	Civilian employees	Increase (+) or decrease (−)	Military personnel	Increase (+) or decrease (−)	Civilian employees	Increase (+) or decrease (−)	Military personnel	Increase (+) or decrease (−)	Civilian employees	Increase (+) or decrease (−)	Military personnel	Increase (+) or decrease (−)	Civilian employees	Increase (+) or decrease (−)
1945—June	2,634,078		12,295,091															
July	2,630,361	−3,717	12,245,261	−49,830														
August	2,532,313	−98,048	12,082,212	−163,049														
September	2,271,217	−261,096	11,519,532	−562,680														
October	2,161,126	−110,091	10,090,953	−1,428,579														
November	2,082,043	−79,083	8,575,585	−1,515,368														
December	1,814,540	−267,503	7,047,984	−1,527,601														
1946—January [3]	1,743,938	−70,602	5,861,359	−1,186,625														
February	1,707,067	−36,871	4,881,728	−979,631														
March	1,635,365	−71,702	4,277,892	−603,836														
April	1,607,872	−27,493	3,803,578	−474,314														
May	1,529,904	−77,968	3,409,528	−394,050														
June	1,417,314	−112,590	3,022,870	−386,658														
July	1,348,904	−68,410	2,722,540	−200,330														
August	1,220,108	−128,796	2,452,068	−270,472														
September	1,131,565	−88,543	2,455,352	+3,284														
October	1,084,177	−47,388	2,418,933	−36,419														
November	1,034,070	−50,107	2,181,321	−237,612														
December	1,006,577	−27,493	1,957,518	−223,803														
1947—January	985,055	−21,522	1,878,790	−78,728														
February	976,471	−8,584	1,814,555	−64,235														
March	947,047	−29,424	1,755,116	−59,439														
April	932,431	−14,616	1,681,779	−73,337														
May	913,225	−19,206	1,611,239	−70,540														
June	861,645	−51,580	1,572,971	−38,268														
July	850,173	−11,472	1,556,392	−16,579														
August	841,450	−8,723	1,538,287	−18,105														
September	837,042	−4,408	1,523,956	−14,331														
October	841,303	+4,261	1,470,990	−52,966	362,705		590,521		138,006		329,523		340,159	−1,656	550,946		433	
November	831,087	−10,216	1,432,939	−38,051	352,161	−10,544	575,866	−14,655	139,252	+1,246	335,671	+6,148	339,219	−940	521,402	−29,544	455	+22
December	829,233	−1,854	1,392,345	−40,594	349,249	−2,912	559,226	−16,640	140,080	+828	339,246	+3,575	339,268	+49	493,873	−27,529	636	+181
1948—January	834,376	+5,143	1,389,105	−3,240	353,125	+3,876	552,150	−7,076	141,037	+957	353,143	+13,897	339,620	+352	483,812	−10,061	594	−42
February	836,690	+2,314	1,389,635	+530	352,848	−277	544,307	−7,843	143,036	+1,999	365,186	+12,043	340,131	+511	480,142	−3,670	675	+81
March	845,945	+9,255	1,384,107	−5,528	359,376	+6,528	537,884	−6,423	145,911	+2,875	368,348	+3,162	339,907	−224	477,875	−2,267	751	+76
April	853,611	+7,666	1,399,937	+15,830	363,904	+4,528	541,416	+3,532	147,951	+2,040	375,299	+6,951	340,929	+1,022	483,222	+5,347	827	+76
May	862,055	+8,444	1,418,684	+18,747	367,635	+3,731	545,456	+40,040	150,190	+2,239	384,460	+9,161	343,355	+2,426	489,768	+6,546	875	+48
June	871,746	+9,691	1,443,260	+24,576	370,684	+3,049	552,238	+6,782	152,391	+2,201	387,730	+3,270	347,687	+4,332	503,292	+13,524	984	+109
July	877,650	+5,904	1,493,559	+50,299	370,948	+264	578,806	+26,568	153,798	+1,407	399,539	+11,809	351,911	+4,224	515,214	+11,922	995	+11
August	885,246	+7,596	1,527,053	+33,494	373,654	+2,706	608,543	+29,737	154,131	+333	401,080	+1,541	356,442	+4,531	517,430	+2,216	1,019	+24
September	884,431	−815	1,527,790	+737	368,439	−5,215	635,540	+26,997	154,962	+831	406,088	+5,008	359,976	+3,534	522,162	+4,732	1,054	+35
October	887,130	+2,699	1,588,456	+60,666	368,459	+20	646,865	+11,325	155,752	+790	410,237	+4,149	361,815	+1,839	531,354	+9,192	1,104	+50
November	890,415	+3,285	1,606,337	+17,881	369,016	+557	661,659	+14,794	156,679	+927	409,959	−278	363,588	+1,773	534,719	+3,365	1,132	+28
December	890,228	−187	1,622,025	+15,688	367,365	−1,651	676,595	+14,936	157,799	+1,120	412,312	+2,353	363,874	+286	533,118	−1,601	1,190	+58
1949—January	892,184	+1,956	1,664,670	+42,645	367,884	+519	711,668	+35,073	158,789	+990	415,576	+3,264	364,285	+411	537,426	+4,308	1,226	+36
February	894,737	+2,553	1,658,355	−6,315	370,024	+2,140	702,686	−8,982	160,232	+1,443	417,028	+1,452	363,186	−1,099	538,641	+1,215	1,295	+69
March	895,462	+725	1,642,790	−15,965	370,903	+879	689,083	−13,603	162,697	+2,465	417,024	−4	360,527	−2,659	536,683	−1,958	1,335	+40
Net change since Unification Act became effective in 1947	+54,159		+171,800		+8,198		+98,562		+24,691		+87,501		+20,368		−14,263		+902	
Net change since wartime civilian employment peak in 1945	−1,738,616		−10,652,301															

[1] All figures are as of the last day of the month.

[2] Military figures for the Department of the Army and the Department of the Air Force are "command strength" figures, and as such represent the uniformed personnel on duty with the respective services.

[3] The Coast Guard was transferred from the Department of the Navy to the Treasury Department as of Jan. 1, 1946, and its personnel is excluded from this table as of that date.

Sources: Bureau of Labor Statistics; Personnel Statistics Division, Department of the Air Force; Monthly Reports on Civilian Personnel in the Executive Branch, Joint Committee on Reduction of Nonessential Federal Expenditures.

STATEMENT BY SENATOR BYRD

Civilian personnel employed by the executive branch of the Federal Government inside continental United States has been increasing at an average rate of 322 a day for 15 months. The total increase since January 1, 1948, has been 146,541.

Adjusted for some reduction in employment overseas which has been largely among industrial workers employed abroad by the Military Establishment, the rate of net increase in civilian personnel employed by the executive branch all over the world has averaged 254 a day for 15 months.

At average civilian pay of more than $3,000 a year, every day we are adding more than $750,000 to the annual Federal pay roll.

The war emergency has been over 5 years and, although these increases could not have occurred without the tacit approval of Congress in the enactment of the numerous appropriation bills, I am convinced that a majority in Congress regards this continual increase in Federal employment as excessive and unwarranted.

Congress can act effectively in this matter by rejecting proposals for new functions, programs, policies and agencies, but it does not have adequate facilities for investigating the efficiency with which more than a thousand component Federal agencies are administered, and there should be no necessity for the legislative branch to undertake such a task. That is the first responsibility of the executive branch.

Yet, as indefensible as it may sound, the armed services are now employing three times as many civilians for every man in uniform as they did at the peak of the war; the Veterans' Administration has one employee on its pay roll for every 90 living veterans of all wars whether they are receiving any service from the agency or not; total civilian employment is still more than twice its prewar peak of less than a million.

Despite this situation, the latest personnel compilation by the Joint Committee on Reduction of Nonessential Federal Expenditures today shows another increase of more than 6,000 in March, bringing the total to 2,111,257.

The President's budget, now before Congress in the form of appropriation bills, requests funds for still further increase throughout next year.

It appears that the bureaucracy is out of control with respect to personnel, and drastic action is necessary.

It is my firm conviction that civilian employment in the executive branch can be reduced by at least 500,000 without impairment of a single essential function. This would still leave the total at 175 percent of the prewar peak.

The framework for orderly reduction already exists in the Byrd-Langer amendment to the Pay Act of 1945 under which the Director of the Budget is directed to fix quarterly employment ceilings for every agency.

The Budget Bureau, through its staff of examiners, has ready access to all information necessary, and the provision for quarterly determinations allows the necessary elasticity to meet minimum and maximum work requirements in all agencies.

The fact that this approach to employment reduction can be made effective without meat-ax results was demonstrated in fiscal year 1947 when a maximum ceiling was set, and reached during the year by means of quarterly ceilings fixed on a declining scale.

This reduction technique could be made effective again if Congress would repeal the exemptions which have been made to the ceilings and fix a new maximum to be reached by means of declining quarterly ceilings.

In this event I am confident that if the Director of the Budget exercised his best administrative judgment civilian employment in the executive branch could be reduced 20 percent or more during the coming year without impairment of any essential Federal service or policy.

AMENDMENT OF HOUSING AND RENT ACT OF 1947, RELATING TO HOUSING ACCOMMODATIONS IN HOTELS

Mr. CAIN. Mr. President, from the Committee on Banking and Currency, I report favorably without amendment the bill (S. 1535) to amend the Housing and Rent Act of 1947, as amended, with respect to housing accommodations in hotels, and I ask unanimous consent for its immediate consideration.

The Housing and Rent Act of 1947, as amended, defined transient occupancy as meaning an accommodation rented on a daily basis. The Banking and Currency Committee is in complete agreement that this definition is unreasonably restrictive. S. 1535 simply broadens the definition of transient occupancy to include accommodations rented on a daily, weekly or semimonthly basis. It is thought that the House of Representatives will recognize the fairness of the change provided by S. 1535, and it is hoped that S. 1535 will be approved by the Senate today and become law without delay.

Mr. MAYBANK. Mr. President, we took the matter up in our meeting this morning. What the Senator from Washington has said is correct. I hope the bill will pass.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington to proceed to the consideration of the bill?

There being no objection, the bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subparagraph (B) (1) of section 202 (c) (1) of the Housing and Rent Act of 1947, as amended, is amended to read as follows:

"(1) the term 'used for transient occupancy' means rented on a daily, weekly, or semimonthly basis, to a tenant who had not on March 1, 1949, continuously resided in the hotel for 90 days or more; and."

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 19, 1949, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 326. An act to amend the War Claims Act of 1948;

S. 392. An act authorizing the issuance of a patent in fee to Thomas A. Pickett;

S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments;

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations;

S. 1152. An act for the relief of certain officers and employees of the Office of the United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions; and

S. J. Res. 18. Joint resolution for the relief of the First Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Abraham Conger of Georgia, to be United States District Judge for the Middle District of Georgia, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McMAHON, from the Joint Committee on Atomic Energy:

Gordon Dean and Henry DeWolf Smyth, to be members of the Atomic Energy Commission for the remainder of the term expiring June 30, 1950.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Admiral Alan G. Kirk, United States Navy, retired, now Ambassador Extraordinary and Plenipotentiary to Belgium and Envoy Extraordinary and Minister Plenipotentiary to Luxemburg, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics;

George R. Merrell, of Missouri, a Foreign Service officer of the class of career minister, now Envoy Extraordinary and Minister Plenipotentiary to Ethiopia, to be Ambassador Extraordinary and Plenipotentiary to Ethiopia;

Capus M. Waynick, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary to Nicaragua; and

William C. Foster of New York, to be deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1889. A bill for the relief of Abraham Simon Chishelsky; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1890. A bill to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes; and

S. 1891. A bill to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (by request):

S. 1892. A bill to provide a civil government for Guam, and for other purposes; and

S. 1893. A bill to provide a civil government for American Samoa, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

S. 1894. A bill for the relief of Hans Jurgen Schweikert; to the Committee on the Judiciary.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 1895. A bill to authorize the erection of a monument to José Marti in Ybor City, Tampa, Fla.; to the Committee on Rules and Administration.

By Mr. BYRD:

S. 1896. A bill for the relief of Preston Lodge No. 47, Ancient Free and Accepted Masons of Jonesville, Va.; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MAGNUSON, Mr. HUNT, Mr. JOHNSON of Texas, Mr. KEFAUVER, Mr. BALDWIN, and Mr. LODGE):

S. 1897. A bill to incorporate the Women's Army Corps-Veterans' Association (WacVets); to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 1898. A bill for the relief of Mrs. Yelka Sojat; to the Committee on the Judiciary.

(Mr. MAYBANK (for himself, Mr. MURRAY, Mr. PEPPER, and Mr. TOBEY) introduced Senate Joint Resolution 93, to amend the Export-Import Bank Act of 1945 so as to provide for guaranteeing dollar payment to American small business for exports to Western Hemisphere countries, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. TYDINGS (for himself, Mr. O'CONOR, and Mr. REED) introduced Senate Joint Resolution 94, to provide for economy in government by reducing expenditures for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments.)

PRINTING OF BILL PROVIDING ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. RUSSELL. Mr. President, I ask unanimous consent that the bill (H. R. 3704) to provide additional revenue for the District of Columbia be printed, showing the Senate amendments numbered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 3334. An act to grant the consent of the United States to the Pecos River compact; to the Committee on Interior and Insular Affairs.

H. R. 3825. An act to amend the Federal Crop Insurance Act; to the Committee on Agriculture and Forestry.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 62) creating a Joint Committee on Lobbying Activities was referred to the Committee on the Judiciary.

LEAVES OF ABSENCE

Mr. SALTONSTALL asked and obtained consent to be absent from the session of the Senate tomorrow.

Mr. FULBRIGHT asked and obtained consent to be excused from attendance on the sessions of the Senate tomorrow and next week in order to go to his State on official business.

Mr. MAYBANK asked and obtained consent to be absent from the Senate next week.

Mr. MCGRATH asked and obtained consent to be absent from the Senate tomorrow.

Mr. JOHNSTON of South Carolina asked and obtained consent to be excused from attendance on the Senate tomorrow because of official business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BALDWIN asked and obtained consent that the subcommittee of the Committee on Armed Services, investigating the Malmedy trials, may meet this afternoon during the session of the Senate.

Mr. LANGER asked and obtained consent that the subcommittee of the Committee on the Judiciary, considering the nomination of HERMAN P. EBERHARTER, to be United States district judge for the western district of Pennsylvania, may be permitted to sit this afternoon during the session of the Senate.

Mr. CONNALLY asked and obtained consent for the Committee on Foreign Relations to meet while the Senate is in session today.

THE PROBLEMS OF NATIONAL HOUSING—ADDRESS BY SENATOR TOBEY

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an address on the problems of national housing, delivered by Senator TOBEY on May 18, 1949, in Washington, D. C., which appears in the Appendix.]

THE DAIRY INDUSTRY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Fond du Lac Commonwealth Reporter and an article from Hoard's Dairyman, regarding the dairy industry, which appear in the Appendix.]

QUALITY IN EDUCATION EXEMPLIFIED AT NEW ENGLAND COLLEGE, HENNIKER, N. H.

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "Hard Things Must Be Endured; High Places Must Be Sought," relating to New England College at Henniker, N. H., which appears in the Appendix.]

HEAVY TAXES AND SOCIALISM—EDITORIAL FROM THE ARKANSAS DEMOCRAT

[Mr. MCCLELLAN asked and obtained leave to have printed in the RECORD an editorial entitled "Heavy Taxes Bring Socialism," from the Arkansas Democrat of Monday, May 16, 1949, together with a letter from Mr. R. B. Nunnery, addressed to himself under date of May 17, 1949, which appear in the Appendix.]

SCHOLARSHIPS TO COMMUNISTS

[Mr. MCCLELLAN asked and obtained leave to have printed in the RECORD a telegram dated May 17, 1949, addressed to him by Med Cashion, of Fayetteville, Ark., regarding the awarding of a scholarship to one Freistadt, a Communist, which appears in the Appendix.]

ABOLITION OF ELECTORAL COLLEGE—CONDENSATION OF STATEMENT BY BASIL BREWER

[Mr. LODGE asked and obtained leave to have printed in the RECORD a condensation of a statement by Basil Brewer, publisher of the New Bedford Standard-Times, before the Senate Judiciary Committee on March 9, 1949, which appears in the Appendix.]

MORE BYRDS IN THE SENATE—EDITORIAL COMMENT

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD various newspaper editorials commending the position of Senator BYRD, of Virginia, in regard to the need for Government economy, which appear in the Appendix.]

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. What is the amendment before the Senate at this time?

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. Mr. President, I ask the distinguished Senator from Michigan if I may suggest the absence of a quorum before he proceeds?

Mr. FERGUSON. I do not think that is necessary.

Mr. President, before the recess on yesterday I was making two points with respect to the effort to reduce Government spending as proposed by the pending amendment to the agriculture appropriation, which is the same amendment we have sought to attach to each of the other appropriations bills which have been brought before us. The first point was that we cannot meet this very vital and important issue by resorting to any hocus-pocus. I used as an illustration of such a proceeding the proposal to collect taxes in advance. There is only one way to avoid a deficit or a tax increase. That is to spend less money.

I have commented on one device which has been suggested, to collect corporation and other taxes in the first half of the calendar year next year, so that a deficit might be avoided. That is simply the familiar expedient of a man drawing his week's pay in advance. His pockets may then be full for the week, but the following week would be a very tight one. That is what we would be attempting to do under those circumstances, instead of trying to spend less. It is merely a device to postpone the day of reckoning. I say this is no time for postponement, or for subterfuges. The time has come when we must face the issue without flinching and decide it upon the facts and the merits.

I have pointed out that the reduction method proposed by my amendment is scientific and effective; that is, it is as scientific as such a proposal can be in any effort here to attain the particular objective of cutting the expenses of the Government. By the amendment the department or agency heads would be instructed to effect an over-all reduction of 5 percent in their appropriations. Leeway is given in the interest of efficiency by providing that any single item can be cut as much as 20 percent, but no more.

Those are specific instructions, and they leave no doubt of the objective we have in mind. Because it is his job to administer the spending, the department or agency head knows where the reductions can be made efficiently and effectively within the scope of his instructions, and he can be held responsible for his acts.

I have made the point that our purposes must be made clear, because otherwise, as we have discovered and know full well from the common practice of the past, the departments and agencies place their own interpretation on what Congress intended. I used as an illustration yesterday the ruling of the Atomic Energy Commission solicitor, who said that atomic energy funds may be used to support fellowships for Communists, because fellows are not employees and therefore not subject to the

prohibition against wage and salary payments to members of subversive organizations. Such an interpretation is contrary to the understanding and the intention of the chairman of the Appropriations Subcommittee who handled that appropriation. I am positive that it is in violation of the public policy of the Congress and of the people of the United States. I am sure it is contrary to the thinking and opinions of the great majority of this body. The solicitor's ruling then is by way of thwarting the will of Congress, because Congress was not sufficiently precise in stating its purposes with respect to the payment of appropriated funds to Communists.

I should like to say something about the solicitors in the particular department we are now discussing and in other departments. We are asked if we can point out Government offices where spending reductions might apply. I ask the Senate to consider the solicitors' offices as one such place. We have a Department of Justice which in theory is the legal arm of the executive branch of the Government. But instead of employing that Department for interpretation and counsel, each department and agency has its own solicitor's office.

In the agricultural appropriation bill now before the Senate there is an item of $2,235,000 for the office of the solicitor. Did anyone ever hear of a lawyer in the Department of Agriculture making two blades of grass grow where one grew before? Government lawyers are not engaged in research work.

Mr. President, it is very interesting to look at the record, on page 997, of last year's debate on the agricultural appropriation bill. The Eightieth Congress attempted to do something about the question of lawyers. In the fiscal year 1948 the personnel having to do with legal work amounted to an average of 462, of which 209 were lawyers, that is, in the professional grade of attorney, and 253 were in nonprofessional grades as administrative clerks, typists, and stenographers.

Mr. President, the number has started to creep up again. The pending bill calls for 213 lawyers and a proportionate number of other help. Prior to the 1948 appropriation there were 260 lawyers, that is, professionals, in the solicitor's office of the Department of Agriculture. The 1948 appropriation accomplished a reduction of 51 in the professional group, represented by 30 reductions from the Department forces and 21 from the field forces. So, Mr. President, as last year we brought about a reduction, we could again reduce the number in the Department of Agriculture, as well as in other departments.

It is very interesting to consider what has been happening in the legal divisions of various departments. I think it is very significant that the solicitors in the various departments are not under civil service. We attempted at one time to put them under civil service, but they are not under civil service. Therefore the door is wide open to political influence in the one place where men take care of the interpretation of all the laws for the various agencies. So when we vote an appropriation of $2,235,000 for the solicitor's office of the Agricultural Department, it occurs to me that a cut could be made in that expenditure without affecting the efficiency of government.

Lawyers in the various solicitors' offices are not only doing legal work, but public relations work; they are the ones who are sent out on the stump to make speeches, and they are the ones who attempt to make policy. Many people in the United States think the heads of departments make the policies. Oh, no; when we investigate we find three other divisions under the Secretary's office that are the real policy-making branches. Who are they? They are the solicitors, they are the lawyers. The next branch is composed of the economists. The third group, no less important to the bureaucrats, is composed of the planners of the Government. The charters, or planners, the economists, and the lawyers are the ones who control the Department.

In this particular branch, as I stated before, the Labor Department, had more than $1,085,000. The Department of Agriculture has $2,235,000.

Let us look at what has been happening. Twenty years ago the total appropriations for all purposes to the Department of Agriculture was $155,000,000. Today it is $723,000,000. Twenty years ago $202,000 was obligated for legal services, which covered 31 professional and 26 nonprofessional personnel. Percentagewise, 0.13 percent of the Department's funds were obligated for legal services.

By 1940 there were 389 professional and 683 nonprofessional personnel. Percentagewise, 0.18 percent of the Department's funds were obligated for legal services.

For 1948 the total funds available to the Department amounted to $969,000,000, of which $2,288,000 were obligated for legal services, which covered 209 professional and 252 nonprofessional personnel. Percentagewise, 0.24 of the Department's funds were being obligated for legal services.

Mr. President, this year it has risen to 0.30. In other words, it has gone from 0.13 to 0.18 to 0.24 to 0.30 percent. That shows the creeping upward of the amounts obligated for solicitors, which means an extension of bureaucracy's hand over America.

Mr. President, I speak from experience when I say that these are the men in the departments who create the rules and regulations. They are the control body. They are also the ones who are subject to reductions. Certainly the departments require legal advice, because the law should be interpreted for the various departments. But the law should be interpreted by one agency with some objectivity and independence, not by a division within the Department itself. If we look at the figures for the Office of the Secretary, we find there a great amount spent for legal services, which also should be subject to reduction.

I could point out various other departments in which I think cuts might be made. But under our proposal we are leaving that to the departments themselves, for the heads of the departments can best do it and still adequately serve the people of the United States.

Mr. President, the matter of reducing Government spending is not a question which concerns only special classes of the people, such as the large taxpayers. Some seem to think that the income tax affects only the rich. They therefore ask what difference does it make if we take from the rich alone and spend that money for Government.

No, Mr. President, I say to the Members of the Senate and to the whole American people that the small taxpayers are concerned with this question and in final analysis perhaps most affected. They pay income taxes. They pay the special excise taxes. Who use the greatest amount of talcum powder for their babies, a product of which we have heard much on the floor of the Senate, and who therefore pays the great share of taxes on that product? Who buy the movie tickets? Who are the people who buy railroad coach tickets daily? Who are the people who buy airplane tickets? Certainly not the rich alone. Every person who buys a can of baby powder, a movie ticket, a railroad ticket, or an airplane ticket has to pay an excise tax. By the way, the Senate may be interested to know that we find now that many people in the great city of Detroit are going across the border into Windsor, Ontario, Canada, in order that they may buy railroad or airplane tickets there because Canada has dropped its excise tax on transportation.

It is a problem, the solution of which means much to all our people. Every one of these taxes means something to the small taxpayer or the man who works with his hands.

Every American has an interest in Government economy and a healthy fiscal condition for the Government. Every taxpayer has a dollars-and-cents stake in the reduction of Government expense.

Who supports Government spending? The taxpayers.

And who are the taxpayers? As I have said, every single one of us.

Let us look at the record on income taxes, our principal source of revenue for the Government. These are rough calculations but I am satisfied of their substantial accuracy. They are based on the best information we have before us, the Senate Report on the Revenue Act of 1948. What do these figures show?

About 98 percent of those who pay income taxes have incomes of less than $10,000 a year after deductions. The President has called the mid-income individual one who earns about $6,000. About 95 percent of the taxpayers fall within or below that bracket. About 70 percent of the taxpayers earn less than $3,000 annually.

Naturally these individuals do not pay a corresponding percentage of the taxes, because of the sliding tax scale, and that is as it should be. But look at this. Those incomes of less than $10,000 pay about 60 percent of the income tax. Those below $6,000 pay about 51.5 percent of the tax. And those making less

than $3,000 pay about 29 percent of the tax.

Now just what does Government economy mean? We should be able to hope that it would mean a reduction of taxes among all those groups whose share of the tax burden I have listed.

But what we are fighting for here, in seeking to cut down Government's spending, is not just that we may some day reduce taxes. We are making a fight here so that in the next fiscal year we may merely avoid new taxes.

The President keeps insisting that $4,000,000,000 in new taxes will be necessary. Considering the present trend of income and more importantly the present trend of expenditures, undoubtedly the President is right. At least that amount may be necessary if we do not go to deficit spending, unless we do something here to show our good faith in this matter of Government economy.

What would $4,000,000,000 in new taxes mean to the taxpayers I have mentioned? Naturally we do not know what a new revenue bill would provide. So we must project it on the basis of present tax rates. Better yet, let us project it on the tax rates which the President appears to prefer because he did not want to change them when he vetoed the Revenue Act of 1948.

Sixty-three and twenty-five one-hundredths percent of the $4,000,000,000, or $2,530,000,000, would be paid by people earning less than $10,000.

About $2,240,000,000 would be paid by those with incomes of less than $6,000.

And $1,278,800,000 would be paid by persons making less than $3,000.

Let us consider that figure alone. Let us speak about the workingman, who toils with his hands and earns $3,000 a year or less. If we do not do something about Government spending and we find it necessary to raise $4,000,000,000 by an increase in taxes, we can expect that $1,278,800,000 will have to be collected from persons making less than $3,000 a year. That would be an average of $39 for the taxpayer earning $3,000 or less. I hope that American citizens will ponder over that figure. The average would be $39 for the man or woman earning less than $3,000. What does $39 mean to the family budget of that person? How many pairs of shoes would that buy? How much clothing would it buy for the family? How much more food would it buy? How much better food would it buy for the family? I say that the standard of living of the American people is at stake when we are talking about reducing the expenses of government. Let us never forget that $39 means a great deal to the average American family. And let us not forget that the figure of which I am speaking is $39 of new expense to the family, and in a time when its income may be falling.

We are seeking today in this economy effort to avoid an additional out-of-pocket expense of more than one and a quarter billion dollars for the taxpayers of America who earn less than $3,000 a year. That is their stake in the fight we are making here today. What is our stake? Our stake is an obligation to do that which is best for the Nation, best for the people. We can add efficiency to the Government and save for the American taxpayer if we only look at this problem through the eyes we have today, the understanding we have, and the facts we have. We can cut the cost of Government without in any way reducing its efficiency, and we must.

If a point of order is made, and if the Chair rules that the point of order is well taken, I hope that more than two-thirds of the membership of the Senate will be on the side of the small taxpayer. I hope we will vote to allow him to retain, if he earns $3,000 or less, $39 a year to spend as he pleases, to spend for the things he wants and needs, rather than to have the Congress and those in Government spend it for their purposes.

Mr. President, it is time to give freedom to the American people to spend their money as they see fit, to as great an extent as possible. Therefore we should take this step today and add to the appropriation bill this rider, which would say to the bureau and to the agency, "Cut expenses at least 5 percent." Let us save this money and allow the American workingman to spend it in the way he desires to spend it.

Mr. RUSSELL. Mr. President, the amendment offered by the distinguished Senator from Michigan for himself and the Senator from New Hampshire [Mr. BRIDGES] is very palpably legislation. Under rule XVI of the Senate rules it is not in order. The same rule charges me with responsibility for making the point of order against it. I therefore make the point of order that the proposed amendment is legislation on an appropriation bill, and I ask for a ruling from the Chair.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The Chair rules that the point of order is well taken. The point of order is sustained, under rule XVI, section 4, of the Standing Rules of the Senate.

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

Mr. FERGUSON. Mr. President, will the Senator withhold for a moment his suggestion of the absence of a quorum?

Mr. BRIDGES. Certainly.

Mr. FERGUSON. Mr. President, there is on the desk a notice in writing, filed in accordance with rule XL of the rules of the Senate, of intent to move a suspension of the rules with respect to the amendment to the Agriculture appropriation bill. Pursuant to that notice I move a suspension of paragraph 4 of rule XVI in order that we may proceed to the consideration of the amendment offered by the Senator from Michigan and the Senator from New Hampshire [Mr. BRIDGES].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] to suspend paragraph 4 of rule XVI of the Standing Rules of the Senate.

Mr. RUSSELL. Mr. President, may I inquire when the notice was filed?

The PRESIDING OFFICER. Notice was filed on May 10, 1949.

Mr. RUSSELL. Very well. It appears to be in order.

Mr. BRIDGES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	Mundt
Anderson	Hickenlooper	Murray
Brewster	Hill	Neely
Bricker	Holland	Reed
Bridges	Humphrey	Robertson
Butler	Jenner	Russell
Cain	Johnson, Colo.	Schoeppel
Chapman	Johnson, Tex.	Smith, Maine
Cordon	Johnston, S. C.	Sparkman
Donnell	Kem	Stennis
Downey	Kilgore	Taft
Ecton	Knowland	Taylor
Ellender	Langer	Thomas, Okla.
Ferguson	Long	Thye
Frear	McFarland	Vandenberg
Fulbright	Martin	Watkins
Gillette	Maybank	Wiley
Green	Miller	Williams
Gurney	Millikin	Withers
Hayden	Morse	Young

Mr. ELLENDER. I announce that the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from New York [Mr. IVES] are attending a conference on the bill H. R. 2361, the Reorganization Act of 1949.

The PRESIDING OFFICER (Mr. NEELY in the chair). A quorum is present.

LEAVE OF ABSENCE

Mr. HICKENLOOPER asked and obtained consent to be excused from attendance on the session of the Senate for the remainder of today.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriation for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. RUSSELL. Mr. President, I wish to address myself briefly to the pending motion to suspend paragraph 4 of rule XVI of the Standing Rules of the Senate, in order that the Senate may consider the amendment proposed by the Senator from Michigan [Mr. FERGUSON], on behalf of himself and the Senator from New Hampshire [Mr. BRIDGES], which was ruled out of order, properly so, by the predecessor of the distinguished Senator now occupying the chair. I apprehend that if the motion to suspend the rule shall fail, as I hope and believe it will, a motion will then be made to recommit to the Committee on Appropriations the agricultural appropriation bill, with instructions to reduce the appropriation.

I take the time of the Senate to point out the difference between the agricultural appropriation bill as it now presents itself to the Senate, and the other general appropriation bills. I venture to say, and statistics will bear out the statement, that the agricultural appropriation bill is the only regular supply bill of the year that is today substantially below the prewar figures of the appropriation bills. Nothing could better show the fallacy of

the idea of applying a straight across-the-board cut on all bills than a comparison between the agricultural appropriation bill and other general appropriation measures.

I should have thought, Mr. President, that our distinguished friends on the other side would have exercised some little caution in their efforts to cut the agricultural appropriation bill. I listened to the remarks of the distinguished Senator from Michigan when he pleaded for economy in government. I subscribe to that philosophy in general terms. I trust that before the Senate shall adjourn, and before the last general appropriation bill is enacted into law, we shall be able to adopt a formula which will result in a substantial reduction in the over-all budget.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAFT. What possible formula could we adopt that would not be subject to veto by the President and to his opposition? How can we achieve the desired result, except as we go along? How can we afterward, over the President's opposition, which I assume we shall have, expect to adopt any such over-all bill? I should be delighted to go along with the Senator on any proposition which seems to be practical. But how, exactly, will it work?

Mr. RUSSELL. Mr. President, I could not, of course, give exact figures and details of a plan which I must confess is rather nebulous at this stage. I may be a Pollyanna and may be unduly optimistic, but, in my judgment, events of the past few weeks have considerably affected the opinion of the Congress and, I hope, of the President of the United States, toward the budget for the coming fiscal year.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. If the Senator will permit me to discuss this subject a little further, it is my hope that we shall be able to amend the last general appropriation bill which comes before the Senate and adopt a formula which will be realistic, in the light of conditions today, and which will result in a substantial reduction in appropriations.

I am not prepared to go into every detail of it, but what I have in mind is something that would not apply itself to an across-the-board reduction, such as is suggested, but would cut direct items of appropriation. In other words, I believe we could safely reduce all of the procurement items in all the bills by as much as 10 or 12 percent, in view of falling market prices. I think there could be a small reduction in personnel. I might be prepared to go further than what we might be able to accomplish, but I want as substantial a reduction as can be secured. If we can save as much as a billion and a half dollars, I think it would be a very substantial saving.

I think the figures show that there has been a material reduction in construction costs. I have on my desk a very well-considered article from the Business Week magazine, pointing out that in the past few months, for the first time, contractors' bids are running substantially below engineering estimates on an average of from 5 to 12 percent. Up to that time, for 5 years, all bids for construction of all kinds, such as houses, roads, and public projects in all categories, had been running substantially over engineering estimates. Therefore I think we can well afford to reduce by 7 to 8 percent all construction items in all appropriation bills, wherever they may be found, to make them conform to conditions as they now exist.

I have a number of other items in mind. I think we can apply reductions to all travel and communications items. I believe we would find it much easier to enforce reductions by such a scheme as that than by undertaking to cut certain items in certain bills 5 percent, without regard to their merits, leaving it to the administrators to determine where the cuts should be applied. In my opinion, it would be much more simple to reduce the items of expenditure by 5 percent and direct the administrators to reduce them to that extent.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Ohio.

Mr. TAFT. Does the Senator make his proposal contingent on a change of mind on the part of the President of the United States?

Mr. RUSSELL. I did not, of course, do anything of the kind. I said I was an optimist and that I hoped even the President of the United States would see the change in conditions. His attitude will in nowise affect my intention. I am now working on the subject. It is very difficult to find persons who have a comprehension of the far-flung thing which we call the Budget of the United States. I thought I had some knowledge of it, because of my service on the Appropriations Committee, and I say with modesty, which may not be sufficient, that I know as much about the budget as does the average Senator. I am working at this time with some persons who, I think, have as much knowledge of the subject as has anyone else, in an effort to establish a realistic approach to the problem. I have talked to a number of members of the Appropriations Committee; I have talked to Senators on both sides of the aisle with reference to the subject, and, unless I am badly deceived, if we are intent on really reducing the budget so far as practicable, I think a reasonable method can be adopted in the Senate, even if it should require a two-thirds vote.

Mr. TAFT. I do not quite understand the Senator's hope for a two-thirds vote, but I think I understood the Senator's suggestion to be that we attach some such rider to one of the last appropriation bills——

Mr. RUSSELL. To the very last one.

Mr. TAFT. The President would be fairly free to veto the bill and blame us for trying to hitch a rider on after we had already appropriated definite sums. I cannot see that the Senator's plan is a practical one, if we want to make reductions, as we do. If we can do what the Senator suggests with reference to the last appropriation bill, why can we not do it with each bill? It seems to me that such an amendment should be attached to each bill as it is passed.

Mr. RUSSELL. I, of course, did not expect the Senator from Ohio to approve of the plan——

Mr. TAFT. I approve fully of the Senator's plan.

Mr. RUSSELL. Of course, the Senator from Ohio is the author of the plan which was adopted by the Senate recently, and then it was reconsidered by the Senate. But I hope the Senator from Ohio will give consideration to the amendment when it is brought forward. I believe the Senator will support it when it comes before the Senate.

Mr. TAFT. I shall support whatever method the Senator may propose, but I suggest to him that the fact there is such a plan in the offing is no good reason why the Senator should not support our plan to reduce the appropriations as we go along.

Mr. RUSSELL. While 5 percent, as it is embodied in the amendment, may look to be somewhat substantial, when it is boiled down it does not amount to a great deal of money. We are not cutting a great many items. While the amendment which I have in mind may not reduce as much as 5 percent the over-all budget, I am satisfied it will amount to much more substantial savings than would the amendments which have been proposed on the floor, subject to the limitations and exceptions involved.

The Senator from Ohio asked me about it. I was merely discussing the general subject, and I said I hoped we could bring about some economy. I did not intend to go into any details of the plan, because I have not worked it out completely. I do not want to claim any authorship for it. There are other Senators who have greater seniority than I have and who occupy higher positions than I occupy with respect to the Senate. I was simply saying that there is a better way to solve the problem than is the one which has heretofore been suggested. I was going on to show the difference between the agricultural appropriation bill and other appropriation bills.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. FERGUSON. I preface my question by saying that I shall join with the Senator from Georgia in any method designed to cut expenditures so we can keep within the budget and prevent deficit spending or an increase in taxes. I have no pride of authorship, but I ask the Senator whether his plan would not face the same difficulty which my amendment faced today, namely, a point of order, because it would involve legislation added to an appropriation bill, and would be, therefore, subject to a point of order.

Mr. RUSSELL. I am not sure about that. I rather apprehend that the last appropriation bill to come before the Senate will be the ECA appropriation bill. Heretofore there has always been some legislation in that bill. If that is the case, there may be a place to tie the amendment to it without the necessity of a two-thirds vote. If there is not, of course, it will be subject to hazards. I hope it will receive support, because I think it will be

a much better approach to the problem than is the means proposed by the Senator from Michigan.

Mr. FERGUSON. Both plans are aimed at the same thing—to avoid deficit spending or tax increases, and therefore we should work together.

Mr. RUSSELL. Of course. I did not intend to go into a discussion of the subject at this time. The discussion was elicited by the questions of the Senator from Ohio [Mr. TAFT]. I want to make it plain that it is not an individual proposition with me. I hope it will be a bipartisan proposition and that we shall work out something which will be so fair that it will appeal to the common sense of all the Members of the Senate, no matter what their party affiliations may be.

Mr. President, as I was saying, there is a substantial difference between the several appropriation bills, and that is why I do not think, as applied to the agricultural appropriation bill, this 5-percent across-the-board or discretionary cut, to be vested in the head of the agency, can possibly be effective, and I know it cannot be fair.

What is the situation with regard to the agricultural appropriation bill? I have heard the cry of economy with respect to this bill before. I heard it here in 1947, and I heard it in 1948. We had economy drives then, and they wound up with most of the economy being effected in the agricultural appropriation bills.

What has happened to the pending bill? The bill as it is presented to the Senate today, even though it is substantially over last year's bill, is $470,100,000 less than the appropriation bill for 1940 for the Department of Agriculture. I challenge Senators to show any other departmental bill which is that far below the prewar average. Yet it is said a 5-percent cut across the board on all appropriations is fair. It cannot possibly be.

I do not think the Eightieth Congress was the worst Congress that ever assembled, as has been stated in some quarters, but I do say that so far as the agricultural appropriation bill was concerned, it was the worst Congress in which I ever served. It cut the heart out of the agricultural appropriation bill.

I hope that my brethren on the other side of the aisle will not feel as did the Bourbons of ancient France, who never forgot and never learned. They have not forgotten about attacking the agricultural appropriation bill, but, so far as this bill is concerned, it seems to me they would have learned something by the result of the election in 1948. The House of Representatives even eliminated completely the soil-conservation work. It took a desperate fight here in the Senate even to keep that activity alive in the bill, with a little pittance of $150,000,000, cut down from $500,000,000, as it had been shortly before.

I went to some of my friends on the other side of the aisle and said, "You do not know what you are going to do." They said, "Our farmers do not care anything about this; they do not want it." They had been talking to the aristocrats of agriculture; they had not been talking to the farmer who rises early and drives a tractor all day long. When farmers are sufficiently interested in the committees which manage the farm program over the country to come into town at night, without recompense, and after a day spent on a tractor bumping over a dusty field, it is ridiculous for anyone to claim they have no interest in this bill. So I hope my friends on the other side will learn something from the experience they had in 1948. I am not here advising them politically, but I merely express my opinion that the scant attention given to the soil-conservation program in the calendar year 1948, when the farmers found out what had been done to them just a few weeks before the election, contributed more to the Republican debacle than any other single thing. Yet we hear it said here now, "Let us cut the agricultural appropriation bill. Let us have economy. Let us make a cut in a bill affecting the farmer's activities," when the appropriations in this bill are already $470,000,000 below the 1940 level, $384,000,000 below the level of 1942, when we were in the war, and were not stressing soil-conservation benefits.

Mr. President, this is an agricultural appropriation bill in that it deals with the soil and those who live on the soil, but it contains much more than that. It deals with every known insect which attacks the sources of food or the sources of fiber in this country, or is depleting even today the already sorely reduced forest resources of the United States. It deals with insects which attack man and beast. It deals with the diseases of all the animals on the Nation's farms. Try to figure out some time what that is worth in terms of natural resources, in terms of the cows, and hogs, and horses, and mules, and sheep, and see just how important the agricultural appropriation bill is to the people of this Nation. Then, Mr. President, you will understand why the farmers were so aroused when they saw what was done to the conservation plans which they themselves had designed, which they, through their local committees, controlled in the local counties and in the local communities, and you will understand something of the reason for the resentment which caused them to forget the traditions of 40 years when they came to cast their votes.

It is said, "We have to economize, and here is the farm bill, a way below what it has ever been before, but let us apply a 5-percent slash, without any consideration whatever as to how much beating the agricultural activities have already taken in the past 2 years in the reduction of appropriations for these activities." I say it simply does not make sense. It is not fair, and it is not right. It is unjust to the agriculturists of the United States.

Now I wish to draw another comparison. In 1940, the year before the war, out of the funds Congress appropriated for the over-all budget for all activities, $1 out of every $4.50 was carried in the agricultural appropriation bill. Look at the budget today. For the next year only $1 out of every $5 appropriated by the Congress is carried in this bill, for all the ramifications and the far-flung activities of agriculture. Yet it is proposed that that be cut 5 percent across the board, just as all the other activities and departments of Government, which are swollen all out of any proportion, would be cut.

Mr. President, that is why I say it is folly to talk about applying this yardstick to the Department of Agriculture, whose appropriation is already so far below prewar expenditures and not only that, but is below the present-day needs of agriculture and allied interests in this Nation. For example, the forests are suffering because the bill, even as it is here today, does not contain a large enough appropriation to provide adequately for one of the greatest, one of the most essential, resources of our land. The forests are subject to being depleted by fire, and the roads and trails through them, which were built by the Civilian Conservation Corps, going to waste because we have not appropriated sufficient sums of money even in this bill. Yet it is proposed to cut an appropriation which is insufficient to provide for this heritage that belongs to every American citizen, wherever he may live and whatever may be his business.

Mr. ROBERTSON. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Virginia.

Mr. ROBERTSON. Is it not true that while there is a proposal to reduce appropriations for this essential activity, in 1947, which up to that time had been the most prosperous year our farmers had ever experienced, the net income of the farm group was only one-half the net income of the nonfarm group, and possibly in 1948 that disparity was accentuated, because in the latter part of last year farm prices suffered a substantial decline?

Mr. RUSSELL. The Senator is correct in his statement. When we consider the total amount of agricultural income, and refer to so many billion dollars, some people say that all the farmers are becoming rich. But put the agricultural income alongside the national income and see what it reflects. Despite high farm prices, which are now going down and down, even at their very zenith and peak, the 20 percent of the people who live on the soil and till it never did get more than 10 percent of the national income. Yet we are told farmers are becoming rich, and we hear it said, "Let us economize, let us cut his poor little bill, which is already $470,000,000 below what it was in the prewar year. Let us cut it. Let us take it out of the farmer. He received pretty fair prices for his commodities. He was able to patch up his Ford. He painted his house. He managed to send his son to college. He is getting to be prosperous. Let us move in and cut out his poor little appropriation. Let us apply the same yardstick to that as we do to every other agency of the Government."

Mr. ROBERTSON. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. ROBERTSON. Before the Senator from Georgia concludes his very splendid explanation of the bill will he be good enough to indicate some of the

items, and especially items for agriculture, which will have to be cut if $36,000,000 is taken from the bill as his committee has reported it to the Senate?

Mr. RUSSELL. Of course, the first thing we would have to do would be cut the school-lunch program, because we have brought that item above the estimate of the Bureau of the Budget. That is the first item in the bill that is above the budget estimate. So there would have to be a very substantial cut made in the school-lunch program if we were to agree to the motion to suspend the rule and thereafter adopt the amendment. We then, of course, would have to take out of the bill what the Senate committee has undertaken to place in it in order to protect the national forests and maintain them in a condition approximating that of previous years. The appropriations for the national forests in the House bill were greatly below what they were last year.

Senators speak of applying to the agricultural appropriation bill the same rule they would apply to other bills. I do not see the distinguished Senator from New Mexico [Mr. ANDERSON] on the floor, but I wish to say a word about his services as Secretary of Agriculture. The permanent employee—and hear this, Senators, who are getting ready to cut the Department of Agriculture bill as they would cut other bills, though relatively the appropriation for the Department of Agriculture is far below the appropriation for other departments—the permanent employees in the Department of Agriculture are 20,000 fewer than they were in 1940. Can Senators name any other department of government that in anywise approaches that record? There are 20,000 fewer permanent employees in the Department of Agriculture than there were in 1940, the year before the war.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ROBERTSON. There are approximately 73,000,000 acres in our national forests. They are a great reservoir of timber, affording protection to our watersheds, and are valuable to our Nation in many other ways. Is it not a fact that in recent years we have been consuming the timber resources of the Nation at a rate 50 percent greater than the replacement?

Mr. RUSSELL. I have covered that point in general terms. I appreciate the fact that the Senator has given the exact figure. I merely spoke of "the rapidly declining but priceless heritage of our national forests." So if we should recommit the bill, we would be obliged to cut the appropriation for the national forests. The Senate committee added the poor little sum of one and one-half million dollars for the national forests. That is a very small addition to the appropriation, considering the vast expanse and great value of our national forests. The Senate committee increased the amount provided in the budget estimate, but if the bill is sent back to committee that will be one of the first items to feel the ax, because that item was raised by the Senate committee above the budget estimate.

Mr. ROBERTSON. What statistical agency must our farmers depend upon to find the price trends and competitive trends of other products?

Mr. RUSSELL. The Bureau of Agricultural Economics.

Mr. ROBERTSON. What did the House do about that Bureau?

Mr. RUSSELL. The Senate committee restored a part of the cut made by the House below the budget estimate.

Mr. ROBERTSON. If the bill were recommitted, it would be necessary to cut the appropriation for that essential, factual study agency for the farmer, would it not?

Mr. RUSSELL. If the Senate is going to make the agricultural bill subject to economy equal to that of other agencies which have swollen to several times their prewar size, we might as well do away with this very essential activity. It would not make any difference to the farmer then what his specific standards would be. He would be in such a deplorable condition that the Bureau would not be able to locate.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MAYBANK. Is it not a fact that an increased appropriation for the Forest Service would mean the bringing in of more revenue to the Treasury? Is it not true that a 5-percent cut to that Service would materially curtail the amount of logs, wood, and timber the Forest Service throughout the United States sells, and is it not a fact that all the income from the Forest Service, for agricultural products and forest products, goes straight to the Treasury, and is not shown in the bill?

Mr. RUSSELL. It does not show in the bill. I will say to the Senator that all of it does not go to the Treasury. Some is paid to the local communities in lieu of taxes, but the remainder comes to the Treasury. Of course, many persons familiar with the national forests, including distinguished Senators on the floor, have appeared before the committee and claimed that the Forest Service pays $5 in return for each $1 provided by Congress to enable it to handle timber in the national forests. I often thought that the estimate of a return of $5 for $1 spent was a little high, and that we could do a little better. But if we could have a return from any other Government department of $5 for every $1 spent for it we would be in a much better fiscal condition than we occupy today.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. In line with the question addressed to the Senator from Georgia a moment ago by the distinguished Senator from Virginia [Mr. ROBERTSON], I call attention to the language of the amendment, which, as I read it, takes the power away from the Appropriations Committee and gives it directly into the hands of the Secretary of Agriculture, with the approval of the Bureau of the Budget, to make the 5-percent cut. That is one of the things I have been objecting to all along in connection with a 5-percent arbitrary cut. The language is as follows:

> The Secretary of Agriculture, with respect to appropriations made in title I of this act, is authorized and directed, with the approval of the Director of the Bureau of the Budget, to make such reductions in the amounts to be expended from the appropriations in such title as will in the aggregate equal at least 5 percent of the total amounts so appropriated therein.

In other words, it is proposed to let the Secretary of Agriculture, to the tune of about $35,000,000, substitute his judgment for the judgment of the Appropriations Committee. In the bill considered a short time ago, in which $3,000,000,000 was involved, a 5-percent cut meant that three or four agencies of Government would have the right to deal with $150,000,000. The delegation of that authority into the hands of the so-called bureaucrats, of whom we have heard so much from the opposite side of the Chamber, it seems to me should give our Republican colleagues some concern in view of the previous arguments they have made respecting delegation of authority. No one can say what the Secretary of Agriculture or the Bureau of the Budget are going to do in the way of making cuts. In other words, as I view it, they may take an opposite position from that of the Appropriations Committee, in making the 5-percent reduction.

Mr. RUSSELL. They might cut something that, of course, would be dear to the heart of some Senator, and which is absolutely essential to the operation of the bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MAYBANK. Is it not a fact that the appropriation for the Forest Service has been so reduced that the public parks and the public playgrounds in the great national forests have practically no funds made available to keep them open and to keep them in proper shape and repair, and is it not a further fact that in some instances portions of the parks have even been rented because of the lack of funds appropriated?

Mr. RUSSELL. Mr. President, of course, the forest recreational areas are the resorts of the people of modest means. I forget exactly how many million persons visit these magnificent forest areas. Although very simple arrangements have been provided in them, such as outdoor cooking places, and the simplest and most primitive sanitary facilities, yet they are visited by millions of American citizens. During the war not a dollar was spent on them. Since the war we have not been able to secure money for them, though I finally did prevail on the committee to provide $1,000,000 for this purpose in 1948. But I assert, unhesitatingly, that the recreational facilities in some of our national parks are a national disgrace to a Nation as strong and powerful and with the resources of the United States. Not only do we have a condition which is a national disgrace in connection with that item, but the same is true in connection with the item for the lands which were

acquired under the submarginal program some years ago, some 7,000,000 acres, in 31 or 32 States, lands in connection with which the Government of the United States is sponsoring soil conservation. Those lands represent a disgraceful spectacle when compared with the lands of the private farmers alongside of them, because of the penurious policy of the Congress in appropriating money to maintain these properties by the Government of the United States.

Mr. WHERRY, Mr. TAFT, and Mr. ROBERTSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I ask the Senator to yield because I must go to a meeting of the Appropriations Committee.

Mr. RUSSELL. I apologize to the Senator from Nebraska for not yielding to him immediately. He was on his feet sometime ago. Then the Senator from South Carolina asked me to yield, and at that time the Senator from Nebraska was talking to another Senator.

Mr. WHERRY. I am very appreciative. I shall ask the Senator to leave the subject he has just been discussing for a moment. I trust that the distinguished Senator from Ohio [Mr. TAFT] will later be yielded to by the Senator from Georgia.

I ask the Senator to turn to page 43 of the bill, line 12, and consider the item for flood control. I also invite attention to the basic law enacted by the Seventy-fourth Congress, Public Law 738. I read section 2 to the distinguished Senator:

> Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for run-off and water flow retardation and soil-erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by act of Congress.

In view of that basic provision, I ask the distinguished Senator, Who will administer the funds in line 12, which have now been increased from $8,975,000 to $10,000,000?

Mr. RUSSELL. I am sorry that I did not follow the Senator. I am not as familiar as I should be with the basic law which he has read, but it is my understanding that it is administered by the Secretary of Agriculture through the Soil Conservation Service.

Mr. WHERRY. I realize that we cannot write legislation in an appropriation bill; but does not the Senator from Georgia feel that the $10,000,000 item should be used by the Soil Conservation Service and the Forest Service in carrying out the provisions of the bill and the intent of Congress?

Mr. RUSSELL. As I understand, they are the agencies which use the funds. In the field the work is done by the Soil Conservation Service and the Forest Service. I have never heard anything to the contrary.

Mr. WHERRY. An amendment to an appropriation bill requiring that that be done would be subject to a point of order; but does the Senator see any reason why it should not continue to be administered by the Soil Conservation Service?

Mr. RUSSELL. I have heard nothing to the contrary. The Soil Conservation Service was the agency which appeared before the committee and offered testimony, along with the Forest Service. I believe that the Department of the Interior had some representatives there, because certain public lands under the jurisdiction of that agency are affected. However, as I understand, the actual field work is done by the Soil Conservation Service.

Mr. WHERRY. And that is our intention when we approve the appropriation.

Mr. RUSSELL. Yes. It is all under the general direction of the Secretary of Agriculture.

Mr. WHERRY. Does not the Senator agree that it should be done through the Soil Conservation Service?

Mr. RUSSELL. It is the intention that the field work shall be done through the Soil Conservation Service and the Forest Service. The Forest Service does some of the work.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ROBERTSON. I wish the Senator would emphasize a remark which he recently made about the value, from the standpoint of perpetuating democracy, of the recreational opportunities which are to be found in the national forests. The Senator will recall, of course, that our colonial ancestors came from countries where the use of forests was largely the prerogative of kings and the nobility—those on horseback. When our ancestors came over here they were determined that the state, meaning the organization of the people, should have those rights. Does the Senator know of any better investment in the peace, happiness, and contentment of the people than the opportunities which we can give them in our national parks and our national forests if we maintain those areas as they should be maintained?

Mr. RUSSELL. I have always strongly believed in maintaining and improving the recreational facilities of our national forests and all the land that is the common property of the United States. Millions of people enjoy vacations in those beauty spots who otherwise would be denied the right of having that little period of recreation which is so essential to every human being.

Mr. President, I am nearly through. I merely wish again to point out that this bill is $470,100,000 below the 1940 appropriation. I wish to emphasize that the full-time employees for this year are 55,372, as compared with 75,833 in 1941, the year we were thrown into war. The total, including temporary employees, is 71,000, as compared with 108,000 in the year 1941. Yet, it is proposed to subject this bill, important as it is, already reduced as it has been, particularly by the past two Congresses, by the same reduction that would be applied to other bills, which are swollen to two or three times their prewar size.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SCHOEPPEL. Did I correctly understand the Senator to say that the bill is $470,000,000 less than the appropriation was in 1947?

Mr. RUSSELL. No; in 1940.

Mr. SCHOEPPEL. Am I to understand that the present appropriation figure is far under the Department's requests of the Appropriations Committee?

Mr. RUSSELL. Oh, yes.

Mr. SCHOEPPEL. About how much?

Mr. RUSSELL. It is only $4,300,000 below the budget, but requests were made of the committee which would, I am quite sure, have run three or four hundred million dollars above this amount. The Senator has seen efforts on the floor to increase the appropriations greatly above what the committee recommended.

Mr. President, this bill deals with every conceivable activity of the human family. There are 1,867 separate activities under the bill. It deals not only with agriculture and horticulture, but with every form of flora and fauna on this continent. I am often amazed, in listening to witnesses who appear before the committee, at the great variety of activities represented. As an example, I mention the gladiolus industry. I had no idea that it was a $100,000,000 business, and that it was a source of livelihood to hundreds of small producers all over the Nation, small farmers who operate greenhouses and produce gladioli. There are literally thousands of them. A disease has attacked that flower and has destroyed about half the production, thereby threatening the employment of thousands of people. Representatives of that industry came before us and testified, and, of course, we put in a little pittance to try to find the means to deal with that disease.

Mr. President, there should not be applied to this bill, reduced as it already is, the same rule which is sought to be applied to other bills, some of which are greatly swollen.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAFT. The Senator referred to Forest Service, and made the general statement that agriculture had taken the greatest reduction since 1940.

Mr. RUSSELL. I did not say that the Forest Service had. I said that the agricultural appropriation bill had.

Mr. TAFT. That statement apparently does not apply. I have the 1940 appropriation bill before me. I find, for example, that $190,000,000 of it represented Public Roads. That activity is no longer in the agricultural bill.

Mr. RUSSELL. All those items are eliminated from the figures which I gave. I gave comparable figures. They were prepared under the direction of the staff. The items which were transferred from the Department under the reorganization are not taken into consideration. That would not be a fair comparison.

Mr. TAFT. I notice $225,000,000 for parity payments, which apparently now are being taken out of the Commodity Credit Corporation. Last year it paid $200,000,000, which is not in the agricultural bill.

Mr. RUSSELL. The figures which I gave include all appropriations for activities of the Department of Agriculture that are now in the Department.

Mr. TAFT. I notice that the appropriation for the Forest Service has been increased from $20,000,000 in 1940 to $53,000,000 in the pending bill. Is that correct?

Mr. RUSSELL. I am not familiar with the figures, but I suspect that that is approximately correct. Since that time the Congress has increased the salaries of employees of the Forest Service, along with the salaries of all other employees of the Government, by approximately 60 percent. We enacted a law under which no Federal employee may work more than 40 hours a week. The Forest Service implored Congress to give them an exception, along with the lighthouse keepers, but the Congress enacted the 40-hour week for the Forest Service and the lighthouse keepers, without taking into consideration the fact that neither forest fires nor storms at sea can be confined by legislative edict to the 40-hour week which those employees work. So we have had to expend a great deal more money as a result of the enactment of that act of Congress. But if the Senator will check, I am sure he will find that there are few, if any, additional employees in the Forest Service today, as compared to the number of its employees in 1940. I shall obtain the figures for the Senator from Ohio in a moment.

As a matter of fact, I find, upon checking the figures, that, although due to the act of the Congress in increasing wages and applying a 40-hour workweek the Forest Service appropriation is larger, yet the men who work and live in the forests are fewer in number today than they were in 1940. Although the appropriation has increased, today the employment in the Forest Service is 10,242, as compared with 11,050 in 1943.

Mr. TAFT. Yet the appropriation for the Forest Service has increased from $20,294,000 to $53,854,000; is that correct?

Mr. RUSSELL. Yes; it is because the Congress has increased the salaries and has passed a law putting the Forest Service on a 40-hour week.

Mr. TAFT. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. LANGER in the chair). Does the Senator from Georgia yield to the Senator from Ohio?

Mr. RUSSELL. I yield.

Mr. TAFT. I notice that in 1940 the appropriation for the office of the Secretary was $883,000, whereas this year it is $2,143,000. That is a fairly large increase, is it not, in the appropriation for the Secretary's Office?

Mr. RUSSELL. Yes; but if the Senator will check into that item, I think he will find that since the 1940 appropriation bill was passed, the Congress has passed an act known as the Marshall Plan Act, and the Department of Agriculture has been the great procurement agency in connection with the Marshall plan aid and program, and that work has been handled through the Office of the Secretary. I think I am correct in saying that that increase in the appropriation can be attributed very largely to the additional duties imposed upon the Department of Agriculture since 1940, in that way.

Mr. President, I am sorry that the distinguished Senator from New Mexico is not now in the Chamber, for he could answer that question categorically.

Mr. TAFT. I notice that the 1940 appropriation for the Office of Solicitor was $232,000, whereas in the pending measure that item is $2,235,000. Is not that a substantial increase in the appropriation for the lawyers in the Department of Agriculture?

Mr. RUSSELL. I am glad the Senator from Ohio mentions that item, because I happen to remember it. Since the 1940 appropriation bill was passed, there have been changes in the Solicitor's Office in the Department of Agriculture. At that time there were three or four Solicitors' offices in the Department—one for the Rural Electrification Administration, one for the Commodity Credit Corporation, and one or two others. I happen to remember the one for the Rural Electrification Administration, because it was a large one. At the present time all of them have been consolidated into one, and today there are fewer lawyers in the Department of Agriculture than there were in 1940, although the responsibilities are much greater. I am glad the Senator from Ohio has mentioned that matter, for I intended to refer to it.

The Senator from Michigan harped upon the fact that the appropriation for the Office of Solicitor has been increased.

Mr. TAFT. Yes; under the pending bill the appropriation for the Office of Solicitor is $2,235,000—in other words, $2,235,000 worth of lawyers in the Office of the Solicitor, Department of Agriculture.

Mr. RUSSELL. In that connection, I point out that at the peak, in 1941, there were 389 lawyers in the Department of Agriculture, whereas by 1948 that number had been decreased to 209, or a reduction of 180.

Senators may smile very slyly when speaking of the lawyers in the Department of Agriculture and the appropriation of approximately $2,500,000 for them——

Mr. TAFT. No; I am only trying——

Mr. RUSSELL. But I wish to say that there is no private enterprise on earth which, if it had developed into a big business concern, as the Department of Agriculture has, would undertake to get along with a legal department costing less than $20,000,000. After all, $1,000,000,000 of Federal funds, for which every citizen is obligated to pay taxes, is handled through the Rural Electrification Administration alone, which makes loans to approximately 963 farmers' cooperatives scattered throughout every State of the United States, every one of which must be checked by the legal staff of the Department of Agriculture. If we had nothing else for those lawyers to do, we would still be getting a great deal of highly important work done very cheaply, with lawyers and a legal staff costing $2,500,000 handling $1,000,000,000 worth of loans in 1 year.

Mr. TAFT. Of course, every local cooperative has its own lawyer, entirely outside the Government, I assume.

Mr. RUSSELL. Of course it has. Probably every borrower who applies for a loan at a bank has a lawyer, but the bank does not let the borrower's lawyer pass on the legality of the paper. To the contrary, the bank has its own lawyer pass upon it.

Where would we get, Mr. President, if the lawyer of the local cooperative or association were permitted to pass upon the legality of funds thus proposed to be taken from the Treasury of the United States? The fiscal condition of the United States today is bad enough, but it would be a catastrophe too horrible to contemplate if we were to turn all legal questions in regard to loans of that sort over to the lawyers of the borrowers. For instance, would we let a railroad's lawyers pass on the legality of loans applied for by the railroad?

Mr. TAFT. Mr. President, from the statement the Senator has made, I am under the impression that he takes the position that the Department of Agriculture, more than any other department or agency of the Government, has suffered greatly from very heavy reductions.

Mr. RUSSELL. It has.

Mr. TAFT. But I notice that in 1940 the library of the Department of Agriculture received an appropriation of $109,000, whereas now its appropriation is stated as being $722,400.

Mr. RUSSELL. That is correct.

Mr. TAFT. That is a substantial increase, I assume.

Mr. RUSSELL. It is, because the Senator from Ohio, in common with other Senators, voted to increase the salaries of Government employees greatly above what they were in 1940. I have before me a statement or compilation showing the change.

In 1943 the Library of the Department of Agriculture had 193 employees. Today it has 176 employees.

If the Senator from Ohio will examine the situation respecting the libraries of other departments of the Government, I do not believe he will be able to show me one which has fewer employees than has or had the Library of the Department of Agriculture, either in 1948, 1943, or 1940.

I still insist that this Department has taken its cut. It has taken its beating. It was almost extinguished by the Eightieth Congress; and today we are making a few feeble efforts to get it back on its feet, so that it can operate and can save the great agricultural industry upon which all of us are dependent for the food we eat and the fiber we wear.

Mr. TAFT. I notice that in 1940 the appropriation for the Bureau of Animal Industry, Department of Agriculture, was $16,663,000, whereas in the pending measure its appropriation is $22,729,000.

Mr. RUSSELL. That is correct. It is the agency which is charged with the responsibility of inspecting all the meat

we eat. A great many persons are engaged in that inspection service, and the Congress has voted to increase their salaries approximately 60 percent. Therefore, inasmuch as Congress has issued a mandate that the employees of that agency be paid that much more, it is necessary to pay them accordingly, if we wish to have the meat inspected.

Mr. TAFT. I notice that the 1940 appropriation of the Bureau of Plant Industry was $5,183,000, whereas under the pending bill its appropriation is $8,750,000.

Mr. RUSSELL. Mr. President, when we consider the great responsibilities with which that agency is charged, I have never known how it could get along with the appropriations it has had, in view of the way the Congress has increased the salaries of its employees. That agency is charged with the duty and responsibility of protecting the crops of the United States from destruction by fungus and insects, such as grasshoppers, and so forth. Yet that agency has managed to get along with the very modest increase in appropriations which it has received, although the Congress has directed it to increase the pay of its employees by 60 percent.

Mr. TAFT. Mr. President, I do not wish to question for a moment the fact that the general scale of expenditures had to be increased and should be increased. I am only trying to rebut the general impression which I thought the Senator from Georgia was giving, namely, that here is a Department which, more than any other department or agency of the United States Government, has taken a tremendous decrease in its appropriations. It seems to me that the 5-percent cuts which have been made in its appropriations since 1940 will not result in crippling this Department any more than any other department.

I fully agree with the Senator's statement about the importance of each of these activities, but I do not believe a case is made for treating this Department differently from the way other departments of the Government are treated.

Mr. RUSSELL. Mr. President, the Senator from Ohio said he thought I was trying to create the impression that this Department should be treated differently. I am very happy if I have succeeded in creating that impression in the mind of at least one Senator, because I have been trying to present facts and figures to show that the personnel of the Department of Agriculture is substantially less than it was in former years.

I assert further that in 1947 and 1948 the agricultural bill, in those two economy drives, took an undue cut, and that the pending bill does not restore all the activities which should be restored, and which are essential to the health and the welfare and the lives of the American people.

Mr. ANDERSON. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. ANDERSON. Would the 5-percent cut, in the Senator's opinion, if adopted, apply to the $300,000,000 soil-conservation appropriation?

Mr. RUSSELL. As the Senator will remember, in 1947 the House of Representatives cut out all the soil-conservation payments, but after a desperate struggle in the Senate we were able to restore $150,000,000. I want to pay tribute to the junior Senator from North Dakota [Mr. YOUNG]. The Republican Congress, which had come into control, flush with its victory and bent on economy, did not pursue its efforts toward economy much further than the Department of Agriculture, and the Department would have been absolutely paralyzed beyond all hope of redemption if the Senator from North Dakota, a dirt farmer, had not appeared and made plain what the soil-conservation system meant, although I had tried to tell them. We finally got $150,000,000. That represents payments which were made the year the farmers voted to change the complexion of the Senate from a majority of Republicans to a majority of Democrats and to change the House of Representatives in the same way. Those payments were made last summer, just before the election, and the farmers could not understand why, if the party that had control of the Congress was a friend of the farmers, they found it necessary to take away funds to repay the farmer the one-third that is recompensated to him for carrying on soil-conservation practices.

Mr. REED. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield the floor.

Mr. REED. Mr. President, it is with a good deal of regret that I have listened to my very good friend the Senator from Georgia with respect to certain of the inferences he draws and certain of the impressions he has left. The Senator from Georgia, I hope, will refer to the table, a copy of which I think he has before him. It is obviously true that agricultural appropriations have decreased since 1940; so have certain payments decreased—parity payments, for example. Some payments have been added.

Mr. RUSSELL. Where have the payments been added? I should like to know where they have been added.

Mr. REED. The scale of soil-conservation payments——

Mr. RUSSELL. We had $500,000,000 for that purpose up to the war. We had to reduce them somewhat then in order to get the farmers to plant more food and fiber. But the soil-conservation payments were never less than $300,000,000 until 1947, when the Congress undertook to eliminate them entirely.

Mr. REED. The Rural Electrification Administration has had increased appropriations—not payments, but appropriations.

Mr. RUSSELL. That is for loans to farmers; yes.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REED. I am overdue at a committee meeting. I yield.

Mr. TYDINGS. I wonder whether the Senator will yield in order that I may request confirmation of three high officers in the armed services. There are several vacancies in the armed services.

Mr. REED. I shall finish very shortly.

Mr. TYDINGS. The Senator will not be able to finish quickly, because he will be interrupted. I shall wait in the meantime. It will be nice to have these offices filled.

Mr. REED. I may ask the Senator from Georgia whether the largest decrease in the agricultural appropriation bills was not from 1942 to 1943, under a Democratic administration, and whether it was not a decrease of $400,000,000, the largest decrease ever made?

Mr. RUSSELL. To answer categorically, without explanation, that is true, but, of course, that was the year we took out the parity payments, amounting to $250,000,000.

Mr. REED. Were the Republicans responsible for that?

Mr. RUSSELL. They were as much responsible as anybody else. That was for 1943, and I can give the Senator the explanation. That is the year when the section 32 funds, because of import duties falling off to practically nothing, were reduced about $200,000,000, and that cut section 32 funds about that much. The section 32 funds are included in these figures. Why the Department of Agriculture put them in, I do not know, but they prepared the figures and put them in.

Mr. REED. Very well. There has been a very great variation in the figures, there is no doubt about that. The criticism does not all belong to the Republican Party.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. RUSSELL. Did not the Republican Party cut soil-conservation payments to $150,000,000 in 1947?

Mr. REED. Mr. President, will the Senator from Georgia yield for a question?

Mr. RUSSELL. I yield.

Mr. REED. Is it not true that appropriation made for the Department of Agriculture in 1947, for the fiscal year ending in 1948, in the sum of $816,000,000, is the largest agricultural appropriation made by any Congress since 1944?

Mr. RUSSELL. Of course the reason for that lies not in the appropriation itself, but in the fact that revenue increased, world trade was reviving, and section 32 funds, which were not utilized during the previous years the Senator mentions increased. During the war there were no section 32 funds. There were few imports into the United States.

I want the Senator to continue, and I shall not interrupt him. I know the argument he intends to make. I shall endeavor in my own time to explain it. The Senator, if he were merely looking at the decrease, might make that statement. I can give the items the Eightieth Congress cut. I had not intended to go into that in detail, although I can show where that Congress cut the heart out of the agricultural appropriation bill.

Mr. REED. I should like to ask the Senator from Georgia whether the lowest appropriation made for the Department of Agriculture since 1942, with one exception—1944—was not the $720,000,000 appropriated for the fiscal year ending June 1945?

Mr. RUSSELL. That is true, if we are to eliminate section 32 funds, of which there were practically none. But, so far as the funds appropriated from the Treasury are concerned, the appropriation bill of 1948 was far below any bill we have had. The section 32 funds were "all off" during the war, and they did not start coming in again in any substantial amount until 1947. But the actual amount appropriated from the Treasury by the 1948 agricultural appropriation bill, passed in 1947, was substantially below the amount of any other agricultural appropriation bill that had been passed since 1940.

Mr. REED. Not in the total figures.

Mr. RUSSELL. Oh, that is true, if section 32 funds are included, as the Senator is doing. I am talking about funds appropriated from the Treasury, not the funds which go to section 32, which in some years are not used at all, and in other years there is very great necessity of their use.

Mr. REED. Mr. President, I want to conclude as soon as I can. I am overdue at a committee meeting. I hope I may have the attention of the Senator from Georgia in stating that I took the floor, or intended to take it, in order to express regret that we had to include the agricultural bill in the test of economy that those on this side are trying to make.

Mr. RUSSELL. Mr. President, if the Senator will indulge me, I should like to say, while he has the floor, that the Senator from Kansas, while he happened to be engaged with the duties of the chairmanship of another subcommittee on appropriations, was good enough in 1947 to suspend hearings on the bill of which he had charge, in order to come to the agricultural subcommittee and try to save some of the items which had been eliminated completely by the House of Representatives. I happen to recall that. So he certainly has as much familiarity with what has been done to the pending bill, in that respect, as any Senator present. He contributed greatly to preserving at least the framework of the agricultural system which was set up under the local committees for farmers throughout the United States. I want to bear testimony to that. I am sure the Senator knows the condition the bill was in when he came into the committee room.

Mr. REED. I thank the Senator from Georgia.

Mr. President, what I want to say to my colleagues on both sides of the aisle is that, as bills go, under the rules of the Senate, this is a good bill as compared with the stream of bills which have come and are yet to come before the Senate. It is a model bill. I am going to vote for the motion of the Senator from Michigan only because I think the test of economy should be applied without favor to any group. If I were to vote the other way, I should be inconsistent. My farmer friends, whose confidence I hope I have, would be able to point the finger of scorn at me for making an exception of an appropriation bill in the test of economy, because it was a farmer's bill. I do not think they would want me to do that. Let me say to my colleague what I have said before, that I do not think there is a committee or a subcommittee of the Senate which operates more efficiently, with more common sense, with more courtesy, and with less partisan friction, than the Agricultural Subcommittee of the Committee on Appropriations, under the chairmanship of the Senator from Georgia.

Mr. RUSSELL. I wish sincerely to thank the Senator from Kansas, and I also wish to thank the Senators who sit on the other side of the aisle for having made this an absolutely nonpartisan bill. If there has ever been the slightest hint of partisanship in our approach to the problems, I have never been aware of it. I know the members of the committee have worked with the sole objective of doing the best possible for this very important element of our Nation.

Mr. REED. I regret that the Senator from Georgia dragged in some inferences which I thought he should have omitted, and he left some impressions which I fear were not entirely accurate.

Mr. RUSSELL. I hope they are accurate. I do not think this bill should be subject to the same rule as that which would apply to other bills. While I do not think the Eightieth Congress was the worst Congress that ever assembled, for in some respects it did some very valuable work, so far as the agricultural appropriation bill was concerned, if there had not been certain Senators on the committee, we would be at this time trying to pick up the pieces. Agriculture could not have gotten along under the bill as it came to us in the Senate Subcommittee on Appropriations. I do not think there would have been a county committee anywhere in the Nation, for there was nothing to plan in the way of a farm program.

Mr. REED. As I have stated, I regard the Senator from Georgia as an able chairman, and I regard his subcommittee as probably the best working subcommittee there is in the Senate. My only purpose, as I informed the Senator from Georgia last evening, is to vote to subject every appropriation bill to the test of economy as the bills come forward. It is an awkward way; it is not very effective. I want to say to the Senator from Georgia, as well as to the Senator from Ohio [Mr. TAFT], that if they and their associates can work out any formula whereby we can reduce appropriations according to the character of the appropriation and service, I shall join with them, and I authorize them to use my name.

Mr. RUSSELL. I shall be happy to see that the name of the Senator from Kansas appears as sponsor on the amendment.

Mr. REED. Mr. President, I think this country is in a desperate situation. I think we must cut appropriations. We must either do that, or return to deficit financing or increase taxes. The desirable thing to do is to cut appropriations, which I am certain can be done if there is a will so to do.

I yield the floor, Mr. President.

Mr. REED subsequently said: Mr. President, when I addressed the Senate a few minutes ago, I had in my hand a table which I intended to ask consent to have printed in the RECORD. I now ask unanimous consent that the table may be printed in the RECORD at the conclusion of the remarks which I made today.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total direct appropriations, fiscal years 1939 to 1949, and budget estimates, 1950 [1]

1939	$1,135,800
1940	1,333,900
1941	1,124,600
1942	1,247,900
1943	859,400
1944	1,027,100
1945	720,800
1946	769,900
1947	747,900
1948	816,100
1949	733,900
Budget estimate, 1950	867,500
House bill, 1950	841,800
Senate bill, 1950	863,800

[1] Amounts for years 1939 to 1949 adjusted for comparability with the appropriation structure in the 1950 estimates.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 326. An act to amend the War Claims Act of 1948;

S. 392. An act authorizing the issuance of a patent in fee to Thomas A. Pickett;

S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments;

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations;

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions; and

S. J. Res. 18. Joint resolution for the relief of the First Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

NOMINATIONS IN THE ARMY AND NAVY

Mr. TYDINGS. Mr. President, as in executive session, I send to the desk three nominations unanimously reported this morning from the Committee on Armed Services. They are as follows:

Francis P. Matthews, of Nebraska, to be Secretary of the Navy; Dan A. Kimball, of California, to be Under Secretary of the Navy; Gordon Gray, of North Carolina, to be Under Secretary of the Army.

In view of the fact that these positions have been unfilled for some time, and in view of the fact that the recommendations come unanimously from the Committee on Armed Services, I ask unanimous consent, as in executive session,

that these three nominations be confirmed and that the President be notified.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—I should like to ask the able chairman of the Armed Services Committee, for the RECORD, whether there were any objections with reference to these nominations brought to the attention of the committee.

Mr. TYDINGS. There was one telegram signed by a single individual, whom I do not know, against one of the nominees, but it was perfunctory and did not contain any specific character of charge, so I did not bring it to the attention of the committee.

Mr. KNOWLAND. As the able Senator has pointed out, the report comes from the committee unanimously.

Mr. TYDINGS. That is correct. Two of the men named have been before the committee previously and have been confirmed. The nomination of Mr. Matthews to be Secretary of the Navy has the support of both the minority leader and his colleague, as Mr. Matthews comes from the State of Nebraska.

The PRESIDING OFFICER (Mr. MARTIN in the chair). Without objection, the nominations are confirmed, and, without objection, the President will be notified.

NOMINATIONS IN THE MILITARY ESTABLISHMENT

Mr. TYDINGS. Mr. President, as in executive session, I ask for the immediate confirmation of various routine promotions in the Military Establishment, most of which are in minor rank, with the exception of one, which I shall report to the Senate, namely, the nomination of Gen. Lucius D. Clay, to be placed on the retired list in the grade of general. Inasmuch as this is one of the higher ranks in the Military Establishment, I felt that, in addition to the usual announcement, I should bring it to the attention of the Senate.

These nominations likewise come from the Committee on Armed Services unanimously. No objection with respect to any of them, so far as I know, has been filed with any person.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and, without objection, the President will be immediately notified.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Downey	Holland
Anderson	Eastland	Humphrey
Baldwin	Ecton	Ives
Brewster	Ellender	Jenner
Bricker	Ferguson	Johnson, Colo.
Bridges	Frear	Johnson, Tex.
Butler	Fulbright	Johnston, S. C.
Byrd	Gillette	Kefauver
Cain	Graham	Kem
Chapman	Green	Kilgore
Chavez	Gurney	Knowland
Connally	Hayden	Langer
Cordon	Hendrickson	Lodge
Donnell	Hill	Long
Douglas	Hoey	Lucas
McCarran	Myers	Taylor
McCarthy	Neely	Thomas, Okla.
McClellan	O'Conor	Thomas, Utah
McFarland	O'Mahoney	Thye
McGrath	Pepper	Tobey
McKellar	Reed	Tydings
McMahon	Robertson	Vandenberg
Martin	Russell	Watkins
Maybank	Saltonstall	Wherry
Miller	Schoeppel	Williams
Millikin	Smith, Maine	Withers
Morse	Sparkman	Young
Mundt	Stennis	
Murray	Taft	

The PRESIDING OFFICER. A quorum is present.

THE ATOMIC ENERGY COMMISSION—LOSS OF URANIUM 235

Mr. McMAHON. Mr. President, yesterday afternoon, a 3-hour session was held by the Joint Committee on Atomic Energy with the members of the Atomic Energy Commission and its staff, relating to the loss of some uranium 235 in the Argonne laboratories in Chicago.

At 8 o'clock last night I issued a statement which I ask to be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR M'MAHON

The Joint Committee on Atomic Energy has gone over with the Atomic Energy Commission and staff the matter of the reported loss of enriched uranium oxide at the Argonne National Laboratory.

The facts reported by the Commission at this time show that this shortage of uranium oxide was first discovered by the laboratory on February 8, 1949. The item missing was a small container of uranium oxide which had been produced by oxidation, or burning, or machine turnings from a bar of uranium.

This is an important point because it indicates the care which must be taken with all the process residues. Machine turnings, scraps, waste, sweepings, drainings, and all forms of residues from machine and chemical operations, are collected and treated to recover and reuse the uranium. The small container of oxide was to have been sent to a vault for safekeeping. It was recorded as being part of a shipment to the storage vault on September 16, 1948, when a section of the laboratory was moved. When the material in this shipment was to be used again, one container containing approximately 1 ounce of U–235 in uranium oxide was missing. This was determined on February 8, 1949.

The laboratory started a search for this material and being unable to find it, notified the Commission representatives at Chicago on February 14. An intensive investigation was begun at that time into the handling of the receptacle prior to its placement in the safe. When the container itself was not found, the FBI was notified on March 28.

In the meantime the Commission reports samples were taken from all the containers for residues in the section of the laboratory where the material had been used. The samples had to be purified, concentrated, and put into the pile and tested in order to determine the presence of U–235. The container which was thus found to contain some of this material was sent to Oak Ridge for detailed analysis. A preliminary report by the Commission shows that six-sevenths of the missing material was contained in this drum.

The Commission is continuing analysis and tests to eliminate doubts as to the identity of this material. The Commission reports, however, that the degree of enrichment permitted identification of the material since there was no other material of this exact composition in the laboratory. While the analyses and investigation are not complete, it appears from the report of the Commission that the material was not surreptitiously removed from the premises. The FBI has indicated that in its opinion no espionage is involved in this case. As matters now stand, one-seventh of an ounce of material is not accounted for. A seventh of an ounce of U–235, should it not be accounted for, would be of value in chemical and physical research. However, it is of no value for use in an atomic weapon.

The investigation is continuing and the joint committee is determined to get a full and satisfactory accounting of this matter, particularly with respect to the accounting system which would permit such a situation to develop.

The chairman of the joint committee was notified of the shortage on April 27 in a top-secret report. Action by the committee was deferred pending completion of the FBI investigation and submission of a final Commission report.

Mr. McMAHON. Mr. President, the statement was a report to the people of the United States of the facts as given to us by the Atomic Energy Commission. I now call particular attention to the fact that I stated that it was my intention to conduct a most searching and intensive investigation of their report and every aspect of this matter as quickly as possible.

Quite frankly, there are several aspects of the matter with which I am not satisfied, and which obviously need vigorous attention. Members of the staff of the joint committee have been and are now engaged in gathering first-hand facts on this matter. Some of the staff are now in the field.

When our investigation is completed, it is my belief that open hearings on the matter should be held. The matters developed in the executive session were largely not of a secret nature. This is the public's business, and we must, as the watch-dog committee of the Congress, keep the public informed as to the facts on the management of the Commission. Obviously, this does not include information which must be kept secret in the interest of national security.

The committee will meet in executive session on Monday, and at that time I intend to take up with the committee the matter of holding public hearings.

Mr. KNOWLAND. Mr. President, first of all I desire to commend the Senator from Connecticut, the chairman of the Joint Committee on Atomic Energy, for the statement he has made at this time. I wish to say, as one of the members of the joint committee, that I am not satisfied with the explanation which was given by members of the Atomic Energy Commission at our meeting yesterday.

I believe there has been a woeful lack of proper precaution in notifying agencies which should have been notified, and also in the matter of even the most elementary types of security that should have been taken in regard to a shipment of this importance. Certainly I feel that the joint committee will not be discharging its full responsibility to the Congress of the United States unless it vigorously pursues this matter, as it has been indicated by the chairman that they will pursue it, and I think that neither Congress nor the committee should feel satisfied until they run the matter down to the very end.

THE ATOMIC ENERGY COMMISSION—SCHOLARSHIPS TO COMMUNISTS

Mr. McMAHON. Mr. President, with regard to the matter of one Freistadt, who was heard by the Joint Committee on Atomic Energy yesterday, it is, I think, the unanimous opinion of the Joint Committee on Atomic Energy that public funds should not be used to make gifts to members of the Communist Party. It is quite possible that Freistadt is not the only case, and I propose to see to it that we shall continue our investigation until we become satisfied that there are no Communists in the atomic-energy program.

VISIT TO THE CONGRESS BY GEN. EURICO GASPAR DUTRA, PRESIDENT OF BRAZIL

Mr. LUCAS. Mr. President, I am certain I speak for every Member of the United States Senate and the Nation as a whole when I say that upon this eventful day we were all delighted to have as our guest in the Joint Session of Congress, Gen. Eurico Gaspar Dutra, President of Brazil.

It is more than significant that this great South American leader should pay this Nation a friendly visit at this momentous hour in the world history. On the eve of the fateful meeting of the Four-Power Foreign Ministers it is hoped that all world powers will understand the true mission of General Dutra's hemispheric journey.

The President of Brazil is not here for the purpose of conspiracy or intrigue. He does not come here incognito behind some iron curtain. He is not here seeking to disrupt or destroy the sovereign rights of other nations.

General Dutra is here on a good-will mission. He journeys from his beloved Brazil to this, the greatest of all Republics, to further cement and point up to the world the firm alliance which has existed between these two countries in the New World for more than a century.

Mr. President, the growth, the wisdom, and the strength of this Republic has astonished the world. Though we are ladened with enormous power and fearful responsibilities, we are at peace with all our American neighbors and have been for more than a hundred years. In this New World, with the aid of powerful friends like Brazil, we hope that we may be able to prove to the people of the Old World that a peaceful and prosperous life can only be maintained over a long period of time under the rule of liberty, justice, and equality.

It was for these eternal rights that in two world wars Brazil and the United States, along with her gallant allies, stood shoulder to shoulder and poured forth their blood and treasure. It is for these same inherent principles of right that today America makes huge international commitments to aid in the rehabilitation of war-torn nations. In all of these undertakings we ask only that a free people may continue to live under the inalienable and divine rights guaranteed by the Constitution of the United States.

Mr. President, the time has arrived when the peoples of the world everywhere, irrespective of the flag under which they live, or the ideology which they pursue, must realize once and for all that war is civilization's greatest crime and that peace is humanity's greatest virtue.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MARTIN in the chair). The Senator will state it.

Mr. KNOWLAND. I inquire what is now pending before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion made by the Senator from Michigan [Mr. FERGUSON], for himself and the Senator from New Hampshire [Mr. BRIDGES], to suspend paragraph 4 of rule XVI, pursuant to notice previously given, to offer the amendment heretofore proposed by him, which was ruled out on a point of order.

Mr. KNOWLAND. On that question I ask for the yeas and nays.

The yeas and nays were ordered.

GUARANTEED DOLLAR PAYMENT TO AMERICAN SMALL BUSINESS FOR EXPORTS TO WESTERN HEMISPHERE COUNTRIES

Mr. MAYBANK. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from New Hampshire [Mr. TOBEY], and myself, I ask unanimous consent to introduce for appropriate reference a joint resolution to provide for guaranteeing dollar payment to American small business for exports to Western Hemisphere countries, and in order to expedite action on the agricultural appropriation bill, I request that a statement I had intended to read in connection with the introduction of the joint resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the joint resolution will be received and appropriately referred, and the statement will be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 93) to amend the Export-Import Bank Act of 1945 so as to provide for guaranteeing dollar payment to American small business for exports to Western Hemisphere countries, introduced by Mr. MAYBANK (for himself, Mr. MURRAY, Mr. PEPPER, and Mr. TOBEY), was read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. MAYBANK is as follows:

STATEMENT BY SENATOR MAYBANK

This joint resolution is introduced as a substitute for S. 1093, now pending before the Banking and Currency Committee. The committee proposes to hold prompt hearings upon this measure. Of course, this does not preclude the committee from adding to this resolution one or more features now present in S. 1093 and related legislation.

This measure is designed to assist small-business enterprises effectively and quickly under present postwar economic conditions which have fostered the concentration of business and industry and the growth of monopoly in this country, and which have created most difficult problems which are threatening the survival of small business.

AGRICULTURAL APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

Mr. ANDERSON. Mr. President, I wish I may have the attention of the Senator from Georgia [Mr. RUSSELL] and also the attention of the Senator from Ohio for a moment. I was attending a conference on the Commodity Credit Corporation charter when some questions were asked about the agricultural appropriation bill. I think the Senator from Georgia [Mr. RUSSELL] has done, as he always does, an excellent job. I understand that a question was asked about the office of the Secretary. Very few questions could have been asked I could have answered, but that is one I could have answered. I understand it was pointed out that in 1940——

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. RUSSELL. While I was addressing the Senate, I looked around for the distinguished Senator from New Mexico and expressed my extreme regret that he was not present to answer that question, but it so happened that the answer I gave the Senator from Ohio was in error when I said that the increase was due to the war activities being imposed upon the Office of the Secretary. I have already gone over and told the Senator from Ohio I was in error in the statement I made. I should like to have the Senator from New Mexico state—and he can do so better than I can—just what is the significance of the difference between the figures for 1940 and 1948.

Mr. ANDERSON. I do not say that the Senator from Georgia was in error. He was perhaps partially in error. When I became Secretary I discovered that the budget was very much higher than it had been only a few years before. I tried to find out places where I might eliminate employees in order to get back to the former figure, and then I discovered that prior to 1944 a part of the expenses of the library, the Bureau of Agricultural Economics, the Secretary's office, and possibly one other office, were charged to specific projects, and funds were allotted from those projects, which were under way. I think the funds came from procurement, parity payments, from soil conservation, and other projects in the Department. It was insisted that in the interest of proper budgeting it was not fair, not proper to list as BAE expense items which were actually under the Secretary, and so beginning with 1944 all those items were consolidated into the appropriation for the Office of the Secretary. And while the amount was increased from $800,000 to slightly more than $2,000,000, the composite amount was actually lower than it had been previously.

Mr. RUSSELL. I thank the Senator from New Mexico for making that state-

ment. It is merely a question of transfer of funds.

The PRESIDING OFFICER. The question is on agreeing to the motion made by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES] to suspend paragraph 4 of rule XVI, pursuant to notice previously given, to offer the amendment heretofore proposed by him which was ruled out on a point of order.

Mr. KNOWLAND. I suggest the absence of a quorum.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Is it possible to have a quorum call without any business having been transacted since the last quorum call, and in view of the fact that the yeas and nays were ordered? I make that point of order.

The PRESIDING OFFICER. A joint resolution has been introduced since the yeas and nays were ordered, which would be an item of business.

Mr. ANDERSON. Since the last quorum call.

The PRESIDING OFFICER. The Senator from South Carolina introduced a joint resolution, which would be an item of business.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Murray
Anderson	Holland	Myers
Baldwin	Humphrey	Neely
Brewster	Ives	O'Conor
Bricker	Jenner	O'Mahoney
Bridges	Johnson, Colo.	Pepper
Butler	Johnson, Tex.	Reed
Byrd	Johnston, S. C.	Robertson
Cain	Kefauver	Russell
Chapman	Kem	Saltonstall
Chavez	Kilgore	Schoeppel
Connally	Knowland	Smith, Maine
Cordon	Langer	Sparkman
Donnell	Lodge	Stennis
Douglas	Long	Taft
Downey	Lucas	Taylor
Eastland	McCarran	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Ellender	McClellan	Thye
Ferguson	McFarland	Tobey
Frear	McGrath	Tydings
Fulbright	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Martin	Wherry
Green	Maybank	Williams
Gurney	Miller	Withers
Hayden	Millikin	Young
Hendrickson	Morse	
Hill	Mundt	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion made by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES] to suspend paragraph 4 of rule XVI pursuant to notice previously given, in order that he may offer a certain amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GILLETTE (when his name was called). On this question I have a pair with my able colleague the senior Senator from Iowa [Mr. HICKENLOOPER] and the junior Senator from Vermont [Mr. FLANDERS]. I am informed that each of those Senators, if present and voting, would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Oklahoma [Mr. KERR] has a pair with the Senator from Indiana [Mr. CAPEHART] and the Senator from New Jersey [Mr. SMITH]. I am informed that, if present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Indiana and the Senator from New Jersey would vote "yea."

I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Wyoming [Mr. HUNT] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

If present and voting, the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], who is necessarily absent, and the Senator from New Jersey [Mr. SMITH], who is absent because of illness, are paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Indiana and the Senator from New Jersey would vote "yea," and the Senator from Oklahoma would vote "nay."

The Senator from Vermont [Mr. FLANDERS] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate. Their pair with the Senator from Iowa [Mr. GILLETTE] has been previously announced.

The Senator from Nevada [Mr. MALONE] and the Senator from Wisconsin [Mr. WILEY] are detained on official business. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "yea."

The result was announced—yeas 32, nays 52, as follows:

YEAS—32

Baldwin	Hendrickson	Reed
Brewster	Ives	Saltonstall
Bricker	Jenner	Schoeppel
Bridges	Johnson, Colo.	Smith, Maine
Butler	Kem	Taft
Byrd	Knowland	Thye
Cain	Lodge	Tobey
Douglas	McCarthy	Vandenberg
Eastland	McMahon	Wherry
Ecton	Martin	Williams
Ferguson	Millikin	

NAYS—52

Aiken	Humphrey	Myers
Anderson	Johnson, Tex.	Neely
Chapman	Johnston, S. C.	O'Conor
Chavez	Kefauver	O'Mahoney
Connally	Kilgore	Pepper
Cordon	Langer	Robertson
Donnell	Long	Russell
Downey	Lucas	Sparkman
Ellender	McCarran	Stennis
Frear	McClellan	Taylor
Fulbright	McFarland	Thomas, Okla.
Graham	McGrath	Thomas, Utah
Green	McKellar	Tydings
Gurney	Maybank	Watkins
Hayden	Miller	Withers
Hill	Morse	Young
Hoey	Mundt	
Holland	Murray	

NOT VOTING—12

Capehart	Hickenlooper	Malone
Flanders	Hunt	Smith, N. J.
George	Kerr	Wagner
Gillette	Magnuson	Wiley

The PRESIDING OFFICER. Two-thirds of the Senators present not having voted in the affirmative, the motion is not agreed to.

Mr. FERGUSON. Mr. President, I submit a motion, which I send to the desk, to recommit House bill 3997 with instructions; and I ask that the motion be read, and I also ask for its immediate consideration.

The PRESIDING OFFICER. The motion will be read.

The legislative clerk read as follows:

MOTION TO RECOMMIT

I move that the bill (H. R. 3997) be recommitted to the Committee on Appropriations with instructions to report the same back to the Senate with amendments providing for a reduction equivalent to that provided in the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES], and requiring that the appropriations under title I of this act shall be reduced in an aggregate of five percentum of the total amounts appropriated therein: *Provided*, That no item of appropriation contained in title I shall be reduced more than 20 percent: *Provided further*, That any such reduction shall be based on the amount of the appropriations contained in title I of the bill as amended by the Senate at the time of its recommittal.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Would a motion to reconsider the vote by which the Senate passed House bill 3333, the Labor-Federal Security Appropriation bill, be in order?

Mr. McKELLAR. Mr. President, that bill is now in conference. It would have to be returned from the conference, before it could be reconsidered, I should think.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that a motion of that sort can be filed at any time, including today.

Mr. TAFT. If the motion is filed, do I correctly understand that it must be accompanied by a motion requesting the House of Representatives to return the bill to the Senate?

The PRESIDING OFFICER. It must be accompanied by a motion requesting the House of Representatives to return the bill to the Senate, and that motion must be determined without debate.

Mr. TAFT. Would that vote be taken immediately, despite any pending business?

Mr. RUSSELL. Mr. President, a parliamentary inquiry: Would not that have the effect of laying aside the pending business?

The PRESIDING OFFICER. No; the Parliamentarian informs the Chair that that would be a privileged matter.

Mr. TAFT. Mr. President, perhaps I can relieve the Senator's mind: I only wish to state that if the motion to recommit the pending bill is adopted—I refer to the motion made by the Senator from Michigan [Mr. FERGUSON]—I then propose to file a motion to reconsider the

vote by which the Labor-Federal Security appropriation bill passed the Senate.

On the other hand, if the motion filed a few minutes ago by the Senator from Michigan is not adopted, I do not know whether I shall offer a motion to reconsider the vote by which the Labor-Federal Security bill was passed. In any event, I do not intend to offer such a motion before the vote is taken on the motion of the Senator from Michigan.

Mr. RUSSELL. I thank the Senator.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. The Chair has ruled that a motion to reconsider can be made at any time. I understood that such a motion had to be made within 2 days.

The PRESIDING OFFICER. The Chair should have stated that today would be the last day on which that could be done.

Mr. RUSSELL. The Chair stated "at any time," I believe.

The PRESIDING OFFICER. The Chair is sorry; he meant to make that matter plain.

The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DONNELL. Mr. President, my vote on the Federal Security Agency and related independent agencies bill of a few days ago was favorable to a 5-percent reduction in the over-all appropriations carried by that bill.

Since the vote—or rather votes—on that amendment and related motions, I have further considered the subject of the propriety of application of a reduction of a given percentage to an over-all appropriation consisting of numerous items, some of which may be too high, others of which are sufficiently low. There may be some instances in which that procedure should be adopted, though at the moment I do not think of any such instance. I have concluded that as a general rule the procedure of applying a reduction of a given percentage to an over-all appropriation consisting of numerous items, some of which may be too high, others of which are sufficiently low, is not sound. To compute the amount of an advisable reduction by taking a percentage of the sum derived by adding together not only those items of the appropriation bill or title which are too high but also those items of the bill or title which are not too high is, in my present judgment, fallacious. For example, if there are 20 items in an appropriation bill which are not too high, and 20 items of the same bill which are too high, it seems to me clear that it is neither logical nor proper in determining the amount of reduction which should be made in the items which are too high to take a percentage of the items which are not too high. The proper way, if I may submit this very humbly as an opinion, is to level any reduction deemed proper solely at the specific items deemed to be too high. The proper way, in my judgment, is not to take a percentage of both items which are too high and items which are not too high.

In view of this conclusion, Mr. President, I have determined to vote adversely on the motion made by the Senator from Michigan.

Mr. TYDINGS. Mr. President, I am not a member of the Appropriations Committee, but I want to endorse most sympathetically what the Senator from Missouri has just said, on the basis of my previous service on that committee. I am very much in favor of making a reduction in the appropriations. I believe that within a week a way can be found of doing it intelligently along the lines indicated by the Senator from Missouri. Certain legislation is now being prepared which, in my opinion, will be efficacious to accomplish the result and it will not be of the meat-ax variety.

Inasmuch as we are on the subject, I should like to ask those who are offering these amendments and motions what efforts they made in committee to bring about the reductions which they are asking for on the floor. I should be glad to yield in order that I may be enlightened.

Mr. FERGUSON. Mr. President, I am glad to advise the Senator that a similar motion was made in the subcommittee and also in the full committee.

Mr. TYDINGS. But were there any motions made with respect to the specific items that could best be reduced, or that could have been eliminated perhaps entirely while preserving those items which have universal support and about whose validity and merit there is rather wide agreement.

Mr. FERGUSON. Certain motions were made.

Mr. TYDINGS. It does not seem to me, if I may be frank about it, as if the work was done in the committee on these items that might have been done, if we are to have these economy drives. It is one thing to come upon the floor and ask for a 2-percent or a 5-percent reduction. It makes wonderful headlines in the newspapers, and it makes those who do not vote for it look as if they were in favor of spending and those who support it look as though they are for economy. I submit that if there is a real effort for economy in the Committee on Appropriations, item by item, where the items can be pared down, then I think it lies more appropriately in the mouths of those who come on the floor and make sweeping motions to cut to ask for the support of those of us who are in sympathy with the general purpose.

I do not believe a case has been made out on the floor that there was such an effort made in the Committee on Appropriations either by the minority who have taken the lead in the movement, or by those on this side who are supporting the minority in the effort to reduce appropriations. Until that sort of effort is made in the Committee on Appropriations I think one may question whether there is as much sincerity and purpose back of the proposals as would appear to those who may read of them in the press. If we had testimony on the floor by Members of the Appropriations Committee who are supporting the point of view of a broadside cut that they tried in committee to reduce this item which was not necessary, or to cut 10 percent that item which was not necessary, or to eliminate entirely another item which was not necessary, we then should be getting some place. But, as one Member of the Senate, I am becoming a little tired of sitting here and witnessing these sham battles fought out for the newspapers, when the place to fight them is in the Appropriations Committee, where items which ought to be eliminated can be singled out, attention can be focused on them, and a vote obtained thereon.

Mr. BREWSTER rose.

Mr. TYDINGS. I yield to the Senator from Maine for a question.

Mr. BREWSTER. The Senator from Maine is not a member of the Committee on Appropriations, so he has no prejudices in its favor. But I am sure the Senator from Maryland will recognize that both individually and collectively we are obliged to take into account the changing conditions with respect to the national income.

Mr. TYDINGS. I agree thoroughly with that; and the place to take into account the changing conditions is in the Committee on Appropriations, where specific items are under review, where testimony is taken to support them, where opposition to them is heard, and where a considered and sound and judicious approach to the merit of the appropriation can be had; and not here on the Senate floor, where no testimony is available, where no hearings have been had, and where it would appear it is inadvisable, as has been pointed out by the able Senator from Missouri, to make a horizontal cut as if all the items were equal in their merits, when all of us know they are not.

Mr. BREWSTER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Maine?

Mr. TYDINGS. I yield.

Mr. BREWSTER. Have we not all learned, and do we need any testimony to convince us, that we are facing a budgetary deficit of what our tax experts in the Finance Committee estimate as $3,000,000,000?

Mr. TYDINGS. I am thoroughly in favor of eliminating appropriations to the extent of making income and outgo balance. But the place to do that is in the Appropriations Committee of the United States Senate, and the thing to do is to bring measures to the floor of the Senate that do not appropriate more money than is available to the Government.

I say this with no intention of reflection on any Senator, because I do not mean it that way; but the procedure suggested smacks, I think, a little bit of demagoguery, of being all things to all men, of being for the appropriations in the committee and being against them en masse on the floor. We should be able to single out the appropriations we want to reduce, and not go through this senseless procedure with every appropriation bill which comes up.

I say to my friends on the other side of the aisle, who seem to want to carry on this procedure, and with which I am in

general sympathy as to the objective sought, that I shall feel more like joining with them when I know they have tried to accomplish the result in committee and have failed, not in a general, slashing, over-all manner, but as to specific items, so that we may know that appropriations have been reduced 5 percent, if that is the intention and the wish of those who support that philosophy.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. BREWSTER. Is it not possible that the Appropriations Committee, which has been laboring for some 3 months on this question, was somewhat misled by the very optimistic views presented to the Chamber at its opening, that conditions were quite normal, whereas the deepening depression drawing near upon us has led us all to realize that some percentage reduction in all our expenditures is as essential for the Government as it is for the 3,000,000 unemployed persons or the 10,000,000 part-time employees in this country? I do not suppose those gentlemen and their families are worrying about the procedure; they are worrying about how they are going to make both ends meet. This change has come about in the past 3 months. We were told in January that all would be serene. I say that a 5-percent or a 10-percent reduction in our over-all expenditures is the only way we can accomplish the objective which the Senator from Maryland says he has in view.

Mr. TYDINGS. I agree with the Senator from Maine; but if it has come upon us in the past 3 months that all is not lovely, and that we shall not have sufficient money to balance the budget, then the place to make the reduction is in the Appropriations Committee. It is absolutely essential not to bring bills onto the floor that will make a deficit of two or three billion dollars in the National Treasury if we do not want such a deficit. The place to do the fighting is where the enemy is, namely, in the Appropriations Committee, where we can fight facts with facts and ideas with ideas, not on the floor, where we can take a second guess or can say, "We do not have to be specific on the floor; we do not have to make anyone angry; we can just go along and take 5 percent off everything."

I should like to take it off as the Senator from Missouri wants to take it off. The place to do it is in the Appropriations Committee. That is the purpose of the Appropriations Committee. It is not established to appropriate money which is not in the Treasury.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. BREWSTER. Does the Senator from Maryland understand that the purpose of the motion is to send the bill back to the committee with instructions to make a 5-percent reduction in items which it is possible to reduce? Is not that the very objective? The Appropriations Committee is asked to do that in the light of the catastrophe which we now face.

Mr. TYDINGS. Why did not the committee do it before the bill came to the Senate?

Mr. BREWSTER. Because it did not know there would be such a depression as we are now facing.

Mr. TYDINGS. Tell it to the marines. It is good politics to bring it out here, and then have this exhibition of economy propaganda and send the bill back. The bill has not been out of the committee more than a week.

Mr. BREWSTER. That is the trouble.

Mr. TYDINGS. We have had hearings for a month. The Senator from Georgia [Mr. RUSSELL] has been one of the most diligent and patient chairmen in the whole Congress. He has sat day after day, for more than a month—I think, for approximately 6 weeks. The committee is the place in which to make the motion to reduce this and every other appropriation bill. Every Senator here knows that is correct. We should not come out on the floor with this sort of proposition. The place to make economies is where we make someone mad.

Mr. BREWSTER. The enemy now seems to be on the other side of the aisle.

Mr. TYDINGS. Oh, yes, of course; but the public is not being fooled one iota.

Mr. BREWSTER. What is troubling the Senator from Maryland, then?

Mr. TYDINGS. If the Senators who advocate 5-percent reductions on the floor will try to eliminate, item by item, expenditures in the committee, sufficient to create a 5-percent reduction in the whole bill, then, in my judgment, they will deserve the support of all economy-minded persons when they offer specific amendments which, taken together, will reduce the expenditures 5 percent.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. BREWSTER. If the Senator will simply join us in sending the bill back to the committee, exactly the objective which he so vehemently says he has in mind will be accomplished.

Mr. TYDINGS. I am a little wary of the Greeks bearing gifts. What I want to know is why Senators who may now support this proposition did not do the very same thing when they had a month within which to do it? They sat like clay pigeons, or like Egyptian mummies. They were as silent as the tomb. They might as well have been built out of marble. They never offered a single specific motion to cut down a single specific expenditure such an amount as would aggregate 5 percent. They had an opportunity to do so day after day, week after week, almost month after month. Now, with the press sitting up in the gallery drinking in every word, they plead to high Heaven for economy, knowing all the time that they have run out on the real job when they had an opportunity to make a saving. That is what I call demagoguery.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to my friend from Illinois.

Mr. DOUGLAS. I should like to ask my good friend from Maryland whether, although what he says may be correct——

Mr. TYDINGS. It is correct.

Mr. DOUGLAS. It may be correct, with reference to Senators who serve on the Appropriations Committee not making a protest in the committee but later making a protest on the floor. I should like to ask my good friend from Maryland what he thinks those of us who did not sit on the Appropriations Committee, who did not have a chance to examine the items, should do. What is our ethical duty under those circumstances? Is it to give a blind vote of confidence to recommendations of the Appropriations Committee, or is it to try to use our judgment to bring the budget of the United States into balance?

Mr. TYDINGS. I know that the Senator from Illinois is eminently wise and fair in the votes he will cast. He is not a member of the Appropriations Committee; but some of the Senators who are making motions are members of that committee, and the thought must occur to the Senator, as it occurs to me, why, if a 5-percent reduction can be made in the whole bill, they did not try to make it when the bill was before the committee, rather than try to make it on the floor, with the press sitting up in the gallery manned to its full capacity, carrying the news of how these economy-minded men are sitting up nights trying to save the taxpayers from this waste of money, when they had opportunity after opportunity. The Sphinx on the Sahara Desert was 50,000 times as vocal as they were when sitting in the Appropriations Committee.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, in connection with what the distinguished Senator from Maryland has said, in answer to the Senator from Illinois, I should like to say that many of the Members of this body who are not on the Appropriations Committee went before the Appropriations Committee, not to ask for a 5-percent cut, but to ask for additional funds.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to say to the Senator that I am one of the clay pigeons, one of the Egyptian mummies, of which the Senator from Maryland has spoken as having been as quiet as the Sphinx on the Sahara Desert. I cannot make so much noise, I cannot wave my arms as wildly as does the Senator from Maryland, but I want to say that we did our best to cut appropriations wherever we thought they could be cut. I personally voted for the motion of the Senator from Michigan the first time he proposed a 5-percent cut. As a member of the Appropriations Committee, I think that there is always room for an administrator or an executive to cut here or there if he has the will and is anxious to try to be as efficient as possible.

We know that the Government today is $6,000,000,000 worse off than it was on

May 12, a year ago. Those are the last figures I have seen. We know that we must cut down expenditures or we will have to raise more revenue or we will run into deficit financing.

The Senator from Maryland was a member of the Committee on Appropriations, a valuable one. Now he is the chairman of the Armed Services Committee, a valuable one, and he is a member of the Committee on Foreign Relations. The work of those committees depends upon a sound Federal Government. The country depends upon a sound Federal Government. If this body will send the appropriations bills back with orders to cut them, it will be an affirmative step to keep our Government sound. It will be the next best thing we can do.

I should like to address the Senate for a moment, as an Egyptian mummy, on what we are trying to do. How can we make the Senator from Maryland conscious of the fact that the Government's expenditures have to be cut down, unless we bring these motions forward on every appropriation bill that comes before the Senate?

I will agree with the Senator from Georgia, the Senator from Tennessee, and others, on a bipartisan motion, to cut Government expenditures when the final appropriation bill is bought up, whether the reduction hits New England, Maryland, or Tennessee. But the only way we can get the attention of the Senator from Maryland, who is not on the committee, of the other Members of the Senate, and the people generally, is to make them conscious of the fact that expenditures must be reduced.

If the Senator fails us by voting against us on a reasonable motion to amend the bill so that we can order an administrator to cut where he can cut efficiently, and without injury to the work of his department by at least 5 percent in an administration that is of the opposite party; an administration which we hope may cut expenditures, then we will have to do the next best thing, recommit the bill to the Appropriations Committee.

I am confident that if the bill does go back to the Committee on Appropriations it will be cut 5 percent.

As one Egyptian mummy, sitting on the committee, I want the Senator to know—and I am confident the Senator from Georgia will back me up—that I have made motions, as have other Senators, not on the pending bill, but on other bills, to cut this and that expenditure, and they have been made on both sides of the aisle. These bills have been brought out in a clean, nonpartisan spirit, to the best of our ability. But that does not mean they cannot be cut when the Senate believes that they must be cut.

I know the Senator from Maryland raises hogs, and I am sure he raises the best hogs there are. If the hog market goes down, he is going to cut the number of hogs, because he is a successful man, an able man, and he is not going to play an Egyptian mummy when he is cutting the number of hogs on his place. I hope he will look at the matter we are discussing in the same spirit. I say to him, as a member of the Senate Committee on Appropriations, that in collaboration with the members of the Senator's own party we are trying to bring out just as clean bills as possible; we are trying to keep the Government sound, and I hope we will be able to keep it sound.

Mr. TYDINGS. Mr. President, the Senator from Massachusetts and I serve on one committee together, the Armed Services Committee, and I am aware of the fact that he serves on the Committee on Appropriations. Now that he has scratched my back, let me scratch his. I should like to say, without any arm waving, although I should like at least to clench my fist and hit downward to emphasize my point, that the Senator from Massachusetts is a very eminent and able member of that committee, and would be an adornment, both sartorially as well as mentally, to any other committee of the Senate during his tenure.

The Senator says he has done his best, that the committee has done its best, to cut down the appropriations 5 percent. Then it seems to me to be foolish to compel it to do less than its best, which would be the only result if the bill went back a second time.

The Senator has been rather circumspect. I should like to ask him how many motions were made which, in sum, would cut down the appropriations 5 percent, except a general motion.

Mr. SALTONSTALL. I answer that question as to the bill handled by the subcommittee of which I was a member, the Labor-Federal Security bill, which the Senator from Ohio desires to have brought back to the Senate. I can speak only for myself. I made one motion to cut the appropriation 10 percent, and another to cut it 5 percent, and that could have been done without hurting any activity. If the bill comes back I believe there is a way by which the appropriations can be cut 5 or 10 percent without hurting the appropriation for heart research or the appropriation for cancer research. I admit it is a bookkeeping proposition, but so far as reducing appropriations this year is concerned, $120,000,000 could be saved without hurting anybody.

Mr. TYDINGS. I am glad the Senator at least made a motion which, if adopted, would have saved a considerable sum of money in a specific item. I had rather a long service on the committee, some 20 years, before I left it, and I know that there are very few motions made to eliminate an entire activity, or even to cut down an entire activity. There are some cuts here and there, but I am talking about the kind of pruning which the motion to recommit has in mind.

Let us be perfectly candid about it. There is a real need for economy. There is not the slightest doubt about it. The Senator from Maine [Mr. BREWSTER] is as right as he can be when he says we must have more economy in the conduct of our Government. I am thoroughly in sympathy with him. I am not finding fault with anyone who wants to bring that about, but I submit that where there is an opportunity in a committee, where a bill is being formulated, and Senators do not take the opportunity there, or cannot take it, or cannot find the procedure to enable them to take it, and then come on the floor and say, "Send the bill back and give us a second try," it makes some of us on this side a little weary.

Mr. KNOWLAND. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield to the Senator from California.

Mr. KNOWLAND. I am not sure that I understand the able Senator from Maryland, but if I do understand him correctly, he appears to be for the theory of economy, but not for the practice of it. Is that correct?

Mr. TYDINGS. No; that is not correct. Just the opposite is correct. The Senator from Maryland is in favor of the practice of it, and not the theory of it, as is the Senator from California. In other words, the Senator from California is in favor of the theory of it, because that is all there is in this motion. The Senator from Maryland wants the cuts made in the Committee on Appropriations, where they should be made and where they can be made, where they should have been made, but where they were not made. The same Senators who could have made them have come on the floor of the Senate asking us to send the bill back and give them a second crack at it. I should say that the Senator from California is the one who is for theoretical economy and the Senator from Maryland wants practical economy. That is the burden of his song here this afternoon.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield to the Senator from California.

Mr. KNOWLAND. I will say to the able Senator from Maryland that the junior Senator from California does not happen to be privileged to serve on the Committee on Appropriations this year, though he did serve on it for a period of 2 years, along with the Senator from Maryland. I know that during the time of my service the members of the committee worked probably harder than the members of any other committee of the Senate. I think the statement which has been made by the Senator from Massachusetts here today is correct. We have had new factors coming into the picture. We are 96 Members of the Senate, and I do not think we as Senators can abdicate our responsibility or can surrender our responsibility to the Committee on Appropriations, or to any other committee of the Senate. In the final matter of setting policy for this country the responsibility is on each one of us, whether we are on the Committee on Appropriations or not. I see nothing inconsistent when the Joint Committee on Taxation, on which the able Senator from Georgia and other Members of this body serve, told the Congress and the country last Saturday that, in their judgment, the President's revenue estimates which he submitted to the Congress some time ago were about $3,000,000,000 higher than now appear to be justified. I believe that brings a new fact and a new factor to all of us as Senators. There is certainly nothing inconsistent, if we believe in the practice of economy as well as the theory of economy, in giving instructions to the Com-

mittee on Appropriations, and telling them that, in our judgment, we are not willing to levy $4,000,000,000 of new taxes on the people of this country as advocated by the President of the United States, that we are not willing to embark upon 16 years of deficit financing, as was done by the party of the Senator from Maryland, but rather that we want a balanced budget, and we want it without new taxation. The only way the country can get it is by a reduction of expenditures. Regardless of what the Senator from Maryland says, he is merely giving lip service to the idea of economy if he is not willing to exercise his responsibility here and vote for economy in the only place where he can vote for economy, which is on the floor of the United States Senate.

Mr. TYDINGS. The Senator from Maryland will make a proposal very shortly which, in the judgment at least of the Senator from Maryland, and I hope in the judgment of the majority of the Senate, may accomplish the desired result, the result which the Senator has in mind, without all the theatrics that have accompanied this so-called economy fight.

Mr. GURNEY, Mr. BRIDGES, and Mr. KNOWLAND addressed the Chair.

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from Maryland yield; and if so, to whom; and does he yield for a question or for a speech?

Mr. TYDINGS. When I have completed my statement I shall yield. As I said, I hope to have ready very shortly a proposal which I trust will enlist the support of a majority of the Senators, which will accomplish the desired economy, and bring the Federal budget into balance. When it comes down to real economy, the place to start it is with new proposals which have not been in being and for which there is not a real need. When the Senate was considering the housing bill, which we should have limited to only the things we had to do, I supported the Senator from Ohio [Mr. BRICKER], but there were very few who stood together with us to hold that appropriation within the limits of real need. I stood for the same things when we had the Federal-aid-to-education bill before the Senate for consideration. I tried to confine that bill only to the States that were below the average and were in need of Federal aid. How much support did we receive?

That is where economy begins. When the Senate authorizes tremendous expenditures for entirely new projects, they must not come here after having voted for such expenditures, as the Senator from California [Mr. KNOWLAND] did in both cases, I believe, and as the Senator from Massachusetts [Mr. SALTONSTALL] did in both cases, I believe, and then pose as advocates of economy. That simply does not make sense.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield first to the Senator from New Hampshire, and then I shall yield to the Senator from California.

Mr. BRIDGES. Mr. President, I want to say to the Senator from Maryland that the only opportunity he has as an individual—and it is to his conscience that he is responsible for economy—is on the floor of the Senate. Is that not so? I ask the Senator that question.

Mr. TYDINGS. No; because as I just finished saying a moment ago, I am going to bring to the floor of the Senate shortly a proposal which Senators may not think is wise, even though they agree with its objective, but I hope they will think it is wise, and if they will vote for it the budget will be in balance at the end of this year.

Mr. BRIDGES. Yes; but the only thing the Senator——

Mr. TYDINGS. Just a moment. And that will be real economy. It will require only one operation to effect over-all economy.

Mr. BRIDGES. When will that appear?

Mr. TYDINGS. Tomorrow at the latest.

Mr. BRIDGES. And the troubles will always be there.

Mr. TYDINGS. Oh, there will always be trouble whenever there are two parties, one of which is out of power and trying to get in.

Mr. BRIDGES. Mr. President, will the Senator again yield?

Mr. TYDINGS. Yes; I yield.

Mr. BRIDGES. Has the Senator from Maryland voted for or against every proposal that has been made on the floor of the Senate to date to reduce appropriations?

Mr. TYDINGS. The Senator from Maryland is going to vote against every broadside 5-percent appropriation cut in this form, knowing in advance that those who are voting for it on the floor in many cases made no adequate attempt to accomplish the purpose desired in the committee of which they were members, where they had all the facts and could have performed the operation had they been desirous of doing it.

Mr. BRIDGES. In other words, the Senator from Maryland, whenever he has an opportunity to vote on the floor of the Senate, is going to vote against economy. That is how the Senator has voted today. Is that how he says he is going to vote in the future?

Mr. TYDINGS. I do not want to take that broken limb away from the Senator from New Hampshire. If he wants to crawl back to the trunk of the tree on that broken limb, he is welcome to it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. KNOWLAND. I hope the rest of the Senator's statements are a little more accurate than the one he made with respect to the Senator from California.

Mr. TYDINGS. That goes double. Let me say, since I have the floor, that I hope the Senator from California will in the future vote to cut down authorizations for schools we do not have to have and that he will vote to cut down authorizations for rural housing we do not have to have before he makes these tear-jerking economy speeches on the floor of the United States Senate. And that is accurate.

Mr. KNOWLAND. I should like, if the Senator will yield to me——

Mr. TYDINGS. Yes; I yield.

The PRESIDING OFFICER. Does the Senator from Maryland yield for a question? If he yields for more than that, or for a broadside, he loses the floor.

Mr. TYDINGS. I yield for a question, and the Senator from California can make it as long as he wants to.

Mr. KNOWLAND. Does the Senator from Maryland realize that he was 50 percent inaccurate when he was trying to state the position taken by the Senator from California relative to the housing bill and the aid-to-education bill? It is true that the Senator from California voted for the Federal aid-to-education bill, but the Senator from California happened to be one of the Senators who voted against the public-housing legislation. So the Senator from Maryland in that regard, if in no other, was 50 percent in error.

Mr. TYDINGS. That is 50 percent less of error than the members of the Appropriations Committee have to their credit in not having brought out a 5-percent reduction in the bill before it came to the Senate for action.

Mr. KNOWLAND. The junior Senator from California merely wishes to state that he is delighted to hear that the able Senator from Maryland has such confidence in the action of a committee of the Senate, and I hope that he will continue to have confidence in actions which the committee takes in the future, and aid the Appropriations Committee or any other committee of the Senate.

Mr. TYDINGS. Mr. President, I now yield to the Senator from South Dakota [Mr. GURNEY], who asked me to yield to him a moment ago.

Mr. GURNEY. Mr. President, does the Senator know that in the subcommittee of the Appropriations Committee and in the full committee, the Senator from Michigan [Mr. FERGUSON] made repeated motions to cut down the appropriations for individual items, and that at the end of the subcommittee hearings the Senator from Michigan in the subcommittee and later in the full committee offered his motion to cut the total 5 percent? Does the Senator from Maryland know that?

Mr. TYDINGS. No I did not know that a motion to make a cut of 5 percent was made in committee. But my question was: Were enough intermediate motions made on specific items to total 5 percent?

Mr. GURNEY. I do not know whether they would total 5 percent.

Mr. TYDINGS. That is where the horse gets out of the stable.

Mr. GURNEY. No. The Senator from Michigan repeatedly made motions to cut down the amounts.

Mr. TYDINGS. Yes, but the Senator from South Dakota says he does not know whether the motions aggregated a total of 5 percent.

Mr. GURNEY. I can inform the Senator on that subject. The total increase represented by the appropriations made by the Senate committee, as shown in the report which is on the Senator's desk, was only 3 percent over the House figures.

Mr. TYDINGS. Mr. President, perhaps this little exchange of shots across the aisle, all in good form, and all, I hope, in the country's interest, may have at least brought us to the realization that

we do need economy. I am hopeful that by common counsel we can find the means to effect economies, and I hope when the time comes it will have a bipartisan tinge, an American tinge, in the interest of a free and a solvent and a strong country, rather than that either party should try too much to steal the show.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. I resent very much the statement of the Senator from Maryland that anybody is insincere in the efforts made to secure economy in the Congress of the United States. That is the Senator's statement, and it is not true. We have here as difficult a problem as I know of with which to deal. We have the effort to secure over-all economy. The Senator has just said a vast majority of the Senators are in favor of over-all economy. Very well, I agree with him. I think they are for the moment. But I say that our experience has shown that if we ever attempt to do what he says, that is cut this item and cut that item, we are almost certain to lose. Practically 40 percent of the Members of the Senate votes for all spending measures, and then for each item there are enough other Senators interested in the particular thing so they will not vote to cut it. When the Republicans were in control last year we had the same difficulty the Democrats have today. I care not how strong the effort may be, there are always a dozen Senators who want economy, but with respect to a particular thing they do not want economy. The difficulty is that in the Senate we deal with these things one at a time, and each one is a good thing. Everyone likes it. The question is, Is it meritorious to appropriate so much for this particular project? The majority of the people say, "Yes, it is"; and, of course, "Yes" it is.

How can we get all the appropriations together and look at them as one picture? There was a provision in the legislative reorganization bill for the establishment of a legislative budget. The legislative budget committee would presumably say, "You may want to spend more, but this is all you can spend." At least some public sentiment would be created behind the Appropriations Committee to hold appropriations down, even though the particular project might look very good indeed.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TAFT. I decline to yield for the moment.

We had that plan. It has not worked. I do not know whether the fault is with the plan, or what it is. In any event, the present control of the Congress has disregarded it altogether. They have not paid any attention to it. They have not made the legislative budget which they are directed by the statute to make. I do not believe that we did a very good job, although we did enact legislation last year with that object in view. However, the follow-up was not as good as it should have been.

The distinguished Senator from Virginia [Mr. BYRD] proposes that we have one legislative appropriation bill, so that when we reach a certain point, say the first of June, we can say, "We are going to devote the entire month of June to one thing." We would see all the appropriations at once. I think that is a good proposal.

If the Senator from Tennessee [Mr. MCKELLAR] introduces a bill to repeal the Legislative Reorganization Act, I think we ought to consider whether, instead of repealing it, we ought to continue the legislative budget committee, and have one appropriation bill. That is a method of dealing with the problem, if we want to practice economy. I do not think we can do it by considering projects one by one in committee or in the Senate. As a practical matter, I do not think such a plan will be adopted.

Mr. President, I believe that the approach suggested is reasonable. The proposal is that we say to the Appropriations Committee, "We see all the appropriation bills. Standing by themselves, they are all right, but why not cut each of them 5 percent, and obtain at least that much saving?" No one would be vitally injured by it, whether we do it by directing the Appropriations Committee to do it, and presumably standing by the result of the action of the committee, or whether we do it by giving the executive officer the power to take off 5 percent after we have done the best we can do. I think every executive officer can find a way to make a 5-percent reduction. That does not avoid our function. We say, "We are not sure enough to reduce all the items 5 percent, but we are sure that the head of an executive agency can find somewhere in the bill to bring about a reduction of 5 percent."

That is what a businessman would do with his departments. He would say to the selling department, "You must take 10 percent out of the budget. You determine where the 10-percent reduction is to be made." The president of a company would not know exactly in detail where to save in his selling department or manufacturing department. He would simply know that savings must be made, and he would pass the job on to the next fellow to do.

The proposal for a 5-percent reduction is perfectly reasonable. The Senator from Maryland [Mr. TYDINGS] says, "I do not like this method," or "I do not like that method. I have a method of my own which I shall propose next week, which is the proper way to do it." When he brings forth his proposal there will be a dozen Senators who will say, "That plan is not right." The chances are 100 to 1 that there will be enough Senators who will say, "That is not the right plan" so that it cannot be carried out.

There is only one way to get economy, and that is to vote for economy whenever the opportunity is presented in the Senate. I started this particular effort in connection with the ECA authorization bill. We tried to take 10 percent off that authorization. That was not satisfactory. The distinguished Senator from Maryland voted "no" on that proposal. We have tried various others methods. I think I have voted for economy at every opportunity.

The Senator from Maryland says that I was for housing and education. In connection with the housing bill I made a motion to reduce the total number of houses a year from 250,000 to 200,000, a 20-percent cut. If anyone had suggested a further 10-percent cut, I would probably have gone along with that. As a matter of fact, the bill which I joined in introducing called for considerably lower appropriations than did the bill finally passed by the Senate. I stated on the floor of the Senate that if it was desired to cut the education bill 10 percent, that would be perfectly satisfactory to me.

No matter how good a project is, we can obtain some economy in connection with it. I am perfectly willing to take cuts, like everyone else—a little more in some respects than in others. But I do not believe that we are going to get anywhere unless we vote for economy whenever we have the opportunity to do so, and not try to find some excuse for saying, "This is not the way I want to economize. I want to economize in some other way."

Mr. FERGUSON. Mr. President, as a member of the Committee on Appropriations I wish to make a few remarks on the subject which has been discussed in the past few minutes. I realize that the able Senator from Maryland [Mr. TYDINGS] has been in good form today. He is in top voice, and in splendid form. The difficulty is that I think he is not familiar with the facts.

There is an old saying in the law business to the effect that, "When the facts are with you, talk about the facts. When the law is with you, talk about the law. If neither the facts nor the law are with you, just talk—and the louder you talk the more effective it will be."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FERGUSON. Just a moment.

Mr. TYDINGS. I wonder if the Senator is going to emulate that example, as he has so often done in the past.

Mr. FERGUSON. The fact is that the Senator from Michigan attempted to bring about reductions in the subcommittee, at the time of the marking up of the bill, and also in the full committee. Instead of being a mummy in the Appropriations Committee he became a pest to the Appropriations Committee because of the number of motions he was making.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield for a question.

Mr. TYDINGS. I think the Senator from Michigan is to be commended for his industry and consistency. I should like to ask him how much support he got for those motions. Was it considerable, or was it scattered?

Mr. FERGUSON. It was scattered.

Mr. TYDINGS. The Senator from Michigan should have had more support in the Appropriations Committee. He should have had as much support in the committee as these broad proposals receive on the floor of the Senate.

Mr. FERGUSON. Mr. President, every Senator has his individual responsibility, aside from the responsibility of the committee. Yesterday we heard a committee criticized because it laid a

nomination on the table. We heard it said that that was not the way to do business, that the full Senate had the right to vote. Today we hear it said that the Senate should not consider these reductions, but that that is a question for the committee.

Mr. President, we cannot vote as Members of the Senate unless a matter comes to the floor of the Senate; and when it comes to the floor of the Senate, so far as the Senator from Michigan is concerned, he will vote on the floor of the Senate as he sees the question at the particular time.

The facts are changing daily on the question of whether or not we should be economically minded, and whether we should vote at every opportunity for economy. I have before me a statement which came over the news ticker today, dealing with Government expenses and receipts for the current fiscal year, through May 17, compared with a year ago. I shall read only the millions.

Expenses this year are $31,000,000,000; last year they were $29,000,000,000. In other words, expenses are up $2,000,000,000. Receipts this year are $32,000,000,000; last year they were $36,000,000,000. In other words, receipts are down $4,000,000,000, and expenses are up $2,000,000,000, or a difference of $6,000,000,000.

The surplus last year was $7,000,000,000. This year it is $1,000,000,000. The cash balance last year was $5,000,000,000. This year it is $3,000,000,000. The public debt this year is $251,000,000,000. Last year it was $252,000,000,000.

Gold reserves: This year, $24,000,000,000; last year, $23,000,000,000.

In other words, Mr. President, the amount of gold which we have buried has increased, but the amount of income to our citizens and the amount of income to our Government is much less.

So today and every day as we go along we are getting a changed picture.

I do not know what more I can do but advocate economy in the committees and do the best I can in endeavoring to make cuts in these appropriation items. At the present moment this matter is exactly where I think the Senator from Maryland has been arguing it should be; in other words, we have a motion to send the bill back to the committee, with instructions by the Senate, composed of 96 Senators who are responsible for the control of the purse strings of the Government of the United States, that in the opinion of the Senate the committee should make a 5-percent reduction in the appropriations.

The able Senator from Missouri [Mr. DONNELL] has discussed this problem. He is unable to see how we should include the items which we do not want cut with the items which we wish to have cut, in order to get an over-all picture.

However, Mr. President, that is a simple matter. I know of no businessman, no workingman, or anyone else who does not determine what his expenses should be by the amount of money he is earning, or the amount of money he has on hand, unless he wishes to go into the red. Therefore, it is a question of determining how much money we have to spend.

At the time when this motion was prepared—on the tenth day of this month—it looked as if it would be necessary to cut expenditures $2,000,000,000, by means of a 5-percent cut straight across the board, not on the average. A reduction of $2,000,000,00 would be about the amount of reduction necessary in order to avoid having the Government go into the red or avoid an increase in taxes in the amount of approximately $4,000,000,000.

It may be that when we reach the last appropriation bill it will be necessary to make a greater reduction—not merely a 5-percent reduction but a reduction in an even larger percentage—just as the ordinary person would do if he was trying to live within his income.

That is exactly the situation we face today, Mr. President.

I hope the Senate will vote to recommit the bill, with instructions to the committee to perform certain services, namely, to make reductions in the appropriations carried by the bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. I am seeking information. As the Senator from Michigan read the Treasury report of May 17, I noticed that the United States had about $1,000,000,000 worth more gold on hand at that time than it did a year ago.

Mr. FERGUSON. Yes.

Mr. AIKEN. Can the Senator from Michigan tell me where that gold came from and how it was acquired?

Mr. FERGUSON. I am not able to state that exactly, but my information is that it comes as a result of purchases of gold which the United States Government makes in foreign countries, giving United States dollars for the gold, which we, in turn, store at Fort Knox.

Mr. AIKEN. Where does the Treasury get the money with which to buy the gold? It must have had money in order to buy a billion dollars' worth more gold.

Mr. FERGUSON. There are Government corporations which can use our money to purchase gold.

Mr. AIKEN. Is it necessary for the United States to buy such huge amounts of gold—apparently in unlimited quantities?

Mr. FERGUSON. No; it is not necessary.

Mr. AIKEN. Then what is the purpose of acquiring all that gold, at such great expense to the United States? I am simply seeking information on that subject.

Mr. FERGUSON. Quite a number of years ago the United States Government undertook to obtain all the gold it could, all over the world. That program of buying gold has been carried on for some time by our Government. I understand that it is a part of the program of getting United States dollars into other countries, by buying their gold.

Mr. AIKEN. We do not need the gold. Such a program almost amounts to furnishing our dollars to other countries; does it not?

Mr. FERGUSON. When we do not use the gold as a standard of currency, certainly we do not need the gold.

Mr. AIKEN. What would happen if the United States stopped buying a billion dollars' worth of gold a year?

Mr. FERGUSON. Nothing would happen to the United States. To the contrary, I think it would be very beneficial to us, but it would stop the circulation of our dollars in foreign countries.

Mr. AIKEN. Could not we circulate our goods in foreign countries, rather than our dollars for their gold? Could not the transaction be made in some other way than by swapping our dollars for gold? Are there not possibilities of reducing the Federal Government's expenses, in connection with the matter of purchasing all the gold that any country in the world desires to produce and offer to us?

Mr. FERGUSON. I think there certainly is a means of doing that, namely, by purchasing goods, rather than merely purchasing the gold which other countries consider to be a part of their goods.

Mr. President, I yield the floor.

Mr. WHERRY. Mr. President, I did not hear all the debate or discussion or colloquy entered into between the distinguished Senator from Maryland [Mr. TYDINGS] and other members of the Appropriations Committee. This afternoon I returned to the floor of the Senate from an Appropriations Committee hearing on appropriations for the independent offices, and as I returned I heard the distinguished Senator from Maryland say that the way for the Senate to cut appropriations is for it not to authorize the various projects when the authorization measures for them are submitted to the Senate.

I heard further colloquy as to whether the members of the Appropriations Committee are sincere in offering a proposal for a 5-percent cut in appropriations, under the pending motion.

Mr. President, I am speaking only for myself; but I wish to say that as a Senator, regardless of the party I represent, I am sincere in feeling that each and every Member of the Senate should do everything he can to economize, to the extent that we shall not have to raise taxes or embark upon a course of deficit spending.

In keeping with that position—which I took away back in January—I wish to say that I believe I have met the qualifications which have been stated by the distinguished Senator from Maryland, because I have voted against each and every one of the authorization measures as they have been presented on the floor of the Senate. I do not believe we can compromise one-sixteenth of an inch in that respect; I do no believe we can authorize programs which will cost three hundred or four hundred million dollars and subsequently defeat appropriations for the projects authorized and in the amount of the authorizations. It seems to me then when the toe of such an authorization gets under the door, the appropriation is started and is on its way.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TYDINGS. I wish to confirm what the Senator from Nebraska has said. I am sure his position on numerous propositions here in the Senate has been as

consistently in favor of economy as has that of any other Member of the Senate, and I think he deserves to have that statement made about him.

Mr. WHERRY. Mr. President, I deeply appreciate that observation on the part of the able Senator from Maryland, because I always respect his judgment, and I respect him when he takes the floor, because his remarks are always informative.

But I wish all Members of the Senate to know that I have said before on this floor that the question of making the necessary economies in the expenditures of the United States Government is not a partisan issue. If we are to stabilize the economy of the United States of America and keep our country strong, we must have the courage to take the necessary steps. Of course, the popular thing to do is to vote for every demagogic measure which comes before us. Certainly, I should like to vote for this group and that group and the other group; naturally, that is the popular thing to do. But if our Nation is to be maintained in a strong position, if its economy is to be stabilized, we must have the courage to do the unpopular thing of voting against proposals for additional expenditures, even though all such proposals have much merit and are most attractive.

So much for that.

As for the question whether we can reduce the budget, let me say I know the distinguished Senator from Maryland served for a number of years on the Appropriations Committee, and I know that some of the criticisms he has made about the failure to offer in committee motions or amendments calling for reductions in appropriations are quite justified. There is no doubt about that.

But, Mr. President, I want to say—and I particularly invite the attention of the Senator from Maryland, who I know will believe me when I say it—that I have been sitting as a member of the Appropriations Committee and its subcommittees time and time again when motions have been made either for or against certain items. Motions have been made to reduce the amounts of bills. They have been made not only by the Senator from Michigan but by the Senator from New Hampshire and other members of the committee, sometimes by minority members, sometimes by members of the majority. Other committee members went along. I agree we did not find the strength in the committees to cut the appropriations. I agree further that it should be done in committee if at all possible. Senators on the committee have the information. They know where cuts are to be made. They can say in what respect the reductions can be made.

I was deeply interested in the colloquy with the Senator from Georgia [Mr. RUSSELL]. I have had in mind the possible result in the event motions of this kind do not prevail. I do not know just what the Senator from Maryland has in mind. Perhaps he has in mind an entirely different procedure. But the pending motion is in the form of a rescission, to permit certain percentages to be deducted from specific appropriations, here and there. I think that is all very good.

I believe if we are sincere, if we say what we mean and if we mean what we say, we must eliminate partisan considerations, we must eliminate theatrical performances, and must vote to effect economies whenever and wherever we can.

I think there is merit in the contention that a cut across the board is not the best way of doing it. I can see much merit in that argument. But, Mr. President, it is no longer a question of whether one method is better than another. If we are to do what we feel we should do, we should vote each and every time an opportunity is afforded to try to effect a saving, and, finally, if necessary, to try something else. The Senate and Congress must eventually come to a conclusion either to keep within our income, raise taxes, or engage in deficit spending.

Other proposals are to come before the Senate, such as the so-called Brannan plan. I have not seen it. I do not know how much money it calls for. But it affects the people of my State. It affects me. Again, we have the program of socialized medicine or compulsory health insurance which will have to be considered. All sorts of plans are being presented. We must limit authorizations. We must cut expenses to such a point that we can keep within our income.

I want to say to the distinguished Senator from Maryland, the distinguished Senator from Georgia, and the distinguished Senator from Oregon [Mr. CORDON], who had a similar idea, that the agricultural bill peculiarly affects the people of my State, in the manner so forcefully described by the Senator from Georgia. Naturally, I should like to vote to retain the appropriations. But I am going to pursue the policy with which I started. I began by favoring a 15-percent reduction on ECA. Other Senators did not agree with me then, and there were only 15 or 16 votes in favor of my amendment. I believe a larger number of Senators would agree with me today. Possibly they would not favor so large a reduction, but I believe they would favor some reduction. When the Senator from Ohio [Mr. TAFT] moved to cut appropriations 10 percent, his proposal received a few more votes—perhaps 21 or 22.

We are all beginning to think the appropriations could be cut a little more. What we must do is cut them wherever possible. From the gleam in the eye of the distinguished Senator from Maryland, I feel sure he will have something further to say on the subject before we vote. I hope he will take the floor. I hope that in some way he may see his way clear to take advantage of every opportunity to aid in bringing about a reduction in Federal expenditures. I guarantee to him that if a motion is presented either by himself, the Senator from Georgia, or the Senator from Oregon, which will make it possible for us to cut our cloth to fit the pattern, by keeping appropriations within income, so that it will be unnecessary either to increase taxes or to engage in deficit spending, I shall support such a motion. I care not who makes the motion, or whether it is made on this side of the aisle or the other side; in fact, the finest thing we could hope to have would be a resolution presented jointly by Senators on both sides of the aisle.

Just one more thing, and I conclude. I know the distinguished Senator from Maryland did not intend any reflection upon members of the Appropriations Committee when he said something about clay pigeons and Egyptian mummies. I was not present when he said it.

Mr. TYDINGS. That was merely a figure of speech.

Mr. WHERRY. I know the Senator. I know he did not intend to cast any reflection upon Senators. He would not do that. All he meant to say was that the place to cut appropriations is in the committee. With that I am sure we all agree. I want the Senator to know that I think there was a genuine desire on the part of Senators on both sides of the aisle to recommend appropriations which they felt could be justified. I am not sure that every item is as it should be. Some items have been increased. One or two changes were made at my suggestion.

There is not a Member of the Senate for whom I hold a higher regard than the distinguished Senator from Tennessee. Without any reflection upon him, I may say that I am perfectly willing to effect an economy whenever possible. I am willing to vote for the motion. If it is defeated, I shall be willing to vote for any reasonable motion that may be made. I hope there may be a bipartisan motion in the nature of a rescission, or whatever else may be desired, so long as it will effect a sufficient saving to keep us within our income.

There is another way of doing it. The distinguished chairman of the committee offered Senate Resolution 33, which, in the last analysis, called for repeal of the legislative-budget provision of the law. I understand the Senator wanted to investigate to see whether some better form of legislation could be devised. I think if the resolution which was offered jointly by some of us, not only to retain the provision for a budget ceiling, but also to enable each of the appropriation bills to be cut, if it can be worked out mechanically, will accomplish the very thing the Senator from Maryland has told us about this afternoon. I suggest to the majority leader that if possible such a measure be introduced, perhaps by a Democrat, if you please. If that can be done, and if it can be presented to the Senate for consideration, it might be one way of accomplishing what has been so ably described this afternoon by the Senator from Maryland.

Mr. TYDINGS. Mr. President, I think that any of us on either side of the aisle, on an examination of the entire record, would likely find that the Senator from Nebraska has been as resolute in his desire to effect economy, insofar as his own vote is concerned, as any other Member of the Senate. Indeed, on certain occasions, when it impinged somewhat on the field of our own security, I have thought he carried it a little too far. But, be that as it may, what he says cannot be questioned by anyone, for his actions are in complete consonance with his votes.

If the proposition that is now pending before the Senate is a good one, there is no reason why it should not apply to all legislation. There is no reason why we should pursue this course every time an appropriation bill is considered. If it is going to be followed anyway as each bill comes out before the Senate, and if 5 percent is assumed to be the magic percentage, we might as well take one swallow and get it over with, or go to the operating room and have the operation performed, convalesce, and get out as soon as we can, rather than nurse ourselves along with continued legislative opiates which leave us always in a state of uncertainty, and which leave questions of economy hanging in the air.

If I may have the attention of all Members of the Senate who are now on the floor, I hope they will follow me as I read a joint resolution, which I think has some merit. Perhaps it is not perfect, and there may be some suggestions made which will improve it; but I should be delighted, if the Senator from Nebraska thinks well of it, when I read it, to have him join with me as a cosponsor. I should be delighted to have the prestige of his position and his valued support. The resolution more or less takes the existing situation and applies it to all appropriation bills which will come before the Congress at this session.

A joint resolution to provide for economy in government by reducing expenditures for the fiscal year 1950 consistent with the public interest.

That is the title.

The body of the resolution reads as follows:

That the President—

In this case we could have used the Secretary of Agriculture. I cannot name the head of each of the departments, so I name the President. The inference is that we are ordering each department to be in the same position as that which the resolution provides for in a particular instance.

I continue reading:

That the President is authorized and directed to make such reductions in the amounts to be expended from any and all appropriations made for the fiscal year ending June 30, 1950, as will in the aggregate equal at least 5 percent of the total amounts so appropriated for such year. The President shall cause the reduction in each appropriation account to be certified to the Secretary of the Treasury, and the amounts so certified shall not be expended, but shall be impounded and returned to the Treasury.

SEC. 2. Such reduction shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with efficient operation of the Government.

SEC. 3. No reduction of expenditures authorized herein shall have the effect of reducing any item of appropriation for such fiscal year more than 20 percent.

That is the percentage set forth in the pending motion of the Senator from Michigan.

SEC. 4. A statement of each reduction hereunder, including the amount thereof, shall be included in the annual budget for the fiscal year ending Jur › 30, 1951.

Mr. President, we may as well face the facts. If we give the President the authority, the salary of every Senator may be cut as much as 20 percent. I do not think the President will do that. But we give him authority to reduce the salaries of judges as much as 20 percent. I think he can do that, if there is not sufficient money to pay them. This is not an illegal reduction forbidden by the Constitution. It is a way of getting around the Constitution in that respect.

Mr. President, I referred this resolution to the Legislative Drafting Service. I am conscious of the fact that the compensation of certain officials cannot be reduced during their tenure of office; but if there is not sufficient money to pay them, it is difficult to see how they can draw their full salaries. I want to picture all the things that might be done, not merely to make the picture beautiful so as to try to evoke the least opposition, but I want everyone concerned to know what can happen.

The resolution provides for economy in all appropriations we shall make for the fiscal year 1950. It provides for 5 percent over-all economy in all appropriations. It allows any item to be reduced as much as 20 percent. It will save, I believe, approximately $2,500,000,000 minimum, counting the deficiency appropriation bills. If, rather than doing it in this way, we make a 5-percent reduction in each bill, in this general language, why not place it on the statute books here and now, so that we can eliminate these contests in the future?

Mr. President, I ask unanimous consent to present this joint resolution out of order for reference to such committee as the Chair shall direct. The reason why I am asking for its reference to a committee is that, while I had hoped to have it lie on the table so that, under the old rule, it could be brought up after 1 day, without reference to a committee, yet because the Reorganization Act provides that all bills have to be referred to committees, I had no option but to do it in this way.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Michigan.

Mr. FERGUSON. It is a straight-out joint resolution, so that unless unanimous consent can be obtained, it must go to a committee.

Mr. TYDINGS. It has to go to a committee. The Appropriations Committee, the Finance Committee, or whatever committee shall consider it can meet and report it, and, if the Senate adopts it, we shall have the consciousness that the President is directed to reduce appropriations in the aggregate 5 percent, that he can reduce any one item as much as 20 percent and not reduce some other item at all, but that the net result must bring about a 5-percent economy in all appropriations.

Mr. President, here is the issue drawn fairly and squarely, not as to one bill, but as to every appropriation for the fiscal year 1950. If we are to have a deficit of two and one-half or three billion dollars, and this resolution is adopted in substantially the form in which it is introduced, we shall have a balanced budget. We shall have ordered it, directed it, and provided the machinery with which to carry it out. If we are to have economy, let us stand up and be counted.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. FERGUSON. As I see it now, it would do exactly what we have heretofore attempted to do by piecemeal.

Mr. TYDINGS. That is correct.

Mr. FERGUSON. The only fear I have that we might not be able to accomplish it in that way is that we may not be able to get it out of committee and onto the floor. Therefore, if we should fail, we should not be able to accomplish what is essential to be accomplished.

I felt, and I am sure other Senators who joined in the motions and voted for them likewise felt, that the thing to do was to strike the iron while it was hot, to consider the matter when it was before the Senate. As I see it, we shall accomplish the same thing if we can get the resolution on the floor. In theory, I am wholeheartedly in support of the Senator's resolution. I should like to think it over tonight, and I may want to join with the Senator from Maryland tomorrow morning.

Mr. TYDINGS. I shall be glad to have the Senator's name on it.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from New Mexico.

Mr. ANDERSON. Is the resolution of the Senator from Maryland similar to the one which has been heretofore presented?

Mr. TYDINGS. No.

Mr. ANDERSON. Is it not a matter of drinking the bottle of medicine in its entirety instead of taking it spoonful by spoonful?

Mr. TYDINGS. The other way would be rubbing the medicine on the outside of the abdomen. My method is taking the medicine internally, where it will do some good. It may be that the resolution will not be adopted. It may be that the opposition will be sufficient to defeat it. If it is adopted, there will be a 5-percent reduction in the total amount of money appropriated for 1950. No one on earth can successfully dispute that statement. The point is that I do not know whether we can get it out of the committee, but I shall be delighted to have all Senators who wish to join with me in introducing the resolution, do so. I am hopeful that we can get the resolution out of committee, and I am hopeful that it will be passed. If we cannot accomplish the objective in one fell swoop, with guaranties that every bill will be treated exactly alike under a policy for the whole Government, how can we expect to get reductions?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. FERGUSON. I think the able Senator does have a plan which, politically, may taste better when it is taken all at once, as the Senator from New Mexico has indicated, rather than——

Mr. TYDINGS. In homeopathic doses.

Mr. FERGUSON. Yes. Then no one can say we voted against any particular appropriation, because we voted on the

over-all measure. Politically it may taste a little better, but I doubt whether we can get it out of the committee, because the committee would have a taste of it before it would report it.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield for a question.

Mr. MAYBANK. I wanted to say to the Senator from Michigan that I would rather take the bitter dose—or however the Senator from New Mexico may have expressed it—and let the people know how I vote, because I voted to cut ECA appropriations. But I shall not vote to cut agricultural appropriations.

Mr. FERGUSON. I would rather take it in small doses.

Mr. TYDINGS. Mr. President, there are Senators here from agricultural States, from industrial States, and from great urban areas. If we consider a 5-percent reduction in expenditures in one bill at a time, the Senator who is for economy and who comes from an agricultural State, if he votes for a cut in a particular bill, the agricultural appropriation bill, for instance, may be faced with the fact that the policy later on has been abandoned. Therefore it seems to me we would allay that feeling, and give a degree of assurance that everyone will be treated alike, regardless of the economic background, if we have a straight-out policy applicable to each and every bill in which the Congress appropriates money.

Mr. REED. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield to the Senator from Kansas.

Mr. REED. I wish to be the first Senator to authorize the Senator to put my name on his joint resolution.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. The joint resolution would be subject to veto by the President.

Mr. TYDINGS. That is correct.

Mr. TAFT. Furthermore, I assume that under the terms of the joint resolution the President could cut 20 percent from the agricultural appropriation, and nothing from the Treasury appropriation.

Mr. TYDINGS. That is correct, and likewise under the pending motion, the Secretary of Agriculture could cut 20 percent from an appropriation which the Senate wanted most to retain in full, and nothing at all in the others.

Mr. TAFT. However, under the motion to recommit to the committee, the committee will have the discretion to cut such appropriations as they wish to cut.

Mr. TYDINGS. That is true.

Mr. TAFT. So that the Senator's objection does not apply to the motion to recommit to the committee.

Mr. TYDINGS. No, it would not apply in full. But let me say that here is a chance to establish a policy for economy. I am going to be perfectly candid. I would much rather pass a resolution authorizing the Committee on Appropriations to appropriate no more money, in the aggregate, than the estimated receipts, and stop right there, and let the Appropriations Committee do the job. But, as said by the Senator from Ohio, there is no way of funneling all the bills together unless there is one budget. So I do not think that is practicable. While it is theoretically desirable, it is not practicable.

Mr. TAFT. I will vote for the Senator's joint resolution.

Mr. TYDINGS. I appreciate the Senator's support.

Mr. TAFT. My only suggestion is that it may be vetoed, and since it does give a wider discretion than is contained in the motions, I cannot see why the Senator is not for the motion to recommit.

Mr. TYDINGS. I am not for that sort of motion. First of all, I do not believe there would be any cut as a result of it. We have already had one example—if I may have the attention of the Senator from Ohio. The Senator from Ohio makes a statement involving the Senator from Maryland and then turns his back and walks out of the Chamber. I am sure the Senator from Ohio is tolerant enough to assume that he has not the last word on all these things, and that some slight mental contribution might be made on some of these subjects, if he will give me the courtesy at least of remaining for a reply when he makes an assertion involving the Senator from Maryland.

Mr. TAFT. I have listened to the Senator all afternoon, and I am glad to listen to him all evening.

Mr. TYDINGS. No, the Senator has not; he has been off the floor most of the time.

Mr. TAFT. What question does the Senator wish to ask?

Mr. TYDINGS. I wish to say to the Senator from Ohio that it is very doubtful if under the recommittal motion, if adopted, there will be a 5-percent reduction. Already we have had reconsideration voted, there has been one bill that was recommitted with instructions to the committee to reduce the appropriations, but the vote was reconsidered and we are right back where we started. That procedure is going on back and forth through this whole session. It is time-wasting. It is not businesslike. It is not the way to define a national policy for ecenomy, and it is very doubtful if it will work.

In my opinion, if the proposal I have presented fails and we rely upon the procedure now being followed, we are going to get very little economy, because in the last analysis in my opinion, the Committee on Appropriations is not likely to make a 5-percent reduction in all bills, if in any of them.

Under the policy set forth in the joint resolution, if the President vetoes the joint resolution, we will have done our part, will we not?

Mr. TAFT. I am willing to do my part, but I am interested in avoiding a budget deficit.

I do not understand the Senator. The Senator says we must not vote for the 5-percent-reduction motion offered by the Senator from Michigan because we will lose it.

Mr. TYDINGS. No; I did not say that.

Mr. TAFT. If the Senator will vote for it, probably we will carry it, then we can go back to the Labor-Federal Security bill and add the amendment to that, and to all the other appropriation bills. I do not quite understand the Senator's argument. I do not object to voting for the Senator's joint resolution, but it seems to me it goes much further in the direction of our motion than the proposals against which he is voting. I do not see how the Senator can consistently be for his joint resolution and not be for these amendments, one by one. I can understand that if the amendment is beaten on three or four bills, the Senator may say it will not work. I would say that myself, if the Senator will vote for the motion to recommit the bill, we can reconsider the vote on the Labor-Federal Security bill, and the Post Office bill stands on its own feet in a rather peculiar way. It seems to me the Senator, according to his own principle, should vote for the motion offered by the Senator from Michigan. I will vote for the Senator's joint resolution in return.

Mr. TYDINGS. Let me say to the Senator from Ohio that I am a little astounded at his choice of words. Here he is, the greatest economy advocate in the Congress, in many minds, at least on the appropriating but not on the authorizing end of legislation, and yet he says he is willing to vote for my joint resolution. Heavens above, I should think he would want to grab the standard out of my hands and rush out in front of the troops and proclaim, "Here at last is a policy which will affect not only one bill, but all bills." He says he is willing to vote for it as if he is reluctant, as if he would have to have a hypodermic before he could get himself in position to support the proposition.

Mr. TAFT. The reason why I am not enthusiastic is that President Truman has asked the Congress to levy $4,000,000,000 more taxes. That is his position. He wants to spend the money, he has asked for it in the budget, and I assume that in accordance with the principles he has laid down, he will veto the Senator's joint resolution, whereas the motion cannot be vetoed. That is why I am not enthusiastic for the Senator's joint resolution; but I will vote for it.

Mr. TYDINGS. That is a good explanation. I hope the Senator will vote for it, even with some slight degree of apprehension. I hope the Senators on the other side of the aisle who would like to become coauthors of the joint resolution will go to the desk and affix their names. I should be honored to have them do so.

The PRESIDING OFFICER. The Senator from Maryland has asked unanimous consent to introduce a joint resolution. Is there objection? The Chair hears none, and the joint resolution will be received and referred to the Committee on Expenditures in the Executive Departments.

The joint resolution (S. J. Res. 94) to provide for economy in government by reducing expenditures for the fiscal year 1950 consistent with the public interest, was read twice by its title and referred to the Committee on Expenditures in the Executive Departments.

The PRESIDING OFFICER. The question is on the motion of the Senator

from Michigan [Mr. FERGUSON], for himself and the Senator from New Hampshire [Mr. BRIDGES], to recommit to the Committee on Appropriations with instructions House bill 3937, the agricultural appropriation bill. On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GILLETTE (when his name was called). On this vote I have a pair with my colleague, the senior Senator from Iowa [Mr. HICKENLOOPER] who, if present, would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. MYERS. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Wyoming [Mr. HUNT] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Oklahoma [Mr. KERR] is absent by leave of the Senate on public business.

The Senator from Nevada [Mr. MCCARRAN] is detained on official business in a meeting of a Senate committee. If present and voting, the Senator from Nevada would vote "nay."

The Senator from Idaho [Mr. MILLER] is absent on official business. If present and voting, the Senator from Idaho would vote "nay."

The Senator from Wyoming [Mr. HUNT] is paired on this vote with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Wyoming would vote "nay," and the Senator from Vermont would vote "yea."

The Senator from Oklahoma [Mr. KERR] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from New Jersey would vote "yea."

The Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Indiana would vote "yea."

If present and voting, the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], who is necessarily absent, is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Washington would vote "nay."

The Senator from Vermont [Mr. FLANDERS] who is absent by leave of the Senate is paired with the Senator from Wyoming [Mr. HUNT]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from Wyoming would vote "nay."

The Senator from New Jersey [Mr. SMITH], who is absent because of illness is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Oklahoma would vote "nay."

The Senior Senator from Kansas [Mr. REED] and the junior Senator from Kansas [Mr. SCHOEPPEL] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate, and his pair has been previously announced by his colleague.

The result was announced—yeas 32, nays 50, as follows:

YEAS—32

Baldwin	Hendrickson	Millikin
Brewster	Ives	Saltonstall
Bricker	Jenner	Smith, Maine
Bridges	Johnson, Colo.	Taft
Butler	Kem	Thye
Byrd	Knowland	Tobey
Cain	Lodge	Vandenberg
Douglas	McCarthy	Wherry
Ecton	McMahon	Wiley
Ferguson	Malone	Williams
Frear	Martin	

NAYS—50

Aiken	Holland	Myers
Anderson	Humphrey	Neely
Chapman	Johnson, Tex.	O'Conor
Chavez	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Pepper
Cordon	Kilgore	Robertson
Donnell	Langer	Russell
Downey	Long	Sparkman
Eastland	Lucas	Stennis
Ellender	McClellan	Taylor
Fulbright	McFarland	Thomas, Okla.
Graham	McGrath	Thomas, Utah
Green	McKellar	Tydings
Gurney	Maybank	Watkins
Hayden	Morse	Withers
Hill	Mundt	Young
Hoey	Murray	

NOT VOTING—14

Capehart	Hunt	Reed
Flanders	Kerr	Schoeppel
George	McCarran	Smith, N. J.
Gillette	Magnuson	Wagner
Hickenlooper	Miller	

So Mr. FERGUSON's motion (on behalf of himself and Mr. BRIDGES) to recommit House bill 3997 with instructions was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3997) was read the third time and passed.

Mr. RUSSELL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. O'MAHONEY, Mr. MCCARRAN, Mr. THOMAS of Oklahoma, Mr. REED, Mr. GURNEY, and Mr. FERGUSON conferees on the part of the Senate.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

APPROPRIATIONS FOR CIVIL FUNCTIONS OF DEPARTMENT OF THE ARMY

Mr. MCKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 3734, a bill making appropriations for civil functions administered by the Department of the Army.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the motion of the Senator from Tennessee should be in the form of a unanimous-consent request.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. As I understand, the Senate automatically reverts to the consideration of the bill for the extension of the Reciprocal Trade Agreements Act. Am I correct in my understanding that that is now the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. LUCAS. The Senator from Tennessee will have to ask unanimous consent that the unfinished business be temporarily laid aside.

Mr. MCKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 2734, a bill making appriations for the civil functions of the Department of the Army.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. WHERRY. Mr. President, reserving the right to object, if I corecctly understand the majority leader, the unfinished business is the reciprocal trade agreements legislation.

The PRESIDING OFFICER. The Senator is correct.

Mr. WHERRY. The distinguished Senator from Tennessee is asking that it be temporarily laid aside, and that the pending business be made the so-called civil functions appropriation bill.

Mr. MCKELLAR. That is correct.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

NATION-WIDE PRAYER FOR PEACE

Mr. FERGUSON. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Senate Joint Resolution 61, a joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace. I think there will be no controversy over the joint resolution. Memorial Day is rapidly approaching. The joint resolution has been on the calendar for a considerable time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

Mr. LUCAS. Mr. President, reserving the right to object, may I propound an inquiry to the able Senator from Michigan?

Mr. FERGUSON. Certainly.

Mr. LUCAS. Was the joint resolution unanimously reported by the Judiciary Committee?

Mr. FERGUSON. It was.

Mr. LUCAS. And there is no question whatever about it?

Mr. FERGUSON. There is no question whatsoever about it.

Mr. LUCAS. Mr. President, the Senator from Michigan has discussed this subject with me. I see no reason why the joint resolution cannot be passed without interfering with the bill now before the Senate.

Mr. WHERRY. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Michigan a question. I am very much interested, as is the majority leader, in expediting consideration of the civil-functions bill. Does the Senator anticipate any difficulty with the joint resolution?

Mr. FERGUSON. None whatever. I take it for granted that it will be passed unanimously. I should like to read it. It is only one page in length.

Mr. WHERRY. If it is not possible to dispose of the joint resolution within a reasonable time, will the Senator withdraw his request?

Mr. FERGUSON. Yes. I should like to have the joint resolution read, so that Senators may be informed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the joint resolution (S. J. Res. 61) requesting the President to issue a proclamation designating Memorial Day, 1949, as a day of Nation-wide prayer for peace, was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe Memorial Day, 1949, by praying, each in accordance with his religious faith, for permanent peace, designating a period during such day in which all the people of the United States may unite in prayer for a permanent peace; calling upon all the people of the United States to unite in prayer at such time; and calling upon the newspapers, radio stations, and all other mediums of information to join in observing such day and period of prayer.

APPROPRIATIONS FOR CIVIL FUNCTIONS OF DEPARTMENT OF THE ARMY

The Senate resumed consideration of the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes.

Mr. McKELLAR. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendment be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Civil functions, Department of the Army—Corps of Engineers—Rivers and harbors and flood control," on page 4, line 18, after the word "each", to strike out "*Provided further*, That the various appropriations for rivers and harbors and flood control may be used for the purchase (for replacement only) in the current fiscal year of not to exceed four hundred and eighty-six passenger motor vehicles and ten motorboats" and in lieu thereof to insert "*Provided further*, That the various appropriations for rivers and harbors and flood control may be used for the purchase in the current fiscal year of five hundred and sixty-one passenger motor vehicles (of which four hundred and eighty-six shall be for replacement only) and ten motorboats (to be acquired from surplus stock where practicable) and the purchase (not to exceed five, to be acquired from surplus stocks), maintenance, repair, and operation of aircraft."

The amendment was agreed to.

The next amendment was, under the subhead "Rivers and harbors," on page 6, line 19, after the word "law," to strike out "$176,034,270" and insert "$229,098,290"; in line 24, after the word "of" where it occurs the second time, to strike out "the act of October 15, 1940 (Public Law 857, 76th Cong.) and insert "section 11, act of March 3, 1925 (Public Law 585, 68th Cong., 43 Stat. 1157)"; on page 7, line 19, after the word "exceed," to strike out "$1,000,000" and insert "$1,360,000", and in line 23, after "(69 Stat. 1080)", to insert a colon and the following additional proviso: "*Provided further*, That the maintenance funds appropriated herein under this heading may be used for realinement of the authorized channel of the Hudson River in the vicinity of Kingston, N. Y., at an estimated cost of $400,000."

The amendment was agreed to.

The next amendment was, on page 8, after line 16, to insert:

Alteration of bridges over navigable waters: For payment of the share of the United States of the cost of alteration of bridges over navigable waters in accordance with the provisions of the act of June 21, 1940 (Public Law 647), $100.

The amendment was agreed to.

The next amendment was, under the subhead "Flood control," on page 9, line 7, before the word "*Provided*," to strike out "$321,000,000" and insert "$415,084,300"; and in line 24, after the word "project", to strike out the colon and the following additional proviso: "*Provided further*, That no part of this appropriation shall be available or used to maintain or operate the Garrison (North Dakota) Reservoir at a higher maximum normal pool elevation than 1,830 feet, or for constructing dikes or levees which would be required by a higher maximum normal pool elevation than 1,830 feet for operating such dam."

The amendment was agreed to.

The next amendment was, on page 10, line 9, after the word "project", to insert a colon and the following additional provisos: "*Provided further*, That the planning funds included for the Millwood Reservoir shall also be used for the survey and study of alternate sites: *Provided further*, That funds allocated to the Garrison Reservoir project may be expended for acquisition of any property within the incorporated village of Van Hook, and the adjacent area known as Legion Park, North Dakota: *Provided further*, That none of the apropriations for the Isabella Reservoir in California shall be used for the construction of the irrigation features of that project until the Secretary of the Army has received reports as to the division of costs between flood control, navigation, and other water uses from the Bureau of Reclamation and local organizations and, with the concurrence of the Secretary of the Interior, shall have made a determination as to what the allocation shall be: *Provided further*, That the reports from these studies shall be made not later than 6 months from the date of the enactment of this act and that the agreement of concurrence shall be made not later than 9 months from the date of the enactment of this act."

The amendment was agreed to.

The next amendment was, on page 11, line 10, after the word "appropriation", to strike out "$63,000,000" and insert "$73,500,000."

The amendment was agreed to

The next amendment was, on page 11, line 21, after "55 Stat. 638–651)", to strike out "$3,500,000" and insert "$4,000,000."

The amendment was agreed to.

The next amendment was, under the heading "General provisions," on page 17, after line 20, to strike out section 2, as follows:

SEC. 2. Notwithstanding the provisions in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in certain positions to citizens of the United States, citizens of Panama may be employed in such positions.

And in lieu thereof to insert a new section 2, as follows:

SEC. 2. No part of any appropriation contained in this act shall be used directly or indirectly, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however*, (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered fifteen or more years of faithful and honorable service on the Canal

Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than 40 hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided, further,* That the President may suspend from time to time in whole or in part compliance with this section in time of war or national emergency if he should deem such course to be in the public interest.

The amendment was agreed to.

The next amendment was, on page 21, line 2, after "(5 U. S. C. 55a)", to insert "in amounts not exceeding $6,000 for the Panama Canal and not exceeding $150,000 for the Corps of Engineers, Department of the Army: *Provided,* That the rates for individuals shall not exceed $100 per diem."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. DOUGLAS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: At the end of the bill insert the following:

"SEC. 406. (a) The Secretary of the Army, with respect to appropriations made in this act, is authorized and directed to make such reductions in the total appropriations contained in this act as will cause the total so appropriated to be not greater than $450,000,000, making a reduction of $301,440,690 in the amounts recommended by the Senate Committee on Appropriations. The Secretary of the Army, with approval of the Director of the Bureau of the Budget, shall have the power to eliminate completely appropriations for certain projects and to reduce others by such amounts as he may deem proper."

Mr. DOUGLAS also submitted an amendment intended to be proposed by him to House bill 3734, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I desire to make a brief announcement before Senators leave the Chamber.

When the Senate takes a recess today, it is the purpose to take a recess until 11 o'clock a. m. tomorrow. I make that announcement in the hope that we can conclude consideration of the civil-functions bill tomorrow. I dislike to call the Senate back at 11 o'clock, but we hope to be able to finish the bill tomorrow. By beginning at 11 o'clock in the morning and perhaps running a little later than we shall be in session today, it is hoped that we can get this appropriation bill out of the way.

I do that primarily for this reason: There is a committee scheduled by the Agriculture Department to leave on Monday for Mexico. Arrangements have been made for some time. Members on both sides of the aisle are going. They do not wish to leave at that time in the event the civil-functions bill is still before the Senate. However, if we cannot conclude consideration of the bill tomorrow, it is the purpose to take a recess until Monday. There will be no Saturday session.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. The Senator has already answered one question which I had in mind, with respect to recessing until Monday. I also ask the distinguished majority leader if he contemplates recessing until 11 o'clock a. m. tomorrow. The reason I ask is that two or three committees are at work, one of which is a subcommittee of the Committee on Appropriations considering the appropriations for the Atomic Energy Commission. The chairman of that subcommittee is the Senator from Wyoming [Mr. O'MAHONEY]. The subcommittee will convene at 10 o'clock. Inasmuch as there will not be a Saturday session, I am wondering if the Senator feels that perhaps 11:30 would be agreeable. Eleven o'clock is all right with me, but I know that three or four committees are at work.

Mr. LUCAS. Eleven-thirty seems almost as bad as eleven. I think perhaps 11 is a little better. As I understand, that is agreeable to the Senator from Tennessee.

Mr. McKELLAR. It is entirely agreeable to me.

Mr. President, I have not yet made a statement about the civil-functions bill. Tomorrow I shall make a brief statement concerning the bill. I see no reason why there should be extended debate on the bill. I hope we can easily pass it tomorrow.

Mr. LODGE. Mr. President, I should like to ask the Senator from Illinois a question. As I understand, it is not planned to complete consideration of the civil-functions bill tonight.

Mr. LUCAS. No. We hope to be able to finish it tomorrow. We may remain in session a little late tomorrow evening, if necessary.

Mr. LODGE. The bill is still open to amendment; is it not?

Mr. LUCAS. Oh, yes; we have just adopted the committee amendments only.

Mr. McKELLAR. All the committee amendments have been adopted.

Mr. LUCAS. The bill is open to further amendment, from now on.

Mr. President, for the benefit of the Senators now present and also those who may read the RECORD in the morning, I wish to make a further statement in respect to the business of the Senate on Monday. In the event that the Senate concludes action on the civil functions appropriations bill tomorrow, the Senate will automatically return to the consideration of the Reciprocal Trade Agreements Extension Act, which in reality has been the unfinished business for some time.

But in the event the senior Senator from Georgia [Mr. GEORGE], the chairman of the Finance Committee, is not then in a physical condition to lead the fight in behalf of that bill, we shall then take up the armed services unification bill, which has been reported from the Committee on Armed Services. I make this statement in order that those who are interested in the armed services unification bill may be prepared to debate it on Monday.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Can the Senator give me information as to when or whether he expects the Senate to take up the labor bill?

Mr. LUCAS. I can only say to the able Senator from Ohio that the labor bill will definitely be taken up before we adjourn this session of Congress. At the present time, there is some question with respect to the deadline in regard to the reciprocal trade agreements extension bill. We are trying to dispose of that bill as quickly as possible. We estimate that consideration of the armed services unification bill probably will not require more than 2 days; and by that time we hope the senior Senator from Georgia will have returned to the Senate, so that we can then take up the reciprocal trade agreements extension bill.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. TAFT. The Senator from Illinois has just said that the Senate will definitely take up the labor bill before the adjournment of this session. Does the Senator believe that the Senate will take up that bill in time for the House of Representatives also to act on it before the adjournment of this session of Congress?

Mr. LUCAS. I am certain that both the Senate and the House of Representatives will act on the labor bill before the adjournment of this session. I say that in all frankness.

Mr. TAFT. I thank the Senator.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. I should like to ask the able majority leader whether it is also his purpose to bring up the minimum wage and hour proposed legislation, similarly.

Mr. LUCAS. I sincerely hope the minimum wage and hour proposed legislation will be reported in the very near future by the Committee on Education and Labor; and I certainly wish to have

that bill considered also before this session is adjourned.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. In order to help clarify the understanding of Senators about the program, and to have the statement in the RECORD, in addition to the statement made by the able majority leader, may I state that the armed services unification bill or amendment, as I understand it to be, is number 356 on the calendar, Senate bill 1843. Am I correct as to that? It seems to me that if that statement appears in the RECORD immediately after the announcement regarding the bill which has been made by the Senator from Illinois, Senators will be notified about the bill which will be made the pending business on Monday.

Mr. LUCAS. The Senator from Nebraska is correct. It is Senate bill 1843, Calendar 356.

Mr. WHERRY. That is correct.

Mr. LUCAS. We speak of it as a "unification bill," but the title is "A bill to convert the National Military Establishment into an Executive Department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes."

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. WHERRY. In the event that the bill is disposed of prior to the return of the distinguished senior Senator from Georgia [Mr. GEORGE], will the majority leader comment on whether the so-called basing-point freight-rate bill might be taken up then?

Mr. LUCAS. The basing-point bill will not be taken up at that time. Following the disposition of Calendar No. 356, Senate bill 1843, if the senior Senator from Georgia is not then in a position to participate in the consideration of House bill 1211, a bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, it is anticipated that the Senate will then proceed to the consideration of House bill 2663, Calendar No. 90, a bill to provide for the administration of the Central Intelligence Agency, which measure has been reported by the Senator from Maryland [Mr. TYDINGS] from the Committee on Armed Services.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. LUCAS. Yes; and that is about as far as I can go in that respect.

Mr. WHERRY. In the event that Calendar No. 90, House bill 2663, is then disposed of, and in the further event that the Senator from Georgia [Mr. GEORGE] has not returned to the Senate at that time, will the majority leader state whether we might then take up the basing-point bill?

Mr. LUCAS. I say to my good friend the Senator from Nebraska that there is a possibility that the bill of the Senator from Pennsylvania [Mr. MYERS] on the basing-point issue might be taken up.

Mr. WHERRY. That is Senate bill 1008.

I thank the distinguished Senator.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MYERS. I am very happy to hear the majority leader indicate that there is a possibility that the basing-point bill may be brought up on the floor of the Senate in the near future.

Mr. LUCAS. Let me ask the able Senator from Pennsylvania whether that bill was reported unanimously by the committee.

Mr. MYERS. I think there was one vote in the committee against reporting the bill, and I think there is a statement of minority views, signed by one member of the Judiciary Committee.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. O'CONOR. I happen to be the one who reported the bill from the Judiciary Committee. It was reported favorably by all members of the committee, with one exception; and, in addition, there were reservations on the part of another member of the committee as to some technical objection; and minority views were submitted, as the able Senator from Pennsylvania has stated.

Mr. LUCAS. Let me inquire from any member of the committee how long it might take to pass that bill.

Mr. O'CONOR. I should think it would not take very long—possibly a few hours.

Mr. WHERRY. Mr. President, if the Senator will yield to me, let me say the bill provides for a moratorium for only a few months.

Mr. O'CONOR. Until July 1, 1950.

Mr. LUCAS. I understand the principles of the bill and its purpose.

I appreciate that assurance, and it may have a good deal to do with the majority leader's disposition to attempt to have that bill taken up.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. I wonder whether the Senator from Illinois has any idea when a call of the calendar will be had.

Mr. LUCAS. I hope a call of the calendar will be had following the disposition of the civil functions appropriations bill, and before the Senate takes up the armed services unification bill.

Mr. MAYBANK. I thank the Senator for the information.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 20, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nomination received by the Senate May 19 (legislative day of April 11), 1949:

UNITED STATES DISTRICT JUDGE

Abraham Benjamin Conger, of Georgia, to be United States district judge for the middle district of Georgia, new position.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 19 (legislative day of April 11), 1949:

DEPARTMENT OF THE ARMY

UNDER SECRETARY OF THE ARMY

Gordon Gray, of North Carolina, to be Under Secretary of the Army.

DEPARTMENT OF THE NAVY

SECRETARY OF THE NAVY

Francis P. Matthews, of Nebraska, to be Secretary of the Navy.

UNDER SECRETARY OF THE NAVY

Dan A. Kimball, of California, to be Under Secretary of the Navy.

UNITED STATES ARMY

Gen. Lucius DuBignon Clay, O9318, Commander in Chief and Military Governor, United States zone, Germany (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

Brig. Gen. William Edward Bergin, O7127, United States Army, for appointment as Assistant The Adjutant General, United States Army, under the provisions of section 6, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

ARMY OF THE UNITED STATES

Col. Kenneth Burman Bush, O6650, United States Army, for temporary appointment as brigadier general in the Army of the United States under the provisions of section 515, Officer Personnel Act of 1947.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress:

To be majors

Melvin A. Casberg, MC, O345725.
Donald J. Francis, MC, O1686968.
Charles T. Garcia, MC, O344727.
Oscar E. Heim, MC, O507795.
Wayne S. Hume, MC, O345445.
Edward J. Kloess, MC, O294801.

To be captains

Lee B. Grant, MC, O1755658.
Harvey F. Grazier, MC, O475939.
Charlie F. Konze, DC, O926379.
Ansel M. Lawson, DC, O430280.
Solomon E. Lifton, MC, O1704926.
Gorman J. McVeigh, MC.
Charles N. Moss, MC, O472700.
Martin H. Rau, DC, O1717176.
Edward P. Ritchings, MC, O468619.
Robert G. Salasin, MC, O1717065.

To be first lieutenants

Joseph E. Caruolo, MC, O1705852.
Robert J. Detamore, DC, O964286.
David R. Dunham, DC, O963867.
Lyman C. Gabrielsen, MC, O1786165.
William O. Gilbreath, JAGC, O1172024.
Dell M. Gray, MC, O1786194.
Frederick L. Harcourt, MC, O936123.
Charles B. Hemphill, DC, O938731.
Euclid G. Herndon, Jr., MC, O935689.
Jay C. Hoyt, MC.
Lawrence M. Jackson, MC, O1775960.
Charles K. Liddell, MC, O1726557.
Philip E. McCaffrey, MC, O1715138.
James B. Moffett, MC, O1766795.
Carl G. Moore, JAGC, O1015043.
Houston C. Reynolds, JAGC, O1333004.
William F. Schnitzker, MC.
Cornelius A. Sharbaugh, ChC, O475969.
John K. Spitznagel, MC, O1746710.
Thomas M. Wells, Jr., JAGC, O387701.

To be second lieutenants

Anne A. Brown, ANC, N765341.
Matie L. Cole, ANC, N779582.
Delores I. Dunnum, ANC, N786157.
Lois King, ANC, N765444.
Ida P. Olson, ANC, N792115.
Marjorie A. Rader, WMSC, M1207.
Willie M. Singleton, ANC, N765122.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

William H. Barr, O413147.
George R. Barrow, O496304.
Nicholas A. Beninate, O885150.
Richard S. Bentley, O1640220.
Robert P. Blackmore, O1035659.
Bobby C. Bush, O945778.
John H. Cleveland, O1012778.
John Collins, O945650.
Leon Crenshaw, O405411.
George A. Custer, O956353.
Alfred L. Dibella, O1011484.
Stephen D. Falkenbury, Jr., O969754.
George S. Fleeson, O1062846.
Gordon K. Fleischman, O535459.
Charles W. Forsthoff, O461985.
Cleo S. Freed, O460779.
Felix V. Gemmingen, Jr., O956237.
Columbus E. Gray, Jr., O439275.
William A. Gresham, O413136.
William B. Hale, O961898.
Howard M. Herron, O519387.
Norbert F. Hesse.
George R. Hoddinott, O1041791.
Charles F. Hood, O577964.
Maurice R. Horn, O545302.
Charles J. Kachavos, O448760.
Paul R. Kaster, Jr., O536183.
Richard L. Kerr, O422057.
James R. Koenig, O1179126.
Seymour Kravitz, O541527.
Kenneth T. Kuefler, O1045140.
Howard H. Lamar, Jr., O957884.
John D. Layser, Jr., O966822.
Julien H. LePage, O444817.
Lloyd E. Lorentzen, O1534081.
Harry F. Lowman, Jr., O408323.
Joseph W. Lyons, O1593045.
Lavern W. Maxwell, O497312.
Paul G. McCoy, O1685008.
Eugene E. Monk, O524913.
Hunter M. Montgomery, O442867.
Rex S. Morgan, O1594347.
James E. Muenker, O785206.
Richard A. Munn, Jr., O445779.
Homer Owsley, Jr., O817735.
Forrest D. Ream, O957102.
Norman J. Richards, O389212.
Vernon R. Rider, O413739.
George H. Russell, O407749.
Richard T. Smock, O959334.
John D. Sterrett, O456130.
Loren F. Stewart, O449333.
Eugene Tedick, O423239.
Edward T. Watling, O964136.
Edwin A. Watson, O430718.

IN THE NAVY

Rear Adm. Calvin T. Durgin, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Deputy Chief of Naval Operations (Air).

The following-named officers for temporary appointment to the grade of rear admiral in the line of the Navy:

Hugh E. Haven — Albert K. Morehouse
Delbert S. Cornwell — Robert L. Dennison

The following-named officer for temporary appointment to the grade of rear admiral in the Medical Corps of the Navy:

Leslie O. Stone

The following-named officers for permanent appointment in the line of the Navy in grades hereinafter stated:

LIEUTENANT (JUNIOR GRADE)

Hailey, Harry J.

ENSIGN

Gaffigan, John P. — Langone, William N.
Hoistein, Dudley — Smith, David M.
Kay, Howard N. — Vance, Robert C.

The following-named officers for permanent appointment in the Supply Corps of the Navy in grades hereinafter stated:

LIEUTENANT COMMANDER

Baldwin, Charles A.
Williams, James D.

LIEUTENANT

Quarles, Palmer A., Jr. — Taylor, Edward J.
Sirginson, Arthur W. — Whelan, Robert E.

LIEUTENANT (JUNIOR GRADE)

Allen, William "Y", Jr. — Kessler, Richard J.
Anderson, Richard B. — Matson, George L.
Buben, George — Neighbors, Milton L.
Criner, Eugene F. — Wenz, Carl R., Jr.
Gowan, Patrick W.

ENSIGN

Grechamik, Walter — Stephens, Samuel S.
Herbert, George A. — Thompson, Robert W.
Keepin, William B. — Van Osdol, Robert C.

The following-named officers for permanent appointment in the Civil Engineer Corps of the Navy in grades hereinafter stated:

ENSIGN

Smith, David M.
Vance, Robert C.
Alberts, Carl D.

The following-named officer for permanent appointment in the Civil Engineer Corps of the Navy in the grade hereinafter stated, and to correct his rank as previously nominated and confirmed:

ENSIGN

Collier, James R.

The following-named officer for permanent appointment to the grade of Chief Electrician in the Navy:

Zorzanello, Baselio C.

The following-named officers of the Navy for permanent appointment to the grades hereinafter stated, and to correct spelling of names as previously nominated and confirmed:

LIEUTENANT (JUNIOR GRADE), LINE

Fowler, Earl B., Jr. — Tobin, Daniel P.
Hesel, Michael N., Jr. — Wollam, Raymond L.
Kiernan, Francis J. — Wright, Merritt R.
Sproul, William C.

LIEUTENANT (JUNIOR GRADE), SUPPLY CORPS

Cook, William H., Jr.
Gaschen, Fredrick S.
Kuehm, Frederick L.

LIEUTENANT (JUNIOR GRADE), MEDICAL SERVICE CORPS

De Atley, James M.

CHIEF BOATSWAIN

Hummel, William E.

The nominations of Charles H. Mays and others for appointment in the Navy, which were confirmed today, were received by the Senate on May 17, 1949, and will be found in full in the executive proceedings of the Senate for that day, under the caption "Nominations," beginning with the name of Charles H. Mays, which appears on page 6336, and ending with the name of Jack J. Jones, which is shown on page 6337.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 19, 1949

The House met at 12 o'clock noon.

The Reverend Dr. Joseph F. Thorning, honorary fellow of the Historical and Geographic Institute of Brazil and associate editor of the Americas and World Affairs, offered the following prayer:

Heavenly Father, our strength and our consolation, look down with favor upon the President of our country, the Speaker of this House, and all the Members of the Congress.

Grant wisdom and light to our minds, determination to our wills, and the grace of perseverance in nobility and goodness, despite provocations and failures.

On this day of congressional welcome to the President of one of the most loyal good-neighbor republics, the United States of Brazil, help us to understand the virtue of Brazil's glorious motto, "Order and Progress."

We beg Thy blessing upon the Brazilian people, whose President represents them here today.

Vouchsafe to maintain our friendship, dear Saviour, on the firm foundations of freedom and democracy.

Above all, let us seek the truth and strive for fairness in all our dealings with other nations and peoples.

All this we implore in the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 326. An act to amend the War Claims Act of 1948; and

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 3 minutes p. m.) the House stood in recess, subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 10 minutes p. m.

JOINT SESSION OF THE HOUSE AND SENATE (HELD PURSUANT TO THE PROVISIONS OF H. CON. RES. 59) TO HEAR AN ADDRESS BY HIS EXCELLENCY, EURICO GASPAR DUTRA, PRESIDENT OF THE UNITED STATES OF BRAZIL

The SPEAKER of the House of Representatives presided.

The Doorkeeper announced the President pro tempore and Members of the United States Senate, who were escorted to the seats reserved for them, the President pro tempore of the Senate taking the chair at the right of the Speaker.

APPOINTMENT OF COMMITTEE OF ESCORT

The SPEAKER. On the part of the House, the Chair appoints as members of the committee to escort our distinguished visitor to the Chamber the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from West Virginia [Mr. KEE], and

the gentleman from New Jersey [Mr. EATON].

The PRESIDENT pro tempore of the Senate. On the part of the Senate, the Chair appoints as members of the committee of escort the senior Senator from Illinois [Mr. LUCAS], the senior Senator from Texas [Mr. CONNALLY], the Senator from Nebraska [Mr. WHERRY], and the senior Senator from Michigan [Mr. VANDENBERG].

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court, who were escorted to the seats reserved for them.

The Doorkeeper announced the Members of the President's Cabinet, who were escorted to the seats reserved for them.

At 12 o'clock and 30 minutes p. m., the Doorkeeper announced the President of the United States and the President of the United States of Brazil.

The President of the United States and the President of the United States of Brazil, accompanied by the committee of escort, entered the Chamber and took the seats reserved for them at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I am happy indeed today that I have the privilege of presenting our distinguished guest. If there ever has been a time in this Nation's history and in the history of the world when these Americas should be friendly and stand together, that time is now. [Applause.]

It affords me peculiar pleasure to present the head of a friendly government, a man who presides over the destinies of a great and proud people, our neighbor, our friend. I present to you the President of the United States of Brazil. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY, EURICO DUTRA, PRESIDENT OF BRAZIL

President DUTRA. Mr. Speaker, Mr. President, Members of the Congress of the United States, I appreciate the signal honor which you have conferred upon me in inviting me to address this joint session of the Congress of the United States. I realize full well that in so doing you have wished to render a significant tribute to my country. You may be assured that your cordial gesture will have a widespread repercussion in Brazil, whose people are ever sensitive to manifestations of regard coming from this great Nation, held by them in such high esteem.

I want at this time to tender my thanks to you for the splendid opportunity which you have accorded me of bringing to this respected institution my heartiest salutations.

As I stand in this meeting place erected by the people and for the people, I feel that I am in the presence of the hundred and fifty million Americans whom you so ably represent, and I am fully aware of the responsibilities which rest upon your shoulders.

Democracy, like all other human institutions, is not cultivated alike throughout the world. The strength of this great Nation arises out of its democratic existence featured by a strict respect for the fundamental rights of man and limited alone by norms decreed in the common interest. Your concern is the well-being of the community. Only its authentic aspirations guide your deliberations. We are aware of the interchange of ideas which goes on constantly between the people and yourselves, and we realize how great are the benefits that accrue from this communion of objectives between the voters and their rightful mandatories.

In this moment fraught with ordeals for humanity, we accompany, with real interest, your fight for the preservation of the people of the United States of America—and with them the world—from renewed bloodshed. The efforts of the Congress of the United States to prevent possible aggression further evidence your care for your people and the purpose to maintain them secure from another conflict. To preserve peace means to guarantee the happiness of the men and women of this country, the holders of an immense moral and material heritage, which is being applied with dignity and generosity toward the restoration of war-devastated countries.

The democracy which flourishes with so much vigor in this country is one of the signs of the high degree of civilization which you have achieved and in which respect for the law and for the rights of others is a main factor, obeying the moral and juridical criteria on which the prevailing order is based. You come, to be sure, of a race in which immemorable usage and the record of past judgments intertwine for the definition of that which can be done as of that which cannot. We, too, have inherited, from our Portuguese forefathers, the same respect for law and order and the taste for legal science which are causal circumstances of the high quality of Brazilian legal talent and its universal recognition. [Applause.]

The Government of Brazil is proud of its dignifying subordination to the dictates of law and of its fidelity to the standards of international morality.

Insofar as concerns me personally, I absorbed from my military training the valuable teaching that obedience to law is the only norm of action for the chief. Ever in compliance with constitutional principles, rigidly adhering to the decisions of the judiciary, giving execution to the proposals of the legislative, within the powers vested in me by the bill of rights, I fulfill in accord with our national traditions a civil magistrature, unbiased by the interests in play, as President of all Brazilians. [Applause.]

Upon taking office it became clear to me that the cooperation of the political parties was an indispensable measure for national well-being and the strengthening of democratic processes in the country. I did not hesitate therefore to bring into my administration prominent members of opposing political parties. And ever since I have striven to devote all my efforts toward the achievement of harmony among Brazilians in order that the country as a whole, with such teamwork and in an atmosphere of mutual understanding and tolerance, would face the national problems to the advantage of all.

I met with a spirit of open-mindedness on the part of the democratic parties, in which they displayed an attitude of constructive cooperation dedicated to the highest national interests, having gone so far as to approve the interparty agreement. This was accomplished without sacrifice to party principle and independence, but rather with a broader view of helping the Government and lending strength and unity to the country and its institutions, during a moment of stress in its national and international turning-point.

I said, on that occasion, that—

> The truce between parties, the disarmament of spirits and political peace should replace permanent friction, fruitless struggle, and militant antagonism. The Nation can no longer be the plaything of contending factions, if not of intolerant ones, but must become the great moral entity that compels joint effort of the consciences of all its citizens.

Thanks to this fact, Brazil enjoys the benefit of internal harmony and can devote itself to the cultivation of pacific relations with the other nations. Those which exist between Brazil and the United States of America, perfect from the beginning, offer, through their development and continuity, a rare example of a fraternal association of two peoples which has prevailed over a period of more than 120 years. [Applause.] As we are accustomed to this century-old friendship, we consider it a natural phenomenon in our political life. Of this fact the great Chancelor Baron Rio Branco had a precise notion, when he referred, in a tone of counsel, to "the ancient friendship which happily joins Brazil and the United States and which it is incumbent upon the present generation to nourish with the same devotion which our forefathers displaced in its cultivation."

In this connection, I wish to recall the visit to this country of Emperor Pedro II, at the time of the celebration of the first centennial of its independence; the Secretaries of State Elihu Root and Charles Evans Hughes, who visited us in 1906 and 1922; and there were others: the Baron Rio Branco, John Bassett Moore, Joaquim Nabuco, all of whom contributed in a decisive manner to the strengthening of the ties of friendship, understanding, and cooperation between Brazil and the United States of America. In our time the efforts of Presidents Herbert Hoover, Franklin Delano Roosevelt, and Harry S. Truman, dedicated toward the same goal, have a far-reaching significance and our heartfelt appreciation.

The visit of President Truman to Brazil constituted a memorable event in the relations between the two countries. The manifestations of regard which were tendered to him by the people and by the Government of Brazil were an eloquent token of the great affection which we devote to you and to your great men.

The friendship between Brazil and the United States of America is founded upon their identity of purposes and harmony of interests. Our highest aspiration is to forge ahead guarded by institutions which insure man the free exercise of his rights, in an atmosphere of tolerance and justice. In the interna-

tional field this friendship, through its practical manifestations and by virtue of its example, is the greatest guaranty of good understanding and comprehension among the other sister nations in this hemisphere. This reciprocal sentiment, from which stems a coincidence of views in the appreciation of the great problems of the moment, has already led us to fight shoulder to shoulder in the two World Wars. [Applause.]

While on this subject, may I be permitted to affirm that my country anticipated by many years the policy of continental solidarity consecrated by the Treaty of Rio de Janeiro.

This highly important statute for continental peace and security absorbed the Monroe Doctrine and it not only broadened the courageous promise of the famous President, but it likewise established the reciprocity of the American Republics in common bond against aggression. Now, Brazil, without written law nor express agreement, already considered herself morally obligated not to consider as a free gift the guaranties of the famous American warning to the holy alliance. It was thus—and I have vivid pleasure in recollecting it at this time—that on June 2, 1917, on announcing in a circular note to foreign governments the revocation of neutrality in the war declared between the United States of America and the German Empire, the Brazilian Chancellery stated:

> The Republic recognized thus that one of the belligerents is an integral part of the American Continent and that we are bound to that belligerent by a traditional friendship and by the same political thought in the defense of the vital interests of America and of the principles accepted by international law.
>
> If until now the relative lack of reciprocity in the part of the American Republics had taken away from the Monroe Doctrine its true character, permitting a less well-grounded interpretation of the prerogatives of its sovereignty, the present occurrences, by placing Brazil even now at the side of the United States of America in a critical moment in the history of the world, continue to give to our external policy a practical feature of continental solidarity, a policy which, as a matter of fact, was also that of the old regime, whenever one of the sister friendly nations on this continent has been involved.

On the two great planes, world and continental, we offer our integral and unselfish cooperation to the United Nations and to the Organization of American States. On the continental plane we have not withheld our efforts on behalf of the ever-growing vigor of the inter-American system, which safeguards the security of the continent and fosters the well-being of the peoples on this hemisphere. In supporting without reservations the Organization of American States, we strengthen this regional organism for the discharge of its important coordinating function.

On the world plane, we collaborate with frankness and loyalty for the prestige of the United Nations, and with our participation in its specialized agencies we seek to put into execution the purposes of that institution which aim at the establishment of a better understanding among nations as the only means to ensure world peace. [Applause.]

This common task is the reflection of the perfect understanding which prevails between us and which is rendered more solid each moment through so many other manifestations of close understanding.

If even before my first visit to this country, in 1943, I had already understood the reason for existence of our friendship, this stay among you, of which I shall keep an undying recollection, has revealed to me, in all its depth, the decisive influence which this communion of thoughts will have on our destinies.

I shall take back to Brazil with me an unforgettable recollection of the warm welcome which the Government and the people of the United States of America have accorded me. I shall return with a spirit fortified by the example of your achievements within a regime of freedom, which assures the indispensable conditions for the development of the creative faculties of the human personality. I believe and hope that the friendship between our two countries will become ever stronger in the daily treatment of our problems, as on the common road in the quest for the ideals of humanity and justice. [Applause, the Members rising.]

At 12 o'clock and 50 minutes p. m., President Truman and President Dutra, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice of the United States and the Associate Justices of the Supreme Court.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Thereupon (at 12 o'clock and 52 minutes p. m.) the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

RECESS

The SPEAKER. The Chair declares a recess until 2:15 p. m.

Thereupon (at 12 o'clock and 53 minutes p. m.) the House stood in recess until 2 o'clock and 15 minutes p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 15 minutes p. m.

PAYMENT OF CERTAIN CLAIMS AGAINST THE UNITED STATES

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 221) providing for the consideration of the bill (S. 937) to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States (Rept. No. 628), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 937) to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

INVESTIGATION BY COMMITTEE ON FOREIGN AFFAIRS

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 206) authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdicton of such committee (Rept. No. 629), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purposes of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings; to sit and act during the present Congress at such times and places as the committee may determine, whether or not the House is in session, has recessed, or has adjourned; to require the attendance of such witnesses and the production of such books, papers, and documents, by subpena or otherwise; and to take testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee and shall be served by any person designated by such chairman. The chairman of the committee or any member designated by him may administer oaths to witnesses.

COMPREHENSIVE PLANNING FOR SITE ACQUISITION

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 222) providing for the consideration of the bill (H. R. 3662) to provide for comprehensive planning for site acquisition in and outside the District of Columbia, and for the design of Federal building projects outside the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes (Rept. No. 630), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3662) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects

outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

HOUSE JOINT RESOLUTION 196 LAID ON TABLE

The SPEAKER. Without objection, House Joint Resolution 196, creating a joint committee on lobbying activities, will be laid on the table, a similar concurrent resolution having been passed on yesterday.

There was no objection.

EXTENSION OF REMARKS

Mr. VINSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address made by the gentleman from Massachusetts [Mr. BATES] at the ceremonies incident to the commissioning of the U. S. S. *Salem*, at Boston, Mass., on May 14, 1949.

Mr. PRICE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include a statement before the House Committee on Interstate and Foreign Commerce.

Mr. JENKINS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. HOEVEN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. ELLSWORTH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. McDONOUGH asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. McCULLOCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Cleveland Plain Dealer of May 17.

Mr. YOUNG asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution by the city council of Chicago.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, under leave to extend my remarks, I wish to announce that the House Radio Correspondents' Gallery will celebrate its tenth anniversary tomorrow.

On April 20, 1939, the House amended its rules—rule XXXV—extending privileges to reporters of news to be disseminated by radio, wireless, and similar means of transmission.

On May 20, 1939, the facilities made available to this group were officially opened.

The first committee of radio correspondents was composed of Fulton Lewis, Jr., Albert L. Warner, William R. McAndrew, and Fred Morrison. The original membership was 26—today it is 185, the majority of that membership representing correspondents of independent stations and regional networks throughout the country. Television-news correspondents were admitted to membership in 1947. As a result of the increased membership the number serving on the executive committee has been enlarged to have representation from correspondents representing independent radio stations, regional networks, and radiowire services.

Since their establishment, the radio galleries have been called to accredit radio correspondents to various governmental events including the three national selective-service lottery drawings, the drafting of the United Nations Charter at San Francisco, and the Presidential inaugurations at the east front of the Capitol. In 1940, both political parties recognized the radio galleries and has turned over to them the accreditation of all radio and television, correspondents to their national conventions.

The present committee of the Radio Correspondents' Gallery is combined of the following:

Elmer Davis, American Broadcasting Co., chairman; William R. McAndrew, National Broadcasting Co., vice chairman; Francis W. Tully, Jr., Washington Reporters, Inc., secretary; Willard F. Shadel, Columbia Broadcasting System, treasurer; Howard L. Kany, Associated Press Radio, member at large; George E. Reedy, the Arrowhead Network, member at large; Rex R. Goad, Transradio Press Service, member at large; Albert L. Warner, Mutual Broadcasting System, member ex officio.

The following newscasters will broadcast from the House Radio Gallery as part of the celebration of the gallery's tenth anniversary: Bill Coyle, Dave Brinkley, H. R. Baukhage, Robert McCormack, Leif Eid, Bill Shadel, Albert L. Warner, Earl Godwin, George Reedy, Elmer Davis, Gil Kingsbury, Charles Farmer, Richard Eaton, and others—between the hours of 12 noon and 7:30 p. m.

I am glad at this time to congratulate the members of the radio correspondents' gallery and to express my appreciation for their work.

EXTENSION OF REMARKS

Mr. LODGE asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HARVEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD to include an editorial.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED FORCES

Mr. LYLE, from the Committee on Rules, reported a privileged resolution (H. Res. 223, Rept. No. 631), which was referred to the House Calendar and ordered to be printed.

Mr. LYLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 223.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4591) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. CASE of South Dakota. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 100]

Abbitt	Barrett, Pa.	Bosone
Allen, Ill.	Barrett, Wyo.	Boykin
Anderson, Calif.	Bland	Breen
Aspinall	Blatnik	Buckley, N. Y.
Baring	Boiton, Md.	Bulwinkle

Burke	Hobbs	Peterson
Burleson	Hoffman, Ill.	Pfeifer, Joseph L.
Byrne, N. Y.	Hull	Pfeiffer, William L.
Canfield	Irving	Plumley
Chudoff	Jackson, Calif.	Poulson
Clevenger	James	Powell
Cooley	Jennings	Rains
Coudert	Jonas	Redden
Crawford	Kearney	Ribicoff
Crosser	Keogh	Rooney
Dague	Latham	Sadowski
Davis, Tenn.	LeFevre	Scott, Hardie
D'Ewart	Lemke	Secrest
Dingell	Lichtenwalter	Sheppard
Dollinger	Lynch	Simpson, Pa.
Dondero	McConnell	Smith, Ohio
Engle, Calif.	McGrath	Smith, Wis.
Fernandez	Macy	Staggers
Fogarty	Marshall	Stockman
Gilmer	Miles	Taylor
Granger	Miller, Nebr.	Thomas, N. J.
Grant	Morgan	Vursell
Gwinn	Morris	Whitaker
Hall, Edwin Arthur	Morrison	White, Idaho
Hall, Leonard W.	Multer	Wilson, Ind.
Hardy	Murdock	Wilson, Tex.
Harris	Murphy	Withrow
Hart	Murray, Wis.	Wood
Heller	Nelson	Woodhouse
Hill	Nixon	
Hinshaw	O'Brien, Mich.	
	O'Neill	
	Patman, Tex.	

The SPEAKER. On this roll call 311 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED FORCES

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LYLE]?

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, I understand this bill contains 101 pages and the report 118 pages, and the bill calls for something like $400,000,000.

Mr. McSWEENEY. Yes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object. I think the Members ought to have an opportunity to read the report.

The SPEAKER. Does the gentleman from Michigan object?

Mr. HOFFMAN of Michigan. I do, Mr. Speaker.

The SPEAKER. The question is, Will the House consider the resolution?

The question was taken; and two-thirds having voted in favor thereof, the motion was agreed to.

The SPEAKER. The gentleman from Ohio is recognized.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

AMENDING THE COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill S. 900, the Commodity Credit Corporation legislation.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED FORCES

Mr. McSWEENEY. Mr. Speaker, this resolution makes in order H. R. 4591, which is designed to raise the pay of certain officers in the armed forces of our country.

Those of us who have had an opportunity to serve in the armed forces realize that there will be many men who have devoted their lives to this service and are underpaid, and at all times subject to the lure of going out into private industry and there giving their splendid talents at a much higher compensation. Many of us know what has been done by the Army engineers, for example. Men who, like Goethals, could build the Panama Canal, as you know, would be at great premium in private industry; yet these men because of their devotion to their country, because of their love of service for their country, have stayed in the armed forces. The effort of this committee now is to try to make some adjustments, if possible in the pay levels in the armed services. So. Mr. Speaker, we are asking the membership to consider this bill on its merits. It was voted out unanimously by the committee.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. JAVITS. I have had a great many letters from men, especially enlisted men, who feel that the enlisted man has been overlooked in this bill, that in some respects, it might be to their disadvantage.

Mr. McSWEENEY. In reality there are changes and adjustments in this bill to equalize compensation for the enlisted man and to eliminate some of the inequalities that have existed in the past. I am sure that the enlisted man, especially the married enlisted man, will have a better opportunity to continue his Army life and have a better opportunity to spend time with his family in a decent manner and not have to live entirely separated from them.

Mr. JAVITS. But in the main the bill does not affect the enlisted man especially.

Mr. McSWEENEY. Not as much, possibly, as the officers.

Mr. KILDAY. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. KILDAY. This bill deals with the enlisted men and officers. I think it is the first pay revisicn covering all grades and ranks since 1908. When we get into the merits of the bill I think it will be shown that the percentagewise increase is almost identical for both enlisted men and officers.

Mr. McSWEENEY. May I add that there has been a constant effort to encourage men to give their lives to the service; and this bill does provide, as I have stated, better conditions for the married personnel.

Mr. Speaker, I yield one-half hour to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, the testimony given yesterday before the Joint Congressional Committee on Atomic Energy by Communist Hans Friestadt has shocked the Nation.

This young Communist is not as culpable as those who placed him in such a strategic position.

Mr. Speaker, David Lilienthal is responsible for the appointment of this, the son of an internationally known Communist.

Several years ago I was a member of the joint committee of the House and the Senate appointed to investigate the TVA, of which Lilienthal was then one of its chief executives. From several months' association with him, I think I know him. I would not have appointed him to any position in the Government requiring patriotic loyalty.

I would not have confirmed his appointment to the Atomic Energy Commission. If I were a member of the joint committee now making this investigation, I would demand his immediate resignation.

If I were the President of the United States I would accomplish his immediate separation from any connection with our atomic energy activities.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman from Ohio yield me 1 minute?

Mr. McSWEENEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, the gentleman from Ohio who just addressed the House is in error, because Mr. Lilienthal is not responsible for the appointment of this young man to a scholarship. The National Research Council Advisory Board is a completely separate board from Mr. Lilienthal's organization. They choose fellowships for the Rockefeller Foundation and for many other research positions; and, therefore, in this particular instance, the gentleman is not aware of his facts.

This National Research Council is a nonprofit organization composed of about 30 professors and deans from the largest colleges in the United States. They choose qualified students for fellowships for the Rockefeller Foundation, Merck & Co., RCA, American Cancer Society and the National Foundation for Infantile Paralysis as well as for the Atomic Energy Commission. That is said in no way as an excuse for this young man receiving a fellowship, but the gentleman is in error in putting the blame on Mr. Lilienthal, that is not according to the facts.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. JENKINS. Does not the gentleman recognize that the press all over the country has blamed this on Mr. Lilienthal?

Mr. HOLIFIELD. Does the gentleman realize that the press has made many mistakes such as stating that three-fourths of a pound of uranium is missing when it is only 4.5 grams?

Mr. JENKINS. Does the gentleman recognize the fact that Mr. Lilienthal has stepped into the responsibility and has never availed himself of the opportunity to deny it and to step out of it?

Mr. HOLIFIELD. I may say to the gentleman that this matter has been taken into consideration by the House and Senate Joint Committee on Atomic Energy. I believe the gentleman should ascertain the facts before he takes the well of the House.

The SPEAKER. The time of the gentleman from California has expired.

Mr. McSWEENEY. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, if this bill is completed today, and I hope it will be, it is my intention to ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

In view of that probability, I am prompted to make a few remarks at this time, purely nonpolitical and of a commendatory nature on the House Radio Gallery and the members of that gallery, who tomorrow will celebrate the tenth anniversary of the establishment of this particular gallery, functioning under authority of the House and of the Senate, giving and transmitting to the people of the country and the world valuable news of the proceedings in the Congress and the proceedings in the various departments and agencies of our Government.

I think special mention might be made of Robert M. Menaugh, Superintendent of the House Radio Gallery, who was the prime mover in having the House establish this gallery 10 years ago tomorrow, and also the prime mover in connection with the establishment of the same gallery in the Senate of the United States.

The original membership was 26; today it is 185. The majority of that membership represents the correspondents of the independent stations and regional networks throughout the country. Television correspondents were admitted to membership in 1947.

The following newscasters will broadcast from the House Radio Gallery as part of the celebration of the gallery's tenth anniversary: Bill Coyle, Dave Brinkley, H. R. Baukhage, Robert McCormack, Leif Eid, Bill Shadel, Albert L. Warner, Earl Godwin, George Reedy, Headline Edition, Elmer Davis, Gil Kingsbury, Charles Parmer, Richard Eaton, and others, between the hours of 12 o'clock noon and 7:30 p. m.

We of the House are glad that we caused this gallery to be established 10 years ago, and we have been very happy in our association with the members of the gallery during this 10-year period. I know I speak the sentiments of my colleagues in expressing to the gallery our congratulations on its tenth anniversary and our confidence in it. We know that in the years to come the members of the radio gallery will continue to give to the people of the country the straight news as they have during the past 10 years.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I join with my distinguished friend from Massachusetts, the majority leader, in commemorating this tenth anniversary of radio broadcasting from the Nation's Capitol. As minority leader, I remember back in 1939 the early struggle of this little group to become a part of the news transmission system of our country. At that time it was a little difficult for them to secure the tiny foothold they did in this House. But they were persistent and they were happily successful. In those days I remember there were pioneers like Fulton Lewis, Albert Warner, William McAndrew, Frank Morrison and others who kept the people through the Nation informed as to what was going on in the Congress of the United States. The number now engaged in this service is 185. I can readily see, with the coming of television, that this is going to be an even mightier service than in the past. I am sure that we will all join with our broadcasters tomorrow in this anniversary which they will celebrate. We join in their commemoration of a notable event and we are sure that there is greater growth and a greater opportunity for radio ahead.

Mr. McCORMACK. I thank my friend from Massachusetts for his timely observation.

I now yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. I was glad to hear the majority leader mention the name of my very able and friendly and fine fellow Hoosier, Bob Menaugh, who has labored so diligently and so efficiently and so well to make the House Radio Gallery the great success that it has been. I just could not pass up this moment without adding my words of commendation for that great Hoosier, Bob Menaugh.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, I want to congratulate the distinguished majority leader for calling attention to the fact that tomorrow marks the tenth anniversary of the founding of the House Radio Gallery under the rules of this House. I think it is important for all of us to know and understand that the radio broadcasters who are members of the House Radio Gallery, which gallery is now under the supervision of the distinguished gentleman just referred to by the gentleman from Indiana, are required, under the rules of this House, to subscribe to certain very definite regulations. With the permission of the distinguished gentleman from Massachusetts, may I say that before membership is accredited to any radio broadcaster he must make application to the House Radio Gallery, and in that application sign this statement:

I am not engaged in the prosecution of claims, or the promotion of legislation pending before the Congress, the departments, or independent agencies, and I will not become so engaged without resigning from the galleries. I am not employed in any legislative or executive department or independent agency of the Government, or by any foreign government or representative thereof. I do not receive, directly or indirectly, remuneration from, nor am I engaged in, any lobby activities for nor furnish any special information to any organization, individual, or group of individuals for the influencing of prices on any commodity or stock exchange; nor will I do so during the time I retain membership in the galleries.

I think it is a remarkable and significant thing that every accredited representative in the House Radio Gallery is a man who is committed, by reason of his membership in that gallery, to the dissemination of news of real value to the people of this country. I congratulate the founder and the promoter of this House Radio Gallery upon achieving such remarkable success in the 10 years that it has been in operation.

Mr. McCORMACK. I appreciate the timely and proper remarks made by my friend from Wisconsin, and particularly the promise that each Member makes upon being admitted to membership in the House Radio Gallery. They are a great body of men and we, in the House, can well be proud of the fine character of service that they render to the public. We may disagree with them at times, but that is their right. They are all honorable men living up to the tradition of their profession to the highest extent humanly possible.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, earlier this week the House was scheduled to consider H. R. 782, a bill which would reorganize the Federal Security Agency into a Department of Welfare. Action on the measure was postponed, presumably because of passage in the Senate of the basic Federal Reorganization Act. From this I assume that at least certain parts of the Welfare Department bill will be the object of reorganization plans which will be submitted to the House later.

I must vigorously insist that the recommendations of the Hoover Commission on Reorganization of the Government be given immediate consideration and action.

A great work has been done by the Hoover Commission. The splendid accomplishments of the Commission must not be wasted. The interests of the taxpayers and all the citizens of the Nation must not be sacrificed by the failure of Congress to act on the various proposals.

Now to get back to this welfare bill which has been sidetracked. There may be other reasons for laying it aside. Because this bill H. R. 782 flies right in the face of Hoover Commission recommendations.

The Hoover Commission proposes that matters pertaining to education, social security, and social insurance be consoli-

dated into a new Department of Welfare. And then the Hoover Commission recommends that public health, medical care, and medical research shall also be consolidated and established in an independent agency to be known as the United Medical Administration.

The Hoover Commission does not want public health, medical care and medical research in the new Department of Welfare as is proposed in H. R. 782. In its report the Commission gives sufficient and compelling reasons for insisting that the vital matters of health and medical research not be engulfed in a Welfare Department.

In order that the common-sense recommendations of the Hoover Commission be followed, and in contemplation of action on H. R. 782, I have prepared amendments to the bill which will set up an independent agency in the Executive Branch of the Government to be known as the United Medical Administration. I attach them hereto.

The purpose of these amendments is to bring squarely before the Executive Branch of the Government, the Congress and the people, the specific recommendations of the Hoover Commission—made for the good of the Nation—that an entirely separate and independent agency be created for health matters.

The Hoover Commission was set up and did its fine job with the backing of not only the Government but all the people. The Commission was composed of high-minded, conscientious persons with a singleness of purpose—to better the functions of government.

The recommendations of the Commission must not be lightly cast aside because of the notions or whims of some bureaucrats who do not like the reorganization proposals.

I shall insist with every force at my command that the recommendations of the Hoover Commission be carried out.

My amendments to H. R. 782 will fulfill the Commission's recommendations and will set up a health administration which can function efficiently for the good of all and not be hamstrung by being under the jurisdiction of a welfare secretary and buried in a maze of other unrelated departments.

Amendment to section 1 of H. R. 782: Page 2, line 4, strike out "health."

Amendment to section 3 of H. R. 782:

Page 3, in line 1, strike out "SEC. 3. All" and insert in lieu thereof "SEC. 3. (a) Except as provided in subsection (b), all"; and after line 12 insert the following subsection:

"(b) (1) There is hereby established, as an independent agency in the executive branch, the United Medical Administration, at the head of which shall be the Administrator of the United Medical Administration, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $ ——— per annum.

"(2) All powers, functions, and duties of the Federal Security Administrator, of the Federal Security Agency, and of all officers and constituent units of the Federal Security Agency, with respect to medical care, public health, and medical research shall be vested in and exercised by the Administrator of the United Medical Administration.

"(3) The records, property, and personnel relating primarily to the powers, functions, and duties transferred under paragraph (2) of this subsection shall be transferred, and the funds relating primarily to such powers, functions, and duties shall be transferred or otherwise made available, to the United Medical Administration for carrying out such powers, functions, and duties. Such measures and dispositions as may be determined by the Director of the Bureau of the Budget to be necessary to effectuate the provisions of this paragraph shall be carried out in such manner as such Director may determine.

"(4) Any rule, regulation, order, or other action prescribed or taken in the exercise of any power, function, or duty transferred under paragraph (2) of this subsection, and in effect at the time of such transfer, shall continue in effect after such transfer, according to its terms, unless amended or revoked under proper authority."

Amendment to the committee amendment on page 3 of H. R. 782: Page 3, beginning with line 24, strike out down through line 3 on page 4, and insert in lieu thereof the following: ", and the provisions of subsection (b) (1) of section 3, shall take effect upon the date of the enactment of this act. The remaining provisions of this act shall take effect on the day after the day upon which the Secretary of Welfare first appointed takes office, except that the provisions of subsection (b) (2), (3), and (4) of section 3 shall take effect on the day after the day upon which the Administrator of the United Medical Administration first appointed takes office. If such Secretary takes office prior to the date on which such Administrator takes office, the powers, functions, and duties referred to in subsection (b) (2) of section 3 shall be exercised by such Secretary after the day on which such Secretary takes office and until such powers, functions, and duties are vested in such Administrator pursuant to the provisions of this act."

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I was astounded to hear the distinguished majority leader state that this bill might be passed today. The report and the bill are each over 100 pages. My own feeling is that if some Members of the House want to write finis to their political careers, they should vote for this bill on a couple hours' consideration and then vote against some of the other bills that are coming along which have a great deal more significance to the average man. It seems to me inconceivable that the administration leadership would want to take the responsibility of trying to carry this bill through, starting on it at midafternoon, a bill that involves as many revisions of existing law as this does. Fifty pages of the report deal with changes in existing pay laws. If the Members want to do it, that is their responsibility, but they ought to know what they are doing.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the gentleman, who is always fair, misinterpreted my remarks, or the intent of them. Nobody is trying to drive anything through. I simply said that if this bill is completed today, and that is in the wisdom of the Committee of the Whole, I expect to ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. CASE of South Dakota. I certainly did not want to misinterpret the remarks of the distinguished majority leader, but I do think the House should be on notice as to the possible implications of hasty action on a bill of this character.

Mr. McCORMACK. That is a different proposition from what I said.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 10 minutes and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, this resolution would make in order the consideration of H. R. 4591, a bill introduced by the gentleman from Texas [Mr. KILDAY], to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard; and to also provide for the carrying out of several other purposes.

The rule provides for general debate of not more than 3 hours on this very important measure.

If I may, I wish to take just a few minutes of your time to discuss what, in my opinion, is one of the most important measures this House will be called upon to consider at this session of Congress.

In the discussion on this measure I want to be absolutely fair, but I believe it is of great import to the Nation and to every individual Member of the Congress that we should know exactly what the bill provides and what it contains. I will not attempt to explain the entire measure to you, but only to touch upon a few of the high lights. However, I hope you will listen to the general debate as it is conducted on the bill, and to the different members of the powerful Committee on Armed Services who will undoubtedly explain the measure in detail.

In the beginning, let me say this bill was reported from the Committee on Armed Services by a unanimous vote. Whenever the chairman of the Committee on Armed Services, the distinguished gentleman from Georgia, and one of the ablest men in the House, and the ranking member of the Committee on Armed Services, the distinguished gentleman from Missouri [Mr. SHORT] agree on a legislative bill, it is usually reported out of the Armed Services Committee by a heavy majority, at least. I have the highest respect and the highest regard for both of these gentlemen, as well as for the author of the legislation, the gentleman from Texas [Mr. KILDAY], and for every other member of the Committee on Armed Services. Yet we all must finally pass upon their legislative handiwork.

I want the membership of the House to understand that the passage of this bill will require an annual expenditure, over and above present expenditures, of about $360,000,000 per year. It is true, however, as will be explained to you by the proponents of the bill, that some $400,000,000 is provided in the present military budget for the carrying out of any pay-increase legislation which may be enacted by this Congress. It is also

true, as I am sure the author or the proponents of this bill will point out, that the net cost or increased cost of this legislation to the country will not in the end be the full $360,000,000 as originally estimated, but a somewhat lesser amount, because, over a period of time, or because of provisions in this bill, there will be a reduction in some of the retirement-pay costs.

I also think each Member should know that this bill applies primarily to increasing pay for the officers of the armed services, and that while this bill does, as has been stated on the floor, give some benefits to the enlisted men, such benefits are indeed very small. In some instances, there is no pay increase whatsoever for enlisted men. I point to the fact that the increase provided in this legislation for the recruit is absolutely nothing. For the private, the increase in pay is 3.3 percent, or $2.50 a month, while the increase for instance, for a brigadier general, and this is the other extreme—is 49.58 percent, or in money, $353 per month. I also want to call to your attention that the pay schedules as outlined in the legislation does not tell a complete story—although I am certainly not charging this committee with attempting to mislead anyone.

It must be remembered, in considering pay legislation for officers in the armed services, that the base pay is not everything; that in addition to the base pay, as has been outlined in this bill and in the committee report, the officers of our armed services receive other benefits. They receive allowances for sustenance and for housing, and in many instances housing is furnished to them. I am sure most of you have seen some of the homes occupied by our higher officers in the armed services. They are nice homes. Usually along with these homes go a little help about the house; perhaps a gardener for the flower or vegetable garden, a nice automobile and chauffeur in uniform to take the officer or his lady here and there; and every now and then an airplane, according to rank, to take the officers wherever they want to go, not always on military duty, but too often on private pleasure jaunts as well.

I would like to point out that each of the officers affected by this legislation receives all of medical attention and hospitalization free. Each also has the opportunity and benefit of purchasing his needs and those of his family, and sometimes of his friends, at post exchanges, at about cost, and sometimes at less than the same products would cost the retailer in your community at wholesale. The items which can be purchased by those officers at post exchanges are not limited by any means to military necessities, but include everything in the way of commodities, from television sets up or down. About everything we can buy in civilian life can be purchased at special prices from post exchanges by the officers who come under this pay schedule.

I would also like to point out, if I may, so you may have the complete picture before you, because you have to make the decision as to what you want to do about this legislation, that this bill does change, and I think very much for the better, the present retirement system, the method of retirement, and the amount of retirement pay which officers can receive in the future. Of course, it does not affect any of the thousands of officers who are now enjoying retirement pay, quite a number of whom are also receiving rather heavy remuneration from private industry, in spite of the fact they were retired for complete disability for which they now receive 75 percent of their base pay. I also call attention to the fact that under the provisions of this bill and the present law all of the retirement pay of officers formerly in the armed services is granted without any contribution whatsoever on their part. Under our Social Security System set up for the common man, the ordinary worker, he, along with his employer, must contribute some of each pay to his retirement benefit fund. Those under civil service must contribute to the fund from which benefits are paid to them when they retire. Members of Congress, who come under a retirement plan must, of course, pay the cost of their own retirement benefits, with a slight contribution only from the Federal Government for administrative purposes. The same system pertains to almost every other public servant, Federal, State, and local, with the exception of judicial officers. So when you look at the pay schedule in this bill it cannot be considered exactly the same as other pay schedules would be considered.

The SPEAKER. The time of the gentleman from Ohio [Mr. BROWN] has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself five additional minutes.

Instead, you must take into consideration the fact that these officers do receive many other perquisites, many other benefits, in addition to their actual pay as outlined in this bill.

It is true that the military budget does contain an item of $400,000,000 to take care of the pay increase and benefits provided in this legislation, if enacted into law. But of course that $400,000,000 has not yet been spent. It is a question you have to decide for yourselves, whether or not, by the enactment of this legislation, you want the Federal Government to obligate itself to pay—and I am sure it will never get any less than this amount—an additional $360,000,000 a year to the officers of the armed services as compensation, less whatever can be saved as a result of the changes in the retirement provisions of the present law. I wish to be fair to these officers in our armed services, by saying to you, as the gentleman from Ohio [Mr. MCSWEENEY] pointed out so very ably, that there is no question but that many of these officers can earn a great deal more money in private life.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. In just a minute.

However, I am not certain we can always properly compensate the best officials we have in the Government service, whether they be in the military or the civil branch. I doubt we can fix any rule by which each can be paid what he fairly earns. We can attempt to decide only what the average man is worth for a certain sort of service. I have acquaintance with a great many officers. I know colonels who served in the recent war whom I think were terribly underpaid. They could have made five or ten times as much in private life. Then, too, I know a colonel or so who served in the war who are now very happy to work in private employment for about one-half or one-third what they received in the armed services, and they are now being paid every dime they are worth. So we cannot legislate for the best or the poorest. We can only endeavor to fix a fair compensation for the average officer, taking into consideration all of the perquisites, all of the benefits, each will enjoy.

Another great question before us is, Can we proceed to increase heavily the pay of the officers of the armed services and not give further consideration to the pay of our enlisted men, greater consideration than is contained in this bill? To be fair to the committee, I wish to point out that in previous Congresses we did raise the pay of the enlisted men and of the noncommissioned officers in the armed services.

So I wish to caution you again, and to suggest with all the sincerity at my command, that this is a piece of legislation you had better look over twice. Be certain you understand it and know what you are doing before you vote. It is a very complex bill, of 101 pages. It is hard to understand. I doubt if there are many Members here, except those on the Committee on Armed Services, who understand the bill completely. Perhaps it will be charged a little later that even I do not understand it; but I sincerely believe every word I said is absolutely true, and if you will study the bill you will find it so.

I now yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. The gentleman mentioned the grade of brigadier general, where the salary was increased $362.

Mr. BROWN of Ohio. Three hundred and fifty-three dollars.

Mr. RICH. That is an increase over and above what they are getting now per month?

Mr. BROWN of Ohio. Yes; that raises their compensation from $712 per month to $1,055 per month.

Mr. RICH. Did the Committee on Armed Services make any recommendation in connection with this increase, which will cost the country $360,000,000, where we are going to get the money?

Mr. BROWN of Ohio. Yes; as I have attempted to say, that is included in the present budget. Whether we can meet that budget without additional finances or raising taxes I cannot tell. Certainly, I know what the gentleman has in mind, and I will agree with him that unless we soon call a halt on this continuous spending, on the continuous increase in the budget, and the ever-growing cost of government, that this Nation of ours is headed into serious trouble—trouble from which we may not survive.

Mr. RICH. We are headed for bankruptcy unless we treat it differently than we are doing.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. McSWEENEY. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. KILDAY], the author of the bill.

Mr. KILDAY. Mr. Speaker, we are now, of course, engaged in the consideration of the rule to determine whether we will take up this bill and consider it on its merits.

I listened with a great deal of interest to my good friend, the gentleman from Ohio. I am not going to say, as he predicted, that he does not understand the bill. I am forced to say that he has apparently misread the bill in the principal point which he makes. The increase to which he referred of something over $300 in one rank is not an increase in basic pay. It is an over-all increase in pay and the allowances. In other words, it is the total.

I know there are a great many who labor under the impression that in military compensation there are some hidden elements. This bill is so drawn, and the report is such that you can understand very definitely the over-all compensation of an officer. I am sure we were all impressed with Gen. Lucius Clay when he appeared here day before yesterday. I asked the members of the Rules Committee if they had any idea what we pay General Clay. I think they were quite surprised to learn what his total compensation is. His base pay is $8,800 a year, his money allowance is $2,200 a year, and when you take his quarters allowance and his rations allowance, his total over-all pay is $12,449 a year. We pay some of the employees of the House and even employees of the individual Members of the other body practically that amount of money.

These pay scales were not recommended by military men. They were recommended by a commission of businessmen and the head of Notre Dame University who was on that commission. They have recommended here a pay scale which is comparable to the pay in private industry.

Here is another thing we do in this bill. I do not believe that you think a major general ought to get $4,400 a year for flying. But that is what he is getting now. Under this bill we cut him down to $1,200 a year.

At the present time every officer retired for physical disability draws 75 percent of his base pay for life. He is never reexamined. We could afford to do that when we had only 16,000 officers in the service, but we certainly cannot afford to do that when there are over 100,000 officers in the service. This bill revises that physical disability retirement. Each officer is going to be retired on a percentage of disability according to the rates of the Veterans Administration. He is going to be subject to reexamination for a period of 5 years.

We are paying now $314,000,000 a year to enlisted members of the armed forces not on the basis of the responsibility they have nor the service they perform but on the basis of how many children they have. Of course, that was necessary when we were drafting men into the service and taking them regardless of whether or not they had families. But we cannot afford to continue such a method of compensation here. A man with four or five children who is a private and driving a truck draws as much as $200 a month. That is unconscionable and we have put a stop to that in this bill.

When we get to the merits of this matter, I am not going to ask anybody to vote for this bill if we cannot convince them that it is what should be done for the armed services and in the interest of the economy of our country. We have here very definitely revised the scales of disability retirement and pay, doing away with family allowance and things of that kind which in years to come will result in the savings of many millions of dollars. The physical disability retirement provision in the event of another mobilization would save us millions and millions of dollars.

We have 32,000 officers now certified to the Veterans' Administration because of disabilities incurred during the last war. They are drawing 75 percent. But we cannot go on with an officer corps of over 100,000 and keep building up things of that kind.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from New York.

Mr. COLE of New York. I suggest that the gentleman at this point indicate to the Members of the House that the net eventual cost of this bill is between 8 and 10 percent over what the same phase of our military costs are today.

Mr. KILDAY. That is correct. The net increase is about 8 percent.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Can the gentleman give us any definite estimate of the amount which will be saved by these provisions which are inserted in the bill and to which the gentleman has just referred?

Mr. KILDAY. We will save, in fiscal 1950, $191,000,000 on family allowances alone. I am not able to say what the physical disability is going to be because we have no way of determining it. We do not know how many are going to qualify for physical disability retirement.

Mr. KUNKEL. Where does the net cost of $353,000,000 come from which was referred to by the gentleman from Ohio? Is that taking into account a saving of $191,000,000 and other savings to which the gentleman referred?

Mr. KILDAY. The figure is $360,000,000, with the bill becoming effective on the first day of October.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Of course, I think the gentleman from Texas will agee, for the benefit and knowledge of the gentleman from Pennsylvania, that I said the over-all cost of this bill would be $360,000,000 a year, against which credit should be taken for the amount of savings which the gentleman's committee has outlined.

Mr. KILDAY. That is the net figure, $360,000,000. Since the first of the year your military personnel have not had a tax exemption to which they were entitled during the war, so they have now suffered a net reduction in take-home pay. But, it is estimated that in fiscal 1950, with the recapture that is now being withheld from their pay, it will be approximately $200,000,000. That is not figured in arriving at the figure of $360,000,000.

Mr. KUNKEL. Is the $191,000,000 deductible from the $360,000,000?

Mr. KILDAY. No; it is not.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. In addition to family allowances savings, we have a saving in foreign-duty pay of $77,000,000 and flight and submarine pay of $13,000,000, making a total of $281,000,000. The gentleman also said that while the men in the service have not been tax-exempt since the first of this year, on the basis of the new pay bill the tax that they will have to pay will be about $200,000,000 more than what they paid in 1948.

Mr. KILDAY. That is correct.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. If I understood the gentleman correctly, in response to the gentleman from New York, the gentleman from Texas indicated that the net effect of this bill in pay would be an increase of about 8 or 10 percent over the pay component of present appropriations for the armed services; is that correct?

Mr. KILDAY. That is the net after you take into consideration the income tax which is paid and the revision of hazard-duty pay, and things of that kind. It comes out about 8 percent.

Mr. CASE of South Dakota. If the total cost of this bill is $400,000,000 for fiscal 1951, then 10 times that would be what, about 4 billion?

Mr. KILDAY. $4,600,000,000.

Mr. CASE of South Dakota. Does that mean that the gentleman contemplates that the size of the Army and the Navy and the Air Force will remain at about the present level?

Mr. KILDAY. That is going to be up to the gentleman's committee. He is on the Committee on Appropriations, and that strength is going to be determined by the funds made available through appropriations. But, I think you will find at the present time the pay of the service is probably a little less than 4 billion, but it is up there in the bigger brackets all right.

Mr. CASE of South Dakota. The gentleman also spoke of these allowances. In the letter from the Director of the Bureau of the Budget dated May 11, a week ago, I note there the comment of the Director is that if this were to be

brought in conformity with the President's program, that there should be some revision in the matter of these allowances, for he points out that the bill perpetuates an unsound concept with respect to personal money allowances.

Mr. KILDAY. The difficulty is that the Director of the Budget from the beginning has attempted to write this bill. I do not think the Director of the Budget has been in any wise too pleased at the report of the Hook Commission, and the Committee on Armed Services did not see matters as they saw them.

Mr. CASE of South Dakota. The committee did not permit it to conform to the Budget's suggestions?

Mr. KILDAY. Not in that respect.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I think the gentleman from Texas will agree with me as to what I said to the effect that this is a very important piece of legislation. I attempted to give both sides of the argument as we heard it in the Committee on Rules, so that the Members of the House would have some knowledge of what is in this bill and how important it is to consider it fully, and to listen to the debate. The gentleman from Texas has no objection to that statement, has he?

Mr. KILDAY. No. I have not had the opportunity to explain this bill to a man yet who remained opposed to it after he understood what we are doing in this bill. I am sure the gentleman from Ohio, if he will do as he is urging others to do, stay here and listen to the consideration of this bill, will be for it.

Mr. BROWN of Ohio. If I cannot understand this bill after the gentleman explained it before the Committee on Rules, I doubt that I ever will, because he made a very clear explanation and has not refuted any of the statements made.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, I confess that I have had a very, very keen interest in this problem for many, many years. It is not important and probably is not interesting, but in 1922 I happened to be the chairman of a joint congressional committee which revised the pay schedules of the Army, Navy, Marine Corps, Public Health Service, and the Coast and Geodetic Survey. I learned at that time that this is a most intricate problem. We did our best in 1922, following the end of World War I, to solve the problem. We did make some progress, yet it was apparent to me at the time that we had not entirely succeeded. In fact, there were one or two elements in that bill in 1922 to which I objected personally, but with respect to which I was overruled. One of those elements was the family allowance and dependency allowance feature. I am glad to know that the Committee on Armed Services has taken cognizance of that particular phase of this problem, and important steps have been taken in this bill to greatly improve it, if not entirely correct an error which I think was committed years ago for the first time in 1922.

It is not my purpose nor have I the time to engage in a discussion of the details of this bill. The thing that concerns me most with respect to the future of our military services is, how are we going to get able young men to go into them and make them their careers?

We all admit that the men of very high rank today in the Army, Navy, and Air Force are exceedingly able men. Certainly they have distinguished themselves to an extraordinary degree in the last 10 years. So did the youngsters within their service spheres during the late war. But now with the war 4 years or more behind us, how is the officer personnel to be recruited for the future? I confess I have been greatly disturbed about this, especially when I read the figures presented in the committee's report with respect to the acceptance of commissions in the Regular service by youngsters who have graduated from what we call the ROTC college courses.

You will recollect that for many years both the Army and the Navy, and more recently the Air Force, in accordance with statutes passed by the Congress, have maintained courses in our colleges and universities called the ROTC. Some of them have a different name, but the objective of all of them is the same. From those graduates, those youngsters, we, of course, expect to get the great majority of our Reserve officers for the future. But when we remember that neither West Point nor Annapolis can graduate enough men to meet the commissioned personnel requirements of the Army, the Air Force, or the Navy, it is apparent that we must rely upon the best of these ROTC graduates to select a military career as their life's career. We are failing desperately in this respect—desperately. Let me remind you, for example, with respect to the Army, that when a class graduates from an ROTC course all those graduates are entitled to commissions in the Reserve forces. But the most distinguished amongst them are picked out and are offered commissions in the Regular forces. For example, in 1948, 899 distinguished graduates were designated for commissions. In other words, they were offered commissions. Only 110 accepted. That looks pretty bad. But, in 1949, out of 1,003 men who have been designated, only 7 have accepted thus far. Why do they not come in? They cannot afford to—or they think they cannot. The service does not present to them an attractive future, or at least sufficiently attractive to entice them into the Regular Army or Air Force. I think every Member here will recognize that that is an exceedingly serious situation, because it is today that we must get the officers of tomorrow. The chap who starts in as a second lieutenant or an ensign is the man who, if he proceeds upward by the process of selection, becomes the general or admiral 25 years from now. We must have good men coming up.

Consider the case of the Navy. The Naval Academy cannot produce enough graduates annually to fill the needs of the Navy and the Navy has resorted, of course, to the same procedure or approximately the same procedure as the Army, through its Naval ROTC courses and of picking out the best-equipped men and offering them commissions.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. BROWN of Ohio. Of course, most of these ROTC boys that the gentleman has mentioned come into the Army as second lieutenants.

Mr. WADSWORTH. Yes.

Mr. BROWN of Ohio. I note that under the provisions of this bill the second lieutenant's pay is increased from $180 per month to $225 per month.

Mr. WADSWORTH. Yes; but that is not the end of it.

Mr. BROWN of Ohio. I know. He gets better pay as he goes up.

Mr. WADSWORTH. He has a much better future ahead of him.

Mr. BROWN of Ohio. But, I wonder if you would not get more second lieutenants and more men coming in from the ROTC if the starting pay was made just a little bit better.

Mr. WADSWORTH. I am not concerned with exactly what the pay should be. What I am interested in or concerned about is the prospect of the future for the boy and not what he is going to get as a second lieutenant or an ensign. They may be able to stand that for a while. Perhaps the pay under this bill is sufficient for the responsibilities that he carries as second lieutenant or ensign, but what I am concerned about is whether the young man is going to be encouraged to come in in the first instance and decide that he is going to climb the ladder step by step by his own good work. He will not do that unless the prospects for his future are good.

Now, what is happening in Annapolis? To me it is exceedingly disturbing. The total number of resignations from the Naval Academy graduates has reached 643 since 1946, as contrasted with only 62 such resignations between the years 1937 and 1940. Ten times as many Annapolis graduates are resigning from the Navy as were resigning before the war. There is a reason for it. This, to my mind, is the most important problem that the Congress has to face—the problem of where to get the officers of the future. I have examined this report to the best of my ability. I examined it in great detail and have read it over a couple of times. In my humble judgment, this legislation, if passed, might properly be called economy legislation. You will get your money's worth. If only second- or third-class men are content to stay in the service, you will not get your money's worth because, after all, these youngsters must be the leaders of the future. They may grow up, and will grow up, if crises arise, to the stature of the men who led us in this last war. It is an important thing.

Personally, I am in favor of the enactment of this bill, in the interest of the country and in the interest of actual military economy.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. RICH. With reference to these boys who enter Annapolis, I have never appointed a boy to Annapolis that I did not ask whether he wanted to make that

his life's work. Unless he gave me his word that he would do that, I did not appoint him because it costs the Government $24,000 or $25,000 to educate him. They get the value and the benefit of that education, and when they receive that appointment they are supposed to remain in the service and work for Uncle Sam, regardless of whether this bill goes through or not. I think the Members of Congress, in selecting boys to go to Annapolis or West Point, ought to assume that responsibility and obligation.

Mr. WADSWORTH. The statement of the gentleman from Pennsylvania does not disturb the fact which I have recited.

Mr. RICH. It might if Members of Congress would make that request.

The SPEAKER. The time of the gentleman from New York [Mr. WADSWORTH] has expired.

WHY RAISE GENERAL'S PAY?

Mr. TOWE. Mr. Speaker, the question has been asked, "Why raise generals' pay if it is outstanding second lieutenants you want to attract to the service?" It is an important point and merits careful consideration. The man of promise, the man with future potentialities as a leader, is obviously a thinking man. He ordinarily is not attracted by some short-lived monetary reward. He is attracted by long-range opportunities. The distinguished college graduate who declines a regular commission does so not so much because of the low pay of the second lieutenant but because he feels that the rewards after 20, 30, or 40 years of successful service are too small compared to the rewards which equal success in business or the professions would give.

He looks at the men who commanded our armies and fleets in this last war—the outstanding military leaders of our time—and he says to himself, "Those are the most successful men in the Army, Navy, and Air Force. Only a small handful could achieve their positions. Yet their pay is now just about what it was two generations ago. The service is no place for me."

Is it absolutely necessary to raise generals' and admirals' pay to retain those we now have? Probably not. The generals and admirals would undoubtedly stay because they have already earned retirement benefits. But refusal to grant adequate increases to the top successful grades now would have devastating effect on future leadership. What young man of promise would be interested in a military career if we did that. If this country refused now to recognize the leadership that brought us victory in this last war, what could the potential young officer expect in the future. This bill is aptly called the Career Compensation Act of 1949. The type of men we want to command our sons in battle are the type who are attracted by a career. Adequate pay for colonels and generals now is important because it cannot help but aid in attracting outstanding young men in accepting appointments as second lieutenants.

Mr. McSWEENEY. Mr. Speaker, I yield 5 minutes to a man who served both as a private and came out with the rank of lieutenant colonel, the distinguished gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Speaker, it is my intention to support this rule so that this proposal may be fully debated. Unless this bill is amended and unless I am convinced of the necessity for its passage at this time and that its provisions are absolutely fair to the enlisted men, I will vote against it.

First, may I thank the distinguished gentleman from Ohio [Mr. McSWEENEY], who served in combat in both World Wars, for the very kindly personal reference he made to me. It is a fact that I served in the Field Artillery in World War I, the same as President Truman, except there was this difference: He was a captain and I was a private. It also happens that I served for 37 months in World War II as an officer. I regard our armed services as offering fine opportunities to our young men. I dislike to have the dollar sign affixed to any young men who start on their career as Army, Navy, Marine, or Air Force officers. I am sure that the young men we Congressmen appoint to the service academies are motivated not by dollars, not by desire for financial gain, but by an earnest desire to dedicate their lives to the welfare of their country and the defense of their country, making a career in the service they love. Those of us who are not privileged to be members of the Armed Services Committee may be somewhat confused by what we hear today on the floor. It appears to me, in view of the tremendous importance of this bill, that all of us should remain here throughout the debate and listen intently to all that is said upon this extremely technical bill of more than 100 pages, and on this measure that will cost the taxpayers of our country somewhere around $400,000,000 per year if it should be enacted into law in its present form.

We talk about the weather in Washington and the humidity. Nothing is done about it. We talk about reducing appropriations and economy in Government. Nothing much is done about that. Economy in Government, like economy anywhere else, means going without something you would like to have but for which there is not an absolute need.

At this time is there an absolute need for this legislation involving millions of dollars additional expenditures?

Furthermore, who is there who can say with assurance that the dollar will not be worth much more and buy much more in a few years from now? Once salaries and allowances are increased, who is there who can say with assurance that they will ever be reduced?

In this bill subsistence allowances and quarters allowances for officers are increased; and in many instances, if not all, retirement pay benefits are increased. These increases are tremendous when one considers the increase of base pay and the increase in subsistence and quarters allowances. For example: The base pay and allowance of a major is increased from $275 minimum to $405 minimum per month; and from that minimum it goes to $540. The present base pay of a colonel is $360 to $550 per month. This bill proposes to increase this from $600 to $735 each month plus quarters and plus subsistence allowances. So it is that the increases are proposed all along the line for commissioned officers, but no increases whatever are proposed for the "rookie" or recruit. Bear in mind, please, that those officers serving in our armed forces, the young men we send to the service academies, those who dedicate their lives to the service of their country have no worries whatever regarding a slack season in industry, regarding layoffs or business failures. They enjoy absolute security and continuity in highly honorable employment in positions where they are respected and admired by their fellow Americans.

Mr. Speaker, every citizen should charge himself with the obligation and responsibility of waging a vigorous campaign to reduce Government costs. The menace of Federal waste, excessive Government spending and extravagance is here; it is evident. Congressmen who work hard scrutinizing appropriation bills, scrutinizing bills of this character, who listen intently to the debate pro and con throughout the 4 hours and more on this bill, and who oppose all questionable and unnecessary spending are performing a real and a needful public service helping that too often forgotten man—the taxpayer.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, it is becoming increasingly clear to the American people that what the President termed a "red herring" is a grave Red menace. Every day there comes to light some new Communist activity, all of which demonstrates how far-reaching and how dangerous this movement is to our national security and our freedom.

Today's edition of the Washington Times-Herald contains the following stories: "Commie student, pet of AEC, doubtful of his loyalty to United States"; "Berlin trucks halted in new Red blockade"; "Pole tries to force debate over Eisler"; "Commies tighten Shanghai ring"; "Quill condemns Commie bid to seize control of air lines"; "Uranium loss still mystery as probers delve"; "Red oath tiff ejects ALP head"; "FBI man comes to court from Commie meeting"; and "CIO heads seek ouster of leftist union's charter."

The liberty-loving American people are disturbed, Mr. Speaker. They demand that our Government deal effectively and firmly with this threat within our borders. Instead the administration officials continue to coddle, even aid and defend, Communists.

I refer to the case of Hans Friestadt, beneficiary of a $1,600 Atomic Energy Commission graduate fellowship at the University of North Carolina. He admits he is a Communist. But the Chairman of the Commission defends his right to the fellowship.

Mr. Speaker, I call upon the President of the United States to cause this Government fellowship to be promptly terminated and to take such action as

will cause all such practices of the executive branch of helping Communists to be stopped. I call upon the President to insist that the officials of his administration deal firmly with this growing menace.

In trying to defend their action in awarding a graduate fellowship to a Communist, the Atomic Energy Commission emphasizes the ability and scholarship of Hans Friestadt. That is a mere cloak. This is what Dr. Henry Smyth, chairman of the physics department at Princeton University and author of the famous report on the atom bomb, said:

I feel that membership in the Communist Party indicates, at best, a fuzziness of mind, a lack of mental maturity, and, at worst, a loyalty to another government.

Mr. Speaker, it would be reassuring to the people of the United States if the President would take affirmative action in this case.

Mr. McSWEENEY. Mr. Speaker, I move the previous question on the resolution.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Abbitt	Granahan	Multer
Allen, Ill.	Granger	Murdock
Aspinall	Grant	Murphy
Bailey	Gregory	O'Neill
Baring	Gwinn	Patman
Barrett, Pa.	Hall,	Peterson
Barrett, Wyo.	Edwin Arthur	Pfeifer,
Bland	Hall,	Joseph L.
Blatnik	Leonard W.	Pfeiffer
Bolton, Md.	Hardy	William L.
Bosone	Hart	Plumley
Boykin	Heller	Potter
Breen	Hill	Poulson
Buckley, N. Y.	Hobbs	Powell
Bulwinkle	Hull	Rains
Burke	Irving	Redden
Byrne, N. Y.	Jennings	Ribicoff
Canfield	Jonas	Sadowski
Case, N. J.	Kearney	Scott, Hardie
Celler	Keogh	Scott,
Chudoff	Klein	Hugh, D. Jr.
Clevenger	Latham	Secrest
Cooley	LeFevre	Sheppard
Coudert	Lemke	Simpson, Pa.
Crawford	Lichtenwalter	Smith, Ohio
Davis, Tenn.	Lynch	Smith, Wis.
Dawson	McConnell	Staggers
D'Ewart	McGrath	Stigler
Dingell	McGuire	Taylor
Dollinger	McMillan, S. C.	Thomas, N. J.
Dondero	Macy	Whitaker
Eaton	Marshall	White, Idaho
Eberharter	Miles	Wilson, Ind.
Fernandez	Miller, Nebr.	Withrow
Flood	Morgan	Wood
Fogarty	Morris	Woodhouse
Gilmer	Morrison	Zablocki

The SPEAKER. On this roll call 325 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED SERVICES

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. VINSON. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. BUCKLEY of Illinois asked and was granted permission to extend his remarks in the RECORD.

Mr. PHILBIN asked and was granted permission to extend his remarks in the RECORD and include two or three newspaper articles.

MINIMUM-WAGE LEGISLATION

Mr. COMBS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COMBS. Mr. Speaker, today I introduced a bill for the amendment of the Fair Labor Standards Act of 1938, the minimum-wage law. I obtained recognition to ask unanimous consent that a copy of the bill be printed in the RECORD and to make a brief explanation of the bill itself.

It would provide:

First. A 75-cent minimum wage adjustable downward to meet emergency conditions such as a depression.

Second. The coverage would be limited to industries and businesses engaged in interstate commerce; in that connection it defines interstate commerce in the terms of the Constitution as being "commerce among the several States." This and certain other amendments of the existing law would have the effect of exempting from the minimum wage-and-hour law all purely local and intrastate industries and businesses, including such service institutions as laundries, pressing establishments, cafes, retail establishments, and farming operations.

Third. The bill would specifically exempt certain industries and segments of industries engaged in interstate commerce, but which because of the nature of their operation and the local conditions they cannot successfully operate under a high minimum wage.

H. R. 4782

A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes

Be it enacted, etc., That this act may be cited as the "Fair Labor Standards Amendments of 1949."

SEC. 2. The Fair Labor Standards Act of 1938, as amended (29 U. S. C. 201-219), is hereby amended to read as follows:

"SHORT TITLE

"SECTION 1. This act may be cited as the 'Fair Labor Standards Act of 1949'.

"FINDING AND DECLARATION OF POLICY

"SEC. 2. (a) The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers (1) causes commerce and the channels and instrumentalities of commerce to be used to spread and perpetuate such labor conditions among the workers of the several States; (2) burdens commerce and the free flow of goods in commerce; (3) constitutes an unfair method of competition in commerce; (4) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce; and (5) interferes with the orderly and fair marketing of goods in commerce.

"(b) It is hereby declared to be the policy of this act, through the exercise by Congress of its power to regulate commerce among the several States to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.

"DEFINITIONS

"SEC. 3. As used in this act—

"(a) 'Person' means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"(b) 'Commerce' means trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"(c) 'State' means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"(e) 'Employee' includes any individual employed by an employer.

"(f) 'Agriculture' includes (1) farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry, or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market; and (2) forestry in all its branches and among other things includes planting, tending, cruising, surveying, and felling trees, preparing logs, and other forestry products for market, delivering logs and other forestry products to storage or to market or to carriers for transportation to market, and all other processing of forestry products prior to the processing thereof in and about a sawmill or similar facility.

"(g) 'Employ' includes to suffer or permit to work.

"(h) 'Industry' means a trade, business, industry, or branch thereof, or group of industries, in which individuals are gainfully employed.

"(i) 'Goods' means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"(j) 'Produced' means actually produced, manufactured, mined, handled, or in some other manner actually worked on in any State. For the purposes of this act an employee shall not be deemed to have been engaged in the production of goods unless such employee was employed in actually pro-

ducing, manufacturing, mining, handling, transporting, or in some other manner actually working on such goods in any State.

"(k) 'Sale' or 'sell' includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"(l) 'Oppressive child labor' means a condition of employment under which (1) any employee under the age of 16 years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of 16 years in an occupation other than manufacturing or mining or an occupation found by the Secretary to be particularly hazardous for the employment of children between the ages of 16 and 18 years or detrimental to their health or well-being) in any occupation, or (2) any employee between the ages of 16 and 18 years is employed by an employer in any occupation which the Secretary shall find and by order declare to be particularly hazardous for the employment of children between such ages or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file an unexpired certificate issued and held pursuant to regulations of the Secretary certifying that such person is above the oppressive child-labor age. The Secretary shall provide by regulation or by order that the employment of employees between the ages of 14 and 16 years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Secretary determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"(m) 'Wage' paid to any employee includes tips received by such employee for which records are kept by the employer in accordance with regulations of the Secretary, and includes the reasonable cost, as determined by the Secretary, to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees: *Provided*, That the cost of board, lodging, or other facilities shall not be included in the wage paid to any employee if the furnishing of such facilities is an incident of and necessary to his employment and such facilities are practicably available only from the employer.

"ADMINISTRATION

"SEC. 4. (a) The provisions of this act shall be administered by the Secretary of Labor (in this act referred to as the "Secretary") and, subject to his direction and control by such officers and agencies of the Department of Labor as the Secretary may designate. The Wage and Hour Division created by the Fair Labor Standards Act of 1938 is hereby continued in the Department of Labor as the Bureau of Wages and Hours. The Bureau shall be administered under the direction and control of the Secretary by an Administrator, to be known as the Administrator of Wages and Hours, who shall be appointed by the President by and with the advice and consent of the Senate. The Administrator of the Wage and Hour Division under the Fair Labor Standards Act of 1938 shall be the Administrator of Wages and Hours under this act unless and until a successor is appointed pursuant to this section. The Administrator of Wages and Hours shall receive compensation at the rate of $15,000 a year.

"(b) The Secretary may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out his functions and duties under this act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Secretary may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed by the Secretary may appear for and represent the Secretary in any litigation, but all such litigation shall be subject to the direction and control of the Attorney General. In the appointment, selection, classification, and promotion of officers and employees of the Department of Labor for the administration of this act, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(c) The Secretary shall have power to make, issue, amend, and rescind such regulations and orders as are necessary or appropriate to carry out any of the provisions of this act, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates, the maximum hours, and the child-labor provisions thereof. The provisions of section 10 of the Portal-to-Portal Act of 1947 shall apply with respect to any such regulation or order.

"(d) The Secretary or his duly authorized representative may exercise any or all of his powers under this act in any place.

"(e) The Secretary shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this act as he may find advisable.

"INDUSTRY COMMITTEES

"SEC. 5. (a) (1) The Secretary shall as soon as practicable appoint an industry committee for each industry engaged in commerce or in the production of goods for commerce, such committee to recommend the minimum rate or rates of wages to be paid under section 6 to employees in such industry. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such industry committees and the Secretary shall be subject to the provisions of section 8.

"(2) No industry committee appointed under paragraph (1) of this subsection shall have any power to recommend the minimum rate or rates of wages to be paid under section 6 to any employees in Puerto Rico or in the Virgin Islands. The Secretary shall as soon as practicable appoint a special industry committee to recommend the minimum rate or rates of wages to be paid under section 6 to all employees in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce, or the Secretary may appoint separate industry committees to recommend the minimum rate or rates of wages to be paid under section 6 to employees therein engaged in commerce or in the production of goods for commerce in particular industries. An industry committee appointed under this paragraph shall be composed of residents of such island or islands where the employees with respect to whom such committee was appointed are employed and residents of the United States outside of Puerto Rico and the Virgin Islands. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such industry committees and the Secretary shall be subject to the provisions of section 8; and no such committee shall recommend, nor shall the Secretary approve, a minimum wage rate which will give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands.

"(b) An industry committee shall be appointed by the Secretary without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Secretary shall designate as chairman, a like number of persons representing employees in the industry, and a like number representing employers in the industry. In the appointment of the persons representing each group, the Secretary shall give due regard to the geographical regions in which the industry is carried on.

"(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Secretary shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"(d) The Secretary shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Secretary to furnish additional information to aid it in its deliberations.

"MINIMUM WAGES

"SEC. 6. (a) Except as otherwise provided in this act, every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates—

"(1) not less than 75 cents an hour, or the rate prescribed in the applicable order of the Secretary issued under section 8, whichever is lower;

"(2) if such employee is a home worker in Puerto Rico or the Virgin Islands, not less than the minimum piece rate prescribed by regulation or order; or, if no such minimum piece rate is in effect, any piece rate adopted by such employer which shall yield, to the proportion or class of employees prescribed by regulation or order, not less than the applicable minimum hourly wage rate. Such minimum piece rates or employer piece rates shall be commensurate with, and shall be paid in lieu of, the minimum hourly wage rate applicable under the provisions of this section. The Secretary, or his authorized representative, shall have power to make such regulations or orders as are necessary or appropriate to carry out any of the provisions of this paragraph, including the power without limiting the generality of the foregoing, to define any operation or occupation which is performed by such homework employees in Puerto Rico or the Virgin Islands; to establish minimum piece rates for any operation or occupation so defined; to prescribe the method and procedure for ascertaining and promulgating minimum piece rates; to prescribe standards for employer piece rates, including the proportion or class of employees who shall receive not less than the minimum hourly wage rate; to define the term 'home worker'; and to prescribe the conditions under which employers, agents, contractors, and subcontractors shall cause goods to be produced by home workers.

"(b) The provisions of paragraph (1) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5.

"MAXIMUM HOURS

"SEC. 7. (a) Except as otherwise provided in this act, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce for a workweek longer than 40 hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

"(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee receives compensation for employment in excess of 10 hours in any workday, or for employment in excess of 50 hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed, and if such employee is so employed—

"(1) in pursuance of an agreement made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than 1,040 hours during any period of 26 consecutive weeks, or

"(2) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that during a specified period of 52 consecutive weeks the employee shall be employed not more than 2,240 hours and shall be guaranteed not less than 1,840 hours (or not less than 46 weeks at the normal number of hours worked per week, but not less than 30 hours per week) and not more than 2,080 hours of employment for which he shall receive compensation for all hours guaranteed or worked at rates not less than those applicable under the agreement to the work performed and for all hours in excess of the guarantee which are also in excess of 40 hours in the workweek or 2,080 in such period at rates not less than one and one-half times the regular rate at which he is employed, or

"(3) for a period or periods of not more than 14 workweeks in the aggregate in the calendar year (a) in any industry found by the Secretary to be of a seasonal nature, or (b) in any other industry engaged in the handling or packing or storing or preparing or in the first processing or canning of agricultural or horticultural commodities in their raw or natural state or of fish or other aquatic form of animal or vegetable life or in the processing of cottonseed or the ginning or compressing of cotton, or in the slaughtering and dressing of poultry or in the making of dairy products, if such industry is found by the Secretary to be characterized by marked annually recurring seasonal peaks of operation: *Provided*, That when the Secretary finds that in an industry engaged in the handling or packing or storing or preparing, or in the first processing or canning of fresh fruits and vegetables an additional number of weeks of exemption are required to prevent the spoilage of such perishable fresh fruits and vegetables, he is authorized to extend the exemption for additional weeks not to exceed a total of six.

"(c) Except as provided in subsection (d) of this section, sums paid by an employer to an employee regardless of whether the employee has worked in excess of the maximum number of hours specified in this section, or in amounts not based on the number of hours actually worked by him in excess of such maximum in each workweek, shall not be deemed payments of premium compensation required by this section for overtime employment; and notwithstanding any other provision of this section, any salaried employee who is employed in excess of 40 hours in any workweek shall be paid for each such hour in excess of 40, in addition to his salary for 40 hours of work, at a rate not less than one and one-half times the hourly rate obtained by dividing his weekly salary by not more than 40: *Provided*, That as to any employee employed in pursuance of a collective-bargaining agreement, made by representatives of employees certified as bona fide by the National Labor Relations Board, which (1) provides a contract regular rate of pay of not less than $1.50 an hour for such employee and compensation at not less than one and one-half times such rate for all hours worked in excess of 40, (2) provides a weekly guaranty of employment or pay for more than 40 hours and not more than 60 hours, and (3) meets the requirements of regulations promulgated by the Secretary of Labor prescribing such conditions as he shall determine to be necessary or appropriate to carry out the purposes of this act, this subsection shall not be applicable.

"(d) As used in this section the 'regular rate' at which an employee is employed shall be deemed to include all remuneration for employment paid to, or on behalf of, the employee, but shall not be deemed to include—

"(1) sums paid as gifts; payments in the nature of gifts made at Christmas time or on other special occasions, as a reward for service, the amounts of which are not measured by or dependent on hours worked, production, or efficiency;

"(2) payments made for occasional periods when no work is performed due to vacation, holiday, illness, failure of the employer to provide sufficient work, or other similar cause; reasonable payments for traveling expenses, or other expenses, incurred by an employee in the furtherance of his employer's interests and properly reimbursable by the employer; and other similar payments to an employee which are not made as compensation for his hours of employment;

"(3) sums paid in recognition of services performed during a given period if either, (a) both the fact that payment is to be made and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period and not pursuant to any prior contract, agreement, promise, arrangement, or a custom or practice causing the employee to expect such payments regularly; or (b) the payments are made pursuant to a bona fide profit-sharing plan or trust, meeting the requirements of the Secretary set forth in appropriate regulations which he shall issue, having due regard, among other relevant factors, to the extent to which the amounts paid to the employee are determined without regard to hours of work, production, or efficiency; or (c) talent fees (as such term is defined and delimited by regulations of the Secretary) paid to performers, including announcers, on radio and television programs;

(4) contributions irrevocably made by an employer to a trustee or third person pursuant to a bona fide plan for providing old-age, retirement, life, accident, or health insurance or similar benefits for employees;

"(5) extra compensation provided by a premium rate paid for certain hours worked by the employee in any day or workweek because such hours are hours worked in excess of 8 in a day or 40 in a workweek or in excess of the employee's normal working hours or regular working hours, as the case may be;

"(6) extra compensation provided by a premium rate paid for work by the employee on Saturdays, Sundays, holidays, or regular days of rest, or on the sixth or seventh day of the workweek, where such premium rate is not less than one and one-half times the rate established in good faith for like work performed in nonovertime hours on other days;

"(7) extra compensation provided by a premium rate paid to the employee, in pursuance of an applicable employment contract or collective-bargaining agreement, for work outside of the hours established in good faith by the contract or agreement as the basic, normal, or regular workday (not exceeding 8 hours) or workweek (not exceeding 40 hours), where such premium rate is not less than one and one-half times the rate established in good faith by the contract or agreement for like work performed during such workday or workweek.

"(e) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of 40 hours if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, the amount paid to the employee for such employment in excess of 40 hours—

"(1) in the case of an employee employed at piece rates, is computed at piece rates not less than one and one-half times the bona fide piece rates applicable to the same work when performed during nonovertime hours; or

"(2) in the case of an employee performing two or more kinds of work for which different hourly or piece rates have been established, is computed at rates not less than one and one-half times such bona fide rates applicable to the same work when performed during nonovertime hours:

and if (i) the employee's average hourly earnings for the workweek exclusive of payments described in paragraphs (1) through (7) of subsection (d) are not less than the minimum hourly rate required by applicable law, and (ii) extra overtime compensation is properly computed and paid on other forms of additional pay required to be included in computing the regular rate.

"(f) Extra compensation paid as described in paragraphs (5), (6), and (7) of subsection (d) shall be creditable toward overtime compensation payable pursuant to this section.

"WAGE ORDERS

"SEC. 8. (a) The policy of this act with respect to industries engaged in commerce or in the production of goods for commerce is to reach as rapidly as is economically feasible without substantially curtailing employment the objective of a minimum wage of 75 cents an hour in each such industry. Whenever a minimum-wage rate of 75 cents an hour in any such industry has resulted in, or threatens to result in, a substantial curtailment of employment, the Secretary shall convene an industry committee, appointed pursuant to section 5, and such committee shall recommend the minimum rate or rates of wages to be paid under section 6 by employers engaged in commerce or in the production of goods for commerce in such industry or classification therein.

"(b) Upon the convening of any such industry committee, the Secretary shall refer to it the question of the minimum-wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this act. The committee shall recommend to the Secretary the highest minimum-wage rates for the industry which it determines, will not substantially curtail employment in the industry, and, in the case of any industry in Puerto Rico or in the Virgin Islands, will not give such industry a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands.

"(c) The industry committee shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of 75 cents an hour) which (1) will not substantially cur-

tail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classification, and in determining the minimum wage rates for such classifications, no classifications shall be made, and no minimum wage rate shall be fixed, solely on a regional basis, but the industry committee and the Secretary shall consider among other relevant factors the following:

"(1) competitive conditions as affected by transportation, living, and production costs;

"(2) the wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and

"(3) the wages paid for work of like or comparable character by employers who voluntarily maintain minimum-wage standards in the industry.

"No classification shall be made under this section on the basis of age or sex.

"(d) The industry committee shall file with the Secretary a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Secretary, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Secretary disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

"(e) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Secretary finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Secretary deems reasonably calculated to give to interested persons general notice of such issuance.

"(f) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Secretary deems reasonably calculated to give general notice to interested persons.

"ATTENDANCE OF WITNESSES

"SEC. 9. For the purpose of any hearing or investigation provided for in this act the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C., 1946 edition, title 15, secs. 49 and 50), are hereby made applicable to the jurisdiction, powers, and duties of the Secretary and the industry committees.

"COURT REVIEW

"SEC. 10. (a) Any person aggrieved by an order of the Secretary issued under section 8 may obtain a review of such order in the United States Court of Appeals for any circuit wherein such person resides or has his principal places of business, or in the United States Court of Appeals for the District of Columbia circuit, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Secretary, and thereupon the Secretary shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by the Secretary when supported by substantial evidence shall be conclusive. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by substantial evidence shall be conclusive, and shall also file his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

"(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Secretary's order. The court shall not grant any stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compensation such employees are entitled to receive under the order exceeds the compensation they actually receive while such stay is in effect.

"INVESTIGATIONS, INSPECTIONS, AND RECORDS

"SEC. 11. (a) The Secretary or his designated representatives may investigate and gather data regarding the wages, hours, employment of minors, and other conditions and practices of employment in any industry subject to this act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this act, or which may aid in the enforcement of the provisions of this act. The Secretary shall bring all actions under section 16 to restrain violations of this act.

"(b) With the consent and cooperation of State agencies charged with the administration of State labor laws, the Secretary may, for the purpose of carrying out his functions and duties under this act, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may reimburse such State and local agencies and their employees for services rendered for such purposes.

"(c) Every employer subject to any provision of this act or of any order issued under this act shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and shall preserve such records for such periods of time, and shall make such reports therefrom to the Secretary as he shall prescribe by regulation or order as necessary or appropriate for the enforcement of the provisions of this act or the regulations or orders thereunder.

"CHILD LABOR PROVISIONS

"SEC. 12. (a) No producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

"(b) No employer shall employ any oppressive child labor in commerce or in the production of goods for commerce.

"EXEMPTIONS

"SEC. 13. (a) The provisions of sections 6, 7, and 12 shall not apply with respect to (1) any employee engaged in the delivery of newspapers to the consumer; or (2) any employee of a retail or service establishment. An establishment shall not be deemed a retail or service establishment within the meaning of this subsection if more than 50 percent of its annual dollar volume during the preceding calendar year was derived from activities other than retail selling or servicing. As used in this subsection, 'retail selling or servicing' means selling or servicing to private individuals for personal or family consumption, or selling or servicing (but not for resale) where (1) the goods sold or serviced do not differ materially either in type or quantity from goods normally sold or serviced for such personal or family consumption, or where (2) the customer is a farmer and the goods sold or serviced are of types and in quantities used by the ordinary farmer in his farming operations.

"(b) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative or professional capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Secretary); or (2) any employee employed in the catching, taking, propagating, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading and unloading, when performed by any such employee, and in the icing, cleaning, salting, or other preparation of such products in their raw state for shipment from the place of unloading to market or to processors; or (3) any employee employed in agriculture; or (4) any employee employed as a seaman; or (5) any employee employed in connection with the publication of any weekly or semiweekly newspaper the major part of the circulation of which is within the State where printed and published; or (6) any employee of a street, suburban, or interurban electric, railway, or local trolley or motorbus carrier not included in other exemptions contained in this section; or (7) any employee of a telephone system organized for the purpose of serving, and engaged primarily in serving, any rural area (as defined in sec. 13 of the Rural Electrification Act of 1936, as amended (7 U. S. C., sec. 913)); or (8) any switchboard operator employed in a public telephone exchange which has less than 500 stations; or

(9) any employee of an employer engaged in the business of operating taxicabs; or (10) any employee who, deriving the majority of his annual income from some other occupation or employment, is employed for a period or periods of not more than 14 workweeks per annum by any employer who, though covered by this act, is not directly engaged in the sale or shipment of goods in commerce; or (11) any employee or proprietor in a retail or service establishment as defined in subsection (a) of this section, with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month; or (12) any employee employed as a learner or apprentice, as defined by the Secretary, or as a messenger employed exclusively in delivering letters and messages, and any employee who is physically or mentally handicapped; or (13) any individual employed in or about a sawmill or similar facility for processing forestry products where such sawmill or similar facility has less than 16 employees; or (14) any employee of a peoples' utility district, or of a cooperative, nonprofit, or limited-dividend association, organized for the purpose of financing construction and operation relating to rural electrification and eligible for loans under section 4 of the Rural Electrification Act of 1936, as amended (7 U. S. C., sec. 904).

"(c) The provisions of section 7 shall not apply with respect to (1) any employee employed during the greater part of any workweek as a driver or helper riding a motor vehicle in the performance of over-the-road transport operations (as defined by the Secretary of Labor); or (2) any employee of an employer which is an express company, sleeping-car company, or carrier by railroad, subject to part I of the Interstate Commerce Act; or (3) any employee employed as flight personnel on an aircraft by a carrier by air subject to title II of the Railway Labor Act.

"(d) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, or to any child employed as an actor or performer in motion pictures or theatrical productions or in radio or television productions.

"PROHIBITED ACTS

"SEC. 14. (a) It shall be unlawful for any person—

"(1) to transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver, or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7; except that any such transportation, offer, shipment, delivery, or sale of such goods by a purchaser who acquired them after such violation occurred shall not be deemed unlawful if such purchaser proves that he was without knowledge of such violation, and acted in good faith in reliance on written assurance from the producer that the goods were produced in compliance with the requirements of the act, and no provision of this act shall impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this act shall excuse any common carrier from its obligation to accept any goods for transportation;

"(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Secretary issued under section 4 (c);

"(3) to discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on an industry committee;

"(4) to violate any of the provisions of section 12;

"(5) to violate any of the provisions of section 11 (c), or to make any statement, report, or record filed or kept pursuant to the provisions of such section or of any regulation or order thereunder, knowing such statement, report, or record to be false in a material respect.

"(b) For the purposes of subsection (a) (1) proof that any employee was employed in any place of employment where goods shipped or sold in commerce were produced, within 90 days prior to the removal of the goods from such place of employment, shall be prima facie evidence that such employee was engaged in the production of such goods.

"PENALTIES

"SEC. 15. (a) Any person who willfully violates any of the provisions of section 14 shall upon conviction thereof be subject to a fine of not more than $10,000, or to imprisonment for not more than 6 months, or both. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

"(b) Any employer who violates the provisions of section 6 or section 7 of this act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and (except as provided in section 11 of the Portal-to-Portal Act of 1947) in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated. No employee shall be a party plaintiff to any such action unless he gives his consent in writing to become such a party and such consent is filed in the court in which such action is brought. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

"(c) The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or section 7 of this act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. At the request or with the consent of any employee claiming unpaid minimum wages or unpaid overtime compensation under section 6 or section 7 of this act, the Secretary may bring an action in any court of competent jurisdiction to recover the amount of any such claim. The Secretary may join in one cause of action the claims of any employees similarly situated who consent thereto. The consent of any employee to the bringing of any such action by the Secretary, unless such action is dismissed without prejudice on motion of the Secretary, shall constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. Any sums thus recovered by the Secretary on behalf of an employee pursuant to this subsection shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years shall be covered into the Treasury of the United States as miscellaneous receipts: *Provided*, That nothing in this subsection shall affect or limit in any way the full equitable jurisdiction of the courts under section 16 of this act.

"INJUNCTION PROCEEDINGS

"SEC. 16. The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, to restrain violations of section 14.

"RELATION TO OTHER LAWS

"SEC. 17. No provision of this act or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this act or a maximum workweek lower than the maximum workweek established under this act, and no provision of this act relating to the employment of child labor shall justify noncompliance with any Federal or State law or municipal ordinance establishing a higher standard than the standard established under this act. No provision of this act shall justify any employer in reducing a wage paid by him which is in excess of the applicable minimum wage under this act, or justify any employer in increasing hours of employment maintained by him which are shorter than the maximum hours applicable under this act.

"SEPARABILITY OF PROVISIONS

"SEC. 18. If any provision of this act or the application of such provision to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby."

AMENDMENT OF THE PORTAL-TO-PORTAL ACT OF 1947

SEC. 3. (a) Section 10 (b) (1) of the Portal-to-Portal Act of 1947 is hereby amended to read as follows:

"(1) in the case of the Fair Labor Standards Act of 1938, as amended—the Secretary of Labor or his duly authorized representative;".

(b) Section 13 (d) of such act is hereby amended by adding at the end thereof the following new sentence: "The term 'Fair Labor Standards Act of 1938, as amended', means the Fair Labor Standards Act of 1938, as amended, including the fair labor standards amendments of 1949, the Fair Labor Standards Act of 1949, and amendments thereto."

EFFECTIVE DATE OF CERTAIN CHANGES

SEC. 4. (a) This act shall take effect upon the expiration of 120 days from the date of its enactment, except that the functions of the Secretary of Labor provided for in the Fair Labor Standards Act of 1949 may be exercised forthwith, and the provisions of section 7 of said act (relating to overtime compensation) shall be in full force and effect from and after the date of enactment of this act.

(b) Any order, regulation, or interpretation of the Administrator of the Wage and Hour Division or of the Secretary of Labor, and any agreement entered into by the Administrator or the Secretary of Labor, in effect under the provisions of the Fair Labor Standards Act of 1938 on the date of enactment of this act, shall remain in effect as an order, regulation, interpretation, or agreement of the Secretary of Labor pursuant to this act, except to the extent that any such order, regulation, interpretation, or agreement may be inconsistent with the provisions of this act, or may from time to time be amended, modified, or rescinded by the Secretary of Labor in accordance with the provisions of this act.

(c) No amendment made by this act shall affect any penalty or liability with respect to any act or omission occurring prior to the effective date of this act.

Mr. Speaker, among the things the bill specifically exempts would be all farm operations, farm processing plants, cotton gins, packing sheds, etc. Also rural telephone systems, small sawmills employing less than 16 people which sell their products locally or to final processors within the State. It would exempt weekly and semiweekly newspapers where more than 50 percent of the circulation is within the State of publication. It would exempt that part of sawmill operation which has to do with the growing and harvesting of timber. To do that it treats all timber operation as a farming operation rather than as a manufacturing operation up to the point where the logs are delivered at the mill for processing into lumber.

A number of other businesses are specifically exempted; such as REA electric co-ops, news vendors, and so forth.

It would also exempt from coverage of the act employees of local streetcar and motorbus systems. These receive their franchise from the municipality which also regulates the fares they charge and as a consequence their income. It is better for all parties concerned including the employer, the employee, and the public that wage adjustments be kept on the local level.

Also the bill would exempt seamen, and those engaged in fishery operations, and so forth. Seamen operate under a contract fixing their wages and working conditions. Moreover, the law vests in the Maritime Commission the power and the duty to regulate the wages of seamen.

There are a number of provisions in the bill which I do not have even the time to mention. I trust you will read the bill in the RECORD. Let me say just this in conclusion. I would find it impossible, as I believe many of you would, to support any substantial increase in the minimum wage under the coverage of the existing law or under the bill reported out by the Committee on Education and Labor, H. R. 3190. There are provisions in the existing law, which, by interpretation of the courts and the administrative agencies, could seriously affect many purely local businesses and industries, most of them small. For example, it has been held that the employee of a local guard service supplying night watchmen in a local community are under the wage-and-hour law because the building they guard is occupied by some tenants who are engaged in interstate commerce. It has been held that a local automobile dealer who sells more than 25 percent of his automobiles and trucks to businesses engaged in interstate commerce is under the act.

In short, the present law, as construed by the courts and administrative agencies, could result in sending the wage-and-hour inspectors into almost every community and into every small business and industry throughout the Nation. There is a marginal type of industry in this country in almost every locale which is important and yet which has little impact on the industry of other States. All such industries and all purely intrastate businesses and industries should be left to regulation by the States where it is possible to take local conditions into consideration. The message President Roosevelt sent to Congress in 1937 recommending the enactment of the present wage-and-hour law specifically recommended that that particular field of wage-and-hour regulation be left to the States. Unfortunately, certain language contained in the bill as passed had the opposite effect. The bill I have introduced is a new approach, and, in my judgment, a sound basis for a just and fair minimum-wage law at a sufficiently high level to prevent unfair interstate competition because of the existence of low-wage standards.

The South has a number of marginal industries which developed in the days of economic depression following the Civil War which built up methods of operation that enabled them to survive. They have not yet adjusted themselves to high-wage standards. On the other hand, the new industrial developments in the South have produced types of industries that can and do pay high wages. By making the minimum-wage law applicable to the latter and excluding the former, we make it possible for many of us to support a high minimum wage who otherwise could not. I trust you will find H. R. 4782 to offer a sound approach to the solution of a difficult legislative problem.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. COMBS. Mr. Speaker, I ask unanimous consent to print in the RECORD a copy of the bill H. R. 4782, and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business and any other special orders that may have been entered, I may address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE REDWOODS OF CALIFORNIA

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, there seems to be a movement on in Washington to semicommunize a large portion of my district. The redwoods of California are the growing wonders of the world. We have set aside 55,000 acres as redwood parks for the enjoyment of the people of the world. Again come the perennial dreamers, who would set up a Federal agency to take over and operate 2,100,000 acres comprising practically all of the commercial timber in my district, to be operated in accordance with policies set up by some Washington bureaucrat.

I want to serve notice that we in my district want no part of this scheme. We can run our own business as we have for the past century and assure you we will develop that great section of California in the good old American way, free from foreign ideologies.

The SPEAKER. The time of the gentleman from California has expired.

CALIFORNIA POWER PROJECTS

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH of California. Mr. Speaker, Gov. Earl Warren, of California, in a recent speech before the American Public Power Association in Los Angeles, advocated Federal aid for the development of electric power to meet a most extraordinary condition in California. It is hoped Governor Warren in his speech designated the agency of the Federal Government to construct the self-liquidating multiple-purpose hydroelectric power developing dams and reservoirs in California. Governor Warren knows that revenues from power developed by projects built by the Army engineers and marketed under section 5 of the Flood Control Act of 1944 are required by law to be covered into the miscellaneous receipts of the Treasury; whereas on the other hand, revenues from power created by multiple hydroelectric power developing dams and reservoirs built and operated by the Bureau of Reclamation, and referred to as interest component, can be used to assist in paying off irrigation costs. Without these revenues the burden of irrigation costs to farmers, irrigationists, and water users in the Central Valley project area of California would be doubled if not trebled.

Moreover, Governor Warren should lead the way and make known to certain Representatives in Congress from California, and California State officials, in the strongest possible terms, that they should support and vote for a water and power policy which would inure to the benefit of the farmers and irigationists in the great Central Valley and other sections of the State.

[From the Sacramento (Calif.) Bee of May 10, 1949]

WARREN URGES GREATER PUBLIC POWER OUTPUT

Governor Warren today called for a rapid expansion of California's power development and emphasized it must be done primarily by public agencies.

In an address prepared for delivery before the American Public Power Association in Los Angeles, the Governor declared:

"We are on thin ice and we must have greater power development as rapidly as possible to keep up with our growth.

"The most of this power development must be hydroelectric power and it must be developed by public agencies."

The text of the Governor's address was released in Sacramento.

RECALLS POWER SHORTAGE

The Governor said that last year the State was forced to go on daylight saving time to conserve power. He paid a tribute to the cooperation of all power agencies, public and private, for carrying the State through the crisis.

Warren explained 36 percent of California's electric energy is produced by steam through the use of oil and other fuel. He declared at the present rate of consumption, known oil and gas reserves will last only 20 years.

He stated:

"If we increase this use of oil in the production of electricity, our reserves will be dissipated even earlier than estimated. * * *

"On the other hand, most of our power potential is inseparably connected with water conservation for all purposes; irrigation, flood control, navigation, salinity control, municipal purposes, recreation and conservation of wildlife. It must therefore be developed in projects which serve all the purposes."

PUBLIC UNITS CAN DO JOB

"No private utility has either the means, the jurisdiction, or the urge to do such a job. No private interest could integrate these functions. Only public agencies, acting in cooperation where jurisdictional lines are transcended, can do such a job."

The Governor described the Central Valleys project as an outstanding example of Federal-State cooperation.

"The power developed will process the food products grown, service the cities in the area, and turn the wheels of industry which will provide the jobs for our people," continued the Governor.

He then described the rapid growth of the State, asserting the immigration exceeds the emigration by 20,000 persons a month. He said he believes the State must prepare for an additional 10,000,000 population in the next 25 years.

THREE MILLION FORTY-NINE THOUSAND WORKERS

He pointed out there are 3,049,000 workers in industry in this State compared with 2,047,000 in 1940. On the unfavorable side he mentioned there are 528,000 unemployed, or 14 percent of the State's total working force, which he said is about twice the national percentage.

Unless industry can be developed, he explained, the proportion of jobless may increase.

Again stressing power is the foundation for industry, the Governor concluded:

"Large blocks of power which remain to be developed in California must, of necessity, come from multiple-purpose projects which can only be developed by the public. This power by law and by right must be available to those public agencies which desire to buy it. And we must make this development with dispatch. California's problem is jobs. These jobs must come from industry and industry must have electric power."

He made it clear he is not prejudiced against private power interests and asserted he has great admiration for the accomplishments of the two major private power utilities of the State.

[From the Sacramento (Calif.) Bee of May 12, 1949]

WARREN PROPOUNDS BROAD POWER DEVELOPMENT VIEW

Gov. Earl Warren's view on power development in California and elsewhere, as set forth in an address this week in Los Angeles, are indisputable.

Speaking before the annual convention of the American Public Power Association, the Governor declared:

The greater part of the power development must be in the hydroelectric field.

And it must be by public agencies.

Without any reference to the philosophical side of public power, the Governor's statements make sense.

Power generation, other than by water, must be by steam plants which are fueled by oil or gas.

At the present rate of consumption, the Governor said, the known oil and gas reserves are good for only another 20 years.

Any increase in the use of these fuels in the generation of electricity obviously is going to deplete the reserves that much sooner.

Thus, to employ oil and gas in steam plants when hydro sources are available is an unnecessary use of these resources.

But when the streams are dammed for power generation, many other purposes can and most certainly should be served.

These include irrigation, domestic water supplies, flood control, navigation, recreation, and wildlife preservation.

The public is being short-changed if the State's water resources are not utilized for all of these purposes and to the maximum extent possible.

With reference to the development of all-purpose hydro plants by privately owned utilities, there is a rub.

In this connection, Governor Warren said:

"No private utility has either the means, the jurisdiction, or the urge to do such a job. No private interest could integrate these functions. Only public agencies, acting in cooperation where jurisdictional lines are transcended, can do such a job."

When the matter is presented in this light, can there be any doubt as to why the job must be done by public agencies?

Only in this way can the most people derive the greatest number of benefits. And that should be the yardstick.

EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include two letters.

Mr. JACKSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a statement of policy on the part of the Los Angeles city school system.

Mr. ENGLE of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. FURCOLO asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution adopted by the Board of Aldermen of the City of Chicopee, Mass.

Mr. RABAUT asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. DOYLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. HAGEN asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the New York Sun.

Mr. TOWE. Mr. Speaker, I ask unanimous consent to extend my remarks in today's proceedings on the rule on the military pay bill immediately following the address made by the gentleman from New York [Mr. WADSWORTH].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DAVIS of Tennessee (at the request of Mr. MURRAY of Tennessee), indefinitely, on account of illness.

To Mr. GRANT, for today, on account of official business.

PROGRAM FOR WEEK OF MAY 23

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of my good friend, the majority leader, if he will enlighten the House as to the program for next week.

Mr. McCORMACK. On Monday we will take up House Resolution 206, to allow the Committee on Foreign Affairs the ordinary powers of subpena; and also H. R. 3662, authorizing surveys to be made of public buildings projects.

Tuesday: I should like to make the following announcements with reservations with reference to Tuesday, if I may. If a rule is reported out on the displaced-persons bill that may be called up, or the executive pay raise bill, either one, if a rule is reported out; and I make this statement with qualifications.

Wednesday, there will be the memorial exercises.

On Thursday we will consider the pension bill. I have been served notice by the gentleman from Mississippi [Mr. RANKIN] that he will call this up under the rules of the House on Thursday next.

Assuming the pension bill is disposed of on Thursday, if there is any other program next week, I will announce it in due time.

Mr. MARTIN of Massachusetts. Does the gentleman propose that the House meet on Memorial Day a week from Monday next? A good many of the Members are trying to make plans for speaking engagements on that day.

Mr. McCORMACK. Any Member can make whatever plans he desires on that day with the absolute knowledge there will be no legislative business. We might have some Members who would want to make Memorial Day addresses in the House. However, that is a matter on which I will confer with the Speaker and the gentleman from Massachusetts. My only thought is that some Members might like to make memorial addresses here in Washington and they could be given the opportunity to do so on that day, if they wanted to.

Mr. MARTIN of Massachusetts. I have never found any great demand for Members to come up here and deliver a memorial speech in the past.

Mr. McCORMACK. That is a matter we can discuss and easily settle in a few seconds.

The SPEAKER. The Chair would much prefer that there be no session on May 30.

Mr. MARTIN of Massachusetts. I agree with the Speaker.

Mr. McCORMACK. Then it is unanimous.

EXTENSION OF REMARKS

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech.

Mr. WOODRUFF asked and was given permission to extend his remarks in the

Appendix of the RECORD and include an editorial by Mr. E. F. Tompkins.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an address recently made by H. C. Brady at a luncheon of the United States Chamber of Commerce. If this exceeds two pages of the RECORD, I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 326. An act to amend the War Claims Act of 1948;

S. 392. An act authorizing the issuance of a patent in fee to Thomas A. Pickett;

S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments;

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations;

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions; and

S. J. Res. 18. Joint resolution for the relief of the First-Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, May 20, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

628. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $50,000,000 for additional assistance to Greece and Turkey (H. Doc. No. 181); to the Committee on Appropriations and ordered to be printed.

629. A letter from the Secretary of Commerce, transmitting a draft of a bill entitled "A bill to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes;" to the Committee on Interstate and Foreign Commerce.

630. A letter from the chairman, the Textile Foundation, National Bureau of Standards, transmitting the Annual Report of the Textile Foundation, for the fiscal year ending December 31, 1948; to the Committee on Interstate and Foreign Commerce.

631. A letter from the Assistant to the Attorney General, transmitting a draft of a bill entitled "A bill to amend title 28 of the United States Code relating to travel-expense allowance for Government-employee witnesses;" to the Committee on the Judiciary.

632. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide for the admission of pay patients to the Home for the Aged and Infirm;" to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LYLE: Committee on Rules. House Resolution 221. Resolution for consideration of S. 937, a bill to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States; without amendment (Rept. No. 628). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 206. Resolution authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee; without amendment (Rept. No. 629). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 222. Resolution for consideration of H. R. 3662, a bill to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes; without amendment (Rept. No. 630). Referred to the House Calendar.

Mr. McSWEENEY: Committee on Rules. House Resolution 223. Resolution for consideration of H. R. 4591, a bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; without amendment (Rept. No. 631). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 1242. A bill authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes; with an amendment (Rept. No. 632). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 2417. A bill to authorize the Secretary of the Air Force to improve recreational facilities at Eglin Field, Fla.; with an amendment (Rept. No. 633). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOSSETT: Committee on the Judiciary. House Joint Resolution 238. Joint resolution to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; without amendment (Rept. No. 634). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of conference. Conference report on S. 900, an act to amend the Commodity Credit Corporation Charter Act, and for other purposes (Rept. No. 643). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George; without amendment (Rept. No. 635). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk; without amendment (Rept. No. 636). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris; without amendment (Rept. No. 637). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog; without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes; without amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 1054. A bill for the relief of the Riegel Textile Corp.; with an amendment (Rept. No. 640). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1603. A bill for the relief of Walter P. Gardner, sole surviving trustee of the property of the Central Railroad Co. of New Jersey; without amendment (Rept. No. 641). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1604. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc.; with an amendment (Rept. No. 642). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. COMBS:

H. R. 4782. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. CELLER:

H. R. 4783. A bill to amend title 28 of the United States Code; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 4784. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health of school children through the development of school health services for the prevention, diagnosis, and treatment of physical and mental defects and conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. JUDD:

H. R. 4785. A bill to create an Armed Forces Investigation Board; to the Committee on Armed Services.

By Mr. LUCAS:

H. R. 4786. A bill to amend title 18 of the United States Code with respect to the sale or receipt of motor vehicles and aircraft to which a lien has attached; to the Committee on the Judiciary.

By Mr. PATTEN:

H. R. 4787. A bill to protect scenic values along the Grand Canyon Park south approach highway (State 64) within the Kaibab National Forest, Ariz.; to the Committee on Public Lands.

By Mr. SASSCER:

H. R. 4788. A bill to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HALLECK:
H. J. Res. 260. Joint resolution to assist small-business enterprise by permitting termination or modification of certain royalty oil contracts; to the Committee on Public Lands.

By Mr. HERTER:
H. J. Res. 261. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. FULTON:
H. J. Res. 262. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Affairs.

By Mr. EATON:
H. Res. 224. Resolution relative to the minority pair clerk pay increase; to the Committee on House Administration.

By Mr. MARCANTONIO:
H. Res. 225. Resolution making H. R. 259, a bill to repeal the Labor-Management Relations Act, 1947, and to reenact the National Labor Relations Act, 1935, and for other purposes, a special order of business; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States in respect to the budget for the next fiscal year; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:
H. R. 4789. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich; to the Committee on the District of Columbia.

By Mr. JAMES:
H. R. 4790. A bill for the relief of Victor Kozlowski (also known as Wiktor Kozlowski); to the Committee on the Judiciary.

By Mr. KING:
H. R. 4791. A bill for the relief of George Masirevich; to the Committee on the Judiciary.

By Mr. MURPHY:
H. R. 4792. A bill for the relief of Harry Fuchs; to the Committee on the Judiciary.

By Mrs. NORTON:
H. R. 4793. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. O'BRIEN of Michigan:
H. R. 4794. A bill for the relief of Mary Chevalier and Annie Chevalier; to the Committee on the Judiciary.

By Mr. O'TOOLE:
H. R. 4795. A bill for the relief of the estate of Victor Helfenbein; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

896. By the SPEAKER: Petition of the city clerk, city of Worcester, Mass., requesting repeal of the Taft-Hartley law; to the Committee on Education and Labor.

897. Also, petition of Clarence Johnson and others, Everett Townsend Club, No. 1, Everett, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

898. Also, petition of Mrs. Marjorie Crowe and others, Cohoes, N. Y., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

899. Also, petition of Mrs. Ida Goodwin and others, Daytona Beach, Fla., requesting the passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

900. Also, petition of Maud McMurray and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

901. Also, petition of William C. Knopp and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

902. Also, petition of J. A. Willis and others, Bradenton Townsend Club, No. 1, Bradenton, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

903. Also, petition of Mrs. Laney Douglas and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

904. Also, petition of Mrs. Emma Humphrey and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

905. Also, petition of Buddy Hays and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

906. Also, petition of Mrs. S. L. Apgar and others, Clearwater Townsend Club, No. 1, Clearwater, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

907. Also, petition of John R. Sipes and others, Fort Meade Townsend Club, No. 1, Fort Meade, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

908. Also, petition of H. G. Lundquist and others, Sanford, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

909. Also, petition of Rosa A. Shearman and others, Sarasota Townsend Club, No. 1, Sarasota, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

910. By Mr. SADLAK: Resolution of the Common Council of the City of Middletown, Conn., petitioning the Congress to pass, and the President to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the Congress; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 20, 1949

(Legislative day of Monday, April 11, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Dear God and Father of us all, with silenced hearts listening for Thy voice, we wait for Thy word. In Thee only do we find light for life's meanings, wisdom for life's questions, strength for its duties, and courage for its unknown ways.

We thank Thee for this new day, a clean white page in the Book of Destiny if we but take it from Thy hand as trustees of Thy unfolding purpose. Strengthen our hearts to follow the gleam of the highest and best we know, 'til the evening comes, and the busy world is hushed, and the fever of life is over and our work is done. Then, in Thy great mercy, grant us a safe lodging and holy rest, and peace at the last. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 19, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 19, 1949, the President had approved and signed the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf coast and creating the Gulf States Marine Fisheries Commission.

CALL OF THE ROLL

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Kefauver	Neely
Baldwin	Kem	Robertson
Donnell	Kilgore	Schoeppel
Ecton	Long	Smith, Maine
Frear	McCarran	Sparkman
Graham	McCarthy	Stennis
Green	McClellan	Thomas, Okla.
Hayden	McFarland	Thye
Hendrickson	McGrath	Tydings
Hickenlooper	McKellar	Vandenberg
Hill	Martin	Watkins
Hoey	Millikin	Wiley
Holland	Mundt	Williams
Humphrey	Murray	
Jenner	Myers	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], the Senator from Georgia [Mr. RUSSELL], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on official business in meetings of committees of the Senate.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Wyoming [Mr. HUNT], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Kentucky [Mr. WITHERS] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Oklahoma [Mr. KERR] are absent by leave of the Senate on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from South Carolina [Mr. JOHNSTON] is absent by leave of the Senate on official business.

Mr. WILLIAMS. I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from Washington [Mr. CAIN], the senior Senator from Oregon [Mr. CORDON], the Senator from Michigan [Mr. FERGUSON], the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. LODGE], the Senator from Oregon [Mr. MORSE], the Senator from Kansas [Mr. REED], the Senator from Ohio [Mr. TAFT], the junior Senator from New Hampshire [Mr. TOBEY], and the Senator from Nebraska [Mr. WHERRY] are detained on official committee business.

The Senator from Ohio [Mr. BRICKER] is absent on official business.

The VICE PRESIDENT. A quorum is not present. The Secretary will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. ELLENDER and Mr. GURNEY entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is not present.

A motion is in order to direct the Sergeant at Arms to request the attendance of absent Senators.

Mr. MYERS. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate and request absent Senators to attend the Senate so that it may transact business.

After a little delay Mr. AIKEN, Mr. BRIDGES, Mr. BUTLER, Mr. CONNALLY, Mr. GILLETTE, Mr. JOHNSON of Texas, Mr. KNOWLAND, Mr. LANGER, and Mr. YOUNG entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

LEAVE OF ABSENCE

Mr. SCHOEPPEL asked and obtained consent to be absent from the Senate from Monday through Wednesday of next week.

COMMITTEE MEETING DURING SENATE SESSION

Mr. MYERS asked and obtained consent that the subcommittee of the Committee on the Judiciary, consisting of Senators EASTLAND and O'CONOR, may hold a hearing during the session of the Senate this afternoon.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

REVISED ESTIMATES, VETERANS' ADMINISTRATION (S. Doc. No. 78)

A communication from the President of the United States, transmitting revised estimates of appropriation, involving an increase of $239,399,000, Veterans' Administration, fiscal year 1950, in the form of amendments to the budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

CERTAIN FUNCTIONS AND ACTIVITIES OF NATIONAL BUREAU OF STANDARDS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for certain functions and activities of the National Bureau of Standards, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF TEXTILE FOUNDATION

A letter from the chairman of the Textile Foundation, transmitting, pursuant to law, the annual report of that foundation for the fiscal year ended December 31, 1948 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Finance:

"House Concurrent Resolution 34

"Concurrent resolution making application to the Congress of the United States for the elimination of the 15-percent Federal transportation tax on rail, air, and bus transportation

"Whereas the Dominion of Canada has repealed the 15-percent transportation tax on rail, air, and bus transportation in that country and it is now possible for a resident of the United States in the border cities of Detroit, Port Huron, and Sault Ste. Marie, Mich., to cross the border into Canada and purchase, tax free, rail, air, or bus tickets between two points wholly within the United States; and

"Whereas numerous Michigan residents engaged in the sale of rail, air, and bus tickets in the border cities of Detroit, Port Huron, and Sault Ste. Marie are now faced with the loss of employment as a result; and

"Whereas the high tax on transportation which in most cases is a necessity, bracketing it with jewelry, fur coats, perfumes, and other luxuries is not equitable; and

"Whereas the transportation tax was enacted largely for the purpose of discouraging travel on the country's overburdened transportation system during the war years and as this condition no longer exists: Now, therefore be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature request the Congress of the United States to repeal the transportation tax on rail, air, and bus tickets; and be it further

"Resolved, That copies of this resolution shall be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house April 29, 1949.

"Adopted by the senate May 4, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 30

"Concurrent resolution memorializing the Congress of the United States to take the necessary steps to secure the establishment of a national cemetery at Fort Custer

"Whereas many families of deceased veterans have expressed their desire to have the deceased members of their families buried in a national cemetery; and

"Whereas the nearest cemetery available for Michigan veterans is in Indiana, which makes it difficult for the family to visit the graves of their loved ones; and

"Whereas a bill has been submitted to the Congress of the United States for the purpose of establishing a national cemetery at Fort Custer, Mich., which location has been recommended because the Veterans' Administration has a small cemetery adjoining the hospital in which a number of veterans have been buried, and considerable vacant land owned by the Government of the United States is available: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature respectfully request the Congress of the United States to take suitable action to secure the establishment of a national cemetery at Fort Custer, Mich.; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house, April 25, 1949.

"Adopted by the senate, May 4, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Labor and Public Welfare:

"House Concurrent Resolution 20

"Concurrent resolution memorializing the Congress of the United States to amend the Servicemen's Readjustment Act so that veterans' readjustment allowances may be extended for at least five additional years after July 25, 1949, as proposed in H. R. 1374 of the Eighty-first Congress

"Whereas section 700 of the Servicemen's Readjustment Act of 1944 provides for the payment of unemployment allowances to the veterans of World War II, and such allowances have been of immeasurable importance in protecting the economic security and welfare of veterans in Michigan and other States; and

"Whereas the Servicemen's Readjustment Act at present provides that such allowances shall be payable for no more than 2 years after the termination of the war, which has been set by Congress for this purpose as July 25, 1947, so that such rights expire on July 25, 1949; and

"Whereas 700,000 Michigan veterans are at present eligible for such allowances, but only 400,000 of these veterans are in employment which qualifies them for unemployment compensation under existing State law; and

"Whereas less than 3 percent of Michigan's veterans have exhausted their entitlement to allowances under the Servicemen's Readjustment Act; and

"Whereas the number of veterans currently receiving such allowances is more than 40,000, representing the highest volume of claims from veterans in the past 2 years, and the number of veterans needing such benefits is expected to increase because of increasing unemployment and completion of school by 42,000 veterans now attending college under Federal legislation; and

"Whereas termination of the servicemen's readjustment allowance program in July 1949 would impose an additional burden of an estimated $20,000,000 per year upon the Michigan unemployment compensation fund, and would at the same time involve an additional loss of some $10,000,000 per year to Michigan veterans not protected by the State unemployment compensation fund; and

"Whereas this situation would create a serious additional burden upon State welfare funds and facilities and upon the veterans' trust fund, and would impair the living standards of veterans entitled to recognition for their services to their country: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature do hereby urge and recommend that the Congress of the

United States amend the Servicemen's Readjustment Act so that veterans' readjustment allowances may be extended for at least five additional years after July 25, 1949, as proposed in H. R. 1374 of the Eighty-first Congress; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, President of the Senate, Speaker of the House of Representatives and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house March 4, 1949.

"Adopted by the senate May 4, 1949."

A resolution of the Legislature of the State of Nebraska, relating to the Federal budget; to the Committee on Appropriations.

(See text of resolution printed in full when presented by Mr. WHERRY on May 19, 1949, p. 6439, CONGRESSIONAL RECORD.)

A resolution adopted by members of the House of Councils of the Methodist Youth Fellowship of the Southern California-Arizona Conference, Los Angeles, Calif., relating to universal military training and selective service in peacetime, and so forth; to the Committee on Armed Services.

A resolution adopted by United Irish Societies of Western Pennsylvania, at Pittsburgh, Pa., relating to the unification of Ireland; to the Committee on Foreign Relations.

A resolution adopted by the Boston (Mass.) Real Estate Board, favoring the enactment of legislation to clear the titles of the several States to submerged lands under the marginal sea and inland navigable waters within their respective boundaries and to all resources in and under said lands; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Common Council of the City of Buffalo, N. Y., relating to the improvement of the Buffalo harbor; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Fourth Annual Convention of the District of Columbia Department of AMVETS, Washington, D. C., relating to the elimination and control of a certain type of literature in the District of Columbia; to the Committee on Labor and Public Welfare.

A letter in the nature of a memorial from May E. Lieb, of Brooklyn, N. Y., remonstrating against the enactment of legislation providing for the use of all unclaimed dogs for the purpose of scientific experiments; to the Committee on Labor and Public Welfare.

Resolutions adopted by the District of Columbia Dental Society, of Washington, D. C.; the Detroit District Dental Hygienists Society, of Detroit, Mich.; and the Xi Psi Phi Fraternity, of St. Louis, Mo., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

INVESTIGATION OF INTERSTATE TRAFFIC IN SUBVERSIVE TEXTBOOKS—PETITION

Mr. THYE. Mr. President, I present for appropriate reference the petition of the Minnesota Society, Sons of the American Revolution, of Minneapolis, Minn., signed by Mott R. Sawyers, president, and Francis E. Olney, secretary, praying for an investigation of the interstate traffic in subversive textbooks and teaching materials, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the National Society and the California Society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 20th day of May 1949 in the city of Minneapolis, State of Minnesota.

MINNESOTA SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By MOTT R. SAWYERS, *President.*
FRANCIS E. OLNEY, *Secretary.*

UNIFICATION OF IRELAND—RESOLUTION OF UNITED IRISH SOCIETIES OF WESTERN PENNSYLVANIA

Mr. LANGER. Mr. President, I present for appropriate reference a resolution adopted by the United Irish Societies of Western Pennsylvania, at Pittsburgh, Pa., relating to the unification of Ireland.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas Ireland, from the dawn of history, until 1920, was known as one nation. For purposes of local government Ireland was divided into 32 counties; and

Whereas the English Parliament, in 1920, imposed an act of partition upon the Irish people, separating 6 of these counties from the original 32 counties, perpetuating English control and English tyranny over these 6 northeastern counties; and

Whereas the Irish people, at a general election held in 1918 for all 32 counties, voted by a majority of 80 percent to establish one government for all of Ireland; and

Whereas again in 1920 the Irish people, by a majority of 82 percent, voted to have one government for all of the 32 counties of Ireland; and

Whereas the English Government, despite the democratic rights of the Irish people as expressed in 1918 and again in 1920's general elections to have one government for all Ireland, did in 1920 by military force and other coercive methods hold six of the most historic counties of Ireland and continues to hold them off from the rest of Ireland; and

Whereas the United States of America stands for justice among al peoples and for the right of people to govern themselves in accordance with their wishes expressed at elections held according to the fundamental principles of democracy: Therefore be it

Resolved, That we American citizens of western Pennsylvania, assembled in the city of Pittsburgh, call upon the Congress of the United State and the President to intercede with the English Government to have its Parliament immediately repeal the 1920 Partition Act, to withdraw all troops, special police, and other armed forces from these six counties so that partition may be peacefully removed: Therefore be it further

Resolved, That we endorse Joint Resolution No. 346, introduced by Congressman THOMAS J. LANE, of Massachusetts, to provide a commission to assist in the unification of Ireland and we will petition our Representatives in Congress and our United States Senators to support this resolution; and be it

Resolved, That we pledge our continued efforts in behalf of complete freedom for Ireland; and be it

Resolved, That we Americans, assembled by the United Irish Societies at Pittsburgh this 18th day of April 1949, are in agreement with President Truman's promise in his inaugural address that the United States will strengthen freedom-loving nations against the dangers of aggression, and with his assertion that "What we have achieved in liberty, we will surpass in greater liberty. Steadfast in our faith in the Almighty, we will advance toward a world where man's freedom is secure."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1309. A bill granting the consent and approval of Congress to a compact entered into by the States of New Mexico and Texas relating to the waters of the Pecos River; without amendment (Rept. No. 409); and

H. R. 3334. A bill to grant the consent of the United States to the Pecos River compact; without amendment.

By Mr. DOWNEY, from the Committee on Public Works:

S. 1324. A bill to provide for the modification of the Corps of Engineers flood-control project on the Heart River at Mandan, N. Dak.; without amendment (Rept. No. 411); and

S. 1577. A bill to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; without amendment (Rept. No. 412).

CONSTRUCTION OF RENTAL HOUSING ADJACENT TO MILITARY AND NAVAL INSTALLATIONS—REPORT OF A COMMITTEE

Mr. MAYBANK. Mr. President, from the Committee on Banking and Currency, I report favorably, with amendments, the bill (S. 1184) to encourage construction of rental housing at or in areas adjacent to military and naval installations, and I submit a report (No. 410) thereon.

The bill was originally introduced by the Senator from Nebraska [Mr. WHERRY], for himself, the Senator from Maryland [Mr. TYDINGS], and myself. The bill, as amended, has the unanimous approval of the committee.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. WHERRY. If I remember correctly, the majority leader stated yesterday that he intended to have a call of the calendar next Monday. Am I correct in that? Can the acting majority leader answer the question?

Mr. McGRATH. I understood the majority leader to say that the calendar would be called at the conclusion of the civil functions appropriation bill.

Mr. WHERRY. I should like to ask the distinguished Senator from South Carolina, because I understood he had plans which might take him from the Senate on Monday or Tuesday, if at sometime today, if it is necessary for him, in his official capacity, to leave the Senate, he will make an observation regarding the bill, because it is my hope that there will be little if any controversy with respect to it, and that it may pass to the calendar in the event the calendar shall be called in the absence of the Senator at sometime this afternoon.

Mr. MAYBANK. I shall certainly do so before I leave. I might say to the Senate that the reason I was not present earlier is because the Senator from Nebraska and I were in the Independent

Offices Subcommittee of the Appropriations Committee which is engaged in hearings on the Atomic Energy Commission funds.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. TYDINGS. With reference to the bill which was introduced by the Senator from Nebraska, the Senator from South Carolina, and myself and which has now been reported unanimously, does it contain a provision that any housing which is to be constructed under the bill may be constructed only when there is certification that it is permanent in nature rather than temporary?

Mr. WHERRY. That is correct.

Mr. TYDINGS. That is, it is to be constructed at permanent posts, so that the housing shall not be wasted.

Mr. MAYBANK. I will say to the distinguished Senator from Maryland that the principal amendment was in relation to the question of whether the mortgage should be 95 percent or 90 percent. After consultation with Mr. Symington, Mr. Johnson, and the head of the Housing Administration, we reached an agreement on 90 percent.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 1899. A bill to aid in the use, conservation, and development of the natural resources of the river basins in the New England States and to establish the New England River Basin Survey Commission; to the Committee on Public Works.

By Mr. JOHNSON of Colorado:

S. 1900. A bill for the relief of Mary Di Rezza; to the Committee on the Judiciary.

S. 1901 (by request). A bill to amend an act entitled "An act for the protection of the bald eagle," approved June 8, 1940; to the Committee on Interstate and Foreign Commerce.

By Mr. McGRATH:

S. 1902. A bill providing for loans to fishery cooperative associations; to the Committee on Agriculture and Forestry.

By Mr. LODGE:

S. 1903. A bill for the relief of John A. Spartacos, concert pianist and composer from Greece; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1904. A bill for the relief of the Winona Machine & Foundry Co., a corporation of Winona, Minn.; to the Committee on the Judiciary.

By Mr. MYERS:

S. 1905. A bill for the relief of Mrs. Zofie Bauer; to the Committee on the Judiciary.

By Mr. BALDWIN (by request):

S. 1906. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

S. 1907. A bill to remove the officers and employees in the field service of the Post Office Department under the Second Assistant Postmaster General from the personnel ceiling restrictions of the Federal Employees Pay Act of 1945; to the Committee on Post Office and Civil Service.

By Mr. McGRATH (for himself and Mr. BREWSTER):

S. 1908. A bill to amend the Internal Revenue Code by imposing a tax on amounts paid outside the United States for transportation beginning in the United States, and for other purposes; to the Committee on Finance.

By Mr. O'CONOR:

S. 1909. A bill to amend the license law of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HOLLAND:

S. 1910. A bill to amend the Sherman and Clayton Acts to provide a uniform period of limitations within which treble-damage actions may be instituted under the antitrust laws; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 1911. A bill for the relief of Mrs. C. L. Slater; to the Committee on Armed Services.

By Mr. O'MAHONEY (by request):

S. 1912. A bill to provide for the classification of the public lands in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. HENDRICKSON:

S. 1913. A bill for the relief of Adelaide Giovanna Summa; to the Committee on the Judiciary.

NATIONAL HEALTH-INSURANCE AND PUBLIC-HEALTH PROGRAM—AMENDMENT

Mr. HUMPHREY. Mr. President, I submit an amendment intended to be proposed by me to the bill (S. 1679) to provide a program of national health insurance and public health and to assist in increasing the number of adequately trained professional and other health personnel, and for other purposes, and I ask unanimous consent that an explanatory statement by me may be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Labor and Public Welfare, and, without objection, the statement of the Senator from Minnesota will be printed in the RECORD.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT OF SENATOR HUMPHREY IN SUPPORT OF AN AMENDMENT PROPOSED BY HIM TO S. 1679, THE NATIONAL HEALTH INSURANCE AND PUBLIC HEALTH ACT

I am submitting an amendment to S. 1679, the National Health Insurance and Public Health Act, to add to that act in section 742 (a) of title VII, after the word "States", a ninth condition which would provide for the right of any nonprofit association or consumer cooperative to contract with physicians on a mutually satisfactory basis for the furnishing of services to their members.

I believe this amendment to be very vital to the effective operation of S. 1679. There are today restrictions in many States which prevent consumer cooperatives from organizing and operating voluntary prepayment plans. Most of these prohibitions were sought after and obtained by medical associations, and I consider them to be monopolistic and contrary to the public interest.

Consumer-sponsored voluntary plans, through their experience, have shown that they strive to achieve comprehensive health care, preventive medicine, and group medical practices. They have proven their ability to bring more and better health care to the people, particularly in rural areas where there is a shortage of physicians. Rural communities ought to be free, if they choose to organize and set up modern medical workshops and a pool of funds to assure adequate income to physicians as a way of effecting a better distribution of medical care.

Neither the medical societies nor any cooperative plan nor any State can claim to have the blueprint for the best type of local plan. This is a matter for public acceptance. Thus, there should be freedom of opportunity to develop local plans, by whatever sponsorship, and the equal right of any plan to ask for an agreement to operate under the provisions of the law. Needless to say, the State agency will continue to determine the proper standards and will continue to effect agreements with its people about how to render good medical services.

It is important that within the framework of the national health-insurance plan the people should have the right to organize a local plan which will bring the doctors to the people, which will bring the people modern medicine through group medical practice, and which will produce health-conservation programs and comprehensive services.

It is intended that the amendment I propose will serve these needs.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENT

Mr. THOMAS of Oklahoma. Mr. President, I submit an amendment intended to be proposed by me to the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and I ask unanimous consent that the amendment and an explanatory statement by me be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the amendment and statement will be printed in the RECORD.

The amendment is as follows:

AMENDMENT

SEC. 7. Section 350 (a) of the Tariff Act of 1930 is hereby amended by adding a new subsection as follows:

"(3) Quotas for petroleum and petroleum products to be imported to the United States shall be provided limiting the total quantity imported from all countries, including petroleum and petroleum products purchased abroad for use of the United States Military Establishment and oil for supplies for bunkering vessels at United States ports but excluding oil for manufacture and reexport, in any quarter of a year to an amount not to exceed 5 percent of the domestic demand for petroleum and petroleum products in the United States for the same quarter of the previous year as reported by the United States Bureau of Mines, plus petroleum and petroleum products purchased abroad for use of the United States Military Establishment. Quotas established under this provision may be suspended during any period of inadequacy of petroleum supplies to meet current national consumption."

The statement presented by Mr. THOMAS of Oklahoma is as follows:

STATEMENT BY SENATOR THOMAS OF OKLAHOMA

I have today submitted an amendment that I expect to propose at the proper time when H. R. 1211 comes on for consideration and debate. The subject of this pending legislation is the extension of the President's authority to negotiate reciprocal trade agreements and to supervise the operation of those previously negotiated.

The amendment which I have submitted provides that the President shall provide quotas on the importation of crude petroleum and petroleum products into the United States, thus limiting the importation of all petroleum to an amount not exceeding 5 percent of our domestic requirements. It provides that such limitation would not be effective during periods of inadequacy of domestic supplies to meet national requirements.

It has been called to the attention of the Congress repeatedly during the past year that imports of petroleum were increasing steadily. This form of injury to the domestic industry has already resulted in the reduction of production in the United States of about 750,000 barrels per day since the beginning of the year.

The Congress must not permit our national safety to be weakened, undermined, or destroyed by the displacement of the oil

production of the United States in its own natural markets by importations from abroad.

The talents of the many thousands who work in the oil fields and the refineries of the United States must not be destroyed through lack of opportunity to use them. The employment of Americans in this typically American industry is a large element in our economy.

Transcending all else in importance, however, is the security of our Nation. Increasing dependence for petroleum supplies which are so highly essential to our safety on sources outside the United States, beyond the control of our Government, renders vulnerable the defense program of our Nation. Our safety then becomes dependent upon the slender thread of long water transportation of this essential war material and upon sources which are in considerable part more available to potential enemies than to ourselves.

The economy of a number of our States is based in great measure on the production of crude oil. Thousands of independent producers explore, develop, and produce the oil. Through their efforts the known and available reserves of crude oil in the United States annually grow larger. The distribution of proceeds from the sale of domestic crue oil to farmers, land and royalty owners, annually amounts to many millions of dollars. The economy of these States and the competitive drive and energy of the independent producing, refining, and marketing companies is threatened by the increasing volume of imported oil, controlled by a few large corporations who have daily gained in the power of life and death over the domestic independent industry ever since the close of the war.

In 1929 I began my efforts to prevent the destruction of the independent petroleum producing, refining, and marketing industry of the United States. A duty was placed on imports in 1932. It was a declaration of policy by the Congress that had far-reaching effect. Under the reciprocal-trade-agreements program the schedule of duties has been lowered by 50 percent. It is time for the Congress once more to reaffirm the policy which previously resulted in the maintenance and expansion of the domestic industry and the available reserves of petroleum.

I believe in the theory of the reciprocal-trade program but the program as well as our country may be destroyed if the Congress that provided the authority does not exercise such supervision of its administration as to insure the preservation of the principle that gave it birth.

I conceive it to be the responsibility and duty of the Congress to review the application of this law from time to time so as to preserve not only the intent of Congress but the safety of the Nation.

The oil industry of the United States is now capable of supplying the full requirements of our country. We must not permit it to become so weakened as to render it unable to meet the extreme requirements of a great emergency should one arise.

NOTICE OF HEARING ON NOMINATION OF ABRAHAM BENJAMIN CONGER TO BE UNITED STATES DISTRICT JUDGE, MIDDLE DISTRICT OF GEORGIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Friday, May 27, 1949, at 11:30 a m., in room 424, Senate Office Building, upon the nomination of Abraham Benjamin Conger, of Georgia, to be United States district judge for the middle district of Georgia. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman; the Senator from Mississippi [Mr. EASTLAND]; and the Senator from Indiana [Mr. JENNER].

SIGNS OF THE TIMES—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a radio address entitled "Signs of the Times," delivered by him from Salt Lake City, Utah, on May 18, 1949, which appears in the Appendix.]

WASHINGTON'S MOST SUCCESSFUL LOBBYIST—ARTICLE FROM READER'S DIGEST

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "Washington's Most Successful Lobbyist," published in the May 1949 issue of the Reader's Digest, which appears in the Appendix.]

VENGEANCE, NOT JUSTICE—ARTICLE BY WILLIAM HENRY CHAMBERLIN

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Vengeance, Not Justice," by William Henry Chamberlin, published in Human Events, May 18, 1949, which appears in the Appendix.]

THE SENATE AND THE FILIBUSTER—ARTICLE BY LINDSAY ROGERS

[Mr. STENNIS asked and obtained leave to have printed in the RECORD an article entitled "The Senate and the Filibuster," by Lindsay Rogers, Burgess professor of public law at Columbia University, which appears in the Appendix.]

PRAYERS-FOR-PEACE CRUSADE — ARTICLE BY JEAN DE LUZ

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the translation from French of an article entitled "Prayers-for-Peace Crusade," by Jean de Luz, published May 5, 1949, in Le Travailleur, of Worcester, Mass., which appears in the Appendix.]

TAFT-HARTLEY DISGRACE—ARTICLE BY A. F. WHITNEY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Taft-Hartley Disgrace," by A. F. Whitney, president of the Brotherhood of Railroad Trainmen, from this week's issue of Trainman News, which appears in the Appendix.]

PROTECTION OF AMERICAN INDUSTRY FROM FOREIGN IMPORTS

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD a statement which I have prepared regarding the protection of American industry from cheap foreign imports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS ON JAPANESE COMPETITION WITH AMERICAN-MADE GLOVES

I should like to cite an illustration of the problem confronting our Nation in connection with the reciprocal-trade-agreements program and as a matter of fact in connection with our entire United States trade policy with nations, whether or not we have reciprocal trade agreements with them.

Every one of us agrees on the importance of international trade. We do not like to see arbitrarily erected restrictions to hamper trade. We want to see the widest possible commerce between peoples. We believe that international trade improves chances for an enduring peace and for mutual prosperity. We do not want economic isolationism.

WILL OUR ECONOMIC THROATS BE CUT?

At the same time, only a blind Pollyanna would fail to recognize that there is always the danger in many industries that our American workers and our American businesses will have their economic throats cut by cheap foreign imports. Let me cite just one instance. It concerns the American knitted-glove industry.

In 1 year, 1934 to 1935, Japanese imported gloves jumped in totals from 35,000 dozen to over 500,000 dozen, resulting in tremendous damage to the American knitted-glove industry. Today, with Japan seeking her way to reconstruction, seeking to rebuild her industry, to become self-supporting, a parallel situation seems to be developing.

As was shown at hearings before the House Ways and Means Committee, Japanese gloves landing in the United States at $5.80 and $6.04 per dozen would have cost $14.64 and $18.93 per dozen respectively to duplicate here—without adding in the costs of administration, selling, and profit. A third glove exhibit presented at the hearings—machine-made throughout—would have cost $10.53 for direct labor alone in our country against a landed cost of $5.50 for the Japanese glove.

In Japan the domestic male worker earns $9.00 a week compared to our American wages earned here which are obviously far higher. In the knitted-glove industry the labor value represents around 57 percent of the sales value. Obviously, our American gloves cannot possibly compete with these cheap foreign imports, even though we have superior efficiency and workmanship.

SITUATION IN APPLETON

Recently, when I was in Appleton, I discussed this matter with Mr. Robert W. Zwicker, secretary of the Zwicker Knitting Mills, which represents over 25 percent of the productive capacity of the American knit-glove industry. Mr. Zwicker informed me then and in a subsequent communication that it would be impossible for his company and similar American companies to compete with the Japanese, and that our companies would be driven from business in a short time when the volume of Japanese imports climbs to its prewar level. Mr. Zwicker rightly stated to me:

"It is disheartening to me personally, after having spent 37 months in the Pacific combating the Japanese way of life, to return to my business only to find that that way of life is again threatening the security of my family and myself. My Government is supporting this program. The need of rebuilding Japan is recognized, but not at the expense of tearing down American labor and industry. Canada has seen fit to protect its knit-goods industry."

Now, Mr. President, I cite this matter as an illustration of the over-all problem confronting American industry. Mr. Zwicker's comments to me were endorsed by hundreds of letters from workers in his plants and other folks in Wisconsin. Many of them are war veterans. Whether or not, however, they are veterans, they are honest American workers seeking to make a fair living for themselves and asking only that they be given a fair break by their Government.

They are not getting that fair break now. Their very communities are threatened by disaster—mass unemployment.

On contact with the Association of Knitted Glove and Mitten Manufacturers, I find that the association rightfully regards the so-called present escape clause for protection of United States goods as a complete farce. Not a single proclamation by the President for relief of an American industry from ruinous imports has come, although many industries have shown the tremendous damage resulting to them from cheap foreign labor.

DISCUSSION WITH AUTHORITIES IN JAPAN

I have raised this issue with the United States Tariff Commission. I have written to our occupation authorities in Japan, asking

them how we can possibly be helping the Japanese by allowing their low standard of living and low standard of wages to continue indefinitely and simultaneously to bring down the American standard of living.

There is no single pat solution to this problem applicable to every industry. I am trying to get the cooperation on the part of United States tariff authorities, the Congress, military authorities in Japan, and other groups interested in the solution of this problem.

We want to be fair to the Japanese people, but our primary obligations are to our own workers and our own businessmen. We dare not sell our own people down the river. The American market—the greatest in the world—belongs primarily to Americans. A strong America is still the strongest possible guaranty of a peaceful world. Destroy American industry and you have taken a step toward the destruction of world peace and prosperity.

I ask my colleagues to review this illustration and to bear in mind that it is duplicated many times by innumerable other instances involving trade with countries in reciprocal-trade treaties. Reciprocity is a wonderful principle if correctly applied, but we have found that many times the only reciprocity is shown by us whereas foreign governments by cartels and other nefarious arrangements have often broken their word.

I submit this question to the administration and to my colleagues. I personally will seek the solution to it and I ask them to give it their own best thinking.

APPROPRIATIONS FOR CIVIL FUNCTIONS OF DEPARTMENT OF THE ARMY

The Senate resumed the consideration of the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The committee amendments have all been disposed of. The bill is open to further amendment.

Mr. McKELLAR. Mr. President, as I stated yesterday, I wish to make a brief statement concerning the bill. It deals largely with figures, and I am obliged to use notes. My statement will be very brief. Then Senators may ask questions of me or of other members of the committee, on both sides, and we shall take pleasure in answering them.

First, the total budget estimate for all purposes in the bill was $772,458,220. The House cut the budget estimates before it by $174,440,950, leaving the amount of the bill as it passed the House at $593,292,270. That is the way the bill came to us.

In reaching the $593,292,270 figure, the House deducted 15 percent on construction items, Corps of Engineers. The House based its estimates on an anticipated fall in prices. The House also made a reduction in the bill of $75,000,000 based on its estimate of the unobligated balance of the Corps of Engineers on June 30, 1949. The Senate committee did not agree with the House on estimated unobligated balances, but the Senate committee took the bill up item by item and reported the sum for all purposes, including subsequent budget estimates that were sent in and amendments presented by Senators and others, and reported the bill at $751,440,690, which increased the bill over the House figure by $158,148,420.

But I wish to call the attention of all Senators to the fact that, notwithstanding this increase, the Senate committee, after painstaking hearings covering 15 days and hearing 271 different witnesses, among whom there were some 70 Senators, including those who wrote in behalf of certain projects in their States—and I believe that 59 or 60 Senators appeared in person—has reported a bill which is more than $21,000,000 under the budget estimates.

It is true that the Senate committee differed with the House about straight-across-the-board reduction on construction items, and also did not believe that the House was correct in its estimates of unobligated balances, or that the situation would be seriously changed by a fall in prices. Senators will remember that both those arguments were used in the House of Representatives. With respect to the contention as to a fall in prices, of course, there may or may not be one; I do not know. On the other hand, there may be a rise in prices. That is a matter for the future to determine. However, most of the contracts are continuing contracts which already have been let, and the Government has to pay the amounts stated in them, regardless of a possible fall in prices, because the prices for the work covered by the contracts are already fixed in the contracts themselves, which already have been entered into. When we consider, as we must, that this reduction was applied to all items, including those for continuing construction contracts on which work has already begun, and on which obligations the Government could not reduce the amount provided in the agreements already made, this is particularly evident. So after the full testimony the Senate committee took—the printed testimony comprises a volume several inches thick—it will be seen that we have made a reasonable report to this body, in an amount of $21,017,530 less than the budget estimate.

Incidentally, we not only had to consider the original budget estimate, but other estimates and requests which were brought to the attention of the committee. The amounts involved in all the requests made of the committee aggregated $1,015,182,690. The bill as reported to the Senate reduces that amount to $751,440,690, in round numbers. Subsequent budget estimates came in; but after considering all estimates and requests, the amount covered by the bill as reported to the Senate has been reduced to the figure I have just stated.

I wish to call attention to another thing the Senate committee has done in connection with this bill. As Senators know, most of the river and harbor projects and probably a number of the flood-control projects have been under construction for many years. We found that quite a number of them, to be exact 93, could be completed by means of a comparatively small appropriation at this time. The committee adopted the policy of recommending the appropriation of sufficient money in this bill to permit the completion of those 93 projects. In each case the chairman of the committee or some other member of the committee asked the Corps of Engineers whether they would say that the amount proposed to be appropriated would permit the completion of whichever one of the 93 projects was then under consideration. Although the total for that purpose increases somewhat, the appropriation this year, it will mean economy, in that next year there will be a very much smaller estimate made for deficiencies, when the deficiency bill comes to the Congress.

Mr. WILEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. McKELLAR. I yield.

Mr. WILEY. I notice in the report that the appropriations for the projects to which the Senator has referred result in increasing the total amount only $13,000,000.

Mr. McKELLAR. That is correct, $13,283,700.

Mr. WILEY. I am interested in knowing in a general way how all the other increases came about.

Mr. McKELLAR. I shall be very happy to make a statement in regard to that matter as we go along.

The committee had submitted to it for consideration 149 river and harbor projects. The total requested for all rivers and harbors purposes was $349,095,090. The committee has approved appropriations for 115 river and harbor projects, including construction funds for 97 projects and planning funds for 18 projects. The total amount recommended for all river and harbor projects is $229,606,390, including $145,694,290 for construction and $1,900,000 for planning purposes.

Of course the engineers have to plan these projects in advance, and the amount of almost $2,000,000 is recommended for appropriation by the committee for future planning.

The total of $229,606,390 recommended by the committee for river and harbor projects is $53,064,120 in excess of the amount of $176,542,270 allowed by the House of Representatives, and is $1,608,230 under the 1950 budget estimates of $231,214,620 for rivers and harbors.

As Senators know, the two principal appropriation items covered by this bill are those for river and harbor projects and those for flood-control projects. Under the appropriations for "Flood control, general" the committee had submitted to it for consideration 264 projects. The total requested for all purposes for "Flood control, general" under this bill, was $516,029,600. The committee has approved funds for 242 flood-control projects, including construction funds for 178 projects and planning funds for 64 projects.

The total recommended by the committee for all flood-control projects, under the appropriation "Flood control, general," is $415,084,300, including $400,826,300 for construction and $2,973,000 for planning.

The total of $415,084,300 for "Flood control, general" is $94,084,300 in excess of the amount of $321,000,000 allowed by the House of Representatives, but is $20,578,300 less than the budget estimates of $435,662,600.

I wish to say at this time that not only is the total amount of the bill for all purposes as reported to the Senate by

the Appropriations Committee $21,017,530 under the budget estimate, but last year there was appropriated, including the deficiency appropriations, for river and harbor and flood-control and purposes covered by this bill, the sum of $683,000,000, in round numbers. This year the committee has reported a bill increasing that amount by only some $68,000,000 representing the excess over the appropriation made for fiscal year 1949, including deficiencies; and, of course, as Senators know, some of these projects have been under construction for a number of years, as has been the case, for instance, in the McNary Dam project, in Oregon. For several years that project, like hundreds of others, has had an increased appropriation each year. After the projects reach a certain point the appropriations begin to decrease. We are closing up entirely 93 projects the next fiscal year. I confidently expect that next year there will be a reduction in the appropriation. It will probably be small, but the reduction will become larger as the years go by.

Thirty million dollars was requested for the McNary project last year. Forty million dollars is requested the fiscal year 1950, from which it will be seen that the project, like several others, is continuing to grow.

In making these comparisons with the pending bill we are using last year's figures. The bill has not yet been finally passed. It must go to conference, where, as we know, there is always a system of give and take. The amount actually appropriated by the law will not be as great as the amount stated in the bill as passed by the Senate.

While there are able engineers in the Engineering Department of the Government, taking it by and large, Senators themselves keep remarkably well informed regarding the projects in their own States. Anyone who doubts that need only read the great volume of testimony taken by the committee, which will show that what I say in that regard is true.

In my judgment, the bill as finally agreed upon by both Houses in conference will be satisfactory to all who believe in economizing at this time. I believe in economy as much as anybody else in the country. We ought to cut down the appropriations wherever possible, and it is my purpose to cut them down in the regular, ordinary, and proper way. I do not believe in percentage cuts, but I believe that, to use an old expression, we should cut the garment according to the cloth; in other words, we should at this time cut our appropriations to meet the revenues which come into the Federal Treasury, without having to increase taxes.

I now desire to call attention for a moment to the appropriation for "Flood Control, Mississippi River and Tributaries." As Senators know, this is a very great flood-control undertaking, the appropriation for it is the third largest one in the bill. The budget estimate for the fiscal year 1950 for this item is $70,000,000. Last year, $61,000,000 was appropriated for it. For the fiscal year 1950 the House allowed $63,000,000, a difference of $7,000,000 below the budget estimate. However, the Senate committee received requests totaling $104,000,000. The committee favorably reported the $70,000,000 as recommended by the budget, and $3,500,000 additional for two other items. One in the amount of $500,000 is for a project known as the Devil's Swamp project in Louisiana. The remaining $3,000,000 was a general increase allowed for construction.

That, I believe, is about all I have to say, except I think there should be placed in the RECORD a full statement of the sums appropriated for the lower Mississippi River. I ask unanimous consent to have the statement included in my remarks at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

For the separate appropriation in the bill "Flood control, Mississippi River and tributaries," the budget estimate is in the amount of $70,000,000, and the House allowed an appropriation of $63,000,000. In the course of its hearings, the committee had presented to it requests under this appropriation totaling $104,500,000.

The committee has approved an appropriation in the amount of $73,500,000. This action has been taken with the understanding that $70,000,000, which is the amount of the budget estimate, will be allocated by the Corps of Engineers in accordance with the allocation submitted to the committee by the Corps of Engineers, which allocation is shown in column 5 of the table below.

Of the $3,500,000 increase recommended by the committee above the 1950 budget estimate, $500,000 is for the Devil's Swamp project, Louisiana, and the remaining $3,000,000 for construction is to be allocated by the Corps of Engineers.

The following table sets forth, by phases of this work, the amounts of the budget estimate, the amounts under the House as allocated by the Corps of Engineers, and the amounts recommended by the Senate committee:

Mississippi River and tributaries

Item of work	Total estimated cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate committee
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Construction:						
Main stem Mississippi River:						
Mississippi River levees				$8,000,000	$7,500,000	$8,000,000
Bank stabilization				26,700,000	22,700,000	26,700,000
Dredging				0	0	0
Memphis Harbor				2,500,000		2,500,000
Waterways experiment station				450,000	450,000	450,000
Mapping				350,000	350,000	350,000
Devil's Swamp				0	0	500,000
Subtotal, main river	$819,046,596	$441,160,232		38,000,000	31,000,000	38,500,000
Off-main-stem work:						
L'Anguille River				0	0	0
St. Francis River Basin				1,000,000	1,000,000	1,000,000
Lower White River Basin				825,000	825,000	825,000
West Tennessee tributaries				0	0	0
Lower Arkansas River Basin				775,000	775,000	775,000
Yazoo River Basin				6,285,000	6,285,000	6,285,000
Tensas River Basin				2,050,000	2,050,000	2,050,000
Lower Red River levees				925,000	925,000	925,000
Atchafalaya River Basin				5,140,000	5,140,000	5,140,000
Subtotal	445,953,404	185,865,296		17,000,000	17,000,000	17,000,000
Additional amount recommended by committee for construction to be allocated by Corps of Engineers				0	0	3,000,000
Total, construction	1,265,000,000	627,025,528		55,000,000	48,000,000	58,500,000
Maintenance				15,000,000	15,000,000	15,000,000
Grand total	[1] 1,265,000,000	627,025,528	$1,068,762	70,000,000	63,000,000	73,500,000

[1] Based on current cost estimate. Present monetary authorization for the project amounts to $1,038,309,500.

Mr. WILEY. The statement covers what period of time?

Mr. McKELLAR. It is for the next fiscal year.

Mr. WILEY. Is it a statement of the sums included in the pending bill?

Mr. McKELLAR. The items which are included in the bill for the next fiscal year.

Mr. President, for many reasons this is a very important bill, one of the most important that will come before the Senate. It is a bill in which every State in the Union is interested. They are always interested in it, and they have been for many years. It is a matter of vital interest to the people of the entire country. Our committee has worked faith-

fully for more than 2 months on the bill. We have examined each item. We have had before us representatives of the Corps of Engineers and all those who were interested in the various projects. We have presented to the Senate the very best report possible. We have given due regard to the economies of the situation. We believe there are no extravagances in the bill. It has been reported practically unanimously.

I understand the Senator from Michigan [Mr. FERGUSON] intends to offer an amendment calling for a 5-percent cut. That is all right. The Senator and I differ about it. I differ with him, he differs with me very strongly on that point. We frequently differ about such things. That has been especially true in the consideration of appropriation bills at the present session of the Congress.

Mr. WILEY. The Senator from Tennessee and the Senator from Michigan are, however, still friends, are they not?

Mr. McKELLAR. We are still friends. I think the committee should be upheld in the careful work it has done. Excusing myself, I think there is no better committee in the Senate or in the Congress than the Appropriations Committee of the Senate. I need not name the members of the committee, because Senators know them all. They are fair and just men, on both sides of the aisle. I believe what we have done in the matter of the civil functions bill is about as good as could be done. I have not agreed with everything. Some projects have received larger appropriations than they should have received, perhaps; but, all in all, it is a good bill. It is a bill for the benefit of the country. Every dollar is to be spent in the United States or its possessions. It will help the Nation, and it ought to be passed, in my judgment. The great West is interested in it, the great East is interested in it, the southern section of the country is interested in it, the central section of our country is interested in it. I believe that, when the Senate comes to consider it carefully, it will vote to pass the bill as reported by the Senate Committee on Appropriations. I hope that will be done.

Mr. President, I ask unanimous consent to have inserted, as a part of my remarks, the tables beginning on page 22 of the committee report and continuing to the end of the report.

The VICE PRESIDENT. Without objection, it is so ordered.

The tables are as follows:

Rivers and harbors

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION						
Alabama:						
Tennessee-Tombigbee Waterway	$169,117,000	$658,000	0	(1)	0	[2] $2,500,000
Demopolis lock and dam, Warrior system	16,935,000	261,800	$15,000	$1,200,000	$824,000	1,200,000
Alaska:						
Nome Harbor	2,400,130	272,950	0	1,020,000	701,000	701,000
Wrangell Narrows	4,745,000	2,128,400	30,000	500,000	343,000	343,000
Arkansas:						
Arkansas River and tributaries:						
Bank stabilization, Little Rock to mouth	2,000,000	0	0	0	0	2,000,000
Bank stabilization below Dardanelle	602,000	0	0	0	0	602,000
Dardanelle lock and dam	69,317,000	0	0	0	0	1,100,000
Morrilton cut-off	300,000	0	0	0	0	300,000
California:						
Crescent City Harbor	4,162,160	2,542,700	43,500	700,000	481,000	481,000
Monterey Harbor	726,950	652,950	0	45,520	45,520	45,520
Sacramento River	16,285,000	310,700	16,000	2,000,000	1,374,000	2,000,000
San Diego River and Mission Bay	10,300,000	1,940,000	10,000	3,000,000	2,061,000	2,500,000
Connecticut:						
Mianus River (Cos Cob Harbor)*	79,500	0	0	0	0	*79,500
New Haven Harbor	4,476,300	3,916,300	51,800	300,000	206,000	300,000
Pawcatuck River, R. I. and Conn	218,500	85,335	0	68,500	68,500	68,500
Delaware:						
Harbor of refuge, Delaware Bay*	2,372,000	2,238,000	0	0	0	*134,000
Indian River Inlet and Bay*	630,000	270,000	0	0	0	*360,000
District of Columbia: Potomac River, north side of Washington Channel	6,097,000	1,350,000	0	475,700	327,000	475,700
Florida:						
Intracoastal Waterway, tributary channels:						
Okeechobee-Cross Florida Waterway*	20,097,100	19,747,100	26,150	*350,000	240,000	*350,000
Jim Woodruff lock and dam, Apalachicola River	42,208,000	4,724,000	75,000	8,900,000	6,113,000	8,900,000
St. Andrew Bay*	718,000	582,000	0	*136,000	93,000	*136,000
St. Johns River, Jacksonville to ocean	12,354,000	7,907,200	0	1,200,000	824,000	1,000,000
Tampa Harbor	10,561,000	9,694,000	22,000	617,700	424,000	617,700
Georgia:						
Savannah Harbor	9,060,700	7,497,700	18,500	533,000	366,000	533,000
Buford Dam, Chattahoochee River	25,250,000	650,000	0	0	0	2,261,000
Illinois:						
Illinois waterway: Mouth to mile 291	28,055,100	26,433,600	1,600	300,000	206,000	300,000
Mississippi River between Ohio and Missouri Rivers:						
Chain of Rocks	38,326,000	16,028,000	95,000	12,000,000	8,243,000	10,000,000
Regulating works	54,847,000	41,003,500	0	1,000,000	687,000	1,000,000
Mississippi River between Missouri River and Minneapolis (exclusive of St. Anthony Falls)	183,661,100	154,035,800	10,000	1,000,000	687,000	800,000
Iowa:						
Keokuk, Mississippi River, lock at	13,602,175	876,275	0	0	0	2,000,000
Missouri River, Kansas City, Mo., to Sioux City, Iowa	119,500,000	96,305,900	79,500	4,000,000	2,748,000	2,748,000
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
Kentucky:						
Cumberland River, Ky. and Tenn.: Cheatham lock and dam	9,900,000	161,000	36,000	2,000,000	1,374,000	1,500,000
Ohio River, Ky., W. Va., and Ohio, open channel work	20,216,000	15,325,100	0	300,000	206,000	300,000
Louisiana:						
Calcasieu River and Pass	11,315,000	5,318,700	0	995,000	683,000	995,000
Intracoastal Waterway, Apalachee Bay, Fla., to Mexican border (New Orleans district)	30,225,500	19,090,300	200,250	3,500,000	2,404,000	3,000,000
Pearl River, La. and Miss	8,007,000	5,288,100	13,000	1,500,000	1,030,000	1,500,000
Waterway from Empire to Gulf of Mexico	2,200,000	512,000	0	588,000	404,000	588,000
Maine:						
Cape Porpoise Harbor*	160,000	114,500	0	0	0	*45,500
Josias River*	36,000	2,500	0	0	0	*33,500
Portland Harbor	4,560,000	3,132,800	225,000	300,000	206,000	206,000
Maryland: Baltimore Harbor and channels	10,400,000	5,526,400	0	800,000	550,000	800,000
Chester River	42,400	18,000	0	0	0	16,400
Honga River and Tar Bay*	69,500	27,500	0	0	0	*42,000
Massachusetts:						
Boston Harbor	18,221,500	15,639,500	0	500,000	343,000	500,000
Fall River Harbor	2,329,800	1,202,800	15,000	1,050,000	721,000	1,050,000
Menemsha Creek, Martha's Vineyard*	72,700	0	0	0	0	*72,700
Michigan:						
Port Sanilac Harbor	841,900	3,650	0	0	0	400,000
St. Marys River:						
Power plant	10,000,000	7,140,000	148,000	1,860,000	1,278,000	1,860,000
Navigation features	80,117,000	51,386,000	0	1,140,000	783,000	1,140,000
Traverse City Harbor*	350,000	0	0	0	240,000	*350,000

[1] See table on planning funds.
[2] Includes $200,000 allowed by House for planning.

Rivers and harbors—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
Minnesota:						
Baudette Harbor*	$29,000	$4,500	0	0	0	*$24,500
Hastings, small-boat harbor at*	37,270	3,000	0	0	*$34,270	*34,270
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
St. Anthony Falls	18,338,900	1,398,400	$247,600	$2,500,000	1,717,000	1,717,000
Two Harbors (Agate Bay)*	3,300,000	2,050,000	0	*1,250,000	859,000	*1,250,000
Mississippi:						
Gulfport Harbor and Ship Island Pass*	614,300	118,300	0	0	*[1]496,000	*496,000
Pearl River, Miss. and La. (See same project under Louisiana.)						
Missouri:						
Missouri River, Kansas City to the mouth	98,700,000	84,636,900	12,500	2,500,000	1,717,000	2,500,000
Mississippi River between Ohio and Missouri Rivers. (See same project under Illinois.)						
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
Missouri River, Kansas City to Sioux City. (See same project under Iowa.)						
Montana: Missouri River at Fort Peck	136,000,000	128,591,800	200,000	3,400,000	2,335,000	2,840,000
Nebraska: Missouri River, Kansas City to Sioux City. (See same project under Iowa.)						
New Jersey:						
Newark Bay, Hackensack and Passaic Rivers	9,822,000	5,890,000	0	1,000,000	687,000	1,000,000
New York and New Jersey channels	41,680,000	29,564,000	0	1,500,000	1,030,000	1,500,000
Shark River*	150,000	----------	0	*150,000	*150,000	*150,000
New York:						
Buffalo Harbor	14,666,000	3,173,000	0	800,000	550,000	550,000
Dunkirk Harbor*	446,200	56,200	0	0	268,000	*390,000
Great Kills Harbor*	150,500	36,000	0	*114,500	*114,500	*114,500
Hudson River	17,484,000	16,067,000	0	100,000	69,000	100,000
Hudson River Channel	7,074,000	5,828,000	0	450,000	309,000	450,000
New York Harbor, entrance channels and anchorage areas	17,000,000	15,014,000	0	600,000	412,000	412,000
New York, and New Jersey channels. (See same project under New Jersey.)						
Oswego Harbor	13,343,000	4,358,200	0	0	0	500,000
North Carolina: Stumpy Point Channel*	32,500	0	0	0	22,000	*32,500
Ohio:						
Cleveland Harbor	24,144,000	8,490,900	133,800	2,000,000	1,374,000	2,000,000
Ohio River open channel work. (See same project under Kentucky.)						
Oregon:						
Columbia River at Bonneville	84,858,000	82,495,000	25,000	1,500,000	1,030,000	1,500,000
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg.*	5,503,000	5,341,200	120,000	*161,800	111,000	*161,800
Coos Bay	8,749,000	6,120,800	0	1,000,000	687,000	1,500,000
Depoe Bay*	474,000	32,000	0	0	0	*442,000
McNary lock and dam, Columbia River, Oreg. and Wash	227,028,000	29,575,000	105,800	40,000,000	27,479,480	40,000,000
Umpqua River	2,701,200	2,516,200	0	100,000	100,000	100,000
Yaquina Bay and Harbor	2,250,000	2,215,000	15,000	*35,000	24,000	*35,000
Snake River, Oreg. and Wash. (See same project under Washington.)						
Pennsylvania:						
Monongahela River, locks 2	11,980,000	3,700,000	200,000	4,500,000	3,091,000	4,000,000
Schuylkill River (culm removal)	17,000,000	----------	0	500,000	343,000	500,000
Rhode Island:						
Harbor of refuge at Point Judith and Point Judith Pond*	2,547,500	2,371,500	0	0	0	*176,000
Providence River and Harbor*	2,322,200	2,112,200	0	*210,000	144,000	*210,000
Pawcatuck River, R. I. and Conn. (See same project under Connecticut.)						
South Carolina:						
Shipyard River*	543,000	112,800	0	0	0	430,200
Winyah Bay	4,344,800	3,144,800	0	508,200	349,000	508,200
Tennessee, Cumberland River, Ky. and Tenn. (See same project under Kentucky.)						
Texas:						
Clear Creek and Clear Lake*	76,000	21,300	0	0	38,000	*54,700
Galveston Harbor*	3,072,000	2,868,000	0	*204,000	140,000	*204,000
Houston Ship Channel	18,919,000	10,459,000	44,000	996,000	684,000	996,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border (Galveston district): Harlingen, channel to	1,925,000	825,000	0	700,000	481,000	650,000
Sabine-Neches waterway	14,791,500	12,585,500	58,500	1,000,000	687,000	1,000,000
Trinity River	7,750,000	809,500	138,000	1,000,000	687,000	687,000
Virginia:						
Bransons Cove, Lower Machodoc River*	28,600	0	0	0	0	*28,600
Norfolk Harbor	8,985,200	6,588,800	0	500,000	343,000	1,000,000
York Spit Channel	996,500	74,400	0	500,000	343,000	500,000
Virgin Islands: St. Thomas Harbor	2,650,000	----------	0	1,500,000	0	850,000
Washington:						
Chief Joseph Dam, Columbia River	66,000,000	642,000	0	5,000,000	3,435,000	10,000,000
Grays Harbor and Chehalis River	6,622,200	2,841,500	0	800,000	550,000	800,000
Ice Harbor lock and dam, Snake River	87,414,000	1,275,000	83,000	12,000,000	0	0
Columbia River at Bonneville. (See same project under Oregon.)						
Columbia and lower Willamette Rivers, Wash. and Oreg. (See same project under Oregon.)						
McNary lock and dam, Columbia River, Oreg. and Wash. (See same project under Oregon.)						
West Virginia:						
Morgantown lock and dam, Monongahela River	8,400,000	3,000,000	225,000	3,953,700	2,716,000	3,000,000
Ohio River open channel work. (See same project under Kentucky.)						
Wisconsin:						
Ashland Harbor*	777,000	732,000	0	0	0	*45,000
Port Wing Harbor*	68,400	48,400	0	0	0	*20,000
Subtotal, construction, rivers and harbors	----------	----------	2,739,500	146,912,620	92,890,270	145,694,290

[1] Specific appropriation of $496,000 for Gulfport Harbor, Miss., inserted on House floor and included in bill under separate paragraph.

Rivers and harbors—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
PLANNING						
Alabama:						
Alabama-Coosa Rivers, Ala. and Ga.	$116,342,000	$1,100,000		$200,000	$200,000	$200,000
Tennessee-Tombigbee waterway, Alabama and Mississippi	169,117,000	658,000		200,000	200,000	[4]
Upper Columbia lock and dam, Ala. and Ga., Chattahoochee River	41,872,000	200,000		200,000	200,000	200,000
Arkansas:						
Arkansas River and tributaries, Arkansas and Oklahoma	2,000,000	500,000		500,000	500,000	500,000
Overton-Red River waterway, Arkansas and Louisiana	53,000,000	125,000		50,000	50,000	50,000
California: Halfmoon Bay	4,512,000	0		75,000	75,000	75,000
Florida: New River	75,000	0		10,000	10,000	10,000
Illinois: Calumet-Sag Channel	82,367,900	895,600		100,000	100,000	100,000
Kentucky: Dover lock and dam	11,700,000	39,000		116,000	116,000	116,000
Michigan:						
Au Sable River	108,600	0		8,000	8,000	8,000
Hammond Bay Harbor	589,000	2,050		22,000	22,000	22,000
Harrisville Harbor	793,500	2,750		24,000	24,000	24,000
Point Lookout Harbor	786,600	2,250		20,000	20,000	20,000
Texas:						
McGee Bend Dam, Angelina River	42,720,000	450,200		200,000	200,000	200,000
Guadalupe River	13,137,000	160,000		0	0	50,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican Border (Galveston district): Colorado River	756,000	0		0	0	50,000
Virginia: Norfolk Harbor, disposal area	5,100,000	43,000		50,000	50,000	50,000
Washington: Lower Monumental lock and dam, Snake River	79,868,000	0		225,000	225,000	225,000
Subtotal, planning, rivers and harbors				2,000,000	2,000,000	[4] 1,900,000
OTHER ITEMS						
Maintenance				53,000,000	53,000,000	[5] 53,000,000
Operating and care				22,000,000	22,000,000	22,000,000
Examinations and surveys				1,200,000	1,200,000	1,200,000
Contingencies				1,300,000	1,300,000	1,300,000
Removing sunken vessels				300,000	300,000	300,000
Survey of northern and northwestern lakes				310,000	310,000	310,000
Prevention of debris in New York Harbor				360,000	360,000	360,000
California Debris Commission				15,000	15,000	15,000
Salaries, Office, Chief of Engineers				575,000	575,000	575,000
Printing for River and Harbor Board				40,000	40,000	40,000
River and Harbor Board expenses				440,000	440,000	440,000
Beach Erosion Board expenses				600,000	600,000	600,000
Work under sec. 3, River and Harbor Act, Mar. 2, 1945				300,000	300,000	300,000
Transfer to U. S. Geological Survey				200,000	200,000	200,000
Transfer to Fish and Wildlife Service				1,600,000	1,000,000	1,360,000
Subtotal, other items				82,240,000	81,640,000	82,000,000
Grand total, rivers and harbors				231,152,620	[6] 176,530,270	[6] 229,594,290

[4] $200,000 for planning allowed by House shows under "Alabama," construction table.
[5] Includes $9,000 for maintenance dredging at Havre de Grace, Md., and $400,000 for realinement of authorized channel of the Hudson River in the vicinity of Kingston, N. Y.
[6] Includes $496,000 for Gulfport Harbor, Miss., included in bill on House floor and carried in separate paragraph in bill, leaving in the lump-sum appropriation for "Rivers and Harbors" as passed by House $176,034,270 and the amount of the lump-sum appropriation for "Rivers and Harbors" as recommended by the committee, $229,098,290. These totals exclude the item for "alteration of bridges," for which the House allowed no appropriation and the Senate committee recommends $100. They also exclude $12,000 allowed by the House and approved by the Senate committee for "miscellaneous civil works."

Flood control

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION						
Arizona: Tucson	$2,390,000		0	[1]	[1]	[1a] $1,250,000
Arkansas:						
Bayou Bodcau Reservoir, Ark. and La. (see Louisiana).						
Blakely Mountain Reservoir	31,000,000	$6,750,000	$422,800	$3,000,000	$2,232,300	2,500,000
Blue Mountain Reservoir	5,100,000	4,850,000	147,200	48,000	35,700	35,700
Bull Shoals Reservoir, Ark. and Mo	76,300,000	29,200,000	525,800	16,500,000	12,277,500	13,277,500
Carden's Bottom drainage district No. 2*	1,485,000	1,185,000	20,000	*300,000	223,200	*300,000
Conway County levee districts Nos. 1, 2, and 8*	1,311,000	1,205,000	0	*106,000	78,900	*106,000
Conway County levee district No. 6*	448,000	437,000	30,000	*11,000	8,200	*11,000
Crawford County levee district*	2,146,200	1,826,700	263,700	*319,500	237,800	*319,500
Little Rock to Pine Bluff*	1,745,000	1,375,000	18,900	*370,000	275,300	*370,000
Narrows Reservoir	13,450,000	7,621,000	0	4,650,000	3,460,000	3,460,000
Nimrod Reservoir	3,895,900	3,600,900	0	80,000	59,500	59,500
Norfork Reservoir, Ark. and Mo	29,100,000	27,288,100	0	1,000,000	744,100	744,100
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La	8,128,000	3,600,000	0	700,000	520,900	520,900
West of Morrilton	2,175,800	528,800	23,700	800,000	595,300	595,300
California:						
Cherry Valley Reservoir	6,200,000	610,000	0	700,000	520,900	520,900
Farmington Reservoir	3,729,000	395,000	21,000	2,000,000	1,488,200	2,000,000
Folsom Reservoir	50,792,000	1,582,000	8,400	3,500,000	2,604,300	3,500,000
Isabella Reservoir	14,300,000	3,858,000	156,000	3,000,000	2,232,300	2,500,000
Los Angeles County drainage area (exclusive of Whittier Narrows Reservoir)	301,605,600	89,231,200	95,000	7,500,000	5,580,700	7,500,000
Merced County stream group	2,700,000	1,555,000	85,900	200,000	148,800	200,000
Pine Flat Reservoir	51,121,000	6,700,000	50,000	8,600,000	6,399,200	7,500,000
Sacramento River and major and minor tributaries	21,520,000	1,035,000	110,000	800,000	595,300	600,000
San Antonio Reservoir (part of Santa Ana Basin)	7,000,000	275,000	0			500,000
Whittier Narrows Reservoir	26,880,000	1,194,100	0	5,000,000	3,720,500	5,000,000

See footnotes at end of table.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7)	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate committee
(1)	(2)	(3)	(4)	(5)	(6)	(7)
CONSTRUCTION—continued						
Colorado:						
Cherry Creek Reservoir*	$15,700,000	$14,674,000	$109,200	*$1,026,000	$763,500	*$1,026,000
John Martin Reservoir*	15,080,000	14,970,000	11,800	*110,000	81,900	*110,000
Connecticut:						
Hartford*	6,485,000	6,409,000	0	*76,000	56,600	* 76,000
Norwich*	1,044,000	724,000	0	*320,000	238,100	*320,000
Florida: Central and southern	58,129,000		0	[2] 4,000,000	744,100	4,000,000
Georgia:						
Allatoona Reservoir*	31,922,000	24,773,300	80,000	*7,148,700	5,319,300	*7,148,700
Clark Hill Reservoir, Ga. and S. C	76,000,000	18,200,000	202,700	14,500,000	10,789,300	14,500,000
Macon*	505,000	240,000	10,500	*265,000	197,200	*265,000
Idaho:						
Heise Roberts area*	1,490,000	1,149,700	0	277,500	206,500	*340,300
Lucky Peak Reservoir	21,660,000	780,000	25,000	3,500,000	2,604,300	3,500,000
Illinois:						
Coal Creek drainage and levee district*	2,391,500	1,784,400	103,400	*607,100	451,700	*607,100
Columbia drainage and levee district	2,440,000	1,458,000	49,300	500,000	372,100	372,100
East St. Louis and vicinity	6,743,000	2,254,300	129,500	700,000	520,900	520,900
Farm Creek Reservoirs	10,384,500	5,095,000	107,100	2,500,000	1,860,200	1,860,200
Grand Tower drainage and levee district	3,840,000	1,330,000	135,400	900,000	669,700	669,700
Mounds and Mound City*	4,430,000	3,720,000	110,000	500,000	372,100	*710,000
Prairie du Rocher and vicinity	3,615,000	1,400,000	84,400	900,000	669,700	700,000
Preston levee and drainage district*	1,890,000	1,663,000	32,900	*227,000	168,900	*227,000
Reevesville*	795,000	684,000	65,000	*111,000	82,600	*111,000
Rosiclare	635,000			300,000	223,200	300,000
Wood River drainage and levee district	11,360,000	4,781,000	366,700	500,000	372,000	500,000
Indiana:						
Cagles Mill Reservoir	6,100,000	2,123,000	205,000	2,980,000	2,217,400	2,980,000
Cannelton	2,315,000	1,700,500	107,000	300,000	223,200	300,000
Delphi*	152,000	65,000	48,000	*87,000	64,800	*87,000
Indianapolis (Fall Creek section)*	3,125,000	2,216,600	688,000	*908,400	675,900	*908,400
New Albany	7,800,000	1,538,300	110,000	2,000,000	1,488,200	2,000,000
Iowa:						
Chariton River, Mo. and Iowa. (See Missouri.)						
Coralville Reservoir	14,085,000	1,154,600	34,000	3,300,000	2,455,500	2,455,500
Dry Run*	1,706,900	1,311,000	30,700	*395,900	294,600	*395,900
Little Sioux River	4,100,000	200,000	0	500,000	372,100	372,100
Missouri River agricultural levees. (See Kansas.)						
Red Rock Reservoir	53,000,000	1,903,000	$920,000	2,500,000		500,000
Kansas:						
Fall River Reservoir	10,820,000	10,472,500	191,000	277,500	206,500	277,500
Hulah Reservoir, Okla. and Kans. (See Oklahoma.)						
Kanopolis Reservoir*	12,167,000	11,925,000	39,000	*242,000	180,100	*242,000
Kansas Citys, Mo. and Kans	38,475,000	19,912,100	215,000	5,700,000	4,241,300	5,700,000
Missouri River agricultural levees, Kansas, Missouri, Iowa, and Nebraska	113,700,000	15,670,000	373,000	8,000,000	5,952,700	5,952,700
Toronto Reservoir	14,315,000	170,000	0	[3]	[3]	[4] 1,000,000
Kentucky:						
Ashland	4,725,000	487,400	11,000	1,000,000	744,100	744,100
Covington	7,040,000	1,467,500	100,000	1,400,000	1,041,700	1,041,700
Dale Hollow Reservoir, Tenn. and Ky. (See Tennessee.)						
Dewey Reservoir*	6,246,800	5,216,000	98,500	*1,030,800	767,000	*1,030,800
Hawesville*	980,000	221,900	165,000	*758,100	564,100	*758,100
Louisville	23,200,000	7,106,700	140,000	[5] 5,500,000	4,092,500	4,092,500
Maysville	3,173,000	459,600	21,000	1,000,000	744,100	744,100
Newport	7,400,000	4,467,000	200,000	2,733,000	2,033,600	2,200,000
Russell*	217,300	17,300			[6] 185,000	[6] *200,000
Taylorsville*	390,000	340,000	0	*50,000	37,300	*50,000
Uniontown*	1,030,000	900,000	113,000	*130,000	96,700	*130,000
Wolf Creek Reservoir	76,630,000	35,805,100	0	20,200,000	15,030,700	15,030,700
Louisiana:						
Aloha Rigolette area*	1,590,100	1,040,500	68,900	*549,600	408,900	*549,600
Bayou Bodcau Reservoir, Ark. and La*	4,465,000	4,061,000	102,500	*404,000	300,600	*404,000
Jonesville*	382,000	268,000	23,200	*114,000	84,900	*114,000
Lake Pontchartrain*	1,500,000	900,000	0	*600,000	446,500	*600,000
Mermentau River	5,500,000	1,993,000	128,800	1,807,000	1,344,600	1,807,000
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)						
Shreveport	3,950,000	3,475,000	0	375,000	279,000	375,000
Maryland:						
Cumberland, Md., and Ridgeley, W. Va	12,400,000	901,100	68,000	1,000,000	744,100	744,100
Savage River Reservoir	2,750,000	456,000	0	1,700,000	1,265,000	1,265,000
Massachusetts:						
Adams	4,580,000	22,000	0	0	0	500,000
Birch Hill Reservoir	4,347,000	4,201,000	60,000	46,000	34,200	46,000
Holyoke*	3,500,000	3,235,600	0	*264,400	196,700	*264,400
North Adams	13,167,900	80,000	0	0	0	500,000
Riverdale*	1,059,000	542,000	45,000	*517,000	384,700	*517,000
Tully Reservoir*	1,626,000	1,485,000	25,000	*141,000	104,900	*141,000
Michigan:						
Mount Clemens*	846,000	544,000	0	*302,000	224,700	*302,000
Red Run	1,010,000			0	500,000	500,000
Minnesota:						
Red Lake and Clearwater Rivers	3,895,900	1,509,800	74,300	1,500,000	1,116,100	1,116,100
Red River of the North, S. Dak., N. Dak., and Minn	9,928,000	1,000,000	83,800	1,000,000	744,100	744,100
Missouri:						
Chariton River, Mo. and Iowa*	1,515,000	1,070,000	28,000	*445,000	331,100	*445,000
Clearwater Reservoir	10,429,400	10,244,400	360,100	60,000	44,600	60,000
East Poplar Bluff and Poplar Bluff*	270,000	177,900	4,400	*92,100	68,500	*92,100
Kansas Citys, Mo. and Kans. (See Kansas.)						
Missouri River agricultural levees. (See Kansas.)						
Norfork Reservoir, Ark. and Mo. (See Arkansas.)						
Perry County levee districts 1, 2, and 3	6,365,000	905,000	25,200	1,000,000	744,100	744,100
Montana: Havre	1,105,700	45,000	0	0	0	400,000
Nebraska:						
Gavins Point Reservoir, Nebr. and S. Dak	23,300,000	300,000	0	[7]	[7]	[4] 3,000,000
Harlan County Reservoir	48,578,000	19,403,000	210,000	12,500,000	9,300,100	13,500,000
Missouri River agricultural levees. (See Kansas.)						
Missouri River, Kensler's Bend, Nebr., to Sioux City, Iowa*	2,800,000	2,378,000	37,600	*422,000	314,000	*422,000
Omaha	9,512,800	5,260,000	35,000	1,700,000	1,264,900	1,500,000

See footnotes at end of table.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
New Hampshire: West Peterboro Reservoir*	$2,069,000	$1,697,200	$100,000	*$371,800	$276,700	*$371,800
New Mexico:						
Bluewater floodway*	200,000		0	(9)	(9)	*10 200,000
Chamita Reservoir	28,703,000		0	(11)	(11)	12 750,000
Conchas Reservoir	15,650,300	15,467,700	0	35,000	26,000	35,000
Jemez Canyon	7,201,000		0	(13)	(13)	14 750,000
Rio Grande floodway	3,000,000		0	(15)	(15)	16 771,500
New York:						
Almond Reservoir*	6,000,000	5,781,200	63,500	*218,800	162,800	*218,800
Arkport Reservoir*	1,922,000	1,890,000	0	*32,000	23,800	*32,000
East Sidney Reservoir*	6,900,000	6,002,300	115,200	*897,700	668,000	*897,700
Elmira*	7,100,000	5,472,000	75,200	*1,628,000	1,211,400	*1,628,000
Hoosick Falls	1,255,000	44,000	0	0	0	400,000
Mount Morris Reservoir	24,400,000	6,600,000	108,600	6,500,000	4,836,600	4,836,600
Olean	3,570,000	1,233,000	20,500	1,000,000	744,100	744,100
Portville	1,900,000	400,000	30,000	700,000	520,900	520,900
Syracuse*	3,850,000	3,180,000	10,000	*670,000	498,500	*670,000
Whitney Point Reservoir*	5,200,000	4,878,600	0	*321,400	239,200	*321,400
North Carolina: Buggs Island Reservoir, Va. and N. C.	78,870,000	17,900,000	8,500	16,500,000	12,277,500	18,500,000
North Dakota:						
Baldhill Reservoir*	2,260,300	2,024,500	14,400	*235,800	175,500	*235,800
Garrison Reservoir	188,000,000	52,780,000	154,900	31,000,000	23,066,800	31,000,000
Homme Reservoir*	1,339,000	811,900	42,400	*527,100	392,200	*527,100
Mandan*	414,000	374,000	10,000	*40,000	29,800	*40,000
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)						
Red River of the North. (See Minnesota.)						
Ohio:						
Big Walnut Creek Reservoir	3,810,000	630,000	436,000	1,800,000	0	(16a)
Burr Oak Reservoir*	2,220,000	924,400	33,000	*1,295,600	964,100	*1,295,600
Cincinnati*	9,973,000	9,323,000	0	*17 650,000	*650,000	*650,000
Delaware Reservoir*	8,289,400	7,290,000	21,000	*999,400	743,700	*999,400
Dillon Reservoir	16,355,000	6,774,000	226,100	1,717,000	1,277,600	1,277,600
Ironton*	2,710,200	2,460,200	17,000	*250,000	186,000	*250,000
Massillon*	7,814,000	5,680,300	51,700	*2,133,700	1,587,700	*2,133,700
Muskingum River Reservoirs	41,438,300	37,927,300	69,000	1,800,000	1,339,400	1,800,000
Rocky Fork Reservoir	2,980,000	136,500	0	0	0	(16a)
West Fork of Mill Creek Reservoir	5,560,000	1,500,000	690,000	1,400,000	1,041,700	1,041,700
Oklahoma:						
Canton Reservoir	10,325,000	10,022,000	4,000	183,100	136,200	183,100
Denison Reservoir, Tex. and Okla.	60,000,000	58,944,000	120,000	18 725,000	223,200	725,000
Fort Gibson Reservoir	46,646,000	19,753,000	25,000	14,000,000	10,417,300	12,500,000
Fort Supply Reservoir*	7,335,500	7,419,000	0	*116,500	86,700	*116,500
Great Salt Plains Reservoir	4,842,000	4,610,000	67,000	31,000	23,000	31,000
Hulah Reservoir, Okla. and Kans.	12,066,000	6,778,100	830,000	4,748,000	3,533,000	4,748,000
Oologah Dam and Reservoir	31,050,000	121,000	0	(19)	(19)	20 550,000
Optima Reservoir	18,150,000	75,000	0	(21)	(21)	22 500,000
Polecat Creek	2,860,000	1,750,000	25,000	1,000,000	744,100	1,000,000
Tenkiller Ferry Reservoir	24,250,000	5,923,200	35,000	6,146,200	4,573,300	6,146,200
Wister Reservoir	10,108,000	9,807,500	100,000	77,500	57,700	77,500
Oregon:						
Cottage Grove Reservoir*	2,396,000	2,256,000	0	*140,000	104,200	*140,000
Detroit Reservoir	65,377,000	9,043,100	$89,000	11,300,000	8,408,200	11,300,000
Dorena Reservoir	14,640,000	10,976,000	25,000	2,924,000	2,175,700	2,924,000
Fern Ridge Reservoir	4,514,000	4,267,700	0	208,000	154,800	208,000
Lookout Point Reservoir	50,915,000	10,865,000	315,000	11,000,000	8,185,000	11,000,000
Milton Freewater*	1,085,700	375,000	29,300	*710,700	528,800	*710,700
Willamette River (bank protection)	4,854,000	3,394,400	2,300	500,000	372,100	500,000
Pennsylvania:						
Conemaugh River Reservoir	44,200,000	19,315,300	308,500	8,500,000	6,324,800	8,500,000
East Branch Clarion River Reservoir	9,612,000	3,288,600	767,500	2,500,000	1,860,200	2,500,000
Punxsutawney*	3,830,000	3,020,000	0	*810,000	602,700	*810,000
Sunbury	7,300,000	4,256,300	0	2,000,000	1,488,200	1,800,000
Wilkes-Barre-Hanover Township*	3,940,000	3,560,000	0	*380,000	282,800	*380,000
Williamsport*	17,000,000	7,644,700	43,000	2,110,000	1,570,100	2,110,000
South Carolina: Clark Hill Reservoir, Ga. and S. C. (See Georgia.)						
South Dakota:						
Fall River Basin	3,906,000	1,208,000	0	500,000	372,100	372,100
Fort Randall Reservoir	160,000,000	30,800,000	40,000	25,500,000	18,974,300	25,500,000
Gavins Point Reservoir, Nebr. and S. Dak. (See Nebraska.)						
Missouri River, Kensler's Bend, Nebr., to Sioux City, Iowa. (See Nebraska.)						
Oahe Reservoir, S. Dak. and N. Dak.	221,242,000	4,000,000	23,000	2,000,000	1,488,200	4,000,000
Red River of the North. (See Minnesota.)						
Tennessee:						
Center Hill Reservoir	43,340,000	31,168,000	0	7,000,000	5,208,600	7,000,000
Dale Hollow Reservoir, Tenn. and Ky.*	24,270,000	23,639,000	0	*631,000	469,500	*631,000
Memphis, Wolf River, and Nonconnah Creek	13,250,000	6,928,700	679,700	400,000	297,600	400,000
Texas:						
Belton Reservoir	22,500,000	650,000	15,000	2,000,000	1,488,200	1,488,200
Benbrook Reservoir	16,520,000	5,531,300	20,000	4,000,000	2,976,400	4,000,000
Brady	1,715,000	395,000	325,000	1,320,000	----------	0
Denison Reservoir, Tex. and Okla. (See Oklahoma.)						
Garza Little Elm Reservoir	23,321,900	1,036,300	2,000	3,000,000	2,232,300	2,232,300
Grapevine Reservoir	14,390,000	3,990,000	358,000	4,000,000	2,976,400	4,000,000
Lavon Reservoir	16,380,000	3,494,900	730,000	3,500,000	2,604,300	2,604,300
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)						
San Angelo Reservoir and floodway	18,525,000	7,245,100	200,000	4,800,000	3,571,600	4,300,000
Texarkana Reservoir	29,503,000	4,000,000	257,300	6,000,000	4,464,600	5,500,000
Whitney Reservoir	41,794,000	11,725,000	43,000	14,000,000	10,417,300	10,500,000
Vermont:						
Rutland	3,700,000	63,500	0	(23)	(23)	24 500,000
Union Village Reservoir*	4,600,000	3,999,000	2,000	*601,000	447,200	*601,000
Virginia:						
Bluestone Reservoir, Va. and W. Va. (See West Virginia.)						
Buggs Island Reservoir, Va. and N. C. (See North Carolina.)						
Galax*	671,000	20,000	0	(25)	(25)	*26 651,000
Philpott Reservoir	12,010,000	2,700,000	32,000	2,800,000	2,083,500	2,800,000

See footnotes at end of table.

Flood control—Continued

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CONSTRUCTION—continued						
Washington:						
Mill Creek*	$2,403,900	$2,038,900	0	*$365,000	$271,600	*$365,000
Mud Mountain Reservoir	13,285,000	12,621,100	$49,900	464,000	345,300	464,000
Tacoma*	4,171,600	3,600,000	36,000	*571,600	425,300	*571,600
West Virginia:						
Sutton Reservoir	20,429,000	956,000	739,000	[27] 1,300,000	0	1,300,000
Bluestone Reservoir, W. Va. and Va	29,926,000	28,187,800	25,000	1,562,200	1,162,400	1,562,200
Cumberland, Md., and Ridgely, W. Va. (See Maryland.)						
Parkersburg*	6,519,000	5,122,100	0	*1,396,900	1,039,400	*1,396,900
Point Pleasant*	3,083,000	1,435,000	34,000	*1,648,000	1,226,300	*1,648,000
Snagging and clearing				1,000,000	744,100	1,000,000
Emergency bank protection				1,000,000	744,100	1,000,000
Sec. 205 projects				1,000,000	744,100	1,000,000
Subtotal, construction, flood control, general			17,484,800	420,877,600	306,325,000	400,826,300
PLANNING						
Arizona:						
Alamo Reservoir	3,202,000	215,000		40,000	40,000	0
Tucson	2,390,000			75,000	75,000	[28]
Arkansas:						
Millwood Reservoir	39,500,000			150,000	150,000	200,000
Water Valley Reservoir, Ark. and Mo	14,412,000	381,200		150,000	150,000	150,000
California:						
Black Butte Reservoir	11,079,000			95,000	95,000	95,000
Hogan Reservoir	11,264,000	105,000		50,000	50,000	50,000
Salinas River	3,515,000	30,000		50,000	50,000	50,000
San Joaquin River and tributaries	4,005,000	45,000		45,000	45,000	45,000
Success Reservoir	11,144,000	295,000		60,000	60,000	60,000
Terminus Reservoir	13,395,000	275,000		60,000	60,000	60,000
Colorado: Trinidad	2,046,300	30,000		25,000	25,000	25,000
Georgia: Hartwell Reservoir, Ga. and S. C	68,000,000			0	0	75,000
Hawaii: Hanapepe River	235,000			20,000	20,000	20,000
Illinois: Henderson River	1,520,000			45,000	45,000	45,000
Indiana:						
Levee unit 5, Wabash River	5,830,000	120,100		50,000	50,000	50,000
Mansfield Reservoir	4,100,000			40,000	40,000	40,000
Vincennes	2,660,000	50,000		40,000	40,000	40,000
Kansas:						
Pioneer Reservoir, Kans. and Colo	14,105,000	106,000		75,000	75,000	75,000
Toronto Reservoir	14,315,000	170,000		50,000	50,000	[29]
Kentucky:						
Falmouth Reservoir	17,500,000	230,900		50,000	0	50,000
Russell*	217,300	17,300		15,000	15,000	[30]
Louisiana: Mooringsport Reservoir, Tex. and La	8,335,000	100,000		65,000	65,000	65,000
Massachusetts: Barre Falls Reservoir	1,879,000	197,300		10,000	10,000	10,000
Minnesota: Aitkin	1,680,000			25,000	25,000	25,000
Missouri:						
Carthage	185,000			8,000	8,000	8,000
Joanna Reservoir	17,500,000	116,900		75,000	75,000	75,000
Meramec River Reservoirs	29,550,000	394,200		25,000	25,000	25,000
Pomme de Terre Reservoir	17,815,000	175,000		50,000	50,000	50,000
Table Rock Reservoir, Ark. and Mo	76,340,000	791,000		125,000	125,000	125,000
Nebraska:						
Gavins Point Reservoir, S. Dak. and Nebr	23,300,000	300,000		150,000	150,000	[31]
Miner's Bend, Nebr. and S. Dak	3,000,000			15,000	15,000	15,000
New Mexico:						
Bluewater floodway	200,000			12,000	12,000	[32]
Chamita Reservoir	28,703,000			75,000	75,000	[33]
Jemez Canyon Reservoir	7,201,000			75,000	75,000	[34]
Rio Grande floodway	3,000,000			50,000	50,000	[35]
New York:						
Davenport Center Reservoir	9,000,000	324,400		25,000	0	25,000
Genegantslet Reservoir	6,000,000	228,000		35,000	0	35,000
Lake Chautauqua and Chadakoin River area	1,594,000	26,000		19,000	19,000	19,000
South Plymouth Reservoir	6,200,000	193,000		50,000	50,000	50,000
Watkins Glen	821,000	44,000		10,000	10,000	10,000
North Carolina:						
Reddies No. 1 Reservoir	2,300,000	60,000		40,000	40,000	40,000
Reddies No. 3 Reservoir	2,600,000	80,000		30,000	30,000	30,000
Ohio:						
Martins Ferry	6,210,000	21,400		0	0	50,000
Reno Beach—Howard Farms	330,000			6,000	6,000	6,000
Oklahoma:						
Boswell Reservoir	19,900,000	90,000		100,000	100,000	100,000
Bradens Bend	1,000,000			35,000	35,000	35,000
Eufaula Reservoir	118,500,000	900,000		150,000	150,000	150,000
Oolagah Reservoir	31,050,000	121,000		50,000	50,000	[36]
Optima Reservoir	18,150,000	75,000		100,000	100,000	[37]
Pennsylvania:						
Allegheny River Reservoir, Pa. and N. Y	66,100,000	160,400		45,000	45,000	45,000
Bear Creek Reservoir	16,500,000	350,000		90,000	90,000	90,000
Prompton Reservoir	6,300,000	162,000		65,000	65,000	65,000
Shenango River Reservoir, Pa. and Ohio	13,811,000	157,200		50,000	50,000	50,000
South Carolina: Hartwell Reservoir, Ga. and S. C. (See Georgia.)						
Tennessee:						
Rossview Reservoir, Tenn. and Ky	9,000,000	6,700		30,000	30,000	30,000
Three Islands Reservoir	12,300,000	98,100		50,000	50,000	50,000
Texas:						
Canyon Reservoir	29,600,000	350,600		150,000	150,000	150,000
Ferrell's Bridge Reservoir	8,632,000	230,000		75,000	75,000	75,000
Mill Creek	444,000	0		25,000	25,000	25,000
Vermont:						
Ball Mountain Reservoir	11,500,000	185,000		90,000	90,000	90,000
North Hartland Reservoir	7,164,000	80,000		85,000	85,000	85,000
Rutland	3,700,000	63,500		75,000	75,000	[38]
Virginia:						
Galax	671,000	20,000		25,000	25,000	[39]
Salem Church	33,000,000	0		0	0	40,000

See footnotes at end of table.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns 1, 5, and 7) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
PLANNING—continued						
Washington: Colfax	$1,880,000	$55,000		$25,000	$25,000	$25,000
West Virginia: Wheeling-Benwood	12,283,000	50,000		25,000	25,000	75,000
Subtotal, planning, flood control, general				3,500,000	3,300,000	2,973,000
OTHER ITEMS						
Preliminary examinations, surveys, and contingencies				5,000,000	5,000,000	5,000,000
Maintenance of completed work				4,000,000	4,000,000	4,000,000
Salaries, Office, Chief of Engineers				725,000	725,000	725,000
Emergency repairs				1,000,000	1,000,000	1,000,000
Transfer to U. S. Geological Survey				440,000	440,000	440,000
Transfer to U. S. Fish and Wildlife Service				120,000	120,000	120,000
Total, flood control, general				435,662,600	321,000,000	415,084,300
Flood control, Mississippi River and tributaries	[41] 1,265,000,000	627,025,500		70,000,000	63,000,000	[42] 73,500,000
Flood control, Mississippi River and tributaries, emergency fund				500,000	500,000	500,000
Flood control, Sacramento River	42,600,000	36,195,000		4,000,000	3,500,000	4,000,000
Total, all flood control				510,162,600	388,000,000	493,084,300

[1] Estimate of $75,000 for planning appears in planning table.
[1a] Includes $75,000 for planning allowed by House.
[2] Includes $3,000,000 supplemental budget estimate sent to Senate after bill passed House.
[3] Estimate of $50,000 for planning appears in planning table.
[4] Includes $50,000 allowed by House for planning.
[5] Estimate of $15,000 for planning appears in planning table.
[6] Includes $15,000 allowed by House for planning.
[7] Estimate of $150,000 for planning appears in planning table.
[8] Includes $150,000 allowed by House for planning.
[9] Estimate of $12,000 for planning appears in planning table.
[10] Includes $12,000 allowed by House for planning.
[11] Estimate of $75,000 for planning appears in planning table.
[12] Includes $75,000 allowed by House for planning.
[13] Estimate of $75,000 for planning appears in planning table.
[14] Includes $75,000 allowed by House for planning.
[15] Estimate of $50,000 for planning appears in planning table.
[16] Includes $50,000 allowed by House for planning.
[16a] Estimated unobligated balance on Big Walnut Creek Reservoir, Ohio, estimated to be $436,000 on June 30, 1949, recommended by committee to be transferred for use on the Rocky Fork Reservoir, Ohio.
[17] Included in H. Doc. 127.
[18] Includes supplemental of $425,000 in S. Doc. 56.
[19] Estimate of $50,000 for planning appears in planning table.
[20] Includes $50,000 for planning allowed by House.
[21] Estimate of $100,000 for planning appears in planning table.
[22] Includes $100,000 for planning allowed by the House.
[23] Estimate of $75,000 for planning appears in planning table.
[24] Includes $75,000 for planning allowed by House.
[25] Estimate of $25,000 for planning appears in planning table.
[26] Includes $25,000 for planning allowed by House.
[27] Supplemental estimate of $1,300,000 in Senate Doc. 37.
[28] $75,000 included under construction.
[29] $50,000 included under construction.
[30] $15,000 included under construction.
[31] $150,000 included under construction.
[32] $12,000 included under construction.
[33] $75,000 included under construction.
[34] $75,000 included under construction.
[35] $50,000 included under construction.
[36] $50,000 included under construction.
[37] $100,000 included under construction.
[38] $75,000 included under construction.
[39] $25,000 included under construction.
[41] Based on current cost estimate. Present monetary authorization for the project amounts to $1,038,309,500.
[42] Includes budget estimate of $70,000,000, which is to be allocated in accordance with allocation figures submitted to the committee of the budget estimate total, an additional $3,000,000, which is to be allocated by the Corps of Engineers, and $500,000 for the Devil's Swamp project.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations, and increases or decreases proposed in the bill compared with the budget estimates and the House bill

Object	Appropriations, 1949	Estimates, 1950	Amount recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with— Appropriations, 1949	Estimates, 1950	House bill, 1950
Quartermaster Corps:							
Cemeterial expenses	$7,809,153	$5,620,000	$4,500,000	$4,500,000	−$3,309,153	−$1,120,000	0
Cemeterial expenses, no year	38,369,000				−38,369,000		
Total, cemeterial expenses	46,178,153	5,620,000	4,500,000	4,500,000	−41,678,153	−1,120,000	0
Signal Corps: Alaska communication system	1,804,000	3,114,000	3,000,000	3,000,000	+1,196,000	−114,000	0
Corps of Engineers:							
Rivers and harbors:							
Maintenance and improvement	[1] 166,989,100	[2] 231,152,620	176,034,270	229,098,290	+62,109,190	−2,054,330	+$53,064,020
Gulfport Harbor, Miss			496,000	496,000	+496,000	+496,000	0
Alteration of bridges over navigable waters	500,000	50,000		100	−499,900	−49,900	+100
Flood control:							
General	[3] 340,491,100	[4] 435,662,600	321,000,000	415,084,300	+74,593,200	−20,578,300	+94,084,300
General (emergency fund)	[5] 9,000,000				−9,000,000		
Mississipp River and tributaries	61,000,000	70,000,000	63,000,000	73,500,000	+12,500,000	+3,500,000	+10,500,000
Emergency fund, tributaries of Mississippi River	500,000	500,000	500,000	500,000	0	0	0
Sacramento River, Calif	1,750,000	4,000,000	3,500,000	4,000,000	+2,250,000	0	+500,000
Miscellaneous civil works: Maintenance and operation, Federal water mains	12,000	12,000	12,000	12,000	0	0	0
Total, Corps of Engineers	580,242,200	741,377,220	564,542,270	722,690,690	+142,448,490	−18,686,530	+158,148,420
Penalty mail	225,000				−225,000		
U. S. Soldiers' Home: Maintenance and operation	*2,455,000*	*2,428,000*	*2,428,000*	*2,428,000*	*−7,000*	*0*	*0*
Panama Canal:							
Maintenance and operation	13,149,000	15,300,000	14,500,000	14,500,000	+1,351,000	−800,000	0
Sanitation	3,600,000	3,488,000	3,300,000	3,300,000	−300,000	−188,000	0
Civil government	3,277,313	3,559,000	3,450,000	3,450,000	+172,687	−109,000	0
Additional facilities	100,000				−100,000		
Total, Panama Canal	20,126,313	22,347,000	21,250,000	21,250,000	+1,123,687	−1,097,000	0
Total, regular annual appropriations, civil functions, Department of the Army	648,575,666	772,458,220	593,292,270	751,440,690	+102,865,024	−21,017,530	+158,148,420

[1] Also $10,500,000 in first deficiency bill, 1949.
[2] Includes $1,500,000 carried in H. Doc. 96 and $478,520 in H. Doc. 127.
[3] Also $14,000,000 in first deficiency bill, 1949.
[4] Includes $650,000 carried in H. Doc. 127, and $3,425,000 in S. Doc. 56, and $1,300,000 in S. Doc. 37.
[5] Also $2,500,000 in first deficiency bill, 1949.

Administrative expenses of Government corporations

[Limitations on amounts of corporate funds to be expended]

Corporation	1949 authorizations	Budget estimates, 1950	Recommended in House bill, 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					1949 authorizations	Budget estimates, 1950	House bill, 1950
Panama Railroad Company	$715,000	$815,700	$815,000	$815,000	+$100,000	−$700	0

Permanent annual and indefinite and trust account appropriations

Special and trust accounts	Estimated expenditures, 1949	Estimated expenditures, 1950	Increase (+) or decrease (−), estimates, 1950, compared with estimates, 1949
Corps of Engineers:			
Maintenance and operation of dams and other improvements of navigable waters	$150,000	$150,000	
Payments to States, Flood Control Act, June 28, 1938, as amended	243,750	250,000	+$6,250
Total, special accounts	393,750	400,000	+6,250
The Panama Canal: Postal funds	671,500	813,000	+141,500
Corps of Engineers: Trust accounts:			
Funds contributed for river and harbor improvements	1,299,320	29,090	−1,270,230
Funds contributed for flood control	1,695,000	3,802,970	+2,107,970
Total, trust accounts	2,994,320	3,832,060	+837,740
U. S. Soldiers' Home: Permanent indefinite appropriation: Payment of interest on Soldiers' Home permanent fund	1,000,000	1,250,000	+250,000
Miscellaneous: Permanent appropriations:			
Relief of Mrs. W. M. Kittle	368	368	
Relief of Mrs. Sara E. Edge	420	420	

ANALYSIS OF GOVERNMENT RECEIPTS AND EXPENDITURES

Mr. HAYDEN. Mr. President, the 1950 budget was transmitted to the Congress last January. At that time there were prepared nine charts explanatory of it. I have one of the charts on the easel which is before the Senate, and I should like to discuss it briefly.

The title of the chart is "The Budget Dollar for the Fiscal Year 1950." The chart is made up of estimates as to the source of the money and where it will go. The left side of the chart indicates that it was then estimated by the Bureau of the Budget that 43 cents of each dollar available for budgetary purposes would come from direct taxes on individuals. Twenty-eight cents of the budget dollar would come from direct taxes on corporations. Nineteen cents of that dollar would come from excise taxes. Eight cents would come from customs and other taxes, and 2 cents was to come from new taxes. The 2 cents amounts to about $850,000, which was the sum estimated to be required to balance the budget.

It will be remembered that the President recommended that new taxes be levied to the extent of $4,000,000,000. It was expected that approximately half of the $4,000,000,000 would be collected in the fiscal year 1950 and the remaining $2,000,000,000 in the following fiscal year, and that the money so collected would be principally applied to reducing the national debt.

On the other side of the chart it is indicated where the money will go. It shows that 34 cents of each 1950 budget dollar is for national defense. That will amount to $14,300,000,000. The budget estimate was $13,100,000,000 for the National Military Establishment, $525,000,000 for stock piling strategic and critical materials, and $600,000,000 for beginning universal military training. The House of Representatives, in its wisdom, transferred that $600,000,000 to the Air Force so that the actual appropriations for all of the armed services as they have come to the Senate amount to $13,700,000,000.

The next item is labeled International, and consists of 16 percent of the total estimated expenditures for the next fiscal year. The amount of money involved is $6,700,000,000. Of that sum the European Recovery Administration, in order to carry out the Marshall plan, will require approximately four and a half billion dollars. For the expenses of Government and for relief of distress in Japan, Germany, and other occupied areas, an additional $1,000,000,000 is required. There are other expenses of approximately a billion dollars, which make up the total.

The next 1950 budget item is 13 cents from each dollar for veterans' programs. That amounts to five and a half billion dollars which will be somewhat less than during the present fiscal year. Of that sum $2,000,000,000 is payable in pensions, and another $2,000,000,000 is to pay the expenses of the training and educational courses which veterans are now taking.

That is an expenditure which will be further reduced as time goes on, because the law providing for such education and training will soon expire. It may be looked upon as a capital investment, in the sense that men who are well trained and educated earn more money. I remember that former Senator Brooks of Illinois, once stated that he was a beneficiary of an educational course which enabled him to become a lawyer after he came out of the First World War, but that the fees he had earned and the taxes he had paid had many times repaid the Government for the cost of his education. The next item on the chart is 13 cents of the budget dollar which is applied to interest on the public debt. It amounts to $5,450,000,000. At the outbreak of the Second World War the national debt was approximately $50,000,000,000. There has been added to it more than $200,000,000,000 since 1941. The payment of the interest on the debt is a must. There is no getting away from it. We must maintain the credit of the United States, we must pay the interest on the debt, and we are fortunate indeed that the debt has been so managed that the interest rates have not been as high as some people expected they would be.

Add up the four categories of expenditures that I have mentioned, 34 cents for national defense, 16 cents for international costs, 13 cents for veterans, and 13 cents for interest on the public debt, and we have 76 cents, or 76 percent of all the expenditures estimated in the 1950 budget, due either to a war we have finished or to fear that we may become involved in another war.

If we did not have that burden to bear, certainly the other side of the picture would be very different. We now have double taxation, in that taxes are twice paid on the profits of corporations. First, when they declare a dividend and it is paid to a stockholder, as an individual he pays a second tax on the same money. If we did not have the burden of 76 percent of the budget being required for wars, past or future, the American people would not have to endure double taxation. Congress certainly would be able very promptly to reduce excise taxes. The only excuse for double taxation, the only excuse for the excise taxes, is that Uncle Sam must have the money in order to balance the budget. If we could reduce the war expenditures, tax reduction would follow automatically.

Now we come to the remaining 24 cents of the budget dollar which is available for expenditure.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield before he gets to the remaining 24 percent of the budget?

Mr. HAYDEN. I yield to the Senator from California.

Mr. KNOWLAND. The Senator is familiar, is he not, with the testimony given before the Committee on Armed Services by former President Hoover relative to the unification of the armed services, namely, that in his judgment a substantial saving, which might be from a billion and a half to two billion dollars, might be effected out of the $15,000,000,000 if duplication could be eliminated? The Senator also is familiar with the fact, I assume, that the former Secretary of the Army, Mr. Royall, testified before the Committee on Armed Services that if a unification bill, similar to the one which is now pending, had been passed earlier it was his judgment that at least a billion dollars a year could have been saved during the past several years, and that without doing anything that would have been detrimental to the security of the country.

I merely mention that because apparently the Senator has included the entire $15,000,000,000 budget estimate of the Department of National Defense as being in the category of an estimate from which reductions could not be made. I do not think it necessarily follows that that item is precisely in the same category with interest on the national debt, for instance, which I think we all agree could not be reduced.

Mr. HAYDEN. Mr. President, I was not so fortunate as to hear the testimony before the Committee on Armed Services. I have read about it, and appreciate the reference the Senator has made. I am merely pointing out at this time what the Bureau of the Budget sent to the Congress as of last January, and what the break-down is. We have already made one contribution toward economy, that is, the Senate has not appropriated as much as was recommended by the Budget, and it does not necessarily follow that we will do so in other instances. But I thought Senators would be interested in the broad proposition that 76 percent of the entire budget is due to the expenditures caused by past wars or by our fear of a future war, and that there remains but 24 cents of the budget dollar available for other purposes. Of that 24 cents, 6 cents, as shown on the chart, is for social welfare, health, and security. That amounts to $2,400,000,000, and of that sum $1,100,000,000 is for grants to States. Congress has passed laws granting aid to the States for old-age assistance, for aid to the blind, for the care of crippled children, and whenever a State complies with the Federal law, automatically the Treasury of the United States pays out the money. Until the basic law is changed, Congress itself has no control over the expenditures. Certainly the Bureau of the Budget has not.

The next category set forth on the chart is 5 cents of the budget dollar for development of natural resources which amounts to $1,900,000,000. The principal items in it are, first, for the work of the Atomic Energy Commission, $725,000,000. Next is flood control, which is included in the bill now pending before the Senate, $481,000,000. The next feature is for the reclamation of arid lands, including the development of multiple purpose power projects, $340,000,000. Such expenditures appear to me to be fully justified even in larger sums, since all of them are wealth-producing in character. It makes no difference whether water is kept off vast areas of the fine farming land in the Atchafalaya Basin in Louisiana, or whether water is applied to thirsty acres in the Columbia Basin in Washington; in each case new wealth is created, valuable property is preserved, and from which revenue is obtained to help balance the budget. There are two ways of balancing the budget, one by cutting down expenditures, the other by increasing revenues.

There is included in this category a total of $300,000,000 for the Forest Service, the Bureau of Mines, Fish and Wildlife Service, the Bonneville project, the Tennessee Valley Authority. The sum of all those activities amounts to 5 cents out of the budget dollar.

The remaining 13 cents, under the heading "All others," amounts to $5,600,000,000. The break-down of that is, for the Department of Agriculture and its action programs, $1,700,000,000. For Civil Aeronautics, $198,000,000. For river and harbor improvements by the Corps of Engineers, included in the pending bill, $209,000,000. For Federal aid to highways, $501,000,000, and for the postal deficit, $402,000,000. Other items, to finish out the $5,600,000,000 include housing, education, research, and the general governmental expenditures.

There are two particular items in this last 13 percent of the budget estimates which are substantial, one the Federal-aid highway appropriations and the other the river and harbor expenditures, which come under the head of transportation improvements.

It is to the glory of this country industrially that it is possible to move a commodity from a place where it is produced to a place where it is needed in less time and for less money than anywhere else in the world. The budget estimate of $500,000,000 for Federal aid to highways represents as fine an investment as any government could possibly make, and is badly needed now, because our highways were sadly neglected during the war. There are now being delivered from the automobile factories millions of new cars to further crowd the roads. Soon we will be at the place where, if better roads are not provided, the automobile companies will not be justified in producing more cars and trucks.

As to rivers and harbors, the testimony before the committee was perfectly clear that with the increased size of ships, particularly oil tankers, many vessels are unable to get into the ports with the present depth provided in the channels. In many instances a great tanker loaded with oil needed by the manufacturing plants in a city will lie off a port, and part of its cargo will be taken away in barges in order that the tanker can float into the harbor and be docked and the remaining cargo discharged.

The extra cost of maintaining the tanker, and the time lost in that connection, all must be borne by the manufacturers using the oil in the city where it is needed. It certainly is a sound Government investment to make improvements of that kind.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. And in turn such extra expenses must be added to the cost to the consumer.

Mr. HAYDEN. The added expense must be applied in one of two ways: Either to the cost to the consumer, or by the manufacturer making less profit than he would otherwise make and on which he would pay taxes to the Federal Government.

Mr. ELLENDER. Mr. President, will the Senator further yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. The Senator made the point a while ago about the advantages of spending funds for expanding our road system so as to assure a continuation of the manufacture of automobiles and other vehicles which require good roads for the transportation of persons and commodities. Is it not also true that the expenditure of money now being asked for to develop our natural resources is really the thing which makes our country click; that without the preservation and development of our natural resources, this great country will sooner or later die on the vine? Is that not true?

Mr. HAYDEN. There can be no question about that at all. I have a theory that all wealth comes out of the ground. Either a crop is grown which is sold on the market place or ore is mined, smelted, and made into articles of value. The work that is done and the expenditures that are made for the original production and the procurement of raw materials gives employment in the ratio of 6, or 8, or 10 persons for every 1 who produces from the ground, the other persons being employed in the manufacturing, the handling, or marketing of products. Unless we develop our natural resources, which are the original wealth of the country, the Nation cannot continue to grow and prosper.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McCLELLAN. The Senator from Arizona is certainly expressing my own sentiments at the moment. I have been quite amused in the last week or two to notice that many commentators, columnists, and editorial writers in the press have reverted to the old slur, which is now practically worn out, "pork-barrel legislation," when they speak with reference to the pending measure. Those individuals ground this term "pork" into sausage many years ago and tried to feed it to the American people. They stated that all legislation dealing with river and harbor improvements and flood control represented nothing but pet projects for Members of Congress; that the improvements were of the pork-barrel variety. Well, the American people would not eat it then, and now it is again being offered in decayed form by prejudiced individuals who are undertaking to

feed that dish to the public at a time when we should be doing just what the Senator from Arizona says we should be doing, that is, try to conserve and develop the natural resources of the country for future wealth, for future profits, for future jobs, for future security.

I wish to say to the able Senator and to all my colleagues that security for the individual does not come primarily by way of grants-in-aid and by way of pensions and by way of Federal gratuities. The present security of the American people and the security of the next generation and following generations must come as a result of prosperity which is based upon enlarged production and opportunities for jobs and opportunities to create national wealth.

In the bill before us we are simply undertaking in part to finance the development of our natural resources for the benefit, for the convenience, and for the support and sustenance, not only of the present generation, but of the next generation that is to follow.

I wonder, Mr. President, whether the columnists and editors, those who would try to poison the public mind against these worth-while projects, would not be doing their country and the security of our Nation a great disservice if they succeeded in misleading the people by the lack of truth in their statements. Why do they not tell the American people the real truth about the matter? The truth is that the American people already know the right and the wrong of the matter. I am pretty much persuaded when I read some of this propaganda which appears by some columnist in the press today that the authors of it either are plain dumb or they are like the old farmer's mule that kept butting his head against a tree, although he was not blind. He simply and plainly just did not give a d——.

Mr. HAYDEN. Mr. President, I thank the Senator for his interruption in my remarks, because I thoroughly concur in all he has said.

The Senator from Arkansas spoke of the security of the United States. We worry about having trouble with foreign countries; I may be entirely mistaken but I believe that when any foreign power thinks about making war upon us what gives them pause is the productive capacity of the United States. We have demonstrated in two great wars that, if required, the American people can turn to the production of armament and equipment for war on a scale that can be matched by no other nation. On top of that we can furnish more intelligent soldiers and sailors to do our fighting than can any other nation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. The distinguished Senator from Arizona was a most diligent attendant at all the hearings of the subcommittee considering the bill. Can the Senator point to one project presented to the subcommittee, which was not worthy, and which, if undertaken, would not assist in developing our resources and protecting them for our future use.

Mr. HAYDEN. I only wish that a number of the columnists and editorial writers who criticize the Committee on Appropriations had taken the time to attend the hearings to listen to the arguments presented and the facts submitted as to the merits of these flood-control and river and harbor projects. It was not that the committee was hunting around for some kind of pork to hand out. We had to make a deliberate choice between projects of great merit to determine which were the most important and most urgent, and which could come within a limited sum of money.

Mr. ELLENDER. Mr. President, will the Senator again yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. As was pointed out by the distinguished Senator from Tennessee [Mr. MCKELLAR], the requests aggregated a total in excess of $1,000,000,000. Can the Senator tell us where this money could be better spent than on projects which were asked for by the witnesses who appeared before the committee?

Mr. HAYDEN. There can be no question about the merit of the projects adopted by the committee. We could have adopted projects which would have used up the whole $1,000,000,000 which was requested, and could have justified our action, except that it would have meant putting the budget out of balance. We determined to stay within the budget, and the committee reported the pending bill containing an amount less than the budget estimate. To do that we had to make these selections. Every one of them is fully justified, and could be replaced, perhaps, by other projects equally meritorious. But these projects were recommended by the Corps of Engineers after careful study and investigation. The committee, after listening to all the evidence, approved the projects contained in the bill.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MCKELLAR. I should like to show to the Senator from Arizona and to other Senators the volume of proof which was taken by the committee. It contains 1,798 pages of closely printed proof, as can be seen. Every single project was gone into with the most meticulous care. It seems to me the committee has made a very wise determination in each case.

I appeal to Senators who believe in building up our common country to consider seriously the statement just made by the Senator from Arizona, that the projects we have reported are worthy in every sense, and that the money is going to be well spent, and spent for the upbuilding of the country, and not for wild harum-scarum schemes such as have often been presented to the Congress.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ELLENDER. I wonder if the Senator would be good enough to go into a little detail as to how the committee screened all those projects. It will be recalled, as brought out by the distinguished Senator from Tennessee, that the House appropriated $593,000,000 plus, for these various projects. As I stated, the requests were in excess of $1,000,000,000.

Mr. HAYDEN. That is correct.

Mr. ELLENDER. As the Senator will remember, the committee made the suggestion that we call in the engineers and ask them to determine where $150,000,000 plus in addition to what the House appropriated could be best spent. As the Senator will recall, we placed before them two separate figures in addition to that of the House, one of $741,377,000 and the other of $841,377,000.

Mr. HAYDEN. That is to say, the committee asked the Corps of Engineers again to review the estimate in the President's budget, and then take a second look to see what could be done if we went $100,000,000 above it. But the committee did not exceed the budget figure.

Mr. ELLENDER. We asked the engineers to again screen the projects with a view of doing the most good with a specific amount of money that we suggested, and following that course the committee proceeded to write up the bill which resulted in agreement on the bill now under consideration.

Mr. HAYDEN. Based upon the latest information they had from their field forces.

Mr. ELLENDER. I thank the Senator.

While I am on my feet, may I further indulge on the Senator's time. I would like to call the attention of Senators to one project in particular in the State of Louisiana which is of the utmost importance to thousands of families. It affects some of the finest agricultural land in the Nation. I refer to the Atchafalaya River Basin. Back in 1928 an over-all plan for controlling the Mississippi River was approved by the Congress. As a result of that plan, and subsequent appropriations by the Congress, the United States engineers have built a vast system of levees up and down the Mississippi River and its tributaries. It has shortened the course of the great Mississippi River by 150 miles, so as to hasten the flow of floodwaters to its lower stretches. The system of dams, levees, cut-offs, and other works will take care of a designed flood of 3,000,000 second-feet at the latitude of Angola, La.

As I have said, adequate protection is to be given to the entire Mississippi River Basin under the engineers' plan, and all of these floodwaters, in the event of a major flood, will be contained within the banks of the Mississippi River and brought down by a system of levees to find their way eventually to the Gulf of Mexico. However, below Angola, La., the Mississippi River cannot take over 1,500,000 second-feet, or one-half the discharge of a designed flood of 3,000,000 second-feet. The other half of these waters must be diverted through the Atchafalaya River Basin. Two fuse plugs, the Morganza and West Atchafalaya Floodways, will be breached in the event the flow of waters exceeds 2,200,000 second-feet. The engineers have planned guide-line levees on each side of these floodways, to contain the waters until they reach

the Gulf. But those guide-line levees are not yet completed. In the event of a major flood, all of this water from the upper stretches of the Mississippi and its tributaries will be dumped on this section of Louisiana. If this should ever happen, there will be millions of dollars of property damaged, with the possibility of heavy loss of life, not to mention the inevitable suffering and hardship that will be imposed on the people living in that area.

Mr. President, that is why I plead so hard with members of the Appropriations Committee to increase the funds allocated to the Atchafalaya River Basin. And I am pleading today with members of the Senate not to disturb this project, and not to disturb the hundreds of other worth while and essential projects that are located elsewhere in my State and in practically every State in the Nation.

The United States engineers testified before the committee that approximately $50,000,000 is required to complete these two floodways. Five million one hundred and forty thousand dollars is included in the pending bill, and in addition the committee approved $3,000,000 to be allocated by the Chief of Engineers. I am very hopeful that this money will be used to hasten completion of the Atchafalaya project. At the rate of $5,000,000 a year, it will require 10 years to finish this essential link in the Mississippi River flood-control plan. With the aid of the additional $3,000,000, which as I stated I hope will be used on the Atchafalaya, the work could be completed in 6 years if future appropriations are maintained on the same level. Both General Feringa and General Pick testified that the Atchafalaya floodway projects are of the utmost importance to the entire Mississippi River flood-control plan—using the words of Generals Feringa and Pick, "you cannot have flood control until you have the Atchafalaya floodways completed."

Mr. President, I shall not detain the Senate with a discussion of other essential projects in the State of Louisiana and in other States for which funds are provided in the pending bill. I merely want to point out this one example of the essential nature of the projects that were approved by our committee.

Mr. THOMAS of Oklahoma. Mr. President, by authority of the Committee on Appropriations, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 10, line 7, after the committee amendment heretofore agreed to, it is proposed to insert the following:

Provided further, That the project for Oklahoma City authorized in the Flood Control Act of 1946 is hereby modified to provide for construction of the canal plan as presently proposed by the Chief of Engineers at an estimated Federal cost of $10,460,000.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Without objection, the amendment is agreed to.

Mr. GURNEY obtained the floor.

Mr. FERGUSON. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. GURNEY. I yield for that purpose.

Mr. FERGUSON. What was the amendment which was agreed to? I did not hear the Chair state it.

The VICE PRESIDENT. It was an amendment offered by the Senator from Oklahoma [Mr. THOMAS] on behalf of the committee.

Mr. FERGUSON. May we have it stated?

The VICE PRESIDENT. The clerk stated it at the time it was offered. It will be stated again. However, it has already been agreed to.

The LEGISLATIVE CLERK. On page 10, line 7, after the committee amendment heretofore agreed to, it is proposed to insert the following:

Provided further, That the project for Oklahoma City authorized in the Flood Control Act of 1946 is hereby modified to provide for construction of the canal plan as presently proposed by the Chief of Engineers at an estimated Federal cost of $10,460,000.

Mr. FERGUSON. Mr. President, I ask for a reconsideration of the vote by which the amendment was agreed to.

Mr. GURNEY. Mr. President, I do not yield for that purpose. I will say to the Senator from Michigan that I shall be glad to join with him in a request for reconsideration as soon as I have completed a brief statement on the bill. In explanation of the item which he is discussing, I will say that it does not increase the appropriation. It merely authorizes the project to be built for the benefit of Oklahoma City in a different way than was originally authorized.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. GURNEY. I yield.

Mr. FERGUSON. It is also legislation on an appropriation bill, is it not?

Mr. GURNEY. That is correct.

Mr. President, I wish to speak briefly about the civil-functions bill. The appropriations carried in this bill which affect the seven States in the Missouri River Valley are very important to all the people in those seven States. We feel that it is absolutely mandatory to continue this development of the river in an orderly fashion so that the potential benefits which have been flowing by our door for many, many years, will become a reality. I suspect that any statements I might make about the items for projects within our territory would be similar to the statements which might be made by any other Member of this body with respect to a project in his particular State.

I have taken a great deal of interest in the subject of wealth-producing projects, such as are provided for in this bill. Last fall I took occasion to spend about 6 weeks visiting many of these projects. I traveled literally from border to Gulf, starting in Montana and following the river systems down to Louisiana. I inspected the work on the Mississippi River, and projects for hydroelectric power and flood control in the States of Oklahoma, Arkansas, Kansas, Texas, and other States. I observed the operations of locks in the river system, including those at Keokuk, Iowa, on the Mississippi. From such an inspection of projects—and I urge every Member of the Senate to make such a trip whenever he can—one returns with a conviction that Congress appropriates money for no more worthy purpose, insofar as benefits to all the people are concerned, than for the construction of these wealth-creating projects.

Now and then I hear criticism by Members of Congress from States which do not have large projects—especially States in the eastern part of the country. The Government of the United States helped to develop the eastern part of the United States for 100 years before the West was truly settled. Now it is proper and desirable for the country as a whole that the Federal Government assist in developing the natural resources in our territory, and especially in the Dakotas through which flows one of the greatest untapped sources of electric power in the world today. We have a great need for the development of the Missouri and tributary rivers.

It has been said many times on the floor of the Senate that we are short of electricity—and that is painfully true. Our farmers are operating with less electricity than are the farmers in any other section of the country. The Dakotas have been appearing on the list in forty-seventh and forty-eighth place. Great strides are being made in the direction of correcting that situation. Nevertheless, electricity will not be available until it is generated—and it will not be generated in substantial quantities until the projects included in this bill are completed.

I have sat with the committee considering flood control and river and harbor work for more than 6 years. I feel that we are presenting to the Senate today a plan of construction which we can unreservedly support. This is not a "pork barrel" bill and our committee can furnish any Senator with convincing evidence that it is not.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. DOUGLAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Murray
Baldwin	Hoey	Myers
Brewster	Holland	Neely
Bridges	Humphrey	Reed
Butler	Ives	Robertson
Byrd	Jenner	Schoeppel
Cain	Johnson, Colo.	Smith, Maine
Chavez	Johnson, Tex.	Sparkman
Connally	Kefauver	Stennis
Cordon	Kem	Taft
Donnell	Kilgore	Taylor
Douglas	Knowland	Thomas, Okla.
Downey	Lodge	Thomas, Utah
Eastland	Long	Thye
Ellender	Lucas	Tydings
Ferguson	McCarthy	Vandenberg
Graham	McClellan	Watkins
Gurney	McKellar	Wiley
Hayden	Maybank	Williams
Hendrickson	Morse	Withers
Hickenlooper	Mundt	

The PRESIDING OFFICER. A quorum is present.

Mr. DOUGLAS. Mr. President, I should like to call up the amendment which is printed as amendment A, and which I think is on the desks of all Senators. It is an amendment to the pending bill, H. R. 3734.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to insert the following:

SEC. 406. (a) The Secretary of the Army, with respect to appropriations made in this act, is authorized and directed to make such reductions in the total appropriations contained in this act as will cause the total so appropriated to be not greater than $450,000,000, making a reduction of $301,440,690 in the amounts recommended by the Senate Committee on Appropriations. The Secretary of the Army, with approval of the Director of the Bureau of the Budget, shall have the power to eliminate completely appropriations for certain projects and to reduce others by such amounts as he may deem proper.

Mr. DOUGLAS. Mr. President, I should like, if I may, to call the attention of the Senate to a few simple facts. The Appropriations Committee is asking us to spend $751,000,000 next year for rivers, harbors, and flood control. This is over a hundred million dollars more than was appropriated last year. It is $158 000,000 more than was appropriated by the House. It is only twenty-one million, or 3 percent, less than the amount submitted in the budget.

I think we all know that this is the bill upon which we can save tremendous amounts of money if we really want to do so. In the old days, when I first began to read the congressional debates, this historic bill was called the rivers and harbors bill. It was also commonly, if irreverently, referred to by the people as "the pork barrel." It was commonly believed that sufficient fat chunks of appropriations were passed around among the various districts and States to insure its passage.

Mr. LONG. Mr. President, will the Senator yield at that point for a question?

Mr. DOUGLAS. I may say to the Senator from Louisiana, I have a very brief speech, which I shall finish in about 4 or 5 minutes, after which I shall be very glad indeed to endeavor to answer any questions the Senator may desire to ask.

This bill is now being marketed within a comparatively new package. It is no longer labeled the rivers and harbors bill, but about a quarter of a century ago its name was changed, and it has now become the civil functions of the Department of the Army bill. This has a very impressive and dignified sound, but when the new wrapping is peeled off I have a very real feeling that, however succulent the slices, it is still the same old bologna.

Since we are now heading for a budgetary deficit of at least three to four billion dollars a year, this is our chance to make big savings. I urge, therefore, that we cut these appropriations by 40 percent, or by approximately $300,000,000, to a total of $450,000,000, and that we give the Secretary of the Army and the Director of the Budget Bureau the responsibility for making these cuts.

The appropriation of $450,000,000 which I am proposing would permit work to be continued on the $300,000,000 of projects which are now under construction; it would provide the estimated $75,000,000 for operation and maintenance; and then, in addition, it would leave $75,000,000 for new projects. I submit that it is better to postpone the rest, principally in the field of flood control, to a depression period when the projects will be just as useful as now, but when they will be more needed.

Perhaps one final comment will be pardoned. It is unfair of the press primarily to blame Congressmen and Senators for this patchwork of projects representing a pooling of political strengths. The demand for these juicy appropriations comes in fact from the business groups back home organized into their various associations. These gentlemen will commonly meet one day and pass a resolution that Government expenditures should be cut to the bone and that the budget be balanced, and will write irate letters to their Senators to that effect. They are especially insistent that in order to avoid bankruptcy we must cut out all appropriations for housing and education. Then, the next day, they will want their water front improved, and they will begin to turn the heat on us here in Washington for big appropriations for relatively nonessential projects. Of course, these groups are not alone in exhibiting this split personality. Nearly all groups in the Nation seem to have it. They want economy on the other fellow's projects, but they want big appropriations for their own.

But this is just the type of action which, if we yield to it, will land us in disaster. The time to save is now, and the place, above all others, is here. There are huge quantities of fat in this bill. Let us build a hot fire and fry out three hundred millions of the fat. I, therefore, call up and urge the adoption of this amendment.

Mr. HAYDEN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Arizona?

Mr. DOUGLAS. I yield.

Mr. HAYDEN. Will the Senator be kind enough to point out just one piece of fat?

Mr. DOUGLAS. I should like to move toward the Senator from Arizona with an atlas.

Mr. HAYDEN. Will the Senator point out one particular piece?

Mr. DOUGLAS. In the appropriation for the State of Maine, which is the State in which I grew up, there is an item, it is true, of not many thousands of dollars, but I think $33,000 for the Josias River. I had never known of the Josias River, though my family has been a searfaring family along the coast of Maine for some 300 years. I have searched most zealously with a magnifying glass to find the Josias River somewhere. It may be it is a popular term for some other river, but I am unable to find it, and I should like the distinguished Senator from Arizona to look at the atlas with a magnifying glass and see whether he can find it.

There is also an appropriation for Cape Porpoise, Maine. Cape Porpoise is barely visible with the magnifying glass. I have summered near Cape Porpoise. I should not say it was such a seaport that it needed harbor facilities. What I am a little bit afraid of is that this may be a measure to provide moorings for summer yachts and motorboats.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield to the Senator for a question.

Mr. LONG. Has the Senator read the hearings on those two items?

Mr. DOUGLAS. I should be glad to have the Senator show them to me.

Mr. LONG. Personally I do not know them. I think probably hearings have been held on all items.

Mr. DOUGLAS. I have hunted for them in the hearings.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I have here the justification. First, I want to say that both the Senators from Maine came before the committee and testified as to the necessity and value of this work. I now read the justification:

Josias River is a small stream running through Flat Pond to Perkins Cove, which is the harbor for Ogunquit, a village on the coast of Maine 30 miles southwest of Portland. The project provides for a channel 5 feet deep and 40 feet wide in the Josias River from that depth in Perkins Cove to and including an anchorage basin of the same depth and about 3.2 acres in area in Flat Pond.

A condition survey was made in 1946 to determine the amount of material to be removed by the United States. Local interests have expended about $35,000 in dredging and have completed such portion of the project as is necessary to meet this feature of the requirements of local cooperation. There remains about 24,000 cubic yards of mud, sand, and gravel to be removed. No actual construction has been undertaken by the United States. The allocation of $33,500 for fiscal year 1950 will be applied to dredging the anchorage basin and approach channel.

Justification: Since preparation of the project document, local interests have expended $35,000 toward accomplishment of the project. This feature was taken into consideration in the authorizing act which provided that useful work done on the project by local interests should be accepted toward the fulfillment of the required local cooperation. In view of the considerable expenditure by local interests and of the benefits which will accrue to the fishing and other boats, the Federal share of the project should be carried out at an early date. The total value of all fish landed is reported to have been $93,000 in 1946 and in excess of $100,000 in 1947.

Those were the facts which the committee had before it, and upon those facts, with the additional recommendation of the two distinguished Senators from Maine, the committee allowed the project; and I think the committee was right.

Mr. DOUGLAS. I thank the distinguished Senator from Tennessee for the information on this project. I think the same thing could be said regarding 20,000 other communities in the Nation.

I am still looking with a magnifying glass to find the Josias River, and I am unable to find it. I should be very glad to have some other Senator look through the glass to see if he can find it. It so happens that I spent two vacations at Ogunquit many years ago, and I have a vague recollection of a very small stream running out of an inland pond. It is my suspicion that probably the people there want a fresh-water anchorage for the motorboats and sailboats of the summer residents.

Does the Senator want more illustrations? I wonder how important Cape Porpoise is.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. How much is involved in the two items?

Mr. DOUGLAS. $33,000 for one and $45,000 for the other. That may seem to be peanuts, but it is money. I have a number of other illustrations, and if any Senator challenges me I shall turn my magnifying glass loose and see if they can be detected.

Mr. LONG. Personally, I cannot see why, if $93,000 worth of fish have been produced at that port, it would not be worth improving to the extent requested.

Mr. DOUGLAS. It is not my judgment, knowing something about fishing along the coast of Maine, that the fish industry would be appreciably improved by providing this harbor.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield to the Senator from Florida.

Mr. HOLLAND. I should like to inquire of the distinguished Senator whether he can point out in the items for his own State any fat of the type to which he has been referring. For instance, on page 24, in the column relating to river and harbor items, $12,100,000 worth of appropriations is recommended by the committee for four different projects, aggregating $12,100,000 in the good State of Illinois. Are any of those projects in the classification of fat, to which the Senator has so aptly referred?

Mr. DOUGLAS. I should like to say to the distinguished Senator from Florida that he did not add in the sum of $6,000,000 plus provided for Illinois for the purpose of flood control. So Illinois is really receiving more than the Senator from Florida has mentioned. It is receiving approximately $19,000,000. So far as I am concerned, I am ready for the State of Illinois to take its chances, along with other States, on any reductions which may be made. I do not regard myself as being here purely as an emissary to get river and harbor and flood-control projects for my State. Although I shall represent my State before committees, I shall not vote for appropriation bills which I regard as excessive, in view of the present budgetary situation, merely to get more appropriations for my State.

The Senator from Florida tempts me very much, when he raises the question, to refer to appropriations for certain other States; but, since he is a very good friend of mine, I shall refrain from doing that unless I am pushed.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. Do I correctly understand that the Senator is not able to point out any projects listed under rivers and harbors for the State of Illinois, aggregating $12,100,000, which contain pork?

Mr. DOUGLAS. I will say to the Senator from Florida that, if there is a 40-percent cut put into effect, as I hope there will be so far as I am concerned, I am ready to have the Illinois projects take a 40-percent cut along with others. We are not seeking any special treatment.

Mr. HOLLAND. Mr. President, will the Senator yield further for a question?

Mr. DOUGLAS. I shall be very glad to yield to the Senator.

Mr. HOLLAND. With reference to the flood-control list referred to a moment ago, I note that on page 38 of the report of the committee there are included 11 items in the flood-control program in the State of Illinois totaling $6,577,800.

Mr. DOUGLAS. I called the attention of the Senator to those projects.

Mr. HOLLAND. I wonder if the Senator would care to refer to any of them as containing fat or pork. I believe he has used both those words.

Mr. DOUGLAS. I will say that, on the flood-control projects, as on the river and harbor projects, I am perfectly willing that my State shall receive the same relative cut which I am asking for the country as a whole. That is the consistent thing to do and I am very ready to do it.

Mr. President, I see the Senators from Maine in the Chamber, who have hurried in, probably, because I have questioned this mysterious river, the Josias River, somewhere around Ogunquit, Maine.

Mr. HOLLAND. Mr. President, will the Senator yield for one more question?

Mr. DOUGLAS. I am very glad to yield.

Mr. HOLLAND. Does the Senator have any difficulty, even with the use of his magnifying glass, in discovering any of the 15 projects in the State of Illinois, including both rivers and harbors and flood-control projects, which are shown in the bill?

Mr. DOUGLAS. I hope that I have my own State so perfectly in mind that I can locate almost every village even without a map, and I am quite acquainted with the 15 projects. But I think I am ready to let these go up before the Secretary of the Army and the Bureau of the Budget, and let them be cut along with everything else.

Mr. HOLLAND. I thank the Senator.

Mr. BREWSTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Maine?

Mr. DOUGLAS. I am very glad to yield to the subtle and eloquent Senator from Maine.

Mr. BREWSTER. I am a little embarrassed by the fact that I have to display the ignorance of the Senator from Illinois with reference to his native State, the State of Maine.

Mr. DOUGLAS. I left there early.

Mr. BREWSTER. Not until the Senator had received an education which should have made him somewhat better informed than he appears to have been in suggesting that he cannot find these projects in the State of Maine.

Mr. DOUGLAS. It is the Josias. Hunting for it even with a magnifying glass, I cannot find it. I telephoned to the Library of Congress, which checked with the United States Coast and Geodetic Survey and the United States Board of Geographical Names and no one found it anywhere. It is supposed to be located somewhere near Ogunquit, where I spent a couple of summer vacations. If it is what I think it is, it is a miserable little stream running into an inland pond.

Mr. BREWSTER. I have equally great difficulty in discovering the appropriation of $33,000 for the Josias River, as it is so completely overshadowed by the $12,000,000 for the State of Illinois. I do not wonder the Senator from Illinois is concerned when he sees $12,000,000 going to Illinois, and I would suggest that he is picking pins in challenging $33,000 for the Josias River in Ogunquit. One is reminded of the rabbit stew that consisted of one horse and one rabbit. The attack does not do justice to the Senator's sense of proportion.

Mr. DOUGLAS. I will say to the Senator from Maine that I did not launch an attack on the Josias River project. I made a brief speech in which I said there were enormous quantities of fat in the bill as a whole, that we should build a hot fire and fry it out. The distinguished Senator from Arizona asked me to select and point out one single piece of fat. So, not in any spirit of trying to deprive the town of Ogunquit of this improvement which the senior Senator from Maine is seeking for it, I tried for 15 minutes to find the river, and I could not find it, and, even with my magnifying glass, I cannot find it yet. If the Senator will come over to my desk, I will give him the magnifying glass to see if he can locate it.

Mr. BREWSTER. I think it would have been simpler, instead of exhausting all the resources of the agencies of the Government, if the Senator had called the office of the senior Senator from Maine, or the junior Senator from Maine, who sits at my right. We would have been ready to continue the education of the Senator from Illinois, as the State of Maine was obviously a little inadequate in the education it provided him before he left, particularly in geography.

Ogunquit is a rather well-known spot which the Senator has selected for comment. The citizens of Ogunquit, Maine, have already expended on this particular project something over $40,000, and unless this particular improvement, which was indicated in the original plan as approved by the Corps of Engineers, is carried out, there is grave danger that the entire development the citizens have accomplished will be lost. I think that was the consideration which led the

Committee on Appropriations to recognize and include this project. As the Senator will see, the matching of the community is in the amount stated.

I think we are quite ready to take our share of any cut. We have shown that spirit, and the State of Maine for 20 long years has been standing for a balanced Federal budget and for economy in expenditures. If it is not possible to squeeze any fat out of the $12,000,000 for Illinois, we will be glad to contribute what we can from the State of Maine. But the $33,000 for the Josias River, or the $45,500 for Cape Porpoise—if the Senator will pronounce the name correctly; it is not "Pawr-poise," but it is "Porpoise"——

Mr. DOUGLAS. I thank the Senator for his lesson in pronunciation.

Mr. BREWSTER. That is designed to enable some hard-working fishermen on the coast of Maine to continue to earn an honest living, and not be obliged to depend on the bounty of either the State of Illinois or the Federal Government, as this project is entirely devoted to enabling those fishermen there to make a livelihood. I hope that with the Maine background of the Senator from Illinois, he will view with some charity the very meager amounts we are asking in the appropriation, when we consider the hundreds of millions of dollars that are otherwise included.

Mr. DOUGLAS. I thank the Senator from Maine. I should like to point out to him that I said that the State of Illinois, so far as I am concerned, is perfectly ready to take its share of the cuts, along with other States. I rather infer from the glowing peroration of the Senator from Maine that he is willing that the State of Maine should take its cuts also and that this project could be proportionately pared down.

Mr. BREWSTER. I am sure the Senator's reference is facetious when he refers to the great projects we are getting, and he reflects on the small total Maine is getting, when the Senator from Illinois is getting about $12,000,000. The Senator from Illinois has apparently been a very eloquent and very successful advocate. Whether, when he was advocating the projects, he told the committee that he would later come in and propose a 40 percent cut, I do not know. Perhaps the committee would have been willing to make a 40-percent cut in advance if they had known he thought it was entirely feasible.

Mr. DOUGLAS. Mr. President, I find overtones in the remarks of the Senator from Maine which are very reminiscent of the speech of the Senator from Maryland [Mr. TYDINGS] yesterday. The Senator from Maryland was contending that one was not privileged to work for reductions on the floor of the Senate unless he had previously urged them in the committee. The proposal of the Senator from Maryland did not seem to meet with a very warm response yesterday from the other side of the Senate. It is most interesting to find today that the eloquent Senator from Maine, in a matter which refers to his own State, leaps forward and adopts the argument of the Senator from Maryland. Does the Senator want me to go further?

Mr. BREWSTER. Not at all. I should not wish to be associated with the Senator from Maryland in the argument which he made yesterday.

Mr. DOUGLAS. But the Senator is associated with him in the argument which he is now making.

Mr. BREWSTER. I am not sure to which portion of the Senator's argument the Senator refers. As I remember, the Senator from Maryland started out with an eloquent attack on the five and twenty bill, and ended up by proposing exactly the same solution. I do not know with which phase the Senator is associating me. At any rate, I stand today on my proposal that we have some worthy projects in Maine, and if there is a general reduction we are ready to take our share. I only wish the Senator from Illinois would be as generous in his attitude as he was in his advocacy of the $12,000,000 appropriations.

Mr. DOUGLAS. Since the question has arisen as to what I did before the committee, and if the implication is left that I urged the $12,000,000 appropriation for rivers and harbors, and some six and six-tenths million for flood control, let me say that I did not appear in behalf of those projects. I did appear in behalf of one project, the Calumet-Sag project, stating, that representing my constituents, I thought it was a worthy project, and I asked the committee to consider it. I want the committee to know that I cherish no grudges because they turned the project down. I am not asking to have it restored. I think I am privileged to represent both my constituents, and, to the best of my ability, the country on the floor of the Senate. Further, I am attacking no particular items by my amendment. It is the total amount which I am interested in reducing. The committee has done a fine job in bringing the various projects into balance, but, in view of our need to cut expenses to avoid a deficit, I am urging that we cut the total.

Mr. LONG. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. The Senator said he called the Library of Congress to find out where a certain project was. There is a very excellent index in the back of the hearings which refers to the statement made on the Josias River project by the Senator from Maine. I thought it very well to explain what the purpose of the project was.

Furthermore, the Senator could have called on the Corps of Engineers at any time, and secured all the details on the subject.

When the Senator speaks of this bill as containing "pork barrel" legislation, I wonder if he realizes that the "pork barrel" legislation he is speaking of actually had its origin, so far as the State of Mississippi is concerned, in a Republican Congress, when a Republican was President? That was in the year 1927, when a great flood occurred in Louisiana, Mississippi, and Arkansas, and throughout that area. At that time a Republican President was so moved to compassion by the sufferings of the people in my State, which had never gone Republican, that he proposed, and that session of the Congress saw fit to pass, a law providing for flood control and for protection of our State from floodwaters. If this is a "pork barrel" piece of legislation, I must say that it could be regarded as a completely gratuitous "pork barrel" piece of legislation, inasmuch as the original legislation was passed by a Republican Congress, while a Republican President was in office, to help and protect a section of the country that has certainly never gone Republican.

Mr. DOUGLAS. Mr. President, such legislation began long before 1927. When I was a boy, in the days when Theodore Roosevelt and William Howard Taft were Presidents, I remember reading in the CONGRESSIONAL RECORD of rivers and harbors appropriations, which is a system we have had with us for at least half a century. In fact, I think it developed most fully during the period of the 1880's, when the Republicans were taking in so much revenue from the tariff that they did not know what to do with it, and proceeded to spend it on rivers and harbors, rather than to reduce the tariff. So I think that is where the slush really started.

Mr. BREWSTER subsequently said: Mr. President, I ask unanimous consent, and particularly the consent of the Senator from Illinois, to insert a brief statement at the spot where the Senator from Illinois spoke of the origin of the Rivers and Harbors Act, in order that the RECORD may be correct.

The VICE PRESIDENT. Without objection, the statement may be inserted in the RECORD.

Mr. BREWSTER. Mr. President, what I wish to do is to make a brief statement and have it inserted at the point I referred to in the RECORD.

The VICE PRESIDENT. The Senator has been recognized and may speak in his own time.

Mr. BREWSTER. I wanted to obtain permission to have my statement inserted at the point in the RECORD where the Senator from Illinois made his comment.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BREWSTER. Mr. President, I want to carry a little further the education of this good son of Maine regarding the legislative situation. It is my recollection that he stated that the Rivers and Harbors Act originated around 1880, under the impetus of what I thought he indicated were some ungodly tariffs. Unfortunately, the record, as supplied to me, indicates that the first Rivers and Harbors Act was enacted on May 20, 1826, a long time before the Republican Party had begun to benefit this country, or to do it harm.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. DOUGLAS. Did it not, however, reach its full glory in the period of the 1880's, when there were Treasury surpluses created because of the Republican high-tariff policies, which surpluses the Republican Party then spent on rivers and harbors rather than to reduce the tariff?

Mr. BREWSTER. I think that the very great prosperity the country enjoyed for a long time under Republican administration did enable it to carry out very large projects of development, the benefits of which we are still reaping throughout this land, and without which we would have been utterly unable to make America the marvel of production it is today.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from Illinois for a question?

Mr. BREWSTER. Yes.

Mr. DOUGLAS. Would not the Senator from Maine also say, however, that the high tariff imposed by the Republican Party created large revenues which the Republican Party then spent on rivers and harbors appropriations, rather than reduce the tariff?

Mr. BREWSTER. Well, I shall hesitate to accept the statement of the Senator from Illinois on this matter in view of the fact that his earlier statement was so utterly incorrect. His earlier statement that the omnibus rivers and harbors act originated in 1880 is just about 50 years out of the way. The first rivers and harbors omnibus act was in 1826, at the time when the so-called Democratic Party was administering our affairs.

Mr. DOUGLAS. What were the appropriations in that year?

Mr. BREWSTER. In 1826?

Mr. DOUGLAS. Yes.

Mr. BREWSTER. I do not have the amount before me.

Mr. DOUGLAS. If the Senator from Maine is such an authority on the question I should think he could give me the figures.

Mr. BREWSTER. I do not care to make statements the correctness of which I do not know. That is why I am rather careful in what I say.

Mr. DOUGLAS. Would the Senator furnish for the RECORD the appropriations in the 1820's and also the appropriations in the 1880's?

Mr. BREWSTER. I shall be very happy to do so——

Mr. DOUGLAS. I thank the Senator.

Mr. BREWSTER. For the edification and the education of the Senator from Illinois, since evidently the State of Maine did not do full justice by its precocious child.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. Every year after that, from 1826 on, the rivers and harbors bills were passed in increasing amounts, reaching, I trust, their full flower under Republican administrations, to which I hope we may soon happily return.

Mr. LONG and Mr. PEPPER rose.

The VICE PRESIDENT. Does the Senator from Maine yield, and if so to whom?

Mr. BREWSTER. I yield first to the Senator from Louisiana.

Mr. LONG. In order to keep the record straight, I think it should be said that the year 1928 was the year when the first National Flood Control Act was passed. I referred to that previously, and gave the Republican administration credit for it.

Mr. BREWSTER. I am very grateful to the Senator from Louisiana for that very generous statement. I now yield to the Senator from Florida.

Mr. PEPPER. Mr. President, I merely wanted to ask the able Senator from Maine if he did not think it is historically interesting that the philosophy of the Republican Party was so ideally suited to the needs of the country two-thirds of a century ago.

Mr. BREWSTER. I think it was a century and a quarter ago; but I would like to make it clear that our interest continues as great as ever, and we shall hope that as rapidly as we can get the prosperity of our country back the progress may continue in ever-increasing measure. But I do think the record should be straight as to how this matter was brought about, and what the precedents are respecting it.

Mr. President, I have just been given a slip showing that 14 additional States were admitted to the Union between 1826 and 1880, which, I assume, came about as the result of this wise and far-seeing policy in the original Rivers and Harbors Act.

Mr. LONG. I am sure the Senator realizes that if there were no river and harbor legislation enacted, and no money were provided for flood control, many places in my State would have to be evacuated, in order to save the lives of half a million people, as well as their property. The legislation has certainly had the effect of protecting the lives and property of many of our people, and has helped to maintain our levees.

Mr. DOUGLAS. I am not saying that each and every project is pork. There are many worthy projects in the bill. I am merely proposing that for the coming year we reduce the appropriations to $450,000,000, which would enable all the existing work to be continued, the maintenance and operation work to be carried on, and provide $75,000,000 for new projects, the remainder of $300,000,000 to be put over to a period of depression, if we should have a depression, when the work could be done to advantage. It does not matter so much whether a number of these projects are carried out this year or 3 or 4 years from now.

Mr. LONG. The Senator's argument has been directed to the point that the income of the Government is declining. If that be so, we might be facing a recession, and in that event we would need such projects now to increase employment in order to stimulate production and income.

Mr. DOUGLAS. And therefore should we have deficit spending, spend more than we take in, and not balance the budget?

Mr. LONG. Certainly we should not discontinue necessary public projects, projects which we believe are essential.

Mr. DOUGLAS. I have previously said that we should continue existing projects but cut down on new projects. If we spend at the rate of three quarters of a billion dollars on such projects we are directly adding to the deficit.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. McKELLAR. The Senator brought up the matter, and I feel I should be permitted to make a statement about it, and then ask the Senator a question. As I recall, the junior Senator from Illinois appeared before the Appropriations Committee on the Calumet-Sag project in Illinois and asked for an appropriation of $2,000,000.

Mr. DOUGLAS. That is approximately correct; yes.

Mr. McKELLAR. On that project there had already been spent $895,000. It is an $82,000,000 project. When the Senator came before the committee a month or 6 weeks ago he was then in favor of this $82,000,000 project in his State.

Mr. DOUGLAS. Oh, but only for appropriations; over a long period of time, and in conjunction with all the other needs of the country, and in conjunction with the fiscal situation of the country.

Mr. McKELLAR. Yes. Well, the Senator from Illinois knew just as much about the situation of the country 6 weeks ago as he does today, and then he was advocating an $82,000,000 project.

Mr. DOUGLAS. Over long periods of time.

Mr. McKELLAR. The Senator never said a word about a long period of time before our committee, and the record will so show. Now the Senator is complaining because two Senators from Maine came before the committee and asked for inclusion of a $33,000 project in their State, which the committee found was necessary and which the committee allowed. The Senator said the name of the project was one he had never heard, though he was born in Maine.

I should like to know where the Rosiclare project is in the Senator's State.

Mr. DOUGLAS. In Hardin County, in southeastern Illinois, on the Ohio River, where there are feldspar and mica mines. Roisiclare is a town of about 2,400 population.

Mr. McKELLAR. And the Senator wanted for that little town in southeastern Illinois the sum of $300,000. But the Senator objects very seriously to a project which was sworn to by a number of witnesses, including the two Senators from Maine.

Mr. DOUGLAS. I may say to the Senator from Tennessee that I did not appear on behalf of those projects.

Mr. McKELLAR. The Senator merely mentioned them in passing?

Mr. DOUGLAS. I do not object to those projects, naturally, but I did not appear in behalf of them.

Mr. McKELLAR. The Senator appeared before our committee, and I am always glad to have him or any other Senator appear before the committee. Seventy Senators appeared before the committee in connection with the bill. We were glad to have them. The Senator is welcome at any time to appear before the committee in behalf of any project in his State or in any other State.

Mr. DOUGLAS. I thank the Senator from Tennessee.

Mr. McKELLAR. Or to appear against any project. I am surprised that the Senator did not appear before the committee and oppose the project in Maine, where it was proper for him to do so. He should have made the objection before the committee which he is now making on the floor of the Senate. The Senator had not studied these things. He did not know about the river in Maine. He knows very little about the project in his own State, confessedly, although he asked for $300,000, for a little village in the southeastern part of his State, on the Ohio River. By the way, that area is subject to floods from the Ohio River. I cannot say how much consideration the committee gave to the Senator's statements, but we tried to give them all the authority and force the Senator was willing to give them. He appeared in behalf of projects in his own State. We thought he ought to know about them. If he protested against any project when he appeared before the committee I do not recall. I ask the other members of the Committee on Appropriations who are on the floor and who heard the distinguished Senator from Illinois testify, whether they heard him protest about Rosiclare.

Mr. DOUGLAS. No I did not. For the sake of the record——

Mr. McKELLAR. Is it a lady or a gentleman we are talking about?

Mr. DOUGLAS. I did not protest the Rosiclare project. Let the record be made clear. I did not protest the Rosiclare project. But may I ask if the Senator concludes that because of appearing before the committee one is estopped from urging on the ground of general public policy the need for a reduction in the total appropriation? Is the bill framed in such a way that if every State gets a slice out of it a Senator is therefore prevented from defending the general interest? Does the Senator make that claim?

Mr. McKELLAR. If the Senator makes a statement like that I feel really hurt.

Mr. DOUGLAS. No; I am inquiring.

Mr. McKELLAR. We are not giving out slices to people. We are hearing evidence. The Senator, I believe, is a practicing lawyer. I think I heard that he was.

Mr. DOUGLAS. No I am not, sir. I am not a lawyer.

Mr. McKELLAR. The Senator is not?

Mr. DOUGLAS. No.

Mr. McKELLAR. I did not know. The Senator is not a lawyer at all?

Mr. DOUGLAS. No.

Mr. McKELLAR. The Senator is not a lawyer at all. I beg the Senator's pardon.

Mr. DOUGLAS. I do not know whether the Senator should beg my pardon or congratulate me.

Mr. McKELLAR. The Senator can take it either way, just as he likes. Let me show the Senator the volume of the hearings before the committee. It contains 1,698 pages of evidence.

Mr. DOUGLAS. Yes, I have a volume of the hearings.

Mr. McKELLAR. We took all that evidence in the committee. The committee went into the matter most meticulously, most carefully. We undertake to solve these questions on the basis of what is best for our common country, not what is best for individual States. We are not trying to help sojourners in Maine or sojourners in Illinois. What we are trying to do is to build up our common country and maintain it as a prosperous, upstanding country, the most upstanding country in the world. We did not undertake to hurt any individual, or to help any individual. We passed on these projects on the basis of proof before the committee. I am sorry the Senator was not satisfied with what he got for his State.

Mr. DOUGLAS. Just a minute——

Mr. McKELLAR. The Senator says that he has changed his mind.

Mr. DOUGLAS. Just a minute—I said nothing about not being satisfied with what my State got under the bill.

Mr. McKELLAR. The Senator never said a word about cutting these appropriations for Illinois when he was before our committee. We did not hear anything about a 5-percent cut, or any other cut.

Mr. DOUGLAS. Mr. President, have I the floor, or has the Senator from Tennessee the floor?

Mr. McKELLAR. I will yield the floor, because I think that would be more valuable to our side of the question.

The PRESIDING OFFICER. The Senator from Illinois has the floor. He may yield only for a question.

Mr. DOUGLAS. Mr. President, I repeat to the Senator from Tennessee that I am not objecting to this bill because the Calumet-Sag project was turned down. I certainly am not objecting to that. But I think it is proper to inquire what the financial situation of the United States is. I can see that we are headed for a deficit of between $3,000,000,000 and $4,000,000,000—or possibly more—for the fiscal year 1950. In view of that prospect we should reduce expenditures; and this is about the best place we can find to reduce expenditures. Virtually every project, taken by itself, can be defended. Virtually every project does some good. The question is whether it is worth the price we must pay at this time. That is all I have been trying to contend.

Mr. BREWSTER. Mr. President——

Mr. DOUGLAS. I shall be glad to yield in a moment. When any Senator tries to point out these facts, a large number of "friendly" Senators jump on him and ask, "Where is the fat?" When we reach specific items, the hornets begin to buzz around him, and he is told, "You have no right to object to the large general appropriation because your own State got a large share of it." If that is an argument, 90 Senators could not oppose the bill because I think 45 of the 48 States got appropriations. I do not believe that New Mexico has many appropriations for rivers and harbors, but about 45 out of 48 States have the benefit of such appropriations. Does that mean that all 90 Senators from those 45 States must vote for an appropriation of three-quarters of a billion dollars? Must they vote for the over-all appropriation because their States are getting slices? If that be true, the general interest goes down the drain pipe.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. McKELLAR. If the Senator will allow this question to come to a vote——

Mr. DOUGLAS. I shall be very glad to do so.

Mr. McKELLAR. I will say to the Senator that I shall be delighted to have him vote on the other side. The Senator has not studied these questions as our committee has done. He does not know anything about them. He is making political capital of this issue. In this instance he is doing just what he has done in other cases before the committee. He is undertaking to benefit himself politically in his home State. I would not say that if the Senator had not undertaken to jump on our committee and charge us with slicing the provender for the various States of the Union according to some plan, or according to no plan at all. I say that the Senator is wholly mistaken. He does not know anything about the subject. If he stays here long enough, he will learn that the Appropriations Committee of the Senate is not the kind of committee he thinks it is. Its members are honorable and courageous men. Leaving myself out of consideration, they are just as straightforward men as can be found in the world.

Mr. DOUGLAS. The Senator should not except himself.

Mr. McKELLAR. I feel that I do not want to be included in the denunciation of the Senator.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the eloquent and subtle Senator from Maine.

Mr. BREWSTER. First, I wish to apologize for putting the figure at $12,000,000 in speaking of the amount which was being allocated to the State of Illinois. It is $18,000,000.

Mr. DOUGLAS. The Senator from Maine entered the Chamber after I had made that statement. I swore to my own hurt on that point. There is approximately $12,000,000 for rivers and harbors, and $6,600,000 for flood control. If the Senator will read the RECORD tomorrow morning, he will find that I corrected that point.

Mr. BREWSTER. I do not question what the Senator said. I myself fell into the same error. I felt that any such underestimate of the Senator's advocacy was certainly unwarranted.

Mr. DOUGLAS. I will say to the Senator from Maine that I think the State of Illinois had far abler and more persuasive representation before the Appropriations Committee than its junior Senator could ever provide.

Mr. BREWSTER. I am certainly in deep sympathy with much of what the Senator from Illinois has said about economy, and also his action in recent days on the subject. I think the question of the over-all approach——

Mr. DOUGLAS. Now I know that I am right, if the Senator from Maine approves of me. If I have ever doubted it, I trust that all doubts are removed.

Mr. BREWSTER. I trust that the Senator may always merit my approval. However, I have some concern.

Mr. DOUGLAS. I thank the Senator from Maine.

Mr. BREWSTER. I do not know whether the Senator from Illinois has indicated for the RECORD his understanding of the attempt of the Congress, over a long period of years, to remove this subject from the category of the criticisms which he has made, by requiring at least a justification from the engineers on a commercial basis. Is the Senator familiar with that policy?

Mr. DOUGLAS. Yes; that is true.

Mr. BREWSTER. That is required in the case of all projects, I think without exception. I do not know of any case, in my experience, in which Congress has gone against the conclusion of the Army engineers as to whether or not a project was justified on the basis which I have indicated.

However, I readily agree that that is not conclusive, because on that basis I think there are four or five billion dollars worth of projects which possess that status of approval. So it is a question of priority.

I entirely agree with the Senator from Illinois that we must set some top limit. The difficulty I found with the position of the Senator from Maryland [Mr. TYDINGS] yesterday was with respect to the idea that there was some magic determination of what was essential.

It is my understanding that in the initial preparation of the budget the President of the United States applied the so-called meat-ax method, allocating certain amounts which totaled approximately $40,000,000,000, and that he arbitrarily, with the benefit of whatever intuition or crystal-gazing skill he possessed, determined those limits and decided that every department was obliged to live within them. I think that is the only way it can be done. Furthermore, I think the Congress has an equal responsibility with the President in making that approach.

Whether we put $400,000,000 or $700,000,000 into this particular type of projects this year, I fully agree with the Senator from Illinois that this is a place where we could go up or down in accordance with our judgment as to the expected budget. I am not quite ready as yet to go to the extent the Senator does, until I see what is to happen in the case of the over-all appropriations. I have supported the proposal for a 5-percent reduction, which I felt was a proper approach. I am looking expectantly toward the discussion on the other side of the aisle, obviously led by the Senator from Illinois and stimulated by many other Senators, with respect to proposals to take $2,000,000,000 or $3,000,000,000 out of the budget. I shall be happy to associate myself with the efforts of that group.

I say this in order that the Senator from Illinois may feel that there is no lack of appreciation of his zeal, and because of the expectation that before the end of the session is reached we shall achieve such a reduction. If it is to be achieved in connection with these projects, we are certainly ready to take our share of the reduction, although our contribution, on the basis which the Senator has outlined, would be $100,000, while the contribution of his State would be approximately $7,000,000.

Mr. DOUGLAS. Am I to infer from that statement of the senior Senator from Maine that he favors the proposal to reduce the total appropriations from $750,000,000 to $450,000,000?

Mr. BREWSTER. I thought my language was sufficiently clear to indicate that I was not yet persuaded of its appropriateness at this particular spot, but that I expected to see something of this character achieved before the end of the session, and that I am entirely in sympathy with what the Senator from Illinois is trying to do.

Mr. DOWNEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Illinois yield to the Senator from California?

Mr. DOUGLAS. I am very glad to yield. I may say that I do not wish to monopolize the time, but I am very glad to yield for a question.

Mr. DOWNEY. Preliminary to the question, perhaps I may say to the Senator from Illinois that certainly this issue and the discussion he has precipitated are of immense importance to the Nation; and I think it becomes the duty of Congress soon to orient the pathway along which we wish to travel.

Let me ask this question of the distinguished Senator from Illinois. Does not he think that in all fairness to the Congress and to himself, he should make more precise and specific his statement of the two points he is making? The distinguished Senator seems to have fired both barrels of his shotgun at the same time. To the extent that he says this measure is "pork-barrel" legislation, I assume he intimates that under the bill, money is proposed to be granted improperly for political or corrupt reasons. If that is true, that is severe censure of the Congress or of the agencies requesting such appropriations. "Pork-barrel" legislation, understood to be unreasonable and improper legislation, could not be too heavily condemned, and the distinguished Senator from Illinois should proceed to present most specifically the facts he has in mind in that connection in regard to any particular project.

To the extent that the Senator is arguing that even though a flood-control project is reasonable and proper, its desirability must be weighed in the general fiscal scales, and thus studied and reviewed and compared with projects for other purposes, such as slum clearance, reclamation, school lunches, and so forth, I think the distinguished and admirable Senator from Illinois, whose statement accusing the Congress of pork-barrel and improper legislation will be broadcast over the United States in newspaper headlines by tomorrow, should make his implications much more specific.

If the distinguished Senator will bear with me for a moment, let me say that I practiced law for 30 years on the Sacramento River. I know that great and fearful flood stream well. The earliest records of settlement in the Sacramento Valley are filled with the frightful floods which often accompanied the annual spring run-off. I know how our people have courageously invested their time and more than $100,000,000 of their own money in building great levees to reclaim and provide flood protection for the fertile lands of the Sacramento Valley. I know that the Federal Government helped us because we needed help. But for every dollar of Federal money spent on flood-control works in the Sacramento Valley up to this time the State and local interests have invested three.

Let me say to the Senator—and I hope he will bear with me in this connection, because I have studied this particular question for 20 or 30 years of my life—that one of the important items in this civil-functions bill is the $3,500,000 to continue construction of a flood-control dam on the American River, approximately 25 miles above the city of Sacramento. The city of Sacramento is at the confluence of two great rivers, the Sacramento and the American.

We have the Sacramento well tamed; but the engineers tell us that judging by the history of past run-offs, if there is ever a confluence of peak floods in those two rivers, even with the immense flood-control facilities we now have, the city of Sacramento and a great area of land in its vicinity might be brought into desolation, at a cost of hundreds of millions of dollars.

Here is the question: A confluence of the peak of those floods might come 5 years from now or 20 years, 25 years, 50 years, or 100 years from now. No person is farseeing enough to be able to state when it is likely to occur. Here is a $45,000,000 or $50,000,000 reservoir, as proposed. Is it "pork barrel" legislation for us to say in a legislative enactment that we believe the Congress should advance the construction of this particular dam by the expenditure of $3,500,000 during the next fiscal year?

In fairness to the Senators from California who have advocated the flood-control projects in California, and about which we know, and for which we are morally responsible—does not the Senator from Illinois have the obligation to his fellow Senators and to the people of California to say, "I do not think we should have this appropriation for this or that flood-control project in California, in view of the needs for Europe or for military defense or for social security, or rather because I believe it is pork-barrel, corrupt, improper legislation which should be vigorously condemned"?

I am, of course, not familiar with all the projects in the present bill, but I am familiar with the California projects because I have sponsored most of them. I have talked with the people who live in the towns and cities and on the farms for which these projects will provide much-needed protection. I have explored many of these projects and know them first hand. In fairness to the Senators from every State, the distinguished chairman of the committee, and the other members of the committee, I think the Senator from Illinois

should make his charges and his criticisms more specific. Does not the Senator from Illinois agree with me?

Mr. DOUGLAS. No; I do not agree with the Senator from California, and I should like to point out, if I may, that unwittingly, I think, the Senator from California has put into my mouth words I did not utter. I have a copy of the speech I delivered, and I stuck very carefully to it. When I referred to the rivers and harbors bill, I said that the old rivers and harbors bill was "commonly, if irreverently, referred to by the people as the pork barrel." I did not refer to it as the pork barrel. I merely pointed out that it had been referred to as the pork barrel.

At the end of the speech, I said that, in my judgment, there was fat in the proposed appropriation, and that the fat should be fried out.

I shall be very glad to have the Senator from California look over the transcript of my speech.

Mr. DOWNEY. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. Gladly.

Mr. DOWNEY. Do I correctly understand that the distinguished Senator from Illinois is saying, in effect, that he did not mean to imply or to infer that these appropriations are of an improper or political or pork barrel nature?

Mr. DOUGLAS. I wish to say that I do not regard them as being of a corrupt nature. I do not regard them in any sense as being of a corrupt nature.

What I do think is that apparently the projects have historically been distributed among the various States, without any large or concerted plan; and they are so widely distributed that the Representatives and Senators coming from particular districts and States then feel tied to the bill as a whole, so that a coalition or alliance is built up on a series of local projects.

All I am trying to say is that in view of the budgetary deficit we face, should we not make stringent economies on this item? That is all I am trying to say. I do not see why the Senator from California should think that I have made the statements which he seems to believe I made.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield.

Mr. DOWNEY. Let me say that if I have misunderstood the Senator from Illinois, I certainly wish to disclaim any desire to do so. I am most happy to have him declare that he is primarily discussing a question of fiscal policy.

Mr. DOUGLAS. That is correct.

Mr. DOWNEY. Rather than a question of political corruption or favoritism in the making of appropriations.

Mr. DOUGLAS. I wish to make my position clear. I made no charges whatsoever of corruption. I did say that I thought the total amount to be appropriated is excessive, that there are amounts of fat or grants which could be reduced, and that we should try to reduce them.

I was immediately challenged to go into the question of specific appropriations, and thus we got into the question of the streams in Maine, as a byplay; and now the Senator from California is inquiring as to certain projects in California; and the distinguished Senator from Tennessee [Mr. MCKELLAR] has reminded me that my hands are not clean in this matter, for it is proposed that the State of Illinois shall receive certain money under this appropriation bill. Therefore the inference is made that I should keep quiet and should vote for this bill calling for the appropriation of $751,000,000.

Mr. TOBEY, Mr. LONG, and Mr. MCKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and if so to whom?

Mr. DOUGLAS. I yield first to the Senator from New Hampshire.

Mr. MCKELLAR. The Senator declines to yield to me.

Mr. TOBEY. Mr. President, I have just returned to the Senate Chamber from lunch, but it dawned on me that perhaps some of the Members of this body do not have sufficient perspicacity or understanding or ideals to think for a moment and allow their minds to come to the conclusion that there might be a Senator of the United States who can take a broad view of things, greater than his own individual interest, or the interest of his own State. I say if that is the situation, and I believe it is, I should like to ask Senators to join in singing the doxology and thanking God for it. It is rather a new era.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield.

Mr. MCKELLAR. I want to read to the Senator his own testimony given before the committee on this very subject.

Mr. DOUGLAS. I am very glad to have the Senator do that. What page?

Mr. MCKELLAR. Page 1376 of the record of the testimony. I read from the following:

Senator DOUGLAS. These three projects are all portions of the Calumet-Sag project. There is an interstate highway which will cross this waterway project and connect Chicago with Detroit which will require the prompt relocation of railroad tracks and the building of a new railroad bridge in order to avoid later unnecessary costs of a substantial size.

What we are asking for initially is the amount of $300,000 to relocate the tracks of the Michigan Central Railroad.

Mr. DOUGLAS. That was a legal obligation.

Mr. MCKELLAR. The Senator continued:

But we would greatly prefer and recommend an appropriation of $2,000,000 for this track relocation and for the building of the new bridge which will be used by the Michigan Central Railroad.

We would also like—

I ask the Senator to listen to this—

We would also like, if your committee feels in a generous mood—

"If your committee feels in a generous mood"—

an additional appropriation of $3,000,000 to widen the canal along part of its westerly extension.

We are requesting immediately funds for the relocation of the tracks of the Michigan Central Railroad.

The Chicago Regional Planning Association and the Chicago Association of Commerce are very strongly behind this project, as are also the labor organizations in the southern part of Chicago and the various agencies of the local and State governments.

The Congress, as you know, authorized this project to build up a great shipping center on Lake Calumet where bulk commodities could be transferred between Great Lakes and inland water transportation.

I think perhaps that is as much as I should say and that I shall now introduce Mr. Robert Kingery, who will make the main presentation for us.

Did not the Senator testify to that?

Mr. DOUGLAS. Why, of course.

Mr. MCKELLAR. Of course he did. Now——

Mr. DOUGLAS. Mr. President, do I have the floor, or does the Senator from Tennessee have the floor?

The PRESIDING OFFICER. The Senator from Illinois yielded for a question only.

Mr. DOUGLAS. What is the question?

Mr. MCKELLAR. I have asked the Senator, was that his testimony?

Mr. DOUGLAS. It certainly was.

Mr. MCKELLAR. I am glad to hear the Senator say that.

Mr. DOUGLAS. Without sacrificing the floor, I may ask the Senator from Tennessee what conclusion does he draw from this testimony of mine?

Mr. MCKELLAR. I shall be happy to answer. I draw the conclusion that when the Senator was before the committee he made no suggestion about lowering appropriations. He was asking for millions of dollars for his own State. He said not a word about economy. I have read his testimony, and there is not a word about economy, not a word about the depression, not a word about our country going to the bow-wows, so to speak, as the Senator now suggests. But, when the Senator wanted something of the committee, we see what he had to say.

Mr. DOUGLAS. I am very happy to have had the Senator turn me down.

Mr. MCKELLAR. I am answering the Senator's question. The Senator asked me a question, and I am answering it. See how the Senator from Illinois began:

The CHAIRMAN. Senator DOUGLAS, we are ready to hear from you.

Senator DOUGLAS. Senator MCKELLAR and colleagues, I appreciate the privilege you have given me to appear on behalf of the Calumet-Sag project——

Mr. DOUGLAS. I ask the Senator what is wrong about that?

Mr. MCKELLAR. The Senator was merely being polite. He wanted something. He said not a word about any percentage cut. He said not a word about economy. He said nothing about anything except that he wanted a particular appropriation.

Mr. DOUGLAS. Mr. President, may I ask——

Mr. MCKELLAR. Just a moment. The Senator asked me a question and now I am answering him.

Mr. DOUGLAS. Mr. President, I thought I had the floor.

Mr. McKELLAR. No, sir; the Senator has not.

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor, but the Chair thinks the Senator from Tennessee is in order. He was given permission to answer a question.

Mr. DOUGLAS. As long as the Senator from Tennessee does not take me off my feet, he can talk.

Mr. McKELLAR. The Senator can stand on his feet as long as he wants to. But I want to say that before the committee he was one man, while here, before the Senate, he is another man, making an entirely different proposition. Then, he wanted something; now, he wants to go back on the statements he made before the committee. He said nothing about the Nation being in a great crisis and the need to cut down appropriations. The Senator was asking the committee whether it was in a generous mood; and if so, whether it would not only give money to the State of Illinois and to his people but also give to the Michigan Central Railroad money with which to relocate its tracks.

Mr. DOUGLAS. They were compelled to move the tracks because of the public highway.

Mr. McKELLAR. Yes; but the Senator did not explain anything about that.

Mr. DOUGLAS. Oh, yes; that was explained.

Mr. McKELLAR. It was not explained here. I have the hearings. If I have made a mistake, I want the Senator to read it. I do not recall it. The testimony is that the Michigan Central needed its tracks relocated, and the Senator wanted money from the United States Government for the purpose of relocating them. If the Senator wants me to tell him, I think he does himself a great injustice when he comes before the committee asking for larger appropriations, extravagant appropriations, unusually extravagant appropriations for the State he represents, and appropriations for one of the railroad companies operating in the State of Illinois and in other States.

He came before the committee asking whether we were generous, and if we were, would we grant these enormous appropriations. The Senator now comes into the Senate abusing and reflecting upon the committee. It surprises me that the Senator would undertake to reflect upon the Appropriations Committee of the Senate in any such way. I hope he will get into a better humor.

Mr. DOUGLAS. Is the Senator through?

Mr. McKELLAR. I have answered the question.

Mr. DOUGLAS. I am somewhat at a loss to tell exactly what the Senator from Tennessee is concluding from the statement he has made. He apparently says that because I appeared before the committee to represent my constituency on a specific request for an appropriation, I am thereby estopped from criticizing the bill as a whole. If that principle is to be followed, it means there is no one here to defend the general interest, and we are always torn between the need for representing local interests and the need for representing the general interest. When I was appearing before the committee, I was trying to represent a local interest. The Senator says I should have immediately preached to him a sermon on economy. Must one talk about every subject under the sun on every occasion? There is a phrase in "Green Pastures," the Senator may remember, "The Lord expects you to figure out some things for yourself."

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator will suspend for a moment. The Chair asks that the Senate be in order, and that all conferences be suspended. The Chair thinks it would be an excellent show of good manners if those who are visitors on the floor of the Senate—and the Chair is not talking about Members either of the Senate or the House of Representatives—would find a place to sit down and not add to the confusion by talking. It would make an excellent impression on both the Senate and the galleries, if the visitors would exhibit such manners.

Mr. DOUGLAS. I may say, in truth, and in no sense in an attempt to appease or to mollify the distinguished chairman of the Appropriations Committee, that we are very thankful to the committee for bringing these various items into balance. I have no complaint whatever regarding those which, to use the eloquent words of the former mayor of Jersey City, are "going out the window." But I wish, in view of the budgetary deficit, the committee had shown more self-restraint in determining the total figures. I wish they had not been so carried away by the specific projects as to come up with a figure of three-quarters of a billion dollars, which is $158,000,000 over the House figure. I should like to have seen some greater degree of restraint.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. McKELLAR. The President of the United States, in his budget estimate and in his message, recommended $21,000,000 more than has been reported by the committee. Does the Senator think the President of the United States should be reprimanded, as the Senator is undertaking to reprimand the Appropriations Committee of the Senate, for recommending a sum $21,000,000 greater than the Senate committee has reported? The Senator has not looked into the question, or, I am sure, he would not want to do that. The only answer to the Senator's position is that he does not know the facts; he has no knowledge at all of the facts. He should have read the testimony taken by the committee before he attacked the committee, as he is now inferentially attacking the President of the United States, for being grossly extravagant in recommending $21,000,000 more than reported by the Senate committee.

Mr. DOUGLAS. Mr. President, I must protest against the Senator's putting words into my mouth which I have never uttered. I have never uttered a criticism of the President of the United States. On the contrary, I upheld his budget at the time it was submitted. It was drawn up on the basis of conditions existing in December, which were quite different from the conditions existing now. Since that time it has appeared that there would be a deficit of approximately $2,000,000,000, and with revenues falling off, the deficit is likely to be from $3,000,000,000 to $4,000,000,000. How am I hurting the Senator's feelings or making an attack upon him because I think the appropriations should be cut approximately $300,000,000? Why does the Senator take it personally?

Mr. McKELLAR. The Senator has shown by his speech that he knows nothing of the facts concerning which the committee has recommended appropriations. In my judgment, the Senator is doing a very impolite and very discourteous thing to the members of the committee who have examined into the subject and have taken evidence on every project——

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Chair is of the opinion that the regular rules of the Senate should be observed. The Senator from Illinois is recognized. He can yield only for a question.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Virginia.

Mr. ROBERTSON. I think the Senator from Illinois has taken into consideration the seriousness of the budgetary situation. I realize conditions have changed somewhat, and it may be that he did not have a full opportunity to look into all the projects while the subcommittee on civil functions was studying the program. But I want to call the Senator's attention to a few projects upon which action has not yet been taken. I shall enumerate them and ask the Senator if he will be good enough to look into them. They are pending before the Subcommittee on Interior. They come under the general category of reclamation projects.

Davis Dam, Ariz.-Nev.: The total estimated construction cost is $111,438,000. The budget request is for $38,739,000.

Parker Dam power project, Arizona-California: The total estimated construction cost is $23,529,019. The budget request is $138,000.

Boulder Canyon project, Arizona-California: The total estimated construction cost is $173,903,900. The budget request is $7,500,000.

Central Valley project, California: The total estimated construction cost is $440,069,000. The budget request is $63,000,000.

Colorado-Big Thompson project, Colorado: The total estimated construction cost is $144,581,000. The budget request is $21,500,000.

I pause in reading these figures to say that these are power projects; they are not flood control, irrigation, or drainage. I am listing only the power projects.

The next is the Boise project, Idaho. The total estimated construction cost is $32,234,000. The budget request is $1,932,000.

Palisades project, Idaho: The total estimated construction cost is $57,393,500. The budget request is $205,000.

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAYLOR. I should like to make a correction. The Senator from Virginia has said that these projects are power projects. That is certainly not correct with respect to the Palisades project in Idaho. I think a number of the other projects are not power projects.

Mr. ROBERTSON. I requested a summary of only power projects, and this is the summary which I was given. I have not examined them. It may develop later in the hearing whether they are power projects. I asked only for power projects, and this summary was given me.

The next project is Fort Peck, Mont. The total estimated construction cost is $15,500,000. The budget request is $3,000,000.

Hungry Horse project, Montana: The total estimated construction cost for that project is $108,800,000. The budget request is $24,000,000.

Rio Grande project, New Mexico-Texas. The total estimated construction cost is $14,247,047. The budget request is $20,000.

Columbia Basin project, Washington: The total estimated construction cost is $784,836,000.

This is a very interesting one. The total construction cost is $784,836,000, and the budget request is $69,500,000.

Yakima project, Washington: The total estimated construction cost is $10,736,000. The budget request is $50,000.

These small items refer to the amount of money necessary to get the project under way.

The Roza division of the Yakima project. The total estimated construction cost is $22,662,000. The budget request is $449,955.

Kendrick project, Wyoming. The total estimated construction cost is $24,138,000. The budget request is $1,680,000.

Riverton project, Wyoming. Total estimated construction cost, $19,760,801. Budget request, $2,731,000.

Shoshone project, Wyoming. Total estimated construction cost, $16,791,705. Budget request, $140,000.

Here is another interesting item. We have not yet authorized the Missouri Valley Authority. I understand that when it was first contemplated it was stated it would cost $4,000,000,000. The estimate now is that it will cost $6,000,000,000. We do not know what the final estimate will be. But here is one item in the Missouri River Basin, the total estimated construction cost of which is $684,890,000, and the budget request is $74,075,000.

I say to my distinguished colleague from Illinois that those are some projects submitted to me as being power projects. They are in a bill upon which action has not yet been taken. The subcommittee has not yet completed its work. Would the distinguished Senator be good enough to direct his attention to some of those projects and give us the benefit of his advice as to what should be done when the report reaches the Senate?

Mr. DOUGLAS. I feel quite humbled by the responsibility which the distinguished Senator from Virginia has cast upon me of passing judgment upon these projects, the majority of which I know very little about. I would say, as an offhand, curbstone opinion, since the Senator has asked me, that it is obvious that these projects cannot be carried through in any one year, but it is quite possible that a very large proportion of them can be carried through over a long period of years.

If I may be permitted to answer further, I should like to say that a good many of these projects will result in revenue being obtained and in some cases they will not require a cash expenditure, but will instead be a capital investment which can be met by bonds the interest upon which and the amortization allowance on which can be met out of earnings.

Mr. ROBERTSON. Is not that true of every project in the pending bill? Has it not been recommended to the Congress, before a single one of the projects in the pending bill was reported, that in the opinion of the engineers the ratio of cost benefits will liquidate the project in a period of years?

Mr. DOUGLAS. I was not aware that the rivers and harbors appropriations would be directly liquidated. I was not aware that there would be specific revenues pledged to redeem them. What is understood is that it is assumed there will be indirect benefits.

Mr. ROBERTSON. I am talking about power projects, and these I just read were power projects.

Mr. MURRAY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Montana.

Mr. MURRAY. I think the Senator is mistaken when he says these are merely power projects. They are not; they are projects for multiple dams which will provide flood control and irrigation, as well as power. Furthermore, construction of many of the dams will eliminate the need for vast sums being spent for flood control on the lower Mississippi. One of the great mistakes that has been made by Congress has been the attempt to dam up the Mississippi River to protect the people on the lower stretches of the river from floods. The place to stop the floods is in the uplands, where the water falls on the ground. Build the dams up there. That is what the dams are for. They will eliminate much of the argument about "pork barrel" projects.

Mr. ROBERTSON. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I am glad to yield to the Senator from Virginia.

Mr. ROBERTSON. I have read a list of the projects which will produce power. Every time a dam is built it stops the flow of water. We can call it a flood-control dam if we please, because it dams up the water. That is a necessary result of building the dam. It may be that in the particular projects we are discussing some definite benefit can be shown from a flood standpoint. I have been studying this general program long enough to know that it is only down in the Deep South, for the most part, where there are terrific floods, where a dam on a river just for flood control can be justified. There must be power incidental or it will not pay out. Every project I have mentioned to the Senator is a power project.

Now the Senator says it may not cost much because it is to be developed over a period of time.

Mr. DOUGLAS. It may not cost too much each year.

Mr. ROBERTSON. Very well, it may not cost too much each year. I merely call attention to the fact that the figures for the coming fiscal year add up to $308,659,955.

Mr. TOBEY and Mr. REED addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield, and, if so, to whom?

Mr. DOUGLAS. I yield first to the Senator from New Hampshire.

Mr. TOBEY. May I ask the Senator from Virginia if it is his understanding that when the great dams are built for flood control, those building them, as has been done in my State in recent years, install penstocks so that the dams will be available for a dual purpose when the proper time comes?

Mr. ROBERTSON. Install what?

Mr. TOBEY. Penstocks, to carry the water for generating power.

Mr. ROBERTSON. The Army engineers insist on that as to all the dams, and they tell us it is about the only way they can justify the dams.

Mr. TOBEY. That was my thought. I did not get clearly from the Senator that that was the procedure as to the dams in the West.

Mr. ROBERTSON. Oh, yes; the dams in the West are primarily power dams, and that is why I picked those. I did not want to get into the realm of the use of water for reclamation alone, and the draining of the upper land. I merely wanted the Senate to understand that we were referring to the same kind of projects as there are in the upper lands, and ask the Senator from Illinois, since all these are in his area——

Mr. DOUGLAS. Not many of them, but I am platonically interested in them.

Mr. ROBERTSON. If we can count on his continued interest in connection with the bill which has not yet come out of the committee.

Mr. DOUGLAS. I should like to see the bill before I expressed an opinion, but I would say that the danger is not so great as the Senator from Virginia would have us believe.

Mr. REED. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Kansas.

Mr. REED. Is the Senator from Illinois familiar with the fact that in connection with the same appropriation bill last year a minority report was made by the chairman and two members of the Committee on Appropriations?

Mr. DOUGLAS. I have heard of that, but I should like to have the Senator from Kansas, if he will, explain the nature of the minority report.

The PRESIDING OFFICER. The Senator can yield only for a question.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Just a moment.

Mr. REED. The rule the Chair has mentioned has been violated.

The PRESIDING OFFICER. Just a moment. The Chair holds that the rule has been violated greatly, but to the extent that the Chair thinks it his duty, for the benefit of the Senate, to enforce the rule, he will have to say to the Senator from Illinois that he will have to hold that the Senator will lose the floor if he yields for anything more than a question.

Mr. DOUGLAS. I throw myself upon the good nature and good judgment of the Senator from Kansas to make a statement, secure in the faith that he will not take me off my feet.

Mr. REED. I shall do my very best to conform to the rules of the Senate.

Is the Senator from Illinois aware of the fact that the bill carries a larger amount of money, as reported to the Senate from the committee, than the similar bill reported last year did?

Mr. DOUGLAS. I am aware of that fact.

Mr. REED. Is the Senator aware of the fact that last year the Joint Economic Committee made this statement:

> Since Federal, State, and local expenditures constitute the greatest inflationary force in our economy, these expenditures should be curtailed wherever possible.

Then is the Senator aware that on page 3 of the minority report this further statement was made by this committee:

> For the same reason, large-scale expansion and acceleration of public works projects should be limited to such projects as are deemed urgently necessary to the public interest.

Was the Senator familiar with that?

Mr. DOUGLAS. I had not read the details of the report, but I was familiar with the general contents.

I should like to ask the Senator from Kansas what recommendation the minority made last year. How much did the minority want to cut the budget then?

Mr. REED. Is the Senator from Illinois aware of the fact that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and I made a motion to recommit with instructions to the Committee on Appropriations to return the bill carrying an amount $200,000,000 smaller than that contained in the bill?

Mr. DOUGLAS. I am very glad indeed to have confirmation from the Senator from Kansas. The cut of $200,000,000 which the Senator advocated last year seems to be about in line with the cut of $300,000,000 which I advocate this year, because we start from a higher base.

Mr. REED. I entirely agree with the Senator from Illinois that this year the Treasury is not in as sound and good condition as it was last year. Business is declining and revenues are falling off, yet it is proposed to increase expenditures. The amount stated by the Senator from Illinois, $350,000,000, in round numbers, is fairly comparable with the $200,000,000 which I and the Senators associated with me thought the bill should be cut last year.

Mr. DOUGLAS. I thank the Senator from Kansas for coming to the support of the position which I have been trying imperfectly, perhaps, but no less sincerely, to defend.

Mr. REED. As a Senator with some seniority, I have had the feeling that the junior Senator from Illinois has been rather roughly handled.

Mr. DOUGLAS. I have no complaint to make on that score. The Members of the Senate have been very kind to me. I appreciate their kindness. If on any occasion they are not kind, I can take care of myself in the rough and tumble and bear no malice afterward.

Mr. LONG. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. Will the Senator tell me to what extent he has studied the committee hearings?

Mr. DOUGLAS. I have given them some attention. I am not able to furnish the Senator with a complete job analysis of the number of hours I have spent going over them, but I shall be glad to do so later, possibly.

Mr. LONG. I assume that the Senator knows that there are 97 construction projects and 178 flood-control items in the bill. I ask the Senator if he has studied any of the engineering reports or the analyses or the economic justifications of these projects, and if so, with respect to how many has he actually studied the economic justifications and the engineering reports.

Mr. DOUGLAS. I am very frank to confess to the Senator that because of lack of time and because of pressure of other duties, I have not been able to go over each one of these 178 projects. That would be impossible. If the Senator will forgive me for asking a Yankee question, may I ask the Senator from Louisiana how many of these 178 projects he himself has studied in detail?

Mr. LONG. I shall be glad to tell the Senator. I have studied those affecting my State, and have not found one that was not well justified. As a matter of fact, I have gone into the facts with some of the people in the localities affected, and have not found one project which was not thoroughly justified. I should like to ask the Senator from Illinois if he does not know that before each of these projects is even authorized, let alone appropriated for, it is discussed at considerable length with the district engineer, and hearings are held respecting them by the Committees on Public Works in both the House and the Senate. The engineers must present economic data which the people of the communities affected furnish to prove the justification.

Mr. DOUGLAS. I am aware of that fact, and have attended some of those hearings.

Mr. LONG. Does the Senator know that not one of the projects which has been constructed has ever failed to prove to be economically justified on hindsight?

Mr. DOUGLAS. The question of economic justification is a dual one. There is one question as to how the project fits in with local needs, but then there is the larger question of how the sum total of all these projects fits in with the economy of the Nation. It is the latter issue to which I have been primarily trying to address myself. In view of an expected deficit of $3,000,000,000 or $4,000,000,000, I maintain that if we do not want such a deficit this is an admirable place to cut, or to postpone, many of these works until such a time as there may be a depression, if we should have a depression.

Mr. LONG. Mr. President, does the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. LONG. I do not believe the Senator would object if I mention the difference in attitude between himself and me in discussing the European recovery program. I do not believe the Senator would mind if I mention the fact that the Senator stated he might be willing to consider a cut by 10 percent in the European recovery program funds. I suggested that if we had to economize I would be willing to cut even more than that. I ask the Senator from Illinois how he reconciles the fact that he is willing to cut as much as 40 percent on items of flood control, which, to my people, are matters of life and death, whereas he would cut only 10 percent in the European recovery program, for economic purposes?

Mr. DOUGLAS. I would say to the Senator from Louisiana that there is a very good hymn which was written by Cardinal Newman:

> Lead kindly light * * *
> I do not ask to see
> The distant scene—one step enough for me.

We do not have the European recovery program before us. When it comes before us, and when we consider the prices in effect at that time, I shall be ready to consider that matter with an open mind. It so happens that today we are debating the civil-functions bill, a bill which contains rivers and harbors items.

Mr. LONG. Has the Senator made any study of the actual damage which would occur if the levees were to break at certain points where the greatest damage could occur in the Delta area of the country?

Mr. DOUGLAS. I know it would be very considerable, I will say to the Senator. Is the Senator maintaining that it is necessary to spend $750,000,000 in order to protect the people of the lower Mississippi?

Mr. LONG. No. Only a small portion of that amount would actually go to the lower Mississippi.

I ask the Senator further if he knows that the actual Federal investment in flood control for that area to this time has been about $483,000,000, and that in excess of $500,000,000 more than the total investment, has already been saved by reason of prevention of floods in those areas, to which they had previously been subject, and that this investment, in effect, has already been paid back by reason of the prevention of damage effected by the flood-control works that have been constructed?

Mr. DOUGLAS. I am not acquainted with those figures but I am very glad to have the Senator give them.

I should like to ask the Senator from Louisiana if the Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border (New Orleans District) for which the budget estimate this year is $3,500,000; if the Pearl River, La. and Miss., project for which the budget estimate for this year is $1,500,000; and if the waterway from Empire to the Gulf of Mexico, for which the budget estimate for this year is $588,000 are for the purposes of flood control?

Mr. LONG. May I ask the Senator from Illinois if he has ever looked at the engineering reports on those items to see their economic justification?

Mr. DOUGLAS. I will be very glad to go over them with the Senator from Louisiana, but they are not primarily for flood control.

Mr. LONG. I may point out to the Senator from Illinois that the waterway from Empire to the Gulf of Mexico has the highest justification of any river and harbor item in the bill. Also the Intracoastal Waterway has exceeded, by way of economic benefit, many times what was expected of it.

Mr. DOUGLAS. Mr. President, it was not my intention to make any lengthy speech. In fact, I spoke about 5 minutes in my original speech and I have been kept on my feet for about 2 hours since then by questions.

I should now like to move, if I may, to suspend paragraph 4 of rule XVI for the purpose of proposing the amendment which I have heretofore submitted, and on that question I should like to ask for a yea and nay vote.

The VICE PRESIDENT. The Chair will state to the Senator from Illinois that no point of order has been made against his motion.

Mr. McKELLAR. Mr. President, I make the point of order that the amendment is not in order; that it is legislation on an appropriation bill.

The VICE PRESIDENT. The Senator from Tennessee makes the point of order that the amendment is not in order, as well as being legislation upon an appropriation bill. The Chair sustains the point of order.

Mr. DOUGLAS. Mr. President, I now move to suspend the rule, pursuant to the notice given to the Senate yesterday, for the purpose of offering the amendment I have submitted.

The VICE PRESIDENT. The Senator from Illinois moves to suspend paragraph 4 of rule XVI for the purpose of offering an amendment.

Mr. DOUGLAS. On that motion I ask for the yeas and nays.

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	Knowland
Brewster	Hayden	Long
Bridges	Hendrickson	Lucas
Cain	Hickenlooper	McCarthy
Connally	Hill	McClellan
Cordon	Holland	McFarland
Donnell	Humphrey	McKellar
Douglas	Ives	McMahon
Eastland	Jenner	Martin
Ellender	Johnson, Colo.	Maybank
Ferguson	Johnson, Tex.	Millikin
Graham	Kefauver	Morse
Green	Kilgore	Mundt
Murray	Sparkman	Vandenberg
O'Mahoney	Taft	Wherry
Pepper	Taylor	Wiley
Reed	Thomas, Okla.	Williams
Robertson	Thomas, Utah	Withers
Russell	Thye	Young
Schoeppel	Tobey	
Smith, Maine	Tydings	

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to suspend paragraph 4 of Rule XVI of the Standing Rules of the Senate, to enable him to offer a certain amendment.

Mr. FERGUSON. Mr. President, on behalf of the Senator from New Hampshire [Mr. BRIDGES] and myself, I send to the desk a motion to recommit the bill and ask that it be read.

The VICE PRESIDENT. The motion will be stated.

The legislative clerk read as follows:

I move that the bill (H. R. 3734) be recommitted to the Committee on Appropriations with instructions to report the same back to the Senate with amendments providing for a reduction equivalent to 10 percent of the total amounts appropriated therein: *Provided*, That any such reduction shall be based on the amount of appropriations contained in the bill as amended by the Senate at the time of its recommittal.

The VICE PRESIDENT. The motion to recommit takes precedence over the motion to suspend the rule. A motion to recommit with instructions is subject to amendment.

Mr. DOUGLAS. Mr. President, I move to amend the motion to recommit by substituting a motion which I send to the desk and ask to have stated.

The VICE PRESIDENT. Is it by way of amendment of the instructions?

Mr. DOUGLAS. It is an amendment to the motion to recommit made by the Senator from Michigan [Mr. FERGUSON].

The VICE PRESIDENT. The amendment will be stated.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. Can that be done under the rules of the Senate?

The VICE PRESIDENT. A motion to recommit with instructions is subject to amendment so far as the character of the instructions is concerned. The Chair understands that this is an amendment to the instructions contained in the motion made by the Senator from Michigan.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is the amendment offered by the Senator from Illinois subject to amendment? As I understand, it is an amendment in the first degree.

The VICE PRESIDENT. It is subject to amendment, unless it be considered as an amendment in the second degree. This particular amendment is in the nature of an amendment in the first degree; and an amendment to the amendment would be in order.

Mr. WHERRY. So if the amount asked for be reduced or increased in any amount, irrespective of the 40 percent, such an amendment would be in order?

The VICE PRESIDENT. It would be in order to offer an amendment to the amendment of the Senator from Illinois; but an amendment in greater degree would not be in order.

Mr. FERGUSON. Mr. President, I should like to have the amendment of the Senator from Illinois read. I am not familiar with its contents.

The VICE PRESIDENT. The Secretary will read the amendment in the nature of a substitute.

The legislative clerk read as follows:

I move that the bill, H. R. 3734, the Civil Functions Appropriation Act, 1950, be recommitted to the Committee on Appropriations with instructions to report it back to the Senate with amendments making reductions in the various items of appropriations so as to provide that the total amount of the appropriations contained in the bill shall not exceed $450,000,000. The said committee is hereby authorized to eliminate completely appropriations for certain projects and to reduce others by such amounts as it may deem proper.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the motion of the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President——

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. The Senator from Michigan has the floor.

Mr. FERGUSON. I decline to yield except for a question.

Mr. President, the attempt which is being made here is essentially the same as that which has been undertaken in respect to each appropriation bill which has been reached on the floor in the present session, except that the percentage of reduction in this case is made 10 percent instead of 5 percent, as in the case of the other motions.

The Senator from Michigan has in mind in this particular case that many of these projects have been started; others are projects which are about to be started; and some are in the process of completion. This relates, not to particular governmental functions, but to contract work, much of it being by way of equipment and material to be used for the particular jobs. As prices at the present time are on a downward trend, it appears that in making a cut in the appropriations carried by the pending measure, in order to have that cut in line with other reductions, it should be 10 percent instead of 5 percent.

The effort we are making in this connection is identical with the efforts which were made with respect to the corresponding bill at the last session of Congress; in other words, the bill for flood-control work and river and harbor projects, which was known as the appropriations bill for civil functions of the Department of the Army. It will be recalled that at the time when that bill was before the Congress last year it was contended that the total amount of appropriations called for by the bill was inimical to the interest of the national economy and an unwarranted and unnecessary drain on the Treasury at a critical moment in our fiscal operations.

The considerations which prompted that conclusion last year have been in-

tensified in the past 12 months. While we saw the situation a year ago as pressing, we see it today as acute. Today there is no room whatsoever to doubt that unless a reduction can be accomplished in the Government expenditures which are represented in this bill, we will face in the next fiscal year a serious deficit which can be met only by the twin terrors of deficit financing or new taxes. I call them twin terrors advisedly, because they both hang over us as devastating threats to our national economy, which today is moving forward with hesitant and doubtful steps.

By its very nature, this appropriation is one which is particularly susceptible of reduction. This is by no means to say that those of us who favor a reduction protest the wisdom of civil-works projects generally, or of any necessary Federal expenditure, for that matter. But the test, particularly at this time, is one of necessity—economic necessity, first. In the case of the appropriations proposed by this bill, engineering necessity should come second.

Mr. President, as I have been saying, my position in this connection is not a protest against flood-control works or against river-and-harbor projects. I am as sympathetic as is any other Member of the Senate toward appropriations for flood-control and river-and-harbor projects, because the United States must be developed. But at certain times we cannot do everything that may be desirable; therefore at such times we must concentrate upon the projects which are the most essential and are most in the interest of the Nation as a whole.

No appropriation bill which will come before us has a greater degree of elasticity than does the present bill. These appropriations lack the mandatory nature of grants-in-aid, veterans' benefit payments, interest on the national debt, or even the bulwarks of our foreign policy and national security as contained in foreign-aid and defense-establishment appropriations. I know that there are those who will violently disagree with me in regard to the last-mentioned item. They will argue, "How can we contend that any foreign aid should be given unless all our domestic programs have been taken care of to the fullest extent?"

Mr. President, it is merely a matter of judgment whether we can keep the peace without making some appropriations in connection with foreign aid. As those bills come before us, I shall take specific stands upon them.

Furthermore, Congress is able to exercise a certain amount of discretion, limited only by rare instances of utmost urgency, in making appropriation allowances for civil-works projects.

River, harbor, and flood-control projects are admittedly works of importance in internal improvement. In varying degrees—and I stress that variance—they are esssential to the national welfare. But contrary to a school of thought which is prevalent throughout the Nation and even in these Halls, there is a limit beyond which the total take of Government from the national economy cannot go without seriously depressing the living standard of the people.

In connection with an effort to reduce by 5 percent another appropriation which was before us, I spoke of the meaning of the alternative to such an over-all reduction in Government spending. I used as an illustration the $4,000,000,000 tax increase which is the President's alternative to Government economy. I sought to show its application to the taxpayers earning less than $3,000 a year. Those taxpayers are the shop workers, the clerks, the small farmers. They make up about 70 percent of the taxpaying public.

I estimated that the burden of a $4,000,000,000 tax increase on those persons would amount to about $39 apiece—that is, $39 which would be taken out of their pockets, and for which they would have to forego a corresponding amount in their family budgets in terms of necessary recreation or shoes or clothing or food. That is their stake in this economy program.

The problem before us is essentially one of determining how much of the national income may be diverted to the use of the Government and still leave the people sufficient funds with which to feed, clothe, and house themselves decently and adequately. Let us not overlook that fact.

The history of civil-works appropriations since before the war is a vivid explanation of the manner in which this problem has enlarged itself year by year. I wish to recite that history now, and I hope its implications may be impressed upon every Member of Congress, and upon all the people of this Nation. I read the amount of annual appropriations for the civil functions of the Corps of Engineers since 1939, rounding off the figures to the closest million:

1939	$184,000,000
1940	280,000,000
1941	216,000,000
1942	201,000,000
1943	235,000,000
1944	99,000,000
1945	104,000,000
1946	256,000,000
1947	321,000,000
1948	416,000,000
1949	580,000,000

In the pending bill it is proposed to appropriate for the civil functions of the Corps of Engineers $723,000,000, or 393 percent more than was appropriated 11 years ago. The total amount for that purpose carried by the pending measure is $722,690,690. For the entire bill it is $751,440,690. But that includes the Panama Canal, the Signal Corps, the Soldiers' Homes, and a few other small items.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. FERGUSON. I yield.

Mr. ROBERTSON. Does the Senator's amendment instruct the committee to revise the bill and reduce the total by 10 percent, with authority to do it in any way they see fit?

Mr. FERGUSON. Yes.

Mr. ROBERTSON. The Senator well knows the struggle we had in the committee over these items.

Mr. FERGUSON. I well know that.

Mr. ROBERTSON. The Senator knows that, while he and I did not agree with the majority of the committee on every item that was included, we must recognize the fact that legislation of this character is of necessity something of a compromise, and that no one man's judgment is infallible, and no one State project has supreme priority. But I should like to ask the Senator this question: After the subcommittee had done the best job it could to equalize the projects, and the committee had approved the work of the subcommittee, is it not true that the amendments to the bill as reported to the floor amounted to more than a 10-percent increase over the House bill?

Mr. FERGUSON. Yes, that is correct.

Mr. ROBERTSON. Then I want to ask the Senator, why was it that he raised no protest when those amendments were being adopted one by one, when the projects could have been singled out and discussed, and if they were out of line, brought down; or else adopt a policy that, as we go through each item of the bill cut it a percentage point on the assumption that the committee had properly adjusted the separate items to the total the committee had in mind?

Mr. FERGUSON. I think that is a simple question to answer. It is very logical.

Mr. ROBERTSON. I should like to have the answer.

Mr. FERGUSON. I shall give it now. The answer is that the Senator from Michigan had in mind that the subcommittee is better able to accomplish that particular thing than are Members on the floor, and it is a matter of choice as to who shall do it and where it shall be done.

Mr. ROBERTSON. But the Senator has just called attention to the fact that these are items which are relatively simple to cut and to understand, as compared with items which may involve human life and policy and what not. I wanted the Senator to explain to me why he contends that other Members of the Senate are discharging their full responsibility simply by asking that the bill be sent back to our committee to be revised.

Mr. FERGUSON. I am glad to answer.

Mr. ROBERTSON. I should be willing, if it is the wish of the Senate, on the ground that the budget will not stand this much, to make a horizontal cut and reduce every project by a given percentage. But I do not see the wisdom of sending the bill back to the same committee that has spent about 6 weeks on it, with many tedious sessions. I attempted to attend nearly all of them, which not every member of the subcommittee did. Why should the bill be returned to us, to go over the matter again, when the Senator knows it is largely a budgetary or monetary matter, and if the appropriation is too high, he could say "Cut it 5 percent, or 10 percent," or join with the distinguished Senator from Illinois and accept his amendment, and cut 40 percent straight across the board. Where are we getting by merely voting to recommit?

Mr. FERGUSON. Mr. President, I shall answer that simply by saying that the committee is in a better position to

make the particular cut on this particular bill, for the reason that when the matter is before the committee, it naturally must have the advice of the Army engineers, and it must get their advice before the bill is marked up in the subcommittee, after the taking of the testimony. The subcommittee has submitted to the Corps of Engineers three figures. The first figure was $564,542,270. The second figure was $741,377,220. The third figure was $841,037,220. They were told to take those three figures back to the Pentagon Building and allot that sum of money to certain projects, having in mind their analysis as to which was most important, giving consideration to such things as whether or not it was possible to complete the project, whether it was a new project, whether the budget had allowed anything for it, and various other things.

Mr. President, the first figure, $564,000,000, was the House figure. The second, $741,000,000, was the figure of the Bureau of the Budget. The third figure was $100,000,000 more than the Budget Director's. Then the committee sat down to try to do the job, upon the basis of those figures. So I say there is a precedent for what we are trying to do. This proposal would allow the Senate committee to take $75,000,000, or 10 percent from the total amount of the bill, which would be 10 percent of $751,440,690.

It could be done in a scientific manner, because the Corps of Engineers could be given that figure, the same as they were given the other three figures, and their advice requested. Though their advice is not absolutely binding on the committee, it would nevertheless be of great assistance in accomplishing the desired saving. We are boiling this down to what we believe we can afford to spend in the coming year. In the pending bill it is proposed to appropriate $723,000,000, 393 percent more than was appropriated 11 years ago.

Of course, the Senator from Michigan will readily concede that to reduce the appropriations as proposed does not constitute a complete solution to the problem. It is really only an acknowledgment of the ultimate problem. There remain the billions of dollars of costs in unfinished projects. There remain the billions of dollars of authorized projects, whose construction has not yet been undertaken. There remains consideration of essential projects not yet authorized, which will be found vital to internal improvements and national welfare.

This proposal goes only indirectly to the fact that there hangs over the Nation a bill of $3,250,000,000 with which to complete the projects which are now under way. There is left untouched the amount of $3,500,000,000 which represents the prospective cost of projects which have been authorized but not yet undertaken. It leaves completely unanswered the staggering fifty-seven-and-one-half-billion-dollar question, which is the grand total cost of existing comprehensive plans for conservation and use of the water resources of the United States.

But the annual frenzied dash for appropriations permits no critical consideration of these matters. The result is indiscriminate spending. At this moment it is reckless and dangerous spending.

As a contribution to the ultimate solution of the problem in this particular field, I hereby propose that by resolution the Congress undertake to review the whole field of rivers, harbors, and flood control for the purpose of arriving at some definite policy by which we may guide ourselves. Such a review would embrace pending projects, pending authorizations, and prospective authorizations. It might well include in its scope a survey of possibilities for the integration of flood control, power development, and reclamation programs into a well-defined and consistent national policy.

In the meantime I am left with the firm conviction that we can reevaluate the projects contained in the pending appropriation. As a reasonable, efficient, and positive formula I submit the guide which was suggested last year by the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the junior Senator from Michigan. It proposes that definite distinction be made among the projects which are included in this appropriation on the basis of (1) urgency; (2) long-range importance; (3) completion with reasonable appropriations; and (4) projects where the State or municipality bears a portion of the expense.

Such a formula is designed to meet the tests of economic and engineering necessity which are paramount. Its faithful application will reasonably, efficiently, and positively bring about the reduction sought in the pending motion.

Mr. President, I think on mature deliberation, regarding the motion of the Senator from Illinois, it would appear that if the President of the United States and the Budget Director were permitted to reduce the budget 40 percent instead of 10 percent, it would allow them to single out particular items and to make the cuts so deep that many projects would be stopped, and there would be great loss, whereas to send the bill back to the committee, where the advice of engineers would be sought, an intelligent reduction could be made so that we would be able to say we were doing everything possible to live within the budget.

So I hope, Mr. President, that the motion to recommit the bill back to the committee with instructions to make a 10-percent reduction will prevail. I understand there is a proposal for a reduction of 40 percent instead of a reduction of 10 percent. The proper procedure would be to send the bill back with instructions to take off 10 percent.

Mr. MORSE and Mr. McCLELLAN addressed the Chair.

The VICE PRESIDENT. The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, I propose to speak very briefly in opposition to the motion which is pending before the Senate. The first point I wish to address to my good friend from Illinois. I want to say, good naturedly, that if the President of the United States, in his campaign of 1948, had made the representations to the people of the West which the Senator from Illinois has made to the Senate of the United States today, Mr. Truman would not have been elected President on November 2, 1948. All through the campaign the President tried to convince the people of the West that the election of a Republican administration would result in a scuttling of the great flood-control, soil-conservation, and power-development program.

I say, in all sincerity, that, in my judgment, the speech made by the Senator from Illinois on the floor of the Senate today, if he should have his way, would result in a scuttling of the very program which the President of the United States tried to give assurance to the voters of the West in the last campaign would be scuttled as the result of the election of a Republican administration. I disagreed with the President's statement in that regard, but he convinced many voters in the West that they should place their confidence in him in respect to his promises on reclamation, flood control, harbor development, and power projects.

Mr. President, the issue before us demonstrates once more the very poor system of budget making practiced by the Federal Government. We try to mix together operating expenses and administrative expenses of Government, on the one hand, with capital investment in needed wealth-creating projects, on the other hand. So long as we talk on the floor of the Senate in terms of economy, in connection with seeking to scuttle needed capital investments intended to construct and develop the projects so essential to creating the new wealth out of which we can get the new tax dollars to pay the administrative costs of the Government and our national debt, so long as we follow that course of action of penny-wise and pound-foolish economy we shall be guilty, in my judgment, of most inefficient business administration in handling the affairs of the Government.

The appropriation bill with which we are dealing should be kept separate and distinct from the so-called administrative costs of operating the Government. We are dealing in this civil functions appropriations bill with problems of capital investment. We are dealing with problems of flood control, soil conservation, reclamation, harbor improvements, and indirectly with power development which will return to the taxpayers many, many times the annual costs of the projects. The items of this civil-functions bill cannot be separated from the power development projects because flood control and reclamation are inseparably tied to power projects. Yet, Mr. President, we have, in all seriousness, proposed on the floor of the Senate today a reduction to an amount of approximately 40 percent of the sum needed for these capital investments this next year. There is a great need for increasing the appropriations for these items rather than for gutting them. We should carry out what I consider to be one of the responsibilities of a liberal course of government, namely, the responsibility of trying to bring greater human happiness in an ever-increasing degree to the human beings who would be detrimentally affected by the recommendations of the Senator from Illinois.

I would that the Senator from Illinois today owned a farm on the banks of the Willamette or Columbia River in my State. I would that he owned such a farm, and then took off the news ticker, as I did a few minutes ago this announcement in regard to what is happening to the raging waters of those two rivers this very moment as we sit here in the Senate:

A 90-mile chain of levees are holding today as the highest crest since last June's big flood rolled down the Columbia River Valley.

But it did not hold last year. The facts are undeniable that floods throughout the Nation are causing us a minimum of $41,000,000 of loss a year, and this loss has been going on for years.

The Senator from Illinois [Mr. DOUGLAS] advances an argument which I say is specious and highly fallacious, that an investment of tax dollars on a capital-investment basis in the type of program for which this appropriation bill calls would involve waste. The Senator from Illinois failed to bring forth a bill of particulars showing wherein specifically, project by project, there would be any waste. He failed to comment on the fact that these projects will pay for themselves and will create great new wealth and save a tremendous waste of our precious natural resources.

Oh, Mr. President, it is easy to point out the total amount of money involved in this appropriation, and then, in terms of the total, say, "Here is a chance to cut." It is an interesting, persuasive device to come forward with a chart showing a break-down of the expenditure of the taxpayer's tax-dollar "pie." It is appealing to the eye to present a chart as the Senator from Illinois [Mr. DOUGLAS] has done today in this debate showing how much goes to this, how much to that, and how much to something else. However he failed to translate his chart into human values. He failed to show the loss to human welfare in this country which would result from his proposed type of arbitrary budget cutting.

In this bill we are dealing with human values as much or more as is the case with any of the appropration bills which come before the Senate. I think more. This appropriation bill needs to be translated into the human factors which are involved as well as into the great economic assets which will be created by it. I say the Senator from Illinois has failed to do that throughout the course of his attack on the bill.

Mr. President, what is the human value of this bill? Ignoring for the moment the economic values of a wealth-creating type to be derived from this bill, what are the human values of a project anywhere in this country which brings the type of human happiness to people resulting from saving their homes from the danger of flood? How much is it worth to the Nation in human values to save hundreds and thousands of home owners from the dangers of devastating floods? How much is it worth to us in dollars to save acres upon acres of land from being washed into the sea? How much is it worth to us from the standpoint of public confidence in our Government to take the steps necessary to prevent these great losses from floods? The people are entitled to these appropriations and an early completion of these projects. We are always willing to spend millions for relief when great catastrophes have hit our people. We are humanitarian then. However now is the time to vote enough money for these projects to prevent human suffering that is bound to come to thousands of people if we do not follow the preventive course of action which is made possible by this appropriation bill. If liberalism involves the advancing of human values then this bill calls for liberal support in the Senate.

When I read on the news ticker, for example, that some 12,000 acres of rich bottom land in the Columbia Basin has been placed under high water in the last few hours, I would say to the Senator from Illinois, I wonder what the answers of the owners of those farms would be to him when they learn that he proposes to make a cut of some 40 percent in an appropriation bill which seeks to advance more rapidly the completion of flood control in the West. And I speak not only of the West. I am going to stand for flood-control projects and power-development projects wherever they are needed in this country, be it in Illinois, in Florida, in California, or in the great State of Oregon.

My next point is this. I have heard it said on the floor of the Senate, since I have been a member, that projects such as are being discussed here need to be put on the shelf, to be taken down in times of depression as an unemployment remedy. I do not know whether the Senator from Illinois knows it or not, but there is today sweeping over this country at an alarming rate a tremendous increase in unemployment, particularly in heavy industry. The unemployment ratio in the Pacific Northwest is already three times the national average. In most of the localities where these major projects will be built and developed, we already observe the beginning of a very serious unemployment problem, and many signs of a threatening recession and oncoming depression.

Must we wait for another 1932, or are we going to practice prevention? Are we going to recognize the importance now of investing the taxpayers' money on a domestic basis in capital investments which will offset and prevent the danger of an oncoming depression?

Mr. President, the third point I want to make is this. As I look at this interesting tax "pie" chart presented by the Senator from Illinois and the amount of money which goes to the Military Establishment—and I am willing to appropriate whatever dollars are necessary to keep our country secure, and I speak as a member of the Committee on Armed Services of the Senate—I wish to say that we are guilty, in my judgment, of unnecessarily wasteful expenditures, nonproductive in nature, in connection with the Military Establishment. I think tremendous savings can be made in the Military Establishment budget without one whit decreasing the national security.

When it comes to a budget or an appropriation request such as this civil functions appropriation bill which involves an opportunity to create new wealth, I cannot go along with the Senator from Illinois in cutting it to any such extent as the Senator has proposed on the floor of the Senate this afternoon. This budget will be productive in nature, it will be self-liquidating in nature, it will create new wealth.

We ought to be spending not only the amount of this appropriation, but I think a very sound economic case can be made for enlarging this budget rather than decreasing it. The sooner and the faster we complete these projects, the sooner we will make the savings for the American taxpayers which will accrue to them as the result of the completion of the projects.

Mr. President, one word on the power projects which are indirectly involved in any system of flood control and reclamation. If we are to meet the population needs of this country, in my judgment, we are going to have to develop power resources to the maximum extent possible. If we are to meet the security needs of the country, we are going to have to develop to the maximum extent possible the potential power resources of the country. I would rather build great public works projects which have power features included in them than I would at this time build battleships, or surplus airplanes, or spend other millions in what I consider to be unnecessary defense expenditures. The one thing which I think Russia is watching more than any other, as far as our security is concerned, is the rate at which we are going forward with power development in this country.

I wish to say that power dams and power projects constitute not only the best economic expenditure from the standpoint of creating new wealth, but they constitute also the best possible expenditure of American dollars so far as security is concerned. However, a sound system of power dams is also bound up with the development of a sound system of flood-control dams.

The last point I wish to make, Mr. President, is that I think that the Senator from Illinois in proposing this drastic cut, completely overlooks the great need in this country for soil conservation and soil development, for bringing into production the great areas of land which will be brought into production under the bill.

I think we need to look ahead 20, 30, 40, and 50 years and recognize that the population trends of the world are creating a serious food problem. We hear so much these days about food surpluses in this country. The real problem of the world, so far as population is concerned, is to make certain that we will have the food even as short a time as 50 years from now to meet the food needs of the world. The reclamation and irrigation projects which are involved in this appropriation bill are vital to the future food supply of this Nation. They will create great wealth for the American people in the years to come.

When we invest the taxpayer's dollar in an appropriation bill such as this

which carries along with it the bringing into cultivation of thousands upon thousands of acres of land now arid, now barren, we will be investing the taxpayer's money in one of the best future income-producing resources in which we can invest his dollar.

Mr. President, I believe we ought to be thinking ahead a quarter of a century from today, not looking backward. We ought to be thinking in the direction we are going economically in this country. Now is the time for leadership to build and expand, not to restrict, the development of our economy.

I can think of nothing that would be more detrimental to the meeting of the fiscal needs of the country than the recommendations made by the distinguished Senator from Illinois [Mr. DOUGLAS] today. With the greatest of respect to him, and out of a very deep affection I hold toward him, I want to say that his course of action is not a liberal course of action measured in terms of human values and the advancing of human interests in America.

I want to say lastly that the course of action he has proposed on the floor of the Senate today is quite inconsistent with the great play for votes which the Democratic Party made preceding November 2, 1948. I do not ask that we vote against the Senator's proposal on any basis of partisanship. I only bring out the political inconsistency of the Senator's proposal with the representations of the Democratic Party in the last campaign, because I know I speak for millions of American people today who are going to ask the question: What has happened to the promises of the Democratic administration when an outstanding and able spokesman for that party stands up on the floor of the Senate of the United States and proposes a 40-percent cut in the great soil-conservation, reclamation, harbor development, and power-project development of this country? These are projects which the administration said in the campaign are essential in order to keep America economically secure and prosperous.

The answer to the question, Mr. President, is that the Senator's speech is totally inconsistent with the position taken by the leader of his party throughout the campaign.

Mr. McCLELLAN. Mr. President, I do not want to delay action by the Senate on the pending motion or the proposed amendment thereto. But I desire to make a few brief observations about the general issue.

First I want to express my approval of the general philosophy just stated by the very able Senator from Oregon with reference to the necessity and wisdom of this character of legislation.

Mr. President, because I have not supported every wild spending program, I am generally regarded as conservative and have been referred to sometimes as a reactionary. I do not mind the term. There must be reaction sometime; otherwise we would go pell-mell down the road to disaster. I do not mind the label. Sometimes I wear it gladly and wear it with honor, I think. But in the sense that the term "reactionary" is generally applied to those of us who try to have some concern about the fiscal policies of Government, in that same sense this proposal to reduce the appropriation for these worth-while purposes 40 percent is the most reactionary proposal I have ever heard on the floor of the United States Senate.

We use the terms "liberal" and "conservative." I associate myself with the remarks of the able Senator from Oregon [Mr. MORSE]. There are human values involved in this question. All human values do not stem from giving someone a pension or paying him unemployment compensation or providing some other kind of Federal assistance. We talk about "pork barrels." We have the barrel. Are we going to empty it? We have pork in it when we provide something that will build wealth and make jobs for the people so that they can earn an honest living. But if we waste away the soil of America, let the floods wash away the cities, destroy industries, and take human life throughout our principal valleys, we shall be taking the pork out of the barrel for the future. We shall wake up some day and find that we have a pork barrel without any pork in it.

Another term that has been used today is "fat." Who put the "fat" in the bill in the first place? The President sent to Congress a budget. No one wants to reflect on the President. The President put the "fat" in it in the first place, if there is "fat" in it. He put $21,000,000 more in the budget than the Senate committee left in the bill, but we do not want to criticize the President.

At the time the budget was prepared the situation so far as it concerns the merits of the project in this bill was not much different than it is now. The same reasons which prompted the President to approve the projects and ask for appropriations for them exist now that existed then. Where is the "fat," if there is "fat" in the bill? The President put it in there in the first place when he sent his budget message to Congress and asked Congress for appropriations.

Of course, we are all optimistic. We hope to see our economy remain sound. We all want prosperity. I assume that when the budget was prepared the hope was that our expenditures, as recommended in the budget for the next fiscal year, would not exceed the revenues which would be collected in taxes. I am sure that was the hope. That situation has changed somewhat. According to the best estimates, the present prospects are that if the Congress appropriates for the various agencies and services of Government the full amount of the budget recommendations, at the end of the next fiscal year there will be a deficit of possibly $3,000,000,000. In other words, if we spend on the basis of budget recommendations we shall spend approximately $3,000,000,000—and perhaps a greater amount—more than we shall collect in taxes in the next fiscal year.

Since that situation has developed, it is something which addresses itself not only to the Congress, but also to the President of the United States. So far I do not know of any message or recommendation from the President modifying the budget. I presume he is still hopeful. Perhaps he is justified in being hopeful. I am not criticizing him for that. But I am saying that it is the joint responsibility of the President and of the Congress under present conditions to look into the situation and try to make an intelligent approach in solving it. We should do whatever is necessary to make appropriations that will not exceed the anticipated revenues, as we can best estimate the situation. I think that is the joint responsibility of the Congress and the President. I have been hoping that the President would send to the Congress a message making some recommendation in this connection. I hope he will yet do so.

In the meantime, as these appropriation bills come before us, we are undertaking to make the approach by the method which is now being employed, an example of which is the question now before the Senate. Motions are being made to recommit appropriation bills to the Committee on Appropriations to reduce the amounts.

The first regular appropriation bill, being, as I recall, the bill for Labor and Federal Security Appropriations, was before us the other day. The Appropriations Committee had worked on the bill. The bill was brought to the floor, and amendments were offered on the floor. On a yea and nay vote the Senate voted to increase by several millions of dollars the amount which the Appropriations Committee had recommended.

Following the adoption of those amendments—and I am not saying that the increases were not for good causes and purposes—a motion was made to recommit the bill with instructions to reduce the amount. I voted to recommit the bill. I voted for recommittal for two reasons: First, because of the situation which has developed with reference to our fiscal affairs, and the certainty that if we continue to make appropriations up to the level of budget recommendations we shall appropriate more money this year than we shall realize in revenues, and therefore we shall have a deficit. We had to take some action to try further to reduce the appropriations which we were about to make. Notwithstanding the fact that I am a member of the Appropriations Committee, I voted in good faith to recommit the bill in the hope that we might make a reduction in it. I voted to recommit it for another reason, which I have just mentioned. If in our consideration of appropriation bills on the floor of the Senate we propose by amendments greatly to increase the amounts of the appropriations above what the Appropriations Committee recommends, there will be no earthly chance of keeping within the budget. We shall be piling up greater and greater deficits. Therefore I felt that we should recommit that bill.

The vote by which the motion to recommit was adopted was reconsidered, and upon reconsideration the bill was not recommitted. That bill has gone beyond our control. There was an opportunity to make a motion to recall it and reconsider the vote by which it was passed. Such a motion was not made. The bill is now beyond the control of the Senate. Therefore there will be no 5-percent reduction in it.

The next bill came before us yesterday. The first bill having been passed without a 5 percent reduction, and without being returned to the committee with instructions to reduce the appropriations, we passed another bill yesterday without a 5 percent reduction in it. I voted not to recommit that bill. The reason why I voted that way yesterday is that the Senator from Maryland [Mr. TYDINGS] nas introduced Senate Joint Resolution 94, which has been referred to the Committee on Expenditures in the Executive Departments. That joint resolution would establish a formula by which we could deal with all appropriations for the next fiscal year.

I am not committed to the formula provided by that particular joint resolution. I understand that other Senators are considering the best means of approach toward that objective. At this time I wish to state that the Committee on Expenditures in the Executive Departments will consider the joint resolution of the Senator from Maryland. Statement was made yesterday on the floor of the Senate or a fear was expressed that if the joint resolution were referred to committee, it would never leave the committee.

I cannot say that the joint resolution will leave the committee. I cannot give that assurance. I do not know what the committee's final judgment will be in regard to the joint resolution. But I have called a meeting of the committee for Monday morning, for a preliminary discussion of the joint resolution. I now invite each Member of the Senate who is giving serious thought to, and taking serious interest in, the problem of reducing the expenses of our Government to give the committee the benefit of his counsel and suggestions. If Senators have a better proposal than this one, I invite them to submit it to the committee. If Senators have any contribution to make to the cause of economy in government and the necessary reduction of the appropriations for the next fiscal year below the amount of the budget estimates, so as to keep the expenditures within the anticipated revenues, I assure them that the committee will welcome any assistance they can give to it.

Inasmuch as the first appropriation bill was passed without making any cuts at all in the appropriations it carried, and since it has been proposed that we find a way, by resolution or otherwise, to make cuts in all appropriation bills, I shall vote against the proposed 5 percent cuts or against proposals to recommit the appropriation bills; and I shall hope that we can and may, with the aid and counsel and interest and attention to the problem of every Member of the Senate, devise some means or formula or process by which, before the end of this session of Congress arrives, the Congress will pass a joint resolution comparable to the one now on my desk, which was introduced yesterday by the distinguished and able Senator from Maryland [Mr. TYDINGS], or some other joint resolution which will bring the amount of the appropriations within the amount of the anticipated revenues for the next fiscal year.

Mr. President, on that basis I am willing to strive for economy.

However, Mr. President, when we consider the present attempts to make reductions in the appropriations carried by the pending bill, and when we consider the pending motion to recommit, we see exactly what happens when we try to deal with the over-all matter of providing for Government economy by means of proposing the adoption of an amendment to a particular appropriation bill. In such a case, some Senators will oppose a reduction in an appropriation for one particular purpose, and other Senators will oppose any reduction in an appropriation for another purpose, and so on.

Now that we have the proposal of the Senator from Michigan to recommit the bill and to have the total appropriations carried by it cut 10 percent, I say to him that I join him in his purpose and objective of reducing the amount of appropriations, even though the pending measure carries some appropriations that will mean something to my State, as well as to the Nation as a whole. It is true that some of the projects provided for by the pending bill happen to be located in Arkansas. Yet I say that in the face of the over-all need, if provision for every project in Arkansas should be eliminated from the bill, if necessary, I would vote for the others because the primary consideration is the prosperity and welfare of our country.

Mr. President, at the end of this session, when we take into account the over-all situation, if we find that the fiscal situation of our Government requires the making of a 10 percent cut in the appropriations carried by the bill now before us, I shall favor the making of such a 10 percent cut. If, on the other hand, we find at that time that a 20 percent cut in the appropriations carried by this bill is required in order to keep our fiscal affairs in order, our budget balanced, and a sound fiscal policy maintained, then I shall favor the making of a 20 percent cut in the appropriations for every project provided for by this bill—the projects in Arkansas and her neighboring States and those in Maine, which were discussed today, and those in other States.

However, Mr. President, simply because some columnist screams "pork barrel" and dishes out that old hash that has begun to smell, I do not wish the Senate to penalize one of the greatest and most constructive programs the United States has ever known. Let us keep America progressive, building, and developing, commensurate with her ability to do so.

In order to accomplish that purpose, I am willing to reduce the proposed expenditures immediately before us for consideration. I am willing to reduce the appropriations or expenditures or investments proposed by the pending measure in proportion to whatever over-all or total reductions in expenditures are necessary in order to balance our budget and to keep the United States on a sound fiscal basis.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am very happy to yield to the distinguished Senator from Virginia.

Mr. ROBERTSON. The Senator from Arkansas has referred to a program of authorizing and instructing the President to make such cuts in the over-all budget which the Congress may finally provide for, so as to bring the expenditures of the Government in line with its income.

I wish to remind the distinguished Senator from Arkansas of the fact that when the stock-market crash came in 1929, Virginia elected John Garland Pollard to be governor of Virginia. He took office in January 1930, when we were moving into the greatest depression we ever have had. The General Assembly of Virginia in that year, fearing that the conditions which might arise would result in unbalancing the budget of the State, passed a resolution authorizing the Governor to reduce all expenditures as much as 20 percent, if necessary, in order to balance the budget. The Governor of Virginia did reduce every item of expenditure—including the salaries of every State employee—20 percent, and he did balance the budget.

I wish to say to the distinguished Senator from Arkansas that I voted, as he did, to recommit the Labor-Federal Security appropriation bill, after the amounts of the appropriation it carried had been increased to more than we thought we could afford to provide; but the Senate voted against us.

So I wish to associate myself with the statement the Senator from Arkansas made; and when we in the Senate finish our work on the appropriations bills and see what has been done after the bills are sent to conference and after the conference committees have reported and the conference reports have been adopted, I shall join him in supporting an appropriate move—whether in connection with the plan of the Senator from Maryland [Mr. TYDINGS] or the plan of the junior Senator from Georgia [Mr. RUSSELL] or some other plan—to effect a reduction in the over-all budget of the Government in an amount sufficient to obviate the necessity of imposing a heavy new tax burden on the American people.

Mr. McCLELLAN. I thank the Senator from Virginia.

Mr. President, I shall conclude my remarks by again reminding and inviting all Members of the Senate to give to the Committee on Expenditures in the Executive Departments their suggestions or recommendations or any counsel which they feel will be helpful to us in trying to find the right and wise solution to the problem of avoiding a deficit or deficit spending in the next fiscal year.

The VICE PRESIDENT. The question is on agreeing to the substitute motion offered by the Senator from Illinois [Mr. DOUGLAS] for the motion of the Senator from Michigan [Mr. FERGUSON].

Mr. BUTLER. Mr. President, I move that the substitute motion of the junior Senator from Illinois [Mr. DOUGLAS] be laid on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nebraska to lay on the table the substitute motion of the junior Senator from Illinois.

Mr. DOUGLAS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, will the Chair please state again the pending question?

The VICE PRESIDENT. The pending question is on agreeing to the motion of the Senator from Nebraska [Mr. BUTLER] to lay on the table the substitute motion of the Senator from Illinois [Mr. DOUGLAS] to the motion of the Senator from Michigan [Mr. FERGUSON] to recommit the bill to the Committee on Appropriations, with certain instructions.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. If the motion carries, will that leave unimpaired the motion of the Senator from Michigan?

The VICE PRESIDENT. It will leave unimpaired the motion of the Senator from Michigan.

Mr. TAFT. Adoption of the motion of the Senator from Nebraska would only affect the status of the substitute motion of the Senator from Illinois [Mr. DOUGLAS]; would it?

The VICE PRESIDENT. It would affect only the status of the substitute motion of the Senator from Illinois.

The question is on agreeing to the motion of the Senator from Nebraska to lay on the able the substitute motion of the Senator from Illinois to the motion of the Senator from Michigan.

On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Delaware [Mr. FREAR], the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from West Virginia [Mr. NEELY] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Oklahoma [Mr. KERR] are absent by leave of the Senate on public business.

The Senator from South Carolina [Mr. JOHNSTON] is absent by leave of the Senate on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. WHERRY. I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from North Dakota [Mr. LANGER], the Senator from Connecticut [Mr. BALDWIN], and the Senator from Maine [Mrs. SMITH] are detained on official business. If present and voting, the Senator from Maine [Mrs. SMITH] would vote "yea."

The Senator from Ohio [Mr. BRICKER] is absent on official business.

The result was announced—yeas 59, nays 15, as follows:

YEAS—59

Anderson	Hill	Myers
Brewster	Hoey	O'Conor
Bridges	Holland	O'Mahoney
Butler	Humphrey	Pepper
Cain	Johnson, Tex.	Robertson
Chavez	Kefauver	Russell
Connally	Kilgore	Schoeppel
Cordon	Knowland	Sparkman
Donnell	Long	Stennis
Downey	Lucas	Taylor
Eastland	McCarran	Thomas, Okla.
Ellender	McClellan	Thomas, Utah
Ferguson	McFarland	Thye
Gillette	McKellar	Tydings
Graham	McMahon	Vandenberg
Green	Maybank	Watkins
Gurney	Millikin	Wherry
Hayden	Morse	Withers
Hendrickson	Mundt	Young
Hickenlooper	Murray	

NAYS—15

Aiken	Johnson, Colo.	Reed
Douglas	Kem	Taft
Ecton	Lodge	Tobey
Ives	McCarthy	Wiley
Jenner	Martin	Williams

NOT VOTING—22

Baldwin	George	Miller
Bricker	Hunt	Neely
Byrd	Johnston, S. C.	Saltonstall
Capehart	Kerr	Smith, Maine
Chapman	Langer	Smith, N. J.
Flanders	McGrath	Wagner
Frear	Magnuson	
Fulbright	Malone	

So Mr. DOUGLAS' motion in the nature of a substitute was laid on the table.

The VICE PRESIDENT. The question recurs on agreeing to the original motion offered by the Senator from Michigan for himself and for the Senator from New Hampshire [Mr. BRIDGES].

Mr. LUCAS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from West Virginia [Mr. NEELY] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Oklahoma [Mr. KERR] are absent by leave of the Senate on public business.

The Senator from South Carolina [Mr. JOHNSTON] is absent by leave of the Senate on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

On this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from Washington would vote "nay."

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Oklahoma would vote "nay" and the Senator from Massachusetts would vote "yea."

If present and voting, the Senator from Kentucky [Mr. CHAPMAN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Rhode Island [Mr. MCGRATH], the Senator from West Virginia [Mr. NEELY], the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. I announce that the Senator from Ohio [Mr. BRICKER] is absent on official business.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent.

The Senator from Vermont [Mr. FLANDERS] is absent by leave of the Senate.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

The Senator from Massachusetts [Mr. SALTONSTALL], who is absent by leave of the Senate, is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Oklahoma would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from North Dakota [Mr. LANGER] is detained on official business.

The result was announced—yeas 29, nays 48, as follows:

YEAS—29

Aiken	Hickenlooper	Millikin
Baldwin	Ives	Reed
Brewster	Jenner	Taft
Bridges	Johnson, Colo.	Tobey
Butler	Kem	Vandenberg
Douglas	Knowland	Watkins
Ecton	Lodge	Wherry
Ferguson	McCarthy	Wiley
Frear	McMahon	Williams
Hendrickson	Martin	

NAYS—48

Anderson	Holland	O'Conor
Cain	Humphrey	O'Mahoney
Chavez	Johnson, Tex.	Pepper
Connally	Kefauver	Robertson
Cordon	Kilgore	Russell
Donnell	Long	Schoeppel
Downey	Lucas	Smith, Maine
Eastland	McCarran	Sparkman
Ellender	McClellan	Stennis
Gillette	McFarland	Taylor
Graham	McKellar	Thomas, Okla.
Green	Maybank	Thomas, Utah
Gurney	Morse	Thye
Hayden	Mundt	Tydings
Hill	Murray	Withers
Hoey	Myers	Young

NOT VOTING—19

Bricker	Hunt	Miller
Byrd	Johnston, S. C.	Neely
Capehart	Kerr	Saltonstall
Chapman	Langer	Smith, N. J.
Flanders	McGrath	Wagner
Fulbright	Magnuson	
George	Malone	

So the motion to recommit made by Mr. FERGUSON for himself and Mr. BRIDGES was rejected.

Mr. WHERRY. Mr. President, is the bill open to further amendment?

The VICE PRESIDENT. The question now recurs on the motion of the Senator from Illinois [Mr. DOUGLAS] to suspend the rule and make in order an amendment which he has proposed.

Mr. WHERRY. Mr. President, I present a substitute motion, which I shall read:

I move that House bill 3734 be recommitted to the Committee on Appropriations with instructions to report the same back to the Senate with amendments providing for a reduction equivalent to 5 percent of the total amounts appropriated therein: *Provided*, That any such reductions shall be based on the amount of appropriations contained in the bill as amended by the Senate at the time of its recommittal.

Mr. President, these are the identical instructions contained in the motion of the Senator from Michigan, the only difference being that the reduction, instead of being a reduction of 10 percent provided in the motion which was rejected, is now suggested with the hope that the Senate will adopt a 5-percent reduction.

The VICE PRESIDENT. The question is on agreeing to the motion to recommit the bill to the Appropriations Committee.

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. PEPPER. On behalf of the Senator from West Virginia [Mr. NEELY] I wish to state that he is unavoidably absent. If present, he would have voted "yea" on the Butler motion to lay on the table the Douglas motion.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], who is absent because of illness in his family, is paired on this vote with the Senator from Kentucky [Mr. CHAPMAN], who is absent on public business. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Kentucky would vote "nay."

The Senator from Arkansas [Mr. FULBRIGHT], who is absent by leave of the Senate on public business, is paired with the Senator from Nevada [Mr. MALONE]. If present and voting the Senator from Arkansas would vote "nay," and the Senator from Nevada would vote "yea."

The Senator from South Carolina [Mr. JOHNSTON], who is absent by leave of the Senate on official business, is paired on this vote with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Oklahoma [Mr. KERR], who is absent by leave of the Senate on public business, is paired with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Washington [Mr. MAGNUSON], who is absent on public business, is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Indiana would vote "yea."

The Senator from Idaho [Mr. MILLER], who is necessarily absent, is paired with the Senator from New Jersey [Mr. SMITH]. If present, the Senator from Idaho would vote "nay," and the Senator from New Jersey would vote "yea."

The Senator from West Virginia [Mr. NEELY], who is absent on public business, is paired on this vote with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from Vermont would vote "yea."

The Senator from Georgia [Mr. GEORGE] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Wyoming [Mr. HUNT] and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

If present and voting, the Senator from Rhode Island [Mr. MCGRATH] and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. I announce that the Senator from Ohio [Mr. BRICKER] who is absent on official business is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Oklahoma would vote "nay."

The Senator from Indiana [Mr. CAPEHART] who is necessarily absent is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from Washington would vote "nay."

The Senator from Vermont [Mr. FLANDERS] who is absent by leave of the Senate is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from West Virginia would vote "nay."

The Senator from Nevada [Mr. MALONE] who is necessarily absent is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Arkansas would vote "nay."

The Senator from Massachusetts [Mr. SALTONSTALL] who is absent by leave of the Senate is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from South Carolina would vote "nay."

The Senator from North Dakota [Mr. LANGER] is detained on official business.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Idaho [Mr. MILLER]. If present and voting the Senator from New Jersey would vote "yea," and the Senator from Idaho would vote "nay."

The result was announced—yeas 33, nays 44, as follows:

YEAS—33

Aiken	Hickenlooper	Reed
Baldwin	Ives	Schoeppel
Brewster	Jenner	Smith, Maine
Bridges	Johnson, Colo.	Taft
Butler	Kem	Thye
Cain	Knowland	Tobey
Douglas	Lodge	Vandenberg
Ecton	McCarthy	Watkins
Ferguson	McMahon	Wherry
Frear	Martin	Wiley
Hendrickson	Millikin	Williams

NAYS—44

Anderson	Ellender	Hoey
Chavez	Gillette	Holland
Connally	Graham	Humphrey
Cordon	Green	Johnson, Tex.
Donnell	Gurney	Kefauver
Downey	Hayden	Kilgore
Eastland	Hill	Long
Lucas	Murray	Stennis
McCarran	Myers	Taylor
McClellan	O'Conor	Thomas, Okla.
McFarland	O'Mahoney	Thomas, Utah
McKellar	Pepper	Tydings
Maybank	Robertson	Withers
Morse	Russell	Young
Mundt	Sparkman	

NOT VOTING—19

Bricker	Hunt	Miller
Byrd	Johnston, S. C.	Neely
Capehart	Kerr	Saltonstall
Chapman	Langer	Smith, N. J.
Flanders	McGrath	Wagner
Fulbright	Magnuson	
George	Malone	

So Mr. WHERRY's motion was rejected.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to suspend the rule. [Putting the question.] Two-thirds of the Senate evidently not having voted in the affirmative, the motion is rejected.

The bill is still open to amendment.

Mr. FERGUSON. Mr. President, I ask for a reconsideration of the action of the Senate in adopting the amendment of the Senator from Oklahoma [Mr. THOMAS] adding legislation to the bill. The Senator from Michigan gave notice in the Committee on Appropriations that he would raise a point of order and was on the floor, but did not hear the question put, and learned of it after the Chair had announced the result.

The VICE PRESIDENT. Is the Senator asking unanimous consent for reconsideration of the vote?

Mr. FERGUSON. I should like to explain my request.

The VICE PRESIDENT. Is there objection to the reconsideration of the vote?

Mr. LUCAS. Reserving the right to object——

Mr. THOMAS of Oklahoma rose.

The VICE PRESIDENT. Does the Senator from Oklahoma object?

Mr. THOMAS of Oklahoma. I object.

Mr. FERGUSON. Mr. President, I should like to be heard on the motion.

The VICE PRESIDENT. The Senator is now making a motion?

Mr. FERGUSON. Yes; I move to reconsider the vote by which the amendment was agreed to.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan to reconsider the vote by which the amendment offered by the Senator from Oklahoma was agreed to.

Mr. FERGUSON. Mr. President, I should like to state the question involved. The regular legislative committee laid out a plan and provided for a plan known as the levee plan for Oklahoma City. The cost to the Federal Government of that plan would have been $4,340,000. The local cost would have been $8,460,000. The total cost would have been $12,800,000.

The Senator from Oklahoma attempts to add to the bill authorization for an entirely new program, known as the canal program. Instead of the cost of $4,340,000 for the levee, approved by the legislative committee, the plan now calls for $10,460,000, or an increased cost to the Federal Government of $6,120,000.

The local cost under the plan would have been, as the legislative committee had recommended and the Congress had

passed, $8,460,000, and the present plan, under the legislation in the pending bill, is $6,120,000. So we see that the project will cost less to the local agency and $6,120,000 more to the Federal Government.

Mr. President, this is clearly legislation on an appropriation bill. Here is a matter which will increase appropriations of the Federal Government by $6,120,000, for a project which the Congress of the United States has never authorized. Therefore it is clearly subject to a point of order, and the matter should be taken up before the proper legislative committee, where a full hearing could be had, and the legislative committee could determine whether or not the plan known as the "levee plan" or the one known as the canal plan is the proper one.

I ask for a yea and nay vote on the reconsideration of the vote on this amendment, which adds $6,120,000 to the bill.

Mr. THOMAS of Oklahoma. Mr. President, this matter has been thoroughly considered. The amendment does not purport to carry any appropriation whatever in the pending bill. For 10 years the engineers made surveys, and gave consideration to a flood-control project for Oklahoma City, the capital of my State. The North Canadian River runs through the center of the city, although most of the large buildings are located north of the river.

Almost every year the North Canadian River has a flood, occasionally two or three times during the year. I hold in my hand a picture which appeared in this morning's Washington Post and last night's Evening Star, showing in a county adjacent to Oklahoma County the result of a flood within the last 48 hours. The flood was so severe it destroyed a 300-foot bridge.

I have a telegram, which reached me since the Senate convened today, from Kingfisher, the county seat of the county which adjoins Oklahoma County, showing that 35 blocks in the city of Kingfisher, a rather small town, are now under water, and the residents are begging for relief.

It is true that the survey made by the engineers proposing a plan for control of floods at Oklahoma City was submitted to the Congress, and I have here the House document which contains a summary of the engineers' findings and the report of the engineers which was approved by the Congress. It is House Document No. 572. It was submitted to the House on May 9, 1946.

The project for Oklahoma City was approved in the flood-control bill of 1946. Money was appropriated last year to begin construction. But because the floods have been so constantly recurring, citizens of Oklahoma City were advised by competent engineers that the levee plan, the plan recommended by the Corps of Engineers, would not be satisfactory. So the matter was resubmitted to the United States Corps of Engineers, and the Oklahoma City plan was agreed to.

The original plan called for a series of levees 13 miles in length going through Oklahoma City. This plan did not embody the straightening of the river or the widening of the river. It provided for levees to be thrown up along the river, passing through Oklahoma City. Senators can imagine what it would mean to a city to have mud banks thrown up along a river which flows through the city. It was not for the best interests of the city, and the citizens did not approve of that kind of flood control for the reason that they did not think it would be adequate.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CORDON. It is my understanding that hearings are now being held on the House side of an omnibus authorization bill which will include modifications of existing authorizations. Should not this matter properly be considered before that committee, and later by a Senate committee, and would it not be possible to include the item in the next appropriation bill? Would not that be the orderly method of procedure?

Mr. THOMAS of Oklahoma. Of course, that could be done, and if the effort I now make should fail we would take that course. But, Mr. President, this is a simple matter. I have in my hand the report of the engineers of recent date recommending the modification and the change. The only change proposed is to straighten the river as it flows through Oklahoma City and to widen the channel. Then it is proposed to take the earth that comes from the straightening and widening of the channel and throw it out on the bank, to raise the level of the bank somewhat above what it now is. The engineers say that can be done. The waters can then go through Oklahoma City, but floods will be prevented.

Mr. President, I have seen half of the city of Oklahoma City under water. Oklahoma City is built on bottom land. It is stated that at one time the river ran through the center of the city, where the major portion of its large buildings are located at the present time, and it is feared that if preventive action is not taken some time a flood will occur which will cut a channel through the center of the city and perhaps destroy some of the large buildings there.

Mr. President, as a matter of policy, this item could be presented to the proper committee, and dealt with by it. But it can also be acted upon in connection with the pending bill, and the House would receive notice of what was done here.

The only thing we are asking is a modification of the authorization made in 1946 to change the plan from a levee plan to a widening canal plan. It is a plan which is recommended by the engineers. They have said it will cost somewhat more, but it is also true that the city of Oklahoma City will put up $6,000,000 as its contribution to the total cost. Six million dollars will be raised by the city. The city does not have that much money in its treasury now. In order to get the project started immediately, or soon, it is necessary to vote a bond issue. The sooner Congress acts on the matter the sooner the city of Oklahoma City can authorize a bond issue. In the event the authorization is made by the Congress, there can be a bond issue made immediately.

The question is a simple one, Mr President. The question is whether the Senate will stand on a mere technicality, or whether it will permit the item to remain in the bill. If it is not permitted to remain in the bill it will be necessary for those who are interested to go before a House committee and present the matter there. According to the estimate, the project will cost $16,000,000. The Federal contribution will be $10,000,000 and the contribution by Oklahoma City will be $6,000,000. If the changed plan, which has recently been recommended, is agreed to by Congress construction can begin the moment the city votes for the issue of bonds. The longer the matter is delayed the worse the situation will become.

Mr. President, the southwestern portion of the country is now suffering from winds, tornadoes, and floods. A few days ago a heavy rainfall brought about a serious flood in northern Texas. The depth of the water in the flooded area was 10 inches. It was sufficient to inundate and destroy the water system of the city of Fort Worth, one of the great cities of Texas. Fifteen people were drowned as the result of that flood. No doubt the mortality rate will go still higher.

In the past 48 hours, there was a heavy rainfall which brought about a 12-inch depth of floodwater at Carnegie, west of Oklahoma City. Of course, we cannot take care of floods of that kind, I realize, but unless we make some effort to minimize the effects of such floods the results will be disastrous.

Mr. President, I submitted the amendment in regular order. It was presented to the Appropriations Committee. The committee, realizing that it could not include what was strictly a legislative provision in the appropriation bill, authorized me, as a member of the committee, to offer the amendment on the floor. There was no objection in committee to my offering it on the floor so far as I know. At least, I do not remember of any objection having been made to my offering the amendment on the floor. I have followed the procedure provided by the rules of the Senate. It is perfectly permissible for a Member of the Senate to offer legislation on an appropriation bill. The rules provide that an amendment which is legislation on an appropriation bill may be submitted, and that a motion may be made at the proper time to suspend the rules for the purpose of offering the amendment. If the rules are suspended by the required number of votes, the amendment can be offered on the floor. If a Member of the Senate offers the amendment, and objection is made that it is legislation on an appropriation bill, then the motion to suspend the rule must be made.

This afternoon, from my place in the Senate I offered the amendment. It was adopted. Now the question is: Shall the Senate reconsider the vote by which the amendment was agreed to, and force the matter to be brought before another committee and thereby be delayed, with the possibility that no bill whatever would be reported by the committee, or if favorably reported, that it might not

be passed by Congress? That is the whole issue involved in the motion now pending before the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan [Mr. FERGUSON] to reconsider the vote by which the amendment was agreed to.

Mr. FERGUSON. In order that the situation may be accurately set forth in the RECORD, I wish to say that a motion was made in the Committee on Appropriations to give the Senator from Oklahoma [Mr. THOMAS] permission to make the motion on the floor of the Senate. The Senator from Michigan objected, and stated then that he would raise a point of order on the floor. The Senator from Michigan intended to raise the point of order if and when the amendment was offered. The amendment was offered, but the Senator from Michigan did not clearly hear what was being offered, and did not know what had been done until the Chair ruled that the amendment had been agreed to. The Senator from Michigan then inquired what had happened, and upon finding out, attempted to move immediately for reconsideration of the vote. The Senator from South Dakota [Mr. GURNEY] had obtained the floor in the meantime, and would not yield for that purpose.

Mr. President, the matter is a very important one. It deals with the question whether legislation should be placed on appropriation bills. There are committees which can act on such a matter. This is a case in which the Senate should reconsider its vote. Action was taken while very few Senators were on the floor, and no objection was raised. The Senate should now vote upon the amendment in the regular way. If the cause is a worthy one, a bill can be framed in a few days embodying the proposal, and presented to the regular legislative committee, which has a right to hear the matter and determine it.

Mr. President, I therefore ask for a vote on my motion to reconsider, and I request the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. KILGORE. I announce, on behalf of my colleague [Mr. NEELY] who is unavoidably absent, that if he were present and voting he would vote "nay."

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from West Virginia [Mr. NEELY] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS] is on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Oklahoma [Mr. KERR] are absent by leave of the Senate on public business.

The Senator from South Carolina [Mr. JOHNSTON] is absent by leave of the Senate on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New York [Mr. WAGNER], and the Senator from Kentucky [Mr. WITHERS] are necessarily absent.

If the Senator from Oklahoma [Mr. KERR] were present and voting he would vote "nay."

Mr. WHERRY. I announce that the Senator from Indiana [Mr. CAPEHART] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Ohio [Mr. BRICKER] is absent on official business.

The result was announced—yeas 36, nays 39, as follows:

YEAS—36

Aiken	Gurney	Millikin
Baldwin	Hendrickson	Mundt
Brewster	Hickenlooper	Reed
Bridges	Hoey	Smith, Maine
Butler	Ives	Taft
Cain	Jenner	Thye
Cordon	Kem	Tobey
Donnell	Knowland	Vandenberg
Ecton	Langer	Watkins
Ferguson	Lodge	Wherry
Gillette	Long	Wiley
Graham	Martin	Williams

NAYS—39

Anderson	Johnson, Tex.	Myers
Chavez	Kefauver	O'Conor
Connally	Kilgore	Pepper
Downey	Lucas	Robertson
Eastland	McCarran	Russell
Ellender	McCarthy	Schoeppel
Frear	McClellan	Sparkman
Green	McFarland	Stennis
Hayden	McKellar	Taylor
Hill	McMahon	Thomas, Okla.
Holland	Maybank	Thomas, Utah
Humphrey	Morse	Tydings
Johnson, Colo.	Murray	Young

NOT VOTING—21

Bricker	George	Miller
Byrd	Hunt	Neely
Capehart	Johnston, S. C.	O'Mahoney
Chapman	Kerr	Saltonstall
Douglas	McGrath	Smith, N. J.
Flanders	Magnuson	Wagner
Fulbright	Malone	Withers

So Mr. FERGUSON's motion to reconsider was rejected.

Mr. CONNALLY. Mr. President, I ask unanimous consent for the reconsideration of the vote by which the committee amendment on page 9, line 7, was adopted. In explanation of my purpose in making this request, if it is granted I shall offer an amendment to modify the committee amendment by the insertion of language which will be appropriate under the circumstances.

The amendment relates to a flood control item on the Trinity River, which flows through the city of Fort Worth. The project has already been authorized. This amendment would not add a dollar to the expenditure out of the Federal Treasury. It would move up the utilization of the fund from 1951 and 1952 to allow work to begin at once rather than be delayed until that time.

Mr. President, I hold in my hand photographs of a flood which visited Fort Worth, on Trinity River, within the past few days. For instance, I now display a photograph of the submerged homes of people in the lower-income brackets, many of whom are veterans. I also hold in my hand another photograph, having a caption stating that 4,000 persons were rendered homeless.

As I have said, this authorization has already been approved. The money will be spent sooner or later. However, it is our request that the appropriation be moved up, so that the engineers can begin construction work at once.

The project was authorized for $1,388,000. The local people put up $215,000. There has already been appropriated, to date, $128,000, and there has been expended to date, $61,000, which is mainly for planning and the drawing of designs and preparatory work. The balance available for those purposes is $66,000. The amount required for the completion of the planning is $24,000.

We have requested and are now requesting an appropriation of $500,000 for the fiscal year 1950, which appropriation will come out of the amount authorized. The granting of our request will not add $1 to the Government's expenditures; but the existing situation is so dangerous, the need is so urgent, and the conditions are so emergent that we feel it is absolutely necessary that work be begun at the earliest possible moment.

The Army engineers have advised that they can begin actual construction almost immediately, if the Senate takes this action. Otherwise, Mr. President, we shall be subjected, by undue delay, to the hazards and dangers of other floods which may spread disaster in their path, taking a toll not only of wealth, but of human life.

So I ask unanimous consent that the Senate reconsider its vote in agreeing to the amendment to which I desire to offer this amendment.

Mr. TAFT. Mr. President, will the Senator be kind enough to state how much he proposes to add to the appropriations carried by this bill?

Mr. CONNALLY. The immediate effect will be to add $500,000, but it will be out of the pledge the Government has made.

Mr. TAFT. I understand that; but how much is the Senator from Texas proposing to add to the appropriations in the budget for the fiscal year 1950?

Mr. CONNALLY. That will be $500,000.

Mr. TAFT. I thank the Senator.

The VICE PRESIDENT. Is there objection to the unanimous consent request of the Senator from Texas?

Mr. CHAVEZ. Mr. President, there is no one in this body that I love more than the Senator from Texas. [Laughter.]

Mr. CONNALLY. Strike out "more" and insert "less."

Mr. CHAVEZ. Very well; strike out "more" and insert "less," so far as the Senator from Texas is concerned, but not so far as the senior Senator from New Mexico is concerned.

Mr. CONNALLY. I thank the Senator.

Mr. CHAVEZ. We wish to give Texas more, not less.

Mr. President, the appealing words of the Senator from Texas are almost sufficient to break any Senator's heart. But 3 or 4 days ago there was on the unanimous-consent calendar a bill which affects only a few human beings in my State of New Mexico, at Fort Sumner. There has been no difficulty

whatsover about the bill, for its purpose was good; it was based on a sound principle, and the bill had been reported by the proper committee. However, notwithstanding that the bill related to the welfare of certain human beings in my State, in connection with a little, two-by-four project at Fort Sumner, the Senator from Texas used the power and might of his one objection to prevent the passage of that bill.

I hope there will be no ill-feeling on the part of the Senator from Texas when I say that the Senator from New Mexico now objects to the request which has been made.

The VICE PRESIDENT. Objection is heard to the request made by the Senator from Texas.

Mr. CONNALLY. Mr. President, I wish to say to the Senator from New Mexico that I very greatly regret his action in this connection. The reason the Senator from Texas objected to the bill which was on the calendar the other day was that he had been objecting to it theretofore on the ground that no interstate compact had been made between New Mexico and Texas. I stated then that as soon as that compact was ratified, I would not make objection.

But in the meantime the interstate compact for which we have contended has been completed. The junior Senator from New Mexico [Mr. ANDERSON] and I have already conferred about it, today. A bill ratifying the compact has been reported, and is on the calendar; and when the bill now before us is out of the way, I was going to make a special effort, to have the compact taken up and ratified, and thus end the matter. I am entirely agreeable to that course.

Mr. CHAVEZ. Mr. President, that is quite all right; but let me tell the Senator from Texas that I also, as well as the junior Senator from New Mexico, represent the State of New Mexico.

Mr. CONNALLY. He happens to be chairman of the committee.

Mr. CHAVEZ. He may happen to be chairman of the committee; nevertheless, with all due respect and deference to the junior Senator from New Mexico, let me state that I am interested in the Fort Sumner project; and I still object to the request which has been made.

The VICE PRESIDENT. Objection is heard.

Mr. CONNALLY. Mr. President, I move that the vote by which the amendment was adopted be reconsidered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was rejected.

Mr. DONNELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 9, in line 7, it is proposed to strike out "$415,084,300" and substitute therefor "$416,084,300."

The VICE PRESIDENT. The Senator from Missouri will have to move to reconsider the vote by which the committee amendment was adopted, in order to be able to offer this amendment to it. It involves the same situation which was involved in connection with the motion of the Senator from Texas.

Mr. DONNELL. I thank the Chair, and I so move.

The VICE PRESIDENT. The Senator from Missouri moves that the vote by which the amendment was adopted be reconsidered.

The Chair will state that the appropriation involved in the amendment is a lump-sum appropriation; and to modify or change the amount would require the adoption of a motion to reconsider the previous action of the Senate in agreeing to the amendment.

Mr. MAYBANK. Mr. President, will the Chair state once more the present situation?

The VICE PRESIDENT. The Chair was stating that the amount involved in the amendment is a lump sum, not broken down in the bill itself; and in order to modify the amount, it will be necessary for the Senate to reconsider its previous action in agreeing to the committee amendment.

The Senator from Missouri has moved that the Senate reconsider the vote by which the amendment was adopted.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DONNELL. I yield for a question.

Mr. AIKEN. Let me ask a question, please: For what purpose does the Senator from Missouri desire to have the vote by which the amendment was adopted reconsidered?

The VICE PRESIDENT. The Chair is informed by the Parliamentarian that inasmuch as one motion to reconsider the vote by which the committee amendment was adopted has been rejected, it is not now in order to make another motion to reconsider the vote by which the committee amendment was adopted.

Mr. DONNELL. Then, Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 11, between lines 21 and 22, it is proposed to insert the following:

Table Rock Dam and Reservoir, White River Basin, Missouri: For commencement of the Table Rock Dam and Reservoir project, a unit of the general comprehensive plan for flood control and other purposes in the White River Basin, in accordance with the provisions of the Flood Control Act approved June 28, 1938 (52 Stat. 1218), as modified by the Flood Control Act of August 18, 1941 (55 Stat. 645), $1,000,000.

Mr. DONNELL. Mr. President, the purpose of this amendment is very clear, upon its face.

In support of the amendment, I shall now read a letter from Lewis A. Pick, major general, Chief of Engineers, addressed to me. The letter is dated May 5, 1949:

Reference is made to your letter of 27 April 1949 in which you state you have received a communication from Mr. Louis W. Reps, managing director of the Springfield Chamber of Commerce, Springfield, Mo., relative to the possible addition of a million dollars to the appropriation bill so the construction of Table Rock Dam and Reservoir project might be started. You ask to be informed as to whether it would be advisable for the construction of that project to be started at this time.

The Table Rock Dam and Reservoir project is one unit of the general comprehensive plan for flood control and other purposes in the White River Basin as approved by Congress in the Flood Control Act of 28 June 1938 and modified by the Flood Control Act of 18 August 1941.

The dam site is located on the White River near Branson, Mo., about 22 miles upstream from the existing hydroelectric power plant of the Empire District Electric Company at Ozark Beach, Mo., and about 109 miles upstream from the Bull Shoals Reservoir project on the White River which is currently under construction.

The flood-control storage to be provided in the Table Rock Reservoir will greatly reduce flood damages at Branson and Hollister, Mo., and at other areas in the Lake Taneycomo region. In addition, the Table Rock project, when operated in conjunction with the Bull Shoals Reservoir, will provide a high degree of flood protection along the White River below the Bull Shoals Reservoir as well as assist in the reduction of flood heights on the Mississippi River.

Mr. MORSE. Mr. President, I suggest that the Senate is not in order.

The VICE PRESIDENT. The Senate will be in order.

Mr. DONNELL. The letter continues:

The Table Rock project also will provide for the generation of a large amount of hydroelectric power at the Table Rock site as well as providing stream-flow regulation that will materially increase the production of power—

Mr. President, may we have order?

The VICE PRESIDENT. The Chair is attempting to get order, but within 5 minutes after order is restored, the situation is worse than ever.

Mr. DONNELL. I realize that, Mr. President. I thank the Chair for his kindness.

The VICE PRESIDENT. If Senators are compelled to converse, let them, please, leave the Chamber. Senators who have the floor are entitled to the courtesy and the attention of the Senate. If Senators cannot give it to them, they should absent themselves.

Mr. DONNELL. I very much appreciate the courtesy, the persistence, and the kindness of the Chair. I was reading this sentence:

The Table Rock project also will provide for the generation of a large amount of hydroelectric power at the Table Rock site as well as providing stream flow regulation that will materially increase the production of power at the downstream Ozark Beach and Bull Shoals plants.

In view of the large flood-control and hydroelectric-power benefits that will be realized when the Table Rock project is completed and placed in operation, it is considered highly desirable that the authorized project be initiated at an early date. Accordingly, you may be assured that we are prepared to initiate that work promptly upon the appropriation by Congress of the necessary funds for that purpose.

Sincerely yours,

LEWIS A. PICK,
Major General, Chief of Engineers.

Mr. President, it will be observed at the outset of General Pick's letter to me, which I have just read, that he refers to a communication from Mr. Lewis W. Reps, managing director of the Spring-

field Chamber of Commerce, Springfield, Mo. There are two observations in the letter which I think in frankness to the Senate and in fairness to myself I should read. The entire letter is available if anybody desires it. But I call attention to two particular sentences. One has reference to the Table Rock Reservoir, and is as follows:

Its construction will mean a sizable sum to the Empire District Electric Co. for the reason that Lake Taneycomo will be held at a constant level after Table Rock is completed.

I desire to make this comment: While I am confident the writer of this letter wrote it with the very best of intention, I assure the Senate and the public that I am not moved to offer the amendment because of any benefit to any one particular corporation or individual. I have nothing against the Empire District Electric Co. It is a great corporation. It is, as I understand, controlling and operating a great hydroelectric plant at Lake Taneycomo. But I am not offering the amendment in order to benefit the Empire District Electric Co. I am offering it because of the information received from Maj. Gen. Lewis A. Pick, Chief of Engineers. In the same letter from Mr. Reps, there are two other statements which likewise I am sure were induced by the best of intentions, but which I think I should comment upon in justice certainly to myself and, I believe, to all parties concerned. He says:

The appropriations bill soon will come before the Senate. Would you feel inclined to ask that a million dollars be added so that actual construction could start on Table Rock.

I know that such action on your part would bring some criticism to you, but on the other hand it would bring far more praise. It is going to be done anyhow some day and if you would make this gesture, the credit would be yours. Let me know.

While I am not in any sense criticizing Mr. Reps, and I repeat I am confident that he acted in writing the letter with the utmost of good motives, I am not consciously moved, and I do not think I am unconsciously moved, by any desire to acquire praise or to avoid criticism in offering the amendment.

I may say that I have subsequently received from another gentleman, in whom I have great confidence, a letter which came recently to my office in which he likewise makes some mention that "you would receive far more commendation than criticism." He is referring to the inclusion of $1,000,000 or $2,000,000, so that this work can be gotten under way.

Again, Mr. President, I want the RECORD to be clear that I have stated the contents of the letters and that I am not consciously, nor do I believe that I am unconsciously, moved by the question of criticism or praise.

Mr. AIKEN rose.

Mr. DONNELL. Mr. President, the Senator from Vermont asked appropriately, a little while ago, what was the reason for the earlier motion which I presented with respect to an amendment which the Chair ruled out of order. Subsequently, I take it, his same question would appropriately apply to the motion which I now make for the inclusion of the amendment on page 11 between lines 21 and 22.

Mr. President, the Table Rock reservoir project pertains to the White River district in the States of Missouri and Arkansas, particularly, but not entirely. I think it applies likewise, as indicated in the letter from General Pick, to the Mississippi River. It is my understanding that the benefits for flood control which would be realized from the Table Rock reservoir would accrue to three separate and distinct categories or areas. One would be the highly developed areas between Table Rock and the head of the Bull Shoals reservoir, which latter reservoir is in the State of Arkansas; second, areas along the White River, downstream from the Bull Shoals dam; and third, to the Mississippi River itself.

It is my understanding from the report of the Chief of Engineers of the United States Army for 1948, part I, volume 1, page 1413, that the total estimated cost of the Table Rock Reservoir is $76,340,000, and that the total estimated cost of the Bull Shoals Reservoir is $76,300,000. It is my further understanding that, as appears in the report of the district engineer in House Document No. 917, Seventy-sixth Congress, third session, both projects are essential to the development of the Upper White River Basin above the Bull Shoals project, which is down river farther than are Table Rock and the Table Rock Reservoir to which I refer.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DONNELL. I should be glad to yield to the Senator, but the Senator from Vermont was on his feet, and I shall yield first to him.

Mr. AIKEN. The Senator from Missouri has answered one of my questions since I have been on my feet, but I have several more questions to which I should like to have answers.

What is the capacity of the reservoir for flood-control purposes?

Mr. DONNELL. Mr. President, I do not know whether I can answer that question with accuracy, without further examination of the figures. I read from a document, which I believe to be correct, which was furnished me by a gentleman in whom I have confidence:

As to the White River Valley downstream from the Bull Shoals Reservoir, House Document No. 917, Seventy-sixth Congress, third session, proposed Table Rock and Bull Shoals Reservoirs act as one unit in controlling flood flows. That report indicates that Bull Shoals is the key reservoir in the White River plan of development and indicates that the flood-control storage in both Bull Shoals and Table Rock is required to give the desired control of run-off from the drainage area upstream from the Bull Shoals Dam. Downstream from the Bull Shoals Dam there are over 1,000,000 acres of agricultural land in the White River Valley which will be benefited. Included in this area are such cities as Batesville, Newport, Augusta, and Clarendon, Ark., and hundreds of miles of highways and railroads. Many thousands of people reside in the flood plane.

At an earlier point in this document, Mr. President, there is this reference to the extent of territory between Table Rock and the head of the downstream Bull Shoals Reservoir:

The White River between Table Rock and the head of the Bull Shoals Reservoir is occupied by Lake Taneycomo, a lake formed by a dam near Forsyth, Mo., which belongs to the Empire District Electric Co. This private project is a private power development and its lake level generally is below the top of the bank of the stream. Large sums of money have been invested in camps and recreational facilities around the lake. These facilities, as well as parts of the towns of Branson and Hollister, Mo., located on the banks of the lake only a short distance downstream from Table Rock Dam site, are subject to flood. The losses in these areas of concentrated population are high, and there is danger of losing human life. The most recent large flood occurred in 1945, when the tangible losses were hundreds of thousands of dollars, to say nothing of the human suffering which normally accompanies such catastrophes. These concentrated areas of population would be protected by the Table Rock Reservoir.

Referring directly, in statistics, to the question asked by the Senator from Vermont, in the report of the Chief of Engineers for 1948, part I, volume I, page 1413, I read this information:

Reservoir, Table Rock, River "—

The ditto marks refer to the White River. They are underneath the Bull Shoals item.

Distance above mouth, 528.5. Nearest town, Branson, Mo. Maximum height of dam and type, 268 feet, concrete gravity.
Reservoir capacity—

I hope these will be the figures which my friend desires—

Three million three hundred forty-eight acre-feet.
Power developed, 84,000 kilowatts.
Total estimated cost, $76,340,000.

If the Senator from Vermont will indulge me, I should like to insert at this point similar information for the Bull Shoals reservoir. It is as follows:

Reservoir, Bull Shoals, White River. Nearest distance above mouth, 418.6 miles.

The figures "528.5" which I read with reference to the Table Rock project likewise represent miles—

Nearest town, Amos, Ark.
Maximum height of dam and type, 283 feet, concrete gravity.
Reservoir capacity, 5,408,000 acre-feet.
Power developed, 120,000 kilowatts.
Total estimated cost, $76,360,000.

Does that answer the Senator's question?

Mr. AIKEN. Yes. Can the Senator now tell us how the cost would be divided between flood control and power?

Mr. DONNELL. Mr. President, I do not think I can give that information. I have not studied it with that particular point in mind. I have looked into the matter with reference to the point made by General Pick as to the importance of early construction. The question of the desirability of the reservoir, I take it, has already been settled and decided by the Congress in its action in an earlier session some years ago. I would not be able, without taking considerable time, to develop the information which the Senator desires.

Mr. AIKEN. From rough figuring it would appear that half of the cost would be for the development of power and half for flood control. The cost of power would be approximately $440 a kilowatt, which seems to me to be an extremely high cost when considering a dam from which some private power company would receive practically all the benefits.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DONNELL. With reference to the assumption of the Senator from Vermont as to the division, I am unable to say whether it is correct. I may state, however, that a report which I now hold in my hand, to the Seventy-sixth Congress, third session, House of Representatives Document No. 917, sets forth in very considerable detail information regarding this matter and recommends that the Table Rock and Bull Shoals Reservoirs on the upper White River, in Missouri and Arkansas, be constructed at Federal expense for the combined purposes of flood-control and power development. I observe that the estimate is much lower in this report than the estimate made later. The estimate in the old report is $24,500,000 for the former and $38,000,000 for the latter, or a total cost to the United States of $72,500,000 for the two reservoirs, with such modification of plans set forth as, in the discretion of the Secretary of War and the Chief of Engineers, may be advisable.

Mr. AIKEN. I am simply, in my own mind, drawing comparisons of cost. If half the cost is charged to power, it would amount to approximately $440 per kilowatt, which would compare with $84 per kilowatt for the development of power on the St. Lawrence River, which has been regarded as so expensive that the Government cannot afford to undertake it. It seems to me we have to use care and to be sure we do not spend too much money in developing uneconomical power sites when somebody does not feel he can develop it for himself.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DONNELL. I shall yield, but let me say that this seems to me very similar to a case which was decided some years ago. This was back in 1940, and the project was carefully considered, I take it, and it was decided upon. I observe that the report of the Federal Power Commission is signed by Mr. Leland Olds, Chairman. I have not read all of it, but I might read just a sentence or two. I observe on page 4 of Document 917, being the letter of Mr. Leland Olds, Chairman. He says:

> Studies by the Commission's staff indicate that multiple-purpose reservoirs at the Table Rock and Bull Shoals sites, primarily for the control of floods, would have a substantial beneficial effect upon navigation; that they would be the most important elements in a comprehensive plan for the development of the water resources of the White River Basin; and that the power that could be produced at these projects could be absorbed by the expanding power markets of the region in a reasonable period of time. The possibility of constructing a multiple-purpose project at the Norfork site in the same basin does not affect this conclusion. The Commission's staff observes also that higher dams may be desirable at these sites, more fully to develop their potentialities. The reports of your department—

That is to say, the Department of the Chief of Engineers—

> do not indicate whether it would be feasible to construct these dams to greater heights. Should it be possible to do so, the power benefits would appear to warrant the larger investment for the higher dams.

I observe a little further down the concluding sentence of the report, which is a rather lengthy sentence, reads:

> On the basis of the reports of your department—

That is, the department of the Chief of Engineers—

> and studies by the Commission's staff—

That is, I take it, the staff of the Federal Power Commission—

> the Commission concludes that multiple-purpose projects at the Table Rock and Bull Shoals sites on the White River in Missouri and Arkansas, respectively, are essential units in a plan to develop comprehensively the water resources of the White River Basin; that the Bull Shoals project should be the first of the two constructed—

And I may interpolate that that is largely under way at this time, as I understand—

> that the power market available could absorb the output from the Bull Shoals project very soon after completion; that the growing power market, together with the need for additional flood control, would soon justify the construction of the Table Rock project; that both projects are desirable and economically feasible; that their construction should be authorized; and that very careful consideration should be given to the above suggestion for possible increases in the heights of both the Table Rock and Bull Shoals Dams.

Mr. McCLELLAN. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I should like to inquire upon what assumption is the Senator from Vermont proceeding when he says that it is being constructed for a private power enterprise?

Mr. AIKEN. I got that information from the letter which the Senator from Missouri just read to the Senate, in which someone advised him that a certain private power company would be the principal beneficiary, so far as power was concerned; that it would add greatly to its supply.

Mr. DONNELL. If the Senator will let me interrupt him, I think the Senator from Vermont inadvertently misquoted the letter. I should like to read it.

Mr. AIKEN. I did not quote it at all.

Mr. DONNELL. The Senator referred to it. It is from Mr. Reps, of the Springfield Chamber of Commerce, and reads in this way:

> Its construction will mean a sizable sum to the Empire District Electric Co. for the reason that Lake Taneycomo will be held at a constant level after Table Rock is completed.

Mr. McCLELLAN. As I understand, a private power company has a dam at some other point in that general water area.

Mr. DONNELL. That is correct.

Mr. McCLELLAN. And the construction of this dam might benefit that power company. But I dare say to the Senator from Vermont that any benefit which might flow to that private power company by the construction of this dam was not taken into account in determining the ratio of benefits to cost in authorizing the project. In other words, that is merely incidental to the construction. As I understand, there is no definite policy that at any of these projects, when constructed, the power goes to the private power company. The regular policy as to power, under the 1946 act, is that the power generated shall be turned over to the Department of the Interior at the bus bar, and that it shall then be wholesaled by that department, going to cooperatives first.

Mr. AIKEN. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. If the Senator will permit me, I will yield to him in a moment. I wish to read some further language from the letter of Mr. Leland Olds, Chairman of the Federal Power Commission, to the Chief of Engineers, dated May 29, 1940. This bears on one or two of the questions which have been raised. He says:

> If the recommendations of the Board of Engineers for Rivers and Harbors should be adopted—
>
> 1. A dam would be constructed at the Table Rock site at mile 528 on the White River in Missouri; and another at the Bull Shoals site at mile 420 on the White River in Arkansas, both to be used for flood control and for regulation of stream flow for the production of hydroelectric power. The Table Rock and Bull Shoals Reservoirs would have gross capacities of 1,695,000 acre-feet and 2,750,000 feet, respectively;
>
> 2. Power plants with a combined initial installed capacity of 185,000 kilowatts would be constructed at these dams with possible total energy output of 619,000,000 kilowatt-hours annually;
>
> 3. The cost to the Federal Government for the Table Rock project would amount to $34,500,000, and for the Bull Shoals project, to $38,000,000, a total of $72,500,000.

I pause again to call attention to the increases in cost compared with present conditions. The next bears on the proposition the Senator from Vermont and the Senator from Arkansas were discussing:

> 11. The power plants would be constructed, operated, and maintained by the United States under the direction of the Secretary of War and the supervision of the Chief of Engineers, and the power would be disposed of—

I hope the Senator from Arkansas may hear this, too—

> and the power would be disposed of at the switchboard under contracts approved by the Federal Power Commission.

Mr. McCLELLAN. Mr. President, there is now in that area the Southwest Power Administration, which handles the distribution of much of the power that is being developed or generated there.

Mr. AIKEN. Mr. President, the Senator from Missouri indicated that the power was to be sold at the switch bar, which I assume would be the bus bar. It would be restricted to one customer, that is, the customer who has the line

going to the present site at the present time.

Mr. DONNELL. Mr. President, I am not an electrician, but I certainly can see no reason why the power could not be disposed of at the switchboard to any number of customers.

Mr. AIKEN. The total output resulting from these dams, I understand, includes the output from down river plants as well as the output at the dam, and in many cases the down river plants receive far more of the benefits from the construction of the dam than does the owner of the generating equipment at the dam itself.

Mr. FERGUSON. Mr. President, will the Senator yield for several questions?

Mr. DONNELL. I yield.

Mr. FERGUSON. I inquire whether this matter received a budget estimate?

Mr. DONNELL. Mr. President, I will have to ask the Senator from Tennessee if he would be kind enough to give us that information. I may say to the Senator from Tennessee that the Senator from Michigan inquires whether or not this particular item received a budget estimate.

Mr. McKELLAR. The budget estimate was for planning, $125,000, and the committee allowed that amount.

Mr. FERGUSON. But there was no money in the estimate of the Bureau of the Budget for construction?

Mr. McKELLAR. There was no money in the budget estimate for construction.

Mr. DONNELL. That is my understanding, yes. I should like to be certain that I am correct on that point. The Senator from Tennessee or members of his staff undoubtedly can give us the facts.

Mr. McKELLAR. That is the fact.

Mr. FERGUSON. I wanted to make sure of that fact. That is also the understanding of the Senator from Michigan.

Mr. DONNELL. I think that is correct.

Mr. FERGUSON. The second question is: Was the matter presented to the subcommittee?

Mr. DONNELL. No; at least not by me. I do not know whether it was presented to the subcommittee by anyone else.

Mr. AIKEN. Mr. President, will the Senator yield for one more question?

Mr. DONNELL. Yes.

Mr. AIKEN. If the money has not yet been appropriated for planning, how is the estimated cost of $76,000,000 arrived at?

Mr. DONNELL. I think, Mr. President—and again I shall have to refer to the representatives of the Appropriations Committee—I think there has been a substantial amount already appropriated for planning of the entire comprehensive project, of which this is only a part. The comprehensive plan includes not only the Bull Shoals and Table Rock Reservoirs but also the Griers Ferry in Arkansas, Lone Rock in Arkansas, Norfork in Arkansas, Bell Valley in Arkansas, Water Valley in Arkansas, and Clearwater in Missouri.

I cannot give the information the Senator asks because I do not have it, but in view of the fact that the Corps of Engineers wrote a letter such as this of May 5, which was forwarded to Springfield and has been returned and was received by me on May 19, which was yesterday, in which appears the words:

> It is considered highly desirable that the authorized project be initiated at an early date.

And in another sentence preceding this language:

> In view of the large flood control and hydroelectric power benefits that will be realized when the Table Rock project is completed and in operation—

And then in view of the fact that it concludes with the sentence:

> Accordingly you may be sure that we are prepared to initiate that work promptly upon the appropriation by Congress of the necessary funds for that purpose.

I would assume it to be not an unreasonable conclusion that they have made plans, or else they would not be able to give us such assurance. I assume also, if the Senator from Tennessee [Mr. McKELLAR], who has kindly risen, will indulge me a moment, that by reason of the fact that further amounts were added in the budget estimate for plans, doubtless further plans have been made. I hope that is so; but obviously they do not interfere, in my judgment, based on the letter written by General Pick, with the actual entry upon construction at an early date.

I yield now to the Senator from Tennessee.

Mr. McKELLAR. I have, as the Senator from Missouri knows, from long experience, the greatest sympathy with the production of electric power. I think very highly of the proposal the Senator has made. But the situation is that money was appropriated for the original plans years ago, but they were not completed. The Board of Engineers, when they came before the committee, testified that all they asked was $125,000 for planning purposes, to complete the plans which had been begun, before they could recommend a proper amount for construction. That was the way it came before the committee, and the committee accepted the budget estimate of $125,000, and it is in the bill now.

It seems to me the Senator is in rather a difficult position under those circumstances in seeking the additional amount for construction at this time. I have very great consideration for his project, so far as I am personally concerned, and I want to help the Senator if I can. But I believe that he should await the completion of the plans so that we may know exactly how much money will be required.

The project is a very large one and an important one. The whole amount asked for is $76,000,000. That is the reason why the engineers wanted this additional money for planning. I think the committee acted very wisely in granting money for additional planning.

Mr. DONNELL. I thank the Senator from Tennessee. I might add in that connection, that an attempt was made today by a representative of my office to reach General Pick, but he was not available at the moment, whereupon the representative of my office conferred over the telephone with Colonel Tyler, who, I am informed, is assistant for flood control. A part of a pencil note which I have in my hand reads as follows:

> One to one and one-half million dollars could be profitably used during fiscal year.

I observe that that language is in line with the customary language as it appears on page 14 of the 1948 report when it uses this language is referring to a certain sum:

> Can be profitably expended during the fiscal year 1950 for preparation of detailed plans and construction on projects, as follows:

I may add that among those projects as listed on that page is "Table Rock Reservoirs, $250,000."

Mr. President, I can well appreciate the force of the point made by the Senator from Tennessee, and my only answer to it is that it would appear to me that when General Pick wrote this letter on May 5 it was obviously his conclusion that they were sufficiently far advanced with their plans to go ahead, or else he would not have written the letter. That, I think, is enforced by the information received from Colonel Tyler today.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. McKELLAR. The difficulty today about the situation is that when the engineer in charge of the matter came to that conclusion he should have gone before the Bureau of the Budget. He should have presented there the report of the Corps of Engineers and asked for a budget estimate. If such an estimate had come before the committee there would not, in my judgment, have been any trouble about it.

I suggest to the Senator that the thing for him to do is to see that the Corps of Engineers makes the recommendation to the Bureau of the Budget, and that a budget estimate is obtained.

Mr. DONNELL. Mr. President, I very much appreciate what the Senator has said. I can well see the force of it. He may be quite right in his statement. I think I should like my amendment voted upon this afternoon, but I appreciate the force of his suggestion.

I wish to place in the RECORD, if I may, before I yield to the Senator from Arkansas [Mr. McCLELLAN], who has just risen, information which was sent to me by Mr. Rex Allaman, of Forsyth, Mo., in whom I have confidence.

I now yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I should like to make an observation. I appreciate very much the Senator's interest in the project, and I share his interest. It is a project which, while it is not located in my State physically, would result in great benefit to my State. I am just as anxious to see the project started and get under construction and completed as is the Senator from Missouri.

However, we are confronted with this situation: The project was not presented

for a construction appropriation at this time, but only for planning money. The Bull Shoals Dam project which is below it, is under construction. More than $29,000,000 has already been appropriated for it. There is an additional $13,000,000-plus in this bill for the Bull Shoals Dam. We are moving along in that area in the general development program. I say to the Senator if we load this bill down with more than it can carry, and our conferees have to go into conference with the great difference there is already between the House bill and the Senate committee version, we are likely to jeopardize some of our projects. If the appropriation were made it could not be judiciously expended now, until the money has been spent in making the plans for which we are now appropriating.

I should like to support the Senator's amendment. I should like to see this project in the bill. There are other projects equally meritorious that I should like to see constructed. But we have to conduct this program with some measure of order and relativity, and make such progress as we can. The fiscal situation being what it is, I hope the Senator will not press his amendment. I think it might jeopardize other things in which the Senator and I are both interested.

Mr. DONNELL. Mr. President, I am very greatly impressed with the views presented by the Senator from Tennessee and the Senator from Arkansas, as well as suggestions which have been made to me formally and informally while I have been on my feet. In a moment I am going to follow the suggestion which was made to me, to withdraw this amendment if I may have leave to do so.

The VICE PRESIDENT. The Senator may withdraw his amendment without consent.

Mr. DONNELL. I ask leave that the document entitled "Benefits and Effects of Table Rock Reservoir," the author of which I do not know, but which has been furnished to me, as I have indicated, by Mr. Rex Allaman, be printed in the RECORD at this point as a part of my remarks. I will say for the benefit of the Senator from Vermont [Mr. AIKEN] that included in it is a very considerable amount of information on the subject of power.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BENEFITS AND EFFECTS OF TABLE ROCK RESERVOIR

The authority for the construction of the Table Rock Reservoir for the primary purposes of flood control and the generation of hydroelectric power is contained in the Flood Control Act of 1941. This act modified the six-reservoir plan approved in the act of June 28, 1938. One of the modifications was to have the plan include "* * * projects for flood control and other purposes recommended by the Chief of Engineers in House Document No. 917, Seventy-sixth Congress, third session * * *." This reference document includes the recommendation of the Chief of Engineers for the construction of Bull Shoals and Table Rock Reservoirs for the control of floods, the development of hydroelectric power, and for other beneficial uses.

A review of the major benefits and effects of the Table Rock Reservoir is given in subsequent paragraphs.

FLOOD CONTROL

The benefits for flood control which would be realized from Table Rock would accrue to highly developed areas between Table Rock and the head of the Bull Shoals Reservoir, to areas along the White River downstream from the Bull Shoals Dam, and to the Mississippi River.

The White River between Table Rock and the head of Bull Shoals Reservoir is occupied by Lake Taneycomo, a lake formed by a dam near Forsyth, Mo., which belongs to the Empire District Electric Co. This private project is a run-of-river power development and its lake level generally is below the top of bank of the stream. Large sums of money have been invested in camps and recreational facilities around the lake. These facilities, as well as parts of the towns of Branson and Hollister, Mo., located on the banks of the lake only a short distance downstream from Table Rock Dam site, are subject to flooding. Losses in these areas of concentrated population are high and there is the danger of loss of human life. The most recent large flood occurred in 1945 when the tangible losses were hundreds of thousands of dollars, to say nothing of the human suffering which normally accompanies such catastrophes. These concentrated areas of population would be protected by the Table Rock Reservoir.

As to the White River Valley downstream from the Bull Shoals Reservoir, House Document 917, Seventy-sixth Congress, third session, proposes the Table Rock and Bull Shoals Reservoirs to act as one unit in controlling the flood flows. That report indicates that Bull Shoals is the key reservoir in any White River plan of development, but indicates that the flood-control storage in both Bull Shoals and Table Rock is required to give the desired control of run-off from the drainage area upstream from the Bull Shoals Dam. Downstream from the Bull Shoals Dam there are over 1,000,000 acres of agricultural land in the White River Valley which will be benefited. Included in this area are such cities as Batesville, Newport, Augusta, and Clarendon, Ark., and hundreds of miles of highways and railroads. Many thousands of people reside in the flood plain.

According to House Document 917, flood-control reservoirs have material and valuable effects on reducing flood heights in the lower Mississippi River in addition to their direct value locally. The reduction of major flood heights in the lower Mississippi River increases the factors of safety of the existing levee system. The lowering of flood heights in this lower reach of the Mississippi River is of value also in reducing frequency of use of authorized floodways and in reducing somewhat the frequency and depth of inundation of parts of the large unleveed areas.

In House Document 917 flood-control benefits were given as $326,600 annually for Table Rock Reservoir based on a flood-control storage of 485,000 acre-feet. The flood-control storage now proposed for Table Rock is 760,000 acre-feet. The original flood-control benefits were about $0.67 per acre-foot of flood-control storage. In view of increase in prices since 1939, the date of the report, it is reasonable to assume that this unit value has at least doubled. On the basis of the flood-control capacity now proposed and on the basis of a unit value of flood-control storage equal to $1.34 per acre-foot of storage, the flood-control benefits of Table Rock are now estimated to equal at least $1,000,000 annually.

POWER

From table 1 of the Federal Power Commission report "Power Market Survey Multiple-Purpose Projects in the Southwestern Region," dated December 1944, the installed capacity for Table Rock Reservoir is 84,000 kilowatts consisting of two units, and the dependable capacity of the plant would be 64,000 kilowatts. The firm energy is 332,000,000 kilowatt-hours with a total average annual energy amounting to 372,000,000 kilowatt-hours. On page 7 of section 1 of the report it is stated that the regulation provided by the large storage capacity at Table Rock will affect materially the amount and character of the power available at the existing Ozark Beach plant and at Bull Shoals and other proposed downstream developments. Due to lack of stream-flow regulation, the present installation of four 4,000-kilowatt units at Ozark Beach produces little or no continuous power. The energy output during an average year is estimated to be about 69,000,000 kilowatt-hours at the Ozark Beach plant. With the Table Rock Reservoir in operation it is estimated that in an average year the energy from the Ozark Beach plant will be increased to 95,000,000 kilowatt-hours. The report of the Federal Power Commission indicates that the dependable capacity of the Ozark Beach plant with Table Rock in operation would be increased from zero to 16,000 kilowatts. The Federal Power Commission indicates further that the installed capacity at Ozark Beach would be doubled ultimately and thus obtain far greater benefit. However, this potential benefit has not been considered in this presentation.

As to the increase in energy and capacity at the downstream Bull Shoals plant, the pamphlet issued by the Little Rock District, Corps of Engineers, September 1947, subject: "Bull Shoals Dam and Reservoir Project, Arkansas and Missouri," gives the total average annual output of the Bull Shoals plant as 575,000,000 kilowatt-hours, of which 394,000,000 is the prime annual output. This prime output is without the regulation of flow from the Table Rock project. Table 1 of the above-referenced report of the Federal Power Commission indicates a total prime energy output of 533,000,000 kilowatt-hours per year at Bull Shoals with Table Rock in operation. Hence, the regulated flow from Table Rock will result in an increase in prime energy of 139,000,000 kilowatt-hours per year at Bull Shoals. It is reasonable to assume that this increased prime energy could be disposed of on a 40-percent load factor, resulting in an increase of 40,000 kilowatts in dependable capacity for Bull Shoals.

In summation, the increase in power attributable to the Table Rock project is as follows:

	Increased prime capacity	Increased energy
	Kilowatts	*Kilowatt-hours*
Table Rock	64,000	372,000,000
Ozark Beach	16,000	26,000,000
Bull Shoals	40,000	----------
Total	120,000	398,000,000

Appendix No. V of House Document 917 gives a unit value of $11.83 per kilowatt of dependable capacity after correcting for transmission losses. The report also gives a unit energy value of 1.8 mills per kilowatt-hour after correcting for transmission losses. The capacity value refers largely to the cost of construction of equivalent capacity in new steam plants. As construction costs have increased materially since 1939, the date of the report, the capacity value given therein is out of date. One of the latest published reports of the Federal Power Commission is the Power Market Survey, State of Texas, Part 1—Power Requirements, dated June 1947.

Table 66 of this report gives capacity values ranging from $16.70 to $19.20.

It therefore appears reasonable to assume that the increased capacity attributed to Table Rock would have a value of somewhere around $18 per kilowatt of prime capacity. Table 67 of the same report gives the unit energy value as ranging from 1.05 mills to 2.6 mills. It appears reasonable to assume that the energy would have a unit value of approximately 1.8 mills. Applying these unit values to the total increase in power as given above results in a total power benefit of $2,876,400 per year, of which $2,160,000 represents capacity value and $716,400 the energy value. According to table 42 of the Federal Power Commission report on the Multiple-Purpose Projects in the Southwestern Region, the increased power could be absorbed by 1955 or approximately by the time the Table Rock project could be completed if construction funds were made available at this time. It is known that the present power requirements in the Southwestern region materially exceed those forecast by the Federal Power Commission in its 1944 report.

COST AND BENEFITS

On page 1413 of the Annual Report of the Chief of Engineers for Fiscal Year 1948 the total estimated cost of the Table Rock project is given as $76,340,000. A review of recent Corps of Engineers reports on large reservoir projects indicates a relation between annual charges and initial costs of 4.2 percent. Applying 4.2 percent to this revised estimated construction cost of Table Rock Reservoir indicates an annual charge of $3,206,300. The flood-control and power benefits as estimated above amount to $3,876,400. Therefore, the benefit to cost ratio is 1.21 to 1.

SEDIMENTATION

Of direct concern to local interests around Lake Taneycomo is the sedimentation which has filled over one-half of the capacity of that lake in about 35 years. An Advance Report on the Sedimentation Survey of Lake Taneycomo, Taney County, Mo., was published in September 1936 by the United States Department of Agriculture, Soil Conservation Service. Data in that report are based on measurements of sediment in the lake in 1935, at which time the reservoir was a little over 22 years old. These data show that the average loss of capacity had been 900 acre-feet per year. This is an appreciable loss of capacity in Lake Taneycomo which had a total original storage capacity of only about 44,000 acre-feet. The filling of the lake has become so severe that local interests prevailed on Congress to authorize an investigation of the area. A public hearing was held by the district engineer, Little Rock District, Corps of Engineers, in Branson, Mo., on May 13, 1948, relative to this investigation. The local interests were unanimous in their opinion that sedimentation of Lake Taneycomo has affected recreational use of the lake and has interfered with navigation. They expressed the fear that further filling of the lake will destroy the usefulness of developments on the lake. The construction of Table Rock Reservoir would reduce future sedimentation in Lake Taneycomo. At the same time there would be no problem of losing the capacity of Table Rock Reservoir by sedimentation. The dead storage capacity proposed for Table Rock is nearly 800,000 acre-feet. If it is assumed that this reservoir would lose capacity by the same amount as Lake Taneycomo (900 acre-feet per year), it would take over 800 years before the dead storage would be filled and before the capacities reserved for power draw-down or flood-control storage would be affected. With a total capacity of over 3,000,000 acre-feet proposed for Table Rock Reservoir, it is obvious that this rate of sedimentation will be no problem.

In House Document 917 an estimate was made of sediment expected in Table Rock Reservoir. The document states that "in order to provide for the most severe circumstances an average silt content of 0.05 percent has been assumed" at Table Rock. The percent relates to volume of flow of the stream. On this basis it was estimated that the loss of capacity at Table Rock would be 1,630 acre-feet per year. Even this larger rate of sedimentation would have no effect on the primary purposes of the Table Rock project for about 500 years.

The benefits which would result from the prevention of further sedimentation of Lake Taneycomo would be large; however, they have not been evaluated in determining the benefit to cost ratio of the Table Rock project.

RECREATION

House Document No. 917 (par. 116) states that the recreation and wildlife benefits to the Table Rock and Bull Shoals Reservoirs would be large. However, no monetary value was assigned for this benefit. House Document No. 917 states that "This area is noted for its clear streams and scenic beauty, and is perhaps the most outstanding inland recreational area between the Appalachian and Rocky Mountains. In mountainous areas large bodies of water are ordinarily outstanding as centers of attraction."

A public hearing was held in Harrison, Ark., on January 10, 1939, with reference to several reservoirs, including Table Rock. A transcript of this hearing accompanied the report published as House Document No. 917. Mr. Carl Kessler, field representative of Ozark Playgrounds Association, presented a statement at that hearing in which the recreational value of Table Rock Reservoir was stressed. Unofficial count of visitors to Lake Norfork indicates almost 100,000 man-days of fishing during 1948, and that total visitation to the project was about 250,000 persons. Table Rock, with a power pool area about twice that of Norfork and a greater length of shore line, would draw at least that many persons annually with a resultant benefit of tourist trade to this area.

The value of fishery in an impoundment is given in Fisheries and Wildlife Resources in the Tennessee Valley published in 1947 by the Forestry Relations Department, Tennessee Valley Authority. It is stated in that publication that on Norris Lake each acre of water generated $26 worth of business. If that value were applied to the full power pool area of Table Rock (43,000 acres), it would indicate that fishing would have a value of over a million dollars per year.

OTHER BENEFITS

There are other potential benefits which would accrue to the Table Rock Reservoir, some of which are intangible but nonetheless real. These other benefits are recognized in House Document No. 917, which serves as the general basis for remarks herein on these other benefits.

The Table Rock Reservoir is in a reach of White River which is not now considered a navigable water of the United States. The White River downstream from Branson is considered a navigable stream. Navigation in the lower White River is limited by shoals and bars. The Table Rock and Bull Shoals Reservoirs would produce a regulated flow of about 3,350 cubic feet per second. The minimum flow at the Bull Shoals Dam site under natural conditions was a little over 100 cubic feet per second. Although no allocation of capacity at Table Rock or Bull Shoals Reservoir has been made for the needs of navigation, the regulation of flow which the two reservoirs would insure can be expected to improve navigation in the White River. Also, such improvement would, to some degree, benefit navigation on the Mississippi River.

Regulation of flows also provides a potential irrigation benefit to lands along the White River. Much has been said, in news articles and in public hearings, relative to irrigation of crops other than rice. A plan was recently announced by the Mississippi River Commission to provide a supplemental water supply to the Grand Prairie region in Arkansas. Water would be pumped from the White River at DeValls Bluff, Ark. The future demand for water from White River may be much larger than now foreseen for irrigation of row crops as well as rice, in which case the regulation of the stream flow would be beneficial for this purpose.

The flood-control storage in Table Rock and Bull Shoals Reservoirs would have some measure of beneficial effects in stabilizing the stream alinement on White River. Also, the control of floods will lessen the danger of loss of human lives, improve health conditions, tend to improve the morale of communities, and encourages development of areas along White River from a farming and living standpoint.

PERTINENT DATA

The following pertinent data on Table Rock Reservoir as proposed by the Little Rock District in 1946 indicate the relocations and other features involved in its construction:

Pool elevation, feet above mean sea level:

Top of flood-control pool	931
Top of power pool	915

Features by States

Item	Missouri	Arkansas	Total
Area, acres:			
At full flood-control pool	49,700	2,600	52,300
At full power pool	40,900	2,100	43,000
At approximate purchase limits	111,700	7,300	119,000
Number of families displaced	320	35	355
Cemeteries affected:			
Number of cemeteries	21	None	21
Number of graves	955	None	955
Road alterations:			
Relocations, miles	4.2	0.4	4.6
Bridges to be reconstructed	4	2	6

Towns affected: Radical and Oasis, Mo.; Beaver and Enon, Ark.

Land classification of approximate purchase area

	Acres
Bottom land	32,000
Cultivable upland	16,000
Fenced pasture	35,000
Timberland	35,000
Stream beds and wasteland	1,000
Total	119,000

SUMMATION

In summary, it may be said that the Table Rock Reservoir is one of the eight reservoirs approved for construction in the White River Basin and is one of three authorized for generation of hydroelectric power as well as for flood control. A review of the project indicates that the present estimated construction cost is justified on the basis of evaluated benefits. However, a review of the benefits as set up by the Corps of Engineers reveals that many benefits would accrue to the project which have not been evaluated. These include items such as prevention of further sedimentation of Lake Taneycomo, recreation, and improvement of low-water flows. It is believed that if values were derived for these added benefits, the benefit to cost ratio of the entire project would be at least 2 to 1.

There is the further fact that although Bull Shoals Reservoir is the key project in any plan of reservoir development of the White River Basin, the Table Rock Reservoir is presented in reports of the Corps of Engineers as a companion project to the Bull Shoals Reservoir. As stated by the district engineer in House Document 917, "both projects are essential to the development of the upper White River Basin." The Bull Shoals project is now under construction. The Table Rock project should be placed under construction now in order that the desired control of floods and the production of needed hydroelectric power may be realized.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. AIKEN. May I ask who Mr. Allaman is?

Mr. DONNELL. He is a gentleman who lives at Forsyth, Mo. He is a man of high standing in the community. He came to see me with a group of gentlemen several weeks ago, with regard to this matter.

Mr. President, I withdraw my amendment.

The VICE PRESIDENT. The amendment is withdrawn.

Mr. DONNELL. I will say to the Senator from Tennessee that it is my expectation to follow this matter through along the line so courteously suggested by him and by the Senator from Arkansas.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3734) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part the Senate.

The motion was agreed to; and the Vice President appointed Mr. McKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. THOMAS of Oklahoma, Mr. CHAVEZ, Mr. BRIDGES, Mr. GURNEY, and Mr. FERGUSON conferees on the part of the Senate.

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks on the civil-functions bill an article entitled "The Battle That Squanders Billions," written by Hon. Leslie A. Miller, chairman of the National Resources Committee, Hoover Commission, and ex-Governor of Wyoming, and published in the Saturday Evening Post of May 14, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BATTLE THAT SQUANDERS BILLIONS

(By Leslie A. Miller, chairman, National Resources Committee, Hoover Commission; ex-Governor of Wyoming)

When former President Herbert Hoover asked me to serve on the National Resources Committee, one of the task forces of his Commission on Organization of the Executive Branch of the Government, I went into the job with my eyes open. I knew it would be a sort of surgeon's job. And I suspected just enough about the swollen, pork-fed condition of our two principal prospective patients—the autocratic Army engineers and the Department of the Interior's spendthrift Bureau of Reclamation—to know they would scream loudly when we sank the surgeon's knife into some of their diseased tissues.

I said I went into the job with my eyes open. They are open a lot wider now. As close as we thought we were to the problem of how the taxpayers' money is being spent for irrigation, flood control, and power development, my seven committee colleagues and I were amazed and dismayed to learn how bad the situation really is—how billions are being squandered on dupl'cating, badly engineered projects.

John Q. Taxpayer doesn't realize it, but efforts are being made to place his name as cosigner on a note for $52,706,500,000—or, to break it down, about $1,500 in tax obl'gations for the average American family. That is the staggering amount estimated as the cost of water-resources development projects now in the construction and planning stages, and it does not include the $4,779,700,000 spent on projects already completed. All but a fraction of these projects originate with the Engineers or the Reclamation Bureau.

As a Westerner who has been in public service for a good part of my life, I yield to no reasonable man in my appreciation of water resources and what their proper development can mean to my part of the country and to the Nation as a whole. But $52,706,500,000 worth is a terrific water bill.

Along with my astonishment over the size of the bill that the Engineers and Reclamationists are running up for us, there also is a touch of disillusionment. It has not been inspiring to witness the manner in which the Army Corps of Engineers, a body of soldiers supposedly responsible to its commander in chief, the President, has engaged in undisguised political lobbying to defeat the President's wholly admirable efforts to reduce the high cost of government in this field.

Nor can I say much for the way some elements in Congress already have indicated they will try to temporize with our recommendations to strip the Corps of Engineers of its civil functions, a field in which the Army does not belong. I realize how longingly those Congressmen who make up the so-called rivers-and-harbors bloc look upon the lush projects which the Engineers seem to think it is their privilege to bestow. But, in this era of top-heavy government, costly foreign aid and staggering national-defense bills, it should be the solemn duty of every legislator to place preservation of the American economy above preservation of political pork.

The principal charges I must bring against the Army engineers and the Bureau of Reclamation, as result of my investigations as chairman of the Hoover Commission's natural resources task force, are these:

1. The two agencies are so violently jealous of each other that extravagant and wholly senseless competition has sprung up. They will encroach on each other's territory and stake out rival claims simply to beat out each other in the race to construct expensive projects. Naturally, it is the taxpayer who suffers.

2. In their indecent zeal to extend their empires, both agencies are guilty of underestimating—apparently deliberately—the cost of the projects they propose to build. This underestimating has the effect of bamboozling Congress into easy acquiescence to proposed projects. Then, after the first batch of concrete is poured, the Engineers and Reclamationists always can come back with a request for a supplemental appropriation. For instance, if the whole $52,706,500,000 water-development program should be approved by Congress, the entire job when completed, on the basis of past performances in estimating by the Engineers and Bureau of Reclamation, probably would cost more than double that figure.

3. Both agencies stoop to deception in furtherance of their efforts to stake out claims on projects. The Engineers will use navigation and flood control as a guise for a hydroelectric project; the Reclamationists use irrigation as their alibi for hydroelectric development. While there may be much to say in favor of Government construction of hydroelectric projects, it is my impression that the United States still is not a socialistic country and that the production and sale of electricity remains a matter for private enterprise. I say this with full appreciation of the Tennessee Valley Authority experiment, which has served a useful purpose, but which, our task force concluded, should not serve as an excuse for setting up similar independent authorities throughout the Nation.

4. Both agencies are guilty of brazen and pernicious lobbying to achieve their ends.

Of course, I must plead guilty to a certain amount of bias in expressing my opinions. When I became Governor of Wyoming in 1933, I inherited a $1,000,000 overdraft that had been on our books for some 20 years. I got rid of it simply by not spending money on certain projects that would have been nice, but unnecessary. I never have believed in living above our means, and never shall.

Let me cite two cases which our task force uncovered as examples of wastefulness and bad planning on the part of both agencies. First, the case of the Reclamation Bureau and Boysen Dam: Out in the central part of my State of Wyoming is a rugged canyon through which the Big Horn River runs. To the head of this canyon some 30 or 40 years ago came an enterprising Minnesotan, one Asmus Boysen, who built a small power dam. It was strictly a private enterprise. Then came the Burlington Railroad, which built a track alongside his dam, and the State followed suit with a paralleling highway.

Boysen overlooked one thing: silt—the curse of all dam builders, even the mighty Engineers and Reclamationists. In a relatively short period of years, the silt had built up behind Boysen's dam so thoroughly that his power production was seriously impaired. He built a superstructure on his dam to raise the water higher. With that, the railroad went into court and charged that the dam was a menace to its roadbed. After a long and expensive suit, which almost broke Boysen, the courts held the dam was a nuisance and ordered it dynamited.

Now, a few years ago, when Reclamation plunged into the wild race to stake out projects in the Missouri Basin ahead of the rival Engineers, it hit upon the idea of again damming up the Big Horn at Boysen's old site. A reconnaissance survey fixed the cost at $8,200,000. Reclamation started building a mighty structure designed to aid flood control, supply irrigation water, and produce power; in my opinion the need, if any, for additional power in that area could be provided more consistently by enlarging the capacity of existing installations or of projects already under way. The structure was designed at least 10-percent larger than its purposes required, in order to cope with the siltation problem.

But the railroad and highway people were no more anxious to be flooded than they had been 30 years before. So Reclamation had to shoulder the cost of relocating the railroad and highway. To relocate the highway alone, I am informed, will cost $1,642,000. The cost of relocating the railroad will be staggering—$15,096,000 at the latest estimate. It calls for several miles of construction work through solid rock, includ-

ing the blasting of a tunnel, well over a mile long, through armorlike diorite and granite.

At last count, Reclamation itself was admitting that the project would cost $29,726,000; only time will tell how much more it will run. The budget request for the 1950 fiscal year alone is $8,000,000. If I were the arbiter, I'd say let's wash out the eight to ten millions that Reclamation already has squandered and not pour another $20,000,000 or more into this ill-starred silt trap.

Now for an example of how the Army engineers, in their zeal for pouring concrete, persist bullheadedly in spending money for projects of doubtful necessity. At the city of Denver, Colo., an inconsequential stream known as Cherry Creek flows into the South Platte River. Cherry Creek ordinarily is placid, but occasionally it floods, causing relatively minor damage in portions of Denver. Some years ago, Kenwood Dam, a structure designed for a maximum flood discharge of 70,000 second-feet, was built as a PWA project to protect Denver against Cherry Creek floods. According to a committee of the Colorado section, American Society of Civil Engineers, the worst Cherry Creek flood ever measured in Denver occurred in 1885 and had a peak discharge of some 20,000 second-feet.

The Engineers have stepped in, however, and, by a decidedly roundabout means of figuring, have come up with the conclusion that a flood of 113,000 second-feet—a figure that is 5.65 times as great as the maximum flood of record—is theoretically possible.

So now the Engineers are engaged in a truly massive project on this trifling creek—a dam 14,300 feet long and 140 feet high, with a control structure 174 feet in height. Needless to say, it will eliminate the existing dam, which local engineers think is adequate. Cost: $15,700,000 for the dam alone; about $21,000,000 if storage and operating facilities for irrigation-water storage, now being eyed by the Bureau of Reclamation, are included. The Engineers went ahead with this project despite the forthright opposition of the Denver engineers, who declared that, by even the most generous figures, the project was not worth the cost. The local engineers significantly pointed out that if the Denver taxpayers, instead of Uncle Sam, were directly footing the bill they never would commit themselves to such a project. But, it would appear, nothing can stop the Army engineers.

The Cherry Creek incident brings up another significant point: Our task force, in conducting its research, learned that both engineers and reclamation habitually built dams and canals without sufficient or accurate hydrologic data to justify the projects. The limit of error or ignorance in present water developments is rarely less than 25 percent, and frequently is more. In other words Engineers and Reclamation do not always know, before spending their billions, whether there is going to be enough water for the operation of their projects. To build monumental dams and all the subsidiary installations or to dredge a navigation channel and then pray for rain is either sublime faith or wasteful folly.

The Corps of Engineers, one of the oldest of Government services, has become undoubtedly the most powerful lobbying and pressure group in the Government today. By various grants of authority from Congress, it has extended its power and influence into many fields of civilian service, including the plum-rich areas of river-and-harbor improvements and flood control.

Theoretically, the corps is responsible to the Secretary of the Army and, through him, to the President. In practice, it has worked out that the engineers deal directly with Congress itself, often arrogantly ignoring, as has been demonstrated in many instances, the expressed wishes of the Comander in Chief. It has become hard to tell now who is the master—Congress or the Corps of Engineers—for, though Congress provides the appropriations for these rich and often wasteful engineering projects, the corps provides the modus operandi and the excuse for the spending of billions on the projects that bring such joy to the home districts of the rivers-and-harbors-bloc Congressmen.

For instance, when the rivers-and-harbors appropriations bill for fiscal year 1949—the largest in history, incidentally—was up before Congress, Senator BRIDGES, then Appropriations Committee chairman, and Senator TAFT, then majority leader, each asserted publicly that $200,000,000 could be lopped off the proposals with no harm to the Nation's welfare. Did their influence prevail? Indeed not—the bill passed the Senate by a 3-to-1 vote.

The great public fallacy concerning the Engineers is an impression that the corps is a peacetime group of Army officers and soldiers gaining valuable experience for war while working on construction projects. That is a lot of brass-encased baloney. The truth of the matter is that only some 215 Army officers are assigned to this inland-water-development program. They are the "brass" who supervise the tasks of more than 40,000 civilian Government employees.

Among these civilians are highly educated, efficient engineers who ordinarily would be granted advancement to top posts which their achievements warranted. But the way the Engineers have the system organized, the Army "brass" holds all the top positions and takes all the credit for the accomplishments. So the notion that Army personnel is getting valuable training for war through the Corps of Engineers is plain silly. Furthermore, in wartime Army Engineers are not called upon to build dikes and dams for flood control and power production—their job with respect to such structures is to blast them out of existence.

To put it mildly, the Engineers seem to have gone hog-wild in lining up projects. There is a segment of the engineering mind which seems to gaze on a God-made landscape with a critical eye. A river must be dammed. A beautiful natural lake must be converted into a reservoir. A swamp which may be a major factor in maintaining water tables in adjacent areas must be drained. If it is "engineeringly feasible," something must be done forthwith, because God didn't do a proper job in the first place and the Engineers can improve on His handiwork.

In the past few years, the Corps of Engineers has started muscling in on the field of power-producing and irrigation dams, which properly is the responsibility of Reclamation. This has produced considerable agitation within the Reclamation Bureau. The engineers may bestow a project upon an area at low cost to the local citizens, while Reclamation is supposed to set up contracts whereby those who glean the benefits eventually repay the Government. Naturally, human nature being what it is, most communities begin favoring the cheaper projects offered by the engineers over the quasi-pay-as-you-go projects of Reclamation. Reclamation's only weapon, if it is to maintain its hallowed bureaucratic status as the do-gooding, easy-spending patron of the West is to think up and execute projects faster than the Engineers. So a ruinous and costly competition has developed, particularly in the Missouri Valley and the Central Valley of California.

Can I back up these accusations with figures? I'll let Lt. Gen. Raymond A. Wheeler, the recently retired Chief of Engineers, do it for me. In response to a request last fall from one of the rivers-and-harbors-bloc Senators, General Wheeler, then chief of the corps, prepared an analysis of what all the Federal agencies—Engineers, Reclamation, Department of Agriculture, and the Federal Power Commission—had spent and were planning to spend on water-resources development. By far the lion's share, of course, were Engineers and Reclamation projects. The figures as taken from the CONGRESSIONAL RECORD are:

1. Works already completed	$4,779,700,000
2. Projects under construction	4,598,000,000
3. Projects definitely planned	18,980,900,000
4. Projects planned for the long-range future	29,152,600,000
Total	57,506,200,000

Of this total, it is highly significant to note that by far the largest single amount—$24,086,900,000—is earmarked for Government development of hydroelectric power. This amount is twice the expenditure planned for flood control, and nearly three times as much as is planned for irrigation. If these Government agencies got the green light on all their plans for power development, the new facilities thus constructed would provide more than three times the amount of hydroelectric power that exists in all the United States today.

Now electric energy is fine—you don't even have to argue about the wonders electricity has worked for American homes, farms, and industry—and I am for more of it. But I doubt if even this great Nation needs as much as the Engineers and Reclamation would promote.

The Reclamation Bureau was established in Theodore Roosevelt's time to save Western farmers from ruinous drought. Though a younger agency than the Corps of Engineers, it has grown up fast. Its activities are principally in the 11 Western States. Because of the popular illusion that all reclamation projects are on the side of the angels, whenever anyone in Congress lifts a questioning voice about this Bureau's expenditures, 22 Western Senators—Republicans and Democrats working as brethren—and their colleagues in the House rise as a phalanx to beat down the opposition.

Originally, the Reclamation Bureau was supposed to be a self-sustaining project; now it is drawing appropriations from the Treasury that run up as high as $246,619,139 a year—not counting the supplementary appropriations which the Bureau regularly wheedles or blackjacks from Congress. The Bureau's budget request for the coming fiscal year, pending before Congress as this was written, was a record $373,328,500. Personnel-wise, the Bureau has grown from 2,853 employees in 1935 to 16,522 in 1948.

Naturally two such powerful and pork-dispensing organizations have drawn the support of potent lobbies. The National Reclamation Association is one of the more powerful lobbies doing yeoman service for the Bureau of Reclamation. The Engineers have a whole string of lobbies behind them, including the aggressive Mississippi Valley Association and the wealthy, influential National Rivers and Harbors Congress. This rivers-and-harbors lobby has achieved an almost incestuous relationship with the National Congress, as many of the Representatives and Senators who pass on the bills that the group lobbies for are members of the lobby itself, along with the contractors, chambers of commerce, and other special interests that make up the membership. It is an especially fronic note that the incumbent president of the National Rivers and Harbors Congress is none other than United States Senator JOHN MCCLELLAN, or Arkansas, who also was a member of the Hoover Commission. As a member of the Commission, Senator MCCLELLAN fought to block certain recommendations of our task force

that were anathema to the Corps of Engineers, darling of the Rivers and Harbors Congress.

As an example of how the Rivers and Harbors Congress operates, I have in my possession a signed letter from former Senator E. V. Robertson of my State. He relates how some years ago, when he was a member of the Commerce Subcommittee on Rivers and Harbors, he was invited to attend a convention of the congress at New Orleans. His invitation was accompanied by a $300 check for "expenses."

Regarding this as highly improper—"this was the only occasion during my 6 years in the Senate that I received any invitation accompanied by a check for expenses," the Senator wrote me—he threw the check back at the organization and declined the invitation. I should like to see the National Rivers and Harbors Congress publish a full list of those to whom it has paid such "expenses" during its 48 years of operation.

It would be arrogant and intolerant of me to say that no good has come of any projects of the Engineers and Reclamation Bureau. The early projects, before they began to dream in the grandiose, wholesale manner were particularly inspired and beneficial. But I do charge that the performance record now is shot through with examples of rotten planning and wasteful execution.

The most shameful example of piecemeal planning, wasteful competition, and political compromising on the part of both the Engineers and Reclamation is the Missouri Basin story. For years, the Missouri Basin, approximately one-sixth of the Nation's land area, scene of flood and drought disasters, and a prime example of the need for carefully planned conservation and development, has been the battleground for various bureaus and private pressure groups with axes to grind.

The Engineers finally had come up with the ambitious Pick plan, prepared by Lewis A. Pick, now a major general and the new Chief of Engineers. Reclamation produced its equally ambitious Sloan plan, fathered by W. G. Sloan. The trouble with the two plans was that in many respects they were bitterly contradictory of each other. The Engineers, downstream, would be dredging a channel to serve the needs of unnecessary river traffic; upstream, Reclamation would be building a storage dam for irrigation that would deprive the channel of water it required.

In 1944, President Roosevelt recommended a Missouri Valley Authority similar to the Tennessee Valley Authority. That did the trick. The President didn't get his MVA, but the bitter rivals, Engineers and Reclamation, were driven into each other's arms for self-preservation. "A shameless, loveless, shotgun wedding," James G. Patton, president of the National Farmers Union, termed it.

Anyway, a Pick-Sloan plan was agreed upon—a conscienceless bit of political compromising. For example, whereas Sloan formerly objected to two proposed Engineers' dams—Garrison and Gavin in the Dakotas—as wholly unnecessary and wasteful, he now agreed to the two projects, which will cost some $211,000,000. Garrison already is under construction, and Gavin is planned for the future. The Pick-Sloan plan, which is under way, will cost the taxpayers some $6,300,000,000—an "estimate"—and it will not serve the needs of the Missouri Valley adequately, as it still is a crazy-quilt nonintegrated program.

I will go a step further and predict that unless firm steps are taken President Truman will have trouble in bringing about his proposed Columbia Valley Authority plan. Both Engineers and Reclamation have staked out claims on this area. I have seen the 14 volumes of plans that the Engineers have prepared for Columbia River development; the documents weigh 41 pounds and make a stack more than a foot and a half high. Unless the President can be effectively tough—and the Engineers have sabotaged the wishes of Presidents many times in the past—another Pick-Sloan deal may result for the Columbia Valley.

The Colorado-Big Thompson project is still another example of malodorous planning of an undertaking designed to consume millions of the taxpayers' dollars—this one on the part of Reclamation. Big Thompson is a colossal scheme to pump water from the western slope of the Rockies to the eastern slope by tunneling 13½ miles through the mighty Continental Divide, that granite backbone of the American continent. Reclamation went blithely ahead, estimated the project would cost $44,000,000, obtained congressional approval on that basis, and even made contracts with the eastern-slope farmers to deliver water for supplemental irrigation.

The project got under way; then it began expanding. Those usual difficulties and modifications that "were not anticipated" began cropping up. At last count, the $44,000,000 job had grown into a $144,581,000 project, of which $68,000,000 already had been expended. And the latest development is the discovery that Colorado-Big Thompson will not provide the amount of water Reclamation has guaranteed to deliver to the eastern slope after all, so a new study will be launched to discover other water sources and develop them. We'll be lucky if we get off for $200,000,000.

This building of great irrigation dams by Reclamation without determining whether water will be available is, unfortunately, common. To mention just one example, Kendrick project, in Wyoming, a $24,000,000 job, was built in 1934–35, and no surplus water was available for it until 1947. The Federal Government, according to a survey which has been made for me, has lost at least $9,000,000 on various projects through just this kind of unreliable estimating, and farmers have lost many millions more. As far back as 1936, the National Resources Committee reported that "abandoned farms * * * now stand as pathetic monuments to misplaced confidence in fragmentary data."

Hell's Canyon project on the Snake River along the Idaho-Oregon border is a ripe example of what happens when Engineers and Reclamation get to competing with each other. This is part of the Columbia Valley program, where both agencies are jockeying for position.

Each agency got up a set of plans for the project, and preparation of the rival plans alone cost the taxpapers some $143,000—most of which was spent by the Engineers—before a shovel even was turned.

While Hell's Canyon is by no means the worst example of money being wasted through duplicating plans—the Central Valley Basin project in California, for instance, offers more glaring examples—I mention it because of the conflicting results of the two surveys. The Engineers have come up with a proposal for a $372,000,000 multiple-purpose dam, 710 feet high, which would impound 3,280,000 acre-feet of water for power production. Reclamation proposes a 607-foot dam, which would impound 3,500,000 acre-feet of water, and its estimated cost is $433,660,000.

That somebody can't add—or doesn't want to—does not surprise me, however. I have a report prepared for me by the Izaak Walton League of America, analyzing what happened in 16 Reclamation Bureau projects. These 16 projects were underestimated by the staggering total of $443,143,400.

Another glaring example of cockeyed estimating is a Montana dam that originally was scheduled to cost some $48,000,000. The latest estimate is $103,800,000. This one is aptly named the Hungry Horse project, and it is located, equally aptly, on the Flathead River.

With this background of bungling and wastefulness thus uncovered, our task force made three principal recommendations designed to correct the particular evils which I have discussed. They were:

1. That the Corps of Engineers be stripped of its civil river-development functions; that a consolidated Water Development Service be established to take over these functions, plus all functions of the Bureau of Reclamation, plus other power-marketing and river-development functions administered by the Departments of Interior and State, the Federal Power Commission, and the Bonneville and Southwestern Power Administrations. In this connection, we recommended retention of TVA, but opposed establishment of additional valley authorities.

2. Abolition of the Department of Interior and creation of a new Department of Natural Resources to administer the consolidated Water Development Service and other affiliated Federal activities now loosely administered in various departments.

3. Establishment within the President's office of a Board of Coordination and Review to pass on every major water-development project from the time it is first proposed, in order to make certain that boondoggles, frills, and duplicating activities are chopped off before they sprout.

Even before our task-force report was made public, the fight was launched to keep the Army engineers firmly entrenched in the civilian contracting business. The Engineers' lobby got to work, and soon contractors, civic groups, and Congressmen were deluged by thousands of identically worded telegrams and resolutions, asking them to join the fight to save the Engineers. One of the ridiculous arguments advanced was that only the Army Corps of Engineers had the engineering know-how to carry out these projects. Bunk. As I pointed out earlier, there are only 215 Army engineer officers supervising the work of 40,000 civilians, and the civilians could carry on beautifully without the brass.

The situation became so bad that Mr. Hoover found it necessary to make a public denunciation of these propaganda efforts by the engineers. The Chief of Engineers thereupon disclaimed responsibility for the pressure campaign; nevertheless, the Hoover Commission has in its files transcripts of antireorganization speeches made throughout the country by district engineers.

The majority of the Hoover Commission itself backed the essence of our recommendation, with the exception that retention of the Interior Department as the agency to administer all water-development projects was favored. Three members of the commission, including the vice-chairman, Secretary of State Dean Acheson, filed a separate report backing our recommendation to create a Department of Natural Resources. And the expected dissenting report was turned in by two members—one of whom, of course, was Senator McClellan, president of the proengineers' lobby, the National Rivers and Harbors Congress—stoutly defending the Army engineers.

Even before the Hoover report was released, Senator McClellan announced he would fight to have the Army engineers exempted from reorganization. While he was overruled on the commission, Senator McClellan's opposition is likely to be most formidable, since he also is chairman of the Senate Committee on Expenditures in the Executive Departments, to which the Hoover report is referred for action.

No one realizes better than I that it is almost a Don Quixote gesture to tilt a lance at the solidly anchored windmill that is the Army engineers' lobby. But I feel that if the long-suffering taxpayers can be aroused through publication of this article, perhaps

enough blows can unsettle that expensive windmill.

The most brazen example of autocracy on the part of the Army engineers is related in the portion of our task-force report dealing with the Kings River project in the basin of the Central Valley of California. Our committee is indebted to Arthur A. Maas, of Harvard University, who served as one of our consultants on water resources, for his thorough and documented case history of the Kings River project, wherein the Army engineers repeatedly—and successfully—defied two Presidents of the United States to achieve jurisdiction over a construction job which was not rightfully theirs.

The Central Valley basin, containing more than one-third of California's acreage, for years has been faced by an increasingly urgent water-development problem. Though the flood factor is present, the problem primarily is one of irrigation for the farmers of the area. Thus, the responsibility fell squarely within the jurisdiction of the Bureau of Reclamation. Notwithstanding this, the Corps of Engineers in 1937 entered into competition with Reclamation to grab off a $20,000,000 project in the Kings River area.

President Roosevelt's attention was called to this senseless and costly conflict, and he took time from his more pressing duties to order that the conflicting surveys be cleared with the Water Resources Committee of his National Resources Planning Board and then sent to him before being submitted to Congress. Reclamation followed his instructions. The Engineers, who traditionally have felt they are responsible to Congress rather than to the President, sidetracked the Water Resources Committee and sent the report directly to the White House. Through some unexplained circumstance—believed to be a clerical error—Roosevelt's wishes were frustrated by the White House administrative machinery, which slipped up and forwarded the report to Congress.

Thus, in 1940, Congress received the two conflicting and nonintegrated reports.

Then began a 7-year struggle over the project. Roosevelt repeatedly and often curtly warned his Secretary of War that he wanted the Kings River project built by Interior. Just as repeatedly, the Corps of Engineers went to Congress and were able to balk the President's wishes. The point at stake was that, under the Reclamation system of repayment by the consumers for water supplied by the Government, the Federal Treasury would receive a greater return than under the Engineers' plan of relatively insignificant participation by the consumers.

All during the war, President Roosevelt had to take time out to battle with the Engineers. After Mr. Roosevelt died, President Truman took up the fight just as firmly. These efforts by two Commanders in Chief bothered the Engineers not one bit. Their will prevailed; Congress gave the Engineers authority and funds to build the Kings River project, and the Federal Treasury is going to suffer considerably as a result of this.

This same maneuver by the Engineers has been repeated on more than a dozen other projects. Furthermore, in 1941 the Engineers effectively spiked a direct order of President Roosevelt's to co-ordinate their projects with the Federal Bureau of the budget. When the President's budget bureau reported adversely on 76 out of 436 Corps of Engineers' projects, the Chief of Engineers merely submitted the seventy-six objectionable projects to Congress, over the President's head. Congress authorized 62 of them.

It's no wonder that both Presidents Hoover and Roosevelt used to exclaim privately that, if someone only could show them how to curb the Army engineers, they really could save some money for the United States.

The whole thing is as fantastically ridiculous as if General Eisenhower, on the eve of the Normandy invasion, were to have been overruled by his sergeant chauffeur, who might have wanted to spend the next week end in London instead of France.

But it's no laughing matter. I submit that when agencies such as the Army Corps of Engineers or any others can whip Presidents and Congress all around the stump, there's something vitally wrong with our system of democratic government.

That is why I am willing to risk the displeasure of the do-gooders, the flood-controllers and the water-developers by tackling the two sacred cows of flood control and reclamation. If we can strike a blow for sanity in spending, before our national water bill drowns our economy, the work of our Hoover commission task force will have been worth while.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 61) requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

DEPARTMENT OF DEFENSE

Mr. LUCAS. Mr. President, the senior Senator from Georgia [Mr. GEORGE], who is chairman of the Committee on Finance, will be unable to take up House bill 1211 on Monday next. I therefore ask unanimous consent that House bill 1211, the unfinished business, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1843, which is a bill to convert the National Military Establishment into an executive department of the Government to be known as the Department of Defense.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

There being no objection, the Senate proceeded to consider the bill.

CONSTRUCTION OF RENTAL HOUSING ADJACENT TO MILITARY AND NAVAL INSTALLATIONS

Mr. MAYBANK. Mr. President, I ask the majority leader if it will be practicable for us to take up at this time the military housing bill, Senate bill 1184, which was introduced by the minority leader [Mr. WHERRY] for himself, the chairman of the Armed Services Committee [Mr. TYDINGS], and myself. The bill was unanimously reported by the Committee on Banking and Currency.

The bill involves merely the extension of title 6 of the Housing Act to the armed services. I do not believe that consideration of the bill would require much time.

Mr. LUCAS. I have no objection if there is no objection on the part of the minority.

Mr. WHERRY. Mr. President, I deeply appreciate the suggestion made by the distinguished Senator from South Carolina, who has spent much time on this bill. There is no controversy about it. It was unanimously reported from the committee. All it does is to extend the provisions of existing law to military housing upon bases. It requires a certification of permanency, which should be required; and when that is done, the provisions under which we now operate can be met. It is very necessary that this bill be enacted.

Mr. MAYBANK. It was approved by the Secretary of Defense, Mr. Johnson. It was also approved by the Secretary for Air, Mr. Symington.

Mr. WHERRY. That is correct.

Mr. MAYBANK. Mr. President, I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. There is no printed copy of the bill at the desk. It was reported only today.

The Senator from South Carolina asks unanimous consent that the bill just made the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1184. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and insert:

That the National Housing Act, as amended, is amended by adding at the end thereof a new title as follows:

"TITLE VIII—MILITARY HOUSING INSURANCE

"SEC. 801. As used in this title—

"(a) The term 'mortgage' means a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than 99 years which is renewable; or (2) under a lease for a period of not less than 50 years to run from the date the mortgage was executed; and the term 'first mortgage' means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

"(b) The term 'mortgagee' includes the original lender under a mortgage, and his successors and assigns approved by the Commissioner; and the term 'mortgagor' includes the original borrower under a mortgage, his successors and assigns.

"(c) The term 'maturity date' means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"(d) The term 'rental housing' means housing, the occupancy of which is permitted by the owner thereof in consideration of the payment of agreed charges, whether or not

by the termination of the agreement, such payment over a period of time will entitle the occupant to the ownership of the premises.

"(e) The term 'military' includes Army, Navy, Marine Corps, and Air Force.

"(f) The term 'State' includes the several States and Alaska, Hawaii, Puerto Rico, the District of Columbia, and the Virgin Islands.

"SEC. 802. There is hereby created a Military Housing Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this title, and mortgages insured under this title shall be known and referred to as 'military housing insured mortgages'. For the purposes of this fund there is hereby authorized to be appropriated the sum of $10,000,000. For immediate needs pending such appropriation, the Commissioner is directed to transfer the sum of $1,000,000 to such fund from the War Housing Insurance Fund created by section 602 of this act, such amount to be reimbursed to the War Housing Insurance Fund upon the availability of the appropriations authorized by this section. General expenses of operation of the Federal Housing Administration under this title may be charged to the Military Housing Insurance Fund.

"SEC. 803. (a) In order to assist in relieving the acute shortage of housing which now exists at or in areas adjacent to military installations because of uncertainty as to the permanency of such installations and to increase the supply of rental housing accommodations available to military and civilian personnel at such installations, the Commissioner is authorized, upon application of the mortgagee, to insure mortgages (including advances on such mortgages during construction) which are eligible for insurance as hereinafter provided, and, upon such terms as the Commissioner may prescribe, to make commitments for so insuring such mortgages prior to the date of their execution or disbursement thereon: *Provided,* That the aggregate amount of principal obligations of all mortgages insured under this title shall not exceed $500,000,000 except that with the approval of the President such aggregate amount may be increased to not to exceed $1,000,000,000: *And provided further,* That no mortgage shall be insured under this title after July 1, 1951, except (A) pursuant to a commitment to insure issued on or before such date, or (B) a mortgage given to refinance an existing mortgage insured under this title and which does not exceed the original principal amount and unexpired term of such existing mortgage.

"(b) To be eligible for insurance under this title a mortgage shall meet the following conditions:

"(1) The mortgaged property shall be held by a mortgagor approved by the Commissioner. The Commissioner may in his discretion, require such mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation. The Commissioner may make such contracts with, and acquire for not to exceed $100 stock or interest in, any such mortgagor, as the Commissioner may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of the Military Housing Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.

"(2) The mortgaged property shall be designed for rent for residential use by civilian or military personnel of the Army, Navy, Marine Corps, or Air Force (including Government contractors' employees) assigned to duty at the military installation at or in the area of which such property is constructed. Notwithstanding the provisions of any other law, preference or priority of opportunity in the occupancy of the mortgaged property for such personnel and their immediate families shall be provided under such regulations and procedures as may be prescribed by the Commissioner. No mortgage shall be insured under this title unless the Secretary of Defense or his designee shall have certified to the Commissioner that the housing with respect to which the mortgage is made is necessary to provide adequate housing for such personnel, that such installation is deemed to be a permanent part of the Military Establishment, and that there is no present intention to substantially curtail activities at such installation.

"(3) The mortgage shall involve a principal obligation in an amount—

"(A) not to exceed $5,000,000; and

"(B) not to exceed 90 percent of the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed; and

"(C) not to exceed an average of $8,100 per family unit for such part of such property or project as may be attributable to dwelling use.

The mortgage shall provide for complete amortization by periodic payment within such terms as the Commissioner shall prescribe, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 4 percent per annum of the amount of the principal obligation outstanding at any time. The Commissioner may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release.

"(c) The Commissioner is authorized to fix a premium charge for the insurance of mortgages under this title but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 percent per annum nor more than an amount equivalent to 1½ percent per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the mortgagee, either in cash, or in debentures issued by the Commissioner under this title at par plus accrued interest, in such manner as may be prescribed by the Commissioner: *Provided,* That the Commissioner may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Commissioner finds, upon the presentation of a mortgage for insurance and the tender of the initial premium charge and such other charges as the Commissioner may require that the mortgage complies with the provisions of this title, such mortgage may be accepted for insurance by indorsement or otherwise as the Commissioner may prescribe. In the event that the principal obligation of any mortgage accepted for insurance under this title is paid in full prior to the maturity date, the Commissioner is further authorized in his discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Commissioner determines to be equitable but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured under this title until such maturity date; and in the event that the principal obligation is paid in full as herein set forth, the Commissioner is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

"(d) The failure of the mortgagor to make any payment due under or provided to be paid by the terms of a mortgage insured under this title shall be considered a default under such mortgage, and if such default continues for a period of 30 days, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon assignment, transfer, and delivery to the Commissioner, within a period and in accordance with rules and regulations to be prescribed by the Commissioner of (1) all rights and interest arising under the mortgage so in default; (1) all claims of the mortgagee against the mortgagors or others, arising out of the mortgage transaction; (3) all policies of title or other insurance or surety bonds or other guaranties and any and all claims thereunder; (4) any balance of the mortgage loan not advanced to the mortgagor; (5) any cash or property held by the mortgagee, or to which it is entitled, as deposits made for the account of the mortgagor and which have not been applied in reduction of the principal of the mortgage indebtedness; and (6) all records, documents, books, papers, and accounts relating to the mortgage transaction. Upon such assignment, transfer, and delivery, the obligation of the mortgagee to pay the premium charges for mortgage insurance shall cease, and the Commissioner shall, subject to the cash adjustment provided for in subsection (e) of this section, issue to the mortgagee debentures having a total face value equal to the value of the mortgage, and a certificate of claim as hereinafter provided. For the purposes of this subsection, the value of the mortgage shall be determined in accordance with rules and regulations prescribed by the Commissioner, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of default, the amount the mortgagee may have paid for (A) taxes, special assessments, and water rates, which are liens prior to the mortgage; (B) insurance on the property; and (C) reasonable expenses for the completion and preservation of the property and any mortgage insurance premiums paid after default; less the sum of (i) an amount equivalent to 1 percent of the unpaid amount of such principal obligation on the date of default; (ii) any amount received on account of the mortgage after such date; and (iii) any net income received by the mortgagee from the property after such date: *Provided,* That the mortgagee in the event of a default under the mortgage may, at its option and in accordance with regulations of, and in a period to be determined by the Commissioner, proceed to foreclose on and obtain possession of or otherwise acquire such property from the mortgagor after default, and receive the benefits of the insurance as hereinafter provided, upon (1) the prompt conveyance to the Commissioner of title to the property which meets the requirements of the rules and regulations of the Commissioner in force at the time the mortgage was insured, and which is evidenced in the manner prescribed by such rules and regulations; and (2) the assignment to him of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims that may have been released with the consent of the Commissioner. Upon such conveyance and assignment, the obligation of the mortgagee to pay the premium charges for insurance shall cease and the mortgagee shall be entitled to receive the benefits of the insurance as provided in this subsection, except that in such event the 1 percent deduction, set out in (1) hereof, shall not apply.

"(e) Debentures issued under this title shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of

the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commissioner to the mortgagee from the Military Housing Insurance Fund. If, during the time the mortgage is insured and before the mortgagee has received the benefits of the insurance, the United States acquires, or commences eminent domain proceedings to acquire, all or a substantial part (as defined by the Commissioner) of the mortgaged property for the use of the National Military Establishment, the mortgagee may, at its election, within such time and in accordance with such regulations as the Commissioner may prescribe, receive the benefits of the insurance as provided in this subsection, notwithstanding the fact that the mortgage may not be in default.

"(f) Debentures issued under this title shall be executed in the name of the Military Housing Insurance fund as obligor, shall be signed by the Commissioner, by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date of default as determined in accordance with subsection (d) of this section, and shall bear interest from such date at a rate determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 percent per annum, payable semiannually on the first day of January and the first day of July of each year, and shall mature 10 years after the date thereof. Such debentures shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any Territory, dependency, or possession of the United States or by the District of Columbia, or by any State, county, municipality, or local taxing authority. They shall be paid out of the Military Housing Insurance fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event the Military Housing Insurance fund fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

"(g) The certificate of claim issued by the Commissioner to any mortgagee in connection with the insurance of mortgages under this title shall be for an amount determined in accordance with subsections (e) and (f) of section 604 of this act, except that any amount remaining after the payment of the full amount under the certificate of claim shall be retained by the Commissioner and credited to the Military Housing Insurance fund.

"(h) The provisions of section 207 (k) and section 207 (l) of this act shall be applicable to mortgages insured under this title and to property acquired by the Commissioner hereunder, except that as applied to such mortgages and property (1) all references in such sections to the 'Housing Fund' shall be construed to refer to the 'Military Housing Insurance Fund,' and (2) the reference in section 207 (k) to 'subsection (g)' shall be construed to refer to 'subsection (d)' of this section 803.

"(i) The Commissioner shall also have power to insure under this title or titles II or VI any mortgage executed in connection with the sale by him of any property acquired under this title without regard to any limit as to eligibility, time, or aggregate amount contained in this title or titles II or VI.

"(j) Any contract of insurance executed by the Commissioner under this title shall be conclusive evidence of the eligibility of the mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

"(k) In order to assure an adequate market for mortgages insured under this title, the powers of the Federal National Mortgage Association and of any other Federal corporation or other Federal agency hereafter established, to purchase, service, or sell any mortgages, or partial interests therein, may be utilized in connection with mortgages insured under this title.

"SEC. 804. (a) Moneys in the Military Housing Insurance Fund not needed for current operations under this title shall be deposited with the Treasurer of the United States to the credit of the Military Housing Insurance Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this title. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(b) Premium charges, adjusted premium charges, and appraisal and other fees, received on account of the insurance of any mortgage insured under this title, the receipts derived from any such mortgage or claim assigned to the Commissioner and from any property acquired by the Commissioner, and all earnings on the assets of the Military Housing Insurance Fund, shall be credited to the Military Housing Insurance Fund. The principal of and interest paid and to be paid on debentures issued in exchange for any mortgage or property insured under this title, cash adjustments, and expenses incurred in the handling of such mortgages or property and in the foreclosure and collection of mortgages and claims assigned to the Commissioner under this title, shall be charged to the Military Housing Insurance Fund.

"SEC. 805. Whenever the Secretary of the Army, Navy, or Air Force determines that it is desirable to lease real property within the meaning of the act of August 5, 1947 (61 Stat. 774) to effectuate the purposes of this title, the Secretary concerned is authorized to lease such property under the authority of said act upon such terms and conditions as in his opinion will best serve the national interest without regard to the limitations imposed by said act in respect to the term or duration of the lease, and the power vested in the Secretary of the Department concerned to revoke any lease made pursuant to said act in the event of a national emergency declared by the President shall not apply. Whenever the Secretary of the Army, Navy, or Air Force determines it to be in the interest of national defense, he is hereby authorized to sell, transfer, and convey at fair value (as determined by him), for use under this title, all or any right, title, and interest in any real property under his jurisdiction, notwithstanding any limitations or requirements of law with respect to the use or disposition of such property. The authority conferred by this section shall be in addition to and not in derogation of any other power or authority of the Secretary of the Army, Navy, or Air Force.

"SEC. 806. The second sentence of section 214 of the National Housing Act, as amended, relating to housing in the Territory of Alaska, shall not apply to mortgages insured under this title on property in said Territory.

"SEC. 807. Nothing in this title shall be construed to exempt any real property acquired and held by the Commissioner under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

"SEC. 808. The Commissioner is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title."

SEC. 2. Sections 1 and 5 of the National Housing Act, as amended, are further amended by striking out the words "titles II, III, VI and VII" each time they appear and inserting in lieu thereof the words "titles II, III, VI, VII and VIII."

SEC. 3. Section 212 (a) of said act, as amended, is further amended by striking out the words "effective date of this section," and inserting in lieu thereof the words "effective date of this section, or under title VIII."

SEC. 4. Section 301 (a) of said act, as amended, is further amended—

(1) by striking out of paragraph (1) the words "under title II, or title VI" and inserting in lieu thereof the words "under title II, title VI, or title VIII"; and

(2) by striking out the period and adding the following proviso at the end of paragraph (1) (E): "*Provided*, That such aggregate amount paid by the association shall not include any amount paid by it for a mortgage or mortgages which are insured under title VIII of this act; and."

SEC. 5. (a) Section 1 of the act of July 30, 1947 (61 Stat. 675) is hereby amended to read as follows: "The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, or their designees within their respective establishments, are authorized to sell and contract to sell, under such regulations and at such prices and for such periods of time, as the Secretary concerned may prescribe, to purchasers within, or in the immediate vicinity of, naval or military activities, such utilities and related services as are not otherwise available from local private or public sources."

(b) Section 2 of said act is hereby amended to read as follows:

"SEC. 2. The utilities and related services authorized to be sold under this act are: (1) electric power, (2) steam, (3) compressed air, (4) water, (5) sewage and garbage disposal services, (6) gas (natural, manufactured, or mixed), (7) ice, (8) mechanical refrigeration, and (9) telephone service; and the proceeds received for any such utilities and related services sold pursuant to the authority of this act shall be credited to the appropriation or appropriations currently available for the supply of such services: *Provided*, That any utility or related service provided and sold under the authority of this act shall not be so provided unless it is determined that the utility or related service is not at the time of such sale or contract to sell available from a private or other public source, and that the furnishing thereof is in the interest of national defense."

(c) Section 3 of said act is hereby amended by deleting the words "The Secretary of the Navy and Secretary of War", and substituting therefor the words, "The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force."

(d) Section 5 of said act is hereby repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes."

Mr. LUCAS. Mr. President, I thank the Senator from South Carolina for expediting the business of the Senate.

Mr. MAYBANK. Mr. President, if I may further expedite the business of the Senate, I ask unanimous consent that the remarks which I intended to make on the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MORTGAGE INSURANCE FOR MILITARY HOUSING

Mr. MAYBANK. Mr. President, yesterday our Committee on Banking and Currency unanimously agreed to report out S. 1184, and early today I submitted that report.

Every Senator is aware of the serious housing conditions surrounding our military installations.

With the increase in the size of our armed forces to 10 times their prewar strength and the relative increase in the number of older, technically trained men in the services, men who are married and desire a family life, the housing provided by the Government has not kept pace with the need. As a consequence we have many in the services separated from their families and great numbers are living under the most deplorable conditions in trailer camps, tourist camps, shacks, single rooms, and so forth. The members of our committee were shocked, Mr. President, by the pictures and descriptions of the living quarters the men who are serving our country are forced to occupy.

It was pointed out to our committee by the Secretary of the Air Force that it takes years for a man to become a technically efficient engine mechanic or radar expert, and that after Government funds are used to train such a man to the point where he is perhaps worth a hundred thousand dollars to the armed services, he may fail to reenlist when his current enlistment is completed only because he cannot find adequate housing. As a result, the Military Establishment loses thousands and thousands of dollars in training. At some stations the reenlistment rate is as low as 7 percent and the reason most often assigned for not reenlisting is lack of housing facilities. In other places where there is adequate housing available, reenlistments run as high as 75 to 90 percent.

The Air Force in September 1948 made an analysis of its enlisted personnel which indicated that only 59 percent of all married enlisted personnel intended to reenlist. However, 79 percent indicated that they would reenlist if the Government were to provide family housing. Those failing to reenlist include some of the best trained and most able men.

The bill adds a new title, "Military Housing Insurance to the National Housing Act." It would, in general, be similar to the present provisions of title VI, the FHA program relating to rental housing, except for certain provisions designed to meet problems peculiar to mortgage insurance for military housing.

Because of the FHA requirements of acceptable risk, including standards as to neighborhood and market availability, have generally made it impossible for the Commissioner to insure mortgages adjacent to military installations, particularly in isolated localities where the closing or curtailment of the base is combined with the lack of a market for housing.

Under this bill, if the Secretary of Defense certifies the need, states that the installation is deemed to be permanent, and there is no present intention to curtail substantially activities at the installation, the Federal Housing Commissioner may accept such certification in lieu of acceptable risk, as required in title VI of the NHA.

The Housing Agency under this bill will insure mortgages up to 90 percent of the replacement cost, or an average of $8,100 per family unit. The interest rate would be the same as in section 608, 4 percent. Our committee considered insuring the mortgages in amounts greater than 90 percent but it was our unanimous judgment that to do so would only add to the Government's liability without materially assisting in the provision for housing. The committee felt that an equity of less than 10 percent of the cost of such housing does not adequately assure sufficient incentive to the efficient and economic development and operation of the property. Also with a reduction in the price of construction that is forecast 90 percent of the present cost will amount to more than 90 percent of the final cost. I discussed this with the Housing Administrator, Mr. Foley, Secretary of Defense Johnson and Secretary of the Air Force Symington and they all agree that 90 percent will be sufficient to encourage participation by builders in this housing program.

The bill authorizes the Housing Commissioner to insure eligible mortgages under this new title in aggregate principal amount of $500,000,000.

The bill also provides that the President could increase to one billion the amount to be insured if he saw fit.

The provision is made for the leasing of sites by the Military Establishment free from the right of revocation. It also provides that insurance benefits would be available in the case of deactivation or substantial curtailment of the Military Establishment, or if the site is condemned or acquired for military purposes.

The military would be authorized to lease property for housing under this title on such terms as they deemed in the public interest without regard to existing limitations with respect to lease duration or to right of revocation in event of national emergency. The bill also authorizes them to sell property if used in accordance with purposes of this bill.

"Fanny May" or the Federal National Mortgage Association Act is amended by this bill so as to permit it to purchase mortgages insured under this title, but it would not be subject to the existing provisions prohibiting them from purchasing more than 50 percent of the amount of the mortgages which are otherwise eligible for purchase by Fanny May.

Section 5 permits the military to sell utilities and other related services without time limit to purchasers within the vicinity of the military area if such services are not otherwise available. Lack of utilities has been a major detriment to construction around military areas and, of course, it is also an important factor in the cost of such housing.

S. 1184 will not, Mr. President, and is not intended to meet the total need for housing at our various installations. The bill, however, is intended to encourage private enterprise to construct and operate as much of the housing as is possible and profitable for them to undertake.

Where housing is constructed as a result of the passage of this bill it would be at no cost to the Government. The premiums paid on the mortgage insurance provided for in this bill is expected to meet any losses that may result from deactivation or curtailment of a military installation.

Mr. President, because the building season is already upon us, because the housing need is so desperate in these military areas, and because housing can be gotten under way as soon as this bill becomes law, I am confident that the Senate will want to pass this bill immediately.

Mr. LUCAS. I also thank the distinguished minority leader for cooperating with the Senator from South Carolina and the majority leader in expediting the business of the Senate.

Mr. WHERRY. I thank the Senator. I am always willing to cooperate with the distinguished majority leader whenever I can.

Mr. LUCAS. I hope the Senator will continue in that very cooperative mood.

CAPT. JAMES GALLAGHER

Mr. HUMPHREY. Mr. President, I should like to make a few appropriate remarks with reference to a very distinguished Minnesotan who is being honored as of this date for his service to his country and for outstanding service, in particular, to the National Defense Establishment of the United States. I refer to Capt. James Gallagher, pilot of Air Force B–50 *Lucky Lady II* on the first nonstop round-the-world flight. He has been flying with the same bombing group since March 1944.

The city of Melrose, Minn., is his home town. Along with the official representative of the State of Minnesota, the city of Melrose is paying high tribute and honor to its distinguished member of the Air Forces for his valiant service, not only in war but also in peacetime, underlying the defense of our Nation.

I should like to place in the RECORD an editorial from the St. Cloud Daily Times, of St. Cloud, Minn., of May 16, 1949, which calls attention to the ceremonies being conducted this afternoon and this evening in Captain Gallagher's home town.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ROADS LEAD TO MELROSE

All roads will lead to Melrose Friday of this week when that community, together with thousands of visitors from all over the State, will say "Welcome home" to Jimmy Gallagher.

The Army plane pilot who was the first to fly nonstop around the world will find his home town ready to extend to him every honor within its power. And the honors will be in abundance, too.

Actually St. Cloud will get a preview of the celebration on Thursday. Captain Gallagher and his crew mates, escorted by Army planes, will fly over Melrose Thursday, and then land at the Minneapolis airport, since no field nearby is large enough to accommodate the huge ship. From Minneapolis the automobile procession will head for Melrose, passing through St. Cloud where a parade escort has been arranged. St. Cloud will give a warm greeting to this modern Magellan, who will go down in the history books as one of the greatest pilots of his day.

But on Friday, the festivities in Melrose will really move at top speed. The town, ablaze with decorations, will feature a parade early in the afternoon, an outdoor program, and a dinner Friday evening. It will be one of the greatest festival days in central Minnesota since another neighbor lad, Charles Lindbergh by name, took his tiny plane across the Atlantic to Paris.

Two great aerial feats by two great pilots—both central Minnesota boys: Lindbergh from Little Falls, 30 miles north of St. Cloud; Gallagher from Melrose, 30 miles west of St. Cloud.

A committee of Melrose men is working on final preparations for the notable event. Robert Meyer, himself a Navy fighter pilot, is one of the Gallagher committee, along with John Lang, Ted Kennedy, Walter Carlson, and, of course, many others. They are doing an outstanding job, and are getting the cooperation of thousands of folks from all over Minnesota.

Two big dates then this week—the first welcome to Captain Jimmy, Thursday, as he passes through St. Cloud en route to Melrose. Then the big homecoming festival at Melrose Friday. These will be notable occasions for us all.

Mr. HUMPHREY. Mr. President, I wish to take a few moments of the time of the Senate to make a statement in regard to Captain Gallagher.

On March 2, 1949, Captain Gallagher and crew brought their plane to the ground at Carswell Air Force Base, Fort Worth, Tex., after 94 hours and 1 minute aloft on a history-making 23,452-mile flight around the world.

Captain Gallagher was born September 17, 1920, at Melrose, Minn., where he attended public school. He attended the Minneapolis Business College a year and a half before coming to Washington, D. C., in February 1941 for a civilian assignment in the office of the Surgeon General. In May 1942 he enlisted as an aviation cadet and was called to Maxwell Field, Montgomery, Ala., in October of that year for preflight training.

He received primary training at Lakeland, Fla., basic training at Macon, Ga., and advanced training at Valdosta, Ga., before being commissioned a second lieutenant July 28, 1943. He received B–17 transition training at Hendricks Field, Sebring, Fla.; following which he was transferred to Great Bend, Kans., in October 1943 to enter the original B–29 program. He went to India in March 1944, with the Four Hundred and Forty-fourth Bomb Group, and flew as a B–29 copilot in 15 missions against enemy targets in Japan, Singapore, and Manchuria. He participated in the first B–29 raid on the Japanese homeland June 15, 1944, when the Air Force attacked Yawata, Japan's steel center.

In May 1945, Captain Gallagher moved with the group to the Marianas, where he took part in 20 more missions against Japan. He returned to the United States in October 1945, with the Four Hundred and Forty-fourth Bomb Group, and was stationed at Merced, Calif., until May 1946, when the group was transferred to its present station at Davis-Monthan AFB, Tucson, Ariz., and subsequently redesignated the Forty-third Bomb Group.

As assistant group operations officer for the Forty-third, Captain Gallagher organized the standardization board prescribing instructor training for his base. Besides serving as an airplane commander, he also has been group intelligence officer. He has flown B–50's regularly since January 1, 1949. His awards include the Distinguished Flying Cross, the Air Medal with three clusters, six battle stars, and three unit citations.

Mr. President, those of us who come from the State of Minnesota are honored by having Capt. James Gallagher as one of our fellow citizens. We pay tribute to his great service, and we join his wife and daughter and his mother and his father in celebrating his splendid service to his country.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominating message was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there are no reports of committees, the clerk will state the nominations on the Calendar.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

The VICE PRESIDENT. Without objection, the nominations in the Public Health Service are confirmed en bloc.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Admiral Alan G. Kirk, United States Navy, retired, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Capus M. Waynick, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Nicaragua.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George R. Merrell, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William C. Foster, of New York, to be deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ATOMIC ENERGY COMMISSION

The legislative clerk read the nomination of Gordon Dean, of California, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1950.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry DeWolf Smyth, of New Jersey, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1950.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of the confirmations.

ADJOURNMENT TO MONDAY

Mr. LUCAS. Mr. President, it is desired to have a call of the calendar on Monday, and therefore it would seem better to have an adjournment taken at this time, so as to permit a morning hour on Monday, for the Senate has been taking recesses from day to day for some time.

Therefore, I move that the Senate now stand adjourned until Monday.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, May 23, 1949, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate May 20 (legislative day of April 11), 1949:

TEMPORARY APPOINTMENT IN THE NAVY

The following-named officers of the Navy for temporary appointment to the grade of lieutenant commander subject to qualification therefor as provided by law.

The following-named officers for temporary appointment in the line of the Navy:

Cecil C. Abbott, Jr.	William E. Barron
Frank D. Abbott	John E. Barrows
George G. Abernathy	John J. Bartko
John N. Achuff	Lauren H. Bartsch
Alton P. Adams	Henry L. Basler, Jr.
Arthur G. Adams	Ralph C. Bass
Joseph W. Ady	George B. Bates, Jr.
Robert H. Ahlers	Ernest W. Baxter, Jr.
John C. Ahman	Howard S. Bayes
Charles C. Aident	John E. Bayus
Jasper D. Akers	Robert H. Beadle
Loren E. Alderman	Joe W. Beadles, Jr.
Theodore F. Aldous	Amedee J. Beaudoin
Delo M. J. Aldridge	Roger W. Becker
Clyde E. Alexander	John Beers
George P. Alexander	Reginald H. Bell
John K. Algeo	Donald A. Bendinelli
Willard F. Allbright	William G. Bengel
Alton S. Allbritton	Wallace E. Benham
Edgar L. Allen	Vane M. Bennett
Harold G. Allen	Horace G. Benoit
Newell J. Allen	Edgar F. Berberet
Orval F. Allen	Henry F. Berck
Justus N. Alley	Louis J. Berdalle
Clyde E. Allmon	Kenneth L. Berg
Henry W. Ancell	Walter E. Berg
John A. Anders	Ameda J. Bergeron
Frank Anderson	John F. Bergmann
John B. Anderson	Ralph H. Bergstad
Norman W. Anderson	Lloyd W. Bertoglio
Robert K. Anderson	Albert C. Betters
Roy Anderson	Frederick M. Betts
William H. Anderson, Jr.	Charlie C. Biggers
	Arthur H. Bilderback
Mortz N. Andrewsen	August B. Billig
Elliott F. Annis	Rayman H. Billman
John Anto	Thomas H. Birchmire
Irving M. Applebaum	Leroy A. Bird
John G. Armstrong	Roger A. Bisbee
William H. Armstrong	Frederick E. Bitting
Dwight F. Asmus	Norman W. Bixby
Floyd C. Atnip	Roy T. Blackburn
Erle H. Austin, Jr.	Thomas E. Blade
Ellsworth C. Avery	Eugene J. Bloom
Bickings T. Ayres	Robert D. Bock
Earl L. Bacon	William R. Boehlert
Frank J. Baczenski	Clarence E. Bohlender
Allen W. Bain	Charles S. Bolka
Chester S. Baird	David Bolton
Ernest Baird	Milo W. Bonham
Harold J. Baird	Daniel A. Boone
Albert H. Baker	Clifford L. Borden
George F. Baker	Alfred J. Bosselet
Ivan J. Baker	Guacomo A. Bostenero
John R. Baker	John F. Bostic
Quentin F. Baker	James A. Bostick
Harvey E. Baldwin	Ausborn L. Boucher
Lucian E. Baldwin	Allen G. Bowers
Albert L. Ballard	Clingmon E. Bowman
Herbert W. Barber	Millard G. Bowman
Durward A. Bark	Earl Boyce
Ollie "L" Barlie	George H. Boyd
William J. Barnard	William W. Boyd, Jr.
Arthur W. Barnes	Howard J. Boydstun
Frank Barnett, Jr.	George H. Boyer
Harry R. Barnhorst	James Boyle
James W. Barnitz	Thaddeus W. Boyle
Milton J. Barrett	Marius G. Brambilla,
Francis W. Barrington	Jr.

Otho L. Bramlett
Titus Branchi
James R. Branscome
James R. Bremer
Charles E. Brewer
Cleon A. Brewer
Chester E. Briggs, Jr.
Raymond B. Brightman
Carlton F. Briscoe
David A. Broad
Albert W. Brown
Harold C. Brown
James S. Brown
Leo R. Brown
Reginald O. Brown
Wesley R. Brown
William P. Brown
Benjamin H. Browning, Jr.
James A. Brownsberger
Claude C. Brubaker
Forrest M. Brunson
Jim W. Bryson
John Buday
Joseph Buehlman
Clement A. Buell
Arthur L. Bureau
Joseph W. Burns
Warren H. Burns
James K. Burr
Hugh B. Burris
James B. Burton
William E. Bush
Melvin E. Bustard, Jr.
John J. Butlak
Henry L. Butler
James R. Byrd, Jr.
Elmer G. Byers, Jr.
Walter Byron
Albert J. Cadaret
William F. Callaway
John L. Callis
Harvey C. Cameron
Roy H. Campbell
Moreno J. Caparrelli
Fred S. Card, Jr.
George F. Carey
Herbert B. Carll
Allan R. Carlson
Arvid F. Carlson
Carl F. Carlson
Walton L. Carlson
Edward A. Carmody
Earle A. Carr
Delmar W. Carter
Harold G. Carter
Morgan R. Cartwright, Jr.
Gerald F. Case
Garland Casey
John H. Casey
James B. Casler
Jordan Caudill
John F. Cembura
George Center
Alton M. Chamberlin
Francis E. Chamberlain
Michael J. Charny
John A. Chastain
Earl S. Cheater
Tom F. Cheek
John R. Chern
Wesley E. Chessman
Robert E. Cheverton
Oren R. Christian
Donald R. Christner
Clanton W. Clampitt
Cullen C. Clark
Henry E. Clark
Thomas L. Cleaver, Jr.
Guy W. Clemens
Lane E. Clendenin
Laurence E. Clow
Ernest R. Coates
Charles E. Coben
Hilbert S. Cofield
William J. Cole
Frank Colenda
Leland "H" Collier
Wilson L. Collins
George P. Compton
Eugene L. Conant
Thomas L. Conder, Jr.
Wade H. Cone
Seward B. Coningham
Loy A. Conley
Paul F. Conlin
Thomas P. Connell
James H. Connor
Wilmer M. Conover
Charles S. Conser
Audley B. Cook
Roy F. Cook
Benjamin C. Cooley, Jr.
Wayne D. Cooley
Jacob Coolikoff
Orville T. Cooper
Thomas V. Cooper
Walter H. Corey
John A. Cork, Jr.
Richard L. Cormier
Charles W. Corkins
Frank Cortese, Jr.
Howard M. Cortner
Adolphus B. Cosby
John E. Coste
Romolo Cousins
George E. Cox
James L. Cox
Charles E. Craig
Leonard H. Crain
Robert F. Crain
Elmer L. Crance
Ellis P. Crews
Flatus W. Crook
Woodrow D. Crossley
Handford T. Cruser III
John Csizmar
George S. Cummins
Clifford B. Curtis, Jr.
Amory Cutet
Richard F. Cyr
Hubert A. Daigle
Vincent R. Dahlen
Andrew J. Dallendorfer
Frank L. Danowski
John J. Darcy
Frank Darrah
Donald K. Davidson
Thurman Davidson
Amos J. Davis
Ernest R. Davis
Eugene R. Davis
Howard M. Davis
Judson C. Davis, Jr.
Robert R. Davis
Thomas H. Davis, Jr.
William L. Davis
William Leonard Davis
William T. Davis
Marion V. Dawkins, Jr.
John E. Dawson
David C. Deaton
Ernest C. DeBlanc
Don C. DeForest
Henry L. Delaney
Joseph D. DeLuca
John S. Dement
Wilbur D. Denman
Howard W. A. Derlin
Robert H. Desbrow, Jr.
Richard deStackelberg
James S. Desy, Jr.
Raymond J. DeVito
Tribble J. Dicks
William B. Dickson
Clarence B. Diehl
William J. Diestel
Paul E. Dignan
George B. Dilley
Raymond E. Dillon
Elmer W. Dinger
Earl L. Dixon
Eugene C. Dixon
Thomas F. Dixon
Edward S. Dobis
Herbert E. Dobler
Joseph W. Dochnahl
James F. Doherty, Jr.
John P. Doherty
Seymour Dombroff
Arthur E. Dominick
Omer J. Donahoe
Richard V. Donahue
Cecil A. Donaldson
Thomas A. Donegan
Edward W. Donnally
George G. Donnell
Daniel O. Doran
Edward M. Doran
Gordon B. Dosskey
Kathryn Dougherty
Levi G. Doughty
Ivan H. Douglas
Victor H. Dower
Melvin R. Downes
Ernest W. Downey
John E. Downin
Patrick Doyle
Orville D. Drain
George K. Dress
William L. Drott
Willard M. Drowne
Owen L. Duffy
Clarence W. Dukelow
Jesse M. Dukes
Donald N. Duncan
George L. Dunn
Harvey G. Dunn
James W. Durborrow
Harold F. Duval
Howard W. Dye
William A. Dyrdahl
Sidney L. Eakin, Jr.
Ira D. Easley
Charles H. Eaton
Howard B. Eddy
Edwin H. Edgerton
Richard L. Edgeworth
Oscar N. Edmunds, Jr.
Edgar R. Edsall
Berkeley C. Edwards
Eldon L. Edwards
John Q. Edwards III
Raymond E. Edwards
William J. Egan
Andrew M. Egeland
Robert W. Eichelberger
Joseph Eikam
Roy T. Elder
Neil L. Ellis, Jr.
William S. Ellis
Ralph H. Elwood
Robert E. Empey
Joseph C. Engel
William J. English
Joseph M. Enzweiler
John M. Ephland
Robert H. Epley
Lewis E. Erdner
Ernest O. Erickson
Clyde L. Ernst
Walter H. Eschmann
Wilhelm G. Esders
Walter Esperanza
Mark T. Essling
Landon W. Etheridge
Robert R. Etzel
Herman Evans, Jr.
Marion S. Evans
Paul V. Evans
Roderick A. Evans
Paul B. Everson
James L. Facer
Walter C. Fahlsing
"J" "C" Farrar
Francis Fedak
Edward L. Feightner
Albert G. Fenley
Otto A. Fennig
Paul L. Ferguson
Walter H. Ferrell
Eugene A. Field
William L. Fields
Everett H. Fifield
David L. Fincher
Leon H. Finney
Daward H. Fisher
Willie C. Fisher
Thomas W. Fitch
Wallace A. Fite
George Flanagan
Robert N. Flath
Eugene S. Fleming
Edward Flores
William S. Fluitt
Leo A. Flynn
Louis E. Flynn
William E. Fogarty
John A. Foley
Arlo Ford
Widar J. Forde
Conrad M. Forman
Harold M. Forrest
Charles E. Fosha
Joseph O. Fournier, Jr.
Paul E. Fournier
Cecil P. Fouts
Wilbur M. M. Fowden, Jr.
John J. Fowlston
Raymond A. Frady
Arthur E. Francis
Francis L. Franetovich
Earnest E. Franks
Fred S. Frederickson
Charles F. Freeman
Frank Freeman
Fred L. Freeman
Donald R. French
Clarence F. Frossard
George H. Fuller
William E. Fuller
Harold C. Gabriel
John B. Gaines
Robert Y. Gaines
Francis B. Galassi
Roy F. Gallon
Ned A. Gardner
Dennis Garrett
Ned A. Garretty
Charles M. Gassett
Marshall J. Gates
Chester A. Gearhart
John J. Geary
Emory C. Geise
Jesse V. George
John E. George
Julian Getzewich
Frank J. Giacomelli
Robert B. Giblin
James B. Gibson
Jack K. Gierisch
Fred Gillem, Jr.
John G. Gillissie
Thomas J. Gillispie
Joseph C. Gilmore
Harold J. Gilpin
Howard F. Gindling
Richard C. Girard
Stuart V. Glenn
Harold R. Glidden
Clyde T. Glied
John Golembeske
Clarence W. Good
Harold H. Gooden
Keith E. Goodwin
John R. Gorman
Jesse E. Gose
Robert F. Grant
Walter H. Grant
Rowlett L. Graves
Hugh M. Gray
Kenneth E. Gray
Theodore R. Gray
George F. Grebenstein
Keith "A" Green
James H. Gregg
Walter J Gregg
Hayden A. Gregory
Bruce M. Griffin
Edwin C. Griffin
Raymond H. Griffin
John "T" Griffith
William Grigsby
Joe W. Grimes
George A. Groebler
William C. Groves
Eldon L. Guhl
Raymond L. Gulick
John H. Gullett
George L. Gullette
Robert H. Gulmon
Louis C. Gunn
Max C. Gunn
Karl W. Gustafson
Harry A. Guthrie
John G. Gysi
Paul Haas, Jr.
Paul C. Hasse
Joseph F. Hagan
Robert J. Haggerton
Frank V. Hagler
Russell M. Haglund
Vernon M. Hahn
Douglas C. Hahnenkratt
Joseph E. Haines
Elmus L. Hale
Richard I. Haley
Vaness F. Hall
William S. Hall
John B. Halpin
Jesse W. Ham
Arthur F. Hamby
Lawrence E. Hamilton
William R. Hammock
Lonnie S. Hammons
Alex F. Hancock
Rayner Hancock
Edward N. Hann
Paul G. Hannon
Reinold H. Hanson
Robert S. Hardwick
Clarence J. Harju
Dolan A. Harmond
James H. Harms
Lee Harper
David L. Harpster
William A. Harpster
Russell G. Harriman
Ernest C. Harris, Jr.
Floyd L. Harris
John M. Harrison
Robert Harrison
Frank R. Hartin
Hubert E. Harroun
John T. Hassell
Bernice C. Hart
Harry V. Hartsell, Jr.
Alvin J. Haskamp
Harold E. Hastings
Edward "G" Hatchell
Gordon S. Hawkins
Joseph K. Hawkins
Andrew A. Hayes
Eual A. Hayes
Albert W. Hayward
Bill Hazelbaker
Gordon H. Head
Richard S. Heady
Joe M. Healy
Ray Hearst
Milton A. Heath
Chester W. Heck
James B. Heggie
Carl C. Heidel
George Heidenreich
John A. Hein
Jack C. Heishman
William E. Held
Kenneth D. Helsel
Leland A. Hemming
Frank J. Henderson
Paul E. Henderson
William T. Henderson
Samuel H. Hendricks
George L. Herider
William A. Henry
Alfred B. Herb
Ralph R. Herron
Merle M. Hershey
Ernest B. Hess
James F. Hesson
Carl B. Hibben
Chester O. Hickey
Ray A. Hilbert
Dennis Hima
William I. Hobbs
Amos J. Hobson
Herman E. Hock
Harold H. Hockett
Raymond W. Hodell
William W. Hodges
Paul R. Hodgson
Robert C. Hoffman
Robert G. Hoffman
Preston Hoggard
Fred W. Holcomb, Jr.
John K. Holcomb
Trygve A. Holl
Herbert C. Hollandsworth
Charles W. Hollingshead
Harry S. Holt
George W. Hoover
Robert C. Hopping
Wesley L. Horner
Eugene F. Horrall
Floyd E. Hoskins
Donald G. Horsman
William F. Horstkamp
John L. Hostinsky
James O. House, Jr.
Robert T. House
Thomas J. Housh
Marcus N. Howard
George B. Howe
Gerald U. Howell
James M. Howle
LeRoy L. Hoyt
William O. Hudson
Robert N. Huey
John D. Hughes
John P. Hughey
Frank L. Humes
John E. Humphrey
John E. Hunt
Richard C. Hunt
Murray J. Hunter
William J. Hussong, Jr.
Linwood J. Hutchins
John F. Hutto
James D. Hutts
Marlin C. Hydinger
Charles T. Idle, Jr.
Clyde L. Ido
Iven O. Irwin
Robert M. Israel
Willard M. Iverson
Philip W. Ivester
Henry J. Jablonowski
Herman V. Jackson
Maurice B. Jackson
Robert W. Jackson
Russell E. Jackson
Charles H. Jaep III
Roy B. Jarnagin
Walter E. Jarvis
Joseph D. Jeffords
Jack E. Jenkins
William E. Jenkins
Pender L. Jennings, Jr.
Russell L. Jennings
Christian T. Jensen
Frank Jereb
Herman F. John
Albert M. Johnson
Charles W. Johnson
Clarence B. Johnson, Jr.
Harry W. Johnson
James M. Johnson
Leroy T. Johnson
Mathis S. Johnson
Russell C. Johnson
William H. Johnson
William Henry Johnson
David M. Jones
Edwin D. Jones
Francis R. Jones
Granvil H. Jones
Jack J. Jones
James A. Jones
Marvin D. Jones
William E. Jones
Paul C. Jordan
Marvin C. Jorgenson
Albert M. Jowdy
Ned N. Julian

Russell Q. June
Winfield H. Junk
"C" "Y" Justiss
Fowler H. Justus
Harry F. Kane
Bernard M. Kassell
Elton S. Katzenstein
Joseph H. Kaufman
James E. Kavan
Robert Kay
John C. Keatts, Jr.
"C" "L" Keedy, Jr.
Joseph F. Keefe
Edward R. Keesey
Ernest T. Kelzur
Donald M. Kelly
John H. Kelly
Joseph F. Kelly
Thomas J. Kelly
Stanley J. Kelso
Carl E. Kemmerer
Robert R. Kemp
Andrew A. Kemper
Reuben J. Kemper
Thomas F. Kendrick, Jr.
Richard L. Kenedy
Randall F. Kennon
Donald H. Kern
George L. Kent
Horton C. Kessler
Jessie Kilborn
Chauncey B. King, Jr.
Charles W. King
Myles C. King
Van M. Kinney
Glenn A. Kirby
Joseph Kisela
Homer L. Kisner
John M. Kistler
Walter W. Kleeman
Walter C. Klein
Malcolm J. Knebel
Denman W. Knight
Olyce T. Knight
Lloyd C. Knowles
Robert W. Koberg
Jaroslav Kohl
Paul P. Koslosky
William R. Kreitzer
Willy Kroes
Theodore E. Krueger
Herman B. Kruetzfeldt
Donald H. Kuhlmeyer
Roger C. Kuhn
William E. Kuhn
Melvin M. Kunz
Rudolph J. Kurka
Howard G. Labo
Dalton E. Lackey
Leamond F. Lacy
Joseph H. Laliberte
Allen W. Lamarre
Weikko S. Lammi
Charles W. Lammons
Victor R. Landa
Robert B. Lane
Leroy A. Lankford
William J. LaPlante
Frank Larsen
Arnold L. Larson
Arthur H. Larson
Leif I. Larson
Clyde Lasswell
Francis E. Law
Joseph C. Lawrence
Oscar O. Lawrence
Charles W. Layne
Alvin D. Leach
Franklin E. Leach
Otto J. Lebsch
Cyrus S. Lee
James S. Lees
Philip A. Legare
Caleb M. Lemaster
Francis J. Leonard
John F. Leonard
David J. Lesher
Stanley J. Lewandowski
Aerlyn M. Lewis
William H. Lewis
Dave A. Liechty
Ernest F. Lilek
Julien E. Lindstrom
Ray S. Linn
Grant N. Lipelt
Harry C. Lisenby
William A. Little
Jack Littlejohn
Carlton S. Livingston
Earl W. Lock
David S. Lockwood
William C. Logan, Jr.
Albert Lombar
Charles E. London
Charles C. Lovell
Allen W. Lowry
Clyde G. Lubbock
Stephen Luzaich
Glenn E. Lyles
Claude L. Lynch
George M. Lynch
John I. Lynch
Arthur T. Lyons
Mark A. Lyons
Howard W. Mabus
Philip N. MacDonald
Harry L. MacGill
Robert N. MacGovern
Alois R. Machalinski
Joseph E. Machinsky
George W. Mackey
Jesse M. Mackey
Wendell C. Mackey
Kenneth J. Mackie
James W. Macky
Jesse C. Madden
Berley L. Maddox
James J. Madigan
John F. Magurk
William A. Mahan
Francis E. Malley
Richard M. Manders
Henry J. Marciniak
Robert E. Mansard
Roman G. Manthei
Warren T. March
George J. Marchacos
John C. Martin
Claude D. Masters
John W. Masters
Louis P. Mataczynski
Thaddeus J. Matecki
William C. Mathes
Harry E. Mathys
James A. Matone
Roy J. Matthews
Joseph K. Maxwell
Virgil M. Meaden
Arnold H. Medbury
James W. Meehan
John B. Meehan
Ormsby S. Meek
Harold R. Megrew
Robert W. Mellish
Fred H. Melvin
Clinton J. Merritt
Harry J. Messick
Gerald M. Meter
Frank Metz
Robert M. Metzger
James T. Mew
Glenn C. Michel
Charles Micone
Bernard A. Middleton
Emil Mikich
Charles A. Miller
Donald L. Miller
Edgar S. Miller
Edward C. Miller
John F. Miller
Joseph F. Miller
Kenneth C. Miller
Luther R. Miller
Roy Miller
Stewart C. Miller
Stuart R. Miller
William J. Miller
William T. Miller
Lee G. Mills
James W. Mims
Warner M. Minor
William C. Minyard
John C. Mitchell
John D. Mitchell, Jr.
Ernest P. Mittenmaier
Arthur E. Mix
Arthur W. Mockenhaupt
Alonzo R. Moeller
Robert E. Molloy
Carl A. Moore
Larry D. Moore
Richard M. Moore
Sam H. Moore
Willard H. Moore
Joseph W. Moreno
Daniel H. Morgan
Frederick L. Morgan
Joe R. Moring
John D. Moroney
Arthur S. Morris
Hubert Morrison
Kenneth K. Morrison
Arthur I. Morse
Guy E. Morse
Kenneth L. Moser
Samuel L. Morton
Albert W. Mott
Temple B. Mounger
Wilbur E. Mountain
Robert L. Moyer
Harry A. Mueller
Richard K. Mueller
Kenneth A. Mundy
Lewis J. Murphy
Walter J. Murphy
Arthur H. Murray, Jr.
Charles F. Murray
Arthur R. Myers
Oscar W. Myers
James W. McBrier
James E. McCabe
Earle A. McCammond
Walter L. McCarthy
Charles N. McCauley
Robert L. McClaren
Harry C. McClaugherty
Huston B. McClure
Norris L. McComb
Cornelius S. McCormack
James B. McCormick
Marvin P. McCormick
Walter McCown
Herman P. McCoy
Homer A. McCrerey
Thomas S. McCrory
Leo B. McCuddin
John D. McCurdy
Otis E. McCutcheon
Alfred W. McDermid
Francis O. McDonald
George B. McDonald
Paul W. McEntire
James E. McFarland
Paul H. McGinnis
Joe R. McGown
Waldo J. McGrady
Harold W. McKinney
Max J. McIntire
Francis H. McIntyre
Harold S. McKee
Edward McKenzie
James R. McKenzie, Jr.
John B. McLane
Gregory T. McLean
Daniel D. McLeod
Waldo B. McLeod
Frank M. McLinn
Donald J. McMillan
Irvin L. McNally
Paul E. McNamara
Robert D. McRae
Charles T. McVey
Lesley D. McVey
Ernest C. McWatty
Thomas D. Nabors
Charles E. Napier
Frank E. Neal
Jesse L. Near
William G. Nesse
James D. Nelson
Henry T. Nelson
Ivan G. Nelson
Nels J. Nelson
William R. Nelson
Stephen J. Nemeth
John W. Nesbitt
James E. Neville
Walter G. Newhard
John W. Newman
Arthur G. Newton
Robert L. Nichols
Elmer E. Niebuhr
James M. Nifong
Rudolph Nikkonen
James J. Noel
Arthur W. Nordquist
Carroll H. Norwood
Louis Noss
Harry F. Nowack
John L. Nuttall, Jr.
Stefan A. Nyarady
Leslie C. Oaks
Orlon J. Obert
Daniel J. O'Connell
Remi C. O'Connor
George F. Ockay
William B. Odom
Roderick L. O'Flaherty
Carl E. Ollermann
Allen Oliver
George R. Olliver
Harold P. Olson
Milton S. Olson
Martin G. O'Neill
Michael J. Onofrio
Edward Opeola
Elden D. Orand
Emmett S. Orange
John B. Orem
Howard C. Ormsby
Bascome K. Osborne
Oscar Osheim
Sterling Osmon
Joseph J. Pace
Horace C. Page
William G. Palmer
George R. Pandzik
John Paradiso
George E. Paris
Alvin D. Parker
James B. Parker
Edward J. Parra
Merle F. Parrott
James C. Parsons
George Partis
Floyd X. Passmore
Charles R. Patton
Frank J. Pawela
Earl D. Payne
Doyle Peak
Robert L. Pearson
Edward M. Peck
John R. Peck
Everett H. Pelley
Earle B. Perce
Michael Perdok
James W. Perkins
George W. Perrin
Clarence J. Peterson
James C. Peterson
Melvin F. Peterson
Boyce D. Phillips
Joseph J. Phillips
Harold S. Phipps
Clifford G. Pickering
Herbert W. Pickering
Ralph N. Pickles
Walter F. Pieper
Raymond H. Pierrepont, Jr.
Otto O. Pierson
Louis J. Pilson
Jack O. Pinch
Milan L. Pittman, Jr.
Lucille O. Polk
James G. Pollock
Charles H. Pollow
Arthur P. Pomatti
James S. Poole
Henry L. Porter
Robert W. Post
Joel E. Poukkula
Robert C. Pound
Gerald W. Prada
Morton A. Prager
Hubert P. Prather
Damon J. Pratt
Morris C. Price
Eugene Pridonoff
Lee R. Provin
Grant W. Prue
Leonard Pruski
Clyde M. Pugh
Fred W. Pump, Jr.
Jack R. Purcell
Jones W. Purcell
Travers D. Putnam
George C. Pyne
Mawyer V. Quesenberry
Winifred R. Quick
Joseph A. Quinn
Jessie H. Radcliffe
William S. Ragain
Encil E. Rains
Andrew F. Rakaczky
Frederick R. Raleigh
Ira B. Ramsey
John B. Ramsey
John H. Randall
Lawrence B. Rapp
Looie W. Rash
Robert L. Rath
Prentis R. Ray
Henry H. Raymond, Jr.
Leon T. Raynor
James L. Redman
Richard G. Redmond
"W" "J" Redwine
Kenneth L. Reed
Rollin M. Reed
David H. Reese
Ira F. Reese
Kay P. Rehnberg, Jr.
James E. Reid
Joseph M. Reigher
Iver Reinikka
Marion A. Renner
Paul Z. Rennert
Lloyd J. Reuter
Lowell J. Reynolds
Robert R. Reynolds
Thomas W. Rhodes
Charles E. Rice, Jr.
Frank C. Rice
Meredith C. Riddle
Samuel H. Riggan
Hiram A. Riggs
Harry R. Rightmeyer
Claude E. Riley
Ormel F. Ripley
Walter Roach, Jr.
Andrew J. Roberts
John C. Roberts, Jr.
Nelson S. C. Roberts
Idus L. Robertson
Thurmond E. Robertson
Dare W. Robinson
James W. Robinson
Stanley J. Robinson
Sylvanus B. Robinson
Eugene E. Rodenburg
Walter U. Rodgers
Charles E. Roeschke
Robert A. Rogers III
Curt J. Rohland, Jr.
Joe J. Romero
Merton F. Root
Jasper H. Roper
Amos L. Rosenkoetter
Clarence B. Ross
Claude A. Ross
Jack C. Rostien
Robert A. Rourke
Augustus B. Rowland
Lester E. Runyan
Donald E. Runyon
Kenneth M. Russell
Otha K. Russell
John I. Rustin
John R. Rutledge
Stanley Ryder
John W. Ryles, Jr.
Joseph Sahaj
Harry P. Salling
Courtney H. Sampson
Elton M. Sandberg
Floyd M. Sandberg
Charles C. Sanders
Clinton Sanders
Clinton F. Sanders
Carl Santti
George B. Satterwhite
Howard A. Sauer
John Sawula
Charles E. Saxton
John N. Sayers
Harrell H. Scales
Carl J. Schafer
Hubert W. Scheffler
Otis L. Scheibler
Joseph M. Schick
Walter Schimmelpfennig
Harry R. Schleppi
Victor A. Schmalfeldt
Joseph T. Schmedes
Augustine E. Schmidt, Jr.
Harry E. Schmidt
Albert C. Schoelpple
Frederick W. Scholer
Bernard F. Schroeder
Frederick J. Schumaker
Felton B. Schwenneker
Frank V. Scott, Jr.
Leonard P. Scott
Walter E. Scott
Jacob Seene, Jr.
Robert S. Selby
John O. Selzer
Stanley A. Semanski
Arthur F. Sens
Eugene L. Sergent
Robert C. Shannon
Walter A. Shaputnic
Harry G. Sharp, Jr.
James G. Sharp
Frank J. Shaw
Wilbur E. Shearer
Lawrence E. Sheller
William E. Shelton
William T. Shelton
Charles W. Shields
Kenneth Shoemaker
James E. Shortall
D'Arcy V. Shouldice
Thomas W. Shuford, Jr.
Jerry R. Siefert
Harry L. Sigleer
Joseph R. Sills
George F. Silvani
Paul H. Simdars
Louis R. Simerville
Ernest E. Simms
Harold M. Simpson, Jr.
Joseph B. Simpson
Marion J. Simpson
Andrew M. Sinclair
John M. Siran
Arthur W. Sirginson
Franklin L. Sivills
Karl E. Skadowski
John J. Skahill
Garret L. Skidmore
Walter P. Skinner
Jalmer H. Skjaret
Sidney M. Skjei
Milton C. Sledge
William L. Sloan
William J. Slone
John P. Slowiak
Boudinot L. Smith
Carl T. Smith
Cecil L. Smith
Frank M. Smith
Frederick W. Smith

Howard K. Smith
Julius S. Smith
Kenneth D. Smith
Lawrence M. Smith
Maurice G. Smith
Norman A. Smith
Russel D. Smith
Stephen B. Smith
Walter C. Smith
Walter F. Smith
Willie E. Smith
Talmadge A. Smithey
Albert E. Smithson
Garnet M. Smithson
Robert W. Smithwick
Charles A. Snay
Stanley A. Sokulski
Charles H. Sordyl
Norman L. Sorenson
Edward L. Sosnowsky
Robert H. Souden
Johannes Southland
Carl D. Sowell
Clarence M. Spangler
Kenneth E. Spangler
Robert H. Spencer
Morrow M. Spidell
Joseph P. Spieker
James S. Spielman
Torrance G. Spike
Harold F. Spilker
Kensel A. Sprague
Alexander A. Sproule
Martin J. Stack
James S. Stafford
Donald C. Staley
John R. Stanger
Harry C. Stanley
Louis C. Starck
Stanley D. Stark
Lawrence H. Stasney
Edward D. Steffa
Elmer B. Steier
James M. Stephens
Jerrel D. Stephens
Joseph E. Stephenson
Charles M. Stewart
Erwin R. Stewart
Robert L. Stewart
William E. Stewart
William G. Stewart
Naden F. J. Stimac
Harvey A. Stimpert
Clinton W. St. Laurent
Woodie E. Stone
William C. Stowers
Stanford E. Storey
Francis W. St. Pierre
Lester O. Strawhecker
Guy R. Strickland
Frank N. Stuffier
Charles L. Suggs
Clifford W. Sullivan
John P. Sullivan
Owen P. Sullivan
Clyde W. Summers
Elton L. Sumrall
Howell M. Sumrall
Donald E. Sutherlin
Park Sutton
Robert W. Sweasy
Clifford E. Sweet
Walter H. Swinson
James S. Swope
Floyd M. Symons
Cornelius H. Talbert
William O. Talley
Lawrence L. Tarkowski
Thomas R. Tate
Clarence M. Taylor
Donald C. Taylor
"T" "C" Taylor
John E. Tefft
Russell C. Tegeler
Raymond C. Tellin
Raymond J. Tennant
Neil R. Terpening
Eugene B. Terrio
Paul Tesch
Joy E. Teten
Leo E. Therrien
John L. Thom
John M. Thomas
Preston M. Thomas
Sylvester A. Thomas
Lewis E. Thompson, Jr.
Norman Thompson
Oliver C. Thompson
Theodore H. Thompson
Cecil R. Thorne
Daniel W. Thornhill
Robert L. Thornton
David S. Thorp
Thaddeus Thorpe
Norman E. Thurmon
Paul A. Tickle
Charles C. Tidwell, Jr.
Charles Timblin
John T. Timmerman
Elmer Todd
Raymond Todt
Clyde H. Toland
Robert B. Toof
William S. Townsend
Peter G. Trapani
Donald K. Traxler
James L. Treadwell
George E. Treneer
Howard S. Trimble
Franklin A. Triplett
Willard Triska
Orville W. Trohanov
John R. True
Joseph W. Trumbo
Humphrey L. Turner
Thomas A. Turner
George Turnquist
Luther L. Tyndall
Christian E. Uht
Stephen A. Vaczi
Herbert H. Vanaman
Charles E. VanBibber
Martin A. Vandenberg
Vern T. Vanderbur
James C. Vandiver
James M. Van Trees
Claude R. Vaught
Joseph E. Vautrot
Rennie Vermeersch
Adolph Viegelmann
Leonard W. Vollman
Harry Waddell
Arthur R. Waggener
Erwin J. Wagner
Richard O. E. Wagner
Gwin L. Walker
Johnny L. Wallace
Wilfred G. Wallace
"J" Herbert Walls
Francis B. Walsh
John H. Walters
Furman D. Waltrip
Marce D. Ward
Raymond E. Ward
Reginald H. Ward
William M. Ward
Robert E. Warner
Nelson J. Watkins
Walter R. Watkins
George B. Watwood
Darrell E. Way
Russell J. Wayland
Emmit N. Weatherly
Ephraim R. Weaver
Hubert A. Weaver
Robert E. Weaver
Boyce S. Webb
Donald D. Webb
George W. Webber
William L. W. Webster
William S. Webster, Jr.
William H. Weddle
Harold V. Weed
Sydney R. Weed
Carl H. Wehr
Walter H. Weible
John B. Weimer
Raymond M. Weimer
George T. Weir
Frederick E. Welch
Glenn E. Welch
Harry V. Weldon
George B. Wells
Dale W. Wensinger
Charles A. Wentz
Leonard H. Werner
Hall B. Wessinger
Horace B. West
Walter G. West
Clarence W. Westergaard
Warren E. Westrup
Robert E. Wheeler
Robert E. Whelan
Almon E. White
Artie F. White
Charles R. White
David I. White
Gerald T. White
Roy C. White
James G. Whiteaker
Thomas "J" Whitlow
Willard H. Wiederspahn
Rudolf P. Wiegand
Stephen O. Wiggin
Robert B. Willhoite
Charles A. Williams
Edwin W. Williams
Ernest W. Williams
Frank Williams
Frederick E. Williams
Pinckney M. Williams
Richard Williams
Cecil O. Williamson
William Williamson
Harold R. Willis
Newman R. Willis
James K. Wills
Archer W. Wilson
Cecil E. Wilson
Edgar L. Wilson
Frederick C. Wilson, Jr.
Albert W. Winchell
Leonard A. Wingo
Milton Winsett
Edward J. Winter
Paul J. Wirsing
Robert G. Wissman
Robert M. Witmer
Maurice E. Witting
Max D. Wiviott
Martin L. Wolf
Ollin L. Wood
Samuel H. Wood
Roy A. Woodliff
Myrrl M. Woody
Louis W. Wright
Vernon M. Wright
Wayne G. Wright
William A. Wright
Horace J. Wundram
James R. Wyatt
Robert A. Wylie
James B. Yeo
Donald A. Yetter
Felix G. Young, Jr.
James D. Young, Jr.
Oran W. V. Young
William E. Young
Julius J. Yutkus
Alfred J. Yuzakewich
Charles E. Ziegler
George F. Ziegler
Arthur R. Zuehlke

The following-named officers for temporary appointment in the Medical Corps of the Navy:

James A. Brimson
James D. Hague
John A. O'Donoghue
Arthur G. Rink
Haskell M. Wertheimer
Karl R. Whitney

The following-named officers for temporary appointment in the Supply Corps of the Navy:

George B. Aker
Stuart R. Allen
Earl F. Armstrong
Joseph H. Baker
Francesco M. Barbero
Clyde C. Barnhard
William J. Barnhill
John J. Barton
Walter Barsz
Frank S. Bird
Gerald R. Blosser
Cyrus L. Brainerd
Curtis E. Brooks
Daniel V. Brown
Fred L. Campbell
Claude I. Carroll, Jr.
Peter J. Clemons
Herbert G. Cocke
William T. Collins
Rufus G. Cook
John W. Cooper
James E. Corcorn
Arthur B. Crooks
Donald L. Crutcher
Owen S. Davies
Dale D. Dinsmore
Adelbert W. Dutcher
Ralph L. Eaton
Dwight H. Ellis, Jr.
Charles E. Emrick
Samuel W. Farr
Henry M. Fox
Raymond G. Frey
Leo E. Furtwangler
James A. Gardiner
John H. Garrett, Jr.
Olen R. Garrett
Henry L. Geoghegan
Robert J. Gerhardt
Charles A. Gibbs
Jack D. Gilmore
Daniel W. Greene
Thomas L. Greenough, Jr.
James E. Grey
Geleter Grimsley
Pierre H. Gueliff
Lee R. Guinn
George F. Halla
Richard C. Hammond
Clifford A. Hanson
Frank O. Hanson
Robert F. Hart
John W. Haskell
George E. Hauge
Robert C. Haun
Robert A. Hendry
Eugene G. Herrick
John W. Hoft
Philip B. Holbrook
Herman S. Holtslander
John C. Hooper
Michael Hubona
Augustus P. Hughes, Jr.
John W. Hull
Lloyd O. Johnson
Joseph C. Jones
William B. Jones
John C. Kamps
Simon D. Kamrar
Stephen L. Kasprzak
Michael J. Knapp
"J" Marshall Knowles
Marcus H. Lambert
Harvey R. Lampshire
Elmer S. Landers
Harold C. Lemon
John M. Lewis, Jr.
Thomas G. Lewis
Robert H. Lindig
Richard A. Lindsey
Bernard A. Mago
Zeddie Marsh
Lloyd C. Marsland
Daniel L. Martin
John H. May, Jr.
John E. Moeller
Howard N. Mogle
John C. Moore
Robert A. Moss
Robert W. Murphy
Shannon H. McCarter
Robert F. Newsome, Jr.
Walter G. Normile
William R. Ormsbee
Melvin O. Parrish
Carl A. Prince
Harry L. Rapp
Benjamin A. Rhoades, Jr.
Otto C. Rothlaender
William A. Rye
William D. Sams
Earl G. Schweizer
Boyd M. Shaffer
Melvin E. Sharp
Russell W. Sharpe
Francis E. Shea
Ramon A. Sherer
Joseph R. Shirley
John F. Sieck
Thomas J. Sikes
Robert C. Simmerman
Steve Skirka
Lester L. Stevens
Howard J. Stewart
Kenneth H. Stimeling
Vernon E. Sutton
Elwin O. Swint
Joseph H. Timmons
John G. Travis
Ray M. Turner
Edward B. Van De Veire
John W. Wade
John H. Walker
Leo Webb
John W. Weigand
William B. West
Daniel L. Westfall
John H. Whitener
Douglas O. Williams
George M. Wolfe, Jr.
George H. Wood
Russell K. Wood, Jr.
Jack L. Wright
James D. Yadon
Malvern D. Young
Robert W. Zlynuska

The following-named officers for temporary appointment in the Chaplain Corps of the Navy:

Wylie R. Bryant
Charles C. Hartung

The following-named officers for temporary appointment in the Civil Engineer Corps of the Navy:

John W. Aufdenspring
Joseph W. Gorman
Harry P. Kwasny
Eugene A. Lakos
Richard A. Laughlin
Joseph L. Mahoney
Norman L. Martinson
Jack P. Pollock
Edward G. Underhill

The following-named officers for temporary appointment in the Medical Service Corps of the Navy:

Chalmers L. Anderson
Samuel H. Barboo
Howard A. Barrett
George A. Barunas
Sidney G. Brenner
Roy T. Brooks
Archie B. Brown
James F. Buckner
Clay H. Chalfant
Franklyn C. Cooley
Paul R. Cox
Arthur P. Daul
Henry T. Dean
Bernard F. Duwel
Conard C. Fowkes
Dwight L. Gadberry
Robert L. Gade
Richard T. Holway
Melvin P. Huber
John H. Hunt
Thomas L. Jackson
George A. L. Johnson
John E. Kelley
Roman L. Kledzik
Carlton R. Larkins
Harry H. Linder
Arvin L. Maines
Denny S. Miller
Frank J. Mitchell
Howard L. Mosley
Samuel M. Nelson
Lewis E. Nichols
John A. Oley
George H. Parker
Clarence Shearer
John A. Sheets
Clifford M. Sims
John P. Soltysiak
Earl C. Spencer
George S. Stains
William T. Sterling
William W. Taylor, Jr.
Ralph L. Vasa
Carroll M. White
Erwin W. White
George W. Wiese
Walter H. Wilford
Wayne W. Willgrube

The following-named officers for temporary appointment in the Nurse Corps of the Navy:

Eva M. Allem
Ann A. Bernatitus
Hazel Bullard
Gladys E. Dvorak
Bertha R. Evans
Ruth A. Houghton
Wilma L. Jackson
Thelma A. King
Clara L. Lampp
Rosella Nesgis
Dorothy E. Osborn
Anna E. Redding
Alice L. Schroeder
Nell P. Seroka
Mildred Terrill
Carrie E. Todd
Dorothy L. Weyel
Catherine E. Yarnall

The following-named officers of the Naval Reserve on active duty for temporary appointment to the grade of lieutenant commander subject to qualification therefor as provided by law.

The following-named officers for temporary appointment in the line of the Naval Reserve:

Albert C. Anselmo
Frank W. Avila
Robert G. Bahrman
Charles M. Blanchard

Truman F. Campbell	Frank D. Meglen
Murphy R. Cooper, Jr.	"E" Huston Olds
Jack E. Feely	Bruce S. Rogerson
Frederick M. Fox	Vincent G. Sanborn
Francis X. Hardiman	Robert L. Sharp
George D. Hemingawy	Harold E. Smith
Harold R. Herman	Jay B. Smith
John H. Higgins	Harold A. Taylor
Herbert J. Kaczmarek	William A. Townsend
John I. Leonard	George O. Tubb
Allon B. Lingar	Martin A. Weiss
Eugene H. Lowrance	Clement G. J. Wessel
Alvin R. Lyle	

The following-named officers for temporary appointment in the Supply Corps of the Naval Reserve:

Raymond F. Dietz
Jack E. Turley
Raymond P. Zickefoose

The following-named officers for temporary appointment in the Chaplain Corps of the Naval Reserve:

Frank M. Graf
Herman R. Norwood

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20 (legislative day of April 11), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Admiral Alan G. Kirk to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Capus M. Waynick to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Nicaragua.

George R. Merrell to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

William C. Foster to be deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

ATOMIC ENERGY COMMISSION

MEMBERS OF THE ATOMIC ENERGY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JUNE 30, 1950

Gordon Dean
Henry DeWolf Smyth

PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE

To be surgeon (equivalent to the Army rank of major), effective date of acceptance

Roderick Murray

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance

Paul D Pedersen
Ardell B. Colyar

To be dental directors (equivalent to the Army rank of colonel)

H. Trendley Dean	Allen M. Perkins
Pendleton J. Slaughter	Hubert H. Martin
Frederick W. Harper	David Cooper

WITHDRAWAL

Executive nomination withdrawn from the Senate May 20 (legislative day of April 11), 1949.

POSTMASTER

Miss Angela E. Murphy to be postmaster at New Milford in the State of Connecticut.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 20, 1949

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, Lord God Almighty, come to us in our needs, in our failures, and in our disappointments. As we wait upon Thee, we pray that quiet thoughts, the quiet duty of each new day may steal upon us.

O give us the power of high decision, the hunger that longs for fullness of life, and inspire us with those wise silences that sustain us in our aspirations. Teach us that when words leave our lips they are no longer our own, for no man lives unto himself. For hesitation, give us insight; for prejudice, give us open minds; from spiritual bondage, give us a blessed relief. For the sake of Thy dear Son our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1535. An act to amend the Housing and Rent Act of 1947, as amended, with respect to housing accommodations in hotels; and

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3997. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. O'MAHONEY, Mr. MCCARRAN, Mr. THOMAS of Oklahoma, Mr. REED, Mr. GURNEY, and Mr. FERGUSON to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BUCHANAN asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. WELCH of Missouri asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Buffalo Common Council and an editorial from the Buffalo Evening News by Thomas L. Stokes.

Mr. DAVENPORT (at the request of Mr. BUCHANAN) was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include some excerpts.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a statement he made before a Senate committee.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. JOHNSON asked and was given permission to revise and extend the remarks he expects to make in Committee of the Whole today and include extraneous matter.

Mr. MCCULLOCH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Cleveland Plain Dealer.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include a statement he made on the golf debacle in the District of Columbia.

Mr. KERR asked and was given permission to extend his remarks in the RECORD and include a tribute paid to Hon. George Gordon Battle by James A. Farley.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes on Tuesday next, at the conclusion of the legislative program of the day, and following any special orders heretofore entered.

CALL OF THE HOUSE

Mr. VINSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. GORE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 102]

Abbitt	Clevenger	Green
Aspinall	Combs	Gwinn
Baring	Cooley	Hall,
Barrett, Pa.	Coudert	Edwin Arthur
Barrett, Wyo.	Crawford	Hall,
Bland	Dague	Leonard W.
Boggs, Del.	Davis, Tenn.	Harden
Bosone	Dawson	Hardy
Breen, Edward	D'Ewart	Havenner
Buckley, N. Y.	Dollinger	Hays, Ohio
Burnside	Dondero	Heller
Byrne, N. Y.	Engle, Calif.	Herter
Canfield	Fellows	Hull
Celler	Flood	Irving
Chatham	Gilmer	James
Christopher	Granahan	Jonas
Chudoff	Grant	Jones, Mo.

Kearney	Nixon	Scott, Hardie
Kelley	Norton	Scott,
Keogh	O'Konski	Hugh D. Jr.
Klein	O'Neill	Secrest
Kunkel	O'Toole	Shafer
Latham	Patman	Simpson, Pa.
LeFevre	Perkins	Smith, Ohio
Lemke	Peterson	Smith, Wis.
Lichtenwalter	Pfeifer,	Staggers
Lynch	Joseph L.	Stanley
McCormack	Pfeiffer,	Taylor
Macy	William L.	Thomas, N. J.
Marshall	Pickett	Whitaker
Miles	Plumley	White, Idaho
Miller, Nebr.	Potter	Wilson, Ind.
Morgan	Poulson	Withrow
Morris	Powell	Wood
Morrison	Rains	Woodhouse
Moulder	Redden	
Multer	Rich	
Murdock	Rooney	

The SPEAKER. On this roll call 326 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED FORCES

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4591) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4591, with Mr. RABAUT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KILDAY. Mr. Chairman, I yield myself 35 minutes.

Mr. SHORT. Before the gentleman begins, if he will permit me, I should like to announce that I have designated the gentleman from Massachusetts [Mr. BATES] to handle the time on this side. He sat through all the hearings and is very familiar with the bill.

Mr. KILDAY. Mr. Chairman, the Committee on Armed Services fully appreciates the fact that it has here a very long, complicated, and technical bill. We are firmly of the opinion that if the bill is understood it will receive the support of the committee. I sincerely hope you will bear with us while we attempt to go over the bill to be as helpful as we can.

Those of us who have been familiar with the military services pay for some time have realized that it has grown into a crazy-quilt patchwork. Over a period of years there have been attempts to patch up one little difficulty and inequality after another, until we have reached the point that it does not make a consistent whole, and there are many compensations which cannot be justified.

We are also conscious of the fact that we are reaching a very critical stage in our armed forces, both enlisted and commissioned. Just to point out one of the difficulties we now have, the pay scales of the armed services have not been revised since 1908. In that year there was a general revision of the military pay scales. Since that time there has been piecework on military pay scales, so we have reached this period of time realizing that there has been a 400-percent increase in pay over 1908 for the lowest grade enlisted man, the highest grade enlisted man has received approximately 117-percent increase in the same period of time, the lowest grades of commissioned officers have received an increase of about 27 percent, and the general officers have received a pay increase of only 10 percent. This we can all compare with the increase in pay in all other services, including the civilian branches of the Federal service.

This patchwork has resulted in the present situation, in which a lieutenant colonel with 30 years of service draws pay identical with that of a brigadier general, and a major with 30 years of service draws only $69 a month less than a brigardier general.

What is the situation with reference to the composition of our armed forces? The gentleman from New York [Mr. WADSWORTH] on yesterday made a very important point, and I thought he made it very strongly. However, I want to repeat some of it now because there are a good many members here now who were not here at the time the gentleman from New York spoke.

Since 1946 we have had resignations among the graduates of the Naval Academy to the extent of 643. Contrasting that with the years from 1937 to 1940, we had only 63 resignations from the Naval Academy graduates.

The matter is progressing and we feel if it continues at the rate that it has during the years 1945, 1946, and 1947, the last three graduating classes, we will reach the point of 44 percent of resignations with less than 5 years of service.

From the years 1937 through 1940, only two commanders resigned; but during the years 1946, 1947, and 1948, 28 resigned. Compared to the same two periods, we have 1 lieutenant commander as against 145 in the most recent graduations. In the other ranks above ensign the contrast is even sharper. Nine lieutenants as against 486 in the latter period; 29 lieutenants, junior grade, as against 363. Of the 3,894 naval officers who were integrated in the regular services since July 1947, 594, or 15 percent, have already resigned. I think it is clear we are not now holding the men that we have educated and found qualified for military service. They simply will not stay in the service under present conditions. Again, we are not attracting into the services the people we want. At the present time only 37 percent of the 17,000 Regular Air Force officers are college graduates. Last year there were 2,628 aviation cadets who entered upon pilot training. Of these, 1½ percent were college graduates, while 71 percent had less than 2 years of college. In contrast, of the 5,214 aviation cadets who entered training during the latter part of 1940, 36.3 percent were college graduates, and but 7 percent had less than 2 years of college. So, we are neither attracting them, nor are we holding them. It became evident to the departments quite some time ago that something had to be done about the matter. Former Secretary of National Defense, James Forrestal, appointed a civilian commission to study the question. This commission was composed of Mr. Charles Hook, chairman of the board, Armco Steel Corp., chairman; Father John J. Cavanaugh, president, Notre Dame University; Mr. Keith S. McHugh, vice president, American Telephone & Telegraph Co.; and Mr. Lawrence H. Whiting, president, American Furniture Mart Building Co. and Whiting & Co.

These gentlemen constituted the Commission. They spent more than a year in studying the pay schedules and pay system of our armed forces. They embarked upon the idea that we should adopt a career compensation plan for our armed forces on the theory that all pay should be compensation for responsibility and service rendered. Throughout this bill we base all the pay scales upon the responsibility assumed and the services rendered.

In connection with the studies of the commission, they compared the military pay scales—and when I say that I mean the total over-all compensation, the pay and allowances together. Those were compared with comparable positions in industry generally. The charts are available, and a study of them for a very short period of time will indicate that the proposal we bring you now would bring military pay scales, plus allowances, somewhat in line with industrial pay scales, for enlisted men as well as for officers. You will find in all brackets of enlisted men and the lower ranking officers, the entrance pay is probably just a little bit more than it is in industry, but after you reach the rank of about major, the military pay scale begins to taper off, and by the time you get to your Chief of Staff your compensation is probably less than half of what the top man in industry, heading a comparable organization as to personnel and money, gets.

Mr. PHILLIPS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. Please let me finish my statement. This is very complicated. I am aware that there has been some talk as to what is done in this bill with reference to the recruit. The bill continues the recruit's pay at what it is at the present time. I might remind some of you GI's that hereafter the man who goes in is not going to be known as a private. He is going to be known as a recruit. We continue his pay at $75 per month. He will be a recruit for a period of approximately 4 months. The theory of the bill is compensation for responsibility and service. He not only gets $75, as you know, he gets board and room and clothes and what not. The Hook Commission found that the total pay, when considering the found of enlisted men, amounts to $183 per month, whereas the average entrance pay in industry generally over the United States is $178 per month. Remember, the vast majority of them are 18-year-old boys with high-school educations, and some without.

They are compensated under this bill to the extent of approximately $183 a month, although I believe the Hook Commission figure is low, because the upkeep of a private soldier runs more than that, according to the figures I have received throughout the year. But he is going to stay there only 4 months. If he has no aptitude to be a soldier, of course, he will be eliminated. If he does have, he will pass into the grade of private, and then in about 7 months he becomes a private first class, and then he is on his way to his career.

Other than in the position of recruit, who is learning to be a soldier, sailor, marine, or air man, the percentage of increase, after the man has indicated that he is becoming a career member of the service, his pay increase is approximately the same as that given to the officers. It runs about 50 percent.

I believe that a careful study of the bill will show that it is equitable and just as between officers and enlisted men.

There are many other things in this bill. As I have indicated, we have a patchwork system at the present time. For a long period of years promotions in the armed services were stagnated, as many men were taken in after the first World War in one group. As time came on there was a hump in the service, and no one could be promoted above that hump. At various times we got into a system of longevity pay, so that we reached the point where men who were not assuming the responsibility or rendering the service of higher officers were drawing the identical pay of higher officers. In this bill we eliminate that.

Incidentally, for the enlisted man, I want to say we go down to the fourth pay grade in granting quarters allowances. We increase his quarters allowance from $37.50 to $67.50, but after he has 7 years of service and is in the fourth grade, he is now recognized as a career man, one who is beginning to establish his family, and who is entitled to quarters allowances. But in this patchwork we have gone to such things as sea pay and foreign duty pay. It has always occurred to me to be rather ridiculous that we had to pay a sailor to go to sea. But that is exactly what we are doing under the existing law. An enlisted man gets 20 percent of his base pay and an officer gets 10 percent extra. We are paying the same percentages for foreign duty pay. Here we are, the greatest Nation in the international picture, with our troops bound to be out of the continental limits of the United States, and still, under existing law, paying 20 percent and 10 percent additional. In this bill we do away with that system. By that one provision we are saving the Government $77,000,000 a year.

Another thing: At the beginning of the First World War it was recognized that flight duty was extrahazardous, and submarine diving was extrahazardous, and hazard pay of 50 percent of base pay was established. It is in existence today. Under that a second lieutenant, flying a jet plane, gets $100 a month, or $1,200 a year. A major general riding in a transport plane gets $4,400 a year.

There have been many attempts made to adjust this system because it is totally improper; it is incorrect; it is unjust; it results in the one who does the least flying getting the most flying pay. For the first time, the Hook Commission has suggested something that will equalize this and finally, I hope, eliminate it.

The second lieutenant draws a little more flight pay than at present, and increases continue up to the grade of colonel, who gets $220. When a man gets to be a general his flight pay goes back to that of a second lieutenant—he goes back to $100 a month. On these items in this bill alone we are saving over $13,000,000. At the present time we are paying special-duty pay because a man is aide to a general or has some type of medal or badge for marksmanship; we are now paying $10,625,000 in such special-duty pay, and we eliminate that in this bill.

During the war we were drafting fathers, and you could not take the breadwinner away from the family and do nothing to take care of his dependents. We adopted the family-allowance system. At that time everybody understood that it was a temporary measure. The basis of that system was that when we took a family man, and he made an allotment of $28 a month to his family, the Government gave $50 to his wife, $30 for the first child, and $20 for each additional child. So when you got to the fellow who had five or six children you had one of the highest-paid privates, probably, the world has ever known. That is the situation today.

Under this bill we propose to do what we think is just, and I believe you will agree with me in terminating this family-allowance pay. We are going to terminate it 6 months after the effective date of the act. That gives the individual an opportunity to rearrange his affairs while he is drawing the family allowance in order to get along after it is terminated. We also provide that if his total compensation, including his pay and family allowances, is less than it is at the effective date of this act, he has the right, the absolute right, to be discharged from the service. Only those enlisting prior to July 1, 1946, have the legal right to continue to draw family allowances through the current enlistment. All others have known that the allowances would terminate 6 months after the end of the war. This bill continues allowances for 6 months. All enlisted men, except the lowest ranks, will draw pay comparable to their present pay and family allowance.

By this one provision, during the fiscal year 1950, we are going to save $191,000,000. It is costing us $314,000,000 to carry this family allowance. This family allowance being in effect for 6 months after the effective date of the act means that we will not save during 1950 the full $314,000,000, but will save $191,000,000; it is still going to cost us $123,000,000. So when you come to fiscal year 1951, in addition to these charges that we eliminate here, which amount to $254,00,000 that we are paying today for these special things not based upon responsibility and service but on a system that has grown up over the years, we are saving in this bill for fiscal 1950 $254,000,000, and in 1951 we will save the full $123,000,000 of family allowances which is going to be paid during the half of 1950.

Then, what is the situation? If you take the law as it exists today, you are going to be spending $254,000,000 in 1950 for which you are getting absolutely no service. If you adopt this bill, then you are going to rearrange your pay scales with proper differential between each grade and adequate compensation in each and every grade of pay right down the line of officers and enlisted men; you are going to pay for the service and responsibility which are rendered in connection with it. You are going to have a healthy system of military compensation in the United States and one that should be able to take care of our necessities for a period of many years.

At the present time, the law is if any officer of the armed services who is disabled in line of duty, and that means practically anything that is not the result of his own misconduct, to the point where he is not capable of performing full military duty, he is entitled to retirement at 75 percent of his base pay for life. He cannot be reexamined. There is no provision for it. Whether he improves his physical condition or not, he continues to draw 75 percent of his active duty pay for life.

At the time we had between 16,000 and 20,000 officers in the regular service we probably could afford such fine treatment for a small body of men, but when we get our officer corps into the hundreds of thousands it is evident you cannot continue to pay those men at the rate of 75 percent of their base pay, notwithstanding the degree of their disability. This is a matter which must be revised, and unless we can pass this bill it is going to continue as it is, and constitute a very serious drain on the economy of our country.

Under this bill he must be disabled percentagewise, the same as the GI has always been. To secure retirement he would have to have in excess of 30 percent disability computed on the Veterans' Administration rating tables in effect at the time of retirement. Of course, he has the option of taking his years of service multiplied by 2½ percent.

The severance pay is a lump sum paid upon the man's leaving the service and under this bill it is computed in the same manner as severance pay is computed for those officers who fail of selection and are therefore eliminated from the service.

In this item alone, let me remind you, we have 32,000 temporary officers, non-Regular officers, in the Army and Air Force who are certified by the Veterans' Administration for payment. It is costing us now for the pay of those men who were retired during the last war a total of $150,000,000 a year. If we continue this large officer corps with 75 percent retirement for all of them in the future, we do not know how many millions it may amount to; but we do know that it is staggering and something that the economy of this Nation cannot afford.

In this bill for the first time we put the Regulars, the Reserve officers, and enlisted men on exactly the same foot-

ing and the same status as to retirement. For the first time there has been retirement for the enlisted man prior to 20 years of service. Under this bill the National Guard, the Reserve, the enlisted men and the officers are on the same plane, with always the right of election between the Veterans' Administration benefits or the retirement provisions here, whichever is the greater.

Mr. Chairman, there is a great deal more in this bill and there are in it some very difficult and complicated questions. We do feel, however, that we have reported a bill that is deserving of the support of the membership of the House. We began hearings on this bill on the 21st day of February and continued through the 8th day of May. Practically every day the committee remained in session considering the provisions of this bill. Some of us had experience with pay bills before. This is my third go at it, and if I see it coming, it is the last time I am going to undertake a bill for the revision of a pay.

We have brought to bear on it the recommendations of the Hook Commission, the knowledge of the members of the committee with experience, as well as our technical staff who have engaged in extensive research, and have questioned the services at length. We think we have here a bill which produces adequate compensation, proper differentials, and one which is saving the Government of the United States, because it is going to cost you almost as much in 1952 to continue your present pay system for which you are receiving nothing as it will cost you in 1952 to accept this modern, revised, and properly coordinated bill, and here you will be paying for what the Government gets, and if you do not adopt this bill you will continue to pay for the number of children that a man has, or whether a soldier is at sea or whether a general is flying at $4,400 a year.

You have here a bill under which you are going to get value for what you pay, and if you continue the same system that you have now you are going to be paying money for nothing and you are going to continue to lose the type of men that we want to attract and the kind of men that we want to keep. You have here a business that in this fiscal year is going to cost you over fifteen billion, and the top man in that set-up is going to draw almost as much as the individual Member of Congress. That is the situation in which you now have your pay scales, and you are going to continue the situation until General Clay draws about the same pay as the Sergeant at Arms of the House of Representatives. This is a matter that is long overdue, and I hope that it will receive your careful consideration. If it does, I feel confident it will pass.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from South Carolina.

Mr. RIVERS. I think the gentleman should make it plain that the officers now have a reduction salary under the present system by virtue of the fact that all of them are required to pay income taxes, beginning the first of the year.

Mr. KILDAY. That is true, but I do not want to take the position that that is a valid argument for this bill. I want to be frank about it. Up until the 1st of January of this year there was a $1,500 exemption for all servicemen, and the take-home pay has been reduced that much. They are already withholding the tax, and during this fiscal year the tax will amount to $200,000,000 more than was received from the armed services in the previous fiscal year. But, I do not want to take the position that that is a valid argument in support of it. It is a matter to be taken into consideration, but everybody is paying taxes, and I think that we do not want to put it on that basis.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman has heard the comment relating to the resignations from the two Academies. Would the gentleman comment on the fact that it is the duty of that man accepting appointment to an Academy to remain in the service?

Mr. KILDAY. Of course, I agree that a man who accepts Academy education ought to serve. Certainly, it is my effort to always get a man who is going to stay in the service.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Georgia.

Mr. VINSON. In connection with the question raised by the distinguished gentleman from Illinois, in the graduating class of 1945 from the Naval Academy there were 1,009 men. Under the agreement they have to serve 3 years. So, last June 378, or 37½ percent of the class that graduated in 1945 tendered their resignations. On the 1st of June 1949 there will be a graduating class of 785. There are now on the desk of the Secretary 224 applications for retirement, or 28.5 percent.

Mr. CHURCH. If the gentleman will yield further, I commend my former chairman, inasmuch as for 6 years I was a member of his committee, and I admire him, but would he indicate to the Members the desirability and the duty resting upon them to check thoroughly into the background of their applicants to make certain that they will continue in the service when appointed?

Mr. VINSON. I cannot go into that field today, but the gentleman has followed me for 6 years and I hope he will follow me today.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. ROGERS of Florida. I commend the gentleman on the fine statement he has given us on this bill. I note that he enumerates a number of savings the bill will bring about. Can he give us the difference between the savings that will be occasioned and the cost that will be placed on the taxpayers if this bill is passed?

Mr. KILDAY. I am glad the gentleman reminded me of that. It was going to be my principal point.

At the beginning of this year, when the President was preparing his budget, the Hook Commission was about ready to report but had not yet reported. In the budget sent to Congress in January of this year the President included the sum of $400,000,000, but he provided for such pay increases as might be granted in pay revision legislation during this session of Congress. Within the total $42,000,000,000 budget $400,000,000 is earmarked for this bill. We did not take all the $400,000,000. We took only $360,000,000 of it, so that there is now in the budget $40,000,000 more for this bill than the bill calls for in fiscal 1950.

Mr. VINSON. If the gentleman will yield further, I think the committee deserves the commendation of the Congress for saving $40,000,000. That is what has been saved by making the effective date October. If the Committee on Appropriations would bring in a bill appropriating $40,000,000 under the budget, they would pont to it with lasting pride. So I think it is in order for this committee to point with pride to its bringing in a bill that saves $40,000,000 under the President's budget estimate.

Mr. ROGERS of Florida. Further along that line, will the gentleman tell the House the difference between the cost if the provisions of this bill are put into effect and the cost under the present law, not what you save under the estimate but what you actually save?

Mr. KILDAY. The $360,000,000 is correct. It amounts to about 7½ to 8 percent net increase over the present appropriation for the fiscal year 1950 for pay of the services. We do not want to minimize it at all. The additional cost is $360,000,000 for the fiscal year 1950.

Mr. ROGERS of Florida. That is, after the savings it will actually cost $360,000,000?

Mr. KILDAY. After the savings it will actually cost $360,000,000. However, as the years go by, we are really going to get our profit on it, because there is $123,000,000 going out on the question of family allowances alone, and you are going to continue the savings on flight pay and all that sort of thing. We figure that by the time we get to 1952 or 1953 we will be down to about the same figure as the savings.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Colorado.

Mr. CARROLL. First, may I say the gentleman has made a very fine statement on the bill. However, there are three or four points I should like to have cleared up. I notice in his remarks yesterday on the rule he said this bill revises the physical disability retirement system. I note there are some 32,000 officers now certified to the Veterans' Administration, and they are now drawing 75 percent. If this bill passes, will the investigations be retroactive on these 32,000?

Mr. KILDAY. The bill does not so provide. They will not lose anything. If they gain anything, they will have to qualify under the formulas prescribed for physical disability retirement in this

bill on the basis of years of service or percentage of disability.

Mr. CARROLL. I am not so sure that perhaps it should not be retroactive. That is why I asked the question.

Mr. KILDAY. We gave that very careful consideration. The Hook Commission spent a great deal of time on it. We both came to the conclusion that what has been done has been done and that it was the result of laws as they existed at the time. There are some who take the position that we cannot legally have them reexamined. I am not positive in my own mind as to that, but some of the advisers of the Hook Commission were of that opinion and at least one member of our subcommittee was of that opinion.

Mr. CARROLL. At least you are laying a proper foundation for the procedure in the future.

Mr. KILDAY. Yes; for the future.

Mr. CARROLL. One further question, if the gentleman will not mind. In the section on family allowances, yesterday the gentleman made the statement that a man with four or five children, who is a private driving a truck, draws as much as $200 a month. The gentleman said, "That is unconscionable and we will have to put a stop to it." Does this mean this bill has provisions in it which are going to take away some of the family allowances of the enlisted men who are in the service, and take away the protection for their families?

Mr. KILDAY. This bill repeals the family allowance law which is temporary legislation which was provided during the war, but not any of the provisions of the military service pay law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VINSON. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. CARROLL. It is not quite clear. It still is not quite clear to me. Does this apply to the enlisted men in the service now who have children? If this bill passes, will it cut down the allowance for his wife and children?

Mr. KILDAY. If the man enlisted prior to July 1946, he cannot be affected by it, because he has a contract under the Recruitment Act, which existed at that time. If he enlisted after July 1946, 6 months after the effective date of this act, the family allowance will terminate as to those people. However, if at that time he is receiving less total compensation, including his family allowance, pay, subsistence, and what-not, than he was receiving on the effective date of the act, he has an absolute right to be discharged. That is the provision of the bill.

Mr. CARROLL. May I put the question in a little simpler way. Under the provisions of this bill, does a man in the service receive any less pay for his family?

Mr. KILDAY. He could 6 months after effective date. He has the right to be discharged.

Mr. CARROLL. I see.

Mr. KILDAY. That affects primarily the man in the very lowest ratings, because if you will look at page 2222 of the hearings you will find testimony by some enlisted men on whom we got the details as to what they are now getting and what they would get under the bill. One of these men, I think, is a Sergeant Murphy. He will suffer a net loss of $22 a month, but he much prefers that to a temporary law which may be terminated at any time. He is a career soldier and he wants to know where he will stand, not only this year, but in the years to come, because he intends to stay there. Some of them draw a little bit more. But when you get down to the lowest grade of men, who are carrying the least responsibility and rendering the least service and are drawing the most money, I said that was unconscionable, when you compare them with other men who are rendering so much more service and getting so much less pay.

Mr. CARROLL. One further question, and that will be all. I appreciate the gentleman's very helpful explanation.

Under the increases here given for the enlisted men to the generals, has this formula incorporated in the bill been recommended by the Hook Commission?

Mr. KILDAY. It is, in essence. There are one or two places where we deviate a little, but substantially it is the exact formula of the Hook Commission. There were some limited-duty officers of the Navy who were taken care of on increased pay brackets, but it is of not much consequence.

Mr. CARROLL. I thank the gentleman.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. CASE of South Dakota. When was the Hook Commission appointed?

Mr. KILDAY. I cannot give you the exact date. I am sorry.

Mr. SHORT. It was appointed about 18 months ago.

Mr. CASE of South Dakota. It did its work about 18 months ago?

Mr. SHORT. No.

Mr. CASE of South Dakota. When was the report made?

Mr. KILDAY. The report was made shortly after the first of the year.

Mr. CASE of South Dakota. Then, in any event, the recommendations of the Hock Commission are based upon the economic outlook as it appeared prior to January of this year?

Mr. SHORT. No; they testified before our committee this year, at this session.

Mr. KILDAY. These hearings started in February. But I get the gentleman's point.

Mr. CASE of South Dakota. Well, the point is, if the commission was appointed a year and a half ago, and on the basis of studies of the economic situation a year ago, reported in December, and if, according to the President's Board of Economic Advisers, there is a little disinflation going on, the question then becomes pertinent as to whether or not we should now fix a pay scale based upon the economic outlook as it was a year ago and write into statutory law that kind of a pay scale.

Mr. KILDAY. The gentlemen would be correct if the theory of this bill was to compensate for the increased cost of living. That is not the theory of this bill. The theory of the bill is that this Nation ought to pay people, whose services it is using, on the basis of the responsibility which they assume and the service which they render. That is the whole theory of the bill. It is my personal feeling that the pay scales have been too low and that they should be increased, because they are not adequate compensation. But the whole theory of the bill is not to cover the increased cost of living, but just and adequate pay, based upon services rendered and responsibility assumed. That is the theory on which we are paid, I believe.

Mr. CASE of South Dakota. I recognize there is much in what the gentleman says, but I think some consideration should be given to the point I raised.

Now the gentleman pointed out many inequities in the present law which will be smoothed out by this bill. The gentleman referred to the disability pay for officers, that they have been getting 75 percent of base pay when disability has been found. At the time the Benny Meyers case was consuming the interest of the country, I went into that matter at some length and made a study of some outstanding cases.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. KILDAY. Mr. Chairman, I yield myself five additional minutes.

Mr. CASE of South Dakota. There were two cases in particular which I went into in some detail for the Appropriations Committee. I found that in both of those cases, where there was a division of opinion in the Medical Board which made the rating, there was considerable reason for thinking that the rating should not have been made. Nevertheless, when the rating was established, the pay ran back to the time when the officer held his highest rating, whether it was temporary or permanent. Seventy-five percent of that was accorded to him as the pay that he was earning at the highest point. In comparison with that, if a GI files a claim at the Veterans' Administration, his disability dates from the date of the filing of the claim. It seemed to me a great injustice.

Mr. KILDAY. That is only one of the injustices that was corrected.

Mr. CASE of South Dakota. Is that corrected in this bill?

Mr. KILDAY. Yes, sir. If a private is shot on the battlefield, under existing law, if he sustains a disability rating of 10 percent, he will draw $13 a month. If a lieutenant who was leading him got the same identical injury of 10 percent disability, he draws 75 percent of his pay for life, and you cannot ever reexamine him to determine whether it should be up or down. A private is subject to examination at any time. We make them all alike in this bill.

Mr. CASE of South Dakota. But it does not correct the base pay?

Mr. KILDAY. No.

Mr. CASE of South Dakota. But from now on the 75 percent of base pay will be determined as of the date he was disabled?

Mr. KILDAY. I think in the first place the gentleman has two things confused. Upon final retirement, under existing law, he would be entitled to be retired on 75 percent of the highest rating satisfactorily held. But he would only draw that pay from the date of retirement. At the present time it is not

retroactive. He would draw it on the basis of the highest rank satisfactorily held.

Mr. CASE of South Dakota. It bothered me a great deal to find some retired colonel drawing pay from the date of retirement, and the GI would draw it only from the date of filing his claim.

Mr. KILDAY. You are not going to have these long periods of hospitalization any longer. Let me get this over to you. Under the present law you cannot reexamine a man once he is retired. Under this bill he is going to be subject to examination for a period of 5 years, not longer than 18 months apart. Then his case is going to be reevaluated. So that now there will be no danger of the question of hospitalization for 6 or 8 months while they are making this final determination. It is subject to review over a period of 5 years, and that long-time lapse is going out under this proposal.

Mr. LECOMPTE. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. LECOMPTE. I think the gentleman has made the best statement I have heard on this bill, but there are two or three points about which I wish to ask the gentleman. I think the gentleman has almost persuaded me. The gentleman spoke as though he were not satisfied with the longevity pay that makes a major draw practically the same salary as a brigadier general; but, looking casually, I do not find in the bill where you do anything about that.

Mr. KILDAY. Oh, yes; we do, because we abolish longevity as such.

Mr. LECOMPTE. Do you abolish longevity entirely?

Mr. KILDAY. As such. All pay is fixed in the tables contained in the first two or three pages of the bill according to rank and years of service.

Mr. LECOMPTE. Then this abolishes longevity pay.

Mr. KILDAY. Yes, this abolishes longevity pay; there will no longer be a situation where you get 5-percent increase in pay for each 3 years' service.

Mr. LECOMPTE. The question has been asked and the gentleman has answered it, but I am not quite satisfied in my own mind: What is the difference between the entire pay roll of the armed services at the present time and what it will be under this bill if it is enacted? Will there be more or less retirement pay, and so forth?

Mr. KILDAY. That is going to be developed in a good deal of detail by the gentleman who will follow me. It is going to cost $300,000,000 for the fiscal year 1950.

Mr. LECOMPTE. What will it be in 1951?

Mr. KILDAY. Four hundred and seven million dollars would be the total, although there will be some savings that cannot be completely calculated at this time. I wish the gentleman from Iowa would let the gentleman from Massachusetts develop this matter, because he has gone into it exhaustively.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman——

Mr. GAVIN. Mr. Chairman, will the gentleman yield to permit me to ask a question of the gentleman from Texas?

Mr. BATES of Massachusetts. I wish the gentleman would defer his questions for a while.

Mr. GAVIN. This is a question I should like to ask at this particular point.

Mr. BATES of Massachusetts. Very well; I yield briefly to the gentleman from Pennsylvania.

Mr. GAVIN. I wish to ask the gentleman from Texas if it was not the theory of the Hook Commission to develop a schedule of pay rates that were comparable to those in civil life to make the service attractive for men to remain in?

Mr. KILDAY. That is the theory of the bill; it is called a career-compensation plan for the armed services, and the rates are based directly upon a comparison with industry for the same type of work and responsibility.

Mr. BATES of Massachusetts. Mr. Chairman, the bill under consideration, in the opinion of the Armed Services Committee which unanimously endorsed it, constitutes a significant step in the development of a sound, practical, and necessary program for the compensation of the members of our military organization. It is imperative that this Nation maintain a strong Military Establishment. The essence of its strength lies, obviously, in capable, efficient, and adequate manpower. Probably no factor is as important in obtaining and holding capable men and women in the armed forces as a fair and modern compensation plan.

Essentially, the Military Establishment of the United States is a democratic institution in a democratic country. The Government, as an employer seeking to recruit men for its military services, must in peacetime compete with private employers and with its own civilian branches. It is, therefore, of the highest importance that it provide a pay scale and benefits which will attract capable men and women and which will induce them to serve their country in a satisfying and honorable career.

Former Secretary Forrestal recognized the importance of designing, as part of an up-to-date and complete personnel program a pattern of compensation which would achieve this purpose. In December 1947, therefore, he called upon four outstanding civilians already mentioned to furnish him with "a comprehensive study and with recommendations covering every significant phase of a sound system of compensation for persons at all levels." After a year's study, the Commission suggested a complete adjustment in the present pay structure which provided an upward revision for most grades, with special emphasis on the need for proper rewards for the leaders and administrators of the armed forces. The Commission, headed by Mr. Hook, submitted an integrated series of 33 recommendations covering pay, allowances, retirement, and death benefits, keyed to the stated objective of attracting and holding qualified military personnel and offering them opportunities for pay and advancement comparable to those available in civilian life.

The civilian Commission stated that the keystone of such a system was pay for responsibility, with appropriate incentive for promotion to the positions of greater responsibility. It, therefore, developed a pattern emphasizing basic pay and minimizing the variety of special pays and allowances which tend to distort that principle, at present, and which results frequently in higher compensation for officers and men filling positions of lesser responsibility.

The Commission discovered inequities in many phases of the present pay system, and in the course of its study established the fundamental principle of pay for responsibility. On this basis it developed wage and salary rates by surveying industrial job rates in selected large businesses covering positions involving duties and responsibilities similar to those undertaken by important noncombat arms and divisions of the military services such as administration, finance, transportation and construction. Our committee was privileged to hear the members of the civilian advisory Commission explain the concepts and principles which guided them in their work and the manner in which they proceeded. We are deeply impressed both with the soundness of their ideas and the thoroughness with which they pursued each aspect of the pay and benefit problems. It is difficult to realize, without intense personal study that in addition to the pay provided for grade and length of service, members of the armed services are compensated today under several hundred different statutes providing over 50 separate special pays and about a score of special allowances. The series of benefits payable on account of retirement for age, service disability and companion benefits paid by the Veterans' Administration must be added to this pyramid of pay problems.

The Commission's study represents the first thoroughgoing examination of the military compensation problem since 1908. Although occasional adjustments and blanket pay increases have been made in the four decades since the 1908 study, the principles then evolved are in current use today. It is evident that, no matter how expert and far reaching that basic examination might have been, the principles evolved could not be expected to keep pace with the modern concepts and innovations.

The present pay scale is neither adequate in the amount for the great majority of men in the uniformed services nor properly adjusted by grade. It is not comparable either in terms of total compensation or in terms of the differentials required for relative responsibility. The bill before us today proposes pay scales which provide proper compensation for each grade in accordance with appropriate responsibility and comparability with industry. It corrects the inequities of the present pay system by offering greater increases for promotion as contrasted with the length of service in-

creases and by removing the overlaps in pay which in large measures negate the principle of equal pay for equal work.

Our subcommittee which devoted almost 3 months of intensive work to these proposals, which as I have stated were developed by a civilian commission during a year of concentrated study, unanimously approved all features of this bill. This alone is high tribute to a measure which is as complicated and as comprehensive as this one. I do not have to remind you also that it is a proposal which directly affects everyone in the armed services where it matters most—in the pocketbook—and in a sense affects all of us as taxpayers. The former Secretary of Defense, Mr. Forrestal, approved the recommendations in general and the present Secretary, Mr. Johnson, stated that he regarded the bill as one of the most vitally important legislative matters now pending before the Congress, from the standpoint of our national security. He declared that the outcome of this legislation may well determine whether we are to keep the armed forces at maximum efficiency and urged its enactment as soon as possible. The President has several times pointed out the need for a revision of the pay structure and has generally approved this program. His budget plans included a sum of $400,000,000 for the fiscal year 1950 for this purpose. From all these sources, endorsement of a serious study of the pay problem might well have been expected. We were, however, more than gratified to find that both the officers and men who are directly concerned have indicated their approval of these recommendations. Representatives of Regular and Reserve officers appeared before our committee and stated unhesitatingly that this program would solve many of their financial problems and provide the necessary uplift in morale. Enlisted men who spoke frankly to us in the committee room also regarded this as a great and important step in implementing the career program which the services have recently developed.

There has been much said on the floor of the House relative to what the cost of this bill will be, and it is my assignment to give that information to the Members of the House. These are important figures. It is the esssence of the whole bill from the standpoint of cost not only to the taxpayers but of interest to the nearly 2,000,000 men in the Regular and Reserve armed services of the country today.

The total increase in the basic pay, under the provisions of this bill for the fiscal year 1950 will be $408,000,000. The quarters allowances which have been substantially increased under the provisions of this bill for enlisted men, especially, will increase the cost by $115,000,000. The subsistence allowance carried in this bill over and above the cost of the present law will be $4,000,000. The total cost of the basic pay, allowances, and subsistence for the men in the active service for the fiscal year 1950 will be approximately $527,000,000.

In addition to that we must provide for the expenses of the Reserve components of our military organization, and that will mean an increase over and above the present cost of $39,000,000 for the fiscal year 1950. We must provide also for an increase in allowances for retired officers in the year 1950 the sum of $34,000,000; the increased cost therefore will be approximately $600,000,000 over and above what it now costs in the fiscal year 1950.

Now, this is important what I am going to say. What will the net cost to the taxpayers be, when you consider the savings set up within the provisions of this bill? Let us take, for instance, the hazard pay and the sea pay where we save $68,000,000 below what it costs today. In the family allowances, below what it will cost today, we will save $170,000,000 in the fiscal year 1950. The repeal of many, many statutes governing the question of pay will save further $8,000,000. Those savings alone, in those three items that I have enumerated here, in the fiscal year 1950 will be approximately $246,000,000. Deduct that from the total gross cost, it leaves you a net cost in the fiscal year 1950 over and above the cost today $354,000,000.

But that is not all. As a result of the repeal of the exemption on the income tax, the men in the military services on the basis of the compensation they will receive under the provisions of this bill in the fiscal year 1950 will pay into the Federal Treasury a total of $182,000,000. Deduct that from the net cost of the $354,000,000, and it brings the net cost to the taxpayers for the fiscal year 1950 down to $172,000,000. That is what it means to the taxpayers of the country, and these are official figures I got from those in the armed services who have made a special study of every phase of this matter.

Much has been said about what the enlisted man gets from the provisions of this bill. I have been able to get a cross section of their feeling, also as a result of interrogation of many men in all enlisted categories of the military service as to their feelings in regard to the necessity for the enactment of legislation of this kind. We also had a number of enlisted men testify before the committee. They all strongly favored the provisions of this bill.

In a period of 3 years we have lost 4,300 officers out of the Regular Military Establishment, the Army, Navy, and Air Force; 4,300 Regular officers have resigned their commissions. Of the 4,300, 3,000 were naval officers and most of them were educated in the Naval Academy.

We must do something to clear up a situation of that kind.

We find also, as a result of further studies we made and from the reports received from the Navy bulletins, that in recent years only 34 percent of the enlisted men have reenlisted when their enlistments expired. Before the war we always depended on about 75 percent of the enlisted men to reenlist. If the number fell below 75 percent, the commanding officer was hauled over the coals and asked to give an accounting as to why it did fall below that figure. However, only 34 percent of the men we have trained in the enlisted grades have in fact actually reenlisted within the past year.

Under the provisions of this bill we are doing what we can to help the enlisted men. A very important point to keep in mind is what we are doing for them in addition to incentive pay increases and that is in respect to quarters allowances. Of the total amount we are providing in increase quarters allowances of $145,000,000, the enlisted men get $142,000,000. Of that amount, the officers only $3,368,000. The enlisted men receive for quarters allowances under the present law $40,829,000. Under the provisions of this bill the enlisted men will get $183,000,000, an increase of $142,000,000 in quarters allowances over and above what they receive today.

Mr. Chairman, this is one of the most important pieces of legislation we will have to deal with in this session of the Congress, and I do hope you will give it the most earnest consideration and pass this bill along to enactment.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. KEEFE. I would like to compliment the gentleman and the gentleman from Texas, who preceded him, on the splendid explanation that has been made of this bill. Of course, it is obvious that a bill of this kind and size presents many questions to which the average Member of Congress who has not served on this committee requires an answer. I would like to get an answer to this sort of situation. I have in mind a brigadier general who rendered distinguished service in the Army for a period of 30 years. He was brought home on a stretcher from England and was hospitalized for a long period of time suffering a disability from which he has not yet recovered. He is retired. I understand that his retirement permits him to receive 75 percent of his then base pay, which is about three-hundred-and-sixty-odd dollars a month. This distinguished man—and there are many of them—is compelled to live on an income of three-hundred-and-sixty-odd dollars a month, because he was not able to accumulate anything during his years of service, or at least accumulate anything to any great extent, because he was devoting himself patriotically to the service of his country. Do I understand that under the provisions of this bill the base pay of a brigadier general is increased, with reference to those who have served 30 years or more, to about $880 per month?

Mr. BATES of Massachusetts. It will be $1,005 for a brigadier general having over 30 years of service.

Mr. KEEFE. Does this brigadier general, to whom I am referring, and whom I have in mind, have the option to qualify for retirement under this new law, so that his retirement would be based upon 75 percent of the new base scale provided in this law; and if he does have that option, what does he have to do under this law to qualify?

Mr. BATES of Massachusetts. He will qualify if he puts in his application.

Mr. VINSON. All he has to do is to read the law and pay attention to it. He does not have to do a thing to qualify. In the case that you have cited, he will get $650 retirement per month.

Mr. KEEFE. Of course the gentleman's answer does not quite meet the issue.

Mr. VINSON. All he has to do is to write a letter to the Department and notify the Department. This law does not require him to do any more. Under this provision of the bill, as I have stated, he gets $652 a month retirement.

Mr. KEEFE. May I ask this question? On page 18, in which you particularly refer to the case of brigadier generals or others who have presently been retired, you say:

As to those presently retired for physical disability, the title provides that they may elect to qualify under the new rules for the new pay scales, or they may retain their present retirement benefits.

Mr. BATES of Massachusetts. Whichever is the greater.

Mr. KEEFE (continuing to read):

If they elect to so qualify, there will be no penalty for failure to do so; but they must be eligible in all respects. Thus, those now drawing physical disability retirement or retired pay must have been retired with a physical disability which, under current Veterans' Administration standards, was 30 percent or more.

The man to whom I referred was retired with 100-percent disability. Thus far he would qualify, would he not, without penalty?

Reading further, you say in the report:

They must have received the injury or disease as the proximate result of the direct performance of active duty, or in the alternative must have completed at least 8 years of active service, as defined in the title.

In view of the proposed pay scales it is obvious that no persons now drawing physical disability retirement pay will benefit by requalifying, unless they have at least 60-percent disability or a sufficient number of years of service to benefit by the new scales.

Now, if this man elects to qualify, such as the individual to whom I have just referred, and he does qualify with 30 years of service and does qualify with more than 60-percent disability, he would have to be reexamined, would he not, in order to requalify, or do they accept disability as found when he was retired?

Mr. VINSON. He does not have to be reexamined.

Mr. KEEFE. Now, if he does accept the new pay scale and the new retirement, he loses the tax exemption, does he not?

Mr. VINSON. Not if he is 100 percent disabled.

Mr. KEEFE. Well, suppose he has an 80-percent disability.

Mr. VINSON. If he has 75 percent disability he does not lose it.

Mr. KEEFE. When would he lose it?

Mr. VINSON. When he takes the years of service instead of the physical disability. That is the difference between them.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes. I would like to get an answer to this proposition.

Mr. KILDAY. He is free in his election to take the percentage disability or years of service multiplied by 2½ percent. If he is 75 percent disabled, that would give him 75 percent of his base salary retirement.

Mr. KEEFE. That would give him the total retirement based upon 30 years, regardless of disability?

Mr. KILDAY. That is right, but if he accepts years of service, in order to increase the retired pay which he receives, then it is not going to be subject to the general exemption of disability.

Mr. KEEFE. That is exactly the question I wanted answered. The gentleman has indicated it. Let me repeat it to see if I have it straight. Such an individual could qualify for increased retirement in one of two ways: If he has 30 years of service, he would be entitled to 75 percent of the new scale, which would increase his present disability. If he has 100 percent disability, regardless of the years of service, he would be entitled to get 75 percent?

Mr. KILDAY. That is right.

Mr. KEEFE. As he is presently retired he has a tax-exemption for the amount of his annuity?

Mr. KILDAY. Yes.

Mr. KEEFE. But under the new situation, under what circumstances would he lose that tax exemption?

Mr. KILDAY. He would lose it if he elected to accept a larger retirement, based upon his years of service. That is one of the important provisions of this bill. This is what we are going to cut out, such as happened right after the last war, when a lot of officers thought they would be retired and they rushed into the hospital and got their retirement then.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. BATES] has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield myself five additional minutes.

Mr. KEEFE. Well, let us get this question straightened out, because it answers a lot of questions that people are asking me. If I get it clear in mind then, if this man elects to accept his retirement based on 30 years of service, he pays taxes?

Mr. KILDAY. That is right.

Mr. KEEFE. But if he elects to go by the exemption at the time he makes his application for the new pay, he would have to demonstrate that he has 100 percent disability?

Mr. KILDAY. Seventy-five percent. If he were entitled to both 30 years of service and had a 75 percent disability, then he has the same on his retirement in either instance, but if he accepts it on the basis of his physical disability, it is tax-exempt. But this tax exemption is not peculiar to the armed services. That is the general law that applies to all general disability annuities, under a decision made by the Internal Revenue Bureau. The military services constitute a very small percentage of the total number enjoying tax exemptions on physical disability annuities.

Mr. KEEFE. I want to thank the gentleman from Massachusetts for giving of his time to clear up this particular situation.

Mr. BATES of Massachusetts. In further answer to the gentleman from Wisconsin, that is one of the reasons this bill is being proposed, because we find by an examination of the chart showing the scale of wages over the period 1908 to 1948 that salaries of brigadier generals were increased only 14 percent in a period of 40 years. There is no wonder that men must depend upon a pension.

Mr. KEEFE. I will say to the gentleman, of course, that I picked that particular case as outstanding, because it is one of the most atrocious situations that has come to my attention and is one of the reasons why I should like to see that situation corrected.

Mr. BATES of Massachusetts. We find the same situation all the way down the line, particularly in the line of the officer personnel. In that period of 40 years in the case of a captain, the increase in the basic pay is only 28 percent; the major's increase in pay is only 13 percent; the lieutenant colonel, 29; the colonel, 30; the brigadier general, 14; and the major general, 11 percent increase in basic pay over a period of 40 years.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. NICHOLSON. I may have misunderstood the gentleman from Massachusetts, but it is my understanding that in 1908 an Army private got $15 a month, whereas he now gets $75 a month.

Mr. BATES of Massachusetts. That is basic pay.

Mr. NICHOLSON. But the major general got $4,500 or thereabouts in 1908. He certainly must get more than a 13 percent increase now.

Mr. BATES of Massachusetts. Here are the basic pays in a table established by a very careful study by this expert commission that shows the percentage increase in the different grades: In the grade of the enlisted man, what we might call the buck private, in 40 years, or from 1908 to 1948, the increase was 400 percent, and then in the next succeeding grades of enlisted men the increases have been 344 percent, 328 percent, 218 percent, 154 percent, 159 percent, and in the case of the highest-grade enlisted man the increase over that period of time has been 116 percent.

Then coming down to the officer personnel: The increase for the second lieutenant has been 57 percent; the first lieutenant, 38 percent.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. BATES of Massachusetts. I yield.

Mr. NICHOLSON. What is the pay of the second lieutenant at the present time?

Mr. VINSON. One hundred and eighty dollars.

Mr. BATES of Massachusetts. Dependent on the years of service. Under 3 years, $180 a month with $42 subsistence and $75 for quarters.

Mr. VINSON. The second lieutenant is $175 per month.

Mr. BATES of Massachusetts. That is less than 5 years. The second lieutenant is $180; and it is $210 with subsistence and quarters over 5 years.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield myself one additional minute.

Mr. CASE of South Dakota. The question was just asked as to whether or not the Committee on the Armed Services would be agreeable to an amendment which would make the pay of retired officers subject to the new schedules and subject to review, provided they were given 6 months to make their adjustments for modifications of contract, similar to the 6 months proposed to allow privates in the Army to make their adjustments when dependency allotments are cut off.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. VINSON. Does the gentleman have reference to those who have already retired?

Mr. CASE of South Dakota. Yes.

Mr. VINSON. Does the gentleman know that we have worked it out? And does he know what the sum and substance of this would amount to?

Mr. CASE of South Dakota. I have some understanding of it.

Mr. VINSON. I am inclined to think you would bog yourself down and you would find actually that the cost would stagger you to such an extent you would be ashamed of ever having suggested it.

Mr. CASE of South Dakota. I was raising the question as to whether there should not be similarity of treatment between the enlisted men and the officers.

Mr. VINSON. We have gone all over that, and we know it would be a disastrous thing to do.

Mr. GAVIN. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. GAVIN. Mr. Chairman, I withdraw my point of order.

Mr. KILDAY. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. HÉBERT].

Mr. HÉBERT. Mr. Chairman, I believe that the gentleman from Texas and the gentleman from Massachusetts have given you as many minute details as it is possible to give on this proposed legislation. I will not pursue the discussion along those lines. I hope in these few minutes to contribute to the construction of the philosophy behind this legislation.

Before entering into that discussion, however, may I pause a moment to pay tribute to the chairman of the subcommittee which conducted these hearings. I have served for many years on the old Naval Affairs Committee and on the Armed Services Committee and I do not believe I have ever served under any chairman who has given more consideration and more time to legislation than the gentleman from Texas [Mr. KILDAY]. He had able assistance from gentlemen on the minority side, and I believe they are to be complimented, together with the gentlemen on the majority side, for their full attendance.

We should not overlook the contribution made by a staff member of our committee, Mr. Russell Blandford. I think in the contribution which he has made we have the very basis of what we are talking about today. He is an able staff assistant who draws compensation for the duties he performs. We could very easily have obtained another staff assistant at a much lower salary, but we would not have received the type of performance which we have received from him.

It is wise at this time, in my opinion, to go back and see the genesis of this legislation and to try to understand, perhaps in general terms, the thinking behind these figures which have been proposed in the pending legislation. Of course, we have heard a great deal of criticism from some quarters about the brass getting all the money and the poor private not getting any. Those of us in politics recognize the fact that there are more privates than there are generals, so perhaps the popular thing to do is to cry bitterly on account of alleged lack of consideration of the private.

Let us consider exactly how this legislation was brought before this body; let us consider it in light of good business, in the light of economy, in the light of the logical operation of a business and let us remember, too, that the biggest business in this Government today, and it is big business, is our armed services. Almost half the national budget, $15,000,000,000 plus, is devoted to the operation of our armed forces. An investment of over $75,000,000,000 is presented to us.

Are we going down on the corner to get shoe clerks to run that business? Are we going over to another corner to get truck drivers to conduct it? Of course not. We get only what we pay for.

Mr. Chairman, more than a year ago that great American, that great Secretary of Defense, Jim Forrestal, who is perhaps one of the great Americans of all time, in his wisdom, selected a group of men, headed by Mr. Charles Hook, chairman of the board, Armco Steel Corp.; Mr. Keith S. McHugh, vice president, American Telephone & Telegraph Co.; Mr. Lawrence H. Whiting, president, American Furniture Mart Building Co., and Whiting & Co.; and Father John J. Cavanaugh, president, Notre Dame University, not second-flight people, not second rate people, but the very highest type individuals. These men gathered together and began to study the over-all picture of the armed services, much in the same way that you as businessmen would take inventory and take a look-see into your business to determine just what was needed, what readjustments were necessary for the future, if you were going to stay in business. They then went out and examined the operations of some 100 corporations in this country, involving approximately 2,000,000 work jobs.

In Father Cavanaugh's field he examined and made a survey of the graduates of the universities of this country to determine exactly what progress these graduates had made when they went into the business world. Then they approached this over-all subject on the basis of pay for performance. They approached it on the basis that the armed service was a business, inviting into it the young men of this country; inviting them to come into a business to which they could look forward to a career and security. They compared the salaries and the emoluments received by these individuals who went into civilian life to their opposite number in the military forces, and they came to the conclusion that these figures which they have submitted and the basis on which they have submitted them would offer to the individual in the armed services an equal opportunity for advancement as though he went into private enterprise. They did this with one eye on the taxpayer and the other eye on the efficiency of operation and maintenance of this business establishment.

Those of you who will take the trouble to read the hearings will read throughout the expression of protection to the taxpayers. You will read in the interrogation by members of the committee how questions as to how much it will save the Government and how much it will cost. So, after 1 year of this private study by the Hook Commission and some 3 months searching study and inquiry by the members of the Subcommittee on the Armed Services we have now come to the floor with a bill which has the unanimous consent and approval of the Committee on the Armed Services. I think you gentlemen will admit that any time you get a group or a committee of this House to unanimously endorse a proposition, it certainly has merit.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I appreciate the very splendid statement that the gentleman is now making. But, I have asked the question of a good many Members of this House: "Are you going to vote for this legislation?" I have received the answer, "No, I am not." Then I further pressed the inquiry, "Why are you not going to vote for this legislation?" Well, the answer was, "I do not know enough about it, and it is going to cost too much money." Now will the gentleman direct himself to that inquiry and to that question as to the cost of this thing as affecting the taxpayer, to whom he has just referred in his statement?

Mr. HÉBERT. I am very happy the gentleman made that point, and I want to indicate to the gentleman the lack of attendance at this moment on the floor of this House.

Mr. KEEFE. May I say to the gentleman that I have tried as far as one man can to keep the Members over here so that they could hear this argument.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order. In view of the remarks made by the gentleman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Inasmuch as the gentleman from Wisconsin has asked the question, in which he says all Members are interested, about the ultimate cost to the taxpayer, I thought I expressed that very clearly. If the gentleman who has the floor now wants me to restate it, I will be very glad to do so.

Mr. HÉBERT. I appreciate the gentleman's effort, but may I answer his question in my own way?

Mr. KEEFE. I listened carefully to what the gentleman from Massachusetts had to say, but unfortunately when he was making his explanation there was not a handful of Members on the floor. I am asking the question again so that perhaps somebody may get the explanation here on the floor and understand it.

Mr. HÉBERT. May I answer the gentleman from Wisconsin? It is a very proper question. In the ultimate, the over-all picture, it will not only save money but practically make money for the Government. In general round figures, in fiscal 1950 it is estimated that the actual cost will be $360,000,000.

Mr. KEEFE. I think it is important to get that straight. I understand this matter does not become effective until October 1.

Mr. BATES of Massachusetts. That is right.

Mr. KEEFE. So that part of fiscal 1950 will already be passed before this law becomes effective. Therefore, when you are referring to the cost of $360,000,000 in fiscal 1950, that is for only a part or fiscal 1950. Is not that true?

Mr. HÉBERT. That is true. If the gentleman will allow me to continue on that thought, it will cost $360,000,000 in fiscal 1950, and there is an estimated cost of $406,000,000 for fiscal 1951. That is the projected immediate cost. However, that does not reflect the ultimate savings to the Government because, as the gentleman from Massachusetts has so well pointed out, on family allowances alone $191,000,000 will be saved, and on special pay $77,000,000 will be saved.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I believe you have already taken credit for the $190,000,000 when you figure the $406,000,000 net cost. I believe that is in the report.

Mr. HÉBERT. No; we take it by starting on October 1.

Mr. H. CARL ANDERSEN. Am I not correct on that, may I ask the gentleman from Texas [Mr. KILDAY]?

Mr. KILDAY. That is correct. The net figure is $360,000,000 for the remainder of the fiscal year 1950, and $407,000,000 would be the figure for the whole fiscal year.

Mr. KEEFE. That is net.

Mr. KILDAY. That is net. We have taken the credit.

Mr. HÉBERT. Let us carry it further. As the years accumulate, as we go along through the years, we also recapture amounts which are not disallowed any longer on income tax. Further, we make an attractive offer to the young men coming into the service, and particularly those men who have been educated in our military institutions, to continue in the service. We recapture the money the Government spent for their education and which we otherwise lose now by not offering a sufficient attraction to them to remain in the service. In other words, we are in the same position as a businessman who tells his bank, "Lend me $360,000,000 to reevaluate my business and reorganize, and in time to come I will not only pay you back or recapture that money, but also save and make more money." That is good business. It is about time the Government start showing some inclination to adopt good business methods.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield one additional minute to the gentleman in order to get in the RECORD at this point what the cost of this will be. The total cost in the fiscal year 1950 for basic pay, quarters, subsistence, and so on, is $527,000,000. That is for active service. Reserves would be $39,000,000 more, and retired $34,000,000, making the total gross cost in the fiscal year 1950, $600,000,000. Savings and tax recoveries will amount to $246,000,000 for savings and $182,000,000 on tax recoveries, making the net cost for the fiscal year $172,000,000.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, it is obvious from the headlines in the papers and from the radio broadcasts that the administration spenders, now that they are facing a deficit, are attempting to carry water on both shoulders. Those who have been the most active in squandering the taxpayers' money are now belatedly shouting for economy. They are trying to catch up with the Republican economy parade.

Words are fine, but what the people want is action on the part of Congress in reducing expenditures. This is the soundest form of tax reduction. And it is painless.

It is apparent that the threatened deficit of approximately $4,000,000,000 has given the spenders the jitters. At this late hour it will require something more on their part than beating their breasts and claiming that they are the friend of the taxpayer. But it is salutary to see some of the Democrats break from the influence of the great spender in the White House—the man who has set his goal toward an astronomical spending record and four billions in new taxes on top of that.

And it is stimulating to those of us who believe and who have practiced economy in Government to see the change of heart on the part of those in another branch of the National Legislature.

We hope that this new-born economy proposal in another legislative branch, and which follows the Republican formula, will catch fire and spread to the Democratic Party in the House of Representatives.

Mr. BATES of Massachusetts. Mr. Chairman, I yield such time as he may require to the gentleman from Illinois [Mr. ALLEN].

THE EFFICIENCY, ECONOMY, FUTURE BUSINESS MANAGEMENT, AND ADMINISTRATION OF THE HUNDREDS OF BILLIONS OF DOLLARS WHICH WILL BE APPROPRIATED FOR THE ARMED SERVICES WILL REST IN THE HANDS OF YOUNG CAREER OFFICERS NOW IN THEIR LATE TWENTIES AND EARLY THIRTIES

Mr. ALLEN of Illinois. Mr. Chairman, several days ago I was discussing in a rather general way the wisdom and ultimate economy that would accrue to the Nation's Treasury by revising the pay schedule, service benefits, and other compensation particularly applicable to the members of the armed service forces.

Until that time I had not made effort to study H. R. 4591, the career compensation bill, upon which extensive hearings were held by the subcommittee of the Committee on Armed Services, chaired by the author of the bill, our distinguished colleague the gentleman from Texas, the Honorable PAUL J. KILDAY.

I carried a copy of H. R. 4591 home with me that I might acquaint myself fully with respect to the provisions of that bill.

Mr. Chairman, I must say that upon reading the bill I was happy to discover that while it is commonly called a pay bill that it proves more a bill to provide compensation for those who seek to make a career in the armed services of our country, and that, Mr. Chairman, is exactly as it should be.

Its sections, titles, parts, provisions, and amendments, however, are so involved that I determined I would have to get more basic and detailed information with respect to its many, many provisions before I could even hope to gain an intelligent understanding of its maze of highly complicated, although seemingly integrated, provisions.

Upon my return to my office, I proceeded to acquire more information with respect to the long-antiquated, outmoded, and practiced pay customs which gave rise to the need for the bill.

Mr. Chairman, might I here submit observation that outside of the tax laws of the United States, no piece of legislation ever came to my notice that was more complicated and difficult of understanding than are the schedules of remuneration upon which the pay roll of the armed services of this country are currently computed. To cure the maladjustments and provide economic, equi-

table pay standards certainly will prove a stupendous task for Mr. KILDAY'S committee.

Mr. Chairman, it is my belief that few committees of this House have ever been called upon to struggle with a more urgent, difficult, and complicated piece of legislation than is comprehended in this legislation.

I think it regrettable that so few of our people, and particularly the visitors in the gallery, have so little understanding knowledge and appreciation of the enormous amount of labor that goes on—hour after hour, day upon day, and week after week—in the various committees of this House. This untiring effort all looks to the construction and perfection of legislation, which, when it comes to the floor and before the Committee of the Whole House, seemingly requires but several hours of deliberation and debate in order to be adopted or rejected by either an affirmative or a negative vote.

Mr. KILDAY'S subcommittee of the armed services is at this very hour performing a herculean task in preparing for the consideration of the Committee of the Whole House a just, equitable, fair rate of compensation—for all those who wear the uniform of our country.

Mr. Chairman, when I say fair, I mean a rate of compensation fair to all who will receive the pay, as well as fair to the taxpayers of this Nation who will be called upon to provide the tax money with which to meet the pay roll.

It is because of the foregoing that I am not addressing myself to any detail, paragraph, or section of H. R. 2553. Rather I am addressing myself to the principle of arriving at equitable and just compensation for work performed by those in our armed services.

Mr. Chairman, there is but one objective in maintaining a peacetime Military Establishment in these United States and that reason is—to preserve the peace and security of our people—and of this Nation.

Unfortunately, conditions of the world today are such that our national budget is fearfully overburdened with expenditures necessary to support the military arm of Government. This is evidenced by the fact that the direct appropriations for the Army, the Navy, the Air Force, and other agencies in the newly created National Defense Establishment will approach, if not exceed, the vast sum of $15,000,000,000 in this coming fiscal year. Of a certainty, we in this Congress must assure ourselves that there will be no "feather bedding," no duplication of efforts—no unnecessary persons on the pay rolls—and that every last individual employed will give full value in the service which he performs—for the compensation which he will receive.

But more important still is the consideration that should be given to all upward revisions contained in any pay bill upon which this Congress might legislate. We must insure that in the long haul the taxpayers will be protected by the retention in service of men eminently qualified and able to effect every economy with respect to the expenditure of the enormous sums which will be spent in the coming years.

Moreover, Mr. Chairman, we must insure ourselves that the new rates of compensation which we now fix, will in years to come, find top-flight officials now being trained who will regard it their bounden duty to effect every possible manner of economy in the expenditure of the hundreds of billions of dollars which it now appears those who follow us in Congress will have to appropriate in the next decade or more.

Warfare today is not fought with men and horses, sabers, pistols, and cannons.

It is not fought by iron men and wooden ships.

Modern warfare invokes and utilizes all knowable things in the universe of science and skill.

Just as United States Steel, General Motors, the American Telephone & Telegraph, du Pont, and other prime corporations too numerous to mention employ the most experienced executives and business administrators as well as the greatest scientists and others, so must the armed services of these United States employ individuals of the greatest managerial skills to address their every talent to the efficient and economic conduct of what is by far the greatest business enterprise in these United States—the armed services of this Nation.

Certainly there is no corporation in the entire world which expends the vast sum of money annually disbursed by our armed service forces.

Mr. Chairman, I doubt if there is a single corporation in these United States whose annual disbursements even equals any one of the three of the armed services.

On the other hand, there are thousands of private business executives administering corporate interests with investments of but a few million dollars whose annual compensation is many times greater than that paid to the highest military or civilian officers in any of our fighting forces.

This despite the fact that in the case of the United States Air Force, we have a business administration with an invested capital of more than $15,000,000,000 and with over-all disbursements of what in this fiscal year is upwards of $5,000,000,000.

For this reason I strongly feel that this Congress in its wisdom must legislate a schedule of pay for officers as well as enlisted men, that will not alone today attract but retain to our armed services the leadership which the Nation's security requires and of the competency which our national economy dictates.

Mr. Chairman, any schedule of compensation to be effective must provide a rate of pay that will successfully compete with the prevailing rates of civilian pay ranges not alone for the lower grades of enlisted personnel but for the highest grades of the commissioned officers.

Now let me elaborate on this point. Let us assume that under the Selective Service Act we induct a young man into the Army, the Navy, or the Air Force of these United States.

As an inductee he must be trained in order to serve efficiently at his assigned duties. Let us say that in one of the services one inductee becomes a painter, that in another one he becomes a radio technician, and still in the other service he becomes a specialist on internal-combustion engines.

The training of these young men annually consumes millions of the tax dollars which we in Congress make available for national defense. Now let us speak of an inductee who becomes, let us say, a good painter at Federal expense.

Let us now assume that after being highly trained he comes to the end of the period for which he was inducted. He then carefully weighs the benefits of reenlistment.

Now it is only natural that he figures that if he goes into private industry that he would expect to continue to earn his living employing the skill that he acquired while in service, and the pay of a house painter in civil life ranges from $12 to $15 per day, while in the Army as a corporal he would receive but $90 per month.

Of a certainty there is no way whereby this Congress can enact a law that will compel the individual to continue to serve in the military of the United States and so it follows just as surely as night follows day that young men, trained at Government expense will, if pay and other inducements in the military services are not sufficiently attractive, quit the service and resume gainful occupation in private life and industry.

Reenlistment records clearly evidence the fact that that is exactly what is happening. They also evidence the fact that it occurs primarily because of the greater remuneration, the shorter hours, and the further liberties and freedoms which are available to him in private life.

As it is with the enlisted men, so it is with the young commissioned officers who are being brought into service today.

Now let us consider good officer personnel. They are young men. They went to college. They are skilled in engineering, in mathematics and physics, and other branches of higher learning. Upon completion of their education, they are offered an opportunity to join the armed services of the United States, and they turn it down.

Mr. Chairman, let me here cite and bring into evidence a recent incident of which I know first-hand. It involves five young men. All attended the same eastern university. All five graduated the same day. All five were honor men in a large class of several hundred, in the school of commerce where they specialized in business management and administration.

Four of these well-trained young men readily found employment, one with Standard Oil of New Jersey, one with the General Electric Co., one with the Metropolitan Life Insurance Co., and one with Consolidated Edison of New York City. They went to work immediately at salaries which ranged from $55 to $65 per week.

Mr. Chairman, how fortunate for our future that one of these men, because of previous service in the Air Force during World War II, and believing as he does in the mission of the Air Force, decided to again take up military life. Now, it is despite the poor compensation that he is again in the armed services of his country.

Mr. Chairman, I investigated this particular case in order to more fully inform my mind with respect to ascertaining the influences that cause men to make these determinations.

Mr. Chairman, let me instance in brief the potential earning of the four young men had they joined up with our Air Force, as I see that future under the terms of the proposed establishment of the 70-group program in being and in what we all hope is a long-time peacetime.

If they each joined the armed services as a second lieutenant, they would have collected as pay, exclusive of allowances, the gross of $180 per month and, as per the current pay schedule, the sum of $264.50 per month after 10 years of service.

Mr. Chairman, is it any wonder that these young men should have asked themselves the question as to why they should join the armed forces of the United States and wait 10 years to earn $61 a week when one can find gainful employment in private industry at a starting pay today of at least $60 per week?

What is true with respect to that engineering student is true of all students matriculating in schools of public administration, business management, finance, physics, engineering, law, accounting, personnel administration, medicine, dentistry, meteorology, and the entire catalog of what the Honorable Secretary Stuart Symington has declared should constitute the brain, bone, and sinews which he has planned to fabricate into the newly established Department of the Air Force.

It is because of these facts that the Air Force is today endeavoring to protect the American taxpayers of the future by training its young commissioned officers in especially developed curricula that looks to efficiency in business administration and economy in the expenditure of the taxpayer's dollar.

It was in accordance with that idea than an action program was instituted within the Department of the Air Force to return to college hundreds of young officers who had interrupted their college education and entered the Air Force in World War II.

These young men, experienced and battle-trained, now in their early thirties, constitute a nucleus of the Air Force. It is in their hands that the future efficiency, business management, and economy of the Air Force must rest. Some had graduated from college prior to their entry into the service, but the majority had less than 2 years' college training. Realizing the importance of business management and administrative skill, the Department of the Air Force has already sent back to college more than 1,000 of these young officers that they might be fully educated in finance and management.

I roughly estimate that it is today costing an average, including pay, of $5,000 per year to educate each of them, but the savings which their training will effect through good management, economy, and efficiency of operation will be paid back hundreds of times over during their foreseeable careers in the Air Force.

I am authoritatively advised that much of the money which we in Congress annually appropriate to our armed services is now being spent to highly train military personnel in all grades, but, Mr. Speaker, we are not training them to continue in their service to our country; we are training them, instead, for future gainful employment in the mills, factories, transportation, and other service occupations and private corporate interests.

As it stands today, the National Military Establishment, created primarily to secure the peace and welfare of this Nation, is in a large measure acting as a training and a trade school for the commercial, manufacturing, transportation, mining, and other private corporate interests in these United States.

Mr. Chairman, it is because of the foregoing that I sincerely hope that this Congress will pass a career compensation bill, a bill of such nature as will retain to our armed services men who will guard the Treasury disbursements in peacetime as they will the Nation in case of war.

The CHAIRMAN. The gentleman from Illinois has consumed 6 minutes.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

Mr. VINSON. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Georgia has demanded tellers. The gentleman from Wisconsin made the point of order that a quorum was not present. The Chair counted 105 Members present. At this time there is no question before the House on which tellers can be ordered.

Mr. VINSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fourteen Members are present, a quorum.

The gentleman from Missouri [Mr. SHORT] is recognized for 10 minutes.

Mr. SHORT. Mr. Chairman, financial solvency is the first line of defense of any country. We must exercise great care not to wreck the financial structure of our Government. An army, navy, or air force is no use to a bankrupt country. The battle front is never stronger than the home front. A sound economy and thriving industry is essential for the defense of any nation.

Not minimizing the courage and heroism of the men and women in our armed services, who fought on land, sea, and in the air, it was, after all, America's industrial output and productive capacity that won this last war. Our highest military, naval, and air authorities will frankly agree to this. In modern times it requires not only personal bravery but the latest weapons with which to destroy an enemy.

Mr. Chairman, this legislation did not originate with the armed services. For many years those of us charged with the defense of our Nation, and who have associated closely with the personnel—both officers and enlisted men—in the different branches of our armed services, have felt an urgent need for an over-all and comprehensive study to obliterate many obvious injustices, to correct patent mistakes, and to readjust in a fair and equitable manner the pay given to the valiant men who fight and are willing to die in all branches of our armed services.

This bill, as any other measure, is not perfect. There are, no doubt, provisions in it which every Member could object to, but we are all wise enough to know that 435 Members of this House must give, as well as take, in order to get any bill passed. All legislation is the result of compromise—not on principle but on the basis of practicality.

This measure is an outgrowth of long, continuous, and serious study. A year and a half ago, the former Secretary of National Defense, James Forrestal, appointed a commission to study service pay. The Commission was composed of Mr. Charles Hook, chairman of the board, Armco Steel Corp., chairman; Father John J. Cavanaugh, president, Notre Dame University; Mr. Keith S. McHugh, vice president, American Telephone & Telegraph Co.; and Mr. Lawrence H. Whiting, president, American Furniture Mart Building Co., and Whiting & Co. I wish to emphasize that the members of this Commission are all civilians and that they pay high taxes. These are the men who have recommended the legislation—and not those who would privately profit by its enactment.

A few nights ago I listened with some regret and more disgust, to a radio commentator who tried to tell the American people that we were neglecting the poor private to help a rich general. Mr. Chairman, there are many commentators and columnists who speak and write about the very little that they know. This bill equalizes opportunity and pay for all members of our armed forces in every branch, not only the Army, Navy, Air Force, Marine Corps, Coast Guard, Geodetic Survey, and Public Health—but it also offers an incentive to each and every man who enters any branch of these services. It is a morale builder.

Since 1908—41 years ago—there has been no serious, comprehensive study made of this most complex, intricate, and difficult problem, and with one or two minor exceptions there has been no advance in pay.

Mr. Chairman, when this legislation was first introduced I was inclined to oppose it, chiefly because I know of the tremendous burden that is now being borne by the American taxpayer. However, after long and extensive hearings, careful consideration, thorough study, and thoughtful reflection, I am convinced that the bill should be passed.

It is not necessary for me to inform older Members of this House that often I have opposed, sometimes rather violently, the members of our National Military Establishment. Certainly, I do not have a ring in my nose—they do not lead me around, and I have dared oppose them when the odds were overwhelmingly against me. Never have I cow-towed to brass and braid, and the Lord knows they have seldom, if ever, granted me a single request which I thought was reasonable, honest, and just. I do not know why I should speak for them now—but I shall.

Let us for a few minutes look at this bill. Before I shall analyze a few of its provisions I must pay my compliments and express my gratitude to the very able lawyer and honorable Member from Texas [Mr. KILDAY] and all the members of his subcommittee, and the efficient services of our staff member, Mr. Blandford, for the patience, diligence, and thoroughness, which they exhibited during many weeks of hearings on this important and vital measure.

Well do we all realize that in peacetime, members of the armed services are interested chiefly in promotion and pay. In the last Congress, as chairman of a subcommittee, I held weeks of hearings on the promotion bill—303 pages—which I thought was one of the most complex and difficult measures I have ever examined but I confess this bill equals or excels that one in its difficulty.

Mr. Chairman, there is no country in the world that is so kind, considerate, and generous to the members of its armed services as the United States of America. We pay the members of our armed services the highest pay, give them the best food, and quarters, the biggest retirement of any nation in all the world.

We all know that you cannot put a dollar sign upon the American flag. Men do not enlist in our armed services for the monetary consideration, but we all know that they cannot live on glory, and they cannot eat honor.

The humble private since 1908 has received more than a 400-percent increase in his pay; the officer has received only 10 percent increase in his pay.

Under this bill a recruit receives no increase—and why should he? He gets $75 a month; he gets free housing, food, hospitalization, family allowances, dependency benefits, and many other perquisites—which total $183 a month. A high-school graduate going into private industry would receive only $178 a month—a little less. The reason for low Army pay has been based upon two factors:

First. Security of employment—whether there is a depression, drought, rain, hail, fire, or storm, he has a job.

Second. He is guaranteed retirement after 20 years' service. Pray tell me, Mr. Chairman, in what business could a young man of 20 years enter and retire at the age of 40 on a guaranteed retirement that will pay his grocery bills and permit him to be free to enter into any business he wishes. There is nothing in America or in all the world comparable to it. If our committee is to be criticized, it is because of liberality.

Sir, it has been charged under this bill that we are favoring officers against the enlisted man. Nothing could be more false.

Already, I have pointed out that a high-school graduate could go into the Army, Navy, Marine Corps, or Air Force, and make more money than he could in private industry. He has no grave responsibilities or great care. Under existing law a brigadier general draws no more pay than a lieutenant colonel after 30 years of service, and only $69 more a month than a major after 30 years of service. What a gross injustice. One of the reasons for this bill is to eradicate such obvious wrongs, and to obliterate such inequities.

A brigadier general, commanding a division of fifteen to eighteen thousand men should certainly receive more money for his stupendous duty and great responsibility. In 1908 he received $624.58 a month. Today he receives $712 a month or the shocking increase of $87.42 since 1908.

In this last war we paid a major general $9,934.04 a year. We entrusted the lives of fifteen to eighteen thousand men in his hands. He had a division or a task force, or an air wing to lead, and we paid him less than $10,000 a year.

Mr. Chairman, there were factory and shipyard works who earned as much or more in this country during the war than the major generals to whom we gave these tremendous responsibilities.

Only the other day we listened to Gen. Lucius Clay—and his over-all pay with all accessories amounted to $12,000 a year. We all know he can get $50,000 or more from a private concern.

Why should we pass this bill? Because of what the able gentleman from New York, the former Senator now a Member of this House, Mr. WADSWORTH, who was chairman of a joint committee of the House and Senate in 1922, clearly saw—that if we are to have able, competent, and efficient men in charge, not of a business but of human lives, they must draw an amount that approximates the commensurate pay in private industry. He knows and we know that we are losing many of our finest, ablest, young officers and many of our graduates not only of ROTC but from our military and naval academies who are either refusing to accept their commissions or resigning their commissions soon after graduation.

Only today I learned through one of our colleagues, who received a letter from a personal friend who is a director at the Naval Academy, that half of the men in this year's graduating class are applying for resignations of commissions.

Mr. Chairman, it costs approximately $20,000 to educate a boy at Annapolis or West Point. We must appoint others to take their places, when we have an acute shortage of officers because neither Academy can supply the full quota.

Here in Washington where we daily see and elbow many of the brass and braid, we are inclined to believe that the country is filled with generals and admirals. In spite of the fact that they seldom, if ever, grant any reasonable request of a Member of Congress, I shall say for them that there are only 885 in the grade of general and flag rank.

In order to keep the record straight, I wish to state that only nine-tenths of 1 percent of the total Regular officers of the Navy are of flag rank; only 1½ percent of the total Regular Army officer strength are general officers; slightly over 1 percent of the Air Force officers are general officers and only seven-tenths of 1 percent of the officer strength of the Marine Corps are general officers.

Now we are faced with this situation—we just are not getting the new officer material that we need and we are getting too many resignations from officers in the services. We cannot afford to lose these people. We must make the salaries of the services somewhere near commensurate with the salaries that these same men would command in private industry.

Mr. Chairman, I have spoken longer than I intended, but in closing I wish to say these few words. It is easy to criticize the Army, Navy, Marine Corps, and Air Force, but when you get right down to it they did a magnificent job in winning the last war. In those dark days they were hailed—and all but worshipped—and now sweetness and light have turned to wormwood and gall.

If you think it is an easy task to move a division of 15,000 men, figure out how much food they will eat, how much water they will drink, how much ammunition they are going to shoot, how much gasoline their vehicles will use, how many ships will be needed to get them where they are going, what equipment they will need after they get there—and a thousand other things.

Then try to plan an attack upon the enemy; hit him where he is weakest; find out about his reserves; march to the front where a minimum of loss of life of your own troops will occur. That is an awful responsibility upon your head. Consider yourself responsible for the welfare and health of 15,000 men—and even their morals when you take over the city.

This measure provides extra pay for hazardous duty—flying and submarine duty, glider duty, parachute duty, diving duty, submarine escape, deep-sea diving, and leprosy duty. It is true the cost of the proposed bill will be approximately $360,000,000 for fiscal 1950 and approximately $406,000,000 for fiscal 1951. Thereafter the cost should decrease in view of the new physical disability provisions for retirement, the eventual elimination of family allowance benefits and of many special pays. Of course much of this increased pay will be recaptured by the Government in taxes. In the long run this bill will cost little if any more than our present costly, cumbersome,

antiquated, and inadequate system. This is a good bill and long overdue.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to my distinguished friend from Ohio.

Mr. ELSTON. While the gentleman is talking about the cost of this legislation, and others have spoken about amounts that might be saved through the passage of this bill, I am wondering what the gentleman thinks about what might be saved to the country in the event this legislation passes and we remove the probability of again resorting to a draft act. Does not the gentleman feel that if we have to go back to a draft act again it will not only be costly in dollars but will again disrupt the lives of the young men of this Nation?

Mr. SHORT. I think the gentleman has made a most pertinent observation. If we pass this legislation we will not need a UMT or the peacetime draft, which is wholly contrary to the traditions of the American people.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BATES of Massachusetts. I commend the gentleman for the very able statement that he has made. It might be well to put in the RECORD also that from November to February 16 percent of the vacancies in petty officerships remained unfilled because of the lack of incentive for these boys to go up there and compete in these examinations to fill these very important positions.

Mr. SHORT. The gentleman is absolutely correct. I fear that if we do not pass this bill, we will not have much of a Navy and we will have weak branches in the other armed services 10 years hence.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, there is very little that can be added to what has already been said about this bill, but I hope to give you a few new ideas about it.

I want to pay my compliments to the chairman of the subcommittee handling this bill, the gentleman from Texas, the Honorable PAUL J. KILDAY, for the fine work that he has done. He spent days and days on this and he was most efficient and competent in the holding of the hearings. I think he did an excellent job and it was a pleasure to work with him. I wish also to pay my respects, too, to our staff member, Mr. Blandford, and also to the three service officials, Admiral Fechteler, General Dahlquist, and General Nugent, who appeared there as witnesses and who brought many other witnesses to us. They were most helpful in giving us background facts on the various aspects of this problem and in explaining many technical details of this bill.

I was a subcommittee chairman during the last Congress. We always get interested witnesses coming before our committees. It is almost impossible on a military bill to obtain disinterested witnesses. I used to ask our chairman, at that time, our late colleague from New York, Mr. Andrews, whether there was not some way that we could get disinterested witnesses to help us on the problems submitted to us for legislative action. In this particular case we had the benefit of such of these men. In the hearings on this bill we had the gentleman from the Hook Commission, all of whom were absolutely disinterested. I want to point out that one of those men, Mr. Whiting, has spent almost his whole life studying the problems of military pay as a hobby. He was an expert on that during the First World War, and he continued his interest in the question of military pay during the intervening years.

What are we trying to do here? We are trying to erect the structure which will take care of the security of America. In that way this bill is different from any bill that we have before us. The security system of America cannot fail—that is the one branch of our Government that must succeed. If it does fail, America as we know it will no longer be America. Germany, Italy, and Japan learned what failure in a nation's security system means. That is why it is essential that we have a good personnel system and a good pay structure which will attract and hold the kind of men that we need to handle these problems in our Government. One of the imperishable impressions which I received during this hearing was when one admiral said, in response to a question, "I am not thinking of what will happen in the next 5 years or even about the pay—what I am thinking about is, if America gets in trouble in 20 years, will we have the admirals and generals who must lead the men and the forces who are going to protect and preserve America? Will we have the men who must make the plans and develop the strategic concepts that will lead to victory, with the least cost in lives and property? In short will we have the leaders—in all ranks—that will prove the deciding factor in protecting America and prevent its destruction?"

This bill does exactly that, as many speakers have told you today.

The world is in a state of chaos. Everywhere you go there is trouble in the air. I was utterly astounded last Monday when I was in Chicago taking part in a meeting of Reserve officers and busiess-men taking courses in the Armed Services Industrial College. At that place there were three or four hundred men, leaders in business, leaders in all kinds of industrial, fiscal, transportation and other activities. Why were they there? They were successful. They were making big money. Many of them had served their country and could well say "I've done my part, let someone else protect the country." They were there because they wanted to add their experience, their time, and their skill to let the world know that America was ready for trouble. The impression they gave me was that if America was ready for trouble, then we would not have any trouble and they wanted the world to get this impression.

We have a Military Establishment worth over $70,000,000,000, scattered all over the country, scattered all over the world today. We need capable, intelligent, efficient, and trained men to operate this big plant.

One thing that has personally interested me is the matter of flying pay. Many years ago it was my privilege to draw flying pay. There has been a great deal of criticism over the years over the fact that our flying pay is entirely too generous, and I believe that is true. The scale we have had all through the years is to pay 50 percent of the base pay in addition to the regular pay as flying pay. This bill cuts that down. Generals are allowed only $100 a month for flying pay. It is our feeling that even then there might be some abuses, but, on the whole, those men who do little flying should have that experience so that they can better understand the problems of the active fliers. There is an increase of about 35 percent from colonels on down, for those who participate in regular flying duties.

Second lieutenants, enlisted personnel, and finally the lowest man get $30 a month exra. This is necessary.

Mr. Churchill some time ago made a speech in which he said:

> For good or ill, air mastery is today the supreme expression of military power, and fleets and armies, however necessary, must accept a subordinate rank. This is a memorable milestone in the march of man.

It is a fact that flying is dangerous. Postwar flying of American aviators in our armed services is 25 percent more dangerous than it was during the prewar days. The reason is we have these new, fast experimental planes of all kinds. In air maneuvers battle conditions are simulated and that is dangerous. During the war, it might surprise many of you to realize that in the Air Force 24,119 officers lost their lives. In all of the other branches only 10,526 lost their lives. In addition to those Air Force officers we lost 16,313 men who were flying personnel. The minimum that men must fly in the American Air Force today to qualify for flying pay is 100 hours a year. The mortality rate of a boy 22 years old going into the flying branch, as compared with one who goes into the ground service or into the Navy, is 12 years shorter. For every boy of 22 who goes in for flying in the American Air Force or the Navy, by the time he is 40 one out of every four will have perished from air accidents. That is the reason we feel that flying pay is justified. There is danger, and we wish to get the most favorable men we can find in our Air Force, because through the air, above all of the other activities of the armed forces, is where our victory will come in the future, if we are unfortunate enough to be attacked, which I pray and hope will never again happen.

Under leave granted to me by the House I call your attention to the two following tables showing the comparative increases in pay in many branches of the Government which have occurred from 1908 to 1949. The last general over-all study and pay structure was in 1908. You will notice the pronounced increase in raises by every department—except one—over what we are proposing for the armed services.

TABLE I.—*Comparison of Government services salary data with that of officers in the uniformed services*

	Pay range		Increase limits	Average
	1908	1949		
			Percent	*Percent*
Cabinet	$12,000	$15,000		25
Assistant secretaries	4,500	10,000		122
Congress	7,500	15,000		100
Judiciary	6,000–13,000	15,000–25,000	150–92	121
Foreign Service	1,000– 3,000	3,300–13,500	230–350	290
Civil Service (professional)	1,200– 1,800	2,975–10,330	148–518	333
Post-office inspectors	1,200– 3,000	3,930– 7,430	228–148	188
Public schools, District of Columbia	500– 2,100	2,500– 6,300	400–200	300
Fire Department, District of Columbia [1]	1,200– 3,500	4,278–10,000	257–186	222
Police Department, District of Columbia [1]	1,320– 4,000	4,278–10,000	224–150	187
Army and Navy officers [2]	1,988– 9,665	2,956–10,751	49–11	30

[1] From grade of lieutenant to chief.
[2] Includes base and longevity pay plus rental and subsistence allowance.

TABLE II.—*Comparison of Government services salary data with that of enlisted personnel of the uniformed services*

	Pay range		Increase limits	Average
	1908	1949		
			Percent	*Percent*
Post office clerks and carriers	$600–$1,200	$2,556–$3,850	325–221	273
Post office mail handlers	400– 700	2,450– 2,950	513–321	417
Civil service:				
Clerical	720– 1,800	[1] 2,086– 4,103	190–128	159
Mechanical	601– 1,878	1,410– 4,730	135–152	144
District of Columbia:				
Fire Department [2]	960– 1,150	2,721– 3,872	183–237	210
Police Department [2]	900– 1,250	2,721– 3,872	202–210	206
National Capitol Parks personnel	360– 1,200	1,410– 3,602	292–200	246
Army and Navy enlisted personnel [3]	344– 1,442	1,513– 3,853	340–167	253

[1] CAF-1 through CAF-7.
[2] Private through sergeant.
[3] Includes base and longevity pay plus an allowance to cover value of quarters, subsistence and clothing.

Those are some of the things that have impelled me to recommend to you my associates in the House that you support this bill wholeheartedly. I will bring the efficiency and morale that we need at this particular time in our armed services.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. COLE of New York. In connection with special duty and hazard pay, the question has been raised as to whether the bill covers those teams called underwater demolition teams.

Mr. JOHNSON. Yes. It does cover those teams.

Mr. COLE of New York. They are covered by the hazard-duty pay?

Mr. JOHNSON. They are covered in the bill, I believe section 204, subdivision (7), on page 18.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. BENNETT of Florida. I have heard a great deal of talk today on the subject of the incentive involved in trying to get second lieutenants to join the Army. I am a little in doubt as to what this bill accomplishes for them. I think it is rather futile to say that you are going to raise the pay of a brigadier general and expect that to be an incentive for young men to join the Army as a second lieutenant. I do not want to use too much of the gentleman's time, and will get to the question I have in mind very rapidly, but I wish to lay this groundwork for a question.

The thing that disturbs me is the showing of the statistics on ROTC graduates not accepting commissions. Certainly they do not, because at $180 a month a young man cannot expect to support a home, wife, and children; yet you expect him to take on his shoulders all the responsibilities of a second lieutenant. There is nothing in this bill, as I understand, that will give the second lieutenant any chance of becoming a brigadier general. It looks to me as though the bill were self-destructive, because of its provisions as to decreased value of longevity pay.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield the gentleman one additional minute.

Mr. BENNETT of Florida. How does this bill actually give any incentive to the second lieutenant?

Mr. JOHNSON. It raises the pay of the second lieutenant from $180 to $225, to start with, and gives them a later increase in pay based on length of service. Also, the course from second lieutenant to general is more even and uniform under the provisions of the bill, and it also gives these young fellows a chance to be selected for promotion under a different system. We have established a new system of promotion that is partly by selection and not entirely by the file system. It offers an incentive to those who enter the service to stay in it, and gives them a chance, by working hard, to be selected for promotion over a more indolent or less intelligent officer.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mrs. BOLTON of Ohio. I wish the gentleman would explain about children. As I understand, there is no allowance for any member of the soldier's family except his wife.

Mr. JOHNSON. That is governed now by the Dependency Act, the Family Allowance Act, that we passed during the war.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. KILDAY. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. WALSH].

Mr. WALSH. Mr. Chairman, one of the most difficult problems confronting the committee was family allowances under the Servicemen's Dependents Allowance Act of 1942. This act passed after we began inducting large numbers of men with families and other dependents, and it was a necessary and beneficial piece of legislation. It would have been difficult to have fought the war without it. However, it was purely a war measure. The act provided that it was to be terminated 6 months after declaring the war to be at an end—and that is what we have done.

Our committee gave this matter most careful consideration and we were particularly anxious to obtain the impressions of enlisted personnel with regard to this matter. I was an enlisted man in World War II. We had six enlisted men testify before the subcommittee on certain features of the bill and particularly with reference to the family allowance benefits. Let me quote from the record what some of those enlisted men said about the elimination of the family allowance benefits. Chief Yeoman Sands, of the United States Navy, stated:

> In section 511 * * * we find the termination of the Servicemen's Dependents Allowance Act of 1942, commonly known as family allowance. Although I am the father of 2 boys, age 3 and 5, I believe this termination to be a good thing. An allowance of this type was absolutely necessary during the war years, but I feel that to subsidize marriage and dependents without regard to ability, work performed or responsibilities assumed, is out of place in the peacetime forces.

Boatswain's Mate King, of the Navy, stated:

> Another good thing about this bill is the ending of the family allowance benefits. I guess they were necessary during the war when men with large families had to come into the service, but it doesn't seem to be a good thing to base a man's pay on his prolific ability rather than his rating and his job.

Corp. Frank L. Vito, of the United States Army, stated that the comments he had heard with regard to the elimination of family allowances were from career privates, and when asked to define career privates he explained:

> They have no desire to get ahead. And as long as they are collecting that money and haven't the responsibility you can't very well blame them. I mean, I believe it will tend to eliminate those personnel. They are entitled to make a living, the same as the rest of us are, for their family, but I don't believe

they should come into the Army strictly to have the Army support them because they are Americans.

I think those enlisted personnel who appeared before our committee rather neatly summed up the arguments for and against dependency allowances. If our armed forces are to be run on a welfare basis then by all means we should keep the family allowance benefit. But if we want a Military Establishment with personnel paid in accordance with their responsibilities we had better eliminate a system which pays a man strictly on the basis of his family needs. I know of only one nation in the world that operates under that theory, and it is not the United States.

Let me cite some examples of how the system works. Any enlisted man who can produce evidence that he contributes to the support not only of wife and children, but of parents, brothers, and sisters can get the allowances. Here are some actual examples. A master sergeant, with nine dependents, consisting of a wife, six children, a parent, and a brother, is drawing $217 a month in family allowances. That is in addition to his pay of $214.50 and his subsistence and his clothing. His total compensation in cash, therefore, is $431.50 a month. He does the same job as other master sergeants with smaller families but gets twice the pay. He draws more pay than warrant officers and commissioned officers up to the grade of major and lieutenant colonel. Here is another case—a corporal with a wife and 11 children. His family allowance payments total $280 per month. His total pay for 4 years' service is $385 per month. This is more than any soldier senior to him draws whose family is smaller, and it is more than any chief warrant officer with 21 years' service. It is more than a captain with 9 years' service. Is that man interested in promotion? He can stay on a job with no responsibility and still draw more money than thousands with more service and harder jobs. Or take this case—a private with 1 year's service, with 13 dependents, including a wife and child, 2 parents, and 9 brothers and sisters, whom he claims as dependents.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Texas.

Mr. BECKWORTH. Would the Army have to take a man who had 10 children if he undertook to join the Army today?

Mr. WALSH. That is the fault of the recruiting service. I agree with the gentleman. I believe the Army itself is wrong in taking that man into the service. They should not have done it and it should not be done in the future.

His allowances are $247 a month. This, plus his $80 a month, gives him $327 cash per month. This is in addition to his food, clothing, and shelter. This is more than the pay of any enlisted man senior to him with a smaller family, any warrant officer with less than 18 years' service and any lieutenant or any captain with 3 years' service. Does he seek promotion? Is it not a ridiculous situation?

The cost for family allowances for 1950 will be $314,000,000. Next to pay it is the largest single appropriation pertaining to personnel. By terminating the family allowance benefits 6 months after the date of the enactment of the proposed bill, we will cut the cost of this program from the present $314,000,000 by $191,000,000, and in the succeeding years this amount will decrease. Because of previous law, we must still continue family allowances for those who enlisted prior to July 1, 1946, but all of those enlistments will terminate not later than July 1, 1952.

The committee did a very wise thing. They approved an adequate pay scale for enlisted men and coupled it with quarters allowances for the noncommissioned officer, which will permit these career men to maintain themselves and families decently. They put in the provision declaring the war at an end so far as dependents allowances are concerned. This will put the enlisted men on a permanent basis where they know where they stand. It will prevent privates getting more pay than master sergeants and officers. However, we included a proviso that any man whose pay is reduced because of cessation of his family allowances shall be discharged upon application.

Nothing in this pay bill is more important than the correction of the deplorable situation resulting from family allowances.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Tennessee.

Mr. SUTTON. The gentleman stated that only six enlisted men testified. The gentleman was an enlisted man himself. Does he not know that he would have been crazy to come down and testify against an officer when he was an enlisted man?

Mr. WALSH. I would not consider that testifying against an officer. I realize that some enlisted men would be hesitant to appear before a committee. But, the men that did appear, I am glad to say, came upon their own free will and testified.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Georgia.

Mr. VINSON. With reference to the statement made by the gentleman from Tennessee about the hesitancy of enlisted men to testify, let me say that they serve on courts martial now. Enlisted men are not afraid to testify before committees of Congress. They come before us and give us the benefit of their views. The distinguished gentleman from Tennessee did not appear and offer any contributions for the consideration of the committee when it was having these hearings, but the members of the enlisted service did come there and stated that they approved what we were doing with reference to family allowances.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON. Mr. Chairman, the problem of disability within the military services is perhaps one of the most difficult of all personnel problems. It is, to me, a matter of wonder and surprise that the provisions for retirement or severance on account of disability have remained unchanged almost since their enactment, practically a century ago. In truth and honesty, it is not solely because the provisions enacted shortly after the Civil War were so well planned and prophetic. It is more likely that the problems were so perplexing and the military services, in general, so small that arrangements could be made within the family, so to speak, to insure that neither the services nor the individuals suffered too greatly. In addition, the establishment of a Veterans' Administration and its several predecessors assisted, materially, in glossing over the problem since men with wartime service could always apply for veterans' benefits. These, as we all know, have been modified by almost every session of Congress.

The large Military Establishment which we have today and which may be with us for some time renders it impossible to overlook this problem any longer. Since the close of World War II, particularly, the situation with respect to disability retirement in the armed services has received special attention and scrutiny. Not only have the services themselves attempted to improve the procedures and suggest revisions in the system, but the Congress on its own initiative has conducted several investigations of the matter. Probably the most serious and extensive study of this type made by the Congress was undertaken in the spring of last year under resolutions authorizing the Armed Services Committee to conduct thorough studies and investigations concerning physical disability retirement of officers of the Army, Navy, and Marine Corps.

The development of a program of proper career compensation for the uniformed services necessarily involved further study of this subject. The committee of outstanding civilians appointed in December 1947 by Secretary Forrestal to furnish him with a completely unbiased and objective report covering every significant phase of a sound sysem of compensation made findings and recommendations concerning all types of retirement and paid particular attention to the issues involved in retirement on account of disability. The Commission stated in its report:

> Disability retirement is one of the most difficult questions to be resolved. The Commission recognizes that there is a marked distinction between service disability as affecting capacity for most service in the armed forces and capacity in civilian employment particularly since in civilian life disability can generally be matched against type of duty and environment. It cannot accept the thesis, however, that a minor disability, which may render the individual unacceptable for certain types of military service but which is no bar to civilian employment justifies a liftetime annuity at the taxpayers' expense.

The House Armed Services Committee welcomed the findings and proposals of the civilian commission and in general

accepted the principles which it formulated. It was gratifying that the investigation made by this eminent group concurred in so many respects with our own recommendation made last year by the legal subcommittee of which I had the honor to be chairman.

Retirement of Regular officers of the armed services has been conducted without substantial change since the laws permitting such retirement were first enacted in 1861. Generally speaking, these laws provide that any officer who becomes permanently incapable of performing his duties as the result of physical disability incurred as an incident of service may be retired.

Enlisted men were not entitled to retire on account of service disability until 1941 when personnel of the Army—now extended to the Air Force—were granted the same rights as officers, provided they had 20 years service. Navy and Marine Corps personnel who have transferred to the Fleet Reserve after 20 years may be placed on the retired list for service disability but with no increase in retired pay. Coast guardsmen who have at least 16 years of service are entitled to retired pay at 75 percent upon the occurrence of disability. All enlisted personnel, and officers as well, are equally entitled to pensions and disability compensation provided by the Veterans' Administration on account of disability incurred or aggravated in service, or thereafter if traceable to service.

In addition to these differences between officers and enlisted personnel, differences between reserve and regular officers exist. During the First World War Reserve and temporary officers of the Navy and Marine Corps were eligible for disability retired pay on the same basis as regulars. This was terminated in 1921. In 1928, Congress authorized the non-Regular officers of all services, who had incurred at least 30 percent permanent disability during World War I, to be certified to the Veterans' Administration and receive 75 percent of the basic pay of their rank. At present officers of the Army and the Air Force, who held reserve commissions during World War II, are certified to the Veterans' Administration by virtue of an Executive order under the 1928 law, whereas Navy Reserve officers are compensated on account of disability retirement by the Navy. Both receive 75 percent of the basic pay of their rank, irrespective of degree of disability.

Reserve personnel who suffered disability while on training duty of less than 30 days duration are eligible to elect disability benefits from the Veterans' Administration, or those provided for civil employees of the Federal Government under the Employees' Compensation Act, which is a type of workman's compensation program. Reserves serving on duty for periods in excess of 30 days receive the same benefits as regulars.

By virtue of tax law and interpretations of the Bureau of Internal Revenue, benefits received on account of disability, whether paid under the military or veterans' laws, have been exempt from taxation. As pointed out by a representative of the Treasury Department in hearings before the committee last year this exemption works in an unequal fashion in that the more income a man has the more the exemption is worth. Consequently, since the man with lesser disability is more likely to be able to earn a livelihood, the exemption would appear to provide an advantage to the man who deserves it least.

One further comment should be made concerning the existing system. At present, disability retirement is final and conclusive with no reexamination required of the individual's future physical condition, except for those who take veterans' benefits. Consequently, a lifetime payment of 75 percent of the pay of the rank held at retirement is assured whether the payment in the light of changes and health is found adequate or inadequate.

The proposed bill attempt to improve the inequities of the existing system and to extend disability privileges equally and fairly. Briefly, the proposal would—

First. Provide an identical disability program for officers and enlisted personnel, as well as for regular and reserve personnel.

Second. Distinguish between disability incurred as the proximate result of direct performance of military duty and disability otherwise incurred.

Third. Establish a temporary-disability category which would enable the services during a 5-year period to check into the status of retired individuals and restore to active duty or Reserve status those who recover sufficiently to perform satisfactorily.

Fourth. Relate the amount of disability-retirement pay either to length of service or degree of impairment, the latter to be determined in accordance with current standards established by the Veterans' Administration.

The bill provides that a compensable disability must be rated as at least 30-percent impairment according to veterans' standards, although the services, as at present, would be authorized to discharge on account of disability any person deemed unfit for military service. Those deemed unfit, but having less than 30-percent disability, would receive severance pay under the same formula as that provided for officers involuntarily separated because of failure of selection for promotion. The bill stipulates that those persons whose disability is not found to be the proximate result of direct performance of duty shall not be placed on either a temporary or permanent retired list unless they have completed eight years of service, counting all periods of duty which are creditable in connection with retirement or discharge in connection with any other involuntary separation. Regulars and Reserves are treated alike except that part-time service members, that is those who engage in training duty and drills, will not be entitled to disability compensation unless the physical unfitness resulted from an injury incurred while engaging in the performance of his military duties and the cause of such injury was the performance of such duty.

Probably the most significant proviso of the new bill is the establishment of a temporary disability retired list which will make it possible for the first time to recheck a medical examiner's findings and to avoid the inequities which inevitably result from a single determination requiring a finding of permanent disability. Under this provision periodic physical examination must be given not less often than every 18 months to determine if the disability has changed. If, as a result of the examination, the disability is found to be 30 percent or more and permanent under accepted medical standards, the individual is placed on the permanent list and will receive disability retirement pay based on his condition at that time. Those who improve to the extent that their disability is less than 30 percent must be returned to duty status if found fit or else are severed with appropriate severance pay. The tax problem noted above is solved by declaring that those persons who elect disability retirement pay on the basis of degree of disability shall be entitled to the exemption which exists today but those who elect disability pay on the basis of years of service times 2½ percent of active duty pay at the time of retirement will not be entitled to such exemption.

The new bill continues the present provisions of law which prevent payment of physical disability benefits to any member whose disability resulted from misconduct or willful neglect. Such a person is separated without entitlement to any disability benefits. Similarly, existing law is retained with respect to permitting an election between disability retired pay offered by the Services and benefits provided by the Veterans' Administration, with the usual proviso that not more than one benefit may be paid for the same disability. Also, it would still be possible for a person to waive part of his disability retired pay in order to obtain veterans benefits and such other privileges as hospitalization and rehabilitation which are accorded to persons receiving payments under veterans laws. The bill provides, however, that persons who receive severance pay from the military services either because of their disability did not qualify them for a continuing benefit or because their continuing benefit was terminated on account of their improvement, will have the amount of such payment deducted from any veterans payments they may later be entitled to receive. Such deduction would not be made in the case of a survivor benefit paid to the widow or children of a veteran.

With respect to the administration of this new program the bill insures first that the determination of fitness for military duty both at the original determination and in determination to restore to duty or status after improvement shall rest with the services which are best, if not exclusively, capable of such determination.

Second, determination of degree of disability is based on civilian standards which are under regular review and improvement by the Veterans' Administration, but their application is given to the services in connection with original

determinations since, as stated previously, they are in the best position to make such a determination.

Third, periodic reexaminations, hospitalization and whatever medical attention is required in connection with caring for the temporary disability class is a matter which, under presidential regulation, may be given either to the services or the Veterans' Administration.

Finally, the bill gives those members or former members of the uniformed services previously retired by reason of physical disability the right to continue to draw the pay they are now receiving or to request within the 5-year period following the effective date of the act, first, to qualify under this act and if found qualified on the basis of the physical disability upon which he had previously been retired, to receive the new pay; or, second, to receive retired pay on the basis of years of service.

Under this provision a person who seeks to qualify under the new program has the opportunity of receiving a higher benefit based on the higher pay scale if his total years of service or degree of disability under this bill would result in his receiving the higher retired pay.

In my opinion, the passage of the proposed bill will eliminate many of the inequities and abuses resulting from existing law—and will also save the Government millions of dollars in the future.

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members are present—a quorum.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PRICE].

BENEFITS FOR THE ENLISTED MAN

Mr. PRICE. Mr. Chairman, the Career Compensation Act of 1949 as reported out of the Armed Services Committee has accepted the following basic principles of the Hook Commission in considering the needs of enlisted personnel: Pay for responsibility, with adequate pay spread between each level of responsibility, to encourage personnel to seek and accept added responsibility. A pay scale that will attract and hold adequate personnel in the service with an assurance of equal opportunity with his civilian fellow citizen. The establishment of a proper balance among basic pay and allowances, the special pays and allowances, and retirement and severance pay benefits.

The basic pay for enlisted personnel proposed in this bill is comparable to pay of civilians with like trades and skills. The increased spread between grades will create an incentive to seek promotion and compensate the leaders for their added responsibility. The career servicemen, those in the top four grades, will receive an increase in basic pay from 28 percent to 38 percent. The longevity increases, now considered part of the basic pay, will start earlier and occur more frequently during the earlier years of service. Thus the increases will occur every 2 years, instead of the present 3-year interval, for the first 18 years and then on 4-year intervals. The longevity increases in the lower grades being more frequent and larger in dollars gives adequate increases to compensate for what appears to be a small increase in the lower grades. The career programs will permit the majority of enlisted personnel to reach grade 4 inside of 3 years, where increases are 28 percent. Those few remaining in lower grades longer find that longevity has in effect given them larger increases, that is, private, grade 2, with 4 years has a present pay of $84 and proposed pay of $97.50, or a 16-percent increase; private first class, grade 3, with 6 years, has a present pay of $99 and proposed pay of $120, or a 21-percent increase.

The subsistence allowance for enlisted persons authorized to ration separately will remain a flexible figure to be based on the current cost of the off-the-post maintenance. The rental allowance now authorized for first-three-grade enlisted persons when married and not furnished Government quarters had been revised to permit grade 4 enlisted personnel with 7 years' service to be included in authority for Government quarters or rental allowance in lieu thereof. This was based on the consideration that enlisted men after 7 years' service and in grade 4 or above can be considered career personnel. In addition to extending quarters allowance to another grade of enlisted men, this bill has increased the rental allowance from $37.50 to $67.50, based on the present average cost of rental, a $30-a-month increase accounting for a very large part of the cost of this bill—almost $114,000,000—even with an effective date of October 1 for fiscal year 1950. For the first-four-grade enlisted persons, the rental allowance further parallels the officer scale by having a different rate for those with and without dependents.

The hazard pay scales now in effect for enlisted personnel are not materially changed. The parachute, glider, and diving pay scales are maintained as they are today. The flying pay is changed from a percentage of the present pay to a flat figure for each grade, which is the same principle as being recommended for officers. The flying pay, therefore, runs from $30 per month to $75. This low figure for the bottom three enlisted grades is lower than present flying pay in dollars, but it must be noted that the services seldom assign personnel of these grades to flying duty, therefore the scales are not expected to be used.

The Hook Commission recommended a new reenlistment bonus program under which the amount of bonus will be determined not on the prior service but will be based on the number of years for which the individual is reenlisting. The total bonus will increase rapidly for those who enlist for longer periods of time. Thus, reenlistments for 2 years will pay a $40 bonus; 3 years will pay $90; 4 years will pay $160; 5 years will pay $250; and 6 years will pay $360. The committee accepted the Hook recommendation for the future and inserted a savings clause for those now in service to permit them to take the old bonus plan or the new one on their first reenlistment after passage of this act.

Enlisted personnel as well as officers are included in the increase in travel and transportation allowances. The mileage allowance for members of the uniformed services has been increased to 10 cents per mile while the per diem in lieu of subsistence has been increased to $9 per day.

Insofar as enlisted persons are concerned, this bill has greatly extended disability retirement provisions. It wasn't until World War II that Army enlisted personnel were eligible for disability retirement after 20 years of service, and even today there is no such thing as physical disability retirement at 75 percent of pay for Navy and Marine Corps personnel.

Now retirement benefits will be extended to all enlisted personnel on the same basis as officers. The factors for eligibility for each will be in the same section of law and should result in uniform treatment. Thus, enlisted persons will be eligible for disability retirement based on service-connected disability after 1 day active service. This same retirement plan calls for severance pay for those disabled persons with less than 30-percent disability who are separated without being retired.

In brief, the enlisted persons have lost a few special pays for badges but have been given a pay scale slightly above the civilian scale. The percent of increase for career soldiers, that is, the first four grades, is comparable to the percent of increase for officers. It is the opinion of the committee that the scale is equitable and just and that it can be administered with minimum change in present procedures.

Mr. KEEFE. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion that the Committee do now rise.

Mr. VINSON. Mr. Chairman, on that I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. KEEFE and Mr. VINSON.

The Committee again divided; and the tellers reported that there were—ayes 3, noes 86.

So the motion was rejected.

Mr. KEEFE. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirty-seven Members are present, a quorum.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, as one who is frequently disturbed by our ever-increasing costs of Government, and as one who has opposed most of the programs that are responsible for such tremendous increases in Government expenditures, I rise to support this legislation.

I do so, Mr. Chairman, because I cannot concede that this so-called Armed Services Pay bill is just another problem of Federal expenditures as other Members have labeled it.

This legislation has as its primary purpose the establishment of a compensation program which will induce men and

women to enter the armed services on a career basis and would remunerate them on this basis comparable to persons who seek to follow careers in industry and in professions.

To achieve this the bill has, in my opinion, corrected an inadequate and unsound structure which has been built piecemeal since 1908 without regard to principles and without over-all action. The basic work in analyzing the existing structure and in recommending revisions to conform with current conditions, was undertaken by a group of civilian advisers which included Charles R. Hook, of the Armco Steel Corp.; Father John J. Cavanaugh, president of Notre Dame University; Keith S. McHugh, vice president of the American Telephone & Telegraph Co., and Lawrence H. Whiting, president of the American Furniture Mart Building Co., and Whiting & Co., in response to a request by former Secretary of Defense James Forrestal.

In his letter to these men, who later became known as the Hook Commission, the former Secretary of Defense stated:

The National Military Establishment now has before it the very critical and important problem of determining the adequacy of the compensation presently received by members of the armed services and the soundness of its general military pay structures.

Moreover, there is a definite need to bring about a greater degree of uniformity in matters of compensation among the several services, and even within the individual services. There are disparities and inequalities in pay and other benefits which are not consistent with sound personnel policies or required by special considerations, and which not only affect morale and efficiency, but also seriously limit the effectiveness of certain activities.

The number and caliber of men who have left the services in the past year, and the continuing number of such separations indicate the possibility that the services are not in a position to compete on an equal basis with industry and the professions because of a disparity in the income offer. If this is true, it portends the most serious long-range consequences, for it is plain, I think, that the strength and adequacy of our Military Establishment depends on the quality of men which it can attract. It requires, just as any successful business enterprise requires, men of real ability. It cannot provide the elements of military strength which are required for the security of our country if it is forced to build an organization with second- or third-rate men.

This statement by Mr. Forrestal with respect to the disparities and inequalities of pay was, if anything, quite modest. I sat through the hearings on this legislation at which the separate reports of each member of the Hook Commission were made. I have also studied the complete report of the Commission.

The Commission found that the present pay structures of our armed services provide a variety of special pays and allowances which bear no relation to the well-accepted canons of equal pay for equal work and proper pay for responsibility. The structure is encrusted with provisions which seek to insure that long service, whether or not effective, will be rewarded as well as, and sometimes better than, outstanding merit and superior responsibility.

With respect to the benefit programs a veritable hodgepodge exists when it is realized that the seven uniformed services have different promotion laws which seriously affect their retirement programs and distinctions exist between officers and enlisted men, between Regulars and non-Regulars, and between military and veterans benefits frequently intended to compensate for the same service and disability.

The reasons for this situation may be found in a great part in the changing public regard for the value and services of the military. During emergency periods and periods of economic readjustment, pay raises and special privileges have been granted. In periods of sustained peace and economic depression no improvements in the pay or structure were made and in some instances actual pay reductions were effected.

The last comprehensive revision of pay made for the six uniformed services—the Air Force was established in 1947—which have for about 50 years been grouped together for this purpose, was made in 1908. Practically since their inception the Marine Corps, Coast Guard and Public Health Service have been considered together with the Army or the Navy. The Coast Guard and Geodetic Survey remained under the independent law until 1920 when it was granted the same pay and allowances as the Navy.

The acts of 1908 were intended to compensate for changes in the cost of living to about 25 percent since 1899. Since the 1908 revision was made during a stable period, it may be presumed that the pay system then indicated represents the valuation by Congress of the worth to the Government of military personnel services, as measured both by industrial compensation and the purchasing value of the pay authorized. Before 1899 the Navy pay scale was based on grade, with in-grade increases based on service within the grade. The Army scale provided for additional pay for total service or the longevity principle. The 1908 pay structure employed basic over-all pay for responsibility by establishing a base pay for each grade which, even though increased for longevity, would not exceed the base and longevity pay of the next high grade. In 1920 war bonuses ranging from $420 to $840 a year were granted to the officer grades below brigadier general. This temporary measure, intended to expire in June 1922, was an attempt to cover widely diverse conditions affecting six military and civilian services caught in the postwar economic situation.

The Joint Service Pay Act of 1922 effected a general readjustment of pay and allowances and placed the six services together. Unlike the 1908 act, the Joint Pay Act did not strengthen the concept of pay and allowances for services rendered but weakened this principle by establishing compensation which would allow the officer to maintain himself and his family with reasonable decency under various conditions of service and at minimum cost to the Government. That law was intended, in fact, to cost less than the current schedule, since by that time the postwar recession had set in and was designed to provide attractive careers to young men of character and ability. Length of service became a controlling factor in determining rates of pay and extra compensation because of family responsibility was introduced.

The 1922 adjustment of the 1908 pattern is the basic act under which officers are paid today. Under this act generals and lieutenant generals receive the pay of a major general, plus personal cash allowances. Brigadier generals receive the same pay as is provided for colonels with 30 years service. Commissioned officers below this rank were allocated into six pay periods with an equal base pay for each period. An officer's total length of service determined the pay period to which he was allocated in such manner as to make it possible for an officer of any given grade to receive the pay usually applicable to the next higher or next lower grade if he had relatively long or short service. Pay for longevity was granted on the basis of 5 percent of base pay for each 3 years of service up to a maximum of 30. Allowances varied with the pay period and the dependents which an officer had. It should be noted that both in 1920 and 1922 benefits were applied only to officers below the rank of brigadier general.

The many anomalies in compensation thus developed caused a steady decrease in the purchasing value of military pay coupled with general increases in civilian salaries, particularly in the higher brackets, gave rise to numerous departmental and interdepartmental studies between 1928 and 1938. As a result of the recommendations of the Interdepartmental Pay Committee of 1941, the Congress passed the Pay Readjustment Act of June 16, 1942, which provided a small increase for the first pay period—second lieutenants with under 5 years service, increased the rental allowances of the first to the third pay period, increased the subsistence allowance for all officers, and removed existing legal limitations affecting total pay and allowances of general and flag officers. In 1946 Congress gave all officers in the first three pay periods an increase of 20 percent of base pay and longevity, those in the third pay period an increase of 15 percent, and those in the remaining pay periods a 10-percent increase. This was actually the first increase given officers as a group and officers of the general rank and fourth and fifth and sixth pay periods, since 1922, and for officers of the general or flag rank their first increase since 1908. Both the staff studies and the congressional studies based the increases on rises in the cost of living during this period.

During the Eightieth Congress, comparable promotion laws for the various services were enacted so that the main stumbling block to revision of the archaic pay structure has now been removed. Stagnation in rank has, to a large extent, been brought under statutory and administrative control and a career pay schedule can once again be established.

Pay schedules for enlisted men of the Army were fixed by specific acts of Congress in the early days, but until 1908 the pay of Navy enlisted personnel was fixed by the President under Executive order.

Although the pay for both services was thereafter fixed by Congress, intermingled grades and ratings were continued for the Navy until 1920 and specialist ratings in the Army and Marine Corps were not eliminated until 1942.

A common pay scale for all services was established in 1922, except that slightly higher amounts were authorized for the middle grades of the Navy and Coast Guard as compared with the Army and marines. It was considered that these differences were offset by clothing-money allowances received by the Army and Marine Corps. It was not until 1942 that an identical pay scale was established for all services.

Although the various pay boards and committees convened between 1928 and 1938 concerned themselves mainly with officer pay, several boards recommended increases for all grades, but no congressional action was taken. The first increase in pay for enlisted personnel after the act of 1922 was $10 a month for all personnel after 12 months' service, authorized by the Service Extension Act of 1941. The act of March 7, 1942, provided that the base pay of any enlisted man, warrant officer, or nurse in the military or naval services should be increased by 20 percent and the base pay of any commissioned officer by 10 percent while on sea or foreign duty. This provision was confirmed in the act of June 16, 1942, for the duration of the war, but was subsequently made permanent by the act of October 6, 1945. The Pay Readjustment Act of 1942, which was designed to provide an equitable, progressive increase throughout the enlisted grades and to eliminate disparities, achieved an increase in base pay for all grades and established longevity pay of 5 percent for each 3 years of service in lieu of the previous longevity system. The temporary increase of $10 per month, authorized by the Service Extension Act of 1941, was eliminated. Monetary allowances in lieu of quarters was retained for enlisted personnel of the top three grades, with dependents, along with certain extra pays. The last revision occurred in 1946, when all enlisted pay was raised for both those on active duty and those in retired or retainer status. Under this revision the seventh grade was advanced from a base pay of $50 to $75, the next from $54 to $80, and the next from $66 to $90. The first pay grade moved from $138 to 165—once again reflecting a lower percentage increase for grades of higher responsibility.

Warrant officers are, in general, appointed from enlisted status after considerable service upon the attainment of a certain specialty or expertness. They generally do not qualify for officer billets because of age, educational background, or lack of general experience.

Prior to 1942 these officers were paid on an individual pay scale but in that year the Pay Readjustment Act authorized the pay and allowances of the first pay period for the warrant grades. The Navy warrant officers were divided into those who were appointed and those commissioned. Chief warrant officers in the Navy and Coast Guard were provided only one base pay until 1916, when the pay and allowances of a lieutenant, junior grade, was authorized after 6 years' commissioned service, and those of a lieutenant after 12 years. Later they were authorized the pay of the first four periods, covering total service of 30 years in the warrant grades. The base pay of warrant officers was increased for commissioned warrant officers with less than 10 years service by the law of 1946 and the others were given the same increases as officers, except that a limitation of $550 was established on total pay and allowances for any warrant officer. This limitation still exists.

As the pay laws now stand, warrant officers in the Navy and Marine Corps receive the pay and allowances of the first period whereas commissioned warrant officers with less than 10 years of such service have their base pay set by law and receive the allowances of the second period. After 10 years service they receive the pay and allowances of the third period and after 20 years those of the fourth period.

In the Army the original warrant officers were in the mine planter service for which separate pay scales were established, in 1918, and continued until 1942 when their pay was tied to that of the first and second officer pay periods, with certain exceptions to receive pay of the third and fourth pay periods.

The warrant officer programs and eligibility for increases are, at present, considerably different as between the Army and the Navy, so that even though a similar pay scale exists, similar opportunity to receive such pay clearly does not.

It must be evident from these piecemeal changes and from the retention of separate groups with separate pay scales that the present pay scheme is not only obsolete but is a positive handicap to the insurance of a proper career program. In addition to the inequities and maladjustments which exist with respect to the basic pay and allowances, the retention of a variety of special pays and formulas for certain of these which permit the pyramiding of pay adds to the confusion and resultant discrimination. The net result has been, as the public and Congress so well realize, that very few people understand exactly what the pay of military personnel is. Indeed, it is not uncommon for members of the services themselves to have considerable doubt as to the pay to which they are entitled. This is particularly true today when, added to the permanent revisions which have just been outlined, temporary pays and allowances are in effect. For example, temporary law permits placement of Army warrant officers into higher pay periods. The most significant temporary provision, however, is the granting of family allowances under the Servicemen's Dependents Allowance Act of 1942, and, as amended in 1946, under which enlisted personnel, by contributing a portion of their pay to authorized dependents, become entitled to a Government contribution which varies in accordance with the number and types of dependents. Under this program, many enlisted men receive more actual income in allowances than in base and longevity pay, which is intended to be geared to the responsibility with which they are charged. The overlaps in officer grades because of the operation of the longevity principles are nowhere near as disastrous as the dislocations which result from payment of dependents' allowances and the increases and decreases in pay which come about through the addition or loss of dependents.

Another element in the scrambled pay structure comes about because of the uneven impact of income taxes. Until the first of this year, enlisted pay was completely exempt from tax and the first $1,500 of officer pay was exempt, under temporary wartime relief provisions.

The removal of the complete and partial exemptions has clarified the situation considerably, but at present since the bulk of men in service enjoyed the exemption, the reestablishment of tax has effected a practical loss in take-home pay, once again varying with the nature of its impact.

This situation cries out for reform. It cannot be long delayed, if the effectiveness of the military organization is to be kept at the level which is required in today's troubled world. With advances and technological improvement, military science and strategy and general personnel planning, it is essential to have a career compensation plan which will be appropriate. First, it goes without saying, the scales should be uniform for the same grades of personnel, irrespective of the service and these scales should be applied as uniformly as possible. This precept requires the elimination of special and extra pays and separate pay scales and the establishment of similar personnel programs throughout the services. For example, warrant officers within the services must be placed on a comparable basis, as quickly as possible if the new scale is to have any meaning.

Second, the new scale should recognize the established fact that the military organization is in competition with the Federal civilian establishment and industry. Its rates of pay must, therefore, be comparable in order to attract qualified men and keep them in service.

Third, the scales should be designed on a career basis so that those who move onward and upward through the service, in accordance with career planning, will be justly rewarded. For this reason extraneous elements of pay and allowances and the longevity principle have to be eliminated or minimized.

H. R. 4591, in my opinion, affords a remedy for the ills of the present system and provides a positive answer. It is founded on the principles of pay for responsibility and the amounts suggested should, under ordinary circumstances, provide the inducement for capable men and the encouragement for career progress. Furthermore, it has elements within it which permit the exercise of administrative discretion and adjustment to economic trends. I believe it establishes a proper pattern for the present and the future and a basis for the strengthening of one institution which should never be allowed to fail.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. COLE].

Mr. KILDAY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. COLE of New York. Mr. Chairman, I am confident that there is very little that I can add that would be new and not repetitious of what already has been said in explanation of this bill. I recognize the concern that many have over its cost. That is a concern which is shared by myself as well as those of the committee who worked on the question. This problem was not considered by the subcommittee hurriedly nor sketchily, I can assure the gentleman from Wisconsin and those others who are so concerned about its cost.

Our first hearings began some time during the middle of February, and the bill was reported finally about a week ago. Approximately 3 months were consumed in the over-all consideration of the bill, and I repeat that the cost phase was one of the most important which was considered by the members of the subcommittee. Since it is pretty much repetitious to explain the bill more fully, I do want to take just a minute or two to engage in some personal reflections.

This being a rather involved, difficult, complicated, and intricate bill, it was a difficult, cumbersome, and boring assignment, but through it all it was an inspiration to me to work under the chairmanship of the gentleman from Texas [Mr. KILDAY], who I dare say knows more about pay matters relating to the military than any other Member of this House. He attended all the hearings, he was always on the job, always calm, deliberate, understanding and tolerant, and he was always ready with an explanation of a point which many of us often did not understand.

In addition to the Hook Commission, to whom reference already has been made, there are some others to whom I think acknowledgment should be made for their close work and helpful cooperation in this difficult problem. Those were Maj. Gen. John E. Dahlquist, of the Army, a man whose capacity for absorbing and retaining details is a marvel and beyond my comprehension; Vice Admiral William M. Fechteler and Commander David L. Martineau of the Navy; and Maj. Gen. Richard E. Nugent, of the Air Force. There was also John L. Hoen, executive secretary of the Hook Commission, who with Mr. Irving Ladimer, assistant secretary, was in attendance with the subcommittee at all of its deliberations. All of the individuals whom I have named dealt with the question objectively, with due regard to the interests of the enlisted men as well as the interests of the taxpayer. There were many others on the staff of these people who assisted us. I shall not take the time to identify them individually, but they all were very helpful in bringing together under one bill a most difficult piece of legislation.

I think we should remember as we are about to cast our ballot on this bill that while it is true this bill costs approximately $400,000,000 a year, nearly half a billion dollars over and above the present cost, representing in itself a staggering sum of money, yet when we lay that increase alongside what the Federal expenditure for this same service, we see that it represents an increase of only 10 percent. I say "only 10 percent" only for the purpose of emphasizing the extent of the percentage of increase and not for the purpose of belittling the amount of dollars involved.

I think we should also remember, as has been stated here before this afternoon, that not since 1909 has any considerable adjustment been made in the salaries of our military people, so perhaps it would be well for us to refresh our recollection of what has happened during that 40-year period with respect to the pay scales of other types of Federal employment.

The Congress has increased the salaries of its Members 100 percent during that 40-year period. The judiciary has been increased by an average of 121 percent. Foreign Service by an average of 290 percent. Civil Service, 333 percent. Post Office inspectors, an average of 188 percent. Public schools here in the District of Columbia, 300 percent. The fire department here in the District 222 percent, the police department 187 percent. Those are the averages of increase in salaries during that 40-year period. And over that same period the average increase for officers of the Army is 30 percent. I repeat, the amount of money which is involved is substantial, but no one should argue that the military have been treated with relative fairness and equality. The benefits which the country will receive through an improved talent in its personnel make this money well spent.

There are two principal reasons why this bill should be enacted. A general raise in pay schedules in view of the increased cost of living is patently necessary. Of even greater importance, however, is a complete reform of the antiquated, patchwork collection of laws now covering pay and allowances. These two things, correction of inadequate pay and correction or abolition of unnecessary, wasteful, and duplicating allowances and special pays must go hand in hand. Reform of the pay system cannot be accomplished until new pay scales are adopted. This pay bill, based upon a year's intensive study by an independent, objective board of eminent civilians with broad experience in the fields of education, finance, industry, and public utilities does just that. It sets up a completely new scale of pay which relates the compensation of the various grades to, first, the responsibility of the job, and, secondly, to pay for similar positions in other governmental agencies and in contemporary civil life. It also does away with a whole list of other compensations in the form of special pay and allowances. The allowances which are retained are related to the needs of the services today.

The present Pay Readjustment Act, last amended in 1946, is a patched-up job, the result of many laws enacted under emergency conditions. The last comprehensive-pay study for the armed services was undertaken in 1908. Its purpose was to bring the Army and Navy pay systems into accord and to relate their pay rates to the scale of prices then existing. Since that time major changes have been made as follows:

(a) The act of May 18, 1920, granted temporary war bonuses to grant relief for the inflationary prices of World War I. These temporary increases expired on June 30, 1922.

(b) The Joint Service Pay Act of June 10, 1922. This was permanent legislation and had to be passed because the temporary act of 1920 was expiring. Although this act was an attempt at pay readjustment, certain economic considerations prevailing at that time largely prevented that accomplishment. These considerations were that the new pay schedule had to cost less than the then existing one plus the temporary increase because of the severe postwar recession then in progress and length of service had to be a controlling factor in setting scales because of the stagnation in Army promotion.

(c) Next came the pay cuts of 1933 and 1934 necessitated by the depression.

(d) The Selective Service Extension Act of 1941 which added $10 a month for all enlisted men kept in more than 12 months.

(e) The authorization of foreign-service pay of 10 percent for officers and 20 percent for enlisted men March 7, 1942.

(f) The Pay Readjustment Act of June 1942. This was restricted to those features which seemed to be absolutely necessary in view of the war. It gave a small increase to second lieutenants, increased the rental allowances of second lieutenants, first lieutenants, and captains a few dollars a month, increased the subsistence allowances 10 cents a day per ration. It materially increased the rates of pay of enlisted men.

(g) The Servicemen's Dependents Act granting family allowances enacted June 23, 1942, because enlisted-pay scales even as increased the week before were inadequate.

(h) The Pay Act of 1946. Inflation had begun. Prices were up and still going. No study of the over-all problem was made and a hasty compromise solution was reached. Congress was anxious to discontinue the draft law and this influenced the action taken. A percentage increase was adopted. This gave increases varying from 50 percent for the private to 20 percent for master sergeants, 2d lieutenants and 1st lieutenants. Captains received a 15-percent increase and all other officers a 10-percent increase. This was the first bill which gave all grades some increase in pay over the rates of 1908.

None of the pay acts passed since 1908 were based on a complete analysis of the problem. They were all the result of hurried action. In none of them was there any effort made to analyze the positions covered and the going pay in similar lines of endeavor in civilian life. Let us look at the results of this piecework legislation by comparing the present pay rates of the armed services with those of 1908, 41 years ago. Percentagewise here is the score: Major generals have had an increase of 11 percent; brigadier generals, 14 percent; colonels, 30 percent; lieutenant colonels, 29 percent; majors, 13 percent; captains, 28 percent; first lieutenants, 38 percent, second lieutenants, 57 percent; grade 1 enlisted, 116 percent; grade 2 enlisted, 159 percent;

grade 3 enlisted, 154 percent; grade 4 enlisted, 218 percent; grade 5 enlisted, 328 percent; grade 6 enlisted, 344 percent; grade 7 enlisted, 400 percent.

The enlisted men have had a very sizable increase in the last 40 years, but two factors must be remembered in this connection. First, the pay scale of 40 years ago for enlisted men was miserably small, and second, the nature of enlisted men's services has materially changed because of the great technological advances in the military services.

When one compares the increase in officers' scales for the last 40 years with increases in other governmental positions, one is impressed with the great difference. Let me read some of them to you: Congress has had an increase of 100 percent; the judiciary an average of 121 percent; Foreign Service an average of 290 percent; civil service, professional, an average of 333 percent; post office inspectors an average of 188 percent; public schools, District of Columbia, an average of 300 percent; fire department, District of Columbia, an average of 222 percent; police department, District of Columbia, an average of 187 percent.

The average increase for Army officers for that period is 30 percent. I do not believe there is another occupation in this country where an individual receives less take-home pay in equivalent purchasing-power dollars than he received in 1903. That is the situation in which our senior officers, rear admirals, and major generals find themselves today. The increases which this pay bill give expressed in percentages over the scale of 1908 are as follows: Major general, 48 percent; brigadier general, 70 percent; colonel, 64 percent; lieutenant colonel, 58 percent; major, 40 percent; captain, 69 percent; first lieutenant, 77 percent; second lieutenant, 92 percent, grade 1 enlisted, 172 percent; grade 2 enlisted, 234 percent, grade 3 enlisted, 246 percent; Grade 4 enlisted, 309 percent; grade 5 enlisted, 364 percent; grade 6 enlisted, 358 percent and grade 7 enlisted, 400 percent.

It seems to me that in view of these statistics the case for an over-all increase is clear and justified. The Hook Commission, however, did not base their recommendations only on a comparison with 1908. They based their recommendations on comparisons made between service pay and pay for like positions in industry now. They made an exhaustive and comprehensive study of salaries and wages paid in industry. They compared jobs of the services with like positions in the fields of armament and mechanical-equipment production and maintenance, transportation, communications, shipbuilding and ship repair, construction and maintenance, finance, manufacturing, physicians and dentists, and earnings of college graduates. These studies brought out in startling fashion that the pay of the services when all factors, including retirement, medical care, the advantages of buying at cooperative exchanges and commissaries, were considered had fallen far below that of enlightened industry.

They also took cognizance of the effect, particularly on the quality of the officer corps of the depressed scale of pay. The problem the Nation faces is not procurement of numbers. There are plenty of men who want those positions even at depressed rates of pay. It is quality that is affected. Let me show you what is happening. During the period from January 1946 to January 1949, a 3-year period, 4,256 Regular officers resigned, an annual average of nearly 1,500 resignations. Prior to the war the percentage of college trained men in the officer corps of the Army and Air Force was 87 percent; today it is 56 percent. In flying cadets this is the story. In the latter part of 1940 the 5,214 aviation cadets entering training included 36 percent college graduates and but 7 percent with less than 2 years' college, while in 1948 of the 2,629 aviation cadets entering training only 1.5 percent were college graduates and 71 percent had less than 2 years' college. The Army is trying to interest distinguished college graduates in Regular commissions. In 6 southern colleges a recent report shows that out of 54 proffered appointments, 34 were declined. The ultimate cost to the Nation if remedial action is not taken will be totally inadequate management of the multibillion dollar investment represented in the military services and what is far more important, inadequate leadership when another emergency confronts us.

The Commission also found terrific inequities and absurb relationships between pay and responsibility. The most glaring one, of course, is in the case of the brigadier general of the Army or Air Force or the rear admiral, lower half of the Navy. This grade, the most important in an officer's career, the one which only thirty-seven one-hundredths percent can reach, has the same pay scale as a colonel or a lieutenant colonel with 30 years' service. The lieutenant colonel commands a battalion; the brigadier general a task force of 4,000 to 5,000 men of all arms—yet both get the same pay. That explains the apparently unusual large increase for brigadier generals. It is well justified but far too long delayed.

The disparity between pay and responsibility is not only in that grade, however, but in all grades due to the longevity system presently in effect. Under the present pay system every 3 years there is an increase of 5 percent of base pay up to 30 years' service. When Frederick the Great was asked one day why he did not promote a certain officer who had long, honorable, and faithful service, he pointed to an old mule and replied, "He also has had long, honorable, and faithful years of service, exactly the same number as the officer. I am not promoting either and for the same reasons." We may not promote them but we add to their pay. Look at some of the results:

A second lieutenant of long service but unable to get promotion can get more pay than a first lieutenant, a captain, or a major.

A first lieutenant can get more pay than a captain, a major, or even a lieutenant colonel.

A captain can get more pay than a major, a lieutenant colonel, or a colonel.

An outstanding surgeon, for example, appointed a colonel in time of war and put at the head of a hospital receives $366 a month. His adjutant, who may be a soldier of long service and recently appointed a captain, will draw $371 a month.

A colonel with 30 years' service as an officer draws $366 for his grade and $184 because of longevity.

When we consider the enlisted grades the situation is worse, due principally to the operation of the Family Allowance Act of 1942. It was absolutely vital then because we were inducting men with dependents and the soldiers' pay scale was far too low to permit proper care of dependents. It was a war measure and still is. We cannot abolish it until we pass an adequate pay system, because if we did abolish it, several hundred thousand of our career soldiers would have to leave the service. Under that Family Allowance Act, the Government pays $28 a month extra for a wife, $30 a month extra for the first child, and $20 a month extra for each additional child regardless of numbers. In addition, if the soldier claims his parents or his brother or sisters as dependents, the Government pays extra for them. This family allowance system, which grants pay on the size of families instead of on job responsibility, costs the Government $314,000,000 a year for that item alone. Here are a few examples of the total compensation received because of that system:

A recruit now drawing family allowance for a wife, four children, one parent, and eight brothers and sisters has monthly pay for military service performed of $75 and monthly allowance for dependents of $258, or total monthly pay of $333, which is more than any enlisted grade, a second lieutenant, a first lieutenant, or a captain.

A corporal now having a family allowance for a wife and 11 children has monthly pay for military service performed of $110 and monthly allowance for dependents of $258, or a total monthly pay of $368, which is more than any enlisted grade, a second lieutenant, a first lieutenant, a captain, or a major.

Besides pay, the principal part of an officer's or noncommissioned officer's compensation are the allowances for quarters and rations, either in kind or their commutation in money. Here we also found anomalies. In 1922, because it was impossible to do what we have done now, that is, examine the whole pay structure, a curious philosophy was adopted with reference to the ration allowance for officers. It was decided that an officer in the fourth and fifth pay periods, that is a captain with over 17 years' service, a major, or lieutenant colonel would have the largest families and therefore needed the most money. That officer, if he had dependents, was to receive three allowances. Other officers with dependents were to receive two allowances, and bachelors one allowance. Thus, a captain with 17 years' service, a major or lieutenant colonel with one dependent received $63 a month extra, although a colonel with six dependents received $42 a month. It seems clear that if we had a decent pay system geared to the responsibility of the position and adequate, there would be no necessity for such a weird philosophy. The commutations for rations pertain to

the individual and not to anyone else. This pay bill establishes that—one ration per officer.

With quarters allowances there had also crept in the idea that dependents no matter how far removed should be considered and if a single man contributed to a parent's support he received larger allowances. The Government's obligation with regard to quarters should be to furnish the officer adequate quarters for himself and his immediate family or a commutation in lieu thereof. That also has been taken care of by carefully defining who is entitled to be considered as dependents and limiting this to wife, children, and dependent parents, if actually a member of an officer's or soldier's household.

Soldiers of the top four grades, the career noncommissioned officers are put on the same basis as officers with regard to quarters and their allowances are almost doubled. With respect to rations these are furnished in kind to enlisted men. If they are not furnished in kind, enlisted men are paid $2.25 a day for rations.

Quarters and rations are basic allowances. These were retained but put on a business-like basis. It was in other special pays that this bill really made a reform. Special pays had grown like Topsy in an effort to compensate for inadequate pay and as special inducements. Together they cost a lot of money. First, there was hazard pay adopted when all aviators were second lieutenants and established at 50 percent of base and longevity pay. For a second lieutenant, 40 years ago, this was only $70 a month. But as our air forces and submarine service grew and officers of all ranks were involved, the extra pay went up until it reached $400 a month for a major general overseas. Hazard pay could not be abolished but it could be changed. This is a subject which has bothered Congress for many years. The Hook Commission after looking into all aspects decided that hazard pay could not be related exactly to hazard. They did find it was necessary to pay extra pay as an inducement for men to take up hazardous and specially uncomfortable duties. They also found that a percentage basis was wrong because it pyramided. Thus an officer on foreign service or sea duty and on hazardous duty received 165 percent pay; an enlisted man 180 percent pay. They, therefore, set a flat scale for each rank sufficiently related to the pay of the rank to serve as an adequate inducement. For senior officers they reduced the amount to $100 per month.

Next there was foreign service and sea pay. Adopted during the war because of the extra expense involved by separation of families, it had become a part of permanent pay. Unnecessary in peacetime, we recommend its abolition except for enlisted men for whom such service is specially burdensome, and we recommend a flat rate instead of a percentage.

The present temporary law giving $100 extra per month for doctors and dentists has been retained because of the dire shortage of such personnel. But all other special pays are abolished. These include furlough travel pay, messmen's pay, stenographers' pay, mailmen's pay, aides' pay, marksmanship and gunnery pays, special pay for mounts, special pays for awards, and the wartime combat pays. Each of these were small in themselves. They add practically nothing as an incentive. They throw the pay system out of balance and they cost a terrific amount of money. One hundred and eleven million dollars annually is the total cost of the special pays deducted or abolished in this pay bill. In addition, there is the three hundred and fourteen millions ultimately to be saved on family allowances or total of $415,000,000.

The savings made by the reduction or abolition of special allowances and pays must be considered in connection with the pay increase. When these are taken into account, we find that the net increase in total pay costs for the first fiscal year is not 20 percent but only 12 percent. When all the savings are eventually accounted for the increase will be 10 percent annually. It is a complete pay readjustment act. It is truly a Career Compensation Act. It is a reform long needed. It would have been a simple thing to have dismissed the problem of pay for the armed services with either a flat increase or with a percentage increase as was done in 1946. That would have been no solution, however. It would only have perpetrated the abnormalities and inequities of the present crazy-quilt system of pays and allowances. A complete readjustment of the pay scales is necessary.

The personnel problem facing all services today is the procurement of enlisted men with intelligence, fortitude, and ambition who can properly man the intricate and expensive tools and weapons of modern military services and of officers properly educated and with the requisite abilities to manage the Nation's costliest asset, both in material and in men. Unless such individuals are attracted to the military service and make it a career, the billions we appropriate for defense will be wasted. Such men are not attracted by the starting pay alone. Such men make their decision to stay on because of the ultimate rewards if they succeed.

This Career Compensation Act furnishes that incentive. It offers enlisted men who have the ability and the will to become noncommissioned officers as fine a career as they can find. It will induce them to reenlist. It holds out to the officer who wants to advance the same opportunity. Success means a pay scale adequate to provide themselves and families a decent American scale of living. Certainly this Nation can offer its military servants no less.

Mr. Chairman, I yield back the balance of my time.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Chairman, I have asked for this opportunity to address the Committee on the one matter which I believe beyond all question is the most serious threat to the internal economy of this Nation.

Every Member of this Committee by now must realize that, if a halt is not called to the spending trend, we face a real danger that the Federal budget may get completely out of control.

At the rate at which this House has approved appropriations we all know by now that this Government is facing a deficit by 1950. We know too that our economy is experiencing a recession. You may call it disinflation, a leveling off, or what you will. The fact is that prices are declining, employment is declining, and unemployment is on the increase.

In what appears to be a frantic search for the easy way out of this mess it has now been proposed that we resort to financial finagling to avoid the appearance of a Federal deficit.

The gentleman from Arkansas, my good friend Mr. MILLS, has proposed that corporations be required to pay all of their taxes in the first half of the year instead of four quarterly installments. I know there are some who will welcome with open arms any proposal which will keep the Treasury in the black a little while longer and stave off the evil day when some positive action must be taken to avoid a deficit. Let us analyze this proposal very briefly and see what it really means.

The Federal Treasury, like many businesses, operates on a fiscal year ending June 30. But the Federal Government, unlike most business organizations, carries its account strictly on a cash basis. Because of these two facts alone corporate taxpayers in 1950 are required to advance all of their payments to a date before June 30. These payments will all be cash receipts of the fiscal year 1950. On an accrual accounting basis the transaction would merely mean substituting cash for accounts receivable.

After making this change the Federal Government will be in no better financial condition than without the change.

There is one primary reason why in times like these we must avoid a deficit if possible: we must maintain the credit of the Federal Government.

In 1933 the customers of the banks demanded cash for their demand deposits; the banks closed. Today the United States Treasury has outstanding billions of dollars of bonds that are in effect demand deposits. We are still selling these bonds and telling the buyers "you can have your cash on demand."

If the faith in the Federal credit collapses, you and I know what will happen. Now, turning to the current proposal to advance the due date of Federal taxes, can anyone honestly believe that this type of bookkeeping transaction will bring about confidence in the United States Government?

If your family should go on a spending spree this month, your bank account were overdrawn, and you should borrow money against the salary due you the first of next month, would you feel that you were in a sounder or weaker financial position than if you postponed these expenses until you could pay for them?

I submit that there is no difference whatever between the Federal Treasury demanding earlier payment of tax obligations in order to meet its bills than the family borrowing against wages in advance of pay day in order to meet its bills.

Many specific objections can be raised to this proposal. I believe the primary objection, however, is the simple proposition that it has no merit.

But here are some specific objections:

This plan would seriously affect the cash and inventory position of small and medium-sized corporations.

Some large corporations likewise would be affected. Many of these large corporations are using every resource they can lay their hands on to get additional capital for expansion and maintenance of employment. However, many of them do buy Federal tax notes or in other ways set up reserves to meet their tax obligations. Where this practice is followed the corporation's financial position would not be impaired but on the other hand in most of these cases there would be no additional revenue, as the Treasury already has the money anyway. As I said before, it is the small- and medium-sized business that would feel the primary pinch of this proposal. Many of these would not have the cash to pay their taxes in June without reducing their inventory, borrowing, or using the cash that they need for the operation of their business. The results could be so drastic as to change the current recession into a depression.

These effects would be immediate but there is an additional long-range, permanent result that would follow adoption of this plan. This would be the accentuation of seasonal swings in business.

Throughout the business world today there is an acute consciousness of the necessity of stabilizing industry and employment.

Business corporations in every State and every community have made many changes in their methods of operation in order to maintain a smooth flow of sales and employment throughout the year.

Government should do everything to cooperate in this direction. The current tax proposal is a long step in quite the contrary direction. Under this proposal every year from now on Federal corporation taxes would be collected in half the year and no taxes would be paid in the other half. Can anyone believe that this change would not be reflected in wider seasonal swings in business and employment?

It is my opinion that the consequences of such a proposal would in time become so serious that we would have to reverse ourselves and make it possible again for corporations to spread their tax payments throughout the year. But how could we do it? Consider for a moment the situation we would face in making such a reversal. There would be only one way then to make the shift and that would be to require all of these corporations to pay an extra half year's tax in order that we might go on spending and spending and keep the Treasury in the black.

Gentlemen, there can be only one solution to this problem. That solution is economy and ultimately we are going to be forced to face it in one way or another.

We cannot substitute book juggling for economy.

We cannot levy enough taxes to meet a constantly expanding budget. We can raise the tax rates but by imposing new taxes now on a shrinking economy we know we face a real danger of plunging the country into a deep depression. We can start a new era of deficit financing, but to do this at the present level of national income would mean in effect telling the American people and the world that this Congress is not strong enough to keep the budget under control. A new era of deficit financing now could destroy confidence in the Federal credit and could precipitate a run on the Treasury.

If we tax ourselves into a depression we will have to economize. If we destroy public faith in the Treasury, we will have to economize. The economies we will have to come to in either of these events will be the kind that will hurt. They will be the kind that may destroy the economy we have known.

When you get down to it there is only one easy way to balance the budget, and that is to spend less. There is nothing in the record of the Eighty-first Congress to indicate that this solution is easy, but I still maintain it is far more palatable than the alternatives. The record in the Eighty-first Congress is not one of which the American people can be proud. Talk of economy is now resounding through the halls of Congress, but it has in the meantime been spending and spending and spending. The deficit is here in consequence of the spending.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I would be presumptuous, indeed, if I thought that in the 5 minutes remaining to me in the closing hours of the debate on this important issue I could influence you one bit. There are one or two things I want to call to your attention. The Committee on Armed Services, of which I have had the honor of being a member for about 10 years, languished 40 days—40 days—with this problem. We have brought something to you, thanks to the untiring efforts of our distinguished chairman, Hon. CARL VINSON, and the chairman of the subcommittee, Hon. PAUL KILDAY, and our respective colleagues. We have brought something to you which we think is a great piece of work. Why do I say this? We are your Committee on Armed Services. The armed services is your organization. I say your organization, because it is a unified organization. For 40 years—remember that—for 40 years no committee has ever come to you with a problem solved better than this one. For 40 years committees of Congress have failed to bring a comprehensive program to the Congress wherein these matters of pay, subsistence, and retirement have been more intelligently handled than in this bill. Now comes today. We bring this to you. We think it is a good job for this reason: No longer can we have the terrible condition existing as one gentleman has said, as in the case of Benny Meyers. In the future retirements will be subject to periodic examinations, the same as the Veterans' Administration requires for the GI's under their administration.

In the future, every GI will know what he is going to get in the future, as he cannot say now. In the future, all officers know what their pay is going to be, and what future officers there will be.

Now whose problem is this? Let me say this to you: In the event of another war we may not have the good fortune of having a Patton dashing across the landscape of France with the speed of a meteor. We may not have that man. If you want that man in the future, you had better prepare for him today. How should you prepare for that? You tell the young officer what he can hope for when he raises his hand and takes an oath to forever serve in the armed forces, for the tenure of office prescribed by the armed forces. When you tell him to make a career of the armed services and forego all opportunity of making a great deal of money in life, prepare now, when he leads your children and your children's children in the great armadas of the future, the great armies and the great navies of the future, prepare him now for the best leadership. You had better do it, because in the future, when the strategy of the future is unrolled before you, it is going to be the Regular Army officer and the Regular Navy officer and the Regular Air Force officer who is going to plan that strategy. You had better get the best that money can buy. He is going to lead your children, whether they are Reserves, whether they are draftees, or whether they are National Guard men. You have got a chance today to make that appointment with destiny.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. SHORT. I am happy that the able gentleman from South Carolina has issued this solemn warning, because if we do not get these young officers today we will not have the admirals and generals in another emergency.

Mr. RIVERS. If we do not pass this legislation today, in the very near future we are going to have an exodus from the armed services that will astound your imagination. We are laying this before you today with the greatest sincerity we have.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. VINSON. Mr. Chairman, I yield the balance of the time, 9 minutes, to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, I thank my chairman very much for this time. It will be almost impossible for me to add very much this afternoon to this debate.

I have served on this committee for the past 10 years. I did not serve on this subcommittee and am not in a position to speak with authority on all the points involved. However, there are a few

things we should think about this afternoon beyond the mere dollar.

We are all concerned at the present time with the cost of operation of our armed services. And it looks like it will continue to grow.

We have been operating in this atmosphere of planes of subsonic speeds. We have reached the point where we have got to go to the supersonic speed. You will have to bear the expense of the equipment, the wind tunnels, and the other devices to carry out and make it possible to go to the supersonic speed planes, or you will stop dead in your tracks.

Along with that, in this bill you are considering today is the problem of morale, as well as the dollar. You know and I know that it is impossible to conduct any kind of business without at least normally good morale. At the present time a captain who would be operating a B–29 or a B–36, draws $6,138, with all of his flight pay and everything else included. Under this new bill he will draw $7,380. He can walk out of that ship any hour he wants to and draw either ten or twelve thousand dollars with any commercial air line in this country. If he has a family, you and I could not blame him for walking out and taking a position with that company. It is a matter of economics. We must face it. We will face it in the future. These boys who are trained in radar are trained in all phases of its development. It is something that grows in size and increases like a snowball. We are going to have to train personnel in all branches, and they are going to have to be paid. I do not, therefore, put this matter simply on a dollars-and-cents basis; it is necessary, in my opinion, if you expect to have a small striking force, I say it is small compared with the one today that we know is probably the threat of the world, and we might just as well take cognizance today of the fact that they have an army of 4,500,000 men while we are trying to get along with a small force in this country. I believe the American people are willing to pay for it; that is the reason I am supporting this measure.

Mr. Chairman, I yield back the balance of my time.

Mr. VINSON. Mr. Chairman, we have no further requests for time. All time has expired. I ask that the bill be read.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Career Compensation Act of 1949."

Mr. VINSON. Mr. Chairman, I ask unanimous consent to dispense with the further reading of the bill, that it be printed in the RECORD at this point, and that it be open to amendment at any part.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, I think that would be a practical request after we have proceeded a little further with the bill. There are some Members who have not had an opportunity to participate in general debate. If a few of us could have 5 minutes on the first few sections I think the gentleman's request would be practical.

Mr. VINSON. Mr. Chairman, I withdraw my request.

The CHAIRMAN. Without objection, the request is withdrawn.

There was no objection.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the consideration of this important piece of legislation I have asked for a number of quorum calls with just one idea in mind, not to be destructive by that action, but in order that the Members of this Congress might be here to listen to the arguments in relation to this most important bill.

To me it is an astounding thing to hear repeatedly in the well of this House the pleas for economy, yet when a bill as monumental as this comes here, a bill involving an annual expenditure after the fiscal year 1950 of $406,000,000 a year to see such a lack of interest outside of the membership of the committee that has presented the bill to the Congress. There are a lot of questions that ought to be asked about this bill, and there is a lot of information that ought to be given clearly and succinctly that has not been given; it is rather muddled up in the record as it appears at the present time.

It is said that the net cost of this bill will be $406,000,000 a year. How was this figure arrived at? I assume that the items in the figure must have been one thing, at least: Provision relating to allowances, subsection 301, found on page 31 of the report, that certain allowances were computed to arrive at the figure of $406,000,000 annually as the cost of this bill. Then you read the bill and find in subsection 301 (b) the President authorized to prescribe semiannually the amounts of the basic allowance for officers and enlisted personnel.

Section 301 (c) authorizes the President to prescribe regulations to administer the section.

Subsection 302 (b) provides that the President may annually prescribe the amounts which shall constitute quarters allowance.

Mr. Chairman, when you pass this bill, therefore, can you anticipate what the President is going to prescribe for quarters and for allowances under this bill? If you cannot, how can you then come in with any degree of certainty and say what this bill is going to cost? You are abrogating so far as the Congress is concerned, you are saying, "We are turning this over to you, Mr. President, and semiannually or annually, as you prescribe in your regulations, you determine what the allowances shall be under this law."

Mr. Chairman, the Members ought to think about that just a little. There ought to be some explanation as to how you arrive at $406,000,000. It may be a half billion dollars, it may be more than that, for all you and I know. I think the Members of the Congress ought to know.

I want to support this legislation if I can. There are many parts of it I would like to vote for. There is a lot in this bill I want to vote for. But I have reluctantly come to the conclusion the more I read it that the main parts of this bill are sort of sugar-coated over with a few other provisions to put the whole thing across.

I would like to have some answers from the Members who are in charge of the bill to this simple question: When you figured the net cost of this and said it was to be $406,000,000, what figures did you use?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, what figures did you use for allowances in order to arrive at the figure of $406,000,000? Did you use the figures that are tentatively set up in this bill until the President decrees otherwise under the provisions of the bill?

May I ask the gentleman from Texas to answer that question?

Mr. KILDAY. I did not get the last question.

Mr. KEEFE. The question is: Did you use the figures which are provided in subsection 301 (f) of the above in arriving at the cost of allowances making up one item of this $406,000,000 net annual cost?

Mr. KILDAY. That is the basis of that figure.

Mr. KEEFE. That figure can be changed by the President at any time he sees fit to do it, up or down.

Mr. KILDAY. On the basis of fixing quarters and subsistence allowances.

Mr. KEEFE. How much is involved in the total cost for the armed services for subsistence allowances and for quarters allowance? How much in total money?

Mr. KILDAY. $182,000,000 for subsistence.

Mr. KEEFE. How much for quarters?

Mr. KILDAY. The total increase in cost of the two items is $145,601,320.

Mr. KEEFE. The gentleman misunderstood my question. I would like to know how much you are totally spending for quarters and for subsistence allowances in the present budget for the armed services?

Mr. KILDAY. The 1950 budget contains a total of $182,232,239 for quarters.

Mr. KEEFE. How much for subsistence?

Mr. KILDAY. $182,606,757.

Mr. KEEFE. Regardless of what those figures might total—and I have not the time to total them right now—under this bill the President could up those figures, could he not?

Mr. KILDAY. He could.

Mr. KEEFE. In any amount which he, in his discretion, might deem to be necessary to provide what he considered under his regulations suitable allowances for subsistence and quarters.

Mr. KILDAY. And he could likewise reduce them.

Mr. KEEFE. Yes; he could go either way. He could raise them or reduce them. So, when we vote for this bill we are in reality placing in the hands of

the President the power, by his own regulations and orders, to increase both the quarters and subsistence allowances.

Mr. KILDAY. Let me ask the gentleman if it is not true that we are placing in the hands of himself and the other members of the Committee on Appropriations the power to control that, because he could not do it if we did not give him the money.

Mr. KEEFE. Of course, that is true in a sense. But, may I say to the gentleman that when the President himself comes up with his request, that that is a rather hollow argument. It has been my observation it is a rather hollow argument and really does not touch the situation. What we are in effect saying to the President is this: We give him the power to fix semiannually in this bill the amount of subsistence allowances, and if he does so fix them, they are going to pay them under this regulation, and then be in here for a deficiency.

Mr. KILDAY. The gentleman's committee controls that, does it not?

Mr. KEEFE. No.

Mr. CASE of South Dakota. The obligation is created.

Mr. KEEFE. The obligation is created by this bill, and all they have got to do is to implement it.

Mr. KILDAY. Mr. Chairman, if the gentleman will yield further, let me ask him this question: In the last bill we had there was an obligation for transportation, and you very materially reduced that item, and by that manner you controlled the amount of money that would be paid in fiscal 1950 for transportation, notwithstanding the fact that the table set out in existing law and in the proposal showed that the allowance was to be for transportation. But, you controlled it by the amount of money you give them.

Mr. KEEFE. If the Committee on Appropriations has such vast power, and I doubt it, I will yield to the gentleman who was chairman of the Subcommittee on Appropriations, the distinguished gentleman from Michigan [Mr. ENGEL] to answer that.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes in order to get the answer to this question, if I can.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. The question in my mind is whether or not this provision places in the hands of the President the right to fix the amount—and I think it does—of subsistence and quarters under the law, and which takes away, in my judgment, from the Committee on Appropriations, the power to change that figure. In my judgment, it becomes an obligation on the Government, and I think we are liable to pay for it. We cannot change that any more than we could change a per diem figure, if they have incorporated it in there.

Mr. KEEFE. It is a specific provision in the legislation that the President may annually or semiannually fix these amounts. Assume that the President does so, then it has got to be paid, has it not? Are we not then saying to the Committee on Appropriations, "You will have to appropriate the amount that the Congress, by the passage of this legislation, has made mandatory?" Otherwise we would have an awful situation confronting us.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Of course, there could be a difference between transportation and pay for subsistence and quarters. If the President is given the authority to fix an amount which a member of the armed services is entitled to receive individually in quarters or in pay, then an obligation would be created, and under this opinion which the Comptroller General gave the other day in the Straus-Boke case, clearly there would rest an obligation under the terms of the old Watson decision.

Mr. KEEFE. Under the old Watson, Dodd, and Lovett case they would have to pay, and that is all there would be to it.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Georgia.

Mr. VINSON. The theory upon which the subsistence and quarters allowance was based was that it would be far preferable to have discretion vested in the President than to fix it positively, because the cost of living, fluctuating over the years, might justify its sometimes going up and sometimes going down. We should certainly have the latitude to make that change, instead of being positive as to what it should be. That is the reason the flexibility is in there.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ENGEL of Michigan. The law takes from the congressional Appropriations Committee the right to fix that amount as they see it and places it in the hands of the Executive.

Mr. VINSON. Of course it does not, because the gentleman's committee ultimately has to make the money available. Suppose the President put it at a certain figure and the Committee on Appropriations concluded the facts did not justify it. You would appropriate only what money you thought the facts justified. It would result in your having authority to fix the amount.

Mr. KEEFE. I should like to raise one other question before my time expires. This situation exists: There is $400,000,000 set up in the President's budget this year in anticipation of the possible enactment of this legislation. It is included in the President's budget, but of course no appropriation has been made for it and the appropriation will have to come up before the Congress to implement it through a deficiency item sooner or later, which will give us a chance again to reappraise part of this. But if we pass this bill right as it is now, my opinion, and the opinion of the distinguished gentleman from Michigan, is that we have bound the Committee on Appropriations to supply whatever funds are necessary as prescribed by the President for subsistence and other allowances.

Mr. ENGEL of Michigan. This provision permits the President to change the amount of the subsistence allowance as provided for in an appropriation bill which the Congress has already passed, and upon which my committee has already acted.

Mr. KEEFE. There is one other phase of this which I think we should bear in mind. I do not think the committee has been able to demonstrate clearly the gains which will accrue financially to the country as a result of the passage of this bill. That is rather in a conglomerate mass, as you will see in this record as you get to read it.

I think there is one phase of this thing we ought to think about. I remember when the draft legislation was before this Congress, and I voted against it. I was one of those who contended that it was unnecessary, that we would raise an Army if we paid them sufficient. Do you remember that? Man after man stood in the well of this House and said, "You provide suitable emoluments for the services and you will get all the men you want." We did raise the emoluments and we got a flood of enlistments. This selective service thing is as dead as a dodo, and we no longer hear anything about compulsory military training. That has gone out the window. When you measure up the cost of those two organizations and figure the cost of selective service, we have to balance that and measure it against the cost that may be involved in this bill, which will enable us to continue to maintain an efficient and a proper military organization.

I confess that this bill has given me a lot of concern. I voted against the pension bill. I am now asked to vote for $406,000,000 of pay increase here. You will have to make some pretty decisive answers to your constituents when this thing gets out, and you cannot be guided alone by the exigencies of the situation as they may be presented by the armed services.

Mr. HARE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not anticipated consuming any of the valuable time of the committee on this measure; but in view of the remarks made by the gentleman from Wisconsin [Mr. KEEFE] a few moments ago, I thought possibly I might enlighten him to a degree. I must admit I may be in error a little, myself, because it has been some time since I reviewed the facts. But if my memory serves me correctly, the gentleman from New York [Mr. WADSWORTH] and a former Member from my own State of South Carolina, and a former Secretary of State, Mr. Byrnes, in the year 1922, were instrumental in enacting into law or seeing that appropriate provision was made that the Secretaries of the particular branch of the armed forces, that is, the Secretary of the Navy and of the Army, should designate the actual amount of subsistence and quarters allowance, which was to be provided for the enlisted personnel of our armed

forces. I think under the present act that still remains the fact. I believe the gentleman is correct insofar as officer personnel are concerned, that the President still has the right to establish the amount an officer shall be permitted to draw for his subsistence and for his quarters allowance. Heretofore I believe that the amount that has been permitted to be drawn has been the maximum as established under the original law in 1922. Be he who he may, Democrat, Republican or otherwise, I feel quite certain that any President of the United States will not act unwisely in the matter and will not act without the advice and consent of the various Secretaries who appreciate the fact that the armed services, regardless of the branch, must obtain their money from our Committee on Appropriations.

I certainly hope this measure will meet with the approval of this branch of the Congress. I have heard a number of Members express some doubt or consternation as to whether or not they should support it, but in each instance their uncertainy was occasioned by the fact that it seems the general is getting a little more than the private. I can appreciate that. I served both as an enlisted man and as an officer. I served before the war started and served under the old pay scale. Thanks to our colleague the gentleman from Mississippi [Mr. RANKIN] who was instrumental in getting us a little pay raise, we got such a raise in June of 1942. We appreciated it.

We notice under the present pay scale where an enlisted man, I believe they call them recruits in the Army, or an apprentice seaman, starts off at $75 a month. He continues to serve for that amount for 90 days. Then, he is automatically raised to the next higher grade and receives thereby an increase in the amount of $7.50 per month which makes a total of $82.50 per month.

I am under the impression that the salary scale for the recruit or apprentice seaman was not raised from the existing $75 a month because of the fact that a majority of those men are only 17, 18, or 19 years of age and also are unmarried. I might interpose that that amount is quite insufficient for those who have dependent parents but if my interpretation of the existing draft law is correct, those with dependents are not subject to the draft. Consequently, I think that we might well assume that a majority of the recruits and apprentice seamen have no one to look after, other than themselves. If our assumption is correct, then I think $75 a month in addition to his board, housing, and clothing is entirely sufficient. Of course, if such an individual in the category of the lowest enlisted ranks has someone who is dependent upon him, then I certainly agree that such an amount is entirely insufficient.

This measure does not meet with my entire approval in each sentence and paragraph and I am sure that is true of the majority of the Members of this body. However, the same can be said of most every measure that is brought before us.

A great deal has been said today about the private and about the brass, but so far as I am concerned most of it has been nothing more than cheap demagoguery by those who have not taken the time to actually analyze the provisions of this measure. At this point I want to pay my respects and compliments to the chairman and members of the Armed Services Committee for their untiring efforts in endeavoring to prepare and report an honest and fair bill.

Something has been said about the injustices in pay insofar as extra-hazardous duty is concerned. The argument has been used that a private is entitled to as much remuneration as the captain of a ship or plane. I agree that the life of one is as valuable as the life of the other and that both should receive some extra compensation for their hazardous duties. However, I do not think that the individual who sits in the rear of the plane and places his life in the hands of the one who is at the control of the plane and upon whom the responsibility for all lives is placed should receive quite as much. Those who argue contrariwise lose sight of the fact that those other than pilots fly because of their own volition and desire; whereas, the pilots fly because of their requirement under law.

It is my impression from my study, and I submit if my impression is incorrect I stand to be corrected, that the present measure will afford the enlisted personnel of our armed services more pay than they now receive. Further, I wish to state that I am one of the greatest exponents of increasing the salary of both the officers and the enlisted personnel of our armed services because I know that that is the only method by which we can obtain capable personnel and the only method by which we can induce them to make the service a career.

Some say that we cannot afford the $500,000-a-year increase. If we can afford to spend $5,000,000,000 in Europe to combat communism in a program which we have no assurance will succeed, then we can afford to spend $500,000 in the United States in order to develop an efficient armed service.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. HARE] has expired.

Mr. ENGEL of Michigan. Mr. Chairman, I move to strike out the last four words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ENGEL of Michigan. Mr. Chairman, I do not believe this debate should close without having placed into the RECORD the total figures for pay and allowances and a break-down of those figures for the fiscal year 1950.

I have the figures for the Army and the Army Air Force. I do not have them here for the Navy.

The justifications of the estimates for the fiscal year 1950, as submitted to Congress, are contained in nine volumes, as far as the Army is concerned. Tabulation 5 of volume 1 gives the pay of the Army, and that record shows that for the Army alone, not including the Navy or the Air Force, the total pay and allowances for the fiscal year 1950, as requested by the Budget, was $336,836,000. Of that total, $194,621,600 was base pay and $142,215,000 were other allowances.

That breaks down as follows:

Longevity, $38,629,480.

Rental allowance, $50,083,805.

Subsistence allowance, $35,646,309.

Flying pay, rated officers, $1,639,340.

Flying pay, nonrated officers, $108,000.

Additional pay for airborne troops, $2,040,000.

Overseas and sea-duty pay, $6,928,404.

Gratuity, $775,625.

Uniform allowance, $2,000,000.

Additional pay for medical and dental officers, $3,000,000.

Lump-sum terminal-leave payments, $2,121,000.

Miscellaneous, $81,250.

Adjustments, $734,204.

Making up this amount of $336,836,000.

Again, the break-down shows that the base pay was $194,000,000 and other allowances $142,000,000. So when you are discussing base pay you are discussing just a little more than 50 percent of what is paid to the Army officers.

Now let us take the Air Force. The figures I am going to give you include the flying pay.

The total pay for the Army Air Force was $296,440,000. Of this amount, only $151,000,000 was base pay and $145,000,000 allowances. So the allowances that were granted are almost as much as the base pay upon which we are basing our percentage rate increase.

That breaks itself down as follows:

Base pay, $151,393,860.

Longevity, $21,509,539.

Rental, $39,898,630.

Subsistence, $27,722,590.

Flying pay, rated officers, $51,417,376.

Flying pay, nonrated officers, $945,360.

Overseas and sea-duty pay, $3,821,829.

Gratuity upon death, $1,210,125.

Uniform allowance, $846,250.

Lump-sum settlement to Air Force Reserve officers, $1,750,000; additional pay for medical and dental officers, $595,000; miscellaneous, $55,800; station allowances, $750,750.

Deduct lapse, $5,746,791; base pay, $148,000,000, and allowances in addition to base pay, $145,000,000. And this does not include the benefits received in the way of hospitalization. They go into the hospital on a per diem and subsistence pay basis; and it does not include retirement and many other benefits which they have.

In view of the financial condition of the Nation I cannot support a bill which adds $407,000,000 in pay and allowances to the above amounts.

Just a word more before closing. I cannot support a bill which takes family allowances away from enlisted men and gives such money to officers. The moral welfare of the enlisted man requires that he have the same privileges of having a normal family life insofar as is practicable as the officer has.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WILLIAMS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Chairman, I shall not attempt to discuss this bill in its entirety. I do, however, wish to discuss a matter which has been generally misunderstood by much of the personnel in many branches of the service, but which I feel is necessary in order to maintain adequate personnel in certain branches of our defense.

Although I am strongly and unalterably opposed to certain provisions of this bill, nevertheless, there is one provision with which I am in thorough accord. I feel that the Commission's recommendations in regard to hazard pay are sound and practical. It is to be expected, however, that these provisions of the bill are the ones most likely to be misunderstood and possibly attacked. For that reason I want to review in some detail the philosophy behind hazard pay and the related features of this new pay bill.

The principal hazard pays and the ones I am discussing here are those for air crew and submarine service; glider, parachute, explosive demolition, and aerial observation duty; and deep-sea diving. Of these, pay for flying and submarine duty are the highest, most important, and most controversial.

The thinking of the Commission on the question of flying pay is essentially the same as on that of submarine duty, and is, I think, wholly sound. It is not the purpose of flying pay, to reward pilots for their cleverness or otherwise pamper them. Neither is it to compensate them for the likelihood of getting killed. It is for the practical purpose of inducing men to continue flying who might otherwise quit because of the risk involved. The provisions of this bill represent the result of a wholly realistic approach to a practical problem. The pay is, I feel, equally defensible on the basis of moral justification, but I want to emphasize here the wholly practical aspects of the matter.

In the first place I want to establish definitely this matter of risk. The increasing safety of commercial aviation has created some confusion on this point. Military flying involves aircraft in which safety factors must be sacrificed for performance. It includes operations, such as dive bombing, strafing, and all-weather flying, in which the emphasis must be on military effectiveness rather than safety. As a result, the fatality rate in the Air Force is three times that in commercial aviation. The death rate for military pilots from accidents alone, exceeds by five times that for the rest of the service from all causes. The danger is definitely there, and those in the Air Force and naval air arm know it is there. Moreover, their families are aware of it. These two facts are all important. I say they are important because I have heard it said that flying pay is not necessary to attract capable young men into the service as pilots. No, it is not. When the novelty has worn off flying, however; when flying has become a routine task, and when experience induces a sober and mature appraisal of the odds; then the picture changes drastically. At this point growing family responsibilities and mounting family pressure provide further reasons for ceasing active military flying. Under these circumstances it is not difficult to see why 66 percent of rated flying officers and 96 percent of flying enlisted personnel, of representative groups interrogated, have given flying pay as the principal reason for remaining on flying status. It is not difficult to see why 76 percent of the same officers and 90 percent of the same enlisted men stated that they would cease to fly were flight pay abolished.

The Advisory Commission has realistically faced the facts of flying hazard and flight pay in relation to the retention of necessary flying personnel, and as a result recommends the retention of this pay. They have found it necessary now, and it will continue to be necessary as long as increased aircraft performance acts to offset safety developments and as long as one out of four young men who become pilots at the age of 22 will be dead before he reaches the age of 40.

There remains the question of the gradation of the flight pay provided. It is less in the enlisted grades; increases in relation to base pay, although not in direct proportion; and is less for general than for company- and field-grade officers. Enlisted flight pay recommended is less because the fatality rates for enlisted men have consistently been less, indicating a lesser risk accepted. Also, officers perform extra duties and responsibilities in flight that operate to increase the emotional strain and reluctance to fly. Moreover, it must be emphasized again that flight pay is an inducement, not a compensation for possibly shorter life. Obviously, a larger sum is required to constitute equal inducement in the eyes of a man making more to begin with. The gradation observed throughout the pay scale is consistent with the sound policy of keeping compensation for primary responsibility greater in all grades than that for any additional duty. General officers' flight pay is less than that for those in the lower grades because general officers do not regularly engage in many of the more hazardous operations in the more dangerous types of aircraft that junior officers do. It would be a grave fallacy, however, to assume that generals should not fly or receive flight pay. Air Force generals, as befits the leaders of any vigorous, aggressive force, lead their men in the air in peace and war alike. In the last war 90 Air Force generals regularly flew combat missions. Of these, 10 were killed in combat, and 5 more met death in operational accidents. Those are impressive casualty rates. They are directly related, I am convinced, to the brilliant record and fine spirit of our Air Force in the last war.

The matter of submarine pay in the Navy involves much the same problem. True, submarines are not as dangerous in peacetime as are military and naval flying. The reality of the situation is, however, that they are regarded as dangerous; they are cramped and unpleasant; and they definitely impose a feeling of claustrophobia and cumulative emotional strain. As a result, there are not enough men who prefer this type of duty without added incentive in the form of pay. The submarine service must, obviously, for purposes of effectiveness, be voluntary. It is clear that, were it to be compulsory, fairness would require that the duty be imposed upon all in turn under a system of rotation. But submarines are highly specialized craft. They require personnel of long experience with them. They require enthusiastic crews. For all these reasons they must be manned by volunteers. Experience has shown the necessity of the proposed scale of special pay if an adequate number of men are to be obtained for submarine duty.

It has been suggested that these pays, however applicable in peacetime, should not continue in time of war. The facts do not support any such contention. I do not wish to disparage other fighting units or to belittle their heroic performance of dangerous, unpleasant, and essential tasks. However, I feel obliged to correct a current misconception to the effect that the infantry sustained the heaviest combat losses in the recent war. Many accept this as a matter of fact, but our wartime casualty lists reveal otherwise. According to the War Department, out of a mean strength of 122,823 combat officers, the Army Air Forces had 23,551 killed in action. The fatality rate per year per 1,000 officers was 47.9. The corresponding rate for the infantry was 28.3, representing 8,233 deaths out of a total strength of 72,857 officers in combat.

Among enlisted men the ratio was not less, as some might suggest, but greater. The Air Force lost 69 men per year per 1,000 in combat. The infantry lost but 27.7. The statistics thus show that the Air Force fatality rate was double that of the most dangerous ground branch. It was nine times that of the Army as a whole. These figures do not include 16,313 deaths during the war from accidents alone, resulting in an accident-fatality rate six times that of the rest of the Army from all noncombat causes. I seriously doubt, in view of these facts, that anyone can seriously maintain that in wartime all are exposed to the same risks, or that flying personnel are unfairly compensated to a greater degree than some even who are exposed to greater risks. The remaining pays for dangerous or unpleasant duties have been determined in accordance with essentially the same principles that determined the establishment of flying and submarine pay. In each instance the degree of danger or extreme distastefulness has proved to be such as to discourage voluntary acceptance of the duty . Additional pay, therefore, is the only workable and fair system for obtaining the men to perform these tasks. The Navy has long used a system of special pay for deep-sea diving which is essentially the same as that common in industry. Based on actual operations performed, it has proved workable, and no change has been recommended nor does any seem necessary. The remaining hazardous and unpleasant duties have been classified together and a flat pay rate of $100 monthly for officers and $50 for enlisted men prescribed. The reason for the flat rates for these duties is essentially that they are performed period-

ically or for fairly short intervals. Parachute jumping, for example, can only be performed by young and vigorous men, while submarine rescue and bomb disposal must by their nature be performed at intervals. Thus in these duties there is lacking both cumulative strain or a sizable increase in base pay over the periods of one man's participation in these activities. Past experience has shown that the rates recommended are adequate but necessary to serve the purpose of providing these special pays.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word and ask unanimous consent that I may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee is recognized for 10 minutes.

Mr. SUTTON. Mr. Chairman, I have studied this bill quite a bit, despite what the chairman of the Committee on the Armed Services said. I will admit that I was not present during all the sessions of the committee, but I plead in justification my work on the Committee on Agriculture, where we have been very busy; so I stayed on the job on the Committee on Agriculture. But I am trying to contribute my part in the writing of this legislation. For the benefit of the gentleman from Georgia I may state that my contribution is in the form of an amendment, now at the Clerk's desk, to strike out section 201 (a) on page 9. Now, let us get down to brass tacks about this matter.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. Not at this time.

I have heard most of the debate on this bill, and everybody has been presented the chance of saying they are not getting enough money. I have great respect for rank, in the Army, Navy, Air Force, and Marine Corps. Like my good friend, I, too, was an enlisted man and also an officer in World War II. But let us look at this a little and let us see what a general or an admiral does get.

You say he gets $8,800 base pay. That may be true, but that does not take into consideration the car he is furnished, nor the chauffeur he is furnished, nor the beautiful mansion or home he is furnished; that does not take into consideration the servants his wife is furnished, the cook he has for his home; that does not take into consideration his aide, who is his personal secretary; that does not take into consideration the private plane that is at his disposal. When you take these things into consideration, actually, a general of the Army or an admiral of the Navy makes more than the Secretary of Defense; furthermore, he also has medical facilities not only for himself but for his entire family.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. H. CARL ANDERSEN. Furthermore, it does not take into consideration the fact that the army officer does not pay a thin dime toward his reirement, as a Congressman does.

Mr. SUTTON. Definitely; the gentleman pays towards his retirement.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. WILLIAMS. Also it does not take into consideration the fact that he can buy his groceries at the commissary.

Mr. SUTTON. He has the full advantages of the PX and the commissary; the gentleman is right.

Mr. WILLIAMS. He buys his clothes at the PX and his groceries at the commissary.

Mr. SUTTON. And buys diamond rings for his wife without tax, buys her fur coats without tax, at the wholesale price; yes, and can buy television sets that way, too. There is a per diem paid too.

Let us go a little further. I will admit that your second lieutenants and your ensigns are resigning after they finish the academies. They are boys who need some help. Your second lieutenants, your first lieutenants, your captains, your enlisted men need help. You give them a little aid. You are trying to see that they stay in.

If the gentleman from Georgia wants some additional officers in the Army, Navy, and Marine Corps, I have over 50 applicants who are trying to get into the Army right now. I will venture to say that there are not over 20 Members in this chamber right now who do not have boys, officers in the recent war, wanting to get back into the Army, wanting to get back into the Navy, wanting to get into the Air Force and Marine Corps. But try to get one of them in.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from New York.

Mr. KEATING. I feel I must rise at the moment. I have been rather silent on this measure thus far. I want to support what the gentleman says on that point. I have had a number of very able young men, Reserve officers, who want to get back into active duty in the Army and Air Force and I have not succeeded. With one or two exceptions I have not been able to get them back into the armed services. This is one method of getting fine young men into the Army.

Mr. SUTTON. The gentleman is correct.

May I refer to the testimony and the hearings, page 1457 for the benefit of the Committee? The gentleman from Georgia [Mr. VINSON] asked Admiral Fechteler a question as to why this was needed. Here is the admiral's answer:

> It is a combination of three things, Mr. VINSON, as I see it. First, it is the marked increase in the cost of living.

Everybody knows that the cost of living has gone down some. It is continuing to go down.

> Second, the inadequacy of the present pay scales as an incentive to attract and retain the type individual that we know we need.

If the boys who served during the war as officers, who then led us on to victory, are not the type of men that the Army, Navy, and Marine Corps need, I would like to know the reason why? Some of them are trying to get back in, just as the gentleman stated a while ago, but they cannot get in. That is excuse No. 2.

Here is No. 3:

> And, third, a matter of justice to the people who have stuck with us over many years.

Try to get one of them retired when he is a major or when he is a lieutenant colonel or when is a colonel or when he is a brigadier general or major general, if you please.

Mr. Chairman, this is a good bill so far as some sections are concerned, but, as a gentleman stated a while ago, it is a sugar-coated proposition so far as the pay in here is concerned. There should be two bills and this could be another contribution to the chairman of the Committee on Armed Services. You have some good provisions here so far as retirement is concerned, and I speak as a veteran. You have some good provisions here, you have a good bill, but your pay raise should be in an additional bill. Let us talk about pay raises. We are trying to economize now. The cost of living is going down. We are thinking about additional taxes. It looks as if we are going in the red $3,000,000,000 this year. We will need an increase in taxation. Yet you come along and want to give the top brass this additional money.

Mr. Chairman, let us for a moment refer to the number that this will effect. You have 644 major generals and above, you have 248 brigadier generals or of corresponding rank. During the war they asked for 1,500 colonels to fight the war. Today you have 7,741 colonels, you have 17,025 lieutenant colonels, you have 25,675 majors. This information was secured from the House Armed Services Committee on May 20—today. These are not my figures. If you do not believe that you have that much top brass, just try to walk into the doors, any of you, over at the Pentagon building. That place, as I have maintained before, should have been established as a veterans hospital, and America would be better off today if that had been done, instead of a place for sinecures, for the top brass, that are coming in here and asking us for additional money.

I do not know how you feel about it, but I know how I feel about this matter. You have got a good bill, in parts. I congratulate the gentleman from Texas [Mr. KILDAY], on the sections in here relating to retirement and other provisions. But, I still maintain that we should have two bills instead of this one. I think we should send it back to the committee if we do not strike out this section 201 (a). If we strike out that section, I think we will have a good bill, but if we do not do that, I think it should go back to the committee with instructions that they do bring in a pay bill, and as to the other provisions bring in a separate bill.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KILDAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret that my chairman has hurt the feelings of the gentleman from Tennessee. I have never questioned his sincerity nor his right to offer an amendment nor to question the terms of this bill. However, I was a little bit disappointed in some of the tactics he adopted in connection with his proposal and in connection with the bill.

Over and above everything else we must remember that a committee of distinguished civilians spent about a year analyzing the pay scales of the military services and applying them to pay scales of industry. They brought us here a bill which equalizes all of the services. I think that the manner in which we want to approach this is as to what constitutes adequate and proper compensation for the responsibility assumed and the services rendered.

Now, on the question of the cost of living, I do not believe that there is going to be any question about whether the cost of living has gone down since 1908. Your last revision so far as generals are concerned was in 1908. Major generals now draw $800 a year more than they did in 1908. Again, I do not know that we should reflect upon the number of men who wear stars in the various services. After all, I guess that we here in Congress are responsible for that, and whether they are plugging all of the doorways in the Pentagon or not, the most that we had in the last World War was 1,500. At the present time in all three services, the Army, the Marines, and the Air Corps, there are 880. I do not believe that that is out of line when you apply it percentagewise to the strength of your present Army.

I regret very much that the gentleman from Tennessee saw fit to say the mean things he did say with reference to the soldiers of the professional services. I recall that the greatest living human being visited the United States shortly after the fighting ceased, and he then warned the members of the Armed Services what their status would be now that the guns had stopped. I refer to Winston Churchill when he quoted his famous ancestor, the Duke of Marlborough:

Our God and soldier we alike adore,
When at the brink of ruin, not before;
After deliverance, both alike requited,
Our God forgotten, and our soldiers slighted.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, anyone who has been at all familiar with the armed services must be aware of the fact that this committee has done some hard and diligent work in order to bring together a bill which deals with as many phases of compensation for the men in the uniformed services as this bill does. It deals with allowances; it deals with retirement; it deals with quarters; and it deals with pay. It is a monumental work. I would not detract from that over-all job by anything I might say.

At the same time, anyone who is facing his responsibility as a Member of Congress in these days, realizing that other bills are coming along, all of them asking for money, must give some consideration to the over-all financial picture of the country.

Just 2 days ago over in the other body another bill requested by the armed services was introduced—and perhaps it has also been introduced in this body—to authorize $623,000,000 in construction, largely for military housing. The Secretary of Defense, in connection with it, wrote to the chairman of the committee, "I earnestly request on behalf of the National Military Establishment favorable consideration of this legislation." And we all know that military housing is exceedingly important. Take that requested $623,000,000 in authorizations for housing and things of that sort, add that to the $400,000,000 in this bill, and you have a billion dollars added to the budget for the armed services in another year. This $400,000,000 plus will add nearly half a billion dollars, not for 1 year but from now on.

Now, when the subcommittee on appropriations for the armed services comes in next year somebody will say, "Why didn't you cut down that sum from last year?" And they will have to say, "We have made some reductions totaling $400,000,000, but we will still have as big a bill as we did last year because Congress voted these authorizations for increased pay."

There has been some discussion as to whether or not an obligation is created if this bill becomes law. The decision in the Dodd-Lovett-Watson case certainly established the fact that if the Congress authorizes a pay rate for a certain position and the man is holding that position legally, the obligation to pay him rests upon the Congress. The same thing would apply to quarters or subsistence if it is provided that they can be taken in cash, that is, if we continue commutation of quarters and subsistence. This does not apply to transportation because transportation is given only if it is used. If Congress limited the funds for transportation, presumably travel orders would be limited to the funds available. But if you have an Army or Navy that is entitled to quarters that can be drawn in cash you must provide the money for the men on the rolls, and pay, of course, is an obligation. Whatever we do here to create an obligation will tie the hands of the Committee on Appropriations to that extent. Now what is the situation we face financially?

I hold in my hand the daily treasury statement for May 17. It tells what is happening to the Treasury. Men may differ in their opinions as to what is happening, but here are some pretty hard, cold, facts.

Mr. VINSON. Mr. Chairman, if the gentleman will yield, I just want to know if he got permission from the gentleman from Pennsylvania [Mr. RICH] to read this statement.

Mr. CASE of South Dakota. If the gentleman from Pennsylvania were here, I am sure he would support me. I think the gentleman from Georgia, as one of the most conscientious Members of the House, also is concerned with this situation.

This is the Treasury statement. The income tax withheld by employers on May 17 is down $330,000,000 from the same date in May last year. The income tax paid by the other people is down, as of May 17, $48,000,000. The refund of revenue receipts is up $150,000,000. Then, with other changes in some of the other sources of revenue, the final line, "net budget receipts," is down $600,000,000 on the 17th of May, compared with the corresponding date last year.

In the face of a trend like that in the month of May, are we going to create a new obligation of this sort at this time, knowing, as we do, that there are other matters to be dealt with, all calling for huge sums?

It is impossible to ignore the cold facts on employment and wages these days. When the receipts from internal revenue taxes withheld by employers are down $330,000,000, are more people at work today than there were a year ago?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New York.

Mr. TABER. Those figures which the gentleman has given are just for the month of May. They do not include anything else.

Mr. CASE of South Dakota. Yes, that is right; they are just for the month of May.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, in the face of these figures, are you going to tie the budget and the appropriations bills for the next year to another $400,000,000 or $360,000,000 for the first year, and $406,000,000 for the next 2 years beyond that? And what is the picture after that? Proponents say after that it is not going to cost us so much because we will have terminated the family allowance for the enlisted man. I do not want to put it as baldly as it could be put. But think for yourself: Are we going to say to the enlisted man, "We cut off your family allowance in order that we may raise the pay of the commissioned ranks?" Is that the record you want to defend? Do you want to say on some of these other bills, let us say, Federal aid to education, "I voted an additional $400,000,000 a year for officer pay, so I have to vote against Federal aid to education," or "I have to vote against the housing bill because the receipts in May are down $660,000,000 and I have already voted to add $400,000,000 to the military budget?"

Reference has been made to the fine work of the Hook Committee, a committee of sound businessmen. According to the report, however, the Hook committee started its work 18 months ago and presented its report in December, 6 months ago. Are you going to write a pay bill for officers on the basis of economic conditions in the country as of 18 months ago or a year ago or even 6 months ago? if writing that pay scale involves tying $400,000,000 or more to our annual budget from now on? Are we to freeze into the pay statutes a scale based upon the

glowing inflationary picture of a year ago?

Even if you say after 2 or 3 years the increase will be offset by the savings mentioned, you have to defend the proposition that you have taken the wartime allowance for dependent families and used that wartime allowance for the purpose of writing into permanent law a higher pay scale. There will be amendments offered which will seek to correct this bill in this respect. I hope each Member of the House realizes that he, himself, is going to have to defend what he does here in the light of how he votes on some other bills. If we vote informedly I have no fear of a good result.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. CARROLL. As I understand the gentleman's statement on family allowances, if I understood the remarks of a member of the committee, if the men wanted to retire from the service, they could do so, otherwise, they would have to take the cut.

Mr. CASE of South Dakota. That is right. They can retire from the service. But I think, and I believe that some of these men in the Army would feel that they had a contract for the period of their enlistement for dependency allowances.

Mr. PHILLIPS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. PHILLIPS of Tennessee. Is it not a fact that the Government made certain commitments and promises to the enlisted men in the Navy and Army that for the period of enlistment they could reasonably expect to receive this allowance for their dependents, and was not that done to induce men to enlist in order to build up our armed services on a voluntary basis?

Mr. CASE of South Dakota. I am sure that some of them will feel that way about it.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Texas.

Mr. BECKWORTH. Does not the gentleman feel that this definitely will be against family men who might want to make careers in the armed services and have a family at the same time?

Mr. CASE of South Dakota. Who might want to work up into the noncommissioned ranks? I will say that I am afraid it might have that result.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. KEATING. Does not the gentleman feel that his comments with regard to present economic conditions are also pertinent as bearing on the evidence we have had before us of resignations from the armed services. In other words, is it not fair to anticipate that in the times we are having now—and they are at least, to put it conservatively, uncertain—it is less likely that these resignations from the service will continue as has been true in the past.

Mr. CASE of South Dakota. That is illustrated by the fact that recruiting has come up in the last few months, responding to changing economic conditions. Security of job and pay, retirement without contributions, these are looking better than they did a few months ago.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. FURCOLO. Mr. Chairman, I move to strike out the requisite number of words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FURCOLO. Mr. Chairman, I want to agree almost completely with what the gentleman from Tennessee [Mr. SUTTON] had to say. There is no question in my mind but that this bill should be recommitted. It should be sent back to the committee for revision and then brought back here. The committee unquestionably has put in a lot of time and has reported a bill which has a great many good points, but it also has a great many bad points, in my humble judgment. It seems to me, from my reading of the hearings and the bill and the committee report that the whole bill is top heavy. Their emphasis has been put on the top—the generals, the admirals, and the high-ranking officers.

In the debate, in what I have heard here, it has been the same thing. I do not know how many of those here have forgotten the time when they were in the service, but it sort of riles me up a little bit when I hear so much about what the high-ranking officers did and how they had all the brains and did all the work and won the war. Anyone in the service knows that the men who did the most of the work were the men that this bill is not taking care of. It was the average, every-day enlisted man, and we all know it.

I am not trying to detract from the great work that the top military did, but when it came time to carry out the job they had planned, it was that average, every-day man who did the work, the enlisted man.

I was surprised to see, in reading the hearings, a point that I made with my own committee some time ago, that almost every single witness was a high-ranking man, and of the enlisted men who testified there was one corporal and two sergeants. I would like to know why it is that we do not hear from some of the enlisted men at these committee hearings of a thousand pages. They know the score. You would be surprised at some of the things they could tell you. The enlisted man is smart and has brains. Why do we not listen to him once in a while? Hear the top military, yes; but let us hear the little fellow, too. I am surprised there is no more in the hearings from the enlisted men. I think the enlisted men had less than 6 pages of testimony in the 1,000 pages of this report of the hearings.

This bill goes so far, if I may say it, with reference to emphasizing benefits for the top military that even with reference to hazardous duties, where theoretically a man is going to be paid something extra because he is taking a chance, the high-ranking officers get more pay than the enlisted man. Why is that? That extra pay is not given to a man because he has more brains or more ability. It is not given to him for any special qualifications. It is given to the man because it is called a perilous duty. Yet in this bill you do exactly what the military has always done. If a colonel and an enlisted man go on the same flight, on the same hazardous duty, the theory of the bill is that they are getting paid extra because it is a hazardous duty. And yet that enlisted man will get $30 for the risk and a major or a colonel will get $100 or $150. That is in this bill. There is not any excuse in the world why, when men take their lives in their hands for hazardous duty, the man with the gold braid or the stars or anything else should get more for it than the average, every-day enlisted man.

The bill may be logical when it says to pay top military men for their brains and ability, but that reasoning does not apply to hazardous duty where a man gets extra pay for taking extra chances, not for his brains or ability. Yet this bill so favors the top military at the expense of the enlisted man that it boldly says to give the top military men three or four times as much for the same risk as the enlisted man.

I think this bill should be sent back to the committee so that either one or two bills can be brought back to this House, as was suggested by the gentleman from Tennessee, so that we can vote for those parts of the bill that we think are good and vote against the parts that we think are bad.

I also think that something should be done about what I consider to be a disgraceful situation. The committee says nothing can be done about it. I have reference to the situation where high-ranking officers have been retired because of physical disability, and receive their pension, and then go out and make twice that amount of money working. These pensions run to $150,000,000 a year, I think it is supposed to cost. Some are justified, some are not. Your committee says nothing can be done about those cases that are scandalously unjustified because it is a legal contract. If they have a legal contract, then at least they have a moral contract with the enlisted man. They say, however, you cannot enforce a moral contract in the courts. That may be, but we in Congress are under a moral obligation, we have a moral duty here. Maybe the courts do not have to pay attention to the moral contract, but here in this Congress we can and must pay attention to a moral duty.

Mr. SUTTON. Two hundred thousand people have applied for 9,000 jobs in the Army, Navy, and Marine Corps. That is how anxious they are to get these jobs.

Mr. FURCOLO. There is no question about that. The gentleman from New York [Mr. KEATING] made the point that there are hundreds and thousands of men who want these jobs.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VINSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. VINSON. Mr. Chairman, I consider it a privilege to address the House on this vital bill.

Our committee has clearly recognized its great importance both to the present and the long-range security of the country.

Here is involved what is still the greatest weapon in our possession—the American fighting man.

Is he to be instructed and led by skilled professionals, or is he to be subjected to the bungling of second raters?

The Congress must always demand in the strongest terms that our military leaders of today and tomorrow be the best qualified men our country produces. But this can no longer be assured unless we establish pay scales that will give men in all ranks a decent pay in keeping with their responsibilies.

What will this bill accomplish?

What are its basic objectives?

First, it will completely overhaul the existing military pay system, in order to correct the inequities and absurdities which have been pyramiding during the past 41 years.

Second, it will establish the fundamental premise that pay and responsibility must go hand in hand in all ranks. This does not exist under the present system.

Third, it is aimed at checking the alarming rate at which our most promising younger officers and enlisted personnel are leaving the service for greater opportunities offered them in business and industry.

Fourth, it will completely revise the present laws governing physical disability retirement which have been the source of so much criticism since the end of the war.

The present foundation of military pay was laid down in 1908. Since that time there has been no complete study or revision conducted by the Congress.

I might add that until 1947 the sharp differences between the promotion systems of the Army and Navy prevented any such action.

There have been some changes made. But they have been piecemeal, with almost no regard for the great changes that have taken place since 1908 in the economic and military situations confronting our country today.

It is therefore not at all surprising that the original philosophy of the pay structure has been completely distorted. This condition has grown to the point where it is wasteful and inefficient. It is actually stifling the initiative and individual progress of our service personnel. There is little incentive to work to qualify for greater responsibilities.

We must get the full value from the tremendous sums we are having to appropriate for national defense. It is imperative that the armed services be able to attract and to retain highly competent personnel in all ranks.

We cannot escape the fact that under present world conditions we are compelled to maintain the National Military Establishment as the most tremendous single organization in the world. An organization whose equipment and material are currently valued at more than $75,000,000,000. Its operating costs for the next year will approximate $15,000,000,000.

Certainly it would be regarded as folly of the worst kind if any private industry tried to do business under a hopelessly antiquated pay system. One that could not attract and keep the best qualified people to do the job.

Nevertheless, that is the position in which we find the armed services today. The facts clearly indicate that they are waging a losing battle in the vital field of personnel.

They are having increasing difficulty in getting new men of high caliber and qualifications. They are losing too large a number of their trained and experienced veterans.

In the Navy the resignation rate is approaching 40 percent among classes of recently graduated officers who have served the required time.

Among those officers who fought through the war as reservists and later transferred to the Regular Navy, 15 percent of them have already resigned.

The Air Force prior to the war had no difficulty in attracting college graduates for regular service. But now only 29 percent of its new officers have as much as 2 years' college training. Only 1½ percent have actually graduated from college.

The Army situation is no different. Of the selected graduates of the various military schools and colleges who were offered commissions in 1948, only 12 percent accepted. During the current year to date, such acceptances have dwindled to an appalling 1 percent.

All the services are confronted with the problem of retaining highly skilled enlisted men. This is particularly serious in the technical fields such as engineering and electronics.

What are the reasons for this alarming lack of interest?

Here are the most predominate ones: Too low a pay for the degree of responsibility required; poor career prospects in the military as compared to civilian occupation; lack of individual freedom of action; and, finally, the problem of housing.

The first two reasons given would be corrected by this bill; but the third reason is inherent in the military system and must be accepted by those who choose a military career. The fourth is still a Nation-wide problem.

A distinguished commission appointed by the Secretary of Defense gave the over-all problem the most intensive study for 12 months. Let me read you a few words from the report of this Commission:

> When an emergency arises, the safety and welfare of the United States depends on an efficient performance by the uniformed forces. It is the one institution in our country that can never be allowed to fail. The effectiveness of any organization can be no greater, over an extended period, than the efficiency of its management.

Let us now examine in some detail what this bill would accomplish as regards pay and allowances.

Starting with the lowest enlisted grade, the recruit. At the present time we are paying him $75 per month. This represents a 400-percent increase in the recruit's pay since 1908, the largest single increase for any rank.

In addition to his pay, the Government provides his food, quarters, a complete clothing outfit, and medical attention, the total value of which, according to current standards, is $108 per month. This amounts to a total monthly emolument of $183 per month, which compares very favorably with what is paid a beginner in any business or industry.

I wish also to point out to the House that a recruit normally remains in this pay grade only during the first 4 months in service—the period of his elementary training. Upon satisfactory completion of this training he is automatically promoted to the next grade.

In view of these facts, the committee recommends no further increase in the basic pay of a recruit.

The next grade is that of a private and a seaman second class. Men in this grade are presently receiving a monthly pay of $80 with a 5-percent increase for each 3 years of service. This represents an increase of 344 percent in basic pay since 1908.

Here we propose only a modest raise to $82.50 per month, but with a more substantial increase up to 10 years' service.

I should like to mention at this point a fundamental change that is proposed for length of service pay increases for all enlisted and commissioned grades. Present law provides a flat 5-percent increase for each 3 years of service. This has produced a serious overlapping of pay in the various grades which enables a man of long service to draw more pay than a more competent man of higher rank but with shorter service. The bill corrects this condition by providing a flat sum increase for each 2 years of service, not to exceed prescribed limits.

Continuing now with the enlisted pay grades, we come next to the corporal and seaman first class. They now receive a base pay of $90 per month and 5-percent increase for each 3 years' service. Under the bill, this would be increased to $97.50, with a $7.50 monthly increase after each 2 years of service.

The next grade is that of a sergeant or a petty officer, third class. It is in this grade that we enter the noncommissioned and petty-officer ratings. Enlisted men who by virtue of their rank first commence to exercise important initiative and responsibility. They now get a base pay of $100 per month, with a 5-percent increase for each 3 years of service. While this represents an increase of 218 percent since 1908, this bill would provide a substantial raise for this grade to $120, with further increases for each 2 years of service.

Opportunity exists for competent men to reach this grade during their first enlistment or very shortly thereafter. It is highly desirable for economy and efficiency that men who reach this grade be encouraged to remain for a full career.

The next enlisted grade is that of technical sergeant and second class petty officer, who now receive a monthly basic pay of $115 with a 5-percent increase for each 3 years of service. It is in this grade that we begin to find the really valuable noncommissioned and petty officers, those who by their experience and

skill make an important contribution to the efficiency of their service. While the pay of this grade has already been raised 154 percent since 1908, this bill would authorize an additional increase to $180 per month to a man with 10 years service. This compares to $132 which he now receives for the same length of service.

The next and very important enlisted grade is that of staff sergeant and petty officer, first class. At the present time he receives $135 per month base pay with a 5-percent increase for each 3 years of service. This amounts to $162 monthly for a man having 12 years of service. Under this bill the same man would be raised to $210 per month, with additional increases for each 2 years' service thereafter up to $255.

Finally we come to the top of the enlisted pay grade—that of master sergeant and chief petty officer. Here is the experienced, practical leader of men, often termed the "backbone of the service." Under existing law, and with 18 years of service, such a man now receives $214 per month—a 117-percent increase since 1908. It would be increased by this bill to $270 for the same length of service. The maximum pay provided in this grade under present law is $247 per month, but is not attained until after 30 years of service. Under the bill, maximum pay in this grade would be $300 per month after 26 years of service.

It is my firm conviction, based upon long observation of the armed services, that the best approach to a sound personnel system is not to raise the pay of the recruit or of the new officer out of all proportion to what he is worth. Let us say instead to these new men, "We will give you an adequate beginner's pay as you start your career. It will be substantially increased as you prove your worth, and win promotion to the higher grades."

Both the civilian Commission and the Armed Services Committee are convinced that this is by far the best method, and would provide the most effective inducement for good men to make the service their life career. To establish such a system is a fundamental aim of this bill.

The average enlisted pay has been increased by nearly 300 percent since 1908—the smallest single raise being 117 percent.

During the same period, however, the average officer's pay has been increased by less than 50 percent, with the smallest raise being 10 percent.

Let us now examine the provisions of this bill covering the basic pay of officers. We must keep in mind the fact that the newly commissioned officer is required to have had a considerable amount of technical education, or the equivalent experience and skill, before he can qualify for his commission. It should also be noted that these same qualifications make him a fine prospect for civilian occupation.

Under present law, the ensign and second lieutenant are paid $180 per month, with a 5-percent increase for each 3 years of service, a 57-percent increase since 1908. Under this bill they would receive a starting pay of $225, with a flat $15 increase for each 2 years of service until the maximum is reached after 14 years.

Let me state that no one will be permitted to sit in that or any other grade for as long as 14 years. That feature becomes necessary when outstanding enlisted men are made officers, in order to credit them with their previous enlisted service.

The next grade, that of first lieutenant and lieutenant junior grade with 3 years' service, now receives $210, with the usual longevity increase every 3 years. This is a 38-percent increase since 1908. The bill would raise this to $277 for the same length of service, with the maximum pay attainable at 14 years.

The senior Navy lieutenant and the Army or Air Force captain with 6 years' service now gets $253 per month—a 28-percent increase since 1908. This would be raised to $360. In order to cover nurses and former enlisted men, a maximum pay of $435 is attainable at 22 years' service. Others who fail to be promoted will be eliminated not later than 14 years' service.

The major and lieutenant commander with 12 years' service now are paid $330—only a 14-percent increase since 1908. These are the officers who begin to demonstrate their ability to exercise independent command. This is perhaps the most indicative grade in an officer's career. Under this bill and with the same length of service, they would be raised to $450. Maximum pay of $540 to be attainable at 26 years' service.

Lieutenant colonels and commanders with 18 years' service currently are paid $417, a 30-percent increase since 1908. In this grade we find officers exercising important responsibilities. They command battalions, destroyers, and submarines, aircraft squadrons, each of which may include several hundred men. Their monthly pay under this bill would be increased to $555 for the same period of service.

Then we have the colonels and the Navy captains. The great majority of these officers will complete their careers in this grade. Only about 1 out of 6 of their number can be promoted to higher rank. Under the new promotion law, the others must retire after 30 years' service to make way for younger men coming up.

The present pay in this grade with 27 years' service is $532, a 31-percent increase since 1908. We must now provide a substantial pay increase.

Unless we establish reasonable career incentive, the best of our young officers will leave the service for more promising futures in other fields.

This bill provides that the pay of colonels and captains with 27 or more years' service be raised to $705. It is the only sensible way to meet the problem, and I strongly urge your full support.

Now we come to the brigadier generals and the lower half rear admirals, who currently receive a flat $550. Considering the ability and experience required, we find here one of the most poorly paid positions in the entire Government. During the past 41 years, this grade has received only a 14-percent raise.

These are the men upon whom we must depend for vital defense planning, and for commands of great responsibility in battle.

What are their jobs?

In the Navy they command task groups that may number over 20,000 men, with combatant ships and planes worth several hundred million dollars. Dan Callaghan and Norman Scott who gave their lives in the great night battle at Guadalcanal were both in this grade.

In the Army and Marine Corps, brigadiers command those magnificent combat teams numbering up to 10,000 men and equipped with all of the supporting ground weapons. They must be ready to take over command of entire divisions of 15,000 to 20,000 men and a tremendous amount of modern fighting equipment. William Darby who organized the Ranger battalions and was finally killed in the mountains of Italy was among the 25 Army brigadiers who died in action in the war.

In the Air Force, brigadier generals personally lead the great air wings of heavy bombers and fighters. This means the responsibility for as many as 500 planes, several hundred million dollars worth of property, and 10,000 to 15,000 men, with all of the supporting ground elements. Nathan Bedford Forrest III who gave his life in the skies over Europe, and Eusel Ent who died leading the raid on the Ploesti oil fields, both were serving in this grade.

Major generals and upper half rear admirals have been given a paltry 11 percent raise since 1908. Are we to say to these men who lead our combat divisions, air commands, and task forces, "Win our country's battles, but you are not worth a decent pay."

It would be an appalling mistake if we failed to correct the gross pay inequities of these grades.

I, therefore, ask your strongest endorsement for the pay raises provided in this bill. With 30 years' service, these mean increases for the major general from $733 to $1,005, and for the brigadier from $550 to $870.

We must meet this vital issue squarely. Otherwise the country will find that these key positions eventually will be held by mediocre men, and we shall have paved the way to disaster and defeat.

One of the most distorted features of the present system has been that dealing with the money allowances for quarters and subsistence. We have simplified this and brought it up to date.

The enlisted men of the top three pay grades are normally those who have made the service their career. For those having dependents, and not living in Government quarters, the monthly quarters allowance is increased from $37.50 to $67.50. This allowance is extended for the first time to men of the fourth pay grade with seven or more years service—that being the point where an enlisted man usually decides to make it his career.

Enlisted men below the fourth pay grade, and all those without dependents, when not living in Government quarters, will receive quarters allowance of $45.

Food rations are normally provided to enlisted men. But where this is not

done, the monthly allowance of $31.50 will be continued. This may be increased under certain conditions to $67.50 or $90.

Under present law, the ration allowance for officers varies between $21 and $63, according to their rank and dependents. The bill provides that this allowance be fixed at a flat $45 under all conditions. Officers have never been provided with Government rations in kind.

The quarters allowance for officers with dependents varies under present law between $60 and $120, depending on their rank. This would be increased under the bill to range from $75 to $150. The allowance of course is not paid when Government quarters are provided.

Officers without dependents currently receive from $45 to $105 unless living in Government quarters. This would be increased to range from $60 to $120.

A most important feature of this bill is that dealing with the termination of the wartime Dependents Allowances Act. Under that act, enlisted men have been paid special allowances according to the number of their dependents. It applies the same to all enlisted men regardless of their rank. It has resulted in some cases of privates drawing as much as $400 above their regular pay.

It is a most expensive program. Under existing law it will cost $314,000,000 for the next fiscal year. It was highly necessary during wartime when civilians with families and dependent relatives were drafted into military service. But it has no place in peacetime when we are striving to develop an efficient volunteer service.

This bill proposes a career pay structure based on responsibility and skill on the job. Adequate allowances are provided for those who gain promotions and establish their value to the service. But flat subsidies, solely for the number of one's dependents should be discontinued as soon as possible.

We, therefore, recommend in this bill that payment of these subsidies be terminated 6 months following enactment. If, as a result of such termination, any man then suffers a reduction in his now current pay and allowances, he will be discharged upon his own application.

The House will be interested to know that a number of enlisted men testified on the bill before our committee. Every one of them advocated that these family allowances be stopped, and said they were contrary to a sound career program.

Termination of these allowances, will result in a savings to the Government of $191,000,000 in the next fiscal year. Due to certain guaranties made in the Recruitment Act of 1945, all such payments will not be completely terminated until 1952.

I should like to say a word about those sections of the bill dealing with hazardous duty and other special pays. We have changed the flight and submarine pay from the 50-percent increase now provided. I have long felt that such a formula was outmoded.

We recommend flat monetary increases for each rank as incentive pay to perform hazardous duty. The highest amount would be paid in the colonel's rank. We have reduced the hazard pay of generals and admirals to $100 from the present average of $320. Their high executive duties should not require them to engage in such work to the same extent as the lower ranks.

The handling of transportation costs under present law has become so complicated that not even the experts can understand it. Furthermore, it has become unduly expensive and still results in many persons having to pay transportation costs out of their own pockets when performing official travel.

We have cleared up this section and placed it on a sensible basis where legitimate travel will be paid for by the Government and at no increase in present cost.

We have not followed all of the recommendations of the Hook Commission regarding retirement. The principle reason for this being that the subject of retirement is a most complicated and far-reaching matter. It is also tied up with adequate survivor benefits and the placing of all retirements on a contributory basis.

The committee, therefore, recommends that all matters pertaining to voluntary and involuntary retirement be made the subject of a special study, and that final action be deferred until that study is made available to the Congress.

I should like to remind the Members that since the end of the war the Congress has already done quite an extensive job in revising the voluntary and involuntary retirement laws, affecting both the Regulars and Reserves.

In the matter of physical-disability retirement, however, the committee strongly recommends drastic changes in existing law. The present disability retirement law has been in effect almost without change since 1861—2 weeks after the Battle of Bull Run. It is, therefore, not surprising that this law is hopelessly out of date and has been the source of much criticism and abuse.

Therefore, instead of permitting only officers to be retired for disability with a flat 75-percent tax-free pay, this bill provides a complete change in the entire system.

Under this bill the right to disability benefits would be extended on the same basis to all persons, officers and enlisted, Regular or Reserve. It will be geared to the percentage of actual disability according to standards of the Veterans' Administration.

No person with less than 30-percent disability is going to receive a physical retirement under any conditions. If he has less than 30-percent disability and still cannot do his military job, he is going to be discharged with severance pay.

Where a person is unfit for his duty and has more than 30-percent disability, he is going to be placed on a temporary-disability list, subject to physical reexaminations for a period not to exceed 5 years. If he recovers during this time, he is going to be restored to active duty. If he does not recover and still has more than 30-percent disability, he will then be permanently retired. Or he may elect to go to the Veterans' Administration if he is entitled to a greater benefit from that agency.

I repeat that this bill would abolish the flat three-quarters disability pay now available only to officers. Instead, where a person is entitled to either temporary or permanent disability retirement, his pay will be based upon the degree of his disability, or upon the length of his active service, whichever he elects.

If he elects retired pay on the basis of length of service, that pay will be fully taxable.

Those who have less than 8 years of service will be eligible for retirement benefits only if the disability is incurred in connection with the direct performance of his active duty.

It is absolutely necessary that the Congress put an end to the present disability retirement law. This bill not only will accomplish great future savings to the Government, but will place such retirement on a just and proper basis.

No person who has been previously retired need suffer any reduction in his present retired pay under this bill. He may elect to have his retired pay based on the new pay rates, providing he qualifies under the new rules.

In addition to the new rules for physical disability this bill provides that there will be no other kinds of special retirement benefits except on the strict basis of length of active service.

I wish to remind the Members that both under present law and this bill no person is entitled to any kind of retirement, except physical disability, unless he has completed at least 20 years of service.

The additional cost that will result from this bill for the next fiscal year will be $360,000,000. The President has already recognized the vital necessity of revising the military pay system and has allowed $400,000,000 in his 1950 budget for this purpose.

The bill provides that the effective date of the pay and disability retirement provisions be deferred until October 1 of this year. This is necessary to meet the President's budget limitations for fiscal 1950.

Assuming the personnel strength for fiscal 1950 is to remain constant, the cost of the bill for the entire fiscal year commencing July 1, 1950, will be $406,000,000. This amount will be reduced during ensuing years due to further reduction in family-allowance benefits and the expiration of other savings clauses.

I wish the Members to know that the above costs do not take into consideration the amount of income tax that is recovered by the Government from service personnel.

During the war and until January 1 of this year all active enlisted pay and the first $1,500 pay of active officers was tax exempted. With the termination of the tax exemption on the first of January, the amount of income tax withheld from the pay of all active personnel has been increased by an annual amount of $130,000,000 and based upon the present pay rates.

This has resulted in a sharp reduction of take-home pay in all ranks. It means that the present inadequate service pay

has not been raised as it has been in all other fields, but has been reduced.

When adequate pay rates are enacted, as provided by this bill, there can be no argument that service personnel should not pay taxes on exactly the same basis as all other citizens. Under these new pay rates the amount of income tax paid by service personnel would be further increased by an additional $70,000,000.

My point is this, whereas the President has authorized a $400,000,000 increase in service pay, the amount of income tax recovered by the Government would be $200,000,000 over that paid by service personnel in the calendar year 1949 and before expiration of the tax-exemption law.

In the first complete fiscal year of operation, that of 1951, the total increased cost would be $406,000,000.

It should be noted, however, that this includes $107,000,000 for increased Reserve training and retired pay.

Thus only $299,000,000 is actually available for the increased pay and allowances of active-duty personnel.

This represents a net increase of only 7½ percent in the present cost of active-duty pay and allowances for fiscal 1950.

We are living today in the atomic age of a dangerous world. Any future war would be carried on at almost fantastic speeds, and would involve a degree of scientific mass destruction almost beyond comprehension.

The final responsibility for maintaining our military security rests with the armed services. We will continue to provide them with the finest possible weapons and equipment. But we must likewise assure that the quality of their personnel, their technical skill, their leadership, and morale all be of the very highest order.

We recognize the need for economy in the operations of the Government. But we cannot in justice ask the men and women of our armed forces to bear more than their share of economizing in Government expenditures. They should not be expected to continue under an obsolete and inadequate compensation scale.

It is indeed a tribute to their patriotism and devotion to duty that our defense forces are today strong and intact.

In the interests of our national security and in simple justice to our uniformed personnel this bill must be enacted.

Mr. CURTIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Chairman, this measure before us, H. R. 4591, dealing with pay, allowances, and retirement for the members of our armed forces, is the result of long study made by a distinguished committee of private citizens. The committee that has brought this bill to the floor of the House has likewise spent a great deal of time on it. While I do not agree with everything in it, I want to say that it has many good provisions. It has many provisions that I favor.

The real question is: Should we at this time pass this measure which will add to the annual pay-roll costs of the armed services $360,000,000, or possibly something over $400,000,000 in view of the present financial plight of this Government? The question to be determined is: Is this bill meritorious enough to warrant its passage if this additional cost will mean increased taxes or a larger deficit?

Mr. SUTTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to take the 5 minutes. I appreciated the remarks made by the gentleman from Georgia, the chairman of the Committee on Armed Services, when he told you about the increase for the enlisted men. But, I would like to point this out to the House that he did not tell you what he took away from the enlisted men in family allowances. If you will figure up what he has taken away in the nature of family allowances from the enlisted men you will find the enlisted man will get considerably less than this increase that is given here. It is true that technical sergeants should be getting $48 additional pay. Who runs the Army? Who runs the Navy? Who runs the Marine Corps? If you want to know about the Army, you go to a sergeant. If you want to know about the Navy, you go to a chief petty officer. If you want to know about the Marine Corps, you go to a sergeant or to a warrant officer. You do not go to a captain in the Navy or a brigadier general or a colonel in the Army. He would have to call down to the sergeant 5 times out of 10 and find out.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Georgia.

Mr. VINSON. I forgot to call the attention of the gentleman to the fact that there is another great advantage for the enlisted man, one with dependents, and that is quarters. Today the enlisted man with dependents and with a quarters allowance gets only $37.50, and in this bill we are giving him $67.50.

Mr. SUTTON. That is true.

Mr. VINSON. Wherever you turn a page that relates to the enlisted man in this bill, we have given him more help than he ever enjoyed before in the history of this country.

Mr. SUTTON. And at the same time you cut down the family allowances.

Let us see about these admirals and generals, whether they have cooks or not. I spent a little over 5½ years in the service, and I have not yet seen a general nor an admiral who did not have a man in service down in his kitchen. He might not have it by law, but he will have it there.

Mr. MARTIN of Iowa. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened to this debate with great interest. I think I come here before you with a background that qualifies me to speak on the subject before you. I had my first introduction to the Army when I reported to Gen. Jack Pershing for duty down at Fort Sam Houston in 1917, when he was wearing two stars while serving in command of the Southern Department. I traveled 340,000 miles inspecting military installations during the 8 years from 1939 to 1947 that I served on the Committee on Military Affairs. I am no longer serving on that committee. I served those 8 years on the Subcommittee on Pay for the Armed Services. Most of my travel was spent in interviewing all types of soldiers from the lowest rank to the top, in all kinds of conditions.

I was out there alone at 2 a. m., the only civilian present, when I had walked through 5 miles of mud to witness Patton make his first crossing of any body of water, the Sabine River, in the Louisiana maneuvers. I was again the only civilian present when General Eisenhower was promoted from colonel to brigadier general. I have seen military leaders come up through the line, come up through the ranks, from the bottom to the top.

If there was ever a time in history that we should stabilize our national defense, it is now for the peacetime swing. We need a revision of the pay for the whole armed service. The Hook Commission has made a magnificent study. I admire the work they have produced. Also, I admire the work the Committee on Armed Services has done here in this legislation. I know what the struggle has been. I have not taken active part in the work the last 3 years, but I know how they have carried on. I know how complicated this subject is. I think I know how difficult the task is. My hat is off to the gentleman from Georgia [Mr. VINSON], to the gentleman from Texas [Mr. KILDAY], and to the gentleman from Massachusetts [Mr. BATES] for their work on this measure, and to the other members of the committee for developing and bringing out this bill. It is a well-balanced bill. It is calculated to get results that our Nation sorely needs.

I stand with all those who are for economy, but I am not going to cripple our armed services as the starting point of my drive for economy. The time is coming when we will thank God for an adequate, smooth, efficient, armed service. Now is the time to avoid wrecking it. This is a challenge to the Congress of America to place confidence in those who have made a thorough study of this matter. I commend the Committee on Armed Services and the Hook Commission for a good job well done. I do not want to see Congress wreck the morale of the armed services.

If you were to ask me whether I would want to go back to the very small number of high-ranking officers and generals present in April of 1917, I would have to say, "From a lifetime of experience and observation, I will take a better balanced supply of high rank to do the job as it should be done. It is important to select good leaders and to give them incentive and reward. It is most important also that we give those leaders the power and authority to match their responsibilities if we are to make it possible for them to develop and maintain the caliber of defense we need in this unsettled world.

In my humble opinion this bill will go far toward stabilizing our armed services. I know that you can take any bill of this kind and pick it to pieces and

criticize it for not being in complete accord with your personal views. Also that it has not been brought out closer to the time of investigation. But I challenge any Member of Congress to take this problem and formulate a good, sound piece of legislation without some time lag. You will always need considerable time to do a good job such as the Committee on Armed Services has done. This is too big a subject and too complicated and too hard a task to do on the spur of the moment.

We need this legislation and the bill before us is well prepared and adequate for our needs. I will support it as vigorously as I can.

Mr. VINSON. Mr. Chairman, due to the fact that the House met at 11 o'clock this morning and that we have been on this bill for 5 hours, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4591) to provide pay, allowances, and physical-disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, had come to no resolution thereon.

SELECTIVE SERVICE

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I fail to see why the Selective Service Act should not be repealed when operations under this act are at a virtual standstill.

Young men cannot proceed in full confidence with their educational programs or start up in business with this passive threat hanging over them. Under present conditions it is a nuisance law which serves no constructive purpose. It points the dagger of fear at every mother's heart.

The Army has already announced that there would be no draft call during fiscal year 1950—July 1, 1949–June 30, 1950. See House Report No. 425 on H. R. 4177, independent offices appropriation bill, made on April 11, 1949.

Yet, the administration of selective service, with nothing to administer, is given $4,500,000 to spend. In the month of March, throughout the Nation, this agency inducted a grand total of 10 men. Not that we would have this number increased—far from it. We simply cannot understand why this agency should exist in the first place. Secondly, we believe that a saving of $4,500,000 could be effected by abolishing it immediately.

There are now so many advantages which encourage enlistments, that the Navy has become quite discriminating in its choice of men. In fact, all of the armed forces have raised their standards. The rise in unemployment will cause them to turn away many eligible men or put them on a waiting list.

The Marshall plan and the proposed Atlantic Pact are making an impression on Soviet Russia. As the nations of western Europe are nursed back to ecomonic health, and as they acquire collective strength to resist aggression, thanks to our help, the international situation will steadily improve. Unless the pact contains an unwritten understanding whereby we are secretly committed to increase the number of our troops abroad, there will be no justification whatever to continue the Selective Service System, even on paper.

The volunteer method is sufficient to meet our needs. When we recall the agitation for compulsory military training last year, it appears that certain quarters were anxious to foist this regimentation on the American people under the pressure of an artificial scare.

We have a Military Establishment which is adequate. In addition to the force in being, we have an impressive reserve of ships laid up in mothballs, besides many tanks and planes in storage. Any further emphasis should be on research, stock piling, and the strengthening of our industrial base, which is the mobilizable force of decisive value.

It would be unwise to so overload and strain our economy by a larger military force in being, for that would weaken the base upon which all strength rests. Even now we are concerned with the problem of waste in the Military Establishment. By more efficient organization we can still be fully prepared while, at the same time, we reduce the tax burden of this insurance.

There is no foundation in fact for the continuance of selective service. It is a deadweight on the shoulders of American youth. I suggest that we put it away in mothballs and to be dusted off and revived by legislative action only as a last resort.

Public Law 759, Eightieth Congress, chapter 625, second session, has titles covering the utilization of industry and reform of the courts-martial system which should be retained. But I ask that those provisions relating to selective service, or the compulsory draft of youth to serve in the armed forces, be repealed by passage of the bill I have introduced which will eliminate peacetime conscription.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper article and a letter from the Department of Agriculture.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include a speech by former Representative Hamilton Fish.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD.

Mr. FUGATE asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. CARROLL asked and was given permission to extend his remarks in the RECORD and include an address by the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement on air pilots.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the RECORD and include several newspaper items.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include a radio speech.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. HINSHAW. Mr. Speaker, reserving the right to object, I am very much interested in knowing when this bill will be taken up again. Will it be taken up on Monday or Tuesday?

The SPEAKER. The Chair cannot make a definite statement in reply to the gentleman.

Mr. HINSHAW. Mr. Speaker, I withdraw my reservation of objection; but since certain plans have been made, I thought it would be well to find out as soon as possible.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

NATION-WIDE PRAYER FOR PEACE DAY

Mr. MICHENER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 61, requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

The Clerk read the resolution, as follows:

Be it enacted, etc., That the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe Memorial Day, 1949, by praying, each in accordance with his religious faith, for permanent peace, designating a period during such day in which all the people of the United States may unite in prayer for a permanent peace; calling upon all the people of the United States to unite in prayer at such time; and calling upon the newspapers, radio stations, and all other mediums of information to join in observing such day and period of prayer.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS AT THIS POINT IN THE RECORD

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, on March 4, 1949, I introduced in the House House Joint Resolution 185. On March 16 Senator FERGUSON introduced Senate Joint Resolution 61. The resolutions are identical. My resolution was referred to the Committee on the Judiciary, and this morning was ordered favorably reported by the subcommittee.

On yesterday the Senate passed Senate Joint Resolution 61, and I am now asking the House to agree to the Senate resolution.

The House resolution has not been considered by the full Committee on the Judiciary and that committee does not meet until Tuesday next. But a few days remain before the celebration of Memorial Day, therefore time is of the essence in the passage of this resolution.

I have talked personally with all of the members of the Judiciary Committee who are available and there is no objection on the part of any one of them to the request which I have just made. I feel sure that the two or three members who are not polled are of like mind. I have cleared through the majority leader and the minority leader, and have so advised the Speaker.

The only thing these resolutions do is to request the President in his Memorial Day proclamation to ask that the people of all faiths, for such time as the President may suggest, pray for permanent peace. Certainly no one can object to any such request by the Congress or any such action by the President. The American people do believe in God. They do believe in prayer. They do realize that it takes more than prayer as a rule to accomplish objectives. As a Nation we are today doing those things which we think are most likely to avoid war. A moment of even silent prayer on the part of all of our people will again call the attention of the world to the fact that we are a Christian Nation.

Be it remembered that the effectuation of this resolution will cost the Government nothing and will not add another holiday or day of celebration. It will simply supplement by suggesting the moment of prayer requested.

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 25 minutes.

LEON JOHNSON AGAINST CHARLES DYE, WARDEN OF ALLEGHENY COUNTY JAIL

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to insert in the RECORD at the conclusion of my remarks an opinion of the court.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, one of Charles Dickens' characters, Mr. Bumble, in Oliver Twist, said:

> If the law supposes that, the law is a ass, a idiot.

If he were among us today, he could say "I told you so," and the occasion for the remark would be the asinine pronouncement of one Chief Judge John Biggs, Jr., of the Third Circuit Federal Court of Appeals, in the case of Leon Johnson, alias Robert McMillan, against Charles L. Dye, warden of the Allegheny County jail, the opinion having been filed May 7.

I was amazed on yesterday to read newspaper stories that Biggs in his opinion on the appeal of a habeas corpus case, to which the State of Georgia was not a party, had clothed himself with full and complete authority to weigh the sovereign State of Georgia in the balance. Having done so, he proceeded to ally himself with the male killer of a 22-year-old woman, a self-confessed murderer, an escaped convict, and, without the merest pretense of an inquiry by Biggs himself, into the operation by the State of Georgia, of its penal system, with all the abandon and irresponsibility of a loose mule loping down the road, he arrogated to himself and his colleagues on the court full authority to exercise pardon powers for the State of Georgia, and full authority to nullify and set aside an admittedly legal and correct sentence of a court of competent jurisdiction of the State of Georgia; which action by implication assumes the authority to exercise the pardoning power on behalf of, and nullify court decisions of every State in the Union.

Although this case originated in Allegheny County, Pa., the so-called judicial action which freed this murderer is not the action of the State of Pennsylvania. The record in this case shows that the Court of Common Pleas of Allegheny County had denied a petition for habeas corpus filed by the apprehended escaped convict. It further shows that an appeal was taken to the Pennsylvania Supreme Court which affirmed the judgment denying the writ of habeas corpus. It further shows that application was then made to the United States district court and that the application was likewise denied there. But when the appeal reached the Third Circuit Federal Court of Appeals, the escaped murderer found himself in the company of a kindred spirit. A sensible construction was given to the Constitution of the United States by the Pennsylvania Court of Common Pleas, the Pennsylvania Supreme Court, and the United States district court. But, to Biggs it means nothing that section 1 of article IV of the Federal Constitution says:

> Full faith and credit shall be given in each State to the public acts, records and judicial proceedings of every other State.

And that paragraph 2 of section II of article IV of the Constitution says in plain understandable language:

> A person charged in any State with treason, felony, or other crime, who shall flee from justice, and be found in another State, shall on demand of the executive authority of the State from which he fled, be delivered up, and be removed to the State having jurisdiction of the crime.

Biggs is not content that the State of Pennsylvania should observe this constitutional provision, as that State undoubtedly would have done, except for the interposition of Biggs and his colleagues. He must not only traduce the good name of a sovereign State, but he must also prevent another sovereign State from complying with its lawful obligation and duty under the Constitution of the United States.

In this decision, Biggs would rewrite the above-quoted provisions of the Federal Constitution to suit his own warped ideas. It is difficult to understand how a man of this caliber ever managed to attain the bench on a circuit court of appeals. I can only understand it as one of those things which occurred in an era when it was regarded in some quarters as politically and morally respectable to pack the courts of the country.

It is evident that Biggs approached this case with the determination to traduce the State of Georgia and to free this escaped murderer, regardless of the devious and fraudulent tactics necessary in order to accomplish that nefarious purpose. It was no deterrent to Biggs that Johnson, alias McMillan, told the court of common pleas of Pennsylvania during the trial of his case there, that he had plead guilty to the offense of murder in Cobb County Superior Court in Georgia. This would-be Thaddeus Stevens hurdled that obstacle with ease. He merely said, in substance, that although the defendant told the court of common pleas he had plead guilty to the offense of murder in Cobb County Superior Court, nevertheless he did not know what he was talking about. What Biggs in his colossal ignorance does not know is the procedure under which a defendant may plead guilty in Georgia to murder so as to avoid the death penalty. The statute of the State of Georgia provides that the punishment for murder is death, unless the jury trying the case recommends the defendant to the mercy of the court, in which event the punishment is life imprisonment. The trial judge who is willing to let the defendant plead guilty and receive a life imprisonment sentence submits the case to the jury with a statement of the facts, so that the jury may render its verdict recommending mercy, which authorizes the sentence of life imprisonment, instead of death by execution.

But these things present no problem to Biggs, the would-be present-day Thaddeus Stevens.

Unable to find any irregularity regarding the plea of guilty, or verdict as the case might be, he proceeds to work out a plan under which Johnson, alias McMillan can be pardoned. To do that, he must supply with his imagination certain portions of the record which were not present. He must refute the statement of the Pennsylvania trial judge that there was no evidence to support

the contention of Johnson, alias McMillan, that he was treated with barbarism, cruelty, and inhumanity in a Georgia chain gang.

To do that he points out that there were other escaped convicts in the Allegheny County jail who testified as the defendant did regarding cruelty toward them. He pointed out that there was a former Army officer, now a jailbird on a charge of felonious assault in Pennsylvania, who testified to the same effect.

Not only that, but Biggs pointed out that there was a copy of Life magazine in the record which corroborated the testimony of Johnson, alias McMillan, regarding barbarism and cruelty in Georgia chain gangs, and not only that, but there was in the evidence a copy of an issue of Time magazine, which also corroborated the contention of the defendant. Biggs also noted there could have been in the record a complete report on the action on the President's Civil Rights Commission, although for some unexplained reason that was not included.

The trial judge evidently was familiar with the principle that—

> No man e'er felt the halter draw
> With good opinion of the law.

And Biggs pointed out that although the trial judge might have found the evidence of Johnson, alias McMillan, and his corroborating jailbird witnesses incredible; nevertheless the evidence was there, and could be believed by anyone who wanted to believe it, and Biggs then proceeded to pile assumption upon assumption to build up a case to try to give some respectability to his arbitrary and capricious action in nullifying the action of a court of competent jurisdiction by freeing, without any conditions or restrictions whatever, an escaped convict guilty of one of the most serious crimes known to civilization.

Under the procedure which Biggs is trying to establish, England could refuse to honor extradition proceedings to return Gerhart Eisler to the United States to serve the sentences which have been rightfully imposed upon him. All that Eisler would need to do to go free in England under the Biggs procedure would be to swear that United States prison officials are cruel and inhuman to Communists; bolster that up with corroborating testimony by jailbird Earl Browder, introduce a copy of the Daily Worker in the record, and he would be a freeman.

If the judicial system of the United States of America should ever sink to the low level of depravity where it would regard the decision of Biggs in this case as a binding precedent, the power of a sovereign State to protect the lives, safety, and property of its citizens would be completely destroyed.

Law-abiding people look with contempt and disfavor upon one who aids and abets a lawbreaker to escape.

Biggs, in this case, is as guilty of aiding and abetting an escaped criminal as any accomplice who ever harbored and gave shelter to a criminal in his home while the sheriff looked for him.

Aiding and abetting the escape of a criminal is a crime in itself. Biggs has committed this crime. He should be tried and sentenced for it. Not only that, he should be impeached and removed from the position which he holds.

This trend on the part of certain Federal judges to nullify not only State laws and constitutions, but also Federal laws and Federal Constitution, must be curbed, even if it means impeaching some Federal judges to do it.

In referring to this decision, I notice that the newspapers referred to this decision as a "precedent shaking" and "precedent making" decision.

I think that these terms are misnomers. This fraudulent decision will not make any precedent. It will not shake any established precedents. No court worthy of the name would feel obligated to follow it. No court worthy of the name would ever have rendered it in the first place.

The State of Georgia was not a party to the case in which this infamous, fraudulent decision was rendered. The State of Georgia, therefore, has no appeal in the matter.

Although Georgia was intended to be the victim of the decision of this court, which is so lacking not only in ability, but also in integrity, nevertheless the real victim is the State of Pennsylvania, upon whose citizens this convicted murderer has been released.

This is an invitation to other escaped convicts not only from Georgia but from every other State in the Union, to make Pennsylvania their haven. So long as this decision stands, it is Pennsylvania and her citizens who will have to endure them.

I offer the citizens of Pennsylvania my sympathy, and I remind them that Leon Johnson, alias Robert McMillan, a convicted murderer, now free, through decision of the Third Circuit Federal Court of Appeals, did not become a potential menace to them through any design or action on the part of the people of Georgia.

Immediately following these remarks I am inserting the decision written by Biggs in the case, and the dissenting opinion written by one of the judges of the Third Circuit Federal Court of Appeals:

LEON JOHNSON, ALIAS ROBERT MCMILLAN, APPELLANT, v. CHARLES L. DYE, WARDEN OF THE ALLEGHENY COUNTY JAIL

(United States Court of Appeals for the Third Circuit, No. 9471, October term, 1947; appeal from the United States District Court for the Western District of Pennsylvania; argued March 18, 1948, reargued March 21, 1949, before Biggs, chief judge, and Maris, Goodrich, McLaughlin, O'Connell, and Kalodner, circuit judges)

OPINION OF THE COURT (FILED MAY 17, 1949)

By Biggs, chief judge.

The facts

The petitioner, Leon Johnson, is in the custody of the Commonwealth of Pennsylvania and is presently confined in the Allegheny County jail, of which the respondent, Charles L. Dye, is the warden. Johnson was indicted in the Cobb County Superior Court of the State of Georgia for the murder of one Sarah Frances Thompson, on December 6, 1942. He was tried by a jury, which found him guilty of murder with a recommendation of mercy, on January 25, 1943. Under the law of Georgia, Georgia Code Annotated, 1935, title 26, section 1005, the recommendation of the jury fixed the penalty at life imprisonment. The court thereupon sentenced Johnson to hard labor for life.[1] In June 1943 the petitioner escaped from a Georgia chain gang and eventually came to Allegheny County, Pa. Governor Arnall, of Georgia, dispatched a requisition for extradition to Governor James, of Pennsylvania, who issued an executive warrant under which Johnson was apprehended. We assume that the application for extradition was made pursuant to the Uniform Criminal Extradition Act (Laws of Pennsylvania, 1941, July 8, P. L. 288, 19 P. S. Pa., sec. 191). See also the so-called Interstate Extradition Act (R. S., secs. 5278–5279, 18 U. S. C., secs. 662–663, 1940 ed.). So far as appears, Governor James did not call on the attorney general or any prosecuting officer of Pennsylvania as he was authorized to do under the act to investigate the demand made by the State of Georgia. See Laws of Pennsylvania, 1941 (P. L. 288, 19 P. S. Pa., sec. 191.4). Johnson petitioned the Court of Common Pleas of Allegheny County for a writ of habeas corpus at its No. 3679, April term, 1946. There is no copy of Johnson's petition to that court or the proceedings therein in the record. The court of common pleas apparently[2] refused to free Johnson and discharged the writ. The court of common pleas was under the impression that Johnson had pleaded guilty to the indictment in Georgia.[3] The decision was reviewed by the Superior Court of Pennsylvania, which affirmed the judgment of the court below (159 Pa. Super. 542, 49 A. 2d 195). No review seems to have been sought by Johnson in the Supreme Court of Pennsylvania or in the Supreme Court of the United States. On November 14, 1946, Johnson petitioned the court below for a writ of habeas corpus. After the issuance of a rule to show cause on the petition and upon answers[4] filed and after a full hearing the court below filed an opinion (71 F. Supp. 262) and discharged the writ. Johnson appealed to this court.

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[1] The court apparently exceeded its authority in sentencing Johnson to hard labor. The law of Georgia authorizes "confinement and labor," where the sentence includes imprisonment. See Georgia Code Annotated, title 27, sec. 2504. However, this unlawful imposition of hard labor to the sentence of imprisonment does not of itself render the sentence void so as to entitle the prisoner to discharge on habeas corpus. See *Harlan* v. *McGourin* (218 U. S. 442); *United States* v. *Pridgeon* (153 U. S. 48).

[2] No copy of the court's order is included in the present record.

[3] We make this statement because it appears from the brief of the appellee in the Superior Court of Pennsylvania on the appeal from the decision of the court of common pleas that the judge of the court of common pleas said: "I have made up my mind about it. The man [Johnson] admitted he plead guilty to murder and the proceedings are regular from my viewpoint." Johnson did state at the hearing before the court of common pleas that he pleaded guilty to the Georgia indictment. The record of the proceedings before the Cobb County Superior Court of the State of Georgia demonstrates clearly, however, that Johnson's statement was incorrect. The Court of Common Pleas of Allegheny County, however, did not receive the record of the proceedings in the Cobb County Court until after it had rendered its decision against Johnson in the habeas corpus proceeding.

[4] An answer was filed for the United States by the United States District Attorney. The answer filed by the United States District Attorney states that, "The rule to show cause has not been served on the United States Attorney for this district * * * but the clerk of court seems to be of the opinion that an answer should be filed by the United States Attorney."

We must state at the outset that it is difficult to dispose of the questions of law raised by the instant appeal on the record now before us.[5] It appears, however, from Johnson's petition in the court below that the grounds asserted by him for the issuance of the writ were threefold. He alleged (1) that his constitutional rights had been violated at his trial for murder in Georgia in that several witnesses who testified against him were compelled to do so by "certain police authorities of Cobb County, Ga."; (2) that following his conviction he was "committed to a chain gang * * * and was the victim of cruel, barbaric, and inhuman treatment at the hands of his jailers to the extent that his life and health were in grave jeopardy"; and (3) that "* * * in the event he is returned to the State of Georgia to complete his unfinished sentence his life will be endangered and he fears that if he is returned there is danger that he will meet his death by mob violence and be so brutalized or tortured by his jailers that he will succumb." On March 14, 1947, Johnson amended his petition by reasserting ground (1) supra in slightly different terms and adding that the testimony of the "coerced and intimidated witnesses was material, resulted in his conviction and in truth and fact was wholly false and perjured, as the prosecuting authorities well knew." In the view that we take of this case it its unnecessary to pass upon ground (3), supra.

In the court below the petitioner supported the allegations of ground (1) by his own testimony and those of ground (2) by his own testimony and by that of other witnesses, all of whom, save one, were escaped convicts from Georgia who happened to be lodged in the Allegheny County jail. The remaining witness was a former officer in the Army of the United States who had spent a portion of his service in Georgia and who was then confined in the Allegheny County jail having previously escaped from detention in Pittsburgh following his arrest for an alleged felonious assault. The testimony of these witnesses as well as that of the petitioner established that it was the custom of the Georgia authorities to treat chain gang prisoners with persistent and deliberate brutality at or about the time the petioner was suffering punishment and for some years thereafter, certainly as late as May in the year 1946. There was also evidence which showed that Negro prisoners were treated with a greater degree of brutality than white prisoners though it is difficult to make fine distinctions as to degrees of brutality. A copy of the magazine Life, issue of November 1, 1943, in particular an article entitled "Georgia Prisons," with a subtitle "State Abolishes Old Abuses," pages 93–99, and a copy of the magazine Time, issue of September 13, 1943, in particular an article entitled "Prisons" with the subtitle "Georgia's Middle Ages," pages 23–24, were introduced in evidence. Certain other newspaper articles were introduced also but these with one exception, PM's Picture News, Magazine Section, November 2, 1947, which reports in full the Report of the President's Committee on Civil Rights, are not in the record.[6] Several of the petitioner's witnesses in support of the petition for habeas corpus testified that the conditions described by the articles in Life and Time correctly represented certain conditions but the witnesses stated in substance that the articles did not go far enough. Irrespective of whether or not articles in magazines of national circulation are admissible as evidence, the contents of the articles referred to were employed by some of the witnesses as a basis of comparison for conditions in Georgia camps personally known to them. Because of this we may consider the contents of the articles as did the court below. Counsel for the respondent urged in the court below that the article in Life proved that the abuses of the Georgia prison system had been obliterated by the Georgia Act of 1943, Special Sess.; Title 77, Georgia Code Annotated, 1935, § 358 et seq. but this assertion, as we have stated, was contradicted in major part by certain of the petitioner's witnesses. No testimony was offered on behalf of the State of Georgia or by the respondent.

The law

As to the Alleged Coercion and Intimidation of a Witness or Witnesses

The court below in its opinion reviewed the proceedings for habeas corpus had on behalf of the petitioner in the Pennsylvania State courts and, with a reference to the limited jurisdiction conferred upon the justices and judges of the United States to enlarge a prisoner by writ of habeas corpus under sections 451, 452, and 453 of title 28, United States Code, 1940 edition (now superseded by section 2241 of revised title 28, U. S. Code), and to the cases of *Mooney* v. *Holohan* (294 U. S. 103), *Pyle* v. *Kansas* (317 U. S. 213), and *Lawk* v. *Olson* (326 U. S. 271), concluded that if the facts as alleged in the petition were shown to be true, Johnson "would be entitled to the remedy set forth in *Mooney* v. *Holohan*." The learned trial judge stated, however, "There is no evidence in this case that witnesses, who testified at his trial in the State court in Georgia were compelled to do so; there is no evidence that they gave perjured testimony, nor is there any evidence that the State of Georgia or its officers or agents, knew that perjured testimony was used against the relator." This statement of the trial court was erroneous. There was Johnson's own testimony to support his contentions in regard to the alleged perjured, coerced testimony of a witness at his trial for murder and to the knowledge of the State of Georgia through its officers in this regard. The court below may have found Johnson's testimony incredible but the learned trial judge did not say so. But in the view which we take it is unnecessary to resolve the question whether a witness was intimidated at Johnson's trial in Cobb County, Ga.

As to the Application of the Eighth Amendment of the Constitution of the United States by Implementation Under the Fourteenth Amendment

As to the second ground raised by Johnson the court below stated, "There is evidence that Johnson received cruel treatment after he had been convicted of murder and while he was serving his sentence therefor. However, such treatment would not entitle him to his liberty as it does not constitute a custody of relator in violation of the Constitution or laws of the United States (28 U. S. C. 453). The eighth amendment is not a limitation upon the States (*Collins* v. *Johnston*) (237 U. S. 502, 510–511))." We deem the first sentence quoted in this paragraph to constitute a finding by the court below that Johnson had been subjected to cruel treatment following his conviction. It is obvious also that in using the phrase "cruel treatment" the court below was referring to the cruel and unusual punishment provision of the eighth amendment.

Without regard for minutiae of conclusion in the trial court's opinion, we think it misinterpreted the ruling of the Supreme Court in *Collins* v. *Johnston, supra*. While it is true that the eighth amendment to the Constitution of the United States limits and was intended to limit Federal action, it is the modern view, and, we feel, the correct one, that where the right protected and guaranteed under the Bill of Rights (amendments I to VIII) of the United States Constitution is "basic" and "fundamental" to the rights of life and liberty, recognized and guaranteed by the Constitution of the United States, then the due-process clause of the fourteenth amendment prohibits a State from abridging or denying the right in question.

In so holding, we are not unmindful of the fact that the Supreme Court of the United States has repeatedly declined to adopt the view that the fourteenth amendment was intended to make secure against State invasion all the rights, privileges, and immunities protected from Federal violation by the Bill of Rights (*Chambers* v. *Florida* (309 U. S. 227, 235–236, note 8); see also e. g. *Twining* v. *New Jersey* (211 U. S. 78, 98–9), Mr. Justice Harlan dissenting, 114; *Maxwell* v. *Dow* (176 U. S. 581, dissent 605, 606); *Palko* v. *Connecticut* (302 U. S. 319, 323, 325, 326); *Hague* v. *C. I. O.* (307 U. S. 496)).

But in numerous cases the Supreme Court has held that where the right invaded by the State is a basic and fundamental one, the due-process clause of the fourteenth amendment include by implementation those guaranties of the Bill of Rights. E. g. freedom of speech, *Saia* v. *New York* (334 U. S. 558, 560); freedom of religion, *Cantwell* v. *Connecticut* (310 U. S. 296, 303); *Marsh* v. *Alabama* (326 U. S. 501, 508–509); freedom of the press, *Lovell* v. *Griffin* (303 U. S. 444); freedom of speech and assembly, *Hague* v. *C. I. O.*, supra; the right to counsel in criminal prosecutions of those individuals, who, by reason of age, ignorance, or mental capacity, are incapable of representing themselves adequately in a prosecution of a relatively simple nature, *Wade* v. *Mayo* (334 U. S. 672, 684); and see also *Powell* v. *Alabama* (287 U. S. 45); *Betts* v. *Brady* (316 U. S. 455, 461; [8] *Palko* v. *Connecticut*, supra (302 U. S. at pp. 324–325)[9] and in particular see *Francis* v. *Resweber* (329 U. S. 459, 463), where the Supreme Court by Mr. Justice Reed indicated, without expressly deciding, that violation of the principles of the fifth and eighth amendments as to double jeopardy and cruel and unusual punishment would be violative of the due-process clause of the fourteenth amendment.[10]

We are not called on to decide, nor do we decide, whether the clauses of the eighth amendment relating to imposition of excessive bail, or excessive fines, fall within the ambit of the fourteenth amendment. But we entertain no doubt that the fourteenth

[6] We attempted to supplement the record brought to this court by the parties by our order of August 11, 1948, directing the clerk of the district court to transmit all records of the court below in the instant case to this court.

[5] Their absence is not adequately explained.

[8] The Court said: "The sixth amendment of the National Constitution applies only to trials in Federal courts. The due-process clause of the fourteenth amendment does not incorporate, as such, the specific guaranties found in the sixth amendment, although a denial by a State of rights or privileges specifically embodied in that and others of the first eight amendments may, in certain circumstances, or in connection with other elements, operate in a given case to deprive a litigant of due process of law in violation of the fourteenth."

[9] The Court said: "In these and other situations immunities that are valid as against the Federal Government by force of the specific pledges of particular amendments have been found to be implicit in the concept of ordered liberty, and thus, through the fourteenth amendment, become valid as against the States."

[10] Mr. Justice Burton, dissenting, stated for himself, for Mr. Justice Douglas, Mr. Justice Murphy, and Mr. Justice Rutledge: "We believe that if the facts are as alleged by the relator the proposed action is unconstitutional." Mr. Justice Frankfurter concurred in the majority opinion but did not commit himself to a definition of the reach of the fourteenth amendment.

amendment prohibits the infliction of cruel and unusual punishment by a State (*Francis* v. *Resweber*, supra). Compare *Weems* v. *United States*, (217 U. S. 349); *In re Kemmler* (136 U. S. 436, 447). We are of the opinion that the right to be free from cruel and unusual punishment at the hands of a State is as "basic" and "fundamental" a one as the right of freedom of speech or freedom of religion. And it should be pointed out that actions of the employees of the prison system of Georgia must be deemed to be those of the State of Georgia. The fact that a State officer acts illegally cannot relieve a State of responsibility for his acts (*Screws* v. *United States* (325 U. S. 91)).

We come then to the question as to whether the actions of Georgia prison authorities described by Johnson and his witnesses constituted cruel and unusual punishment. It will be remembered that the court below found that there was "evidence that Johnson received cruel treatment after his conviction of murder and while serving his sentence * * *." The learned trial judge did not expressly state that he found this evidence to be credible though, as we have said, the statement made by the court below in its opinion and heretofore referred to constituted a finding that Johnson had been subjected to cruel and unusual punishment following his conviction.[11] In any event upon appeal in a habeas corpus case all questions of law or fact arising upon the record, including the evidence, are open to consideration by the appellate court and the trial court has no authority to make conclusive findings of fact as in the ordinary action, *Johnson* v. *Sayre* (158 U. S. 109), and we are not bound by the conclusions of the trial court (*Carruthers* v. *Reed*, 8 Cir., 102 F. 2d 933, 937). The hearing before this court is technically de novo. It is our conclusion upon careful consideration of the record in the court below that Johnson was subjected to cruel and unusual punishment following his sentence and that this holding is in accordance, and not at variance, with that of the court below. Indeed no other conclusion would be possible in view of the known facts concerning the working of the Georgia penal system at the time of the petitioner's sentence and in consideration of the circumstance that the State of Georgia offered no testimony whatsoever in contradiction to that given by Johnson and his witnesses.

We now come to the question as to whether the treatment which Johnson alleged he received while a convict constituted cruel and unusual punishment. This question must be answered in the affirmative in view of the decision of the Supreme Court in *In re Kemmler and Weems* v. *United States*, supra. Weems, under section 56 of the Penal Code of the Philippine Islands, Act of July 1, 1902, had been guilty and had been sentenced inter alia "to the penalty of 15 years of cadena together with the accessories of section 56 of the [Philippine] Penal Code * * *." The cadena consisted of a chain at the ankle hanging from the wrists to be worn at all times. The accessories of section 56 would have deprived Weems almost completely of personal and familial rights and subjected him to constant surveillance by the authorities. The Supreme Court of the United States, by Mr. Justice McKenna, decided that the punishment was a cruel and unusual one. Accordingly the judgment was reversed and the trial court was directed to dismiss the proceedings. Though the Supreme Court has not set down any precise standard as to what constitutes cruel and unusual punishment, *Wilkerson* v. *Utah* (99 U. S. 130, 135–136), we conclude without hesitation that if Johnson was treated by the prison authorities of Georgia in the manner which he alleges,[12] he was subjected to cruel and unusual punishment by the State of Georgia. We know of no way in which degrees of cruelty may be measured coldly as if upon an altimeter, so much for the heights of cruelty, so much for the depths thereof.

The obligation of a State to treat its convicts with decency and humanity is an absolute one and a Federal court will not overlook a breach of that duty. The Supreme Court so held in effect in the Weems case though the punishment of the cadena had been imposed by a Territorial Court of the Philippines. The obligation not to inflict cruel and unusual punishment laid upon a State by the Constitution of the United States must be deemed to be positive and binding. In the Weems case cruel and unusual punishment reasonably was to be anticipated under the sentence. In the instant case, cruel and unusual punishment already has been inflicted on Johnson as the court below found. History is as potent a force as anticipation. It follows, therefore, that Johnson must be set at liberty, for the State of Georgia has failed signally in its duty as one of the sovereign States of the United States to treat a convict with decency and humanity. It must be pointed out also that she has failed also to observe the explicit mandates of her own constitution[13] which pointedly, as if the very evil here under consideration was in mind, go as far, if not farther, than those of the eighth amendment to the Constitution of the United States.

No Necessity To Exhaust State Remedies

The doctrine of exhaustion of State remedies in habeas corpus cases does not apply to extradition. This court in *United States* v. *Superintendent of County Prisons* ((1940), 111 F. 2d 409, 411, cert. den. 311 U. S. 662), stated: "The right of the State of California to demand the rendition of the relator from the State of Pennsylvania is found in Article IV, section 2, clause 2 of the Constitution of the United States. This clause is not self-executing but is made effective by act of Congress [then sec. 662 of title 18, U. S. C., 1940 ed., now sec. 3182 of title 18, U. S. Code]. The Supreme Court has construed this act as placing the burden upon the governor of the asylum State to determine, before complying with the demand, whether the person demanded is substantially charged with a crime and whether he is a fugitive from justice. This determination may be made by the governor without a hearing, but if the alleged fugitive considers himself aggrieved by the order he may obtain hearing by a writ of habeas corpus. The writ may be allowed either by a State or Federal court." Citing upon the last point referred to *Roberts* v. *Reilly* (116 U. S. 80), *Drew* v. *Thaw* (235 U. S. 432), *Biddinger* v. *Commissioner of Police* (245 U. S. 128), and *Hogan* v. *O'Neill* (255 U. S. 52). It was held by the Court of Appeals for the Seventh Circuit in *United States* v. *Meyering* (75 F. 2d 716, 718), that if a petitioner had begun a proceeding in a State court for habeas corpus he could nonetheless discontinue that proceeding and file his petition for relief in a Federal district court. See also Twenty-second American Jurisprudence, Extradition, section 54, page 293, where it is stated: "After the governor causes, by his warrant, the arrest and delivery of a person charged as a fugitive from justice from another State, the prisoner, since he is held under color of authority derived from the Constitution and laws of the United States, may invoke the judgment of the Federal, as well as the State, tribunals on the lawfulness of his arrest and imprisonment." See also 135 A. L. R. at page 985.

In a per curiam opinion in the case of *Powell* v. *Meyer* ((1945), 147 F. 2d 606, 607), this court overruled its decision in *United States* v. *Superintendent of County Prisons* sub silentio relying upon the decision of the Court of Appeals for the Fourth Circuit in *Sanderlin* v. *Smyth* (138 F. 2d 729). The Sanderlin case, however, was not in point for in that case the application for habeas corpus was made to release the petitioner from a sentence imposed by a State court and the usual rule of exhaustion of State remedies necessarily applied. As we have said, the rule of exhaustion of State remedies does not apply where habeas corpus is sought to avoid extradition. We adhere to the rule which we announced in *United States* v. *Superintendent of County Prisons* and overrule our decision in *Powell* v. *Meyer*. It follows that Johnson had the right to maintain the proceeding in the district court in the instant case and we entertain no doubt but that he is entitled to his liberty.

Accordingly the judgment of the court below will be reversed and the cause will be remanded with the direction to issue the writ and to discharge the petitioner.

O'Connell, circuit judge, concurring in part, dissenting in part:

I agree with my brethren that, just as the eighth amendment forbids the infliction of cruel and unusual punishment by the Federal Government, the fourteenth amendment includes a similar prohibition against States. Regardless of his guilt or innocence of the murder charge lodged against him, Johnson never lost—and still has—the absolute right not to be subjected to cruel and unusual punishment wherever the Constitution of the United States is the supreme law.

Further, I agree that habeas corpus may be here utilized to vindicate Johnson's constitutional right. It is not without reluctance that I reach this conclusion, however; for (1) I remain keenly aware that, because Georgia chooses to disregard the mandates of the eighth amendment and of its own constitution, this court turns loose a convicted murderer among the law-abiding citizens of Pennsylvania, a State which has expressly refused to harbor him; (2) also, I entertain considerable doubt whether an impenitent Georgia administration would be deeply grieved by a decision which permits Georgia to utilize the other 47 States as penal colonies

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[11] At the reargument of this case before the court en banc one of Dye's counsel, an assistant district attorney of Allegheny County, Pa., conceded that if Johnson had been subjected by the State of Georgia, following his conviction, to cruel and unusual punishment he was entitled to be discharged from custody and to go free. The assistant district attorney, however, did not concede that the court below had made a finding that Johnson had been subjected to cruel and unusual punishment.

[12] We shall not set out in this opinion the revolting barbarities which Johnson and his witnesses state were habitually perpetrated as standard chain-gang practice. To perpetuate these atrocities in an opinion is to be unfair to the American scene as a whole and to reflect little credit on this generation for posterity. It is enough to state that leg irons and most frequent beatings were among the minor constant cruelties.

[13] Article 1 of the Bill of Rights of the Georgia Constitution of 1877, readopted without amendment in 1945, provides, "Bail; fines; punishments; arrest; abuse of prisoners. Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishment inflicted; nor shall any person be abused in being arrested, while under arrest or in prison."

for its "escaped" prisonsers.[1] I nevertheless bow to the exigencies of the situation; better it be that a potentially dangerous individual be set free than that the least degree of impairment of an individual's basic constitutional rights be permitted.

An initial difficulty with which the opinion of the majority confronts me, however, is that it not only substitutes its own finding of fact for an inconclusive statement of the court below, but also deems no conclusion possible other than that Johnson suffered cruel and unusual punishment prior to his flight from Georgia. True, several witnesses testified to "the known facts concerning the working of the Georgia penal system at the time of the petitioner's sentence"; but, in the court below, only one witness professed to actual knowledge of how Johnson, and not chain-gang prisoners in general, was treated: Johnson himself. I think that Johnson may well have told substantial truth when he described his chain-gang ordeals; and I think the district court had ample basis for making such a critical finding of fact; but I see no reason why this court should invade the province of the court below and insist that credibility be attached to Johnson's testimony. It must be recalled that the burden of proof of his allegations lay with Johnson, whose testimony is to be viewed in the light that he has a vital interest in the outcome, and who has been disbelieved by other courts.[2] The case at bar seems to me one particularly appropriate for adherence to the usual procedure of leaving the finding of facts to the court of first instance.

If I assume nevertheless that my brethren are correct in holding that Johnson did receive cruel and unusual punishment in Georgia, I believe that this alone should not be assigned as the reason for Johnson's enlargement. The record before this court contains other factors which seem to me essential to consider and pertinent to our decision. The Johnson whose fate we are determining is more than a convicted murderer in the eyes of Georgia officialdom. He is a Negro who has broken imprisonment and who has made virulent accusations against the white officials and guards of the Georgia public-works camp. In the absence of persuasive evidence of effective steps toward reform in Georgia, I think it would be ingenuous to expect those Georgia authorities to accord to Johnson's constitutional rights greater respect than this court finds was conceded to Johnson during his Georgia imprisonment. This court is in a position, therefore, where it need not, and should not declare that the drastic remedy here announced is one which will lie whenever there has been, in the past, an infliction of cruel and unusual punishment. I deem it sufficient that we invoke our power to release an individual who not only has suffered cruel and unusual punishment but also faces grave and imminent danger of like abuse and very possibly even death by extra-legal means, if he is returned to Georgia.

If, nevertheless, this court must choose between past and prospective violation of a basic constitutional right as the ground for release of an individual, I should prefer to place reliance upon the latter. I think the cases support this view. Thus, in *Francis* v. *Resweber* (329 U. S. 459 (1947)), the Supreme Court of the United States entertained writs based upon the claim that execution of that petitioner would constitute cruel and unusual punishment and thereby deny him due process; and, while the court was not unanimous in either reasoning or result, all its members seem to me to have endorsed the concept that the courts may prevent threatened violations of a constitutional right like that here involved.[3] Likewise, in *Weems* v. *United States* (217 U. S. 349 (1910)), the Supreme Court, reversing a judgment because the sentence violated the bill of rights, placed great stress upon the punishment which the sentence would impose upon Weems in the future; see 217 United States at pages 366, 373, and 381. The logic of invoking the judicial power to eliminate a threatened invasion of a basic constitutional right seems to me irresistible.

As my foregoing comments indicate, I have grave doubts whether past infringement of Johnson's constitutional right would of itself entitle him to release. Were the State of Georgia actually in loco penitentiae, it might well be expected that criminal and civil sanctions could and would be applied, by effective legal process in that State, against those responsible for the cruel and unusual punishment visited upon Johnson. (Cf. *In re Birdsong* (39 Fed. 599 (D. C. S. D. Ga., 1889), and *Howard* v. *Arizona* (28 Ariz. 433, 237 Pac. 203, 40 A. L. R. 1275 (1925).) As far as I can see, however, it is not contended that crudities of the Georgia authorities were the equivalent of a pardon for the murder of which Johnson was convicted. For the purposes of the petition before us, the guilt or innocence of Johnson is not in issue. Also, it seems clear that the sentence of the Georgia county court, unlike that involved in *Weems* v. *United States*, supra, was not so erroneous as to entitle Johnson to discharge on habeas corpus. Consequently, still outstanding against him, and only incidentally affected by the treatment he has received, is a valid determination by properly constituted authority that Johnson be imprisoned for life. Could this penalty be served, with observance of those constitutional rights which prisoners retain (cf. *Coffin* v. *Reichard* (143 F. 2d 443, 445 (C. A. 6, 1944)), I think it would be both unwise and improper for this court to restrain Pennsylvania from honoring a request by Georgia for his extradition.

My position may be readily illustrated by a hypothetical case. Let us assume that two individuals, X and Y, are indicted on a charge of murder, that the trial judge erroneously compels them to take the stand and answer incriminating questions, and that both X and Y are convicted. Shortly thereafter, X escapes to another State, while Y appeals and obtains a reversal of the conviction. Under the majority ruling as I interpret it, X is spared the possibilities of extradition and a new trial, since a fundamental constitutional right was denied him; while Y must face trial again. Is not this an incongruous result? If the fact be added, however, that it seems likely that X or Y will be required at a new trial again to testify against himself, I can see sound reasons for a court to intervene, on behalf of either X or Y, and forbid the step which makes it possible for the fresh constitutional violation to be consummated.

For the reasons stated, I believe the judgment of the court below should be vacated and the cause remanded for a determination whether Johnson has suffered cruel and unusual punishment and would be reasonably likely to undergo similar abuse if he were returned to Georgia, the disposition of his petition to be dependent upon those critical findings.

A true copy:
Teste:

_____,
Clerk of the United States Court of Appeals for the Third Circuit.

[1] It should not be assumed too quickly that Georgia is zealous in guarding its prisoners and vigorously pressing for their extradition when they escape and flee into other States. As indications of the attitude of Georgia, I cite the following:

(a) The court below stated that about 175 other prisoners had escaped at the same time as Johnson.

(b) One of those who testified in the court below concerning the treatment given Georgia chain-gang prisoners was one Moreland, also a fugitive from Georgia justice. Judge Samuel A. Weiss, of the Court of Common Pleas of Allegheny County, Pa., in an opinion granting Moreland's petition for habeas corpus, recited this testimony of Moreland: "* * * that the warden observed his [Moreland's] departure and made no objections; that he proceeded to the town of Thomasville, Ga., where he received medical attention in the local jail under supervision of the chief of police. He then was released and proceeded to Atlanta, Ga., his bus fare having been paid by the chief of police."

(c) As the majority opinion notes, Johnson's other witnesses, except for one, were also escaped Georgia convicts who happened to be in the Allegheny County jail.

(d) The State of Georgia failed to express its position as to Johnson's petition, not only in the district court, but also at both hearings in this court, although in the order directing rehearing this court specifically invited the attorney general of Georgia "to appear amicus curiae and to file a brief herein if he so desires."

[2] At his murder trial in Georgia, Johnson limited his defense to his written statement alleging that the homicide was accidental; but the jury found him guilty of murder. As to Johnson's testimony in his habeas corpus hearing in the Court of Common Pleas of Allegheny County, the Superior Court of Pennsylvania stated that the record "affirmatively shows him to be an untrustworthy witness" (49 A. 2d at p. 197).

[3] "* * * if the proposed punishment amounts to a violation of due process of law under the Constitution of the United States, then the State must find some means of disposing of this case that will not violate that Constitution." Mr. Justice Burton, 329 U. S. 459 at 481. Cf. opinion of Mr. Justice Reed, 329 U. S. at p. 464, and last sentence of concurring opinion of Mr. Justice Frankfurter, 329 U. S. at p. 471–472.

COMMITTEE ON RULES

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 226, Rept. 652), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include testimony given today by the gentleman

from Michigan [Mr. DINGELL] before the Committee on Interstate and Foreign Commerce, and also the plan of action of the American Medical Association on the pending national health program. This may briefly exceed the statutory limit, but I ask unanimous consent that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

COMMITTEE ON RULES

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GRANT, from May 20 to May 26, 1949, on account of official business.

To Mr. BREEN (at the request of Mr. WAGNER), for May 20, 1949, on account of official business.

To Mr. HAYS of Ohio (at the request of Mr. MCGUIRE), for May 20, 1949, on account of official business.

To Mr. YATES, for May 20, 1949, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1535. An act to amend the Housing and Rent Act of 1947, as amended, with respect to housing accommodations in hotels; to the Committee on Banking and Currency.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.), under its previous order, the House adjourned until Monday, May 23, 1949, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 3003. A bill to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.; with an amendment (Rept. No. 644). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4263. A bill to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; without amendment (Rept. No. 645). Referred to the Committee of the Whole House on the State of the Union.

Mr. RHODES: Committee on Post Office and Civil Service. H. R. 3338. A bill to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made; without amendment (Rept. No. 646). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 4703. A bill relating to the internal security of the United States; with an amendment (Rept. No. 647). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 648. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 649. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 650. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. WHITAKER: Committee on Post Office and Civil Service. H. R. 3756. A bill to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service; without amendment (Rept. No. 651). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 215. Resolution investigating certain matters pertaining to the merchant marine and fisheries of the United States; with amendments (Rept. No. 653). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANE:

H. R. 4796. A bill to repeal the Selective Service Act of 1948; to the Committee on Armed Services.

By Mr. STANLEY:

H. R. 4797. A bill to provide for the issuance of a special postage stamp in commemoration of the one hundred and seventy-fifth anniversary of the speech delivered by Patrick Henry in St. John's Church on March 23, 1775; to the Committee on Post Office and Civil Service.

By Mr. BRYSON (by request):

H. R. 4798. A bill to declare the national policy regarding the test for determining invention; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 4799. A bill to provide for the control, inspection, and equipment of pharmacies in the District of Columbia; to the Committee on the District of Columbia.

By Mr. GRANGER:

H. R. 4800. A bill to direct the Secretary of Agriculture to convey certain mineral interest, and for other purposes; to the Committee on Agriculture.

By Mr. SMATHERS:

H. R. 4801. A bill to authorize the issuance of passports by the Immigration and Naturalization Service in the United States; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States relative to the participation of the United States in a limited world federal government; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States not to enact legislation relative to socialized medicine; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KILDAY:

H. R. 4802. A bill for the relief of Roy J. Bricker; to the Committee on the Judiciary.

By Mr. MURPHY:

H. R. 4803. A bill for the relief of Bernard F. Elmers; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 4804. A bill to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 4805. A bill to provide for the renewal of patent No. 1,814,156, issued July 14, 1931, relating to battery terminal clamps; to the Committee on the Judiciary.

By Mr. TAURIELLO:

H. R. 4806. A bill for the relief of Dr. Francesco Drago; to the Committee on the Judiciary.

By Mr. WIER:

H. R. 4807. A bill for the relief of Robert A. Atlas; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

911. By Mr. COTTON: Memorial of the General Court of the State of New Hampshire, concerning the New Hampshire Rural Rehabilitation Corporation and requesting enactment of legislation similar to H. R. 5905, introduced by Representative COOLEY in the second session of the Eightieth Congress; to the Committee on Agriculture.

912. By Mr. REED of Illinois: Resolution approved by the Board of Supervisors of Du Page County, Ill., in support of H. R. 1356; to the Committee on Public Lands.

913. By the SPEAKER: Petition of the District of Columbia Dental Society, Washington, D. C., stating their opposition to and requesting that Congress do not enact any legislation incorporating a compulsory health insurance plan; to the Committee on Interstate and Foreign Commerce.

914. Also, petition of the United Irish Societies of Western Pennsylvania, Pittsburgh, Pa., relative to providing a commission to assist in the unification of Ireland; to the Committee on Foreign Affairs.

915. Also, petition of AMVETS, Department of the District of Columbia, Washington, D. C., requesting the control and elimination of a certain type of literature in the District of Columbia; to the Committee on the District of Columbia.

916. Also, petition of AMVETS, Department of the District of Columbia, Washington, D. C., requesting that certain action be taken regarding pensions for veterans of World War I or World War II; to the Committee on Veterans' Affairs.

917. Also, petition of Hugh Cooper and others, Sarasota, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

918. Also, petition of Mr. and Mrs. William E. Quarles and others, Clearwater, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

919. Also, petition of Mrs. Eunice Brady and others, St. Petersburg, Fla., requesting

passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

920. Also, petition of Mrs. Ronald Bevis and others, Homestead, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

921. Also, petition of Dover Townsend Club, No. 1, Dover, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

922. Also, petition of Paul Barber and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

923. Also, petition of W. A. Bloom and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

MONDAY, MAY 23, 1949

Rev. Frederick V. Poag, minister, Second Presbyterian Church, Alexandria, Va., offered the following prayer:

Grant, we beseech Thee, Almighty God, to these servants who guide our Nation the honor of humility. Grant that they may know they not only pass judgment, but also that they are under the judgment of the Eternal.

Clarify their sense of right so that they may be able to establish the difference between constituent and conscience, between selfish determination and duty.

Grant that they may keep their faith in people. Remind them that a man can be not only shallow and despicable, but that a man is life's only expression of allegiance, love, and worship.

Restore to Thy servants the radiance of a high call so that duty will not become burdensome and monotonous routine will not supplant the ideal which holds them steadfast in their striving for Thy purpose.

These blessings we pray in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 20, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 21, 1949, the President had approved and signed the act (S. 1185) to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 61) requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Mundt
Anderson	Hunt	Murray
Baldwin	Ives	Neely
Butler	Jenner	Pepper
Cain	Johnson, Tex	Reed
Capehart	Johnston, S. C.	Robertson
Chapman	Kem	Saltonstall
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Downey	Knowland	Stennis
Eastland	Langer	Taft
Ellender	Lodge	Thomas, Okla.
Ferguson	Long	Thomas, Utah
Flanders	Lucas	Thye
Frear	McCarran	Tydings
Gillette	McCarthy	Vandenberg
Graham	McClellan	Watkins
Green	McFarland	Wherry
Hayden	McGrath	Wiley
Hendrickson	McKellar	Williams
Hill	Martin	Withers
Hoey	Millikin	Young
Holland	Morse	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DOUGLAS], the Senator from Colorado [Mr. JOHNSON], the Senator from Connecticut [Mr. MCMAHON], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Maryland [Mr. O'CONOR] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from South Dakota [Mr. GURNEY] is absent due to a death in his immediate family.

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Montana [Mr. ECTON], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Nevada [Mr. MALONE] are detained on official business.

The VICE PRESIDENT. A quorum is present.

REPORT OF PERSONNEL CEILINGS

The VICE PRESIDENT laid before the Senate a letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, his report of personnel ceilings for the quarter ended March 31, 1949, which, with the accompanying report, was referred to the Committee on Post Office and Civil Service.

WORLD FEDERAL GOVERNMENT—RESOLUTION OF NORTH CAROLINA LEGISLATURE

Mr. HOEY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Legislature of the State of North Carolina, relating to a world federal government with limited powers adequate to assure peace.

The resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolution 37

Resolution memorializing the Congress of the United States concerning certain proposed constitutional amendments authorizing the United States to negotiate with other nations relating to a world federal government with limited powers adequate to assure peace

Whereas war is now a threat to the very existence of our civilization, because modern science has produced weapons of war which are overwhelmingly destructive and against which there is no sure defense; and

Whereas the effective maintenance of world peace is the proper concern and responsibility of every American citizen; and

Whereas the people of the State of North Carolina, while now enjoying domestic peace and security under the laws of their local State and Federal Government, deeply desire the guaranty of world peace; and

Whereas all history shows that peace is the product of law and order, and that law and order are the product of government; and

Whereas the United Nations as presently constituted, although accomplishing great good in many fields, lacks authority to enact, interpret, or enforce world law, and under its present charter is incapable of restraining any major nations which may foster or foment war; and

Whereas the Charter of the United Nations expressly provides, in articles 108 and 109, a procedure for reviewing and altering the charter; and

Whereas in 1941 North Carolina was the first of many States to memorialize Congress, through resolutions by their State legislature or in referenda by their voters, to initiate steps toward the creation of a world federal government; and

Whereas several nations have recently adopted constitutional provisions to facilitate their entry into a world federal government by authorizing a delegation to such a world federal government of a portion of their sovereignty sufficient to endow it with power adequate to prevent war: Now, therefore, be it

Resolved by the house of representatives (the senate concurring):

SECTION 1. That application is hereby made to the Congress of the United States, pursuant to article V of the Constitution of the United States, to call a convenion for the sole purpose of proposing amendments to the Constitution which are appropriate to authorize the United States to negotiate with other nations, subject to later ratification, a consitution of a world federal government, open to all nations, with limited powers adequate to assure peace, or amendments to the constitution which are appropriate to ratify any world constitution which is presented to the United States by the United

Nations, by a world constitutional convention or otherwise; and be it further

Resolved—

SEC. 2. That the secretary of state is hereby directed to transmit copies of this application to the Senate and the House of Representatives of the Congress, to the Members of the said Senate and House of Representatives from this State, and to the presiding officers of each of the legislatures in the several States, requesting their cooperation.

SEC. 3. That this resolution be in full force and effect from and after its ratification.

In the general assembly read three times and ratified this the 20th day of April 1949.

H. P. TAYLOR,
President of the Senate.
KERR CRAIGE RAMSEY,
Speaker of the House of Representatives.

SEIZURE OF STATE LANDS BENEATH NAVIGABLE WATERS

Mrs. SMITH of Maine. Mr. President, I present for appropriate reference a letter I have received from Attorney General of the State of Maine, and a memorial adopted by the legislature of that State, relating to Federal seizure of State lands beneath navigable waters, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the letter and memorial were referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

STATE OF MAINE,
DEPARTMENT OF THE ATTORNEY GENERAL,
Augusta, May 18, 1949.

Hon. MARGARET CHASE SMITH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SMITH: On April 22 a joint resolution was passed by the ninety-fourth legislature, endorsing the legislation pending in Congress relating to the Federal Government's quitclaiming to the several coastal States' rights to the submerged lands within the 3-mile limit; and the Secretary of State informs me that he has sent you an authenticated copy with the great seal of the State thereon. I am wondering if you would be willing to have same placed in the CONGRESSIONAL RECORD. If you feel that you do not want to do this, would you suggest to Robert Hale, who is very much interested in the tidelands legislation, to do so?

Walter R. Johnson, who represents the National Association of Attorneys General in Washington, wrote to me as a member of the executive committee of that association, on May 2 that he had not seen a copy in the CONGRESSIONAL RECORD and suggests that I contact you, asking you to put it in.

There is more interest in this matter at the present time in Maine than there has been at any time since this controversial question has been pending before Congress and the United States Supreme Court. Richard Hallet, of the Gannett papers, was in my office this morning and spent considerable time going over this proposed legislation with me and over the background of the States' rights to the tidlelands.

It is a fact that our coastal States now fear that the title to their own tidelands may be clouded by the fate of those of California. As you know, the Federal Government has been granted leave by the United States Supreme Court to file actions against the States of Texas and Louisiana similar to that brought against the State of California, which was decided in June 1947; and there is no telling when an action may be filed against the State of Maine, claiming title to all our resources in the sea within the 3-mile belt, which would include lobsters, clams, and other fisheries along our Maine coast. The decree of the Supreme Court has encouraged opinions which may upset acquired titles and old procedures all along our coast.

As you know, Maine citizens and corporations have invested their capital and energy not in one but in scores of phases of our national economy, and the necessity for some action by the Congress was intimated by the court itself in its opinion in the California case, so that the adoption of the legislation now pending would not reflect in any way upon the prestige or authority of the Supreme Court of the United States, nor would it set up any new precedent.

I feel that Raymond Moley's article in Newsweek, May 2, entitled "Fair Deal Under the Sea," is a fair presentation of his opinion of the 200 Supreme Court decisions and the recognition by the United States of Texas as a Republic when it was admitted to the Union in 1845.

With best wishes and kindest personal regards,

Sincerely,

RALPH W. FARRIS,
Attorney General.

Joint resolution relating to Federal seizure of State lands beneath navigable waters

To the Members of the Maine Delegation in Congress:

Whereas the State of Maine owns and possesses more than 2,175 square miles of land beneath navigable waters within its boundaries, subject only to the Federal powers over navigation, commerce and national defense; and

Whereas State ownership of this property has been and will continue to be an important source of revenue for our State, the loss of which would be a great injury to the State and our people for whom it is held in trust; and

Whereas after over 100 years of recognized State ownership without interference with the delegated Federal powers, certain Federal officials are now suing other States for similar property and advocating Federal seizure of the lands: Now, therefore, be it

Resolved by the House of Representatives of Maine (the senate concurring):

That the State of Maine favors continued State ownership and control, subject only to the delegated Federal powers, of lands and resources within and beneath navigable waters within the boundaries of the respective States, and requests Congress to pass suitable legislation to that end;

That the members of our delegation in Congress are hereby requested to give their active opposition to all pending and proposed measures which would create Federal ownership or control of lands, fish, or other resources beneath navigable waters within State boundaries;

That the members of our delegation in Congress are hereby requested to give their active support to legislation which would recognize and confirm State ownership of such property; and

That a copy of this resolution be mailed to each member of our delegation in Congress.

House of representatives, read and adopted, April 21, 1949; sent up for concurrence.

HARVEY R. PEASE,
Clerk.

In senate chamber, April 22, 1949, read and adopted, in concurrence.

CHESTER T. WINSLOW,
Secretary.

REDUCTION OF FEDERAL MILITARY EXPENDITURES—RESOLUTION OF WISCONSIN TURNER DISTRICT

Mr. WILEY. Mr. President, I have received this morning from Fred L. Bartels, secretary of the Wisconsin Turner District, Madison, Wis., a copy of a resolution adopted by the eighty-fourth annual convention of the Turners held in Milwaukee on May 7 and 8. The resolution urges reduction of Federal expenditures for military purposes. Naturally, I too would like to see military expenses reduced to the greatest possible extent consistent with adequate preparedness. In other words, we want to squeeze out unnecessary funds being used for wasteful purposes such as have recently been exposed by the Hoover Commission.

At the same time, of course, we want to be sure that adequate provision is made for our country's defense.

I ask unanimous consent that the text of the Turners' resolution be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

WISCONSIN TURNER DISTRICT,
Madison, Wis., May 19, 1949.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SIR: We request you as our representative in the Congress of these United States to give earnest consideration to the following resolution passed by our eighty-fourth annual convention held in Milwaukee on last May 7 and 8:

"Whereas the United States Government has set up a budget for the next fiscal year in which over $30,000,000,000 is allocated for the past and present military expense; and

"Whereas history abundantly illustrates that overgrown military and naval establishments are a menace to our own liberties and the peace of the world: Therefore be it

"*Resolved*, That the Wisconsin Turner District call upon the Congress to reduce the expenditures for military purposes to a more reasonable proportion of our national income."

Respectfully submitted.

WISCONSIN TURNER DISTRICT,
FRED L. BARTELS, *Secretary.*

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 1053. A bill for the relief of Frank O. Ward; without amendment (Rept. No. 413);

H. R. 1058. A bill for the relief of Frederick W. Lass; without amendment (Rept. No. 414);

H. R. 1062. A bill for the relief of Lorrayne E. Graus; without amendment (Rept. No. 415);

H. R. 1497. A bill for the relief of Ralph A. Wood; without amendment (Rept. No. 416); and

H. R. 2249. A bill for the relief of Al W. Hosinski; without amendment (Rept. No. 417).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring suspension of deportation of certain aliens and I submit a report (No. 418) thereon.

The VICE PRESIDENT. The report will be received and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 42) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4331665, Albanese, Ruggiero.
A-4197547, Antepligil, Osman Hayrettin.
A-5724044, Antoniazzi, Matilde Fadelli.
A-6249459, Ayvalopoulos, Hariclia (nee Chariclia K. Heizanoglou).
A-1323072, Balzan, Nicola.
A-5338260, Callahan, Catherine Mary, or Catherine Mary Dowd (maiden name).
A-6151538, Calloway, Nieves Buena.
A-4895570, Campagnoli, Romildo.
A-6642567, Canales-Hernandez, Armando, or Armando Hernandez-Canales.
A-6636580, Carriaga-Alvarez, Hilarion, or Hilarion Alvarez-Carriage or Hilarion Careaga.
A-6650117, Carrillo, Baldomero.
A-6650116, Carrillo, Jose.
A-1986991, Chaparro, Epifania.
A-1534268, Chatzikostantin, Costas, or Gust Stelles.
A-6709236, Clay, George Robert, or George Mozes.
A-6577754, Contreras-Vargas, Julio.
A-6865971, Correa, Junior, Alejandro Maximo.
A-6178549, Dahlseide, Shirley Delores.
A-6677647, D'Atri, Lise Claire.
A-6261871, De Anda, Cayetano Jimenez.
A-5594947, De Araujo, Jose.
A-5171994, De Arredondo, Rosaria Banda, or Rosaria Banda.
A-6834476, De Flores, Josefina Pena, or Josefina Pena Villegas (maiden name).
A-2691031, Del Vecchio, Michele (alias Michael Del Vecchio).
A-3046860, De Martinez, Fermina Espinose (nee Mejia or Fermina Espinosa De Cruz (former marriage)).
A-6683087, Dewdney, Juliette.
A-3343962, De Zuniga, Maria Garza, or Maria Garza-Flores.
A-2746308, Divitaroff, Hristo Pavloff, now known as Christ D. Paul.
A-4985191, Doerschler, Arthur Ferdinand.
A-3707306, Eberhardt, Felipa Maria Lopez de, or Felipa Eberhardt, or Phillipa Mary Eberhardt.
A-5418174, Edwards, Phillis Vivian, or La Belle Bogart or Farmer or Phyllis V. Anderson or Phyllis V. La Belle.
A-6811190, Fago, Vincenzo Tommaso (alias Thomas Vincent Fago).
A-2778955, Fantini, Arturo, or Arthur Fantini.
A-5805711, Ferguson, William.
A-6367899, Fernandez, Enrique Romo, or Enrique Romo or Enrique Garraci Fernandez.
A-4862365, Figlioli, Mario.
A-4150490, Flores, Julia Delfina (nee Torres).
A-6238100, Flores, Jesus, or Jesus Flores Sanchez.
A-6238101, Flores, Pablo, or Pablo Flores Sanchez or Pablo Flores.
A-5535019, Flores-Soto, Alfredo, or Alfredo Flores or Alfredo Soto Flores.
A-6343699, Floru, Stergiani.
A-6350844, Frangopoulos, Chrisi or Frank (nee Fourkalidos (Fourlkidou)), or Chrisi Frank.
A-6400942, Futris, John George.
A-6246456, Gardikis, Ourania (nee Economou).
A-2484437, Giovara, Alfredo.
A-6288108, Goldstone, Anna (nee Leitner).
A-2826179, Gouin, Gaston Etienne Joseph.
A-6380537, Goyan, Eugenia Jean Jennie.
A-5401984, Grenzow, Richard Wilhelm (alias Richard Grenzow).
A-6405590, Hamilton, Edward Herbert (alias Archibald Edward Valentine).
A-6170336, Hamm, Remedios Tamayo.
A-4557126, Han, Maolin, or Mao Lin Han or Kiu Yueh Han.
A-1823731, Hansen, Victor Andrew.
A-2895893, Hanttu, Lydia.
A-4451747, Harris, Andre Thomas, or Andre Horace or Andre Toussaint Harris.
A-6212903, Heiden, Violet Delores.
A-6323057, Hernandez, Juan, or Juan Medina Hernandez.
A-1835499, Hidalgo, Hilario Marzann.
A-5969818, Hipp, Doris Amy Louise (nee Gilvear, formerly Faucett or Fawcett).
A-6322459, Hofman, Teunis Baan.
A-6316865, Hoy, Martha Smiley (alias Martha Hoy).
A-6811774, Issenmann, Adriana.
A-6811623, Johnson, John Oran, or Andrew John Johnson.
A-6671906, Jung, Marlene, or Marlene Yung.
A-4796715, Kellegian, Dorothy Michelle, or Elisa Horaks Rodriguez or Elisa Morales.
A-6162954, Kernkraut, Charles (Chaim).
A-6045024, Keyes, John William.
A-1012102, Kowrkounakis, George Konstantinos.
A-6429788, Kuoppamaki, Liisa.
A-6261597, Lambouris, Constantina (nee Kostanos).
A-6715868, La Motte, Goetz Walter de.
A-4176832, Lee, Mew Tin, Mrs. (alias Yin Fung Leong alias Siu Bing Bing).
A-3310474, Leonard, Mary Frances (nee Industrious).
A-3875481, Liang, Mary (alias Liang Mah Lee).
A-6024662, Liliand, Torolf Johan.
A-6385160, Luana, Ignacio.
A-1252627, Lutkes, Mary or Lutkevicus (nee Venik).
A-6509112, Madamba, Helen Marie.
A-3164260, Marethe, Indu (nee Indu Hari Lewate or Indu Shankar Marathe).
A-6397726, Markogiannis, Georgia (nee Pappas).
A-9635770, Markogiannis, Michael George, or Mike Markogiannis.
A-6166166, Martinez, Mariana, or Alfonso Y Diaz.
A-3092340, Marulis, John Efstathios, or John E. Marulis or Ioannis Maroulis.
A-5470955, Matthias, Christophena (nee Sparks).
A-6855173, Melendrez-Colunga, Francisco.
A-6827607, Mertikas, Constantinos.
A-3152201, Mezzina, Giovanni.
A-5804110, Mika, Jessie Air (nee Jessie Wilkie Air).
A-6048520, Mococain, Juan Guillermo (Clark), or John William Mococain.
A-7593654, McCann, Doris.
A-6316401, McCarthy, Mary Ellen (nee Shallow).
A-5137396, McDade, Emma Theresa (nee McNamara).
A-5262105, McMurray, Lorenza Cecile.
A-6326677, Nolan, Ada Phyllis.
A-6827000, Noriega-Bonilla, Blas.
A-6050604, Pietrolaj, Heronima.
A-3708197, Palatin, Julia (nee Julia Schauer or Julia Polatin alias Elizabeth Kocisz).
A-6491634, Paneth, Eidel (nee Eidel Moscovici).
A-6288475, Panteleakis, Nicolas Panagiotis.
A-7707086, Patino, Jesus Maria Rodriguez y, or Jesus Rodriguez.
A-1573671, Patrik, Jan Mike, or John Petrik or Patrick.
A-5817429, Pelleck, Jennie (nee Jennie Piala).
A-6827105, Pena, Adan Flores.
A-5622568, Pesce, Attilio.
A-6143858, Pinto, David Edison Maddox.
A-6690315, Ramirez, Maria.
A-3886946, Rauch, Anita (nee Steil alias Starick and Antonina Rozalja Steil).
A-5190183, Regis, Adelina Ramirez Luna.
A-6437512, Robinson, Julienne Marie (nee Devincke).
A-1450969, Ryan, Daniel James, or Daniel James O'Ryan.
A-6303971, Sanchez, Clara, or Sara Sanchez or Clara Sanchez de Mendoza.
A-3167966, Santoro, Salvatore, or Salvatore Aniello Santoro.
A-3726899, Schaumburg, June Hadfield (alias nee June Hobson).
A-4588739, Schooff, Wilhelm Emil, or Willie Schoof or Schoff.
A-6268892, Shunda, Olimpia Babu (nee Olimpia Babu).
A-6054882, Silva-Pena, Jose Diego Cecilio De Jesus, or Cecilio Silva-Pena.
A-6054860, Silva, Marciala Calderon Parra De.
A-2726809, Simon, Gladstone Emanuel.
A-5613177, Skytte, Jenny Margrethe (nee Jenny Margrethe Marcussen).
A-6837715, Smales, Thomai, or Thelma Thomai Smales or Thelma Thomai Papacosta (maiden name).
A-6839267, Smith, Ronald George.
A-1233170, Swaleh, Abdu Ibn, or Edwin Gourick Bey.
A-1990120, Tomecek, Gabriel Vincent.
A-4540102, Vda, De Ruiz, Juana Cristan, or Juanita Tristan.
A-6263031, Villa, Maria Ester Medrano de.
A-6782677, Viner, Gladys (nee Robinson).
A-2749887, Wing, Chew, or Gueng Lai or Siu Hoo or Siu Hoo Wing or Jew Shee or Chew Gee.
A-6145607, Wise, Consuelo Emilia.
A-5468253, Wolfel, John, or Mike Deal or Joan or Johann Wolfel.
A-6610614, Wong, Lee Wai Lan (nee Wai Lan Lee or Wong Lee Shee).
A-5971920, Wong, Lok-Yee Lois (nee Wang or Lois Lok-Yee Wong Nee Wang).
A-6354313, Woods, Colette Levy (nee Colette Marthe Nelly Levy).
A-1689915, Woszczynski, Konstanty, or Konstant Woszczynski.
A-2400433, Tso, Chee Wah, or Gin Lung Tso.
A-2079296, Young, Hew Som.
A-2976738, Yuan, Hyan Yu.
A-1397613, Zajic, Louis, or Ladislaw Zajic.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 23, 1949, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 61) requesting the President to issue a proclamation designating Memorial Day 1949, as a day for a Nation-wide prayer for peace.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 1914. A bill to provide funds for cooperation with the public school authorities of Person County, N. C., in the construction, extension, and improvement of public school facilities; to the Committee on Labor and Public Welfare.

By Mr. MUNDT:

S. 1915. A bill for the relief of Viktor A. Kravchenko; to the Committee on the Judiciary.

By Mr. LUCAS:

S. 1916. A bill for the relief of Edna A. Bauser; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 1917. A bill to authorize the conversion of the Panama Canal to a sea-level waterway; to the Committee on Interstate and Foreign Commerce.

INVESTIGATION OF NEEDS OF SAN FRANCISCO BAY AREA, CALIFORNIA

Mr. DOWNEY submitted the following resolution (S. Res. 119), which was referred to the Committee on Public Works:

Resolved, That the Committee on Public Works, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the needs of the San Francisco Bay area, California, for additional transportation arteries, bridges, causeways, and other facilities designed to advance the commerce, navigation, national defense, land reclamation, and residential and industrial development of the area, including, but not limited to, (a) the extent to which such facilities may be utilized to expand, or be combined or coordinated with facilities for expansion of, the fresh water supply of the area; (b) the extent to which such additional facilities will contribute to the national defense, navigation, flood control, irrigation of agricultural lands, the repulsion of salinity and other authorized Federal functions; (c) estimated costs of such works. The committee shall report its findings, together with its recommendations for such legislation as it may deem advisable, to the Senate at the earliest practicable date.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

APPROPRIATIONS FOR EXECUTIVE AND SUNDRY INDEPENDENT OFFICES—AMENDMENT

Mr. LUCAS submitted an amendment intended to be proposed by him to the bill (H. R. 4177) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

ESPIONAGE AND SUBVERSIVE ACTIVITIES

Mr. McCARRAN. Mr. President, I hold in my hand a letter which I have received from John Gilland Brunini, editor of Spirit magazine, and foreman of a recently convened special Federal grand jury of the southern district of New York.

The letter, which was accompanied by an enclosure, is self-explanatory. I ask that this letter and the enclosure transmitted with it may be printed in the RECORD as a part of my remarks.

This material should be of particular interest to Senators in view of the efforts now being made to secure enactment of legislation to tighten up our laws against espionage and against subversive activities of all kinds.

There being no objection, the letter and enclosure were ordered to be printed in the RECORD, as follows:

SPIRIT,
New York, N. Y., April 27, 1949.

Hon. PAT MCCARRAN,
Chairman, Senate Judiciary Committee, Senate Office Building, Washington, D. C.

DEAR SENATOR MCCARRAN: You may know that the special Federal grand jury of the southern district of New York, of which I am foreman, yesterday handed up a presentment which primarily recommended legislation to tighten espionage laws. The New York Times published the presentment in full this morning. The grand jury particularly wished you to be sent a copy.

This is because we are aware of your speech in the Senate of Monday in which you also spoke very effectively of the need for such legislation.

The grand jury voted on the points made by it a number of weeks ago, and it considers that the publication yesterday might be a valuable assist to you both before your committee and the Senate itself. It would be gratifying to the grand jury if this should prove the case and if you should see fit to insert the presentment in the CONGRESSIONAL RECORD.

Sincerely yours,

JOHN GILLAND BRUNINI.

PRESENTMENT

To the District Court of the United States for the Southern District of New York:

Whereas the undersigned constitute all the members of the December 16, 1948, special Federal grand jury of the District Court of the United States for the Southern District of New York impaneled to inquire into espionage and subversive activities; and

Whereas there has been presented for the past 4 months, and is being presented, before this special Federal grand jury a volume of testimony concerning activities of both foreigners and American citizens which are directed from within and without against the security of the Nation; and

Whereas this testimony and evidence have led this special Federal grand jury to certain conclusions it deems proper and imperative to be brought to the attention of the executive, legislative, and judicial departments of the United States Government for such action as may be necessary or appropriate, the undersigned members of this grand jury respectfully show and allege as follows:

1. The grand jury is of the unanimous opinion that the safety of this country and its institutions is being jeopardized because—

(a) increasing efforts, since the United States of America has been forced by events to take a dominant position in world leadership, have unlawfully been and are being made by those inimical to the Nation to obtain information relating to the national defense and security—information which could be used to the Nation's injury and to the advantage of foreign nations; and because;

(b) existing laws, applicable to activities aimed at unlawfully obtaining such information, are inadequate and unrealistic in view both of the Nation's position in world affairs and internal menaces from those zealously activating a philosophy hostile to our constitutional form of government.

2. This conviction was arrived at by the grand jury after hearing, over a period of 4 months, the testimony of a large number of witnesses who, irrespective of their widely differing relations to the problems under consideration, have been able to aid its investigations. Many of these witnesses have been summoned by the Department of Justice and some by the grand jury itself acting independently under its own authority as the anciently established representative of the people. They have been examined in that secrecy which is designed not only to determine those who may have violated Federal laws but to protect the rights and the reputations of the innocent.

Among these witnesses have been men charged with ferreting out violations of Federal laws and others who should be classed as Government witnesses.

Others, men and women whose integrity and innocence have not been questioned but who have had valuable information to give, have proven entirely cooperative in the grand-jury inquiries.

Still others—and the number has proven surprisingly large—themselves believed to be guiltless of direct violation of the law as it now exists, have invoked their constitutional rights to refuse to give information they indubitably possess concerning knowledge of violations by others. It has been a matter of grave concern to the grand jury that there are in this category of witnesses certain lawyers who, despite the fact that they are by virtue of their profession officers of the court, have refused to answer questions put to them by the Federal attorneys and the grand jurors on the grounds that the answers will tend to degrade or incriminate themselves. This such witnesses have unquestionably done because they have been alerted through the publicity given by other investigating bodies to the circumstances which the grand jury must examine in secrecy.

Lastly, there have been a certain number of witnesses who the grand jury is convinced, either by their own confessions or by the incontrovertible evidence of others, have violated Federal laws, but who are protected by the operation of the statute of limitations. The grand jury is powerless to indict such an individual so that he can be given a fair trial before a judge and jury with all the safeguards of such legal procedures.

3. The grand jury has been provided with many object lessons of the looseness with which laws governing espionage, the practical application of which it must determine, are at present drawn. In the light of the situations it has had to face, it believes that the safety and welfare of this country require either the enactment of new legislation or the amendment of existing legislation.

4. The grand jury, without making detailed recommendations, is nevertheless convinced that the espionage statutes themselves should be amended and tightened without meanwhile infringing on those civil rights constitutionally guaranteed our citizens. It recommends, therefore, that laws defining espionage be designed to cover all unauthorized transmission of information relating to the national defense which could be used to the injury of the United States or to the advantage of any foreign nation. It further recommends provision be made that those engaged in such transmission can be prosecuted if they know the information may be used for such purposes.

The grand jury holds the crime of acting against one's own country is of such gravity and of such abhorrence to the American people that those so guilty should not be protected in any manner not provided by their constitutional rights. Accordingly it strongly recommends that provision be made to indict at any time any individual guilty of transgressing espionage statutes, now existing or to be enacted, without regard to any statute of limitation as in the case of treason.

Convinced that, despite the vigilance and the efficiency of the Federal Bureau of Investigation, increasing efforts will be made to acquire and transmit information injurious to the Nation, the grand jury holds that

persons trained in espionage or sabotage by any foreign country should be required to register under the Foreign Agents Registration Act; and that failure to register under the act shall be considered a continuing offense for which the statute of limitations will not be operative. It recommends legislation to this end.

The grand jury is aware of the legislation on these and related subjects which has been proposed on the recommendations of Attorney General Clark. These recommendations were prepared in close consultation with the Interdepartmental Intelligence Committee, composed of representatives of the intelligence divisions of the Army, Navy, and Air Departments and the Federal Bureau of Investigation. It urges the careful study of this proposed legislation by our legislative authorities with the view that laws be passed to achieve these objectives in the proper constitutional framework.

Having seen at first hand the difficulties in arriving at the truth concerning espionage violations when witnesses have been alerted by publicized charges and counter charges, the grand jury recommends that all investigating bodies conduct their inquiries into espionage in secret.

The grand jury further recommends that an investigation be made by the proper authorities, by bar associations and other similar bodies, to determine those measures that may be taken to disbar from practice in the courts any lawyer who, appearing before any grand jury, refuses to answer questions on the grounds of self-incrimination. It is obvious that if such grounds exist the lawyer is not of that integrity which the American people should demand of all officers of the court.

Now, therefore, the grand jury respectfully petitions the court to accept this presentment and order it filed, authorizing the foreman and the secretary of this grand jury to send copies of it to the Members of Congress and to the proper officers of the executive department of the Government, and to permit such other use as may properly be made of this document.

New York, N. Y., April 26, 1949.

John Gilland Brunini, Foreman; John G. Kilbreth, Deputy Foreman; Hugh V. Doran, Secretary; Robert L. Barrows; Joseph P. Christianson; Evelyn Zorn Dingwall; James Sumner Draper; Raymond G. Fowler; Robert Frese; G. Leonard Gold; Henry E. Grant; Harold C. Hahn; Richard Brown Jones; Murray Kanner; Francis Keally; Samuel B. Leight; Sidney Lashen; Herman E. Nathan; Bernhard K. Schaefer; Harry Scherman; John Schreiber; Siegfried Stern; Wheeler Williams.

APPRECIATION OF GI BILL OF RIGHTS—LETTER BY WILLIAM M. RAINES

Mr. BUTLER. Mr. President, a few days ago I received a letter from a young man who is graduating this year from the Nebraska College of Engineering, in which he expressed his eternally grateful appreciation of what his Government had done to assist him in getting a college education. While addressed to three members of the Nebraska congressional delegation, it is equally appropriate to all Members, for the GI bill of rights was sponsored by many of us and supported by practically all Members. The letter comes from Mr. William M. Raines, living in Huskerville, a portion of Lincoln made available to former servicemen and their families while attending school.

The letter is very short, and with the permission of the Senate I should like to read it into the RECORD. It is dated May 19, 1949, from apartment 307-C, Huskerville, Lincoln, Nebr. The letter is addressed to Senator HUGH BUTLER, Senator K. S. WHERRY, and Representative C. T. CURTIS, Congress of the United States, Washington, D. C., and is as follows:

DEAR SIR: I do not know how to express my appreciation to all the Members of Congress for the GI bill of rights, nor do I remember which Congress it was which, while I was overseas, passed this bill. I do want to express my gratitude to my own Congressmen at this time in the hopes that they will express these sentiments to the other Congressmen responsible.

On June 6 this year I will be graduated from the University of Nebraska College of Engineering. Without the benefits which the GI bill provided I would have been unable to finish my college work, since I had been married during my military service.

This letter is merely a testimonial to the effect that I am eternally grateful to my Uncle Sam.

Yours very truly,

WILLIAM M. RAINES.

GOVERNMENT SPENDING—ADDRESS BY FORMER SENATOR ARTHUR CAPPER

[Mr. REED asked and obtained leave to have printed in the RECORD a radio address on Government spending delivered by former Senator Arthur Capper from Topeka, Kans., on May 15, 1949, which appears in the Appendix.]

ADDRESS BY REPRESENTATIVE BOGGS OF DELAWARE BEFORE THE ASSOCIATION OF NEW YORK STATE YOUNG REPUBLICAN CLUBS

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an address delivered by Representative J. CALEB BOGGS before the seventeenth annual convention of the Association of New York State Young Republican Clubs on May 20, 1949, which appears in the Appendix.]

TRIBUTE TO AMERICAN WAR DEAD—SERMON BY MSGR. MAURICE J. SHEEHY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a sermon and tribute to American War Dead delivered by Msgr. Maurice J. Sheehy at the eleventh annual military memorial field mass, Arlington National Cemetery, May 22, 1949, which appears in the Appendix.]

THE RECORD DEBT REDUCTION OF 1945-49—ARTICLE BY EDWARD H. COLLINS

[Mr. TAFT asked and obtained leave to have printed in the RECORD an article entitled "The Record Debt Reduction of 1945-49," written by Edward H. Collins, and published in the New York Times of May 16, 1949, which appears in the Appendix.]

POISON OF PRESIDENTIAL POLITICS KILLS EMPLOYMENT ACT OF 1946—ARTICLE BY J. A. LIVINGSTON

[Mr. TAFT asked and obtained leave to have printed in the RECORD an article entitled "Poison of Presidential Politics Kills Unemployment Act of 1946," written by J. A. Livingston and published in the Washington Post of May 20, 1949, which appears in the Appendix.]

WHAT'S WRONG WITH MR. BRANNAN'S IDEA?—EDITORIAL FROM THE FARM JOURNAL

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "What's Wrong With Mr. Brannan's Idea?" published in the June 1949 issue of the Farm Journal, which appears in the Appendix.]

NO JAIL FOR DEBT IN VERMONT—EDITORIAL FROM THE BRATTLEBORO (VT.) REFORMER

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "No Jail for Debt in Vermont," published in the Brattleboro (Vt.) Reformer of May 20, 1949, which appears in the Appendix.]

AWARDS TO COMMUNISTS—EDITORIAL FROM THE HARRISBURG (PA.) EVENING NEWS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Awards to Communists," published in the Harrisburg (Pa.) Evening News of May 16, which appears in the Appendix.]

BUDGET SLASH NEEDED TO HALT FEDERAL PAY ROLL RISE—EDITORIAL FROM PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Budget Slash Needed to Halt Federal Pay Roll Rise," published in the Philadelphia Inquirer of May 20, 1949, which appears in the Appendix.]

IT CAN HAPPEN HERE—EDITORIAL FROM THE OIL CITY (PA.) DERRICK

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "It Can Happen Here," published in the Oil City (Pa.) Derrick, of May 17, 1949, which appears in the Appendix.]

MEMORANDUM TO MEMBERS OF THE EIGHTY-FIRST CONGRESS BY AL ANDERSON AND FRANK LILLY

[Mr. MORSE asked and obtained leave to have printed in the RECORD memorandum to Members of the Eighty-first Congress, prepared by Al Anderson, executive secretary, Alaska Miners' Association, Seattle, Wash., and Frank Lilly, executive secretary, Prospectors' and Mine Owners' Association, Spokane, Wash., which appears in the Appendix.]

WILL SOUTH ASIA GO RED?—ARTICLE BY HAROLD ISAACS

[Mr. JENNER asked and obtained leave to have printed in the RECORD an article entitled "Will South Asia Go Red?" written by Harold Isaacs and published in Newsweek for May 9, 1949, which appears in the Appendix.]

COMMITTEE MEETING DURING SENATE SESSION

Mr. HUMPHREY asked and obtained consent for a subcommittee of the Committee on Post Office and Civil Service to meet this afternoon.

TRIBUTE TO THE LATE FORMER SECRETARY OF DEFENSE, JAMES V. FORRESTAL

Mr. TYDINGS. Mr. President, the whole Nation has suffered a great degree of shock in learning of the untimely death of James Forrestal, recently our first Secretary of Defense. Mr. Forrestal came to Washington, I believe, just prior to our entry into World War II, as Under Secretary of the Navy, when the Honorable Frank Knox occupied the position of Secretary of the Navy. From the very beginning he devoted himself with intelligence, comprehension, tenacity, and patriotism to the duties that are inherent in our national defense.

With the passing of Secretary Knox he became the Secretary of the Navy, and both as the Under Secretary and as the Secretary he visited many of the

theaters of actual fighting during the course and conduct of the war, and by his contact with the men in these areas and by the knowledge he gained there, rendered unusual and outstanding service in the direction of the Naval Establishment toward the great successes which crowned its efforts in bringing our enemies to defeat.

When it became advisable, after the war was over, to take new stock of our defense set-up, and when in pursuit of that objective the Unification Act was passed by the Congress, the President sought far and wide for a man who could discharge the extraordinarily difficult duties of this new approach to our national defense. Finally Mr. Forrestal, because of his record, because of his knowledge, and because of his particular talents, was designated to be the first Secretary of Defense and to preside over the initial undertakings of the unification of the armed services.

There was more title than there was power in the original Unification Act. The people assumed all that was needed to achieve unification had been incorporated in that law. This was an erroneous assumption. Naturally the services themselves wanted to be cautious in embracing a new procedure for the defense of our country. So the original Unification Act was largely a matter of give-and-take and compromise. The new Secretary of Defense did not have the authority which the public assumed he had to take many of the necessary steps. But even under those handicaps James Forrestal performed a magnificent service in gradually bringing about much of the unification we have come to know, in the temperate, judicial, and yet hard-hitting manner which was characteristic of all his activities.

This morning I talked with his successor, Mr. Louis Johnson. He indirectly paid Mr. Forrestal a great compliment. He said that since he had been Secretary of Defense, succeeding Mr. Forrestal, he had become aware of many acts which Mr. Forrestal had performed, and many policies he had promulgated, which had never been given publicity, but which in their nature were of great benefit in the unification of the armed services, in the gradual increase of efficiency therein, and in the ability of the armed services to work together in the common defense of the country. He said that Mr. Forrestal kept those things to himself; that while he performed many fine acts, many of them were never made known to the public. I think that is a great tribute to the modesty of a man who occupied one of the highest positions in our Government, who performed outstanding service, and who nevertheless was content to let the service speak for the work he had done, rather than to proclaim that work by his own lips.

As a member of the Armed Services Committee during all the time he served as Under Secretary of the Navy, Secretary of the Navy, and Secretary of Defense, I had many opportunities to work with and observe Mr. Forrestal. He was kindly and patient, never bitter, determined only when determination was essential to the accomplishment of a worthy purpose. He had a sensitivity that few ever gave him credit for. He was part poet and part warrior. From many angles he was one of the most misunderstood men I have ever seen in public life. He was supposed to have had a rather hard-boiled nature, when in truth he was extremely sensitive. He was always considerate of others, and had a degree of kindness for friend and foe alike that I do not believe I have encountered in any other public servant in my lifetime.

His monument, of course, will be the foundation stone which he himself laid, upon which will be erected, I hope, in this session and in other sessions, a more secure America, which will protect all our people and shed its benign influence over the oppressed, wherever they may be all over the world, giving them hope that, however dark the days they are passing through, whatever burdens they may be carrying, the great, strong, vital United States of America, largely brought to that state by the untiring and patient efforts of James Forrestal, offers promise of a new day and a new concept of the dignity of the ordinary man all over the globe.

Mr. President, I cannot begin to express, I know, what is in the heart of every Member of Congress who had the happy privilege of knowing Mr. Forrestal; the depth of our sorrow, our sense of immeasurable personal loss, and the sympathy which goes out to his wife and son in their great bereavement. But I do feel that with the passing of time, in spite of the "slings and arrows of outrageous fortune" which bedeviled him, particularly in his later years, in the form of unwarranted carping and quite often uninformed criticism, through the mist of prejudice, and perhaps jealousy, the shining example of a man fighting modestly with courage and patriotism to serve his country will emerge in its true proportions, and that more than ever in the passing days we shall come to look upon James Forrestal as not only a great American, but one who contributed in the fullest measure all that he had of talent, heart, and experience to the greatness of the country he loved so much.

Mr. LODGE. Mr. President, I deeply mourn the death of James Forrestal. Although I had known him before the war, I came to have a particularly deep appreciation of his public service when I was sponsoring legislation in 1947 to establish a commission on the organization of the executive branch. At that time I was struck, perhaps more than I have been before or since, by one man's knowledge of government, and was greatly aided by Mr. Forrestal's help to me on that measure. In fact, the testimony which was presented at that time showing the extreme difficulty of controlling expenditure in the individual departments of Government was entirely the result of his analysis and help.

There is tragic irony in the fact that the new provisions for budgetary control which are in the pending bill relating to the armed services, and of which we rightly expect so much in the way of economy, are in a very real sense the product of Mr. Forrestal's thinking.

His work in the Navy Department was in every way superior. As Secretary of Defense he accomplished many fine things, many difficult, challenging things, and laid the groundwork for other fine things to come. In fact, even a bare enumeration of just a few of his achievements as Secretary of Defense is impressive.

He was a man of great intelligence, of extraordinary powers of analysis and penetration. He had courage and vision, rare warmth, unselfishness, and sweetness of nature. By every human standard he was a great success.

My sympathy goes out to his family. The country has lost a brilliant and useful public servant, and I have lost a valued friend.

Mr. VANDENBERG. Mr. President, it is with the greatest difficulty that I speak of my dear personal friend who has so tragically crossed the Great Divide.

His was a precious soul, which loved the finest things of spiritual culture, and which reveled in the idealism which are our priceless inheritance. His was a brave and humble soul, courageous always in facing the difficult duties he so ably administered—humble always in his mild and gentle relationships with his fellow men. He was a great and reliable public servant, who literally lived his patriotic creed of faithful citizenship, and who literally died for his country.

With eternal affection and respect, and with gratitude for the privilege of his intimate friendship, I bid him hail and farewell. His eternal monument is in our hearts, and in the destiny of his country.

Mr. FLANDERS. Mr. President, I should like to add a very brief word of tribute to the memory of James Forrestal.

I first became acquainted with him when I was in the War Production Board in 1942. I met him at weekly conferences. I saw him vigorously supporting the views of the Navy Deupartment—but not vigorously in the sense of being narrow-minded. Not only in connection with the problem of the armed services, but in connection with the general problem of supply which developed, I saw him become preeminently the man in those conferences who took the point of view of the whole problem with which we were faced.

I met him later in certain special assignments with which he honored me in connection with the work of the Navy Department. The relationship continued since I have come to Washington. The acquaintanceship was close. I feel it not too much to say that from my standpoint, at least, and I believe from his, it ripened into friendship.

I wish to add to what has been said here my testimony to the fact that this man, who appeared to be a scrappy little fighter—which he was—was also a man of very great sensitiveness. It can be no surprise to anyone who knew him to learn that his last act before death was to copy a passage from one of the tragedies of Sophocles. That was in the nature of the man.

I, too, believe, and wish to put on record my firm conviction, my firm knowledge, that this man gave every-

thing he had to his country, and drained himself dry in the process. More than that, no man can do.

Mr. CAIN. Mr. President, the junior Senator from Washington does not consider himself to have been an intimate or family friend of the late James Forrestal; but we were good friends, and I am deeply distressed by his untimely passing. I shall always consider him to have been a noted American who was endowed with a singular and full measure of character, capacity, and courage. My brief time in the Nation's Capital has been made more worth while, enlightened and possessed of purpose because I was so fortunate as to have been reasonably close to Mr. Forrestal.

In this magnetic and magnificent city of Washington, D. C., which is in fact the Capital of our world and in which is blended a mixture of integrity and insincerity, courage and cowardice, character and shallowness, honest words and muck raking, faith and godlessness, purpose and futility, purity and venom, Jimmy Forrestal stood forth in the rigid strength of his character as a giant among pigmies. His patriotism and his devotion to the needs of his country were as unsoiled and without blemish as similar virtues possessed by any American who has ever lived.

Our future is the more promising and secure because of the unselfish contributions which Jimmy Forrestal offered so fully and freely to his Government, which is but a reflection of us all. Jimmy Forrestal was a leader who produced and inspired leadership from others. He was a total man in every conceivable way.

Mr. Roscoe Drummond, chief of the Washington Bureau of the Christian Science Monitor, recently wrote about the case of James Forrestal. This article is warm and sympathetic, but disinterested and objective in treatment. It seems to me that as we think about the future without James Forrestal, we should reflect on the past in which he played a role which was positive and clear. I ask unanimous consent that Mr. Drummond's reflections, which may provide a slight degree of satisfaction to a grieving family, be included in my remarks at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CASE OF JAMES FORRESTAL

(By Roscoe Drummond)

WASHINGTON.—It is gratifying to be able to report that James Forrestal is making substantial progress toward recovering from the job fatigue which he experienced following his resignation as Secretary of Defense.

The case of Mr. Forrestal may well help all Americans to a better understanding—indeed, to a somewhat fuller gratitude—for public officials who make great sacrifices to serve the Government and are rewarded in large part by an inverse ratio of abuse and criticism.

It is the most commonplace remark today to say that the American Government is the unquestioned leader of the free world, that its position is one of eminence, that its responsibilities were never so many and so vast.

But what is less appreciated is that it takes leaders to produce leadership; that it takes able, talented administrators to enable the Government to do its job well in justice to itself and in justice to the world. Eminence cannot be maintained in a vacuum.

James Forrestal was one of those administrators who helped the Nation win the war and who helped to give the Government the talent and the intelligence and the drive to enable it to meet the test of postwar leadership which was thrust upon it.

Along with other Washington correspondents, I have watched Mr. Forrestal at pretty close range from the day he became Secretary of the Navy when the Allied war effort was hardly under way in 1942 until he left the President's Cabinet a month ago to take a well-earned vacation and return to private business. During this period I know of no high official who devoted himself to serving the Government more competently, more tirelessly, more selflessly than Mr. Forrestal. He worked too hard, he worked too long; and when he came to retire, he didn't know how to let up.

Mr. Forrestal would be the last to consider himself a martyr. He enjoyed his job and he found the rewards of accomplishment thoroughly compensating. But through it all Mr. Forrestal was the target of a great deal of purposeful criticism, unsupported, as too many of our public officials are, by any genuine, public appreciation of what it means to serve the Government.

And then, after suffering an acute breakdown following his resignation, one broadcaster, whose voice is heard by millions, crassly circulated the rumor that Mr. Forrestal was insane during the latter weeks of his service and that the safety of the Government requires that his decisions be promptly investigated.

Readers of State of the Nation know that I have had my disagreements with the Secretary of Defense and that, therefore, I am not interested in defending any particular actions which Mr. Forrestal may have taken.

What I want to report is that, after the most thorough first-hand investigation, I find no basis whatsoever for the accusation and rumor that Mr. Forrestal's subsequent break-down was reflected at any point to any degree in any of the decisions, actions, or policies which he authorized during the strenuous several months before he felt it necessary to step down.

During these months he worked in close and almost continuous relationship—and harmony—with his successor, Louis Johnson. During this period there is no doubt that Mr. Forrestal grievously overworked himself, remaining at his office from early morning until after midnight day after day in his earnest desire to leave matters as well advanced as possible upon his retirement.

Mr. Forrestal did sacrifice himself—but he did not disserve his Government. Today some underlings in the armed services, responding to the rumor circulated in the broadcast, are insinuating that Mr. Forrestal's latter decisions, which they happened not to like, should be reviewed—in the hope that they can get them reversed to suit their purposes. Such tactics will get nowhere with Secretary Johnson, who is quick to sense what is behind them and who, furthermore, was intimately aware of every action that was being taken in the Department for many weeks before he took over.

Now, Mr. Forrestal will survive his critics and their criticism. What makes his case important is that there is every reason to consider it in degree a symptom of one of the real problems in Government today. The pressure, the strain, the tension are tremendous and, as Mr. Churchill remarked in his MIT address, the nerves of our leaders must remain calm and strong if we are to win the battle of the peace.

Spiritual-minded people are aware that our public officials need and deserve our support in the faithful discharge of their office. This is not a partisan duty; it is a human and humane duty. This is the duty which the founder of this newspaper, Mary Baker Eddy, counseled should be discharged when she urged all to pray that the divine presence should "guide and bless our Chief Magistrate, those associated with his executive trust, and our national judiciary; give to our Congress wisdom, and uphold our Nation with the right arm of His righteousness." (Christian Science versus Pantheism 14:14.)

The need for such support is great today.

Mr. CAIN. Mr. President, a feeling of tranquillity, contentment, and peace has come at long last to Jimmy Forrestal; and I, in company with his many many admiring and devoted friends, am glad. The poisoned pens and unclean suspicions of those who were mean and little, uninformed and jealous, unpatriotic and destructive, will be heard no more. Those who live like vultures on the red blood of men who are true patriots must look elsewhere now for a new victim. Jimmy Forrestal has left for them, and for our Nation and our world, his legacy of a public record of achievement and good which is wholly unassailable. Jimmy Forrestal has left behind him his friends whose privilege it will be to keep the record straight and untarnished for all time. Jimmy Forrestal has gone to a paradise which no man is better qualified to enter, or more deserving of membership. Those who bid him welcome will find him to be a companion worth having, and better yet, worth knowing.

Mr. ROBERTSON. Mr. President, while driving home yesterday afternoon from a visit to a friend in Maryland, I noticed that the flag at the United States Naval Hospital at Bethesda was flying at half mast. I was shocked when I learned that it had been lowered as a tribute to the memory of a great American, former Secretary of Defense Forrestal.

Shortly after James Forrestal came to Washington and assumed his duties as Under Secretary of the Navy, the senior Senator from Texas [Mr. CONNALLY] gave a breakfast, one Sunday morning, to which he was good enough to invite me. There, for the first time, I met Jim Forrestal. I was attracted to him. My next contact with him was when he appeared before the Ways and Means Committee of the House of Representatives in behalf of the Renegotiation Act. I heard all the witnesses who appeared in behalf of the first Renegotiation Act before those of us who were members of that committee; and realizing from my previous study of taxes how difficult and technical it was, I was deeply impressed with the grasp of the subject exhibited by Under Secretary of the Navy Forrestal.

Throughout the period of the war I had more contacts, both officially and socially, with James Forrestal, of the Navy, and John McCloy, of the Army, than with any other two men connected with the war effort. It will be recalled that Assistant Secretary of the Army McCloy was in charge of the training program for the Army. He directed the training of what is now conceded to have been the greatest Army that any nation in all history put on the field of battle. By the same token, Mr. President, James Forrestal, first as Under Secretary of the Navy and then as Secretary of the Navy, helped to develop for us the greatest Navy the world has ever known. Those

two branches of our military force, supplemented, of course, by the Air Force, which was not then an independent unit, fighting against what at times seemed to be insuperable handicaps, won for us the greatest war in which we have ever been involved.

For me the raising of the flag on Iwo Jima symbolizes the type of courage and skill which our Navy and our Marine Corps manifested, as well as the great hardships they endured, during the campaigns of the Pacific. I have seen that battle-scarred flag. I have met two of the Marine sergeants who helped to raise that flag on Iwo Jima. I keep a reproduction of it on the mantlepiece in my office so that I may never forget, so long as I serve in the Congress of the United States, that our freedom was purchased at a price. I shall never forget the Sunday morning when, without knowing what the program was going to be, I tuned in my radio and heard James Forrestal speaking from Guam after we had raised our flag on Iwo Jima. I was thrilled, that Sunday morning, immediately after the successful landing, to hear what he had to say. It showed the spirit of the man, Mr. President—a man who had become a leader in the financial world and independently wealthy before he was 40 years old, a man who had come to Washington to devote his splendid talents, without thought of what it might do to him physically, to the winning of a great war, and to a program to make peace a reality, after the fight for peace that had been waged on the battlefield.

As an evidence of the spirit of the man, of his willingness to give to others credit for an achievement which his leadership had made possible and of the fact that his ambition was merely to excel in service to his day and generation, I ask unanimous consent that James Forrestal's address over the radio that morning, February 25, 1945, from Guam, may be inserted in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Up the precipitous side of a 600-foot extinct volcano, so precipitous that it seemed almost vertical, went a platoon of American marines. Even through a glass they seemed tiny figures scrambling skyward against a background of blue. And then a few minutes later, from the thousands of throats, upon ships, on land and on the sea came the sudden cry, "There goes the flag."

That was how the Stars and Stripes went up in the first island of Japan's outer rim of island defenses. It was at 11, Friday, February 23, 9, Thursday night, New York. We saw that flag going up halfway on the journey to shore with Lt. Gen. Holland Smith, of the United States Marines. It was the high point in a week of hard fighting, fighting which continues and will continue for some days to come. The Japs don't want to lose Iwo Jima. It's the first step in a sequence of doom for their homeland. They have put into it every kind of defense and they have had years to plan that defense.

As you know by now, Iwo Jima is a tiny island 5 miles by 2½, coming to a tapering point at its southern end. Its terrain, unlike that of some other atolls we have taken, rises some distance from the sea, Mount Suribachi, where our flag went up on Thursday, being its highest point. Its beaches are soft volcanic ash, so loose and crumbling that one marine said it was like trying to dig a fox hole in a bag of wheat.

The Japs took full and skillful advantage of that terrain and of the fact that there could be no technical surprise as to where an enemy would land. We had to land on the beaches and it had to be a frontal assault. They had planted mortars, rocket-gun emplacements, and artillery all over that grim and barren island, so that there were streams of converging fire at the beachhead on which the marines had to come scrambling in from the sea.

Iwo Jima had had a powerful working over even before the 800 ships of Vice Admiral Turner's expeditionary force launched their attack 1 week ago today. It had been hit by the bombers of the Army Air Force for 70 days in succession. Three days before D-day our battleships, our cruisers, and our destroyers pounded the island with naval gun fire. Each day since then they have poured thousands of tons of 16-, 14-, 8-, 6-, and 5-inch shells into its defenses. Even the 40-millimeter antiaircraft guns have been employed against that shore line. The escort carriers put on air strikes with torpedo planes, dive bombers, and rockets, sometimes as many as 20 missions a day. And just to help out in between their missions of bombing Japan the planes of the fast carriers of Admiral Spruance's Fifth Fleet, as well as some of the battleships of that same aggregation of power, joined up after their first raid on Japan to contribute to the pounding. All of this tremendous weight of metal thrown at Iwo Jima did not extinguish its defenses.

The Japs, as they had done at Tarawa and at Kwajalein and at Saipan and Guam, had deep burrows under the shelving ridges of Mount Suribachi and caves along the rising shore line to the north. Some of these caves had connecting galleries and they will be taking dead Japs, and some live Japs even, out of them probably for many weeks to come.

But in spite of all the skill of the Japanese defenses, the marines went ashore and they have exacted since a 4-to-1 toll in death from our enemies.

Let me interject here that the tremendous stream of metal thrown on Iwo Jima sharpens again the necessity for the continued output of munitions in our plants at home. Only because of that rain of metal could the island be reduced at all. Because of it our ratio of losses is far less than it otherwise would have been.

As Fleet Admiral Nimitz has said, it was our policy in the past to have an unstoppable margin of power in these attacks—a steam roller, as he puts it. That steam roller saves us many lives. It will take the output, however, of many factories and hard work by all hands in those factories for months to come if we are to keep that edge of power.

I came from Iwo Jima by destroyer to this island of Guam—now, you might say, the Times Square of the Pacific. In the 7 months since we landed Guam has been transformed. The Seabees have built 150 miles of roads. They put in airfields; they built hospitals, and are now building a naval drydock. The Navy has restored the native villages and 20,000 of these amiable people have trouped back from the hills to take up life again in villages that have been made available to them by the Americans. And churches have been reestablished; 6,000 of their children are attending schools with native teachers. They are violently pro-American.

America is on the march in the Pacific—a march back to civilization, order, and decency. You can see it in islands like Guam and Saipan; you can see it in the glad and serene faces of the natives who again are clean and well fed.

The way back is being cleared by fighting men from every State in our Union—bluejackets, marines, soldiers, and airmen. You can be confident of them (of naval airmen who have done a tremendous job in this Iwo Jima operation, of the Marines, of the Army forces. And you can be confident of their leaders—of men like Fleet Admiral Nimitz, Vice Admiral Turner, Lieutenant General Harmon, Lt. Gen. Holland Smith, Major General LeMay, of the Twenty-first Bomber Command; and finally of that glorious aggregation of fighting men, the Fifth Amphibious Corps of the Marines, which, under Lt. Gen. Harry Schmidt's direction, is leading the fighting at Iwo Jima.

It's a great team, and Americans can be proud of it and of the country that produced them.

Mr. ROBERTSON. I share the sorrow, Mr. President, of all who knew Jim Forrestal. We do not have enough men like him. His memory always will be green and fresh in my heart. I mourn his untimely passing. Yes; it was a great team, and he was its captain.

Mr. SALTONSTALL. Mr. President, it is very difficult to add to what has already been so well and ably said by my colleagues about James Forrestal. But as one who knew of him through mutual friends long before I had the honor of meeting him, I admired the manner in which he educated himself through his own hard work and intellectual capacity, the manner in which he built himself up to a position of responsibility in the business world, and finally, the manner in which he performed his great work as a public servant in one of the most difficult times in the history of our country.

I first met James Forrestal when he came into the office of the Governor of Massachusetts in Boston on business connected with the Navy, the work of Navy procurement. One thing that has not been mentioned that can be added to his record is the initiation by him and Judge Patterson of the so-called Army and Navy E award in the field of procurement, a simple award which in itself cost the Government nothing but which gave so much honor and prestige to the workers and management of factories, and which added much impetus to the procurement of war material when it was most needed.

After coming to Washington I came to know James Forrestal as a friend and to him I went many times for advice and for his confidential judgment. As a member of the Committee on Armed Services I noticed, with admiration, how unobtrusively but effectively he performed the highly important public duties entrusted to him. I noted his fine judgment and his power of decision.

Mr. President, in the death of James Forrestal not only have we, as Members of the Senate, lost a man whom we respected and admired but one whom we had come to know as a personal friend.

Mr. McKELLAR. Mr. President, I had never known Mr. Forrestal until he came to Washington, which I think was about 1940. I believe I have never met a finer man. From the very beginning of our friendship, which existed down to the time of his untimely death, he was courteous always, kindly always, helpful always, thinking only of his country, thinking only of doing good to his country and to his fellow men.

As it always seemed to me, the two outstanding characteristics of James Forrestal were, first, perhaps, his courage, and, second, his perfect gentlemanliness. He was a gentleman without fear

and without reproach, if there ever was one. I am proud that I knew him in this life. He was a great statesman, he was a great Secretary of Defense. He was a remarkable man. I take the greatest pleasure in saying I feel that I have lost a great friend, a man whom I admired greatly, a man who was an American all the way through. I am deeply sorry at the loss of such a man.

Mr. PEPPER. Mr. President, I should feel remiss if I did not avail myself of this opportunity to make public profession of my own tribute to the memory of Jim Forrestal. As the President has so fittingly suggested, another gallant soldier has fallen with his face to the foe, in the service of his country.

I am proud that I could call him friend. If it be not an abuse of confidence, Mr. President, I might say that I am especially proud that not so very long before he left his high office as Secretary of Defense he honored me with the request that I incorporate in the RECORD a refutation of some of the unjust charges which had been made against his integrity and his public service. I was honored to tell him that I would gladly do so, for no man with justice could impugn the integrity, the fidelity, or the patriotism of Jim Forrestal.

Mr. President, it is the happy consolation of our faith that now, on the other side of the River, under the shade of the trees, Jim Forrestal has the tender care of a loving Father, the joyful company of spirits kindred to his sensitive soul, and, finally, peace from his torment which he so eagerly sought.

Mrs. SMITH of Maine. Mr. President, America has lost its foremost guardian of our national defense. It has lost the man who forced the welding of foreign policy and military preparedness. It has lost the man who has done the most to thwart the march of men who dreamed of world conquest. It has lost a man who has done the most to remove the threat of war and make possible the groundwork for realistic peace based upon mutual respect, rather than surrender by appeasement. It has lost James V. Forrestal, preeminent patriot.

An editorial in the March 30, 1949, issue of the Portland (Maine) Evening Express admirably summarizes the great record of James V. Forrestal as the first Secretary of Defense. I ask unanimous consent that it be included with my remarks in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FORRESTAL'S GREAT RECORD

The ground has been well prepared for America's new Secretary of Defense, Louis A. Johnson, by the able, hard-worked and hard-working man who has just relinquished that post—James V. Forrestal.

Mr. Forrestal, in his 18 months as Defense Secretary, did his job well despite the needlings of petty critics whose sum total of calumnies added up to one of the most virulent smear campaigns directed against any man in public life in recent years.

The yammer boys worked themselves into terrible fits of spite against Forrestal, smearing him as a "Wall Streeter," as an "international banker," as an opponent of many phases of the New Deal—not that there is anything necessarily evil about being any of those things; yet the fact that Forrestal had indeed done some international banking, that he had undeniably been a "Wall Streeter" and that not all phases of New Dealism filled him with joy and gladness made him a convenient whipping-boy for the more blatantly Russophile of his commentator-columnist critics.

But what were the solid achievements of this much-smeared "Wall Streeter" during his 18 months as Secretary of Defense? The record shows the following outstanding accomplishments:

1. The working out of a unified procedure for handling defense legislative matters, giving control to the Office of Defense.

2. The issuance of orders abolishing the separate public-relations branches of Army, Navy, and Air Force, and the substitution, for them, of a single office under the Defense Secretary.

3. The ground work laid for a single budget and spending-control system for all branches of the armed forces.

4. The merging of all armed forces' air transport. (The consolidation of sea transport is being effected and similar plans for land transport are making progress.)

5. Good progress has been made toward joint procurement of supplies for all branches of the service.

6. A modern code of military justice for all of the services has been prepared and is currently before Congress.

7. A comprehensive civil defense system has been worked out.

8. A new pay system for the armed forces, basing compensation on responsibility rather than on length of service, has been drafted.

9. A top-level board, under the Defense Secretary, has been set up for the independent evaluation of new weapons and weapon systems sponsored by any one service.

10. There have been the Key West and Newport conferences, to assign roles to the armed forces—as that of responsibility for strategic bombing, to the Air Force, and for antisubmarine warfare to the Navy.

11. A start has been made in the direction of a realistic integrated Reserve program for the armed forces.

12. Army, Navy, and Air Force have been rebuilt from the weakened condition into which they had been permitted to lapse following demobilization. And there has been a healthy soft-pedaling of the West Point-Annapolis old-school-tie rivalry and an emphasis upon replacing that attitude with a broader and deeper loyalty: to the armed forces of the United States.

13. Finally, there have been the recommendations for strengthening the Unification Act, and the recalling of General Eisenhower to serve as Chairman of the Joint Chiefs of Staff.

Mr. Forrestal, while the hate-mongers and two-bit critics were busily trying to smear him, was, for his part, doing a great job for our country. The above record speaks for itself. It provides a solid foundation upon which his successor may build.

Mr. ANDERSON. Mr. President, I should like to add just a word with regard to the late Secretary of Defense, inasmuch as I served with him in the President's Cabinet for 3 years. It happened that during two of those years I sat side by side with him at Cabinet meetings. I met him on many other occasions, because we had the habit of meeting at the White House for luncheon on Mondays and meeting in a small group again on Thursdays. I can testify that he was not only a brilliant man, but he was a kindly man and a gentleman. I remember many occasions when we were on the river together, and other occasions when we were meeting in conference. I like to remember the pleasant side of him, because if anything happened in a meeting which had even the slightest possibility of developing a smile, I can remember his turning to me and exhibiting a side of him which reflected the brilliance of his mind and the readiness of his wit.

Mr. President, it is too bad that a man like that should have been subjected to some of the things to which he was subjected.

It happened that on the other side of me sat the former Secretary of Labor, Mr. Schwellenbach. I think I can say to the Senate that I saw Lou Schwellenbach die, not suddenly, as did the Secretary of Defense, but slowly, day by day, as he worked at his task. He died of a broken heart, watching the Department of Labor, which he loved, dismembered and scattered around the Washington landscape.

The passing of Mr. Forrestal was quite different. I think, when full evaluation can be made of the manner in which he approached his duties, the belief he had that people would be brought together in unity when they realized the importance of their combined tasks, that in the judgment of history he will be given the great place in the record of these years of war and peace which I am sure he deserves.

Mr. McCLELLAN. Mr. President, I can hardly add anything to what has already been said in tribute and respect to our departed friend and a great American statesman. I became acquainted with Mr. Forrestal after I came to the Senate, and at a time when I was serving as a member of the Committee on Naval Affairs. Mr. Forrestal was then Secretary of the Navy. I quickly formed a very high opinion of his qualities and character. This opinion soon grew into a strong personal admiration which has continued to this time. After he became Secretary of Defense, and after the act was passed, creating the Commission on Reorganization of the Executive Branch of the Government, it was my pleasure to serve with him on that Commission, which has recently concluded its work. In those positions, in which I had opportunity to observe and work with him. I was able to recognize his extraordinary qualities, his great depth of capacity, and his comprehensive knowledge of affairs of state. I know of no one in the executive branch of the Government, occupying a similar position, who, I feel, has made a greater contribution to our Government during the period in which he served it.

I simply add this for the RECORD, because I have said it on a number of occasions to friends, and I have said it in public addresses, that I regarded James Forrestal as one of the most able men in the executive branch of our Government, and one who was wholly devoted and consecrated to his duties and responsibilities as an able and faithful public servant.

I shall miss him. I regret deeply and sorrowfully that he will no longer be with us. But, Mr. President, the work he has done will live on. James Forrestal was a great patriot, a sterling American, and, truly, Mr. President, as was expressed by the President of the

United States, he gave his life in the service of his country.

Mr. WHERRY. Mr. President, I should like to join with my colleagues, especially those who were the personal friends of James Forrestal, in the tributes which have been paid to him this morning. I also wish to extend to his family my deepest sympathy.

I should like to add just a few words. It seems to me that when the future history books of America shall be written, the life of James Forrestal will occupy a place of glory. He was not only a great statesman and a great public servant, but a great American. Many fine things have been said about his work as an official and his qualities of statesmanship.

I should like to say a few words regarding James Forrestal as a man. After all, it is in our everyday living that we come close to each other, and, therefore, from that aspect I wish to pay tribute to him.

I knew James Forrestal before I came to the Senate. I knew him as one who was in the Government's procurement service. I think scarcely a week went by that the chairman of the Small Business Committee and the Chairman of the Smaller War Plants Corporation did not contact his office with reference to some small-business man, in trying to help him to keep his business alive during the period of the war. On all those occasions I was treated with great courtesy by James Forrestal. He never was irritated. He was most cooperative. He gave us great consideration even though the heavy duties which were confronting him required all his time. I considered him then and have since considered him a man of the highest integrity, who was loyal to his convictions. He had deep convictions, which he applied in his daily life. More than that, Mr. President, he was absolutely honest. When James Forrestal gave his word, it was as good as his bond.

Remembering the very fine thoughts expressed by the senior Senator from Michigan [Mr. VANDENBERG], let me say today that all is well with James Forrestal. He is in that land of the Great Beyond, and his capacity to enjoy the things of Heaven has been increased because of the personal service he has rendered not only to the administration of the Government of the United States, but the entire American people, in the life and service he has given. He gave his all.

Mr. President, that is my tribute to James Forrestal, and, as I said in the beginning, I should like to be associated with those who extend to his family our deepest sympathy. Our country has lost a faithful, able, courageous leader, but his spirit continues as a beacon to others.

Mr. CONNALLY. Mr. President, I have been inexpressibly shocked and grieved at the passing of our distinguished friend, James Forrestal. It was my good fortune to know him rather intimately. I had a great admiration for his ability and for his administrative capacity in the various high stations which he occupied.

James Forrestal possessed many personal qualities which endeared him to those with whom he was intimately associated. He was a great Cabinet member. He was not a publicity seeker. He gave unstinting devotion to the duties which came to him, and he discharged them admirably and with great ability.

He was a man who made his own way in the world regardless of the criticisms which were directed at him from some quarters. He came from the great middle class, and before he became an officer of the Government he had attained distinction and great prominence in his chosen field.

I wish to pay my tribute to the memory of James Forrestal. I express my deep and abiding sympathy for his family, and I say these few words in tribute to a great man, a splendid citizen, a loyal and devoted friend, one whose memory will be cherished by millions of people in the United States and beyond its borders.

Mr. President, I lay a wreath on the tomb of James Forrestal.

Mr. McFARLAND. Mr. President, I cannot add to the beauty of the tributes which have already been paid to James Forrestal, but I did not feel that I could let this occasion pass without saying that I, too, had occasion to work with him during his public career, and that I never came in contact with a more intelligent, a more hard-working, a more honest man in public life.

The record of James Forrestal will speak for itself. My great regret at this time is that the beautiful tributes which have been paid him today were not made at a time when he could have known about them, and known what the people and the Congress of the United States really thought about him and about his work.

Mr. LUCAS. Mr. President, in times of great crisis, our country has been fortunate enough to produce great servants of the people—men and women who have given their hearts and their energies to keep the United States of America in the forefront of mankind. Our way of life is strong and secure, because of the service and the sacrifice of those who have carried the terrible burdens of responsibility.

One of the finest of these great servants of our country was James Forrestal, whose life of toil and achievement came to a tragic conclusion early yesterday. He gave everything he had, every ounce of his energy and every thought that came from his brilliant mind, to keep America safe and protected in a chaotic world.

Mr. President, I am moved by a personal grief, because it was my privilege to know Mr. Forrestal during his years of service here in Washington. I first met James Forrestal at the home of William Donovan, who then resided in Georgetown. It came about when the late President Franklin D. Roosevelt appointed the late Frank Knox to be Secretary of the Navy. I was called into conference by Mr. Donovan and Mr. Knox, to decide upon the plan of strategy for Knox's confirmation in the United States Senate. It was at that meeting that the late Secretary Knox called for the counsel and advice of James Forrestal. I shall never forget that day. I shall never forget the wisdom of some of the decisions Mr. Forrestal made as we discussed the confirmation of Frank Knox. From that day until the day of his death James Forrestal was my intimate and close friend.

Mr. President, James Forrestal was a man who won the affection and admiration of every one in the Government who knew how much devotion and determination he brought to his tasks. He was a man who set the highest standards for his personal and public life, and he lived by those standards.

In September of 1947, James Forrestal took the oath of office as the first Secretary of Defense in the history of the United States. Because of his high ability and his magnificent record, he was selected by President Truman to carry out the immense tasks of unifying the armed forces.

He wrestled with problems no other American had ever faced. He had to decide the ways in which the Navy, the Army, and the Air Force could be pulled together into a single team. He had to have the broad vision and the deep understanding necessary to comprehend the vital importance of each branch and the mission to be fulfilled by each.

James Forrestal was compelled to make heart-breaking decisions. He was under fearful responsibilities affecting the safety and security of the country he loved. Because of that, he exhausted himself in his efforts to be absolutely comprehensive, absolutely thorough, absolutely informed of all the ramifications and repercussions involved in the problems he handled. All these grave decisions were made in the interest of universal peace for all mankind.

No man could have done more than James Forrestal did. No man could have weighed the issues more carefully. No man could have listened more patiently to the views of his advisers and consultants. No man could have shown more bravery as he remained completely silent in taking the criticism heaped upon him.

As Members of the Senate, we know what complex and difficult problems we have before us. We know the agony of heart and soul inflicted upon those who serve the people, and strive to make wise decisions which will bring satisfaction to our fellow Americans.

We know the enormous dangers which surround us on every side. We know that the power of science is changing our world almost beyond recognition. We know that there are unknown forces and unknown weapons which make our age the most dangerous era of mankind.

Mr. President, James Forrestal was shaken and injured by the storms which sweep our world. He fought on, to the last limit of his strength, thinking of the millions of Americans who depended upon him, thinking of his duty to the President and the Congress. He came to the end of his strength, and he could not go on any longer.

Mr. President, the tragic termination of the life of this great man adds an-

other casualty to the long honor roll of those numerous Americans who gave their all in defense of the country they loved. Every heroic soul will mourn his untimely death, because in James Forrestal they found a copatriot and a friend.

To his bereaved widow and other members of his grieving family, I extend my sincere and deep sympathy.

PROPOSED PURCHASE OF LAND ADJOINING LEAVENWORTH PENITENTIARY

Mr. McCARRAN. Mr. President, I do not know that I am in order, but I wish to say that from the Committee on the Judiciary there was ordered reported this morning Senate bill 1730, and that I shall ask for unanimous consent for immediate consideration of the bill. The situation dealt with by the bill is as follows: An option has been taken by the Department of Justice on 600 acres of land adjoining a Federal penitentiary. The appropriation will expire the last day of June. There will probably not be another call of the calendar between now and then. The amount of the option is $50 per acre for 600 acres of land adjoining the present prison farm. The authorities of the prison claim, and the Department of Justice says, that the land in question is essential for the welfare of the institution, to be used for farm purposes.

I ask unanimous consent that Senate bill 1730, which I am reporting from the Committee on the Judiciary, may be laid before the Senate for immediate consideration.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1730) to authorize the purchase of additional farming land for Leavenworth Penitentiary.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Nevada?

Mr. WHERRY. Mr. President, reserving the right to object, I wish to ask what it the necessity of placing this bill ahead of the call of the calendar.

Mr. McCARRAN. Inasmuch as there are many Senators on the floor at this time, I thought it would be well to make the request for consideration of the bill.

Mr. WHERRY. Mr. President, still reserving the right to object, it was not my intention when the Senate adjourned on Friday last to permit the call of the calendar from the beginning. Had I known it was the intention of the majority leader to have the calendar called from the beginning, I would have asked him if he would not reconsider, and begin the call of the calendar at the point where the Senate left off on the last call of the calendar. I understand it is the purpose of the majority leader that the call of the calendar today be from the beginning.

Mr. LUCAS. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. Yes.

Mr. LUCAS. I will say to the able minority leader that that is the intention of the majority leader. However, I should like to state that I hope we can consider only those bills which are unobjected to, because if a Senator desires to move to take up a bill which is controversial, he can occupy the time remaining in the 2 hours. I should like to ask unanimous consent that the Senate consider only bills to which there is no objection.

Mr. WHERRY. I am quite satisfied that there will be objection to most of the bills on the calendar previous to the point where the last call was completed. I shall not object to giving Senators the opportunity to go back to the beginning of the calendar; but if that is to be done, I feel that there should be a quorum call, because Senators might not know that we are going back to the beginning of the calendar, and would not be here to object. They should be given an opportunity to be present.

If a quorum call is had, I will say to the distinguished Senator from Nevada that his unanimous-consent request should be renewed after the quorum call. At that time I shall not object to consideration of the bill in which he is interested.

Mr. LUCAS. Mr. President, I agree with the Senator from Nebraska. Let me say to the Senate that we shall start from the beginning of the calendar.

Mr. WHERRY. Has the Senator from Nevada withdrawn his unanimous-consent request?

Mr. McCARRAN. I withdraw it at this time, but I hope to renew it after the quorum call.

The PRESIDING OFFICER. Morning business is concluded.

The next order of business is the call of the calendar under rule VIII.

Mr. McCARRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hunt	Mundt
Anderson	Ives	Neely
Baldwin	Jenner	O'Mahoney
Brewster	Johnson, Colo.	Pepper
Bricker	Johnson, Tex.	Reed
Butler	Johnston, S. C.	Robertson
Byrd	Kem	Russell
Capehart	Kilgore	Saltonstall
Chapman	Langer	Smith, Maine
Cordon	Lodge	Stennis
Donnell	Long	Taft
Ecton	Lucas	Taylor
Ferguson	McCarran	Thomas, Okla.
Flanders	McCarthy	Thye
Frear	McClellan	Vandenberg
Gillette	McFarland	Wherry
Graham	McKellar	Wiley
Green	Malone	Williams
Hendrickson	Martin	Young
Hoey	Millikin	
Holland	Morse	

The PRESIDING OFFICER (Mr. ROBERTSON in the chair). A quorum is present.

Does the Senator from Nevada desire to renew his unanimous-consent request to have the Senate proceed to the consideration of Senate bill 1730?

Mr. McCARRAN. Yes; at this time I renew my unanimous-consent request to have the Senate consider Senate bill 1730. I wish to explain it again.

Mr. WILEY. Will the Senator please state the number on the calendar?

Mr. McCARRAN. The bill has no calendar number, because it was voted on in the Judiciary Committee only this morning, and was ordered reported by the committee to the Senate only this morning.

The bill provides for the acquisition by the Federal Government, through the Department of Justice, of 600 acres of land adjoining a Federal penitentiary, for the purpose of augmenting the land used for penitentiary purposes for farming, so that the inmates of the penitentiary may farm, and thus help to sustain the institution.

I am informed by the Department of Justice that there is an option which expires on May 30—or rather, June 30. It is feared that if the option expires, the price of the land will be increased, and thereby a loss will be sustained by the Government.

For that reason I am requesting unanimous consent that the bill be considered at this time, out of order; and if that is done, I shall hope that the bill will be passed at once so that the Department of Justice may exercise the option.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS. Mr. President, reserving the right to object, I should like to ask the Senator from Nevada whether I correctly understood him to say that the option expires May 30.

Mr. McCARRAN. It is June 30. If I stated May 30, I was in error.

Mr. WILLIAMS. Mr. President, further reserving the right to object, I notice that in the letter from the Attorney General, which accompanies the report, November 1 is given as the date of expiration of the option. Will the Senator from Nevada check, to ascertain which date is the correct one?

Mr. McCARRAN. I do not so understand it.

Mr. WILLIAMS. The report says:

> The United States presently has an option which expires November 1, 1949.

Therefore, I do not see the need for hurry in this instance.

Mr. McCARRAN. If that be true, I would not insist upon my unanimous-consent request; but I have been informed by word which has come to me from the Department of Justice, by telephone, that the option expires June 30, I shall withdraw the report and check that point.

The PRESIDING OFFICER. Is there objection to the request?

Mr. McCARRAN. Mr. President, I withdraw the request.

THE CALENDAR

The PRESIDING OFFICER. The clerk will proceed to call the calendar, under rule VIII.

BILLS PASSED OVER

The bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities was announced as first in order.

Mr. TAFT. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 206) relating to the immigration status of the lawful wives and children of Chinese-treaty merchants was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation?

Mr. RUSSELL. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 88) to amend section 60 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, was announced as next in order.

Mr. DONNELL. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 196) for the relief of James G. Smyth was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object, by request.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

COMPENSATION TO THE SWISS GOVERNMENT FOR WAR DAMAGE

The bill (S. 612) to provide for the payment of a sum not to exceed $10,607,000 to the Swiss Government as partial compensation for damage inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, was announced as next in order.

The PRESIDING OFFICER. There is on the calendar a companion bill, House bill 4392, Calendar 354.

Mr. LODGE. Mr. President, the Senate bill should be substituted for the House bill, and the House bill should be indefinitely postponed.

The PRESIDING OFFICER. Does the Senator from Massachusetts move that the House bill be substituted for the Senate bill?

Mr. LODGE. No; I wish to strike out the House bill and substitute the language of the Senate bill for the language of the House bill.

The PRESIDING OFFICER. First of all, is there objection to the present consideration of the Senate bill?

There being no objection, the Senate proceeded to consider the bill (S. 612), which had been reported from the Committee on Foreign Relations, with amendments, on page 1, in line 7, before the word "compensation," to strike out "partial"; and on page 2, in line 2, after the word "neutral", to strike out "rights." And insert "rights (which have thus far been adjudicated) in principal amounts as follows:

"(a) Crash-landing claims, arising out of 46 incidents as listed in the report of the Army Claims Mission dated April 26, 1946, Swiss francs 1,107,017;

"(b) Bombing claims, arising out of 28 incidents as listed in exhibit 3 of the report of the Theater Chief of Claims, dated February 12, 1947, Swiss francs 34,868,468.48;

"(c) Bombing claims arising out of seven incidents as listed in the report of the Theater Chief of Claims, dated August 4, 1947, Swiss francs 107,249.25;

"(d) Bombing claims arising out of three incidents as listed in the report of the Theater Chief of Claims, dated October 22, 1947, Swiss francs 9,277,963.98;

"In all, Swiss francs, 45,360,698.71";

so as to make the bill read:

Be it enacted, etc., That the Secretary of State is authorized to pay to the Government of Switzerland the sum of $10,607,000 which the Secretary of State, in consultation with the Secretary of the Army and/or the Secretary of the Navy, has determined to be due to the Government of Switzerland as compensation for losses and damages inflicted on persons and property in Switzerland during World War II by units of the United States armed forces in violation of neutral rights (which have thus far been adjudicated) in principal amounts as follows:

(a) Crash-landing claims, arising out of 46 incidents as listed in the report of the Army Claims Mission dated April 26, 1946, Swiss francs 1,107,017;

(b) Bombing claims, arising out of 28 incidents as listed in exhibit 3 of the report of the Theater Chief of Claims, dated February 12, 1947, Swiss francs 34,868,468.48;

(c) Bombing claims arising out of seven incidents as listed in the report of the Theater Chief of Claims, dated August 4, 1947, Swiss francs 107,249.25;

(d) Bombing claims arising out of three incidents as listed in the report of the Theater Chief of Claims, dated October 22, 1947, Swiss francs 9,277,963.98;

In all, Swiss francs, 45,360,698.71.

SEC. 2. Appropriations are hereby authorized to carry out the purpose of this act.

Mr. LODGE. Mr. President, this is a bill to provide payment to the Swiss Government as compensation for damages inflicted on Swiss territory during World War II by the United States armed forces.

Mr. TAFT. What is the number of the bill we are considering?

The PRESIDING OFFICER. The Chair will state that the Senate bill is S. 612, Calendar 64; and the companion House bill is H. R. 4392, Calendar 354.

Mr. LODGE. Mr. President, I may say to the Senate that the facts of this claim are not disputed by anyone, I believe. The proposed legislation has been reported unanimously from the appropriate committee of each House. The difference between the House bill and the Senate bill is as follows: The Senate bill provides for the payment of approximately $10,000,000, and the House bill provides for the payment of approximately $16,000,000. The Senate bill gives a detailed itemization of the various claims.

I think the facts are definitely established, and there is an unquestioned obligation on the part of the United States Government.

So I hope the bill will be passed.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. What bill is before the Senate?

The PRESIDING OFFICER. Senate bill 612, Calendar No. 64.

Mr. LODGE. That bill should be passed, and the House bill should not be.

Mr. TAFT. I should like to inquire about the procedure. The usual way to proceed in such cases, it seems to me, is to have the Senate proceed to consider the House bill, and thereafter strike out all the language of the House bill following the enacting clause, and substitute therefor the language of the Senate bill, and send to conference the House bill as thus amended.

On the other hand, if we pass the Senate bill, each House will have passed a separate bill, and it may not get anywhere.

Mr. LODGE. Of course, that is a matter of procedure.

Mr. TAFT. Yes; that is what I meant.

Mr. LODGE. Then, Mr. President, I ask unanimous consent that the vote by which the Senate proceeded to the consideration of the Senate bill be reconsidered, and that the Senate proceed to the consideration of House bill 4392, Calendar No. 354.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LODGE. Mr. President, I now move that all after the enacting clause of the House bill be stricken out, and that the language of Senate bill 612, as proposed to be amended by the committee, be substituted therefor.

The motion was agreed to.

The PRESIDING OFFICER. Now that the House bill has been amended by inserting the language of the Senate bill as proposed to be amended by the committee, if there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 612 will be indefinitely postponed.

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to the call of the calendar of bills to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, a parliamentary inqury.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. The Senator from Nevada has requested that the Senate proceed to the call of the calendar of bills to which there is no objection. Does the Senator mean the bills on the calendar in order; or just what else does he propose to do?

The PRESIDING OFFICER. The Chair understood that the request was that the Senate proceed to the call of the calendar, to take up the bills on the calendar in order; and if objection is

made to a bill it will be passed over, and the Senate will proceed to the next measure on the calendar.

Mr. MORSE. I thought that was the business with which we were engaged.

BILLS PASSED OVER

The PRESIDING OFFICER. The clerk will state the next measure on the calendar.

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L-208 was announced as next in order.

Mr. WILLIAMS. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (S. 11) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I do not see the Senator from Missouri present. Although this is my bill, and I should like to see it passed, I know he wants to object.

Mr. DONNELL. I very much appreciate the courtesy of the Senator from Oregon. I was momentarily at the desk. I object.

The PRESIDING OFFICER. Objection is heard.

TRANSFER OF LAND IN ROBINSON REMOUNT STATION

The Senate proceeded to consider the bill (S. 314) authorizing the transfer of a certain tract of land in the Robinson remount station to the city of Crawford, Nebr., and for other purposes.

Mr. BUTLER. Mr. President, this is a bill which was introduced by myself and my colleague the Senator from Nebraska [Mr. WHERRY]. It has been objected to in the past by the junior Senator from Oregon [Mr. MORSE] because it did not include the phrase that has been included at his suggestion in a number of similar bills heretofore. I therefore propose an amendment to the bill, to conform with the suggestion of the junior Senator from Oregon, on page 2, line 8, at the end of section 1, to strike out the period and insert a semicolon and the following: "*Provided*, That the city of Crawford shall pay 50 percent of the appraised fair market value of the property as determined by the United States Department of Agriculture."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized to transfer by quitclaim deed to the city of Crawford, Nebr., the following-described tract of land lying within the Robinson Remount Station, Fort Robinson, Dawes County, Nebr.: Beginning at the northwest corner of the tract of land conveyed to the city of Crawford for public-park purposes by the act of Congress approved June 25, 1906 (34 Stat. 461); thence west along the north line of the said station a distance of one thousand one hundred and seventy-five feet; thence south three hundred and six feet; thence south twenty-seven degrees fifty-two minutes east to the westerly boundary line of the present park, the point of intersection being approximately two thousand six hundred and fifteen feet south of the starting point; thence north two thousand six hundred and fifteen feet to point of beginning, containing an area of approximately forty-three and fifty-seven one-hundredths acres: *Provided*, That the city of Crawford shall pay fifty percent of the appraised fair market value of the property as determined by the United States Department of Agriculture.

SEC. 2. Said Secretary is hereby authorized to grant to the city of Crawford, Nebr., a permanent easement across the lands of the United States comprising the Robinson Remount Station, Fort Robinson, Dawes County, Nebr., for a pipe line to carry water from the White River to the filters and purification plants of the city, which easement shall include all rights and privleges now enjoyed by the city under a revokable license to maintain such pipe line across such lands of the United States.

SEC. 3. The tract of land authorized to be transferred by the first section of this act shall be used by the grantee for purposes of a public park and recreational site or golf course or for similar and related purposes. If the grantee shall fail or cease to use such tract for such purposes, or shall alienate or attempt to alienate such lands, title thereto shall revert to the United States.

BILLS PASSED OVER

The bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McCARRAN. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, was announced as next in order.

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PROCEDURE ON JOINT RESOLUTIONS PROPOSING CONSTITUTIONAL AMENDMENTS

The joint resolution (S. J. Res. 25) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. McCARRAN. Over.

The PRESIDING OFFICER. Objection is heard.

Mr. McCARRAN. Mr. President, again I call the attention of the Senate as I did on former calls of the calendar, to the joint resolution proposing constitutional amendments. It is not at all fair that a Senator should be required to rise and object to these resolutions when they come up on call of the calendar. They are of vital importance. They require a two-thirds vote of both Houses, and they must be submitted to the States for approval. It seems to me there should be a rule or an understanding that when a resolution is on the calendar calling for a constitutional amendment it should automatically go over, to be taken up on some special occasion.

The PRESIDING OFFICER. On objection, the joint resolution will be passed over.

BILLS PASSED OVER

The bill (S. 1124) to provide for the appointment and compensation of counsel to impoverished defendants in criminal cases in the United States District Court for the District of Columbia, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished dependents in certain criminal cases in the United States district courts, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes, was announced as next in order.

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (H. R. 1878) for the relief of Ben Luke Pond, Shao Hung Pond, and David Yet Wei Pond, was announced as next in order.

Mr. LANGER. On behalf of the Senator from Kansas [Mr. SCHOEPPEL], I object.

The PRESIDING OFFICER Objection is heard and the bill will be passed over.

The bill (S. 528) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain stragetic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. I make the same objection, in behalf of the Senator from Kansas [Mr. SCHOEPPEL].

The PRESIDING OFFICER. On objection, the bill will be passed over.

The bill (S. 988) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Over.

Mr. JOHNSTON of South Carolina. Mr. President, if the Senator from Delaware will indulge me for a moment, I should like to state that the bill will entail very little if any cost. It relates to the annuities of persons under the age of 60. It is applicable to persons who lost their positions not by reason of any misconduct but because of lack of employment opportunity. I hope the Senator will not object to the bill, for there is very little if any cost entailed in it. It is designed to help persons who have been thrown out of employment by the Government.

Mr. WILLIAMS. Let the bill go over.

The PRESIDING OFFICER. Objection is heard.

The bill (S. 1359) to repeal the provisions of the Alaskan Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard.

The bill (S. 1527) to provide for home rule and reorganization in the District of Columbia was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PECOS RIVER COMPACT

The bill (S. 1309) to grant the consent of the Congress to the Pecos River compact was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ANDERSON. Mr. President, Senators are aware of the fact that there has been some objection to this bill in the past, on the part of the senior Senator from Texas [Mr. CONNALLY]. I am happy to say he assures me that, if he were here, he would not object, but he does feel that the Pecos River compact should be considered first.

To show my good faith, I ask unanimous consent that the Senate proceed now to the consideration of Calendar 400, House bill 3334, to grant the consent of the United States to the Pecos River compact.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 3334) was considered, ordered to a third reading, read the third time, and passed.

On motion of Mr. ANDERSON, the title was amended so as to read: "An act to grant the consent of the Congress to the Pecos River compact."

The PRESIDING OFFICER. Without objection, Senate bill 1309, a companion bill to House bill 3334, is indefinitely postponed.

REHABILITATION OF FORT SUMNER IRRIGATION DISTRICT, NEW MEXICO

The bill (S. 276) to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of providing water for the irrigation of approximately 6,500 acres of arid lands on the Pecos River in New Mexico, the Secretary of the Interior is hereby authorized to rehabilitate, operate, and maintain in accordance with the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) the irrigation system of the Fort Sumner irrigation district in New Mexico and to construct all necessary works incidental thereto: *Provided*, That the project shall not be initiated until contracts satisfactory to the Secretary of the Interior shall have been executed with—

(a) an irrigation or conservancy district, satisfactory in form and powers to the Secretary and embracing the lands of the project as determined by him, obligating the district, among other things, (i) to repay to the United States without interest the cost of rehabilitating and constructing the project, the terms to be such as will secure repayment as rapidly as, in the judgment of the Secretary, the district can reasonably be expected to make repayment and, in any event, within the useful life of the project; (ii) to pay for or otherwise provide adequate operation and maintenance, including replacements, of the project works during the period of the contract; and (iii) to furnish the Secretary with such control over and access to project works which are owned by or within the control of the district as he may require in order to safeguard the investment of the United States in the project; and

(b) the holder or holders of at least 90 percent of the outstanding general obligation bonds of the Fort Sumner irrigation district providing for such refinancing or cancellation of those bonds and scheduling of payments of principal and interest called for thereby as the Secretary believes necessary in order to insure fulfillment of the obligations required under (a) above.

BILLS AND CONCURRENT RESOLUTION PASSED OVER

The bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight-absorption practices, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. I object.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2023) an act to regulate oleomargarine, to repeal certain taxes relating to oleomargarine and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over!

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 878) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (H. R. 997) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (H. R. 20) to amend the act of August 1, 1947, as amended, to authorize the creation of 10 professional and scientific positions in the headquarters and research stations of the National Advisory Committee for Aeronautics was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. On behalf of the Senator from Maine [Mr. BREWSTER] I object.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 33) suspending legislative budget pending further study, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. WILLIAMS. Over.

Mr. HAYDEN. Let the resolution go over.

The PRESIDING OFFICER. Objection is heard, and the resolution will be passed over.

BILL PLACED AT THE FOOT OF THE CALENDAR

The bill (S. 266) removing a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, may we have an explanation of the bill?

Mr. TAFT. Mr. President, I do not see the distinguished Senator from Georgia or the distinguished Senator from Maine, but this bill was approved by the Finance Committee. I suggest that it be placed at the foot of the calendar and called again when we reach that point.

The PRESIDING OFFICER. The bill will be temporarily passed over and will be placed at the foot of the Calendar.

Mr. HENDRICKSON. That is quite satisfactory.

SIMPLIFICATION OF PROCUREMENT, USE, AND DISPOSAL OF GOVERNMENT PROPERTY, ETC., BILL PASSED OVER

The bill (S. 1809) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCLELLAN. Mr. President——

Mr. LANGER. I object, on behalf of the senior Senator from Indiana [Mr. CAPEHART].

The PRESIDING OFFICER. The bill will be passed over.

Mr. McCLELLAN. Mr. President, I was asking for recognition. I wanted to be heard on this bill. Did the Senator from North Dakota ask that it go over?

Mr. LANGER. I withhold the objection.

Mr. McCLELLAN. Mr. President, I understood that the Senator from Indiana wished to have time in which to study the bill. I talked with him about it. I was going to ask that it go over. I want to make a brief statement about the bill. The bill was reported by the committee on May 9. It is a measure of considerable importance, a bill to undertake the reorganization and to transfer agencies of the Government. It is one that each Member of the Senate should endeavor to study. I desire to make a brief statement about the bill.

Mr. President, the need for an efficient, businesslike system for procurement, property and records management in the Federal service has long been recognized. The Commission on Organization of the Executive Branch and students of government have recognized this and have recommended that centralized direction be placed over supply, records management, and the operation and maintenance of public buildings.

The pending bill, Senate bill 1809, Federal Property and Administrative Services Act, was drafted by the staff of the Committee on Expenditures in the Executive Departments, and the legislative counsel, in collaboration with representatives of the Federal Works Agency, General Accounting Office, Bureau of the Budget, and other interested agencies.

I may say, Mr. President, that it undertakes generally to follow the recommendations of the Hoover Commission with respect to those agencies.

The bill proposes to establish a General Services Agency at the head of which will be an administrator appointed by the President by and with the advice and consent of the Senate. The Administrator will be directly responsible to the President and will be vested with broad jurisdiction over procurement of supplies and materials, property management, including identification and cataloging of material on hand, disposition of surplus property, records management, and other related activities which affect the internal operation of all departments and agencies of the Federal Government.

The bill further provides for transferring the Bureau of Federal Supply and the Office of Contract Settlement from the Department of the Treasury, the Federal Works Agency, National Archives, and the affairs of the War Assets Administration, for liquidation, to the General Services Agency.

It is believed that substantial savings will be effected by combining the functions and activities of these agencies into a central service organization which will have clear-cut lines of authority over Federal property because permanent legislation is contained in this bill for the disposition of personal property, including the donation of certain property for educational purposes, and at the same time permit decentralization over the disposition of certain properties such as agricultural products, surplus vessels, and other material to those agencies best suited or which have specific legislative authority to make such disposition.

No changes will be made with respect to the disposition of foreign excess properties; however, this bill does provide for the repeal of the Surplus Property Act of 1944, as amended, except sections 13 (a), 13 (g), 13 (h), and sections 28 and 32 (b) (2). Under the terms of this act the priorities and preferences for transferring surplus real property to educational institutions, to public health and hospital institutions, surplus airport facilities to States and political subdivisions, property for public recreational facilities, and the foreign scholarship program will be retained as permanent legislation.

Mr. President, I am not insisting that the bill be passed today. I invite the attention of the Senate to it so that Senators may familiarize themselves with it. I hope, Mr. President, that the bill will pass on the next call of the calendar.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

The clerk will call the next bill on the calendar.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 36) favoring the suspension of deportation of certain aliens, was announced as next in order.

Mr. MORSE. Mr. President, I should like an explanation of the resolution.

Mr. McCARRAN. Mr. President, under existing law, the Attorney General is authorized to suspend deportations. When he suspends them he must report the suspensions to the Congress. If the Congress, by action of both Houses, agrees to the suspension, it goes into effect. We have been passing similar measures right along. I am not advocating them. I look upon them with a great deal of concern, and have so looked upon them; but we are constantly receiving these suspended deportations from the Department of Justice. The Committee on the Judiciary must act on them, must either report them to the Senate or let them die. We have been reporting them to the Senate, and the Senate has been passing them. I do not like the law or the way it operates, but it is the law, and what I have stated is all we can do about it.

Before the committee reports to the Senate a suspension of deportation it is screened as well as possible, with such facilities as are at hand. Each individual whose deportation is suspended is considered. These are persons who are in this country and who are subject to deportation. Their deportation is suspended by action of the Department of Justice, under a specific law passed by the Eightieth Congress. Therefore on each call of the calendar one of these lists will be found. In this instance, I think approximately 60 deportations are suspended.

The PRESIDING OFFICER. Is there objection to the consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 36) favoring the suspension of deportation of certain aliens, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-2657830, Alaimo, Gaspare (alias Antony Curto).

A-6392821, Arroz, Benjamin Floro.

A-4875449, Garibay-Barron, Pedro.

A-5945921, Barden, Bernard James.

A-7584849, Barden, Else Elisabeth (nee Wielputz).

A-7584852, Barden, Ingrid Elisabeth.

A-6761884, Barry, Catherine Maxwell Geraldine (nee Catherine Maxwell Geraldine Fitzgerald).

A-6258481, Bick, Norbert Simon.

A-4783695, Biggest, Bernadine Margaret (nee Mathers).

A-2073409, Bing, Kwan Shun, or Mrs. Lawrence Jong.

A-6318466, Burke, Lilian Victoria (nee Mortley).

A-3043699, Caramanis, Joseph Kyriacos, or John Kyriacos Caramanis.

A-3077041, Cardona, George.

A-3542405, Ching, Mrs. Wah Chong, or Lin Shu Ying (Grace) (alias Grace L. Ching).

A-4583006, Crist, Maria Ragnhild (nee Maria Ragnhild Hindersson).
A-1127635, Cuschieri, Anthony Joseph.
A-910203, Damsleth, Bjorn Robert.
A-6311802, Damsleth, Randi (nee Clifton).
A-1481188, Di Meglio, John or Giovanni.
A-3713017, Di Nardo, Gennaro (alias Jerry Di Nardo).
A-3530018, Faria, Maria Simplicio, or Maria Souto Machado.
A-6481284, Fisher, Lena Eileen (nee Dodd).
A-3686479, Ford, Newton Isaac, or Newton I. Ford or Newton Becker or Leonard Lee Isaac Newton Ford.
A-6458413, Fretwell, Glenda Joyce.
A-6765814, Genet, Micheline Marguerite Louise Marie (nee Calsat).
A-6594937, Genet, Jean Marie Gabriel.
A-6552977, Hansen, Desley Helen.
A-6552978, Hansen, Robin Naomi.
A-6228065, Henry, Muriel (formerly Muriel Rose and Muriel Harris).
A-4917143, Hinkkuri, Veikko Armas.
A-4040790, Hoffmann, Zoltan Alex, or Zoltan A. Hoffman or Zoltan Alex Hoffman.
A-6344960, Joachim, John.
A-3399584, Lacys, Elsa (nee Sturm).
A-4942450, Langfeldt, Paul Johan.
A-4497419, Leslie, Mabel (nee Kellett).
A-3438538, Murphy, Patrick Joseph, or Joseph Murphy.
A-6286929, Ochoa, Maria Concepcion Quintero de (nee Quintero).
A-7540761, Panerai y Bertini, Camilo Orestes Rafael.
A-6322618, Parker, Martha (alias Martina Rivera Lopez).
A-4181269, Perez, Arturo Garcia, or Arture Perez.
A-1208046, Pernice, Antonio.
A-4734405, Ptucka, Stephan, or Steve Ptucka.
A-6396323, Racelis, Elisa.
A-6396324, Racelis, Mary.
A-6457162, Racelis, Ramon.
A-2676821, Redka, John.
A-2098470, Renner, Florence May (nee Bailey).
A-2454691, Renteria, Jose Anival.
A-3475471, Roetto, Gemma, or Gemma Minarelli.
A-5800711, Sang, Wong, or Sang Wong.
A-3081085, Sartori, Linda (nee Ret).
A-3980008, Schlander, Arthur George.
A-1236239, Sestan, Arthur, or Stephen (Stephan) Voronoff.
A-1025773, Spongia, Frederico Dominick, or Fred Spongia.
A-2387594, Szedula, Barbara (nee Kiefer).
A-2387595, Szedula, Jacob.
A-3497501, Tomczak, Antonina, or Antonette Tomczak (nee Sobczak).
A-1204388, Van Den Berghe, Jeanette.
A-1204387, Van Den Berghe, John.
A-1281125, Wagner, Hartie Mary Pretoria Thompson (nee Thompson).
A-6562827, Wardlow, Ada Rodriguez, or Ada de Las Mercedes Rodriguez Pego de Wardlow.
A-2084639, Yiannatos, George G.

NORTHWEST MISSOURI FAIR ASSOCIATION

The bill (S. 1054) for the relief of Northwest Missouri Fair Association of Bethany, Harrison County, Mo., was announced as next in order.

Mr. DONNELL. I object.

Mr. KEM. Mr. President, will the Senator withhold his objection, so that I may make a short explanation of the bill?

Mr. DONNELL. I withhold my objection.

Mr. KEM. Mr. President, the purpose of the bill is to reimburse the Northwest Missouri Fair Association in the sum of $25,000 for the value of buildings destroyed by fire on September 13, 1931. On the day before the fire occurred the premises were occupied by a detachment of field artillery of the United States Army moving from Fort Leavenworth, Kans., to Fort Des Moines, Iowa. The possession of the fair grounds was delivered to the Army, quoting from the statement on behalf of the fair association appearing on page 5 of the report, "under a promise that the property would be returned to us in as good or better condition on the following Monday than when received on Saturday, September 12."

The occupation occurred on Saturday. On Sunday a baseball game was arranged between the members of the armed force and a team from a neighboring town. While the baseball game was in progress a fire broke out in the grandstand on the fair grounds. It spread very rapidly to a larger building known as the Liberal Arts Building. The officer in charge immediately ordered the evacuation of the troops, with their fieldpieces. They moved fieldpieces including trucks and tractors over the hose which was laid down to fight the fire damaging the hose and making it impossible to continue efforts to put out the fire. As a result, as I understand, substantially all the buildings of the fair association were destroyed.

The purpose of this bill is to reimburse the fair association.

The PRESIDING OFFICER. Is there objection?

Mr. DONNELL. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JAMES A. GORDON

The bill (S. 1080) for the relief of James A. Gordon, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That James A. Gordon, of Columbia, S. C., is hereby relieved of liability for payment to the War Department of the sum of $861.25, such sum having been charged against the said James A. Gordon by the War Department as a result of the theft of public funds in his custody, without fault or neglect on his part, while he was on active duty as a second lieutenant in the Army of the United States.

DIXIE MARGARINE CO.

The bill (S. 1086) for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn., was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that the bill go over.

Mr. McKELLAR. Mr. President, will the Senator withhold his objection for a moment?

Mr. HENDRICKSON. I gladly withhold the objection.

Mr. McKELLAR. Mr. President, this is not a margarine tax bill, but it involves a case where the particular company involved paid a tax for a number of years, and later another company brought suit for the imposition of the same kind of a tax. The Supreme Court held that the tax was absolutely illegal, and awarded judgment in favor of the taxpayer.

Mr. President, this case is exactly on all fours with the one decided by the Supreme Court. This company paid an illegal tax, and it is so stated in the report. I hope the Senator will withdraw his objection, because it is a claim which the Government really should pay.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, this claim does not seem to have been filed in time. There seems to be evidence in the record itself of neglect and carelessness in filing it. I should like to look into the matter a little further.

Mr. McKELLAR. That will be entirely satisfactory.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. McCARRAN. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed with and conclude the consideration of measures on the calendar to which there is no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the next order of business on the calendar.

JOHN W. CRUMPACKER

The bill (S. 1138) for the relief of John W. Crumpacker, commander, United States Navy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to John W. Crumpacker, commander, United States Navy, the sum of $135.60, which sum represents the amount which it would have cost had shipment been made at Government expense of certain of his household effects from Accomac, Va., to Michigan City, Ind., following the evacuation of his dependents from Tutuila, American Samoa, in January 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BANK OF KODIAK, ALASKA

The bill (H. R. 580) for the relief of the Bank of Kodiak, Kodiak, Alaska, was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, Mr. President, I should like to have a brief explanation of the bill.

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to pay the sum of $3,000 to the Bank of Kodiak, Kodiak, Alaska, in full settle-

ment of all claims against the United States for reimbursement in the loss of mutilated currency on board the steamship *Yukon* on February 4, 1946.

It appears that the Bank of Kodiak withdrew mutilated currency from circulation and consigned it to the Treasurer of the United States, for redemption, and after the steamship *Yukon*, on which the shipment was moving, sank on February 4, 1946, the bank made claim on the Post Office for reimbursement. The Post Office Department notified the bank that inasmuch as no registry fee was paid for the shipment, no indemnity was payable under the regulations of the Department.

Inasmuch as the currency in this case was shipped by the Bank of Kodiak for its own account and without authorization or direction by the Treasury, the bank was advised that there was no action that the Treasury could take to reimburse it for the amount of the lost currency. Therefore the bill seemed to the committee to have merit.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Why is there an absence of any sworn proof in the record as to this loss? There is an indication that two or three of the inspectors saw the packages, but no sworn proof, nothing to bear out the claim.

Mr. McCARRAN. The letter from the Acting Secretary of the Treasury, which we take to be authentic, without its being under oath, sets forth the details.

Mr. HENDRICKSON. I wonder if we should not have a record from the Postmaster General supporting the claim.

Mr. McCARRAN. The committee did not think it was necessary. We thought we had sufficiently authentic evidence to warrant approval of the bill.

Mr. HENDRICKSON. Was the committee unanimous in its opinion as to the merits of the bill?

Mr. McCARRAN. I would say yes, according to my recollection, the committee was unanimous.

Mr. HENDRICKSON. I withdraw the objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 585) for the relief of Jacob A. Johnson, was announced as next in order.

Mr. HENDRICKSON. I object.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE A. KIRCHBERGER

The bill (H. R. 650) for the relief of George A. Kirchberger was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. McCARRAN. Mr. President, Mr. Kirchberger, when he made application for employment with the War Department, stated that he was a citizen of the United States and that he was born in St. Louis, Mo. He worked for the War Department from March 1941 until September 1945. In September 1945 he was appointed to the Treasury Department by transfer from the War Department as a commercial accountant. An investigation into his character and for other purposes by the latter Department revealed that at the time of appointment he was not a citizen of the United States. Consequently, the salary paid to Mr. Kirchberger was in contravention of the applicable statute. Accordingly, Mr. Kirchberger was suspended from duty on September 11, 1946, and separated on October 6, 1946. A demand has been made upon Mr. Kirchberger to refund these sums to the Government.

The issue simply stated: Should this former employee, because of a misstatement made at the time of application for employment, which the Department concerned considers quite understandable under the circumstances, be required to refund the salary earned? Your committee believes he should not be required to do so. The Department concerned is satisfied that the claimant was guilty of no willful falsehood.

Mr. WILLIAMS. Mr. President, may I ask the Senator from Nevada if it is true that the party concerned in the bill filed a false statement with his application for appointment?

Mr. McCARRAN. It is so alleged.

Mr. WILLIAMS. I ask that the bill go over.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The bill will be passed over.

LEGAL GUARDIAN OF GEORGE GENERAZZO

The bill (H. R. 681) for the relief of the legal guardian of George Generazzo was considered, ordered to a third reading, read the third time, and passed.

JOSEPH THOMPSON

The bill (H. R. 692) for the relief of Joseph Thompson was considered, ordered to a third reading, read the third time, and passed.

CATHERINE S. TREMAYNE AND A. I. LANG

The bill (H. R. 761) for the relief of Catherine S. Tremayne and A. I. Lang was considered, ordered to a third reading, read the third time, and passed.

LEGAL GUARDIAN OF ANDREW FERDINAND DEWITT III

The bill (H. R. 1098) for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor, was considered, ordered to a third reading, read the third time, and passed.

MRS. HOPE IRENE BULEY

The bill (H. R. 1300) for the relief of Mrs. Hope Irene Buley was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to pay the sum of $7,912.50 to Mrs. Hope Irene Buley, of Bozeman, Mont., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and loss of earnings sustained as a result of an accident occurring as a consequence of the discharge from a gun of a member of the military police, acting within the scope of his employment, at the Oasis night club, Black Eagle, Mont., on December 25, 1942.

In the early morning of December 26, 1942, two military policemen, while acting within the scope of their employment, became involved in a fight with a group of civilians at the Oasis, a night club near Great Falls, Mont. Badly beaten and reasonably apprehending mortal danger, they drew their pistols. It appears that they attempted to fire into the floor and ceiling to forestall the necessity for further combat. In the resulting melee four civilians were shot, including Miss Hope Irene Dotseth (now Mrs. Hope Irene Buley). Miss Dotseth was struck by a bullet in the upper right arm, which caused a compound comminuted fracture of the right humerus and severed the radial nerve, paralyzing her right arm.

Mr. HENDRICKSON. May I ask the distinguished Senator whether the committee was unanimous in approval of the bill?

Mr. McCARRAN. The committee was unanimous.

Mr. HENDRICKSON. I withdraw the objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

HAL W. CLINE

The bill (H. R. 1597) for the relief of Hal W. Cline was considered, ordered to a third reading, read the third time, and passed.

WILLIAM PRICE

The bill (H. R. 2089) for the relief of William Price was considered, ordered to a third reading, read the third time, and passed.

EVA C. NETZLEY RIDLEY, WILLIAM G. STUFF, LOIS STUFF, AND HARRY E. RIDLEY; AND THE ESTATES OF CLYDE C. NETZLEY AND SARAH C. STUFF

The bill (H. R. 2261) for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should appreciate very much an explanation of the bill.

Mr. McCARRAN. Mr. President, Clyde C. Netzley and Sarah C. Stuff were fatally injured, and Eva C. Netzley Ridley, William G. Stuff, and Lois Stuff were severely injured, in a collision between the automobile driven by Clyde C. Netzley and a National Park Service truck, on Illinois State Highway No. 54. The sole occupant of the truck was the driver, who was uninjured.

The collision occurred when the driver of the truck, without giving a signal, undertook to make a left-hand turn,

from the right-hand lane of the highway, onto a dirt road which crosses the highway.

It appears that the collision was clearly caused by the negligence of the driver of the truck.

The negligence of the driver of the truck is supported by various statements presented to the committee. I refer especially to the letter of Peyton Ford of the Department of Justice who wrote:

Whether the bill should be enacted presents a question of legislative policy concerning which the Department of Justice prefers to make no recommendations.

Mr. HENDRICKSON. Again I ask whether the report of the committee on the bill was unanimous.

Mr. McCARRAN. The report of the committee was unanimous. If the Senator means by his question whether all members of the committee were present I would have to answer in the negative. But there was a legal quorum present, and those present were unanimous in their recommendation to report the bill favorably.

Mr. HENDRICKSON. I thank the Senator, and withdraw any objection.

Mr. WILLIAMS. Mr. President, I wish to ask the Senator from Nevada a question. I notice that the accident took place in 1935. I wonder why the claim has been delayed.

Mr. McCARRAN. The bill has been before Congress previously, but for one reason or another has not been passed. It got into the jam at the close of the last session of Congress and failed of passage then.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2261) for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff, was considered, ordered to a third reading, read the third time, and passed.

FOREST L. WEATHERLY

The bill (H. R. 2268) for the relief of Forest L. Weatherly was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2474) for the relief of Frank E. Blanchard, was announced as next in order.

Mr. PEPPER. Mr. President, there is a matter pertaining to the bill which I should look into, and for the time being, that is for the call of the calendar today, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ESTATE OF MARION MILLER

The bill (S. 1167) for the relief of the estate of Marion Miller, was announced as next in order.

Mr. HENDRICKSON. Mr. President, in view of the fact that the Treasury Department has recommended against the bill I should like an explanation.

Mr. McCARRAN. Mr. President, it appears that Pfc Marion Miller, Army serial No. 10600851, served with the Canadian Army prior to his service with the Army of the United States. As an incident of that service, certain sums were due and owing to him by the Canadian Government. This sum—$66 Canadian currency, at the then rate of exchange, $59.58 in United States dollars—was, along with amounts due from the Canadian Government to other enlisted men in the United States Army, paid to this Government by letter of credit dated February 27, 1943.

Apparently faulty identification by an Army finance officer resulted in the sum involved being paid to one Pvt. Milton Miller, who had since been discharged from the Army.

Pfc Marion Miller was killed in action on July 28, 1944.

While it is clear that the estate of Marion Miller is entitled to the amount in question, the Comptroller General states that the payment has not been made because there is no appropriation or fund available from which to pay it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I have no objection.

There being no objection, the Senate proceeded to consider the bill (S. 1167) for the relief of the estate of Marion Miller, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 6, after the word "claims," to insert a colon and the following proviso: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on acount of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000"; so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim or claims for payment of the amount due the estate of Marion Miller, private, first class, Army of the United States, deceased, incident to his service in the Canadian Army which amount was paid to the United States by the Government of the Dominion of Canada, February 27, 1943, for his credit but which was erroneously paid by a United States finance officer to another individual of a similar name, and to allow in full and final settlement of the claim or claims not to exceed $59.58. There is hereby appropriated out of any moneys in the Treasury, not otherwise appropriated, the sum of $59.58, or so much thereof as may be necessary, for the payment of such claim or claims: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF UNITED STATES CODE RELATING TO UNLAWFUL CONVERSION OF MOTOR VEHICLES AND AIRCRAFT

The Senate proceeded to consider the bill (S. 1483) to amend title 18, United States Code, sections 2312 and 2313, so as to include thereunder motor vehicles and aircraft which have been embezzled, feloniously converted, or taken by fraud, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "taken", to insert the word "feloniously", so as to make the bill read:

Be it enacted, etc., That title 18, United States Code, sections 2312 and 2313, are amended by inserting after the word "stolen" wherever it appears in such sections a comma and the following: "embezzled, feloniously converted, or taken feloniously by fraud."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend title 18, United States Code, sections 2312 and 2313, so as to include thereunder motor vehicles and aircraft which have been embezzled, feloniously converted, or feloniously taken by fraud."

BILL PASSED OVER

The bill (H. R. 1288) for the relief of certain officers and members of the crew of the steamship *Taiyuan* was announced as next in order.

Mr. HENDRICKSON. Mr. President, I would offer a number of objections to the bill. It does not seem to be soundly drawn, to begin with. It calls for the payment of a claim to a man whose whereabouts is unknown. I suspect there are some other faults about it. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

FRANK J. PATZKE ET AL.

The Senate proceeded to consider the bill (H. R. 1299) for the relief of Frank J. Patzke, Archie Mitchell, J. L. Shoemaker, Einar Engen, and N. L. Gifford, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 11, after the word "Dakota", to insert "and Bertha Myrtle Patzke, of Bly, Oreg."; on page 2, line 2, after the word "of", to strike out "his" and insert "their"; and in line 3, after the word "and", to strike out "his" and insert "their."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read, "An act for the relief of Frank J. Patzke and others."

CONTINUATION OF NURSERIES AND NURSERY SCHOOLS, DISTRICT OF COLUMBIA

The bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mrs. SMITH of Maine. Mr. President, the purpose of the bill is to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950. There is only one amendment to the House bill. That amendment restores the amount to $150,000, from $50,000.

The committee is of the opinion that the work of the nurseries and nursery schools fills a vital and needed part in a general program, and that it should be continued with an adequate appropriation until some other provision is agreed upon. With this action the committee recommended that the District Columbia officials confer with the representatives of the various civic organizations in an effort to bring in a recommendation for the care of this group of children at the end of this term. Such a meeting has already been called for June 6, and it is the hope of the committee that the parties may get together and bring in a recommendation to take care of this matter after 1950.

Mr. WILLIAMS. I thank the Senator from Maine. I have no objection.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mrs. SMITH of Maine. I yield.

Mr. SALTONSTALL. I should like to ask if this type of service, which I know about, is rendered by the public-school systems in others cities, or is it carried on privately?

Mrs. SMITH of Maine. This program is what remains of the Lanham Act plan, I would say to the Senator from Massachusetts. The question is whether the service should come under education or under welfare. I think there is a difference in various cities. I believe some cities take care of it under the educational program and some under the welfare program.

Mr. SALTONSTALL. Under both systems it is done with public funds?

Mrs. SMITH of Maine. Yes.

Mr. SALTONSTALL. I thank the Senator from Maine.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, which has been reported from the Committee on the District of Columbia with an amendment, on page 3, line 9, after the word "exceeding", to strike out "$50,000" and insert "$150,000."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time and passed.

ARKANSAS RIVER COMPACT

The bill (S. 1448) to grant the consent of the United States to the Arkansas River compact was announced as next in order.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Calendar No. 385, House bill 4151, is a companion bill. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 4151) to grant the consent of the United States to the Arkansas River compact was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1448 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes was announced as next in order.

The PRESIDING OFFICER. This bill is the pending business.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

NATIONAL CAPITAL SESQUICENTENNIAL

The joint resolution (H. J. Res. 200) to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like a brief explanation of the joint resolution.

Mr. FREAR. Mr. President, does the Senator desire an explanation?

Mr. HENDRICKSON. Yes. What is the amount of salary to be authorized for the director of the Commission?

Mr. McGRATH. Mr. President, no salary is fixed, because no appropriation has yet been made. The question whether or not there will be a Federal appropriation is now before the Subcommittee on District of Columbia Appropriations of the Appropriations Committee. There has been a previous appropriation of only $15,000, with which all the preliminary plans, with which most Senators are familiar, have been made. In the event there should be an appropriation, no salary will be paid by the Commission in excess of $15,000. However, there is nothing in the pending measure which appropriates for salaries to anybody. It merely continues in existence the Commission which was authorized by the Eightieth Congress, and directs it to proceed with the plans which it has heretofore made.

Mr. HENDRICKSON. In the event this program should operate at a loss, who would bear the loss?

Mr. McGRATH. The distinguished Senator from Delaware [Mr. FREAR] is in charge of the bill.

Mr. FREAR. Mr. President, it is anticipated that there will be no loss. However, the only loss that could be sustained would be limited by the extent of the appropriation.

Mr. HENDRICKSON. But if there should be a loss, who would assume that loss? Would Congress assume it?

Mr. FREAR. I presume that if there were a loss, probably a deficiency appropriation would be requested.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield.

Mr. McGRATH. I may say that there is no liability on the Federal Government beyond that which it takes unto itself by an appropriation, which we hope will be made. Therefore any loss would be limited to the amount of the appropriation.

This question has been gone into very thoroughly by the Subcommittee of the Senate Committee on Appropriations. I believe that when the District appropriations bill is before us there will be ample time then to discuss the financial soundness and prospects of the Sesquicentennial celebration. The pending joint resolution does nothing more than permit the continuation of the Commission and permit it to go ahead with its plans. In the event we should approve an appropriation with which to operate the Sesquicentennial celebration, the pending joint resolution gives sanction for leasing authority, the taking over of land, and other things that are necessary in that connection.

Mr. HENDRICKSON. Mr. President, I feel constrained to object unless the joint resolution provides for the contingency of loss. There is no certainty that there will not be a loss, and I think we ought to provide squarely to meet that contingency should it arise.

Mr. McGRATH. Mr. President, I do not believe that this joint resolution is the place to make such a provision. The joint resolution does not give the Sesquicentennial Commission authority to incur any obligations which could possibly run against the Federal Government. The time to make such provision is when and if we decide to appropriate any money for this purpose. In the meantime any obligation which might be incurred would be simply an obligation as between the Commission and those with whom it might contract.

This is not the place to put a limitation on liability. In my opinion, the time to do that is when the appropriation bill is before the Senate. If the Senate sees fit to approve a $3,000,000 financing of this project, it can very well declare its purpose that that shall be the limit of authority of the Commission. This is not the place to impose such a limitation. In effect, this is nothing more than an authorization. Of course, an authorization is of no value unless it is followed by an appropriation.

Mr. HENDRICKSON. I point out that it is an authorization which firmly establishes a commitment.

Mr. McGRATH. I do not quite understand what the Senator means by his last reference.

Mr. HENDRICKSON. I mean simply that it is authorization which establishes a commitment on the part of the Congress.

Mr. McGRATH. The only commitment that is established is a commitment that the Sesquicentennial Commission, already established by the previous Congress, shall be permitted to proceed with its work of conducting the sesquicentennial celebration, and that it shall have the necessary power to deal with the authorities of the District of Columbia in conducting the sesquicentennial fair. There is no authority to spend any money or to commit the Government to the spending of any money whatsoever. The Commission will not have such authority unless the Congress sees fit to make an appropriation.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield.

Mr. FREAR. If the Senator will turn to page 4, line 22 of the joint resolution, he will find an explanation of the situation.

Mr. SALTONSTALL rose.

Mr. ANDERSON. Mr. President, will the Senator from Rhode Island yield to me?

Mr. McGRATH. I do not believe I have the floor. I think the Senator from New Jersey [Mr. HENDRICKSON] has the floor. With his permission, I shall be glad to answer any questions.

Mr. SALTONSTALL. Mr. President, as a member of the Subcommittee on District of Columbia Appropriations of the Senate Appropriations Committee, I should like to ask a question.

Do I correctly understand the Senator from Rhode Island to mean that the joint resolution would merely continue the Planning Commission, and that the Planning Commission must cut its cloth along the lines of any appropriation which later may be made by the Congress? In other words, if we appropriate half the money which the Commission requests, it must make its plans accordingly.

Mr. McGRATH. Yes; it must make its plans in accordance with the appropriation.

I may say that according to the plans for the sesquicentennial celebration, the total budget anticipated for the sesquicentennial celebration will be in the neighborhood of $9,000,000. A great many projects are planned, including the erection of buildings, the rental of space for scientific displays, admission charges, and so forth. The plan of the Commission is a business venture, in which it is anticipated that the Government will receive back something in excess of the total cost. What is to be asked of the Appropriations Committee is an appropriation in the form of a banking loan of $3,000,000, all of which, under the plans, will come back to the Treasury. In addition to what comes back to the Treasury in this form there will be returns from Federal taxes as a result of the operation of the Sesquicentennial Fair.

To answer the question of the Senator from Massachusetts fairly, we are dealing with a proposal which, in terms of dollars, will be a $10,000,000 show, which we shall ask the Federal Government to guarantee to the extent of $3,000,000, all of which we hope and trust will be returned.

Mr. SALTONSTALL. So to answer the question of the Senator from New Jersey, theoretically, at this time at least, so far as we can foresee, the ultimate loss to the Federal Government would not exceed $3,000,000. Is that correct?

Mr. McGRATH. That is correct, but we do not expect that there really will be any loss to the Federal Government. Instead, we anticipate that there will be a profit to the Government. The $3,000,000 is being requested in the form of an appropriation, although in a sense it is to be a loan to the Sesquicentennial Commission, for the purpose of permitting it to erect the buildings and to get the celebration under way by enabling the Commission to spend the money which must be expended before any income can be established. The Commission has no place to go to obtain such backing except the Congress of the United States.

Mr. SALTONSTALL. In other words, neither the residents of the District of Columbia nor the business people of the District of Columbia nor the Government of the District of Columbia are putting up any money at all in this connection?

Mr. McGRATH. No. This project is not to be understood as a project of the District of Columbia. It is the sesquicentennial celebration of the founding of the Capital of the United States, and it is being conducted by a commission authorized by the Congress of the United States. It is not a District of Columbia project. It is to be called "The Freedom Fair," in commemoration of the one hundred and fiftieth anniversary of the founding of the seat of the Federal Government here in the city of Washington. It is a national affair, and is not to be understood as a function of the District of Columbia.

Mr. SALTONSTALL. Has any effort been made to raise money for this purpose from business firms throughout the United States?

Mr. McGRATH. Yes. Space in the exhibition buildings will be leased to large industrial firms throughout the United States, on an industry-wide basis; and many of them have already shown a very keen interest in leasing space.

Mr. SALTONSTALL. But no advance payments have been made. Is that correct?

Mr. McGRATH. No advance payments have ben made, and none will be received until the buildings are erected.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER obtained the floor.

Mr. LUCAS. Mr. President, if the Senator will yield to me on that point, I should like to follow the argument which has been made by the distinguished Senator from Rhode Island by reading from page 10 of the bill, where it is said:

Provided, That all revenues received by the Commission from such source shall be covered into the Treasury of the United States to the credit of the appropriation to be made pursuant to the authority contained herein and may be expended and shall be accounted for in the same manner as other funds authorized for expenditures by the Commission.

Mr. McGRATH. That is correct. Every dollar taken in will go into the Treasury of the United States.

Mr. LUCAS. And it is the belief of the Senator from Rhode Island that the moneys which will be accumulated from the concessions which will be leased and from other means of raising funds, will be sufficient to prevent the Federal Government from sustaining any expense whatsoever in the final analysis. Is that correct?

Mr. McGRATH. Not only will the Federal Government have no expense in the final analysis, but it is anticipated that the Government will make considerable money from the operations of the Sesquicentennial Freedom Fair.

Furthermore, let me point out that under the plans which the Commission now has, there will be left in the city of Washington, as a permanent improvement, a very beautiful amphitheater, which is planned as the first building to be erected, along with the group of buildings to compose the so-called fair grounds. The amphitheater will be a building of considerable value and will be a permanent as well as a very needed improvement in the District of Columbia.

Moreover, as I have previously pointed out, it is expected that many million people will come to Washington during the 2 years which it is anticipated the Freedom Fair will run. It is expected to have as the central theme of the fair the freedoms which we enjoy here in the United States of America.

I wish to point out how essential it is in these times that we do not lose the opportunity of celebrating an anniversary such as this one, the one hundred and fiftieth anniversary of the founding of the Federal Government in the city of Washington.

We read last week in the trade magazines that for the city of London the British Government has recently appropriated the equivalent of $15,000,000 for the running of a fair whose purposes do not begin to be commensurate with the great things the Federal Government stands for in the District of Columbia. It seems to me that if Great Britain under its austerity program, and requiring the help it is receiving from the United States, believes it can afford to devote $15,000,000 to a celebration of that kind, then certainly here in the United States we can well afford to advance $3,000,000 in order to help bring home to all the world the great freedoms which are enjoyed by those who live in the United States, and which are symbolized here in the city of Washington.

Mr. HENDRICKSON. Mr. President, so long as the Senate understands that if there is a loss, the Congress of the United States will not have to meet it, I withdraw my objection.

The PRESIDING OFFICER. The objection is withdrawn.

Mr. FREAR. Mr. President, I wish to thank the Senator from Rhode Island for the very fine explanation he has made of the joint resolution.

Mr. LANGER. Mr. President, I should like to ask whether a loss was sustained from the celebration which was had 50 years ago, on the occasion of the one hundredth anniversary of the

founding of the Federal Government in the city of Washington?

Mr. McGRATH. I was not here at that time, so I do not know. [Laughter.]

Let me say that a list has been prepared of the contributions the Federal Government has made to fairs of this kind in the United States within the past several decades. As one example, I can refer to the World's Fair at New York. The Congress of the United States appropriated in excess of $3,000,000 as an outright contribution to that fair.

So we can go down the long list of similar celebrations to which contributions have been made by the United States Government. Those contributions range from $700,000 to more than $3,500,000.

Thus it seems to me that if the Congress can make such contributions for the St. Louis Fair, the New York World's Fair, and the Brooklyn Bridge celebration, the Congress should be able to take this step in connection with the celebration of the one hundred and fiftieth anniversary of the founding of the Nation's Capital.

Mr. LANGER. I should like to ask the Senator from Rhode Island whether there was a Federal Government appropriation for the St. Louis Fair.

Mr. McGRATH. I believe there was a Federal Government appropriation for the St. Louis Exposition. I believe it was called the Electrical Exposition—at St. Louis, in 1903, as I recall the date. I think a Federal Government appropriation was made for that purpose, but I do not recall the exact amount.

Mr. LANGER. Can the Senator tell me whether a Federal Government appropriation was made for the Chicago Fair?

Mr. McGRATH. I am sure there was a Federal Government appropriation for that purpose. If the Senate will excuse a brief delay, I have sent the clerk to the committee to obtain the list which I had prepared for presentation to the Appropriations Committee. I think it will be brought to the floor in a few minutes.

Mr. LANGER. Does not the Senator from Rhode Island think that $3,000,000 is a great deal of money, just for a celebration?

Mr. McGRATH. No; $3,000,000 is not a great deal of money for this celebration, when one takes into consideration the things we have to celebrate and the emphasis which can be placed on our democracy and our freedoms.

The theme of the Freedom Fair and what we are going to try to demonstrate to the world by means of the fair are the things we enjoy here in the United States of America and the reasons why our way of life is better than the way of life of people elsewhere in the world. The celebration is to be known as the Freedom Fair. It is not to be commercialized in the sense that it is hoped to have a Coney Island midway or anything of that sort. It is to be a fair which will demonstrate the educational, scientific, industrial, and governmental progress of the United States during the 150 years since the National Capital was established here on the Potomac.

Mr. LANGER. Mr. President, I yield the floor.

Mr. LUCAS. Mr. President, do I correctly understand that the joint resolution has been passed?

The PRESIDING OFFICER. It has not been passed.

Mr. LANGER. Mr. President, I shall object until I find whether there was such a fair 50 years ago, how much the Federal Government contributed at that time, and whether any of its contribution was eventually returned.

In the present case, if there is assurance that there will not be a loss to the Federal Government, I shall not object; but I do not believe the people of the United States should pay $3,000,000 to have a fair here in the District of Columbia.

Mr. McGRATH. Mr. President, I hope we do not lose sight of the fact that the joint resolution we are presently considering does not appropriate $3,000,000. There will be ample opportunity to debate the question of whether $3,000,000 should be appropriated.

All the joint resolution now before us does is authorize the continuation of the planning. The question of whether the actual expenditure will be made will be placed before the Senate when the appropriation is requested.

Mr. ANDERSON. Mr. President, I wish to say that the practice of making Federal contributions for such purposes is not new.

The Senator from North Dakota has asked whether there was a celebration of this sort 50 years ago. I do not remember as to that, but I remember that there was one 100 years ago. At that time there was a decision to build a great memorial, and stock was generally sold for the construction of the George Washington Monument. I happen to possess one of the original stock certificates which was sold for that purpose. Of course, the Washington Monument could not be built on that basis, and the Federal Government had to step in and complete the construction of it.

I hope the Senator from North Dakota will withhold objection, because I am satisfied that the opportunity to thresh out the matter before the Appropriations Committee will be sufficient and satisfactory.

The Senator may recall that at one time I was a director of a United States exposition, and in that connection an authorization was obtained. After it was obtained, an appearance was made before the Appropriations Committee, to request funds. I believe that procedure should be followed in this case.

Mr. LANGER. I should like to ask the Senator a question: If we make the authorization at this time, when the request for an appropriation subsequently comes to us, will it be contained in a general appropriation bill, or will it be presented by itself?

Mr. McGRATH. We can ask the Appropriations Committee to report it as a separate item. The matter is being considered by a subcommittee of the Committee on Appropriations. I do not know just what the procedure would be, whether the committee would report it as an item in one of its general appropriation bills or report it separately. But I assure the Senator that, regardless of how it may come before the Senate, the item can be given separate consideration.

Mr. LANGER. I withdraw the objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 200) was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL JUDGE FOR THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

The bill (S. 1557) to provide for the appointment of an additional judge for the juvenile court of the District of Columbia was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. I object.

Mr. McCARRAN and Mr. McGRATH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Dakota withhold his objection?

Mr. LANGER. I may state that the only reason I object is that the bill does not provide that the judge shall be appointed from the District of Columbia. Under the bill the judge could be brought in from anywhere in the United States. It seems to me the lawyers of the District are entitled to have the judge appointed from the District of Columbia to deal with matters which come before the juvenile court.

Mr. McGRATH. Mr. President, it is provided that the judge must be appointed from the bar of the District of Columbia. The Senator is mistaken.

Mr. LANGER. I was talking this morning to a representative of the local bar association. I have not seen the bill myself.

Mr. McGRATH. I may say for the benefit of the Senator there are two bills pending for the appointment of judges of the juvenile courts, which were before the Committee on the District of Columbia. One is in the nature of a permanent bill which would eventually create two judges for the juvenile court. The pending bill introduced by the Senator from Nevada [Mr. McCARRAN] merely attempts to take care of a very dire emergency situation. The juvenile judge for the District of Columbia—and there is only one judge of the juvenile court—has been incapacitated and confined to a hospital for a period of almost a year. There is no hope that that judge can return to her duties. There is no provision of law by which the office of that judge can be vacated. There is no provision of law by which she can be forced into retirement.

The bill merely provides temporary relief. It permits the appointment of a juvenile court judge for the remainder of the term of the present judge. At the expiration of that term, then the authority which is hereby granted for the appointment of an extra judge will terminate. There is before the Committee on the District of Columbia another bill, upon which hearings are being held, by which it is hoped that we can provide permanently for two judges. That will eventually come before the Senate. The

pending bill is merely an emergency measure to put a judge upon that bench, where a judge is very badly needed. The Senator is completely misinformed about the question of residence in the District, or as to being a member of the District bar, because the proposed law does not make any change with respect to the qualification of the judge to be appointed. The law at the present time provides that the judge must be a person of experience in social work, and must be drawn from the membership of the bar of the District of Columbia.

Mr. LANGER. Mr. President, the Senator from North Dakota is not misinformed. He has the bill before him, and will read it:

That the President is authorized to appoint, by and with the consent of the Senate, for a term of 6 years, or until his successor is appointed and confirmed, one additional judge for the juvenile court of the District of Columbia. The position occupied by the present judge of such juvenile court shall be abolished when a vacancy shall occur in said position or at the expiration of the present 6-year term of said judge, whichever shall first occur.

The Senator will see there is no provision which limits the appointment to a resident of the District of Columbia. In other words, the judge could be appointed from anywhere in the United States. Without objection, I should be glad to propose an amendment at the end of the bill—that is, in line 10—to add a semicolon and the words "*Provided*, That said judge shall be a resident of the District of Columbia."

Mr. McGRATH. I may say to the distinguished Senator that the pending bill must be read in the light of existing substantive law. We have substantive law which provides that juvenile-court judges appointed in this manner shall be drawn from membership of the bar; so that while the bill does not spell it out, it does not exempt this judgeship from the provision of already-existing law. I have no objection to the Senator putting an amendment on the bill, if he sees fit, but it is entirely unnecessary, because the judge appointed under this authority must be appointed in accordance with the provisions of existing law.

Mr. LANGER. If it adds nothing to it, it at least would do no harm to adopt the amendment. We might as well adopt it.

Mr. McGRATH. I have no objection whatever.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Unless there is language in the pending bill which incorporates by reference the existing law—and it is an independent statute which stands on its own footing—I think the legal point of the Senator from North Dakota is well taken.

Mr. McGRATH. I disagree with the distinguished Senator from Oregon in his interpretation of the statute, but, be that as it may, it is not the intention to change the existing provisons of law with respect to the appointment of this temporary judge, and I should be very happy to accept the amendment offered by the distinguished Senator from North Dakota in order to make sure that the substantive law applies to this particular appointment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KILGORE. Mr. President, if the Senator will yield for a question at that point, I understood the amendment to provide that the appointee shall be a resident of the District of Columbia. My understanding of the present substantive law is that it requires him to be a member of the District bar. There are members of the District bar who might live just over the line, but who practice in the District exclusively. I am wondering whether the amendment offered by the Senator from North Dakota is not in conflict with the present substantive law.

Mr. McGRATH. Mr. President, if I may, I should like to read the existing provisions of the law governing this case. It is from title XI, Judiciary and Jurisdiction, paragraph 11–920, entitled "Appointment, Qualifications, Oath, and Salary of Judge." It reads as follows:

The judge of the court—

Meaning the juvenile court—

shall be appointed by the President of the United States, by and with the consent of the Senate, for a term of 6 years, or until his successor is appointed and confirmed. To be eligible for appointment as judge—

Meaning, judge of the juvenile court—

a person must be a member of the bar, preferably of the District of Columbia, and have a knowledge of social problems and of procedure and an understanding of child psychology. The judge shall, before entering upon the duties of his office, take the oath prescribed for judges of the courts of the United States.

Mr. MORSE. I should like to ask the Senator from Rhode Island a question. Did I hear him read the language "preferably a member of the District bar?"

Mr. McGRATH. Yes, that is the language of the present statute. It is not sought to change that language at all by the bill under consideration.

Mr. MORSE. Even the present statute does not meet the objection raised by the Senator from North Dakota, and there is nothing in the pending bill that incorporates the language of the present statute. Under the circumstances, the bill would stand on its own footing.

Mr. McGRATH. Mr. President, we are merely trying to meet an emergency situation, and it hardly seems desirable to prescribe one set of qualifications for a temporary position, in order to take care of this emergency caused by the inability of the person holding the office to fulfill the duties.

It hardly seems consistent that there should be one set of qualifications for the incumbent and a different set of qualifications for a person temporarily appointed to fill the position.

I should be very happy to accept an amendment incorporating into the pending bill the provisions of paragraph 920 of section 11 to which I have referred.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. I still object.

The PRESIDING OFFICER. Objection is heard.

Mr. McCARRAN. Mr. President, I should like to invite the attention of the Senator from North Dakota for a moment. Will the Senator from North Dakota withhold his objection, so that I may offer an amendment?

Mr. LANGER. Yes; I will withhold my objection.

Mr. McCARRAN. Mr. President, I offer the following amendment:

After the words "District of Columbia", in line 6, insert the words "who shall, at the time of appointment, be a resident of the District of Columbia."

Mr. LANGER. I withdraw my objection.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 6, after the words "District of Columbia.", it is proposed to insert "who shall at the time of appointment, be a resident of the District of Columbia."

Mr. AIKEN. Mr. President, I should like to ask how long it takes to become a resident of the District of Columbia?

Mr. McCARRAN. I cannot answer that question.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Florida.

Mr. PEPPER. I should like to ask the Senator what is the law with respect to other judges in the District of Columbia. Are they required to be residents of the District of Columbia?

Mr. McCARRAN. In the municipal court bill we made provision for a certain number of judges to be selected from residents of the District of Columbia, though there were exceptions made, so that the President could reach into the metropolitan area, as it were, and select them. The reason for that is that a great many lawyers practice law in the District of Columbia and live in Maryland or Virginia, outside the District line. So, if we tie it down too close to the District line we are likely to exclude many who are really residents of the District of Columbia but who happen to live outside the District line.

Mr. PEPPER. If the Senator will permit me, this is what I have in mind. I can well understand that for the position of juvenile court judge it might be entirely appropriate, and, in fact, desirable, that the occupant of the office be a resident of the District of Columbia and familiar with conditions in the city of Washington. But I do not want a general precedent established whereby all judicial officers have to be residents of the District of Columbia. I think any citizen of the United States generally should be eligible for general judicial assignment and appointment in the District of Columbia.

Mr. McCARRAN. The Senator would not want that to apply to his own State, would he?

Mr. PEPPER. No; but the District of Columbia, I believe we will all admit, has a different status. It belongs to the people of the country to a degree to which individual areas outside the District do not belong to the whole country. But do I correctly understand the Senator to say that all judicial officers in

the District are not required to be residents of the District of Columbia?

Mr. McCARRAN. They are not required, I am sorry to say. If I had my way, I would write into the law, in indelible language, that they must be residents of the District of Columbia.

Mr. PEPPER. It is certainly appropriate in this case.

Mr. McCARRAN. That is my idea, and that is why I offer the amendment in this particular case.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to appoint, by and with the consent of the Senate, for a term of 6 years, or until his successor is appointed and confirmed, one additional judge for the juvenile court of the District of Columbia, who shall at the time of appointment, be a resident of the District of Columbia. The position occupied by the present judge of said juvenile court shall be abolished when a vacancy shall occur in said position or at the expiration of the present 6-year term of said judge, whichever shall first occur.

UNIFORM LAW CONCERNING COMMON-TRUST FUNDS

The Senate proceeded to consider the bill (S. 1580), concerning common-trust funds and to make uniform the law with reference thereto.

Mr. HENDRICKSON. Mr. President, I know something of this bill. It is a good bill. It is to provide a greater diversification of investments than is practicable in cases where sums of small trusts are invested separately. But I think the bill can be improved by a brief amendment. The bill provides on page 2, lines 2 to 8, for the investment of such funds by fiduciaries or cofiduciaries, and this provision would be strengthened by inserting, before the word "consent", in line 8, the word "written."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF COMMON-TRUST FUNDS

SECTION 1. Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of section 11 (k) of the Federal Reserve Act, as amended (12 U. S. C. 248 (k)), pertaining to the collective investment of trust funds by national banks, establish common-trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common-trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of cofiduciaries, the bank or trust company procures the written consent of its cofiduciaries to such investment.

COURT ACCOUNTINGS

SEC. 2. Unless ordered by a court of competent jurisdiction the bank or trust company operating such common-trust funds is not required to render a court accounting with regard to such common-trust funds; but it may, by application to the United States District Court for the District of Columbia, secure approval of such accounting on such conditions as the court may establish.

UNIFORMITY OF INTERPRETATION

SEC. 3. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those States which enact the Uniform Common-Trust Fund Act.

SHORT TITLE

SEC. 4. This act may be cited as the "Uniform Common-Trust Fund Act."

SEVERABILITY

SEC. 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

REPEAL

SEC. 6. All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

TIME OF TAKING EFFECT

SEC. 7. This act shall take effect July 1, 1949, and shall apply to fiduciary relationships then in existence or thereafter established.

REMOVAL OF WEEDS FROM LANDS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 885) to provide for the removal of weeds from lands in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments, on page 2, after line 3, to strike out section 3, as follows:

SEC. 3. Any person violating the first section of this act shall be punished by fine not exceeding $25.

And in line 6, to change the section number from "4" to "3", so as to make the bill read:

Be it enacted, etc., That weeds of a height greater than 4 inches are hereby declared to be a nuisance injurious to health, and it shall be the duty of every owner, occupant, and agent in charge of land in the District of Columbia to keep such land free and clear of such nuisance.

SEC. 2. The Commissioners of the District of Columbia, acting through such agency or agencies as they shall designate, may, upon the failure of any owner, occupant, or agent in charge of land to perform his or its duty prescribed in section 1 of this act, enter on such land and destroy or cause to be destroyed, the weeds upon such land by cutting, by applying chemicals, or by other means.

SEC. 3. The act entitled "An act to cause the removal of weeds from lands in the city of Washington, District of Columbia, and for other purposes," approved March 1, 1899 (30 Stat. 595), is hereby repealed.

Mr. AIKEN. Mr. President, may we have an explanation of the bill? From the way in which it reads, if a resident of the District of Columbia fails to weed his garden, until the weeds are 4 inches in height, the District authorities will weed it for him.

Mr. McGRATH. Mr. President, the health authorities feel that weeds are accountable for the spread of certain illnesses, such as hay fever. There is provision at the present time for the destruction of weeds on all public property, but there is no provision by which the District authorities can enter private land and destroy weeds of this nature. The bill merely gives permission to the District authorities, when it is determined that weeds growing on private land constitute a nuisance, to give notice to the owner to have the weeds destroyed. If the owner fails to act within a reasonable period of time, the District authorities may themselves treat the property so as to destroy the weeds. There is no obligation on the landowner whatsoever. The bill merely gives permission to the District authorities to do the work in order to improve the health of the residents of the District of Columbia.

Mr. AIKEN. Mr. President, what is the Senator's definition of a weed?

Mr. McGRATH. Noxious plants which are determined to be likely to spread hay fever and other human ailments.

Mr. AIKEN. The bill is not intended to apply to ordinary weeds, is it?

Mr. McGRATH. No. The Health Department must determine that the weeds are of such a nature as might spread human inconvenience or diseases which would be injurious to health.

Mr. AIKEN. Would it be safe to assume that the bill would apply only to such weeds as ragweed, poison ivy, and weeds of that nature?

Mr. McGRATH. Yes; weeds of that nature.

Mr. AIKEN. The reason I asked the question is that it would appear that the District had authority to remove all weeds over 4 inches high from citizens' gardens. With the explanation given by the chairman of the District Committee, I have no objection.

Mr. McGRATH. There are many absentee landowners. A great deal of land is owned by persons who do not reside here, and they, of course, pay no attention to the land, because they seldom come here. The weeds on such land become a nuisance. The bill would permit the District authorities to clean up such land and destroy the weeds.

The VICE PRESIDENT. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF TOWER TO THE INTERNATIONAL PEACE GARDEN, INC.

The bill (S. 1384) to authorize the transfer of a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., was announced as next in order.

Mr. MORSE. Mr. President, I should like to have an explanation of the bill.

Mr. YOUNG. Mr. President, in 1935 there was erected on the Lower Souris National Wildlife Refuge near West Hope, N. Dak., a steel fire tower. As a

matter of fact, it has not been used for several years. The cost of removal to some other location is $1,000, and the Fish and Wildlife Service officials think they can build a new tower for approximately that amount of money.

The International Peace Garden Park, situated on the boundary between the United States and Canada; operated by both Governments, want this tower, and will pay the cost of removal. The bill has the approval of the Bureau of the Budget and the Fish and Wildlife Service.

Mr. MORSE. Mr. President, reserving the right to object, I suppose this bill approaches the de minimis in regard to the matter of giving away Federal property. However, I cannot see my way clear to make an exception even of a piece of property which may be valued at only $1,000. This piece of property obviously has some value, or the particular private organization named would not be seeking it. If I am going to continue to object, as I shall object, to the giving away of very valuable pieces of property, I must as a matter of principle object to small gifts also.

After all, I think it is very important that we establish a clear precedent in this body that we are not going to give Federal property to municipalities, States, or counties, or private welfare groups, even for public purposes, without some return to the taxpayers of the Nation as a whole.

Therefore, if the Senator from North Dakota wishes to accept an amendment providing that the International Peace Garden, Inc., of North Dakota shall pay 50 percent of the fair market value of the property as determined by the Wildlife Service, I shall not object.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. YOUNG. The International Peace Garden, Inc., is an international organization, founded in peace. It is a nonprofit organization. It is for the benefit of the public in general. As testified by the Fish and Wildlife Service, so far as they know, the tower has practically no value. In their estimation it should be valued practically at cost; but to leave it stand there and rust away would be just a waste of property, in my estimation.

Mr. MORSE. Mr. President, it either has value or it has not. If it does not have value, this organization would not be seeking it, and the Federal Wildlife agency had better be selling it for junk rather than giving it away.

It pains me very much to have to apply my objection to such a de minimis case as this, but I know that by taking this position during the past 3 years I have saved huge sums of money for the taxpayers of the country. I am told in the Senate cloak room that Senators approve of the principle for which I have been standing, and that principle was adopted by a certain subcommittee of the Senate of which the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] was chairman. I have been more or less the runner of the interference in this matter over the years.

I should like to accommodate the Senator from North Dakota, but if this tower is not worth very much, then the Wildlife Service will not get a very high price for it, and if it does not, the purchasers will have to pay only 50 percent of its fair market value.

Only one more word, Mr. President, and I shall be through. I am asking the department which has made assessments during the last 3 years to prepare for me a compilation or report on the assessments it has made, because I serve notice on Federal departments today that I do not make objections of this kind on the floor of the Senate without carrying through with them. I am going to check up to see what sort of assessments the department has been making, to see that the taxpayers are protected. I object.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from North Dakota.

Mr. YOUNG. This bill merely provides for the transfer of a piece of property practically from one branch of the Government to another. It seems to me it would be different if it were going to a private individual.

Mr. MORSE. The fact is it is not being transferred from one department of the Federal Government to another. It is being transferred from a department of the Federal Government to an agency independent of the Federal Government.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

The VICE PRESIDENT. Objection has been heard, and the bill will go over.

Mr. JOHNSON of Colorado. I understood that the Senator from Oregon had not objected and would not object if the amendment were agreed to.

Mr. MORSE. That is correct.

Mr. JOHNSON of Colorado. Will the Senator from North Dakota yield?

Mr. YOUNG. Certainly.

The VICE PRESIDENT. Does the Senator from Oregon withhold his objection?

Mr. MORSE. I am withholding my objection until my amendment is either adopted or rejected.

Mr. JOHNSON of Colorado. I hope the Senator from North Dakota will accept the amendment which has been suggested. I realize there is not very much value involved, that the tower is to be transferred to an organization to be used for public service and in the public good. The Wildlife Service has assured me that it would cost more to tear the tower down and move it than the tower is worth. But I see the point of the Senator from Oregon, that he wants to be consistent, and I hope the Senator from North Dakota will accept the amendment.

Mr. YOUNG. Mr. President, I appreciate the offer, but I should wish first to consult with those interested in the International Peace Garden. I rather believe the tower is so valueless that they would not want it under such considerations.

Mr. MORSE. Under those circumstances, I object.

The VICE PRESIDENT. Objection is heard. The bill will be passed over.

EMBLEM DAY

The joint resolution (S. J. Res. 62) authorizing the President of the United States of America to proclaim June 20 of each year as Emblem Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the 20th day of June of each year as Emblem Day, calling upon officials of the Government to display the flag of the United States on all Government buildings on such day, and inviting the people of the United States to observe the day with appropriate ceremonies in commemoration of the American eagle, the official emblem of the United States, and of the great principles and ideals which it represents and symbolizes, and to renew and rededicate their faith in such principles and ideals.

The preamble was agreed to.

COPYRIGHTS OF FOREIGN WORKS

The bill (H. R. 2285) to amend title 17 of the United States Code entitled "Copyrights" with respect to relaxation of provisions governing copyrights of foreign works, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation?

Mr. WILEY. Mr. President, this bill has the unanimous approval of the Committee on the Judiciary. I am very happy to give a brief explanation of it.

H. R. 2285 has two parts: One applying to the copyright registration in the United States of all works produced in foreign countries, and the other applying solely to books in the English language.

First. The present United States law requires all foreign authors and publishers to pay a $4 fee and send to the Copyright Office one copy of their book or other work in order to secure copyright registration in the United States. The bill does not change this but gives an option of sending an additional copy of the work and a library card instead of paying the $4 fee.

The matter of the library card was discussed thoroughly in the committee. It is generally accepted that getting the card is worth a great deal more than the $4, because the card itself gives general information which it is sometimes very difficult to obtain unless the card is prepared by the individual who wants to register his book.

As to the second provision, as shown in the report, the present United States law requires all foreign authors and publishers of books and periodicals written in the English language to do two things to obtain copyright in the United States: They must (a) register the book or periodical in the United States Copyright Office within 60 days of publication abroad and (b) manufacture the work in the United States within 4 months thereafter. The bill allows 6 months for registration in the United States Copyright Office and 5 years within which to manufacture in the United States. It also permits the importation into the United

States, subject to duty, of 1,500 copies to test the American market.

Mr. President, the advantages of the bill are set forth very fully in the report, and I feel that this is a bill which should be passed.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. O'CONOR. Is it not an indication of the need for the legislation that out of some 14,000 or 15,000 books published abroad last year only a hundred-odd were registered in the United States Copyright Office?

Mr. WILEY. That is correct. Fourteen thousand books were published in England alone, yet only 139 written in the English language in England were copyrighted here, as I recall the figures.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. SALTONSTALL. I should like to ask a question, although it may display ignorance.

Mr. WILEY. The Senator never displays ignorance.

Mr. SALTONSTALL. What becomes of the second copy of the book that may come in? Does that go to the Library of Congress? Does the Patent Office need to keep two copies, or what becomes of the second one?

Mr. WILEY. One remains in the Patent Office, where it is filed, and one goes to the Library of Congress.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2285) to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works, was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con Res. 39) favoring the suspension of deportation of certain aliens, was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6199026, Arrate, Eusebio Garate.
A-2450463, Arsenio, Damiano.
A-2160439, Bailey, Joseph Benjamin, or Benjamin Bailey.
A-6145949, Bayot, Margarita Chuidian.
A-6151545, Bayot, Raymond Mario.
A-6151544, Bayot, Teresita Maria.
A-6380365, Bolic, Rolando Guiseppe (alias Rolando or Dino Bolis.
A-6846177, Clausen, Lars Ole.
A-5580935, Covarrubias-Padilla, Jose Anastacio, or Anastacio P. Cuburriaz.
A-3216396, David, William Andrew.
A-5225705, Di Filippo, Irene Madeline.
A-6259257, Drozdibob, Joseph.
A-2802280, Edelsbrunner, Caroline.
A-6265454, Engonopulos, Vasil George (alias Basil George Engonopulos).
A-3475015, Falconer, Leslie Stewart Arthur.
A-3475013, Falconer, Sara Jane (nee King or Sally Falconer).
A-2486073, Fazakerley, Frederick Precival.
A-6701968, Gage, George Martin, or Georg Martin Strobl.
A-6701967, Gage, Kathleen Kalliope Josephine, or Kalliope Josephine Strobl.
A-6780509, Gallardo, Jose.
A-2688840, Gallo, Salvatore.
A-6261623, Georgalas, Maria Grigoriou (alias Nee Goudelia).
A-4399192, Gonzalez, Angelina Morones De.
A-4370168, Grossman, Morris, now known as Edward Milton Gross.
A-6261618, Hadgis, Kaliope, or Calliope Hadgis (nee Zias).
A-4829582, Heid, Michael or Mihaly.
A-6827148, Hernandez, Alberto Ruiz.
A-7009803, Hernandez, Hilaria.
A-2150100, Hoffman, Anthony, or Antoni Hoffmann.
A-1526789, Huala, Rudolph.
A-5199601, Huerta-De La Cruz, Victoriano.
A-3423608, Iglesias, Manuel Antonio.
A-5751650, Jay, Gee, or Gee Jay Ngon.
A-4132920, Johnson, Carl Oscar, or Karl Oscar Jonsson or Charles Johnson.
A-5582883, Kashkin, Anna (nee Litman).
A-6080991, Kay, Constance.
A-1843482, Kurzweil, Katharina.
A-1829087, Kurzweil, Joseph.
A-5771081, Leader, Josephine Freida, or Josephine Freida Forster (maiden name).
A-4073998, Leriget, Leopoldo.
A-3909614, Licos, Harry or Charalambos.
A-5217397, Lidowitz, Betty (nee Silverberg alias Betty Anenberg).
A-6654060, Livadas, Nicolaos, or Nick Livadas or Nicolas Livadas.
A-2151223, Matiatos, Kostas Anastasios, or Gus Matheios or Gus Mathews or Constantinos Matiatos.
A-3449928, Meyer, Eva (nee Preminger).
A-6810173, Michaud, Jean Antoine.
A-4578274, Nadler, Augusta Julian Marie Pallfelt, or Augusta Juliane-Marie Pallfelt.
A-3390860, O'Donnell, Murdock, or Morton O'Donnell or Merton O'Donnell.
A-2180993, Olivo-Alvarado, Pedro.
A-3990676, Perez De, Maria Perez, or Maria Perez.
A-5803759, Pernstich, Guiseppe, or Joseph Eduard Pernstich or Joseph Eduard Pernet.
A-4015208, Petroff, Lulu, or Lulu Bishop or Mary Lulu Baldwin Bishop or Lulu Saunders.
A-3987370, Pettersen, Nils Christian.
A-6343137, Psipsikas, Elisabet (nee Manda).
A-6731207, Ramirez-Hernandez, Clemente, or Clemente Ramires-Hernandez.
A-3990675, Reyes, Lupe Perez.
A-3456521, Salgado, Paz Paguia (nee Paz Paras Paguia).
A-3098893, Sherman, Rose (nee Schwartzbard).
A-4025778, Steen, Mary (nee Mewha).
A-3887129, Steevels, Barend Bernardus.
A-6377728, Tai, Bobbish Pao-Kuang Soong.
A-6272112, Tai, William Kitong.
A-3875078, Verfaillie, Lucien Andrew.
A-6799298, Vion, James Alfred Laurent.
A-6207280, Vitalis, Georgios Kyriacos (alias George Vitalis).
A-6877269, Weisz, Margarete Henriette.
A-5422164, Wong, Tong, or Lum Wong or Wong Tong or Wang Tang.
A-5962228, Zelger, Alfred Wilhelm.
A-5962227, Zelger, Margarit.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 40), favoring the suspension of deportation of certain aliens, was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-5912573, Buschbell, Hans George Albert or Thomas Bell or Tommy Bell.
A-9670171, Elgesem, Olav Asbjorn or Elgesen.
A-9836680, Fox, William.
A-6334051, Katsimpas, Fokion (alias Fokion Intzes alias Frank Katsimpas).
A-9644210, Nilson, Ragnar.
A-9831301, Paps, Jan.
A-6454899, Sarkiss, Marie (nee Marie Takessian).
A-6049961, Chavolla, Jesus.
A-6703246, Christie, Lewis George.
A-5886536, Costa-Ferrandiz, Ricardo.
A-9541562, Gregorio, Jose Gomes.
A-9777524, Intartaglia, Michele Antonio.
A-9632484, Kugis, Janis Osvalds.
A-6709421, McLean, Horace Josiah.
A-9769285, Micouleau, Guy Jacques, or Guy Micouleau.
A-6374360, Salomonsen, Frede Therp, or Ole Frede Therp Salomonsen.
A-6746111, Theodorakis, James, or Dimitros Michael.
A-6491799, Tsitsincpoulos, Roula (nee Harismagoglou formerly Bolla).
A-6151590, Andersen, Helge Viggo.
A-6702832, Delgado, Manuel, or Manuel Delgado Hernandez.
A-5719288, Di Filippo, Attilio Guiespee (alias Attilio Guiseppe Defilippo alias Jack Di Filippo alias Di Filippo).
A-6063721, Espinoza, Nicolas.
A-6764661, Garbin, Stanko.
A-9706006, Hamon, Albert Noel.
A-7552259, Ignotus-Veigelsberg, Lily, or Lily Ignotus (nee Berenyi).
A-9566153, Kamstra, Gerardus Andreas.
A-6703255, Lafayette, Benedict Wilberth.
A-6294 .88, Lianopoulos, Georgios, or George Anastase Lianopoulos.
A-9745492, Matisons, Dimitrius, or Dimitrius Matisons or Mike Matisons or Mijta Matisons.
A-6642394, Mesa, Jesus.
A-6642393, Mesa (de) Ysidra Morales, or Ysidra Morales.
A-6315317, Mora, Jesus Antonio Beltran, or Jesus Antonio Beltran or Francisco Beltran Mora.
A-9552697, Nilsson, Nils Erik Gunnar.
A-9573925, Paap, Gijsbertus Eilheimus.
A-1607205, Pajaczkowski, Theodore Nikodem.
A-6267890, Pang, George (alias Pang Wing).
A-6639459, Philipou, Dimitrios (alias James Phillips).
A-9696268, Ricaux, Lionel Fernand.
A-9610538, Ronning, Kristian Alf.
A-9526246, Rosand, Ole Martinsen, or Ole Anskar Martinsen Rosand.
A-6255942, Schneider, Abraham, or Abraham Schneider Feldman.
A-9759876, Sibilo, Johan Cesar.
A-6704359, Tolias, Elias Peter.
A-6743673, De Torres, Maria Luisa Palos, or Severa Palos.
A-5881523, Drakopoulos, Ioannes, or John Drakopulos.
A-9836988, Fook, Cheng, or Tom Fook or Cheng Fu.
A-6364440, Friedenbach, Marcus.
A-5971016, Herpmann, Eric Alfonse.
A-6345769, Jassimides, Georgia (nee Voyadjoglou).
A-6311453, Lissauer, Nanette Elisabeth, or Elisabeth Elenbaas.
A-6307257, Medina-Uriarte, Francisco.
A-6171959, Mooney, Eftychia Toutoulys, or Eftychia Petrou Modinos or Effie Mooney.
A-6758541, Nanez, Everardo, or Everardo Nanez-Gallardo.
A-6758540, Nanez, Mericia, or Mericia Nanez-Ontiveros.
A-6732250, Salloum, Hanna Elias (alias John Elias Salloum).
A-6658774, Shields, Hazel Winston.
A-5919526, Sjogren, Leo Allan.
A-1231356, Vakirdsis, Emanuel or Mike Varkis.
A-6090971, Vodarek, Anton.
A-9581661, Wick, Hjordes Elise Olsen.
A-6611814, Blanco, Refugio.

A-5877886, Brackies, Elsie Alice Verna (nee Elsie Hupchuk or Elsie Hipkins).
A-4769437, Christopher, Norval.
A-6379881, Dabbiero, Sara De Honestis Caggiono (nee De Honestis).
A-6341304, Harris, Neil Guy Ridgway, or Neill Harris or John Harris.
A-9520275, Johnson, Albert.
A-9799882, Leushkanoff, Alexander Alexaich.
A-5524752, Levin, Floresa.
A-6569122, Mears, Wilfred Anthony (alias Willie Mears).
A-6286426, Ornest, Saul Stanley.
A-5870854, Phipps, Sarah Rebecca.
A-5694935, Ramirez, Daniel, Daniel Ramirez Reyes.
A-6153759, Ramos-Suarez, Luis, or Luis Ramos-Flores.
A-6075268, Rogers, Constancia Viola, or Constancia Viola Robert.
A-6596193, Sadez, Olga Genoveva.
A-4436548, Salguero-Martinez, Aristeo.
A-6435630, Valenzuela, Lino.
A-6361178, Westad, Borghild Eugenie Patterson Sheipnes.
A-6550865, Collins, Petronella Dorothea (nee Le Roux).
A-6438487, Hemmo, Emile, or Haviv Hemmo.
A-6407419, Iovine, Marcello.
A-6232120, Johnson, Muriel (nee Muriel Bartlett).
A-6678271, Pinedo-Valdez, Julian.
A-7695210, Terboo, Arend Jan Hendrikus.
A-6639352, Torres, Jesus.
A-6643321, Torres, de Luz Salinas.
A-5017267, Vigini, Giuseppe, or Joseph Vigini.
A-6594747, Alatorre, Amado, or Amado De Le Torre or Amado Alatorre Munoz.
A-5016270, Rabsatt, Ellice Alexander.
A-5932932, Rasbatt, Esridge Minovie (nee Fahie).
A-6284045, Spica, Giovanni Rosario, or John Spica.
A-6422507, Torres-Espinosa, Fidensio.
A-6730881, Torres, Elisia Rojar, or Elisia Rojas De Torres.
A-9688512, Van Buren, Arend.
A-6151257, Polo, Larry Nicholas, or Larry Mitchell or Frank Wallace.
A-6151395, Polo, Rubby Anne.
A-6151396, Polo, Soffee Wallace.
A-6040120, Salinas, Guadalupe Salinas.

MURPHY & WISCHMEYER

The bill (S. 1296) for the relief of Murphy & Wischmeyer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the firm of Murphy & Wischmeyer, of 911 Locust Street, St. Louis, Mo., the sum of $3,323.90, in full satisfaction of its claim against the United States for increased costs incurred in the performance of its architectural-engineering contract, No. WA-1064, dated January 5, 1942, with the Federal Works Agency, by reason of unavoidable delays on the part of other contractors in the construction and completion of the defense housing project at East Alton, Ill.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JEPTHA R. MACFARLANE

The bill (H. R. 603) for the relief of Jeptha R. Macfarlane, was considered, ordered to a third reading, read the third time, and passed.

B. G. JONES

The bill (H. R. 636) for the relief of B. G. Jones, was considered, ordered to a third reading, read the third time, and passed.

MARK B. CRAIG AND OTHERS

The bill (H. R. 639) for the relief of Mark B. Craig and others, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to have an explanation of the bill.

Mr. McCARRAN. Mr. President, it appears that on July 5, 1946, there were several blank money-order forms stolen and issued by using fictitious names for both the remitter and payee and the person stealing these forms filled them in and presented to certain post offices to have them cashed. All were of small amounts, as most of them were $100 amounts and one for $300.

It had been the custom to require a payee of money orders to furnish identification before such money orders were cashed. The person who had these money orders presented an Arkansas driver's license and a social-security card; the signatures on these cards were checked with the signatures on the money orders and they were the same, and the claimants have been required to pay the Post Office Department the amount of these money orders.

While the Post Office Department in its report shows that the wrong payments were the result of the employees' failure to secure proper identification before effecting payment of a considerable sum to an unknown person, the Post Office Department does not object to enactment of this bill.

The bill received the unanimous consideration and approval of the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 639) for the relief of Mark B. Craig and others, was considered, ordered to a third reading, read the third time, and passed.

JOHN P. REILLY

The bill (H. R. 688) for the relief of John P. Reilly, was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MRS. MINERVA C. DAVIS

The bill (H. R. 738) for the relief of the estate of Mrs. Minerva C. Davis, was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to appropriate the sum of $1,654.30 to the estate of Mrs. Minerva C. Davis in full settlement of all claims against the United States for the amount of check No. 380977, which was made payable to Mrs. Minerva C. Davis, on account of pension due, but arrived at the post office after her death and was returned to the Treasury.

The facts are that Dr. Charles Davis, during his lifetime, was awarded pension under the various service acts, and at the time of his death, he was receiving $50 per month under the act of May 12, 1920. A claim for increased pension was filed by the veteran on September 27, 1920, and was pending at the time of his death. This claim was completed by his wife, Mrs. Minerva C. Davis, and an award covering the period from April 4, 1920, through August 12, 1926, was approved. A check for $1,654.30, the accrued amount due the veteran at his death, was mailed to the widow, but in view of the fact that she died before the check was issued, it was returned and canceled.

Mr. WILLIAMS. Mr. President, can the Senator explain why action on the bill has been delayed for so many years? I notice from the report that 16 years have passed since the initial correspondence between the veteran and the Veterans' Administration.

Mr. McCARRAN. There is no record in the files of the Committee on the Judiciary which could be cited in answer to the Senator's query, if I correctly understood it. It is one of those cases in connection with which a delay took place in filing the claim. The claim now comes to us and has been acted upon by the committee.

Mr. WILLIAMS. Was the committee unanimous in its report?

Mr. McCARRAN. It was a unanimous report of the members who were present and constituted a quorum.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 738) for the relief of the estate of Mrs. Minerva C. Davis, was considered, ordered to a third reading, read the third time, and passed.

CITY OF EL PASO, TEX.

The bill (H. R. 967) for the relief of the city of El Paso, Tex., was considered, ordered to a third reading, read the third time, and passed.

SAMUEL ENSLER AND LOUIS PUCCINELLI

The bill (H. R. 1037) for the relief of Samuel Ensler and Louis Puccinelli, was considered, ordered to a third reading, read the third time, and passed.

JOHN KEITH—BILL PASSED OVER

The bill (H. R. 1057) for the relief of John Keith, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to ask the sponsor of the bill, the Senator from Nevada [Mr. McCARRAN] one or two questions.

Mr. McCARRAN. I am not the sponsor of the bill, Mr. President, but I reported the bill on behalf of the committee.

Mr. HENDRICKSON. In this case we have an effort to reimburse a contractor in connection with a 1944 contract with the Federal Works Agency to construct a school in San Diego, Calif. The contractor apparently bid too low and suffered a loss, according to the report, of approximately $19,500, and this particular proposed reimbursement is in the

amount of $9,000. It is a little difficult for me to understand how the statement of the Comptroller General to the effect that the error was made by the contractor reconciles with the contractor's computation of his actual loss. I wonder if the Senator from Nevada can explain that.

Mr. McCARRAN. It appears from the report that an error occurred when Mr. Keith in submitting his bid for the contract stated that the sum of $1,000, instead of $10,000, was his bid for one item in the contract. There was the omission of a cipher. That one item of the contract was completed satisfactorily in spite of the loss of $9,000. It is admitted by all who have had to do with this matter that there was a loss to the contractor of $9,000, and that $10,000 was a reasonable and proper bid, and that undoubtedly there had been a mistake, an error in making the bid.

The total of Mr. Keith's bid was $22,000 less than the next lowest bidder, and considerably more than $22,000 less than all other bidders. If this bill is enacted for the reimbursement of $9,000 loss which he sustained his bid would still be $13,000 less than the next lowest bidder. Mr. Keith has submitted a sworn affidavit that he sustained an actual loss as a result of this error.

Mr. HENDRICKSON. In view of the fact that this claim represents a case of a contractor who has received a Government contract by reason of a low bid, and who made a mistake, and now later asks Congress to reimburse him for his error, I ask that the bill go over until I may have an opportunity to study it further.

The VICE PRESIDENT. The bill will be passed over.

JENNIE OLSEN ANDERSON

The bill (H. R. 1076) for the relief of Jennie Olsen Anderson was considered, ordered to a third reading, read the third time, and passed.

E. LA REE SMOOT

The bill (H. R. 1471) for the relief of E. La Ree Smoot was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. McCARRAN. It appears that on November 13, 1943, a building at the Army air base, Madras, Oreg., in which Miss Smoot was employed by the War Department as a clerk-stenographer, caught on fire as the result of the explosion of a flame thrower. In effecting an escape from the burning building Miss Smoot sustained severe burns.

Dr. R. W. Christiansen makes statement dated November 5, 1947, that Miss Smoot was examined by him a few days ago and he found that she had very extensive scars on the regions of the face, body, arms, and hands. The body scars were covered by clothes but those on the forehead, arms, and hands were quite disfiguring. They also cause some disability.

The Bureau of Employees' Compensation recognized liability. However, it could not compensate her for permanent disfigurement. There is no provision in the Employees' Compensation Act to compensate an employee for disfigurement.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1471) for the relief of E. La Ree Smoot was considered, ordered to a third reading, read the third time, and passed.

LAWRENCE REVES

The bill (H. R. 3663) for the relief of Lawrence Reves was considered, ordered to a third reading, read the third time, and passed.

CHARTERING OF CERTAIN CORPORATIONS BY ACT OF CONGRESS—BILL PASSED OVER

The bill (S. 1290) to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. LUCAS. Mr. President, I respectfully request that the able Senator from West Virginia give us an explanation of the bill.

Mr. KILGORE. Mr. President, this bill rose out of several years' study in the Judiciary Committee, beginning about 1941. Congress is constantly besieged to pass special acts creating nonprofit corporations. Some of them are for good purposes, and some, we have frequently suspected, were not so good. There is no set of regulations in the Federal Government which would govern such nonprofit or alleged nonprofit organizations. As a result, back in 1943 the Judiciary Committee asked that legislation be drafted. A study was made, and this bill, with but two minor changes, was introduced and passed in the Senate in the Eightieth Congress. It went to the House and died in the House because it was not brought to the floor.

The bill would establish a set of regulations under which so-called nonprofit corporations chartered by the Federal Government would operate. It provides for audits of their accounts and for deposit of such audits with the Comptroller General so that they may be studied. If they are actually profit organizations, that fact can be ascertained.

The terms of the bill preclude the utilization of a congressional charter for feathering certain people's nests, or for promoting and obtaining contributions, and things of that kind, without a proper check-up. The bill would provide in the Federal Government what the States have done with respect to the State governments. In the States such corporations are placed under one agency.

The bill provides for an investigation by the Department of Justice of the incorporators and the purpose of the corporation, and a report to the Judiciary Committee upon the introduction of the bill.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. KILGORE. I yield.

Mr. LUCAS. I inquire of the able Senator from West Virginia whether or not, in the event the Attorney General of the United States should determine that the organization seeking incorporation under Federal charter is a worth-while organization, and makes a favorable report to the Congress, that would automatically mean that the organization would be chartered.

Mr. KILGORE. No.

Mr. LUCAS. What follows after that?

Mr. KILGORE. Then the Congress must act upon the report of the Committee on the Judiciary, which handles such charters. If the Congress decides to go along with the recommendation of the Attorney General and that of the Judiciary Committee, a charter will be granted. If not, it will be refused. Even in the face of an adverse report, Congress might still decide to grant the charter. The report would not be binding upon the Congress. However, the Department of Justice would have the duty of investigating and reporting to the Congress.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. KILGORE. I yield.

Mr. LUCAS. The Congress should be very jealous in granting Federal charters to any organizations, even nonprofit organizations, because once the granting of such charters is begun, there will be no end to the number of applications which will come to the Congress for Federal charters.

After the Attorney General's Office has made a thorough investigation, and a report is made to the committee which is studying the application, and the committee determines that the organization has complied with the regulations laid down by the Congress, I am wondering whether or not the combination of those two facts will be tantamount to the approval by the committee and the Congress of the granting of a charter.

Mr. KILGORE. No, Mr. President. I may say to the distinguished majority leader that that is not the intent and purpose of the proposed legislation. The intent and purpose is, first, to lay down a definite course of action, and to prescribe what the charter must contain and what the application must contain. Then the application is submitted to the department for investigation, to see if the purpose is worthy, and if the sponsors are worthy.

Following that, a report is made to the Congress, which is not in any way binding upon the Congress; nor should it be accepted by the Congress as a guide. This is merely an information-gathering service to enable us to pass upon the question.

I understand the point of the majority leader. We in the Judiciary Committee have been pestered to death. Witnesses have appeared before us who have said, "The reason we want this charter is that we can raise money faster if we have a Federal charter."

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. O'CONOR. Let me say to the Senator from Illinois that our subcommittee which handled the bill anticipated that it would have exactly the opposite effect from that which is feared by the distinguished majority leader. Everyone who discussed it with us thought it would have a deterrent effect on indiscriminate applications for Federal charters. One of

the purposes of favorable action by the Judiciary Committee is to discourage promiscuous application for such charters.

Mr. KILGORE. Let me say to the distinguished majority leader that while the bill which passed the Senate in the Eightieth Congress was still pending there was a great decrease in the number of applications for Federal charters. Those which were received were in conformity with the provisions of the bill, but even some of those were turned down. Immediately after the Eightieth Congress we suddenly had a flood of applications for charters, none of which were in conformity with the rules laid down in the bill.

The idea is to provide some method by which the granting of Federal charters can be controlled, similar to the method employed in some States for the regulation of organizations which operate under State charters. Under the present arrangement, there is no check-up. We have no way of determining the worthiness of the organization or of its sponsors. Under the terms of this bill, such a method would be provided. Those who contribute to the organization would have a public agency to which they could go for information. There would be a guiding agency. We believe that this legislation would add an additional screen which would eliminate a certain element. We do not believe that it would remove all our difficulties, but it would remove some of the difficulties with which we have been faced.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. KILGORE. I yield.

Mr. LUCAS. If this bill were enacted into law, would not organizations which have made applications in the past and which do not possess the qualifications which the Senator has mentioned, in their enthusiasm to obtain a Federal charter, be able to qualify? If they qualified under these regulations and received the approval of the Attorney General, it seems to me that under those circumstances the Congress would have a very difficult time in vetoing the action of the committee and the Attorney General.

I regret that I must disagree with my friend from Maryland [Mr. O'CONOR]. I am still fearful that as a result of this bill we might open the flood-gates for a great number of organizations to apply for Federal charters. They would be able to get the ear of the Congress and the Attorney General, and then would say, "We have complied with the law which you gentlemen have enacted. Here it is in black and white. We have complied with every regulation you have laid down, and the Attorney General of the United States has approved the organization. Consequently we feel that we are entitled to a Federal charter."

The Senator from West Virginia says that, of course, we could still deny a Federal charter. But I am thinking about the pressure which would be brought upon Members of Congress after the conditions had been complied with. I undertake to say that very few Members of Congress would be able to withstand the pressure of such organizations after they had complied with the requirements.

Mr. KILGORE. Mr. President, I should like to say, in reply to the Senator from Illinois——

The VICE PRESIDENT. Is the Senator from Illinois objecting to the present consideration of the bill?

Mr. LUCAS. I have not objected yet. I reserve the right to object.

Mr. KILGORE. The committee does not ask, and the bill does not contemplate, a recommendation of any kind from the Department of Justice and the Attorney General. The bill merely directs that the committee shall submit the application to the FBI for a detailed report as to the proponents, the purpose, and other related matters, and that a report shall then be made.

The Congress still will be faced with the same duties it previously has had. But in the bill we provide that certain things which have not been done in the past must be done, and certain conditions met.

Mr. O'CONOR. Mr. President, will the Senator yield to me?

Mr. KILGORE. I yield.

Mr. O'CONOR. I may say to the Senator from Illinois that the committee does not feel that the Congress will be relinquishing any of its rights or duties, as a result of the passage of this measure, but still will have as much responsibility as heretofore in respect to the determination of what corporations, if any, shall be chartered.

Under this measure nothing more would be done than under a routine bill calling for the Department of Justice to pass upon the matter involved.

After an investigation is conducted by the Department of Justice, which of course has available to it more adequate facilities than the committee has, as of today, we believe that much more information will be available to the committee members, to enable them to determine whether the organization concerned should be chartered.

In voting unanimously to report this measure, the committee did not have the slightest fear that its enactment would result in encroachment upon the rights or responsibilities of the committee or of the Congress, but, to the contrary, believed that it would aid the committee and the Congress in distinguishing between the various applications for charters which might be made.

Mr. KILGORE. Let me say that after the bill passed the Senate in the Eightieth Congress, three organizations presented the very arguments to which the majority leader has referred. The applications of all three of those organizations were turned down by the committee, which refused to report the bills drawn up in their behalf. The committee took that position because there was some question as to the motives involved.

So the committee still examines the motives, and the responsibility will still rest upon the Congress in general and the Committee on the Judiciary in particular.

However, this measure will cause additional facilities to be provided, and will require an annual audit, which is vitally important, and cannot otherwise be provided. The bill also will establish a repository for such an audit.

Mr. LUCAS. Mr. President, I cannot agree with my distinguished friend as to the value of this type of legislation, if under it the responsibilities of the committee will in any way be decreased. The Senator has said that the responsibilities will remain the same, regardless of the fact that rules and regulations will be established and a report will be obtained from the Attorney General. Nevertheless, the Senator has said that he considers that the committee's responsibilities will remain the same as they would be if the proposed legislation were not passed.

Mr. KILGORE. Let me say to the distinguished majority leader that when the Senate created its legislative drafting service, that action did not excuse Members of the Senate for introducing bad legislation, but gave them a facility which was badly needed in connection with the drafting of legislation. Likewise, the Legislative Reference Service was a facility which was badly needed. Similarly, the executive assistants who have been provided for Senators have been badly needed; but their appointment did not decrease the responsibility of Senators. Of course, if we were to infer that all Members of the Senate would lie down on the job, that would be a different matter.

At the present time those who have not served as chairman of the subcommittee charged with the handling of this matter can scarcely appreciate the difficulties involved. The Senator from West Virginia was, unfortunately, for 4 years chairman of the subcommittee, and had a painful and bloody experience in finding out these things.

The bill now before us has been drafted in part for the purpose of permitting whoever is chairman of the subcommittee to obtain the information he will need in making a report to the committee.

The VICE PRESIDENT. Under the rule, the Senator's time has expired.

Mr. ANDERSON. Mr. President, reserving the right to object, I should like to ask what would happen to other organizations, under this measure, if enacted.

Section 3 provides that no corporation shall be organized if any part of its income is paid to any of its members. Let me point out, for instance, that the American Legion has some very good persons who serve as its officials.

Mr. KILGORE. But they are paid salaries as employees, not as members of the Legion.

Mr. ANDERSON. But the bill says that no member shall draw any part of the income of the organization, as paid by its members.

Mr. KILGORE. The national commander of the American Legion does not draw a salary.

Mr. ANDERSON. No, but Mr. Taylor does.

Mr. KILGORE. But other Legionnaires may be employed, and they are employees. We feel that that provision would not affect them. I should be glad to have the distinguished Senator from

New Mexico suggest a provision which would protect in that situation. But this measure contemplates that no one shall organize a nonprofit corporation or be a stockholder or member of a nonprofit corporation for his own personal benefit. However, if he becomes an employee of the organization, not an executive of it, he may be paid by the organization.

Mr. ANDERSON. Let me refer to the situation relative to the Boy Scouts. I happen to be a member of the National Council of the Boy Scouts of America. The person who administers that organization is a member of the Council. Under this measure, he would be prohibited from receiving pay.

Furthermore, this measure contains a provision that the officers of the corporation must be elected by democratic procedures. Many years ago I was elected president of an organization known as the Rotary International. At that time the election was conducted by democratic methods. However, at the present time that organization uses a system which I do not regard as being democratic by a handful of men who serve on its board. Under the provisions of the measure we are now considering, that organization might be prevented from obtaining a charter.

Frankly, I am afraid of the situation in that respect.

Mr. O'CONOR. Mr. President, I am sure the Senator from New Mexico understands that this measure would apply only to future applicants.

Mr. ANDERSON. I understand that; but I realize that if this measure had been in effect in the past, the American Legion could not have obtained a charter.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Let the bill go over.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

BILL PASSED OVER

The bill (H. R. 3181) to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. THYE. Reserving the right to object, I should like to have an explanation of the bill.

The VICE PRESIDENT. The Senator from Wyoming [Mr. O'MAHONEY] reported the bill. He does not seem to be present at this moment.

Mr. THYE. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

INTERSTATE COMPACT FOR DIVISION OF WATERS OF THE YELLOWSTONE RIVER

The bill (H. R. 2566) granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River was considered, ordered to a third reading, read the third time, and passed.

ADDITION OF LAND TO ABRAHAM LINCOLN NATIONAL HISTORICAL PARK, KY.

The bill (H. R. 3259) to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose was considered, ordered to a third reading, read the third time, and passed.

CARL PIOWATY AND W. J. PIOWATY—BILL PASSED OVER

The bill (S. 478) for the relief of Carl Piowaty and W. J. Piowaty was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Mr. President, may we have an explanation?

Mr. HOLLAND. Mr. President, the two Piowatys, Carl and W. J., are farmers residing in Orange County, Fla. They were 2 of 50 farmers who planted certain crops for war purposes in the year 1943, and for that purpose they received certain advances from the Regional Agricultural Credit Corporation.

It is my understanding that due to climatic and weather conditions, the crops of the whole group failed; but when it came to obtaining releases from the necessity of repaying the loans—repayment being required under the contract, unless the local war board certified that the losses sustained were not chargeable to poor agricultural husbandry—the other 48 growers obtained acquittals from the war-board members of that county, but these 2 men did not. The members of the local war board refused to certify that these two men had used proper agricultural practices.

The matter went to trial in the Florida courts. It appeared that the members of the local war board had not actually seen the property or visited it, but made their findings upon the report of the field agent of the Regional Agricultural Credit Corporation. Judgment went against these two men—the Piowatys—and was appealed to the Supreme Court of Florida, which divided 4 to 3—4 for sustaining the judgment of the lower court on the ground that these two men had not been shown to have used proper agricultural practices, and 3 for reversal on the ground that the Piowatys had used proper practices.

The claim was brought to the Congress last year.

Now, for the first time, this matter comes to the floor of the Senate.

It was the feeling of the Senators from Florida that these two men, being the only ones out of the 50 for whom cancellation of their remaining indebtedness was not permitted, and the question having been found to be as close as it was by the Supreme Court of Florida, the loan should be canceled, which would mean the cancellation of the judgment based upon the suit as upheld by the supreme court by the 4-to-3 decision I have just mentioned. That was also the finding of the Senate Committee on Agriculture and Forestry.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Mr. President, in view of the fact that the county war board refused the claim, and it has also been denied by two courts, I ask that the bill go over.

The VICE PRESIDENT. The bill will go over.

DISPOSITION OF FARM CAMPS

The bill (H. R. 2906) to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, I should like to ask the distinguished Senator from Florida one or two questions, if he will yield.

Mr. HOLLAND. I yield.

Mr. HENDRICKSON. I wonder why the Secretary of Agriculture has failed to sell these farm labor camps as he was directed to do by Congress some 2 years ago. Why that lapse of time, when the properties could have been sold on a high market?

Mr. HOLLAND. I may say to the distinguished Senator that a great many of the camps have been disposed of, but there are still undisposed of, as shown by the report, a certain number of the camps. The difficulty has been to sell them to cooperative associations or others who will maintain the camps for the original purpose; that is, for the housing of migratory agricultural laborers. It is the feeling of the Secretary of Agriculture, as reported to our committee, that an additional year's time may enable him to make such disposal of the remaining camps. Failure to pass the pending bill would simply mean that he is under mandatory direction from the Congress to dispose of them, however he may, between now and June 30, which did not appeal to the committee as being a reasonable disposition to make of the matter.

Mr. HENDRICKSON. Mr. President, if the Senator will yield further, how many of the labor camps were there originally?

Mr. HOLLAND. I have the number in the report, if the Senator will bear with me a moment.

Mr. MORSE. There were 53.

Mr. HOLLAND. There were 53 originally, of which 14 have been disposed of, 39 are not disposed of. I can speak with assurance only of those which are undisposed of in the State of Florida. They are being operated by associations not for profit, which are using them for the original purpose, but which have not been willing to buy the camps at the prices fixed by the Department of Agriculture.

Mr. President, answering further, I should say candidly to the Senator that I understand the Department of Agriculture is endeavoring and proposing to work out an arrangement under which

the camps can be transferred to a housing agency for more permanent operation in accordance with the original purpose. This year's extension however will allow one of two things—either the disposal of the camps, under the purpose of the original bill, or if the Congress so decides, meantime, the turning over of these remaining camps to such objective as the Congress proposes, in connection with a permanent housing program for agricultural labor.

Mr. HENDRICKSON. I thank the Senator.

The VICE PRESIDENT. Without objection——

Mr. WILLIAMS. Mr. President, if the Senator will yield, I should like to ask a further question. I notice in the report that in the letter of the Secretary of Agriculture he says:

> It has been suggested that the remaining farm-labor camps should be dealt with as a part of the low-rent housing of the Nation-wide housing program.

In view of the fact that that law has not been enacted by both Houses of Congress, I wonder whether he is not a little premature in suggesting this as a part of that program.

Mr. HOLLAND. Mr. President, I am sorry I was unable to hear the Senator's question.

Mr. WILLIAMS. I was just reading that portion of the letter of the Secretary of Agriculture in which he outlines his plan to use these labor camps as a part of the national housing program, and, in view of the fact that that law itself has not yet been passed by Congress, I was wondering whether he was not ahead of himself a little.

Mr. HOLLAND. If the Senator will permit me to say so, I thought I made it clear that this was simply a hope and expectation and recommendation of the Secretary of Agriculture. The extension of the existing bill for 1 year would leave two alternatives; one, the continuing effort to dispose of the camps, or any of them, under the provisions of the existing law; the other, giving opportunity to Congress—not to anybody else—to carry out these recommendations with reference to the transfer to a housing organization, not yet formed.

Mr. WILLIAMS. Mr. President, will the Senator from Florida accept an amendment limiting this to 6 months instead of a year?

Mr. HOLLAND. If the Senator should insist upon it, of course, I would. But I think the Senator would cut down the opportunity to work out this whole program, because if Congress is to be in adjournment by some time in July, I think it will not allow the requisite time to work out this matter. It was my feeling that the 1 year was the smallest amount of time which would allow a reasonable working out—a working out in two directions, either the sale, the disposition, which has to be one by one, of course, to organized groups of farmers, in the particular localities, of the remaining 39, or the change in policy, which can be effectuated only by the Congress.

Mr. MORSE. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Oregon?

Mr. HOLLAND. I yield.

Mr. MORSE. It is true, is it not, that we have already had one extension, because we found it necessary to have an extension not only for the purpose of giving the Department more time to sell the property, but, last year, we had to make use of some of this property in connection with the itinerant-worker problem. I want to say to my good friend, I know the situation on the west coast, and in that area we have been making use of this property to house itinerant workers whom the Congress, in a law which was enacted, authorized us to import, from Florida, for example, to help in the sugarbeet fields and in some of our orchards. I know that at the present time, as the Senator from Florida has pointed out, effort is being made to dispose of these facilities to farm groups, so that they will be available, in the communities in which they are located, for occupancy by transient and itinerant workers. We all know that there is a great need for decent housing for such workers. I may say to the Senator from Delaware [Mr. WILLIAMS] that I think to prescribe a 6 months' limitation in the bill, in view of what is transpiring in that locality at the present time, would allow too short a time for the equitable disposal of these projects.

Mr. WILLIAMS. In view of that explanation, I withdraw the objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2906) was considered, ordered to a third reading, read the third time, and passed.

INTERSTATE FOREST FIRE PROTECTION COMPACT

The bill (S. 1659) granting the consent and approval of Congress to an interstate forest fire protection compact, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to an interstate forest fire protection compact, as hereinafter set out; but before any province of the Dominion of Canada shall be made a party to such compact, the further consent of Congress shall first be obtained. Such compact reads as follows:

NORTHEASTERN INTERSTATE FOREST FIRE PROTECTION COMPACT

ARTICLE I

The purpose of this compact is to promote effective prevention and control of forest fires in the northeastern region of the United States and adjacent areas in Canada by the development of integrated forest fire plans, by the maintenance of adequate forest fire fighting services by the member States, by providing for mutual aid in fighting forest fires among the States of the region and for procedures that will facilitate such aid, and by the establishment of a central agency to coordinate the services of member States and perform such common services as member States may deem desirable.

ARTICLE II

This agreement shall become operative immediately as to those States ratifying it whenever any two or more of the States of Maine, New Hampshire, Vermont, Rhode Island, Connecticut, New York and the Commonwealth of Massachusetts have ratified it and the Congress has given its consent. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact. Subject to the consent of the Congress of the United States, any Province of the Dominion of Canada which is contiguous with any member State may become a party to this compact by taking such action as its laws and the laws of the Dominion of Canada may prescribe for ratification. In this event, the term "State" in this compact shall include within its meaning the term "province" and the procedures prescribed shall be applied in the instance of such provinces, in accordance with the forms and practices of the Canadian Government.

ARTICLE III

Each State joining herein shall appoint three representatives to a Commission hereby designated as the Northeastern Forest Fire Protection Commission. One shall be the State Forester or officer holding an equivalent position in such State who is responsible for forest-fire control. The second shall be a member of the legislature of such State designated by the Commission or committee on interstate cooperation of such State, or if there be none, or if said Commission on interstate cooperation cannot constitutionally designate the said member, such legislator shall be designated by the governor thereof: Provided, That if it is constitutionally impossible to appoint a legislator as a commissioner from such State, the second member shall be appointed by the governor of said State in his discretion. The third member shall be a person designated by the governor as the responsible representative of the governor. In the event that any province of the Dominion of Canada shall become a member of this Commission, it shall designate three members who will approximate this pattern of representation to the extent possible under the law and practices of such province. This Commission shall be a body corporate with the powers and duties set forth herein.

ARTICLE IV

It shall be the duty of the Commission to make inquiry and ascertain from time to time such methods, practices, circumstances and conditions as may be disclosed for bringing about the prevention and control of forest fires in the area comprising the member States, to coordinate the forest-fire plans and the work of the appropriate agencies of the member States and to facilitate the rendering of aid by the member States to each other in fighting forest fires.

The Commission shall formulate and, in accordance with need, from time to time, revise a regional forest-fire plan for the entire region covered by the compact which shall serve as a common forest-fire plan for that area.

The Commission shall, more than one month prior to any regular meeting of the legislature in any signatory State, present to the governor and to the legislature of the State its recommendations relating to enactments to be made by the legislature of that State in furthering the interests and purposes of this compact.

The Commission shall consult with and advise the appropriate administrative agencies of the States party hereto with regard to problems connected with the prevention and control of forest fires and recommend the adoption of such regulations as it deems advisable.

The Commission shall have power to recommend to the signatory States any and all measures that will effectuate the prevention and control of forest fires.

ARTICLE V

Any two or more member States may designate the Northeastern Forest Fire Protection Commission as a joint agency to maintain such common services as those States deem desirable for the prevention and control of forest fires. Except in those cases where all member States join in such designation for common services, the representatives of any group of such designating States in the Northeastern Forest Fire Protection Commission shall constitute a separate section of such Commission for the performance of the common service or services so designated provided that, if any additional expense is involved, the States so acting shall appropriate the necessary funds for this purpose. The creation of such a section as a joint agency shall not affect the privileges, powers, responsibilities or duties of the States participating therein as embodied in the other articles of this compact.

ARTICLE VI

The Commission may request the United States Forest Service to act as the primary research and coordinating agency of the Northeastern Forest Fire Protection Commission, in cooperation with the appropriate agencies in each State and the United States Forest Service may accept the initial responsibility in preparing and presenting to the Commission its recommendations with respect to the regional fire plan. Representatives of the United States Forest Service may attend meetings of the Commission and of groups of member States.

ARTICLE VII

The Commission shall annually elect from its members a chairman and a vice chairman. The Commission shall appoint such officers or employees as may be required to carry the provisions of this compact into effect, shall fix and determine their duties, qualifications and compensation, and may at its pleasure, remove or discharge any such officer or employee. The Commission shall adopt rules and regulations for the conduct of its business. It may establish and maintain one or more offices for the transaction of its business and may meet at any time or place but must meet at least once a year.

A majority of the members of the Commission representing a majority of the signatory States shall constitute a quorum for the transaction of its general business, but no action of the Commission imposing any obligation on any signatory State shall be binding unless a majority of the members from such signatory State shall have voted in favor thereof. For the purpose of conducting its general business, voting shall be by State units.

The representatives of any two or more member States, upon notice to the chairman as to the time and purpose of the meeting, may meet as a section for the discussion of problems common to those States.

Sections established by groups of member States shall have the same powers with respect to officers, employees, and the maintenance of offices as are granted by this article to the Commission. Sections may adopt such rules, regulations, and procedures as may be necessary for the conduct of their business.

ARTICLE VIII

It shall be the duty of each member State to formulate and put in effect a forest-fire plan for that State and to take such measures as may be recommended by the Commission to integrate such forest-fire plan with the regional forest-fire plan.

Whenever the State forest-fire control agency of a member State requests aid from the State forest-fire control agency of any other member State in combatting, controlling, or preventing forest fires, it shall be the duty of the State forest-fire control agency of that State to render all possible aid to the requesting agency which is consonant with the maintenance of protection at home.

Each signatory State agrees to render aid to the Forest Service or other agencies of the Government of the United States in combatting, controlling, or preventing forest fires in areas under their jurisdiction located within the member State or a contiguous member State.

ARTICLE IX

Whenever the forces of any member State are rendering outside aid pursuant to the request of another member State under this compact, the employees of such State shall, under the direction of the officers of the State to which they are rendering aid, have the same powers (except the power of arrest), duties, rights, privileges, and immunities as comparable employees of the State to which they are rendering aid.

No member State or its officers or employees rendering outside aid pursuant to this compact shall be liable on account of any act or omission on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

All liability that may arise either under the laws of the requesting State or under the laws of the aiding State or under the laws of a third State on account of or in connection with a request for aid, shall be assumed and borne by the requesting State.

Any member State rendering outside aid pursuant to this compact shall be reimbursed by the member State receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment answering a request for aid, and for the cost of all materials, transportation, wages, salaries, and maintenance of employees and equipment incurred in connection with such request: Provided, That nothing herein contained shall prevent any assisting member State from assuming such loss, damage, expense, or other cost or from loaning such equipment or from donating such services to the receiving member State without charge or cost.

Each member State shall provide for the payment of compensation and death benefits to injured employees and the representatives of deceased employees in case employees sustain injuries or are killed while rendering outside aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

For the purposes of this compact the term "employee" shall include any volunteer or auxiliary legally included within the forest-fire-fighting forces of the aiding State under the laws thereof.

The Commission shall formulate procedures for claims and reimbursement under the provisions of this article.

Aid by a member State to an area subject to Federal jurisdiction beyond the borders of such State shall not be required under this compact unless substantially the same provisions of this article relative to powers, liabilities, losses, and expenses in connection with such aid are embodied in Federal laws.

ARTICLE X

When appropriations for the support of this Commission or for the support of common services maintained by the Commission or a section thereof under the provisions of article V are necessary, the Commission or section thereof shall allocate the costs among the States affected with consideration of the amounts of forested land in those States that will receive protection from the service to be rendered and the extent of the forest-fire problem involved in each State, and shall submit its recommendations accordingly to the legislatures of the affected States.

The Commission shall submit to the governor of each State, at such time as he may request, a budget of its estimated expenditures for such period as may be required by the laws of such State for presentation to the legislature thereof.

The Commission shall keep accurate books of account, showing in full its receipts and disbursements, and said books of account shall be open at any reasonable time to the inspection of such representatives of the respective signatory States as may be duly constituted for that purpose.

On or before the first day of December of each year, the Commission shall submit to the respective governors of the signatory States a full and complete report of its activities for the preceding year.

ARTICLE XI

The representatives from any member State may appoint and consult with an advisory committee composed of persons interested in forest-fire protection.

The Commission may appoint and consult with an advisory committee of representatives of all affected groups, private and governmental.

ARTICLE XII

The Commission may accept any and all donations, gifts and grants of money, equipment, supplies, materials, and services from the Federal or any local government, or any agency thereof and from any person, firm, or corporation, for any of its purposes and functions under this compact, and may receive and utilize the same, subject to the terms, conditions, and regulations governing such donations, gifts, and grants.

ARTICLE XIII

Nothing in this compact shall be construed to authorize or permit any member State to curtail or diminish its forest-fire-fighting forces, equipment, services, or facilities, and it shall be the duty and responsibility of each member State to maintain adequate forest-fire-fighting forces and equipment to meet normal demands for forest-fire protection within its borders.

Nothing in this compact shall be construed to limit or restrict the powers of any State ratifying the same to provide for the prevention, control, and extinguishment of forest fires, or to prohibit the enactment or enforcement of State laws, rules, or regulations intended to aid in such prevention, control, and extinguishment in such State.

Nothing in this compact shall be construed to affect any existing or future cooperative relationship or arrangement between the United States Forest Service and a member State or States.

ARTICLE XIV

This compact shall continue in force and remain binding on each State ratifying it until the legislature or governor of such State takes action to withdraw therefrom. Such action shall not be effective until 6 months after notice thereof has been sent by the chief executive of the State desiring to withdraw to the chief executives of all States then parties to the compact.

SEC. 2. Without further submission of the compact, the consent of Congress is given to any State to become a party to it in accordance with its terms.

SEC. 3. The right to alter, amend, or repeal this act is expressly reserved.

CARSON NATIONAL FOREST, N. MEX.

The bill (H. R. 55) to include certain lands in the Carson National Forest, N. Mex., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Was Calendar 385, H. R. 4151, called?

The VICE PRESIDENT. House bill 4151 was passed when we reached a similar Senate bill, Calendar 353, S. 1448.

SALE OF LAND AT SOUTH NAKNEK, ALASKA, FOR CEMETERY PURPOSES

The bill (H. R. 2812) to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. MORSE. May we have an explanation of the bill?

The VICE PRESIDENT. The Senator from Oregon requests an explanation of the bill. The Senator from Wyoming reported the bill. He does not seem to be present.

Mr. ANDERSON. Mr. President, I do not find the bill at the moment, but I am familiar with it, and I am sure it is a bill to which the Senator would not object, if he had an explanation of it.

Mr. MORSE. I have the bill in front of me, I may say to my good friend from New Mexico, but I do not see anything about the price. It says "that upon the filing of an application and the payment of $10 within 1 year from the date of this act."

How much does the applicant in fact get for the $10?

Mr. BUTLER. He gets sixty-one one-hundredths of an acre.

Mr. MORSE. It provides "that upon the filing of his application and the payment of $10 within 1 year from the date."

How much land is involved in connection with the payment of $10?

Mr. BUTLER. It is sixty-one one-hundredths of an acre.

Mr. ANDERSON. Mr. President, the practice in Alaska makes the acquisition of title to real estate extremely difficult, as the Senator from Nebraska [Mr. BUTLER] knows better, I am sure, than does any other Senator on the floor. The bill was drawn to direct the Secretary of the Interior to sell certain land there. It was thought proper to provide a complete title, and it was felt there would never be occasion for reversion of this particular piece of land to the Government.

Mr. MORSE. Mr. President, I understand from my good friend from Nebraska that this fraction of an acre of land will be used for cemetery purposes, and I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2812) was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2931) to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. BUTLER. Mr. President, the Senator from Wyoming not being present, all the information I can give is what is contained in the report, which amounts to this, that Mr. Wilson donated to the Government of the United States a certain tract of land, the same tract which it is now proposed that the Government give back to Mr. Wilson. The donation was for the purpose of a wild fowl refuge, but the plan was not successful, and the Fish and Wildlife Service and the Department of the Interior are anxious to get the land off their hands and return it to Mr. Wilson.

Mr. WILLIAMS. Does the Senator from Nebraska know how much money has been expended on it?

Mr. BUTLER. Very little money has been expended. I think that is one reason that Mr. Wilson is willing to take the land back.

Mr. WILLIAMS. Mr. President, I ask that the bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

TIMBER OPERATIONS ON MENOMINEE INDIAN RESERVATION, WIS.

The bill (H. R. 3396) to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin was considered, ordered to a third reading, read the third time, and passed.

SALE OF PUBLIC LANDS TO ALASKA COUNCIL OF BOY SCOUTS OF AMERICA

The Senate proceeded to consider the bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 2, after line 14, to insert a new section 3, as follows:

SEC. 3. That such conveyance shall contain the further provision that if the Alaska Council of Boy Scouts of America shall at any time cease to use the property so conveyed for recreation and other public purposes title thereto shall revert to the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLARIFICATION OF OVERTIME COMPENSATION PROVISIONS OF THE FAIR LABOR STANDARDS ACT

The Senate proceeded to consider the bill (H. R. 858) to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in longshore, stevedoring, building, and construction industries, which had been reported from the Committee on Labor and Public Welfare with amendments on page 1, line 7, after the word "employee", to strike out "employed in the longshore, stevedoring, building, and construction industries"; and on page 2, after line 19, to insert a new section, as follows:

SEC. 2. No employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended (in any action or proceeding commenced prior to or on or after the date of the enactment of this act), on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to the date of enactment of this act, if the compensation paid prior to such date for such work was at least equal to the compensation which would have been payable for such work had the amendment made by section 1 of this act been in effect at the time of such payment.

Mr. SALTONSTALL. Mr. President, the bill is not in my book. I have no personal objection to it, but I believe it should be explained or that we should have a copy of it.

Mr. HILL. Mr. President, this bill passed the House of Representatives by a vote of 230 to 7. It is for the purpose of clarifying the Fair Labor Standards Act. Is the Senator familiar with that act?

Mr. SALTONSTALL. I know what the bill is now, and I have no objection.

The VICE PRESIDENT. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended."

LIQUIDATION OF TRUSTS UNDER TRANSFER AGREEMENTS

The bill (S. 930) to provide for the liquidation of trusts under the transfer agreements with State rehabilitation corporations, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. ANDERSON. Mr. President, the bill provides for transferring back to the States approximately $50,000,000 worth of assets, representing money originally granted for rehabilitation purposes in 1934, 1935, and 1936. The funds were granted to the States.

Transfer agreements were entered into between the individual State rural rehabilitation corporations and the administrator of the Resettlement Administration.

The Senator from North Dakota is extremely interested in this bill. He came to the Department some time ago and tried to get a transfer to the States. Some officials feel that the assets should remain in the Federal Government and be given to the Farm Credit Administration. The States believe the money should go back to them and be used for rural rehabilitation within those States. The Senator from North Dakota was very persuasive when he came to see me in another capacity. I tried at that time to get a bill reported, but it did not then seem possible. Since then we have tried to bring the matter to a head and make it possible for the funds to get out of the situation in which they are at this time.

Mr. WILLIAMS. What is the feeling of the Department?

Mr. ANDERSON. It is against this bill. It feels that the funds should be retransferred to the Farm Credit Administration, but it is the feeling of the Senator from North Dakota and it is

my feeling, and I think, the feeling of some other persons, that the funds should be transferred back to the States to whom they were originally granted.

Mr. WILLIAMS. Do I understand that the Senator is in favor of the bill?

Mr. ANDERSON. Yes.

Mr. WILLIAMS. I have no objection.

The VICE PRESIDENT. Is there objection to the consideration of the bill? The Chair hears none.

There being no objection.

The bill (S. 930) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act may be cited as the "Rural Rehabilitation Corporation Trust Liquidation Act."

SEC. 2. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is hereby authorized and directed to take such action as may be appropriate and necessary to liquidate, as expeditiously as possible but within 5 years from the effective date of this act, trusts under the transfer agreements with the several State rural rehabilitation corporations, and is hereby authorized and directed to negotiate with responsible officials to that end.

(b) The Secretary, insofar as is necessary to protect the interests of the United States, and the corporations shall proceed forthwith to the conversion to cash of investments constituting the trust assets by sale of real and personal properties, and by collection of loans and accounts receivable according to the tenor of such obligations.

(c) An application for the return of such properties shall be made to the Secretary by the State rural rehabilitation corporation pursuant to appropriate resolution of its board of directors. The application shall contain a covenant, binding upon the corporation when accepted by the Secretary on behalf of the United States, that the corporation will abide by the determinations and apportionments of the Secretary provided for in this act and the payments made by the Secretary pursuant to this act, that the returned assets and the income therefrom will be used only for such of the rural rehabilitation purposes permissible under the corporation's charter as may from time to time be agreed upon by the corporation and the Secretary; and that not to exceed 3 percent of the book value of the corporation's assets will be expended by the corporation for administrative purposes during any year, without the approval of the Secretary of Agriculture. If the rural rehabilitation corporation of any State has been dissolved and is not revived or reincorporated or, for any other reason, is unable to make such application or to accept and administer such properties, the application and subsequent agreements may be made by such other agency or official of that State as may be designated by the State legislature. The Secretary may transfer the trust funds or properties of such corporation to such successor agency or official if adequate provisions are made by the State legislature for holding the United States and the Secretary free from liability by virtue of the transfer to such successor agency or official.

(d) Except as hereinafter provided, upon receipt of appropriate application meeting the requirements of this act, the Secretary shall do all things necessary to return to each such applicant all right, title, and interest of the United States in and to all cash, real and personal property, or the proceeds thereof, held on the date of the approval of this act by the Secretary as trustee for the account of such State corporation, except that the Secretary may deduct from the funds of each such State corporation the expenses incident to completion of such transfer: *Provided,* That such transfer shall, insofar as possible, be accomplished in a manner consistent with the provisions of the trust agreement with each State rural rehabilitation corporation.

(e) In the event no application is made, as provided for in this act within 5 years from the effective date hereof or disclaimer or release of interest under the trust transfer agreement by any State through its legislature, the Secretary shall cause all proceeds from assets held under or for the account of the transfer agreement with that State to be covered into miscellaneous receipts in the United States Treasury.

SEC. 3. The provisions of this act shall apply also to all properties and assets of State rural rehabilitation corporations held by Federal agencies other than the Department of Agriculture under the provisions of Executive Order No. 9070, or otherwise. For the purposes of this act the assets of other corporations, derived through the use of Federal Emergency Relief Administration funds, and made available to them through State rural rehabilitation corporations or otherwise acquired by them for rural rehabilitation purposes, shall be considered as a part of the trust property of the State rural rehabilitation corporations in their respective States.

SEC. 4. For the purposes of this act, the Secretary shall have the power to—

(a) employ on a contract basis (without regard to the provisions of the civil-service laws or the Classification Act of 1923, as amended, but the contract shall in each case specify what civil-service and related laws, if any, shall be applicable to the employment after it has been made) such appraisers, accountants, attorneys, and other personnel as he may deem necessary, in the District of Columbia and elsewhere, to aid in the liquidation and transfer of the properties and assets pursuant to this act, and in the entering into of agreements with the corporations, or other agencies or officials, designated pursuant to section 2 (c) hereof, regarding the rural rehabilitation purposes for which the property and assets shall thereafter be used by them, and in determining that such agreed purposes are being carried out. The fees, salaries, and expenses of such appraisers, accountants, attorneys, and other personnel shall be equitably apportioned by the Secretary among the respective corporations and the amount so determined to be applicable to each such corporation shall be paid by the Secretary from the trust fund of such corporation until the trust is liquidated, and thereafter by the corporation or other agency or official designated pursuant to section 2 (c) hereof. Attorneys so employed, and their fees and expenses, shall be subject to the approval and under the supervision of the Solicitor of the Department of Agriculture;

(b) accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision;

(c) make such rules and regulations and such delegations of authority as he deems necessary to carry out the purposes of this act.

SEC. 5. None of the properties or assets held on the date of the approval of this act by the Secretary as trustee pursuant to trust agreements with the various State rural rehabilitation corporations may be used by the Secretary for any purpose after the effective date of this act, except for the purposes authorized under section 2 (d) of this act, and for loans made prior to July 1, 1949, and to be repaid in full no later than May 1, 1952, but otherwise consistent with the provisions of title II of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. A. 1007), where necessary to supplement credit already extended to borrowers from corporation trust funds.

SEC. 6. (a) The determination of the Secretary with respect to the assets to be returned to each State rural rehabilitation corporation or other agency or official designated pursuant to section 2 (c) hereof including, but not limited to interests in properties held jointly for such corporation and the United States, the partition of real property, the expenses incident to each transfer, the liabilities applicable to such properties, and all other phases of the transfer shall be final and conclusive upon each State rural rehabilitation corporation or such successor agency or official designated pursuant to section 2 (c) hereof, and upon all officers and agencies of the United States.

(b) The Secretary shall be saved harmless against any personal liability he may incur in carrying out the provisions of this act.

SEC. 7. Section 2 (f) of the act of August 14, 1946 (60 Stat. 1062), is hereby repealed.

EXTENSION OF TIME FOR COMPLETION OF ANNUAL ASSESSMENT WORK ON MINING CLAIMS—BILL PASSED OVER

The bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, was announced as next in order.

Mr. O'CONOR. Mr. President, inasmuch as certain phases of this bill are under consideration, may I ask that it go to the foot of the calendar?

The VICE PRESIDENT. Without objection, the bill will go to the foot of the calendar.

AMENDMENT TO DEPARTMENT OF AGRICULTURE ACT OF 1944

The bill (S. 1760) to amend section 101 (b) of the Department of Agriculture Act of 1944 (58 Stat. 734; 7 U. S. C. 429), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 101 (b) of the Department of Agriculture Organic Act of 1944 (58 Stat. 734; 7 U. S. C. 429) is hereby amended to read as follows:

"The Secretary of Agriculture is authorized to cooperate with State authorities and with the authorities of the District of Columbia, Alaska, Hawaii, and Puerto Rico in the administration of regulations for the improvement of poultry, poultry products, and hatcheries."

AMENDMENT TO DEPARTMENT OF AGRICULTURE ORGANIC ACT OF 1944

The Senate proceeded to consider the bill (S. 1749) to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat blackfly, white-fringed beetle, and the Hall scale, which had been reported from the Committee on Agriculture and Forestry with an amendment on page 1, line 8, after the word "beetle", to insert "wheat-stem sawfly," so as to make the bill read:

Be it enacted, etc., That section 102 (a) of the Department of Agriculture Organic Act of 1944 (act of September 21, 1944, 58 Stat. 735; 7 U. S. C. 147a (a)) be amended by deleting the word "and" immediately following the word "borer"; by adding a comma and the words "citrus blackfly, white-fringe beetle, wheat-stem sawfly, and Hall scale"

between the word "weevil" and the immediately following colon; and by adding the words "citrus blackfly," immediately following the comma after the word "fruitflies" in the proviso.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, wheat-stem sawfly, and the Hall scale."

TEMPORARY DEFERMENT OF ASSESSMENT WORK ON MINING CLAIMS—BILL PASSED OVER

The bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States was announced as next in order.

Mr. O'CONOR. Mr. President, I ask that the bill go to the foot of the calendar.

The VICE PRESIDENT. The bill will go to the foot of the calendar.

BILL PASSED OVER

The bill (S. 1464) to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders was announced as next in order.

Mr. SALTONSTALL. Mr. President, I ask that this bill go over until the next call of the calendar. I do not know that I shall object to it at the next call.

The VICE PRESIDENT. The bill will be passed over.

MODIFICATION OF FLOOD CONTROL PROJECT ON THE HEART RIVER, MANDAN, N. DAK.

The bill (S. 1324) to provide for the modification of the Corps of Engineers flood-control project on the Heart River at Mandan, N. Dak., was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder if we may have a statement of cost in connection with this contemplated modification.

Mr. YOUNG. Mr. President, it would relieve the city of Mandan of a cost of approximately $76,000. The original requirement was much higher than is the case in the usual flood-control project. The Army engineers testified before the Appropriations Committee that over the years this little town of 7,000 persons had suffered damages totaling more than $5,000,000. The average loss and damage since 1943 amounted to $175,000 a year. For the past 3 years and for several years previously the east-west Federal highway has been under water in the town of Mandan for approximately a period of from 10 to 12 days or longer when there has been a flood. There has been water on the main floor of the post office during most of the floods. The city of Mandan is not able to meet the costs. Its levies are limited and its bonds are limited.

Mr. HENDRICKSON. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1324) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the project for flood protection at Mandan, N. D., on the Heart River, authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 294, Seventy-ninth Congress, first session, by the Flood Control Act of 1946 (60 Stat. 641), is hereby modified to provide that the United States shall construct the necessary works and alterations to provide for interior drainage.

SEC. 2. There is hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act.

MISSISSIPPI RIVER BRIDGES, IOWA AND ILLINOIS

The bill (S. 1577) to revive and reenact, as amended, the act entiled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill., approved December 21, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved December 21, 1944, authorizing the City of Clinton Bridge Commission to acquire, construct, maintain, and operate a bridge or bridges, including approaches thereto, across the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Ill., be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void insofar as it authorizes the construction of a bridge or bridges unless the actual construction thereof be commenced within 3 years and completed within 5 years from the date of approval hereof: *And provided further*, That section 5 of said act, approved December 21, 1944, is hereby amended to read as follows:

"SEC. 5. The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge, or bridges as may be acquired, reconstructed, or constructed, as herein provided, and approaches (including the approach highways, which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary land easements and appurtenances thereto, by an issue or issues of negotiable serial bonds of the commission, bearing interest, payable semiannually, at the rate of not more than 6 percent per annum, the principal and interest of which bonds shall be payable solely from the funds provided in accordance with this act, and such payments may be further secured by mortgage of the bridge or bridges. All such bonds may be registered as to principal alone or both principal and interest, shall be payable as to principal within not to exceed 25 years from the date thereof, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge or bridges, acquired or constructed, and approaches and the land easements, and appurtenances used in connection therewith, when added to any other funds made available to the commission for the use of said purposes. The commission may reserve the right to redeem any or all of said bonds before maturity in such manner and at such price or prices not exceeding 105 and accrued interest as may be fixed by the commission prior to the issuance of the bonds. The commission when it deems it advisable may issue refunding bonds to refinance any outstanding bonds at maturity or before maturity when called for redemption: *Provided*, That such refunding bonds shall mature within not to exceed 20 years from the date thereof and shall not exceed in principal amount the principal amount of outstanding bonds replaced by such refunding bonds. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect to the acquisition, construction, maintenance, operation, repair, and insurance of the bridge or bridges, the conservation and application of all funds, the security for the payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

"Said bonds may be sold at not less than par after public advertisement for bids to be opened publicly at the time and place stated in such advertisement and at the price bid which will yield the greatest return to the commission for the bonds to be sold. Such advertisement for bids shall be published at least once each week for four consecutive weeks in a newspaper or financial journal having recognized circulation among bidders for bonds of the type and character offered. The price to be paid for the bridge or bridges acquired hereunder shall not exceed the reasonable value thereof as determined by the commission at the time of acquisition. The cost of the bridge to be constructed as provided herein, together with the approaches and approach highways, shall be deemed to include interest during construction of the bridge and for 12 months thereafter, and all engineering, legal, financing, architectural, traffic-surveying, condemnation, and other expenses incident to the bridge and the acquisition of the necessary property, including the cost of acquiring existing franchises and riparian rights relating to the bridge. If the proceeds of the bonds shall exceed the cost as finally determined the excess shall be placed in the fund hereafter provided to pay the principal and interest of such bonds. Prior to the preparation of definitive bonds the commission may, under like restrictions, issue temporary bonds or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery."

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The VICE PRESIDENT. Three bills went to the foot of the calendar, and the clerk will report the first of the bills.

PAYMENTS ON ACCOUNT OF INCOMPETENT VETERANS

The Senate proceeded to consider the bill (S. 266) removing a limitation affecting the pension, compensation, or

retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care which had been reported from the Committee on Finance with an amendment, to strike out all after the enacting clause, and to insert the following:

That the second proviso of subsection (B) of the first section of the act entitled "An act relating to veterans' pension, compensation, or retirement pay during hospitalization, institutional or domiciliary care, and for other purposes," approved August 8, 1946 (60 Stat. 908), is amended to read as follows: "*Provided further*, That in any case where the estate of such incompetent veteran derived from any source equals or exceeds $1,500, further payments of such benefits shall not be made until the estate is reduced to $500, but the amount which would be payable but for this proviso shall be paid to the veteran as provided for the lump sum in the preceding proviso but in the event of the veterans' death no part thereof shall be payable:".

Mr. BUTLER. Mr. President, I was not on the floor when this bill was reached on the calendar, and that is why it was put at the foot of the calendar. I shall be glad to give a brief explanation of the bill.

The purpose of the bill is to correct an inequity in the present law relating to payment of compensation to veterans who are mental cases.

Under present law, a veteran who is mentally incompetent and has no dependents does not receive his pension, compensation, or retirement pay while he is hospitalized or cared for by the Veterans' Administration. The same is true for a veteran who is mentally competent but is hospitalized for some physical reason. However, in the case of a veteran suffering physical disability, who is mentally competent, the amounts of pension or compensation withheld during hospitalization are paid to him in a lump sum as soon as he is discharged from the Veterans' Hospital. Under present law, however, the mentally incompetent veteran does not receive the same reimbursement, and if he is discharged as cured, receives nothing at all on account of the pension or compensation withheld during his period of hospitalization.

In some cases, hospitalized veterans who are mentally incompetent have been required to pay certain necessary expenses during the hospitalization period out of their own small savings which may have been acquired prior to their entry into the hospital. In such a case, a veteran who is cured of mental illness may find on his discharge from the hospital that everything he has saved has been absorbed by his personal expenses during his period of hospitalization. None of his withheld compensation would be repaid to him, and he would be forced to make an entirely new start, and without funds.

This bill will correct such a situation, but it is surrounded by safeguards to make sure that the Government is protected against any abuse. Such withheld pension or compensation would be repaid to such a veteran only in the case where the veteran is discharged as mentally competent. No payment would be made in those cases where the veteran dies while still under care. This provision is to prevent sizable estates being built up during a prolonged period of care which would finally go to remote relatives of such a veteran upon his death. Furthermore, the reimbursement would not be paid until the expiration of 6 months following the finding of competency. This waiting period is considered necessary in order to make sure that the discharged veteran is competent, and that no mistake has been made in granting his discharge.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and was passed.

The title was amended so as to read: "A bill modifying a limitation affecting the pension, compensation, or retirement payment payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care."

BILLS PASSED OVER

The VICE PRESIDENT. The clerk will state the second bill passed over, which was Calendar No. 393, House bill 1754.

The LEGISLATIVE CLERK. A bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949.

Mr. O'CONOR. Mr. President, I am requested by another Member of the Senate to ask that this bill go over. I understand there is a time element involved which may require its being voted on soon, but for the time being I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over. The clerk will state the next bill which went to the foot of the calendar.

The LEGISLATIVE CLERK. A bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States.

Mr. O'CONOR. Mr. President, for the same reasons given in connection with the bill just passed over, I request that this bill go over.

The VICE PRESIDENT. The bill will be passed over. That concludes the call of the calendar.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. LUCAS. Mr. President, I ask that House bill 1211, which is the unfinished business, be temporarily laid aside, and that the Senate resume the consideration of Senate bill 1843, the bill reported by the distinguished Senator from Maryland.

DEPARTMENT OF DEFENSE

There being no objection, the Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. TYDINGS. Mr. President, before I explain the bill, I send to the desk two amendments and ask for their immediate consideration. The amendments have to do only with typographical errors, a misspelling of the word "combatant," and insertion of the word "Security" before the words "Resources Board."

The VICE PRESIDENT. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 5, line 3, it is proposed to strike out the misspelled word "combatan" and insert in lieu thereof the correct spelling, "combatant."

The amendment was agreed to.

The CHIEF CLERK. On page 16, line 7, before the word "Resources", it is proposed to insert the word "Security."

The amendment was agreed to.

Mr. TYDINGS. Mr. President, this bill was termed this morning by the Secretary of Defense, Mr. Louis Johnson, as the top priority defense bill requested by the Military Establishment at this session of the Congress. Mr. Johnson made the statement that he considered the bill more important to the Military Establishment, called under the bill "The Department of Defense," than any other single measure sent up by his Department, and I believe he was well within the bounds of good common sense in making the statement.

The bill comes from the committee in its objectivity practically unanimously. It is true that in the committee the vote was 12 for the bill and 1 against it, but the negative vote was not against the bill in principle, but one of the members of the committee felt that we should go even further than the bill goes. So that so far as the philosophy of the bill is concerned, I think I may say with accuracy that the committee is unanimously for it. The difference is as to the degree to which we should go. It comes from the committee with 12 of the 13 members favoring the method provided.

The bill itself is divided into two main parts. The first part has to do with the National Defense Establishment as an institution. We nominate it an executive department, under the terms of the bill. The Cabinet officer who presides over this Department is called "The Secretary of Defense." The executive department itself is called the "The Department of Defense."

Under the Department of Defense, there is the Department of the Army, the Department of the Navy, and the Department of the Air Force. In other

words, there are the three separate military departments combined into one executive department presided over by the Secretary of Defense.

Under the Secretary of Defense, as an administrative officer, is the Deputy Secretary of Defense, then under the Secretary of Defense and the Deputy Secretary of Defense is the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

Mr. LODGE. Mr. President, will the Senator yield, or would he prefer that I wait until a little later?

Mr. TYDINGS. I would rather sketch out the bill in its broad outlines, and then we will later fill in the places I have not touched.

Mr. LODGE. Very well.

Mr. TYDINGS. I thank the Senator.

I have stated the basic set-up of the bill, which I am going to present again, in about three sentences, for fear I did not make it explicit the first time.

The bill takes the Department of the Army, the Department of the Navy, and the Department of the Air Force, which we now call the Military Establishment, and puts them all into an executive department of the Government called the Department of Defense. Therefore, hereafter, if the bill shall be enacted, we will have a Department of Defense, with a Department of the Navy, a Department of the Army, and a Department of the Air Force, the three tripods which make up the Department of Defense, which becomes the sole executive agency of the Government in this field.

Mr. THYE. Mr. President, will the Senator yield?

Mr. TYDINGS. I will yield after I finish the sentence. As I said, the presiding Cabinet officer is called the Secretary of Defense, and under him is the Deputy Secretary of Defense, and under those two are the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, the question I have in mind is with respect to the clarification of the status of the Marines. Where and in what manner will they be fitted into the over-all picture, in order that we may not lose the Marine Corps as an organization and that glorious military unit may not lose its identity in the entire set-up? That is the matter I have in mind.

Mr. TYDINGS. I share the Senator's high regard for the Marine Corps, and, in a sentence, I will say that their status is not touched directly or indirectly by the bill, and cannot be touched directly or indirectly by the bill. Nothing is provided in it that would change the present status of the Marine Corps.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. THYE. In other words, the Marines will continue to maintain their own identity, and it will not be lost. I personally am a former air service man; yet I have a great admiration and respect for the Marines, and I should like to see them continue to retain their identity in some manner so that they will not be lost to the Nation as a great military organization.

Mr. TYDINGS. I can assure the Senator from Minnesota that the identity of the Marine Corps and, indeed, their role and mission will not be lost by this bill. The bill rather removes every reason for fear, and every possible misunderstanding which may have prompted the Senator's question.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. LODGE. I think it is proper to ask at this point my first question of the Senator from Maryland, which is, Why do we have the military departments of the Army, the Navy, and the Air Force? Why not have the Army, the Navy, and the Air Force on the same footing with regard to the Secretary of Defense that the Marine Corps has always been to the Secretary of the Navy? Why do we have separate departments at all?

Mr. TYDINGS. In reply to the Senator from Massachusetts, I would say that we have to call the executive function or the administrative function of the Army something, and so, in the over-all picture we call it the Department of Defense and we decided to call the Army, and the Navy, and the Air Force, the Army, Navy, and Air Force, respectively. In the Navy the Marines have their separate department.

Mr. LODGE. Is it not true that the Marines have done very well without having a separate department of their own?

Mr. TYDINGS. They have a separate administrative head and department.

Mr. LODGE. Yes; but they do not have a secretary of the Marine Corps.

Mr. TYDINGS. No; but the trouble is that the gentlemen who administer the Army, the Navy, and the Air Force must be called something. What would the Senator call them?

Mr. LODGE. Would it not be enough to have General Bradley administer the Army, Admiral Denfeld the Navy, and General Vandenberg the Air Force, under the Secretary of Defense?

Mr. TYDINGS. No, I would say to the Senator, and I doubt if the Senator would propose it seriously if he had the time to give it more thought, for this reason: that the essence of the bill is to keep the military under the civilian. In this whole bill we have separated with great care the military functions from the civilian functions. We have kept the civilian from telling the military how to make plans for battle, and so forth, and we have stopped the military from telling the civilian how to run the purely administrative features of their establishment.

Mr. LODGE. I will say to the Senator from Maryland that I quite agree that we ought to keep the military under the civilian, but I think if we have 3 or 4 civilians—I think we have 13 civilians now at the secretarial level—it is much easier for the military to avoid civilian control than if we fix the responsibility in a few individuals, so that the military would not be able to play one civilian against the other if they wanted to do such a thing. That is my thought.

Mr. TYDINGS. I see the Senator's point. But I believe we have eliminated some of the civilian personnel. For example, my recollection is that we used to have a Secretary of War. He is the Secretary of the Army. Then we had an Under Secretary of War. Then we had one, two, or three Assistant Secretaries of War. The witnesses came before our committee and testified that all these Assistant Secretaries were not needed. Therefore we set up a Secretary of the Army and an Under Secretary of the Army and either one or two Assistant Secretaries. Whereas before there were probably one or two more administrative personnel in each department than are provided for under this bill.

I think maybe I can anticipate the point of view the Senator from Massachusetts has in mind, which is a very proper point of view—the elimination of unnecessary personnel—by saying that no witness who appeared before our committee advocated that the Department of the Army should be administrated by the Chief of Staff of the Army, General Bradley. As a matter of fact, General Bradley himself would be opposed to that. I know that from his testimony. What they wanted, however, and what the Senator from Massachusetts wants, and what the committee wants, is when we get down to purely military operations to let the military officers conduct them, without interference from the civilian end, and that, I think, is what the Senator from Massachusetts has in mind.

Mr. LODGE. I notice at the bottom of page 5 of the committee report the statement is made:

> Subsection 201 (b) of the present act is amended to convert the Department of the Army, the Department of the Navy, and the Department of the Air Force from their present status as executive departments to the status of military departments within the Department of Defense. This subsection is regarded as of basic importance, since it retains the three-department concept for administering the services, as opposed to a single-department administration.

Then on the top of page 7 of the committee report appears the following:

> The proviso following paragraph (4) is intended to emphasize the adherence to the three-department principle, referred to in the declaration of policy in section 2 of the 1947 act, by insuring that each of the three military departments shall be administered as departments and not merged into one administrative grouping.

In other words, that statement is asserted and reasserted, and I cannot see the reason for it. If we were to have assistant secretaries to conduct the civilian administrative functions of the departments and were to leave General Bradley, General Vandenberg, and Admiral Denfeld to direct purely military operations, then we would eliminate that whole third wheel which is provided in the bill, and which seems to me to be superfluous.

Mr. TYDINGS. I think I understand what the Senator is driving at. I should like to reemphasize again that the mili-

tary men, General Bradley, General Vandenberg, and Admiral Denfeld have complete and uninterrupted sway over the military functions of their respective branches of the defense establishment without interference in any manner, shape, or form in purely military functions by the civilian personnel therein. However, the three branches, while parts of the national defense establishment, have different roles to perform, different equipment to use, many differences which I shall not take time to hunt out and picture, and therefore the administration has to be different in some respects, while tied into the whole picture.

Insofar as administration is concerned, the military has nothing to do with the administration of the Department per se. When it gets over into the military side, what the Army, the Navy, and the Air Force are to do, and so forth, then the military is supreme in its field. But so far as budgeting and things of that sort are concerned, the civilians are preeminent in that field. That decision is carried down all the way through. That was recommended to us unanimously by Admiral Denfeld, General Bradley, and General Vandenberg. What they wanted to make sure of was that the civilians would not tell them how to conduct a war. And we told them that we certainly were in accord with them on that point. I think it was Admiral Denfeld, speaking for the three chiefs, who said that they wanted civilians to administer the Department, but they wanted the military planning and military direction to be under the chiefs.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LODGE. Let me say to the able Senator that I think this is a good bill in that it goes in the right direction. It represents a step forward. In particular, I think the last part of the bill, which sets up budgetary control, is a very fine piece of work indeed. It reflects precisely what the Commission on the Reorganization of the Executive Branch wanted to do. It recalls the testimony before the Committee on Expenditures in the Executive Departments in 1947, which brought to light a very wasteful condition. This bill really provides some machinery to eliminate waste.

As the Senator well knows, 34 cents out of every dollar that goes to the Government goes to the Pentagon. I have seen figures showing that in the case of a stenographer who received $2,000 a year, $68 of her tax went to the Pentagon. I think this bill, in establishing a budgetary control structure, would accomplish a very fine result. So when I ask the Senator these questions, I am looking at things that perplex me, and which may represent defects in the bill; but on the whole I think the bill is a step in the right direction.

Mr. TYDINGS. If the Senator will place a pin in his thought for the moment, so that he may carry on as soon as my interruption is completed, I may say that the primary reason for having three Departments for the Department of Defense is, among other things, that the over-all functions of the entire Defense Department are so complex, so varied, so ramified, and so far-reaching that it is necessary to have three branches for proper administartion, just as four infantry regiments, as a rule, are placed in an infantry division, and two or three infantry regiments in a brigade, including the artillery.

Mr. LODGE. There is a triangular division at present.

Mr. TYDINGS. There are three heads for proper administration. That is the reason why we retain the three departments, the Army, the Navy, and the Air Force. This is not a merger. This is unification. The identity of the three services is maintained, but their general administration is unified into a singleness of purpose.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. Am I not correct when I say that the committee considered very carefully the difference between the wording "Secretary of the Army," "Secretary of the Navy," and "Secretary of the Air Force," and the wording in section 204 (a) on page 7, providing for special assistants? As I understand, the special assistants to the Secretary of Defense are the performance men under the Secretary, about whom my colleague [Mr. LODGE] is asking. The purpose of retaining the Secretaries of the three departments, the Army, the Navy, and the Air Force—at least in my mind, as one member of the committee—was to provide civilian power over the budgets of the respective forces, as set forth on page 19 of the bill. Furthermore, in my mind at least, it was important to call them Secretaries, because of the prestige involved in other countries. I ask the chairman of the committee if that was not an additional reason?

Mr. TYDINGS. It was one of the reasons.

Mr President, without wishing to be discourteous, let me say to my colleagues that I believe that if they will allow me about 15 minutes without interruption, I can sketch the organization, so that the questions which will then follow will be more in line with what they want to learn about the bill.

I have already stated that henceforth there will be one Department. There will be no Department of the Army, Department of the Navy, and Department of the Air Force, as three separate executive departments. They will be combined—unified, but not merged—into a single executive department called the Department of Defense, administered by the Secretary of Defense. Under him there will be the Deputy Secretary of Defense, with three branches, three military departments—not executive departments—known as the Department of the Army, the Department of the Navy, and the Department of the Air Force, each with a Secretary. They are charged, under the terms of the bill, with administrative duties.

I invite attention to page 4 of the bill, which I believe will clear up, in large measure, the civilian purpose of the bill. I invite the attention of the junior Senator from Massachusetts particularly to the following language:

under the direction of the President, he—

That is, the Secretary of Defense—

shall be responsible for exercising direction, authority, and control over the Department of Defense, including the performance of the following duties:

(1) Establishment of policies and programs for the Department of Defense.

(2) Exercise of direction, authority, and control over the affairs of the Department of Defense;

This is the milk in the coconut:

(3) The taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary, to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel, and in such other fields, as he may deem proper—

If I may have the attention of the Senator from Minnesota [Mr. THYE], I invite his attention especially to the following language. This is what he asked me about, and I want him to know that it is specifically in the bill—

but this shall not be construed to authorize the Secretary of Defense to reassign the combatant functions assigned to the military departments by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof—

The latter having reference to the Marine Corps—

or to make transfers of military personnel from one military department to another or to make details or assignments of military personnel in a manner substantially to affect or change such assigned combatant functions.

I merely point that out because I want the Senator to know that we have specifically reemphasized the point which he raised.

Mr. THYE. I had read that language in the bill, but I wanted to be certain to have the question discussed and debated so that there would be no doubt in the minds of those who are vitally concerned with the future of the Marine Corps.

Mr. TYDINGS. We have for the first time given to the civilian administrator power over a variety of activities which I mentioned, such as supply, transportation, storage, health, and research, and so forth. He has never heretofore had such power.

Mr. THYE. Mr. President, will the Senator yield for a further question?

Mr. TYDINGS. If the Senator will permit me to proceed and make a note of his question——

Mr. THYE. The Senator mentioned supply. I think it is vitally important that we obtain a complete unification of the service of supply; also the use of runways for both the Army and the Navy. There are a thousand unification problems which must be faced.

Mr. TYDINGS. The Senator is correct. I may say that already, under the impetus of the hearings and the bill, a vast amount of unification is taking place along the very lines indicated by the Senator. Indeed, Mr. Hoover testified before our committee that this bill ought to save the Government $1,500,000,000 a

year. Mr. Louis Johnson stated that he believed it would save between $1,000,000,000 and $1,500,000,000 a year. The Senator from Maryland is a little more modest. He will settle for four or five hundred million dollars a year. I believe that that is well within the realm of possibility, without forcing anyone to the wall or cutting out anything that is essential. It can be done in line with what the Senator from Minnesota has suggested.

For example, there is the matter of having three hospitals at a particular point, one for each of the services, with two of them filled and one empty. The continuation of personnel costs and supply costs for all three of them is not good business administration. Other examples could be cited in various fields. This time we are placing in the civilian administration the power to deal with such problems.

For the moment I shall pass over the other civilian functions.

When we get over to the military, on page 7, there is the title: "Creating the Position of Chairman of the Joint Chiefs of Staff and Prescribing His Powers and Duties."

There the committee was up against a rather serious proposition. We already have the Chief of Staff for the Army, the Chief of Staff for the Navy, and the Chief of Staff for the Air Force. They are three separate men, each standing in his own particular domicile, so to speak, and beyond the influence of the other two. If they cannot agree on some matter, they simply wrangle, and there is no one to settle the dispute.

We wondered what we could do to expedite the reaching of decisions which might be important to the national welfare. We wondered how that could be done without destroying the relative independence of the Chief of Staff for the Navy, the Chief of Staff for the Army, or the Chief of Staff for the Air Force.

We had the Joint Chiefs of Staff before us. They made this recommendation to us, and we adopted it pretty much in full. They said, in effect, "We have no objection to having a Chief who would preside over the Joint Chiefs; but we do not want him to have military control over us; because if that occurred, there would be one Chief of Staff running all three departments, and he might not like the Navy or the Army or the Air Force, or vice versa, and it might not be a good thing for the country in given circumstances. So give us a certain amount of freedom of action, but put someone in a position to make us be good."

So what we did then was to provide for the creation of a Chief of the Joint Chiefs of Staff, without military control over the Joint Chiefs of Staff, but to be the presiding officer and the representative of the Secretary of Defense or the President, as the case might be, when the Joint Chiefs of Staff had something to decide. If they could not decide, he would have no vote. The vote in the Joint Chiefs of Staff might be 2 to 1, but then the presiding Chief, although having no vote, could take the dispute to the Secretary of Defense or to the President, and could say to either of them, "Here is what went on. Here are the two sides to the controversy." Then the President or the Secretary of Defense would decide the matter. He would say, in effect, "So and so will be the case," and the dispute would be ended.

I understand that heretofore there have been disputes which have gone on for weeks, or even for months in certain cases, and could not be settled because there was no appropriate source for settling them.

In meeting that difficulty, certain men, such as Admiral Leahy, have acted; and after Admiral Leahy, General Eisenhower acted. They served more or less as umpires between the three services, and took such disputes to the President for ultimate decision.

Therefore we now propose the creation of this office, without giving the holder of the office a vote, but making him the presiding officer over the Joint Chiefs of Staff, but with no power to vote in any controversy. Although he would have a high rank, he would be simply a representative of the President, and would take the dispute to the President, and have it settled there. The official we here propose would not be able to settle the dispute himself. In that way we would get away from one-man control of the three branches of the armed services.

This is what the Army, the Navy, and the Air Force wanted. They made out a good case before us, and that is the procedure we adopted.

Moreover, the Joint Chiefs of Staff said to us, "Listen, gentlemen; you expect us to have the Navy and the Army and the Air Force ready for an emergency, don't you?

We said, "Yes, we do."

Of course, Mr. President, I am not quoting the conversation verbatim, but I am giving the gist of it.

They said, "You are holding us responsible for having the necessary weapons available and for having men in readiness who will be trained to use those weapons, and for meeting that responsibility to the best of our ability, in connection with the expenditure of the money you give us for that purpose; and you expect us to have plans prepared in order to be able to meet any reasonable emergency which may confront our country."

We said, "That is right. That is what we expect you to do, and we expect you to do it well."

They said, "All right. In this bill, as introduced, power and authority are given to the Secretary of Defense to appoint the presiding officer of the Joint Staff."

Of course, Mr. President, the Joint Staff is the working organization which prepares all the battle plans, and so forth.

Then they said, "If you are expecting us to make the plans and assume that responsibility, don't you think we are entitled to appoint the presiding officer?"

We said, "You have something there."

So we made that change in the bill, so as to keep the military functions under the military men, and to have the civilian functions under the civilian men.

I think we worked out that problem fairly well; and the Joint Chiefs, I believe, were rather highly pleased with the way we handled it.

We increased the number of officers who would be on what is called the Joint Staff, who are those who work under the Joint Chiefs of Staff and prepare the plans for the organization, and so forth. We increased that number from 100 to 210, with an equal number, perhaps, to come from the Army, the Navy, and the Air Force. They are the ones who handle all the problems involving logistics, personnel, planning, and what not, and work them out.

So I think we have a fairly good bill so far as the military side of the problem is concerned.

Now I have finished outlining briefly the general civilian side of the bill and the general military side, without coming to the budgetary features of the bill, which are incorporated in title IV. I hope no Senator will ask me about that part of the bill for the moment, because it should be discussed as a separate subject.

I should like to ask whether there are any questions relative to all other parts of the bill except title IV, before I proceed to describe title IV.

Mr. LODGE. Mr. President, I have a number of questions which I should like to ask the Senator.

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. LODGE. First, let me say that the able Senator from Maryland has said that no witness was in favor of abolishing the three Secretaries. I think the Senator from Maryland spoke a little hastily, because former Secretary of War Patterson is on record in that respect.

Mr. TYDINGS. Does the Senator from Massachusetts mean abolishing the names of those positions or abolishing those offices?

Mr. LODGE. I mean abolishing the executive departments of Army, Navy, and Air Force and abolishing the posts of Secretaries, Under Secretaries, and Assistant Secretaries of those Departments.

Mr. TYDINGS. I would say to the Senator from Massachusetts that I think what former Secretary of War Patterson recommended was a change in nomenclature, rather than a complete removal of civilian control of the Army, the Navy, and the Air Force.

In effect, he recommended that the title of what we call "Secretary of the Army" be, in effect—I do not recall the exact recommendation—changed hereafter to "Under Secretary of Defense for Army," and, so far as the other services are concerned, that the titles be changed to "Under Secretary of Defense for Navy," and "Under Secretary of Defense for Air"—thereby carrying the control, by means of a change of nomenclature, back to the single head.

Mr. LODGE. Mr. President, if the Senator from Maryland will permit me to do so, I should like to read from a memorandum dated November 9, addressed by Secretary Patterson to Ferdinand Eberstadt, chairman of the Committee on National Security Organization. The

memorandum was published at the time. I read a part of the memorandum:

(1) That the three branches of the armed forces be placed in a single executive department (to be called the Department of Defense). The branches themselves would not be merged, but would exist as the Army, the Navy, and the Air Force.

The abolition of the three executive departments would abolish also the posts of Secretaries, Under Secretaries, and Assistant Secretaries of those Departments.

Mr. TYDINGS. That is what I just said.

Mr. LODGE. It would abolish the posts of Secretaries, Under Secretaries, and Assistant Secretaries.

Mr. TYDINGS. That is right.

Mr. LODGE. I mention that simply because the able Senator from Maryland said, I think, that no witnesses of repute were in favor of that idea; and I simply wished to state that former Secretary of War Patterson was in favor of it.

Mr. TYDINGS. No; he was not, except in the nomenclature field. He did not advocate the elimination of the civilian heads of the three Departments. All he wanted was for them to be called Under Secretary of Defense for the Army, Under Secretary of Defense for Air, or some similar name.

Mr. LODGE. He favors the abolition—I am quoting—"the abolition of the three executive departments."

Mr. TYDINGS. So do we. In the bill, we make it into one.

Mr. LODGE. And abolishing the post of Secretaries, Under Secretaries, and Assistant Secretaries.

Mr. TYDINGS. That is what we did.

Mr. LODGE. The Senator has the Secretary in it.

Mr. TYDINGS. Go on and read a little further.

Mr. LODGE. That is his recommendation on that subject.

Mr. TYDINGS. Read on. Let the Senator read what he read before.

Mr. LODGE. I will read it over again.

Mr. TYDINGS. Very well.

Mr. LODGE. It reads:

That the three branches of the armed forces be placed in the single executive department (to be called the Department of Defense). The branches themselves would not be merged, but would exist as the Army, the Navy, and the Air Force.

The abolition of the three executive departments would abolish also the posts of Secretaries, Under Secretaries, and Assistant Secretaries of those Departments.

Then he goes on, paragraph 2:

That the Secretary of Defense be the head of the Department, with full authority and power to direct activities of the Department—

To the same extent that the Secretary of State directs the State Department, or that the Secretary of the Treasury directs the Treasury Department.

There shall be a Secretary and two Assistant Secretaries. Their duties shall be department-wide, as the Secretary may direct, and they should not be tied to boosting the interesting or pressing the advantage of any particular branch of the armed forces.

Mr. TYDINGS. I can answer the Senator, and I think now I can clarify it a little more, because as he reads the Secretary's testimony, it comes back to me. Here was the difference between the Secretary's recommendations and the provisions of the bill. Secretary Patterson wanted the civilian control all under the Secretary of Defense. He wanted the Secretary of Defense to have such number of Under Secretaries and Assistant Secretaries as would take orders from the Secretary of Defense for the operation of that Department. What the bill does is not to put them up under the Secretary of Defense, per se. It puts them over each one of the three branches. But the net result is that no matter what system is followed, there is a civilian administration over the Army, the Navy, and the Air Force in the civilian field.

Mr. LODGE. If the Senator will permit, if we have a Secretary over there with the Army or the Air Force or the Navy, instead of having him up here with the Department of Defense, he is bound to boost and promote or press the partisan advantage of the particular branch, and he will not nave the loyalty he should have to the over-all concept of an over-all integrated American defense.

Mr. TYDINGS. My point is there is a choice there, of course. We were rather unanimous—almost, at least—in having this division as I have outlined it. But what I wanted to make sure is that the Senator from Massachusetts understood that at no point did Secretary Patterson advocate that the administration of the Army, the Navy, and the Air Force should be taken out of civilian hands.

Mr. LODGE. Oh, no. Oh, no.

Mr. TYDINGS. He simply wanted the administrators, who would have charge of that work to be Under Secretaries of Defense. What we did was this: We left them all under the Secretary of Defense, but we assigned one to the Army, one to the Navy, and one to the Air Force.

Mr. LODGE. I brought this point up because the Senator made me feel a little lonesome when he first said that nobody was in favor of the idea of abolishing the Secretaries, and I just remembered that Secretary Patterson did agree with me completely on that.

Mr. TYDINGS. I reemphasize the fact that nobody is in favor of abolishing the Secretaries. I have tried to sell that to the Senator.

Mr. LODGE. I just read from the recommendations of Secretary Patterson that he is in favor of abolishing the posts of Secretary, which is just as plain as English could be.

Mr. TYDINGS. Secretary Patterson agreed there should be one department called the Department of Defense ,presided over by the Secretary of Defense. I think he was willing, although I do not remember specifically, to have a Deputy Secretary of Defense. Then he wanted Under Secretaries—one, two, or three in number—with assistants who would administer the whole Department of Defense for the Army, the Navy, and the Air Force. So that at no point did he advocate that the administration of these three departments would not be under civilian administration.

Mr. LODGE. Oh, of course, that is true. The Senator from Maryland, when he introduced Senate bill 1269, on page 6, had a provision for three assistant secretaries of defense, who would help the Secretary of Defense administer these departments from the over-all defense viewpoint.

Mr. TYDINGS. That is right.

Mr. LODGE. I notice that that section is omitted from Senate bill 1843.

Mr. TYDINGS. Yes. Let me tell the Senator why that was left out. I think we had probably 20 or 25 witnesses, and, with one or two exceptions—and probably Secretary Patterson was one, because he was for the strongest kind of unification, amounting almost to merger in the eyes of some persons, though not in mine—every other witness felt that the prestige that would attach to having a man called the Secretary of the Army, the Secretary of the Navy, and the Secretary of Air, rather than Under Secretary, would attract better men of higher caliber, and if the salary were only to be $14,000 a year, and they were going to administer branches of the Government that were costing about $6,000,000,000 or so a branch, it would be rather hard to attract the kind of men they would want to get, unless at least they were given the title. So that with the exception of Mr. Hoover, I believe, all the other witnesses thought we should keep the old titles, because they carried great prestige in the eyes of the American people and would be an added inducement to getting the caliber of men we desire.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Is it not correct, I ask the chairman, that we argued for a long time in the committee as to what to call the Deputy Secretary under the Secretary of Defense, and that we finally created the title of Deputy Secretary to cover the point that my colleague from Massachusetts has been making. We discussed that. I understand that the Secretaries of the Army, Navy, and Air Force are under the Deputy Secretary and are subordinate to him. In that way we tried to get unification. If I am correct in my memory, and I am not sure——

Mr. TYDINGS. The Senator is correct so far, I am sure.

Mr. SALTONSTALL. What I was going to say was, Judge Patterson went further perhaps than any of us were willing to go. He was for a direct merger of the Army, Navy, and Air Force, putting them all together. We said no, we did not think that was practical at the present time, that we would get greater unification under a Secretary of Defense with Deputy Secretaries. But we were not willing to merge them, except where things could be done properly in the discretion of the Secretary of Defense. And so we gave him the powers contained in subparagraph 3, at the bottom of page 4 of the bill, but eliminated his power to transfer. In other words, we gave him all the other power, but not the power to merge.

Mr. TYDINGS. That is correct. I am calling on my memory. I would say to the Senator that these hearings went on, I suppose, for 5 weeks. We had 17 hearings; I think 14 of them in the morning, 3 of them in the afternoon. We had Mr. Eberstadt, who had a very fine experience here in various fields of government, and particularly in the armed services. We had Mr. Forrestal. We had Mr. Louis Johnson. We had the three chiefs of staff. We had President Truman. We had President Hoover. We had various other members, all of whom, with the exception perhaps of Mr. Patterson, who, as the senior Senator from Massachusetts said, went a little further than the others, all of whom generally took the position now embodied in the committee bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. I stated that Mr. Symington advocated calling these men Under Secretaries, but he was the only Secretary that went that far.

Mr. TYDINGS. But Mr. Symington likewise said that he would be satisfied to settle for the bill, unless the others would go along. He did not want to take a different point of view.

Mr. AIKEN and Mr. LUCAS addressed the Chair.

Mr. TYDINGS. I will yield first to the Senator from Vermont, who, I think, rose first, then I shall be glad to yield to the Senator from Illinois.

Mr. AIKEN. I should like to ask the Senator from Maryland if my understanding is correct, that the bill S. 1843 removes the present authority of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to bypass the Secretary of Defense and deal directly with the President.

Mr. TYDINGS. It would be rather hard to answer that question categorically. I should have to answer it "Yes," and then qualify it with this statement: There is nothing in law to stop any of them from coming to Congress or from going to the President or from going anywhere they want to go.

Mr. AIKEN. That is correct.

Mr. TYDINGS. The witnesses before our committee said that, on a point of great principle or great difference, they ought to go, and either resign or get a decision. But answering the Senator as candidly as we can, the appropriate purpose of the bill is to give a great degree of unified administration; and substantially the Senator is correct in his assumption.

Mr. AIKEN. Am I correct in understanding that the Secretaries are responsible to the Secretary of Defense or the Under Secretary of Defense in the absence of the Secretary?

Mr. TYDINGS. That is correct.

Mr. AIKEN. I should like to ask one further question with regard to the Munitions Board. I am not quite sure what is meant by the language on page 11, to the effect that the Board shall be composed of a chairman who shall be the head, and an Under Secretary or Assistant Secretary from each of the three military departments to be designated in each case by the Secretaries of their respective departments. What is meant by an Under Secretary or by an Assistant Secretary in that case? Are those the correct words to use?

Mr. TYDINGS. Yes, they are, for this reason, that under the bill there would be a Secretary of the Army, an Under Secretary of the Army, and maybe one Assistant Secretary.

Mr. AIKEN. Does the bill provide for an Under Secretary of the Army?

Mr. TYDINGS. Yes.

Mr. AIKEN. That answers my question.

Mr. TYDINGS. It had to be phrased in the alternative.

Mr. AIKEN. A member of the Munitions Board from each Department, then, shall be chosen from the higher levels?

Mr. TYDINGS. The Senator is correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield, first, to the Senator from Illinois, and then to the Senator from Indiana [Mr. JENNER].

Mr. LUCAS. I should like to ask the able chairman of the committee a number of questions. I should like, first, to ask him this question: Is there anything in the bill which would prevent the Navy from continuing to run the Navy, the Air Force from continuing to run the Air Force, or the Army from continuing to run the Army?

Mr. TYDINGS. Not a thing. On the contrary, we have reemphasized by specific provisions that all the roles and missions they have had heretofore shall be preserved.

Mr. LUCAS. Is there anything in the bill which would give a veto power to one service over the other services or the Joint Chiefs of Staff?

Mr. TYDINGS. The Joint Chiefs of Staff could not resolve a dispute involving the three services. If the three Chiefs of Army, Navy, and Air Force fail to agree, the Chief of Staff would be duty bound to carry the dispute to the Secretary of Defense or the President, and the President would make the decision, and that would be binding. He is the Commander in Chief. But I think I have made it specific——

Mr. LUCAS. The Senator has made it specific.

Mr. TYDINGS. In order to emphasize what I have said, the Chief of the Joint Chiefs of Staff has no vote.

Mr. LUCAS. Does the Senator believe, from evidence before his committee, that the Naval arm of the United States is in any peril whatsoever, so far as the Army and the Air Force are concerned, or so far as the persuasive powers of those who are connected with our military establishment are concerned?

Mr. TYDINGS. I do not. All three of the chiefs of staff and, so far as I can recall, every witness, testified to the point that it would be folly to trust the defenses of the United States to any one of the three branches or to eliminate any one or two of the three branches; that we must at all times have a balanced defense, an Army, a Navy, and an Air Force; that if we rely on one, it might fail and we would be powerless. Further than that, we might have to use either the Army or the Navy, and not the Air Force per se, if we were fighting in certain areas, under certain conditions, where the Navy or the Army would be needed, and not the Air Force singly.

So we have to have a defense for every conceivable situation. That means we must have an Army, a Navy, and an Air Force. The Senator from Maryland would resist with all the emphasis and power at his command any attempt to seek to destroy any one of the three branches or to weaken its relative position materially in the national defense establishment.

Mr. LUCAS. I wholly agree with the able Senator from Maryland. The last answer probably answers my next query, but in order to make it clear and without any question about it, I wish to ask this question: Is there anything in the bill, or anything in the thinking of military minds, from what the Senator has found in the evidence disclosed before his committee, which would lead him to believe that the amphibious warfare as perfected by the Marine Corps is in any danger of being eliminated?

Mr. TYDINGS. Not so far as I know. I would not be in favor of seeing it happen, because the Marine Corps has made a tremendous contribution to the science of warfare. So far as I am concerned, they are in safe hands. Some future Congress may look at the question differently and may deny money to one branch or the other of the services. But I am talking about the legislation before us this afternoon. The service deserves, with all its magnificence, grandeur, and tradition, the role and the mission of the Army, Navy, and Air Force, plus the Marine Corps in the case of the Navy.

Mr. LUCAS. I have a letter from a very prominent constituent of mine in Illinois——

Mr. LODGE. Will the Senator speak a little more loudly? It is impossible to hear him.

Mr. LUCAS. I shall try to speak loudly for the benefit of the Senator from Massachusetts.

My constituent makes this statement:

> Before going further, I may as well toss out for your consideration that the American population think our air arm alone will win the next war.

Mr. TYDINGS. He asserts that?

Mr. LUCAS. He asserts that. I ask the Senator from Maryland, who is chairman of the Committee on Armed Services, whether there is any testimony along the line that the air power alone is sufficient to win the next war.

Mr. TYDINGS. The Senator from Maryland is a little out of his bailiwick in attempting to answer that question, because he does not desire to pose as an authority on how to win wars. But I can say this, which I think will not be immodest on my part, that we feel, as a committee, and I think we are reinforced in that feeling by the military men who have appeared before the committee, that in certain contingencies, and with respect to certain countries, if we were to have a war the Air Force would be a tremendously vital and determinative factor, perhaps, but that in no case can anyone conceive that before the struggle was over

all three branches would not be employed, just as they have always been employed. However, if in some happy circumstance the Air Force could save the Navy and the Army the loss of life and treasure that would be necessary by their employment, I do not think either of the two branches would object. But no one is willing to put all his eggs in one basket, from the highest military man I know of in this country, down to the highest civilian charged with the responsibility, believing that a balanced Air Force, a balanced Navy, and a balanced Army, with the Marine Corps, are the only safeguards we can have for our welfare in the future.

Mr. LUCAS. I wish to thank the able Senator from Maryland for the last statement, because it seems to me that it clears up a great deal of muddling in the public thinking throughout America as a result of a tremendous amount of propaganda that has gone out from different sources in Washington, which states definitely, for instance, that the air power is the one thing that will win the next war. Then those of our constituents who are interested, for instance, in the Marine and Naval Air Forces, are wondering whether or not the Naval and Marine Air Forces are going to be merged ultimately with the United States Air Force, and whether finally they are to all be under one head. That is the question a great many people who are interested in this problem are asking the Senator from Illinois.

Mr. TYDINGS. Mr. President, the last question would be a very venturesome thing for the Senator from Maryland to embark upon, but I am going to take the chance again, purely as an assumption, and I think it is an important question.

In World War I various regiments of Marines were put in the Second Division and fought alongside the Army, the Ninth Infantry being one of the Army outfits in that very famous infantry division, the Second Division, which performed such good work at Chateau-Thierry. There the Marines and the Army fought side by side in one division.

I remember that in the last war on Okinawa certain elements of the Army, I believe, and of the Marine Corps, under General Buckner of the Marines—who lost his life on that island—fought together under a Marine general.

Mr. LUCAS. My colleague, the junior Senator from Illinois [Mr. DOUGLAS] was there.

Mr. TYDINGS. That is correct; our eminent and able and renowned friend the junior Senator from Illinois was one of that great band of patriots, and we are all glad to have him a Member of the Senate, to carry on the traditions of the great Marine Corps. These incidents happened in World War I and World War II. The branches did not merge, but they joined together for a common purpose, and fought perhaps under one or the other branches.

I do not doubt for a moment that if we were to have a war, and if the Chiefs of Staff thought it was wise to take the Marine aviators, as they have taken the Marine foot soldiers, order them to fight alongside the Army; they would take the Army aviation and put it with the Air Force aviation, that would be done if it were in the country's interest; and why should it not be done, if it would win the war? But no one is advocating that that be a permanent arrangement, or that there be any real transfer of functions.

Mr. LUCAS. Mr. President, the last answer of the able Senator is one that is important. I certainly agree with the Senator that under certain emergency conditions, these branches could well be merged for the purpose of winning a battle, but the moment it is over, and the moment peace times return, or even in wartime, the particular branch of the service that is merged with another would return to its natural status.

The Senator tells the Senate and the country now that there is no evidence before the Senate committee at the present time, and it is not the thought of any member of the committee that, for instance, the naval and the marine air force would be merged as one, as was the case under Goering in Germany, and in England, where there was an air corps under one unit.

Mr. TYDINGS. The Senator is perfectly correct. It is my recollection that in the landing of the American forces in Europe General Eisenhower had charge of the Navy, which supported the landing. The naval admiral over there and General Eisenhower, I suppose, worked together more or less as partners, but technically General Eisenhower had charge of the whole show. But as soon as the event was over, as soon as the landing was effected, as soon as the naval support was no longer needed, then the Navy went back to its role, and the General went along with the land operations.

Mr. LUCAS. Mr. President, will the Senator yield for one more question?

Mr. TYDINGS. I yield.

Mr. LUCAS. I wish to ask a question with respect to the budgetary end of the bill now being discussed in the Senate.

The Senator made the statement a moment ago that in his opinion a minimum of three or four hundred million dollars could be saved, and he also stated that former President Hoover indicated that a billion or a billion and a half dollars could be saved if this bill became a law. I am wondering whether or not the moment this bill became the law, the effecting of economy in the Government service would be accomplished under the law.

Mr. TYDINGS. That is correct.

Mr. LUCAS. I thank the Senator.

Mr. TYDINGS. I should like to say, in answer to the last statement of the Senator, and I hope I am not extravagant in the statement, that I consider this bill as important a piece of legislation as has ever come before the Congress dealing with our domestic scene in my lifetime, for two reasons: I believe there is a great deal of accuracy in the statement of former President Hoover that tremendous savings will be effected by the machinery set up in the bill. I furthermore believe that the efficiency which will follow from the unification of our armed services, as provided, will be marked. I do not see any prospect of abolition of the rivalry between Army, Navy, and Air Force, and no one wants it abolished, it is a worthy thing, but if the powers given to the Secretary of Defense and the President, and the military, for that matter, are carried out with reasonable wisdom and power over a period of time, it ought to result in $500,000,000 a year being saved. Five hundred million dollars is a bigger saving than anything I have ever been connected with since I have been in the Congress, and I think it will be a tremendous achievement for the Eighty-first Congress, and for all those who are associated with it, either in the executive department or in the legislative department, all who give it their support.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CAIN. Does the pending bill represent progress in the improvements and evolution which are demanded by the defects which have become obvious as a result of experience with the unification bill which the Congress passed about a year ago?

Mr. TYDINGS. I think we took the first step with some caution, to determine whether or not we were going in the right direction, and we prohibited ourselves from going very far until we could see ahead a little more. That one step has shown that further steps will be advantageous, that it would almost be better not to have taken the first step at all than to linger in the twilight zone of not doing one thing or the other.

Mr. CAIN. The steps we are about to take will be in a real way a realization of some of the ambitions of the late Mr. Forrestal, who hoped we would go slowly but surely in consummating a far greater unification than was possible a year ago.

Mr. TYDINGS. The Senator is correct. It will be regretted that Mr. Forrestal will never know the effectiveness of this proposed legislation which I believe was close to his heart, and if it had been passed sooner, before he lost his grasp upon events, perhaps he would be alive today. Mr. Forrestal had the responsibility and the authority in the public mind to do what the bill permits the Secretary of Defense to do, and which the original law did not permit him to do.

Mr. CAIN. I had a number of personal conversations with Mr. Forrestal on this subject, partly because we were close friends, and in mentioning to him some of the things I as an individual Senator had been hoping for, Mr. Forrestal merely said, "Let us take our time." He said, "Those improvements will become the more readily obtainable and successful if we permit the services themselves to determine some of the defects in the original piece of legislation."

Mr. TYDINGS. That is correct. I should like to say to the Senator from Washington that there will always be certain fears. Whenever we have two independent agencies—and we now have three—whose functions are to be merged somewhat into a unification scheme or proposal, there is no way by which to prevent such fears. But so far as we are able to foresee them and deal with them, they are absolutely unjustified.

Now I should like to yield to the junior Senator from Illinois, who has been very

patient while I have been talking with other Senators.

Mr. DOUGLAS. Mr. President, I should like to ask the Senator from Maryland if he would object to an amendment to section 211 on page 10, the insertion of a new subsection——

Mr. TYDINGS. To follow (d)?

Mr. DOUGLAS. To follow (d). It would provide that when questions dealing with amphibious warfare were under consideration the Commandant of the Marine Corps should be a voting member of the Joint Chiefs of Staff.

Mr. TYDINGS. I have a great deal of sympathy with the thought that prompts the interrogation, but I hope the Senator will not offer his amendment, for the reasons I shall state.

When we passed the first unification bill, in order to meet certain points of view of Members of the Congress, we wrote into the bill some roles and missions of the Marine Corps, the Army, the Navy, and the Air Force.

Mr. DOUGLAS. That is section 206 of the organic law.

Mr. TYDINGS. That is correct. I think there is a division now in the military department among the military men themselves as to whether or not the Congress should set itself up to tell the military how to conduct a war. When we write roles and missions, to a small extent at least we attempt to tell them how they must operate. My point is that having already done that, and there having been a recession away from that point of view, I should dislike very much to have such a provision in the bill, when its present provisions are satisfactory, I am afraid that if the Senator offers the amendment he may do the cause harm, and I know he does not want to do that. I hope seriously he will not offer his amendment.

Mr. DOUGLAS. I should appreciate it if the Senator from Maryland would look at section 206, the basic organic law, because a fundamental issue is involved. I refer to the National Security Act of 1947, section 206 (c), on page 8. I refer to the second sentence, which defines the combat mission of the Marine Corps:

> The Marine Corps shall be organized, trained, and equipped to provide fleet marine forces of combined arms, together with supporting air components, for service with the fleet in the seizure or defense of advanced—

And I emphasize that word "advanced"—

> naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign.

Now, it lies within the power of the Joint Chiefs of Staff to define a naval base, and to define a naval campaign.

Mr. TYDINGS. They would have to agree unanimously.

Mr. DOUGLAS. Would they have to agree unanimously, or could it be by a vote of two to one?

Mr. TYDINGS. No, it could not be. Under the law, if the Joint Chiefs disagree then the matter would go to the President.

Mr. DOUGLAS. How does this differ, then, from the supposed decision in the case of the super carrier?

Mr. TYDINGS. That decision went to the President.

I think what the Senator from Illinois wants to accomplish—and I say this with my words pretty well measured, because I do not want to deceive the Senator in the slightest way—I think what he wants to accomplish is already provided for. I do not think that the Navy would surrender any function of the Marine Corps without carrying the dispute to higher authority. I can assure the Senator that, in my opinion, he will not add anything to the law by putting his amendment in the bill, and he may, by doing so, incur certain opposition to the whole proposal.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. JOHNSON of Texas. On that point I should like to remind the Chairman that the Joint Chiefs recommended in line 3, on page 10 of the bill the insertion of the words "as such" in order to assure what the chairman of the committee has just said, namely, that the chairman of the Joint Chiefs of Staff would act "as such"—that is as chairman of the Joint Chiefs of Staff. He would have to report to the President any disagreement that existed and present both sides of the picture. Upon that recommendation of the Joint Chiefs of Staff the committee adopted the language and placed those two words in the bill in order to protect any minority service.

Mr. DOUGLAS. Would it not be helpful if——

Mr. TYDINGS. Let me interrupt the Senator to show him where he would arrive at if he were to attempt to write his amendment into the bill. There is always a dispute as to land-based planes, as to whether the Navy shall operate them to effect the destruction of submarines along our coasts or whether the Army shall operate the planes for that purpose. The Army takes the position, roughly—I do not mean every Army officer, but pretty much every one of them—that inasmuch as the planes take away from the land, from the United States, and fly out over the water, the Army should have charge of the antisubmarine campaign insofar as it applies to that type of destruction. The Navy says, "No, sir, we want our own airfields on land, and the hunting of these submarines is our baby." The truth is that we are glad to have them both hunt down submarines, but if an attempt were made to write in the roles and missions of the Navy and of the Army, then perhaps more harm would be done than good.

Mr. DOUGLAS. It is also true that the Marine Corps is a very small organization, and if a large organization does not want a small organization to continue, it frequently is not too difficult to use terms or interpret terms not only to restrict its activities, but to shrink its assigned missions.

I wondered if there would be any objection to amending section 206 (c) so as to say that it is the function of the Marine Corps to serve with the fleet in the seizure or defense of advanced military and amphibious bases and for the conduct of such land operations as may be essential to the prosecution of an amphibious campaign. So that the functions of the Corps would not be restricted to the immediate beachhead, but would continue for the combined operations as the Corps pressed inland. As the Senator from Maryland is well aware, it is not merely an academic question. It can be of great practical importance in the conduct of a military campaign.

Mr. TYDINGS. Of course, we had amphibious landings at Salerno and Anzio, and we had them at the Omaha Beach in Normandy, and they were made by the Army. It is not the Senator's thought, I know, to confine all amphibious operations to the Marine Corps and to no others. Is it?

Mr. DOUGLAS. No; that is true.

Mr. TYDINGS. That is why the Army should be permitted to land if they want to land. I do not see why we should be killing marines all the time. I do not see why we should not let the Army in on some of these fights.

Mr. DOUGLAS. If we stick to the principle of specialization it would seem as though the marines should be given the predominant share in amphibious operations.

Mr. TYDINGS. I can say to the Senator that my knowledge of the Navy is such that the Marine Corps is not going to be hurt so long as the Navy is there. Furthermore, I do not believe the Congress would let it be hurt; and moreover, I do not believe anyone wants to hurt it.

The Senator from Maryland the other day in committee meeting made the statement, and I am glad to make it in the presence of the Senate, that there may be some justification here and there for the merger of these three services. There may be some justification for the Marine Corps losing its status. The Senator from Maryland would resist as strongly as he could any attempt to have the Marine Corps lose its status for the reason that no amount of efficiency or economy could ever compensate for the glorious traditions that would be sacrificed if we should lose the Marine Corps. Under no circumstances would the Senator from Maryland consider that he had been contributing to the defense of his country by having such an organization, with all its great accomplishments, with all its great traditions, wiped out. The Marine Corps represents something in efficiency which cannot be obtained by the mere passage of laws nor can money buy. I will say to the Senator from Illinois that I do not believe he need have any fears about it.

Mr. DOUGLAS. I deeply appreciate the statement of the Senator from Maryland.

Mr. TYDINGS. I so stated in the committee.

Mr. DOUGLAS. I am sure that that is the general opinion of the country. I have no doubt about the Secretary of Defense or the Chief of Staff of the Army, in both of whom I have great confidence. But times change. Service jealousies frequently endure. We cannot be sure that General Bradley will always be Chief of Staff of the Army, or that Mr. Johnson will always be Secretary of De-

fense. In another administration we may find that the new General Staff which is being created will want to carry out what it regards as logic, and confine the Marine Corps to guard duty. I have read statements from some leading Army officers who have said that the Marine Corps should be confined purely to guard duty at naval stations. Let me say that if that were ever contemplated I would prefer to have the Marine Corps abolished rather than to make it purely a noncombatant organization.

Since the Marine Corps is a small group, I am very frank to say that many marines are fearful that under merger or unification gradually the functions of the Marine Corps will be taken away, and that it will cease to exist, or will exist in such crippled form that it will not survive as a combatant force.

Mr. TYDINGS. Let me try to assist the Senator in giving a little detached attention to the question, if I may. I know of his great loyalty and deep feeling for the Marine Corps, of which he was such a valuable, brave, and outstanding member. Let me give him this thought, and I think he will see the problem from a legislative standpoint rather than from a human or sentimental standpoint.

Before we had unification we had the Army and the Navy. The Air Force was a part of the Army. The Navy had its own aviation, but the Air Force, as we came to know it, was a sort of bureau largely attached to the Army.

There was agitation for unification of the three branches, the Army, the Navy, and the Air Force. The Army, faced with that contingency, was called upon to make a tremendous sacrifice. The Army, which had control over this great giant, the romantic and traditional Air Force, was told, "Give up this glamorous, fine tradition that has been built up in World War II, and to some extent in World War I. Give it all up. We are going to take it away from you. We are going to take away your favorite child, the one which has brought so much luster to your service, the one about which stories and motion pictures are made, the one which thrills young men in all the high schools and colleges of America. You must give it up. You are going to be bereft of your Air Force. All we are going to let you have is some reconnaissance planes and some photographic planes. But when you need an air force, send over to the Air Force and they will send planes to help you."

If the Senator will look back into the committee hearings on unification, he will find that the Senator from Maryland said this, in effect:

I cannot understand the generosity of the Army, when I think that an Army officer may be commanding a corps made up of three or four divisions, or an Army made up of three or four corps composed of hundreds of thousands of men, and have no air support of his own, no tactical air support, no strategic air support. He must go into battle absolutely dependent on what forces are assigned to him.

The Army made that sacrifice. I think General Bradley and General Eisenhower were two of the witnesses. I said to them that they were making the greatest sacrifice of any branch of the service. They said, "We believe that, by and large, this is in the interest of the defense of the United States, as we see the unfolding picture of military science."

Frankly, if we are to write missions into the bill, from where I sit I think the Army is entitled to have at least its tactical air force as a part of the Army, so that a general who is in command of a corps or an army will have his own force to support the attack of his group, at least in a tactical way, without having to call for planes from any other source. That is the reason why I am giving this illustration, and asking the Senator not to try to write roles or missions in the bill. Let us see if we cannot work out the problem without trying to determine on the floor of the Senate what each branch of the service ought to do. I assure the Senator that so long as I am here—and I believe the same statement can be made of my successor—and so long as this measure is on the statute books, there need be no real fear about any amphibious operation being taken away from the Marine Corps, in the sense that the Senator is discussing.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. FLANDERS. Let me say to the Senator from Maryland that what he has been saying in the last few minutes, to which I have listened with a great deal of satisfaction, covers the spirit of the problems presented by the Senator from Illinois. However, I should like to ask whether we may not get down to that disagreeable thing, the letter of the law, and ask ourselves a question. I refer again, in section 206 of the fundamental law, subsection (c), on page 8, to the words which the Senator from Maryland read to us a few minutes ago:

> And for the conduct of such land operations as may be essential to the prosecution of a naval campaign.

I am wondering whether, if this fundamental law had been in existence during the early part of World War II, and if it had been obeyed, the operations on Guadalcanal would have been possible.

Mr. TYDINGS. I will say to the distinguished Senator from Vermont that it is one of the great geniuses of democratic administration, and particularly as we have it in the United States, that no matter how strictly we write or interpret a law which we enact in the best of faith, when the national honor or integrity or safety is in danger we find ways of getting together and doing the bigger job that is ahead, without, in our conscience or in our spirit, having violated the law.

Men need these small assurances from time to time, so that they will feel that in the calmer days of peace, schemers will not take advantage of them. But in the great days of warfare schemers do not infest the ranks of the armed services of our country, thank heaven. Somehow or other, as has been so well described, we find common ground on which we can go forth and achieve whatever must be achieved for the defense of the United States.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LODGE. Let me say to the Senator from Maryland that I approach this problem from a slightly different standpoint from that which I understood the two Senators from Illinois and the Senator from Vermont, as well as the Senator from Minnesota [Mr. THYE], to emphasize. I do not feel at all like being tender with service prides and jealousies. I am not at all worried about some service having an opportunity to express itself. I am worried about whether we have a bill which will enable us to get prompt decisions and actions. That is what wins or loses wars. In my judgment, if we make mistakes in this bill we are going to pay for them in the blood of our sons. There could not be a more serious piece of legislation before us than that which we are now considering.

Mr. TYDINGS. Personally the Senator from Maryland is not at variance with anything which the Senator from Massachusetts has said. If the Senator from Maryland could write the bill and insure its passage through the Congress, he would wipe out all references to missions in the bill. I have said so frequently. I do not believe that they are proper in such bills. They are military problems. They are things that ought to be decided by the military.

Likewise I say to the Senator from Massachusetts, who has had an able and very distinguished career in one of the three services covered by the bill, that we are dealing here with human relations, which must be reasonably satisfied if there is to be any legislation.

We cannot achieve our own independent course completely without regard to the ideas of others. This measure is an attempt of that sort. Without real sacrifice of principle, it has been possible to accomplish the objective, without losing the essential ingredients thereof.

Mr. LODGE. I appreciate that a problem of human relations is involved; but I think experience shows that in military organizations, things are accomplished by giving an order, and then setting a time certain by which the order must be carried out. That is the method by which the gentlemen in the Pentagon have lived all their lives, and it is a method they understand.

If we depend upon evolution, certainly we shall have to wait a long time.

I should like to call attention also to page 8, section 211, in which the statement is made that the Chairman of the Joint Chiefs of Staff shall have no vote. Does that mean that unanimous-consent procedure will continue to be the rule in the Joint Chiefs of Staff?

Mr. TYDINGS. No. Of course that is a very proper question.

That provision means that the three Chiefs of Staff will have a means of reaching a decision.

Let me explain what happened: The three Chiefs of Staff came before us. Admiral Denfeld was the spokesman.

We had told them that as the law now stood, if the three of them could not agree, nothing would be done; there would be a stalemate. Yet we said there had

to be a means of reaching agreement in all such cases. We told them we were not satisfied with the existence of a situation which would permit of inability to reach agreement, and we said we were sure that something had to be done in that respect. They said that basically they were not satisfied with such an arrangement, either.

We said to them that if the Chairman of the Joint Chiefs of Staff, the one who was put over the three Chiefs of Staff, happened to have come from the Navy, if he were given a vote, he could vote with the Chief of Staff representing the Navy; and those two, coming from or representing the Navy, would be opposed by the other Chiefs of Staff, those representing the Army and the Air Force, and thus there would be a stalemate; or if the Chairman of the Joint Chiefs of Staff happened to come from the Army, in a controversy he perhaps would side with the Chief of Staff of the Army, and the two of them would be opposed by the Chiefs of Staff representing the Navy and the Air Force; and thus there would also be a stalemate.

So we asked for suggestions as to a solution of the problem existing in such a situation.

As a result of our suggestion, they were unanimous in making the recommendations which now are included in the bill, to wit, that there will be a Chairman or Chief of the Joint Chiefs of Staff, representing, in effect, the President and the Secretary of Defense; that he shall have no vote, so that he cannot dominate the arrangement or get it out of gear.

Mr. LODGE. Is it not out of gear now?

Mr. TYDINGS. This provision is made so that he will not be able to get it out of gear; because if he were to have a vote, he would become a participant in the dispute, and the result would be to throw the Joint Chiefs of Staff organization out of gear.

We wanted him to be a conciliator, an umpire, a representative of the President. In addition, we did not want him to have any military command over the Joint Chiefs of Staff. They themselves wanted that arrangement, above everything else; they did not want some Army man, who for the moment was acting as Chairman of the Joint Chiefs of Staff, to tell the Navy or the Air Corps what to do—or, vice versa, to have a Navy man tell the Army or the Air Corps what to do.

That is why this language was used, and I think I am well within the field of accuracy when I say that all three of the Chiefs of Staff—General Vandenberg, Admiral Denfeld, and General Bradley—were in accord and were satisfied with the language of the bill.

Mr. LODGE. Am I correct in my belief that the Joint Chiefs of Staff will still operate by unanimous consent?

Mr. TYDINGS. No.

Mr. LODGE. Will they operate on the basis of a 2-to-1 vote?

Mr. TYDINGS. No.

Mr. LODGE. How will they vote or operate? How will they decide or meet the various issues?

Mr. TYDINGS. I shall tell the Senator how the arrangement would work. Let us assume that a matter had been referred to the Joint Chiefs of Staff for decision, and let us assume that the Chief of Staff for the Navy and the Chief of Staff for the Air Force voted one way, and the Chief of Staff for the Army voted the other way. Presiding over the Joint Chiefs of Staff would be the Chairman of the Joint Chiefs of Staff, a man representing the President. If the Chiefs of Staff of the three services could not agree, the Chairman of the Joint Chiefs of Staff would carry the dispute to the President, and would explain both sides of the dispute to the President, and the President himself would make the decision. His decision would become the official order of the day, so far as that matter was concerned.

Mr. LODGE. That would be a good thing, but I doubt whether the President would have a great deal of time on his hands to settle such matters.

I do not believe the Senator from Maryland read the language of the bill to which I have referred, and I should like to record my dissent from the point of view expressed on page 8 of the report, where reference is made to in section 6:

> The committee would point out that the War Council is one of the most important checks and balances in the Military Establishment.

Mr. President, when was a war ever won by checks and balances? Winning a war is not the same thing as preserving the civil rights of the citizens. When was it ever considered a tactical and strategic asset to have checks and balances in the conduct of the Military Establishment?

Mr. TYDINGS. Mr. President, will the Senator give me the page reference again?

Mr. LODGE. Page 8, section 6. There are two sentences. The first is:

> The committee would point out that the War Council is one of the most important checks and balances in the Military Establishment.

I am referring to the third and fourth sentences there.

Mr. TYDINGS. Yes; I see them.

Mr. LODGE. The next sentence is:

> Since all Secretaries and all of the Joint Chiefs of Staff are members, it would appear impossible for the views of one or more services to be denied expression.

But there is no statement about what would be done to obtain a prompt decision. Certainly that is fundamental. It is far more important, in my opinion, for our Joint Chiefs of Staff and our War Council and our Secretary of Defense to be able to reach a prompt decision, than it is to be able to run this thing like a town meeting, in which we wish to give everyone a chance to be heard. War cannot be won under any such procedure, in my opinion.

Mr. TYDINGS. Mr. President, the Senator from Massachusetts is proceeding under a false assumption. He assumes that there is to be no power of decision. To the contrary, the Secretary of Defense will have the power of decision; and if he does not decide, the President will have the power of decision.

Mr. LODGE. But the Joint Chiefs of Staff first will have the power to decide.

Mr. TYDINGS. No; they will not. The Chairman or Chief of the Joint Chiefs of Staff will take the dispute to the Secretary of Defense or to the President, and one or the other of them will decide.

Let us consider the so-called carrier incident: Question arose in the Joint Chiefs of Staff, "Shall we build an aircraft carrier, or shall we not build one?" The Joint Chiefs of Staff could not agree. Of course, there was nothing to stop the Navy from going ahead and building the carrier, under those circumstances; there was no one to make a decision.

So the dispute was carried to the Secretary of Defense and to the President, and there it was decided that the carrier should not be built.

So the present proposal is that the dispute be carried to the Secretary of Defense and to the President by the Chairman of the Joint Chiefs of Staff, for he will represent the Secretary of Defense and the President. However, he will have no vote. That is where the checks and balances come in. If we gave him a vote, there would be two potential votes for the branch of the service from which he came, as against the two votes by the Chiefs of Staff representing the other two branches of the armed services; and then there would be a stalemate.

After all, as has been pointed out, the President is Commander in Chief of the armed forces; and he can make whatever decision he wishes to make, and no one can prevent him from doing so, for under the Constitution he is the Commander in Chief of the armed forces.

Mr. LODGE. But of course the whole reason for the present proposed legislation originally was, as I understand, that the President, although Commander in Chief, had so many other things to do that it was thought that it would be advisable to have him delegate some of his power as Commander in Chief.

However, under the arrangement proposed in this measure, when there would be a running back to the President all the time, it seems to me that a poor job of delegating that power would be done.

Mr. TYDINGS. Of course, in the first instance we set up the Secretary of Defense, to shield the President from all such matters.

Under the pending proposal, the Chairman or Chief of the Joint Chiefs of Staff would, in the first instance, go to the Secretary of Defense to settle the controversy.

Mr. LODGE. I suppose that "Chairman" is the correct title.

Mr. TYDINGS. Yes.

Mr. LODGE. What I am trying to do is build up the loyalty to an over-all defense structure, loyalty to the armed services as a whole. That is why I wanted to do away with the positions of Secretary of the Army, Secretary of the Navy, and Secretary of the Air Force—not because I want to get rid of civilian supervision, for, on the contrary, I want to have civilian supervision; but I wanted to get away from the "old school tie"

business, and contrariwise, build up an over-all loyalty to the armed services.

So I hope we can build up the Joint Chiefs of Staff to a point where there is a loyalty that is above caste consciousness.

Mr. TYDINGS. I can appreciate the Senator's viewpoint; but the Joint Chiefs of Staff want the arrangement set forth in the pending measure. Certainly if we come to the floor of the Senate with a provision dealing with military conduct that the Joint Chiefs of Staff oppose, we shall have a rather difficult time getting it enacted, because, after all, I think General Eisenhower and General Vandenberg and Admiral Denfeld know more about such matters than we do.

Mr. LODGE. Of course there is no question about that, and I think the Senator from Maryland in making such a suggestion is attempting to throw a red herring across the trail.

Mr. TYDINGS. No; I am not.

Mr. LODGE. Because of course no one questions the knowledge of those gentlemen about military matters. I do not think General Bradley or General Eisenhower or General Vandenberg or Admiral Denfeld would disagree with a word I say about the necessity of developing a loyalty to the armed services as a whole.

Mr. TYDINGS. Neither do I.

Mr. LODGE. That is what we are talking about. That is why I was a little bit perplexed when I saw that in the committee bill the language of subsection (c) of section 211 had been modified from what it had been in the original draft, S. 1269, because in the bill as it stands here it reads:

> Subject to the authority and direction of the President and the Secretary of Defense, it shall be the duty of the Joint Chiefs of Staff to perform, in addition to such other duties as the Secretary of Defense may direct, the following duties—

That, as I see it, is a step toward what I am talking about. Is it not a step toward placing more authority and more influence in the Joint Chiefs of Staff?

Mr. TYDINGS. It is dependent on how one looks at it. I would say to the Senator from Massachusetts they have been performing traditionally the very thing set forth in the bill. But we thought it wise, insofar as we could to give reassurance—and in all these unification measures there is a large dose of reassurance in every program, because that is one of the things we have to work with. We have to let everybody know how there can be unification and to give reassurance at the same time. So far as I am concerned I should simply have written into it that the Joint Chiefs of Staff shall be charged with the military functions of the Department of Defense.

Mr. LODGE. May I ask the Senator a question?

Mr. TYDINGS. Yes.

Mr. LODGE. May I ask the Senator what the significance is in the limitation of "not to exceed 210 officers," in section 212? I noticed that the original bill the Senator introduced provided for practically an equal number of officers from each of the three armed services. Now, the Senator has changed that to a limitation of 210 officers. What is the importance of that?

Mr. TYDINGS. I was in favor of not having any limitation on it. I was confident that the general Chiefs of Staff would not want the Joint Staff any larger than they felt was necessary in order to deal with whatever the exigencies were, and I introduced the bill in that shape, as I remember. But when it came up in committee, certain Senators, whose names I shall not mention, said they might desire to have 1,000 or 2,000 or 5,000 men, even, and therefore we should put a limitation on it. So 200 was suggested, and then 210. That figure was adopted, and it was supposed there would be an approximately equal distribution of one-third for each service. Personally the Senator from Maryland favors no limitation on it. I figure that if we charge the general Chiefs of Staff with the responsibility of preparing the Nation for any possible war, if they want a joint staff, of a certain size, they ought to have it, and I do not see why the Congress of the United States should tell them how large a staff they need or do not need. There are many things we can tell them, but how many men they need to prepare the battle plans against country X, for the Army, Navy, and Air Force, with the atomic bomb and the guided missile and the buzz bomb and everything else, is a little bit more than I am in a position to state. It is only 100 in the present law.

Mr. LODGE. Yes, I think that is very true.

Mr. TYDINGS. I think the Senator from Massachusetts and I see eye to eye on that proposition.

Mr. LODGE. May I ask whether there is any limitation on the size of the Army, the Navy, and the Air Force staff?

Mr. TYDINGS. Not in this bill.

Mr. LODGE. Is there anywhere, does the Senator know?

Mr. TYDINGS. Oh, yes. We have what we call the composition bill which tells the number of personnel, officers and men, who are authorized in the Army, the Navy, and the Air Force. My recollection is that none of them is up to strength at the moment. They are all below the authorized strength.

Mr. LODGE. Are not the Army, Navy, and Air Force staffs larger than the Joint Chiefs of Staff?

Mr. TYDINGS. I do not follow the Senator's question.

Mr. LODGE. There is a limitation on the General Staff of the United States Army. Without that limitation——

Mr. TYDINGS. There is no limitation on who may be on the staffs of the Army, the Navy, or the Air Force.

Mr. LODGE. That is what I am asking.

Mr. TYDINGS. There is a limitation on the Joint Chiefs of Staff.

Mr. LODGE. Oh, yes.

Mr. TYDINGS. But the separate staffs combined, in my opinion—and, I think, accurately—are not as large as the Joint Staff.

Mr. LODGE. I think it is a pity to put a limitation on the size of the staff of the Joint Chiefs of Staff, when there is no limitation on the size of the individual staffs for the individual services. I think it still gives the idea that this loyalty to an integrated whole is still pretty much of a stepchild.

Mr. TYDINGS. I do not want to make this a partisan debate, but we thought so, too. I would say to the Senator, we could not convince some of our friends who sat on the opposite side of the table, and they put this in over the protest of those on the other side.

Mr. LODGE. Of course, so far as I am concerned, there is no partisan politics in this at all.

Mr. TYDINGS. I say that humorously, because I know they were acting from the best of motives, as we were, in opposing this limitation. But I could not convince them they were making a mistake, so we went along with them.

Mr. LODGE. This is a dreadfully serious matter, as I said a moment ago. For the mistakes we make here, we are going to pay, not with dollars but in blood. There is no place for any kind of partisanship in it.

Mr. TYDINGS. I should be glad to have the Senator offer an amendment to strike out the 210. While I would feel in duty bound not to support the amendment, I would not be displeased—and I hope I am not equivocating—if it were adopted.

Mr. LODGE. I shall react to that suggestion, I can assure the Senator. I do not know how much longer the Senate wishes to continue in session. I have four or five more questions, and I shall be glad to go on asking, if the Senator is willing.

Mr. TYDINGS. I should be delighted to answer them, as long as the Senate cares to sit, and as long as the Senator from Massachusetts desires to ask them.

Mr. LODGE. What is the desire of the Senator from Illinois?

Mr. LUCAS. The desire of the Senator from Illinois is to take a recess as soon as the Senator from Massachusetts finishes his inquiry of the Senator from Maryland. As I understand, the Senator from Maryland may not be here tomorrow, and would like to finish his statement tonight.

Mr. LODGE. I do not want to impose on anybody. If the Senator is tired——

Mr. TYDINGS. The Senator is not imposing on me. I think the Senator from Massachusetts is evolving a thought on this that is very useful to all of us. So far as I can contribute the answers, I shall be delighted to endeavor to do so.

Mr. LODGE. I have, then, three or four more questions, and I think they are important. I notice that on page 9 there are listed seven duties which the Joint Chiefs of Staff are to perform.

Mr. TYDINGS. That is the same as the existing law, let me say to the Senator.

Mr. LODGE. There were nine duties listed in the committee print.

Mr. TYDINGS. I think we went back to the original wording. I think we took the original wording, but I forget the nuances which motivated us in that conflict.

Mr. LODGE. I should like to know whether the Joint Chiefs of Staff, under this new legislation, will be able to make plans for the employment of the total military manpower of the country, or whether the different services, the Army, the Navy, the Air Force, the Coast Guard, and the Marine Corps, are all going to go into a higgledy-piggledy competition for recruiting, enlistment, and so on, as they have done in the past, with of course, enormously wasteful consequences. Will the Joint Chiefs of Staff under this bill be able to make a thorough and scientific determination as to the allocation of our supplies of manpower?

Mr. TYDINGS. Does the Senator mean in time of war, or now?

Mr. LODGE. Either, or both.

Mr. TYDINGS. All they can do now, of course, is to determine by the amount of money we appropriate for pay of the officers and personnel in the three services. That will be a definite sum of money, and it will in effect fix the number of officers and men in each of the three services; which I apprehend will be less than enough to bring the three services up to full strength. In time of war or at the approach of war, we would probably not only have a draft act but we would enforce it and see that we got enough men. We would appropriate the money, so that between all our actions we would have in time of war enough men and officers to man the three services. However, as the Senator well knows, the National Security Resources Board is supposed to make plans for a division of the population between the Army and the civilian functions, so that the supply may be ample for those we have in the service, so that the food may be ample for those we have in the service, so that the workers may make the consumers' goods for those who are not in the service and who are making things for the service. All of that requires a great deal of planning. That function per se in its initial stages is performed by the National Security Resources Board for the Joint Chiefs of Staff, for the President, and for the Secretary of Defense. Within that recommendation, the Joint Chiefs of Staff then, if they have the money, can have all of the forces that they require, that are authorized by Congress. That is the best way I can answer that question.

Mr. LODGE. Let me put it to the Senator in a realistic manner. Take the last war as an example. Young men wanted to go into the Marine Corps, they wanted to go into the Air Corps, they wanted to go into the Navy. Practically nobody wanted to go into the Infantry. We simply could not win the war without large quantities of infantry. It became a very serious problem. The boys did not want to go into the Infantry.

Mr. TYDINGS. It is the best branch, the most deserving branch, in all three departments. It is the branch with which the Senator from Maryland was formerly identified in World War I. Without that branch, I doubt if the Republic would be in existence, because from George Washington to the present time the boys in the Infantry have been the boys who have slugged it out and have brought home the bacon.

Mr. LODGE. That is just it. When I say Infantry I include the Marine Corps because it is the rifle companies which take the heavy losses. They are very much heavier than in any other kind of warfare. I believe that is borne out by statistics.

So we confront a situation in which we cannot win wars without having many young men in rifle companies. That has nothing to do with what people want to do; that is the way it is. If we are going to place a great many young men in rifle companies, the least we can do is to provide them with good leadership, good young officers, and there is only so much young military leadership available. If that leadership goes where it wants to go, it will go into the Air Force, into the Navy, or into the Marine Corps, and there would not be sufficient young leadership assigned to the Infantry. They are entitled to good leadership when they come up against the grim facts of war.

Are the Joint Chiefs of Staff to have a right to study that problem and make recommendations with reference to it, so that this precious nucleus of young military leadership, which is always very limited in any country—it is like radium; it is the lodestone of our whole military effort—so that this precious leadership is allocated where it will do the most good, and not necessarily where it wants to go?

Mr. TYDINGS. I am sure I can answer the Senator's question. The way it would work out would be as follows: There would be a balance struck between those who might be required to work for the war effort and those required to work in the war effort, in uniform. Once that balance was struck and the number of men fixed, the Joint Chiefs of Staff would open the allocations in the Air, the Navy, the Marine Corps, or the Army. They could go further and include the Artillery, the Infantry, the Quartermaster Corps, the Signal Corps, the Transport Corps, or what not. They could fix the number and could regulate it entirely by siphoning the men who would come in under the draft to that branch of the armed services best fitted for the defense of the country.

Mr. LODGE. Is it planned to do that?

Mr. TYDINGS. Yes; because the National Security Resources Board is specifically charged with making such a study and being always ready for the Joint Chiefs of Staff in the event war comes upon us or we are threatened with war.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Illinois.

Mr. LUCAS. It has always been that way. In World War I the Senator from Illinois had an experience of that kind. In other words, at Fort Griffin, Ga., I was selected, depending upon the abilities I had. But certainly no one would want to take away from any enlisted man the right to enlist in any branch of the service he preferred, until the quota was filled.

Mr. TYDINGS. That is correct. I think the Senator from Illinois may be under the impression that the colloquy between the Senator from Massachusetts and me may have left someone with a false impression. We want a man to go into whatever branch of the armed services he chooses, so far as the need of the organization and his own talents will permit. As I understood the Senator's question, it was that that probably could be fixed by the Joint Chiefs of Staff.

Mr. LUCAS. I agree with the Senator.

Mr. TYDINGS. I am sure there is nothing in the bill which would prevent that. All the machinery is established to accomplish the objectives mentioned by the Senator.

Mr. LODGE. It is highly desirable for a man to go into the service he wishes to enter, but there is nothing like enough men who want to go into the Infantry. That is where the problem arises.

I should like to ask one more question. The Senator has been very patient with me, and I hope I shall not wear him out.

Mr. TYDINGS. I am glad to have the Senator's questions, because I think they have brought out many points we did not have time to bring out previously. Further, we think the bill is so good that within the limitations of possibility it is probably as far-reaching and valuable a piece of legislation as we can put through affecting the Military Establishment in time of peace.

Mr. LODGE. In the committee print, page 4, appears paragraph (3) of section 202. Beginning in line 19 there is added language some of which was not in the committee print, and some of which was; but the last part of it was not. I should like to read the whole paragraph. These are the duties imposed on the Secretary of Defense:

> Taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary—

There is where we save money in time of peace, and there is where we get the most out of the manpower in time of war—

> to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel, and in such other fields as he may deem proper—

One would think there would be a period at that point; but here comes a "but." We must always look out for the word "but"—

> but this shall not be construed to authorize the Secretary of Defense to reassign the combatant functions assigned to the military departments by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof, or—

Here comes the "or"—

> or to make transfers of military personnel from one military department to another or to make details or assignments of military personnel in a manner substantially to effect or change such assigned combatant functions.

That is the part to which I wish to invite the attention of the Senator from Maryland. I should like to ask him why it was necessary to put in that "but" and that "or." Is there anything in the law now which enables the Department of Defense to transfer those functions?

Mr. TYDINGS. That is in the law now.

Mr. LODGE. Why was it put in?

Mr. TYDINGS. Again?

Mr. LODGE. Yes.

Mr. TYDINGS. Just to reassure people who had to be reassured in order to get enough votes to get a proper law through the Congress.

Mr. LODGE. Who are the people who have so many votes and so much influence that they have to be reassured by a repetition of the law? I should like to know that.

Mr. TYDINGS. There are some on both sides of the aisle who wanted that reassurance.

Mr. LODGE. I am not speaking politically.

Mr. TYDINGS. If the Senator will talk with his colleagues on the other side of the aisle who served on the committee, he will find that some of this reassurance was pretty strongly urged by Members on this side and on the other side of the aisle.

Mr. LODGE. I should really like to know who it is who has so many votes and so much influence that we have to restate the law in order to get this bill passed.

Mr. TYDINGS. Does the Senator want me to call names?

Mr. LODGE. Yes; I do not say names of Senators, but names of the one for whom they speak.

Mr. TYDINGS. Let me say to the Senator from Massachusetts, to show him that I do not think these things are as serious as cold type appears, that today in executive session the Secretary of Defense appeared before our committee and told us of a highly confidential consolidation which had just taken place in the three branches of the service, of the very highest priority—and I cannot be any more specific—which saves thousands of men, and I believe, and he stated verbatim, millions and millions of dollars. That was done with the approval finally of the three branches of the service. They like to be reassured.

One branch will have a sort of a patent on a certain function. Then the others want to duplicate that function so that they will not have to use the function of the branch which originally set up this particular performance. After a while the three of them have the function. We will liken it to the use of an automobile. Each branch has an automobile. The Secretary says, "You fellows don't need three automobiles. You are all going to the same place. I am going to do away with two of these and you can all ride in one vehicle." That was all disclosed today, for reasons which cannot be publicized. I have no doubt in the world that by unification many hundreds of men will be turned loose and made free for use in other services, and millions of dollars are going to be saved in equipment and everything else connected with the operation.

To read the language, one would almost assume that that could not be done, but I can tell the Senator that to my certain knowledge Secretary Forrestal made several of these proposals, and gave them no publicity, some of them in the classified realm, and already Mr. Johnson has made several, and they are saving men and saving money. If we are to have an adequate national defense we have to save money in order to get the defense we must have. We cannot spend any more.

Mr. LODGE. That is what I am arguing for, and I think it is very extraordinary that as able a Senator as the Senator from Maryland, as brilliant as he is, as quick-witted as he is, and as conversant with the subject as he is, can give me only one answer, and say that it is because of influential people who have votes up here. That is the only answer he gives. As able as the Senator is, if there were a good answer, he would give it to me.

Mr. TYDINGS. I say this to the Senator from Massachusetts—and I have a smile on my face because I see several of the members of my committee on the floor, for which I am grateful—that the Senator from Maryland tried for 3 weeks, on a proposiiton which he initiated, to get his committee to go along with him, and his committee would not do so, but left him stranded high and dry after 3 weeks of pretty stiff argument. So that there are points in the minds and convictions of men which it is not possible to get them to surrender.

Mr. LODGE. I wish they would come out and say these things on the floor of the Senate.

Mr. TYDINGS. Whether they are right or wrong, they believe in them intensely.

Mr. LODGE. What do they believe?

Mr. TYDINGS. And when one works and works and whittles away at the arguments and cannot accomplish what he seeks, there is only one thing to do, and that is salvage everything possible.

Mr. LODGE. I know about that, and the Senator is very practical in salvaging, and I honor him for it. But what are these convictions? Why, if it is so important, does not someone rise and show its importance?

Mr. TYDINGS. The Secretary of Defense, Mr. Johnson, came before the committee and recommended this language.

Mr. LODGE. This language?

Mr. TYDINGS. The "but" language.

Mr. LODGE. The Secretary of Defense?

Mr. TYDINGS. The Secretary of Defense, because he told us very frankly that he doubted whether the bill could pass both Houses without it.

Mr. LODGE. This was on his recommendation?

Mr. TYDINGS. On his recommendation. There are those who did not want it, and I was one, but felt that we should not insist on 10 percent and lose the whole bill, because it has so many good things in it which would save money.

Mr. LODGE. This is one of the bad things which I would like to take out.

Mr. TYDINGS. The Senator can offer an amendment on the floor, and I cannot vote with him, because I am for the committee bill, but my sympathies will be with him.

Mr. LODGE. May I ask the Senator to refer me to the page of the record where the Secretary of Defense asked for that language?

Mr. TYDINGS. I believe I owe my committee an apology. I believe that was in executive session.

Mr. LODGE. If the Secretary of Defense wants that language in—and I am sure he is man enough to come and say so openly, though I should be surprised if he did—then I should like to have him come and say it openly.

We recall how the engineers engaged in lobbying against any reorganization law. They were afraid. They did not have to be afraid. Their Corps has a marvelous standing, a wonderful reputation. They do not have to be pried or jimmied into the law by some special act. By the same token there is not a single branch of the service that is worth its salt that needs to have this type of artificial, legalistic limitation written into the law. I think that if we were to spend the national defense money the way the Senator and I spend our own money, we could have, not $500,000,000, not a billion, not a billion and a half, but two and a half billion, easily, in my judgment, and we would probably have just as much fighting strength, just as much fire power, when we got through. Some feelings would be hurt, but not at the taxpayers' expense. But to ask the Secretary of Defense to make all these savings and all these economies and then to put a big "but" in there, that he cannot take Joe Doakes here and put him over somewhere else where he is needed, to my mind is a contradiction in terms. And that is in time of peace.

In time of war, are we to say, "We want the land battle, and now we are fighting a sea battle. We have 40 divisions, but they are going to do squads right and squads left, although they are badly needed to go into the Navy, and swab the decks. But they cannot do it because we must not transfer men to the posts where they are needed." During the last war I think fully one-third of the junior officers were taken out of the division in which I served in order to enter the Air Force. It was smart and realistic. We had to win the air war. Then in 1945 the Army got to the point where they were running short of men for the Infantry and they took fellows out of the Air Force and put them into the Infantry. They said, "This is not a private club. It is a war, and we have to win."

When I first went to Libya in 1942 it was common talk all through the British Army—I do not vouch for the accuracy of the details—but the general talk was that the British Army was so divided up in watertight compartments that the replacements would come out from England for the Coldstream Guards, for instance, but they could not take a boy out of the Coldstream Guards and put him into the Queen's Hussars because of those limiting laws and regulations.

Mr. TYDINGS. We do not have that trouble in our Military Establishment.

Mr. LODGE. If we had had this system in the last war we would not have been able to shift the men all around.

Mr. TYDINGS. The Senator is entirely wrong.

Mr. LODGE. No, I am not. I wish I were, but I am not.

Mr. TYDINGS. There is nothing in the bill which prevents a transfer of marines to the Army, or of the air men to the Army, or of Army men to the Navy, unless it destroys the Marine Corps, destroys the Navy, or destroys the Army.

Mr. LODGE. Where does the Senator read that?

Mr. TYDINGS. This was put in because it was assumed that so many could be transferred in homeopathic doses that the whole business could be done. The bill itself provides that transfers can take place, but they cannot take place to such an extent that it would destroy the organization from which a transfer is made.

Mr. LODGE. Where does it say anything about destroying? I thought we were trying to destroy the enemy, not to destroy ourselves.

Mr. TYDINGS. Let me read it to the Senator. It is subsection (3), line 15, page 4:

> Taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary, to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, personnel, health, research, and in such other fields as he may deem proper, but this shall not be construed to authorize the Secretary of Defense to reassign the combatant functions assigned to the military departments and other roles and missions——

Mr. LODGE. The Senator has left out the words "or to make transfers of military personnel." Am I reading from the wrong bill? I am reading from page 4 of Senate bill 1843. The words appear therein, "or to make transfers of military personnel from one military department to another."

Mr. TYDINGS. Yes, but I am showing the way the Secretary of Defense sent it over to us and asked us to pass it.

Mr. LODGE. That does not answer my question as to why it was done.

Mr. TYDINGS. The point I want to make with the Senator, and I want to make sure that he understands it, is that you can take men out of the Marine Corps and put them in the Army, or you can take men out of the Army and the Navy and put them in the Marine Corps under the existing law.

Mr. LODGE. You cannot transfer them. They have to resign, do they not?

Mr. TYDINGS. No; they can be transferred temporarily. A company or a battalion can be transferred and work together with the Army.

Mr. LODGE. Yes. That is different. I am not talking about attaching a company. I know that a certain number of men can be detailed and attached to another group. But during the war we took men out of the Army and actually placed them in the Air Force.

Mr. TYDINGS. First of all, legally a man could not be taken from one branch and placed in the other if he did not want to have it done. Let me explain to the Senator. When a man is commissioned in the Army of the United States no one can transfer him out of the Army. His commission is a binding contract between him and his Government.

Mr. LODGE. I know that. I myself was commissioned.

Mr. TYDINGS. He is commissioned for one particular purpose, and he cannot be transferred without his consent. John Doe receives a piece of parchment showing that he is hereby commissioned a lieutenant or a captain or a colonel or a general in the Army of the United States. But he can be transferred, he can be attached, he can be assigned to recruiting service, to training with the Navy, to any one of a number of functions, to serve with them. But his home, his parent organization, in spite of the fact that he may serve with the Navy, is the Army, if he is commissioned in the Army of the United States.

Mr. LODGE. That I think is old-fashioned and out of date, and I speak as a man who has a commission in the Army. I have such a parchment as the Senator speaks of. I think that is old-fashioned. I think the whole thing must be more fluid.

Mr. TYDINGS. So long as he is commissioned he cannot be transferred.

Mr. LODGE. It can be done in the future. This provision of the bill is a military monstrosity, I will say very candidly, and it goes against all the experience and the realism of war. Although the Senator from Maryland has been very tactful, and he has not given away the hand at all, and he has not betrayed any confidences on the part of his colleagues, and he has not come out and said what the real reason for this thing is, it looks to me as though it were a device to protect some particular interest.

Mr. TYDINGS. Just a minute, Mr. President. The Senator from Maryland is not withholding anything from the Senator from Massachusetts. I want to get that plain. If the Senator has gained the impression that there is any deceit in anything the Senator from Maryland is saying——

Mr. LODGE. No; I do not think it is deceit. I think it is discretion.

Mr. TYDINGS. Well, even discretion. If I am to be criticized for not being frank, I will say that I have nothing to hide. I will say frankly that I am for this bill, though there are parts of it with which I do not agree. But I can go through, with the help of my committee, in framing a piece of legislation that will save a billion or one billion and one-half dollars a year, as former President Hoover says, and contribute immeasurably to unification. Even though it is not a perfect measure, I am willing to make a few minor sacrifices to make the saving.

Mr. LODGE. I have not criticized the Senator at all. And I am in favor of saving a billion and a half dollars. I think this bill is a step in the right direction. I think it falters here and there. I think if the bill were amended in one or two particulars probably an extra billion dollars might be saved. I do not think we have the idea in our head realistically that there has got to be a loyalty to the armed forces as a whole, there has got to be a recognition of the fact that this country is very short of manpower, that in any war in the future we cannot waste our manpower for sentimental reasons, but will have to use it where it does the most good.

Mr. TYDINGS. I hope the Senator will offer an amendment at the proper place, when we have the matter under consideration; and if he can induce Congress to wipe out these roles and missions, in view of the strength that I know will develop in opposition thereto, I shall be glad to support him.

Mr. LODGE. I am not making any bets as to my success, because when the Senator from Maryland speaks about the influences that control so many votes here, I am sure he is correct. I know the case I plead has no glamor to it. It is based on the reality of war, and war is a very ugly thing, and there is no attraction to it, but I shall offer the amendment in any case.

Mr. TYDINGS. Mr. President, I ask unanimous consent to have placed in the RECORD at this point a short explanatory statement dealing with the budget provisions.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

> Section 10, which begins at the bottom of page 16, contains the provisions which call for a complete overhaul of the budget and accounting practices in the National Military Establishment. This section sets up in the Office of the Secretary of Defense a Comptroller, who is made responsible to the Secretary for all budgeting and accounting policies and practices. A similar arrangement is prescribed within each military department, with the added provision that the practices and policies in each of the three military departments shall be patterned after those prescribed by the Comptroller in the Department of Defense.
>
> The section also provides that future budget estimates submitted by the Military Establishment shall be on a performance, or functional, basis, rather than on the present "things to be acquired" basis.
>
> Provision is also made in this section for necessary program adjustments within each military department so as to permit of a better utilization of appropriated funds. The establishment of working-capital funds for all three services in the manner similar to that now prescribed for the Navy stock fund is also authorized. Provision is also made for management funds in the three services, similar to the naval emergency fund established in 1945.
>
> All of the provisions of this section have the approval and the enthusiastic endorsement of the Hoover Commission. They are also concurred in by the General Accounting Office, the Department of the Treasury, and the Secretary of Defense. I must admit that some of the provisions of this section might be accomplished without specific statutory direction, but the committee felt that it was necessary that some affirmative stand be taken by the Congress to direct that these necessary measures be undertaken without delay. The authority has existed for years, but nothing constructive has happened in this field. The committee therefore feels that the Congress should direct that these necessary reforms be gotten under way by enacting this type of amendment.

Mr. TYDINGS. Mr. President, I should like to say, following that statement, that one of the reasons I did not explain in more detail the budget provisions is that they are highly technical. The provisions must be read, and it is necessary to have face to face conversa-

tion in order to explain them in all their ramifications. But I should like to say before leaving this phase of the subject, that they were worked out with Mr. McNeil, who has been the budget expert in the Department of Defense, Mr. Eberstadt in the committee, and numerous others. I believe that without further explanation the Senate will be very wise to accept them.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LODGE. During the course of the debate something was said to the effect that former Secretary of War Patterson was in favor of merger. I have just looked up his statement under date of November 9, in his capacity as member of the national security organization:

> The War Department proposal was to have a single department of defense, under a single secretary. The single department was to have three branches of equal status—Army, Navy, and Air.

That is not a merger. It is the exact opposite.

Mr. WHERRY. Mr. President, this afternoon the Senate has been considering Senate bill 1843. The Senator in charge of the measure, the Senator from Maryland [Mr. TYDINGS], estimates that by passing the bill a saving can be made of $1,500,000,000. The Senator from Massachusetts [Mr. LODGE] stated that if we accept a couple of amendments he would propose, an additional $2,000,000,000 could be saved. The Senator from Massachusetts did not seem to be encouraged over the success of his amendments. I hope he offers his amendments. I think that any amendment which will result in saving $2,000,000,000, and at the same time keep the Army, the Navy, and the Air Force strong fighting organizations, is worthy of the attention of the Members of the United States Senate. Even though the Senator's amendment may be lost now, the cause is not necessarily lost in the long run.

This afternoon there was reported from the Committee on Appropriations of the House of Representatives a bill entitled "A bill making appropriations for foreign aid for the fiscal year ending June 30, 1950." This is the so-called ECA appropriation bill. The bill has not been passed by the House, but I should like to say for the benefit of the Members of the Senate that the amount which would be allocated under that bill, compared with the $5,580,000,000 authorization the Senate passed and sent to the House for the 1 year for which the appropriation is effective, beginning next July, is $4,288,000,000. One quarter of the year would already be gone. There is no use trying to save anything for that period. But the $4,288,000,000 would be the full amount of the House ECA bill for the year beginning July 1, 1949, and ending on June 30, 1950. The House made a searching investigation of the ECA needs, and what might be saved. I hope the same will be done in connection with the national defense.

No Senator has done more to support national defense than has the junior Senator from Nebraska. The junior Senator from Nebraska was one of the Senators who last year took the lead to have a force of 70 air squadrons established. I want to follow the advice of the military men, because I think when it comes to military matters a layman must give way to the judgment of military men. We must take the advice of military men respecting national defense. Even the national defense appropriations should be scrutinized. If two and a half billion dollars can be saved, I think the amendments should be offered, even though they are not approved in the Senate at this time.

Let me tell the Senate what the Appropriations Committee of the House did in connection with the ECA bill. First, a subcommittee went over the appropriation of $4,288,000,000, and reported to the full committee a recommendation for the appropriation of $4,015,900,000. Then the full committee considered the recommendation and, believe it or not, it reported the bill to the House in the amount of $3,563,470,000. That is 17⅔ percent less than what was authorized by the Senate several weeks ago.

Mr. President, I do not want to stand here and say "I told you so," or to defend the amendment which I offered, providing for a reduction of 15 percent. That amendment was lost, there being only 14 or 15 votes for it. The point I make is that the House Appropriations Committee did a good job. It investigated the subject, and reconciled earlier prices with today's prices, and recommended a reduction of 17⅔ percent from the amount of the authorization passed by the Senate.

I wish to compliment the distinguished chairman of the committee [Mr. TYDINGS] and the Senator from Massachusetts [Mr. LODGE]. I have enjoyed every moment of this debate. But I hope the Senator from Massachusetts will offer his amendments. I think they are worthy of consideration. I certainly feel that in the interest of economy we must reduce appropriations all along the line. I admit that we must have an adequate national defense, but I hope that members of the Armed Services Committee will bring their amendments to the floor of the Senate and give us an opportunity to hear the debate pro and con. I hope the Senate will follow the example of the House in connection with the ECA bill. We should appropriate enough, but we should give the subject full consideration, so that we may keep the financial policy of the United States Government sound. We must cut the cloth to fit the pattern, so that we can avoid increasing taxes and deficit spending. I believe that all Members of the Senate on both sides of the aisle can subscribe to that philosophy and those recommendations.

WORLD ASSEMBLY FOR MORAL REARMAMENT

Mr. CAIN. Mr. President, I have a brief statement to make, and an invitation to offer to Members of the Senate.

In connection with the Foreign Ministers meeting on Germany in Paris, the general concern about the future of our policy in western Europe, which has been high lighted in recent days by the lifting of the Berlin blockade, the return of General Clay, and the extended hearings on the North Atlantic Pact, I wish to invite the attention of the Senate to a forthcoming conference in Europe which, I believe, will make a decisive contribution in our efforts to expand the frontiers of freedom.

Many of my colleagues know that the junior Senator from Washington was one of a Congressional delegation who last year attended the World Assembly for Moral Rearmament at Caux, Switzerland. In recent years many Senators and Representatives have visited this beautiful spot and found it to be one of the most hopeful developments in postwar Europe. As I wrote to General Clay last fall, I found there "the only available and reasonable answer to the sweeping tide of communism."

Before attending this conference I was far from satisfied that appropriating billions of dollars for European aid was going to do the job. After seeing what was going on in Europe I can say with conviction that material things, when provided within reason and when properly administered can give us a legitimate run for our money, because behind them, and more important, the spirit, first of Europe and then of the world, is being rejuvenated and revitalized.

When present at the conference I urged that the program be given fullest scope in Germany itself. I am very happy to learn that the French Foreign Minister has been so impressed with the results achieved in that country that he has asked to meet with the leaders of western Germany at Caux in early June. This conference, which is scheduled from June 4 to 12, gives a unique opportunity to Senators to confer with German leaders and to explore and mold German opinion at a moment most critical for the west. Already the minister-presidents of most of the states of the western zones have accepted, along with Dr. Konrad Adenauer, president of the constitutional assembly at Bonn; Hans Boeckler, chairman of the trade-union council, British zone; Alfred Hartmann, finance director of Bizonia; and August Schmdit, president of the Ruhr mine workers. Among the representative statesmen who are planning to take part in the conference are members of the cabinets of France, Switzerland, Greece, and Japan, and parliamentary delegates from Italy and other countries.

In light of the caliber of the delegates from other countries it is of extreme importance that the United States be adequately represented. It would take months of travel to meet these men, and may I say from experience that they would never be so accessible anywhere else.

Statesmanship today demands the seizing of an occasion like this to build relations in an atmosphere which these statesmen feel—and I can confirm their judgment to be the one hope for Europe's future. This opportunity taken in the early twenties might have prevented war. Now it can unite the leadership of the democratic nations in a fight for a free world. I believe this is a historic opportunity for Members of this body not only to meet world leaders and know

conditions from these authentic sources, but also to report to America what they find and kindle nationally the fight for democracy's inspired ideology as the one hope for peace in the new world.

There will be a special plane for Members of Congress and other American citizens leaving LaGuardia Airport June 2 for Geneva and the Caux Conference. Although, as I have said, the conference is from June 4 to 12, Members of Congress could attend for a shorter period. I myself was gone from this country last fall for only 6 days, and found it eminently worth while. That visit is still so rich an experience for me that I urge my colleagues to give a thoughtful and cordial welcome to any invitation they may receive for this forthcoming conference.

I want to think, Mr. President, that the Chair might find it convenient and proper to appoint an unofficial committee of Senators from both sides of the aisle to attend this conference and to report back in an informal way its results.

I believe it would be of immense value in our deliberations to have in our midst and at our disposal a first-hand knowledge of the thinking and insight afforded by the statesmen who will be gathered in Caux.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the body of the invitation which has come to hand.

There being no objection, the invitation was ordered to be printed in the RECORD, as follows:

THIS IS A PERSONAL INVITATION — WORLD ASSEMBLY FOR MORAL REARMAMENT — THE IDEOLOGY OF INSPIRED DEMOCRACY

(R. S. V. P. Philippe Mottu, the Mountain House, Caux-sur-Montreux)

(June 4–12, 1949, Caux-sur-Montreux, Switzerland)

ROBERT SCHUMAN, FOREIGN MINISTER OF FRANCE

In the economic field we have the Marshall plan. In the political and military field we have the Atlantic Pact. Now we need to give ideological content to the lives of the millions of Europe. We must reach the people so that the pact will be sustained by a deep change in the way of life of the western world.

DR. KARL ARNOLD, MINISTER-PRESIDENT OF NORTH RHINE-WESTPHALIA, GERMANY

We must reeducate people in democracy. Make a citizen aware he has as much responsibility for the actions of the state in which he lives as he has for his own personal action. "As I am so is my nation."

Moral rearmament has a tremendous part to play in this program. It is something that people trust. It wins their hearts and gets inside their minds. It can be the means of thawing our frozen hearts. That is our great task today. The basis of European unity is not political or economic or industrial. We have to begin at the spiritual end. We Europeans have forgotten how to think organically. What is the use of a head or a hand on its own? When you have all the parts working together, then you have a body. That is the philosophy of moral rearmament.

IGINO GIORDANI, MEMBER OF THE ITALIAN PARLIAMENT AND EDITOR OF FIDES

Barriers of race and class have been banished from Caux, this home of hospitality, and in their place has been discovered the spirit of simple human understanding. Moral rearmament breaks down individualism on the one hand and materialism on the other and creates that universal love which is an essential part of Catholic religious life. Dr. Buchman has succeeded with fearless determination and consistence in achieving the aim of the Catholic Englishman, Chesterton—to mobilize the forces of good to do battle against evil.

GEN. HENRI GUISAN, WARTIME COMMANDER IN CHIEF OF THE SWISS ARMY

Switzerland, Europe's most ancient democracy, understands moral rearmament, and that is why we are proud to think that its European headquarters is situated in our country.

During the last decades Switzerland has tried to give the best she had to assuage the misery and sufferings caused by war. Through moral rearmament a new opportunity opens before our people to bring to Europe the secret of a living democracy inspired by Almighty God.

SENATOR KARL E. MUNDT, AS COCHAIRMAN OF THE SMITH-MUNDT COMMITTEE, UNITED STATES CONGRESS

Our committee paid a visit to Caux to the Moral Rearmament Conference which in some ways comprised the brightest star for the future we have witnessed in all Europe. Some of its achievements to date are little short of miraculous. There we met Dr. Frank Buchman, the sponsor of moral rearmament, and saw the world premiere of the new dramatic review, the Good Road.

Europe and the world today need moral revitalization and rearmament. No man could attend the conference in Caux and watch the emotions of a new hope light the faces of the people there and not come away convinced that the organized forces of good in this world can defeat the organized forces of evil.

SIR ZAFRULLAH KHAN, FOREIGN MINISTER OF PAKISTAN

I am convinced that moral rearmament is the world's supreme need at the moment. Only through sustained effort in that direction can mankind win through to its true redemption.

SIR PATRICK DOLLAN, EDITOR OF THE SCOTTISH DAILY HERALD

In the shipyards, steel works, and factories of Clydeside, moral rearmament is providing men and women with a new dynamic. What I have seen, not only in my own country but among the ruined cities of Germany, has convinced me that this inspired Christian ideology can bring about the rebirth of nations. It is the one sure hope for a crumbling civilization.

DR. HANS BOECKLER, CHAIRMAN OF THE TRADE-UNION CONGRESS OF THE BRITISH ZONE, GERMANY

If men are to be free from the old and the outmoded, it can only happen as they set themselves a new goal, and place in the forefront humanity and moral values. I believe that moral rearmament can bring about a definite improvement for mankind in many areas of life. When men change the structure of society changes, and when the structure of society changes men change. Both go together and both are necessary. The goal which moral rearmament strives to reach is the same as that for which I am fighting as a trade-unionist.

DR. FRANK N. D. BUCHMAN IN A WORLD BROADCAST FROM CAUX

A generation ago the force of moral rearmament began fighting. On a world front it has been answering plan with plan, idea with idea, a militant godless materialism with a militant inspired ideology for democracy.

The idea caught hold. It armed men. It impacted nation after nation. Now it girdles the globe. Today at the moral rearmament assembly at Caux we see this force in action with the answer, available for service. At a time when statesmen realize the lateness of the hour, it freely offers the fruit of 25 years of toil. A force in the war of ideas, with the training and experience which, under God, can equip the statesmen and the ordinary man with an ideology adequate to remake the nations—now.

The assembly will be attended by political and industrial leaders from many nations. Cabinet Ministers from the various countries have already intimated their desire to be present.

During the assembly the world preview will take place of the film the Good Road, now being made in Lausanne by one of Hollywood's ablest directors, Edward Griffith, assisted by a corps of Hollywood artists. The film will go out to a world market in the language of each country.

Performances of the Forgotten Factor and other ideological weapons will be features of the assembly. There will be songs by the Mackinac singers.

Mr. CAIN. Mr. President, I should like to underline the statement of Foreign Minister Robert Schuman when he says:

In the economic field we have the Marshall plan. In the political and military field we have the Atlantic Pact. Now we need to give ideological content to the lives of the millions of Europe. We must reach the people so that the pact will be sustained by a deep change in the way of life of the Western World.

EXTENSION OF TIME FOR ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. LUCAS. Mr. President, this afternoon when the calendar was being called, House bill 1754, Calendar 393, a bill to extend the time for the completion of annual assessment work on mining claims, was objected to by the senior Senator from Nevada [Mr. MCCARRAN]. Later in conversation with the Senator from Montana [Mr. MURRAY], and after a full explanation of the bill, the Senator from Nevada agreed to withdraw his objection.

I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, I do not wish to disappoint the distinguished majority leader, but I do know that the junior Senator from Colorado [Mr. MILLIKIN] is very much interested in this proposed legislation. I believe that at the time the bill went over it was the junior Senator from Maryland who made the objection.

Mr. LUCAS. No; the senior Senator from Nevada [Mr. MCCARRAN] made the objection, but later, in conference with the Senator from Montana [Mr. MURRAY], he withdrew his objection. That is the only reason I am bringing it up at this time. If there is any other objection, I am not aware of it.

Mr. WHERRY. I should like very much to get in touch with the distinguished Senator from Colorado [Mr.

MILLIKIN]. I know that he wanted to be present when the bill was considered. I am informed that he favors the bill.

Mr. MILLIKIN entered the Chamber.

Mr. WHERRY. Mr. President, the Senator from Colorado is now present in the Chamber. I have no objection to the present consideration of the bill.

Mr. MILLIKIN. Mr. President, I have learned with great pleasure that the objection to this bill has been withdrawn. There is a very essential time element involved. If our miners are to do assessment work, they must get it done before the end of June; and if they are not to do it, they must make their plans accordingly. So I wish to express my appreciation for the withdrawal of the objection to the bill, and I am delighted that action can be taken on it now.

Mr. LUCAS. Mr. President, I am making this report for the senior Senator from Montana [Mr. MURRAY], who was compelled to leave the Chamber before this hour.

There is a slight amendment to be made on page 2, in line 11.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian, July 1, 1949, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby suspended as to all mining claims in the United States until the hour of 12 o'clock meridian of the 1st day of July 1949: *Provided*, That every claimant of any such mining claim in order to obtain the benefits of this act shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock meridian of July 1, 1949, a notice of his desire to hold said mining claim under this act.

SEC. 2. Notwithstanding the provisions of any act of Congress to the contrary, any person who hereafter prospects for, mines, or removes any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be construed to impair any vested right in existence on the effective date of this section.

Mr. LUCAS. Mr. President, I move to amend the committee amendment on page 2, in line 11, by striking out the date "1949" and inserting in lieu thereof "1950."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The Chair calls attention to the fact that the same date appears in line 15.

Mr. LUCAS. That is correct; and I move that the committee amendment be amended, in line 15, so as to change the date "1949" to "1950."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act providing for the suspension of annual assessment work on mining claims held by location in the United States and enlarging the liability for damages caused to stock raising and other homesteads by mining activities."

LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, I should like to ask a question of the distinguished majority leader. If the Senate completes action on Senate bill 1843 tomorrow, of course the unfinished business will be the so-called Reciprocal Trade Agreements Extension Act. What does the distinguished Senator from Illinois intend to do about it, in the event the Senator from Georgia is not able to present that measure tomorrow?

Mr. LUCAS. In response to the inquiry by the distinguished minority leader, I wish to say that we shall proceed to the consideration of House bill 2663, Calendar No. 90, an act to provide for the administration of the Central Intelligence Agency. I am sure that will be the order of business in the Senate, because in conversation with the able Senator from Georgia today, he indicated that he would not be able to present the Reciprocal Trade Agreements Extension Act tomorrow.

Mr. WHERRY. I am not attempting to get a commitment from the able majority leader; but in the event that Calendar No. 90, House bill 2663, is taken up and disposed of tomorrow before the end of the day, does the able majority leader have any idea that it might be possible for the Senate to take up the measure providing for the 15-month so-called moratorium, as provided in the Myers bill relating to the freight-rate basing-point issue?

Mr. LUCAS. Yes; there is a good possibility that that measure will be taken up.

Mr. WHERRY. I thank the Senator. Senators on both sides of the aisle have manifested considerable interest in the bill, and I hope the majority leader will give consideration to having the Senate take it up, in the event the able Senator from Georgia [Mr. GEORGE] is not in a position to present the Reciprocal Trade Agreements Extension Act tomorrow.

Mr. LUCAS. Of course, there is considerable interest in the Myers bill on the part of a number of Senators, and I hope it will be possible for the bill to be considered by the Senate tomorrow, in the event the developments just mentioned occur.

Mr. WHERRY. I thank the Senator.

RECESS

Mr. LUCAS. Mr. President, out of respect to the memory of the late James Forrestal, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 24, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 23, 1949:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, effective June 3, 1949, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Louis Edward Abele
Charles Milton Adams
Boyde Winston Allen, Jr.
Harold Raymond Anderegg
Curtis Langford Anders
Alfred Julius Anderson
Robert Benjamin Andreen
John Quirn Arnette
Charles Thompson Baker
Jesmond Dene Balmer, Jr.
Thomas Fuller Bamford
Samuel Lyman Barber, Jr.
Raymon Clay Barlow, Jr.
Raymond Ripley Battreall, Jr.
Louis Pintard Bayard
Clyde Beauchamp Bell, Jr.
John Arthur Bender
Earl Craig Betts
John Howard Birrell
Robert Woolfolk Black
Herman Theodore Boland, Jr.
David Endicott Bolte
Donald Richard Bonwell
Marcellus William Bounds
Robert Louis Bradley
Donald Vincent Braun
Adrian Beecher Brian
Dan Austin Brooksher
Allan Gregory Brown
Robert McHugh Brown
William Cavett Brown
Goble Watson Bryant
Clay Thompson Buckingham
Ralph Maurice Buffington
Richard Nichols Bundy
Charles Nixon Bunn
John Charles Burckart
Thomas Hannah Burt
Louis Stanton Bush
William Douglas Bush, Jr.
Roy Thomas Byrd
Howard Hollis Callaway
John Louis Carr
Bruce MacDonald Carswell
Anthony Cavalcante, Jr.
Edmund Harwood Cave
David Jarrett Chandler
John Palmer Chandler
Gilbert Xavier Cheves, Jr.
Frank Payne Clarke
James Joseph Coghlan, Jr.

David James Colgan
Charles Sidney Colson
Richard Martin Connell
Judson Jerome Conner
John Joseph Costa
Thomas Black Coughlin
Ranald David Council
Samuel Streit Coursen
Cleatus Jack Cox
Richard Stirling Craig
George Michael Crail
Henry Turner Croonquist
Barnard Cummings, Jr.
William Alexander Cummings
Robert Kirk Dalrymple
Courtenay Chirm Davis, Jr.
Bartley E. Day
Seth Sears Day
Leon Luscher deCorrevont
F. William Dederich
Fred Blaine Deem, Jr.
Ernest William Denham, Jr.
Dean Berkeley Dickinson
Hillman Dickinson
Andrew Shumway Dilts
Patrick Joseph Donohoe
Arthur Roy Driscoll, Jr.
Richard Tracy Dunphy
Joseph Alban Eagers, Jr.
William Fletcher, Earthman, Jr.
Frederic Nathaniel Eaton
Stanley Vernon Ellerthorpe
Allan Jackson English, Jr.
Robert Louis Erbe
Robert Kent Estes
Alfred Erck Fagg
Robert Thomas Fallon
John Joseph Fatum
Philip Robert Feir
Roger Lee Fife
Marcus Bartlett Finnegan
Harold Carlton Fitz, Jr.
Richard Arthur Fitzgerald
Paul Charles Fleri, Jr.
Earl Paul Ford
John Franklin Forrest
David Franklin Frech
David Gray Freeman
Frederick John Fritz
Avery Skinner Fullerton
Frederick Slocum Gallagher
William Alfred Gardner, Jr.
Arthur Louis Gerometta
Robert Harley Gess
Joseph Thomas Gibson
Joseph Attwood Giddings, Jr.
Joseph Hiram Gilbreth, Jr.
Richard Eugene Gillespie
Robert Johnson Gilroy
Ward Currey Goessling, Jr.
William Hayward Goodwin
Donald Norton Gower
Bernard Greenbaum
Harry Augustus Griffith
Joseph Aloysius Guthrie, Jr.
Alfred Bradford Hale
Thomas Gray Hardaway
John Glennon Hayes
Jack R. Hayne
Harvey Tipton Heckman
Charles Kenneth Heiden
Meredith E. Hendricks
Theodore Ernst Hervey
Pennell Joseph Hickey
William Charles Hiestand
Paul Ray Hinckley
Edward Roy Hindman
John Taylor Hodes
William Harry Hoffmann
George Christian Hoffmaster, Jr.
James Harmon Holt
Herbert Leslie Hoot, Jr.
Norman Barton Hopkins, Jr.
Edward Brinkley Howard
Martin Damon Howell
Robert William Howell
Leo Kay Huber
William Edward Huber
Julian Perry Hunnicutt, Jr.
Marc Raphael Jartman
Reed George Jensen
Robert James Johnson
Ross LeRoy Johnson
Ogden Sherman Jones, Jr.
Irving Neal Judd
Donald Raymond Keith
Roger Joseph Kelly
Charles Robert Kemble
William Stanley Kempen, Jr.
Ulmont Redvers Kendree, Jr.
William James Kennedy
Patrick Kimball
Arthur Joseph Kingdom
Joseph Paul Kingston
Gilbert William Kirby, Jr.
Leslie Whittington Kirkpatrick
Theron Westcott Knapp, Jr.
John Krasko
Roger Ray Kuhlman
Maurice Keyes Kurtz, Jr.
Kirby Lamar
Russell James Lamp
Matthew David Lampell
James Lampros
John Brandt Latimer
Jerry Bennett Lauer
Charles Bopes Lee
Charles Royal Lehner, Jr.
Malcolm Kingsley Lewis
Robert Ernest Liichow
Arthur Herman Lindeman, Jr.
Earl James Lochhead
Harold Frederick Lombard
Homer Samuel Long, Jr.
Willis Homer Lowrey
William Frederick Luebbert
Robert Orren Lynch
Thomas Ralph Mackenzie
John Rodway Mackert
John Harvey Madison, Jr.
John Francis Magnotti, Jr.
Munro Magruder
Harry James Maihafer
William Eugene Marfuggi
Edwin Saul Marks
John Tilton Marley
Herbert Edgar Marshburn, Jr.
William Henry Marslender
Stuart Fonda Martin
Amos Clark Mathews
John Albert Maurer
Joseph Arthur May
Arthur James Mayer
John Francis McArdle
Cosby McBeath, Jr.
Dean Jay McCarr n
John Vincent McDonald
Kenneth Edwin McIntyre
Eugene Burlingame Mechling, Jr.
Carroll Stickney Meek
Lucien Eli Messinger III
J. Hayes Metzger
Stanley Arthur Meyerhoff
Dean Winston Meyerson
Kenneth Ward Miller
Robert Charles Miller
John Dickerson Mitchell, Jr.
Lawrence Paul Monahan, Jr.
William Thornton Moore
Clayton Louis Moran
Richard Lew Morton
Thomas Lyons Moses
Joseph Edward Muckerman II
James Marshall Neil
Robert Babcock Nelson
Robert Charles Nelson
Willis Charles Newby
Cecil Earle Newman, Jr.
George Anthony Nigro
Robert Wilson Noce
William Henry Nordin
William Clinton Norman
Charles Kilbourne Nulsen, Jr.
Stephens Watson Nunnally
Tom Christian Oberst
Robert Thomas O'Brien
Fenton McGlachlin Odell
Lawrence James Ogden
Charles Gunter Olentine
George Soliday Orton
Jerome Jay Paden
Charles Dana Palmer
Loren Scott Patterson
Paul Allen Paulson
Roland Eustace Peixotto
William Robert Penington
Elmer Bruce Peters
John Joseph Petranck
Joseph Mario Pingitore, Jr.
George Adams Pollin, Jr.
James Edward Poore III
Terence Andrew Powers
Ralph Puckett, Jr.
John Joseph Ragucci
William Addison Rank
John Wilhelm Rasmussen, Jr.
Raymond Joseph Rasmussen
Robert Bolenius Ritchie
Ernst Edward Roberts
Charles Gray Roebuck
David Benjamin Rogers, Jr.
Robert Alexander Ronald
Robert Murrell Rose
Bernard Solomon Rosen
Richard David Rosenblatt
Edgar Blair Ross, Jr.
Marion Collier Ross
Billy Joe Rountree
Elwyn Phillips Rowan
John Laurence Rust
John Edward Ryan
Bernard Charles Sabel
Robert Cannon Sanders
Alexander Vincent Sarcione
Francis Leo Sarsfield
John Milton Sayler
Joseph Louis Schmalzel, Jr.
Norbert Otto Schmidt
James Henry Scholtz
Gerhard Wilhelm Schulz
Robert Henry Schwarz
Joseph Frank Sencay
Henry Bennet Sheets, Jr.
Keith Eugene Sickafoose
Albert Walker Singletary
Charles Lee Smith
Duane Howard Smith
Simeon Mozart Smith, Jr.
Wayne Carleton Smith, Jr.
Orton Flournoy Spencer
Charles Louis Spettel
Robert Montgomery Springer, Jr.
James Wrathall Spry, Jr.
Joseph Paul St. Clair
Joseph Richard Stauffer
James Harris Steel
Joseph Benton Steffy, Jr.
Douglas Penn Stickley, Jr.
Thomas William Stockton
St. Clair Streett, Jr.
Howard Lynn Strohecker.
George Stukhart, Jr.
George Donald Summers.
Lee Eli Surut
Albert Benjamin Suttle, Jr.
John Earl Sutton
Trevor Washington Swett, Jr.
Richard Joseph Tallman
Dean Mount Teece
Paul David Terrien
Jack Dawson Thomas
Donald Eugene Thompson
Richard Emmett Tobin
Joseph Daniel Toomey, Jr.
George William Tow
Edwin Stuart Townsley
George Warner Tracy
Joseph McLaughlin Turley
Albert Farrant Turner
Arthur Rutledge Underwood, Jr.
William Steven Vargovick
John Otto Vogel
John Pat Vollmer
William McCoy Wadsworth
Richard Henry Wagner
Charles Walz
Harry Winfree Ware, Jr.
William Oscar Ware
Donald Eugene Whistler
Stephen John White
James Alexander Whitmarsh, Jr.
John David Wightman
William Hale Wilbur, Jr.
Tilton Lee Wilcox
Murray Winn Williams
Thomas Hutchins Williams, Jr.

Dan Hugh Williamson, Jr.
James Alexander Willson III
Francis Anthony Wolak
J. Carver Wood, Jr.
James Henry Wroth.
Everett Jacob Yacker
Joseph Jones Yeats, Jr.
Edward Keller Yeliman
John Howard Yepsen
Lewis Lowenstein Zickel

APPOINTMENTS IN THE NAVY

The following-named officers for permanent appointment to the grade of rear admiral in the line of the Navy:

Paul B. Nibecker
Heber H. McLean
Stuart H. Ingersoll
Richard H. Cruzen
John A. Snackenberg

The following-named officer for permanent appointment to the grade of rear admiral in the Medical Corps of the Navy:

Clarence J. Brown

The following-named officer for permanent appointment to the grade of rear admiral in the Supply Corps of the Navy:

Stephen R. Edson

The following-named officers for permanent appointment to the grade of captain in the line of the Navy:

Paul M. Curran
Diggs Logan
Douthey G. McMillan
Frederick C. Stelter, Jr.
Otho P. Smoot
Thomas F. Conley, Jr.
Orlin L. Livdahl
Guy B. Helmick
Joe B. Cochran
Hamilton W. Howe
Donald McGregor
Solomon D. Willingham
Harry D. Johnston
William T. Kenny
John D. Sweeney
Duncan C. MacMillan
DeWitt C. E. Hamberger
Fred C. Fluegel
Raymond S. Lamb
Joseph W. Callahan
Dwight M. Agnew
Benjamin F. Tompkins
Gale E. Griggs
Leonard Branneman
Charles L. Carpenter
John F. Walsh
Marshall B. Gurney
Carroll B. Jones
Maxwell F. Leslie
Lewis R. McDowell
Herbert C. Behner
William S. G. Davis
Elbert L. Fryberger
Philip R. Coffin
Roland P. Kauffman
Harry A. Dunn, Jr.
Lee R. Herring
Charles H. Perdue
John W. Marts, Jr.
William B. Tucker
Ronald D. Higgins
Frederick F. Sima
Leonard B. Jaudon
Chester A. Kunz
James H. Ward
John F. Gallaher
Eugene M. Waldron
Seth A. Shepard
Rowland H. Groff
Frank A. Munroe, Jr.
Paul Jackson
Edward A. McFall
Marvin J. West
Henry E. Bernstein
Morton K. Fleming, Jr.
Theodore H. Kobey
Charles F. Hooper
Clifford T. Corbin
Benjamin S. Custer
Eugene T. Aldridge
Ralph B. Randolph
Chester A. Swafford
George W. Bains
Ralph E. Mills
Maurice M. DeWolf
Dale E. Collins
Ranald M. MacKinnon
Philip W. Snyder
Robert A. Hinners
Allan L. Dunning
Herbert J. Pfingstag
Herbert C. Zitzewitz
Lawrence R. Daspit
Samuel H. Crittenden, Jr.
James H. Hogg
Paul H. Ramsey
Henry T. Koonce
George W. Anderson, Jr.
Jack S. Holtwick, Jr.
Eliot Olsen
Welton D. Rowley
Shirley S. Miller
Francis C. Manville
Allen M. Zollars
James E. Cohn
Richard H. Phillips
Leonard S. Mewhinney
Warner R. Edsall
Clifford S. Cooper
William P. Chilton
William M. Nation
William H. Organ
William T. McGarry
Earl B. Patterson
Cornelius S. Seabring
William C. Bryson
Henry H. Caldwell
Cecil T. Caufield
Joseph R. Hamley
Joseph N. Murphy
Leroy V. Honsinger
Charles M. Heberton
Harold S. Harnly
William H. Leahy
Robert H. Rice
Harlan M. Thorpe
James F. Benson
John B. Smyth
Carl F. Stillman
Benjamin E. Moore, Jr.
Leonard C. Chamberlin
Delbert F. Williamson
James A. Haley, Jr.
Frederic A. Berry, Jr.
John B. Taylor
Earl K. Van Swearingen
Carl J. Pfingstag
David B. Young
Roger F. Scott
Frederick Funke, Jr.
Herbert F. Eckberg
William C. Specht
James A. Jordan
Miles H. Hubbard
John C. Zahm
Harry R. Horney
Charles D. Griffin
Samuel G. Mitchell
Edward M. Condra, Jr.
Brooke Schumm
Richard W. Smith
George K. Fraser
Hilfort C. Owen
Kenton E. Price
Arthur S. Born
Allen Smith, Jr.
Thomas B. Klakring
Alexander M. Kowalzyk, Jr.
John L. Ewing, Jr.
Timothy F. Donohue
James M. Roberts
Alden D. Schwarz
Rawson Bennett II
Sylvius Gazze
Harold M. Briggs
Fritz Gleim
Andrew H. Bergeson
Raymond J. Moore
Robert C. Brixner
Christian H. Duborg
Otis C. Gregg
William E. Ferrall
Martin J. Lawrence
Robert S. Quackenbush, Jr.
Walter H. Price
Martin R. Stone
Daniel J. Weintraub
Leland R. Lampman
Jack P. Monroe
Herbert L. Hoerner
John F. Henkel
Argyll E. Buckley
James T. Brewer
Gill M. Richardson
John T. Corwin
Clayton R. Dudley
Richard D. Zern
Charles J. Zondorak
James A. Prichard
Tyrrell D. Jacobs
Howard W. Gordon, Jr.
Paul R. Drouilhet
Creed C. Burlingame
Robert H. Speck
James W. Blanchard
John W. Schmidt
John A. Edwards
Harold T. Deutermann
Charles L. Melson
Edwin W. Herron
Arnold W. McKechnie
Harold M. Zemmer
Theodore O. Dahl
Liles W. Creighton
David C. White
Gerald R. Dyson
Joe W. Boulware
Emmett J. Sullivan
Charles K. Bergin
Robert E. Dixon
Richard B. Levin
Frank Turner
Ulysses S. G. Sharp., Jr.
Robie E. Palmer
Monro M. Riker
Robert Brodie, Jr.
Frederic S. Habecker
Robert F. Martin
Farar B. C. Martin
Hysell P. Cooper
Howell J. Dyson

The following-named officers for permanent appointment to the grade of captain in the Medical Corps of the Navy:

Edward C. Kenney
Garland A. Gray
Benjamin N. Ahl
James R. Sayers
William C. Baty, Jr.
Hilton W. Rose
James D. Viecelli
George C. Thomas
Donald E. Dement
Robert L. Gilman
Raymond W. Murray
David D. Greene
Harry C. Oard
John W. Rogers
Clinton K. Higgins
Harold J. Chapman
Van C. Tipton
Gerald A. Hopkins
John P. Denneen
Charles L. Ferguson
Arthur W. Eaton, Jr.
Cecil H. Coggins
William M. Silliphant
Robert W. Babione
Allan S. Chrisman
Calvin B. Galloway
Frank P. Kreuz, Jr.
Christopher C. Shaw
James R. Reid, Jr.
Austin J. Walter
Eugene V. Jobe
Harry H. Haight
Albert H. Staderman
Alton C. Abernethy
Earl F. Evans
Walter H. Schwartz
George N. Raines
William V. Clark
Edward T. Knowles
Lyle A. Newton
James L. Holland
George F. Blodgett

The following-named officers for permanent appointment to the grade of captain in the Supply Corps of the Navy:

George E. Duffy
Hugh J. McManus
Harney W. Stover
Frederic W. Hesser
Frederick L. Hetter
Kenneth R. Miller
Charles G. DeKay
William L. Knickerbocker
Donald B. Hilton
James J. McKinstry
Joel D. Parks
Noble W. Lowrie

The following-named officers for permanent appointment to the grade of captain in the Chaplain Corps of the Navy:

Robert E. Miller
Luther F. Gerhart

The following-named officers for permanent appointment to the grade of captain in the Civil Engineer Corps of the Navy:

Virgil A. A. Powell
Frederick C. Ray
Martin W. Kehart
Edward E. Saunders
Joseph F. Jelley, Jr.
Wesley H. Randig
Herndon P. Coloney
Kenneth A. Godwin
Archibald D. Hunter
Hunt V. Martin

The following-named officers for permanent appointment to the grade of captain in the Dental Corps of the Navy:

Walter P. Caruthers
Dale L. McKee
Charles F. Lynch
Curtiss W. Schantz

The following-named officers for permanent appointment to the grade of commander in the line of the Navy:

Widmer C. Hansen
Vincent F. McCormack
Thomas D. Davies
William F. Bringle
Dwight L. Johnson
William R. Stevens
James B. Denton
Frederick E. Daily
Fillmore B. Gilkeson
Jesse P. Robinson, Jr.
Theophilus H. Moore
Joseph F. Dalton
John C. Dyson
John B. Hess
James H. Cruse
William R. Smith, Jr.
James B. Cresap
Walter L. Phaler
Peter G. Molteni, Jr.
Fred E. Wexel
William D. Hudgins
George C. Ellerton, Jr.
Charles A. Burch
Byron D. Voegelin
Theodore M. Peterson
George L. Street III
Donald L. Mehlhop
Frederick H. Schneider, Jr.
Guy J. Anderson
Nelson P. Watkins
William L. Fey, Jr.
Charles F. Putman
Talbot E. Harper
Robert F. Farrington
Ralph H. Benson, Jr.
Stockton B. Strong
Anthony P. Zavadil, Jr.
Kenneth E. Hanson
Robert B. Lander
Warren C. Hall, Jr.
Ralph W. Cousins
Leonard E. Ewoldt
Francis C. Rydeen
Lawrence G. Bernard
John R. Wadleigh
Henry D. Sipple
Donald "G" Baer
Thomas D. Cunningham
Richard G. Colbert
Fletcher Hale
John S. Schmidt
Hugh W. Howard
Rawdon Libby
John L. Nielsen
John F. Morse
Harry H. Barton
Lloyd F. Jakeman
Robert L. Savage, Jr.
Frank A. Patriarca
Richard Holden
Jack C. Whistler
Simon E. Ramey
Ellis H. McDowell
Alfred F. Gerken
Guy E. O'Neil, Jr.
Donald Gay, Jr.
William R. Crenshaw
Burton H. Shupper
Edward W. Hessel
William L. Brantley
Henry F. Burfeind
Harold S. Bottomley, Jr.
Albert O. Vorse, Jr.
Leonce A. Lajaunie, Jr.
Clifton W. Flenniken, Jr.
John E. Pace
Charles S. Minter, Jr.
Everett G. Sanderson
John R. Madison
John M. De Vane, Jr.
Howard W. Baker
Maurice W. Shea
Walter J. Stencil
John E. Pond, Jr.
John C. Kelly
Rexford V. Wheeler, Jr.
Walter J. Barry
Joseph T. Yavorsky
William S. Stewart
John B. Carroll
Robert M. Ware
Franklin S. Rixey
Francis W. Ingling
Alfred W. Gardes, Jr.
Sanford E. Woodard
Jack E. Gibson
Walter S. Reid
Eugene P. Rankin
Fay E. Wilsie
Frederick E. Janney
James G. Ross
William R. Lowndes
Robert B. Erly
Edward B. Gibson, Jr.
Maurice Ferrara
Geoffrey P. Norman
James A. Pridmore
Edward P. Madley
Franklin D. Buckley
William B. Brown
Edwin C. Finney
Richard S. Rogers
Lewis D. Tamny
Charles R. Dodds
Frank M. Eddy
John J. Becker
Edward S. Fleming
Frederick W. Kuhn
Nathaniel B. Davis, Jr.
Maurice B. Brown
George A. Crawford
William R. Wallis
George T. Baker
James F. McFadden
Luther L. L. Dilley
Eugene H. Maher
John K. Knapper
Merrill M. Sanford
Erickson W. Russell
Ivan Monk
Hugh H. Lewis
John A. Quense
George M. Grening
Harry P. Muller
Frederic D. Riley, Jr.
Robert H. Thomas
Joseph E. Johnson
Conrad W. Craven
Francis W. Larson
Arthur R. Johnson
Charles F. Concannon
Franklin C. Snow
Ralph J. Michels
Philo Wood
Kenneth L. Butler
Harold V. Chisolm
Frederick H. White
Richard A. Bevernick
Frank L. Fullaway
Edward W. Knepper
William S. Kirkpatrick, Jr.
Edmond B. Pugsley
Thomas F. Howe
Robert C. Huston

Henry L. Waliszewski
James G. Thorburn, Jr.
Victor F. Wadsworth
Desmond K. O'Connor
Edward S. Arentzen
Frederick C. Seyford
John "D" Reese, Jr.
John P. Currie
Albert S. Fuhrman
Francis G. Blasdel, Jr.
Craig C. Angel
George W. Snider
Harold A. Sommer
Joseph R. Wood
Howard S. Roberts
Edward Sternlieb
Raymond L. Smith
Carl W. Brown
William F. Brewer
William E. Calder III
Prescott H. Currier
Aaron F. Beyer, Jr.
Hinton I. Smith
Kenneth W. Hines
Otto A. Finley
Hugh K. Laing
Donald C. Higgins
Charles Wayne
Douglas G. Parker
Gilbert J. Frauenheim
Kenneth E. Wright
Roger C. Santee
Warren D. Gaboury
Paul K. Blesh
James C. Skorcz
William H. Keighley
Isaac J. Heizer, Jr.
William R. Lipscomb
Roland L. Willett
Frank R. More
Parker E. Cherry
James W. Darroch
Samuel B. Purdie
Edward C. Spencer
Daniel Bontecou
Francis L. DuBois
John A. Ferguson
Frank H. Browning, Jr.
Claybrook B. Cottingham
Neil C. Porter
Robert W. Slye
John Sinkankas
Curtis L. Tetley
Carl D. Simonsen
Robert G. Dose
Charles M. Brower
Sam E. Clark, Jr.
Bruce S. Weber
Bernard W. Dunlop
Walter L. Curtis, Jr.
Vincent L. Hathorn
Gerald R. Pearson
William R. Crutcher
Herbert K. Bragg
John W. Higgins, Jr.
James E. W. Whitener
Willoughby Mercer
Roger R. Hedrick
William J. Scarpino
Thomas E. L. McCabe
Frank G. Reynolds
Edward M. Morgan
Gerard S. Bogart
Elwood N. Chase 2d
Herbert N. Houck
Arthur B. Sweet
Walter M. Vincent
John M. Kipp
Robert C. Thorburn
Jack A. Eady
Reed K. Henderson
Eric A. Lohmann
William A. Hood, Jr.
Lawrence C. French
Frank A. Escobar
Arthur M. Ershler
James L. Hunnicutt

The following-named officers for permanent appointment to the grade of commander in the Medical Corps of the Navy:

Henry T. Gannon
Simon W. Eyer
John E. Gorman
David P. Hightower
Richard B. Williams, Jr.
James G. Kurfees
Robert A. Welch
Richard B. Brodrick
Deane S. Marcy
Bernard G. Geuting
Jesse H. Suitor
William H. Druckemiller
Donovan G. Wright
Herbert A. Markowitz
William F. MacKoske
James L. Fuelling
Peter J. Giotta
William M. Snowden
Evan C. Stone, Jr.
Philip C. Guzzetta, Jr.
Rodney R. Gleysteen
Harry J. Alvis
James C. Luce
Marion L. Connerley
John S. Cowan
Harold W. Fleischer
Victor C. Stratton
Henry C. Hunley, Jr.
Richard W. Worthington, Jr.
Robert A. Freyling
Arthur L. Schultz
Edward A. Kearney, Jr.
Horace L. Jones, Jr.
James T. Fowler, Jr.
Harry S. Etter
Everett J. Olenick
Joseph P. Pollard
Marion T. Martin
Fred A. Butler
Robert A. Mount
Wait R. Griswold
Gerald W. Hurst
Mark R. Rhea
Leonard A. Becker
John P. Dobson
Eugene E. Siess
Joseph O. M. Thatcher
Harvey E. Reitz
Earland E. Hedblom
Ross B. Lautzenheiser

The following-named officers for permanent appointment to the grade of commander in the Supply Corps of the Navy:

Clifford A. Messenheimer
Paul S. Burt, Jr.
Edward K. Scofield
John B. Kackley
Phillip D. Chubb
William H. Haeuser, Jr.
Duncan J. McNab
James T. Mathews, Jr.
George L. Bennett
Robert A. Williams
Portus D. Boyce
Marion D. Sims, Jr.
Boyd Shafsky
Albert E. Pallon
Jerry H. Taylor, Jr.
Lawrence V. Hallberg
Max Schliewe
Lathrop B. Clapham, Jr.
Ernest S. Tharpe
Bert S. Beasley
Oswald B. Porter, Jr.
John Vinn, Jr.
Albert B. Howden
Harry W. Leiser
Herman R. Fahlbusch
Bruce Owens
Harold A. Stockenberg
Frederick A. Fielding
Frederick A. Kaufman
Carlton R. Eagle, Jr.

The following-named officers for permanent appointment to the grade of commander in the Chaplain Corps of the Navy:

Merle N. Young
Howard M. Day
Lawrence R. Schmieder
Abner R. Cook
William J. Kuhn
Hansel H. Tower
Arthur F. McQuaid
Donald F. Kelly
Eric H. Arendt

The following-named officers for permanent appointment to the grade of commander in the Civil Engineer Corps of the Navy:

Howard F. Curren
Thomas J. White
Wilfred J. Williams
William F. Weaver
John J. Albers
Norman M. Martinsen
Frank E. Swanson
Charles G. Prahl
Harry N. Wallin
William J. Thompson
Martin L. Rutter
Kenneth C. Abplanalp
Ralph C. MacDonald
Harry F. MacKay
William E. Davidson
James R. Bollinger
Edwin E. Gibson
Peter Corradi
Edward J. Quinn
Ralph C. Jensen
Luther H. Hartung
Jack W. Schwartz
Albert H. Boggs
John Koleszar
James S. Marsh
John F. Mulgrew, Jr.
Charles O. Reinhardt
Jack J. McGaraghan
John A. Dominy

The following-named officers for permanent appointment to the grade of commander in the Dental Corps of the Navy:

Harlan K. Muth
Ernest L. Purdum
Robert P. Steed
Gerald H. Bonnette
George O. Stead
Leslie M. Wallace
Howard B. Haisch
John V. Niiranen
James P. Donnelly
James L. Bradley
Donald E. Carlson
Robert D. Lindelof
William H. Lieser
Henry A. Collett, Jr.
Charles A. Giermann
George M. Denny
Merrill G. Wheatcroft
Morgan F. McAfee, Jr.
Samstone Holmes
James C. Cherault
Charles H. Bercier
Howard T. D'Arc
Frank K. Etter
Albert P. Leisz
William M. Thomas
Earl A. Goldsmith
Wallace B. Chesterfield
William E. Ludwick
William C. Wohlfarth, Jr.
Walter W. Dann
Wade H. Morgan, Jr.
Ralph B. Haynes
Leonard E. Johnson
Frank T. Wais
Lynn H. Rodenbarger
Eugene T. Nealon
Cline O. Williams

The following-named officers for permanent appointment to the grade of lieutenant commander in the Line of the Navy:

Thedore E. Gerber
William E. Betzer
John S. Bowen
Vernon E. Binion
William L. Newton
William A. Schoenfeld
Richard Riley
William E. Heronemus
Forrest E. Houston
James F. McGuire
Robert D. McWethy
Robert C. Gooding
William M. Montgomery
William R. Werner
Edwin E. Kintner
John G. Osborn, Jr.
John J. Hinchey
John G. Wallace
William W. Ennis
William H. Cross
John J. Ebnet
Frank S. Quinn, Jr.
Kenneth E. Gulledge
Robert R. Brafford
Charles A. Hill, Jr.
Walter M. Vincent
Raymond G. Herzberger, Jr.
Lewis J. Stecher, Jr.
Charles N. Payne, Jr.
Wallace H. Garrett, Jr.
Charles B. Momsen, Jr.
Robert G. Mills
William C. Bender
Raymond A. Boyd
Edward A. Heflin
George G. Halvorson
Ariel L. Lane
Francis S. Knight
Richard W. Arey
Alfred B. MacKown
Robert F. Sweek
Charles J. Burton
Crawford D. Winner
William F. Vose
William D. Spiegel
Richard B. L. Creecy
Garrison Brown
George F. Britner, Jr.
Leslie R. Olsen
Cecil D. Kephart
Edwin T. Rae, Jr.
Mark W. Woods
William E. Underwood
Thomas N. Coppedge, Jr.
Arthur G. Hamilton, Jr.
Richard B. Varley, Jr.
Charles B. Bishop
Robert A. Martin
George E. Kemper
James B. Osborn
Charles N. McKenna
James D. Mooney
Christian Fink
John P. Hobson III
Francis E. Rich
Donald T. Holmes
John R. Strane
Alfred D. Garvin
Owen L. Maupin
Eugene I. Malone
Robert E. Ries, Jr.
Leonard M. Culjat
Angus J. Knudson
Joy E. Brown
Walter B. Brandon
Carl E. Olson
Thomas W. Kennedy
Edward F. Gallagher
Thomas Turner
Leonard Erb
Walter P. Robinson, Jr.
William A. Arthur
Robert H. Harwood, Jr.
John A. Morrison
Charles W. Pittman, Jr.
Claude L. Reeves
Richard L. Corkran, Jr.
Philip P. Cole
Mervin O. Slater
Thad R. Williams
George T. Weems
William J. Rusch, Jr.
James D. Hazard
George L. Bliss, Jr.
David G. Adams, Jr.
John L. Marocchi
William M. Pugh II
Robert J. Thompson
Roy W. F. Werthmuller
William E. Sims
Horace P. McNeal
Arthur W. Jones
John P. Fox
John J. Bradley
Robert C. Knight
Charles C. Senn
Harold E. Rice
David C. Peto
Ward W. Griffith III
Charles A. Pierce, Jr.
Gerald E. Miller
James F. Schremp
Claude B. Shaw
John B. Davis, Jr.
Max H. Ostrander
Marsden S. Blois, Jr.
John D. Liechty
Maddox N. P. Hinkamp
Howard L. Stone, Jr.
Henry B. Sweitzer
Oliver H. Landua
Charles E. Smith
Richard D. King
Robert G. Gibson
Douglas A. Powell, Jr.
Harry E. Hill
Gerald E. Peddicord
Robert E. Mottern
Jerome A. Rapp, Jr.
Arthur H. Tagland
Preston L. Mansfield
William T. O'Bryant
Theodore L. Balis
Wallace B. Auckland
Arthur E. Linder
Philip A. Horne
Joseph D. Jeffrey
Wendell S. Koozer
Leo W. Early
Frank B. Stevenson
Emil P. Schuld
Robert B. Stahl
Roy T. Ruble
James D. Small
Leon W. Westcott
Joseph M. Parsons
Ronald P. Gift
Donald A. Minner
Adolf C. Schirmer
Max C. Duncan
Alvin L. Gallin
William A. Engdahl
George H. Mahler III
Kevin E. Byrne
Frank M. Blanchard
John C. Hill II
Kendall W. Simmons
John W. Maddex
Charles A. Wickersham
Armistead Dennett
Harold E. Fry
William B. Hosey
Volkert B. Veeder
Jonathan A. Barker
Alexander D. C. Byers
Robert R. Stoinoff
Parker B. Armstrong
Howard Cole
Richard L. Evans
Davis E. Bunting
Lindsay C. McCarty
Ernest J. Edmands
Roy J. Robinson
William J. Hurst
William H. Young
John A. Miller
Leonard P. Mathias
George S. Bennett, Jr.
John D. H. Kane, Jr.
Robert G. Brown
George W. Folta, Jr.
Howard L. Terry
Eugene C. Barnhardt III
John C. Parry
William E. Griffin, Jr.
Stephen J. Riordan, Jr.
Eugene Madden, Jr.
Richard H. Buck
Harry M. Brinser
Jay A. Easton, Jr.
Ernest L. McClintock, Jr.
Jack M. James
Harry M. Thompson
Elias M. Padget, Jr.
Richard M. Sewall
James W. Conger
Leo A. Garland
Griffith P. Stokes
William F. Farrell, Jr.
Arthur C. Mullen
Ray F. Smith
Herbert J. Ward
Gordon A. Miller
James D. W. Borop
James D. Schnepp
Raymond W. Baker
Gerald J. Scott
William S. Brown
Richard F. Yarborough, Jr.
Allen B. Catlin
LeRoy W. Vance
Leopold Weidlein
Carl A. Klug
Isaac C. Kidd, Jr.
Kenneth W. Miller
Ernst Hoefer, Jr.
Marcy M. Dupre III
Arthur D. Sullivan
Edwin T. Osler
Marvin G. Lee
Raymond Wiggins
Frank G. Scarborough
James W. Salassi
James T. Alexander, Jr.
Charles A. Allsopp
Robert S. Eastman
Robert S. Day
Harold E. Shear
Thomas C. Harbert, Jr.
William B. Tichenor
Harold S. Howard
Walter B. Woodson, Jr.

Raymond C. McGrath	Reginald L. Workman
John R. Welsh	Albert G. Hillberg, Jr.
Arthur H. Warner, Jr.	Robert J. Hanson
Aarne J. Tervo	Alton B. Grimes
Charles H. Liebhauser	Richard F. Hofer
John T. Oleksy	Lewis W. Squires
William D. Houser	Harborough I. Lill, Jr.
Paul H. Durand	John L. Hansen
Corliss W. Adams	Robert F. Reilly
Lewis W. Jennings	Milton E. Stewart
Harold H. Ellison	Leslie R. Skidmore, Jr.
John H. Burt	Ronald J. Obey
John N. Fitzgerald, Jr.	Travis O. Tabor III
Robert D. Nye	Norman C. Nash
Eric E. Hopley	William E. Simmons
Paul L. Ruehrmund, Jr.	John A. Gommengenger
Robert G. Tower	Dott E. Zook, Jr.
Daniel E. Bergin, Jr.	Robert E. Seguin
Alden W. Whitney	Albert F. Betzel
Ross A. Knight	William G. Weber
Edward H. Winslow	John L. Neff
Ralph G. Johns, Jr.	Andrew J. Rucker
Samuel G. Jones	Chester M. Lee
Roland G. Mayer, Jr.	Charles M. Young
George O. Atkinson, Jr.	John M. Rickabaugh
Henry C. Turner	John A. Lindbeck
Edward B. Herndon III	William R. Easton
James D. Nickerson	James W. Wyrick
Carol A. Turner	Michael A. Censale
Joseph A. Bachhuber	William H. Pellett
Ward S. Miller	John J. Rowan
Robert B. Poage	Ivan W. Sturgis
Robert E. Whitehurst, Jr.	Richard E. Curtis
David L. House, Jr.	Walter H. Esworthy, Jr.
Peter S. Smith	William A. Shonerd
Albert B. Hall, Jr.	Gordon S. Wiley
Willard L. Nyburg	Laurence B. Green
Clifford P. Mason	Norman L. Tate
Francis J. Berry	John P. Gutting
William M. Robinson	Drewery R. Wilhite
Kenneth B. Brown	Perry W. Johnson, Jr.
William E. Carver	Donald C. Richards
Thomas E. Williamson, Jr.	Robert E. Doherty
William C. Dozier, Jr.	Walter W. Price, Jr.
Robert J. Knox	Douglas C. Plate
Gordon C. Buhrer	Harry C. Allendorfer, Jr.
Gustave W. R. Ehreke, Jr.	James M. Ashley, Jr.
William A. Robie	Charles E. Wood, Jr.
	Joseph M. Tully, Jr.
	Justin A. O'Neil
	Robert R. Carter

The following-named officers for permanent appointment to the grade of lieutenant commander in the Supply Corps of the Navy:

Frederick D. Muir, Jr.	Sewell T. Kauffman
Erwin N. Thode	Louis F. Washburne, Jr.
Niels H. Anderson	James L. F. Hennessy
Rodney A. Stanton	Jack L. Graham
Radford H. Severance	Tyler R. Matthew
Fred C. Winkels	William H. Storck
Theodore E. Sharp	John F. Tynan
Robert H. Ryan	Ralph L. Hashagen
Frank A. Whitaker	Allen M. Paget
Bert Smith	Lloyd S. Bjorlo
Hunter W. Stewart	Robert E. Holt
Madison L. Beall	Richard T. Power
Peter M. Lindsay	Sumter E. Dorrance
Dwight M. Botkin	James W. Bridges
John E. Fahrenbach	Louis H. Litchfield, Jr.
Rex A. Bradley	Bryant W. Russell
George L. Voegeli	John D. Smith
John F. Culp III	Dan C. McNeill
James M. Brogan	William F. Tobin
Robert H. Tobias	Edward J. Shaughnessy
Willis T. MacKinnon	Frederic M. Shepardson
Richard S. Balch	Howard G. Luyendyk
George W. Harper, Jr.	Allan B. Zerfoss
William B. Gregg	Benjamin S. Gantz, Jr.
Henry D. Linscott, Jr.	
Frank E. Crane, Jr.	
George J. Braun, Jr.	
James J. Seelig	
Henry H. Hirsch	
Francis C. Rutherford	

The following-named officers for permanent appointment to the grade of lieutenant commander in the Chaplain Corps of the Navy:

Thomas S. Severtson	Max G. Beck
Edwin W. Bryant	James R. Marks
Henry J. Beukema	Herbert C. W. Albrecht
Herman J. Schnurr	

The following-named officers for permanent appointment to the grade of lieutenant commander in the Civil Engineer Corps of the Navy:

Robert B. Childers	Joseph J. Smisek
Robert R. Graham, Jr.	Griswold L. Moeller

The following-named officers for permanent appointment to the grade of lieutenant commander in the Dental Corps of the Navy:

Thomas "J" Ownby	Melvin R. Leonard
Edwin B. Tharp	George M. Smith
Hewitt J. Beauvais, Jr.	William A. Aldridge

The following-named officers for permanent appointment to the grade of lieutenant commander in the Medical Service Corps of the Navy:

Kenneth L. Knight	Frederick E. Batterson
Ellsworth B. Cook	Sidney Goren

The following-named officers for permanent appointment to the grade of lieutenant commander in the Nurse Corps of the Navy:

Arlia Pembroke	Norma L. Buttke
Jessie E. Crump	Rosalia Jorgenson
Ouida A. McCoy	Ethel P. Himes
Ida M. Ildstad	Erma A. Richards

The following-named officers for permanent appointment to the grade of lieutenant commander in the line of the Navy to correct the spelling of the name as previously nominated and confirmed:

William J. Moran

HOUSE OF REPRESENTATIVES

MONDAY, MAY 23, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, who hast led Thy children through fire and cloud in ages past, today lead us through the maze of questions before us.

Be with the foreign ministers as they strive to bring peace to this weary earth. Whatever hinders concord among nations, show unto them the beginning of a new day, in which righteous achievement shall overcome unrighteous ambitions.

Today our Nation mourns the untimely death of one of its foremost statesmen. Grant that the memory of his devotion to duty may be a blessed heritage to our country.

O Lord of love, spread Thy guiding wings over the Speaker and the Congress; may the labors of this day be worthy in Thy sight. Through Christ. Amen.

The Journal of the proceedings of Friday, May 20, 1949, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

S. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. THOMAS of Oklahoma, Mr. CHAVEZ, Mr. BRIDGES, Mr. GURNEY, and Mr. FERGUSON to be the conferees on the part of the Senate.

THE LATE HONORABLE JAMES FORRESTAL

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, I rise, with heavy heart, to pay my last respects to one of the finest men I have ever known—a great American, a man who as surely gave his life in the service of his country as did the thousands of splendid young men during the fighting days of the war.

I speak of my close and admired friend, James Forrestal, a man whose tragic and untimely death early Sunday morning took from our people, and from official Washington, as competent a mind, as objective an outlook, as abiding a concern for the public interest as the Nation can ever hope to have.

And his passing takes from me as close a friend, and as respected an associate in public affairs, as I ever hope to have.

The annals of our times will assuredly accord James Forrestal the great place he filled in time of national crisis. He served with outstanding distinction in position after position in this capital of the world, positions of such responsibility and of such moment to the destiny of our Nation that only a man of great fiber could have carried them through.

That he performed so admirably perhaps could have been expected of any top-flight public servant. But that he met each increasing responsibility with ever-growing evidence of unquestionable integrity and objectivity in places of enormous public trust—places fraught with controversy in which lesser men would have brought ruin and havoc in public affairs—is testimony to this unusual man, this man whose sudden death costs all of us more than we, his contemporaries, can ever hope to comprehend.

I have known James Forrestal since his first days in Washington. He came first in 1940 as special assistant to President Roosevelt. Soon thereafter he became Under Secretary of the Navy, a post he undertook in full knowledge that

he was embarking upon a task of unparalleled magnitude in the Nation's history, for even then, in late 1940, we were on our way toward building the greatest Navy the world will ever see.

His was the responsibility then to govern the stupendous expenditures for ships, planes, equipment, and the host of items that later made up our wartime Navy. So evident was his fitness in public service, so competent had he become in matters involving our great Navy, that he was one of the most popular selections for Secretary of Navy I have known in over a third of a century, when, in 1944, upon Secretary Knox's passing, he assumed that high post. I felt then, and have proudly known since, that no finer man in America could have been found for this great office.

His accomplishments in this great post, with all its influence and power, with its revered tradition and honor, led him on to still greater things in national life.

Within 3 years he had become America's first Secretary of Defense, a post of vast scope, of intense controversy, and of staggering responsibility. It was a post he did not seek—an honor he did not covet—an office he accepted, as he had the others, simply and honestly in response to a call to public service.

It was to this office, in the service of all of us, that my great friend gave his life. I know of no one who could possibly have performed as splendidly as James Forrestal did in this great enterprise of creating the new National Military Establishment. He was humble in the work he performed. He was patient in his demands. He was understanding, wholly objective, assiduous beyond the point of endurance, and I never heard him complain of the superhuman demands this new office imposed upon him—an office lacking in precedents, in tradition, in procedures, in trained personnel—lacking in everything except crushing responsibility.

He met every demand with humility and with that unusual competence that became a subject of admiring comment throughout all official circles of our Government.

And then the vastness and endlessness of his labors finally took their toll. He drove himself, in our service, beyond human endurance, and now it has cost his life.

He has sacrificed himself in the service of the American people. He is a casualty on the battlefield of public service.

It is a terrible loss. It is a personal one to me, for I revere James Forrestal, and always shall. How tragic it is that this man's enormous capacity and selfless dedication to public service have so prematurely been denied the Nation.

There is solace in knowing that James Forrestal's legion of friends and admirers will keep alive his unselfish spirit and sound public counsel, so that, in memory and precept and example, he remains with us. But the solace is sad and insufficient for me.

For I have lost my great friend, to whom we all owe so much. It is with profound grief that I pay him this last testimonial. I shall never know a greater American or a finer friend.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to join with the distinguished gentleman from Georgia in his beautiful tribute to a fine public servant. In Jim Forrestal the Nation has lost a great American, a man who in many critical days of the country gave freely of his strength and splendid talents. His was the duty to build a strong Navy and help direct it during the war. Later his great ability for organization was devoted to the unification of the armed services. His death is a sad one for the people of America. It is a sad one for those who want to make America a finer and a better country. A great builder is dead, stricken in the prime of life because of his service for mankind.

I join with the distinguished gentleman from Georgia in paying my little tribute to a fine American and one who has labored with fidelity and devotion to the national service.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the distinguished gentleman from Louisiana, a member of the Armed Services Committee.

Mr. HÉBERT. Mr. Speaker, it was only last Friday during the debate on the armed services pay bill that I had occason during my remarks to refer to James Forrestal as one of the great Americans of our time. In life he was one of our great citizens. In death he will be remembered as one of our greatest patriots.

I fully agree with President Truman when he said that Jim Forrestal was a war casualty. It is the same as if he were shot through the heart on the battlefield.

While the body of Jim Forrestal lies motionless in death, the spirit in that body died when he was compelled to swallow the bitter hemlock of political bickering and ambition. His memory will always linger with us.

I would like to be permitted to tell you an interesting story of him during the war. It was before the invasion of Iwo Jima. This incident did not come to the attention of the American people at that time, nor did it come to the attention of Mr. Forrestal until some time after the war had ended.

Several years after VJ-day, Jim Forrestal received a letter from a young marine private who wrote to the then Secretary of the Navy and told him of the feelings he and his marine buddies had concerning the invasion of Iwo Jima. He told the Secretary that he had those thoughts in his mind since the day the marines went ashore in the first wave, the first assault. He described to him how, when on the transport going into the island they had been informed of their objective they did not feel too happy about it. The marines realized they were entering a suicidal task. They fully realized that a great majority of them would never come off of that island. They had a certain bitterness in their hearts, and in their minds, and in their souls because they felt that perhaps their country had let them down. They had a feeling that their country was sending them to certain death. They wondered whether it was worth the price. This young marine, in his letter to Mr. Forrestal, described how he had gone ashore on the first day saturated with this bitterness which was shared by his comrades in combat, and he told the Secretary how they fought through that first day against almost insurmountable odds. He related how he had seen his comrades fall at his side. Then he told the Secretary how on the second day when they were going in again in this suicidal attack and things looked toughest he looked up; and they saw standing there on the beach at Iwo Jima, the Secretary of the Navy, and he and they knew that he was and his comrades were fighting for something after all. I think the appearance there of Jim Forrestal amid the shot and the shell and the bullets of Iwo Jima indicated and demonstrated the true courage and the true patriotism of the man and inspired those marines there as he inspired those of us who stood by here on the home front. He gave to both something to be proud of.

I shall always treasure as something sacred the friendship which I was privileged to enjoy with Jim Forrestal. He was a man never to be forgotten, a man always to be remembered.

I shall never forget the last letter which I received from him when he left the office of Secretary of Defense, less than 2 months ago.

He wrote:

DEAR ED: You have been a loyal and good friend of mine and that is a friendship I don't intend to let lapse.

Sincerely yours,

JIM.

Death has lapsed that friendship but from wherever Jim Forrestal is in Valhalla today he knows that the memory, not only of our friendship, but the friendship and confidence which he shared with so many, can never lapse on the pages of time.

I do not know of any one thing which could more adequately reveal Jim Forrestal's intensity and deep thinking than in the passage which he copied in a bold hand from Sophocles shortly before he plunged to his death.

It reveals what Jim Forrestal was thinking. It indicates most clearly his evaluation of his physical presence among the living, after his spirit had been killed.

Those final words will always be associated with Jim Forrestal.

It was his last message to a world to which he had given so much and from which he had received so little. His character stood out in the bold hand in which he wrote:

When reason's day set rayless—joyless—
quenched in cold decay,
Better to die, and sleep the never-waking
sleep than linger on,
And dare to live, when the soul's life is gone.

What Jim Forrestal contributed to his country will be written on the pages of history and will live as long as the Nation he loved lives.

A great American, a true patriot, a sterling character, a man among men has given his life for his country.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. RIVERS], a member of the Committee on the Armed Services.

Mr. RIVERS. Mr. Speaker, the chairman of our great committee has spoken well. Nobody in this House is more prepared to speak of Jim Forrestal than the gentleman from Georgia. The gentleman from Georgia voices the feelings of all of us, he voices the feelings of the American people, he speaks for me.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, the news of the death of James V. Forrestal came as a great shock to me. During the last 2 years I have had the opportunity of daily contact with Jim Forrestal up until the time of his recent illness. Not only did he serve as Secretary of National Defense but he also took upon himself the added duty and responsibility of serving as a member of the Commission on the Organization of the Executive Branch of the Government, so I know something of the tremendous load of work and responsibility which was carried by Jim Forrestal.

I had the pleasure of knowing Mr. Forrestal for many years. I first became acquainted with him back in the twenties when, as a young executive of a New York financial house, he came to Ohio, while I was secretary of state, in connection with the reorganization of a number of Ohio business concerns. I have known him rather intimately and well for a quarter of a century; yet, I have never known of Jim Forrestal ever doing a mean or a little thing. He had a philosophy of life which was good. He believed in the best qualities of his fellow men rather than their poor ones. In his passing America has lost a great public servant and a great citizen, while all humanity has lost a great friend and champion.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I wish to join the gentleman from Georgia and others in paying tribute to the memory of James Forrestal. I do not know of a case in America's history where a public official has more definitely given his life to the country.

In our work this year on appropriation bills for the Army, the Navy, and the Air Force it was necessary for us to work very closely with Mr. Forrestal. It was evident to me that he was working too hard, that he was working himself to death; and I told him so. "Oh," he said, "I can take it, and there is a job to be done."

I talked on several occasions with some of his coworkers, urging that they persuade Mr. Forrestal not to work so hard. Those intimate friends of his responded that they had undertaken to get the Secretary to take a much slower pace, but that Mr. Forrestal felt that there was a job to be done, and they were not able to restrain him from putting his whole life and soul into his job. He was a man who put the country's welfare above his own. The newspapers say he was popular with Congress, and the newspapers are correct. He was popular with Congress because of his sterling qualities and because of his readiness and willingness to go to all limits to be of assistance.

The last request I made of Mr. Forrestal was, in my opinion, a rather unreasonable one. I requested one day that he appear before our committee the next day at 10 o'clock a. m. with the Secretary of the Army, the Secretary of Navy, and the Secretary of the Air Force. Those men had important assignments. I thought at the time that the time given to arrange the appearance of these men was inadequate, but we were struggling with a time limitation. Nevertheless, Mr. Forrestal, as he always did, made every effort and did comply with the congressional request. This was typical of his utter devotion to duty.

I am shocked and grieved over the passing of Mr. Forrestal, and I pay tribute to his memory.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Speaker, for nearly 10 years of my service on the Naval and Military Committees I had an opportunity to become rather closely associated with the type of work and service rendered by Mr. Forrestal. I realize the danger in using superlatives, but it is my honest opinion that Mr. Forrestal was the most conscientious and industrious, the most self-effacing and modest, and the most patriotic and fearless, the most competent and capable public servant I have ever personally known. Though deeply grieved by the sad news of this tragedy, I shall ever bear with me the memory of having been actively associated with a truly great American statesman and of having been enriched by that association.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Speaker, together with thousands of others, I am deeply shocked and grieved at the tragic death of our former Secretary of National Defense, James Forrestal. He was a friend of mine of over 30 years' standing and I can well appreciate the strain and stress which he has undergone these past years. He was a very intense man who directed exhaustive and concentrated study to any of the tasks that were his responsibility. He was a man of unquestionable integrity, and to whatever duty he undertook he applied his entire ability, which was great, with unselfish devotion.

Jim Forrestal worked with no thought of his own health during the years of the war, and he commanded the respect of all who came in contact with him. There is no question in the mind of anyone but that he lost his life in the service of his country, and in his devotion to duty he made an undeniably great contribution to the strength and success of our defense organization.

He will be missed wherever men of purpose and good will foregather and his passing leaves a large vacancy in his circle of many friends. My heartfelt sympathy goes out to his widow and his two fine sons, who I am sure will carry on in the tradition of their gallant father.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, my every contact with Mr. Forrestal during the war years impressed itself greatly upon me. I do not recall any man whose personality established a memory for each meeting as much as did his; of course I shall not recount them all, but I remember the first time I met him when he was sounding out congressional sentiment on the war in Europe. He was courteous and tolerant, but concerned. I remember talks with Jim Forrestal when we worked out procedures in connection with the renegotiation of excess war profits. He came to Government from business, but he did not hesitate to ask business to sacrifice in time of war. I remember him when he presented a Navy medal to a mother from my district who had lost two sons in the Pacific. He spoke as one who knew the price of the Pacific to mothers. I remember him in postwar conferences when members of the Appropriations Committee were asked to consider problems that confronted the Nation in the Near East. In every instance I was impressed with his extreme devotion to public service and his capacity to perform brilliantly and seemingly tirelessly.

Mr. Speaker, in my judgment, the Nation has never had a man who was more sincere or more devoted to duty than was Jim Forrestal.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Speaker, I do not want this occasion to pass without saying just a word in expression of the grief which I feel, and even the indignation I feel, at the tragic death of Jim Forrestal. During my period of service here there has been no man who has impressed me so deeply. The intellectual attainments of Jim Forrestal were extraordinary. I have never known a man with a finer power of analysis. I have never known a man who rendered public service with higher ideals.

His country meant more to him than any political party, it meant more to him than any individual in the Government or out of the Government, it meant more to him than any group or faction in or out of the armed services, and it meant infinitely more to him than any ambition of his own. I think he was completely selfless in all that he did. He honored me with as warm and fine a friendship as I have ever enjoyed. I shall remember him and miss him as long as I live.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from New York [Mr. LEFEVRE]

Mr. LEFEVRE. Mr. Speaker, it was a great shock to me yesterday to learn of the untimely death of James V. Forrestal. Immediately my thoughts turned to my first days in Washington as a Representative of the Thirtieth Congressional District of the State of New York. Mr. Forrestal was born in Beacon, N. Y., where he spent his boyhood days and he still maintained a home in Dutchess County. I was a luncheon guest of his several times when he was

Under Secretary of the Navy. Not having had the pleasure of meeting him previously, his cordiality and friendship were greatly appreciated. Upon the death of Frank Knox, he was made Secretary of the Navy and all of us recognized his ability and sincerity throughout his Government service. I deeply regretted to learn of his resignation as Secretary of Defense, but apparently he gave too much of his own untiring energy. When President Truman stated that Jim Forrestal was as truly a casualty of war as if he had died on the firing line, no truer words could have been spoken.

Thousands of my constituents join me in mourning the loss of our outstanding citizen. Would that we had more citizens with his sound and fearless judgment.

My sympathy goes out to Mrs. Forrestal and their two fine sons.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. Mr. Speaker, I join in the beautiful tributes which have been paid to Jim Forrestal. It was my privilege to know the former Secretary of Defense quite well. He was a great man, a great American.

Our Nation has suffered an irreparable loss.

He brought to his office humility, sterling honor, character, foresight, and intelligence.

In noting the tragic manner in which he died, I think it noteworthy to mention that this public official, probably more than any man of our time, was subjected to a campaign of abuse and vilification the like of which I have never heard. It would seem to me that this should give pause to the irresponsible elements both in the press and on the radio who abuse the privileges of liberty of expression both by voice and pen in attacking men of character and honor. Someone has said that bricks and stones may break my bones, but words will never hurt me. In my judgment, no more untrue utterance has ever been made. In this Capital of the United States the most devastating weapons used—more devastating than machine guns or mortars or the other weapons of battle—are the cruel weapons of distorted words, and they were used against this great man in a most unfair, uncharitable, and unthinkable manner. But he shall live in the minds and hearts of the people of this Nation as a great American and as the man who has charted the course for the security of our country.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. LODGE].

Mr. LODGE. Mr. Speaker, it was my privilege to know Mr. Forrestal quite well. He was a man who inspired affection and respect. I was deeply shocked, I was heartbroken when I learned of his death. I extend my deepest sympathy to his bereaved wife and to his sons.

At this time of mounting tensions and crises it is an irreparable loss to the people of America whom he served for many difficult years with unremitting devotion. Here was a man of truly heroic dimensions, a man who combined in his person an extraordinary variety of human attributes. He had exceptional administrative ability and a truly lofty character. But, beyond that he possessed the courage and the imagination to reflect on the deeper implications of the stupendous events in which he played such a vital part. He found time to gain a perspective on the great challenge of our generation, to view it not in terms of the day's headlines but as a fateful current in the stream of history.

James Forrestal was not only a man of action; he had the objective mind of a philosopher; he had the sensitive heart of a poet. His soaring intellect and dauntless vision will be greatly missed in the highest councils of the Nation.

His memory will be cherished not only by those who were privileged to call him a friend, but also by the American people whose lasting gratitude he earned in such full measure. His name will be honored particularly by the members of our armed forces and by the youth of our land for whom he will always be a shining example of selflessness, high-mindedness, and gallantry.

How shall our faith discern the truth he sought?
We, too, must watch and wander till our eyes,
Turned skyward from the topmost tower of thought,
Haply shall find the star that marked his goal,
The watch-fire of transcendent liberties
Lighting the endless spaces of the soul.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, no one of us can adequately describe the importance of the work done by James Forrestal or its value to this country. All of us together here this morning are building a picture of his greatness and his courage. This Nation has, indeed, lost one of its most valuable public servants.

Mr. VINSON. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I wish to express my approval of everything that has been said about Secretary Forrestal. I had occasion to express my opinion of him while he was living, defending him against an unworthy and unjust attack.

In his passing we have lost one of our finest living Americans.

In the words of the greatest genius of all time—

His life was gentle, and the elements
So mixed in him that Nature might stand up
And say to all the world, "This was a man."

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at this point in the RECORD in regard to the life and character of James V. Forrestal.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RICH. Mr. Speaker, the tragic and untimely death of our first Secretary of Defense, James V. Forrestal, is a calamity to the American public. I did not know Mr. Forrestal through personal association as a friend, but I admired him greatly as a result of my association with him when he appeared before our committee hearing arguments for the consolidation of all branches of our armed forces, the Army, the Navy, the Marine Corps, the Air Force. From time to time I listened to Secretary Forrestal and his reasons for consolidation of our armed services, even though as Secretary of the Navy he must have been under terrific pressure to block this consolidation, and I know that he acted only for what he believed was in the national interest. I do not believe that he thought he would be appointed Secretary of Defense. He answered the questions put to him intelligently, and he was so well versed in his subject that he did not require a corps of secretaries and high naval officials to give him the correct replies to the questions propounded. He had a keen insight into the workings of the Navy, and he knew about how the questions would be answered if we had the consolidation.

From my observation as a member of the committee before which he appeared, I came to the conclusion that Secretary Forrestal knew what he was talking about. In addition to his bright, keen mind, he possessed great vision and all those qualifications necessary to execute the tremendous task later assigned him. His job was a hard one, requiring stamina, ability, and real work. It was just a little more than he was able to stand over a period of time, with the resultant weakening of man's mind when it is overtaxed. Secretary Forrestal truly gave his life in the service of his country, and we all mourn his untimely death.

Mr. SHAFER. Mr. Speaker, I knew James V. Forrestal as a man of great patriotism, valor, courage, and knowledge. Although we frequently did not agree about matters of public policy, I always respected his opinions, for I knew, as all of us knew, that when he made up his mind, it was not because it would be favorable to his former connections in New York, his family, or for any narrow selfish reason. He was thinking of all the people of all this great Nation.

As I have pondered the manner in which he suddenly became ill and, at the last, ended his career with a tragic act, I have wondered if it was not to point up a great lesson to the people of the United States. I mean the dangerous threat which the efficient, methodical, bloodthirsty rulers of the Kremlin pose to the free world as we know it.

James V. Forrestal hated the Communists. He hated the thoughts of their undermining this land of ours, in which he had been able to work himself up from a poor man to one of wealth and high position. He hated the thoughts of allowing the Communists to overrun Poland, Estonia, Latvia, Lithuania, Rumania, Hungary, Bulgaria, Czechoslovakia, and China. There is every reason to believe that the dangers of communism and the manner in which so many of our citizens overlook those dangers preyed on his mind, until, finding a weak spot, the pressure caused his collapse which ended in his tragic demise.

We of this Nation can never forget—we must never forget—the valiant fight he waged for our Nation in both the actual, declared war against Hitler and,

later, in the cold war against the Communists. Let us resolve again that we shall not falter and we shall not fail in the crucial days to come, when the temper of every true American may have to be tried by fire. Let us pray that all of us fight as good and as long a fight as did Jim Forrestal.

PROGRAM FOR REMAINDER OF THIS WEEK

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, it has been necessary to make some changes in the announced program for this week, and I take this time to announce those changes.

The program for today will proceed as scheduled, bringing up House Resolution 206, the investigation resolution for the Committee on Foreign Affairs, and following that with the bill from the Committee on Public Works.

Tomorrow we will continue to consider the military pay bill.

Wednesday is the day set aside for memorial services in the House. There will be no legislation following those services.

On Thursday, it is contemplated that we will bring up the ECA appropriation bill. If that is not finished on Thursday it will go over until Friday. Of course it will be necessary for the House to be in session on Friday, technically, at least, if we are to adjourn over and have no session on Memorial Day.

I believe the pension bill from the Committee on World War Veterans' Legislation will come up on Wednesday of next week, under the agreement now entered into.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Mississippi.

Mr. RANKIN. We entered into that agreement because we had agreed to take it up on next Tuesday, May 31, but we found many Members had to be at home on the 30th, which is National Memorial Day, and they feared they would not be able to get back in time. So the Speaker and the whip, who I am sure represents the majority leader, and I, agree that we would take it up on Wednesday, June 1.

Mr. PRIEST. That is correct.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. STEFAN. Is it planned to take up the displaced persons bill tomorrow?

Mr. PRIEST. No. Tomorrow we will continue the consideration of the military pay bill, it being the unfinished business before the House.

Mr. STEFAN. Has the gentleman any idea when it will come up?

Mr. PRIEST. Of course, it cannot come up at least until the following week.

Mr. STEFAN. Next week?

Mr. PRIEST. That will be announced later.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. ARENDS. Mr. Speaker, I trust that announcement will be made as early as possible as to what will come up on Tuesday following Memorial Day so that the membership may be informed.

Mr. PRIEST. I assure the distinguished gentleman from Illinois that that will be done at the earliest possible moment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. RICH. If we are going to consider this pay bill tomorrow and then on Thursday and Friday consider the appropriation bill for ECA, it might be well for the gentleman to announce to the membership that they ought to be careful how they spend money on all these foreign countries, and that they ought to think a little, too, about what we are going to do for America.

The SPEAKER. The time of the gentleman from Tennessee has expired.

MEMORIAL SERVICES

Mr. REGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. REGAN. Mr. Speaker, as chairman of the Subcommittee on Memorials of the Committee on House Administration, I wish to take this time to advise the membership of the House that all arrangements have been made for the annual memorial services to be held next Wednesday, day after tomorrow, May 25. The families of our deceased Members who passed on during the past year have been invited and many of them have indicated they will be here. We should make every effort to be here Wednesday at noon. It is a mark of respect we owe to our deceased colleagues.

The memorial addresses will be delivered by the distinguished lady from Utah [Mrs. BOSONE] and the distinguished lady from Ohio [Mrs. BOLTON]. Music will be furnished by the United States Army Band.

FOREIGN AID APPROPRIATION BILL, 1950

Mr. GARY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file its report on the foreign-aid appropriation bill for 1950.

Mr. TABER. Mr. Speaker, reserving the right to object, would the gentleman include in his request that the minority may have permission to file their views and that those views may be printed together with the report, and also that all points of order on the bill are reserved by me?

Mr. GARY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the so-called ECA bill; that the minority have the right to file minority views together with the majority report and that all points of order on the bill are reserved by the gentleman from New York [Mr. TABER].

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PICKETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. PICKETT addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BIEMILLER. Mr. Speaker, on Friday last I obtained permission to insert in the Appendix of the RECORD certain testimony and documents which were presented to the House Committee on Interstate and Foreign Commerce. I am informed by the Public Printer that the extension exceeds the limit and that the cost will be $343.75. Notwithstanding the cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HÉBERT asked and was granted permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. ELLIOTT asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. PRICE asked and was granted permission to extend his remarks in the Appendix of the RECORD in two instances and include newspaper articles.

Mr. BLAND asked and was granted permission to extend his remarks in the Appendix of the RECORD on the National Maritime Day, and to include an editorial from the New York Times.

Mr. ZABLOCKI asked and was granted permission to extend his remarks in the RECORD and insert a resolution adopted by the Wisconsin State Industrial Union Council.

Mr. POLK asked and was granted permission to extend his remarks in the RECORD and include a brief letter and an editorial from the Breeders Gazette.

Mr. BAILEY asked and was granted permission to extend his remarks in the RECORD and include a statement by the State legion commander on the North Atlantic Pact.

Mr. RANKIN asked and was granted permission to extend his remarks in the RECORD and include a resolution from the Sons of the American Revolution.

Mr. BURKE asked and was granted permission to extend his remarks in the RECORD and include the text of an address by Mr. James Mooney, president of the Willys-Overland Motors, entitled "The Thousand-Dollar Car."

Mr. ROONEY asked and was granted permission to extend his remarks in the RECORD in two instances; in one to include a letter addressed to him by Hon. Sean Nunan, Irish Minister to the

United States, and in the other an article from Look magazine, entitled, "The Pope's War on Communism."

Mr. HAYS of Arkansas asked and was granted permission to extend his remarks in the RECORD and include a short editorial from the Christian Science Monitor.

DECORATIONS BY FOREIGN COUNTRIES

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, you have heard much about a bill which came before Subcommittee No. 1 of the Armed Services Committee, of which I am chairman. It provides for the acceptance of 105 decorations from 20 foreign governments by 87 members of our armed forces.

There is nothing out of the way or unusual about the bill itself. During the course of the war, over 50,000 GI's were authorized to receive decorations from foreign governments; and many of these decorations came from France, Belgium, and Holland. Since the war, this House has unanimously voted that some 38 members of the Navy be authorized to receive certain gifts and decorations from foreign governments. The present bill is an Army bill; and it follows the Navy bill which passed this House unanimously.

Sixteen of the medals mentioned in this bill are tendered by the Government of Argentina; and 11 from the Government of Brazil, whose President has just visited the Capital. Of the 16 Argentina medals, one of them is tendered to Maj. Gen. Harry Vaughan, military aide to President Truman; another one is tendered to Gen. Omar Bradley, and still another to Gen. Lawton Collins and Gen. Jacob Devers. There is nothing which distinguishes the Vaughan medal from the other medals tendered by the Argentine Government; and since this Government has embarked upon the policy begun in 1941 of permitting members of the armed forces to receive foreign medals, this bill should be passed by Congress immediately and become the law of the land.

PERMISSION TO ADDRESS THE HOUSE

Mr. CROOK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. CROOK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. EVINS asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter on slum clearance.

Mr. STEFAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement by Gen. Carlos P. Romulo.

ECA FUNDS USED BEHIND THE IRON CURTAIN

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, on May 6 I received a letter from a constituent from which I quote:

> We understand that with some of the money being provided by the Marshall Plan to aid European countries in their recovery program lumber is being purchased from foreign countries, even some being purchased from countries behind the Iron Curtain.

He asked me to answer. Yesterday I received a letter from Mr. Paul Hoffman, in which he set out that this was not contrary to the policy of ECA, nor was it contrary to law; and then, more or less as an afterthought in the letter, he added this:

> However, we may add, a comparatively small amount has been authorized for procurement behind the Iron Curtain.

That is over the signature of Mr. Paul Hoffman, the ECA Administrator.

Mr. Speaker, before the ECA appropriation bill comes up I believe that this House has a right to know just how much of these commodities is being procured behind the Iron Curtain and how much of the American people's money is being spent there.

INCREASED PAY FOR THE ARMED SERVICES

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, tomorrow the House will give further consideration to the bill which proposes pay increases for members of the armed services, the personnel of the Public Health Service, and the Coast Guard and Coast and Geodetic Survey. I have made some study over the week end of just what is involved, in order to try to see if the Members of the House could not get some clear understanding as to what this thing is going to cost. I have the figures, and they are authentic, they are accurate, and I am putting them in the RECORD at this time so that you will have an opportunity when you go into this matter tomorrow to understand definitely and positively what this is going to cost.

The stabilized figures for one fiscal year show it will cost $406,139,638; and that gives credit for all of the offsets that can be thought of except the possible increase in income taxes that the Government will receive as a result of giving this increase in pay. I think the Members ought to understand those figures because I got them from the armed services.

GI BILL OF RIGHTS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, I am about to read a letter that I believe will be of great interest to the Members of this body.

The letter is as follows:

LINCOLN NEBR., *May 19, 1949.*

Senator HUGH BUTLER,
Senator K. S. WHERRY,
Representative C. T. CURTIS.

DEAR SIR: I do not know how to express my appreciation to all the Members of Congress for the GI bill of rights, nor do I remember which Congress it was which, while I was overseas, passed this bill. I do want to express my gratitude to my own Congressmen at this time in the hopes that they will express these sentiments to the other Congressmen responsible.

On June 6 this year I will be graduated from the University of Nebraska College of Engineering. Without the benefits which the GI bill provided I would have been unable to finish my college work since I had been married during my military service.

This letter is merely a testimonial to the effect that I am eternally grateful to my Uncle Sam.

Yours very truly,

WILLIAM M. RAINES.

WHERE ARE WE GOING TO GET THE MONEY?

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we must have less spending because we are going to have less receipts in taxes for the year 1950 about two and one-tenth billions, so the Treasury Department has informed us this morning.

What is the Congress going to do this week? We are going to have a bill up here for consideration in a few minutes providing for a post office in every district of the United States or at least providing for a survey to get ready to build these post offices. A chicken in every pot. We should leave these post offices alone for the present. There is no necessity to build them this year. We have not this money.

Then there is a bill pending to increase salaries of armed force officers, which the gentleman from Wisconsin has just stated is going to cost some $400,000,000, or more this year. I am informed that in 5 years it will cost about one billion annually, if passed as it is presented to the Congress.

Mr. Speaker, we have to weigh every ounce of necessity for these reports and find out where we are going to get the money.

Later on in the week we will have an appropriation for the ECA, whereby we are going to give billions of dollars to foreign countries. I think this could be cut down by more than one billion or so. Serious consideration should be given to that matter.

There is also pending a so-called socialized medicine bill which will involve the expenditure of billions of dollars—how many we do not know. We should keep our eyes on that one.

In addition to the above bills, there is one providing aid to education all over the United States, involving unknown billions of dollars in future years. All you think of here as near as I can find out is spend, spend, spend. Will not the Members of Congress consider a real effort to have a sound solvent Government? Be wise and economize.

FEDERAL AID TO EDUCATION

Mr. COUDERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COUDERT. Mr. Speaker, an important story appears this morning on the front page of the New York Times. It is so important that I am taking this occasion to call it to the attention of the Members of the House. Every Member should read it, every Member should be familiar with it, in the light of coming legislative proposals.

This article is by the educational editor of the New York Times, Mr. Benjamin Fine, a gentleman of the highest integrity and ability, a gentleman I happen to know very well and in whom I have great confidence.

Skyrocketing Federal funds pose problems for schools—

Says the headline.

Educators with $3,400,000,000 United States aid for 1949, see vast waste in duplication by bureaus—fear for independence. Federal funds for education have skyrocketed in the record sum of $3,400,000,000 this year, jumping from $100,000,000 in 1940.

I am going to insert this article in the Appendix of the RECORD. I hope every Member will read it.

Before embarking upon new educational programs to cost additional hundreds of millions of dollars, perhaps Congress should review the crazy-quilt pattern of the educational programs for which it is now appropriating some $3,400,000,000 per year.

EXTENSION OF REMARKS

Mr. COUDERT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. HESELTON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include a statement made by Dr. Armand Hammer, president of the United Distillers of America, Inc., to the Senate Agriculture and Forestry Committee.

GERHART EISLER

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FELLOWS. Mr. Speaker, a few days ago I said a few words in reference to Gerhart Eisler and pointed out as a fact that he appeared at our oldest university by invitation of its authorities presumably to inspire its youth in the love and nobility of Christian living, and got paid for it.

I have a letter from the dean of Harvard College asking me to make public a correction, and I am very glad to do that. I will read a few lines from this letter:

Eisler did not appear at the invitation of the Harvard authorities. He spoke at the invitation of a student organization which has 10 members. The meeting was in no way sponsored by Harvard. Eisler was not paid for speaking by the University or by anyone at Harvard. He received $25 from the student organization to cover part of his expenses.

I am very glad to make that correction.

TWIN-ROTORED HELICOPTER

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, I take this opportunity to invite the Members and their staffs to the exhibition that will be put on tomorrow morning by the Kaman Aircraft Corp., of Windsor Locks, Conn., at a special congressional inspection and flight demonstration of its recently CAA-approved twin-rotored helicopter. The demonstration will take place tomorrow morning, May 24, from 10 a. m. to 12 m., on the Mall, the weather permitting. In case of inclement weather this demonstration by one of Connecticut's new enterprises will take place on the following day, Wednesday, May 25.

Each of you is cordially invited with your friends to attend.

EXTENSION OF REMARKS

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the board of county commissioners of his home county on compulsory life insurance.

Mr. REES asked and was given permission to extend his remarks in the RECORD and include a statement appearing in the National Grange Monthly, concerning Mr. Brannan's agricultural program.

Mr. MACY asked and was given permission to extend his remarks in the RECORD and include some addenda to some historical data he inserted in the RECORD a few weeks ago.

Mr. PATTERSON (at the request of Mr. SADLAK) was given permission to extend his remarks in the RECORD.

Mr. POTTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article entitled "Peace Business." I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $175, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at the close of debate today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROGERS of Florida asked and was given permission to extend his remarks in the RECORD and include a memorial.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include newspaper articles.

AUTHORIZING COMMITTEE ON FOREIGN AFFAIRS TO CONDUCT CERTAIN STUDIES AND INVESTIGATIONS

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 206 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purposes of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places as the committee may determine, whether or not the House is in session, has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, and to take testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee and shall be served by any person designated by such chairman. The chairman of the committee or any member designated by him may administer oaths to witnesses.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and I yield myself 2 minutes.

Mr. Speaker, this is a resolution authorizing the Committee on Foreign Affairs to conduct investigations both during and outside of the sessions of Congress. It is the same resolution that has

been granted to every other committee. I know of no objection to the resolution.

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, as the gentleman from New York has explained, this resolution is to give to the standing Committee of the House on Foreign Affairs the authority to conduct investigations either in full committee or by subcommittee and to issue subpenas to compel the attendance of witnesses and the production of papers and records in connection therewith.

I have but one question in my mind as to this resolution, and, if I may at this moment, I should like to query the chairman of the Committee on Foreign Affairs as to the intentions of his committee.

In lines 6 to 8 of the resolution the committee "is authorized to hold such hearings, to sit and act during the present Congress at such times and places as the committee may determine." I believe the interpretation of that wording would permit the committee or any subcommittee thereof to sit and hold hearings anywhere in the world. Is that the gentleman's understanding?

Mr. KEE. The wording would probably indicate that that could be done. I might envision an occasion arising where on one of the trips a subcommittee might take they would be engaged in hearings, but for the life of me I cannot anticipate that that would happen.

Mr. BROWN of Ohio. The explanation of the distinguished chairman is all that I desire. As I understand, it is not the intention or the purpose of the chairman of this committee, at least in connection with this resolution, to have the committee subcommittees travel all over the world and conduct hearings?

Mr. KEE. We certainly would not give them the right to hold hearings if they did travel all over the world.

Mr. BROWN of Ohio. Of course, if such trips were contemplated it would be necessary to get the funds to pay the costs thereof from the House Committee on Administration?

Mr. KEE. The gentleman is absolutely correct.

Mr. BROWN of Ohio. In fairness to the gentleman's committee, I think it should be pointed out, as it has been called to my attention here today, that during the last Congress, while a considerable number of subcommittees of the Foreign Affairs Committee were named and visits were made to foreign countries, out of $125,000 made available to the committee for the conduct of various studies and investigations and their travels, more than $80,000 was returned to the Treasury at the end of the session, unused, by the Committee on Foreign Affairs.

Mr. KEE. That is true. Over $80,000 was returned to the House and covered back into the Treasury.

Mr. BROWN of Ohio. In the light of the statements and explanations given by the distinguished chairman of the Committee on Foreign Affairs, Mr. Speaker, I have no objection to the adoption of this resolution, which would give to the gentleman's committee virtually the same powers now held by practically every other standing committee of the House.

Mr. KEE. I thank the gentleman.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PUBLIC BUILDINGS ACT OF 1949

Mr. COLMER. Mr. Speaker, I call up House Resolution 222 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3662) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and now yield myself 3 minutes.

Mr. Speaker, this resolution makes in order the consideration of the bill (H. R. 3662) providing for a comprehensive plan for the construction of certain Federal buildings in the United States. Frankly, Mr. Speaker, with the condition of the Treasury what it is at the present time, and with the need for the expansion of private enterprise what it is, I would not favor such legislation as this if it was intended to provide for a construction program at this time. The bill does not contemplate that. On the contrary it is, in my humble judgment, a very wise piece of legislation which would set up a shelf of public works to be utilized and activated at such time as unemployment in this country might be acute, when such a program as this could be utilized to put men to work and at the same time have worth-while construction.

In fact, Mr. Speaker, if I may be pardoned for referring to it, the Committee on Postwar Economic Policy, of which I had the honor to serve as chairman, made a study some 3 or 4 years ago; and among other things, envisioning that some day we might have unemployment in this country, recommended that an adequate plan for worth-while construction should be worked out. This does not authorize the construction of these post offices and other Federal buildings, but rather, provides for an appropriate plan for such work. Therefore, I, as one who is very much concerned about the Treasury, and the economy of this country, cannot see that there is anything wrong with this legislation. I think it is a very appropriate piece of legislation.

However, Mr. Speaker, I appreciate that this legislation will be hailed by some members of the press, and possibly others, as a political pork barrel; that it is purely a political maneuver to reelect Members of Congress next year. Frankly, I can think of nothing that could possibly contribute more to the defeat of Members of Congress than for them to have anything to do with the selection of a site or town within their districts for the construction of a post office where there are several towns which are eligible. It would certainly take a modern political Solomon to gain anything, politically, out of such a situation. Personally, I hope, if there is a section in the bill which could be construed as giving a Member of Congress the right to make such a selection, that it will be deleted from the bill before it is finally enacted into law.

But, again, Mr. Speaker, we have a responsibility here to perform, and I repeat that this legislation is aimed at a most worth-while objective. We cannot afford to have the Federal Government agencies reviving the old leaf-raking days of the WPA if and when it becomes necessary for the Federal Government to go into the employment field to relieve unemployment. Again, I do not think this is any time for the Federal Government to go into a public-construction program. With the present great need for more housing and literally hundreds of thousands of people awaiting the time when materials and labor are more plentiful and reasonable in order to build homes for themselves, the Federal Government should not put itself in the attitude of going into competition with them for this scarce labor and material. A wise Congress should make plans for the future. That is what we are doing here.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, as the distinguished gentleman from Mississippi [Mr. COLMER], member of the Rules Committee, has explained in calling up House Resolution 222, it makes in order the consideration of H. R. 3662, a bill from the Committee on Public Works, under an open rule, with general debate to continue for not more than 2 hours.

Mr. Speaker, this is not a construction bill. I think we should all understand that in the very beginning. It is simply a bill to make plans and to be ready for possible construction of needed public works, and of buildings—many of them post office buildings, but not all by any means—later on, if and when economic conditions develop where it will be wise to engage in such construction. In other words, this bill simply provides that

plans may be made and certain sites may be acquired in contemplation of future construction. However, no money is authorized or appropriated for construction in this bill, and no construction can take place until and unless at some future time the Congress authorizes it and appropriates the funds therefor.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. REES. As I understand the gentleman, this bill does not authorize the construction of any buildings. For what purpose is the $40,000,000 item in the bill to be expended?

Mr. BROWN of Ohio. That is practically all for planning and for the acquisition of sites.

Mr. REES. Who is going to do the planning?

Mr. BROWN of Ohio. That will be conducted, of course, by the Federal Works Administrator, who has direct authority, but he has the advice of a committee or a commission, as I understand it.

Mr. REES. Then it does authorize the expenditure of at least $40,000,000?

Mr. BROWN of Ohio. It does authorize expenditure for planning, which I think is in line with good business and with good government. I favor this bill for sound reasons. There is now every indication that we are going into some sort of an economic disturbance. Whether it is going to be a recession of short duration or whether it will develop into a real depression, I do not know. I hope, as do all others, that it will be very short, and that it will not be serious in its effect. Yet we know there is growing unemployment. We know that in the past when we have had a depression, in order to give employment we have made work, and we have wasted a great deal of public money in making work for individuals—work that was of no real or permanent value to the taxpayers of the United States. It seems to me just good business judgment to have these plans ready so, if there is a great decline in employment and in costs, the Government may give employment to the needy rather than doles; give them employment, not at leaf-raking but on good, sound, solid construction, which will be of benefit to all the people of the United States, and which will permit permanent improvements as a sound capital investment at a time when we can get the greatest value for the dollar. Actual construction would be delayed until the time when the costs of material and supplies will be lower than they are now.

So I think this committee has acted wisely in offering this legislation to prepare, and, to have all ready, up on the shelf, well-developed plans to meet any emergency, when it is necessary for us to do something to relieve human suffering, to give people employment who must have help rather than to put them on direct relief or give them a dole for sitting around and doing nothing. I think it is wise and well that this great committee has done that.

Mr. REES. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. REES. Do I understand that under this proposed legislation the Federal Works Administrator is authorized to spend approximately $40,000,000 to go out and acquire sites, using his own judgment as to where those sites should be acquired and to set up plans with respect to these buildings, or whatever is to be erected on this site?

Mr. BROWN of Ohio. No; that is not exactly correct. In the first place, his main responsibility is to make such investigations and studies, prepare sketches, working drawings and plans, and to also acquire certain sites. This is primarily to make these over-all plans for the future.

Mr. REES. It will not take $40,000,000 to make plans.

Mr. BROWN of Ohio. I am sure that neither the gentleman nor I are architects and engineers. I do not know exactly what the plans alone would cost. But it will take about $40,000,000 to do the two things provided for in this resolution. Primarily, making plans is the first job. He is to make a study of the whole situation, but the building commission, and the Commissioner of Public Buildings, will advise him and bring in the list of worth-while projects. There are all sorts of requests from all sorts of localities pending in the departments for the construction of post offices subpost offices and parcel post stations, as well as other Federal buildings; projects which have been waiting action since before the war, because it was impossible to carry on any worthwhile public construction program during the war except for military installations and war plants.

Mr. KEEFE. But he can do nothing on these things until plans are prepared.

Mr. REES. I understand that, but once there is an authorization appropriations will follow; is not that true?

Mr. BROWN of Ohio. No; that is not correct.

Mr. REES. It certainly is the usual procedure.

Mr. BROWN of Ohio. We do not authorize the appropriations in this bill, but simply authorize the expenditure of a reasonable amount of money to be used in getting ready for a much larger program. I, therefore, cannot understand the gentleman's attitude.

Mr. REES. I am merely trying to get some information on this important legislation.

Mr. BROWN of Ohio. I understand the gentleman does not want to go into any sort of relief program that savors of the dole or leaf raking. I am sure the gentleman will agree that it is advisable to have some over-all plan ready under which the money can be efficiently used in worth-while public projects which will be of permanent value and prove to be a real investment for the taxpayers of the Nation. I believe the gentleman is old enough to remember the leaf raking of the early depression days of 1931, 1934, and 1935, and we want no more of that.

Mr. REES. I agree with the gentleman; that plan was not very good.

Mr. BROWN of Ohio. As far as I am concerned, I do not want it.

Mr. REES. No. We should do better in event of another depression.

Mr. BROWN of Ohio. We should prepare a program of construction of needed public works ready for the days of depression so we can give employment to those needeeding it, and it is not too early to prepare such a program.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. McGREGOR. I might say to the distinguished gentleman that this is in reality a partial carrying out of the basic act of 1926 whereby a formula was established that whenever a certain amount of revenue was derived from a post office, that area was entitled to a Federal building. As the gentleman from Ohio so ably stated, this resolution is simply carrying out the intent of that act. We find as a matter of fact that the rental being paid by the Post Office Department for buildings will in quite a number of instances amortize Federal buildings in those areas in a period of 8 to 10 years; so, in reality not only does this furnish employment in slack times, but it is good business judgment.

Mr. BROWN of Ohio. And, of course, this would bring back to life, or continue, the program that had to be suspended because of the war emergency. Is not that correct?

Mr. McGREGOR. That is correct.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. DONDERO. The gentleman from Ohio has made a very able statement. I think it is wise at this juncture to point out that nothing is carried in this bill for construction within the District of Columbia. Furthermore, it covers only about 10 percent of the eligible projects, post offices, and Federal buildings in this country that are now so badly needed; in other words, while some 4,000 are needed, this bill provides for only about 10 percent.

Mr. BROWN of Ohio. And I believe the gentleman will agree with me that money spent now on thorough constructive planning of worth-while public works, for use in case of an emergency, will save many, many millions of dollars in the future.

Mr. SECREST. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. SECREST. The ideal sites for many of these post-office buildings are in the central business section of these towns and cities. Many of the sites located in the central part of these cities are being bought up, and costly construction is being placed upon them by private enterprise. If the Department of Public Works is given the right now to acquire these sites, in my opinion, they will cost half as much as they would when we might get into a depression and the properties in the meantime have been greatly improved. This is an economy bill, in my opinion.

Mr. BROWN of Ohio. The gentleman is correct. I would like to call attention to another point in this connection. In many instances the local communities will help acquire these sites. If they know that plans are being made for the

construction of a building in their community, when the need for it comes, they will move now, in conjunction with the proper department of the Government, to assist in acquiring the site which will be held for future use.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman from Ohio has made an excellent statement and I want to congratulate him for the timeliness of it. We all profit from experience. We know that in the old PWA and WPA days millions upon millions of dollars of the taxpayers' money were wasted in boondoggling and pump-priming projects which had little or no permanent value. I agree with the gentleman from Ohio [Mr. SECREST] that the advanced planning and the use of this money now in order to be ready should an emergency arise is really in the interest of economy.

Mr. BROWN of Ohio. I thank the gentleman. May I add that when complaint was made regarding many of these boondoggling projects back in the thirties the answer was always given that such projects were made necessary because the Federal Government had no plans ready for the construction of worth-while public works. Is that not correct?

Mr. SHORT. That is correct. This is not, it should be borne in mind, a relief bill. It is not dishing out money for nothing, but is really to get our money's worth.

Mr. BROWN of Ohio. The gentleman is quite correct. It will benefit in two ways. First, it will give to the Government the buildings it needs for efficient conduct of public affairs and, second, it will be a standby construction program to give employment if needed in the future.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Kansas.

Mr. REES. I observe that the gentleman from Ohio is enthusiastic about the authorization of the expenditure of this $40,000,000. I believe he agrees with me, however, that if we do authorize the expenditure of this money—and evidently the authorization of the expenditure will be approved—that means we are going to appropriate it and spend it. In other words, if we authorize it, following will be an appropriation bill; is that not correct?

Mr. BROWN of Ohio. Certainly. I imagine that probably all of the $40,000,000 will eventually be spent for these purposes, but, may I say it will be spent in preparing plans and acquiring sites for what eventually may result in hundreds of millions of dollars of expenditures on public works, in line with governmental policy. I may, at the same time, save hundreds of millions of dollars, which would otherwise be wasted if we are caught flat-footed without any plans should we have a serious depression. And may I assure the gentleman from Kansas that I have enough Scotch in me to always be willing to invest 5 or 10 cents if I can get $10 back later on. I think that is a pretty wise philosophy and good business policy.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The gentleman will permit me to say, I am sure, that he very correctly states that the bill under consideration simply renews and extends a program that was in force during the thirties and that the Public Buildings Administration has not got the power or authority to just select a site without regard to any considerations. This provides that the Public Buildings Administration, successor to the Procurement Division of the Treasury Department, together with the Post Office Department may select one site. We make an authorization for the acquiring of one site in practically every congressional district, and for the plans, and if it does not cost $40,000,000, the Public Buildings Administration will not get that much for the work.

Mr. BROWN of Ohio. I thank the gentleman for his contribution.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. WHITTINGTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3662) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3662, with Mr. MANSFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITTINGTON. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the bill under consideration authorizes the making of plans for public buildings in substantially all the congressional districts of the United States and the acquiring of a site in substantially all of the districts of the United States for a Federal building, including post offices. It does not provide for construction. Actual construction would be delayed until a more propitious time when labor and materials are available, and when there is need for employment.

The Members will recall that the basic act for public construction is the act of 1926, and under the terms of that act various authorizations were made for the construction of public buildings from 1926 to 1937 and 1938. Under the terms of the act of 1926 the Public Buildings Administration under the supervision of the Federal Works Agency and the Post Office Department submits annually a list of projects that are eligible for construction. The last one of the lists submitted that was published was in 1939, House Document 177, Seventy-sixth Congress, first session. The last authorizations for the construction of Federal buildings were the construction acts of August 25, 1937 and June 21, 1938.

The construction planning and the acquiring of sites proceeded, and November 23, 1940, there remained 199 buildings to be constructed. The President impounded the funds, and there has been no construction of public buildings since 1940, although sites had been acquired and plans have been made in a great many cases, before the impounding of funds in November 1940.

Under the act of 1913, all post offices where the annual receipts are in excess of $10,000 are eligible to be considered, but no post office where the receipts are less than $6,000 annually may be considered for the acquiring of a site.

As I say, this bill contemplates the making of plans for at least one structure in each district except in major metropolitan areas. The sites are to be acquired really by a continuation of the method used in the selection of the sites and the buildings that obtained during the 1930's. It was then done by the Treasury Department, and where there were post offices by the Post Office Department also. The Member of Congress of the district was always consulted. Therefore, when any site is acquired that procedure will be continued. That site will be selected from a list that has been submitted, and it is provided by section 101 of the pending bill that that list will be published as a document. When the committee considered this bill, we asked that that document be submitted to us, when we conducted hearings. Those hearings were available to all Members of the House and the Senate. They cover all phases of the subject. In order that Members might be fully advised, the chairman on April 7 wrote a letter to each Member of the House and transmitted to him a copy of the hearings.

I call the attention of the Members to the fact that there are printed in those hearings five lists. They appear at the end of the hearings. List No. 1 covers all the places in all of the States and Territories where the receipts are such that the buildings are eligible for planning a site.

List No. 2 covers sites acquired under previous public building programs. The last time we made an appropriation for this purpose was in 1937 and 1938. We found that it takes 12 to 24 months to prepare a plan and acquire the site. The best argument I can cite in support of that statement is that when the funds were impounded that were appropriated in 1937 and 1938 there remained 199 projects deferred, including 164 where sites had been acquired.

List No. 3 is projects for which working drawings and specifications are completed.

List No. 4 covers projects authorized under the 1937–38 Public Buildings Acts

where sites had not been acquired when the construction program was stopped as of November 23, 1940.

List No. 5 is a consolidation of Nos. 2, 3, and 4, giving the combined, consolidated lists.

As I have stated, the committee was unwilling to authorize a construction bill, and I may add in that connection that Congress since the war has declined to authorize construction of post offices or other buildings.

H. R. 4276 was introduced by Mr. Lanham, which provided for public buildings. The bill was not reported, however. That was in 1945. H. R. 6917 was introduced by our former colleague, Mr. Lanham, in 1946. But the program was never considered. There were no unemployed and materials were not available, and there was no occasion for public construction. Then in 1946 there was introduced the bill S. 2412, in the other body. It was passed by the other body in 1946, but was never considered by the House. We did make partial provision for public construction in Public Law 413 of the Seventy-ninth Congress approved June 14, 1946, which provided for the construction of certain hospitals and other facilities.

The purpose of the pending bill is if there should be unemployment, and if there should be the need for providing employment, to have on the shelf plans, and to have sites which would be acquired as I stated, under a continuance of the law between 1926 and 1938, which has heretofore obtained. If the Members are interested in the laws under which we operated from 1926 to 1940, they will find a compilation of the laws in the hearings at page 169. I would like to say in passing that while the language of the bill authorizes public buildings in each congressional district, or provides for the benefits of them in each congressional district, the substance of it is that there should be provided one building in practically every congressional district in the Nation, except metropolitan areas. The language of the pending bill is the best language that our committee could find to describe and bring forward the procedure that has obtained in the construction of public buildings from 1926 to 1940, when the funds were impounded. The Members will recall that prior to 1926 post-office buildings were constructed sporadically by an authorization here and an authorization there or the consolidation of authorizations, but since 1926, individual bills for public construction have not been considered.

Generally, Members will keep in mind that the bill under consideration, H. R. 3662, represents the substance of the bill S. 714, which was introduced in the other body and passed unanimously there, and which is now pending in this body. At the time that bill was introduced in the other body, the Chairman of the House Committee on Public Works introduced the bill H. R. 3019. Hearings were conducted on the bill, and as disclosed by the hearings, and by the report of the committee, which is available to Members of the House, at the conclusion of the hearings the bill was rewritten, and a clean bill, H. R. 3662, was introduced as reported. With your permission I will undertake to give you a brief outline of principal provision of the pending bill.

Section 101, title I provides that the Public Buildings Administration, where post offices are involved, with the assistance of the Post Office Department, shall select sites for public buildings, and I repeat, as under the practice previously, Members of Congress from the districts involved will be consulted. The hearings disclose that that practice will be continued. It provides for making plans, and the testimony shows that it takes from 12 to 24 months, and sometimes 3 years, before sites are acquired.

Again, it contemplates that when those sites have been acquired, and the plans have been made, a report will be submitted, and then an appropriation may be requested in 1, 2, or 3 years and it will then be up to the Congress whether the appropriation is made.

In title I, in section 101 and section 102, we undertook to clarify the language that obtained in five or six appropriations authorizing construction during the thirties, and we have provided in the pending bill that in making the selections for the sites they shall distribute the projects equitably throughout the country, with due regard to the comparative urgency of projects in various sections of the country. And, to make assurance doubly sure, as the Members will recall that one post office building in a great metropolitan area like New York or Chicago will cost probably more than 100 post offices in rural districts, the bill includes section 102; and to undertake to bring forward the procedure that obtained in previous programs into this program by the insertion of section 102, the committee declares it is the intent that there shall be in every congressional district either a building or the benefits of a building. Moreover, in order to do justice to those districts and those cities in which building sites were acquired and the funds impounded, it is provided in the latter part of section 102 that that site provided for in this bill shall be in addition to the one that was previously acquired, and on which no building was constructed because it is necessary for that building that was deferred to be constructed to put that district on a par with all of the other districts of the United States.

Now, turn to title III in connection with title I. I have referred to all of title I, except that it authorizes the sum of $40,000,000 for the acquiring of sites and for the making of plans, and my judgment is that this period of 2 years for acquisition of sites and for preparation of plans protects the interest of the Government. It will not be necessary to force the making of plans immediately at high prices, or the acquiring of sites.

By giving them a period of 2 or 3 years to make the plans and acquire the sites, there will be a shelf of projects for at least one building or the benefits thereof in every district. That will have to be followed, according to the terms of the bill, by submission to the Eighty-second Congress of a list of all eligible projects, and the Congress will determine when and whether it will make appropriations, when the Public Buildings Administrator has furnished them with a list of the sites acquired under this act, and a list of the plans, and Congress will also decide about construction and other plans and sites for additional projects.

Every Member of the House is interested in this bill. There has not been any renovation of public buildings in the last 10 years. There is a provision in the annual Public Buildings Administration appropriation for repairs to buildings, that do not exceed $25,000 annually. Now, in title III we provide for an authorization of $30,000,000 to be expended approximately $10,000,000 annually in renovation or improvement where the cost is in excess of $25,000, in existing post-office buildings. If there be a Member of this House who owns a smaller office building, without any sort of repair in 10 years, when modern structures are being constructed, I believe he will agree it is in the interest of economy and in the interest of good government that there should be an appropriation for streamlining and bringing those buildings up to date, and for the acquiring of necessary parking facilities, or lands.

Now, as to title II, let me say a word. That title of this bill provides that in the city of Washington, down in the foggy bottom area near the Lincoln Memorial, the Public Works Agency has already been authorized, and the funds have been appropriated for acquiring, a number of blocks, and without any additional authorization and upon the recommendation of the Public Buildings Administration, we include four more blocks that would be available to them for selection in the event they decide to acquire in the future.

Then there are a number of places where buildings have been declared surplus and they have been turned over temporarily to the Public Buildings Administration for offices. I recall that is true in Pittsburgh, among other cities, and in Dallas, Tex. This bill authorizes that where that has been done in section 204 of title II, those buildings to be retained by the Public Buildings Administration without reimbursement by the Public Buildings Administration, because that would have required an appropriation by the Congress, as the items are named definitely instead of being covered by a general authorization or approval. But your committee in the care that it gave to this bill was not satisfied with a blanket approval. We asked them to spell out these projects, and in spelling them out it took 10 or 15 pages of this bill to describe the metes and bounds of the property concerned. Under section 205 there are other types of buildings that the Public Works Administration said had been temporarily transferred by the War Assets Administrator, and they wanted the authority in the event they determined that they were fitted for public offices in various parts of the country, to have them transferred without reimbursement. We felt that the Congress ought to take a look at those projects and this bill provides this machinery by clarification in title II in section 205.

Title IV provides for a number of clarifications in the interest of good administration and it concludes with the

provision that instead of there being submitted annually a list of buildings in every State in the Union that are eligible for construction, that the list shall be submitted to each Congress or biennially. So it does strike me that in the bill that we have under consideration we have a constructive program. We have constructed buildings in the District of Columbia, we have spent money by the billions in the war centers, but there has been no improvement of existing public buildings in all of the States of the Union; and if by chance we have inflation, deflation, disinflation, or any other trouble leading to unemployment we know that one of the best ways to provide employment is through public-works construction. The primary purpose of this bill is to place on the shelf, approved by Congress from a list that has been furnished by the Public Buildings Administration, certain projects to be undertaken. We have included the lists in the hearings; and if and when Congress makes an appropriation for construction Congress will take a look at the approved plans and sites and determine whether or not they shall be carried out, and will then probably approve additional plans, sites, or construction.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTINGTON. Mr. Chairman, I yield myself five additional minutes, and now yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. The construction of these buildings is not contemplated now, is it?

Mr. WHITTINGTON. It is not; there is no provision in this bill for construction.

Mr. RICH. There are 199 sites, I presume in 199 districts; is it necessary to get duplicates in each one of those districts where sites have already been selected?

Mr. WHITTINGTON. I tried my best to explain it just as simply as I could, and I made the statement that title I provides that if in the gentleman's district in Pennsylvania there have been six buildings—suppose that is the average in all the congressional districts, but that in the gentleman's district the sixth building was to be constructed but the funds were impounded, the committee felt it was only fair that that district should not be deprived of that building just because the funds were impounded due to the necessities of war.

To answer the gentleman's question, I repeat that the building that was not constructed on a site that had been obtained and previously authorized but deferred, may be continued for construction.

Mr. RICH. The only thing about my district is that I do not want them to build too many up there.

Mr. WHITTINGTON. Pardon me; I will just withdraw the statement about the gentleman's district. I was using it merely as an example; I hope the gentleman understands.

Mr. RICH. They have already purchased a site. At the time they purchased it there was a building on it. They tore the building down and now the site does not yield the return it would have if they had left the building standing on it. If under this program they buy a site that already has a building on it, they should not tear the building down but should rent it to somebody until they want to actually use the site for immediate construction. That is a matter of good economy, I think.

Mr. WHITTINGTON. I have the highest regard for my colleague, the gentleman from Pennsylvania. We relied upon Mr. Reynolds, Commissioner of the Public Buildings Administration. He recommended the planning and acquisition of sites. He is one of the most capable men in any branch of the Government service. We agreed with him that where buildings had been authorized and the funds impounded, the construction should be completed so as to put that district on a par with other districts.

Mr. RICH. In my district they tore a building down, and I do not want that to happen again. Another thing, where you have locations that comply with the Department's specifications and they already have a good post office, there is no use erecting a new one. Where they are renting a building and getting an advantage, and when it costs the Government about one-fifth of what it would to build a post office, consideration should be given to that fact also.

Mr. WHITTINGTON. If the gentleman continues to represent that district, I suggest he keep in touch with the Post Office Department. They are not going to put a building up there over the gentleman's protest.

Mr. RICH. They wanted to do it and I have had a terrible time keeping them from so doing.

Mr. WHITTINGTON. Good luck to the gentleman in the future. If he does not want a building, someone else does, in some other State.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Ohio.

Mr. JENKINS. I wanted to ask this one question. What does the gentleman mean by impounding?

Mr. WHITTINGTON. I will answer the gentleman's question. The President of the United States had authority under the War Powers Act to prevent continued construction. The President exercised that authority on November 23, 1940, and impounded every dollar we appropriated for public buildings that had not been expended and in the case of one building that was actually under construction. Those funds stayed impounded until about 1946 when some agency said that they needed the money for constructing hospitals and other facilities. Those funds have been devoted to the construction of hospitals and other similar facilities.

Mr. JENKINS. Let us consider for a moment a location which the Government has purchased and had drawn plans for a post office, then abandoned those plans. Is it safe for one to assume that those funds were impounded?

Mr. WHITTINGTON. Yes, as a general proposition, but the lists to which I have referred in the hearings give the facts. We provide that they are eligible for construction, and then another building, too.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Ohio.

Mr. McGREGOR. I call the attention of the Member from Ohio to the fact that a list of all projects in deferred status is found on page 331, which agrees with the statement of our distinguished chairman.

Mr. WHITTINGTON. On pages 271 to 332 of the hearings the lists appear.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTINGTON. Mr. Chairman, I yield myself three additional minutes.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Connecticut.

Mr. SADLAK. The chairman of the committee has made a very fine statement.

Mr. WHITTINGTON. Thank you. Your question, please.

Mr. SADLAK. The gentleman states that they are going to make plans for post offices now which will be endorsed by the Eighty-second Congress. Am I correct in assuming that it will be at least 2 years before we have any of these post offices?

Mr. WHITTINGTON. That is correct.

Mr. SADLAK. The gentleman outlines that there will be available $30,000,000 for renovation.

Mr. WHITTINGTON. That is right.

Mr. SADLAK. How soon can we get some of this money? I ask that question for the reason that in the State of Connecticut alone we have a large number of unemployed people. I would like to have some suggestion as to what we can do immediately.

Mr. WHITTINGTON. This bill has already passed the Senate. If the House passes the bill, with amendments, it will go back to the Senate. As soon as the bill has been finally passed and signed by the President the improvements will be eligible for appropriations.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from California.

Mr. HINSHAW. What provision has been made for those congressional districts where enormous increases of population have taken place, such as in my own which has gone from 356,000 in 1940 to variously estimated between 700,000 and a million today?

Mr. WHITTINGTON. Those districts have got to be considered under the terms of this bill in accordance with need. The gentleman will recall that we had his statement before us. This authorization provides generally for needs and for expanding needs particularly in States like California and Michigan as it was emphasized there is a desperate need for additional facilities. This Congress is already on record as having made provision for at least one enlargement of a building in Los Angeles.

Mr. HINSHAW. There is a desperate need out there.

Mr. WHITTINGTON. I agree.

Mr. HAVENNER. Mr. Chairman will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from California.

Mr. HAVENNER. May I refer to page 23 where there is an authorization for the War Assets Administrator to transfer to the Public Buildings Administration certain described land on Angel Island in San Francisco Bay. Can the gentleman tell us what the plans of the Building Administration are for the utilization of this land?

Mr. WHITTINGTON. May I say that it is pretty difficult to keep in mind these dozens of projects. I mailed to the gentleman and to every other Member a description of the property and the purpose for which it is to be used. My general recollection is that the island in San Francisco Bay is going to be used for quarantine purposes. This property has already been obtained and paid for and buildings have been constructed. The Government will be exercising economy by using this property rather than buying additional facilities.

Mr. WOODRUFF. The gentleman referred a moment ago to the situation existing in California and Michigan. What I would like to ask is this: I have in my district the city of Midland, the home city of the great Dow Chemical Co. The situation is this—in the post office there it is utterly impossible to conduct the business of the post office with the facilities they now have.

Mr. WHITTINGTON. We so understand.

Mr. WOODRUFF. Will the gentleman tell me, please, when will there be an opportunity to secure that much-needed relief for that post office?

Mr. WHITTINGTON. When this bill is passed, and when the investigation has been made and the site has been acquired. It will take 1 or 2 years to do that.

Mr. WOODRUFF. As a matter of fact, they have the site. There is a post-office building there that was erected about 20 years ago, and the growth of the city, by reason of the development of that company, has made additional facilities necessary.

Mr. WHITTINGTON. I understand the gentleman's question, and that that situation obtains. If the gentleman will turn to the lists he will find probably at that particular location, and in dozens of others in the country, where buildings have been constructed, that they are outdated and out-moded, and they are eligible for construction.

Mr. WOODRUFF. I looked through the report of the committee carefully and I found no mention of Midland, and that is why I am interrogating the gentleman at this time.

Mr. WHITTINGTON. Well, I mailed the list on April 7.

Mr. WOODRUFF. I do not find the town of Midland listed, and it is one of the critical situations.

Mr. WHITTINGTON. Under the terms of this bill they can go outside and select other projects not included in the report which are economically sound and advantageous to the public service, even though not in the list. This includes Midland.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Michigan.

Mr. MICHENER. Provided there are a number of post offices needed in congested areas, and there is similar or like need between several eligible post offices in the same district who determines which city gets the post office?

Mr. WHITTINGTON. That is a fair question, and I have answered it already. It is determined by the Federal Works Agency and by the Post Office Department, based on the relative needs as far as they are able to ascertain them. In reaching a conclusion in the programs of the 1930's, as the gentleman knows, they usually conferred with the Members of Congress, and they say that procedure will obtain. They considered area, receipts, and populations.

Mr. MICHENER. That is the very point. Will it obtain? He had to belong to the party in power before the Congressman was consulted. Otherwise, a political committee determined where the post office was to go. If they happened to have a Congressman whose politics was different than the administration, the Congressman was not given consideration.

Mr. WHITTINGTON. I will say this, and I can only repeat what I said, that the Public Building Administration and the Post Office Department say that there is to be no partisanship. It is based on need, and in order to protect the minority, I repeat again, we spell out in this bill that it is the intent that there shall be the equivalent of one post office in every congressional district in the United States. We adopted the language suggested by the gentleman from Michigan [Mr. DONDERO], in our committee, and we adopted every other word that would clarify it.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Tennessee.

Mr. JENNINGS. I assume that probably some reference was made to the project that certain public-spirited citizens of Knoxville called to the attention of the gentleman's committee some time ago.

Mr. WHITTINGTON. I will say to the gentleman that we had a very long petition that was considered, and it is eligible under the terms of this bill, as I recall.

Mr. JENNINGS. I commend the able chairman of this great committee on the fine job that has been done.

Mr. WHITTINGTON. I thank the gentleman.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Washington.

Mr. HOLMES. In the determination of the location of these buildings, will the committee take into consideration the local population?

Mr. WHITTINGTON. Unquestionably. That is one of the things that has been emphasized here.

Mr. HOLMES. Will they likewise follow the population changes throughout the various parts of the United States in relation to the problem?

Mr. WHITTINGTON. I should certainly think so. I think you have a very capable man to do that, in Mr. Reynolds, if I may answer the gentleman's question.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mrs. ROGERS of Massachusetts. It seems to me the gentleman has covered a good deal of territory. As I understand, it is up to the individual Member to fight the hardest he or she possibly can.

Mr. WHITTINGTON. If I have covered a lot of territory, it is because there is a lot of territory in the 435 congressional districts, and I undertook to cover every one of them.

Mrs. ROGERS of Massachusetts. There are a number of eligible projects in my own district. I am very grateful.

Mr. WHITTINGTON. I thank the gentlewoman.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Kentucky.

Mr. PERKINS. If I understood the gentleman correctly, the Federal Works Administrator is authorized to acquire a site for a post office if it has gross annual receipts amounting to $10,000.

Mr. WHITTINGTON. The gentleman is correct. I have said that repeatedly. Under the law the annual receipts have to be $10,000 before it is eligible for construction, or they have to be $6,000 before they can acquire a site. But the 1913 law was amended in 1926, and the 1926 law is now the basic act. It provides that if there are other facilities in addition to postal facilities, like the agricultural operations, they may be included. My understanding is that there is just one congressional district in the United States, outside the metropolitan areas, where the receipts do not aggregate $10,000, and that is in the State of Kentucky. In that district there are agricultural facilities that are needed that will make it eligible for planning as a site as I am advised.

Mr. Chairman, as I have said, the bill authorizes an orderly program for site acquisition and advanced planning of public buildings that are considered necessary and desirable. This is not a construction bill. Construction will await economic conditions and will be delayed for more propitious times.

The report of the committee contains an outline, statement, and analysis of the bill, title by title, section by section, that I cannot hope to improve upon, and I therefore give the same general statement and analysis of the bill as follows:

OUTLINE OF H. R. 3662

Title I of the bill authorizes the appropriation of $40,000,000 to provide for the acquisition of sites and the preparation of plans for public buildings outside the District of Columbia to be selected by the Federal Works Administrator with the concurrence of the Postmaster General where his Department is involved, and to be apportioned at the rate of one or more selected Federal building projects for each congressional district. This will enable the Public Buildings Administration to be prepared to start construction of such buildings when

conditions are such that construction may be undertaken without adversely affecting the public welfare and the Nation's economy.

Title II provides for the acquisition of certain additional ideally situated and relatively unimproved lands within the District of Columbia for use in future Federal building expansion. Also included are separate sections directing the transfer between Government departments of jurisdiction over certain lands outside the District of Columbia for the purpose of better management.

Title III authorizes the appropriation of $30,000,000 to be administered by the Commissioner of Public Buildings in furthering a program of acutely needed modernization of Federal buildings outside the District of Columbia and under control of the Public Buildings Administration. This would apply to major repairs and renovations and would not be used for ordinary maintenance jobs costing less than $25,000 for which annual maintenance funds are now available.

Title IV contains miscellaneous provisions which will improve the efficiency of administration of the functions assigned to the Public Buildings Administration.

GENERAL STATEMENT

Under existing law the Public Buildings Administration has basic authority to undertake the construction of Federal buildings, subject to certain requirements specified in the law, when appropriations are specifically provided for that purpose by Congress. The existing law does not, however, permit the Public Buildings Administration to make advance preparations for Federal building construction such as is common practice among other agencies engaged in public works construction. The provisions contained in title I of H. R. 3662 will fill this gap and pave the way for removing the elements of delay which would hinder prosecution of a building program when conditions warrant the initiation of construction.

From the testimony at the hearings it developed that additional Federal buildings are urgently needed in every section of the country. At present there are about 4,000 such proposed and needed building projects on the eligible list. The committee is not equipped to pass on the merits of eligible Federal buildings and make priority selections. Such selections are properly the functions of the executive agencies charged with the housing needs of the Federal Government.

The Commissioner of Public Buildings testified that the terms of H. R. 3662 will provide for about 450 projects or additions thereto which can be made ready for starting construction. This is approximately one-tenth of the proposed buildings on the eligible list. A considerable number already have available sites or portions thereof. The precontract steps provided for in the bill require from 12 to 24 months, depending upon the size of the project. Enactment of this bill would permit the orderly planning of a public-building program and make it possible to proceed promptly with urgent construction as soon as economic conditions warrant it and Congress deems it advisable.

Existing legislation relating to Federal buildings is also somewhat inadequate with respect to the repair and renovation of old buildings which are basically sound for continued future use if measures for renovation and modernization are undertaken.

Funds included in the annual appropriations are limited to jobs costing less than $25,000 and are sufficient only for the more urgent work of maintenance and ordinary repairs. They are not adequate to include any major modifications and renovations which are needed to provide proper facilities for efficient conduct of Government business. The $30,000,000 authorization contained in title III of this bill will provide a 3-year program for major renovation and modernization work of an urgent character, including such work as changes and improvements in lighting, plumbing, heating, and air-conditioning equipment, structural changes to meet modern fire-prevention standards and fire codes, and modernization of elevator equipment.

The committee now has before it a large number of individual bills calling for the construction of Federal buildings in various localities. Many of these projects will be covered by the terms of H. R. 3662.

This bill continues the highly satisfactory public-buildings policy in force since 1926 when the present basic legislation was enacted. Authority for selection of building projects is delegated to the proper executive agencies with suitable safeguards to retain full control over matters of policy and appropriation of funds in the hands of the Congress.

The Public Buildings Commissioner stated that it is the invariable practice of his agency and of the Post Office Department in cases affecting said Department, to confer with the representatives of the local units of Government and with the Members of Congress representing the area concerned in determining the selection of projects and sites threfor.

ANALYSIS OF THE BILL BY SECTIONS

Title I

Section 101 authorizes the Federal Works Administrator to acquire sites and prepare plans for Federal public buildings. Planning may be undertaken before the approval of title to the sites by the Attorney General when determined as necessary by the Federal Works Administrator. For buildings to be occupied for post-office purposes the Federal Works Administrator and the Postmaster General act jointly in the choice of sites in the towns or cities selected from the eligible list.

This section also requires the submission to Congress of a report listing all eligible projects and their limits of cost when in excess of $200,000. When the estimate of cost of a project is less than $200,000, the limit of cost is to be determined by the Commissioner of Public Buildings. Selection of projects is to be made by the Federal Works Administrator and the Postmaster General from such report. (Section 409 requires that this report be submitted promptly after the convening of each Congress.) They may also select such other projects not included in the report which, in their judgment, are economically sound and advantageous to the public interest. Projects are to be distributed equitably throughout the country with due regard for the comparative urgency of projects in various sections of the country.

Section 102, added by the committee, provides that each congressional district would participate in the equitable distribution of selected projects for future construction to the extent of one or more approved projects for each district. This is in addition to previously authorized and selected public building projects under the Public Buildings Acts of 1937 and 1938 which have been deferred. A list of these deferred projects is included in the printed hearings.

Section 103 authorizes the appropriation of $40,000,000 to implement section 101.

Title II

Section 201 authorizes the Federal Works Administrator to acquire squares 11, 19, 20, and 32 in the District of Columbia as a part of the site for a new building or buildings. For years these squares along thereto have been under consideration for this purpose. Acquisition of other squares in this area has been previously authorized. At present the area is relatively unimproved. The area should be acquired by the Government before it is further developed.

Section 202 permits the exchange without reimbursement of certain lands between the Department of the Navy and the Federal Works Agency. As a part of the national-defense program, the Federal Works Administrator issued a permit to the Department of the Navy covering the use of the existing quarantine station in the city of San Diego, Calif., as a fuel depot. During the period of hostilities most of the old quarantine-station buildings were dismantled and new permanent facilities installed by the Navy. As the Public Health Service requires a new station to carry on full quarantine activities in the area, a project has been developed for consideration under future building programs predicated upon acquisition by exchange of a new site. The Department of the Navy has agreed to the exchange of Navy property which is most adaptable and most economical for the new station and acceptable to the Public Buildings Administration and the Public Health Service.

Section 203 involves the exchange of lands between the Department of the Army and the Federal Works Administrator without reimbursement to provide a site for a new quarantine station in Honolulu. Following the Pearl Harbor disaster, the Army took over the Sand Island Quarantine Station at Honolulu and subsequently constructed extensive improvements thereon. The Department of the Army now contemplates continued use of the island for military purposes and has offered to make available a portion of Fort Armstrong on the mainland in exchange for the Sand Island site. The new site has been found by the Public Buildings Administration and the Public Health Service to be the most logical location for a new quarantine station.

Section 204 of H. R. 3019, as originally introduced by the chairman, contained a blanket provision authorizing the Federal Works Administrator to make permanent disposition, by transfer to the Public Buildings Administration, of certain real properties, together with the improvements located thereon, acquired by him pursuant to titles II and IV of the Lanham Act. These properties are suitable for use by the Public Buildings Administration in performing its functions, but under existing law will ultimately be disposed of outside of the Government. The committee felt that the blanket provision was unwise and adopted an amendment specifically describing each property. They consist, in the main, of former USO buildings; venereal disease rapid-treatment centers, recreation facilities, and facilities located adjacent to the residence hall projects in or near the District of Columbia. The properties are located at the following places, each property being identified by the subsection designation to indicate where it appears in the bill:

(*a*) Cheyenne, Wyo.
(*b*) Little Rock, Ark.
(*c*) Medford, Oreg.
(*d*) Fayetteville, N. C.
(*e*) Durham, N. C.
(*f*) Paris, Tex.
(*g*) Hampton Roads, Norfolk, Va.
(*h*) Chatham County, near Savannah, Ga.
(*i*) Fort Smith, Ark.
(*j*) Residence halls at Suitland, Md.; West Potomac Park and Langston Stadium, District of Columbia; Arlington Farms, Va.

As in the case of section 204, section 205 (a) of H. R. 3019, as originally introduced, granted blanket authorization for the transfer of certain real property from other departments or agencies of the Government to the Federal Works Agency for the use of the Public Buildings Administration. The committee adopted an amendment which is spelled out in H. R. 3662, enumerating with clarity the properties to be transferred. The properties, each identified by subsection number, are as follows:

(1) A portion of the Fort Brown Military Reservation, Brownsville, Tex., now under the control of the Secretary of the Army, for use

as a site for the Brownsville, Tex., border station.

(2) The entire building known as 1114 Commerce Street Building, Dallas, Tex., now under the control of the Secretary of the Army.

The following properties under the control of the War Assets Administration:

(3) Certain lands in Marfa, County of Presidio, Tex.

(4) A portion of Angel Island (Fort McDowell) known as the San Francisco Quarantine Station.

(5) A parcel of land in San Mateo County, Calif., lying along the line of Butler Road.

(6) A tract of land in East Point, Fulton County, Ga., at the intersection of St. Joseph Street and Lawrence Avenue.

(7) A parcel of land in San Antonio, Bexar County, Tex., at the intersection of South Flores Street and Arsenal Street. (The committee invites attention to the fact that this property consists of approximately 8 acres of land together with extensive improvements thereon. The property is a portion of the 21 acres of land now constituting the San Antonio Arsenal. Originally it was contemplated that the entire arsenal property, which has now been declared surplus by the War Assets Administration, would be transferred to the Public Buildings Administration for use in housing various activities of the Government. After careful consideration by the full committee is was decided to limit the transfer to the 8-acre parcel. The committee felt that 21 acres located in the heart of the business section of a city the size of San Antonio, for use by the Federal Government, was too great an imposition upon the city. In addition the tract of 8 acres contains the buildings now used most intensely by the Government and also constitutes the best site for future new public buildings.)

(8) Certain real property in San Francisco, Calif., at the intersection of Geary and Polk Streets.

(9) Approximately 35 acres of land in Cleveland, Ohio, on which is located the structure commonly known as the Quigley Building.

(10) A leasehold interest in a tract of land situated in the county of Wyandotte, State of Kansas, within section 2, township 11 south, range 25 east, of the sixth principal meridian, being a part of the land known as the public levee of Kansas City, Kans., together with the Government-owned building located thereon.

(11) All of the Government-owned portion of the United States naval small-craft facilities known as the Lockwood Basin, East Boston, Mass., for use as a United States quarantine station.

(12) A strip of land under the jurisdiction of the Farm Credit Administration and located immediately adjacent to the Denver Federal Center, Denver, Colo.

(13) All of block 276A, Seattle tidelands in Seattle, King County, Wash., now under the jurisdiction of the Secretary of the Treasury.

The following properties, title to which is now vested in the Reconstruction Finance Corporation:

(14) Four parcels of land situated in the county of Luna, State of New Mexico,

(15) A tract of land in Tarrant County, Tex., formerly owned by the Globe Aircraft Corp.,

(16) Another parcel of real property in Tarrant County, Tex., also formerly owned by the Globe Aircraft Corp.,

(17) A building known as the Victory Building located at the corner of Ninth Street and Liberty Avenue, Pittsburgh, Pa.

Section 205 (b) provides, with respect to certain properties now owned by Government corporations to be transferred pursuant to this section, that a conveyance of clear title to the United States shall be made and the Secretary of the Treasury is directed to discharge the indebtedness of the corporation to the Treasury in an amount equal to the fair market value of the property at the time of transfer.

Section 206 authorizes the Federal Works Administrator to assume permanent custody and control for the use of the Public Buildings Administration, without reimbursement, of certain real property located in Vancouver Barracks, Wash., for the use of the Public Roads Administration. This property has now been declared surplus by the Department of the Army. For the past 20 years the premises have been used for an equipment depot and repair shop by the Public Roads Administration under permits granted by the Department of the Army. The permit now in effect expires in March 1951. Satisfactory permanent concrete and brick structures, including a completely furnished depot and shop, have been constructed on the land by the Public Roads Administration from funds appropriated by the Congress for that purpose. The continued utilization of these premises by the Public Roads Administration in connection with the administration of the Federal highway program is necessary.

Title III

Section 301 authorizes the repair and improvement of a number of Federal public buildings located outside the District of Columbia and under the control of the Public Buildings Administration. Many of these buildings have been occupied for long periods of time, in some cases exceeding 100 years. No major repairs have been made to Federal buildings since 1940, and in many cases the old outmoded buildings are in a bad state of repair, need new equipment, and modification and renovation to provide adequate facilities for efficient and satisfactory conduct of Government business. Funds included in the annual appropriations are sufficient for and are utilized to care for the more urgent work on maintenance and ordinary repairs which cannot be deferred without serious deterioration of buildings or interfering with Government activities. This section will permit major renovation and improvement of these older buildings, including such work as modification and amplification of lighting, plumbing, heating, and air-conditioning equipment; major paint jobs; structural changes to meet modern fire-prevention standards and fire codes; modernization of elevators and other needed work. This authorization will be used for projects costing more than $25,000, the present annual limit for maintenance jobs. It should be pointed out that title III contains no authorization for the construction of new public buildings.

Section 302 authorizes the appropriation of $30,000,000 to implement section 301, and will cover a period of about 3 years at a rate of $10,000,000 per year.

In accordance with the well-established past practices of the Public Buildings Administration all the work to be performed pursuant to the authorization contained in title III of the bill would be done by contracts let in strict compliance with the advertising provision of section 3709 of the Revised Statutes. This includes newspaper advertising, posting, and conspicuous places such as bulletin boards of post offices and other public buildings. Further, the contracts would be written and administered in strict compliance with all applicable labor laws and regulations including the Bacon-Davis Act, Walsh-Healey Act, and the 8-hour law.

Title IV

Section 401 authorizes the Commissioner of Public Buildings to employ by contract or otherwise, temporary architectural and other professional and technical service by negotiation and without regard to the Classification Act of 1923 or the civil-service laws, rules, and regulations. Procurement of professional or technical service through solicitation of competitive bids is impractical. The restrictions and salary limitations imposed by the Classification Act of 1923 and the civil-service rules and regulations make it almost impossible to hire individuals to perform the necessary temporary services as Government employees. Frequently it is an advantage to have an architect or engineer who is entirely familiar with the local climate, labor, materials, and other conditions affecting the work. This section will prevent building up a large professional and technical organization in Washington when the work can be given to private individuals or firms in the locality where the work is to be performed. Administration, interpretation, and execution of contracts; acceptance of materials and workmanship; and certification of vouchers would be performed by authorized officers of the Public Buildings Administration. This section also authorizes the Commissioner in desirable cases to hold competitions for the design of any project and to make awards therefor. This procedure is frequently followed outside the Government.

Section 402 authorizes the use of revenues derived from the rental of sites or improvements thereon acquired for public buildings to pay the cost of such maintenance, repair, and alterations as are necessary to keep the improvements in rentable condition, and to establish a necessary reserve. At the present time such rentals are deposited into the Treasury as miscellaneous receipts, and the necessary maintenance, repairs, and alterations are made with appropriated funds which are usually insufficient for the purpose. As a result, the buildings are frequently in such poor condition that they bring very little return to the Government. It is considered good business practice to apply rentals received from leasing of property to keep the premises in tenantable condition.

This section would further authorize the Commissioner to enter into leases for dwelling units where the estimated annual rental does not exceed $1,200, by negotiated leases rather than on a competitive basis. The General Accounting Office has ruled that leasing of sites and buildings must be done through competitive bidding as required by section 3709 of the Revised Statutes. This procedure is feasible with respect to commercial property but is not satisfactory for dwellings, where care must be used in the selection of tenants to prevent damage by destructive occupants.

Section 403 amends section 5 of the Public Buildings Act of May 25, 1926, by deleting an undesirable provision of the law which has never been used. The language which is being deleted had the effect of augmenting the authorization for a specific building by the amount of the sale price of the building which it replaces.

Section 404 authorizes the Federal Works Administration, together with the Postmaster General where concerned, to accept on behalf of the United States unconditional gifts of real, personal, or other property. Under existing law there is no authority for the acceptance of gifts except of real property to be used as sites for public buildings and acceptance of other proffered gifts requires a special act of Congress.

Section 405 authorizes the Public Buildings Administration to furnish services in the continental United States at the request of the State Department to any international body with which the United States Government is affiliated. Such services would be furnished on the basis of full reimbursement. The enactment of this section will tend to promote greater harmony between this Government and the various international organizations having their headquarters in this country.

Section 406 authorizes the Commissioner of Public Buildings to contract for seeding, planting, or landscaping the grounds of public buildings constructed by the Public Buildings Administration where the amount of the contract does not exceed $1,800, without

regard to section 3709 of the Revised Statutes. Under existing law, competitive bids for performance of work of this type are solicited. This would simplify and expedite these small jobs, with the work being awarded to local nurserymen on a negotiated basis.

Section 407 authorizes the Commissioner of Public Buildings to lease space in the District of Columbia for terms of not to exceed 1 year for the housing of Federal agencies, except the Post Office Department, and to assign and reassign such space. This confirms authority now contained in annual appropriation acts and is considered desirable.

Section 408 would authorize the Federal Works Administrator to enter into such agreements with the city of Chicago as he shall deem necessary and in the public interest in the construction of the portion of the superhighway passing through the existing arcade in the Congress Street Post Office Building which was contemplated when the building was constructed and appropriate allowance therefor was made.

This highway will necessitate structural changes in the post-office building, and this section would give the Administrator the authority to commit the Government to such portion of the cost as he determines should be borne by the Government in the public interest.

Section 409 requires the Federal Works Administrator and the Postmaster General to submit to Congress promptly after the convening of each new Congress reports showing the location and approximate accommodation of each proposed public building project throughout the United States, its Territories, and possessions as they shall find eligible to be constructed in accordance with applicable statutory provisions. Such report shall indicate the limit of cost of each project when in excess of $200,000, but that when the cost does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. This report supersedes an annual report to Congress required by a provision in the Public Buildings Act of May 25, 1926. The elimination of the mandatory requirement for an annual report is considered desirable.

Section 410 authorizes the Federal Works Administrator, with the approval of the Director of the Bureau of the Budget, to change or rechange the name or designation of any building under control of the Federal Works Agency.

Section 411 repeals acts or portions of acts conflicting with the provisions of this bill.

Mr. DONDERO. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, our able and distinguished colleague from Mississippi the chairman of the Committee on Public Works has covered the ground so thoroughly that it hardly seems necessary for anyone to say anything else about this bill. I am not surprised that there is such great interest shown on the floor of the House in regard to this proposed legislation. It affects every congressional district in the United States. Neither do I have to remind the Members of the House that very few, if any, post offices have been built in this country for almost a decade. This bill provides for substantially 435 post offices or public buildings. There was submitted to our committee a list of some 4,000 eligible post offices and public buildings in this country, so that the bill before us provides for about 10 percent of what is needed in the United States to bring our public buildings program somewhere near where it is adequate to take care of the needs of our people.

A great deal has been said about providing a list of public projects, to lay them on the shelf in order to take care of unemployment. In addition to the question of providing employment for those who are not employed I think we have one element in this bill that has not been mentioned very emphatically, and that is that the need for the public buildings in the United States, particularly post offices, has come to the point where the United States Government is becoming more a tenant than the owner of property, and now is making leases in every section of the country for space in order to take care of the post office needs.

With 4,000 projects submitted, that means an average of about 10 for every congressional district. In my own district in Michigan I have 15 cities eligible for post offices. This provides for just one in each congressional district, so that the bill before us is a beginning, and a beginning only. Nothing is provided in the bill for the District of Columbia. It is all outside of the District of Columbia. With reference to the question of the acquisition of sites, may I say to the Members of the House that with the cooperation of the Post Office Department and the Public Works Administration, and the local people of the town or city where the post office is to be built, I do not believe any Member need fear but what the post-office building will be located where it will serve the public best in the community where it is to be constructed.

We can dismiss that worry from our minds immediately.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I am very glad to yield to the gentleman from Mississippi.

Mr. COLMER. I am sure the gentleman will agree that this could not be considered as a political asset and that it would certainly be construed as a liability. I am sure the gentleman will agree that the bill itself is a constructive step in the direction of furnishing, as I stated in the debate on the rule earlier today, needed employment in a constructive program, rather than to allow for a leaf-raking program.

Mr. DONDERO. The gentleman is entirely correct, because under this bill the Government of the United States will get value received for the money it spends. The public need is the essential object of the bill.

Mr. CHESNEY. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to my distinguished colleague, a member of our committee.

Mr. CHESNEY. Is it not true that this bill will save the Federal Government a tremendous amount of money in the light of the tendency that we are now following?

Mr. DONDERO. There is no question about that. I know in my own congressional district the Government of the United States is renting more than one building for the purpose of carrying on the business of the Post Office Department. I assume that that same condition exists in nearly every other district in the United States.

Mr. CHESNEY. This bill provides a practical business approach to this pressing problem.

Mr. DONDERO. I so deem it, and I am supporting it wholeheartedly.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. RICH. Referring to the architects who will draw the plans for these various post offices in the various districts, will it be the policy of the Post Office Department, insofar as possible, to give local architects an opportunity to work out the plans and specifications rather than to have that work centered in some of the great metropolitan areas, where the architects in such centers have in the past had a great deal of this business?

Mr. DONDERO. There is not a word in this bill which restricts that particular phase of the building industry. The Departments would be at liberty to employ local architects to draw plans for post offices and other buildings.

Mr. RICH. Certainly they should permit the local people to submit plans and specifications in competition with the architects who live in Washington, New York or Philadelphia. I think the people in the districts who want a post office and who have architects among them, who are qualified, should have the right to give the work to those local people. I think it is a grand thing to give those local people an opportunity to show their skill and ability.

Mr. DONDERO. I share the gentleman's opinion in that regard, because that keeps private industry alive in this country.

Mr. RICH. There was just one other remark made here a few minutes ago to the effect that it is a matter of economy for us to build these post office buildings. That is not a fact. It costs the Federal Government more to build post offices than it does to rent them, because when the Federal Government builds its own building, you take that property off the tax rolls. When you put up a building that costs $100,000, you have to furnish 2 or 3 janitors and a lot of other extra things, so that it costs the Government a great deal more money to build its own post offices than it does to rent them. Do not let anybody fool you on that.

Mr. DONDERO. Mr. Chairman, I yield myself one additional minute.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. WHITTINGTON. Title IV, section 401, specifically authorizes the employment of architectural service, as the gentleman stated in response to the question asked by the gentleman from Pennsylvania. I would like also to say there is just 1 hour of debate on each side, and as chairman of the committee I did not make as full an explanation as I should like to have done because I did not want to consume all the time. However, I am available to answer any questions, as

I am sure is the gentleman from Michigan.

Mr. DONDERO. The gentleman from Mississippi covered the ground very thoroughly.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, the Committee on Public Works has spent considerable time in the formulation of this bill. As our chairman and the ranking minority member have called to your attention, for over 10 years the United States has not engaged in any public-building program. During the war period, and even before the war when we were in preparation, and in the postwar days, we felt it was not expedient to spend large sums of money on a building program, for a number of reasons. One, of course, was to provide men and material to build housing for veterans and others who were in distress and who needed low-cost housing. In addition to that, we were expending hundreds of millions and even billions of dollars in projects in putting the country in a condition first to prepare for war, then to carry on war, and then after the war was over, in the rehabilitation following the war. So we have had no building program during that period.

This bill merely attempts to pick up where we left off and carry on the program that we had away back in the early days of public building in the United States. In doing so, we have attempted, as far as possible, by legislation, to hedge about the bill so that there will be as little political consideration given to this building program as possible.

As the chairman has called to your attention, we have endeavored to provide that there shall be fairness in every congressional district. We have endeavored to spell out in the very language of the bill that every congressional district in the United States shall be given consideration in the determination of where these projects shall go. The bill provides that no building shall be constructed that is not needed and justified and partisan political consideration shall be barred. In carrying out that program we have also provided that we will recognize local architects in the drawing of plans for the construction of these buildings so that we may, as far as possible, build up local communities and give an opportunity to those who know local conditions to engage in this program.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. PERKINS. In my congressional district in Kentucky there is no single town mentioned as being eligible under this bill. There are three counties in my congressional district that do not have any Federal building. The gross receipts are under $10,000 a year, but above $5,000. In those particular counties that do not have industries, such as the coal-mining industries that they do have in other counties in the district, the unemployment in those three counties is much worse than it is in the remainder of my congressional district. We do not have any situation here to take care of counties of that type, as I understand it, in this bill. Am I correct?

Mr. ANGELL. I hardly think that is true. I think it is the purpose of the bill, and I think it can be read into the language of the bill, that every congressional district will be given an opportunity to participate in this program. In a condition such as you have called attention to in your district, there is ample latitude allowed in carrying out this program to deal justly with your district so that adequate facilities are provided in that district.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. McGREGOR. That was the thing I was going to bring out. If the gentleman can prove that his district does qualify under the formula established under this bill, there is no question, in my opinion, but what he would become eligible, because the conditions have changed since the establishment of the list which was considered in the committee.

Mr. ANGELL. Now, Mr. Chairman, let me say further: As has already been expressed, this is an endeavor to put on the shelf a list of available projects which have been fully canvassed and considered throughout the entire territory of the United States, of available projects that will be ready for construction in the event we have the funds to carry on the construction program.

This bill does not provide for construction. It is true, there is an authorization for the expenditure of $40,000,000 for the acquisition of sites and for the preparation of plans, but there is no money for construction. That is a program that must be authorized by subsequent legislation.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. DONDERO. There is one point I believe that has not been mentioned: That this bill comes from the Committee on Public Works with the unanimous approval of the membership.

Mr. ANGELL. That is absolutely true; partisan politics has not entered into the consideration of this bill at any stage.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. McGREGOR], a member of the committee.

Mr. McGREGOR. Mr. Chairman, I believe that the bill before us for consideration is in reality legislation of a program that will save us many millions of dollars directly and indirectly. It was my privilege to serve as chairman of the Committee on Public Buildings and Grounds last year, and that committee felt that we did not want to start a Federal construction program because of high construction costs and the critical situation in the building-materials field; but we did, from time to time, discuss and recognize the need for a Federal buildings program not only for post offices but for Federal buildings, because we recognized the tremendous amount of money that we were paying as rent to house our various post offices and other Federal departments. We feel now, however, that possibly changes will be coming about shortly. I believe we all recognize that we are facing possibly an unemployment situation, so I think the committee in all wisdom decided that rather than have a program of hodgepodge construction and WPA projects that we would ask you as Members of Congress to go along with us and establish a construction program of necessary buildings, to acquire sites and complete plans in order that we might have a definite and worth-while program to combat unemployment in the various districts when and if it should come. For that reason we have carried a proposal here which assures some relief in each congressional district, at least to the extent of $200,000; so I say to you that we shall be helping and keeping relief down to a minimum and unemployment down to a minimum and give to the people the service to which they are entitled.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. FORD. Under section 101, in effect, the committee said that there should be at least one post office or other Federal building in each congressional district. I note in the reported committee hearings list No. 5, on page 329, that there are 164 sites previously acquired for Federal buildings throughout the United States. Under section 102, was it the committee's intention that in those districts where sites have previously been acquired those particular districts shall get an additional Federal building or post office?

Mr. McGREGOR. The gentleman's understanding is absolutely correct. The committee included that provision in the legislation for the reason so ably stated by the chairman of the committee. At the start of the emergency a great number of projects were really begun but upon instruction and orders by the President the construction program was deferred. We felt that it would be unfair to the Members of Congress in districts where projects were deferred to penalize them by making them ineligible for an additional project, because in many districts the buildings had been nearly completed before the freeze order went into effect; so as set forth in this schedule any such district would still be entitled to one other project, and in my opinion at least to an additional expenditure of $200,000.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Kansas.

Mr. REES. Do I understand then, from the gentleman's statement, that we ought to have these projects that are approved, as provided in this report, and that each Member will be entitled to

an expenditure of not less than $200,000 for additional post-office buildings in his district?

Mr. McGREGOR. The gentleman is, in my opinion, correct. If he has a post office or a Federal building project that was deferred because of Executive order of the President some years ago, the gentleman is still entitled to one additional project in excess of the deferred project.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I understand there are 18 projects in my district that have already been processed, or at least have already been studied so that a post office could be built next week.

Mr. McGREGOR. There is no construction authorization in this legislation. There is established $40,000,000 only for the preparation of plans and land acquisition and this bill does not authorize new construction.

Mr. NICHOLSON. That is not the question. These have already been studied and recommended after study and they are eligible for a post office because of a study that has been made, either by Public Works or by the Post Office Department.

Mr. McGREGOR. If they are in the deferred category, in which construction possibly had been started or plans nearly completed, then were deferred because of Executive order, that post office would be completed and the plans for one additional post office would be completed.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. DONDERO. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. NICHOLSON. So that under this proposition, as I understand it, I would get one post office in my district, and if there are 18 that are eligible I would have to wait 18 years to finally get them all?

Mr. McGREGOR. No; I would not say that. The gentleman realizes that the Congress could not pass an authorization bill or a mandatory construction provision to build post offices for all the 4,000 eligibles in the United States. There are approximately 4,000 post offices that are eligible under the basic law of 1926. Now, we want to be realistic. We cannot construct 4,000 post offices; however, in this legislation we are endeavoring to spread it out so that each congressional district will get a post office or a Federal building that will help the unemployment situation in that particular territory. But of course they must show a need and qualify under the law.

Mr. POTTER. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Michigan.

Mr. POTTER. Is it the understanding of the committee that a survey will be made of all of the post offices that have been approved, which appear on the list, to determine the ones that are most needed and that the community that has the most need for a post office will receive a new post office?

Mr. McGREGOR. The gentleman is absolutely correct.

Mr. WEICHEL. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Ohio.

Mr. WEICHEL. The gentleman has referred to the act of 1926. Some have been built at that time and since that time, but have been outmoded. I also have some in my district that were built in 1912. Those post offices are handling mail for 10,000 or more people. I believe there are two situations like that in my district. We do not need a new post office. What we need is to have those thoroughly rebuilt. Now, how many years must I wait?

Mr. McGREGOR. This legislation grants authorization for $30,000,000 established for emergency improvements in various districts, including the district of my distinguished colleague. The basic act was to establish a formula whereby any post office that had $10,000 worth of receipts is eligible. If the gentleman has some emergency propositions in his district, there is $30,000,000 in this bill to take care of that very thing. That is, in excess of $25,000 per project.

Mr. WEICHEL. Now, who decides this emergency business?

Mr. McGREGOR. The Department of Public Works and the Post Office Department. They will send an inspector out to determine whether or not any emergency exists and whether or not the emergency in the gentleman's district compares with the formula as set forth.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Kentucky.

Mr. CHELF. I represent 19 counties, and out of the 19 counties 10 counties have a post-office building Government-owned, while in the other 9 the Government rents. As I understand the gentleman, there will be approximately $200,000 allocated to each congressional district. Some of my county-seat towns are relatively small in population, and, therefore, it would not cost as much to construct a post office in one of these communities as it would in a big city, for instance. Would it be possible, say, to split that money up and build one or two, or even two or three, if we can get the contracts approved?

Mr. McGREGOR. It is my opinion that it is within the power of the authorities to make an equitable distribution, not necessarily uniform, so that if you have two post offices and they are only costing $75,000 apiece, you are entitled to two, as long as you keep under the minimum of $200,000?

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. We keep hearing it said on the floor that each congressional district will get a $200,000 building. My understanding of the bill is that it is merely to provide for planning and site acquisition at a time, if it should happen, when there is considerable unemployment, and it is necessary to go into a public works program so that we will have that spade work and blue printing work done to remedy the unemployment situation.

Mr. McGREGOR. The gentleman is absolutely right. We bring this legislation before you so that we will have a definite program for construction if and when we the Congress decides to do so and we will not find ourselves in the situation we did years ago when we were forced to start a WPA program without having a proper program outlined.

Mr. MONRONEY. And having a leaf-raking program instead of a building program.

Mr. McGREGOR. That is it exactly.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, I take it for granted that if and when this program is executed, there will be a careful analysis made, and where unemployment is acute, that they will receive preferment?

Mr. McGREGOR. I do not know that unemployment will be considered as preferential treatment, but certainly it will be taken into consideration.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I think there should be no misunderstanding with reference to this $200,000. It does not authorize two buildings if the cost does not exceed $200,000. It contemplates only one building in each district. The $200,000 mentioned in title I has to do with the report of the Commissioner of Public Works, and he is required, whenever a building will cost over $200,000, to so advise, but where a building costs under $200,000, we do not have to have plans and specifications made when he makes his report. I think there should not be this misunderstanding. I do not know of any case where generally there has been more than one building authorized in a district even though that building cost, say $75,000, which is almost inconceivable at present costs. It contemplates one post office in each congressional district.

Mr. McGREGOR. There is a minimum of $200,000. In some of the rural areas we can build two post offices costing under $200,000, and we will in my opinion be entitled to them. That would only be fair.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WHITTINGTON. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, I seek this time to ask the Chairman to clarify this particular point in my mind. Here are two particular cases, one an established post office on a site that will not be changed, but an emergency exists in which, say, the rural carriers are housed in the basement, making up the mail, using even the washroom, and the other particular case is the case in which the Post Office Department feels that a new site is necessary. Now, the question in my mind is this: Will this particular district be limited to simply plans and the acquisition of a site for one building?

Mr. WHITTINGTON. I have endeavored to answer the gentleman's question by saying that this bill only authorizes the acquiring of one new site

in substantially every district, and I emphasize in my statement, and I answer the gentleman's question by saying that in title III wherever there is renovation and improvement of a federally owned building to provide for additional space, for example, for rural carriers to park their cars or additional improvements, then there can be that renovation and improvement that will provide for the additional accommodations of these rural carriers and employees but not an entirely new building. It may provide for the acquisition of additional land. I would like to say this further in response to the gentleman's request, that in previous authorizations where there have been as many as two buildings contemplated, that you had to select one of those buildings in one year and not be permitted to select the other one until the next year. So if we authorize here, which the budget has not approved, the selection of two sites, you have to select one site one year and then wait until the next year to select the other site.

Mr. DEANE. In other words, this site in which the emergency exists, so far as the rural carriers, say, are concerned, would be given prior consideration and the other site would have to wait.

Mr. WHITTINGTON. I would say that the construction on the site that will be acquired cannot be done until there has been an appropriation, but the renovation and the improvement or extension can be made under the authorization of $30,000,000 where more than $25,000 is to be spent on any one building. Members of the committee will keep in mind that under existing law, if it is necessary to repair any post office building, the Committee on Appropriations is authorized to appropriate not to exceed $25,000 for repair. This is for renovation and enlargement.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. ROGERS of Florida. I wonder if this bill provides for the cost of construction of a post office in addition to the cost of the site.

Mr. WHITTINGTON. It does not, the buildings that are to cost over $200,000 are in list 1, of those eligible for selection for sites and plans under this bill. That list appears in the hearings from page 271 to page 325.

Mr. ROGERS of Florida. Is it the idea of the committee that each Congressional district shall have 1 post office irrespective of the cost of that post office?

Mr. WHITTINGTON. Yes, each congressional district shall have either a post office or the benefit of a post office, keeping in mind that in the large metropolitan areas such as New York City it would be impossible to construct 24 more post offices, but there are substations and warehouses, and they get the benefit of them. Every district will get either one or more buildings or the equivalent of it.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. WHITTINGTON. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Is it the intention of the committee that when a site is acquired that site will be used for the construction of a post office?

Mr. WHITTINGTON. Unless one has already been acquired and placed in the deferred class under the appropriation of 1937–38. In that case both the new site and the site already acquired may be used.

Mr. GRANGER. In the effort to distribute the buildings over the country, the gentleman would not say that under title III if you use something for renovation it would count against what you might have under title I?

Mr. WHITTINGTON. It would not.

Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, I am very grateful to the distinguished chairman of this committee and to this committee for the splendid work they have done on this bill, with which I am in hearty accord, and which I shall gladly support.

I want, if I may, to call attention to one or two things that I believe should be added to this bill, not for the purpose of hurting the bill but helping it. I call attention to the fact that over $12,000,000 of rent is being paid per year now for post offices; to be exact, $12,717,000. Every post-office building that is built will reduce that staggering total for which we have to appropriate year by year. I therefore believe that it is in the interest of the Nation that we resume the very safe and sane program which this committee or its predecessor adopted in 1926—to have three new post-office buildings constructed in every 3-year period in every district in the United States. It has never been claimed that any politics entered into that arrangement. This committee has done a splendid job in preparing for the inevitable; but let me call attention to the fact that not one cent of the money authorized to be appropriated under this bill goes for any construction whatsoever. I believe it is wise to leave it to the discretion of the committee, composed of General Fleming, the Postmaster General, and the Public Buildings Administrator, W. E. Reynolds. No better committee could have been suggested to have it within their discretion, not only to design, not only to acquire sites, but to give us some hope, at least a pious hope, of real construction. There are a group of us here who feel that need so acutely for the whole Nation. There is no partisan politics here. I see before me friends by the dozen who are vitally interested in building a real program and resuming our program in connection with post offices.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield.

Mr. EVINS. Under the amendment which the gentleman from Alabama intends to offer, it would still take some 18 months before any construction could get under way after the plans are drawn and the sites acquired.

Mr. HOBBS. That is correct.

Mr. EVINS. Does not the gentleman think that the time has arrived that we should now begin to provide for a real construction program?

Mr. HOBBS. There is no question about it.

Mr. EVINS. I commend the gentleman and want to say that I shall support his amendment.

Mr. HOBBS. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield.

Mr. ABERNETHY. Will the gentleman's amendment authorize the acquisition of one site a year, or just one site as the present bill does, and stop right there?

Mr. HOBBS. My amendment, and I hope permission will be granted to consider it as a whole rather than in part, would authorize the drafting of plans for Three buildings pronto—now. In addition to that, the acquisition of three sites; in addition to that the construction within the next 3 years of at least two buildings in each district, plus the construction of at least one building in 3 years—that is, a post-office building—in every county seat where there is no post-office building. In other words, where a county, because of its poverty is not able to pay the total cost and where the county is important enough to warrant the building of a courthouse there where court is held regularly, there should be enough importance attached to it for the Federal Government to relieve that town of at least part of the requirement, which is what my amendment provides.

Mr. ABERNETHY. The gentleman's amendment would give us a real program then.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I will be delighted to yield to the distinguished gentleman from Kentucky.

Mr. CHELF. As I understand it, the gentleman's proposed amendment is nothing new or novel. It is that which was taken for granted more or less in operation before the war years?

Mr. HOBBS. It was from 1926 on.

Let me call your attention to what these gentlemen on the committee—and I have reference particularly to the ones who have spoken—have had in mind as the reason for the desire for a real construction program, because it is the best way to spend Government money, the money of the taxpayers, that can be devised, if we can do it on a businesslike basis.

There are four ways that this program benefits the people generally.

First, the material man. Second, the material furnished by these men out of the forests, the mines, and so on. Third, the labor of the Nation—the skilled laborers who build the buildings. Those three come under one head of No. 1, material, material men, and organized and unorganized labor. They are the ones who will benefit most and the quickest by this program.

Second, by a face lifting of every community in which a post-office building is built, even if it means nothing more than the painting of the fronts of all buildings in the town. There is no man within the sound of my voice who has not seen that

demonstrated wherever there is a new post-office building built.

Third, an improved postal service, which is the aim of every organized group in the Government. This will certainly do that.

Fourth, a reduction of the rent, which amounts now to nearly $13,000,000 a year.

What I want to do, as I have stated in answer to the question asked by the gentleman from Mississippi [Mr. ABERNETHY], is to get the consent of this body not to force construction but to leave it in the discretion of this committee. That is, the Postmaster General, General Fleming, and Bert Reynolds, in each of whom we have the utmost confidence. Leave it to them to say when the bids are fair, but declare the pious interest, perhaps, of this great committee, to begin construction within the earliest possible moment of a real construction program.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield to the distinguished gentleman.

Mr. DENTON. Under your amendment, is construction limited to post offices that have less than $10,000 receipts?

Mr. HOBBS. Yes; $10,000 is the requirement, and has nothing to do with the improvement. That is covered in another part of this bill.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. HOBBS] has expired.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MCDONOUGH], a member of the committee.

Mr. McDONOUGH. Mr. Chairman, I think the details of this bill have been pretty thoroughly covered by the members of the committee, but I want to emphasize title III, which provides for the improvement of existing buildings, which I think will probably be the section of the bill that will be used first.

That provides some $30,000,000 for the purpose of improving existing buildings, providing the cost of the improvement does not exceed $25,000 in any one instance. I think this will become necessary quickest for the reason that if the districts which you represent are similar to mine, the rented quarters under lease and existing buildings in Los Angeles County are totally inadequate to handle the needs for postal facilities.

Many of the postal employees are working under conditions that would not be permitted in normal times in any factory, and I think we should look at that section of the bill as being very essential.

A great deal has been said about more than one building in a district. I do not want to leave the impression that the committee is reporting out a bill that will permit more than one building in any district that does not need it, because the bill very carefully specifies that the urgency of the project shall be the basis, the yardstick, on which it shall be determined whether we shall purchase a site even without a building in the area in need. We have a lot of sites already purchased, and a lot of projects that will undoubtedly come under consideration very soon providing the funds are authorized and appropriated, some 199 projects in which most of the sites are already acquired. That, of course, can be taken out of the picture insofar as the total number of 435 congressional districts throughout the Nation is concerned.

It is very possible that the $40,000,000 will not be the total amount needed. I doubt if we shall need more than that, because that amount provides an average cost per site of $91,000,000, and I am sure that a site can be purchased in many, many areas for much less than that. That undoubtedly is not true in the heavily populated areas.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. WHITTINGTON. And by the time that site has been acquired and the plans made we shall have the report that is provided for in this bill from the Commissioner of Public Buildings for the acquiring of another site and the making of another plan.

Mr. McDONOUGH. That is true.

Mr. WHITTINGTON. Because this bill provides for that. In the 1930's in at least one case, two buildings were contemplated in three years, but only one building was selected in any one year. The second building was not selected until the first building had been substantially constructed.

Mr. McDONOUGH. That is right. As a matter of fact, this bill is probably the most equitable, reasonable, and sensible way to purchase sites in the areas and provide plans and specifications for further post offices and public buildings. Outside of the Committee on the Judiciary with its private relief bills, the Committee on Public Works probably is second in the number of bills, in connection with post offices; but I do not think it is the practice to approve appropriations or authorizations for the building of buildings in all of the various congressional districts according to the bills before the committee.

So, in order to be fair about it—and, as a matter of fact, most of the Members of the House appeared before the committee and gave their story to the committee as to the problems they had, in order to be fair we have provided in this bill $40,000,000 for the acquisition of sites and $30,000,000 for the reconditioning of existing structures, both on an urgency basis. I think the building of post offices—and, of course, the bill does not confine itself to post offices but takes in all Federal structures needed in a district—I think the building of these structures should be based on urgency and service in those areas of population where there is a concentrated demand, where the public service is emphasized by an increased number of people in the area. They should be given first consideration, and I am sure such areas will have that consideration from the committee that is to report to the Congress, that is, the Public Works, Public Buildings Administration, and the Federal Works Administrator; when that committee reports it will be based on population and urgency.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. MACK], a member of the committee.

Mr. MACK of Washington. Mr. Chairman, this bill divides itself into two sections. The first section authorizes $40,000,000 for the acquisition of sites and the preparation of plans for post-office buildings. Of this $40,000,000 item $28,000,000 is to be spent on the acquisition of sites and approximately $12,000,000 for the preparation of architectural plans. The second section calls for $30,000,000 for renovation, repair, and enlargement of present structures.

I can illustrate by giving two examples, with both of which I am quite familiar, how these two different sections of the bill will work in the interest of economy in Government.

The city of Vancouver, Wash., has a post office which was constructed in 1917. At the time this post office was built it had approximately 12,000 to 13,000 patrons. At the present time this post office has 61,000 patrons or fivefold the number it had at the time of its construction.

In 1917, 32 years ago, the Vancouver post office had 36 employees. Today it has 125 employees. In 1939, only 10 years ago, the earliest period for which figures are available, the Vancouver post office was doing a business of $81,000 a year. Last year the business of this post office totalled $344,000. In other words, its business in 10 years underwent a fourfold increase. Obviously the Vancouver post office, now serving five times as many people as it did when it was constructed and doing four times the volume of business it did then, has become cramped and overcrowded. This crowded condition results in inefficiency, and inefficiency costs money.

If a new building were to be provided it would house many agencies that are now occupying rental quarters in that city. Also, it would relieve congestion and result in greater efficiency. The operator of a private business whose employees increased from 36 to 125, whose volume of business expanded from $81,000 to $344,000, and whose customers increased from 12,000 to 61,000, would either greatly enlarge his plant or build a new one. It would be good business for him to do so. It is good business for the Government to build new post offices where needed.

As to the $30,000,000 for the repair of buildings, let me point out one illustration that shows how this money could be wisely expended. Longview, Wash., has a very ample post office. It is really larger than the post-office operation needs at the present time. It has a lower floor with a floor space of about 12,000 square feet that is not now occupied. That space is heated and lighted and equipped with plumbing facilities. The expenditure of $15,000 to $30,000 would make these 12,000 feet of floor space usable. If that lower floor were made usable the Federal Government would save in rental it is now paying for space in private property for other Federal agencies more than $6,000 a year. In other words, on an investment of from $15,000 to $30,000 the Government could

save in rentals at least $6,000 a year. That represents a good interest on the money that the Government would spend for the improvement of this property.

From reading the report and from the witnesses who came before us, I know there are many of these situations. They exist in almost every district of the country. If agencies of Government involved, the Building Administration and the Post Office Department, in repairing buildings and constructing new ones, select the places where new or additional facilities are most needed, and do not play politics, then this program involving $70,000,000 for planning, the acquisition of post-office sites and repairing post-office buildings will be a very good investment for the Government of the United States.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. DONDERO. Mr. Chairman, I yield the gentleman one additional minute.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from New York.

Mr. KEATING. I notice on page 4 of the report that—

> The Public Buildings Commissioner stated that it is the invariable practice of his agency and of the Post Office Department in cases affecting the said Deparment, to confer with the representatives of the local units of Government and with the Members of Congress representing the area concerned in determining the selection of projects and sites therefor.

I wonder if the gentleman could enlighten us any further on how much attention he said he would pay to the Members of Congress after conferring with them, or did he make any comment on that?

Mr. MACK of Washington. I think under the present law that the Public Buildings Commissioner has the authority to select the site. He intends to consult with the Members of Congress; at least, so he told the committee, he intended to do so.

Mr. KEATING. That is all he said; that he would consult with them?

Mr. MACK of Washington. That is correct.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Michigan.

Mr. MICHENER. Did he say he would consult with every Member of Congress in whose district a building is to be built? I had a post office built in 1920 under one party and had them built under another party, and I know how it works.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I want to commend the hard-working chairman of this committee and the other members of the committee for the efforts they have put forth in bringing this legislation to the floor of the House. I commend them, too, for the explanation of this bill. Because of their enthusiastic support of this proposal, I hesitate to criticize. I would, however, like to make a few observations and ask what I believe to be rather pertinent questions.

This bill provides, among other things, for the authorization for the expenditure of $40,000,000 to make plans and to acquire sites for the erection of public buildings, nearly all of which are post-office buildings. It also provides for expending $30,000,000 for repairs of buildings already erected. It is the item of $40,000,000 to which I shall direct my statement.

This legislation, as I understand it, is intended to continue a building program that was practically stopped during the war period. In other words, begin where our Government left off in its post-office building program.

Undoubtedly, there is need for the construction of post offices in various parts of the country. I know of plenty of places where post office people cannot carry on as they should because of congested conditions.

Members of the committee have told us that the $40,000,000 is to be spent to buy additional sites and to make additional plans and then "put the plans on the shelf" until a depression comes along, or when there is a big surplus of labor that needs to be employed. On that point, Mr. Chairman, I direct your attention to the report filed with this bill that indicates plans already made and sites acquired for 199 buildings at a cost, of course, of many hundreds of millions of dollars.

In any event, under this bill we spend $40,000,000 for plans and sites. We have no idea whatever what the buildings are going to cost after the sites are acquired.

But, Mr. Chairman, here is the thing to which I want to direct your special attention. The bill is unique in that it provides, and I call your attention to section 102 of the bill, that at least one post-office building or a Federal building, as the case may be, will be erected in every congressional district in the United States. That is, sites will be acquired, and of course, buildings are bound to follow.

This bill says, and I quote:

> SEC. 102. It is the intent of the Congress that the equitable distribution of selected projects required by section 101 of this title shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects. It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

I am informed by those who have preceded me in this discussion that this bill authorizes the expenditure of not less than $200,000 for a post-office building in every congressional district, whether it needs it or not. No one knows how much these buildings are going to cost. They will cost all the way from several hundred thousand dollars to millions of dollars, and do not forget that this building is in addition to any other project already approved in the congressional district.

If you have a project already approved for several million dollars, you will get this one in addition thereto. So you can give consideration to 435 projects whether badly needed or not in addition to at least 200 already selected. This, of course, does not take into consideration many other worthy projects that may be needed.

I agree that this $40,000,000 for the purchase of sites does not authorize the construction of the buildings. Of course, if we purchase sites, we must go ahead and construct the buildings. It seems to me that the provision of this bill requiring at least one building in every congressional district in the United States may have the appearance of pork-barrel tactics, although not intended to be so. I understand it is the intent of the committee that it is to equalize the construction of Federal buildings in the United States. In other words, to prevent one area from using political pressure over another in order to secure public buildings paid for by all the taxpayers of this country.

Surely we must have men in public office, men in public trust, who can look into this situation, and without bias or prejudice, make recommendations that are for the best interests of the country. Surely, I hope so.

So, we can look forward to the expenditure of a considerable amount of money, because when you authorize money to buy sites you are going to appropriate funds for construction of buildings.

This bill, as I said, is for post office buildings or at least where post-office buildings are to be located. We are going to have a proposal for a good many other public projects, but this is post-office buildings. They will probably house other Federal agencies, but at least will house a post office. If I am incorrect in that, I should like to know.

Mr. McGREGOR. I think the gentleman is incorrect, because it does not specifically designate post offices. It is Federal buildings. However, in most of the instances it will be post offices that will house other Federal agencies. It does not exclude Federal buildings other than post offices.

Mr. REES. I am glad to have that information, because post offices are the only things we have discussed today on this subject. It will include buildings that will house Government agencies in addition to post offices.

As I said, there is $70,000,000 in this bill. It starts the spending of a considerable amount of money, in the hundreds of millions of dollars. I do not want to be critical, but I think this legislation is a whole lot more important than appears on the face of it. That is the way it seems to me.

It is extremely important, in view of a debt of $260,000,000,000, and considering our budget is already out of balance, that we move with caution. I agree appropriations are not made under this bill, but I still think we had better move with caution before we obligate our Government any further. I trust that other

projects authorized hereunder will be on the basis of need and will give consideration to the condition of the Federal Treasury.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Iowa.

Mr. GROSS. With the gentleman from Kansas, I have been surprised this afternoon by the nearness of another WPA. I thought the President's chief economic adviser told us we were going through a period of healthy disinflation.

Mr. REES. I have been a little shocked myself that Members have suggested it is to protect us against another WPA, or whatever it may be. We hope that will not happen. In any event, if it does happen, this is a better place to spend the money than in leaf-raking, as was done in many places a few years ago.

Mr. CHESNEY. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois.

Mr. CHESNEY. If the gentleman will refer to title II, "Acquisition of sites and transfer of jurisdiction over sites by various agencies and departments of the Government," he will find that this section of the bill provides the Federal Government an opportunity to acquire and transfer buildings where in normal times it would cost the Federal Government a tremendous amount of money to acquire or transfer title. This bill really saves money.

Mr. REES. The gentleman's suggestion that this bill would save money in acquiring property that would cost more in normal times is difficult to understand unless he expects real estate to go higher. I observe, however, in this bill a number of projects that are already under way, some 199. Then it says, "Projects for which sites have been acquired, 164." It looks to me as if you are going to have a good many sites "on the shelf," as you call it, because it would appear from this report that you already have something over 200 sites on the shelf ready or almost ready to go, and you are going to have 435 additional on the shelf besides the something over 200. So you will have at least 635 on the shelf when this measure is approved.

Mr. CHESNEY. The gentleman is wrong in that respect.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, I would like to direct at least part of my remarks to statements I understood the gentlman from Kansas to make a moment ago, when I understood him to say this bill provides for a limitation of cost of $200,000 to be spent in each congressional district.

Mr. REES. No; I did not understand that that is the limitation. I thought there would be at least $200,000 spent in each district for a post-office building, and possibly more.

Mr. PICKETT. If that is the gentleman's understanding, then I want to correct the matter.

Mr. REES. I understand that from the statements of other members on the committee who preceded me today.

Mr. PICKETT. I think the gentleman, with his legislative experience, is entirely capable of reading the bill itself, and understanding its import. So I suggest, if you will turn to page 2, title I, line 21, and read with me, perhaps the gentleman will gain a better understanding of the bill:

> The Federal Works Administrator and the Postmaster General shall submit to the Congress a comprehensive report of all eligible projects and their limits of cost when in excess of $200,000—

I think that is plain, and cannot be made any plainer. No explanation by me is necessary. The bill reads further—

> without regard to the time in which they may be undertaken, which report shall be printed as a public document.

That simply means that they are going to submit a comprehensive report of eligible projects and the limits of cost of those projects when the cost of a project is going to be $200,000 or more.

Then, on page 3, the bill reads:

> When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings.

That means simply what it says: that if the project is not estimated to cost more than $200,000, then the Commissioner of Public Buildings sets the limit of cost—and that cost may be $45,000 or $110,000 or $160,000, or any sum less than $200,000. That fixes the limit of cost.

When you read further you will find that it is the intention of the Congress that with very few exceptions, should this bill become law, shall there be more than one project in a congressional district, regardless of whether the cost involved is $15,000 or $150,000. The limitation on the number of projects is placed further down the page. This is not to be taken to mean that you can have as many projects in your district as you can get in within the limit of cost of $200,000. Is that clear to the gentleman from Kansas?

Mr. REES. Let me ask the gentleman this question. Do I understand under this legislation that every congressional district in the United States will be entitled to the expenditure of at least $200,000 for a public building which is likely to be a post-office building?

Mr. PICKETT. The answer is "No."

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. PICKETT. I yield.

Mr. WHITTINGTON. I am glad that the gentleman has answered the question, because the gentleman from Kansas has asked that same question and has been repeatedly told that the answer to it is no. I am glad the gentleman from Texas took the floor to further answer the gentleman from Kansas, because there ought not to be any misunderstanding about this $200,000 limitation. With the gentleman's permission, I call attention to the fact that on the 7th day of April the chairman of this committee mailed to each Member of the House a copy of these hearings and on page 271 there is a list No. 1, where you will find dozens and dozens of projects with no cost at all opposite the name. That means those projects cost less than $200,000. There is not any figure at all in those cases where the cost is less than $200,000.

But, as the gentleman from Texas has stated affirmatively, the Commissioner is required to report on all projects costing $200,000 or more. There is no provision in this bill providing that any district is going to get $200,000 or $150,000 or any other amount. According to the testimony before our committee, generally, any public building which will serve the needs of the Federal Government in any town will cost at least from $125,000 to $175,000, or something like that—perhaps $100,000. But, I emphasize that there is no guaranty that there will be 2 buildings or 3 buildings, if they can be put up at $25,000 or $50,000, to make up the sum of $200,000.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 additional minutes to the gentleman.

Mr. PICKETT. I thank the chairman of the committee for his most lucid explanation.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield for a further question?

Mr. PICKETT. I am glad to yield to the gentleman.

Mr. WHITTINGTON. In order that there may be no misunderstanding on the part of the Members of the House, the committee printed on page 169 of the hearings excerpts from all the appropriations and most of the authorizations after the approval of the initial program were in appropriation bills, and those appropriation bills provided for construction.

I believe that the language of this bill is better. Under those authorizations and under those appropriations the first thing that the Congress did was to provide for the construction, as well as the making of plans and the acquiring of sites. And we profited by that, because under the terms of these bills we selected the sites. It was some 2 years before they acquired the title to it, and before they built the structure it was approximately 2 years before they could announce the name of the next project.

Now, with our experience of building six or seven buildings in each congressional district, and on the recommendation of the Commissioner of Public Buildings, we decided that in order to promote a post-office building and a public-buildings program, the wise thing to do was to profit by the experience we had then, and to provide for the acquiring of a site and the making of plans for at least one building. When they come in and the report of the Commissioner comes in here in 18 months, then all they have to do in order to provide for the second site or the second building is for the Committee on Appropriations to make an appropriation for that. If then

it develops that we are in a great depression, we can authorize the acquiring of two sites in one appropriation bill. But when we do, we have to select them one at a time and one each year. The Post Office Department and the Public Buildings Administration did not permit us to select two at one time in the 1930's.

In this bill which provides for plans and the acquiring of sites, in the very nature of things it is contemplated there would be other appropriations for additional sites in the years to come. But I submit that it would be a reflection on this Congress, when in the depths of the greatest depression in human history, we never authorized more than two sites or two buildings, that we would now, when there is not any unemployment to amount to anything, when there is desperate need for material, to authorize something such as proposed by my learned friend, the gentleman from Alabama [Mr. HOBBS] which he himself never presented to this committee and that Congress never adopted in the depths of the greatest depression in history. If we follow the experience and advice of the Public Buildings Administration, we will follow the program here announced, because Congress has previously refused about 3 years ago to authorize any construction program at the present time. If you can trust Congress to authorize funds to build buildings as planned, surely you can trust the Congress to provide for additional plans and additional sites.

Mr. PICKETT. The chairman of the committee, Mr. WHITTINGTON, has worked most diligently and has digested the contents of this bill more thoroughly than any other member of this committee. His contribution by way of explanation of this bill cannot be misunderstood by anyone.

I yield further now to the gentleman from Kansas [Mr. REES].

Mr. REES. I appreciate the gentleman from Texas yielding to me at this time.

I was given to understand by members of this great committee, who have spoken before the gentleman from Texas took the floor, that under this bill being considered at the present time, it really means that each congressional district will be entitled to the expenditure of at least $200,000 for a post-office building or other Federal building in his district; that by reason of this legislation he will at least have one new building in his congressional district.

Mr. PICKETT. Let me answer the gentleman's question.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PICKETT] has again expired.

Mr. WHITTINGTON. I yield the gentleman three additional minutes.

Mr. PICKETT. I will answer the gentleman's question a second time. The answer again is "No." If the explanation I have given is inadequate, certainly the explanation which the chairman has just given ought to be more than ample. But if the gentleman will proceed with his questioning further and read the bill himself, instead of relying on misinformation or a misunderstanding of correct information, he will find that title I, section 103, page 4, of his bill places financial limitation on the site acquisition and plans section of this bill at $40,000,000.

If the gentleman's understanding of this proposal were by any manner of guess to be the correct one, he would have to spend $87,000,000, a sum in excess of the limit of authorization contained in the bill. Simply multiply 435 by $200,000 and see what you get.

Mr. McGREGOR. If the gentleman will yield right there, that $40,000,000 is not for construction; that is for land acquisition and planning.

Mr. PICKETT. He is talking about land acquisition, that is all. There is no construction in this bill. I think the gentleman had better go back and read the bill, read the report and the hearings again.

Mr. CHESNEY. Mr. Chairman, will the gentleman yield?

Mr. PICKETT. I yield.

Mr. CHESNEY. It will be seen from the language on page 3 of the bill that no project will be considered unless it is economically sound and advantageous to the public service.

That answers the question of the gentleman from Kansas.

Mr. REES. Yes; but read section 102:

It is the intent of the Congress that the equitable distribution of the selected projects required by section 101 of this title shall provide for the participation by each congressional district——

Mr. PICKETT. I know that language; go ahead; what is the gentleman's question?

Mr. REES. Let me read just a little further—

shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects. It is the further intent of the Congress that those congressional districts in which are located projects previously authorized for construction——

Mr. PICKETT. What is the question? Go ahead and ask the question. I have studied the language; I know what it is.

Mr. REES. It is my understanding that there is an authorization of at least one project in each congressional district.

Mr. PICKETT. In the matter of site acquisition; yes.

Mr. REES. So there is such authorization. That is what I tried to get across a while ago. What you are doing is to authorize at least one project in every congressional district.

Mr. PICKETT. Not for construction; we authorize the acquisition of a site; that is all we are doing.

Mr. REES. That is right; I believe we are agreed.

Mr. PICKETT. I do not know just what we are in agreement on if the gentleman understands that it authorizes a $200,000 project in each district.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. DONDERO. Mr. Chairman, we have no further requests for time on this side.

Mr. WHITTINGTON. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Chairman, as one who has been intensely interested in the subject of the Government making authorizations and appropriations for the Post Office Department and furnishing necessary and adequate facilities and buildings to handle the business of the Government, I am quoting the remarks which I made on the floor of the House on February 14, 1949, as follows:

POST OFFICE DEPARTMENT

Mr. Speaker, it seems to me that one of the outstanding agencies of the Government, and the one department that has been noted for the administration of its affairs and for its efficiency throughout its organization is about to bog down—I refer to the United States Post Office Department. Mr. Speaker, the population of our country and of most of our cities and towns has increased tremendously, and with the building of good roads and rural electrification, our rural areas have also progressed and have required and now demand extended mail delivery, and besides the services of the Post Office Department have been so multiplied and expanded that, with the recent appropriations sufficient funds have not been made available to the Post Office Department to furnish the personnel and service to meet the needs of the citizens of the United States.

Mr. Speaker, of great importance also is the fact that for many years no appropriations have been made for construction of post-office buildings and Federal court buildings, many of the post offices being housed in shacks which are a disgrace to our Nation, and limited repairs, if any, have been made to provide the necessary space for the handling of the greatly increased volume of all classes of mail, particularly air mail and parcel post, parcel-post mail alone being more than enough to overtax all available room, making it necessary to use basements and any and all rooms in the buildings which should be used for other necessary purposes.

Mr. Speaker, in my district—and I understand the same condition exists in practically nearly all other parts of the United States—many of the present post-office buildings are outmoded, antiquated, and inadequate to handle the mails, and in many instances, as a result, the patrons of the offices are forced to stand in line and wait an interminable amount of time for mail and stamps and other services of the Post Office Department, and while during the war, of course, the citizens of the country were not complaining about these inconveniences and conditions, since the end of the war demands have been made and are now being made upon nearly every Member of the Congress for relief.

Mr. Speaker, in addition, with the funds which have been recently appropriated to the Post Office Department, the Department has been unable to provide the necessary personnel and help not only in the post offices but also on city and rural routes, and I am told that this has been responsible for unnecessary and unreasonable delay in the dispatch of the mails, and which never existed before in the history of the Post Office Department.

Mr. Speaker, I am taking the liberty to call this matter to the attention of the President and administration and the Congress, and especially to the attention of the committees of the House and Senate who are concerned with and have jurisdiction over the authorizations and appropriations in the hope that they will take steps to correct this most unsatisfactory and unpardonable situation, and I trust that they will take such action as they

determine best to provide relief to the Post Office Department in order that this fine Department may continue to maintain its service and reputation as it has so well done in the past.

Mr. Chairman, after making these remarks on the floor it was pleasing to me that we were given the green light to consider this important matter, and as a member of the Public Works Committee of the House, I participated actively in the shaping of the bill now under consideration. Our committee gave long and serious consideration to all of the provisions of this bill, and in consultation and agreement with the officials of the Federal Works Agency and the Post Office Department, the language contained in this bill was agreed upon to be the best possible to accomplish the purposes intended.

Mr. Chairman, there seems to be some misunderstanding about the number of public buildings which might be constructed in any one congressional district, and while the language states that at least one should be approved for each congressional district, the bill further provides that—

It is the further intent of Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

The bill further provides:

That in making such selections they shall distribute the selected projects equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country.

Mr. Chairman, I think the language of the bill is clear, and as an example, I have at least 18 applications for the construction of post-office buildings in my district; however, in view of the language of the bill, it is my opinion, and I am certain that it will be the opinion of the administrators of the law that those places and projects where the urgency is most acute will be given preferential consideration, and that where previous authorizations for acquisition of sites and construction of post-office buildings had been made that these projects would be constructed in addition to the one project herein authorized under the terms of the bill under consideration.

The point that I am making is that I expect to obtain construction of a post-office building at Lake Charles, La., in my district, which project had been previously authorized and appropriations made therefor, and in addition, I expect to obtain approval for another project in my home city, Opelousas, La., for the construction of a post-office building. Of course, I know that the other cities and towns in my district will be disappointed, but it is fair to say that under the legislation, it will be impossible for the Members of Congress to obtain all of the buildings required in their respective districts at one time.

Mr. Chairman, I think that the hearings of our committee on this bill will further show that the statement which I have made is correct, and I feel that we have presented as good a bill as was possible at this time, and I hope that the Members will vote for this bill.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Public Buildings Act of 1949."

TITLE I—COMPREHENSIVE PLANNING OF FEDERAL PUBLIC BUILDINGS OUTSIDE OF THE DISTRICT OF COLUMBIA

SEC. 101. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange, or otherwise, lands or interests in lands as sites or additions to site for Federal public building projects previously authorized and for such new projects as may be selected in the manner designated in this section, to make investigations and studies and to prepare plans, sketches, working drawings, and specifications for such projects. Whenever the Federal Works Administrator shall determine such action to be necessary, such investigations, studies, preparation of plans, sketches, working drawings, and specifications, may be undertaken prior to the approval of title to the sites by the Attorney General. When buildings to be used in whole or in part for post-office purposes are involved, the Federal Works Administrator, shall act jointly with the Postmaster General in the selection of towns or cities in which buildings are to be constructed, and in the choice of sites therein for such projects. The Federal Works Administrator and the Postmaster General shall submit to the Congress a comprehensive report of all eligible projects and their limits of cost when in excess of $200,000, without regard to the time in which they may be undertaken, which report shall be printed as a public document. When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. Selection of projects for the purposes of this title shall be made by the Federal Works Administrator and the Postmaster General from such report and they may also select such other projects not included in such report which in their judgment are economically sound and advantageous to the public service: *Provided*, That in making such selections they shall distribute the selected projects equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country.

SEC. 102. It is the intent of the Congress that the equitable distribution of selected projects required by section 101 of this title shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects. It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: On page 3, line 14, strike out section 102.

Mr. WADSWORTH. Mr. Chairman, I shall not be at all surprised if my amendment is not applauded by a good many Members present; however, I offer it in good faith, motivated by a thought which has been in my mind for many, many years. That is, that the dignity of the Congress and its motives shall be respected by the public.

Let us look into this for just a moment. In line 9, page 3, we find the following language relating to the selection of sites:

Provided, That in making such selections they shall distribute the selected projects equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country.

Mr. Chairman, I have no complaint whatsoever against that language. If we are to authorize the selection of sites, and, of course, the selection of sites will be followed eventually by the building of buildings — that is inevitable — they should be selected on the basis of "comparative urgency"—where they are most needed.

But section 102 nullifies that proviso which I have just read. It provides, as you all know, that—

It is the intent of the Congress—

We Members sitting on this floor—

that the equitable distribution of selected projects required section 101—

Which I have just read—

shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects.

That, of course, is a denial of the policy set forth in the proviso contained in section 101, which says that the sites shall be selected with due regard to comparative urgency. In other words, whether the projects are urgent or not, under section 102 every congressional district must have a project.

I scarcely think that the House of Representatives wants to go on record with that kind of legislation.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Oregon.

Mr. ANGELL. How would the gentleman answer this question: There are two projects equally urgent, one in one congressional district, and the other in another. One is selected by reason of political influence, the other not?

Mr. WADSWORTH. The gentleman has mentioned political influence. I suggest that section 102 is an open invitation to political influence.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Ohio.

Mr. VORYS. It is not only an authorization but a requirement of congressional influence in passing upon these things. It is not merely an authorization but a requirement that one shall go to each district.

Mr. WADSWORTH. Exactly.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Kansas.

Mr. REES. The gentleman is touching on the very thing that the gentleman from Kansas tried to discuss a while ago, that we get at least one project in each congressional district of the United States, in addition to whatever site is authorized under this bill, whether right or wrong.

Mr. WADSWORTH. Truly. The thing may work out to the disadvantage of the efficiency of the Post Office Department. Undoubtedly there are congressional districts in this Union today that need more than one project.

I venture the guess that there are some congressional districts in the Union today that do not need an additional project, but nevertheless they must have it under this law. Now, we have got to trust somebody. If we retain the proviso on lines 9 to 13, inclusive, which says that they shall distribute the selected projects equitably throughout the country with due regard to "comparative urgency," why nullify that in the next section by saying in effect "regardless of urgency"? I may be impertinent at this time and in this place to suggest to you—and I do it in all seriousness—that the Congress will enjoy a better position before the country if it drops out section 102.

Mr. BUCKLEY of New York. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from New York.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BUCKLEY of New York. I happen to be a member of this committee. I know it to be a fact that quite a number of Congressmen have introduced resolutions and have been referred to this Committee on Public Works in order to get six or seven post offices in their congressional districts. I represent a congressional district where we have quite a crowded population, but I will say that we have sufficient post offices in my congressional district so that it would not be necessary for me to appear before any committee and try and get a post office, and that is in New York City. I feel that where the post offices are necessary, that the committee should then acquire the sites and they should then hire the architects. After all, this is Government ownership, and I happen to be kind of against Government ownership, but I think it would be a good policy to acquire the sites right now and to draw the plans, and in case we should have a depression—and I hope we do not, with the debt we have in the country today—but in case we should have a depression, then instead of having men rake leaves and putting in time to get money for doing nothing, I think that is the time to put them to work in the building of post offices throughout the United States, or any Government building, for that matter, to make work that is going to accrue to the benefit of the Government.

Mr. WADSWORTH. That bears out what I said when the gentleman called attention to the fact that the congressional district in which he lives does not need a new facility. But you have got to have it under this bill.

And another thing. I confess I am a little discouraged when I hear some Members urge support of this bill on the ground that it is a potential relief bill. I did not know we were legislating in that field. I am not as yet sufficiently pessimistic to believe that one of the principal objectives of this bill is to provide employment for the unemployed. That is an entirely different problem.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Maine.

Mr. HALE. I would respectfully suggest that if section 102 is allowed to remain in the bill, that in line 12 after the words "comparative urgency" there should be added the words "including political urgency."

Mr. WADSWORTH. The suggestion of the gentleman from Maine is worthy of serious consideration.

So, Mr. Chairman, I hope the Members in their second thought will give very serious consideration to this thing. I cannot believe that section 102 will add to the efficiency of the Post Office Department, and I dread its appearance in the law, because in the judgment of suspicious people around the country it will be regarded as an evidence of every Member getting something if he votes for the bill.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Michigan.

Mr. MICHENER. Is it the view of the gentleman that section 102 tacitly, directly or indirectly, insures each Member of Congress that he will get a new post-office building in his district whether it is needed or not? I favor the gentleman's amendment.

Mr. WADSWORTH. It certainly does.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, with 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, it is very seldom that I find myself in disagreement with the illustrious gentleman from New York, my colleague on the Rules Committee [Mr. WADSWORTH]. In the Rules Committee we discussed this question which has been brought up in regard to section 102 of this bill. At first I was very much inclined to agree fully with the position taken by the gentleman from New York, but I call the attention of the members to the actual provisions in this section. If you will refer to lines 16 and 17 you will find that this section does not require the construction of a post office or facilities, or of any kind of a building, in every congressional district. It is simply provided in these lines for "the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects." So, in a case like that which was brought up by the gentleman from New York City, where he does not need a post office in his district, it is entirely possible, if not probable, he and the people of his district will benefit by the construction of a post office or a substation in New York City near his district.

After having reflected upon this matter and studied it carefully, after having first been impressed the same way as the gentleman from New York [Mr. WADSWORTH], that 102 was a bad section, I have come to the conclusion that the real portent of this section is to eliminate political considerations, to make sure that every part of the United States, every congressional district, will be treated fairly, but not necessarily that there will be a post-office building constructed in the district, but that every section of America will be given a fair portion of the benefits of the public building construction program which may be put into effect eventually.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. WADSWORTH. May I call the attention of the gentleman to the language in lines 22, 23, 24, and 25, which reads:

> But which have been deferred—
>
> Referring to projects already approved—
>
> shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

Mr. BROWN of Ohio. If the gentleman will read the whole sentence, starting on line 19, it simply states this:

> It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

That paragraph means that we are simply carrying out and putting into effect the projects which were held in abeyance as a result of the war, that no community is going to lose because it sacrificed during the war; that the community which was promised the post office, or for which money has been appropriated or the site has been purchased, is entitled to it now, and will not be cast aside now. In other words, it is only a matter of fair play. I do not see anything wrong with that provision.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. KEEFE. I have listened to the arguments on this bill, and I thought it was argued quite conclusively that if this bill passes, it will assure to each congressional district, all 435 of them, participation in this program to the extent of selection of one site in each congressional district and providing for the plan of one building in each district.

Mr. BROWN of Ohio. If it is needed. But, not necessarily so, as long as the benefits go to the district.

Mr. KEEFE. The gentleman is putting a rather strained construction upon the language in section 102, especially in view of the statements that have been made on the floor of the House by members of the committee itself.

Mr. BROWN of Ohio. All the gentleman has to do is read the section carefully, as I have just read it.

Mr. KEEFE. I have read it carefully and must say to the gentleman that I disagree with him in his construction of the language.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. DONDERO. May I say to the gentleman from Ohio and the members of the Committee that sections 101 and 102 gave the committee as much trouble as anything we had to deal with. But, if the gentleman will note, what the committee sought to do was to see to it that in the selection of sites there should be an equitable distribution of the sites throughout the country.

Mr. BROWN of Ohio. And also that the benefits should be equitably distributed.

Mr. DONDERO. Exactly.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON] as a member of the committee, to close debate.

Mr. WHITTINGTON. Mr. Chairman, the bill which was originally introduced by me did not contain section 102, which the gentleman from New York proposes to strike out. It provided for the equitable distribution of post offices and public buildings, and when I say post offices, I mean public buildings, because some of them may be naturalization or border stations. We asked Mr. Reynolds, or at least a member of the committee asked him what this language meant, which says that in making such selections, they shall be distributed equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country. He said that was the best language he could devise, for one building in each district except the metropolitan area. He thought that equivalent language could be used, but he drafted the bill to do just what was done from 1926 to 1940; to wit, to provide that every congressional district should participate in this bill. That means except in metropolitan areas there should be a public building. This bill does not provide for the construction of a post office in every district in New York City. The language contemplates that New York City shall participate. Something happened after 1937. There was a redistricting in the United States following the 1940 census, and there was an impounding of funds. So we asked Mr. Reynolds if he intended in this equitable distribution to do what was done under previous acts which provided that there should be a post office where the receipts were in excess of $10,000, the area and population also being considered. He said that is exactly what he proposed to do. He said that meant one building in every congressional district where it was needed, or participation in the metropolitan area. That is exactly what we have done, and we thought that in order to provide for these districts where the funds have been impounded, and where it was right for them to have another building and in order for them to be put on a basis of equality that this language should be written in the bill. So, section 102 is included in the bill.

The gentleman from New York proposes to strike out this language:

> It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects.

In other words, the committee provides that this post office shall be eligible for plans and for construction. I think that is right, and if you strike this language, then I say you have done those people an injustice. I have no objection to the language in section 101. We asked Mr. Reynolds what the words "equitable distribution" meant. He said they meant a post office in every one of the districts except in the metropolitan areas. He said every district ought to participate. They may need substations in the metropolitan area. They may need warehouses. We then drafted this language. I think the gentleman from Michigan [Mr. DONDERO] is more responsible for that language than anyone else. We asked Mr. Reynolds if this language conveyed any different intent. I do not think it is necessary, gentlemen, to cover up or conceal anything, if we mean to provide for every congressional district and the small towns of ten, fifteen, or twenty thousand population where, as a result of the laws reported by the committee of which the gentleman from Kansas [Mr. REES] is a member, the need is just as urgent and on account of increased parcel-post business and other mail, there is scarcely room for the postmistress even to stand to serve the public, in some of the smaller post offices outside of the metropolitan area. In my judgment, inasmuch as the language that the gentleman from New York [Mr. WADSWORTH] would retain in this bill means, if translated, just exactly what the language in section 102 means, and inasmuch as section 102 protects those districts where their funds were impounded, and inasmuch as there has been a population census in 1940 which changed the situation some places, many districts would be deprived of a building, I respectfully submit that there is not any reason why the Congress should not spell out and say just what we have been doing. I trust the amendment may be defeated.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

All time has expired on this amendment. The question is on the amendment offered by the gentleman from New York [Mr. WADSWORTH].

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 23, noes 65.

So the amendment was rejected.

Mr. HOBBS. Mr. Chairman, I offer an amendment which is on the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. HOBBS: On page 3, line 25, insert after the word "selected" a comma and the following: "or constructed."
>
> On page 4, line 1, strike out the words "this title" and insert "sections 101 and 102."

Mr. WHITTINGTON. Mr. Chairman, I make the point of order that the gentleman is undertaking to combine two propositions in one amendment.

Mr. HOBBS. I will ask unanimous consent, Mr. Chairman, since these are all germane to the body of the bill that we consider all of these amendments together.

Mr. WHITTINGTON. Reserving the right to object, Mr. Chairman, I have a very high regard for the gentleman's views, but the first amendment the gentleman has offered inserts the words "or constructed." Inasmuch as the matter of construction is not embraced in this bill, I think we should pass on that first. For that reason, I think we should take them up separately, and I must object.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. HOBBS. No, sir. I grant that the point of order is well taken, but if we are going to separate it that way, unless we have one of the other amendments which I propose, there is no construction in the bill.

Mr. WHITTINGTON. If the gentleman wants to have the amendments read for information, that will be satisfactory to me.

Mr. HOBBS. The only point is, of course, that unless we have one of the other amendments which I propose to offer, then there is no construction in the bill.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Alabama [Mr. HOBBS] if he wishes to ask unanimous consent to have all of his amendments read for the information of the Committee.

Mr. HOBBS. I do so request, Mr. Chairman.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

> Amendments offered by Mr. HOBBS:
>
> On page 3, line 25, after the word "selected" insert a comma and the following: "or constructed."
>
> On page 4, line 1, strike out the words "this title" and insert "sections 101 and 102."
>
> After line 5, insert the following section:
>
> "SEC. 104. (a) In addition to the projects referred to in sections 101 and 102—
>
> "(1) During the first 3-year period following the date of enactment of this act and during each succeeding 3-year period, sites shall be acquired, and plans, sketches, working drawings, and specifications shall be prepared, for the construction of at least three post-office buildings in each congressional district in communities where there is no federally owned post-office building, but only if the post office in the community has had $10,000 or more of receipts during the preceding fiscal year; at least two of such post-office buildings shall be constructed in each congressional district during the first 3-year period, and at least three of such post-office buildings shall be so con-

structed during each succeeding 3-year period;

"(2) There shall be constructed, after acquisition of a site and the preparation of plans, swetches, working drawings, and specifications, a post-office building in each county seat or community where a county courthouse is in use for the purpose of holding regular sessions of court, and where there is no federally owned post-office building, but only if the post office in such community has had $5,000 or more of receipts during the preceding fiscal year.

The Postmaster General, the Federal Works Administrator, and the Commissioner of Public Buildings shall act jointly in carrying out the provisions of this section; and bids for the construction of any post-office building under this section shall be subject to their joint approval.

"(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the purposes of this section. Such sums, when appropriated, shall remain available until expended."

The CHAIRMAN. The Chair would like to ask the gentleman from Mississippi if he still insists on his point of order against the amendment.

Mr. WHITTINGTON. Mr. Chairman, I ask for a division of the amendment.

Mr. Chairman, the point of order was that a Member could not offer three amendments at the same time.

I ask that the amendment be divided and that we consider the first part of the amendment, page 3, line 25.

Mr. HOBBS. Mr. Chairman, granting the gentleman's point of order and his demand that the amendment be divided, I wish to ask unanimous consent that the first amendment to be read be that on page 4, after line 5 inserting a new section. I ask unanimous consent to offer that as the first amendment. This is the one that provides for construction. It would not make sense to refer to "construction" when no construction is provided otherwise.

Mr. WHITTINGTON. That is the reason I thought the gentleman ought to have offered them separately. I agree with the gentleman that otherwise it does not make sense. I think the matter of construction settles the entire question.

The CHAIRMAN. Without objection, the Clerk will report the amendment inserting a new section 104 (a).

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HOBBS:

Page 4, after line 5, insert the following section:

"SEC. 104 (a). In addition to the projects referred to in sections 101 and 102—

"(1) During the first 3-year period following the date of enactment of this act and during each succeeding 3-year period, sites shall be acquired, and plans, sketches, working drawings, and specifications shall be prepared, for the construction of at least three post-office buildings in each congressional district in communities where there is no federally owned post-office building, but only if the post office in the community has had $10,000 or more of receipts during the preceding fiscal year; at least two of such post-office buildings shall be constructed in each congressional district during the first 3-year period, and at least three of such post-office buildings shall be so constructed during each succeeding 3-year period;

"(2) There shall be constructed, after acquisition of a site and the preparation of plans, sketches, working drawings, and specifications, a post-office building in each county seat or community where a county courthouse is in use for the purpose of holding regular sessions of court, and where there is no federally owned post-office building, but only if the post office in such community has had $5,000 or more of receipts during the preceding fiscal year.

The Postmaster General, the Federal Works Administrator, and the Commissioner of Public Buildings shall act jointly in carrying out the provisions of this section; and bids for the construction of any post-office building under this section shall be subject to their joint approval.

"(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the purposes of this section. Such sums, when appropriated, shall remain available until expended."

Mr. HOBBS. Mr. Chairman, the whole purpose of this amendment, as stated in general debate which the chairman of the committee was so gracious as to allow me time to explain, is simply that during the first 3-year period after the enactment of this bill and immediately upon the agreement of the committee, composed of the Postmaster General, Mr. Fleming, and Mr. Reynolds, the plans of the sites acquired before the plans are drawn, for 3 post offices in each congressional district, shall be drawn and prepared and the sites acquired. Then during the first 3-year period 2 post office buildings shall be constructed, not just planned but constructed, in every congressional district. After that the regular routine program which we have operated under since 1926, except during the war when it was temporarily abandoned, shall be resumed, 3 in every congressional district every 3 years—in other words, an average of 1 a year.

Then we have the provision that the committee, composed of the Postmaster General, Mr. Fleming, and Mr. Reynolds, shall have the veto power when bids are too high to be reasonable, and therefore, it will be in their discretion to comply with the order of this amendment to begin the construction program. It will only be in their discretion where unreasonable bids may be found.

Then I wind up by authorizing the Appropriations Committee of the House of Representatives to make such appropriation as it sees fit to carry out the manifest intention of this amendment. Only when those authorized appropriations have been made does this become effective.

Mr. BUCKLEY of New York. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from New York.

Mr. BUCKLEY of New York. If this committee, composed of Mr. Reynolds and Mr. Fleming, or whoever serves on that committee, should say that it is necessary to build three post offices in my congressional district, and that money is being spent for post offices that are unnecessary in my congressional district, am I to stand by and see that money appropriated and spent uselessly, or should I stand up on this floor and oppose that appropriation?

Mr. HOBBS. May I say to the distinguished gentleman from New York that the appropriation question has not risen as yet. This is an amendment to a very good bill which the gentleman's very fine committee drew. It says in the bill that nothing shall be done which is unnecessary, in the judgment of the committee, composed of General Fleming, the Postmaster General, and Mr. Reynolds, of the Public Buildings Administration. So we are amply protected in that regard. You certainly can rely on the Committee on Appropriations of the House and of the other body, for that matter, not to appropriate any money for the building of this post office.

Mr. BUCKLEY of New York. I would be ready and willing to vote for any congressional district that would need two, three, or four post offices, but I would not want a post office put in my district which I would consider a waste of money, knowing that at the present time we have post offices in my congressional district sufficient to take care of the wants of the people.

Mr. HOBBS. The gentleman is exactly right and all of us join with the gentleman in that statement.

Mr. EVINS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama [Mr. HOBBS]. Ever since I have been in the Congress I have endeavored to be of all assistance possible to the people of my district in the matter of securing needed construction of Federal office buildings and post offices. Yet I realize that the problem in the connection which holds in my district is not unique. I am sure that virtually every Member of this body has a similar problem in his district and the only way we can do something about it here today is to support this measure which the distinguished gentleman from Alabama has proposed here today.

It has been nearly 12 years now since the Government had an active construction program for Federal buildings. We ought to resume that program at the earliest possible time.

The bill which we are considering here today is mild enough and I believe that the proposed amendments will guarantee a margin of safety to assure the lowest possible cost of construction and that we will not have to worry about excessive costs at this time when costs of construction of all types are matters for serious consideration.

In my own district there are instances of most pressing need for Federal buildings and post offices. It is a case of most acute necessity which can no longer be overlooked. These people are entitled to some consideration in this regard from the Government. In a great many instances, as we all know, populations and the post-office receipts of formerly small post offices have risen sharply during and since the war and their present facilities are inadequate. There is no valid reason to wait any longer to start this program. The shortage of materials has eased. There is an ample labor supply, as we all know.

Another factor which we cannot afford to overlook at this time is the tremendous rental bill the Government is forced

to meet each year simply because there are not Federal buildings in the many instances where they are needed. But I want to emphasize that while these rents are, of course, large in places where the population is great and the need is acute, I do not think we should overlook the situations wherein smaller towns are affected. It would be most unfair and unwise to make provisions for larger cities and neglect or overlook smaller towns.

Passage of such legislation as this is most pressing and most important and we have waited long enough to act. Cessation of construction for a period of 12 years is too long—although we can all understand the interim period of the war. I sincerely trust that we may act decisively in this connection here today and get this program underway. The surest cushion economically in this country is some form of Federal building construction program. The Hobbs amendment should be adopted. Let us not wait longer to inaugurate a genuine construction program.

Mr. PERKINS. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Alabama [Mr. HOBBS].

The Clerk read as follows:

Amendment offered by Mr. PERKINS as a substitute for the amendment offered by Mr. HOBBS: Add a new section 101 (a) as follows:

"In addition to the projects referred to in section 101 and 102, and where the congressional district does not have any deferred projects or plans therefor.

"(1) The Federal Works Administrator is authorized and empowered to acquire, by purchase, condemnation, donation, exchange, or otherwise, lands or interest in lands as sites for post offices in county seats where a county courthouse is in use for the purpose of holding regular sessions of court, in lieu of selection made under sections 101 and 102, and where there is no federally owned post-office building, but only if the post office in such county seat has had $5,000 or more of receipts during the preceding fiscal year."

Mr. PERKINS. Mr. Chairman, there should not be any objection to this substitute amendment. In fact, if you will notice in the hearings where eligible projects are listed, under Kentucky, you will find that there is not an eligible project for the Seventh Congressional District. My amendment only takes care of my own district, so far as I know. I infer from the statement of the Chairman of the Committee made here today.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman will yield, with all due deference this would not take care of the gentleman's congressional district as well as the provisions of this bill. The proposed substitute would limit the building for post-office purposes only. I stated in my explanation of this bill that there was one congressional district in Kentucky where the postal receipts were not $10,000, and there would be eligible under the terms of this bill for construction of a building for post office, agriculture, and other purposes, and you merely destroy the provision we make for you under the terms of this bill.

Mr. PERKINS. I wish to state that I have taken this matter up with the Post Office Department and with the Federal Works Administration, and they tell me that the two counties in my district, which counties do not have a Federal building, cannot qualify under the present $10,000-receipts-requirement law.

Mr. WHITTINGTON. But I told the gentleman that he could qualify for one post office as provided in this bill, and on that I stand, and it would be a better bill if the gentleman would withdraw the substitute.

Mr. PERKINS. In my district we have three counties without a Federal building, and in these three counties we have the Federal Security Agency, the Agricultural Department, the welfare workers and draft board, all renting property. We need post-office buildings, and these counties cannot qualify under the present receipts requirement law. This amendment is only applicable to the counties that cannot qualify under sections 101 and 102 of the bill. So, therefore, I cannot see any objection to the substitute amendment.

My amendment will make it possible to authorize the purchase of a post-office site in those counties where we do not have a post-office building. There is very little industry in those counties in my district where the receipts are below $10,000. A poor road system exists and as a result we do not have but few star routes and many small post offices scattered over those counties. These are the reasons that the gross yearly receipts in the post offices located at the county seats are so small.

If the substitute amendment is not adopted, it means there will not be any post-office buildings constructed in my congressional district. That is the information I have from the Post Office Department and from the Public Works Administrator, inasmuch as they say that none of the counties can qualify under the present $10,000 receipts requirement.

I ask you to support my substitute amendment.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is very interesting indeed to hear about all the post offices in the country that may not qualify for a building because they do not have the necessary $10,000 a year worth of business, and it certainly is delightful to hear that some congressional districts do not need any new post offices at all. I know how pleasant it is to stand up and talk about getting a nice new building in your congressional district. But mine is a cry of pain on behalf of my own congressional district.

Many of us like to boast about having the finest, greatest, fastest growing district in the United States. I have quit boasting. I am crying. My district is growing, I believe, at the rate of 7,000 people a month. At the present time it is variously estimated that it has grown to between 800,000 and 1,000,000 people from the 350,000 shown in the 1940 census.

You talk about one post office. One post office would not be a drop in the bucket in my district. We badly need 17 new post offices right now. They are racking mail in the coal bins, and goodness knows why they need coal bins in California. We never use coal for heating in California. It would be very interesting to know why they design coal bins for post offices in California, when we use gas and oil exclusively. So I should like to know from the chairman of the committee if, under the bill as it is presently written, it is possible, in a district that has grown so large and so painfully fast as mine has, for something to be done to get us out of our troubles in respect to post offices by acquiring enough sites to get started on some buildings pretty quick. Can the gentleman answer that question?

Mr. WHITTINGTON. I would say the only information I have is the information the gentleman has given the committee, that the committee considered it, and it is contained in the report of Mr. Reynolds to the committee, appearing in the hearings. We understood that in Los Angeles the situation is desperate, and under the terms of this bill we believe the flexibility authority is as much as we can give for enlargement and for other buildings.

Mr. HINSHAW. Somebody wrote a song a while back about wanting to make his home in the San Fernando Valley, or words to that effect. I represent the San Fernando Valley. It seems to me that everybody in the United States is making his home there right now. It is terrific. Twelve thousand building permits a year are granted in that one area alone, and some 16,000 building permits a year in my congressional district, at least, although I have no way of obtaining the accurate figure. It is a painful growth because it is so rapid. I hope and trust that the Federal Works Administrator and the Post Office Department together will find the truth of the very great urgency which we are experiencing there. The mail clerks and the mail carriers are having almost to stand on each other's shoulders to rack up the mail. It is terrific. This bill is better than nothing but it is a long way short of meeting the critical situation in the Twentieth District of California and others like it. I know that the Post Office Department is fully aware of the facts, and I can only hope that the Department will be given sufficient freedom to take the necessary actions under their interpretation of the terms of this bill.

Mr. PICKETT. Mr. Chairman, I rise in opposition to the substitute and the amendment offered by the gentleman from Alabama.

Mr. Chairman, my first remarks I want to direct specifically to the substitute offered by the gentleman from Kentucky [Mr. PERKINS]. I do not know what his situation is, because I have not investigated it, but I am going to accept his word for it that he has three counties in the Seventh Congressional District of Kentucky that under the terms of this bill cannot qualify to be eligible for construction of a Federal post-office building. That would mean that three counties in the district do not have a town where the postal receipts gross the sum of $10,000 per annum. I take it from what he further said in response to the gentleman

from Mississippi [Mr. WHITTINGTON], none of these three counties has a town in them which could qualify for a multiple-purpose Federal building where the postal receipts totaled a gross of $6,000 per year, and there are other Federal agencies in the county which would be housed within the buildings. Those two items I mention are provided for in this bill. Am I correct in my understanding, may I ask the gentleman from Kentucky [Mr. PERKINS]? Am I correct that those three counties do not have a single post office where the receipts gross $6,000 per year, where you could construct a building to house post-office facilities as well as other agencies of the Government? Is that correct?

Mr. PERKINS. I think the gentleman is correct.

Mr. PICKETT. If I may proceed for just a minute, I will yield to the gentleman to answer any questions he may have. I might say, with all due deference, that the gentleman is one of the few Members in the Congress today who has as few as three counties in his district with that situation. Many of us have that many and more. You cannot expect this committee or the Congress to give special consideration to special pleas for special districts and be fair to everybody in the country at the same time. The gentleman from California [Mr. HINSHAW] has just made one of the most appealing arguments that I can conceive of in that connection. Perhaps some of your folks from Kentucky went to Mr. HINSHAW's district and increased his demand out there. I do not know. I think some of my people from east Texas went out there and increased his demand, but I am glad that the song Don't Fence Me In applied to many of those people who left my district and went to his, because we do not want most of them back. Of course, we are sorry to lose some who moved. However, I will say, in all fairness to the gentleman from Kentucky, that if he is pleading for special consideration in this bill, I believe he is asking for more than any of us is entitled to.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. PICKETT. I yield.

Mr. PERKINS. I understand that this is a public works bill in that we are setting up a public-works program. These three counties, whose gross receipts are inadequate to qualify them under the present law, do not have industries. They do not have roads, as other counties in my district. As a result they do not have star mail routes, which increase postal receipts, as I understand. In a situation like that, if we are going to set up a public-works program here which will take care of unemployment when a recession or depression comes, why should not we make exceptions in cases of this kind?

Mr. PICKETT. May I say to the gentleman I think he is under misapprehension as to the purpose and intent of this piece of legislation. We are not trying to boondoggle here for the benefit of an unemployment situation which has not yet arrived. We are trying to provide facilities to house the business of the Government of the United States and its Post Office Department. We cannot be concerned in this bill with authorizing the acquisition of sites and planning the construction of a building in a community where the postal receipts do not justify such action. We may get to that point some of these days. If that time comes, then I will be one of the first to help the gentleman get his counties included in a bill. But, at the present time, we are trying to provide for a program throughout the entire United States which will meet the needs of the Post Office Department so that it can render service to the people in communities where the business is sufficient and justifies the construction of Federal buildings.

Mr. PERKINS. Did the gentleman understand my amendment to be effective only in the event that sections 101 and 102 of the present bill were inapplicable?

Mr. PICKETT. I did not pay that much attention to the gentleman's amendment, but I gathered that the gentleman is asking for special treatment.

Mr. PERKINS. I wish to advise the gentleman that that is the purpose and intent of my amendment, and I think the language clearly so indicates.

Mr. PICKETT. The purpose and intent, so far as I can see, is that the gentleman is asking for special treatment, and I do not think any of us is entitled to that.

Mr. DONDERO. Mr. Chairman, I rise in opposition to the so-called Hobbs amendment.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. WHITTINGTON. Mr. Chairman, unless there are other Members who desire to speak, I ask unanimous consent that debate on the amendment offered by the gentleman from Alabama and the substitute amendment offered by the gentleman from Kentucky, and all amendments thereto close in 10 minutes, with the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DONDERO. Mr. Chairman, it is not pleasant for me to rise in opposition to an amendment offered by my warm and delightful friend from Alabama [Mr. HOBBS]. But his amendment seeks to put in motion a rather ambitious program.

There are some 3,072 counties in the United States. The amendment offered by the gentleman from Alabama proposes to build a post office in every county seat in every county in the United States. The bill before us seeks but one post office in every congressional district, or 435. I am aware, as are many other Members, that there are many counties in this country—I know there are some in the upper part of my own State—where the population of the county seat is small; where the post office is not conducted in any Federal building, but is conducted in connection with a grocery store or a meat store or some other commercial establishment. It is not warranted for the Federal Government to even own a building in such a county seat. If this amendment were adopted, it would mean the Federal Government would be obligated to build a Federal building in a county seat that might not have a population of more than 300 or 500 people. It is not based on need. Of course, that would be an absurd thing. It would not only be absurd but it would be a very expensive on the part of our Nation to even formulate a program of such proportion.

So I think the amendment offered by the gentleman is impracticable and should not be adopted, and I hope the House will vote it down.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Yes; I yield to the distinguished gentleman.

Mr. HOBBS. I am very grateful to you for the spirit in which you approach this matter and I am so grateful for the spirit you have always emphasized, but I want to call the gentleman's attention to the limitation of $5,000 receipts.

Mr. DONDERO. Yes. I am aware that there is a limitation of $5,000 receipts in the gentleman's amendment. However, the act of 1926 sought to fix a limitation or a floor on the amount of receipts of a post office at $10,000, believing that that amount was a fair and reasonable amount to fix as a floor before any town would be eligible for a post office, I do not think that should be changed. It has not been shown that it is unjust or unreasonable. Therefore, I hope the amendment offered by the gentleman from Alabama will not be adopted.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DONDERO] has expired.

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the amendment and to the substitute.

The bill under consideration provides for plans and for the acquisition of sites. Many bills were introduced and referred to our committee before we reached a conclusion.

We have here this afternoon one of the most remarkable situations that ever occurred in the Congress. Among other bills introduced was a bill by the distinguished gentleman from Alabama [Mr. HOBBS], H. R. 19, which I hold in my hand. That bill provides that it is the intention of the Congress, in the enactment of this act, to provide for the acquisition of sites and the preparation of plans for such Federal buildings as may be deemed necessary by the Commissioner of Public Buildings, acting under the supervision of the Federal Works Administrator, in order that the Public Buildings Administration may be prepared to start construction of such buildings, outside the District of Columbia, when the economic conditions and the availability of materials, equipment, and manpower become such that the construction of such public buildings may be undertaken without adversely affecting the public welfare and the economic activities of the Nation.

The gentleman from Alabama, statesman that he is, was among the first to offer a bill for planning and for the acquisition of sites. H. R. 19 is substantially the provisions we have under consideration, and the continuance of section 2 in that bill is substantially the language we have in section 101 of the pending bill and which includes this language.

Then he included a post office in every county seat, no matter how big or how little. It only authorized an appropriation of $42,500,000.

The gentleman from Alabama, himself, in H. R. 19 advocated the very type of bill which this committee is presenting to wit, a bill for planning and for the acquisition of sites.

I condemn the gentleman's arguments with his own words, in his own bill, H. R. 19 from which I have read.

Now the gentleman comes along—splendid, fine statesman that he is—and in addition to planning, and in addition to providing for sites, without telling us that economic conditions justify it, authorizes the construction of one post office once a year for an indefinite period or in perpetuity; then in addition to that the construction of one post office at every county seat in the United States where the receipts are at least $5,000. The sky is the limit of his authorization.

We limited the authorization for preparing plans and acquiring sites to $40,000,000. Now the gentleman from Alabama [Mr. HOBBS] liberal-hearted, broad-minded stateman that he is, having advocated that the committee report a bill for planning and for the acquisition of sites, supplements it now by offering an amendment that would provide for one post office building annually, no matter what the economic conditions were, and in addition to that I do not know how many post offices in county seats. The limit of his authorization would be the sky, because he says: "There are hereby authorized to be appropriated from time to time such sums as may be necessary" and without any estimate; and, moreover, in addition, here is what would happen: It authorizes the building of three post-office buildings in every congressional district. In the city of Pittsburgh there are four or five congressional districts; in the city of New York there are 20 or more congressional districts. No wonder the sky is the limit; and the gentleman did not undertake to approximate the amount of the authorization.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. EVINS. I do not propose to state what the gentleman from Alabama had in mind——

Mr. WHITTINGTON. What is the question, please?

Mr. EVINS. The gentleman from Alabama offered his amendment because the committee did not come forward with any bill for construction. I understand that is what motivated the gentleman from Alabama. I understand that is the reason why the gentleman offered his amendment.

Mr. WHITTINGTON. The best we could get after Congress had turned down some 3 years ago any sort of planning bill was the bill that we reported, recommended to us by the Federal Works Agency. This bill if passed provides for plans that it may take 2 years to prepare. This will be supplemented by other reports that may be adopted by this Congress or succeeding Congresses.

I respectfully urge that the amendment offered by the gentleman from Alabama, as well as the substitute offered by the gentleman from Kentucky be voted down overwhelmingly.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. All time has expired.

The question is on the substitute amendment.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the substitute amendment be again read for information.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The Clerk again read the Perkins substitute amendment.)

The CHAIRMAN. The question is on the substitute amendment.

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. HOBBS) there were—ayes 33, noes 71.

So the amendment was rejected.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: After section 102 add a new section, as follows:

"When any contract is offered or advertised for construction of any public building on any site acquired hereunder the Federal Works Administrator shall thereupon be authorized to acquire an additional site and prepare a plan for an additional building in such congressional district, under the same terms and conditions, as apply to acquisition of the first site, provided there is an area in such congressional district which qualifies for such additional public buildings on the basis set out for approval of the acquisition of the first site."

Mr. PICKETT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PICKETT. Mr. Chairman, I make a point of order that the amendment provides for a condition to take place after a construction has been authorized under the terms of the amendment. This bill does not authorize anything for construction, it does not seek to, yet the amendment has the effect of legislating in the bill not in compliance with the import of the bill itself.

Mr. WHITTEN. Mr. Chairman, will the gentleman reserve his point of order?

Mr. PICKETT. Mr. Chairman, I reserve the point of order.

Mr. WHITTEN. Mr. Chairman, while this bill does not provide for the construction of any buildings, I think it is to be presumed it contemplates construction, else why spend $40,000,000 providing sites and making plans. I think, therefore, the bill clearly contemplates the construction of public buildings. My amendment provides that when construction is started, as it is contemplated by the bill before us, then the Public Works Administrator is authorized to acquire another site and prepare another set of plans. The amendment, I think, is germane and the point of order should be overruled.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. PICKETT. May I say that the bill intends to authorize the acquisition of sites and it is probably contemplated that when the Congress acts on this bill favorably it will later authorize a construction program. This bill does not contemplate any construction program.

Mr. WHITTEN. I still stick to my construction of the word "contemplate." In my opinion, this bill does contemplate the construction of Federal buildings. Insofar as providing for construction, of course, it does not. As I have said, why spend $40,000,000 for sites and plans if you do not intend to build.

Here is a point that I have tried to call to the attention of my good friends on this committee who have worked untiringly on this bill: In each congressional district there are a number of places that need post-office buildings. There are places where people cannot get a box in a post office and have to get their mail from general delivery; some have been on waiting lists for years. There are offices where there is no room for the post-office employees to work. There are a number of such places in each congressional district.

Let me tell you what is done under this bill. The Post Office Department will designate the one place in each district that gets a site and plans for a building, but this bill does not say that next year the Post Office Department will designate another one and the following year another. Under this bill one place is designated and the Congress will have to pass a new bill for the next one. If this bill passes, I hope the committee will bring in another bill because there are a number of places in each district which are almost equally in need of a new building.

The Post Office Department will have some rule for selection, such as amount of receipts, type of building now available, and things of that sort. You will be called on to recommend at least by the people at home if not by the Post Office Department. Now when one such site is acquired, the plans prepared, then when work is begun certainly we should select a site and prepare plans for a building in that area which has just as much need for it, but which perhaps has a little less total collections.

My amendment would not upset the committee bill a bit. It would say that when in the future money is provided and construction is started on a building, then these other places that are as much entitled to a building, but which do not have quite the cancellations or collections, shall be considered for the selection of a site and the putting up of a building. That is what my amendment does. I think the committee would have

been wise to have so provided in the committee bill. In fact, from conversations with members of the committee, most of the members thought that was what the committee was going to do.

Of course, you may say this committee will bring in another bill. I have seen the time when it was mighty hard to get them to bring in a bill and when it took a long time.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague from Mississippi.

Mr. WHITTINGTON. If the matter of construction comes before the Congress, it will have to come first before the Committee on Appropriations of which the gentleman is a Member, and then inasmuch as some of these projects are not in this bill, may I suggest that when the Committee on Appropriations considers it, that will be the proper time to bring up that question.

Mr. WHITTEN. According to the gentleman, heretofore these matters have been handled by the Committee on Appropriations. I think it would have been wiser to let the Committee on Appropriations handle it now in preference to providing for only one site and one set of plans. I have had letters from 20 or 30 postmasters. You do not plan to build anything. Why stir this matter up unless you are going to build? If you are going to act on the matter of selecting a site and providing a plan, why do you not provide for the treatment of similar places on a fair basis, the first, first, but the next should be right behind the first. If there are several places equally in need, or nearly so, certainly the Congress would want to deal fairly with all and not give one a post-office building and the others nothing.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. When the Congress appropriates money to build a post-office building in any town, the Government is authorized to do it, is it not?

Mr. WHITTEN. Well, that is my understanding though members of the Public Works Committee insist such appropriation would be subject to a point of order in the absence of a rule. But the Chairman has argued that the Committee on Appropriations has handled the matter heretofore. If so, why invite trouble bringing up this bill. If an authorization as provided by this bill is necessary, why not accept this amendment and make it a progressive matter so that those places equally in need will at least be in line.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from South Carolina.

Mr. RIVERS. Did the gentleman understand the gentleman from Texas to say that this bill did not contemplate the construction?

Mr. WHITTEN. Well, the gentleman from Texas and I had some discussion about the meaning of the word "contemplate." Certainly, he is right that this bill does not provide for the construction. I think I am right in that it contemplates such construction, else why spend $40,000,000 for the acquisition of sites and the preparation of building plans?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent to proceed for one additional minute that I may yield to my friend, the gentleman from Texas.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. PICKETT. The gentleman spoke a moment ago about the situation in his district and which probably exists in every other congressional district where a post-office building needs additional lock boxes and other appurtenances to render capable and proper service to the people. Now, if the gentleman will look over title III of this bill he will see that the point that he discusses there is contemplated, if I may use the gentleman's language.

Mr. WHITTEN. Except that many buildings already have all sorts of triangles and rectangles now, trying to get enough boxes into a little rented building. Your provisions will not help a bit in the world.

Mr. PICKETT. If the gentleman will look further in the proposal and the hearings and the report he will find that his situation will probably be taken care of in a number of instances where this is contemplated.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. PICKETT. Mr. Chairman, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard further?

Mr. WHITTEN. Mr. Chairman, there probably is some basis for the point of order. However, the amendment provides this: The original act provides for the acquisition of sites, the making of plans, and I take it that the presumption would be that it is for the purpose of having buildings built in the future. The amendment, as I see it, would be germane, provided there is a presumption that the original act calls for the future building of buildings. It provides that when that is done, then the Public Works Administrator has the same authority for the selection and acquisition of an additional site and the preparation of additional plans. It is only on that theory that I can offer the amendment.

The CHAIRMAN. The Chair recognizes the worthwhileness of the gentleman's argument, but in view of the facts he is forced to sustain the point made by the gentleman from Texas.

The Clerk will read.

The Clerk read as follows:

SEC. 103. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $40,000,000 to remain available until expended.

TITLE II—ACQUISITION OF SITES AND TRANSFER OF JURISDICTION OVER SITES BY VARIOUS AGENCIES AND DEPARTMENTS OF THE GOVERNMENT

SEC. 201. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange or otherwise, land situate in the northwest section of the District of Columbia designated as squares 11, 19, 20, and 32, said land to be used wholly or in part together with other Government-owned land adjacent or in close proximity thereto as the site or sites for a departmental building or buildings project authorized to be constructed thereon.

SEC. 202. In order to provide a more suitable site for the new San Diego, Point Loma, Calif., Quarantine Station, the Secretary of the Navy is hereby authorized and directed to transfer to the control and jurisdiction of the Federal Works Agency, without reimbursement, a parcel of land in the city of San Diego, county of San Diego, State of California, described as follows:

Commencing at an old stone monument marked "U. S. M. R.," on the northerly boundary line of the naval fuel annex, said point being the true point of beginning; thence from said true point of beginning north eighty-nine degrees thirty-one minutes thirty-five seconds each one hundred and eleven and six one-hundredths feet, more or less, to a point on the mean high-tide line of San Diego Bay; thence south five degrees twenty-two minutes fifty seconds west along the mean high-tide line three hundred and ten and eleven one-hundredths feet; thence south one degree fifteen minutes forty-five seconds west along the mean high-tide line one hundred and three and fifty one-hundredths feet; thence leaving said mean high-tide line south eighty-nine degrees thirty-one minutes thirty-five seconds west five hundred and eighty-seven and nine one-hundredths feet; thence north one degree thirty-eight minutes twenty-five seconds west two hundred and one and forty-three one-hundredths feet; thence, north twelve degrees twenty-four minutes forty-five seconds east two hundred and sixteen and nine one-hundredths feet to a point on the northerly boundary line of the naval fuel annex; thence along said northerly line of the naval fuel annex north eighty-nine degrees thirty-one minutes thirty-five seconds east four hundred and sixty-six and seventy-four one-hundredths feet to the true point of beginning, containing five and six-tenths acres; more or less;

And the Federal Works Administrator is hereby authorized and directed to transfer to the control and jurisdiction of the Department of the Navy, without reimbursement, all the land comprising the present quarantine station site lying and being in the city of San Diego, county of San Diego, State of California, bounded on the south by First Street on the west by San Antonio Avenue, on the north by Colorado Street, and on the east by San Diego Bay.

SEC. 203. The Federal Works Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Department of the Army, without reimbursement, for use for military purposes all the land comprising the present quarantine station situated on Quarantine and Sand Islands, Honolulu, Oahu, Territory of Hawaii, described as follows:

Beginning at the southwest corner of tract C transferred to the Commerce Department by the War Department by Executive Order Numbered 6584, dated February 6, 1934, the coordinates of said point of beginning referred to Government Survey Triangulation Station "South Base, Sand Island" being two thousand three hundred and fifty-nine and ninety-three one-hundredths feet north and one thousand three hundred and forty-six and five one-hundredths feet west, and running by azimuths measured clockwise from true south (1) one hundred and five degrees thirty minutes thirty seconds five

hundred feet along San Island Military Reservation to a pipe in concrete; thence (2) along the arc of a curve to the right having a radius of four hundred and ninety feet a distance of one hundred and one and eighteen one-hundredths feet to a plate in concrete, the direct azimuth and distance being seventy degrees twenty minutes twenty seconds one hundred and one feet; then (3) continuing along the arc of said curve a distance of seven hundred and eighty-four and forty-nine one-hundredths feet to a pipe in concrete the direct azimuth and distance being fifty-nine degrees six minutes no seconds seven hundred and three and thirty-five one-hundredths feet; thence (4) one hundred and five degrees no minutes no seconds one thousand five hundred and twenty feet to a pipe in concrete; thence (5) along the arc of a curve to the right having a radius of seven hundred and thirty feet a distance of two thousand five hundred and twenty-five and eighty-eight one-hundredths feet, the direct azimuths and distances being one hundred and ninety-five degrees no minutes no seconds seven hundred and thirty feet to a concrete monument and two hundred and thirteen degrees fifteen minutes no seconds seven hundred and thirty feet; thence (6) three hundred and three degrees fifteen minutes no seconds one thousand six hundred and seven and forty-seven one-hundredths feet to a pipe in concrete; thence (7) two hundred and thirty degrees thirty minutes no seconds five hundred and twenty-three and eighty-eight one-hundredths feet to a pipe in concrete; thence (8) three hundred and four degrees thirty-three minutes no seconds six hundred and fifty-two feet along Reserved Channel and Honolulu Harbor and passing over a pipe in concrete at fifty-two feet; thence (9) along tract C hereinbefore cited (transferred to Commerce Department by the War Department by the aforesaid executive Order Numbered 6584, dated February 6, 1934), thirty-three degrees thirty-seven minutes thirty seconds five hundred and fifty-six and sixty-six one-hundredths feet to the point of beginning, containing an area of eighty-one and ninety-four one-hundredths acres, more or less, together with the improvements thereon;

And the Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a quarantine station at Honolulu, Hawaii, the following described land:

That portion of the Fort Armstrong Military Reservation, Oahu, T. H., particularly described as beginning at the north corner of the land herein described on the southeast side of Channel Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Punchbowl" being four thousand four hundred and twelve and twenty-three one-hundredths feet south and five thousand six hundred and seventy-eight and thirty-nine one-hundredths feet west and running by azimuths measured clockwise from true south (1) three hundred and nine degrees three minutes no seconds one hundred and sixty-seven and one one-hundredths feet along other lands of Fort Armstrong Military Reservation, and along the southwest side of Buford Avenue; (2) thirty-eight degrees fifty-seven minutes twenty seconds ninety-six and seventy one-hundredths feet along said other lands of Fort Armstrong Military Reservation; (3) three hundred and eight degrees forty-eight minutes thirty seconds twenty-five and ninety-eight one-hundredths feet along said other lands; (4) thirty-eight degrees forty-eight minutes thirty seconds two hundred and thirty-one and sixty-one one-hundredths feet along said other lands; (5) three hundred and eight degrees fifty-nine minutes thirty seconds one hundred and thirteen and ninety-three one-hundredths feet along said other lands; (6) thirty-seven degrees eight minutes no seconds seventy-seven and twenty-five one-hundredths feet along said other lands; (7) three hundred and nine degrees no minutes forty seconds one hundred and seven and ninety-four one-hundredths feet along said other lands; (8) thirty-eight degrees fifty-seven minutes no seconds five hundred and twenty-two and ninety-eight one-hundredths feet along said other lands and along the northwest side of Pleasanton Avenue; (9) thirty-nine degrees no minutes two thousand three hundred and eighty-two and ninety-one one-hundredths feet; (10) one hundred and forty-five degrees no minutes ninety-eight and thirty-one one-hundredths feet; (11) one hundred and eighty-nine degrees twenty-five minutes one thousand two hundred and six and eighty-seven one-hundredths feet; (12) two hundred and nineteen degrees no minutes one thousand seven hundred and five and fifty-five one-hundredths feet; (13) three hundred and nine degrees no minutes two hundred and seventy-one and sixty-four one-hundredths feet to a brass plate set in concrete, passing over a brass plate set in sea wall at two hundred and ten and ninety-four one-hundredths feet; (14) two hundred and nineteen degrees no minutes five hundred and twenty-nine and twenty-eight one-hundredths feet along the southeast side of Channel Street to the point of beginning, and containing an area of thirty-nine and sixty-five one-hundredths acres together with all riparian, littoral and shore rights thereunto belonging or in anywise appertaining, and all improvements thereon except the gun emplacement and foundations, the space enclosed in which is in use and is to be continued in use by the Department of the Army for telephone terminals and exchange until June 30, 1969, the foundations to be thereafter removed by the Department of the Army before possession of the land on which same are situate is finally made available to the Federal Works Agency for quarantine-station purposes: *Provided*, That said date of June 30, 1969, may be either anticipated or deferred by mutual agreement of the Department of the Army and the Federal Works Administrator.

SEC. 204. The Federal Works Administrator is hereby authorized to retain for the use of the Public Buildings Administration permanent custody and control of the following-described lands, together with the improvements thereon, together with such personal property as may be necessary in his discretion for use in connection therewith:

(a) Cheyenne, Wyo.: Lots 7 and 8, and the east twenty-two feet of lot 6 in block 266 in the city of Cheyenne, county of Laramie, State of Wyoming, containing forty-seven one-hundredths of an acre.

(b) Little Rock, Ark.: Lots 5 and 6, block 3, original city of Little Rock in the county of Pulaski, State of Arkansas.

(c) Medford, Oreg.: Lots 1, 2, 3, and 4 in block 3, in the original townsite, now city of Medford, Oreg.

(d) Fayetteville, N. C.: Lying and being in the county of Cumberland, State of North Carolina, and described as follows: Beginning at a point in the western margin of Winslow Street, same being an iron stake at the foot of a twenty-inch Elm tree, said stake being three hundred and fourteen feet southwardly of the intersection of the southern margin of Elm Street and the western margin of Winslow Street, and running thence north sixty-six degrees thirty-seven minutes west two hundred and eighty-six and two-tenths feet to an iron stake in a ditch; thence north twenty-three degrees east thirty-nine and five-tenths feet to an iron stake; thence north sixty-seven degrees west thirty-three and five-tenths feet to an iron stake; thence north twenty-eight degrees thirty minutes east eighty-five feet to an iron stake, the northwest corner of this tract; thence south sixty-six degrees thirty-seven minutes east three hundred and thirteen and five-tenths feet to a post in the western margin of Winslow Street; thence with the western margin of Winslow Street south twenty-three degrees fifty-five minutes west one hundred and twenty-four feet to the beginning.

(e) Durham, N. C.: Lying and being in the city of Durham, county of Durham, State of North Carolina, and described as follows: Beginning at a concrete monument, in the east line of Morris Street, said monument being sixty-five and six-tenths feet north fifty-seven degrees forty-six minutes east from the northeast corner of the brick building occupied by Imperial Tobacco Co.; running thence south eighty-five degrees twenty minutes east two hundred feet to a concrete monument; thence north seven degrees thirty-one minutes east one hundred and sixty-four and fifty one-hundredths feet to a point in the present south line of Hunt Street; thence with said south line of Hunt Street north eighty-five degrees twenty minutes west two hundred and eight one-hundredths feet to a point being the intersection of said south line of Hunt Street with the east line of Morris Street; thence with the east line of Morris Street south seven degrees thirty minutes west one hundred sixty-four and fifty one-hundredths feet to the true point or place of beginning.

(f) Paris, Tex.: A tract of land lying and being in the city of Paris, county of Lamar, State of Texas, and being a portion of the Larkin Rattan Survey, particularly described as follows: Portions of lots 5 and 6, block 1, of the city of Paris, as shown by the original fifty-acre donation as recorded in the deed records of Lamar County, Tex., book G–1, page 299, more particularly described as follows: Beginning at a point being the intersection of the north line of Grand Avenue with the east line of Short Street, now Nineteenth Street; running thence due north along the east line of Short Street, now Nineteenth Street, eighty-one feet to a marker; thence due east eighty-three feet to a marker; thence due south eighty-one feet to a marker in the north line of Grand Avenue; thence due west along the north line of Grand Avenue eighty-three feet to the point or place of beginning, together with all the right, title, and interest of the former owners in and to the streets and alleys abutting the above-described premises.

(g) Hampton Roads, Norfolk, Va.: Lands lying and being in the city and county of Norfolk, Commonwealth of Virginia, and particularly described as follows: Lots numbered 1, 2, 3, 4, 7, 8, 9, 10, 25, 26, 27, 28, 29, and an unnumbered lot, lying between said lots numbered 10 and 25 and being in block numbered 12 in map book 11, page 33, Corporation Court of Norfolk, Virginia, containing eighty-five one-hundredths of an acre.

(h) Chatham County, near Savannah, Ga.: Tracts of land lying and being in the county of Chatham, State of Georgia, more particularly described as follows:

Parcel A: One hundred acres of land, more or less, of what is known as the southwestern portion of Oatland Island, in Chatham County, Georgia, as more particularly appears on a map attached to the deed from George T. Page, Alvan M. Hitt, and William G. Slaughter to the order of Railway Conductors Home Association, dated May 22, 1926, filed for record August 31, 1926, and recorded in book 22B, page 182, of the records in the office of the clerk of the Superior Court of Chatham County, Georgia, a copy of which map is recorded in map book 2, folio 81, of the records aforesaid, to which special reference is hereby made, and which is made part and parcel of this description, said lands lying south of the "red" line appearing on said map, and being that portion of land lying at the southwest end of the island beyond the marks of boundary erected on said island, and having the fol-

lowing bearings: Beginning at the marks of boundary one hundred feet from the marsh on the eastern side of said island, near Richardson's Creek, and marked with a concrete stone, on which appears the following mark, "XIII"; thence along a line proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker, bearing the same mark, to wit: "XIII," and proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker one hundred feet from the marsh bearing the same mark, to wit, "XIII," said land being all of the remaining portion of the land lying southwest of the said markers of boundary, said land being described as follows: Bounded on the north by the remaining portion of said island, on the east by Richardson's Creek, on the south by Richardson's Creek, and on the west by the Thunderbolt River for about three hundred and fifty yards, and then the remainder of the western boundary by an unnamed creek, which meanders into the Thunderbolt River; together with the marshland adjacent to and adjoining the one hundred acres above described, and between the boundaries above mentioned; that is, the marshland that is south of where the red line appearing on the map, if extended, would meet the creek, to wit, said Richardson's Creek on the east and the said unnamed creek on the west, together with the improvements thereon.

Parcel B: All of those certain lots, tracts, or parcels of land situate, lying, and being in Whitmarsh Island, Chatham County, Ga., and known upon the map or plan of the Riverside Subdivision on said island as lots numbered 45, 46, and 47, a plan of said subdivision being recorded in the records of Chatham County, Ga., in map book I, folio 229, and a plat of said lots with the adjacent marsh being also recorded in said records in map book 1, page 259, said lots 45, 46, and 47 together having seven and one-half acres, more or less, of high land; and also those portions of the adjacent marshland which said marshlands are described more fully as follows: Starting at the westernmost point of lot 47 and running parallel with the eastern line of said lot to a creek, and also one-half of the marsh lying east and southeast of lot 45 and between lots 45 and 44 of said subdivision; excepting, however, therefrom eight-tenths of an acre being part of lot 47 which was conveyed by Jessie C. Thomas to Chatham County on May 26, 1926, by deed recorded in Chatham County on May 26, 1926, by deed recorded in Chatham County Records in book 21 S, folio 271, together with the improvements thereon.

Parcel C: All those certain lots, tracts, or parcels of land situate, lying, and being in the subdivision known as Oatland Island, in the county of Chatham and State of Georgia and more particularly described as follows: Lots numbered 1, 2, 3, 4, 5, and 6 in block C, according to a plat of said subdivision known as Oatland Island, which said plat appears on record in the office of the clerk of the Superior Court in map book numbered 2, folios 82 and 83, together with all highland and marshland contained between the side lines of said lots 1, 2, 3, 4, and 5 extending to low-water mark, save and except the sixty feet in width across said extended premises heretofore granted to the county of Chatham for a highway, and known as Bacon Drive, together with the improvements thereon.

(i) Fort Smith, Ark.: Lands lying and being in the city of Fort Smith, county of Sebastian, State of Arkansas, particularly described as follows: All of lots 9, 10, 11, and 12 in block C, Fitzgerald Addition, city of Fort Smith, Arkansas.

(j) The Federal Works Administrator is hereby further authorized to retain for the use of the Public Buildings Administration permanent custody and control of the following-described buildings together with such personal property as may be necessary in his discretion for use in connection therewith:

(1) Suitland, Md.: The infirmary building and recreation building with snack bar located on land comprising site of Federal Office Building No. 3, Suitland, Md., occupied under authority of revocable license dated November 17, 1947, from the Federal Works Agency to Department of the Army.

(2) West Potomac Park, Independence Avenue and River Drive, Washington, District of Columbia: The recreation building and storage plant, and the infirmary building constructed in West Potomac Park under permit from Secretary of the Interior to Federal Works Agency dated August 22, 1942.

(3) Langston Stadium, Twenty-fourth Street and Oklahoma Avenue Northeast, Washington, District of Columbia: The recreation-cafeteria building and the infirmary building located at the Langston Residence Hall project constructed under permit from Department of the Interior, National Park Service, to Public Buildings Administration, dated June 10, 1942.

(4) Arlington Farms, Va.: The storage building, maintenance shops, garages, and an administration building, the infirmary building, the cafeteria, recreation center, including auditorium, snack bar, and classrooms and the fire station, constructed under transfer of jurisdiction over land from War Department to Federal Works Agency by letter dated May 14, 1942, for use during national emergency.

SEC. 205. (a) The Federal Works Administrator is hereby authorized to assume permanent custody and control of properties described in this section to be transferred to the Federal Works Agency for use of the Public Buildings Administration:

(1) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, that portion of the Fort Brown Military Reservation, Brownsville, Tex., described as follows, lying and being in the Espiritu Santo Grant, Cameron County, Tex., for its use as a site for the construction of the Brownsville (Tex.) border station building and the Federal Works Agency may take possession thereof pending commencement of construction of the contemplated border station building:

Commencing at a point which is south sixty-six degrees twelves minutes west twenty-six and sixty-one one-hundredths feet from monument numbered 1B set by United States Engineer Department marking the boundary line of Fort Brown Military Reservation; running thence along the southwesterly side of Kerr Street (fifty feet wide) south forty-nine degrees fifty-one minutes east fifty and one one-hundredths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south thirty-six degrees forty-seven minutes forty-five seconds east seventy-six and fifteen one-hundredths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south twenty-three degrees thirty-six minutes east sixty-seven and forty-four one-hundredths feet to an iron pin set on the north line of a concrete sidewalk on the north side of a street; thence along the north line of said sidewalk south sixty-six degrees nineteen minutes west two hundred and forty-one feet to an iron pin in the toe of the Rio Grande protection levee; thence along the toe of said levee north forty-two degrees one minute west eighty-two feet to an iron pin; thence continuing along the toe of said levee north fifty degrees thirty-seven minutes west one hundred twenty-one and twenty-one one-hundredths feet to monument numbered 1A set by the United States Engineer Department marking the boundary line of Fort Brown Military Reservation; thence along the boundary line of the Fort Brown Military Reservation north sixty-six degrees twelve minutes east two hundred eighty-two and forty-nine one-hundredths feet to the point or place of beginning, containing one and one hundred forty-two one-thousandths acres, more or less.

(2) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the entire building known as the 1114 Commerce Street Building, Dallas, Tex., together with the site thereof described as follows:

All of a certain tract or parcel of land situated in the city of Dallas, county of Dallas, State of Texas, said tract being a part of block numbered 63 of said city and county and being more particularly described as follows: Beginning at a point on the south line of Commerce Street, said point being located fifty feet west of the northeast corner of said block 63; thence west along the south line of said Commerce Street one hundred and fifty feet; thence south at right angles to the south line of Commerce Street, one hundred feet; thence west at right angles to the last-mentioned line fifteen feet; thence south at right angles to the last-described line one hundred feet to a point on the north line of Jackson Street; thence east along the north line of Jackson Street one hundred and sixty-four feet to a point; which point is fifty-one feet west of the southeasterly corner of block 63; thence northerly at right angles to the north line of Jackson Street thirty-one feet; thence east at right angles to the last-described line one foot; thence northerly at right angles to the last-mentioned line one hundred and sixty-nine feet to the point of beginning.

(3) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon;

Lying and being in Marfa, county of Presidio, State of Texas: Beginning at the northeast corner of a tract of land known as tract numbered 1 containing four hundred thirty-four and two-tenths acres, more or less, comprising a part of the military reservation of Fort D. A. Russell and being the same tract conveyed to the United States by W. G. Young by deed dated August 23, 1927, and duly recorded among the land records of said county in volume 74, page 162, thereof; thence with the north line of said tract west four hundred forty-seven and nine-tenths feet to the northwest corner of this tract; thence south seventeen degrees six minutes west three hundred feet to a point for corner; thence south seven degrees eight minutes west four hundred feet to a point for a corner; thence east five hundred sixty-eight and three-tenths feet to a point in the east boundary line of said four hundred thirty-four and two-tenths-acre tract for the southeast corner of this tract; thence with said east boundary line north one degree twenty-eight minutes east six hundred eighty-three and nine-tenths feet to the point of beginning, containing approximately eight and twenty-one one-hundredths acres, subject to existing streets and easements for existing utilities.

(4) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

That portion of Angel Island (Fort McDowell) known as the San Francisco Quarantine Station, particularly described as being that certain parcel of land on Angel Island, Marin County, Calif.; commencing at Point Ione; thence south approximately six hundred and eighty feet to a point on the northerly side of Military Road; thence following the station side of said Military Road to a point of intersection with a line bearing

south forty-five degrees east, which line passes through a point one hundred feet north forty-five degrees east from the northernmost station structure; thence north forty-five degrees west to a point on the low-water mark of Hospital Cove; thence in a westerly direction to the point of beginning, together with an area one hundred feet wide centered on two groups of water tanks, and to extend from the station side of Military Road a distance of fifty feet beyond the center of the farthest group of tanks.

(5) The War Assets Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that certain piece or parcel of land situate, lying and being in the county of San Mateo, State of California, together with the appurtenances, to wit: Beginning at a point on the northerly line of Butler Road, said point being north eighty-three degrees nine minutes fifteen seconds east one hundred ninety-three and twelve one-hundredths feet from a two-inch iron pipe set in concrete on the northerly line of Butler Road, said iron pipe being north eighty-seven degrees four minutes thirty seconds east four hundred ninety-two and ninety-nine one-hundredths feet from the intersection of the north line of Butler Road and Southern Pacific Co. right-of-way; running thence from said point of beginning along the northerly line of Butler Road north eighty-three degrees nine minutes fifteen seconds east one hundred seventy-three and twenty-four one-hundredths feet; thence north eighty-seven degrees four minutes thirty seconds east nine hundred seventy-eight and eighty-three one-hundredths feet; thence leaving the northerly line of Butler Road north two degrees fifty-six minutes west two hundred forty-seven and twenty one-hundredths feet; thence south eighty-seven degrees four minutes thirty seconds west seven hundred eighty-two and forty-nine one-hundredths feet; thence north sixty-one degrees fifty-five minutes fifteen seconds west one hundred ten and fifty-two one-hundredths feet; thence south thirty-eight degrees three minutes fifteen seconds west four hundred eighteen and fifty one-hundredths feet to the point of beginning.

(6) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that lot, tract, or parcel of land situate, lying, and being in the city of East Point, Fulton County, Ga., being a part of land lot 155, district 14, and more fully described as follows: Beginning at the intersection of the north line of Saint Joseph Street with the northeasterly line of Lawrence Avenue and the east property line of the U. S. L. Battery Co., extending thence east along the north line of Saint Joseph Street a distance of six hundred eighty-three and two-tenths feet, more or less, to an iron monument on the east line of said land lot 155, district 14, extending thence north, making an interior angle of ninety degrees sixteen minutes to the left, along said east line of land lot 155, district 14, a distance of one thousand three hundred thirty-four and nine-tenths feet, more or less, to an iron monument; extending thence west making an interior angle of eighty-nine degrees forty-four minutes to the left, a distance of nine hundred seventy-three and five-tenths feet, more or less, to an iron monument on the east line of Lawrence Avenue; extending thence south making an interior angle of ninety degrees thirty-eight minutes to the left, along the said east side of Lawrence Avenue, a distance of six hundred twenty-seven and five-tenths feet, more or less, to an iron pipe at the intersection of the east line of Lawrence Avenue with the north property line of the U. S. L. Battery Co.; extending thence east, making an interior angle of eighty-nine degrees twenty-two minutes to the left, along the said north property line of U. S. L. Battery Co., a distance of three hundred feet, more or less, to a point at the northeast corner of property of U. S. L. Battery Co.; extending thence south making an exterior angle of eighty-nine degrees fifteen minutes to the right, along the east property line of U. S. L. Battery Co., a distance of seven hundred seven and three-tenths feet, more or less, to the point of beginning; the last-described line making an interior angle of eighty-nine degrees and fifteen minutes with the north line of Saint Joseph Street; containing twenty-five and eighty-nine one-thousandths acres, more or less, and said lot is more fully shown in colored yellow on print of the Central of Georgia Railway Co.'s plan No. 15622, dated February 14, 1945.

(7) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Lying and being in the limits of San Antonio, county of Bexar, State of Texas, and more particularly described as follows: Beginning at a point in the center line of South Flores Street, distant north twenty-four degrees forty minutes forty-one seconds east seven hundred forty-two and eighty-one one-hundredths feet measured along the center line of South Flores Street, from its point of intersection with the center line of Arsenal Street; running thence south twenty-four degrees forty minutes forty-one seconds west seven hundred forty-two and eighty-one one-hundredths feet to a point, being the intersection of the center line of South Flores Street with the center line of Arsenal Street; thence south sixty-three degrees twenty-two minutes nineteen seconds east a distance of six hundred and eighteen feet along the center line of Arsenal Street to its point of intersection with the westerly side of Main Avenue extended; thence north eleven degrees thirteen minutes forty-one seconds east seven hundred one and sixty-two one-hundredths feet; thence with a ten degree thirty-two minutes eighteen seconds degree curve to the left seventy-seven and fifty-one one-hundredths feet to a point in the north property line of the Arsenal property, said curve having a radius of five hundred forty-three and sixty-nine one-hundredths feet and a delta of eight degrees fifty-six minutes forty-five seconds; thence north sixty-four degrees thirty minutes nineteen seconds west along the north line of the Arsenal property to the point or place of beginning.

(8) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that certain real property situate, lying and being in the city and county of San Francisco, State of California, described as follows, to wit: Beginning at the point of intersection of the northerly line of Geary Street and the westerly line of Polk Street; running thence westerly along said line of Geary Street eighty-two feet and six inches; thence at a right angle northerly one hundred and twenty feet to the southerly line of Cedar Street; thence at a right angle easterly along said line of Cedar Street eighty-two feet and six inches to the westerly line of Polk Street; and thence at a right angle southerly along said line of Polk Street one hundred and twenty feet to the point of beginning; being part of Western Addition block numbered 59.

(9) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio and bounded and described as follows:

Known as being part of sublots numbered 1 and 2 in Mrs. C. D. Brayton's subdivision of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 3 of maps, page 20, of Cuyahoga County Records, and sublots numbered 15, 16, and parts of sublots numbered 17, 18, and 19 in the Cuyahoga Valley Realty Company's subdivision numbered 2 of part of original Brooklyn Township lots numbered 71 and 86, as shown by the recorded plat in volume 50 of maps, page 21, of Cuyahoga County Records, and part of sublots numbered 64, 65, 66, 67, 68, 69, 74, 76, 77, 78, and all of sublots numbered 70, 71, 72, 73, and 75 in Brayton and Yates reallotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 4 of maps, page 18, of Cuyahoga County Records, and all of sublots numbered 33, 34, 35, 36, 37, 38, 39, 40, and part of sublots numbered 41, 42, 43, and 44 in John Raines and W. H. Dean's allotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 7 of maps, page 18, of Cuyahoga County Records, and also a part of original Brooklyn Township lots numbered 71 and 86, and together forming a parcel of land bounded and described as follows:

Beginning at the intersection of the northerly line of Clark Avenue Southwest, sixty-three feet wide, with the easterly line of West Eleventh Street, forty-five feet wide; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of Clark Avenue Southwest, five hundred sixty-nine and ninety-nine one-hundredths feet to the southwesterly corner of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Records; thence north one degree thirty-eight minutes ten seconds east along the westerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed last aforesaid and by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Records, three hundred and ten feet to the northwesterly corner of land conveyed to the Highway Construction Company of Ohio, Incorporated; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, last aforesaid, one thousand five hundred nine and ninety-eight one-hundredths feet to the northwesterly line of land conveyed to the city of Cleveland by deed dated September 30, 1942, and recorded in volume 5472, page 98, of Cuyahoga County Records; thence north thirty-three degrees fifty-eight minutes ten seconds east along the northwesterly line of land so conveyed to the city of Cleveland, which is also the northwesterly line of Quigley Road Southwest, eighty feet wide, one thousand two hundred thirty-five and twenty-nine one-hundredths feet to the southerly end of the curved turn-out between the westerly line of West Seventh Street relocation and the northwesterly line of Quigley Road Southwest, as shown by the dedication plat of West Seventh Street relocation recorded in volume 133 of maps, page 24, of Cuyahoga County Records; thence northerly along said curved turn-out, thirty-

one and forty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of twenty feet and a chord of twenty-eight and twenty-eight one-hundredths feet; thence northerly along the westerly line of West Seventh Street relocation, one hundred fifty-six and twenty-four one-hundredths feet, which is along the arc of a curve deflecting to the right, said curve having a radius of ninety-nine and forty-seven one-hundredths feet and a chord of one hundred forty and sixty-seven one-hundredths feet, to a point of tangent; thence northeasterly along the northwesterly line of West Seventh Street relocation sixty-seven and eighty-eight one-hundredths feet to a point of curvature; thence northeasterly continuing along said northwesterly line, seventy and eighty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of one hundred and ten feet and a chord of sixty-nine and sixty-one one-hundredths feet, to the southerly line of Severn Avenue Southwest (formerly Severn Street) forty feet wide; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of Severn Avenue Southwest three hundred forty-six and eighty-one one-hundredths feet to the northwesterly corner of sublot numbered 33 in John Raines and W. H. Dean's Allotment; thence south two degrees fifteen minutes forty-five seconds west along the westerly line of said sublot numbered 33, one hundred twenty-five and twenty-two one-hundredths feet to the southwesterly corner thereof; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of John Raines and W. H. Dean's Allotment, as recorded in volume 7 of maps, page 18, of Cuyahoga County Records, two hundred seven and fifty-six one-hundredths feet to the southwesterly corner thereof; thence north two degrees thirty-three minutes fifty-five seconds east along the westerly line of said allotment three hundred sixty-five and two one-hundredths feet to the southerly line of Clyde Avenue Southwest, forty feet wide; thence north eighty-seven degrees forty-four minutes forty seconds west along the southerly line of Clyde Avenue Southwest, and the westerly extension thereof, three hundred eighty-nine and four one-hundredths feet to the southwesterly corner of Saint Theodosius Church subdivision, as recorded in volume 64 of maps, page 27, of Cuyahoga County Records; thence north two degrees eleven minutes twenty seconds east along the westerly line of said Saint Theodosius Church subdivision two hundred seventy-six and sixty-two one-hundredths feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest thirty-six feet to the northeasterly corner of land conveyed to Majk Bejda and Juliana Bejda by deed dated November 17, 1924, and recorded in volume 3230, page 38, of Cuyahoga County Records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Majk and Juliana Bejda, and the southerly extension thereof and along the easterly line of land conveyed to Albert Baumann and Bertha Baumann, by deed dated January 10, 1924, and recorded in volume 2986, page 190, of Cuyahoga County Records, one hundred and twenty feet to the southeasterly corner of land so conveyed to Albert and Bertha Baumann; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Albert and Bertha Baumann and along the southerly line of land conveyed to the Western Realty Company by deed dated June 19, 1928, and recorded in volume 3832, page 378, of Cuyahoga County Records, and the southerly line of land conveyed to Gustav Krentz and Mary Krentz by deed dated August 19, 1916, and recorded in volume 1819, page 555, of Cuyahoga County Records, one hundred and thirty-eight feet to the southwesterly corner of land so conveyed to Gustav and Mary Krentz; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Gustav and Mary Krentz, one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest, ninety-eight and seventy one-hundredths feet to the northeasterly corner of land conveyed to Domka Kreneiglova by deed dated May 17, 1937, and recorded in volume 4737, page 343, of Cuyahoga County Records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Domka Kreneiglova thirty-five feet to the southwesterly corner thereof; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest two hundred eighty and eighty-six one-hundredths feet to the northeasterly corner of land conveyed to John Woycitsky and Franciska by deed dated July 24, 1923, and recorded in volume 2873, page 159, of Cuyahoga County Records; thence south two degrees thirty-nine minutes forty seconds west along the easterly line of land so conveyed to John and Franciska Woycitsky one hundred and forty feet to the southeastly corner thereof; thence north eighty-seven degrees fifty minutes ten seconds west along the southerly line of land so conveyed to John and Franciska Woycitsky, and the westerly extension thereof, and along the southerly line of land conveyed to Stanley Kozlowski and Mary Kozlowski by deed dated March 29, 1920, and recorded in volume 2377, page 346, of Cuyahoga County Records, four hundred eight and two one-hundredths feet to the westerly line of sublot numbered 64 in Brayton and Yates' Reallotment as recorded in volume 4 of maps, page 18, of Cuyahoga County Records; thence north two degrees forty minutes forty seconds east along the westerly line of said sublot numbered 64, one hundred thirty-nine and forty-one one-hundredths feet to its intersection with the southerly line of H. R. Hadlow allotment as recorded in volume 8 of maps, page 34, of Cuyahoga County Records; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said H. R. Hadlow allotment three hundred feet to the easterly line of J. J. Holmes' subdivision as recorded in volume 64 of maps, page 38, of Cuyahoga County Records; thence south two degrees forty minutes forty seconds west along the easterly line of said J. J. Holmes' subdivision one hundred thirty-six and fifty-four one-hundredths feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said J. J. Holmes' subdivision, three hundred and fifty-six one-hundredths feet to the westerly line of said original lot numbered 86; thence south two degrees forty minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred eighty-two and nine one-hundredths feet to an angle therein; thence south three degrees nine minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred forty and sixty-nine one-hundredths feet to the southeasterly corner of Josephine L. Hartzell's subdivision as recorded in volume 15 of maps, page 37, of Cuyahoga County Records; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of said Josephine L. Hartzell's subdivision, two hundred and fifty-five feet to the easterly line of west Eleventh Street; thence south two degrees twenty-one minutes twenty seconds west along the easterly line of west Eleventh Street; five hundred sixty-seven and sixty-four one-hundredths feet to an angle therein; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of west Eleventh Street, twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Company's subdivision numbered 2, as recorded in volume 50 of maps, page 21, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision numbered 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision numbered 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Mari Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Mari Hlatky, five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Mike and Mari Hlatky thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and Jadwiga Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Peter and Jadwiga Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Peter and Jadwiga Ryba, and along the easterly line of land conveyed to Antoni Kaeser and Apolonia Kaeser by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Records, eighty-one and forty-nine one-hundredths feet to the northerly line of sublot numbered 17 in the Cuyahoga Valley Realty Company's subdivision numbered 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly line of sublots numbered 17, 16, and 15 in said subdivision numbered 2, one hundred sixteen and eighteen one-hundredths feet to the easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along the easterly line of West Eleventh Street one hundred feet to the place of beginning, be the same more or less but subject to all legal highways.

Excepting, excluding, and reserving from the above-described premises that part thereof conveyed to the city of Cleveland by warranty deed dated March 8, 1915, recorded in volume 1619 at page 67 of Cuyahoga County Deed Records, which such part of the above-described premises so conveyed to the city of Cleveland is described as follows:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio, and known as being so much of the unallotted land of the Cuyahoga Valley Realty Co. and being part of lots 71 and 86, formerly in Brooklyn Township, now in said city, and shown by deed recorded in volume 888, page 374, of Cuyahoga County Records, and of sublots 17, 18, and 19 of the Cuyahoga Valley Realty

Co.'s subdivision No. 2, as recorded in volume 50, page 21, of said county records, as is required for constructing and maintaining the fill and embankment for Clark Avenue southwest, to the elevations and grades hereinafter described, lying between the north line of Clark Avenue southwest and the foot of said fill and embankment, the foot of said fill and embankment being where a slope of one and one-half feet horizontal to one foot vertical, measured northerly, eastwardly, and downward from the following described line intersects the natural surface of the ground:

Beginning at a point whose elevation is about one hundred four and five-tenths feet above the city base of levels and which is about eighty feet easterly from the intersection of the north line of Clark Avenue southwest, with the northeasterly line of West Eleventh Street and three feet north at right angles to said north line; thence with the established grade of Clark Avenue southwest easterly along a line parallel to and three feet north of said north line of Clark Avenue southwest about ninety-eight feet to a point whose elevation is about one hundred one and six-tenths feet; thence south at right angles to said described line three feet to a point in the said north line of Clark Avenue southwest, whose elevation is about one hundred one and six-tenths feet above the city base of levels, said point being about one hundred and seventy-eight feet east of said intersection, containing one hundred and twenty one-thousandths acre, more or less: *Provided*, That the portion of parcel 2 located in said sublots 17, 18, and 19 shall revert to the owner of such sublots should the land of said sublot be at any time raised and maintained by means of an earth fill to the grade of the Clark Avenue viaduct and the westerly approach thereto.

Together with all rights, reservations, privileges, and easements acquired by grantor under that certain deed from the Cuyahoga Valley Realty Co. to grantor dated April 2, 1946, and recorded in volume 6064 at page 455 of Cuyahoga County Records.

Together with all rights, reservations, and privileges retained by grantor under the provisions of the "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the city of Cleveland", dated August 6, 1946, a copy of which is attached hereto, made a part hereof and marked exhibit A, and grantee by the acceptance of this quitclaim deed assumes and agrees to perform all of the obligations of grantor contained in said "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the City of Cleveland."

Also excepting from the first above-described premises that parcel of land conveyed by the United States to the city of Cleveland by deed dated May 27, 1948, recorded June 9, 1948, in volume 6492, page 4, of Cuyahoga Deed Records, and particularly described as follows:

Beginning at the southeasterly corner of sublot numbered 1 in Josephine L. Hartzell's subdivision, recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east six hundred sixty-nine and ninety-three one-hundredths feet; thence north sixty-seven degrees forty-nine minutes forty seconds east four hundred twelve and five-tenths feet; thence north forty-seven degrees fifteen minutes forty-five seconds east six hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; thence south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east two hundred twenty-five and seventy-five one-hundredths feet; thence south sixty degrees twenty-seven minutes forty-four seconds east three hundred forty-one and thirty-two one-hundredths feet to the northwesterly line of Quigley Road southwest, which point is north thirty-three degrees fifty-eight minutes ten seconds east measured along said northwesterly line of Quigley Road southwest, one thousand one hundred and eighty-five feet from its intersection with the southerly line of land conveyed as aforesaid to the United States of America.

Also excepting from the first above-described premises two parcels of land described as follows:

(Parcel No. 1): Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south two degrees twenty-one minutes twenty seconds west along said easterly line of West Eleventh Street five hundred sixty-seven and sixty-four one-hundredths feet to an angle point therein; thence continuing along said easterly line of West Eleventh Street south six degrees thirty-one minutes fifty seconds east twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Company's subdivision numbered 2 as aforesaid; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision numbered 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision numbered 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Marie Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Marie Hlatky five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Mike and Marie Hlatky's easterly line thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and J. Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along said northerly line of land conveyed to Peter Ryba and J. Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Peter and J. Ryba's easterly line and along the easterly line of land conveyed to Antoni and A. Kaczar by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Deed Records, eighty-one and forty-nine one-hundredths feet to the northerly line of said sublot numbered 17 in the Cuyahoga Valley Realty Company's subdivision numbered 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly lines of sublots numbered 17, 16, and 15 in said subdivision numbered 2, one hundred sixteen and eighteen one-hundredths feet to said easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along said easterly line of West Eleventh Street one hundred feet to the northerly line of Clark Avenue Southwest; thence south eighty-eight degrees twenty-minutes fifty seconds east along said northerly line of Clark Avenue Southwest five hundred sixty-nine and ninety-nine one-hundredths feet to the westerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Deed Records; thence north one degree thirty-eight minutes ten seconds east along said westerly line and also the westerly line of land conveyed to said Highway Construction Company of Ohio, Incorporated, by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Deed Records, three hundred and ten feet to the northerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, last aforesaid; thence south eighty-eight degrees twenty-one minutes fifty seconds east along said northerly line five hundred feet; thence north one degree thirty-eight minutes ten seconds east seven hundred eighty-seven and sixty-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east two hundred forty-eight and sixty-six one-hundredths feet to an angle point in land conveyed to the city of Cleveland by deed dated May 27, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records; thence south sixty-seven degrees forty-nine minutes forty seconds west along the southerly line of land conveyed to the city of Cleveland four hundred twelve and fifty one-hundredths feet to an angle point therein; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of land conveyed to the city of Cleveland as aforesaid and along the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records, nine hundred twenty-four and ninety-three one-hundredths feet to the place of beginning, excepting, excluding, and reserving from the above-described premises any part thereof conveyed to the city of Cleveland by deed dated March 8, 1915, and recorded in volume 1619, page 67, of Cuyahoga County Deed Records.

(Parcel No. 2): Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio and known as being part of original Brooklyn Township lot No. 86 and bounded and described as follows: Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision, as recorded in volume 15, page 37, of the Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east along said southerly line of Josephine Hartzell's subdivision and along the southerly line of land conveyed to the city of Cleveland by the United States of America by deed dated May 22, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records, nine hundred twenty-four and ninety-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east along said southerly line of land conveyed to the city of Cleveland three hundred feet, to the principal place of beginning; thence continuing along the city of Cleveland's southerly line the following courses and distances: North forty-seven degrees fifteen minutes forty-five seconds east three hundred feet south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence north eighty-seven degrees forty-four minutes fifteen seconds west seven hundred twenty-four and twenty-six one-hundredths feet to the principal place of the beginning.

(10) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the right to use and occupy the land hereinafter described which was acquired through condemnation proceedings in the District Court of the United States for the District of Kansas, First Division, on August 24, 1945, being a term for years commencing January 15, 1945, and ending June 30, 1946, extendible for yearly periods thereafter until June 30, 1955, at the election of the United States, in and to said lands particularly described as follows:

A tract of land situated in the county of Wyandotte, State of Kansas, within section 2 township 11 south, range 25 east, of the sixth principal meridian, being a part of

the lands known as the Public Levee of Kansas City, Kans., and land adjacent north thereof. The boundary lines of said tract are described in detail as follows:

Starting at a brass monument situated at the intersection of the center line of Jersey Creek inclosure with the center line of Minnesota Avenue extension in and across said Public Levee lands, said brass monument being known as base point for all surveys within said Public Levee lands; thence south seventy-five degrees thirty-six minutes forty seconds east on said center line of Jersey Creek inclosure, forty feet; thence north fourteen degrees twenty-three minutes twenty seconds east at right angles to said center line of Jersey Creek inclosure forty feet to the true point of beginning which is on the northeasterly right-of-way line for said Minnesota Avenue extension; thence by the following courses and distances: South seventy-five degrees thirty-six minutes forty seconds east five hundred thirty and eighty-five one-hundredths feet; north fourteen degrees twenty-three minutes twenty seconds east one hundred and thirty feet; south seventy-five degrees thirty-six minutes forty seconds east one hundred sixty-seven and ninety-four one-hundredths feet; north twenty-eight degrees forty-three minutes forty seconds east three hundred and seventy-one feet; north fifty-one degrees thirty-eight minutes forty seconds east one hundred eighty-two and thirty-three one-hundredths feet; thence north twenty-eight degrees forty-three minutes forty seconds east seven hundred thirty-one and four one-hundredths feet to a point on a line parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of the Union Pacific Railroad Co.'s southerly ladder track produced northeasterly; thence south seventy-three degrees twenty-seven minutes twenty seconds west parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of said southerly ladder tract one thousand three hundred one and twelve one-hundredths feet, more or less, to the northeasterly right-of-way line for said Minnesota Avenue extension; thence south eleven degrees two minutes twenty seconds west along said northeasterly right-of-way line five hundred eighty and fifty-nine one-hundredths feet to an angle point thereon; thence south fourteen degrees twenty-three minutes twenty seconds west ninety-four and twenty-seven one-hundredths feet, more or less, to the true point of beginning.

Excepting and excluding therefrom the road lying upon a strip of land extending across the above-described tract thirty feet in width being fifteen feet at right angles on each side of the center line of such strip of land, said center line being parallel with and one hundred and fifteen feet distant southeasterly at right angles from the center line of said southerly ladder track and its tangent produced northeasterly; and

Excepting and excluding therefrom two strips of land which are eight and five-tenths feet in width at right angles on each side of the Union Pacific Railroad Co.'s running tracks No. 3 and No. 12 and from the switch tracks leading therefrom, all said tracks serving the buildings lying southerly from said Jersey Creek enclosure.

Containing a net area of seven hundred and fifty thousand square feet, more or less.

All bearings refer to true north.

(11) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a United States quarantine station all of the Government-owned portion of the United States naval small-craft facility, also known as Lockwood Basin, East Boston, Mass., comprising approximately one hundred and thirty-five thousand six hundred thirty-three square feet of land, being that certain parcel of land conveyed to the United States by William J. Stober, of Boston, Mass., by deed dated March 12, 1918, recorded in the office of the Register, county of Suffolk, Commonwealth of Massachusetts, and entered in book 4078, page 463; together with all buildings, structures, appurtenances located thereon, including the marine docking and berthing facility designated as pier C.

(12) The Governor of the Farm Credit Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration, as an addition to the Denver Federal Center, all of that portion of the former Denver Ordnance Plant, Denver, Colo., together with the appurtenances and improvements located thereon, comprised of the east half of the east half of the northeast quarter and the east half of the east half of the southeast quarter of section 8, township 4 south, range 69 west, sixth principal meridian, excepting therefrom the land used for highway purposes, in the southeast corner of the southeast quarter of said section 8.

(13) The Secretary of the Treasury is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A certain tract of land bounded by Fourth Avenue South, Stacy Street, Fifth Avenue South, and Lander Street, Seattle, Wash., being all of block 276A, Seattle Tidelands in Seattle, King County, Wash., which is more particularly described as follows:

(a) West one hundred and ten feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands;

(b) East ten feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands, and the adjoining west half of Fourth Place South;

(c) West one hundred eight and fifty one-hundredths feet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands, and the adjoining east half of Fourth Place South;

(d) East eleven and fifty one-hundredths feet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands;

(e) The easterly half of Fourth Avenue South from the centerline of Stacy Street to the centerline of Lander Street and the west half of Fifth Avenue South from the centerline of Stacy Street to the centerline of Lander Street; also, the south half of Stacy Street from easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also the north half of Lander Street from the easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also, together with that certain street designated as Fourth Place South from the southerly line of Stacy Street to the northerly line of Lander Street, containing six and sixty-five one-hundredths acres, more or less; subject to existing easements for public roads and highways, for public utilities, for railroads and for pipe lines in the above-described portions of Fourth Avenue South, Fifth Avenue South, Stacy Street, and Lander Street.

(14) The Reconstruction Finance Corporation is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All the following-described lots or parcels of land or real estate situate, lying, and being in the county of Luna, State of New Mexico, together with the appurtenances, to wit:

First tract: Beginning at the northeast corner of the southeast quarter of section 26, township 23 south, range 9 west, New Mexico principal meridian; running thence due south four hundred and fifty feet, more or less, to the Southern Pacific Railroad right-of-way; thence southwesterly along said right-of-way two thousand six hundred and fifty feet, more or less, to the west line of said quarter section; thence due north along said west line of said quarter section five hundred and fifty-two feet, more or less; thence due east five hundred and twelve feet; thence due north two hundred eighty-four and four-twelfths feet, more or less; to the north line of said quarter section; thence along said north line of said quarter section in an easterly direction to the place of beginning.

Second tract: Beginning at a point on the southeast line of the right-of-way of the Atchison, Topeka & Santa Fe Railroad, which point is described as being three hundred ninety-six and forty-one one-hundredths feet along said right-of-way, northeasterly, from another point which is five hundred forty-seven and nine-tenths feet north and eight hundred and thirty-three feet east of the southwest corner of the northeast quarter of section 26, township 23 south, range 9 west, New Mexico principal meridian; being the northerly corner of the premises conveyed to Wah Bros. by Charles B. Allaire and wife, by deed dated August 10, 1899, and recorded in book 37 of deeds, at pages 200–201, in the office of the County Clerk of Grant County, and transferred to book C, at pages 618–619 of the Deed Records of Luna County; thence north fifty-two degrees five minutes east along the south boundary line of the Atchison, Topeka & Santa Fe right-of-way aforesaid to the point where said boundary line intersects the north and south line separating sections 25 and 26, township 23 south, range 9 west, aforesaid; thence south along said line separating said sections 25 and 26 to a point on said line one hundred and sixty-five feet north of the east and west line connecting the centers of sections 25 and 26 aforesaid; thence north sixty-seven degrees fifteen minutes west, along the northeast boundary line of the property conveyed to Wah Bros. as aforesaid, one thousand six hundred twenty and five-tenths feet to the place of beginning; excepting and reserving from said premises one acre on which now stands a brick powder house, being the land conveyed by John A. Raithel and wife to the Safety Nitra Powder Co. by a deed dated April 26, 1889, and recorded in book 28 of deeds, at pages 51–52, in the office of the county clerk of Grant County, and transferred to book C at pages 441–442 of the Records of Luna County.

Third tract: Beginning at the southeast corner of the northeast quarter of section 26, township 23 south, range 9 west, New Mexico principal meridian; running thence north approximately one hundred and sixty-five feet to a point just south of the county road; thence north sixty-seven degrees fifteen minutes west approximately one thousand five hundred and forty-five feet along the southerly line of said county road; thence south approximately seven hundred and seventy feet to a point on the south line of the northeast quarter of section 26; thence east approximately one thousand four hundred and twenty feet to the point of beginning.

Fourth tract: An easement across the land lying westerly of the above described third tract of land, for the purpose of installing a railroad spur to run into the said third tract of land, which railway spur is to come off of the Atchison, Tepeka and Santa Fe Railway, the said railway spur to run northerly of the mill which has been constructed on the tract of land westerly of the said third tract of land; said easement to remain in full force and effect as long as said railway spur is maintained and used.

(15) The Reconstruction Finance Corporation is hereby authorized and directed to transfer to the jurisdiction and control of

the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A six and eight hundred and twenty-three one-thousandths acre tract of land lying and being in Tarrant County, Tex., particularly described as follows: Beginning at the most easterly southeast corner of a tract of land deeded to the Defense Corporation by the Globe Aircraft Corp. on the 20th day of April 1942, also recorded in volume 1530, page 357, Deed Records of Tarrant County, Tex.; said beginning corner also being the southeast corner of a four and eighty-eight one-hundredths acre tract deed to the Bennett Aircraft Corp. by John Kennedy et ux., on the 20th day of March 1940, said deed being on record in volume 1425, page 500, Deed Records of Tarrant County, Tex.:

Thence north no degrees two minutes east along its east line one hundred and twelve feet to the place of beginning of the land to be described; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence south eighty-eight degrees fifty minutes east with the center of said road seven hundred and seventy and eight-tenths feet, to northeast corner of said tract, same being the northeast corner of said Bennett Aircraft Corporation's four and eighty-eight one-hundredths acre tract; thence south no degrees two minutes west four hundred and sixty-four feet to the place of beginning.

The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works Agency for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A one hundred forty-nine and seven hundred and sixty-two one-thousandths acre tract of land lying and being in Tarrant County, Tex., particularly described as follows: Beginning at a point in the south line of the David Cook Survey in the center of Cantrell-Sansom Road, one thousand two hundred and ninety-one feet east of the southwest corner of said David Cook Survey, said point being the most southerly southeast corner of a tract of land deeded to the Reconstruction Finance Corporation by Globe Aircraft Corporation on the 27th day of June 1947, said deed being on record in volume 1925, page 463, Deed Records of Tarrant County, Texas:

Thence north one-half degree east with fence line four thousand five hundred and sixteen feet, an iron post; thence south eighty-five and one-half degrees east with fence line nine hundred and sixty-seven feet, an iron post; thence south with fence line thirty feet, an iron post; thence south eighty-five degrees east with fence line seven hundred and twenty-six feet, a stake; thence north one-half degree west one hundred and twelve feet, a stake the southeast corner of a six and eight hundred and twenty-three one-thousandths-acre tract of land cut of said David Cook Survey, deeded to the Defense Plant Corporation by the Globe Aircraft Corporation on the 20th day of April 1942, said deed being on record in volume 1530, page 357, Deed Records of Tarrant County, Texas; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence with the center of said road north eighty-eight degrees fifty minutes west one thousand one hundred and seventy-seven feet; south eighty-four degrees no minutes west one hundred and thirty-five feet; south seventy-two degrees no minutes west eight hundred feet; thence south three-fourths degree east with fence line two thousand one hundred and ninety feet; thence west with fence line two hundred and sixteen feet; thence south one-fourth degree east with fence line two thousand and seventy-four feet, a post in the east line of the Fort Worth and Denver City Railroad right-of-way; thence south thirty-seven degrees east with said right-of-way five hundred and eighty-three feet to the center of the Cantrell-Sansom Road in the south line of the David Cook Survey; thence east with the center of said road nine hundred and forty-two feet to the place of beginning.

(17) The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works Agency for use of the Public Buildings Administration the following described land, together with the improvements thereon:

All that certain lot, piece, or parcel of ground, situated in the second ward of the city of Pittsburgh, county of Allegheny, and State of Pennsylvania, together with the appurtenances, bounded and described as follows, to wit: Beginning at the corner of Ninth Street (formerly Anderson Street and before that Hand Street) and Liberty Avenue; thence northerly by Ninth Street one hundred twelve and one-half feet to an alley; thence at right angles with the last line by said alley westwardly thirty-six feet eight inches to a point in a party wall; thence by a line in said party wall, parallel with Ninth Street, southwardly one hundred twelve and one-half feet to Liberty Avenue; thence eastwardly by the same avenue thirty-six feet eight inches to Ninth Street at the place of beginning.

(b) In the case of any real property transferred to the Federal Works Agency for the use of the Public Buildings Administration, pursuant to this section, by a corporation, all of the capital stock of which is owned or controlled directly or indirectly by the Government, a conveyance to the United States of America, without representation or warranty, of all right, title, and interest of such corporation therein shall be made, and thereupon the Secretary of the Treasury is authorized and directed to cancel notes or otherwise discharge the indebtedness to the Treasury of such corporation in an amount equal to the fair market value of the property at the time of the transfer of jurisdiction and control to the Federal Works Agency, which fair market value shall be determined by the Federal Works Administrator and the head of such corporation: *Provided, however,* That in the event the Federal Works Administrator and the head of such corporation shall fail to agree, the fair market value of such property shall be determined by the Secretary of the Treasury.

SEC. 206. The Federal Works Administrator is hereby authorized to assume permanent custody and control for the use of the Public Roads Administration, without reimbursement, the property located within the area known as Vancouver Barracks, in Vancouver, Wash., consisting of two buildings numbered 689 and 698, and five and three-tenths acres, more or less, of land described as follows:

Beginning at a point on the east line of West Reserve Street and the north line of East Fifth Street in the southeast quarter of section 27, township 2 north, range 1 east, Willamette meridian, in the city of Vancouver, county of Clark, State of Washington, which point is a bronze disk monument, said point being north twenty-two degrees thirty-seven minutes east, a distance of one thousand four hundred and seventy-four and seven-tenths feet; thence south eighty-three degrees ten minutes east, a distance of exactly forty-eight feet from the southeast corner of Amos Short donation land claim; thence north twenty-two degrees thirty-seven minutes east, a distance of two hundred and sixty-eight and three-tenths feet; thence south eighty-three degrees ten minutes east, a distance of eight hundred and sixty and six-tenths feet; thence south twenty degrees seventeen minutes west, a distance of two hundred and seventy-eight and eight-tenths feet; thence north eighty-five degrees twelve minutes west, a distance of exactly seventy-three feet; thence north eighty-three degrees ten minutes west, a distance of two hundred and eighty-four and five-tenths feet; thence north sixty-eight degrees twenty-three minutes west, a distance of sixty-one and five-tenths feet; thence north eighty-three degrees ten minutes west, a distance of four hundred and fifty-one and nine-tenths feet to the point of beginning.

Mr. WHITTINGTON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that title II be considered as read and spread upon the minutes at this point, and that amendments to any part of the section be in order.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. Are there any amendments to section 2?

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 33, line 18, strike out "eighty" and insert "eight"; and on page 44, line 20, strike out "northearly" and insert "northerly."

The amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 17 strike out lines 22, 23, and 24, and on page 18 strike out lines 1, 2, and 3, and insert, in lieu thereof, the following:

"(j) The Federal Works Administrator is hereby further authorized to retain for the use of the Public Buildings Administration temporary custody and control of the following-described buildings together with such personal property located therein as may be necessary, in his discretion, for use in connection therewith for a period ending not later than June 30, 1954: *Provided,* That on or before June 30, 1954, the Federal Works Administrator shall transfer custody and control over such buildings and any such personal property as may then remain therein, without reimbursement, to the Department having primary jurisdiction over the land on which such buildings are situated."

Mr. WHITTINGTON. Mr. Chairman, this is really a clarifying amendment, and is made at the request of the Public Buildings Administration and the National Capital Parks. It has to do with the West Potomac Park housing development.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Michigan.

Mr. DONDERO. I am not familiar with this amendment. Will the gentleman explain it further?

Mr. WHITTINGTON. It has just been brought to my attention that in the committee files there is a request for clarifying the language with respect to the West Potomac Park housing. I have

here a letter dated April 19 to the committee stating that the Public Buildings Administration and the Department of the Interior have agreed upon this language. It substitutes "temporary" for "permanent" on page 17, line 24, and on page 18, in line 2, after "property" it adds "located therein." It is a clarifying amendment. Following that there is inserted the following in line 3, page 18, after "therewith" "for a period ending not later than June 30, 1954: *Provided*, That on or before June 30, 1954, the Federal Works Administrator shall transfer custody and control over such buildings and any such personal property as may then remain therein, without reimbursement, to the Department having primary jurisdiction over the land on which such buildings are situated."

That request was forwarded to me by the Public Buildings Administration, and I was advised that it was satisfactory to the Department of the Interior. It is to clarify the language as to West Potomac Park.

Mr. DONDERO. As I understand the meaning of the first part of the amendment, you changed "permanent" to "temporary"?

Mr. WHITTINGTON. That is right.

Mr. DONDERO. In what way will that affect the interest of the Government? Will it cost any money?

Mr. WHITTINGTON. It will not cost anything more. There is no cost whatever in connection with this amendment. My understanding is that the purpose of the amendment is to facilitate continuing making available these buildings for Government use.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I offer another clarifying amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 53, line 12, after the word "The", strike out "Reconstruction Finance Corporation" and insert in lieu thereof the following: "War Assets Administrator."

Mr. WHITTINGTON. Mr. Chairman, this is a clarifying amendment. The Reconstruction Finance Corporation, may I say to the gentleman from Michigan and the Members of the Committee of the Whole, suggested that amendment. It is a technical amendment. They said that the property was in the hands of the War Assets Administration, and the amendment merely substitutes War Assets for Reconstruction Finance Corporation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I offer a further clarifying amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 56, line 16, after the word "The" strike out "Reconstruction Finance Corporation" and insert in lieu thereof the following: "War Assets Administrator."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments to title II, the Clerk will read.

The Clerk read as follows:

TITLE III—IMPROVEMENT OF EXISTING BUILDINGS

SEC. 301. The Commissioner of Public Buildings is authorized to formulate, undertake and prosecute a program for the renovation and improvement of federally owned buildings outside the District of Columbia for which funds are not otherwise available, including appurtenances and approaches thereto, that are under the control of the Public Buildings Administration for repair and preservation: *Provided*, That where necessary or desirable in carrying out the program herein authorized, additional land may be acquired to accommodate equipment or special appliances and devices proposed to be installed or to provide working areas to accomplish the objectives sought in this title: *Provided further*, That no project, the estimated cost of which is less than $25,000, shall be deemed to be eligible for the program authorized by this title.

SEC. 302. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $30,000,000 to remain available until expended.

Mr. MILLER of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have heard the story of these districts which are heavily populated and in which there has been a great gain in population in recent times so that the post-office facilities are inadequate. I appreciate the problem that confronts the committee and I congratulate the committee upon the very fine job that it has done in bringing out this bill. But I would like to make sure my thinking on it is correct and I therefore ask the chairman of the committee if he could clear up this point for me. I anticipate that after the next census, the district I have the honor to represent will be divided. In that event, will the allocation provided in section 102 apply to the new districts? Will each district be entitled to a post office or will the area embraced in the present district, which actually represents the population of 2 districts have to be content with one post office? On the answer to that question will depend my position on the bill.

I wonder if the chairman of the committee would be kind enough to give me his interpretation of the point that I have presented to him?

Mr. WHITTINGTON. I would assume that before the Congress has acted upon any redistricting, there will be a report, as provided in this bill, submitted to the Eighty-second Congress when it convenes, and that that report would cover the district as it is at present.

Mr. MILLER of California. I want to point out that as far as it now stands, list No. 1 in the report of hearings contains 21 recommendations for new post offices, at least 2 of which were approved prior to the curtailment of the building program prior to the war. In each of these two cases sites were purchased for post-office buildings.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. HINSHAW. I am glad the gentleman asked that question, because I think that by 1951 my district will be divided into two and a half districts at least, or possibly into three. It makes a very important question of fact to be determined.

Mr. MILLER of California. I might point out that in the West, all of the Western States are concerned, and we do want to protect the interests of these new districts which will come into being with the redistribution of seats in the House as a result of the 1950 census.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. BENNETT of Florida. I would like to point out that Florida is involved in this as well as California.

Mr. MILLER of California. That is true. I am speaking for all districts that are in the same situation. I would just like to make it a matter of record for the future thinking of the committee.

Mr. WHITTINGTON. I am glad to have the gentleman's comments. It will be considered in the future.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

Mr. KEATING. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask the chairman of the committee or the gentleman from Michigan [Mr. DONDERO] if one of them will please explain what is the meaning of the words in the third paragraph on page 2 of the report. Now that we have voted down the amendment offered by my distinguished colleague from New York [Mr. WADSWORTH] and have voted to leave in the back-scratching section 102, it seems to me it becomes important to know whether the wording of the bill or the wording of the report is to take precedence, because they seem to be somewhat at variance.

In explaining section 102, the committee report in the third paragraph says, "except that in metropolitan areas containing more than one congressional district which will also participate in the benefits, there shall be located in each congressional district not less than one project as a part of the program authorized by title I of the bill."

I do not find in section 102 any exception relating to these metropolitan areas. I may be in error but I would appreciate an explanation of that apparent inconsistency in the language of the bill and the report.

Mr. WHITTINGTON. That is substantially synonymous with the language in section 102 which says that every congressional district shall participate in the benefits of this legislation.

Mr. KEATING. But the report says that in the metropolitan areas, which contain more than one congressional district, it will not participate in the benefits. I happen to represent a metropolitan area which has two congressional districts.

Mr. WHITTINGTON. It would not be necessary to construct another post-office building in that congressional district, but there might be a substation, and it will participate in the benefits. There is no substantial contradiction between the language of the report and the language of the bill. It means the same thing.

Mr. KEATING. In New York City, for instance, there would not be construction in each of the congressional districts of New York City?

Mr. WHITTINGTON. We had New York City in mind when we used the word "metropolitan."

Mr. KEATING. But it does apply to any metropolitan area?

Mr. DONDERO. It does.

Mr. KEATING. Of course, I regret deeply that the Members did not accept the amendment offered by the gentleman from New York [Mr. WADSWORTH]. It seemed to me very sound and I have great difficulty in going along with this bill without it.

Mr. DONDERO. May I say to the gentleman that the purpose of section 102 was to get away from the back-scratching idea.

Mr. KEATING. I may say to the gentleman from Michigan that I do not think it does. I think the great Committee on Public Lands has usually been more successful in drafting legislation to express their intention than they were on that particular section.

The CHAIRMAN. The time of the gentleman from New York [Mr. KEATING] has expired.

The Clerk read as follows:

TITLE IV—MISCELLANEOUS AND GENERAL PROVISIONS

SEC. 401. (a) In addition to the authority conferred upon him by any other law the Commissioner of Public Buildings, whenever he deems it desirable or advantageous, is authorized to employ, by contract or otherwise and without regard to the Classification Act of 1923, as amended, or to the civil-service laws, rules, and regulations or to section 3709 of the Revised Statutes, the services of established architectural or other professional or technical corporations, firms, or individuals, to such extent as he may require for any public building project which the Public Buildings Administration is authorized by Congress to construct, or for any such project, funds for which are transferred by another agency to the Public Buildings Administration for construction of the project, regardless of specific legislation governing such other agency: *Provided,* That this authorization shall not apply to the employment of such corporations, firms, or individuals on a permanent basis, but their services shall be limited to the individual project for which employed: *Provided further,* That nothing contained in this section shall relieve the Commissioner of Public Buildings or any other duly authorized contracting officer of the Public Buildings Administration who shall execute a construction contract from the responsibility of interpreting such contract, of passing on the acceptability of materials and workmanship supplied pursuant to such contract, of approving changes in such contract during the construction period, of certifying vouchers for payments becoming due the contractor, or of effecting final settlement of the contract.

(b) The Commissioner of Public Buildings is hereby authorized, whenever he deems it to be in the public interest, to hold a competition for the design of any project, to stipulate the terms, scope, and the conditions of each such competition and to make awards in pursuance thereof.

SEC. 402. The third paragraph of section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), as amended, is hereby deleted and the following is hereby substituted therefor:

"With respect to sites or additions to sites acquired under this act, the Commissioner of Public Buildings is hereby authorized, in his discretion to rent, until they are needed for construction purposes, such sites or additions to sites and any improvements located thereon not reserved by the vendors, at a fair rental value and upon such terms and conditions as he may deem to be in the public interest. Such rentals may be deposited into a common fund account or accounts in the Treasury, and notwithstanding the provisions of the act of June 30, 1932 (40 U. S. C. 303b), shall be available to pay the cost of such maintenance, repair, and alterations of any improvements located on such sites or additions to sites as is necessary to keep them in rentable condition and for the establishment of necessary reserves therefor: *Provided,* That except for such necessary reserves, as determined by the Commissioner, the unobligated balances of rentals so deposited into the Treasury shall be covered at the end of each fiscal year into miscellaneous receipts: *Provided further,* That with respect to improvements on such sites or additions to sites which are suitable for residential purposes only and the estimated annual rentals of which will not exceed $1,200, the Commissioner may enter into leases without regard to the provisions of section 3709 of the Revised Statutes, as amended."

SEC. 403. Section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), is hereby amended to delete the following words which appear at the end of the last paragraph thereof: "and to charge against the total sum of $150,000,000 hereinbefore authorized only the respective net excess cost, if any, over and above the proceeds of such sales, or providing such new sites and buildings," and after the words "miscellaneous receipts" change the comma to a period.

SEC. 404. The Federal Works Administrator, together with the Postmaster General where his office is concerned, is authorized to accept on behalf of the United States unconditional gifts of real, personal, or other property in aid of any project or function within their respective jurisdictions.

SEC. 405. The provisions of section 601 of the Economy Act, approved June 30, 1932, as amended, are hereby extended to authorize the Public Buildings Administration to furnish services in the continental United States, on the basis of full reimbursement, at the request of the State Department, to any international body with which the United States Government is affiliated.

SEC. 406. The Commissioner of Public Buildings is authorized to contract for seeding, planting, or landscaping the grounds of any public building constructed or acquired by the Public Buildings Administration in an amount not exceeding $1,800, without reference to section 3709 of the Revised Statutes.

SEC. 407. The Commissioner of Public Buildings is authorized to procure space in the District of Columbia by lease, upon such terms and for such period, not in excess of 1 year, as he may deem in the public interest, for the housing of any Federal agency or agencies, except the Post Office Department, and to assign and reassign such space. As used in this section, the term "Federal Agency" means any executive department (except the Post Office Department), independent establishment, commission, board, bureau, in the executive branch, or other agency of the United States, including wholly owned Government corporations.

SEC. 408. The Federal Works Administrator is hereby authorized to enter into such agreements with the city of Chicago, Ill., as he shall deem necessary and in the public interest, in connection with the construction by the said city of a superhighway through the Congress Street Post Office located in said city. For the purposes of this section there is hereby authorized to be appropriated such sum as shall be necessary to defray such cost, if any, which said Administrator shall determine should be borne by the United States as an incident to the construction by the said city of the superhighway through said post office.

SEC. 409. The Federal Works Administrator and the Postmaster General shall submit to the Congress promptly after the convening of each new Congress, reports showing the location and the approximate accommodations of such public building projects throughout the United States, its Territories and possessions, as they shall find eligible to be constructed in accordance with applicable statutory provisions. Such reports shall indicate the limit of cost of each project when in excess of $200,000. When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. The report herein provided for shall supersede the report required by the Public Buildings Act of 1926 (44 Stat. 630, as amended).

SEC. 410. The Federal Works Administrator, with the approval of the Bureau of the Budget, is authorized, notwithstanding any other provision of law, to change or rechange the name or designation of any building in the custody and jurisdiction of the Federal Works Agency.

SEC. 411. All acts and parts of acts inconsistent or in conflict with the foregoing provisions are hereby repealed to the extent of such inconsistency or conflict.

Mr. WHITTINGTON (interrupting the reading). Mr. Chairman, this title is covered fully in the report. I ask unanimous consent that further reading of the title may be dispensed with, that it be printed in the RECORD at this point and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. Are there further amendments? [After a pause.] The Chair hears none.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. MANSFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3662) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, pursuant to House Resolution 222, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WHITTINGTON. Mr. Speaker, a similar bill has passed the other body. I ask unanimous consent for the immediate consideration of the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, and shall move to strike out all after the enacting clause and insert the provisions of H. R. 3662.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: Strike out all after the enacting clause and insert the provisions of the bill (H. R. 3662) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States, and to provide certain adidtional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, as passed by the House, as follows:

Be it enacted, etc., That this act may be cited as the "Public Buildings Act of 1949."

TITLE I—COMPREHENSIVE PLANNING OF FEDERAL PUBLIC BUILDINGS OUTSIDE OF THE DISTRICT OF COLUMBIA

SEC. 101. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange, or otherwise, lands or interests in lands as sites or additions to sites for Federal public building projects previously authorized and for such new projects as may be selected in the manner designated in this section, to make investigations and studies and to prepare plans, sketches, working drawings, and specifications for such projects. Whenever the Federal Works Administrator shall determine such action to be necessary, such investigations, studies, preparation of plans, sketches, working drawings, and specifications, may be undertaken prior to the approval of title to the sites by the Attorney General. When buildings to be used in whole or in part for post-office purposes are involved, the Federal Works Administrator, shall act jointly with the Postmaster General in the selection of towns or cities in which buildings are to be constructed, and in the choice of sites therein for such projects. The Federal Works Administrator and the Postmaster General shall submit to the Congress a comprehensive report of all eligible projects and their limits of cost when in excess of $200,000, without regard to the time in which they may be undertaken, which report shall be printed as a public document. When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. Selection of projects for the purposes of this title shall be made by the Federal Works Administrator and the Postmaster General from such report and they may also select such other projects not included in such report which in their judgment are economically sound and advantageous to the public service: *Provided*, That in making such selections they shall distribute the selected projects equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country.

SEC. 102. It is the intent of the Congress that the equitable distribution of selected projects required by section 101 of this title shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects. It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

SEC. 103. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $40,000,000 to remain available until expended.

TITLE II—ACQUISITION OF SITES AND TRANSFER OF JURISDICTION OVER SITES BY VARIOUS AGENCIES AND DEPARTMENTS OF THE GOVERNMENT

SEC. 201. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange, or otherwise, land situate in the northwest section of the District of Columbia designated as squares 11, 19, 20, and 32, said land to be used wholly or in part together with other Government-owned land adjacent or in close proximity thereto as the site or sites for a departmental building or buildings project authorized to be constructed thereon.

SEC. 202. In order to provide a more suitable site for the new San Diego, Point Loma, Calif., quarantine station, the Secretary of the Navy is hereby authorized and directed to transfer to the control and jurisdiction of the Federal Works Agency, without reimbursement, a parcel of land in the city of San Diego, county of San Diego, State of California, described as follows:

Commencing at an old stone monument marked "U. S. M. R.," on the northerly boundary line of the naval fuel annex, said point being the true point of beginning; thence from said true point of beginning north eighty-nine degrees thirty-one minutes thirty-five seconds east one hundred and eleven and six one-hundredths feet, more or less, to a point on the mean high-tide line of San Diego Bay; thence south five degrees twenty-two minutes fifty seconds west along the mean high-tide line three hundred and ten and eleven one-hundredths feet; thence south one degree fifteen minutes forty-five seconds west along the mean high-tide line one hundred and three and fifty one-hundredths feet; thence leaving said mean high-tide line south eighty-nine degrees thirty-one minutes thirty-five seconds west five hundred and eighty-seven and nine one-hundredths feet; thence north one degree thirty-eight minutes twenty-five seconds west two hundred and one and forty-three one-hundredths feet; thence, north twelve degrees twenty-four minutes forty-five seconds east two hundred and sixteen and nine one-hundredths feet to a point on the northerly boundary line of the naval fuel annex; thence along said northerly line of the naval fuel annex north eighty-nine degrees thirty-one minutes thirty-five seconds east four hundred and sixty-six and seventy-four one-hundredths feet to the true point of beginning, containing five and six-tenths acres, more or less;

And the Federal Works Administrator is hereby authorized and directed to transfer to the control and jurisdiction of the Department of the Navy, without reimbursement, all the land comprising the present quarantine station site lying and being in the city of San Diego, county of San Diego, State of California, bounded on the south by First Street, on the west by San Antonio Avenue, on the north by Colorado Street, and on the east by San Diego Bay.

SEC. 203. The Federal Works Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Department of the Army, without reimbursement, for use for military purposes all the land comprising the present quarantine station situated on Quarantine and Sand Islands, Honolulu, Oahu, Territory of Hawaii, described as follows:

Beginning at the southwest corner of tract C transferred to the Commerce Department by the War Department by Executive Order numbered 6584, dated February 6, 1934, the coordinates of said point of beginning referred to Government Survey Triangulation Station "South Base, Sand Island" being two thousand three hundred and fifty-nine and ninety-three one-hundredths feet north and one thousand three hundred and forty-six and five one-hundredths feet west, and running by azimuths measured clockwise from true south (1) one hundred and five degrees thirty minutes thirty seconds five hundred feet along Sand Island Military Reservation to a pipe in concrete; thence (2) along the arc of a curve to the right having a radius of four hundred and ninety feet a distance of one hundred and one and eighteen one-hundredths feet to a plate in concrete, the direct azimuth and distance being seventy degrees twenty minutes twenty seconds one hundred and one feet; thence (3) continuing along the arc of said surve a distance of seven hundred and eighty-four and forty-nine one-hundredths feet to a pipe in concrete the direct azimuth and distance being fifty-nine degrees six minutes no seconds seven hundred and three and thirty-five one-hundredths feet; thence (4) one hundred and five degrees no minutes no seconds one thousand five hundred and twenty feet to a pipe in concrete; thence (5) along the arc of a curve to the right having a radius of seven hundred and thirty feet a distance of two thousand five hundred and twenty-five and eighty-eight one-hundredths feet, the direct azimuths and distances being one hundred and ninety-five degrees no minutes no seconds seven hundred and thirty feet to a concrete monument and two hundred and thirteen degrees fifteen minutes no seconds seven hundred and thirty feet; thence (6) three hundred and three degrees fifteen minutes no seconds one thousand six hundred and seven and forty-seven one-hundredths feet to a pipe in concrete; thence (7) two hundred and thirty degrees thirty minutes no seconds five hundred and twenty-three and eighty-eight one-hundredths feet to a pipe in concrete; thence (8) three hundred and four degrees thirty-three minutes no seconds six hundred and fifty-two feet along Reserved Channel and Honolulu Harbor and passing over a pipe in concrete at fifty-two feet; thence (9) along tract C hereinbefore cited (transferred to Commerce Department by the War Department by the aforesaid Executive Order Numbered 6584, dated February 6, 1934), thirty-three degrees thirty-seven minutes thirty seconds five hundred and fifty-six and sixty-six one-hundredths feet to the point of beginning, containing an area of eighty-one and ninety-four one-hundredths acres, more or less, together with the improvements thereon;

And the Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a quarantine station at Honolulu, Hawaii, the following described land:

That portion of the Fort Armstrong Military Reservation, Oahu, T. H., particularly described as beginning at the north corner of the land herein described on the southeast side of Channel Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Punchbowl" being four thousand four hundred and twelve and twenty-three one-hundredths feet south and five thousand six hundred and seventy-eight and thirty-nine one-hundredths feet west and running by azimuths measured clockwise from true south (1) three hundred and nine degrees three minutes no seconds one hundred and sixty-seven and one one-hundredths feet along other lands of Fort Armstrong Military Reservation, and along the southwest side of Buford Avenue; (2) thirty-eight degrees fifty-seven minutes twenty seconds ninety-six and seventy one-hundredths feet along said other lands of Fort Armstrong Military Reservation; (3) three hundred and eight degrees forty-eight minutes thirty seconds twenty-five and ninety-eight one-hundredths feet along said other lands; (4) thirty-eight degrees forty-eight minutes thirty seconds two hundred and thirty-one and sixty-one one-hundredths feet along said other lands; (5) three hundred and eight degrees fifty-nine minutes thirty seconds one hundred and thirteen and ninety-three one-hundredths feet along said other lands; (6) thirty-seven degrees eight minutes no seconds seventy-seven and twenty-five one-hundredths feet along said other lands; (7) three hundred and nine degrees no minutes forty seconds one hundred and seven and ninety-four one-hundredths feet along said other lands; (8) thirty-eight degrees fifty-seven minutes no seconds five hundred and twenty-two and ninety-eight one-hundredths feet along said other lands and along the northwest side of Pleasanton Avenue; (9) thirty-nine degrees no minutes two thousand three hundred and eighty-two and ninety-one one-hundredths feet; (10) one hundred and forty-five degrees no minutes ninety-eight and thirty-one one-hundredths feet; (11) one hundred and eighty-nine degrees twenty-five minutes one thousand two hundred and six and eighty-seven one-hundredths feet; (12) two hundred and nineteen degrees no minutes one thousand seven hundred and five and fifty-five one-hundredths feet; (13) three hundred and nine degrees no minutes two hundred and seventy-one and sixty-four one-hundredths feet to a brass plate set in concrete, passing over a brass plate set in sea wall at two hundred and ten and ninety-four one-hundredths feet; (14) two hundred and nineteen degrees no minutes five hundred and twenty-nine and twenty-eight one-hundredths feet along the southeast side of Channel Street to the point of beginning, and containing an area of thirty-nine and sixty-five one-hundredths acres together with all riparian, littoral and shore rights thereunto belonging or in anywise appertaining, and all improvements thereon except the gun emplacement and foundations, the space enclosed in which is in use and is to be continued in use by the Department of the Army for telephone terminals and exchange until June 30, 1969, the foundations to be thereafter removed by the Department of the Army before possession of the land on which same are situate is finally made available to the Federal Works Agency for quarantine station purposes: *Provided*, That said date of June 30, 1969, may be either anticipated or deferred by mutual agreement of the Department of the Army and the Federal Works Administrator.

SEC. 204. The Federal Works Administrator is hereby authorized to retain for the use of the Public Buildings Administration permanent custody and control of the following-described lands, together with the improvements thereon, together with such personal property as may be necessary in his discretion for use in connection therewith:

(a) Cheyenne, Wyo.: Lots 7 and 8, and the east twenty-two feet of lot 6 in block 266 in the city of Cheyenne, county of Laramie, State of Wyoming, containing forty-seven one-hundredths of an acre.

(b) Little Rock, Ark.: Lots 5 and 6, block 3, original city of Little Rock in the county of Pulaski, State of Arkansas.

(c) Medford, Oreg.: Lots 1, 2, 3, and 4 in block 3, in the original townsite, now city of Medford, Oreg.

(d) Fayetteville, N. C.: Lying and being in the county of Cumberland, State of North Carolina, and described as follows: Beginning at a point in the western margin of Winslow Street, same being an iron stake at the foot of a 20-inch elm tree, said stake being three hundred and fourteen feet southwardly of the intersection of the southern margin of Elm Street and the western margin of Winslow Street, and running thence north sixty-six degrees thirty-seven minutes west two hundred and eighty-six and two-tenths feet to an iron stake in a ditch; thence north twenty-three degrees east thirty-nine and five tenths feet to an iron stake; thence north sixty-seven degrees west thirty-three and five-tenths feet to an iron stake; thence north twenty-eight degrees thirty minutes east eighty-five feet to an iron stake, the northwest corner of this tract; thence south sixty-six degrees thirty-seven minutes east three hundred and thirteen and five-tenths feet to a post in the western margin of Winslow Street; thence with the western margin of Winslow Street south twenty-three degrees fifty-five minutes west one hundred and twenty-four feet to the beginning.

(e) Durham, N. C.: Lying and being in the city of Durham, county of Durham, State of North Carolina, and described as follows: Beginning at a concrete monument, in the east line of Morris Street, said monument being sixty-five and six-tenths feet north fifty-seven degrees forty-six minutes east from the northeast corner of the brick building occupied by Imperial Tobacco Co.; running thence south eighty-five degrees twenty minutes east two hundred feet to a concrete monument; thence north seven degrees thirty-one minutes east one hundred and sixty-four and fifty one-hundredths feet to a point in the present south line of Hunt Street; thence with said south line of Hunt Street north eighty-five degrees twenty minutes west two hundred and eight one-hundredths feet to a point being the intersection of said south line of Hunt Street with the east line of Morris Street; thence with the east line of Morris Street south seven degrees thirty minutes west one hundred sixty-four and fifty one-hundredths feet to the true point or place of beginning.

(f) Paris, Tex.: A tract of land lying and being in the city of Paris, county of Lamar, State of Texas, and being a portion of the Larkin Rattan Survey, particularly described as follows: Portions of lots 5 and 6, block 1, of the city of Paris, as shown by the original fifty-acre donation as recorded in the deed records of Lamar County, Tex., book G–1, page 299, more particularly described as follows: Beginning at a point being the intersection of the north line of Grand Avenue with the east line of Short Street, now Nineteenth Street; running thence due north along the east line of Short Street, now Nineteenth Street, eighty-one feet to a marker; thence due east eighty-three feet to a marker; thence due south eighty-one feet to a marker in the north line of Grand Avenue; thence due west along the north line of Grand Avenue eighty-three feet to the point or place of beginning, together with all the right, title, and interest of the former owners in and to the streets and alleys abutting the above-described premises.

(g) Hampton Roads, Norfolk, Va.: Lands lying and being in the city and county of Norfolk, Commonwealth of Virginia, and particularly described as follows: Lots numbered 1, 2, 3, 4, 7, 8, 9, 10, 25, 26, 27, 28, 29, and an unnumbered lot, lying between said lots numbered 10 and 25 and being in block numbered 12 in map book 11, page 33, Corporation Court of Norfolk, Va., containing eighty-five one-hundredths of an acre.

(h) Chatham County, near Savannah, Ga.: Tracts of land lying and being in the county of Chatham, State of Georgia, more particularly described as follows:

Parcel A: One hundred acres of land, more or less, of what is known as the southwestern portion of Oatland Island, in Chatham County, Ga., as more particularly appears on a map attached to the deed from George T. Page, Alvan M. Hitt, and William G. Slaughter to the order of Railway Conductors Home Association, dated May 22, 1926, filed for record August 31, 1926, and recorded in book 22B, page 182, of the records in the office of the clerk of the Superior Court of Chatham County, Ga., a copy of which map is recorded in map book 2, folio 81, of the records aforesaid, to which special reference is hereby made, and which is made part and parcel of this description, said lands lying south of the "red" line appearing on said map, and being that portion of land lying at the southwest end of the island beyond the marks of boundary erected on said island, and having the following bearings: Beginning at the marks of boundary one hundred feet from the marsh on the eastern side of said island, near Richardson's Creek, and marked with a concrete stone, on which appears the following mark, "XIII"; thence along a line proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker, bearing the same mark, to wit: "XIII"; and proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker one hundred feet from the marsh bearing the same mark, to wit, "XIII", said land being all of the remaining portion of the land lying southwest of the said markers of boundary, said land being described as follows: Bounded on the north by the remaining portion of said island, on the east by Richardson's Creek, on the south by Richardson's Creek, and on the west by the Thunderbolt River for about three hundred and fifty yards, and then the remainder of the western boundary by an unnamed creek, which meanders into the Thunderbolt River; together with the marshland adjacent to and adjoining the one hundred acres above described, and between the boundaries above mentioned; that is, the marshland that is south of where the red line appearing on the map, if extended, would meet the creek, to wit, said Richardson's Creek on the east and the said unnamed creek on the west, together with the improvements thereon.

Parcel B: All of those certain lots, tracts, or parcels of land situate, lying, and being in Whitmarsh Island, Chatham County, Ga., and known upon the map or plan of the Riverside subdivision on said island as lots numbered 45, 46, and 47, a plan of said division being recorded in the records of Chatham County, Ga., in map book 1, folio 229, and a plat of said lots with the adjacent marsh being also recorded in said records in map book 1, page 259, said lots 45, 46, and 47 together having seven and one-half acres, more or less, of high land; and also those portions of the adjacent marshland which said marshlands are described more fully as follows: Starting at the westernmost point of lot 47 and running parallel with the eastern line of said lot to a creek, and also one-half of the marsh lying east and southeast of lot 45 and between lots 45 and 44 of said subdivision; excepting, however, therefrom eight-

tenths of an acre being part of lot 47 which was conveyed by Jessie C. Thomas to Chatham County on May 26, 1926, by deed recorded in Chatham County on May 26, 1926, by deed recorded in Chatham County Records in book 21 S, folio 271, together with the improvements thereon.

Parcel C: All those certain lots, tracts, or parcels of land situate, lying, and being in the subdivision known as Oatland Island, in the county of Chatham and State of Georgia, and more particularly described as follows: Lots numbered 1, 2, 3, 4, 5, and 6 in block C, according to a plat of said subdivision known as Oatland Island, which said plat appears on record in the office of the clerk of the Superior Court in map book numbered 2, folios 82 and 88, together with all highland and marshland contained between the side lines of said lots 1, 2, 3, 4, and 5 extending to low-water mark, save and except the sixty feet in width across said extended premises heretofore granted to the county of Chatham for a highway, and known as Bacon Drive, together with the improvements thereon.

(i) Fort Smith, Ark.: Lands lying and being in the city of Fort Smith, county of Sebastian, State of Arkansas, particularly described as follows: All of lots 9, 10, 11, and 12 in block C, Fitzgerald Addition, city of Fort Smith, Ark.

(j) The Federal Works Administrator is hereby further authorized to retain for the use of the Public Buildings Administration temporary custody and control of the following described buildings together with such personal property located therein as may be necessary, in his discretion, for use in connection therewith for a period ending not later than June 30, 1954: *Provided*, That on or before June 30, 1954, the Federal Works Administrator shall transfer custody and control over such buildings and any such personal property as may then remain therein, without reimbursement, to the Department having primary jurisdiction over the land on which such buildings are situated.

(1) Suitland, Md.: The infirmary building and recreation building with snack bar located on land comprising site of Federal Office Building No. 3, Suitland, Md., occupied under authority of revocable license dated November 17, 1947, from the Federal Works Agency to Department of the Army.

(2) West Potomac Park, Independence Avenue and River Drive, Washington, D. C.: The recreation building and storage plant, and the infirmary building constructed in west Potomac Park under permit from Secretary of the Interior to Federal Works Agency dated August 22, 1942.

(3) Langston Stadium, Twenty-fourth Street and Oklahoma Avenue NE., Washington, D. C.: The recreation-cafeteria building and the infirmary building located at the Langston Residence Hall project constructed under permit from Department of the Interior, National Park Service, to Public Buildings Administration, dated June 10, 1942.

(4) Arlington Farms, Va.: The storage building, maintenance shops, garages, and an administration building, the infirmary building, the cafeteria, recreation center, including auditorium, snack bar, and classrooms and the fire station, constructed under transfer of jurisdiction over land from War Department to Federal Works Agency by letter dated May 14, 1942, for use during national emergency.

SEC. 205. (a) The Federal Works Administrator is hereby authorized to assume permanent custody and control of properties described in this section to be transferred to the Federal Works Agency for use of the Public Buildings Administration:

(1) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, that portion of the Fort Brown Military Reservation, Brownsville, Tex., described as follows, lying and being in the Espiritu Santo Grant, Cameron County, Tex., for its use as a site for the construction of the Brownsville (Texas) border station building and the Federal Works Agency may take possession thereof pending commencement of construction of the contemplated border station building:

Commencing at a point which is south sixty-six degrees twelve minutes west twenty-six and sixty-one one-hundredths feet from monument numbered 1B set by United States Engineer Department marking the boundary line of Fort Brown Military Reservation; running thence along the southwesterly side of Kerr Street (fifty feet wide) south forty-nine degrees fifty-one minutes east fifty and one one-hundredths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south thirty-six degrees forty-seven minutes forty-five seconds east seventy-six and fifteen one-hundredths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south twenty-three degrees thirty-six minutes east sixty-seven and forty-four one-hundredths feet to an iron pin set on the north line of a concrete sidewalk on the north side of a street; thence along the north line of said sidewalk south sixty-six degrees nineteen minutes west two hundred and forty-one feet to an iron pin in the toe of the Rio Grande protection levee; thence along the toe of said levee north forty-two degrees one minute west eighty-two feet to an iron pin; thence continuing along the toe of said levee north fifty degrees thirty-seven minutes west one hundred twenty-one and twenty-one one-hundredths feet to monument numbered 1A set by the United States Engineer Department marking the boundary line of Fort Brown Military Reservation; thence along the boundary line of the Fort Brown Military Reservation north sixty-six degrees twelve minutes east two hundred eighty-two and forty-nine one-hundredths feet to the point or place of beginning, containing one and one hundred forty-two one-thousandths acres, more or less.

(2) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the entire building known as the 1114 Commerce Street Building, Dallas, Tex., together with the site thereof described as follows:

All of a certain tract or parcel of land situated in the city of Dallas, county of Dallas, State of Texas, said tract being a part of block numbered 63 of said city and county and being more particularly described as follows: Beginning at a point on the south line of Commerce Street, said point being located fifty feet west of the northeast corner of said block 63; thence west along the south line of said Commerce Street one hundred and fifty feet; thence south at right angles to the south line of Commerce Street one hundred feet; thence west at right angles to the last-mentioned line fifteen feet; thence south at right angles to the last-described line one hundred feet to a point on the north line of Jackson Street; thence east along the north line of Jackson Street one hundred and sixty-four feet to a point; which point is fifty-one feet west of the southeasterly corner of block 63; thence northerly at right angles to the north line of Jackson Street thirty-one feet; thence east at right angles to the last-described line one foot; thence northerly at right angles to the last-mentioned line one hundred and sixty-nine feet to the point of beginning.

(3) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following described land, together with the improvements thereon:

Lying and being in Marfa, county of Presidio, State of Texas: Beginning at the northeast corner of a tract of land known as tract No. 1 containing four hundred thirty-four and two-tenths acres, more or less, comprising a part of the military reservation of Fort D. A. Russell and being the same tract conveyed to the United States by W. G. Young by deed dated August 23, 1927, and duly recorded among the land records of said county in volume 74, page 162, thereof; thence with the north line of said tract west four hundred forty-seven and nine-tenths feet to the northwest corner of this tract; thence south seventeen degrees six minutes west three hundred feet to a point for corner; thence south seven degrees eight minutes west four hundred feet to a point for a corner; thence east five hundred sixty-eight and three-tenths feet to a point in the east boundary line of said four hundred thirty-four and two-tenths acre tract for the southeast corner of this tract; thence with said east boundary line north one degree twenty-eight minutes east six hundred eighty-three and nine-tenths feet to the point of beginning, containing approximately eight and twenty-one one-hundredths acres, subject to existing streets and easements for existing utilities.

(4) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

That portion of Angel Island (Fort McDowell) known as the San Francisco Quarantine Station, particularly described as being that certain parcel of land on Angel Island, Marin County, Calif.; commencing at Point Ione; thence south approximately six hundred and eighty feet to a point on the northerly side of Military Road; thence following the station side of said Military Road to a point of intersection with a line bearing south forty-five degrees east, which line passes through a point one hundred feet north forty-five degrees east from the northernmost station structure; thence north forty-five degrees west to a point on the low-water mark of Hospital Cove; thence in a westerly direction to the point of beginning, together with an area one hundred feet wide centered on two groups of water tanks, and to extend from the station side of Military Road a distance of fifty feet beyond the center of the farthest group of tanks.

(5) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that certain piece or parcel of land situate, lying and being in the county of San Mateo, State of California, together with the appurtenances, to wit: Beginning at a point on the northerly line of Butler Road, said point being north eighty-three degrees nine minutes fifteen seconds east one hundred ninety-three and twelve one-hundredths feet from a two-inch iron pipe set in concrete on the northerly line of Butler Road, said iron pipe being north eighty-seven degrees four minutes thirty seconds east four hundred ninety-two and ninety-nine one-hundredths feet from the intersection of the north line of Butler Road and Southern Pacific Co. right-of-way; running thence from said point of beginning along the northerly line of Butler Road north eighty-three degrees nine minutes fifteen seconds east one hundred seventy-three and twenty-four one-hundredths feet; thence north eighty-seven degrees four minutes thirty seconds east nine hundred seventy-eight and eighty-three one-hundredths feet; thence leaving the northerly line of Butler Road north two degrees fifty-six minutes west two

hundred forty-seven and twenty one-hundredths feet; thence south eighty-seven degrees four minutes thirty seconds west seven hundred eighty-two and forty-nine one-hundredths feet; thence north sixty-one degrees fifty-five minutes fifteen seconds west one hundred ten and fifty-two one-hundredths feet; thence south thirty-eight degrees three minutes fifteen seconds west four hundred eighteen and fifty one-hundredths feet to the point of beginning.

(6) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that lot, tract, or parcel of land situate, lying, and being in the city of East Point, Fulton County, Ga., being a part of land lot 155, district 14, and more fully described as follows: Beginning at the intersection of the north line of St. Joseph Street with the northeasterly line of Lawrence Avenue and the east property line of the U. S. L. Battery Co., extending thence east along the north line of St. Joseph Street a distance of six hundred eighty-three and two-tenths feet, more or less, to an iron monument on the east line of said land lot 155, district 14, extending thence north, making an interior angle of ninety degrees sixteen minutes to the left, along said east line of land lot 155, district 14, a distance of one thousand three hundred thirty-four and nine-tenths feet, more or less, to an iron monument; extending thence west making an interior angle of eighty-nine degrees forty-four minutes to the left, a distance of nine hundred seventy-three and five-tenths feet, more or less, to an iron monument on the east line of Lawrence Avenue; extending thence south making an interior angle of ninety degrees thirty-eight minutes to the left, along the said east line of Lawrence Avenue, a distance of six hundred twenty-seven and five-tenths feet, more or less, to an iron pipe at the intersection of the east line of Lawrence Avenue with the north property line of the U. S. L. Battery Co.; extending thence east, making an interior angle of eighty-nine degrees twenty-two minutes to the left, along the said north property line of U. S. L. Battery Co., a distance of three hundred feet, more or less, to a point at the northeast corner of property of U. S. L. Battery Co.; extending thence south making an exterior angle of eighty-nine degrees fifteen minutes to the right, along the east property line of U. S. L. Battery Co., a distance of seven hundred seven and three-tenths feet, more or less, to the point of beginning; the last-described line making an interior angle of eighty-nine degrees and fifteen minutes with the north line of St. Joseph Street, containing twenty-five and eighty-nine one-thousandths acres, more or less, and said lot is more fully shown in colored yellow on print of the Central of Georgia Railway Co.'s plan No. 15,622, dated February 14, 1945.

(7) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Lying and being in the limits of San Antonio, county of Bexar, State of Texas, and more particularly described as follows: Beginning at a point in the center line of South Flores Street, distant north twenty-four degrees forty minutes forty-one seconds east seven hundred forty-two and eighty-one one-hundredths feet measured along the center line of South Flores Street from its point of intersection with the center line of Arsenal Street; running thence south twenty-four degrees forty minutes forty-one seconds west seven hundred forty-two and eighty-one one-hundredths feet to a point, being the intersection of the center line of South Flores Street with the center line of Arsenal Street; thence south sixty-three degrees twenty-two minutes nineteen seconds east a distance of six hundred and eighteen feet along the center line of Arsenal Street to its point of intersection with the westerly side of Main Avenue extended; thence north eleven degrees thirteen minutes forty-one seconds east seven hundred one and sixty-two one-hundrdths feet; thence with a ten degree thirty-two minutes eighteen seconds degree curve to the left seventy-seven and fifty-one one-hundredths feet to a point in the north property line of the Arsenal property, said curve having a radius of five hundred forty-three and sixty-nine one-hundredths feet and a delta of eight degrees fifty-six minutes forty-five seconds; thence north sixty-four degrees thirty minutes nineteen seconds west along the north line of the Arsenal property to the point or place of beginning.

(8) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that certain real property situate, lying and being in the city and county of San Francisco, State of California, described as follows, to wit: Beginning at the point of intersection of the northerly line of Geary Street and the westerly line of Polk Street; running thence westerly along said line of Geary Street eighty-two feet and six inches; thence at a right angle northerly one hundred and twenty feet to the southerly line of Cedar Street; thence at a right angle easterly along said line of Cedar Street eighty-two feet and six inches to the westerly line of Polk Street; and thence at a right angle southerly along said line of Polk Street one hundred and twenty feet to the point of beginning; being part of Western Addition block No. 59.

(9) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio and bounded and described as follows:

Known as being part of sublots numbered 1 and 2 in Mrs. C. D. Brayton's subdivision of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 3 of maps, page 20, of Cuyahoga County Records, and sublots numbered 15, 16, and parts of sublots numbered 17, 18, and 19 in the Cuyahoga Valley Realty Company's subdivision numbered 2 of part of original Brooklyn Township lots numbered 71 and 86, as shown by the recorded plat in volume 50 of maps, page 21, Cuyahoga County Records, and part of sublots numbered 64, 65, 66, 67, 68, 69, 74, 76, 77, 78, and all of sublots numbered 70, 71, 72, 73, and 75 in Brayton and Yates reallotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 4 of maps, page 18, of Cuyahoga County Records, and all of sublots numbered 33, 34, 35, 36, 37, 38, 39, 40, and part of sublots numbered 41, 42, 43, and 44 in John Raines and W. H. Dean's allotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plot in volume 7 of maps, page 18, of Cuyahoga County Records, and also a part of original Brooklyn Township lots numbered 71 and 86, and together forming a parcel of land bounded and described as follows:

Beginning at the intersection of the northerly line of Clark Avenue Southwest, sixty-three feet wide, with the easterly line of West Eleventh Street, forty-five feet wide; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of Clark Avenue Southwest, five hundred sixty-nine and ninety-nine one-hundredths feet to the southwesterly corner of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Records; thence north one degree thirty-eight minutes ten seconds east along the westerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed last aforesaid and by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Records, three hundred and ten feet to the northwesterly corner of land conveyed to the Hihgway Construction Company of Ohio, Incorporated; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, last aforesaid, one thousand five hundred nine and ninety-eight one-hundredths feet to the northwesterly line of land conveyed to the city of Cleveland by deed dated September 30, 1942, and recorded in volume 5472, page 98, of Cuyahoga County Records; thence north thirty-three degrees fifty-eight minutes ten seconds east along the northwesterly line of land so conveyed to the city of Cleveland, which is also the northwesterly line of Quigley Road Southwest, eighty feet wide, one thousand two hundred thirty-five and twenty-nine one-hundredths feet to the southerly end of the curved turn-out between the westerly line of West Seventh Street relocation and the northwesterly line of Quigley Road Southwest, as shown by the dedication plat of West Seventh Street relocation recorded in volume 133 of maps, page 24, of Cuyahoga County Records; thence northerly along said curved turn-out, thirty-one and forty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of twenty feet and a chord of twenty-eight and twenty-eight one-hundredths feet; thence northerly along the westerly line of West Seventh Street relocation, one hundred fifty-six and twenty-four one-hundredths feet, which is along the arc of a curve deflecting to the right, said curve having a radius of ninety-nine and forty-seven one-hundredths feet and a chord of one hundred forty and sixty-seven one-hundredths feet, to a point of tangent; thence northeasterly along the northwesterly line of West Seventh Street relocation sixty-seven and eighty-eight one-hundredths feet to a point of curvature; thence northeasterly continuing along said northwesterly line, seventy and eighty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of one hundred and ten feet and a chord of sitxy-nine and sixty-one one-hundredths feet, to the southerly line of Severn Avenue Southwest (formerly Severn Street) forty feet wide; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of Severn Avenue Southwest three hundred forty-six and eight-one one-hundredths feet to the northwesterly corner of sublot numbered 33 in John Raines and W. H. Dean's Allotment; thence south two degrees fifteen minutes forty-five seconds west along the westerly line of said sublot 33, one hundred twenty-five and twenty-two one-hundredths feet to the southwesterly corner thereof; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of John Raines and W. H. Dean's Allotment, as recorded in volume 7 of maps, page 18, of Cuyahoga County Records, two hundred seven and fifty-six one-hundredths feet to the southwesterly corner thereof; thence north two degrees thirty-three minutes fifty-five seconds east along the westerly line of said allotment three hundred sixty-five and two one-hundredths feet

to the southerly line of Clyde Avenue Southwest, forty feet wide; thence north eighty-seven degrees forty-four minutes forty seconds west along the southerly line of Clyde Avenue Southwest, and the westerly extension thereof, three hundred eighty-nine and four one-hundredths feet to the southwesterly corner of Saint Theodosius Church subdivision, as recorded in volume 64 of maps, page 27, of Cuyahoga County Records; thence north two degrees eleven minutes twenty seconds east along the westerly line of said Saint Theodosius Church subdivision two hundred seventy-six and sixty-two one-hundredths feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest thirty-six feet to the northeasterly corner of land conveyed to Majk Bejda and Juliana Bejda by deed dated November 17, 1924, and recorded in volume 3230, page 38, of Cuyahoga County Records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Majk and Juliana Bejda, and the southerly extension thereof and along the easterly line of land conveyed to Albert Baumann and Bertha Baumann, by deed dated January 10, 1924, and recorded in volume 2986, page 190, of Cuyahoga County Records, one hundred and twenty feet to the southeasterly corner of land so conveyed to Albert and Bertha Baumann; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Albert and Bertha Baumann and along the southerly line of land conveyed to the Western Realty Co. by deed dated June 19, 1928, and recorded in volume 3832, page 378, of Cuyahoga County Records, and the southerly line of land conveyed to Gustav Krentz and Mary Krentz by deed dated August 19, 1916, and recorded in volume 1819, page 555, of Cuyahoga County Records, one hundred and thirty-eight feet to the southwesterly corner of land so conveyed to Gustav and Mary Krentz; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Gustav and Mary Krentz, one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest, ninety-eight and seventy one-hundredths feet to the northeasterly corner of land conveyed to Domka Kreneiglova by deed dated May 17, 1937, and recorded in volume 4737, page 343, of Cuyahoga County records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Domka Kreneiglova thirty-five feet to the southwesterly corner thereof; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest two hundred eighty and eighty-six one-hundredths feet to the northeasterly corner of land conveyed to John Woycitsky and Franciska Woycitsky by deed dated July 24, 1923, and recorded in volume 2873, page 159, of Cuyahoga County Records; thence south two degrees thirty-nine minutes forty seconds west along the easterly line of land so conveyed to John and Franciska Woycitsky one hundred and forty feet to the southeasterly corner thereof; thence north eighty-seven degrees fifty minutes ten seconds west along the southerly line of land so conveyed to John and Franciska Woycitsky, and the westerly extension thereof, and along the southerly line of land conveyed to Stanley Kozlowski and Mary Kozlowski by deed dated March 29, 1920, and recorded in volume 2377, page 346, of Cuyahoga County Records, four hundred eight and two one-hundredths feet to the westerly line of sublot numbered 64 in Brayton and Yates' Reallotment as recorded in volume 4 of maps, page 18, of Cuyahoga County Records; thence north two degrees forty minutes forty seconds east along the westerly line of said sublot numbered 64, one hundred thirty-nine and forty-one one-hundredths feet to its intersection with the southerly line of H. R. Hadlow allotment as recorded in volume 8 of maps, page 34, of Cuyahoga County Records; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said H. R. Hadlow allotment three hundred feet to the easterly line of J. J. Holmes' subdivision as recorded in volume 64 of maps, page 38, of Cuyahoga County Records; thence south two degrees forty minutes forty seconds west along the easterly line of said J. J. Holmes' subdivision one hundred thirty-six and fifty-four one-hundredths feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said J. J. Holmes' subdivision, three hundred and fifty-six one-hundredths feet to the westerly line of said original lot numbered 86; thence south two degrees forty minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred eighty-two and nine one-hundredths feet to an angle therein; thence south three degrees nine minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred forty and sixty-nine one-hundredths feet to the southeasterly corner of Josephine L. Hartzell's subdivision as recorded in volume 15 of maps, page 37, of Cuyahoga County Records; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of said Josephine L. Hartzell's subdivision, two hundred and fifty-five feet to the easterly line of west Eleventh Street; thence south two degrees twenty-one minutes twenty seconds west along the easterly line of west Eleventh Street; five hundred sixty-seven and sixty-four one-hundredths feet to an angle therein; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of west Eleventh Street, twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Co.'s subdivision numbered 2, as recorded in volume 50 of maps, page 21, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision numbered 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision numbered 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Mari Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Mari Hlatky, five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Mike and Mari Hlatky thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and Jadwiga Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Peter and Jadwiga Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Peter and Jadwiga Ryba, and along the eaesterly line of land conveyed to Antoni Kaeser and Apolonia Kaeser by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Records, eighty-one and forty-nine one-hundredths feet to the northerly line of sublot numbered 17 in the Cuyahoga Valley Realty Company's subdivision numbered 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly line of sublots numbered 17, 16, and 15 in said subdivision numbered 2, one hundred sixteen and eighteen one-hundredths feet to the easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along the easterly line of West Eleventh Street one hundred feet to the place of beginning, be the same more or less, but subject to all legal highways.

Excepting, excluding, and reserving from the above-described premises that part thereof conveyed to the city of Cleveland by warranty deed dated March 8, 1915, recorded in volume 1619 at page 67 of Cuyahoga County Deed Records, which such part of the above-described premises so conveyed to the city of Cleveland is described as follows:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio, and known as being so much of the unallotted land of the Cuyahoga Valley Realty Co. and being part of lots 71 and 86, formerly in Brooklyn Township, now in said city, and shown by deed recorded in volume 888, page 374, of Cuyahoga County Records, and of sublots 17, 18, and 19 of the Cuyahoga Valley Realty Co.'s subdivision No. 2, as recorded in volume 50, page 21, of said county records, as is required for constructing and maintaining the fill and embankment of Clark Avenue southwest, to the elevations and grades hereinafter described, lying between the north line of Clark Avenue southwest and the foot of said fill and embankment, the foot of said fill and embankment being where a slope of 1½ feet horizontal to 1 foot vertical, measured northerly, eastwardly, and downward from the following described line intersects the natural surface of the ground:

Beginning at a point whose elevation is about one hundred four and five-tenths feet above the city base of levels and which is about eighty feet easterly from the intersection of the north line of Clark Avenue southwest, with the northeasterly line of West Eleventh Street and three feet north at right angles to said north line; thence with the established grade of Clark Avenue southwest easterly along a line parallel to and three feet north of said north line of Clark Avenue southwest about ninety-eight feet to a point whose elevation is about one hundred one and six-tenths feet; thence south at right angles to said described line three feet to a point in the said north line of Clark Avenue southwest, whose elevation is about one hundred one and six-tenths feet above the city base of levels, said point being about one hundred and seventy-eight feet east of said intersection, containing one hundred and twenty one-thousandths acre, more or less: *Provided*, That the portion of parcel 2 located in said sublots 17, 18, and 19 shall revert to the owner of such sublots should the land of said sublot be at any time raised and maintained by means of an earth fill to the grade of the Clark Avenue viaduct and the westerly approach thereto.

Together with all rights, reservations, privileges, and easements acquired by grantor under that certain deed from the Cuyahoga Valley Realty Co. to grantor dated April 2,

1946, and recorded in volume 6064 at page 455 of Cuyahoga County Records.

Together with all rights, reservations, and privileges retained by grantor under the provisions of the "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the City of Cleveland," dated August 6, 1946, a copy of which is attached hereto, made a part hereof and marked exhibit A, and grantee by the acceptance of this quitclaim deed assumes and agrees to perform all of the obligations of grantor contained in said "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the City of Cleveland.

Also excepting from the first above-described premises that parcel of land conveyed by the United States to the city of Cleveland by deed dated May 27, 1948, recorded June 9, 1948, in volume 6492, page 4, of Cuyahoga Deed Records, and particularly described as follows:

Beginning at the southeasterly corner of sublot numbered 1 in Josephine L. Hartzell's subdivision, recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east six hundred sixty-nine and ninety-three one-hundredths feet; thence north sixty-seven degrees forty-nine minutes forty seconds east four hundred twelve and five-tenths feet; thence north forty-seven degrees fifteen minutes forty-five seconds east six hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; thence south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east two hundred twenty-five and seventy-five one-hundredths feet; thence south sixty degrees twenty-seven minutes forty-four seconds east three hundred forty-one and thirty-two one-hundredths feet to the northwesterly line of Quigley Road southwest, which point is north thirty-three degrees fifty-eight minutes ten seconds east measured along said northwesterly line of Quigley Road southwest, one thousand one hundred and eighty-five feet from its intersection with the southerly line of land conveyed as aforesaid to the United States of America.

Also excepting from the first above-described premises two parcels of land described as follows:

(Parcel No. 1): Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south two degrees twenty-one minutes twenty seconds west along said easterly line of West Eleventh Street five hundred sixty-seven and sixty-four one-hundredths feet to an angle point therein; thence continuing along said easterly line of West Eleventh Street south six degrees thirty-one minutes fifty seconds east twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Co.'s subdivision No. 2 as aforesaid; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision No. 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision No. 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Marie Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Marie Hlatky five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Mike and Marie Hlatky's easterly line thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and J. Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along said northerly line of land conveyed to Peter Ryba and J. Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Peter and J. Ryba's easterly line and along the easterly line of land conveyed to Antoni and A. Kaczar by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Deed Records, eighty-one and forty-nine one-hundredths feet to the northerly line of said sublot No. 17 in the Cuyahoga Valley Realty Co.'s subdivision No. 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly lines of sublots No. 17, 16, and 15 in said subdivision No. 2, one hundred sixteen and eighteen one-hundredths feet to said easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along said easterly line of West Eleventh Street one hundred feet to the northerly line of Clark Avenue Southwest; thence south eighty-eight degrees twenty-one minutes fifty seconds east along said northerly line of Clark Avenue Southwest five hundred sixty-nine and ninety-nine one-hundredths feet to the westerly line of land conveyed to the Highway Construction Co. of Ohio, Inc., by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Deed Records; thence north one degree thirty-eight minutes ten seconds east along said westerly line and also the westerly line of land conveyed to said Highway Construction Co. of Ohio, Inc., by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Deed Records, three hundred and ten feet to the northerly line of land conveyed to the Highway Construction Co. of Ohio, Inc., last aforesaid; thence south eighty-eight degrees twenty-one minutes fifty seconds east along said northerly line five hundred feet; thence north one degree thirty-eight minutes ten seconds east seven hundred eighty-seven and sixty-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east two hundred forty-eight and sixty-six one-hundredths feet to an angle point in land conveyed to the city of Cleveland by deed dated May 27, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records; thence south sixty-seven degrees forty-nine minutes forty seconds west along the southerly line of land so conveyed to the city of Cleveland four hundred twelve and fifty one-hundredths feet to an angle point therein; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of land conveyed to the city of Cleveland as aforesaid and along the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records, nine hundred twenty-four and ninety-three one-hundredths feet to the place of beginning, excepting, excluding, and reserving from the above-described premises and part thereof conveyed to the city of Cleveland by deed dated March 8, 1915, and recorded in volume 1619, page 67, of Cuyahoga County Deed Records.

(Parcel No. 2): Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio and known as being part of original Brooklyn Township lot No. 86 and bounded and described as follows: Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision, as recorded in volume 15, page 37, of the Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east along said southerly line of Josephine Hartzell's subdivision and along the southerly line of land conveyed to the city of Cleveland by the United States of America by deed dated May 22, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records, nine hundred twenty-four and ninety-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east along said southerly line of land conveyed to the city of Cleveland three hundred feet, to the principal place of beginning; thence continuing along the city of Cleveland's southerly line the following courses and distances: North forty-seven degrees fifteen minutes forty-five seconds east three hundred feet; south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence north eighty-seven degrees forty-four minutes fifteen seconds west seven hundred twenty-four and twenty-six one-hundredths feet to the principal place of the beginning.

(10) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the right to use and occupy the land hereinafter described which was acquired through condemnation proceedings in the District Court of the United States for the District of Kansas, First Division, on August 24, 1945, being a term for years commencing January 15, 1945, and ending June 30, 1946, extendible for yearly periods thereafter until June 30, 1955, at the election of the United States, in and to said lands particularly described as follows:

A tract of land situated in the county of Wyandotte, State of Kansas, within section 2 township 11 south, range 25 east, of the sixth principal meridian, being a part of the lands known as the Public Levee of Kansas City, Kans., and land adjacent north thereof. The boundary lines of said tract are described in detail as follows:

Starting at a brass monument situated at the intersection of the center line of Jersey Creek inclosure with the center line of Minnesota Avenue extension in and across said Public Levee lands, said brass monument being known as Base Point for all surveys within said Public Levee lands; thence south seventy-five degrees thirty-six minutes forty seconds east on said center line of Jersey Creek inclosure, forty feet; thence north fourteen degrees twenty-three minutes twenty seconds east at right angles to said center line of Jersey Creek inclosure forty feet to the true point of beginning which is on the northeasterly right-of-way line for said Minnesota Avenue extension; thence by the following courses and distances: South seventy-five degrees thirty-six minutes forty seconds east five hundred thirty and eighty-five one-hundredths feet; north fourteen degrees twenty-three minutes twenty seconds east one hundred and thirty feet; south seventy-five degrees thirty-six minutes forty seconds east one hundred sixty-seven and ninety-four one-hundredths feet; north twenty-eight degrees forty-three minutes forty seconds east three hundred and seventy-one feet; north fifty-one degrees thirty-eight minutes forty seconds east one hundred eighty-two and thirty-three one-hundredths feet; thence north twenty-eight degrees forty-three minutes forty seconds east seven hundred thirty-one and four one-hundredths feet to a point on a line parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of the Union Pacific Railroad Co.'s southerly ladder track produced northeasterly; thence south seventy-three degrees twenty-seven minutes twenty seconds west parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of said southerly ladder tract one

thousand three hundred one and twelve one-hundredths feet, more or less, to the northeasterly right-of-way line for said Minnesota Avenue extension; thence south eleven degrees two minutes twenty seconds west along said northeasterly right-of-way line five hundred eighty and fifty-nine one-hundredths feet to an angle point thereon; thence south fourteen degrees twenty-three minutes twenty seconds west ninety-four and twenty-seven one-hundredths feet, more or less, to the true point of beginning.

Excepting and excluding therefrom the road lying upon a strip of land extending across the above-described tract thirty feet in width being fifteen feet at right angles on each side of the center line of such strip of land, said center line being parallel with and one hundred and fifteen feet distant southeasterly at right angles from the center line of said southerly ladder track and its tangent produced northeasterly; and

Excepting and excluding therefrom two strips of land which are eight and five-tenths feet in width at right angles on each side of the Union Pacific Railroad Co.'s running tracks No. 3 and No. 12 and from the switch tracks leading therefrom, all said tracks serving the buildings lying southerly from said Jersey Creek enclosure.

Containing a net area of 750,000 square feet, more or less.

All bearings refer to true north.

(11) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a United States quarantine station all of the Government-owned portion of the United States naval small-craft facility, also known as Lockwood Basin, East Boston, Mass., comprising approximately 135,633 square feet of land, being that certain parcel of land conveyed to the United States by William J. Stober, of Boston, Mass., by deed dated March 12, 1918, recorded in the office of the Register, county of Suffolk, Commonwealth of Massachusetts, and entered in book 4078, page 463; together with all buildings, structures, appurtenances located thereon, including the marine docking and berthing facility designated as pier C.

(12) The Governor of the Farm Credit Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration, as an addition to the Denver Federal Center, all of that portion of the former Denver Ordnance Plant, Denver, Colo., together with the appurtenances and improvements located thereon, comprised of the east half of the east half of the northeast quarter and the east half of the east half of the southeast quarter of section 8, township 4 south, range 69 west, sixth principal meridian, excepting therefrom the land used for highway purposes, in the southeast corner of the southeast quarter of said section 8.

(13) The Secretary of the Treasury is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A certain tract of land bounded by Fourth Avenue South, Stacy Street, Fifth Avenue South, and Lander Street, Seattle, Wash., being all of block 276A, Seattle Tidelands in Seattle, King County, Wash., which is more particularly described as follows:

(a) West 110 feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands;

(b) East 10 feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands, and the adjoining west half of Fourth Place South;

(c) West one hundred eight and fifty one-hundredths feet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands, and the adjoining east half of Fourth Place South;

(d) East eleven and fifty one-hundredths feet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands;

(e) The easterly half of Fourth Avenue South from the centerline of Stacy Street to the centerline of Lander Street and the west half of Fifth Avenue South from the centerline of Stacy Street to the centerline of Lander Street; also, the south half of Stacy Street from easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also the north half of Lander Street from the easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also, together with that certain street designated as Fourth Place South from the southerly line of Stacy Street to the northerly line of Lander Street, containing six and sixty-five one-hundredths acres, more or less; subject to existing easements for public roads and highways, for public utilities, for railroads and for pipe lines in the above-described portions of Fourth Avenue South, Fifth Avenue South, Stacy Street and Lander Street.

(14) The War Assets Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All the following-described lots or parcels of land or real estate situate, lying, and being in the county of Luna, State of New Mexico, together with the appurtenances, to wit:

First tract: Beginning at the northeast corner of the southeast quarter of section 26, township 23 south, range 9 west, New Mexico principal meridian; running thence due south four hundred and fifty feet, more or less, to the Southern Pacific Railroad right-of-way; thence southwesterly along said right-of-way two thousand six hundred and fifty feet, more or less, to the west line of said quarter section; thence due north along said west line of said quarter section five hundred and fifty-two feet, more or less; thence due east five hundred and twelve feet; thence due north two hundred eighty-four and four-twelfths feet, more or less; to the north line of said quarter section; thence along said north line of said quarter section in an easterly direction to the place of beginning.

Second tract: Beginning at a point on the southeast line of the right-of-way of the Atchison, Topeka and Santa Fe Railroad, which point is described as being three hundred ninety-six and forty-one one hundredths feet along said right-of-way, northeasterly, from another point which is five hundred forty-seven and nine-tenths feet north and eight hundred and thirty-three feet east of the southwest corner of the northeast quarter of section 26, township 23 south, range 9 west, of New Mexico principal meridian; being the northerly corner of the premises conveyed to Wah Brothers by Charles B. Allaire and wife, by deed dated August 10, 1899, and recorded in book 37 of deeds, at pages 200–201, in the office of the County Clerk of Grant County, and transferred to book C, at pages 618–619 of the Deed Records of Luna County; thence north fifty-two degrees five minutes east along the south boundary line of the Atchison, Topeka and Santa Fe right-of-way aforesaid to the point where said boundary line intersects the north and south line separating sections 25 and 26, township 23 south, range 9 west, aforesaid; thence south along said line separating said sections 25 and 26 to a point on said line one hundred and sixty-five feet north of the east and west line connecting the centers of sections 25 and 26 aforesaid; thence north sixty-seven degrees fifteen minutes west, along the northeast boundary line of the property conveyed to Wah Brothers as aforesaid, one thousand six hundred twenty and five-tenths feet to the place of beginning; excepting and reserving from said premises one acre on which now stands a brick powder house, being the land conveyed by John A. Raithel and wife to the Safety Nitra Powder Company by a deed dated April 26, 1889, and recorded in book 28 of deeds, at pages 51–52, in the office of the County Clerk of Grant County, and transferred to book C at pages 441–442 of the Deed Records of Luna County.

Third tract: Beginning at the southeast corner of the northeast quarter of section 26, township 23 south, range 9 west, New Mexico principal meridian; running thence north approximately one hundred and sixty-five feet to a point just south of the county road; thence north sixty-seven degrees fifteen minutes west approximately one thousand five hundred and forty-five feet along the southerly line of said county road; thence south approximately seven hundred and seventy feet to a point on the south line of the northeast quarter of section 26; thence east approximately one thousand four hundred and twenty feet to the point of beginning.

Fourth tract: An easement across the land lying westerly of the above described third tract of land, for the purpose of installing a railroad spur to run into the said third tract of land, which railway spur is to come off of the Atchison, Topeko & Santa Fe Railway, the said railway spur to run northerly of the mill which has been constructed on the tract of land westerly of the said third tract of land; said easement to remain in full force and effect as long as said railway spur is maintained and used.

(15) The War Assets Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A six and eight hundred and twenty-three one-thousandths acre tract of land lying and being in Tarrant County, Texas, particularly described as follows: Beginning at the most easterly southeast corner of a tract of land deeded to the Defense Corporation by the Globe Aircraft Corp. on the 20th day of April 1942, also recorded in volume 1530, page 357, Deed Records of Tarrant County, Texas; said beginning corner also being the southeast corner of a four and eighty-eight one-hundredths acre tract deeded to the Bennett Aircraft Corp. by John Kennedy, et ux, on the 20th day of March 1940, said deed being on record in volume 1425, page 500, Deed Records of Tarrant County, Texas:

Thence north no degrees two minutes east along its east line one hundred and twelve feet to the place of beginning of the land to be described; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence south eighty-eight degrees fifty minutes east with the center of said road seven hundred and seventy and eight-tenths feet, to northeast corner of said tract, same being the northeast corner of said Bennett Aircraft Corp.'s four and eighty-eight one-hundredths acre tract; thence south no degrees two minutes west four hundred and sixty-four feet to the place of beginning.

(16) The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works

Agency for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A one hundred forty-nine and seven hundred and sixty-two one-thousandths acre tract of land lying and being in Tarrant County, Texas, particularly described as follows: Beginning at a point in the south line of the David Cook Survey in the center of Cantrell-Sansom Road, one thousand two hundred and ninety-one feet east of the southwest corner of said David Cook Survey, said point being the most southerly southeast corner of a tract of land deeded to the Reconstruction Finance Corporation by Globe Aircraft Corp. on the 27th day of June 1947, said deed being on record in volume 1925, page 463, Deed Records of Tarrant County, Texas.

Thence north one-half degree east with fence line four thousand five hundred and sixteen feet, an iron post; thence south eighty-five and one-half degrees east with fence line nine hundred and sixty-seven feet, an iron post; thence south with fence line thirty feet, an iron post; thence south eighty-five degrees east with fence line seven hundred and twenty-six feet, a stake; thence north one-half degree west one hundred and twelve feet, a stake the southeast corner of a six and eight hundred and twenty-three one-thousandths-acre tract of land out of said David Cook Survey, deeded to the Defense Plant Corporation by the Globe Aircraft Corp. on the 20th day of April 1942, said deed being on record in volume 1,530, page 357, Deed Records of Tarrant County, Tex.; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence with the center of said road north eighty-eight degrees fifty minutes west one thousand one hundred and seventy-seven feet; south eighty-four degrees no minutes west one hundred and thirty-five feet; south seventy-two degrees no minutes west eight hundred feet; thence south three-fourths degree east with fence line two thousand one hundred and ninety feet; thence west with fence line two hundred and sixteen feet; thence south one-fourth degree east with fence line two thousand and seventy-four feet, a post in the east line of the Fort Worth and Denver City Railroad right-of-way; thence south thirty-seven degrees east with said right-of-way five hundred and eighty-three feet to the center of the Cantrell-Sansom Road in the south line of the David Cook Survey; thence east with the center of said road nine hundred and forty-two feet to the place of beginning.

(17) The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works Agency for the use of the Public Buildings Administration the following described land, together with the improvements thereon:

All that certain lot, piece, or parcel of ground, situated in the second ward of the city of Pittsburgh, county of Allegheny, and State of Pennsylvania, together with the appurtenances, bounded and described as follows, to wit: Beginning at the corner of Ninth Street (formerly Anderson Street and before that Hand Street) and Liberty Avenue; thence northerly by Ninth Street one hundred twelve and one-half feet to an alley; thence at right angles with the last line by said alley westwardly thirty-six feet eight inches to a point in a party wall; thence by a line in said party wall, parallel with Ninth Street, southwardly one hundred twelve and one-half feet to Liberty Avenue; thence eastwardly by the same avenue thirty-six feet eight inches to Ninth Street at the place of beginning.

(b) In the case of any real property transferred to the Federal Works Agency for the use of the Public Buildings Administration, pursuant to this section, by a corporation, all of the capital stock of which is owned or controlled directly or indirectly by the Government, a conveyance to the United States of America, without representation or warranty, of all right, title, and interest of such corporation therein shall be made, and thereupon the Secretary of the Treasury is authorized and directed to cancel notes or otherwise discharge the indebtedness to the Treasury of such corporation in an amount equal to the fair market value of the property at the time of the transfer of jurisdiction and control to the Federal Works Agency, which fair market value shall be determined by the Federal Works Administrator and the head of such Corporation: *Provided, however,* That in the event the Federal Works Administrator and the head of such Corporation shall fail to agree, the fair market value of such property shall be determined by the Secretary of the Treasury.

SEC. 206. The Federal Works Administrator is hereby authorized to assume permanent custody and control for the use of the Public Roads Administration, without reimbursement, the property located within the area known as Vancouver Barracks, in Vancouver, Wash., consisting of two buildings numbered 689 and 698, and five and three-tenths acres, more or less, of land described as follows:

Beginning at a point on the east line of West Reserve Street and the north line of East Fifth Street in the southeast quarter of section 27, township 2 north, range 1 east, Willamette meridian, in the city of Vancouver, county of Clark, State of Washington, which point is a bronze disk monument, said point being north twenty-two degrees thirty-seven minutes east, a distance of one thousand four hundred and seventy-four and seven-tenths feet; thence south eighty-three degrees ten minutes east, a distance of exactly forty-eight feet from the southeast corner of Amos Short donation land claim; thence north twenty-two degrees thirty-seven minutes east, a distance of two hundred and sixty-eight and three-tenths feet; thence south eighty-three degrees ten minutes east, a distance of eight hundred and sixty and six-tenths feet; thence south twenty degrees seventeen minutes west, a distance of two hundred and seventy-eight and eight-tenths feet; thence north eighty-five degrees twelve minutes west, a distance of exactly seventy-three feet; thence north eighty-three degrees ten minutes west a distance of two hundred and eight-four and five-tenths feet; thence north sixty-eight degrees twenty-three minutes west, a distance of sixty-one and five-tenths feet; thence north eighty-three degrees ten minutes west, a distance of four hundred and fifty-one and nine-tenths feet to the point of beginning.

TITLE III—IMPROVEMENT OF EXISTING BUILDINGS

SEC. 301. The Commissioner of Public Buildings is authorized to formulate, undertake, and prosecute a program for the renovation and improvement of federally owned buildings outside the District of Columbia for which funds are not otherwise available, including appurtenances and approaches thereto, that are under the control of the Public Buildings Administration for repair and preservation: *Provided,* That where necessary or desirable in carrying out the program herein authorized, additional land may be acquired to accommodate equipment or special appliances and devices proposed to be installed or to provide working areas to accomplish the objectives sought in this title: *Provided further,* That no project, the estimated cost of which is less than $25,000, shall be deemed to be eligible for the program authorized by this title.

SEC. 302. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $30,000,000 to remain available until expended.

TITLE IV—MISCELLANEOUS AND GENERAL PROVISIONS

SEC. 401. (a) In addition to the authority conferred upon him by any other law the Commissioner of Public Buildings, whenever he deems it desirable or advantageous, is authorized to employ, by contract or otherwise, and without regard to the Classification Act of 1923, as amended, or to the civil-service laws, rules, and regulations or to section 3709 of the Revised Statutes, the services of established architectural or other professional or technical corporations, firms, or individuals, to such extent as he may require for any public building project which the Public Buildings Administration is authorized by Congress to construct, or for any such project, funds for which are transferred by another agency to the Public Buildings Administration for construction of the project, regardless of specific legislation governing such other agency: *Provided,* That this authorization shall not apply to the employment of such corporations, firms, or individuals on a permanent basis, but their services shall be limited to the individual project for which employed: *Provided further,* That nothing contained in this section shall relieve the Commissioner of Public Buildings or any other duly authorized contracting officer of the Public Buildings Administration who shall execute a construction contract from the responsibility of interpreting such contract, of passing on the acceptability of materials and workmanship supplied pursuant to such contract, of approving changes in such contract during the construction period, of certifying vouchers for payments becoming due the contractor, or of effecting final settlement of the contract.

(b) The Commissioner of Public Buildings is hereby authorized, whenever he deems it to be in the public interest, to hold a competition for the design of any project, to stipulate the terms, scope, and the conditions of each such competition and to make awards in pursuance thereof.

SEC. 402. The third paragraph of section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), as amended, is hereby deleted and the following is hereby substituted therefor:

"With respect to sites or additions to sites acquired under this act, the Commissioner of Public Buildings is hereby authorized, in his discretion to rent, until they are needed for construction purposes, such sites or additions to sites and any improvements located thereon not reserved by the vendors, at a fair rental value and upon such terms and conditions as he may deem to be in the public interest. Such rentals may be deposited into a common fund account or accounts in the Treasury, and notwithstanding the provisions of the act of June 30, 1932 (40 U. S. C. 303b), shall be available to pay the cost of such maintenance, repair, and alterations of any improvements located on such sites or additions to sites as is necessary to keep them in rentable condition and for the establishment of necessary reserves therefor: *Provided,* That except for such necessary reserves, as determined by the Commissioner, the unobligated balances of rentals so deposited into the Treasury shall be covered at the end of each fiscal year into miscellaneous receipts: *Provided further,* That with respect to improvements on such sites or additions to sites which are suitable for residential purposes only and the estimated annual rentals of which will not exceed $1,200, the Commissioner may enter into leases without regard to the provisions of section 3709 of the Revised Statutes, as amended."

SEC. 403. Section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), is hereby amended to delete the following words which appear at the end of the last paragraph thereof: "and to charge against the total sum of $150,000,000 hereinbefore authorized only the respective net excess cost, if any, over and above the proceeds of such sales, or providing such new sites and buildings", and after the words "miscellaneous receipts" change the comma to a period.

SEC. 404. The Federal Works Administrator, together with the Postmaster General where his office is concerned, is authorized to accept on behalf of the United States unconditional gifts of real, personal, or other property in aid of any project or function within their respective jurisdictions.

SEC. 405. The provisions of section 601 of the Economy Act, approved June 30, 1932, as amended, are hereby extended to authorize the Public Buildings Administration to furnish services in the continental United States, on the basis of full reimbursement, at the request of the State Department, to any international body with which the United States Government is affiliated.

SEC. 406. The Commissioner of Public Buildings is authorized to contract for seeding, planting, or landscaping the grounds of any public building constructed or acquired by the Public Buildings Administration in an amount not exceeding $1,800, without reference to section 3709 of the Revised Statutes.

SEC. 407. The Commissioner of Public Buildings is authorized to procure space in the District of Columbia by lease, upon such terms and for such period, not in excess of 1 year, as he may deem in the public interest, for the housing of any Federal agency or agencies, except the Post Office Department, and to assign and reassign such space. As used in this section, the term "Federal Agency" means any executive department (except the Post Office Department), independent establishment, commission, board, bureau, in the executive branch, or other agency of the United States, including wholly owned Government corporations.

SEC. 408. The Federal Works Administrator is hereby authorized to enter into such agreements with the city of Chicago, Ill., as he shall deem necessary and in the public interest, in connection with the construction by the said city of a superhighway through the Congress Street Post Office located in said city. For the purposes of this section, there is hereby authorized to be appropriated such sum as shall be necessary to defray such cost, if any, which said Administrator shall determine should be borne by the United States as an incident to the construction by the said city of the superhighway through said post office.

SEC. 409. The Federal Works Administrator and the Postmaster General shall submit to the Congress promptly after the convening of each new Congress reports showing the location and the approximate accommodations of such public building projects throughout the United States, its Territories and possessions, as they shall find eligible to be constructed in accordance with applicable statutory provisions. Such reports shall indicate the limit of cost of each project when in excess of $200,000. When the estimated cost of a project does not exceed $200,000, the limit of cost shall be determined by the Commissioner of Public Buildings. The report herein provided for shall supersede the report required by the Public Buildings Act of 1926 (44 Stat. 630, as amended).

SEC. 410. The Federal Works Administrator, with the approval of the Bureau of the Budget, is authorized, notwithstanding any other provision of law, to change or rechange the name or designation of any building in the custody and jurisdiction of the Federal Works Agency.

SEC. 411. All acts and parts of acts inconsistent or in conflict with the foregoing provisions are hereby repealed to the extent of such inconsistency or conflict.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent the proceedings by which the bill (H. R. 3662) was passed were vacated and that bill was laid upon the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this bill may have permission to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file a conference report and statement.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

COWPENS BATTLEGROUND AS A NATIONAL MILITARY PARK

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, I respectfully call attention to a bill now pending before the Committee on Public Lands designated as H. R. 2846.

This measure would authorize the purchase and construction of a national military park near the town of Cowpens, S. C., in Spartanburg and Cherokee Counties, where the Battle of Cowpens was fought.

The Battle of the Cowpens, which is proposed to be commemorated by the establishment of a national military park, was a turning point in our war for independence. The numbers involved in this historic conflict seem indeed small, by modern standards, but the effect of the victory which these brave men won was prodigious. Had it not been for this battle and the Battle of Kings Mountain, which preceded it in the same area, the southern colonies would have been lost to the patriot cause, and in all probability the States of North Carolina, South Carolina, and Georgia, with probably the rest of the South as well, would never have been part of the United States of America, and American history would have had to be written in very different terms. We owe it to ourselves and to our posterity to see that the memory of the Cowpens battle be cherished, that the site of the Cowpens battle be honored, and that the traditions of Morgan and Howard and Pickens and the hardy Continentals and militiamen from the Carolinas and Maryland and Delaware, who won this victory, remain forever to enrich our American story.

It was indeed one of the darkest hours of our revolution, the only hope on the horizon at the time being the prospect, though not yet the actuality, of French aid. The British held the entire eastern seaboard from Halifax to Savannah. Their control of Virginia and North Carolina was not yet consolidated, but they had Georgia. Charleston had been captured and British reinforcements were headed south by land and sea. The British plan was to complete the conquest of South Carolina, then to do the same to North Carolina, and then to join arms and fleet with forces moving down the Chesapeake.

In August 1780, the staggering news came to the Continentals that General Gates had been disastrously defeated at Camden, S. C. In that battle the Americans had suffered the loss of Gen. Baron DeKalb, who was killed, General Rutherford and a thousand more killed or wounded, and 800 men taken prisoners, along with valuable cannon and stores and wagons. Lord Cornwallis, the British commander, wrote:

> There never was a more complete victory.

It seemed to assure final British control of the State. A few days later the Americans lost 800 more men under Sumter, in a surprise attack on the latter by Tarleton, though Sumter himself escaped. With the loss of South Carolina to the patriot cause, it seemed inevitable that North Carolina and Georgia—everything south of Virginia, in short—would go too.

Such news was coming to General Washington in the north at the same time that the story of Arnold's treason broke. No wonder Washington wrote:

> We are tottering on the brink of a precipice.

Yet the great leader never lost faith. Now he took prompt action. In spite of his even more pressing problems in the north, and with the approval of Congress, he sent his own second in command and ablest commander, Gen. Nathaniel Greene, to replace Gates in the south, for the over-all direction of the campaign there. Greene was a level-headed Yankee. He made his way south slowly, stopping at Philadelphia to confer with Congress, and in several States along the way, to secure supplies and transportation. He particularly wanted to build up a mobile force of cavalry and mounted infantry. Finally he set up his headquarters at Charlotte Town, now Charlotte, near the South Carolina border. He found the situation among the

remnants of the Southern force discouraging indeed.

Nothing—

He wrote to Washington—

can be more wretched and distressing than the conditon of the troops, starving, with cold and hunger, without tents and equipage. Those of the Virginia line are literally naked, and a great part totally unfit for any kind of duty, and must remain so until clothing can be had from the northward.

The first break in the situation had already occurred with the American victory at King's Mountain on October 7, 1780. The place was on the South Carolina side of the border. In that battle the British Lieutenant Colonel Ferguson, with some 1,000 men, mostly Tory militia, were annihilated. The most remarkable thing about this battle, which was the outstanding victory of the Americans in 1780, was that the victory was won, not by organized troops, Continental or militia, but by sharpshooting backwoodsmen from the mountains, who knew little and probably cared little about the war as a whole, but were exasperated by the harshness and cruelty of the British and their Tory sympathizers in their own section of the country. The victory at King's Mountain brought cheer to the American cause, and prevented Cornwallis from carrying out his plan to advance into North Carolina. It was the subsequent Battle of the Cowpens which clinched the situation. This battle took place on January 17, 1781, in the same general area as King's Mountain.

From his headquarters at Charlotte, Greene had sent out Gen. Daniel Morgan to harass the enemy and interrupt his supplies. Morgan was given a fairly free hand to determine his own objectives and movements as he was to operate far from headquarters, but was told to govern himself with extreme caution, an order to which he did not apparently give too much heed or he would never have fought the Battle of Cowpens. He had only a small force.. Its nucleus was 320 men detached from the Maryland line, which included some troops from Delaware; these were Continentals, the nearest approach to regulars which the American Army had. Morgan had also a detachment of Virginia militia, who were fairly experienced troops. There was also with him Lt. Col. William Augustine Washington's regiment of light horse cavalry, consisting of between 60 and 100 mounted men. Other militia groups came in to join Morgan as time went on. On the day of the battle Morgan seems to have had something over 1,000 men in all.

Cornwallis' strategy at this time was to try to get between Greene and Virginia. To do this he had, among other things, to get Morgan out of the way, for Morgan was not only being a nuisance but was actively threatening an important British base position at a place called Ninety Six. Cornwallis sent out Lieutenant Colonel Tarleton, with a force of about 1,000 men to stop Morgan. Most of Tarleton's troops were British regulars, though there were with him also some Tory militia. He had a substantial number of dragoons, or mounted regulars, and two cannon. In every respect his force was stronger, better disciplined and better equipped, than Morgan's, though of approximately the same size. His superiority in cavalry, so important in this type of mobile warfare, was very pronounced.

The time came when Tarleton thought he had an opportunity to trap Morgan; he had learned that Morgan was encamped with his back to the Broad River. Two days earlier, his men pressing hard on Morgan's heels, he had come upon a camp where there were long huts with a plentiful supply of half-cooked provisions, which the Americans had left behind that very day in their haste. This was the 15th of January.

On the 16th, Morgan was encamped in a place known as The Cowpens, on the road from Spartanburg into North Carolina. Here he decided to make his stand. The camp was in a wooded ravine having a stream of water running through it. The ground was slightly undulating, covered with scattered trees of red oak, hickory, and pine, but without underbrush which would have been useful for cover. For about 300 yards in front of the main position, there is a gradual declivity, with 400 yards farther on a steeper grade leading into a ravine. Behind the main position was a slightly higher eminence. Neither of the two ravines offered serious interference with the movement of troops. It was indeed a favorable terrain for mounted troops, in which the British were superior. Nevertheless, arriving here on the 16th, Morgan prepared for the attack.

Morgan's plans for battle were careful, but in the judgment of competent military historians—very unusual. His best troops were the Continentals from Maryland and Delaware, together with some experienced Virginia militia. They were to bear the main thrust of the attack, and were posted in the central position, under Colonel Howard. Some distance in front of them and separated into two divisions, one on each flank, were the militia from the Carolinas and Georgia under Pickens. They were inexperienced and it was not expected that they could stand for long. Their orders were to fire a few volleys as the British should advance, then retire to the rear in good order, then re-form and take part in the later stages of the battle as needed. A few patrols were sent out far in front to watch for the British approach. Morgan had also a third force, Col. William Washington's 80 dragoons, augmented by 45 mounted militiamen who had been found able both to ride and to shoot. These General Morgan posted in the rear, far enough away to escape hostile observation, and near enough to make a cavalry charge if a favorable opportunity should occur.

All Morgan's men had breakfasted and rested.

Meanwhile, Tarleton had broken his camp at 3 a. m., eager to catch the supposedly retreating Americans before they could reach the Broad River or while they were crossing it. As he came on he learned of the American deployment from captured outposts. It seemed a good place for a full attack. He knew the American militia could not meet his trained regulars on equal terms, and that they had only about 500 Continentals and experienced troops. He was superior in cavalry. The terrain was not unfavorable. Once beaten back, the Americans would be forced to the banks of the Broad, and at his mercy.

By 8 a. m., Tarleton's deployment was completed. He had his light infantry on his right, his two cannon in the center, and the Seventh Regiment of Regulars on his left. He had 50 dragoons protecting each flank. In his reserve at the rear, he had a battalion of infantry and 200 cavalry.

At the onset of the battle, the British line advanced with the greatest impetuosity, shouting as they advanced. The American militia in their front lines yelled Indian war cries, but, obedient to orders, withheld their fire until the enemy closed to effective rifle range. Then, after firing their volleys, they retreated, according to plan, but in good order. The British, though suffering somewhat from the initial fire, continued to advance until they reached the zone of fire of the American Continentals and the Virginia militia—Howard's central group. There was slaughter on both sides. The British advance was temporarily checked.

Tarleton now sent his dragoons around the right flank, to harass the retreating American militia. Also he brought forward his reserve. Then his line moved forward again. He had about 750 men in line, with two cannon against Howard's 450 men with no cannon.

Washington's cavalry now countercharged.

At this point Howard saw that Tarleton, by bringing up his reserve, had left his right flank exposed, and ordered a shift in position to take advantage of that fact.

This move had an unexpected result. The shift of position caused some confusion among the Americans. There was a misunderstanding, and Howard's officers, seeing the movement, thought orders must have been given for a retreat and started to move their men off. Morgan came riding over to see what was happening. Howard said, "Men are not beaten who retreat in that order." Morgan then, instead of countermanding the retirement, ordered it continued until the higher ground in the rear could be reached.

Analysts of the battle think the misunderstanding was a fortunate error, and that Howard's units would have been beaten if they had stayed where they were.

This retirement served to convince the British, however, that they had practically won the battle. Their infantry now stopped shooting, fixed bayonets, and began a charge against the retreating Americans. Their cavalry, on their right, began to move. Not more than 30 yards separated the charging British regulars from the retreating Americans, when the latter unexpectedly halted, changed front, and, now facing the British, shot a deadly volley into their ranks. The latter were stopped in their tracks; all was confusion for a moment. Howard, seizing this moment, ordered his line to charge bayonets. In the face of this unexpected development, the British fled in

disorder, leaving their field pieces behind them. Their infantry could not be induced to advance again. Their cavalry, who had been just about to strike, were now seized by the same panic. A general flight ensued. The battle was won.

Tarleton himself rallied 14 officers and 40 horsemen, to make a stand against Washington's cavalry, but the contest was now hopeless. Tarleton fled the field.

The battle took 50 minutes in all.

Its effects were very great.

The effect at the time—

Says the military historian who studied this operation for the Army War College some years ago—

was to hearten greatly the patriotic cause and to distress the British Army and their Tory sympathizers beyond measure. It was the second link in the chain of events, soon to be followed by others, which led to the surrender of Cornwallis' army at Yorktown.

There was, however, another effect, of great magnitude, which is less well known. Prior to King's Mountain and Cowpens, according to substantial reports, the British were about ready to yield independence to the 10 Northern colonies, confident that they could hold the Carolinas and Georgia. To these they would add east Florida, the West Indies, and the Bahamas, and develop a new colonial empire. Had this possibility not been shattered at King's Mountain and Cowpens, the southern colonies might well have remained, perhaps to this day, part of the British Empire and not of the American Union.

The deliverance was gained by brave men from those States, joined by others from Virginia, Maryland and Delaware. There were great names, too; Morgan the Jerseyman who later became a Member of Congress from Virginia, William Augustine Washington, Pickens, celebrated in South Carolina, and Howard, a name dear to Marylanders. The battle is a symbol of American unity in gaining our independence. Surely these brave men, and their actions during the historic 50 minutes on January 17, 1781, and the ground where the blood of liberty was shed, deserve the affectionate memory of the Republic.

I respectfully urge the committee to proceed with hearings on this too long delayed matter to the end that Congress may have an opportunity to grant the authority and provide the necessary funds for a national military park.

ANNOUNCEMENT

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, I take this opportunity to announce that our colleague the gentleman from Ohio [Mr. SECREST] will deliver a radio talk tonight on the subject, Old-Age Security, over the ABC national radio network originating in Washington from local radio station WMAL at 5:45 p. m.

I know this important problem of a comprehensive old-age pension program is of deep interest and concern to many Members, and I hope as many as possible will avail themselves of this opportunity to hear what is going to be an excellent talk by BOB SECREST this evening.

HOUR OF MEETING TOMORROW

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. WHITTINGTON. Mr. Speaker, reserving the right to object, what about the committees?

The SPEAKER. The committees cannot meet because a bill will be read for amendment.

Mr. WHITTINGTON. There will be a vote on the amendments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

UNEMPLOYED ENTITLED TO PROTECTION WHEN THEY FIND JOBS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, on Wednesday, May 18, 1949, the gentleman from Connecticut [Mr. PATTERSON] called the attention of the House to the fact that—

In Connecticut alone almost 100,000 of our people are seeking work to keep themselves and their families in the necessities of life. Thousands have used up their total benefits under unemployment compensation, with no relief in sight. Our communities cannot absorb the welfare load being placed upon local agencies, but no solution is being proposed by the administration.

The gentleman from Connecticut [Mr. LODGE] said:

The latest information which I have is that there are some 13,000 unemployed in the city of Bridgeport.

Then the gentleman from Connecticut [Mr. PATTERSON] added:

In Waterbury, Conn., there are at least 10,500 unemployed at this time. That is not a true picture, because there are a great many who are working only 1 day a week.

On the same day, in the other body, attention was called to the fact that unemployment is increasing.

Over the years, from the floor of the House, in committee room, and elsewhere, attention has been called by me to the fact that certain union officials are responsible for the loss of many jobs, for the fact that hundreds of thousands who have jobs are, for varying periods of time and at the loss of millions of dollars in wages, denied the opportunity to work at the jobs which are available.

On May 16, 1949, from the well of the House, the gentleman from Ohio [Mr. HAYS], in his remarks on the $3,000 additional clerk hire just allowed to Congressmen, and which I criticized, said, and I quote:

I would say to the gentleman from Michigan that since there has not been any opportunity to do any labor-baiting here lately, this bill that passed the House last Thursday gave him a chance for a little publicity.

During the 14 years I have been here, I have never questioned the ability, the judgment, or the motive of any of my colleagues; nor do I propose to vary that practice and do so at this time.

Fairness, however, requires that I do say to the gentleman from Ohio [Mr. HAYS] that there are various opinions as to the justice of a policy which I condemn. That policy sanctions or approves of unlawful activities on a picket line which prevent men and women who desire to work and who have jobs at pay with which they are satisfied going to and from their work. Condemnation of such a policy is not labor-baiting.

It is my contention that the Taft-Hartley Act carries provisions protecting individual workers from labor goon-squads; from the political activities of certain labor leaders; from being the victims of the schemes of certain Communists who have infiltrated into labor unions and who hold positions of trust.

That Communists have infiltrated into even the CIO is evident to everyone familiar with that organization. All one needs to do is to read the papers of May 18, 19, and 20 to note that Philip Murray and his supporters in the CIO are today here in Washington making a fight against the Communist-controlled unions in the CIO.

It has been my privilege to fight the Communists in these organizations during the years that Phil Murray and his organization were harboring them and backing them in their unlawful activities.

It is my hope that Phil Murray, Emil Mazey, and Walter Reuther will sometime get around to publicly condemn the goon-squads of their union, which follow the Communist procedure.

I say to the gentleman from Ohio [Mr. HAYS] that I am not a labor-baiter; that there is nothing in my record which so indicates, any more than there is, so far as I know, anything in his record to show that he is the supporter of the goon-squads, an advocate of mob violence. And I am not, directly or indirectly, charging him with being an instigator or a supporter of union-inspired rioting, defiance of court orders, or of mob violence.

Nor has he any justifiable foundation for his insinuation that, in calling attention to the passage of this $3,000 additional clerk allowance for Congressmen, I was seeking publicity, or in intimating that I had any desire to do any labor baiting.

His unjust insinuation as to my motives will not for one moment prevent me from calling attention to the fact that the opponents of the Taft-Hartley Act are, in my humble opinion, depriving not only nonunion men but employees who belong to unions of the protection which that act seeks to give them—of their right to work.

From the press we learn that at Bendix, in South Bend, Ind., some seventy-odd employees who had a dispute with the company went on strike. The CIO walked out, with resulting loss of employment to some 7,000 South Bend employees. The Packard Motor Co., the Hudson Co., and General Motors, who were supplied with certain parts by Bendix, were forced to curtail their operations, and some 65,000 employees in Michigan were out of their jobs.

They were out of jobs. Why? Because, instead of using the machinery available under the Taft-Hartley Act and the laws of the State of Indiana, the seventy-odd employees and their union chose unlawfully to defy injunctions issued by State and Federal courts and prevent the removal of dies belonging to the three Michigan corporations.

Perhaps the gentleman from Ohio [Mr. HAYS] thinks he is the champion of labor when he does not condemn a policy which permits a few men to deprive thousands of their pay checks.

In Detroit, because one local union charged a speed-up in two Ford plants, the CIO goes on strike and a hundred thousand are unemployed.

The Detroit Free Press of Tuesday, May 17, tells us that the Ford strike will shut down that night all but one of the company's assembly plants, when 675 workers at the Los Angeles Lincoln-Mercury assembly plant will be laid off.

Monday 990 workers at the Long Beach plant and 1,080 at the Richmond, Calif., plant were out of jobs.

Fifteen other plants, at Atlanta, Buffalo, Chester, Pa., Chicago, Dallas, Dearborn, Norfolk, Richmond, Somerville, Mass., Memphis, and Twin Cities, St. Louis, Los Angeles, Metuchen, N. J., and Highland Park, have closed.

Under the contracts with some 6,500 to 7,000 suppliers, deliveries will cease.

At the Rouge plant alone there is a turn-over of 600 freight carloads a day, and there are thousands of trucks delivering material and taking away the finished product each day. All that activity is at an end because of the strike.

In addition, trucks, trailers, and haulaways serve the company's 7,200 Ford, Lincoln, Mercury, and Ford tractor dealers. That work ends. The men are without jobs.

One hundred and six thousand workers of Ford and about 70,000 employees of dealers are all affected by this strike.

When Mr. Thompson and Mr. Reuther insist upon carrying on this strike, reject the Ford offer to re-open all plants except the two where the actual claimed grievance exists, they are assuming a big responsibility, and the question of whether they are wisely representing the employees who are out of work because of the strike is open to serious argument.

Especially is this true when it is learned that Ford's suppliers will be losing business worth $4,000,000 a day, and that Ford's own payroll is more than a million dollars a day, and that there will be a production loss of from 10,000 to 12,000 units a day in cars, trucks, busses and tractors.

In the Fourth Congressional District, men employed by Ford suppliers are being laid off.

And do not think for one moment that this loss of income, this loss of business, does not affect the corner groceryman—in fact, every businessman in every town where the Ford Co. does business or has business connections.

Ford in the beginning claimed that the contract with the union provided for arbitration but Mr. Reuther and the CIO refused to leave the issue as to whether there is or is not a speed-up to an arbitrator.

The power of a union which may be exerted through a strike is unbelievable, and this Nation needs labor legislation which will make it impossible for one man or for a small group of men, through a labor union or any other organization, to injuriously affect the lives of hundreds of thousands of individuals.

Certainly, it is difficult to understand why a dispute—whether there is or is not a contract which provides for its settlement but which concededly affects but a few hundred employees—should be permitted to deprive thousands—yes, perhaps hundreds of thousands—of their opportunity to continue to earn a livelihood.

The CIO insists not only upon the right of its employees to quit work, which concededly they have, but it insists that thousands of others must quit work, cease to do business, until the demands of the few are met.

It not only insists upon the right to cease work, that is, to strike, but it insists that no one else shall be employed to do the work which the strikers refuse to do.

Just how long will the country and the Congress agree with organized labor's position that, until its demands—rightly or wrongly made—are met, no one will be permitted to work in the struck plant or in any plant affiliated with the struck plant?

Is the Congress to permit Mr. Reuther, Mr. Murray, or anyone else who is in a position of power in organized labor, to be a dictator?

This Ford strike may, like the Lewis coal strike, become one of national concern.

The acting executive director of the Michigan Unemployment Compensation Commission, wires me as follows:

> The Michigan Unemployment Compensation Commission, operating near peak load, with impact of Ford strike unemployment yet to be absorbed, is in critical need of operating funds. Passage of the deficiency appropriation bill, now in conference committee, is imperative to provide us with needed administrative funds. Present allotment will be exhausted prior to May 31. May we urgently request your cooperation in aiding passage of this bill?

His wire calls attention to the misery and the suffering which is occasioned because the workers at this Ford plant refuse to arbitrate their grievance under the terms of the existing contract which they have with the company.

The mayor of Dearborn, Mich., which exists primarily because within it are located some of the Ford activities, sends out a circular, copy of a letter directed to Governor Williams of Michigan, under date of May 6, 1949, which reads as follows:

> Unless the Ford strike is sooner settled, you are respectfully requested to attend a meeting in my office in the Dearborn City Hall at 3 o'clock Thursday afternoon, May 12, 1949, for the purpose of making a supreme civic effort to get the 65,000 Ford employees back to work without starving them into submission.
>
> From my investigation, it appears clear to me that this strike is a result of Ford stubbornness to practice a little "human engineering." The evidence from the city's recent purchase of 18 new Ford cars indicates that at least there is a speed-up in the final assembly of Ford cars.
>
> Dearborn's superintendent of motor transport, Mr. William Hill, himself 20 years a Ford employee, reports to me that every nut on nearly every bolt on every one of the city's new 18 Ford cars had to be tightened before the cars were put in service, and that when he checked to learn why these cars were turned out in such an unsafe condition, he was advised by supervisors and production-line workers that men are rushed so fast on the assembly job that they do not have time to tighten up all nuts and bolts.
>
> Mr. Hill also reports that every fuel pump on every one of the city's new 18 Ford cars needed tightening when they were delivered, and on the first run of the city's new Ford ambulance, carrying a patient to the Ford Hospital, the fuel pump fell right off. His report also shows that every one of the new 18 Ford cars had leaky windshields.
>
> Mr. Hill reports that on the recent purchase of a new 3-ton Ford truck, it took two mechanics 6 hours to put it in running condition. Before it was ever driven by the city, the needle valve and float level on the carburetor had to be changed, and there were no washers at all under the oil filter connection to the engine head.
>
> The great Ford Motor Co. was founded and established by mechanics and was the world's foremost pioneer in paying workers a living wage, and the grandson of the man who revolutionized industry by such methods should personally and courageously shoulder his tremendous responsibility to the public and the Ford workers to see that they have decent and peaceful working conditions and not let a bunch of FBI quiz kids rob Ford of that priceless place in history.
>
> The way for young Henry to actually learn whether there is a production speed up, dangerous both to human beings and the public safety, is to slip on a pair of his grandfather's working pants and get out on the production line for a few days once in a while.
>
> Your presence at the meeting next Thursday afternoon will serve both the public interest and the interest of the Ford workers, and I hope you will make every effort to come.
>
> With kind regards and my very best of good wishes, I remain.
>
> Cordially and sincerely,
>
> ORVILLE L. HUBBARD.

We have all heard of the bird which fouls its own nest, but not often do we hear of the mayor of a city who will publicly broadcast a complaint against the merchandise manufactured therein, the natural effect of which would be to curtail the production of the city's chief industry.

The defects in the Ford cars of which Mayor Hubbard so painstakingly complains may be due not to any speed-up but to the carelessness of the employees. Featherbedding and the deliberate failure to render a dollar's worth of service

for a dollar's pay is not a new procedure in union activities.

Is it possible that Mayor Hubbard, of Dearborn, wants to give the public the general impression that, instead of purchasing Ford cars, they should buy some other make?

Does Mr. Hubbard think that he is promoting the welfare of either his city or of those who reside therein by deliberately putting out propaganda the principal result of which would be to injure the sale of Ford cars?

I just wonder what Mr. Hubbard would be mayor of if Henry Ford decided to take a few of his millions, a long vacation, sell the Ford industries for junk.

Mr. Hubbard advises "young Henry," as he calls him, to put on a pair of overalls and go to work on the assembly line to learn whether there is a speed-up. Now, that is good advice, and it may not be out of place to suggest that Mr. Hubbard start to operate a motor plant and learn just what it takes to successfully build and sell a car, meet a pay roll.

The current press shows that the pickets in the Bendix, South Bend, plant are armed with baseball bats; that they are defying not only the State court's injunction but the injunction of the United States court.

If the Detroit strike follows the usual course of Detroit strikes, we can anticipate violence and defiance of court orders there. Especially will violence come if Emil Mazey, secretary-treasurer of the UAW-CIO, follows a policy which he has advocated in other Michigan strikes.

The UAW-CIO is calling upon the Federal Government to intervene. Hearings held by subcommittees of the House Labor Committee in 1947 demonstrated that, when the Federal mediators came into a strike, they frequently put the heat on the employer and gave the employer to understand that, if he did not make concessions to the union, and rioting and bloodshed under union leadership resulted, the company would be responsible.

But it is nothing new for the Federal Government to take the part of union leaders in labor disputes.

As long ago as when the Senate Civil Liberties Committee, under the leadership of young Bob La Follette, was wetnursing the CIO, raiding the AFL, that committee permitted union organizers to masquerade under its banner, operate behind the front of the committee. That, too, is a matter of record.

To give you some idea of Emil Mazey's tactics, let me quote, not the views of someone who has observed his conduct, but from his own testimony.

Mr. Mazey has been arrested many times in connection with his activities during strikes, but he was never convicted. Mazey seems to be one of those smart, astute, influential individuals who hovers around the outskirts of picket lines, rioting, and mob violence, but who is very careful not to personally take any active part therein. Apparently he stays back on safe ground. It is just as apparent, however, that he has the will to cause trouble.

There was a strike of Local 608, UAW-CIO, in 1947 at Clinton, Mich. Clinton is a town of some 1,600 people. There was an apparently successful back-to-work movement. So Mr. Mazey, who was then at Detroit, Mich., moved in. He was then a member of the executive board of the UAW-CIO, a regional director in Detroit.

Clinton, something less than a hundred miles from Detroit, was under his jurisdiction.

Mazey had been operating sound trucks, in connection with union activities and picket lines, for some 13 years.

When it was apparent that at Clinton the back-to-work movement was about to be successful, the strike a failure, Mr. Mazey went to Clinton, leading some 400 Detroit pickets into that small town, where there had gathered several thousand pickets.

Then, over the loud speaker, Mr. Mazey—and this he admitted under oath—told the assembled pickets, the employees who were in the factory, the employees who were trying to get in, and the assembled townspeople, that "we are going to demonstrate to employers in small towns that they are not going to push our workers around."

No one had been pushing his workers, that is, his pickets, around, except as they, by force, tried, in violation of the State law, to prevent employees going to and from their jobs.

Mr. Mazey's sworn testimony shows that he proposed to demonstrate to the people of Clinton and of other communities in Michigan that, if industrial plants were not closed when the CIO struck a plant, they would bring in sufficient pickets and goon squads, flying squadrons of the CIO, to by force win the strike.

At Clinton, as at other places where the CIO employed mass picket lines, the loudspeaker was used to voice profane and indecent threats; defenseless returning employees were beaten; property was destroyed, and civil strife grew until the State police were called and forced to restore order.

A typical example of how the CIO pickets proceed is that of the line of conduct followed by just one to whom now reference is made.

There was little violence in connection with the strike at Clinton until a majority of the regular employees, not approving of the strike, attempted to go back to work. This the picket lines by force attempted to prevent.

One who might be termed a professional picket, Mrs. Helen Louise Haughton, who lived in Bronson, Mich.—a lady who weighed 168 pounds—deliberately assaulted a 120-pound woman employee who was attempting to go to her work. It might be added that this same woman, Mrs. Haughton, traveled some sixty-odd miles west of Bronson to Dowagiac, Mich., where she again beat up a 100-pound woman worker.

Just how much Helen was encouraged by Mr. Mazey's oration over the loudspeaker we do not know.

In 1947 and 1948, in Ohio, in Michigan, there were, first, picket lines, then mass picket lines, then violence and rioting and defiance of court orders.

In the meat-packing industry, there were labor disputes and strikes in 20 States. Interstate commerce was obstructed. Court orders were defied. There was rioting, beatings, malicious destruction of property and kidnapings.

Subcommittee hearings of the House Committee on Education and Labor disclosed through sworn testimony that it was the usual and customary practice of the CIO and the UEW to, when peaceful picketing failed, resort to name-calling, the use of obscene and profane epithets; to mob violence and to rioting and to open defiance of the law of the land.

That the foregoing charges are true, one needs but to read the testimony of the hearings above referred to and which will be found in hearings before the Special Subcommittee of the House Committee on Education and Labor, Eightieth Congress; on labor-management disputes in Michigan, Indiana, Ohio, October 15, 16, 20, 21, 22, 23, 24, 28, 29, 30, and 31; November 14 and 19, 1947, Committee Report No. 6; on the Univis Lens Co. strike, Dayton, Ohio, August 2, 3, 5, 6, and 11, 1948, Committee Report No. 20; investigation of riot at Shakespeare Co., Kalamazoo, Mich., December 4, 6, 17, and 22, 1948, Committee Report No. 14; hearings, Subcommittee of the Committee on Expenditures in the Executive Departments, Eightieth Congress: Investigation as to the administration of the laws affecting labor disputes, interstate and foreign commerce and the antiracketeering statute, the interstate transportation of pickets, and the activities of the Department of Justice, in connection with strikes in the meat-packing industry in 20 States, May 20 and 21, 1948, House Report No. 2464, twenty-first intermediate report of the committee.

Last Monday, May 16, in a dissenting opinion filed by Mr. Justice Jackson, in a case involving the right to free speech, the Justice pointed out the danger of mob rule, the danger which exists when advocates of mass picketing take over the streets of a city and defy the law-enforcing officers.

Referring to a demonstration in Chicago which grew out of a public meeting held to condemn Communists and which, in turn, was picketed by another group which charged that the members of the first group were Fascists, Mr. Justice Jackson said:

> Each of these mass demonstrations has the potentiality, and more than a few the purpose, of disorder and violence. This technique appeals not to reason but to fears and mob spirit; each is a show of force designed to bully adversaries and to overawe the indifferent. We need not resort to speculation as to the purposes for which these tactics are calculated nor as to their consequences. Recent European history demonstrates both.
>
> Hitler summed up the strategy of the mass demonstration as used by both fascism and communism: "We should not work in secret conventicles but in mighty mass demonstrations, and it is not by dagger and poison or pistol that the road can be cleared for the movement *but by the conquest of the streets.* We must teach the Marxists that the future *master of the streets* is national socialism, just as it will some day be the master of the

state." (Emphasis supplied.) (1 Nazi Conspiracy and Aggression (GPO 1946) 204, 2 id. 140, Docs. 2760-PS, 404-PS, from Mein Kampf.) First laughed at as an extravagant figure of speech, the battle for the streets became a tragic reality when an organized Sturmabterlung began to give practical effect to its slogan that "possession of the streets is the key to power in the state." Ibid., also Doc. 2168-PS.

The present obstacle to mastery of the streets by either radical or reactionary mob movements is not the opposing minority. It is the authority of local governments which represent the free choice of democratic and law-abiding elements, of all shades of opinion but who, whatever their differences, submit them to free elections which register the results of their free discussion.

* * * * *

Rioting is a substantive evil, which I take it no one will deny that the State and the city have the right and the duty to prevent and punish.

* * * * *

Only recently this Court held that a State could punish as a breach of the peace use of epithets such as "damned racketeer" and "damned facists," addressed to only one person, an official, because likely to provoke the average person to retaliation. But these are mild in comparison to the epithets "slimy scum," "snakes," "bedbugs," and the like, which Terminiello hurled at an already inflamed mob of his adversaries. Mr. Justice Murphy, writing for a unanimous Court in *Chaplinsky* v. *New Hampshire* (315 U. S. 568, 571-572), said:

"There are certain well-defined and narrowly limited classes of speech, the prevention and punishment of which have never been thought to raise any constitutional problem. These include the lewd and obscene, the profane, the libelous, and the insulting or 'fighting' words—those which by their very utterance inflict injury or tend to incite an immediate breach of the peace. It has been well observed that such utterances are no essential part of any exposition of ideas, and are of such slight social value as a step to truth that any benefit that may be derived from them is clearly outweighed by the social interest in order and morality. 'Resort to epithets or personal abuse is not in any proper sense communication of information or opinion safeguarded by the Constitution, and its punishment as a criminal act would raise no question under that instrument' (*Cantwell* v. *Connecticut* (310 U. S. 296, 309-310))."

Some individuals assume, and without justification proclaim, that those of us who protest mob violence and rioting, defiance of the law and of court orders, in labor disputes are labor-baiters. That is faulty reasoning.

Neither unions, members of unions, nor their officers have any special privilege or license which permits them to disregard the laws which apply to others.

The essential provisions of the Taft-Hartley Act were designed to protect the public, employees who belong to unions and nonunion employees, who, after all, make up the overwhelming majority of our employable individuals.

No one would deny to employees the right to organize and bargain collectively. But no one, in my humble judgment, should concede the right of unions or any other group to deprive any individual of his right to work when he can obtain a job which is acceptable to him.

The inconsistency of those who so loudly proclaim their advocacy of the so-called civil-rights legislation is shown when they refuse to include in their bills any protection to the unorganized worker.

No, let me say to the gentleman from Ohio [Mr. HAYS], I am not a labor baiter, nor am I an advocate of the goon-squad, rioting, law-defying method of settling labor disputes.

May I suggest to those who charge that I am a labor baiter that they read the opinion of Mr. Justice Jackson on mob violence, found in the case of Arthur Terminiello against City of Chicago, decided on May 16, 1949, to which reference was just made.

Nor am I so lacking in moral courage that I will not, from the floor of the House, speak my convictions. Nor will I take orders from a so-called labor politician because he says he controls the votes in my district.

To show how some of the strikers feel about the situation, the attached from the Sunday, May 23, issue of the Detroit-News is printed:

SPEED-UP CHARGE UNION POLITICS, SAYS FORD DISCOURAGED PICKET

To the EDITOR:

I have before me statements of position from three of the parties involved in the Ford strike.

These statements are distressing because of the spirit of frustration and futility characterizing all three.

My boss, speaking for management, says, "We don't like it because we don't understand it."

My newspaper in an editorial, The Public Deserves Protection, laments the fact that effective rules have not been made into law to guard against or prevent suicidal clashes of wills for ends only to be won at a frightening cost.

My union official in the same issue, in the Public Letter Box, says, "Submitting this dispute to an arbiter is not the constructive solution to this problem. In fact, it is asinine even to suggest such a course."

Now that the company, the public, and union officials have had their say, what about us who have been forced on the picket line? Are not our interests involved and worth considering?

We cannot all speak with authority on the speed-up issue, because we do not all work at the place in question. But this we do know: Earlier in the year we received a leaflet entitled, "A Message to All Members of Local 600, UAW-CIO."

This message, dealing directly with the speed-up issue, says in part, "Since October of this year, you workers in the Rouge plant have been subjects of a high-powered, mimeographed leaflet campaign denouncing a new and sudden speed-up in the Rouge plant. It was organized, financed and continues to be promoted by an outside organization which is not in any way connected with our local union. This purely propaganda campaign is designed to undermine your confidence and respect in your local union and, in particular, your present local union officers."

That statement, not dated, was signed by the big four—Thompson, Romano, Hood, and Good—and five more union officials.

Immediately before the strike—the same week, in fact—two leaflets, both denouncing union officials for being so slow in calling a strike, were distributed at our place of work. A former athletic director of local 600 was active in the distribution of one of them.

The companion leaflet was signed, "Bill McKie, chairman," a former trustee of our local. Both these former officials have been removed from official position in the union for allegedly refusing to sign the anti-Communist affidavit ordered by the union.

If additional evidence is needed to establish the source and purpose of this speed-up propaganda, the reader is urged to study the tons upon tons of leaflets and pamphlets distributed in an effort to smear Walter Reuther with a pro-speed-up stigma ever since he determinedly tried to make UAW more American than his political opponents wanted it to be.

This documentary evidence is important because it establishes the fact that there is a dominant political angle to this speed-up issue.

It is also well established that the instigators of propaganda of this type are highly organized both within and without the union in factories all over the country.

The activities and methods used by this subversive element prove that it is desperately trying to gain control of our votes and our dues-dollars in order to gain its objectives, namely sabotaging American prosperity and way of life.

The injection of the speed-up issue at this time is, as always, an attempt to sabotage harmonious relations between employer and employees, but specifically it is a clear attempt to embarrass and hamstring union officials in the pending contract negotiations, and to stampede them into a course in which they would become the unwitting and unwilling tools of this perversive element and thus do its bidding.

The auto industry is definitely entering a buyer's market. Therefore production and wages lost by us at Ford's in this strike never can be regained, but will go to our competitors.

For us to sabotage production now to hurt our employer is the height of folly.

Who can think of anything more foolish than to drill holes in the bottom of a boat to drown our employer when we are all in the same boat with him?

DISCOURAGED PICKET.

EXTENSION OF REMARKS

Mr. YATES asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech which he delivered last Saturday evening.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a resolution and in the other an article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEEFE, until Friday, on account of official business.

To Mr. SMITH of Wisconsin (at the request of Mr. KEEFE), for 1 week, on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; to the Committee on Banking and Currency.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, May 24, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

633. A letter from the Director, Executive Office of the President, Bureau of the Budget, transmitting a report of personnel ceilings as determined and fixed pursuant to section 607 of the act as amended by section 14 of the Federal Employees Pay Act of 1946 (Public Law 390, 79th Cong.) for the quarter ending March 31, 1949; to the Committee on Post Office and Civil Service.

634. A letter from the Secretary of the Interior, transmitting a draft of a bill entitled "A bill to amend the act of December 24, 1942 (56 Stat. 1086; 43 U. S. C., sec. 36b), entitled 'An act to authorize the Secretary of the Interior to acquire lands or interest in lands for the Geological Survey' "; to the Committee on Public Lands.

635. A letter from the Vice Chairman and Acting Executive Officer, National Capital Park and Planning Commission, transmitting a draft of a bill entitled "A bill to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission"; to the Committee on the District of Columbia.

636. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on the St. Croix River, Minn. and Wis., for harbor improvement at Hudson, Wis., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 1, 1946 (H. Doc. No. 184); to the Committee on Public Works and ordered to be printed, with two illustrations.

637. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1948, submitting a report, together with accompanying papers and an illustration, on preliminary examinations and surveys of Red River of the North drainage basin, Minnesota, South Dakota, and North Dakota, made pursuant to several congressional authorizations listed in the report (H. Doc. No. 185); to the Committee on Public Works and ordered to be printed, with one illustration.

638. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Charlotte Harbor, Fla., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 30, 1945 (H. Doc. No. 186); to the Committee on Public Works and ordered to be printed, with two illustrations.

639. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration, on a review of reports on Grand Marais Harbor, Minn., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on July 9, 1945 (H. Doc. No. 187); to the Committee on Public Works and ordered to be printed, with one illustration.

640. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration, on a review of reports on Pascagoula Harbor and Horn Island Pass, Miss., with a view to modification of existing project to relocate Dog River Channel between Beardslee Lake and East Moss Point via Robertson and Bound Lakes, requested by resolution of the Committee on Public Works, House of Representatives, adopted on July 17, 1947 (H .Doc. No. 188); to the Committee on Public Works and ordered to be printed, with one illustration.

641. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Toledo Harbor, Ohio, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on July 23, 1945 (H. Doc. No. 189); to the Committee on Public Works and ordered to be printed, with two illustrations.

642. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of La Grange Bayou, Fla., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 190); to the Committee on Public Works and ordered to be printed, with one illustration.

643. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 11, 1949, submitting a report, together with accompany papers and an illustration, on a review of reports on James River, Va., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 7, 1945 (H. Doc. No. 191); to the Committee on Public Works and ordered to be printed, with an illustration.

644. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Brazos Island Harbor, Tex., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on May 10, 1945 (H. Doc. No. 192); to the Committee on Public Works and ordered to be printed, with two illustrations.

645. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 11, 1949, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Kings Creek, Northampton County, Va., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 193); to the Committee on Public Works and ordered to be printed, with one illustration.

646. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Fly Creek, Fairhope, Ala., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 194); to the Committee on Public Works and ordered to be printed, with one illustration.

647. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Freeport Harbor, Tex., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 8, 1945 (H. Doc. No. 195); to the Committee on Public Works and ordered to be printed, with two illustrations.

648. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on the Gulf intracoastal waterway with a view to constructing an alternate channel from the vicinity of Bolivar Peninsula, north of Pelican Island, to a point near drawbridge in Galveston Causeway, requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on July 9 and August 25, 1945 (H. Doc. No. 196); to the Committee on Public Works and ordered to be printed, with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRISON: Committee on Post Office and Civil Service. H. R. 2020. A bill to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest; without amendment (Rept. No. 654). Referred to the Committee of the Whole House on the State of the Union.

Mr. CARLYLE: Committee on Post Office and Civil Service. H. R. 2619. A bill to extend the benefits of the annual and sick leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees; without amendment (Rept. No. 655). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 715. An act to amend the Agricultural Act of 1948; without amendment (Rept. No. 656). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARY: Committee on Appropriations. H. R. 4830. A bill making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 657). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 4808. A bill to extend the benefits of part III of Veterans Regulation 1 (a) to veterans with service of 60 days or more, and their dependents; to the Committee on Veterans' Affairs.

By Mr. BIEMILLER:

H. R. 4809. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOGGS of Louisiana:

H. R. 4810. A bill to terminate the war tax rate on furs; to the Committee on Ways and Means.

By Mr. BURKE:

H. R. 4811. A bill to repeal the Labor-Management Relations Act, 1947, to enact the

National Industrial Labor and Management Relations Act of 1949, and for other purposes; to the Committee on Education and Labor.

By Mr. DAVIS of Wisconsin:

H. R. 4812. A bill relating to the eligibility for pensions of the widows of certain veterans who were engaged in actual hostilities in the Moro Province prior to July 15, 1903; to the Committee on Veterans' Affairs.

By Mr. PACE:

H. R. 4813. A bill to establish and promote the use of standard specifications and methods of identifying cotton bales in interstate commerce according to variety, location, and year of growth of the cotton, and for other purposes; to the Committee on Agriculture.

H. R. 4814. A bill to provide for the collection and publication of information on the different types, varieties, and strains of cotton produced in the United States and of all cotton used by mills in the manufacture of textile products; to the Committee on Agriculture.

By Mr. PATTEN:

H. R. 4815. A bill to provide for medical services to non-Indians in Indian hospitals, and for other purposes; to the Committee on Public Lands.

By Mr. PICKETT:

H. R. 4816. A bill to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize regular appropriations for the construction of rural roads, and for other purposes; to the Committee on Public Works.

By Mr. RANKIN:

H. R. 4817. A bill to direct the Administrator of Veterans' Affairs to make certain payments to persons who served on active duty in enlisted grades in the armed forces of the United States during the period September 16, 1940, through May 31, 1942; to the Committee on Veterans' Affairs.

By Mr. FRAZIER:

H. R. 4818. A bill to provide for a new Federal building in Madisonville, Tenn.; to the Committee on Public Works.

H. R. 4819. A bill to provide for a new Federal building in Signal Mountain, Tenn; to the Committee on Public Works.

H. R. 4820. A bill to provide for a new Federal building in Spring City, Tenn.; to the Committee on Public Works.

H. R. 4821. A bill to provide for an annex to, and the remodeling of, the existing Federal building in Cleveland, Tenn.; to the Committee on Public Works.

H. R. 4822. A bill to provide for a new Federal building in Lookout Mountain, Tenn.; to the Committee on Public Works.

H. R. 4823. A bill to provide for a new Federal building in Etowah, Tenn.; to the Committee on Public Works.

H. R. 4824. A bill to provide for a new Federal building in Copperhill, Tenn.; to the Committee on Public Works.

By Mr. HAND:

H. R. 4825. A bill to amend the Oil Pollution Act, 1924, and for other purposes; to the Committee on Public Works.

By Mr. O'HARA of Illinois:

H. R. 4826. A bill to authorize the coinage of 50-cent pieces to commemorate a century of railroad operations out of Chicago, Ill., and to commemorate the Chicago Railroad Fair of 1948–49; to the Committee on Banking and Currency.

By Mr. RAMSAY:

H. R. 4827. A bill to provide for the construction of a post office at Chester, Hancock County, W. Va.; to the Committee on Public Works.

H. R. 4828. A bill to provide for the construction of a post office at Follansbee, Brooke County, W. Va.; to the Committee on Public Works.

By Mr. GARMATZ:

H. R. 4829. A bill to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to modify the classification of items subject to tax as luxuries; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to pass legislation enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue flood-control bonds; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 4831. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. BURKE:

H. R. 4832. A bill for the relief of Graphic Arts Corp., of Ohio; to the Committee on the Judiciary.

By Mr. GORSKI of New York:

H. R. 4833. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. HART:

H. R. 4834. A bill to authorize the appointment of Frank R. Pagnotta as a first lieutenant in the Regular Army of the United States; to the Committee on Armed Services.

By Mr. McDONOUGH:

H. R. 4835. A bill for the relief of the American Liquid Gas Corp.; to the Committee on the Judiciary.

By Mr. WHITTINGTON:

H. R. 4836. A bill for the relief of Xylda L. Driver; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

924. By Mr. GOODWIN: Memorial of the Massachusetts Legislature, asking Congress to enact the 75-cent minimum-wage bill; to the Committee on Education and Labor.

925. By Mr. HART: Petition of the IUMSWA-CIO, asking the establishment of an efficient, modern American merchant marine and that the Congress and the President of the United States implement the purposes of the Merchant Marine Act of 1936, etc.; to the Committee on Merchant Marine and Fisheries.

926. By Mr. LUCAS: Memorial of the House of Representatives of the State of Texas, memorializing the Government to diminish the burden on our country by bringing about a European federation, dismiss personnel of the Department of State and our Foreign Service who follow the policy of treating the Soviet Union as a peace-loving democracy, to take steps to prevent Stalin from controlling China, and to reassert our right to supply our occupied section of Berlin; to the Committee on Foreign Affairs.

927. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts asking Congress to enact the 75-cent minimum-wage bill; to the Committee on Education and Labor.

928. By Mr. RICH: Petition of John Raker and citizens of Montoursville, Pa., asking for repeal of 20-percent Federal excise tax on toilet goods; to the Committee on Ways and Means.

929. By Mr. SMITH of Wisconsin: Petition of electors of the city of Beloit, Wis., asking for Federal aid to assist the city of Beloit in financing the cost of completing the new senior high school; to the Committee on Public Works.

930. By the SPEAKER: Petition of the American Dental Assistants Association, La Porte, Ind., requesting that Congress do not enact any legislation which will hamper the freedom removed by current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

931. Also, petition of Nebraska State Medical Association, Lincoln, Nebr., stating their opposition to compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

932. Also, petition of New Jersey Optometric Association, Trenton, N. J., recommending that all legislation pertaining to a national health program, such as embodied in S. 1456, 1581, and 1679, be amended to guarantee to beneficiaries of a national health program protection and preservation of their right to avail themselves of the professional services of optometric practitioners without prior approval by a medical administrative officer or a physician; to the Committee on Interstate and Foreign Commerce.

933. Also, petition of American Cotton Shippers Association, Memphis, Tenn., stating their opposition to the bill H. R. 2624 and enclosing the report of the committee on futures contracts and legislation giving reasons for such opposition; to the Committee on Agriculture.

934. Also, petition of Mrs. Agnes G. Shankle and others, General Welfare Federation of America, Washington D. C., requesting passage of H. R. 2620, calling for a national old-age pension at age 60; to the Committee on Ways and Means.

935. Also, petition of Miss Dolly B. Wilkinson and others, Third District Townsend Council, Rochester, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

936. Also, petition of Mrs. Anna Correll, Coconut Grove Townsend Club, No. 1, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

937. Also, petition of William Marcus and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

938. Also, petition of B. H. Gepper and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

939. Also, petition of Mattie Mae Grove and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

940. Also, petition of Zeta Mary Simpson-Smith and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

941. Also, petition of Jennie I. Miller and others, New Port Richey, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

942. Also, petition of Katherine Smith and others, Homestead, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 24, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in whose peace our restless spirits are quieted, as we fare forth in Thy fear prosper us this day in our work. Even when our fellow men think they have cause for blame, may we care most for the approval of our own conscience and of Thee who seest our motives and knowest our hearts. We come in the solemnity of half-masted flags speaking of a personal and national tragedy.

In these perilous days, when servants of the state staggering under fearful burdens are constantly facing decisions that may affect the future of the Republic and the world, make our citizenship ever mindful of the terrific strain of public office, charitable in their judgments, sympathetic in their appraisals of those who without stint pour out their strength for the good of the commonwealth. Save us from bringing praise when it is too late, and from uninformed criticism which may savor of ingratitude and even of treachery. When day by day we have done faithfully the work Thou givest us to do, even though men may misjudge our aim, in quietness and in confidence may we leave the result to Thy unerring judgment. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 23, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On May 23, 1949:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.; and

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended.

On May 24, 1949:

S. 683. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments; and

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1299) for the relief of Frank J. Patzke, Archie Mitchell, J. L. Shoemaker, Einar Engen, and N. L. Gifford.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Mundt
Baldwin	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Connor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Reed
Chapman	Johnson, Tex.	Robertson
Cordon	Johnston, S. C.	Russell
Donnell	Kem	Saltonstall
Eastland	Kerr	Smith, Maine
Ecton	Langer	Sparkman
Ellender	Lodge	Stennis
Ferguson	Long	Taft
Flanders	Lucas	Thomas, Okla.
Frear	McCarran	Thye
Gillette	McCarthy	Tydings
Graham	McFarland	Vandenberg
Green	McGrath	Watkins
Hayden	McKellar	Wherry
Hendrickson	McMahon	Wiley
Hickenlooper	Malone	Williams
Hill	Martin	Withers
Hoey	Morse	Young

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are detained on official business in meetings of committees of the Senate.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. GURNEY] is absent due to a death in his immediate family.

The Senator from California [Mr. KNOWLAND] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], and the Senator from Colorado [Mr. MILLIKIN] are detained on official business.

The Senator from New Hampshire [Mr. BRIDGES] is detained in the Committee on Appropriations.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. MORSE obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator from Oregon yield for a brief unanimous-consent request?

The VICE PRESIDENT. If the Senator will withhold his request for a moment, the Chair will ask the Senate to permit Senators to present routine matters, before the Senator from Oregon proceeds, in order to avoid the presentation of such matters later.

Mr. MORSE. I am very happy to yield for that purpose.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION OF TIME FOR ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. O'MAHONEY. Mr. President, let me first state the nature of the request I am about to make. Yesterday, during the call of the calendar, Order No. 393, House bill 1754 when reached on the original call, was objected to. Later in the afternoon the Senator who made the objection, after having consulted the senior Senator from Montana [Mr. MURRAY], who presented the report from the Committee on Interior and Insular Affairs, withdrew his objection. Thereafter, at the request of the distinguished majority leader, the bill was taken up for consideration and passed.

A typographical error, which was in the bill as originally reported, was corrected, but then another error was made as to a date.

The bill has to do with the suspension of the requirement for doing assessment work upon mining claims. This work must be done to the amount of $100 every year, and notice of the accomplishment of that work must be filed on or before 12 o'clock meridian on the first of July of each year. The typographical error consisted in the fact that the year 1949 was in the bill, instead of the year 1950. That typographical error was corrected. The additional error that was made, however, was on page 2, line 15, to change the year 1949 to 1950. That change should not have been made. So I ask unanimous consent that the vote by which the bill was passed, the vote by which the amendment was ordered to be engrossed and the bill to be read a third time, the vote on agreeing to the committee amendment, as amended, and the vote agreeing to the amendment of

the Senator from Illinois on page 2, line 15, be reconsidered, so that the committee amendment may be corrected in this particular.

The VICE PRESIDENT. Is there objection to the request made by the Senator from Wyoming? The Chair hears none, and it is so ordered.

Mr. O'MAHONEY. Then, Mr. President, the committee amendment now being before the Senate, I ask that on page 2, line 15, the amendment changing the date from "1949" to "1950" be disagreed to.

The VICE PRESIDENT. Without objection, the amendment to the committee amendment is rejected; and without objection, the committee amendment, as heretofore amended, is agreed to.

Mr. O'MAHONEY. I now ask that the committee amendment, as amended, be engrossed, and that the bill be read the third time.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY. I thank the Senator from Oregon for having yielded to me.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ACQUISITION OF LANDS FOR GEOLOGICAL SURVEY

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of December 24, 1942 (56 Stat. 1086; 43 U. S. C., sec. 36b), entitled "An act to authorize the Secretary of the Interior to acquire lands or interest in lands for the Geological Survey" (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Senate Joint Resolution 20

"Joint resolution memorializing the Congress of the United States to modify the classification of items subject to tax as luxuries

"Whereas the present operation of the Federal law taxing luxuries is such that it violates the basic principle of the equality of all citizens in that it inequitably imposes upon great portions of the population taxes upon items designated luxuries by the Federal act but which are in fact utter necessities; and

"Whereas these inequities fall with particular severity upon the people of the western portion of the United States in the imposition of a luxury tax upon all forms of public transportation and communication in an area of great distances where such transportation and communication are not a luxury but are essential to the conduct of business and the taxing of them indiscriminately as luxuries works such a hardship upon small business in particular that it is in fact ruinous and many are being forced out of business, causing a decline in the national income as a whole and resulting in increased unemployment and serious economic loss to the communities where these small business firms otherwise would thrive; and

"Whereas in like manner a luxury tax on legitimate business in time of peace is inequitable to large portions of the population by robbing them of their normal means of livelihood, as musicians, waiters, actors, actresses, and other persons of special training and talents who are unemployed as a result of the 20-percent luxury tax on theaters, night clubs, hotel dining rooms, cafes, and theatrical entertainment which is forcing many such establishments to close their doors or to abandon the music and entertainment portions of their normal service; and

"Whereas the indiscriminate taxing of necessities as luxuries also works a hardship and inequity upon women, especially women earning their own livelihood, in requiring them to pay a 20-percent luxury tax upon such necessities as low-cost handbags, luggage, cosmetics, fur coats, and similar articles as necessary to their life and occupation as any other article of clothing; and

"Whereas these misnamed luxury taxes also extend to many articles, such as baby oils, necessary in the care of infants, thus throwing a disproportionate burden upon young families, especially those of the many veterans whose normal family development was delayed by their sacrifices in the armed services of the Nation, which young men have not yet had time to achieve the higher brackets of income and therefore suffer under a tax which takes for necessities from those least able to pay; and

"Whereas much of this hardship and inequity could be relieved by a proper classification and designation of such items by price or similar classification so that the luxury tax could be levied only upon those articles which are in fact luxuries or of luxury quality: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of California hereby memoralizes the Congress of the United States to enact immediately legislation to relieve articles necessary to ordinary business and livelihood from the imposition of luxury taxes, to ameliorate at once the hardships upon those in low-income brackets, upon women, and upon small business by the present onerous and inequitable Federal luxury tax; and be it further

"Resolved, That the secretary of the senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the chairman and each member of the Committee on Taxation in each House of Congress, and to each Senator and Representative from the State of California in the Congress of the United States."

A joint resolution of the Legislature of the State of Nevada; to the Committee on Public Works:

"Assembly Joint Resolution 25

"Joint resolution memorializing Congress to install a system of flood control with facilities for the production of power on the Virgin River in the States of Nevada and Arizona

"Whereas the State of Nevada contains large areas of land held by the Federal Government, which land is exempt from taxation for flood control and irrigation and power purposes; and

"Whereas the farming area served by the Virgin River in the State of Nevada is subjected to periodic floods which destroy valuable crops and farm land and which result in a tremendous and needless loss of property; and

"Whereas thousands of acres of valuable farm land in the States of Nevada and Arizona will be developed through the installation of a dam on the Virgin River that will afford millions of gallons of water for irrigation during the growing season; and

"Whereas such a project, in addition to supplying flood control and water for irrigation, will make available to power users in the States of Nevada and Arizona additional blocks of power so that industry may be attracted to this area, and so that power produced at Boulder Dam may be sold to power users in the industrial area of southern California; and

"Whereas it is the opinion of the Legislature of the State of Nevada that the Federal Government should provide a dam on the Virgin River for flood control, irrigation, and power purposes: Now, therefore, be it

"Resolved by the Assembly and Senate of the Senate of Nevada (jointly), That the Congress of the United States be memorialized to provide a dam on the Virgin River in Mohave County, Ariz.; and be it further

"Resolved, That duly certified copies of this resolution be forwarded by the secretary of state of the State of Nevada to the President of the Senate and Speaker of the House of Representatives of the United States, and to the Representatives of the State of Nevada in the Congress of the United States, and to each house of the Legislature of the State of Arizona.

"PETER A. BURKE,
"Speaker of the Assembly.
"CLIFF JONES,
"President of the Senate.

"Approved March 29, 1949.

"VAIL PITTMAN,
"Governor."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Expenditures in the Executive Departments:

"Senate Concurrent Resolution 30

"Concurrent resolution requesting the Congress of the United States to give due and favorable consideration to the recommendations of the Hoover Commission

"Whereas during the last generation the enormous expenses of Federal governmental activities has created a condition of confusion and overlapping in the divisions of the administrative authority which has placed upon the President of these United States an ever increasing burden and has resulted in increased costs and inefficient administration; and

"Whereas pursuant to Public Law 162, enacted by the Eightieth Congress, there was created a commission known as the Hoover Commission on Organization of the Executive Branch of the Government, which public law was on July 7, 1947, approved by the President of the United States, Harry S. Truman; and

"Whereas pursuant to said Public Law 162, there was appointed a bipartisan group of representative and distinguished citizens of our country who had had experience in governmental affairs, which group made an exhaustive and unbiased examination into the administration of the agencies of the Federal Government; and

"Whereas the said Commission has filed a detailed report of its findings and its conclusions therefrom together with its recommendations covering the matter; and

"Whereas it appears to the members of the Michigan Legislature that the said findings,

conclusions, and recommendations constitute a cohesive and efficient program which will be of great benefit to the peoples of these United States: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the members of the Michigan Legislature respectfully request the Congress of the United States to give due and favorable consideration to the recommendations of the Hoover Commission to the end that the said recommendations may be adopted by the Congress of these United States and the President of the United States be directed hereby to effectuate the provisions of such recommenations; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the senate, May 3, 1949.

"Adopted by the house, May 6, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Labor and Public Welfare:

"Senate Concurrent Resolution 19

"Concurrent resolution memorializing the Congress of the United States not to enact legislation relative to socialized medicine

"Whereas the physician-patient relationship, with the freedom of choice enjoyed by the American people in the selection of a physician in whom they have confidence, has long been recognized as part of the philosophy of democracy of the United States of America: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the members of the Michigan Legislature respectfully urge the Congress of the United States not to adopt legislation relative to socialized medicine; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the senate, March 28, 1949.

"Adopted by the house, May 6, 1949."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 45

"Concurrent resolution requesting Congress of the United States of America to pass legislation enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue flood-control bonds

"Whereas damages were suffered by owners to real and personal property by reason of the flood and floodwaters from streams in the city of Honolulu in early 1949; and

"Whereas it is necessary to improve, construct, better, extend, and maintain projects or undertakings for the control of and protection against flood and floodwaters; and

"Whereas the limitations on bonded indebtedness as set forth in the Hawaiian Organic Act and the Revised Laws of Hawaii limit the city and county in the issuance of bonds to finance such public improvement: Now, therefore, be it

"Resolved by the Senate of the Territory of Hawaii (the house of representatives concurring):

"SECTION 1. That the Congress of the United States of America be, and it hereby is, requested through the Delegate to Congress from the Territory of Hawaii to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act, or any laws of the Territory of Hawaii or of any act of this Congress to the contrary notwithstanding, to authorize the board of supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $1,200,000 to acquire, construct, reconstruct, improve, better, extend, and maintain projects or undertakings for the control of and protection against flood and floodwaters, including the power to drain and rehabilitate lands already flooded in the city of Honolulu, and to that end the Congress of the United States of America is hereby requested and urged, through said Delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds

"'*Be it enacted, etc.*, That the Legislature of the Territory of Hawaii, any provisions of the Hawaiian Organic Act, of any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $1,200,000 to acquire, construct, reconstruct, improve, better, extend, and maintain projects or undertakings for the control of and protection against flood and floodwaters, including the power to drain and rehabilitate lands already flooded in the city of Honolulu.

"'SEC. 2. The bonds or obligations herein authorized to be issued shall be coupon in form, shall bear interest at a rate not to exceed 5 percent per annum, and shall mature serially over a period of not to exceed 30 years, with or without the privilege of prior redemption as the board of supervisors may by resolution determine. If sold to the Government of the United States or any agency or instrumentality thereof, said bonds or obligations may be sold at private sale at not less than par and accrued interest to the date of such sale. No election shall be necessary to authorize such bonds or other obligations, which may bear such date or dates, may be payable at such place or places, and may carry such registration privileges as to either principal and interest or as to principal only, as the treasurer of said city and county of Honolulu, with the approval of the board of supervisors thereof, may provide. Except where inconsistent with the provisions of this act, the provisions of chapter 117 of the Revised Laws of Hawaii, 1945, shall apply to bonds and other obligations used under this act. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 3. Act 273 of the Session Laws of Hawaii, 1949, pertaining to the issuance of flood-control bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. That certified copies of this resolution be transmitted to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

Three resolutions of the Legislative Assembly of the Virgin Islands; to the Committee on Interior and Insular Affairs:

"Resolution petitioning the President of the United States to afford the people of the Virgin Islands an opportunity to recommend appointees for the positions of Governor, Government Secretary, and other high-ranking officials of the Government of the Virgin Islands

"Whereas under the provisions of the Organic Act of the Virgin Islands the President of the United States is charged with the responsibility of appointing a Governor and Government Secretary of the Virgin Islands; and

"Whereas the Secretary of the Interior, under the terms of the said organic act, is also required to appoint an Administrator for St. Croix, an Administrator for St. John, a Commissioner of Finance, and other executive and administrative officers; and

"Whereas while the President of the United States and the Secretary of the Interior have conscientiously performed their functions, nevertheless, they have been deprived of the well-matured and deliberately formed will of the people; and

"Whereas the will of the people of the Virgin Islands could be obtained if the principles of the senatorial courtesy are made operative with respect to Virgin Islands appointments, and action resulting therefrom would result in a fair and liberal policy: Now, therefore, be it

"Resolved, and it is hereby resolved by the Legislative Assembly of the Virgin Islands in session assembled, That the President of the United States be, and he is hereby, petitioned to grant to the people of the Virgin Islands, through their Legislative Assembly of the Virgin Islands, an opportunity to recommend appointees for the positions of Governor, Government Secretary, Administrator for St. Croix, Administrator for St. John, and Commissioner of Finance, until such time as the people are granted the right to elect such officials; that the Legislative Assembly of the Virgin Islands be given a reasonable time in which to make such recommendations before final action is taken either by the President of the United States or the Secretary of the Interior; and be it further

"Resolved, and it is hereby further resolved by the Legislative Assembly of the Virgin Islands, That this resolution be forwarded to the President of the United States, the President and Members of the United States Senate, and that copies thereof be transmitted to the Secretary, the Department of the Interior, the Director of the Division of Territories and Island Possessions, Department of the Interior, and the chairman of the Senate Committee on Insular Possessions.

"Thus passed by the Legislative Assembly of the Virgin Islands on May 4, 1949.

"Witness our hands and the seal of the Legislative Assembly of the Virgin Islands this 4th day of May A. D. 1949.

"WALTER I. M. HODGE,
"Chairman.
"ALPHONSO S. FORBES,
"Secretary."

"Resolution protesting against the methods used by the Department of the Interior in formulating the legislative program for the Virgin Islands without giving the people an opportunity to participate therein

"Whereas the Department of the Interior will shortly present to the Eighty-first Congress for its consideration a so-called Virgin Island legislative program which undoubtedly will affect the social, economic, and political life of the people of the Virgin Islands; and

"Whereas neither the people of the Virgin Islands nor their duly elected representatives have been given an opportunity to participate in formulating this program; and

"Whereas the people of the Virgin Islands are recognized as politically matured to participate more fully in the formation of plans dealing with their social, economic, and political status: Now, therefore, be it

"Resolved (and it is hereby resolved by the Legislative Assembly of the Virgin Islands in session assembled), That said body protests and does hereby record its protest against the methods used by the Department of the Interior to formulate a legislative program for the Virgin Islands without giving the representatives of the people an opportunity to express their views as being arbitrary and

not in conformity with the conception of democratic operation; and be it further

"Resolved, and it is hereby further resolved by the Legislative Assembly of the Virgin Islands, That copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, the chairman of the Insular Affairs Committee, and the Governor of the Virgin Islands.

"Thus passed by the Legislative Assembly of the Virgin Islands on May 4, 1949.

"Witness our hands and the seal of the Legislative Assembly of the Virgin Islands this 4th day of May A. D. 1949.

"WALTER I. M. HODGE,
"Chairman.
"ALPHONSO S. FORBES,
"Secretary."

"Resolution petitioning the Eighty-first Congress to notify the Virgin Islands Legislative Assembly when Virgin Islands matters are to be discussed by that body

"Whereas it has been authoritatively learned that congressional committees of the Eighty-first Congress of the United States are writing amendments to the Virgin Islands constitution; and

"Whereas while the Legislative Assembly of the Virgin Islands recognizes the fact that the Eighty-first Congress is not bound by constitutional requirements to act in deference to the will of the people of the Virgin Islands, nevertheless, it feels confident in its belief that the friendly and sympathetic attitude which is characteristic of the Eighty-first Congress will motivate it to grant the request of the Virgin Islands people; and

"Whereas the Virgin Islands people desire to be given the opportunity to appear and be heard before any amendment is made to their organic act: Now, therefore, be it

"Resolved, and it is hereby resolved by the Legislative Assembly of the Virgin Islands in session assembled, That the Eighty-first Congress of the United States be and is hereby petitioned to afford to the Virgin Islands people, through their legislative assembly, an opportunity to participate in the process of amending the Organic Act of the Virgin Islands and to voice their opinion on all matters which will affect the Virgin Islands and their people; and be it further

"Resolved, and it is hereby further resolved, That the several committees of the Eighty-first Congress concerned with Virgin Islands matters be and are hereby petitioned to advise the Virgin Islands Legislative Assembly in due course of time when Virgin Islands matters will receive the attention of such committees; and it is further

"Resolved by the Legislative Assembly of the Virgin Islands, That copies of this resolution be sent to the President of the United States Senate; Speaker of the House of Representatives; majority leaders of the Senate and House; chairman of the Senate Interior and Insular Affairs Committee; chairman of the House Public Lands Committee; chairmen of the Appropriations Committees; chairman of the House Ways and Means Committee; the President of the United States; the Department of the Interior; the Director of the Division of Territories and Island Possessions; the Governor of the Virgin Islands; chairman of the Democratic National Committee; chairman of the Republican National Committee; and the chairman of the Insular Democratic Committee of the Virgin Islands.

"Thus passed by the Legislative Assembly of the Virgin Islands on May 4, 1949.

"Witness our hands and the seal of the Legislative Assembly of the Virgin Islands this 4th day of May A. D., 1949.

"WALTER I. M. HODGE,
"Chairman.
"ALPHONSO S. FORBES,
"Secretary."

A letter in the nature of a petition from the Daviess County World War II Veterans' Association, Inc., of Owensboro, Ky., signed by William T. Pendleton, Jr., president, relating to pensions for World War I veterans, and so forth; to the Committee on Finance.

A resolution adopted by the executive committee of the Federal Council of the Churches of Christ in America, of New York, N. Y., relating to the convention on prevention and punishment of the crime of genocide; to the Committee on Foreign Relations.

A telegram in the nature of a petition, from the board of directors of the National Committee for Mental Hygiene, of New York, N. Y., signed by Arthur H. Ruggles, president, relating to the program of the World Health Organization; to the Committee on Foreign Relations.

A resolution adopted by the members of the Bordeaux Seventh-day Adventist Church, of Bordeaux, Tenn., protesting against the enactment of Senate bill 1415, to improve the calendar now in use by making it perpetual; to retain the number of 12 months; to equalize the quarters of the year so that days of the week and dates always agree, each quarter to have 91 days or 13 weeks or 3 months equivalent to the season and every month to have 26 weekdays plus Sundays; to begin years and weeks on the first day of the week, Sunday; to fix holidays; to give the calendar comparability, not for a year but for centuries; to the Committee on Foreign Relations.

A telegram in the nature of a petition from the Raymond C. Mason Post, No. 6351, Veterans of Foreign Wars, Oak Ridge, Tenn., relating to the discharge of David E. Lilienthal as Chairman of the Atomic Energy Commission; to the Joint Committee on Atomic Energy.

A resolution adopted by the Council of the City of McKeesport, Pa., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

A resolution adopted by the executive committee of the Bar Association of Hawaii, Honolulu, T. H., relating to communism; to the Committee on the Judiciary.

A letter in the nature of a petition, signed by George J. O'Bryan, chairman of the Lexington (Ky.) Army Advisory Committee, relating to the removal of subversive elements from Government offices; to the Committee on the Judiciary.

Resolutions adopted by the American Dental Assistants Association, Inc.; the American Dental Hygienists' Association of Washington, D. C.: the American Veterinary Medical Association of Chicago, Ill.; the Dallas (Tex.) Executive Committee of the Baylor University Board of Trustees; the Georgia Dental Hygienists' Association of Atlanta, Ga.; the Louisville (Ky.) District Dental Assistants Society; the Michigan State Dental Hygienists' Association of Detroit, Mich.; the New Jersey Optometric Association of Asbury Park, N. J.; the Welborn Memorial Baptist Hospital, and the Nebraska State Medical Association of Lincoln, Nebr., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

By Mr. LODGE (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Labor and Public Welfare:

"Resolutions memorializing Congress to enact the 75-cent-minimum-wage bill

"Whereas a large number of persons engaged in industry are receiving compensation much lower than 75 cents an hour; and

"Whereas the high cost of living makes such compensation inadequate for adequate support of such workers and their families; Now, therefore, be it

"Resolved, That the General Court of Massachusetts respectfully memorializes the Congress of the United States to enact speedily a law providing that the minimum rate of compensation shall be 75 cents per hour; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth."

(The VICE PRESIDENT presented resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on Labor and Public Welfare.)

By Mr. GILLETTE:

A resolution adopted by the Upper Mississippi Grain Shippers' Association, at Burlington, Iowa, favoring the enactment of Senate bill 211, to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended, without amendment; to the Committee on Interstate and Foreign Commerce.

GENERAL PULASKI'S MEMORIAL DAY—RESOLUTION OF CITY COUNCIL OF McKEESPORT, PA.

Mr. MARTIN. Mr. President, I present for appropriate reference a resolution adopted by the City Council of the City of McKeesport, Pa., May 18, 1949, relating to the proposed observance of October 11 each year as General Pulaski Memorial Day. The resolution is signed by Charles A. Kincaid, mayor of McKeesport, and Clifford W. Flegal, Sr., the city clerk. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution 5584

Resolution memorializing the Congress of the United States to pass, and the President of th United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

Resolved by the city of McKeesport, in council cssembled, That—

Whereas a resolution providing for the President of the Urited States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died of wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas various States of the Union, through legislative enactment, designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial

Day in the United States of America: Now, therefore, be it

Resolved by the Council of the City of McKeesport, Allegheny County, Pa., That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

EXTENSION OF SOCIAL SECURITY BENEFITS—RESOLUTION OF ST. PAUL (MINN.) TRADES AND LABOR ASSEMBLY

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the St. Paul, Minn., Trades and Labor Assembly, relating to the extension of social-security benefits, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Resolution on further coverage of employees under the Social Security Act

Whereas social security has demonstrated its merit not only to the employees covered but also to the general economy of the country; and

Whereas there are thousands of workers who are not now covered by the act, such as farm workers, household workers, employees of nonprofit institutions, such as hospitals, educational institutions, etc., employees of Federal, State, and local governments and the self-employed; and

Whereas all of these employees must be provided for in their declining years if they are unable to provide for themselves; this situation brings about the condition where workers in covered employment help to provide for themselves in their declining years, and are also compelled to provide for noncovered workers through taxation; and

Whereas workers shift from one occupation to another, even in Government employment, which most people think is a permanent lifetime job; and

Whereas every time they shift from covered to noncovered employment their credits to benefits are interrupted and it seriously affects the amount they will receive upon reaching retirement age; and

Whereas many of the Government employees have independent pension plans and for that reason they are apprehensive as to what will happen to their independent plan if they were automatically brought under the Social Security System; and

Whereas in covered employment many industries had prior to the passage (and in some cases subsequent to the passage) of social security, adopted pension plans in addition to social security; and

Whereas we feel that all employees regardless where they are presently employed and coming under an independent pension plan, have a keen interest in the continuation or alteration of such a plan: Therefore be it

Resolved, That we endorse and encourage the passage of amendments to the Social Security Act to bring all people enumerated above under the act. Provided, however, that in cases where private or individual pension plans now exist, that no alteration can be made unless the majority of those so covered in each plan vote in favor of such alterations.

Therefore, we urge that the amount of benefits be increased and that the age limit for men be reduced to 60 years and the age limit of women be reduced to 55 years.

ST. PAUL TRADES AND LABOR ASSEMBLY.
ST. PAUL, MINN., *May 13, 1949*.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

John Dewey Hickerson, of Texas, and sundry other officers for appointment in the Diplomatic and Foreign Service.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McGRATH (by request):

S. 1918. A bill to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $5,000; and

S. 1919. A bill to provide for the admission of pay patients to the Home for the Aged and Infirm; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 1920. A bill to authorize the issuance of a special series of stamps commemorative of the Grand Army of the Republic; to the Committee on Post Office and Civil Service.

By Mr. MARTIN:

S. 1921. A bill for the relief of Tecfilo Magliocchi; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1922. A bill for the relief of Robert A. Atlas; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1923. A bill to amend title 28 of the United States Code relating to travel expense allowances for Government employee witnesses; to the Committee on the Judiciary.

By Mr. DOWNEY:

S. 1924. A bill for the relief of the estate of William Walter See; and

S. 1925. A bill for the relief of Pejsach Lederman and his wife and daughter; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1926. A bill authorizing the Attorney General of the United States to recognize and to award to outstanding courageous young Americans a medal for heroism known as the Young American Medal for Bravery, and for other purposes; to the Committee on the Judiciary.

S. 1927. A bill to provide for flight experience for certain students in the senior high schools of the District of Columbia; and

S. 1928. A bill to protect the public with respect to practitioners before administrative agencies; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1929. A bill for the relief of Anna Samudovsky; to the Committee on the Judiciary.

By Mr. McGRATH:

S. J. Res. 95. Joint resolution proposing an amendment to the Constitution of the United States to increase the representation of the several States in the Senate; to the Committee on the Judiciary.

DEPARTMENT OF DEFENSE—AMENDMENTS

Mr. FLANDERS (for himself, Mr. McCARTHY, and Mr. DOUGLAS), submitted amendments intended to be proposed by them, jointly, to the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense: to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes, which were ordered to lie on the table and to be printed.

Mr. KEFAUVER submitted two amendments intended to be proposed by him to Senate bill 1843, supra, which were ordered to lie on the table and to be printed.

ADDRESS BY SENATOR SPARKMAN BEFORE NATIONAL PUBLIC HOUSING CONFERENCE

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Senator SPARKMAN before the eighteenth annual meeting of the National Public Housing Conference, at Washington, D. C., on May 17, 1949, which appears in the Appendix.]

A VERY GREAT TRAGEDY OF OUR TIMES—ARTICLE BY ARTHUR KROCK

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "A Very Great Tragedy of Our Times," by Arthur Krock, published in the New York Times, May 24, 1949, which appears in the Appendix.]

THE PRESIDENT'S WELFARE BUDGET AND ELIMINATION OF SUBSIDIES—LETTER FROM WARREN E. WALKER

[Mr. REED asked and obtained leave to have printed in the RECORD a letter written to him by Warren E. Walker, of Wichita, Kans., urging elimination of subsidies of all kinds, and opposing some of the President's welfare budget, which appears in the Appendix.]

SPEAK UP FOR DEMOCRACY—ADDRESS BY ULRIC M. GWYNN, JR.

[Mr. YOUNG asked and obtained leave to have printed in the RECORD an address entitled "Speak Up for Democracy," delivered by Ulric M. Gwynn, Jr., vice president of the North Dakota Junior Chamber of Commerce, entered in competition as a part of a national Speak Up for Democracy speech contest sponsored by the United States Junior Chamber of Commerce, which appears in the Appendix.]

THE AMERICAN WAY OF LIFE—EDITORIAL BY E. T. LEECH

[Mr. ECTON asked and obtained leave to have printed in the RECORD an editorial entitled "An Old and Evil Scheme Seeks To End Our Liberty," written by E. T. Leech, editor of the Pittsburgh Press, and published in the Pittsburgh Press of April 17, 1949, which appears in the Appendix].

THE PRESENT CRIME PICTURE—ARTICLE BY J. POPE DYER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an address on the subject of the Present Crime Picture, delivered by J. Pope Dyer, head of the social science department, Central High School, Chattanooga, Tenn., to the student body at chapel, April 28, 1949, which appears in the Appendix.]

GREAT LAKES SEAWAY—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, we of the Middle West had hoped that long before this the Senate and, yes, the House of

Representatives would have before them, on the basis of favorable committee reports, legislation to complete the long-deferred Great Lakes-St. Lawrence seaway. Unfortunately, this has not occurred because, I regret to say, the administration has lagged completely in its obligations to the American people. I ask unanimous consent that the text of a statement which I have prepared regarding this matter be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR ALEXANDER WILEY, CHAIRMAN, IN EIGHTIETH CONGRESS, OF SEAWAY SUBCOMMITTEE

LET THE ADMINISTRATION ACT AND QUIT STALLING ON SEAWAY LEGISLATION

I challenge the administration to get busy in the fight for the Great Lakes seaway. The people of the Middle West are sore and sick about the continued disgraceful stalling by the administration on seaway legislation in the Eighty-first Congress. For 5 months now, since the start of the Congress, we have patiently awaited the green light from the administration to push hard for a new bill, but the administration, which is supposedly committed to the seaway, has been asleep at the switch. It has given the seaway priority. It has ignored seaway inquiries and requests. It has always given token support and lip service to the seaway, but in the 5 months of my pleading for action and support about all that the administration has done is to yawn and then go back to sleep.

FULL DEMOCRATIC SUPPORT NECESSARY

Since the Democrats control both Houses of the Congress, it was apparent to the Republican minority that we must get Democratic support and cosponsorship in the Congress as well as heavy support in the Government agencies (even before we reintroduce a seaway bill) if this bill were to have any chance of success. We Republicans were not interested merely in token introduction of a seaway bill and then allowing it to die for lack of support. We are sick and disgusted over those who pay lip service to the seaway and yet are unwilling to lift a hand for it.

LIMITED SUCCESS THIS SESSION POSSIBLE

It has become obvious that it is too late in the first session to expect more than favorable action by the Senate Foreign Relations Committee on a seaway bill, once it is introduced on the Senate side. We will, however, have an up-hill fight to attain even that limited objective. Of course, in spite of the administration's stalling, we will be fighting hard for passage of the seaway bill in both Houses of the Congress during the second session which will presumably open next January. The people of the Middle West and of the Nation should however be informed that the administration has done a miserable job of stalling and subterfuge thus far. I use these words very advisedly. The seaway has never been a partisan matter, but administration tactics have left me no alternative but to denounce their partisan approach.

FAILURE TO INVESTIGATE IRON-ORE SHORTAGE

As a vital part of the seaway study, I suggested months ago to the Senate Interior and Insular Affairs Committee, which is supposed to be investigating shortage of national resources, that it investigate the critical subject of the exhaustion of the Mesabi Iron Range (one of the principal reasons why we must get the seaway enacted). After weeks of delay, that committee responded by a silly acknowledgment which said nothing, meant nothing, and did nothing.

STATE DEPARTMENT'S PUSSYFOOTING

I have urged the State Department repeatedly to mobilize the same sort of force and vigor that it has mobilized for the North Atlantic Pact and other administration pet projects in support of the seaway bill. We all recognize the importance of world collective security. But the people of Wisconsin also recognize that we are pumping hundreds of millions of dollars overseas to build hydroelectric and similar projects, while the administration has not lifted so much as a pinkie to have this Congress support a self-liquidating loan for the completion of this long-deferred Great Lakes seaway and power project.

TRUMAN'S DIRECTIVES SABOTAGED BY UNDERLINGS

President Truman has repeatedly indicated his full support of the seaway and I have no criticism whatsoever of him on this point. However, his directives have been sabotaged by the indifference, the lethargy, the apathy, of his alleged supporters who perpetually protest that they are "too busy" with other things to take up the seaway. I have held conference after conference in my office and on the Senate floor in trying to lay plans for the seaway battle, but the administration has continued to yawn and yawn. I call upon the administration, therefore and challenge it to fulfill its promise and to start to get busy on this vital front. The Middle West refuses to be further hoodwinked and double-crossed by administration alibis and excuses.

OLEOMARGARINE PRICES—EDITORIAL FROM CLEVELAND PLAIN DEALER

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial from the Cleveland Plain Dealer, of Monday, May 16, 1949, by John C. Davis, entitled "Added Color Raises Price."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ADDED COLOR RAISES PRICE—SOME FACTS PICKED AT RANDOM ON THE MARGARINE-BUTTER TANGLE

(By John C. Davis)

If and when the margarine interests get the right to color their product yellow, the housewife in whose name the lawmakers will have granted the privilege will find that it isn't only the vegetable table spread that glistens. She will find that her money, in the coffers of the companies, will have a golden glow.

That the margarine makers will extract a rather handsome pound of flesh from the pocketbook is indicated in a recent survey made of comparative retail prices of the yellow-colored and uncolored product in nine cities in as many States. The difference in price between the artificially colored and uncolored product was 21.8 cents a pound. Subtracting the 10-cent Federal tax and the 1-cent cost of wrapping and packaging in quarter pounds leaves 10.8 cents the housewife is paying for the privilege of having the manufacturer squeeze the yellow compound into the fat.

PAY ADDITIONAL

Considering that the yellow color adds nothing to the nutritional value of the product and that the manufacturing cost of adding the color in volume production runs 30 cents a ton, the 10.8 cents additional the housewife will pay for the colored product is a handsome slice. Russell Fifer, secretary of the American Butter Institute, concedes that this spread will probably be reduced as soon as the margarine people get the swing of mass production—and recover some of the expenditure made in waging the legislative battle to get the yellow-coloring privilege.

There is, and always has been, a foreign element in this butter-margarine battle little appreciated by the general public. It is the use of imported vegetable fats in the manufacture of margarine. Prior to the war about 90 percent of the fat used in making the product was imported coconut oil. When the war cut off this supply the manufacturers turned to domestic cottonseed and soybean oils. With the war over, the question arises as to whether or not the imported oil will again replace the domestic product. Manufacturers waging the battle to color their product in the traditional hue of butter say not.

Whether or not the cheaper coconut oil will replace the domestic cottonseed and soybean oil is a matter of opinion, but a recent development in the manufacturing ranks may have some bearing on the issue.

Recently, Lever Bros., American subsidiary of Unilever, Ltd., London, England, purchased the Jelke Co. of New Jersey. Jelke has long been a leader in the margarine field and the Lever move is a step toward advancing the Unilever margarine operations in the United States. That Unilever should eye the American market, the world's best, is natural. Few folks realize it, but the British outfit is the world's largest in the margarine field, making today about 40 percent of the world's total production. It goes without saying that they are using the cheap coconut oil in their production.

A naive observer viewing the movement of both of Unilever's giant feet into Uncle Sam's puddle would be pardoned for inquiring whether the company intended the use of coconut oil in the product manufactured to supply our market.

ANOTHER PHASE

There is another phase of this margarine-butter battle recently given a trial run on which the public should know the facts. It is the charge by the butter people that if margarine manufacturers are given the right to color their product in perfect imitation of butter—it will be sold to the public as butter. This is a charge that the margarine people deny and point out that their proposed law giving them the right to color, both in the National Congress and various State legislatures, strictly prohibits such practice.

The State of Arkansas has enacted such a law. A recent survey was made of 100 restaurants in 9 cities in that State and the record, as the late Al Smith was wont to point out, is revealing. In the 100 eating places, not one stated that it was serving margarine. In 66 of the 100 margarine was served as butter and 6 of the 66 stated in their menus that butter was being served.

The above facts were gathered by Russell Fifer and could be attacked as biased and not unprejudiced. They have been so attacked—but, more interesting to the public is the fact that their truth was not challenged.

There is a side light to the margarine-butter battle in which the latter is struggling to hold exclusive right to its traditional yellow color. Recently, Lever Bros. won a 10-year court battle to the exclusive right to the color red in a cake of soap. The winning argument was that their use of red was traditional—just how traditional is butter's right to the color of yellow?

Nn one argues the right of margarine to be freed from the discriminatory State and Federal taxes that have been levied against it through the years. But, as shown above, there is at least room for a difference of opinion as to whether it should be given the right to butter's traditional yellow. It could, as it seems to have done in Arkansas, lead to some public fraud.

The real issue, however, one with large economic implications to the farmers of the United States of America, is the question of whether or not domestic oils would continue

as the margarine base. Only the manufacturers know whether they plan to replace with imported coconut oil. A direct answer, accompanied by convincing assurances, would go far toward clearing the muddy skies in this battle of table fats for the housewives' gold.

LEAVES OF ABSENCE

Mr. CAIN asked and obtained consent that Mr. KNOWLAND be excused from attendance at the session of the Senate today.

Mr. BALDWIN asked and obtained consent to be absent from the Senate Wednesday, Thursday, and Friday of this week.

Mr. JENNER asked and obtained consent to be absent from attendance on the sessions of the Senate from Wednesday through Friday of this week.

COMMITTEE MEETINGS DURING SENATE SESSION

Mrs. SMITH of Maine asked and obtained consent for a subcommittee of the Committee on the District of Columbia to meet this afternoon for the consideration of Senate bill 1703.

Mr. NEELY asked and obtained consent that a subcommittee of the Committee on Labor and Public Welfare be permitted to hold hearings on Senate bill 1031 while the Senate is in session.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. MORSE. Mr. President, I rise to present a series of five amendments to the pending bill, Senate bill 1843. At the outset, let me make perfectly clear my position on this entire matter of unification of the armed services. I am for it, and I have been for it ever since it came to a head back in 1944.

When the National Security Act of 1947 was enacted I felt that it fell far short of the mark, but I was content to give it a chance. From the day it became law I watched its operation with intense interest. It soon became painfully apparent that this compromise with reality was not working. We need look back only to the situation as it existed in April of last year to confirm the truth of that statement, for at that time public dissatisfaction with the results of this law was clearly evident in the daily comments of the press and radio. At that time the situation was deteriorating so rapidly that on April 20, 1948, I introduced a bill, Senate bill 2523, which proposed to amend the 1947 act by greatly strengthening the powers of the Secretary of Defense and clarifying his authority and responsibility.

That bill lay in committee without action for the remainder of the session. In the meantime our progress toward unification continued to flounder along under the completely unworkable provisions of the 1947 act.

Fortunately for the Nation, we had as our first Secretary of Defense a man with the most remarkable ability, as well as an incomparable sense of public duty. But even his matchless talents could not forge into this instrument the precision and the strength necessary to effect the conversion of our sprawling military establishment into a machine geared to cope with the military realities of a modern world.

In speaking of the late Secretary of Defense, Mr. President, I feel that today the United States Senate is engaged in the solemn task of erecting a great monument to him. That monument should be the perfecting on the floor of the United States Senate of a unification bill which will carry out the hopes and aspirations of a great fallen leader.

There is no question about the fact that the Nation is greatly shocked and grieved, from coast to coast, over the tragic loss of James Forrestal. There is nothing I can add by way of tribute to the beautiful and sincere words which were spoken by a group of my colleagues on the floor of the Senate yesterday. But in memory of James Forrestal I would put in the RECORD today a reassertion of his faith in freedom, because as a member of the Armed Services Committee time and again I have seen James Forrestal fight for the safeguards of freedom and for the principles of democracy which make this Nation strong.

I recall one instance which I think is the most fitting tribute I can pay to the statesmanship of James Forrestal. Many months ago, James Forrestal appeared before an executive session of the Armed Services Committee of the United States Senate. There were present in the room with him all the leaders of the Military Establishment. Our committee was confronted with a combination of recommendations on the part of those military leaders for a military budget which added up to a little more than $21,000,000,000. At that time we were considering a national budget of approximately $40,000,000,000. I shall never forget either the expression on James Forrestal's face or the fearless words of leadership which he spoke on that occasion. After the addition was completed and a member of the committee pointed out that the total amount was more than $21,000,000,000, one of the high military officers in the room expressed the view that although it was more than $21,000,000,000, it would cost us many times $21,000,000,000 if we had to go to war to protect freedom in the world.

James Forrestal, with a clear-eyed look, faced that military official and said "But the paradox of this proposal is that if we proceed to make it a peacetime budget on the basis of your argument that it would cost more than $21,000,000,000 to win a fight for freedom in case of war, I say to you that we would lose freedom here at home while engaged in a fight to preserve freedom in the world."

I think it is due James Forrestal to say today, because so much misinformation is abroad in regard to his position concerning the amount of appropriations for the military budget, that not only on that occasion, but on several other occasions, I heard James Forrestal in executive sessions of the Armed Services Committee make perfectly clear to the leaders of our Military Establishment that any such appropriations as they were recommending, getting up into figures above $20,000,000,000, could not possibly be maintained in the United States for long if at the same time we were to maintain a free economy.

I think it is due Jim Forrestal also to point out that in the presence of the members of the Armed Services Committee on many occasions he warned the officials of the Military Establishment that there rests upon them the obligation to preserve the maximum peacetime economy in the operation of the Military Establishment if we are to preserve a free-enterprise system. Any criticisms or any representations to the effect that James Forrestal believed in an unnecessarily high military budget cannot be squared with his oft-repeated testimony before the Armed Services Committee. He was well aware of the fact that there is a need for the elimination of great waste in the operation of the Military Establishment. I am satisfied in my own thinking, from what I have heard him express from his own lips both before the committee and in private conversation, that James Forrestal knew that there was need for a unification act which would vest in the Secretary of Defense the authority and the power and the jurisdiction to bring about the large savings that can be brought about by any Secretary of Defense who has the will to do so. However, no Secretary of Defense can do the job that needs to be done unless the Congress of the United States has the will and the courage and the statesmanship to give him a unification act which vests in him the authority he needs in order to bring about the great savings which each member of the Armed Services Committee, I am satisfied, knows in his own conscience can be made.

So, Mr. President, in erecting this monument today, as I feel we are, to James Forrestal, I hope it will be a monument that truly honors him. I hope it will be in the form of a unification act which gives to his successor the power and jurisdiction and authority which the Congress of the United States in 1947 should have given to Mr. Forrestal. I mean no unkindness, Mr. President, but I am simply making a statement of what I believe to be a fact, namely, that if we had given the Secretary of Defense in 1947 the unification bill which we should have given him, he would have been able to do the job which I know in his heart and mind he was struggling to do, and he would have completed the job, to his everlasting credit. He would have been of great assistance in protecting the economy of his country; and his tragic death, which we mourn today, perhaps would not have occurred.

So, Mr. President, with those words in regard to a public servant for whom I had the greatest of respect, and in whom I had placed the greatest of confidence, I proceed now to discuss certain amendments which I think essential if we are to enact, in the form of this bill, legislation which will truly unify the armed

services and give due honor to James Forrestal.

I referred to the unification bill which I first introduced on April 20, 1948, then known as Senate bill 2523. The CONGRESSIONAL RECORD shows that at the time I introduced that bill, I made a brief statement in which I pointed out that the law then on the statute books provided for unification in name only, but not in fact, and that we had not given the Secretary of Defense the authority which he must have if he is to accomplish the purpose of true unification.

It was very typical of James Forrestal, Mr. President, that he called me on the telephone the next day, and said to me, "Wayne"—and, Mr. President, I think I quote him almost verbatim; certainly I quote him according to the best of my recollection—"Wayne, I have read your bill and I have read your speech. I do not wish to give you the impression that I agree with everything in your bill or in your speech, but I think you have performed a valuable service in making the speech and introducing the bill, and I want to say to you that your bill, taken as a whole, is a great improvement over the existing law."

That was the view which James Forrestal expressed to me the day after the introduction of Senate bill 2523.

Mr. President, he had a keen sense of humor. I said to him then, "Well, Jim, I understand that if I come down to the Pentagon Building today, I had better bring a civilian bodyguard with me."

He laughed, and said, "Wayne, if you need a military bodyguard, I will send one to bring you down here, because I want to sit down with you and discuss some of the provisions of your bill."

A few days later that discussion was held. I do not say here today that if James Forrestal were alive he would put his stamp of approval on each and every amendment which I shall submit. Nevertheless I do say that I am satisfied in my own heart, conscience, and mind that I shall not offer a single amendment today which would not carry out at least the objectives and desires of the former Secretary of Defense, insofar as vesting in the Secretary of Defense additional powers which I submit the Tydings bill fails to give to the Secretary of Defense to the degree necessary if we are to have effective unification.

On January 5 of this year, I reintroduced my bill of April 20, 1947, which then became known as Senate bill 108, in the Eighty-first Congress. The bill was referred to the Secretary of Defense for comment, on January 6. Since that time and throughout the hearings on the pending measure, my bill, Senate bill 108, has led a very quiet life, indeed. Why it has never received formal consideration and why, on the other hand, the Senate Committee on Armed Services has gone to such pains to draft a bill which contains so much of the philosophy of Senate bill 108, is scarcely pertinent to this discussion.

What is pertinent, however, is that in our handling of Senate bill 1843, the Tydings bill, we do not repeat the same mistakes which were made in the 1947 act, and that we do not perpetuate the atmosphere of doubt and uncertainty which beclouds the authority and responsibility of our civilian and military leaders, on whose shoulders we place the responsibility for the security of our Nation. Those are the things that are important, Mr. President, in the debate now taking place in the Senate.

I think Senate bill 1843, the Tydings bill, fails in five important and practical instances, and I feel that my amendments to correct those weaknesses deserve the serious consideration of the Senate of the United States.

The distinguished Senator from Maryland yesterday in his opening statement in the debate on the pending bill was entirely right when he said that, although the vote in the Armed Services Committee was 12 to 1 to report the pending bill, nevertheless all 13 members of the committee are of one mind in their belief that greater unification of our armed services is necessary. He was quite right when he pointed out that the junior Senator from Oregon was the dissenter in the committee and refused to vote for the Tydings bill, because of the fact that the junior Senator from Oregon honestly believes that the Tydings bill does not go far enough in unifying the armed services, particularly in respect to the fact that in my opinion, it does not vest in the Secretary of Defense, the administrative authority and jurisdiction he needs, if we are to effectuate true unification.

To begin with, on page 4, line 14, the bill undertakes with considerable apparent zeal to direct the Secretary of Defense to take the necessary steps "to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel." This is a splendid directive, Mr. President. If realistically applied in the field of procurement alone, it would contribute immeasurably to the efficiency and the economy of our Military Establishment. But I detect the familiar signs of doubt and compromise, as I pursue the text further; for instead of placing a period after the word "proper" in line 19, the language proceeds to vitiate the good of the preceding provision for the next eight lines contain so many alleged safeguards that the Secretary of Defense again finds himself in a complete quandary as to what the law really means. Instead of giving him a clear and courageous directive we are again placing him in a position where he can be attacked by an overzealous subordinate official.

Mr. President, the Senator from Maryland, in his opening statement on the pending bill yesterday afternoon, referred to a conversation which he had in an executive session of the Armed Services Committee yesterday morning with the new Secretary of Defense, a distinguished leader in our country, Mr. Louis Johnson. He correctly quoted the Secretary of Defense to the effect that the Secretary of Defense said that unification legislation, on his list, has the top position of priority. In other words, the present Secretary of Defense expressed to the committee yesterday his view, after a few short weeks in the office, that a new unification bill is at the top of his list, so far as the greatest need of the Military Establishment at the present moment is concerned. However, I do not want any Member of the Senate to infer from what the Senator from Maryland said yesterday in regard to the conversation he had before our committee yesterday morning with the Secretary of Defense that the Secretary of Defense at that meeting said the Tydings bill has the position of top priority on his list of needs for the Military Establishment. I recognized, while the committee was hearing the statement of the Secretary of Defense, that unless that point were made perfectly clear there might be a misinterpretation of the statement, and that it might be subject to representation that the Secretary of Defense believes this particular bill is the best bill that can be obtained, or that should be obtained, and that this particular bill is the one which should be passed in all of its sections. That is not what he said, Mr. President, and I made very certain to satisfy myself at that meeting as to exactly what the Secretary's position was in regard to the Tydings bill and in respect to whether in his opinion it is in need of amendment. So I said—and I shall let the transcript speak for itself, but I think the transcript will show that what I am about to say is a very accurate report of what the Secretary of Defense said in reply to a question I put to him—"Mr. Secretary, you know I am opposed to the unification bill that will be debated this afternoon in the Senate because, in my opinion, it does not go far enough with unification. Therefore, Mr. Secretary, I want to ask you, without any desire to embarrass you, whether in your opinion the bill could be greatly improved by substantial amendments." He said, "Yes; I think it could be improved." I said, "Mr. Chairman, I will rest at this point because I do not wish to embarrass the Secretary, in view of the fact that this committee has reported a so-called unification bill to the floor of the Senate, but I do intend to offer perfecting amendments on the floor of the Senate."

I think a case could be made for recommitting the bill on the basis of the statement of the Secretary of Defense before the Armed Services Committee yesterday morning. If the Secretary of Defense is willing to admit, as he did yesterday, that this bill can be improved by substantial amendments, I think the Armed Services Committee owes it to this Senate to discuss such amendments with the Secretary of Defense. I think the Armed Services Committee owes it to the Senate to tell the Senate just why it is not recommending specific amendments which the Secretary of Defense apparently thinks would improve this bill. In his answer to my question yesterday the Secretary of Defense satisfied me that I am fully justified in making this fight for amendments which will give the Secretary of Defense greater authority to unify the armed services.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LODGE. Was that statement on the record, or off the record?

Mr. MORSE. I think it was on the record. We can check. A reporter was present. Some of the statements yesterday morning were put on the record, some were off the record. The Secretary of Defense spoke part of the time on the record, part of the time off the record. But I shall be glad to check to see whether his statement is on the record. I shall be glad to ask my colleagues on the committee to "take the stand," so to speak, as my own witnesses in regard to the report I have given the Senate as to the position taken yesterday by the Secretary of Defense.

Mr. LODGE. I noticed the Senator's very telling reference to the phrase beginning with the word "but" in line 19, on page 4, and I wanted to ask the Senator whether he recalled that Secretary Johnson had requested the insertion of that language.

Mr. MORSE. I understand he did recommend it.

Mr. LODGE. Did he request the insertion of this phraseology, limiting him so that he could not transfer personnel?

Mr. MORSE. Yes; in the original bill.

Mr. LODGE. Is that on the record?

Mr. MORSE. It is in the original bill, and the original bill was defended before the committee by the Secretary of Defense in respect to that particular section.

Mr. LODGE. The original bill did not contain the words "or to make transfers of military personnel from one military department to another." That was inserted later.

Mr. MORSE. Yes; that was inserted later. But, as I recall—and the Senator from Massachusetts can refresh my memory—when the Senator from Massachusetts sat with our committee and discussed portions of the bill, I think he at that time brought out the very weakness in the bill he is bringing out now, which opinion I completely share with the Senator from Massachusetts. It was to my disappointment at that time that the Secretary of Defense, in his testimony before the committee, did not accept the point of view which the Senator from Massachusetts and I have shared on this subject.

Mr. LODGE. I must say it is a very profound disappointment to me. I heard the statement made yesterday, and I asked the Senator from Maryland if he could direct me to any words in the record in which the Secretary of Defense definitely stated, over his signature, that he favored a limitation which would prohibit him from making transfers of personnel from one department to another, and, yesterday, the Senator from Maryland was unable to do so. So I gave the Secretary of Defense the benefit of the doubt and assumed he was not trying to put limitations in the bill which would make it impossible for him to have real unification. But the Senator from Oregon indicates the Secretary of Defense is in favor of this limitation.

Mr. MORSE. I do not propose to speak for the Secretary of Defense. That is why I have been very careful to make my quotation only of what actually transpired before the Armed Services Committee yesterday morning, because I did not want in any way to embarrass the Secretary of Defense nor purport to speak for him. I did not press my examination yesterday morning when I asked him if, in his opinion, the present bill could be greatly improved by substantial amendments, and he replied that, in his opinion, it could.

On the point raised by the Senator from Massachusetts let me say that I have in my hand a copy of the original bill as it was submitted to the committee. It is the first draft of the bill——

Mr. LODGE. Is that Senate bill 1269?

Mr. MORSE. Yes. On page 4, line 20, thereof, this language is found:

> But this shall not be construed to authorize the Secretary of Defense to reassign the combatant functions assigned to the military departments by section 205 (e), 206 (b), 206 (c), and 208 (f) hereof.

It was by understanding, and it is now my understanding, that this bill was sent to the committee by the Secretary of Defense with his approval. I take it for granted that the Secretary of Defense approved the bill only after accepting what I imagine were a great many compromises which he felt he had to accept to get any bill at all. I have a hunch that he accepted this particular language, apparently, as, shall I say, an acceptable compromise so far as he was concerned, but it is not acceptable so far as I am concerned.

Mr. LODGE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. LODGE. Am I not correct in my belief that in the committee bill the following words were added to the original committee print: "or to make transfers of military personnel from one military department to another or to make details or assignments of military personnel in a matter substantially to affect or change such assigned combatant functions."

Am I not correct in my belief that that is an additional provision written by the committee?

Mr. MORSE. The Senator is correct. Let me say to the Senator from Massachusetts that, again, it is my understanding that the language he quotes was an addition to the bill. It was another compromise which I believe had to be made to bring about satisfactory agreements within the Military Establishment. It is my understanding that the Secretary of Defense, in order to reach as much agreement as was possible within the Military Establishment, also accepted that compromise.

Mr. LODGE. May I ask the Senator one more question?

Mr. MORSE. Certainly.

Mr. LODGE. Is the Senator aware that yesterday afternoon I asked the Senator from Maryland, who is chairman of the committee, what the reason was for that language, and the Senator from Maryland said, in substance, that it was put in for the reason that unless the language were in the bill, the committee could not get the necessary votes to report the bill. I asked the Senator from Maryland if he could not give me some substantive reasons for inserting that language, and he simply repeated the assertion that he could not get the bill out of the committee without it, because there were people who controlled votes, and the bill could not be reported unless it contained that language. So that brought me to the conclusion that if he could not find any arguments for it on its merits, it had no merits, and was incorporated in the bill simply to placate certain vested interests.

What does the Senator from Oregon say about that?

Mr. MORSE. I am sure the Senator from Massachusetts knows that I have complete confidence in the motivation of my colleagues on the Armed Services Committee. I do not share their view as to certain matters of judgment. Therefore I would rather put it this way, that the chairman of the committee found that in the judgment of a majority of his colleagues on the committee he could not get the necessary votes to report the bill unless he put in the bill at this point what I think is very unfortunate language and which I think is one of the greatest barriers to true unification of the armed services.

I want to project that situation in the Armed Services Committee to the Pentagon Building, because we must also try to understand the position not only of the Senator from Maryland as chairman of the Armed Services Committee, but we must also consider the position of the Secretary of Defense who is somewhat of a chairman of the Military Establishment in the Pentagon Building.

I think the pressure and drive for this sort of language not only manifested itself within the committee, but I take it for granted—and, again, I certainly do not speak for the Secretary of Defense—that it was also exerted upon the Secretary of Defense. I am inclined to believe it represents one of the concessions he had to make in order to present to the committee the maximum amount of cooperation and esprit de corps on the part of the Military Establishment in the Pentagon Building.

I am sure I do not have to tell the Senator from Massachusetts how those matters work, because he is so much more familiar with military affairs—and that is why I have such great confidence in his judgment—than is the junior Senator from Oregon. I know I do not have to tell him of the tremendous military pressures which can be brought to bear upon either the Secretary of Defense or the judgment of Members of the Senate when they are considering legislation affecting the Military Establishment.

Mr. LODGE. The Senator from Oregon is very generous in his references to me. As a matter of fact, I have no personal experience of the military at the dizzy heights of the top levels in the Pentagon Building, but I do know that mistakes made in this bill will be paid for in the blood of our sons, and I do know that war has to be conducted on a basis on which prompt decisions can be made, and we should not set up a debating society or a system of checks and balances.

Yesterday I tried to find out from the Senator from Maryland and from the Senator from Oregon why it is that some people want this joker in the bill. I

am choosing my words very carefully. It is a military atrocity. That is what it is.

What is the real reason which motivates the men who are in favor of it? I think we should be able to find out some time. I asked the question very loudly yesterday, and I am asking it very loudly today. It can be heard by the gentlemen of the press and the public in the galleries. I want to see if we can find out what is the substantial reason for putting a provision into the bill which will make it very difficult to get economies in time of peace and will destroy fluidity in connection with putting men where they are most needed in time of war.

Mr. MORSE. I cannot answer the question for any member of the committee except myself. I cannot answer the question for the Secretary of Defense, but I can give the Senator the benefit of my judgment for whatever it may be worth. My judgment, may I say, is that I am satisfied that vested interests within the Military Establishment succeeded in persuading members of the committee to the point of view that unless this language were put into the bill civilians rather than the military would be directing a war.

The only argument I have heard that has received any considerable stress and emphasis in the committee is to the effect that this language is needed if the military is going to conduct any possible war. It is up to the military, runs the argument, to determine in what branch of the service the men should be and what the organizations of combat forces should be. Further, it is argued that the military should not be put in the position where there is a division of command, so to speak, between a civilian head and Chiefs of Staff, where the civilian head has the authority to direct the transfer of combatant personnel. That is the argument I have heard in the committee, and I wish to say I think it is a fallacious and unsound argument. I never was impressed with it, because I think it of the utmost importance that our future wars, if, unfortunately, any should occur, should be conducted through a civilian Secretary of Defense, a man in whom we have confidence, with Under Secretaries of Defense in whom we have confidence assisting him. These civilian Secretaries of Defense should be unhandicapped, as far as the policy of unification is concerned, by the sort of restrictions this particular language imposes on them, for reasons which I shall bring out very shortly in my formal remarks. Obviously, they will follow the combat tactics and recommendations of the Joint Chiefs but they will be able to avoid the wastes and mistakes that a lack of unification cost us in the last war.

Mr. HILL. Mr. President——

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Oregon yield to the Senator from Alabama?

Mr. MORSE. I yield.

Mr. HILL. Is not the reason this bill is here today, and we are now forced to try to do something more about unification—for, at present, we do not have an effective, efficient unification—the fact that when we passed the existing law some 2 years ago, we put into it too many things, such as those embodied in the language to which the Senator from Oregon and the Senator from Massachusetts have addressed themselves?

Mr. MORSE. I have already pointed that out. We are engaged in this debate today because we did not do a good enough job in 1947, and what I fear is that unless we adopt some amendments to the bill we are not going to do a good enough job in 1949.

Mr. HILL. In 1947 there was too much compromise, compromise, compromise, instead of doing the job. Is not that true?

Mr. MORSE. That is my judgment.

Mr. HILL. And we are confronted to a very large extent with the same situation today. Will we really do the job? Will we really give the country an effective and efficient unification? Or will we merely take a little bite at it, so to speak, and come back 2 years from now and try to do it all over again? Heaven only knows what the ill consequences will be, what price we will pay for not acting adequately and properly at this time.

Mr. MORSE. Again, Mr. President, I want to be exceedingly fair to my colleagues on the committee. I attribute to them no motivations but the best. I simply disagree with their main conclusion when they report this bill favorably to the Senate, because I believe, as the Senator from Alabama has pointed out, it contains too many compromises, which will not result in true unification.

I wish to be just as fair to the Secretary of Defense. I desire to say to the Senator from Massachusetts that I do not think he can find a word in the transcript of the record in which the Secretary of Defense, Mr. Johnson, has put his affirmative stamp of approval on this particular language. But it is also true that there is nothing in the record showing that the Secretary of Defense has expressed any disapproval of this particular language.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Massachusetts.

Mr. LODGE. Then the Senator believes that the Secretary did not ask to have this language put in the bill. Is that true?

Mr. MORSE. I know of no proof that he asked to have the language put in the bill.

Mr. LODGE. But he may have said he would not object if it were?

Mr. MORSE. My own judgment is that you have just pointed out exactly the position in which the Secretary of Defense found himself. He is going to take this bill, he is willing to accept the bill, but he thinks it could be improved by substantial amendments. That is why I related to the Senate the conversation with the Secretary of Defense yesterday morning in committee, to which the Senator from Maryland has already referred, when the Secretary of Defense, in answer to a question which I put to him yesterday, made perfectly clear that he believed the pending bill could be strengthened by further amendment.

Mr. LODGE. The statement was made yesterday, I think, that Secretary Johnson had requested this language. The Senator knows of nothing in the record to support that contention, does he?

Mr. MORSE. I know of no proof of that, but it may have been said in my absence.

Mr. President, I was saying that instead of giving the Secretary of Defense a clear and courageous directive, we are again placing him in a position where he can be attacked by any overly jealous subordinate official. If anyone thinks I am exaggerating this point, I would have him consider the language of the bill. The text of the bill says that the Secretary shall effect such consolidations in, among other things, transportation, as will eliminate duplication, but this shall not be construed to reassign the combat functions assigned to the Army by section 205 (e). Section 205 (e) deals with the Army, and prescribes that the Army shall include, among other things, such water transport as may be organic therein.

Here is the point I seek to make: We all know that the Secretary of Defense has long recognized the wastefulness of having a large cargo fleet operated by the Army, whereas the Navy is the logical service to operate water-borne transport. But under the limitations written into the pending bill, can we not imagine the legal and political battle which the Secretary will have on his hands if he so much as transfers one Liberty ship from the Army to the Navy?

Mr. President, I think I have made the point. I do not desire to dwell on it too long, but I reemphasize it, only to the extent of saying that it is one specific example which shows, as I read the Tydings bill, how we handcuff the Secretary of Defense in carrying out true unification. We restrict him in increasing the efficiency of the operation of the Military Establishment, and in effecting needed economy. I say we ought to leave it to the Secretary of Defense, who is not going to operate in a vacuum, who is not going to render his decisions without consultation not only with the military leaders of the Military Establishment, but with the civilian assistants appointed to his staff to decide what needs to be done to unify the armed services.

Mr. President, I want the Secretary of Defense empowered under this unification bill to bring an end, if he decides the facts warrant such a decision, to what I think is a wasteful duplication of water transport within the Military Establishment. I want him to be given the power, if after a study of the facts he decides that such an order should be issued, to transfer water transport from the Army to the Navy.

Mr. President, I simply do not see how it is possible to effectuate the economy and bring about the military efficiencies which are necessary under a true unification bill if we leave this particular language in the bill.

One of the amendments I shall offer shortly leaves no room for doubt that Members of the Senate will be given an opportunity to vote on the issue whether or not they want to give the Secretary

of Defense the power and jurisdiction to render decisions, or whether they want him to be hog-tied by the brass in the Pentagon Building.

Mr. HILL. What the Senator is telling the Senate is that if we do not give him the power to which the Senator has referred, we then defeat one of the signal purposes of unification.

Mr. MORSE. Unless we give him the power it is a mockery. It verges, I may say to the Senator from Alabama, on misleading the public into thinking they are getting something which in fact they are not getting.

Now, Mr. President, let us take the limitation on the top of page 5, wherein it is stated that this authority to effect consolidation shall not be construed to permit the Secretary—note the language—

> To make details * * * of military personnel in a manner substantially to affect * * * combatant functions.

As a practical matter has this any real meaning, and does it do anything but becloud the issue? Let us talk about it in terms of a hypothetical. If the Secretary details 500 naval aviators for 12 months duty with the B–36 bombers of the Strategic Air Command of the Air Force so that they will learn this type of warfare and this type of equipment, I think, under this language, he would be subject to endless charges that he is trying to swallow up either naval aviation or the Air Force. But in reality, I think, there would be many circumstances such as this that would indicate he would be doing a very wise thing by such a detailing of personnel to special assignments and missions. Why not give him the authority to do it? Why surround him with all these hedges and fences of jurisdictional restriction?

Now, Mr. President, it probably will be argued that the amendment which I am offering endangers the existence of some existing military establishments such as the Army, the Air Forces, or Navy with its Marine Corps.

It may be argued that the amendment I am proposing decreases the control of Congress over the Military Establishment. I say there is no basis in fact for such an argument. I say that such an argument is based on special pleading in support of some vested interest within the Military Establishment. It represents the unfounded contention of some groups within the military which is fearful that unification might force it to operate on a more efficient and economical basis by way of resulting cuts in duplication and waste.

When the argument is made against my amendment, as I am sure it will be, that the amendment seeks to empower the Secretary of Defense to abolish the existing branches of the Military Establishment I would have the Members of the Senate remember that when an officer is commissioned in the Military Establishment he is commissioned in the Army, in the Air Forces, or in the Navy including the Marine Corps. He is commissioned upon the recommendation of the President of the United States as Commander in Chief of the Army, Navy, and Air Forces, and confirmed by the Senate.

The Secretary of Defense is given no authority under my amendment to make a captain of Marines a captain of Infantry in the Army. He is given no authority to make an admiral in the Navy a general in the Army. The existing organizations of the Army, Air Forces, and Navy, including the Marines, would be continued. But the Secretary of Defense in the interest of unification, in the interest of efficiency, and in the interest of economy should have the right to detail men from naval aviation, for example, to the Air Forces for a special mission or for special training and vice versa.

The Secretary of Defense should be given the authority, for example, to say, by way of order that certain duplicating functions now existing should be eliminated by one branch of the service. That is unification, Mr. President.

Now, we either mean to unify the armed forces or we do not. There is no unification possible if we continue to preserve every jurisdictional claim of every existing division, department, or segment of the Army, Air Forces, and Navy as they presently operate. I think it is an argument of imagination to say that under my amendment a Secretary of Defense might attempt, by reassignment or by detailing personnel for special missions from one branch of the service to another, to abolish the Marine Corps or the Navy or any other branch of the services.

What do the proponents of this argument think that the President of the United States or the Congress would be doing if any Secretary of Defense attempted any such course of action? What do they think the Armed Services Committees of the House and Senate would be doing? The Secretary of Defense cannot act in a vacuum nor can he act in secrecy in connection with such matters as these. Further, I say, Mr. President, he cannot act in the interest of unification either unless we give him the jurisdiction which my amendment gives to him to work out greater economy and efficiency within the Army, Air Forces, Navy, and Marine Corps by eliminating existing duplication and waste.

That is the issue, Mr. President. I warn Members of the Senate not to be diverted from it by all the rattling of ghosts and imaginative scarecrows that are going to be advanced in argument during the course of this debate by those who want to protect the existing no trespassing signs which the Army, Air Forces, and Navy, including the Marines, have tacked up figuratively over their offices in the Pentagon Building.

I think the issue is simple. Is the Congress of the United States going to place its confidence in the civilians appointed to these high positions in the Military Establishment, in the offices of Secretary of Defense and Under Secretary of Defense, or is the Congress going to take the position, as it did under the old unification bill, and as I say it would still be doing under the Tydings bill, that handcuffs should be placed on the wrists of the Secretary of Defense in the form of vetoes as represented by such language as I have just cited?

I want to free the Secretary of Defense so that he can make decisions in the Pentagon Building. After he has listened to the arguments and the evidence the brass can present to him—and I mean no disrespect to military officers by the use of that colloquialism—after he has listened to military officers in the armed establishment, after they have had their opportunity to make their case, I want the Secretary of Defense and his staff to have the power to detail personnel on special missions and assignments and eliminate duplication and waste in order to promote efficiency in the armed establishment, and economy, too. I shall have something more to say about economy a little later.

On the point I have just made I wish I could turn to the exact language in the transcript, but I will quote it from memory, and then let the transcript speak for itself. I refer to the testimony of Robert Patterson, former Secretary of War, during the closing years of the war. He appeared before the Armed Services Committee not so long ago, and we discussed with him the matter of division of authority during the last war between what was then a 2-headed Military Establishment, namely, a Secretary of Navy and a Secretary of War. As I have said on another occasion on the floor of the Senate, I have the greatest of confidence in the judgment, in the ability and the devotion to public trust and service of Robert Patterson. What did he tell us? In effect, he said this:

> I would hate to guess the millions and millions of dollars that went down the drain in waste during the war as the direct result of a 2-headed administration of the Military Establishment.

I shall secure his exact language and shall insert it at this point in my remarks, but it is my distinct recollection that what I have said is a fairly accurate quotation of what Mr. Patterson said before the committee. In fact I think he said billions rather than millions of dollars were wasted.

I emphasize at this point that the problem he was talking about, namely, a two-headed administration of the armed establishment in the prosecution of the war at the top level, resulting in millions and millions of dollars of waste, runs right down through the entire Military Establishment. To whatever extent in this bill we perpetuate that division of administrative authority, we are going to perpetuate duplication and waste in the Military Establishment. The language I am talking about in the Tydings bill at this point in my speech is language which I say guarantees a division of command, guarantees a division of authority, assures us of a perpetuation of duplication, with inevitable waste resulting therefrom.

Mr. President, unless the Secretary of Defense, to use the two examples I have cited, is given the final authority, unless on the facts he can render a decision transferring water transportation from the Army to the Navy, for example, or detailing for special training or missions naval aviators from the Navy to the aviation forces of this country, the result will be a duplication of function, duplication of training, duplication of expense

and resulting waste. I think we ought to come to grips with this problem.

Mr. President, let my former language in regard to the quotation from Mr. Patterson stand. I have just been handed the copy of the hearings. On page 149 we have the testimony of Mr. Robert Patterson, the former Secretary of War. Speaking about duplication of administration, this is what the former Secretary of War said:

> And it is no exaggeration to say that in World War II the cost in duplication, competition, and disjointed effort directly traceable to the two-headed system ran to billions and billions of dollars. A sizable part of the tremendous public debt that the taxpayers of the United States are now bearing is due to that division of authority and responsibility between the War Department and the Navy Department.

In editing his remarks, which is a witness' right so long as he does not change the meaning of his point, the Secretary eliminated one figure of speech which he used in his testimony when he referred to this huge waste going "down the drain." However, in my judgment, his edited remarks are even stronger than my recollection of them. I repeat:

> It is no exaggeration that in World War II the cost in duplication, competition, and disjointed efforts directly traceable to the two-headed system ran to billions and billions of dollars. A sizable part of the tremendous public debt that the taxpayers of the United States are now bearing is due to that division of authority and responsibility between the War Department and the Navy Department.

Bob Patterson has no vested interest in this matter. Bob Patterson has left behind him a glorious record of public service and patriotic performance of the duty of Secretary of War. Bob Patterson pleads today with the American people and the Congress only for a unification bill which will eliminate the duplication and the competition which during the war cost us unnecessarily billions upon billions of dollars.

Does the bill now before the Senate do it? I submit that it does not, because it does not cut a straight line through the red tape of divided authority and administration, and duplication in the Pentagon Building. It does not free the hands and mind of the Secretary of Defense. It does not give him the authority to make decisions necessary to eliminate the type of waste about which Bob Patterson spoke, because the very language of the bill which I have quoted shows that we are continuing the division of authority and functions which built up this great waste.

I wish I did not have to offer criticism as strong as that, but I am going to be true to what I consider to be my trust in this position. I am satisfied that the bill which is before us does not go far enough, because this type of duplication and division of authority is continued in the bill. If we want to make the type of savings which the former Secretary of War has mentioned, I say that the bill needs to be substantially amended so as to divest the officials of the Military Establishment itself—and I speak of the Army, Aviation, and Naval authorities in high command—of the final authority, which should be vested in the office of the Secretary of Defense. We cannot fight the next war, if we should have to fight one, on the basis of the techniques and tactics of the last war.

It is one of the weaknesses of human nature that if we permit men to operate under legislation which authorizes duplication in its very language, which protects them in their vested interests within the Military Establishment, and which does not authorize the Secretary of Defense to overrule them, they are going to build up their own little military jurisdictions and job empires within the Pentagon Building. That is what happened in the last war, to such a degree that we have the testimony which I have cited from the former Secretary of War himself. Other Members of the Senate may ignore that testimony if they wish, but I shall not. I shall insist upon offering amendments which in my opinion will correct the type of abuses to which the former Secretary of War referred. As the Senator from Massachusetts pointed out a while ago, we cannot correct those abuses if in legislation we deny to the Secretary of Defense the power to detail personnel in the interest of efficiency and economy.

I therefore feel that the present wording of the bill places the Secretary of Defense in an impossible position. My amendment proposes to strike from this paragraph everything after the word "proper" in line 19. I submit, as a practical legislative matter, that unless that is done we might just as well strike out all the paragraph, beginning in line 14 on page 4, because the language preserves the so-called safeguards. Safeguards of what, Mr. President? Safeguards of the existing vested military jurisdiction in the military forces themselves, the Navy, the Army, and the Air Forces. Can we call that unification? At best it is only a truce between the conflicting forces in the Pentagon Building until they can get the next huge appropriation.

I would rather have this bill debated on the floor of the Senate after we have the report from the Appropriations Committee on the armed services appropriation bill for the next year. I wish to be realistic. I will tell the Senate why I would rather have the debate come then. I think the arguments on my amendments would carry much greater weight after the Senate is asked to consider military appropriations because when Members of the Senate come to grips with what that budget is going to be if the proposals coming from the Pentagon Building are anywhere near approved, Members of the Senate will see the importance of eliminating the type of division in command and duplication of authority which my amendment seeks to eliminate.

Mr. President, at this time I wish to make a personal statement. I realize the delicacy of my position in this matter, because as a member of the Armed Services Committee I have not been a member of the armed forces in time of war. Senators know politics. There are those who always like to substitute argument by personal abuse and smear for argument on the merits and facts of an issue. I understand that in some quarters criticism is being heaped upon me because I purport to make suggestions for the improvement of the bill, even though I have never served in the armed forces of my country in time of war. The record is clear that it certainly was my desire to do so, and the record is clear that for a period of years I held a Reserve commission in the Reserve of the Army.

I see the distinguished Senator from North Carolina [Mr. GRAHAM] in the Chamber. He knows that during the last war I sought to serve in the armed forces, but the Commander in Chief, the President of the United States, directed me to perform the service which he felt I could best perform. When I discussed the matter with the Commander in Chief on one occasion, he said, "Wayne, I will not accept a resignation from you, to go into the armed forces, because your place is on the War Labor Board, and that is where you can best serve your country."

Mr. President, I make that personal reference in the midst of this speech because I always think it best to engage in rebuttal in advance. The fact that I did not serve in the armed forces during the last war has in no way lessened my interest in the problems of the Military Establishment. As a member of the Armed Services Committee of the United States Senate, I have devoted myself to intensive study of the problems of the armed forces and of the various problems which are presented by this bill.

I wish to say to the Military Establishment that I can always be counted upon to vote the last dollar needed to keep the Nation secure; and all they have to show me is evidence which supports their contentions. However, Mr. President, I am not going to vote to the armed forces a single dollar which is not needed. As a member of the Armed Services Committee, I shall constantly check the Military Establishment in its tendency to use fear arguments, so frequently spread across the land, in an attempt to justify military expenditures which in fact are not needed, in the amounts requested, to meet the security needs of the Nation. That is why earlier in my remarks today I took the liberty of calling attention to the warning the late Secretary of Defense, Mr. Forrestal, gave to the leaders of the Military Establishment, when, in our committee, he warned them that we could not continue for long to spend almost half our national budget, as was then proposed—over $21,000,000,000, more than half of our then national budget—for the Military Establishment. I say from this desk today to the Military Establishment that a patriotic obligation rests upon the shoulders of our military leaders to come forward at this session of Congress with a budget proposal which will reduce to the minimum all waste and duplication within the armed services. Those are the things which I believe run up the bill several billion dollars higher than it need be. Again I refer to my principal witness, the former Secretary of War himself, Mr. Patterson, who said as much in his testimony before the committee.

Mr. President, I now offer and send to the desk, for printing, my first amendment, which reads as follows:

On page 4, in line 19, beginning with the second comma, strike out all down to and including the word "functions" on page 5, in line 3.

The PRESIDING OFFICER (Mr. KEM in the chair). The amendment will lie on the table and be printed.

Mr. MORSE. Mr. President, in offering that amendment, I conclude my discussion of that particular proposal by simply saying that the amendment offers the Members of the Senate an opportunity to stand up and be counted on the question of whether they really wish to take effective steps in eliminating duplication, competition, and waste within the Military Establishment.

A second example of temporizing occurs on page 8 of the bill, in the provisions relating to the Chairman of the Joint Chiefs of Staff. I personally favor a single Chief of Staff, and so provided in my bill. But I am willing to settle for a Chairman of the Joint Chiefs if we shall agree not to make a complete figurehead out of him.

Mr. President, I am confronted here with the practical problem of answering the question, "When should one compromise?"

I wish to say that I much prefer the section in my own bill which sets up a single Chief of Staff, but I know there is not a chance of getting such an amendment through the Senate. There is a chance that this amendment will be adopted by the Senate, and I think we can make the amendment work. The amendment which I now offer, regarding the Chief of Staff problem, will make it possible to accomplish most of the things which I had hoped to accomplish under a single Chief of Staff. Senate bill 1843 in its present form simply makes a figurehead out of the Chairman of the Joint Chiefs of Staff. I say that because, on page 8, in line 10, we see the completely astonishing statement that the Chairman of the Joint Chiefs of Staff "shall have no vote."

To me that is a fundamental change in the concept of the Joint Chiefs, for it introduces a wholly new idea, namely, that the Joint Chiefs constitute a voting body. Contrary to the entirely erroneous impression which I have heard expressed, the Joint Chiefs are not and never have been an instrument which transacts its business by voting. The same is true of the Security Council and the War Council. I note that Senate bill 1843 very wisely makes the Vice President a member of the President's Security Council, but it does not hedge by saying that he shall have no vote. That is proper, because the Security Council is an agency which assists the President, who has the power of decision. It is not a voting organization.

Similarly, Senate bill 1843 very wisely places the Chairman of the Joint Chiefs on the War Council, but again nothing is said about any voting privilege. That is correct, because the War Council advises the Secretary of Defense, who has the full power of decision, supposedly. However, I wonder if that is the real intention. I wonder if the true intention is not to write into the bill some language in regard to voting power, denying voting power to the chairman of the joint chiefs, thereby impliedly—mark this, Mr. President—thereby impliedly seeking to restrict the power of decision of the Secretary of Defense. Either he has the power of decision or he has not. Are we to surround him with joint chiefs who, by implication in the bill, shall have the power to vote, except the chairman, and then, when they cast a vote on some issue, place the Secretary of Defense in a position where, if he wants to make a decision he thinks is essential for the effective operation of the Military Establishment, he must overrule a vote of the joint chiefs; which vote could not be participated in by the chairman? I do not think it makes much sense. I think the joint chiefs should be advisory; or, if we are to require a vote, let us do it directly, and let us give the chairman also the power to vote. But why this hybrid? What is the motivation behind this hybrid proposal? Mr. President, I will tell you what my fear is. It is that this is more language put in the bill with the motive, over the long haul, of hamstringing the Secretary of Defense when the "brass" organizes against him in regard to some issue. In neither of these vitally important councils can the responsible head shirk his responsibility behind an implied claim that he was "outvoted." So why should we introduce this thought into the operations of the joint chiefs? They operate, and have always operated, under the direction and control of the Secretary of Defense. They recommend courses of action to him, and they may, or may not, be in unanimous agreement on the details of their recommendations. What difference does it make if they are not in agreement? Suppose they are, or are not: The responsibility to render a decision on the issue should be in the Secretary of Defense. He should seek the consultation and advice of the joint chiefs; but he should not be restricted even by this interesting psychological barrier which I think the language imposes upon him.

Let us be practical about it. There can be little doubt that the bill indirectly but by necessary implication authorizes the Joint Chiefs to vote because the language specifically prohibits the chairman from voting. The only conclusion I can reach is that, by implication, the others have authority to vote, but, interestingly enough, the bill does not give it to them directly in so many words. Let us suppose the Secretary of Defense lays a matter before the Joint Chiefs, and they make a recommendation to him, notifying him that the vote was such and such. Mr. President, will not the fact of the vote be a psychological barrier to him? If he really thinks that their vote ought to be overruled, will not the vote create a problem for him? Will it not create a problem for him right here on the floor of the United States Senate, Mr. President? Can we not hear the speeches now? The first time the Secretary of Defense overrules the Chiefs of Staff—that is, those allowed to vote—who have voted contrary to the decision reached by the Secretary of Defense, can we not hear the speeches? I can; because the Pentagon Building has many lines into the floor of the Senate and the House. Of course the implied authority to vote raises a barrier. It is an unfair barrier to impose upon a public servant to whom a trust is given such as the one we grant to the Secretary of Defense.

Or let us take another hypothetical case. Suppose the Joint Chiefs vote unanimously in support of a certain issue, and we have a Secretary of Defense who would rather not face the particular fight that overruling them might create in the Congress—because, after all, he must pick his fights; he cannot fight on every issue. But suppose he still sincerely believes that he ought to overrule them—are we not putting the Secretary of Defense in a very compromising position? Are we not being very unfair to him by the language of the pending bill? I think we are. I think we ought to say directly and unequivocally that the decision shall rest with the Secretary of Defense, imposing upon him only the obligation to consult and seek the advice of the Joint Chiefs.

Thus, Mr. President, to say that the Chairman has no vote implies that the others do, and it implies that this vote shall be the Secretary's mandate. In practice that is the way it will be interpreted in the Pentagon Building. Just wait and see if that does not prove to be the case. If we let this bill go through, with the language of this section included, it is going to be only a matter of a short time before the partisan proponents of different divisions of the Military Establishment are going to say, "That creates a mandate upon the Secretary of Defense."

I submit that this provision is completely at variance with the facts, is an extremely dangerous concept, and should be stricken from the bill. Indeed, if it were to remain in the bill, I can see how, if some grave mistake were made by the military, one or more of the Joint Chiefs could with perfect logic disclaim any responsibility on the basis of his voting record. And, to make matters worse, the Chairman would disclaim all responsibility, on the ground that he had no vote at all, and, therefore, no effective voice in the dealings of our high military councils. It takes no military expert, Mr. President, to see how impossible it is going to be to get dignity and responsibility in our top military command on such a basis.

Furthermore, the bill provides that the Chairman shall serve for a period of 2 years, with one reappointment possible in time of peace. Here again we are safeguarding ourselves into an untenable position. No Chairman, in the short space of 2 years, can develop to a point where he has served long enough in this high position to justify his stepping aside if we want the maximum of efficiency in developing military defense policies. True, he may be reappointed, but this involves again the delicate interservice rivalries and the work of pressure groups to a point where a really capable man would decline in the first place to accept a job which in effect requires running for reelection every second year. None of us is so naive as to

think there is no such thing as politics in the Military Establishment. I, therefore, feel that his tour of duty should be for a period of 4 years in the first instance, and have so recommended in my amendment.

A third weakening restriction is placed on the Chairman of the Joint Chiefs by the proviso which begins at the bottom of page 8. This proviso states that the Chairman shall not, by virtue of his office, exercise military command over the Joint Chiefs or the services. I submit that when we add this restriction to the one which gives him no voice in the deliberations of the Joint Chiefs, we have a figurehead of the most classic pattern.

Moreover, what possible military command could the Chairman exercise over anyone? Existing law clearly states what shall be the chain of command from the President down to the lowest recruit, and under no conceivable circumstances could the Chairman usurp any of this authority, unless, of course, he chose to seize the power of the military, in which circumstance I do not believe the weakening proviso contained in the bill would be much of a deterrent. All this proviso does is to diminish the stature of the Chairman by throwing a meaningless safeguard into the bill, and I have recommended that it be stricken.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to my friend from Massachusetts.

Mr. LODGE. I congratulate the Senator on the fine grasp which he has shown of these very important considerations. I think no bill which we shall have before us in this session, or in many sessions to come, will mean more in terms of the lives of our young manhood than will this bill. It is very interesting, to me, that the Senator has made these compelling arguments and has indicated the very grave fallacies in the bill, and that no Senator has risen on the floor to disprove a single one of his crticisms. If the Senator has the same experience I had yesterday, he will point out his criticisms and no Senator will rise to explain where we are wrong and give us a good, substantive reason for the weak points in the bill.

Mr. BALDWIN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. In a moment.

I deeply appreciate the comments of the Senator from Massachusetts. I wish to say to him that I am simply expressing one man's opinion in presenting these points of view. I am motivated, as are my colleagues on the Armed Services Committee, according to their viewpoint, only by a desire to have the best possible unification bill that can be presented. I feel that these amendments will greatly improve the bill, and I offer them to the Senate because I am satisfied they will improve the bill very much.

I now yield to my good friend from Connecticut.

Mr. BALDWIN. Mr. President, I should like to say in connection with this particular provision of the bill that when it was under discussion in the committee I was one of the members who asked what seemed to me to be searching questions with reference to it. In the first place, I may say, Mr. President, that, so far as the definition of the duties of the Chairman of the Joint Chiefs of Staff is concerned, I believe the definition of his position, as described in the bill, is one on which all of the Chiefs of Staff of the three services agreed, and one which, if I remember correctly, the Secretary of Defense also recommended.

In the discussions in the committee I questioned the wisdom of mentioning the word "vote" in this particular connection. I questioned the wisdom, if there were to be any votes, of providing that the Chairman of the Joint Chiefs of Staff would be deprived of a vote. However, as it was argued in the committee, it was pointed out that if the Chairman of the Joint Chiefs of Staff were to have a vote, the effect on many occasions might be completely to stalemate the decision of the three Chiefs of Staff who, under this provision of the bill, comprise the Joint Chiefs of Staff.

One of the things pointed out on many occasions to the committee, which held extended hearings and discussions on this bill, was that it was essential in warfare that oftentimes a decision be made and that a stalemate be broken.

That, Mr. President, was the argument for this particular provision of the bill. It was the opinion of the junior Senator from Connecticut that it would be better not to mention the matter of voting in this particular connection, with the hope that when it became apparent in the discussions of the three Chiefs of Staff that the majority opinion was the other way, the one in the minority would defer as a matter of agreement. However, eminent military authorities pointed out that there were occasions during the last war when we were almost stalemated by inability to arrive at a decision; and a high military authority, whom I do not want to quote at this time because I might quote him incorrectly, but who is one of the most famous of our military leaders, made the statement that he could conceive of a situation in which a decision, even though it might be an incorrect one, would be better than no decision at all; that it would be better to arrive at some conclusion so that an impasse could be broken, even though it might be demonstrated later that the conclusion was wrong, rather than to have a stalemate continued.

That, Mr. President, is why the committee felt the best way to resolve the situation was to include this provision in the bill, namely, that there would be a Joint Chiefs of Staff consisting of the three Chiefs of Staff; that there would be a chairman who would preside; that the chairman would be, in effect, the administrative officer of the Joint Chiefs of Staff, and that he would, in effect, be the liaison officer between the Joint Chiefs of Staff, the Secretary of Defense, and the President of the United States.

In the discussion, as I remember it, it was also stated that it was the understanding of the committee that if upon any occasion one of the members of the Joint Chiefs of Staff himself desired to go directly to the Secretary of Defense or directly to the President of the United States to express his opinion, he was privileged, under this particular provision, so to do.

I may say, Mr. President, that this was one of the provisions which created lengthy discussions. As the junior Senator from Connecticut remembers, it was one in which the committee was as unanimous as it was on any other provision of the bill.

I thank my friend from Oregon for permitting me to make that observation.

Mr. MORSE. Mr. President, I am very glad to allow the Senator from Connecticut to make his observation; but, if I am ever going to finish my speech this afternoon, I shall have to yield only for questions. I am sure my good friend from Connecticut will not take any offense whatsoever at that comment, because in this particular instance, I think he has been very helpful in making a statement which joins the issue on which I now want to comment.

Mr. BALDWIN. Mr. President, will the Senator yield for one further observation?

Mr. MORSE. I yield.

Mr. BALDWIN. Does the Senator from Oregon recall the history of the opening days of the War Between the States, when, as I remember, General Winfield Scott was the Chief of Staff of the Army? Does the Senator from Oregon recall that at that particular time, for several months, the activities of the armed forces of the United States were practically brought to a standstill because the general who was then the chief of staff, a man with a preeminent reputation in the United States as a military man, was ill and incapable of fulfilling his duties, and yet it seemed almost impossible to get him out of that position and to acquire new leadership? In the mind of the junior Senator from Connecticut, it seemed desirable, in connection with the length of term of the chairman of the joint chiefs of staff, that there be a limitation.

We made express provision that in time of war the Chairman of the Joint Chiefs of Staff could serve more than a term of two years, but we felt very strongly that an occasion might arise when we might find ourselves in the situation of being unable to remove the Chairman of the Joint Chiefs of Staff and substitute perhaps a more able or active officer, from whatever branch of the service he might be, in order to bring about a more effective administration of this vitally important organization within the armed forces of the United States.

I thank the Senator from Oregon for permitting me to make this comment on the question of the length of the term.

Mr. MALONE. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I should like to answer the Senator from Connecticut first.

Mr. MALONE. Very well.

Mr. MORSE. Mr. President, the Senator from Connecticut has stated my understanding of the military history in regard to the Civil War incident to which he referred. But that is entirely irrelevant to the problem before the Senate.

I think it illustrates about as well as I can illustrate it the point of view which characterizes so much of the thinking at the Pentagon Building. They are talking and thinking in terms of organization and tactics and policies of past wars. Here we are dealing with a unification bill which seeks to set up a new system of administering the Armed Forces of the United States.

We are endeavoring to pass legislation which will avoid the mistakes and wastes incident to divided command and authority which has characterzied our Military Establishment in past wars. With that task before us the Senator from Connecticut cites a Civil War incident in which the Chief of Staff of the Army was ill for a period of time incapable of fulfilling his duties and not replaced by new leadership. I ask you Mr. President, what does that incident have to do with my amendment? Absolutely nothing. The bill itself on page 8, starting with line 14, says, "The chairman shall be appointed by the President, by and with the advice and consent of the Senate, from among the Regular officers of the Armed Services to serve at the pleasure of the President for a term of 2 years." There is not the slightest possibility under the language of the bill of any such Civil War incident, which the Senator from Connecticut cites, being repeated under the bill or under my amendment, because both the bill and my amendment provide that the chairman of the Joint Chiefs of Staff shall serve at the pleasure of the President.

In the Civil War to which the Senator from Connecticut referred, we did not have a Secretary of Defense. If we had had a Secretary of Defense under the terms of my amendment the type of stalemate to which the Senator from Connecticut referred could not have existed. It cannot exist now if we will only give to the Secretary of Defense the power of decision he needs, unharried by the restrictions he is supporting in this bill.

The Senator from Connecticut has outlined this issue just as clearly as I think it can be outlined. The issue is whether or not we are going along with the bill which the Senator from Connecticut supports, which bill contains such language as I am now objecting to, and which handcuffs the Secretary of Defense, and gives to the Joint Chiefs authority which they should not have if we are to bring about true unification.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. MORSE. No; I am going to finish the reply, then I will let the Senator answer.

The Senator talks about voting. The point is that the pending bill does not in direct, forthright language, give to the members of the Joint Chiefs of Staff the power to vote. It merely denies the power to vote to the chairman of the Joint Chiefs. Do they have the right to vote or do they not have the right to vote? We get the answer in the bill only by implication.

As I see it, the issue is very simple, so far as this section is concerned. I want the language so unequivocally clear that the power of the Joint Chiefs shall be limited entirely to advice and consultation, not to decision. I am opposed to letting them render indirect decisions in the sense of giving them the implied right to render decisions by voting on various proposals. This indirect authorization for the Joint Chiefs to vote and then use their votes to embarrass the Secretary of Defense when he disagrees with them should be stricken from the bill. I know of no better way to weaken the Secretary of Defense and hinder unification than this clever provision that seems to give to the other members of the Joint Chiefs the right to vote on various proposals by denying the right to vote to the chairman.

Mr. President, it gets right back to what I have been pleading for throughout these remarks, namely, that we must make up our minds whether we are going to give authority to the Secretary of Defense and his civilian staff to unify the armed forces—yes or no. If we try to restrict that authority by protecting the jurisdiction of the various vested interests of the Pentagon Building, we will build no such type of monument to the memory of James Forrestal as I asked for at the beginning of my address today. We will draft only another bill that proposes unification by way of hindrance rather than by way of help to the Secretary of Defense.

I now yield to the Senator from Connecticut.

Mr. BALDWIN. First, Mr. President, let me call the attention of my distinguished friend from Oregon to the language at the top of page 4, beginning in the middle of the fourth line, which reads as follows:

> The Secretary of Defense shall be the principal assistant to the President in all matters relating to the national security. Under the direction of the President, he shall be responsible for exercising direction, authority, and control over the Department of Defense, including the performance of the following duties.

Then the duties are listed in considerable detail. The question I would ask of the Senator is this: Can we by an act of the Congress take away the constitutional authority of the President of the United States to be the Commander in Chief of the armed forces in peace and in war?

Mr. MORSE. Of course not, and there is not a syllable or a word I have spoken which indicates any such proposal. But we do have the authority to give to the Secretary of Defense the jurisdiction for which I am asking, subject to the superior authority of the Commander in Chief. What the Senator from Connecticut is doing is voting for a bill which seeks to make the Secretary of Defense the President's No. 1 officer in regard to operating the Military Establishment, but then would harry him, impede him, restrict him, by the type of language which I have been protesting all afternoon, and in regard to which I shall offer certain amendments.

Mr. BALDWIN. Let me go one step further. As I conceive the office of Secretary of Defense, it is a position to carry out the executive authority provided for in the Constitution for the President of the United States as the Commander in Chief of the Armed Forces of the Nation. Quite obviously the President of the United States is not going to be able to make every decision with reference to the armed forces. Quite obviously the Secretary of Defense is not going to be able to make every decision with reference to the armed forces. Quite obviously, it seems to the junior Senator from Connecticut, decisions which involve matters of policy and strategy which are not on the highest level, must be decided somewhere, and under the pending bill such decisions are going to be made by the Joint Chiefs of Staff. That is the purpose of setting up the Joint Chiefs of Staff organization under the bill.

It seems to me that under the bill the Secretary of Defense has adequate authority. As a matter of fact, one of the fundamental criticisms which has been advanced against the bill is that he has too much authority, and in an effort to limit his authority somewhat, the committee felt it wise to insert a provision in the bill to the effect that with reference to the components and the functions and the missions of the three branches of the armed services, the Secretary of Defense could not make a fundamental change, the thinking being that such a decision should be made on a higher level than that of an appointive officer, that it should be made in the Congress of the United States, and be made upon the recommendation of the President of the United States.

Mr. President, it seems to me, as I have studied the bill, that is the chief limitation of power on the Secretary of Defense, and that under the provisions of the bill he may have even too broad powers. In fact, there are many who think that that is so under the provisions of the bill.

It seems to me wise for us to go forward with this piece of legislation as we did with the one 2 years ago, testing it out in the school of experience to determine whether or not it is going to be effective.

I would never stand for a bill which would give to the Secretary of Defense the authority the President of the United States has. I would not stand for a bill which would give to the Secretary of Defense the power to determine what the components and the functions and the missions of the armed services of the United States should be.

Mr. President, I believe that the defense of our country must rest, like an old-fashioned milk stool on three sturdy legs. There it must rest. It may be that from one time to another we may want to put more emphasis on the Air Force, we may want to put more emphasis on the Army, or we may want to put more emphasis upon the Navy. But those must be the three legs upon which our defense must rest in the changing conditions and circumstances and instruments of modern warfare. That is the purpose of the bill. It seems to me that in all other functions with reference to the administration of the armed services the Secretary of Defense has broad powers, in fact broader powers than many of those who

appeared before the committee were readily willing to give him. So I am glad of this opportunity to answer thus briefly the particular argument that the Secretary of Defense does not have broad powers, because under the provisions of the bill it seems to me he does.

I thank my friend the Senator from Oregon for yielding to me at this time.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER (Mr. WITHERS in the chair). Does the Senator from Oregon yield to the Senator from Massachusetts?

Mr. MORSE. I should like to reply to the Senator from Connecticut first.

Mr. LODGE. Mr. President, in connection with the Senator's remarks, I should like to call attention to a couple of words from the committee report. The statement is there made that the bill retains the system of checks and balances. How can we have checks and balances if we are going to have the Secretary of Defense free to do the job he ought to do in directing the affairs of our armed services?

Mr. BALDWIN. Mr. President, may I reply?

Mr. LODGE. On page 8, section 6, the third sentence, let me read a brief excerpt:

> The committee would point out that the War Council is one of the most important checks and balances in the Military Establishment.

It seems to me that that lets the cat out of the bag. That shows that this is not a bill primarily interested in unification plus responsibility, and giving our young manhood in the service the right to which they are entitled, that is, to clear, competent and prompt direction at the top; but this is a bill which will, unfortunately, foster a great deal of separatism, which is the thing we ought to get away from.

Mr. MORSE. Mr. President, I want to answer my good friend from Connecticut and then I shall make another comment. Although I thoroughly enjoy exchanging points of view with the Senator from Connecticut, this exchange can go on at great length, and eventually I want to complete my discussion of the five amendments.

I may say to my good friend from Connecticut that if he had been kicked off a three-legged milk stool as frequently as I have in my life he would not place as much confidence in that type of support for maintaining balanced posture as he seems to in his discussion this afternoon. In using that figure of speech the Senator from Connecticut, I think, has made perfectly clear his basic thinking on this bill, with which I am in complete disagreement. I am in complete disagreement with the idea that we are going to maintain, as I think the Senator from Connecticut indirectly confesses he wants to maintain, a sort of independent autonomy on the part of the Army, the Navy, and the Air Force as three legs of equal length and strength supporting our Military Establishment. I think he is drawing this issue clearer than I can draw it myself. We are either going to place the power to control and direct the three forces of our armed services in the Secretary of Defense, or we are going to perpetuate the type of duplication and drives for departmental power that presently characterize their wasteful administration. The idea that they must be maintained on an equal basis as legs to a three-legged stool is a mistaken concept if we want economy and efficiency.

I do not know what the Senator from Connecticut means when he says that he does not propose to give to the Secretary of Defense the constitutional power of the President of the United States. There is not a word the junior Senator from Oregon has said that even implies that he seeks to restrict the power of the President of the United States as Commander in Chief. I am not proposing any constitutional amendment. But I would restrict the power of the Army, the Navy, and the Air Force insofar as their military leadership is concerned in determining administrative policy. That is what I am seeking, Mr. President. The Senator from Connecticut is not going to divert me from that objective one single inch by talking about giving too much power to the Secretary of Defense.

What does he mean by too much power? The very bill he is voting for in the very section I am discussing at the present time gives to the Secretary of Defense the power of decision after the Joint Chiefs have apparently voted, under the implied authority contained in the provision the Senator has allowed to come into the bill. The Senator from Connecticut made a mistake, I think, when he permitted others to persuade him to let the provision remain in the bill, because the effect is to hamstring the Secretary of Defense. The provision gives a psychologically restrictive power to the Joint Chiefs of Staff that will embarrass the Secretary of Defense. I repeat to the Senator from Connecticut: He puts the Secretary of Defense in the position where he either has to overrule the votes of the Joint Chiefs when he is satisfied on the facts that their recommendation is wrong, or he opens the Secretary of Defense to the type of criticism and attack which is going to come from the Halls of Congress from supporters of certain vested interests in the Military Establishment whenever the Secretary of Defense goes against them.

I want to free him. Let me make this point in my speech. I want to free today, I want to emancipate today, the Secretary of Defense from the politics of the Pentagon Building. Unless the Secretary of Defense is made free of the political pressures of the Pentagon Building, unless he is put in the position where he can judge the recommendations of his Joint Chiefs on the record as they make the record before him and can then take his decision to the Commander in Chief for final approval or modification, we simply cannot have unification of the armed services. I care not what language the Senator from Connecticut tries to use to rationalize this division of authority. Divide the authority, Mr. President, and there will be no unification. There will be only a drive for power in the Pentagon Building. We have had it since 1947.

The Senator from Connecticut gives us the familiar argument on the floor of the Senate, "Well, let us try this. We can always change it." Mr. President, that argument has been used very often on the floor of the Senate in asking support for legislation which ought to be modified and perfected before we vote. I have heard that argument many times. I heard it back in 1947, not only in connection with this legislation, but in connection with other major pieces of legislation, including the Taft-Hartley law. I am not going to run away from what I think is our responsiblity here to perfect the unification bill today, and I say that the Senator from Connecticut should join with me in eliminating from the bill this particular language in regard to the Joint Chiefs of Staff.

So that I may finish this part of my argument before I yield to the Senator from Connecticut, I now offer as my second proposal the following amendment:

On page 8, line 10, strike out "shall have no vote but"; on page 8, line 17, strike out the word "two" and insert in lieu thereof the word "four"; and on page 8, line 25, beginning with the colon, strike out all down to and including the word "services" on page 9, line 2.

Mr. BALDWIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. MORSE. I yield.

Mr. BALDWIN. Mr. President, I appreciate that my friend has yielded to me to ask what I hope will be construed as a question, although it may be a rather long one, preceded by a statement.

Under the Constitution of the United States the Congress is given the authority to raise and support armies, to provide and maintain a navy. I should like to ask my friend if he believes that the bill should be broad enough so the Secretary of Defense would have the authority by direct order, or by indirection, to abolish the Army, to abolish the Navy, to abolish the Air Force, or after the Congress has made appropriations for them, so to deal with those appropriations that the effectiveness of any one of those three or any two of those three branches of the service would be impotent? Should such authority rest in one man, who is an appointee of the President?

Mr. MORSE. Mr. President, I most respectfully point out that implied in the Senator's question is an attempt to put words in my mouth. There is nothing in the amendments to the bill for which I stand that takes away in the slightest degree whatsoever the powers of Congress under the Constitution. Under my amendments to the bill I would not give one single power of the Congress to the Secretary of Defense. But, where is the relevancy in the argument that because I propose such amendments as I have submitted in amendments Nos. 1 and 2, I am interfering in the slightest degree with the powers of the Commander in Chief under the Constitution or the power of the Congress in respect to the Military Establishment? The Senator from Connecticut must meet

me on this issue, namely, do my amendments in any way interfere with the power of the Congress or the President?

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. MORSE. Just a moment.

I submit that the Senator from Connecticut is apparently arguing—whether he is willing to recognize it or not I do not know—that under the Constitution of the United States the existing powers of the military heads of the Army, the Navy, and the Air Force cannot be restricted along the lines I propose. His argument falls to the floor like a house of cards, because no such constitutional right vests in the military heads of the Army, the Navy, and the Air Force.

The Senator from Connecticut wants to know if I would be willing to authorize the Secretary of Defense to transfer military personnel. The answer is an unequivocal "Yes" if we want unification; "Yes" if we want economy; "Yes" if we want efficiency; "No" if we want to perpetuate the type of triple-headed administration at the Pentagon Building which is mulcting the American people of billions of dollars in unnecessary, wasteful expenditure in the operation of the Military Establishment.

When I say transfer military personnel I do not mean transfer an officer from a captain in the Marines to a captain in the Army or from admiral in the Navy to general in the Air Force. I have already pointed out in this speech that by transfer I mean that the Secretary of Defense should be authorized to detail men from one service to another in order to perform special missions or obtain special training.

Congress controls how many officers there shall be in the Navy, including the Marines, in the Army, and in the Air Force. Congress, by law, controls how many men and women there shall be in the ranks of the Army, Navy, including the Marines, and the Air Force. There is not a single word in my amendment which gives to the Secretary of Defense the authority to increase or decrease the number of officers and men in any branch of the service as designated by Congress. There is no danger, under my amendment, of the type of transfer which the Senator from Connecticut has in mind, namely, a transfer which would permit the Secretary of Defense to abolish any one of the three branches of the service, including the Marines, or change them from members of one service to members of another service.

However, I say yes to the Senator's question if he means, should the Secretary of Defense have the authority to assign men to special details in connection with a service whose uniform they do not wear? Thus, if naval aviators are detailed to the Air Force they don't cease to be naval aviators under my amendment and vice versa.

I have heard a geat deal about economy from the other side of the aisle, and from this side of the aisle. The place to economize is in the matter of waste in the administration of Government. I am offering an opportunity to economize to the extent of billions of dollars, if the Senate will not accept the argument of the Senator from Connecticut that in some way somehow, we must preserve undisturbed the present jurisdictional powers of the military heads of the Army, the Navy, and the Air Force. As I see it, that is what his argument reduces itself to.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. Just a moment.

I am for giving power to the Secretary of Defense. I welcome the support of the Senator from Connecticut.

I now yield to the Senator from Connecticut.

Mr. BALDWIN. Mr. President, the Senator has answered my question. If we pursue to its logical conclusion the point he makes and give to the Secretary of Defense, for example, the unlimited power to transfer personnel, and the appropriations which go with it, from one department to another, then we give to the Secretary of Defense authority to abolish the Air Corps, the Army, or the Navy, whichever he thinks at the time should be abolished. That is an issue on which I am glad to meet my friend from Oregon, because I am one who firmly believes that a decision on that level—as to whether we shall have an Army and how big it shall be, whether we shall have a Navy, and how big it shall be, whether we shall have an Air Force and how big it shall be, and what the respective functions and missions of those separate branches of the service should be—is a decision which rests with the Congress and the President of the United States, and should rest with them alone.

I am not willing to put in the bill a provision which would give to a single man, who is an appointee of the President, the authority to change the fundamental organization of the defense of the country. If he believes that it should be changed, let him come to the Congress and say so. Let him ask for appropriations to accomplish that object.

So far as I am concerned, I believe that the defense of the United States will continue to rest in the future, as it has in the past, upon those three branches of the armed services. I am willing to concede that the Secretary of Defense shall have the broad authority and power to coordinate those services, but I want to stop at that line, and that is the line where the bill stops. As a matter of policy and as a matter of our own future safety, I think that is the line where it ought to stop. That is the line set forth in the bill.

Under the terms of the bill the Secretary of Defense has ample enumerated powers to accomplish everything the junior Senator from Oregon, as well as the junior Senator from Connecticut, want to see accomplished. But the junior Senator from Connecticut would never support a bill which would make it possible for one man to change the major fundamental organization of the defense of the Nation. I still believe that we need an Army. I still believe that we need a Navy. I still believe that we need an Air Force. I shall always believe that the coordination of those three services is the thing which can successfully accomplish the defense of this country. I am not willing to see one destroyed at the expense of another because at a particular moment or at a particular stage in the development of weapons one man thinks we ought to do away with two of the services to the advantage of the third.

Let me add that I think it is a proud thing to say that we have three branches of the service, each one of which believes that it alone could successfully defend the United States. I would not think that a Chief of Staff, an Army officer, a Navy officer, or an Air Corps officer was worthy of his commission unless he believed that his branch of the service alone was adequate to take care of the defense of the United States. That is the kind of esprit de corps we want to maintain and preserve. However, I am not one who believes that that is so. I am not one who believes that we ever ought to place full and complete confidence in any one of these branches of the armed forces. I believe that there will be times when we shall want to place more emphasis on the Air Corps, and perhaps less upon the Navy, perhaps more or less emphasis on the Army, depending upon the development of weapons and the particular enemy with which we have to grapple. But I would never support a bill which gave authority to one man to abolish any one of these branches of the service or to make any fundamental changes in the organization of the service as provided by the Congress of the United States.

I thank my friend for yielding to me in order to make this statement.

Mr. KEM. Mr. President, will the Senator yield?

Mr. MORSE. I should like first to reply to my good friend from Connecticut, and then I shall be glad to yield.

The Senator from Connecticut has drawn the issue; but I say most respectfully that in drawing the issue he has completely misstated it, because in his statement of the issue he has inserted one false assumption after another. Let us run through those false assumptions.

In the first place, the revisions of the bill proposed by the junior Senator from Oregon do not put the Secretary of Defense in a position where he is not subject to the control of the Congress of the United States. The Senator from Connecticut knows that to be so. The Senator from Connecticut knows that the bill, even as proposed to be amended by the Senator from Oregon, provides also for an Under Secretary of the Navy, an Under Secretary of the Army, and an Under Secretary of the Air Force. The whole structure of the bill, as proposed by the junior Senator from Oregon, continues those three great branches of the service, including within the Navy the great Marine Corps. But what the Senator from Oregon is pleading for is that the military heads of those services shall be subject to the administrative decisions of the Secretary of Defense.

The Senator from Connecticut, if he wishes to do so, can argue until doomsday on the basis of the false assumption that the Senator from Oregon is seeking to support a bill which permits of the abolition of one of the three armed services. However, that simply does not happen to be a fact.

Mr. BALDWIN. Mr. President, will the Senator yield on that point?

Mr. MORSE. I shall yield as soon as I finish this statement.

I say that assumption simply is not based on fact, because the provisions of the bill which I am supporting will continue those services. But this is where the Senator from Connecticut and I differ: I do not see that there is anything sacrosanct in the Army or in the Navy or in the Air Force that should guarantee to any of them the right to continue some particular function if the Secretary of Defense or the Commander in Chief of the United States decides that in the interest of efficiency, the elimination of duplication, or in order to promote economy, there should be a transfer of a particular function or a detailing of personnel of one service to another service to perform a special mission.

Furthermore, I wish to say that I do not know of a better example which I could cite on the floor of the Senate of the use of the "fear" argument than the argument just made by the Senator from Connecticut when he tried to read into this provision of mine in respect to the Secretary of Defense an authority on the part of the Secretary of Defense to abolish the Army or the Navy or the Air Force. Such an argument of reducing to the absurd simply does not make good sense. No Secretary of Defense, by the widest stretch of the imagination, would possibly go to the absurd extreme which the fear expressed by the Senator from Connecticut would seek to arouse in us. But, as I said earlier in my speech, a Secretary of Defense might decide that water transportation should be transferred from the Army to the Navy; and if the facts supported him, he should have the power to do so. He might decide that 500 naval aviators should be transferred from the Navy to the Air Force for training on B–36's; and if the facts supported him, he should have the power to do so. However, they would remain as naval aviators.

Mr. KEM and Mr. BALDWIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oregon yield, and, if so, to whom?

Mr. MORSE. Since I have just replied to the Senator from Connecticut, and because I wish to be exceedingly fair to him, I yield first to him.

Mr. BALDWIN. I thank the Senator.

(At this point Mr. KEM asked permission to interrupt Mr. MORSE, who yielded, and colloquy ensued, which appears after the following "subsequently said" statement by Mr. BALDWIN:)

Mr. BALDWIN subsequently said: Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BALDWIN. I wonder whether, by unanimous consent, what I have to say now could be inserted before the question propounded by the distinguished Senator from Missouri. I am going to attempt to answer something in the RECORD that should at least meet the argument of my distinguished friend from Oregon, who is one of the best arguers I have ever heard anywhere.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BALDWIN. Mr. President, the reason I spoke as I did was because the junior Senator from Oregon had made the point that the Secretary of Defense did not have adequate power under the pending bill, and it was the purpose of the junior Senator from Connecticut to attempt to draw the line at which the committee felt that the power of the Secretary of Defense should stop, a line beyond which it should not be extended. The committee, in drafting the bill, on page 4, has given to the Secretary of Defense tremendously broad powers. For example:

> Under the direction of the President, he shall be responsible for exercising direction, authority, and control over the Department of Defense, including the performance of the following duties—
>
> (1) Establishment of policies and programs for the Department of Defense;
>
> (2) Exercise of direction, authority, and control over the affairs of the Department of Defense;
>
> (3) Taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary, to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel, and in such other fields, as he may deem proper, but this shall not be construed to authorize the Secretary of Defense to reassign the combatant functions assigned to the military departments by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof or to make transfers of military personnel from one miltary department to another or to make details or assignments of military personnel in a manner substantially to affect or change such assigned combatant functions.

Coming to the question of the assignment of water transportation to the Navy, or something of that kind, it seems to me the power is in the Navy to accomplish that, so long as the thing done does not essentially or substantially affect the combatant function assigned to the different branches of the service under the bill. The bill gives to the Secretary of Defense the power to detail officers and enlisted personnel from one department to another, but not in such great numbers as to defeat the combatant functions and purposes as defined in this particular bill. That it seems to me is where the line should be drawn. If some future Congress finds that it wants to give to one man the authority to change the entire set-up of the national defense, it can then do so; but the junior Senator from Connecticut would never vote for any such provision as that, because he believes that under the Constitution and under our whole system, by wisdom and experience it is demonstrated that decisions on that level must be made here, and must be made by the President of the United States. The junior Senator from Connecticut submits that under the terms and provisions of the bill, the criticism of my friend from Oregon is not well founded for the Secretary of Defense has ever so much broader powers than he was given under the bill passed 2 years ago, and he has under the provisions of this bill ample power and authority to accomplish the savings and to do the things necessary to increase efficiency which both the junior Senator from Oregon and the junior Senator from Connecticut believe very sincerely should be done and accomplished.

Mr. MORSE. Mr. President, the Senator from Connecticut has now put me into a position calling for repetition, and I am not going to repeat myself. He has just made an argument which I think I completely answered when I presented my first amendment. I completely deny his premise. When he says the bill gives the Secretary of Defense all the authority he needs, I deny it. I say the so-called safeguards of the bill which he now cites with approval are the very things that prevent the Secretary of Defense from doing the one thing we ought to empower him to do, namely to unify the armed forces. That is what the bill is all about. His assumption that if we adopt my amendment No. 1—in defense of which I spoke at length earlier this afternoon, and I shall not repeat the argument—we interfere with congressional power over the armed forces simply is not so, Mr. President. My amendment does not restrict by one iota the powers of the Congress. But the amendment enlarges the powers of the Secretary of Defense, so he can knock some heads together at the Pentagon Building. I submit the argument of the Senator from Connecticut reduces itself to the premise that he apparently wants to preserve unto the military officials the authority to go about their independent ways without any effective restrictions being imposed upon them by the Secretary of Defense. That is the issue between us. I have made my point upon it.

Mr. KEM. Mr. President, I have only a short question which I wish to ask of the Senator from Oregon.

Mr. MORSE. Very well; I yield.

Mr. KEM. I should like to ask the Senator from Oregon, who has studied this bill very carefully, whether he has any difficulty in regard to the meaning of section 210, as proposed to be amended by this bill?

Mr. MORSE. On what page, please?

Mr. KEM. On page 7 of the bill. That section creates a War Council, composed of the heads of certain departments, along with the Secretary of National Defense, and provides that the War Council shall advise the Secretary of Defense on matters of particular policy, and so forth.

Mr. MORSE. It simply puts the Chairman of the Joint Chiefs on the War Council; that is all it does.

Mr. KEM. Does it continue this language, which I find a little unusual:

> There shall be within the Department of Defense a War Council composed of the Secretary of Defense, as Chairman, who shall have power of decision.

Does that mean that the other members of the War Council will sit with him as more or less window dressing, but in the end the Secretary of Defense will announce the decision?

Mr. MORSE. It would be purely advisory, which is the present situation.

Mr. KEM. Is that a desirable situation?

Mr. MORSE. I think it is a desirable situation, if someone finally is to make a decision, after everyone has had a "say" and after everyone has had a

chance to advance his facts and arguments.

We must proceed on the assumption that the Secretary of Defense will be controlled by the facts and will give thorough consideration to the positions taken by his advisers.

Mr. KEM. I agree entirely with the Senator from Oregon on that point.

If that is the correct interpretation—certainly it is the one I would give to the language—I wonder why it was found necessary to use 50 or 75 words to write that provision, because the Secretary of Defense could call those persons, who would be under him, to his office on any occasion and could counsel and advise with them, and it would be the customary and usual course for him to do so. So why go to the trouble and take the space in the bill to provide for setting up a war council, which admittedly is not a deliberative body at all, because in the final analysis the Secretary of Defense will make the decisions solely on his own responsibility.

Do I make my position in the matter clear?

Mr. MORSE. Yes; I think the point is very clearly made.

My reply is that the language referred to by the Senator is included at that point in the bill in order to make certain that the Secretary of Defense will take the necessary steps to obtain the advice and counsel of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force. That is the purpose as I understand it.

Furthermore, let me say frankly that it is another example of a fear existing on the part of persons who have long exercised power, which now is going to be somewhat curtailed, that they are to be stripped entirely of their "say". In this instance the bill carefully provides that their "say" shall be advisory.

Mr. KEM. Does the Senator from Oregon find in the bill any language requiring any meetings of the War Council?

Mr. MORSE. There is none. No such language is to be found in this bill, and none is to be found in the 1947 act.

Mr. KEM. Then it could hardly be said that it is made mandatory upon the Secretary of Defense to take counsel of the other members of the War Council, if he is not required to call them together on any stated occasions or on any occasions at all. Is that correct?

Mr. MORSE. That is correct. However, there, again, I think we have to rely upon the exercise of good faith, and I think we have to rely upon a clear expression of the intent of the Congress that he shall seek the advice and counsel of his so-called War Council.

Mr. KEM. That is why I arose—to ask the Senator from Oregon, who has a gift of precise and definite expression, himself, whether in his opinion the draftsman of this bill has clearly and precisely expressed that idea, or whether the language used is more or less nebulous, so far as stating exactly what the War Council is and what its purpose is and what its function is and whether it is to meet, if ever, and for what purpose.

Mr. MORSE. Mr. President, I wish to be perfectly fair to the draftsman of this bill. Of course I am directing my attention to what I consider to be its major weaknesses. I wish to say to the Senator from Missouri that I think the language of the bill in respect to a great many details could be improved but I think the draftsman was confronted with the task of reconciling some of the compromises in the bill. This particular section is one which has been in operation for 2 years. I am advised that Secretary of Defense Forrestal had frequent meetings of this Council. He did carry out what I think is the manifest intention of Congress in connection with this section; and I have every reason to believe that his successors will do likewise. But I have no objection to more definitive language in the section, so as to make it perfectly clear that the Secretary of Defense on matters of major decision shall call his Council into meeting for advice and discussion, prior to rendering a decision.

Mr. KEM. Let me say finally that the impression which I receive from the section is that it is rather reminiscent of the statement of the Frenchman that "language is sometimes used to conceal thoughts."

Mr. MORSE. Yes. Let me say that the Council is the "cabinet"—I use the word in quotation marks—of the Secretary of Defense. To use the cabinet analogy, let me say that of course we do not require meetings of the President's Cabinet, but we know that a wise President has frequent meetings of his Cabinet.

Mr. KEM. Is there statutory authority for any meetings of the Cabinet?

Mr. MORSE. Not at all. My reference to the Cabinet is merely an argument by analogy.

Mr. KEM. That is exactly what I had in mind. For that sort of meeting, it is unnecessary to provide statutory authority, and if that is all it is, then it is surplusage. For my own part, I regret that such a provision should be inserted in the bill. From my point of view it lacks the definiteness which should characterize an act of Congress.

Mr. MORSE. I can only give the Senator from Missouri my hunch as to why it was put in, in the first place, in 1947. Then, as now, there was great fear among the military leaders of the Army, the Air Forces, and the Navy, that their advice and consultation would not be sought, and that their influence would be greatly weakened in the determination of policy. I have a hunch that the language was put in, in the first place, to placate that fear. The fear has proved under experience not to be well-founded, because as I say the meetings have actually been held. On the other hand, I want to make certain, and I am perfectly willing to make certain, that the decisions of the Secretary of Defense shall be based upon the facts presented to him by the spokesmen for the respective services. I have no objection to an amendment being adopted that would include mandatory language, if the Senator desires to offer such an amendment.

Mr. KEM. The Senator will agree, will he not, that under the present provision the Secretary of Defense can act with or without consultation, with equal legality?

Mr. MORSE. That is right. Mr. President, I now proceed with the discussion of my third amendment, which deals with the size of the Joint Staff. This staff is the working group of the Secretary of Defense, and of the Joint Chiefs in their capacity as assistants to the Secretary. The bill places upon the Secretary, and through him, the Joint Chiefs, responsibilities of the greatest magnitude. We intrust these officials with the security of our Nation. We give them billions of dollars to spend annually. We look to them to win wars. Yet we say that their staff shall be limited to 210 officers. I submit that such a limitation is both niggardly and at the same time wasteful. How was the figure arrived at? Why not 213, or 207? We all know that it was simply pulled out of the hat, and has not the slightest relationship to the amount of work to be done, or the responsibilities to be shouldered. Further, such a limitation is completely unnecessary. The Chief of each military department resists to his utmost the sending of extra officers to the Joint Staff, because it constitutes a drain on his top-flight personnel that he can ill afford.

Each chief has his own responsibilities, and he needs every officer of ability to man his own service. So he tends to resist detailing excessive numbers to the Joint Staff. Yet by fixing this unnecessary limitation we make it unlawful for the Secretary to meet sudden demands for more personnel when local emergencies occur, and we jeopardize the nerve center of our whole structure. In no other service do we restrict the number of officers who can be placed on staff and planning agencies to meet emergencies, and it is most unwise to do it for the Joint Staff, where inadequate personnel is reflected in poor performance throughout all three services. I have therefore recommended that this limitation be removed, and that we depend on the Secretary to settle this problem as the interests of our national security dictate.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MORSE. Let me read the amendment and submit it, and then I shall yield.

I send my third amendment to the desk and ask that it be printed. It reads as follows:

On page 10, lines 11 and 12, strike out "to consist of not to exceed 210 officers and."

The PRESIDING OFFICER (Mr. THYE in the chair). The amendment will be printed and lie on the table.

Mr. MORSE. I now yield to the Senator from Massachusetts.

Mr. LODGE. In order to perfect the RECORD, I point out that on yesterday, in response to a question from me, the senior Senator from Maryland, chairman of the committee, said, on page 6759 of the RECORD:

I think the Senator from Massachusetts and I see eye to eye on that proposition.

Later, on page 6760, he said:

I should be glad to have the Senator offer an amendment to strike out the 210. While I would feel in duty bound not to support

the amendment, I would not be displeased—and I hope I am not equivocating—if it were adopted.

Mr. MORSE. Would the Senator from Massachusetts like to join with me in my amendment?

Mr. LODGE. I shall be glad to.

When the Senator from Maryland refuses to place a limit on the number of officers in the Army General Staff, in the Navy General Staff, and the Air Force General Staff, and we insist on putting a limitation on the Joint Staff, it looks as though with reference to unification, we were a little ashamed of ourselves about a limitation on the armed services as a whole.

Mr. MORSE. I thank the Senator from Massachusetts.

In the preparation of the bill and in the drafting of the administrative pattern which is set forth in it, let us not forget that we are building for years and years to come, so far as the military organization is concerned. Certainly here in the Senate we should consider very carefully the advice of the great present-day leaders of our Military Establishment which has been given to the committee and to the Secretary of Defense in the preparation of the bill. But let us be realists about it, too. They are human beings, and they must constantly be watched for special pleading. They must be carefully watched now, in the year 1949, for recommendations which unconsciously set forth their special interest in perpetuating a great deal of the status quo. I say that most respectfully to the great leaders of our Military Establishment. The opposition to the amendment which has just been offered reflects that very thing. It reflects the fear that the military leaders of the individual departments have that we are going to establish machinery which will limit them to a degree to which they, in their period of service, do not like to be limited, in operating the Army, the Navy, and the Air Force. When we look at the long-time job which confronts us in connection with this bill we should be thinking of General X, General Y, and Admiral Z who will be in charge of the Army, the Air Force, and the Navy in the years to come. We must be willing, it seems to me, to stand up against the persuasive special pleading of present-day military leaders who, I think, must take their fair share of responsibility for the fact that in 1947 we did not do a good enough job with the unification bill because of the influence they exerted in placing restrictions in that bill which so limited the Secretary of Defense that he could not possibly carry out the great objectives of true unification. Likewise, I say most respectfully, in connection with the present bill, I am satisfied that present-day leaders of the Army, the Navy, and the Air Force have influenced too greatly the wording of the bill, because they see the problems—and I say this in a most friendly way—in connection with the vested interests in their own departments in the Pentagon Building. So I am willing to take the position that although we should consider their advice and suggestions, we have to answer the question: Are we going to give the Secretary of Defense the authority that he needs to unify the armed services, unhampered by the type of restrictions which the Senator from Connecticut has testified on the floor of the Senate this afternoon he is willing to perpetuate in this bill?

That is the issue between us; and I am unalterably opposed to the position on that issue taken by my good friend from Connecticut.

Mr. President, my fourth amendment is with respect to the Munitions Board. I feel that its operations are seriously hampered by the fact that the Chairman does not have the power of decision. This was first brought to my attention by Mr. Eberstadt, and I agree with him. The duties of the Munitions Board are spread across a very broad field through nine different categories. The Chairman of the Board is essentially the Under Secretary of Defense for Procurement—a field in which I feel a far greater degree of centralized authority is needed. A glance at the duties of the Board, which begin near the bottom of page 11 and run to the top of page 13 of the bill, shows that the nerve center of our procurement and industrial planning for war, as well as peace, is located in the Munitions Board. Yet, this body has no responsible head. Its responsibility is diffused, and this diffusion is complicated by the fact that the other members of the Board are Under Secretaries or Assistant Secretaries who serve on the Board as a sort of additional duty. Further, their tenure of office is generally not very long. This combination produces a very loose organization, which is charged with staggering responsibilities. Neither the Secretary nor the President has a single individual to whom he can look to assume the full responsibility for sound procurement or realistic industrial planning. I therefore propose that this glaring weakness in the present structure be strengthened by fixing this responsibility where it obviously belongs—in the Chairman of the Munitions Board as an agent of the Secretary of Defense.

Further, I feel that Senate bill 1843 fails definitely to assign these procurement and industrial planning responsibilities to any tangible group. The present text of the bill locates these functions in the Munitions Board only indirectly, as the wording of lines 11 to 18 of page 11 of the bill indicates. These functions are vital to our economy as well as to our military security, and their performance should follow a pattern over the years, rather than the whim of an individual secretary. They require a vast amount of organization and specialization, and should have as much permanence as it is possible to give them. Further, they should be very closely tied in with the strategic and logistic plans of the Joint Chiefs. The wording of the bill does this only by implication.

I therefore recommend that the bill be amended by substituting for lines 11 to 18, on page 11 of the bill, the following:

It shall be the duty of the Board, under the direction of the Secretary of Defense and in support of strategic and logistic plans prepared by the Joint Chiefs of Staff, to provide for—

And from there on I would retain the nine duties of the Board as they appear in the present text.

Mr. President, I offer that amendment, send it to the desk, and ask that it be printed as my amendment No. 4.

The PRESIDING OFFICER (Mr. THYE in the chair). The amendment will be received, printed, and will lie on the table.

Mr. MORSE. Mr. President, my fifth and last amendment contains three pages. What it does is to drop the Secretaries of Army, Navy, and Air to Under Secretary of Defense for the Army, Under Secretary of Defense for the Navy, and Under Secretary of Defense for the Air Force. The change requires numerous changes throughout the bill wherever the old term "Secretary" occurs, hence the length of the amendment.

Mr. President, I have spoken at some length on this suggestion before. It was this proposal, and my proposal in connection with amendment No. 1, which made it perfectly clear to me in the early stages of our hearings on the pending bill that I could never see eye to eye with a majority of the committee, because amendment 1 and amendment 5 I think are basic to true unification.

When the Armed Services Committee made perfectly clear that it was not going to adopt the principles and policies inherent in my amendment No. 1 and amendment No. 5, I recognized that there was very little contribution I could possibly make to the committee's work on the bill, because unless we could agree on what I think to be two of the most basic steps in unification, I was naturally not interested in seeking to perfect a bill which in my opinion would not do a good job.

Now, because I have so clearly stated my position in the RECORD on this point, I wish to say just a word about the amendment which seeks to do away with the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, and substitute therefor an Under Secretary of Defense for each one of those departments of the Military Establishment.

I think the amendment has great merit in it, that it has great psychological merit in it, because, as I see it, the real, first job, and I repeat, the most important first job, that has to be done in the Pentagon Building is to get men to accept the thinking that we have unified the services. It is a psychological job which needs to be done. We must eliminate those matters of form which have grown up in the military establishment on the basis of which there is a tendency for holders of title to usurp power.

If we retain in the bill a Secretary of the Navy, a Secretary of the Army, and a Secretary of the Air Forces, I say that psychologically we are defeating the whole purpose of unification. The amendment is in accordance with the principle of the Hoover Commission recommendation.

Mr. President, I digress just long enough at this point, since I have mentioned the Hoover Commission, to say

that I think one of the great strengths of the report of the Hoover Commission is to be found in the fact that former President Hoover has cut through the red tape of form, and gone straight to substance in all of his recommendations. Thus with respect to this matter I wish to get away from as much of the tinsel and the title which make unification difficult of accomplishment as is possible. Tinsel and title in the Pentagon building have been among the chief contributing factors to the break-down of the unification law of 1947.

The argument has been made on the floor of the Senate that the titles are necessary in order to give the offices the prestige which they must have in order to attract men of sufficient competency to head up the Army, the Navy, and the Air Force civilian offices. I just deny that. I say it is an argument without merit. I shall never take the position that a call to patriotic public service is dependent, so far as the acceptance of the call is concerned, upon tinsel and title.

Mr. MALONE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Nevada.

Mr. MALONE. I have heard part of the Senator's contribution to the debate, which has been very able, but unfortunately I did not hear all he said. I should like to ask the Senator if it is his firm opinion that the bill as now written, including the paragraphs on pages 3 and 4, would not bring about a unification of the armed services to such an extent that the Secretary of Defense would have full authority to determine what the objectives of the national defense organization of our country are and to provide the machinery to reach the objectives.

Mr. MORSE. If I thought so, I would support the bill, and I would not offer amendment No. 1. My amendment No. 1 seeks to modify most of what I think are the major weaknesses of the provisions starting in line 19, page 4.

Mr. MALONE. That is what I had reference to. The language beginning on page 3 seems to give the Secretary of National Defense the necessary authority in one breath, and then beginning with line 19, page 4, to which the Senator has already referred, following the word "but," pulls the punch, and the Secretary of Defense would remain just about as powerless as he is now.

Mr. MORSE. I completely agree, and my amendment No. 1 seeks to strike all the language after the word "proper" on page 4, line 19.

Mr. MALONE. I make the statement, Mr. President, and it is my firm opinion, that the bill we passed last year killed Jim Forrestal. In my opinion none of us understood that it did not provide for unification of the services. The bill was passed in 1947; I know we wanted unification. I was for unification, and I voted for the bill reported to the Senate, but we found later that it provided almost definitely that the Secretary of the Navy, the Secretary of War, and the Secretary of Air, could go to the President of the United States, and pay no attention to the Secretary of Defense.

Mr. MORSE. And they did.

Mr. MALONE. They did. Therefore Jim Forrestal was given an impossible job, and with his conscience and with his integrity, he literally worried himself to death.

What are we going to do? We have just seen a new Secretary appointed—a big, husky, perfect physical specimen of a man, with plenty of experience and plenty of guts. I made that statement on the Senate floor following his confirmation by the Senate. I am for him, and I am going to be for him just as long as he keeps those tugs tight, and keeps the reins in his hands, and works to establish two things—one, the objectives of a defense organization for this Nation; and, two, how to reach the objective in an emergency.

I was in the field artillery in the First World War, and had considerable experience in the last war as special consultant to the Senate Military Affairs Committee, in Alaska, the Aleutians, New Caledonia, Australia, New Guinea, and the South Seas generally. However, I do not know what we need to do the job, and I am venturing the opinion that no Member of this body does know; therefore we must have someone in complete charge whose job it is to tell us.

Then what are we going to do? Kill Louis Johnson with the same kind of legislation? We can do it, I will say to the junior Senator from Oregon, because Louis Johnson is conscientious and has the will to do the job.

It seems to me that no Senator can know what is necessary for national defense, what the objective is, or how to reach it, unless he himself were appointed Secretary of Defense and spent all his time as such Secretary, and since that is impossible we must have such from one authoritative source.

I say to the distinguished junior Senator from Oregon that I am for his amendment, and I hope that the Senate of the United States will not duplicate what we did in 1947 when we passed a bill which was supposed to provide for unification but in fact divided the services so that no one could supervise the job.

In this bill are mentioned certain functions and certain organizations which the Secretary of Defense cannot touch, when as a matter of fact, by the very wording of the paragraph following the word "but" on page 4, line 19, the items mentioned following that word pull every tooth out of the head of the Secretary of Defense when it comes to unification. From reading that language, unless there is language modifying that paragraph some place else in the bill, which I have been unable to find, in my opinion he cannot possibly do the job that we say in the first part of the paragraph he must do.

I think that we are right here and now proposing to pass on one of the most important pieces of legislation that will confront this body this session. We have presumably been building up our national defense to offset the aims of a certain intractable nation ever since World War II. We know that that nation has unification to say the least. Having that knowledge, let us not handicap those we put in top responsible military positions. I am for Louis Johnson as Secretary of National Defense as long as he is in there trying to do a real job—a job that has needed doing since the close of World War I. He works 20 hours a day. I am in a position to know that. Now if we pull the legislative foundation out from under him—and leave him in the same position that we placed Jim Forrestal, and worry him to death as we did Jim Forrestal, trying to do a job that we ourselves have made impossible, then the Senate and the Congress of the United States can take the blame.

Mr. MORSE. Mr. President, I want to thank the Senator from Nevada very much for the contribution he has made to my discussion of particularly the first amendment. I do not think the Senator was present when at the beginning of my remarks today I said we have an opportunity to build a great monument to Jim Forrestal in the form of a unification bill that is a unification bill in fact. I respectfully suggested that the bill recommended by the committee would not be a deserving monument to Jim Forrestal, for the reason the Senator from Nevada has so well pointed out, which is, that it purports to give the Secretary of Defense unifying powers, but it so fences him in with restrictions that it is bound to harrass and worry and impede him so that I see no possibility of any Secretary of Defense, the present one, or Secretaries of Defense to come, giving to the American people the type of efficiency, the type of effectiveness, the type of economy which they are entitled to expect from their armed services if the security of the Nation is to be preserved.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. MALONE. Unfortunately I missed part of the debate yesterday, but I read the RECORD. I saw a reference made to securing votes by modifying the bill; that votes on the Senate floor to pass the bill could only be secured in that manner. Mr. President, if the Senate of the United States has reached the point where, in order to secure votes to pass a unification bill to protect the people of this country, to protect the boys and girls of the Nation whom we are drafting and have been drafting for the past year into the armed services, and whom we will draft immediately in the case of emergencies, then I say that is the greatest condemnation of this body that could possibly be pronounced on the Senate floor.

Mr. MORSE. I agree with the Senator.

Mr. President, I was commenting on my fifth amendment, which establishes an Under Secretary of Defense for Air, an Under Secretary of Defense for the Army, and an Under Secretary of Defense for the Navy, for the present Secretaries of those branches of service. I had made my first point in support of my amendment, namely, that if we are going to have unification in fact, we must take away the title that goes with these offices. I say by means of their titles alone, these officials by way of jurisdictional accretion, day by day and month by month and year by year tend to take unto themselves more and more prerogatives and more and more implied authority.

I wish some time some student of political science would write a treatise, Mr. President, on what I am satisfied is a direct relationship between the title that is given to an office and the building up of implied authority that seems to just ooze out of the title, until finally, like spreading molten lava, we have the official holding the title exercising an implied authority that never was intended when the office was set up. I say, Mr. President, that our Federal Government is permeated by what I call government by implication through titles. There is the psychological tendency on the part of people, both in the military services, in the civilian branch of government, in the Congress, and among our people generally, to assume that if Mr. X is Secretary of the Army, or Secretary of the Air Force, or Secretary of the Navy, why he just must have the power to do what he seeks to do.

That is not a matter of fancy, Mr. President. If we will but look we can see government by implication working every day all through our Federal set-up. I want to take these titles away from the Secretaries of the Army and the Navy and the Air Forces, so that we can serve clear notice on the holders of the offices and their staffs and upon the people within the armed services, and upon the people in the country, that when they deal with them they are dealing with Under Secretaries of Defense. I think this fifth amendment alone is absolutely essential if we are to implant in the minds of the personnel of the armed services and in the thinking of the American people the thought that we are adopting a program of unification in fact. Let us make it both in fact and in name. When we have an Under Secretary of Defense for the Navy, an Under Secretary of Defense for the Air Force, and an Under Secretary of Defense for the Army, we have unification both in fact and in name. We have unification stemming up to the head man, the Secretary of Defense, and we have cut out a great source of jurisdictional red tape which develops by the accretion of implied power around a title.

The Hoover Commission agrees with me, if I correctly read the language of its report. I do not mean that it necessarily agrees with my arguments, but it agrees with my recommendation. This is what the Hoover Commission report says:

> That the service secretaries be deprived of their privilege of appeal over the head of the Secretary of Defense; that they be directly and exclusively responsible to him; that the Secretary of Defense be the sole agent reporting to the President; that the service secretaries, to clarify their positions, be designated the Under Secretaries for Army, Navy, and Air Force.

I have not read a single one of the Hoover Commission reports which has not cut through form to substance. Although there may be some details of the Hoover Commission reports which are deserving of modification, I do not believe that there are many, and I certainly do not believe that this particular recommendation is one of them. Thus I am happy to go along with this recommendation of the Hoover Commission, as I expect to go along with practically all the others, because I can say that as of today I know of not a single recommendation of the Hoover Commission for the reorganization of the Government which has been made that I shall not support, unless some Senator on the floor of the Senate or some committee can present facts which I have missed in my analysis of the reports.

Thus I urge the most careful consideration, and the favorable consideration of the Senate, of my fifth amendment, which gives us Under Secretaries of Defense of the Navy, the Army, and the Air Force. I send the amendment to the desk and ask to have it printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. MORSE. In closing, I wish to say that I always feel that one cannot impress his sincerity upon people by merely asserting it. But because I know that some of the things I have said this afternoon in argument will not be appreciated by certain vested interests in the Military Establishment, and because I know that the positions I have taken this afternoon on some issues will unquestionably have their political repercussions also, so far as I am concerned, I close this argument by saying to all, friend and foe alike, that as a member of the Armed Services Committee of the United States Senate I have been motivated by but one desire, and that is to work for the best possible unification system for our armed forces. I believe, out of the sincerity of that motivation, that the five amendments which I have submitted would result in a greatly improved bill.

I agree with the junior Senator from Massachusetts that the obligation which is ours in connection with this piece of legislation is of sacred importance, because we must recognize now, before it is too late, that we are dealing with the lives of American boys. In my judgment, we are dealing with the potential danger of tremendous loss of life to millions of our citizens across the country should we be plunged into a third holocaust. Therefore, I say that we must rise above any immediate selfish interests of any vested group in our Military Establishment and take counsel with our own consciences, and satisfy ourselves this time, as we did not in 1947—and we paid a tremendous price for our dereliction of duty in 1947—that we are adopting a unification bill which will give to the American people the best possible protection to their national security that can be given to them by way of legislation.

The PRESIDING OFFICER. Is it the desire of the junior Senator from Oregon that his first amendment shall be the pending question?

Mr. MORSE. Yes, Mr. President. I offer my first amendment.

Mr. LODGE. Mr. President, let the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 4, line 19, after the word "proper" and the comma, it is proposed to strike out all down to and including the word "functions" on page 5, line 3.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. ELLENDER obtained the floor.

Mr. HENDRICKSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Louisiana yield for that purpose?

Mr. ELLENDER. I yield provided I do not lose the floor.

The PRESIDING OFFICER. The Senator from Louisiana will not lose the floor.

The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ives	Murray
Brewster	Johnson, Tex.	Neely
Byrd	Kefauver	Pepper
Capehart	Langer	Robertson
Chapman	Lodge	Russell
Donnell	Long	Sparkman
Douglas	Lucas	Stennis
Ellender	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Graham	McFarland	Vandenberg
Hayden	McKellar	Williams
Hendrickson	Martin	Young
Hoey	Morse	
Holland	Mundt	

The PRESIDING OFFICER. Forty Senators have answered to their names. There is not a quorum present. The clerk will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. BRICKER, Mr. BUTLER, Mr. EASTLAND, Mr. GILLETTE, Mr. JOHNSTON of South Carolina, and Mr. SALTONSTALL answered to their names when called.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. There is not a quorum present.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The Chair must inform the Senator from Georgia that the request will have to be put in the form of a motion.

Mr. RUSSELL. I move that the Sergeant at Arms be so instructed. I may say this is the first time I have ever known of any matter in the Senate that a Senator could do on motion, that he could not do by unanimous consent. But I move that the Sergeant at Arms be so instructed.

The PRESIDING OFFICER. In order to give unanimous consent, a quorum is required.

The question is on agreeing to the motion of the Senator from Georgia.

Mr. FLANDERS. Mr. President, will the Chair state the motion? I do not think any of us know what we are voting on.

The PRESIDING OFFICER. The Senator from Georgia will restate his motion.

Mr. RUSSELL. My motion was that the Sergeant at Arms be directed to request the attendance of absent Senators.

Mr. FLANDERS. I am for it.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. KERR, Mr. GREEN, Mr. HILL, and Mrs. SMITH of Maine entered the Chamber and answered to their names.

Mr. KILGORE and Mr. WILEY also entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is now present.

CONSOLIDATED APPROPRIATION BILL

Mr. BYRD. Mr. President, the Senator from Virginia appeared yesterday before the Committee on Rules and Administration with respect to a pending bill entitled "Consolidated Appropriation Bill." I ask unanimous consent to have printed in the body of the RECORD my statement before the committee on that occasion.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONSOLIDATED APPROPRIATION BILL—SENATE CONCURRENT RESOLUTION 18—STATEMENT BY SENATOR HARRY F. BYRD, OF VIRGINIA, BEFORE A SUBCOMMITTEE OF THE SENATE COMMITTEE ON RULES AND ADMINISTRATION, MONDAY, MAY 23, 1949

INTRODUCTION

Mr. Chairman, for the record, my name is HARRY F. BYRD, Member of the United States Senate from Virginia.

I am here to advocate a favorable report by your Committee on Senate Concurrent Resolution 18 "providing for the consolidation of the general appropriation bills."

With Senators BUTLER, BRIDGES, O'CONOR, KNOWLAND, GILLETTE, FERGUSON, and WHERRY, I am a sponsor of this resolution, and I wish at the outset to express my appreciation for the oportunity to appear before your committee in behalf of this resolution.

HISTORY

The history of this proposal dates back to the Seventy-ninth Congress, when Senator BUTLER and I introduced a resolution designed to reach this general objective. We knew the first measure was imperfect, but it served to stimulate thought on the subject.

Meanwhile we enacted the Legislative Reorganization Act requiring a legislative budget in terms of expenditures which brought sharply into focus the difference between appropriations and expenditures—one of the most confusing factors in the consideration of fiscal legislation. Dispelling this confusion is one of the problems this resolution, like its predecessors, seeks to reach.

With some perfecting changes, the resolution was reintroduced by Senator BUTLER and me in the Eightieth Congress when it took the designation of Senate Concurrent Resolution 6.

A Rules and Administration Subcommittee including Senator WHERRY, as chairman, Senator HAYDEN and Senator IVES held exhaustive hearings on the proposal after which the bill was amended to conform with technical suggestions made by the Government's three fiscal agencies, the Treasury, the Bureau of the Budget, and the General Accounting Office.

Senate Concurrent Resolution 6 last year was unanimously reported by that subcommitte. Subsequently it was reported by the full committee without a dissenting vote. Unfortunately the Congress was adjourned before the resolution could be reached on the Senate Calendar.

Senate Concurrent Resolution 18 now before this committee is identical with the revised Senate Concurrent Resolution 6 of the last session of Congress which was given the unanimous approval of both the Senate Committee on Rules and Administration and its subcommittee. It may be significant to note at this point that the chairman of last year's subcommittee is now a sponsor of the resolution.

BACKGROUND

Mr. Chairman, the Federal Government of the United States is the biggest financial operation on earth and nothing is as economically important to as many people as the fiscal situation of this country. Yet, we attempt to finance vast domestic and world programs, projects and policies through legislative processes in which it is impossible to know whether Federal income and outgo are in balance until months after we have enacted the budget when the Bureau of the Budget puts the pieces together and makes the best estimate it can on the basis of the legislative history of a dozen or more appropriation bills.

Actually, under present procedure neither Congress nor the American public has an opportunity intelligently to analyze fiscal legislation. Most of the difficulty in comprehending budgetary action arises from confusing language and archaic procedure. In these days of multiyear programs, projects, and policies, an appropriation enacted in a year in which revenue is high may be spent in a year when revenue is low.

For instance, in the coming fiscal year 1950 we shall be spending some money we appropriated or authorized for expenditure last year and, perhaps, some we appropriated 2 years ago. By the same token, some of the appropriations we are enacting now may not actually be spent until fiscal year 1951, or later.

This situation is an important factor for consideration in the current moves to reduce current appropriations. Reducing appropriations which we are enacting now may not necessarily result in expenditure reduction in fiscal year 1950. The proposals to reduce appropriations do not reduce the amount of money available for expenditure in 1950 which is being carried over from appropriations in previous years. At the same time it is probable that at least 5 percent, and probably more, of all the appropriations bills we are enacting now will not be spent in fiscal year 1950. Thus, if all the cuts proposed in current appropriations bills were applied to that part of the funds which is to be carried over for expenditure in subsequent years, there would be no effect on expenditures in the coming year.

Thus we see there may be a vast difference between appropriations and expenditures in a given fiscal year. But, spending legislation is always considered in terms of appropriations, while revenue must be comparable to expenditures—not appropriations. There is no readily available facility for either Congress or the public to translate current and previous appropriations into terms of annual expenditures either by items or by totals. Deficits are determined by expenditures against revenue—not appropriations against revenue—in a fiscal year.

As Congress now passes spending bills under the present procedure it has no idea as to what the over-all total of either appropriations or expenditures will be. Under the system, the President submits a budget message requesting appropriations and revenue, and after that the budget picture is never seen again as a whole until after it has become the law of the land.

Congress breaks down the appropriation side of the budget message into a dozen or more bills each dealing with a group of activities. Each bill is handled separately by a different subcommittee in each House of Congress. They are brought in one by one for passage over a period of 6 months. They are not accompanied by an expenditure estimate. There is no way of telling what total appropriations or expenditures may be, and there is no way to compare the effect of action on the appropriation bills with the revenue situation.

It is impossible to consider the relative merit, importance, or cost of all appropriation items in view of the fiscal situation as a whole. The bills are passed as separate and unrelated pieces.

THE SITUATION

It is now conceded that our fiscal situation is serious. It is my opinion that it will grow worse before it gets better. I know of no Member of Congress who is satisfied with the information available to him with respect to appropriation bills. Under our procedure responsible officials, Members of Congress, and even members of the Appropriation Committees, sincerely differ by billions of dollars in their estimates of the budget total which we approve. In most instances all of their estimates are wrong.

With money available for expenditure authorized in nearly a dozen different kinds of appropriations, authorizations, debt transactions, etc.—some of which do not even appear annually in the regular appropriation bills—intelligent estimates are impossible in the existing conditions—the principal characteristics of which are absence of complete information, lack of adequate facilities for arriving at intelligent conclusions, obsolete procedure, archaic language, and utter confusion.

Even if all the funds we appropriate were accounted for annually in the appropriation bills which come before us, calculating the total through a dozen or more unrelated bills brought in over the duration of a whole session of Congress approaches the impossible.

And even if we could keep account of the appropriations we do not have the facilities for translating appropriations into annual expenditures. And, it is expenditures which must be calculated if we are to determine whether there is to be a deficit or surplus.

Even an expenditure calculation is virtually useless so long as it must be made separately on a dozen or more bills over a period of 6 months or more. It is the total expenditure which must be kept in balance with the revenue estimate.

SENATE CONCURRENT RESOLUTION 18

Mr. Chairman, the objective of Senate Concurrent Resolution 18 now under consideration by your committee is to bring some order out of the fiscal legislation chaos just briefly described. The sponsors of the resolution do not contend that it is a complete cure-all, or a perfect panacea. But they do submit that its adoption would be a long step forward toward a much needed reform in our legislative process with respect to fiscal legislation. They contend that it would afford much more intelligent consideration of action on fiscal matters—and that is needed especially now at a time when our very best judgment on such matters is a critical requirement. They contend further that adoption of the resolution would result in simplification of budgetary action which is highly desirable for the benefit of the public, the executive branch, and the legislative branch, as well.

GENERAL SUMMARY

Senate Concurrent Resolution 18 would provide for a consolidated appropriation bill which not only would bring together into one law all major appropriations, but also would, in effect, control annual expenditures through legal limitations written into the same law on the amount of each appropriation which could be obligated in the ensuing year.

In addition committee reports at each stage of the legislative procedure would translate appropriations into terms of annual expenditures, including funds available from appropriations of prior years. These reports would show also the amounts being appropriated for expenditure in future years. They would be in indisputable tabular form, and each amendment would be registered not only against the item involved, but also in the total. This would keep both appropriations and expenditures current with the legislative process on a blow-by-blow basis, and develop information necessary to coordinate expenditures with revenue estimates.

Such reform would eliminate most of the sources of existing fiscal confusion, and it would be accomplished by a simple amendment to congressional rules governing consideration of appropriation bills. Under this resolution there would be no occasion for estimating what Congress has done about appropriations or expenditures. It would be in the law—in simple language—in black and white.

Until such a reform is accomplished, in my opinion, there can never be an accurate estimate of deficit or surplus. We are in urgent need of such a foolproof estimate at this very moment.

POLICY

The policy underlying this resolution is to amend the joint rule of the Senate and the House of Representatives contained in section 138 of Public Law 601, Seventy-ninth Congress, the Legislative Reorganization Act of 1946, to accomplish the following broad objectives:

First, the simplification and clarification of Federal appropriation bills; and

Second, to enable Congress to legislate intelligently and effectively toward a balance between expenditures and revenue by means of considering all major appropriation legislation in one bill and by extending legislative control over annual expenditures through statutory limitations on annual obligations.

PURPOSES

To recap the purposes of Senate Concurrent Resolution 18, they are:

First, consolidation of all general appropriation measures into one general consolidated appropriation bill;

Second, statutory limitations on obligations against appropriations which would have the effect of controlling expenditures and keeping them within the revenue; and

Third, show by means of an informative table in the reports of the respective Appropriations Committees and conference committees on appropriations an itemized estimate of annual expenditures.

ANALYSIS

For the information of the committee, the resolution may be analyzed in more detail, as follows:

1. The resolution is in the nature of an amendment to the joint rule of the Senate and House of Representatives contained in section 138 of the Legislative Reorganization Act of 1946.

2. The resolution would be effective with the beginning of the second session of the Eighty-first Congress, next January.

3. The first principal purpose of the resolution would be to provide for the consolidation of all appropriations in one general appropriation bill to be known as the Consolidated General Appropriation Act.

4. Under terms of the resolution the consolidated appropriation bill may be divided into separate titles, each corresponding to 1 of the 12 or more regular general appropriation bills heretofore enacted, and it would permit consideration of the consolidated bill by titles at the subcommittee stage without interruption of the present subcommittee organization of the respective Appropriations Committees. And there is nothing in the resolution to prevent the various subcommittee chairmen from handling their title on the floors of the respective Houses.

5. Nothing in the resolution would preclude necessary deficiency and supplemental appropriation bills in addition to the consolidated bill, but a reduction in the number of such bills probably would result.

6. The resolution, in addition to the consolidated appropriation bill, supplemental, and deficiency bills, provides specifically for private act appropriation bills and for appropriation rescission bills.

7. The second principal purpose of the resolution is to fix within the general consolidated appropriation bill, supplemental and deficiency bills, limitations on funds available for obligation during the ensuing fiscal year, and to show what funds are available for obligation in subsequent years. The language in the resolution to accomplish this purpose has been worked out with the assistance of representatives of the Treasury, the Bureau of the Budget, and the General Accounting Office who are here today. And I hope they will have an opportunity to state their approval of the language.

8. In connection with these limitations on obligations, the committee's attention is invited to the fact that the limitations are not to be—

(a) construed to prohibit entering into over-all contracts which would extend beyond the year, providing the contracts do not allow for delivery of property or services during the ensuing year in excess of the limitation on obligations for the year.

(b) are not to be construed to be applicable to appropriations for payment of claims certified by the Comptroller General.

(c) the limitations are not to be construed to be applicable to appropriations for payment of judgments.

(d) they are not to be construed to be applicable to amounts appropriated under private acts of Congress.

(e) the limitations are not to be construed as applicable to appropriations for payment of interest on the public debt.

(f) they are not to be construed as applicable to revolving funds or appropriations thereto.

All the foregoing exemptions are included in the resolution at the suggestion of the representatives of the fiscal agencies. They are more technical than fundamental, and they are made in the interest of administrative efficiency, or for the elimination of unnecessary bookkeeping.

Another principal purpose of the resolution is to provide Congress and the public with accessible information on annual expenditures by the Federal Government. This is accomplished by the provisions in the resolution requiring reports from the respective Appropriations Committees and conference committees on appropriations bills to include an informative table itemizing available appropriations and estimating annual expenditures from the appropriation items with totals in each case. A similar table will be required showing Government corporations' checking account transactions.

Both the provisions for limitations on obligations referred to in paragraph 7, and in the paragraph immediately above with respect to committee reports exclude public debt retirement transactions and trust funds. Trust funds are not considered by the fiscal agencies to represent Federal funds, and debt retirement is paid largely out of surplus revenue—when there is any.

Under provisions of the resolution the expenditure estimates in the reports are to be set up in tabular form. While the resolution does not require that the appropriation bill itself be set up in tabular form, it does not preclude such a presentation. As one of the sponsors I would welcome the consolidated bill in tabular form.

GENERAL APPROVAL

Mr. Chairman, for the record, I should like to quote from the report last year of the Senate Committee on Rules and Administration which said:

"The desirable results of a consolidated appropriation bill are numerous and obvious. The undesirable possibilities connected with this objective were found to be as follows:

"1. Length of time required by the Appropriations Committees and the respective Houses in consideration of a consolidated bill

"2. Necessity for the President to veto a bill containing all appropriations in the event he disapproved of one or more items.

"With respect to the first point, the committee believes that with the customary cooperation between the two Houses and their respective committees the time requirement can be met.

"With respect to the second point, the difference in desirability of the item veto for use in connection with a consolidated bill and for its use in connection with 12 bills is a matter of degree. In view of the controversial viewpoints with respect to the constitutionality of the item veto, the committee believes that the subject of the item veto should not be introduced at this time in the consideration of this concurrent resolution, particularly in view of the fact that fewer vetoes of appropriation bills may be expected since Congress has tightened up the rules prohibiting substantive legislation in appropriation bills."

The Rules and Administration Committee in its report last year said further—with respect to the provisions of the resolution limiting obligations—"the Treasury, the Bureau of the Budget, and the General Accounting Office testified that—

" 'The existing Federal bookkeeping and accounting procedures are not adaptable to control of expenditures on the basis of cash withdrawals from the Treasury without difficulty and additional expense to the Government.'

"On the basis of this contention, the committee requested the sponsors of the resolution, with the assistance of representatives of the fiscal agencies, to work out changes in the resolution which would bring its requirements within the scope of existing Government fiscal procedures for execution in the executive branch.

"This was done in the form of the amendment in the nature of a substitute which was drafted with the assistance of representatives of the Treasury, the Bureau of the Budget, the General Accounting Office, and the Senate Legislative Drafting Counsel."

Mr. Chairman, Senate Concurrent Resolution 18 is identical to the substitute referred to, which was unanimously approved by both the full Committee on Rules and Administration and its subcommittee, last year.

Representatives of the Treasury, the Bureau of the Budget, and the General Accounting Office are here today. Since the bill amends the rules of the legislative branch, it is presumed they will not wish to be called upon to pass on the policy of the resolution. But I hope they may be given opportunity to testify that the provisions of the resolution do not conflict with fiscal procedures in the executive branch.

Mr. Chairman, I appreciate this opportunity to speak in behalf of this resolution. There are other sponsors who wish to be heard in its behalf.

In conclusion I should like to add that the objectives of this resolution have been endorsed as a long step forward in the right direction by such eminent authorities as the late Harold Smith, former director of the Budget, Dr. Fred R. Fairchild, of Yale University, Senator Styles Bridges, former chairman of the Senate Appropriations Committee, Congressman Christian Herter, Mr. Carter W. Atkins, executive director of the Connect-

icut Public Expenditure Council. And I should like permission to file brief statements by these authorities for the record.

In addition the objectives of the resolution have the endorsement of a great many governors and former governors of the various States of the Union. I should like permission to file brief statements from some of them.

NEW SENATE OFFICE BUILDING

Mr. ELLENDER. Mr. President, I wish to digress for a few minutes from the pending business and address myself to the proposal for the construction of a new Senate Office Building. For the past 3 or 4 weeks the walls of this Chamber have echoed the ardent pleas of many distinguished Senators for economy. I can show them where, by not building the new Senate Office Annex, we can save about $22,000,000. We can also save an additional $1,500,000 that will be necessary in order properly to furnish the building. Last, but not to be overlooked, we can also save the taxpayers in the neighborhood of $1,100,000 per year in the upkeep of the building, and interest payments on the sum we will have to borrow in order to construct this edifice.

I am sorry the chairman of the Public Works Committee is not present. Under date of May 9, I offered a resolution in this body asking that the Architect of the Capitol and the Senate Office Building Commission suspend demolition and removal of the buildings and other structures on the land acquired as a site for an additional office building for the United States Senate until further study and action by the Congress.

I was promised by the chairman of the committee that the committee would look into the matter, but to this moment no action has been taken. I notice from press reports that bids have been received recently for the leveling of the approximately 80 dwelling units now located on the land in question, just across C Street from the present Senate Office Building. It is proposed to let a contract in the near future.

I suggest to the commission in charge of the matter that it cancel the letting of the contract to level the buildings. We have recently passed in the Senate a housing bill on the plea that there was a great housing shortage in Washington, and other parts of the country, and yet we are permitting the leveling of 80 dwelling units within a stone's throw of where I now stand. I think the dwellings should be permitted to remain until new homes are found for the occupants of those buildings.

Mr. President, I wish to devote a few minutes to the legislative history of this proposal. Ordinarily, when a public building is erected or is to be erected at Government expense, under the rules of the Senate, the proposal is first submitted to the Committee on Public Works. In this instance S. 723, Eightieth Congress, authorizing a study of the proposed Senate annex building was approved by the Committee on Public Works. An appropriation of $25,000 was authorized for that purpose. That bill was passed without a hearing of any kind, and became Public Law 169, Eightieth Congress. Later there were meetings of the Commission with reference to the building of the proposed structure. The Commission did not appear before the Committee on Public Works in order to obtain an authorization for its construction. No showing or justification was made. On the contrary, the Commission met, plans were proposed, and in the wee hours one morning last June, when the Senate was about to adjourn, a deficiency appropriation bill was brought into the Chamber authorizing and appropriating $1,100,000 for the purpose of purchasing the building site. In the same measure, $20,600,000 was authorized as the total cost of the building, and $850,000 was appropriated for the purpose of hiring architects and engineers to draw plans for the construction of the proposed structure.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I will gladly yield in just a moment.

Authority for erecting this structure will be found in the deficiency bill to which I have referred. I challenge any Senator to show one single line of testimony from anyone indicating the need or the necessity for the building. It is not to be found. I repeat, the authorization did not come from the Committee on Public Works, from which it should have originated. It will be found in the second deficiency appropriation bill of 1948—Public Law 785, Eightieth Congress—together with the appropriations of $1,100,000 and $850,000 to which I have just referred. The authorization for this building is legislative matter which was included in an appropriation bill, and I am confident that a point of order would have been made against it if Members of the Senate interested in the subject had been aware that it was in the bill.

I now yield to the Senator from Virginia.

Mr. ROBERTSON. I wish to preface my question by saying that neither the Senator from Louisiana nor the junior Senator from Virginia was on the Appropriations Committee when this deficiency bill, containing legislation, was brought to the Senate. Frankly, I did not know about it until it was published in the newspapers.

Mr. ELLENDER. Many of us were in the same situation.

Mr. ROBERTSON. Has the money already been expended for the land acquisition?

Mr. ELLENDER. Yes; it has.

Mr. ROBERTSON. How can we best move expeditiously to delay the start of the building and the moving of the families which the Senator says will be dispossessed in a city in which there is a housing shortage?

Mr. ELLENDER. The adoption of the resolution proposed by me under date of May 9, which is now before the Committee on Public Works, would accomplish that, but, up to the present moment, no action has been taken on that resolution. Of course there is another way to stop it, and I propose to take action in due time, namely, when a request comes before the Legislative Branch Subcommittee of the Senate Appropriations Committee, of which I am chairman, for $20,000,000 plus to erect the structure.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Vermont.

Mr. AIKEN. Will the Senator advise what the final cost of the building is estimated to be, including acquisition of the land, and everything necessary in connection with it?

Mr. ELLENDER. The estimated cost of the structure is $20,600,000. The cost of the land is $1,100,000. Let me invite the Senator's attention to the fact that the engineering and architect's fees alone will be almost $1,000,000.

While I am on the subject—the Senator anticipated me—I have a statement which was made by the architect of the Capitol with respect to the expenditure of the money previously appropriated by the Congress, namely, $1,100,000 for land acquisition and $850,000 for architect and engineering fees.

The following are the items included in the $1,100,000 expended up to May 10, 1949:

Appraisal of properties, $9,750.
Purchase of properties, $928,525.
Advertising, $360.
Miscellaneous, $270.
Total expenditure for the purposes I have just enumerated, $936,905.
Outstanding obligations:
Examination of property titles, $4,500.
Purchase of properties, $59,151.
Miscellaneous, $36.
Total obligations outstanding, $63,687.
Total expended and obligated to May 10, 1949, $1,002,592.
Unobligated as of May 10, 1949, $97,408.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ROBERTSON. I want to know what the underground trolley will cost.

Mr. ELLENDER. I believe that is included in a lump-sum figure and I do not have the amount. Nor did I try to ascertain what the garages will cost. We have garage space at present, under the terrace, for 214 automobiles, and in the new building it is proposed to furnish space for 200 more automobiles.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I should like to proceed a moment, then I shall be glad to yield.

I should like to give an accounting of the $850,000 appropriated for the purpose of paying the architect and engineering fees. As I have said, this was appropriated in the second deficiency bill the day Congress recessed, on June 19, 1948, in the wee hours of the morning.

There was an item in the Second Deficiency Appropriation Act of 1948, as I indicated, of $850,000. Of that amount there was expended up to May 10, 1949, for architectural and engineering fees, $347,345. Test borings on site, $4,075.
Lighting tests, $1,780.
Miscellaneous, $292.
Total expended up to May 10, 1949, for the items just indicated, $353,492.

Outstanding obligations:

Architectural and engineering fee, $573,155. That is in addition to the $347,345 I have just mentioned.

Lighting tests, $975.

Miscellaneous, $82.

Total obligations, $574,212.

Total expended and obligated to May 10, 1949, $927,704.

There is a deficit of $77,704.

I now yield to the distinguished Senator from Vermont.

Mr. AIKEN. Does the Senator understand that this million dollars, approximately, which has been spent in the acquisition of property, does not anywhere near cover the ultimate amount which it is expected will be spent to acquire property which will be needed by the Government around this building?

Mr. ELLENDER. I understand that there is a move to buy a few more lots in the neighborhood, but I do not believe that the acquisition of those lots will cost more than $50,000 or $60,000, as I understand from a report submitted by the Architect.

Mr. AIKEN. As I understand, the land acquired does not go half way across the block, and the most inexpensive property has been acquired. Will the Senator permit me to agree with him that this is a very good place to save the expenditure of $20,000,000 this year?

Mr. ELLENDER. I am glad the Senator is of that belief.

Mr. AIKEN. Because I have a feeling that the expenditure of the $20,000,000, as in most Government projects, will be only the start.

Mr. ELLENDER. It is not only the $20,000,000 I want to save, but it is the cost of upkeep. Stop and think of it. It is going to require $1,100,000 a year to operate that building and to pay the interest on the money to be borrowed to erect the building. Every Senator knows we do not have the money to erect the building. We are going to have to borrow every cent that is necessary to construct it.

Mr. AIKEN. Let me further agree with the Senator from Louisiana in his protest against turning the families in Schott's Alley out into the street, with nowhere to go. After the Senate has expressed so much sympathy for people who lack places in which to live, it seems to me very poor taste to turn these folks from their very humble homes into the street with nowhere at all to go. I know that is so, because one of them has come to me and asked if I would not help find him a place to go, because so far he has not been able to find any place.

Mr. ELLENDER. I have received many such requests, and I wish to say that I think it is shameful that the great arm of the Government is now being used to put those people out of their homes with no place to go. The officials are not trying to find any places for them, and those people are being ordered out by the court.

Mr. AIKEN. The Senator is telling the truth, I know.

Mr. BYRD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Virginia.

Mr. BYRD. I am in thorough accord with what the Senator is saying, and I wonder if he has devised some plan whereby this appropriation can be stopped.

Mr. ELLENDER. As I indicated a moment ago, the money so far appropriated, in the amount of not quite $2,000,000, has been spent and obligated. The amount needed to erect the building remains to be appropriated. It was authorized in a deficiency appropriation bill during the Eightieth Congress, and I understand that an effort is to be made to appropriate $10,000,000 for the fiscal year 1950 to start it. I further understand that the Commission plans to get bids in July for construction of the building.

If the Senate can take concrete action early on my resolution, that will be the best procedure. It will accomplish the purpose. In the resolution I am asking that the proposal to contract with someone to level the buildings which are now on the site be dropped. Let us not disturb those buildings for some time. Because of the shortage of houses in Washington suitable for dwellings, the buildings will be put to good use until such time as others are erected to take care of the present occupants.

To answer further the distinguished Senator from Virginia, when the request is made before the subcommittee of which I am chairman for the $10,000,000, it is my purpose to go into detail and ascertain the necessity for the building. Congress has never been furnished the justification, to this moment. The record is silent on the subject, and no one has appeared advocating this expenditure. I believe that at some time soon the Senate should be furnished evidence to show why the building is necessary.

Mr. BYRD. As I understand, the plan of the Senator would be to fight the proposed appropriation.

Mr. ELLENDER. That is correct.

Mr. BYRD. And attempt to secure the passage of his resolution suspending the work.

Mr. ELLENDER. That is correct.

Mr. BYRD. It might be well to go a step further and offer a resolution to cancel the authorization.

Mr. ELLENDER. That could be done, but I would not see any point in doing it now.

Mr. BYRD. The Senator knows I was chairman of the Rules Committee for about 6 or 7 years, and as chairman of that committee I had charge of the allocation of office space in the Senate Office Building. I wish to say to the Senator from Louisiana that if the proper economy were shown in the use of that space, in other words, if Senators were prohibited from having more office space than they required, and certain committees having more office space than was required, had to give it up, there would be ample office space in the present office building, in the judgment of the Senator from Virginia, to do the work of the Senate. I entirely agree with the Senator. The Senator from Virginia has three rooms, and has many visitors, representing a State immediately adjacent to Washington. As the Senator knows, there are quite a number of offices in the Senate Office Building which could be used for other purposes.

Mr. ELLENDER. I propose to point that out.

Mr. BYRD. I am in thorough accord with the Senator. I think he is undertaking a fine work, and it is one in which I wish him great success.

Mr. ELLENDER. I thank the distinguished Senator from Virginia.

Mr. President, as I indicated a moment ago, whenever any Government bureau appears before the Congress to ask for an appropriation of funds to build any kind of a structure, a justification must be made, else the request will fall on deaf ears. Every Senator knows that. Yet when it comes to building for the Senate no justification whatever is presented. First, an appropriation of $25,000 is made to make a study of the proposal and without any further ado the Senate authorizes the erection of the structure without a scintilla of evidence presented to any Senate committee in justification thereof.

I do not believe there is an acute or urgent need for the proposed space. Our only problem here is inefficient management and utilization of the space we already have, as has just been suggested by the distinguished Senator from Virginia [Mr. BYRD.]

There is a common misconception that most Senators are struggling along with three rooms for offices. As a matter of fact, only 30 Senators have three-room suites. According to information given me by the Rules Committee the remaining Senators have four, five, and six rooms each, including rooms assigned them in the Capitol, and excluding committee rooms.

I have a summary of existing office space and its assignment which I wish to present to the Senate. Five Senators have six rooms. Twenty-six Senators have five rooms. Thirty-five Senators have four rooms. Thirty Senators have three rooms. The total rooms assigned are 328 in regular suites in the Senate Office Building, 31 detached rooms in the Senate Office Building, and 31 rooms in the Capitol, or a total of 390 rooms assigned to the 96 Senators.

If the total number of rooms presently assigned to Senators were equally divided among the 96 Senators, each would have four rooms, and there would be six rooms left over.

I realize, of course, that quite a few Capitol rooms assigned to Senators are not occupied by office personnel, but by dividing the total number of rooms assigned to Senators, less one for each Senator, into the total number of employees that Senators' offices say they have, I find that the average number of people per room is two and seven-tenths. That does not sound overcrowded to me. I have yet to see a room in the Senate Office Building or in the Capitol that cannot accommodate three people, and many rooms can accommodate more.

One of the purposes of the new building is to give each committee chairman a suite of five rooms for his own office staff. Let me point out that at the present time three chairmen have six rooms,

eight have five rooms, three have four rooms and one has three rooms.

The 15 standing committees have 52 rooms and 124 employees, an average of 2.4 employees per room. Bear in mind that 11 committees have large-sized committee rooms. I admit there are a couple of committees that are overcrowded, but there are several others with a surplus of space. I can think of one committee, the Finance Committee, for instance, that has one large committee room, and four office rooms, with only four employees, or less than one employee per room.

Mr. President, I should like to show the Senate what is proposed with respect to this new building to be erected. I wish Senators would listen to this. The new building is contemplated for the use of a mere handful of people. I will list them: 15 Senators who are chairmen of standing committees, and their office staffs; the staffs of the 15 committees, and 4 subcommittees; the Vice President and his staff, and the employees of the Legislative Council. Now that is the personnel to be provided for in the new building and nothing else. In other words, if the plans are followed through, then in order for a Senator to be able to secure office space in that building he will have to be chairman of a committee. That is the plan.

I realize that there will also be space for press and radio people, for the telephone exchange, the page school, and a few others, but this building is not being constructed for them. It is not their space needs that dictate this expenditure. This building, I repeat, is being built for the use and occupancy of a grand total of 377 persons. My office force obtained that information by adding the present staff of the 15 Senators who are now chairmen, and the present or projected staffs of the committees, and other activities that will occupy the new building.

The Appropriations Committee will have space for 22 employees. I have allowed 10 employees for each of the other 14 committees, a total of 140 employees, although their current strength is less.

With respect to subcommittees, provision is made in the new building to accommodate employees of four subcommittees, as follows: The Committee on Expenditures in the Executive Departments, 19; Finance Committee, 8; the Committee on the Judiciary, 7; the Committee on Rules and Administration, 12. Or a total of 46.

With respect to committee chairmen and their office employees—and I obtained this information from each chairman's office—the total number is 135, including the 15 Senators. Vice President and his staff, 8. Legislative counsel, 15. Provision for joint committee staffs, 11. The latter figure is an arbitrary one. No specific provision is made for joint committee offices, but I am informed the space will be available if desired. That is a grand total of 377 persons to occupy that building.

Each of the Senators will have a suite of five rooms for himself and his staff. Except for Appropriations, Foreign Relations, and Finance, each standing committee will be furnished a committee room with seating capacity of 90 persons, an anteroom, and four office rooms. The Appropriations Committee will have a committee room, seating 250 persons; 3 subcommittee rooms, one seating 150 persons and the other two seating 100 persons each; 4 anterooms; 1 conference room; and 4 office rooms. Foreign Relations and Finance will each have a committee room, seating 120 persons, 1 anteroom, and 4 office rooms for the staff.

Provision is also made for offices for 4 subcommittees, 11 rooms for joint committees if the space is desired, and an auditorium seating 500 persons, with facilities for recording hearings, moving-picture projection, broadcasting, and television. It would appear that we are going to have some entertainment around here if the plans materialize.

In addition, there will be two large special hearings rooms, each about the size of the caucus room in the present Senate Office Building. There will also be accommodations for a press room and for various service personnel.

The plans also call for a physical-therapy department. That sounds like a clinic, but its principal feature is a swimming pool measuring 40 feet by 25 feet 6 inches. We already have one in the Senate Office Building for the accommodation of Senators.

There is to be provided also a two-level garage that will take care of approximately 200 cars. As a matter of fact, one-fourth of the net square footage of the building is taken up by the garage. Inasmuch as the existing garage built for Senators can accommodate 214 cars, and there are only 96 Senators, I am unable to understand the purpose of providing additional garage space.

There will also be a cafeteria seating about 700 persons, and, of course, private dining rooms with waiter service for Senators. The plans also include a dining terrace for Senators on the roof, but I understand that somebody decided that was too much, and it is being eliminated. But that provision for the dining terrace was contained in the original plans. Mr. President, with all of this additional space, I am wondering of what use will be our spacious caucus room and the many beautiful committee rooms now located in the Senate Office Building. I presume that use will be found for them, all of which will further aggravate an already top-heavy governmental machinery.

Let us contrast this proposed Senate Office Building with two Federal office buildings; one that is being erected for the General Accounting Office and one that is proposed for the Bureau of the Census. Listen to the comparisons, Senators. The authorized cost of the Census Building is $11,500,000. The gross square feet, 700,000. Office personnel for that space, 5,000. Cost per gross square foot, $16.42. Cost per person, $2,300.

The General Accounting Office: The authorized cost is $25,400,000. Gross square feet, 1,891,000. Office personnel to be housed in that office building, 5,575. The cost per square foot is $13.43, and the cost per person is $4,556.

Listen to the figures for the Senate Office Building: The authorized cost will be $20,600,000—and remember, that is for the structure only; it does not include the cost of the land; it does not include the cost of the furnishings. The gross number of square feet is 626,000; personnel for the building, 377; cost per gross square foot, $32.90, in contrast to $16.42 for the Census Building and $13.43 for the General Accounting Office. The cost per person to occupy the building is $54,655, in contrast with the cost per person in the United States Census Building of $2,300, and the cost per person in the case of the General Accounting Office of $4,556.

In order to further illustrate the extravagance to which we go, Senators have only to step out on the north porch of this very building and note the high-grade lumber which is being used to make a tool shed for the contractor who is going to repair the roof on the Capitol building. He is using grade A lumber. He does not have to worry about the cost. His fee is fixed. Look at the fence being erected around that space. It is built of fine plywood. I do not know what that costs, but some time ago I bought some plywood which cost me 55 cents a square foot. I do not know what this particular plywood costs, but whenever the Government is involved no one looks at the cost. There are many examples of extravagance within sight. I ask Senators to look at them. The finest kind of lumber is being used to build tool sheds and fences so that the roof of the Senate Chamber may be repaired.

As I have pointed out, if the present plans are carried through it will cost $54,655 for each of the 377 persons to be accommodated in the new building. Its operation will cost the American taxpayers $11,400 a year for each of the 96 Senators in addition to the huge sum now being spent to give Senators office space. How do I get those figures? I arrived at them in this manner: The $22,000,000 to be spent on construction, if applied toward our national debt, would reduce the amount of interest our Government is paying by $550,000 a year, figured at 2½ percent on the bonds. The new building will cost about $550,000 a year to operate. Therefore, if the new building is not constructed there will be a total saving to the taxpayers each year of $1,100,000, which amounts to $11,400 for each of the 96 Senators.

As I have just indicated, the building is being erected for the purpose of housing the chairmen of the 15 committees of the Senate and 4 subcommittees, together with their staffs. In other words, when we vote for the construction of the new building we are adding $11,400 a year to the cost of operating each Senator's office.

The Congress has already appropriated a total of $1,975,000 for this building. Most of this money has been spent. However, $1,100,000 was used to purchase the site for the new building, and that is not wasted. The other $875,000 has been spent or obligated for plans and architectural and engineering advice.

Perhaps some of that can be recovered. In any event, I do not believe that the Senate should be influenced by the possible loss of $875,000 in determining whether or not the new building should be constructed. As I have stated, by eliminating this project we can save in 1 year approximately $1,100,000, which would more than offset the $875,000.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter addressed to Mr. David Lynn, Architect of the Capitol, by Eggers & Higgins, architects. The letter is dated May 28, 1948. It shows how the building is to be built and how the space is to be occupied.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *May 28, 1948.*

Mr. DAVID LYNN,
Architect of the Capitol,
Washington, D. C.

DEAR MR. LYNN: Complying with our agreement for preliminary plans for the proposed new Senate Office Building, to be constructed on the westerly half of square 725 and facing on First Street, B Street, and C Street, we are reporting to you as follows:

The site, approved by the Senate Office Building Commission for the proposed new building, is located directly East of the present Senate Office Building.

The building is to be a seven-story structure above grade and two stories below grade, with a marble exterior of an architecture in the classic style in harmony with the existing buildings on Capitol Hill. The general dimensions of the building are 249½ feet east and west by 447 feet north and south. The building will be approximately 9,000,000 cubic feet in content and will be connected with the present Senate Office Building by suitable transportation and pedestrian tunnels.

The set of preliminary drawings herewith submitted consists of the following:

1. A site plan.
2. Basement-floor plan.
3. Ground-floor plan.
4. First-floor plan.
5. Second- and fourth-floor plans.
6. Third- and fifth-floor plans.
7. Sixth-floor plan.
8. Seventh-floor plan.
9. Sections.
10. Elevations.
11. Details and isometric.
12. Perspective of exterior.
13. Alternate plan of special hearing rooms and dining room.

PRIMARY PURPOSE OF NEW BUILDING

As planned, the primary purpose of the proposed new building is to house the 15 standing committees of the Senate, including office accommodations for the chairman and employees of each standing committee, and the senatorial staff of the chairman of each standing committee.

We have been informed that the committees are inadequately accommodated in the Capitol and Senate Office Building. Under the proposed plans, committee activities will be adequately housed and centralized in the new building.

It is understood that the committee rooms in the present Senate Office Building, when vacated by the standing committees, are proposed to be made available for use by subcommittees, and office rooms vacated are to be made available to increase the office accommodations of the Senators continued to be housed in the existing building.

Under our plans, provisions are made as follows:

Committee on Appropriations:

One large standing committee room, with rostrum, and seating capacity of 250 persons. Approximate size of room: 60 feet by 70 feet by 21 feet high.

Three subcommittee rooms, each with rostrum; one with seating capacity of 150 persons and two with seating capacity of approximately 100 persons each. Approximate size of rooms:

One, 32 feet by 78.5 feet by 21 feet high.

Two, each 31.4 feet by 66 feet by 12.5 feet high.

Four anterooms (one for each committee room).

Five office rooms for standing committee chairman and his senatorial office staff.

Eight office rooms for 22 committee employees, with capacity for future expansion.

One conference room.

Committee on Foreign Relations; Committee on Finance:

Each of these committees to be provided with the following:

One large standing committee room, with rostrum and seating capacity of 120 persons. Approximate size of room: 32 feet by 55 feet by 21 feet high.

One anteroom.

Five office rooms for standing committee chairman and his senatorial office staff.

Four office rooms for committee employees with capacity for future expansion.

Other 12 standing committees:

Each of the other 12 standing committees to be provided with the following:

One standing committee room with rostrum and seating capacity of 90 persons. Approximate size of room: 31 feet by 52 feet by 23 feet high.

One anteroom.

Five office rooms for standing committee chairman and his senatorial office staff.

Four office rooms for committee employees.

General lay-out of standing committee quarters: As indicated in the foregoing, the plans provide a committee room for each of the 15 standing committees of the Senate, equipped with a rostrum of sufficient size to accommodate the full membership of the respective standing committees; an adjoining anteroom of sufficient size to accommodate the full membership of the respective committees, seated at a conference table; 4 office rooms, adjoining each committee room, for the committee employees.

The plans also provide an office for the chairman of each of the standing committees, and four adjoining offices for the chairman's senatorial office staff.

Subcommittee quarters: No provision is made in the new building for subcommittee rooms except the subcommittees of the Committee on Appropriations. It is understood, as previously indicated, that it is proposed to make the committee rooms in the present Senate Office Building available for the use of the other subcommittees.

Provision is, however, made for office accommodations for the employees of 4 subcommittees, as follows: Committee on Expenditures in Executive Departments, 19 employees; Committee on Finance, 8 employees; Committee on the Judiciary, 7 employees; Commitee on Rules and Administration, 12 employees.

Joint committees: No provision is made in the new building for committee rooms for any of the joint committees of Congress. Provision is made, however, for a minimum of 11 offices for employees of these committees, if such assignment is desired.

Auditorium: The plans provide for an auditorium, with seating capacity of 500 persons, and with facilities for recording hearings, moving-picture projection, broadcasting, and television.

Special hearing rooms: The plans provide for two large special hearing rooms, each about the size of the Caucus Room in the present Senate Office Building.

Quarters for Vice President:

The plans provide 4 rooms, located in the corner of the building nearest to the Capitol, for the office of the Vice President.

Office of the Legislative Counsel:

The plans provide 15 office rooms, 1 file room, and a library for the Office of the Legislative Counsel. The accommodations are such as to provide amply for future expansion of this office.

Miscellaneous activities:

Other activities, for which accommodations are planned in the new building, include the following:

Accommodations for: The press, the periodical press, radio, and television.

A cafeteria seating about 700 persons, with kitchen and other auxiliary services; also, dining rooms with waiter service.

Folding room.

Stationery room.

Barber and beauty shops.

Mechanical and maintenance shops.

Shipping and receiving facilities.

Storage and locker facilities.

Mail receiving and distribution center.

A telephone exchange adequate for needs of Congress.

A physical therapy department.

School for pages.

Automobile parking facilities for approximately 200 cars under cover.

Estimates of cost

Acquisition of site: As per estimate of Architect of the Capitol on an assumed condemnation basis, for the acquisition of all privately owned property in the westerly half of square 725	$1,100,000
Construction and equipment of building: The cost of the building including tunnels, architectural and engineering fees and other incidental expenses, but exclusive of the cost of furniture and furnishings, is estimated at	$20,600,000
Total estimated cost of site and building	21,700,000

Additional land considered desirable to acquire: It is suggested that consideration be given to the acquisition of plot No. 852 (24) with a 15.5-foot frontage on C Street. This would permit a thorough circulation of service alleys in the easterly half of this block, and thus avoid the inevitable congestion that would result from a cul-de-sac.

Very truly yours,

EGGERS & HIGGINS,
OTTO R. EGGERS.

Mr. ELLENDER. Mr. President, if Senators feel that our space needs are sufficiently urgent to warrant new construction, it would seem to me to be a wiser and more economic expenditure if we were to use the money, or a portion of it, to build a comfortable, functional, and adequate building—but not ornate or luxurious—for the use of the 81 Senators who are not chairmen of committees. The present building could then be used by the committees and the chairmen, and surely it would prove adequate for their needs.

To my mind, there is no evidence of urgent need for any new construction at all. I think it is a waste of money. I think the Senate can do very well with its existing space. I am confident that a comprehensive survey would show that present space can be redistributed so as to effect better utilization.

If, however, the Senate determines to go ahead with the proposed building, I can only say that this construction is not

a matter of public necessity, or in the public interest, but is a patent luxury, in which the Senate indulges itself only because there is no check on our actions such as we exercise over other Federal establishments. I can imagine the storm of protests which would arise if some other department of our Government were to come before the Congress at this time and ask for $21,725,000 to build accommodations for 377 persons, at a cost per person of $54,655.

Mr. President, I again urge consideration of my resolution so that a thorough study can be made of the needs for the proposed structure.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1842) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. LODGE. Mr. President, I desire to say a few words about the pending amendment, which has been offered by the Senator from Oregon [Mr. MORSE]. Let me say that if he had not offered it I would have offered it, because I believe very strongly in the amendment.

I think the Senate should understand that this amendment, which would strike out everything beginning with the word "but" in line 19 on page 4, over to line 3 on page 5, does nothing but strike from the bill language which is already in the existing law. We may approve or disapprove of the existing law. I am not discussing that point; but all that this language does is to reiterate what is in the existing law. So it cannot have any additional effect from a practical standpoint; but it does have a very fundamental effect from a symbolic standpoint, and it does raise a question of principle.

If Senators will turn to page 4, they will see that the duties of the Secretary of Defense are listed in three paragraphs. The third paragraph provides that one of his duties shall be—

> Taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary, to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel, and in such other fields, as he may deem proper—

Then, instead of a period, there follows the word "but."

Yesterday I asked the Senator from Maryland [Mr. TYDINGS], chairman of the committee, what the reason was for this provision. He said—and you can see it for yourself in yesterday's RECORD—that the reason for the provision is that it would not have been possible to get the votes to report the bill from the Armed Services Committee unless this provision were in the bill. The Senator from Maryland indicated that he himself was not particularly in favor of it. I asked him why those who wanted it were so much in favor of it. He said that they were very enthusiastically for it. I asked him why they were for it, and he did not answer. Today I have tried to find out why those who want to repeat this piece of the existing law in the bill want to do so, and no Senator arises to answer my question.

Mr. DOUGLAS rose.

Mr. LODGE. I yield to the Senator from Illinois, if he wishes to answer my question.

Mr. DOUGLAS. Mr. President, in reply to the Senator from Massachusetts, I will say that in due course of time, after he shall have completed his address, I shall be very glad to state why some of us, at least, are opposed to the amendment.

Mr. LODGE. I am very glad that someone is to give me some substantive reasons for it, in addition to the reason that it is necessary to have it in the bill in order to get votes. The only argument made so far has been that the votes to pass the bill could not be obtained unless this piece of the existing law were repeated. That is what is called an ad hominem argument. It is a very powerful argument to get the votes to get something through. But it is not an appeal to reason, and it does not give a rational motive for putting in this language, which repeats the language of the existing law, and thereby nullifies the language in section 3.

My reason for wishing to have this language taken out of the bill is that it does violence to the spirit of unification of the armed services. It seems to me that the United States must unify its armed services, or she will perish. We simply do not have the inexhaustible economic resources and we do not have the inexhaustible resources in young manpower of military age to be able to afford proliferation and triplication and quadruplication and all the other things that are indulged in at the present time in the armed services. We must build up a loyalty to the armed forces as a whole, and not build up unification as sort of a stepchild, something of which we are ashamed.

Whenever we bring in a unification bill with so many limitations that it actually fosters separatism, we make a grave mistake. It is all very well to be respectful of the feelings of some of the gentlemen in the Pentagon; but when the shooting actually starts, if we misuse our young manhood and waste it because we have not organized the military machine according to the teachings of science, we pay a terrifically high price for our failure to organize our military machine in the way that we should.

The language of this bill is harmful, of course, from an economic standpoint. We know that out of each Federal Government dollar 34 cents goes to the Pentagon and 16 cents goes to foreign aid. Thus, 50 cents, one-half of each dollar of the total Federal expenditures, is being spent because of the dangerous nature of the world situation. I think it has been estimated that a person with an income of $2,000 pays $68 in taxes to the Pentagon. I submit that if the money that is being spent for the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard were spent in the way that you, Mr. President, spend your own money or in the way that I spend my own money, very, very large sums of money indeed could be saved. However, of course, a government always operates on a much more lavish footing, and for that reason we do not expect such savings.

But certainly if we are going to hold the Secretary of Defense responsible for economy, and then if we are going to put into this bill a provision prohibiting him from moving personnel from one branch of the armed forces to another, we are going to make it very difficult for him to save any money.

Of course it is important to save money, but it is even more important to save manpower, to save lives. What would be the effect of the philosophy of this kind of a bill in the tragic event that our country were to become involved in another war? Of course the effect would be to freeze the manpower of military age into water-tight compartments, so to speak. If the nature of war were to change from one period of time to another—which often happens—we would be stuck with a commitment to have a certain number of men used in a certain unit or a certain branch of the armed services, for we would be prohibited by law from shifting them around. I cannot conceive that that would ever operate as against the Marine Corps, because of course the Marine Corps is used in a land war or in a sea war or in an air war. So no matter what might happen, the Marine Corps would never be obsolete or out of place. Of all the branches of the armed services that do not need this kind of protection, I would put the Marine Corps at the top of the list, because of the versatility of the Marine Corps, for the marines are trained for an air war or a sea war or a land war. So no matter how the nature of warfare may change, the marines will always be in demand.

But I can conceive of a type of operation in which the entire stress of the war might be naval and the major battles might be on the sea. In that event, would it do any good to have millions of men doing squads right on the land because of the requirements of some musty old act of Congress? Of course, Mr. President, all of us perceive the absurdity of such a situation.

I remember very well that during World War II, in the spring of 1942 a very large percentage of the young officers were taken out of the Army, in order to build up the Air Force. That was the right thing to do; it was the smart thing to do. The German submarine campaign was being waged very successfully at that time; we were utterly unable to get our divisions across the ocean. We had to win the air war. So we took a great many of the young lieutenants out of the armored divisions and perhaps out of the infantry divisions, for all I know, and put them into the Air Force, and thus built up the Air Force. Then the Air Force struck a tremendous blow, a wonderful blow. The Air Force was never turned back by enemy action in any part of the world, and our Air Force won the air war.

Then we come to the spring of 1945, when the United States Army was beginning to run out of men for the Infantry. At that time there was a change of policy and increments for the Air Force were stopped, and a policy of funneling into the Army the men who had been intended for service in the Air Force was begun. I suppose some of those men did not like that change in policy. Of course, Mr. President, if we are to run a war on the basis of personal likes and dislikes, we never get very far.

The war in Europe came to an end before it was necessary to apply that principle on a very large scale. But I give that illustration to point out the advantage of having the benefit of great fluidity between the armed services, so as to be able to supply the manpower where it is most needed, and not to have men marching around, training for a type of warfare that will not be fought. Efficiency in our armed forces shortens a war and avoids casualties; it saves lives. A policy based on a proper regard for the realities of the situation is the most humane type of policy we can have.

In the war in Africa it was common talk about the British Eighth Army—I cannot vouch for the accuracy of the details—that replacements which arrived there for the Coldstream Guards had, under the rules of the British Army, to be assigned to the Coldstream Guards, and could not be assigned to the King's Own Scottish Borderers, even though the King's Own Scottish Borderers had been almost shot to pieces and were desperately in need of replacements. That was said to be one of the reasons why the British Army had so much trouble.

That illustration, Mr. President, points out the common sense and the reality of this amendment.

Much that is in the pending bill today flies squarely in the face of what should be our main objective. It is a repetition of the mistakes of the old law; it is a gesture of defiance to the whole principle of unification. It is an example of hostility to the idea of economy and efficiency in the conduct of military affairs, either in war or in peace.

For that reason, Mr. President, I hope the amendment will be adopted.

Mr. President, one more word before I take my seat: I understand that the able junior Senator from Illinois [Mr. DOUGLAS] will obtain the floor in a few minutes. I wish to pay a very real, heartfelt, and sincere tribute to him, not only for his accomplishments in civilian life and for all the intelligence and courage he has shown here since he has been a Member of the Senate, but, of course, above all, for his gallant and magnificent war record. He is here now both as a Member of this body, a former combat soldier, and a wounded veteran. All of us would listen to him with respect if he did not have that background; but with that glorious qualification, whatever he says will go straight to our hearts and will receive our very highest consideration.

However, let me say that the loyalty and devotion of the Senator from Illinois to the Marine Corps are no greater than are mine. I was brought up on the traditions of the Marine Corps; one who was very close in my family circle spent his whole life in the Marine Corps. I think the Marine Corps is so good and has such a hold on the admiration and affection of the American people that it does not need a lot of artificial legislation to protect it. I think we are not doing the Marine Corps a real service if we say that it shall be tied down to amphibious warfare. If that had been the case in the war of 1917–18, I do not suppose our country could have had those glorious Marine divisions in France in 1917 and 1918.

It is impossible to tell what the nature of war is going to be; we cannot tell whether it will be amphibious or airborne or armored or of some other character. There is only one thing we can tell, and that is that we are always going to need human bravery to win a war, and we are always going to need shock troops; and so long as we need human bravery and so long as we need shock troops, we are going to need the Marine Corps. So the Senator from Illinois is not looking at anybody who wants to hurt the Marine Corps. I not only do not want to hurt them, I want them to prosper. I do not want to see them reduced to the status of guards at navy yards or ship's complements, or anything of the kind. I think they perform an essential service in our national defense picture as shock troops, and there comes a time in every war when it is impossible to do without shock troops.

So I do not think the Marine Corps needs this type of protection, any more than I think the Army engineers needed to get a special exemption in the Hoover reorganization bill. I think the Marine Corps needs it much less. I think it is much stronger than the Army engineers, because, while the Marines do not have the contact with river and harbor projects the Army engineers have, they have something much more precious, and that is a strong hold on the affections and the confidence and the admiration of the American people.

It seems to me it would be very wasteful and very thoughtless and very bad in the long run if we should ever develop the idea that the welfare of any one of our services is inconsistent with the best interests of economy and efficiency in the conduct of war. So that, Mr. President, is the reason why I am supporting the amendment offered by the Senator from Oregon. I hope it will be agreed to. I yield the floor.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 25, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 24 (legislative day of May 23), 1949:

SUPERINTENDENT OF UNITED STATES ASSAY OFFICE, NEW YORK, N. Y.

James J. Andrews, of New York, N. Y., to be superintendent of the United States assay office at New York, N. Y., to fill an existing vacancy.

IN THE AIR FORCE

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 3, 1949, for appointment as second lieutenants in the United States Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947); date of rank to be determined by the Secretary of the Air Force:

Harman Charles Agnew
Malcolm Joseph Agnew
John George Albert
Charles William Anderson, Jr.
John Stebbins Andrus
Stewart Martin Appelbaum
Carl Franklin Arantz, Jr.
Adrian Byron Arganbright
John William Armstrong
David Lee Arnold
Albert Morris Austin 4th
Arthur Williams Banister
David Porter Barnes
Frank Gentry Barnes
Robert Cooke Barton
Lewis Roy Baumann
Maurice Manuel Benitez
Louis Henry Benzing
John Robert Boag, Jr.
Frank Banker Bondurant
Richard Carl Bowman
Schuyler Buell Brandt
Robert Joseph Braun
Frank Hawkins Brock
Charles Henry Brown, Jr.
Lewis Carlton Lindsey Browne.
Roy Cleveland Brunhart
Thomas Farris Bullock
William Wesley Bumpus
Robert Paul Butler
Charles Artaud Byrne
Mortimer Browne Cameron, Jr.
Edward Joseph Campbell
Jay Allen Carey
William Arthur Carroll
Richard Theron Carvolth 3d
Luther Henry Cassler
George Barrett Chamberlin, Jr.
Charles Emmett Cheever, Jr.
Charles Goold Cleveland
Henry Porterfield Taylor Corley
Thomas Maurice Crawford, Jr.
Carl Raymond Crites
John Henry Cronin, Jr.
Timothy Cornelius Cronin 3d
Alexander Brown Culbertson
Thomas Gifton Davis
Theodore Francis DeMuro
Robert Armstrong Derrickson, Jr.
Ben Wade Oakes Dickinson 3d
William Eugene Dirkes
Ralph Emerson Dougherty, Jr.
Paul Crowther Dow, Jr.
Norman Dale Eaton
Robert Brower Ennis
Emmet Tinley Everest
Jack Dwight Finley
Wallace Addison Ford
Donald Luther Gabel
Robert Russell Garrett
Chester Charles Gilbert
Jack Worrell Gillette
Albert Hauck Goering
William Francis Gorog
George Dudley Graham, Jr.
William Lee Green III
Abbott Congleton Greenleaf
William Walter Gustafson
Daniel Guyton
John Asa Hammack
Irving Leonard Hammer
Robert Adair Hansen
Leslie Earl Harris, Jr.
James Vincent Hartinger
John Powell Hawn
Edward Joseph Heesacker
Gerard Francis Helfrich
James Robert Hendricks
David Hendrickson
Joseph Robert Henry
Richard Charles Henry

Edward Robert Hilton III
Francis Hinchion
Perry Carnot Hisken, Jr.
Alan Joel Horton
Robert James Howard
Eugene Earle Hustad
John Edward Ike
Edward Weber Ivy
Lewis Maverick Jamison
John Arras Jenkins
William Griffith Jenkins
W. Hugh Jenkins, Jr.
Miers Cornelius Johnson, Jr.
Kelso Jones
Norman Frederick Katz
Charles Thomas Keffer
Charles William Kessler
John Richard Kiely
E. Hugh Kinney
Donald Davis Klein
Raymond James Klemmer
Edward Anthony Kostyniak
Milton Arthur Kramer
David Christian Krimendahl
William Howard Lake
William Roth Lambert
Chris Andrew Lay, Jr.
Robert Edward Leisy
Ronald Emile Lemay
Nelson Trimble Levings
William Battelle Liddicoet
Robert Oliver Littell
Thomas Bernard Luzon
Kenneth Alden Main
Robert Lucas Makinney
Eugene Marder
Morton Leo Marks
James Frank Marr
Robert Thomas Marsh
Abner Broadwater Martin
Frederic Hine Maughmer
John Norman McCarthy
Leon Witcher McCrary
James Richard McDaniel
Dan Lockwood McGurk
Donald Andrew McLean
Philip Cummings McMullen
William Fletcher McNurry
Michael Werner McNamee
John Edwin Miller
Virgil Millett, Jr.
James Errington Milligan
Walter Reed Milliken
Anthony John Mione
Hugh Mitchell, Jr.
Lewis Franklin Moore
Wayne Stewart Moore, Jr.
Milan Mosny
Raymond Moss
Wilbur John Mueller
William Edward Mundt
Louis Paul Murray
Emil Abraham Nakfoor
Marshall Edsel Neal
Charles Franklin Neef, Jr.
Edwin Arthur Nelson
Wayne Aaron Norby
Philip Raymond O'Brien, Jr.
Charles Whitney Oliver
Robert Harley Olson
Robert Lloyd Orem
Dolphin Dunnaha Overton III
Robert Edwin Owen
Basil Pafe
Davis Pendleton Parrish
William Thielman Paull
Robert Michael Pfeiffer
Joseph Lee Pospisil
John Archer Poulson
Thomas Sheridan Pratt
James Delahunt Prescott
Robert Edwin Pursley
Ralph Christian Raabe
James Walther Rawers
John Charles Reed
James Blayney Rice
William Vaughn Rice, Jr.
William Clay Robison
Kenneth Hall Roper
William Carroll Ross
Paul Sherman Rufsvold
Richard Grams Rumney
John Harold Saxon, Jr.
John Thomas Schall
William Leo Schlosser
James Forrest Schmidt
Richard Howard Schoeneman
John Christopher Scholtz, Jr.
Howard Francis Seney
Robert Shebat
George Marvin Shepherd
William Chapin Shiel
Jefferson Allan Simpson
Robert Stanley Slizeski
Mahlon Allison Smith II
Mansfield Irving Smith
Russell Hinett Smith
William Cremin Smith
George Winfered Smythe, Jr.
Willum Harry Spillers, Jr.
Stewart VanVliet Spragins
James Wesley Stansberry
Michael John Steger
William Kent Stemple
Robert Clarence Stender
Floyd Albert Stephenson, Jr.
James Reddick Stillson
Robert Jack Stuart
Don Reetz Swanke
Robert Frederick Swantz
George Howard Sylvester
William Brown Terrell, Jr.
Joseph James Thompson
Richard Earl Toth
William Jackson Trautvetter
William Frederick Trieschmann, Jr.
Edwin George Triner
Chester Stuart Trubin
Joe B. Tye, Jr.
Jay Van Cleeff
John MacEwan VanderVoort, Jr.
Edward Whitney Wagner
Victor Reed Wakefield
Winston Guerd Walker
John Thomas Wallace
John Adkin Walter III
Douglas Spoor Weart
George Maurice Wentsch
Fredrick Robert Westfall
Richard Arthur Eric White
Edward Burke Wilford III
Arnold Winter
John Beugnot Wogan, Jr.
Donald Rey Woods
John Donald Woodson
William Clinton Workinger, Jr.
Hugh Wynne
Elsworth James Zimmerman

The following-named midshipmen, United States Naval Academy, who are scheduled for graduation on June 3, 1949, for appointment as second lieutenants in the United States Air Force, under the provisions of section 506, Public Law 381, Eighteth Congress (Officer Personnel Act of 1947); date of rank to be determined by the Secretary of the Air Force:

Dale L. Ashcroft
Harry E. Baumgarten, Jr.
Robert S. Berg
Thomas Frederick Blake, Jr.
Bill W. Bodager
M. Michael Bonner
Louis E. Branch
Charles P. Cecil, Jr.
John R. Clark
John T. Dolan
Alston R. Ellis
Atlee R. Ellis
Robert E. Finnigan
William M. Foley
John C. Friend
Richard F. Frost
William M. Fulton
Norman Lawrence Gibson
Robert J. Gilliland
Max L. Gillam
Floyd W. Graham
James Ross Haughey
John P. Howe
James S. Hurst
Emmett S. Iverson
Robert E. James
Richard Janer
Jerry R. Kenyon, Jr.
William S. Knoble.
Charles G. Kretschmer III
David M. Latham
Gene E. Leslie
Alan M. Lindy
George H. Lochner
Irving T. McDonald, Jr.
Louis V. Miller
Joseph R. Morrison
Reed C. Mulkey
Brian P. Murphy
Thomas A. Nemzek
John C. Peters
Harry O. Purnell
Frank O. Roland, Jr.
Harold James Shirley
John P. Sieck
Robert M. Spencer
Gordon G. Stewart
Orlando A. Wall
Jay R. Wallace
Robert B. Weaver
Cyril R. White
Robert L. White
Ralph D. Whittier
Evert D. Wilmoth
Robert B. Wisherd

The following-named persons for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

John W. Barlow
John D. Bell, Jr.
Joseph F. Cheatham
Edward T. Cohee, Jr.
James M. Crews, Jr.
Clark M. Hening
Clifford A. Moore
John T. Potts, Jr.
Louis C. Rasmussen
Robert E. Smith
Henry C. Smyth, Jr.
William B. Warwick, Jr.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 24, 1949

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou source of all life and power, do Thou impart to blind, mortal eyes the abiding assurance that Thou wilt keep him in perfect peace whose mind is stayed on Thee. Stir up our hearts and wills, that we may attain more of self-mastery; help us to think and do only those things that will leave no regrets in our hearts, and no pain in Thine.

Do Thou guide the world, for it is failing to see; deliver it, for it is in bondage; and save it, ere it is too late. Above all, give us a larger sympathy for all men, and a holy ambition to be of service in a needy world.

In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 580. An act for the relief of the Bank of Kodiak, Kodiak, Alaska;

H. R. 603. An act for the relief of Jeptha R. Macfarlane;

H. R. 636. An act for the relief of B. G. Jones;

H. R. 639. An act for the relief of Mark B. Craig and others;

H. R. 681. An act for the relief of the legal guardian of George Generazzo;

H. R. 688. An act for the relief of John P. Reilly;

H. R. 692. An act for the relief of Joseph Thompson;

H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis;

H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;

H. R. 1076. An act for the relief of Jennie Olsen Anderson;

H. R. 1098. An act for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor;

H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;

H. R. 1471. An act for the relief of E. La Ree Smoot;

H. R. 1597. An act for the relief of Hal W. Cline;

H. R. 2089. An act for the relief of William Price;

H. R. 2261. An act for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 2268. An act for the relief of Forest L. Weatherly;

H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works;

H. R. 2566. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America;

H. R. 2906. An act to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers;

H. R. 3259. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose;

H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H. R. 3663. An act for the relief of Lawrence Reves;

H. R. 4151. An act to grant the consent of the United States to the Arkansas River pact; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 858. An act to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries;

H. R. 1299. An act for the relief of Frank J. Patzke, Archie Mitchell, J. L. Shoemaker, Einar Engen, and N. L. Gifford;

H. R. 1337. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes;

H. R. 1754. An act extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949;

H. R. 3334. An act to grant the consent of the United States to the Pecos River compact;

H. R. 3967. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950; and

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 266. An act modifying a limitation affecting pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional, or domiciliary care;

S. 276. An act to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes;

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 885. An act to provide for the removal of weeds from lands in the District of Columbia, and for other purposes;

S. 930. An act to provide for the liquidation of the trusts under the transfer agreement with State rural rehabilitation corporations, and for other purposes;

S. 1080. An act for the relief of James A. Gordon;

S. 1138. An act for the relief of John W. Crumpacker, commander, United States Navy;

S. 1167. An act for relief of the estate of Marion Miller;

S. 1296. An act for the relief of Murphy & Wischmeyer;

S. 1324. An act to provide for the modification of the Corps of Engineers' flood-control project on the Heart River at Mandan, N. Dak.;

S. 1483. An act to amend title 18, United States Code, sections 2312 and 2313, so as to include thereunder motor vehicles and aircraft which have been embezzled, feloniously converted, or feloniously taken by fraud;

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia;

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Canton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944;

S. 1580. An act concerning common-trust funds and to make uniform the law with reference thereto;

S. 1659. An act granting the consent and approval of Congress to an interstate forest-fire protection compact;

S. 1749. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, wheat-stem sawfly, and the Hall scale;

S. 1760. An act to amend section 101 (b) of the Department of Agriculture Organic Act of 1944 (58 Stat. 734; 7 U. S. C. 429);

S. J. Res. 62. Joint resolution authorizing the President of the United States of America to proclaim June 20 of each year as Emblem Day;

S. Con. Res. 36. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 39. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 40. Concurrent resolution favoring the suspension of deportation of certain aliens.

EXTENSION OF REMARKS

Mr. POLK asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Washington Post entitled "Coalition Meat Ax."

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include in one an article appearing in the Montana Standard.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

USE OF INFERIOR HARDWOODS IN MANUFACTURE OF PAPER

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I call attention to the first white paper made from scrub oak. It is a product of the laboratories of the University of Florida at Gainesville. Please let me emphasize its importance. Scrub oak is one of a number of so-called inferior hardwoods which occupy hundreds of thousands of acres in this Nation, and for which at present there is practically no market value.

If it is possible to develop production techniques which will permit the use of the inferior hardwoods in the manufacture of paper, wallboard, and plastics, a market will have been created for the product of these hundreds of thousands of now near worthless acres. In addition the ever growing shortage of timber products in this country will be alleviated.

The University of Florida is carrying on much work of importance in this and similar fields, and it is felt that industry can shortly take advantage of its developments. I would like to point out that this is the same institution and part of the same staff which developed the proximity fuze, one of the three most important weapons of the last war.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to ad-

dress the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. MURRAY of Wisconsin addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an excerpt from the broadcast of William Hillman over the Mutual network in relation to the tragic and most unfortunate death of the late Secretary of Defense James V. Forrestal.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the Truman program and include an editorial on the same subject from a great Democratic paper, the Richmond Times-Dispatch.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD in two instances and include in one a letter and in the other an article.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

PRICE DECLINES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a brief table.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. I was very much interested, Mr. Speaker, to notice in the United States News and World Report a chart showing that you can get five meals now for what four cost in July 1948, and I shall include the list in my remarks. It shows that prices of commodities are coming down. They have been ever since last December. I wonder what Mr. Keyserling, one of the President's chief economic advisers, thinks now, after he advocated the regimentation of everything and considered all the time that prices were going up. He was a bull in price market, wanted the Government to build steel mills in January, he said they would continue to advance. The opposite has been the case. He wrote the President's economic report in January, and it is as wrong as anything could be. He not only wrote the President's report as an economic adviser but he helped write the report of the joint committee of House and Senate, which all the Democratic Members signed. The Republicans refused to do so for they knew it was wrong. I wish you would just read this table of prices and see how far he was out of line in saying cost of living was going up and up, he is the President's chief economic adviser. It seems to me if they would appoint somebody else than Mr. Keyserling it would be better for the country, the President, and the people.

This chart shows how table prices are coming down:

How the food dollar has stretched

[Retail prices in Washington, D. C.]

	July 1948	April 1949
Hamburger, 2 pounds	$1.32	$0.86
Pork chops, 2 pounds	1.71	1.30
Sliced bacon, 1 pound	.79	.49
Butter, 1 pound	.93	.69
Milk, 2 quarts	.40	.34
Eggs, 1 dozen	.72	.61
Bread, 3 loaves	.39	.36
Flour, 5 pounds	.49	.48
Coffee, 1 pound	.51	.47
Sugar, 5 pounds	.48	.44
Apples, 3 pounds	.35	.38
Oranges, 1 dozen	.49	.29
Potatoes, 10 pounds	.52	.53
Green beans, 2 pounds	.35	.29
Carrots, 1 bunch	.13	.07
Cabbage, 2 pounds	.15	.10
Tomatoes, 3	.19	.19
Onions, 1 pound	.08	.04
Total	10.00	7.93

The prices of all commodities are less today than 6 months ago. This is now a buyer's market. It pays everybody to shop and take advantage of it. Keyserling is wrong, all wrong.

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks in the RECORD and include a letter from Dr. J. A. Cosgriff, of Olivia, Minn., relative to the utilization of doctors in the armed services.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD in three instances and include certain newspaper articles and editorials.

INTERNATIONAL COMMUNISM

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, on the 3d of January 1949, the day the Eighty-first Congress convened, I introduced what is now H. R. 83, a bill to outlaw the Communist Party.

We are facing the most serious menace of all times—international communism. The Communist Party in the United States should be outlawed because its activities have become so dangerous to the welfare of our citizens that it can no longer be allowed to shield itself behind the protective bulwark of American law. In reality the American Communist Party is not a political party in the true sense of the word but is an arm and an agent of a foreign power—the Union of Soviet Socialist Republics. This is clearly demonstrated by the history of the Communist Party in the United States.

The ultimate aims of the Communist Party in this country are to overthrow the American form of government and the democratic way of life. The Communists would establish in the United States a totalitarian dictatorship which we have already seen imposed on many countries of the world.

By praising the revolutionary teachings of Lenin and Stalin, the American Communists practically admit advocating the use of force and violence for attaining their aims. Because of its loyalty to the Red flag of international communism and the Soviet Union, the Communist Party in the United States is a fifth column, and thus a threat to American security. Prime Minister Paul-Henri Spaak, in a speech before the UN Assembly on September 28, 1948, in Paris, stated:

> You make us uneasy because in every one of the countries represented here you maintain a fifth column, alongside which Hitler's fifth column was but an organization of boy scouts.

EXTENSION OF REMARKS

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD and include an article on States' rights.

Mr. COUDERT. Mr. Speaker, on yesterday I obtained permission to insert in the RECORD a newspaper article. I am informed by the Public Printer that the cost will be $168.75. Notwithstanding the cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost and without objection the extension may be made.

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial by Mr. A. M. Piper, editor of the Council Bluffs Nonpareil. The title of this editorial is "Our Nation's Foundation." The editorial is timely and good.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD on the unfortunate death of Secretary Forrestal, and include therein a short statement he made in the House some time ago, together with several newspaper articles.

Mr. WELCH of California asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

CALL OF THE HOUSE

Mr. VINSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. MANSFIELD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 103]

Arends	Eaton	Patman
Barrett, Pa.	Gilmer	Pfeiffer,
Bonner	Grant	William L.
Buckley, N. Y.	Hagen	Phillips, Tenn.
Bulwinkle	Hall, Edwin	Plumley
Celler	Arthur	Powell
Chiperfield	Hinshaw	Ramsay
Chudoff	Hoffman, Ill.	Rhodes
Clevenger	Hull	Richlman
Combs	James	Shafer
Cooley	Jenison	Short
Crook	Jennings	Smith, Ohio
Cunningham	Keefe	Smith, Wis.
Davenport	Klein	Stanley
Davies, N. Y.	Lichtenwalter	Taylor
D'Ewart	McSweeney	Thomas, N. J.
Dingell	Morrison	Whitaker
Dolliver	Murphy	Withrow

The SPEAKER. On this roll call 371 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FRANK J. PATZKE ET AL.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 1299, an act for the relief of Frank J. Patzke, Archie Mitchell, J. L. Shoemaker, Einar Engen, and N. L. Gifford, with Senate amendments thereto, and concur in the Senate amendments. The Senate amendments are merely clarifying and do not affect the amounts as passed by the House.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 11, after "Dakota," insert "and Bertha Myrtle Patzke, of Bly, Oreg."

Page 2, line 1, strike out "his" and insert "their."

Page 2, line 2, strike out "his" and insert "their."

Amend the title so as to read: "An act for the relief of Frank J. Patzke and others."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TACKETT. Mr. Speaker, reserving the right to object, may I ask something about these amendments?

The SPEAKER. This is a claims bill. The gentleman from New York said the amendments are only clarifying and do not change the amount.

Mr. TACKETT. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were agreed to.

EXTENSION OF REMARKS

Mr. WHITAKER (at the request of Mr. CHELF) was granted permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. RIVERS asked and was granted permission to extend his remarks in the RECORD and include an address by Hon. EDWIN CARL JOHNSON, of Colorado.

AMENDING THE COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, and ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 643)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Commodity Credit Corporation Charter Act (Public Law Numbered 806, Eightieth Congress) is amended by deleting the words 'direction and control of its Board of Directors' at the end of the said section and substituting therefor the words 'supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary").'

"SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: 'The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *Provided further*, That no refrigerated cold storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the National Military Establishment, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purchase of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets.'

"SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 9. DIRECTORS, ADVISORY BOARD: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist, of six members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

"'(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each ninety days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs;

and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings.'

"SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661).'

"SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

"(a) by inserting in the second sentence thereof after the word 'jurisdiction' a comma and the following: 'without regard to the amount in controversy,';

"(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: 'No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within six years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within three years after the disability shall have ceased or within six years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit.'; and

"(c) by inserting before the period at the end thereof a comma and the following: 'except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this Act, be brought in such court.'

"SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"'USE OF WORDS "COMMODITY CREDIT CORPORATION"

"'(f) No individual, association, partnership, or corporation shall use the words "Commodity Credit Corporation" or any combination of the same, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.'"

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

ELBERT THOMAS,
ALLEN J. ELLENDER,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference recommended that the Senate recede from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment and that the House agree to the same.

In general the conference substitute follows the language of the House amendment. Except for clarifying changes, the differences between the conference substitute and the House amendment are indicated below.

The House amendment provided that the members of the Board of Directors of the Commodity Credit Corporation would be appointed by the Secretary of Agriculture and serve at his pleasure. The Senate bill provided that the members of the Board of Directors would be appointed by the President, by and with the advice and consent of the Senate. Both the House amendment and the Senate bill provided for an Advisory Board. The conference substitute retained the language of the House amendment with respect to the Board of Directors of the Corporation, but modified the provisions relating to the Advisory Board so that appointment of the five members of the Advisory Board would be made by the President, by and with the advice and consent of the Senate, and the members of the Advisory Board would serve at the pleasure of the President.

The House amendment modified the provision in the present Charter Act which prohibits the Corporation from acquiring real property or any interest therein in such a manner that the Corporation could rent or lease office space necessary for the conduct of its business, or acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing and discharging obligations owing to the Corporation, or of otherwise protecting the financial interest of the Corporation. The Senate bill provided that such authority could not be used for storage for cotton, tobacco, and refrigerated cold storage. The conference substitute contains the language of the House amendment and the following proviso with respect to refrigerated cold storage:

"Provided further, That no refrigerated cold-storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose."

The conference substitute would permit the Corporation to lease refrigerated cold storage facilities but would prohibit it from constructing or purchasing such facilities except with funds specifically provided by Congress for that purpose. This limitation on the construction or purchase of refrigerated cold storage facilities is not intended to prevent the Corporation from making replacements of machines and equipment, repairs or improvements necessary to operate and maintain leased cold storage facilities.

Both the House amendment and the Senate bill contained a provision, included in the conference substitute, which provides that before the Corporation could acquire real property or any interest therein for the purpose of providing storage facilities for any commodity, it must determine that existing privately owned storage facilities for such commodity in the area concerned are not adequate. It is understood that the Corporation, in its determination of the adequacy of storage space "in the area concerned", will give due consideration to marketing and storage practices employed by private agencies in the case of the particular commodity involved. For some commodities, especially those which are largely consumed on or near the farms which produce them, the "area concerned" must of necessity mean the immediate area in which the commodity is produced, because it is not customary or practicable to store the commodity in areas remote from points of origin. For other commodities a different situation prevails. In the case of cotton, as an example, the "area concerned" could well mean the entire cotton producing belt. The whole cotton marketing system, as well as the freight rate structure, is built around the fact that cotton moves for storage toward the ports and consuming mills at no additional expense to the grower.

Wool, as another example, normally is stored in the consuming areas of the Northeast, far removed from the heavier producing areas of the West.

This fact has been recognized by the Corporation in the operation of its cotton loan and purchase programs. Where threatened or confronted with total local cotton stocks in excess of local storage capacity, it has been the practice of the Corporation to "reconcentrate" sufficient loan or purchased stocks to provide storage space for the remainder of local cotton storage demand. Such "reconcentrated" cotton has been moved to available cotton storage facilities en route to ports of exportation and domestic consuming areas so that, under the railroad cotton rate and "transit" structure, the cotton could be reshipped to consuming destinations without loss in transportation costs. This practice—common among private cotton marketing agencies—recognizes the economy of utilizing available storage capacity along routes of normal movement, as opposed to the waste involved in providing additional local storage capacity which will not be substantially utilized year after year.

In its 1948 cotton loan program, the Corporation applied this principle in inaugurating its "receiving agency" arrangements, under which the Corporation "receiving agent" would receive the cotton from the producer, and, without delay, provide the producer with full benefits of the loan program. Such cotton was placed under railroad bills of lading, consigned to available cotton warehouses located along authorized railroad routes to seaports and domestic consuming areas. Under this procedure, the railroad bills of lading, initially used in lieu of warehouse receipts in consummating the loan, are later exchanged for insured warehouse receipts issued by the warehouses to which the cotton is consigned. This procedure has operated to the satisfaction of all concerned. It permits prompt use of the loan procedure by cotton producers, and maximum economical utilization of available cotton storage facilities.

The House amendment contained a provision with respect to the storage of grain

on farms which provided that the Corporation shall make loans not to exceed 17½ cents per bushel of the estimated crop to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price-support loans or purchase agreements made by the Corporation and the growers. The Senate bill contained no similar provision. The conference substitute follows the language of the House amendment except that it eliminates the condition that the loans not exceed 17½ cents per bushel of the estimated crop.

The provision for loans to grain growers for financing the construction or purchase of suitable storage does not intend that the Corporation (1) shall be limited in any way in utilizing other authority contained in its Charter to assist farmers including other than grain farmers by loans or other means in providing adequate storage facilities; (2) shall look exclusively to the proceeds of price support loans or purchase agreements received by the grower for the repayment of the loan to the grower for storage facilities; (3) shall be restricted from making loans available to growers for storage facilities through banks and other established lending agencies; and (4) shall be required to apply the full amount of the proceeds of any price support received by a grower against the loan made to the grower for storage (on the contrary, it is contemplated that the Corporation would provide for repayment of the loan over a period of time).

Both the Senate bill and the House amendment contained provisions permitting the Commodity Credit Corporation to exchange agricultural commodities for strategic and critical materials produced abroad. The Senate bill placed these provisions in section 4 (h) of the Commodity Credit Corporation Charter Act. The House amendment set them forth as an amendment to the Act aprpoved August 11, 1939, entitled "An Act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad". The conference substitute places these provisions in section 4 (h) of the Commodity Credit Corporation Charter Act and follows the language of the provision in the House amendment except that there was added thereto the words "easily storable", contained in the Senate bill, in the description of the agricultural commodities which shall be given priority in exchange for strategic and critical materials, and there was also added a provision contained in the Senate bill that strategic and critical materials acquired by Commodity Credit Corporation shall be transferred to the stock pile "to the extent approved by the Munitions Board of the National Military Establishment". In placing the authority for the exchange of agricultural commodities for strategic and critical materials in the Commodity Credit Corporation Charter Act, as did the Senate bill, the term "agricultural commodities" has the meaning ascribed to it in Section 2 of the Commodity Credit Corporation Charter Act.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, this is practically the House bill that passed the House by a vote of 326 to 52. As nobody has asked for time, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. GAMBLE) there were—ayes 158, noes 28.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

PAY, ALLOWANCES, AND PHYSICAL DISABILITY RETIREMENT FOR MEMBERS OF THE ARMED FORCES

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4591) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4591) providing pay and physical disability retirement for members of the uniformed services, with Mr. RABAUT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, May 20, the Clerk had read through line 4 on page 1 of the bill.

Mr. KILDAY. Mr. Chairman, I move to strike out the last word and ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Chairman, on Friday when the Committee rose we had barely begun to read the bill. I feel that there is a preliminary statement I should make at this time.

The first is that we are concerned with our ability to attract and retain the type of men we need in the armed services. I may point out that prior to the war when commissions in the Regular service were tendered to honor graduates of schools they were invariably accepted. Rarely was there a vacancy. This year 1,000 such commissions were tendered and thus far only 11 have been accepted. Those two facts alone, I believe, indicate the situation which exists in reference to our ability to attract men from the honor graduates who are tendered a commission in the Regular service.

The other day I went over in quite some detail the number of resignations which we have had in the service. The fact is that of those men who were integrated into the Regular Navy since 1946, 15 percent have resigned. I appreciate the statements which have been made here to the effect that there are a great many men who have applied for return to extended active duty and have not been accepted. That situation does exist. There is a large number of them. But the acceptance of those applications does nothing to solve the problem which confronts us. It is not a case of securing men on a temporary basis to go on extended active duty. We have to attract the kind of men we want and retain them in the proper age distributions. It does no good for us to have men on temporary duty so far as the career service is concerned.

This bill provides a career compensation plan. We want to attract men who are under 25 years of age and who are willing to go into the service for the purpose of remaining there, we hope, for the full active period of 30 years. Unless and until we can do that, our Military Establishment will remain upon a temporary basis. I believe you will agree that that is a very unhealthy situation.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from California.

Mr. JOHNSON. What the gentleman says is also true with reference to the enlisted man. Since the war we have enlisted over 1,000,000 men. The reason they do not reenlist is because there is not enough attraction in the future life of a soldier for them. This bill will correct that situation.

Mr. KILDAY. That is true. I am coming to the question of enlisted men.

There has been concern expressed on the floor of the House with reference to the enlisted men. I have noted that there is a great deal of confusion with reference to what this bill does as to the enlisted men. First of all, may I say that the committee has received hundreds of letters from men in the enlisted ranks as well as in the officer corps. At first there was a good deal of confusion as to what the bill provided. Radio commentators and newspaper columnists have publicized what they claim to be discrimination against the enlisted men. It answered those letters, and I believe we have been able to convince the enlisted men that under this bill they are given a most attractive career.

In addition to that, the Hook Commission was composed of three outstanding businessmen and one educator, and that was the Reverend John Cavanaugh, president of the Notre Dame University. Father Cavanaugh was primarily concerned with the sociological provisions of the bill and the manner in which it would affect the young men, and the moral standards which would apply in the service. He appeared before our committee and wholeheartedly endorsed this bill. He stated that he had been primarily concerned with the welfare and the interests of the enlisted men.

A great deal of confusion has arisen over the provision of abolishing family allowances. I hope that I may have your attention while that is discussed, because there is great confusion among the membership as to that provision. It does not affect the compensation of the enlisted men so far as pay allowance for quarters and for subsistence is concerned. By that I mean it does not affect them adversely, but it does give them a very substantial increase.

At the present time quarters allowance is drawn by only the three highest grade

enlisted men, the three highest grades of noncommissioned officers. At the present time those allowances are $31.50 for subsistence and $37.50 for quarters. Under this bill, we increase the quarters allowance for the first three grades to $67.50 a month, an increase of $30. In addition we provide that the first four grades will hereafter be entitled to quarters allowances, and when a fourth-grade man has served for a period of less than 7 years his quarters allowance is $45, but when he has served 7 years his quarters allowance goes up to $67.50.

What does this mean? It means that the married enlisted man who has heretofore had a total in allowances of $69 under the provisions of this bill is going up to $99, so that there is that substantial increase.

The opinion seems to prevail on the part of some that the family allowance has some connection with this provision. It does not, even with the abolition of the family allowance, which is not a portion of this compensation, but is a gratuity that was instituted during the war to provide for the family when the man who was supporting them went into the service. Under the provisions of this bill, any man above the bottom three grades, with four dependents or less, will draw more money even though the family-allowance law is repealed.

Now the people that we are worried about; the fact that we have 150,000 single men who are claiming dependents because under the Dependents Allowance Act, the family Allowance Act, it does not have to be a wife and children, but it extends to parents, brothers and sisters and in-laws. Do you realize that we have one private who is now drawing family allowance for 14 people? He is a private in the Army drawing family allowance for 14 people. If you are going to have a career plan where men are willing to pursue that career, you are not going to be able to be paying a man about half for long service, and for important service, of what you are paying a man who is rendering very relatively unimportant service, but you are paying him because of the number of children or brothers and sisters that he might have. We have a corporal with 12 dependents, a wife and 11 children, who is drawing $280 a month in family allowance. That is in addition to his pay, quarters, subsistence, and clothing. In cash he draws $400 a month. The total value of his pay is $508 a month. We have a private with 9 dependents, a wife and 8 children, total allowance $220; a private with 14 dependents, 5 class A, wife and 4 children; 9 class B, one parent and 8 brothers and sisters, total family allowance $285. This is the phase of the family law which is abolished by this bill. During the war the family allowance was absolutely essential and thoroughly justified. It was something that had to be done in morality and justice, when you were taking men into the service who had families and there was no one to support them, but can it be contended that on a career compensation plan this can be continued? I submit that it cannot.

Now, on the family-allowance provision, somebody asked me to yield, and I will yield at this time. I have another point I want to make.

Mr. LANHAM. If the gentleman will yield, under what conditions does the soldier draw the quarters allowance? In other words, if he is overseas does his family get the quarters allowance?

Mr. KILDAY. Unless they are occupying Government quarters, they get it.

Mr. LANHAM. But if the soldier himself and his family are occupying Government quarters they do not get that allowance, or the subsistence allowance?

Mr. KILDAY. They get the subsistence.

Mr. LANHAM. They do get the subsistence? Does the family get that even if the soldier is overseas?

Mr. KILDAY. That is correct.

Mr. LANHAM. Would it be possible to repeal the family-allowance provision at the end of the enlistment period instead of at the end of 6 months, because it seems unfair that a man who has gone into the Army depending upon getting that family allowance should have it withdrawn arbitrarily.

Mr. KILDAY. I agree that that is one view of it. The other view is that the man who enlisted prior to July 1, 1946, has a contractual right to draw this family allowance until the termination of the enlistment which he accepted prior to July 1, 1948, and in this bill we protect that. Some of those men went in for 6 years. So long as they serve, under that enlistment, they will continue to draw it under this bill because we gave them an absolute contract to pay them. But as to those who went in after July 1, 1946, who went in under the provisions of law then existing, it was understood that it would terminate at any time the war was declared over, plus 6 months.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KILDAY. As the law now exists and in the Family Allowance Act of 1942 there is a provision that it shall terminate 6 months after the war is declared to have terminated, so if we do not do something to revise the pay scales, such as we have done in this bill, to bring these men with four dependents or less up to something comparable to what they are getting now, or more, you face the prospect of having all of these families find themselves with no family allowance because of the termination of the war. So those who are concerned about the families must remember that that is the situation.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Florida.

Mr. SIKES. I wish my distinguished friend would explain this saving clause which states that by the passage of this bill no one shall draw less than he is now drawing. It seems to me that if that is followed out, you will have two pay scales in effect and a great deal of confusion. Will the gentleman straighten that out?

Mr. KILDAY. That is the provision in the bill, and it is not an unusual provision. I think we have had grandfather clauses in legislation from the beginning of the Government. So that is provided, with the exception of this family allowance provision.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Tennessee.

Mr. SUTTON. With respect to the two cases the gentleman presented, where one man has 14 dependents and another 8, that does not occur all the way through the Army, Navy, or Marine Corps. In a case like that, does not the gentleman believe that if we cut out this contract we have offered them, of family allowances, pretty soon we are going to have pitched into our lap compulsory military training?

Mr. KILDAY. No; I cannot agree with the gentleman on that. I handled the bill on the floor last summer when we had the Selective Service Act up, and I still have some scars from that fight, too. I think we are going ahead pretty nicely now. If we get our pay scales correct, we are going to be able to get them.

Mr. SUTTON. I agree with the gentleman, we need a pay raise, but I am disagreeing with him on the way of bringing it about, which I hope to tell the gentleman about a little bit later.

I have another question in regard to enlistment. When men are taken into the service with dependents in that number, does not the gentleman believe that is the fault of the recruiting officer and not the fault of the family-allowance provision?

Mr. KILDAY. I would not undertake to defend it for a minute. Of course, since September of last year no recruit has been accepted with any dependents. That has ceased. Before the war, no one except those of the first three grades could marry without permission, and if they did, they were subject to be released from the service. I agree with the gentleman on that.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. CARROLL. I think the gentlemen of the committee have done a very good job trying to meet this problem, because it is a real problem. Here is one criticism, or suggestion, that I have to make. I note that as you drew the first bill there was a proviso in it to give those who were presently in the Army and came in after 1946 the benefit of the provisions of the law until their enlistments expired.

Mr. KILDAY. That is correct.

Mr. CARROLL. As I understand the present law you give them the option of being discharged in the event their allowances are decreased.

Mr. KILDAY. That is right.

Mr. CARROLL. That is correct?

Mr. KILDAY. That is correct.

Mr. CARROLL. I would like to have you consider this: If you permit them to be discharged—let us assume a man has some children and he is going to be reduced in his allowance, and he wants to go out. You are moving now into a period where there is some unemployment, and I do not think it is quite fair.

Mr. KILDAY. I am certain the gentleman would agree with me that that would only be postponing the agony because if the gentleman will permit me to make this point, if you institute the higher pay scales and on top of that he draws more allowance, sooner or later some day the family allowance is going to go out and then you have the situation more aggravated because the reduction is more.

Mr. CARROLL. May I ask the gentleman how many men are in after 1946 that this might possibly affect?

Mr. KILDAY. I am sorry, I cannot give you the figure. I may have that in my file, and I will try to look it up.

Mr. CARROLL. You see my point on that. In the original bill that you drew you made such a provision and then the committee voted it out.

Mr. KILDAY. That is correct.

Mr. CARROLL. I think you ought to give some protection to these men until their period of enlistment expires.

Mr. KILDAY. There are many things in this bill that the committee is responsible for, because we thought they improved the bill. We were amazed to see how much money was going out on bases other than for responsibility and services performed. And when you get $314,000,000 a year, sooner or later you are going to have to get out from under that load, and if you postpone it you postpone the agony because it is going to be there when you reach that point. This was our considered judgment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. KILDAY] may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. Mr. Chairman, will the gentleman yield for an additional question?

Mr. KILDAY. I yield.

Mr. CARROLL. Can the gentleman tell me, as to those men who came in after 1946, what was their period of enlistment, on the average?

Mr. KILDAY. I think it was 3, 4, and 6 years.

Mr. CARROLL. If you had some men in for 3, 4, and 6 years, do you not think it would be more equitable that those men, having come in for a 6-year period after 1946, be protected, inasmuch as they came in with certain inducements? To cut them off now seems to me to be inequitable. I think the position of the committee originally, giving them protection, was sound.

Mr. KILDAY. The committee never took that position. That was the bill which I introduced.

Mr. CARROLL. Then I commend the gentleman for the bill that he offered.

Mr. KILDAY. I was willing to be convinced of my error and I hope the gentleman will be.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. COLE of New York. In connection with this question of the removal of the family allowances, I think it should be remembered, and it may be the gentleman has already given the figures of the amount of the family allowances withdrawn by this bill, annually, that the amount involved is $314,000,000. To offset that, based upon the same number of personnel that are in the services today with the added increase in basic pay of $314,800,000, and also added an aggregate of $142,000,000 in quarters allowances makes a difference in favor of the enlisted man, both from basic-pay increases and from added quarters allowances of $143,000,000 more than that same group of people are receiving today.

Mr. KILDAY. I thank the gentleman.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. HÉBERT. If the gentleman will permit, I would like to clarify that particular section to which he is addressing himself. That is Public Law 625, title I, section 101. I will read the specific language of the law so that there will be no doubt in anyone's mind as to when the pay allowances can be determined.

Section 101 reads:

> The dependent or dependents of any enlisted man in the Army of the United States, the United States Navy, the Marine Corps or the Coast Guard, including any of the retired and reserved components of such services, shall be entitled to receive monthly family allowances for any period during which such enlisted man is in the active military or naval services of the United States on or after June 1, 1942.
>
> (1) During the existence of any war declared by Congress and the 6 months immediately following the termination of any such war, or
>
> (2) During a period of enlistment or reenlistment contracted by such enlisted man prior to July 1, 1946.

In other words, under the provisions of section 1, I think the gentleman has pointed it out, but I want to reemphasize it, according to the language of the statute, no further legislation is needed in the event we would not even pass this pay bill and that a family allowance may be cut off at any time under the terms of this particular act.

Mr. KILDAY. Whenever the President sees fit.

Mr. HÉBERT. Whenever the President sees fit, he can terminate the pay allowance.

Mr. RIVERS. Or when the Congress declares the emergency over.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. MORRIS. Did the gentleman state that in his judgment, taking the over-all provisions of the bill, it will encourage enlistments?

Mr. KILDAY. I do not have the slightest doubt of it.

Mr. MORRIS. Would the gentleman assure the House that there was no purpose on the part of the committee, or of anyone that you know of, to discourage enlistments?

Mr. KILDAY. No, indeed, sir. Those of us who had to deal with compulsory service legislation appreciate that situation. May I say to the gentleman that everybody who has responsibility for maintaining an adequate armed force endorses this bill. When we began our hearings James Forrestal, who was then Secretary of National Defense, appeared before the committee and endorsed it, and urged its passage. After he was succeeded by Mr. Louis Johnson, Mr. Johnson wrote to the committee and urged the passage of the bill.

On yesterday the President addressed the following letter to the Speaker of the House:

> THE WHITE HOUSE,
> *Washington, May 23, 1949.*
>
> Hon. SAM RAYBURN,
> *The Speaker,*
> *House of Representatives.*
>
> MY DEAR MR. SPEAKER: For some time I have been concerned over the personnel situation in the armed forces. We are having great difficulty in attracting and retaining the caliber of personnel, both officer and enlisted, on a career basis which is essential to our fighting forces.
>
> The Career Compensation Act of 1949 now pending before the House of Representatives will, in my opinion, provide the necessary incentive to follow a career in the armed services.
>
> I feel that this legislation is a most important part of our defense program, and that it will do much to strengthen our national security in this critical period. Consequently, it is my hope that the House will see fit to take favorable action on this legislation.
>
> Sincerely yours,
>
> HARRY S. TRUMAN.

All responsible officials of the Government say that it will do that, and without this legislation it is difficult, if not impossible.

The CHAIRMAN. The time of the gentleman from Texas [Mr. KILDAY] has again expired.

Mr. SHEPPARD. Mr. Chairman, I move to strike out the last two words.

First I want to thank the gentleman from Texas [Mr. KILDAY] for the manner in which he has explained the rather intricate precedents involved in the legislation under consideration. As a member of the subcommittee of the Appropriations Committee which drew up the appropriations bill for the National Military Establishment for fiscal 1950—and recently passed by this House—I am thoroughly familiar with the fiscal problems of the armed services in particular and with the Government in general. I am also thoroughly cognizant of the burdens of the taxpayer.

The appropriation bill for the armed forces passed by this House carried over $14,000,000,000 for fiscal 1950. Of that amount about a third is for the pay and allowances of personnel. We are now

considering a bill which would increase these sums by $360,000,000. It is a large item and one that requires careful scrutiny and precise justification.

The gentleman from Texas [Mr. KILDAY] has presented facts as to the situation in which the armed forces find themselves today in their efforts to attract and retain men of the ability required by our fighting forces. These facts add up to one inescapable truth—steady deterioration unless the Congress takes remedial action.

None of the services is currently having any difficulty keeping its enlisted ranks filled. A curious situation when we are asked to raise their pay—but the reason is not hard to find. Technological advances in all the services now require highly trained, skilled men. To meet this demand, the services maintain numerous schools which absorb more personnel as instructors and maintenance crews. And what is the result? These trained men acquire the skills that equip them to command good jobs in industry. The services constitute about as fine a training plant as there is in the country. And then we lose them because we have no planned compensation on a career basis. The turn-over is costly.

The situation with regard to officers is similar. We spend enormous sums to maintain service academies only to lose too large a part of the product through resignation at the end of their obligated service. Since we cannot attract college graduates we take what we can get and then educate them at Government expense. The services are in receipt of many applications for active service; of these most are qualified only in certain fields.

The gentleman from New York [Mr. WADSWORTH] last week told the House that he participated in the preparation of the Pay Act of 1922, the principles of which obtain today. With his characteristic forthrightness, he told you he thought that act faulty, 27 years ago. Since that time there have been piecemeal changes, until today we have a hodgepodge schedule of compensation devoid of career appeal.

We have under consideration a bill which did not originate in the minds of the generals and admirals. The career compensation plan was developed by a commission composed of three hardheaded businessmen and the president of one of our leading universities. As employers and taxpayers they know the value of responsibilities discharged and services rendered. They know the value of competent management and the false economy of mediocre management coupled with the high turn-over of personnel.

I do not endorse lightly an additional expenditure of $360,000,000 next year. But I tell you in all sincerity, it is my firm conviction that it would be false economy not to pass this bill.

Mr. RICH. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, there is a lot of merit to this legislation, but there is a lot of demerit to its being called up at this particular time. Our Nation is in peril. Financial peril, bankruptcy. I would not want to be one to keep from any Army officer remuneration sufficient for him to do the work assigned to him in a way for the benefit of our country, and to instill in him that desire to achieve an esprit de corps that makes the finest type of armed forces, but I sometimes wonder whether we are not taking pretty fair care of the Army right now, and I wonder how much more we ought to do for them. None is starving. The officers all seem to like their job. They have security.

The armed services of this country are now costing the taxpayers over $15,000,000,000 a year, and $15,000,000,000 is no chicken feed in anybody's language; the fact of the matter is that $15,000,000,000 is so much that I doubt whether any Member of Congress knows how much it is, whether any Member of Congress can visualize how much it is. It is a tremendous sum of money. Then, I question sometimes all the spending that we do in Congress, whether we are taking the right attitude, whether this is really looking after the welfare of the people of our Nation. Are we going too far? Not only are we trying to take care of the people of our country but we are going so far afield that we are trying to look after everybody everywhere in the world. We do not know our ability to do for others. You have taken on too much, and it is going to sink you if you do not watch out. I know it will wreck us. I just picked up this morning's Times-Herald and my eye fell upon a fine cartoon on the editorial page by Batchelor. I think it would be wise if you all got this issue of the Times-Herald and pondered over this cartoon. It says so much and it is true. It is a cartoon of Uncle Sam down on his knees by the bed offering a prayer. He prays:

> And I pray Thee, let the light of governmental economy open the eyes of Thy servants, no questions being made whether they be Republicans, Democrats, or atheists.

Underneath the cartoon appears the title: "Prayer of a Long-Suffering Man."

Uncle Sam has been a long-suffering man; he is asking the good Lord to give him guidance and to help him in trying to get a little economy into the Government. The title "Uncle Sam" ought to apply to every Member of the House of Representatives, men and women alike; they ought to look at that cartoon and each say to himself: "Am I doing what I should to keep our country sound? Are we operating it economically? Are we doing the thing that is best for these great people of ours? Are we going to perpetuate the great ideals that our forefathers tried to inculcate in this Government of ours when they said in the preamble to the Constitution, 'We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, and promote the general welfare'?" I just wonder whether we are looking after our own affairs today and those of our children and our children's children. It is your duty and it is my duty to perpetuate this country, this form of government; but let me tell you, Mr. Chairman, that if we keep on the way we have been going in the last 12 or 15 years we are going to wreck this great Nation financially. Some day our children will have to pay this great debt we are heaping upon them, or they will have to repudiate it. I am afraid they are going to repudiate it, because they cannot pay for our ruthless spending. Members of Congress, how many of you think of voting for increased cost of government, of the tremendous responsibilities. We must assume all responsibility when you vote funds as to where and how you will raise the money. Are you willing to tax your people more? Can they pay more taxes? Is it right for them to assume more burdens? Or will you bond the Nation deeper into debt and expect your children and their children to pay for your folly, for your unsound management of the affairs of your Nation?

Oh, men and women, there will be a day of reckoning. It is coming only too quickly. Will it make or break our Nation? Is it good for our country? We are not running this Government as I would run it. I can promise you that. You do not consider all phases of the legislation we consider. I am sure of that.

Whose fault will it be? It is going to be the fault of the Members of Congress who are voting for assuming these financial burdens and adding to our national deficit, so eventually we are going to crack because we cannot carry on. Men, the condition your country is in is a serious situation. Stop, look, listen. Pray for Congress and Uncle Sam.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD at this point, and be open to amendment at any point thereof.

Mr. SUTTON. Mr. Chairman, reserving the right to object, this is a very important bill and a long bill. Not everybody in the House has read this bill as carefully as the chairman has, so I am constrained to object.

Mr. VINSON. Then, Mr. Chairman, I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions
Sec. 101. Table of contents.
Sec. 102. Definitions.
Title II—Provisions relating to basic pay and special pays
Sec. 201. Basic pay.
Sec. 202. Service creditable in computation of basic pay.
Sec. 203 Special pay—Doctors and dentists.
Sec. 204. Special pay—Hazardous duty.
Sec. 205. Special pay—Diving duty.
Sec. 206. Special pay—Sea and foreign duty.
Sec. 207. Special pay—Reenlistment bonus.
Title III—Provisions relating to allowances
Sec. 301. Basic allowance for subsistence.
Sec. 302. Basic allowance for quarters.
Sec. 303. Travel and transportation allowances.
Sec. 304. Personal money allowance.

Title IV—Provisions relating to retirement, retirement pay, separation and severance pay for physical disability

Sec. 401. Establishment of a temporary disability retired list.
Sec. 402. Temporary disability retirement, physical disability retirement, and disability retirement pay.
Sec. 403. Separation and severance pay for physical disability.
Sec. 404. Periodic physical examinations.
Sec. 405. Recovery from physical disability.
Sec. 406. Termination of disability retirement pay.
Sec. 407. Reappointment to the active list of officers placed on the temporary disability retired list.
Sec. 408. Physical disability resulting from misconduct or willful neglect.
Sec. 409. Rank or grade in which retired.
Sec. 410. Cessation of benefits upon separation.
Sec. 411. Members or former members heretofore retired for physical disability.
Sec. 412. Definition of active service.
Sec. 413. Regulations.
Sec. 414. Powers, duties, and functions.

Title V—Miscellaneous provisions

Sec. 501. Training duty with or without pay of Reserve and National Guard personnel.
Sec. 502. Active service credit in Coast and Geodetic Survey.
Sec. 503. Payments based on purported marriages.
Sec. 504. Contract surgeons.
Sec. 505. Enlisted persons—Clothing allowance.
Sec. 506. Allowance—Shore patrol duty.
Sec. 507. Pay and allowances—Enlisted men—Philippine Scouts—Insular Force of the Navy.
Sec. 508. Pay and allowances—Cadets and midshipmen.
Sec. 509. Assimilation to pay and allowances of commissioned officers.
Sec. 510. Daily rate of pay and allowances.
Sec. 511. Termination of war—Servicemen's Dependents Allowance Act of 1942, as amended.
Sec. 512. Retired and retainer pay of members on retired lists or receiving retainer pay.
Sec. 513. Retired pay of members and former members of Reserve components.
Sec. 514. Retired pay grade of certain warrant officers and enlisted persons.
Sec. 515. Retired members and former members serving on active duty.
Sec. 516. Saving provision to retain present compensation.
Sec. 517. Provisions relating to increase of retired pay by active duty.
Sec. 518. Saving provision and amendments relating to members of the Marine Band.
Sec. 519. Saving provision relating to former Lighthouse Service and former Bureau of Marine Inspection personnel.
Sec. 520. Saving provision relating to members and former members receiving retirement pay on date of enactment of this act.
Sec. 521. Saving provision relating to laws providing for pay repealed by this act.
Sec. 522. Provisions of the Public Health Service Act amended and repealed.
Sec. 523. Provision relating to retirement of officers specially commended for performance of duty in combat.
Sec. 524. Amendment of the Servicemen's Dependents Allowance Act of 1942, as amended.
Sec. 525. Amendments of the act of June 3, 1916 (39 Stat. 190; 41 Stat. 776).
Sec. 526. Amendment of the act of February 18, 1946 (60 Stat. 20).
Sec. 527. Amendments of the act of June 5, 1942 (56 Stat. 315).
Sec. 528. Amendment of the act of May 27, 1908 (35 Stat. 418).
Sec. 529. Amendment of section 4 of the Naval Aviation Cadet Act of 1942 (56 Stat. 737).
Sec. 530. Amendment of section 4 of the Army Aviation Cadet Act (55 Stat. 240).
Sec. 531. Amendment of the act of June 30, 1941 (55 Stat. 394).
Sec. 532. Amendment to the National Defense Act.
Sec. 533. Acts and parts of acts repealed.
Sec. 534. Authorization for appropriations.
Sec. 535. Effective date.

DEFINITIONS

SEC. 102. For the purposes of this act—

(a) The term "uniformed services," unless otherwise qualified, shall be interpreted to mean and include the Army of the United States, Navy, Air Force of the United States, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, and all Regular and Reserve components thereof.

(b) The term "member," unless otherwise qualified, means a commissioned officer, commissioned warrant officer, warrant officer, flight officer, and enlisted person, including a retired person, of the uniformed services. As used in this subsection the words "retired person" shall include members of the Fleet Reserve and Fleet Marine Corps Reserve who are in receipt of retainer pay.

(c) The term "officer," unless otherwise qualified, means a commissioned officer, commissioned warrant officer, warrant officer, and flight officer, either permanent or temporary, of the uniformed services. As used in this subsection the word "temporary" shall include temporary officers whose permanent status is that of an enlisted person.

(d) The term "commissioned officer" means a member of the uniformed services having rank or grade of second lieutenant, ensign, or junior assistant grade, or above, either permanent or temporary, in any of the uniformed services, except that for purposes of section 203 of this act such term shall be limited to the definition prescribed in subsection (a) of said section.

(e) The term "warrant officer" means a commissioned warrant officer, warrant officer, or flight officer, including a master, chief engineer, first mate, second mate, assistant engineer, or second assistant engineer of the Army Mine Planter Service.

(f) The term "Secretary," unless otherwise qualified, shall be construed to mean the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Secretary of the Treasury, the Secretary of Commerce, or the Federal Security Administrator, as the case may be.

(g) The term "dependent" shall include at all times and in all places the lawful wife and unmarried legitimate children, under 21 years of age, of any member of the uniformed services, except as hereinafter limited in this subsection. Such terms shall include the father or mother of such member, provided he or she is in fact dependent on such member for over half of his or her support and actually resides in the household of said member. It shall also include unmarried legitimate children, over 21 years of age, of such member who are incapable of self-support because of being mentally defective or physically incapacitated, and who are in fact dependent on such member for over half of his or her support: *Provided*, That the term "children" shall be held to include stepchildren and adopted children when such stepchildren or adopted children are in fact dependent upon such member: *Provided further*, That in the case of female members of the uniformed services, the term "dependent" shall include a husband in addition to those persons otherwise defined as dependents in this subsection, but only when such husband, or children as defined above, are in fact dependent upon said female member for over half of his or her support.

The term "father" or "mother," as used in this subsection, shall include a stepparent, or parent by adoption, and any person, including a former stepparent, who has stood in loco parentis to the person concerned at any time for a continuous period of not less than 5 years during the minority of such member: *Provided*, That a stepparent-stepchild relationship shall be deemed to be terminated by the stepparent's divorce from the blood parent: *Provided further*, That no member claiming a dependent as defined in this subsection may be paid increased allowances on account of such dependent for any period during which such dependent is entitled to receive basic pay for the performance of duty as defined in section 201 (e) of this act.

(h) The term "basic allowance" shall be interpreted to mean only the "basic allowance for quarters" and the "basic allowance for subsistence."

(i) The term "inactive-duty training" shall be interpreted to mean any of the training, instruction, duty, appropriate duties, or equivalent training, instruction, duty, appropriate duties, or hazardous duty performed with or without compensation by members of the Reserve components of the uniformed services as may be prescribed by the Secretary concerned pursuant to section 501 of this act or any other provision of law, and in addition thereto shall include the performance of special additional duties as may be authorized by competent authority by such members on a volunteer basis in connection with the prescribed training or maintenance activities of the unit to which the members are assigned: *Provided*, That the term "inactive-duty training" shall not include work or study performed by such members in connection with correspondence courses of the uniformed services: *Provided further*, That any inactive-duty training performed by members of the National Guard of the United States or of the Air National Guard of the United States, while in their status as members of the National Guard, or the Air National Guard, of the several States, Territories, and the District of Columbia pursuant to section 92 of the National Defense Act, as amended, or pursuant to any other provision of law, shall be deemed to be inactive-duty training in the service of the United States.

(j) The terms "he," "his," and "him" include the terms "she" and "her."

(k) With respect to the Army and the Air Force, the term "Reserve component" or the term "Reserve components," unless otherwise qualified, shall include but not be limited to those members, officers, or enlisted persons who are not appointed, enlisted, or inducted in a Regular or Reserve component of the Army of the United States or of the Air Force of the United States, but are appointed, enlisted, or inducted in the Army of the United States or the Air Force of the United States without specification as to any component thereof pursuant to any provision of law.

Mr. JOHNSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the reading of the table of contents be dispensed with and be printed in the proper place in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the reading of section 102, which is merely the reading of definitions, be dispensed with, and printed in the proper place in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

Page 5, line 17, strike out the word "terms" and insert "term."

Page 7, line 14, insert a comma after the word "duties."

Page 7, line 15, insert a comma after the word "authority."

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—PROVISIONS RELATING TO BASIC PAY AND SPECIAL PAYS

BASIC PAY

SEC. 201. (a) For the purpose of computing the basic pay of members of the uniformed services, pay grades are prescribed, and monthly basic pay for such members is established within each pay grade according to cumulative years of service, as follows:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service						
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
O-8	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00
O-7	810.00	810.00	810.00	810.00	810.00	810.00	810.00
O-6	600.00	600.00	600.00	600.00	600.00	600.00	600.00
O-5	480.00	480.00	480.00	480.00	480.00	480.00	495.00
O-4	405.00	405.00	405.00	405.00	420.00	435.00	450.00
O-3	330.00	330.00	345.00	360.00	375.00	390.00	405.00
O-2	262.50	277.50	292.50	307.50	322.50	337.50	352.50
O-1	225.00	240.00	255.00	270.00	285.00	300.00	315.00
WARRANT OFFICERS							
W-4	$330.00	$330.00	$330.00	$345.00	$360.00	$375.00	$390.00
W-3	300.00	300.00	300.00	307.50	315.00	322.50	330.00
W-2	262.50	262.50	262.50	262.50	270.00	277.50	285.00
W-1	217.50	217.50	217.50	225.00	232.50	240.00	247.50
ENLISTED PERSONS							
E-7	$202.50	$202.50	$210.00	$217.50	$225.00	$232.50	$240.00
E-6	172.50	172.50	180.00	187.50	195.00	202.50	210.00
E-5	142.50	150.00	157.50	165.00	172.50	180.00	187.50
E-4	120.00	127.50	135.00	142.50	150.00	157.50	165.00
E-3	97.50	105.00	112.50	120.00	127.50	135.00	142.50
E-2	82.50	90.00	97.50	105.00	112.50	120.00	120.00
E-1	75.00	75.00	75.00	75.00	75.00	75.00	75.00
COMMISSIONED OFFICERS							
O-8		$975.00	$975.00	$975.00	$975.00	$975.00	$1,005.00
O-7		810.00	810.00	810.00	810.00	840.00	870.00
O-6		600.00	615.00	645.00	675.00	705.00	735.00
O-5		510.00	525.00	555.00	585.00	615.00	615.00
O-4		465.00	480.00	510.00	525.00	540.00	540.00
O-3		420.00	435.00	450.00	465.00	465.00	465.00
O-2		367.50	367.50	367.50	367.50	367.50	367.50
O-1		330.00	330.00	330.00	330.00	330.00	330.00
WARRANT OFFICERS							
W-4		$405.00	$420.00	$435.00	$450.00	$465.00	$480.00
W-3		337.50	345.00	360.00	375.00	390.00	405.00
W-2		292.50	300.00	315.00	330.00	345.00	360.00
W-1		255.00	262.50	277.50	292.50	307.50	307.50
ENLISTED PERSONS							
E-7		$247.50	$255.00	$270.00	$285.00	$300.00	$300.00
E-6		217.50	225.00	240.00	255.00	255.00	255.00
E-5		195.00	202.50	217.50	232.50	232.50	232.50
E-4		172.50	180.00	195.00	195.00	195.00	195.00
E-3		150.00	150.00	150.00	150.00	150.00	150.00
E-2		120.00	120.00	120.00	120.00	120.00	120.00
E-1		75.00	75.00	75.00	75.00	75.00	75.00

(b) For basic pay purposes, commissioned officers are hereby assigned by the rank or grade in which serving, whether under temporary or permanent appointment, to the various pay grades prescribed for commissioned officers by subsection (a) of this section, as follows:

Pay grade	Army, Air Force, and Marine Corps	Navy, Coast Guard, and Coast and Geodetic Survey	Public Health Service
O-8	General, lieutenant general, and major general.	Admiral, vice admiral, and rear admiral (upper half).	Surgeon general, deputy surgeon general, and assistant surgeon general having rank of major general.
O-7	Brigadier general	Rear admiral (lower half) and commodore.	Assistant surgeon general having rank of brigadier general.
O-6	Colonel	Captain	Director grade.
O-5	Lieutenant colonel	Commander	Senior grade.
O-4	Major	Lieutenant commander	Full grade.
O-3	Captain	Lieutenant	Senior assistant grade.
O-2	First lieutenant	Lieutenant (junior grade)	Assistant grade.
O-1	Second lieutenant	Ensign	Junior assistant grade.

(c) For basic pay purposes, warrant officers shall be distributed by the Secretary concerned in the various pay grades prescribed for warrant officers in subsection (a) of this section.

(d) For basic pay purposes, enlisted persons shall be distributed by the Secretary concerned in the various pay grades prescribed for enlisted persons in subsection (a) of this section.

(e) All members of the uniformed services when on the active list, when on active duty, or when participating in full-time training, training duty with pay or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performances of the duties provided for by sections 5, 81, 94, 97, and 99 of the National Defense Act, as amended), and, in addition thereto, all members of the National Guard and the Air National Guard when they are entitled by law to receive from the Federal Government the same pay as that authorized for members of the Regular components of the uniformed services of corresponding grade or rank, shall be entitled to receive the basic pay of the pay grade to which assigned, or in which distributed, pursuant to subsection (b), (c), or (d) of this section, in accordance with cumulative years of service: *Provided*, That in accordance with regulations prescribed by the President, in the case of members of the uniformed services called or ordered to extended active duty in excess of 30 days, active duty shall include the time required to perform travel from home to first duty station and from last duty station to home by the mode of transportation authorized in orders for such members: *Provided further*, That any full-time training, training duty with pay, or other full-time duty performed by members of the National Guard of the United States or the Air National Guard of the United States, pursuant to this section, while in their status as members of the National Guard or the Air National Guard of the several States, Territories, and the District of Columbia and which entitles them to receive basic pay, shall be deemed to be active duty in the service of the United States.

Mr. SUTTON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of section 201 (a) be dispensed with, and be printed in the RECORD at this point and be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 9, in the tabulation of commissioned officers under "0–8" "Over 30" strike out "$10,005" and insert "$1,005."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 10, line 17, strike out "performances" and insert "performance."

The committee amendment was agreed to.

Mr. SUTTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: On page 8, line 23, strike out section 201 (a).

Mr. SUTTON. Mr. Chairman, there seems to be a misconception that I am

against the pay raise. I am not against a pay raise for the armed services, but I am for an equitable pay raise. Too long has the brass had the breaks. It was the civilian in uniform who won World War II, it was not those who sought refuge in the bombproof shelters of the Pentagon. It was your enlisted man, your second lieutenants, your first lieutenants, your captains, and they are the ones who are suffering, along with those in equivalent ranks. They are the boys that need a break, they are the boys that are entitled to a pay raise, and they need it badly. They should receive a considerable increase. I am in favor of giving it to them. If you will bring in a bill providing for a pay raise that takes care of the enlisted man and compensates him for taking away his family allowance, and include the ensigns, second lieutenants, first lieutenants, lieutenants (jg), lieutenants, and captains, then I am for it. On top of that, we should raise the generals just a little, but I am not in favor of giving the whole thing to the top brass. They do not need it as these other boys do.

You speak of career boys. With 200,000 applicants right now for 9,000 billets, do not tell me we cannot get Army officers and Navy officers back in the service. I have them applying, and you have, too. Every Member of this body knows numerous ex-officers who are seeking to reenlist in the Army or Navy. They were good officers. They went down through the valley of hell during World War II. You cannot tell me they are not competent and efficient enough to run the armed services of this great Government.

A substitute is going to be offered for my amendment, and it is a good amendment, too. It will be offered by the gentleman from Missouri [Mr. BOLLING]. It gives the second lieutenant, the first lieutenant, and the captain the same pay raise you are asking for and at the same time makes the pay raise on a gradual scale. I hope this committee will adopt the amendment to be offered by the gentleman from Missouri because it is a fair amendment. We do not want to disrupt the armed services. Heaven knows we do not. Above all, I believe in the armed forces of our country, but I believe in fair and equitable treatment of all men regardless of their rank.

In spite of what the gentleman from Texas has said, I do not believe that he can specifically name one man in the enlisted men's group who, with his family, will have as much take-home pay after you repeal his family allowance.

I will not go back to my district in the State of Tennessee, the grand old Volunteer State, that has been the Volunteer State in every war this country has ever had, and tell the wife of that enlisted man or the baby of that enlisted man, "I am the one who took the food out of your mouth." Oh, for shame.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman's amendment would take food out of their mouths, because the gentleman's amendment strikes out all the pay.

Mr. SUTTON. The gentleman did not hear me when I said the gentleman from Missouri [Mr. BOLLING] would offer a substitute for my amendment.

Mr. VINSON. The gentleman is not then in favor of his own amendment?

Mr. SUTTON. I stand with the statement that I made in the genesis of my remarks, to wit, I favor the amendment to be offered by the gentleman from Missouri [Mr. BOLLING], which we have worked out and agreed upon.

Mr. VINSON. The gentleman's amendment takes the food out of the mouths of the enlisted men and everybody.

Mr. SUTTON. In the same breath I told the gentleman I was in favor of the amendment to be offered by the gentleman from Missouri [Mr. BOLLING], which would take care of the enlisted man, the second lieutenant, the first lieutenant, the captain, and equivalent ranks.

Mr. VINSON. The gentleman is not asking the committee to adopt his amendment?

Mr. SUTTON. I repeat again that I am asking the committee to adopt the amendment to be offered by the gentleman from Missouri, which we have agreed is equitable and fair.

Mr. VINSON. Therefore the gentleman is against the amendment he has offered.

Mr. SUTTON. I am for a pay raise, as I said and I will support the amendment which I am happy to state provides for a fair, just, and equitable pay raise for the lower ranks.

Let us get back to what I was saying.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. I will not go back to my people and tell them I did my duty here at the Capitol, if I take this food and clothing away from their babies. You made a contract with those boys who enlisted after 1946, and a promise made is a debt unpaid. They knew that this family-allowance provision existed. You have a few extreme cases of men having 14 dependents, or 8 dependents. Show me how many cases like that there are in the Army, the Navy, or the Marine Corps. That is strictly a matter of policy of the recruiting officer and not an argument against the family-allowance provision. It is time that we started to think. It is time we started to fulfill our contracts. If we cannot fulfill our contracts to the boys in the service, and their wives, mothers, and children, how can we even look at ourselves in the mirror? My conscience would hound me to my grave. My sense of fairness will not permit me to take away that family allowance after we made a contract with those boys who enlisted after 1946. Are you not going to fulfill this pledge and this promise to them? Are you going to say to these people, "Get out of the Army," with economic conditions as they are today? And with unemployment coming on us? Do you want to pitch the United States into more unemployment and refuse to comply with your promise?

Mr. Chairman, something is wrong. Let us look at it sensibly. Let us help the people who need some help. Let us help these enlisted men. Let us help the man who is gun fodder, and that is not demagogery—that is actuality, because I saw it. Let us give them their just dues and a fair break. Let us give the low ranks their break, then help the upper brackets. But take care of those boys who are actually doing the fighting, not the ones who are sitting behind a desk at the Pentagon Building, and not the ones who have a chauffeur. May I say to my friend from Georgia that there were two cars sitting out there this morning in front of the Capitol. I asked the boy, "What are you doing over here? Who is in this car?" "I brought three officers over here to lobby for this bill."

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr COLE of New York. I do not think the gentleman has a monopoly on interest in the enlisted man. I should like to remind him that to take the place of this family allowance which he regrets is to be withdrawn by this bill, amounting to an annual cost of $314,000,000, this bill gives to that same enlisted man——

Mr. SUTTON. Yes; it gives him $173,000,000.

Mr. COLE of New York. It gives to that same enlisted man an added basic pay of $314,000,000, plus an added quarters allowance of $142,000,000, making a net gain to those same people in whom you and I are interested, $143,000,000.

Mr. SUTTON. When a man gets a 3-percent raise amounting to $2.50 a month, how can that compare with the $50 a month that his dependents are getting? How can a corporal getting $7.50 a month raise compare that with the $50 a month that you have taken away from him? Answer that, if you will.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. HARE. Does the gentleman favor the family allowance as a permanent policy?

Mr. SUTTON. Not as a permanent policy; but there was a contract with these men and I favor the Government complying with its promises.

Mr. HARE. Does the gentleman realize that the family-allowance proposition was a temporary wartime measure?

Mr. SUTTON. Does not the gentleman realize that conditions in the world are still in a crisis, and that the war has not been officially declared over; and does not the gentleman realize that China is still in a state of war; and does not the gentleman also realize that we are appropriating $5,500,000,000 for ECA to keep down communism?

Mr. HARE. Does the gentleman realize, by the same token, that we can certainly appropriate $500,000,000 for the pay of our own armed services?

Mr. SUTTON. I am in favor of the pay raise, and I have repeatedly said

that, but I am in favor of a fair, impartial, just, and equitable pay raise.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. CARROLL. In the committee hearings on the bill, H. R. 2553, at page 1384, the original bill sustains the gentleman's position.

Mr. SUTTON. That is what should have been kept in this bill. I congratulate the gentleman from Texas on putting that in his original bill.

Mr. CARROLL. That sustains the very argument that the gentleman is making now, because it was provided in substance that no enlistment term shall operate inequitably against men who have entered a contract with the Government.

Mr. SUTTON. I agree with the gentleman.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment in the nature of a perfecting amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 9, after line 2, strike out the table and insert the following table in lieu thereof:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service												
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$954.75
O-7	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	798.00	826.50
O-6	570.00	570.00	570.00	570.00	570.00	570.00	570.00	570.00	584.25	612.75	641.25	669.75	698.25
O-5	456.00	456.00	456.00	456.00	456.00	456.00	470.25	484.50	498.75	527.25	555.75	584.25	584.25
O-4	384.75	384.75	384.75	384.75	399.00	413.25	427.50	441.75	456.00	484.50	498.75	513.00	513.00
O-3	320.10	320.10	334.65	349.20	363.75	378.30	392.85	407.40	421.95	436.50	451.05	451.05	451.05
O-2	254.63	269.18	283.73	298.28	312.83	327.38	341.93	356.48	356.48	356.48	356.48	356.48	356.48
O-1	218.25	232.80	247.35	261.90	276.45	291.00	305.55	320.10	320.10	320.10	320.10	320.10	320.10
WARRANT OFFICERS													
W-4	$320.10	$320.10	$320.10	$334.65	$349.20	$363.75	$378.30	$392.85	$407.40	$421.95	$436.50	$451.05	$465.60
W-3	291.00	291.00	291.00	298.28	305.55	312.83	320.10	327.38	334.65	349.20	363.75	378.30	392.85
W-2	254.63	254.63	254.63	254.63	261.90	269.18	276.45	283.73	291.00	305.55	320.10	334.65	349.20
W-1	210.98	210.98	210.98	218.25	225.53	232.80	240.08	247.35	254.63	269.18	283.73	298.28	298.28
ENLISTED PERSONS													
E-7	$196.43	$196.43	$203.70	$210.98	$218.25	$225.53	$232.80	$240.08	$247.35	$261.90	$276.45	$291.00	$291.00
E-6	167.33	167.33	174.60	181.88	189.15	196.43	203.70	210.98	218.25	232.80	247.35	247.35	247.35
E-5	138.23	145.50	152.78	160.05	167.33	174.60	181.88	189.15	196.43	210.98	225.53	225.53	225.53
E-4	116.40	123.68	130.95	138.23	145.50	152.78	160.05	167.33	174.60	189.15	189.15	189.15	189.15
E-3	94.58	101.85	109.13	116.40	123.68	130.95	138.23	145.50	145.50	145.50	145.50	145.50	145.50
E-2	80.03	87.30	94.58	101.85	109.13	116.40	116.40	116.40	116.40	116.40	116.40	116.40	116.40
E-1	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75	72.75

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Chairman, I may state that the body of the amendment constitutes a new table to the request of the gentleman from page 9 of the bill. It would be a little involved for the Clerk to read it. I can explain it much more readily. I ask unanimous consent that I may speak for five additional minutes and that the amendment may be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I would like to make a simple statement before I state in detail what this amendment does.

The thing I am concerned with is whether or not action today will tie the hands of the Appropriations Committee in such a way as to make it impossible to make an equitable readjustment of appropriations in future years. The pending bill will, in effect, add $406,000,000 to the annual appropriations for the Military Establishment. It is not a matter of $406,000,000 for 1 year. It is a matter of $406,000,000 every year that you have the same composition and size of the armed services. We here would establish a pay scale. It would be frozen at this figure until subsequent legislation might modify it one way or another.

Back in 1933, when the pay scale of the Army was high in relation to general economic conditions, it brought on the Economy Act, and that produced a great deal of difficulty throughout the country, in veterans' compensation as well as in the Army. I would like to see us establish a pay scale that is scientific, that is based upon responsibility, that is graduated, that does get away from the hodgepodge that has grown up over a period of years.

So, over the week end I got in contact with the Budget Division of the armed services in the Pentagon. I asked for tables, which could be substituted for this table which is in the committee bill, that would save in the nature of $100,000,000 from the estimates that they had made of the cost of the bill as presented by the committee. They did prepare two such tables for me, one based on a 3-percent reduction from the committee schedule, the other a 5-percent reduction in the upper grades. I have them here under a memorandum from the Office of the Secretary of Defense. These are not tables that I have worked out. They are tables worked out by the Budget Office in the Office of the Secretary of Defense, the same technical people who worked out the schedule that is in the bill presented here and also the schedule for the Hook Commission. I have taken the top part of the 5-percent table—that covering field grade and general officers—and combined it with the 3-percent table for all grades below that—that is, below major—and have offered that as a new pay schedule. Applying the estimates of savings also supplied by the Budget Office in the Office of the Secretary of Defense, this amendment will save approximately $114,000,000 each year out of the proposed $406,000,000 increase.

I am striking at the problem of the over-all cost of Government. Many people speak about reducing the cost of Government, but the practical problem is before you right now. If we pass a bill that requires an additional $400,000,000 or more for the Military Establishment every year, then the Appropriations Committee has its hands tied. If you want them next year to cut the total appropriation for the armed services by half a billion dollars, they cannot do it on the Army pay unless they reduce the size of the Army, the Navy, or the Marine Corps. They have to do it in subsistence or equipment or in matériel. So what I am seeking here is to get a schedule which would permit us to save something and still preserve what I consider the fine features of this bill, in establishing a scientific, graduated pay scale for the Army and the Navy.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. VINSON. In view of the fact that the amendment was not read, will the gentleman now give us some comparisons? For instance, let us start right at the bottom.

Mr. CASE of South Dakota. I would like to take all these individual cases. The pay schedule under the amendment, from the grade of general to major, inclusive, is 5 percent below the schedule proposed in the committee bill. From major down it is 3 percent less than the committee has proposed.

Mr. VINSON. Then is it 5 percent on each grade from the grade of major up?

Mr. CASE of South Dakota. Yes. From major up through general it is 5 percent below the new pay schedule in the committee bill.

Mr. VINSON. In the proposed bill a major's pay is fixed at $480. It would be 5 percent less than that? That is the way you make your calculation, is it?

Mr. CASE of South Dakota. Yes, sir; that is correct.

Mr. VINSON. And from captain on down to the enlisted grades, grade 7, it is 3 percent under what the proposed bill carries for each grade; is that correct?

Mr. CASE of South Dakota. That is correct.

Mr. VINSON. How much saving will that bring about?

Mr. CASE of South Dakota. That will accomplish a saving of approximately $114,000,000.

Mr. VINSON. For each fiscal year?

Mr. CASE of South Dakota. For each fiscal year.

Mr. VINSON. That is for a full year?

Mr. CASE of South Dakota. That is for a full year.

Mr. VINSON. So therefore this bill going into effect in October, there would be a greater saving? It would not cost that much?

Mr. CASE of South Dakota. That is true the first year.

Mr. VINSON. So the Committee can thoroughly understand it, just take this scale and show the difference between the committee figures and the gentleman's figures: For instance, a major general under the proposed bill would get $1,005 a month; under the gentleman's 5-percent reduction what would he get?

Mr. CASE of South Dakota. Let us take the figures under the first column. The major general at the present time, according to the table in the committee report on page 49 would be getting $733.

Mr. VINSON. That is his present pay.

Mr. CASE of South Dakota. Yes.

Mr. VINSON. And the committee bill carries $975.

Mr. CASE of South Dakota. And my amendment would carry $926.25; but with 30 years' service it would be $954.

Mr. VINSON. Then, that is a 5-percent cut in each grade.

Mr. CASE of South Dakota. That is right.

Mr. VINSON. And it is not an overall cut, but it is a 5-percent cut on each grade.

Mr. CASE of South Dakota. On each grade down to captain.

Mr. VINSON. Because, that makes a big difference.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JOHNSON. Maybe it is too early to ask this question, but does the gentleman's amendment apply to warrant officers and enlisted men also?

Mr. CASE of South Dakota. Three percent when you get to the rank of captain and below; not a 3-percent cut of their present pay, but a 3-percent cut of the committee schedule.

Mr. JOHNSON. But my specific question is: Does it include warrant officers and enlisted men?

Mr. CASE of South Dakota. Yes.

Mr. JOHNSON. All the way down?

Mr. CASE of South Dakota. Yes. It is a complete table.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Colorado.

Mr. CARROLL. Do I understand that the gentleman's amendment includes a 3-percent cut on the present salaries?

Mr. CASE of South Dakota. Only a 3-percent cut on the total that is in the committee bill, which leaves, in all instances, a raise over present pay.

Mr. VINSON. It is 3 percent under what we put in the bill for each grade under the rank of captain and 5 percent for each grade over the rank of captain.

Mr. CARROLL. The point I had in mind, if the gentleman from South Dakota would yield so that the chairman of the committee might answer, is the enlisted man on a salary of $75. Does this 3-percent cut apply to his salary?

Mr. CASE of South Dakota. Let us take the $75 per month man. In the first place, the $75 salary applies only to a recruit and only for 3 months; he gets $75 only for 3 months. When you apply the 3-percent cut to the $75, bearing in mind that this would not apply to the recruit already in the service, it would mean that the recruit who came in after this law became effective would get $72.75.

Mr. CARROLL. That is the point I wanted to make.

Mr. CASE of South Dakota. That is correct for 3 months. It still is a pretty fair entrance salary when subsistence, clothing, lodging, medical care, et cetera are concerned.

Mr. CARROLL. So actually the gentleman's amendment provides a lower pay than the present bill.

Mr. VINSON. That is the only category.

Mr. CARROLL. In that particular category.

Mr. CASE of South Dakota. In that one instance only; and that would apply only to the recruit; and in that instance he has a reduction of $2.25 for only 3 months, which would be a little over $6 for the entire period it would be applicable but it makes the schedule consistent.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. GROSS. Under this bill the brigadier general would get approximately a 60-percent increase, yet the gentleman's amendment would cut him only 5 percent.

Mr. CASE of South Dakota. It is not quite that bad when you consider changes in allowances. Yet you cannot make any uniform increases under the theory of the bill. The theory of the bill is to get rid of some of the inequities that exist at the present time and place pay on the basis of responsibility and advancement in service. Let us take another example; let us take the master sergeant.

Mr. VINSON. The master sergeant gets $214.

Mr. CASE of South Dakota. That is as of today. By the table on page 49 of the committee report, the bill would increase that to $270. My amendment would be 3 percent less than that or approximately $262, leaving him with a substantial raise over his $214, and even better than that when other allowances are concerned.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CASE of South Dakota. If the gentleman from Georgia has the table in front of him I will run over the table. Let us take the private now in class E–2. He gets $80; the committee bill proposes $82.50; my amendment would cut him to $80.03. He gets just a nominal increase. A private first class, E–3, under present law gets $90; the committee bill proposes $97.50; my amendment would give him $94.58.

Mr. VINSON. That is true.

Mr. CASE of South Dakota. This table uses the 3 percent clear on through up to and including the grade of captain.

Mr. VINSON. And the reduction of 3 percent is on the committee bill's figures.

Mr. CASE of South Dakota. That is exactly correct.

I have here a memorandum on the economies effected by using an over-all 3-percent cut in all grades and by a 5-percent cut from the top down to and including the top three grades of enlisted personnel. A straight 3-percent cut would save $107,500,000; the limited 5 percent would save $103,800,000 according to the study in the office of the budget of the Secretary of Defense. By combining them, using the 5 percent for the grades above captain and the 3 percent below that, as my amendment does, the saving will be approximately $114,000,000 and still mean substantial improvement in individual pay and retain the careful graduated relationship worked out by the Hook Commission and the Committee on Armed Services.

The memorandum referred to follows:

National Military Establishment—Summary table of effect of reductions in basic pay scale on cost of H. R. 4591, based on fiscal year 1950, average strength

[In millions of dollars]

	Cost at rates in H. R. 4591	Cost at reduced rates	Reduction in cost by reason of amendment
A. Assuming a 3-percent reduction in basic pay scale:			
Basic pay	$2,997.7	$2,907.8	$89.9
Reserve and National Guard training	281.8	273.3	8.5
Lump sum terminal leave	25.8	25.0	.8
Death gratuity	7.0	6.8	.2
Retirement and severance payments	269.1	261.0	8.1
Total, items affected by changes in basic pay scale	3,581.4	3,473.9	107.5
B. Assuming a 5-percent reduction in basic pay scale for officers, warrant officers, and top three grades of enlisted personnel:			
Basic pay	2,997.7	2,910.8	86.9
Reserve and National Guard training	281.8	273.6	8.2
Lump sum terminal leave	25.8	25.1	.7
Death gratuity	7.0	6.8	.2
Retirement and severance payments	269.1	261.3	7.8
Total, items affected by changes in basic pay scale	3,581.4	3,477.6	103.8

Source: Office of the Budget, Secretary of Defense, May 23, 1949.

The tables or schedule in the amendment were prepared by the Defense Establishment and I am depending upon their figures and estimates. They are the same group who prepared the data for the committee.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JOHNSON. As I understand the gentleman's arguments, he believes in the principles of the bill the committee has reported; the only thing in which he differs is that we should have a little lower scale. The underlying philosophy, the idea of the bill that it will bring about a good career service, is concurred in by the gentleman. Is that true?

Mr. CASE of South Dakota. That is true. I want to accomplish the general objectives of this bill, but I cannot escape the fact that there is a feeling in the country that we should not freeze the pay schedules to the economic outlook of 6 months or a year ago.

Mr. JOHNSON. I think there is a lot of merit in the gentleman's attitude. I may say to the gentleman that I am glad to find that the gentleman who for years has been on the committee making appropriations for the Military Establishment, agrees that this is a bill that is well-conceived in principle and will bring about the principle set forth, which is to get a career system for our armed services.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. RIVERS. The gentleman realizes that under the present situation it is just a hodgepodge set-up, entirely inaccurate, very inconsistent, and something should be done. Our bill is the approach.

Mr. CASE of South Dakota. I do realize that, and that is why I hope that the amendment offered by the gentleman from Tennessee to strike out the section entirely will not prevail. I have offered my amendment as a perfecting amendment. It should be voted upon first so that there is a chance to have a new schedule before us and draw the issue between that and striking out the section completely.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Georgia.

Mr. VINSON. What the gentleman has just said is that this bill and these figures were arrived at some 6 months ago, and therefore he thinks the conditions have changed. But, that line of argument would hold with reference to every appropriation bill, because your appropriation bills were made up last August. So, I do not think the gentleman's argument is upon sound foundation, because we proceeded to enact every appropriation bill based upon facts and conclusions that were reached by the budget last August.

Mr. CASE of South Dakota. If the gentleman will permit, in the bill reported by the subcommittee on independent offices, with which I had something to do, we did not accept the figures that were made last August, and we brought in a bill that reduced the budget estimate by $673,000,000. And the recently reported ECA bill, it might be noted, was modified from last summer's estimates by the Bureau of the Budget as well as by the Appropriations Committee precisely upon that ground.

Mr. VINSON. Mr. Chairman, if the gentleman will yield further, the gentleman himself recognizes that this bill is not based upon the philosophy of cost of living. This bill is based upon the philosophy of responsibility, and if the responsibility existed in August and it exists today, the conclusion reached in August would be the proper conclusion to apply when you enact the law.

Mr. CASE of South Dakota. Except that salaries are running on into the future. I would like to leave just this little incident with the committee. This matter of Army pay was a concern of the subcommittee of the Committee on Appropriations of the Army and the Air Force at the time we had the last hearing with General Eisenhower, when he was Chief of Staff. We were aware then of the danger of losing some of the best men in the Military Establishment, and the Committee on Appropriations could not deal with the situation then because we were limited to the pay schedule in existence then. The chairman of our committee said to General Eisenhower, "General, how do you face such a situation as that?"

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

Mr. COLE of New York. Mr. Chairman, reserving the right to object, I think the gentleman should point out, and it should be considered by the Committee in the consideration of the gentleman's amendment, that it is anticipated by the Armed Services Committee that in the next year there will be put on the statute books a law providing for a contributory retirement system for the military people, under which they will be required to pay approximately 6 percent of their base pay, so that if that should develop within the next year it will result in a reduction over the pay scales proposed in the bill of approximately 6 percent. I would like to inquire of the gentleman what his view would be, assuming that his amendment is adopted, and eventually becomes part of the law, should the Congress, when it considers the contributory retirement proposal, make some appropriate adjustment of the pay scale at that time to compensate for the reduction occasioned by reason of his amendment?

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. COLE of New York. Mr. Chairman, I still continue my reservation of objection. I do not object; I reserve the right to object.

Mr. CASE of South Dakota. The gentleman wishes me to respond to him in the time he has under the reservation of objection, which I am perfectly willing to do. My reply to the gentleman is that my position on that bill will be governed, of course, by the terms of the bill and by conditions at the time. In general, I believe in the principle of contribution to retirement funds. I think at that time if the committee brings in that kind of a bill it should bring in a report which would give us the facts comparing the pay scale that might be in existence then with the economic outlook at that time, and showing the comparative benefits that go with holding a commissioned rank in the Army. There are many things that go into making a career in the Army or the Navy or the Marine Corps attractive entirely apart from the pay itself. There is the fact that there is security in the job. That is something you do not get outside.

Mr. COLE of New York. I take it that it is the position of the gentleman that the pay scale for the military people should be revised from year to year by the Congress depending on the economic conditions that might exist.

Mr. CASE of South Dakota. I do not think it is a practical proposition to revise it each year, but I think that you should take into consideration the overall picture. You should realize that the Government trains these people who are in the armed services. They get their education free, even after they are out holding a job, so to speak. They may then be sent to graduate schools or to the command school to further their education on Government time and Government pay to fit themselves for a higher grade or rank.

Mr. VINSON. Mr. Chairman, I make the point of order that the gentleman cannot continue indefinitely under a reservation of objection. He has already used 5 minutes in answering the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CASE of South Dakota. The Committee, of course, is aware that the way the time developed was outside of my control. I was merely answering a question raised under a reservation of objection.

Mr. DOYLE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from California.

Mr. DOYLE. The gentleman stated a minute or two ago that he thought the bill was written with the cost of living 6 or 8 months ago in mind. Does the gentleman not know that the record shows that in the last two consecutive months the cost of living has risen and not lowered?

Mr. CASE of South Dakota. I also know that the receipts of the Federal Government are going down, and that under the Treasury statement I had with me Friday, in the month of May of this year the net position of the Treasury on the basis of receipts from withholding taxes and other sources of revenue is

down. It had worsened by $600,000,000 in the first 17 days of May as compared to the first 17 days of May a year ago. If the Treasury was off $600,000,000 in its receipts in the first 17 days of May, largely the outcome of a change in the amount of withholding taxes received on wages paid, then the economy of the country has changed so much that we should not tie the hands of the Committee on Appropriations too much to a pay schedule based on the economic outlook of 6 months or a year ago. Remember that this bill will create a legal basis for pay obligations from now on—it is not an appropriation for a single year.

May I recite this little incident. The last time General Eisenhower appeared before the Committee on Appropriations, was when we were discussing this matter of military pay. We were all bothered by the difference in salaries offered in the Army and those offered outside in the early postwar months but we did mention some of the perquisites that go with a military career. It was the gentleman from Michigan [Mr. ENGEL], I think who said: "General, what do you say, how do you handle it when one of the men you need is offered big pay outside?" Then, as nearly as I recall, General Eisenhower said that he had to rely in part on the appeal in public service, and he added in a way I shall never forget: "I think, Mr. Chairman, a great mistake was made when we started leaving the word 'patriotism' out of our Fourth of July speeches."

Mr. Chairman, I think it is impossible for the Congress, in regard to civilian careers in Government or the service in Congress or service in the armed forces, always to measure the compensation in terms of dollars. Unless the men who serve in this body, unless the men who serve in the uniformed services, unless the men who serve in the civilian branches of the Government, are actuated by a spirit of patriotism and public service, then God help America. It will always be necessary in a country like ours that men and women have a desire to serve the common good if we are to have the public service the country needs.

To summarize, the pending amendment does preserve the relationship proposed by the committee bill and gets away from the hodgepodge that has grown up through the years, but it does offer an opportunity to save $114,000,000 below the bill as presented, and it does permit the bill to be enacted and have the various improvements in retirement and other features that are tied in with the pay schedule. If you strike out the pay schedule completely, then you do not know what you have done to the rest of the bill because it is referred to in instance after instance as you go on through the bill.

Mr. BOLLING. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from South Dakota [Mr. CASE].

The Clerk read as follows:

Amendment offered by Mr. BOLLING as a substitute for the Case amendment: On page 9, strike out the tables following line 2 and insert:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service						
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
O-8	$775.00	$775.00	$775.00	$775.00	$775.00	$775.00	$775.00
O-7	675.00	675.00	675.00	675.00	675.00	675.00	675.00
O-6	550.00	550.00	550.00	550.00	550.00	550.00	550.00
O-5	480.00	480.00	480.00	480.00	480.00	480.00	480.00
O-4	405.00	405.00	405.00	405.00	420.00	420.00	420.00
O-3	330.00	330.00	345.00	360.00	375.00	390.00	405.00
O-2	262.50	277.50	292.50	307.50	322.50	337.50	352.50
O-1	225.00	240.00	255.00	270.00	285.00	300.00	315.00
WARRANT OFFICERS							
W-4	$330.00	$330.00	$330.00	$345.00	$360.00	$375.00	$390.00
W-3	300.00	300.00	300.00	307.50	315.00	322.50	330.00
W-2	262.50	262.50	262.50	262.50	270.00	277.50	285.00
W-1	217.50	217.50	217.50	225.00	232.50	240.00	247.50
ENLISTED PERSONS							
E-7	$202.50	$202.50	$210.00	$217.50	$225.00	$232.50	$240.00
E-6	172.50	172.50	180.00	187.50	195.00	202.50	210.00
E-5	142.50	150.00	157.50	165.00	172.50	180.00	187.50
E-4	120.00	127.50	135.00	142.50	150.00	157.50	165.00
E-3	97.50	105.00	112.50	120.00	127.50	135.00	142.50
E-2	82.50	90.00	97.50	105.00	112.50	120.00	120.00
E-1	75.00	75.00	75.00	75.00	75.00	75.00	75.00

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service					
	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8	$775.00	$775.00	$775.00	$775.00	$805.00	$805.00
O-7	675.00	675.00	675.00	675.00	705.00	705.00
O-6	550.00	550.00	580.00	605.00	635.00	635.00
O-5	480.00	480.00	510.00	535.00	535.00	560.00
O-4	435.00	450.00	480.00	505.00	505.00	505.00
O-3	420.00	435.00	450.00	465.00	465.00	465.00
O-2	367.50	367.50	367.50	367.50	367.50	367.50
O-1	330.00	330.00	330.00	330.00	330.00	330.00
WARRANT OFFICERS						
W-4	$405.00	$420.00	$435.00	$450.00	$465.00	$480.00
W-3	337.50	345.00	360.00	375.00	390.00	405.00
W-2	292.50	300.00	315.00	330.00	345.00	360.00
W-1	255.00	262.50	277.50	292.50	307.50	307.50
ENLISTED PERSONS						
E-7	$247.50	$255.00	$270.00	$285.00	$300.00	$300.00
E-6	217.50	225.00	240.00	255.00	255.00	255.00
E-5	195.00	202.50	217.50	232.50	232.50	232.50
E-4	172.50	180.00	195.00	195.00	195.00	195.00
E-3	150.00	150.00	150.00	150.00	150.00	150.00
E-2	120.00	120.00	120.00	120.00	120.00	120.00
E-1	75.00	75.00	75.00	75.00	75.00	75.00

Mr. BOLLING (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with.

Mr. JOHNSON. Mr. Chairman, reserving the right to object, are the other items, remaining to be read, identical with what is in the bill?

Mr. BOLLING. Yes; they are identical with the committee's proposal.

Mr. JOHNSON. Only the ones that have been read are those that are changed?

Mr. BOLLING. That is right.

Mr. VINSON. Mr. Chairman, reserving the right to object, then the gentleman's amendment merely deals with the rank of major on up?

Mr. BOLLING. That is correct.

Mr. VINSON. And it does not deal with the balance of the pay scale at all?

Mr. BOLLING. That is correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Chairman, the bill before us represents an effort to make an important step forward in developing a sound national defense policy. It is vitally important that the United States not do in the coming years what we did in the twenties and thirties—drop our guard, as it were. In those years, our armed services were treated like unwanted orphans. They had inadequate recognition, inadequate appropriations, inadequate pay to maintain minimum

morale, minimum equipment, minimum effectiveness. We suffered for this at Pearl Harbor in 1941 and we paid for it time and again on Bataan, at Wake, and in the shipping lanes of all oceans during 1942 and 1943.

We must not make the same mistake again. The Armed Services Committee in this bill is attempting to take one of the many steps which we must take if we are to be adequately defended.

I agree with those Members who have cited the frightening significance of the increased rate of resignations from the services. I agree that we must attract into our services the highest type of career men. One of the important attractions must inevitably be the rate of monetary compensation. Permit me to point out that this is equally important in our civilian departments and that as yet we have not remedied the equally discouraging situation which finds us unable to attract our ablest men and women into the service of their country in civilian government service.

However, the matter before us now is the armed services. The fundamental purpose of this bill is sound. It would bring order out of chaos and modernize an antiquated and patched-up pay, allowance, and retirement system. However, such a measure must be sound, not only in theory, but also in practice. It must take into account conditions as they are, not as the outside observer believes them to be. It was with relief that I noted that the distinguished gentleman from Georgia did not include in his revised remarks which appear in the RECORD of May 20 the flat statement which he made on the floor of the House last Friday afternoon in speaking of general or flag officers, to the effect that they did not have cars or chauffeurs. I do not question the gentleman's good faith in making the remark. It does, however, demonstrate the difference between an academic approach to the theory of the case and a practical approach to the facts. The members of the Armed Services Committee cannot be familiar with relatively minor detail. They concern themselves with strategic concepts, the broad outlines of our national defense. Why should they know that in the Army the gulf between a major and a captain is much greater than that between a captain and a lieutenant? Why should they know that a colonel often has a personal car and chauffeur and that almost without exception a general or flag officer has both?

The amendment which I have offered takes into account the fact that our armed services must be more financially attractive if they are to retain and obtain the high type of young men and women that our national defense requires. But, more than that, my amendment takes into account the equally real fact that increasing rank carries with it substantial special privileges and benefits, some of them with large money value, others less tangible, but equally important—prestige is one of these latter.

My amendment affects no one below the rank of major. It does not change the proposed basic pay and allowance schedules for junior officers, warrant officers, or enlisted men. It lowers the proposed basic pay raises of general or flag officers, colonels, lieutenant colonels, and majors and their equivalents to bring them in line with lower ranks, taking into account the substantial special privileges and benefits which I have mentioned earlier.

So that you may follow the effect of my amendment, please turn to table 3 on page 49 of the committee report. Using the same device of the typical year, we find that major generals under my amendment would receive a monthly increase in pay and allowances of $104.67, giving them a monthly income of $1,000. Brigadier generals get a raise of $188 and receive $900.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. VINSON. Will the gentleman differentiate between base pay and allowance pay so that we can follow him in this? How much is the increase in base pay?

Mr. BOLLING. In the typical year, the proposal of the committee is to pay them $870, that is, to brigadier generals. My proposal is to pay them $705.

Mr. VINSON. Does the gentleman apply the same percent, or what percent does he apply? Does he just merely take $870 and look at it and say, "Well, I will put down a certain sum," or do you work it out on a percentage basis?

Mr. BOLLING. No. I will tell the distinguished gentleman from Georgia I do not work it out on a percentage basis, because I do not think a percentage basis is a sound approach to the problem. I think the percentage basis unfailingly overlooks the fact of the additional special privileges and benefits of increased rank. I have no criticism of those special privileges and benefits. I merely want to consider them in any bill that is passed.

Mr. VINSON. Let us talk about the special benefits. If he is not living in a Government house he would draw $120 a month for rent and $45 a month for subsistence. That is all the special benefits he would get.

Mr. BOLLING. No, sir.

Mr. VINSON. Just a moment. If he is living in Government quarters, the special benefit would only be subsistence $45, and under the law today $42. What is the special benefit, except probably the privilege of purchasing in the PX or the commissaries? What are these special privileges?

Mr. BOLLING. One particular point is the one to which I referred earlier.

Mr. VINSON. Automobiles?

Mr. BOLLING. Automobiles. If the gentleman will excuse me now, I would like to continue and finish this. I think it is rather ridiculous to say that a major or a field officer does not have substantial privileges that do not accrue to a junior officer. I also feel it is quite clear that a general officer has additional privileges in the form of cars and chauffeurs, all other transportation, under almost any conditions. But I wish to make this amendment clear.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I do not yield further at this time.

As I began to say, I find that under my amendment major generals would receive a monthly increase in pay and allowances of $104.67, giving them a monthly income, basic pay and allowance, of $1,000 a month.

Brigadier generals get a raise, under my amendment, of $188 a month, and receive a monthly stipend in a typical year of $900.

Colonels, a raise of $106.33; monthly pay, $800.

Lieutenant colonels, a raise of $83.88; monthly pay, $700.

Majors, an increase of $88.25; basic pay and allowance of $600 a month.

It seems to me this accomplishes the purpose of giving to all ranks a substantial increase in pay, but at the same time takes into account the facts of the case—the facts as we know them, particularly those of us who most recently served.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. CASE of South Dakota. The gentleman's amendment does not preserve the relative gradings that are suggested in the committee's bill, does it?

Mr. BOLLING. No. It certainly does not. I do not believe that the approach on a percentage basis is other than the academic one which I described.

Mr. CASE of South Dakota. I do not think the committee proceeded on a percentage basis. As I understood it, the committee proceeded on the basis of attempting to evaluate the responsibilities in different grades and worked out its schedule on that basis.

Mr. BOLLING. I subscribe to the theory of paying for responsibility, but I do not subscribe to the theory that a man who is responsible for the lives of more than one man has a responsibility that can be compensated for.

Mr. CASE of South Dakota. The gentleman is substituting his conception of the relative responsibility for that proposed in the committee bill?

Mr. BOLLING. That is not accurate. I have substituted my conception plus my understanding of the additional things that accrue to people of certain rank.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. ROGERS of Florida. Will the gentleman state the savings that will be made by your amendment as compared with the committee bill?

Mr. BOLLING. The savings would be between twenty-seven and twenty-eight million, in rough figures.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. CARROLL. As I understand the gentleman's amendment, you have left the basic pay and allowances for enlisted men and junior officers the same as they are in the pending bill?

Mr. BOLLING. That is correct.

Mr. CARROLL. What you have done in your amendment is to skim off some

of the cream that has been given to the field and general officers?

Mr. BOLLING. That is correct.

Mr. CARROLL. And that reduction results in a saving of about $27,000,000?

Mr. BOLLING. That is correct.

Mr. CARROLL. It is to be distinguished from the amendment offered by the gentleman from South Dakota [Mr. CASE] in that his amendment seeks to cut every single grade all the way down through the bill?

Mr. BOLLING. That is correct. I believe the gentleman's amendment would have the effect not of taking the best features of the bill but of generally weakening the bill in toto.

Mr. CASE of South Dakota. It preserves the same grading, however, that was worked out scientifically by the Hook Commission.

Mr. BOLLING. I doubt that there is any science involved in working out a percentage. I would like to answer the gentleman's question in this respect: The general agreement that we found on the floor of the House has been that there was an urgent necessity for an effective career service. I believe that the people who need to be attracted into the service by a monetary compensation held out to them are in the enlisted, warrant-officer, and lower officer grades. I submit that the kind of pay bill we should have if my amendment passed would encourage everybody to stay in the service once they got there.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. BATES of Massachusetts. Mr. Chairman, I am very happy that the debate on this bill is on a little higher plane today than it was at the end of the week when we discussed it last. I am glad to know that our good friend from Tennessee and also our good friend from South Dakota, and the other members of the committee have given some thought and study to this bill over the week end and have come to the conclusion that the situation that faces us today in the Military Establishment demands that something be done.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. The gentleman, of course, had a good deal of time, I have had only 5 minutes, but still I yield to the gentleman.

Mr. SUTTON. My opinion has not changed at all; I still hold the same opinion I had. There is probably just a misconception of my meaning.

Mr. BATES of Massachusetts. I understand; the gentleman has offered an amendment to the bill to strike out the entire pay clause; but notwithstanding that the gentleman now says that he will favor the amendment offered by the gentleman from Missouri [Mr. BOLLING], which puts into effect a pay cut for only the four highest ranking officers. But I have the thought today that we are also likewise deeply interested in what is going to happen to those men in what we call the petty-officer classes and the junior-officer classes. That is a subject matter about which the gentleman from Tennessee [Mr. SUTTON] spoke this morning.

When we stop to consider that last year over 4,300 Regular officers have resigned from the Military Establishment, and that 3,000 of these were naval officers, the most of whom we had educated, men who had graduated from the Naval Academy, it makes us stop and wonder what is the cause. I know something about the feeling in the various categories of the armed services. Nobody has given more time than myself and the gentleman from Texas [Mr. KILDAY] to a study of the facts. The report of this special commission that was appointed by Mr. Forrestal a year and a half ago, was fully considered and the discussion of the over-all problem facing the men in the service with the men themselves—and it was through my initiative that we got the enlisted men to come before the committee and give us their views as to how they felt about the bill now pending before us—when we stop to consider the plaudits and tributes we are paying these boys, the best that can come from our minds and lips, awarding them medals of honor for participating in one of the grandest and most perfect achievements in the history of the Military Establishment, the Berlin airlift—we last week approved legislation to grant them a medal, and we applauded the general, the hero, who came home after he had done such a magnificent job in directing the destinies of our military forces in the European area—while we are giving these plaudits and speaking overwhelmingly of the splendid job they have done, we are permitting them to take a pay cut at the same time.

What do I mean by a pay cut? I mean that every member of the Military Establishment this year is taking a pay cut below that which he had a year ago. We all know that during the war the enlisted men were exempted from paying any income tax and the officers were exempted up to $1,500 plus the family exemptions; we all know that that exemption came to an end on the first of January this year. As a result of that the enlisted men and officers too are taking a pay cut, the officers $34,000,000 this year below what they had in take-home pay a year ago, and the enlisted men $95,000,000 below what they received last year. This is the amount they will pay this year in taxes.

Now, what does that mean? In dollars and cents what does it mean to the married men in the enlisted grades? Let us take the four grades, 1, 2, 3, and 4. Let us take the petty officer. What has he suffered by way of pay cuts this year as the result of the elimination of the so-called income-tax provision? He takes a pay cut of $139 as a married man in the fourth grade, but the single man takes a pay cut of $238. In the first grade the married man this year takes a pay cut in his take-home pay of $370. A single man takes a pay cut of $608.

We hear so much about these men who are participating in the so-called "pay-lift." These are the men who are taking the highest percentage cut of anybody in the military forces today because of the elimination of the so-called income-tax provision. Stop to consider that only 31 percent of our petty officers are reenlisting. Only 31 percent within the past 6 months have reenlisted because there is no attraction or incentive for them to remain in the service, and we also know that the same thing applies to the officer personnel. We certainly have got to do something about it. When you consider the feeling that they already had prior to January 1 of this year, what is the feeling that they now have when they have to cough up to the Federal Government by way of income taxes from $300 to $600 of the basic pay that they now receive? Those are things, my friends, that we must be interested in. Of course, we are interested in the cost of what this will mean to the Treasury of the United States.

Let me reassert again what we had to say a week ago in regard to the cost of this bill. In the 9 months of 1950 the gross cost will be $360,000,000, but from the $360,000,000 will come back in income-tax payments from the officer and enlisted personnel $182,000,000, or, in other words, the net cost to the taxpayer in the fiscal year 1950 will be $178,000,000. The gross cost of this bill in the fiscal year 1951, for a 12-month period, will be $406,000,000, in round figures. The cash recovery over and above what the men in the service paid in 1948 will be $200,545,000, or, in other words, the net cost to the taxpayer in the fiscal year 1951, the full year, will be $205,593,000.

Now, then, who gets this money? The gentleman from Tennessee and the gentleman from South Dakota admit that the men who are taking the licking today as the result of the cut in the take-home pay are in the petty-officer class, and the junior-officer class, and they are the ones that are contributing more to the income tax of 1949 as the result of the repeal of the exemption the first of this year.

The petty-officer group, the chief, the first, second, and third petty officers in all branches of the military service receive $244,000,000 out of this bill. The second lieutenants, the first lieutenants, and the captains, that the gentleman from Tennessee is so much interested in, and in whom we all should be interested in, will receive $138,000,000 under the provisions of this bill or, in other words, the petty officers and the junior officers altogether receive in addition to what they now receive $382,000,000 out of the provisions of this bill.

So we are interested, my fellow Members, in what goes on in the Military Establishment. We must maintain the morale. We just cannot stand idly by with all these resignations taking effect. Only 31 percent of the petty officers whose term expired within the last 6 months, reenlisted. We have to do some-

thing to cure that situation, and in this report the Hook Commission brought in to us a bill that is scientific, and in which every phase of our military problem has been carefully studied. I sincerely hope the bill as reported by the committee will pass this House.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield to the gentleman from Iowa.

Mr. GROSS. How many enlisted men appeared before the committee?

Mr. BATES of Massachusetts. During the hearings we heard from the officer personnel and we heard from civilian heads of organizations and from veterans' organizations. As we were closing the hearings, we felt we ought to hear from the enlisted men, and we got a representation from the enlisted men. I think there were about eight that came to the hearings, and they gave us a cross section of their views in regard to this bill.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield

Mr. BATES of Massachusetts. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. The gentleman is a member of the subcommittee that handled this bill?

Mr. BATES of Massachusetts. Yes.

Mr. WILLIAMS. I think a lot of us would perhaps be a little better able to weigh the merits of the proposed pay increases if we knew exactly what the purpose of the pay increase is. I have heard it stated by some members of the committee that the purpose of the bill is to provide a cost-of-living increase. Others say it is to compensate the members of the armed forces in a manner commensurate with their duties, obligations, and responsibilities. Others say it is for the purpose of recruiting men who will make the right type of soldier and the right type of officer. As for me, I should like to know what the real purpose of the bill is, so that I might consider it along those lines.

Mr. BATES of Massachusetts. The fundamental purpose behind the bill is to develop an incentive for men who are trained by the Government to stay in the service.

Mr. WILLIAMS. That is the way I understood it.

Mr. BATES of Massachusetts. They are paid for their responsibility. When we stop to consider that in the case of the first-class petty officers 56 percent did not reenlist last year, in the case of the second-class petty officers 76 percent did not reenlist last year, and in the case of the third-class petty officers 84 percent did not reenlist last year, we realize there is no incentive for them to go ahead. We are trying by the provisions of this bill to give them an incentive to stay in the service and render that service to their fellow men.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. KILDAY. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Chairman, I believe the first time you were to approach the writing of a pay bill you might feel about it as the gentleman from Missouri [Mr. BOLLING] has, and arrive at some figure, wherever you get it, and fix that as the compensation in the various pay grades as you go through the services. Quite frankly, we did that in 1942 and we did it again in 1946. That is the very reason the Hook Commission was appointed, so that an effort might be made to stabilize the pay scales and have the proper percentage of differentials between the grades and responsibilities, and a study might be made from which you could compare the compensation of the military service with the compensation for like jobs in industry. The Hook Commission spent about a year doing that. They analyzed the pay scales of about 100 industries. In the report of the Hook Commission you will find a graph, or chart, showing the comparable rates of pay in private industry and in the military services. It is significant in this graph, that in the military services the entering wage is a little bit in excess of the entering pay in industry. The military entering wage is a little in excess of the entering wage in industry.

When you come to the warrant officers, you will find from that graph that the Commission was unable to find anything in industry comparable to the grade of warrant officer and the graph has no comparison between industry and the services as to warrant officers.

When you come to the officers, the lowest grades are a little bit in excess of industry, and it gradually tapers off until finally you find that the highest grade military man is drawing about one-half the pay drawn by men in industry for handling comparable organizations.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. GROSS. You are comparing the wages paid in industry and the wages paid in the Army. Do you know of any industry, when a man moves out of the apprentice class, that increases his pay 8 cents a day—I said 8 cents a day, not 8 cents an hour.

Mr. KILDAY. I do not think the gentleman has read the graph correctly.

Mr. GROSS. Yes; your increase here is about $2.50 a month, which means about 8 cents a day; does it not?

Mr. KILDAY. He is only starting his career.

Mr. GROSS. He has moved out of the apprentice stage.

Mr. KILDAY. He has served for a period of 3 months. I hope the gentleman is not going to take the position that he has completed an apprenticeship training equal to from 2 to 4 years.

Mr. GROSS. When does he complete it?

Mr. KILDAY. I do not care to discuss a matter of that kind any further than I have.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. SUTTON. On page 6110 of the CONGRESSIONAL RECORD of May 12, Senator FLANDERS, of Vermont, inserted an estimate by the Bureau of the Budget giving a comparison of military personnel with classified civilians. I pass this on to the gentleman from Texas.

Mr. KILDAY. I have read the Senator's statements.

Mr. SUTTON. In every instance, except three, namely, the major general, the corporal, and the private first class, military personnel is paid in excess of the civilian personnel.

Mr. KILDAY. I have read and analyzed this very carefully. I think I indicated on the opening day of this debate the situation which existed between the Bureau of the Budget and the Hook Commission and your Committee on Armed Services. There has been an attempt made by the Bureau of the Budget to tie their own civil-service pay to the armed-services pay in an attempt to get an increase in pay for themselves. I say deliberately and advisedly there is no comparison between military pay and the table that Senator FLANDERS placed in the RECORD.

Mr. BIEMILLER. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. BIEMILLER. I have had some correspondence which leads me to believe that if the family allowances are cut out, as proposed by the bill, we are going to lose a considerable number of enlisted men. Am I to interpret that the motive of the committee is a desire to eliminate married men from the enlisted ranks?

Mr. KILDAY. The committee has no desire to do so. I pointed out that there were men drawing family allowances for as many as 14 dependents, and with as many as 8 or 9 brothers and sisters. The committee takes the position that when you are compensating men for responsibility and services, it is definitely unfair to the man who is really discharging a duty, such as a master sergeant, and to pay him less than the fellow who happens to have 8 or 9 brothers and sisters.

Mr. BIEMILLER. I am speaking of men with just two children.

Mr. KILDAY. People with just two children, under this bill, are going to get more than they would get under the family-allowance provision, unless they are in one of the bottom three grades.

Mr. BIEMILLER. That is not the way the enlisted men understand it, evidently, from the correspondence.

Mr. KILDAY. As I told you, we have had hundreds of letters. The enlisted men were misled by radio commentators and newspaper columnists. Those men who wrote into the committee all received a prompt and courteous reply explaining exactly what their personal situation would be, and those who have asked for information on this bill were given accurate information about it.

Mr. BIEMILLER. In the first three classes; is that true?

Mr. KILDAY. The man with four dependents or less will make more money under this bill.

Mr. CHRISTOPHER. I wish the gentleman would elaborate on that a little further.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes. Most of his time has been taken up with questions.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee [Mr. SUTTON]?

There was no objection.

Mr. KILDAY. I do not know that I will require the five additional minutes, but I do want to emphasize the fact that the pay scales set out in the Hook Commission report are definite and scientific. I believe it was the gentleman from Missouri [Mr. BOLLING] who said he did not believe there was anything scientific about it, but the Commission did thoroughly analyze industry wage rates and compared them with military pay rates, and they came up with these figures.

As I have said, Secretary Forrestal, Secretary Johnson, and President Truman have endorsed the rates carried in this bill. In the letter received by the Speaker yesterday the President expressed the hope that this bill would be passed.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. CARROLL. Will you be kind enough to explain simply and briefly, because I sincerely desire this information, what has been the effect of the income-tax law upon officers and upon enlisted men. Let us take them in categories. I think it is an important part of this discussion.

Mr. KILDAY. I am sorry I would not be able to tell you how much in individual cases.

Mr. CARROLL. The gentleman from Massachusetts [Mr. BATES] made a very fine statement. Let us take general officers, for example. When did the income-tax law cease to apply to them?

Mr. KILDAY. January 1.

Mr. BATES of Massachusetts. Up to January 1. They had $1,500 exemption in addition to the family allowance.

Mr. CARROLL. Applying the increase under the present bill, if the income-tax law is applicable to general officers, what will be their base pay, comparing it with the present bill under consideration, as distinguished from the act under which they operate today?

Mr. BATES of Massachusetts. I can give those figures, but it would take quite a while. The general officers all stand to lose under the present take-home pay about 6 percent below what they actually received last year.

Mr. CARROLL. In other words, let us put it this way: If we should adopt some of these amendments, would the general officers or field officers be receiving less pay than they had during the war?

Mr. BATES of Massachusetts. I think it would be very close, if you adopt one of these amendments.

Mr. KILDAY. I have not analyzed it, but under the amendment proposed by the gentleman from Missouri [Mr. BOLLING] I think quite definitely that would be true. What he is going to pay in income tax will depend entirely, of course, upon the bracket in which he falls and the number of dependents he has. It is computed the same as for anyone else. So you would have to go to the individual to determine what he is going to pay.

Mr. CARROLL. I was wondering whether the committee had taken that into consideration.

Mr. KILDAY. Our tables very definitely took that into consideration and it is worked out with that in mind and with the allowances and everything else in mind.

Mr. BATES of Massachusetts. And there is no exemption under the present bill?

Mr. CARROLL. The gentleman from New York [Mr. COLE] made a further suggestion, that there is a bill under consideration by your committee under which in the next session, or possibly this session, you are going to begin to consider whether or not officers will be included in the retirement system.

Mr. KILDAY. Yes.

Mr. CARROLL. Is that bill under consideration by your committee?

Mr. KILDAY. My subcommittee has been quite busy with this bill since January.

Mr. CARROLL. I wondered if you also had that under consideration when you gave this pay raise.

Mr. KILDAY. I cannot say that that is true.

Mr. BATES of Massachusetts. The contributory pension system is something the men in the service have asked for in many ways, because there is no provision in the present pension system for the dependents of an officer who dies after he leaves the service.

Mr. CARROLL. Does the gentleman from Massachusetts say that this contributory retirement system is going to apply also to enlisted men?

Mr. BATES of Massachusetts. I think the contributory pension system is something we should do something about.

Mr. CASE of South Dakota. Is it also proper when we attempt to compare wartime pay with peacetime pay that we must remember that a great many officers during the war held temporary grades above that which they now hold?

Mr. KILDAY. That is true, of course, depending on the service. Some were two or three grades above where they would be on a career basis. We are here talking about career pay on a career basis, where the man has to qualify for promotion under the promotion laws which have been passed by Congress.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. BOLLING. Would the gentleman from Texas seriously contend that a major general who under my amendment receives an increase of $104 would suffer because of the income tax to such an extent that he would be receiving less than he did under his old pay?

Mr. KILDAY. I was not asked that question; I was asked the question whether he would receive less; and as I understood the gentleman from Colorado, a general might conceivably receive less under the provisions of the gentleman's amendment than he now receives.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that all debate on section 201 and all amendments thereto close in 45 minutes, the last 5 to be reserved to the committee.

Mr. DAVIS of Wisconsin. Mr. Chairman, reserving the right to object, how many amendments to section 201 are now pending at the Clerk's desk?

The CHAIRMAN. Three amendments are now pending: The amendment offered by the gentleman from Tennessee, the substitute amendment offered by the gentleman from Missouri, and the perfecting amendment offered by the gentleman from South Dakota.

Mr. DAVIS of Wisconsin. The Chair did not understand my question; it was how many amendments are at the Clerk's desk that apply to section 201 that are not before the committee at this time?

The CHAIRMAN. There are four, one in addition to the three the Chair previously mentioned.

Mr. DAVIS of Wisconsin. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate to section 201 and all amendments thereto close in 45 minutes, the last 5 to be reserved to the committee.

Is there objection?

There was no objection.

The CHAIRMAN. The time will be divided equally between the Members seeking recognition.

Mr. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FORD. Am I correct in understanding that this restriction of time applies only to section 201?

The CHAIRMAN. That is correct, and all amendments thereto.

The Chair recognizes the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, I rise at this time to ask a question which I think is vital. Under the bill we are now considering, is the enlisted man receiving a sufficient increase in his pay allowance to offset or equal the loss of his family allowance? I hope the gentleman from Massachusetts [Mr. BATES], or some other member of the committee, will explain that so that we will know what grades will receive sufficient increases under the present bill to offset the loss of the family allowance.

Mr. BATES of Massachusetts. Mr. Chairman, of course a study of this bill will indicate that after the first three grades a man with two children stands to gain as a result of this bill. There is not only an increase in pay, as an incentive to stay in the service, but there is an increase in the so-called quarters allowance which has been increased from $31.50 to $67.50 a month. It is interesting also to note in that regard

that out of the total increase for quarters allowances in this bill, the enlisted men get $142,000,000 of that and the officers only receive $3,000,000.

Mr. GOLDEN. Regardless of the sum total, does it take care of the individual?

Mr. VINSON. It does not take care of the first three low-grade groups. It does take care of the situation from the fourth grade up.

Mr. BATES of Massachusetts. That is the statement I made to the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, recognizing, as I do, that the committee has put in a great deal of time and conscientious effort on this bill, I still think that the philosophy of the bill is wrong, that the committee has attacked the problem from the top instead of the bottom, that the enlisted men and the recruits, the privates, are the ones who should be taken care of first.

I have heard it repeatedly said by members of the committee that this is a bill for the enlisted men, that it is desired to attract career men into the Army as recruits. I want to ask a question, and I submit it to members of the committee who may answer it. During the war I know of the case of a man from my State, a college graduate, a former State officer, who enlisted voluntarily in the Navy. He went up by rapid strides to the rank of chief petty officer. I discovered he could go no further. So I went over to the Navy Department and talked to one of the admirals, whose name I do not care to repeat at this time. The admiral got out this man's complete record, went over it carefully and he said to me: "I have not found a man with a better record." But he said he could not be commissioned because he is over age in rank. That is the position you are in. The enlisted men cannot overcome the barrier between the enlisted ranks and the officer ranks. There is always something in their way. I submit to any Member of this committee, what is the situation with respect to being over age and still serving in the enlisted ranks?

Mr. VINSON. Mr. Chairman, if the gentleman will yield I will say to the gentleman it is always necessary to have an age limit in reference to a grade. As a matter of fact, we have an age limit before a man can come to Congress. A man cannot come to Congress before he is 25 years of age.

Mr. LECOMPTE. But you do not have an upper age prohibition.

Mr. VINSON. When a man is of a certain age, his ability to do the work of that grade might be lessened if he is over the age limit.

Mr. LECOMPTE. If he is capable of serving as a petty officer, certainly he is capable of serving as an officer, and age is a matter of arteries and blood vessels.

Mr. VINSON. Of course, you have to have age limitations. It has been in all legislation.

Mr. LECOMPTE. If the Navy can take in a man and then find that he is so admirably qualified that they made of him a petty officer very soon, and this man has an outstanding record, he must be physically sound and qualified to serve as an ensign.

Mr. BATES of Massachusetts. Mr. Chairman, if the gentleman will yield, the facts are that a warrant officer is a specialist in his field.

Mr. LECOMPTE. This admiral said to me, "I am sorry to say, but we make ensigns sometimes very soon, but we cannot get along without some high-class chief petty officers."

Mr. BATES of Massachusetts. That is right.

Mr. LECOMPTE. Now, it is the man that goes in as an enlisted man that has to overcome that barrier between the enlisted ranks and the officer personnel. The philosophy of this bill is wrong. You ought to do something for the enlisted men instead of doing it all for the officers. The officers are all right. They fought bravely, died heroically, conducted themselves gallantly but for the good of our country and in the name of right and justice do something sometime for the privates. They constitute an important branch of every outfit and organization in the armed services.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. FURCOLO].

Mr. FURCOLO. Mr. Chairman, as I maintained last week. I agree with what the preceding speaker just said that this bill is top-heavy. The emphasis is all on top. There are going to be many amendments offered to this bill. I have an amendment to this section and I also have one in connection with the family-allowance section, and some others. But, I do think that there are so many amendments that the thing to do with this bill is to have it recommitted so that the committee in its wisdom and judgment, after knowing how the different Members of the Congress feel about it, may perhaps give a little more time to the subject. I have an amendment to offer in the event the Case amendment is voted down that has to do, on page 9, with the only enlisted man who is not given any sort of raise at all. I understand from the committee that the so-called recruit is only supposed to be in that stage for about 3 months. In spite of that the chart on page 9 indicates that the recruit may well be in that situation up to 30 years. Where every other single man in the service gets some sort of a pay raise after 2 or 3 or 4 years, the enlisted man in grade No. 1 goes in at $75, and according to this chart, even if he is in that same grade for 30 years, he will still get $75. I understand they are not supposed to stay in that grade. If they are not supposed to stay in that grade, it does not make any great difference if we are going to give them a little money, and my amendment, which will be offered if the Case amendment is voted down, is to the effect that beginning the 8th year they will be given a raise of $2 a month, just as every other man gets a raise after a few years.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield to the gentleman from Georgia.

Mr. VINSON. How much would the gentleman suggest to the committee the recruits' compensation be raised?

Mr. FURCOLO. It begins at No. 8, after 8 years of service. It goes to $75 a month after the first 8 years, then just as every single other grade is increased, the recruit would go up $2 a month from that time on, $75, $77, and so on up to $93.

I also want to make this point, if I may. We hear a lot about all the officers the Army, Navy, and other services need now, but right at the present time they still have the attrition system, so-called, which forces officers out of the service if they have not been promoted after a certain length of time in a specified grade. Right in the hearings on page 1442 a member of the Commission said:

> There is in limited operation now and it is the Commission's understanding that the practice is to be extended, a so-called attrition plan which forces officers out of the service if they fail of selection for promotion after a specified number of years in grade. These men may have good qualities but due to the limited number which can be promoted under law, they fail to make the grade for selection.

I say that if they have a system like that where admittedly, according to this report, there are qualified men in the service who are being forced out through this attrition system, the Committee on Armed Services can do something about that system. They certainly should at least sit down with the military and say, "Now, why is it you come in here asking for more men, yet you have a system whereby you force qualified men out?" That may be a small thing, it may be only 10 officers, but whatever the number is, let us find out about it. I think the committee can do it.

I have some other amendments I am going to offer later. I did want to mention that in passing. Also, if I get a chance, I shall present my amendment giving the lowest grade enlisted man another $2 a month in line with all the others. I think that is the least you can do. You may say he is not qualified, he is a dope, he is a professional recruit, and so on, but he certainly must have something if the Navy and Army would keep him in for 20 or 30 years. He certainly is entitled to $2 a month increase after serving at the same pay for 10, 20, or 30 years.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, we hear a good deal of talk about the fact that we have not properly taken care of the enlisted man. I think the committee's bill does justice to the enlisted man. Let us talk about the recruit for a moment, the man who comes in as an 18-year-old boy. He gets $75 a month. His allowances, food, clothes, quarters, and so forth, were estimated by the Hook Commission to be worth $108 a month.

He starts life in the services at $183 a month. There are very few boys when they start working that can make that much money in industry, in farming, or in any other kind of business. Then our bill goes along and keep stepping that boy up all the time so that in a very short time he will be getting double what he started with.

Let us look at specific effect for a career enlisted man under this bill.

(a) When he enlists at 18 or 19 years of age he receives $75 a month completely free of all expenses. For 13 weeks while he is in apprentice or recruit training, he receives this cash pay equal to $183 a month.

(b) Upon completion of that training he is advanced to the second grade—private or seaman second class. He now receives $82.50 cash a month. This is a $7.50 raise in 3 months.

(c) At the end of 12 more months he goes to the third grade—private first class or seaman first class—and this gives him $97.50 a month. This is a $22.50 raise in 15 months. This has a total value of $205.50 a month.

(d) At the end of not to exceed 16 months more the enlisted man is eligible for and promoted automatically to the fourth grade—corporal or petty officer third class. He is now a noncommissioned officer and a skilled man. If he is not skilled he is not promoted and not reenlisted. His pay is now $127.50 a month. An increase of $52.50 a month since he enlisted less than 3 years before.

(e) Should this corporal not succeed in getting to the fifth grade—sergeant—because of lack of vacancies he is assured of a $7.50 a month increase each 2 years and at completion of 7 years' service he is entitled to quarters or quarters allowances of $67.50 a month if he is married. This means a total monthly compensation of $210 in cash plus his subsistence, his own quarters, and his clothing. Under present permanent pay scales he would get $110 a month. For this noncommissioned officer who will be about 25 years old this pay bill means at that time in his career if he is a married man an increase of almost 100 percent. It gives him a total pay worth $318 a month. And this is not dependent upon a temporary, illogical, scheme of family allowances.

(f) The outstanding soldier or sailor, however, is not going to remain a corporal or petty officer third class; he is going to become a sergeant or petty officer, second class. This grade is open to him within 3 years after enlistment if he is outstanding. If he reaches the grade in 4 years he receives $150 cash plus family quarters or an allowance of $67.50 or $217.50 a month plus his clothing and food, or a pay worth $325 a month. For each 2 years' service in that grade he gets an increase of $7.50 a month. At the present time an enlisted man in the fifth grade with 4 years' service has an assured permanent pay plus quarters allowance of only $158.25 a month. After 8 years' service the present permanent pay including allowances would be only $164 a month. Under this bill it would be $240 cash a month. This is an increase of 46 percent.

(g) The next step is to sergeant first class or petty officer first class. If this grade is reached at 8 years, which many men succeed in doing, the pay will be $195 plus $67.50 if married or a total of $262.50 a month compared to present pay of $186. This is an increase of 40 percent.

(h) The top of the ladder in enlisted grades is master sergeant and chief petty officer. These are the very keystones of the structure. At 18 years, for instance, the new pay is $270 plus $67.50 or $337.50 cash a month in addition to food and clothing. Compare this with $252 total under present laws. This is the kind of a pay scale which will retain your experts. For the master sergeant who remains in the service for 26 years the pay will reach $300 a month plus $67.50 or $367.50 as contrasted with $268 now. This is an increase of 36 percent.

This pay is assured him. It is not a temporary thing. He gets it because he is worth it, not because he has a big family or can claim seven or eight brothers or sisters as dependents.

The claim that this bill is not an enlisted man's bill does not jibe with the facts. In addition to setting up a decent pay scale based on skill and responsibility, let me just detail the other things it does for enlisted men:

(a) Gives them the same retirement laws as officers for the first time.

(b) Gives them the same travel and transportation allowances as officers.

(c) Puts them in same status as officers insofar as quarters allowances are concerned as soon as they reach the grade of corporal with 7 years' service, or sergeant regardless of length of service.

(d) Retains foreign service and extra pay although it is taken away from officers.

This bill is in effect a Magna Carta for enlisted men. It takes them out of an insecure, charity type of pay based on dependents alone, and puts them in a self-respecting status of being paid what they earn.

Above all it does this out in the open. It lets you, the men responsible for appropriations, know what you are paying for. It does away with $425,000,000 of hidden pays and allowances.

The above story is the normal evolution that an intelligent, hard-working boy would go through. And if he were ambitious he would also be afforded the chance to develop his academic education so he could qualify for a commissioned officer.

In trying to arrive at a pattern that would be just and fair the Commission made extensive studies, and the pattern of payment for identical responsibilities runs along in the enlisted grades and also in the officer grades up to lieutenant colonel. From that time on it raises very rapidly in favor of private enterprise jobs and it levels off for the officer list, much below what the pay is in industry for jobs of comparable responsibility.

There has been some discussion here today that really worries me, and that is this tearing down and unmercifully criticizing of what is known as the "brass." I do not hold any brief for the men in those offices, but they have devoted a lifetime to military service. Without the Arnolds, the Kenneys, and the Spaatzes, the Giles, and others of their type, we would never have been ready to fight this last war in the air the way we did. In the Army and the Navy they also had these well-qualified men who prepared and executed the strategic concept that won the war. When they get $1,000 a month for the terrific responsibilities they have, they are not being overpaid, they are not getting more than they ought to get. You can talk all you want about these men hiding behind the Pentagon Building, but I sat here during the war and, frankly, every man I knew over there was eager to get to the combat lines and have a division or a regiment that he could command.

We cannot build America by tearing down the men who are the leaders in various activities. There has been talk that they were behind the barriers and were in safe spots. Do you realize that dozens of generals were killed in this war? It worries me when you begin tearing down the leaders in the military, just like it worries me when you tear down the leaders in our industrial life. America was not built that way. There is room for all and we need not unreasonably tear the top officers apart to help the enlisted men, which we all want to do.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. GROSS. How many dozen generals were killed?

Mr. JOHNSON. I do know 39 generals of the Army were killed in action and 8 admirals. I do not have the number in the Air Forces. The proportion was almost as great as it was among the enlisted men.

Mr. GROSS. You said that dozens were killed.

Mr. JOHNSON. Yes; it was over three dozen—39; not counting Air Force generals. The proportion of those killed to the total number of generals was almost as great as it was in the case of enlisted men.

Mr. GROSS. You said dozens were killed.

Mr. JOHNSON. Yes; over three dozen were killed.

Mr. GROSS. I do not believe that is accurate.

Mr. JOHNSON. I know it is accurate.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. VINSON. My recollection is that some 25 brigadier generals were killed. A great many admirals were killed, as everyone knows.

Mr. GROSS. If the gentleman will yield, that is not a dozen.

Mr. JOHNSON. That is two dozen right there, and the gentleman from Georgia is only referring to brigadier generals; with the major generals, 12, and lieutenant generals, 2; it is over three dozen. That does not include the Marine Corps and the Air Forces, and so on. There were over 16,700 officers in the Air Force who were killed in com-

bat. The point is that America was not built that way, in this negative way of tearing down men who are successful. These men are at the top because they are successful. They are the kind of men we are trying to get from the lower ranks, so that when trouble comes tomorrow, or 10 years from tomorrow, we will have capable men to plan the strategy which will safeguard and make America secure.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Chairman, I have been very interested in some of the situations which would be brought about with reference to family men. I received some information just about the time the House was meeting from an Army gentleman, who said that now approximately 50 percent of those enlisted men in the Army are married or family people, and that during the war some 70 percent were married people. He pointed out that on an average each of these families probably has three children. Likewise, I was told, as I understood him, that they consider families of four or more children as what might be termed "extreme cases," insofar as dependents are concerned. I have been very much troubled about this question of family people being better taken care of. According to some figures which were given to me yesterday, a family man with 3 children, counting his dependent allowance, gets $173 a month. If he has 3 children, after 6 months, he gets $178 a month, and after 1 year, he gets about $188 per month. For a man with 3 children, under the terms of this bill, the $173 is reduced to a total of $75, the $178 to $82.50, and the $188 to $97.50. It is seen the dependent-allowance provision being cut out makes a lot of difference.

Let us carry him on over to some of the other enlisted classifications. If he is in 5 years, he gets $203, under the present law, if he has 3 children. If this new bill should pass, he would get $135 a month if he has 3 children. After 8 years, he would get $230 a month currently, whereas if this bill passes, counting the quarters allowance of $67.50, he would get $210 a month. Admittedly, after that, perchance, he does all right financially, but my question is, If he has three children, how is he ever going to get up to that point? I fear that this legislation is definitely going to have the effect of keeping experienced family people out of the enlisted ranks. As to whether or not that is a good thing, I am not capable of saying. I do fancy some family men with considerable service who have planned the Army as a career will be disappointed. These men should be given additional consideration; likewise, the single men, in my opinion, are not dealt with liberally enough. After all, they have many financial responsibilities in a day like this when prices are so very high. If a man has had 10 raises in less than a year and yet makes only $75, $80, or $90 per month, he still makes only $75, $80, or $90 per month. I received from the Secretary of the Navy this morning a letter which I desire to read. It follows:

THE SECRETARY OF THE NAVY,
Washington, May 23, 1949.

The Honorable LINDLEY BECKWORTH,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: Receipt is acknowledged of your letter of May 21, 1949, in which you request certain information regarding the Career Compensation Act of 1949 (H. R. 4591) currently before the House. The information submitted herewith is applicable to the Navy and Marine Corps.

Approximately 27 percent of the enlisted men in the Navy and Marine Corps are married or family men today.

At the conclusion of World War II at the peak of the Navy's strength, 34 percent were married or family men.

Regarding the question of whether it is anticipated that more or fewer family men who have never been in the Army, Navy, or Marine Corps will enlist or reenlist:

(a) It is anticipated that there will be fewer first enlistments by young men as it is currently the policy of the Navy and Marine Corps not to enlist for first enlistments men with dependents;

(b) For men with broken service, the policy is to accept men in pay grade 5 or above if they do not have more than three dependents;

(c) With regard to reenlistments there are no restrictions and it is anticipated that there will be more reenlistments as a result of the passage of this measure because the better and sounder pay scales and provisions of this bill will attract and hold career men in the service.

It is very desirable to have family men in the upper enlisted ranks as these are the career men who in many respects are the backbone of the regular service.

A man with 10 children who has not been in the service would under current directives not be accepted for first enlistment.

The average number of family dependents the average serviceman has had since the war is 1.8.

The number that have been extreme cases with reference to family allotments has been three-tenths of 1 percent.

Of the $48,000,000 that the Navy has under family allowances, only $48,000,000 may be considered as having gone to what might be termed extreme cases.

Sincerely,

JOHN L. SULLIVAN.

"For men with broken service the policy is to accept men in pay grade 5 or above if they do not have more than three dependents."

In other words, once you get to grade 5 you are all right, but what is the family man to do with his family until he gets to grade 5?

If it is very desirable to have family men in the upper enlisted ranks as career men, it behooves this Congress to properly take care of their needs not merely after they get to grade 5, but from the time they begin at grade 1 until they get to grade 5.

I desire to include some tables prepared for me here recently, also a memorandum handed me by the Army man to whom I talked with this morning:

Question. Under the terms of the bill which is being discussed on the floor of the House now, is it anticipated that more or fewer family men who have never been in the Army, Navy, or Marine Corps will enlist or reenlist if once they have been in any branch of the service?

Answer. Currently, the Army is enlisting for original enlistment no men with dependents. It is anticipated that more men with prior service and with families will reenlist in view of the greater career opportunities offered under the provisions of this bill. For example, the pay and allowances of a corporal are increased nearly 100 percent over present emoluments.

Question. What is his opinion as to the desirability of having a considerable number of family men in the enlisted ranks?

Answer. As in any other walk of life, it is not considered desirable for a young man embarking on a career to be burdened with a family. During this period he is generally in his teens and is subject to frequent moves, is in no position to offer any stability to a family and in many cases the success of a marriage may well be jeopardized. Until after a young man has established a career, the Army does not encourage early marriages. After approximately 7 years of service when a young man about 24 or 25 has become a career soldier, the Army definitely favors family men in the enlisted ranks and adequate allowances are made for them in this bill.

Enlisted (wife and three children)[1] per month

	Years of service	Basic pay	Family allowance	Quarters	Total
Present:					
Recruit	0	$75	$98	----------	$173.00
Private	½	80	98	----------	178.00
Private first class	1	90	98	----------	188.00
Proposed:					
Recruit	0	75	----------	----------	75.00
Private	½	82.50	----------	----------	82.50
Private first class	1	97.50	----------	----------	97.50

[1] Does not include commutation of rations and quarters. Does not include value of "found"—$108 per month. Under proposed bill, for period of 6 months after enactment, family allowance will be paid in addition to new pay—and then stopped. Those men who then receive less total money may elect to be discharged.

Enlisted (wife and three children)

	Years of service	Basic pay	Family allowances	Quarters	Subsistence	Total
Present:						
E-4 (corporal)	5	$105.00	$98	0		$203.00
E-5 (sergeant)	8	132.25	98	0		230.25
E-6 (staff sergeant)	12	162.00	98	0		260.00
E-7 (master sergeant)	16	206.25	98	0		304.25
Proposed:					See note	
E-4 (corporal)	5	135.00	0	0		135.00
Do	7	142.50	0	$67.50		210.00
E-5 (sergeant)	8	172.50	0	67.50		240.00
E-6 (staff sergeant)	12	210.00	0	67.50		277.50
E-7 (master sergeant)	16	255.00	0	67.50		322.50

NOTE.—All enlisted personnel, under certain conditions, entitled to commutation of rations at $1.05 a day; or depending on availability of facilities, $2.25 per day; or $3 per day, which is left unchanged in the proposed bill.

Officers (second lieutenant, first lieutenant, and captain), wife, and three children

	Years of service	Basic pay	Quarter	Subsistence	Total
Present:					
Second lieutenant	0	$180.00	$60.00	$42.00	$282.00
First lieutenant	3	210.00	75.00	42.00	357.00
Captain	6	253.00	90.00	42.00	385.00
Proposed:					
Second lieutenant	0	225.00	75.00	45.00	345.00
First lieutenant	3	277.50	82.50	45.00	405.00
Captain	6	360.00	90.00	45.00	495.00

The CHAIRMAN. The time of the gentleman from Texas [Mr. BECKWORTH] has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, in view of the fact that all of the other amendments and discussions have been on section 201 (a) and my amendment is an amendment to section 201 (b), I ask unanimous consent that the amendments on 201 (a) may be disposed of and that I may then be recognized to present my amendment to 201 (b).

The CHAIRMAN. The gentleman could not be recognized in the time remaining. According to the request of the chairman of the committee, the final 5 minutes of the time is reserved for the committee.

Mr. DAVIS of Wisconsin. I am not asking for any additional time. I am asking unanimous consent, in order to avoid confusion, and having amendments pending on two different subsections at the same time——

The CHAIRMAN. Is your amendment on a different subsection?

Mr. DAVIS of Wisconsin. It is on subsection 201 (b).

The CHAIRMAN. If the gentleman will ask for recognition at that time instead of at the present time, the Chair will recognize him.

Mr. DAVIS of Wisconsin. But we have fixed the rule on the entire section.

Mr. VINSON. Mr. Chairman, under the agreement the gentleman would have to offer his amendment now to be considered on the entire section instead of section 201 (a). So let the gentleman offer his amendment now, and we will have the benefit of it as we vote on the other amendments.

Mr. DAVIS of Wisconsin. I will make my unanimous-consent request, and if the gentleman wishes to object, he may do so.

Mr. VINSON. I am willing to give the gentleman my 5 minutes. Offer your amendment now and let us see what it is.

The CHAIRMAN. Without objection, the gentleman is recognized for five additional minutes.

Mr. VINSON. It is under the unanimous-consent agreement, Mr. Chairman.

The CHAIRMAN. Under the unanimous-consent agreement, each speaker is recognized for 4 minutes. Five minutes was reserved by the chairman for the committee. Is the gentleman yielding his 5 minutes to the gentleman from Wisconsin?

Mr. VINSON. I am willing to yield my 5 minutes to him to offer his amendment.

Mr. DAVIS of Wisconsin. I have 4 minutes in my own right.

Mr. VINSON. Well, then, offer your amendment.

The CHAIRMAN. Does the Chair understand that the gentleman is recognized for five additional minutes?

Mr. VINSON. No.

The CHAIRMAN. The gentleman is recognized on his own time for 4 minutes, and the Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Wisconsin: On page 9, line 4, after the word "assigned" strike out the balance of line 4, all of line 5, and insert in lieu thereof "except in time of emergency hereafter declared, in accordance with rank or grade of permanent appointment to."

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Can this amendment be pending at this time?

The CHAIRMAN. By unanimous consent it can.

Mr. CASE of South Dakota. But it will not be voted upon until the amendments to the first subparagraph are disposed of?

The CHAIRMAN. The gentleman is correct.

Mr. DAVIS of Wisconsin. Mr. Chairman, if this amendment would be adopted, subsection (b) would read:

For basic pay purposes, commissioned officers are hereby assigned, except in time of emergency hereafter declared, in accordance with rank or grade of permanent appointment.

The purpose of the amendment and the language is clear. The first clause, "except in time of emergency hereafter declared" is to permit the appointment of officers on a temporary basis and pay on a temporary basis in time of emergency. But the remainder of it would place commissioned officers in the pay scale on the basis of permanent appointment.

The gentleman from Texas [Mr. KILDAY] said that the purpose of this bill was to put all officers on a career basis. I believe this amendment is entirely consistent, that it places them on that basis.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. In a moment or two, after I have had a chance to explain my amendment.

Last year this Congress passed an organization act setting up the various components of branches of the armed services and allotted a certain number of officers in the different ranks. The bill as now written without the amendment I have submitted permits a continuation of the evasion of those allotments. We know that there still exists a great many officers in temporary ranks as a hangover from the war. We know that officers continue to hold rank and are appointed to ranks of a temporary nature. It is overloaded on the top levels. Some will say that that is the fault of the Committee on Appropriations; actually, it is not, because it is impossible for them to go into the detail that would be necessary for them to ferret out the fat that exists in the temporary appointments. It seems to me that this amendment raises the issue. It is completely consistent, however, with the purpose of this bill as stated by the gentleman from Texas [Mr. KILDAY]: "As a permanent peacetime proposition, shall the Congress legislate to fill the allotment of officers at various ranks or shall the armed services continue to do so, on a sometimes arbitrary basis, without requiring officers to pass before the boards that are necessary for permanent promotion within the service?"

I think it is important for the morale of the officers of the services in peacetime that the appointments shall be on a regular, recognized basis through boards of appointment and not by an arbitrary method that is permitted under the temporary system of appointment that has been in effect in wartime, and that is necessary in wartime. It seems to me such a system has no place in the peacetime organization of the armed services.

I now yield to the gentleman from Georgia.

Mr. VINSON. One effect of the gentleman's amendment would be that a major given a temporary rank as colonel could only draw the pay of a major.

Mr. DAVIS of Wisconsin. That is correct.

Mr. VINSON. And the other effect would be to disrupt the entire armed services, because you would be flooded with thousands and thousands of resignations. We dealt with that question in the pay bill last year, and it will adjust itself in 1957.

Mr. DAVIS of Wisconsin. I submit, Mr. Chairman, that that is too long to wait for these armed services to fall in line with the mandate of this Congress. Are we making the allotment of officers to the armed services? Or are the armed services going to continue to do it themselves?

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. KILDAY. Would not one effect of the gentleman's amendment be that if you needed a colonel for a period of 3 months you could not promote him for 3 months as is now provided, but would have to make it a permanent appointment?

Mr. DAVIS of Wisconsin. That would be the effect in time of peace, but I cannot see any need for temporarily promoting people to higher rank and paying them at the higher rank under normal peacetime conditions. There is nothing to prevent his being given an appointment as colonel for a temporary period of time, but he could not receive the extra pay for the higher rank during that time.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WILLIAMS] for 4 minutes.

Mr. WILLIAMS. Mr. Chairman, I was somewhat reluctant to take issue with the committee on this bill, particularly in view of the fact that I know these gentlemen have put in many hours of hard work in bringing out this bill, which I believe to be generally good.

Mr. Chairman, I do not take issue with the provisions of this bill relating to retirement and some of the other matters covered, but I do reserve my right as a Member of Congress to disagree with the conclusions of the committee in regard to these increases in pay, particularly in the higher brackets.

It has been stated on the floor by the gentleman from Massachusetts, a member of the subcommittee, that the purpose of raising the pay of officers in the higher brackets was to provide an additional incentive for men to make a career of the armed services. That purpose, in my opinion, fails when you take into consideration the fact that the Army has today some 200,000 applications for approximately 9,000 officer vacancies. That, then, could not be the purpose of this bill, because already you have 20 times as many applications for positions as you have vacancies. It stands to reason that you are going to find one man in 20 who will be capable of fulfilling the duties of his office if he receives a commission. Certainly 1 man in 20 of those applicants will make the service a good, capable, worthy career man.

It was stated here Friday that we needed good men for junior officers and that was the reason the officers' pay was increased in greater percentage than the pay of enlisted men under this bill—it was because we needed the officers to come into the Army and make a career out of it. It has been indicated on the floor here today, however, that the enlisted men are the ones who are being taken care of by this bill rather than the officers. I would like to know which we need; and if we need both, why not give both the same increase across the board?

As a matter of fact, we know that when a man goes into the Army to become a career soldier, he does not look at the pay that the generals receive as an incentive. He looks rather at the pay of the grade that he enlists in. If you are going to increase these salaries as a means of offering an incentive to men to go into service and to make a career out of it, then would it not be more reasonable to give the larger increases to the lower ranks where the enlistments occur?

The proposition has been raised that capable men are resigning from the Army to go into private industry. It has been a long-standing rule that the Government cannot compete in salaries with private industry. If we did, we would have to double taxes. Before the Committee on Post Office and Civil Service, which was recently considering a bill to raise salaries of the executive heads of Government agencies, the same question was raised, Should the Government attempt to compete with private industry in the matter of paying salaries? Not one member, not one witness, not one person who appeared before our committee at that time contended that the Government could possibly compete with private enterprise or with private industry in the payment of salaries. So, if it cannot compete, is there an added incentive for capable men to join lower ranks, by raising salaries in the upper brackets by 30 or 40 percent?

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I will try the best I can to answer the gentleman who just preceded me in regard to who gets the money. First of all, we must recognize the fact that there is at the present time a tremendous shortage of officers in what we might call the lower ranks. We also know that there are hundreds, perhaps many thousands, of men who have had previous military experience and would like to get back into a commissioned status. We know also that the ratio of commissioned officers is geared to the number of enlisted men that we have in the service. If under that ratio or quota of majors or captains or colonels we are limited to say 2,000, and the 2,000 are there now, there is no opportunity for another man who holds the same rating to get into the service. If by chance he were taken in, then those in the lower rank, who ought to be going up, cannot go up because the fellow who has just come in has taken the position he logically is entitled to.

We must maintain a proper incentive for the men in the lower ranks, so that when a vacancy exists above they may have an opportunity to fill that vacancy. I can well understand how the Army or the Navy or the Marine Corps or the Air Corps cannot take in all who apply, because we know, as the result of the war, when we trained a large number of officers in the various ranks, that there is just no place for them, and if we would take them all in we would just crowd out the boys trying to make the service a career.

Reference was made to the junior officers that the Army is now trying to get. As I said before, over 4,500 officers in the military forces resigned last year. Of the 1948 ROTC and military college graduates the Army selected 899, but only 110 accepted a commission. Out of the class of 1949, of 1,003 who had been designated by the Army as being eligible, only 7 have accepted a commission. Now, we know that the men in the so-called petty officer grades are getting the best of this bill. The pay allowance of the chief petty officer will be increased by this bill 30.16 percent; the pay of the second-grade petty officer will be increased nearly 33.77 percent; the pay of the third-grade petty officer will be increased 38.63 percent and the pay of the fourth-grade petty officer will be increased 28.57 percent. Those are the men we are trying to retain in the service, because an examination of the fourth-grade men discloses that during the first 6 months of fiscal year 1949 only 16 percent have indicated their desire to enlist. Eighty-four percent did not reenlist during this year. Seventy-six percent of the third pay grade did not reenlist and 56 percent of the second pay grade did not reenlist. We are trying to rectify that situation by giving them pay and allowances which will substantially increase what we might call the take-home pay that they will receive over 30 percent and above what they now receive. We are trying to do the job on a scientific basis because we know that that is the only way we are going to keep them in there. We should keep in mind the pay reduction that the men in the military are taking this year as the result of the expiration of the income-tax exemption. Those are the thoughts that we want to keep in mind in voting on this bill.

The CHAIRMAN. The Chair recognizes the chairman of the Committee on Armed Services to close debate.

Mr. KILDAY. Mr. Chairman, of course, under the parliamentary situation, as I understand it, we have three amendments pending now. I believe the vote will come first on the amendment offered by the gentleman from Missouri, which is a substitute, of course, for the Case amendment.

The first vote, as I understand the situation, will come on the amendment offered by the gentleman from Missouri [Mr. BOLLING]. It is in the form of a substitute for the amendment offered by the gentleman from South Dakota [Mr. CASE]. Therefore, if the Bolling amendment should prevail, we will never have a chance to vote directly upon the amendment offered by the gentleman from South Dakota [Mr. CASE].

I believe the amendment offered by the gentleman from Missouri [Mr. BOLLING] is most disruptive of all the work done by the Hook Commission and by the Committee on Armed Services. It disregards entirely the philosophy of the bill. It does away with the theory that men should be compensated on the basis of the service performed and responsibility undertaken. It substitutes for very carefully worked out pay scales, worked out after much effort and much comparison with industry, and full consideration of income-tax deductions and all matters of that kind, a series of figures and scales which I understand the gentleman has arrived at arbitrarily or in conversation with some of his fellows here in the House, and not upon any well-worked-out basis.

Should that prevail, we will continue the patchwork system we have had for years, under which there is no rhyme or reason to the pay scales, and there are no proper differentials between the various ranks and grades. It would mean that in the future, if there is a necessity either to increase or decrease the military pay, you will have to go through exactly what the Hook Commission and this committee have been through, because you could not percentagewise do anything toward increasing or decreasing service pay. It would put us back exactly where we are. It would destroy the most desirable feature of the bill.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Missouri.

Mr. BOLLING. In view of what the gentleman has said about the way I arrived at my figures, let me say that I attempted to take advantage of all the

hard work of the Hook Commission and also of the hard work of the Committee on Armed Services, and add to that a realistic appraisal of those perquisites received by the higher ranking officers.

Mr. KILDAY. Just the same, the gentleman stated that he did not proceed percentagewise nor in a manner of that kind. He simply decided upon a total amount for each pay period and substituted that for what the Commission decided. As to the perquisites, I do not know. The gentleman and some other gentlemen here have referred to perquisites. I have had quite a long observance of the armed services, but I have not seen them. I have seen the boys working in the kitchens and I have also seen them paid for it. Those things do not constitute perquisites, although some gentlemen seem to think that they do. However, I must insist it is an arbitrary figure arrived at without any scientific investigation of the situation.

In that respect, the Case amendment is much better than the Bolling amendment, because it proceeds percentagewise on the basis of what has been worked out by the Commission. On the other hand, I still believe that the figures which we have in the bill are the proper figures, that they do constitute proper, adequate, and not excessive pay increases. I think what we have done with reference to the enlisted men proceeds along the same scientific basis and that now, once and for all, we ought to be able to establish a military pay system which in the future will be as available to us at the date we adopted it, and which could be increased or decreased percentagewise in a bill in a matter of a line or two.

While the so-called Case amendment is far preferable to the Bolling amendment, I sincerely trust that the work of the Hook Commission will be carried out, and that both amendments will be rejected. I do not think it is even necessary to refer to the amendment of the gentleman from Tennessee, because it would leave all the Armed Services without any pay and therefore there is not much danger of its being adopted. I hope this amendment will be defeated and that the work of the committee, as recommended by the Hook Commission will be sustained.

The CHAIRMAN. The time of the gentleman has expired. All time has expired for debate on this section and amendments thereto.

The question is on the amendment offered by the gentleman from Missouri [Mr. BOLLING], as a substitute for the amendment offered by the gentleman from South Dakota [Mr. CASE].

The question was taken; and on a division (demanded by Mr. BOLLING) there were—ayes 41, noes 98.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 65, noes 91.

Mr. CASE of South Dakota. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. KILDAY and Mr. CASE of South Dakota to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 85, noes 103.

So the amendment was rejected.

Mr. FURCOLO. Mr. Chairman, I offer an amendment which is on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO:

Page 9, in the chart, strike out the figure "75" opposite the pay grade heading E 1 under the headings "over 8", "over 10", "over 12", "over 14", "over 16", "over 18", "over 22", "over 26", "over 30."

Insert the following figures under the respective heading: "over 8", "77"; "over 10", "79"; "over 12", "81"; "over 14", "83"; "over 16", "85"; "over 18", "87"; "over 22", "89"; "over 26", "91"; "over 30", "93."

Mr. FURCOLO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FURCOLO. May the Chair state that the amendment shows that after 8 years it provides $2 per month raise for the enlisted man?

The CHAIRMAN. That is not a parliamentary inquiry.

The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded Mr. FURCOLO) there were—ayes 27, noes 72.

So the amendment was rejected.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Mr. Chairman, in view of the time that has elapsed and the number of Members who have come in since the amendment was explained, I ask unanimous consent that the amendment may again be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 33, noes 77.

So the amendment was rejected.

The Clerk read as follows:

SERVICE CREDITABLE IN COMPUTATION OF BASIC PAY

SEC. 202. (a) Subject to the provisions of subsections (b), (c), and (d) of this section, in computing the cumulative years of service to be counted by members of the uniformed services for determining the amount of basic pay they are entitled to receive upon completion of such years of service, such members shall be credited with—

(1) full time for all periods of active service as a commissioned officer, commissioned warrant officer, warrant officer, Army field clerk, flight officer, and enlisted person in any Regular or Reserve component of any of the uniformed services; and

(2) full time for all periods during which they were enlisted or held appointments as commissioned officers, commissioned warrant officers, warrant officers, Army field clerks, or flight officers, in any of the Regular components of the uniformed services, or in the Regular Army Reserve, or in the Organized Militia prior to July 1, 1916, or in the National Guard, or in the National Guard Reserve, or in the National Guard of the United States, or in the Organized Reserve Corps, or in the Officers' Reserve Corps, or in the Enlisted Reserve Corps, or in the Medical Reserve Corps, or in the Medical Reserve Corps of the Navy, or in the Dental Reserve Corps of the Navy, or in the Naval Militia, or in the National Naval Volunteers, or in the Naval Reserve Force, or in the Naval Reserve, or in the Air National Guard, or in the Air National Guard of the United States, or in the Air Force Reserve, or in the officers' section of the Air Force Reserve, or in the enlisted section of the Air Force Reserve, or in the Air Corps Reserve, or in the Army of the United States without specification of any component thereof, or in the Air Force of the United States without specification of any component thereof, or in the Marine Corps Reserve Force, or in the Marine Corps Reserve, or in the Coast Guard Reserve, or in the Reserve Corps of the Public Health Service, or in the Philippine Scouts, or in the Philippine Constabulary; and

(3) for commissioned officers in service on June 30, 1922, all service which was then counted in computing longevity pay, and service as a contract surgeon serving full time; and

(4) full time for all periods during which they held appointments as nurses, reserve nurses, or commissioned officers in the Army Nurse Corps, the Navy Nurse Corp, the Nurse Corps of the Public Health Service, or the Reserve components thereof; and

(5) full time for all periods during which they were deck officers or junior engineers in the Coast and Geodetic Survey; and

(6) all service which, under any provision of law in effect on the effective date of this section is authorized to be credited for the purpose of computing longevity pay.

(b) Members of the uniformed services shall accrue additional service credit for basic pay purposes, for period while on a temporary disability retired list, honorary retired list, or a retired list of any of the uniformed services, or while authorized to receive retired pay, retirement pay, or retainer pay as a member of the Fleet Reserve or Fleet Marine Corps Reserve, from any of the uniformed services or from the Veterans' Administration, or while a member of the Honorary Reserve of the Officers' Reserve Corps or Organized Reserve Corps: *Provided*, That, except for active service as prescribed in section 202 (a) (1), the service credit authorized in this section shall not be included to increase retired pay, disability retirement pay, retirement pay, or retainer pay while on a retired list, on a temporary disability retired list, in a retired status, or in the Fleet Reserve or Fleet Marine Corps Reserve.

(c) The periods of time hereinabove authorized to be counted in the computation of basic pay shall, under such regulations as the Secretary concerned may prescribe, include all service heretofore or hereafter performed by members of the uniformed services prior to their attainment of 18 years of age.

(d) The period of time to be counted in the computation of basic pay shall be the total of all periods authorized to be counted for such purpose in any of the uniformed services, but the same period of time shall not, for any reason, be counted more than once: *Provided*, That retired enlisted men heretofore or hereafter retired with credit for 30 years' service in the Army, Navy, or

Marine Corps, and who served beyond the continental limits of the United States between 1898–1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now or hereafter provided for the grade in which retired.

With the following committee amendment:

Page 14, line 19, after the comma insert "except as provided in title IV of this act."

The committee amendment was agreed to.

The Clerk read as follows:

SPECIAL PAY—DOCTORS AND DENTISTS

SEC. 203. (a) The term "commissioned officers", as used in this section, shall be interpreted to mean only (1) those commissioned officers in the Medical and Dental Corps of the Regular Army, Navy, and Air Force and commissioned medical and dental officers of the Regular Corps of the Public Health Service who were on active duty on September 1, 1947; (2) those officers who, heretofore but subsequent to September 1, 1947, have been or who, prior to September 1, 1952, may be commissioned in the Medical and Dental Corps of the Regular Army, Navy, and Air Force or as medical and dental officers of the Regular Corps of the Public Health Service; (3) such officers who on September 1, 1947, were or who thereafter have been or may be commissioned in the Medical and Dental Corps of the Officers' Reserve Corps, the United States Air Force Reserve, the Naval Reserve, the National Guard, the National Guard of the United States, the Air National Guard, the Air National Guard of the United States, the Army of the United States, the Air Force of the United States, or as medical and dental officers of the Reserve Corps of the Public Health Service and who heretofore, but subsequent to September 1, 1947, have volunteered and been accepted for extended active duty of 1 year or longer, or who may, prior to September 1, 1952, volunteer and be accepted for extended active duty of 1 year or longer; (4) general officers appointed from the Medical and Dental Corps of the Regular Army, the Officers' Reserve Corps, the National Guard, the National Guard of the United States, the Army of the United States, the Regular Air Force, the United States Air Force Reserve, the Air National Guard, the Air National Guard of the United States, and the Air Force of the United States who were on active duty on September 1, 1947; and (5) general officers who subsequent to September 1, 1947, have been or who may be appointed from those officers of the Medical and Dental Corps of the Regular Army, the Officers' Reserve Corps, the National Guard, the National Guard of the United States, the Army of the United States, the Regular Air Force, the United States Air Force Reserve, the Air National Guard, the Air National Guard of the United States, and the Air Force of the United States who are included in part (1), (2), or (3) of this subsection.

(b) In addition to any pay, allowances, or special pays that they are otherwise entitled to receive, commissioned officers as defined in subsection (a) of this section shall be entitled to receive special pay at the rate of $100 per month for each month of active service: *Provided*, That such sum shall not be included in computing the amount of increase in pay authorized by any other provision of this act or in computing retired pay, disability retirement pay, or any severance pay: *Provided further*, That the commissioned officers described in subsection (a) (3) of this section shall be entitled to receive the pay provided by this subsection only during periods of volunteer service: *And provided further*, That no commissioned officer as described in subsection (a) of this section shall, while he is serving as a medical or dental intern, be entitled to receive the special pay of $10 per month as is provided in this subsection.

With the following committee amendment:

Page 17, line 23, strike out "$10" and insert "$100."

The committee amendment was agreed to.

Mr. BREHM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BREHM: Page 15, line 15, strike out "doctors" and insert "physicians."

Mr. KILDAY. Mr. Chairman, the committee will accept that amendment.

Mr. BREHM. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BREHM].

The amendment was agreed to.

The Clerk read as follows:

SPECIAL PAY—HAZARDOUS DUTY

SEC. 204. (a) Subject to such regulations as may be prescribed by the President, members of the uniformed services entitled to receive basic pay shall, in addition thereto, be entitled to receive special pay for the performance of hazardous duty required by competent orders. The following duties shall constitute hazardous duties:

(1) duty as a crew member as determined by the Secretary concerned, involving frequent and regular particpation in aerial flight;

(2) duty on board a submarine, including submarines under construction from the time builders' trials commence;

(3) duty involving frequent and regular participation in aerial flights not as a crew member pursuant to part (1) of this subsection;

(4) duty involving frequent and regular participation in glider flights;

(5) duty involving parachute jumping as an essential part of military duty;

(6) duty involving intimate contact with persons afflicted with leprosy;

(7) duty involving the demolition of explosives as a primary duty, including training for such duty;

(8) duty at a submarine escape training tank, when such duty involves participation in the training; and

(9) duty at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit, when such duty involves participation in training.

(b) For the performance of hazardous duty as prescribed in part (1) or (2) of subsection (a) of this section, members of the uniformed services qualifying for the special pay authorized pursuant to said subsection shall be entitled to be paid at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes;

Pay grade	Monthly rate	Pay grade	Monthly rate
O–8	$100.00	W–2	$100.00
O–7	100.00	W–1	100.00
O–6	210.00	E–7	75.00
O–5	180.00	E–6	67.50
O–4	150.00	E–5	60.00
O–3	120.00	E–4	52.50
O–2	110.00	E–3	45.00
O–1	100.00	E–2	37.50
W–4	100.00	E–1	30.00
W–3	100.00		

(c) For the performance of any hazardous duty as prescribed in parts (3) to (9), inclusive, of subsection (a) of this section by officers and enlisted persons qualifying for the special pay authorized pursuant to said subsection, officers shall be entitled to be paid at the rate of $100 per month, and enlisted persons shall be entitled to be paid at the rate of $50 per month.

(d) The President may, in time of war, suspend the payment of special pay for the performance of any or all hazardous duty or may prescribe that members of the uniformed services entitled to receive basic pay who are performing duties, other than those prescribed in subsection (a) of this section, in certain areas or under certain conditions which involve more than ordinary military risk or danger shall, in addition to basic pay, be entitled to receive special pay for hazardous duty at rates not to exceed those prescribed in either subsection (b) of this section or at rates not to exceed those prescribed in subsection (c) of this section, as may be determined by the President, in accordance with the pay grade to which assigned or in which distributed for basic pay purposes or their ranks or grades, as the case may be.

(e) No aviation cadet shall be entitled to receive any special pay authorized pursuant to this section.

(f) No member of the uniformed services shall be entitled to receive more than one payment of any special pay authorized pursuant to this section for the same period of time during which he may qualify for more than one payment of such special pay.

With the following committee amendments:

Page 20, line 8, after the word "duty" insert "either."

Page 20, line 9, strike out the word "either."

Page 20, line 13, strike out the words "ranks or grades" and insert the words "ranks, grades, or ratings."

The committee amendments were agreed to.

Mr. FURCOLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO: Page 19, after line 12, strike out the figures in the chart under the heading 'Monthly rate" and insert the figure "$30" in each place where any figure appears under the heading "Monthly rate."

Mr. FURCOLO. Mr. Chairman, I have offered an amendment here, and I do not have any particular interest in the figure "$30." I am satisfied with whatever figure the Committee in its good judgment decides. But the purpose of this amendment, and another one I will offer down a little bit lower on page 19, is in connection with hazardous pay, so-called.

Now, you know in the service they start out by paying certain qualified men, officers, and so on, a little greater rate of pay, basing it on the perhaps logical fact that they are more qualified, more able, and have more brains, or whatever you may want to call it. Then they also have a system of setting up hazardous pay which has to do with some sort of perilous duty. That sort of duty has nothing whatever to do with whether or not a man has brains or is qualified or anything else; in other words, the same reasoning that applies to the system whereby you pay one man more than another does not apply to this hazardous-pay section.

If the bill is passed in its present form, what it means is this: If you send out a lieutenant commander and an enlisted man in a submarine and you say, "Well,

now, you are going on a hazardous journey, there is some peril attached to this, so we are going to give you a bonus because you may lose your life," you say to the lieutenant commander, "We are going to give you $150 bonus," but to the enlisted man we say, "We are going to give you a $30 bonus." In other words, this Congress is putting its stamp of approval on the fact that in the eyes of Congress and the military, the life of an enlisted man is not worth as much as the life of an officer. I say, whether you put the hazardous bonus at $30 or $50 or $100, whatever it may be, it should be the same for all. Under the system as it is now, if a major and several enlisted men go up in an airplane, you do the same thing. You say to all those men when they start out, "You have a hazardous duty here. If you go, we are going to give you a bonus," and you give the major $150 and you give the enlisted man $30. I do not think that is a fair and just system. I do not think anything is worse for the morale of the service than that particular system. I think in Congress here we should say, if all of these men are going to risk their lives on hazardous duty which has nothing to do with qualifications or basic pay schedule, that "We are going to treat you all alike as far as hazardous, perilous duty is concerned, so that an enlisted man who takes that risk gets the very same thing as the officer does."

I might add, without any criticism of the officers, that it is probable that the enlisted man will be subjected to more risks than the officer. A little later on I have the same amendment with reference to subsection (c), changing that the same way.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the words, "hazardous-duty pay" are a misnomer. It happens to be that we have carried that language in the law for quite some period of time, and it is understood that it relates to this type of duty. The proper term is "incentive pay"; that it is for the purpose of attracting men to perform this type of duty. It might be that we should never have gone to a percentagewise basis for hazardous pay. But, it so happens that back at the beginning of the First World War, when few of us were here except our illustrious chairman, they did adopt the provision for 50 percent of base or longevity pay as the proper basis for incentive pay, and it has continued down through the years.

Many of us have wanted to do something about the readjustment of this for a long time. The Hook Commission finally gave us a formula which seems workable, one that we think can begin the revision and finally settle the matter entirely.

No longer will a major general get $4,400 a year for flight duty. He will get only $1,200 a year under this bill. We have reduced him that much. We permit the second lieutenant to get a little bit more flying pay than he got before. He goes from about $90 to $100 a month on his flight pay.

Of course every man's life is as dear to himself and his loved ones as any other man's life. I am surely not going to contend that any ratio should be justified on the basis of the hazard to his life that is assumed. But I also realize that to a man in the higher pay brackets the amount of money to constitute an incentive must vary because the matter is relative. It depends on the amount of money you are receiving, the equation which a little bit more would make as compared to what you are receiving. We submit it to you on the basis that it is incentive pay rather than hazardous-duty pay. We feel that the differential must exist in order to attract the men in the higher pay brackets.

It is also true that most of the casualties occur among the pilots of the planes, and most of those are the commissioned officers. A $30-a-month hazardous-duty pay in the case of a colonel would be very little incentive, in my opinion. It depends upon the ratio it bears to his other income. I trust that this amendment will be defeated and that we will be sustained in the first revision of this type of pay that has been undertaken since 1917, the first time we have found a formula under which we can do something about the present hazardous-duty pay.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. I should like to point out to the gentleman, if I may, first of all, that I said as far as I was concerned the figure of $30 was not governing with me. I am satisfied to take the gentleman's opinion on it. Secondly, on page 2224 of the hearings, with reference now to the morale of the armed services, may I point out that one of the very few enlisted men who testified said:

> Sir, I believe that whenever eight men are in an airplane each one of them holds his own life as dear to himself as any other man in that airplane.

That has a great deal to do with the morale of the services, and there is nothing that would help them more than that amendment.

Mr. KILDAY. We agree that the hazard is the same, but when you regard it in its proper light, as an incentive pay, then I do not believe you are justified in that position.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. I cannot speak for the other branches, but as a former pilot in the Air Force I found that after flying for 6 or 8 months the novelty wears off, it begins to become monotonous, and it becomes routine. You do not exactly look forward to flying as you did when you first started. I dare say that if it were not for flying pay, for this added incentive, we would not have enough men in the Air Force to fly our airplanes.

Mr. KILDAY. I thank the gentleman. I think that is true. The larger your income, of course, the more the incentive must be.

Mr. FORD. Mr. Chairman, I offer a substitute for the Furcolo amendment.

The Clerk read as follows:

> Amendment offered by Mr. FORD as a substitute for the amendment offered by Mr. FURCOLO: On page 19, after line 12, strike out of the chart the following:
>
> "O–8 ..... $100
> O–7 ..... 100"

Mr. FORD. Mr. Chairman, this particular section of the bill pertains to hazardous-duty pay. The committee has made some excellent changes in the present law on this problem. Under the category of hazardous-duty pay the bill includes flying and submarine duty, glider duty, parachute duty, diving duty, submarine escape, deep-sea diving, and leprosy duty.

Under my amendment we would remove only the hazardous-duty pay or the incentive pay as far as the categories of O–8 and O–7 are concerned. Who does this affect? It affects the following members of the armed services: Generals, lieutenant generals, and major generals, and in the Navy, Coast Guard, and Coast and Geodetic Survey, admirals, vice admirals, and rear admirals in the upper half; and I might add, under O–7, brigadier generals and rear admirals in the lower half, and some people in the Public Health Service.

It appears that the committee in its judgment, and I think wisely so, has completely revised the hazardous-duty-pay system in their bill compared to the way it exists at the present time. If you will turn to page 50 of the committee report, you will find that men who are in the category of major general receive under the present law $366.66. Under the proposed bill they will receive simply $100. In other words, in effect, this $100 is a token payment for something that existed in the past. Under the category of brigadier general or the category of rear admiral in the lower half they presently get $275 a month. This bill would give them $100 a month. I say again it is merely a token payment to continue a system which the committee itself considers improper.

It seems to me the best illustration of the present situation is the case of General Eisenhower. I have figures which show that when he was in the service he received around $15,000 a year. Under the present law a general of comparable rank who was an Air Force officer receives $15,000 plus 50 percent of a part of that amount. There is no question that during the last war General Eisenhower probably flew as much as the Air Force general who was getting the 50 percent extra in the same rank.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. VINSON. The gentleman has his figures somewhat confused. It is 50 percent of the base pay, and the highest base pay in the Army is $8,800. Therefore, that is what the flight pay would amount to. What we are trying to do here is to get away from that 50 percent of the base pay. We are trying to cut it down and make provision here so that a major general and a brigadier general

will get $100. The brigadier general in the Air Force is the man who leads the wing attack. The most important person to lead his squadron is the brigadier, and you are proposing in your amendment to eliminate him altogether.

Mr. FORD. I can say, from personal experience in the Navy, that the man with comparable rank in the Navy did not lead the attacks in the Navy Air Corps. They were aboard ship and that is where they should have been. But still they were getting their 50 percent extra as flight pay for combat flying, which I say is wrong.

Mr. VINSON. The skipper should always be able to do that which he orders someone else to do.

Mr. FORD. But they did not do it.

Mr. VINSON. Exactly. But he is qualified to do it, and under this bill under certain conditions he will do it and we compensate him for it.

Mr. FORD. I doubt if on any occasion in the last war did any admiral, vice admiral, or rear admiral ever lead any combat flight, and that is what we were paying them for in World War II. I think that is wrong. I am not familiar with the Air Force, but the rear admirals and other flag officers in the Navy put in their flight time by flying the requisite 4 hours per month in noncombat flying. I do not think they should be compensated an extra 50 percent or even an extra $100 per month because officers of comparable rank in other branches of the service were doing equally good jobs and were flying just as many hours.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. KILDAY. Speaking of generals who are combat aviators, can the gentleman tell me where General Tinker is at the present time?

Mr. FORD. As I said before, I am not fully informed as to the situation in the Air Force, but I can tell you that just as many people in the Ground Forces were flying from one place to another and probably being killed in an equal number of situations.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the gentleman have one extra minute so I may read him a statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. The statement is as follows:

During World War II over 90 general officers in the Air Forces personally led their forces in combat. Ten were killed.

Mr. FORD. How many generals in the Ground Forces were there, who were flying from one place to another and who were not getting flight pay, who were also killed in flight accidents? I think that is the only way you can compare the situation.

Mr. POTTER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. POTTER. Can the gentleman tell the committee how much hazardous-duty pay the Infantry officers received during the war from the second lieutenants on up?

Mr. FORD. I am quite sure that everyone knows that the Infantry did not receive hazardous-duty pay for their valiant services. I say we ought to compensate the people who fly in combat, but we should not give extra hazardous-duty pay to those flag officers, rear admiral and above, who are simply doing routine flying.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. KILDAY. Of course, this bill contains a provision under which in the future all of this hazardous-duty pay can be suspended in time of war. It is discretionary with the President, but he would have the power hereafter to put all branches of the service on the same plane when it came to hazardous pay.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has expired.

The question is on the substitute amendment offered by the gentleman from Michigan [Mr. FORD] to the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO].

The question was taken; and on a division (demanded by Mr. FORD) there were—ayes 28, noes 71.

So the substitute amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO].

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 40, noes 72.

So the amendment was rejected.

Mr. FURCOLO. Mr. Chairman, I offer another amendment which is on the desk.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO: On page 19, line 17, after the word "of" strike out "$100" and insert "$50."

Mr. FURCOLO. Mr. Chairman, I am not going to take time on this, because it is exactly the same amendment that has just been defeated. The reasoning is exactly the same, the only difference being that in this case it seeks to make it $50 a month for both officers and enlisted men. The reasoning is exactly the same with regard to both amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO].

The question was taken; and on a division (demanded by Mr. VINSON) there were—ayes 48, noes 69.

So the amendment was rejected.

The Clerk read as follows:

SPECIAL PAY—DIVING DUTY

SEC. 205. (a) An enlisted person of the uniformed services entitled to receive basic pay and assigned to the duty of diving shall, in addition to basic pay, be entitled to receive special pay, under such regulations as may be prescribed by the Secretary concerned, at the rate of not less than $5 per month and not exceeding $30 per month.

(b) Members of the uniformed services entitled to receive basic pay and employed as divers in actual salvage or repair operations in depths of over 90 feet, or in depths of less than 90 feet, when the officer in charge of the salvage or repair operation shall find, in accordance with regulations prescribed by the Secretary concerned, that extraordinary hazardous conditions exist, shall, in addition to basic pay, be entitled to receive the sum of $5 per hour for each hour or fraction thereof while so employed. The amounts authorized to be paid pursuant to this subsection shall, in the case of enlisted persons, be in addition to the amounts authorized pursuant to subsection (a) of this section.

(c) No member of the uniformed services shall be entitled to receive the special pay authorized pursuant to this section in addition to hazardous-duty pay authorized pursuant to section 204 of this act.

(d) The President may, in time of war, suspend the payment of diving duty pay.

SPECIAL PAY—SEA AND FOREIGN DUTY

SEC. 206. Under such regulations as the President may prescribe, enlisted persons of the uniformed services entitled to receive basic pay shall, in addition thereto, while on sea duty or while on duty in any place beyond the continental limits of the United States or in Alaska, be entitled to receive pay at the following monthly rates:

Pay grades:	*Monthly rates*
E–7	$22.50
E–6	20.00
E–5	16.00
E–4	13.00
E–3	9.00
E–2	8.00
E–1	8.00

SPECIAL PAY—REENLISTMENT BONUS

SEC. 207. (a) Members of the uniformed services who enlist under the conditions set forth in subsection (b) of this section within 3 months from the date of their discharge or separation, or within such lesser period of time as the Secretary concerned may determine from time to time, shall be paid a lump sum reenlistment bonus of $40, $90, $160, $250, or $360 upon enlistment for a period of 2, 3, 4, 5, or 6 years, respectively; and, upon enlistment for an unspecified period of time a lump sum reenlistment bonus of $360 shall be paid, and, upon the completion of 6 years' enlisted service in such enlistment, for each year thereafter a lump-sum payment of $60 shall be made, subject to the limitation that the total amount paid shall not exceed $1,440. No reenlistment bonus shall be paid for more than four enlistments entered into after the effective date of this section: *Provided*, That the bonus to be paid in the case of a person reenlisting for a period which would extend the length of his active Federal service beyond 30 years shall be computed as if said reenlistment were for the minimum number of years necessary to permit such person to complete 30 years' active Federal service.

(b) For the purpose of payment of the reenlistment bonus authorized by subsection (a) of this section, enlistment in one of the Regular services following (1) compulsory or voluntary active duty in such service, or (2) extended active duty of 1 year or more in a Reserve component of such service, shall be considered a reenlistment.

(c) Enlisted persons of the uniformed services, who, prior to expiration of the period for which they have reenlisted, extend their reenlistment to any one of the longer enlistment periods mentioned in subsection (a) of this section, shall be paid the sum of $20 for each year of such extension subject to the limitations contained in subsection (a) of this section.

(d) Notwithstanding the provisions of subsection (a) of this section, a member of the uniformed services who reenlists within 3 months after being discharged from the enlistment entered into prior to the date of enactment of this act, or who reenlists within 3 months after being relieved from active service as a commissioned officer or warrant

officer under appointment made prior to the date of enactment of this act if such commissioned or warrant service immediately followed enlisted service, shall be entitled to receive either (1) enlistment allowances in the amount and under the provisions of law in effect immediately prior to the date of enactment of this act, or (2) reenlistment bonus in the amount and under the provisions of this section, whichever is the greater amount: *Provided,* That the enlistment allowance payable under (1) hereunder shall in no event exceed $300.

(e) The Secretary concerned shall prescribe regulations for the administration of this section in his department.

TITLE III—PROVISIONS RELATING TO ALLOWANCES

BASIC ALLOWANCES FOR SUBSISTENCE

SEC. 301. (a) Except as otherwise provided in this section or by any other provision of law, each member of the uniformed services entitled to receive basic pay shall be entitled to receive one basic allowance for subsistence in such amount and under such circumstances as are provided in, or may be prescribed pursuant to, this section.

(b) The President may, semiannually, prescribe the amounts which shall constitute the basic allowance for subsistence for officers and enlisted persons. For enlisted persons such allowance shall be one of three types: (1) when rations in kind are not available; (2) when permission to mess separately is granted; or (3) when assigned to duty under emergency conditions where no Government messing facilities are available. Officers shall, at all times, be entitled to receive a subsistence allowance on a monthly basis. Enlisted persons shall be entitled to receive the appropriate allowance on a daily basis when rations in kind are not available, when permission to mess separately is granted, or when assigned to duty under emergency conditions where no Government messing facilities are available.

(c) Enlisted persons shall be entitled to receive the appropriate basic allowance for subsistence while on an authorized leave of absence or while sick in hospital: *Provided,* That any such allowance shall not accrue when such persons are, in fact, being subsisted at Government expense.

(d) Payment of the basic allowance for subsistence, when authorized, may be made to enlisted persons in advance for a period of not exceeding 3 months.

(e) The President may prescribe regulations for the administration of this section.

(f) Until such time as the President shall prescribe the amounts of the basic allowance for subsistence pursuant to subsection (b) of this section and the regulations pursuant to subsections (a) and (e) of this section, members of the uniformed services otherwise entitled to receive such allowance pursuant to this section shall, subject to such regulations as the Secretary concerned may prescribe, be entitled to receive the following amounts:

Officers	$45 per month.
Enlisted persons when rations in kind are not available.	$2.25 per day.
Enlisted persons when permission to mess separately is granted.	$1.05 per day.
Enlisted persons when assigned to duty under emergency conditions where no Government messing facilities are available.	Not to exceed $3 per day as determined by the Secretary concerned.

BASIC ALLOWANCE FOR QUARTERS

SEC. 302. (a) Except as otherwise provided in this section or by any other provision of law, members of the uniformed services entitled to receive basic pay shall be entitled to receive a basic allowance for quarters in such amount and under such circumstances as are provided in, or may be prescribed pursuant to, this section: *Provided,* That an enlisted member in grade E–4 (less than 7 years' service), E–3, E–2, and E–1, shall be considered at all times as a member without dependents for the purposes of this section.

(b) The President may, annually, prescribe the amounts which shall constitute the basic allowance for quarters for officers and enlisted persons.

(c) Except as otherwise provided by law, no basic allowance for quarters shall accrue to members of the uniformed services assigned to Government quarters or housing facilities under the jurisdiction of the uniformed services, appropriate to their rank, grade, or rating and adequate for themselves and dependents, if with dependents.

(d) No basic allowance for quarters shall accrue to any member of the uniformed services without dependents while on field duty, unless his commanding officer certifies that he was necessarily required to procure quarters at his own expense, or while on sea duty: *Provided,* That field duty or sea duty for temporary periods of less than 3 months shall not be considered as field duty or sea duty for purposes of this subsection.

(e) No member of the uniformed services assigned to Government quarters or housing facilities under the jurisdiction of the uniformed services shall be denied his basic allowance for quarters if, by reason of orders of competent authority, his dependents are prevented from occupying such quarters.

(f) The President may prescribe regulations for the administration of this section, and such regulations shall include, but not be limited to, definitions of the terms "field duty" and "sea duty."

(g) Until such time as the President prescribes the amounts of the basic allowances for quarters pursuant to subsection (b) of this section and the regulations pursuant to subsections (a) and (f) of this section, members of the uniformed services otherwise entitled to such allowance pursuant to this section shall, subject to such regulations as the Secretary concerned may prescribe, be entitled to receive a basic allowance for quarters at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

Pay grade	With dependents	Without dependents
O–8	$150.00	$120.00
O–7	150.00	120.00
O–6	120.00	105.00
O–5	120.00	90.00
O–4	105.00	82.50
O–3	90.00	75.00
O–2	82.50	67.50
O–1	75.00	60.00
W–4	105.00	82.50
W–3	90.00	75.00
W–2	82.50	67.50
W–1	75.00	60.00
E–7	67.50	45.00
E–6	67.50	45.00
E–5	67.50	45.00
E–4 (7 or more years' service) [1]	67.50	45.00
E–4 (less than 7 years' service) [1]		45.00
E–3		45.00
E–2		45.00
E–1		45.00

[1] Service authorized to be credited in computation of basic pay pursuant to section 202 of this act.

TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 303. (a) Under regulations prescribed by the Secretaries concerned, members of the uniformed services shall be entitled to receive travel and transportation allowances for travel performed or to be performed under competent orders (1) upon a change of permanent station, or otherwise, or when away from their designated posts of duty regardless of the length of time away from such designated posts of duty; (2) upon appointment, call to active duty, enlistment, or induction, from home or from the place from which ordered to active duty to first station; and (3) upon separation from the service, placement upon the temporary disability retired list, release from active duty, or retirement, from last duty station to home or to the place from which ordered to active duty, regardless of the fact that such member may not be a member of the uniformed services at the time his travel is performed or is to be performed. Allowances above authorized may be paid without regard to the comparative costs of the various modes of transportation. The respective Secretaries concerned may prescribe (1) the conditions under which travel and transportation allowances shall be authorized, including advance payments thereof, and (2) the allowances for types of travel not to exceed amounts herein authorized. The travel and transportation allowances which shall be authorized for each type of travel shall be limited to one of the following: (1) Transportation in kind, reimbursement therefor, or a monetary allowance in lieu of cost of transportation at a rate not in excess of 7 cents per mile based on distances established or to be established over the shortest usually traveled routes, in accordance with mileage tables prepared by the Chief of Finance of the Department of the Army under the direction of the Secretary of the Army; (2) transportation in kind, reimbursement therefor, or a monetary allowance as provided in (1) of this sentence, plus a per diem in lieu of subsistence not to exceed $9 per day; or (3) for travel within the continental limits of the United States a mileage allowance of not exceeding 10 cents per mile based on distances established or to be established pursuant to existing law: *Provided,* That the travel and transportation allowances under conditions authorized herein for such members may be paid on separation from the service, or release from active duty, regardless of whether or not such member performs the travel involved.

(b) Without regard to the montary limitations in this act, the Secretaries of the uniformed services may authorize the payment to members of the uniformed services on duty outside the continental United States or in Alaska, whether or not in a travel status, of a per diem considering all elements of cost of living to members and their dependents, including the cost of quarters, subsistence, and other necessary incidental expenses: *Provided,* That dependents shall not be considered in determining per diem allowances for members in a travel status.

(c) In addition to the allowances authorized above, under such conditions and limitations and for such grades or ratings and to and from such locations as may be prescribed by the Secretaries concerned, members of the uniformed services when ordered to make a change of permanent station shall be entitled to transportation in kind for dependents or to reimbursement therefor, or to a monetary allowance in lieu of such transportation in kind at a rate to be prescribed not in excess of the rate authorized in subsection (a) of this section, and in connection with a change of station (whether temporary or permanent), to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household effects, or reimbursement therefor, to and from such locations and within such weight allowances as may be prescribed by the Secretaries, without regard to the comparative costs of the various modes of transportation. When orders directing a change of permanent station for the member concerned have not been issued, or when such orders have been issued but are of such a nature that they cannot be used as authority for transportation of dependents and baggage and household effects, the Secretaries

concerned may, nevertheless, authorize the movement of the dependents and baggage and household effects and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in lieu thereof as authorized in this subsection, as the case may be, only under unusual or emergency circumstances, including but not limited to (1) circumstances when duty is being performed by such member at places designated by the Secretary concerned as within zones from which dependents should be evacuated, (2) circumstances when orders which direct temporary duty travel of such member do not provide for return to the permanent station or do not specify or imply any limit to the period of absence from the permanent station, or (3) circumstances when such members are serving on permanent duty at stations outside the continental United States or in Alaska, or on sea duty. The Secretary concerned shall define the term "permanent station," which definition shall include, but not be limited to, a shore station or the home yard or home port of the vessel to which a member of the uniformed services entitled to receive basic pay may be ordered; and a duly authorized change in home yard or home port of such vessel shall be deemed a change of permanent station. Under regulations prescribed by the Secretary concerned, transportation for dependents and baggage and household effects are authorized upon the death of a member of the uniformed services while entitled to receive basic pay pursuant to section 201 (e) of this act.

(d) A member of the uniformed services on duty with or under training for the Military Air Transport Service, Marine Corps Transport Squadrons, or Fleet Logistics Support Unit and away from his permanent station may be paid a per diem in lieu of subsistence in an amount not to exceed the amount to which he would be entitled if performing temporary duty travel, without in either case the issuance of orders for specific travel.

(e) Cadets of the United States Military Academy, midshipmen of the United States Naval Academy, cadets of the United States Coast Guard Academy, applicants for enlistment, rejected applicants, general prisoners, discharged prisoners, insane patients transferred from military hospitals to other hospitals or their home, and persons discharged from St. Elizabeths Hospital after transfer from one of the uniformed services, shall be entitled to receive such travel and transportation allowances as are provided in subsection (a) of this section, as may be prescribed by the Secretaries concerned, due consideration being given to the rights of the Government as well as those of the individual in the promulgation of regulations prescribing said allowances.

(f) The Secretaries concerned in establishing the rates and types of allowances authorized by this section shall consider in prescribing (1) monetary allowance in lieu of transportation—average cost of first-class transportation including sleeping accommodations, (2) per diem rates—the current economic data on cost of subsistence (including lodging and other necessary incidental expenses related thereto), and (3) mileage rates—average cost of first-class transportation including sleeping accommodations and current economic data on cost of subsistence (including lodging and other necessary incidental expenses related thereto).

(g) The Secretaries concerned shall determine what shall constitute a travel status.

(h) Regulations shall be promulgated by the Secretaries of the uniformed services, as provided herein, and such regulations shall be uniform for all services insofar as practicable: *Provided*, That no provisions of this section shall become effective until such regulations have been issued: *Provided further*, That nothing contained in this act shall preclude the payment of travel and transportation allowances under provisions of law in effect on the day prior to the effective date of this act, until such regulations are issued pursuant to this subsection.

PERSONAL MONEY ALLOWANCE

SEC. 304. (a) Officers entitled to receive basic pay shall, while serving in the grade of lieutenant general, vice admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $500 per annum.

(b) Officers entitled to receive basic pay shall, while serving in the grade of general, admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $2,200 per annum.

(c) Officers entitled to receive basic pay shall, while serving as the Chief of Staff of the Army, as the Chief of Naval Operations, as the Chief of Staff of the Air Force, as the Commandant of the Marine Corps, or as the Commandant of the Coast Guard, in lieu of any other personal money allowance authorized by this section, but in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $4,000 per annum.

TITLE IV.—PROVISIONS RELATING TO RETIREMENT, RETIREMENT PAY, SEPARATION, AND SEVERANCE PAY FOR PHYSICAL DISABILITY

ESTABLISHMENT OF A TEMPORARY DISABILITY RETIRED LIST

SEC. 401. (a) Any member of the uniformed services found to be unfit to perform the duties of his office, rank, grade, or rating by reason of physical disability and who otherwise qualifies as hereinafter provided may be retired or separated subject to the provisions of this title.

(b) The Secretary concerned shall establish for his uniformed service a temporary disability retired list, upon which shall be placed the names of all members of his service entitled to such placement pursuant to the provisions of this title. Such list shall be published annually in the official register or other official publication of the service concerned.

TEMPORARY DISABILITY RETIREMENT, PHYSICAL DISABILITY RETIREMENT, AND DISABILITY RETIREMENT PAY

SEC. 402. (a) Upon a determination by the Secretary concerned (1) that a member of a Regular component of the uniformed services entitled to receive basic pay, or a member of a Reserve component of the uniformed services entitled to receive basic pay who has been called or ordered to extended active duty for a period in excess of 30 days, is unfit to perform the duties of his office, rank, grade, or rating, by reason of physical disability incurred while entitled to receive basic pay; (2) that such disability is not due to the misconduct or willful neglect of such member and that such disability was not incurred during a period of unauthorized absence of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such disability was the proximate result of the direct performance of active duty; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such member shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided further*, That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section. In lieu of any such retirement, such member may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(b) Upon a determination by the Secretary concerned (1) that member of a Regular component of the uniformed services entitled to receive basic pay, or a member of a Reserve component of the uniformed services entitled to receive basic pay who has been called or ordered to extended active duty for a period in excess of 30 days, is unfit to perform the duties of his office, rank, grade, or rating, by reason of physical disability incurred while entitled to receive basic pay; (2) that such disability is not due to the misconduct or willful neglect of such member and that such disability was not incurred during a period of unauthorized absence of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such member has completed at least 8 years of active service as defined in section 412 of this title; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such member shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided further*, That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section. In lieu of any such retirement, such member may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title: *And provided further*, That regardless of the percentage of disability determined to have been incurred, if condition (4) above is not met because the member concerned has completed less than 8 years of active service as defined in section 412 of this title at the time he would otherwise have been retired pursuant to this subsection, the member concerned shall not be eligible for any disability retirement provided in this section. In lieu of any such retirement, such member may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(c) Upon a determination by the Secretary concerned (1) that a member of the uniformed services, other than those members covered in subsections (a) and (b) of this section, is unfit to perform the duties of his office, rank, grade, or rating by reason of physical disability resulting from an injury; (2) that such injury was not the result of the misconduct or willful neglect of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such injury was the proximate result of the direct performance of active duty, full-time training duty, other full-time duty,

or inactive duty training, as the case may be; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such member shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided further*, That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section. In lieu of any such retirement, such member may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(d) A member of the uniformed services whose name is placed upon the temporary disability retired list of his service pursuant to subsections (a), (b), or (c) of this section, for the period during which his name is carried on such temporary disability retired list, but in no event to exceed a period of 5 years, or a member of the uniformed services who is retired pursuant to the provisions of this title, shall be entitled to receive disability retirement pay computed, at his election, by multiplying an amount equal to the monthly basic pay of the rank, grade, or rating held by him at the time of the placement of his name on the temporary disability retired list or at the time of his retirement, whichever is earlier, by (1) a number equal to the number of years of active service to which such member is entitled under the provisions of section 412 of this title, multiplied by 2½ percent, or (2) the percentage of his physical disability as of the time his name was placed on the temporary disability retired list or at the time of retirement, whichever is earlier: *Provided*, That for the purpose of the computation of (1) above, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further*, That the disability retirement pay of any such member who shall have held a temporary rank, grade, or rating higher than the rank, grade, or rating held by him at the time of placement of his name upon the temporary disability retired list or at the time of his retirement, whichever is earlier, and who shall have served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, shall be computed on the basis of the monthly basic pay of such higher rank, grade, or rating to which he would have been entitled had he been serving on active duty in such higher rank, grade, or rating at the time of placement of his name on the temporary disability retired list or at the time of retirement, whichever is earlier: *Provided further*, That in no case shall such disability retirement pay exceed 75 percent of the basic pay upon which the computation is based: *Provided further*, That if the physical disability entitling such member to disability retirement pay is found to exist as a result of a physical examination given in connection with effecting a permanent promotion or a temporary promotion where eligibility for such temporary promotion was required to have been based upon cumulative years of service or years of service in rank, grade, or rating, the disability retirement pay of such members shall be based upon the basic pay of the rank, grade, or rating to which such member would have been promoted but for such disability, if such rank, grade, or rating is higher than any other rank, grade, or rating upon which such pay is herein authorized to be computed and which such member would have been entitled to receive if serving on active duty in such rank, grade, or rating: *And provided further*, That for any member who, for any reason, has been or hereafter may be retired or whose name is carried on a temporary disability retired list and who, while in such status, serves on active duty, and while so serving, incurs a physical disability of 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration or incurs a physical disability in addition to or an aggravation of the physical disability for which he was retired or for which his name was placed on the temporary disability retired list, shall, if qualified therefor pursuant to this title, be entitled, on his return to a retired status or to the temporary disability retired list, to receive either (1) disability retirement pay as provided in this section, using as factors the highest percentages or basic pay which he attained while serving on such active duty, or (2) retirement pay or retired pay, as the case may be, as provided by any law in effect at the time of his retirement; and, in addition thereto, if such member is, during such period of active duty, promoted to a rank, grade, or rating higher than that rank, grade, or rating on which his retired pay, retirement pay, or disability retirement pay was based, and has served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, be entitled, on his return to a retired status or to the temporary disability retired list, to receive such retirement pay, disability retirement pay, or retired pay computed on the basis of the higher rank, grade, or rating and which such member would be entitled to receive if serving on active duty in such higher rank, grade, or rating.

(e) A member of the uniformed services whose name has been placed upon the temporary disability retired list of his service shall be given periodic physical examinations, not less frequent than every 18 months, to determine whether the disability for which such member was temporarily retired has changed. If as a result of any such examinations, or upon the termination of a period of 5 years from the date of temporary disability retirement, it is determined (1) that the physical disability of such member is of permanent character and such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, the name of such member shall be removed from the temporary disability retired list of his service and such member shall be permanently retired for physical disability and he shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That for the purpose of computing such pay the percentage of his physical disability shall be determined as of the time of his permanent retirement; (2) that the physical disability of such member is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, the name of such member shall be removed from the temporary disability retired list of the service concerned, and such member may be separated from the service concerned for physical disability and may receive disability severance pay as prescribed in section 403 of this title: *Provided further*, That at the end of a 5-year period during which the name of a member is carried on a temporary disability retired list, the Secretary concerned shall make a final determination of such member's case and shall cause such member to be retired, separated, or treated as provided in section 405 of this title.

(f) Notwithstanding the foregoing provisions of this section, any member of the uniformed services who shall have completed at least 20 years of active service as defined in section 412 of this title, and who is otherwise qualified to be retired for physical disability except that his disability is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, shall be retired and shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That the provisions of this section shall not be interpreted to limit the application of any provisions of law relating to voluntary or involuntary retirement.

(g) Notwithstanding the foregoing provisions of this section, any member of the Army of the United States, Navy, Air Force of the United States, Marine Corps, or the Coast Guard, and all Regular and Reserve components thereof, who shall have completed at least 20 years of satisfactory Federal service in the uniformed services as defined in sections 302 and 300 of the act of July 29, 1948 (62 Stat. 1087, 1089; 10 U. S. C. 1036a, 1036e), and who is otherwise qualified to be retired for physical disability except that his disability is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration may elect, in lieu of being separated and receiving disability severance pay pursuant to title IV of this act, to be transferred to the inactive status list of the uniformed service concerned pursuant to section 308 of the act of June 29, 1948 (62 Stat. 1090; 10 U. S. C. 1036g), and be granted retired pay upon attaining the age of 60 years if eligible in all other respects to be granted retired pay as provided in title III of that act.

(h) Disability retirement pay computed on the basis of years of active service shall not be deemed to be a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country within the meaning of section 22 (b) (5) of the Internal Revenue Code.

SEPARATION AND SEVERANCE PAY FOR PHYSICAL DISABILITY

SEC. 403. A member of the uniformed services separated for physical disability pursuant to the provisions of section 402 of this title shall be entitled to receive disability severance pay computed as follows: An amount equal to 2 months' basic pay of the rank, grade, or rating held by such member at the time of the placement of his name on the temporary disability retired list or at the time of his separation, whichever is earlier, and which such member would be entitled to receive at the time of separation if serving on active duty in such rank, grade, or rating, multiplied by a number equal to the number of years of active service to which such member is entitled under the provisions of section 412 of this title but not to exceed a total of 2 years' basic pay: *Provided*, That for the purpose of this computation, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further*, That the disability severance pay of any such member who shall have held a temporary rank, grade, or rating higher than the rank, grade, or rating held by him at the time of the placement of his name on the temporary disability retired list or at the time of his separation, whichever is earlier, and who shall have served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, shall be computed on the basis of the monthly basic pay of such higher rank, grade, or rating to which he would have been entitled had he been serving on active duty in such higher rank, grade, or rating at the time of placement of his name on the temporary disability retired list or at the time of separation, whichever is earlier: *Provided further*, That if the physical disability entitling such member to disability severance pay is found to exist as a result of a physical

examination given in connection with effecting a permanent promotion or a temporary promotion where eligibility for such temporary promotion was required to have been based upon cumulative years of service or years of service in rank, grade, or rating, the disability severance pay of such member shall be based upon the rank, grade, or rating to which such member would have been promoted but for such disability, if such rank, grade, or rating is higher than any other rank, grade, or rating upon which such severance pay is herein authorized to be computed and which such member would be entitled to receive at the time of placement of his name on the temporary disability retired list or at the time of separation, whichever is earlier, if serving on active duty in the higher grade: *And provided further,* That in the case of a former member of the uniformed services who has received disability severance pay as provided in this section, the amount of such disability severance pay shall be deducted from any compensation for himself or his dependents to which he or they becomes entitled thereafter under laws administered by the Veterans' Administration for the same disability but no such deductions shall be made from any death compensation to which his dependents may become entitled subsequent to his death.

PERIODIC PHYSICAL EXAMINATIONS

SEC. 404. (a) A member of the uniformed services whose name is hereafter placed upon the temporary disability retired list may be required to submit to periodic physical examinations during the period in which his name is carried on such list.

(b) A member of the uniformed services whose name is placed upon the temporary disability retired list and who is required to submit to a periodic physical examination shall, for travel performed, be entitled to receive the travel and transportation allowance authorized for the rank, grade, or rating in which retired for temporary duty travel performed while on active duty. Failure of any such member to report for any periodic physical examination after receipt of proper notification may be considered cause for terminating his disability retirement pay, except that such payments shall be reinstated at a later date if just cause existed for such failure to report, in which case payments may be retroactive for a period of not to exceed 1 year.

RECOVERY FROM PHYSICAL DISABILITY

SEC. 405. (a) If, as a result of a periodic physical examination, a member of a Regular component of the uniformed services whose name has been placed on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall, subject to his consent, if an officer, be called to active duty and, as soon thereafter as practicable, be reappointed, subject to the provisions of section 407 of this title, to the active list of his Regular component, or, if an enlisted person, be reenlisted in his Regular component.

(b) If, as a result of a periodic physical examination, a member of a Reserve component of the uniformed services whose name has been placed on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall, subject to his consent, be reappointed or reenlisted, as the case may be, in his Reserve component: *Provided,* That if the name of such member was placed on the temporary disability retired list for physical disability incurred while serving in the National Guard of the United States, or in the Air National Guard of the United States, he shall, subject to his consent, if not reappointed or reenlisted, as the case may be, in the component from which removed, be appointed, reappointed, enlisted, or reenlisted, as the case may be, in the Organized Reserve Corps or the Air Force Reserve.

(c) Any appointment, reappointment, enlistment, or reenlistment authorized pursuant to subsection (a) or subsection (b) of this section shall be in a rank, grade, or rating not lower than the rank, grade, or rating permanently held at the time of placement of the name of the member concerned upon the temporary disability retired list, and may be in the rank, grade, or rating immediately above the rank, grade, or rating permanently held at the time of placement of the name of the member concerned upon the temporary disability retired list. When seniority in rank, grade, or rating or years of service is an applicable factor in qualifying a member of the uniformed services for future promotion, such member who is being reappointed or reenlisted pursuant to this section shall, for the purpose of placement on a lineal list, promotion list, or other similar list, be given such seniority in rank, grade, or rating or be credited with such years of service as may be authorized by the Secretary concerned. Action under this subsection shall be taken on a fair and equitable basis, and regard shall be given to the probable opportunities for advancement and promotion to which such member might reasonably have become entitled but for placement of his name upon the temporary disability retired list.

TERMINATION OF DISABILITY RETIREMENT PAY

SEC. 406. (a) If, as a result of a periodic physical examination, a member of the uniformed services whose name appears on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall—

(1) if an officer of a Regular component, have his disability retirement pay terminated upon the date of his recall to active duty and his status on the temporary disability retired list terminated on the date of his reappointment to the active list;

(2) if an enlisted person of a Regular component, have both his status on such temporary disability retired list and his disability retirement pay terminated on the date of his reenlistment in the Regular component from which placed on the temporary disability retired list; or

(3) if a member of a Reserve component, have such status and his disability retirement pay terminated on the date of his reappointment or reenlistment in a Reserve component, as the case may be.

(b) If any such member does not consent to any action taken pursuant to either subsection (a) or subsection (b) of section 405 of this title, his status on the temporary disability retired list and his disability retirement pay shall be terminated as soon thereafter as practicable.

REAPPOINTMENT TO THE ACTIVE LIST OF OFFICERS PLACED ON THE TEMPORARY DISABILITY RETIRED LIST

SEC. 407. (a) The President, by and with the advice and consent of the Senate, is hereby authorized, in his discretion, to reappoint to the active list of the appropriate Regular component of the uniformed services those commissioned officers of the Regular components of the uniformed services whose names have been placed on the temporary disability retired list and who are subsequently found to be physically fit to perform the duties of their office, rank, grade, or rating on active duty. The President, or the Secretary concerned, as the case may be, is authorized to reappoint to the active list of the appropriate Regular component of the uniformed services those warrant officers of the Regular component of the uniformed services whose names have been placed on the temporary disability retired list and who are subsequently found to be physically fit to perform the duties of their office, rank, grade, or rating.

(b) Irrespective of any vacancy in a grade, the authorized number of officers in such grade shall be temporarily increased, if necessary, to authorize appointments made pursuant to section 405 of this title.

PHYSICAL DISABILITY RESULTING FROM MISCONDUCT OR WILLFUL NEGLECT

SEC. 408. When a member of the uniformed services incurs a physical disability which is determined to render him unfit to perform the duties of his office, rank, grade, or rating and which is determined to have resulted from his misconduct or willful neglect, or was incurred during a period of unauthorized absence, such member shall be separated from his service without entitlement to any of the benefits of this title.

RANK OR GRADE IN WHICH RETIRED

SEC. 409. A member of the uniformed services who is retired pursuant to this title shall be retired in the rank, grade, or rating upon which his disability retirement pay is based or in such higher rank, grade, or rating as may be authorized by law at time of retirement.

CESSATION OF BENEFITS UPON SEPARATION

SEC. 410. Any former member who has been separated for physical disability from any of the uniformed services and paid disability severance pay pursuant to this title shall not thereafter, unless such former member again becomes a member of the uniformed services, be entitled to receive from the service from which such former member was separated any payment for any monetary obligation provided under any provision of law administered by any uniformed service or for such uniformed service by any other uniformed service on account of or arising out of such former member's service on or prior to such separation: *Provided,* That such separation shall not operate to bar the former member concerned from receiving or the service concerned from paying any moneys due and payable on the date of separation, or any moneys that become due as a result of a valid claim processed against the Government pursuant to any provisions of law.

MEMBERS OR FORMER MEMBERS HERETOFORE RETIRED FOR PHYSICAL DISABILITY

SEC. 411. Pursuant to such regulations as the President may prescribe, (1) any member or former member of the uniformed services heretofore retired by reason of physical disability and now receiving or entitled to receive retired or retirement pay; (2) any former member of the uniformed services heretofore granted or entitled to receive retirement pay for physical disability; (3) any member of the Army Nurse Corps or any person entitled to the rights, privileges, and benefits of members of the Army Nurse Corps, retired for disability under the act of June 20, 1930 (46 Stat. 790), as amended; and (4) any member of the Navy Nurse Corps, or any person entitled to the rights, privileges, and benefits of members of the Navy Nurse Corps, retired for disability prior to December 23, 1942, under the act of June 20, 1930 (46 Stat. 790), as amended, may elect within the 5-year period following the effective date of this title, (A) to qualify for disability retirement pay under the provisions of this act and, dependent on his qualification, shall be entitled to receive either the disability retirement pay or the disability severance pay prescribed in this title: *Provided,* That the determination of the percentage of disability as prescribed in sections 402 (a) (3), 402 (b) (3), or 402 (c) (3), as applicable, shall be based upon the disability of such member, former member, or person, as of the time he was last retired or as of the time he was granted retirement pay, as the case may be, and the percentage of such disability will be determined in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; or (B) to receive retired pay or retirement pay computed by one of the two methods contained in section 512 of this

act: *Provided further*, That the retired or retirement pay of each person referred to in (3) and (4) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned officer rank or grade authorized for such persons by the act of May 7, 1948 (Pub. Law 517, 80th Cong.)

DEFINITION OF ACTIVE SERVICE

SEC. 412. For the purposes of this title, the term "active service" shall be interpreted to mean (1) for members of the Regular components of the uniformed services and for those members, former members, and persons referred to in section 411 (1), (3), and (4), all service as a member of the uniformed services, or as a nurse, or as a contract nurse prior to February 2, 1901, or as a reserve nurse subsequent to February 2, 1901, or as a contract surgeon, or as a contract dental surgeon, or as an acting dental surgeon, or as a veterinarian in the Quartermaster Department, Cavalry, or Field Artillery, or as an Army field clerk or as a field clerk, Army Quartermaster Corps, while on the active list or on active duty or while participating in full-time training or other full-time duty provided for or authorized in the National Defense Act, as amended, the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performances of the duties provided for by sections 5, 81, 92, 94, 97, and 99 of the National Defense Act, as amended, or all service which such member, former member, or person has or is deemed to have pursuant to law for the purpose of separation or mandatory elimination from the active list of his uniformed service; and (2) for members of the reserve components of the uniformed services, and for former members referred to in section 411 (2) that service which is equal to the number of years which would be used by such members or former members as a multiplier in the computation of their retired pay pursuant to section 303 of the act of June 29, 1948 (ch. 708, 62 Stat. 1088).

REGULATIONS

SEC. 413. The Secretary concerned shall prescribe regulations for the administration of this title within his department or agency, including regulations which shall provide that no member of the uniformed services shall be separated or retired for physical disability without a full and fair hearing if such member shall demand it.

POWERS, DUTIES, AND FUNCTIONS

SEC. 414. (a) All duties, powers, and functions incident to the determination of fitness for active service, percentage of disability at the time of separation from active service, and suitability for reentry into active service and entitlement to and payment of disability severance pay shall be vested in the Secretary concerned.

(b) All duties, powers, and functions incident to payments of disability retirement pay, hospitalization, and reexaminations shall be vested in the Secretary concerned or in the Administrator of Veterans' Affairs under regulations promulgated by the President.

TITLE V—MISCELLANEOUS PROVISIONS

TRAINING DUTY WITH OR WITHOUT PAY OF RESERVE AND NATIONAL GUARD PERSONNEL

SEC. 501. (a) Under such regulations as the Secretary concerned may prescribe, and to the extent provided for by law and by appropriations, members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, shall be entitled to receive compensation at the rate of one-thirtieth of the basic pay authorized for such members of the uniformed services when entitled to receive basic pay, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than 2 hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned: *Provided*, That for each of the several classes of organizations prescribed for the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, the Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, the rules applicable to each of which services and classes within service may differ, the Secretary concerned—

(1) shall prescribe minimum standards which must be met before an assembly for drill or other equivalent period of training, instruction, or duty or appropriate duties may be credited for pay purposes, which minimum standards may require the presence for duty of officers and enlisted personnel equal to or in excess of a minimum number or percentage of unit strength for a specified period of time with participation in a prescribed character of training;

(2) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties, which may be counted for pay purposes in each fiscal year;

(3) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties which can be counted for pay purposes in lesser periods of time; and

(4) shall prescribe the minimum number of assemblies or periods of other equivalent training, instruction, or duty or appropriate duties, which must be completed in stated periods of time before the personnel of organizations or units can qualify for pay.

(b) Members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, may be given additional training or other duty as provided for by law, without pay, as may be authorized by the Secretary concerned, with their consent, and when such authorized training or other duty without pay is performed they may, in the discretion of the Secretary concerned, be furnished with transportation to and from such duty, with subsistence en route, and, during the performance of such duty, be furnished with subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the Secretary concerned.

(c) In addition to pay provided in subsection (a) of this section, officers of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, commanding organizations having administrative functions connected therewith shall, whether or not such officers belong to such organizations, be entitled to receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary concerned may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the Secretary concerned may, from time to time, divide them into classes and fix the amount payable to the officers in each class.

(d) Under such regulations as the President may prescribe and to the extent provided for by appropriations, members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service entitled to receive compensation pursuant to subsection (a) of this section shall, when required by competent orders to perform any hazardous duty prescribed by or pursuant to section 204 of this Act for members of the uniformed services entitled to receive basic pay and when in consequence of such orders they do perform any hazardous duty so prescribed, be entitled to receive an increase in compensation equal to one-thirtieth of the monthly special pay authorized by section 204 of this Act for the performance of such hazardous duty by members of the uniformed services of corresponding grades entitled to receive basic pay, such increase to be paid to such members, as long as they are qualified to receive such increase, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than 2 hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned pursuant to subsection (a) of this section.

(e) The provision of subsections (a), (b), (c), and (d) of this section shall not apply when such members are entitled to receive basic pay as provided for in title II of this Act.

(f) (1) Section 55a of the National Defense Act, as amended (10 U. S. C. 422), is hereby amended by striking out the words "subsection (c), section 14, Pay Readjustment Act of 1942, as amended," appearing in the third proviso thereof and inserting in lieu thereof the words "subsection (a) of section 501 of the Career Compensation Act of 1949."

(2) Sections 55a, 109, and 110 of the National Defense Act, as amended, are hereby amended by striking out the words "section 14 of the Pay Readjustment Act of 1942, as amended", wherever appearing therein, and inserting in lieu thereof the words "section 501 of the Career Compensation Act of 1949".

(3) Section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, shall be applicable to the Department of the Air Force: *Provided*, That all references in section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, to the Secretary of the Army, the Department of the Army, the Regular Army, the National Guard, the National Guard of the United States, the Organized Reserve Corps, the Officers' Reserve Corps, the Enlisted Reserve Corps, and the Organized Reserves, shall be construed for the purpose of interpreting section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, as likewise referring to the Secretary of the Air Force, the Department of the Air Force, the Regular Air Force, the Air National Guard, the Air National Guard of the United States, the Air Force Reserve, the officers' section of the Air Force Reserve, the enlisted section of the Air Force Reserve, and personnel of the Organized Reserves transferred to the Department of the Air Force, respectively.

ACTIVE SERVICE CREDIT IN COAST AND GEODETIC SURVEY

SEC. 502. Active service in the Coast and Geodetic Survey as deck officer or junior engineer and active service counted on June 30,

1922, for longevity pay, shall be credited to commissioned officers as active commissioned service for purposes of pay, allowances, retirement and retirement pay.

PAYMENTS BASED ON PURPORTED MARRIAGES

SEC. 503 Payments of allowances based on a purported marriage and made prior to judicial annulment of termination of such marriage which have been or which hereafter may be made under the Pay Readjustment Act of 1942, as amended, or under this act are valid: *Provided*, That it is adjudged or decreed by a court of competent jurisdiction that the marriage was entered into in good faith on the part of the spouse in the uniformed services or that, in the absence of such a judgment or decree, such finding of good faith is made by the Secretary concerned or by such person as he may designate for the purpose.

CONTRACT SURGEONS

SEC. 504. Contract surgeons who are serving full time with any of the uniformed services shall be entitled to be paid the minimum basic pay, the basic allowances, and such other allowances as are authorized by this act to be paid to commissioned officers in pay grade 0-2. Contract surgeons who are serving part time with any of the uniformed services shall be entitled to receive the allowances for travel and transportation prescribed pursuant to this act under the same conditions and in the same amount as are applicable to commissioned officers.

ENLISTED PERSONS—CLOTHING ALLOWANCE

SEC. 505. The President may prescribe the quantity and kind of clothing which shall be furnished annually to enlisted men of the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Naval Reserve, the Marine Corps Reserve, the National Guard, the Air National Guard, the National Guard of the United States, the Air National Guard of the United States, the Organized Reserve Corps, the Air Force Reserve, and the Coast Guard Reserve, and he may prescribe the amount of a cash allowance to be paid to such enlisted men in any case in which clothing is not so furnished to them.

ALLOWANCE—SHORE PATROL DUTY

SEC. 506. Officers, midshipmen, and cadets of the Navy, the Marine Corps, and the Coast Guard when absent from a vessel or designated post of duty while assigned to shore patrol duty may be paid their actual expenses.

PAY AND ALLOWANCES—ENLISTED MEN—PHILIPPINE SCOUTS—INSULAR FORCE OF THE NAVY

SEC. 507. (a) The pay and allowances of whatever nature and kind to be authorized for the enlisted men of the Philippine Scouts shall be fixed by the Secretary of the Army and shall not exceed or be of other classes than those now or which may hereafter be authorized by law for enlisted men of the Regular Army.

(b) The pay and allowances of whatever nature and kind to be authorized for the enlisted men of the insular force of the Navy shall be fixed by the Secretary of the Navy, and shall not exceed or be of other classes than those now or which may hereafter be authorized by law for enlisted men of the Regular Navy.

PAY AND ALLOWANCES—CADETS AND MIDSHIPMEN

SEC. 508. Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of $936 per annum, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman.

ASSIMILATION TO PAY AND ALLOWANCES OF COMMISSIONED OFFICERS

SEC. 509. The provisions of titles II and III of this act shall apply equally to those persons serving, not as commissioned officers in any of the uniformed services, but whose pay or allowances, or both, under existing law are assimilated to the pay and allowances of a commissioned officer of any grade or rank of any of the uniformed services.

DAILY RATE OF PAY AND ALLOWANCES

SEC. 510. Members of the uniformed services who shall become entitled to receive any pay and allowances authorized by this act for a continuous period of less than 1 month shall be entitled to receive such pay and allowances for each day of such period at the rate of one-thirtieth of the monthly amount of such pay and allowances, and the 31st day of a calendar month shall not be excluded from the computation.

TERMINATION OF WAR—SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942, AS AMENDED

SEC. 511. On the date of enactment of this act, the present war shall be considered as terminated for purposes of the Servicemen's Dependents Allowance Act of 1942, as amended, and the 6 months immediately following the termination of the present war shall be considered to be terminated for the purposes of the Servicemen's Dependents Allowance Act of 1942, as amended, on that date which is the last day of the sixth calendar month following the month during which this act is enacted: *Provided*, That, notwithstanding the foregoing, the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, shall remain in effect during a period of enlistment or reenlistment contracted by any enlisted person prior to July 1, 1946, except for the period of extension of an enlistment contracted for on or subsequent to July 1, 1946: *Provided further*, That in the case of any enlisted person on active duty on the date of enactment of this act whose total pay and allowances, including the amount of the Government's contribution to his dependents under the Servicemen's Dependents Allowance Act of 1942, as amended, on the day immediately preceding the date of enactment of this act, exceeds the amount of basic pay and allowances to which he becomes entitled after the elimination of the monthly family allowance pursuant to the enactment of this section, shall, if application is made within 1 year from the date of enactment of this act, be discharged by the Secretary concerned.

RETIRED AND RETAINER PAY OF MEMBERS ON RETIRED LISTS OR RECEIVING RETAINER PAY

SEC. 512. On and after the effective date of this section (1) members of the uniformed services heretofore retired for reasons other than for physical disability, (2) members heretofore transferred to the Fleet Reserve or the Fleet Marine Corps Reserve, and (3) members of the Army Nurse Corps or the Navy Nurse Corps heretofore retired under the act of May 13, 1926 (44 Stat. 513), shall be entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay, in the amount whichever is the greater, computed by one of the following methods: (a) The monthly retired pay, retainer pay, or equivalent pay in the amount authorized for such members and former members by provisions of law in effect on the day immediately preceding the date of enactment of this act, or (b) monthly retired pay, retirement pay, retainer pay, or equivalent pay equal to 2½ percent of the monthly basic pay of the highest federally recognized rank, grade, or rating, whether under a permanent or temporary appointment, satisfactorily held, by such member or former member, as determined by the Secretary concerned, and which such member, former member, or person would be entitled to receive if serving on active duty in such rank, grade, or rating, multiplied by the number of years of active service creditable to him: *Provided*, That for the purpose of the computation of (b) above, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further*, That in no case shall such retired pay, retainer pay, or equivalent pay exceed 75 percent of the monthly basic pay upon which the computation is based: *Provided further*, That for the purposes of this section, the term "active service" as used herein shall mean all service as a member or as a former member of the uniformed services, or as a nurse, or as a contract nurse prior to February 2, 1901, or as a reserve nurse subsequent to February 2, 1901, or as a contract surgeon, or as a contract dental surgeon, or as an acting dental surgeon, or as a veterinarian in the Quartermaster Department, Cavalry, or Field Artillery, or as an Army field clerk or as a field clerk, Army Quartermaster Corps, while on the active list or on active duty or while participating in full-time training or other full-time duty provided for or authorized in the National Defense Act, as amended, the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 92, 94, 97, and 99 of the National Defense Act, as amended, and in the case of commissioned officers of the Public Health Service, that service which is creditable pursuant to part (3) of section 412 of this act: *Provided further*, That the retired or retirement pay of each member referred to in (3) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned-officer grade authorized for such member by the act of May 7, 1948 (Public Law 517, 80th Cong.): *Provided further*, That (a) enlisted persons or former enlisted persons of the Regular Army or Regular Air Force who have been transferred prior to the effective date of this section to the Enlisted Reserve Corps or to the enlisted section of the Air Force Reserve and placed on the retired list of the Regular Army or the Regular Air Force, respectively, under the provisions of section 4 of the act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 948), as amended, and (b) enlisted persons or former enlisted persons of the Regular Navy or Regular Marine Corps who have been transferred prior to the effective date of this section to the Fleet Reserve or the Fleet Marine Corps Reserve under the provisions of title II of the Naval Reserve Act of 1938, as amended, shall not be entitled to have their retired pay or retainer pay computed on the basis of the highest officer or warrant-officer grade held by them as authorized by this section until they have completed 30 years of service, to include the sum of their active service and their service on the retired list or in the Fleet Reserve or in the Fleet Marine Corps Reserve, as required by existing law: *And provided further*, That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within 1 year from the effective date of this section or within 1 year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED PAY OF MEMBERS AND FORMER MEMBERS OF RESERVE COMPONENTS

SEC. 513. On and after the effective date of this section, any person who heretofore has been granted retired pay or who hereafter is granted retired pay pursuant to title III of the act of June 29, 1948 (ch. 708, 62 Stat. 1087), shall have his retired pay computed as authorized by the aforesaid title III on the basis of the pay provided for in this act: *Provided*, That, notwithstanding the provisions of section 305 of the act of June 29, 1948 (62 Stat. 1089), any member or former member of the Naval Reserve or Marine Corps Reserve heretofore placed on the Honorary Retired List of the Naval Reserve or Marine Corps Reserve with pay as provided in sections 309 and 310 of the Naval Reserve Act of 1938 (52 Stat. 1183; 34 U. S. C. 855h, i), as amended, shall be entitled to have such pay computed as provided in this section.

RETIRED PAY GRADE OF CERTAIN WARRANT OFFICERS AND ENLISTED PERSONS

SEC. 514. Any enlisted person or warrant officer of the uniformed services who served in World War I, heretofore or hereafter retired for any reason, shall (1) be advanced on the retired list of the service concerned to the highest federally recognized officer rank or grade satisfactorily held by such enlisted person or warrant officer under a permanent or temporary appointment for any period of service between April 6, 1917, and November 11, 1918, and (2) if not entitled to receive retired pay or disability retirement pay based on a higher officer rank or grade by some other provision of law, be entitled to receive retired pay or disability retirement pay computed on the basis of the officer rank or grade to which previously advanced on a retired list or computed on the basis of the officer grade or rank authorized by this section: *Provided*, That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within 1 year from the effective date of this section or within 1 year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED MEMBERS AND FORMER MEMBERS SERVING ON ACTIVE DUTY

SEC. 515. Retired members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall, when serving on active duty, be entitled to receive the pay and allowances to which entitled by the provisions of this act for the grade or rank in which they are serving on such active duty, and shall, when on such active-duty status, have the same pay and allowance rights while on leave of absence or while sick as members of the uniformed services entitled to receive basic pay of similar grade or rank, and, if death occurs when on active-duty status, while on leave of absence, or while sick, their dependents shall not thereby be deprived of any of the benefits provided in the act of December 17, 1919 (41 Stat. 367; 10 U. S. C. 903), as amended, and in the act of June 4, 1920 (41 Stat. 824; 34 U. S. C. 943), as amended.

SAVING PROVISION TO RETAIN PRESENT COMPENSATION

SEC. 516. No member serving on active duty on the effective date of title II of this act shall, prior to the expiration of a period of 3 years from such effective date and while serving on continuous active duty, including for the purpose of such continuous active duty service in a reenlistment entered into within 3 months from the date of last discharge, suffer any reduction by reason of this act in the total compensation which he is entitled to receive under any provision of law in effect on the day immediately preceding such effective date: *Provided*, That (a) the provisions of this section shall cease to apply to such member whenever he shall become entitled to receive total compensation in excess of the amount to which he was entitled on the day preceding such effective date; and (b) the provisions of this section shall cease to apply to any part of such total compensation upon the failure of such member to qualify therefor: *Provided further*, That for the purposes of this section such total compensation shall not include contributions by the Government under the Servicemen's Dependents Allowance Act of 1942, as amended, travel and transportation allowances, per diem and station allowances, pay of court stenographers of the Army and Air Force, enlistment allowance, or reenlistment bonuses.

PROVISIONS RELATING TO INCREASE OF RETIRED PAY BY ACTIVE DUTY

SEC. 517. Members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, who have been, or may hereafter be, retired or transferred to the Fleet Reserve or Fleet Marine Corps Reserve and entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay computed under the provisions of this or any other act, shall be entitled, subject to the provisions hereinafter listed, to receive increases in such retired pay, retirement pay, retainer pay, or equivalent pay for all active duty performed after retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve: *Provided*, That the retired pay, retirement pay, retainer pay, or equivalent pay to which such member or former member shall be entitled upon his release from active duty shall be computed by multiplying the years of service creditable to him for purposes of computing retired pay, retirement pay, retainer pay, or equivalent pay at the time of his retirement or transfer plus the number of years of subsequent active duty performed by him by 2½ percent, and by multiplying the product thus obtained by the base and longevity pay or the basic pay, as the case may be, of the rank or grade in which he would be eligible, at the time of his release from active duty, to be retired or transferred except for the fact that he is already a retired person or a member of the Fleet Reserve or Fleet Marine Corps Reserve: *Provided*, That for the purpose of computing increases in retired pay, retirement pay, retainer pay, or equivalent pay of any member or former member, fractions of one-half year or more of active duty performed subsequent to retirement or transfer by such member or former member shall be counted as a whole year: *Provided further*, That in the case of an officer heretofore retired with pay computed at a rate of either 3 or 4 percent as the multiplier for each year of service allowed in the computation of the retired pay, active duty performed subsequent to the effective date of this section shall not increase the retired or retirement pay for such officer upon his return to retired status unless such officer elects to have his retired or retirement pay computed by one of the two methods provided in section 512 of this act, subject to the limitations imposed therein: *And provided further*, That in no event shall retired pay, retirement pay, retainer pay, or equivalent pay exceed 75 percent of the active-duty pay or basic pay which such person would be entitled to receive if he were serving on active duty in the rank or grade which is the basis for the computation of his retired pay, retirement pay, retainer pay, or equivalent pay.

SAVING PROVISION AND AMENDMENTS RELATING TO MEMBERS OF THE MARINE BAND

SEC. 518. (a) Section 11 of the act of March 4, 1925, as amended by section 1 (c) of the act of June 29, 1946 (60 Stat. 343; 34 U. S. C. 701), is hereby further amended to read as follows:

"SEC. 11. The band of the United States Marine Corps shall consist of one leader, who shall be paid the basic pay, the basic allowances, and such other allowances as are authorized by the Career Compensation Act of 1949 to be paid to commissioned officers in pay grade O-3 and with the same number of cumulative years of service; one second leader, who shall be paid the basic pay, the basic allowances, and such other allowances as are authorized by the Career Compensation Act of 1949 to be paid to warrant officers in pay grade W-3 and with the same number of cumulative years of service, and such other personnel in such numbers and distributed in such grades and ranks as the Secretary of the Navy may determine necessary and appropriate: *Provided*, That hereafter during concert tours approved by the President, personnel of the Marine Band shall suffer no loss of allowances."

(b) Personnel of the band of the United States Marine Corps serving under appointments authorized by law in effect on the date of enactment of this act who may be appointed to appropriate grades or ranks in consequence of the amendment of such law by subsection (a) of this section shall not suffer by reason of such appointment any reduction in the pay and allowances to which they would have been entitled either in their current enlistment or during any subsequent enlistment or after transfer to the Fleet Marine Corps Reserve or to the retired list. No former member of the band of the United States Marine Corps who has been heretofore retired or heretofore transferred to the Fleet Marine Corps Reserve shall suffer any reduction in retirement or retainer pay to which he would otherwise have been entitled but for enactment of this act.

SAVING PROVISION RELATING TO FORMER LIGHTHOUSE SERVICE AND FORMER BUREAU OF MARINE INSPECTION PERSONNEL

SEC. 519. Nothing contained in this act shall be construed to diminish any of the rights, benefits, and privileges authorized and conferred—

(1) by the act of August 5, 1939 (53 Stat. 1216), as amended by the act of June 24, 1948 (Public Law 761, 80th Cong.), upon personnel of the former Lighthouse Service; and

(2) by the act of July 23, 1947 (61 Stat. 411), for personnel of the categories described in sections 3 (6), 5 (7), and 6 (5) of said act, who were commissioned, appointed, or enlisted in the Regular Coast Guard pursuant to said acts of August 5, 1939, and July 23, 1947, respectively.

SAVING PROVISION RELATING TO MEMBERS AND FORMER MEMBERS RECEIVING RETIREMENT PAY ON DATE OF ENACTMENT OF THIS ACT

SEC. 520. Any member or former member of the uniformed services or any person entitled to the rights, benefits, and privileges of a member or former member of the uniformed services, including any person entitled to the benefits provided in the act of May 7, 1948 (62 Stat. 211), who on the date of enactment of this act, is receiving or is entitled to receive retired or retirement pay pursuant to any provision of law, shall, notwithstanding the provisions of this act, be entitled to continue to receive or shall continue his entitlement to receive that retired or retirement pay which such member or former member is entitled to receive under any provision of law in effect on the day preceding date of enactment of this act.

SAVING PROVISION RELATING TO LAWS PROVIDING FOR PAY REPEALED BY THIS ACT

SEC. 521. Any provision of law which, on the date of enactment of this act, entitles any person to be retired, to receive pay, retired pay, retirement pay, or retainer pay, or other monetary benefit, and which is directly repealed, impliedly repealed, or amended by the provisions of this act, shall, if the entitlement of such person to such retirement, pay, retired pay, retirement pay, retainer pay, or other monetary benefit is saved by the provisions of this act, be continued in full force and effect for such entitlement and for such a time as such entitlement may exist.

PROVISIONS OF THE PUBLIC HEALTH SERVICE ACT AMENDED AND REPEALED

SEC. 522. The following sections, subsections, and other provisions of the act of July 1, 1944 (ch. 373, 58 Stat. 682), as amended, are amended or repealed as hereinafter in this section indicated:

(a) Wherever the words "pay and pay period" appear in subsection (d) of section 207, such words shall be deleted and the words "basic pay" shall be substituted in lieu thereof.

(b) Subsections (b) and (d) of section 208 are repealed. Subsections (c), (e), (f), (g), and (h) of said section are redesignated as subsections (b), (c), (d), (e), and (f), respectively. Subsection (a) and the subsection herein redesignated as subsection (e) of said section are amended as follows:

"(a) Commissioned officers of the Regular and Reserve Corps shall be entitled to receive such pay and allowances as are now or may hereafter be authorized by law.

"(e) Whenever any noncommissioned officer or other employee of the Service is assigned for duty which the Surgeon General finds requires intimate contact with persons afflicted with leprosy, he may be entitled to receive, as provided by regulations of the President, in addition to any pay or compensation to which he may otherwise be entitled, not more than one-half of such pay or compensation."

(c) Subsection (g) of section 210 is amended by deleting therefrom the words "incurred in line of duty" wherever they appear.

(d) Section 211 is amended by repealing subsection (a) thereof; by redesignating subsections (b), (c), (d), (e), (f), (g), and (h) thereof as subsections (a), (b), (c), (d), (e), (f), and (g), respectively; and by changing "subsection (c)" to "subsection (b)" in the subsection hereby redesignated as subsection (a). The subsections hereby redesignated as subsections (b), (c), and (g) of said section are amended to read:

"(b) (1) Any commissioned officer of the Regular Corps who at the time of his original appointment was more than 45 years of age shall upon his retirement for age pursuant to subsection (a) of this section be entitled to retired pay at the rate of 4 percent of his active pay at the time of such retirement for each 12 months of active commissioned service, including any such service in the Army, Navy, or Coast Guard, but in no case more than 75 percent of such active pay.

"(2) The retired pay of an officer, who is retired pursuant to subsection (a) of this section or pursuant to paragraph (1) of this subsection and who has served 4 years or more as Surgeon General, Deputy Surgeon General, or Assistant Surgeon General, shall be based on the pay of the highest grade held by him as such Surgeon General, Deputy Surgeon General, or Assistant Surgeon General.

"(c) In time of war, a commissioned officer who has been retired under the provisions of subsection (a) of this section may, in accordance with regulations of the President, be recalled to active duty.

"(g) A commissioned officer shall be retired or separated from the Service for physical disability depending upon his eligibility for such retirement or separation under other provisions of law and be paid such retirement or such severance pay to which he may be entitled under such other provisions of law."

(e) Subsection (d) of section 214 is amended by deleting therefrom the words "longevity pay" and substituting in lieu thereof the words "the computation of basic pay."

(f) Subsection (b) of section 215 is amended by deleting therefrom the words, "travel, transportation of household goods and effects, and."

(g) Section 706 is amended by deleting the words "subsection (c) (1)" and inserting in lieu thereof the words "subsection (b) (1)" and by deleting the words "subsection (b)" and inserting in lieu thereof the words "subsection (a)."

PROVISIONS RELATING TO RETIREMENT OF OFFICERS SPECIALLY COMMENDED FOR PERFORMANCE OF DUTY IN COMBAT

SEC. 523. (a) Section 412 (a) of the Officer Personnel Act of 1947 is hereby amended by deleting the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement" as they appear in lines 8 and 9 of the said section on page 874, volume 61, Statutes at Large.

(b) The act of June 6, 1942 (ch. 383, 56 Stat. 328; 14 U. S. C. 174a; 33 U. S. C. 864e), is hereby amended by striking out the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement." and by inserting in lieu thereof the words ": *Provided*, That the provisions of this act shall not apply in the case of any officer who has been so commended if the act or service justifying the commendation was performed after December 31, 1946."

(c) Nothing contained in subsections (a) and (b) of this section shall be held to reduce the retired pay of any officer placed on a retired list prior to the effective date of this section, nor shall the provisions of section 412 (a) of the Officer Personnel Act of 1947, as amended by subsection (a) of this section, or the act of June 6, 1942 (ch. 383, 56 Stat. 328), as amended by subsection (b) of this section, be construed as granting any increased retired pay to any person by virtue of the higher grade or rank to which such person is or may become entitled to pursuant to such provisions of law.

AMENDMENT OF THE SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942, AS AMENDED

SEC. 524. Section 108 (b) of the Servicemen's Dependents Allowance Act of 1942, as amended, is hereby further amended to read as follows:

"(b) Basic allowance for quarters for enlisted men with dependents authorized by section 302 of the Career Compensation Act of 1949 shall not be payable for any period with respect to which family allowances to dependents of enlisted men of the fourth (seven or more years' service), fifth, sixth, or seventh pay grades are being paid. An enlisted man of the fourth (seven or more years' service), fifth, sixth, or seventh pay grade may at his option receive either the basic allowance for quarters for dependents or have his dependents become entitled to receive family allowance. No dependents of any enlisted man shall be entitled to family allowance for any period for which such basic allowance is paid to the enlisted man. The Secretary of the Department concerned is authorized to exercise the option on behalf of the enlisted man in any case in which he deems it desirable and finds it impracticable for the enlisted man to exercise his option, subject to termination at a later date upon specific request of the enlisted man. Whenever any option under this subsection is exercised, payments pursuant thereto shall begin at a date to be prescribed by the Secretary of the Department concerned. The monthly pay of any enlisted man of the fourth (seven or more years' service), fifth, sixth, or seventh pay grade who is provided with public quarters for his dependents and any of whose dependents is receiving a family allowance shall be reduced by, or charged with, 90 cents per day."

AMENDMENTS OF THE ACT OF JUNE 3, 1916 (39 STAT. 190; 41 STAT. 776)

SEC. 525. (a) Section 30 of the act of June 3, 1916 (39 Stat. 187; 10 U. S. C. 658), as amended, is amended by deleting therefrom the third, the seventh, and the ninth sentences of the first paragraph.

(b) Section 37a of the National Defense Act of 1916, as amended, is amended by inserting a period after the words "and length of active service" and deleting the rest of said section.

(c) Section 38 of the National Defense Act of 1916, as amended, is amended by deleting the following words therefrom: "and mileage from his home to his first station and from his last station to his home."

AMENDMENT OF THE ACT OF FEBRUARY 18, 1946 (60 STAT. 20)

SEC. 526. That part of title II of the act of February 18, 1946 (60 Stat. 20; 37 U. S. C. 112c), which authorizes transportation of dependents and household effects of civilian and naval personnel of the Naval Establishment stationed outside continental United States is amended by deleting therefrom all reference to naval personnel.

AMENDMENTS OF THE ACT OF JUNE 5, 1942 (56 STAT. 315)

SEC. 527. (a) Subsection (e) of section 4 of the act of June 5, 1942 (56 Stat. 314), as added by section 4 of the act of February 12, 1946 (60 Stat. 5; 50 App. U. S. C. 764 (e)), as amended, is amended by deleting therefrom the reference to section 4 (a), 4 (b), and 4 (c).

(b) Section 5 of the act of June 5, 1942 (56 Stat. 316; 50 App. U. S. C. 765), is amended by deleting therefrom all reference to military personnel.

AMENDMENT OF THE ACT OF MAY 27, 1908 (35 STAT. 418)

SEC. 528. Paragraph 23, heading "Office of the Fourth Assistant Postmaster General," of the act of May 27, 1908 (35 Stat. 418; 39 U. S. C. 134), as amended, is amended by deleting the last sentence thereof.

AMENDMENT OF SECTION 4 OF THE NAVAL AVIATION CADET ACT OF 1942 (56 STAT. 737)

SEC. 529. Section 4 of the Naval Aviation Cadet Act of 1942 (56 Stat. 737; 34 U. S. C. 850c), is hereby amended to read as follows:

"SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Navy."

AMENDMENT OF SECTION 4 OF THE ARMY AVIATION CADET ACT (55 STAT. 240)

SEC. 530. The first five sentences of section 4 of the Army Aviation Cadet Act (55 Stat. 240; 10 U. S. C. 303, 304, 304b), as amended, are hereby further amended as follows:

"Aviation cadets, while on active duty, shall be entitled to be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall be entitled

to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Army."

AMENDMENT OF THE ACT OF JUNE 30, 1941 (55 STAT. 394)

SEC. 531. The act of June 30, 1941 (55 Stat. 394; 10 U. S. C. 656, 939, 982a), as amended, is hereby amended by deleting therefrom sections 1, 2, and 3.

AMENDMENT TO THE NATIONAL DEFENSE ACT

SEC. 532. (a) Section 71 of the National Defense Act, as amended (32 U. S. C. 4b), is hereby amended by striking out the period at the end of the section, inserting a comma in lieu thereof, and adding the following: "and, in addition thereto, shall include any officer of the National Guard of any State, Territory, or of the District of Columbia who has been temporarily extended Federal recognition by the Secretary of the Army under such regulations as he may prescribe, and who shall have successfully passed the examination prescribed in section 75 of the National Defense Act, as amended, pending final determination of his eligibility for, and his appointment as, an officer of the National Guard of the United States in the grade concerned, and if and when so appointed the appointment shall be dated and shall be deemed to have been effective from the date of such recognition, however, such temporary extension of Federal recognition shall be granted only when such officer takes oath that during such recognition he will perform all Federal duties and obligations required of him the same as though he were appointed as an officer of the National Guard of the United States in such grade, and such temporary recognition may be withdrawn at any time and if not sooner withdrawn or replaced by permanent recognition as an officer of the National Guard of the United States in such grade it shall automatically terminate 6 months after its effective date."

(b) The foregoing amendment in subsection (a) of this section and section 1 of the National Defense Act, as amended, shall apply to the Department of the Air Force and to the Regular and Reserve components of the Air Force in the same manner that it would so apply had it been enacted prior to the enactment of the National Security Act of 1947 (Public Law 253, Eightieth Congress, approved July 26, 1947).

ACTS AND PARTS OF ACTS REPEALED

SEC. 533. (a) All acts or parts of acts inconsistent with the provisions of this act are hereby repealed on the date such provisions of this act become effective, and the provisions of this act shall be in effect in lieu thereof, and such repeal shall include, but shall not be limited to, the acts and parts of acts repealed in subsections (b) and (c) of this section.

(b) The following acts and parts of acts are hereby repealed:

(1) Section 1245 of the Revised Statutes (10 U. S. C. 931).

(2) Section 1251 of the Revised Statutes (10 U. S. C. 933).

(3) Section 1252 of the Revised Statutes (10 U. S. C. 934).

(4) Section 1253 of the Revised Statutes (10 U. S. C. 966).

(5) That part of section 1261 of the Revised Statutes (10 U. S. C. 692) which provides additional pay for aids to brigadier generals and major generals.

(6) Section 1454 of the Revised Statutes (34 U. S. C. 418), as amended.

(7) Section 1588 of the Revised Statutes (34 U. S. C. 991) as amended.

(8) Section 1612 of the Revised Statutes (34 U. S. C. 971).

(9) Section 1613 of the Revised Statutes (34 U. S. C. 972).

(10) The third proviso of section 3 of the act of October 1, 1890 (26 Stat. 562; 10 U. S. C. 932).

(11) Section 6 of the act of April 12, 1902 (32 Stat. 101; 14 U. S. C. 169), as amended.

(12) That part of paragraph 3, heading "Marine Corps," of the act of March 2, 1907 (34 Stat. 1200; 34 U. S. C. 973) which provides additional pay for privates of the Marine Corps regularly detailed and serving as cooks.

(13) That part of paragraph 3, heading "Pay of enlisted men," of the act of May 11, 1908 (35 Stat. 108; 10 U. S. C. 803), as amended, which authorizes additional pay to an officer of the Army below the grade of major required to be mounted who provides himself with suitable mounts at his own expense.

(14) That part of paragraph 2, heading "Pay of the Navy," of the act of May 13, 1908 (35 Stat. 128; 34 U. S. C. 867), which provides additional pay for aides to rear admirals of the Navy.

(15) That part of paragraph 14, heading "Miscellaneous," of the act of August 24, 1912 (37 Stat. 575; 10 U. S. C. 644), which authorizes additional pay for enlisted men of the Army detailed to serve as stenographic reporters.

(16) That part of section 1 of the act of March 4, 1915 (38 Stat. 1063; 10 U. S. C. 750a), as amended, which relates to expenses of officers abroad as observers of foreign armies at war.

(17) That part of section 127a of the act of June 3, 1916, as added by section 51 of the act of June 4, 1920 (41 Stat. 785; 10 U. S. C. 301), which relates to additional pay for military aviators and junior military aviators.

(18) That part of section 127a of the act of June 3, 1916, as added by section 51 of the act of June 4, 1920 (41 Stat. 785, 37 U. S. C. 4b), which provides for longevity pay for service in the Regular, provisional, or temporary forces.

(19) That part of section 1 of the act of August 29, 1916 (39 Stat. 629; 10 U. S. C. 935), as amended, which reads as follows:

"That the Secretary of the Army shall make a list of all officers of the Army who have been placed on the retired list for disability and shall cause such officers to be examined at intervals as may be advisable, and such officers as shall be found to have recovered from such disabilities or to be able to perform service of value to the Government sufficient to warrant such action shall be assigned to such duty as the Secretary of the Army may approve."

(20) Paragraph 4, heading "Medals of Honor, Distinguished Service Crosses, and Distinguished Service Medals," of the act of July 9, 1918 (40 Stat. 871; 10 U. S. C. 696).

(21) That part of subchapter IX of the act of July 9, 1918 (40 Stat. 882, 10 U. S. C. 276), which relates to pay and allowances of warrant officers of the Army Mine Planter Service.

(22) Section 4 of the act of February 4, 1919 (40 Stat. 1056) as renumbered section 6 and amended by section 1 of the act of August 7, 1942 (56 Stat. 744; 34 U. S. C. 357).

(23) Section 13 of the act of July 2, 1926 (44 Stat. 789; 10 U. S. C. 1430; 34 U. S. C. 364b).

(24) The act of April 9, 1928 (ch. 327, 45 Stat. 412; 34 U. S. C. 886), as amended.

(25) Section 10 of the act of June 16, 1933 (48 Stat. 307; 37 U. S. C. 29a).

(26) The act of August 25, 1937 (ch. 769, 50 Stat. 805; 10 U. S. C. 699).

(27) That part of the act of October 15, 1940 (ch. 885, 54 Stat. 1177; 10 U. S. C. 276, 277), which relates to pay and allowances of warrant officers of the Army Mine Planter Service.

(28) That part of section 6 of the act of July 24, 1941 (55 Stat. 604; 34 U. S. C. 350e), as amended, which relates to pay and allowances, and section 8 of such act (55 Stat. 604; 34 U. S. C. 350g), as amended.

(29) Section 2 of the act of August 18, 1941 (55 Stat. 629; 37 U. S. C. 16a), as amended.

(30) That part of section 1 of the act of August 21, 1941 (55 Stat. 651; 10 U. S. C. 593a), relating to base pay and allowances for warrant officers in the Army of the United States which precedes the proviso, and also all of said section 1 following the colon preceding the proviso.

(31) Section 7 of the act of January 19, 1942 (56 Stat. 8; 33 U. S. C. 864d), as amended.

(32) So much of the second proviso of section 2 (b) of the act of January 19, 1942 (56 Stat. 7; 33 U. S. C. 854a), as relates to pay, longevity pay, allowances, and retirement.

(33) Section 1 of the act of May 4, 1942 (56 Stat. 266; 37 U. S. C. 18a).

(34) The act of June 16, 1942 (56 Stat. 359), as amended, except section 12 of such act, as amended, except that part of paragraph 1 of section 10 of such act, as amended, which relates to enlisted personnel in a travel status, and except paragraph 4 of section 15 of such act, as amended.

(35) The act of April 10, 1943 (ch. 47, 57 Stat. 62; 37 U. S. C. 118b) as amended.

(36) The act of June 30, 1944 (ch. 335, 58 Stat. 648; 10 U. S. C. 1430a), as amended.

(37) The act of July 6, 1945 (ch. 279, 59 Stat. 462; 10 U. S. C. 1430b), as amended.

(38) Section 5 of the act of June 29, 1946 (60 Stat. 345; 37 U. S. C. 101a).

(39) The act of March 6, 1946 (ch. 49, 60 Stat. 32; 37 U. S. C. 103b), as amended.

(40) Section 14 of the act of August 2, 1946 (60 Stat. 854; 34 U. S. C. 889).

(41) Sections 14, 15, and 16 (b) of the act of June 3, 1948 (ch. 390, 62 Stat. 299, 300).

(c) The following acts and parts of acts are hereby repealed:

(1) That part of section 1 of the act of August 5, 1882 (22 Stat. 286; 34 U. S. C. 892), which relates to officers of the Navy traveling abroad under orders.

(2) That part of section 1 of the act of March 3, 1883 (22 Stat. 456; 10 U. S. C. 747), which relates to computation of mileage and necessity for travel by officers of the Army.

(3) Paragraph 21, heading "Miscellaneous", of the act of June 12, 1906 (34 Stat. 246; 10 U. S. C. 743, 748, 870), as amended.

(4) That part of paragraph 6, heading "Marine Corps", of the act of March 3, 1909 (35 Stat. 774; 34 U. S. C. 977), which provides for settlement of traveling expense claims.

(5) That part of the act of March 23, 1910 (36 Stat. 255; 10 U. S. C. 821), under the heading "Quartermaster's Department", subheading "Transportation of the Army and its supplies", which relates to reimbursement of the Government for excess baggage carried.

(6) Section 126 of the act of June 3, 1916 (39 Stat. 217; 10 U. S. C. 752; 14 U. S. C. 138; 34 U. S. C. 895), as amended.

(7) That part of section 1 of the act of August 29, 1916 (39 Stat. 633; 10 U. S. C. 823), as amended, which relates to transportation of baggage of enlisted men discharged for disability in line of duty.

(8) That part of the act of July 9, 1918 (40 Stat. 860; 10 U. S. C. 754), as amended, which relates to travel expenses of enlisted men incident to entry on or relief from active duty.

(9) The act of September 29, 1919 (ch. 65, 41 Stat. 288; 10 U. S. C. 753).

(10) The first paragraph of section 5 of the act of March 3, 1925 (43 Stat. 1190; 10 U. S. C. 306; 34 U. S. C. 893), as amended.

(11) Subsections (a), (b), (c), and (d) of section 4 of the act of June 5, 1942 (56 Stat. 315; 50 App. U. S. C. 764 (a), (b), (c), and (d)), as amended.

(12) That part of paragraph 1 of section 10 of the act of June 16, 1942 (56 Stat. 363; 37 U. S. C. 110), as amended, which relates to enlisted personnel in a travel status, and section 12 of such act (56 Stat. 364; 37 U. S. C. 112), as amended.

(13) The act of October 14, 1942 (56 Stat. 786; 50 App. U. S. C. 831, 832, and 833), as amended.

(14) The act of October 29, 1942 (ch. 631, 56 Stat. 1011; 34 U. S. C. 899).

(15) So much of section 1 of the acts of June 26, 1943 (ch. 147, 57 Stat. 204), June 22, 1944 (ch. 269, 58 Stat. 309), May 29, 1945 (ch. 130, 59 Stat. 209), and section 101 of the act of July 8, 1946 (ch. 543, 60 Stat. 488; 37 U. S. C. 112b), as relates to per diem allowances for naval officers traveling between places in the same vicinity, naval personnel on special duty in foreign countries and naval personnel of the Naval Air Transport Service.

(16) The act of November 28, 1943 (ch. 330, 57 Stat. 593; 50 App. U. S. C. 833 a, b, c, d, e, and f), as amended.

(17) Section 1 of the act of June 27, 1944 (58 Stat. 392; 37 U. S. C. 117b).

(18) Section 6 of the act of October 6, 1945 (ch. 393, 59 Stat. 539; 10 U. S. C. 751a; 34 U. S. C. 895a), as amended.

(19) The act of April 27, 1946 (60 Stat. 126, 127; 37 U. S. C. 112d–112i), as amended.

(20) The act of March 26, 1947 (61 Stat. 23; 10 U. S. C. 760).

AUTHORIZATION FOR APPROPRIATIONS

SEC. 534. There is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

EFFECTIVE DATE

SEC. 535. (a) Except as provided in subsections (b) and (c) of this section, this act shall become effective on October 1, 1949, and no pay, allowances, or benefits provided herein shall accrue to any person for any period prior thereto.

(b) Section 511 of this act shall become effective on the date of enactment of this act.

(c) Subsection (c) of section 533 of this act shall become effective on January 1, 1950.

Mr. VINSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the remaining portion of the bill that has not been read be considered as read, be printed in the RECORD and be open to amendment at any point.

Mr. SUTTON. Mr. Chairman, reserving the right to object, the chairman of the Committee on Armed Services has generally agreed not to move to close debate on us. If he follows that course and gives us ample time to debate the provisions of the bill I will not object.

Mr. VINSON. Mr. Chairman, may I say that I would not deny any Member full opportunity, or the committee full opportunity, to discuss any amendment. We have ample time to discuss every amendment. All we are doing is saving the reading of about 106 pages. We will gain a little time, but the Members will have ample opportunity to offer amendments and have them considered.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the remainder of the bill be considered as read, to be printed in the RECORD at this point and open to amendment.

Is there objection?

There was no objection.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the remaining committee amendments, which are all technical and clarifying, be considered en bloc and agreed to.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, I assume these are the committee amendments which are listed on pages 1, 2, and 3 of the report.

Mr. VINSON. That is correct.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the remaining committee amendments be considered en bloc.

Is there objection?

There was no objection.

The Clerk read as follows:

Page 24, line 21, strike out the word "when" and insert in lieu thereof the word "where."

Page 30, line 15, strike out the word "grades" and insert in lieu thereof the words "ranks, grades,".

Page 33, line 3, insert the word "are" immediately after the word "as."

Page 37, line 1, (a) strike out the period after the word "section" and insert a comma in lieu thereof; (b) strike out the words "In lieu of any such retirement, such member" and insert in lieu thereof the word "but."

Page 37, line 6, insert the word "a" immediately after the word "that."

Page 38, lines 10 and 11, (a) strike out the period after the word "section" and insert a comma in lieu thereof; (b) strike out the words "In lieu of any such retirement, such member" and insert in lieu thereof the word "but."

Page 38, line 16, strike out the word "haven" and insert in lieu thereof the word "have."

Page 38, lines 21 and 22, (a) strike out the period after the word "section" and insert a comma in lieu thereof; (b) strike out the words "In lieu of any such retirement, such member" and insert in lieu thereof the word "but."

Page 40, lines 2 and 3, (a) strike out the period after the word "section" and insert a comma in lieu thereof; (b) strike out the words "In lieu of any such retirement, such member" and insert in lieu thereof the word "but."

Page 42, line 20, strike out the word "factors" and insert in lieu thereof the word "multipliers."

Page 42, line 21, strike out the word "or" and insert in lieu thereof the word "and."

Page 44, line 11, strike out the word "may" and insert in lieu thereof the words "upon separation shall be entitled to."

Page 46, line 9, strike out the period and insert in lieu thereof the following: ", as amended."

Page 52, lines 20 and 21, strike out the words "grade or rating" and insert in lieu thereof the words "or grade."

Page 53, line 3, strike out the words "grade, or rating" and insert in lieu thereof the words "or grade."

Page 54, line 25, insert a comma immediately after the word "Corps."

Page 57, line 2, strike out the word "and."

Page 57, line 3, insert after the word "services" the words ", other than commissioned officers of the Reserve Corps of the Public Health Service,."

Page 57, line 8, strike out the period and insert in lieu thereof the following: "; and (3) for commissioned officers of the Public Health Service, heretofore retired for physical disability or hereafter retired or separated for physical disability pursuant to this act, in addition to the service creditable as active service under (1) above, their service, other than commissioner service, with the Public Health Service."

Page 64, line 7, strike out the word "of" and insert in lieu thereof the word "or."

Page 69, line 3, strike out the word "equavlent" and insert in lieu thereof the word "equivalent."

Page 85, lines 16 and 17, strike out the words "of the fourth (seven or more years' service), fifth, sixth, or seventh pay grades" and insert in lieu thereof the words "in pay grade E–4 (seven or more years' service), E–5, E–6, or E–7."

Page 85, lines 18 and 19, strike out the words "of the fourth (seven or more years' service), fifth, sixth, or seventh pay grade" and insert in lieu thereof the words "in pay grade E–4 (seven or more years' service), E–5, E–6, or E–7."

Page 86, lines 8 and 9, strike out the words "of the fourth (seven or more years' service), fifth, sixth, or seventh pay grade" and insert in lieu thereof the words "in pay grade E–4 (seven or more years' service), E–5, E–6, or E–7."

Page 88, line 23, insert the words "to read" after the words "further amended."

Page 92, line 21, strike out the word "aides" and insert in lieu thereof the word "aids."

The committee amendments were agreed to.

Mr. CARROLL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARROLL: On page 69, line 2, after the word "enacted", strike out the balance of line 2 and everything down to and including line 20 and insert in lieu thereof: "*Provided*, That notwithstanding the foregoing, the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, shall remain in effect for the dependent or dependents of an enlisted man until the expiration of the enlistment or reenlistment period for which he has contracted prior to the date of the enactment of this act, or of an enlisted person inducted into any of the uniformed services prior to the date of the enactment of this act until the expiration of his compulsory period of active service."

Mr. CARROLL. Mr. Chairman, this amendment is one that I have discussed generally several times during the debate. I think it is a very important amendment, and I wish to ask a few questions of the committee in order that we can explain the purport of the amendment as we go along.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. Yes; I yield briefly.

Mr. WILLIAMS. This amendment provides for the carrying out of the Government's obligation under the contract during the enlistment for which a soldier is enlisted?

Mr. CARROLL. That is exactly right. I am going to explain that.

Mr. WILLIAMS. It does not affect the case of reenlistment after this enlistment runs out.

Mr. CARROLL. That is exactly right.

Mr. O'HARA of Minnesota. Also those who happen to be serving by reason of the draft.

Mr. CARROLL. That is correct.

Mr. Chairman, my amendment is a very simple one and I think most equitable. When this measure was presented before the Armed Services Committee, it will be found by reference to page 1384

of the hearings, under section 615, this very provision was in the bill. What has happened? Evidently as committee members went along they found that they could get rid of some of the people whom the recruiting officers had permitted to come into the service. The gentleman from Texas has said some of these men have families of 13 and 14 children. Whose fault is it that they got into the Army in the first place? It is the fault of the recruiting officers that they permitted those people to come into the Army. As I stated, the purpose of my amendment is a very equitable one.

What right do we have to accept the enlistment of men into the armed services, then after we have induced them to come in, after we have given them a family allowance and other inducements to enter the service, we pass a bill which abrogates a contract and we say to them: "You can be discharged."

What type of civilian economy are these people going to enter? Unemployment is growing steadily. What about these men who have 5 or 6 children? Where are they going to get a job? I do not think that it is fair to change the rules in the middle of the game.

I want to put at this point a few questions. Let us assume, for example, that in enlisted grade 7 a recruit living on the post has a wife. Under present law his base pay is $75; is that right?

Mr. KILDAY. Yes.

Mr. CARROLL. You deduct $22 from that pay which makes it $53, but under the present law you have an allowance to the wife of $50, so that makes his total pay $103.

Mr. KILDAY. That is correct.

Mr. CARROLL. Under this bill the base pay for that recruit is $75. There is a $28 loss under the bill we have under consideration at this time.

Let us take the situation of an enlisted man, grade 7, living on a post and having a wife and child. Under present law his salary is $133. When we pass this bill, what is his base pay? $75.

It is well for you to keep that in mind. You are cutting that particular individual some $53 or $54.

Let us consider the case of an enlisted man who has two children. You reduce his pay from $153 to $75 under the bill now being considered.

Let us continue with grade 7. We are still dealing with the lowest man, the recruit. Under present law, with a dependency allowance for a wife, plus subsistence, the pay is $134.50. Under the present bill it is $106.50.

I think all of these matters should be properly considered. I am much impressed with the argument that you are giving all of the increases to the brass. I think we better consider what we are doing to those down below.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. Mr. Chairman, let us go to grade 6. Under grade 6, as I understand it, the man is no longer a recruit. His base pay under present law is $80 a month. This is for a man living on an Army post and who has a wife but no children. He gets $108 a month under present law. What does he get under the present bill? He gets $82.50. That is a substantial cut to a low group in the Army and it is to be considered in light of the substantial increase that you are giving to a high group in the Army. I wonder how we are going to justify these things when we pass this bill, when the real cut becomes readily discernible as affecting only those in the enlisted ranks.

Let us talk about a man in grade 6, living on a post and married, with 10 years of service. Under existing law he gets $120 a month. Under the present bill he also gets $120 a month.

Is that not right, may I ask the gentleman from Texas?

Mr. KILDAY. I am going to have to discuss it in detail later, because there are certain things that the gentleman is confused about.

Mr. CARROLL. I want the gentleman to stop me. Have I confused the issue anywhere with reference to the enlisted men in grade 7?

Mr. KILDAY. The thing where the gentleman is confused is that the tables which appear in the report indicate that persons under the first three grades draw subsistence and quarters allowance on the basis of dependents. That is not correct. Only the first three grades at this time draw subsistence and quarters allowance. If the recruit is not provided with barracks and a mess, he gets an allowance for himself, but that is not on the basis of dependents. Only a master sergeant, the technical sergeant, and another one are now drawing subsistence and quarters, but it is not proper to figure in those allowances now, because you do not have recruits with wives and children living on the post. There have not been any taken in since last September. If they did have wives and children they could not live on the post.

Mr. CARROLL. That is the point. You do not bring these grades in unless they are on special duty and have the consent of the commanding officer.

Mr. KILDAY. That is right.

Mr. CARROLL. Actually, while I have been directing my remarks to the effect of the proposed bill upon enlisted men with dependents, the real gist of this amendment is simple. We are now saying, if we adopt this amendment, that whenever the Government enters into a contract with an enlisted man, whenever the Government of the United States offers an inducement to the enlisted man, then the Government must fulfill that contract. We should not dump these men out into a declining economy. The only effect of this amendment would be to protect them during the remaining portion of their present enlistment. As a matter of fact, the committee itself recognized the equity of this situation, since the bill provides that those who enlisted prior to 1946 shall be entitled to dependency allowances. It is only those men who have come in after 1946 that the committee would penalize. I say this treatment is unfair; it is inequitable and should not be permitted.

As a matter of fact, this amendment is not original with me. I have taken this amendment from the original bill which came before the Committee on Armed Services, and I sincerely hope that as a matter of fairness, of fair dealing with these family groups, that we ought to give them this sort of continued protection.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman has covered the situation that I was going to emphasize. But, I wonder if the gentleman from Texas will admit that this bill would reduce the pay of family men after they have entered the Army under a contract with the Government.

Mr. KILDAY. I am going to have to answer the gentleman in my own time, because he referred to contracts and things of that kind. I am going to have to answer him in my own time rather than answer some individual question.

Mr. EBERHARTER. When a man enlists for a certain pay in the Army, does the gentleman not think that is a contract between him and the Government?

Mr. CARROLL. Unquestionably—as a matter of fact the Committee on Armed Services recognizes that such a contractual relationship exists for in this bill there is frequent reference to contract of enlistment.

Mr. TOWE. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from New Jersey.

Mr. TOWE. Under the amendment offered by the gentleman, can an enlisted man get the pay increases or the pay schedules provided in this legislation plus the family allowances?

Mr. CARROLL. As I understand, under this amendment as it was drawn, the increases apply to those men who are now serving out their present term of enlistment. If we change the provision of the pending bill we merely put all enlisted personnel in the same category.

Mr. TOWE. Under the gentleman's amendment you also retain the family allowances plus the pay schedules in the bill?

Mr. CARROLL. My amendment would place the man who enlisted since 1946 in the same category as all other people who came in prior to 1946. If they are entitled to family allowances, so ought the men who have entered the Army since 1946.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman be given two additional minutes to answer these questions.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TOWE. My question is this: The gentleman has offered an amendment which retains family allowance in some respects. I should like to know whether or not if the amendment is agreed to all family allowances which come under

the terms of the gentleman's amendment would be retained, and would the men still get the pay schedule set forth in this proposed legislation?

Mr. CARROLL. I thought I had answered that question, but I will answer it again by asking the gentleman from Massachusetts, who asked for an extension of time for me, what is the category of the enlisted men who enlisted prior to 1946? What position are they in under this bill?

Mr. BATES of Massachusetts. They may stay in the service until the time their enlistment expires, or ask for release.

Mr. CARROLL. Under the provisions of the act of 1942——

Mr. BATES of Massachusetts. 1946.

Mr. CARROLL. I am talking about the act of 1942, which gave certain allowances.

Mr. BATES of Massachusetts. That is the family allowance.

Mr. CARROLL. Exactly. The men that came in prior to 1946 are entitled to those allowances.

Mr. BATES of Massachusetts. The question the gentleman from New Jersey asked is whether or not the gentleman's amendment permitting the continuation of family allowances will also permit a man to draw the 30-percent increase in pay provided in this bill. The gentleman has not answered that question.

Mr. CARROLL. As I understand the provisions of the act of 1942, that act provided for certain family allowances. Is that not so?

Mr. BATES of Massachusetts. Correct.

Mr. CARROLL. Those men who enlisted prior to 1946, as provided by the terms of the pending bill, are covered by the terms of the 1942 act. Is that not so?

Mr. BATES of Massachusetts. That is right.

Mr. CARROLL. All I am saying, to answer this question, is that I want the men who enlisted after 1946 and entered their contract of enlistment then to be covered by the terms of the same law as those men who enlisted prior to 1946.

Mr. BATES of Massachusetts. Then the question also is whether or not the gentleman wants those same men to continue receiving family allowances and also the 30-percent pay increase provided in this bill. The gentleman has not answered that question.

Mr. CARROLL. My answer is, if the men who entered the service before 1946 receive it, these men ought to receive it.

Mr. BATES of Massachusetts. We are trying to adjust this whole pay schedule so they will all be taken care of.

Mr. CARROLL. I think I have answered the question.

Mr. MORRIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this seems to me to be a very fair, a very important, and a very necessary amendment to this bill. The bill appears to me to be, generally speaking, a good bill, and we ought to pass it, I think.

I served as a private and a corporal and a sergeant in World War I, but I certainly have no prejudice whatsoever against the so-called brass. We need those leaders and we need them badly in the armed forces the same as we need leadership in civilian life, and I shall vote to increase their pay in this bill. I have no prejudice against them. I want to be fair with all our leaders. Most certainly if we are fair with them we ought to also be fair with the humble people, we ought to be fair with those in the very lowest ranks, we ought to be fair with everybody.

This idea of being prejudiced against some class is not right. We ought to get that out of our minds and our hearts, if we have any such prejudices. Let us not be prejudiced. Let us treat all our classes with fairness.

How can we treat these in the lower echelons, the lower income brackets, with fairness if we violate a contract we have with them? As the gentleman from Pennsylvania [Mr. EBERHARTER] suggested in his question a while ago, there was actually a contract, at least an implied contract, with these people who went into the Army that they would receive those family allowances during their enlistment and during the time for which they were called into the service.

I just believe that Uncle Sam ought to be the last entity in this world to violate a contract either actual or implied, or even to violate a moral obligation.

I do not think that we, as individuals, have the right to violate moral obligations. I think our Nation least of all entities in all of this world ought to ever violate a moral obligation. Without this amendment I rather think we are going a long way here, my friends, toward what I would term the violation, at least, of an implied contract and certainly of a moral agreement with these people who have gone into the service. I have voted against every amendment so far except the one which sought to raise the pay of the low-pay $75 men. I voted for that and I voted against these others. I do believe that this is a good amendment and that we ought to support it.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, colleagues, ladies and gentlemen, for the greater portion of 3 days I have been in this House listening to gentlemen stand in the well of the House and beat their breasts and tear their hair because men who were receiving $600, $700, $800, $900, of $1,000 a month were being mistreated and were not getting enough money. Well, perhaps they are not getting enough money. I do not care if we give them more money as far as that is concerned, but I have come to the well of the House today to talk about the man who is receiving $100 or $120 or even $80 a month. If my colleagues have not already guessed it, I am going to let them in on a little secret today. Just rather frankly, sympathies are with the underdog. They go about 100 percent to the little fellow who always seems some way or another to get lost in the shuffle, and who does not seem to have but few friends.

You know a little way north of St. Louis the Missouri River comes into the Mississippi, and it extends northwest clear into the top of the Rocky Mountains. That river valley constitutes an agricultural empire. I got a book the other day from the Department of Agriculture. That book says that that great valley, with all the lands and all the buildings and all the cattle and all the hogs and all the sheep and all the poultry is worth 9.1 billion dollars. I remained on the floor of the House hour after hour after hour to vote against every amendment that would cut the appropriation for the military. I voted for the appropriation in the final roll call. That appropriation was for almost 16 billion dollars, yet the whole Missouri River Valley is only 9.1 billion dollars. Now they come here and tell me that the Army is so poor, and Uncle Sam is so poor, that we can no longer afford to help an enlisted man feed his children.

If that is the God Almighty's truth, there are a lot of bills here that need cutting. There is no question about that. This House seems to be trying to fulfill prophecy. I do not know whether it is our prerogative to do that or not. I do not know whether we could avoid doing it or not if we tried. The Book says, "Unto him that hath it shall be given, that he may have in abundance; and from him that hath not, shall be taken away even that which he hath." That is exactly what this bill seeks to do.

Now, I am not objecting to giving to the man that has, but I do not want to take away from the man that has not in order to do it, because we are not yet poor enough to have to do that. Uncle Sam, even with all this Democratic depression we have had for the last 16 years, has not sunk to the place where we have to violate a contract that Uncle Sam made with his enlisted men. I would rather be stripped, tarred, feathered, and hauled out of this town on a rail than to stand up here on the floor of this House and vote to take away the allowance of the family man in the Army. I know that science has proven that a healthy man and woman can live together and not produce a family. I know that. But the fact remains that there is just one place in this United States where the Army can find a soldier; there is just one place where the Navy can find a sailor; there is just one place where the Air Force can find a pilot; there is just one place where the Marines can go to get a "leatherneck." That is by dipping into the family of men and women who are willing to shoulder the responsibility and deny themselves of the pleasures of life that are necessary to produce a family in the United States. I would say about that man who had 10 or 11 children that I have heard so much about on this floor 5 or 6 times, it is not going to be very long until there are going to be some soldiers in that family. This United States is going to be owned, it is going to be populated, this House is going to be filled in 10 years, 20 years, 40 years, and 60 years from now by the sons and daughters of men and women who are willing to observe the

law of God; who refuse to sidestep the laws of nature, and who are willing to raise a family. If we destroy this family allowance, I turn to my colleagues on the right, and say to you, "If you do it, shame." I turn to the left and I say to you, "If you do it, shame." I turn to the chairman of the Armed Services Committee and the chairman of the subcommittee, and I say again, "Shame."

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CHRISTOPHER] has expired.

Mr. FURCOLO. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO as a substitute for the amendment offered by Mr. CARROLL: On page 69, strike out lines 6 to 20 and insert: "Contracted by any enlisted person who is a member of the uniformed services prior to June 1, 1949, unless such person waives the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, within 1 year from the date of enactment of this act, the form and place of filing of such waiver to be substantially in accordance with the regulations prescribed by the Secretary concerned."

Mr. FURCOLO. Mr. Chairman, this amendment is the one that I mentioned last week that I intended to offer at this time. In substance it is much the same as the one offered by the gentleman from Colorado [Mr. CARROLL] and a great part of the argument will be the same as the argument for the amendment offered by the gentleman from Colorado and also the argument which the gentleman from Missouri [Mr. CHRISTOPHER] has just made.

I wish to explain what I have tried to do in this substitute. I realize that the Armed Services Committee is going to say that in many cases the men in the armed forces, even if they have children, are going to get more money under this new bill than they did under the family allowance system. That is why in this substitute I have included a provision which leaves it to the enlisted man or officer himself to choose which system he wishes to come under. If he decides he can get more money by coming under the provisions of this bill, he is allowed to file a waiver and come under it. On the other hand, if he wants to stay under the family allowance plan, he has that privilege. He makes a choice between the two.

The other day I told about the scandal of some high-ranking officers who had been retired for physical disability making a great deal of money in commercial life. I asked this question: Why cannot the committee do something about those officers who are making sometimes $10,000 or $15,000 a year while still drawing disability pay? The answer was that you could not do that because there was a legal contract with the officers. That may or may not be true; I am not prepared to argue that at this moment; but I do say, in line with what other Members have said, that there is just as much a contract of moral force with the men in the service who stayed in that service under the assumption that they were going to receive certain benefits. I know that many, many men shipped over or enlisted again because of what they were told; and they were told that they would have these benefits. Now this Congress says we do not have to pay too much attention to that. I am not going to try to add to what the gentleman from Missouri [Mr. CHRISTOPHER] said, because I think he hit the nail right on the head in certain respects; but I do say that, assuming we cannot do anything about the scandalous injustice of retired officers drawing disability pay and going out and making ten or fifteen thousand a year, if we cannot do anything about that because of a legal contract, I say we can protect the moral contract this Government has with those enlisted men and officers still serving. As I pointed out the other day, when you get into the courts of law you have to pay attention to these legal things, but here in this body we have some obligation that is of a moral nature that should cause us to sustain the morally binding effect of the contracts—I call them contracts—that were made with the men in the service. Those contracts should be allowed to continue; we should not simply say to them that we are going to change the rules right in the middle of the game; that is neither fair nor just. If we accepted their enlistment under the family-allowance plan and they want to continue it, they should be allowed to continue it. We have a moral responsibility to those men, and we should fulfill it, because we gave them to understand that that was one of the conditions of their enlistment.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. CARROLL. So we may understand the gentleman's substitute, will the gentleman explain it very briefly? I do not understand what its effect will be.

Mr. FURCOLO. The substitute attempts to say that as far as those men are concerned who are in the service at the present time who came in under the Family Allowance Act, that if they want to stay under that act they may, or if they want to come under the provisions of this bill, they may. It gives them a choice to take that which they feel is most beneficial, but principally it carries out our obligation to them under the Family Allowance Act if they want to continue under it. If they do not want the family-allowance provisions but prefer to come under the terms of the bill, they file a waiver and say they want to come under the provisions of this bill.

Mr. CARROLL. In other words, the gentleman's substitute is designed to give the greatest benefit under either the act of 1942 or the provision of this bill.

Mr. FURCOLO. The very same thing, in effect, as the gentleman from Colorado wants to do, plus the fact that they may waive the provisions of the Family Allowance Act if they want to come under the terms of this bill, which your amendment does not cover.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. CASE of South Dakota. What does the gentleman's amendment do as far as reenlistments are concerned?

Mr. FURCOLO. My amendment is simply designed to take care of those men who presently find themselves in the service at the time this bill goes into effect.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I recognize the full force of this argument about fulfilling a contract and in my remarks the other day I called attention to that matter. At the same time, I have been consistently trying to present to the Committee in its consideration of this bill the dollars which are involved.

I have before me a chart which was prepared by the Office of the Budget, Secretary of Defense, on the 29th of April 1949 which gives the estimated cost of dependents' allowances. This gives the figures for the 1950 budget, the effect of the proposed bill for the Army, Navy, Marine Corps, Air Force, and all. I will just give the total figure because that is enough for the present.

At the present time the 1950 budget calls for $314,000,000 for dependents' allowances. Under the proposed bill it would drop to $123,000,000. In other words, to maintain the dependency allowances on the scale that they are in the 1950 budget and keep in the pay-increases and quarters benefits for the same people would require an additional $191,000,000 on an annual basis.

As I understood the gentleman from Massachusetts [Mr. FURCOLO], his amendment would not maintain dependency allowances after June 1, 1949, for new recruits, but what I point out would be the situation if an amendment were adopted that would maintain the dependency allowances in peacetime on the scale that was established in wartime when we were drafting boys and men and saying: "You have got to come into the service." We knew it was not fair at that time to say, "You have got to come into the Army and leave your family behind." So we provided for families and that was the justification for the wartime dependency allowance.

If we should adopt the amendment which would establish that for all peacetime recruitment, and keep the quarters allowances and pay increases it would cost $191,000,000 more than is proposed by this committee bill. Let us be careful and know just what we are doing. The committee bill itself is going to cost $406,000,000 more each year if the armed services are maintained as at present at the existing size. If you maintain the dependency allowances on that same scale you will add to the bill another $191,000,000, which will bring the cost of the bill up to $600,000,000.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from California.

Mr. JOHNSON. When we passed the family allowance or dependency allowance bill it was expressly provided that it would terminate 6 months after the war was over. The Congress contemplated that only as a temporary war measure and this is a good chance to change it.

Mr. CASE of South Dakota. That is true. I do not want to break a contract

with any of the boys now in the service, but I hope as we pick between the amendments we will keep clearly in mind that we do not want to establish dependency allowances on a peacetime basis for new enlistments plus the other benefits in this bill unless we are prepared to add about $200,000,000 more to the cost of this bill every year.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Colorado.

Mr. CARROLL. I agree with the gentleman and I agree with the policy set by the committee that we should terminate this family and dependency allowance as soon as possible. The point of my amendment is that these men have enlisted or reenlisted and, therefore, they have had a certain inducement to come in, and out of equity we ought to permit them to conclude their enlistment term.

Mr. CASE of South Dakota. Mr. Chairman, I hope that when the gentleman from Texas [Mr. KILDAY] takes the floor he will make clear what the bill does in that regard. I have never considered it was a proper thing for the Congress to take money from the dependency allowances and use that to pay for an increase to the officers. That is a position I have consistently taken throughout this debate. I do not think we are in the position of doing that now, but I want the committee to know and be sure just what it is doing.

Mr. KILDAY. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I was more than glad to yield to the gentleman from Massachusetts, and the gentleman from South Dakota who preceded me, because it seems as though it has become a habit whenever I am working on a bill in the House that I follow some gentleman from Missouri. Heretofore it has been the gentleman from Missouri on my left [Mr. SHORT]; now we have the gentleman from Missouri [Mr. CHRISTOPHER], and both generally leave the House in roars of laughter when I come up to follow them. So, I was glad to get as much space between us as possible.

Mr. Chairman, I cannot permit the debate to terminate on this issue with statements that there is any attempt to violate a contract, either express or implied. There is no one in a position to contend or to believe that family allowance constituted any contract with him. As a matter of fact, the serviceman himself need not even apply for family allowances. Anyone can apply, the wife, or members of the family. So, it is not a part of his compensation. It is not paid to him. It is paid directly to the members of the family or to the dependent who has been recognized as such. The law is perfectly clear, as was read here today by the gentleman from Louisiana [Mr. HÉBERT], that those who enlisted prior to July 1, 1946, would receive it for the term of the enlistment; that those who thereafter enlisted could look forward to it for such period as might be 6 months after the war was declared to be at an end. It is an appealing argument, I grant you, that there is the intention to violate a contract. However, I do not believe that the membership believes that the 28 members of the Committee on the Armed Services who voted for this provision were in any way contemplating the violation of a contract, either express or implied.

But, I do want you to understand what will happen if either of these amendments is adopted. Of course, the one offered by the gentleman from Colorado would produce a staggering impact on the economy and the expenditures under the bill, because not only would it continue these large payments now being made on the basis of the number of mothers-in-law and fathers-in-law, and brothers and sisters, and all those collateral relatives, but it would grant in addition the pay increases contemplated under this bill.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Colorado.

Mr. CARROLL. I recognize that it would have some impact and I recognize that the members of the Committee on the Armed Services worked very hard on this bill. But, the fact remains that the committee itself has set the standard, and the standard it set in this bill is that any enlistment contract prior to July 1, 1946, shall not be applicable under the provisions of this bill.

Mr. KILDAY. We did not put that in this bill. We copied that from Public Law 625 of the Seventy-seventh Congress in which the man had the absolute contract by his enlistment that the family allowances would be continued for the period of that enlistment, provided he enlisted before July 1, 1946. We realize that was a contract, and we recognized it as such. In the provision now in the bill the only contract that any man could have is recognized, and all of the talk that we have heard here and the implication that officers have contracts and enlisted men do not, stands on poor ground. I was a little surprised that the gentleman made that argument. I thought it was unworthy of him.

Mr. CARROLL. The gentleman admits in this bill that there is a contract of enlistment.

Mr. KILDAY. No, we do not.

Mr. CARROLL. I say that you had a contract after 1946, and you ought to give credit to that contract.

Mr. KILDAY. The gentleman and I have argued about this ever since the beginning of this debate, and we cannot convince one another. This other amendment is better than the amendment offered by the gentleman from Colorado, because under his amendment, you see, a man cannot at the present time, nor under his amendment, draw both quarters allowances and family allowances. There would be the choice to be made. But over and above everything else, it is a bill set up on a career basis, with compensation for service and responsibility within the framework of the economy in which we can sustain it. That is the important thing.

The analysis the gentleman from Colorado gave about certain pay categories, suffering those losses, is not the correct result of this bill, because only your first three grades draw quarters allowances at this time, and under this bill, the fourth grade is going to get it. You just cannot put the figures together that you find in that report and bring out an exact result. What I have told you from the beginning is correct, the man with four or less dependents gets more money under this bill than he does with a family allowance, unless he is one of the three bottom grades.

Mr. O'HARA of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have tried to follow all the debate in the 3 days this bill has been under consideration. I am frank to say that one of the things which troubles me very deeply is the very situation we have before us. I have extreme affection for practically every member of the Committee on Armed Services, but one of the things which compels me to be against this bill is the mental operations we seem to go through in connection with the consideration and treatment we are according enlisted men.

I am not one of those who criticize the brass. I know there are good and there are bad officers. Many generals are underpaid and some of them are overpaid. But unless we are going to have a "Mexican army," and by that I mean one composed entirely of generals and colonels, we had better approach the problem of our enlisted men on a fair basis.

You are giving the enlisted man a pittance and removing the family allowance. I confess that we cannot proceed in the matter of family allowances for enlisted men as we did on the war basis, when we were drafting men, but I say that you are saying in effect what is immoral, you are saying to the enlisted man who has a wife and a family, "Get out of the Army." You are saying to the other enlisted men, "Do not get married and do not have children, because they are not going to get humane or decent consideration from the Congress of the United States."

I say that is wrong. I am just as concerned about the enlisted men having decent pay and decent living conditions as I am about the officers having decent pay and living conditions. From my own experience, which goes back a long time, to World War I, I know that the men who are commissioned but who get the least consideration yet are the most valuable are the junior officers. However, I am not more concerned about them than I am about the enlisted men. But I say to you, if this bill passes in the form it is in now, and the word gets down very quickly to the enlisted men that the bill the committee has reported out represents the consideration we are giving to our fine enlisted men who are married and who have children, and who are not living under very happy circumstances in the quarters that are provided for them, we will be doing an injustice to the solidarity of the armed services of the United States and doing a serious injustice by saying to them, I repeat, "If you are married and have children, get out. If you expect to stay in the Army,

either do not get married or do not have children." In my judgment, that is exactly what is said in this bill, and I think it is unfair. I think it is immoral of us to take that viewpoint, and as one Member of Congress I do not intend to go along with it.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. KILDAY. In reply to your observations on marriage and children, I refer you to the testimony given by Father Cavanaugh, president of the University of Notre Dame, in which he stated that such was definitely not the result of the bill, but that the bill was designed to and would promote not only marriages, but good marriages.

Mr. O'HARA of Minnesota. May I say, as the only alumnus in the House of Representatives from the University of Notre Dame that if that is Father Cavanaugh's observation, I should like to take him out and show him some of the places where enlisted men live and where their families live and have him, after that, say to me that that is his observation, if you are correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. H. CARL ANDERSEN. I congratulate my colleague upon the splendid address that he has made to the House. I agree with him 100 percent.

Mr. O'HARA of Minnesota. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO] as a substitute for the amendment offered by the gentleman from Colorado [Mr. CARROLL].

The question was taken; and on a division (demanded by Mr. FURCOLO) there were—ayes 51, noes 58.

Mr. FURCOLO. Mr. Chairman, I demand tellers.

Tellers were refused.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Colorado [Mr. CARROLL].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 90, noes 69.

So the amendment was agreed to.

Mr. VINSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VINSON. Are there any further amendments at the Clerk's desk?

The CHAIRMAN. There are two amendments at the Clerk's desk.

Mr. SUTTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: On page 34, line 11, strike out section 304.

Mr. SUTTON. Mr. Chairman, I offer this amendment to point out to this Committee another reason why this bill should be recommitted.

Section 304 is a personal money allowance on top of salaries, on top of special privileges. It offers to an officer of the grade of lieutenant-general a personal money allowance of $500 per year. It offers to an officer with the grade of general, admiral, or equivalent grade or rank, a personal money allowance of $2,200 a year on top of his salary. It offers to an officer with the rank of Chief of Staff of the Army, Chief of Staff, naval operations, Chief of Staff of the Air Force, commandant of the Marine Corps, and commandant of the Coast Guard a personal money allowance of $4,000 on top of his salary.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. Yes; I yield.

Mr. VINSON. The gentleman forgot to state that the personal money allowance to a five-star general is $5,000, just to keep the record straight.

Mr. SUTTON. That is fine. I appreciate the chairman helping me. But this is just to point out what I have been saying since last Friday, that it is not an equitable pay bill. I am for a pay bill. I have said that ever since last Friday. I am for a raise for the armed services, but I am for a raise where it should be. Your enlisted men and your junior officers are the boys who need it most. In addition to that, a pay raise for the others, commensurate with what they need. However, I still maintain that the generals and admirals, with due respect to them, are not just getting $8,800. In addition to what I pointed out, a private chauffeur and an automobile and servants—I used to be chauffeur for a captain in the Navy, so I know they have them, too. On top of the PX and on top of the private plane that they have at their disposal to go on trips; on top of all those things that I have enumerated there is another thing that they cover up and hide. Maybe I should not mention it on the floor because somebody will want it investigated. Sometimes I think it should be investigated. That is what we call the contingency fund. I have specific examples where officers of the Army—and I can call names—have sent flowers to girl friends, charged to the contingency fund of the Army. That is on top of this $500 for a lieutenant general and $2,000 for generals and admirals and $4,000 for the chiefs of staff and $5,000 for the five-star generals, as the chairman of the Armed Services Committee pointed out.

I maintain that this bill should go back to the committee so that the committee can work out an equitable pay raise, where we can give the enlisted men and junior officers what they need, and cut down what we have in this bill for the top officers.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. VINSON. If the Committee adopted the gentleman's views and recommitted this bill, section 304 would still be the same, because it is the law today.

Mr. SUTTON. I agree with the gentleman.

Mr. VINSON. It has been on the statute books for about 12 years.

Mr. SUTTON. I agree with the gentleman there, but I am just pointing out to the gentleman that it is erroneous to say that the generals get only $8,800 and do not get extra allowances or anything; I am just pointing out some of the fallacies of the bill in an effort to make a contribution.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. VINSON. Let me state for the benefit of the gentleman and for the information of the House that in hearings now going on before the Committee on the Civil Service it has been shown that there are 3,157 civilian employees who draw $10,000.

Mr. SUTTON. I am glad the gentleman brought up the Committee on the Civil Service.

Mr. VINSON. There is not an Army officer or a Navy officer whose base salary is over $8,800.

Mr. SUTTON. I am glad the gentleman brought that out.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. When the gentleman from Texas, the chairman of the subcommittee, who has done a wonderful job, was talking some time ago about the pay raises I pointed out on page 6110 of the CONGRESSIONAL RECORD of May 12 a little article from the Bureau of the Budget that was inserted by Senator FLANDERS, of Vermont. In every instance the comparison between the military pay and the pay of the classified civilian Government employee, in every instance with the exception of three—one of them being the major general who gets $70 less than the classified civilian of the same status, another the corporal, who gets $34 less than the civilian classified in the same category, and another, the private, who gets $14 less than the civilian in the same category—other than those three, according to the Bureau of the Budget, the military personnel gets in excess of the civilian personnel.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. KILDAY. That statement shows, I believe, that the CAF–15 is rated with a major general.

Mr. SUTTON. Less $70.

Mr. KILDAY. But they contend that they were of comparable rank.

Mr. SUTTON. That I believe is correct; no; it is GS–18.

Mr. VINSON. And Major General Hughes, the Chief of Ordnance, has 16 of that classification working under him.

Mr. SUTTON. Another reason why I say we are top-heavy in the upper brackets.

Mr. Chairman, in all fairness to the officers of the Army, the Navy, the Marine Corps, and the Air Corps, in all fairness to the enlisted men, in all fairness to the Members of this Congress, I think we should recommit this bill and let the Committee on the Armed Serv-

ices, a committee in which I have great interest even though I am not on it, a committee that has the respect of the country, the respect of Members of Congress, let them report a bill that will provide a pay raise equitable to all branches of the armed services from the recruit up to the five-star general and the five-star admiral. When you do that the chairman of the Committee on the Armed Services will not have to make a personal appeal to get it out unanimously; he will get it out unanimously without making a personal issue of it.

Mr. Chairman, I hope we will recommit this bill and bring out a pay-raise measure that is fair and equitable to all members of the armed services.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, if this bill is not voted on today and comes up for final action on Thursday, I will unfortunately be unable to be present for the vote.

Mr. Chairman, an enlisted man came to me yesterday, stating that he represented many enlisted men from my district. He said: "Mrs. ROGERS, will you please vote for the bill now before the Congress? It is not perfect for the enlisted men, but we feel it is much better than the present conditions that exist so far as the enlisted men are concerned. We believe if the bill is recommitted we will get no increase and no better conditions under which to work."

Then he went on to say that they did not begrudge the generals more pay. He felt that General Patton was perhaps one of the greatest generals in the world and there may be a general like him among the officers of today. There was General Eisenhower, and there was Gen. Mark Clark, and General Bradley.

He said, "We enlisted men realize the enormous responsibility of the generals and the colonels. We are unable to take over the responsibility of leadership. This must be performed by the officers. We feel they should have an increase in pay."

In addition to our great generals, we are all aware of the accomplishments of our fine admirals. The names of such great men as Halsey, Spruance, Nimitz, and others, will always be fresh in our memory. Certainly the officers as well as the enlisted men throughout our military services are deserving of adequate pay. Personally, I am very sorry that more is not done for the colonels, the majors, the captains, lieutenants, and enlisted men, but we can probably do no more at this time.

I think it would be pleasing to Mr. Forrestal, if he were alive, if the House today, under the able leadership of the gentleman from Georgia [Mr. VINSON], and other members of the Armed Services Committee passed legislation providing adequate increases in pay for both officers and enlisted men. The officers and men of our armed services should have sufficient pay to permit them to live comfortably and in keeping with their responsibilities. Although I do not consider this bill before the House adequate from many points of view, nevertheless I believe it is an effort in the right direction and represents an improvement over the present pay situation. I shall therefore support this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The amendment was rejected.

Mr. SIKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKES: On page 76, line 6, strike out "three" and insert "one."

Mr. SIKES. Mr. Chairman, please observe the language appearing on page 76 of the bill wherein it is stated that—

No member serving on active duty on the effective date of title II of this act shall, prior to the expiration of a period of 3 years from such effective date and while serving on continuous active duty, including for the purpose of such continuous active duty service in a reenlistment entered into within 3 months from the date of last discharge, suffer any reduction by reason of this act in the total compensation which he is entitled to receive under any provision of law in effect on the day immediately preceding such effective date.

Mr. Chairman, we have in this bill set up a new base pay schedule according to the responsibilities of the officer and enlisted man.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Texas.

Mr. KILDAY. The committee has no objection to the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SIKES].

The amendment was agreed to.

Mr. LEMKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEMKE: On page 24, line 14, strike out the period after the word "section" add a colon and the following: *"Provided,* That enlisted men of the Army, Navy, Marine Corps, and the Coast Guard heretofore or hereafter retired from active service with credit for 30 years' service shall, in addition to retired pay, be entitled to allowances of $30 per month in lieu of allowances in kind heretofore authorized under provisions of the act of 1885 establishing military retirement."

Mr. LEMKE. Mr. Chairman, I appear in behalf of the retired enlisted men. I offered a similar amendment last year, and we came within a few votes of adopting it, so I hope there has been a sufficient change of heart that this time we will do justice and accept it. I want to say that these men are the truly forgotten men. They were promised certain allowances and subsistence, and so forth, under the laws when they enlisted, and in 1942 were forgotten.

The only argument which the committee has ever advanced in opposition to granting allowances is an untenable argument.

They claim that when the Government broke its solemn unilateral contract with enlisted men and took from them their allowances, that in lieu of this, the Congress granted them increases in pay to counterbalance the repealed allowances.

This argument is true for Army retired enlisted men, but absolutely not in accordance with facts, for enlisted men retired from the Navy and Marine Corps.

In the act of 1942, which took away from retired enlisted men their allowances, 7,000 retired men of the Navy and Marine Corps received no increase in pay whatsoever; 20,000 or more similar Navy men, with 20 or more years' service received an increased only of $1.21 per month.

From the foregoing it is proof convincing that when Congress repealed the allowances which had been in effect since 1885, then did not compensate for this by giving these thousands of men increases in pay equivalent to the allowances arbitrarily then taken from them.

HISTORICAL FACTS

Following the Civil War it was difficult for the Army to obtain the necessary enlisted men to serve in the Indian campaigns of the West, primarily because of the hard service and the low pay received at that time.

Accordingly, in order to prevail upon enlisted men to remain in the service, and as an inducement to entice men to enlist, the Congress in the act of February 14, 1885 (25 Stat. 305), provided that enlisted men of the Army, after 30 years' service, would be entitled to retirement, and that upon retirement, they would be entitled to three-fourths of the pay of their active service rank, plus allowances for rations, clothing, quarters, fuel, and light.

In the act of 1916 establishing the Fleet and Marine Corps Reserve, Congress provided that where an enlisted man had a total active (and inactive) service in the Reserve of 30 years, he was to be entitled to allowances on parity with allowances paid to enlisted men of the armed services who had 30 years of active service.

Enlisted men who retired after 1885 after 30 years' service were given three-fourths of the pay of their rank, plus allowances in kind, to wit, food, clothing, and so forth. These allowances in kind continued until about 1894, when the allowances in kind were changed to cash allowances instead of in kind.

As the retired list increased, it was found inconvenient to grant allowances in kind and as a consequence the payment of cash allowances to retired enlisted men continued from 1894 to July 1, 1942, when they were arbitrarily repealed in the Pay Readjustment Act of June 16, 1942.

Up to July 1, 1942, every department of the armed services, in soliciting men to enlist and reenlist, furnished them with official publications promising them if they served to retirement that they would receive three-fourths of the pay of their rank on retirement, plus allowances. The armed services thus pledged themselves in a unilateral contract to pay three-fourths of the pay of the rank, plus allowances to all who retired after stipulated service.

We repeat: Allowances were first established in kind, then were changed

to $6.25 per month. They were later changed to $9.25 per month, and in the act of March 2, 1907, the allowances were increased from $9.25 per month to $15.75 per month, which was the amount of the allowances received by retired enlisted men when the allowances were repealed in the act of June 16, 1942.

These increases in allowances through the years were predicated upon the increased cost of living and it is on this basis that it is provided in H. R. 1150 to now pay $30 per month allowances instead of the amount of $15.75 which was authorized in the act of March 2, 1907.

RETIRED ENLISTED MEN ARE MEMBERS OF THE ARMED SERVICES

The United States Code shows that retired enlisted men, even though they occupy an inactive status, are in fact members of the armed services and are subject to the same laws and regulations as are enlisted men in active service. If physically fit they are subject to recall for active duty.

COMPARATIVE ANALYSIS

Enlisted men of the first three grades in active service are by law entitled to allowances for quarters, subsistence, clothing, and so forth. All other enlisted men are entitled to allowances of clothing, subsistence, and quarters, but in lesser amount than that paid to those of the first three grades. Retired enlisted men of all grades were promised and received allowances on the same basis as the allowances paid to the active service but these allowances were commuted at $15.75 per month under the act of March 2, 1907, for all grades on the retired list.

From the date of the enactment of the Retirement Act of February 14, 1885, all enlisted men were granted allowances as we here show. Those in active service, some received allowances in kind and some in cash, and those on the retired list all received allowances in cash.

As this unilateral contract continued for 55 years, and as allowances were promised and pledged to those who remained to retirement, the breach of the Government's unilateral contract with all enlisted men who enlisted prior to July 1, 1942, is decidedly discriminatory against the retired enlisted men who were promised and pledged these allowances if they would serve to retirement.

OFFICERS' ALLOWANCES INCREASED, RETIRED ENLISTED MEN'S ALLOWANCES REPEALED

In the Pay Readjustment Act of June 16, 1942, on the urge of the War Department, subsistence and quarters allowances to officers in the active service were increased, while the same act took from retired enlisted men entirely the allowances of $15.75 per month which they had been receiving for 55 years under a unilateral contract which the Government consummated with them at their enlistment and reenlistment. In other words, it appeared that the officers provided for themselves in this increase in allowances for their group at the expense of the aged and disabled retired enlisted men of long service.

WHAT H. R. 1150 PROVIDES

This bill provides restoration of cash allowances to retired enlisted men to the amount of $30 per month in all instances where they are credited with 30 years of honorable service.

The first paragraph of this bill provides that no enlisted man shall receive retired pay in excess of the retired pay received by warrant officers, junior grade, of equal length of service.

The second paragraph of this bill provides that enlisted men of the armed services transferred to the Reserve after stipulated active service shall be entitled to these allowances of $30 per month when their total active and inactive service totals 30 years. This provision is in accordance with the act of Congress of 1916 establishing the Fleet and Marine Corps Reserve.

COMPARATIVE ANALYSIS ON CERTAIN ALLOWANCES

Under the proposed pay increase as recommended by the Hook Commission, the first three grades enlisted men will receive allowances for subsistence and quarters of $99 per month, with a maximum pay of $300 per month, thus giving to such individual a total cash income of $399 per month, plus allowances for clothing, free medical attention, and so forth. Comparatively the retired enlisted man of the first three grades on the retired list will receive as low as $174.34 per month retired pay without any allowances for subsistence, quarters or clothing. In addition, if he requires medical attention, Army men must pay when such treatment is accorded them in Army hospitals.

From this comparison it can readily be seen that a man in active service has a cash advantage of $174 per month over the retired enlisted man of equal grade and length of service.

HOW ENLISTED MEN SUFFER

In the last report of the Navy Department there were approximately 7,000 enlisted men on the retired list of the Navy who have either not received a single cent of increase in pay since 1922, or who, if they received an increase, received less than $7 per month increase.

In other words, approximately 7,000 retired enlisted men of the Navy receive less than $96.25 per month, and some as low as $50 to $60 per month retired pay.

RECOMMENDATION OF HOOK COMMISSION

If the recommendation of the Hook Commission pertaining to changes in pay of the enlisted men of the Navy and Marine Corps is adopted, thousands of those men will receive little or no increase in pay under the proposed pay increase. Inasmuch as the increase which the Hook Commission proposes will be taken from them under the same Hook report which advocates taking from these men the extra pay they now receive because of good conduct or extraordinary heroism.

Finally, the unilateral contract under which enlisted men were induced into enlisting, and reenlisting, to serve to retirement, and which covers every man who retired from the service prior to July 1, 1942, clearly provided three-fourths of the pay and allowances of their respective grades after 30 years' service.

No one can deny that Congress has the right to increase, or decrease, the pay of the armed services; no one can deny that Congress has the right to increase, or decrease, the allowances to enlisted men of the armed services.

However, it is clearly discriminatory and unfair that Congress should single out only the retired enlisted men to take from them their allowances, while at the same time allowances were increased for enlisted men of the active service and while they were munificently increased at the same time for officers of the active service. Not only did Congress break a unilateral contract when it took from retired enlisted men their allowances, but it discriminated against one group—the aged and disabled group—who had earned their retirement, who had consummated their contract with the Government, only to find the Congress repudiating the official pledge of the armed services as it appealed to them to enlist in the yesterdays.

It is on the basis of restoring the unilateral contract rights to retired enlisted men, and to remove the discrimination on the receipt of allowances against only this group of the armed services, that the above facts are submitted to your Committee for your consideration and adjustment.

Mr. Chairman, I certainly hope that the Committee will accept this amendment.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this matter has been considered by the committee on several occasions. As the gentleman from North Dakota announced, it was considered last year by the House and rejected. In 1942, when the pay bill was written, instead of granting allowances as such we lumped it all into pay. It is a matter that has been advocated through the intervening years by one individual in the United States, as far as I know.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. LEMKE].

The amendment was rejected.

The CHAIRMAN. The Chair would like to make an inquiry of the committee. On page 76, in line 6, the phrase "three years" appears. The "three" has been changed to "one" but the "years" remains unchanged.

Mr. KILDAY. We intended it to read "one year," Mr. Chairman, and I ask unanimous consent that the word "years" be stricken out and the word "year" be inserted in lieu thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4591) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the Na-

tional Guard, and the Air National Guard, and for other purposes, pursuant to House Resolution 223, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. CASE of South Dakota. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CASE of South Dakota. I am, Mr. Speaker, in its present form.

The SPEAKER. Does any Member desire to offer a motion to recommit without reservation? [After a pause.] The Chair hears none. The gentleman from South Dakota is the only Member that qualifies under the circumstances.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CASE of South Dakota moves to recommit the bill to the Committee on Armed Services for further study.

Mr. KILDAY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. H. CARL ANDERSEN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 163, answered "present" 1, not voting 40, as follows:

[Roll No. 104]

YEAS—227

Abernethy	Chiperfield	Graham
Addonizio	Christopher	Granahan
Albert	Chudoff	Granger
Andersen, H. Carl	Church	Gregory
	Cole, Kans.	Gross
Andresen, August H.	Colmer	Gwinn
	Cotton	Hale
Andrews	Coudert	Hall,
Angell	Crawford	Leonard W.
Auchincloss	Crook	Hand
Baring	Cunningham	Harden
Barrett, Pa.	Curtis	Harrison
Barrett, Wyo.	Dague	Hart
Beall	Davies, N. Y.	Harvey
Bennett, Fla.	Davis, Ga.	Hays, Ohio
Bennett, Mich.	Davis, Wis.	Heller
Biemiller	Delaney	Herlong
Boggs, La.	Dollinger	Herter
Bolling	Dondero	Heselton
Bolton, Md.	Donohue	Hill
Bolton, Ohio	Douglas	Hoeven
Bosone	Eaton	Hoffman, Ill.
Bramblett	Ellsworth	Hoffman, Mich.
Breen	Engel, Mich.	Holifield
Brown, Ohio	Fallon	Hope
Bryson	Feighan	Horan
Buchanan	Fellows	Howell
Buckley, Ill.	Flood	Huber
Burdick	Fogarty	Irving
Burke	Forand	Jackson, Calif.
Burleson	Frazier	Jackson, Wash.
Burnside	Furcolo	Jacobs
Byrnes, Wis.	Gamble	James
Canfield	Garmatz	Javits
Cannon	Gathings	Jenison
Carlyle	Gillette	Jenkins
Carnahan	Golden	Jensen
Carroll	Goodwin	Jonas
Case, S. Dak.	Gore	Jones, Mo.
Chelf	Gorski, N. Y.	Jones, N. C.
Chesney	Gossett	Judd
Karst	Murphy	Scrivner
Kean	Murray, Tenn.	Scudder
Keating	Murray, Wis.	Secrest
Kelley	Nelson	Sikes
Kirwan	Nicholson	Simpson, Ill.
Kruse	Nixon	Sims
Lane	Noland	Smathers
LeCompte	Norblad	Smith, Kans.
LeFevre	Norton	Smith, Va.
Lemke	O'Brien, Ill.	Steed
Linehan	O'Brien, Mich.	Stefan
Lovre	O'Hara, Ill.	Stockman
Lynch	O'Hara, Minn.	Sullivan
McCarthy	O'Konski	Sutton
McCulloch	Passman	Taber
McDonough	Phillips, Calif.	Tackett
McGrath	Pickett	Talle
McGuire	Polk	Tauriello
McMillan, S. C.	Poulson	Teague
McMillen, Ill.	Powell	Velde
Mack, Wash.	Quinn	Vorys
Macy	Rabaut	Vursell
Madden	Rankin	Wagner
Magee	Redden	Weichel
Mansfield	Reed, N. Y.	Welch, Mo.
Marcantonio	Rees	Werdel
Martin, Mass.	Rhodes	Wheeler
Mason	Ribicoff	Whitten
Merrow	Richards	Wier
Meyer	Rodino	Wigglesworth
Michener	Sadlak	Williams
Miller, Nebr.	Sadowski	Willis
Mills	St. George	Withrow
Mitchell	Sanborn	Wolcott
Morgan	Scott,	Yates
Moulder	Hugh D., Jr.	Young

NAYS—163

Abbitt	Gordon	Patten
Allen, Calif.	Gorski, Ill.	Patterson
Allen, Ill.	Green	Perkins
Allen, La.	Halleck	Peterson
Anderson, Calif.	Hardy	Pfeifer,
Aspinall	Hare	Joseph L.
Bailey	Harris	Philbin
Barden	Havenner	Poage
Bates, Ky.	Hays, Ark.	Potter
Bates, Mass.	Hébert	Preston
Battle	Hedrick	Price
Beckworth	Heffernan	Priest
Bentsen	Hinshaw	Rains
Bishop	Hobbs	Ramsay
Blackney	Holmes	Reed, Ill.
Bland	Johnson	Rivers
Boggs, Del.	Jones, Ala.	Rogers, Fla.
Boykin	Karsten	Rogers, Mass.
Brehm	Kearney	Rooney
Brooks	Kearns	Sasscer
Brown, Ga.	Kee	Scott, Hardie
Burton	Kennedy	Shafer
Byrne, N. Y.	Keogh	Sheppard
Camp	Kerr	Simpson, Pa.
Cavalcante	Kilburn	Spence
Celler	Kilday	Staggers
Chatham	King	Stigler
Clemente	Kunkel	Thomas, Tex.
Cole, N. Y.	Lanham	Thompson
Cooper	Larcade	Thornberry
Corbett	Latham	Tollefson
Cox	Lesinski	Towe
Crosser	Lind	Trimble
Davenport	Lodge	Underwood
Davis, Tenn.	Lucas	Van Zandt
Dawson	Lyle	Vinson
Deane	McCormack	Wadsworth
DeGraffenried	McGregor	Walsh
Denton	Mack, Ill.	Walter
Dingell	Mahon	Welch, Calif.
Doughton	Marsalis	Whitaker
Doyle	Martin, Iowa	White, Calif.
Durham	Miles	Whittington
Eberharter	Miller, Calif.	Wickersham
Elliott	Monroney	Wilson, Ind.
Elston	Morris	Wilson, Okla.
Engle, Calif.	Morrison	Wilson, Tex.
Fenton	Morton	Winstead
Fernandez	Multer	Wolverton
Fisher	Murdock	Wood
Ford	Norrell	Woodhouse
Fugate	O'Neill	Woodruff
Fulton	O'Sullivan	Worley
Gary	O'Toole	Zablocki
Gavin	Pace	

ANSWERED "PRESENT"—1

Rich

NOT VOTING—40

Arends	Combs	Hagen
Blatnik	Cooley	Hall,
Bonner	D'Ewart	Edwin Arthur
Buckley, N. Y.	Dolliver	Hull
Bulwinkle	Evins	Jennings
Case, N. J.	Gilmer	Keefe
Clevenger	Grant	Klein
Lichtenwalter	Pfeiffer,	Short
McConnell	William L.	Smith, Ohio
McKinnon	Phillips, Tenn.	Smith, Wis.
McSweeney	Plumley	Stanley
Marshall	Regan	Taylor
Miller, Md.	Riehlman	Thomas, N. J.
Patman	Sabath	White, Idaho

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rich for, with Mr. Short against.
Mr. Stanley for, with Mr. Klein against.
Mr. Hull for, with Mr. Riehlman against.
Mr. Lichtenwalter for, with Mr. Case of New Jersey against.
Mr. Keefe for, with Mr. Patman against.
Mr. Grant for, with Mr. Gilmer against.
Mr. Buckley of New York for, with Mr. McSweeney against.

General pairs until further notice:

Mr. Evins with Mr. Arends.
Mr. Bonner with Mr. Miller of Maryland.
Mr. Blatnik with Mr. William L. Pfeiffer.
Mr. Regan with Mr. Jennings.
Mr. White of Idaho with Mr. McConnell.
Mr. Bulwinkle with Mr. Smith of Wisconsin.
Mr. Marshall with Mr. Taylor.
Mr. Cooley with Mr. Edwin Arthur Hall.
Mr. McKinnon with Mr. D'Ewart.
Mr. Sabath with Mr. Smith of Ohio.
Mr. Combs with Mr. Clevenger.

Mr. CELLER changed his vote from "yea" to "nay."

Mr. ANGELL, Mr. HALE, Mr. HUGH D. SCOTT, JR., and Mr. AUCHINCLOSS changed their votes from "nay" to "yea."

Mr. RICH. Mr. Speaker, I have a pair with the gentleman from Missouri, Mr. SHORT. If he were present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

HOUR OF MEETING ON THURSDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns on tomorrow, it adjourn to meet on Thursday next at 10 o'clock. I make the further announcement that in the event the bill which will come up on that day is disposed of, the House will then meet on Friday merely to adjourn until the following Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMPENSATION TO SWISS GOVERNMENT

Mr. KEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 4392, an act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States Armed Forces in violation of neutral rights, and authorizing appropriations therefor, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KEE, RICHARDS, GORDON, EATON, and VORYS.

INVESTIGATION OF CERTAIN ECONOMIC PROBLEMS

Mr. HART. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 26, to investigate certain economic problems.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on the Economic Report, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation into the following problems of the economy:

(1) The problem of investment, including, but not limited to, (A) the role of investment institutions in the investment markets, in industry, and in the economy generally; (B) changes in sources of investment funds and the reason therefor; (C) availability and character of investment funds for national, local, and independent enterprise and the effect of such investment or lack of investment upon different classes or size groups in industry; (D) and needs, by industry, for various types of capital.

(2) The problem of the effectiveness and coordination of monetary, credit, and fiscal policies in dealing with general economic policy.

(3) The problem of low-income families in relation to economic instability.

(4) The problem of unemployment trends and their significance in current economic analysis.

SEC. 2. The joint committee shall report to the Senate and the House of Representatives not later than December 31, 1949, the results of its study and investigation, together with such recommendations as it may deem advisable.

SEC. 3. For the purposes of this resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized (1) to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties; and (2) to hold such hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-first Congress prior to January 1, 1950; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer oaths; to take such testimony, to have such printing and binding done; and to make such expenditures as it deems advisable. The cost of stenographic services in reporting hearings shall not be in excess of 25 cents per one hundred words. Subpenas shall be issued under the signature of the chairman or vice chairman of the joint committee and shall be served by any person designated by them.

SEC. 4. The expenses of the joint committee under this resolution, which shall not exceed $30,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of disbursements so made.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

A similar House concurrent resolution was laid on the table.

DISTRICT OF COLUMBIA TAX BILL

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the conference report on the bill (H. R. 3704) to provide additional revenue for the District of Columbia and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 658)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) to provide additional revenue for the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 130, 131, 132, 133, 134, 135, 136, and 137, and agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: Strike out "$1.50" wherever it appears in the Senate amendment and insert in lieu thereof: "$1.25"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 505. Subsection (a) of section 23 of the District of Columbia Alcoholic Beverage Control Act, as amended, is further amended to read as follows:

"'SEC. 23 (a) There shall be levied, collected and paid on all of the following-named beverages manufactured by a holder of a manufacturer's license and on all of the said beverages imported or brought into the District of Columbia by a holder of a wholesaler's license, except beverages as may be sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under this Act, and on all beverages imported or brought into the District of Columbia by a holder of a retailer's license, a tax at the following rates to be paid by the licensee in the manner hereinafter provided:

"'(1) A tax of 15 cents on every wine-gallon of wine containing more than 14 per centum of alcohol by volume, except champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (2) a tax of 22½ cents on every wine-gallon of champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (3) a tax of 75 cents on every wine-gallon of spirits and a proportionate tax at a like rate on all fractional parts of such gallon; (4) and a tax of $1.25 on every wine-gallon of alcohol and a proportionate tax at a like rate on all fractional parts of such gallon.'"

And the Senate agree to the same.

JNO. L. MCMILLAN,
HOWARD W. SMITH,
PAUL C. JONES,
GEORGE J. BATES,
JOS. P. O'HARA,
Managers on the Part of the House.

LESTER C. HUNT,
J. HOWARD MCGRATH,
JOE MCCARTHY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) to provide additional revenue for the District of Columbia, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1–18, 22–34, 40–121, 123–125, 134–137: These are technical amendments changing the title and section numbers of the House bill. The House recedes.

Amendments Nos. 19, 20, 21: The House bill defined "semipublic institution" (sales to which are exempted under the bill) to mean any corporation, and any community chest, fund, or foundation organized exclusively on a nonprofit basis for religious, charitable, or educational purposes, including hospitals. Senate amendments Nos. 19 and 21 strike out the phrase "on a nonprofit basis" and substitute the phrase "no part of the net earnings of which inures to the benefit of any private shareholder or individual" as one of the elements of the definition. Senate amendment No. 20 adds scientific institutions to the classes of institutions included within the definition. The House recedes.

Amendment No. 35: The Senate amendment exempts from the imposition of the sales tax sales of any food sold for human consumption in hotels, restaurants, cafes, bars, and other establishments where the sales price of the food furnished each individual patron (including any cover, minimum, entertainment, or other charge) is $1.50 or less. If the sales price is more than $1.50 the entire sales price is subject to the tax. The House recedes with an amendment which makes such exemption applicable only to such sales of food the price of which is $1.25 or less.

Amendment No. 36: The Senate amendment exempts publications of semipublic institutions from the imposition of the sales tax. The House recedes.

Amendment No. 37: The House bill exempted from the tax sales of medicines, pharmaceuticals, and drugs made on prescriptions of duly licensed physicians and surgeons and general and special practitioners of the healing arts. The Senate amendment provides that the sales of medicines, pharmaceuticals, and drugs shall be exempt whether or not made on prescription. The House recedes.

Amendment No. 38: This is a technical amendment to correct a typographical error. The House recedes.

Amendment No. 39: The Senate amendment exempts from the sales tax sales of cigarettes, which are subjected to a special

tax under title VI of the bill (added by Senate amendments Nos. 132 and 133). The House recedes.

Amendment No. 122: The Senate amendment amends section 11 (k) of the District of Columbia Alcoholic Beverage Control Act relating to alcoholic beverage solicitors' licenses. Under the present law a solicitor may represent more than one vendor under such a license. The Senate amendment would require that a solicitor have a separate license for each vendor he represents. The House recedes.

Amendments Nos. 126 and 131: The Senate amendment No. 126 strikes out the language of the House bill fixing the effective date of title V of the bill. Senate amendment No. 131 restores the identical language at the end of the amendments added by the Senate to title V. The House recedes.

Amendment No. 127: The House bill contained no provisions for raising existing gallonage taxes on alcoholic beverages. The Senate amendment provides for substantial increases in all such taxes. The House recedes with an amendment. The following table shows the tax per gallon under existing law, under the Senate amendment, and under the conference substitute:

	Existing law	Senate amendment	Conference substitute
Alcohol	$1.10	$2.20	$1.25
Whisky, gin, rum, and other spirits	.50	1.00	.75
Champagne and wine artificially carbonated	.15	.30	.22½
Other sparkling wine containing more than 14 percent of alcohol	.10	.30	.22½
Other sparkling wine containing 14 percent or less of alcohol	None	.30	.22½
Still wine containing more than 14 percent of alcohol	.10	.20	.15

Amendments Nos. 128 and 129: The Senate amendments contain provisions relating to the transition from the existing rates for the gallonage taxes on alcoholic beverages to the new rates. The House recedes.

Amendment No. 130: The Senate amendment increases the existing tax on each barrel of beer from 50 cents to $1. The House recedes.

Amendments Nos. 132 and 133. Under the provisions of the House bill the 2 per centum tax imposed on the gross receipts of vendors was applicable with respect to cigarettes. Senate amendment numbered 39 exempts the sale of cigarettes from such tax. Senate amendments numbered 132 and 133 add a new title VI to the bill, to be known as the "District of Columbia Cigarette Tax Act." Under the provisions of such Senate amendments a tax is imposed on the sale of cigarettes to consumers at the rate of one cent on each twenty cigarettes or fractional part thereof. The Senate amendments also provide that no person shall manufacture for sale, keep for sale, sell, or offer to sell cigarettes, or display cigarettes for sale in vending machines without having first obtained a license or licenses. The licenses are to be of three kinds: retailer's, vending machine operator's, and wholesaler's. The Commissioners shall fix the fees for such licenses, but the rate shall not exceed $5 for each retail establishment in the case of a retailer's license, $5 for each vending machine in the case of a vending machine operator's license, and $50 in the case of a wholesaler's license. The Senate amendments also provide criminal penalties for violations of the provisions of the new title VI, as added by the Senate amendments. The House recedes.

For the information of the Members of the House there is included the following estimate of financial status of the District of Columbia for the fiscal year 1950 under the provisions of H. R. 3704, as recommended by the conference committee:

Estimated obligations, 1950

Amount requested of Senate:		
Recommended in H. R. 3082	$83,371,470	
Restorations requested by Commissioners	3,200,742	
Amendments requested by Commissioners	546,300	
		$87,118,512
Estimated deficiencies and supplementals		1,000,000
Estimated pay increases retroactive to July 1, 1948		10,669,403
Total, estimated obligations, 1950		98,787,915

Estimated revenue availability, 1950

Unappropriated surplus at beginning of year			$600,000
Unobligated balances released to surplus			1,700,000
Revenues from present legislation:			
Property taxes:			
Realty	$32,500,000		
Personal, tangible	5,600,000		
Motor vehicle, personal	2,500,000		
Penalties and interest	225,000		
		$40,825,000	
Sales and gross receipts:			
Alcoholic beverages	2,000,000		
Beer	300,000		
Insurance	1,450,000		
Public utilities, banks, etc	4,200,000		
		7,950,000	
Licenses and permits		2,700,000	
Individual income		4,200,000	
Unincorporated business income		800,000	
Corporation net income and franchise taxes		5,600,000	
Inheritance and estate		1,500,000	
Earnings and miscellaneous		4,075,000	
Total, estimated revenue collections from present legislation			67,650,000
Federal payment			11,000,000
Estimated revenues under H. R. 3704 (as amended):			
Sales and use tax (before amendments)		$15,345,000	
Decrease in estimate resulting from amendment exempting restaurant meals up to $1.25	$1,225,000		
Decrease in estimate resulting from Senate amendment exempting all drugs	400,000		
Total decreases by amendments		1,625,000	
Total sales and use tax estimate for 1 year as recommended by conference committee		13,620,000	
Decrease in estimate as result of collections beginning 1 month after beginning of fiscal year		1,289,000	
Total		12,331,000	
Increase by amendment on alcoholic beverages	$1,000,000		
Increase by Senate amendment on beer	300,000		
Increase by Senate amendment of 1 cent excise per package of cigarettes	$800,000		
Decrease by removal of cigarettes from sales tax	250,000		
Total increase by Senate amendment of 1 cent excise on cigarettes	550,000		
Total increase by amendments		1,850,000	
Total		14,281,000	
Real-estate increase from 2 to 2.15 percent		2,400,000	
Unincorporated business tax amendment		800,000	
Alcoholic beverage, license increase		490,000	
Total estimates under H. R. 3704 (as amended)			17,971,000
Total, estimated revenue availability			98,921,000
Surplus			33,085

JNO. L. MCMILLAN,
HOWARD W. SMITH,
PAUL C. JONES,
GEORGE J. BATES,
JOS. P. O'HARA,
Managers on the Part of the House.

Mr. McMILLAN of South Carolina. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on the motion of the gentleman from South Carolina.

The previous question was ordered.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the acceptance of the conference report be postponed until Thursday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SMATHERS asked and was granted permission to extend his remarks in the RECORD and include an editorial from the New Orleans Item.

Mr. BARRETT of Pennsylvania asked and was granted permission to extend his remarks in the RECORD and include a speech by Hon. James P. McGranery.

Mr. TAURIELLO asked and was granted permission to extend his remarks in the RECORD and include an editorial from the Buffalo Evening News.

Mr. HELLER asked and was granted permission to extend his remarks in the RECORD and include extraneous matter.

Mr. KEOGH (at the request of Mr. BUCHANAN) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. DONOHUE asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. MULTER asked and was granted permission to extend his remarks in the

Appendix of the RECORD in four instances and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. MULTER asked and was granted permission to address the House on Thursday next for 10 minutes following the legislative business of the day and any other special orders.

EXTENSION OF REMARKS

Mr. HARE asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. LANE asked and was given permssion to extend his remarks in the Appendix of the RECORD in three instances and to include in each extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD and to include extraneous matter.

Mr. VURSELL asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. POULSON (at the request of Mr. MCDONOUGH) was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Los Angeles Times.

Mr. MCCULLOCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials from the Christian Science Monitor and one from the Washington Post.

Mr. BLATNIK (at the request of Mr. HUBER) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. STEFAN. Mr. Speaker, on yesterday I was given permission to extend in the Appendix of the RECORD a speech by General Romulo. I am advised by the Public Printer that it exceeds by a quarter of a page the limit established by the Joint Committee on Printing and that the total cost for printing the speech will be $168. Notwithstanding the excess I ask unanimous consent that the extension may be made.

The SPEAKER. Without objection, notwithstanding the excess, the extension may be made.

There was no objection.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today following the other special orders.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

PERMISSION TO FILE MINORITY REPORT

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that the minority may have until midnight tomorrow to file a report on the bill (H. R. 4754), the Federal Property and Administrative Services Act, that was reported out last night by the Committee on Expenditures in the Executive Departments.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

THE LATE JAMES V. FORRESTAL

Mrs. ROGERS of Massachusetts. Mr. Speaker, tomorrow morning, amidst the beautiful blooming green of a Washington spring, a great American goes to his rest in peaceful Arlington. Deeply, very deeply, do we feel his passing from our associations and his great work here to his eternal peace. James Forrestal, the late Secretary of the Navy and Secretary of Defense, was a humble, courageous, and brilliant man. It was indeed an honor to know him well and many of us here in the Congress knew him well and experienced the high honor of his association and friendship. This friendship and work together we know has enriched our lives and we will cherish it as long as we live.

Having the trust of public office throughout the war and during these hard days of peace is a heavy responsibility. All of you will agree with me that only those who have borne the responsibility know its weight and strain. It is an easy act to stand on the sidelines and hold forth with criticism. Fairness of discussion regarding the great issues of our time is constructive. Honest differences of opinion is an oasis in which strength and power for our free way of life is born. Decisions—right decisions—evolve from this respected American process. If our Nation is to live, truth must be the basis of our decisions and the foundation upon which we build and progress. Personal criticism just for the sake of criticism; vindictiveness for the purpose of ruination; maliciousness for the purpose of character destruction is unjust and is of no value in the American system of life and enterprise. It has no place in our respected system of justice. Anyone who resorts to this method of viciousness illustrates beyond a doubt that they have no knowledge of the complexity, seriousness, and pressure of public responsibility during these difficult years. Those of us honored with the trust of serving the people of America today, shoulder the burden of the knowledge that all of our acts and decisions over this period in the history of our country affects the lives of generations upon generations yet to come. Together with Secretary Forrestal all of us here know the significance and meaning of this great responsibility.

Character is the backbone of American life. The character of an individual is not born overnight. Character is that powerful force born in our hearts and souls. It rises and develops as we move forward through life. Character born and molded on the anvil of truth, duty, responsibility, and service is stronger than steel, stronger than Gibraltar, stronger than any earthly conception, because character is inspired by God and exists in the hearts and souls of mankind. Anyone who deliberately and intentionally attempts to injure and destroy another person's character commits a crime to the import of a felony. Too much—far too much—of this shameless vilification is permitted today. Character cannot be assassinated. Character cannot be destroyed. Character lives beyond life itself. This great man who is leaving us now possessed character, and we all bow our heads in recognition and respect to its nobility and fineness.

The illustrious pages of American history will record the great contributions Secretary Forrestal has so generously given to his country. Completely unselfish, possessing the highest concept of duty, this distinguished American gave all of his energy and strength to the service of his country. As the first chief administrator of all of our military services, his job was tremendous, and perhaps too great in labor and responsibility for one man to have. He saw it through; he did the job. He has molded our military services into a cooperative unit. He has tried to set the pattern. In doing this he gave his strength, his energy, his life to his country. Can anyone do more with only one life to give? To James Forrestal, the distinguished first Secretary of Defense, whose intense loyalty, devotion to duty, unselfish service, and love of country—all reflected in the accomplishments of his hard labor—a grateful country gives thanks. In the name of God, the Father of us all, we wish him eternal peace.

SENATE BILLS, A JOINT RESOLUTION, AND CONCURRENT RESOLUTIONS REFERRED

Bills, a joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 266. An act modifying a limitation affecting pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care; to the Committee on Veterans' Affairs.

S. 276. An act to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes; to the Committee on Public Lands.

S. 885. An act to provide for the removal of weeds from lands in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 930. An act to provide for the liquidation of the trusts under the transfer agreement with State rural rehabilitation corporations, and for other purposes; to the Committee on Agriculture.

S. 1080. An act for the relief of James A. Gordon; to the Committee on the Judiciary.

S. 1138. An act for the relief of John W. Crumpacker, commander, United States Navy; to the Committee on the Judiciary.

S. 1167. An act for the relief of the estate of Marion Miller; to the Committee on the Judiciary.

S. 1296. An act for the relief of Murphy & Wischmeyer; to the Committee on the Judiciary.

S. 1324. An act to provide for the modification of the Corps of Engineers flood-control project on the Heart River at Mandan, N. Dak.; to the Committee on Public Works.

S. 1483. An act to amend title 18, United States Code, sections 2312 and 2313, so as to include thereunder motor vehicles and aircraft which have been embezzled, feloniously converted, or feloniously taken by fraud; to the Committee on the Judiciary.

S. 1557. An act to provide for the appointment of an additional judge for the juvenile

court of the District of Columbia; to the Committee on the District of Columbia.

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; to the Committee on Public Works.

S. 1580. An act concerning common-trust funds and to make uniform the law with reference thereto; to the Committee on the District of Columbia.

S. 1659. An act granting the consent and approval of Congress to an interstate forest-fire protection compact; to the Committee on Agriculture.

S. 1760. An act to amend section 101 (b) of the Department of Agriculture Organic Act of 1944 (58 Stat. 734; 7 U. S. C. 429); to the Committee on Agriculture.

S. J. Res. 62. Joint resolution authorizing the President of the United States of America to proclaim June 20 of each year as Emblem Day; to the Committee on the Judiciary.

S. Con. Res. 36. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 39. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 40. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 580. An act for the relief of the Bank of Kodiak, Alaska;

H. R. 603. An act for the relief of Jeptha R. Macfarlane;

H. R. 636. An act for the relief of B. G. Jones;

H. R. 639. An act for the relief of Mark B. Craig and others;

H. R. 681. An act for the relief of the legal guardian of George Generazzo;

H. R. 688. An act for the relief of John P. Reilly;

H. R. 692. An act for the relief of Joseph Thompson;

H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis;

H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;

H. R. 1076. An act for the relief of Jennie Olsen Anderson;

H. R. 1098. An act for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor;

H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;

H. R. 1471. An act for the relief of E. La Ree Smoot;

H. R. 1597. An act for the relief of Hal W. Cline;

H. R. 2089. An act for the relief of William Price;

H. R. 2261. An act for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 2268. An act for the relief of Forest L. Weatherly;

H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works;

H. R. 2566. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Kaknek to the Russian Orthodox Greek Catholic Church of North America;

H. R. 2906. An act to provide a 1-year extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers;

H. R. 3259. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose;

H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H. R. 3663. An act for the relief of Lawrence Reves; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. HARRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 25, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

649. Under clause 2 of rule XXIV, a letter from the Archivist of the United States, transmitting a report on records proposed for disposal, and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies, was taken from the Speaker's table and referred to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. Senate Joint Resolution 12. Joint resolution authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry; without amendment (Rept. No. 667). Referred to the House Calendar.

Mr. BOGGS of Delaware: Committee on the Judiciary. House Joint Resolution 241. Joint resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; with an amendment (Rept. No. 668). Referred to the House Calendar.

Mr. CROOK: Committee on Post Office and Civil Service. H. R. 3826. A bill to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States; with an amendment (Rept. No. 669). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. H. R. 4754. A bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; with an amendment (Rept. No. 670). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. H. R. 601. A bill for the relief of Kenelm E. Rucker; with an amendment (Rept. No. 659). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1065. A bill for the relief of the estate of James Lander Thomas; with an amendment (Rept. No. 660). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1289. A bill for the relief of Romulus Oscar Bean, Jr.; with an amendment (Rept. No. 661). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1637. A bill for the relief of Mrs. Dora Fruman; with an amendment (Rept. No. 662). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1672. A bill for the relief of Jack Phillips; without amendment (Rept. No. 663). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2090. A bill for the relief of Sam Wooten, F. M. Maloy, and Mrs. Alethea Arthur; without amendment (Rept. No. 664). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 2224. A bill for the relief of the Winona Machine & Foundry Co., a corporation, of Winona, Minn.; without amendment (Rept. No. 665). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3461. A bill for the relief of Lester B. McAllister and others; with an amendment (Rept. No. 666). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Wisconsin:

H. R. 4837. A bill to provide electric typewriters for veterans of World War II, who by reason of the loss of an arm, have suffered an impairment in their ability to write; to the Committee on Veterans' Affairs.

By Mr. DOLLINGER:

H. R. 4838. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. FOGARTY:

H. R. 4839. A bill to provide that no contract shall be made for time studies of jobs of employees of the Navy, to provide that certain premiums shall not be paid to such employees, and for other purposes; to the Committee on Armed Services.

H. R. 4840. A bill to provide for a survey of sickness in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. JAVITS:

H. R. 4841. A bill to provide for research relating to child life and development; to disseminate information as to the practical application of such research by parents, professional persons, and others; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of California:

H. R. 4842. A bill to amend title 28 of the United States Code to provide for a term of the United States district court at Oakland, Calif.; to the Committee on the Judiciary.

H. R. 4843. A bill to amend section 3A of the Civil Service Retirement Act of May 29, 1930, as amended, to grant Members of Congress certain retirement benefits granted to other Federal employees, and for other purposes; to the Committee on Post Office and Civil Service

By Mr. PATTEN:

H. R. 4844. A bill to authorize the Secretary of the Interior to transfer certain property for the use and benefit of the Colorado River Indian tribes, and for other purposes; to the Committee on Public Lands.

H. R. 4845. A bill to permit shipment by mail of live scorpions to be used for medical research purposes; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 4846. A bill to promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FERNÓS-ISERN:

H. R. 4847. A bill to authorize the Maritime Commission to make certain provisions for water transportation to and from Puerto Rico; to the Committee on Merchant Marine and Fisheries.

By Mr. McMILLAN of South Carolina:

H. R. 4848. A bill to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission; to the Committee on the District of Columbia.

By Mr. CLEMENTE:

H. R. 4849. A bill to establish the decoration Medal for Valor for award to persons serving or acting for the United States in secret or under-cover activity to aid the national defense, and for other purposes; to the Committee on Armed Services.

By Mr. LANE:

H. R. 4850. A bill to abolish and correct unfair practices and substandard working conditions and to raise living standards among the employees of Federal agencies; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts memorializing the President and the Congress of the United States to enact the 75-cent minimum-wage bill; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to install a system of flood control with facilities for the production of power on the Virgin River in the States of Nevada and Arizona; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GARMATZ:

H. R. 4851. A bill for the relief of Gay Street Corp.; to the Committee on the Judiciary.

By Mr. HART:

H. R. 4852. A bill for the relief of the legal guardian of Venus Sarkisian; to the Committee on the Judiciary.

H. R. 4853. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 4854. A bill for the relief of Mrs. Miriam G. Wornum; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 4855. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Trent Trust Co., Ltd., a corporation of the Territory of Hawaii, and Cooke Trust Co., Ltd., a corporation of the Territory of Hawaii, as receiver for said Trent Trust Co., Ltd.; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 4856. A bill for the relief of Tevfik Kamil Kutay; to the Committee on the Judiciary.

By Mr. REES:

H. R. 4857. A bill for the relief of Mrs. Katsuko Nakahara Huntley; to the Committee on the Judiciary.

By Mr. TAURIELLO:

H. R. 4858. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

943. By Mr. LECOMPTE: Petition of Mrs. B. E. Hanna, Jr., and citizens of Oskaloosa and University Park, Iowa, expressing their objection to H. R. 4238 and 4349; to the Committee on the District of Columbia.

944. By Mr. PETERSON: Memorial of the Senate of the Legislature of Florida, memorializing the Congress to convene a constitutional convention for the purpose of determining the adoption of an amendment to the Constitution of the United States allowing the United States to participate in a limited world federal government; to the Committee on the Judiciary.

945. By the SPEAKER: Petition of the American Dental Hygienists' Association, Washington, D. C., requesting the Congress not to enact any legislation which will hamper the freedom of individual initiative, such as current proposals of compulsory health insurance contain; to the Committee on Interstate and Foreign Commerce.

946. Also, petition of American Veterinary Medical Association, Chicago, Ill., requesting to go on record as being opposed to any system of compulsory health insurance or political medicine; to the Committee on Interstate and Foreign Commerce.

947. Also, petition of the Bar Association of Hawaii, Honolulu, T. H., requesting the Attorney General make an investigation of the Communists and national labor leaders in the Territory of Hawaii and that there be published the conclusions of such investigation; to the Committee on Un-American Activities.

948. Also, petition of Legislative Assembly of the Virgin Islands, St. Thomas, V. I., protesting against the methods used by the Department of the Interior in formulating the legislative program for the Virgin Islands without giving the people an opportunity to participate therein; to the Committee on Public Lands.

949. Also, petition of S. F. Matthews and others, Homestead, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

950. Also, petition of Mrs. Aida L. Stevens and others, Zephyrhills Townsend Club, No. 1, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

951. Also, petition of Mrs. M. L. Norton and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, MAY 25, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Ralph Candler John, assistant minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

O God, Thou hope of the ends of the earth, source of all strength, font of all love, we bring our purposes, our deeds, our all, at the beginning of this day, for the refining influence of Thy divine grace. We beseech Thee to remove from our hearts and minds the dross of impure thoughts and unkind motives, and that Thou wilt place in their stead a quality of life, expressed in that which we both intend and do, which is worthy of those who claim Thy name.

Thou hast given us a land full of promise for ourselves and for the whole world. Thou hast vested in the Members of this body a special place in the unfolding of the destiny of mankind. Stand Thou among us, in Thy redeeming power. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 24, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 24, 1949, the President had approved and signed the following act and joint resolution:

S. 392. An act authorizing the issuance of a patent in fee to Thomas A. Pickett; and

S. J. Res. 18. Joint resolution for the relief of the First Citizens Bank & Trust Co., administrator of the estate of C. A. Ragland, Sr.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during

World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KEE, Mr. RICHARDS, Mr. GORDON, Mr. EATON, and Mr. VORYS were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 26) to investigate certain economic problems.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 580. An act for the relief of the Bank of Kodiak, Alaska;

H. R. 603 An act for the relief of Jeptha R. Macfarlane;

H. R. 636. An act for the relief of S. G. Jones;

H. R. 639. An act for the relief of Mark B. Craig and others;

H. R. 681. An act for the relief of the legal guardian of George Generazzo;

H. R. 688. An act for the relief of John P. Reilly;

H. R. 692. An act for the relief of Joseph Thompson;

H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis;

H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;

H. R. 1076. An act for the relief of Jennie Olsen Anderson;

H. R. 1098. An act for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor;

H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;

H. R. 1471. An act for the relief of E. La Ree Smoot;

H. R. 1597. An act for the relief of Hal W. Cline;

H. R. 2089. An act for the relief of William Price;

H. R. 2261. An act for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 2268. An act for the relief of Forest L. Weatherly;

H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works;

H. R. 2566. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America;

H. R. 2906. An act to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers;

H. R. 3259. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose;

H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H. R. 3663. An act for the relief of Lawrence Reves; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hunt	Murray
Brewster	Ives	Myers
Bricker	Johnson, Colo.	Neely
Bridges	Johnson, Tex.	O'Connor
Butler	Johnston, S. C.	O'Mahoney
Cain	Kefauver	Reed
Cordon	Kem	Robertson
Donnell	Knowland	Russell
Eastland	Langer	Saltonstall
Ecton	Lodge	Smith, Maine
Ellender	Long	Sparkman
Ferguson	Lucas	Stennis
Flanders	McCarran	Taylor
Frear	McFarland	Thomas, Okla.
Gillette	McKellar	Thomas, Utah
Graham	Magnuson	Thye
Gurney	Malone	Tydings
Hayden	Martin	Wiley
Hendrickson	Millikin	Williams
Hill	Morse	Withers
Holland	Mundt	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHAPMAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. KILGORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Florida [Mr. PEPPER] are detained on official business in meetings of committees of the Senate.

The Senator from North Carolina [Mr. HOEY] is absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Oklahoma [Mr. KERR] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Indiana [Mr. JENNER], and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Nebraska [Mr. WHERRY] are detained by reason of attendance at the funeral services of the late James V. Forrestal.

The Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Utah [Mr. WATKINS], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the vice chairman and acting executive officer of the National Capital Park and Planning Commission, transmitting a draft of proposed legislation to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission, which, with the accompanying paper, was referred to the Committee on the District of Columbia.

PETITION

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of the State of Florida, which was referred to the Committee on Finance:

Senate Memorial 643

Resolution to memorialize the Congress of the United States to restore the former tariff of 21 percent on imported sponges

Whereas the State of Florida has for many years enjoyed a very substantial and prosperous industry, and provided a world market with the finest quality of sponges; and

Whereas thousands of our good citizens are engaged in the sponge production and market industry, and their families have been well supported and the income of those so engaged has been far above the average income for our State; and

Whereas following the close of the recent war, citizens of foreign countries, and especially in the Mediterranean Sea, have engaged in an abundant and enormous production of sponges; and

Whereas the wages paid to and received by persons engaged in the production of sponges in these foreign countries on the Mediterranean Sea are approximately $1 daily, as compared with wages paid to American workmen engaged in our sponge industry, who receive from $1 to $3 per hour; and

Whereas our sponge industry enjoyed a 21-percent protective tariff imposed by our Federal Government, and during said time the sponge industry was extremely healthy and prosperous and so continued until the tariff for foreign sponges was reduced from 21 to 8 percent, all to the injury and detriment of our entire sponge industry of Florida; and

Whereas since the reduction of said tariff, foreign sponges have glutted our markets to the extent that the American-produced sponge is now selling at about 20 cents on the dollar thereby putting hundreds of men out of work, depriving their families of a livelihood and, in some instances in the State, mortgage foreclosures have been instituted upon the homes and other property

of these persons whose income has been so drastically reduced by favored foreign competition: Now, therefore, be it

Resolved, That the Legislature of the State of Florida strongly urges and implores the President of the United States and the Congress to take such action within their power to restore the former tariff on sponges brought into the United States by foreign countries, and do all in their power to protect and promote Florida's great sponge industry; and, further, that a copy of this resolution be immediately forwarded to the President and to the Clerk of the House of Representatives in Congress of the United States and to the clerk of the United States Senate.

Approved by the Governor May 20, 1949.

MULTIPLE SCLEROSIS—RESOLUTION OF ALABAMA LEGISLATURE

Mr. SPARKMAN. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Legislature of the State of Alabama in support of the measure recently introduced by the Senator from New Hampshire [Mr. TOBEY] providing for a national foundation for the study of the disease known as multiple sclerosis.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD.

House Joint Resolution 21

Whereas an estimated 250,000 Americans are suffering from the disease called multiple sclerosis, the cause of which is unknown and for which there is no known treatment; and

Whereas a bill is now before the National Congress, introduced by Senator TOBEY, providing for the setting up of a national foundation for the study of said disease; and

Whereas it is the sense of this body that such a foundation is advisable: Now, therefore, be it

Resolved by the house (the senate concurring), That the Senators and Representatives in the National Congress from Alabama be and they hereby are respectfully requested to actively support the purposes of the Tobey bill; be it further

Resolved, That the clerk of the house and the secretary of the senate send copies of this resolution to each of Alabama's Senators and Representatives in the National Congress, and to Mrs. Lou Gehrig.

Unanimously adopted May 20, 1949.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

H. R. 1222. A bill to authorize the exchange of certain fishery facilities within the State of Washington; without amendment (Rept. No. 419).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1955, vice William Ward Smith.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1930. A bill to amend the Agricultural Adjustment Act of 1933; to the Committee on Agriculture and Forestry.

By Mr. McGRATH:

S. 1931. A bill to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission; to the Committee on the District of Columbia.

S. 1932 (by request). A bill for the relief of Szmul Last; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1933. A bill for the relief of C. L. Leffingwell; to the Committee on the Judiciary.

By Mr. McKELLAR:

S. 1934. A bill to prohibit the delivery of surplus electric power and energy generated at certain reservoir projects under the control of the Department of the Army to the Secretary of the Interior; and

S. 1935. A bill to prohibit the delivery of surplus electric power and energy generated at certain reservoir projects under the control of the Department of the Army to the Secretary of the Interior; to the Committee on Public Works.

By Mr. HUMPHREY:

S. 1936. A bill to authorize leasing of land and buildings now operated as a Federal Correctional Institution at Sandstone, Minn., to the State of Minnesota; to the Committee on the Judiciary.

(Mr. HUMPHREY also introduced Senate bill 1937, to amend the Veterans' Preference Act of 1944, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. MORSE:

S. 1938. A bill to amend Public Law 702, Eightieth Congress, to provide assistance to certain veterans with paralysis resulting from brain injury in acquiring specially adapted housing; to the Committee on Banking and Currency.

By Mr. KEFAUVER:

S. 1939. A bill to amend section 302 (c) of the Army and Air Force Vitalization and Retirement Equalization Act of 1948; to the Committee on Armed Services.

AMENDMENT OF VETERANS' PREFERENCE ACT OF 1944

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to amend section 12 of the Veterans' Preference Act of 1944, as amended (58 Stat. 390), in order to provide greater security to certain disabled veterans who are permanent classified civil-service employees of the United States.

Because of the reductions in Veterans' Administration appropriations, hundreds of amputees are threatened with being separated from the Government service. All affected are regularly employed veterans with a civil-service status and with exceptionally good efficiency ratings. To be retained when lay-offs occur, their efficiency rating must exceed those of nonveterans who are also regularly employed.

The bill would give preference employees whose efficiency ratings are good or better, and who either have service-connected disabilities rated not less than 60 percent by the Veterans' Administration or are in receipt of a special award by reason of service-connected disabilities pursuant to public laws administered by the Veterans' Administration, retention rights in preference to all other competing employees.

The bill (S. 1937) to amend the Veterans' Preference Act of 1944, was read twice by its title and referred to the Committee on Post Office and Civil Service.

MEETINGS OF COMMITTEES DURING SENATE SESSION

Mr. ELLENDER asked and obtained consent that a subcommittee of the Committee on Agriculture and Forestry, composed of himself, Mr. HOLLAND, and Mr. THYE, be permitted to sit during the session of the Senate this afternoon.

Mrs. SMITH of Maine asked and obtained consent that a subcommittee of the District of Columbia be permitted to meet during the session of the Senate this afternoon.

CIVIL RIGHTS—DIGEST OF ADDRESSES BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a digest of addresses delivered by him on civil rights on the floor of the Senate March 14 and 16, 1949, which appears in the Appendix.]

THE REPUBLICAN PARTY'S PROGRAM—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article on the program of the Republican Party, contributed by him to the May-June issue of the Northwest Republican, which appears in the Appendix.]

TENNESSEE VALLEY AUTHORITY—SERIES OF ARTICLES BY TOM HUMPHREY, ASSOCIATE EDITOR, OREGON JOURNAL

[Mr. CORDON, for himself and Mr. MORSE, asked and obtained leave to have printed in the RECORD a series of 12 articles entitled "TVA: Miracle or Monster?" written by Tom Humphrey, associate editor of the Oregon Journal, and published in the Journal, March 30–April 10, 1949, which appear in the Appendix.]

TRIBUTE TO THE LATE HARLAN J. BUSHFIELD

[Mr. YOUNG asked and obtained leave to have printed in the RECORD a memorial address prepared by him on Harlan J. Bushfield, late a Senator from the State of South Dakota, which appears in the Appendix.]

HOW MUCH MUST WE SPEND FOR REAL NATIONAL SECURITY?—STATEMENT BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a statement entitled "How Much Must We Spend for Real National Security?" made by him on America's Town Meeting program on May 24, 1949, which appears in the Appendix.]

HOME RULE FOR THE DISTRICT OF COLUMBIA—EDITORIAL FROM THE WASHINGTON POST

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial

entitled "Home-Rule Hope," published in the Washington Post of May 25, 1949, which appears in the Appendix.]

PROPOSED WORLD CALENDAR—EDITORIAL FROM WASHINGTON TIMES-HERALD

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "When Is the Holiday?" published in the Washington Times-Herald of May 25, 1949, which appears in the Appendix.]

JAMES FORRESTAL

Mr. HENDRICKSON. Mr. President, at the request of my colleague, the senior Senator from New Jersey [Mr. SMITH], I ask unanimous consent to read into the body of the RECORD a statement which he has prepared with regard to the passing of his personal friend, Secretary Forrestal. Because of illness the senior Senator from New Jersey is unable to be present in the Senate and therefore has asked me to present this statement in his behalf.

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. HENDRICKSON. In his statement the senior Senator from New Jersey says:

MAY 25, 1949.

Because I am recuperating from a recent operation, I am not able to be on the floor of the Senate myself, but in light of the tragic death of my personal friend, Secretary Forrestal, I desire to make the following statement for the RECORD, and have requested my colleague, Senator HENDRICKSON, to present this statement for me:

"We who have known Jim Forrestal through the years, and this means long before he entered the public service, have recognized his wonderful loyalty to principle, and his sincere approach to life's responsibilities. When I was executive secretary of Princeton University during President Hibben's administration, I saw a great deal of Jim in connection with Princeton affairs, when he was then a leading member of the Dillon, Read firm.

"When he was chosen by Secretary Knox as an aide in the Navy Department, I rejoiced because I felt that here was a man on whose integrity and ability we could rely with full confidence. When he became Under Secretary of the Navy, I rejoiced again, because I felt the administration had recognized his brilliance and his capacity for constructive thinking. His subsequent appointment as Secretary of the Navy, and then finally as our first Secretary of National Defense, gave me a further feeling of confidence in this recognition by the administration of a man of his outstanding character and vision.

"As President Truman rightly said, Jim Forrestal was a real casualty of the war, as much so as though he had been killed in action. My sorrow is that he could not have realized the high esteem and affection everybody held for him, and the appreciation of the people of America for his wonderful unselfish service to his country. I shall miss him as a great American and also as a warm personal friend.

"I wish to extend my deepest sympathy to members of his family."

Mr. President, I join in those sentiments, and in that worthy tribute to a great American.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

The VICE PRESIDENT. The question is on amendment No. 1, offered by the Senator from Oregon [Mr. MORSE]. [Putting the question.]

Mr. MORSE. I ask for a division.

The VICE PRESIDENT. The "noes" have it. The Senator from Oregon asks for a division.

Mr. MORSE. I suggest the absence of a quorum.

The VICE PRESIDENT. No business has been transacted since the previous quorum call.

Mr. MORSE. Mr. President, I appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate? [Putting the question.]

Mr. MORSE. I suggest the absence of a quorum.

The VICE PRESIDENT. There has been no business transacted as yet. The Chair has not even announced the result of the vote on the appeal.

Mr. LONG. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. An appeal from the decision of the Chair is business, is it not?

The VICE PRESIDENT. The appeal from the decision of the Chair is the pending question.

Mr. MORSE. I shall await the decision of the Chair.

The VICE PRESIDENT. The Chair, according to those who voted, apparently is sustained, and the decision of the Chair stands as the judgment of the Senate.

Mr. MORSE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hunt	Murray
Brewster	Ives	Myers
Bricker	Johnson, Colo.	Neely
Bridges	Johnson, Tex.	O'Conor
Butler	Johnston, S. C.	O'Mahoney
Cain	Kefauver	Reed
Cordon	Kem	Robertson
Donnell	Knowland	Russell
Eastland	Langer	Saltonstall
Ecton	Lodge	Smith, Maine
Ellender	Long	Sparkman
Ferguson	Lucas	Stennis
Flanders	McCarran	Taylor
Frear	McFarland	Thomas, Okla.
Gillette	McKellar	Thomas, Utah
Graham	Magnuson	Thye
Gurney	Malone	Tydings
Hayden	Martin	Wiley
Hendrickson	Millikin	Williams
Hill	Morse	Withers
Holland	Mundt	

The VICE PRESIDENT. A quorum is present.

Mr. MARTIN asked and obtained consent to be absent from the Senate during the remainder of the afternoon.

Mr. MORSE. Mr. President, I wish to explain the parliamentary situation in which we find ourselves, and then yield to the Senator from Maryland.

The Chair put, quite properly, the first amendment for a voice vote, prior to the time when a good many of the proponents of the amendment had been able to return from a ceremony, in order to be able to present their views on the floor of the Senate. I was of the opinion that there would be considerable discussion of the amendment; but as the voice vote was being taken, I recognized that the action of the Senate could not possibly be fair to the proponents of the amendment in their absence. Then I called for a division. I understand that the Chair and the Parliamentarian are of the opinion that the Chair announced the vote before the division was called for. All I can say, subject to the testimony of witnesses around me, is that I called for a division prior to any announcement on the part of the Chair, because I recognized what was happening.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MORSE. I now yield.

Mr. TYDINGS. Mr. President, although, in the main, those of us on the committee are opposing this amendment, yet we have no disposition to foreclose the consideration of any amendment or the vote on it or its discussion in the fullest degree.

Therefore, I ask unanimous consent that the action which was taken on the amendment be reconsidered, so as to bring the amendment of the Senator from Oregon again before the Senate.

The VICE PRESIDENT. The Senator from Maryland requests unanimous consent that the vote by which the amendment of the Senator from Oregon was rejected be reconsidered. Is there objection? The Chair hears none, and the amendment is again before the Senate.

Mr. TYDINGS. Mr. President, let me say that I shall not debate the amendment, because I think we covered it rather fully the other day. There is a great deal of merit behind the amendment; but a majority of the members of the committee, after the committee had considered the amendment, took the position that we should not remove at one time all the restraints upon the power of the Secretary of Defense.

We give him rather broad express power in the forepart of this section of the bill. The committee favored retaining this restraint, believing it wise to take one or two steps forward at a time, until the merit of the proposition is abundantly proved. For that reason, although with a great deal of sympathy for the motivation which causes the amendment to be offered, I shall have to oppose the amendment.

I make this brief statement so that those who are desirous of knowing the committee's position on the amendment may understand why the committee did not adopt the amendment.

Mr. FLANDERS. Mr. President, having just entered the Chamber, I assume from what has been said that amendment No. 1 proposed by the Senator from Oregon is under discussion.

The VICE PRESIDENT. The Senator from Vermont is correct.

Mr. FLANDERS. I wish to speak briefly to the amendment. I shall begin by reading article 16 of the Constitution of Vermont, which reads as follows:

That the people have a right to bear arms for the defence of themselves and the State—and as standing armies in time of peace are dangerous to liberty, they ought not to be kept up; and that the military should be kept under strict subordination to and governed by the civil power.

Mr. President, as can be understood from a reading of that provision of the Vermont Constitution, my ancestors were a rather stern and rock-bound lot of civilian individualists. I regret to say that I have softened somewhat in the period since that constitution was written, and am willing to admit the necessity for us to have, in these times, a standing army in time of peace.

That being the case, I should like to read that part of the article of the Vermont Constitution to which I would still adhere. As I would still adhere to it, it would read as follows:

That the people have a right to bear arms for the defence of themselves and the State; and that the military should be kept under strict subordination to and governed by the civil power.

Mr. President, I have had a great deal of interest in the point of view which has been expressed, particularly by the Senator from Oregon [Mr. MORSE] and the Senator from Massachusetts [Mr. LODGE] in regard to the proposal to strike out the specific instructions after the word "proper", on page 4, in line 19. There is much that seems desirable in the presentation which has been made. I still believe, however, with all my heart and soul that the military must be definitely under the direction of the civil authorities. That does not mean, of course, that the civil authorities should have anything to do with the technical details of the operation of the various branches of the armed services, but it does go to the point of not approaching within any conceivable distance the unparalleled efficiency of military staff which was represented in the German military organization.

Mr. LODGE. Mr. President, will the Senator yield, or would he rather finish?

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Massachusetts?

Mr. FLANDERS. I prefer to yield.

Mr. LODGE. It seems to me the Senator has misunderstood the amendment, because the language in the bill would weaken civilian control. It facilitates the military empire builder who wants to set up a show of his own without being interfered with by civilian authority. What we seek to do here is to enable the civilian authority to make consolidations and transfers, to save some of the taxpayers' money in time of peace and get some efficiency in time of war.

Mr. FLANDERS. That, I may say to the junior Senator from Massachusetts, is a very good argument, but personally I cannot consider even the civilian head of the defense power as a sufficient defense against the consolidation of military power. In speaking unfavorably of the consolidation of military power, I am not speaking in any sense of there being anything immoral or subversive, or to any degree reprehensible, in the natural, and I would say even the proper, tendency of the trained and professional members of the armed services to consolidate their control to the furthest possible limit. That is the way they have been trained. That is the way we have trained them. That is the natural direction for them to take. But I still believe, in spite of that fact, that the procedure of checks and balances applies here.

Yesterday, if I understood the argument, there was a suggestion that the proposed act should permit the Secretary of Defense to consolidate services, to transfer them, so that one might be built up and another diminished. It is at that point that I believe the authority of the legislative branch of the Government, expressed through legislative action, should retain the ability to control, or at least to oversee, to place a restraining hand upon, any procedure of that sort. I believe the history of the past few months has indicated the danger of one branch or another of the service going too far, and it is the function of the Congress, in my belief, to determine the larger policies affecting military organization.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. LODGE. Does the Senator regret the fact that without any legislation the Air Force was built up in 1942 by taking men from the Army, or that in 1945 men who were destined for the Air Force were diverted into the Infantry? Does he think that was too bad?

Mr. FLANDERS. I may say to the junior Senator from Massachusetts that I raised a somewhat similar question with the Senator from Maryland day before yesterday when I asked him whether the operations on Guadalcanal would have been possible if the definition of the duties of the Marine Corps in the pending bill had then been in existence and had been obeyed. The Senator from Maryland indicated what, of course, is the truth—that when we get into war we do what is necessary.

Mr. LODGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Massachusetts?

Mr. FLANDERS. I yield.

Mr. LODGE. If the Senator from Vermont is saying that it is a great pity for the friends of the Marine Corps to seek to restrict them to amphibious warfare, and that they are doing the Marine Corps a very bad turn when they attempt to do that, then I should be the first to agree with him. As I tried to point out yesterday, the technique is not ideal. We now have amphibious, airborne, and glider units, parachutists, and so forth, and we cannot tell what changes the future developments of science will bring about. All we know is that human bravery is always going to be an asset in war, and it seems to me fantastic for the friends of the Marine Corps, of whom I am one, to try to tie the Marine Corps to some narrow, limited, technical specialty, when we all know that the thing which gives them their greatness and their hold on the admiration and the affection of the American people is the fact that they are brave, together with the fact that they are shock troops. So, if the Senator from Vermont is saying it is a mistake to tie the Marine Corps down to some passing technical military technique, then I heartily agree with him.

Mr. FLANDERS. In reply, Mr. President, I should like to say that I am concerned not merely for the Marine Corps—and I am concerned for the Marine Corps—but I am likewise concerned with certain other aspects of the subject, and I am proposing certain amendments covering them; which, if it is in order, I shall offer at the end of this brief discourse.

There is within the major subdivisions of the armed forces an ample field for reorganization, for the development of new and special ideas, and special assignments to special groups, and the Congress once a year can review the matter to see whether anything more is needed than that freedom within the major subdivisions of the armed forces. We are here most of the time, and we are always available.

I wish now to touch on one other point. It is expected by the proponents of the amendment that increased efficiency will be obtained by perfect freedom in the reorganization, reassignment, and reallocation of the duties, powers, and personnel of the major branches of the services. I wish to challenge that idea. Again, and for the first time in what I have been saying, referring directly to the Marine Corps, I should look at the high morale, the remarkable record, the well known bravery of those shock troops, as something that inheres in them as an organization. More than once in my business life I have seen endeavors to promote efficiency by bringing together various groups, who separately were extremely enthusiastic and possessed of high morale and high effectiveness, but who, when brought together, lost their morale and their effectiveness, and became submerged in a pool in which individuality and a somewhat localized pride were lost. That has happened so many times that I am inclined to look dubiously on the possibility of developing the over-all enthusiasm, the over-all morale of which the Senator from Massachusetts was speaking, in anything like the degree of strength that can be obtained from adding together the enthusiasms and the morales of separate organizations and institutions, and coordinating them into a morale of the whole.

Mr. LODGE. Mr. President——

Mr. FLANDERS. I yield to the Senator from Massachusetts.

Mr. LODGE. Will the Senator permit me to say that certainly we shall never achieve complete enthusiasm or loyalty within the armed services as a whole if we do not begin to try to achieve them? We have not even begun to try. I know that since the unification bill has become law the natural tendencies of all the realistic young officers I have

seen at exercises which I have attended have been to become enthusiastically in favor of it, because they recognize that it represents the only hope for the future. But does the Senator from Vermont know of any responsible man in any of the armed services or in any position in the Government who does not believe in the Marine Corps and who does not want to retain the Marine Corps?

Mr. FLANDERS. I know of no one who does not want to retain the Marine Corps. I have heard, as one hears in Washington, whispers and rumors, but I am not contemplating them as sources of worry.

Mr. LODGE. I am glad the Senator is not. I understand the Senator to speak of merging the Marine Corps. We can hear in Washington every kind of rumor and gossip we want to hear. There was an Assistant Secretary of the Navy who once said, "Why not leave the whole thing to the Navy? We have ships on the sea, we have the Marine Corps; why not abolish all the rest of it?" But that was a fantastic statement to which no one paid any attention. We have to have all the services. I am sure the Senator from Vermont will agree with me that, to be specific General Eisenhower does not want to abolish the Marine Corps; General Devers does not want to abolish it. There may be some one in a little cubby-hole in the Pentagon Building who may have stated to the contrary in some barroom. I do not know about that.

Mr. FLANDERS. I will say to the Senator from Massachusetts that I got out from under the old wives' tales, and I am not basing my policy on that sort of thing. I should like to say, however, and to say it as effectively as it is possible for me to say it, that the morale of the whole will be built up by the coordination of the morale of the separate parts. I am speaking not from the standpoint of the military, but I have had a great deal of experience in organizing men, and have made mistakes in trying to get too pretty organization diagrams instead of following the laws of human nature. It is important that the separate morales shall be retained and built up; and the way to get the best morale finally is through coordinating the individual morales until they become the morale of the whole.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Washington.

Mr. CAIN. It has been stated several times that the pending amendment seeks only to strike out language which is in the basic law. Does the Senator agree with that presumed fact?

Mr. FLANDERS. That being the case, first, why was it put in? Second, why strike it out?

Mr. CAIN. The question why the language has been included in the bill when identical language is continued in the basic law has been raised, may I respond to the Senator from Vermont, by others, for whom the Senator from Washington has considerable respect as to their knowledge of military affairs?

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Maryland.

Mr. TYDINGS. I think I caught the purport of the question of the Senator from Washington. The original language defining the roles and missions, to the extent that those roles and missions are defined in the bill, was placed in the original act largely at the request of General Vandegrift, who was then the Commandant of the Marine Corps. When the subject was up during consideration of the pending bill, General Cates, the present Commandant of the Marine Corps, appeared before the committee and took the same position which had been taken by General Vandegrift. I think I am quoting General Cates pretty accurately when I say that not only did he support it, but he left the inference with the committee that unless these safeguards, as he would call them, were left in the bill, he would rather have no bill at all.

I can say to the Senator from Washington, in support of what the Senator from Vermont is saying, that if those safeguards are removed, eminent and high men in some of the branches of the service fear that at some moment in the future someone clothed with civilian authority might try to rearrange the purely military role. I am not saying that is sound; I am only giving the Senator the facts. There is such a fear, and in pursuit of trying to allay it and to get everything we could in the way of unification, to the extent we could save money and consolidate the functions insofar as practicable, we put this language into the bill. The identical part sought by the Senator from Oregon to be stricken was suggested by the new Secretary of Defense himself, because he had been charged with seeking to do the very thing which we have been discussing; namely, consolidating the Marine Corps with the Army.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. LODGE. Will the Senator from Maryland direct me to the page in the record at which the Secretary of Defense asked that that language be put into the bill?

Mr. TYDINGS. A great many of our hearings were held in executive session and were not made a part of the printed record of the hearings. The committee specifically instructed the chairman that none of the executive session hearings were to be printed in the RECORD. The chairman said he would like to have them all printed, but the chairman was not sustained in that respect.

Mr. LODGE. Mr. President, will the Senator from Vermont yield further?

Mr. FLANDERS. I yield.

Mr. LODGE. The statement has been made that the Secretary of Defense had not asked that the language be put in; that he had said that if it were put in, in order to pick up a few votes here and there, he would not object to it. That is a very different thing.

Mr. TYDINGS. I do not think that is quite accurate. I do not mean that the relator of the story thought he was telling it inaccurately, but I think Mr. Johnson was anxious to have the language put in because he had been attacked in the press, and, I believe, over the air, after the incident of the cancellation of the construction of the supercarrier. It was stated that he would go further and wipe out the Marine Corps. He told me personally, both in my office and before the committee, that he had nothing of that kind in mind, and would certainly like some of us to bail him out, because he did not want the services to think he was hostile to any of them.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CAIN. I should like to express my appreciation for the information which has been provided by the Senator from Maryland, and to ask one question. If the so-called protective features in the pending bill should be stricken from the bill because of the adoption of the amendment which is now before the Senate, is it not a fact that the protective features will remain in the basic law and no one could actually change the services, willy-nilly, as some persons think might be the case?

Mr. TYDINGS. I am inclined to think that the estimation of the situation made by the Senator from Washington is accurate, with one qualification, that in this particular bill we do permit the Secretary to make transfers, and so forth. That might be construed in some quarters as weakening the old saving clauses, so to speak; and for that reason we have reemphasized it so that there would be no question about it. If we remove those saving clauses it is perfectly possible that some attorney might interpret the fact of having given express authority to the Secretary of Defense to make transfers, as meaning that he could take a man from the Navy and place him in the Army. So, in order that he would not come in, like a camel trying to get his nose under the tent, we wanted to be frank, open, aboveboard, and completely fair, and, therefore, we wanted to show the intent of the Congress.

Mr. CAIN. The Senator from Maryland and his associates do not think those fears are going to be realized. They still endeavor to placate and satisfy them, so far as they can?

Mr. TYDINGS. May I answer the question?

Mr. FLANDERS. I yield to the Senator from Maryland.

Mr. TYDINGS. Let me say to the proponents of the amendment, and also those who may not be in favor of it, that I believe while this transition is taking place from two separate executive departments, the Army and the Navy, to one executive department based on the three branches, the Army, the Navy, and the Air Force, we are going to carry with us enthusiasm for the movement, we are going to carry with us the highest degree of morale, as the Senator from Vermont has been pointing out, and we are going to carry with us a desire to make unification work, if, so far as we can do so within the scope of the purpose of unification, we let everyone know that we are out to build the best armed service we can build, rather than to hurt any one of the services.

I think the day may well come when, having laid that broad foundation of confidence, we may consider something tantamount to the amendment offered by the Senator from Oregon. But I would say that there is a human-nature problem. After all, spirit is of great importance, whether it is in a political campaign, an army, a business, or what not, and from that angle I would say that I believe wisdom lies on the side of proceeding a little more slowly for the moment, and eventually no doubt it may be considered wise to incorporate in the law something in the nature of the amendment offered by the Senator from Oregon.

I thank the Senator from Vermont for yielding.

Mr. FLANDERS. Mr. President, in considering the functions and reorganization of the armed services, there is another example which I conceive to come within the area with which the legislative branch of the Government may concern itself. It relates to the question of the extent of the responsibility of the Air Force.

The bomber, and all the various forms in which the airplane has been developed, the radar equipment which goes with the locating of planes, the wonderful mass of scientific developments which have gone into the building up of the functions, the purposes, the equipment of the Air Corps, have made it, I feel right in saying, a preeminent arm of the Government. I believe, however, that as we look at the history of the past year or two we will see that there is some danger that the functions of that arm of the armed services might be somewhat exaggerated. In particular it would seem to me that it is within the proper area of decision by the legislative branch to say that each of the armed forces shall be supplied with the tactical air-service requirements for its own field of action, that it shall not depend for any of its tactical operations on getting into contact with a completely separate branch of the service.

I am very much interested in seeing to it, and I shall offer one or two amendments for the purpose, that we make sure, for instance, to use an extreme example, that the Army does not have to call upon the Air Force for planes for spotting artillery. That is, I admit, an extreme example. I would not want to see the Navy inhibited from complete support, in its equipment and organization, of all the air force it needs for its task of keeping the seas clear and protecting itself from raids by bombers. I would not want to see the Navy inhibited in the slightest degree in that particular. I would not want to see the Marine Corps without the complement of tactical air equipment which is necessary for its operations.

To my mind the Air Force itself is primarily a strategic force, and should be built up as a strategic force, coordinated in time of war with the major operations of the Army, the Navy, and the Air Force, concerned particularly and charged particularly with the strategic operations of aerial warfare. These areas of which I have been speaking, it seems to me, are at the present time within the proper sphere of the legislative branch.

I had a most interesting experience about 1942, I think it was, while I was en route from Washington to New York. I met Secretary Knox on the train. I had in my hand the latest edition of an afternoon newspaper which carried the news that British bombers had sunk Italian warships in the harbor of Otranto. I asked Secretary Knox if he had seen the news. He said he had not. I showed him the article, and he said, "My admirals tell me that that cannot be done." Yet it was done. We remember also that in the Malay Sea Japanese aircraft sank two British battleships which had tried vainly to get protection from the Royal Air Force.

Those lessons, of course, are learned, but it seems to me there still remains possibly some danger, with which we can concern ourselves, that the tactical air requirements of each of the branches of the service may be somewhat neglected, may become an area of perhaps heated discussion, at least during the period when the services are shaking themselves together. That is one of the points to which I am addressing certain amendments.

I should now like to inquire of the Presiding Officer whether it is in order for me to offer these amendments at this time, or shall I wait until the amendment at present before the Senate has been disposed of?

The PRESIDING OFFICER (Mr. MALONE in the chair). An amendment is not in order at this time.

Mr. FLANDERS. Then I yield the floor.

Mr. MORSE. Mr. President, I shall take 3 or 4 minutes to explain my amendment, and I should particularly like to have the attention of the Senator from Maryland to these comments, because I do not want the RECORD to show any error as to the position of the junior Senator from Oregon in regard to the views of the Secretary of Defense.

If the Senator from Maryland will scan my remarks of yesterday, he will find that I was very careful not to seek to give the impression that the Secretary of Defense was opposed to the language of the bill which my amendment seeks to have stricken from the bill. In fact, the RECORD will show that the bill containing the language which the junior Senator from Oregon seeks to strike was recommended by the Secretary of Defense.

I did express as my personal hunch and judgment that the language inserted in the bill on page 4, line 19, after the word "proper," and several lines following, which I seek to have stricken from the bill, was one of the compromises which the Secretary of Defense accepted in order to have what he considered to be an improved unification bill. I think the language of the Senator from Maryland, expressed on the floor this morning, bears me out on that point.

I do not know what the Secretary of Defense would say if we said to him, "Now, you can have your choice, this bill with the language in it, or a bill with the language out." I can only express my own belief that he would say, "I will take it with the language out," because the Secretary of Defense has no such fear as some of the military leaders seem to have as to what would happen to roles and missions if the language did not remain in the bill. It is that point to which I wish to address myself because it is that point which I think my good friend the Senator from Vermont [Mr. FLANDERS] has completely overlooked in his discussion. In fact I think he has made a good argument for my amendment, but I believe that after making his argument he reaches the wrong conclusion.

I stress this point, because it is a myth that my amendment would endanger in any way the Marine Corps or any other branch of the Military Establishment. It is a myth, Mr. President, that my proposal would interfere in any way with the power of the Congress over roles and missions. The amendment I have offered does not take away, or attempt to take away, that power from the Congress. It would be absurd for me to attempt to do it, because it cannot be done. Through all the discussion by the opponents of my amendment has run the fallacy that under my amendment the Secretary of Defense could transfer men in the marines into the Army or into the Air Force or into any other segment of the service. That is absurd. In the interest of efficiency and economy, he should be allowed to detail men to special missions and assignments. The difference is between the word "transfer" and the word "detail," but it is a vital difference. He ought to be allowed to detail men.

Let me reduce it to a hypothetical, factual situation, because unless Senators can see this in terms of fact situations, they cannot realize the mistake the Senator from Vermont is making in his judgment on this point. Let me take as an example the great marine training center at San Diego. It is a wonderful plant. I do not think there is a better plant for the training of ground troops anywhere in the Military Establishment. But under roles and missions, a limit is set on the personnel of the Marine Corps. It can train only so many men. It trains new recruits in the marines at its San Diego plant. I ask Senators, if they are interested in economy, should that plant operate—and I take the percentages hypothetically—at 10, 20, or 30 percent of its capacity because of the limitations that Congress itself puts upon the roles and missions of the Marine Corps, including its personnel? When the Army—and this is no hypothetical situation—gets into such a situation that it wants to train a large number of men in ground training, must it set up, some few miles from San Diego, its own expensive camp for the training of those men? Under my amendment, the Secretary of Defense would be allowed to issue an order that, because the San Diego marine plant is not being used to its maximum capacity, soldiers in the Army of the United States should be trained at the San Diego plant in the numbers that can be accommodated. They certainly could not get better ground training than at that marine center. If it is economy and efficiency the

Senate wants, that is a good example of how to get it.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MORSE. I shall yield in a moment. Such an order would not interfere at all with the roles and missions of the Marine Corps.

I wish to make one other point before I yield to the Senator from Vermont, because I want him to hear my whole argument on this point in answer to what he has said. I urged Senators to keep in mind the fact that an officer in the Marine Corps, or the Army, or the Navy, or the Air Force, is commissioned by the President of the United States and confirmed by the Senate of the United States. There is not the slightest language in my amendment that interferes with that prerogative and power. Officers will continue to be commissioned by the President of the United States and confirmed by the Senate of the United States, and we cannot possibly transfer that power to the Secretary of Defense. I fear the Senator from Vermont is laboring under the mistaken notion that my amendment would make it possible for the Secretary of Defense to modify roles and missions.

Let me say that there has been a very interesting reaction in the Senate to my amendment. I believe I have two types of support for my amendment. A considerable number of Senators are going to vote for my amendment today. There is considerable support for my amendment among Senators—and I think the chairman of the committee expressed it very clearly earlier today—who feel that "Morse's amendment has a lot of merit to it, and probably should be adopted in the next few years but not now." The Senators who agree with the merits of my amendment but think it should not be adopted today are yielding to the fears in the minds of present-day military leaders. These military leaders have told these Senators that unless the so-called safeguards on page 4, beginning in line 19, after the word "proper," are continued in the new bill there might be some interference by the Secretary of Defense with their present activities.

Mr. President, are we going to let the fears and the vested interests of existing Army, Navy, Marine Corps, and Air Force personnel cause us to pass a piece of legislation which I respectfully say places on the Secretary of Defense a type of limitation which makes effective unification impossible? Or are we going to disregard these myths and recognize that under the organic law the power of Congress over roles and missions is not affected at all by my amendment. Under my amendment the Secretary of Defense cannot change the functions of the Army, the Navy, the Air Force, and the Marine Corps. However, he should be allowed to assign special details so far as personnel is concerned, and he certainly should be allowed, in the interest of economy and efficiency, to transfer certain activities which are now being exercised by one branch of the service—and I used as my example yesterday waterborne transportation—to another branch of the service. My amendment would make that possible. My amendment does not give him the right to decrease by one man the existing officers of the branches of the service who have been commissioned and confirmed by the Senate of the United States.

I say, Mr. President, that some Senators are basing their action on fears existing in the minds of the Military Establishment. We acted on the basis of those fears in 1947, and we did not unify the armed services. We are not going to unify the armed services today if we permit the fears of these military leaders again to dictate to us and cause us to accept unwise compromises in the bill. Even the very able chairman of the Armed Services Committee admits that these fears of the military leaders exist, and he also admits that they have no basis in fact so far as my amendment is concerned.

I have only one desire, and that is that the Senate pass a bill which will help to unify the armed services, and I say that the Senate is not going to do it if it throws out this basic amendment. This is the amendment which determines which way we go. This is the amendment which determines whether or not we are going to keep these three departments of the armed services in a position where we cannot touch any of their so-called vested interests in that we cannot eliminate the duplication and the waste which is admitted by almost everyone exists in the Military Establishment. If my amendment is defeated the Senate will encourage rather than discourage duplication, waste, and inefficiency in the armed services.

I think it is a great mistake if the Senate turns down my amendment. I wish the Senate would give it very careful consideration and come forward with proof that the allegations which are being made about my amendment having any such effect on the Marine Corps as I read in this morning's newspapers, are true. I deny such allegations. I deny them completely.

I make one other point. What do Senators think Congress would be doing, what do they think the President of the United States would be doing, what do they think the Armed Services Committees of the two branches of the Congress would be doing if any Secretary of Defense sought to usurp the type of power upon which these fear arguments are predicated? The Congress would move in immediately. The danger simply does not exist; but the opportunity to unify the armed services and make the necessary savings is available to us today. If we turn down this amendment, I am convinced that we are turning our backs on what I think is a great obligation to save the tremendous sums of money which need be saved. We will be failing to give to the Secretary of Defense the administrative—and I underline "administrative"—authority which he needs if he is to carry out the objectives of unification.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FLANDERS. I see nothing in the words proposed to be omitted by the first amendment suggested by the Senator from Oregon which would prevent the use of the plant at San Diego for the training of other branches of the service. The words proposed to be omitted from line 19 on, as I read them, have nothing in them which would prevent any transfer of property for purposes of training or anything else. It speaks of functions, personnel, and assignments of military personnel, but it says nothing whatever about transfers of property.

Mr. MORSE. My reply to the Senator from Vermont is that he is not taking into account—and I use this language advisedly—the type of jurisdictional claim which will be made in protest of any such decision of the Secretary of Defense if he attempts to use the San Diego base, for example, for the ground training of Army troops. If the language I seek to eliminate is left in the bill the claim will be made in the Pentagon Building that such an order by the Secretary of Defense would interfere with the functions of the Marine Corps. We shall have a repetition of one of the things which for the past 2 years have been so detrimental and such an impediment to unification. If we leave this language in, the Pentagon Building will be turned into a debating society, on the question as to whether or not the Secretary of Defense is exceeding his power by any such order as I suggest in regard to using the San Diego Marine center. For 2 years that is exactly the type of stymieing to which the Secretary of Defense has been subjected. The representatives of the various branches of the armed services have had their lines into the Congress, and have been able to protest any decision of real importance which the Secretary of Defense has issued in an attempt to bring about true unification.

Mr. FLANDERS. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. FLANDERS. I should like to say to the Senator from Oregon that he is used to looking at the English language from the standpoint of its legal interpretation. I am not. As a plain, ordinary layman in the use of the English language, I see not the slightest loophole in the language which it is proposed to omit, which would in the slightest degree affect in the example given, the use of the base at San Diego.

Mr. MORSE. The answer to the Senator from Vermont is that during the past 2 years the Secretary of Defense has not seen fit to make use of the San Diego base, but he has gone along with an insistence upon training Army men at a nearby camp, for the very reason that he knew that if he sought to use the Marine base the question would be raised by the Pentagon curbstone lawyers within the Military Establishment as to whether or not he was interfering with the functions of the Marines. Either we must give the Secretary of Defense the power to exercise the type of authority for which I am asking, in order to avoid duplications, or we shall have to go along with the present waste of

which the Military Establishment is guilty.

Mr. FLANDERS. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. FLANDERS. At the time the Secretary was hesitant to make that change, this language did not exist.

Mr. MORSE. The Senator from Vermont is mistaken on that particular point, because for the past 2 years the Secretary of Defense has been handicapped by just this type of restriction upon him.

Mr. FLANDERS. Would those restrictions be removed if this new wording were removed from the bill?

Mr. MORSE. I think so; definitely. The debate itself would show a clear expression of legislative intent.

Mr. FLANDERS. As an expression of legislative intent, as indicated by the debate, I can see some strength to the position the Senator from Oregon is taking; but if it all lies in the question of the intent of Congress as indicated by the debates, let me state for myself that I believe the Secretary of Defense has a perfect right and the duty to use the establishment at San Diego for the training of any troops which he thinks is desirable. So far as eliminating this particular wording is concerned, it neither adds to nor subtracts from the legality or the possibility of such action.

Let me make one further inquiry——

Mr. MORSE. May I answer the first point first?

Mr. FLANDERS. Certainly.

Mr. MORSE. I should like to make two points in answer to the Senator from Vermont.

My first point is that former Secretary of War Judge Patterson pointed out befor our committee—I do not quote him verbatim, but I quote the effect of his testimony—that the lawyers in the Pentagon Building within the Military Establishment always run to their lawbooks whenever the Secretary of Defense hands down a decision which they think interferes with one of their vested interests. They endeavor to see if they cannot find a basis for successful protest against his decision. I assure the Senator from Vermont that the type of language which I am seeking to strike if left in the bill will make a field day for the Pentagon military lawyers.

The second point is that, contrary to what the Senator from Vermont says, the deletion of the language would leave us with a statute which, so far as the power of the Secretary of Defense is concerned, would specifically authorize him to proceed to eliminate duplications. Listen to the language which would be left:

> Taking of appropriate steps, including such coordination, transfers, and consolidations as may be necessary, to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, research, and personnel, and in such other fields, as he may deem proper.

With my amendment adopted, what, then, is his limitation? His limitation then is only the existing organic law. As I pointed out in the debate yesterday, my amendment is subject to the existing powers of the President and the Congress over roles and missions. When the Senator from Vermont tells me—if I correctly understand him—that there is nothing in the language which clarifies the position of the Secretary of Defense, I tell him that by the deletion of the language which my amendment seeks to strike we would clearly give to the Secretary of Defense the power to accomplish savings, eliminate duplication, detail personnel to special missions, and bring about a unification of the armed services in accordance with our professed objectives and intentions.

Mr. FLANDERS. Mr. President, I should like to close this most interesting and informative colloquy, so far as I am concerned, by a simple restatement of my position on this particular question.

Principle No. 1 is that the deletion of the words sought to be stricken out by the amendment of the Senator from Oregon would make possible certain actions which I think the Congress should not authorize.

Principle No. 2 is that it seems to me the record of this debate gives the Secretary ample authority for doing such things as those which the Senator from Oregon feels he should have the power to do.

Mr. MORSE. Mr. President, as to the last point the Senator from Vermont has made, I wish to say that he is completely mistaken. It is my position, and I believe it can be clearly demonstrated, that if the language which I seek to have deleted is permitted to remain in the bill, it will further restrict the authority of the Secretary of Defense.

Mr. FLANDERS. If the Senator will permit, I would interrupt for a moment to ask whether the Senator from Oregon feels that the bill as it stands goes very far beyond meeting the purpose which Mr. Patterson said ought to be met.

Mr. MORSE. If I thought so, I would have signed the majority report. But because I am convinced, for the reasons I stated at length during the debate yesterday on the floor of the Senate, that the bill will defeat effective unification, I am opposed to the bill as it is now drawn.

I think the Senator from Vermont is taking a position, in regard to the amendment, which will do more than anything else to defeat effective unification, because the language which the Senator from Vermont says should be retained in the bill is, I say, the very type of language which will produce the kind of result Judge Patterson suggested before our committee, when he said—and I quote now from his testimony, as appearing at page 151 of the printed hearings:

> There are three main shortcomings in the present law. In the first place, the Secretary of Defense does not have enough in the way of authority. He is not at the head of an executive department, in the sense that the Secretary of State is at the head of the State Department, and the Secretary of the Treasury is at the head of the Treasury Department. The authority of the Secretary is also weakened by the excessive powers reserved to the Secretaries of the three Departments—Army, Navy, and Air Force—and I know of cases where, if the Secretary of Defense issues an order, people down the line run to look at the lawbooks and run to lawyers to see if he had the power to issue that order.

On the basis of my study of this bill, I am satisfied that I am now offering the most important amendment which can be offered, to carry out the objectives which Judge Patterson so ably stated before our committee.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. MORSE. I am very glad to yield; but in fairness to the Senator from Vermont, I should yield first to him.

Mr. FLANDERS. Mr. President, let me state that I do not wish the Secretary of Defense to have the power to make transfers of military personnel from one service to another or to make details or assignments of military personnel in a manner designed to effect or make such assignments or to change the assignments of military personnel in the proper performance of their functions.

Since I do not wish to have the Secretary of Defense have such power, I shall be compelled—although most regretfully, I wish to state—to vote against the amendment. Of course, it is always a regret to me to have to vote against a position taken by my good friend the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to ask the Senator from Vermont what he means by the word "transfer." It seems to me that at that point the Senator from Vermont begins to engage in fallacious reasoning.

Let me put this hypothetical question: Does the Senator from Vermont think the Secretary of Defense should not have the authority to transfer—I would say "detail," but let us use the word the Senator from Vermont has used—transfer 500 naval aviators to the Air Force, for training on B–36 bombers?

Mr. FLANDERS. Not so long as they are still a part of the Navy, and are transferred for training only.

Mr. MORSE. Of course they would be Navy aviators.

Mr. FLANDERS. And they would be transferred for training only?

Mr. MORSE. Yes; they would be transferred for training only. After all, that is all the Secretary of Defense could do, under the language used in this case. I respectfully submit to the Senator from Vermont that he is making a great mistake in his interpretation of the meaning of the word "transfer." He is assuming that "transfer" means that the Secretary of Defense could take 500 Navy aviators, remove their Navy uniforms, clothe them in Air Force uniforms, and make them Air Force aviators. Of course, the Secretary of Defense could not possibly do that; the organic law would prohibit it. There is nothing in the amendment which would give the Secretary of Defense such authority; and if he attempted to do such a thing, the organic law would stop him.

Let me propound another hypothetical question—because, after all, it is in terms of such hypothetical questions that we must consider the meaning the Senator from Vermont gives to the word "transfer." I respectfully submit that the Senator from Vermont gives the impression from what he says that he means that the Secretary of Defense would have authority to change Navy personnel into Army personnel or Army personnel in-

to Air Force personnel or into Navy personnel if my amendment is adopted. But under the organic law the Secretary of Defense could not do that.

Mr. FLANDERS. Does the Senator from Oregon assume that the word "transfer" means the assignment, for training only, to another branch of the service?

Mr. MORSE. Yes; to be detailed for special missions, for training, in another branch of the service. But the Secretary of Defense could not possibly take a marine and make him a sailor, or take a sailor and make him a soldier, or take a soldier and make him an Air Force aviator. The Secretary of Defense could not interfere with the roles and missions of the various branches.

That is why I think the Senator from Vermont and I are not talking about the same thing. I submit that the Senator from Vermont has been presenting his interpretation of the amendment based upon one meaning of the word "transfer," whereas the organic act itself prevents that meaning from being applied to the word.

Mr. FLANDERS. From the standpoint of common sense, I can conceive of no other meaning than the one I have assigned to the word "transfer." Within the jargon of the armed services, there may be some technical meaning of which I am not aware; but I am simply addressing my remarks to the plain meaning of the word as used in the measure now before the Senate.

Mr. MORSE. The only way by which a "transfer"—in the sense the Senator from Vermont uses the term—could be made would be by changing the commissions or enlistments of the personnel involved. However, the organic law would prevent that; so the Senator from Vermont does not need to worry that such action would be taken by the Secretary of Defense acting under my amendment.

However, as I understand the position of the Senator from Vermont, he would estop the Secretary of Defense—just wait and see, Mr. President—from transferring 500 Navy aviators for training on B–36's, to use my example. Such a situation would not eliminate duplication. In that event, two systems for training on B–36's or two systems for ground training might be set up, although there is a very valuable and available Marine station for that purpose at San Diego.

I say my amendment would produce greater economy and efficiency in the armed services; and the Senator from Vermont will not cause me to cease my advocacy of my amendment simply because he insists upon giving to the word "transfer" a meaning which it could not possibly have under the organic law.

Mr. President, I am about to yield the floor. I have made my explanation of the amendment. I am desirous of obtaining an early vote on the amendment. I think the discussion is practically completed. Therefore, I suggest the absence of a quorum, after which I shall ask for a yea-and-nay vote.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Holland	Mundt
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Johnson, Tex.	O'Mahoney
Byrd	Johnston, S. C.	Pepper
Cain	Kefauver	Robertson
Chapman	Kem	Russell
Connally	Kilgore	Saltonstall
Cordon	Knowland	Smith, Maine
Donnell	Langer	Sparkman
Douglas	Lodge	Stennis
Downey	Long	Thomas, Okla.
Eastland	Lucas	Thomas, Utah
Ellender	McCarran	Thye
Ferguson	McCarthy	Tydings
Flanders	McClellan	Vandenberg
Gillette	McFarland	Watkins
Graham	McGrath	Wherry
Gurney	McKellar	Wiley
Hayden	Magnuson	Williams
Hendrickson	Malone	Withers
Hickenlooper	Millikin	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the junior Senator from Oregon [Mr. MORSE].

Mr. MORSE. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, I should like to speak very briefly on the subject matter of the amendment proposed by the junior Senator from Oregon to section 202 of the pending bill.

The effect of his amendment, as we all know, would be to permit the Secretary of Defense to reassign the combatant functions assigned to the various departments and to make transfers of military personnel from one military department to another, these powers now being forbidden by the text of the measure at present before the Senate.

I should like to point out that the amendment of the Senator from Oregon would specifically permit the Secretary of Defense and the General Staff to do at least three things. It would permit them to transfer marine aviation to the Air Force, it would permit them to transfer naval aviation to the Air Force, and it would permit them to eliminate the Marine Corps. They could eliminate the Marine Corps either by transferring the combatant functions of the Marine Corps to the Army, or by so diluting the personnel of the Marine Corps by moving Army personnel in or moving marine personnel out that the Marine Corps would in effect be eliminated. I think it is a very serious question as to whether Congress wants to turn over such powers as these to the Secretary of Defense and to the General Staff.

I wish to pay tribute to the patriotism of the Senator from Oregon and the Senator from Massachusetts, who spoke yesterday in behalf of the pending measure. I am sure they are moved by the best of motives and that they are acting for what they believe to be the good of the general service.

There is one contention advanced by the Senator from Massachusetts with which I should like to deal very specifically. It is that we should not aim at continuing loyalties to particular services, but that we should try to develop an over-all loyalty to the armed services of the Nation as a whole. This is a very laudable purpose, but I wonder if it as effective as building upon loyalty to specific services, and yet having these services join together in a general defense of the Nation.

The average youngster who comes into the armed forces of the United States will range in age between 18 and 24. It is very hard for him to feel a burning and a passionate loyalty to a general armed service, but he can feel a specific and intense loyalty to his service, to his corps, to his division, to his regiment, and to his unit. We can develop an intensity of pride, an intensity of loyalty, which can transform men who, in the beginning, are somewhat indifferent, into strong, vigorous, passionate fighters.

It is not necessary for me to praise the Marine Corps. The record of the Marine Corps is on the books. The record of the Marine Corps has been established in the wars of the past. It is unnecessary for anyone to attempt to add to that record by words. I can only say that I believe the people of the country feel that the tradition of the Marine Corps is a very precious one, and that it should not be endangered; that if the Marine Corps were to be eliminated something very virile would go out of American life and that the effectiveness of the armed forces of this country would be diminished.

I know that it will be said that there is no intention to abolish the Marine Corps. I should like to point out that in the concluding days of the administration of President Herbert Hoover an executive order was, I believe, drawn up, though never issued, which would have directly eliminated the Marine Corps.

I should also like to call to the attention of the Senate the testimony of General Vandegrift in the hearings of the Senate committee in 1947 on the national defense establishment, page 434, where the general referred to papers of the Joint Chiefs of Staff. As he states, these papers appeared over the signature of the Chief of Staff of the Army and the Commanding General of the Army Air Forces, expressing the War Department's intention with respect to the Marine Corps in clear and unmistakable language.

Those papers, I believe, are classified and have never been published, but it is common belief, at least, that in these papers certain high officials of the Army declared that the Marine Corps should not be given combatant functions in any war which might come, but that it should be confined to guard duty at naval stations, and that it should be assigned the role of working parties on beaches when the Army was in action.

I am greatly afraid that there are strong elements amongst the Army who would like to eliminate the Marine Corps on just such grounds as these, and I should like to say that, in my judgment, if that is done it will diminish the armed effectiveness of the United States.

Mr. President, these loyalties to specific corps do not conflict with general loyalty to the country. They reinforce and intensify loyalty to the country, just as a passion and loyalty to one's State intensifies, if it is interpreted properly, one's loyalty to the Nation as a whole.

So, Mr. President, I hope that we will not give a blank check to do what I am sure the people of the country do not want to have done, and which would never be done by legislation, but which, if we put into effect the Morse amendment, might be done surreptitiously and quietly by a series of orders which would gradually but surely move forward the elimination of naval and marine aviation and of the Marine Corps itself.

Mr. MORSE. Mr. President, I have already answered the argument of the Senator from Illinois twice in the RECORD. I again enter a general denial. There is not the slightest possibility, under my amendment, of any of the fears of the Senator from Illinois becoming realities. The Secretary of Defense, acting under my amendment, could not possibly do what the Senator from Illinois has expressed by way of fear, without a change in the organic law by the Congress of the United States. My amendment does not give to the Secretary of Defense any such power as the Senator from Illinois fears.

I will always join with the Senator from Illinois against any proposal which seeks in any way to abolish the Marine Corps or diminish its functions. But I wish the Senator from Illinois would join with the junior Senator from Oregon in giving the Secretary of Defense the powers he needs in order to have a true unification. The Secretary of Defense cannot have such powers if we leave in the bill the language beginning on page 4, line 19, after the word "proper" and to the end of the section.

Mr. TYDINGS. Mr. President, the issue has been well covered by both sides, and I do not see any point in adding anything further by way of debate. I hope we can have a vote on the amendment.

The VICE PRESIDENT. The question is on the amendment of the Senator from Oregon [Mr. MORSE] on page 4, line 19, beginning with the second comma, to strike out all down to including the word "functions" on page 5, line 3. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. HOEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Montana [Mr. MURRAY] are absent on official business.

The Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], and the Senator from Oklahoma [Mr. KERR] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], and the Senator from New York [Mr. WAGNER] are necessarily absent.

If present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from North Carolina [Mr. HOEY], the Senator from Colorado [Mr. JOHNSON], and the Senator from Oklahoma [Mr. KERR] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Indiana [Mr. JENNER], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate. If present and voting, the Senator from Connecticut [Mr. BALDWIN] would vote "nay."

The Senator from Indiana [Mr. CAPEHART] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Kansas [Mr. REED] and the Senator from Ohio [Mr. TAFT] are detained on official business.

The Senator from Montana [Mr. ECTON] is detained at a meeting of the Committee on Post Office and Civil Service.

The result was announced—yeas 26, nays 46, as follows:

YEAS—26

Aiken	Hill	Malone
Brewster	Humphrey	Morse
Bricker	Ives	Smith, Maine
Butler	Kem	Thomas, Utah
Cain	Knowland	Vandenberg
Cordon	Langer	Watkins
Ferguson	Lodge	Wiley
Gillette	Long	Williams
Hendrickson	McCarran	

NAYS—46

Anderson	Hunt	O'Conor
Bridges	Johnson, Tex.	O'Mahoney
Byrd	Johnston, S. C.	Pepper
Chapman	Kefauver	Robertson
Connally	Kilgore	Russell
Donnell	Lucas	Saltonstall
Douglas	McCarthy	Sparkman
Downey	McClellan	Stennis
Eastland	McFarland	Thomas, Okla.
Ellender	McGrath	Thye
Flanders	McKellar	Tydings
Graham	Magnuson	Wherry
Gurney	Millikin	Withers
Hayden	Mundt	Young
Hickenlooper	Myers	
Holland	Neely	

NOT VOTING—24

Baldwin	Hoey	Murray
Capehart	Jenner	Reed
Chavez	Johnson, Colo.	Schoeppel
Ecton	Kerr	Smith, N. J.
Frear	McMahon	Taft
Fulbright	Martin	Taylor
George	Maybank	Tobey
Green	Miller	Wagner

So Mr. MORSE's amendment No. 1 was rejected.

Mr. MORSE. Mr. President, I offer my amendment No. 2, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 8, line 10, it is proposed to strike out "shall have no vote but."

On page 8, line 17, it is proposed to strike out "two" and insert in lieu thereof "four."

On page 8, line 25, beginning with the colon, it is proposed to strike out all down to and including the word "services" on page 9, line 2.

ATTACK UPON VICTOR REUTHER

Mr. FERGUSON. Mr. President, I rise to speak for a few minutes about a matter which has occurred in the State of Michigan, namely, an attempt to assassinate Victor Reuther, the educational director of the United Automobile Workers Union, CIO.

A few months ago his brother, Walter Reuther, who is president of the United Automobile Workers, CIO, was attacked, in an attempt upon his life by assassination, in the city of Detroit. Both Walter Reuther and Victor Reuther have lived in Detroit, Mich., for many years. They have taken a very active part in union activities and in labor activities. They are respected in Michigan, and they are fighting for a cause in which they firmly believe.

I wish to state here that those who committed the assault upon Walter Reuther have never been brought to trial. So far as can be learned, the police have been unable to solve that particular crime.

Now a similar calamity has occurred, in that Victor Reuther, who is the educational director of the United Automobile Workers, CIO, has been attacked under very similar circumstances and has been severely wounded, and there is grave doubt whether he will recover.

These are very serious things to happen in the United States of America. Not only should every effort be made by every law-enforcement agency in the State of Michigan to solve the crimes and to bring the guilty persons to trial, in order that they may receive the fullest penalties of the law, but I call the matter specifically to the attention of the Department of Justice of the United States in the hope that the Department's entire facilities may be made available in this particular case, as they should have been made available in the previous case, which I called to the attention of the Department of Justice at the time.

There is always the element of uncertainty as to whether a Federal criminal statute has been violated. Therefore, without going into the niceties of the law, the Department of Justice and the FBI of the United States of America should exert every effort to apprehend the guilty person or persons. They should not allow the trail to become cold. They should exert every effort to detect the perpetrators of these atrocious crimes. It is a terrible thing when citizens in America cannot occupy their homes without the danger of a murderous assault and when the perpetrators of such crimes go unscathed of justice.

I request the Department of Justice to take every possible step toward the solution of the crimes, to proceed immediately before the trail gets cold, and to extend to the local authorities every possible assistance and the use of every facility to apprehend and bring to trial those responsible for the dastardly crime of murderous assault not only upon Victor Reuther, last evening, but upon his brother, Walter Reuther.

Those who would commit crimes of that kind must be taught the lesson that in America such things cannot be allowed to happen and that the perpetrators will be apprehended, no matter at what cost and no matter by what law-enforcement agency. Let it be known that we are going to stamp out such crimes so that men carrying on the work of labor organizations, similar to the work done

by Victor Reuther and Walter Reuther, may have no fear of assault or of being killed in the performance of their duties in the United States.

The labor union is an American institution, fully recognized by law, and is entitled to the absolute protection of law.

There are many things the Federal agencies may be able to do in this case. They have scientific facilities for analysis and detection, and other devices which certain departments of our great State of Michigan may not possess. I ask that they exert every effort to cooperate with the State of Michigan in the solution of these crimes, and of this particular crime.

COMPENSATION TO THE SWISS GOVERNMENT FOR WAR DAMAGES

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CONNALLY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to: and the Vice President appointed Mr. PEPPER, Mr. GREEN, and Mr. LODGE conferees on the part of the Senate.

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report, which was read:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Commodity Credit Corporation Charter Act (Public Law Numbered 806, Eightieth Congress) is amended by deleting the words 'direction and control of its Board of Directors' at the end of the said section and substituting therefor the words 'supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary")'."

SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: "The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *Provided further*, That no refrigerated cold-storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the National Military Establishment, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets."

SEC. 3. Section 9 of said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 9. Directors, Advisory Board: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the 'Board'), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

"(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each ninety days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings."

SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661)."

SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

(a) by inserting in the second sentence thereof after the word "jurisdiction" a comma and the following: "without regard to the amount in controversy,";

(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: "No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within six years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within three years after the disability shall have ceased or within six years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or

counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit."; and

(c) by inserting before the period at the end thereof a comma and the following: "except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this Act, be brought in such court".

SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"USE OF WORDS 'COMMODITY CREDIT CORPORATION'

"(f) No individual, association, partnership, or corporation shall use the words 'Commodity Credit Corporation' or any combination of the same, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both."

And the House agree to the same.

ELBERT THOMAS,
ALLEN J. ELLENDER,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. WILLIAMS. Mr. President, may we have an explanation from the chairman of the committee as to what changes the conference report makes?

Mr. THOMAS of Oklahoma. Mr. President, the bill as agreed to in conference does not vary materially in most respects from the bill passed by the Senate.

The bill provides for a board of directors, to be appointed by the Secretary of Agriculture, the board to consist of six members. It also provides for an advisory board, to be appointed by the President, the members to be confirmed by the Senate.

The Senate bill provided that the Commodity Credit Corporation should have no authority to construct either cotton, tobacco, or refrigerated cold-storage facilities. The House adopted what is known as the Brown amendment, which provides that before any kind of storage facilities can be constructed there must be an investigation, and the Commodity Credit Corporation must determine that there is a necessity for such storage facilities. That covers everything, including tobacco and cotton.

A modification was made in the Senate cold-storage provision, in that the Commodity Credit Corporation cannot now either purchase or construct cold-storage facilities. It can lease them or acquire them otherwise for temporary use, but it cannot construct or purchase cold-storage facilities.

Those are the main changes in the Senate bill.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILLIAMS. Will the Senator explain on what basis the conferees rejected the Senate provision for confirmation of members of the board of directors?

Mr. THOMAS of Oklahoma. Members of the board of directors appointed by the Secretary are not to be confirmed by the Senate; but the members of the advisory board, appointed by the President, must be confirmed by the Senate.

Mr. WILLIAMS. Do I correctly understand that the advisory board has no power whatever other than to give advice to the board of directors, who in turn have no power other than to carry out the suggestions of the Secretary of Agriculture?

Mr. THOMAS of Oklahoma. Of course, the Congress is the policy-making branch of the Government; and the Secretary is charged with responsibility for carrying out the policies of Congress. For that reason he is given wide authority to select his own advisers. I presume that the persons to be appointed on the advisory board will be recommended by the Secretary of Agriculture.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. AIKEN. I should like to add that, although the advisory board does not have executive powers, it does have the duty of keeping informed at all times as to what is going on, and to have knowledge of the policies of the Commodity Credit Corporation. It is true that it has no executive power, but it certainly has a duty.

Mr. WILLIAMS. Do I correctly understand that the members of the advisory board are not even on a straight salary?

Mr. THOMAS of Oklahoma. Members of the advisory board are on a per diem. I think the per diem is uniform on similar boards. The per diem is $50.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. Am I correct in my understanding that the conference report is unanimously submitted by all the conferees?

Mr. THOMAS of Oklahoma. On the Senate side, that is correct. I cannot say with respect to the House side.

Mr. LUCAS. I am speaking now only of the Senate conferees appointed by the Vice President.

Mr. THOMAS of Oklahoma. Each member of the Senate conferees was present; each member took an active part in the consideration; and each member was fairly well satisfied with the result. Each member signed the report.

Mr. LUCAS. That is, both Republicans and Democrats, of the Senate conferees, have signed the report?

Mr. THOMAS of Oklahoma. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SALTONSTALL. Do I correctly understand the Senator to say that no facilities can be built, until, in the opinion of the Secretary, there is a scarcity of facilities in a particular area; and secondly, that no refrigeration plants shall be built under any circumstances, but only existing plants can be leased? I am particularly interested in the latter provision.

Mr. THOMAS of Oklahoma. If cold-storage plants should be built hereafter, they could be leased; but the provision is that the Commodity Credit Corporation shall have no authority to construct or purchase additional cold-storage facilities.

Mr. SALTONSTALL. They cannot even be leased unless there is a shortage. The provision, so far as the shortage of plants is concerned, would not necessarily apply to refrigeration plants.

Mr. THOMAS of Oklahoma. No; I think they are on a separate basis.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. AIKEN. I should like to read to the Senator from Massachusetts the wording which the conferees adopted in regard to cold-storage facilities:

Provided further, That no refrigerated cold-storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose.

That means that, if it were found absolutely necessary to have more facilities, the Commodity Credit Corporation would have to come to Congress to get a specific appropriation for the purpose.

Mr. SALTONSTALL. I thank the Senator.

Mr. AIKEN. I further believe that the so-called Brown amendment adopted in the House covers the entire situation anyway; but the wording adopted by the conferees makes it doubly sure that no cold-storage facilities will be constructed, except with the express consent of the Congress.

Mr. KEM. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. KEM. I should like to ask the Senator why, in the judgment of the conferees, it was advisable to depart from the usual and customary principle of confirmation by the Senate of members of an important executive board.

Mr. THOMAS of Oklahoma. The main reason is that the House would not consent to confirmation by the Senate. We were forced to accept that provision. We spent four sessions in trying to arrive at an agreement on two or three points. This is one point upon which I am sure the House of Representatives would not have yielded.

Mr. KEM. Without going into detail, will the Senator from Oklahoma outline the reasons advanced by the conferees on the part of the House for taking that position?

Mr. THOMAS of Oklahoma. As I understand the situation, it is this: The Congress passes laws directing the Secre-

tary of Agriculture to do certain things, and we hold him responsible for carrying out the duties thus imposed upon him by the laws passed by Congress.

The position taken by the House of Representatives, as I understand it, is that the Congress must give the Secretary of Agriculture the power to carry out the functions imposed upon him by the laws passed by Congress, and that in order to be able to do so, he must have a board upon which he can rely.

Mr. KEM. Could not the same argument apply with equal force to the Members of the President's Cabinet?

Mr. THOMAS of Oklahoma. That is correct.

Mr. KEM. And could not the same argument apply similarly to the members of various commissions and boards, whose names are almost constantly before the Senate for confirmation?

Mr. THOMAS of Oklahoma. That is correct.

Mr. KEM. I should like to ask a further question. Does not the Senator from Oklahoma agree that the constitutional provision for a check and balance by way of confirmation by the Senate, is a wise one and should be adhered to generally in governmental operations?

Mr. THOMAS of Oklahoma. In response to that inquiry, I should like to suggest that if a board of directors of the Commodity Credit Corporation were appointed and confirmed by the Senate, and thereafter the members of the Board refused to go along with the Secretary of Agriculture in carrying out the policies as he interpreted them, there would be a stalemate or a block. The Secretary of Agriculture would be responsible, but in such circumstances he would have no power to act.

The House has taken the position, as I understand, that inasmuch as the Secretary of Agriculture is responsible and inasmuch as the Congress looks to him entirely in that connection, he should have the power to appoint a Board to assist him in carrying out the duties imposed upon him by law.

Mr. KEM. Is it not true that in the Humphreys case, where it was stated that the persons involved were confirmed by the Senate, it was held that the President could not remove them in case of a stalemate such as the Senator from Oklahoma suggests; and has it ever been considered that the possibility of a stalemate which might result from a difference of opinion between the President and a member of his Cabinet was any reason for not requiring that the members of the President's Cabinet be confirmed by the Senate?

Mr. THOMAS of Oklahoma. I agree with all the Senator from Missouri says.

Mr. KEM. Does the Senator from Oklahoma agree that there is very doubtful wisdom in asking the Senate to accede to the position taken by the House of Representatives in this case?

Mr. THOMAS of Oklahoma. I say I do not think so. That is my point of view.

Mr. AIKEN. Mr. President, I wish to say that apparently it was the position of the House of Representatives that in view of the fact that the Secretary of Agriculture is held responsible for carrying out the price-support programs, and that the Commodity Credit Corporation is an instrument given to the Secretary of Agriculture to use in carrying out those programs, it therefore is in a little different position from other Government corporations.

Mr. KEM. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. KEM. The President is Commander in Chief of all the armed forces of the United States; but to my knowledge it has never been suggested that it is an unwise thing for the Secretary of Defense and the Under Secretaries of Defense and all the commissioned officers of the United States armed forces to have to be confirmed by the Senate.

To me, the doctrine advocated by the Senator is a most astounding one, and, for my part, before it is accepted by the Senate, I think it should receive very careful consideration.

Mr. AIKEN. It has been considered that greater flexibility of control would be possible through the use of the Commodity Credit Corporation by the Secretary of Agriculture rather than for him to undertake to handle the entire matter personally.

Furthermore, besides being more flexible and providing for quicker action in various cases, it is the belief that it would be better to keep the work done by the Corporation under the control of the General Accounting Office than it would be to have the work mixed in with the other work of the Department of Agriculture.

Mr. KEM. I have no doubt that under those circumstances the Corporation would be much more flexible and much more susceptible of control. It never occurred to me that the situation would be otherwise.

But whether the removal of the check and balance provided by the Constitution in cases of this kind would be a wise thing, I think, is an entirely different question. It seems to me that in our quest for flexibility and our quest for control we may be overlooking a very essential check and balance which has long stood the American people in good stead.

Mr. AIKEN. I may add that the check and balance by means of congressional control rests on the Secretary of Agriculture himself, who is responsible for carrying out the program.

Mr. KEM. The same argument would apply in the case of the President of the United States, who, as Commander in Chief, is responsible for the armed forces of the United States. Yet the Senate confirms all his Cabinet officers and every commissioned officer in the armed forces.

It has never been understood that such a provision did not give the President sufficient flexibility and the armed forces under his control sufficient freedom of movement to defend the United States.

Mr. AIKEN. However, in this case the point might be made that it is not necessary to have a Commodity Credit Corporation at all. We could put the entire responsibility upon the Secretary of Agriculture, but I doubt whether he would do as good a job as he would if he had a board of directors and a commodity credit corporation through which he could act.

Mr. KEM. I grant that the Congress could elect to make such a provision; it could simply turn over to the Secretary of Agriculture these billions of dollars, and could say to him, "Use them as you see fit." But the Congress has not done so.

Mr. AIKEN. Finally, let me add that the conferees on the part of the House of Representatives were insistent upon this procedure. Of course, Mr. President, time is of the essence. There is a feeling that this bill should be passed quickly. The House agreed to have the advisory board members confirmed by the Senate, in return for permitting the Secretary of Agriculture to have the power to appoint the executive board of the Commodity Credit Corporation, for whose actions he is held responsible.

Mr. KEM. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. KEM. I simply wish to ask whether it is true that the advisory board is merely a debating society, without any actual function or duty.

Mr. AIKEN. No; I would not think so.

Mr. KEM. Will the Senator from Vermont point out any power the advisory board has in carrying out the responsibilities of the Commodity Credit Corporation?

Mr. AIKEN. The wording of the conference report in that respect is as follows:

> (b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings.

It was felt that by putting them on a per diem basis men of higher grade could be obtained, men who would have had broader experience in agriculture and business than it would be possible to obtain if those officials were put on a flat salary basis, because men of the type who should comprise this Board would not be available at any price or salary which the Congress would be likely to provide for them.

I say to the Senator from Missouri that probably this provision, like any other provision of the laws the Congress passes, can be abused by the executive department concerned, if there is a deliberate attempt to abuse it.

Mr. KEM. Mr. President, I seem to have failed, as I often do, to make myself clear. The question I put to the Senator from Vermont was, What authority does the advisory board have?

Mr. AIKEN. I may say it has the duty of advising the Secretary of Agriculture in about the same respect that the Tariff Commission has the duty of advising the President on trade agreements.

Mr. KEM. I realize the Senator from Vermont is not on the stand, and I do not want to press him unduly; but if the advisory board has any authority, I wish the Senator from Vermont would advise us what it is.

Mr. AIKEN. It has no authority.

Mr. KEM. Very well.

Mr. AIKEN. As I have stated, it has duties which I consider comparable to the duties of the Federal Tariff Commission in advising the President on trade agreements.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. KEM. I should like to ask the Senator from Vermont one further question.

The VICE PRESIDENT. Does the Senator from Vermont yield; if so, to whom?

Mr. AIKEN. I yield first to the Senator from Missouri.

Mr. KEM. Why is it that the conferees took such an elaborate care to give the Senate the right to confirm the advisory council, but denied the Senate the right to confirm the officials who have the actual authority to run the Board?

Mr. AIKEN. For the simple reason that no conference report would have been back here yet had we not reached an agreement, after negotiating on a give-and-take basis with the House managers, in accordance with the usual practice in conferences.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question at that point?

Mr. KEM. Does the Senator from Vermont feel that as Members of the Senate we should give up the constitutional responsibilities and duties we usually exercise in cases of this kind, at the mere whim of the House managers?

Mr. AIKEN. I would not say it was a mere whim. I thought it was a determination. I felt that it was important to reach an agreement as soon as possible, in order to protect the support-price program, with additional storage for our surplus crops this year.

Mr. KEM. Should we not in a case involving the constitutional duties and responsibilities of the Senate be just as determined as our friends at the other side of the Capitol?

Mr. AIKEN. I think the friends at the other side of the Capitol had to yield certain things they had put in their bill, also.

Mr. KEM. Just what did they yield?

Mr. AIKEN. They had to yield on the section providing for loans to farmers for the purpose of constructing grain bins on their farms. They had to yield in two or three other cases. On the matter of cold-storage construction, they had to yield, and they were also very determined about that.

Mr. KEM. Does the Senator feel that those provisions were in any respect as far reaching and important as the constitutional considerations involved in the right of the Senate to confirm an important official?

Mr. AIKEN. I would not say they were as far reaching as the provisions of the bill which was ultimately passed by the Senate, but they are as far reaching as the bill which was reported to the Senate by the Committee on Agriculture.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I will yield the floor if I get a chance.

The VICE PRESIDENT. The Senator has the right to yield the floor at this time, if he cares to exercise it.

Mr. WILLIAMS. I am addressing my question to the distinguished Senator from Vermont.

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Delaware?

Mr. AIKEN. Does the Senator from Delaware want me to yield to him before I yield the floor?

Mr. WILLIAMS. I wanted to ask the Senator a question.

Mr. AIKEN. Mr. President, if I may yield to the Senator from Delaware before I yield the floor, I shall do so. I do not know how I acquired the floor in the first place.

Mr. WILLIAMS. Mr. President, I understood the Senator from Vermont to say that time was of the essence. I have heard that statement so often in the Senate Chamber that I should like to have him explain just what the rush is about the pending bill.

Mr. AIKEN. Time is always of the essence. While it is true that certain types of storage can be provided by the Commodity Credit Corporation under the law as it now exists, yet it is entirely possible that certain types of necessary storage will not be available in time to take care of this year's grain crop, and whatever is decided upon should be decided upon right away, so that plans may be made and carried out adequately to meet the situation.

Mr. WILLIAMS. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. WILLIAMS. Assuming that to be correct—and I have heard that statement made so often I am beginning to believe it—why was there incorporated in the bill the controversial provision about the appointment of directors? Why was that provision included in the Senate bill and put before the Senate when the Senator knew full well that it was a controversial matter, and that, had it been omitted we should have had the remainder of the bill enacted and in force 3 months ago? Why was a provision conferring this great power upon the Secretary of Agriculture put in a bill which the Senator knew the Senate was going to approve? In my opinion it was done, for just one purpose. The Secretary of Agriculture thought he could make the Senate swallow it, in order to get the other portions of the bill which the Senate approved; is not that correct?

Mr. AIKEN. No, I did not have any idea of making the Senate swallow anything the Senate did not want to swallow. This provision is not by any means my sole responsibility; the matter was considered by the Committee on Agriculture and Forestry, and it was reported by that committee in about the same shape, relative to the appointment of the directors, as it is now included in the conference committee report.

Mr. WILLIAMS. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. WILLIAMS. The Senator will agree with me, will he not, that the bill would have been passed 3 months ago if he had omitted that controversial feature?

Mr. AIKEN. I agree it would have been passed months ago, if everybody could have agreed on the provisions of the bill.

Mr. WILLIAMS. And yet this controversial provision, which has absolutely nothing to do with the storage program, representing merely an effort on the part of a cabinet officer to grab some extra power, is incorporated in a bill which the committee felt it could run through the Senate. Is that not correct?

Mr. AIKEN. I do not feel that the provisions of last year's bill relating to the appointment of directors of the Commodity Credit Corporation were effective, as the Senator from Delaware intended they should be. I think the President named as directors those who were recommended to him by the Secretary of Agriculture; and so far as that goes, the Senate has not confirmed them yet, to the best of my knowledge.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. WILLIAMS. Is not the reason we have not confirmed them due to the fact that the President, being so sure he is going to get this bill pushed through Congress, has failed thus far even to submit the nominations to the Senate?

Mr. AIKEN. I do not know what the President was sure of.

Mr. WILLIAMS. They have not been submitted, though. That is a fact, is it not?

Mr. AIKEN. I would not interpret what is in the mind of the President.

Mr. WILLIAMS. But it is a fact the nominations have not been submitted as yet, even today. Is that not correct?

Mr. AIKEN. I do not recall whether they have been submitted. I believe that the ones who are acting as directors were recommended by the Secretary of Agriculture.

Mr. WILLIAMS. The Commodity Credit Corporation has operated for nearly a year under a system wherein the board of directors would be appointed by the President, and supposedly be confirmed by the Senate. Can the Senator from Vermont point out to me how in any way that restriction which we placed in last year's bill has affected the operations of the Commodity Credit Corporation?

Mr. AIKEN. I may say to the Senator from Delaware that I am not completely satisfied with the operations of the Com-

modity Credit Corporation during the past few months. I hope, if we can get the Advisory Board once appointed and confirmed by the Senate, that their advice may be found very helpful to the Secretary in carrying out the price-support programs. I cannot conceive of the Secretary going contrary to the advice of the Board which will be appointed by the President and confirmed by the Senate. I think any Secretary of Agriculture would be very foolhardy indeed to do that, and I expect that the Senate would use particular care to see that the members of the advisory board met the qualifications set forth in this provision of the conference report, that these men should reflect broad agricultural and business experience. It is entirely true that the Secretary is not obligated to take their advice, but I think it would be unfortunate and very unwise on his part if he failed to give consideration to it.

Mr. WILLIAMS. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. WILLIAMS. I understand the Senator from Vermont was an enthusiastic supporter of the Hoover Commission's report which was adopted in the Senate a few days ago.

Mr. AIKEN. That is correct.

Mr. WILLIAMS. Then, how does the Senator from Vermont reconcile that action with the action taken here? Is not the taking away from the Senate of the power to confirm the directors a direct contradiction of the recommendations of the Hoover Commission?

Mr. AIKEN. I do not recall that the Hoover Commission made any recommendations as to the handling of price-support programs of the Commodity Credit Corporation.

Mr. WILLIAMS. The Commission wrote an entire volume on that subject.

Mr. AIKEN. That was not a recommendation of the Commission, as I recall; it was a recommendation of one of the task forces. I would say that some of the recommendations of the task forces were given very little credence by the Commission itself. I do not know whether the one to which the Senator refers was given serious consideration. Frequently, the Hoover Commission members disagreed strongly with the recommendations of the task force.

Mr. WILLIAMS. I should like to read this statement which is contained in the Task-Force Report, Appendix F, in which there is pointed out the deplorable state of affairs found in the RFC, Federal Public Housing Administration, Commodity Credit Corporation, and other corporations. They also point out how the situation should be corrected.

Mr. AIKEN. May I inquire who wrote that report?

Mr. WILLIAMS. I do not know who wrote it. It was signed by Herbert Hoover, chairman, and submitted to the Senate.

Mr. AIKEN. That is a task-force report; is it not?

Mr. WILLIAMS. It is.

Mr. AIKEN. There was considerable dissent in the Commission with reference to task-force reports relating to business enterprises in the Government.

Mr. WILLIAMS. It is signed by T. Coleman Andrews, chairman; Harry E. Howell, Edward A. Kracke; Maurice E. Peloubet; Weston Rankin; J. S. Seidman; and Donald F. Stewart.

There was no minority report.

Mr. AIKEN. With respect to task-force recommendations, there would not be a minority report. In regard to that task-force report, I think I dissented, although I am not sure to which report the Senator has reference.

Mr. WILLIAMS. There is another question I should like to ask, preferably of the chairman of the committee, if the Senator will yield.

Mr. AIKEN. I yield the floor.

Mr. WILLIAMS. I should like to refer to page 2 of the conference report as submitted, in which it is stated that the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply for financing the construction or purchase of storage, and the loans shall be deducted from the proceeds of price-support loans or purchase agreements between the Corporation and the growers.

I should like to ask the Senator from Oklahoma whether it is planned to confine the local power to make loans exclusively to the farmers or whether the power is unlimited.

Mr. THOMAS of Oklahoma. It is not the policy of Senate committees to make reports giving interpretations of the law. The House has such a practice. As a rule, the House conferees submit a report to the House giving their interpretation of what the legislation will mean if enacted and signed by the President. The feature with respect to loans was considered, but I think no one is very enthusiastic with reference to the policy of making loans with Federal funds to farmers for the building of storage facilities. That is my interpretation of the situation. I doubt if the Department, if the bill should be enacted, would go to any great extent in spending public funds in providing storage on farms. It is not a policy which has been approved.

Mr. WILLIAMS. If the Senator will yield further, I should like to read to him a statement from a recent bulletin issued by the Department of Agriculture. It has not yet been released, but it has passed through the top personnel:

> It is hoped that the Production and Marketing Administration can get enough local cooperatives and others interested in the grain-storage problem to file requests for loans.

Mr. THOMAS of Oklahoma. It is not the purpose of the bill to authorize or to encourage the construction of warehouses through Federal funds. It is the purpose to secure storage through private enterprise. It is the purpose to point out locations in which storage is necessary and to try to enlist private capital to build the storage. If that cannot be done, then the second step will be to make loans, if necessary, to cooperatives. If that cannot be done, the only alternative is for the Government to build the facilities.

Mr. WILLIAMS. Do I correctly understand that the Senator from Oklahoma feels that the Department of Agriculture, if the bill is enacted into law, has no intention to move in and establish Government-owned and Government-operated storage facilities on a large scale?

Mr. THOMAS of Oklahoma. Only as a last resort. It is to encourage private capital to construct storage. If that cannot be done, and the storage cannot be provided, the second step will be to encourage cooperatives to build the storage either with private capital or through Federal loans. If that cannot be done, the Government must build the facilities with Federal funds. That is my interpretation of the program.

Mr. WILLIAMS. I should like to ask the Senator from Oklahoma, because I am very much concerned with the future of this program, what the Secretary of Agriculture plans to do with this power, assuming the bill is passed. Has the Senator conferred with the Secretary of Agriculture regarding his proposed plan of operation, and is it as the Senator has just stated it? Is that the Senator's understanding of the plan?

Mr. THOMAS of Oklahoma. That is correct.

Mr. WILLIAMS. I happen to have on my desk the bulletin to which I referred a few minutes ago, which the Secretary of Agriculture has issued to the top administrative personnel in the Department. I might say it is a bulletin which the Department apparently did not intend Congress to see, because at the top it is stated that "the report is sent to you for your personal information only and is not for publication."

It goes on to say that if the administrators wish to discuss it "you must refrain from giving any information as to where you secured it, or you must not refer to this bulletin as an official document."

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Delaware yield to the Senator from Vermont?

Mr. WILLIAMS. I yield.

Mr. AIKEN. Will the Senator advise us to whom that pamphlet is directed?

Mr. WILLIAMS. It is a bulletin which was published by the United States Department of Agriculture, and the title is "Proposed Program To Provide Government Storage Facilities for Stock-piling Grain."

Mr. AIKEN. Is it dated?

Mr. WILLIAMS. Yes; it is dated in February 1949. It has not been released to the public. I suppose it is ready for release at any time. I am very much interested in it, because it indicates the great interest the Secretary has in getting this bill through the Congress. I want to read a summary of his instructions to his top personnel:

> The need to expand these facilities to a recommended capacity of at least 500,000,000 bushels is more fundamental than the problem of our making the existing legislation work.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. May I ask who signed that bulletin?

Mr. WILLIAMS. I would ask the same question myself. I assume it was the Secretary of Agriculture who put it out. It is an official bulletin of the Department. The answer I received in reply to my request for information was:

How did you get the bulletin yourself?

Mr. AIKEN. I shall not ask the Senator from Delaware how he got it, because I realize that if we divulge the sources of our information, the sources would soon dry up.

Mr. WILLIAMS. I do not think there is any secret about it. I would not want to say at this time where I received it. I assumed the Secretary of Agriculture, knowing of my interest in the program, sent it to me. That is an assumption. I would not say that to be a fact. At least I have it.

Mr. AIKEN. It is possible that the Senator from Delaware might be laboring under an erroneous assumption in thinking that the Secretary of Agriculture sent that to him.

Mr. WILLIAMS. That is possible.

Mr. AIKEN. Is the tenor of the bulletin such as to direct PMA committeemen to seek out those who might be interested in getting loans for grain storage?

Mr. WILLIAMS. Yes. I am going to read a little of this bulletin, because I think Members of the Senate would be very much interested in it. I think the Senator from Oklahoma, the Senator from Vermont, and the Senator from New Mexico were sincere when they told us that it was not their intention to set up a duplication of the storage facilities in his country, Government-owned and operated. Yet that is a part of the program of the Secretary of Agriculture, and I wish to read what the Secretary of Agriculture in this bulletin has told his key personnel, in reply to the suggestion of the Congress urging them to the fullest extent possible to utilize existing storage facilities.

I wish to read from page 7 of the bulletin as to the attitude of the Secretary of Agriculture in regard to Governmen storage facilities:

The suggestion that in the carrying out of price-support operations on grains existing commercial-storage facilities be more extensively utilized, would not be practicable.

In other words, he has no intention of carrying out the intent of Congress. I read further, showing where he has outlined his over-all and long-range storage program. We find this statement:

A grain-storage program of a magnitude and an expedient nature such as the proposed program should be carried out and operated as a Government project under the jurisdiction of the Commodity Credit Corporation.

Mr. ANDERSON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. Did the Senator say that was sent out by the Secretary of Agriculture?

Mr. WILLIAMS. Oh, no.

Mr. ANDERSON. I believe the Senator said it was February when that was circulated. I believe there were people in the Department of Agriculture who felt that there should be a large wholesale program of constructing these facilities. Subsequent to the sending out of documents like that, which was done by people unauthorized, actually, to express policy, the Secretary of Agriculture appeared before the House Committee and the Senate Committee on Agriculture. Questions were developed by many members of the committees as to the intentions, and I think the Senator will find that, based upon those questions, the Secretary of Agriculture probably gave additional instructions, and somewhat different instructions, to those who were mailing out that material. The Secretary, following that, received instructions from the Congress itself that he should use existing facilities, and not engage in a program of constructing governmental facilities.

I was very much interested in the questions of the Senator from Missouri when the Secretary was before the committee, in which the Senator from Missouri quite effectively, I thought, pinned down the question as to what the program was. My understanding is that the entire first year's program will be devoted to storage on the farm. I know nothing beyond that.

Mr. WILLIAMS. I might say to the Senator from New Mexico that I in no way question his intentions. I think he is sincere in this, and I think that the Senator from Missouri [Mr. KEM] when he asked the same questions in the committee had every right in the world to believe the Secretary of Agriculture, but I do say, and I say it without any reservation, that I do not think that the Secretary of Agriculture meant what he told the Senator from Missouri, because at the very time when he was testifying before the Committee on Agriculture, making those statements, there was this document which he had written and passed down to his top administrative personnel telling them to go out and undermine the existing law.

I should like to read further for just a moment——

Mr. ANDERSON. Will the Senator yield to me at that point?

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wish to say to the Senator that only a moment ago he evidenced that his good nature still remained, and I want to remind him that 2 or 3 years ago there appeared in an official publication of the Department of Agriculture a very pleasant, let me say, if not complimentary, write-up of the then Secretary of Agriculture. I had heard about it, and had twice given instructions that it was not to appear; but it appeared anyway. I do not know how it appeared. I do know that the Secretary of Agriculture does not always control what goes out from the Department. Many times people, in what they think to be in furtherance of a program, send out preliminary material to get reactions from the field, and suggestions as to proposed programs, but they come back and are subject to review by the Secretary, and certainly are subject to review by the congressional committees. This time the congressional committees have quite clearly said to the Secretary of Agriculture that they do not expect him to construct these facilities, except under the principles laid down in the report.

The Senator from Vermont called my attention to a statement in the report issued by the managers on the part of the House which is absolutely contradictory and diametrically opposed to the language of the law. I think that when the language of the law is clear, there is no statement that would change the clear import of the language.

Mr. LANGER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. In a moment. I might say to the Senator from New Mexico that once again I am not speaking of news reports which are put out by someone in the Department of Agriculture contrary to the Secretary's intentions; I am speaking of an official bulletin which never should have been put out unless it did have the approval of the Secretary of Agriculture, one which in my mind never was put out without the approval of Mr. Charles Brannan. I might say that he has so far not made any effort to deny the fact that this went out with his full approval.

To find out just what the program was, at the time the bill was discussed I received a letter from the Secretary of Agriculture in reply to questions which I asked him as to the extent of their program. At that time he stated that they intended to build 150,000,000 bushels of possibly needed capacity for 1949. I think that is what he testified before the committee.

Reading on page 2 of this report, I find the following:

To meet the critical storage situation which is almost certain to be developed when the 1949 grain crops begin to move to market, a program must be initiated at once and completed this year to provide for the construction of not less than 150,000,000 bushels of Government-owned and Government-operated trackside storage facilities.

That part of the program he told Congress about. That part of the program was incorporated in a letter addressed to me, and one which I in turn put into the RECORD at the time of the debate.

Reading in the same paragraph of this bulletin, however, we find that he says:

The further extension of Government grain-storage facilities to a capacity of at least 500,000,000 bushels for corn and wheat alone should be planned for completion within the next 3 years.

He did not tell Congress about that part of the program, he did not tell the committee about it, when he was testifying before it. Yet he had prepared this document and passed it down to the top personnel in his office staff, for their instruction in field operations, without telling any member of the committee about it, to my knowledge.

I should like to ask the Senator from New Mexico if he knew about this overall, long-range program.

Mr. ANDERSON. I did not know about it, and I am quite sure that the intentions which the Secretary may have

had at that time have been very materially changed by the action of the Congress itself.

Mr. WILLIAMS. Again, Mr. President, I reluctantly disagree with the Senator from New Mexico, because while I know he is sincere in what he has said, I think he is wrong, because this bulletin was sent out into the field as late as 10 days ago to some of the men, and they were still operating under these instructions. I know that to be a fact.

Now I wish to read a little further about the long-range program, because the 500,000,000 bushels is only the beginning. I read:

If an international wheat agreement should become operative, the program would have to be expanded to provide for an additional 100,000,000 bushels of Government wheat-storage facilities in order to assure dependable supplies for export to participating importing countries.

In other words, that would bring it up to 600,000,000 bushels. Even that is not all the long-range program of the Secretary of Agriculture, because I find that is only his program for wheat and corn.

When we come under the title of "Soybeans," we find these instructions—and I am quoting from the Department's bulletin:

Although no recommendations are made at this time with respect to Government-owned facilities for storing soybeans, it may be necessary in the near future to enlarge the recommended storage programs set forth here to include adequate facilities for storing such supplies of soybeans as are acquired by CCC under price-support programs.

In other words, they are going into the soybean storage field in addition to the 600,000,000 bushels of wheat and corn.

Turning to page 4, under the subtitle of "Grain Sorghums," I find this statement:

In the light of the specific problems involved in the marketing and farm storage of grain sorghums, the construction of Government facilities capable of holding up to 25,000,000 bushels should consist of permanent trackside storage structures equipped with adequate facilities for handling and conditioning the grain for storage.

That again is in addition to the other program.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. Did Mr. Brannan sign that bulletin?

Mr. WILLIAMS. These bulletins are put out by the Department of Agriculture without signatures, but naturally they have his approval. It is an official document, I might say, and I am going to ask when I get through to have it printed as an official Senate document. I think we should all have a chance to read it in its entirety.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. LANGER. I take it from what the distinguished Senator from Delaware has said that he is opposed to this program of storage capacity for 600,000,000 bushels of soybeans, wheat, and other grain?

Mr. WILLIAMS. Yes, I am opposed to it until such time as the Department of Agriculture comes before the committee and tells us the truth, and convinces the committee and the Congress that it is essential. I am opposed to the Secretary of Agriculture coming before committees of Congress and saying, "I want storage capacity for 150,000,000 bushels," when at the same time he is after many times that amount, and fails to tell us the truth. I am opposed to that part of it at any time.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to say that the emphasis in the bill, as I understand it, which was intended by the conferees, and I was one of the conferees on the part of the Senate, is placed upon furnishing adequate on-farm storage. If the Secretary engages in a storage program of the magnitude indicated by what has been read by the Senator from Delaware, and goes in for a system of permanent storage facilities, or any storage except that which may be of an emergency nature, he would very clearly be violating the intent of the Congress, as set forth in the conference committee bill.

Mr. WILLIAMS. I might say to the Senator from Vermont that he may be violating the intent of Congress, and he would, but he would not be violating the law we are asked to pass today, because in the conference report which we are asked to accept we would be giving him the power to build any number of permanent storage facilities he wishes to build, and there is nothing in the law anywhere that I have seen that would prevent him from doing so.

Mr. AIKEN. I may say to the Senator from Delaware that I do not believe we should stop legislating simply because we fear some administrator in the executive branch of the Government is going to violate the intent of the Congress. There are other remedies to be used when that is done. I do not believe we should abrogate our right to legislate simply because we fear someone is going to violate the law.

Mr. WILLIAMS. The reason I am emphasizing this point is to show that when Congress turns the power over this $5,000,000,000 corporation over to the Secretary of Agriculture, it would be well for Congress to know what he plans to do with that power, and what I am reading is the plan as outlined by the Department of Agriculture itself.

Mr. AIKEN. I may further say to the Senator from Delaware that I hope he does not accept as gospel all material sent to the PMA committeemen throughout the country, because in the last 2 weeks they have received material containing utterly and absolutely false statements. Probably the Secretary would not assume responsibility for that. Who sends it out I do not know. Such a thing should be stopped. If it is not stopped, the whole Department of Agriculture is going to be discredited. But let me reiterate that we should not discontinue our efforts to enact the best possible legislation simply because we fear that someone in the executive department is going to abuse his power.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I should like to reply to the Senator from Vermont first by saying that I am not reading from material sent out to the PMA men all over the country. I am reading from material sent to a few of the top administrators, as instructions to them. It is not passed out all over the country. This is still classified as a highly confidential document.

Mr. ANDERSON. Mr. President, may we look at the material from which the Senator is reading, so we may examine it?

Mr. WILLIAMS. I shall be glad to let the Senator do so in a moment; yes.

Mr. KEM. Mr. President, will the Senator now yield to me?

Mr. WILLIAMS. I yield.

Mr. KEM. Both the Senator from New Mexico [Mr. ANDERSON], who was formerly Secretary of Agriculture, and the Senator from Vermont [Mr. AIKEN], who has long been a member of the Senate Committee on Agriculture, have referred to the confusion and utter lack of control now existing in the Department of Agriculture. I want to ask the Senator from Delaware whether in his judgment in view of the testimony of these two eminent witnesses as to the existing conditions of affairs, it is wise and sound for the Senate to vote to turn over to the Secretary of Agriculture the unrestricted control of this $5,000,000,000 corporation?

Mr. WILLIAMS. I certainly do not think we should turn it over to him, particularly in view of the fact that he is indicating now his intention of not trying to carry out the wishes of Congress, and that he is making his plan to construct a large number of new storage facilities regardless of what the board of directors might say. He already has his program outlined, as shown in the report. I certainly think we should not turn any long-range program over to him. I am opposed to turning over to any one man such power as is contained in the charter of the Corporation.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. I should like to explain to the Senator from Missouri that the publication to which I took exception was not an official publication of the Department of Agriculture, but was a publication of the employees of the Department of Agriculture. They decided I had no control over that publication. I guess possibly they were right. I did feel, however, that since they were all employees of the Department I might prevail on them not to put it out.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MUNDT. I wonder if the Senator from Delaware agrees with me that the retention of the so-called Phillips amendment in the conference report tends to lessen by a considerable degree any need that might have existed for Government-owned storage facilities such as are contemplated in the report from which the Senator is now reading?

Mr. WILLIAMS. I think it does, yes.

Mr. MUNDT. And would the Senator from Delaware agree with me that that is a very important contribution, to which the Secretary should devote himself energetically, because the proper place to store grain is on the farm, in the farmer's own bins, rather than in Government-owned storehouses?

Mr. WILLIAMS. Yes; I agree with the Senator, but I think he will agree with me that there is nothing in the law which would confine the Secretary to carrying out the program for providing storage on the farms. Under the conference report as submitted to us today, the Secretary has the power to build an unlimited capacity of Government-owned and Government-operated track-side storage facilities. Is that not correct?

Mr. MUNDT. He has that power, I think, but he would have to ignore entirely the legislative record, and, as Senators speaking from both sides of the aisle have made clear, it is the intention of the Congress that the Secretary exercise that authority only after a need has been demonstrated to exist, which cannot be taken care of by privately built storage facilities. Is not that the record of the debate?

Mr. WILLIAMS. The Senator from South Dakota is probably correct. That is the record of the legislation as passed by the Senate. But we have before us today, not the Senate version of S. 900 but the House version, and that is not the record of the House bill. I read to the Senate an interpretation as contained in the statement of the managers on the part of the House. The Senator will remember that in the bill itself it is provided that the Commodity Credit Corporation cannot build storage facilities in any area without first determining that the existing storage facilities in that area are inadequate. That was clearly the intention, I think, of every Member of the Senate, including the members of the committee.

Mr. MUNDT. That is correct.

Mr. WILLIAMS. In the statement of the managers on the part of the House we find a phrase of which I am a little skeptical. I read from page 6, as follows:

> It is understood that the Corporation, in its determination of the adequacy of storage space "in the area concerned," will give due consideration to marketing and storage practices employed by private agencies in the case of the particular commodity involved.

If I interpret that language correctly, it means that if the Corporation goes into an area and disapproves of the manner in which the local facilities are conducting their business, then that can be used as determination of the need with respect to existing storage facilities.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Almost that same question was addressed to me by the distinguished Senator from North Dakota when the bill was on the floor.

Mr. LANGER. That is correct.

Mr. ANDERSON. I tried to answer as fairly as I could, that I did not believe the bill gave the Department of Agriculture or the Commodity Credit Corporation the authority to do that. I still feel that it does not give that authority. I object to that language in the statement of the managers on the part of the House, but we have no authority to control it.

I invite the attention of the Senator from Delaware to this phrase on page 7 of the report, about the third paragraph:

> The provision for loans to grain growers for financing the construction or purchase of suitable storage does not intend that the Corporation * * * (2) shall look exclusively to the proceeds of price-support loans or purchase agreements received by the grower for the repayment of the loan to the grower for storage facilities.

Yet the bill itself is diametrically opposed to that. I believe that the wording of the law would be controlling, and not the report submitted by the managers on the part of the House.

Mr. WILLIAMS. I hope the Senator from New Mexico is correct in that respect, but the record shows that the report of the conference committee, of which the Senator from New Mexico was a member, agreed to the language in this report. It is clearly stated on page 6——

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. The Senator must not say that, because I know he does not mean it. The conferees on the part of the Senate did not agree to a single word in the statement of the managers on the part of the House. I am sure the Senator from Vermont will bear me out in that statement.

Mr. AIKEN. That is correct.

Mr. ANDERSON. It is not the practice in the Senate for Senate conferees to submit statements. That is the practice in the House. However, so far as I am able to learn, the rule of the Department has always been that while it may look to the language of the statement of the managers on the part of the House, it looks to the words of the Senate debates. I am sure that the Senator from Vermont will bear me out.

Mr. AIKEN. That is correct:

Mr. WILLIAMS. The reason I assumed that the Senate conferees had agreed to this report was that in reply to a question asked by the Senator from Illinois [Mr. LUCAS] it was stated that the report was unanimous.

Mr. ANDERSON. It is a unanimous report with regard to those things which are to be the law; but there is no joining with the managers on the part of the House in the language of their statement. I am sure the Senator from Vermont would be the first to say that he never saw the language of the statement of the managers on the part of the House until it was printed in the CONGRESSIONAL RECORD.

Mr. AIKEN. The Senator from New Mexico is entirely correct. The Senate conferees disclaim any responsibility whatever for the statement of the managers on the part of the House. I never saw it. I do not think any Member of the Senate conferees ever saw the report which was made to the House. In my opinion the discussion which is taking place here on the floor of the Senate should be controlling in any interpretations.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BREWSTER. Do I correctly understand, then, that the House puts one construction on the language and the Senate another? Will the Senator tell me what the Supreme Court is going to do when it comes to read the discussions and the reports, in determining the meaning of the gentleman who wrote the language?

Mr. AIKEN. As the Senator from New Mexico has said, in that case the language of the law itself would probably prevail. In the statement of the managers on the part of the House there is one statement which is certainly absolutely contradictory of the language of the bill. That has already been read by the Senator from New Mexico. It is this:

> The provision for loans to grain growers for financing the construction or purchase of suitable storage does not intend that the Corporation * * * (2) shall look exclusively to the proceeds of price-support loans or purchase agreements received by the grower for the repayment of the loan to the grower for storage facilities.

That is a statement with which I disagree. It is contradictory to the language of the bill. The bill itself says:

> That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price-support loans or purchase agreements made between the Corporation and the growers.

That provision of the bill is completely contradictory of the statement of the managers on the part of the House. Although I am not a constitutional lawyer, I feel sure that the provision of the law, being written in such plain language and being supported by the discussion on the floor of the Senate, should certainly prevail over the statement of the managers on the part of the House.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BREWSTER. I think it is a clear legal and constitutional proposition that if the language of the law is clear, the court does not look at anything but the law.

Mr. AIKEN. I do not know how it could be any clearer.

Mr. BREWSTER. If the law is in doubt, if the language is ambiguous, the court looks to the debates and the discussion. If the court should reach that point, if there were any doubt, the House and the Senate being entirely correlative and coequal, the court would have to give as much weight to what the House said as to what the Senate said, if it were within the limits of any reasonable construction of the language.

I hope the Senator from Vermont and the Senator from New Mexico are cor-

rect, that there is no doubt about it; but if there is any doubt, the Senate will have no primacy so far as construction is concerned.

Mr. AIKEN. In this case I should say that only the most deliberate intention could result in misinterpreting the wording of the bill as it is written.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. I should like to ask the Senator from Delaware if in his judgment, in view of the doubt as to the construction of this language, it would not be the course of wise legislation to refer the bill back to the conferees and have it straightened out. We certainly should not enact any law when, on the day of its enactment, we do not know exactly what it means.

Mr. WILLIAMS. I feel that that is correct, but I do not feel that there is so much doubt about it when we read the statement of the managers on the part of the House. That was the basis upon which we were going to operate until we started this discussion. As I understood the chairman of the committee at the time he presented the report this afternoon, he stated that he was presenting a unanimous report. Again it is clearly stated on page 6:

> It is understood that the Corporation, in its determination of the adequacy of storage space "in the area concerned," will give due consideration to marketing and storage practices employed by private agencies in the case of the particular commodity involved.

I should like to read a further statement contained in this so-called "confidential" bulletin issued by the Department of Agriculture. Reading from page 13:

> It is an outstanding shortcoming of the competitive system of free market prices that there is not sufficient incentive to individual producers or processors of grain to store supplies sufficiently large to level out, as far as possible, periods of shortages and surpluses or periods of high and low demand.

In other words, they have already prejudged that the existing storage facilities are not sufficient. They go further and plainly state that the over-all program embraces the expansion of the Government into taking over the grain-storage facilities of the country.

I call attention to another item, under the title "Oats"——

Mr. ANDERSON. Mr. President, will the Senator yield at that point?

Mr. WILLIAMS. I yield?

Mr. ANDERSON. I think the Senator from Delaware is performing a service in bringing these matters out. However, I consulted with Members of the Senate conferees when I first saw the statement of the managers on the part of the House. I went to the distinguished Senator from Vermont and said, "We must clear up some of these points on the floor. It would be tragic if that statement in the report of the managers on the part of the House should go unchallenged." The Senator from Vermont and I agreed to call it to the attention of the Senate. I asked the distinguished majority leader to notify me so that I could be present while the discussion was under way.

I do not subscribe at all to some of the statements in the report of the managers on the part of the House. I think it should be clearly understood that the Senate conferees, in presenting the conference report, presented only the language in the conference report, and did not in any way subscribe to the language in the statement of the managers on the part of the House.

Mr. WILLIAMS. I am glad to hear the Senator from New Mexico say that; but since we are agreed that this is dangerous language, does not the Senator agree with me that the proper procedure would be to send the bill back to conference?

Mr. ANDERSON. It is not dangerous language at all. The language of the bill provides that—

> These loans shall be deducted from the proceeds of price-support loans or purchase agreements made between the Corporation and the growers.

That language refers to money advanced for construction of facilities for farm storage of grain. It is as clear as it could be. How in the world anyone could make the statement contained in the statement of the managers on the part of the House, I do not know, unless he misread the language. It is a clear contradiction of the plain language of the bill.

Mr. WILLIAMS. I point out to the Senator from New Mexico that the language does not say that money cannot be loaned to any other groups, or under any other circumstances.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BREWSTER. I wonder what the Senator from New Mexico would say to this language, which, as I understand, is found in the document from which the Senator from Delaware has been reading. As I understand, the following language appears on page 7 of the private document:

> The suggestion that in the carrying out of price-support operations on grains existing commercial storage facilities be more extensively utilized, would not be practicable.

What does the Senator from New Mexico say to language of that character?

Mr. WILLIAMS. That is the language in the document from which I have been reading, which, up to the present time, Members of Congress have not had the advantage of reading.

Mr. ANDERSON. I do not know anything about that language. I do state that the language which has been agreed to unanimously by the conferees on the part of the Senate and the conferees on the part of the House clearly states, following the suggestions made by many Members of the Senate, that existing private facilities should be utilized. I think there can be no question that the Department would be required to use them, and I doubt that the Department would try to do otherwise.

Mr. WILLIAMS. We all agree on the intent of the Senate, but the House conferees apparently differ.

Mr. ANDERSON. There is absolutely no question.

Mr. WILLIAMS. But there is a question in my mind as to whether there is in the conference report anything which would prohibit the Department from doing otherwise.

Reading from this confidential bulletin it would seem to indicate that the Secretary of Agriculture has no intention of carrying out the intent of Congress. If this is the program of the Secretary of Agriculture—certainly it was his program in February, and he has not recalled it since that time—why did he not tell the Congress about it? If this is the program that is being developed in the Department of Agriculture, do not the Members of Congress have a right to know about it?

Mr. ANDERSON. Yes; I think they have a right to know about it. But regardless of the ideas the Secretary of Agriculture might have had as to what was desirable, after he came before the congressional committees and after they in effect restricted him to a certain practice, he would be obliged to act accordingly, and he could not indulge in his own ideas.

Something was said about the policy of the Department of Agriculture in February; but since that time the Congress has acted in this matter, and the Secretary of Agriculture must live up to what is provided in the pending measure which is about to become the law.

Mr. WILLIAMS. Again I emphasize that I am reading the language of the Secretary of Agriculture; this is a report which was put out by the Department of Agriculture, and for which the Secretary of Agriculture is responsible. If he is not responsible for it, he should have recalled it long ago.

Mr. ANDERSON. I ask the Senator to permit me to see it, and then I can easily determine whether it is the language of the Secretary of Agriculture.

Mr. WILLIAMS. I shall do so in a moment.

I may say that the reason I picked up the report, in the beginning, and became interested in it, is the fact that certain representatives of the Department of Agriculture now are making surveys in regard to the building of such storage facilities. I have already read to the Senate the part of the report stating that their program for wheat and corn is to build storage facilities for 600,000,000 bushels. I have pointed out their program for soybeans and sorghum.

Here is what they say about oats——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. TYDINGS. I have no desire to curtail the discussion; but simply for the information of myself and other Senators, I should like to inquire whether the discussion of the conference report is likely to terminate this afternoon.

Mr. WILLIAMS. I myself have no intention of prolonging it unduly. As soon as I can read this report, which I wish the Senate to know about——

Mr. ANDERSON. Mr. President, if the Senator from Delaware will permit the Senator from Vermont to straighten him out in regard to the report, I think he will find that the report he is dealing

with is not the report of the Secretary of Agriculture at all.

Mr. TYDINGS. Mr. President, I repeat that I do not wish to curtail the debate or interfere with the participation of any Senator in it, but I am trying to ascertain how long it will continue, so that I may inform those who are waiting with me on the floor of the Senate what to do.

Mr. WILLIAMS. If the Senator from Maryland will determine how many questions will be asked, I shall try to tell him how long it will take to answer them.

I am trying to place this report before the Senate. It is the only way by which the Senate can determine what is going on in the Department of Agriculture. The report has been withheld up to this time.

Mr. TYDINGS. Would the Senator from Delaware assume that probably he would take another hour?

Mr. WILLIAMS. Yes; I think the discussion probably will take that long.

Mr. TYDINGS. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. I should like to say that the presentation of this bulletin on the floor of the Senate by the Senator from Delaware disturbed me considerably; and in the last 3 or 4 minutes I have called the Department of Agriculture to find out more about it.

I am advised that this bulletin represents a rather elaborate grain-storage program which was worked out by the Grain Branch of the Production and Marketing Administration. It was submitted to the Secretary of Agriculture, who appointed a special committee to consider it. They called in Mr. Roland Ballou, in charge of the Commodity Credit Corporation's office in San Francisco, because they thought he would be disinterested. After this program—which was worked out within the Grain Branch of the Production and Marketing Administration—had been considered, it was rejected, both by the committee appointed to consider it and by the Secretary of Agriculture.

I am authorized by the Department of Agriculture to make that statement.

Mr. WILLIAMS. I thank the Senator from Vermont, and I am sure he is authorized to make that statement at this time. But I should like to point out that in February of this year—about the same time when the bulletin was issued—the Secretary of Agriculture was writing me a letter stating that he was planning for 150,000,000 bushels of storage capacity. This bulletin was not rejected then. If it has been rejected as of the present time, I feel it safe to say that such action took place since I started speaking this afternoon.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BREWSTER. I should like to ask the distinguished Senators who are engaging in this debate what they think, in the first place, of the language used and theory represented in this statement in the document, and then I wish to ask whether certain current activities are not calculated to implement the very policy so stated. I refer to page 15:

> The need to expand these facilities to a recommended capacity of at least 500,000,000 bushels is more fundamental than the problem of making existing legislation work.

I should like to ask the distinguished Senator from Vermont and the distinguished Senator from New Mexico whether they consider that an administrative agency of any character should say that the objectives it has in view in regard to legislation are more fundamental and important than making existing legislation work.

Mr. AIKEN. Again I would say that I am advised by the Department of Agriculture——

Mr. BREWSTER. I am not asking that question.

Mr. LANGER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Who has the floor?

Mr. WILLIAMS. I have the floor.

The PRESIDING OFFICER. The Senator from Delaware has the floor and controls the time.

Mr. AIKEN. Mr. President, I cannot credit——

The PRESIDING OFFICER. Does the Senator from Delaware yield; and if so, to whom?

Mr. WILLIAMS. I think I should yield to the Senator from Vermont, if he can frame his statement in the form of a question.

Mr. AIKEN. I think the Senator from Delaware will give me permission to answer the Senator from Maine. I am simply surprised that the Senator from Maine would think that I would even consider it to be a good theory.

Mr. WILLIAMS. Mr. President, with the understanding that I do not lose the floor——

Mr. AIKEN. Mr. President, if the Senator will permit me to go further, I would say that in my opinion——

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Delaware controls the time. Does he yield; and if so, to whom?

Mr. WILLIAMS. Mr. President, I ask unanimous consent that I may yield to the Senator from Vermont, to permit him to reply to the Senator from Maine, without thereby causing me to lose the floor.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Delaware?

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Delaware has the floor.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield to the Senator from Maine.

Mr. BREWSTER. It seems to me that what the Senator from Vermont states is clear, and I accept his statement that the Secretary of Agriculture and the Department of Agriculture do not now advocate the program outlined in the bulletin which has been discussed here.

I wish to ask this question of the Senator from Delaware, and also of the Senator from Vermont and the Senator from New Mexico, whenever they may have an opportunity to reply to it: I should like to know whether the action contemplated today by the Department of Agriculture is not in precise accord with the utterly unsound principle there laid down, when they propose, as I am reliably informed they do, to resume the dumping of potatoes upon the market, although the Department this very day has full power and authority to proceed with the very program of allowing potatoes to seek their own market, and to pay the producers of potatoes the difference, exactly as Mr. Brannan proposes. I wish to know whether the Secretary of Agriculture or any Member of the Senate can defend a proposal of that character, which is so utterly in accord with the suggestion of the very sentence I have read—namely, that making existing legislation work is subsidiary to all other matters—when, as to the current potato crop now coming into the market in the Southern States, instead of exercising the power Secretary Brannan possesses—the power to allow the potatoes to seek their own level, and to pay the potato producers the difference between that price and the support price—it is proposed to start a great program of dumping the potatoes. I want to know what the Senator from Delaware thinks, and, when the opportunity is afforded, what the Senators from Vermont and New Mexico think.

Mr. WILLIAMS. Mr. President, I may say in reply to the Senator from Maine, that I feel that this is a part of the preconceived plan of the Secretary of Agriculture to force the Congress to adopt his long-range farm program by making unpopular the existing legislation. I may say to the Senator from Vermont, that I do not question but that the Secretary of Agriculture did advise him that this bulletin was recalled. I question the accuracy of the Secretary's statement as to when he recalled the bulletin.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. In a moment. Regardless of that, I say that, even if the plan was only off his desk with his approval 1 day, he did submit to a board for their consideration a proposal in which he pointed out to his men that it was far more important for them to get his program enacted into law than it was to make the existing legislation work. That was a damaging statement to come from any member of the Cabinet, even if it only leaves him for 1 day. So the time element as to when this was recalled does not enter into the fact that it was considered. It is the same Secretary of Agriculture. Under this bill he has the power to carry it out any time he wishes to do it, and I still say there is nothing that has been pointed out by anyone which would prohibit him by law from carrying out the program I am outlining.

I read further what he says under the title of "Oats":

A continued high level of oat production will further aggravate the problem of providing adequate farm-storage facilities for corn, and this has been duly considered in the program of expanding the farm grain-storage facilities, which is being vigorously developed by the PMA.

They are going to take over the storage of rice. Reading further, under the heading "Rice," I find this statement:

A study is being carried on under the Research and Marketing Act to determine the relative advantages of different methods of harvesting, farm marketing, handling, drying, and conditioning for storage and billing, which is expected to provide the information needed for the development of a program of Government storage facilities for rice.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. Would it not be better for the Senator from Delaware to cease saying the Secretary of Agriculture said it? The Secretary of Agriculture has never said it. It did not at any time leave his desk with his approval. I think it is grossly unfair to a public official for the Senator to stand here and undertake to quote him, when the Senator is not quoting him.

Mr. WILLIAMS. Mr. President, I may state it this way: The Department of Agriculture, of which the Secretary of Agriculture is the head, made this statement, and the Secretary of Agriculture did not deny it. The Secretary of Agriculture is responsible for the bulletin. It is the only source of information which comes from the Department of Agriculture that I know of anywhere, and if the Senator from New Mexico can point out to me why we should not consider this, I should be very happy to have him do so.

Mr. ANDERSON. I certainly can. In connection with the purchase of dried fruits in California 2 years ago, a committee came to Washington and suggested certain things to the Fruit and Vegetable Branch of the Department. Their suggestions were submitted to interested people over the United States for their comment. They were not my suggestions. They were never authorized by me. If someone had risen on the floor of the Senate later, read the suggestions and said, "Those are the words of the Secretary of Agriculture," it would have been grossly unfair to me.

Mr. WILLIAMS. I should like then to raise this question: Did those suggestions go out as an official Department of Agriculture bulletin?

Mr. ANDERSON. They were sent out by the Fruit and Vegetable Branch, because that is the program agency.

Mr. WILLIAMS. I am not reading from the Fruit and Vegetable Branch statement, I am reading from an official bulletin of the Department of Agriculture.

Mr. ANDERSON. The Senator is reading from the Grain Branch statement.

Mr. WILLIAMS. It is the United States Department of Agriculture, the Production and Marketing Administration, Grain Branch.

Mr. ANDERSON. The Grain Branch.

Mr. WILLIAMS. Yes.

Mr. ANDERSON. That is right.

Mr. WILLIAMS. Let me read to the Senator the official title of this bulletin: "The proposed program to provide the Government storage facilities for stockpiling grain—500,000,000 bushels of Government-owned trackside storage facilities needed for the farm stabilization and price-support program," and it is marked "for administrative use only."

Mr. ANDERSON. Yes. All I am trying to suggest to the Senator is this: I am not objecting to his reading it. I shall be very glad to join with the Senator in trying to place it in the RECORD, if that is what he desires. But I think it is improper to suggest that those are the words of the Secretary of Agriculture. People working within the Grain Branch came forward with a proposal. The Secretary, before adopting or passing upon that proposal, said, "Find out what the people over the country think of the proposal." The proposal went out to a selected group. It was found that the committee's recommendation was bad, and the Secretary promptly rejected it.

Now, if I may be permitted to say so, the notice to which the able Senator from Maine has taken objection relates, I am sure, although I was never consulted and never heard of this document until this very hour, to the importance of getting trackside facilities or farm-storage facilities. I do not think that was anything to do with the agricultural program itself. All I am trying to urge the Senator to do when he presents this document is to say "This hypothesis, sent out by the Grain Branch for examination, has this language," not quoting the Secretary of Agriculture.

Mr. WILLIAMS. Mr. President, I am perfectly willing to say that the bulletin was put out by the United States Department of Agriculture, of which the Secretary of Agriculture is head. It outlines the program, which he will be the one to carry out. It outlines the program which he approves to his top administrative assistants. It also outlines a program which he has only denied this afternoon. This is the first knowledge I have ever had that he has repudiated this program in any way. It outlines a program either of the Secretary of Agriculture or of men high up in the Department of Agriculture. Those men are still on the pay roll, and the Secretary of Agriculture has not said he is going to fire the men who issued this bulletin without authorization. Oh, no; everything was all right until Congress found it out, and now he suddenly comes forward and says he has denied it.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Maine.

Mr. BREWSTER. Since the Senator from New Mexico has answered a portion of the question, I hope he may be permitted to complete his reply as to whether dumping potatoes is preferable to Secretary Brannan's applying the very program he is now proposing for the entire Agricultural Adjustment Act, by observation of the price differentials.

Mr. WILLIAMS. Mr. President, I should like to answer that by calling the attention of the Senator from Maine to this statement found on page 12 of the bulletin. I think perhaps the Senator from Maine should not be so concerned with potatoes alone, because the overall long-range program, which has been developed by the Secretary and his top personnel in the Department of Agriculture, outlines a further extension of this procedure. I quote from page 12 of this bulletin:

An effective means of siphoning off into complete disappearance such surplus supplies of grain as cannot be moved at support prices.

I shall read that entire paragraph later. They have here a program under which they propose to "siphon off into complete disappearance such surplus supplies of grain as cannot be moved at support prices." The item of potatoes is only the beginning.

Mr. BREWSTER. That apparently is in line with the current policy. The reason I emphasized potatoes is, potatoes are the only commodity in this country which is under the amended program of the flexible price support, as the result of the action of last year.

Mr. AIKEN. Mr. President, I ask unanimous consent to make a statement at this point, if the Senator from Delaware is willing.

Mr. WILLIAMS. Mr. President, since the question has been raised, I would prefer to continue, and I shall yield as soon as I possibly can to the distinguished Senator from Vermont.

Mr. BREWSTER. I think it would be helpful if we could clear this up as we go along.

Mr. AIKEN. It will not take over a minute.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that I may yield to the Senator from Vermont so that he may reply at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. AIKEN. Mr. President, in reply to the query of the Senator from Maine I want to say that while I do not know what goes on in the mind of the Department of Agriculture, except as to some things which are contradictory to what goes on in my mind, I would say that we certainly do not approve of destroying potatoes. It is only the flexible support price with reference to potatoes which takes effect in the year 1949. The method of disposing of them or of making compensatory payments and letting them find their own level on the market does not go into effect until January 1, 1950. For that reason, the only thing that can be done with them now is virtually to destroy them or give them away for a cent a hundred pounds.

Mr. BREWSTER. Mr. President, may I have an opportunity to reply?

Mr. WILLIAMS. I yield to the Senator from Maine.

Mr. BREWSTER. It is indeed a rare day when I am able to correct the Senator from Vermont on a problem of this character, and, possibly, also the Senator from New Mexico. I hold in my hand article V of the contract with potato dealers which authorizes precisely the action which Secretary Brannan proposes. I ask unanimous consent that the entire article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ART. V. Sales below support prices: When directed or authorized by CCC as provided in article 3 (VI), dealer will offer for sale in commercial outlets, at minimum prices prescribed by CCC which will reflect less than the applicable support prices, any potatoes of designated quantities, qualities, grades, sizes, and varieties, acquired by dealer at applicable support prices. When directed or authorized to offer for sale under this article, dealer may offer for sale stock acquired at higher than applicable support prices, but in such case the liability of CCC relative to any such potatoes shall not be increased thereby. In the event such direction or authorization is issued to dealer by the chairman or acting chairman of the State committee or a CCC contracting officer, there shall be attached thereto a signed or a certified true and correct copy of the corresponding direction or authorization given to such chairman, acting chairman of the State committee, or a CCC contracting officer, by the Director or Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

Mr. BREWSTER. I should like to read from that article:

When directed or authorized by CCC as provided in article 3 (VI), dealer—

Meaning the certified dealer—

will offer for sale in commercial outlets, at minimum prices prescribed by CCC which will reflect less than the applicable support prices, any potatoes of designated quantities, qualities, grades, sizes, and varieties acquired by dealer at applicable support prices.

Then it goes on to provide:

When directed or authorized to offer for sale under this article, dealer may offer for sale stock acquired at higher than applicable support prices, but in such case the liability of CCC relative to any such potatoes shall not be increased thereby.

In that event he is reimbursed for the difference between what the potatoes are sold for and what he paid for them.

Mr. AIKEN. Mr. President, I am not familiar with the provision of the contract just read by the Senator from Maine. However, if I recall correctly reference was made to a contract with the dealer which would be different from any arrangement with the producer. I want to point out that the provision which permits the Secretary to make payments to producers in support of prices, as well as supporting prices by loans, purchases, and other means, does not go into effect until January 1, 1950. I do not know under what provision of law the Secretary is operating in entering into a contract of this nature but I am sure it must be a contract or agreement with the dealer.

Mr. BREWSTER. This particular provision has been in effect for more than 6 years. It was operated in the State of Maine in 1943. It was operated last year in the State of Idaho.

I read from article 6:

When dealer sells below the applicable support price in accordance with article 5 and is in compliance with all other provisions of this agreement, CCC will pay him the difference between support price at time of sale adjusted for marketing services not performed and the sales price.

In other words, there is the precise authority for Secretary Brannan to do today for the current potato crop what he is advocating in legislation in another year. Yet, instead of applying the provision which he is urging on us as proposed legislation, he is preferring to dump the potatoes on the ground this very day. I think it is time for some explanation.

Mr. AIKEN. The Senator from Maine will have to look to the Secretary, not to me, for the explanation.

Mr. LANGER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Who has the floor?

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. LANGER. No question is being asked by any Senator.

Mr. WILLIAMS. Mr. President, I think the answer is found on page 15, where the Department of Agriculture emphasizes the fact that getting its program enacted into legislation is more fundamental than making existing legislation work.

Mr. BREWSTER. It is the application of that very principle which the Secretary of Agriculture is carrying out today. The law is of no consequence as compared with achieving the other things he has in view. Why does he not try the power he already possesses?

Mr. WILLIAMS. The Senator is correct. Continuing to read from page 7, we find more enlightenment on his long-range program:

The suggestion that in the carrying out of price-support operations on grains existing commercial facilities be more extensively utilized would not be practicable.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from South Dakota.

Mr. MUNDT. I should like to say that the Senator from Delaware has rendered a great service, which I am sure will be reassuring to a great many persons, so that the Senator from Vermont can exercise the authorization given him to advise that that report has been repudiated and rejected. We have the direct assurance from the Senator from Vermont, speaking for the Secretary of Agriculture, that those recommendations will not be carried out.

With that background, I should like to ask a question, based on the language of the conference report, reading from the bottom of the first page of the report:

Provided, That the authority contained in this subsection shall not be utilized by the Corporation for the purpose of acquiring real property or any interest therein in order to provide storage facilities for any commodity, unless the Corporation determines that existing privately owned storage facilities for such commodities in the area concerned are not adequate.

In view of the fact that that language is in the conference report, does the Senator from Delaware find anything in the language on the part of the managers of the House or in the debate which takes place by Senators in lieu of a statement by managers on the part of the Senate, anything to repudiate that definite language in the bill?

Mr. WILLIAMS. Yes. I read from page 6, second paragraph:

It is understood that the Corporation, in its determination of the adequacy of storage space "in the area concerned," will give due consideration to marketing and storage practices employed by private agencies in the case of the particular commodity involved.

According to that language, the Department of Agriculture can find sufficient excuse to build Government storage facilities in any area, notwithstanding the fact that there may be many more times the required amount of capacity owned by private industry.

Mr. MUNDT. That is a possible interpretation which the Senator has placed upon it. But, in view of the statement made by the managers on the part of the House, the statement made by the Senator from New Mexico, formerly Secretary of Agriculture, the statement made by the Senator from Vermont, and the statement made by the Senator from Oklahoma, the chairman of the Committee on Agriculture and Forestry, all of whom definitely stated that that is not the intention, does not the Senator think that that is adequate?

Mr. WILLIAMS. No, sir. I do not question the sincerity of any of those gentlemen. But if that is the intention, let us write it into the law. I do not trust the Secretary of Agriculture to carry out the intentions unless we write them into the law. I pointed out at the time the bill was discussed that the intent of the law had not been carried out previously by the present Secretary of Agriculture. I, for one, do not say that he will again violate our trust, but I do not trust him in that respect.

Mr. MUNDT. Is it not also written into the law?

Mr. WILLIAMS. It is written into the present law, but not the conference report, under consideration.

Mr. MUNDT. But there is a difference between the conference report and the law. The language is written specifically into the law. There is some ambiguity of the language of the conference report.

Mr. WILLIAMS. If we were passing this power back to the board of directors, I would not be so concerned. But when we consider that the proposal is to turn the control of this Corporation back to one man, who will have the sole power of operation, the sole power to borrow four and three-quarter billion dollars to carry out any program he desires, I do say that we must know what is in the man's mind, and the only way I know what is in the Secretary's mind, or what is in the

minds of the officials of the Department of Agriculture, is to read what they themselves say is their program, and I continue to read from this statement. I will know in a few minutes the date when some of the so-called confidential bulletins were mailed out, that is, the most recent dates. I hope to have the information before we get through today as to when they really were suspended from their consideration.

I wish to read now from page 12. We find here that they have a program for disposing of their surplus commodities.

Mr. LANGER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from North Dakota.

Mr. LANGER. I do not agree at all with the viewpoint taken by the Senator from Delaware. Let us go to a town in South Dakota, for instance, the town from which my distinguished friend, the junior Senator from South Dakota comes, and see what might happen in Mound City, S. Dak. Let us assume there are two elevator companies there and they are in cahoots and are robbing the farmers in every direction. In view of that condition, why should not the Secretary of Agriculture have the power to go there and clean up that situation by leasing an elevator, or, if he cannot lease one, by building one? Why should not the common people be protected?

Mr. WILLIAMS. The Senator from North Dakota is pointing out a situation where there are two elevator companies in a town, as he says, in cahoots, robbing the farmers, and he wants to know why the farmers should not be protected.

Mr. LANGER. That is correct.

Mr. WILLIAMS. The best answer to that could be obtained from the Department of Justice. We already have laws which specifically prohibit any two individuals getting together, conspiring, to rig prices. If such action is established to the satisfaction of the Secretary of Agriculture, he can go into court and try both those men and break up that combine. We already have laws, and if they are not being kept, it is a criticism of the Department of Justice, not of the Secretary of Agriculture.

Mr. LANGER. I should like to have the Senator give us just one instance, since the Sherman Antitrust Act was adopted way back in 1891, of anyone being sent to jail.

Mr. WILLIAMS. I cannot give the Senator any case, but the laws were passed, and if they are not being enforced, it is not my fault; it is the fault of the Department of Justice; and if the Department of Justice will not carry out the law, then let us get a new Attorney General. Let us not say that the antitrust law is being violated, and on that assumption we are going to build plants all over the country in competition with private industry, not only the grain industry, but steel mills, and automobile factories, merely because groups of manufacturers are accused of conspiring together in violation of the law, and the law is not enforced.

Mr. LANGER. The answer is very simple. We hear talk about communism coming into the country. It is coming in because, as a matter of fact, the antitrust law has not been enforced in this country, whether we had a Democratic Attorney General or a Republican Attorney General. I wish to ask the distinguished Senator whether he can give us the name of a single person, aside from Eugene Debs, who has been convicted and sent to jail under the Sherman antitrust law.

Mr. WILLIAMS. Mr. President, I would say to the Senator from North Dakota that perhaps it would be better if he named the ones he thinks should be in jail.

Mr. LANGER. I will tell the Senator who should be in jail. For example——

Mr. WILLIAMS. I should like to say to the Senator from North Dakota that he should frame his statement in the form of a question to make sure I do not lose the floor.

Mr. LANGER. I shall do so. If a GI who is hungry and has a family to support steals a loaf of bread, he goes to jail, but if three or four big corporations get together and raise the price of bread and milk to widows and orphans, they do not go to jail, do they?

Mr. WILLIAMS. It is always with joy that I hear a good orphan speech from the Senator from North Dakota. It is very informative, but it does not have anything to do with whether the Senate should confirm the directors of the Commodity Credit Corporation. I quite agree with him that justice perhaps has miscarried, and I would read from a report of the Hoover Commission in which they pointed out that very thing. They said that, if in the Government you want to make a mistake, make one big enough and you will get away with it; which is a very damaging statement, in my opinion.

Mr. LANGER. To make it very simple, suppose there is one elevator in the town of Mound City, S. Dak., the home of our distinguished colleague, and that elevator is serving the farmers around there and robbing them. What objection does the Senator from Delaware have to the Secretary of Agriculture protecting those farmers against that one elevator, where there is no evidence of any combination or trust, and there could not be, because there is only one elevator there?

Mr. WILLIAMS. In order that I might answer that intelligently, will the Senator point out some towns where that is being done?

Mr. LANGER. I have no objection. I might say that in one area in my State 11 trucks were hauling wheat from 1 field to 11 different elevators. I found that where there was only one elevator in the town the farmers did not get as good a grade as where there was competition.

Mr. WILLIAMS. I should like to say to the Senator from North Dakota that I still do not see what that has to do with whether the Senate confirms the board of directors, or why the Commodity Credit Corporation, operating under an independent board of directors, confirmed by the Senate, could not carry out the law just as well as can the Secretary of Agriculture by having that exclusive power of appointment given to him. I do not get the connection between the two situations.

Mr. LANGER. I understood the Senator from Delaware to be objecting to the Secretary of Agriculture, if in his judgment there was inadequate storage space, having power to provide sufficient storage. That is what I understand the Senator has been reading from the bulletin.

Mr. WILLIAMS. What I am doing here is not necessarily raising objections. I am merely outlining the program of the Secretary of Agriculture in order that the Senator from North Dakota and all the other Members of the Senate may know it. If the Senator disagrees with the report and the language I am reading, call the Secretary of Agriculture. He printed it; I did not print it.

Mr. LANGER. I want the distinguished Senator from Delaware to know that I agree with that report. I think the Secretary of Agriculture is doing something which should have been done 50 years ago in this country. I am for that system of Government storage. I want it wherever there are not adequate storage facilities to serve the common people of this country.

Mr. WILLIAMS. The Senator from North Dakota has a perfect right to agree with the report, but I think he will agree with me that he can agree with the report more intelligently after I read it than before I read it. So I am going to try to read the report, and then he will know what is contemplated by the Department of Agriculture.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from South Dakota.

Mr. MUNDT. If my distinguished colleague from North Dakota is going to continue to talk about robbery, I merely wish to ask that he talk about elevators in North Dakota, where robbery may be practiced, instead of elevators in South Dakota, where it is the exception.

Mr. LANGER. Will the Senator yield for another question?

Mr. WILLIAMS. For a question.

Mr. LANGER. I want Senators to know that in North Dakota we knew how to protect our farmers by building a State-owned elevator with millions and millions of bushels capacity. May I ask, as a question, whether that is not one way of protecting people, which is the way we follow in my State?

Mr. WILLIAMS. I am one of those who do not want to agree yet that the private-enterprise system of this country has failed. I point out to the Senator from North Dakota that it was under this system of private enterprise that our country was developed into the greatest Nation on earth, and under this system our people enjoy the highest standard of living.

Mr. KEM. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from Missouri.

Mr. KEM. I should like to ask the Senator from Delaware if it is not general knowledge that the adventure in the

State of North Dakota in the grain and milling business has cost the people of North Dakota many millions of dollars?

Mr. WILLIAMS. I could not answer that question, but I will say that the Senator from North Dakota, from the State where they have State-operated grain-storage facilities, is now complaining of what is going on in his State, while the Senator from South Dakota, where apparently they are operating under the private-enterprise system, says that cases of exploitation are the exception. I should say perhaps that is another indication that the private-enterprise system in this country is working well.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. LANGER. I want to put what I am about to say in the form of a question. Does not the Senator from Delaware know that in the State of North Dakota the Bank of North Dakota, which has been referred to by my distinguished colleague from Missouri [Mr. KEM], has been a glorious success since the 19th day of August 1919, when it opened for business, and that there has never been a profit of less than one-half million dollars a year to the taxpayers of North Dakota from that bank?

Does not the Senator further know that through our storage capacities of mills and elevators located at Grand Forks, N. Dak., which cost the people of our State a trifle more than $3,000,000 to build, in 1 year we saved the people of North Dakota more than $12,000,000?

Does not the Senator from Delaware further know, referring now to the statement made by my distinguished colleague, the Senator from Missouri, that in the matter of State-owned hail insurance, that State insurance has saved the farmers of our State more than $100,000,000?

Does not the Senator from Delaware further know, referring again to the statement made by my distinguished colleague from Missouri, that in the matter of the State-owned fire and tornado insurance, that is, public buildings being insured against fire and against tornado, that State insurance has saved the taxpayers more than $4,000,000?

Does not the Senator from Delaware know that instead of being a failure, instead of people losing money, each and every single year in which those State industries have been in operation they have been a glorious success?

Mr. WILLIAMS. No, Mr. President, I have no way of knowing that. I do not dispute it. If it is true, I would suggest that the Senator from North Dakota place the information in the RECORD. I am sure it would be of value to the Senate, and that Senators would be glad to have it available to them. I am not questioning the accuracy of the Senator's statement, but assuming that it is true, I am surprised over the many requests we receive from the State of North Dakota for Federal assistance.

I continue to read what the Department of Agriculture plans to do under the surplus disposal programs:

> In the event that stock held by the Commodity Credit Corporation at the end of any crop year exceeds these limits as defined by law, mandatory surplus disposal programs should be implemented that move these excess stocks into consumption. * * *
>
> Expanded industrial utilization gives promise of providing increased market outlets which are not subject to the limitations imposed upon outlets for food. The potential demand for grain in nonfood industrial uses is sufficiently elastic relative to price to be relied upon as an effective means of siphoning off into complete disappearance such surplus supplies of grain as cannot be moved at support prices and which are in excess of desirable reserve stock.

In other words, they are planning to siphon all these surplus grains which are accumulated in the North Dakota elevators by the State of North Dakota, and pay them a profit on it, and siphon those grains into complete disappearance at the expense of the taxpayers.

Continuing reading from this same bulletin, I quote:

> It is, therefore, recommended, as a necessary concomitant of price support and supply stabilization programs, that burdensome surpluses of grains be made available for industrial uses, principally industrial alcohol, at less than support prices.

Reading further, we find the following:

> One of the fundamental objectives of the Commodity Credit Corporation, as stated in the declared purposes of the Commodity Credit Corporation Charter Act, is to assist in the maintenance of balanced and adequate supplies of agricultural commodities and to facilitate their orderly distribution. * * *
>
> The act further states that one of the broader purposes of the legislation is to assist consumers to obtain an adequate and steady supply of such commodities at fair prices. It is evident that it was the intent of legislation to stabilize supplies as well as prices against fluctuation in production.

In other words, their ultimate goal is that they are going to stabilize all supplies, prices, and production.

They conclude the statement, as I said before, with instructions to their departmental heads, as follows:

> The need to expand these facilities to a recommended capacity of at least 500,000,000 bushels is more fundamental than the problem of making existing legislation work.

I might say, Mr. President, that I have just been advised that this so-called confidential bulletin which the Department of Agriculture said was never seriously intended to be put out, was as a matter of fact being used as late as April 20 of this year by the departmental heads.

Mr. President, I think we should give serious consideration to this matter, before we ever consider turning over the control of this Corporation to the Secretary of Agriculture, or for that matter to any other one person. I fully recognize the difficulty in having any conference report rejected. However, one of the provisions, as contained in the conference report, as I said, is so far different from the bill as passed by the Senate, and its acceptance will have such far-reaching effect on the agricultural interests of the country, that I feel we have no alternative other than to express opposition to the conference report.

Under the conference report, as I said before, we are turning over completely to the Secretary of Agriculture exclusive control over this $5,000,000,000 Government Corporation. The Corporation is capitalized at $100,000,000, and in addition the Secretary of Agriculture will have the power to borrow an additional $4,750,000,000, pledging the credit of the United States, and he can do that without ever coming back to Congress for any additional authority.

We are told by the supporters of the bill that the management of the Corporation will be vested in a board of directors, but that simply is not true. In section 9 of the conference report we find this:

> The board shall consist of six members (in addition to the Secretary), who shall be appointed by, and hold office at the pleasure of, the Secretary.

It is this provision which states that the board of directors shall be appointed by and serve at the pleasure of the Secretary of Agriculture, to which I most strenuously object.

Under this provision the Secretary of Agriculture can at a moment's notice remove any member of the board of directors who is bold enough to express disagreement with any of the policies of the Department. It is unquestionably one-man control over a $5,000,000,000 corporation, which, by the way, represents more power than has ever been granted to any President of the United States, and I might say it is more power than has ever been asked for by any President of the United States. The mere fact that a member of the President's Cabinet is bold enough to ask for this power is in itself sufficient reason for us to reject it.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. Does the Senator from Delaware mean that the members of the board of directors of the Commodity Credit Corporation will hold office at the will of the Secretary of Agriculture?

Mr. WILLIAMS. The conference report plainly states that the board of directors shall be appointed by and hold office at the pleasure of the Secretary of Agriculture.

Mr. KEM. He could appoint them 1 day and remove them the next?

Mr. WILLIAMS. He may do that, and it almost has been done. I should like to point out to the Senator from Missouri the fact that in the last 7 years there have been 32 different members of the board of directors. In a 2-year period alone there were four different presidents of the Corporation. We have had six presidents of the Corporation since 1940. I wrote this statement 2 days ago, and at that time I understood that there had been only five presidents of the Corporation since 1940. Since then I have found there was another president discovered, who served for 8 months. They change officers so fast they do not know who are on the board of directors half the time.

Mr. KEM. That was under a regime under the previous law when the directors held at the pleasure of the Secretary?

Mr. WILLIAMS. That is correct.

Mr. KEM. Subsequently that law was changed, and the appointments were

made subject to confirmation by the Senate?

Mr. WILLIAMS. In 1948, by the Eightieth Congress, when we passed the Commodity Credit Corporation Charter Act. I may say that when we passed that act, making them subject to confirmation, we provided for exactly the same method by which all Government corporations are handled as of today. It is the same procedure which is recommended by the Hoover Commission, whose suggestions or recommendations the Senate so enthusiastically adopted a few days ago, but now we are starting in tearing down one agency at a time.

Mr. KEM. The Senate is asked again to surrender that authority?

Mr. WILLIAMS. That is correct.

Mr. President, to emphasize the absurdity of this request, I should like to point out that if the Senate adopts the conference report the board of directors not only would lack sufficient authority to administer the affairs of the Corporation, but would actually lack enough authority to select or hire their own private secretaries, without first consulting with or obtaining the permission of the Secretary of Agriculture. The sponsors of the bill boast of the fact that they have written in this report a provision under which the advisory board, consisting of five members, who I understand are expected to meet once every 90 days, must be appointed by the President and confirmed by the Senate. That is a complete farce. It is perfectly ridiculous to suggest that the five-man advisory board, who have no power whatsoever except to give advice to a figurehead board of directors who, in turn, have no power except to carry out the suggestions of the Secretary of Agriculture, should be confirmed by the Senate. The board of directors clearly have no power to carry out any such advice unless the Secretary of Agriculture approves. It would be comparable to the procedure of having the Senate confirm the administrative assistants of members of the Cabinet without confirming the members of the Cabinet themselves.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Missouri.

Mr. KEM. Does the Senator from Delaware know any reason why the time of the Senate should be taken up in confirmation of members of the advisory board when the Senate is denied the privilege of confirming the members of the board of directors themselves?

Mr. WILLIAMS. I think the suggestion that we confirm members of the advisory board is a complete farce. It is useles. If we are going to give the Secretary of Agriculture this power, let us do so openly. Let us not go through the farce of confirming an advisory board under the assumption that we are afraid that someone will make friends with the Secretary and give him the wrong advice, so we want to be sure with whom he talks.

Mr. KEM. Is it the idea that the Senate could not be trusted to confirm directors, but may be trusted to confirm members of an advisory board? Is that the theory of the conference repo.t?

Mr. WILLIAMS. I do not know just what the theory is; but in order to point out just how little power is conferred upon the directors—or the President of the Corporation for that matter—under the system under which the Corporation operated prior to the passage of 1948 law, I point out to Members of the Senate some testimony which was given before the House Appropriations Committee in 1945. This testimony was given by Hon. Frank Hancock, at that time President of the Commodity Credit Corporation. The testimony was given on February 27, 1945.

Mr. ANDERSON. What date was that?

Mr. WILLIAMS. 1945.

Mr. ANDERSON. What time in 1945?

Mr. WILLIAMS. February 27. Representative Tarver was questioning Mr. Hancock, the President of the Commodity Credit Corporation, relative to some of the personnel who were working in that organization, and who apparently had criminal records. He was expressing his opposition to the fact that they remained on the pay roll. He had just pointed out the name of a man to whom he was objecting. I quote from that testimony:

Mr. TARVER. This man Hatch is not an employee of the Commodity Credit Corporation, but of the War Food Administration?

Mr. HANCOCK. Judge, that is difficult to answer. Please do not misunderstand me, but I do not know exactly who are the employees of the Commodity Credit Corporation.

Mr. ANDERSON. Mr. President, will the Senator yield at that point?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. At that time, in 1945, there was a completely different organization of the Commodity Credit Corporation from that which existed after August 1945 and from that which existed up until 1948.

Mr. WILLIAMS. That is correct; and I was about to point it out. I am reading from testimony which was given on February 27, 1945, by the president of the Corporation.

Mr. ANDERSON. The Senator can go back further, to the time when the Commodity Credit Corporation was not even in the Department of Agriculture.

Mr. WILLIAMS. Just a minute. Let me finish reading the statement, and then perhaps the Senator from New Mexico will express his opinion. Representative Tarver asked this question regarding a man with a criminal record who was working in the Department:

Mr. TARVER. Does it meet with your approval that a man with that kind of a record should be employed by the Commodity Credit Corporation in a position of responsibility?

Mr. HANCOCK. It certainly does not.

Mr. TARVER. Is there anything you can do about it?

Bear in mind that Representative Tarver was asking the President of the Corporation, who said it did not meet with his approval that this man with a criminal record worked in the Department, whether he could do anything about it.

Mr. TARVER. Is there anything you can do about it?

Mr. HANCOCK. It depends entirely upon my authority. I do want to say here, with all due respect, that my duties and responsibilities as yet have not been clearly defined, and there is no man in the Corporation more insistent upon an early clarification of those responsibilities than the witness before you.

On February 27, 1945, at the time he was President of the Corporation and appearing before the Appropriations Committee of the House, he did not know whether he had the power to fire a man who, he said at that time, had no right to be on the pay roll; but he did not know whether he had authority to fire him.

The record shows that he did not fire him until May 1, 1945, when the man was removed at his own request. To me that is a perfectly ridiculous situation. Let us be fair about it. If we have not five men who are capable of handling the affairs of the Corporation, let us get them off the board and get five men who are capable.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. That was a man who was supplied to the War Food Administration by the Civil Service Commission. He was under Civil Service. The Senator from Delaware is well aware of the fact that a man who is under Civil Service cannot be fired. Charges must be preferred against him. That is why Mr. Hancock answered as he did.

Mr. WILLIAMS. That is not the reason he gives in his testimony.

Mr. ANDERSON. What reason does he give in his testimony?

Mr. WILLIAMS. The reason he gave in his testimony was that he had not had an interpretation of his authority.

I should like to point out that I have checked into the pedigree of this individual. I find that three times during this period charges were made against him upon which he could have been fired. This official was working with the Commodity Credit Corporation during the period when it turned up with $366,000,000 for which it could not account. This official was working in one of the departments.

Mr. ANDERSON. Wait a minute. The Senator does not want to make the statement on the floor of the Senate that there was a shortage.

Mr. WILLIAMS. I did not say that there was a shortage.

Mr. ANDERSON. The Senator said that they could not find the money.

Mr. WILLIAMS. I said that they have not found it.

Mr. ANDERSON. They have found it.

Mr. WILLIAMS. No.

Mr. ANDERSON. The Senator should not make that statement. With respect to the entire $366,000,000, the Senator knows that it is a question of war food purchases for which the Army was not able to make allocations. The Army did not know whether it should be charged to lend-lease or to various funds or to the Army or Navy. That is not the fault of the Department of Agriculture.

Mr. WILLIAMS. That is the third time that statement, or a similar statement, has been made on the Senate floor.

I do not mean to say that the Senator from New Mexico may not believe it. I had hoped to keep that part of the discussion out of this debate; but since it has been brought in once again, I shall go into the question of the $366,000,000. I think perhaps I can point out some things which the Senator from New Mexico does not know.

Mr. ANDERSON. I am sorry if I dragged in something that I should not have dragged in. I believe that we are to have an investigation of the Commodity Credit Corporation.

Mr. WILLIAMS. A Senate committee has been designated to conduct an investigation. On various occasions I have expressed the hope that we could keep the discussion of this question off the floor of the Senate; but I will not permit to go unchallenged statements in the RECORD time and again that there is nothing wrong so far as the $366,000,000 is concerned, for which there is no accounting.

The explanation of the Senator from New Mexico is not correct. He may think it is, but it is not correct. Conceivably, when the investigation is over we might find where it has all gone; but by stretching our imagination the other way, conceivably we might find that it represents a great shortage. It depends upon how one wishes to stretch his imagination. I do say that there are plenty of irregularities in the operations of the Commodity Credit Corporation. Since the question has been brought up, and since Mr. Brannan saw fit to insert in the RECORD immediately prior to the passage of S. 900 a letter which was a complete contradiction of what I had previously said, I shall later go into the discussion of that question and clarify the RECORD.

At this particular time, with further reference to the individual whom Mr. Hancock said he could not fire, I point out that charges had been placed against that man, who had a prior criminal record. Charges were placed against him in one instance for accepting a bribe. He was investigated by the FBI. We may assume that those charges were unfounded since I have no record now showing otherwise, but it is interesting to note that he received an increase in salary of approximately $900 within 3 months after the charges were filed.

Charges were placed against this particular individual that he was padding his expense accounts. He was investigated by the FBI. He pleaded guilty. He could have been fired. He was allowed to make a little repayment to the Government. Then he was given another promotion of $900, and placed in a more responsible position than he had ever held before.

His background, prior to being hired by the Department of Agriculture, shows that he had been convicted in the State of Massachusetts for embezzlement from one of the banks to the extent of $133,000. He was convicted and served time. He was working in the Department of Agriculture, and received one promotion after another. I have his entire record before me. I insist he could have been fired, under the civil-service rules.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. Is that man now in the Department?

Mr. WILLIAMS. No; he left when the investigation by the House committee began. There seems to be quite a contradiction——

Mr. AIKEN. Can the Senator tell us about when that occurred?

Mr. WILLIAMS. I have the information here in the file: It occurred on May 1, 1945, although on February 23, 1945, Mr. Hancock, the President of the Commodity Credit Corporation, testified that he could not then fire the man. He left on May 1, 1945. His civil-service record gives him a clean slate.

Yet, if we check further on the case, we find that charges were placed against him. He started with a salary of $2,600, and then it was increased to $2,800, and then gradually increased to $4,600 and then to $6,500. He resigned on May 1, 1945, during the time when the charges which I have outlined were placed against him. There seems to be quite a contradiction as to whether he left under fire or not.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. Was that man an employee of the Commodity Credit Corporation?

Mr. WILLIAMS. Yes, at one period of time.

Mr. KEM. And the Commodity Credit Corporation is the organization we are dealing with now; is it not?

Mr. WILLIAMS. Yes.

Mr. KEM. And it is as to the Commodity Credit Corporation that we are asked to refrain from doing even so much as requiring Senate confirmation of its board of directors?

Mr. WILLIAMS. Yes; we are asked to refrain from requiring Senate confirmation of its board of directors.

As I understand the civil-service regulations, anyone who pleads guilty to padding his expense account surely could be subject to prompt dismissal.

Mr. ANDERSON. Mr. President, if we were to change the charter of the Commodity Credit Corporation in the way the Senator from Delaware desires to have it changed, so as to provide for a board of directors to be confirmed by the Senate, would the Senator from Delaware still contend that the board of directors of the Corporation could fire a man who had civil-service status?

Mr. WILLIAMS. Absolutely, if that man were found guilty of padding his expense account.

Mr. ANDERSON. Does not the Senator from Delaware think he would have to be referred to the Civil Service Commission, for investigation?

Mr. WILLIAMS. Of course; but the records of the Civil Service Commission as to the man I have been discussing state that he resigned in good status, and thus is eligible for reinstatement at any time.

Why should that man have such a clear or clean record—a man formerly convicted of embezzlement, and who is guilty of doing such things during his Government service? As the Senator from North Dakota has pointed out, if a GI steals $3 or $4, he goes to jail. However, this man received a promotion and a salary increase of $900 after the investigation was conducted and after he had pled guilty to padding his expense account, and had returned a few dollars to the Treasury.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. Does the Senator from Delaware regard an incident of that kind as a very proper subject of inquiry by an outside director, appointed by the President and confirmed by the Senate?

Mr. WILLIAMS. I think it is unfair to the board of directors of the Commodity Credit Corporation, to give them no power in that respect.

Mr. KEM. Is not that exactly a case in which an outside director, appointed by the President and confirmed by the Senate, is required; and in such a case is it not necessary and proper for such an outside director to interest himself in the matter?

Mr. WILLIAMS. Yes.

As an indication of how fast the personnel in that group were changed, let me point out that on January 1, 1945, Frank Hancock was President of the Commodity Credit Corporation. He resigned on August 20, 1945, or was removed—we do not know just how the change was made. At any rate, J. B. Hutson replaced him on August 20, 1945.

On August 7, 1946, B. H. Shields took his place.

On February 9, 1947, J. B. Gilmer took his place.

On April 13, 1948, Ralph S. Trigg, who apparently has now been appointed by the President, took his place. Of course, I assume that Mr. Trigg's appointment would be confirmed by the Senate if the President submitted his name to the Senate.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. I merely wish to state that Mr. Hancock left by resignation, having continued in that position for several months after he desired to leave. He was asked to continue because changes were being made in that organization. Mr. Hutson left, to join the United Nations organization at a salary double the salary he received while with the Commodity Credit Corporation.

Mr. Shields left the Commodity Credit Corporation to join the United States Beet Sugar Association, at a salary four times that which he received while serving with the Commodity Credit Corporation.

Mr. Gilmer left the Commodity Credit Corporation to go into private employment at a salary several times that which he received while serving with the Commodity Credit Corporation.

So perhaps the remedy for such rapid changes in personnel, and the step to take because of the desire to keep such persons in the service of the Corporation on a permanent basis, is to pay them sufficient money to justify their carrying the

type of responsibility which they are required to carry.

Mr. WILLIAMS. Perhaps so; but I have talked to several of those men, and they have said they would never agree to serve on a board of directors when they were held responsible to a certain extent for what was done, but were given no authority to carry on the program.

I say it is ridiculous to ask a man to administer the affairs of a $5,000,000,000 corporation, but to provide that he shall serve in that position without any authority.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. If the House version of this measure is enacted, the Directors will be nothing more than advisory; will they?

Mr. WILLIAMS. Yes; they will only have the powers of an advisory board.

Mr. FERGUSON. And under the act, their responsibilities would be only advisory; is that correct?

Mr. WILLIAMS. Yes.

Mr. FERGUSON. Of course, a man who serves in only an advisory capacity does not accept the real responsibility which has to be accepted by men who receive four times as much salary because they actually perform certain services and accept certain responsibilities—for instance, such men as the ones who were mentioned a few moments ago. Is that correct?

Mr. WILLIAMS. That is correct.

Mr. MUNDT. Mr. President, it seems to me that it is an exceedingly strange way to create a board of directors—to permit the Secretary of Agriculture to select them to serve at his pleasure. I wonder what line of unique reasoning is used in the defense of that measure by its supporters.

Mr. WILLIAMS. The Senator from South Dakota has heard the arguments which have been made on this floor. Frankly, I do not think any good argument has been offered as to why the board of directors should be selected by the Secretary of Agriculture and should serve at his pleasure only. I have not heard anyone point out how the Commodity Credit Corporation has been hindered in any manner during 12 months during which it has operated under the necessity of having Senate confirmation——

Mr. ANDERSON. Mr. President, if the Senator will yield for a question, let me point out that he just said "12 years." They have been working less than 12 months under the requirement of Senate confirmation. Before that, they always were without the requirement of Senate confirmation.

Mr. WILLIAMS. I certainly knew that it was only last June that the law requiring Senate confirmation was passed. I meant to say 12 months. I have already pointed out or referred to the seven presidents of the Corporation who served during the period when they were appointed at random by the Secretary of Agriculture.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. The Senator has followed the debate very closely. Let me inquire whether any argument has been advanced in regard to the anomalous suggestion that the Senate should be authorized to confirm the members of the advisory board, but should be denied any right to pass on the members of the board of directors.

Mr. WILLIAMS. There is no argument at all for it, and the only reason in the world why they are making the advisory board, which has no power, subject to confirmation by the Senate—which is nothing but a farce—is, I think, that since the Senate was insisting on confirmation, so they said, "You can confirm five advisers, who will meet every 90 days to give the Secretary a little advice." It is the most ridiculous suggestion I have ever heard of since I have been in the Senate. I say, either come out above-board and say we are going to turn the Corporation over to the Secretary of Agriculture, giving him all the responsibility, or else confirm the board of directors, and give them responsibility for it.

Mr. President, I had hoped to get through with this discussion sooner, but since the amount of the $366,000,000 has been brought up again today and since the Secretary of Agriculture, Mr. Brannan, saw fit to have inserted in the RECORD by the Senator from Oklahoma a letter denying any responsibility, I think in fairness to the RECORD and to the Senate we have got to discuss this question further at this time.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. I should like to have a little light on that. I was going to ask the Senator, Does he know whether the amount is $366,000,000 or $360,000,000?

Mr. WILLIAMS. To be exact, it is $366,643,129, for which there has been no accounting. As the Senator from New Mexico has pointed out, I am not saying it is short; I merely say that it has not been accounted for. I say that the taxpayers are entitled to an explanation. I think the Senator from New Mexico will agree with me that we should find out where the money went.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. I understand the Senator says he has no personal knowledge that the money is missing; all the Senator knows is that it has not been accounted for. Will the Senator state for what length of time it has not been accounted for? Then, if he will, I should like the Senator to give us some enlightenment as to what has been done by the Commodity Credit Corporation to account for the money.

Mr. WILLIAMS. First, I should like to clarify one part of the Senator's question, in which he suggested that I had no knowledge of anything wrong. At this time I do not say that I do or do not. We shall leave that part out. But now, let me say this——

Mr. FERGUSON. Mr. President, if the Senator will yield, I ask if he has knowledge that there is something wrong, and can he state it on the floor of the Senate? I think Senators are entitled to an answer to that question.

Mr. WILLIAMS. I have some information that I do not care to discuss on the floor of the Senate at this time. I prefer to work with the investigating committee at this time.

Mr. FERGUSON. Is that because the Senator wants to make further checks and to ascertain further facts?

Mr. WILLIAMS. Yes. I think the committee will get further information.

Mr. FERGUSON. That is the point.

Mr. WILLIAMS. I state for the record that there was reason for my having come on the floor of the Senate at the very beginning, requesting the books of the Corporation. I further say without any hesitation that in my opinion there are irregularities in the records of the Corporation covering the period from 1943 to 1945.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. The Senator from Michigan had reason to believe that the Senator felt there was something wrong in respect to the situation, of which at least the Senate should be advised, before the Senator ever came upon the floor to state the facts to the Senate. I think the Senator has competently displayed to the Senate that there is a reason for having an independent board of directors who can act with authority and independence, over and above the Secretary of Agriculture, so that if something does happen, such as the thing the Senator from Delaware is pointing out, there will be independence in seeking out the facts for the benefit of the public and for the purpose of prosecution, if a wrong has been committed.

Mr. WILLIAMS. That is correct. But I should like to say, in all fairness to the Corporation, that while I, for one, severely criticized it for its operations in the period from 1943 to 1945, and that there are examples of operations which are inexcusable, notwithstanding the fact that we were in the midst of war, I may say, not because the Senator from New Mexico is on the floor, that the General Accounting Office advised me that, particularly following the Senator's assumption of the duties of Secretary of Agriculture, there was a complete overhauling of the Department, and substantial steps have been made to correct the situation which I am criticizing. Whatever I say regarding the Corporation, I wish it understood that it in no way casts any reflection upon the Senator from New Mexico, the former Secretary of Agriculture.

I say that, and at the same time I want to emphasize that it is inexcusable that the books had not been delivered to the Senate earlier and we were not made aware of the fact that the books were in such a deplorable state for the years 1943 and 1945. I also point out the fact that even today we, as Members of the Senate, do not have access to, and have never received, the books audited by the General Accounting Office for the years 1946, 1947, nor 1948. Yet the law

plainly states that the audit of those books should be submitted to the Congress as of January 15 following the end of each fiscal year. The reason they have not been submitted to us is, as the General Accounting Office says, that their records are in such a deplorable state of affairs that they have been utterly unable to reconcile the accounts with any degree of accuracy. Even during some of these later years, they are going to have to make allowances. Nevertheless, the GAO says that during the past 12 months the Corporation's affairs have been conducted in the best manner in which they have ever been conducted in the history of its operation; which is attributed to the fact that under the present law the directors are subject to Senate confirmation and have adequate authority to operate.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. I appreciate very much what the Senator from Delaware has said about an attempt to improve the conditions after June 30, 1945. But I may say to him that I am quite willing there should be an investigation of the $366,000,000. I tried very hard to get the audit completed on that amount of money. It was not the wish of the Commodity Credit Corporation that there should not be a final audit. It was the recommendation of the General Accounting Office that it would cost a quarter of a million dollars, and that no useful purpose would be served, because it would involve bookkeeping between departments of the Federal Government. It was on that basis that the audit was not made. It would satisfy me, if they wanted to go ahead, to have the audit completed.

Mr. WILLIAMS. The recommendations of the General Accounting Office had reference to transactions between the different departments of the Government, and to that extent I agree with them. But I am speaking of the irregular transactions which took place with private traders and private operators. The Senator from New Mexico, I think, will not dispute the fact that, regarding the period in question, there is a great deal of evidence that the Corporation sold surplus agricultural commodities to different buyers. They sold it to them, and if the buyer came back and said, "I received but half the amount," they would accept the man's word for it, for the sole reason that they knew they had no records at all to prove whether he was right or wrong.

I do not think it will be disputed that sales were made in an inexcusably loose manner.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Michigan.

Mr. FERGUSON. Do I correctly understand that the $366,000,000 was not solely a matter of dealings between different branches of the Government, but that a part of it was involved in dealings with private individuals and corporations?

Mr. WILLIAMS. Positively, that is correct. It was not alone a matter of dealings with the agencies.

Mr. ANDERSON rose.

Mr. WILLIAMS. I see the Senator from New Mexico rises, apparently indicating that he wants to speak. If the Senator wishes to correct me, now is the time. The $366,000,000 did not represent interdepartmental transactions only.

Mr. FERGUSON. Will the Senator tell the Senate how much of it did?

Mr. WILLIAMS. I cannot tell. The General Accounting Office is doing its best to make an estimate. To my knowledge, they have not as yet made a definite estimate.

Mr. FERGUSON. How long have they been endeavoring to fathom the situation?

Mr. WILLIAMS. Four years. On the surface my first impression was to criticize severely the General Accounting Office for not reporting sooner, but I want to point out to the Senator from Michigan that I am making quite a study, not only of this Corporation, but of all the other corporations. This is not the only corporation which is in a deplorable state of affairs in regard to bookkeeping.

Mr. FERGUSON. I am familiar with that.

Mr. WILLIAMS. The General Accounting Office was asked by Congress to go in and audit the Corporation, sometime at the end of 1945. I think the Senator from North Dakota, the Senator from Nebraska, and the Senator from Virginia were cosponsors of the bill, if I remember correctly.

Mr. BUTLER. The act was signed in early December 1945.

Mr. WILLIAMS. The result of that act was that the General Accounting Office was called upon to audit all Government corporations and submit a report to the Congress. They found the corporations' records were in such a deplorable state of affairs that they have never been able to bring them up to date. There are several other corporations which I intend later to discuss which involve vast amounts of money for which no accounting can be made.

Even though assuming we conduct the investigation which the Senate has authorized, and find there is nothing wrong, I think we owe it to the taxpayers to clear up the situation and to say, flatly, that there is or is not anything wrong in connection with the $366,000,000. I insist on such an investigation so that the taxpayers would know the facts.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. I am just as anxious as is the Senator from Delaware that such an investigation be made. I was not satisfied when I was told that these were only transactions between departments. I do not think it has very much to do with the way the Commodity Credit Corporation has been operated to the present time. I hope the Senator's investigation reveals the facts. It is of no immediate concern to me, because it reflects a period prior to the time I became Secretary of Agriculture.

Mr. WILLIAMS. It is not necessarily my investigation. The resolution has been referred to the Committee on Expenditures in Executive Departments, and that committee has unanimously approved an investigation.

I had hoped we could keep the whole subject from the floor of the Senate, but it has been brought up at different times. I am receiving a great deal of correspondence on the subject. I received a great deal of it following the passage of the other bill from persons wanting to know why, if as claimed by the Secretary of Agriculture, Mr. Brannan, there was nothing wrong with the expenditure of the $366,000,000, why should we investigate the question?

I shall now read a letter which was inserted in the RECORD without any Senator, except the Senator from Oklahoma [Mr. THOMAS], knowing its contents. It is addressed to Representative BRENT SPENCE, dated April 5, 1949, and signed by the Secretary of Agriculture:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 5, 1949.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives.

DEAR MR. SPENCE: This refers to the $366,000,000 of receivables on the books of the Commodity Credit Corporation as of June 30, 1945, discussed in the General Accounting Office audit report on the CCC recently submitted to the Congress and to which attention has been again recently directed by Senator WILLIAMS of Delaware.

These wartime operations were the subject of an extensive investigation by a House committee under the leadership of Judge Tarver. The then War Food Administrator Marvin Jones, laid all pertinent facts concerning these transactions before the committee. All questions of fraud or loss to the Government were fully explored and the committee fully satisfied that there was no evidence of either.

I repeat the last sentence as written by the Secretary of Agriculture to the Member of Congress. Apparently the letter was inserted in the RECORD at the Secretary's request:

All questions of fraud or loss to the Government were fully explored and the committee fully satisfied that there was no evidence of either.

If there was any truth in that statement, it was the duty of the Secretary to put the letter into the RECORD. If there was no truth in it—and I shall prove, before I sit down, that there was no truth in it—the Secretary had no right to put an incorrect statement in the RECORD to influence Congress on legislation.

He is quoting Judge Tarver, as apparently being well satisfied with everything which had transpired in the Department of Agriculture. Judge Tarver, in 1945, was on the House Committee of Appropriations which was, under House Resolution 50, conducting an investigation of the WFA. The conclusions in the report signed by Judge Tarver, dated June 27, 1945, are referring to the same thing. The report of Judge Tarver's committee was a unanimous report, so

far as I know. The committee was a Democratic-controlled committee. This committee not only was not satisfied with what was going on in the Corporation, but it urged a further investigation of the Corporation, and pointed out the fact that the General Accounting Office was auditing the books. The report stated that as soon as the audits were submitted to Congress, Congress should pay particular attention to their findings as to whether there was anything wrong. That was June 30, 1945. The General Accounting Office went in on December 19, 1945, and audited the books. That Office did not submit a report until after a resolution was presented on the floor of the Senate on the 25th day of March, this year. As a result of the investigation, the General Accounting Office said there was $366,000,000 which could not be accounted for, and, in the same report, it said the whole problem was worthy of a further study by a congressional committee.

So, Mr. President, when the Secretary claims that it is all cleared up, either he does not know what he is talking about—and he should know—or else he is deliberately trying to misrepresent the facts.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Has the Senator asked the Secretary if he has in his files a letter from Judge Tarver, on the completion of the general audit, stating that the committee was satisfied as to the matter to which the Senator refers?

Mr. WILLIAMS. In order that we may get that straight, I shall read Judge Tarver's report——

Mr. ANDERSON. That is not the most recent statement on the subject.

Mr. WILLIAMS. I shall read the same report to which the Senator is referring.

Mr. ANDERSON. I am sorry. I am not trying to stop the Senator, but I merely wanted to say that the matter contained in that report and the item of $366,000,000 are not the same items.

Mr. WILLIAMS. The Senator is correct in that; they are not the same items. The report refers to the investigation conducted by the House committee. The item of $366,000,000 was reported as the result of the investigation conducted by the General Accounting Office at the suggestion of the House committee of which Judge Tarver was a member. They are referring to two different situations; but that makes it worse, for they found them both out of line.

I shall read Judge Tarver's report to which the Secretary of Agriculture referred when he claimed it completely exonerated the department and that the committee was satisfied. After reading this report, the Senate can judge for itself whether either Judge Tarver or the committee was satisfied.

I read from page 6 of Judge Tarver's report:

> It has definitely been brought out during this investigation and hearings that there has been no reconciliation of the inventories submitted monthly by the various warehouses with records of the WFA and that storage and service charges are being paid solely upon the word of the warehouseman that such storage and service charges are due and accurate without checking against any storage records of the WFA.

I might say that each time we refer to the War Food Administration, we are in reality referring to the Commodity Credit Corporation, because it was operated under that name during the war.

Mr. ANDERSON. Mr. President——

Mr. WILLIAMS. Under a Presidential directive, the duties were transferred to the Commodity Credit Corporation during the war; and no matter what we call it, it is still spending taxpayers' money.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I shall yield in order that the Senator may make any statement he desires to make.

Mr. ANDERSON. The War Food Administration and the Commodity Credit Corporation were not one and the same thing. The Commodity Credit Corporation and the Department of Agriculture are not one and the same thing. They have never been. I think the Senator should check that statement carefully.

Mr. WILLIAMS. That is not correct. The $366,000,000 I referred to as being unaccounted for, and which the General Accounting Office referred to as receivables for which there was no accounting, are receivables in the Commodity Credit Corporation at the time it was operating under the name of the War Food Administration. That is a fact. When the General Accounting Office used the name "Commodity Credit Corporation" they were referring to the same corporation to which Judge Tarver was referring, and when Secretary Brannan wrote this letter he, too, was referring to the same corporation.

I shall go back and reread this from the beginning:

> It has definitely been brought out during this investigation and hearings that there has been no reconciliation of the inventories submitted monthly by the various warehouses with records of the War Food Administration and that storage and service charges are being paid solely upon the word of the warehouseman that such storage and service charges are due and accurate without checking against any storage records of the War Food Administration. It has been obvious that the lack of such procedure is primarily due to the knowledge of the officials of the War Food Administration that they had no records which were of sufficient accuracy to make such checks.

That does not say anything about transfers between interdepartmental agencies. This refers to transactions with private industry, and it says they were carrying out their transactions on the sole word of the men in industry themselves because the Department had no records with which they could check. Continuing the report:

> It appears with respect to the sale of commodities to individuals and corporations that in some instances final settlement for the transaction is based upon the quantities which the purchaser states that he has received. Instances have been brought to the attention of the committee where the amount stated by the purchaser disagrees with the amounts reflected by the inventory records of the War Food Administration and final settlement has been made based upon the quantities reported by the purchaser. Obviously such a condition makes it possible for unscrupulous operators in surplus commodities to defraud the Government and action should be taken to correct this situation.

I read from page 2 of the report:

> Many errors of judgment and administration necesssarily occurred. It is not the opinion of the committee that all such errors justify unmitigated condemnation. We feel, on the contrary, that many of them were unavoidable. At the same time we are of the opinion that inefficiency and dereliction in duty have occurred on the part of some of the officials and employees of the War Food Administration and that such derelictions are clearly indicated by the record of the hearings.

Mr. ANDERSON. Mr. President, will the Senator read the title of the report to see if it is an investigation of the War Food Administration or the Commodity Credit Corporation?

Mr. WILLIAMS. The title of the report is "Investigation of the War Food Administration Under House Resolution 50." But it is the same report to which Secretary Brannan referred in the letter which he had inserted in the RECORD, and I shall reread the statement as contained in his letter:

> These wartime operations were the subject of an exhaustive invesigation by the House committee under the leadership of Judge Tarver. The then War Food Administrator, Marvin Jones, laid all pertinent facts concerning these transactions before the committee. All questions of fraud or loss to the Government were fully explored, and the committee fully satisfied there was no evidence of either.

Secretary Brannan was referring to this, and nothing else.

Mr. ANDERSON. I beg the Senator's pardon. He was not referring to that report. The report the Senator has in his hand is a report prepared by the committee with reference to the investigation of the War Food Administration, and the study which was made by the Federal Bureau of Investigation, of which I still have a copy, was made with reference to the officials of the War Food Administration, not the Commodity Credit Corporation.

Mr. WILLIAMS. Certainly it was, but the Senator from New Mexico did not pay attention when I read this.

Mr. ANDERSON. I did.

Mr. WILLIAMS. Secretary Brannan also is referring to the War Food Administration in his letter. We are both referring to the War Food Administration for the period between 1943 and 1945. This is the Secretary's letter which is inserted in the RECORD. He did not say the Commodity Credit Corporation. He said the War Food Administration.

Mr. ANDERSON. I very respectfully suggest to the Senator that what he said was that Marvin Jones, the War Food Administrator, laid facts with reference to the Commodity Credit Corporation before the committee.

Mr. WILLIAMS. That is correct, and I am going to show the facts Marvin Jones laid before them. Also in this report, which I shall read, the committee

points out that Marvin Jones testified before the committee, but they said they did not accept his testimony as accurate; they merely allowed him to file it, because he was the Administrator, and they themselves said it should not be accepted as having any degree of accuracy. I will read that statement when I get to it. I shall refer to the same report. If there is another report, let us have it produced.

Mr. President, I see the Senator from Illinois [Mr. LUCAS] present. I ask him if he wishes to have the session continued. I think I shall take at least another hour.

Mr. LUCAS. We will proceed, I will say to the Senator from Delaware, another hour, very probably.

Mr. WILLIAMS. I have no intention of unduly delaying. I do not know what other Senator wishes to speak on this subject. I think there are others. But since this question of the $366,000,000 has been brought up, I wish to finish clearing up the record.

Mr. LUCAS. I appreciate that, and I think the Senator should have all the time he desires. I have no intention at all of rushing the Senator.

Mr. WILLIAMS. I continue to read from page 4 of the same report which was referred to by the Secretary of Agriculture, and which report he said exonerated the Administration of any blame. I find this statement:

> The foregoing conclusions are predicated upon actual inspections made by the committee's investigators in 12 warehouses, a study of warehouse inspector's reports covering 9 other plants, and information from other sources indicating that similar conditions obtained in at least 27 more establishments or a total of 48 warehouses. There is a total of approximately 1,500 warehouses storing commodities for the War Food Administration and it is obvious they could not all be scrutinized by the investigatorial staff.
>
> However, the committee believes the number actually covered comprises a reliable sampling. While we are not justified in assuming that conditions which are subject to criticism or condemnation exist in other branches of the War Food organization which we have not had an opportunity to examine—

I should like to have the Senator from New Mexico pay particular attention to this part of this report, which is Judge Tarver's report, referred to by the Secretary of Agriculture. I continue:

> We believe that a further investigation of them and of the operations of the War Food Administration as a whole is thoroughly justified and desirable. We understand that an investigation is at this time under way under the jurisdiction of the Office of the Comptroller General with reference to stocks in warehouses controlled by the War Food Administration, the results of which should be of considerable value.

I might say that that investigation was the one conducted by the General Accounting Office, and the results of that investigation are the ones contained in the books which were submitted to the Congress on March 30 this year, in which the statement was made that the amount of $366,643,219, recorded as due from sales, could not be justified.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. I suggest that that was not the subject at all of the second investigation. The investigation was completed. It had to do with inventory stock. The record of it is all on file. Following that, a general audit of the corporation was made by the General Accounting Office, and upon that audit was developed the $366,000,000.

Mr. WILLIAMS. Certainly, the audit that was conducted as a result of the statement of the committee I have just referred to, which the General Accounting Office made of the books. The audit was begun on December 19, 1945, and was submitted to the Congress this year, and is the one that shows that this amount is short. If the Senator from New Mexico will check with the General Accounting Office, he will find they will support everything I have said, and if he thinks they will not, I am perfectly willing to carry this matter over until tomorrow, and he can check with them, and then we will continue. I have checked this with them, and that is what they have told me, and unless someone produces evidence otherwise then my statement stands.

If Senators will read the books which were submitted on March 30 of this year they will find that they do refer to the same report. Surely you are not claiming there are two corporations operating under one name.

I continue to read from Judge Tarver, in the committee report:

> The records of the War Food Administration are not sufficiently complete and accurate to enable us to determine the extent of loss which has thus occurred, but the evidence submitted justifies the feeling that it has been considerable, probably amounting to many millions of dollars.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Again I shall try to straighten out for the Senator my point of view on this matter. The farmers of the country have a great stake in the Commodity Credit Corporation. They do not want to lose it. I am sorry to hear the Senator tie into the criticism of the Commodity Credit Corporation the criticisms which were made of the War Food Administration.

Mr. WILLIAMS. The Senator may be sorry to hear it, but the Senator from New Mexico is the one who started this discussion a few minutes ago for the third time it has been raised on the floor of the Senate. I specifically stated on the floor, and I think the Senator will remember it, when we first started this debate, that I did not think such a discussion should be made a part of the debate on the bill. I still feel that way.

Mr. ANDERSON. Why does not the Senator stop it then, and go on with a discussion of the report?

Mr. WILLIAMS. The Secretary of Agriculture insisted on having his letter inserted in the RECORD. It has been referred to two or three times, and this time we are going to get the record straight.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. Would the Senator permit me to state, as a Member of the Senate from a great farming State, that the farmers of the country have a great stake in the honest administration of the affairs of the Commodity Credit Corporation.

Mr. WILLIAMS. I believe the Senator from Missouri is right. There is not a Member of the Senate who is more interested than I am in preserving the good name of the Commodity Credit Corporation, but a good name cannot be preserved by covering up a lot of corruption, if it exists. A good name can only be preserved by convincing the people that either the corruption does not exist, or else that the officials of the Corporation are honest enough to clear it up and expose it.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. The Senator has examined the record respecting the $366,000,000. Does it contain charges of fraud?

Mr. WILLIAMS. The record does not contain charges of fraud, neither does it deny fraud.

Mr. ANDERSON. It does not contain charges of fraud or dishonesty on the part of individual employees?

Mr. WILLIAMS. It makes no charges, nor have I made any.

Mr. ANDERSON. Then are we interested in having an honest administration or not?

Mr. WILLIAMS. Just to keep the record straight let me say that the report to which the Senator refers also does not say that there is no fraud, and I venture to say that the Senator will not get the Comptroller General to say that fraud does not exist. He merely says that there is the sum of $366,000,000 for which there is no accounting and satisfaction. When I first pointed that matter out on the floor of the Senate, the Senator from Illinois [Mr. LUCAS] said it was one of the most damaging charges which had ever been made on the floor of the Senate, and that if he thought there was any truth in it he would be the first to ask for an investigation. Every statement I made on the floor of the Senate on that day was supported by the General Accounting Office. Unfortunately, the Senator from Illinois later became ill, and was not present in the Senate to join me in persuading the Senate to begin the investigation, but I am sure he will join with me in the expression of appreciation that the subcommittee has begun the investigation, and in expressing the hope that it will find the answer.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LUCAS. The Democratic Party never shields any wrong, and if the Senator from Delaware can produce facts to support an allegation of dishonesty or fraud I am sure he will find that the subcommittee of the Committee on Expenditures in the Executive Departments will go to the bottom of any charge the Senator may make. We will be very glad to do that.

Mr. WILLIAMS. I hope the Senator from Illinois will not misunderstand me. A subcommittee, in which I for one have a great deal of faith, with its investigators and staff, are going to go to the bottom of this matter. I certainly hope the Senator from Illinois does not take the position that because the Democratic Party is in control it is my obligation as a Member of the Senate, having once called the matter to the attention of the Senate, to go into every detail of it and find everything that is wrong and report it to the subcommittee. I say, let the subcommittee find out something for itself.

Mr. LUCAS. I do not expect the Senator to do that; not at all.

Mr. WILLIAMS. I shall work with them in any way I can, and I have been working with them.

Mr. LUCAS. Mr. President, will the Senator again yield?

Mr. WILLIAMS. I yield.

Mr. LUCAS. I do not want anyone to believe that what the Senator has said is directed against the Democratic Party or the Senator from Illinois. It is my understanding that a subcommittee has been appointed to investigate the matter, and that the able Senator from North Carolina [Mr. HOEY] is chairman of that subcommittee. Knowing the Senator from North Carolina as I do, knowing his reputation for rugged honesty and integrity, and knowing his reputation as Governor of his great State, and knowing the fine things he has done in the Senate of the United States, I am sure the Members of the Senate and the people of the country will be well satisfied when that Senator and his subcommittee, get through with the investigation. I may say to my good friend, the Senator from Delaware, that it seems to me the proper place to carry on the investigation is in the subcommittee, rather than to debate the matter here on the floor of the United States Senate. I doubt very much whether what the Senator has to say here at this particular time——

Mr. KEM. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEM. Who has the floor?

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. WILLIAMS. I understood the Senator from Illinois was asking me a question, but had not concluded. I shall be happy to answer his question if I can.

Mr. LUCAS. Mr. President, I admit that I violated the rule in making an observation on the Senator's time rather than asking a question. If the Senator from Missouri desires to make a point of order against me, it is perfectly all right with me.

The PRESIDING OFFICER. The Senator from Delaware controls the time. To whom does he yield?

Mr. LUCAS. Mr. President, will the Senator yield for a question in order that I may satisfy my good friend from Missouri?

Mr. WILLIAMS. I yield for a question.

Mr. LUCAS. Does not the Senator agree with me that it would be much better if the Senator were to go before the subcommittee of which the able Senator from North Carolina [Mr. HOEY] is chairman, and submit the facts and figures he has in his possession, and make the arguments he desires to make, rather than to try the case on the floor of the Senate in connection with the conference report?

Mr. WILLIAMS. I may say to the Senator from Illinois that I not only agree with him, but I have stated on many occasions that a Senate committee is the place for the investigation to be made. When the bill in connection with the Commodity Credit Corporation first came before the Senate during this session, on two or three occasions questions were asked during the debate about this $366,000,000. I then stated—and if Senators will read the RECORD they will find what I say to be true—that I did not want to go into any discussion of this item.

Mr. President, I have the utmost confidence in the Senator from North Carolina [Mr. HOEY]. I think he will conduct his investigation without any thought as to which political party is involved.

I have never made this a charge against any political party. In fact, I have never made any charge on the floor of the Senate that there is anything wrong other than the matter of the $366,000,000, for which there is no accounting. I said we should have an accounting for that money. I think an investigation into that matter should be had. I for one would not feel that it was an investigation that was not worth while, even though the investigating committee later came in and said that every dollar was accounted for. In such an event I would not be disappointed in having requested the investigation. I merely want to know where that money went. I think we are entitled to an explanation. I think the name of the Commodity Credit Corporation can best be restored by the committee investigating it, emphatically stating that there is or that there is not anything wrong and crooked in connection with that money.

So far as debating the subject on the floor of the Senate is concerned, I will say that I had no intention of going into that matter if I could help it. When we started the discussion I stated that I refused to go into any debate on that subject at the time. But just before the passage of the bill, the letter to which I referred, written by the Secretary of Agriculture himself, was inserted in the RECORD, immediately prior to the vote. In my opinion it was highly irregular to have done so. Had the chairman of the committee felt that that matter should enter into the discussion I think it would have been much more proper to have discussed it on the floor, but since the letter was merely inserted in the RECORD, I ignored it and let the matter go, and made the statement the following day that I had not overlooked it, but did not feel that the floor of the Senate was the proper place to discuss the matter.

I did not raise the question here today. It was raised again today and referred to as water over the dam. I am now merely endeavoring to get the record straight. From now on I hope discussion of the matter will take place before the committee, a committee in which I have the utmost confidence.

I might say that all I intend to do now is to bring the record up to date from the point where the matter is already of official record. I am not violating any confidence. I have no intention of violating any confidences or to go into anything which the committee is now in the process of examining.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LUCAS. I am in wholehearted agreement with the Senator from Delaware. Let me say again that if there is anything the majority leader can do to help in connection with the investigation, the Senator from Illinois is very glad to do it, because if there are any irregularities in connection with the millions of dollars which are handled by the Commodity Credit Corporation, the Senator from Illinios is just as anxious to find out about them as is any other Senator.

The only reason I made my previous statement in connection with the debate with the Senator from Delaware was that I thought, from reading the report, the House committee had thoroughly investigated this subject upon another occasion, and I was under the impression that the Committee on Agriculture and Forestry went thoroughly into the controversy. Perhaps neither committee went far enough. I am very happy that another committee is going into the subject. I hope it will plumb to the bottom, and that this controversy can be settled once and for all, to the satisfaction of all Members of the Senate concerned.

Mr. WILLIAMS. I can readily understand how the Senator from Illinois has the impression that the House committee fully explored this question and was satisfied. The Secretary of Agriculture, in a letter which was inserted in the RECORD, made such a statement, when referring to the investigation which was conducted by the House committee, from whose report I have been reading——

Mr. LUCAS. I am familiar with the letter. It was sent to the Senator from Illinois at one time.

Mr. WILLIAMS. The Secretary of Agriculture made the statement that all questions of fraud or loss to the Government had been fully explored and that the committee was fully satisfied that there was no evidence of fraud.

The committee was not fully satisfied. If the statements which I am reading into the RECORD are statements indicating satisfaction on the part of the committee, and if this is what the Secretary of Agriculture describes as a favorable report, I should be most interested in seeing something which he would describe as an unfavorable report.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from North Dakota.

Mr. LANGER. I have been trying for about half an hour to get the Senator to yield to me. A while ago the Senator made the statement that North Dakota was always asking for some kind of assistance and relief. Can the Senator tell me the last time North Dakota asked for anything along that line?

Mr. WILLIAMS. The last time to my knowledge was when the Senator from North Dakota started the so-called threat of a filibuster unless he got $25,000,000. He settled for $12,500,000, part of which went to the State of North Dakota. That question was settled on the floor of the Senate one evening. That was one of the noticeable occasions when a deal was made on the floor of the Senate; and I must say that it was the highest-priced speech I have ever heard. I congratulate the Senator from North Dakota. To my knowledge he is the only man ever to make a $12,500,000 speech on the floor of the Senate. He required not more than 30 minutes.

Mr. President, I do not wish to enter into an argument at this time with the Senator from North Dakota.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. Do not the farmers in Delaware use modern toilets?

Mr. WILLIAMS. We do not use $12,500,000 toilets.

Mr. LANGER. Do they not use modern toilets?

Mr. WILLIAMS. The Senator from Delaware has never been able to make a $12,500,000 speech on the floor of the Senate. I congratulate the Senator from North Dakota on his ability to finagle the other side into giving him $12,500,000 to shut up. So far they have never offered me anything to shut up. They will not even offer me anything to speak.

Mr. LANGER. I thank the distinguished Senator from Delaware.

Mr. WILLIAMS. Mr. President, continuing further in the Tarver report, I find the following statement on page 7:

> An examination of the hearings will reflect that practically all of the officials who were questioned admitted that the inventory records of the WFA were inaccurate.

A subsequent paragraph concludes with this statement:

> It naturally follows that inasmuch as the inventory records are admittedly inaccurate, and financial statements prepared which include inventory transactions are themselves inaccurate.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Again I ask the Senator whether that refers to the War Food Administration or the Commodity Credit Corporation?

Mr. WILLIAMS. It refers to the War Food Administration, which was operating the Commodity Credit Corporation under a Presidential directive during the period from 1943 to 1945. They are one and the same Corporation.

Mr. ANDERSON. I merely wish to state for the RECORD again that they are not one and the same Corporation. The records, when they are finally produced, will show that they are not one and the same Corporation.

Mr. WILLIAMS. I dislike very much to disagree with the Senator from New Mexico, but they are the same Corporation. At the time the Presidential directive was issued in 1943, it stated that until further notice the Commodity Credit Corporation would operate as the War Food Administration. I will get the exact dates within which it so operated. I will get the date and the number of the Presidential directive, and will insert them in the RECORD.

In order that the RECORD may be complete—I do not know that I will have the information tonight—I ask unanimous consent that I be permitted to insert in the RECORD at this point the number and the date of the Presidential directive to which I am referring.

The Executive order referred to above is No. 9334, dated April 19, 1943, under which the Corporation was consolidated into the War Food Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. WILLIAMS. I yield.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. In order that we may understand the mechanics of the conference report, I ask the Chair if it is not a fact that the pending question is on agreeing to the conference report, and that the only action that can be taken is to agree to the conference report or to reject it.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the conference report.

Mr. WHERRY. So if a Senator is opposed to the conference report he will vote "nay"; and a motion to do anything other than that at this time would be out of order, would it not?

The PRESIDING OFFICER. The Chair does not know what type of motion the Senator refers to.

Mr. WHERRY. Is there any other motion that can be made?

The PRESIDING OFFICER. A motion to recommit the bill to the conferees would not be in order, because the House has agreed to the conference report and has discharged its conferees.

Mr. WHERRY. Therefore, is not my observation correct—that the only procedure now is to agree to the conference report or to reject it?

The PRESIDING OFFICER. The Senator is correct.

Mr. WHERRY. Then if other motions are desired, they can be made after that question has been disposed of.

The PRESIDING OFFICER. That is correct.

Mr. WILLIAMS. Mr. President, continuing on page 8 of the same report, we find this statement. I am quoting from the report which was published by Judge Tarver, and to which Secretary Brannan referred in his letter of April 5, which was inserted in the RECORD immediately prior to the vote on S. 900. I repeat, the WFA referred to herein is the same as the CCC:

> After due consideration and study of all of the facts developed with regard to the inventory records and financial statements contained in the hearings and in the reports of the committee's investigators, the committee can arrive at only one conclusion, and that is that any report submitted by the WFA based upon the inventory records and financial records will be inaccurate and will fail to properly reflect the true condition.

I call particular attention to this following statement, because it has been repeatedly said that Marvin Jones, Administrator of the War Food Administration, appeared before the committee and cleared up all doubt as to any existing irregularities. Secretary Brannan emphasized that point when he said that—

> The then War Food Administrator, Marvin Jones, laid all pertinent facts concerning these transactions before the committee. All questions of fraud or loss to the Government were fully explored, and the committee was fully satisfied that there was no evidence of either.

But here is what Judge Tarver said on that occasion:

> The statement by Mr. Lee Marshall, dated January 16, 1945, inserted in the hearings by Hon. Marvin Jones, War Food Administrator, reports the theoretical condition and not the actual condition as found during this inquiry. While the statement has been permitted by the committee to be placed in the hearings, it is felt that the contentions therein made as to correction of conditions are not supported in their entirety by the evidence which has been adduced and that further efforts looking toward their immediate correction are imperatively demanded.

In other words, the committee accepted the statement, but at the same time stated in the report that the contentions were inaccurate, and were allowed to be filed only by courtesy.

I read further from the Tarver report:

> A very serious situation has been brought to light during this investigation with respect to erroneous information having been furnished to committees of Congress purportedly outlining certain conditions in the WFA with particular respect to losses and movements of commodities.

Even then, Mr. President, they were having trouble with members of the executive branch who appeared before the House committee and gave it erroneous information.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Again I wish to ask the Senator whether he has ever questioned the Department of Agriculture or the House committee as to whether, subsequent to the date to which the Senator has referred, it made an investigation and expressed itself as satisfied. I refer to that matter because the report was made to me, and it could not possibly have been made to me in May of 1945.

Mr. WILLIAMS. I know of the report to which the Senator from New Mexico is referring. It had no reference to that matter, any more than this report has reference to the report of the General Accounting Office. Of course, I do not say that the Secretary cannot find letters in which it is stated that nothing

was wrong. The Senator from Illinois inserted a series of letters, one day, every one of which specifically states that nothing was wrong with the Department of Agriculture. Interestingly enough, every one of those letters, which exonerate the Department of Agriculture, was written and signed by members of the Department of Agriculture itself.

Mr. ANDERSON. I refer to the House committee——

Mr. WILLIAMS. I ask the Senator to wait just a minute, please. The General Accounting Office have written letters in which they state that they do not believe it would pay to go into the details and check the transfers as between the various Government agencies, since no money would be recovered, and since it was more or less a matter of bad bookkeeping.

But so far as the records of transactions with private operators are concerned, we have a right to know how those transactions were conducted. A procedure by which transactions, sales, and settlements were made on the sole word of the buyer is highly irregular and should not be allowed to occur. Even assuming that everyone in the United States is honest, we still do not permit Government business to be done in that way—by telling a man to go into a Government warehouse and load up his trucks with all of a certain commodity that he wishes to have, and then tell the Government agency what he thinks the amount he has taken is worth, and make settlement on that basis. We do not permit Government business to be done in that way.

Mr. ANDERSON. I agree; but I think the Senator from Delaware has missed my point.

In Secretary Brannan's letter there is a statement that a House committee investigated this matter and expressed itself as fully satisfied.

Mr. WILLIAMS. Yes. That is what Secretary Brannan said, but I am now reading the report itself which completely denies his statement.

Mr. ANDERSON. Now the Senator from Delaware is reading from a document which has no reference whatever to that matter.

Mr. WILLIAMS. The record will speak for itself. Later I shall insert the entire report.

If the Senator from New Mexico—and let me state that I have a great deal of respect for his opinions, but I wish to complete my remarks, for I have been speaking too long now——

Mr. ANDERSON. Mr. President, I merely wish to say that the document from which the Senator from Delaware is reading is not the one to which Secretary Brannan referred. It will be a very simple matter for the Senator from Delaware to get the document referred to and read what it states as to the facts.

Mr. WILLIAMS. If the Senator from New Mexico has other reports he should produce them.

I will later ask unanimous consent to have this document inserted in its entirety in the CONGRESSIONAL RECORD in order that all Senators may read it. Then Senators can draw their own conclusions as to whether the same document is referred to, inasmuch as Secretary Brannan specifically referred to Marvin Jones, the War Food Administrator, and his appearance before the committee.

Mr. President, in this document the charge is made that when the members of the Corporation appeared before the committee in 1945, they supplied it with erroneous information; and the further statement is made that the committee did not have any confidence in those statements.

I read further:

> Congress has every right to expect that representatives of the executive agencies will furnish accurate information upon request; and in the event it is not possible for the executive agencies to furnish accurate information as requested, Congress should certainly expect that officials of such agencies would so advise.

Continuing further, I read from page 9:

> During the hearings held by this committee in connection with the 1946 appropriation a request was made for a statement of losses which was furnished in accordance with the testimony of Colonel Olmstead.

He was Vice President of the Corporation.

I read further:

> An examination of the hearings will definitely reflect that this statement of losses is completely inaccurate and was known to be inaccurate at the time it was submitted to this committee.

So the committee was accusing the Vice President of the Corporation, appearing before the committee, of submitting information which was inaccurate, and which he knew was inaccurate at the time when he submitted it.

Yet the Secretary of Agriculture claims the committee was finding no fault with the Corporation, but found that everything was in order, in line with proper procedure.

I read further from the report:

> It should not be necessary for this committee or any other committee to remind officials of the executive agencies that Congress has a right to expect accurate information on request.
>
> Only a few years ago this committee developed, upon an investigation, that a responsible official of one of the agencies had, in the language of the Secretary, "invented a scheme designed to thwart the submission of complete information that had been requested" by the committee, and for so doing was subsequently removed from office by the Secretary.

Later in the report the committee said:

> Col. Ralph W. Olmstead—
>
> Who was Vice President of the Corporation—
>
> has been a predominating factor in the War Food Administration, particularly with respect to the purchase, distribution, and storage of food. This is not to say that others in the organization were without responsibility, but obviously Colonel Olmstead's position in the broad food-handling picture is such as to preclude the dodging of responsibility by laying the blame on a lesser official under his jurisdiction.

I may say that Colonel Olmstead for some time past has been working with the Government of China, in handling the distribution of our food supplies. He made such a deplorable record in handling these matters in the Commodity Credit Corporation, and was censured to so great an extent by the committee, that now he is rewarded by being permitted to handle the food supplies which we send to China.

The Senator from New Mexico has emphasized that all these irregularities were in connection with transactions between Government agencies, but here is one which clearly was not between Government agencies. The committee called attention to it, saying:

> Dried egg albumen sale: One of the transactions handled by the officials of the WFA brought out during the hearings concerns the sale of dried egg albumen. The basic facts of the transaction are that 89,600 pounds of dried egg albumen were sold by the WFA to George Ehlenberger & Co., of New York City, for ultimate disposition to a Swiss firm at $1.30 per pound, at a time that the WFA had no surplus of dried egg albumen on hand and in order to fulfill the sales contract would have to purchase in the oper market at from $1.70 to $1.85 per pound.

In other words, it had no inventory on hand, to speak of, and had to go out in the open market and purchase the commodity, in order to deliver it under the contract; and it paid a price of between $1.70 and $1.85 a pound for it.

I may say that was being done in the name of the farmers, and the impression is sought to be given that this Corporation operates and loses money in its transactions and operations for the benefit of the farmers. But I fail to see how they are benefiting any farmer, or benefiting anybody except the exporter, when they sell short an agricultural commodity which they do not own, which they have to go out in the open market to buy, in order to deliver on the contract. I might say I have been very much interested to note that there was no prosecution in the case. Evidently they decided that it was all right. If there was any prosecution that the Senator from New Mexico knows about, I wish he would correct me. But I have been advised there was not.

Mr. ANDERSON. I know of no prosecution, because the Commodity Credit Corporation in many of those transactions was acting as agent of the Military Establishment.

Mr. WILLIAMS. The Corporation was not acting as agent of the Military Establishment in this particular transaction. It is definitely pointed out in the report, on page 10, that it was a sale to a private corporation, George Ehlenberger & Co., of New York City, for ultimate disposition to a Swiss firm, at $1.30 a pound. In the open market it would have cost $1.70 to $1.85 a pound.

Mr. ANDERSON. Was that desiccated eggs?

Mr. WILLIAMS. It was dried egg albumen, with respect to which they had no inventory on hand.

Mr. ANDERSON. It is the same as desiccated eggs. I know about the Ehlenberger transactions, because it came to my attention. I know there was some investigation made, followed by certain recommendations. I cannot state what the recommendations were.

Mr. WILLIAMS. It was a short sale. It was highly irregular for the Commodity Credit Corporation. There was no provision in the law, and it certainly was not the intention of Congress, that it should go out and sell short, for the sole purpose of enabling a foreign purchaser to make extra profit. They went into the open market. They did not have any inventory on hand. If they had had adequate inventory records, somebody would have known what they had on hand, but they had no way of knowing what they had on hand, because they had no control over their inventories. I have read that case through from one end to the other. Those are the facts of the case. Whether the laws had been violated or not I am unable to say. I am not an authority.

Mr. ANDERSON. Does the Senator recall whether the Department of Agriculture recommended prosecution?

Mr. WILLIAMS. I do not know whether it ever recommended it or not. I do know the transaction took place.

Mr. KEM. To sum up the transaction, would the Senator from Delaware state the sales price of the dried egg albumen?

Mr. WILLIAMS. It was sold at $1.30 a pound at a time when they did not have any inventory on hand, yet it was sold as a surplus commodity.

Mr. KEM. What price was being paid on the open market?

Mr. WILLIAMS. From $1.70 to $1.85 a pound, which they paid in order to fulfill the contract.

Mr. KEM. What was the loss to the taxpayers?

Mr. WILLIAMS. I have not figured it out, but it would be about 45 cents a pound on 89,600 pounds. Clearly it was not an interdepartmental transaction.

On page 11 Judge Tarver, speaking for the committee, made this statement:

> Members of this committee have a definite feeling and belief that the personnel policies of the War Food Administration have been very lax. In two instances during this investigation the committee has been advised that individuals with prior criminal records have been placed in positions of responsibility, have been recommended from time to time for promotion, even though in addition to their criminal records they have been the subject of inquiry for violation of Department of Agriculture regulations.

We discussed two instances a little while ago in the debate, in which men known to have criminal records were hired. They were promoted constantly, time after time, and placed in positions of high responsibility. To my knowledge, two former convicted embezzlers, against both of whom charges were placed, were employed in the Department. Then, when the General Accounting Office comes along, and says, "Here is $366,000,000 representing transactions which cannot be accounted for," I say, by all means, we have got to have an accounting; these men may not be guilty of taking any of this money, but the mere fact that, in some instances, they were guilty of irregularities and admitted their guilt, is evidence enough to warrant an investigation.

Mr. FERGUSON. Mr. President, does the Senator know whether these men are still employed by the Corporation?

Mr. WILLIAMS. They are not now employed, to my knowledge. One of them definitely is not employed. I have not been advised definitely on the other, but I think both are out of the employment of the Government.

Mr. FERGUSON. Does the Senator know why they left the employment of the Government?

Mr. WILLIAMS. The one with whom I am familiar left on May 1, 1945.

Mr. FERGUSON. No; I mean the reason. Does the Senator know the reason?

Mr. WILLIAMS. The Civil Service Commission files show that he left voluntarily, and, according to the files, he has a perfectly clean record, as clean as any other civil-service employee. The FBI files are not quite that clean. There is quite a conflict in the testimony on the part of the top officials of the Government. One man says he was fired, another says he was asked to resign, and a third man said, "None of that is true; he resigned of his own accord." I do not know. He left on May 1.

Mr. ANDERSON. If the Senator would favor me by giving me privately the name of the third man, I would like to have it, because I think the gentleman was not in the situation the Senator suggests. The whole difficulty arose over the fact that the Civil Service Commission made its investigation, the man filled out a form, showing where he had been employed over a long period of time. This occurred well before I came into the Department, but he showed where he had been employed. He showed a perfectly good record. The Civil Service Commission investigated him and certified him, and the Department was required to take one of the three men. They took that man on the basis of the civil-service recommendation. I cannot possibly see how that is a reflection upon the Commodity Credit Corporation, when he was not an employee of it.

Mr. WILLIAMS. I am only carrying through the reflection which was cast by the committee headed by Judge Tarver itself, which Secretary Brannan said cleared them of all responsibility.

Mr. ANDERSON. That was the investigation by the War Food Administration.

Mr. WILLIAMS. Yes; and the War Food Administration, I repeat, was the same as the Commodity Credit Corporation, during the period from 1943 to 1945. If that is not true, then I ask the Secretary of Agriculture, What did the Commodity Credit Corporation do? Did it function during that period?

Mr. ANDERSON. Yes; but it functioned as it functions now, under the Department of Agriculture.

Mr. WILLIAMS. I repeat, the Commodity Credit Corporation, during the period from 1943 to 1945, as referred to by the General Accounting Office in the books which were submitted to the Congress on March 30 of this year, is the same Corporation to which I am now referring, and it is so referred to in the books which were submitted to the Congress by the General Accounting Office under date of June 30, 1945. The conclusion of the committee was this:

> The committee does feel, however, that these facts do not excuse errors in administration which were avoidable or which, if unavoidable, could have been corrected and were not corrected after proper notice of their existence had reached those who were in a position to bring about corrective action. There appears to be no logical reason why more accurate records of the War Food Administration could not have been kept nor why the commitments of the War Food Administration could not have been met as readily or perhaps more readily if this had been done. The committee recognizes that it was difficult to organize the regular flow of commodities to shipside due to the irregularity of ship schedules, but there appears to be no logical reason for inefficiencies in administration which have resulted in some cases in commodities which are in demand in the civilian market remaining in storage until they reach such a deteriorated condition that they are unfit for human consumption.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point as a part of my remarks the entire report as submitted by the House under House Resolution 50.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INVESTIGATION OF THE WAR FOOD ADMINISTRATION UNDER HOUSE RESOLUTION 50

RE WAR FOOD ADMINISTRATION SPOILAGE OF FOOD IN WAREHOUSES; CONTRIBUTING CAUSES, LACK OF RECORDS, AND OTHER EVIDENCES OF MISMANAGEMENT

Early in December 1944 the Subcommittee on Department of Agriculture Appropriations having received information indicating possible mismanagement and waste of public funds in the WFA, particularly in connection with the storage and disposition of food, issued the following directive to the Chief of the Investigatorial Staff of the Appropriations Committee, instructing him to investigate the following:

"Warehousing by the Food Administration, inspection of the warehouses thereunder, and the suitability of the Division of Warehouse Inspection therefor. Whether abuses have arisen from prolonged storage of essential foods needed by the military and civilian populations. Whether proper records have been kept of commodities placed in storage, showing in an orderly and accurate way the type and quality of goods stored and withdrawn, and whether any abuses, injurious to the public and to the armed services, have occurred in the handling of stored commodities. In pursuing this inquiry, the investigator should avail himself of the findings of the Mead committee of the Senate with a view to avoiding duplication and should include in his report a digest of the findings of the committee bearing on this subject."

A preliminary report was submitted in February 1945, based upon certain facts developed plus many allegations, some of which, if proven true, would violate certain Federal statutes and subject the violators to the criminal provisions thereof. After due deliberation by the committee, it was decided to continue the investigation regarding mismanagement and waste of public funds, utilizing the committee's investigative staff, and to refer all matters which might possibly result in criminal prosecution to the Attorney General for investigation by the Federal Bureau of Investigation. The committee requested the Attorney General to furnish it copies of the FBI reports but was advised that would not be done as such matters were for the consideration of grand juries as to possible criminal action and were confidential.

At the conclusion of the committee's investigation and hearings, another request was made of the Attorney General for him to furnish the committee with the reports issued by the Federal Bureau of Investigation or furnish such information concerning the results thereof as could be made available. The reply of the Attorney General to this further request of the committee appears in the hearings. It is to be assumed that if any of the actions of the officials of the War Food Administration are in violation of Federal statutes appropriate action will be taken by the Attorney General to the end that such alleged violations may be appropriately investigated by the courts.

FINAL REPORT

The final report of the committee's investigators, as to a number of specific items and transactions, has been received and carefully reviewed by the committee. Considering the seriousness of the charges therein, it was decided that, in fairness to the officials who are directly or indirectly concerned with the supervision of the matters under investigation, they should have an opportunity to be heard. Hearings were held at which the officials appearing were questioned by the chief of the staff of the investigators and members of the committee, and the witnesses apprised of the nature of the charges and given an ample opportunity to offer any explanation. Fair consideration of the statements of these officials led, naturally, to the conclusion that they and their predecessors in their official stations were charged with the responsibility for setting up an emergency program for which administrative machinery had to be assembled hurriedly, and that great difficulties were incurred in securing a sufficient number of adequately trained personnel, as well as in the procurement with sufficient promptitude of adequate warehousing facilities with which to handle the huge program which was involved. Many errors of judgment and administration necessarily occurred. It is not the opinion of the committee that all of such errors justify unmitigated condemnation. We feel, on the contrary, that many of them were unavoidable. At the same time, we are of the opinion that inefficiency and dereliction in duty have occurred on the part of some of the officials and employees of the War Food Administration and that such derelictions are clearly indicated by the record of the hearings.

It is our belief that high officials of the War Food Administration were not in many instances apprised of some of these administrative errors themselves until they were brought to their attention in the course of this investigation. We believe that some of them have been corrected and have been assured that further efforts will be made to effect needed corrections in procedures as pointed out in this report and in the hearings themselves. The degree of responsibility for these errors of administration on the part of over-all supervisory authorities will depend, in the opinion of each person reading the hearings, upon what one may feel such authorities might have done to acquaint themselves with all of the details of the program under their supervision. Necessarily, many things were done in the field which did not come promptly to the attention of the Washington central office. We do not think that it was possible for authorities in the central office to have knowledge of all of the details of the work of this tremendous organization, and yet we do feel that when mistakes were called to their attention prompt action should have been taken, looking to their correction and to affording protection against the possibility of their recurrence. We are not able to feel that in all instances this has been done.

After studying the investigators' reports and the hearings, certain facts and conclusions have been reached by the committee which are set out hereinafter following the order of the charges as to mismanagement and inefficient operation of the WFA appearing in the hearings. This list of charges comprised the schedule of the interrogations of the several WFA officials who were summoned and given opportunity, under oath, to deny, explain, or justify the matters complained of which came within their respective jurisdictions.

While the committee has set forth its conclusions in the following pages, there are a few of the charges made by the investigator respecting which the committee as a whole has not formulated any opinion. Persons interested in the evidence presented under all of the charges are referred to the hearings.

REGULAR APPROPRIATION HEARINGS, 1946

In addition to the testimony incorporated in the hearings of the present investigation, the committee adduced considerable additional information bearing directly thereon at the time it was considering the regular Department of Agriculture appropriation bill for 1946. Reference is made to part 2 of the hearings on that bill. A special index of matters printed in those hearings which are related to this investigation has been prepared and is to be found under an appropriate heading at the end of the index to the hearings published in connection with this report.

CONCLUSIONS OF THE COMMITTEE

1. Warehousing practices

The evidence found by the investigative staff and substantiated by officials appearing before the committee during the hearings indicates that in some instances the WFA has stored food in warehouses that had been declared unfit by warehouse inspectors, and that in some cases such storage has been unnecessary, inasmuch as suitable space was available elsewhere. In some cases food has been stored in warehouses without benefit of prior inspection and subsequently it has been determined through inspection that the facilities were not suitable; commodities have remained in such storage and have not been moved to suitable quarters even after the unsuitability of the warehousing facilities being utilized had been determined. It is true that insistence has been made by WFA officials to the effect that in such cases they have endeavored to effect transfer and restorage in suitable quarters as soon as such quarters could be provided and proper action to that end taken, but in the opinion of the committee adequate diligence in dealing with this subject matter has not been shown and unnecessary spoilage has resulted.

It appears that commodities have remained in storage in many cases for an undue length of time beyond that which is usually considered the safe storage period, with a resultant spoilage and loss to the Government. The evidence also indicates that sufficiently prompt action has not been taken in the disposal of food which has been in storage for a considerable period of time and is showing signs of deterioration and that action regarding the disposition of these commodities has in many instances not taken place until the commodities have become practically worthless.

We feel that explanations offered as to the conditions under which this situation became possible are not in accord with what might have been accomplished by careful administration both in Washington and in the field. We realize that since its inception the War Food Administration has been in a state of flux, with organization and reorganization and further reorganization following each other in rapid sequence and with several changes in a comparatively brief period of time in over-all responsibility both in the office of the War Food Administrator and among the responsible heads of various divisions of his organization. We believe that all of these circumstances make it difficult to place individual responsibility for many of the conditions which have been developed upon any specifically named individual or individuals, but we feel that WFA has been established for a long enough period of time to have attained a considerable degree of regularity in its procedures and that its organization should have been perfected to a far greater degree of efficiency than has been the case.

We are, as stated, endeavoring to furnish in this report our conclusions as to the evils which exist or have existed and should be corrected where correction has not been had without undertaking to incorporate in this report conflicting opinions of those who have considered the evidence as to where individual responsibility for these conditions should be placed. In many cases it has been impossible for us to determine this even to our own satisfaction.

The foregoing conclusions are predicated upon actual inspections made by the committee's investigators in 12 warehouses, a study of warehouse inspectors' reports covering 9 other plants, and information from other sources indicating that similar conditions obtained in at least 27 more establishments or a total of 48 warehouses. There is a total of approximately 1,500 warehouses storing commodities for the WFA and it is obvious they could not all be scrutinized by the investigatorial staff.

However, the committee believes the number actually covered comprises a reliable sampling. While we are not justified in assuming that conditions which are subject to criticism or condemnation exist in other branches of the War Food organization which we have not had an opportunity to examine, we believe that a further investigation of them and of the operations of WFA as a whole is thoroughly justified and desirable. We understand that an investigation is at this time under way under the jurisdiction of the Office of the Comptroller General with reference to stocks in warehouses controlled by WFA, the results of which should be of considerable value.

The criticisms here expressed of warehouse practices do not necessarily reflect blame upon the warehousemen, themselves. It is true, of course, that many warehouses are inadequately equipped and inefficiently managed by operators having little or no experience in the business, who have leased buildings without regard to their suitability, for the purpose of securing a share of the Government's storage custom, and who have directly contributed, by reason of their inadequacies, to the losses herein reported.

It seems to the committee that a properly managed inspection on the part of the WFA would have definitely determined the unsuitability of such warehouses prior to their use and we have not been convinced that the emergency nature of the program required in many instances the use of warehouses whose suitability has not been thus ascertained. In some of the instances in which such use was made it has been definitely established that adequate and suitable facilities were available and were not utilized.

On the other hand, many of the losses occurred among commodities stored in highly reputable warehouses, where neither warehouse conditions nor management contributed to the loss, but where loss occurred on account of failure of WFA officials to determine and act upon facts which were readily discoverable and concerning which in many cases it had been advised or could have been advised by ordinary diligence relative to the deterioration of food stocks and failure to take prompt and necessary action for disposal of the goods before spoilage actually occurred. The records of WFA are not sufficiently complete and accurate to enable us to determine the extent of the

loss which has thus occurred but the evidenc submitted justifies the feeling that it has been considerable, probably amounting to many millions of dollars.

2. Wasteful transfers between warehouses

It has been brought out during the hearings and further substantiated by information that was developed during the investigation that on some occasions commodities have been transferred from one warehouse to another without apparent reason, which, of course, results in extra transportation charges, additional storage charges, since the first month's storage always includes the handling charges in and out, and in some cases the storage rates paid for the commodities in the second warehouse exceed the storage rates which were being paid in the first warehouse.

The committee has examined officials of the WFA at some length with regard to the transfer of dried skim milk from six warehouses throughout the Middle West to the United Warehouse & Terminal Corp., Mallory Avenue warehouse, Memphis, Tenn. It has been definitely established that the Mallory Avenue warehouse should not be used for the storage of war food commodities, according to recommendations of warehouse inspectors; that the WFA had no contract for the storage of dried skim milk in this warehouse but was aware that the last contract carried a rate for the storage far in excess of that which was being paid in the six warehouses from which the dried skim milk was shipped. Two months' storage charges were paid by the WFA even though no contract was in existence and only after the inquiry instigated by this committee was in progress did the WFA take any affirmative action in an effort to obtain a contract at a lower rate with this warehouse. As far as the committee has been able to ascertain such a contract has not been executed and the committee has been apprised of no reasonable justification for this transaction.

In an effort to establish the responsibility for this transaction officials involved were closely questioned and gave conflicting statements. Mr. Eldon Richardson has stated in effect that he issued instructions that commodities should be stored in the Mallory Avenue warehouse but did not instruct that commodities should be taken from other warehouses but had in mind that they should be obtained from vendors. Mr. Ben Guthrie, Chief of the Storage Division, who received the instructions from Mr. Richardson, states that he referred such instructions to Mr. Charles Murray, Chief of Dry Storage, and that he had not issued instructions that commodities should be taken from other warehouses in order to provide the Mallory warehouse of the United Warehouse & Terminal Corp. with commodities. On the other hand, Mr. Murray has stated that he was instructed by Mr. Guthrie to make this transfer and that it was his understanding that his instructions had originated with Mr. Richardson. The committee feels that the conflicting statements and its inability to obtain forthright information from any of the officials reflected rather definitely against the management of the Shipping and Storage Branch and illustrates to some extent the lack of proper organization referred to elsewhere in this report.

3. Unbusinesslike settlement of accounts

It has definitely been brought out during this investigation and hearings that there has been no reconciliation of the inventories submitted monthly by the various warehouses with records of the WFA and that storage and service charges are being paid solely upon the word of the warehousemen that such storage and service charges are due and accurate without checking against any storage records of the WFA. It has been obvious that the lack of such procedure is primarily due to the knowledge of the officials of the WFA that they had no records which were of sufficient accuracy to make such checks.

It appears with respect to the sale of commodities to individuals and corporations that in some instances final settlement for the transaction is based upon the quantities which the purchaser states that he has received. Instances have been brought to the attention of the committee where the amount stated by the purchaser disagrees with the amounts reflected by the inventory records of the WFA and final settlement has been made based upon the quantities reported by the purchaser. Obviously such a condition makes it possible for unscrupulous operators in surplus commodities to defraud the Government and action should be taken to correct this situation.

4. Inefficient procedure for handling claims

The committee has been impressed with the lack of organization and coordination with respect to the handling of possible claims against warehouses and common carriers in accordance with losses that may have been partially due to mishandling by warehousemen and common carriers. The Chief of the Claims Division has advised in the hearings that he has not received full information concerning all possible claims and has estimated that the possible claims not received may run as high as 15 or 20 percent of the total.

The committee feels that adequate administrative machinery for the handling of claims should be promptly set up to the end that the Government's interests may be properly protected.

In some cases warehouses operated by individuals or corporations without adequate financial resources have been utilized and although the usual bond in the amount of 20 percent of the value of the goods stored has been required, complete recovery for losses sustained has not been possible. The committee feels that in the absence of extreme emergency only reputable warehouses of proven financial standing should be utilized.

5. Financial and inventory records

An examination of the hearings will reflect that practically all of the officials who were questioned admitted that the inventory records of the WFA were inaccurate. The primary responsibility for the inaccuracy of inventory records appears to rest with the Shipping and Storage Branch. It is here that all actions originate involving the acquisition and disposition, and all movements and change of status, of commodities in the custody of the WFA. It is, therefore, the responsibility of the Shipping and Storage Branch to advise promptly the Inventory Accounting Section of each and every transaction, if the latter is to be able at all times to furnish an accurate statement of the position of the WFA with reference to commodities within its custody.

The testimony of the several witnesses drawn from the Shipping and Storage Branch is in general agreement that no effective procedure has ever been imposed which will afford the Inventory Accounting Section adequate and timely data for its purposes. Statements made by John B. Charlton, Assistant Chief of the Inventory Accounting Section, disclose that his unit does not receive, in numerous instances, advices from the Shipping and Storage Branch of the receipt, disposition, or other movement of commodities until long after the action report has been had, and often not until after the position of the commodity has again changed, and in many cases such advices are never received.

From the foregoing it is apparent that even though information available to the Inventory Accounting Section should be accurately recorded and reported by that unit, it would not, because of its incompleteness, comprise an accurate inventory of the position of the WFA. It naturally follows that, inasmuch as the inventory records are admittedly inaccurate, any financial statements prepared which include inventory transactions are themselves inaccurate.

"Bulletin price"—"Unbilled accounts receivable": The inaccuracy of the financial records is, furthermore, aggravated by a procedure which has been in effect whereby sales to individuals and corporations are reported on the financial records at the bulletin price and not at the price at which the commodities were actually sold. The bulletin price is the price set by the WFA for the transfer of commodities under the lend-lease program and includes the original cost, transportation, and warehouse charges, handling charges, and a percentage estimated to be sufficiently large to cover the administrative cost and possible loss. As a result of this procedure, there is contained in the asset account, entitled "Unbilled Accounts Receivable," an undetermined amount, but amounting to several million dollars, which represents the difference between the bulletin price and the actual price received by the WFA. This results in the balance sheet of the WFA reflecting an asset of several million dollars which, as a matter of fact, is absolutely worthless and never was or never would be of any value.

In an effort to ascertain the extent of loss from spoilage and deterioration of commodities and including losses in connection with the price-support programs, the committee's investigators made requests of numerous officials for such tabulations. There has never been furnished to the committee such a tabulation, and efforts on the part of the investigators to ascertain the extent of loss have resulted in obtaining inadequate, and in some cases, conflicting information. A study of the investigators' reports which, as far as the financial records are concerned, were made by a qualified expert accountant, reflects that whereas there has without doubt been considerable losses, the financial records do not reflect such losses with sufficient particularity.

The policy of including in the bulletin price losses due to processing and repackaging of commodities has a result of confusing such losses, so that they are not distinguishable as such in any report. It is of interest to the committee to note that this method of handling some of the losses results in bulletin prices far in excess of the normal market prices, and inasmuch as the bulletin price is used in pricing transfers of commodities under the lend-lease program, the net result is that the lend-lease program is charged with such losses but they are not segregated and designated as such. While some special procedure may be necessary in the maintenance of accounts with lend-lease program beneficiaries, the records of the War Food Administration should be so kept as to accurately disclose the true losses sustained in connection therewith.

After due consideration and study of all of the facts developed with regard to the inventory records and financial statements contained in the hearings and in the reports of the committee's investigators, the committee can arrive at only one conclusion and that is that any report submitted by the WFA based upon the inventory records and financial records will be inaccurate and will fail to properly reflect the true condition. The statement by Mr. Lee Marshall, dated January 16, 1945, inserted in the hearings by Hon. Marvin Jones, War Food Administrator, reports the theoretical condition and not the actual condition as found during this inquiry. While the statement has been permitted by the committee to be placed in the hearings, it is felt that the contentions therein made as to correction of conditions are not supported in their entirety by the evidence which has been adduced and that further efforts looking toward their immediate correction are imperatively demanded.

6. Erroneous information furnished to committees of Congress

A very serious situation has been brought to light during this investigation with respect to erroneous information having been furnished to committees of Congress purportedly outlining certain conditions in the WFA with particular respect to losses and movements of commodities. Congress has every right to expect that representatives of the executive agencies will furnish accurate information upon request and in the event it is not possible for the executive agencies to furnish accurate information as requested, Congress should certainly expect that officials of such agencies would so advise.

It has been brought out during this inquiry that requests of this committee for information to be used in the consideration of appropriations for the WFA have resulted in erroneous information. The committee was advised by Colonel Olmstead, who was then Director of the Office of Supply, in the regular appropriation hearings for 1946, which were held in February 1945, that the estimated loss from the price-support program on eggs during the late spring of 1944 was $5,800,000. It appears significant to the committee that in reporting such a loss, Colonel Olmstead used an estimated report as of September 30, 1944, whereas it has been brought out during this inquiry that information as of February 1945 would most certainly indicate a far greater loss. A very conservative estimate submitted by investigators for this committee indicates that the loss on the egg price-support program will exceed $11,500,000.

During the hearings held by this committee in connection with the 1946 appropriation, a request was made for a statement of losses which was furnished in accordance with the testimony of Colonel Olmstead. An examination of the hearings will definitely reflect that this statement of losses is completely inaccurate and was known to be inaccurate at the time it was submitted to this committee. It should not be necessary for this committee or any other committee to remind officials of the executive agencies that Congress has a right to expect accurate information on request.

Only a few years ago this subcommittee developed, upon an investigation, that a responsible official of one of the agencies had, in the language of the Secretary, "invented a scheme designed to thwart the submission of complete information that had been requested" by the committee, and for so doing was subsequently removed from office by the Secretary.[1] In reporting this matter to the House, the committee stressed "the importance of absolute good faith on the part of the officers and employees of the executive branch in dealing with the Congress" and stated further "that the departments, bureaus, and independent agencies of the Government are charged with responsibility to exercise vigilance to the end that all representations and facts presented to the Congress may be beyond challenge."[2] The committee feels that the repetition of this admonition is entirely appropriate to the current investigation.

7. Lack of coordination within the organization

Evidence has been submitted to the committee by some officials of WFA who were unable when questioned to answer fully and clearly inquiries regarding procedure and organization of the units over which they had supervision. Undoubtedly in many branches of WFA there has been confusion on the part of administrative officials as to their jurisdiction, and frequent reorganizations have resulted in confusion on the part of some employees as to the official to whom they were responsible, and there appears to have been lack of definite ascertainment by administrative authorities as to the jurisdiction and duties of the various units and sections with respect to some of the fields in which they operate. It also seems to the committee to be true that some branches of the organization have lacked proper supervision although we do not discount the insistence that properly trained and qualified supervisory personnel have been difficult to secure. The results of these defects in administration in the attitude of employees toward their job and in efficiency of the discharge of their duties is described in the evidence of Col. Ralph W. Olmstead, Director of the Office of Supply, on page 457 of the hearings. In addition, lesser officials have indicated their familiarity with this situation and have stated that they have called attention of higher officials to it without material result.

Col. Ralph W. Olmstead has been a predominating factor in the War Food Administration, particularly with respect to the purchase, distribution, and storage of food. This is not to say that others in the organization were without responsibility, but obviously Colonel Olmstead's position in the broad food-handling picture is such as to preclude the dodging of responsibility by laying the blame on a lesser official under his jurisdiction.

8. Questionable transactions

Dried egg albumen sale: One of the transactions handled by the officials of the WFA brought out during the hearings concerns the sale of dried egg albumen. The basic facts of the transaction are that 89,600 pounds of dried egg albumen were sold by the WFA to George Ehlenberger & Co. of New York City, for ultimate disposition to a Swiss firm, at $1.30 per pound at a time that the WFA had no surplus of dried egg albumen on hand and in order to fulfill the sales contract would have to purchase in the open market at from $1.70 to $1.85 per pound. It has been furthermore brought out during the hearings that this sale was highly irregular in that the normal procedures were not followed, such as offering the commodity to the original vendor, publicly announcing the sale for bid or disposing of surplus commodities through a definitely approved program. It is of further interest to note that this transaction upon being discovered by the committee's investigators and brought to the attention of the officials of the WFA has resulted in efforts on the part of the WFA to cancel the contract on the basis of illegality. The committee cannot reconcile the statement of officials that the contract is now illegal and that it was legal at the time of the original negotiation and subsequent execution of the contract. To say the least, the committee feels that this transaction was extremely unbusinesslike without any logical reason for its having been made and has resulted in a definitely unnecessary loss to the Government.

The cave cooler: Another transaction which has been of tremendous interest to this committee involves the construction of cooler storage space in a cave located near Atchison, Kans. It has been stated during the hearings that the original negotiation resulted in the Government's agreeing to pay $20,000 a year rental to the Kerford Co., operators of the limestone mine in the so-called cave; that as of the date of the hearings no formal lease has been executed; that the Kerford Co. was leasing the cave from others at a rental of $7,100 per year; that subsequently the WFA agreed to pay the Kerford Co. a lum sump of $40,000 to cease mining operations in the cave since such operations were interfering with the construction work and the original rental agreement provided that mining operations should continue.

It has furthermore been proven and admitted that the contract for the construction of this facility was let to J. F. Pritchard Co., of Kansas City, Mo., without benefit of bids; that the contract for the operation of the facility was let on the basis of informal bids and not let to the lowest bidder, and furthermore provided for the operation to start September 1, 1944, with an agreement that the WFA would pay a management fee no less than $5,000 per year; and that the facility is not yet ready for operation. It is furthermore of interest to note that the operating contract was let to the Atchison Ice Co., which is owned by the contractor, J. F. Pritchard Co., his son-in-law and a representative of the Frick Refrigeration Co., who assisted in the original survey and concurred in the recommendation that the cave should be converted to cooler storage.

The defense aid funds under the control of the Foreign Economic Administration have been used to the extent of $1,650,000 in this facility and recently FEA refused to advance $350,000 additional for its completion on the ground that the need for it no longer existed in the lend-lease program since adequate commercial space was available. Recently the Board of Directors of the Commodity Credit Corporation have advanced $350,000 additional for its completion, justifying their action on possible use of the facility in the postwar period.

The justification for this facility has been given to the committee as shortage of commercial cooler space and the rapidity with which this facility could be made available. It has been noted that in the summer of 1944, when this project was first started, considerable publicity was given out to the effect that the facility would be ready for storage by September 1944. As previously stated, it will not be ready until approximately July 1, 1945. Statements have been submitted to the committee from the National Association of Refrigerated Warehouses which reflect that at the most crucial period from the standpoint of availability of cooler space, the commercial facilities could have accepted in excess of 12,500 carloads of cooler commodities and that at the present time these commercial facilities are capable of handling in excess of 31,000 carloads of commodities in cooler storage. This association has furthermore stated that the shortage of labor which has on many occasions been brought to the attention of WFA officials has been the primary cause for inability to handle additional commodities, rather than shortage of space.

The committee is not convinced as to the necessity for this facility and feels that very definite consideration should be given by officials of the WFA and Commodity Credit Corporation to abandonment of this project and recovery of as much as possible from the $2,000,000 investment.

9. Personnel policies

Members of this committee have a definite feeling and belief that the personnel policies of the WFA have been very lax. In two instances during this investigation the committee has been advised that individuals with prior criminal records have been placed in positions of responsibility, have been recommended from time to time for promotion, even though in addition to their criminal records they have been the subject of inquiry for violation of Department of Agriculture regulations. The committee is cognizant of the fact that there has been a manpower shortage and for that reason it has not been easy to obtain as high a grade personnel as might be desired.

The committee feels, however, that the manpower shortage as such cannot excuse the placing of incompetent persons in responsible positions and, more particularly, the retention of incompetent persons after their incompetency has been determined. This is not to say that all persons in the WFA are incompetent, but the committee has been impressed with the fact that too

[1] See H. Rept. No. 1848, 77th Cong., p. 11.
[2] See H. Rept. No. 176, 77th Cong., p. 5.

many incompetent persons have been employed in positions of responsibility. The difficulties of efficient administration are multiplied under existing circumstances, and the committee is not in position to say that in all cases adequate trained and qualified personnel has been available. It is but fair to state that the Civil Service Commission has had its degree of responsibility for the approval for classification under the Ramspeck Act of persons who have had prior criminal records. It is also fair to point out that since this committee began its investigation the two individuals to whom reference has been made have been separated from the service of the War Food Administration.

10. Losses under egg price-support program

The committee appreciates the fact that in a program of this size, one of whose primary purposes was to insure to the producers an adequate market price for eggs, great losses were necessarily sustained. While purchase of run-of-the-nest eggs without inspection is practiced in the trade in some sections of the country and the committee does not question but that some Members of Congress urged that this procedure be followed in the egg price-support program in an effort to assure to the producers the type of relief to which they were entitled, it nevertheless feels that there should have been the candling of eggs in order to avoid losses which could have been in this way readily averted.

The committee does not feel that Congress gave any direction or instruction to War Food Administration which could be relied upon by its officials as justifying lack of this degree of care. It is not unmindful of the fact that the price per dozen eggs paid under this method of procedure was 27 cents, whereas had the eggs been inspected the support price was 30 cents, nor has it overlooked the insistence of the War Food Administrator that the eggs purchased really cost the Government less after taking a loss on account of bad eggs than would have been the case had the full support price been paid for thoroughly inspected eggs. However, so far as the committee is concerned, it believes that at least the measure of inspection indicated should have been practiced and that the losses in the program would have been considerably reduced had that been done.

The lost 400 cars of eggs: It is of interest to the committee that the status of approximately 400 cars of eggs which are reflected on the records of the WFA to have been purchased and consigned to certain warehouses has not been definitely ascertained and that WFA apparently has no records reflecting a receipt of these eggs in warehouses. Up to a month ago they were still carried on the records as "in transit." Whether this represents a real loss or only inaccuracy in the maintenance of proper records is, of course, debatable. In either event the situation is one which does not indicate efficient administrative procedure and the need for further investigation and correction is evident.

11. Conclusion

In considering this report, it must be borne in mind that the committee had available voluminous information obtained by the investigative staff which does not appear in the hearings. In some instances it was not felt necessary by the committee to bring out in the hearings this additional information and in other and more frequent instances, the information contained in the investigators' reports was obtained from confidential sources and the committee feels that such sources should be protected.

It should also be noted that this inquiry did not attempt to cover all of the activities of the War Food Administration but was confined to a representative segment of the warehousing, storage, and record-keeping functions. The committee cannot condemn all operations of WFA on the basis of this inquiry but the sample reviewed would indicate the desirability of officials of WFA reviewing all operations for efficient administration.

It is impossible for all of the deficiencies in the operation of the WFA to be justified upon the basis of the magnitude of the over-all operations. Many of them have been deficiencies of the type which should have at once required the most diligent efforts for their correction on the part of supervisory officials as soon as they were called to their attention, whatever the magnitude of the operations. We appreciate the fact that the WFA has indeed been faced with tremendous problems and we feel that the pride expressed by Judge Marvin Jones, present Administrator, in the course of the hearings, that no ship has had to sail without the requested food abroad and that, generally speaking, all commitments made by the WFA for delivery of commodities under the lend-lease program have been met, is thoroughly justified. WFA has met a national need in a period of extreme emergency and the over-all result has been one of which the people of this country have the right to be proud. The committee does feel, however, that these facts do not excuse errors in administration which were avoidable or which, if unavoidable, could have been corrected and were not corrected after proper notice of their existence had reached those who were in position to bring about corrective action. There appears to be no logical reason why more accurate records of WFA could not have been kept nor why the commitments of WFA could not have been met as readily or perhaps more readily if this had been done. The committee realizes that it was difficult to organize the regular flow of commodities to shipside due to the irregularity of ship schedules but there appears to be no logical reason for inefficiencies in administration which have resulted in some cases in commodities which are in demand in the civilian market remaining in storage until they reach such a deteriorated condition that they are unfit for human consumption.

The committee desires to state that the present War Food Administrator, Judge Marvin Jones, has cooperated with the committee in every possible way in making available to it and to its investigators any and all of the files and records of his organization and has evidenced a willingness and a purpose to cooperate to the end that the most searching investigation possible should be made. He it was who requested investigation of alleged criminal actions of WFA officials and employees by the Federal Bureau of Investigation and has been insistent that, if possible, a report of the Federal Bureau of Investigation as to its investigation and the results thereof should be secured and inserted in the records of these hearings. He has also expressed a willingness to correct mistakes in administration wherever they have been or may be shown. It is the hope of this committee that during his further administration of WFA the evidence in these hearings and the findings in this report may be of value to him in the efficient performance of his duties.

The committee desires to state that the information obtained by the investigative staff has been made available to Congressman CLINTON P. ANDERSON, who will take over the duties of Secretary of Agriculture and War Food Administrator as of July 1, 1945. It is the desire of this committee to cooperate to the fullest extent with Mr. ANDERSON and, for that reason, he has been acquainted with all of the facts developed during this inquiry. The committee has furthermore advised Mr. ANDERSON that it will expect periodic reports of progress from him as to the remedial measures that have been taken. It is furthermore the intent of this committee to keep in close touch with the situation through its investigative staff to determine the progress being made.

PEARL HARBOR FOOD CACHES

The present inquiry has resulted in disclosing many matters bearing on the War Food Administration and on the general food supply situation which suggest the desirabilty of further nvestigation. As an example, War Food Administrator Marvin Jones testified that at the time of Pearl Harbor, there was real fear of an attempted invasion by the Japanese, and it had been reported to him by person who should know that, as a safeguard, great quantities of food had been located in different parts of the country without keeping any records of them. While it is possible such stocks of food, if they existed, may have since been returned to normal channels, Mr. Jones was unable to advise the committee whether that had occurred. Such supplies, if consisting of commodities now short, would be very useful if found.

UTILITY OF INVESTIGATION FOR ACTION UPON APPROPRIATION REQUESTS

The committee is impressed with the valuable results of this investigation as respecting its function of acting upon budget requests. When the regular appropriation bill for the Department of Agriculture for 1946 was under consideration by the committee and by the Congress, the investigation was still in its inconclusive stages. It did not, therefore, except in limited degree, enter into the determinations under that bill. However, with respect to future bills, the members of the committee have very definitely enlarged their familarity with the functions of the War Food Administration and of the interrelationships of its several programs. They have also acquired a better understanding of the administrative set-up, its weaknesses, and the possibilties of its improvement through a more intelligent and sympathetic consideration by the committee. Reductions in appropriations, or more fruitful expenditures under the existing amounts, should inevitably follow.

Mr. WILLIAMS. Mr. President, if the Secretary can interpret the statements which I just read and which are contained in the report, to mean that the House committee, under the leadership of Judge Tarver, was fully satisfied with the operations of the Corporation, then either he or I just do not understand the English language. If this is a favorable report in the eyes of the Secretary of Agriculture, then I should be most interested in reading what he considers to be an unfavorable report.

Contrary to being fully satisfied, as claimed in the letter of April 5, 1946, addressed to Mr. SPENCE, I point out that not only was the committee not satisfied, but it actually recommended a further investigation. On page 4 of the report it was specifically stated:

> We believe that a further investigation of them and of the operations of the War Food Administration as a whole is thoroughly justified and desirable.
>
> We understand that an investigation is at this time under way under the jurisdiction of the Comptroller General with reference to stocks in warehouses controlled by the WFA, the results of which should be of considerable value.

The investigation to which reference is made is the investigation which was conducted by the General Accounting Office, a report of which was submitted to the Senate only on March 30, 1949, following my introduction of a resolution demanding the report. It was this report of the General Accounting Office as requested by the House committee under

the chairmanship of Judge Tarver on June 27, 1945, and submitted to the Congress on March 30, 1949, which disclosed for the first time the fact that the amount of $366,643,129 recorded as due from sales made in the general commodity-purchase program of the Corporation could not be supported or verified.

I again remind the Senate that when the House committee, under Judge Tarver, referred to the War Food Administration, it was in each instance referring to the Commodity Credit Corporation, since, during the war period, this Corporation operated under the name of the WFA or War Food Administration under Executive Order No. 9334, dated April 19, 1943.

Throughout the report there are charges and evidence of negligence, waste, and extravagance beyond the imagination.

It was a common practice of the Corporation in disposing of surplus commodities in many instances to make no effort whatever to check the accuracy of the quantities delivered to the purchasers. They merely allowed them to go into the warehouse, take what they wanted, render their own accounting, and report the amount which they felt they owed.

There is plenty of evidence that warehouse charges have been paid without any effort being made on the part of the management to determine whether such charges were due. Reports have come in containing instances of duplications of payments having been made on charges which were submitted, some of them accepted, and many of them returned. The books of the Corporation were in such a state that it was not known how much was owed, and many times duplicate payments or no payments at all would be made.

In the case of this particular Corporation, even today Congress has not as yet seen the financial reports for the years 1946, 1947, and 1948, each of which, under the law, was required to be submitted to the Congress not later than January 15 following the ending of the fiscal year on June 30. We now know that the books were in a deplorable state for the period 1943–45. All we know about the records for the years following that period is that we are told by the General Accounting Office, which is conducting the survey, that they were found to be improved. Evidently their bookkeeping methods have not improved sufficiently to make it possible for the General Accounting Office to make annual audit in time for submission to the Congress.

Congress saw fit last year to take away from the Secretary of Agriculture exclusive control of this Corporation and place it in the hands of an independent board of directors. We have been told by the General Accounting Office that during the past year the affairs of the Corporation, under a board of directors subject to Senate confirmation, have been conducted in the best manner in which they have ever been conducted in the history of the General Accounting Office examinations.

The very least we should do is to find out in just what condition the affairs of this Corporation are for the years 1946, 1947, and 1948 before returning the control to any one man. That is one of the reasons why Congress passed the so-called Byrd-Butler bill, in which it was provided that each corporation should be granted a Federal charter, that the directors should be confirmed by the Senate, and that they should be accountable to Congress and not to any part of the executive branch of the Government.

I urge that the conference report be rejected. If it is rejected, I shall move that new conferees be appointed with instructions to insist upon that provision of the Senate bill under which members of the Board of Directors would be confirmed by the Senate and granted proper authority to carry out the functions which we expect them to carry out.

I yield the floor.

Mr. KEM. Mr. President, I suggest the absence of a quorum.

Mr. LUCAS. Mr. President, will the Senator withhold his suggestion?

Mr. KEM. I shall be glad to withhold it.

RECESS

Mr. LUCAS. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 26, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 25 (legislative day of May 23), 1949:

DIPLOMATIC AND FOREIGN SERVICE

George P. Shaw, of Texas, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

Pete Jarman, of Alabama, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

Nathaniel P. Davis, of New Jersey, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Costa Rica, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Hungary.

Joseph Flack, of Pennsylvania, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Bolivia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

IN THE COAST GUARD

The following officers of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard, dates of rank to be computed upon execution of oath in accordance with regulations:

To be lieutenants (junior grade)

Jules F. Fern
Richard H. Hagadorn
Richard E. Weinacht

To be ensign

Maurice Dean Bowers

The following licensed officers of the United States merchant marine to be commissioned in the United States Coast Guard:

To be lieutenants

Emerson Hayes, Jr.
John Wilfred McCurdy
Warren F. Stevenson

To be lieutenants (junior grade)

Rollin Tabbutt Young
Cornelius George Farley
Rex Langdon Stone, Jr.

The following temporarily commissioned officer to be commissioned in the United States Coast Guard:

To be lieutenant (junior grade), to rank from January 15, 1947

Martin S. Hanson, Jr.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 25, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, we rejoice this morning that Thou art our Father upon the earth, and we beseech Thee to ever enable us to be true, true to ourselves, true to our country, and above all true to our God, the God of our fathers. Abide with us today, Heavenly Father, and direct us in all that we may do. May we always do that which is right, that we may ever cherish a beautiful memory of a day well spent in Thy sight and before our fellow man. Through Jesus Christ our Lord and our Saviour. Amen.

The reading of the Journal of the proceedings of Tuesday, May 24, 1949, was dispensed with, and the Journal was approved.

COMMITTEE ON RULES

The SPEAKER. Without objection, the Committee on Rules may have until midnight tonight to file a rule.

There was no objection.

RECESS

The SPEAKER. Pursuant to House Resolution 186, the Chair declares the House to be in recess for the purpose of holding memorial services as arranged by the Committee on Memorials.

Accordingly the House stood in recess to meet at the call of the Speaker.

MEMORIAL SERVICE PROGRAM, MAY 25, 1949

Prelude, sacred selections (11:30–12)—United States Army Band
Presiding officer—The Speaker
Hon. SAM RAYBURN
Invocation—The Chaplain
Dr. James Shera Montgomery
Solo, There Is No Death (O'Hara)—Mr. Robert C. Nicholson
At the piano—Sgt. Albert Goepper
Scripture reading and prayer—The Chaplain
Roll of deceased Members—The Clerk of the House of Representatives
Devotional silence.
Address—Hon. REVA BECK BOSONE
Representative from the State of Utah
Solo, Requiem (Homer)—Mr. Robert C. Nicholson
At the piano—Sgt. Albert Goepper
Address—Hon. FRANCES P. BOLTON
Representative from the State of Ohio
Taps—Sgt. Charles Barnes
Echo—Sgt. George Myers
Benediction—The Chaplain

The Members of the House rose and stood while the relatives of the deceased Members were escorted to seats in the House Chamber by the Committee on Memorials, preceded by the Doorkeeper of the House of Representatives.

MEMORIAL SERVICES

The SPEAKER presided.

INVOCATION

The CHAPLAIN. Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee and worthily magnify Thy holy name. Through Jesus Christ our Lord. Amen.

SOLO

Mr. Robert C. Nicholson, accompanied at the piano by Sgt. Albert Goepper, sang There Is No Death (O'Hara).

SCRIPTURE READING AND PRAYER

The CHAPLAIN—

Let not your heart be troubled: ye believe in God, believe also in Me. In my Father's house are many mansions: if it were not so, I would have told you. I go to prepare a place for you. And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also.

The Lord is my shepherd; I shall not want. He maketh me to lie down in green pastures: He leadeth me beside the still waters. He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake. Yea, though I walk through the valley of the shadow of death, I will fear no evil, for Thou art with me; Thy rod and Thy staff they comfort me. Thou preparest a table before me in the presence of mine enemies: Thou anointest my head with oil: my cup runneth over. Surely goodness and mercy shall follow me all the days of my life, and I will dwell in the house of the Lord forever.

"As I stand by my cross on the lone
mountain's crest,
Looking over the ultimate sea,
In the gloom of the mountain a ship
lies at rest,
And one sails away from the lea.
One spreads its white wings on a far-
reaching track,
With pennant and sheet flowing free;
One hides in the shadow with sails laid
aback—
The ship that is waiting for me!

"But lo! in the distance the clouds break
away!
The Gate's glowing portals I see;
And I hear from the outgoing ship in
the bay
The song of the sailors in glee.
So I think of the luminous footprints
that bore
The comfort o'er dark Galilee;
And wait for the signal to go to the
shore,
To the ship that is waiting for me."

Heavenly Father, our minds are arrested as we pause to meditate upon the brevity of this life and the immortality of the human soul. Thy providential care towers above the horizons of human needs, and reveals the ultimate blessing to those who pass this way. Our hearts sing, "God cares."

O Thou who didst bow Thy head upon the cross, comfort the sorrowing ones who linger here. Not in vain do we call upon Thee, for we know that neither death, nor life, nor powers, nor any other creature can separate us from the love of God, which is in Christ Jesus our Lord. Amen.

ROLL OF DECEASED MEMBERS

Mr. Alney E. Chaffee, reading clerk of the House of Representatives, read the following roll:

JOHN HOLMES OVERTON, a Senator from the State of Louisiana: Born September 17, 1875; lawyer; graduated from the Louisiana State University at Baton Rouge in 1895 and from Tulane University at New Orleans in 1897; former member of the board of supervisors of Louisiana State University; Member of the House of Representatives, the Seventy-second Congress; elected to the United States Senate in 1932, 1938, and 1944; died May 14, 1948.

HARLAN JOHN BUSHFIELD, a Senator from the State of South Dakota: Born August 6, 1882; lawyer; attended the Dakota Wesleyan University at Mitchell, S. Dak.; graduated from the Minnesota University Law School at Minneapolis in 1904; served as Governor of South Dakota, 1939–42; elected to the United States Senate in 1942; died September 27, 1948.

JOSEPH MELVILLE BROUGHTON, a Senator from the State of North Carolina: Born November 17, 1888; lawyer; attended Hugh Morson Academy, Wake Forest College, and Harvard University Law School; member of the State senate, 1927–29; served on the board of trustees of Wake Forest College and the University of North Carolina; Governor of North Carolina, 1941–45; elected to the United States Senate in 1948; died March 6, 1949.

THOMAS LEONARD OWENS, Seventh Congressional District of Illinois: Born December 21, 1897; lawyer; attended Northwestern University and De Paul University, Chicago, Ill.; graduated from Loyola University Law School, Chicago, Ill., in 1926; served as a private in World War I; Member of the Eightieth Congress; died June 7, 1948.

MILTON HORACE WEST, Fifteenth Congressional District of Texas: Born June 30, 1888; lawyer; attended the West Texas Military Academy, San Antonio, Tex.; served with Company C, Texas Rangers, in 1911 and 1912; district attorney, 1922–25; assistant district attorney, 1927–30; served in the State house of representatives, 1930–33; Member of the Seventy-third to Eightieth Congresses, inclusive; died October 28, 1948.

JOHN JOSEPH DELANEY, Seventh Congressional District of New York: Born August 21, 1878; merchant; lawyer; attended St. James' Academy, Brooklyn, N. Y., and Manhattan College, New York City; graduated from Brooklyn Law School, St. Lawrence University, in 1914; delegate to the Democratic State conventions in 1922 and 1924; deputy commissioner of public markets of New York City, 1924–31; Member of the Sixty-fifth and the Seventy-second to the Eightieth Congresses, inclusive, and Member-elect of the Eighty-first Congress; died November 18, 1948.

SOL BLOOM, Twentieth Congressional District of New York: Born March 9, 1870; music publisher; captain in the New York Naval Reserves in 1917; director of the United States George Washington Bicentennial Commission; director general of the United States Constitution Sesquicentennial Commission; chairman of Committee on Celebration of the One Hundred and Fiftieth Anniversay of the United States Supreme Court; director and United States Commissioner, New York World's Fair, 1939; Member of the Sixty-eighth to the Eighty-first Congresses, inclusive; died March 7, 1949.

ANDREW LAWRENCE SOMERS, Tenth Congressional District of New York: Born March 21, 1895; manufacturer; attended Manhattan College and New York University in New York City; served in World War I as a hospital apprentice, ensign, and naval aviator; delegate to the Democratic National Convention in 1928; Member of the Sixty-ninth to the Eighty-first Congresses, inclusive; died April 6, 1949.

ROBERT LEWIS COFFEY, JR., Twenty-sixth Congressional District of Pennsylvania: Born October 21, 1918; engineer; soldier; attended the University of Pittsburgh and Penn State College; appointed as a flying cadet in 1939 and during World War II served through successive promotions from second lieutenant to lieutenant colonel; flew 97 combat missions; received numerous citations and decorations, including the Distinguished Flying Cross 3 times, and the Air Medal 27 times; served as military air attaché, United States Embassy, Santiago, Chile, 1945–48; Member of the Eighty-first Congress; died April 20, 1949.

Mrs. NORTON, a Representative from the State of New Jersey, standing in front of the Speaker's rostrum, placed a memorial rose in a vase as the name of each deceased Member was read by the Clerk.

DEVOTIONAL SILENCE

There followed a period of devotional silence, during which the Members stood.

The SPEAKER. The Chair recognizes the gentlewoman from Utah [Mrs. BOSONE].

Hon. REVA BECK BOSONE, a Representative from the State of Utah, delivered the following address:

ADDRESS BY HON. REVA BECK BOSONE

Mrs. BOSONE. Mr. Speaker, it is with gratitude that I accept your invitation to participate in today's memorial exercises. I realize the responsibility of fully expressing the spirit of warm friendship and the reverence which the Members of this distinguished body have for those comrades who have lifted that curtain of mystery and gone on to eternal rest. It is with a spirit of humility that I attempt my assignment.

It singeth low in every heart,
We hear it each and all—
A song of those who answer not,
However, we may call;
They throng the silence of the breast,
We see them as of yore—
The kind, the brave, the sweet,
Who walk with us no more.

It's hard to take the burden up
When these have laid it down;
They brightened all the joy of life,
They softened every frown;
But, Oh, 'tis good to think of them
When we are troubled sore!
Thanks to God that such have been,
Although they are no more.

More homelike seems the vast unknown,
Since they have entered there;
To follow them were not so hard,
Wherever they may fare;
They cannot be where God is not,
On any sea or shore;
What e'er betides, thy love abides,
Our God, forever more.

Thanks be to God that such have been,
Although they are no more.

Bright is the morning with glaring light when the sun rises in the east. Brighter still become its rays as the morning grows into noon—the most brilliant part of the day. As afternoon

wears on, the heavens shade the brilliance with colors in full bloom—the sunset. Then the twilight gathers in luxuriant hues, evening descends and darkness puts the world to sleep.

So it is with the life span of man. With great exultation a child is born. A smile is on every face. With each hope of life's expectancy, dreams are translated into reality. At the noontime of man's life great in luster is his development, varied is his activity, and bright is his future. As life wears on, his colorful contributions envelop him. Twilight slows the pace but sweetens the path—night descends. He who was once a child becomes a man, and in the evening of his life slips away into the night to rest forever.

In the midst of today's turmoil and haste, it is fitting that we pause to pay homage to those Members of Congress who in this past year have answered their last roll call. When those illustrious gentlemen—Senators JOHN HOLMES OVERTON, of Louisiana; HARLAN JOHN BUSHFIELD, of South Dakota; and JOSEPH MELVILLE BROUGHTON of North Carolina—answered to their names on those heavenly rolls, I am sure it was with a strong voice of conviction, and that they went with a firm step of courage—two qualities so eminent in these distinguished statesmen.

It was with sweet satisfaction that I perused the RECORDS and found sincere appreciation of the attributes of each of the Members of the House when notice came of his passing. Let me pay tribute to them in the words of one of their colleagues:

I know no man who assumed his responsibilities and duties as a Member of Congress more seriously than TOM OWENS. His name will go down in history as one of those rare individuals who made a thorough study of legislation and fought for what he considered to be right and just and in the best interests of the people of our glorious country.

Those who served with MILTON WEST know that he was firm in his convictions and, moreover, that he had the courage to stand by them at all times and under all circumstances. Here was the type of Representative who never deviated from what he considered the fundamental principles of sound government.

JOHN DELANEY was not only a lovable personality but a man of understanding nature; a man with whom anyone could live, without regard to differences of opinion or race or color or creed, because he was possessed of that one spirit, which I think is more important to enable people to live together than anything else—the spirit of understanding, of respect of one for the other, with an understanding state of mind.

America gave SOL BLOOM his opportunity and America honors him in passing. He was a devoted public servant. He represents the challenge of our civilization.

ANDREW SOMERS was a great student and authority on the Constitution of the United States—its origin and its interpretation. He was perhaps the greatest authority in the House on the world monetary situation. President Roosevelt recognized his knowledge and ability by appointing him a delegate to the International Monetary Conference that was held in London.

It has brought sorrow to the hearts of all of us to see the sudden passing from our midst of so young a man as Col. ROBERT COFFEY—one who had such a brilliant record in the war and who bore such promise of great accomplishment in the field of government and statesmanship.

To these tributes which have already been spoken, those of us here know that we can add one other tribute which is applicable to each and every one of these men. It is this: "As the soldier died in patriotic service, so did he."

Today the eyes of the whole world are centered on the building in which we now sit—the Capitol of the United States. The words that are spoken and the deeds that are consummated here have a deep and abiding effect on men and women all around the globe. Unrequested, our great country through its humanitarian philosophy has assumed world leadership and world responsibility.

That this country now sits on this pinnacle of preeminence is due in no small measure to many of the men who stood during their lifetime in the well of this House.

Thanks be to God that such have been,
Although they are no more.

'Tis true—no more they live in their worldly tabernacles—no more do we feel the warmth of their friendly smile, the grip of a strong handshake—the chastisement of our views on legislation, sometimes deserved. But truly we feel the inspiration of what they said—and what they did. Their convictions and their deeds will live forever in the statutes of this Nation. Their courage and humanity have forged an unbroken chain of friendship among those they met in their service to their country.

Thanks be to God that such have been,
Although they are no more.

"No more"? Who can say that? Regardless of a person's religious views or church affiliation, it is difficult to say where this influence leaves off. A word said today, blossoms into a thought tomorrow, and eventually activates a deed. Where is the end? There is none. Kind words and noble deeds go on forever. Their identity is lost, but the identity is not important.

Have you ever sat on the side of a mountain and observed the bigness of the universe? Have you ever stood on a high pinnacle where a panoramic view of God's handiwork overwhelmed you? One's ego vanishes into nothingness upon the sight of God's creation.

There is no end—a beginning of something else—what? Does it matter? If it does, climb to the topmost ridge of the nearest hill and drink in the fresh air and relax in nature's beauty. Fast will come the realization that there is a plan—a beginning, a development—a death—a death that there must be a rebirth. There is no end.

Some trees have shallow roots. They spread widely, but are stumped. Their shadow is large for awhile, but the tree soon topples and is gone.

Other trees send their roots deep into the earth. They reach for the heavens and grow tall. Their shadow is broad and long and remains for hundreds of years.

Some men develop fast and glamorously, but leave without an imprint upon the life of man—their shadow fades.

Other men work slowly but surely for the benefit of their fellow man. Their unselfish and noble thoughts and deeds give them a deep and rich foundation upon which they grow—grow to such a height and with such firm roots that their shadow lasts.

Some had a full day in which to develop; others, like Colonel COFFEY, lived a long life, but a short day.

We have long ceased to count the numerical years of a man's life, his life is calculated only on the scale of achievement, not selfish attainments but contributions to the happiness and security of mankind.

I feel sure that each Member of Congress who has answered the final roll call has shortened his life because he has placed responsibility to his country first. His community and State achievements have been given national expression. The weight of his conscientiousness in his daily work gave him deep roots, a long shadow, and an everlasting influence in the world.

Thanks be to God that such have been,
Although they are no more.

Death is only an old door,
Set in a garden wall;
On gentle hinges it gives, at dusk
When the thrushes call.

There is nothing to trouble any heart;
Nothing to hurt at all.
Death is only a quiet door
In an old wall.

Our beloved colleagues—

Cannot be where God is not,
On any sea or shore;
What e'er betides, thy love abides,
Our God, forever more.

SOLO

Mr. Robert C. Nicholson, accompanied at the piano by Sgt. Albert Goepper, sang Requiem (Homer).

The SPEAKER. The Chair recognizes the gentlewoman from Ohio [Mrs. BOLTON].

Hon. FRANCES P. BOLTON, a Representative from the State of Ohio, delivered the following address:

ADDRESS BY HON. FRANCES P. BOLTON

Mrs. BOLTON of Ohio. Mr. Speaker, some 15 years ago I was in London on the November day that marks the cease-fire order of the First World War. We call it Armistice Day, the British call it Remembrance Day, and so observe it.

It was not cold, but there was a mist which now and again became the soft rain with which Londoners are so familiar. Close after dawn the people began to gather at the Cenotaph, that simple monument in the very heart of busiest London to which every cabby unobtrusively tips his hat as he drives by it with a reverence which comes from his heart. There was to be a simple memorial service there in midmorning, read by bishops and archbishops, attended by the King and Queen and all the royal family, and shared by all the great and small who could get near enough to hear, as well as those who just stood quietly beyond the range of sight and hearing.

Many of the battle monuments had been designated as gathering places. We chose the one at Hyde Park corner, where a platoon of the regiment whose dead were honored there stood watch. At a few minutes before 11 a car drove up, several men in the formal morning coats of Members of Parliament got out, and in their turn placed a wreath and took their places beside the monument.

If you knew London in the thirties, you knew the teeming noise of that unbelievably busy corner with its busses, cabs, and cars of every sort, its hawkers of every kind. Then suddenly the bugler sounded the first note of taps, and instantaneously there was silence, hats were off, and we all stood motionless as the poignant call went out, to be taken up in the distance to the north, to the south, to the east, to the west, like echoes in the mist. Tears ran unchecked from the eyes of stalwart men and sad-eyed women as the sound died. Then once again the bugler raised his bugle to his lips—reveille. The English notes vary a little from ours, but there was no mistaking the call.

Deeply moved, I waited until the crowd had gone and I could go quietly up to this bugler and ask some little question which would perhaps draw from him the reason for this second call, as it did. He saluted, tears still in his eyes and on his cheek. "Yes, lady, we plays them taps and then we plays them reveille to remind us of the Resurrection."

Later in the day we went to Westminster Abbey, outside of which, in the grass plot, miniature cemetery lots had been marked out, each with the name of some regiment, each with rows of tiny crosses made of palm with a red poppy at the crossbar. There were literally thousands of them, and even as we stood there men and women and children came quietly and planted their crosses beside those already there.

And inside the Abbey?

I wish I could paint the picture to you in words you would never forget. We took our places at a side door in the quiet line that had begun its march in the early morning and in a few minutes found ourselves in the great Abbey. Only the chancel was lighted—the boy choir was chanting evensong. A deep red velvet rope outlined the slab under which lies the body of their unknown soldier. Four guards stood at the four corners. Heaped waist high upon the stone were red roses, placed there one by one even as we placed ours as we too paid our respects to the unknown dead—a steady stream of men and women from early day to dark—remembering.

Mr. Speaker, we, too, as a Nation have our Memorial Day. We, too, pay homage to our gallant dead who served their country on the battlefields of earth and sky and sea. This we shall do in all the cemeteries of this great land and those beyond the seas when Monday is upon us.

We here of the Congress of this indissoluble Union of great States have our own remembrance day when we come together to honor those who served their country in these halls through years that held both peace and war.

We have gathered here on this lovely spring afternoon in especial remembrance of those men to whom the gateway into the unseen has opened during the past year. Permit me to name them one by one that we may bring them more closely among us at this moment:

Senator JOHN H. OVERTON, Louisiana.

Senator HARLAN J. BUSHFIELD, South Dakota.

Senator J. MELVILLE BROUGHTON, North Carolina.

Representative THOMAS L. OWENS, Illinois.

Representative MILTON H. WEST, Texas.

Representative JOHN J. DELANEY, New York.

Representative SOL BLOOM, New York.

Representative ANDREW L. SOMERS, New York.

Representative ROBERT L. COFFEY, JR., Pennsylvania.

We come to do them honor, these whose span of years is done, with the warmth of their personalities still with us and the echo of their voices still lingering in these halls. We come to commend them to the Almighty and to wish them godspeed on their next adventure.

As is our custom we have invited their families to come among us that they may know we share their loss, that we reach out our hands and hearts to them in their bereavement.

Friends, we welcome you. We hope that there may flow into you the warmth of this fellowship and that it may never grow cold. Especially do I welcome you, for I, too, have sat in those very seats with my sons and have been lifted up on this same tide of understanding. May you take with you from this hour of togetherness a new courage, and a deepened sense of what the years of service given here to our great country by the men you love meant to them and to the land they served. May you know beyond all shadow of doubt that "grief" can be and "should be, like joy, majestic, equable, sedate, confirming, cleansing, raising, making free, strong to consume small troubles, to command great thoughts, grave thoughts, thoughts lasting to the end"—Aubrey de Vere.

May you have learned ere this that grief is but a selfish thing, that death is one with life even as the river and the sea are one. May you have found that "in the depth of your hopes and desires lies your silent knowledge of the beyond, and like seeds dreaming beneath the snow your heart dreams of spring." May I urge you to "trust the dreams, for in them is hidden the gate to eternity"—Khali Gibran.

"A nation is not a tangible thing, not a building of bricks and mortar that will crash to ruins at the first strong blow." A nation is not its laws, its customs, its behavior, even its history. "It is an echo of the past, a whisper from the future, the whole bound together with the lives, the hopes, and the endeavors of millions of men and women"—Daphne du Maurier. The strength of a nation is the morale, the restraint of its people.

Our America was founded upon a dream and established upon a vision. To the peoples of the world, America stands as a symbol of strength and progress, of enlightened living. Let us remember that, whenever we listen for the echoes of other days, and lift our eyes and try to see over the cusp of tomorrow's dawn.

For 90 and more years these very walls have welcomed the men and women who have taken their turn here under the seals of the States of which the Union is made up, to formulate the laws that should protect the freedom which God in His wisdom permits us to enjoy. Insofar as they have had light they have endeavored to be faithful to their solemn oath to protect the Constitution of the United States against all enemies, both without and within, the Constitution which gave us "a threefold cord that is not quickly broken"—Ecclesiastes 3: 7.

How marvelous that great document—that code under which all of us who are a part of government must function to protect the millions of simple men and women from the domination of other individuals and groups as well as that of government itself. Fluid, with its roots in the fundamental truths of man's very existence, containing within itself the formulas of necessary change.

For close to a century within this Chamber, and the Chamber at the other end of the Capitol, the laws of this great representative Republic have been made. Men have come here from every corner of the land to bring their particular points of view, their special contributions and lay them upon this altar. Distances are vast, both in miles and in backgrounds of thought. The clash of sectional thinking has often hurled itself back and forth as the spokesman of each area battled for particular interest. And then again the clear bell will ring from the tower of selfless patriotism and all hearts unite as if they were singing with Langston Hughes:

Let America be America again,
Let it be the dream it used to be.
Let it be the pioneer on the plain
Seeking a home where he himself is free.
Let America be the dream the dreamers dream—
Let it be the great strong land of love
Where never kings connive nor tyrants scheme.

—*The Dream of America, Langston Hughes.*

We sit here again today in this old-fashioned chamber where contention has flared, where compromise has been accomplished, where legislation has been brought forth. Above us the state seals have been a reminder that we are indeed a union of many different and differing groups. Our hearts are softened by our common loss, while before our inner eye pass these with whom we have shared the burden and the joy of service here. We shall miss them always.

Let us hope that the vibrations of loyalty and service of these many years have penetrated deep into these walls, that they may give back to those who listen the charge to be vigilant, the courage to

be strong, lest freedom, the most cherished of all man's privileges, be taken from us.

These walls are saying to us even now:

There was a dream, that men could one day speak the thoughts of their own choosing.

There was a hope that men could one day stroll through streets at evening, unafraid.

There was a prayer that each could speak to his own God—in his own church.

That dream, that hope, that prayer became America!

Great strength, youthful heart, vast enterprise, hard work make it so.

Now that same America is the dream, the hope, the prayer of the world.

Our freedom, its dream. Our strength, its hope. Our swift race against time, its prayer.

We must not fail the world now.

We must not fail to share our freedom with it afterwards.

Keep singing, keep working, and fight for America.

—From The Flag Speaks.

Yes, this land we love was dreamed into being as all things are, for first must come the stirring of the idea and then the bringing it forth into form. But that is not all—for if it is not seized hold upon and built up stone by stone, arch by arch, spire by spire, it will lie quiet until some other comes and builds it to the skies.

When the dream has been dreamed and vision has brought it into being, men must have the courage to find out its depths and heights, its breadth and all its implications and the endurance to work unceasingly to make it live, to protect it from vandals, to share it with those who have it not.

This they have done in goodly measures, these in whose name we gather here—with those whose footsteps have grown faint with the years. May we add their courage and their longings to our own, for we are a Nation so truly wanting to do right, we Americans; but we still mistake the just wanting for the doing, for the being. Just wanting to be friends with others will not make us so. Much must first be built of trust, of confidence, of mutual respect, before there can be the strong handclasp of understanding.

Just crying aloud: Let there be peace, O Lord, peace in our time—will not bring peace. When shall we learn the lesson that if we really would end war, if we would preserve freedom, then must we—

Create great peace—
The peace that demands all of a man,
His love, his life, his veriest self;
Plunge him in the smelting fires of a work that becomes his child;
Coerce him to be himself at all hazards, with the toil and the mating that belong to him:
Compel him to serve—
Give him a hard peace: a peace of discipline and justice—
Kindle him with vision, invite him to joy and adventure;
Set him at work, not to create things,
But to create men,
Yes, himself.
Go search your heart, America—
Turn from machine to man,
Build, while there is yet time, a creative peace—
While there is yet time;
For if you reject great peace,
As surely as vile living brings disease
So surely shall your selfishness bring war.

—From 1914 and After War and Laughter, by James Oppenheim.

This same thought so forcefully given by James Oppenheim after the First World War was expressed to me in other language in 1945 by an ensign in our Naval Reserve. He wrote:

Be strong, curious, tenacious in your investigations and thinking on the various matters that come before you. Be critical of anything that tends to regulate our lives—demand facts, not fine words, from those who sell these things. Don't be afraid to let us struggle with our lives, for out of struggle comes strong people.

What wisdom in his words. "Do not be afraid to let us struggle with our lives."

Is it perhaps fear that gives birth to measures that would deprive our youth of struggle, of the compulsion to serve, of the discipline of justice? Is it fear that tempts us to give him something other than a hard peace? Are we afraid to turn loose the creative forces of our people to build the creative peace that Oppenheim has said is the one way to keep from war?

If this is so then let us use these precious moments of togetherness to clasp hands, and hearts, reviewing our faith in the God in whom we have put our trust that His power may strengthen our courage and add to it the wisdom and the carelessness of self that are the essentials of leadership. Let us reconsecrate ourselves to the preservation of freedom with all its implications of individual responsibility and of selfless recognition of the interdependence of men and of nations. Let us remind ourselves that only as we give shall we possess, that only as we strive shall we attain.

These men who were our colleagues only yesterday—and the many others who preceded them, have left a command to service upon us that we may not set aside. Their valiant souls were here among us so short a time ago, striving to serve America.

We salute you, comrades, and we pledge you our word that we shall not falter in the task of protecting freedom here at home. Nor shall we fail to hold the torch high in the darkness that enshrouds the world, that other peoples far across the sea may take fresh heart and go forward toward the dawn. To do this we do know that we must "put our hand into the hand of God for that shall be to us better than a light and safer than a known way"—King George VI. What lies ahead is uncharted territory, unknown ways, for the world has changed, all things are new and we who must walk here yet a little time must take a fresh hold on courage and on faith. And let us be quite certain that could we but hear these comrades of ours as they speak to us they might well be saying:

You must not weep or grieve for me, but see
My joy that all my earthly chains be broke.
I go to other fields, a fairer land—
New vistas, wider visions meet my eye,
There will be other labors for my hand,
And new adventures 'neath that other sky.

No sigh nor tears that dissipate the soul
Can build a lasting monument on earth
For rather would I see my life-work whole,
See you convert it to some last worth.

—A Message, by Roscoe Charles Wilson.

So we have come together for an hour sharing our sorrow, strengthening our faith, taking fresh courage for the work ahead—their work and ours.

Grant us Thy blessing, Lord.

Unveil oh Thou who are the sustenance of the universe, from whom all doth proceed, to whom all must return. Thou face of the true sun now hidden by a vase of golden light, that we may see the truth and do our whole duty on our long journey to Thy sacred seat.

—From the Sanskrit.

TAPS

Sgt. Charles Barnes, United States Army, sounded taps, the echo being sounded by Sgt. George Myers.

BENEDICTION

The Chaplain pronounced the following benediction:

Now unto Him who is able to keep you from falling, and to present you faultless before the presence of His glory with exceeding joy, to the only wise God our Saviour, be glory and majesty, dominion and power, both now and evermore. Amen.

The relatives of the deceased Members were escorted from the chamber by the Committee on Memorials.

AFTER RECESS

At the conclusion of the recess, the Speaker called the House to order.

ADJOURNMENT

The SPEAKER. Pursuant to the provisions of House Resolution 186, as a further mark of respect to the memory of the deceased, the Chair declares the House adjourned until 10 o'clock a. m. tomorrow.

Thereupon (at 1 o'clock p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 26, 1949, at 10 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOFFMAN of Michigan: Committee on Expenditures in the Executive Departments. Part II. Minority views on H. R. 4754. A bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes (Rept. No. 670). Referred to the Committee of the Whole House on the State of the Union.

Mr. DENTON: Committee on the Judiciary. H. R. 4387. A bill to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Treasury Department; without amendment (Rept. No. 678). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 228. Resolution providing for the waiving of points of order on the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 679). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENTON: Committee on the Judiciary. H. R. 1023. A bill for the relief of Lois E. Lillie; with an amendment (Rept. No. 671). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 1069. A bill for the relief of Albert Burns; with an amendment (Rept. No. 672). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 1075. A bill for the relief of Harry C. Metts; without amendment (Rept. No. 673). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1282. A bill for the relief of Mrs. T. A. Robertson; with an amendment (Rept. No. 674). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1285. A bill for the relief of the legal guardian of Lena Mae West, a minor; without amendment (Rept. No. 675). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1598. A bill for the relief of D. A. Sullivan & Sons, Inc., and Thomas F. Harney, Jr., doing business as Harney Engineering Co.; with an amendment (Rept. No. 676). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 3665. A bill for the relief of Mrs. Josephine Wagnon Walker; without amendment (Rept. No. 677). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RODINO:

H. R. 4859. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. VAN ZANDT:

H. Res. 227. Resolution creating a select committee to conduct an investigation of all matters related to the awarding, cancellation, and modification of national defense aircraft contracts since May 8, 1945; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. RODINO introduced a bill (H. R. 4860) for the relief of certain Polish sailors, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

952. By Mr. MILLER of Maryland: Resolution of Wicomico County Medical Society, Salisbury, Md., against any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

953. By the SPEAKER: Petition of Otto Furtsch and others, Traverse City, Mich., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

954. Also, petition of J. K. Carr and others, Daytona Beach Townsend Club, No. 1, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

955. Also, petition of Nathan Hayes and others, Eustis, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

956. Also, petition of T. S. Kinney and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

957. Also, petition of Mrs. M. R. Pendleton and others, Sarasota, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 26, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God, our Father, in a world where the very foundations seem to be shaken, we cherish this hushed and hallowed moment which so long ago the founding fathers set apart as an altar of prayer at the day's beginning. Here bowing with contrite hearts we would be sure of Thee and of spiritual resources before we go to meet the high solemnities of waiting tasks.

In the fateful conference of nations, now deliberating in the fair capital across the seas, strengthen the high resolve of those who strive to break the fetters which bind multitudes in regimes of coercion. Especially we pray for wisdom and guidance for those who stand and speak for America. In an hour when such vast issues are at stake may those who here serve, conscious of the great tradition in which they stand, rise to greatness of vision and soul as the anxious eyes of all the nations are upon this chamber of freedom. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 25, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) to provide additional revenue for the District of Columbia.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1299. An act for the relief of Frank J. Patzke and others; and

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Humphrey	Neely
Anderson	Hunt	O'Conor
Brewster	Ives	O'Mahoney
Bricker	Johnson, Colo.	Pepper
Bridges	Johnson, Tex.	Reed
Butler	Johnston, S. C.	Robertson
Byrd	Kefauver	Russell
Cain	Kem	Saltonstall
Capehart	Kerr	Schoeppel
Chapman	Kilgore	Smith, Maine
Chavez	Knowland	Sparkman
Connally	Langer	Stennis
Donnell	Lodge	Taft
Downey	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Vandenberg
Gillette	McKellar	Watkins
Graham	Malone	Wherry
Gurney	Martin	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	Withers
Hill	Mundt	Young
Holland	Myers	

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Maryland [Mr. TYDINGS] are detained on official business in committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from North Carolina [Mr. HOEY], and the Senator from Montana [Mr. MURRAY] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Indiana [Mr. JENNER] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Oregon [Mr. CORDON] and the Senator from Wisconsin [Mr. MCCARTHY] are detained on official business.

The VICE PRESIDENT. A quorum is present.

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the conference report on Senate bill 900, amending the Commodity Credit Corporation Charter Act.

ORDER OF BUSINESS

Mr. LUCAS. Mr. President, the conference report on Senate bill 900 is now being debated by the Senate. Another conference report, on House bill 3704, to provide additional revenue for the District of Columbia, has come over from the House. It is necessary that the conference report on House bill 3704 be adopted as soon as possible in order to make the bill immediately effective so that adequate revenue may be collected for the District of Columbia, as provided under the bill. So I ask unanimous consent that the Senate temporarily lay aside the conference report on Senate bill 900, and take up for immediate consideration the conference report on Senate bill 3704.

Mr. WHERRY. Mr. President, reserving the right to object, may I inquire of the distinguished majority leader whether the action proposed by him will in any way affect the present status of the conference report on the Commodity Credit Corporation bill. After action on the conference report dealing with the District of Columbia bill has been concluded, will the conference report on Senate bill 900 remain in the same status it now is?

Mr. LUCAS. The moment the conference report on House bill 3704 is disposed of the Senate will immediately return to consideration of the conference report on Senate bill 900.

Mr. WHERRY. Mr. President, will the Senator from Illinois yield for another inquiry?

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. Does the distinguished majority leader intend to announce the program for tomorrow, and what the Senate will do on Monday, Decoration Day?

Mr. LUCAS. I shall be glad to answer the question propounded by the distinguished Senator from Nebraska. The pending business, which has been temporarily laid aside, is what is known as the unification bill. The moment we finish with the two conference reports we immediately return to that bill. Following that we hope to take up the central intelligence bill which has been reported by the Armed Services Committee. Following that we may even take up the basing-point bill, or perhaps the bill providing home rule for the District of Columbia.

There will be no session on Monday. I wish to make that announcement now so that Senators may make their plans accordingly. A number of Senators plan to deliver addresses at various places on Memorial Day. So far as I know, there will be no session on Saturday. However, we may run a little later than usual today and tomorrow because of conference reports and the importance of the legislation which is on the calendar at the present time.

Mr. WHERRY. Mr. President, I have no objection to the consideration of this conference report at this time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, before we take up the conference report, I ask unanimous consent that Senators who have bills or resolutions to introduce, or routine matters to be incorporated in the Appendix of the RECORD, as during the morning hour, may be permitted to do so without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT OF COMMISSION ON ORGANIZATION OF EXECUTIVE BRANCH OF GOVERNMENT (H. DOC. NO. 197)

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, the concluding report of that Commission, which, with the accompanying report, was referred to the Committee on Expenditures in the Executive Departments.

JURISDICTION OVER NATURAL-GAS OPERATIONS—RESOLUTION OF COMMON COUNCIL OF WAUWATOSA, WIS.

Mr. WILEY. Mr. President, I have received today from P. H. Riemer, a certified copy of a resolution adopted by the Common Council of the City of Wauwatosa, Wis., in opposition to legislation which would deprive the FPC of jurisdiction over natural-gas operations. I believe that this matter will be of interest to my colleagues and I ask unanimous consent that the text of the Wauwatosa resolution adopted by the common council and approved by Mayor William B. Knuese, be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Whereas there is pending before the House of Representatives of the Congress of the United States three bills, H. R. 79, H. R. 982, H. R. 1758, designed to deprive the Federal Power Commission of jurisdiction over natural gas, which to a reasonable certainty would increase the price thereof to potential consumers of the city of Wauwatosa, Milwaukee County, Wis.: Now, therefore, be it

Resolved by the Common Council of the City of Wauwatosa:

1. That opposition to said bills is hereby supported.

2. That the city clerk forward copies hereof to the Honorable CLEMENT J. ZABLOCKI, Congressman for the Fourth District of Milwaukee County, and to the Honorable ALEXANDER WILEY and to Hon. JOSEPH R. MCCARTHY, United States Senators.

Passed and dated May 17, 1949.

P. H. RIEMER,
City Clerk.

Approved May 21, 1949.

WM. B. KNUESE,
Mayor, Wauwatosa, Wis.

PUBLIC-WELFARE PROGRAMS—RESOLUTION OF WISCONSIN PUBLIC ASSISTANCE ASSOCIATION

Mr. WILEY. Mr. President, I have received this morning from Joseph V. Krahn, of Kaukauna, Wis., the text of a resolution adopted by the Public Assistance Association of Wisconsin. The resolution expresses the views of the membership of the association in opposition to H. R. 2892, to amend the Social Security Act to enable States to establish more adequate public-welfare programs which is now being reviewed by the House Ways and Means Committee. I believe that the resolution will also be of interest to my colleagues, and I ask unanimous consent that its text be printed at this point in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

PUBLIC ASSISTANCE ASSOCIATION OF WISCONSIN,
Kaukauna, Wis., May 23, 1949.

The Honorable ALEXANDER WILEY,
United States Senator,
Washington, D. C.

MY DEAR SENATOR WILEY: Our association meeting at Neenah, Wis., on May 18 passed the following resolution:

"*Be it hereby resolved,* That we are opposed to bill H. R. 2892.

"It places 'home relief' in the same category as pensions, thereby tending to make it more permanent whereas it should be considered on a temporary basis.

"In the administration of 'home relief' the first consideration should always be rehabilitation. Relief in any form should never encourage idleness, lowering morale or suggest dependence on the Government.

"During normal periods 'home relief' is not a serious burden and can best be controlled and more economically administered locally.

"In trials of giving 'home relief' in cash instead of kind, it was found to be more costly. Cash is more acceptable, creates more applications and extends the stay on relief rolls. It will certainly take on the complexion of a pension if the Government is participating.

"At the time of serious unemployment the Federal Government can best assist the local communities through Federal participation in a local work program, which can be expanded or curtailed to meet conditions.

"After PWA, CWA, WERA, and WPA experience, it should be possible to develop a work program reasonably satisfactory and not due for too much criticism, certainly less criticism than the expenditure of vast sums for 'home relief' with no productive results."

We commend this matter for your consideration.

Very truly yours,

JOSEPH V. KRAHN,
President, Public Assistance Association of Wisconsin.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. TYDINGS, from the Committee on Armed Services:

S. 1393. A bill to promote the national defense and to contribute to more effective

aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study; with an amendment (Rept. No. 422);

S. 1505. A bill to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947; with an amendment (Rept. No. 423);

S. 1536. A bill to authorize advances in pay to personnel of the Army, Navy, Air Force, and Marine Corps upon permanent change of station, and for other purposes; with amendments (Rept. No. 424);

S. 1794. A bill to repeal certain obsolete provisions of law relating to the naval service; without amendment (Rept. No. 420);

S. 1955. An original bill to authorize certain persons to accept decorations tendered to them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes; without amendment (Rept. No. 421);

H. R. 2737. A bill to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany; without amendment (Rept. No. 425); and

H. R. 3341. A bill to authorize the attendance of the United States Marine Band at the fifty-ninth annual reunion of Confederate veterans to be held in Little Rock, Ark., September 27 through 29, 1949; without amendment (Rept. No. 426).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on Disposition of Executive Papers, to which were referred for examination and recommendation four lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1940. A bill to authorize the issuance of a special series of stamps commemorative of the holding of the International ski championships in the United States in 1950; to the Committee on Post Office and Civil Service.

By Mr. CHAVEZ:

S. 1941. A bill to provide for the allowance, for income-tax purposes, of depletion on a percentage of gross-income basis in the case of pumice and scoria mines or deposits; to the Committee on Finance.

S. 1942. A bill for the relief of Isabel Alba Casas, Concepcion Garcia Perez, Maria del Carmen Fernandez Matesaenz, Maria Santos Zuniga, Felipa Casado del Bianco, Mercedes Rodriguez Villanueva, Selina Milan Gonzalez, Teresa Duque Saenz, Martina Equiza Garces, and Teresa Baztan Elizalde; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1943. A bill to abolish and correct unfair practices and substandard working conditions and to raise living standards among the employees of Federal agencies; to the Committee on Labor and Public Welfare.

By Mr. GILLETTE:

S. 1944. A bill to protect the public with respect to the practice of the law, by those other than duly licensed attorneys and counselors at law, before the United States Government departments, bureaus, commissions, and agencies, and in the United States tax courts; to the Committee on the Judiciary.

(Mr. CONNALLY introduced Senate bill 1945, to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action, which was referred to the Committee on Armed Services, and appears under a separate heading.)

(Mr. TAYLOR (for himself, Mr. HENDRICKSON, Mr. O'CONOR, Mr. BRICKER, Mr. HUMPHREY, Mrs. SMITH of Maine, Mr. LONG, Mr. SCHOEPPEL, Mr. FREAR, Mr. BALDWIN, Mr. HUNT, Mr. HICKENLOOPER, Mr. REED, Mr. BREWSTER, Mr. SALTONSTALL, Mr. THYE, Mr. LANGER, Mr. MARTIN, Mr. AIKEN, Mr. SMITH of New Jersey, Mr. TOBEY, Mr. BRIDGES, Mr. DONNELL, Mr. MCCARTHY, Mr. WILEY, Mr. WILLIAMS, Mr. IVES, Mr. HOEY, and Mr. PEPPER) introduced Senate bill 1946, to establish a permanent National Commission on Intergovernmental Relations, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

By Mr. IVES (by request):

S. 1947. A bill to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians of New York, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

S. 1948. A bill for the relief of Meyer E. Birman and his wife, Rachel D. Birman; to the Committee on the Judiciary.

By Mr. THYE:

S. 1949. A bill to authorize the lease of the Federal correctional institution at Sandstone, Minn., to the State of Minnesota; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 1950. A bill to reimburse the Fisher Contracting Co.; to the Committee on the Judiciary.

S. 1951. A bill to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing; to the Committee on Rules and Administration.

(Mr. CAIN introduced Senate bill 1952, to amend the Atomic Energy Act of 1946, to provide for the security of the defenses of the United States and for other purposes, which was referred to the Joint Committee on Atomic Energy, and appears under a separate heading.)

By Mr. BUTLER:

S. 1953. A bill to provide for medical services to non-Indians in Indian hospitals, and for other purposes; and

S. 1954. A bill to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects; to the Committee on Interior and Insular Affairs.

(Mr. TYDINGS, from the Committee on Armed Services, reported an original bill (S. 1955) to authorize certain persons to accept decorations tendered to them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, which was ordered to be placed on the calendar.)

By Mr. LANGER:

S. 1956. A bill for the relief of Gerdina Josephina Van Delft; to the Committee on the Judiciary.

S. 1957. A bill to equalize rights to leaves of absence and reemployment for employees of the United States or of the District of Columbia who are members of the Reserve components of the armed forces or of the National Guard; to the Committee on Armed Services.

S. 1958. A bill to provide compensation for overtime service and to limit the workweek of substitute employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. CHAVEZ:

S. 1959. A bill to commemorate Jim White and his contribution to the early history of Carlsbad Caverns, in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KNOWLAND:

S. 1960. A bill for the relief of Remo Silvano Giuntoli; to the Committee on the Judiciary.

By Mrs. SMITH of Maine (by request):

S. 1961. A bill to regulate the election of delegates representing the District of Columbia to national political conventions; to the Committee on the district of Columbia.

By Mr. GILLETTE (for himself and Mr. HILL):

S. J. Res. 96. Joint resolution to change the name of the Pentagon Building to the Forrestal Building; to the Committee on Public Works.

(Mr. WHERRY (for himself, Mr. BRIDGES, and Mr. FERGUSON) introduced Senate Joint Resolution 97, to reduce Government expenditures for the fiscal year 1950, balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound, national fiscal policy as a basis for the security and economic well-being of the United States, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

EXTENSION OF OFFICERS' RETIREMENT BENEFITS TO CERTAIN PERSONS OF WORLD WAR II

Mr. CONNALLY. Mr. President, I introduce for appropriate reference a bill to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action. It seems that under the present laws and regulations these men are not eligible for retirement. There are only a few of them, and I earnestly hope that the bill allowing these men who were given commissions on the battlefield and then were incapacitated may receive favorable consideration so as to make them eligible for retirement.

The bill (S. 1945) to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action, was read twice by its title, and referred to the Committee on Armed Services.

NATIONAL COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. TAYLOR. Mr. President, on behalf of the junior Senator from New Jersey [Mr. HENDRICKSON], the Senator from Maryland [Mr. O'CONOR], the Senator from Ohio [Mr. BRICKER], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from Maine [Mrs. SMITH], the Senator from Louisiana [Mr. LONG], the junior Senator from Kansas [Mr. SCHOEPPEL], the junior Senator from Delaware [Mr. FREAR], the Senator from Connecticut [Mr.

BALDWIN], the Senator from Wyoming [Mr. HUNT], the Senator from Iowa [Mr. HICKENLOOPER], the senior Senator from Kansas [Mr. REED], the senior Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Minnesota [Mr. THYE], the Senator from North Dakota [Mr. LANGER], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Vermont [Mr. AIKEN], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Hampshire [Mr. TOBEY], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Missouri [Mr. DONNELL], the junior Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from Wisconsin [Mr. WILEY], the senior Senator from Delaware [Mr. WILLIAMS], the Senator from New York [Mr. IVES], the Senator from North Carolina [Mr. HOEY], the Senator from Florida [Mr. PEPPER], and myself, I introduce for appropriate reference a bill to establish a permanent National Commission on Intergovernmental Relations. The bill is open for further sponsors if other Senators care to add their names to the list I have given.

The bill (S. 1946) to establish a permanent National Commission on Intergovernmental Relations, introduced by Mr. TAYLOR (for himself and others), was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

AMENDMENT OF ATOMIC ENERGY ACT OF 1946

Mr. CAIN. Mr. President, following what appears to be a shocking and careless disregard of the national security by the Atomic Energy Commission, the demand has been raised that the present Chairman of that body be required to resign his position. As one who seriously opposed the appointment of the Chairman in the first place, I wish to associate myself with that demand. It is particularly significant, Mr. President, that the issue was raised first of all by the senior Senator from Iowa [Mr. HICKENLOOPER] who was perhaps more instrumental than any other Senator in bringing about the original confirmation. That he has found it imperatively necessary to withdraw his support from the Atomic Energy Commission Chairman is a fact which ought to impress every Senator and every American citizen.

I should like to recall a portion of a statement I made in this Chamber on March 31, 1947, when the confirmation of Mr. Lilienthal was being considered by the Senate. I said then, and I wish to repeat it now:

> Does a single Member of the Senate have any right to assume that America is so lacking in and devoid of leadership that we must accept a controversial, contradictory, cloudy figure as our selection to head the most powerful organization the mind of man has ever conceived? If we accept the premise that David Lilienthal, or any other individual, is, in spite of the serious doubts held by some of us, indispensable, we shall do the American Nation an irreparable injustice. If we confirm the nominee, as the Senate has the power to do, we are doing Mr. Lilienthal no favor. We leave the Nation confused and uncertain about the choice. We withhold from the chairman what he needs most—a sympathetic, devoted, understanding public. Unless the chairman maintains this relationship with the people of this land, his efforts are foredoomed to suspicion, argument, and failure.

Mr. President, the resignation of David Lilienthal would, to my mind, have a healthy effect, not only on the atomic-energy program, but also on the confidence of the American people in the men who today are responsible for our national security. This, however, represents only a partial solution to this question which the Congress must decide. The Atomic Energy Commission as presently constituted is to a large extent the creation and the creature of the same man, and of the group which surrounds him, that the Members of this Congress have so severely censured. The situation warrants a complete reevaluation of our atomic-energy policy. We have experimented with a slipshod control of our major war-making potential, the atomic bomb. We can no longer afford to permit this kind of carelessness to place our security at the mercy of a clique of men whose political philosophy is seemingly devoid of adequate consideration for our national security.

The Congress of the United States ought now to reconsider the question of whether the atomic-energy program should be returned to the control of the armed forces, where it logically belongs, and whether we should wipe out the Atomic Energy Commission as it is presently constituted, so that we shall begin to build a new and sound program upon which to base the national defense. I do not believe we can take the Commission as it stands today and bring about by partial work, by partial reform, by demands for the resignation of a single individual, a new program in which the American people can have complete confidence.

In order that the question may be reopened and reconsidered in the light of recent efforts, I introduce for appropriate reference a bill to abolish the Atomic Energy Commission. The bill would establish in its place a Commission consisting of the four Secretaries of our National Defense Establishment, the three Chiefs of Staff, and an atomic scientist of a national reputation. I wish to emphasize that this is not a bill for purely military control. Five of the seats on the Commission, a clear majority, will be held by civilians, and only three by military officers.

The principal advantage of this type of control, as I can see it now, is to place within the security set-up of the Defense Establishment the responsibility for protecting atomic-energy developments and atomic-energy secrets. It is conceivable, Mr. President, that the Congress may, in its wisdom, develop a definite, positive plan and program for the control of atomic energy. I do not propose the bill as a complete solution, by any means. My purpose is to bring the broad question of atomic security up for reevaluation, so that the Congress may have an opportunity to rewrite the existing laws, and in order that the alarming conditions which have just been revealed will not again rise up to shake and plague confidence and jeopardize our future.

There being no objection, the bill (S. 1952) to amend the Atomic Energy Act of 1946, to provide for the security of the defenses of the United States, and for other purposes, introduced by Mr. CAIN, was received, read twice by its title, and referred to the Joint Committee on Atomic Energy.

DEPARTMENT OF DEFENSE—AMENDMENT

Mr. DOUGLAS (for himself, Mr. FLANDERS, and Mr. MCCARTHY) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes, which was ordered to lie on the table and to be printed.

INTERIOR DEPARTMENT APPROPRIATIONS, 1950—AMENDMENT

Mr. DOWNEY (for himself and Mr. KNOWLAND) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations, and ordered to be printed.

THE CHALLENGE OF THE INTER-AMERICAN IDEAL—ADDRESS BY SENATOR MUNDT

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an address entitled "The Challenge of the Inter-American Ideal," delivered by him before the Latin-American Trainee Seminar, held in the Pan American Union Building, Washington, D. C., on May 13, 1949, which appears in the Appendix.]

HUGH L. MCARTHUR—EDITORIAL FROM FLORIDA VETERANS OF FOREIGN WARS NEWS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Know Your Department Officers," published in the Florida Veterans of Foreign Wars News for November 1947, which appears in the Appendix.]

SOIL CONSERVATION—ESSAY BY ROBERT MARSHALL

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an essay entitled "Save the Soil—There Is No Substitute for Productive Soil," written by Robert Marshall, of the Woodstock High School, Woodstock, Va., which won the top award in the soil conservation essay program for 1949 sponsored by the supervisors of the Lord Fairfax Soil Conservation District, which appears in the Appendix.]

EUROPE'S RECOVERY—LETTER TO EDITOR OF NEW YORK SUN

[Mr. KEM asked and obtained leave to have printed in the RECORD a letter addressed to the editor of the New York Sun by F. C. Nichols, an American living in Berne, Switzerland, which appears in the Appendix.]

INTERGOVERNMENTAL RELATIONS—STATEMENT BY STANFORD SCHEWEL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a statement on

the subject of Intergovernmental Relations, made by Stanford Schewel before the Senate and House Subcommittees on Governmental Relations, on May 11, 1949, which appears in the Appendix.]

QUESTIONS AND ANSWERS ON PROPOSED PRICE-SUPPORT PROGRAM

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a series of questions and answers in explanation of the program of Secretary of Agriculture Charles F. Brannan, containing recommendations for changes in the price-support program, which appears in the Appendix.]

MRS. JEANNETTE M. MITCHELL—ARTICLE FROM PORTLAND SUNDAY TELEGRAM

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article relating to Mrs. Jeannette M. Mitchell, of Skowhegan, Maine, president of the Somerset County Women's Republican Club, published in the Portland (Maine) Sunday Telegram, which appears in the Appendix.]

MODIFICATIONS IN THE PRESIDENT'S LEGISLATIVE PROGRAM — EDITORIAL COMMENT

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an editorial entitled "Confession of Failure" published in the New York Herald Tribune of May 26, 1949; and an editorial entitled "The President's Program," published in the New York Times of May 25, 1949, which appear in the Appendix.]

PROPOSED COLUMBIA VALLEY ADMINISTRATION—ARTICLE BY RICHARD L. NEUBERGER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article on the Columbia Valley Authority by Richard L. Neuberger, published in the St. Louis Post Dispatch of May 15, 1949, which appears in the Appendix.]

JOHN KEITH

Mr. McCARRAN. Mr. President, if I may have the attention of the Senator from New Jersey [Mr. HENDRICKSON], during the last call of the calendar, House bill 1057, Calendar 374, was objected to by the able Senator from New Jersey. I am advised that he has investigated the matter and is now ready to withdraw his objection. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 1057) for the relief of John Keith.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I am very happy to state that I have carefully investigated the claim. I think it has definite merit, and I withdraw the objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1057) for the relief of John Keith was considered, ordered to a third reading, read the third time, and passed.

BIDS ON AIR MAIL CARRIAGE—LETTER FROM E. V. RICKENBACKER AND REPLY BY SENATOR JOHNSON OF COLORADO

Mr. BREWSTER. Mr. President, I ask unanimous consent for the insertion in the RECORD of a letter from "Eddy" Rickenbacker, president and general manager of Eastern Air Lines, addressed to the Senator from Colorado [Mr. JOHNSON], chairman of the Committee on Interstate and Foreign Commerce, dealing with a proposal for bids on the carrying of mail on five air-line systems. I ask unanimous consent also that the reply of the Senator from Colorado [Mr. JOHNSON] to the letter also be incorporated in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EASTERN AIR LINES, INC.,
New York, N. Y., May 25, 1949.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
Senate Office Building,
Washington, D. C.

MY DEAR MR. CHAIRMAN: The questions concerning Eastern Air Lines' willingness to operate without subsidy, propounded to me by members of your committee yesterday at the completion of my formal statement, prompt me to offer for the record a supplement to my remarks.

In order that there may be no doubt as to the meaning of my statement yesterday, Eastern Air Lines, Inc., makes the following proposals to your committee, and to all interested agencies of our Government:

1. Eastern Air Lines will, if given the opportunity, operate the domestic system of National Airlines, Inc. (between New Orleans, Florida, and New York), on Eastern's nonsubsidy mail rate. National received $1,289,000 for carrying 323,000 ton-miles of mail in 1948. At Eastern's mail rate the annual cost to the Government would be $212,000, saving the taxpayers $1,077,000 per year.

2. Eastern will, if given the opoprtunity, operate the entire system of Delta Airlines, Inc. (between Dallas-Fort Worth, Atlanta, Charleston, Chicago, Miami), on Eastern's nonsubsidy mail rate. Delta received $2,754,000 for carrying 927,000 ton-miles of mail in 1948. At Eastern's mail rate the annual cost to the Government would be $603,000, saving the taxpayers $2,151,000 per year.

3. Eastern will, if given the opportunity, operate the entire system of Capital Airlines, Inc. (between Great Lakes, Washington, Norfolk, Memphis, New York, Pittsburgh, Atlanta, Birmingham, New Orleans) on Eastern's nonsubsidy mail rate. Capital received $4,905,000 for carrying 884,000 ton-miles of mail in 1948. At Eastern's mail rate the annual cost to the Government would be $575,000, saving the taxpayers $4,330,000 per year.

4. Eastern will, if given the opportunity, operate the entire domestic system of Chicago and Southern Airlines, Inc. (Chicago, Detroit, New Orleans, Houston), on Eastern's nonsubsidy mail rate. Chicago and Southern received $1,881,000 for carrying 482,000 ton-miles of mail in 1948. At Eastern's mail rate the annual cost to the Government would be $313,000, saving the taxpayers $1,568,000 per year.

5. Eastern will, if given the opportunity, operate the system of Colonial Airlines, Inc. (Montreal, New York, Washington), on Eastern's nonsubsidy mail rate. Colonial received $1,178,000 for carrying 82,000 ton-miles of mail in the above-mentioned area in 1948. At Eastern's mail rate the annual cost to the Government would be $53,000, saving the taxpayers $1,125,000 per year.

Eastern Air Lines, Inc., hereby offers to operate the entire domestic systems of any one or more of the five above-mentioned air carriers at a nonsubsidy rate.

According to my calculation, the five above-named air carriers carried 2,701,000 ton-miles of mail in the above-mentioned areas in 1948 and received an average of $4.45 per ton-mile for doing so, aggregating $12,077,000 received from the Government by them in 1948; whereas at Eastern's rate which would range from 60 cents to 65 cents per ton-mile. Eastern could carry the 2,701,000 aggregate ton-miles for a total of $1,676,000, effecting a total annual saving to the taxpayers of $10,401,000.

With assurance of my high regards, I am,

Yours sincerely,

E. V. RICKENBACKER,
President and General Manager.

MAY 26, 1949.

Capt. E. V. RICKENBACKER,
President, Eastern Air Lines, Inc.,
New York, N. Y.

DEAR CAPTAIN RICKENBACKER: The phenomenal proposal made in your letter of May 25, to operate the domestic systems of five air lines in the territories which Eastern Air Lines now serves, and to carry the mail over them at Eastern's "no subsidy" mail rate, is most challenging. I am sure that you are aware that it cannot be effectuated by this Committee, and that under the Civil Aeronautics Act, the Civil Aeronautics Board is the proper agency to consider it. I am, therefore, forwarding your letter to the Board for their recommendation. Doubtless the law would need to be amended to authorize them to direct a merger or consolidation.

During our investigation pursuant to Senate Resolution 50, we will examine the advisability of changing certain of the fundamental tenets of the Civil Aeronautics Act of 1938, as amended, which would be required by your proposal. In order that we may have a better understanding of the precise nature of your suggestion, will you clarify several matters.

You do not suggest in your letter how you propose to obtain control of these air lines so as to accomplish the desired end. It would be interesting to know whether it would be through merger, purchase, suspension of certificate, or by other means.

The description of routes by cities and areas given in your letter does not appear to include the "entire system" of each of the air lines mentioned. Therefore, would you render present-day service to each city on the routes of the five carriers mentioned accepting the present CAB route service restrictions, and would you give each city at least the same amount of service as the present companies now render? Or, to put it another way, would you contemplate a reduction in the total unduplicated miles operated? Does your proposal contemplate taking over all of the personnel and property of the other companies? Would you purchase their stock and assume the payment of their debts and other obligations? I appreciate that your letter does not constitute an acquisition proposal, but these matters are important to understand the significance of the proposal.

During the course of your testimony you will recall that Senator Brewster discussed the advantages and feasibility of Eastern Air Lines acquiring and operating the Northeast Air Lines system. Northeast Air Lines is conspicuously absent from your proposal, and as this would seem to be a logical system to consider if the general principles of your proposal are adopted, will you advise us whether your proposal includes Northeast Air Lines, in conjunction with others or alone, and if not, the restrictions and subsidy mail rate that you would recommend.

I might say that the Committee is not yet convinced that there is no element of subsidy in the mail rate now being paid Eastern Air Lines. At least the Civil Aeronautics Board was unable to state what portion of the "service rate" which Eastern and other carriers receive was compensatory and what portion was subsidy.

You may be sure the Committee will give full consideration to the principles involved in your proposal. Your letter will be made part of the record.

Sincerely,

EDWIN C. JOHNSON,
Chairman, Interstate and Foreign Commerce Committee.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. HUNT. Mr. President, I send to the desk a conference report on House bill 3704, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) to provide additional revenue for the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 130, 131, 132, 133, 134, 135, 136, and 137, and agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: Strike out "$1.50" wherever it appears in the Senate amendment and insert in lieu thereof "$1.25"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 505. Subsection (a) of section 23 of the District of Columbia Alcoholic Beverage Control Act, as amended, is further amended to read as follows:

"'SEC. 23. (a) There shall be levied, collected, and paid on all of the following-named beverages manufactured by a holder of a manufacturer's license and on all of the said beverages imported or brought into the District of Columbia by a holder of a wholesaler's license, except beverages as may be sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under this Act, and on all beverages imported or brought into the District of Columbia by a holder of a retailer's license, a tax at the following rates to be paid by the licensee in the manner hereinafter provided:

"'(1) A tax of 15 cents on every wine-gallon of wine containing more than 14 per centum of alcohol by volume, except champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (2) a tax of 22½ cents on every wine-gallon of champagne or sparkling wine or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (3) a tax of 75 cents on every wine-gallon of spirits and a proportionate tax at a like rate on all fractional parts of such gallon; (4) and a tax of $1.25 on every wine-gallon of alcohol and a proportionate tax at a like rate on all fractional parts of such gallon.'"

And the Senate agree to the same.

LESTER C. HUNT,
J. HOWARD MCGRATH,
JOE MCCARTHY,
Managers on the Part of the Senate.

JNO. L. MCMILLAN,
HOWARD W. SMITH,
PAUL C. JONES,
GEORGE J. BATES,
JOSEPH P. O'HARA,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

Mr. KEM. Mr. President, this bill provides that the Directors of the Commodity Credit Corporation who have the authority for directing the business and the affairs of a $5,000,000,000 corporation shall be appointed by and hold office at the pleasure of the Secretary of Agriculture. The bill which was passed by the Senate and sent to conference provided that the Directors of the Commodity Credit Corporation should be appointed by the President, by and with the advice and consent of the Senate. The Senate conferees receded from that provision in the conference, and the provision giving the Secretary the sole power of appointment was adopted in its stead.

Mr. President, I have very grave doubt as to the constitutionality of the proposed bill. Article II, section 2, clause 2 of the Constitution of the United States provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

The proposed law vests the right of appointment in the Secretary of Agriculture. So the question is whether the Directors of this $5,000,000,000 Corporation are inferior officers within the meaning of this provision of the Constitution.

I believe it has been generally understood that inferior officers, as the statement is used in that provision, mean those who do not exercise policy-making powers. In this case we are dealing with officers who have policy-making powers over a vast field of governmental affairs. They have the policy-making power over the expenditure of $5,000,000, or any part thereof. I do not believe that by any stretch of the imagination officers having such authority can be fairly considered to be inferior officers. Certainly they cannot properly be regarded as officials who do not exercise policy-making powers. For some reason, the bill gives the Senate the right to confirm the appointments of the members of an advisory board, which has no policy-making power, no authority, but merely can meet at stated intervals and give the Secretary of Agriculture the benefit of such advice as its members may see fit to offer. Mr. President, I believe this provision violates the spirit of the provision of the Constitution to which I have referred, if indeed it does not violate the express letter of the Constitution itself.

The Members of the Senate will recall the very celebrated statement of Aaron Burr, then Vice President of the United States, who as such was the Presiding Officer of the Senate, to the effect that—

If the Constitution be destined ever to perish by the sacrilegious hands of the demagogue or the usurper, which God avert, its expiring agonies will be witnessed on this—

That is to say, the Senate—

floor.

Mr. President, if we, the Members of this body, are not prepared to assert our constitutional prerogatives and responsibilities under the Constitution, it is clear that no one else is going to assert them for us.

A great many thoughtful Americans have been disturbed recently at the constant enhancement of the power of the executive branch of the Government at the expense of the legislative branch. We are dealing here with a glaring instance of that sort of thing. I wish to recall several instances of that kind which have occurred rather recently. During the days when he was Secretary of State, Gen. George C. Marshall one day simply observed at a press conference that the Government of the United States approves and accepts" the recommendations of the London Conference for the disposition of western Germany. The question as to the disposition of western Germany was debated at great length in the House of Commons, in London, and in the Legislative Assembly in Paris. Yet the head of an executive department of the United States Government brushed the whole thing aside, and announced ex cathedra that a certain proposed government had been accepted on behalf of the United States. That was one press conference.

Another press conference to which I wish to invite attention took place some time ago in the White House. The reporters who were attending the President of the United States on that occasion were told that he had the sole power to halt strikes affecting the Nation's welfare, without additional authority. He said, in effect, that the powers of the President are sufficient to meet any national emergency. A somewhat bemused reporter asked him where those powers could be found. The President replied that the reporter should read the history of the country. He said that whenever an emergency has arisen, the President

has found authority. He added that in time of emergency he felt that the President has immense power to do what is right for the country. In other words, Mr. President, under this theory he has the right in time of emergency to bypass entirely the Congress of the United States, to do what is right for the country.

I do not wish to belabor the point, but I should like to invite the attention of the Senate to a third instance in which the constitutional powers, prerogatives, and authority of the Senate have been bypassed in recent times. Mr. Truman's predecessor in the White House was the inventor, I believe, of the "executive agreement" dealing with foreign affairs, by which it became unnecessary to secure the advice and consent of two-thirds of the Senate to important international agreements, for which such a vote in the Senate would be required if submitted as a treaty.

Mr. President, this body has not always been entirely inert and unattentive to its constitutional responsibilities. This morning I had occasion to look up some of the occasions on which the rights and prerogatives of the Senate have been asserted by Members of this body. I see the senior Senator from Michigan [Mr. VANDENBERG] sitting in the Chamber. I read a very striking statement he made a few years ago about the way in which the processes of democracy were being undermined by the failure to recognize and carry out the constitutional provisions with reference to the powers and duties of the Senate. Similarly, I found a very striking report made by the Senator from Nevada [Mr. MCCARRAN], in which he asserted the right of the Senate to confirm the appointment of all important officials of the Government. He introduced a bill, Senate bill 575, and submitted a report on it, dated April 14, 1943. That bill provided that the Senate should have the right to confirm the appointments of all officers receiving compensation in excess of $4,500. Attached to the report is a table showing the large number of officials in various branches of the Government who were receiving compensation in excess of that amount.

The report says:

> There was a very good reason for including in the Constitution a method by which appointments in the Federal Government could be controlled. That reason was well known to those who drafted the Constitution, with the taste of despotic tyranny still on their lips. That reason has not changed. It is still with us today. In fact, it is of even greater importance now than in all the history of our Government. Specifically, it has been ably summed up in the words of Abraham Lincoln: "Government of the people, by the people, and for the people shall not perish from the earth."

In arguing for the bill and in summing up its conclusions, the committee, in its report, says this:

> Your committee believes that the method provided in the bill for revesting control in the people, through their legally elected representatives, is unobjectionable because it in no way interferes with the war effort; it disrupts no agency of Government; it lays no withering touch upon the merit system established by act of Congress under the classified civil service, but rather strengthens and upholds that system; it implements and assures the selection of competent persons of unquestioned ability to administer the laws of the United States; and, at the same time, it assures that appointments shall hereafter be made in the manner prescribed by the Constitution. In addition to this, it insures reasonable control and supervision by the people, through their representatives, of the Government itself and of its operations.

When a bill such as the pending one comes before the Senate, one cannot help but recall that the Constitution of the United States begins with the very significant words, "We, the people." I know that in some quarters it is the fashion now to talk of the Constitution as being outdated, and perhaps a number of people are not particularly interested in what the founding fathers said about the Constitution. But I want to read what Alexander Hamilton said in the Federalist about this power, this authority, this duty of the Senate to confirm important officials of the Government. I read from the Federalist of April 1, 1788:

> To what purpose then require the cooperation of the Senate? I answer, that the necessity of their concurrence would have a powerful, though in general a silent, operation. It would be an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity. In addition to this it would be an efficacious source of stability in the administration.
>
> It will readily be comprehended that a man who has himself the sole disposition of offices would be governed much more by his private inclinations and interest, than when he was bound to submit the propriety of his choice to the discussion and determination of a different and independent body; and that body an entire branch of the legislature.

Mr. President, let us look at the RECORD to see what reasons are given by the proponents of the bill for disregarding the advice of the founding fathers in this respect and bypassing the Senate in the appointment of important officials of the Government. I read, from page 6790 of the CONGRESSIONAL RECORD of yesterday, a colloquy between the chairman of the Senate Committee on Agriculture and Forestry, making the report for the conferees, and the Senator from Missouri, as follows:

> Mr. KEM. I should like to ask the Senator why, in the judgment of the conferees, it was advisable to depart from the usual and customary principle of confirmation by the Senate of members of an important executive board.
>
> Mr. THOMAS of Oklahoma. The main reason is that the House would not consent to confirmation by the Senate. We were forced to accept that provision. We spent four sessions in trying to arrive at an agreement on two or three points. This is one point upon which I am sure the House of Representatives would not have yielded.

I observe that the report on behalf of the House is not signed by three of its managers, so there must have been considerable dissent in the conference with respect to the bill. The colloquy continues:

> Mr. KEM. Without going into detail, will the Senator from Oklahoma outline the reasons advanced by the conferees on the part of the House for taking that position?
>
> Mr. THOMAS of Oklahoma. As I understand the situation, it is this: The Congress passes laws directing the Secretary of Agriculture to do certain things, and we hold him responsible for carrying out the duties thus imposed upon him by the laws passed by Congress.
>
> The position taken by the House of Representatives, as I understand it, is that the Congress must give the Secretary of Agriculture the power to carry out the functions imposed upon him by the laws passed by Congress, and that in order to be able to do so, he must have a Board upon which he can rely.

The Constitution vests in the President the primary duty to carry out the laws of the United States, and yet the members of his Cabinet are themselves subject to confirmation by the Senate. The Secretary of Defense is confirmed by the Senate, as is every commissioned officer in the armed forces. I have never heard it contended that this prevents the President from properly discharging his duties and responsibilities as Commander in Chief of the armed forces, or that there was any lack of flexibility in the operation of the armed forces merely because officers of the Army must be confirmed by the Senate.

So, Mr. President, it seems to me that the reasons assigned for disregarding this long-settled practice in the case of the very powerful board in question are insufficient. I believe the Senate should reject the conference report, and should undertake, in regular course, to have agreed upon, a bill which will recognize the traditional constitutional prerogatives of the Senate.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. KEM. I am glad to yield.

Mr. WHERRY. What is the experience of the distinguished junior Senator from Missouri relative to the work of advisory boards? My reason for asking the question is, it seems that those who favor the provision requiring confirmation of the Advisory Board by the Senate do so on the ground that, in the light of the work done by other advisory boards, it is unnecessary to confirm members of such a board as the one in question. I may not have stated the case exactly, but, in a sense, the answer given by proponents of the measure is that it is unnecessary for the Congress to confirm such appointees. That is suggested by the Secretary of Agriculture in connection with appointments to this permanent board. What is the experience of the junior Senator from Missouri relative to advisory boards?

Mr. KEM. My experience and observation indicate that they do not have any authority at all, that they are debating societies or discussion groups. They meet and discuss questions. Their deliberations are academic and largely futile, unless they are given some power and authority. Our discussions in the Senate would likewise be largely futile if on some day we could not reach the point of voting and deciding the issue. Similarly, the estimable gentlemen from various parts of the country constituting this advisory board will never in the nature

of things reach a point when they can vote and decide a question.

Mr. WHERRY. Is it not also a fact that usually advisory boards are called in after a policy has been developed? The policy, of course, is submitted to them, but is it not a fact that it is more or less sold to the advisory board after it has been developed, and all they do is hastily to approve what has been done, and then go back to their respective homes? Is not that about as much force and effect advisory boards can have?

Mr. KEM. That certainly is their force and effect, so far as my own observation is concerned. But I should like to invite the Senator's attention to the fact that if, by any chance, the advisory board did not approve the policy submitted, the policy would go into effect regardless of the opinion of the advisory board.

Mr. WHERRY. That was the next question I wanted to ask the Senator. Even though the policy should be sold to the board, it simply adds prestige to what the Department has done, because, in the final analysis, even though the board should disagree, it has no right to change the policy.

Mr. KEM. On the point of prestige, I hope that no one will be inclined to think that an effort is being made to make fun of the Senate or shall we say make a joke at the expense of the Senate in this bill, which solemnly confers on the Senate the power of confirming members of the Advisory Board, but denies to the Senate any right or any say in connection with the members of the Board which controls the Commodity Corporation.

CONFIRMATION OF SUNDRY NOMINATIONS IN THE ARMED SERVICES

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. KEM. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, as in executive session, I ask unanimous consent that sundry nominations in the Army, Navy, and Air Force be confirmed and the President notified thereof. May I say that these recommendations come from the Committee on Armed Services unanimously, and that no objection has been filed in connection with any of the names appearing on the list. Most of the nominations are in minor grades. A great many of those involved are graduates of Annapolis and West Point, and the services are anxious to have the nominations confirmed so that commissions can be issued to them, to be available at the time these men are graduated.

Mr. WHERRY. Mr. President, reserving the right to object, let me say that another point is that it saves the printing costs to a great extent, and follows the customs and practice which have heretofore been indulged in with reference to such appointments.

Mr. TYDINGS. I thank the Senator. The reason why the Senator from Maryland interrupts proceedings and asks indulgence of his colleagues in this manner is that it saves a great many thousands of dollars in the printing bill.

Mr. KEM. May I ask the Senator from Maryland a question?

Mr. TYDINGS. Certainly.

Mr. KEM. I should like to ask whether these men whose names the Senator has just presented for confirmation are as important as are the directors of the Commodity Credit Corporation, which is carrying on a $5,000,000,000 business.

Mr. TYDINGS. Of course, I am not familiar with all the ramifications of the bill which the Senator has been discussing, but the Senator's question almost answers itself. The Senator from Maryland would be compelled to reply that he does not think most of them are as important. Some of them, however, are in the top military level.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Is there objection to the request of the Senator from Maryland? The Chair hears none.

Without objection, the nominations are confirmed, and the President will be immediately notified.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. KEM. I yield.

Mr. TYDINGS. Mr. President, I ask that the colloquy which has just occurred be printed at the end of the remarks of the Senator from Missouri.

Mr. KEM. I object. I would rather have it exactly where it occurred, otherwise it may lose such point as it has.

Mr. TYDINGS. I withdraw my request.

The PRESIDING OFFICER. Objection is made, and the request is withdrawn.

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

Mr. WHERRY. Mr. President, will the Senator from Missouri yield further?

Mr. KEM. I yield.

Mr. WHERRY. Let me ask the Senator from Missouri this question: The permanent Board provided for in the bill will be on the job each and every day of the year; at least, it is supposed to be. Is that correct?

Mr. KEM. That is correct.

Mr. WHERRY. They, in turn, also help to formulate policies, do they not? Is not that the intention of the bill?

Mr. KEM. That brings up a very important distinction. If the directors are appointed by the President for a definite term and are confirmed by the Senate, they have a vested right in their position, and if a question arises on which they do not agree, they can stick their feet in the sand. The Supreme Court will sustain them in their position to the extent that they cannot be fired. But the persons appointed by the Secretary specifically and directly, will hold office, under the terms of the bill, at the pleasure of the Secretary, and he can kick them out any day if they should say something he does not like.

Mr. WHERRY. I thank the Senator for his answer to the question, because I think there is a vast difference, as he has pointed out, between the work of the permanent committee and of the advisory committee, in the respect to which the Senator has so eloquently referred in his answer.

Mr. KEM. In my own view, the advisory commitee is wholly without either authority or power. That was admitted by one of the able apologists for the committee report yesterday on the floor, who finally, after a series of questions, said they had no authority.

I should like to invite the Senator's attention, if he does not mind, to the colloquy which occurred yesterday. I wish to read from page 6792 of the CONGRESSIONAL RECORD, where the colloquy is shown between the senior Senator from Vermont [Mr. AIKEN] and the junior Senator from Missouri. The senior Senator from Vermont was asked a series of questions as to whether the advisory committee had any authority. The senior Senator from Vermont replied at considerable length. Finally this question and answer appear:

> Mr. KEM. I realize the Senator from Vermont is not on the stand, and I do not want to press him unduly, but if the advisory board has any authority I wish the Senator from Vermont would advise us what it is.
>
> Mr. AIKEN. It has no authority.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. KEM. I shall be glad to yield to the Senator from Nebraska.

Mr. WHERRY. I ask, very respectfully, that the junior Senator from Missouri answer this question: Is it not true that if Congress confirms the appointments on this board, we have not only fulfilled the constitutional processes, which I think we should not abdicate, but does it not place the director in a little different position with respect to his responsibility, regardless of his integrity, granting that he will do what he feels is just—does it not place him under a somewhat different responsibility than if he were solely responsible to the Secretary of Agriculture?

Mr. KEM. I would say "Yes"; but I should like to strike out the word "somewhat," and definitely and categorically say "Yes," because he is assured tenure of office.

Mr. WHERRY. That is correct. He is not only responsible to the Secretary of Agriculture but, in turn, he is certainly responsible to the Senate which confirmed his nomination.

Mr. KEM. And to the American people.

Mr. WHERRY. And to the American people.

Mr. KEM. He is an officer representing the American people, appointed by the President, and confirmed by the elected representatives of the people.

Mr. WHERRY. Will the Senator yield for another question?

Mr. KEM. I am glad to yield.

Mr. WHERRY. Why should not these directors be confirmed?

Mr. KEM. I spent some time yesterday trying to bring out any reason, and I am still unable to answer the Senator's question. I see on the floor the able and distinguished Senator from New Mexico, who is one of the managers on the part of the Senate. Perhaps the Senator from New Mexico would like to answer the question.

Mr. WHERRY. Mr. President, I have a deep respect for the former Secretary of Agriculture, and I certainly do not want to engage in any prolonged colloquy with him, but I feel that it might be appropriate to get the views of the Senator from New Mexico, inasmuch as this issue was brought up on the floor of the Senate prior to the time the bill was passed, and the argument was advanced, relative to the permanent board, that it would be difficult to get career men to serve because possibly they would not be confirmed if they were appointed by the Secretary.

Mr. KEM. Mr. President, I ask unanimous consent that the Senator from New Mexico be permitted to answer the question which the Senator from Nebraska has put to the Senator from Missouri.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator if one reason advanced is not that a career man appointed from the Department of Agriculture might have difficulty in being confirmed.

Mr. ANDERSON. Mr. President, I appreciate the attitude of the Senator from Nebraska. I should like to answer his question in my own time, and I had hoped to have opportunity to speak next.

Let me say now, however, that I recognize the feelings of the Senator from Missouri. He expressed them strongly and steadily before the Committee on Agriculture, and I have great respect for his opinion on this matter. But experience has taught us that the best people on the board of directors, who handle the day-by-day operations, are drawn from the Department of Agriculture. Those people have more experience than anyone else who could be brought into the Department.

When we had this matter under discussion on a previous occasion, I tried to say that Mr. Gage, of the Tobacco Branch, had far more experience than any one individual who might be taken from any other place. The same might apply to the directors of the other branches. It was my feeling that from an operating standpoint those men of long years in the Department of Agriculture could serve well as members of the board. Under the bill they are not subject to confirmation. Those who would be subject to confirmation would be the members of the advisory committee, who would lay down policies for the Secretary. We had in mind the possibility of enlisting such men as Will Myers, of Cornell University. I know of no finer person, but I doubt very much if Will Myers would permit his name to go before the Congress for appointment to an administrative job within the Department. We can, however, guarantee him the security of tenure, which the Senator from Missouri is talking about, by putting him on the Advisory Committee.

I do not wish to take much time of the Senator.

Mr. WHERRY. Mr. President, will the Senator from Missouri ask unanimous consent that I may ask a further question?

Mr. KEM. Mr. President, I ask unanimous consent that the Senator from New Mexico and the Senator from Nebraska be permitted to continue the colloquy as they see fit.

The PRESIDING OFFICER. Without objection, the order is made.

Mr. WHERRY. Let me propound this question to the distinguished Senator. What objection is there to requiring confirmation? I agree 100 percent with the idea of getting career men on the permanent board. But why should they not be confirmed? It seems to me that if the distinguished Senator from New Mexico had been selected by the present Secretary to serve on the permanent board, the Senate would unanimously have confirmed his appointment. I am asking the distinguished Senator whether he feels that a career man would have greater difficulty in being confirmed in the Senate than would some other person?

Mr. ANDERSON. Yes, exactly; for the very reasons the Senator from Missouri suggested. He said that if they did not like what the Secretary was doing, they could stick their feet in the sand and stand there. The important responsibility for carrying out the price support program rests upon the shoulders of the Secretary of Agriculture. We put it there, and it would be wholly wrong to set up a board which could resist the Secretary of Agriculture while he was trying to do what the Congress said he should do.

Mr. WHERRY. Would any one attempt to persuade the Secretary to do otherwise than what the Congress said he should do? If he were not doing what the Congress said he should do, would not the permanent members of the board be the ones to pass on that?

Mr. ANDERSON. But he might not be doing what was contrary to the wishes of Congress. It would be a matter of judgment, and the Secretary, relying on his own conscience and the advice of the staff, might decide to seek the advice of the board. Members of the board, as has frequently happened, may have different ideas. If they are placed in an independent status, where they proceed without regard to the final wishes of the Secretary of Agriculture, then I say the possibility arises that the Secretary of Agriculture could better do the work.

Mr. WHERRY. Then the Senator feels that when the Secretary of Agriculture decides on a policy, the permanent board should go along with him, even though members of the board might feel that the Secretary should not initiate the policy?

Mr. ANDERSON. I think so. I do think he should give himself the benefit of their advice. I am happy to say that I found the board of the Commodity Credit Corporation differing with me on a couple of occasions. I once yielded to their votes. In the other case I followed my own judgment.

Mr. WHERRY. That Board was confirmed by the Senate, was it not?

Mr. ANDERSON. No; there never has been a board confirmed.

Mr. WHERRY. The permanent board?

Mr. ANDERSON. No; it was selected solely by the Secretary of Agriculture.

Mr. KEM. The Board previously was confirmed.

Mr. ANDERSON. I do not refer to the last 12 months. The boards with which I dealt were not confirmed.

Mr. WHERRY. If the present board had been confirmed, would the difficulty which has come about have arisen?

Mr. ANDERSON. After the law was signed, the Senate adjourned, and the names were not sent to the Senate. Subsequently, I think, the Senate was in special session, and no names were sent. No names have been sent to this date. I am unable to explain that, but I think that no names have been sent.

Mr. WHERRY. In spite of the remarks of the distinguished Senator from New Mexico, I cannot yet understand why there is objection to confirmation of career men, because it is my feeling that if the name of a career man were sent to the Senate, he would be confirmed.

I ask the distinguished Senator this question: Should there not be a board which could exercise independent judgment? That is what the board is for, so that if the Secretary initiates a policy with which a member of the board does not agree, he should be able to express himself, and not have to agree with the Secretary, if he is so inclined.

Mr. KEM. Mr. President, I should think that anyone who believes in the American system of checks and balances would have difficulty in saying otherwise. Of course a dictatorship is more efficient. If we want to get an absolutely efficient Government, we can do away with the Constitution of the United States and set up a Hitler or a Mussolini, and give him all authority and all power, and for a time at least have efficiency. But the rights of the people would not be protected as they are under the Constitution of the United States.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. KEM. I yield.

Mr. WHERRY. The Senate confirms officers in other departments, does it not?

Mr. KEM. Yes; it does.

Mr. WHERRY. The question of military advice is much more important at times than the advice of a board such as the one we are discussing, is it not?

Mr. KEM. I should certainly think so.

Mr. WHERRY. That might apply in situations much more acute than one involving a board such as the one we are discussing. If the Senate should abdicate its function of confirming these appointees in the case of the Department of Agriculture, why should it not, on the same theory, abandon the confirmation of Under Secretaries under the Secretary of Defense, and other important appointive officers?

Mr. KEM. In my judgment it is just a case of the camel getting its nose under the tent. The policy started here, and

the process of continually chipping away the authority, the prerogatives, the dignity, and the prestige of the United States Senate will be continued. Let me say that it is passing strange that Members of the Senate themselves should be here seeking to abdicate their constitutional function by urging instead of resisting this process.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. ANDERSON. Mr. President, I am greatly interested, of course, in the subject now before the Senate. I regret that I shall perhaps take more time than I should, but I do want to comment on the situation, because I think the question before us is very fundamental and is going to be with us for a long time.

The distinguished Senator from Missouri [Mr. KEM], for whose integrity I have the greatest respect, has spoken of a system of checks and balances, and finds himself unable to understand how a Senator can stand on this floor and advocate the refusal of the right of confirmation by the Senate. I say to him that in administrative responsibility one man must do a job, and in administering the far-flung empire of the Department of Agriculture, if we allow its authority to be divided in a half a dozen different directions we will never have an administrative unit that is worth considering. Therefore, I say to the Senate that the place for consideration of checks and balances is when the Senate confirms the Secretary of Agriculture and when the Senate confirms his associates.

Mr. KEM. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KEM. I should like to ask the distinguished Senator from New Mexico if the form of government he is advocating consists of the President, heads of the executive departments confirmed by the Senate, but with no further intervention on the part of the Senate at all?

Mr. ANDERSON. Not with respect to the armed services, but otherwise nearly exactly what the Senator has said, and I will tell the Senate why.

Mr. KEM. Why should there be intervention in connection with the armed services?

Mr. ANDERSON. A wholly different situation exists with respect to the armed services than with respect to the agency we are discussing.

Mr. KEM. In what respect?

Mr. ANDERSON. In the case of the armed services, we are dealing with career people, and we have always taken the position that those who are to lead our children in time of war should have their nominations confirmed by the Senate. One of the first men I appointed to the Military Academy was the son of very distinguished Republican parents. I appointed him because when my boy got ready to join the Army I knew he would not ask the politics of his commanding officer.

Mr. KEM. Are there not career men in the Department of Agriculture?

Mr. ANDERSON. Oh, yes; but I think they are in a quite different situation.

Mr. KEM. I ask the Senator if there are no sons of Republican parents in the Department of Agriculture.

Mr. ANDERSON. Yes. Sometimes I think there are too many. But I agree with the Senator that there are.

Mr. KEM. Then why the distinction between the Department of National Defense on the one hand and the Department of Agriculture on the other?

Mr. ANDERSON. I tried to explain that. I think it is a question of leading a boy into battle where he may lose his life.

Mr. KEM. I understand the reason for it is that the men in the armed forces are career men, and many of them sons of Republican parents.

Mr. ANDERSON. No; I did not say that at all. But it is all right.

Mr. KEM. The record will show what the Senator said.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I should like to ask the Senator from New Mexico how he reconciles his view that we should not confirm these five men who are going to control a $5,000,000,000 corporation, when at the same time the Senate will have to confirm a postmaster who may have to handle only two or three thouhand dollars of receipts in a year?

Mr. ANDERSON. I do not know that I can answer to the Senator's satisfaction, but I shall try to deal with the situation we are considering.

Mr. WILLIAMS. Does not the Senator from New Mexico agree with me that in time of war the directors of this corporation will be holding more responsible positions than will many of the officers in the armed services whom the Senate confirms?

Mr. ANDERSON. Yes, I agree.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. ANDERSON. I yield to the Senator from Nebraska.

Mr. WHERRY. I am vitally interested in the answer the Senator from New Mexico gave to the Senator from Missouri with respect to the military situation. The Senator from New Mexico differentiated between the importance of those connected with the military, and civilians. The Senator from Delaware brought up a question relative to confirmation of postmasters. And, considering Government officials who are confirmed by the Senate, the Secretary of Labor, the Secretary of Commerce, the Secretaries of the various other departments, and other officials in charge of civil functions throughout the Government are all confirmed by the Senate. Therefore, it is not enough simply to differentiate between the military and, for example, officials in the Department of Agriculture. Because all through the whole system of government we find that civilian officials, appointed by the President, are confirmed by the Senate, do we not?

Mr. ANDERSON. Yes, but I hope that there is some differentiation made. The distinguished Senator from Delaware [Mr. WILLIAMS] yesterday asked the senior Senator from Vermont [Mr. AIKEN] the following question:

How does the Senator from Vermont reconcile that action—

Concerning the Hoover report—

with the action taken here?

He had previously said that he understood that the Senator from Vermont was an enthusiastic supporter of the Hoover Commission Report which was adopted in the Senate a few days ago.

How does the Senator from Vermont reconcile that action with the action taken here? Is not the taking away from the Senate of the power to confirm the directors a direct contradiction of the recommendations of the Hoover Commission?

Mr. President, I think we should find out what the Hoover Commission reported. First, I should like to refer to the Hoover report which deals with Federal business enterprises specifically. I turn to page 10, to recommendation 1 (f) which reads as follows:

That where boards or part-time boards are established they be wholly advisory and be appointed by the President.

That is the Hoover report. What the Senator from Delaware read from was a recommendation of the task force, and it had nothing to do with the recommendation of the Hoover Commission.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Does the Senator from New Mexico mean to say that the board of directors is a part-time board or a full-time board of directors? He read from the recommendation of the Hoover Commission, in which the expression "part-time directors" was used. I am talking about the full-time board of directors.

Mr. ANDERSON. Let me read the language again:

That where boards or part-time boards—

Both of them—

are established they be wholly advisory.

Now, I read that and say, to paraphrase Paul, "That which ye have worshiped without knowing, come I to declare unto you."

The Hoover report has made that recommendation.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Do I understand the Senator to interpret that language to mean also the RFC Board of Directors?

Mr. ANDERSON. I come to that in a moment.

Mr. WILLIAMS. That is a board; is it not?

Mr. ANDERSON. Yes. I shall show what happens to the RFC, if the Senator will be patient with me.

Then I want to turn next to section 1 (g) as follows:

That where these corporations are located in the departments or major Government agencies the heads of such agencies or representatives designated by them serve as ex officio chairmen of their advisory boards.

That is from the Hoover document Federal Business Enterprises, page 10.

Notice that the Senate conferees by putting in "an advisory board" have followed to the very letter the recommendations of the Hoover Commission on Reorganization of the Government, and the conference report, by limiting the actual board of directors to employees of the Department surely follow the recommendations in the Hoover report.

But for additional information I desire to turn to page 8 of the report on Federal Business Enterprises, under the heading, "Defects in the organization of Government corporate enterprises," and consider paragraph (c) which lists the defects. Paragraph (c) reads:

> Most of these agencies are within executive departments, but some have independent status and their activities are not adequately coordinated with those of the executive branch.

That is what I was trying to say to the distinguished Senator from Nebraska, the minority leader; that where there are independent agencies their activities are not coordinated with the executive branch, and therefore that is held to be bad.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. Yes.

Mr. WILLIAMS. Does not the Hoover Commission in its report go further and say, with respect to the Commodity Credit Corporation, that either one of two programs should be adopted; either the board of directors should be free from the need for confirmation, and the activities of the Corporation should be made a part of those of the Department of Agriculture, and that the Secretary of Agriculture should come before Congress with respect to matters connected with it, or else the board of directors should be set up as an independent board?

Mr. ANDERSON. Yes, there is a recommendation about that which I thought was in the task-force report, not in the Hoover Commission report.

Mr. WILLIAMS. Is not what the Senator from New Mexico is proposing at this time a consolidation of the two reports, taking out of each of the reports that of which he approves?

Mr. ANDERSON. No. I am reading only from the Hoover Commission report. The Senator from Delaware read from the recommendations of the Task Force. Let me go a step further. I have here the recommendations respecting the Department of Agriculture. Look at recommendation No. 2 on page 8 of the report on the Department of Agriculture, in which this statement is found:

> All officials below the Under Secretary and the Assistant Secretaries should, where possible, be appointed from the career services.

Under the Hoover Commission scheme the Commodity Credit Corporation and all its activities are moved under the Commodity Adjustment Service. Under the Hoover report they are not merely independent boards. They are not only under the Secretary, but they are under the Under Secretary; they are under two Assistant Secretaries; under the Administrative Assistant to the Secretary. Below that comes the Commodity Adjustment Service.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. In that same recommendation do they recommend that we carry over the four and three-quarter billion borrowing power, and confer that upon the Secretary of Agriculture exclusively?

Mr. ANDERSON. I think the Senator is quoting from the task force report.

Mr. WILLIAMS. No; I am asking the question. Does the Senator find that recommendation in the book from which he is reading?

Mr. ANDERSON. I do not find it in the book. Perhaps the Senator can find it.

Mr. WILLIAMS. It is not in that book.

Mr. ANDERSON. No; it is in the task force report.

Mr. KEM. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KEM. Does the Senator from New Mexico understand that the Hoover report recommends that the corporate device be continued, but that the authority of the Senate to confirm the directors of the corporation be denied?

Mr. ANDERSON. I do not think I would want to interpret the Hoover report in that respect.

Mr. KEM. That is the very crux of the question. As I understand the section which the Senator read, it simply says that it is thought that the heads of the departments should have greater authority over the operations within the departments, and that the Government corporations should be broken down. Here we are continuing the device of the Government corporation. We are adhering to the corporate fictions, but we are not giving the Senate the customary and traditional power to confirm the directors. That involves more than merely a question of form, as the questions of the Senator from Delaware suggested. We have a corporation which transacts its business independently of the Congress, without definite, specific appropriations when it makes commitments. Furthermore, it has a borrowing power. It can borrow money on the credit of the United States, without any intervention of Congress at all. What we are doing is maintaining the corporate fiction, but we are doing away with the right of the elected representatives of the people to govern the way their money is spent.

Mr. ANDERSON. I merely say that the Hoover report all the way through is to the effect that when boards of that nature are established, they should be advisory boards appointed by the President.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I should like to refer to the recommendations of the Hoover report——

Mr. ANDERSON. May I have the page of the Hoover Commission report from which the Senator is about to read? I am afraid the Senator is about to read from the task-force report.

Mr. WILLIAMS. I wish to read from page 48 of the task-force report. I should like to know when the idea suddenly developed that the task-force reports have no value.

Mr. ANDERSON. It did not suddenly develop. It has been known by everyone who received any of the Hoover Commission reports, from the very beginning. Ask the distinguished Senator from Vermont [Mr. AIKEN]. He knows all about it.

Mr. WILLIAMS. I am asking the Senator from New Mexico——

Mr. ANDERSON. There is a wide difference in the recommendations as between the task-force reports and the Hoover Commission report.

Mr. WILLIAMS. I do not believe the Senator will find anywhere in the Hoover report a denial of that principle.

Mr. ANDERSON. The Senator will not find anywhere in it an affirmation of it, either.

Mr. WILLIAMS. Yes.

Mr. ANDERSON. Very well. Will the Senator show me where, in the Hoover report——

Mr. WILLIAMS. The Hoover Commission recommends that such boards act in an advisory capacity. The Senator will not find anywhere in the Hoover report a recommendation that those boards have the power to borrow money in the name of the United States Government.

I read from page 48 of the task-force report of the Hoover Commission:

> It is recommended that the Commodity Credit Corporation be continued solely as a nonstock financing agency under the control of the Administrator. Further, there should be substituted for the Corporation's present borrowing power and capital stock a revolving fund capital and annual appropriations to replace, to the extent Congress deems necessary, impairments of such capital if and when they occur.

If we are going to carry this Corporation as a part of the office of the Secretary of Agriculture, we should repeal its borrowing power and make it come before Congress annually for its appropriations.

Mr. ANDERSON. I am very glad the Hoover Commission saw fit to disregard that recommendation.

In final summary, let me say that today there was placed upon the desks of Senators the concluding report of the Hoover Commission——

Mr. KEM. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KEM. A few minutes ago I asked the Senator if the Hoover Commission approved what is being done here, namely, a maintenance of the corporate fiction, but without the right of the elected representatives of the people to confirm the directors of that corporate entity. I understood the Senator to say that he would not undertake to construe the Hoover report in that respect.

Mr. ANDERSON. That is correct. I will not attempt to say what the Hoover report did, because it never directly passed upon that question.

Mr. KEM. The Senator does not want to be understood as contending that the Hoover report justifies or recommends what is being done in this bill, does he?

Mr. ANDERSON. No. I am happy to say to the Senator that my observations

were based upon the observations made yesterday, which were completely contrary to the Hoover report.

Mr. KEM. So the Senator is not advocating what the Hoover report recommends, and he does not want the Congress to understand that he is.

Mr. ANDERSON. In the large chart of the reorganized executive branch, showing the major purposes, departments, and agencies, it will be found that under the Department of the Treasury there are the Export-Import Bank, the Federal Deposit Insurance Corporation, and other agencies, but the Commodity Credit Corporation will not be found as a separate and independent agency. It is actually merged into the Department of Agriculture.

Mr. KEM. That is another thing. That is a question for another day. But this bill does not merge it, and I do not think anyone ought to understand that it does.

Mr. ANDERSON. It comes pretty close to it.

Mr. KEM. It merely merges the authority, but it continues the borrowing power, and it continues the authority of the corporate fiction to dispose of the people's money. We are continuing the power to deal with the people's money, but we are refusing to permit the elected representatives of the people to confirm the persons who are doing it.

Mr. ANDERSON. The man who has the final word on the expenditure of the people's money is a member of the President's cabinet, who is confirmed by the Senate, and who is finally responsible for every transaction of the Commodity Credit Corporation.

I have mentioned cabinet officers. I am very sorry that in the discussion yesterday we entered into the discussion of a pamphlet circulated by the Grain Branch, and it was emphasized that that was the language of the Secretary of Agriculture.

I refer to page 6797 of the CONGRESSIONAL RECORD for yesterday, in the third column, where we find the following:

> Mr. WILLIAMS. Again I emphasize that I am reading the language of the Secretary of Agriculture.

I think the distinguished Senator from Vermont answered that statement pretty well, because it is not the language of the Secretary of Agriculture at all.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I should like to point out to the Senator that the language to which he is referring was read into the RECORD from a Department of Agriculture bulletin. The question is this: Does the Senator from New Mexico mean to say that we confer power on the Secretary of Agriculture, but that he does not want to assume responsibility for the bulletins which are issued and the actions which are taken?

Mr. ANDERSON. Not at all.

Mr. WILLIAMS. Does not the Senator agree with me that with power goes responsibility?

Mr. ANDERSON. Certainly.

Mr. WILLIAMS. If the Secretary of Agriculture wants to assume power over the Commodity Credit Corporation, he must be ready to assume the responsibility for its actions. The action of the Department of Agriculture is clearly set out in these bulletins, so far as concerns the long-range program for Government storage. This particular bulletin was issued with the consent of the Secretary, and with the knowledge of the Secretary. It was not wtihdrawn, to my knowledge, until yesterday when we began to discuss it on the floor of the Senate. Suddenly the Secretary tried to deny any responsibility whatever for it.

Mr. ANDERSON. I think the Senator should have the correct information before he makes a charge like that against the Secretary of Agriculture. I remind the Senator that when I tried to find out what he was reading, he said—and I quote again from page 6797:

> Mr. WILLIAMS. Again I emphasize that I am reading the language of the Secretary of Agriculture.

I submit that this bulletin was prepared in the Grain Branch and submitted to Ralph Trigg, the head of the Production and Marketing Administration. Mr. Trigg, acting in behalf of the Secretary of Agriculture, turned down the program. The Grain Branch was not satisfied. A special committee was appointed, headed by Mr. Ballou, as the distinguished Senator from Vermont [Mr. AIKEN] pointed out. That committee again considered the program and rejected it. The Grain Branch still thinks it is a good idea.

I hope we have not yet reached the point where every idea advanced by every person in every Government department immediately becomes the idea of the executive head of that department and their words become his.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from New Mexico yield to the Senator from Delaware?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. What was the date of the conference they had with Mr. Ballou?

Mr. ANDERSON. I am not sure. But Mr. Ballou was here some 3 or 4 weeks ago. The time when Mr. Trigg turned it down was nearly 2 months ago.

Mr. WILLIAMS. But it seems that it is desired to have the authority taken away from Mr. Trigg, so apparently, if the conference report is adopted, his rejection will not mean anything.

My point is that as late as 3 weeks ago they were still considering this document in the Department of Agriculture, and at the same time they had not told anyone in Congress what they were planning.

Mr. ANDERSON. My guess is that they will continue to consider it for many years, so long as there are people there who believe in it.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. FERGUSON. Will the Senator from New Mexico advise us what disposition was made of the report which was read from, as shown at page 6797 of yesterday's CONGRESSIONAL RECORD?

Mr. ANDERSON. I am not informed. I understand it was first circulated in the Department. I obtained the best information regarding it that I could, which is that it was first circulated only inside the Department by the Grain Branch, in order to get the reaction of other branches. After Mr. Trigg disposed of it, it was then mailed out by the Grain Branch to other organizations, to try to get their opinions. Then a committee met to consider whether it was or was not a good program. I am not certain to what extent it was circulated.

Mr. FERGUSON. Did the committee have the power to turn down such suggestions?

Mr. ANDERSON. No; it simply met to consider its circulation.

I think a wholly wrong interpretation—although I am sure it was honestly reached—has been placed on one sentence in the report. These words were read yesterday:

> The need to expand these facilities to a recommended capacity of at least 500,000,000 bushels is more fundamental than the problem of making existing legislation work.

I think it might be well to read the remainder of that statement, which is as follows:

> It is based on the recognition that the economic soundness of any price-support program for agriculture depends on how effectively supplies can be stabilized at prices fair to producers and consumers.

The impression was left that the Department wanted to ignore the provisions of the law; but actually the Department recognized that a price-support program is not effective unless there is some control upon supply. I believe at least that explanation should be given.

Yesterday a great deal was said about a criminal who was in the Department, a man by the name of Hatch. It was said that he was in the Department, but that he should have been fired. Mr. President, I agree that he should have been fired. I think he should have been allowed to resign in 1943, when he tried to resign, but when an employee of the Department of Agriculture refused to accept his resignation.

I am very happy to say that one of the most influential men I know came to me shortly after my appointment as Secretary of Agriculture and asked me if I would continue the appointment of a certain person in the Department of Agriculture, and I was happy to inform him that I would do everything I could to see to it that Col. Ralph Olmstead was fired from the Department of Agriculture.

Subsequently, the Army proposed to send him to Germany and put him in charge of the food supplies there. I called General Somervell and said to him that if that were done, I would feel compelled to release to the newspapers all the information I had about that man.

Yes; it is true that he has gone to China, but he is not doing there what the Senator from Delaware said yesterday he is doing. He is a financial adviser to the Government of China. My information, after looking through the records in

the Department of Agriculture, indicates that he should be excellent in that sort of work.

As for Mr. Hatch, he was appointed a clerk in the Government service in 1934. At that time he gave no indication of his prior record. He was examined by the civil service, and was covered into civil-service status. He subsequently resigned.

I say to the distinguished Senator from Delaware that he is quite correct when he says that man should not have been continued in the Department. I do not question that at all. But I think the Senator from Delaware is quite in error when he infers that that man was an employee of the Commodity Credit Corporation, and that the head of that Corporation should have known all about him.

The record shows how the questions in that regard were put. Mr. Tarver said:

> This man Hatch is not an employee of the Commodity Credit Corporation, but of the War Food Administration.

Mr. Hancock answered:

> Judge, that is difficult to answer. Please do not misunderstand me, but I do not know exactly who are the employees of the Commodity Credit Corporation.

That statement was stressed in the debate yesterday as if it were a terrible confession for any man to make.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. Yes; after I have reminded the Senator from Delaware that there were 5,000 employees of the Commodity Credit Corporation and 55,000 employees of the War Food Administration; and yet someone thinks it is strange that the administrator did not know the names and records of all 60,000 of those people.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I should like to ask the Senator from New Mexico to continue reading from the same record. If he will, he will find that the objection I made was, not that the head of the Corporation did not know all the employees, but because in answer to the next question he said he did not know whether he had authority to fire from among those employees a man of whom he did not approve. That was my point.

Mr. ANDERSON. I am sorry if I misunderstood the Senator's objection. Certainly Frank Hancock should not have been expected to know who that man was.

I shall concern myself for a little time with the Brent Spence letter. I realize that perhaps I may thus initiate a long discussion which possibly I should avoid; but I wish the Senate to understand that there was some basis and justification for what the Secretary of Agriculture had written to Representative SPENCE, of Kentucky. Perhaps it may be well to refer again to what was said in the first paragraph of the letter. It refers to the argument over the $366,000,000 of receivables on the books of the Commodity Credit Corporation. The Secretary of Agriculture, in replying to Representative SPENCE, said:

> These wartime operations were the subject of an extensive investigation by a House committee under the leadership of Judge Tarver. The then War Food Administrator, Marvin Jones, laid all pertinent facts concerning these transactions before the committee. All questions of fraud or loss to the Government were fully explored, and the committee was fully satisfied that there was no evidence of either.

On yesterday, the Senator from Delaware proceeded to quote from the early Tarver report, which had been prepared early in the year 1945, and was ordered printed on June 27, 1945. What the Secretary of Agriculture was referring to in the letter was that the comment made in that report had resulted in a long investigation. A great many auditors and accountants were assigned to that task. Some very reliable people were brought down to direct it; and Judge Malcolm Tarver on the first day of October 1945 inserted into the record a letter written by me to him on September 28. On the basis of that letter, Judge Tarver replied on October 2, and suggested that there be some further hearings on the matter.

The Department of Agriculture's representatives appeared many, many times before the House committee, day after day, explaining the points at issue. Those hearings were in some degree secret. I do not know what the official records of the House of Representatives show as to those hearings; but I do know that at the conclusion of the hearings, Judge Tarver expressed himself to me and to other members of the Department of Agriculture as being completely satisfied; and it is to that that the Secretary of Agriculture refers in the letter, when he says that there was no evidence of fraud or loss to the Government.

Lindsay Warren has written to the Secretary of Agriculture a letter dated May 2, in which he says:

> However, it can be definitely stated, now that lend-lease settlements have been arranged, that no purpose would be served by further investigating the balance due June 30, 1945, from other governmental agencies.

I have previously said, Mr. President, that I shall be happy to have anybody go into that record. I should be happy, not because it concerns me, but because it concerns the administration of Judge Marvin Jones, who in my opinion is as fine a man as ever served the Government of the United States. I felt a little sorry in behalf of Marvin Jones that I was not able to pursue that examination. We were overburdened with every kind of work. It would have cost a quarter of a million dollars. I think it is too bad that we did not proceed then to wipe out all of this cost billing and come down to accounts, but we did not, and now, if the Senate is going into it, that will be fine, but I merely remind Senators also that the General Accounting Office has been stating in answer to questions that there is no evidence of fraud in connection with these items. In connection with the $366,000,000, I do not say that there were not many, many items brought up as to which it looked as if fraud had taken place in the handling of transactions, but that is not involved in the $366,000,000, so far as I have ever been able to find out.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Is it not a fact that the reason the General Accounting Office says there was no evidence of fraud is that in the $366,000,000, for which they have submitted books to us as being unaccounted for, certainly they cannot assert whether there is fraud, when they do not know what happened to it. On the other hand, I do not think it will be found that the General Accounting Office will make a positive statement, assuming all responsibility, that there may not be some fraud uncovered.

Mr. ANDERSON. No; I do not think they would make that statement, either, in view of the great variety of operations in the Commodity Credit Corporation. I think that would be very foolish if they said that, with the possibility that one little item may show up as to which there is a very unusual situation. We have encountered such situations. I found out while I was in that responsibility, that a man was depositing unusual sums of money in a bank in another city. We sent investigators. We removed him from the Government service. We tried to bring him to trial, but a grand jury would not indict him. I suppose the Department should be blamed for the fact that his record is still clean, but the Department did its very best to bring him to trial, and the Department did its very best in some of the other cases. There are cases well known in the Department as to which the Department has made recommendation after recommendation looking to the prosecution of people, some of them prominent in this country, but prosecution has never yet occurred, principally because local grand juries do not think there is sufficient evidence, indicating that we were trying not only to prosecute acts which were provable, but even acts which smelled bad. But the General Accounting Office has had some things to say about the Commodity Credit Corporation. It does say on page 1 of the report:

> The field examination was concluded in December 1946, and in general the report has been written as of that date.

They are dealing with things back to June 30, 1945, 4 years ago, although the field work was not finished until December 1946. The country was still at war on June 30, 1945. I wonder whether it would be permissible, Mr. President, to ask that at this point there might be inserted two and a one-half pages of comment from the Comptroller General, of which I shall read only the first line or two:

> It should be pointed out that, notwithstanding the accounting deficiencies discussed, the officials of the Department of Agriculture and the Corporation recognized the desirability of having the General Accounting Office perform a so-called commercial-type audit of its financial transactions. Representatives of the Department working

jointly with those of the General Accounting Office drafted legislative provisions enacted into the act of February 28, 1944 (58 Stat. 105), which contained a provision directing the Comptroller General to make such an audit for each fiscal year commencing with the fiscal year ending June 30, 1945. In February 1945 requirements for a similar audit were imposed with respect to all Government corporations.

It further says:

The Corporation has given increased recognition to the importance of sound accounting policies and procedures, has augmented its accounting staff and appointed a comptroller in April 1947 who was made an officer of the Corporation on May 12, 1947.

All through the report which the General Accounting Office has submitted there is recognition of a very sincere desire to work things out. Mr. Simpson, of the Accounting Office, in answer to one question by the distinguished Senator from North Dakota [Mr. YOUNG] said:

The question of dishonesty is not raised at any point in our report. It is a matter of inefficiencies in the accounting set-up and the accumulated errors. It is a matter of accumulation of work, getting behind, and errors that have been built up over the years, rather than any dishonesty.

Mr. WILLIAMS rose.

Mr. ANDERSON. Does the Senator from Delaware desire me to yield?

Mr. WILLIAMS. No. I assume the Senator from New Mexico was going to ask unanimous consent to have that inserted in the RECORD. I have no objection. I was merely going to ask the Senator whether he would also include in the unanimous consent request that there be inserted in the RECORD with those comments—I think it well that those comments be put in the RECORD—the conclusions which Mr. Warren wrote in the same report, found on page 73. I have it here and could supply it.

Mr. ANDERSON. I congratulate the Senator. I have never been able to receive a copy of the report. I congratulate the Senator upon obtaining it.

Mr. WILLIAMS. It required a Senate resolution in order to get it, I may say, but we got it.

Mr. ANDERSON. It would almost seem as though it would take less than that to get it for the man who had to bear most of the responsibility. I congratulate the Senator upon obtaining it. I have never been able to do so.

Mr. WILLIAMS. The Senator has it now. To save inserting it, since it is very short, I shall be glad to read it, if the Senator cares to have me do so. Mr. Warren concluded with the statement:

The accounting deficiencies encountered were so substantial and the inaccuracies cited in this report so material that we cannot express an opinion that the financial statements prepared by the Corporation present fairly the financial position of Commodity Credit Corporation.

Mr. ANDERSON. The only statement I have ever been able to get was that the audit of the Commodity Credit Corporation—I have it again just handed to me, from the Comptroller General—does not disclose fraud existed, neither does it disclose that fraud did not exist. I am glad the Commodity Credit Corporation finally got a chance to explain what happened to this money.

Let me merely say that as of May 25 the Commodity Credit Corporation issued High Lights of CCC Loans, Purchases, and Sales Activities, which is an up-to-date presentation of its financial position as of that date, March 31, 1949, and again, it will do it as of June. The Commodity Credit Corporation has published a complete report of its financial condition and operation. To hear certain portions of the discussion we have had here, one would think it was not possible to get any sort of report from the Commodity Credit Corporation within less than 3 or 4 or 5 years. Yet here is a complete report of financial operations as of March 31, 1949.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Delaware?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Is not the Senator aware of the fact that the criticism was made that the books had not been audited by the General Accounting Office, and that they were behind some 3 to 4 years?

Mr. ANDERSON. Yes.

Mr. WILLIAMS. I do not think the Senator from New Mexico is trying to infer that the books have been audited and that reports for the years 1946, 1947, and 1948, are before the Senate at the present time.

Mr. ANDERSON. No; the books have not been audited.

Mr. WILLIAMS. Does the law not specifically state that audits shall be made and submitted to the Congress on the 15th of January each year?

Mr. ANDERSON. Yes. Is the Senator now saying the Commodity Credit Corporation should make it? It says the General Accounting Office shall make it.

Mr. WILLIAMS. It says the General Accounting Office shall make it, yes, but the General Accounting Office takes the position frankly that the books are in such deplorable state that they have been unable to bring them up to date.

Mr. ANDERSON. I may only say to the Senator that the first auditor who came in to talk to me was not a very well qualified auditor. I would not let him touch a book of my own business under penalty of death, and if that is the reason why books are in such deplorable state, we can understand it. He did not know there was a difference between a physical and a fiscal inventory, in this matter, and he had to go back to find out what the difference was.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I am very much interested in the Senator's statement. Could the Senator from New Mexico tell me whether that individual who was so incompetent is on the Government pay roll at the present time?

Mr. ANDERSON. I do not know, but he never got back in my office.

Mr. WILLIAMS. Does the Senator from New Mexico care to state the name of the man, so that we may find out?

Mr. ANDERSON. No.

Mr. WILLIAMS. If we have a man on the pay roll such as that, I think the Senator should join with me in finding out something about it. I am very much interested in that statement.

Mr. ANDERSON. I do not know his name, but by going back to the permanent register, we could find out who he was.

Mr. WILLIAMS. I am very much interested.

Mr. ANDERSON. I now wish to come to the portion which deals with the fact or with the charge that the Commodity Credit Corporation and the War Food Administration were one and the same. I refer now to page 6810, where I had asked the Senator from Delaware whether the comments he was making referred to the War Food Administration or to the Commodity Credit Corporation, with respect to these awful things that Judge Tarver's committee had reported. The Senator replied:

It refers to the War Food Administration, which was operating the Commodity Credit Corporation under a Presidential directive during the period from 1943 to 1945. They are one and the same Corporation.

That matter rose three or four times later in the discussion. Each time the Senator from Delaware said:

Yes; and the War Food Administration, I repeat, was the same as the Commodity Credit Corporation—

This is on page 6812, middle column—

during the period from 1943 to 1945. If that is not true, then I ask the former Secretary of Agriculture, What did the Commodity Credit Corporation do? Did it function during that period?

Mr. President, the President of the United States issued an Executive order——

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. Yes.

Mr. WILLIAMS. Does the Senator remember that I asked unanimous consent to have inserted in the RECORD, either last evening or at a later date, that Executive order?

Mr. ANDERSON. I have it with me.

Mr. WILLIAMS. Is the Senator aware of the fact that I read into the RECORD the date of that order?

Mr. ANDERSON. I am not only aware of that, but I have the Executive order with me. The statement of the Senator was as follows, and I am reading from page 6810, first column, of the CONGRESSIONAL RECORD:

It refers to the War Food Administration, which was operating the Commodity Credit Corporation under a Presidential directive during the period from 1943 to 1945. They are one and the same Corporation.

Let us see what the President did. I read from Executive Order 9322:

It is hereby ordered as follows:

The Food Production Administration (except the Farm Credit Administration), the Food Distribution Administration, the Commodity Credit Corporation, and the Extension Service are hereby consolidated within

the Department of Agriculture into an Administration of Food Production and Distribution, to be under the direction and supervision of an Administrator.

Mr. President, it is seen that the Extension Service in every State of the Union was in exactly the same category as was the Commodity Credit Corporation. Will the Senator from Delaware now rise and read what was written about the War Food Administration and say it applies to the Extension Service, to every extension service anywhere in the country? Of course, he will not.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. What is the number of that Executive order?

Mr. ANDERSON. It is No. 9322.

Mr. WILLIAMS. What is the date of it?

Mr. ANDERSON. March 26, 1943.

Mr. WILLIAMS. Will the Senator be so kind as also to submit the Executive Order 9334, following that?

Mr. ANDERSON. Yes; I shall be glad to submit it for the RECORD. I desire to refer to it, but I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the Executive order was ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER NO. 9334

WAR FOOD ADMINISTRATION

Executive Order No. 9322 of March 26, 1943, entitled "Centralizing and Delegating Authority With Respect to the Production and Distribution of Food," is hereby amended to read as follows:

"By virtue of the authority vested in me by the Constitution and the statutes of the United States, particularly by the First War Powers Act, 1941, as President of the United States and Commander in Chief of the Army and Navy, and in order to assure an adequate supply and efficient distribution of food to meet war and essential civilian needs, it is hereby ordered as follows:

"SECTION 1. The Food Production Administration (except the Farm Credit Administration), the Food Distribution Administration, the Commodity Credit Corporation, and the Extension Service, together with all their powers, functions, and duties, are hereby consolidated within the Department of Agriculture into a War Food Administration, to be administered under the direction and supervision of a War Food Administrator. The Administrator shall be appointed by the President and shall be directly responsible to him.

"SEC. 2. All powers, functions, and duties of the Secretary of Agriculture (a) under Executive Order No. 9280 of December 5, 1942, (b) under title IV of Executive Order No. 9250 of October 3, 1942, (c) which relate to labor and manpower under orders of the Economic Stabilization Director or the Chairman of the War Manpower Commission, (d) which relate to or which have heretofore been exercised through or in connection with the agencies, including corporations, consolidated by section 1 of this order, and (e) which relate to personnel, property, and records transferred by section 3 of this order, are transferred to and shall be exercised and performed by the War Food Administrator (in addition to the powers, functions, and duties conferred upon him by Executive Order No. 9328 of April 8, 1943); but the Secretary of Agriculture shall continue as chairman of the interdepartmental committee set up by section 7 (a) of Executive Order No. 9280, as a member of the War Production Board as provided in section 7b of Executive Order No. 9280, and as the American representative on the Combined Food Board. The War Food Administrator shall be a member of the said interdepartmental committee, which shall be advisory to him. He shall also be alternate American representative on the Combined Food Board.

"SEC. 3. For use in connection with the exercise or performance of the powers, functions, and duties consolidated and transferred by this order, so much of the unexpended balances of appropriations, allocations, and other funds available to the Department of Agriculture for such purposes, as the Director of the Bureau of the Budget shall determine, and all of the personnel, property, and records used primarily in the administration of such powers, functions and duties, are hereby transferred to the War Food Administration.

"SEC. 4. In addition to the powers and authority granted by this order, and in order to carry out its purposes, the Secretary of Agriculture and the War Food Administrator, to the extent necessary to enable them to perform their respective duties and functions, shall each have authority to exercise any and all of the powers vested in the other by statute or otherwise; and the exercise of any such power by either of them shall be deemed to be authorized and in accordance with this order, and shall not be subject to challenge by any third party affected by the exercise of the power on the ground that the action taken was within the jurisdiction of the Secretary of Agriculture rather than the War Food Administrator, or vice versa.

"SEC. 5. Any provision of any Executive order or proclamation conflicting with this Executive order is superseded to the extent of such conflict. All prior directives, rules, regulations, orders, and similar instruments heretofore issued by any Federal agency relating to matters concerning which authority is vested in the War Food Administrator by this order shall continue in full force and effect unless and until modified or revoked by orders or directives issued by or under the direction of the War Food Administrator pursuant to authority vested in him."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 19, 1943.*

Mr. ANDERSON. I wish to read from it. I shall skip portions of it, because the entire order will be set forth in the RECORD:

The Food Production Administration (except the Farm Credit Administration), the Food Distribution Administration, the Commodity Credit Corporation, and the Extension Service—

I do not see the Senator rise—

together with all their powers, functions, and duties—

Will the Senator advise me why he wanted this Executive order in the RECORD along with the other one?

Mr. WILLIAMS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, immediately following the remarks of the Senator from New Mexico, the report of examination of the Commodity Credit Corporation for the period ending June 30, 1943, which was submitted to the Congress of the United States.

Mr. ANDERSON. May we have some idea of what it involves? Is it 5,000 pages?

Mr. WILLIAMS. No; it is not 5,000 pages. I will say that this report was submitted to the Congress on March 30. It was ordered printed as a House document, but, for some unknown reason, it was not printed. I think it is unfair to the Senate that we stand here debating, I saying one thing and the Senator from New Mexico saying another. Let us lay the record before the country.

Mr. ANDERSON. If it is being printed as a public document, I certainly object.

Mr. WILLIAMS. I think that answers the question.

Mr. ANDERSON. I withdraw my objection. I am amazed at the Senator from Delaware.

Mr. WILLIAMS. I renew my request to have the document printed in the body of the RECORD immediately following the remarks of the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ANDERSON. Mr. President, I have tried very hard to avoid personalities. I do not want anyone to infer that I was afraid to have the report printed in the body of the RECORD. I shall be glad to enter into a discussion of this matter with the Senator. I do not believe his statements will be borne out by the facts.

Mr. WILLIAMS. My request had no relation at all to any personal reference to the Senator from New Mexico. I was merely surprised by the objection, because we have inserted such documents many times in the past. I was also surprised when we were unable to get the report from the printer; but, for some reason, it has not been available. The Senator from New Mexico expressed his regret that he had not been able to read it.

Mr. ANDERSON. I am glad to have it available. I think when it is being printed as a public document at a tremendous cost, it should not be inserted in the RECORD. It would cost many dollars a page. But I have no objection. All I want to say is there is not and cannot be any contention that the War Food Administration, Commodity Credit Corporation, and the Extension Service are one and the same things. To be sure, War Food Administration took over control of the Commodity Credit Corporation, but that did not make them one and the same thing. There were approximately 5,000 employees in the Farm Credit Administration. There were approximately 55,000 in the War Food Administration. They cannot be regarded as one and the same thing.

In closing, Mr. President, I come to the item appearing on page 6817 of the RECORD at the bottom of column one and at the top of column two. I should like to read again from the statement of the Senator from Delaware:

The very least we should do is to find out in just what condition the affairs of this corporation are for the years 1946, 1947, and 1948, before returning the control to any one man. That is one of the reasons—

I am sure the Senator from Virginia [Mr. BYRD] is interested in knowing this, and if the Senator from Nebraska [Mr.

BUTLER] were present he would be equally interested—

That is one of the reasons why Congress passed the so-called Byrd-Butler bill, in which it was provided that each corporation should be granted a Federal charter—

And I agree with that—

that the directors should be confirmed by the Senate—

I shall be happy to have the Senator from Delaware read that section of the Byrd-Butler bill which provides that they shall be confirmed by the Senate——

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. In a moment. I read further:

and that they should be accountable to Congress—

I shall be glad to have the Senator from Delaware read that section of the bill—

and not to any part of the executive branch of the Government.

I shall be glad to have the Senator from Delaware read the section which provides that the directors are not to be accountable to any part of the executive branch of the Government.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I see the Senator from Virginia on the floor, and I should like to ask him to reply as to whether it was the intention——

Mr. ANDERSON. I shall not yield the floor for that purpose. I should like to have the Senator from Delaware show me any provision in the Byrd-Butler bill that a director must be confirmed by the Senate. I shall be glad to have the Senator show me any section providing that a director is accountable to Congress, and where it is shown that the directors of the Commodity Credit Corporation are not to be accountable to any part of the executive branch of the Government. I should like to have him show me the provisions if he can produce them.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. Does the Senator from New Mexico mean to say that as he understands the law the directors are not accountable to Congress?

Mr. ANDERSON. I have submitted to the Senator a very simple request. He stood on the floor of the Senate and assured every Member of the Senate that the Byrd-Butler bill provided that each corporation should be granted a Federal charter. I agree with that. Then he said, "The directors shall be confirmed by the Senate." I ask him to show any section of the Byrd-Butler bill which so provides. That is a simple request.

Mr. WILLIAMS. I asked the Senator from New Mexico if he would not yield to the Senator from Virginia.

Mr. ANDERSON. The Senator from Virginia is very careful in his language, and I do not believe the Senator from Virginia would make such a statement.

Mr. WILLIAMS. I am suggesting to the Senator from New Mexico to try him and see.

Mr. ANDERSON. This statement is on the authority of the Senator from Delaware.

Mr. WILLIAMS. My interpretation of the Byrd-Butler bill is that all Federal corporations should have a Federal charter, and that the boards of directors should be confirmed by the Senate and accountable to the Congress; and I still feel that way.

Mr. ANDERSON. To sum up, Mr. President, the first statement made by the Senator from Delaware was that this was contrary to the Hoover Commission report. I have tried to point out that it was not contrary to the Hoover Commission report, that it may be silent on it, but that what it says regarding boards is that they should be advisory.

The Senator said, when one pamphlet was introduced, that it was the language of the Secretary of Agriculture. It was not the language of the Secretary of Agriculture.

Then as to this man who has the criminal record, I submit that that sort of a situation can happen. It was remarkable, as rapidly as we were recruiting people, that we got only two such people. I regret that they were there. I admit they should have been fired, but, nonetheless, when a man turns in a report, and the Civil Service Commission certifies him as eligible for appointment, I think it is pretty hard to reject that sort of person.

The farmers of the Nation, I am sure, are not going to be happy about many of the things which have been said concerning the matter under consideration. I believe they have been somewhat proud of the Commodity Credit Corporation. In all the discussions we have heard nothing about the fact that the cotton-support program, from the day it started until the day I left the Department, at least—I am not familiar with the reaction after that—had not cost the people of the country a penny. Instead of that, on one cotton-selling program alone we acquired profits of nearly $200,000,000, which the General Accounting Office is willing to certify.

I have not forgotten that some of those who were supposed to be under the control of the Secretary of Agriculture are among those who went to the Philippines when we were trying to restore the copra industry. I have not forgotten that private enterprise had tried to revive that industry and had given it up. They said, "Perhaps you can do something with it." I have not forgotten that the United States Commercial Company, a subsidiary of the RFC, with directors who have never been confirmed by the Senate, turned the task over to the Commodity Credit Corporation, and instead of losing $5,000,000, which private industry was prepared to lose, the $5,000,000 was salvaged, and $4,000,000 of profit was turned into the Treasury of the United States.

People are forgetful of the fact that millions upon milions of dolars were accumulated by the handling of products during the period of the war. I know there were losses, but sometimes the after sight is not so encouraging. The same House committee whose report was inserted in the RECORD yesterday did complain about conditions. Among other things, they complained about the cave at Atchison, Kans. They called me before them and demanded that I close the cave immediately as one of the first official acts I should take. Early in my administration I spoke at Stillwater, Okla., and while there I went to Atchison, Kans., to take a look at the cave. It seemed to me too bad that the Government of the United States should invest $2,000,000 in an enterprise and then abandon it. It seemed possible that there might be people who would like to have it abandoned, because of rights which would revert to the owner of the land. We went to work to see if we could make that cave pay. We had to fly in the face of congressional criticism, we had to go almost against a mandate of the House Committee on Agriculture. But all the costs, except for a small charge for machinery, have been amortized and paid since that date.

Those things do not get any notice. It appears that it is not important whether Commodity Credit makes $200,000,000 in a cotton operation; the important thing seems to be whether someone loses $40,000 because some eggs went bad in a New York warehouse.

Mr. KEM. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. KEM. I should like to ask the Senator from New Mexico whether, under the set-up proposed in the bill, the members of the Board of Directors or the members of the advisory committee are the more important.

Mr. ANDERSON. I shall answer the Senator honestly, even though it works against my own argument. I believe the members of the Board who are appointed by the Secretary are more important than the members of the advisory committee. I know his next question will be, then, Why are they not to be confirmed? I have said to him that all I have to go on is my experience in the office of Secretary, and I think I found out in that position that two men cannot at the same time shoulder the same responsibility for supporting prices of farm commodities in this country. Fundamentally the responsibility comes back to one man. He may not like it, but if he holds up his hand and takes an oath of office, he must administer the office, even if it breaks his body. He must go through with it. He cannot divide or escape the responsibility. I hope Senators will remember that.

Mr. KEM. Mr. President, will the Senator yield for another question?

Mr. ANDERSON. I yield.

Mr. KEM. I should like to say, by way of preface, that the Senator's anticipation of my question is a perfectly proper one, but it is not the one I wanted to ask.

Mr. ANDERSON. I apologize if I anticipated the Senator.

Mr. KEM. All I wanted to ask the Senator was whether he was familiar with the provisions of section 2, article II, of the Constitution of the United States, which provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and

consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone," and so forth. Is the Senator familiar with that provision of the Constitution?

Mr. ANDERSON. I am not a lawyer, and I am not so familiar with the Constitution as I perhaps should be, but I am familiar with the fact that the persons we are discussing are not officers of the United States.

Mr. KEM. I should like to say that I sat with the Senator in the Committee on Agriculture and Forestry, and in this particular field of law he is an expert.

Mr. ANDERSON. I thank the Senator, but it is not possible for me to answer his question.

Mr. KEM. I have merely asked him whether he is familiar with that provision of the Constitution by way of introduction to the next question, namely, whether, when we are dealing with two groups, one of which he says is more important than the other, but in which the confirmation of the less important group is accorded to the Senate, he thinks that is in accord with the spirit of the Constitution?

Mr. ANDERSON. I have tried to answer over and over again that I feel that an advisory committee can do a splendid job of laying out policy. Once it has been laid out, either by Congress or by an advisory group, the Secretary has to administer it, and he cannot have that administrative authority divided. He cannot have an independent board, with independent powers, charged with doing the same thing he is charged with doing, without running into conflict. It is upon that basis, and on that basis alone, I may say to the Senator, that I prefer the other method.

Mr. KEM. The Senator has stated his point of view in that respect very clearly, and I think it has some cogency, but that is not the question I am putting to the distinguished Senator. The question is whether it is in accord with the spirit of the Constitution to provide that certain inferior officers shall be subject to confirmation of the Senate, whereas their superiors are not so to be confirmed.

Mr. ANDERSON. Mr. President, I should like to answer the Senator with what he will probably regard as an evasion, but I must say that I have never attempted to interpret the Constitution, not being a lawyer, but have found it much better in my business to hire lawyers to do my legal work. I should, therefore, want to stay out of the field as to what the proper constitutional interpretation is. There are many constitutional lawyers in this assembly who can better answer the Senator's question.

Mr. KEM. I want to address the Senator from New Mexico, not as a lawyer, but as a man of high intelligence who can read and understand the English language. I should like to ask the Senator whether in his opinion it is in accord with the spirit of the Constitution to a provision of which I have just invited his attention, for the bill to provide that the inferior officers shall be confirmed by the Senate, and that the more important officers shall bypass the Senate?

Mr. ANDERSON. I would only answer the Senator in this way, that I do not feel that advisory boards can be measured against administrative tasks. We cannot say whether policy or administrative people are of the greatest importance. May I say that we have an Atomic Energy Commission now. It would seem to me that if we were to start a new development again, that if Dr. Oppenheimer could be moved back into my State, where he served so brilliantly at Los Alamos, he would be far more important to the atomic energy program than some members of the board would be, but he would not be subject to confirmation.

Mr. KEM. I realize that the Senator is not a witness on the stand, and I have no right to press him. I realize fully that he can decline to answer the question if he wishes to do so. But I should like to ask him again whether he thinks any other consideration in the respect referred to is in accord with the spirit of the constitutional provisions to which I have just invited his attention?

Mr. ANDERSON. To the best of my understanding it is.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I wish the Senator to yield long enough for me to point out apropos the remarks of the Senator from Missouri, that the advisory board does not advise the board of directors of the Commodity Credit Corporation, but it is distinctly stated in the bill that they are to advise the Secretary of Agriculture.

Mr. KEM. Yes, but, Mr. President, I should like to ask the Senator from New Mexico again which of these two groups he thinks is the most important: The one which exercises the right of decision, or the one which exercises the right to advise?

Mr. ANDERSON. I say it goes back to the same old story always. The question often is asked, Who is most important in the Military Establishment, the men who are at the front or the men who are making it possible for them to stay at the front? To put it another way: Is Congress in making policy more important than the executive branch in carrying out that policy? It would be extremely tragic if a fine advisory board was not selected. I should love to have a chance to suggest to the Senate four names for that board, Mr. President. If we could get the type of men I am thinking of on that board, the Secretary of Agriculture would have the finest possible aid and assistance in determining policy. But once policy has been determined for him by the Congress, then the people who administer that program underneath him are to him the most important people he could possibly have. Upon their integrity rests his own. Upon their ability to work long hours rests the possibility that the task may be done. The Senator asks me something which I could only answer one way after my experience with the men in the Department of Agriculture.

Mr. KEM. Let me ask the Senator another question. As a former Secretary of Agriculture, would the Senator from New Mexico feel it were a greater compliment to be asked to suggest members for the board of directors or to suggest names for appointment as members for the advisory council?

Mr. ANDERSON. I can answer that question. It would be a compliment to suggest members for the advisory board, but as a former Secretary of Agriculture I would not attempt to suggest members of the other body, because the then Secretary of Agriculture has to live with his people. Someone highly regarded by a former Secretary of Agriculture might be impossible for me to work with, and someone I might cherish might be wholly unacceptable to the present Secretary. I do believe I could suggest members of an advisory council which would be satisfactory to both.

Mr. KEM. So if I understand the Senator correctly, and I know he will correct me if I do not, from any aspect he regards the members of the board of directors as more important than members of the advisory council?

Mr. ANDERSON. I cannot help reiterating that, once the policy has been laid down, the Board of Directors are of tremendous importance to the Secretary, and it is their wise judgment and ability to handle programs that I think is of transcendent importance.

EXHIBIT 1

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, March 30, 1949.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR MR. SPEAKER: There is presented herein report on the examination of Commodity Credit Corporation for the period ended June 30, 1945. This examination was made by the Corporation Audits Division of the General Accounting Office, pursuant to and in accordance with the requirements of section 5 of the act of February 24, 1945 (59 Stat. 6).

Respectfully submitted,

LINDSAY C. WARREN,
Comptroller General
of the United States.

GENERAL ACCOUNTING OFFICE,
CORPORATION AUDITS DIVISION,
Washington.

HON. LINDSAY C. WARREN,
Comptroller General
of the United States.

DEAR MR. WARREN: We have made an examination of Commodity Credit Corporation and its affiliated corporation, War Hemp Industries, Incorpoated, for the period ended June 30, 1945, pursuant to the requirements of section 5 of the act of February 24, 1945 (59 Stat. 6). Our report consists of condensed over-all comments on the nature and operations of the Corporation, recommendations, sections in some detail amplifying certain of the over-all comments (with particular reference to financial and accounting matters), and financial statements and schedules. The field examination was concluded in December 1946, and in general the report has been written as of that date, referring primarily to the period mentioned above. However, it makes note of progress since then in improving the quality of the accounting function and of a few significant subsequent events relating to the history and activities of the Corporation. The report

also discloses the circumstances which caused us to be unable to render an opinion with regard to the financial statements of the Corporation and its affiliate.

GENERAL COMMENTS

1. General: Through its price-support activities the Corporation has contributed significantly to agricultural economic readjustment in the years since 1933. From inception of the Corporation to June 30, 1945, commodity loans in excess of $4,500,000,000 had been made by the Corporation or through its agents on approximately 30 different agricultural commodities. Most important dollarwise among these were loans on cotton, wheat, and corn, which totaled approximately $4,300,000,000. In 1939 the Corporation initiated direct-purchase programs as a means of providing agricultural price support.

During the war the Corporation assumed new responsibilities, with respect to many of which it had little or no experience. It participated in the acquisition, processing, and movement of huge stores of commodities essential to the war effort; it assisted in the stimulation of agriculture and related commercial activities; and it participated in programs designed to stabilize prices and encourage production and distribution. During this period the purchase operations of the Corporation were expanded tremendously, and the objective of supply, rather than price support, predominated.

The general commodities purchase program, the largest single wartime supply program, involved the acquisition and disposal of several hundred different commodities having a disposal value in excess of $6,000,000,000. In addition to domestic procurement during this period, the Corporation was assigned the responsibility of procuring over 90 foreign commodities, principally sugar, various fats and oils, Egyptian cotton, and tea. Also during the war period the Corporation financed and administered substantially all subsidy programs related to agricultural commodities. (Defense Supplies Corporation also allowed or paid subsidies relative to a few commodities but incurred a greater aggregate cost to June 30, 1945.) To June 30, 1945, subsidies aggregating nearly $1,300,000,000 had been allowed or paid by Commodity Credit Corporation on approximately 35 agricultural commodities.

2. THE CORPORATE ENTITY

The creation of Commodity Credit Corporation was directed by Executive Order 6340, dated October 16, 1933. The authority cited for the order was the National Industrial Recovery Act, which provided in section 2 (a) of title I for the creation of agencies necessary to effectuate the policies of the act. The Corporation was created under the laws of Delaware, as directed by the order, on October 17, 1933.

The Corporation, although nominally an independent agency of the United States, was managed and operated in close affiliation with Reconstruction Finance Corporation until July 1, 1939, when it was transferred, by Reorganization Plan No. 1, to the Department of Agriculture, to be administered under the general direction and supervision of the Secretary of Agriculture.

All the directors of the Corporation were officials of the Department of Agriculture, occupying positions which automatically placed them on the board. Their regular assignments made them subordinate to the Secretary, who exercised the ownership rights of the capital stock. Consequently, the Secretary was in a position to exercise complete authority over the management of the affairs of the Corporation. This, coupled with the requirement of reorganization plan No. 1 that the affairs of the Corporation be administered under the general direction and supervision of the Secretary, places the ultimate responsibility for the activities of the Corporation directly upon the latter. The Department considers this situation to be administratively desirable from the standpoint of the integration of the agricultural program. However, it practically precludes the exercise of the usual policy-making functions by the board of directors.

Furthermore, for several years the Corporation had been, in effect, merged with, or had carried out its operations through, the facilities and personnel of large unincorporated agencies within the Department of Agriculture. To a large extent this resulted in loss of a conception of the Corporation as an entity on the part of personnel engaged in affairs ostensibly carried on by the Corporation, except in certain cases where the distinction had to be maintained for legal or budgetary reasons. By Executive Order 9334, dated April 19, 1943, the Corporation was consolidated into the War Food Administration, under the direction and supervision of the Administrator who was independent of the Secretary of Agriculture. The order placed the War Food Administration in the Department of Agriculture but made the Administrator responsible only to the President of the United States. This disposition of the Corporation lasted until the War Food Administration was abolished June 30, 1945, when direct control of the Corporation was returned to the Secretary of Agriculture. On August 18, 1945, operations of the Corporation were merged with the newly created Production and Marketing Administration of the Department of Agriculture. By that date the Corporation, as such, had largely ceased to exist, except for certain legal powers, responsibilities, and other characteristics of the corporate body. The apparent reasons for the continued utilization of the Corporation are discussed in item 4 following.

3. Corporate management: Positions of responsibility in the Corporation, as to both directors and top-management officials (who in a number of cases serve in dual officer-director capacities), have been assigned, formerly as a matter of practice and more recently in accordance with the corporate bylaws, to occupants of certain positions within the Department of Agriculture. Duties and responsibilities of the positions so designated have not been limited to performance of functions relating only to Commodity Credit Corporation. The attainment of these positions has generally represented the culmination of a progression through various capacities within divisions of the Department engaged in nonbusiness-type activities, particularly the Bureau of Agricultural Economics and the Agricultural Adjustment Agency.

The tenure of office of many executives of the Corporation has been very short, and a number of persons have left positions of prominence with the Corporation to accept private employment. There seems to be little doubt that the Government salary ceiling, as in the case of many other Government agencies, was an important cause of many of the resignations. This turn-over of personnel has had an adverse effect on the management of the Corporation, particularly as its affairs are very complex and cover a multitude of activities. Early in the course of our examination it became apparent that the accounting function had not been utilized by the management as a control device and that satisfactory control had not been exercised over the Corporation's financial affairs. This matter was the subject of discussions with Corporation officials, and one of our recommendations was that the position of controller be established. A controller was appointed on April 28, 1947, and made an officer of the Corporation on May 12, 1947. The directive establishing the position of controller assigned to the position "technical authority and responsibility over all fiscal affairs of CCC and PMA." In the course of subsequent discussions relative to the functioning of the controller, we were informed by the President of the Corporation that the controller had been made responsible for, and given authority over and control of, the accounting, budgeting, and internal auditing with respect to CCC. On this basis, it appears that the controller is in a position to contribute in full measure to the management of CCC. Since August 1945 the Administrator of Production and Marketing Administration automatically has been the President of the Corporation.

To some extent during the existence of the War Food Administration, and to a much greater extent since the creation of Production and Marketing Administration, the officials of Commodity Credit Corporation have been required to devote time to noncorporate activities. Inasmuch as we believe the scope and complexity of CCC operations warrant the full-time services of high-level management personnel, we feel that this is detrimental to managerial effectiveness, the extent being directly proportional to the significance of, and time required for, the noncorporate responsibilities simultaneously assumed by members of the CCC management group.

An important feature in CCC operations has been the widespread utilization of agents, particularly banks, agricultural conservation program committees, and numerous cooperative associations for both record-keeping and operational purposes. The resulting broad decentralization of authority for direct administration was not, in a number of cases, accompanied by suitably precise operating and accounting controls or satisfactory assignments of record keeping and reporting responsibilities as between the Corporation and its agents. Although primary responsibility for the results of the programs was retained by the Corporation, the ability of the management to control the operations was impaired by these relationships, and accounting and auditing problems were created or augmented. In the selection of some of the agents, conflicting or unrelated local or primary interests of the agents apparently prevented the Corporation from obtaining fully satisfactory representation.

Operating responsibilities within the Corporation at times were not apportioned among the officials to any great extent according to the normal functional characteristics of their offices, and broad delegations of responsibility and authority were not made. As a result, the internal operation has been organized less effectively than would have been desirable. This is particularly true of the War Food Administration era (1943–45). During much of that period there was poor organization, lack of coordination, uncertainty of policies, constant confusion from frequent reorganizations, and extremely high turn-over in executive personnel.

Weaknesses in management, operations, or accounting were attributed in large part by the Corporation to the stresses and exigencies occasioned by the war. We believe that, while this is true to a certain extent, the effect would have been lessened if a more sound managerial control had existed at the time.

4. Purposes and activities of the enterprise: The development and operation of the farm program in an effort to obtain agricultural readjustment was an important part of plans to cope with the economic emergency which existed in 1933. Commodity Credit Corporation was but one of several agencies utilized.

Prior to 1933 a number of actions had been taken in the interest of agriculture. However, by 1933 the condition of the national economy was so acute that bold and extensive action was considered necessary.

In the Agricultural Adjustment Act, approved in May 1933, the Congress declared its policy to be the assurance of a purchasing power to commodities which farmers sold, in relation to things which they bought, equivalent to the purchasing power that they enjoyed during a designated favorable period in the past, usually August 1909 through July 1914. This is often referred to as the parity formula. The act provided for accomplishing this objective through benefit payments to farmers who complied with certain requisites relative to farm production, acreage, etc. The act included a self-financing feature—the processing tax. In January 1936 the processing tax and acreage control provisions were declared unconstitutional. As a result, increased reliance was placed on the price-support principle, and consequently, on the commodity loan facilities of Commodity Credit Corporation.

In February 1936 the Congress enacted the Soil Conservation and Domestic Allotment Act to achieve agricultural readjustment through payments to producers who restricted their plantings of soil-depleting crops, increased their plantings of soil-conservation crops, and carried out certain soil-building practices. This program failed to prevent the accumulation of surpluses, and the Agricultural Adjustment Act of 1938 was therefore enacted. This act continued the conservation payments, provided parity payments, and under specified conditions authorized the use of marketing quotas and price support by commodity loans through CCC; such loans were made mandatory in the case of cotton, corn, and wheat, under certain conditions.

The approximate cost of a number of the more important of the above activities carried out by other Government agencies from 1933 to June 30, 1945, was $8,115,600,000. Of this total, adjustment or parity payments amounted to $6,200,000,000 and expenditures of so-called section 32 funds (percentage of customs revenues earmarked for the benefit of agriculture) amounted to $1,146,000,000. The latter have been used principally to finance the utilization of agricultural commodities for domestic relief purposes and, to a lesser extent, to encourage the exportation of such commodities by subsidizing their export. Because of the impact of the war emergency programs on the results of CCC price-support activities and the accounting policies then in effect, the cost of the Corporation's price-support activities cannot be stated, either to the outbreak of the war or cumulatively to June 30, 1945. (See comments beginning on page 45.)

The above-mentioned legislative acts had as one of their significant objectives the attainment of parity for the farmer. The very brief and nontechnical discussion of parity which follows is not limited to the operations of CCC. Parity is an item of basic consideration in the development of all phases of the farm program, of which the operations of the Corporation have been but a part. Parity for the farmer (under various names) has been the goal of agricultural advocates since the end of World War I, and since 1933 has been firmly woven into the fabric of the whole farm program.

The statement of policy relative to parity contained in the Agricultural Adjustment Act of 1933 was expressed in the following language: " * * * reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period."

In the Soil Conservation and Domestic Allotment Act of 1936 (49 Stat. 1148), this policy was restated in the following language: "* * * reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, * * * and the maintenance of such ratio."

This policy was further developed in the Agricultural Adjustment Act of 1938, which included among its purposes assisting farmers to obtain, insofar as practicable, both parity as applied to prices and parity as applied to income as defined in the act (52 Stat. 38).

Equality of purchasing power, or parity of net income, as between farmers and nonfarmers, cannot be established and maintained by merely assuring parity prices for agricultural commodities, because consideration must be given to the number of units sold at the parity prices, and because in their natural parity prices do not take into consideration the relative income of nonfarmers.

There are obvious difficulties encountered in establishing parity, but statistics indicate that in general the application of the theory has not operated to the detriment of the farmer. This is illustrated by the following statistics prepared by the Bureau of Agricultural Economics, which show the parity income ratio, farmers to nonfarmers:

Parity income ratio

Year:	
1933	81
1934	83
1935	107
1936	99
1937	107
1938	96
1939	95
1940	88
1941	109
1942	132
1943	151
1944	144
1945	149
1946	168

NOTE.—Net income of persons on farms, used in the base for computing these ratios, includes Government payments.

Later enactments by the Congress authorizing and directing Commodity Credit Corporation to support the prices of certain commodities under certain conditions at fixed or minimum percentages of the parity prices for such commodities have been administratively interpreted and applied as requiring price support, notwithstanding the fact that the prices of these commodities had risen substantially above parity.

The original function of Commodity Credit Corporation to extend financial aid to farmers during the economic emergency existing at the time of its creation in October 1933. The aid extended initially was in the form of nonrecourse commodity loans (in amounts based on parity prices) at low-interest rates. In 1939 the Corporation initiated direct-purchase programs as a means of bolstering depressed prices.

During the period of World War II and since, the Corporation has been used for several other significant purposes. It became the principal medium through which agricultural commodities were subsidized and it was used extensively to conduct price-support operations considered necessary in increasing or maintaining production and stabilizing prices of agricultural commodities. It was used also as agent for the Government in extensive operations, termed supply activities, involving the procurement and stock piling of food and food products for lend-lease, the Army, the Navy, and other Government agencies. The domestic wool program partook somewhat of the nature of a protective mechanism, in addition to the tariff, to maintain domestic wool prices which would otherwise have suffered because of the large volume of imported wool; in this case, support prices were in excess of parity and possible selling prices. (Although the programs had been carried on since April 1943, and extensive congressional hearings had been conducted relative to wool, the first specific statutory authority for the wool programs was Public Law 360, 80th Cong., approved August 5, 1947. It should be noted that this report does not contend that the programs were conducted without authority of law.)

An activity not relevant to the general purposes of the Corporation, but carried on in accordance with law, is the making of loans to the Secretary of Agriculture, in an aggregate amount not in excess of $50,000,000 per year, for the stated purpose of temporarily financing crop-insurance premiums, soil-conservation activities, etc. The statute under which these loans are made (the act of July 2, 1940; 54 Stat. 728) directs their repayment "during the succeeding fiscal year from the appropriation available for that year or from any unobligated balance of the appropriation for any other year." In making repayments as directed by this law, the Department has been authorized to use balances of appropriations which would not otherwise have been available, in the amount of $122,858,341 to June 30, 1947.

In carrying out its many functions, the Corporation initiated and conducted a number of programs with substantial differences in purposes to be accomplished and in methods of accomplishing the purposes. The objectives of the programs (which consist in general of the types discussed above) may be fitted roughly into four groups: (1) Price support, (2) supply, (3) export, and (4) foreign purchases. These objectives are attained through loan, trading,[1] pooling, and subsidy operations. Items 6, 7, 8, and 9 following contain a brief discussion of these operations, including financial results.

Because of the accounting policies in effect during the period under review, the fact that the purposes of some of the programs changed from time to time (e. g., from price support to supply), and the impact of the war, no representation could be made of the cost of price-support activities from the inception of the Corporation to the outbreak of the war, or of the cost of the activities relative to the objectives of price support, supply, export, and foreign purchases during the war or cumulatively to June 30, 1945.

The legal authority of the Corporation has been derived from two sources:

(a) Specific statutes authorizing or directing the Corporation to undertake activities and defining to some extent the manner in which the operations should be conducted. The loans on basic commodities since 1938 are within this category, as are the commodity export programs and a number of the subsidy programs. Another example is the act of August 5, 1947, previously cited, requiring continued price support for wool.

(b) The Corporation's Delaware charter as recognized by statutes continuing the Corporation as an agency of the United States, increasing the Corporation's borrowing power, authorizing expenditures for administrative expenses, and appropriating funds to restore losses.

In view of the broad authority conferred upon the Corporation by its Delaware charter, there have, of course, been questions concerning the precise limits of the authority of the Corporation in formulating and conduct-

[1] The term "trading" as used in this report denotes the operation involved in (a) the disposal of commodities acquired in settlement of loans (except cotton pooling) and through direct purchases, for price-support purposes, (b) voluntary purchases and sales in connection with supply activities, and (c) other acquisition activities. It does not imply that the Corporation customarily trades in commodities with the objective of gain.

ing Federal programs. The submission of annual budget programs for congressional approval for the fiscal years since 1947, as required by the Government Corporation Control Act, has required advance examination of proposed programs by the Congress.

Since the enactment of the Commodity Credit Corporation Charter Act in June 1948, the Corporation has not relied upon its Delaware charter, and the Delaware corporation has been dissolved.

5. Sources of funds: Capital stock as originally authorized and issued provided Commodity Credit Corporation with capital in the amount of $3,000,000, which was allotted by the President from the appropriation made to carry out the National Industrial Recovery Act. An additional $97,000,000 was provided in April 1936 by Reconstruction Finance Corporation. This amount was borrowed by RFC from the United States Treasury, and the notes given to secure the loans were canceled by the Secretary of the Treasury when the capital stock was transferred to him in 1938. No interest was charged them for the $100,000,000 during the period under review.

The funds used to finance the Corporation's activities have been obtained, for the most part, by borrowing. The authority of the Corporation to borrow from the public debt fund of the Treasury or to issue obligations otherwise against the credit of the United States has been fixed by law since March 1938. Successive amendments have raised the limit of the Corporation's borrowings from $500,000,000, then established, to a limit of $4,750,000,000 established in April 1945. The Corporation's obligations outstanding at June 30, 1945, guaranteed by the United States are summarized as follows:

Borrowings from the United States Treasury	$1,591,000,000
Borrowings from private banks and other Government corporations ($21,256,279) to finance various commodity programs	451,728,125
Total	2,042,728,125

Included in the borrowings to finance commodity programs is an amount of $22,515,000 representing general borrowings not related to specific programs such as cotton, wool, sugar, etc. A small number of large commercial banks supplied these funds, on a demand basis, at an interest rate of one-half of 1 percent per annum. These borrowings appear to have been advantageous in that they bore this low rate of interest.

Besides funds obtained on the above basis, financing of some activities was provided by means which did not directly involve using the credit of the United States. Private lending agencies making loans to producers in connection with cotton loan programs were required to tender all notes to the Corporation for either purchase or pooling. At the election of the lending agency, the Corporation either purchased the notes for cash at their face value plus accrued interest or placed them in a pool and issued certificates of interest evidencing the deposit of notes therein by the lending agency. As provided in lending agency agreements, the Corporation followed the practice of also depositing in the note pool the notes which it acquires by purchase. Separate note pools were conducted in each Federal Reserve district, and the Federal Reserve bank for the district acted as custodian of the pool. The certificates of interest, bearing interest at the rate of 1½ percent per annum, are liquidated by periodic distributions of the proceeds of loan redemptions, or are redeemed by the Corporation at maturity of the loans or upon demand by the holders. At June 30, 1945, the Corporation's obligation with respect to certificates of interest amounted to $205,218,600. This amount is not included in the tabulation above, as it was not guaranteed by the United States.

Some of the Corporation's other activities, principally commodity loan programs, are financed in whole or in part under agreements obligating the Corporation either to purchase, at maturity or on demand, loans made by private lending agencies or, in the case of cotton cooperative associations, to make loans to the associations on eligible cotton delivered by producer-members. In consideration of these obligations, the Corporation shares in the interest received by the lending agencies and cooperatives. At June 30, 1945, the Corporation's obligation to purchase or make such loans was $86,035,259, which included $54,544,698 applicable to loans made by Farm Credit Administration corporations. (See schedule 5.)

In the past, extensive borrowings were made from Reconstruction Finance Corporation and through sale of obligations to the public. The last issue of the Corporation's collateral trust notes held by the public was redeemed during the fiscal year 1945.

The act of March 9, 1938 (52 Stat. 107), requires the Secretary of the Treasury to make an annual appraisal of the assets and liabilities of the Corporation. The net worth, determined by this appraisal, is restored to the amount of capital of $100,000,000, either by reimbursing the Corporation for the capital impairment through appropriation procedures or by payment of any surplus into the Treasury. The net capital impairment resulting from operations to June 30, 1945, as determined by appraisals, was $1,322,171,966; the capital impairment indicated by exhibit 1 was $1,180,283,540. The difference is caused chiefly by our restoration to income of $139,171,171 representing the portion of the apparent gain on the General Commodities Purchase Program shown as a special reserve by the Corporation at June 30, 1945. Of the capital impairment determined by the Treasury appraisals, the Corporation had been reimbursed through appropriations for previous years' impairments in the net amount of $400,715,405 at June 30, 1945; the remainder ($921,456,561) was reimbursed to the Corporation in July 1946. The latter, and the reimbursement of $641,832,081 for capital impairment as of June 30, 1946, were effected through the medium of note cancellations authorized by law.

Restoration of capital impairment after funds have been expended differs from the regular congressional procedures for appropriating public funds for expenditures. The use of borrowed funds in a manner certain to impair the ability of the Corporation to repay them (particularly to make subsidy payments) amounts, in effect, to withdrawal of funds from the Treasury and has been characterized as "a back door to the Treasury." Also, it unfairly burdens the Corporation with interest on expended borrowings until the Congress appropriates funds to make up the losses or authorizes the cancellation of the notes held by the Treasury. Permanent expenditure or loss of funds, it would logically be presumed, would require that the funds first be made available to the Corporation by the Congress for reimbursement under appropriation procedures. This also appears to be consistent with that part of section 4 of the act of March 8, 1938, which may be interpreted as requiring that the Corporation's assets be sufficient always to pay its debts whenever it borrows funds from any source. We believe that whenever the impairment of the Corporation's capital exceeds $100,000,000, this principle is defeated.

The difficulty of preparing estimates in advance for certain programs of CCC is recognized. However, the benefits of this procedure, or some similar method of obtaining closer congressional control, should warrant unusual efforts in attaining this result. Otherwise, the implication is that the Congress should authorize the conduct of specific activities without adequate means of limiting their aggregate cost.

The total amount of interest expense which has been allocated to specific programs through June 30, 1945, exclusive of interest paid to banks acting as fiscal agents, is summarized from schedule 22, as follows:

On borrowings from—	
Public	$31,895,120
United States Treasury	28,085,080
Reconstruction Finance Corporation	15,860,274
Private lending agencies	621,651
Total	76,462,125

At June 30, 1945, the interest rate on loans being charged the Corporation by the Treasury was 1 percent, which was not correlated to the cost to the Treasury of obtaining funds. We are of the opinion that it would have been desirable that the interest rate result in a charge to the Corporation equal to the interest cost of such funds to the Treasury. Furthermore, the inclusion of an interest charge on the entire amount of the Government's investment in the Corporation would have resulted in a more adequate and complete presentation of the cost to the Government of the Corporation's activities.

6. Loan operations: Prior to passage of the Agricultural Adjustment Act of 1938, commodity loans were made without specific statutory authority and pursuant only to corporate charter powers. During that prior period, a large volume of loans on cotton and corn, and a relatively minor amount on wheat and a few other commodities, were made by the Corporation or through its lending agencies. By the provisions of the Agricultural Adjustment Act of 1938, the Corporation was authorized, upon recommendation of the Secretary of Agriculture and approval by the President of the United States, to make loans on all agricultural commodities and was specifically directed to make loans available, under certain conditions, on cotton, corn, and wheat. Subsequent legislation added rice, tobacco, and peanuts to this group, and these six commodities became known and were legislatively recognized as the basic commodities.

Prior to the war, and during the war period as late as June 30, 1945, the Corporation visualized (and the Congress, in sec. 2 of the Agricultural Adjustment Act of 1938, apparently recognized) its loan programs as having two fundamental functions—stabilizing farm prices and assuring adequate reserve supplies of farm products. To this last function, the term "ever-normal granary" has been applied by the Corporation as late as June 30, 1943.

Surpluses of some commodities, in excess of the needs of an ample ever-normal granary, were acquired as a result of commodity loans. The demands of the war for raw materials and food provided relief from large overstocks of cotton and wheat.

In some cases during the later war years and since, commodity loans at the rate of 90 percent of parity (higher in the case of cotton) have been made when the related market prices were in excess of parity. Officials of the Department of Agriculture point out that, in their opinion, under specific provisions of existing legislation, it was necessary to make loans available on basic commodities even though market prices were in excess of parity prices and without regard to the parity of net income concept.

However, loans by the Corporation on basic commodities have been closely related to production controls through acreage allotments and marketing quotas until such controls were suspended during the war. In those cases where production controls were in effect, loans were made available at maximum rates only to cooperating farmers.

Loans were made to noncooperators at reduced rates and on only so much of their commodity as would be subject to penalty if marketed.

Generally, commodity loans have been made at rates expressed as a percentage of the parity price for a unit of the commodity. The ratio of amounts of individual loans to commodity values (at parity prices) has varied as to both the kind of commodity and the time when the loans were made. The Agricultural Adjustment Act of 1938 required the rates of mandatory loans (basic commodities) to be not less than 52 nor more than 75 percent of the parity price for each unit of the commodity upon which a loan was made. In May 1941 the rates of these loans were fixed by law at 85 percent of the parity price, and since October 1942 they have been fixed by the Stabilization Act of 1942, as amended, at 90 percent of the parity price except in the case of cotton which has been at 92½ or 95 percent of the parity price. Under this latter act, loans at these rates were mandatory on basic commodities harvested prior to a date later specified as January 1, 1949.

Because of the nonrecourse feature, which has been contained in all commodity loans made by the Corporation, and the bases on which loans are generally made, a commodity loan, in practical effect, amounts to a purchase by the Corporation subject to an option on the part of the farmer to repurchase the commodity, if he desires, in event of favorable price relationships. In addition, when pooling is provided for by the terms of a commodity loan, and the loans are settled in this manner, the farmer shares ratably in the excess of sales proceeds, if any, over the Corporation's investment plus applicable charges. In general, such gains result from price increases during the disposal period after the collateral has been taken over in settlement of the loan. Losses resulting from these types of transactions, however, are all borne by the Corporation.

Interest rates bear no relation to the cost of making the loans, nor is the rate calculated to compensate for the risk inherent in making the loan. The interest is not payable unless the commodity is redeemed, in which event it may be considered as a redemption fee rather than interest income.

From inception of the Corporation to June 30, 1945, loans made by the Corporation or through lending agencies amounted to $4,580,322,000, distributed largely among three commodities, as follows:

	Amount	Percent
Cotton	$2,030,477,000	44.3
Wheat	1,603,953,000	35.0
Corn	692,200,000	15.1
22 commodities and 9 financing programs	253,692,000	5.6
Total	4,580,322,000	100.0

The total recorded interest income to June 30, 1945, was $54,607,369, and the total of losses recorded as applicable to loan operations was $47,629,894, leaving an apparent gain of $6,977,475. Losses reflected by the Corporation as losses on loans resulted principally from the release, in full settlement of the loans, of pledged collateral to borrowers at approximately market values, which were less than the redemption values, i. e., loans settled on a reduced basis without the taking over of the commodity by the Corporation; and, in the case of corn, the cancellation of storage advances related to the resealing program announced in the fall of 1940. Losses of the former type were incurred as a result of administrative determinations that it was more economical to permit the farmers to market the crop than to incur the expense that would have been involved in taking over, concentrating, and selling the commodities. When the Corporation acquired title to commodities pledged to secure loans in default, the unpaid balance of the loan advances was recorded in its accounts as the cost of acquisition. The gain or loss resulting from the disposal of these commodities was reflected in trading operations and requires consideration in determining the aggregate gain or loss in individual loan programs. It was not the Corporation's policy at the end of each fiscal year to make estimates of and provide reserves for the losses that ultimately might be sustained on commodity loan programs until the commodities pledged to secure loans in default were acquired. Subsequent to June 30, 1945, the Corporation adopted the policy of providing valuation reserves, based upon estimated realizable values, to reflect the estimated loss, if any, to be sustained during liquidation of the loans. The new procedure is more in accord with generally accepted accounting practice.

7. Trading operations: The Corporation became engaged in trading operations in 1937 when it became necessary to transport, store, and dispose of commodities acquired in settlement of loans. In the fall of 1939 the Corporation initiated direct-purchase programs as a means of accomplishing price support. During the war period trading operations were expanded considerably, although the objective generally was one of supply.

To June 30, 1945, trading operations conducted by the Corporation resulted in the acquisition and disposal of commodities having a disposal value of over $11,000,000,000. More than 300 separate programs have been conducted involving:

(a) Approximately 20 domestic farm commodities, principally wheat, cotton, corn, and tobacco (basic commodities), and wool.

(b) Approximately 90 foreign commodities, principally sugar, various fats and oils, Egyptian cotton, and tea.

(c) Programs designed to provide, for various purposes, a supply of approximately 10 different commodities, and the General Commodities Purchase Program which involved the acquisition of several hundred different commodities, chiefly for supply purposes.

(d) Exchange of domestic cotton for rubber owned by the United Kingdom.

(e) Operation through an affiliated company of a program to provide a domestic supply of hemp and related items.

(f) Purchase, erection, rental, sale, and maintenance of steel and prefabricated wooden bins for grain storage.

The recorded net gain from these operations was $200,494,693, which was, in general, exclusive of any portion of the Corporation's general overhead expenses and interest on borrowed funds which, though substantial, were not allocated on the books of the Corporation to individual programs or groups of programs. The two most significant program results were the gains of $122,394,806 attributed to cotton and $152,215,171 attributed to the general commodities purchase program. In the case of the general commodities purchase program the gain resulted, in general, from sales to other agencies of the Government, principally lend-lease. We are informed that, in line with general Corporation policy, the program was not carried on with the objective of gain and that the results are not considered unreasonable in relation to the gross dollar volume. We believe that the sales prices could have approximated total costs more closely, and that such profits were unrealistic and undesirable, and resulted in unwarrantedly augmenting the costs of the vendee agencies. This is particularly true in that the costs which probably arose from inefficient management, spoilage and waste, confused operating policies, etc. (as brought out in H. Rept. 816, 79th Cong., 1st sess., which resulted from an investigation of the War Food Administration conducted during 1944 and 1945 under authority of H. Res. 50), were passed on to those agencies, principally the Lend-Lease Administration. In the case of cotton, the gain resulted almost entirely from the high prices obtained in disposing, during the war period, of cotton acquired by the Corporation in 1939 from crops of the years 1934 and 1937. The largest single trading operation loss was that of the wool price-support programs. To June 30, 1945, the recorded loss was $25,583,113, including a provision for loss on realization of wool inventories in the amount of $23,930,000. The provision for loss was substantially inadequate, primarily because it was determined on the basis of the wool inventory as of June 30, 1945, as shown by the books, of approximately 319,000,000 pounds. More than 100,000,000 pounds of wool held for the account of the Corporation at June 30, 1945, were not reflected on the books of the Corporation at that date and were omitted from the basis of the computation of the provision for loss.

8. Pooling operations: The agreements used in certain of the commodity-loan programs authorize the Corporation to pool for the account of the producers any collateral unredeemed at maturity of the loans. Producers participating in pools share ratably in the excess of sales proceeds, if any, over the Corporation's investment in the pooled collateral plus a charge equivalent to interest at the rate of 3 percent thereon made by CCC for financing and conducting the pools. If pool operations result in losses, they are borne by the Corporation. Other than the more or less moral obligation of protecting any possible equity of producers, the pooling operation in itself imposes no restrictions on the Corporation as to disposal of the collateral.

The decision to pool unredeemed collateral is made by the Corporation's board of directors, and this determination appears to be influenced by a number of factors including the physical character of the commodities involved, administrative difficulty of determining any producers' equities at maturity, and the possibility of inequitable settlements among producers where the collateral is liquidated and settlements are made on an individual basis. Those pools which have been conducted appear to have been in consideration of these factors, but the main reason for this type of operation apparently has been for the purpose of distributing among producers the excess of sales proceeds, if any, over the Corporation's investment, plus applicable charges. Generally, such gains result from the higher price levels existing at the time of disposal over the prices in effect at the time the collateral was taken over in settlement of the loans.

Another aspect of the pooling process, in connection with mandatory loans on cotton, concerns the effect of pooling on the total benefits to farmers rendered by the Corporation. To the extent that producers participate in the gain from pooling operations, they receive benefit in excess of the guaranteed price support and potentially in excess of parity. It is the view of the Corporation that, with parity as the ultimate objective, and price support being fixed at less than parity, pooling does no violence to the intent of the Congress. It should be noted that pooling operations applied to cotton only.

The principal pools conducted by the Corporation have resulted from wheat and cotton loans. The proceeds from the disposition of wheat pooled from the 1938, 1939, and 1940 loans were insufficient to cover costs, and no equity remained for the producers. The cotton pooled from the 1938, 1939, and 1940 loan programs was disposed of prior to June 30, 1945, and resulted in a recorded gain of $1,277,083 (before deduction of applicable charges). Of this amount, approximately $700,000 had been distributed to participants

in the pools by June 30, 1945. The remainder, representing the equity of unlocated participants and charges equivalent to interest on CCC's investment, was reflected as an account payable in the Corporation's accounts at that date. As the cumulative total net loss reported by the Corporation to June 30, 1945, did not reflect the operating results of these pools, they are not included in the summary of cotton pooling operations presented in schedule 21.

Of approximately 1,600,000 bales of cotton pooled from the 1941 and 1942 loan programs, some 411,000 bales were recorded as sold by June 30, 1945, at an over-all loss of $1,685,540. This is the net amount of the loss of $5,012,548 computed by Commodity Credit Corporation on sales to exporters less the recorded gain of $3,327,008 on domestic sales. As shown on schedule 21, export sales were made at a discount of approximately $5,000,000. The export loss was reflected by Commodity Credit Corporation at June 30, 1945, as a part of its loss on export activities. The computed gain of $3,327,008 on domestic sales was applied by Commodity Credit Corporation against its total net loss to June 30, 1945. Subsequent to June 30, 1945, the entire amount of the export discounts was credited to the pools, so that an apparent net gain existed as of June 30, 1945. However, because this apparent net gain was less than the charges made by CCC for financing and conducting the pools, as determined on the basis of interest at the rate of 3 percent on the Corporation's investment therein, no equity for participating producers appears to have existed at that date. During the fiscal year 1947, the remaining cotton in these pools was disposed of and settlements were effected which resulted in distributions to producers of approximately $5,000,000.

9. Subsidy operations: Broadly speaking, the net cost of any financial aid granted by Government to a private individual or enterprise for the purpose of promoting the public welfare may be termed a subsidy. By definition, and in a broad economic sense, all losses resulting from programs carried on by Commodity Credit Corporation can be classified as subsidies, except losses on a few programs from which only other departments and agencies of the Government benefited. The use of the term "subsidy" in statutes, congressional committee hearings, and Government agency releases indicates that substantial differences in meaning exist and that within the Department of Agriculture there has been no commonly accepted definition used consistently. For example, the discount and differentials granted or paid on commodities exported have been referred to frequently as subsidies, and the wool price-support program has been described as in effect a subsidy to producers. However, the Corporation did not so consider nor classify those costs in its financial statements.

A review of the programs classified as subsidies by the Corporation indicates that they consist of programs undertaken for the general purpose of enabling the maintenance of OPA ceiling prices, of disposal of surplus inventory (e. g., wheat for feed), of control of the end-use of commodities (e. g., peanuts and cotton linters), and of price support. A number of programs were multipurpose (e. g., the purchase of damaged 1942 wheat, for sale at reduced prices as feed, subsidized the buyers and supported prices to the sellers).

The dollar loss shown by the books at June 30, 1945, is attributed, for the most part, to those programs classified by the Corporation as subsidies.

Prior to the presentation of financial statements as of January 31, 1945, no segregation was made by the Corporation of the results of operations as between those attributable to subsidy programs and those attributable to other programs. While a segregation was made at that time and has been continued essentially unchanged, we believe this classification of programs and aggregates of programs as subsidies is unsatisfactory for the purpose of financial reporting, although we understand that it was made to comply with certain congressional requirements.

Several factors other than the ordinary wartime increases in costs, such as wages and supplies, appear to have necessitated a number of the programs undertaken for the general purpose of enabling the maintenance of OPA ceiling prices. The more important of these were increased prices to attain the production level considered by the Department or WFA to be necessary, the absorption of wholesale price increases occurring between the establishment of retail-price ceilings, and the establishment of wholesale-price ceilings, absorption of the relative inequity in the ceiling prices set on the end-use products of some commodities, and transportation cost absorption because ceiling prices, based on average shipping costs, failed to compensate adequately for the long freight haul in the distribution of far West products.

In general, the programs classified by the Corporation as subsidies were carried out in four ways:

(a) Direct subsidy payments.

(b) Loss sales of commodities in inventory at less than cost, for special purposes.

(c) Purchase of commodities and simultaneous or deferred sale to the original vendor at a reduced price.

(d) Cost absorption.

Promptness of payment, particularly when dealing directly with farmers, and minimizing of direct administration appear to have been important or controlling factors in the selection of methods for the operation of subsidy programs. Most of the programs were actually carried on by agents. The methods used frequently resulted in prompt payments, and in some cases reduced the Corporation's investment, but delegated authority for direct administration to persons or agencies outside of the Corporation, and, in a number of programs, outside of the Department. There was a corresponding need for increased planning and specification of records to be maintained and accounting and over-all controls; implicit in such arrangements was the necessity of relying heavily on the ability of the Corporation to undertake the necessary administrative audits of agents' records; the Corporation apparently failed to recognize the importance of the foregoing. The substantial arrearage in auditing will never be completely overcome. In fact, a considerable number of audits have been waived by the Corporation in order to concentrate on current activities. The problem of ascertaining and recovering overpayments, which were made more likely by the lack of control over payments when made, is augmented by the fact that most of the programs were terminated during 1946.

It appears that there was some overlapping of purpose and duplication of benefits between the fluid milk, hay for dairymen, and corn ceiling price-adjustment programs on the one hand and the dairy production subsidy on the other. The dairy production payment rates were distributed on a basis intended to equalize production cost increases throughout the county, but the rates determined apparently did not reflect the benefits of subsidy programs already in operation in some areas. The duplication of benefits was recognized by the Corporation at the time the dairy production payment program was initiated, and indications are that an adjustment of payments was made in the New York area for the months of October, November, and December 1943 in recognition of the duplication of the fluid-milk subsidy. However, after December 1943, apparently because of the administrative difficulty of determining the incidence of the benefits from the indirect fluid milk subsidy, no further adjustment of dairy production payments was made. No reductions were made for either the corn or hay subsidy programs.

Proposals to limit the authority of the Corporation to engage in subsidy programs were introduced in the Congress a number of times. However, no limitations became operative until April 12, 1945, when certain limitations were placed on these operations for the fiscal year 1946. Section 6 of the Price Control Extension Act of 1946 (60 Stat. 664) permitted the continuation of these operations within specified limits during the fiscal year ended June 30, 1947. These limitations appear related to the programs undertaken for the purpose of maintaining maximum price ceilings, and required the termination of programs then considered as being carried on for that purpose when ceiling prices were no longer in effect. It is not apparent that agricultural subsidies in the broader, over-all economic sense were prohibited by this legislation after the termination of price controls. Most of the programs classified by the Corporation at June 30, 1945, as subsidies were terminated with the expiration of price controls, chiefly during 1946. Those programs which had been classified as subsidies, and which were continued after the expiration of price controls, were reclassified to other activities, chiefly price support. Since the expiration of sugar price controls on October 31, 1947, the Corporation has not classified the results of any commodity program as a subsidy.

No funds were appropriated to the Corporation to cover the payment of subsidies, and no appropriations were authorized to be made with respect to periods prior to June 30, 1945. In general, funds borrowed from the Treasury of the United States, with interest, were used to cover the cost of programs classified as subsidies by the Corporation. Duty-free importations and the offsetting of certain gains against costs enables the Corporation to reduce substantially the borrowings required.

Commodity Credit Corporation financed and administered substantially all wartime subsidy programs relating to agricultural commodities. Defense Supplies Corporation of the RFC group allowed or paid subsidies relative to a few commodities (livestock, flour, butter, and sugar) but incurred a greater aggregate cost to June 30, 1945 ($1,296,528,148). The DSC livestock and butter subsidies, payments for which aggregated $1,097,714,119, were undertaken to effectuate reductions in retail prices in establishing retail price ceilings by OPA. The net recorded losses on programs classified as subsidies by Commodity Credit Corporation to June 30, 1945, amounted to $1,282,923,640, distributed as follows:

Milk and dairy products	$768,420,737
Grain and grain products	277,703,582
Fruits and vegetables	81,675,495
Oilseeds and products	88,319,634
Sugar	57,397,425
Beverages	5,758,692
Livestock production and meat	5,000,486
Miscellaneous (net gain)	−1,352,411
Total	1,282,923,640

The total of the above tabulation does not represent the real net cost to June 30, 1945, of the programs classified as subsidy operations, either to the Government or to the corporation, as it is exclusive, in general, of any portion of the corporation's general overhead expenses and interest on borrowed funds and does not take into account the fact that certain items were imported duty free. (See item 10 following.)

Furthermore, certain other factors affected the total recorded subsidy losses to June 30, 1945. These consist of the following:

(1) The corporation was obligated under subsidy agreements for substantial but undetermined amounts not reflected in the

results of operations to June 30, 1945. Provisions were made for estimated obligations at that date only with respect to two programs, dairy production and beef production, in the amounts of $125,000,000 and $5,000,000, respectively.

(2) Profitable purchase or supply programs were commingled with subsidy programs. Because of this situation, the cocoa programs resulted in a net profit. The stated cost of the coffee programs was substantially reduced because the subsidy aspects were not segregated.

(3) The cost of the subsidies allowed on vegetable oils and meals was reduced to $6,870,180 by a profit of approximately $6,000,000 on meal produced from 1942 crop oilseeds carried forward and sold in 1943 at increased OPA ceiling prices. In a somewhat similar manner, the gain of approximately $1,315,000 on the purchase and sale of grapes and substandard or damaged raisins was offset against raisin subsidy payments.

(4) The cotton linters program, which had an accumulated profit of $1,441,755 to June 30, 1945, was included in the subsidy classification. Subsequent to June 30, 1945, this program was reclassified by the corporation to the nonsubsidy group.

(5) The loss on the Argentine corn importation program, which amounted to $2,106,398 to June 30, 1945, was excluded from subsidy costs by the corporation. Subsequently, the corporation classified this program as a subsidy.

(6) The substantial subsidy allowed to peanut crushers (for oil) was obscured by offsetting the profits derived from sales of peanuts allocated for edible purposes and from the Argentine peanut-purchase program. As the result of this grouping of program results, a net credit or "profit" of $1,316,839 was reflected in subsidy operations.

(7) Sufficient accounts were not maintained for the soybean program to permit of a suitable segregation of costs as between the subsidy and nonsubsidy aspects, and faulty procedures were used by the Corporation in allocating costs to the phases of the program for which accounts were maintained. Allowances for processing were reflected through discounts on sales; the amount of costs so recorded is not apparent in the accounts. As in the peanut subsidy (item 6), a profit in excess of $5,000,000 on crude soybean oil, as determined under Corporation accounting procedures, was offset against subsidy costs.

10. Restrictions on the disposal of commodities: In the past, limitations have been placed upon the Corporation, by legislation, with respect to the methods and terms of disposal of owned or controlled commodities. As an illustration, effective July 31, 1939, cotton sales were limited to 300,000 bales per month and 1,500,000 bales in any calendar year, and the recoupment of all related costs was required. Partly as a result of these restrictions, sales of the large inventory of cotton acquired in 1939 were curtailed during the early war period. These restrictions were suspended by the act of April 12, 1945. The large inventory of cotton accumulated during the effective period has been disposed of, in general, at war-induced high prices; the Corporation appears to have profited from its inability to dispose of the cotton during the earlier years at the much lower prices then obtainable. However, it appears that the reimposition of such limitations might cause the accumulation of another large surplus inventory of cotton.

Another significant restriction has been the prohibition, since 1943, of sales of commodities at less than parity or comparable prices. The act of April 12, 1945, continued this prohition to a date subsequently determined to be December 31, 1948. The effect of this prohibition has not been material, except in the case of wool, because the demands of the war or the supply programs operated by the Corporation have provided outlets for owned or controlled commodities at prices in excess of the related parity or comparable prices. A number of exceptions to this prohibition had been granted from time to time by the Congress between 1943 and June 30, 1945, the more important of which have permitted the sale of wheat at reduced prices for feed and alcohol (the cost of these subsidies to June 30, 1945, according to the Corporation, was $260,100,000), disposal abroad of surplus agricultural commodities, disposal for new or byproduct uses, and disposal to prevent deterioration. Other changes in this type of restriction are contained in legislation enacted subsequent to June 30, 1945.

Operational limitations of these types, while they give effect to the will of the Congress, necessarily limit the discretion of operating officials and reduce the extent to which the management of the Corporation can be held responsible for the results of operations.

11. Importations made free of duty: In considering the financial results of the various programs, it should be noted that the Corporation exercised the privilege of making importations free of duty.

The privilege of making importations free of duty originated in legislation enacted in 1914 in order to enable the Secretary of the Navy to avoid the payment of duties on repair parts or war materials purchased abroad to be brought to the United States for research or testing purposes. On May 30, 1942, the President, by Executive Order 9177, vested in certain other officials, including the Secretary of Agriculture, the authority of the Secretary of the Navy to make emergency purchases of war materials abroad and to import them free of duty. The Secretary of Agriculture, in turn, delegated this authority to Commodity Credit Corporation.

The Corporation has not exercised the privilege since January 1, 1947, and the authority of the Secretary of Agriculture to make importations free of duty was terminated by Executive Order 9903, November 12, 1947.

The result of the exercise of this authority to make duty-free importations has been a saving in costs to the Corporation of an estimated $150,400,000 to June 30, 1945. These cost-savings either increased program gains or reduced program losses correspondingly, and likewise decreased the Corporation's borrowing requirements from the Treasury.

12. Accounting weaknesses and improvements: Our examination of the affairs of Commodity Credit Corporation was seriously impeded by major deficiencies in accounting policies and procedures and methods of financial reporting. In this connection, however, many improvements in accounting procedures have been put into effect subsequent to June 30, 1945, as commented on beginning on page 36.

To June 30, 1945, the Corporation had not developed adequate control over financial and operating responsibilities through accounting. The accounting records and the record-keeping procedures were not utilized by the management as an instrument of control over the assets and liabilities and over revenues and costs to the extent we believe to be desirable.

The primary causes of the failure of the accounting function were found in the manner in which the functions of the Corporation were intermingled with others of the Department of Agriculture, the apparent lack of appreciation by the management of the necessity for accurate financial reporting, and difficulties inherent in the operating characteristics of programs. These factors are commented upon previously, particularly in items 2, 3, and 4.

Another cause, largely corollary to the above, was the lack of accounting influence in the preparation of program plans, announcements, or contracts. We believe greater participation by accountants could have reduced operating, accounting, and auditing problems.

Many factors prevented a satisfactory audit of the affairs of Commodity Credit Corporation for the period ended June 30, 1945, among the more significant of which were:

(a) The basic records for the receipt and payment of cash funds maintained in the general ledger could not, in the aggregate, be reconciled with the records of the Corporation's treasurer as of June 30, 1945. (See p. 50.)

(b) The Corporation did not maintain adequate control over amounts recorded as being receivable or payable. It was not possible in many instances to determine who owed amounts purporting to be receivable or to whom amounts recorded as owing were due. It also was not possible to determine that all amounts owed to or by the Corporation were reflected in the accounts.

(c) A substantial portion of commodities owned by the Corporation at June 30, 1945, were assigned values based upon cumulative average unit costs. The use of this method resulted in an unsatisfactory evaluation of inventory on hand and misstatement of operating results.

(d) Accounting control exercised by the Corporation over inventories was generally unsatisfactory, particularly in the case of the general commodities purchase program. Procedures by which sales were recorded and arrearages in documentation prevented any effective control over the conversion of inventory to receivables and their subsequent liquidation by receipt of cash.

(e) Systematic cut-offs in the recording of purchases and sales for many of the programs were not observed at the end of each accounting period.

(f) The Corporation did not exercise satisfactory control over its investment in fixed assets, particularly grain bins and related equipment. Records were not maintained in such a way as to enable the Corporation (or us) to know the location or condition of such assets, whether, in fact, they were still owned by the Corporation, or whether all income resulting from rental or sale had been received.

(g) One of the results of accounting procedures followed was the excessive use of suspense accounts to record items whose final disposition could not be determined in a current routine manner. In many instances, no control was exercised over entries to such accounts; they were not reconciled nor were the items disposed of promptly.

(h) The Corporation made virtually no use of accounting mechanisms or procedures to effect control over its affairs internally, and to June 30, 1945, no significant use was made of internal auditing.

Contributing to the foregoing was the lack of a satisfactory chart of accounts and manual of accounting instructions; furthermore, there was no uniform means of promulgating such accounting instructions as were issued.

Financial statements submitted by the Corporation as at June 30, 1945, in many respects, were not informative. While they consisted, in general, of a balance sheet and a condensed statement of income supported by a summary of program results, no operating detail other than the net loss or gain by commodity programs, segregated as between subsidy and other, was provided. Interest income and provisions for inventory losses were excluded from the results of program operations as reported by the Corporation. Furthermore, as previously mentioned in connection with subsidy operations, the reported operating results of individual programs, in general, were exclusive of any portion of the Corporation's general overhead expenses and interest on borrowed funds,

which, though substantial, were not allocated on the books of the Corporation to individual programs or groups of programs. We believe that the allocation of such expenses to individual programs is highly desirable, so that the reported operating results of individual programs may provide an indication of the effectiveness with which the programs were administered from year to year, and in order that they may reflect the net cost in relation to the accomplishment of the programs.

It should be noted that the Corporation is not in accord with these views. It states that it follows an accepted accounting practice by treating interest as an over-all financing charge, because, in its opinion, interest can only be distributed to programs by arbitrary assumptions of questionable validity. Furthermore, the Corporation deems that the allocation of overhead to individual programs is impractical because of the many programs and varied types of operations handled by one working group, which would require arbitrary estimates and prorations to such an extent that the result would be of little value and would require an elaborate cost system.

Besides this circumstance, the total amount of recorded overhead costs did not represent the full costs of administration of the Corporation's activities, because there were excluded from the accounts costs borne by other Government agencies. For example, during the fiscal year 1945 the cost of administering purchase and sale operations conducted on behalf of lend-lease was borne directly by lend-lease funds in the approximate amount of $6,531,000. In addition, expenses identical in character with operating expenses often were classified otherwise in the accounts.

To some extent the Corporation's financial statements were on a cash basis, transactions having been recognized in the underlying accounts only at the point in time when they resulted in the receipt or disbursement of cash. In addition, there were delays in the reporting of transactions, including cash transactions, and further delays in disposing of accounting data. The amounts of assets, liabilities, revenues, and expenses which were omitted from, or improperly classified in, the Corporation's financial statements as the result of these circumstances were not determinable. Unrecorded liabilities are known to have existed, but no representations can be made concerning either their aggregate amount, which we believe was substantial, or their effect upon the financial statements. Furthermore, there was an incomplete consolidation of the accounts of War Hemp Industries, Inc.

The financial statements included in this report were prepared by us from the books and records of the Corporation and represent an attempt to make as informative a presentation as possible. To the extent that we could identify items of interest and general overhead expenses, they have been allocated to individual programs. The remainder, in the amount of $108,159,076, is designated on exhibit 2 as general overhead and interest expense. However, it was not practicable to attempt correction of fundamental deficiencies, because to do so would have necessitated expanding the scope of our examination to a degree not practical and would have resulted in the unavoidable assumption of some of the responsibility of management. It is primarily the duty of auditors to review complete accounting data and no part of their duty to undertake accomplishment of the accounting function or otherwise relieve management of its responsibility therefor.

Our conclusions concerning the accounting situation existing in the Corporation at June 30, 1945, may be expressed, in general terms, as follows:

(a) The accounting procedures and financial reporting policies did not provide a satisfactory medium of control over the assets, liabilities, income, and expenses of the Corporation.

(b) The chief accounting officer was not required to furnish timely, reliable data helpful to operating officials.

(c) The Corporation had not adopted a body of sound accounting policy reflecting the application of recognized principles for the presentation of statements of its financial position or the operating results of its activities.

(d) Internal controls were generally lacking or were not utilized satisfactorily; internal audit activity was practically nonexistent.

However, even under these conditions, a presentation of financial statements with informative discussion is, in our opinion, of value in setting forth, to some extent, the results of activities of the Corporation and requirements for corrective measures. We are aware of numerous adjustments which could have been made; however, except for the treatment as income of $139,171,171 reserved by the Corporation for possible losses on the general commodities purchase program, no adjustments are reflected in the accompanying statements. Except for the adjustment noted, the "excess of subsidies and losses over net gains," as shown in exhibit 2, is equal to the "excess of expenses and other charges over income," as reflected by the Corporation's operating statement.

It should be pointed out that, notwithstanding the accounting deficiencies discussed, the officials of the Department of Agriculture and the Corporation recognized the desirability of having the General Accounting Office perform a so-called commercial-type audit of its financial transactions. Representatives of the Department, working jointly with those of the General Accounting Office, drafted legislative provisions enacted in the act of February 28, 1944 (58 Stat. 105), which contained a provision directing the Comptroller General to make such an audit for each fiscal year, commencing with the fiscal year ending June 30, 1945. In February 1945 requirements for a similar audit were imposed with respect to all Government corporations, and in December 1945 the Government Corporation Control Act was approved, reaffirming the application, though broadening the definition, of the commercial-type audit principle.

Because of the lapse of time since the date as of which this examination was made, and in order to recognize corrective efforts by present officials, many of whom were not associated with the Corporation during the period covered by the examination, we believe it to be desirable to discuss, briefly, improvements in the accounting function subsequent to June 30, 1945.

The Corporation has given increased recognition to the importance of sound accounting policies and procedures, has augmented its accounting staff, and appointed a controller in April 1947, who was made an officer of the Corporation on May 12, 1947. In December 1945 the Office of Audit of PMA was established and assigned the responsibility for internal auditing relative to CCC. Since that date, substantial improvements have been noted in internal audits and examinations.

Procedure revisions have brought about greater coordination between field offices and Washington, the control over accounting matters has been improved, and the assignment of responsibility for record keeping as between the Corporation and its agents has been clarified considerably.

The use of agents has been curtailed considerably, chiefly because a number of programs in which they were used extensively have been terminated. Relative to remaining programs in which agents are utilized (still a large segment of corporate activities), considerable effort has been directed toward obtaining satisfactory control over their operations. Fiscal agreements, accounting methods, procedures, and forms are being reviewed and improved, and through field supervision their installation and operation more closely controlled. With the exception of current cotton-loan programs, the Federal Reserve banks have been made merely cash receiving and paying agents. Accounting procedures to be followed by State and county agricultural conservation committees are now being prescribed by corporate accounting officials.

Current accounting for program operations is on a fiscal-year basis, and it appears that considerable progress has been made in the application of the principles of accrual accounting, including the use of reserves. The Corporation has established a series of publications as a means of providing personnel with policy and procedure guides concerning account classification, detailed accounting procedures, and reporting instructions. In September 1947 the Corporation, after considerable study, issued a statement of accounting policies and practices which in the main establishes a body of sound accounting policy.

The Corporation took steps during the fiscal year 1946 to obtain control over the accounting for the receipt and disbursement of cash, and by June 30, 1947, had adjusted the differences arising from cash transactions prior to July 1, 1946. Cash balances arising from transactions subsequent to June 30, 1946, have been reconciled with records of the depositaries on a current basis.

During the fiscal year 1946 the "first-in, first-out" method of inventory pricing was adopted for a number of commodities, particularly grains. An individual lot-cost method is in use for some commodities, principally processed foods. This should result in a more acceptable assignment of costs to inventories and sales, insofar as those commodities are concerned. However, to June 30, 1947, the cumulative average unit cost method was still followed in connection with cotton.

Considerable progress has been made by the Corporation since June 30, 1945, in the proper accumulation of underlying accounting data to facilitate the preparation of informative financial statements. Continuing effort should result in further refinement and improvement, and financial statements in the future should be progressively more satisfactory.

In closing these general comments, the following observations appear to be pertinent:

The Corporation's organization was subjected to great strain as a result of the problems created by the war, the need to move swiftly in undertaking many programs, and the acute need for skilled and highly specialized personnel. The imperfections in organization, accounting, and operations which resulted became difficult to appraise in the light of these circumstances, and there is a tendency toward using hindsight too freely or undervaluating the circumstances which prevailed. We have attempted to weigh fairly these factors and, although some of our criticisms are severe, it is not our intention to underevaluate the responsibilities undertaken and carried out by the Corporation during the war or to cause the contribution made by the Corporation during peace and war to be overlooked or discounted.

In an endeavor of this nature it is unavoidable that certain operations or features deserving of commendation will escape specific treatment in order to make room for constructive criticism of others. All our efforts have been grounded on a desire to be helpful to the Congress and the Corporation in disclosing significant facts and conditions and suggesting remedies within the purview of our duty as professional auditors, and under the law.

RECOMMENDATIONS

Reference has been made earlier in this report to the integration of the activities of the Corporation with other programs of the Department of Agriculture. Department and Corporation representatives have stated that this commingling of activities is for the purpose of accomplishing the objectives of various statutes without overlapping or duplicating effort.

While this method of operating is a part of the Department's plan for conducting a coordinated agricultural program, it places the Corporation in an organizational pattern that is quite different from the position of Government corporations generally in carrying out their purposes.

With few exceptions, Government corporations have been so organized as to be independent units, either within or without the framework of other departments or agencies. In most instances, even when corporations are placed within departments, they exercise varying degrees of independence. This independence and separateness is there thought to be fundamental in order that the Board of Directors, acting independently for the Corporation, may conduct the affairs of the Corporation in an impartial manner and in the best interests of the objectives of the Corporation.

A corporation's entity is normally distinguishable. Its operating policies are independently formulated within the framework of the powers and authority; its cost of fulfilling its purposes (which is very significant) can be reasonably determined; its Board of Directors can be free to carry out its purposes and can be held strictly accountable for their stewardship and management of the affairs of the Corporation. Since, under these conditions, costs of conducting the activities of a corporation can be reasonably determined, budget presentations can be made significant and realistic, and under such conditions intelligent controls thus maintained by the Congress.

We feel that a corporation, even though it is placed within a department, should be in a position to operate in the most independent manner compatible with its mission, with complete management responsibilities (including the responsibility for policy making and general supervision) vested in its Board of Directors. The day-to-day operations of the Corporation should be placed in the hands of a full-time staff of executive officers, headed by the president as chief executive appointed by and responsible to the board.

We were requested to submit our recommendations to the subcommittee of the Committee on Agriculture and Forestry, United States Senate, and the House Banking and Currency Committee considering the new Federal charter required for Commodity Credit Corporation, on which hearings were held early in 1948. Our recommendations covered the powers, authority, responsibilities and duties, organization, financing, and control of the affairs of the Corporation.[2] The Charter Act (Public Law 806, 80th Cong., approved June 29, 1948) contains a number of provisions similar to or consistent with these recommendations; for example, those pertaining to the appointment and organization of the board of directors and the executive staff and the charging of interest on capital.

It can only be concluded at this time that the differences in the views of the General Accounting Office and those of the Corporation with respect to the manner in which the Corporation should be organized and managed stem from the basic fundamental concept of whether the activities conducted by the Corporation are the sole responsibility of the Secretary and whether the agricultural program of the country is to be recognized as the program of the Secretary.

If this be the desire of the Congress, then there is for consideration the need for the existence of the Corporation as such, and we would be in substantial agreement with the Department of Agriculture that the responsibility for the activities now carried on by the Corporation be vested in the Secretary.

Should the Congress, however, wish to have the usually desirable system of checks and balances govern the activities of the Corporation—and a need for its continuance is evident—then we recommend for the consideration of the Congress those attributes normally present in the corporate structure with respect to its organization, management, and financing.

It should be noted that the Corporation, under its broad charter authority, and in certain cases under specific provisions of existing laws, undertakes many different programs. We also recognize that under the provisions of Public Law 897, approved July 3, 1948, the Secretary of Agriculture will, on January 1, 1950, become responsible to a greater degree for an important segment of the activities of the Corporation. It should further be pointed out that in certain other laws it is the Corporation that is given the responsibility for carrying out certain programs, rather than the Secretary of Agriculture.

Thus, then, there may be some doubt as to where the real responsibility lies for carrying out the entire operating program of the Corporation. It is for the Congress to make this determination and then provide legislation that will insure that authority will conjoin responsibility in conducting all operations of the Corporation, which embrace such vast sums of public funds and affect so many millions of Americans, both within and without the agricultural sphere.

ORIGIN AND PURPOSE

The creation of Commodity Credit Corporation was directed by Executive Order 6340, dated October 16, 1933. As authority for this order, the President cited the National Industrial Recovery Act, dated June 16, 1933 (48 Stat. 195), which provided, in section 2 (a) of title I, for creation of the agencies necessary to effectuate the policies of the act. The Corporation was chartered under the laws of the State of Delaware on October 17, 1933.

The original purpose of the Corporation was indicated as the performance of functions and services aimed at benefiting the public welfare during the period of the emergency existing "by reason of widespread distress and unemployment, disorganization of industry, and the impairment of the agricultural assets supporting the national credit structure." The National Industrial Recovery Act was one of seven acts to which Executive Order 6340 referred in outlining the purposes of the Corporation. The certificate of incorporation cited as objects and purposes the doing of any or all things necessary to accomplish the purposes of these acts:

1. The Agricultural Adjustment Act, approved May 12, 1933 (48 Stat. 31).

2. The National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195).

3. The Federal Emergency Relief Act of 1933, approved May 12, 1933 (48 Stat. 55).

4. Reconstruction Finance Corporation Act, approved January 22, 1932 (47 Stat. 5).

5. The Federal Farm Loan Act, approved July 17, 1916 (39 Stat. 360).

6. The Farm Credit Act of 1933, approved June 16, 1933 (48 Stat. 257).

7. The Emergency Relief and Construction Act of 1932, approved July 21, 1932 (47 Stat. 709).

Almost immediately after its creation, the Corporation assumed an important role in the extension of financial aid to agriculture. This was done initially through the granting of commodity loans, later by outright purchases and direct payments.

The organization and operation of Commodity Credit Corporation was only one of a number of early actions in the interest of agriculture. In 1929 the Federal Farm Board, which came into being through the Agricultural Marketing Act of 1929 (46 Stat. 11), had been furnished operating funds and a revolving fund of $500,000,000 for the purpose of stabilizing prices of wheat and cotton. Stabilization efforts began with loans to cooperative associations and stabilization corporations, but prior to 1931 loans had been discarded in favor of direct purchases. The board soon owned enormous quantities of both wheat and cotton. However, the acquisition of these large supplies had checked only temporarily the downward plunge of prices, and it became apparent that effective maintenance of income and prices required more than the governmental acquisition of surpluses. Attention was therefore given to the feasibility of preventing crop surpluses through production control. This was pioneered and carried on through the Agricultural Adjustment Acts (48 Stat. 31; 52 Stat. 31) and the Soil Conservation and Domestic Allotment Act (49 Stat. 1148). Pursuant to these acts, a number of acreage controls and farming practices have been prescribed or urged, and soil conservation payments and nonrecourse loans authorized or directed by the acts have been paid in whole or in part depending upon compliance therewith.

Many other aids to agriculture were made available, including those through—

1. Federal land banks and Federal Farm Mortgage Corporation. Mortgage loans were made available for long terms at low rates.

2. Production credit corporations. Intermediate credit was made available for financing the production and acquisition of livestock, equipment, and crops.

3. Cooperative marketing and processing associations. These associations, which were Government sponsored and in some cases Government financed, assisted in the production and orderly distribution of agricultural commodities.

4. Farm Security Administration. Loans were made available to tenants, share croppers, and farmers where conditions were such that normal credit risks would ordinarily bar the loans.

5. Rural Electrification Administration. Loans were made to farmers' cooperatives, permitting construction of rural electric lines and distribution systems.

6. Federal Crop Insurance Corporation. Insurance which could not be obtained from commercial companies was made available on certain crops under conditions and at rates highly beneficial to the farmer desiring protection against crop loss.

7. Programs authorized by the Secretary of Agriculture, financed by funds provided under the provisions of section 32 of the act of August 24, 1935 (49 Stat. 774). This section appropriated for the use of the Secretary funds equal to 30 percent of the annual customs receipts. Funds so appropriated are directed to be used to encourage exportation and domestic consumption of agricultural commodities and to assist in reestablishing the purchasing power of farmers.

The Delaware charter of Commodity Credit Corporation was much more comprehensive than the Executive order providing for its creation and included many broad clauses both as to purposes and powers. Among the most important of these were:

[2] See hearings on the Federal reincorporation of Commodity Credit Corporation (H. R. 6263, 80th Cong.) before the House Committee on Banking and Currency (pp. 194, 195), and on Commodity Credit Corporation Charter (S. 1322, 80th Cong.) before the Senate Committee on Agriculture and Forestry (particularly pp. 148 to 162, inclusive).

1. To purchase, or otherwise acquire, to hold, or otherwise to deal in, to sell or otherwise dispose of any and all agricultural and/or other commodities, and/or products thereof, and to loan and/or borrow money upon the same.

2. To enter into, and to encourage farmers, producers, and others to enter into, marketing plans and agreements and to cooperate in any plan which provides for reduction in the acreage or reduction in the production for market of agricultural commodities.

3. In general, to have and to exercise all the powers and privileges conferred by the general corporation laws of Delaware upon corporations, and to do all and everything necessary, suitable, and proper for the accomplishment of any of the purposes or for the attainment of any of the objects or for the furtherance of any of the powers herein set forth, either alone or in association with other corporations, firms, agencies, or individuals, and to do every other act or thing lawfully incident or appurtenant to or growing out of or connected with any of the aforesaid objects, purposes, and/or powers.

The certificate of incorporation provided for perpetual existence of Commodity Credit Corporation, although the National Industrial Recovery Act provided that any agency established thereunder should cease to exist at the expiration of 2 years from the date of passage of the act. The continued operation of Commodity Credit Corporation as an agency of the Government was authorized from time to time by the Congress, its expiration date under the Delaware charter being June 30, 1948.[3] The act of January 31, 1935 (49 Stat. 4), made the first extension, and all other continuances were amendments to this act.

With the coming of war, production control aims of the Department of Agriculture were supplanted to a great extent by new purposes. Commodity Credit Corporation was utilized by the War Food Administrator and the Secretary of Agriculture in discharging many of their responsibilities for procurement of agricultural commodities for lend-lease and for the armed forces and for taking various actions deemed advisable to insure a sufficiency of production. This activity involved extensive use of subsidies and direct purchases.

FINANCIAL STATEMENT PRESENTATION

The financial statements included in this report were prepared by us from the books and records of the Corporation and its affiliate, War Hemp Industries, Inc.

The Corporation's accounting for program operations was not on a fiscal year basis but was cumulative for each program; furthermore, because transactions were not all recorded in the year in which they were consummated and because the accrual basis of accounting for losses and expenses was not fully observed, it has been impossible in the past to derive reasonably accurate data as to each fiscal year's operations; hence all operating statements included herein are presented on a cumulative basis. Furthermore, the underlying accounts from which financial statements were prepared contained substantial errors resulting from the adherence to unsound accounting policies and from faulty adherence to procedures.

Other factors have obscured the real costs of many of the Corporation's programs. Principal among these were the manner of recording the effect of the exercise of the free-of-duty importation privilege, the offsetting of gains against losses in reporting the apparent costs of several of the programs classified as subsidy, and the accounting policies then in effect relative to accruals, reserves, and inventory pricing. In addition, and in common with Government corporations generally, operating results of the Corporation from inception to June 30, 1945, as reflected in its books and records, are exclusive of the following costs:

1. Employees of the Corporation were covered by civil-service regulations and contributed to the United States Civil Service Retirement Fund, to which the Government also made substantial contributions. The Corporation made no contribution to the fund and therefore did not bear its proportionate share of the Government's costs for these purposes.

2. The Corporation did not bear the cost of any payments made on behalf of corporate employees from the United States Employees' Compensation Fund, Federal Security Agency.

Furthermore, by virtue of the act of March 8, 1938 (52 Stat. 108), the Corporation is subject to taxation only on real property and is exempt from all other taxation by any taxing body.

Sufficient information was not available to permit the preparation of a consolidated statement of income showing sales, cost of sales, other income and expenses, and other items in the orthodox manner. Therefore, we have summarized in exhibit 2, "Statement of recorded gains, losses, and subsidies," the results of operations relative to each commodity. The primary consideration in the preparation of exhibit 2 was the desire to reflect the results of the Corporation's activities, first, by broad objectives (price support, supply, export, foreign purchase, etc.), and, second, operationally by the manner in which the attainment of these objectives was sought. To accomplish the latter, segregation by the four broad types of operation—lending, subsidy, trading, and pooling—was adopted. The segregation of programs by objectives used by the Corporation in the presentation of its budget for the fiscal year 1947 was utilized, with certain deviations. The budget presentation as then devised, and adhered to since, resulted in the display of considerably more financial data as well as a segregation of programs. In the retroactive application of this segregation to the cumulative results of operation to June 30, 1945, the following difficulties, among others, were encountered:

1. Virtually all programs of the Corporation had one or both of two principal objectives—price support or supply. Between these it was not always possible to distinguish the precise nature of the program, particularly during the war period.

2. Acquisition and disposal in price-support activities frequently accomplished the objective of supply.

3. Programs aimed at obtaining supplies through direct purchases frequently accomplished also the objective of price support.

4. Export activities designed to remove surplus agricultural commodities from domestic markets also accomplished the objective of price support.

5. Foreign purchase activities accomplished the objective of supply and appear to be but a phase of supply activities, except to the extent that they had as their principal objective the support of the agricultural economy of foreign nations. This was the stated purpose of some programs conducted in the Latin-American countries.

6. Subsidy programs may have resulted in the accomplishment of the objectives of either price support or supply.

7. At any point in time, the objective of a program may have changed from one of price support to supply or vice versa.

The above conditions also indicate the impossibility of distinguishing the results of the Corporation's activities between the periods of peace and war. This conclusion is strengthened when consideration is given to the effect of the war on the disposition of commodities acquired as the result of prewar operations (notably cotton), and the continuation through the war period of price-support programs both directly and as a result of supply programs.

In attempting to make the summary of program results (exhibit 2) informative and yet retain as great a degree of simplicity as possible, we have deviated from CCC statement presentation in some respects. Chief among these are:

1. Subsidies were eliminated as an objective of any group of programs. It is illogical to impute to subsidy activities an objective in themselves. A subsidy program, regardless of the manner of achieving the subsidy, can be only a method of attaining an objective beyond the granting of subsidy. As explained on page 24, it was not possible to provide a basis in the accounts for classification of these programs by objective according to usual accounting principles. For the sake of simplicity, the results of subsidy operations have been related generally to commodity programs already grouped among price-support activities. It should be recognized, however, that not all these operations had as their objective the support of commodity prices.

2. Loans to the Secretary of Agriculture have been eliminated as a major activity. Interest earned as a result of these loans was relatively insignificant and has been treated as a reduction of unallocated interest expense.

3. Programs relating only indirectly to a commodity or activity have been segregated under a separate caption indicating them to be only financing or servicing in nature.

Individual statements of income and expenses for significant programs or groups of programs, by commodity, by type of operation, were prepared where possible; when considered informative, summaries of program results were prepared. In the preparation of the individual statements of income and expenses, our effort was directed toward identifying and matching costs and revenues. This, among other considerations, was accomplished insofar as the character of underlying accounts would permit. To the extent that they are identifiable, items of interest income, interest expense, general overhead expenses, and provisions for inventory losses are reflected in the operating results of individual programs. It is recognized that inaccuracies probably still exist which would be removed only by analysis to an extent not considered practical. No adjustments have been applied to the accounts representing cumulative losses to June 30, 1945, except that we have treated the entire net income from the general commodities purchase program as a reduction of losses whereas the Corporation deferred recognition of a large portion of such income. This adjustment amounted to $139,171,171. (See p. 36.)

While many substantial errors were disclosed by our examination[4] that would require adjustment of the financial statements of the Corporation and the results of its operations, no adjustments, except that mentioned in the preceding paragraph, were made therefor because of the realization that only a part of the errors were disclosed as a result of our examination and that it was impracticable to expand the scope of the examination to reveal and adjust errors to the extent necessary to permit us to present financial statements concerning which we could express a definite opinion. In other words, it is a primary responsibility of the management to keep accurate and adequate accounts as a basis for audit, and it is both impracticable and undesirable to relieve the management of such responsibility through the audit process.

COMMENTS ON FINANCIAL POSITION

The recorded financial position of Commodity Credit Corporation at June 30, 1945,

[3] A new Federal charter was provided by Public Law 806, 80th Cong.

[4] Many cases could be cited, but it is felt that no useful purpose would be served thereby. Detailed comments with respect to the operations of the various programs are on file in the General Accounting Office.

adjusted to reflect the gain on the general commodities purchase program as a reduction of the deficit resulting from operations, is summarized as follows:

Net assets:	
Cash	$44,154,115
Accounts and notes receivable	528,868,297
Loans to aid agriculture	314,279,220
Inventories of commodities	1,220,131,836
Equipment, leasehold improvements, etc	6,028,203
Other assets	44,679,003
Total	2,158,140,674
Deduct:	
Accounts payable, advances, and accrued liabilities	494,598,691
Suspense items	9,128,134
Subtotal	503,726,825
Total	1,654,413,849
Represented by:	
Investment of the United States:	
Capital stock held by United States Treasury	100,000,000
Notes payable to United States Treasury	1,591,000,000
Total	1,691,000,000
Deficit resulting from operations from inception less restoration of capital impairment ($400,715,405)	779,568,135
Investment of the United States (net)	911,431,865
Loans payable and other demands obligations to lending agencies:	
Due to banks for cooperatives (Farm Credit Administration corporations)	21,256,279
Other bank loans	430,471,846
Certificates of interest in cotton note pools	205,218,600
Obligation to purchase loans made by private lending agencies	86,035,259
Total	742,981,984
Total, as above	1,654,413,849

Comment relative to specific balance sheet items is contained in the following paragraphs.

Cash

The cash funds of the Corporation at June 30, 1945, are summarized as follows:

In checking accounts with the U. S. Treasury:	
Capital funds	$29,503,829
Funds for the payment of administrative expenses	1,005,795
	30,509,624
On special deposit in the U. S. Treasury:	
Employee deductions for the purchase of war bonds	21,872
Employee deductions for Federal income taxes	114,980
	136,852
In checking accounts with banks:	
Federal Reserve Bank of Chicago	$706,432
Bank of Brazil, Rio de Janeiro	104,228
	810,660
Cash receipts not deposited	12,696,979
Total cash funds, as shown in exhibit 1	44,154,115

The amount shown above as available for the payment of administrative expenses was established from capital funds and disbursed only by the Division of Disbursement, United States Treasury. Any balance unexpended is returnable to capital funds after a period of 2 years following the close of the fiscal year for which made available.

The amount of capital funds, $29,503,829, was capable of being reconciled with the records of the Treasury at June 30, 1945; however, the program classification accounts in the general ledger, which reflected the receipt and payment of cash funds, could not be reconciled in the aggregate with the cash records of the Corporation maintained independently, based on advices received from the depositaries. This was due to the existence of a number of items, some of substantial amount, the nature of which was not known. In the balance sheet, exhibit 1, these have been included in the net amount of suspense items which is composed of numerous undistributed and unallocated charges and credits, many of which affected cash receipt and disbursement transactions. Some of these items came into existence in 1944, when records were taken over from the Federal Reserve banks, and represent differences between bank and Commodity Credit Corporation records which were never reconciled or adjusted. Corporation officials have stated that a complete reconciliation will never be made as, in their opinion, the time and effort would not be justified. A considerable portion of the cash difference, however, cannot be attributed to the transfer of records from the banks, but is a result of the unsatisfactory control exercised over the accounting for cash receipts and disbursements.

Accounts and notes receivable

The accounts and notes receivable owing to the Corporation at June 30, 1945, are summarized as follows:

Arising from sales:	
General commodities purchase program	$366,643,129
Other	155,680,315
Claims and miscellaneous receivables	5,934,374
Peanut seed matured notes	889,212
Due from producers	92,681
Advances and deposits (hemp)	28,586
Total	529,268,297
Less reserve for losses on peanut seed notes	400,000
Total	528,868,297

This amount is presented in the balance sheet, exhibit 1, as follows:

Due from Government agencies	$369,837,332
Due from others	159,030,965
Total, as above	528,868,297

The segregation of receivables between those due from Government agencies and others was made by the use of data presented by the Corporation as a basis. The accounts maintained did not provide an adequate medium for such a segregation, and the segregation made by the Corporation could not be supported in full by analysis.

The amount of $366,643,129 recorded as due from sales made in the general commodities purchase program could not be supported nor verified. The recorded balances of individual accounts are subject to qualification as a result of faulty application of accounting policies and poorly devised procedures. Amounts recorded as owing from sales made in this program were recorded on the basis of quoted prices on the date of recordation, while billings to customers were based upon the quoted price as of the date of delivery. Adjustments frequently were not made. In a number of cases, entries for quantities sold (with associated values) were based upon representations made by the purchaser and could not be supported by documentary evidence. In the case of certain other programs, it was also impossible to support or verify recorded balances of receivables, particularly in the case of claims and miscellaneous receivables.

Loans to aid agriculture

Loans outstanding at June 30, 1945, are summarized from schedule 5, as follows:

Commodity loans:	*Amount*
Basic commodities:	
Cotton (2,567,564 bales)	$251,654,330
Wheat (21,983,355 bushels)	30,808,073
Corn (18,753,218 bushels)	16,731,894
Tobacco (2,780,204 pounds)	856,919
Total	300,051,216
Steagall commodities	608,808
Other commodities	3,799,719
Total commodity loans	304,457,743
Loans for operating expenses, equipment, and facilities	4,114,320
Accrued interest and storage charges relating to loans held by private lending agencies	5,707,157
Loans outstanding as shown in exhibit 1	314,279,220

The total amount of loans outstanding as shown above includes $86,035,259 applicable to loans which were made by private lending agencies under CCC loan programs and which the Corporation was obligated to purchase at maturity in the event of default by the borrower or on demand by the holder. The Corporation followed the practice of reporting loans made and held by lending agencies under CCC loan programs as a part of total loans outstanding, and showing the corresponding obligation to purchase as a liability. Although, according to its attorneys, the various lending agencies participating in these loan programs were not legal agents of the Corporation, loans held by such agencies were regarded by the Corporation as loans of CCC for reporting purposes. These loans were made in connection with CCC loan programs under terms and conditions prescribed by the Corporation, primarily on the credit of the Corporation. In the interest of showing the extent of its various loan programs, the Corporation included them in total loans outstanding. While this classification may not be entirely satisfactory in the light of customary accounting practice, it does simplify the financial presentation of the activities of the commodity loan programs, and, as a matter of convenience and simplicity, it has been retained in the accompanying balance sheet.

Total cotton loans shown in the foregoing tabulation include $181,413,754 relating to certificates of interest issued to lending agencies covering loans made by them to producers, the notes for which were de-

posited in note pools conducted by the Corporation.

In connection with cotton loans held by CCC, the Corporation had made no effort to prove the accuracy of the total amount of loans by adding the individual loan account balances, and we were unable to reconcile the total amounts of loans reported by Federal Reserve banks, as custodians, with the records of the Corporation. In addition, a duplication of $2,329,483 between loans held by the Corporation and those held by private lending agencies was observed in connection with cotton loans. As a result of the above circumstances, the amount of cotton loans indicated in the above summary as outstanding at June 30, 1945, is presented from Corporation records without satisfactory verification.

The recorded balance of loans outstanding on wheat is known to be overstated by approximately $4,000,000 with a corresponding overstatement of accounts payable. This overstatement was caused by the inclusion in inventory of over 3,000,000 bushels of wheat surrendered by borrowers. Because of the time lag between the receipt of the wheat and documentation from points of origin adequate to serve as a basis for crediting loans receivable, the wheat was taken into inventory at an estimated value upon receipt, and the loans were canceled in a subsequent period. The same situation existed to a lesser degree relative to loans on other grains. As a result of our discussion of this subject with Corporation officials, we do not anticipate a similar situation at the close of subsequent fiscal years.

At June 30, 1945, the records of the Corporation reflected as a reserve for losses an amount of $1,095,961 which represented the accumulation of the Corporation's share of fees paid to AAA committees by farmers for assistance in filing applications for loans. The Corporation has represented this amount as being in the nature of self-insurance to offset losses from destruction of loan collateral. Losses of this type, though existing, were never charged against this reserve, and during the fiscal year 1947, the balance therein was transferred to income. In the balance sheet included in this report (exhibit 1), the amount of this reserve has been included in suspense items.

To June 30, 1945, the Corporation had not followed a policy of providing reserves for possible losses on realization of loans. The Corporation was prohibited from borrowing in excess of its assets or the assets to be acquired with the proceeds of borrowings. It appears that this prohibition must necessarily have contemplated the establishment in each fiscal period of reserves in an amount equal to the difference between the sum of loan advances and the estimated realizable value of the commodity pledged to secure the loan. Aside from this consideration, it is a generally recognized principle of sound financial accounting that losses should be reflected in financial statements at the point in time when they are sustained or become apparent. Subsequent to June 30, 1945, the Corporation adopted the policy of providing, in each accounting period, valuation reserves to reflect the estimated loss, if any, to be sustained during liquidation of the loans, based upon estimated realizable values.

Inventory of commodities

The inventory of commodities owned by the Corporation at June 30, 1945, is summarized from exhibit 3, as follows:

Cotton:	
Domestic	$437,816,342
Foreign	9,709,957
Total	447,526,299
General commodities purchase program:	
Dairy and poultry	$108,079,796
Meat and meat products	49,376,765
Vegetables and vegetable products	38,937,926
Special commodities	22,150,444
Fruit and fruit products	13,369,484
Grain and grain products	13,274,003
Fats and oils	6,516,665
Seeds, field and vegetable	4,399,211
Cotton waste and naval stores	249,309
Estimated handling, storage, and transportation charges	14,268,937
Other charges, net	441,064
Total	271,063,604
Wool	159,732,567
Wheat	153,669,751
Oils	40,946,011
Tobacco	35,087,598
Hemp fiber and related items	20,250,953
Corn	19,684,925
Soybeans	19,295,040
Cotton linters	7,840,696
12 other commodities, each less than $5,000,000	17,635,369
Inventories of doubtful value or existence	504,070
Total	1,193,236,883
Differences between program transfer accounts, not entirely applicable to inventories	—2,723,611
Total	1,190,513,272
Less reserves:	
For decline in value of inventories	32,164,000
Other reserves	2,018,070
Total	34,182,070
Total commodities owned, as shown in exhibit 3	1,156,331,202
Advance payments on purchases:	
Sugar	58,538,930
Wool	5,261,704
Total	63,800,634
Total, as shown in exhibit 1	1,220,131,836

To June 30, 1945, the Corporation did not follow the practice of taking periodic physical inventories of commodities under its own control nor did it request periodic confirmations from warehouses. On March 12, 1945, the president of the Corporation, pursuant to a resolution approved by the board of directors on March 10, 1945, requested the General Accounting Office to take a physical inventory of all commodities and to make recommendations relative to inventory control procedures and valuation bases. This request resulted from realization on the part of the Corporation that (1) its financial record of inventory was inaccurate, (2) its inventory control and accountability procedures were inadequate, and (3) large quantities of commodities were improperly stored and had deteriorated in quality, some to the point of being unfit for human consumption.

During March, April, and May 1945, representatives of the General Accounting Office, in collaboration with the Corporation and other agencies of the Department of Agriculture, examined into these points and endeavored to verify the inventory through correspondence with custodians, examination of documents, and inspection and test counts as deemed necessary.

The use of quantities thus determined to adjust corporate records was complicated by the difficulty in effecting reconciliations between the quantities determined on the dates of count and the quantities reflected in the Corporation's financial statements at March 31, 1945 (in the case of the General Commodities Purchase Program), and April 30, 1945 (in the case of commodities acquired under other programs). Considerable effort was devoted to this process, and many of the differences disclosed in the inventory, which were substantial in the aggregate, were adjusted prior to the closing of the books as of June 30, 1945. However, tests made as of the latter date revealed that it was still impossible to effect complete or satisfactory reconciliations between the quantities recorded by the Corporation and those reported to be held at that date by warehousemen, handlers, and others. Some of the unreconciled differences were substantial but were probably caused for the most part by delays in documentation and in recording transactions.

Included in the reports rendered to the Corporation concerning the physical inventory work performed by the General Accounting Office were many suggestions and recommendations directed at improving inventory control and accountability procedures and methods of establishing inventory values. As indicated elsewhere in this report, the Corporation has made substanial improvements since June 30, 1945, in inventory control procedures and methods of valuation.

The recorded value of inventories was computed by the Corporation, in general, on the basis of cumulative average unit costs. The use of this basis of pricing makes no allowance for differences in grade or quality, storage periods, transportation, or marketability. As sales are made of relatively better grades of a commodity, the remaining lower grades become progressively overpriced. We do not believe this basis to be consistent with sound accounting principles for the purpose of determining inventory costs. During the fiscal year 1946 the Corporation changed its method of pricing inventory and sales of some commodities, principally grains, to the first-in, first-out basis. Cotton, however, was still priced by the cumulative average unit cost method to June 30, 1947. In connection with certain other commodities, notably processed foods, the individual lot cost method has been used.

An effort was made by the Corporation at June 30, 1945, to reduce the recorded cost of wool, hemp, and miscellaneous seeds to market value by establishing reserves for losses. Experience subsequent to June 30, 1945, has indicated that the price reductions applied to the wool inventory were insufficient. Estimates of losses to be sustained as a result of reduced selling prices did not include losses to result from sale at reduced prices of approximately 100,000,000 pounds of wool delivered to the Corporation but not recorded in inventory until a subsequent period.

Advances on purchases of sugar were made under contracts with the Cuban Sugar Stabilization Institute. These contracts provided for advances to be made by the Corporation in an amount of 90 percent of the value of the crop remaining unshipped on June 1 of each year covered by the contract.

Equipment, leasehold improvements, etc.

The recorded gross cost of equipment, leasehold improvements, and other fixed assets owned by the Corporation at June 30,

1945, was $20,997,053. Depreciation accumulated to that date in the amount of $14,968,850 reduced this investment to a net amount of $6,028,203.

The most significant of these assets were grain bins and related equipment which, at June 30, 1945, had a net book value of $3,914,871. Regional office records were not maintained on a basis such as to enable a satisfactory independent verification of the quantity or cost of grain bins owned by the Corporation. In addition, depreciation reserves and operating losses were overstated in a substantial amount. The overstatement resulted from the failure of the Corporation to relieve the reserve accounts for accrued depreciation applicable to bins sold. As a result, wooden bins were recorded as fully depreciated at June 30, 1945 (only 3 years after their acquisition), but the Corporation realized a net gain of almost $5,700,000 on the disposition of bins and equipment in the year ended June 30, 1946, resulting principally from the sales of wooden bins.

The natural-cooler storage facility is a natural cave located on the site of a limestone quarry near Atchison, Kans. Its recorded cost to June 30, 1945, was $1,772,009. The facility is said to provide 7,000,000 cubic feet of storage space, sufficient to store 2,800 carloads of commodities. The site is not owned but is occupied under the terms of a 5-year lease negotiated on May 3, 1945, but running from July 10, 1944. The facility was being operated at June 30, 1945, by a private contractor under a cost-plus-a-management-fee contract. This contract was subsequently canceled, and the operation was assumed by the Shipping and Storage Branch of Production and Marketing Administration. No commodities were stored in the facility until December 1945, and no depreciation or amortization thereon was recorded at June 30, 1945.

Other equipment, consisting almost entirely of furniture and fixtures owned by the Corporation at June 30, 1945, was recorded in a net amount of $341,323, as shown in the balance sheet, exhibit 1. The Corporation maintained inadequate control over furniture and fixtures. No detailed record could be furnished to support the recorded value of furniture and fixtures owned.

Accounts payable, advances, and accrued liabilities

Accounts payable, advances, and accrued liabilities recorded as owed by the Corporation at June 30, 1945, amounted to $494,598,691. The items composing this balance are summarized as follows:

Accounts payable:	
Due on purchases:	
General commodities purchase program	$203,186,263
Other programs	49,021,962
Total	252,208,225
Estimated subsidy program obligations:	
Dairy production payments	125,000,000
Beef production payments	5,000,000
Total	130,000,000
Other payables	8,519,596
Total accounts payable	390,727,821
Advances:	
From Foreign Economic Administration to apply on purchases for lend-lease ($78,308,487) and for construction of the natural-cooler storage facility	79,756,155
From the Government of Great Britain to apply on purchases of tobacco	5,283,611
Total advances	85,039,766
Accrued liabilities:	
Interest	$3,667,143
Carrying charges on commodities owned or pooled	14,690,168
Carrying charges on loans	473,793
Total accrued liabilities	18,831,104
Total	494,598,691

This amount is reflected in the balance sheet, exhibit 1, as follows:

Due to Government agencies	$132,286,284
Due to others	362,312,407
Total, as above	494,598,691

The segregation of payables between those due to Government agencies and others was made by the use of data presented by the Corporation. The accounts maintained provided no adequate basis for such a segregation, and the segregation made by the Corporation could not be supported in full by analysis.

The amount of $203,186,263 indicated as owed on purchases made in the General Commodities Purchase program could not be verified. No detail listing of individual creditors' balances could be obtained. We are aware of an overstatement of approximately $18,500,000 resulting from the failure to record cash disbursements of that amount on regional office records. Numerous errors, omissions, and inadequacies in the application of accounting policies and procedures in the conduct of this program necessarily had an effect on the recorded balance of accounts payable.

The preceding comment is applicable equally to the amount recorded as advance deposits from the Foreign Economic Administration on sales made through the General Commodities Purchase program ($78,308,487).

No adequate record was kept of outstanding dairy or beef production payment program drafts, and no determination could be made as to the accuracy of the amount of $130,000,000 shown above as estimated program obligations at June 30, 1945.

Other items of this group are subject, though to a lesser degree, to the same general comment as that contained above relative to the General Commodities Purchase program.

Unrecorded liabilities

It is customary for independent public accountants, when reporting upon the results of a commercial audit, to determine that all liabilities are believed to be recorded in the books of the company being audited, if an unqualified opinion is to be rendered. We cannot assume that responsibility in this case. We are aware of a number of liabilities, some of which were of considerable amount, which were not recorded at June 30, 1945, and believe, as a result of our survey of accounting policies and procedures, that numerous substantial liabilities of which we are unaware probably existed. Further, we do not believe that Corporation officials can make any accurate representations concerning the extent of the unrecorded liabilities of the Corporation as of June 30, 1945.

GENERAL OVERHEAD EXPENSES AND INTEREST ON BORROWED FUNDS

Commodity Credit Corporation did not maintain its accounting records prior to June 30, 1945, in a way which would make it possible to ascertain the real costs of administering and financing the Corporation's various activities, because it had devised no method by which its general overhead expenses and interest on borrowed funds might be distributed equitably to individual programs or groups of programs.

Good accounting procedures normally provide for the allocation in the accounts of all possible items of income, cost, and expense to the activities in which they were incurred. Accounting procedures are unsatisfactory when they do not provide for the break-down of operating results by organizational responsibilities and functional activities. The allocation of cost to individual activities is an aid in determining the selling prices of commodities. It also permits better management control of costs and assists in eliminating waste. If all costs and the net results of each activity cannot be shown, it is not possible to consider the costs in relation to the accomplishments or to demonstrate the effectiveness with which the responsibilities assigned to individuals in charge of activities have been carried out from year to year.

Schedule 22 of this report reflects the net remainder of all interest and general overhead expenses after assignment to specific programs of identifiable items of such expenses aggregating $6,795,448. The principal components of the remainder, as indicated in schedule 22, unallocated to program activities, are:

Interest paid to—	
Public, on collateral trust notes	$31,895,120
U. S. Treasury, on borrowings	28,085,080
Reconstruction Finance Corporation, on borrowings (net of $4,876,590 earned on cash deposited with RFC)	10,983,683
Total	70,963,883
General overhead expenses:	
Salaries	14,199,210
Expenses of Federal Reserve banks and others as custodians and fiscal agents	14,999,673
Total	29,198,883
All other expenses, net	7,996,310
Combined	108,159,076

The above amount represents approximately 90 percent of the Corporation's total recorded general overhead expense and interest on borrowed funds. In a number of cases, expenses which were identical in character with expenses otherwise classified as administrative have been reflected by the Corporation directly in the results of program operations. The aggregate of such expenses so reflected was relatively minor, being less than 5 percent of the total overhead and interest expenses incurred to June 30, 1945. For the most part, such expenses were incurred on a cost-reimbursable basis by agents utilized in conducting various programs. Congressional limitations on administrative expenses, which exclude expenses of this type, need not prevent the informative reflection of the aggregate costs of administering the Corporation's activities.

No provision was made by the Corporation in its accounts at June 30, 1945, for general overhead expense accrued but unliquidated. A liability in the approximate amount of $500,000 existed at that date.

The costs of administration of the Corporation's activities have been obscured by the exclusion of costs borne by other agencies. During the fiscal year 1945 the Corporation conducted a large volume of purchase and sale operations on behalf of lend-lease. The cost of administering these activities was defrayed directly from lend-lease funds in the approximate amount of $6,531,000. Omission of these expenses from financial statements indicates a lower cost of administration of the activities than was the case. Subsequent to June 30, 1945, the Corporation has adopted the practice of presenting such expenses, and the amount by which they are reduced by reimbursement from other agencies, by means of a supplementary schedule to the income statement. We are of the opinion that it would be more desirable to reflect the total of administrative expenses related to the Corporation's activities and the revenue resulting from reimbursement directly in the income statement.

The last issue of the Corporation's collateral trust notes held by the public was called for redemption in February 1945. The principal source of borrowed funds since that date has been the United States Treasury. The Corporation's obligations to the Treasury at June 30, 1945, bore interest at the rate of 1 percent per annum; no interest to that date was paid on the capital of $100,000,000. The Corporation paid interest on funds borrowed from the Treasury for the purpose of making direct subsidy payments. Such interest was payable until the Congress authorized reimbursement to the Corporation for the impairment of capital resulting from the subsidy payments; inasmuch as direct subsidy payments represent immediate expenditure of the Government's funds, it would appear that interest on these amounts should not be paid to the Treasury by the Corporation for any period.

Each fiscal year since June 30, 1937, the Congress has limited or prescribed to some extent the expenses of administering the Corporation's affairs by placing a limitation on the amount of the Corporation's own funds which it was permitted to use for this purpose. The budget language through which this limitation was made was coordinated to some extent with the Corporation's expense accounting practices. The control accomplished in this manner has been impaired by a classification of expenditures producing a total of administrative expenses which reasonably could not be designated as the total of the actual costs of administration for any period. However, it appears that the cost of administration borne by the Corporation and reflected in its accounts as such did not exceed during the fiscal year 1945 the amount specified by the Congress.

COSTS OF OTHER GOVERNMENT AGENCIES AFFECTING, OR RELATIVE TO, THE SUPPORT OF AGRICULTURAL PRICES

As pointed out earlier in this report, Commodity Credit Corporation's costs with respect to its normal purposes of price support or in connection with the ever-normal granary could not be determined because of the effects of the war on the disposal of inventories and the effect of supply and other activities on the requirements for price supports. Furthermore, the Corporation's costs for normal activities, if determinable, could not be interpreted or regarded as the total costs of the Government's endeavors relative to the support of farm prices or in connection with the ever-normal granary. Substantial disbursements have been made by other agencies of the Government for the same general purposes or for purposes the carrying out of which was accompanied by a material effect on the activities of Commodity Credit Corporation. Among the more important approximate costs of this nature incurred or payments made during the life of the Corporation to June 30, 1945, and the pertinent legislation or agency are the following:

	Amount
Soil Conservation and Domestic Allotment Act—1936–45 (49 Stat. 153)	$3,896,300,000
Agricultural Adjustment Acts—1934–45 (48 Stat. 31; 52 Stat. 31)	2,748,000,000
Sec. 32 of the act of Aug. 24, 1935 — exportation and domestic consumption of agricultural commodities—1936–45 (49 Stat. 774)	1,146,000,000
Sugar Act—1938–45 (50 Stat. 903) — excise taxes on manufactured sugar collected by the Treasury Department pursuant to the Sugar Act amounted to $502,828,842 during this period	351,700,000
Removal of surplus cattle and dairy products — 1934–37 (48 Stat. 805)	$116,300,000
Federal Crop Insurance Corporation—1939–45 (52 Stat. 72)	70,800,000
Farm Labor Program—1943–45 (57 Stat. 70; 58 Stat. 11)	56,500,000
Total	8,115,600,000

In addition to the above, Reconstruction Finance Corporation paid subsidies amounting to $1,271,500,000 to processors or producers of livestock, flour, and butter in connection with maximum price regulations.

EXCEPTIONS

We have found no programs or activities which, in our opinion, were carried on clearly without authority of law. However, certain of the Corporation's activities and transactions were undertaken on the basis of legal interpretations with respect to which there can be differences of opinion. Some of the more significant of such undertakings are listed below:

1. Indications of uncertainty concerning interpretations of the Corporation's authority under its charter (and consequently the authority for programs undertaken without specific statutory authority).

2. The undertaking of the domestic wool program without specific authority of law.

3. The sale of commodities acquired under the general commodities purchase program to Army and Navy upon conditions raising a possible question as to the application of section 4 of the act of July 16, 1943, which required the Corporation to recover full costs on sales to such agencies.

Also, in connection with the importation of wheat from Canada for use in the feed wheat program, we believe that formal authorization of the War Food Administrator was required under the law, though not obtained, for quantities imported in excess of 50,000,000 bushels originally authorized by him. However, because the Corporation had been consolidated into the War Food Administration, and because the War Food Administrator, reporting directly to the President, was chairman of the board of directors and exercised the rights of the United States as stockholders of the Corporation, it does not appear realistic to report such transactions as being without authority of law merely because formal authorization was not obtained from the War Food Administrator.

INTERNAL AUDITING

Prior to June 30, 1945, the need for internal auditing appears to have been virtually unrecognized by officials of the Corporation. Available auditors were, in general, assigned and made administratively responsible to the treasurer's office or to various operational branches. They apparently were used to assist branch personnel in the performance of their duties, to clear up documentary backlogs, to make special investigations relative to operating problems, and otherwise to assist in the administration of corporate activities.

In our opinion, internal auditors should examine completed records and, through appropriate tests of the records and other evidence, verify the correctness of the recording of the transactions and balances, observe the adherence to prescribed procedures, and evaluate the procedures from the standpoint of economy, simplicity, internal check, and conformity with accepted principles and the plans approved by the board of directors; the reports should reveal errors noted and contain recommendations relative to any changes considered desirable. The internal auditor should not participate in the preparation or recordation of accounting data.

On December 17, 1945, the Office of Audit of the Production and Marketing Administration was established. The direction of audit and examining activities of the Administration, its agents, and others financed with PMA funds, and of the preparation of cost analyses for use in the termination or renegotiation of contracts was assigned to the Office of Audit. Reports and recommendations were to be made to the Administrator of PMA. This assignment naturally represents far more than the responsibility for conducting internal audits relative to Commodity Credit Corporation. For example, it includes the responsibility for auditing hundreds of schools participating in the school-lunch program and for auditing the accounts of numerous agent cashiers and labor camps in connection with the labor programs.

During the course of our examination, we have made the greatest possible use of the work of the Office of Audit of PMA. In so doing, we have observed certain activities, procedures, and omissions which we believe should be changed or corrected in order that full advantage may be derived by the Corporation from that organization. These deficiencies have been called to the attention of the chief auditor, who has cooperated fully in taking steps to correct those which are within his scope of authority. Our major observations follow:

1. A disproportionate amount of time was devoted to the mechanical verification of routine transactions. Audits were limited, in general, to the examination of records of agents involved in the administration of price-support, supply, or subsidy programs of prior as well as current years. This was not primarily due to a lack of good judgment on the part of those responsible for administration of the office but was the result of assignment to the Office of Audit of functions which we believe are administrative in nature. Had the fiscal organizaiton originally required sufficient supporting data and adequately verified claims for subsidy payments, the need for such audits would have been materially reduced. In no case should the disbursing procedures depend almost entirely upon internal audits for the determination of the validity of the amounts being paid, even when those audits are being made currently.

2. As a result of the extensive use, for the purposes mentioned above, of the limited number of auditors available, too little emphasis was placed on the study of operating and accounting procedures and the system of internal control to determine that they were workable and satisfactory. The determination that program activities were being carried out in accordance with the intent of the board of directors likewise received scant attention.

3. Internal audit review of contracts, agreements, and instructions was limited almost entirely to those connected with the supply programs. Reports, programs, and working papers pertaining to the individual audits which we reviewed indicated insufficient concern over vague provisions, omissions, and other contractual weaknesses which we have noted.

4. In connection with our review of audit reports and discussion thereof with the various branches, we have noted an apparent failure to make maximum use of such reports. Improvement has been made in this respect since the establishment, in March 1946, of a procedure requiring reports of action taken on exceptions set forth in audit reports. However, report narratives sometimes contained comments and suggestions which often went unnoticed by the branches involved. More careful study of reports and closer cooperation with respect to audit matters between the fiscal and operating branches and between these branches and the Office of Audit would have increased the effectiveness of the internal auditing.

5. Despite the fact that inventories consistently constituted a substantial portion of the assets of the Corporation, tests of inventory quantities were extremely limited.

6. Certain contracts with, or instructions to, processors and agents provided that records would be available to the Corporation for audit for a limited period—usually 2 years. We noted that audits were being made of the records of many small processors involving small amounts or more recent periods, while the period of access to the records of much larger and more significant processors was close to its expiration. The chief auditor is of the opinion that the practice of auditing a greater proportion of the smaller concerns would result in greater recoveries, because internal controls and more adequate accounting supervision exist among the larger organizations.

We appreciate that consideration must be given to the relatively recent creation of the Office of Audit and the magnitude of its task. The administrators of the office are acquiring a more complete conception of its purposes, and, while less than full effectiveness of internal auditing has yet been realized, indications are that it will materialize.

As a result of the lack of internal auditing, we were forced to expand considerably the scope of our examination for the period ended June 30, 1945, although there were practical limits beyond which we could not undertake to assume additional responsibility.

In connection with the general subject of internal control, consideration should be given to the question of whether the surety bonds furnished by employees are adequate in amount. In the case of certifying officers, who are bonded for $5,000 each and whose duties include the approval of vouchers for payment, this amount seems inadequate in relation to the aggregate amounts which they certify for payment and in relation to the amounts for which employees of industrial and commercial enterprises having similar responsibilities are bonded. United States Treasury Circular No. 680, prescribing standards for fixing the amounts of surety bonds, contains the following:

"The penal sum of each certifying officer's bond shall be fixed by the head of the department, establishment, or agency concerned in accordance with the degree of the officer's responsibility, taking into consideration the character and estimated amount of vouchers to be certified for payment during the ensuing 12-months period. Such penal sum should be sufficient to protect the interests of the United States under the circumstances."

Inasmuch as employees are required to pay the bond premiums, the management, it is said, has not felt that it could insist upon bonds in more substantial amounts. It is suggested that consideration be given to the question of whether in such situation, authority should be sought to cover all employees, or all of certain groups of employees, under a blanket bond of an amount sufficient to protect the interests of the United States.

INTERNAL CONTROL OVER GRAIN PURCHASES

Grains and related products have been acquired by the Corporation:

1. In settlement of nonrecourse loans.

2. As a result of open announcement that all grain offered would be purchased at specified prices.

3. By negotiated purchase. The Washington office notified the regional office representative to get in touch with one or more grain firms and negotiate the transaction on a basis favorable to the Government.

4. As a result of sealed bids filed in response to public notice or as a result of bid invitations to specific grain dealers.

Criticism has been leveled at the Corporation relative to methods (3) and (4), it being contended that favoritism was shown certain dealers and that others rarely were given an opportunity to participate. Even when sealed bids were publicly requested or obtained as a result of bid invitations to specific dealers, it was claimed that the specifications eliminated all but favored operators. In most cases the invitations would indicate that specific quantities of certain quality were desired at stated geographic locations. This was an advantage to any grain owner who had such described commodity near the stipulated location but did not necessarily indicate favoritism; we do not have any reason to conclude that locations were selected with that in mind. However, the selection of the successful bidder generally could be predetermined by the knowledge of location of quantities of grain.

As a result of this criticism of the purchasing practices of the Corporation, the board of directors established a policy providing for the utilization of competitive bid procedures. A few days later, on May 2, 1945, this procedure was amended by providing for exceptions to the competitive-bid policy when its use was clearly impractical, would not be in the best interests of the Government, or when the approved program provided for a different procedure.

We were informed that all sizable wheat purchases from July 1 to September 30, 1945, for example, were made without competitive bidding on the grounds that the use of the bid procedure clearly was impractical. As the consideration of this matter by the board of directors resulted from criticism of this practice, it appears that the general policy formulated by the board was negated. However, the Corporation's president assured us on June 3, 1946, that it was the board's intention to allow the administrative officers to retain the responsibility for applying the policy and the exceptions to the policy in their purchase activities. Further, he stated that the board of directors was kept informed of the activities of the grain branch and that no move was made or proposed to alter the procedure. Thus it could be inferred that the purchase of grain on a negotiated basis had the sanction of the board and was not in conflict with its policy.

In the spring of 1947, an investigation was conducted by the Division of Investigations of the Department of Agriculture concerning alleged favoritism shown by the Corporation to a grain dealer in Kansas City. In the course of this investigation, rather widespread criticisms of the Corporation's grain-trading practice and release of related information was encountered, particularly among members of the grain trade. As a result, the scope of the investigation was expanded considerably. In the reports on the investigation, it was indicated that considerable basis appeared to exist for the criticisms and allegations made. In a report dated June 10, 1947, an investigator stated that, while the facts and circumstances developed were not conclusive, it appeared that further inquiry should be made and that effort should be directed at establishing control adequate to insure that advance information concerning the Corporation's buying plans would not be made available to unauthorized persons. Based upon our review of the related reports, we agree that this entire field warrants further administrative inquiry.

In connection with purchases on a negotiated basis, the Corporation has stated that the acquisitions were more advantageous as to price than would have been the case under a competitive-bid procedure. Generally, in public operations, competitive bidding has been relied upon to assure the best price obtainable. Of course, when the Corporation engages in a program that provides for purchase at fixed prices from all persons who may offer the commodity, competitive bidding would serve no useful purpose insofar as prevention of favoritism is concerned. Public criticism might be allayed, without hampering operations, by the issuance, after a suitable interval, of announcements relative to consummated negotiated purchases, disclosing the purchase areas and dates, prices paid, and quantities purchased.

SCOPE OF EXAMINATION AND OPINION

We were unable to make our examination of the Commodity Credit Corporation and its affiliated corporation, War Hemp Industries, Inc., for the period ended June 30, 1945, in accordance with accepted procedures of auditing employed by public accounting firms in the examinations of commercial enterprises, as is contemplated by section 5 of the act of February 24, 1945 (59 Stat. 6).[5] Ordinarily in the audit of commercial enterprises, the audit procedures can be augmented and the scope of audit expanded to the extent that deficiencies encountered can be overcome sufficiently to permit of a satisfactory audit. In the case of CCC, however, we found the deviation from sound accounting practices so pronounced, the errors and arrearages in record keeping so substantial, and the internal auditing activities and internal controls so deficient that such expansions were not a practical possibility and would have been, even if possible, unjustifiable economically. Moreover, the expansion necessary in this case would, because of its nature, have constituted unavoidable participation in the administrative responsibilities of the CCC management.

An early survey of the Corporation's various accounting offices in the field disclosed many of the difficulties to be encountered in the examination. With these facts in mind, a program was designed so that we could concentrate our efforts toward disclosing deficiencies in currently active programs, with more limited concern for completed operations.

The six regional offices, which conducted and accounted for operations in wheat, corn, cotton, soybeans, barley, oats, and rye, were visited. Audit work was carried on in New York City on foreign purchases and on the general commodities purchase program. Visits were made to the Federal Reserve Bank of Richmond, Va., in connection with the tobacco programs and to the offices of Dairy Products Marketing Association, Inc., in Chicago, Ill., relative to the butter and cheese programs. Records of area offices in Chicago, New York, and San Francisco were examined. Records of the hemp program were examined at one of the plants and in the Chicago office of War Hemp Industries, Inc. A comprehensive coverage of wool activities was provided through visits to banks, handlers, and warehouses in a number of cities in various States.

We have omitted a description of the steps by which the verification of assets, liabilities, and operating results were attempted. Such description would be highly technical in nature, extremely lengthy, and would add little of significance to the report. Some of the results of our attempted verification are set forth briefly in the section of the report devoted to comments on financial position, and, as mentioned in the footnote on page 48, many other instances of faulty accounting were disclosed during the course of our examination.

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[5] A commercial audit generally contemplates using as a starting point reliable financial statements prepared by the organization, or at least statements which it will contend are reliable. The treasurer of the Corporation made substantial qualifications as to the correctness of the Corporation's own financial statements as well as the books and records from which they were prepared.

The accounting deficiencies encountered were so substantial and the inaccuracies cited in this report so material that we cannot express an opinion that the financial statements prepared by the Corporation present fairly the financial position of Commodity Credit Corporation and its affiliate, War Hemp Industries, Inc., at June 30, 1945, or the results of their operations for the period ended on that date. Therefore, for the reasons stated on page 35, we prepared the financial statements accompanying this report from the books and records of the Corporation. We are aware of numerous adjustments which could have been made; however, except for the treatment as income of $139,171,171 reserved by the Corporation for possible losses on the general commodities purchase program, no adjustments are reflected in the accompanying statements. Except for the adjustment noted, the excess of subsidies and losses over net gains as shown in exhibit 2 is equal to the excess of expenses and other charges over income as reflected by the Corporation's operating statement.

Mr. BYRD. Mr. President, I desire to speak briefly on the pending conference report. I regard it as a very vitally important matter. We are discussing the management and control of the second largest banking institution in the world, because the Commodity Credit Corporation is in actual practice a banking corporation. The first largest banking institution is the Reconstruction Finance Corporation. The Commodity Credit Corporation is the second. Its total assets and capacity to borrow are greater than those of several of the largest banking institutions in America.

What is being proposed to be done here today is to take away the safeguards and controls which were placed in the charter of this Corporation a year ago and to take them away in such a manner as to remove the checks and balances which the Senate should require in the administration of this fund. I think the Members of the Senate should clearly understand what they are doing before they vote for the conference report.

Mr. President, the so-called Byrd-Butler bill has been referred to in the debate. That bill, as Members of the Senate will recall, was passed after some years of effort, for the purpose of reorganizing the various Government corporations. Among its provisions it required that each of these corporations should obtain a new charter by June 30, 1948, otherwise they would be forced to cease doing business. In accordance with that law, which contained other provisions making these corporations more responsible to the Congress, a new charter was adopted for the Commodity Credit Corporation, last June, as I recall. That charter provided for a board of directors to be appointed by the President. Who can object to the Board of Directors being appointed by the President of the United States? It was provided that the members of the board should be confirmed by the Senate of the United States.

Let me call the attention of the Senate to the fact that the Commodity Credit Corporation was not the only corporation with respect to which such a requirement was made in the new charters. It was made with respect to every single corporation charged with the handling of large sums of money and the responsibility therefor. The same provision was made with respect to the Export-Import Bank. The same provision was made with respect to the Federal Deposit Insurance Corporation. The same provision was made with respect to the Federal Savings and Loan Insurance Corporation. The same provision was made with respect to the Reconstruction Finance Corporation. The same provision was made with respect to the Tennessee Valley Corporation.

These six major corporations, which handle large sums of money under the authority of Congress to borrow, with the backing and the guarantee of the United States Government, were selected to have their directors appointed by the President and confirmed by the Senate of the United States.

It is now proposed, after 1 year's trial to make a change, and yet not one single real reason has been given on the floor of the Senate why the change should be made.

I asked the distinguished Senator from New Mexico several weeks ago why it was desired that the change be made? I asked what there was in the operation of the present law that made it desirable to change it, and give to the Secretary of Agriculture a private bank—for that is what it would be under the proposed change—with resources of $5,000,000,000, greater, as I have said, than the combined resources of some of the largest banks in America today, and second only to the Reconstruction Finance Corporation in its assets and resources.

Mr. President, this is a serious matter. The Congress deliberately enacted the provision I refer to last year. It was done after full and free discussion. Congress did it to protect the resources of the United States. Congress did it to see that the $5,000,000,000 was handled in an orderly and proper manner by requiring that the President appoint the board and that the Senate confirm its members.

Now, what is proposed to be done? Let me read the section of the existing law so Senators can compare it with what is now proposed to be done. The existing law provides:

The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of 5 years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States.

What does the new proposal do? It says that in addition to the Secretary, 6 members shall be appointed by, and hold office at the pleasure of, the Secretary. In other words, he can appoint whomever he pleases; and if at any time any single member of the board does not do as the Secretary desires him to do, the Secretary can demand his resignation and appoint someone else. There are no terms of office, whereas under the present law there is a term of 5 years.

In addition to their duties as members of the Board, appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary. * * * A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

The power of the President to remove any of the directors is taken away. The power of confirmation by the Senate is taken away, and the Secretary of Agriculture is given the right to appoint whomever he pleases, at his pleasure, without term. He can change the whole board overnight. The bill does not even provide that any reports be made to the Congress. Let us again remember that we are dealing with a corporation which is in effect a banking corporation, with $5,000,000,000 of assets.

We have heard a great deal of talk about the advisory board. This is what the conference report says with respect to the advisory board. It is a new board:

In addition to the Board of Directors there shall be an Advisory Board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The Advisory Board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto.

All they can do is "advise the Secretary with respect thereto." They have not one particle of executive power. They can take no action. They can only recommend to the Secretary what they think he should do, and the Secretary can disregard the advice, or change it, or do anything he pleases.

The remarkable thing is that the advisory board is confirmed by the Senate; yet the board which actually has the power to make great loans, to lend money here and there, and buy things here and there, to the extent of $5,000,000,000, is not confirmed by the Senate.

Mr. KEM. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. KEM. I should like to ask the distinguished Senator from Virginia if it is not the general understanding that policy-making officers of the Government are subject to confirmation by the Senate, but inferior officers are not so confirmed.

Mr. BYRD. I think the Senator is correct.

Mr. KEM. I should like to ask the Senator which of these bodies, in his judgment, is the policy-making body of the Commodity Credit Corporation.

Mr. BYRD. It is very obvious that the board of directors is the policy-making body. It has the power to act. The advisory board simply has the power to recommend to the Secretary.

Mr. KEM. Has the Senator, in his discussion, or reading or colloquy in regard to this matter, encountered any reason why the inferior body should have been selected for confirmation by the Senate, and the policy-making body should be permitted to bypass the Senate?

Mr. BYRD. I have heard of no reason that appeared to the Senator from Virginia to be logical. Reasons may have been given. Furthermore, I have heard no reason stated by any proponent of the legislation why this change should be made. Wherein has the present board failed? It has been in operation for a year. It is appointed by the President and confirmed by the Senate. In what way has it failed to discharge its duties?

It has been said on the floor of the Senate that the two public members appointed by the President did not attend the meeting. Mr. President, they receive a salary of $10,000 as members of the board of directors; and if they do not attend the meetings someone should see that they are discharged. They should be compelled to do their duty.

As a matter of fact, all the talk on the floor of the Senate to the effect that a quorum could not be obtained is perfectly absurd. The Secretary of Agriculture is a member of the board. He can designate someone in his place if he is not present. Two members of the board come from the Department of Agriculture. That gives a quorum of the board. So there is no force whatever in the argument that they could not obtain a quorum. If they cannot obtain a quorum by paying a salary of $10,000 a year to attend the meetings, someone is grossly derelict in not demanding the resignation of such persons.

That is the only argument I have heard as to why the organization of the board shall be changed. I cannot understand it. This is one of the Corporations which was selected by the Congress to have a board appointed by the President and confirmed by the Senate. The directors of all the other Corporations which deal with funds—the Reconstruction Finance Corporation, the Tennessee Valley Authority, and others—are appointed by the President and confirmed by the Senate. I should like to have someone tell me why this Corporation is singled out for special treatment. Why, with respect to this single Corporation, should we give the Secretary the power to appoint whomever he pleases, dismiss them at his pleasure, and absolutely control the operations of this vast banking institution?

Mr. KEM. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. KEM. In looking at some of the authorities on this subject I encountered this text, as to what officers of the Government should be confirmed. The text writer says:

> The test is responsibility for final action in connection with the preparation and promulgation of rules, regulations, or orders.

I ask the Senator from Virginia which of these bodies, under the organization provided in the bill, has the "responsibility for final action in connection with the preparation and promulgation of rules, regulations, or orders."

Mr. BYRD. The board of directors.

This bill gives still greater power to the Secretary in other sections. For example, section 2 of the present law provides that this agency shall be operated "subject to the general direction and control of its Board of Directors." That has been changed to "supervision and direction of the Secretary of Agriculture."

Mr. President, it seems to me that this is an unreasonable and unnecessary concentration of power in the hands of the Secretary of Agriculture. I think the Senate would be derelict in its duty of safeguarding the interests of the people of America if it permitted the bill as drafted in the conference report to become a law, and thereby give these appointments to the Secretary of Agriculture, without confirmation, and without term of office, instead of giving them to the President for a 5-year term, subject to the confirmation of the Senate. The bill even strikes out the provision that the directors may be removed by the President of the United States. Is it possible that we do not trust the President of the United States to make these appointments? I cannot conceive the reason for the desire to change the present provisions. No reason has been given to the Senate. I challenge any proponent of the legislation to point to a single logical reason for making this change.

As Senators know, the Senate refused to adopt this pending proposal when it was advanced in the Senate a few weeks ago. We refused to make this change. I do not know why, but our conferees yielded to the House. In my opinion they should not have done so, because this is a vital question. They should not have done so unless they came back to the Senate for instructions. This provision strikes at the very heart of the legislation. The Senate adopted what it regarded as a proper provision, and the conferees agreed to change it in accordance with the desires of the House, so as to give the Secretary of Agriculture power to make the appointments without restriction, without confirmation, and entirely as he pleases.

Mr. President, I shall not speak longer. I merely wish to register my unequivocal and unqualified protest against this action. We are gradually chipping away the protections which we have had in this democracy of ours. As soon as we establish something to protect the people the bureaucrats start to tear it down, because they want to control the affairs of the Government. This is one example.

It has been said that the Commodity Credit Corporation is a bureau of the Department of Agriculture. I deny that emphatically. The Commodity Credit Corporation, which is chartered as a corporation, is in no sense a creature absolutely under the control of the Department of Agriculture.

It may be that the Secretary of Agriculture has certain duties to perform as directed by the Congress, but this Corporation is not a bureau of the Department of Agriculture, because a Government corporation cannot be a bureau of one of the executive branches of our Government. This Corporation has a charter which is approved by the Congress. To my mind, it is ridiculous to say that the Commodity Credit Corporation is a bureau, and that, as a bureau, the Secretary of Agriculture should have absolute control of it. If such a line of argument is logical, why was it that a year ago the Congress adopted as a safeguard the provision that the appointments of members of the board of directors of the Commodity Credit Corporation must be made by the President and confirmed by the Senate?

Mr. President, I protest the appointment of members of the board of directors of the Commodity Credit Corporation at the pleasure of the Secretary of Agriculture. I have never heard of a business corporation or any other kind of corporation which had appointment to its board of directors made at the pleasure of any certain person. The directors of a business organization or corporation are supposed to represent the stockholders. The stockholders of the Commodity Credit Corporation are the people of the United States of America. They are the ones who put up the money with which the Corporation operates; that money comes from the taxation of our citizens. If losses occur as a result of the operations of the Corporation, those who make up the losses are, not the directors of the Corporation, but the taxpayers, who must pay such losses by means of the payment of taxes imposed upon them.

So why should the directors of the Corporation be appointed at the pleasure of the Secretary of Agriculture, and without a definite term of office? Under such an arrangement, the Secretary of Agriculture could, at 5 o'clock in the afternoon, ask the directors to agree to make a great loan for the purchase of a large amount of commodities; and if the members of the board of directors refused to do so, the Secretary of Agriculture could make new appointments to the board, effective the next day, and he would not have to make a report of that matter to the Congress. He could thus place on the board of directors men of his own choosing, who would do exactly what he wanted done.

Under the law now proposed, there would be nothing to prevent such an occurrence or to permit the Congress to remove such directors if they were appointed, whereas the old law provides that the power of removal of the directors shall be vested in the President of the United States. However, in the law now proposed, that provision is stricken out. Evidently the framers of the present proposal were not even willing to

trust the President of the United States to make the appointments to the board of directors or to remove the appointees.

I, for one, sincerely hope the Senate will vote against the conference report, so that the measure will go back to conference and have its objectionable features removed.

Mr. President, I have no objection to the Commodity Credit Corporation. I think it is a good organization of our Government, and under present conditions I think it is necessary. However, it is our duty to safeguard the operations of this gigantic Corporation, so that the people of the United States, who pay the taxes, shall be protected.

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). The question is on agreeing to the conference report.

Mr. THOMAS of Oklahoma. Mr. President, so far as I know we are ready to vote upon the question, and I hope to have a yea-and-nay vote. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Holland	Mundt
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Saltonstall
Connally	Kerr	Schoeppel
Cordon	Kilgore	Smith, Maine
Donnell	Knowland	Sparkman
Douglas	Langer	Stennis
Downey	Lodge	Taft
Eastland	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Tydings
Flanders	McClellan	Vandenberg
Frear	McFarland	Watkins
Gillette	McKellar	Wherry
Graham	McMahon	Wiley
Gurney	Magnuson	Williams
Hayden	Malone	Withers
Hendrickson	Martin	Young
Hickenlooper	Millikin	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the conference report.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Is my understanding correct that it is impossible to present a motion to accomplish the purpose of the distinguished Senator from Delaware, which is to request a conference, with instructions that the directors be confirmed by the Senate. In order that the Senator from Delaware may accomplish his purpose, the conference report must first be voted down, and then the Senator from Delaware can present his motion. Am I correct in that understanding?

The PRESIDING OFFICER. The Senator from Nebraska is correct. The conference report must be voted down before the Chair could entertain such a motion as is proposed by the Senator from Delaware.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. If the House should not grant a further conference, the bill would be dead. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. KEM. Mr. President, I think it has been pretty well established that under the Constitution of the United States and the traditions of this body the power of confirmation is exercised in the case of officers who have policy-making functions, but not in the case of what the Constitution calls inferior officers. It is perfectly clear that in this instance the policy-making body is the board of directors of the Commodity Credit Corporation.

The Senate, in the case of that board, has been completely bypassed. Another board is established to be called the advisory council. The Senate is to be accorded the privilege of confirmation of the members of that council.

I think there can be no question that under the bill the board of directors has responsibility for final action in connection with the preparation and promulgation of rules, regulations, and orders. The responsibility for determining the policies of this $5,000,000,000 corporation is, therefore, clearly placed in the board.

Mr. President, I should like to say one more thing. I wish to quote the senior Senator from Michigan [Mr. VANDENBERG] on an occasion when a somewhat similar question was before the Senate in the year 1943. The Senator from Michigan referred to it as one of the few ways in which Congress "can reach back in the implementing of its delegated power."

Then he said:

> This is a case in which the Senate has something to say and do by way of limitation of the sprawling bureaucracy which is the curse of our present-day democracy.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from North Carolina [Mr. HOEY], and the Senator from Montana [Mr. MURRAY] are absent on public business.

I announce further that if present and voting, the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], and the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Indiana [Mr. JENNER] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], who is detained on official business, is paired with the Senator from Minnesota [Mr. THYE], who is also detained on official business. If present and voting, the Senator from Indiana would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Kansas [Mr. REED] is detained on official business.

The Senator from New Hampshire [Mr. TOBEY], who is absent on official business, is paired with the Senator from New Jersey [Mr. SMITH], who is absent because of illness. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from New Jersey would vote "nay."

The result was announced—yeas 33, nays 47, as follows:

YEAS—33

Aiken	Hunt	Magnuson
Anderson	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Myers
Connally	Kefauver	Neely
Douglas	Kerr	O'Mahoney
Ellender	Kilgore	Pepper
Graham	Langer	Sparkman
Hayden	Long	Taylor
Hill	Lucas	Thomas, Okla.
Holland	McFarland	Thomas, Utah
Humphrey	McMahon	Young

NAYS—47

Brewster	Gurney	O'Conor
Bricker	Hendrickson	Robertson
Bridges	Hickenlooper	Russell
Butler	Ives	Saltonstall
Byrd	Johnson, Colo.	Schoeppel
Cain	Kem	Smith, Maine
Chapman	Knowland	Stennis
Cordon	Lodge	Taft
Donnell	McCarran	Tydings
Downey	McCarthy	Vandenberg
Eastland	McClellan	Watkins
Ecton	McKellar	Wherry
Ferguson	Malone	Wiley
Flanders	Martin	Williams
Frear	Millikin	Withers
Gillette	Mundt	

NOT VOTING—16

Baldwin	Jenner	Smith, N. J.
Capehart	McGrath	Thye
Fulbright	Maybank	Tobey
George	Miller	Wagner
Green	Murray	
Hoey	Reed	

So the report was not agreed to.

Mr. THOMAS of Oklahoma. Mr. President, there were very few Senators on the floor when the debate was had on the conference report. The conference report bill is one which provides for the acquisition of storage for farm commodities. Now that the bill has been killed temporarily, there is bound to be a delay, but in order that we may still try to salvage the opportunity of providing storage for farm commodities so that farmers may have somewhere to place their grain preliminary to getting a loan, I now move that the Senate ask the House of Representatives for a further conference on the bill, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on agreeing to the motion that the Senate ask for a further conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. WILLIAMS. Mr. President, I wish to amend the motion of the Senator from Oklahoma by providing for instructions to the conferees to insist——

The VICE PRESIDENT. The amendment would not be in order until the

motion of the Senator from Oklahoma was passed upon.

Mr. WILLIAMS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WILLIAMS. Is not a motion to modify or amend the motion of the Senator from Oklahoma in order?

The VICE PRESIDENT. Not to instruct the conferees. The appointment of conferees must first be authorized.

The question is on agreeing to the motion of the Senator from Oklahoma that the Senate ask for a further conference with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to.

Mr. WILLIAMS. Mr. President, I move that the Senate instruct its conferees to insist on the provision of the Senate bill under which the Board of Directors would be subject to confirmation of the Senate, after being appointed by the President.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Delaware that the conferees be instructed to insist on the Senate provision in regard to the Board of Directors.

The motion was agreed to.

The VICE PRESIDENT. The Chair appoints as the conferees on the part of the Senate the same conferees, the Senator from Oklahoma [Mr. THOMAS], the Senator from Louisiana [Mr. ELLENDER], the Senator from New Mexico [Mr. ANDERSON], the Senator from Vermont [Mr. AIKEN], and the Senator from North Dakota [Mr. YOUNG].

Mr. ANDERSON. Mr. President, I hope the Senate realizes fully the action it has just taken, and realizes that a crop of wheat will shortly be coming into the market, that it will not be long before that wheat will be on the ground in Oklahoma, and that there will be no facilities for storage.

Mr. President, in a campaign not too long ago a great deal was said about whether or not the Senate had known it was not providing storage facilities. There can be no question this time. The Senate has decided it is not going to provide storage by the vote it has just taken. Storage cannot be ready in time for this year's harvest if the bill is to be taken up for consideration again. So we will have the spectacle of Members of Congress going back and trying to explain to the farmers in Illinois, to the farmers in Iowa, in Indiana, and in Ohio, why they have no storage for their corn. I suggest to the Senate that the most important roll call, so far as farmers will be concerned for a long time to come, was the roll call that was just had.

I further suggest that the action just taken in instructing the Senate conferees to insist upon its desire for confirmation of Board members by the Senate will further impede the possibility of any sort of agreement. I have no objection to abiding by majority rule, but I hope that at no time in the future, and particularly not in the fall of 1950, will we hear the assertion that Senators did not know exactly what they were doing in denying storage to the farmers of this country.

Mr. WILLIAMS. Mr. President, I should like to answer the distinguished Senator from New Mexico in this manner: The question of providing storage was not involved in the vote we took in the Senate. Had that been the only issue involved, the bill would have been passed 3 or 4 months ago.

During the recent campaign the Secretary of Agriculture and many other prominent men in the administration went all over this country bewailing the fact that there were not adequate storage facilities. They charged that to the Eightieth Congress. They deliberately refused to tell the people, or failed to tell them that they were at the same time selling their storage. They did not tell the farmers that at one time they had owned twice as much capacity as they now claim essential, and that even while the Secretary was making his speech pitying the poor farmer, his assistants were in Washington selling and disposing of storage facilities. As late as February 23, this year, the Secretary, in a letter notified me that he had finally arrived at a decision regarding storage facilities.

As one of the New Deal bureaucrats, he was so determined to take charge of the shortage of storage in this country and use the popularity of this bill, that he attached a rider to it whereby he could gain control, as the Senator from Virginia pointed out, of the second largest banking corporation in the world. He wanted sole control over this $5,000,000,000 banking institution. To achieve this power he placed a rider on the storage bill. Repeatedly I asked the Senator from Illinois, the majority leader, to separate those items and end the controversial provisions of the bill; in which event we could have passed long ago by practically unanimous consent, the storage provisions of the bill. The only reason the farmers in America will not have storage facilities this year is because the Secretary of Agriculture is such a power-mad maniac that he is determined he is going to have his power regardless of what happens to the American farmers.

LEAVES OF ABSENCE

Mr. MUNDT asked and obtained consent to be absent from the sessions of the Senate until June 7.

Mr. BUTLER asked and obtained consent to be absent from the session of the Senate tomorrow.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3704) to provide additional revenue for the District of Columbia, and it was signed by the Vice President.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

REDUCTION OF FEDERAL EXPENDITURES FOR FISCAL YEAR 1950

Mr. WHERRY. Mr. President, on behalf of the Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and myself, I introduce the joint resolution which I send to the desk and ask to have read. Then I shall ask that it be appropriately referred, and shall also ask unanimous consent that I may address the Senate for a few moments.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MORSE. What is the pending business?

The VICE PRESIDENT. The pending business is consideration of Senate bill 1843. The question is on the amendment of the Senator from Oregon, numbered 2.

Mr. MORSE. I ask my good friend the minority leader when he thinks it will be possible to proceed to consideration of the pending business.

Mr. WHERRY. I am going to speak on the subject of the unification bill as part of my remarks, and I hope that we can have a vote on the bill and on the amendments to the bill before we conclude the session of the Senate tonight.

The VICE PRESIDENT. The joint resolution will be read by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 97) to reduce Government expenditures for the fiscal year 1950, balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound national fiscal policy as a basis for the security and economic well-being of the United States.

Mr. WHERRY. Mr. President, I ask unanimous consent that the entire text of the resolution may be printed at this point in my remarks, and that it may be appropriately referred.

There being no objection, the joint resolution (S. J. Res. 97) to reduce Government expenditures for the fiscal year 1950, balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound national fiscal policy as a basis for the security and economic well-being of the United States, introduced by Mr. WHERRY (for himself, Mr. BRIDGES, and Mr. FERGUSON), was read twice by its title, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That in order to balance the budget for the fiscal year ending June 30, 1950, the President is authorized and directed to make, prior to October 15, 1949, such reduction in the amounts to be expended from any and all appropriations made for expenditures in such fiscal year, regardless of fiscal year for which the appropriations were originally enacted, as will in the aggregate equal not less than 5 percent nor more than 10 percent of the total amounts so appropriated for expenditure in such year; provided that expenditures for interest on the public debt shall not be subject to any such reduction.

SEC. 2. Each such reduction shall be made in a manner calculated to accomplish the

most efficient operation of the Government and thereby balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound national fiscal policy as a basis for the security and economic well-being of the United States.

SEC. 3. No reduction of expenditures authorized herein shall have the effect of reducing any item of appropriation for such fiscal year more than 20 percent.

SEC. 4. The President shall cause the reduction in each appropriation account to be certified to the Secretary of the Treasury and to the Committees on Appropriations and the Committees on Expenditures in the Executive Departments of the Senate and House of Representatives. The amounts so certified shall not be expended but shall be impounded and returned to the Treasury.

SEC. 5. The President shall include in the annual budget for the year ending June 30, 1951, a statement of each reduction made in accordance with this act.

Mr. WHERRY. Mr. President, we all hope and believe that the Army and Navy unification bill, now before the Senate, will become law and strengthen our national security at less cost and with greater operating efficiency.

Efforts to unify, coordinate, synchronize, integrate and otherwise weld the several arms of national defense into a compact, hard-hitting force for the security of our country in event of national emergency, have been under way for many years, as was brought out very forcefully in the addresses delivered by the distinguished junior Senator from Oregon [Mr. MORSE] and the junior Senator from Massachusetts [Mr. LODGE] and other Senators who discussed the so-called Morse-Lodge amendment yesterday in a lengthy debate. I should like to say here and now that if it were not for the fact that I feel the bill now before the Senate is the only kind of legislation on the subject which it is likely can be passed, I would have supported the Morse amendment. I predict now that the day will come when we will see the terms of the Morse amendment become a reality so far as unification is concerned.

There are Members of this body who were battling for unification of the armed services long before I came to the Senate. Gradually, and notwithstanding many obstacles, they are seeing their vision become reality. I believe that some of the amendments which may not be adopted now will be adopted at a later date. Since the junior Senator from Nebraska has been a Member of this body he has contributed, as best he could, toward achieving greater efficiency and economy in the armed services while strengthening our defenses.

We all want an adequate, effective national defense. And we all want to see that the taxpayers receive a dollar's worth of defense for every dollar they provide.

In looking to national defense, there is no room for partisan political considerations; at least I feel that way about it. Anyone who attempts to drag national defense into the political arena does a disservice to his country.

Happily, there is no party line in our Armed Services Committee and I am sure that situation prevails on our Appropriations Committee and in the consideration of national defense problems on the Senate floor.

As the senior Senator from Maryland [Mr. TYDINGS] has so well told the Senate, and as other Members have also stated, the pending unification bill does not meet the views of every individual in every provision. There are sharp differences of opinion on some features, and they are honest differences of opinion. But as a whole, it is a good bill, and I am confident that it will be passed by the Senate with overwhelming support from both sides of the aisle.

In these uneasy times, I am sure that the thought which is uppermost in the minds of Senators is to do in national defense what is best for our country.

But with all our labor to improve and strengthen our national defenses, we will have failed unless we also do our utmost to establish a wholesome economic climate to keep America strong economically, strong financially, and strong spiritually.

Behind our Army and Navy and Air Force there must be a strong nation, because it is from a strong nation that our Military Establishment obtains the sinews of defense.

Members of the Senate are familiar with the fiscal situation that confronts our Government today. We all know that at the rate we are appropriating and authorizing expenditures, we are building for a staggering deficit in the Federal Treasury. There can now be no doubt about it.

The Federal Treasury today is operating in the red. I am informed by the Treasury Department that as of May 23—last Monday—the actual deficit for the current fiscal year was $1,273,955,547. It is estimated that the Treasury deficit for the fiscal year ending next June 30 will be $599,706,231. The estimate of the Treasury as of last Monday, taking into consideration the current receipts that will come in, is that there will be a deficit at the end of this fiscal year of nearly $600,000,000.

Think of it! The handsome Treasury surplus in the banner year 1948 that made possible the much-needed tax reduction voted by the Eightieth Congress has been entirely wiped out.

The simple arithmetic of the situation that confronts us as we look to the next fiscal year is known to every Member of this body. There is no escape from the fact that unless we reduce budgeted expenditures for fiscal 1950—the 12 months beginning next July 1—there will be a Treasury deficit of more than $3,000,000,000. Those are the figures which were given to us by the distinguished Senator from Virginia and by the able Senator from Georgia [Mr. GEORGE] in the early days of the present session. Similar figures have been given the Senate by Members on this side of the aisle. They have called attention to the deficit we shall have for the next fiscal year, which has been estimated to be as high as three and a half billion dollars.

The signs are multiplying that national income, from which taxes are derived, is declining. Obviously, prudence dictates that we deal with the situation.

There are some persons who contend that we should increase Government expenditures. They have the fallacious notion that the more the Government spends, the greater the deficit, and the higher the taxes, the more prosperous will be our country.

They believe that we can spend ourselves out of debt; that the way to level off the debt is to spend more for public works.

Competent authorities, including many Members of this body, have warned that such a course leads only to national disaster. Indeed, it would be a betrayal of the American people if Congress fails to bring expenditures into balance with current receipts.

The only alternatives are a return to sky-high wartime taxes, or deficit financing. Simply elevating the brackets does not mean that we shall get the money. The other alternative is deficit financing.

Higher taxes at a time of declining national income could only result in stifling commerce and industry. If Senators do not think so, let them read the letters which I am receiving from small-business men all over the country, asking relief not only from the taxes which they now pay, but from higher taxes for 1950. One of the most disturbing influences upon business today is the uncertainty over whether there is to be a tax increase. It is stopping business expansion in many instances. Confronted by this menace, businessmen naturally are reluctant to make long-range programs for new plants and plant expansions, which would mean more jobs and more national income.

Some of us in this body have been trying to reduce appropriation bills as they come before us. Mr. President, we confront a condition, and not a theory. Nothing is to be gained by moaning over the lack of information to guide us in making appropriations item by item. Congress simply is not equipped at present to make the thorough studies which are essential to obtain justifications for the countless items which appear in all the appropriation bills.

It is my earnest hope that, out of the present chaotic, antiquated procedure of dribbling appropriation bills through the Congress we shall find the incentive to make improvements before the present session of Congress ends.

I believe Congress should provide for its own year-around study of Government expenditures, with a joint Senate and House committee keeping close tab, supported by information kept constantly current by an adequate staff of specialists.

This morning before a subcommittee of the Committee on Rules and Administration, which is now considering Senate Concurrent Resolution 18, known as the Byrd resolution for a single appropriation, I presented Senate Concurrent Resolution No. 38. I joined in sponsoring the Byrd measure, and I am for it; but I joined in submitting another resolution, which provides for an organization in the Senate similar to the personnel of the Bureau of the Budget—not great in numbers, but adequate to provide the Senate at all times with sound advice not only as to expenditures, but as to receipts, so that Members of the Senate can work in a practical way under the provisions of the Byrd resolution. If that can be done, we shall not have to

take a figure out of the air to comply with the legislative budget requirement. We shall know what our receipts are, and what we can spend. That procedure will make the single appropriation bill a reality. I hope Members of the Senate will give that resolution the utmost consideration, because it would make the Byrd resolution practical in every sense of the word. Unless we have our own personnel watching receipts and expenditures, and fully informed as to what appropriations should be made, those which need priority, and those which can be eliminated, then we as Members of the Senate, and especially the Appropriations Committee, cannot justify the appropriations.

It is my hope that we shall establish such a system, so that it can be in operation immediately after the next fiscal year begins. That is July 1, 1949.

Thus, we can prepare to deal with new understanding of the spending picture in the next session of Congress, and have before us a fund of information upon which we can act.

But all of that is looking to the future. Meanwhile, we are up against the real problem of what to do about the deficit presently at hand—today, next week, this fiscal year.

Some of us have tried to send appropriation bills back to the Committee on Appropriations with instructions to reduce the over-all totals by 5 percent. That course is a direct, immediate approach to the problem. That effort has been resisted. I think many Senators who would like to see a cut voted against it because they believe it is a sort of meat-ax provision, to which they cannot agree. Personally, I look at it differently. In any event, we have not been successful in recommitting appropriation bills in the hope that we might get a 5-percent cut in appropriations. It is my feeling that any one of the departments—I care not which one—can cut its general appropriation bill 5 percent and not in anyway cripple or destroy its efficiency. Other Senators do not agree. They have a perfect right to vote against that kind of procedure. But that does not deter us from continuing in our efforts. That is one way to try to meet the problem emergently at hand.

In proposing to scale down all appropriations we do not reflect upon the very capable Committee on Appropriations or its distinguished chairman, the senior Senator from Tennessee [Mr. MCKELLAR]. I also am a member of the Appropriations Committee, and I believe that the Senator from Tennessee would be among the first to agree that it is virtually impossible for the Appropriations Committee to sift each and every item of appropriations in a budget that calls for more than $40,000,000,000, and weigh it against the over-all spending program.

Information to support the thousands upon thousands of items is possessed by the executive branch. All of us know that, as a practical matter, heads of departments, boards, and bureaus are supposed to offer testimony in support of recommended appropriations, and not come before Congress with arguments to whittle away the President's budget.

I have been a Member of this body for 7 years. I have yet to see representatives of a department come before the Appropriations Committee of which I am a member, or a subcommittee thereof, and say, "Won't you please reduce this appropriation?" Yet the only fact-finding body we have consists of the employees of the agencies or of the Budget Bureau, who come before us seeking to justify an increase in the cost of government. They do not come before the Congress with arguments in favor of reductions. They come to the Congress with arguments to support an increase in the figures presented to the Congress. Whenever we try to reduce appropriations, those who are interested come before us and plead that the budget estimates be reinstated; and, of course, they have the support of that executive agency. Perhaps such practice can be justified in the name of orderly procedure.

But the budget estimates we are now passing upon were made last November and December, before present declines in national income were noticeable. We all know that the decline has been gaining momentum since the turn of the year. Certainly that is true of agricultural production. I know what cattle brought last November. I know what was said about cattle prices in Illinois last November, especially before November 2. I know what cattle prices are today. I know what hog prices are, and what grain prices are. So it cannot be disputed that when the budgets were prepared by the bureaus they were based upon prices of last November and December. Since that time there has been a considerable leveling off in all lines, but especially in agriculture. The facts fly at us from every issue of the press that business is slowing down.

It may be only a temporary lull; and I sincerely hope that it is only temporary. But we cannot afford to take chances and open the way to fiscal policies which would hasten depression or inflation leading to economic collapse.

In view of this sudden reversal in the national economic situation—a reversal since the spending budget was prepared, and even since the several appropriation bills got far along in the legislative mill—we should resort to extraordinary methods, methods that we can use immediately to avert this catastrophe. Congress has the wisdom to meet the challenge which now faces it. I am sure that every Member of this body stands ready to do what is best in the emergency.

Senators on both sides of the aisle are alert to the present critical situation. I know that I speak for the minority when I say that we are eager and willing to join with our friends on the other side of the aisle in solving this situation, working hand-in-hand to maintain a sound national economy.

Plainly, the first requisite is a reconsideration of appropriations, item by item. The President, through all his budget personnel and department and bureau heads, is best equipped to act to give that reconsideration, provided, of course, Congress prescribes the authorization and direction for what is to be done.

I am not advocating the abdication of the power of Congress to appropriate. I am advocating a formula which can be enacted by the Congress, requiring the President administratively to carry out our instructions. In so doing, I think the joint resolution meets every constitutional question which might be raised as to that particular power.

It is the intention of some of us to continue making motions to send appropriation bills back to the Appropriations Committee, on the ground that the committee can do the job, in cooperation with department heads and bureau chiefs, handling each appropriation separately as the bills come through the legislative mill. Such procedure is based on the principle that a bird in the hand is better than two in the bush.

But we also want the Senate to be armed to do the job of reducing expenditures for the fiscal year 1950, regardless of the results of our efforts to make cuts in each appropriation bill as it comes along. In other words, if we are not able to make a 5-percent cut in each appropriation bill, the least we can do is to prescribe a means by which the President of the United States can carry out a mandate of the Congress to effect such savings or reductions in the appropriations for the coming fiscal year which already have been made.

We do not want the Congress to adjourn and leave a certain deficit facing the people. That would invoke continuing doubt and worry by all citizens as to whether their presently back-breaking taxes would be increased, or whether the Treasury Department would return to deficit-financing, manufactured currency, printing-press money.

So, Mr. President, some of us have joined in drafting a joint resolution which we believe comprehensively and effectively deals with the rising threat of a Treasury deficit. I shall be glad to have Senators on both sides of the aisle join in supporting the joint resolution.

I now read its title:

To reduce Government expenditures for the fiscal year 1950, balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound national fiscal policy as a basis for the security and economic well-being of the United States.

Certainly that covers the situation. I am addressing myself to a joint resolution which would provide for balancing the budget. The joint resolution prescribes a formula which we can easily establish as a basis upon which the President can act in this connection.

Section 1 of the joint resolution provides:

That in order to balance the budget for the fiscal year ending June 30, 1950, the President is authorized and directed to make prior to October 15, 1949—

That is 15 days after the end of the first quarter of the fiscal year, which gives us 6 months more time to review the appropriations which have been made or to restore to the appropriations any cuts which we might feel would constitute a violation of the mandate.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Nebraska yield to the Senator from Texas?

Mr. WHERRY. I yield.

Mr. CONNALLY. In the joint resolution, does the Senator use the language "the President is directed"?

Mr. WHERRY. That is exactly the language I have used in the joint resolution.

Mr. CONNALLY. Of course, such language is not in conformity with the ordinary legislative language.

Mr. WHERRY. At any rate, it is in conformity with my intention in the matter, because the joint resolution will establish a formula to be used; and under the act of the Congress the President would be directed to carry out the mandate thus established, and in that way the Congress would be exercising its power in regard to the making of appropriations.

Mr. CONNALLY. The Congress does not have any power to direct the President. I wish the Senator from Nebraska would change the language of the joint resolution if he expects to obtain votes for it.

Mr. WHERRY. At this time I am simply making my speech about the joint resolution. If the Senator from Texas, for whom I have great admiration and respect, thinks other language would be preferable, I shall be glad to have him suggest other language to be used. But under the joint resolution, we would be prescribing the formula under which the President would be directed to act. If we do that, we shall not be dumping into the President's lap the congressional power to make appropriations, as was contended the other day in connection with another resolution proposing to reduce appropriations.

I thank the distinguished Senator from Texas for his observation; and if the word "directed" is offensive and should be changed, I shall certainly give the Senator's suggestion the utmost consideration, for I want his undivided support. I am delighted that this proposal is receiving his consideration. Not only is it an honor at any time to have one's proposal receive the consideration of the distinguished Senator from Texas, but his support is particularly appreciated in this connection, at this time, because the distinguished Senator from Texas, who is chairman of the Foreign Relations Committee, has many most important matters which require his time.

Mr. CONNALLY. Mr. President, if the Senator will further yield, let me say that I did not mean to say that I was pledging myself to support the proposal. I was simply suggesting that it is not within the power of the Congress to direct the President of the United States.

Mr. WHERRY. Mr. President, after being here 7 years, I have found that the Congress can do virtually anything it wishes to do.

Mr. CONNALLY. Then, why does not the Congress do something?

Mr. WHERRY. That is what I am trying to have done. If the Senator from Texas will support the joint resolution, we shall make, for the coming fiscal year, savings in appropriations sufficient to balance the budget, prevent increases in taxes, and keep us from having to resort to deficit spending. Certainly there is no proposal which should receive greater support or command greater interest.

Mr. CONNALLY. That is a very comprehensive and ambitious program. I wonder why the Senator from Nebraska did not put it into effect in the Eightieth Congress.

Mr. WHERRY. We did; the Eightieth Congress, for the first time in 16 years, balanced the budget and reduced taxes. That is exactly what we are trying to do now.

But instead of that, some Members of the Senate make statements to the effect that they wish to have taxes increased $4,000,000,000 and wish to have that money spent on public works—with the idea, apparently, that that is the way to conduct the economy of our country.

Mr. President, increasing taxes $4,000,000,000 might not even tax all the income. How can we know? No one knows. On the contrary, instead of taxing all the income, higher levels of taxation might dry up the income.

So I say to the distinguished Senator from Texas that we are making a bipartisan effort to obtain this very necessary result. There is no Member of the Senate whom I would rather have join me in supporting the joint resolution than the distinguished senior Senator from Texas, because I know in what high regard he is held by all Members of this body.

Let me say that I have approached this matter in a bipartisan way, and I so stated at the beginning of my remarks. I have said that the situation is critical, and that the committee itself is not divided regarding what should be done. It is certainly true that the Appropriations Committee is not divided regarding the action which necessarily must be taken. Apparently the committee is seeking some procedure whereby this saving can be effected in a bipartisan way, so as to accomplish the purpose of the economy drive which is being made, and yet meet all appropriation requirements which Senators apparently have in mind.

I realize that the task is a very difficult one to perform, but at the same time I think it can be performed.

I sincerely hope the joint resolution will be passed by the Congress, so that we shall at least pursue this method. Let us try it. If it does not succeed, of course we shall try something else.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BRIDGES. The distinguished senior Senator from Texas [Mr. CONNALLY] in addressing a question to the Senator from Nebraska [Mr. WHERRY] who has been ably presenting his arguments in favor of passage of the joint resolution—in which I join—asked why that method was not used by the Eightieth Congress. The distinguished Senator from Nebraska answered that question, saying, very appropriately, that it was not needed in the Eightieth Congress, because that Congress did the job.

I hold in my hand a list of appropriations made by the Eightieth Congress in both the first and second sessions. The list shows the budget estimates, the amounts of the appropriations actually made, and whether the appropriations as made constituted an increase or a decrease as compared to the budget estimates. Let me say that the record shows that the regular appropriation bills passed during the first session of the Eightieth Congress constituted a decrease from the budget estimates in the amount of $2,361,889,749.

From the supplemental appropriations, the decrease from the budget estimate was $402,041,986, or a total of $3,163,672,303, in the first session. In the second session of the Eightieth Congress the reduction from the budget estimates in the bills which finally became law amounted to $2,741,481,291.92. That is the reason why such a resolution as the one introduced today was not necessary in the Eightieth Congress.

Mr. WHERRY. I thank the distinguished Senator for his observation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HUMPHREY. I should like to ask unanimous consent to present a resolution and to have it read, and I should also like to ask unanimous consent for its immediate consideration if that is not out of order.

Mr. WHERRY. I did not know the Senator wanted the resolution considered. Reserving the right to object, what is the resolution?

Mr. HUMPHREY. The resolution is in reference to the recent criminal attack in the city of Detroit on one Mr. Victor Reuther.

Mr. WHERRY. If the Senator does not mind, I shall be through in about 10 minutes, and I shall be glad to yield the floor.

Mr. HUMPHREY. I shall be very happy to wait.

Mr. WHERRY. Mr. President, I have just stated that the joint resolution provides the formula, first authorizing and then directing the President "to make, prior to October 15, 1949, such reductions in the amounts to be expended from any and all appropriations made for expenditures in such fiscal year, regardless of fiscal year for which the appropriations were originally enacted, as will in the aggregate equal not less than 5 percent nor more than 10 percent of the total amounts so appropriated for expenditure in such year; provided that expenditures for interest on the public debt shall not be subject to any such reduction."

That clears one hurdle raised by a resolution offered the other day by the distinguished Senator from Maryland. It also permits a sliding scale of from 5 to 10 percent, so there is a latitude given for the administration of the act. I think it should be spelled out, in order that appropriations may not be handicapped, but at the same time there is a latitude in connection with 12 appropriation bills covering an expenditure budget of nearly $42,000,000,000.

Thus, it will be noted, section 1 authorizes and directs the President to make an over-all reduction in expenditures of not less than 5 percent nor more than 10 percent.

The reduction, of course, would not apply to interest on the public debt. For obvious reasons, we would not want to impair the service on the obligations of the United States. There is no suggestion that the President would authorize a default on interest on the public debt, but in order to draft the joint resolution in legal form it was found necessary to insert that language on the public debt.

Mr. President, there is a difference between an expenditure budget and an appropriation budget, and I wonder sometimes whether Members of the Senate always keep that in mind. I am reliably informed, as a member of the Appropriations Committee, that the over-all budget—that is, the appropriation budget—this year is about $48,000,000,000. If it follows the pattern of former years, about 85 percent of it will be spent in the fiscal year for which the money is appropriated. Some of the money will be expended in the next year, of course. I am now talking only about the expenditure budget, and that is the one that takes the money; that is the one that takes the cash. Subtract $5,500,000,000 for interest on the public debt from the $42,000,000,000 spending budget, and the remainder is $36,500,000,000. I have the figures as to the interest on the public debt from the Treasury, also the figure of $42,000,000,000, the spending budget to be used for the fiscal year 1950. The amount is $41,858,419,000, which of course is nearly $42,000,000,000. Subtracting from that the sum of $5,500,000,000 leaves a balance of $36,500,000,000.

Five percent of $36,500,000,000, the saving to be effected if the President should use the minimum figure, represent a saving of $1,825,000,000. If the President should exercise the formula and go to the maximum amount, 10 percent of $36,500,000,000 is $3,650,000,000.

Therefore, it is reasonable to assume that the 5- to 10-percent range for expenditures reduction provided in the joint resolution is adequate to balance the budget and meet the fiscal situation that has developed recently, since Congress began moving appropriation bills based upon outdated estimates.

Every Member of this body knows 5 percent can be wrung out of a spending budget of $42,000,000,000 without impairing any useful function of Government. I mean it can be taken out of those items that are not untouchable without impairing the efficiency of the Government. That, as I said, would save $1,825,000,000, or nearly $2,000,000,000. It might represent the difference between an increase in taxes and no increase in taxes. But, if we go to the 10-percent figure, we can save over $3,500,000,000, which would certainly be assurance against an increase in taxes.

Every Member of the Senate knows there is room for tremendous savings in the Military Establishment. In fact, if the unification bill receives favorable consideration, and we take the word of the distinguished chairman in his opening remarks, we have a right to expect a considerable saving through the unification of the military functions. That is one place where we can effect a saving. There is room for a saving in connection with ECA. I am not saying what the proper amount is, but I believe that all those who support the ECA program feel that, with reduced prices, some saving can be effected there. There is also room for savings in other large-scale activities of the Government, provided the virtue of thrift again becomes a part of the language used in the Senate.

Passage of the joint resolution, with the ensuing orders by the President to all department heads and bureau chiefs to get out their pencils and think in terms of economy, would have a wholesome effect all along the line. With the President and Congress working hand in hand to get the Government out of the red, the job can be done. Let us give the world another demonstration that a republican form of government can meet its emergencies in war and can meet them at this time in peace.

The purpose in authorizing and directing a range of from 5 to 10 percent in expenditures is to give the President leeway to meet possible change in the fiscal situation in order to accomplish a balanced budget. That will lock the door against deficit financing.

Section 2 reads:

> Each such reduction shall be made in a manner calculated to accomplish the most efficient operation of the Government and thereby balance the budget, avert an increase in taxes or rise in the national debt, and maintain a sound national fiscal policy as a basis for the security and economic well-being of the United States.

Section 2 needs no elaboration. It is self-explanatory.

Section 3 reads:

> No reduction of expenditures authorized herein shall have the effect of reducing any item of appropriation for such fiscal year more than 20 percent.

In other words, the President could not make a reduction on any item of more than 20 percent. This limitation is prescribed in order to prevent elimination of any function or activity made lawful by act of the Congress.

It is an essential limitation, in order to prescribe a definite formula. In this joint resolution, Congress exercises its constitutional responsibility and prerogative over making appropriations, and gives to the President administrative duties to carry out the will of the Congress.

As Senators know, the joint resolution, to become law, must be signed by the President, or be passed over his veto. The legal procedure is similar to the process of reapportioning seats in the House of Representatives, as required by the Constitution. The Constitution provides that Congress may reapportion seats in the House of Representatives every 10 years, based upon the growth and shift of population. Congress has provided the formula for such reapportionment. The ministerial or administrative duties are carried out pursuant to the formula prescribed by Congress. We can do so in this case.

Section 4 reads as follows:

> The President shall cause the reduction in each appropriation account to be certified to the Secretary of the Treasury and to the Committees on Appropriations and the Committees on Expenditures in the Executive Departments of the Senate and House of Representatives. The amount so certified shall not be expended but shall be impounded and returned to the Treasury.

Section 5 reads:

> The President shall include in the annual budget for the year ending June 30, 1951, a statement of each reduction made in accordance with this act.

Sections 4 and 5, it will be observed, simply provide for reports back to the Congress and its appropriate committees on the accomplishment of the authorization and directions in the act.

Mr. President, we who have drafted the joint resolution believe that it adequately covers the problem that demands solution. We are not jealous of its provisions. It may be that other Senators can offer amendments that will make more certain that the job is done effectively, and thereby protect the people against return to wartime taxes or deficit financing.

In setting the date of October 15, 1949, for the President to complete his duties under the joint resolution, we believe ample time has been given for a thorough reexamination of the impending expenditures, in the light of changed conditions.

The first quarter of the fiscal year 1950 will have been passed, and he will have up to 15 days in the second quarter to complete his task. October 15 carries us well into the autumn, when sights can be readjusted to whatever the economic situation is at that time.

Eighty days later, Congress again will be in session and on hand to deal with whatever situation may then exist.

Such procedure will restore public confidence. Certainly it will restore the confidence of labor; certainly it will restore the confidence of business; it will restore confidence all along the line; it will restore confidence that the Federal budget is to be taken out of the red and put into the black; confidence that industries can go forward with their plans for new construction, for plant expansion, and for providing jobs for the unemployed, now numbering approximately 3,500,000 persons.

This restoration of confidence based on the knowledge that Congress has done something effective to get the constantly expanding and mounting cost of Government down to size, is the best tonic I know of to reverse the present downward trend of business and upward trend in unemployment.

Mr. President, I have introduced the resolution. I wanted to have it read, but in order to save time I shall forego that.

I appeal to the Members of the Senate to give favorable consideration to the joint resolution. It prescribes a formula which will surmount the hurdle of Congress endeavoring to cut by 5 percent all appropriations. It provides a formula which is constitutionally sound. It per-

mits the President sufficient latitude, and if he will accept the formula we can make a saving of $3,000,000,000, possibly $3,500,000,000, including national defense, ECA, and all the other large items provided for in appropriation bills. It simply means the difference between increased taxes and no increase in taxes. It means the difference between expanding business and curtailing business expansion, deficit spending, high prices, and the imposition of controls.

I hope the Senate will go along with the joint resolution or with some similar resolution. This one may be perfected by amendments which will accomplish the results desired by those who introduce it.

Mr. BRIDGES. Mr. President, because I believe there is necessity for economy, I have offered various motions to reduce expenditures in connection with practically every appropriation bill which has been before the committee. I have supported others directed to the same end. We have offered amendments to various appropriation bills before the Senate to provide for reductions in various ways. One was the method offered by the Senator from Michigan [Mr. FERGUSON] and myself. Another was the method offered by the Senator from Ohio [Mr. TAFT]. Another was the method offered by the Senator from California [Mr. KNOWLAND], and another was the one offered by the Senator from Illinois [Mr. DOUGLAS].

Those efforts commanded the support of many thoughtful Senators who realized the trend in this country. Up to this time such motions on the floor have not been successful. In one instance a motion of this kind was agreed to, and then the vote was reconsidered. I think it is essential that Senators who believe in economy and who have been voting for economy should offer some sort of an over-all resolution. The joint resolution of the Senator from Nebraska, and other Senators, may not be the complete answer, but it is a very intelligent approach and is a very sound one. As the distinguished Senator from Nebraska has said, it may need amendment. It may be the basis for a little different approach in the end, but it seeks the correct objective and is a sound method of procedure. The Senator from Nebraska has very ably presented the case, and I join with him and other Senators because I believe it is very essential that we return to a sound fiscal reality in this country. The objective of the resolution is abundantly clear. It is designed to insure that, regardless of previous or current spending authorizations, the Federal Government will end the fiscal year 1950 in balance.

In order to accomplish this thoroughly worthy objective, the responsibility and the authority are vested in the Chief Executive, within a range calculated to provide him the maximum flexibility to reduce the total spending program for the fiscal year 1950 by a sufficient amount to avoid any imbalance in the total budget. Such a reduction would be made sufficiently in advance to inform the proper committees of the Congress as to their effect on specific items in the budget. The safeguard against complete elimination of essential functions or programs is provided by prohibiting a reduction of more than 20 percent in any one appropriation item.

Naturally and obviously, the joint resolution specifically prevents any reduction whatsoever in the payment of interest on the public debt, since this is one obligation which the Federal Government must meet. A default on the national debt, in any degree, would be unthinkable.

I believe the joint resolution should receive the active support of all Members of this body who believe in the principle of a balanced national budget. This does not mean, so far as I am concerned, that I shall not offer motions to make reductions in individual appropriation bills as they are considered.

Yesterday I sat in a committee where a whole series of motions were offered for reductions in specific items. Some were successful, some were not. Again this afternoon I sat in another committee where the same thing has been taking place. So, in supporting the objective of the joint resolution which has been introduced, I want it distinctly understood that it does not mean that the individual efforts on specific appropriations bills and particular items, in the committee and later on the floor, will not be continued.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The question is on agreeing to amendment No. 2 offered by the Senator from Oregon [Mr. MORSE].

Mr. TYDINGS obtained the floor.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. GILLETTE. I wish the Senator would ask unanimous consent that I might be permitted to make a statement without his losing the floor.

Mr. TYDINGS. Is the statement a long one?

Mr. GILLETTE. It is not too long.

Mr. TYDINGS. I have no objection to yielding.

PRACTICE OF LAW BEFORE GOVERNMENT AGENCIES

Mr. GILLETTE. Mr. President, this morning I introduced a bill in the Senate, and the statement I am about to make is in connection with the purport of the bill. It could not be made at the time of the introduction of the bill, under the rules of the Senate.

Mr. President, the bill I have introduced is presented to the Senate for the reasons set forth in its title, "to protect the public with respect to the practice of the law, by those other than duly licensed attorneys and counselors at law, before the United States Government departments, bureaus, commissions, and agencies and in the United States tax courts."

Fundamental to a democracy are the laws upon which it is constituted. The acts and statutes promulgated within this body determine the welfare of our Nation. The obligation by and to our citizens of such laws is the safeguard of our heritage.

The various States of this country, as has every civilized nation in the world, established and set up standards and criteria by which it has said that only those persons specially trained, qualified, and highly recommended shall be the guardians of this most important inheritance.

The guaranty of impartial justice, the most valued possession of each person, has made our country the greatest of all nations. This guaranty is the keystone of our Constitution. We call it due process of law. It has been, and always will be, just so long as every American legislator worthy of his constituents and his oath of office sees to it that the administration of the law is entrusted only to such persons as by training and character are worthy of being entrusted with this sacred obligation.

Who but the American lawyer, after years of proper academic training and specialized study and research, and who has proven himself by submission to examination as to his ability, character, and fitness, is qualified to carry on this high trust? All during his years of practice he is subject to the rigid code of ethics to further guarantee to the members of the public that he will practice his profession in the interest of proper and ethical administration of justice. The attorney is obligated, without reservation, to all our people in all our courts and in every place wherein the administration of justice is practiced to secure to the members of the public the proper and full protection of their rights.

The Federal Bar Association of New York, New Jersey, and Connecticut has taken up and advanced this most needed proposed legislation for the primary reason of protecting the general public against being represented by anyone other than a duly licensed attorney, for it is to the attorney that the general public will turn after having been mulcted by unscrupulous imposters. However, often it is too late to cure the harm already done.

It is my purpose, therefore, in sponsoring this bill to protect the general public from the commercialized practice of law by unqualified persons. Just as legislation was needed to prevent the public from being mulcted by the quack doctor, the patent medicine man, the nature faker, and all those who would assert that they can cure the ills of man, so today, as there has been permitted to grow up the so-called expert and counselor in all our branches of administrative justice, men and women who practice law before these departments and bureaus who have not the proper qualifications,

fitness, and character necessary to represent the general public. Legislation is needed to see to it that only duly licensed attorneys are permitted to represent the public and their interests in certain of these fields.

We all know that there have grown up over the past 20 years ever-increasing regulations and methods of enforcement of regulations by administrative agencies of the Government. Our Federal departments, bureaus, and agencies have grown to such an extent today because of the complexity of Government, that they are equal in number of our courts throughout the land. As the Senator from Nevada [Mr. MCCARRAN] aptly stated in his explanation of his administrative law court bill:

> Nowadays more laws are made by administrative agencies than by Congress except that we call those laws regulations instead of statutes. We spend hundreds of thousands of dollars every year merely publishing those regulations in the Federal Register and the Code of Federal Regulations. Similarly, bureaus and commissions decide far more specific cases than the courts except that we call those decisions orders instead of judgments. Some are published in vast sets of law books but the greater part of them never see the light of publicity.

And, continuing, he said:

> In great part the courts serve merely as appellate agencies designed or deeming themselves designed to exercise their powers only to correct abuses of the grossest nature.

Speaking of administrative agencies, the late Honorable Charles Evans Hughes, Chief Justice of the United States, stated on May 12, 1938, right here in Washington:

> Administrative agencies, which we earnestly desire to succeed in discharging their independent tasks according to the basic requirements of their authority, will achieve that end to the extent that they perform their work with the recognized responsibility which attaches to judges and with the impartiality and independence which is associated with the judicial office.
>
> Deliberation, fairness, conscientious appraisal of evidence, determination according to the facts, and the impartial application of the law, whether the controversies are decided in the courts or in administrative tribunals—these are the safeguards of society.
>
> For the law is naught but words, save as the law is administered.

Following the thought of our honorable Chief Justice, we must be ever mindful that the law can only be administered in direct relationship to the qualities of those persons who administer it.

Let us consider how manifold our Government bureaus and departments are today and how wide the scope of the rights which they affect. May I be permitted to name but a few of such agencies: Treasury Department; Immigration and Naturalization Service; Agricultural Department; Patent Office; Wage and Hour and Public Contract Divisions of the Department of Labor; Federal Power Commission; Food and Drug Administration; Employees' Compensation Commission; Social Security Administration; and Interstate Commerce Commission.

In considering this bill and our problem before us, may I say that Congress has not been entirely neglectful of demanding that only qualified persons practice before administrative bodies. For instance, Congress took a step in the right direction when it adopted the Administrative Procedure Act of June 11, 1946, when under sections 7 (b), 7 (c) and 8 of that act, it provided that examiners who sit at hearings and determine administrative questions of law and fact must do so judicially and must take an important and judicial part in rendering decisions on cases before them.

Under the Administrative Procedure Act, the United States Civil Service Commission has insisted that those who are to preside over these administrative judicial hearings shall have not less than 6 years active experience as members of the bar of this country.

Unfortunately for the general public, however, our legislative branches of government have not gone far enough. Let me tell of a few agencies and departments which permit laymen to practice: The Patent Office; Department of Immigration and Naturalization; Customs Department; Social Security Administration Interstate Commerce Commission; National Labor Relations Board; Treasury Department.

In the Treasury Department, certified public accountants are admitted to general practice as agents. Although customhouse brokers are regulated by statute (19 U. S. C. sec. 1641), under the Secretary of the Treasury, even corporations, associations, and partnerships may be admitted to practice. Under the Federal Power Commission neither good standing, citizenship, ability nor character need be established nor proof of admission to the bar (18 C. F. R. 1). Before the Social Security Administration there is no distrinction between attorneys and other representatives except an attorney may charge a fee up to $10 without approval whereas others must have their fees fixed by petition. The Administration of Veterans' Affairs authorized representation by agents, who need not be lawyers. These are a few examples of the many instances that might be cited.

MORE THAN MERE EXPERTNESS SHOULD BE NECESSARY TO PRACTICE LAW BEFORE THESE HIGH ADMINISTRATIVE TRIBUNALS

When you examine the rules and regulations of the various departments and bureaus that admit laymen to practice administrative justice, you will find that one of their outstanding reasons for permitting laymen to so practice, as Federal practitioners, is based on so-called "expert knowledge" and "experience." Laymen formerly holding jobs in bureaus are licensed to practice law. Laymen claiming to have expert knowledge in the operation of a railroad, freight rates, laymen who claim to have a knowledge of how a patent works or what constitutes an invention, are admitted to practice law. Character and reputation are supposed to be carefully examined.

The test that expertness and experience are the primary qualifications for the practice of law is on its face ridiculous. It has no more place as a test before an administrative body which challenges the constitutional and statutory rights of a citizen than it would have before any Federal court or State court where that same type of expertness or experience is needed.

For hundreds of years in courts of justice when expert testimony is needed or an expert is required to guide the hand of the court, they are summoned by contestants as experts for the purpose of guiding the judge and jury on matters of particular moment to the issues involved. They are never permitted to take over a proceeding in a court and try the case. In fact the testimony of experts in courts is always received by judges and juries with caution.

I do not for a moment intend to disparage or belittle the expert or the experienced person but I do insist, with the Federal Bar Association of New York, New Jersey, and Connecticut that they are not qualified in knowledge of the rules of evidence, they are not qualified to make a record on appeal or for appeal, they are not qualified under any sensible argument to act as practitioners and to maintain administrative justice before our Federal bureaus and agencies.

Now I shall discuss briefly the proposed bill section by section, as to whether it accomplishes what we seek, and whether there are conditions which the specific provisions of the bill seek to remedy.

May I make something definitely clear at the outset. It is not the intention of this bill to forbid any person, association, or group of persons to assist any other person, group, or association in matters pending before any Government department or bureau, nor is it the purpose of the bill to in any way interfere with any one whether it be corporation or unincorporated association to appear before legislative bodies.

This bill is primarily aimed at those cases where a claim is made by the Government or to the Government or in those cases where a complaint may issue and an answer may be filed, or where a trial or hearing is to be had and the practice of law is defined and in those cases, for example, where a Government agency notifies a person or a corporation that it is likely to begin a proceeding involving the rights of the one who received the notification. No person shall hold himself out as qualified or competent to advise a person with respect to his rights in such matters because in those instances the likelihood of a complaint is apparent.

A reading of the first section is self-explanatory.

Section 2 is likewise self-explanatory. Only persons licensed to practice before the court of last resort of the District of Columbia or a State or Territory shall practice as the term "practice of law" is defined.

Section 3 is conceived with the thought of preventing persons from imposing themselves on the public generally through the medium of advertising and publicity as being capable of substituting themselves in the place of duly qualified attorneys.

Of course, it is a matter of common knowledge to every citizen that no lawyer has a right under the code of ethics to

make public representation that he has superior or expert ability in any branch of his profession. He may under no circumstances advertise for law practice, the reason being that the dignity of the profession forbids such quackery.

Permit me to call your attention to some flagrant cases. I have here before me an instance of an accountant who advertises in the New York papers that by the purchasing of a dollar book you will find the panacea of all tax exemptions and he will save you money if you take his advice on tax law. Here is an instance where over 9,000,000 copies were sold.

One State of these United States has taken positive steps to stop this practice. Many Senators are probably familiar with the well-known Bercu case in the State of New York. There the question of unlawful practice of law by accountants was an issue. In that case, an accountant submitted a brief concerning a tax law for which he made a charge of $500, although he was not the accountant for the party he represented nor had he anything to do with the preparation of the income-tax returns for that company. He was called in solely for the purpose of giving advice on legal propositions involving the tax law. As this case is now pending before the court of appeals in the State of New York, the highest court in that State, no further comment will be made except to state that the lower courts in that case held that he was illegally practicing law.

The Bercu case was recently cited as indicating the impropriety of an accountant giving legal advice, by the Tax Court of the United States in *Hermax Co., Inc.* v. *Commissioner* (11 Tax Court No. 55). In that case a family corporation in Newark, N. J., was penalized for failure to file certain tax returns as a personal holding company. An accountant had advised the stockholders that the company was not a personal holding company. The Tax Court stated that the fact that the accountant had read only section 502 (g) in considering the question as to a personal holding company indicated that he was not a person qualified to give advice to others on questions of law involving the provisions of the Internal Revenue Code.

Finding Bercu guilty of unlawful practice of the law, the appellate division held him in contempt of court, fined him, and restrained him from "practicing or assuming to practice law in any manner, and in particular, from engaging in and charging for the giving of legal opinions in relation to the tax laws, and in rendering legal service in respect thereto for compensation and for the same purposes, from holding himself out or assuming, using or advertising himself as a tax counselor or tax consultant, or by any equivalent designation."

Please do not misconstrue my references to accountants. The accountancy profession is a very honorable one and the accountants are very reputable men. They are highly qualified to keep books and to fill out tax returns but they should stay within their field of knowledge. When they branch out into the field of law they are beyond their depths be they ever so reputable and qualified as accountants. Accountancy is one thing but knowledge of law is another.

An accountant permitted to practice before the Treasury Department, knowing he cannot appeal to higher courts, has the natural tendency, be he ever so high-minded, to prefer to settle the matter rather than fight it out on its merits. On the other hand, a duly licensed attorney is interested, before the Treasury Department, in demanding that his client's rights are properly safeguarded, and if they are not he has no hesitancy in refusing a settlement, well knowing that he is qualified to carry the matter through to the highest court in the land if necessary.

It may be well anticipated that the greatest opposition to the bill perhaps will be the accountants and they will probably claim, as they have claimed in the past, that they are the only ones with sufficient expertness and knowledge because of their familiarity with figures to practice before the Treasury Department and the tax courts in tax matters, and that in any event the lawyer has for years neglected this field.

It is submitted, however, that this argument is fallacious. It is far easier for an attorney to become acquainted with numbers and figures and methods of bookkeeping than it is for an accountant to spend years of study in the various branches of the law with its various rules of evidence, and so forth. Furthermore, there are thousands of attorneys throughout the land who practice tax law, exclusively, and if they wish to engage an expert for the accounting end strictly, they do so without hesitancy.

As stated before, mere expertness in a particular line should not be the criterion for admission to practice before our administrative tribunals.

The obnoxious practice of advertising by laymen, of course, is not confined to accountants. It branches out into various subjects. For instance, in one of the New York papers a person advertises himself as giving immigration and naturalization assistance; another as trade counselor; others advertise profusely and extensively in magazines soliciting the inventor to bring his business to them although they are not attorneys. In this instance, they even practice under a firm name. For instance, I read from one such ad which states that the inventor "is advised to employ a competent registered patent attorney, as the value of patents depends largely upon the skillful preparation of the specifications and claims."

Although this party is only admitted to practice in the Patent Office, he attempts to give the impression and to hold himself out as a generally qualified attorney specializing in the practice of patents.

It is very important that only persons having the highest qualifications, such as duly licensed patent attorneys, be permitted to practice before the Patent Office. The mere obtaining of a piece of paper with a beautiful ribbon and seal on it and called "letters patent" gives the poor inventor nothing if it is not based on the proper requirements of the patent law. The inventor never knows the value of his patent until it is tested in the fires of litigation in a court where only duly licensed attorneys are permitted to practice. He then may find to his sorrow and loss that because the claims of the patent were drawn either too broad or too narrow or more was claimed than is shown that the patent is invalid. He might have spent years on his invention; he might have spent thousands of dollars developing it and even in exploiting it only to find later that it is only a piece of paper.

How much better off would he have been if in the first instance only a qualified, duly licensed attorney prepared his patent papers, one who had the fundamental knowledge of patent law, not primarily from the standpoint of getting a patent but from the standpoint of its withstanding the scrutiny of a judge in the district court, several judges in the Circuit Court of Appeals, and our Honorable Justices in the Supreme Court.

Section 4 also applies to the tax courts. Need I digress on the necessity of preventing laymen from practicing before tax courts? Yet this obnoxious practice is being permitted by the Treasury Department this very day. Laymen may practice before certain of the tax courts.

Section 5 of the bill is designed to cover every possible type of deceptive title that is used by the unscrupulous laymen to make the public believe that he is a duly admitted and licensed attorney and counsellor at law. To say that you are a compensation law expert or a compensation law agent and with that title to represent injured workingmen in opposition to skilled insurance company lawyers is a fraud and a sham on injured workingmen. The skilled insurance company lawyer's business, and rightly so, is to minimize the amount of the award and in the event of an award being made that is unsatisfactory to the insurance company lawyer or to the employer to lay such a record before the administration and to appeal from the decision to a court in the event the administrative decision is not satisfactory. What a helpless and hopeless situation does the workingman find himself in when it comes to the preparation of an appeal? The intention of this section is to wipe out forever and to make it a crime to use such titles as appear in that section in order to induce the public to obtain and employ the person using such titles as one skilled in legal practice.

In the majority of the States of these United States, corporations are by statute prevented from practicing law. Why then should they not be stopped from practicing before our administrative agencies? For instance, in the State of New York there is a section of the penal law, section 280, which states:

> 1. No corporation or voluntary association shall (a) practice or appear as an attorney-at-law for any person in any court in this State or before any judicial body.

This section was construed by Justice Rippey of the court of appeals in the State of New York in the case of *People* v. *Lawyers Title Corporation* (282 N. Y. 513), and Justice Rippey distinctly and emphatically stated:

> It is imperative that the public be protected from the unskillful preparation of legal documents and the unskillful handling of legal transactions.

Under some of our Government agencies, however, corporations are permitted to practice. I call your attention to the Custom House brokers, where corporations are permitted to represent and render such services to importers and exporters.

Section 6: It is hoped through section 6, that no other means or devices or tricks will be used by those who practice law because the trick or device is not set out in section 5. Section 6 is designed to forbid any lawyer from becoming a partner with anyone who practices law or who has practiced law as defined in this bill and who is not himself a lawyer. It is a well-known fact that accountants and certified public accountants have as partners and have as employees members of the bar who practice their profession at the will and dominance of the accountants.

Section 7: This section seeks to eliminate and to make unlawful any attempt by subterfuge on the part of any person or firm who is prohibited from practicing under this law from so doing through the medium of a dummy association. I have cited instances of this by reading you an advertisement in the New York Times by a New York accountant and I am sorry to say that same accountant heads the Law Tax Symposium Division of the New York State University and is permitted to do so by the subterfuge of engaging licensed attorneys to deliver the lectures for him and is further permitted to deceive the public because he is not a licensed attorney.

In respect to the accountants, one frequently sees advertisements appearing in the daily press where an accountant offers to sell his clients to some other accountant because he is going out of business. Accountants are permitted to sell their business as others buy and sell potatoes. The licensed attorney is never permitted to sell his client or his business to someone else. His is a profession that demands that the close relationship of client and attorney remain inviolate and not be peddled in the open market.

Furthermore, accountants are permitted to do business under fictitious names and as a matter of fact it is a matter of common knowledge that accountancy firms do business under fictitious names and titles by registering in the various county clerks' offices. For instance, A. B. C. & Co. can be registered. This is something that would never be tolerated in the legal profession. When a complaint or petition is drawn, the name of the lawyer must appear on it. Under our Federal rules of practice in our Federal courts, the lawyer who is to bear the responsibility of the suit must sign the complaint.

Should laymen therefore who can sell the business and who can practice under fictitious titles be permitted to practice before our Federal bureaus and departments? It is my contention that they should not be and that is what this bill seeks to stop.

Section 8 is intended to protect the public against suspended and debarred lawyers or those who claim they are lawyers and who are not. It will be seen by this section that the notice of appearance and certification of qualifications is designed to protect the public and the department or bureau before whom the lawyer intends to appear when he is properly and duly licensed to practice law.

Section 9: The purpose of section 9 is apparent. It is well recognized that the rights which may subsequently be secured for an individual on appeal, stem from the assertion and protection of the right which he seeks to pursue from the Federal department or bureau or agency into the higher tribunal for review and it may well happen that in this higher tribunal his complaint, application, petition or hearing may not be received in the fullest light so as to properly secure for the individual that which he seeks or deserves because the foundation and framework were improperly laid and prepared by a person incompetent and not qualified and by one who had not the slightest knowledge of the value of collating and presenting material facts for appeal.

Section 10: As I stated in the beginning, it is not the purpose of this bill to prevent any person or persons or group or association, labor organization, or veterans' association or charitable association from assisting any other person, persons, group or association of any kind in any matter relating to any legislation pending or to be initiated before the United States Senate or the House of Representatives or before any committee or committees thereof. Thus section 10 is inserted which specifically so states.

Sections 11, 12, and 13 speak for themselves.

It is possible that a certain selfish few will oppose this proposed legislation because their nests are feathered at the expense of the unsuspecting general public but it is our duty to protect our citizenry. That is the function of our branch of government.

May I say in closing that it was necessary to legislate to protect the public in the medical profession, the dental profession and a host of others. Even the psychologists today are seeking legislation to protect the public from the practice of quackery by unqualified persons holding themselves out to be able to treat the disturbed mind. It is sincerely believed that it is now imperatively necessary to protect the public with respect to the practice by those other than duly licensed attorneys and counsellors at law before our very important and numerous Government departments, bureaus, commissions, and agencies.

With the rising judicial power of our Government commissions and departments, it is imperative that only those trained in the law should be permitted to advise members of the public, keeping in mind always that our Government departments are manned by lawyers trained to represent the phases of administrative law. Consequently, we must never forget this fundamental law:

No free man shall be arrested or detained in prison or deprived of his freehold or outlawed, or banished or in any way molested, and we will not set forth against him nor send against him, unless by the lawful judgment of his peers and by the law of the land" (Magna Carta, ch. 39 (1215)).

Mr. President, I ask that the bill which I introduced this morning be printed in the RECORD at the conclusion of my remarks as they appear in the RECORD.

There being no objection, the bill (S. 1944) to protect the public with respect to the practice of the law, by those other than duly licensed attorneys and counsellors at law, before the United States Government departments, bureaus, commissions, and agencies and in the United States tax courts, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. (a) United States Government departments, bureaus, commissions and agencies shall be the same as are described in the Administrative Procedure Act (Public Law 404, 79th Cong.).

(b) "Persons" shall be deemed to mean an individual, firm, partnership, association or corporation.

(c) "Member of the public" shall be deemed to mean an individual, group of individuals, firm, copartnership, association, or corporation.

(d) "Practice" means any form of appearance or participation in any proceeding or hearing (or otherwise) before any Government department, bureau, commission or agency, other than appearing thereat as a witness except that nothing herein shall prevent practice by an individual on his own behalf, or by a partner on behalf of the partnership engaged in trade or business.

(e) The practice of law shall be deemed to be as follows: To appear for, or attempt to appear for, participate in, counsel, advise, represent or act for or on behalf of any member of the public, either directly or indirectly before any of the United States Government departments, bureaus, commissions and agencies or in the United States tax courts, in any action, litigation, hearing or proceeding, on or in connection with any claim or proceeding whether or not any formal proceeding or action has been or will be commenced before any United States Government departments, bureaus, commissions or agencies or in the United States tax courts.

SEC. 2. No person who has not been duly licensed and admitted to practice law in the court of last resort of the District of Columbia, or in the State, Territory, or insular possession of the United States and in which he or she is or has been a resident therein and of which he or she is an attorney and counselor at law in good standing thereof, shall practice in any manner, directly or indirectly, as the term "practice of law" is defined herein.

SEC. 3. Any person who in any manner whatsoever holds himself out to the public generally or to any "member of the public," or any person who advertises in any manner whatsoever, directly or indirectly, as having or being possessed of the qualifications, abilities, education, and/or character or other prerequisites to practice law as such term "practice of law" is defined herein, shall be guilty of violating this statute and shall be punished in accordance with section 11 herein.

SEC. 4. Any person or persons or group of persons who shall advertise, or use in any manner, directly or indirectly, any one of the titles hereinafter set forth, or modifications or variations thereof, or the component parts thereof, or the significant words therein, or whether the same is used in juxtaposition or with interspace, for the purpose of inducing, enticing, or leading any "member of the public" to retain, engage, or employ him or her to appear for or to represent said "member of the public" before any United States Government departments, bu-

reaus, commissions, or agencies or in the United States tax courts, or in any dispute of any kind by and/or before any United State Government departments, bureaus, commissions, agencies, or in the United States tax courts, where the constitutional or statutory rights of said member of the public are or have been involved, shall be deemed to be practicing law within the provisions of this section and to violate this statute and shall be punished as set forth in section 11 herein.

SEC. 5. In practicing or attempting to either directly or indirectly practice law as defined herein, no person or group of persons, corporations, or partnerships other than those excepted in sections 3 and 9 hereof shall use among others any of the following titles: "Federal Law Practitioner," "Federal Practitioner," "Practitioner," "Government Practitioner," "Governmental Department Practitioner," "Income Tax Counsel," "Income Tax Law Counselor," "Income Tax Law Expert," "Income Tax Law Consultant," "Tax Law Adviser," "Patent Law Counsel," "Patent Law Counsellor," "Patent Law Expert," "Patent Law Practitioner," "Patent Law Consultant," "Patent Law Adviser," "Business Law Practitioner," "Business Law Counsel," "Business Law Counselor," "Business Law Expert," "Business Law Consultant," "Business Law Adviser," "Workmen's Compensation Practitioner," "Workmen's Compensation Law Counsel," Workmen's Compensation Law Counselor," "Workmen's Compensation Law Expert," "Workmen's Compensation Law Consultant," "Labor Law Counselor," "Labor Law Expert," "Labor Law Practitioner," "Labor Law Consultant," "Labor Law Adviser," "Immigration Bureau Counselor," "Immigration Bureau Practitioner," "Interstate Commerce Practitioner," "Interstate Commerce Counselor," "Interstate Commerce Expert or Agent," "Customs Law Expert," "Customs Counselor," "Customs Practitioner," "Agricultural Practitioner," "Agricultural Counselor," "Trade Law Practitioner," "Trade Law Consultant," "Health Law Practitioner," "Cooperative Counsel," "Cooperative Law Consultant," "Cooperative Practitioner" or when the words "attorney" or "agent" are used in connection with the the practice of law as herein defined, or any other similar designation, name, or title.

SEC. 6. The titles set forth in section 5 hereof are not to be deemed exclusive, it being the intent and purpose of section 5 hereof to include herein any similar title or titles which might induce or lead or which might tend to lead the public generally or any "member of the public" to believe that such person, copartnership, firm, corporation or association using such title or titles or advertising under such title or titles is or has been duly qualified, educated and trained in the law to the extent necessary for obtaining a license to practice law as defined herein, or to make it appear that such person using such title or titles, or any of them is qualified and licensed by law to protect the constitutional, statutory or any other rights of a "member of the public" and which title or titles shall make it so appear that he has been trained in the rules of evidence and the various legal procedures applicable to so protect a "member of the public" before such departments and/or agencies set forth in sections 3 and 9 hereof.

SEC. 7. It shall be unlawful for any attorney and counselor at law to become a partner of or associated with, or to be retained by any person, firm, or corporation who is now practicing, or has been practicing, or may be practicing law as defined herein and who or which is not a duly licensed member of the bar as defined herein with the intent of aiding and abetting such person, firm, or corporation to illegally practice law as defined herein or with the intent of soliciting clients for such unlawful practitioners and sharing compensation or fees with such unlawful practitioner of law as defined herein.

SEC. 8. All United States Government bureaus, departments, commissions, and agencies and the United States Tax Courts as defined herein before which an attorney and counselor at law shall appear and represent any "member of the public" and for the purpose of appearing or practicing law before such Government departments, bureaus, agencies, or in the United States tax courts shall require such attorney and counselor at law to file with it, before appearing in any respect for such member of the public a notice of appearance and certification of qualifications in the following form:

"NOTICE OF APPEARANCE AND CERTIFICATION OF QUALIFICATIONS

"_____

"(Insert name of bureau, agency, commission, etc.)

"_____

"(Here insert name of person and matter or proceeding pending before such bureau, etc.)

"Please take notice that the above named (here insert the name of the person) appears in this proceeding by the undersigned and that I have been retained as an attorney and counselor at law herein and I do hereby certify that I have been duly admitted and licensed to practice before the highest court of the State of _____ the district or territory in which I maintain offices for the practice of law and that I am a member of the bar in good standing.

"Dated: _____

"_____

"(Attorney for)

"_____

"_____

"(Office and post-office address)

Whenever an appearance shall be made by a law partnership the "Notice of Appearance and Certification of Qualifications" shall be signed and made by a member of the copartnership appearing for the member of the public.

SEC. 9. No person shall represent any "member of the public" before any Government department, commission, bureau, or agency or in the United States tax courts, where said "member of the public's" statutory or constitutional rights are involved, who is not an attorney or counsellor at law qualified to protect such "member of the public's" constitutional and statutory rights and present legal evidence and make a record in any proceeding pending to the end and purpose that the decision affecting the rights of the person so represented may be judicially reviewed by a court of competent appellate jurisdiction against abuses or alleged abuses or other error or errors of administrative law or authority. For a violation of this section such person shall be punished as provided in section 11 of this act.

SEC. 10. Nothing herein shall be construed to prevent any person, persons, group or association, labor organization, veterans' association, or charitable association from assisting any other person, persons, group or association of any kind in any matter relating to the promulgation, amendment, or revision of any legislation pending or to be initiated before the United States Senate or the House of Representatives or before any committee or committees thereof.

SEC. 11. Any person violating any provision or section of this act shall be fined not more than $5,000 or imprisoned for not more than 1 year, or both.

SEC. 12. All prior statutes in any way inconsistent with any of the provisions of this act are hereby repealed as of the date that this act becomes effective, to the extent of such inconsistency. If any provision of this act or the application thereof to any person or matter is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 13. This act shall take effect 30 days after it shall become a law.

Mr. GILLETTE. Mr. President, I thank the Senator from Maryland for his courtesy.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. TYDINGS. Mr. President, the pending question is the amendment of the Senator from Oregon [Mr. MORSE], and I think it is numbered 2. Does the Senator from Oregon wish me to yield while he speaks?

Mr. MORSE. No. I shall be glad to hear the Senator from Maryland.

Mr. TYDINGS. I was going to say that my recollection is that the Senator from Oregon spoke to the amendment yesterday. I should be glad to try to give the committee's point of view, but in view of the fact that there are so few Members of the Senate present at the moment I should like to suggest, without, I hope, being immodest, that some Senator make the point of no quorum.

Mr. MORSE. I suggest the absence of a quorum.

COOPERATION BY FEDERAL OFFICIALS IN INVESTIGATING ASSAULTS ON VICTOR G. REUTHER AND WALTER P. REUTHER

Mr. HUMPHREY. Mr. President, I should like to present a resolution.

Mr. TYDINGS. Mr. President, will the Senator from Oregon withhold his suggestion of the absence of a quorum for a moment?

Mr. MORSE. Yes.

Mr. HUMPHREY. Mr. President, out of order, I ask unanimous consent for the present consideration of a resolution which I submit on behalf of myself, the Senator from Oregon [Mr. MORSE], and the Senator from Michigan [Mr. FERGUSON]. I send the resolution to the desk and ask to have it stated.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The resolution will be stated.

The legislative clerk read the resolution (S. Res. 120), as follows:

Whereas requests have been made by the Detroit Common Council, the mayor of Detroit, and the Governor of Michigan for the immediate assistance of the Federal Bureau of Investigation in the apprehension of the assailants who attempted the assassination of Victor G. Reuther and, earlier of his brother, Walter P. Reuther: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that all law-enforcement facilities of the Department of Justice be made available immediately to investigate and cooperate with the local authorities in apprehending the criminals who attempted the assassination of Victor G. Reuther, and earlier of his brother, Walter P. Reuther.

Mr. KNOWLAND. Mr. President, some Senators are not on the floor at the present time. Under those circumstances, I wonder if we should not have a quorum call.

Mr. TYDINGS. Mr. President, almost everything has been taken up for consideration today except the pending amendment. Former President Hoover estimates that if the bill is passed it will mean the saving of from $1,000,000,000 to $1,500,000,000 a year. If that were to be placed on a day-to-day basis it would mean a saving of four or five million dollars a day. Therefore, every day action on the bill is delayed—if the bill is as good as we hope it is—there will be that much of a loss to the Treasury of the United States.

Mr. KNOWLAND. Mr. President, I do not anticipate that the resolution of the Senator from Minnesota will cause any delay. However, in view of the absence of many Senators, including the Senator from Michigan, I think we should have a quorum call.

Mr. TYDINGS. Mr. President, I yielded to the Senator from Minnesota with the understanding that this matter would not cause undue delay. I ask him if he will be good enough, if it requires more than 5 minutes after the quorum call, to withdraw his request.

Mr. HUMPHREY. Mr. President, rather than ask for immediate consideration of the resolution, I submit it for appropriate reference.

I should like to state that this action is in concurrence with the remarks of the distinguished junior Senator from Michigan [Mr. FERGUSON] yesterday.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks copies of telegrams which have been received from the Governor of the State of Michigan, the president of the Detroit City Council, and the Common Council of the City of Detroit, as certified by the city clerk, together with this morning's editorial from the Washington Post.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 25, 1949.*

Attorney General TOM CLARK,
Department of Justice,
Washington, D. C.:

I was shocked to learn of the criminal attack upon the life of Victor Reuther, leading official of the United Automobile Workers, CIO. This attack transcend local issues and is of national significance. It parallels in many ways the attack made against his distinguished brother, Mr. Walter Reuther, president of the United Automobile Workers, CIO. This is a matter of great national concern. I urge you to order an FBI investigation of this attack immediately. It is important that the criminals involved be apprehended at the soonest possible moment. The attacks are clearly a conspiracy to endanger and frighten the liberal, democratic labor movement in America. All Americans are profoundly angered by this incident. Your immediate action is urgently requested.

HUBERT H. HUMPHREY.

MAY 25, 1949.

To the President:

The people of Michigan are profoundly shocked and angered by the brutal shooting of Victor G. Reuther under the same circumstances as surrounded the attempted assassination of his brother, Walter Reuther, president, UAW-CIO. There are indications that shooting may transcend local interest and I have already ordered all police agencies in the State of Michigan to devote their best efforts to the case. I join with the Common Council and Mayor of Detroit to urge you, Mr. President, to put all facilities of the Federal Bureau of Investigation and other appropriate Federal agencies on this case. That the perpetrators against decency and law may be swiftly caught and public order and confidence restored.

GOV. MENNEN WILLIAMS.

DETROIT, MICH., *May 25, 1949.*

Hon. HUBERT HUMPHREY,
Senate Office Building:

I am sure you are as concerned as I am about the Victor Reuther shooting with its identical details to the Walter Reuther shooting of 13 months ago. Mayor and council of the city of Detroit have officially urged FBI to cooperate in this case to investigate all possible national and international angles of it and I am informed that Governor G. Mennen Williams is making a similar request on behalf of State of Michigan. Feel we can afford to leave no stone unturned in attempt to track down would-be assassins of these two magnificently prodemocratic American labor leaders. You'll recall that Victor Reuther recently returned from an official mission as representative of the United States Government in the ECA program from Europe where as chairman of the labor subcommittee he met with pro-democratic European trade-unionists to aid in a fight for European democracy.

GEORGE EDWARDS,
President of Detroit City Council.

MAY 25, 1949.

The Detroit Common Council by resolution urges the President of the United States, the Governor, G. Mennen Williams, of Michigan, and J. Edgar Hoover to order the FBI and the Michigan State Police, respectively, to join with the Detroit Police Department in making a thorough investigation of the brutal shooting of Victor Reuther on Tuesday night. Council President George Edwards suggested international motivations might be behind the shooting.

THOMAS D. LEADBETTER,
City Clerk.

[From the Washington Post of May 26, 1949]

TERRORISM

The methods of the would-be assassin who shot Walter Reuther more than a year ago and the assailant of his brother Victor are so similar as to suggest that both these cowardly attacks were the work of the same criminal. But even if the assault on Victor Reuther was the work of an imitator, it was undoubtedly encouraged by the failure of the authorities to bring to trial the man who tried to murder his more famous brother. The fact that this earlier assault remains shrouded in mystery is a serious reflection on the competence of the Detroit police force to deal with the turbulent elements of that great industrial city.

Walter Reuther now believes that both attacks were the work of hired assassins directed against "pro-American and pro-democratic trade unionism." That might be true, since Mr. Reuther in his rise to power in the UAW made bitter enemies among left-wing radical elements and was responsible for a purge of numerous UAW jobholders after his election to the presidency of the union. His anti-Communist drive inevitably gives rise to a suspicion that Communist plotting was responsible for both assaults. However, this is mere assumption, without a vestige of direct proof. To jump to conclusions about the motivation of these crimes might, indeed, hamper police efforts to apprehend the guilty man or men. For it is also quite possible, as Walter Reuther himself once suggested, that the shots were fired by a crackpot who had some personal grievance, real or fancied, against the labor leader and members of his family. Or in the present instance it may be that one, or more, of the Ford strikers, some of whom are said to be bitterly opposed to Walter Reuther's latest arbitration proposals, decided to emulate the terroristic tactics of the unknown assailant who struck last year.

These and other possibilities that will occur to anyone with even a slight knowledge of the hatred engendered by the factional rivalries that rend trade unions emphasize the importance of running down the criminal instead of indulging in speculation about the motives behind the attacks. Unfortunately these assaults are not "un-American tricks," as Walter Reuther charges. They are characteristic forms of violence only too common in our great cities where crime, organized and unorganized, takes a heavy toll of life and property. And they are crimes that can only be suppressed by vigorous work on the part of law-enforcement officers in apprehending and punishing the guilty.

Mr. HUMPHREY. Mr. President, I will withhold any further comment so that we may proceed with the business which is before the Senate.

The PRESIDING OFFICER. The resolution will be appropriately referred.

The resolution (S. Res. 120), submitted by Mr. HUMPHREY, for himself and other Senators, was referred to the Committee on the Judiciary.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. MORSE. Mr. President, I renew my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Holland	Mundt
Bricker	Humphrey	Myers
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Stennis
Douglas	Langer	Taft
Downey	Lodge	Thomas, Utah
Eastland	Long	Thye
Ellender	Lucas	Tydings
Ferguson	McCarthy	Vandenberg
Flanders	McClellan	Watkins
Frear	McFarland	Wherry
Gillette	McKellar	Wiley
Graham	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Malone	Young
Hendrickson	Martin	
Hickenlooper	Millikin	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to amendment No. 2 offered by the Senator from Oregon [Mr. MORSE].

Mr. TYDINGS. Mr. President, I sincerely hope that this amendment will not be adopted. It is an important amendment, and should not be viewed lightly by those who are genuinely interested in the establishment of the most efficient military we can devise. Senators who would be guided by the opinion of General Bradley, Admiral Denfeld, and General Vandenberg will find in the testimony, at about page 110, that all three of them opposed this amendment.

The amendment would place one man in charge of the Chiefs of Staff. He would have more rank than General Bradley, General Vandenberg, or Admiral Denfeld. He would literally command them. We think that would be bad.

Inasmuch as this amendment deals with a military function, I do not believe that we should disregard the combined and unanimous advice of Admiral Denfeld, General Bradley, and General Vandenberg. I therefore hope that the amendment will not be adopted.

Mr. MORSE. Mr. President, I am very glad to have the chairman of the committee state his position in regard to my amendment. I most respectfully disagree with the conclusion he has expressed here in regard to my amendment. My amendment does not and could not possibly give to the Chairman of the Joint Chiefs any such authority or jurisdiction as my good friend the Senator from Maryland indicates would be the case.

Mr. President, my amendment makes perfectly clear that the Joint Chiefs shall not function as a voting staff, but shall function as an advisory staff. That is what I have always taken for granted was the contemplation of the other members of the Armed Services Committee concerning the functioning of the Joint Chiefs. But by my amendment we made it perfectly clear because we eliminate all reference to voting.

Mark you, Mr. President, in this bill the committee does not say that the Joint Chiefs shall vote, but it does say that the Chairman of the Joint Chiefs shall not vote. The conclusion I draw is that indirectly the committee is establishing in this bill a procedure whereby the other members of the Joint Chiefs shall vote, but would deny a vote to the Chairman.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. McCARTHY. I did not hear a great deal of the Senator's argument on his amendment. Normally I am inclined to go along with the committee recommendations, because the committees study all these matters.

I wish to ask whether I am correct in believing that the committee considered the amendment which the Senator from Oregon now proposes. If so, I wonder whether the Senator from Oregon can tell me by what vote his amendment was rejected in the committee.

Mr. MORSE. In the committee we did not consider the amendment in the sense that we put it to a vote.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TYDINGS. I think the record will show that substantially all members of the committee were in attendance at that time—not all of them, but substantially all of them, and much more than a quorum. I think the record also will show that the proposal now set forth in the bill was adopted at that time, that it had the support of General Bradley, General Vandenberg, and Admiral Denfeld—that, with their support, and that the language now contained in the bill was adopted by the committee.

Mr. MORSE. I may say that this particular matter—as in the case of most of the matters discussed in the committee—was not the subject of a formal vote. In the committee we discussed all these matters. The Senator from Maryland is correct in saying that in the committee the consensus of opinion was that the bill should include the provision which now appears in it.

Of course, I had already notified the members of the committee that I would disapprove this section of the bill unless my amendment was accepted.

The point I wish to make to the Senator from Wisconsin is that what the amendment does, on page 8, in line 10, in reference to the Chairman of the Joint Chiefs, is to strike out the language "shall have no vote but," and in line 17 strikes out the word "two," and inserts in lieu thereof the word "four." In other words, because in my opinion the man the President would appoint as Chairman of the Joint Chiefs would be an exceedingly able person, I think he should be allowed to serve 4 years instead of 2 and then should be eligible for reappointment by the President, if the President wished to reappoint him.

Let me make clear—because this point was stressed by the Senator from Connecticut [Mr. BALDWIN] in his remarks in the Senate the other day—that there is no danger that the Joint Chiefs will become handicapped by an inefficient Chairman, because the language of the bill provides that he shall serve at the pleasure of the President, the Commander in Chief. So it will not be mandatory that the Chairman of the Joint Chiefs serve his full term.

Last of all, beginning in line 25 on page 8, I propose to strike out the proviso, because it is surplusage. Under the organic act, the Chairman of the Joint Chiefs could not possibly exercise any military command. Thus, I say it is a reflection upon him to insert such a proviso in the bill, for it would have the effect of lessening his stature; and inasmuch as it is surplusage, I think it should be stricken out.

That is what the amendment does.

Mr. McCARTHY. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. McCARTHY. I should like to know whether the Senator's amendments were considered in the committee and were rejected by a substantial majority. Of course, I do not take the position that merely because the committee rejected the Senator's amendments, we should not consider them on the floor of the Senate, for some of the things the Armed Services Committee has done rather recently I have not been too enthusiastic about, as the Senator knows.

However, inasmuch as all of us are so busy in different kinds of legislative work, and inasmuch as all of us are to a greater or lesser degree specializing in certain types of such work, I think we must rely to a considerable extent upon the committees, so long as we have competent committees.

For that reason, I wish to have the RECORD clear as to whether the Armed Services Committee as a whole considered the suggestions made by the Senator from Oregon and rejected them.

I now understand that although there may not have been a formal vote in the committee on the Senator's suggestions, nevertheless all of them were considered and all of them were rejected.

Mr. MORSE. I wish the chairman of the committee to follow my remarks closely as I explain that matter now, because I wish the RECORD to be entirely factual and accurate. The junior Senator from Oregon did not submit the amendments to the committee in the form in which he has submitted them on the floor of the Senate. It was quite unnecessary for that to be done, because early in the discussion in the committee it became clear that the Senator from Oregon was in the minority in the committee in his point of view regarding these amendments. Therefore, I said in the committee, in effect, "Gentlemen, we part company on these issues. I shall offer my amendments on the floor of the Senate."

In the committee we did discuss in detail my amendment No. 5; and at one time the committee decided, upon the motion of the Senator from Virginia [Mr. BYRD], as I recall, to postpone final action on my proposal to reduce the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to Under Secretary of Defense for Army, Under Secretary of Defense for Navy, and Under Secretary of Defense for Air Force until all other sections of the bill were considered. But it is correct to say that the amendments, in the language in which I have submitted them on the floor of the Senate, were not submitted to the committee, because in the committee I served notice that I would submit them on the floor of the Senate. I did that because once I discovered that I was at such variance with my colleagues in the committee as to the subject matter of the amendments I saw no sense in engaging in prolonged discussion in the committee.

I ask the chairman of the committee whether the statement I have just made is a fair one.

Mr. TYDINGS. I think it is a fair statement. The Senator from Oregon is very sincere in his point of view. Of course, I think he is in error, but I always allow to the other man the right to think I am in error.

I am enforced in my judgment by eminent military men in the person of Admiral Denfeld, General Vandenberg, and General Bradley; and when one has such support, he does not care to attempt to ride over any opposition.

But I think the Senator from Oregon has presented his side of the case very clearly and ably.

Mr. President, I hope we can reach a vote on the amendment very promptly.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. SALTONSTALL. I should like to ask the chairman of the committee a question, in order that he may specifically answer the Senator from Wisconsin. In the committee, in executive session, did not we specifically consider the question of a 2-year or a 4-year term, and the question of giving the Chairman of the Joint Chiefs a vote, and the question of including the proviso in order to make clear that the Chairman of the Joint Chiefs should have no authority over military commands?

Mr. TYDINGS. I remember that in executive session in the committee we considered the term of the Chairman, and I remember that in executive session in the committee we considered the question of giving the Chairman a vote. I think—although I am not sure about it—that we considered the other matter referred to by the Senator from Massachusetts. I remember that we were very active in regard to that matter. My impression is that in the committee, when the vote was taken, it was unanimous.

Mr. MORSE. Mr. President, I am satisfied that all these matters were considered in executive session.

However, it is also true that I made clear to the committee that I would press for action on my amendments when the bill was being considered on the floor of the Senate.

Mr. President, I close by saying to my good friend the Senator from Maryland that he has set forth very well our differences of opinion.

In making an approach to this job, I think he and my other colleagues on the committee are much more impressed and influenced by the views of present-day military leaders as to what language should be included in the bill in order to accomplish what those present-day military leaders would like to accomplish in order to protect, as I see it, their present vested jurisdictional interests, than is the junior Senator from Oregon.

I am interested in building a unification bill in terms of future Generals X, Y, and Z and future Admirals A, B, and C, so to speak. I am willing to take the views of present-day military leaders, but my difference with the committee—and I say this not as criticism but as a statement of fact, as to the basis of my judgment—my difference with the committee is that I did not give, and I think for good reason, as much weight to the views of the present-day military leaders as did the other members of the committee. I think their testimony needed to be checked very carefully for special pleading. I gave much more weight to some of the great civilian leaders who testified before the committee, such as Bob Patterson and Mr. Eberstadt, as to various provisions of the bill, because when it comes to determining how unification should be brought about, I should much rather have the judgment of Patterson and Eberstadt than all the present-day military leaders combined. Patterson and Eberstadt had no basis for special pleading before the committee, but I submit that the military leaders had many selfish interests which I think must be taken into account in evaluating their judgment.

I close by saying that if this section of the bill is allowed to stand without my amendment, whether we will it or not, we are indirectly putting the Secretary of Defense in the position where for the first time it will be claimed that by law the members of the Joint Chiefs, except the Chairman, shall vote on the various issues presented for consideration to the Secretary of Defense. The moment they are put in a position where they formally vote, then I say the position of the Secretary of Defense is weakened, because immediately, if he does not agree with them, he is placed in such an attitude that he must veto their formal action. The Joint Chiefs of Staff, I submit, should be advisory Joint Chiefs of Staff, not voting Joint Chiefs of Staff, and if we are hereby to authorize voting, then by all means we ought to give a vote to the Chairman. Why take the vote away from him?

So, Mr. President, if we look at this from the standpoint of providing for a vote, the bill is wrong, because it discriminates unwarrantedly against the Chairman. If one looks at it from the standpoint of whether a voting procedure is being established, it will be seen that it is clearly established when the bill says the Chairman shall not vote. The conclusion is the others shall vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

Mr. MORSE. Mr. President, I want to say to my good friend from Maryland that so far as my personal pleasure in regard to this particular amendment is concerned, it was not my expectation to ask for the yeas and nays, but a request has been made of me by some supporters of the amendment that they be given an opportunity to vote on it by yeas and nays, and I think we can speed it up if we have the roll called.

Mr. TYDINGS. I ask for the yeas and nays, if the Senator from Oregon would like to have them.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from North Carolina [Mr. HOEY] is absent on official business.

The Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business.

I announce further that if present and voting, the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from North Carolina [Mr. HOEY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. JENNER] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Connecticut [Mr. BALDWIN], who is absent by leave of the Senate, is paired with the Senator from Maine [Mr. BREWSTER], who is detained on official business. If present and voting, the Senator from Connecticut would vote "nay" and the Senator from Maine would vote "yea."

The Senator from Montana [Mr. ECTON] and the Senator from Kansas [Mr. REED] are detained on official business.

The result was announced—yeas 13, nays 63, as follows:

YEAS—13

Butler	Ives	Thomas, Utah
Cordon	Langer	Watkins
Graham	Lodge	Wiley
Hendrickson	Malone	
Hill	Morse	

NAYS—63

Aiken	Hickenlooper	Millikin
Anderson	Holland	Mundt
Bricker	Humphrey	Myers
Bridges	Hunt	Neely
Byrd	Johnson, Colo.	O'Conor
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Saltonstall
Connally	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Sparkman
Downey	Long	Stennis
Eastland	Lucas	Taft
Ellender	McCarthy	Thye
Ferguson	McClellan	Tydings
Flanders	McFarland	Vandenberg
Frear	McKellar	Wherry
Gillette	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Martin	Young

NOT VOTING—20

Baldwin	Jenner	Reed
Brewster	McCarran	Smith, N. J.
Ecton	McGrath	Taylor
Fulbright	Maybank	Thomas, Okla.
George	Miller	Tobey
Green	Murray	Wagner
Hoey	O'Mahoney	

So Mr. MORSE's amendment No. 2 was rejected.

INVESTIGATION OF ASSAULT ON VICTOR G. REUTHER

Mr. FERGUSON. Mr. President, there has been offered and referred to the Committee on the Judiciary Senate Resolution 120, requesting Federal assistance in the effort to bring about the apprehension of the assailants who attempted the assassination of Victor G. Reuther and, early last year, his brother Walter P. Reuther. A request has been made by the Detroit Common Council, the mayor of Detroit, and the Governor of Michigan for the immediate assistance of the Federal Bureau of Investigation.

The resolution reads as follows:

Whereas requests have been made by the Detroit Common Council, the mayor of Detroit, and the Governor of Michigan for the

immediate assistance of the Federal Bureau of Investigation in the apprehension of the assailants who attempted the assassination of Victor G. Reuther and, earlier of his brother, Walter P. Reuther: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that all law-enforcement facilities of the Department of Justice be made available immediately to investigate and cooperate with the local authorities in apprehending the criminals who attempted the assassination of Victor G. Reuther, and earlier of his brother, Walter P. Reuther.

In yesterday's session the junior Senator from Michigan made a statement on the floor of the Senate urging that the Federal Bureau of Investigation take immediate steps in this matter. Following that statement he talked to representatives of the Federal Bureau of Investigation and was assured that full cooperation would be had. Further, a telegram was sent to the police commissioner of the city of Detroit and to the commissioner of the State police of Michigan urging that they seek the cooperation of the Federal Bureau of Investigation.

I want to associate myself with the resolution which has been offered. I am informed that it has been referred to the Judiciary Committee. Since timely assistance by the FBI is of utmost importance, I should like to ask unanimous consent that the resolution be withdrawn from the Judiciary Committee and immediately agreed to, so that there can be no question that the Senate of the United States does ask immediate and full cooperation of the Department of Justice.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall be glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I presented that resolution in behalf of the junior Senator from Oregon [Mr. MORSE] and myself. I should like at this time to have included as a sponsor of the resolution the distinguished junior Senator from Michigan. It is entirely fitting and proper that he should be a participant in the introduction of the resolution.

Mr. FERGUSON. I request that I may be joined as a cosponsor of the resolution.

Mr. TYDINGS. Mr. President, I do not apprehend that there will be any lengthy debate on this question. We have been waiting all day to have action on one or more amendments to the unification bill, and I hope we shall not be sidetracked again. So I ask, in a spirit of cooperation, that there may not be any extended discussion of this question.

Mr. LANGER. Mr. President, reserving the right to object, I should like to know why a special exception is sought to be made in this particular matter.

Mr. FERGUSON. Coming from the State of Michigan and from the city of Detroit—and I may say that the senior Senator from Michigan joins me in my statement—I feel that in the investigation of this crime, following a similar crime committed on the brother of Victor Reuther, full cooperation should be had with the Department of Justice in connection with lending any facilities it may have for the solution of the case, in order that there may be no question that everything is being done to solve the crimes and to bring to justice and the full penalty of the law those who are responsible for these atrocious attempts at murder.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. FERGUSON. Yes.

Mr. LANGER. Why is there any difference between this case and one in which a farmer is shot through a window, or someone is murdered in Georgia, for instance?

Mr. FERGUSON. To be frank with the Senator, the question of subversive activity is involved in connection with those who are opposing the Reuther brothers in the union, namely, Communist activity. The Department of Justice can help to solve the crime.

Mr. VANDENBERG. Mr. President, in response to the perfectly logical inquiry of the Senator from North Dakota, I should like to add this suggestion: Mr. Victor Reuther has only recently returned from Paris, where he was acting as a representative of the Government of the United States, one of the most effective representatives it has had in connection with the work of the ECA in anti-Communist labor circles of western Europe. I think the implication is obvious that there is a Federal responsibility, at least to the extent of determining that Mr. Reuther is not being sacrificed to his loyal services to his Government.

Mr. FERGUSON. I thank my colleague very much for bringing that fact to the attention of the Senate, which fact has also been placed before the Department of Justice by the junior Senator from Michigan.

Mr. LANGER. I have no objection.

Mr. LUCAS. Mr. President, it is my understanding that the resolution has been referred to the Committee on the Judiciary.

Mr. FERGUSON. Yes.

Mr. LUCAS. The Senator is now asking——

Mr. FERGUSON. I am asking unanimous consent that the order referring the resolution to the Committee on the Judiciary be reconsidered, and that the resolution be immediately considered. I ask unanimous consent for both those actions.

Mr. LUCAS. The chairman of the Committee on the Judiciary, the Senator from Nevada [Mr. MCCARRAN], is not present at the moment. Has the Senator discussed this with him?

Mr. FERGUSON. I have not been able to see the Senator from Nevada, and I did not want the matter to go over.

Mr. LUCAS. The Senator from Michigan is a member of the Committee on the Judiciary, is he not?

Mr. FERGUSON. Yes; I am a member of the Committee on the Judiciary.

Mr. LUCAS. I am not going to make any objection to the immediate consideration of the resolution, because I cannot think of a more dastardly crime than has been attempted upon the life of Victor Reuther. In view of what the distinguished senior Senator from Michigan has said, a matter with which I am familiar, it seems to me that there may be subversive elements involved in the attempted murder in Detroit of this loyal and patriotic American citizen, and if so I am inclined to believe that Federal intervention is permissible.

I agree with the Senator from North Dakota, however, that some may believe this would be setting a precedent, and I do not want the Senate or the country to feel that the FBI is going to move in on every attempted murder throughout the country. This case seems to me to be the exception to the rule, and I wholeheartedly agree to the immediate consideration of the resolution.

Mr. FERGUSON. The Senator from Michigan had reason to believe that the matter involved something more than an ordinary assault, that it involved a Federal question and an international question. That was the basis for this extraordinary request.

Mr. HOLLAND. Mr. President, I should like to ask a question of the Senator from Michigan or the Senator from Minnesota, whoever can answer it. When the resolution was read, I noted that it recited that certain State and local officials had requested this assistance, this intervention, by the Federal Government. Can the Senator state just what local or State officials have made that request?

Mr. FERGUSON. The president of the Common Council of the City of Detroit, in behalf of the city council and the mayor of the city of Detroit, together with the Governor of the State of Michigan.

Mr. HOLLAND. Will the Senator yield for one more question?

Mr. FERGUSON. I am glad to yield.

Mr. HOLLAND. Am I correct in my understanding that it is upon the strength of the fact that the chief executive of the State of Michigan, the chief executive of the city of Detroit, and the city council which was mentioned by the Senator, have recognized the need for the assistance of this Federal investigatory body, and have requested that assistance, that the distinguished Senator feels that Federal action would be appropriate?

Mr. FERGUSON. Yes.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TYDINGS. The bill which is pending before the Senate has been estimated by Mr. Hoover, Mr. Forrestal, and others, as likely to save the Government about a billion dollars a year. That means about three or four million dollars a day. I shall not object to the consideration of the resolution, provided the debate is not to continue longer, but I feel that I owe it to my committee and to the country to save $3,000,000 a day by insisting that we either pass or reject the bill and the amendments. It is a vital matter. The expense of the Military Establishment is tremendous, and it has been said, as I have stated, that it will save us a billion dollars a year if we put the bill on the statute books. I shall not object.

The PRESIDING OFFFICER. Without objection, the committee will be discharged from the further consideration of Senate Resolution 120. Is there

objection to the immediate consideration of the resolution?

Mr. McCLELLAN. Mr. President, I merely desire to make an inquiry. I do not care to debate or discuss the matter at any length, but I want to know if there is any precedent for the action the Senate is about take.

Mr. FERGUSON. The Senator from Michigan is not familiar with any precedent, but he thinks the facts warrant the action being taken.

Mr. McCLELLAN. I am merely inquiring. It this a new venture we are undertaking? Are we establishing a precedent following which, if a murder is attempted anywhere in the country, the FBI might be called in?

Mr. FERGUSON. No. I would say this was no precedent, because of the facts of this particular case.

Mr. HOLLAND. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield for a question.

Mr. HOLLAND. I cannot help referring to the fact that in adopting this resolution, to which I have no objection, and for which I shall vote upon another theory, the Senate will be in the position of asking the executive department of the Government to do something which it has been asked to do for the Senate in connection with the investigation of appointees to the Atomic Energy Commission and has declined to comply, to the extent of the measure making that provision having been vetoed. In addition the veto was upheld by the Senate. I am agreeable to bringing up the resolution and to voting for it, but solely upon one understanding, namely, that the request of the Governor of the State of Michigan, the mayor of the great city of Detroit, and the executive body of that city, all show what is tantamount to an admitted insufficiency of the State and local law-enforcement agencies, and a request for help from the Federal Government, and from that agency of the Federal Government which is recognized as having the finest abilities in this field. I do call to the attention of the Senate the fact that the Senate in adopting this action will be asking, suggesting, and recommending that the executive department do something in this matter which the executive department has not been willing to do for the Senate.

Mr. McCLELLAN. Mr. President, I was not on the floor and did not hear all the resolution, but I think I understand what the purpose is. It is to have the FBI assist in the investigation of the crime which has been committed.

Mr. FERGUSON. That is correct, to cooperate with the law enforcement officers of Michigan.

Mr. McCLELLAN. The Senator gives us the assurance, as I understand, that this request has come from the three officials whom he has named, including the Governor of the State of Michigan.

Mr. FERGUSON. That is correct; and I may ask the Senator from Minnesota, who offered the resolution, if that is not the fact.

Mr. McCLELLAN. I am not questioning the Senator's statement.

Mr. TYDINGS. Mr. President, I shall have to ask for the regular order.

Mr. McCLELLAN. I shall conclude immediately.

Mr. TYDINGS. I do not want to cut anybody off, I am not trying to do that, but there is an amendment pending to the important measure now the unfinished business, which has been laid aside on the assumption this other matter would take only two or three minutes.

Mr. FERGUSON. Will the Senator withhold his request for the regular order?

Mr. TYDINGS. I will withhold it for a moment.

Mr. McCLELLAN. I do not care to delay, but I have some responsibility, and I want to know what is back of this, and I desire to be sure that the request comes from State officials.

Mr. VANDENBERG. Mr. President, I merely wish to make the comment that I do not assent to the hypothesis submitted by the Senator from Florida that this action is predicated upon a breakdown in the law-enforcement agencies of Detroit and the State of Michigan. It is predicated upon the fact that the Reuther case probably involves anti-Communist activities which stretch into Federal jurisdiction, and may have resulted from the recent services rendered by Mr. Victor Reuther in behalf of the Government of the United States. The sole purpose of the resolution is to ask the Federal Bureau of Investigation to inquire into these phases of the matter, to determine whether or not it is not possible for them, within their legitimate jurisdiction, to cooperate in helping run down those responsible for this unspeakable crime. I do not think we are conceding any break-down in our legal process, but I think we have a right to direct the Federal attention to the recently attempted murder of a Federal official who was engaged abroad in anti-Communist activities.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 120) was considered and agreed to.

The preamble was agreed to.

AUTHORIZATION FOR STOPPAGE OF WORK ON CERTAIN COMBATANT VESSELS

Mr. GURNEY. Mr. President, there has been some controversy as to whether or not the Congress last year passed a bill authorizing the construction of the large flush-deck aircraft carrier. To settle that argument, and to present the evidence so everyone can see exactly what action was taken, I ask unanimous consent to have printed in the RECORD a copy of Public Law 690, Eightieth Congress, which is very short, and also the report by the Committee on Armed Services on Senate bill 2400 authorizing the President, in his discretion, to permit the stoppage of work on certain combatant vessels.

There being no objection, the law and the report (No. 1449, 80th Cong.) were ordered to be printed in the RECORD, as follows:

[Public Law 690—80th Cong.]

[Chap. 521—2d sess.]

[S. 2400]

An act to authorize the President, in his discretion, to permit the stoppage of work on certain combatant vessels

Be it enacted, etc., That the proviso of title III of the Second Supplemental Surplus Appropriation Rescission Act, 1946, under the heading "Increase and replacement of naval vessels" (60 Stat. 227), in the discretion of the President shall not apply to the following vessels: *Kentucky* (BB66), *Hawaii* (CB3), *Wagner* (DE539), *Vandiver* (DE540), *Castle* (DD720), *Woodrow R. Thompson* (DD721), *Lansdale* (DD766), *Seymour D. Owens* (DD767), *Hoel* (DD768), *Abner Read* (DD769), *Seaman* (DD791), *Unicorn* (SS436), and *Walrus* (SS437).

Approved June 19, 1948.

The Committee on Armed Services, to whom was referred the bill (S. 2400) to authorize the President, in his discretion, to permit the stoppage of work on certain combatant vessels, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

Under a provision of the Second Supplemental Surplus Appropriation Rescission Act of 1946 those combatant vessels which were more than 20 percent complete as of March 1, 1946, are required to be completed. The purpose of this bill is to provide the President with authority to remove from the mandatory operation of that act, which necessitates their completion, 13 named vessels consisting of 1 battleship, 1 cruiser, 2 destroyer escorts, 7 destroyers, and 2 submarines. The cessation of construction will suspend present obligations against the Treasury to an extent of over $300,000,000. It is intended that a portion of this sum will be used if appropriated to institute a new shipbuilding and conversion program of advance-design ships.

EXPLANATION AND JUSTIFICATION OF BILL

The enactment of this bill would have a dual effect both of which are considered highly desirable. First, it would enable the conservation, against any future emergency, of the ships included under its terms in a partially completed status. By suspending their construction at this time they will be of greater value in the future as they will be completed, if and when needed, with weapons not as yet fully perfected. The hulls of these vessels will be useful as stand-by units which may be readily adapted to such new techniques and armaments as may be originated or perfected in the future. An analogy may be found in cases of the *Lexington* and *Saratoga*. Both were originally laid down as battle cruisers, but could not be completed, as such, under the terms of the treaty limiting naval armaments, signed at Washington in 1922. They thereafter emerged as aircraft carriers and proved themselves to be useful and active components of the Pacific Fleet during World War II.

The second and very important function of the bill is to permit, by the deferment of construction of the 13 vessels affected, the employment of funds, which are otherwise obligated to complete them, for the construction and conversion of prototype ships which will be required to keep our Navy abreast of the trends of ship construction and naval operations currently being developed. Enactment of this bill will have no effect on the authorized tonnage strength of naval ves-

sels and new construction of prototype ships is within the presently existing authorized tonnage of combatant vessels.

Included in the contemplated program of new construction is one new, large, flush-deck carrier, the size of which is determined by the dimensions and characteristics of the advance-type aircraft which it is designed to carry. It is not intended that units of this type will engage in strategic or saturation-type bombing attacks, but will be employed in naval functions such as controlling the air over the sea and over hostile beaches, ports, and coastal regions by destroying or neutralizing targets which would otherwise jeopardize the success of naval support for our armed forces. The new-type carrier will assist the Navy in maintaining surveillance over the earth's large expanse of water and insure the uninterrupted use of the sea lanes which are vital to the continued existence of the United States.

By letter to the chairman, Committee on Armed Services, the Secretary of the Navy requested enactment of this bill, and his letter dated March 25, 1948, is appended hereto and is made a part of this report.

THE SECRETARY OF THE NAVY,
Washington, March 25, 1948.

Hon. CHAN GURNEY,
Chairman of the Committee on Armed Services, United States Senate.

MY DEAR MR. CHAIRMAN: There is transmitted herewith a draft of proposed legislation to authorize the President, in his discretion, to permit the stoppage of work on certain combatant vessels.

A proviso of the Second Supplemental Surplus Appropriation Rescission Act, 1946, under the heading "Increase and replacement of naval vessels," provides that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on that date will be completed. The proposed legislation would authorize the President, in his discretion, to except from that proviso the following vessels: *Kentucky* (BB66); *Hawaii* (CB3); *Wagner* (DE539); *Vandiver* (DE540); *Castle* (DD720); *Woodrow R. Thompson* (DD721); *Lansdale* (DD766); *Seymour D. Owens* (DD767); *Hoel* (DD768); *Abner Read* (DD769); *Seamen* (DD791); *Unicorn* (SS436); and *Walrus* (SS437).

If the proposed legislation is enacted, work will not be resumed on these vessels and they will be retained in their present condition for eventual completion if a future emergency requires. Thus, the present investment in these vessels will be preserved against a future emergency. Although no funds are currently being expended on the building of these vessels, enactment of the proposed legislation will result in removing future obligations of funds against the United States Treasury in excess of $300,000,000. This will allow the obligation of funds for the construction and conversion of other vessels pursuant to the modified Navy shipbuilding program without increasing eventual Treasury withdrawals. The vessels embraced in the modified Navy shipbuilding program are considered essential in order that the Navy may keep pace with modern ship construction.

Enactment of the proposed legislation will not result in any additional cost to the Government.

For the foregoing reasons, the Navy Department recommends enactment of the proposed bill.

An identical report has been transmitted to the Speaker of the House of Representatives this date.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of the proposed legislation to the Congress for its consideration as the enactment thereof would not be in conflict with the program of the President.

Sincerely yours,

W. JOHN KENNEY,
Acting Secretary of the Navy.

DEPARTMENT OF DEFENSE

The Senate resumed the consideration of the bill (S. 1843) to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill the enlarged responsibility; and for other purposes.

Mr. TYDINGS. Mr. President, the Senator from Oregon, as I understand, has another amendment he wants to offer at this time.

Mr. MORSE. Mr. President, I now call up the amendment No. 3, offered by me on behalf of myself and the Senator from Massachusetts [Mr. LODGE], and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, lines 11 and 12, it is proposed to strike out "to consist of not to exceed 210 officers and."

Mr. LUCAS. Mr. President, will the Senator yield so I may make an announcement?

Mr. MORSE. I yield.

Mr. LUCAS. I agree with the Senator from Maryland respecting the importance of the bill. In view of the fact that so much time has been taken away from its consideration this afternoon by other matters, I hope Members of the Senate will stay until action on the bill is completed today.

Mr. MORSE. Mr. President, if I may have the attention of the Senate for not more than two minutes, I should like to say a word about my third amendment, because I think it is an amendment which the individual Senators will have great difficulty in justifying a vote against, in view of what the chairman of the committee has already said in the CONGRESSIONAL RECORD respecting the amendment. I refer to the CONGRESSIONAL RECORD of May 24, page 6715, to a statement occurring in a colloquy between the Senator from Maryland [Mr. TYDINGS] and the distinguished junior Senator from Massachusetts [Mr. LODGE]:

Mr. LODGE. In order to perfect the RECORD I point out that on yesterday, in response to a question from me, the senior Senator from Maryland, chairman of the committee, said, on page 6631 of the RECORD:

"I think the Senator from Massachusetts and I see eye to eye on that proposition."

Later, on the same page, he said:

"I should be glad to have the Senator offer an amendment to strike out the 210. While I would feel in duty bound not to support the amendment, I would not be displeased—and I hope I am not equivocating—if it were adopted."

Mr. President, the chairman of our committee is a very delightful person and very loyal to his chairmanship duties. However, in the language of the chairman of the committee, which I have just quoted, I think he admitted that the amendment is a good one. As far as I can see there is absolutely no justification for putting this type of restriction upon the Joint Chiefs of Staff. They ought to have whatever staff they need to do the job. Senators know that the amendment does not propose to create new officers. All that is done is to take officers, as the language provides, from the other three branches of the services in such numbers as the Joint Chiefs of Staff—and each service is represented on the Joint Chiefs—and the Secretary of Defense decide they need to do the work of the Joint Chiefs.

Why, I ask, in the name of common sense, can we justify writing into the bill the arbitrary restriction of 210? Maybe under some circumstances they may need 500 or 300 or 211. But we say quite arbitrarily, "We limit you to 210." What I think my good friend from Maryland ought to do is to offer to take the amendment to conference; but if he does not want to do that, and because of his loyalty to what he thinks is a commitment which he owes the full committee, I think we ought to vote to adopt the amendment. Even the chairman of the committee says to the Senator from Massachusetts he would not be displeased with its adoption. With that admission on the part of the chairman, I think I have won my case, if Senators want to vote on the merits.

Mr. TYDINGS. Mr. President, I shall take only a minute to give the Senate the other side of the argument respecting the amendment. The old law provided for only 100 members of the Joint Staff. This proposal is to increase that number to 210. To be perfectly frank, the chairman of the committee, who is now speaking, said he believed there should be no top or bottom limit when the committee considered the provision. However, a majority of the committee took the opposite view. They felt that to have no checks on the number of officers who served on the Joint Staff was inviting extravagance in that particular field. Therefore, the committee, after due consideration, voted for 210 members of the Joint Staff rather than for the 100 provided for in the old law.

I may say that the Joint Chiefs were not displeased with the number provided in the 210 quota. The chairman of the committee himself had sufficient confidence in the Joint Chiefs to feel that if no limitation had been provided the committee would have acted more wisely; but, as I say, I was in the minority, and I am loyally supporting the committee's view because I do not consider this a transcendentally important amendment. Its motivation is good. The Senate has heard both sides of the question, and I hope the Senate will soon vote.

Mr. KNOWLAND. Mr. President, I do not wish to delay the action of the Senate. I think it might be well to call the attention of the Senate to page 118 of the hearings on the bill, at the bottom of the page:

Senator KNOWLAND. I can see the need of additional help, but can't you put some other

reasonable ceiling on it so that the thing is not left completely wide open?

Admiral DENFELD. We talked that over yesterday with General Gruenther, who is the director of the Joint Staff, and he said he would have no objection to a limitation on it. The situation has been such in the past year that we have had so many papers presented to us, that the present staff has not had sufficient people in it to perform the duties. They have been working nights, Saturdays, and Sundays, and we really have to have less for them to do or give them more help. General Gruenther felt a limit of 250 would be a reasonable number. He did not think he would use that, but he certainly needs more than 100.

I merely wish to point out that there is some danger in any Government agency—and the Army is not entirely free from that fault—of empire building, if we leave the situation wide open. I think it is fair to say that as a member of the committee I had the very strong impression from the Joint Chiefs when they appeared before us that 200 would be a satisfactory number.

Mr. TYDINGS. I believe the Senator from California is correct in saying that perhaps while the Joint Chiefs felt competent to handle the matter without a ceiling being fixed, they were well satisfied with the 210 figure.

Now, as we have all points represented, I hope we can obtain a decision on the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3 offered by the Senator from Oregon for himself and the Senator from Massachusetts [Mr. LODGE].

The amendment was rejected.

Mr. MORSE. Mr. President, I offer my amendment No. 4, for the purpose of future reference, I assume. It is another good amendment. I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 11, line 4, before the comma, it is proposed to insert "and shall have power of decision."

On page 11, line 11, beginning with the word "The," it is proposed to strike out all down to and including line 18, and insert in lieu thereof the following:

It shall be the duty of the Board, under the direction of the Secretary of Defense and in support of strategic and logistic plans prepared by the Joint Chiefs of Staff, to provide for——

Mr. MORSE. Mr. President, in explanation of this amendment I wish merely to read a short paragraph or two from the statement which I made on the floor of the Senate when I first submitted the amendment. By way of introduction to that statement, let me say that if it is economy we want, then by all means we cannot vote against this amendment. This is an amendment which comes to grips with the procurement problem and the waste involved in the present procurement practices.

My expert witness in support of the amendment is none other than Mr. Eberstadt himself. I should like to have the Senate consider these statements in support of my amendment:

Mr. President, my fourth amendment is with respect to the Munitions Board, I feel that its operations are seriously hampered by the fact that the Chairman does not have the power of decision. This was first brought to my attention by Mr. Eberstadt, and I agree with him. The duties of the Munitions Board are spread across a very broad field through nine different categories. The Chairman of the Board is essentially the Under Secretary of Defense for Procurement, a field in which I feel a far greater degree of centralized authority is needed. A glance at the duties of the Board, which begin near the bottom of page 11 and run to the top of page 13 of the bill, shows that the nerve center of our procurement and industrial planning for war, as well as peace, is located in the Munitions Board. Yet this body has no responsible head. Its responsibility is diffused, and this diffusion is complicated by the fact that the other members of the Board are Under Secretaries or Assistant Secretaries who serve on the Board as a sort of additional duty. Further, their tenure of office is generally not very long. This combination produces a very loose organization, which is charged with staggering responsibilities. Neither the secretary nor the president has a single individual to whom he can look to assume the full responsibility for sound procurement or realistic industrial planning. I therefore propose that this glaring weakness in the present structure be strengthened by fixing this responsibility where it obviously belongs—in the Chairman of the Munitions Board as an agent of the Secretary of Defense.

I close my explanation and argument by saying that if it is economy we want, if we are trying to eliminate the glaring wastes which characterize so much of our procurement, then in the name of efficiency and economy we must give to the Chairman of the Munitions Board the power of decision, so that he can say to the various branches of the service, "You cannot continue, unless you can get higher approval, certain practices which I find result in waste in connection with procurement."

Mr. TYDINGS. Mr. President, the Senator from Oregon is correct in presenting his support of this amendment. Only one substantial witness appeared in support of it. He was a very good witness. However, the commitee gave it due weight in connection with the other testimony, and at the time we acted on it in the committee—I think I am accurate in this statement—the vote was unanimous for the language in the bill as it stands today, after giving all phases of the question due consideration.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LUCAS. Am I correct in my understanding that this amendment is really contradictory of the theory of the bill?

Mr. TYDINGS. This amendment would allow the Chairman to say "Yes" or "No."

Mr. LUCAS. The theory of the bill is to take the power away from the Munitions Board and lodge it in the Secretary of Defense.

Mr. TYDINGS. I think that is a fair observation. The philosophy is generally along that line.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4, offered by the Senator from Oregon [Mr. MORSE].

The amendment was rejected.

Mr. MORSE. Mr. President, I now offer my amendment numbered 5, which is the amendment which proposes to change the titles in the bill as it now stands, from Secretary of the Army, Secretary of the Navy, and Secretary of the Air Force, to Under Secretary of Defense for the Army, Under Secretary of Defense for the Navy, and Under Secretary of Defense for the Air Force.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 5, line 7, beginning with the colon, it is proposed to strike out all down to and including the word "Defense" in line 11.

On page 6, line 3, after the first semicolon, it is proposed to insert "Under Secretaries;".

On page 6, line 16, it is proposed to strike out "Secretaries of" and insert in lieu thereof "Under Secretaries of Defense for."

On page 6, between lines 19 and 20, it is proposed to insert the following:

(b) There shall be in the Department of Defense an Under Secretary of Defense for the Army, an Under Secretary of Defense for the Navy, and an Under Secretary of Defense for the Air Force, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The said Under Secretaries, under the direction and control of the Secretary of Defense, shall administer the military departments of the Army, the Navy, and the Air Force, respectively, and shall perform such other duties as may be required by law or prescribed by the Secretary of Defense.

On page 6, line 20, it is proposed to strike out "(b)" and insert in lieu thereof "(c)."

On page 7, lines 21 and 22, it is proposed to strike out "the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force;" and insert in lieu thereof "the Under Secretary of Defense for the Army; the Under Secretary of Defense for the Navy; the Under Secretary of Defense for the Air Force;".

On page 11, line 4, beginning with the word "and," it is proposed to strike out all down to and including the word "departments" in line 7 and insert in lieu thereof the following: "and a representative of each of the three military departments, to be designated in each case by the Under Secretaries of Defense for their respective departments."

On page 15, lines 17 and 18, it is proposed to strike out "Secretaries of Military Departments," and insert in lieu thereof "Under Secretaries of Defense,".

On page 16, beginning with line 1, it is proposed to strike out all down to and including line 3, and insert in lieu thereof the following:

(c) The Under Secretary of Defense for the Army, the Under Secretary of Defense for the Navy, and the Under Secretary of Defense for the Air Force shall each receive compensation at the rate of $14,000 a year.

On page 19, line 4, it is proposed to strike out "Secretaries," and insert in lieu thereof "Under Secretaries,".

On page 19, lines 8 and 9, it is proposed to strike out "Secretaries of" and insert in lieu thereof "Under Secretaries for."

On page 19, lines 13 and 14, it is proposed to strike out "either the Secretary, the Under Secretary, or an Assistant Secretary of" and insert in lieu thereof "the Under Secretaries for."

On page 19, line 16, it is proposed to strike out "Secretary of" and insert in lieu thereof "Under Secretary for."

On page 24, line 8, it is proposed to strike out "Secretaries of" and insert in lieu thereof "Under Secretaries for."

On page 26, line 8, it is proposed to strike out "Secretaries of, the departments" and insert in lieu thereof "Under Secretaries for, the military departments."

On page 32, line 7, beginning with the comma, it is proposed to strike out all down to and including the word "Senate" in line 11.

On page 32, line 24, beginning with the word "The" it is proposed to strike out all down to and including the period in line 7 on page 33.

On page 33, beginning with line 21, it is proposed to strike out all down to the end of the bill and insert in lieu thereof the following:

(g) The offices of Secretary of the Army, Secretary of the Navy, Secretary of the Air Force, Under Secretary of the Army, Under Secretary of the Navy, Under Secretary of the Air Force, Assistant Secretaries of the Army, Assistant Secretaries of the Navy, and Assistant Secretaries of the Air Force are hereby abolished and the functions, powers, and duties vested in and imposed upon such officers shall hereafter be vested in and imposed upon the Secretary of Defense, who may delegate the same to the Deputy Secretary of Defense or to such of the Under Secretaries of Defense as he may designate.

Mr. MORSE. Mr. President, I shall not repeat the argument which I made the other day at some length on the floor of the Senate in support of this proposal. However, I invite the attention of the Senate to page 97 of the printed record of our hearings, to the colloquy which took place between the Senator from Massachusetts [Mr. SALTONSTALL] and Mr. Symington. I quote only that part of the testimony in which Mr. Symington spoke, as follows:

Personally, I have always felt that it would be wiser in order to clarify this question of responsibility and authority to make the three heads of the three services Under Secretaries, although I fully support this bill as written, because now I feel that the most important thing to establish in our building is the question of who reports to whom and who has the authority about what and how far the authority goes.

I take merely a second to pay a deserved tribute to Mr. Symington, because I think he is one of the great public servants of our Government. He is a man who, I have always found, meets the test as to whether or not one's word is his bond. I think Mr. Symington is trying to do a conscientious job in an endeavor to bring about true unification. The Secretary of the Air Force testifies that he believes, and always has believed, that these particular positions should be that of Under Secretaries.

As I stated the other day, I believe that the titles which these men hold have a very direct effect on whether or not we are to have true unification, because around titles there is a tendency in government to develop what I call government by implication. Men take on implied powers because of the titles they hold. But if we establish the titles of Under Secretary of Defense for the Army, Under Secretary of Defense for the Navy, and Under Secretary of Defense for the Air Force, there is no question at all as to the officer to whom they owe their allegiance so far as the chain of command and authority is concerned.

Mr. President, on this amendment I should like to have the courtesy of the yeas and nays, because this amendment, along with my first amendment, I consider to be the two basic amendments which I have offered in the interest of true unification. They represent the two basic differences which developed within the committee with regard to the type of unification which we are to have. In my judgment, without my amendment No. 1 and my amendment No. 5 we cannot have true unification. We cannot get it under the provisions of the bill as it stands. All we shall be doing is passing a bill today which will have to come back to the floor of the Senate 2 or 3 years from now, and we shall have to retrace our steps and adopt some of the principles for which I have been fighting in order to get true unification.

Mr. President, I ask for the yeas and nays on this amendment.

Mr. TYDINGS. Mr. President, before we have the yeas and nays I should like to make a brief statement. I should like to make a fuller argument, but I shall not do so.

Many of those who originally advocated the amendment which the Senator from Oregon now offers have changed to the committee language, for this very obvious reason: The Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force receives $14,000 a year. He administers a four-, five-, or six-billion-dollar business. The only way we can induce men to endure the criticisms and the slings and arrows which go with such a great controversial job, involving the spending of so much money, is at least to make the job attractive for them in as many respects as possible.

It was the final opinion of Mr. Hoover and others that if we were to retain the titles Secretary of the Army, Secretary of the Navy, and Secretary of the Air Force, rather than Under Secretary of Defense for the Army, Under Secretary of Defense for the Navy, and Under Secretary of Defense for the Air Force, in the public mind the idea that it is a position of prestige would find lodgement. Men might be induced, in a close decision, to take such a job, when otherwise they might be reluctant to surrender great business interests, perhaps, for the mere title of Under Secretary. It made a deep impression on the committee, and inasmuch as this is largely a question of nomenclature, I hope and believe that the national defense will be greatly augmented if the bill is passed in the form in which it is now before the Senate.

I have no objection to having a yea-and-nay vote taken on this question; but I say to the Senator from Oregon that a number of Senators have assumed that there would not be another yea-and-nay vote today. However, that is no reason why we should not have such a vote, of course.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. FERGUSON. Is not this matter solely one of name? The power and authority of the various persons concerned will not be changed at all by the use of the name Secretary or Under Secretary, will they?

Mr. TYDINGS. Mr. President, in the committee I originally offered the suggestion that we call the heads of these departments Under Secretary of Defense for Army, Under Secretary of Defense for Navy, and Under Secretary of Defense for Air. However, after listening to all the witnesses, we reached the conclusion that the major factor was the prestige of the office, as the Senator from Michigan [Mr. FERGUSON] has pointed out. So I surrendered my position, believing that I was wrong, and that those who advocated the language now contained in the bill were correct. I still believe that was the proper solution.

Mr. FERGUSON. Mr. President, I agree that we can do a great deal for the morale of the present incumbents, and even for the men who will later serve in these positions, if we retain the titles now stated in the bill. I think it is also important for them to have the titles now provided in the bill when they deal with officers of foreign nations, for in such event it is important that our officials have titles which are clearly understood by foreign officers.

Mr. TYDINGS. I think that is true.

Mr. FERGUSON. I believe it is vital that we retain in the bill the titles now set forth in it.

Mr. SALTONSTALL rose.

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask a question of the Senator from Maryland: Did not the committee, in considering the question of nomenclature, deliberately vote to create the title of Deputy Secretary of Defense, so as to have such a Deputy Secretary of Defense under the Secretary of Defense, and superior in salary and authority to the Secretary for Army, Secretary for Navy, and Secretary for Air?

Mr. TYDINGS. That is true, so that the Deputy Secretary of Defense will outrank the Secretary for Army, the Secretary for Navy, and the Secretary for Air.

The chain of command will be as follows: First, the Secretary of Defense; next, the Deputy Secretary of Defense; and then the three Secretaries for Army, Navy, and Air, under the Deputy Secretary of Defense.

So we are really dealing with nomenclature, rather than with a chain of command.

Mr. SALTONSTALL. That title was created in order to leave the Secretaries for Army, Navy, and Air Force with those titles, for the reasons the Senator from Maryland has stated—namely, prestige, salary, and authority. Is that correct?

Mr. TYDINGS. That is correct.

Mr. FLANDERS and Mr. MORSE addressed the Chair.

Mr. TYDINGS. I yield first to the Senator from Vermont, and then I shall be glad to yield to the Senator from Oregon.

Mr. FLANDERS. Mr. President, I should like to suggest to the Senator from Maryland that there has been on the Senate Calendar for many weeks a bill which would have made it possible to reward the Under Secretaries by appropriate salaries, instead of by empty nomenclature. I take this opportunity to make a plea to the leadership of the Senate to have the "top pay bill" taken up by the Senate at a very early date.

Mr. TYDINGS. I yield now to the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to reply briefly to my good friends the Senator from Maryland and the Senator from Michigan.

I simply refuse to adopt the premise that we must buy patriotic service for this country by the giving of titles. I think part of the purpose of the titles which have been advocated by the proponents of the bill has been brought out by the comments of the Senator from Michigan [Mr. FERGUSON], namely, that it is desired to give such persons those titles because of the psychological or prestige factors which apparently the Senator from Michigan thinks will be involved in the relationships of such persons with foreign officials. But by that statement, Mr. President, the Senator from Michigan admits the very weakness which I am trying to correct in this entire matter of unification. I say the relationships the Senator from Michigan is talking about should be carried on by the Secretary of Defense, if we are going to have unification. It is right around these titles and such relationships as the Senator from Michigan is talking about that we have men year by year engaging in what I called the other day "government by implication." I warn against that in my defense of this amendment. I wish to strip the holders of those offices of just the type of so-called tinsel and title which I think encourage their gradually usurping jurisdiction and power through the prestige of their offices.

Mr. President, if we are going to have unification, we shall have to have it through the office of the Secretary of Defense; and the chain of command, up to that office, should be through the offices of Under Secretary of Defense for the Navy, Army, and Air Force, not through a Secretary of the Navy, a Secretary of the Army, and a Secretary of the Air Force. The last-mentioned titles, if used, imply some autonomy of jurisdiction, some autonomy of independent power, which I wish to take away from them, because I thought that was what we were trying to do by means of unification.

Unless we are willing to take that step, I say all we are doing is, not setting up unification, but continuing a four-headed monstrosity down in the Pentagon Building, so far as the administration of our Military Establishment is concerned. If we do that it will be only a matter of time before there will be sitting before the Armed Services Committee, as a witness, some other official such as Bob Patterson, who testified at the hearings this year that he would hate to have to guess the billions and billions of dollars that were wasted in the last war because of a two-headed administration of our Military Establishment.

Mr. President, let us make up our minds either to have unification through one office of Secretary of Defense, with Under Secretaries of Defense serving under him, or to agree to surrender to the request of the military for the very title which they have used so unsuccessfully in building up by the accretion of implied power their little island empires in the Pentagon Building. The titles of Secretary of Army, Secretary of Navy, and Secretary of Air Force, if continued, will create the same sort of jurisdictional strife that has characterized the Military Establishment ever since we passed the unification bill in 1947.

Without my amendment, we shall continue, in my judgment, exactly the same sort of jurisdictional struggle which I think wrecked the unification bill of 1947.

Mr. LUCAS. Mr. President, I should like to ask the distinguished and able Senator from Maryland one question, after listening to the able Senator from Oregon: Am I correct in my understanding that this amendment would not give to the Secretary of Defense any more power than he has under the bill as presently written?

Mr. TYDINGS. That is correct.

Mr. LUCAS. In other words, it is just a question of title or name, so to speak—whether he is to be an Under Secretary or whether we shall continue the titles of "Secretary of War," "Secretary of Navy," and "Secretary of the Air Force"; is that correct?

Mr. TYDINGS. Mr. Hoover and his colleagues on the Commission felt so strongly about this matter that they joined in a very strongly worded statement advocating the retention of the old titles.

Mr. LUCAS. The amendment specifically states, does it not, that the administration shall be under the authority and direction and control of the Under Secretary of Defense for Army, Under Secretary of Defense for Navy, and Under Secretary of Defense for Air?

Mr. TYDINGS. That is correct.

Mr. FERGUSON. Mr. President, the able Senator from Oregon has attempted to imply that I had in mind the thought that patriotism could be purchased by the awarding of a certain title. Let me say that was the farthest thing from my thought in that connection.

I believe that the title which is established is of importance, although no more authority is granted thereby. It is clear from the wording of the bill that the Secretary of Defense will have the ultimate power and the power of decision. However, I think it is rather awkward to call a man "Under Secretary of Defense for Air Force." That is a long title. I think it is much better to use a shorter title. A shorter title would be a considerable convenience to such a person when he signs his name or when he uses his title in conversation. I think it would be most appropriate to permit such a person to have a considerably shorter title which also would convey to others his real position.

We have an Under Secretary of Defense and we have a Secretary of Defense. If we have no Secretary of the Navy, there could not very well be an Under Secretary of Defense for Navy, in name.

So I think it will be most appropriate to use the titles now set forth in the bill.

Mr. DOUGLAS. I should like to ask the Senator from Oregon whether, in view of the fact that he states that savings of a billion or so dollars could be made by unification, he would submit for the RECORD an estimate of the precise sources from which it is believed these savings could be made, and the total savings to be effected. I know that this is quite a request to make and expect immediate compliance, but I wonder whether upon consulting with the advocates of unification such a detailed statement might be furnished.

Mr. MORSE. I may say to the Senator from Illinois I should be glad to have a compilation prepared. There is a great deal of evidence already in the RECORD of the hearings as to the savings that can be made. The former President of the United States, Mr. Herbert Hoover, testified in regard to an estimated savings of some billion and a half dollars, much of which he thought could be accomplished by the recommendation of the Hoover Commission in regard to the perfected accounting system which has been written into the bill. I say to the Senator from Illinois I think many, many million dollars, running into at least two billions, can be saved by a simplification of the whole procurement system and an elimination of the duplication and waste that now characterizes procurement. But this afternoon the Senate has rejected an amendment which, in my judgment, would have made possible such savings. I do not think it is possible now, so long as we have a Munitions Board with a chairman who has been divested of any effective power of final decision over procurement. But I shall do my very best to have a bill of particulars prepared and inserted in the RECORD as soon as it is possible, answering the inquiry of the Senator.

I may say to my friend from Maryland in regard to the yea and nay vote, I have not asked for very many yea and nay votes. I told a good many Senators that I expected to ask for the yeas and nays on my fifth amendment, and I hope I can have the courtesy of obtaining the yeas and nays. I ask for the yeas and nays.

The yeas and nays were ordered and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senator from Wyoming [Mr. HUNT], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from North Carolina [Mr. HOEY] is absent on official business.

If present and voting, the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from North Carolina [Mr. HOEY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Indiana [Mr. JENNER] are absent by leave of the Senate. If present and voting, the Senator from Connecticut [Mr. BALDWIN] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], who is detained on official business, is paired with the Senator from Maine [Mr. BREWSTER], who is also detained on official business. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Maine would vote "yea."

The Senator from Nebraska [Mr. BUTLER], the Senator from Montana [Mr. ECTON], the Senator from Missouri [Mr. KEM], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Kansas [Mr. REED] are detained on official business. If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "nay."

The result was announced—yeas 21, nays 45, as follows:

YEAS—21

Aiken	Knowland	Smith, Maine
Cordon	Langer	Sparkman
Flanders	Lodge	Taft
Hendrickson	McMahon	Thomas, Utah
Hill	Malone	Vandenberg
Humphrey	Morse	Watkins
Ives	Schoeppel	Wiley

NAYS—45

Anderson	Frear	Lucas
Bricker	Gurney	McClellan
Cain	Hayden	McFarland
Capehart	Hickenlooper	McKellar
Chapman	Holland	Magnuson
Chavez	Johnson, Colo.	Martin
Connally	Johnson, Tex.	Millikin
Donnell	Johnston, S. C.	Mundt
Douglas	Kefauver	Myers
Downey	Kerr	Neely
Ellender	Kilgore	O'Conor
Ferguson	Long	O'Mahoney
Russell	Thye	Williams
Saltonstall	Tydings	Withers
Stennis	Wherry	Young

NOT VOTING—30

Baldwin	Graham	Miller
Brewster	Green	Murray
Bridges	Hoey	Pepper
Butler	Hunt	Reed
Byrd	Jenner	Robertson
Eastland	Kem	Smith, N. J.
Ecton	McCarran	Taylor
Fulbright	McCarthy	Thomas, Okla.
George	McGrath	Tobey
Gillette	Maybank	Wagner

So Mr. MORSE's amendment No. 5 was rejected.

Mr. PEPPER. Mr. President, I was in my office in conference with some persons from my State, and was unable to return to the floor before the vote was concluded on the last Morse amendment. If I had been present I would have voted "nay."

I ask unanimous consent that this announcement may appear immediately after the vote on the Morse amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I have one more amendment. By reading it I can, at the same time, explain it.

It is proposed to insert a new subsection on page 6, to be entitled "(e)", following the word "designate" in line 2. The amendment contains most of the provisions of a bill which the chairman of the committee previously introduced in the Senate, known as Senate bill 1740.

If we are to unify the services, now is the time to take action on the proposal.

The amendment is as follows:

(e) Under such regulations as he shall prescribe, the Secretary of Defense, with the approval of the President, is authorized to transfer between the armed services, within the authorized commissioned strength of the respective services, officers holding permanent commissions therein—

Note the proviso—

Provided, That no officer shall be transferred without (1) his consent, (2) the consent of the service from which the transfer is to be made, and (3) the consent of the service to which the transfer is to be made.

It includes the consent of the officer, the consent of the service from which he is to be transferred, and the consent of the service to which he is transferred. I read further:

Officers transferred hereunder shall be appointed by the President alone to such commissioned grade, permanent and temporary, in the armed service to which transferred and be given such place on the applicable promotion list of such service as he shall determine: *Provided*, That Federal service previously rendered shall be credited for promotion, seniority, and retirement purposes as if served in the armed service to which transferred according to the provisions of law governing promotion, seniority, and retirement therein: *Provided further*, That no officer upon a transfer to any service from which previously transferred shall be given a higher grade, or place on the applicable promotion list, than that which he could have attained had he remained continuously in the service to which retransferred.

Any officer transferred hereunder shall be credited with the unused leave to which he was entitled at the time of transfer.

Mr. President, if it is efficiency we want, if it is the elimination of waste we want, this power to transfer officers within the services by the Secretary of Defense, subject to the specific approval of the President and subject to the protection that the officer must consent, the service from which he is transferred must consent, and the service to which he is transferred must consent, subject to the further conditions that all rights of promotion, seniority, and retirement shall be protected, is one of the best steps in the interest of efficiency that can be taken. It will improve the bill very much.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Maryland.

Mr. TYDINGS. The committee has had no opportunity to consider the amendment fully. I have listened to the Senator from Oregon, and inasmuch as it will be reviewed in the event it is agreed to and goes to the House, unless some of my colleagues on the committee think otherwise, I am not disposed to oppose the amendment offered by the Senator from Oregon.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FLANDERS. Mr. President, I send to the desk two amendments on behalf of myself, the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Illinois [Mr. DOUGLAS]. They have already been printed and are on the desks of Senators. They are numbered 6 and 7.

I now call up amendment No. 6.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to amend section 205 (e) of the National Security Act of 1947 as amended (1) by inserting in the first sentence thereof, immediately after the word "aviation", a comma and the following: "including tactical close-support aviation," and (2) by inserting in the third sentence thereof, immediately after the words "land forces", a comma and the following: "including organic tactical close-support aviation."

Mr. FLANDERS. Mr. President, in support of this amendment I should like to say that I have been reading about the functions and equipment of the Army, the Navy, and the Marine Corps, with particular reference to the Air Forces. The wording with regard to the air equipment of the Navy, which is to be found in the Organic Act under section 206 (b), is in the first sentence of (b). It reads as follows:

In general, the United States Navy, within the Department of the Navy, shall include naval combat and service forces and such aviation as may be organic therein.

I invite attention to the phrase relating to aviation.

The second sentence of section 206 (c), with regard to the Marine Corps, reads as follows:

The Marine Corps shall be organized, trained, and equipped to provide fleet marine

forces of combined arms, together with supporting air components.

Provision seems to be made in the wording for the tactical air equipment and operations in support of the Navy and the Marine Corps. However, when we come to what is said with relation to the Army, which is to be found on page 7, section 205 (e), we read this:

In general the United States Army, within the Department of the Army, shall include land, combat, and service forces and such aviation and water transport as may be organic therein.

I had at first thought, on reading that provision, that it was merely vague language, but, on consultation with the distinguished chairman of the Armed Services Committee, if I have correctly understood his explanation, it was not by vagueness of statement, but by direct intent, that the aviation attached to the Army seems to be confined to transport. That, it seems to me, is definitely wrong. I cannot imagine that under active service conditions it will be found desirable—it may even be found tragic, and there is past history to support that view—that the Army is to make application to the Air Force for such things, in one extreme instance, as spotting artillery, or, in other cases, for aerial barrage for advancing forces. These things require such an intimate correlation between the aircraft and the land forces that there might easily be tragic results if the Army had to apply to the Air Force for them.

Mr. LODGE. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from Massachusetts.

Mr. LODGE. Does the Senator think that tactical close support of aviation should be organic now?

Mr. FLANDERS. I do.

Mr. LODGE. Does the Senator think the experience we had with tactical close support of aviation in World War II was unsuccessful?

Mr. FLANDERS. I have heard reports of incidents in various places that were something worse than annoying. Of course, we all have more information on the tragic lack of cooperation between the British Air Force and the British Navy.

Mr. LODGE. Will the Senator permit me to make an observation?

Mr. FLANDERS. Certainly.

Mr. LODGE. It so happens that I was in a number of conferences that had to do with tactical close support, and it seemed to me that the arrangement worked out very well. Of course, I am only one man, and it is an extremely rapidly changing art. The doctrine which is satisfactory for one time may be a very different one 3 weeks later. I should like to know what authority the Senator has for his statement that tactical close support should be organic in the Army. Has he any Army authority that backs him up in that opinion?

Mr. FLANDERS. I have no Army authority, but as a layman it would seem to me just common sense that our Air Force should be a strategic force. It does not seem to me at all reasonable that it is necessary to make connections with an entirely separate force, under separate command, for close tactical support.

Mr. LODGE. On the call of what unit does the Senator think tactical close-support aviation should be assigned a mission?

Mr. FLANDERS. I have come to my own judgment on that matter.

Mr. LODGE. I ask the Senator what his judgment is.

Mr. FLANDERS. I have just explained that it seemed to me completely unreasonable to depend upon a completely separate force for the tactical support of ground operations.

Mr. LODGE. I ask the Senator, on the call of what unit does the Senator think tactical close-support aviation should be assigned a mission? Would he have it at the level of the division, or the corps, or the Army group?

Mr. FLANDERS. I would have it at least under the command of the Army officer in charge of the operations, depending on the size of the operations.

Mr. LODGE. Then the Senator would put tactical close support at the call of a division commander?

Mr. FLANDERS. If the division commander were carrying out a detached operation.

Mr. LODGE. Would he put it under a corps commander in a large-scale operation?

Mr. FLANDERS. I would at least have it under the command of the responsible Army officer in charge of the entire operation.

Mr. LODGE. That would be General Eisenhower, then.

Mr. FLANDERS. General Eisenhower certainly would be responsible for the provision of the tactical close support aviation force for any of the operations under his charge.

Mr. LODGE. Of course, tactical close support was under the supervision of General Eisenhower in the last war, and, frankly, I never heard that it was not a successful arrangement.

Mr. FLANDERS. The arrangement made, of course, at the time, for instance, of the invasion, was that of a close coordination of the Army, the Air, and Naval forces, but it does not seem to be reasonable that even General Eisenhower should have to apply to a distinct branch of the service for that close tactical support.

Mr. LODGE. I can just assure the Senator that in the southern France operation, as I recall where the Twelfth Tactical Air Force was operating, it worked in cooperation with the headquarters which subsequently became the Sixth Army group.

Mr. TYDINGS. Mr. President, we on this side would like to hear a little of this conversation.

Mr. LODGE. I have never heard it said, until today—and I have been in close touch with many of those involved—that the system which had been worked out in the hot fires of experience, a system which was not legislated by Congress, but was worked out on the spot, in the hot fires of experience, was not a satisfactory system. If the Senator proposes the idea that it is not satisfactory, I wish he would document it with the statements of military leaders who agree with him.

Mr. DOUGLAS. Mr. President——

Mr. FLANDERS. Did the Senator from Maryland want me to yield to him?

Mr. TYDINGS. No.

Mr. FLANDERS. Does the Senator from Illinois desire to have me yield?

Mr. DOUGLAS. Yes; very briefly.

Mr. FLANDERS. I yield.

Mr. DOUGLAS. I wonder if I may ask the Senator from Massachusetts if this satisfactory degree of tactical air support which he says occurred in the European theater was not due to the fact that we had the principle of unified command in that theater, which of necessity bound the various arms together, and if the purpose of the amendment proposed by the Senator from Vermont is not to make certain that the ground forces have a sufficient number of planes to give them support as they are advancing, so that they do not have to go as beggars to other branches of the service to get the support from the air which they need, and which at times, in the absence of such provision, causes very severe casualties.

Mr. FLANDERS. Let me suggest to the Senator from Illinois what I had not said, but what is perfectly obvious, that between the time of the operations in the European theater and the present time the Air Force has become a completely separate arm, so that the conditions are not now the same as they were during that period.

Mr. LODGE. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from Massachusetts.

Mr. LODGE. For all practical purposes, the Air Force was completely separate from the Ground Army all through that period, and when we think of the specialized equipment, the different techniques, the entirely separate system of supply required, the entirely different system of signal communications, and everything else, it seems to me almost a fantasy to think of making tactical air support organic in the Ground Army, and I have never heard of any ground soldier who advocated it.

Mr. DOUGLAS. I wonder if the Senator from Illinois will yield so that I may ask the Senator from Massachusetts a question.

Mr. FLANDERS. I yield to the Senator from Illinois to ask a question of the Senator from Massachusetts.

Mr. DOUGLAS. Is it not true that the concept of the Air Force is directed almost entirely to strategic bombing, and that in the disposition of the forces which they plan for their 70 groups, the almost overwhelming proportion of the planes are to be long-distance bombers, and that there is very little emphasis on the support of ground troops?

Mr. LODGE. That is not at all my impression. As I say, I was only one man, and I had only one man's view——

Mr. DOUGLAS. I am referring to present plans.

Mr. LODGE. During the war close tactical support was an enormously important part of the Air Force's function. I remember General Saville and General

Joe Cannon, those two names come to me, two very able men in the Air Force. They handled tactical close support in cooperation with the ground commander. It was something of which a ground-force officer could not understand the details. Today we have General Quesada, who is certainly one of the distinguished men in the Air Force, who has wholly dedicated himself to tactical close support. With respect to what the Senator from Illinois said about the Air Force devoting its planes completely to strategic bombing——

Mr. DOUGLAS. I said predominantly.

Mr. LODGE. I have never heard that suggested.

Mr. FLANDERS. Mr. President, as a member of the general public, it would seem to me that almost the entire publicity of the Air Force has been given to strategic bombing. It would also seem to me that the requests it has made to Congress for appropriations have almost entirely related to strategic bombing. It seems to me that that is the field they have marked out for themselves, and that they will give such attention as they have left to spare to the question of tactical support of the land forces.

I am merely referring to the publicity which comes out of that very active and very valuable organization which will have to carry a heavier load in any future war than it has ever carried in the past, and which is magnificently doing the job so far as the strategic phases of the Air Force are concerned.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. McCARTHY. I have just returned to the Senate Chamber, having been absent for about 10 minutes. I wonder if the Senator has as yet touched upon what has very recently occurred, which sheds some light upon the concentration upon tactical bombing and at the expense of strategic bombing. I refer to the article of Hanson Baldwin in the New York Times about 3 days ago in which he pointed out that the Air Force is canceling, at a cancellation cost of between $60,000,000 and $120,000,000, I believe, a great mass of the planes I think having to do with tactical bombing, and concentrating almost exclusively upon strategic bombers, the B–36's.

Mr. FLANDERS. I thank the Senator from Wisconsin. I think it gives more point and emphasis to the necessity of assuring the land forces that they have within their control not merely on the field, but in the long processes of developing the equipment and developing tactics, air matériel, and air personnel who are devoted to tactical support.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. LODGE. I think we can all assume that the things which worked out satisfactorily and to the general approval of everyone in World War II are not going to be thrown overboard. In the ETO I understand there was the strategical air force, which was based in England, and which never left England, and which took on the strategic targets in Germany and Austria. Their missions, I understand, were assigned to them by SHAEF, General Eisenhower's headquarters. I have never heard anyone object to that or anyone say that they should be organic in any different way than they were organic.

Then we had the tactical air force. It is my understanding that the tactical air force was subject to the assignment of missions to General Montgomery in the north, General Bradley in the center, and General Devers in the south. At General Devers' headquarters there was a major general of the Air Force and a brigadier general. They lived there. Wherever General Devers' force was they were there. There was a complete fluidity and flexibility of control, and the tactical air force was used wherever General Devers thought it ought to be used. But it was not organic in the Army corps. That is an entirely different thing. I ask the Senator from Vermont whether he thinks it is a mistake to have tactical base support aviation subject to the call of the Army commander, or whether he thinks it should be subject to the field army commander or the corps commander, or whether he thinks such things should be written into the statute?

Mr. McCARTHY. Mr. President, may I ask a question?

Mr. LODGE. I should like to have an answer to my question.

Mr. McCARTHY. Perhaps if I might be permitted to ask my question——

Mr. LODGE. My question is a fairly difficult one. I should like to receive an answer to it first.

Mr. FLANDERS. I should like to say to the Senator from Massachusetts that he uses certain terms with respect to which I have not had the military experience to assign definitions. So I would be blundering if I tried to answer his question specifically. What I do say is that we want to assure ourselves that the Army has at its command planes, equipment, and men who have devoted themselves intensely to the questions of tactical support, and they should be under the direction and at the disposal of the Army, and I seriously doubt whether that is now taking place.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the distinguished Senator from Maryland.

Mr. TYDINGS. We are discussing something which is very much in the field of scientific leadership in the higher stratum of military technique and comprehension. I have mentioned this matter now under discussion a time or two to General Bradley. I hope I am not misquoting him when I say that he is not worried at present by the lack of liaison and cooperation between the Air Force and the Army in the field of tactical support for ground troops. It strikes me that unless this gentleman is somewhat concerned about it, we generals and admirals and marshals on the floor might with some complacency feel a little relieved.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. FLANDERS. I yield to the Senator from Wisconsin.

Mr. McCARTHY. I ask the Senator from Maryland to pay particular attention to this, if he will. I may say that I think the Senator from Maryland has done a relatively good job on this bill which he has brought to the floor. I believe I am correct in saying that the present rule is that the Army land troops will have control over no airplanes which operate with more than 200 horsepower.

In that connection, I will say that we were at Quantico, Va., about 2 weeks ago. We saw the Marine Corps experiment with putting on a demonstration of new landing technique with helicopters, not only taking off and landing on the water, but taking off and making landings from one hill to the other, moving the troops back over the theoretical enemy supply lines.

When I came back I talked to a number of Army line officers, men who took an active part in fighting the last war, and those men are very much disturbed by this: First, the fact that the line can conduct no experiments and has nothing to do with an airplane which has more than 200 horsepower. Second, that the Air Corps, consisting of some excellent and outstanding flyers, apparently has no concept whatsoever of the fact that the next war may again require some ground troops.

As I said, these men in the Army are disturbed, even as men in the Marine Corps, because of the lack of experimentation, the lack of development on the part of the Army of close-in ground support; in other words, tactical air support. I wonder if that is not something to which we should pay attention.

I realize that we are not experts, but when the Army says the line can have nothing to do with planes having more than 200 horsepower, that means that the Army line cannot go into the field of developing helicopters, and it is possible that in the next war we may need them.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TYDINGS. I want to say, and I want to say it very sincerely, that to the layman, and I put myself in that category, although I have had some slight service as a soldier, the question raised by the Senator from Vermont, in my opinion, is as important as is any question that has been raised in connection with the bill. When we had the unification measure up originally and when testimony was being taken, I asked some of the witnesses how they could consent, when they themselves had command of ground troops, to the divorcement of ground troops from aviation so that they would have to call on a separate arm of the Government or a separate department of the Government to furnish aviation protection and support. My recollection is that if the testimony concerning the original Unification Act is read, it will be found that those men felt, from the lessons of World War II, particularly in the Atlantic and Pacific, that there was no fundamental trouble, assuming that the aviation was actually in existence.

I should like to say to the Senator from Vermont that in the event we provide tactical support for ground troops in the Army, it will probably cost us a great deal more money, because we cannot take all the tactical support away

from the Air Corps. There will be a duplication.

The idea that we have only strategic bombers is likewise a false public impression. We have many groups of fighters, groups of light bombers, groups of medium bombers, groups of heavy bombers, groups of transport planes, and so forth. While they do not figure in the news as much as do some of the others, I can assure the Senator that in those groups, rising from the fighter planes to the big bombers, consideration has been given to the tactical support of ground troops.

I therefore hope that the Senator will not press his amendment. If he does, I hope we can get a vote on it. Not one witness wearing a uniform appeared before us in support of this amendment. Even if it were a wise amendment, it ought to be the subject of very careful consideration and expert military advice before we attempt to enact such a revolutionary provision as this amendment in the defense organization of the country.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], the Senator from Nevada [Mr. MCCARRAN], the Senator from West Virginia [Mr. NEELY], the Senator from Maryland [Mr. O'CONOR], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from North Carolina [Mr. HOEY] is absent on official business.

If present and voting, the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH] and the Senator from North Carolina [Mr. HOEY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Indiana [Mr. JENNER] are absent by leave of the Senate. If present and voting, the Senator from Connecticut [Mr. BALDWIN] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. CORDON], the Senator from Montana [Mr. ECTON], the Senator from Missouri [Mr. KEM], and the Senator from Kansas [Mr. REED] are detained on official business. If present and voting, the Senator from Maine [Mr. BREWSTER] and the Senator from New Hampshire [Mr. BRIDGES] would vote "nay."

The result was announced—yeas 6, nays 58, as follows:

YEAS—6

Aiken	Flanders	McCarthy
Douglas	Langer	Smith, Maine

NAYS—58

Anderson	Johnson, Tex.	O'Mahoney
Bricker	Johnston, S. C.	Pepper
Cain	Kefauver	Robertson
Capehart	Kerr	Russell
Chapman	Kilgore	Saltonstall
Chavez	Knowland	Schoeppel
Donnell	Lodge	Sparkman
Downey	Long	Stennis
Ellender	Lucas	Taft
Ferguson	McClellan	Thye
Graham	McFarland	Tydings
Gurney	McKellar	Vandenberg
Hayden	McMahon	Watkins
Hendrickson	Magnuson	Wherry
Hickenlooper	Malone	Wiley
Hill	Martin	Williams
Holland	Millikin	Withers
Humphrey	Morse	Young
Ives	Mundt	
Johnson, Colo.	Myers	

NOT VOTING—32

Baldwin	George	Murray
Brewster	Gillette	Neely
Bridges	Green	O'Conor
Butler	Hoey	Reed
Byrd	Hunt	Smith, N. J.
Connally	Jenner	Taylor
Cordon	Kem	Thomas, Okla.
Eastland	McCarran	Thomas, Utah
Ecton	McGrath	Tobey
Frear	Maybank	Wagner
Fulbright	Miller	

So Mr. FLANDERS' amendment was rejected.

Mr. KEFAUVER. Mr. President, I offer and send to the desk an amendment to section 2 of the bill, relative to the National Security Council. The bill now provides that the National Security Council shall be composed of the President, the Vice President, the Secretary of State, the Secretary of Defense, the Chairman of the National Security Resources Board, and such of the Secretaries of the other executive departments as the President may appoint; but it provides for reconfirmation by the Senate of any of the Secretaries of the other executive departments, in the event the President appoints them, to advise him as members of the National Security Council.

At its meeting this morning the committee reconsidered this proposal, and the amendment I have offered has the approval of the committee.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. TYDINGS. I should like to say that we were in general agreement in regard to the amendment. It is a rearrangement of a procedural matter, and we thought it would be better arranged under the amendment of the Senator from Tennessee. The question affected is not a fundamental one to the bill, but is simply a question of whether the Secretary of an executive department should be reconfirmed by the Senate, although he has already been confirmed as such Secretary, if he serves as one of the advisers to the President on the National Security Council.

We are in agreement about the matter, and I hope the Senate will dispose of the amendment without further debate.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 5, beginning with the word "and", it is proposed to strike out all down to and including the word "Council" in line 10 and insert in lieu thereof the following: "such of the Secretaries and Under Secretaries of the other executive departments who have been confirmed as such Secretaries by the Senate, as the President may designate from time to time; and such other officials of the executive branch of the Government as the President, by and with the advice and consent of the Senate, may from time to time appoint to serve at the pleasure of the President as additional members of the Council."

Mr. TYDINGS. Mr. President, we accept the amendment, and I hope it will be voted upon at once.

Mr. WHERRY. Of course the amendment must be acted upon by the Senate.

Mr. TYDINGS. Certainly.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FLANDERS. Mr. President, on behalf of myself, the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Illinois [Mr. DOUGLAS], I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, between lines 7 and 8, it is proposed to insert the following:

(e) The Commandant of the Marine Corps shall serve as a voting member of the Joint Chiefs of Staff when questions dealing with the Marine Corps or amphibious warfare are under consideration.

Mr. FLANDERS. Mr. President, the reasons for the amendment are short and simple, and because of that fact I am unable to speak at length about it.

I may state the reasons for the amendment as follows: The work of the Marine Corps, whether in its historical field of action or as defined in the fundamental law as now proposed, is quite specialized. Not even an expert admiral is necessarily fully informed in regard to the technical work of the Marine Corps.

In order that the technical work the Marine Corps does may have proper representation on the Joint Chiefs of Staff, the amendment is proposed.

Mr. TYDINGS. Mr. President, I shall be very brief. I hope the amendment will be rejected, for the reason that, similarly, we might ask the Chief of the Chemical Warfare Service to sit with the Joint Chiefs of Staff, when chemical war-

fare was being contemplated; or we might ask the Chief of the Biological Warfare Service to sit with the Joint Chiefs of Staff when biological warfare was being contemplated. The Marine Corps will be represented on the Joint Chiefs of Staff, because the Navy will be represented there, and the Marine Corps is a part of the Navy.

Certainly we could not very well pick out various functions or services in the Army and have them specially represented on the Joint Chiefs of Staff when particular activities involving them were under consideration or were about to be engaged in.

No military support has been presented for the amendment.

With all due respect to the Marine Corps, I think it would be unfortunate to make an exception in its case, because to do so would be to give the Navy two votes on the Joint Chiefs of Staff, although the Army and the Air Corps would still have only one each.

If the amendment were adopted, of course the next step proposed would be to increase the representation of the Army and the Air Corps on the Joint Chiefs of Staff, so as to give all three services equal representation there.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Vermont [Mr. FLANDERS], on behalf of himself, the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill S. 1843 was passed.

ADMINISTRATION OF CENTRAL INTELLIGENCE AGENCY

Mr. LUCAS. Mr. President, I ask unanimous consent that the unfinished business, House bill 1211, to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, be temporarily laid aside, and that the Senate proceed to the consideration of House bill 2663, Calendar No. 90, an act to provide for the administration of the Central Intelligence Agency.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. WHERRY. I have no objection.

There being no objection, the Senate proceeded to consider the bill.

ACQUISITION OF SITES FOR FEDERAL BUILDINGS

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, which was to strike out all after the enacting clause and insert:

That this act may be cited as the "Public Buildings Act of 1949."

TITLE I—COMPREHENSIVE PLANNING OF FEDERAL PUBLIC BUILDINGS OUTSIDE OF THE DISTRICT OF COLUMBIA

SEC. 101. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange, or otherwise, lands or interests in lands as sites or additions to sites for Federal public building projects previously authorized and for such new projects as may be selected in the manner designated in this section, to make investigations and studies and to prepare plans, sketches, working drawings, and specifications for such projects. Whenever the Federal Works Administrator shall determine such action to be necessary, such investigations, studies, preparation of plans, sketches, working drawings, and specifications, may be undertaken prior to the approval of title to the sites by the Attorney General. When buildings to be used in whole or in part for post-office purposes are involved, the Federal Works Administrator, shall act jointly with the Postmaster General in the selection of towns or cities in which buildings are to be constructed, and in the choice of sites therein for such projects. The Federal Works Administrator and the Postmaster General shall submit to the Congress a comprehensive report of all eligible projects and their limits of cost when in excess of $200,000, without regard to the time in which they may be undertaken, which report shall be printed as a public document. When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. Selection of projects for the purposes of this title shall be made by the Federal Works Administrator and the Postmaster General from such report and they may also select such other projects not included in such report which in their judgment are economically sound and advantageous to the public service: *Provided*, That in making such selections they shall distribute the selected projects equitably throughout the country with due regard to the comparative urgency of projects in various sections of the country.

SEC. 102. It is the intent of the Congress that the equitable distribution of selected projects required by section 101 of this title shall provide for the participation by each congressional district in the benefits that will accrue from the future construction of one or more of such selected projects. It is the further intent of the Congress that those congressional districts in which are located projects previously authorized and selected for construction (including those for which sites have been acquired), but which have been deferred, shall be entitled to such project or projects, or the equivalent thereof, in addition to the projects authorized and selected under this title.

SEC. 103. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $40,000,000 to remain available until expended.

TITLE II—ACQUISITION OF SITES AND TRANSFER OF JURISDICTION OVER SITES BY VARIOUS AGENCIES AND DEPARTMENTS OF THE GOVERNMENT

SEC. 201. The Federal Works Administrator is authorized to acquire, by purchase, condemnation, donation, exchange, or otherwise, land situate in the northwest section of the District of Columbia designated as squares 11, 19, 20, and 32, said land to be used wholly or in part together with other Government-owned land adjacent or in close proximity thereto as the site or sites for a departmental building or buildings project authorized to be constructed thereon.

SEC. 202. In order to provide a more suitable site for the new San Diego, Point Loma, Calif., Quarantine Station, the Secretary of the Navy is hereby authorized and directed to transfer to the control and jurisdiction of the Federal Works Agency, without reimbursement, a parcel of land in the city of San Diego, county of San Diego, State of California, described as follows:

Commencing at an old stone monument marked "U. S. M. R.", on the northerly boundary line of the naval fuel annex, said point being the true point of beginning; thence from said true point of beginning north eighty-nine degrees thirty-one minutes thirty-five seconds east one hundred and eleven and six one-hundredths feet, more or less, to a point on the mean high-tide line of San Diego Bay; thence south five degrees twenty-two minutes fifty seconds west along the mean high-tide line three hundred and ten and eleven one-hundredths feet; thence south one degree fifteen minutes forty-five seconds west along the mean high-tide line one hundred and three and fifty one-hundredths feet; thence leaving said mean high-tide line south eighty-nine degrees thirty-one minutes thirty-five seconds west five hundred and eighty-seven and nine one-hundredths feet; thence north one degree thirty-eight minutes twenty-five seconds west two hundred and one and forty-three one-hundredths feet; thence north twelve degrees twenty-four minutes forty-five seconds east two hundred and sixteen and nine one-hundredths feet to a point on the northerly boundary line of the naval fuel annex; thence along said northerly line of the naval fuel annex north eighty-nine degrees thirty-one minutes thirty-five seconds east four hundred and sixty-six and seventy-four one-hundredths feet to the true point of beginning, containing five and six-tenths acres, more or less;

And the Federal Works Administrator is hereby authorized and directed to transfer to the control and jurisdiction of the Department of the Navy, without reimbursement, all the land comprising the present quarantine station site lying and being in the city of San Diego, county of San Diego, State of California, bounded on the south by First Street, on the west by San Antonio Avenue, on the north by Colorado Street, and on the east by San Diego Bay.

SEC. 203. The Federal Works Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Department of the Army, without reimbursement, for use for military purposes, all the land comprising the present quarantine station situated on Quarantine and Sand Islands, Honolulu, Oahu, Territory of Hawaii, described as follows:

Beginning at the southwest corner of tract C transferred to the Commerce Department by the War Department by Executive Order

No. 6584, dated February 6, 1934, the coordinates of said point of beginning referred to Government Survey Triangulation Station "South Base, Sand Island" being two thousand three hundred and fifty-nine and ninety-three one-hundredths feet north and one thousand three hundred and forty-six and five one-hundredths feet west, and running by azimuths measured clockwise from true south (1) one hundred and five degrees thirty minutes thirty seconds five hundred feet along Sand Island Military Reservation to a pipe in concrete; thence (2) along the arc of a curve to the right having a radius of four hundred and ninety feet a distance of one hundred and one and eighteen one-hundredths feet to a plate in concrete, the direct azimuth and distance being seventy degrees twenty minutes twenty seconds one hundred and one feet; thence (3) continuing along the arc of said curve a distance of seven hundred and eighty-four and forty-nine one-hundredths feet to a pipe in concrete the direct azimuth and distance being fifty-nine degrees six minutes no seconds seven hundred and three and thirty-five one-hundredths feet; thence (4) one hundred and five degrees no minutes no seconds one thousand five hundred and twenty feet to a pipe in concrete; thence (5) along the arc of a curve to the right having a radius of seven hundred and thirty feet a distance of two thousand five hundred and twenty-five and eighty-eight one-hundredths feet, the direct azimuths and distances being one hundred and ninety-five degrees no minutes no seconds seven hundred and thirty feet to a concrete monument and two hundred and thirteen degrees fifteen minutes no seconds seven hundred and thirty feet; thence (6) three hundred and three degrees fifteen minutes no seconds one thousand six hundred and seven and forty-seven one-hundredths feet to a pipe in concrete; thence (7) two hundred and thirty degrees thirty minutes no seconds five hundred and twenty-three and eighty-eight one-hundredths feet to a pipe in concrete; thence (8) three hundred and four degrees thirty-three minutes no seconds six hundred and fifty-two feet along Reserved Channel and Honolulu Harbor and passing over a pipe in concrete at fifty-two feet; thence (9) along tract C hereinbefore cited (transferred to Commerce Department by the War Department by the aforesaid Executive Order No. 6584, dated February 6, 1934), thirty-three degrees thirty-seven minutes thirty seconds five hundred and fifty-six and sixty-six one-hundredths feet to the point of beginning, containing an area of eighty-one and ninety-four one-hundredths acres, more or less, together with the improvements thereon;

And the Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a quarantine station at Honolulu, Hawaii, the following described land:

That portion of the Fort Armstrong Military Reservation, Oahu, Territory of Hawaii, particularly described as beginning at the north corner of the land herein described on the southeast side of Channel Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Punchbowl" being four thousand four hundred and twelve and twenty-three one-hundredths feet south and five thousand six hundred and seventy-eight and thirty-nine one-hundredths feet west and running by azimuths measured clockwise from true south (1) three hundred and nine degrees three minutes no seconds one hundred and sixty-seven and one one-hundredths feet along other lands of Fort Armstrong Military Reservation, and along the southwest side of Buford Avenue; (2) thirty-eight degrees fifty-seven minutes twenty seconds ninety-six and seventy-one one-hundredths feet along said other lands of Fort Armstrong Military Reservation; (3) three hundred and eight degrees forty-eight minutes thirty seconds twenty-five and ninety-eight one-hundredths feet along said other lands; (4) thirty-eight degrees forty-eight minutes thirty seconds two hundred and thirty-one and sixty-one one-hundredths feet along said other lands; (5) three hundred and eight degrees fifty-nine minutes thirty seconds one hundred and thirteen and ninety-three one-hundredths feet along said other lands; (6) thirty-seven degrees eight minutes no seconds seventy-seven and twenty-five one-hundredths feet along said other lands; (7) three hundred and nine degrees no minutes forty seconds one hundred and seven and ninety-four one-hundredths feet along said other lands; (8) thirty-eight degrees fifty-seven minutes no seconds five hundred and twenty-two and ninety-eight one-hundredths feet along said other lands and along the northwest side of Pleasanton Avenue; (9) thirty-nine degrees no minutes two thousand three hundred and eighty-two and ninety-one one-hundredths feet; (10) one hundred and forty-five degrees no minutes ninety-eight and thirty one-hundredths feet; (11) one hundred and eighty-nine degrees twenty-five minutes one thousand two hundred and six and eighty-seven one-hundredths feet; (12) two hundred and nineteen degrees no minutes one thousand seven hundred and five and fifty-five one-hundredths feet; (13) three hundred and nine degrees no minutes two hundred and seventy-one and sixty-four one-hundredths feet to a brass plate set in concrete, passing over a brass plate set in sea wall at two hundred and ten and ninety-four one-hundredths feet; (14) two hundred and nineteen degrees no minutes five hundred and twenty-nine and twenty-eight one-hundredths feet along the southeast side of Channel Street to the point of beginning, and containing an area of thirty-nine and sixty-five one-hundredths acres, together with all riparian, littoral and shore rights thereunto belonging or in anywise appertaining, and all improvements thereon except the gun emplacement and foundations, the space enclosed in which is in use and is to be continued in use by the Department of the Army for telephone terminals and exchange until June 30, 1969, the foundations to be thereafter removed by the Department of the Army before possession of the land on which same are situate is finally made available to the Federal Works Agency for quarantine station purposes: *Provided*, That said date of June 30, 1969, may be either anticipated or deferred by mutual agreement of the Department of the Army and the Federal Works Administrator.

SEC. 204. The Federal Works Administrator is hereby authorized to retain for the use of the Public Buildings Administration permanent custody and control of the following-described lands, together with the improvements thereon, together with such personal property as may be necessary in his discretion for use in connection therewith:

(a) Cheyenne, Wyo.: Lots 7 and 8, and the east twenty-two feet of lot 6 in block 266 in the city of Cheyenne, county of Laramie, State of Wyoming, containing forty-seven one-hundredths of an acre.

(b) Little Rock, Ark.: Lots 5 and 6, block 3, original city of Little Rock in the county of Pulaski, State of Arkansas.

(c) Medford, Oreg.: Lots 1, 2, 3, and 4 in block 3, in the original townsite, now city of Medford, Oreg.

(d) Fayetteville, N. C.: Lying and being in the county of Cumberland, State of North Carolina, and described as follows: Beginning at a point in the western margin of Winslow Street, same being an iron stake at the foot of a twenty-inch elm tree, said stake being three hundred and fourteen feet southwardly of the intersection of the southern margin of Elm Street and the western margin of Winslow Street, and running thence north sixty-six degrees thirty-seven minutes west two hundred and eighty-six and two-tenths feet to an iron stake in a ditch; thence north twenty-three degrees east thirty-nine and five-tenths feet to an iron stake; thence north sixty-seven degrees west thirty-three and five-tenths feet to an iron stake; thence north twenty-eight degrees thirty minutes east eighty-five feet to an iron stake, the northwest corner of this tract; thence south sixty-six degrees thirty-seven minutes east three hundred and thirteen and five-tenths feet to a post in the western margin of Winslow Street; thence with the western margin of Winslow Street south twenty-three degrees fifty-five minutes west one hundred and twenty-four feet to the beginning.

(e) Durham, N. C.: Lying and being in the city of Durham, county of Durham, State of North Carolina, and described as follows: Beginning at a concrete monument, in the east line of Morris Street, said monument being sixty-five and six-tenths feet north fifty-seven degrees forty-six minutes east from the northeast corner of the brick building occupied by Imperial Tobacco Co.; running thence south eighty-five degrees twenty minutes east two hundred feet to a concrete monument; thence north seven degrees thirty-one minutes east one hundred and sixty-four and fifty one-hundredths feet to a point in the present south line of Hunt Street; thence with said south line of Hunt Street north eighty-five degrees twenty minutes west two hundred and eight one-hundredths feet to a point being the intersection of said south line of Hunt Street with the east line of Morris Street; thence with the east line of Morris Street south seven degrees thirty minutes west one hundred sixty-four and fifty one-hundredths feet to the true point or place of beginning.

(f) Paris, Tex.: A tract of land lying and being in the city of Paris, county of Lamar, State of Texas, and being a portion of the Larkin Rattan Survey, particularly described as follows: Portions of lots 5 and 6, block 1, of the city of Paris, as shown by the original fifty-acre donation as recorded in the deed records of Lamar County, Tex., book G–1, page 299, more particularly described as follows: Beginning at a point being the intersection of the north line of Grand Avenue with the east line of Short Street, now Nineteenth Street; running thence due north along the east line of Short Street, now Nineteenth Street, eighty-one feet to a marker; thence due east eighty-three feet to a marker; thence due south eighty-one feet to a marker in the north line of Grand Avenue; thence due west along the north line of Grand Avenue eighty-three feet to the point or place of beginning, together with all the right, title, and interest of the former owners in and to the streets and alleys abutting the above-described premises.

(g) Hampton Roads, Norfolk, Virginia: Lands lying and being in the city and county of Norfolk, Commonwealth of Virginia, and particularly described as follows: Lots numbered 1, 2, 3, 4, 7, 8, 9, 10, 25, 26, 27, 28, 29, and an unnumbered lot, lying between said lots numbered 10 and 25 and being in block numbered 12 in map book 11, page 33, Corporation Court of Norfolk, Virginia, containing eighty-five one-hundredths of an acre.

(h) Chatham County, near Savannah, Georgia: Tracts of land lying and being in the county of Chatham, State of Georgia, more particularly described as follows:

Parcel A: One hundred acres of land, more or less, of what is known as the southwestern portion of Oatland Island, in Chatham County, Georgia, as more particularly appears on a map attached to the deed from George T. Page, Alvan M. Hitt, and William G. Slaughter to the order of Railway Conductors Home Association, dated May 22, 1926, filed for record August 31, 1926, and recorded in book 22B, page 182, of the rec-

ords in the office of the clerk of the Superior Court of Chatham County, Georgia, a copy of which map is recorded in map book 2, folio 81, of the records aforesaid, to which special reference is hereby made, and which is made part and parcel of this description, said lands lying south of the "red" line appearing on said map, and being that portion of land lying at the southwest end of the island beyond the marks of boundary erected on said island, and having the following bearings: Beginnng at the marks of boundary one hundred feet from the marsh on the eastern side of said island, near Richardson's Creek, and marked with a concrete stone, on which appears the following mark, "XIII"; thence along a line proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker, bearing the same mark, to wit, "XIII", and proceeding north thirty-seven degrees fifty-five minutes west to another concrete marker one hundred feet from the marsh bearing the same mark, to wit, "XIII", said land being all of the remaining portion of the land lying southwest of the said markers of boundary, said land being described as follows: Bounded on the north by the remaining portion of said island, on the east by Richardson's Creek, on the south by Richardson's Creek, and on the west by the Thunderbolt River for about three hundred and fifty yards, and then the remainder of the western boundary by an unnamed creek, which meanders into the Thunderbolt River; together with the marshland adjacent to and adjoining the one hundred acres above described, and between the boundaries above mentioned; that is, the marshland that is south of where the red line appearing on the map, if extended, would meet the creek, to wit, said Richardson's Creek on the east and the said unnamed creek on the west, together with the improvements thereon.

Parcel B: All of those certain lots, tracts, or parcels of land situate, lying, and being in Whitmarsh Island, Chatham County, Ga., and known upon the map or plan of the Riverside Subdivision on said island as lots Nos. 45, 46, and 47, a plan of said subdivision being recorded in the records of Chatham County, Ga., in map book 1, folio 229, and a plat of said lots with the adjacent marsh being also recorded in said records in map book 1, page 259, said lots 45, 46, and 47 together having 7½ acres, more or less, of high land; and also those portions of the adjacent marshland which said marshlands are described more fully as follows: Starting at the westermost point of lot 47 and running parallel with the eastern line of said lot to a creek, and also one-half of the marsh lying east and southeast of lot 45 and between lots 45 and 44 of said subdivision; excepting, however, therefrom eight-tenths of an acre being part of lot 47 which was conveyed by Jessie C. Thomas to Chatham County on May 26, 1926, by deed recorded in Chatham County on May 26, 1926, by deed recorded in Chatham County Records in book 21S, folio 271, together with the improvements thereon.

Parcel C: All those certain lots, tracts, or parcels of land situate, lying, and being in the subdivision known as Oatland Island, in the county of Chatham and State of Georgia and more particularly described as follows: Lots Nos. 1, 2, 3, 4, 5, and 6 in block C, according to a plat of said subdivision known as Oatland Island, which said plat appears on record in the office of the clerk of the Superior Court in map book No. 2, folios 82 and 83, together with all highland and marshland contained between the side lines of said lots 1, 2, 3, 4, and 5 extending to low-water mark, save and except the 60 feet in width across said extended premises heretofore granted to the county of Chatham for a highway, and known as Bacon Drive, together with the improvements thereon.

(i) Fort Smith, Ark.: Lands lying and being in the city of Fort Smith, county of Sebastian, State of Arkansas, particularly described as follows: All of lots 9, 10, 11, and 12 in block C, Fitzgerald Addition, city of Fort Smith, Ark.

(j) The Federal Works Administrator is hereby further authorized to retain for the use of the Public Buildings Administration temporary custody and control of the following described buildings together with such personal property located therein as may be necessary, in his discretion, for use in connection therewith for a period ending not later than June 30, 1954: *Provided*, That on or before June 30, 1954, the Federal Works Administrator shall transfer custody and control over such buildings and any such personal property as may then remain therein, without reimbusement, to the Department having primary jurisdiction over the land on which such buildings are situated:

(1) Suitland, Md.: The infirmary building and recreation building with snack bar located on land comprising site of Federal Office Building No. 3, Suitland, Md., occupied under authority of revocable license dated November 17, 1947, from the Federal Works Agency to Department of the Army.

(2) West Potomac Park, Independence Avenue and River Drive, Washington, D. C.: The recreation building and storage plant, and the infirmary building constructed in west Potomac Park under permit from Secretary of the Interior to Federal Works Agency dated August 22, 1942.

(3) Langston Stadium, Twenty-fourth Street and Oklahoma Avenue NE., Washington, D. C.: The recreation-cafeteria building and the infirmary building located at the Langston Residence Hall project constructed under permit from Department of the Interior, National Park Service, to Public Buildings Administration, dated June 10, 1942.

(4) Arlington Farms, Va.: The storage building, maintenance shops, garages, and an administration building, the infirmary building, the cafeteria, recreation center, including auditorium, snack bar, and classrooms and the fire station, constructed under transfer of jurisdiction over land from War Department to Federal Works Agency by letter dated May 14, 1942, for use during national emergency.

SEC. 205. (a) The Federal Works Administrator is hereby authorized to assume permanent custody and control of properties described in this section to be transferred to the Federal Works Agency for use of the Public Buildings Administration:

(1) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, that portion of the Fort Brown Military Reservation, Brownsville, Tex., described as follows, lying and being in the Espiritu Santo Grant, Cameron County, Tex., for its use as a site for the construction of the Brownsville (Tex.) border station building and the Federal Works Agency may take possession thereof pending commencement of construction of the contemplated border station building:

Commencing at a point which is south sixty-six degrees twelve minutes west twenty-six and sixty-one one-hundredths feet from monument numbered 1B set by United States Engineer Department marking the boundary line of Fort Brown Military Reservation; running thence along the southwesterly side of Kerr Street (fifty feet wide) south forty-nine degrees fifty-one minutes east fifty and one one-hundreths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south thirty-six degrees forty-seven minutes forty-five seconds east seventy-six and fifteen one-hundredths feet to an iron pin; thence continuing along the southwesterly side of Kerr Street south twenty-three degrees thirty-six minutes east sixty-seven and forty-four one-hundredths feet to an iron pin set on the north line of a concrete sidewalk on the north side of a street; thence along the north line of said sidewalk south sixty-six degrees nineteen minutes west two hundred and forty-one feet to an iron pin in the toe of the Rio Grande protection levee; thence along the toe of said levee north forty-two degrees one minute west eighty-two feet to an iron pin; thence continuing along the toe of said levee north fifty degrees thirty-seven minutes west one hundred twenty-one and twenty-one one-hundredths feet to monument numbered 1A set by the United States Engineer Department marking the boundary line of Fort Brown Military Reservation; thence along the boundary line of the Fort Brown Military Reservation north sixty-six degrees twelve minutes east two hundred eighty-two and forty-nine one-hundredths feet to the point or place of beginning, containing one and one hundred forty-two one-thousandths acres, more or less.

(2) The Secretary of the Army is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the entire building known as the 1114 Commerce Street Building, Dallas, Tex., together with the site thereof described as follows:

All of a certain tract or parcel of land situated in the city of Dallas, county of Dallas, State of Texas, said tract being a part of block numbered 63 of said city and county and being more particularly described as follows: Beginning at a point on the south line of Commerce Street, said point being located fifty feet west of the northeast corner of said block 63; thence west along the south line of said Commerce Street one hundred and fifty feet; thence south at right angles to the south line of Commerce Street one hundred feet; thence west at right angles to the last-mentioned line fifteen feet; thence south at right angles to the last-described line one hundred feet to a point on the north line of Jackson Street; thence east along the north line of Jackson Street one hundred and sixty-four feet to a point; which point is fifty-one feet west of the southeasterly corner of block 63; thence northerly at right angles to the north line of Jackson Street thirty-one feet; thence east at right angles to the last-described line one foot; thence northerly at right angles to the last-mentioned line one hundred and sixty-nine feet to the point of beginning.

(3) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Lying and being in Marfa, county of Presidio, State of Texas: Beginning at the northeast corner of a tract of land known as tract numbered 1 containing four hundred thirty-four and two-tenths acres, more or less, comprising a part of the military reservation of Fort D. A. Russell and being the same tract conveyed to the United States by W. G. Young by deed dated August 23, 1927, and duly recorded among the land records of said county in volume 74, page 162, thereof; thence with the north line of said tract west four hundred forty-seven and nine-tenths feet to the northwest corner of this tract; thence south seventeen degrees six minutes west three hundred feet to a point for corner; thence south seven degrees eight minutes west four hundred feet to a point for a corner; thence east five hundred sixty-eight and three-tenths feet to a point in the east boundary line of said four hundred thirty-four and two-tenths acre tract for the southeast corner of this tract; thence with said east boundary line north one degree twenty-eight minutes east six hundred

eighty-three and nine-tenths feet to the point of beginning, containing approximately eight and twenty-one one-hundredths acres, subject to existing streets and easements for existing utilities.

(4) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

That portion of Angel Island (Fort McDowell) known as the San Francisco Quarantine Station, particularly described as being that certain parcel of land on Angel Island, Marin County, Calif.; commencing at Point Ione; thence south approximately six hundred and eighty feet to a point on the northerly side of Military Road; thence following the station side of said Military Road to a point of intersection with a line bearing south forty-five degrees east, which line passes through a point one hundred feet north forty-five degrees east from the northernmost station structure; thence north forty-five degrees west to a point on the low-water mark of Hospital Cove; thence in a westerly direction to the point of beginning, together with an area one hundred feet wide centered on two groups of water tanks, and to extend from the station side of Military Road to a distance of fifty feet beyond the center of the farthest group of tanks.

(5) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All that certain piece or parcel of land situate, lying, and being in the county of San Mateo, State of California, together with the appurtenances, to wit: Beginning at a point on the northerly line of Butler Road, said point being north eighty-three degrees nine minutes fifteen seconds east one hundred ninety-three and twelve one-hundredths feet from a two-inch iron pipe set in concrete on the northerly line of Butler Road, said iron pipe being north eighty-seven degrees four minutes thirty seconds east four hundred ninety-two and ninety-nine one-hundredths feet from the intersection of the north line of Butler Road and Southern Pacific Company right-of-way; running thence from said point to beginning along the northerly line of Butler Road north eighty-three degrees nine minutes fifteen seconds east one hundred seventy-three and twenty-four one-hundredths feet; thence north eighty-seven degrees four minutes thirty seconds east nine hundred seventy-eight and eighty-three one-hundredths feet; thence leaving the northerly line of Butler Road north two degrees fifty-six minutes west two hundred forty-seven and twenty one-hundredths feet; thence south eighty-seven degrees four minutes thirty seconds west seven hundred eighty-two and forty-nine one-hundredths feet; thence north sixty-one degrees fifty-five minutes fifteen seconds west one hundred ten and fifty-two one-hundredths feet; thence south thirty-eight degrees three minutes fifteen seconds west four hundred eighteen and fifty one-hundredths feet to the point of beginning.

(6) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration, the following-described land, together with the improvements thereon:

All that lot, tract, or parcel of land situate, lying, and being in the city of East Point, Fulton County, Ga., being a part of land lot 155, district 14, and more fully described as follows: Beginning at the intersection of the north line of Saint Joseph Street with the northeasterly line of Lawrence Avenue and the east property line of the U. S. L. Battery Co., extending thence east along the north line of Saint Joseph Street a distance of six hundred eighty-three and two-tenths feet, more or less, to an iron monument on the east line of said land lot 155, district 14, extending thence north, making an interior angle of ninety degrees sixteen minutes to the left, along said east line of land lot 155, district 14, a distance of one thousand three hundred thirty-four and nine-tenths feet, more or less, to an iron monument; extending thence west making an interior angle of eighty-nine degrees forty-four minutes to the left, a distance of nine hundred seventy-three and five-tenths feet, more or less, to an iron monument on the east line of Lawrence Avenue; extending thence south making an interior angle of ninety degrees thirty-eight minutes to the left, along the said east line of Lawrence Avenue, a distance of six hundred twenty-seven and five-tenths feet, more or less, to an iron pipe at the intersection of the east line of Lawrence Avenue with the north property line of the U. S. L. Battery Company; extending thence east, making an interior angle of eighty-nine degrees twenty-two minutes to the left, along the said north property line of U. S. L. Battery Company, a distance of three hundred feet, more or less, to a point at the northeast corner of property of U. S. L. Battery Company; extending thence south making an exterior angle of eighty-nine degrees fifteen minutes to the right, along the east property line of U. S. L. Battery Company, a distance of seven hundred seven and three-tenths feet, more or less, to the point of beginning; the last-described line making an interior angle of eighty-nine degrees and fifteen minutes with the north line of Saint Joseph Street; containing twenty-five and eighty-nine one-thousandths acres, more or less, and said lot is more fully shown in colored yellow on print of the Central of Georgia Railway Company's Plan Numbered 15622, dated February 14, 1945.

(7) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Lying and being in the limits of San Antonio, county of Bexar, State of Texas, and more particularly described as follows: Beginning at a point in the center line of South Flores Street, distant north twenty-four degrees forty minutes forty-one seconds east seven hundred forty-two and eighty-one one-hundredths feet measured along the center line of South Flores Street from its point of intersection with the center line of Arsenal Street; running thence south twenty-four degrees forty minutes forty-one seconds west seven hundred forty-two and eighty-one one-hundredths feet to a point, being the intersection of the center line of South Flores Street with the center line of Arsenal Street; thence south sixty-three degrees twenty-two minutes nineteen seconds east a distance of six hundred and eighteen feet along the center line of Arsenal Street to its point of intersection with the westerly side of Main Avenue extended; thence north eleven degrees thirteen minutes forty-one seconds east seven hundred one and sixty-two one-hundredths feet; thence with a ten degree thirty-two minutes eighteen seconds degree curve to the left seventy-seven and fifty-one one-hundredths feet to a point in the north property line of the Arsenal property, said curve having a radius of five hundred forty-three and sixty-nine one hundredths feet and a delta of eight degrees fifty-six minutes forty-five seconds; thence north sixty-four degrees thirty minutes nineteen seconds west along the north line of the Arsenal property to the point or place of beginning.

(8) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration, the following-described lands, together with the improvements thereon:

All that certain real property situate, lying, and being in the city and county of San Francisco, State of California, described as follows, to wit: Beginning at the point of intersection of the northerly line of Geary Street and the westerly line of Polk Street; running thence westerly along said line of Geary Street eighty-two feet and six inches; thence at a right angle northerly one hundred and twenty feet to the southerly line of Cedar Street; thence at a right angle easterly along said line of Cedar Street eighty-two feet and six inches to the westerly line of Polk Street; and thence at a right angle southerly along said line of Polk Street one hundred and twenty feet to the point of beginning; being part of Western Addition block numbered 59.

(9) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio, and bounded and described as follows:

Known as being part of sublots numbered 1 and 2 in Mrs. C. D. Brayton's subdivision of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 3 of maps, page 20, of Cuyahoga County Records, and sublots numbered 15, 16, and parts of sublots numbered 17, 18, and 19 in the Cuyahoga Valley Realty Co.'s subdivision numbered 2 of part of original Brooklyn Township lots numbered 71 and 86, as shown by the recorded plat in volume 50 of maps, page 21, of Cuyahoga County Records, and part of sublots numbered 64, 65, 66, 67, 68, 69, 74, 76, 77, 78, and all of sublots numbered 70, 71, 72, 73, and 75 in Brayton and Yates reallotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 4 of maps, page 18, of Cuyahoga County Records, and all of sublots numbered 33, 34, 35, 36, 37, 38, 39, 40, and part of sublots numbered 41, 42, 43, and 44 in John Raines and W. H. Dean's allotment of part of original Brooklyn Township lot numbered 86, as shown by the recorded plat in volume 7 of maps, page 18, of Cuyahoga County Records, and also a part of original Brooklyn Township lots numbered 71 and 86, and together forming a parcel of land bounded and described as follows:

Beginning at the intersection of the northerly line of Clark Avenue Southwest, sixty-three feet wide, with the easterly line of West Eleventh Street, forty-five feet wide; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of Clark Avenue Southwest, five hundred sixty-nine and ninety-nine one-hundredths feet to the southwesterly corner of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Records; thence north one degree thirty-eight minutes ten seconds east along the westerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed last aforesaid and by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Records, three hundred and ten feet to the northwesterly corner of land conveyed to the Highway Construction Company of Ohio, In-

corporated; thence south eighty-eight degrees twenty-one minutes fifty seconds east along the northerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, last aforesaid, one thousand five hundred nine and ninety-eight one-hundredths feet to the northwesterly line of land conveyed to the city of Cleveland by deed dated September 30, 1942, and recorded in volume 5472, page 98, of Cuyahoga County Records; thence north thirty-three degrees fifty-eight minutes ten seconds east along the northwesterly line of land so conveyed to the city of Cleveland, which is also the northwesterly line of Quigley Road Southwest, eighty feet wide, one thousand two hundred thirty-five and twenty-nine one-hundredths feet to the southerly end of the curved turn-out between the westerly line of West Seventh Street relocation and the northwesterly line of Quigley Road Southwest, as shown by the dedication plat of West Seventh Street relocation recorded in volume 133 of maps, page 24, of Cuyahoga County Records; thence northerly along said curved turn-out, thirty-one and forty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of twenty feet and a chord of twenty-eight and twenty-eight one-hundredths feet; thence northerly along the westerly line of West Seventh Street relocation, one hundred fifty-six and twenty-four one-hundredths feet, which is along the arc of a curve deflecting to the right, said curve having a radius of ninety-nine and forty-seven one-hundredths feet and a chord of one hundred forty and sixty-seven one-hundredths feet, to a point of tangent; thence northeasterly along the northwesterly line of West Seventh Street relocation sixty-seven and eighty-eight one-hundredths feet to a point of curvature; thence northeasterly continuing along said northwesterly line, seventy and eighty-two one-hundredths feet, which is along the arc of a curve deflecting to the left, said curve having a radius of one hundred and ten feet and a chord of sixty-nine and sixty-one one-hundredths feet, to the southerly line of Severn Avenue Southwest (formerly Severn Street) forty feet wide; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of Severn Avenue Southwest three hundred forty-six and eighty-one one-hundredths feet to the northwesterly corner of sublot numbered 33 in John Raines and W. H. Dean's Allotment; thence south two degrees fifteen minutes forty-five seconds west along the westerly line of said sublot numbered 33, one hundred twenty-five and twenty-two one-hundredths feet to the southwesterly corner thereof; thence north eighty-seven degrees forty-four minutes fifteen seconds west along the southerly line of John Raines and W. H. Dean's Allotment, as recorded in volume 7 of maps, page 18, of Cuyahoga County Records, two hundred seven and fifty-six one-hundredths feet to the southwesterly corner thereof; thence north two degrees thirty-three minutes fifty-five seconds east along the westerly line of said allotment three hundred sixty-five and two one-hundredths feet to the southerly line of Clyde Avenue Southwest, forty feet wide; thence north eighty-seven degrees forty-four minutes forty seconds west along the southerly line of Clyde Avenue Southwest, and the westerly extension thereof, three hundred eighty-nine and four one-hundredths feet to the southwesterly corner of Saint Theodosius Church subdivision, as recorded in volume 64 of maps, page 27, of Cuyahoga County Records; thence north two degrees eleven minutes twenty seconds east along the westerly line of said Saint Theodosius Church subdivision two hundred seventy-six and sixty-two one-hundredths feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest thirty-six feet to the northeasterly corner of land conveyed to Majk Bejda and Juliana Bejda by deed dated November 17, 1924, and recorded in volume 3230, page 38, of Cuyahoga County Records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Majk and Juliana Bejda, and the southerly extension thereof and along the easterly line of land conveyed to Albert Baumann and Bertha Baumann, by deed dated January 10, 1924, and recorded in volume 2986, page 190, of Cuyahoga County Records, one hundred and twenty feet to the southeasterly corner of land so conveyed to Albert and Bertha Baumann; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Albert and Bertha Baumann and along the southerly line of land conveyed to the Western Realty Company by deed dated June 19, 1928, and recorded in volume 3832, page 378, of Cuyahoga County Records, and the southerly line of land conveyed to Gustav Krentz and Mary Krentz by deed date August 19, 1916, and recorded in volume 1819, page 555, of Cuyahoga County Records, one hundred and thirty-eight feet to the southwesterly corner of land so conveyed to Gustav and Mary Krentz; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Gustav and Mary Krentz, one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest, ninety-eight and seventy one-hundredths feet to the northeasterly corner of land conveyed to Domka Kreneiglova by deed dated May 17, 1937, and recorded in volume 4737, page 343, of Cuyahoga County Records; thence south two degrees eleven minutes twenty seconds west along the easterly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of land so conveyed to Domka Kreneiglova thirty-five feet to the southwesterly corner thereof; thence north two degrees eleven minutes twenty seconds east along the westerly line of land so conveyed to Domka Kreneiglova one hundred and twenty feet to the southerly line of Clarence Court Southwest, sixteen feet wide; thence north eighty-eight degrees forty-six minutes thirty seconds west along the southerly line of Clarence Court Southwest two hundred eighty and eighty-six one-hundredths feet to the northeasterly corner of land conveyed to John Woycitsky and Franciska Woycitsky by deed dated July 24, 1923, and recorded in volume 2873, page 159, of Cuyahoga County Records; thence south two degrees thirty-nine minutes forty seconds west along the easterly line of land so conveyed to John and Franciska Woycitsky one hundred and forty feet to the southeasterly corner thereof; thence north eighty-seven degrees fifty minutes ten seconds west along the southerly line of land so conveyed to John and Franciska Woycitsky, and the westerly extension thereof, and along the southerly line of land conveyed to Stanley Kozlowski and Mary Kozlowski by deed dated March 29, 1920, and recorded in volume 2377, page 346, of Cuyahoga County Records, four hundred eight and two one-hundredths feet to the westerly line of sublot numbered 64 in Brayton and Yates' Reallotment as recorded in volume 4 of maps, page 18, of Cuyahoga County Records; thence north two degrees forty minutes forty seconds east along the westerly line of said sublot numbered 64, one hundred thirty-nine and forty-one one-hundredths feet to its intersection with the southerly line of H. R. Hadlow allotment as recorded in volume 8 of maps, page 34, of Cuyahoga County Records; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said H. R. Hadlow allotment three hundred feet to the easterly line of J. J. Holmes' subdivision as recorded in volume 64 of maps, page 38, of Cuyahoga County Records; thence south two degrees forty minutes forty seconds west along the easterly line of said J. J. Holmes' subdivision one hundred thirty-six and fifty-four one-hundredths feet to the southeasterly corner thereof; thence north eighty-eight degrees forty-seven minutes twenty seconds west along the southerly line of said J. J. Holmes' subdivision, three hundred and fifty-six one-hundredths feet to the westerly line of said original lot numbered 86; thence south two degrees forty minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred eighty-two and nine one-hundredths feet to an angle therein; thence south three degrees nine minutes forty seconds west along the westerly line of said original lot numbered 86, four hundred forty and sixty-nine one-hundredths feet to the southeasterly corner of Josephine L. Hartzell's subdivision as recorded in volume 15 of maps, page 37, of Cuyahoga County Records; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of said Josephine L. Hartzell's subdivision, two hundred and fifty-five feet to the easterly line of west Eleventh Street; thence south two degrees twenty-one minutes twenty seconds west along the easterly line of west Eleventh Street; five hundred sixty-seven and sixty-four one-hundredths feet to an angle therein; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of west Eleventh Street, twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Company's subdivision numbered two, as recorded in volume 50 of maps, page 21, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision numbered 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision numbered 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Mari Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Mari Hlatky, five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Mike and Mari Hlatky thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and Jadwiga Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Peter and Jadwiga Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of land so conveyed to Peter and Jadwiga Ryba, and along the easterly line of land conveyed to Antoni Kaeser and Apolonia Kaeser by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Records, eighty-one and forty-nine one-hundredths feet to the northerly line of sublot numbered 17 in the Cuyahoga Valley Realty Company's subdivision numbered 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly line of sublots numbered 17, 16, and 15 in said subdivision numbered 2, one hundred

sixteen and eighteen one-hundredths feet to the easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along the easterly line of West Eleventh Street one hundred feet to the place of beginning, be the same more or less, but subject to all legal highways.

Excepting, excluding, and reserving from the above-described premises that part thereof conveyed to the city of Cleveland by warranty deed dated March 8, 1915, recorded in volume 1619 at page 67 of Cuyahoga County Deed Records, which such part of the above-described premises so conveyed to the city of Cleveland is described as follows:

Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio, and known as being so much of the unallotted land of the Cuyahoga Valley Realty Company and being part of lots 71 and 86, formerly in Brooklyn Township, now in said city, and shown by deed recorded in volume 888, page 374, of Cuyahoga County Records, and of sublots 17, 18, and 19 of the Cuyahoga Valley Realty Company's subdivision numbered 2, as recorded in volume 50, page 21, of said county records, as is required for constructing and maintaining the fill and embankment for Clark Avenue southwest, to the elevations and grades hereinafter described, lying between the north line of Clark Avenue southwest and the foot of said fill and embankment, the foot of said fill and embankment being where a slope of one and one-half feet horizontal to one foot vertical, measured northerly, eastwardly, and downward from the following described line intersects the natural surface of the ground:

Beginning at a point whose elevation is about one hundred four and five-tenths feet above the city base of levels and which is about eighty feet easterly from the intersection of the north line of Clark Avenue southwest, with the northeasterly line of West Eleventh Street and three feet north at right angles to said north line; thence with the established grade of Clark Avenue southwest easterly along a line parallel to and three feet north of said north line of Clark Avenue southwest about ninety-eight feet to a point whose elevation is about one hundred one and six-tenths feet; thence south at right angles to said described line three feet to a point in the said north line of Clark Avenue southwest, whose elevation is about one hundred one and six-tenths feet above the city base of levels, said point being about one hundred and seventy-eight feet east of said intersection, containing one hundred and twenty one-thousandths acre, more or less: *Provided*, That the portion of parcel 2 located in said sublots 17, 18, and 19 shall revert to the owner of such sublots should the land of said sublot be at any time raised and maintained by means of an earth fill to the grade of the Clark Avenue viaduct and the westerly approach thereto.

Together with all rights, reservations, privileges, and easements acquired by grantor under that certain deed from the Cuyahoga Valley Realty Co. to grantor dated April 2, 1946, and recorded in volume 6064 at page 455 of Cuyahoga County Records.

Together with all rights, reservations, and privileges retained by grantor under the provision of the "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the City of Cleveland," dated August 6, 1946, a copy of which is attached hereto, made a part hereof and marked exhibit A, and grantee by the acceptance of this quitclaim deed assumes and agrees to perform all of the obligations of grantor contained in said "Easement for Maintenance of Water Main and Appurtenances from Reconstruction Finance Corporation to the city of Cleveland."

Also excepting from the first above-described premises that parcel of land conveyed by the United States to the city of Cleveland by deed dated May 27, 1948, recorded June 9, 1948, in volume 6492, page 4, of Cuyahoga Deed Records, and particularly described as follows:

Beginning at the southeasterly corner of sublot numbered 1 in Josephine L. Hartzell's subdivision, recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east six hundred sixty-nine and ninety-three one-hundredths feet; thence north sixty-seven degrees forty-nine minutes forty seconds east four hundred twelve and five-tenths feet; thence north forty-seven degrees fifteen minutes forty-five seconds east six hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; thence south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence south eighty-seven degrees forty-four minutes fifteen seconds east two hundred twenty-five and seventy-five one-hundredths feet; thence south sixty degrees twenty-seven minutes forty-four seconds east three hundred forty-one and thirty-two one-hundredths feet to the northwesterly line of Quigley Road southwest, which point is north thirty-three degrees fifty-eight minutes ten seconds east measured along said northwesterly line of Quigley Road southwest, one thousand one hundred and eighty-five feet from its intersection with the southerly line of land conveyed as aforesaid to the United States of America.

Also excepting from the first above-described premises two parcels of land described as follows:

(Parcel No. 1): Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records; thence south two degrees twenty-one minutes twenty seconds west along said easterly line of West Eleventh Street five hundred sixty-seven and sixty-four one-hundredths feet to an angle point therein; thence continuing along said easterly line of West Eleventh Street south six degrees thirty-one minutes fifty seconds east twenty-seven and ninety-five one-hundredths feet to the northerly line of the Cuyahoga Valley Realty Company's subdivision numbered 2 as aforesaid; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of said subdivision numbered 2, one hundred feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along the easterly line of said subdivision numbered 2, three hundred fourteen and eighty-one one-hundredths feet to the northerly line of land conveyed to Mike Hlatky and Marie Hlatky by deed dated October 14, 1919, and recorded in volume 2370, page 26, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along the northerly line of land so conveyed to Mike and Marie Hlatky five feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Mike and Marie Hlatky's easterly line thirty-four and ninety-eight one-hundredths feet to the northerly line of land conveyed to Peter Ryba and J. Ryba by deed dated May 26, 1921, and recorded in volume 2476, page 633, of Cuyahoga County Deed Records; thence north eighty-three degrees twenty-eight minutes ten seconds east along said northerly line of land conveyed to Peter Ryba and J. Ryba ten feet to the northeasterly corner thereof; thence south six degrees thirty-one minutes fifty seconds east along Peter and J. Ryba's easterly line and along the easterly line of land conveyed to Antoni and A. Kaczar by deed dated August 7, 1924, and recorded in volume 3116, page 195, of Cuyahoga County Deed Records, eighty-one and forty-nine one-hundredths feet to the northerly line of said sublot numbered 17 in the Cuyahoga Valley Realty Company's subdivision numbered 2; thence north eighty-eight degrees twenty-one minutes fifty seconds west along the northerly lines of sublots numbered 17, 16, and 15 in said subdivision numbered 2, one hundred sixteen and eighteen one-hundredths feet to said easterly line of West Eleventh Street; thence south two degrees eighteen minutes forty seconds west along said easterly line of West Eleventh Street one hundred feet to the northerly line of Clark Avenue Southwest; thence south eighty-eight degrees twenty-one minutes fifty seconds east along said northerly line of Clark Avenue Southwest five hundred sixty-nine and ninety-nine one-hundredths feet to the westerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, by deed dated January 27, 1944, and recorded in volume 5657, page 522, of Cuyahoga County Deed Records; thence north one degree thirty-eight minutes ten seconds east along said westerly line and also the westerly line of land conveyed to said Highway Construction Company of Ohio, Incorporated, by deed dated October 20, 1944, and recorded in volume 5861, page 269, of Cuyahoga County Deed Records, three hundred and ten feet to the northerly line of land conveyed to the Highway Construction Company of Ohio, Incorporated, last aforesaid; thence south eighty-eight degrees twenty-one minutes fifty seconds east along said northerly line five hundred feet; thence north one degree thirty-eight minutes ten seconds east seven hundred eighty-seven and sixty-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east two hundred forty-eight and sixty-six one-hundredths feet to an angle point in land conveyed to the city of Cleveland by deed dated May 27, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records; thence south sixty-seven degrees forty-nine minutes forty seconds west along the southerly line of land so conveyed to the city of Cleveland four hundred twelve and fifty one-hundredths feet to an angle point therein; thence north eighty-eight degrees eighteen minutes forty seconds west along the southerly line of land conveyed to the city of Cleveland as aforesaid and along the southerly line of Josephine Hartzell's subdivision as recorded in volume 15, page 37, of Cuyahoga County Map Records, nine hundred twenty-four and ninety-three one-hundredths feet to the place of beginning, excepting, excluding, and reserving from the above-described premises any part thereof conveyed to the city of Cleveland by deed dated March 8, 1915, and recorded in volume 1619, page 67, of Cuyahoga County Deed Records.

(Parcel No. 2): Situated in the city of Cleveland, county of Cuyahoga, and State of Ohio and known as being part of original Brooklyn Township lot numbered 86 and bounded and described as follows: Beginning on the easterly line of West Eleventh Street at its intersection with the southerly line of Josephine Hartzell's subdivision, as recorded in volume 15, page 37, of the Cuyahoga County Map Records; thence south eighty-eight degrees eighteen minutes forty seconds east along said southerly line of Josephine Hartzell's subdivision and along the southerly line of land conveyed to the city of Cleveland by the United States of America by deed dated May 22, 1948, and recorded in volume 6492, page 4, of Cuyahoga County Deed Records, nine hundred twenty-four and ninety-three one-hundredths feet to an angle point; thence north forty-seven degrees fifteen minutes forty-five seconds east along said southerly line of land conveyed to the city of Cleveland three hundred feet, to the principal place of beginning; thence continuing along the city of Cleveland's southerly line the following courses and distances: North forty-seven degrees fifteen minutes forty-five seconds east three

hundred feet; south eighty-seven degrees forty-four minutes fifteen seconds east three hundred feet; south forty-two degrees forty-four minutes fifteen seconds east three hundred feet; thence north eighty-seven degrees forty-four minutes fifteen seconds west seven hundred twenty-four and twenty-six one-hundredths feet to the principal place of beginning.

(10) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, the right to use and occupy the land hereinafter described which was acquired through condemnation proceedings in the District Court of the United States for the District of Kansas, First Division, on August 24, 1945, being a term for years commencing January 15, 1945, and ending June 30, 1946, extendible for yearly periods thereafter until June 30, 1955, at the election of the United States, in and to said lands particularly described as follows:

A tract of land situated in the county of Wyandotte, State of Kansas, within section 2 township 11 south, range 25 east, of the sixth principal meridian, being a part of the lands known as the Public Levee of Kansas City, Kans., and land adjacent north thereof. The boundary lines of said tract are described in detail as follows:

Starting at a brass monument situated at the intersection of the center line of Jersey Creek inclosure with the center line of Minnesota Avenue extension in and across said Public Levee lands, said brass monument being known as Base Point for all surveys within said Public Levee lands; thence south seventy-five degrees thirty-six minutes forty seconds east on said center line of Jersey Creek inclosure, forty feet; thence north fourteen degrees twenty-three minutes twenty seconds east at right angles to said center line of Jersey Creek inclosure, forty feet to the true point of beginnning which is on the northeasterly right-of-way line for said Minnesota Avenue extension; thence by the following courses and distances: South seventy-five degrees thirty-six minutes forty seconds east five hundred thirty and eighty-five one-hundredths feet; north fourteen degrees twenty-three minutes twenty seconds east one hundred and thirty feet; south seventy-five degrees thirty-six minutes forty seconds east one hundred sixty-seven and ninety-four one-hundredths feet; north twenty-eight degrees forty-three minutes forty seconds east three hundred and seventy-one feet; north fifty-one degrees thirty-eight minutes forty seconds east one hundred eighty-two and thirty-three one-hundredths feet; thence north twenty-eight degrees forty-three minutes forty seconds east seven hundred thirty-one and four one-hundredths feet to a point on a line parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of the Union Pacific Railroad Co.'s southerly ladder track produced northeasterly; thence south seventy-three degrees twenty-seven minutes twenty seconds west parallel with and thirty-one and fifty-five one-hundredths feet distant southeasterly at right angles from the center line of said southerly ladder track one thousand three hundred one and twelve one-hundredths feet, more or less, to the northeasterly right-of-way line for said Minnesota Avenue extension; thence south eleven degrees two minutes twenty seconds west along said northeasterly right-of-way line five hundred eighty and fifty-nine one-hundredths feet to an angle point thereon; thence south fourteen degrees twenty-three minutes twenty seconds west ninety-four and twenty-seven one-hundreths feet, more or less, to the true point of beginning.

Excepting and excluding therefrom the road lying upon a strip of land extending across the above-described tract thirty feet in width being fifteen feet at right angles on each side of the center line of such strip of land, said center line being parallel with and one hundred and fifteen feet distant southeasterly at right angles from the center line of said southerly ladder track and its tangent produced northeasterly; and

Excepting and excluding therefrom two strips of land which are eight and five-tenths feet in width at right angles on each side of the Union Pacific Railroad Company's running tracks numbered 3 and numbered 12 and from the switch tracks leading therefrom, all said tracks serving the buildings lying southerly from said Jersey Creek enclosure.

Containing a net area of seven hundred and fifty thousand square feet, more or less.

All bearings refer to true north.

(11) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use as a United States quarantine station all of the Government-owned portion of the United States naval small-craft facility, also known as Lockwood Basin, East Boston, Massachusetts, comprising approximately one hundred thirty-five thousand six hundred thirty-three square feet of land, being that certain parcel of land conveyed to the United States by William J. Stober, of Boston, Massachusetts, by deed dated March 12, 1918, recorded in the office of the Register, county of Suffolk, Commonwealth of Massachusetts, and entered in book 4078, page 463; together with all buildings, structures, appurtenances located thereon, including the marine docking and berthing facility designated as pier C.

(12) The Governor of the Farm Credit Administration is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration, as an addition to the Denver Federal Center, all of that portion of the former Denver Ordnance Plant, Denver, Colo., together with the appurtenances and improvements located thereon, comprised of the east half of the east half of the northeast quarter and the east half of the east half of the southeast quarter of section 8, township 4 south, range 69 west, sixth principal meridian, excepting therefrom the land used for highway purposes, in the southeast corner of the southeast quarter of said section 8.

(13) The Secretary of the Treasury is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A certain tract of land bounded by Fourth Avenue South, Stacy Street, Fifth Avenue South, and Lander Street, Seattle, Wash., being all of block 276A, Seattle Tidelands in Seattle, King County, Wash., which is more particularly described as follows:

(a) West one hundred and ten feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands;

(b) East ten feet of lots 1 to 11, inclusive, block 276A, Seattle Tidelands, and the adjoining west half of Fourth Place South;

(c) West one hundred eight and fifty one-hundredths feet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands, and the adjoining east half of Fourth Place South;

(d) East eleven and fifty one-hundredths fet of lots 12 to 22, inclusive, block 276A, Seattle Tidelands;

(e) The easterly half of Fourth Avenue South from the center line of Stacy Street to the center line of Lander Street and the west half of Fifth Avenue South from the center line of Stacy Street to the center line of Lander Street; also, the south half of Stacy Street from easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also the north half of Lander Street from the easterly line of Fourth Avenue South projected to the westerly line of Fifth Avenue South projected; also, together with that certain street designated as Fourth Place South from the southerly line of Stacy Street to the northerly line of Lander Street, containing six and sixty-five one-hundredths acres, more or less; subject to existing easements for public roads and highways, for public utilities, for railroads and for pipe lines in the above-described portions of Fourth Avenue South, Fifth Avenue South, Stacy Street, and Lander Street.

(14) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

All the following-described lots or parcels of land or real estate situate, lying, and being in the county of Luna, State of New Mexico, together with the appurtenances, to wit:

First tract: Beginning at the northeast corner of the southeast quarter of section 26 townships 23 south, range 9 west, New Mexico principal meridian; running thence due south four hundred and fifty feet, more or less, to the Southern Pacific Railroad right-of-way; thence southwesterly along said right-of-way two thousand six hundred and fifty feet, more or less, to the west line of said quarter section; thence due north along said west line of said quarter section five hundred and fifty-two feet, more or less; thence due east five hundred and twelve feet; thence due north two hundred eighty-four and four-twelfths feet, more or less; to the north line of said quarter section; thence along said north line of said quarter section in an easterly direction to the place of beginning.

Second tract: Beginning at a point on the southeast line of the right-of-way of the Atchison, Topeka and Santa Fe Railroad, which point is described as being three hundred ninety-six and forty-one one-hundredths feet along said right-of-way, northeasterly, from another point which is five hundred forty-seven and nine-tenths feet north and eight hundred and thirty-three feet east of the southwest corner of the northeast quarter of section 26, township 23 south, range 9 west, of New Mexico principal meridian; being the northerly corner of the premises conveyed to Wah Brothers by Charles B. Allaire and wife, by deed dated August 10, 1899, and recorded in book 37 of deeds, at pages 200–201, in the office of the County Clerk of Grant County, and transferred to book C, at pages 618–619 of the Deed Records of Luna County; thence north fifty-two degrees five minutes east along the south boundary line of the Atchison, Topeka and Santa Fe right-of-way aforesaid to the point where said boundary line intersects the north and south line separating sections 25 and 26, township 23 south, range 9 west, aforesaid; thence south along said line separating said sections 25 and 26 to a point on said line one hundred and sixty-five feet north of the east and west line connecting the centers of sections 25 and 26 aforesaid; thence north sixty-seven degrees fifteen minutes west, along the northeast boundary line of the property conveyed to Wah Brothers as aforesaid, one thousand six hundred twenty and five-tenths feet to the place of beginning; excepting and reserving from said premises one acre on which now stands a brick powder house, being the land conveyed by John A. Raithel and wife to the Safety Nitra Powder Company by a deed dated April 26, 1889, and recorded in book 28 of deeds, at pages 51–52, in the office of the County Clerk of Grant County, and transferred to book C at pages 441–442 of the Deed Records of Luna County.

Third tract: Beginning at the southeast corner of the northeast quarter of section 26,

township 23 south, range 9 west, New Mexico principal meridian; running thence north approximately one hundred and sixty-five feet to a point just south of the county road; thence north sixty-seven degrees fifteen minutes west approximately one thousand five hundred and forty-five feet along the southerly line of said county road; thence south approximately seven hundred and seventy feet to a point on the south line of the northeast quarter of section 26; thence east approximately one thousand four hundred and twenty feet to the point of beginning.

Fourth tract: An easement across the land lying westerly of the above described third tract of land, for the purpose of installing a railroad spur to run into the said third tract of land, which railway spur is to come off of the Atchison, Topeka and Santa Fe Railway, the said railway spur to run northerly of the mill which has been constructed on the tract of land westerly of the said third tract of land; said easement to remain in full force and effect as long as said railway spur is maintained and used.

(15) The War Assets Administrator is hereby authorized and directed to transfer to the jurisdiction and control of the Federal Works Agency, without reimbursement, for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A six and eight hundred and twenty-three one-thousandths acre tract of land lying and being in Tarrant County, Texas, particularly described as follows: Beginning at the most easterly southeast corner of a tract of land deeded to the Defense Corporation by the Globe Aircraft Corporation on the 20th day of April 1942, also recorded in volume 1530, page 357, Deed Records of Tarrant County, Texas; said beginning corner also being the southeast corner of a four and eighty-eight one-hundredths acre tract deeded to the Bennett Aircraft Corporation by John Kennedy, et ux, on the 20th day of March 1940, said deed being on record in volume 1425, page 500, Deed Records of Tarrant County, Texas:

Thence north no degrees two minutes east along its east line one hundred and twelve feet to the place of beginning of the land to be described; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence south eighty-eight degrees fifty minutes east with the center of said road seven hundred and seventy and eight-tenths feet, to northeast corner of said tract, same being the northeast corner of said Bennett Aircraft Corporation's four and eighty-eight one-hundredths acre tract; thence south no degrees two minutes west four hundred and sixty-four feet to the place of beginning.

(16) The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works Agency for use of the Public Buildings Administration the following-described land, together with the improvements thereon:

A one hundred forty-nine and seven hundred and sixty-two one-thousandths acre tract of land lying and being in Tarrant County, Texas, particularly described as follows: Beginning at a point in the south line of the David Cook Survey in the center of Cantrell-Sansom Road, one thousand two hundred and ninety-one feet east of the southwest corner of said David Cook Survey, said point being the most southerly southeast corner of a tract of land deeded to the Reconstruction Finance Corporation by Globe Aircraft Corporation on the 27th day of June 1947, said deed being on record in volume 1925, page 463, Deed Records of Tarrant County, Texas:

Thence north one-half degree east with fence line four thousand five hundred and sixteen feet, an iron post; thence south eighty-five and one-half degrees east with fence line nine hundred and sixty-seven feet, an iron post; thence south with fence line thirty feet, an iron post; thence south eighty-five degrees east with fence line seven hundred and twenty-six feet, a stake; thence north one-half degree west one hundred and twelve feet, a stake the southeast corner of a six and eight hundred and twenty-three one-thousandths acre tract of land out of said David Cook Survey, deeded to the Defense Plant Corporation by the Globe Aircraft Corporation on the 20th day of April 1942, said deed being on record in volume 1530, page 357, Deed Records of Tarrant County, Texas; thence north eighty-eight degrees fifty minutes west two hundred and thirty-six feet; thence north one degree ten minutes east one hundred and fifteen feet; thence north eighty-eight degrees fifty minutes west five hundred and forty-four feet; thence north one degree ten minutes east with fence line three hundred and forty-nine feet to the center of the Saginaw-Old Denton Road; thence with the center of said road north eighty-eight degrees fifty minutes west one thousand one hundred and seventy-seven feet; south eighty-four degrees no minutes west one hundred and thirty-five feet; south seventy-two degrees no minutes west eight hundred feet; thence south three-fourths degree east with fence line two thousand one hundred and ninety feet; thence west with fence line two hundred and sixteen feet; thence south one-fourth degree east with fence line two thousand and seventy-four feet, a post in the east line of the Fort Worth & Denver City Railroad right-of-way; thence south thirty-seven degrees east with said right-of-way five hundred and eighty-three feet to the center of the Cantrell-Sanson Road in the south line of the David Cook Survey; thence east with the center of said road nine hundred and forty-two feet to the place of beginning.

(17) The Reconstruction Finance Corporation is hereby authorized to transfer to the jurisdiction and control of the Federal Works Agency for use of the Public Buildings Administration the following described land, together with the improvements thereon:

All that certain lot, piece or parcel of ground, situated in the second ward of the city of Pittsburgh, county of Allegheny and State of Pennsylvania, together with the appurtenances, bounded and described as follows, to wit: Beginning at the corner of Ninth Street (formerly Anderson Street and before that Hand Street) and Liberty Avenue; thence northerly by Ninth Street one hundred twelve and one-half feet to an alley; thence at right angles with the last line by said alley westwardly thirty-six feet eight inches to a point in a party wall; thence by a line in said party wall, parallel with Ninth Street, southwardly one hundred twelve and one-half feet to Liberty Avenue; thence eastwardly by the same avenue thirty-six feet eight inches to Ninth Street at the place of beginning.

(b) In the case of any real property transferred to the Federal Works Agency for the use of the Public Buildings Administration, pursuant to this section, by a corporation, all of the capital stock of which is owned or controlled directly or indirectly by the Government, a conveyance to the United States of America, without representation or warranty, of all right, title, and interest of such corporation therein shall be made, and thereupon the Secretary of the Treasury is authorized and directed to cancel notes or otherwise discharge the indebtedness to the Treasury of such corporation in an amount equal to the fair market value of the property at the time of the transfer of jurisdiction and control to the Federal Works Agency, which fair market value shall be determined by the Federal Works Administrator and the head of such corporation: Provided, however, That in the event the Federal Works Administrator and the head of such corporation shall fail to agree, the fair market value of such property shall be determined by the Secretary of the Treasury.

SEC. 206. The Federal Works Administrator is hereby authorized to assume permanent custody and control for the use of the Public Roads Administration, without reimbursement, the property located within the area known as Vancouver Barracks, in Vancouver, Washington, consisting of two buildings numbered 689 and 698, and five and three-tenths acres, more or less, of land described as follows:

Beginning at a point on the east line of West Reserve Street and the north line of East Fifth Street in the southeast quarter of section 27, township 2 north, range 1 east, Willamette meridian, in the city of Vancouver, county of Clark, State of Washington, which point is a bronze disk monument, said point being north twenty-two degrees thirty-seven minutes east, a distance of one thousand four hundred and seventy-four and seven-tenths feet; thence south eighty-three degrees ten minutes east, a distance of exactly forty-eight feet from the southeast corner of Amos Short donation land claim; thence north twenty-two degrees thirty-seven minutes east, a distance of two hundred and sixty-eight and three-tenths feet; thence south eighty-three degrees ten minutes east, a distance of eight hundred and sixty and six-tenths feet; thence south twenty degrees seventeen minutes west, a distance of two hundred and seventy-eight and eight-tenths feet; thence north eighty-five degrees twelve minutes west, a distance of exactly seventy-three feet; thence north eighty-three degrees ten minutes west, a distance of two hundred and eighty-four and five-tenths feet; thence north sixty-eight degrees twenty-three minutes west, a distance of sixty-one and five-tenths feet; thence north eighty-three degrees ten minutes west, a distance of four hundred and fifty-one and nine-tenths feet to the point of beginning.

TITLE III—IMPROVEMENT OF EXISTING BUILDINGS

SEC. 301. The Commissioner of Public Buildings is authorized to formulate, undertake, and prosecute a program for the renovation and improvement of federally owned buildings outside the District of Columbia for which funds are not otherwise available, including appurtenances and approaches thereto, that are under the control of the Public Buildings Administration for repair and preservation: *Provided*, That where necessary or desirable in carrying out the program herein authorized, additional land may be acquired to accommodate equipment or special appliances and devices proposed to be installed or to provide working areas to accomplish the objectives sought in this title: *Provided further*, That no project, the estimated cost of which is less than $25,000, shall be deemed to be eligible for the program authorized by this title.

SEC. 302. For carrying out the purposes of this title, including administrative, supervisory, traveling, and other expenses in connection therewith, there is hereby authorized to be appropriated the sum of $30,000,000 to remain available until expended.

TITLE IV—MISCELLANEOUS AND GENERAL PROVISIONS

SEC. 401. (a) In addition to the authority conferred upon him by any other law the Commissioner of Public Buildings, whenever he deems it desirable or advantageous, is authorized to employ, by contract or otherwise and without regard to the Classification Act of 1923, as amended, or to the civil-

service laws, rules, and regulations or to section 3709 of the Revised Statutes, the services of established architectural or other professional or technical corporations, firms, or individuals, to such extent as he may require for any public building project which the Public Buildings Administration is authorized by Congress to construct, or for any such project, funds for which are transferred by another agency to the Public Buildings Administration for construction of the project, regardless of specific legislation governing such other agency: *Provided*, That this authorization shall not apply to the employment of such corporations, firms, or individuals on a permanent basis, but their services shall be limited to the individual project for which employed: *Provided further*, That nothing contained in this section shall relieve the Commissioner of Public Buildings or any other duly authorized contracting officer of the Public Buildings Administration, who shall execute a construction contract, from the responsibility of interpreting such contract, of passing on the acceptability of materials and workmanship supplied pursuant to such contract, of approving changes in such contract during the construction period, of certifying vouchers for payments becoming due the contractor, or of effecting final settlement of the contract.

(b) The Commissioner of Public Buildings is hereby authorized, whenever he deems it to be in the public interest, to hold a competition for the design of any project, to stipulate the terms, scope, and the conditions of each such competition and to make awards in pursuance thereof.

SEC. 402. The third paragraph of section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), as amended, is hereby deleted and the following is hereby substituted therefor:

"With respect to sites or additions to sites acquired under this act, the Commissioner of Public Buildings is hereby authorized, in his discretion, to rent, until they are needed for construction purposes, such sites or additions to sites and any improvements located thereon not reserved by the vendors, at a fair rental value and upon such terms and conditions as he may deem to be in the public interest. Such rentals may be deposited into a common fund account or accounts in the Treasury, and, notwithstanding the provisions of the act of June 30, 1932 (40 U. S. C. 303b), shall be available to pay the cost of such maintenance, repair, and alterations of any improvements located on such sites or additions to sites as is necessary to keep them in rentable condition and for the establishment of necessary reserves therefor: *Provided*, That except for such necessary reserves, as determined by the Commissioner, the unobligated balances of rentals so deposited into the Treasury shall be covered at the end of each fiscal year into miscellaneous receipts: *Provided further*, That with respect to improvements on such sites or additions to sites which are suitable for residential purposes only and the estimated annual rentals of which will not exceed $1,200, the Commissioner may enter into leases without regard to the provisions of section 3709 of the Revised Statutes, as amended."

SEC. 403. Section 5 of the Public Buildings Act of May 25, 1926 (44 Stat. 630), is hereby amended to delete the following words which appear at the end of the last paragraph thereof: "and to charge against the total sum of $150,000,000 hereinbefore authorized only the respective net excess cost, if any, over and above the proceeds of such sales, or providing such new sites and buildings", and after the words "miscellaneous receipts" change the comma to a period.

SEC. 404. The Federal Works Administrator, together with the Postmaster General where his office is concerned, is authorized to accept on behalf of the United States unconditional gifts of real, personal, or other property in aid of any project or function within their respective jurisdictions.

SEC. 405. The provisions of section 601 of the Economy Act, approved June 30, 1932, as amended, are hereby extended to authorize the Public Buildings Administration to furnish services in the continental United States, on the basis of full reimbursement, at the request of the State Department, to any international body with which the United States Government is affiliated.

SEC. 406. The Commissioner of Public Buildings is authorized to contract for seeding, planting, or landscaping the grounds of any public building constructed or acquired by the Public Buildings Administration in an amount not exceeding $1,800, without reference to section 3709 of the Revised Statutes.

SEC. 407. The Commissioner of Public Buildings is authorized to procure space in the District of Columbia by lease, upon such terms and for such period, not in excess of 1 year, as he may deem in the public interest, for the housing of any Federal agency or agencies, except the Post Office Department, and to assign and reassign such space. As used in this section, the term "Federal Agency" means any executive department (except the Post Office Department), independent establishment, commission, board, bureau, in the executive branch, or other agency of the United States, including wholly owned Government corporations.

SEC. 408. The Federal Works Administrator is hereby authorized to enter into such agreements with the city of Chicago, Ill., as he shall deem necessary and in the public interest, in connection with the construction by the said city of a superhighway through the Congress Street Post Office located in said city. For the purposes of this section there is hereby authorized to be appropriated such sum as shall be necessary to defray such cost, if any, which said Administrator shall determine should be borne by the United States as an incident to the construction by the said city of the superhighway through said post office.

SEC. 409. The Federal Works Administrator and the Postmaster General shall submit to the Congress promptly after the convening of each new Congress, reports showing the location and the approximate accommodations of such public building projects throughout the United States, its Territories and possessions, as they shall find eligible to be constructed in accordance with applicable statutory provisions. Such reports shall indicate the limit of cost of each project when in excess of $200,000. When the estimated cost of a project does not exceed $200,000 the limit of cost shall be determined by the Commissioner of Public Buildings. The report herein provided for shall supersede the report required by the Public Buildings Act of 1926 (44 Stat. 630, as amended).

SEC. 410. The Federal Works Administrator, with the approval of the Bureau of the Budget, is authorized, notwithstanding any other provision of law, to change or rechange the name or designation of any building in the custody and jurisdiction of the Federal Works Agency.

SEC. 411. All acts and parts of acts inconsistent or in conflict with the foregoing provisions are hereby repealed to the extent of such inconsistency or conflict.

Mr. CHAVEZ. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. CHAVEZ, Mr. HOLLAND, Mr. CHAPMAN, Mr. CAIN, and Mr. MARTIN conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. MYERS. Mr. President, from the Committee on Interstate and Foreign Commerce, I report favorably the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1952, to which office he was appointed during the last recess of the Senate, and I submit a report (Exec. Rept. No. 6) thereon.

The PRESIDING OFFICER. The report will be received and the nomination will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

UNITED STATES MARITIME COMMISSION

The legislative clerk read the nomination of Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1955.

Mr. WHERRY. Mr. President, I have been requested by one of my colleagues to ask that this appointment go over until the next call of the Executive Calendar.

The PRESIDING OFFICER. Without objection, the nomination will go over.

Mr. WHERRY. I wish the RECORD to show that I have made that unanimous-consent request on behalf of another Senator, a colleague, who has asked that the nomination go over until the next call of the Executive Calendar.

The PRESIDING OFFICER. The RECORD will so show.

Without objection, the President will be notified forthwith of the confirmations which have been made today.

Mr. LUCAS. Mr. President, I should like to inquire of the distinguished minority leader whether he believes there will be objection to the nomination at the next call of the calendar.

Mr. WHERRY. I do not believe there will be.

Mr. LUCAS. I thank the Senator.

LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, I should like to ask the distinguished majority leader a question. If action on House bill 2663, Calendar No. 90, is concluded tomorrow afternoon before the usual time of recess, is it the intention of the distinguished majority leader to have the Senate take up any other proposed

legislation before a recess is taken until Tuesday?

Mr. LUCAS. I may say to the Senator, if we should conclude this bill within a reasonable length of time tomorrow afternoon, we shall immediately take up, I think, either the basing-point bill or the District of Columbia home-rule bill, one or the other. It is my understanding there has been some serious objection made to the basing-point bill upon the part of some of the Members on this side of the aisle, and that Senators are now discussing it with the Senator from Pennsylvania [Mr. MYERS] to see whether they may be able to reach some sort of compromise.

Mr. WHERRY. I sincerely suggest to the distinguished majority leader that if Calendar No. 90, H. R. 2663, is completed, and if he can arrange his program, I believe we can iron out the difficulty, and I think we might be able to pass the basing-point bill even tomorrow afternoon. I at least offer that as a suggestion.

Mr. LUCAS. That is a very worthwhile suggestion. I may say to the Senator from Nebraska I certainly hope we can get both bills through tomorrow.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Tennessee.

Mr. KEFAUVER. I was going to suggest, if there is some delay in ironing out the difficulties in connection with the basing-point bill, I hope the Senate will proceed with the home-rule measure, which has been reported.

Mr. LUCAS. If the Senator from Tennessee, who, I understand, is not altogether favorable toward the basing-point bill, will cooperate with other Senators in trying to get the basing-point bill through tomorrow afternoon, we shall reach the home-rule bill I am sure a little faster, and perhaps pass it before we take up some measure which may take weeks.

Mr. KEFAUVER. I may say to the Senator from Illinois, I have just spoken to the senior Senator from Wyoming [Mr. O'MAHONEY], who indicated it might take some little time to iron out the difficulties in connection with the basing-point bill, although he is making progress, I believe.

Mr. LUCAS. That is a very encouraging statement, and I am sure the Senator from Tennessee will cooperate with other Senators toward the progress we all hope can be made, so we can finally take up his home-rule bill.

Mr. KEFAUVER. I certainly hope the Senator will enable us to get to it very shortly.

Mr. LUCAS. I am traveling in that direction as fast as possible.

Mr. WHERRY. Mr. President, will the majority leader yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I ask the distinguished Senator from Tennessee to see if he cannot cooperate on the basing-point measure. The Small Business Subcommittee is still receiving letters from people throughout the country asking for relief. I know that although I am not the chairman. There is a state of confusion, and I believe if the differences regarding the basing-point bill can possibly be ironed out, it will take care, at least temporarily, of a very bad situation. That is all the bill does. It gives temporary relief, while an investigation is made to see whether some permanent solution of the problem can be found.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 27, 1949, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26 (legislative day of May 23), 1949:

DIPLOMATIC AND FOREIGN SERVICE

REAPPOINTMENT AS A FOREIGN SERVICE OFFICER OF CLASS 1, A CONSUL GENERAL, AND A SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

John Dewey Hickerson

CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Julian C. Greenup
Francis H. Styles
Ralph J. Blake
Robert T. Cowan
Parker T. Hart
Quincy F. Roberts
Rolland Welch

CONSULS OF THE UNITED STATES OF AMERICA

Robert Mills McClintock
David M. Clark
Donald A. Dumont
Edward L. Waggoner
Charles D. Withers
Thomas J. Cole

SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

William O. Baxter
Arthur A. Compton
Charles C. Stelle

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADES INDICATED UNDER THE PROVISIONS OF TITLE V OF THE OFFICER PERSONNEL ACT OF 1947

To be major general

Roderick Random Allen, O4652.

To be brigadier general

Harlan Nelson Hartness, O12269.

To be major generals, Medical Corps

Guy Blair Denit, O8675.
Joseph Ignatius Martin, O11943.

To be brigadier generals, Medical Corps

Robert Parvin Williams, O3924.
Robert Burns Hill, O4046.
Arthur Raymond Gaines, O6261.

To be major general, Dental Corps

Walter Duncan Love. O11506.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES TO THE GRADES INDICATED UNDER THE PROVISIONS OF SECTION 515 OF THE OFFICER PERSONNEL ACT OF 1947

To be major generals

Edgar Erskine Hume, O4033.
Paul Henry Streit, O6254.
George Ellis Armstrong, O16548.
George William Rice, O8850.
John Morris Hargreaves, O16293.

To be brigadier general

Edwin Howerton Roberts, O6421.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

Maj. Gen. Abram Franklin Kibler, O6668, Army of the United States (brigadier general, U. S. Army), for appointment as major general in the Regular Army of the United States under the provisions of title V, Officer Personnel Act of 1947.

Brig Gen. Ernest Marion Brannon, O12292, Army of the United States (colonel, Judge Advocate General's Corps, U. S. Army), for appointment as brigadier general, Judge Advocate General's Corps, in the Regular Army of the United States under the provisions of title V, Officer Personnel Act of 1947, and title II, Public Law 759, Eightieth Congress.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Brig. Gen. George Leland Eberle, O6613, United States Army, for temporary appointment as major general in the Army of the United States under the provisions of sections 515, Officer Personnel Act of 1947.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Louis Edward Abele et al., cadets, United States Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, effective June 3, 1949, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), which were confirmed today, were received by the Senate on May 23, 1949, and appear in full in the Senate Proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Louis Edward Abele, which is shown on page 6637, and ending with the name of Lewis Lowenstein Zickel which appears on page 6639.

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY OF THE UNITED STATES UNDER THE PROVISIONS OF SECTION 37 OF THE NATIONAL DEFENSE ACT AS AMENDED

To be brigadier generals

Daniel Collier Elkin
Edward Taylor Kirkendall
Harry Paul Newton
Harry Hodges Semmes
Lawrence Harley Whiting

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES OF THE ARMY OF THE UNITED STATES UNDER THE PROVISIONS OF SECTION 38 OF THE NATIONAL DEFENSE ACT AS AMENDED

To be brigadier generals of the line

Hugh John Cox
Charles Joseph Hodge
John Lewis Thompson, Jr.

To be major generals, Adjutant General's Department

Kearie Lee Berry
Edward Clark Rose

To be brigadier generals, Adjutant General's Department

Carl Ausey Anderson
John Augustus Harris
Robinson Hitchcock
William Hoy Kelly
Earl Thornton Ricks

IN THE UNITED STATES AIR FORCE

The nominations of Gordon S. Adams et al., for appointment in the United States Air Force, in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), which were confirmed today, were received by the Senate on May 16, 1949, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Gordon S. Adams which appears on page 6242, and ending with the name of Paul M. Yeager which appears on page 6243.

The nominations of Harman Charles Agnew et al., for appointment as second lieutenants in the United States Air Force, which were confirmed today, were received by the Senate on May 24, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Harman Charles Agnew which appears on page 6726 and ending with the name of William B. Warwick, Jr., which is shown on page 6727.

IN THE NAVY

Vice Adm. John L. McCrea, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Director of the Staff, Personnel Policy Board, National Military Establishment.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 26, 1949

The House met at 10 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God our Father, if we have taken our daily bread and it brought us no message; if we have enjoyed a night's rest and we are not grateful; if we have had happiness and have failed to see Thee, O Lord, forgive us and open our eyes.

May we see Thee in the creation, the preservation, and the redemption of the great wide world. May we know Thee in the nearness and sanctity of true friendship. Glory be to Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 4392) entitled "An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PEPPER, Mr. GREEN, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49–13.

POMONA STATION, POMONA, CALIF.

Mr. WHITE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3003) to transfer Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. WHITE of California. I will be glad to.

Mr. Speaker, this bill provides for the return of a piece of property to the W. K. Kellogg Foundation, of Battle Creek, Mich., which property was turned over to the Government during the war for a remount station and for the breeding of Arabian horses. Under the bill it will be turned back to the Kellogg Foundation, and the property used for educational and benevolent purposes only under the terms of a trust.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the W. K. Kellogg Foundation, Inc., without cost, the real property, comprising 812 acres, more or less, of the Agriculture Remount Station at Pomona, Calif., which was conveyed to the United States acting through the War Department (now Department of the Army) by W. K. Kellogg and subsequently transferred to the Department of Agriculture pursuant to the act of April 21, 1948 (62 Stat. 197), and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the W. K. Kellogg Foundation, Inc.

With the following committee amendments:

Page 1, line 7, after "which", insert "tract, originally in the ownership of W. K. Kellogg."

Page 1, line 10, strike out "by W. K. Kellogg."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WHITE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the W. K. Kellogg Foundation, Inc., without cost, the real property, comprising 812 acres, more or less, of the Agriculture Remount Station at Pomona, Calif., which tract, originally in the ownership of W. K. Kellogg, was conveyed to the United States acting through the War Department (now Department of the Army) and subsequently transferred to the Department of Agriculture pursuant to the act of April 21, 1948 (62 Stat. 197), and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the W. K. Kellogg Foundation, Inc.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which H. R. 3003 was passed were vacated, and the bill laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISTRICT OF COLUMBIA TAX BILL

The SPEAKER. The unfinished business is the conference report on the bill (H. R. 3704) to provide additional revenue for the District of Columbia, on which the previous question was ordered on last Tuesday.

The question is on the conference report.

The question was taken; and on a division (demanded by Mr. BIEMILLER) there were—ayes 29, noes 15.

Mr. BIEMILLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 184, nays 152, not voting 95, as follows:

[Roll No. 105]

YEAS—184

Abbitt	Byrnes, Wis.	Goodwin
Abernethy	Camp	Gossett
Albert	Carlyle	Graham
Allen, Calif.	Carnahan	Gwinn
Allen, Ill.	Case, S. Dak.	Hale
Anderson, Calif.	Church	Hall,
Andresen,	Cole, Kans.	Leonard W.
August H.	Cole, N. Y.	Halleck
Andrews	Cooley	Harden
Arends	Cotton	Hardy
Aspinall	Coudert	Hare
Auchincloss	Curtis	Harris
Barden	Dague	Harrison
Barrett, Wyo.	Davis, Ga.	Hays, Ark.
Bates, Mass.	Davis, Tenn.	Hedrick
Battle	DeGraffenried	Herter
Beall	Dondero	Hobbs
Bennett, Mich.	Doughton	Hoffman, Mich.
Bentsen	Durham	Holmes
Bishop	Eaton	Hope
Blackney	Elliott	Jackson, Calif.
Boggs, La.	Ellsworth	James
Bolton, Ohio	Elston	Jenison
Bonner	Engel, Mich.	Jensen
Bosone	Fallon	Johnson
Boykin	Fenton	Jones, Ala.
Bramblett	Fernandez	Kean
Breen	Fisher	Kearns
Brown, Ga.	Ford	Kerr
Brown, Ohio	Fugate	Kilburn
Bryson	Garmatz	Kilday
Burleson	Gary	Larcade
Burton	Gavin	Latham
Byrne, N. Y.	Gillette	LeCompte

LeFevre	Nixon	Smith, Kans.
Lind	Norrell	Smith, Va.
Lodge	Norton	Steed
Lovre	O'Hara, Minn.	Stefan
Lucas	Passman	Stigler
McConnell	Peterson	Sutton
McCormack	Phillips, Calif.	Taber
McCulloch	Pickett	Tackett
McGregor	Polk	Teague
McKinnon	Poulson	Thompson
McMillan, S. C.	Preston	Trimble
McMillen, Ill.	Rankin	Vinson
Mack, Wash.	Redden	Vorys
Magee	Reed, Ill.	Welch, Mo.
Mahon	Reed, N. Y.	Werdel
Marsalis	Rees	Wheeler
Martin, Iowa	Rich	White, Idaho
Martin, Mass.	Rivers	Whitten
Merrow	Rogers, Fla.	Whittington
Meyer	Sadlak	Wickersham
Michener	St. George	Wigglesworth
Miles	Sasscer	Williams
Miller, Md.	Scott,	Willis
Miller, Nebr.	Hugh D., Jr.	Wilson, Ind.
Mills	Scrivner	Wilson, Okla.
Monroney	Scudder	Wilson, Tex.
Morris	Sikes	Winstead
Morton	Simpson, Ill.	
Nicholson	Simpson, Pa.	

NAYS—152

Addonizio	Granahan	Murdock
Allen, La.	Granger	Murray, Wis.
Andersen, H. Carl	Green	Noland
	Gregory	Norblad
Angell	Hagen	O'Brien, Ill.
Bailey	Hand	O'Brien, Mich.
Baring	Hart	O'Hara, Ill.
Barrett, Pa.	Harvey	O'Konski
Beckworth	Havenner	O'Sullivan
Bennett, Fla.	Hays, Ohio	O'Toole
Biemiller	Heffernan	Pace
Blatnik	Heller	Patten
Boggs, Del.	Heselton	Perkins
Bolling	Hill	Philbin
Brooks	Holifield	Poage
Buckley, Ill.	Howell	Price
Burdick	Huber	Rabaut
Burke	Irving	Ramsay
Canfield	Jackson, Wash.	Rhodes
Cannon	Jacobs	Ribicoff
Carroll	Judd	Rodino
Cavalcante	Karst	Rooney
Celler	Karsten	Sadowski
Chelf	Keating	Sanborn
Chesney	Kelley	Scott, Hardie
Christopher	Kennedy	Secrest
Chudoff	Keogh	Shafer
Cooper	King	Sheppard
Corbett	Kirwan	Sims
Crawford	Kruse	Spence
Crook	Kunkel	Staggers
Crosser	Lane	Sullivan
Davis, Wis.	Lemke	Tauriello
Dawson	Lesinski	Thomas, Tex.
Delaney	Linehan	Thornberry
Denton	Lynch	Tollefson
Dollinger	McCarthy	Towe
Donohue	McDonough	Underwood
Douglas	McGrath	Van Zandt
Doyle	McGuire	Wagner
Eberharter	Mack, Ill.	Walter
Engle, Calif.	Madden	Weichel
Flood	Mansfield	Welch, Calif.
Fogarty	Marcantonio	White, Calif.
Forand	Marshall	Wier
Frazier	Mason	Withrow
Furcolo	Miller, Calif.	Wolverton
Gordon	Mitchell	Woodhouse
Gore	Morgan	Yates
Gorski, Ill.	Morrison	Young
Gorski, N. Y.	Multer	Zablocki

NOT VOTING—95

Bates, Ky.	Dolliver	Jennings
Bland	Evins	Jonas
Bolton, Md.	Feighan	Jones, Mo.
Brehm	Fellows	Jones, N. C.
Buchanan	Fulton	Kearney
Buckley, N. Y.	Gamble	Kee
Bulwinkle	Gathings	Keefe
Burnside	Gilmer	Klein
Case, N. J.	Golden	Lanham
Chatham	Grant	Lichtenwalter
Chiperfield	Gross	Lyle
Clemente	Hall,	McSweeney
Clevenger	Edwin Arthur	Macy
Colmer	Hébert	Moulder
Combs	Herlong	Murphy
Cox	Hinshaw	Murray, Tenn.
Cunningham	Hoeven	Nelson
Davenport	Hoffman, Ill.	O'Neill
Davies, N. Y.	Horan	Patman
Deane	Hull	Patterson
D'Ewart	Javits	Pfeifer,
Dingell	Jenkins	Joseph L.
Pfeiffer, William L.	Riehlman	Thomas, N. J.
Phillips, Tenn.	Rogers, Mass.	Velde
Plumley	Sabath	Vursell
Potter	Short	Wadsworth
Powell	Smathers	Walsh
Priest	Smith, Ohio	Whitaker
Quinn	Smith, Wis.	Wolcott
Rains	Stanley	Wood
Regan	Stockman	Woodruff
Richards	Talle	Worley
	Taylor	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Macy for, with Mr. Hull against.

Mr. Jones of Missouri for, with Mr. Buchanan against.

Mr. Grant for, with Mr. Smathers against.

Mr. Gilmer for, with Mr. Feighan against.

Mr. Quinn for, with Mr. Powell against.

General pairs until further notice:

Mr. Davenport with Mr. Dolliver.

Mr. Dingell with Mr. Wolcott.

Mr. Bulwinkle with Mr. Lichtenwalter.

Mr. Priest with Mr. Brehm.

Mr. O'Neill with Mr. Case of New Jersey.

Mr. Hébert with Mr. Hoeven.

Mr. Buckley of New York with Mr. Golden.

Mr. Klein with Mr. Gamble.

Mr. Lanham with Mr. Taylor.

Mr. Stanley with Mr. Short.

Mr. Wood with Mr. Patterson.

Mr. Cox with Mr. Chiperfield.

Mr. Whitaker with Mr. D'Ewart.

Mr. McSweeney with Mr. Horan.

Mr. Deane with Mr. Jennings.

Mr. Evins with Mr. Jonas.

Mr. Clemente with Mr. Plumley.

Mr. Bolton of Maryland with Mr. Wadsworth.

Mr. Colmer with Mr. Woodruff.

Mr. Burnside with Mr. Cunningham.

Mr. Gathings with Mr. Keefe.

Mr. Rains with Mr. Riehlman.

Mr. Richards with Mr. Smith of Ohio.

Mr. Walsh with Mr. Smith of Wisconsin.

Mr. Sabath with Mr. Gross.

Mr. Worley with Mr. Edwin A. Hall.

Mr. Murphy with Mr. Hoffman of Illinois.

Mr. Davies of New York with Mr. Jenkins.

Mr. Chatham with Mr. Kearney.

Mr. Kee with Mr. Potter.

Mr. Lyle with Mr. Fulton.

Mr. Moulder with Mr. Fellows.

Mr. Joseph L. Pfeifer with William L. Pfeiffer.

Mr. Patman with Mr. Stockman.

Mr. Bland with Mr. Vursell.

Mr. Bates of Kentucky with Mr. Velde.

Mr. Jones of North Carolina with Mrs. Rogers of Massachusetts.

Mr. Murray of Tennessee with Mr. Hinshaw.

Mr. Regan with Mr. Nelson.

Mr. Herlong with Mr. Talle.

Mr. Combs with Mr. Phillips of Tennessee.

Mr. O'TOOLE changed his vote from "yea" to "nay."

Mr. KERR changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

COMMITTEE ON ARMED SERVICES

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the Subcommittee of the Committee on Armed Services investigating post exchanges be permitted to sit during the session of the House today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FOREIGN AID APPROPRIATION BILL, 1950

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 228 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, it shall be in order to consider without the intervention of any point of order the following amendment:

"On page 4, line 7, strike out the period, insert a colon, and the following: '*Provided further*, That the entire amount may be apportioned for obligation or may be obligated and expended, if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950'."

Mr. SMITH of Virginia. Mr. Speaker, I have no requests for time on this side, and I will be the only Member to speak on the rule on our side. I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

THE ORIENTAL FRUITFLY SHOULD BE ERADICATED NOW

Mr. ANGELL. Mr. Speaker, a major problem is facing the Hawaiian Islands in devastation caused by the oriental fruitfly, discovered in June 1946. It is my information that it has made alarming advances in that time and everything possible should be done to eradicate the pest in the islands and to take every precautionary measure to prevent this infestation from reaching the mainland of the United States. We on the Pacific coast, in which we have a highly developed fruit-growing industry, which is one of our major assets, are situated in an area which could easily become infected by this pest reaching the mainland from the many airplanes flying back and forth betwen the islands and the Pacific coast. It has been found that this pest attacks not only citrus fruit but all fruit and is highly destructive.

I urge speedy action in providing the necessary funds to control and eradicate the pest.

I include as part of these remarks a letter I received today from Paulus Bros. Packing Co., of Salem, Oreg., under May 18, 1949, calling attention to the seriousness of the problem and urging effective steps to meet it. This company is one of the major fruit and vegetable packers in the Northwest. The letter follows:

PAULUS BROS. PACKING CO.,
Salem, Oreg., May 18, 1949.

Representative HOMER ANGELL,
Washington, D. C.

DEAR REPRESENTATIVE ANGELL: They are having a lot of trouble in Hawaii with the oriental fruitfly. Since its discovery in June 1946, it has made such rapid progress that fruit growers there are very alarmed and have asked an appropriation of $2,000,000 from Congress to control and eradicate this pest. The request has been broken down into six separate items, as follows:

A. Two hundred and fifty thousand dollars to expand the quest of parasites destructive

to fruitfly pests, now in progress in the western Pacific area, India, and South Africa, it being apparent that if success is to be achieved by this biological control method, early progress will be more assured by increasing facilities of these missions.

B. One hundred and fifty thousand dollars to studies of biology and ecology of fruitfly pests, since comparatively little is known of how the oriental fruitfly lives and responds to different conditions. Such information, of course, is vital to control and eradicate it wherever it may appear.

C. Five hundred thousand dollars to study of sterilization and fumigation of fruits, vegetables, and flowers. There is a wide area of unexplored possibilities for scientists with adequate laboratory equipment. Development of successful methods will stand for years to come as a vital safeguard to all agricultural areas threatened by such pests.

D. Five hundred thousand dollars to intensive studies of methods of area treatments and controls, such as spraying from aircraft, uses of chemicals, and eradication of host plants, inasmuch as such controls will be immediately needed should such a pest appear in any area in continental United States unprotected by ocean barriers.

E. Two hundred and fifty thousand dollars to intensive development and testing of new insecticides, since there are already thousands of new chemical products of laboratories developed during the war which have yet to be properly tested against these specific insects under various conditions.

F. Three hundred and fifty thousand dollars to research in disinsectizing materials and procedures on local and global common carriers, since rapid development of air travel has brought all continents within a few hours of each other.

With modern transportation as rapid as it is, it would be simple for the Pacific Coast States to become infected with the same pest. California is already fighting the possibility of the Mediterranean fruitfly coming in through fruits and has men stationed at its borders to inspect every automobile entering the State for fruit which might carry this pest. Fruit orchards of the Pacific coast are so valuable that we cannot afford to run the risk of infection.

We have gone over this program for the study and eradication of the oriental fruitfly and feel the amounts requested for the different phases of work are not excessive. This pest affects not only fruit but also vegetables and flowers.

We are very interested in seeing the danger of immigration of this trouble removed, and therefore would appreciate any help you might give.

With kindest personal regards, we are,

Yours truly,

PAULUS BROS. PACKING CO.
ROBERT C. PAULUS.

(Mr. ANGELL asked and was given permission to revise and extend his remarks and include a letter.)

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, it takes a great deal of nerve to stand up in the well of the House and talk to a Congress which seems to have in mind giving America away to foreign countries. It seems as if the majority of the Members are in favor of such a thing. I am not one of those. I am a Member who is interested in America first, last and all the time. I am going to stand in the well of the House and fight for America until there is nothing left of "BOB" RICH.

"BOB" RICH is just going to use every ounce of energy he has to try to convince the Members of Congress that this business of squandering the American taxpayers' dollars and taking the American people further and further into debt, as each day goes by, is eventually going to bring us to bankruptcy. I do not propose to encourage that.

Mr. Speaker, I picked up the Treasury statement of May 20, and I find that the excess of expenditures over receipts for this year, which will close very shortly, in about 30 days, is $2,895,654,019.45. We have a national debt of over $250,000,000,000. It is about time that we took a little inventory of our resources. It is about time that we took a little inventory of our ability to look after the affairs of our Nation if we intend to be a solvent, solid, sound, and going country like it was when you came into it. Remember that you Members are going to leave this country very shortly to your children and your grandchildren. How are they going to carry the responsibilities that you have heaped upon them by this great national debt which you have incurred in the last 15 years? How are they going to be able to survive? Are they going to be able to have the same opportunities that you had, or are they going to have a yoke around their necks so that they will not be able to carry on at all?

Mr. Speaker, I asked for this 5 minutes on the rule because it seems to me as if nobody is going to talk about it, and it seems as if it is the intention to let the thing come in easy, pass this bill for five or six billion dollars, and then slide out easy. But I have been working on a few of the things that we are doing under ECA, and I will give them to you when we come to the consideration of the bill. But you are on the rule now. Give them the rule. Let them talk it over. But, are you not going to stand here and let a few of the Members of the House try to cut this appropriation down? There is the gentleman from New York [Mr. TABER]. I have no doubt that he will be working hard to try to cut the amount down. There ought to be 250 Members trying to cut down Government expenses, and trying to cut down and economize in every other way possible. You have your taxpayers back home hollering at you and saying that they want less taxes, and that they want more opportunity to have more privileges for ourselves and our children. Yet we have many people saying that they want the Federal Government to look after them and they want the Federal Government to give them more so that they will not have to work. I believe in work and earn and save. It is only because of the great opportunities that have existed heretofore that America has become great. But, if you are going to assume all the burdens of all the countries all over the world, then I say "look out, America." It may be someday that we will not have any America. We will go by the board with a lot of other countries, because communism is running just as rampant in this country as it is in lots of these foreign countries. Stop communism here. Stop wrecking our own economy. We are no good to ourselves or to anybody when we are not solvent.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from New Jersey such time as he may desire.

Mr. HAND. Mr. Speaker, even in its reduced amount, I am still unable to support the pending bill appropriating additional billions for the foreign-assistance program.

Former President Hoover once referred to national prohibition as an experiment noble in purpose. It is only fair to say that the purpose of the foreign-assistance program is "noble in purpose." But it is my view that it is both impractical and unnecessary.

What the proponents of the bill overlook completely is that when the Marshall plan was first proposed, and before we had appropriated a dollar to implement it, many of the nations of western Europe had already achieved, in both industrial and agricultural production, a standard which was roughly equal to their production immediately before the war. Do not make the mistake of thinking that this program is designed to restore Europe to its prewar standards; it is, rather, to increase their standards of living and production far beyond that which existed immediately before the war.

There are many who will be shocked by this statement, but it is quite factual, and the basis for it may be found in the committee reports advocating the original adoption of this far-flung, and exceedingly expensive scheme.

Now, Mr. Speaker, it is entirely a desirable objective to increase the standards of European production and living until they equal our own, but the point that I raise is that we have not the slightest moral right to do this with the money of the American taxpayer, and I gravely doubt if we have the constitutional right to do it. The Federal Government is one of limited powers; the Congress can only do those things which are expressly or implicitly authorized. And I am certainly unaware of any authority in the Constitution to spend Federal revenues for the purpose of increasing living standards all over the world.

I call to your attention, also, that this dangerous theory will be expanded. The President, in his inaugural address in January 1949, spoke very clearly of the extension of this principle to help all the rest of the world. Indeed, we have come to a point where we insist on giving our money away regardless of need, and sometimes without even a request for it.

Mr. Speaker, what we do under this program sometimes leads to remarkable results. For example, we all agree that the Navy of the United States is not only the most powerful in the world, but more powerful than all the navies of the world combined. The second greatest Navy is that of our ally and friend, Great Britain. There just is not a naval threat to this country or to Great Britain, or to the Europe that we propose to support by the North Atlantic Treaty. It was for this reason, as well as in the interest of some sane economy, that the Secretary of Defense, Mr. Louis Johnson, recently canceled plans to build a huge aircraft carrier to add to our already impregnable fleet. I say that we did this because we did not need it, and could not very

well afford it. Notwithstanding these facts, the world press recently announced that Great Britain, the principal beneficiary of foreign-assistance funds, and who drains billions of our dollars for its own interests and socialistic enterprises, has announced the building, for its navy, of eight new aircraft carriers. If this makes sense, I would like it explained to me in words of one syllable by some of the proponents of this bill.

GREEK-TURKEY AID

I have referred to the Marshall plan as at least an experiment noble in purpose; that cannot be said of the program of assistance to Greece and Turkey. That, in its very conception, was an imperialistic doctrine in which the United States assumed the right to insist upon governments and policies all over the world which meet with its approval, and insisted that no government should exist which did not meet with its approval. When President Truman first suggested such a course to the Congress and stated that it was our duty to everywhere support democracies by cash and probably by force of arms, and referred to Greece and Turkey as democracies, I could hardly believe that he was serious. Neither country has ever been a democracy as we understand the meaning of the term. Moreover, quite frankly, it is none of our business to dictate to them the character of their Government; and it was a little difficult to understand why Greece and Turkey, alone, were selected.

On May 7, 1947, in a speech to the House of Representatives on this question, I said:

If the President thinks that the United States has the moral duty, or even the moral right, to interfere with all governments that are not democracies, he might have also mentioned most of the rest of the world; not just Iran, but Iraq, Egypt, India, Korea. He might have mentioned the communistic threat of Togliatti in Italy, of Thorez in France. He could have referred to the totalitarian Franco in Spain, and, closer to home, Argentina and Chile are not conspicuous adherents to the form of government that we in America prefer.

Further in the same speech I said:

There should be no misunderstanding of the Truman doctrine. The President was frank about it. Summed up, it is this:

"I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

"I believe that we must assist free peoples to work out their own destinies in their own way."

I cannot bring myself to believe any such thing. I do not believe we have either the duty or the right to interfere with the internal affairs of foreign nations throughout the globe.

It is this imperialistic and dangerous theory to which we have already subscribed hundreds of millions, if not billions, and are now asked to further support, perhaps indefinitely.

Moreover, Mr. Speaker, those hundreds of millions have been largely wasted. It was the assumption that this aid to Greece would stop the few thousand guerrillas who were then terrifying the entire Greek Army. If you think the plan has worked, I beg you to read the President's reports to Congress on the progress of Greek aid, all of which I have examined with care. In his sixth report to the Congress for the period ending December 31, 1948, which is the latest the State Department has available for us, you will find that the President says, among other things, that—

After weeks of inconclusive fighting and increasing guerrilla activity in other areas, Greek Army efforts in Vitsi slackened, and by the end of November the campaign was reduced to a holding operation. (P. 4, Sixth Report to Congress on Assistance to Greece and Turkey.)

Please bear in mind, Mr. Speaker, that this is the situation after about 2 years of the ceaseless pouring of American money into the Greek economy and Greek Army. The President goes on to say:

No major offensive actions were undertaken by the Greek Army during the period under review.

And again:

During December the guerrillas demonstrated a capacity to mount attacks in force against medium-sized towns in central and northern Greece.

They captured thousands of people to replace their own losses, and engaged in a considerable campaign of destruction.

Every report made by the President is to the same general effect, and the inescapable conclusion is that the plan just is not working.

Mr. Speaker, I am reluctant to continue stubbornly fighting against this program, which seems to get at least lip service from a considerable majority of the House.

The truth is, the program would not get 50 votes if it were not attractively presented as an effective movement for containing communism. I loath and despise communism, both with respect to its political theories, and economic theories. I support with all my strength, and always shall, our political democracy and our economic system of private enterprise; but anybody who has observed with care world events in the last 4 years will certainly conclude that this is not an effective means of combating communism. It must be clear now that we are on the wrong track.

However, I am content to follow the dictates of my conscience and to act in accordance with my extensive study of the entire program. I cannot stop what is being done, but I can at least raise my voice in warning, and I shall be content with the ultimate verdict of history as to whether our present proceedings were statesmanship of high order, or as I believe, dangerous nonsense.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, one of our solemn obligations as Members of Congress is to maintain at all times an adequate national defense. Each of us is under oath to support and defend the Constitution, and our country, against all enemies, foreign and domestic. In addition, we have an obligation to those who make up our armed forces in times of emergency, that they will be equipped with the finest weapons of modern warfare that dollars and cents can buy.

It is because I regard this obligation so keenly that yesterday I introduced House Resolution 227 providing for an investigation of the military aircraft-procurement program.

These are perilous times—times in which the preservation of peace depends upon our readiness for war if war must come.

Twice, first in 1917 and again in 1941, I served in the armed forces for my country. I think I know the importance of an alert readiness for a national emergency. Everyone knows that the American taxpayers, groaning under an almost unbearable burden of charges for the national defense, foreign relief, and domestic programs, need now more than ever before to be doubly sure that their money is not being wasted, that they are getting a dollar's worth of defense for every dollar of taxes paid.

Right now, I am not sure that they can be confident that this is the case.

Ugly, disturbing reports are beginning to circulate through the Congress and through Washington. They have come to me from New York and from other cities. I am confident that I am not the only Member of Congress who has heard these reports.

I say that the seriousness of their nature, the insistence with which they are going the rounds, the vigor and confidence with which they are asserted, imperatively demand that this Congress set up an unbiased House committee to make a full and complete investigation.

There may be some who will cry "politics" at my suggestion. I deny here and now, with every emphasis possible, that there is any politics at all involved. My record on national defense speaks for itself. It has, for years, been the record of both the Republican and Democratic Parties that when it came to the national defense and to international policy, politics was permanently adjourned.

While I know it is customary to give the author of an investigating resolution chairmanship of an investigating committee, I renounce any traditional claims for myself.

My old friend, Louis Johnson, the Secretary of National Defense, should particularly welcome this inquiry. Inasmuch as his name is deeply involved in the reports, he should wish to clear it. Officers of the Army, Navy, and Air Force should welcome the investigation. Their stake is a million miles from politics.

The administration should welcome the inquiry. If the reports are ill-founded, it should be glad to accept a device which, through an unbiased inquiry, will dispose of them for all time. If they are correct, then the American people have an absolute, undeniable, God-given right to know the truth and to expect their Congress to take drastic action.

My proposal is simply this: That the House set up a committee of five members each from the House to investigate all phases of the qualities of various military aircraft; all circumstances and facts involved in the cancellation of some contracts, the enlargement of others;

the connections of the Honorable Louis Johnson, Secretary of Defense, and the Honorable Stuart Symington, Secretary for Air, past or present, direct or indirect, with these companies; and the 1948 political campaign contributions that may have been made by these companies or their officers.

These disturbing reports—and to me they are only reports until they are investigated—revolve around the associations of Mr. Symington and Mr. Johnson with Mr. Floyd Odlum of the gigantic Atlas Corp., a super holding company.

It is reported that Mr. Symington is a frequent week-end visitor at the Palm Springs, Calif., ranch home of Mr. Odlum and his wife, the former Jacqueline Cochrane; that the logbook of the "Dewdrop" plane, which Mr. Symington uses as his personal aircraft, will record many visits to Palm Springs. This in itself is nothing. Against a background of other facts it provides food for thought.

In 1947, the Consolidated Vultee Aircraft Corp. held contracts for 100 B–36 bombers. At that time there was considerable doubt as to whether the contracts would ever be fully validated. A reading of the hearings on the 1949 Air Force appropriations discloses that in early 1948, it was actually planned to cut back these contracts. The Air Force was asking instead for B–50's and B–54's. In 1947, Victor Emanuel, who then controlled Convair through his Aviation Corp. (AVCO), considered selling Consolidated to the Lockheed Aircraft Corp. The Securities and Exchange Commission would not approve the sale.

Late in 1947, Mr. Odlum, through Atlas, acquired control of Consolidated, and became chairman. A few months later, in January, the Air Force prepared a directive canceling production of the B–36. Air Force studies in early 1948 indicated that the B–36 was not suitable, and Gen. Lauris Norstad so advised his superiors, explaining that the contract for 100 would be cut back to 50 or 60 so as not to bring finanical ruin to Convair. In May, the Air Force announced that it would build its 70-group force around the B–50, Boeing; and the B–45, North American; P–86, North American; and others. This announcement on May 7, 1948, did not list the Convair B–36.

By then, 10 B–36's had been produced. The Air Force in June cut production to 96 and announced a further reduction to 61 B–36's.

Mr. Louis Johnson was a director and attorney for Consolidated Vultee at that time.

During the same months of April, May and June, 1948, an official investigation was begun of the wartime aircraft turret contracts of Emerson Electric Co., of St. Louis, a firm formerly headed by Mr. Symington.

These aircraft turrets were unsatisfactory, and the contracts contained a clause providing that defects be corrected without cost to the Government. Col. Frank Wolfe, of Wright Field, went to St. Louis and renegotiated these contracts without loss to the company. It has been said that this renegotiation process cost the Government approximately $20,000,000. Emerson Electric was saved from loss, the Government obtained the turrets at increased cost and as usual, the American taxpayer suffered. Colonel Wolfe, who was a subordinate of Gen. Benny Meyers, is now retired and is said to be living at Beverly Hills, Calif. The entire transaction should be the object of the committee's inquiry.

I return to Consolidated Vultee-Atlas Corp. Although in the spring and summer of 1948 the Air Force planned to reduce materially the B–36 contracts, we find that in January of 1949 it was canceling contracts with other companies for other planes in order to procure more B–36's, which not many months before had been found unsatisfactory as bombers and were to be used as refueling tankers. The renegotiations of the canceled contracts with other manufacturers was handled by an outside law firm, reportedly upon the recommendation of Mr. Johnson. This firm had been retained for some time by Mr. Odlum's Atlas Corp.

Throughout the aircraft industry there are reports of very serious circumstances surrounding this transaction. They involve reported plans to set up, through Atlas, a huge aircraft combine under the control of Mr. Odlum. I have heard from sources I cannot disregard that there is a plan under way for Mr. Symington to resign as Secretary of Air as soon as the 1950 budget containing more funds for more B–36's is approved, and head this huge aircraft combine. I do not say that all of these reports are true; but I do emphatically assert that they are so prevalent and so persistent as to require a congressional investigation without further delay. The Congress should take this action in the vital interests of the security of the United States. We have a duty to the Nation regardless of an individual or corporation. That duty we cannot shirk.

On September 10, 1948, it was announced that the B–36 contract would not be cut back to 61 after all, but that the entire 94, still under contract, would be accepted. Later, 36 Convair—Consolidated-Vultee—liners were purchased and a $35,000,000 contract for modified training planes was executed with the same company. In October, the production of Northrup B–49a jet bombers was transferred from that firm to Consolidated Vultee. The same month a Curtiss-Wright contract for F–87 all-weather fighters was canceled. A few weeks later, the $80,000,000 which was withdrawn from the Curtiss contract was transferred to Consolidated Vultee for trainers. There have been repeated cancellations early this year for other types of planes, all a matter of record, to make additional funds available for B–36's. The cut-backs of other contracts involve $312,000,000, a great sum. The cost of canceling the original contracts is being borne by the taxpayer. They will total in the neighborhood of $100,000,000. The money withdrawn from the other contracts will go, for the most part, to Floyd Odlum's Consolidated Vultee Aircraft Corp.

More recently the B–54 contract has been canceled and plans are going forward for the purchase of yet another 36 B–36's. The Air Force has also brought forth a plan to modify the 73 B–36's already on hand by the addition of jet engines, for which the B–36 was not designed. The cost of the modification of the plane to bring it more in line with aircraft developments that have far outpaced its original design is more than $2,500,000 each, more than all airplanes except the B–36 cost in the first place. Former Secretary of Defense, the late Mr. Forrestal, in learning of irregularities in the handling of this plan, refused to approve it. A very short time after Mr. Johnson was sworn in to succeed Forrestal, he issued orders, in great haste, to give the additional $183,000,000 contract to the Consolidated Vultee Aircraft Corp., a firm from which he had just resigned as director and counsel a few weeks before.

It is impossible for me at this point to catalog the entire series of cancellations and reorders of Consolidated planes. But Congress should here and now find out why the B–36 was unacceptable in the first half of 1948; why it became acceptable in September and October 1948; why contracts for other types have repeatedly been cut back to provide funds for still more B–36's, and whether there are plans for a super aircraft combine to be headed by Secretary of Air, Symington, and under the thumb of Floyd Odlum.

There are well-founded reports that Mr. Odlum was very active in assisting Mr. Louis Johnson to raise campaign funds for the Democratic Party in September and October 1948 that this coincides with the improvement in the status of the Consolidated Vultee Aircraft Corp. and with the reputation of the product on which its financial future was staked—the B–36. If the aircraft industry and Mr. Odlum assisted in raising $1,500,000, or as some reports have it, a staggering $6,500,000, for the Democratic campaign, the Congress and the American people should know about it.

I do not assert that this is true. I maintain that there is sufficient evidence at hand to demand an investigation, devoid of any whitewashing or soft-pedaling tactics. The American people are entitled to a fair and impartial investigation so that the truth may be known.

There is much more information available that I have not taken the time to relate. This information belongs properly to an investigating committee. It concerns the wastage of some 2,000 B–29's now in storage; it concerns the influence and political association of Mr. Odlum with Mr. Johnson and Mr. Symington.

Nothing short of an inquiry by Congress will clear up these matters. We are spending $15,000,000,000 a year on our national defense. Are we pouring much of this into one basket, and an outmoded basket at that? Is there undercover dissension and serious disagreement on the state of our defenses? What about these influences that are being so widely discussed now? What about the cancellation, revision, renegotiation, and rejuggling of contracts for planes that, less than a year ago, were thought to be our best defensive weapons? What about these associations that are being so widely discussed?

In fairness to the public which ungrudgingly pays the bill, in fairness to

Congress itself, and in fairness to all who have been and are being mentioned, Congress can do no less than to support a full, complete, and fair investigation into these matters. That is exactly the purpose of my resolution.

Mr. ALLEN of Illinois. Mr. Speaker, while I do not know of any further requests for time on this side, yet I reserve the balance of my time until the gentleman from Ohio [Mr. BROWN] comes in.

Mr. SMITH of Virginia. I want the gentleman from Illinois to understand that when I conclude my remarks I shall move the previous question. Is that all right?

Mr. ALLEN of Illinois. That is all right.

Mr. SADOWSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Virginia yield to the gentleman from Michigan for a parliamentary inquiry?

Mr. SMITH of Virginia. I yield.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. SADOWSKI. Mr. Speaker, the gentleman from Virginia has stated that there has been no request for time on this side. I make a request for 5 minutes.

The SPEAKER. The gentleman has not stated a parliamentary inquiry.

Mr. SMITH of Virginia. Mr. Speaker, I may state, in order to show my good faith, that the gentleman from Michigan did ask me for time just after I had said I had had no inquiries, which was the fact, and had agreed that I would not yield any further time on this side. I will state further that I also arranged for the gentleman from Michigan to get 5 minutes under general debate, which he does not seem to desire.

Mr. Speaker, the purpose of this rule is merely to facilitate passage of this bill by authorizing and making in order an amendment which the Committee on Appropriations wishes to offer. The House will thus be given an opportunity to vote on this proposed amendment. It is thought that by doing that it will facilitate the passage of this bill, which I think all Members are very anxious to dispose of.

Mr. Speaker, I move the previous question on the resolution in order that we may get right into it and that its consideration may be concluded today.

The previous question was ordered.

The resolution was agreed to.

Mr. GARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes; and pending that I ask unanimous consent that general debate on the bill may be limited to 4 hours, one-half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

Mr. RICH. Mr. Speaker, reserving the right to object, I wish to ask the gentleman if he believes that in 4 hours we can do justice to the American people in spending $6,000,000,000?

Mr. GARY. Mr. Speaker, I assure the gentleman that we are going to try to do justice, complete justice, to the American people.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate on the bill be limited to 4 hours, the time to be equally divided and controlled between himself and the gentleman from New York [Mr. TABER].

Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, with Mr. COOLEY in the chair.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Virginia [Mr. GARY] is recognized for 2 hours, and the gentleman from New York [Mr. TABER] will be recognized for 2 hours.

Mr. GARY. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, at the beginning of the discussion on this bill, may I pause for a moment to pay my respects to the subcommittee that has labored so diligently for the last month on this measure. We had as majority members of this subcommittee the gentleman from New York [Mr. MCGRATH] and the gentleman from Illinois [Mr. YATES], two newcomers to the House and two newcomers to the committee, but men who have already made their mark and have demonstrated their ability. As the two Republican members of the committee we had the gentleman from New York [Mr. TABER] and the gentleman from Massachusetts [Mr. WIGGLESWORTH], whom I am certain the House will realize have given thorough consideration to this entire problem. I know of no two men who are better qualified to pick flaws or to find weaknesses in a witness' armor, and I say to you that throughout these hearings they were zealous in their efforts to find out, if possible, if there was anywhere we could cut down on this program or if there was any faulty administration.

There appeared before the committee many witnesses from the Department and from the outside. We had the privilege of listening for over an hour to Gen. Lucius D. Clay, the retiring United States Governor in Germany, who had just returned from Germany and was, therefore, able to give us an accurate picture of conditions with respect to that country. In addition, we had several representatives of the ECA who had recently returned from Germany and from Japan. So that we had at first hand the latest information as to conditions in Europe and Japan.

Mr. Chairman, this bill contains four subdivisions. In the first place, we have the ECA. In the second place, we have what is known as GARIOA appropriations for Government and relief in occupied areas. Then we have EROA, which is economic rehabilitation in the occupied areas. EROA is the ECA for Japan. In addition to that, we have an item for assistance to Greece and Turkey.

I shall try to outline briefly the various proposals before the Committee of the Whole at the present time. But before I do that may I give you the general background of this entire situation insofar as ECA is concerned.

Our committee did not feel it was our duty to go into the question of policy, which has been considered on numerous occasions on this floor. The House has decided the policy so far as ECA is concerned. We considered it our job to see to it that the policy is carried out at the least possible expense. Consequently, we scrutinized very carefully the administration of the ECA program. May I say, and I think I can say this without contradiction from the minority members of the committee, that we were greatly impressed with the administration of ECA from Mr. Hoffman on down.

Throughout the hearings there was never a time when we asked for information and statistics, that they were not immediately available or if not immediately available, the statistics were compiled and presented just as quickly as could be expected.

There have been substantial accomplishments under the ECA program; as a matter of fact, I think I could go even further and say that there have been amazing accomplishments. It was my privilege to visit Europe in the fall of 1947. When present conditions are compared with those which existed in 1947, it is nothing less than startling.

Industrial and agricultural production has increased tremendously in practically all of the countries. Exports from these countries have increased substantially, so that some of the countries today are helping the other countries of Europe in their respective recovery programs. The standards of living have been raised to a gratifying extent in all of the participating countries. As a matter of fact, in many of the countries the standards of living are now almost back to the prewar level, when you discount the question of housing in those countries where destruction was worst. Of course, the housing conditions in Europe will be bad for many years to come.

The morale of Europe has improved and let me say to you this is of the greatest importance in this critical state of world affairs. As a matter of fact, the cold war in Europe has been won up to the present time. Communism has been stopped in its tracks. We asked General Clay and other witnesses who are in a position to know and they said that in their judgment there would have been no North Atlantic Pact, which guarantees the safety and security of this country, unless there had been an ECA. They said that the Berlin blockade would not have been lifted had it no been for the effects of the ECA. In fact, this program has succeded so well, that many, who 1 year ago proclaimed that it should not be undertaken because we would be pouring money down a rat hole, are today contending that recovery has been so substantial that the ECA does not now need additional funds.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does the gentleman know how much money is covered in this bill altogether?

Mr. GARY. I will give the gentleman the figures in just a moment.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. What country did the gentleman say does not need additional funds?

Mr. GARY. I did not say any country. I said that many people who stood on this floor and who argued a year ago that we should not embark upon this program because we would be pouring money down a rat hole now say that all the countries have recovered to the point where they do not need any money, which is an admission of the efficacy of the program.

Mr. RICH. Has the gentleman had any indication from any country over there that they would not need any funds at any particular time in the future?

Mr. GARY. No; and I am going to discuss that right now.

Mr. RICH. They are all going to have their hands out as long as you are going to hand it to them.

Mr. GARY. Gentlemen, we have made substantial progress, and yet there is a great deal to be accomplished. In the first place, the currencies of these various countries have not been completely stabilized. In some of the countries inflation is still rampant. That is one of the situations that the ECA is fighting in Europe today. It is insisting that the countries stabilize their currencies. We are in this position in this program, the ECA does not attempt to tell these various nations what they have got to do, but they are trying to assist them in formulating programs that will eventually mean the economic recovery of the entire world.

Much is yet to be done with reference to the elimination of trade barriers so that these nations in Europe can trade freely with each other. A great deal has been accomplished in that respect. A number of trade barriers have been removed, but that is a difficult program and consequently it is one that is going to take a long time to work out. The nations of Europe need a balanced budget. As a matter of fact, that is one of the great problems that we are also facing in our country today. In some of these countries they have not imposed adequate taxes, and in one or two instances they have not collected the taxes that they have imposed. But great progress has been made in bringing about reforms in these respects. Moreover, a great deal has been accomplished in regional cooperation, yet much more must be done. Naturally, there is a desire on the part of each nation of Europe to become self-sufficient rather than remain dependent upon its neighbor nations for some essential commodities. The ECA is trying to promote a program of regional cooperation, so that one nation will rely more upon another nation for the things that nation is best prepared to produce.

We have two alternatives today. One is the ECA, which will bring about recovery of our allies in Europe. The other is to prepare for war. If we cannot stop the advance of communism in Europe, then we must realize that sooner or later, after they have taken over the Continent of Europe, the continent of North America will be their next objective.

The ECA program is a defense program, and it is a much more effective defense program than one of merely preparing for war, for this reason: if we spend all our money preparing for war and war does not come, the money is wasted; but if we spend a part of our money in strengthening our allies, who will assist us in the event of war, we will at the same time under the ECA program strengthen them economically so that in time of peace we will increase our opportunities for trade and provide markets for the surpluses in this country.

We all know that the United States is a surplus-producing Nation. We must have foreign markets to dispose of those surpluses or else our own national economy will suffer. When we rebuild Europe, we are building up markets which will benefit us in peacetime, and we are also strengthening those nations to the point that they can be effective allies in the event of war.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. I suppose a good many people think I am opposed in every way to helping others, but that is not the case. I am opposed to the degree in which we are trying to aid other people, when we need so much help ourselves. Suppose you spend this $6,000,000,000 in assisting these countries; does the gentleman believe for a minute that these countries will give every consideration to American produce, if they can buy the materials from some other country for less money than they can from America?

Mr. GARY. May I say to the gentleman that I do not believe anyone on this floor will question the motives of the gentleman from Pennsylvania. I certainly have the highest regard for him. I know that in this matter he is actuated by the highest motives. I do not agree with the gentleman, however, and the reason I do not agree with him is that I have seen the effectiveness of this program. We are encouraging the people of Europe to trade among themselves because they must have trade to live, just as we must. On the other hand, unless we can strengthen them economically, they cannot trade with us at all. We certainly must have markets for the surplus products in this country.

Mr. RICH. They have always worked things out themselves. The thing I fear will happen is what is happening in this country. We are trying to let everybody know they can get everything they want without doing anything to get it. I believe in working and earning and saving. I believe that the more you do for some people the less they will do for themselves. That is what I fear we are doing in the operation of ECA.

Mr. GARY. I think the administration of this program from that standpoint has been beyond criticism. Mr. Hoffman and his associates in the administration of ECA have tried in every way they could to see that the European nations do their part. The gratifying thing about it is that they are doing their part, and the results to date show it.

Mr. RICH. One other statement: I have the highest regard for the gentleman, and I want him to know it.

Mr. GARY. I thank the gentleman.

Mr. RICH. I have appreciated my association with the gentleman. But have you weighed the question of how far this country can go beyond the condition that we find ourselves in now, with the great demands that are made upon us for the people of our own country? How much further do you think we can go on? I know that we have a lot of fine men on the Committee on Appropriations. I just think that they are overdoing it. Have you figured how much we can go in the red this next year and still be economically sound?

Mr. GARY. It is important to find out how far we can go, but it is more important in my judgment to know how far we must go. We must go far enough to protect this country. To have an inadequate program for the ECA would be worse than having none at all, for this reason: If you have no program at all, then you can take the money now used for the ECA and use it for atomic bombs and an increased Army and Navy in this country. If, you have an adequate program, you will strengthen our enemies—pardon, me, I mean you will strengthen our allies to the point that if war should come, they will be of material assistance to us. But if you have an inadequate program, you will merely weaken the United States without strengthening our allies, and the whole amount will be virtually thrown away.

Mr. RICH. The gentleman made the statement, inadvertently of course, that we will strengthen our enemies.

Mr. GARY. What I meant to say and did say was that an adequate program would strengthen our friends.

Mr. RICH. Of course it was a slip of the tongue. I know the gentleman did not mean to say that. But what I am afraid of is that by trying to strengthen our friends we may be making a mistake.

Mr. GARY. I said we were trying to strengthen our allies.

Mr. RICH. We gave Russia over $12,000,000,000 worth of equipment, which they have in that country. We are fearful of them now, and we wish we had it back.

Mr. GARY. We are not doing that any more.

Mr. RICH. We are doing the same thing, perhaps, with some of these other countries which may turn on us. Under the North Atlantic Pact, we are figuring on helping them, and they are preparing for war over there. They might turn around and use that against us. That is what I am afraid of. I think you have to keep your eyes and ears wide open for fear that some of these things, which we think are going to be blessings, will turn out to be anything but blessings to our country.

Mr. GARY. I agree most heartily with the gentlemen on that. I think that is what our committee has done. We are trying to see that this money is used properly.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. RABAUT. The gentleman from Pennsylvania [Mr. RICH] asked the question: How far can we go in the red on this? I would like to ask the question of the gentleman from Pennsylvania, how far does he think we will go in the red if we have a "hot" war?

Mr. RICH. The gentleman from Pennsylvania will answer that question, if the gentleman would yield for that purpose.

Mr. GARY. I wish the gentleman would not ask me to yield now.

Mr. RABAUT. Let us thresh that question out on our own time.

Mr. GARY. I would like to give the gentleman the opportunity to answer, but I feel that I have yielded sufficiently.

Mr. Chairman, I want to say to the gentleman that the aim of our committee was to provide for an adequate program at the least possible cost. Let us look at the costs briefly.

Mr. RICH. Mr. Chairman, will the gentleman permit me to make a statement in reference to the question asked by the gentleman from Michigan [Mr. RABAUT]?

Mr. GARY. I yield.

Mr. RICH. I believe that if we would talk peace, and work and do everything for peace in this great Nation of ours, and in all the world, instead of talking so much about the probability of having war with Russia—if we would send a commission over there, by the President of the United States, to try to get together with them peacefully, we would accomplish a great deal more than by trying to prepare for war. Whenever we make these great preparations for war, we have a lot of fellows who want to use the machinery of war. That is what will happen. But if we talk peace and try to keep from spending our money for arms and munitions, and things of that kind, then we will have peace.

Mr. GARY. May I say this—of course, if the gentleman from Pennsylvania believed, as I do, that this program will promote the peace of the world, he would not object to one dollar that we are spending. From the bottom of my heart I believe that it will do just that. That is the reason I stand before this body today, with all the sincerity of my being, to ask you to provide for an adequate program for the ECA, which I think is the greatest factor we have for the advancement of world peace today.

Let me talk for a few moments about the figures. In the ECA authorization bill recently passed by this Congress, we authorized $1,150,000,000 for the period from April 3 to June 30, 1949. In addition to that, we authorized $4,280,000,000 for the fiscal year 1950. The total authorization was $5,430,000,000. That was the original estimate for this program. But before the bill was presented to our committee, realizing that there had been some reduction in prices, when the budget estimate was submitted, the President himself cut those estimates $157,800,000 below the authorization. So that the budget estimates were $1,074,000,000 for the period from April 3 to June 30, 1949, and $4,198,200,000 for the fiscal year 1950, making a total of $5,272,200,000.

The subcommittee went over these estimates very carefully. They felt that they could be further reduced. There had been some price reductions between the time of the President's budget estimates, and the submission of the report to us, which we estimated at $42,300,000. We considered that there would be a continued decline in prices throughout next year, and that decline was estimated at $80,000,000. In addition, there is now pending before the Senate an international wheat agreement which will probably be ratified by that body and if it is ratified the ECA, by reason of the price provided in that agreement, will save $60,000,000.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FLOOD. If the gentleman will permit, I wish to read a statement from the New York Times of May 24. This article states:

> The cost-of-living index went up 0.1 percent between March 15 and April 15, the Bureau of Labor Statistics reported today. This represented higher average retail prices for foods, miscellaneous consumers goods and services. According to this report it marked the second month of slight price rises following 5 months of falling prices.

Mr. GARY. I thank the gentleman from Pennsylvania for that information which indicates that our subcommittee may have cut too deeply. The items which I just outlined total $182,300,000 that the subcommittee cut from the ECA appropriations.

When the recommendations of the subcommittee were submitted to the full committee, the full committee felt that the subcommittee had not cut sufficiently; consequently a motion was made in the full committee that the amount for the fiscal year 1950 be decreased 15 percent from the amount of the budget request. That brought the figure down to $3,568,470,000. It cut the total budget requests for ECA to $4,642,470,000. That was a reduction of $1,280,730,000 below the funds available for the fiscal year 1949, or a cut of 26 percent. It is a reduction of $629,000,000, or 15 percent, below the budget estimates.

Frankly, the subcommittee did not think that was a proper cut, but we are not going to ask at this time that the amount be restored; what we are going to ask is that the House write into the bill a provision that was in last year's bill, inserted, I think, at the instance of my friend, the gentleman from New York [Mr. TABER]. The language which is identical with that inserted in the bill passed in 1948 is as follows:

> *Provided*, That the entire amount may be apportioned for obligation or may be obligated and expended if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950.

That means that we are appropriating this amount for a 15 months' period. If, however, it becomes necessary it may be used in a period of 13½ months. If the committee has guessed right, the funds appropriated will be spent during the 15 months' period and the entire amount stricken from the bill by the committee will be saved. However, if it develops that the program cannot be successfully carried on for the full 15 months with the funds provided in the bill, then the President may authorize that the expenditures be accelerated and the entire funds spent in 13½ months. The amendment will insure the continuation of this program which is so vital to our national defense and to world recovery.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. COUDERT. Does the gentleman from Virginia, who is my chairman also on another subcommittee, contemplate that at the end of 4 years the ECA program shall terminate?

Mr. GARY. May I say to the gentleman from New York that is one thing this subcommittee has insisted upon and we had every assurance from Mr. Hoffman and his associates that they are working to this end. They have served notice on all of the recipient countries that the program will close in 1952 as originally planned and that relief will not be extended beyond that time. I have talked with Mr. Hoffman and Mr. Harriman. They both assert that the program has gained a certain momentum at the present time and, if we do not sustain that momentum, they fear that we may not complete the program within 4 years as contemplated and it may cost us much more in the long run than making a proper appropriation at the present time.

Mr. COUDERT. Assuming that the President exercises a power to use the entire amount, what percentage of reduction do the figures in this bill represent when compared to the 1949 appropriation?

Mr. GARY. Seventeen percent.

Mr. COUDERT. I have an impression it was somewhat less than that from what the gentleman said in committee.

Mr. GARY. I said 6.2 percent below the authorization in committee, but it is 17 percent below the funds available for 1949.

Mr. COUDERT. In estimating that percentage, does the gentleman include the 1949 $1,000,000,000 loan fund?

Mr. GARY. Yes.

Mr. COUDERT. That accounts for the difference between the 17 percent and the 6 percent?

Mr. GARY. The 6 percent applies to the authorized funds. It has no reference to the amounts used in the fiscal year 1949.

Mr. COUDERT. What is the reduction from the appropriated funds in 1949?

Mr. GARY. From the appropriated funds of 1949? They had three sums for a 15-month period.

Mr. COUDERT. I am taking a 15-month period in both cases because this

bill is for a 15-month period and the full amount is the amount that the President may call for.

Mr. GARY. Does the gentleman mean the percentage eliminating the $1,000,000,000 loan fund?

Mr. COUDERT. Yes.

Mr. GARY. I do not have that percentage.

Mr. COUDERT. It seems to me that the committee this year and next year should consider the fact, if this is a 4-year program, that it ought to be reduced pro rata in each year so that when it comes to the end there will not be an enormous sudden drop in funds being paid out by the United States to Europe, which might adversely affect our economy and the European economy.

Mr. GARY. I understand what the gentleman has in mind. We started this program about a year ago. It took some time to gain momentum. The Administrator feels we should not reduce quite as much now because we have gained that momentum; but, if we keep up this momentum this year, next year we can cut more drastically and the following year more drastically still. As recovery progresses the countries will need less money. By this program we are building these countries up to where they become self-sustaining, so that the greater their recovery the less money the United States has to contribute.

Mr. COUDERT. The gentleman realizes, I take it, that all concerned with this program admit that at the end of 4 years the ERP nations will not have attained self-sufficiency. That is true, is it not?

Mr. GARY. No; I do not think that it true. I do not know that they will be completely self-sustaining, but they will be in position to go along without further aid from this program.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. VORYS. On the point that has just been brought up, and it has been brought up a number of times before, I think the House should be reminded of what these countries over there are doing themselves. It was brought out before our committee and before the House when the extension bill was up. The OEEC—the Organization for European Economic Cooperation, set up by these 16 European nations—when it received estimates from the various member governments for this year and for the period up to 1952, found those figures were out of balance by over $3,000,000,000, and that Europe would have a dollar deficit of that amount at the end of ECA, if these estimates were used. The OEEC itself refused to accept these figures and sent them back to every country, saying in substance: "You have got to refigure this so that instead of a $3,000,000,000 deficit in 1952 we come out even."

It was felt, and I think with some justice, that this was a step in the right direction by this Organization itself. They refused to rubber stamp the reports, as I fear they did in 1948, but instead they criticized these reports and returned them without approval. They said, for instance, that each country was trying to achieve entirely too much self-sufficiency, and they had better refigure their estimates, and cooperate, so as to get Europe in balance by 1952.

I want to point this out; while the amount of money we furnish by way of grants, subject only to the deposit of counterpart funds, should shrink down finally to nothing at the end of the 4-year period, in 1952, the amount of material that we can furnish from our farms and factories will not only be available but will increase. What we should aim to do and what the OEEC should aim to do is not to cut down the exports from the United States but to arrange to pay for them, either in cash or credit, by 1952, and I feel quite confident that that can be done.

Mr. GARY. I thank the gentleman for his contribution.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. I would like to commend the gentleman from Virginia for his interest, being certainly one of the hardest-working Members of the House, and for the very fine, clear statement he is making.

I noticed in the paper this morning that an agreement has been worked out. I understand time is of the essence, and therefore the gentleman did not have the opportunity to advise the full Committee on Appropriations nor the House of the agreement. I just wonder if he will explain it sometime in his own time in detail. Does the gentleman intend to do that later, or would he care to do it now?

Mr. GARY. I will say to the gentleman that I have just explained that when the bill is up for amendment I shall offer an amendment to place into the bill identically the same language that was in the bill last year; the language which I just read a few moments ago on the floor.

Mr. THOMAS of Texas. That is fine. I understand that; that is very clear. From there let us go two or three steps further. Does the gentleman intend to offer a motion to restore the funds?

Mr. GARY. No.

Mr. THOMAS of Texas. Or leave the funds as they are now?

Mr. GARY. We leave the funds as they are now. That is, the ECA funds?

Mr. THOMAS of Texas. That is right.

Now, will the gentleman's motion include the occupied countries' funds?

Mr. GARY. No. I am coming to that right now.

Mr. THOMAS of Texas. Will they be touched in any way?

Mr. GARY. I am coming to that right now; if the gentleman will just wait, I will explain the rest of it. I have completed my statement with reference to ECA. If the gentleman will just give me a few moments, I will attempt an explanation of the other items.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. I have in my hand a letter received on May 19, over the signature of Mr. Paul Hoffman, in which he admits that lumber is being purchased behind the iron curtain under the ECA program in competition with the American lumber industry. I therefore assume that the same thing is true of other commodities.

Now, can the gentleman, who is well-versed and well-informed regarding these appropriations and the uses thereof, explain to me, first, how that is consistent with the program; and, secondly, will he tell the House how much ECA money is being spent behind the iron curtain in the procurement of commodities in competition with American industry?

Mr. GARY. So far as we know, absolutely none. There may be some isolated instances, the gentleman will understand.

Mr. WILLIAMS. If the gentleman wants to see this letter, I will be very happy to show it to him.

Mr. GARY. He admits that that might be true?

Mr. WILLIAMS. He says:

> We may add, a comparatively small amount—
>
> Speaking of lumber—
>
> has been authorized for procurement behind the iron curtain.

Now, I would like to know how much is being procured behind the iron curtain.

Mr. GARY. There is no provision in this bill for any countries behind the iron curtain.

Mr. WILLIAMS. Before the House votes on this measure, does not the gentleman feel that we should know how much is being spent behind the iron curtain?

Mr. GARY. None is being spent behind the iron curtain.

Mr. WILLIAMS. Then Mr. Hoffman is wrong?

Mr. GARY. He said there may have been. There may have been in the past, but there is none at the present time, as I understand it, and there are no funds in this bill to be spent behind the iron curtain.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. YATES. I think perhaps what may confuse the picture is that some of these countries are still dealing in their own currencies with countries that are behind the iron curtain, using soft currencies, but not with the dollars that come from the United States under the ECA program.

Mr. GARY. Certainly there is no money in this bill for any country behind the iron curtain.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. It is true, however, that some of the participating countries are trading with countries behind the iron curtain and receiving certain supplies from them. For instance, Poland is sending coal and timber to the different countries. I think there are some food shipments out of Yugoslavia into Italy. Perhaps there is a little meat coming in. I would not be sure about that. I think that is true.

Mr. GARY. There is some coming from some of the countries; yes.

Mr. WILLIAMS. By way of explanation, let me say that this letter written by Mr. Hoffman has sole reference to purchases and procurement under the ECA program.

I will read further from Mr. Hoffman's letter. He says:

It is the purpose of this policy—

Speaking of the policy adopted by the ECA—

to assure to the United States lumber industry an opportunity to compete for ECA-financed business.

Mr. GARY. And not countries behind the iron curtain.

Mr. WILLIAMS. Before he came to that, he admitted we were purchasing lumber behind the iron curtain.

Mr. GARY. Not that we were purchasing lumber behind the iron curtain. As the gentleman has explained, there is some trade between the countries; yes.

Mr. WILLIAMS. It is being purchased by American money.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. I wonder if the confusion may not arise from the possibility that some of these countries may have used for buying behind the iron curtain some of the counterpart funds, funds that they put up in their own currency to match the value of what we send over in dollars. There is no reason so far as I know why they should not use it for that purpose if authorized by the Administrator. Furthermore, we must remind ourselves again that the one objective of this program is to help them get in such a position that they do not have to buy so much in dollars or in hard-currency countries; otherwise, we never can end the program.

Mr. TABER. If the gentleman will yield further—as I understand, these counterpart funds are used entirely within the country to which the goods are sent. The counterpart funds represent a fraction of the receipts from merchandise that is sold that is contributed from our purchases from participating countries and Western Hemisphere countries and ourselves, to ship over there. None of those counterpart funds are used in any way outside the country into which the goods are sent, as I understand.

Mr. GARY. That is correct.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentlewoman from California.

Mrs. DOUGLAS. The distinguished former chairman of the Committee on Appropriations is quite correct. Counterpart funds are not used to finance trade between the countries of Europe, either between the western countries of Europe or in east-west trade. There is today east-west trade in Europe. There has always been east-west trade in Europe. Eastern Europe has the grains, the coal, the wood western Europe must have. Without such trade, the Marshall plan would cost many times over what it is costing to get the western European nations back on their feet. East-west trade is not financed out of American dollars.

Mr. Chairman, you may recall the statement I made on the floor, when the ERP legislation was before the House. I handled that part of the program, explaining the intra-European-payments plan for the Foreign Affairs Committee. I pointed out that there are little Marshall plans underwritten by the Marshall-plan countries—intra-European-payments programs that permit trade to be carried on between the western nations in Europe and, where it is necessary, between the western nations and the eastern nations of Europe. Western Europe must import such things as wood, wheat, coal, and dairy products. For instance, England imports her eggs from Poland. Wood comes from Russia to England. If England had not been able to get wood, she could not have started building homes for those hundreds of thousands of families whose houses were bombed out in the war.

Intra-European trade is carried on through trade arrangements financed by local currencies. It is not financed by our dollars.

You will recall, Mr. Chairman, that when the ERP program was originally discussed in the House, the committee of the House amended the bill prohibiting exports to the ECA countries of any goods in short supply in this country.

That is why in some instances ECA countries have gone outside of the United States to buy wheat and other products. First, they do not begin to have enough dollars to buy in the United States all the food and raw materials that they need. Second, many of the products which ECA countries imported last year from one another, other parts of the world or the eastern countries, were not available in the United States or were in short supply. The Marshall-plan countries in trading with eastern European countries by agreement have observed the same trade regulations the United States observes in trading with eastern European countries in regard to the export of military potential.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JAVITS. I would just like to ask this question to try to clear up this matter. Is it not the policy of the Committee on Appropriations that European countries under the recovery program shall first use, wherever possible, their own currencies and second, that if they do have to use our dollars, they will buy them in the cheapest possible markets. Is that not the whole reason for whatever trade is carried on between east and west Europe?

Mr. GARY. That is not the policy of the Committee on Appropriations—it is the policy of the Congress of the United States.

Mr. JAVITS. Exactly.

Mr. GARY. The Committee on Appropriations felt, as I stated at the very beginning, that it was not our duty and responsibility to determine policy. Those policies have been determined by the Congress of the United States. It is our duty to determine how much money is necessary to carry out those policies and that is what we are trying to do.

Mr. JAVITS. That is the policy, as you understand it, as I have stated.

Mr. GARY. Exactly.

Mr. JAVITS. Another question. Is it not a fact that Europe, having had approximately $11,000,000,000 deficit when we started this program, even if there has been waste; it has been cut down to $3,000,000,000 in 4 years, and ERP has more than paid its way and has done a remarkable job.

Mr. GARY. There is no question about it.

May I speak briefly with reference to GARIOA and EROA. GARIOA is Government and Relief in Occupied Areas; and EROA is Economic Rehabilitation in Occupied Areas. It is the ECA for Japan. The appropriation for these items for 1949 was $1,300,000,000. The budget estimate for 1950 was $1,000,000,000. The subcommittee recommended $949,600,000. In other words, the subcommittee cut the appropriation because of decreasing prices, which we went into very carefully, and because of some administrative savings, which we thought could be effected—$50,430,000.

The full committee recommended a cut of 15 percent in the GARIOA and the EROA funds. While ECA is a voluntary program, GARIOA is a legal responsibility of the United States. We must take care of conquered territories. At the present time we are changing the administration in Germany from military government to civilian government. It would be extremely unfortunate if, at this time, we should make such cuts as would embarrass the new administration, which is just taking over under Mr. McCloy. Therefore, at the proper time, an amendment will be offered, not to restore the entire amount of the cut, but to restore for GARIOA $75,000,000 of the $150,000,000 stricken by the committee, and to restore of the administrative funds, which does not mean any additional appropriation, because they are taken out of the total appropriation, $45,000,000, which is a reduction of $5,000,000 from the amount requested in the budget.

In addition, this bill carries an item of $50,000,000 for assistance to Greece and Turkey. There have been no changes in that amount, either by the committee or the subcommittee. The House has authorized an appropriation of $275,000,000 for that purpose. We have previously appropriated $225,000,000. This bill merely appropriates the remaining $50,000,000 to be expended as a stop-gap fund until the recommendations come through for the Atlantic Pact program. It is understood that this appropriation will be taken into consideration when the budget requests are submitted for funds to implement the Atlantic Pact.

The $50,000,000 will finance the Greek and Turkish programs until October or November.

I want to apologize to the membership for taking so much of their time, but I did want to give you a complete and full explanation of this bill. I hope the House will see fit to adopt the two amend-

ments which have been suggested. With these amendments this bill will adequately take care of the situation for the next year, and will show the Communists in Russia that we really mean business in this recovery program. Moreover, our action will tremendously strengthen the hands of Mr. Acheson, who is in Paris today, negotiating with the Foreign Ministers of Russia, England, and France.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be happy to yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Chairman, before the distinguished gentleman from Virginia relinquishes the floor I wish to make this observation: I know something about the gentleman from Virginia; I know something about his interest in and his work for drastic Federal economies. I was chairman of the Subcommittee on Treasury-Post Office appropriations in the Eightieth Congress, and the gentleman from Virginia served under me. He gave me 100-percent support in my program to cut severely the requests of the President and the Bureau of the Budget; furthermore, when we faced the Senators in conference on the other side of the building he was a stand-up man in conference, so much so that one of the elder statesmen who had served in the other body for some 20 years made this statement: "GARY, of Virginia, and CANFIELD, of New Jersey, are pretty tough conferees, the toughest I have ever faced." So I congratulate the gentleman from Virginia on the job he is continuing to do in this Congress as the present chairman of that subcommittee and as chairman of this special Subcommittee on ECA. He is a credit, a distinct credit, to the Congress and the country.

Mr. GARY. I thank the gentleman from New Jersey and remind him that with his help we cut the Treasury-Post Office request this year by $100,000,000, but $40,000,000 of it has now been restored in the other body.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. ABBITT. I desire to take this opportunity to express my appreciation for the splendid manner in which the gentleman from Virginia [Mr. GARY] has explained this important piece of legislation. I desire to compliment him highly and extend him the thanks of myself and others who feel likewise, for the wonderful work that he and his subcommittee have done. We of Virginia are wholeheartedly supporting the gentleman and wish him to know that we appreciate the wonderful work that he has done.

Since April 2, 1948, this program has been in effect. Its purpose is to help the European countries help themselves recover economically. At the time the program was instigated, economically, western Europe was bankrupt. The question was whether or not the democratic countries would be able to survive economically. They were on the brink of collapse internally. Since that time much progress has been made to date toward European recovery. Agricultural and industrial production has been steadily rising, living conditions have been improving, and morale is higher now than at any time since the war ended. Despite these favorable aspects, inadequate progress has been demonstrated in certain features of the program. The aid being extended by the United States is a relatively small but vital factor in the aggregate of what must be produced and accomplished for Europe to become self-supporting by June 30, 1952. The progress made toward recovery up to now is largely attributable to the efforts made by Europeans themselves, and the success or failure to achieve adequate recovery by 1952 will also depend principally upon the efforts made in Europe. Continued aid in declining volume by the United States will, however, be an indispensable factor. In other words, due to the progress that has been made by the western democracies in Europe, it is now possible to reduce the amount of our aid, but aid is a vital and necessary factor in the continuing recovery of Europe.

It is necessary to have an expansion of production, consumption, and trade in Europe and throughout the world during the period of the European recovery program, and after it has ended, if the objectives of the program are to be realized. It is most important that care be exercised that any tendencies on the part of participating countries to indulge in uneconomic self-sufficiency are not implemented by the investment of aid funds, or funds contributing to requirements for aid. It is conceded by all people familiar with the program that it has done a wonderful job, that the administration of the plan has been carried out in a businesslike and highly efficient manner and speaks well for Administrator Hoffman and his staff.

Mr. GARY. I appreciate the very gracious words of my colleague, but being a politician, I may say that I value votes above commendation, and I hope that the House will endorse my views by its vote.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. DAVIS of Wisconsin. The gentleman's explanation of the bill has been very helpful and I am sure all Members of the House appreciate the splendid job the gentleman has done. My question has to do with the section of the bill dealing with the National Military Establishment authorization for the Administrator to use funds for the transportation of relief packages to Japan and some of the occupied lands; but I do not find anything in the section authorizing the ECA and its Administrator to do that same thing for the European areas. I understood such a provision was included in the bill last year.

Mr. GARY. It is included in this bill. We have not touched that at all.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Virginia has consumed 58 minutes.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, earlier today the Commission created by the Eightieth Congress on the Organization of the Executive Branch of the Government held its last official meeting at the White House and submitted its final report to the President, the Vice President, and the Speaker of the House.

This bipartisan Commission, the membership of which was appointed in July of 1947 by President Truman, Speaker MARTIN, and Senate President pro tempore VANDENBERG, has worked diligently at the task assigned it for the past 21 months. In its work it has had the assistance of several hundred outstanding American citizens, many of whom have made great personal sacrifices to serve their country.

Including the final summary or report filed today, the Commission has submitted to the Congress 19 official reports setting forth 318 findings and recommendations which, if followed, will make possible huge savings and greater efficiency in the operation of the Federal Government. Now it is up to the Congress and the President to make effective the new economies and efficiencies in the public service which have been charted by the Commission.

Those serving as members of the Commission have been: Hon. Herbert Hoover, ex-President of the United States; Dean Acheson, Secretary of State; the late James V. Forrestal, Secretary of National Defense; Arthur S. Flemming, former Chairman of the Civil Service Commission and now president of Ohio Wesleyan University; Joseph P. Kennedy, former Ambassador to Great Britain; James H. Rowe, Jr., former White House secretary and Assistant Attorney General; Dr. James K. Pollock, professor of political science, University of Michigan; George H. Mead, industrialist, of Ohio; Senators Aiken, of Vermont, and McClellan, of Arkansas; our former colleague in the House, Carter Manasco, of Alabama; and your humble speaker, author of H. R. 775, the bill which created the Commission.

At the meeting to organize the Commission, held in the Cabinet room at the White House and presided over by President Truman, I had the pleasure of nominating our only living ex-President, Herbert Hoover, for Chairman of the Commission. He was unanimously elected, as was Dean Acheson, as Vice Chairman.

And now that the Commission has concluded its labors and will cease to exist in a few days I wish, not only in my own behalf, but in behalf of other members of the Commission, to take this opportunity to pay a tribute to the great American who served as our Chairman and by whose name the Commission on Organization of the Executive Branch of the Government is best known—Herbert Hoover.

Most men, when they have suffered a political defeat, retire to nurse their

grievances. Many men, when they have reached the venerable age of three score and ten, sit back to reminisce on their past greatness. Few men—very few, indeed—take on new tasks and new careers at such an age. Few men disregard their personal comforts, their own needs, and the possibility of physical exhaustion, to serve the public interest at such an age.

Herbert Hoover is today the leader of no political party. He is not regarded solely as a former President of the United States. He has found altogether a different place in the hearts of our people, a place that might be the envy of any man. It has come as the blossoming of a great understanding, and from the universal response to a simple man who loves his people and has devoted the whole of his days to them. If men call him our elder statesman, it is for want of a better phrase. Rather, he is the father and the mother of our generation—the strong, spiritual man who steps in to assume and do unbelievable tasks—the tender person whose compassion and faith bring to such tasks an intuitive sense of what is right and good for us.

Herbert Hoover is of the soil of America. An Iowa farmer's son, born of a devout Quaker family, he was in early childhood left an orphan to the care of relatives. Sent to Oregon, it might be said of him that he has had to work all his life, from earliest childhood. And out of it came his robust body, his tireless energy, his ability to keep at his tasks with strength and determination.

Herbert Hoover never seems to age. Certainly during the past decade he has grown younger in spirit, if more mellow and universal in his philosophy. His has always remained the Quaker concept that it is sounder to help people to help themselves than it is to make them permanent subjects for charity, either by private or public coddling. He has never recognized any people as an enemy of this country, even when at war. Rather he has regarded them as erring children of God to be pitied and guided aright. Often, in a materialistic era, this essential Christian attitude has been mistaken for weakness and compromise, and even as a willingness to forgive one's enemies, rather than the merciful understanding of a great soul.

Children and women and aged men are not enemies, even in time of war. They are but the victims of mistaken policies and misguided leaders, and of the fallacies inherent in the doctrine of the supremacy of the state over the freedoms of the individual. Perhaps the steadily rising respect for Mr. Hoover's judgment is the result of his having, for so long, been unpopularly right while so many others were so popularly wrong. He has viewed human events in terms of large historic forces, rather than by the smallness of party politics. The truth will reassert itself in each generation, no matter how brilliantly falsehood and error are presented to beguile the minds of the unthinking and the hearts of the immature. Truth, at times, seems cold and hopeless, while falsehood is like a beautiful tree that blossoms gaily in the spring, yet produces no fruit in the autumn.

Since Herbert Hoover has left the Presidency, he has devoted himself to three tasks:

First. To keeping before the American people our national ideals and traditions that they may never forget the fundamentals of their inalienable freedoms which for three centuries on this continent protected and served them and made this the greatest of all nations, not only as a material reservoir but also as a spiritual sanctuary. He has viewed American history not as the events of one country—his own— but rather as the zenith of the Christian civilization of the Western World—the growth of the ideal that man is not the servant of the state but is the master of his own soul, that his inalienable rights are by the grace of God and not the accident of political arrangements. It is a philosophy of life grounded not only in the Declaration of Independence and the Constitution but in the moral law of the Western World.

Second. He has been concerned over the sufferings of the young, the weak, and the aged, and came to their relief with his great powers of administration, offering his services to anyone who would use them, without regard to self, to cost, to his aging years, or to the expenditure of his own physical strength. During World War I he brought into being the most humane and effective organizations for the relief of the hungry and the care of the needy. The American relief of that war was an act of compassion and it will never be forgotten. During World War II, his services were not required. Yet, he organized the Finnish Relief; he sought to aid the Poles; he offered his services at all times, and, when the war was over, he actually flew around the earth twice, with side trips into South America, to effect a more equable distribution of the available food supplies when starvation threatened in many parts of the world. This aid to mankind almost cost him his life and actually brought upon him an illness of intense physical pain. Yet, when cautioned by friends that he was risking too much, he replied, "I've lived too long, anyhow."

Third. He undertook 2 years ago to act as a servant of the Congress of the United States in heading the Commission on Organization of the Executive Branch of the Government. Perhaps there were some who imagined he was being named as Chairman of our Commission as a sort of last honor, a sinecure to top off his years and to give a public acknowledgment of his services to the Nation.

His arm in a sling, and suffering the pains of an illness brought on by his heavy labor to feed the hungry, Herbert Hoover set out to make this Commission an effective agency of Government. He devoted himself to this new task, as he has to every duty he has ever undertaken, with a thoroughness rarely expected and seldom found in a public servant.

Instead of hiring a vast multitude of so-called experts, he mobilized more than 300 citizens, each an experienced, competent leader in his particular field, to serve on task forces devoted to finding the answers to special problems. Most of the members of these task forces served their Congress and their country without remuneration, with many contributing their own expenses.

It is my firm conviction that this Commission, on which I have had the honor of serving, has competently completed one of the most gigantic tasks ever assigned to any group of citizens. In a short period of 20 months the Commission has analyzed the nature, structure, functions, and activities of our sprawling Federal administration, prepared 24 task force reports in full detail, and issued 19 Commission reports, making 318 specific findings and recommendations for the better organization of the executive branch of the Government. Nothing has been suppressed. No data in the possession of the Commission has been withheld from the people. There has been no double talk, no evasion of issues, no protective obscurities.

The affairs of this Commission have been administered entirely by Herbert Hoover. He has labored with each task force, read every report, directed the work of the Commission so as to save time and expense, and has given to its labors an over-all philosophy based upon American ideals and history. Our task force and Commission reports are today the only existing source material which fully and impartially describe the actual workings of our Government. They will be used for decades to come as a guide for our people and our officials toward better government.

Now that the work of our Commission has concluded—now that the final report has been filed—I wish only to call attention to the Herculean labors, the superb patriotism, the utter selflessness of one of our greatest Americans—Herbert Hoover.

May God grant that his vigorous health, his earnest spirit, his wise philosophy may long be at the service of the Nation he loves. May God grant that in the years ahead he may enjoy the respect, the love, and the veneration of a grateful Republic.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill as it is reported by the committee carries $3,568,470,000 for the ECA for the fiscal year 1950 and $1,074,000,000 for the 3-month period ending June 30, 1949.

On April 2 there remained unshipped, according to the table that was first presented to us, $1,953,000,000. According to the statement that was later made, it was estimated that the shipments had been $3,774,000,000. That would leave $1,226,000,000. With the funds that are carried in this bill they would have available to ship $5,872,000,000 in the 15-month period, leaving an amount of $391,000,000 available per month, or $90,375,000 per week all the way through, if it were all used.

This would be at a far higher rate of shipment than they have already attained on an average for any 3-month period, and a higher rate by far than the $315,000,000 per month that the last report showed of estimated shipments to the 31st of March, so it seems to me that with the funds that have been reported here they can unquestionably get along.

I shall not, however, oppose the amendment which the gentleman from Virginia [Mr. GARY] stated he would offer. I shall support it because I feel that it is very important that whatever is done here shall be done by as nearly unanimous a vote as is possible.

Mr. Hoffman has agreed that he will try his best to get along and do the job on the amount of funds that are available for the period involved, and I have not the slightest doubt but that he can do it.

There are a great many things that are involved. The future prices of corn and grain are down below the figures that are carried in here. My understanding is that the futures prices of grain represents just about what the Commodity Credit Corporation has set as the loaning price that will be in effect next year. Lard, for instance, is down from $310 a metric ton to $265, between the middle of April figures that they gave us and the price that seems to be current in the New York FAS market.

Raw cotton: Futures of raw cotton are down. The October price is down from $519 a ton to $397. Lead prices are down from $334 to $308. Zinc prices are down from $331 to $264. The prices of hides are down very considerably.

There we have the picture. I do not think there is the slightest doubt that the United States of America can ship everything which needs to be shipped across the water with the funds that are carried in this bill. I believe it would be much healthier if we get along on just this amount of money, from the standpoint of the ECA and from the standpoint of the rest of the world. Just to show you what is presently going on here in the United States, I wish to call your attention to the Treasury statement of May 23. That statement shows that the amount of income tax withheld by employers is down, as compared to the same period a year ago, about $248,000,000. The amount of personal income tax is down $59,000,000. The amount of refunds of receipts is up $80,000,000 for that same period. The other revenues are approximately in the same category. That indicates we are in a very serious situation. The receipts so far this year exceed the expenditures, but not by an amount which makes us feel we should move into anything except with the greatest care and the most cautious approach.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Idaho. The gentleman says he is for the bill and he says that it will improve the market and make a better outlet for wheat and cotton. Has he given any consideration to metals in this country?

Mr. TABER. Metals?

Mr. WHITE of Idaho. Yes. Does the gentleman know that $190,000,000 are allocated in this bill for the purchase of strategic materials in foreign countries in competition with the metals which we produce here?

Mr. TABER. There will be no strategic materials brought into this country as the result of this bill, with the possible exception of some small items, which will come in as a result of the use of the counterpart funds. That will not hurt any metal industry in this country.

Mr. WHITE of Idaho. Does the gentleman say that for zinc, lead, and copper?

Mr. TABER. Yes. I say that because the zinc, lead, and copper stock piles in this country are going to be built up just as much as possible for the protection of our own military position. I do not believe there is any suffering in any of those industries.

Mr. WHITE of Idaho. Has the gentleman taken into consideration the market quotations on lead, copper, and zinc in recent weeks?

Mr. TABER. I just gave you the figure on that, as compared with what they were a while back.

Mr. WHITE of Idaho. Has the gentleman obtained any statistical information from the ERA on the importation of copper, lead, and zinc?

Mr. TABER. No; I have not obtained any information from them, but I have been watching the markets and I gave you the trend of the markets, which is very similar to the trend of the markets on almost everything.

Mr. WHITE of Idaho. Does the gentleman know that negotiations now are under way between the ECA and these Marshall plan countries to provide money not only to buy copper and zinc and lead, but also to develop the mining properties in these Marshall plan countries? The statistical tabulation I have recently received from the ECA discloses substantial importations of copper, lead, and zinc into this country financed by ECA money at the same time the market quotations disclose the price of these metals are continually declining and with the fall in metal prices the price of the securities of most of our industrial concerns are also falling.

Mr. TABER. While I think that is true to a certain extent, on the other hand we are not able to take care of our own requirements in good shape in this country, and I do not believe that this is going to prejudice legitimate industry in any way in the mining of lead and zinc.

Mr. WHITE of Idaho. As a matter of fact, 5 percent of all appropriations made are allocated or set aside and earmarked for the purchase of strategic materials, which include copper, zinc, and lead.

Mr. TABER. No; that is not exactly correct. Five percent is set aside. That represents these counterpart funds which may be used for that purpose, but the amount that is being used is very, very small.

Mr. Chairman, I do not believe that I can yield further at this point.

Mr. WHITE of Idaho. I think that is a very vital matter, I may say to the gentleman; I think the miners in our country should be given preference over foreigners.

Mr. TABER. It is; there is not any question about it.

The result of our examination of the receipts in this country indicates that the withholding tax is down, the other income taxes are down, and the refund of taxes is up $80,000,000, indicating a total collection nearly $400,000,000 less for this month than we were a year ago. This indicates that we need to economize.

The countries across the water are very gradually getting into a position where they need a little less than they needed before. We should not give them more instead of less. Right while we were holding the hearings it came up that the President had reduced the amount that would go to Germany under the ECA program by $80,000,000 because they had increased their expected exports to other countries by $100,000,000 and as a result they were able to get more of the things that they were able to import than they had before. The production in Germany is going up very rapidly as a result of that; they will go up another $100,000,000, in my opinion, next year; perhaps they will go $200,000,000 above. That same thing applies to the French and the British production, and the Italian production; as they approach the point where they are able to be more nearly stable, as a result of sending out more of their own exports the amount that they will receive out of the ECA will gradually go down. We should as we go along gradually reduce this situation so that we will encourage these people to be self-reliant.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

What these countries need to do presently, as much as anything, is to stabilize their currencies on a sound basis. The French have approached it, but they have not done it; the British have withheld approaching the problem with a full sense of responsibility. If they would do that their exports would increase in France, Italy, and England, to such an extent that I believe the time can be seen in the not too distant future when they will need very much less aid. I hope that the Administrator will watch this situation very closely and that he will as he goes along reduce the amounts that are given to these countries just as fast as it can be done without slowing up their recovery. I believe that with this situation the cuts which the committee made really give them ample money to carry through the year.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. I might say to the gentleman that I noticed in the hearings on this bill that Dr. Fitzgerald of the ECA had testified as is shown on page 352 thereof that the Commodity Credit Corporation held about 55,000,000 pounds of wool, most of which is quarter blood wools and practically all of which was of low quality and low grades and was mainly carpet wools. Dr. Fitzgerald is wholly incorrect in his statement and I was sorry to learn that he had misinformed the committee. As a matter of fact, the Commodity Credit Corporation has a stock pile of something over 75,000,000 pounds of wool; 34,000,000 pounds of this wool is shorn, grease wool, and over 40,000,000 pounds is scoured, pulled wool. Accordingly, it can be said that the Commodity Credit

Corporation is holding the equivalent of 100,000,000 pounds of grease wool.

A break-down on the wool in the Commodity Credit Corporation discloses that 32,000,000 pounds of the scoured, pulled wool is graded 56 to 58 and 20,000,000 pounds of the shorn wool is the same grade. Accordingly, 85 percent of the wool in the hands of the Commodity Credit Corporation would be highly desirable for use in Germany and in western Europe for processing for domestic purposes in those countries. There is no question that these wools would be of splendid use for blanket purposes.

I have made diligent inquiry and none of the wools in the hands of the Commodity Credit Corporation are carpet wools. The Commodity Credit officials have advised me that they do have about 10,000 pounds of forty to forty-fours but even these wools are not carpet wools and these 10,000 pounds represent but one-hundredth of 1 percent of the stock pile in the hands of the Commodity Credit Corporation. Will the gentleman tell me what provision is made in this bill for the purchase by Mr. Hoffman of agricultural commodities in surplus in this country, such as wool and the 101,000,000 pounds of beef that the Commodity Credit Corporation has in northern New Mexico?

Mr. TABER. There is no mandatory provision in this bill for the purchase of anything. The funds are appropriated, and I understand that so far as surplus commodities can be used effectively they are going to use them for the purpose of meeting the demands of ECA.

Mr. BARRETT of Wyoming. I notice in the hearings that Dr. Fitzgerald testified, page 426, that it was the intention to acquire during fiscal year 1950, 6,000 tons of ECA-financed wool. Where are they going to get that wool, will the gentleman tell me?

Mr. TABER. I cannot tell the gentleman just exactly where that wool will come from. I have not that particular document in front of me. But I imagine a considerable part of the purchase of wool by participating countries will come from Australia. Of course, we are an importing Nation as far as wool is concerned.

Mr. BARRETT of Wyoming. That is true, but we do have 100,000,000 pounds of surplus grease wool or the equivalent thereof in the hands of the Commodity Credit Corporation.

Mr. TABER. Which should be used as far as it can be.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Has ECA used all of the funds provided for it last year and, if not, at what rate has it been using them? The gentleman said earlier in his statement that the amount supplied for the future would be at a more rapid pace than has been provided by ECA in the past. Therefore, I wonder how the rate compared with last year's appropriation and how fast the funds are being exhausted.

Mr. TABER. The expenditures for the first 12 months of operation from the 2d of April 1948 to the 2d of April 1949—it may be the 3d of April 1948 to the 2d of April 1949—were in shipments $3,774,000,000, or at the rate of approximately $315,000,000 per month. If they ship all of this stuff in the 15 months that is here, they would ship at the rate of $391,000,000 a month if they exhausted all their funds. There is no question about that. I do not think they should do this. I hope they will not, because I really believe the funds that we have provided here should carry them through to the 30th of June next year and still leave them with pipe line enough to go on until new stuff may be purchased.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARY. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, may I join the distinguished gentleman from Ohio [Mr. BROWN], in the eloquent and richly merited tribute paid to one of the greatest American statesmen of our time, ex-President Herbert Hoover, and in the urgent recommendation that the Congress give prompt and sympathetic consideration to the report of the Hoover Commission.

No one can question the necessity of a revision of our governmental procedure. It has grown like Topsy, without planning or system. We have added a section, an extension, an accession here and there. From time to time we have enlarged and extended duties, prerogatives and functions embracing in the aggregate vast and intricate ramifications so that it is now imperatively necessary that we institute an over-all revision and readjustment which will eliminate duplication, and unnecessary activities and machinery, and reduce the cost of government, and give us a better and a more economical and a more effective administration of the greatest Government on earth. For this important work no one could be better equipped, better qualified, better prepared, or better trained than ex-President Hoover. No one has had the experience, no one has greater capacity, and certainly no one can exceed him in his patriotic desire to be of service to the Congress and the country.

It might be added that he has mobilized about him a staff of the best-trained and most efficient men to be secured, men whose work is calculated to secure results which will meet with general aproval.

It must not be forgotten that many of the supernumeraries whose functions and prerogatives will be circumscribed, and whose expenditures will be curtailed by any reasonable reorganization of the Government, can be counted upon from the beginning to oppose any change in their personal or official status. It must not be overlooked also that in their opposition to recommendations of the Hoover Commission they will not be naive enough to give the real reasons for their objections, but will seek to bring in other organizations and groups and assign to other reasons their efforts to obstruct the prompt and efficient prosecution of this much-needed reorganization.

May I reiterate what I have frequently said on this floor: it is to be hoped that regardless of party affiliation we can cooperate to secure an early and a satisfactory consideration and disposition of the reports of the Commission.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The distinguished gentleman from Missouri, and my able chairman has, in my opinion, made a most important statement on the floor of the House this afternoon, and I hope it will be reported by newspapers throughout the country.

Now, does he not think that it would be a most inspiring, a most wholesome thing for our country if the Eighty-first Congress were to adopt in toto the reports of the Hoover Commission?

Mr. CANNON. I always welcome a suggestion from my distinguished colleague, the gentleman from New Jersey. I have found him in his long and useful service in the House always ready to cooperate in any movement for the welfare of the Government, and the Nation. His suggestion should have every consideration.

Now, Mr. Chairman, because we have by previous agreement practically fixed the terms of the pending bill—instead of taking additional time for its discussion after it has been so thoroughly covered by the gentleman from Virginia [Mr. GARY] and the gentleman from New York [Mr. TABER] I desire to discuss at this time a collateral matter of general interest I trust to the Congress and to the country.

The history of fiscal legislation in the American Congress over the last three decades has been marked by an insistent demand from the country, and by a consistent effort on the part of the Congress to perfect a more efficient and effective system of handling the annual appropriation bills.

In the years preceding 1920 the appropriating functions of Congress were exercised by many committees, which at various times reported appropriations with little or no relation to any definite centralized plan or system. For some 10 years Congress worked intermittently but assiduously in an effort to devise a plan under which we could consolidate and coordinate the appropriation functions thereby achieving a more scientific and economical handling of national finances.

Finally, in 1921, Congress enacted the Legislative and Accounting Act, under which for the first time we were able to segregate the funds for each department and agency of the Government in one place, in the same bill. It was a decided step forward.

However, it became immediately apparent that there was a further defect in the system in the lack of a ceiling or other means of correlating expenditure with revenues—of adjusting outgo to income. Many men in these intervening years, including Swagar Shirley, of Kentucky, John Fitzgerald, of New York, and Martin B. Madden, of Illinois, with

the able cooperation of talented career men like Marc Sheild and John Pugh, have sought the philisophers' stone in a correlated, consolidated budget submitted to the Congress simultaneously with authoritative estimates on the national income, but were thwarted largely by an obsolete and antiquated organization of the subcommittees.

Eventually, after long study, the Congress passed in 1946 as a part of the Reorganization Act, section 138, providing for a legislative budget under which a joint committee of the two Houses was required to submit not later than February 15 of each year a legislative budget, including a ceiling of expenditure and estimated over-all Federal receipts for the next year. It was hoped at that time that this provision would solve the problem, that it would bring into such strong relief the outgo and the income of the Federal Government as to retrench the amount of money appropriated and bring it into a reasonable relation with the national income

But from the beginning the plan was singularly unsuccessful. The requirement that a ceiling of expenditure be fixed before hearings could be held, rendered it wholly impracticable. It was in effect a requirement for a court verdict before witnesses could be examined and testimony submitted. On the other hand, if deferred until after hearings had been completed and bills reported, its application came too late to affect the totals.

Every effort was made to comply with the law. On both sides of the aisle we made a sincere and conscientious effort to put it into effect, but it was unworkable. So apparent was it that nothing could be achieved by this method of establishing legislative limitations that the gentleman from New York [Mr. TABER], the first chairman of the Joint Committee on the Legislative Budget, in the House, and Senator BRIDGES, the second chairman of the committee, in the Senate, both said emphatically in debate on the floors of their respective Houses that it was impracticable, that it should be abandoned.

Consequently, at the beginning of the present session I introduced a resolution for its repeal. But out of deference to those who were reluctant to abandon hope that eventually it might be made effective I modified the resolution to extend the date of the report of the joint committee from February 15 to May 1. That date is now past and the Congress by its complete disregard of the law has saved the time of 104 of its busiest men and the expenditure of some thousands of dollars which otherwise would have been expended in a futile and useless gesture.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GARY. Mr. Chairman, I yield 15 additional minutes to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, section 138 of the Reorganization Act of 1946 is now a dead letter. But the need which it sought to serve, the problem which gave rise to its enactment are still with us and growing more insistent with the increasing size and complexity of national finance. Some practical method must be found of presenting in one proposal the entire expenditure program for the fiscal year in connection with an authoritative forecast of the national income for that period.

We believe we have now developed such a method. Through a reorganization of its subcommittees, restricting each member to one subcommittee and each subcommittee to one annual supply bill, and through a corresponding readjustment of our committee staff and reporting system, permitting all subcommittees to sit simultaneously, the House Committee on Appropriations has reported to the House and sent to the Senate for the first time in the history of the Congress all annual appropriation bills within approximately 10 weeks from the beginning of the hearings. This was the first step. We had to wait until its practicability could be demonstrated.

We are now in a position to announce that beginning with the next session of Congress the Committee on Appropriations will discontinue the practice which has been in effect since the earliest days of the Congress of reporting appropriations piecemeal in separate, unconnected and uncorrelated individual bills, and will submit the annual appropriations in one consolidated omnibus appropriation bill.

The bill will be reported not later than April 15 of each year. By that time an authoritative forecast of the national income will be available. The prime question before the House when the appropriation bill comes to a vote will be whether to hold expenditures within the national income or vote to exceed the national income and increase the national debt.

In the fierce light of publicity which will be concentrated on that final vote there will be no escape from responsibility. A clear unequivocal record must be made. And public opinion will do the rest. The embodiment of all annual expenditures in one compact bill, with all duplications and conflicts eliminated and with its impact on national credit clearly outlined, will serve to offset the pleas of pressure groups and high-powered lobbies and should save vast sums of money and reduce waste and prodigality to a minimum.

No special enactments or change in rules are necessary in order to provide for the consolidated budget or its consideration in either House. As a matter of fact no Senate responsibility is involved. Under the Constitution all general appropriation bills must originate in the House. And the House Committee on Appropriations is authorized to determine, without conference, the number and form and jurisdiction of the annual appropriation bills.

For example, at the beginning of this session two subcommittees of the House Committee on Appropriations had for many years been reporting the Military appropriation bill and the Naval appropriation bill respectively. Under the authority vested in the committee we combined the two subcommittees which now report out one bill, the armed-service appropriation bill. Likewise at the beginning of the current session, we combined the Subcommittee on Independent Offices and the Subcommittee on Government Corporations. From the consolidation of four bills into two bills it is only a step to the consolidation of all bills into one general bill.

Such a bill will be privileged for consideration under the general rules of the House and will remain the unfinished business until disposed of. It will be considered in Committee of the Whole and after the widest latitude in debate and amendment will be reported to the House for passage. No change in any rule or practice of the House is essential for its consideration and transmission to the Senate.

However, in view of the length of the bill and the money involved it would be perhaps advantageous to make one change in the rule governing the motion to recommit. In order to permit the minority to include in the motion to recommit, items affecting any or all of the several sections comprising the consolidated bill, and in order to insure the minority the opportunity to secure a record vote on its program or any part of its program, the rule under which the present motion to recommit is indivisible should be modified to permit any Member to demand a separate vote on any proposal included in the motion to recommit.

Accordingly, I have today introduced a resolution which has been referred to the Committee on Rules proposing such a modification. It is not essential to the consideration of an omnibus appropriation bill but it would permit a record vote on the minority program and I hope the Committee on Rules will feel warranted in giving it consideration. I might add that I have submitted it to the ranking minority member of the Committee on Appropriations, the gentleman from New York [Mr. TABER] and I am under the impression that it meets with his approval.

I do not have to remind the House that one of the many untoward effects of any war, and to an unprecedented degree in the last war, is the development in both the legislative and executive branches of the Government of an expenditure complex, a spending psychology. In the stress of war and the imminent necessity of providing for adequate national defense at all costs, we appropriate and spend with little regard for the sources of income or the possibility of securing results at less expense.

Now that the war is over it is difficult to get back to normal conditions and the exercise of prudent economy. It is hard to begin thinking again in terms of prewar expenditures and to drop from billions down to millions and from millions down to thousands—from dollars down to pennies. And may I say, Mr. Chairman, that in the present emergency in which we find ourselves, with a national debt which approximates a very substantial percentage of our national wealth, and with increasing budget estimates and decreasing revenues, we must begin to ccunt even the pennies. Under present circumstances no economy is so small as to be disregarded.

The consolidated bill considered in juxtaposition with the available income

offers an incentive to retrenchment. As a matter of fact it is the only practical method available at this time. We hope we can have the cooperation of every Member of the House on both sides of the aisle in the consideration of the consolidated bill and in the reduction of appropriations to the smallest amounts consistent with sound business and good government.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WHITE of Idaho. Mr. Chairman, does the gentleman expect to yield to anyone in the course of his remarks?

Mr. WIGGLESWORTH. I would prefer to yield a little later.

Mr. WHITE of Idaho. If the gentleman has time?

Mr. WIGGLESWORTH. If I have time.

Mr. Chairman, this bill, as has been pointed out, carries $50,000,000 for assistance to Greece and Turkey, $850,000,000 for GARIOA and EROA and $4,642,470,000 for ECA, or an over-all total of $5,542,470,000, a reduction of $779,730,000 below the budget estimates.

It provides for the full budget estimate for Greece and Turkey. It makes a 15-percent reduction ($150,000,000) in the budget estimates for GARIOA and EROA. It makes a 12-percent reduction ($629,730,000) in the over-all budget estimates for ECA.

I shall confine my general statement to the ECA item.

Mr. Chairman, I speak as one who has favored ECA from the outset.

Despite its enormous cost, in the face of the threat of world communism, I have believed the program to be vital to America from the standpoint of national security, having in mind our present relationship to the participating nations, including some 270,000,000 people, many of whom think and feel much as we do, many of whom stood shoulder to shoulder with us in World War I, or in World War II, or in both.

I have always believed, however, that we must not attempt more than we can accomplish and that the program must be carried out in the most economical way possible consistent with the recovery needs of the participating nations.

The program will continue. Every government in the world understands this. Congress has so decreed, specifically extending the program for another year and providing for a ceiling on appropriations amounting to some $5,430,000,000 for the period ending June 30, 1950. Within that ceiling appropriations can be made at any time. The only question before us today is the question which we have in respect to every legislative authorization by the Congress, namely, the amount of funds that shall be made available now.

With a view to determining this question your subcommittee spent some three and one-half weeks in detailed hearings. You will find a great many tables of value in the hearings which help to summarize the work of the ECA to date and conditions in the various participating nations of Europe.

You will find, for instance, a table showing allocations, obligations, shipments, and actual payments month by month. You will find a table showing the dollar deficiencies computed for each of the 18 participating countries. You will find a list of commodities to be provided on an over-all basis and by country under the proposed program. You will find a table showing the prices used by ECA in fixing the cost of those commodities.

You will also find tables in respect to each of the participating nations giving populations and areas, standards of living compared with prewar standards, production and agricultural indexes in terms of the prewar period, hours of work and rates of production, capital investment programs, budget surpluses and deficits, taxation in terms of percentage of national incomes, currency values, exports and imports, dollar investments, non-ECA financing possibilities, drawing rights, and the use of counterpart funds. There is a wealth of information embodied in the hearings.

When I look back to the presentation made to your committee a year ago, I feel like expressing my appreciation to Mr. Hoffman for the vast improvement made in presenting the facts this year. I congratulate him in this connection, and also upon the contribution toward recovery which his organization has made in this critical period of the world's history.

During the first 12 months of the ECA program there has been real progress made toward recovery in western Europe. No one can read the hearings without appreciating that fact.

Among other things, it is reported that the output of factories and mines, speaking of Europe generally, is nearly equal to that of prewar days. The output of steel, if we except western Germany, is 30 percent above the prewar output. Electric power production is 40 percent more than before the war. Crops, in general, although 1947 was a bad year, are reported up 20 percent from that year. Exports, if we again exclude western Germany, are reported up 20 percent as compared with 1947.

The hearings deal with each participating country in detail.

There is still much to be done, however, Mr. Chairman, if Europe is to be put on a self-supporting basis. The record emphasizes that there will be some 27,000,000 more people to feed and clothe in 1952 than in 1938; that property destroyed by war must be restored; and that exports must be increased by some $3,000,000,000 over prewar figures to offset the loss of income from investments abroad and other so-called invisible items in the over-all balance of payments.

Furthermore, Mr. Chairman, budgets must be balanced with reasonable tax burdens on the people, currencies must be stabilized in realistic terms, capital investment programs must be regulated so as to avoid inflation, and the European economy, insofar as practicable, must be integrated. These are fundamental to the success of the program.

I want to point out, Mr. Chairman, that the dollar needs for each country are presented this year in terms of so-called illustrative balances of payments. You will find the computations in the hearings for the various nations concerned. Speaking generally, the balance-of-payments tables seek to determine the amount of imports essential to a given country that cannot be paid for out of the exports of that country or be obtained from nondollar sources. The resulting figure, the so-called dollar deficiency, is the yardstick used, subject to certain modifications, to represent the necessary ECA financing.

I have always been very skeptical of this dollar deficiency yardstick.

In the first place, it is not an accurate yardstick because you no sooner determine by using the yardstick what the needs of a given country are than you find that there are drawing rights in favor of that country or against that country which make the original figure rather meaningless.

In the second place, Mr. Chairman, the yardstick, in my judgment, is unsound in principle. It is unsound in principle because it places the emphasis on results rather than on causes, on symptoms of the disease rather than the disease itself. If it were taken at face value, it would place a premium on faulty domestic policies, upon the failure to do in this or that country what should be done with a view to making the plan a success. The more faulty the domestic policies the greater, generally speaking, becomes the dollar deficiency, and the greater the apparent need for ECA dollars.

I cannot but recall the remark of a distinguished European some time ago in this connection, when he said in substance, "Give me control over the fiscal and exchange policies of any country in Europe, promise to meet the dollar deficiency in my balance of payments, and I will show you the dollar deficiency."

Back in the twenties, as some of you recall, I put in some 4 years in Europe in the office of the agent general for Reparation Payments, which was concerned, among other things, with the economic recovery of Germany after World War I. There were somewhat similar organizations in Austria and in Hungary at that time, with which we were in frequent contact. In those days the emphasis was always placed on the fundamentals to which I have referred. The balance of payments was incidental and was supposed to respond to other factors.

Mr. Chairman, unbalanced budgets, overvalued currencies, limiting exports, too great investment in capital programs in reference to savings, lack of production, and in this instance lack of international cooperation and mutual aid—you will find them all discussed in the hearings—these can prevent the program from achieving the success that is so vital in terms of world peace.

It is to be hoped that the months immediately ahead will indicate substantial progress in dealing with these fundamental elements in the over-all program.

Now Mr. Chairman, just a word as to dollars and cents.

The amount made available for direct aid during the first 15 months of the program ending June 30, 1949, was approximately $5,000,000,000.

During the first 12 months of operations ending April 2, 1949, $3,000,000,000 was required for reported shipments and $3,700,000,000 for estimated shipments.

This bill provides $4,642,470,000 on an over-all basis for the period of 15 months ending June 30, 1950, or $3,568,470,000 for the period of 12 months ending June 30, 1950.

Based on a total of $3,000,000,000 of reported shipments in the first 12 months, ending April 2, 1949, we arrive at an average figure of $250,000,000 a month during that period. Based on a total of $3,700,000,000 of estimated shipments during that same period, we arrived at an average figure of $315,000,000 a month for the period, with a pipeline of at least $1,200,000,000 adequate in terms of actual experience to take care of the months of May, June and July in the current fiscal year.

The suggested appropriation of $4,642,470,000 for the 15-month period beginning on April 2, 1949, and ending July 30 of 1950, will permit monthly shipments at the rate of $310,000,000 a month, leaving a pipeline at the end of that period of $1,200,000,000 or in the alternative shipments at the rate of $390,000,000 a month if the pipeline be exhausted during that time.

Furthermore, Mr. Chairman, recovery is proceeding in Europe with increased momentum; large balances of counterpart funds have yet to be expended; some $145,000,000 available, for guaranties for private enterprise in Europe have yet to be utilized; as recovery proceeds non-ECA financing should increase rather than decrease; the appointment of a high commissioner to Germany who will control both ECA and GARIOA funds may well result in savings; and prices for commodities are generally falling.

The majority members of your subcommittee felt that price declines alone justified a $182,000,000 reduction in the over-all request. Frankly I think this estimate is a conservative one in the light of future markets for grains and other commodities on regular exchanges and support prices set for some of our major agricultural crops.

These and other general considerations should be taken into account in considering the picture as a whole.

Mr. Chairman, I want to give the House one quotation from Mr. Hoffman. At page 687 of the hearings, he makes the following statement:

> Our entire planning has been directed to one and only one thing, that is, the termination of this program on June 30, 1952. And furthermore, we have made it clear to all the European nations involved, almost from the first day we started business, that the program of aid had to be on a descending scale; that the largest volume of aid would come in the first year, and a considerably lower amount in the second, third, and fourth years—each year a lower amount. That is understood; that is accepted by every government in Europe as a fact.

In other words, Mr. Chairman, it is understood by all the nations concerned that the program is to taper off. It must taper off, of course, if there is not going to be a violent transition at the conclusion of the program in June of 1952.

In the light of this statement, in the light of actual experience to date, in the light of the general factors to which I have referred, it is difficult for me to believe that we cannot safely impose the cut recommended in this bill—a cut calling for a reduction of 12 percent in the over-all budget estimates for ECA; a cut representing a reduction from about $5,000,000,000 to $4,642,700,000 on a 15-month basis, or a reduction from $3,700,000,000 to $3,568,470,000 on a 12-month basis; a cut which permits shipments averaging $310,000,000 monthly against estimated shipments in the first 12 months of the plan averaging $315,000,000 a month; a cut which would leave at the end of fiscal year 1950 a pipe line of some $1,200,000,000.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself three additional minutes.

Nevertheless, Mr. Chairman, in view of the tremendous importance of the program; in view of the desirability if possible of unanimity in action at this particular time; in view of the assurances which I understand Mr. Hoffman has given to the effect that he will do his utmost to make the appropriation carried in this bill cover the full 15-month period; and in view of my confidence in him I am not going to oppose the proposed amendment giving him the leeway he desires.

I want to see whatever is necessary provided insofar as we can provide it safely. In view, however, of the extremely grave conditions by which we are confronted at home our contribution must be held to a minimum.

I realize, Mr. Chairman, the tremendous importance of the success of the ECA program; it must succeed. I realize also, however, the tremendous importance of the economic and financial stability of America.

Incidentally, Mr. Chairman, every nation participating in the ECA program has a tremendous stake in that stability.

To impair the financial and economic stability of America would be a tragedy not only for America but for the entire western world.

Mr. GARY. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. McGRATH].

Mr. McGRATH. Mr. Chairman, there is but one question presented in the bill under consideration, the same question that concerned your subcommittee in its deliberations: Is the amount submitted in the bill a wise and judicious appropriation to implement the action of the House of Representatives?

On April 19 this body adopted in principle the theory that the ECA must be continued. The enactment of Public Law 47 was an unequivocal expression of a deliberate determination by the Congress that America should participate in the economic rehabilitation of Europe. In considering this from an appropriation viewpoint, your subcommittee was guided by the thought that we should allocate only such an amount as would adequately implement the statute and accomplish the will of Congress, keeping always in mind that the sum thus made available for the maintenance of democracy would be prudent and sound.

The argument will be raised that we have not perhaps appropriated for this or that domestic project, but I respectfully submit that in appropriations the test should be, Is the amount now allocated the proper amount for the particular purpose? And then the sum total of all appropriations must be balanced against our natitonal economy. To argue that we did or did not appropriate money for a particular cause that might or might not be wise would merely open the door to an endless and fruitless discussion of each and every one of these items. Your committee, therefore, has kept in mind your recommendations of last April, and has kept in mind the underlying reason and cause for your action: the realization that only through reestablishing Europe on a sound economic footing can we halt the onslaught of communistic Russia. Bear this in mind: No nation in the history of the world has acquired control and domination over so large an area and of so large a number of people at so little cost. Russia has devoured Yugoslavia, Hungary, Estonia, Latvia, Bulgaria, Czechoslovakia, Poland, and others with the loss of hardly a soldier and at a minimum financial cost. This was accomplished by internal unrest fomented by fifth columns and augmented by disorganized national economics. The Red tide swept at its full flood to the very gates of Italy. It was feared by many—and I daresay this fear was shared by not a few members of this body—that Italy, too, would be engulfed in the crimson deluge.

But the people of Italy, inspired by their faith in the American brand of democracy as evidenced by our ECA program, raised a dike constructed of faith and courage, and dammed the red raging flood of destruction. The cruel red waters beat furiously yet against this dam. Dare we lower it by 15 percent?

The European recovery program has been a success. The participating countries have a renewed faith in their ability to solve their internal problems and they recognize the aid and guidance our Government has given to them. These countries have made great progress in expanding industrial and agricultural production. Industrial plants which had been destroyed either entirely or partially today are rebuilt. Men and women are finding employment, homes are being reestablished, and in the hearts of these people there is the realization that Uncle Sam has made all this possible.

The balancing of a nation's budget is one of its first steps toward recovery. The ECA has insisted that these budgets gradually be brought into line. Some nations whose tax structures have been archaic and poorly administered have sought the aid of tax experts in our country so that the tax burden can be justly spread over all the people of a given land.

Exports which will create employment have gradually been improved so that it can be predicted that in 1952 this program can be ended and Europe will be on a self-supporting basis.

The standard of living of the people has risen as evidenced by the chart on page 67 of the testimony which shows that most of the countries are approximating the level of 1938. It must be borne in mind, however, that this was well below the American standard at that time, and far below our present standard of living.

It has been submitted that economic conditions have not been improved in Italy by the ECA.

We have allotted to Italy from June 1948 to March 1949 $349,000,000 and have loaned to that country $42,000,000, which is roughly 90 percent in grants and 10 percent in loans. This year Italy will receive about $530,000,000. Should we not then look at the picture Italy presented before the Marshal plan came into being? We all recall how Communist-inspired traitors attempted to tear Italy asunder, to halt its production, and to sabotage and destroy. Their objective in Italy, as it is in every other nation on the face of the earth, was to undermine the confidence of the people in their institutions, to destroy their courage and faith, their hope and their honor. Once this is accomplished, Soviet Russia adds another link in the chains she has forged for world domination. Consider, too, how bruised by the cruel heel of fascism and bled white by the disastrous war, these good but unfortunate people were left floundering in a morass of despair with no helping hand offered to them save by America. True, Russia offered the hammer and the sickle. Russia offered economic and moral slavery to a liberty-loving and honorable people. Would the opponents to this plan return Italy to those dark postwar days or would they not rather see that lovely land as it is now with a stabilized national government, with its national pride reestablished, and hope again blooming in the breasts of her people? What would the opponents to this plan offer? What do they offer?

Yes, there is unemployment in Italy to a number of approximately 1,700,000. Yes, there is an antiquated tax system which has placed the burden on the low-income groups and to a large extent exempted the wealthy. The Italian Government recognizes these facts and is preparing a new tax system whereunder all men will stand equally before the law. They have men here studying our tax program so that improvements can be made in their own. Further, they have been successful in the last few months in collecting huge sums from wealthy tax evaders, and this action has been sustained in their courts.

Italy's most vexatious problems currently are unemployment and housing. The testimony contains the answer to my direct question as to what was being done by the ECA and the Italian Government on these matters. I quote:

> The Italian Government and ECA feel very strongly that there ought to be a considerable acceleration in the rate of construction of new housing accommodations. We have indicated to the Italian Government our strong support for that kind of program, and the Italian Government hopes greatly to increase the rate of housing construction in the new fiscal year.

To abandon or even to curtail this program now would certainly add to Italy's unemployment, aggravate her housing problem, and serve to weaken an important cog in the economic machinery of Europe.

Now I would like to pay tribute to the Government of Italy because it has been one of the leading forces pressing for economic cooperation as well as closer political ties with the democracies. Italy has vigorously sought economic union with France. She has worked assiduously in negotiations for trade agreements with her neighbors.

We must never forget in looking at this picture that the Italian Government is now only about a year and a half old and that she is striving for and is actually reestablishing the principles of democratic government which had been denied to her for almost a quarter of a century.

It has been said by our ECA Chief in Italy, who summed it up concisely when he said:

> Wherever I have gone in Italy I have found a deep and sincere appreciation of American aid on the part of Italians in all walks of life. All except the Communists who follow the party line of obstruction and chaos, reveal a heart-warming understanding of and a profound gratitude for American assistance in this joint effort to preserve the western way of life.

The ECA has a twofold program: Immediate assistance and the solution of long-range problems. The end of the war found Italy in a chaotic and pathetic condition. All means of communications were utterly disrupted or destroyed; manufacturing plants suffered the same fate; port facilities were wrecked; housing suffered tremendous losses; a flourishing merchant marine was completely wiped out; the colonies were gone; and the general state of the Italian economy was completely prostrated. Disease and famine were reaping a tremendous harvest, hope and faith in a better future had disappeared, and the people of Italy were easy prey for malignant forces, revolution and communism. The immediate objective of ECA which was to bring order where there was chaos, hope in place of despondency, and life in place of paralysis and prostration, has been fully realized at this early stage. Italy is back on its feet. Industrial plants are working, means of communication have been almost completely restored to its prewar level, port facilities are in reasonably good order, food is available, inflation has been stopped, communism has been defeated, and a fairly stable government has been established. All this is due primarily to ECA without which Italy today would surely be behind the iron curtain.

The ECA has been a successful undertaking and its dividends will be paid to the American people now and in the years to come by the democratic forces of Europe. It may be argued that we are spending money for foreign lands and foreign people. We will be questioned: "Where is the money coming from?" Certain groups will cry out against this appropriation because they have orders to keep clear the path for Soviet conquest. We owe them no answer. By their obvious and overt treachery they have forfeited all right to query us. But to the well-intentioned and economy-minded among us who raise this question we can only say that the money is coming from the American workingman's pocket and from the pocketbooks of American women. It is coming from the great middle class American men and women and it is coming from the wealthy. We recognize that the ECA and the Atlantic Pact can stop Russia. The American fathers and mothers do not want another war if it can be avoided. They will willingly pay taxes to avoid war because they know that if war comes not only will they pay greater taxes than this bill provides but they will pay in wealth infinitely more precious than gold or silver.

Mr. Chairman, I wish it were possible to take every penny of this money and appropriate it for heart and cancer research, to appropriate it for social welfare and the comfort of our people, to make our harbors better and to harness our water power, but in this world at this moment that cannot be done. If this Marshall plan had not come into being, all of western Europe would now be under the heel of the Kremlin. All of the hope and ambition of the people would have been crushed under the worst dictatorship in history. I care not if there are a few who will not appreciate what America has done but I believe that the great mass of people in Europe know that it is the United States of America that has saved civilization. Yes, Mr. Chairman, we should appropriate this money and we should pass this bill so that the countries of Europe which have given so much in the centuries past in every cultural field, and whose sons and daughters have built this Nation that is America will realize that we have not failed them.

By our action today, we will serve notice upon the Communist state, "You have gone far enough. Your aggression is ended and it is stopped by the democratic forces in the world."

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, one of the real values in having to extend the authorization of a program once a year, and then to appropriate another year's funds for its operations, is that it compels us to examine the whole enterprise with greater thoroughness and concentrated attention than is ordinarily possible. We have to take a long look at where we have been, where we are, and where we want to go.

It may be worth while for a moment to go back to the psychology that prevailed here a little over a year ago when the European recovery program was initiated. It was described correctly as a calculated risk. It was recognized that if the United States did not carry out such a program of assistance to these countries in western Europe, they could not possibly recover; one by one they

would go down from strains within or pressures from without. On the other hand, if we adopted the proposed program and carried it out efficiently there was a fair chance that Euroupe could be restored as an area of human freedom and genuine self-government from which eventually those explosive ideas could penetrate back through the iron curtain. If we did not adopt such a program, there was no hope; if we did, there was some hope. Therefore, naturally, we were inclined to take the latter course. But at the same time there were grave uncertainties and anxieties that made most of us hesitate and caused some to vote against it. What if it didn't succeed?

I remember discussing this on a forum with another member of the Committee on Foreign Affairs. He said, "It is better to try it even though we fail than not try at all." To that I took strong exception. I thought it better not to try it at all than to try it and then fail. That would do no one any good except Russia. To make this vast effort weakens our own economy to some degree. If in 1952 we were to find that the recipient nations still were not able to stand on their own feet, our effort would not have done them any permanent good and would have done us great damage, in a kind of world where somebody has got to stay free, somebody has got to remain strong and solvent, in order to hold aloft the torch of freedom to which enslaved peoples can at least look with hope until the day comes when they can once more rally to it. The forces of freedom do exist in all countries, even though silenced in many areas for the present. It is no help to them if we go down, too.

I came to the decision to support the program after a long difficult struggle. I concluded that if there was better than a 50–50 chance of success we should make the effort. If there was not at least a 50–50 chance of success, we should not because we would be weakening the United States and its solvency without any compensating increase in their strength. If we could succeed in helping these nations get on their feet economically and strong enough to present a barrier to further extension of the glacier of tyranny moving out of the Soviet Union, it would add to our own security; it would allow us to reduce expenditures for armaments at home; and it would preserve and enlarge the area of freedom in the world with which we could expect to trade in the future. Those were all genuine advantages. We had to weigh them against the disadvantages of possible failure.

A year ago when the program was before us I said there were five criteria which it seemed to me had to be met to give a better than 50–50 chance of success, and I should like to look at them again for a moment to determine the degree to which we have succeeded in meeting them.

The first and probably the most important was this: That the 16 nations of western Europe and the 3 zones of western Germany be willing to make a far more vigorous attack upon their own economic problems, both individually and collectively, than they had made up to that time. In their individual effort we have to give almost every country a high grade. They have done as well or even better than anyone had a reasonable right to expect, although we hoped, of course, they would do it. Once they were given assurance of continuing support from the one nation in the world that was in a position to help them, it became apparent, as had been predicted, that they had resources within themselves far greater in magnitude than was generally appreciated.

The thing that was necessary, as Secretary Harriman put it in our hearings a year ago, was to get their stalled economic machines off center. After all, the $17,000,000,000 we contemplated putting in represented less than 5 percent of the total economic activity of those countries. Our aid was an attempt to get it started. Once it was started, would it go ahead under its own momentum?

Individually, the nations have done on the whole an extraordinarily good job. They have tightened their belts, they have improved their fiscal systems and tax collections, they have resisted the temptation to do what the United Kingdom did with the British loan, squander about half of it for nonessential consumer goods to make the people temporarily more happy and comfortable without getting at the basic problems of restoring and modernizing their productive plant, increasing their man-hour output, reducing their costs. Collectively, the record is not so good. Trade barriers have not been reduced and intra-European trade increased as much as hoped. This will mean trouble in the years ahead unless corrected, because western Europe cannot become self-sustaining without rapid progress in economic unification.

The second criterion was that the program be put under the best administrators America could furnish. Probably coequal in value with our money is the managerial know-how that America has to contribute to these countries. Efficient administration of such a program could not be expected from any of the regular departments. You will remember that was one of our fights. Some wanted to put it all under the State Department, or split it up between several departments. Others of us resisted that because the old-line agencies are not set up to administer this sort of program which must be flexible, temporary, somewhat experimental. They are organized on the seniority basis, where length of service in other types of work is the controlling factor rather than fitness for this particular job. The program had to be put in the hands of the best managers, the best administrators, America has. I want to pay tribute to the President for appointing Paul Hoffman and giving him quite a free hand in choosing the best men he could recruit from our most successful industries. They have gone into these countries under ticklish circumstances and supervised the program with great skill and tact, but with great firmness. First, through the ECA mission in each country they have scrutinized rigorously that nation's imports from the United States and other hard currency countries, insisting that it resist the temptation to use the dollars we were furnishing, to buy luxury goods or semiluxury goods or even goods that would improve their immediate standard of living but were not absolutely necessary. Instead, the dollars must be used to the greatest degree possible for machines and machine tools, for fertilizer and fertilizer plants, for generators and power plants, for railroads and mining equipment, and so forth, that would increase the country's ability to get going and stay going under its own power. Our missions also scrutinized the imports from nondollar areas and tried with the utmost urgency to persuade them to import as much as possible from the areas where their own soft currency was usable.

Again, the ECA missions have examined their exports and urged them to export everything they could conceivably spare from their own economy to the dollar countries to earn every single bit of hard currency possible.

Our people also had to work on the problem of increasing inter- and intra-European trade. If each country should try just to restore itself as a separate economic unit, the program could not succeed, just as most of the States of the United States could not become economically self-sufficient or prosperous apart from the other States. We could exist, but we could not have a high standard of living if each of our 48 States were a separate, independent economic unit, with a separate currency, tariff barriers, and discriminations in favor of some and against others. Mr. Hoffman's men have done their best to get the countries to break down the barriers within Europe and increase trade so that there would be greater total economic activity.

Again, the missions are helping them increase their productive capacity, in many cases, brilliantly. For example, introduction of hybrid corn into Italy produced an increase in production by almost half in 1 year. It is the know-how America is making available to the countries which, as much as anything else, has increased not just their production, but their productivity.

Again, the ECA missions had to review the budgets of these countries, and their fiscal systems; had to help them get more money from their own people, reduce the inflationary pressures, stabilize their currency, and so forth.

I go over these things merely to indicate how complicated and difficult a problem it was and is. There never was anything like it in history. When we look back upon it after 13½ months, it is hardly short of a miracle how much recovery has already taken place, and even more important, how firm a foundation is being established from which a greater and more permanent recovery can take place in the future.

Today the nations of western Europe are about where our Thirteen Colonies were when Ben Franklin told them they simply had to learn to hang together better than they had in the past, or they would hang separately. The choice of the western European countries now is not between getting together or not getting together. They will either move

rapidly into some sort of closer economic unification and political federation or they will be taken over one by one and forced into even closer union, under compulsion, as the countries of eastern Europe have been. They will either get together voluntarily and remain free, or they will be gotten together involuntarily and become slaves.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. TABER. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. JUDD. Thank you. That is the single biggest problem the ECA has for the coming year, to push ahead with vigor in getting the recipient countries to develop their own resources fully and at the same time increase the economic activity of the whole area so that the whole may become stronger and out of that the individual parts become stronger.

The third condition which we said a year ago must be met to give ERP a 50–50 chance of success, in addition to inducing and assisting them to make, both individually and collectively, a more determined and effective attack on their problems; and setting up an administrative agency, which would be able to handle the program with utmost efficiency and flexibility, was that we in the United States be willing to put in enough to win. I felt then and still feel, that for us to put in even 10 percent less than enough to win might jeopardize the success of the whole plan. In order to provide a cushion which they might need in the case of unforeseen difficulties, such as crop failure, I would rather err on the side of appropriating a little bit more than they expected to get or than we expected them to need, than to err on the side of giving a little less and perhaps cramping it so that they could not work with flexibility and confidence and assurance. I want to congratulate the Appropriations Committee for once more providing funds that ought to be adequate. I think the amount in the bill will be all that they will have to have for the full 15 months. I think they can do the job on that, and I think they ought to do it on that. But I do not want to foreclose the possibility that they might have to have more in a shorter period of time. The compromise which has been worked out provides the needed cushion by allowing TCA to use the amount in one and a half months' less time if that should become necessary. If a doctor has a patient with pneumonia, it is not good sense to say, "Well, I will give you 1,000,000 units of penicillin, but if you are not well then, I will not give you any more."

There is no use in giving any penicillin at all unless he is prepared to give whatever is necessary to produce recovery. I am convinced that if we are prepared to spend more, if needed, it will actually cost us less. If we try to hold it down to less than needed and hamper the program's operation accordingly, it is likely in the long run to cost us more—or else end in failure.

The fourth condition which I felt a year ago, when we adopted this program, it is necessary to fulfill if it is to succeed, is that we regard it not as an end, but as a step in the process of working toward a perfected world organization, preferably by strengthening and improving the structure of the United Nations, so that it can take over this sort of job and protect free peoples from aggression whenever and wherever it develops. We have to do it in this immediate emergency because there is no other country in a position to help other countries resist Soviet pressure. The UN is not yet strong enough. But we cannot carry such a load indefinitely. We do not have the strength nor the resources nor the wisdom. Therefore, we must look upon this program as a temporary stop-gap, a stepping-stone, to that larger goal. We must push ahead vigorously toward a strengthened United Nations which will be able to assume the burden of resisting aggression from whatever source. We need a world organization which, under law and defined limitations, may step in to help nations in emergencies just as this representative Congress helps States in the event of domestic emergencies or communities which meet with some disaster.

A year ago the program was presented in terms of economic assistance. There were some who thought we must consider it in terms of military assistance also. I said here in March of last year:

> Mr. Chairman, no one, I think, can rightly justify this bill on a basis of just humanitarianism or charity. The committee has heard me say on other occasions beginning in early 1947 that such measures as this could be justified in this present world situation and in the present straitened state of America's finances and supplies only if they are essential from the standpoint of the security of the Nation. This is primarily a national defense bill.
>
> We had hoped it would be an alternative to a military policy. Six months ago it perhaps could have been. But world events and Communist aggression have advanced so rapidly that now it probably is more in support of a military policy than an alternative to one.

That brings me to the North Atlantic Pact. It is a mutual defense program in support of this economic program. It is based on the recognition that the European nations have gone about as far and as fast as they can without greater freedom from fear. As long as they know that the Russian bear can come across their borders at any time, and therefore fear that it may, they are not going to bring their savings and reserves of money or supplies out of hiding; they are not going to bring back the capital they have sent abroad and put it into productive enterprises; they are not going to enlarge their plants, make more jobs, expand their responsibilities. Unless they can see their way ahead 3, 5, even 10 years, with reasonable confidence, naturally they will be very wary and careful and will not utilize fully the resources which are available to them. Yet they must do all these things if Europe is to recover.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JUDD. I thank the gentleman. Therefore, something like the Atlantic Pact is necessary to give them a sense of security, a sense of certainty that if the bear should move against them after our own forces have been returned from Europe, they will not be left helpless against its aggression, just as they know now that an attack by the Soviet Union or anybody else on our garrison in Berlin or any of our other forces over there would bring prompt and positive action by the United States. Their only hope of achieving military security, just as their only hope of achieving economic recovery, is by making a most vigorous collective attack upon the problem—with our active support and assistance. The economic and defense programs are both necessary if either is to succeed. Eleven countries in the North Atlantic area have gone into the pact together with the United States. This is fine as far as it goes, but if we were to stop there, the effect might well be to draw a kind of circle around us 12 as having "a common heritage and civilization" and giving other countries the feeling that we regard them as less civilized, or less important and drive the rest of the world away from us while drawing the chosen few closer. We must not by default regarding the United Nations, or undue emphasis on the Atlantic Pact give the impression that we are setting up an exclusive club and that other peoples are not quite worthy to associate with us, so they are to be left on the outside. Who is the eager and powerful leader of those on the outside? The Soviet Union. Unless we move ahead from this limited compact to a larger open-end compact in which all nations which so desire can join in an attempt to get security for all through mutual protection and economic cooperation, those nations that are not included are likely to fall under the control and guidance of the Soviet Union. It is possible that unless things are most skillfully handled we may drive more into Russia's arms than we save from them and thus wind up with less security rather than more. So I feel even more strongly than a year ago that it is necessary to go beyond ERP and the Atlantic Pact if they are to have a 50–50 chance of success. We must exercise strong, positive leadership to the utmost of our ability in an urgent effort to get this whole program expanded to a larger concept of world organization, including the regional organizations, operating under law to maintain peace and prevent aggression.

That brings me to the last criterion that I believe we must meet if we are to succeed in Europe, namely, that Asia too, must be kept free, that is, out of Communist control. We endanger the security and economic recovery of Europe if we do not give more attention and more successful attention than we have given heretofore to events in the Far East and the forces struggling for dominance there. It does not do any good to patch up the hole in the front end of the boat unless we also manage to get plugged the hole in the rear end of the boat. A Communist flood pouring through either will sink us. I must postpone discussion of the vast and even more complicated problem of how to keep China and thereby Asia free until another

occasion. We cannot, however, ignore its crucial importance.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. GARY. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I want to pay tribute to the Chairman of my committee and to the other committee members. I enjoyed my work on the committee very much, a fact which is attributable in great measure to the people who sat on the committee. The gentleman from Virginia [Mr. GARY] the chairman, did an excellent job. He handled the hearings with great ability and intelligence, and made certain that every matter of consequence had thorough consideration.

It was a great pleasure to sit with the gentleman from New York, Judge MCGRATH, on the majority side. His long experience on the bench served us well in his patience, his analysis and his wisdom.

I enjoyed very much working with the gentleman on the minority side, the gentleman from New York [Mr. TABER] and the gentleman from Massachusetts [Mr. WIGGLESWORTH]. It was a real experience to watch them in action, to follow the thoroughness with which they work.

New Members of Congress frequently are subject to feelings of frustration. It takes time to acquire the somewhat hardened fatalistic attitude, which marks the experienced Member, and until one has been through the mill a number of times, he takes keenly what he considers to be a miscarriage of the legislative process.

I must confess to that feeling of frustration now when we are considering the ECA appropriations bill.

For nearly 4 weeks the subcommittee of the House Appropriations Committee held hearings on the Marshall plan. We studied, examined, and critically scrutinized every aspect of the European recovery program. We realized every expenditure of the Government must be carefully weighed and every nonessential expenditure eliminated.

We considered the effect of price reductions on the program and reduced the estimate by a figure which we believed represented an accurate estimate of the effect of lower prices on the cost of the program during the coming year. We investigated thoroughly ECA's estimates of commodities needed from dollar areas by the participating countries and the thoroughness of the screening methods employed by ECA in arriving at them. On the basis of this comprehensive review of the program, the subcommittee brought in a figure for the fiscal year of 1950 which was lower by $272,700,000 than that authorized by the Bureau of the Budget. We felt that this was the absolute maximum amount by which the appropriation could be reduced without seriously delaying the recovery program and without a costly setback to the recovery which has already been achieved to date.

And yet, in spite of our thorough hearings, in spite of the hours, the days, the weeks we put in, painstakingly listening to the many witnesses who appeared before us, checking the enormous amount of financial data submitted—all this effort is brushed aside in the name of economy. A blanket, across-the-board meat-axe cut of 15 percent is approved. Why appoint a subcommittee? Why hold hearings? Why go to the vast expense of recalling witneses from all parts of the globe, when such arbitrary procedure is to become the action of this Congress? I am fully cognizant of the arguments advanced, that we are in a declining economy and that we must retrench.

I, too, am in favor of the economical operation of our governmental program, but I certainly am not in favor of retrenchment where it may very well do irreparable harm to our domestic economy and jeopardize our position in responsible world leadership.

Last month we heard the Foreign Affairs Committee describe on this floor the significant achievements by ECA in starting western Europe on the road back to economic recovery. Those speeches described the new investments, the building of new plants, the expansion and modernization of old plants, the mechanization of farms, the housing programs and many other projects of economic activity and expansion which have been instituted during the past 12 months under the stimulus of the European recovery program. Perhaps the members of the Foreign Affairs Committee spoke too eloquently or perhaps they overemphasized the first year's achievements and did not sufficiently explain to the House the relationship of the achievements already made to the ultimate objectives of the recovery program. For this cut would do much to gut the program before European recovery is achieved.

The coming year is the most crucial year in the entire effort. We undertook this program originally, not entirely out of altruism, but because we realized that the presence of a healthy economy in Europe was absolutely indispensable to the continuation of a healthy economy in the United States—that if world recession of trade with its resultant political repercussions was to be avoided, the people of the United States must reestablish the basis for a sound, normal trade between Europe and the Western Hemisphere. I submit that this program was not designed primarly for the benefit of the Europeans, but was designed as much to advance the self-interest of the people of the United States. And when we cut into this program so seriously as to threaten its ultimate success, we are tampering with the economic and military security of the people of the United States.

Mr. Chairman, it is true that during the past year by virtue of the tremendous assistance rendered by the United States some production levels in western Europe have come up to and even exceeded production levels of 1938. Yet the living standards of the peoples of most of the participating countries still lag far below the prewar living standards. Some of the countries most seriously devastated by the war still find themselves on little more than a subsistence level. In several of the more fortunate parts of Europe which were relatively untouched by the war, the living standards are closer to those of prewar. However, any talk of prewar production levels is entirely misleading. The increased population in Europe during the past 10 years, the devastation wrought in factories and homes and the consequent need of replacements, the widespread obsolescence of plants, tools, equipment and machinery which has accumulated during and since the war, and the loss of important overseas earnings makes necessary that the production levels of Europe must far exceed those of 1938 before it can be accurately said that economic recovery has been achieved.

I had assumed that there would be no need to discuss the merits of the ECA program. I had assumed that this Congress had already approved that program by its passage of the authorization bill. However, this curtailment in the funds is necessary to give realistic implementation to the operation of the program makes me wonder whether we are not in fact reversing that approval.

Our conception of economic recovery must envision a western Europe which is able to stand on its own feet, capable of producing and importing the commodities necessary to maintain itself. It is essential for these countries to be able to import the commodities produced in the United States which they need to maintain their economies and to be able to pay for those imports with dollars which they earn by selling goods and services to the Western Hemisphere. We intend to reestablish in western Europe a normal market for American commodities, a market which but for Marshall plan dollars would be almost entirely extinguished today because of the lack of dollars in Europe and the inability of the ERP countries to earn dollars which they can spend in the United States. Members of this House are receiving letters from constituents asking why they are unable to export to Europe goods which they normally exported before the war. Many of these producers and exporters ask why they cannot receive export subsidies from ECA to enable them to ship their exportable surpluses abroad. The plain fact is that there are not enough dollars available. Only if ECA dollars are efficiently used to promote recovery in Europe as quickly as possible can these normal export markets for United States producers be reestablished.

Early in this session we passed a program to promote reciprocal trade. With whom is it proposed that we shall trade? The products of this country must be paid for in dollars. Our people will not take pounds, or franks, or marks, or lire, or guilders. They want to be paid in dollars and will continue to demand payment in dollars until confidence is restored in the validity of foreign currencies. That is the aim of ECA—to put the European nations in a position so that ultimately they can trade with us—that they can earn enough dollars so that they may buy our products.

Now, what are we doing? Just as we are getting a recovery momentum

started, getting new plants and factories under way, getting a flow of new machinery into the pipeline to Europe, rebuilding the confidence of European business men and workers in their economic and political systems so that this great recovery effort could go forward, some economy-minded Members of this body decide to slash this program to the bone. There is a point beyond which this aid is of no use. It is the old story of too little, too late, throwing a 10-foot rope to the man 15 feet offshore. If we do not believe in this program, let us kill it entirely and do it quickly. Let us not strangle it slowly because that is more painful and will be much more expensive to all of us.

A substantial portion of this reduction will come out of the standard of living of the peoples of the participating countries. The peoples of Europe, who are genuinely seeking to build their productive facilities will tighten their belts; they will economize first on consumer items such as cereals, tobacco, fats and oils, and cotton for clothing before they will sacrifice recovery items such as machinery and tools and raw materials. This means that we will be pushing the living standard down after we have worked hard to raise it. This means that we are willing to risk destroying the increase in morale on the part of the people of western Europe which we have been carefully building over the past year.

I often hear the statement that the United States is facing a period of mounting surpluses. Yet we are at one stroke cutting into an appropriation which in the short run would help move American commodities to Europe and in the long run is designed to rebuild our permanent export markets. It seems to me that this is an illogical and unrealistic kind of economy.

About 5 weeks ago we voted almost $16,000,000,000 for a military budget. Where was the economy drive then? And yet, in this program, which to my mind is even more important to our national security, because it builds democracy, which is essential to our position in a friendly world, we retrench.

Let me read you a portion of the speech made by one of our truly great statesmen, Sumner Welles, which he delivered before the Rochester Institute of International Affairs on December 11, 1948:

> The overshadowing issue is whether an American foreign policy, which is formulated primarily from the military and strategic viewpoint, which regards force or the threat of force as its sole effective instruments, which envisages little more than the need to check Russia, can prevail in a contest with a force which is so eminently dynamic as the force of Soviet communism, backed as it is by the manpower and the resources of the vast Russian Empire. We have every reason to fear that even though actual war may be averted, the United States will be engaged in a losing fight, unless American foreign policy becomes the instrument of a democracy which is quite as dynamic as communism, unless that policy offers the peoples of the earth the positive assurance that the United States seeks collective security rather than national aggrandizement.

We have successfully won the peoples of Europe because we have given them the opportunity for security, peace of mind, and hope for the future. We have helped remove the threat of hunger, unemployment, and mass starvation, and in so doing have eliminated the master propaganda weapon. We have so revitalized the will of these peoples to maintain democratc governments that a series of political and diplomatic defeats have been administered to the Russians in the cold war.

A few days ago the Secretary of State left for Paris. When he left, the United States was in the most advantageous political position with Russia that we have been in since the end of the war. That was true then, but I seriously doubt if it is true today. I suspect that our action has done more to embarrass the Secretary of State, to unsettle the minds of our European allies, and to encourage the Russians than any single incident of the past months. A week ago the nations of western Europe felt that their hopes for economic recovery were secure and certain. Today they cannot have that same feeling with any certainty. A week ago they felt their economic and military alliance with the United States was a bulwark upon which their positions in Europe rested. Today they must be seriously shaken.

It seems to me that those who have blindly gone overboard in the name of economy have forgotten that we still have commitments to the people of this Nation and of the world in which we live. While some reappraisal may be necessary with time and change, we cannot renege on our obligation to those who depend upon us.

Economy must be tempered by reality. Of much greater significance than the dollars involved in this bill is principle—the principle that American policy cannot succeed until it convinces the people of the world that America is dependable.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio [Mr. VORYS.].

THE ECA GUARANTY PROVISION

Mr. VORYS. Mr. Chairman, I want to congratulate the committee on the statesmanlike job they have done in reducing the original estimate and the budget estimate to a size that bids fair to fit our budget, and on the amendment, which is apparently agreed to, which provides enough flexibility so that this program can proceed. I hope this second year will show the amazing success that has resulted in the first year under the splendid administration of Paul Hoffman and his associates.

I want to talk about a little item of $150,000,000 which apparently was not considered very much by the Committee on Appropriations and is not being considered very much by ECA. It has to do with the guaranty provision in the ECA law. We provided a guaranty last year but it turned out not to be very useful because it merely provided for converting the principal amount of any investment back into dollars provided the amount is earned or paid in foreign currency. This year in the bill which you passed we broadened that guaranty so that anyone who makes an investment which is approved for guaranty can convert from foreign currencies into dollars not only what he paid in the original investment but any earnings or income produced in the foreign currency. The amount earmarked for guaranties is $150,000,000. It does not amount quite to that because they have already used $4,239,014 from it, but still over $145,000,000 is available as guaranties, particularly for capital equipment.

In the tables furnished in the hearings is an item of $816,500,000 for "Capital equipment," with no further explanation or break-down in the tables that I have been able to find with the assistance of the members of the Committee on Appropriations and their staff; $816,000,000 is a lot of money. That is a lot of capital equipment, but capital equipment is not like wheat or coal or something like that, that when you say it once you have described all of it. There are all kinds of capital equipment involved but not described. I find no reduction made in the estimated prices of all this capital equipment. What I hope to find out is that some of these cuts in appropriations have been made up by using this guaranty which is provided in the basic law. I say this for one, that if along next spring we are told that all of this appropriation has to be spent by May 15, and I find that none of this capital equipment is being furnished through guaranties, then I am going to be most reluctant to appropriate more give-away or grant money, when I find that the payback money, the guaranty money, is not being used.

It is my hope that these appropriations will be tight enough, a close enough fit, that ECA and the people in these countries will seek out this method of obtaining $145,000,000 more of capital equipment from this country.

When the authorization bill came to Congress it provided for $150,000,000 of contract authorizations to go beyond fiscal 1950. We struck that out in our committee but we put into the guaranty language a provision that "includes the furnishing of capital goods items and related services for use in connection with projects approved by the Administrator, pursuant to a contract providing for payment in whole or in part after June 30, 1950. So that the forward contracting authority that ECA asked for is in the law, but it does not require the appropriation of dollars.

If the guaranty is used, and we have to pay because foreign currencies cannot be converted, we get back, instead of merely a veto on counterpart funds that some other country holds, payment in full in the currency of another country. It is my hope that private enterprise in this country, the ECA administration, and these other countries, will use this method of getting $145,000,000 worth of capital equipment over there plowed into the recovery and development of Europe. If they do not, and then come around and say that they need more money next spring, somebody is going to ask them

questions, and somebody's face is going to be red. I find nothing in the hearings of the Committee on Appropriations about the guaranty. Of course, it does not require any appropriation, but it is strange to me that the ECA did not call the attention of the Committee on Appropriations to the fact that here was $145,000,000 available for the purposes of European recovery. I hope the Members of Congress will study this matter because that may be the only way recovery is going to work in the long run. In 1952, when the program of grant money stops, it may be necessary to provide, through guaranties, or loans, some sort of credit facilities so as to bridge the gap while there is still a temporary dollar shortage. In the future, under the President's point 4, we are going to have to provide some method similar to this guaranty so that when we furnish goods abroad but get paid back for those goods. We had better start pioneering this year. I want to see examples of how the ECA guaranty worked, instead of excuses as to why it was not used.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this bill calls for the expenditure of $5,542,470,000. There are about 30 or 40 Members here on the floor right now considering this very important bill. If you give $1,000,000,000 away it costs every man, woman, and child in America $7. Here you are giving $5,500,000,000 away, which means $38.50 for every man, woman, and child in America. If every Member of Congress went back to his district and told every man, woman, and child he met that their assessment for this relief under ECA this year was going to be $38.50, I wonder, if you tried to take up a collection, and you passed the hat around, how many people in your district do you think would put $38.50 in the hat? You would find that there would be mighty few. But, what is happening? You are the elected representatives. With all the propaganda going around to try to get you to vote to give these billions and billions of dollars away, you say to your taxpayers you have to pay the bill. You are talking about more taxes to run this Government. I tell you right now that I do not want my taxpayers to come down here to me and say, "You Members voted these taxes and you are strapping me to death. I do not want these taxes on everything that I have to buy." Nevertheless, the Members of Congress are voting for these great expenditures, and evidently they want things to be this way. People are hollering for less taxes. Give them less spending if you do not give them less taxes.

Mr. Chairman, what are we doing with this money? Is it being spent wisely, economically, and soundly? I say "No." I am going to show you a few things that are being done under ECA which I think are just downright ridiculous—just downright ridiculous. Let us see here—you are bringing 23 men from Korea, 23 men to travel all over the United States for 9 weeks to tell the people in the cities how much they appreciate what Uncle Sam is doing for them through ECA. That is going to cost you a couple of thousand dollars apiece, or even $3,000 apiece to bring each one of those fellows over here to go around telling Uncle Sam what good people we are. You pay the bill. You are going to spend a hundred thousand dollars to do that. Why do you not get them to write a letter here and tell us that they appreciate the money we are giving them, so that we can put those letters in the newspapers—or bring the letters down here and I will put them in the CONGRESSIONAL RECORD. That would cost little. That ought to be just as good. But no, you want to tax my people $100,000 to bring that crowd over here and have them have a good time running around telling how Uncle Sam is treating them so nice. You are not only doing that for the people of Korea, but you have a lot of these missions. Let us look at a few of them. You have a group of six Norwegian technicians to visit the United States to study American methods of mining, paper making, and steel making.

That makes nine groups coming here under the Marshall plan to travel all over the United States to learn something about what we are doing. We could teach them by giving them something to work at, by letting them do something to help themselves, by telling them and showing them how we do things. We could assist them in many ways without having to have them come over here at our expense.

You have sent seven missions of union members from the United States to deal with trade-unions in European countries to try to tell them how to run their unions. Good Moses and Aaron! What is the matter with you? Do you not think they know that much?

You have brought over a lot of foundry workers from the United Kingdom under ECA funds to teach them foundry methods. Why not send one teacher and some books over there?

You are sending ECA missions to Belgium and other countries to work out their labor problems.

I do not believe in all that. I think it is money ill spent. You have in here $1,800,000 for the Italian counterpart fund.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Pennsylvania five additional minutes.

Mr. RICH. Italy was one of the countries who started to fight France before we got into the war—our enemies at that time—they went over there and raised Ned, yet now we are going to help the Italians rebuild their villages, their roads, and their aqueducts, and we are spending $21,600,000 in Italy for those purposes. It is nice that you can do it, but gracious goodness, your taxpayers cannot afford it, and you have not given your own people a thought on things they want. Remember, the countries you are helping do not have a total indebtedness of $90,000,000,000, but in America we have a debt of $250,000,000,000. Some day, when our country goes broke and these other countries are around doing business, do you think they are going to do anything to help America? Why, you are called Uncle Shylock over there now. [Applause in the gallery.]

I am glad you girls came. I have got more friends, Mr. Chairman, in the gallery than I have downstairs here, and I have got more friends back home than I have got down here. Lord bless you. I love every one of you. Some of you I try to take out and beat on the golf course. But to get back to the bill, I tell you right here and now that you have got to get serious about this thing of squandering. This just cannot go on. We should realize our domestic situation. When you stop to think of all the money that is being spent for propaganda in the United States to get us to spend money to help somebody else, it just does not make sense; and I say that the Congress of the United States is the easiest bunch of fellows I ever saw roped in in all my life.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to my colleague from Iowa.

Mr. GROSS. On page 3 there is a provision which states that an amount not to exceed $500,000 shall be available for expenditures of a confidential character other than entertainment, which we ask no accounting for. What is that for?

Mr. RICH. I do not know, and I do not believe there is a Member present who knows what it is for, and yet we are going to include it in this bill.

Mr. GROSS. Does the gentleman realize that there is also an item of $30,000 for entertainment in this bill?

Mr. RICH. $30,000! I am willing to bet that is not the tenth of it.

Mr. GROSS. That is what it states here.

Mr. RICH. I do not mean to say that the gentleman from Iowa does not know what he is talking about, for the gentleman certainly does. He is a good sound legislator.

Mr. Chairman, I hope we get a roll call on this bill and that we will get 220 Members at least to vote against it; then we will send it back to the committee, and we ought to send it back to the Committee on Appropriations. You know that committee is not looking after Uncle Sam, they are not interested in our domestic affairs, the whole committee. I do not like the committee—I like the individuals personally—because they are giving us away, and I do not like the foreign affairs plan or program one bit; it just does not suit me at all.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. RICH. I yield.

Mr. GROSS. Does the gentleman think we should spend $30,000 to give away the taxpayers' money, to pour it down assorted drains in foreign countries?

Mr. RICH. No; I do not think so. This makes $92,000,000,000 that the

American people have given away. A lot of men come in here and say that we are giving all this away to keep from having another war. You never kept out of war by talking about war all the time. Whenever a man wants to get into a fight he can get into a fight without any trouble. If I wanted to get into a fight I could do so without any trouble at all, and if I saw a man walking down the street with a chip on his shoulder I would probably knock the chip off his shoulder to see what the fellow would do. That's the way you get in trouble. We are spending $15,000,000,000 a year here for defense. We talk about some of these nations of the earth, getting in war, we give Russia $12,500,000,000 in lend-lease; they get all that equipment over there, and what happens to it? We find ourselves having to spend $15,000,000,000 a year to try to keep prepared to combat the $12,000,000,000 that we sent over there. That is serious; that is serious.

My time is about up, but, remember, when it comes to voting, if 219 or 220 Members vote against this bill we will be doing the whole country a great service. Now and future generations.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GARY. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Michigan [Mr. SADOWSKI].

Mr. TABER. Mr. Chairman, I yield the gentleman 4 minutes.

(Mr. SADOWSKI asked and was given permission to revise and extend his remarks and include certain excerpts and tables.)

THE MARSHALL PLAN, TAXATION, AND WORLD TRADE

Mr. SADOWSKI. Mr. Chairman, the issue in the next campaign will be taxation. There is no way to dodge the issue. Our friend and colleague from Pennsylvania, ROBERT RICH, is absolutely right, and those who ignore the warning—and I do not care whether they are Democrats or Republicans—will have a tough time in the next election. You cannot go to the people of the United States with a $45,000,000,000 budget and a $45,000,000,000 tax bill, if you please, when the income of the American taxpayer will be back on the basis only slightly above that of prewar. During the war, when people's pockets were bulging with money made out of war profits and war wages, it was possible to meet this inflated tax bill. Now the simple truth is we just cannot meet it any longer. We must cut the budget at least seven to eight billion dollars. This can be done. It must be done. A 5-percent cut in appropriations right across the board, as has been proposed by some Members of the House and Senate, is a lot of silly nonsense. There are only two places where real cuts can be made, and that is on the appropriations for all foreign-aid programs and on the $16,000,000,000 military authorization.

When I heard that the Appropriations Committee had cut this ECA appropriation by 15 percent, I was considerably pleased. Then this morning I learned that a compromise had been reached whereby this money will be spent in 13½ months instead of 15 months, which action actually nullifies the 15-percent cut and the reported savings that were to be made.

Now, Mr. Chairman, we have received plenty of warning from the best economists in this Nation, and the Department of Commerce reports and the reports from the Labor Department definitely prove that we must cut our tax bill by $7,000,000,000 because the revenues will not be forthcoming. If you do not meet the issue now, you will have to face up with it in July 1950, next year, just before the elections.

Now, during the war we saddled our people with a lot of extra taxes, special taxes, on rail, bus and air transportation. We also placed taxes against luggage, furs, ladies' handbags, jewelry, cosmetics, and so forth. We promised the business people and the American consumers that these special taxes would be removed as soon as the war was over. This promise should be kept and can be kept. It must be kept because these special taxes against certain commodities and against certain people in business is unfair, discriminatory, and is tending to drive these people into bankruptcy. The consumers are withholding from buying these taxed items because they expect these taxes to be removed. Now, I say we can remove them and still cut the budget by $7,000,000,000 by making substantial cuts in free foreign aid programs and in the authorization for the military. It is imperative that at this time we abandon this policy of being Santa Claus to half the nations of the world and to the few American manipulators and financiers who have pushed this foreign-aid program for their own profits at the expense of the American taxpayers. We must immediately take steps to develop international world trade with all the nations of the world on a strictly business basis. According to all of the reports there is no question about it but that the Marshall-plan countries have had their economies restored to a prewar basis, that is what we were asked to do originally, and that has now been accomplished.

Mr. Chairman, while we have been giving many billions of dollars to aid business in Europe and Asia our own business is going to pot. We are sliding down hill fast. All reports show lower volume, lower profits, lower employment. Consumer spending is shrinking and inventories are piling up. People are afraid of losing their jobs, and employers are worried over sales, costs, inventories, and taxes. Thousands of small manufacturing plants are operating on a curtailed production basis and are begging for orders. The unemployment rolls have been increasing by leaps and bounds. Let me say to my colleagues from the South that the cotton warehouses are bulging with cotton and that the cotton mills are suffering from flooded markets. Under the Marshall plan we have permitted England to become our cotton broker, and those nations not under the Marshall plan have had to pay through the nose to obtain American cotton. In many instances they have paid 30 percent above the normal American market price. These exorbitant prices on American cotton have not accrued to the benefit of the American planter or the American cotton dealer. These profits have gone to England and to a couple of favored nations under the Marshall plan. The result has been that the eastern European countries starved out of the American cotton markets have looked for other sources of supply. They are now getting cotton from Egypt, India, parts of Asia and South America. I am afraid that our cotton markets in half of the world may be lost to us forever as a result of the disastrous policy we have followed.

Now, according to Business Week, the report on cotton shows that last month, April 1949, the American cotton mills used only 579,031 bales. This is the first time since 1940 that American cotton mills requirements fell below 600,000 bales per month. So, we have permitted the world to be divided up into two spheres of trade and commerce. One sphere dominated by Russia, the other dominated by England, and we, the United States, are the scapegoat. We have come out with nothing. Russia has made her bilateral trade agreements with all the countries of Europe and the world, including England. England has made her bilateral agreements with all the countries of Europe and the world, including Russia; but the United States is out in the cold in both of these spheres, and I am afraid that in another year or two we will be walking around with our hat in our hands begging for a little world trade and commerce. I say this because, and you will agree with me if you take the time out to study the situation and look at the reports on Germany and Japan, you will find that their industrial potential has been practically completely restored, and these two countries who were our greatest rivals for world trade before the war are back in the world market, and with much cheaper labor than ours, and with improved production methods adopted from us and installed by the big-hearted Americans, they will give such competition that we will have the time of our lives trying to reenter the world markets. Russia, China, and the countries of eastern Europe will no longer have to look to the United States and beg us for trade.

Now, Mr. Chairman, time is of the essence; I say that because we must expand our foreign trade now. We must do business with all the countries of the world. Only in this way can we stimulate a healthy condition at home and reduce our national debt and the tax burden upon our people. Our national debt is now $252,000,000,000. We owe twice as much as all the Marshall plan countries put together, and the tax burden of the American taxpayer is four times as great as it was before the war; and at this point, let me say that when our tax burden was only one-fourth as great as it is today, that is during the days of the Roosevelt New Deal, we were still able to build roads, viaducts, TVA

plants, flood- and drought-control projects, schools, hospitals, develop our forestry. We had money for building airports, slum-clearance projects, and we could assist generously the various States and cities throughout the country and give assistance to building up the wealth and natural resources of our Nation. Today, when the tax burden is four times as great upon the people of our country, we are told we have no money for old-age pensions, aid to education, for a public-health program, the St. Lawrence waterway, the Tennessee-Tombigbee inland waterway, and for the many other needed projects, and now we are telling our States and cities to cope with their own problems because we cannot afford to assist them. Yes, we will have a $45,000,000,000 budget if we carry on with our present policy, a policy which takes $25,000,000,000 out of this budget for foreign aid and military appropriations, and goes to fatten up the munition makers and the international profiteers. Of course, we are told that we will have a $13,000,000,000 export-trade program for this year; but let us take a look at this $13,000,000,000 export-trade program. Where is it going and who is paying for it? This program is based on spending for ECA, Greek-Turkish aid, military lend-lease, the Atlantic Pact, Philippine rehabilitation, and so forth. Figure it out for yourself—eight billion of this thirteen billion will come out of the pockets of the American taxpayers. We will have only about $5,000,000,000 of real trade—trade that is based on a business basis—the other $8,000,000,000 represents a trade that is a drain upon the American taxpayer. It is not trade at all, it is plain thievery.

Mr. Chairman, I say let us get back to business and cut out this international panhandling and military domination over our affairs. President Roosevelt had laid down a postwar program for peace and prosperity. The foundation for this is the United Nations, and two of the cornerstones of this program are the ITO, that is the International Trade Organization, and the World Bank. Roosevelt had told the Congress and the whole world, including Mr. Churchill, right after the second UNRRA appropriation, that there would be no more free dollars available, that the American economy could no longer stand the strain. Mr. Roosevelt had proposed the International Trade Organization and the World Bank as a means of financing world trade for the postwar period. The ITO was to provide multilateral agreements so as to give to all the nations an equal opportunity to trade in all the markets of the world for raw materials, supplies, and machinery. The bank was to finance this world trade. We have 38 percent of the stock in this bank; the bank was to issue bonds paying 2½ percent interest, and the bank was to charge 4½ percent interest for the loans that it made. This was sound business policy. We were assured of the return of our money; yes, not only the return of it, but 2½ percent interest upon the bonds that we bought. Now, would any Member of Congress oppose the purchase of ten or fifteen billion dollars worth of these interest-bearing bonds? I do not think so. Yes, the recovery of the world would have been assured, and there would be no necessity for bilateral trade agreements which are aimed at destroying the trade of the United States of America and putting us out of the world markets. Yes, by doing business through the World Bank we were assured the return of our money or the defaulting nations would lose faith and credit in the whole family of nations. Well, now of course, this program did not suit Mr. Churchill, who was looking for more free handouts for England. This proposal did not suit those Americans who had a billion dollar prewar investment in Germany and were seeking free United States Treasury dollars to triple or quadruple this kitty. Of course, this program did not suit the international cartelists, monopolists, and the big international banking houses, who worked hand in hand with the international cartelists—but then Franklin D. Roosevelt died. So Mr. Churchill came to Fulton, Mo., made his famous speech that left America shaking and quivering with fear. The special Colmer Committee went to Moscow and all over Congress the cry was raised to stop trade with half the nations of the world. The hysteria grew and mounted, and the free American dollars started to roll out again. Mr. Churchill won, England got her money, the German barons and the Japanese Zaibatsu will be handed back their war plants and industries, nicely restored with the latest American equipment and machinery, and the latest American production methods.

Look at the Life magazine of week before last, see the beautiful German Volkswagon automobiles rolling out of this plant that had not produced one automobile under Hitler.

Mr. Chairman, we have been generous to the extreme. Our generosity has been exploited. By striking fear in our hearts and telling us that the doling out of free American dollars was the only way to stop a foreign ideology, we have been duped out of more billions. I want to say here and now that if the people of America are not properly fed, clothed, and housed, that if we neglect our internal economy, that if we neglect our schools and hospitals, that if we neglect the aged, the sick and incapacitated, that if our internal economy becomes weak and bankrupt, then, and only then, will communism or socialism prevail and become superior to the American philosophy of free enterprise. Yes, Mr. Chairman, we have been generous with the countries of the world.

At this point I wish to include a table showing the extent of this generosity. These totals, of course, do not include the vast sums supplied by voluntary assistance drives in the United States, such as CARE, Red Cross, International Charities, emergency assistance campaigns for reconstruction and rehabilitation in particular countries, nor does it include the millions of free gift packages that have been sent overseas by our American citizens at their own expense.

Total distribution of United States loans, grants, and aids overseas, including unpaid balances on World War I loans (includes all Marshall plan estimates for fiscal 1950, but does not include any funds for rearmament under North Atlantic Pact)

1. Austria	$885,118,000
2. Armenia	39,942,000
3. Belgium and Luxemburg	1,744,000,000
4. British Empire	44,679,000,000
5. China	3,446,000,000
6. Czechoslovakia	17,348,000
7. Denmark	234,792,000
8. Egypt	59,700,000
9. Estonia	25,903,079
10. Ethiopia	16,447,000
11. France and possessions	3,371,000,000
12. Finland	24,600,056
13. Germany (Bizonia)	3,260,000,000
14. Greece	681,000,000
15. Hungary	64,000,000
16. Iceland	20,900,000
17. Israel	63,009,000
18. Italy	4,700,000,000
19. Iran	23,100,000
20. Iraq	7,805,000
21. Ireland	142,703,000
22. Japan	1,891,000,000
23. Korea	89,469,000
24. Latvia	10,713,000
25. Liberia	14,829,000
26. Lithuania	9,603,059
27. Netherlands and possessions	979,000,000
28. Norway	345,000,000
29. Philippine Islands	708,000,000
30. Poland	373,600,000
31. Portugal	11,647,000
32. Rumania	79,435,000
33. Russia	12,793,400,000
34. Saudi Arabia	46,200,000
35. Sweden	104,100,000
36. Trieste	35,200,000
37. Turkey	305,400,000
38. Yugoslavia	117,200,000
39. American Republics (13)	1,651,392,000

The United States News and World Report of May 13, 1949, devotes some space to an examination of the trends of American business. Among other things it says:

> Report goods output is back almost to the conversion low point of 1945. Cotton consumption is around the low set in 1947. Wool consumption is off. Output in most industries is either back or seen headed back to levels of 1946 when the boom began. Outlook is for a further dip. Machinery output over-all is at the lowest point since 1946. Machine tool output is down around 50 percent of current capacity.

Confronted with an unbearable tax burden, and with all business reports pointing to a depression—and I don't like to use that term—I believe that it is urgent and pressing that we reexamine our foreign-trade policy, which excludes from our markets two-thirds of the world's trade. We must reexamine our export-import licensing program.

Our policy has gone to such unreasonable extremes that the Post Office Department received an order prohibiting the shipment of more than $5 worth of streptomycin in free gift parcel post packages bound for tuberculosis victims in Allied countries. This was done in spite of the well-known fact that it takes $100 worth of streptomycin to cure or to arrest a case of tuberculosis. This policy has gone to such crazy extremes that it has become inhuman.

China, Asia, and the countries of eastern Europe comprise an enormous

market for the manufactured products of our country. Closing our doors on these customers is not only poor business, but contributes to the increased tension between the nations of the world. American industry was told that the Marshall plan would aid in the exporting of their products, but despite the promises of the Marshall planners our exports have been dropping. In 1947, before the Marshall plan, we did $15,000,000,000 worth of export business. In 1948, under the Marshall plan, it dropped to $12,500,000,000.

If we continue under this program there can only be an aggravation in the downturn of business.

The New York Times on March 24, 1949, voiced the opinion of the convention of the Export Managers' Club in New York. It stated that there is a growing awareness by men in the export field that, even with the Marshall plan, by 1952 European "imports from the United States may be cut as much as 40 percent, while competitive and revitalized European production may capture as much as half the United States markets in Latin America."

Then there are those who proclaim that the enormous expenditures for the military will provide the additional employment and take up the slack in our economic system. Well, of course, these billions are only a drain upon the taxpayers, and they do not create any social values, and do not create any capital investments in constructive business that would add to the wealth and progress of our Nation.

I think we are delinquent in our duties if we fail to look upon these developments with anything less than alarm. I believe it was a great mistake that simultaneously with the launching of the Churchillian Marshall Plan, we also introduced discriminatory trade measures against the eastern European nations which refused to participate in it. In effect, our licensing program constitutes a unilateral embargo upon these nations. We are even guilty of violating trade agreements which were signed before licensing was introduced, and which I believe are still binding documents.

I have repeatedly stated my opposition of our approach to the German problem. We have gone at breakneck speed in rebuilding Germany's potential in the world markets. After the First World War it took Germany 12 years to restore her pre-war potential. After the Second World War with the billions of dollars that we have dumped there, together with the billions of dollars of military supplies—yes, whole Army depots, that were left in Germany and no accounting has ever been given to the American taxpayers, Germany was restored in 4 years. Our whole policy affecting Germany is a repetition of the one followed immediately after the First World War. The only difference is that we have done it much faster and more efficiently.

The American taxpayer has spent $41,000,000,000 to defeat Germany. We have spent a total of $200,000,000,000 to win World War II. And now we are putting in billions every year to resurrect the huge industries of Germany and Japan to be our powerful contenders for world trade. By our policy of restricted export licensing we are giving to Germany another chance to dominate Europe economically, and thereby, politically. The same is being done for Japan in Asia. The nations devastated by the Reich are now confronted by that threat again. There is not even any effort being made any longer to conceal the fact that the Potsdam provisions limiting those industries which constitute a threat to peace are being openly ignored All the recent reports on Germany emphasize the fact that the decartelization program has been a farce and that denazification has been but a multiple-syllable word.

Is it not peculiar that the most ardent supporters of the policy of embargoes on trade with eastern European countries, countries by the way that never waged war against our country; yes, those people who insist that such a restrictive trade policy is imperative, are simultaneously the most enthusiastic supporters of rebuilding the might of Germany, twice the enemy of our country? It seems to me that this touching concern for the recovery of an enemy who is responsible for the deaths of a quarter of a million American lives and millions of European, and cost us over $200,000,000,000, does not jibe with the pledges that we made to our allies to rebuild them first.

Yes, we are rebuilding the country that brought our allies to the brink of complete disaster, and all under the specious and false excuse of rebuilding the European economy, and still worse, by our embargo on trade with the eastern European nations we are penalizing them for their sacrifices and rewarding Germany for its crimes.

So today we are pursuing the short-sighted policy of trying to hamper and limit the economic recovery of our eastern European allies, and in so doing we have also hampered the recovery of western Europe at a huge and unnecessary cost to the American taxpayer. It is this artificial division of European economy which for centuries has constituted a whole, that has made it necessary for us to throw in billions of taxpayers' dollars. This is the division that Churchill created. This division has placed Europe on the American dole. There can be no talk about peace and complete world recovery so long as trade barriers exist between our country and eastern Europe, and in turn, between western Europe and the east.

The continuation of such a policy can only mean that the American taxpayer and American industry and American labor is the loser. For instance, what does the embargo on goods to the Soviet Union mean in concrete terms today? The Wall Street Journal of April 15, 1949, points out that the Soviets are shifting their buying to other markets. It writes that the Soviets are getting machines and industrial equipment from the United Kingdom, Sweden, Denmark, Belgium, Switzerland, and Norway, while she continues to ship manganese, chrome, and vital strategic materials to the United States, but is forced to use the dollars thus obtained to buy what she needs in other markets. It is needless to call attention to the fact that with the exception of Switzerland, all the nations referred to are participants in the Marshall plan. Now, translated into cold facts, this simply means that our policy adds to paralyzing our industries, and of course also adds to the rise of unemployment in the United States. The same applies to Poland, which has established trade relations with 42 states and because of our restricted trade policies, Poland has extensively increased her volume of purchases from the Scandinavian countries, and this trade is particularly strong in goods like machinery, which industry in our country is suffering a marked downward trend in production.

Yes, while we have clamped down on the export of goods and machinery to Poland, Great Britain has recently entered into a bilateral agreement, a 5-year trade pact, for a billion dollars' worth of trade with Poland. Included in this agreement are such export items as copper, capital equipment, tires, dye stuffs, crude oil, and rubber. I find that the other eastern European countries have all entered into these bilateral agreements and to a lesser or greater degree are arranging for new trade outlets that leaves the United States out in the cold. The greatest danger in our policy of restricted export and import trade, and our licensing program, lies in the fact that when the dependency of these nations on American products has once been eliminated by forcing them to obtain these same products in other markets, we may emerge out of this situation without any customers in eastern Europe, and possibly in China and Asia.

I wish to bring this situation forcibly to the attention of the House. Do you know that so far this year our exports to the Soviet Union and the eastern European countries are running at what will be an annual rate of only $70,000,000? Stop and think what effect this policy will have on our domestic economy. This export trade represents the smallest fractional part of the business that could be obtained if our foreign trade were placed on a sound economic basis. This is a policy of deliberate bankruptcy for our business.

Who is it that has the right to sell out our world trade and commerce to England, Germany, and Japan?

I find that machine tools, precision equipment, trucks, excavators, electrical equipment, locomotives, and oil-drilling equipment still are on the frozen or forbidden list of exports to eastern European countries. These are the materials that eastern Europe needs most. Continuing the American embargo may be a deterrent to more rapid recovery for these countries, but certainly it can be no block to their recovery. They will obtain these materials elsewhere. An examination of the recovery rate of these European countries fails to bear out the hopes of the proponents of this theory. Our policy of embargo and restricted trade toward these countries is forcing them to be independent of us and not to rely on our productive industry, and all this augers ill for our future trade relations unless we revise our policy immediately. Everyone who has visited these eastern European countries is amazed at the rapid recovery and is astounded to learn that they were able

to accomplish this by their own hard labor without free Marshall-plan dollars. Now, it should be self-evident that while these countries are expanding economically and at an unprecedented rate there exists in these countries a tremendous potential market for United States products—a market that will pay for our goods on a business basis and not with taxpayers' dollars out of the United States Treasury. Those who are bleeding us with Marshall-plan dollars will say, "Oh, you can't approve of the particular forms of governments that exist at the moment," and, at the same time, these Marshall-plan panhandlers are grabbing the eastern European business for themselves.

I am a member of the House Committee on Interstate and Foreign Commerce. In our committee we have held extensive hearings bearing on our Nation's trade and commerce. I cannot sit idly by and not utter words of protest against a trade policy that will be disastrous to our Nation for years to come. In my investigation I find that the eastern European countries have embarked on an ambitious program of industrialization. They have launched a program for the expansion of their transportation facilities which were so limited before the war. Our plants could be busy for years producing the equipment that is necessary to meet the demands in the field of transportation alone. So also the program of electrification in these countries creates an insatiable market for our electrical products for many years to come. Their efforts to increase farm needs creates a huge market for farm equipment, and I am sorry to say that it is in these fields specifically that we are recording great drops in production and great increases in unemployment. It should be obvious to all of us that when we slam the door shut upon one section of the world which is such a fertile field for world trade, it can only lead to depression and unemployment at home.

Michael L. Hoffman, who is reporting and covering the meeting of the UN Economic Mission for Europe which is in session in Geneva, Switzerland, on May 11, wrote that even though the eastern European nations have charged that the Marshall plan has usurped many of the prerogatives of the ECE, that despite all this, they are eager to trade with us and western Europe. That these nations desire such trade has been shown repeatedly. Only recently we rebuffed efforts of Czechoslovakia to buy materials we have piled up in surplus.

That these eastern European nations will meet their obligations and that their credit and guaranties are good has been amply demonstrated. As for example, when the World Bank delegation went to Poland to investigate the situation they made an enthusiastic report, calling Poland an excellent risk and recommending the loan.

It is apparent, and there can be no doubt about it, that economically those nations are in a sound position to do business. The barriers placed against them are purely political. I should say they are shrewdly political and slanted in such a way as to deprive us of these markets.

In addition to the World Bank we also have the United States Export-Import Bank, which should be used and exercised to the fullest extent. To promote world peace, mutual understanding and cooperation, and to lessen the tensions that could lead to conflict, and to fulfill our obligations that we undertook when we signed the United Nations Charter, I believe that we should stop our present discriminatory trade policy.

I see no need for the further outpouring of billions of dollars under the Marshall plan and these other foreign-aid panhandling projects. It is time that all of the nations of the world get down to business on a business basis. I shall not vote to bleed the American taxpayer further. I shall vote to repeal all of the special excise taxes that I have hereinbefore mentioned. I shall vote to rebuild our own internal economy and give all possible assistance to our States and cities, to our institutions, and to our citizens. That is what the United States Treasury is for. It is not a grab bag for all of the people of the world, and if there is any doubt in the mind of any Congressman, just go home and ask your people, and I am afraid that there will be much explaining to do when the 1950 tax bill rolls around in the election year.

In conclusion, I believe that our present trade policy in relation to the eastern European nations is not a sound policy—first, it fails to coincide with the best interests of our Nation; secondly, it has not halted the rapid recovery of the states in eastern Europe—and neither are the trade restrictions helping the recovery of western Europe.

The embargo and the restrictions on export licensing clearly do not work. On the contrary, the embargoes have forced the eastern nations to seek other sources for their wants, and I repeat that this policy will hurt our world trade for years to come. The pouring out of billions of American taxpayers' dollars into western Europe and Asia has only had the effect of splitting and hampering world trade and world economy. At a period when our capacity to produce far exceeds our needs, and in a period when our production continues to drop and unemployment is increasing, and when at the same time we have an enormous potential market that is available to us, I feel that we are following a stupid and foolish policy. The nations of eastern Europe have the credit and security. They want trade with us and have made every effort to buy American products. They have established themselves as responsible in their trade relations with the rest of the world. Establishment of world trade relations will immediately rebound to the benefit of American business and American labor. And at the same time it will be the greatest contributing force to the easing of tensions and to the restoration of understanding and peace.

Again I say, it is imperative that the tax burden be reduced by at least seven or eight billion dollars; that these tax reductions can be made on the free foreign-aid programs and the military authorizations.

I am opposed to this Marshall-plan appropriation because I insist that we revert to the program laid down by President Franklin D. Roosevelt for the postwar period, that is, that all of the nations of the world, including the nations of western Europe, do business through the World Bank and the Export-Import Bank, and subscribe to the policy of the International Trade Organization multilateral trade agreements. We cannot afford to dish out any more taxpayers' dollars for nothing, and we must participate in the business of the world on a multilateral basis.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I am deeply indebted to the gentleman from New York for this time. I thought I was to be given time on our side, but I told them frankly I was going to oppose the bill.

The title of this bill reads:

Making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The thing that occurs to me about the "other purposes" is that it is an appropriation to service the national debts of the European countries. I have gone into that phase of the subject a little and I am surprised to find that very few people in the Congress have gone into the fact that this is a very ingenious, artful scheme to take money from the American taxpayers to finance the servicing charges on the national debts of these foreign countries.

I have checked a little bit into Holland and Belgium as to their national debts. I found that Holland has three classes of bonds. They have bonds payable in dollars, that are sold in America. They have bonds payable in pounds, that are sold in England. I got the list of their indebtedness on the American and British bonds, but was not able to get the amount and the condition of the bonds sold domestically in Holland, which are paid in francs or in guilders.

In this appropriation of $5,500,000,000 we do not donate anything to the people themselves in the Marshall plan countries, we simply donate the money to the governments, and the governments make the people bring in their cash and lay it on the line to get the material from America. If the hungry people of Holland or the hungry people of Belgium want bread, they ask for wheat, and our Government takes our money and goes out and buys the wheat, and keeps the farmers and the wheat growers here happy by buying the wheat and donating it to Holland. Holland requires the people that want the bread to bring in their money and lay it on the line, and it goes into the treasury of their government. Naturally, when the bond interest falls due, and the bonds themselves, these governments take the money they collected from their people and service and pay the principal of the national debt.

Over in the caucus room I asked Mr. Hoffman, the Administrator, this question. I said, "Mr. Hoffman, the chief objective of this ECA is to stabilize the national economy of these so-called Marshall-plan countries." He said, "Certainly." I said, "The most essential

thing and the most important thing to do to stabilize the economy of a country is to maintain the integrity of its national credit." He said, "Yes, sir." I said, "Now, I would like to know how much of the taxpayers' money that is disbursed by ECA is going to pay the service charge and the principal of the national debts of these Marshall-plan countries." Just then the gentleman in charge of the meeting jumped up and said, "Time is up. Mr. Hoffman has not time to answer. You can ask him privately but you must not ask him that question publicly."

I wonder how many of the men who represent the western mining States and the mining industry know that in this bill that I hold in my hand that we have under consideration 5 percent of the appropriation is set aside to purchase strategic materials. I wonder how many of the men from the Western States and the other mining States all over the United States know that that 5 percent in this bill will be $190,000,000 that will be set aside not only to purchase lead, zinc, and copper, but to finance mining development in the foreign countries. We cannot spend a cent of this money in Mexico, we cannot spent a cent of this money in Central America or South America or Canada—well, we can spend it in Canada, because that is one of the Marshall-plan countries, as part of the British Empire. But this money is going into these European countries to break down the price of our mineral resources here, the lead, copper, and zinc produced in this country. The price of these commodities is falling every day, and the stocks of our industrial companies are falling every day, and the income taxes that we are receiving from all of these industries are falling. I wonder where we are heading.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the bill now before us to provide funds for the continuation of the recovery program in Europe, through the ECA, has my full support. The work already done and the results accomplished have been most gratifying.

The able administration of the ECA program by Paul Hoffman, its Administrator, has been of a character that shows what can be accomplished by utilizing the services of a man trained in business and with ample experience. While at all times he has shown a sympathetic interest in the welfare of European nations he has not permitted mere sentiment to override or set at naught the sound business principles that must be applied if the recovery program is to obtain sound, permanent, and worth-while results. His administration has been commendable and deserves high praise. He is entitled to all the support and encouragement that the Congress can give.

The funds we have already expended in the nations of western Europe have done much to provide stability to the governments receiving such aid, creating confidence in the peoples of those nations that with the help we give they can reestablish their national economy and eventually regain the power to support themselves and improve their standard of living. The accomplishment of these objectives will stem the tide of communism that threatened to engulf them. Already we can see the benefits that have accrued from the wise investment of our funds in their welfare. Past accomplishments give encouragement for future possibilities.

Frequently objection has been made to our contributions for recovery in Europe on the basis that we have worthwhile causes in our own country that call for relief. It is true there are many such causes that are rightfully entitled to relief. However, giving of aid to Europe does not and should not preclude relief to them. Furthermore, we must not overlook the fact that basically we are extending aid to Europe to establish economic conditions that will strengthen and stabilize the democratic governments of western Europe, and thereby prevent the spread of communism and the possibility of a third world war.

We naturally look forward to the day when these nations of Europe will no longer need our aid. The sooner that day arrives the better it will be for them as well as ourselves. We cannot, nor should we be expected to, continue a program of relief indefinitely. The purpose has been to give Europe merely a breathing spell during which it could rehabilitate and strengthen its tottering and unsteady national structures. This is being rapidly accomplished and gives promise of an ultimate and complete recovery. It is time, however, we began to tell the nations now receiving relief from us that ECA is not a permanent institution. They must realize that the time is coming when they must depend less upon us and more upon themselves and the investment of private capital.

My support of this bill is based upon the thought that our future security and the peace of the world is made more certain and sure by strengthening the democratic nations of Europe.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, we are now called on to put another $5,542,000,000 into the European recovery program. We ought to stop and see what we have done or accomplished by the previous billions we sunk in foreign countries. There are some facts that seem unanswerable:

First, we have not settled the Greek revolution, but have merely prolonged it. People fired with the spirit of freedom do not give up easily.

Second, we have by the aid we have given the Dutch, used our power against the Indonesian people struggling for freedom from Dutch economic slavery. We have alined ourselves against the plain people of these islands whose love of liberty is comparable to our own during the days of the American Revolution.

Our aid to China of $2,000,000,000 has had the effect of equipping one of the finest and best-equipped armies in the Far East, for all of our aid has gone directly to the Communists of China. While seeking to stop communism in that country, we have made it a smashing success.

Our aid to England has got nowhere, because that country is still unable to take care of itself. That country has too many ex-kings, kings, princes, and royal nabobs to ever get out of debt and be economically self-sustaining. Without the aid of Churchill in finagling this country into war, England would have been bankrupt and out of business as a nation. I always thought, from reading history, that we won the Revolution against England, but I guess the historians were wrong. England seems to be able yet to direct our affairs.

If Congress understood the fundamentals and actually wanted to stop the spread of communism in Europe, it would be a comparatively easy matter to take such action as will not directly aid in the spread of that "ism." Behind all the unrest in these countries is the determination of the people everywhere to acquire that which will enable them to live—namely, land. As long as the people in any country are hungry for land, and the present governments permit the maintenance of large estates used for pleasure, game preserves, and royal palaces, this unrest will go on. Any form of government which promises them land, no matter how autocratic it may be, will have the support of the common masses of people. You can see that in China at this hour. Bells are ringing, flags waving, as the people formerly under the Chiang government welcome the advancing well-equipped and well-managed army of the Communists. They are hailed as liberators. Liberators from what? Liberators of people from a corrupt government that has at all times ignored the suffering of the people of China.

I said once before on the floor of this House, and now repeat it, that I will vote against any appropriation for any foreign country until we take care of the people who are in distress in this country. We have many thousands of aged people here who are living on assistance that is not only pitiful, but a crime against the traditions of the United States. All officials of the Government want raises in pay. There is a bill now before Congress to increase the salaries of top Government employees from ten to fifteen thousand dollars annually, yet we have done nothing for the aged, the crippled, and the blind. Pensions to soldiers have been denied, but yesterday an attempt was made to boost the pay of retired Army officers, where the lower officers received a token and the top hats were to get it all. It did not work.

To decrease this appropriation for ECA by 15 percent is a gesture in the right direction. I will vote for it and if we amend it and reduce the amount by 15 percent, we will save $832,000,000, or almost twice what it will cost to allow the aged people of the United States double what they are getting now. We should save all of this five billion five hundred and forty-two million, and after the bill is amended to cut it down 15 percent, I will still vote to reject the whole thing. I hope I have made my position clear.

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1950, namely:

TITLE I

FUNDS APPROPRIATED TO THE PRESIDENT

Economic cooperation

For expenses necessary to enable the President to carry out the provisions of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47), for the period commencing April 3, 1949, through June 30, 1949, including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed $6,000); hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed $6,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange; $1,074,000,000, of which not to exceed $125,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified: *Provided*, That not to exceed $4,400,000 in the aggregate shall be available from this appropriation and the appropriation under this head in the Foreign Aid Appropriation Act, 1949, for administrative expenses during the period April 3, 1949, through June 30, 1949.

For expenses necessary to enable the President to carry out the provisions of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47), for the fiscal year ending June 30, 1950, including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed $30,000); purchase (not to exceed two) and hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed $25,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange; $3,568,470,000, of which not to exceed $500,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified: *Provided*, That this appropriation shall be consolidated and merged with appropriations under this head for prior periods, and such consolidated appropriation may be used during the fiscal year 1950 within limitations herein specified: *Provided further*, That not to exceed $16,500,000 for such consolidated appropriation shall be available for administrative expenses during the fiscal year 1950.

Mr. GARY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 4, line 7, strike out the period and insert a colon, and the following: ": *'Provided further*, That the entire amount may be apportioned for obligation or may be obligated and expended, if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950'."

Mr. GARY. Mr. Chairman, the amendment which I have offered is the exact language contained in the appropriation bill of last year, with the exception that the date has been changed from April 2, 1949, to May 15, 1950. As I explained in my opening statement, the purpose of this amendment is merely to provide that the expenditure of funds which have been appropriated for a 15-month period may be accelerated and the money spent in 13½ months if the President, after recommendation by the Administrator, deems such action necessary to carry out the purposes of the act.

It is not our purpose to ask for any increase in the funds of ECA and if the funds last for 15 months, I am certain that the Administrator will be delighted to stretch them out. The purpose of the amendment is merely to see that the Administration and this Government is not embarrassed by an absolute lack of funds at the end of the term. In this connection I read a letter which was written by the President of the United States to the chairman of the Committee on Appropriations. The letter is as follows:

THE WHITE HOUSE,
Washington, May 26, 1949.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives.

DEAR MR. CHAIRMAN: You are, of course, aware of my deep interest in the success of the work of the Economic Cooperation Administration and the success of our program for government and relief in occupied areas. I am firmly convinced that the maintenance of these operations on an adequate basis is not only necessary for the fulfillment of our international obligations and the success of our foreign policy, but also that the operation of this program on an adequate basis at this time will, in the long run, prove to be the most economical course for the United States.

The importance of the Economic Cooperation Administration is so well understood that I am confident that we can expect the Congress to continue to provide adequate funds for its work. I would like to stress the importance of providing equally adequate funds for government and relief in occupied areas.

The funds which would be provided for this purpose in the appropriation bill reported by the committee would be adequate to continue the maintenance of the minimum ration per individual but, for all practical purposes, would not permit the continuance of the program for economic rehabilitation in Japan and in the Ryukyus. The reduced funds would also seriously affect the program for economic rehabilitation in Germany which is carried on in conjunction with the work of the Economic Cooperation Administration. Only by continuance of this program could we expect the people in those areas eventually to become self-supporting. I feel that provision of an amount adequate to carry on the program of Government aid and relief in occupied areas at the level requested will, in the long run, reduce the over-all cost of accomplishing our occupation responsibilities.

I earnestly hope, therefore, that this amount will be made available.

Sincerely yours,

HARRY S. TRUMAN.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. THOMAS of Texas. Mr. Chairman, I intend to support this legislation on final passage, but I will not support any amendments which seek, directly or indirectly, to restore any part of the approximately $800,000,000 which my amendment in the full Appropriations Committee, cut from the budget estimates. I think European recovery money and effort are necessary, but not in the full amounts presented by the budget.

If I may, I should like, briefly, to summarize part of what has been done. The other part I am not advised on. I refer to an agreement that was made late yesterday afternoon by the leaders on both sides of the aisle. Why the agreement was made, or what brought it about, I am not advised.

By way of summary, let me state that the full Committee on Appropriations reduced the budget estimates for ECA for fiscal 1950, which were roughly $4,200,000,000, by 15 percent. The budget estimate carried $1,074,000,000 to be used the last 3 months of fiscal 1949. My amendment in the full committee did not reduce that item. In other words, the 15-percent cut did not apply to it.

The item for military government and relief in occupied countries for the fiscal year 1950 carried a budget estimate for $1,000,000,000. The full committee reduced that item by 15 percent also.

The original subcommittee bill carried a limitation of about 5 percent on the use of the $1,000,000,000 funds for government and relief in the occupied countries, for the purpose of administration. By amendment, the full committee reduced the 5-percent limitation to 3½ percent. I understand according to the terms of the agreement heretofore referred to, that the distinguished gentleman from Virginia [Mr. GARY] will offer an amendment to restore the full 5 percent.

The amendment that the gentleman from Virginia has already offered, does not seek to restore the 15-percent cut for ECA funds, but gives to the Administrator the right to spend all the funds, not in 15 months, but 13½ months. I also understand that the Administrator agrees to try to make the $5,000,000,000 last through the entire period of 15 months. If the funds do not last the entire 15 months, he has a right to come back to Congress and seek to recover the 15 percent that the full committee has cut from his funds. I am afraid that the Administrator will be back on time, looking for the 15-percent cut. However, I hope he does not. And I believe that by the use of good business judgment, of which he has an abundance,

and by the practice of a little economy that is so badly needed in our fiscal affairs now, he will be able to save the American taxpayers the $700,000,000 that was cut from this item.

I understand that another amendment will be offered dealing with the military government item on page 4 of the bill that will seek to restore $75,000,000 of the $150,000,000 that the full committee cut. And, in addition to that, will seek to restore the full 5-percent limitation placed upon the administrative use of these funds.

Frankly, Mr. Chairman, in my humble judgment, I know of no greater waste in our entire Government than in the administration of our military government in occupied countries. True, this type of government is about to be shifted to a civilian government, but the same employees in the occupied countries will do the administering. They draw good salaries. On top of the good pay, they get the foreign-service pay, which is 20 percent extra, and other perquisites.

We have a precedent to go by in the matter of administering foreign rehabilitation and relief in the way of limitation of administrative funds, and that is in the Philippine Islands. There we are spending $400,000,000 for this type of work. The Appropriations Committee has put a limitation of slightly less than 3 percent for administrative purposes, and the Philippine Commission is doing a good job. Surely 5 percent is too great a sum of money, particularly in view of the fact that hundreds of military people will be used in the administration of these funds, whose pay will not be deducted from these funds, but from the military appropriations.

So, Mr. Chairman, under the amendments that the subcommittee will offer, and which the House will pass—for I understand that the way has been well paved in the form of an agreement on both sides of the aisle—you will have a savings that you can put your fingers on of only $80,000,000, as a result of the 15 percent cut. Instead, it should have been approximately $800,000,000. But we are given the fond hope that an additional $700,000,000 will be saved. Let us hope that the $700,000,000 can be saved, because the taxpayers need a little help. I am sure that this cut will not affect the soundness and the efficiency of the entire ECA program. Bear in mind, please, that we will be called upon in 1951 and 1952 to make similar large appropriations for the same purpose.

Mr. MONRONEY. Mr. Chairman, I am strongly in favor of the amendment offered by Mr. GARY to prevent the proposed disastrous cut in ECA funds.

In offering this amendment the gentleman from Virginia [Mr. GARY] will undo some of the damage done to this great program. However, no one can deny that we narrowly averted a great tragedy to this useful program, that has done so much to help protect the vital sectors of Europe against the threat of Communist domination.

The deep cut in the funds would have impaired the hand of the State Department in the present Foreign Ministers Conference, and worse than that, would have shaken the faith of all those Europeans who have begun to see daylight in recovery as free men under the Marshall plan.

We are faced with a peculiar psychology in this debate on the bill. Many of those who claimed that the program last year was destined to fail, now oppose it on the basis that it has succeeded so well that adequate funds are no longer needed.

While it is true that under the able management of Mr. Paul Hoffman, the director, and his staff, that remarkable progress has been made—while it is true that the program is ahead of schedule and showing remarkable results—any cut now in the funds required would be fatal to the program.

The time to make it succeed is in this second year—the crucial year for Europe and its recovery. Europe now has hope and confidence in itself and in its ability to recover.

They have entered the program and cooperated wholeheartedly to make it work and now see results. To pull the rug out from under the program now by drastic cuts, would lose the valuable momentum that has been achieved. It would turn the program from a recovery program back into a relief program—and stretch out by several years the length of time required to achieve the goal of recovery.

Thus, it could prove false economy in the extreme. By trying to save three hundred or four hundred millions now might cost us billions or more later on as the program failed to meet its goal within the 4-year period.

From the end of the war until now, the United States has made available to western Europe more than $11,900,000,000. Most of that, before the ECA was relief, a continuing grant without hope of the recipients becoming self-sustaining. At long last we are on the track toward recovery of Europe—and not just relief. But to make any such slash in funds as was proposed by the full committee would certainly insure that recovery would be long delayed and our ultimate expense greatly increased.

This entire program, I feel, must be measured against the cost of the war which exceeded some $350,000,000,000. Likewise it must be measured against the continuing cost of our military appropriations which exceeds sixteen billions each year. If this plan succeeds, there is strong hope that we may get out from under this terrific armament cost at an earlier time, for it is strictly a movement in the direction of world peace and world recovery.

No one who has studied the hearings can doubt the great care, the careful screening, that goes into all ECA allocations. The objections in debate raised against the ECA missions is entirely unfounded. For it is the complete understanding of each country's economy, their import and export positions, their standard of living and other vital detail, that makes it possible to render the proper amount of recovery aid without the dangers of waste or extravagance.

This action also has a most beneficial effect on the recipient countries themselves, in showing them in clear and concise fashion their economic problems and what they can do to increase their production, to decrease their dollar demands, and to increase their exports to other countries.

Most Americans overlook the tremendous results that this vital aid brings. The aid is about 3 percent of their production, yet without this 3 percent, much of their own 97 percent of the production would be lost. It is our raw materials that makes possible the production that brings recovery. Thus, for a 3-cent investment, we greatly magnify it to make possible them producing 97 cents for themselves. Measure the effect of drastic cuts upon the program and see how much of this ratio of 33 to 1 you will cut out of their chance for recovery.

Contrary to charges raised here in the debate that Europe uses this aid to raise their living standards, figures show that most of the gains in production are plowed back into productive resources. About thirty billions this year went into new capital formation—for the tools to secure greater and better production later on.

The program will taper off to end at the expiration of 4 years. This year there will be a decline of 17 percent. Next year further decreases can be safely made under the program. But it must be an orderly decrease and not one which will wreck the good already achieved. To wreck it now with meat-ax methods without regard to the carefully screened needs would be to destroy the phenomenal success that has already been achieved.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

TOO MUCH IS ENOUGH

Mr. RABAUT. Mr. Chairman, Victor Reuther, brother of Walter P. Reuther, president of United Auto Workers, CIO, was shot Tuesday night, May 24, through a window of his home under almost similar circumstances as the attack made upon his brother some time ago.

Victor Reuther in life is associated with the educational department of the United Auto Workers. This attempt upon the lives of these brothers, devoted to the great labor cause of the country, is so un-American and so repulsive to our ideals and customs that it cries strongly for vengeance.

My purpose in coming into the well of the House is to bring forcibly to the attention of the Congress the necessity for the use of the facilities of the FBI in this case; that no stone may be unturned in the discovery of those who lend themselves to the perpetration of these dastardly acts so repulsive to the American way of life. The whole country sympathizes with the Reuther family, and let us hope that the great right arm of Uncle Sam, the FBI, will uncover and expose the culprits as an example that such deeds shall not go unpunished. Too much is enough.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

The amendment was agreed to.

Mr. TACKETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TACKETT: On page 3, line 16, after the first semicolon, strike out the words "entertainment (not to exceed $25,000)."

Mr. TACKETT. Mr. Chairman, no doubt it has been necessary, for our own protection, to assist in the rebuilding of war-torn foreign friendly democracies. While we have carried the burden of financing the last two World Wars and while many of our boys lost their lives in these great conflicts, it was upon the soils of these foreign countries that the battles were fought and where the women, children and aged were slaughtered—friendly democracies paying the necessary penalties to keep the actual conflict confined to those areas and save much suffering from our families.

No doubt most of us realize that during World War II while this country was participating on the side of Russia that we could be in no better position than perhaps on the side of the lesser of two evils, because all of us well knew that both Germany and Russia were seeking the same goal. Russia has since behaved as per our suspicions. Now, with Russia emerging from World War II the strongest government in Europe, with a continued desire to impose her despicable communism upon all the world, leaves us in a position whereby we must prepare her neighboring democracies with power to forestall destruction and thereby preclude conflict upon our own soil. I could stand for myself to be denied the necessities of life, but I am quite sure that I would commit wrongs to prevent my wife and children from being without the necessities. These weak foreign democracies want to remain a free people, but when their wives and children are starving, would join communism or any other type of ism in the hope of finding food and clothing.

For these reasons, and these alone, I can concur in the principles of the Marshall plan only to an amount of assistance absolutely necessary to bring about the desired results. I sanction the policies of the European recovery program only to that extent necessary for our own protection, taking foreign-trade possibilities into consideration.

As you well know, I was not a Member of Congress when the European spending program was launched and cannot be held responsible for such action; however, I do in no wise criticize the policies, but contend that the entire program can stand scrutiny, closer supervision, and narrowed coverage to insure the maximum benefit to those entitled, and preclude same from reaching unfriendly powers. I am at a loss to know why we should in such a flagrant manner send funds to Italy and other such subversive nations where we could, by the exercise of ordinary precaution, anticipate the Communists and those unfriendly to our form of government are waiting at the depot to receive our assistance with which to further their cause. We should not spend 1 penny in the European recovery program that has a chance of drifting into the hands of our enemy.

Regardless of the importance of the European recovery program, or any other such assistance to foreign people, we should first take care of our own people even should we not have left 1 penny for worthy foreign aid. No person in the United States should be denied the comforts of every necessity whether disabled physically, mentally, or by age.

During my campaign when several of my opponents were shouting criticism of the entire European recovery program, in every one of my more than 200 speeches I uttered in substance the very statements I am making today on the floor of this House.

You may be assured that it has never been my intention to come here and give the funds of our taxpayers to socialistc England. Individual initiative, free enterprise, and open competition have been destroyed in England to the extent that were it not for the United States of America, the great spending program being conducted in that country would end and a lot of the people would face starvation. I cannot believe that we are to deny assistance to our own needy people in favor of helping a socialistic state advocating the very principles of communism.

If you gentlemen will go out into some of the rural communities within this country, you will find plenty of people on this American soil who do not have necessary food, clothing, and shelter; yet, the majority of this House is freely spending billions of dollars in the socialistic country of England and at the same time pulling every known political maneuver to deny worthy assistance to the underprivileged, crippled, and aged in our midst.

The amendment upon which I am now speaking merely seeks to strike out $25,000 of entertainment moneys from the provisions of this bill. There are provisoions calling for many more dollars for entertainment purposes. Of course, the amount that I seek to strike is not one-tenth of the funds that can be and will be used for entertainment purposes. Are our taxpayers supposed to pay for the entertainment of foreign people in the efforts of this Government to get those foreigners to take American assistance? Do you mean to say that we have got to entertain the foreign countries in order to get them into the necessary good humor to accept from us more than five and one-half billion dollars under the provisions of this bill? I would think that the foreign donees would be entertaining the American donors for these fabulous gifts that mean so little to the common people of Europe.

Oh, yes, I have something to say to a few of these good newspapermen here in the gallery who can find so little criticism for the European recovery program. Every time there is a water, flood-control, irrigation, electric-power, or navigation project proposed in this Congress to help the people of this Nation those same few newspapermen go about picking out Members of Congress in whose districts the projects are to be located and infer that those respective Members are crooks for wanting the public projects that could so benefit the entire Nation. I presume that such writers had rather the money would be lavishly thrown overseas than allowed to benefit the American people. Such newspaper tactics are just a mode of cheap political pressure in an effort to browbeat the membership of this House. I might say further that none other than a person with criminal inclinations who could not be trusted any farther than you could throw a bull by the tail would infer crookedness at the hands of another without proof thereof. Big business sells a lot of the commodities for ECA purposes. I am wondering if such newspapers are attempting to help big business sell ECA commodities.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. TACKETT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TACKETT. The other day I was listening to a radio broadcast from Sicily. The commentator was standing on the sidewalk asking the various passers-by what they thought about the Marshall plan. Only 2 out of 40 questioned knew what he was talking about. These two were man and wife. The husband said that he was a Communist; for Russia; and could do without the American Marshall plan assistance. The wife said that she was for the Marshall plan; appreciated the American assistance; and wanted to thank the good people of the United States. The husband countered that his wife was all wrong—that even though they were receiving assistance from America that the Russians would eventually have to take care of them; and that the Russian form of government was more dependable.

The common people of Europe do not know one single, solitary thing about the Marshall plan and they care nothing about it. They have no reason to know from whence the assistance is coming; actually very little direct assistance is made to the people through ECA. We slough off the money to the European governments in power and they either sell the property to the people or take direct credit for any hand-outs. We are just being a bunch of suckers, and we all know it.

Mr. GARY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes, the 2 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Chairman, the gentleman states very frankly that he is opposed to the ECA. He has found out that he cannot defeat the program on the floor of this House because Congress is committed to it. So he tries to accomplish by indirection what he knows cannot be accomplished directly. Certainly, there is no businessman on the floor of

this House or anywhere else who does not know that in negotiations of the kind that the ECA must conduct there are times when people must get together at lunches, dinners, and other functions. We are spending in Europe approximately $5,000,000,000 a year. In this bill there is $25,000 for entertainment for the entire ECA program. I do not believe that anybody on the floor of the House will think that is an exorbitant expenditure.

I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. TACKETT].

The amendment was rejected.

The Clerk read as follows:

Assistance to Greece and Turkey

For an additional amount for "Assistance to Greece and Turkey," as authorized by the act of May 22, 1947 (61 Stat. 103), as amended and supplemented, to be available immediately, $50,000,000, which, together with the amounts heretofore appropriated under this head, shall remain available until June 30, 1950; and the existing limitation under this head in the Foreign Aid Appropriation Act, 1949, on the amount available for administrative expenses, shall continue in effect; and the existing limitation under said head on the amount available for such expenses in the District of Columbia is increased from "$400,000" to "$425,000": *Provided*, That said limitations shall apply only to the administrative expenses of the Department of State.

NATIONAL MILITARY ESTABLISHMENT

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

Government and relief in occupied areas

For expenses, not otherwise provided for, necessary to meet the responsibilities and obligations of the United States in connection with the government or occupation of certain foreign areas, including personal services in the District of Columbia and elsewhere and, subject to such authorizations and limitations as may be prescribed by the head of the department or agency concerned, tuition, personal allowances (not to exceed $10 per day), travel expenses (not to exceed those authorized for like United States military or civilian personnel), and fees incident to instruction in the United States or elsewhere of such persons as may be required to carry out the provisions of this appropriation; travel expenses and transportation; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to law (28 U. S. C. 2672); translation rights, photographic work, educational exhibits, and dissemination of information, including preview and review expenses incident thereto; expenses incident to the operation of schools for American children; printing and binding; purchase and hire of passenger motor vehicles and aircraft; repair and maintenance of buildings, utilities, facilities, and appurtenances; contingencies for the United States commanders, commissioners, or other administrators of foreign areas, to be expended in their respective discretions (not exceeding amounts authorized or approved by the head of the department or agency concerned); such minimum supplies for the civilian populations of such areas as may be essential to prevent starvation, disease, or unrest, prejudicial to the objectives sought to be accomplished; and such supplies, commodities, and equipment as may be essential to carry out the purposes of this appropriation; $850,000,000, of which not to exceed $29,750,000 shall be available for administrative expenses: *Provided*, That the general provisions of the appropriation act for the fiscal year 1950 for the military functions of the Department of the Army shall apply to expenditures made by that Department from this appropriation: *Provided further*, That expenditures from this appropriation may be made outside continental United States, when necessary to carry out its purposes, without regard to sections 355, 1136, 3648, and 3734, Revised Statutes, as amended, civil-service or classification laws or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further*, That expenditures from this appropriation may be made, when necessary to carry out its purposes, without regard to section 3709, Revised Statutes, as amended, and the Armed Services Procurement Act of 1947 (Public Law 413, 80th Cong.): *Provided further*, That expenditures may be made hereunder for the purposes of economic rehabilitation in the occupied areas in such manner as to be consistent with the general objectives of the Economic Cooperation Act of 1948, as amended: *Provided further*, That funds appropriated hereunder and unexpended at the time of the termination of occupation by the United States, of any area for which such funds are made available, may be expended by the President for the procurement of such commodities and technical services, and commodities procured from funds herein or heretofore appropriated for government and relief in occupied areas and not delivered to such an area prior to the time of the termination of occupation, may be utilized by the President, as may be necessary to assist in the maintenance of the political and economic stability of such areas: *Provided further*, That before any such assistance is made available, an agreement shall be entered into between the United States and the recognized government or authority with respect to such area containing such undertakings by such government or authority as the President may determine to be necessary in order to assure the efficient use of such assistance in furtherance of such purposes: *Provided further*, That such agreement shall, when applicable, include requirements and undertakings corresponding to the requirements and undertakings specified in sections 5, 6, and 7 of the Foreign Aid Act of 1947 (Public Law 389, approved December 17, 1947): *Provided further*, That service of an individual rendered under this appropriation as an expert, consultant, adviser, or technician shall not be considered as service or employment bringing such individual within the provisions of section 281 or 283 of title 18, United States Code, of section 190, Revised Statutes (5 U. S. C. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States: *Provided further*, That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the head of the department or agency concerned, to pay ocean transportation charges from United States ports, including territories' ports, to ports in Japan and the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such countries: *Provided further*, That under the rules and regulations to be prescribed, the head of the department or agency concerned shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to Japan or the Ryukyus regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this proviso shall not apply to shipments made by individuals to individuals: *Provided further*, That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency such unobligated balances of this appropriation and, without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred; and any funds so transferred may be expended either under the authority contained herein or under the authority governing the activities of the department or agency concerned.

Mr. GARY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 6, line 16, strike out "$850,000,000" and insert in lieu thereof "$925,000,000"; and in the same line strike out "$29,750,000" and insert in lieu thereof "$45,000,000."

Mr. GARY. Mr. Chairman, this amendment merely restores $75,000,000, or one-half the amount the committee cut from GARIOA, which is Government and Relief In Occupied Areas, meaning Germany, Japan, and the Ryukyus, and EROA, which is the ecomonic rehabilitation program in the occupied areas of Japan and the Ryukyus.

They spent last year in this fund $1,300,000,000. The budget this year requested $1,000,000,000. The subcommittee recommended $950,000,000. It cut off $50,000,000. The full committee cut off $150,000,000. This amendment restores $75,000,000, making the appropriation for this item $925,000,000. In addition, there was a reduction in the administrative expenses, which is not an additional appropriation but which comes out of the $925,000,000.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. The original estimate was $50,000,000 for expenses.

Mr. GARY. The original estimate for expenses was $50,000,000. This amendment would cut it to $45,000,000.

As I stated in my opening statement, the question of ECA is one of choice for this country. GARIOA is a legal obligation. This is an obligation we have assumed, one that we must meet, and I feel that this is the smallest amount with which it can be met during the next year.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. As I understand the amendment, the gentleman is increasing the amount available for administrative expenses from $29,750,000 to $45,000,000?

Mr. GARY. Increasing the amount recommended by the committee. The amount requested in the Budget was $50,000,000. The subcommittee recommended that it be reduced to $45,200,000. We are going now to $45,000,000 even. We are cutting $200,000 below the recommendation of the subcommittee.

Mr. RICH. We do not care anything about what somebody else did, we are interested in what we are doing to this bill.

The gentleman is increasing it $15,250,000, is that right?

Mr. GARY. Yes.

Mr. RICH. That is for the expenses of administration?

Mr. GARY. Yes.

Mr. RICH. The gentleman from Arkansas a while ago was talking about spending a lot of this money and the propaganda that was going on.

Mr. GARY. The gentleman from Pennsylvania I am sure will be delighted to know that we are changing that administration from a military administration to a civilian administration. General Clay is to be succeeded as governor in Germany by Mr. McCloy, who is to be the high commissioner. I know the gentleman from Pennsylvania does not want to endanger the success of this new civilian administration. Let us go on with this now and then maybe we can cut it next year.

Mr. RICH. The trouble is that whether it is civilian or whether it is military it costs too much money.

Mr. GARY. Do not let us embarrass them. Do not let us take any chances.

Mr. RICH. Then let us leave it at $29,000,000.

Mr. GARY. That would embarrass them tremendously.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JUDD. Is it not significant that we provide $16,500,000 for the administration of $3,500,000,000 under ECA, but $45,000,000, or three times as much, for the administration of less than a billion under GARIOA?

Mr. GARY. This takes care of the administration not only of GARIOA, but of the entire United States administration in Germany, Japan, and the Ryukyus.

Mr. JUDD. My point is this. Part of the reason why Paul Hoffman and the ECA administration can handle four times as much for a third as much administrative expense is because of the counterpart funds, is it not, which somebody was criticizing a little while ago? Local expenses of administration in England and France can be handled in their own currency, whereas in the GARIOA countries, we have to furnish dollars for such expenses.

Mr. GARY. In addition, in the other countries, we are trying to get them to promote their own recovery programs and they are paying a part of the expenses, whereas in Germany we are in command and we have to administer the whole program.

Mr. JUDD. You understand, I am sure, that I do not object to the higher figure for GARIOA. I think it is necessary. I merely want to pay tribute to the wisdom of the counterpart funds system which enables ECA to administer its enormous program, for an exceeding small percentage, less than one-half of 1 percent as against about 5 percent for GARIOA.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. GARY. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 10 minutes.

Mr. TACKETT. Mr. Chairman, I object.

Mr. GARY. Mr. Chairman, I move that debate on this amendment and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. RICH. Mr. Chairman, now we are going to have 15 minutes to raise this $15,250,000—that is $1,000,000 a minute. If there is anybody who is going a-whooping, we are, but we do not know where we are going. I agree with the gentleman from Arkansas. I want to tell you that if there is anybody I want to help, if there are any people I would like to try to accommodate, it is anyone who is starving. I would go the limit on that, but this is not a starving bill—only for the Americans. The Americans are the only ones who are going to starve on this legislation, because we are not going to be able to raise that million dollars a minute that we are spending here as we talk about it. The trouble with us is every time we do anything it costs us about 10 times more than it ought to cost to administer it. The trouble with this legislation is that we are bringing a lot of people here in this country from these foreign countries to tell us just how good we are for giving them this money.

As the gentleman from Arkansas said awhile ago, if you knew about what the money was spent for, that we are giving to these fellows, to get us to believe that we are doing a good thing, we just would not do it. That is the sad part about this legislation. For the last 5 or 6 years we have been trying to keep, as he said, a socialistic government going in Great Britain. I would not give a nickel to keep a Socialist government going in America. I am against it in every way. Yet you will spend a billion dollars to keep Britain going and let Great Britain reduce her taxes over there so that you can tax our people more money to help the British Socialist Government remain in power. I think it is a travesty on American intelligence that the Members of Congress should vote for anything like that. Brother from Arkansas, stand up. Let us stand up here and fight until the cows come home and try to stop this thing. It is about time that we tried to get more Members here to fight this kind of legislation. I know you have to have good administration, but our administration here in America is just costing the taxpayers of America too much. You have got too much red tape. You have too much organization. You have too many people on the pay roll. You have too many people who want jobs. You have too many commissions that you want to send over to Europe and other parts of the world to review foreign affairs and the things that are going on in those countries. You are asking too many of those people to come over here and run around to tell the Americans what good fellows we are for being such saps to give them so much money. It is about time we stopped.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. ROONEY. Does the gentleman feel that it is more important to spend millions of dollars of the taxpayers' money for an historical site in Philadelphia, for which the gentleman from Pennsylvania recently voted, or to spend some money to stem the tide of communism in Europe?

Mr. RICH. Oh, my soul. You are so far behind the times that you ought to wake up. Your forefathers were the fellows who gave you your independence. Your forefathers were the ones who wrote this Constitution. They are the ones who gave us this free government and you are only trying to wreck it. You ought to be ashamed of yourself.

Mr. ROONEY. I will not quarrel with or answer my friend. He is really a fine gentleman. It is too bad he cannot answer my question.

Mr. CRAWFORD. Mr. Chairman, I fully realize that this proposition is all cut and dried. Everybody is ready to vote, and what I say is not going to change anybody's mind, but I am impelled to join my friend from Pennsylvania on this issue, much as I disagreed with him the other day, and oppose this amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CASE of South Dakota. I think attention should be called to the fact that GARIOA is not merely a relief program but it is a governmental administrative program which embraces the administration of a government of occupation, and that necessarily calls for much greater administration than a relief program which is worked out with the country involved. There is also involved here an educational program, and administration of the educational program has to come out of this fund. So there are sound reasons for the administrative costs of GARIOA greatly exceeding on a percentage basis those of ECA itself. This particular item deals with government and relief in occupied countries.

Mr. CRAWFORD. One thing I wish to get straightened out in my own mind is the amount recommended in this military government item: Is the gentleman from New York going to stand by the committee recommendation or by the amendment?

Mr. TABER. The committee recommended $850,000,000 in one place, and $29,750,000 in another on this particular item. That, of course, was the action of the committee. The amendment has been offered here. As a matter of fact, this particular set-up with the obligation that is on this country to take care of relief in occupied territory is an entirely different subject than the ECA, and we have got to meet our responsibility there. The figure for relief in Germany has been cut already below the authorization of the $80,000,000 since the authorization bill was passed in conection with the ECA appropriation.

Mr. CRAWFORD. May I ask this question: Does the Committee on Appropriations recommend on page 6, line 16, $850,000,000 or $925,000,000?

Mr. TABER. The committee voted to recommend $850,000,000; and they further voted to recommend $29,750,000 for the other figure.

Mr. CRAWFORD. So far as the gentleman from New York knows, is the committee standing by this $850,000,000 or does the committee now stand for the $975,000,000?

Mr. TABER. The chairman of the subcommittee in charge of the bill has offered this amendment. It is in the nature of a compromise; and, frankly, I shall not oppose it.

Mr. CRAWFORD. I thank the gentleman for his remarks. I feel this is an awfully loose manner in which to handle the funds provided by the taxpayers of this country; and here is one of the basic reasons why I will not support this bill. I expect to vote against the bill, because I think this whole program is in a runaway frame of mind; I do not think the Congress has ever had control of this program; I do not think it has ever been administered in a reasonable, efficient manner; and I think we are disrespectful of the taxpayers of the United States in so loosely handing out funds for these international projects.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, I have not made a habit of using much of the time of this House in debate on bills, and my record to date will certainly not label me as a reactionary. But, gentlemen, I can not understand how this committee can have the guts, gall, and audacity to ask for an additional $15,000,000 to administer the giving away of funds in Japan and Germany. The bill calls for $30,000,000, and you are asking this House for a total of $45,000,000 to supervise the spending of billions of dollars for direct relief to the people of these defeated countries, who waged war against us. Of course, the Civil War is over, and perhaps shouldn't be mentioned, but it is hard for me to ignore the fact that you did not give us in the South $45,000,000 to supervise the spending of billions for the people of the South at the expiration of the Civil War. We were conquered and treated as conquered people. All you gave us were carpetbag judges and allowed us to starve.

Just last night, as quoted in this morning's newspaper, the President of the United States said in a speech that this country had made history by assisting defeated foreign enemies taken over by us, and at the same time allowing our people to do without the necessities of life.

This compromise that has been entered into by and between the Democratic and Republican leadership is quite amusing. Let projects be offered by either administration for the benefit of this Nation, and there is never a compromise, but a bitter fight to the last ditch in an effort to preclude our people from receiving helpful assistance that we may send it overseas to ungrateful, socialistic countries.

Mr. GARY. Will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Virginia.

Mr. GARY. I am wondering if the gentleman thinks that Virginia is north of the Mason and Dixon's line?

Mr. TACKETT. I know where the gentleman is from. I know all about that, but what I am talking about is how foolish the gentleman is acting today. One would not know that the gentleman was from Virginia by the way he is willing to throw the taxpayers' money around. I shall support no part of any such legislation.

Mr. GARY. I am proud of the fact that I am from Virginia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. Mr. Chairman, may I demand a division, or a separate vote on the change of the figure of $850,000,000 and in the change of the figure of $29,750,000?

The CHAIRMAN. That would be subject to demand for a division.

Mr. GARY. Mr. Chairman, I raise a point of order that, the vote having been taken, it is too late for the gentleman to request a division of the question.

The CHAIRMAN. The vote had not been determined. We were about to take the vote. Does the gentleman from New York [Mr. KEATING] request a division?

Mr. KEATING. Mr. Chairman, I demand a division of the question.

The CHAIRMAN. The vote is on the first portion of the amendment which authorizes an increase from $850,000,000 to $925,000,000.

The question was taken; and on a division (demanded by Mr. TACKETT) there were—ayes 120, noes 39.

So the first part of the amendment was agreed to.

The CHAIRMAN. The question is on the second portion of the amendment, which provides for an increase in funds from $25,750,000 to $45,000,000.

The second part of the amendment was agreed to.

The Clerk read as follows:

TITLE II—GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 202. This act may be cited as the "Foreign Aid Appropriation Act, 1950."

Mr. GARY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GARY. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. RICH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. RICH. Indeed I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RICH moves that the bill be recommitted to the Committee on Appropriations.

Mr. GARY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the "noes" had it.

Mr. RICH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BURDICK, Mr. O'HARA of Minnesota, and Mr. MARCANTONIO demanded the yeas and nays.

The yeas and nays were refused.

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-four Members are present; a quorum.

The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 193, noes 27.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. GARY. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, in order that I may inquire of the majority leader the program for the coming week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we will meet tomorrow and then adjourn until Tuesday.

Mr. MARTIN of Massachusetts. I understand there will be no controversial business tomorrow.

Mr. McCORMACK. There will be no business tomorrow.

In just a moment I expect to ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

As to the program for next week, there will be nothing on Monday because the House will not be in session.

On Tuesday we will take up House Resolution 215, providing for investigations to be made by the Committee on Merchant Marine and Fisheries. That will take not more than an hour. Following that will come the bill H. R. 834, to amend the Contract Settlement Act of 1944.

Mr. MARTIN of Massachusetts. Will the gentleman explain what that bill does?

Mr. McCORMACK. This bill came from the Committee on the Judiciary. The purpose of the bill is to compensate persons who without fault or negligence suffered loss in attempting to supply certain strategic or critical minerals or metals for the war effort.

Mr. MARTIN of Massachusetts. That has a unanimous committee report?

Mr. McCORMACK. I understand it has a unanimous report.

I might say that on Tuesday, if it appears that a roll call is to be had on action on any measure, if it is agreeable with the gentleman from Massachusetts I shall ask unanimous consent that such roll call be taken on Wednesday.

Mr. MARTIN of Massachusetts. That is agreeable to me.

Mr. McCORMACK. On Wednesday the bill relating to veterans' pensions will come up for consideration.

On Thursday and Friday there will be the bill H. R. 4569, the displaced-persons bill.

Any further program for the remainder of next week will be announced later. Conference reports, of course, may be brought up at any time, but not on Tuesday, for on that day nothing will be taken up of a controversial nature. I make this announcement with reference to Tuesday so that Members may govern themselves accordingly.

Mr. MARTIN of Massachusetts. I thank the gentleman.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) entitled "An act to provide additional revenue for the District of Columbia."

The message also announced that the Senate disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) entitled "An act to amend the Commodity Credit Corporation Charter Act, and for other purposes."

The message also announced that the Senate further disagrees to the amendment of the House to the above-entitled bill and asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. ANDERSON, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

CVA

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, Americans seem to have about two ways of trying to accomplish things in a governmental way. One is embodied in the well-worn slogan, "There ought to be a law." The other reached perhaps its highest point during the depression when the piling of executive agency upon agency created only slightly less confusion than the agencies themselves were expected to resolve.

It seems to me that we are too prone to do these things: First, to expect the mechanics of government to take over when our own moral accomplishments lag behind our responsibilities; and, second, to forget that where Government pays or subsidizes, it will also control.

Two wise men speak from the past words directly applicable to the subject under consideration. It was Jefferson who said, "That government is best which governs least." There is a compact statement which, considered one way, throws the responsibility for good government upon the shoulders of the people, because, stated otherwise, Jefferson might have said, "Governmental controls should not be instituted except under clear and inescapable necessity."

Lincoln wrote:

> In all that the people can individually do as well for themselves, government ought not to interfere.

I conceive that neither of these great men could have contemplated the imposition of such a super state as is envisioned in the Columbia Basin Administration with any high degree of equanimity. There were democrats—with a small "d"—men who still cherished and strove to preserve the freedom and dignity of individual men, and who knew the full meaning of political responsibility at the grass roots in building a powerful democratic force in a great and developing country.

Incidentally, it is interesting to note that, in the several bills already introduced for the creation of a CVA, the "A" is for "Administration," not for "Authority" as in TVA. This is a delightfully naive sugar coating to conceal the bitter content of the pill it is now proposed to administer to the free people of the Pacific Northwest. They might swallow the beautiful connotations of "Administration," ah, yes. That brings visions of efficiency and brilliant executives, smooth-running governmental machinery, and the elimination of those old bogeys of Government "waste, overlapping, and duplication." "Authority," though, brings up visions of the rod that chastises, policy power, controls, regulations. It is a bad word. But careful study of the bills themselves discloses little of the softening implied by the shift in title. The velvet glove still covers a hand of steel and the authority resides in the bills to take over and run the natural resources of the Northwest.

The powers and responsibilities of the Administration as defined in section 2 (a) of S. 1645—MAGNUSON et al.—say:

> It is hereby declared to be the policy of the United States that the relevant powers and activities of the Federal Government in the Columbia Valley region shall be so organized, directed, and administered as to

assist to the greatest possible extent in achieving the full and unified conservation, development, and use of the water, land, forest, mineral, fish and wildlife, and other natural resources of the region, for the purpose of fostering and protecting commerce among the several States, strengthening the national defense, developing the lands, and preserving the property of the United States, and promoting the general welfare.

I find little excluded. It includes all the things on the earth and beneath the surface thereof, the things that swim in the waters and fly in the air, and by inference, the things that crawl upon the surface of the earth. Presumably these latter might still be permitted to cast a ballot.

Now in section 5, we find the heading "State and local participation." Sounds nice, but listen to the language:

The Administration shall seek the advice, assistance, and participation of the people of the region and their State and local governments and organization, public and private, to the fullest practicable extent, in the formulation and execution of programs designed to carry out the purposes of this act.

The rest of the section tells about advisory boards and councils who may submit reports and opinions, but I am unable to find any language that requires the directors of the Administration to do any more than receive and register opinions of such advisory boards and councils.

Some read into these bills limited powers, but let me quote section 6 (b):

Subject to the policies, conditions, and limitations stated in this act, the Administration is authorized and directed to construct, operate, and maintain projects (including stand-by facilities), and to carry out activities, necessary for the promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean); for the control and prevention of floods; for the conservation and reclamation of lands and land resources; for the development and conservation of forest, mineral, and fish and wildlife resources; for the generation, transmission, and disposition of electric energy; for the execution of such other responsibilities as are vested in the administration by or pursuant to this act; and, in connection with any of the foregoing, for the development and conservation of recreational resources and for the promotion of sanitation and pollution control: *Provided*, That in the location, design, and construction of any dam or other facility, or any series of dams or facilities, the administration shall endeavor to foster, protect, and facilitate the access of all anadromous fish to and from their spawning areas throughout the region.

That is indeed an interesting section. While no specific mention is made of retail trade, one may assume that if it became necessary to run grocery stores it would be done under the general-welfare clause. Note carefully the "provided", which is lip service to the fishermen and completely without significance. The best authorities are agreed that another high dam on the Columbia means the end of commercial salmon fishing. I am certain that power and irrigation dams on the Rogue and the Umpqua will ruin those incomparable streams for the sport fishing that now constitutes one of the most important resources of Oregon. But note—not one word that says the people of the Umpqua or Rogue or Columbia can do any more than register an opinion. The CVA is constrained only to endeavor to foster, whatever that means, and facilitate the access, and so forth. I submit that these are weasel words. CVA could and would do as it pleased regardless of the fish.

Section 6 (c) is a beauty:

To the extent found necessary or appropriate in carrying out the foregoing subsection, or other provisions of law, but subject to the conditions and limitations herein stated, the Administration is authorized and shall have the power (1) to acquire real and personal property, including any interest therein, by purchase, lease, condemnation, exchange, transfer, donation, or otherwise, and to sell, lease, exchange or otherwise dispose thereof, including donations incident to experimentation, demonstrations, or other similar uses (without regard to section 3709 of the Revised Statutes, as amended); and to obtain services by contract, donation, or otherwise: *Provided, however*, That the Administration shall have no power to condemn any water right except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities.

Here is eminent domain with a vengeance.

Notice also 6 (c) (3):

To conduct economic, scientific, and technologic investigations and studies, to establish, maintain, and operate research facilities, and to undertake experiments and practical demonstrations.

Note especially the phrase "and practical demonstrations." Does anybody know where demonstration leaves off and Government ownership and operation begins?

Tucked away in (c) (5) is this language:

Subject to provisions of law specifically applicable to Government corporations, to determine the necessity for and the character and amount of its expenditures and the manner in which they shall be incurred, allowed, and paid—

I frankly confess I do not know exactly what this means, but I think it means that the Administration will run its own show, with complete financial independence of the Congress and the Bureau of the Budget. There is a small show of budgetary responsibility in section 7 (e), but this appears to me to be nullified by section 12 (e) which provides for advances from the Treasury to meet costs of revenue-producing projects.

On April 19 when Senator MAGNUSON, with other Senators, submitted his bill for CVA—S. 1645—he also submitted a group of questions and answers purporting to be an analysis of the bill. An objective examination of this list of questions and answers indicates either that the supporters of the Columbia Valley Administration have not read, or do not understand, the purport of the bill itself, or that somebody is deliberately trying to misrepresent the content of the proposed act. To consider a few of the points discussed:

Question. Can the proposed CVA be compared with TVA?

Answer. The proposed CVA has the same goal as the TVA: The full and unifed conservation, development, and use of the natural resources of the respective regions. * * * The CVA proposal, however, is not as all-embracing as the TVA. The CVA bill is tailored specifically to suit the particular situation in the Columbia Valley, which differs in many respects from the Tennessee Valley.

I do not believe that this is an accurate portrayal of the content of the bill. As I have pointed out above, unless I grossly misunderstand the implications of the language of the bill, the powers granted are broad and all-embracing as far as control of the development of all the natural resources of the Columbia Valley is concerned. It is true that only specific mention of the absorption of the functions of the Corps of Engineers, Bonneville Power Administration, and the Bureau of Reclamation is made, but the authority to take over and operate all functions connected with natural resources development in the valley resides in the bill. It also resides in the TVA Act. I believe that it is a fair statement that a major part of any success that the Tennessee Valley Authority has had is ascribable to the fact that it has not used the broad grant of authority contained in its basic act of authorization. It has been wise in relying upon cooperation with the States, land grant colleges, and other Federal agencies, but, and this is important, it does not have to do so, for the authority resides in the act for it to proceed in a thoroughly autocratic manner, completely ignoring the cooperative facilities that it is now using. I believe that such a grant of authority to any agency is dangerous and completely subversive to traditional successful democratic principles of government. It is wise to avoid government by the whim or will of a triumvirate of men. It is wise to circumscribe and limit severely the authority of such a board of directors as it is proposed to create, and to do this in the beginning.

Certainly, it is true that the Columbia Valley differs greatly from the Tennessee Valley. The arguments that were advanced at the time of the enactment of the TVA Act were that the economy of the Tennessee Valley was at a very low ebb, its natural resources destroyed or undeveloped, the river untamed, all supposed to be the result of two centuries of unbridled exploitation. It must be recalled, also, that one of the most potent arguments advanced was the extremely low level of living of the inhabitants of the Tennessee Valley. These conditions certainly do not obtain in the Columbia Valley. The President, himself, in his special message to the Congress, recommending the creation of CVA, said:

The Pacific Northwest has been developing very rapidly in recent years. The population has jumped 37 percent since 1940. * * * Total income payments have increased 200 percent since before the war in those three States as compared to 150 percent for the country as a whole. The per capita income is among the highest in the Nation. * * * These are signs of the progressive energy of the people of the region and of the growth that can occur there.

In short, we are doing very well in the Pacific Northwest—better than the rest of the country, and without any valley administration.

Further, the President stated:

The Columbia Valley Administration Administration would have the advantages

of a sound foundation of basic planning already done and a large construction program already under way.

This does not appear to indict severely the progress that has been made under administrative conditions as they have existed.

The Secretary of the Treasury, John W. Snyder, in Portland, Oreg., talking about bonds, not valley administration, said:

Oregon led all the States of the Union in total income gain with a 206-percent increase. Every one of these six far-western States showed income gains since 1940 far in excess of the national average gain.

These statements do not indicate any crying need for a new agency with a vast grant of all-embracing power to do work which is, by the statements of leading men in the administration, already being done, and well done. The economy of the Northwest is a developing and pioneering economy.

A major distinction between the two valleys is that those lands from which floods originate—the high lands and the wild lands—in the Columbia Valley, are already all or nearly all in Federal ownership and under as good administration as can be had within the limits of congressional appropriations for that purpose. If they are not being managed to the highest degree of competence of the responsible agencies, the fault does not lie with the administrative system, it lies with the inability of Congress, or its unwillingness, to finance necessary capital investments in management facilities. I do not believe the creation of a CVA would help the administration of these critical watershed lands, nor would it probably hinder them. The latter is the more probable in view of the overwhelming importance that would be assumed by dam-building and irrigation developments in any administration founded, as this one would be, upon the concept that a major part of its income would be from such facilities. Forestry, range management, and watershed management would be worse submerged in such a set-up than they are now where they at least have independent status before the Bureau of the Budget and the Appropriations Committees and can really have their chance to achieve adequate financial status. I do not believe such would be the case under a CVA.

In the Tennessee Valley, Federal ownership of lands was confined to a few small areas in national forest ownership. These have been left practically undisturbed by the TVA, and wisely so. It is worthy of note, however, that under the authority of TVA there has been no work permitted by the Soil Conservation Service within the Tennessee Valley. I have been informed that progress along lines of soil conservation in the Tennessee Valley is no better and no worse than that in the rest of the country.

It is, indeed, a wide open question as to whether or not the progress that has been made under the TVA could not have been made just as well and with less friction by the investment of the huge sums of money that have been spent in the valley under the ordinary system of governmental procedure.

Question. What will be the specific functions of the CVA?

Answer. The Administration will be responsible for the preparation of unified programs for the conservation, development, and use of the natural resources of the Pacific Northwest. These programs will cover irrigation, flood control, electric power, commercial and sport fish and wildlife protection, recreation, mineral exploration and development, soil and forest and range conservation, pollution control, and related functions.

That sounds like a beautiful statement, "the preparation of unified programs." Where are all the points of disunity in present programs that cannot be remedied through the simple mechanisms proposed by the report of the Hoover Commission, if such exist, and I know of some? They are not difficult to adjust. To me there is something far more sinister involved in this planning function that is delegated to CVA under the bill. The Forest Service, Fish and Wildlife Service, the Park Service, Soil Conservation Service, and other agencies involved are parts of large national bureaus created to perform certain functions. They perform them in conformity with national policies. They are administratively responsible to their own bureau administrations and to their responsible departmental authorities. It is not good administration, and cannot be so conceived, to delegate to a separate, all-embracing administration, such as CVA, the authority for preparing plans and then delegate the responsibility for their execution to the list of agencies given above. Neither can the administration of natural resources in the Pacific Northwest be carried out apart from national programs. Lip service is given in the bill toward coordination with national programs, but the Administration, if it functions as normally most such organizations function, will accumulate rather than disburse authority. It has the power. I believe it will function that way. Remember that the proposed Administration may use the facilities of existing Federal agencies and, if ordered to by the President, must do so. So we would be dependent entirely upon political pulling and hauling between the Administration, the Chief Executive, and the responsible Federal agencies as to who would do what.

Question. Will the CVA take over lock, stock, and barrel all the resource functions of existing Federal agencies?

Answer. No.

Question. Will the functions of the United States Forest Service, the United States Soil Conservation Service, Bureau of Mines, National Park Service, Fish and Wildlife Service, and other Federal agencies be taken over by the CVA?

Answer. No.

The two answers given immediately above indicate only the immediate sugar-coated policy that is embodied in the bill but do not indicate the authorities that are granted to the Administration under the language of the bill. As I have already pointed out, the language is so all-embracing that if and when the Administration feels in political position to do so, it can, and I believe would, absorb all functions of all the agencies given above. The fact that the supporters of the proposed Administration at the moment do not think it expeditious to propose absorption of these functions can in nowise be interpreted as prohibiting their absorption when the time becomes convenient.

Question. Will the people of the region and their local agencies have a voice in the management of the CVA?

Answer. Yes, a large voice. The bill provides, in several places, for a strong degree of "home rule, CVA shall seek and rely upon the advice and assistance."

But it does not have to take any of the advice and it does not have to rely upon assistance. It can do as it pleases. I believe that such a grant of authority is bad. It is one thing to consult and ask advice and it is another thing to be required to conform to the will of the people of a region.

There is much more of this question-and-answer program, but I have given enough to indicate my belief that the propaganda being put out concerning the proposed CVA is deliberately misleading, and that misinformation as to the actual purport of the bill is being widely disseminated under the high-sounding allegation that nonexistent chaos is to be made orderly, that resources that are already being developed and managed are as if by some magic to be developed more rapidly, that by some magical process dams are going to be built faster and, I suppose, cheaper.

The functions it is proposed to delegate to the CVA are already functions of the Federal Government that are being well-handled, or at least as well-handled as I think they would be under any new grant of authority to such a highly centralized administration as it is proposed to create. Dams cost a certain amount of money; irrigation projects cost a certain amount of money. All the things that the authority is supposed to accomplish will cost money out of the Public Treasury. The major difference, as I see it, is that the returns to the Government from the operations under the Administration, instead of going to the Treasury and being reappropriated under the wise guidance of the Bureau of the Budget and congressional committees, will be sidetracked into the Administration fund and subject very much to the will of the Directors of the Administration. Presumably the powerful political organization that it is proposed to create would be able to present more plausible plans and proposals to the budget and the Congress in order to funnel more public funds to capital investments in the Columbia Valley. I do not believe this is at all a valid basis upon which to base such a proposal.

To me this whole proposal is a reversal of those concepts of liberty that have grown up in this country and have found their fullest fruition in the West. Our people understand their dependence upon the natural resources available to them. Under the wise guidance of the Federal agencies entrusted with the management of the wild lands and the watersheds magnificent progress is being

made toward putting them in good condition. I am highly optimistic about the future if we are let alone to work out our destiny in cooperation with the agencies with whom we have learned to work so well. The creation of any such autonomous authority as is vested in the Directors of the Administration seems to me to present grave dangers to that development of individual enterprise that has already done so much to increase the prosperity of the Northwest and create a standard of living admitted by the President to be among the highest in the country. We do not need any new centralized organization to assist us. We are doing very well without it. The dangers involved far outweigh any theoretical advantages that may be obtained. Remember that this is a new economy, not an old one such as was already bogged down in its own mud in the Tennessee Valley. We have no human wreckage, no wrecked agricultural economy. If controls are to be instituted on the use of land or forests, they should be instituted in conformity with national plans and never by the design or will of an authority responsible only to the Chief Executive. They should arise from the well-considered will of all the people, and I believe the mechanisms that it is proposed to create here are the negation of any such process.

In short, I see no need for a CVA. We are doing all right. I do see potential grave evils in the proposed set-up that far outweigh any potential benefits.

THE STRUGGLE FOR SOLVENCY IS THE PEOPLE'S FIGHT

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the time has come when thoughtful citizens must decide some basic questions of government.

Do these citizens favor inauguration of more Federal programs? Do they favor our present economic system? Do they feel we can survive with enormous Federal budgets? Do they think the Federal Treasury is inexhaustible? Do they believe we can go on enlarging Government, increasing its services and handouts and, at the same time, reduce costs? Do they believe established Federal programs and activities should be reduced? Do they really care if our Government becomes bankrupt?

The recent alarm apparent in many parts of the country concerning the condition of the United States Treasury is wholesome. I hope, however, that this concern is not too late. The country must not become hysterical. We must not fail to clearly analyze the situation. The threat to our national solvency results from many governmental actions taken over a period of years. Our basic convictions as to the functions and purposes of government are involved.

True, it is proper and desirable to reduce all waste in our Federal Government; but if this were accomplished, we still would have a too costly Government—a Government so weighty that it is doubtful whether our free-enterprise system could survive. We must, therefore, reduce the size of Government; lessen the fields of governmental activity, and the people must give up some Government services and functions.

Considerable attention and some hope have sprung from efforts here in Washington to reduce this or that expenditure by 5 or 10 percent. Of course, these reductions ought to be made. Far more important, however, is a demand from the American taxpayers to halt expansion of our Federal Government. This demand should have been made at the close of World War II.

The Eightieth Congress did not reach all its objectives. It made an honest try. It halted the expansion of socialism. It effected many economies. It set up a system of law in the field of labor-management relations and it reduced the taxes for all. The effect on our economy was noticeable. Upon Mr. Truman's election a program of increased spending, repeal of the Labor-Management Relations Act, and increased taxes was announced. It hurt the country. Farm prices have steadily declined. Confidence has been shaken. Unemployment is on the increase.

The Roosevelt-Truman administration has carried on a systematic, vigorous, expensive and continuous campaign for a bigger and bigger Federal Government. Right now the greatest drive in our history is on in Washington to enlarge our Federal Government. Proposals to federally finance our schools, to build our homes, to pay our medical bills, to police our employment and to initiate countless other programs are being high-pressured in Congress.

These programs, if adopted, would continue for years. The path to true economy is not only to adopt a percentage reduction but also to refuse spending schemes in the first place. The Congress has passed too many of the administration's measures. I am disappointed in many of them. However, Congress has defeated many administration proposals. Had it not done so, I doubt whether our Government could have survived.

In this discussion I will omit any reference to the expense of the war. We cannot change that now. We cannot erase that debt. It must be paid. But a false philosophy of government, the wrong notion of governmental functions can be more dangerous to this Republic than the war debt. Even before the war ended, it was apparent that when hostilities did cease, our Federal Government would be overloaded with financial obligations even if no additional burdens were undertaken.

On the other hand, many long-established departments of our Government have functions so interwoven with our economy that their abolition is not feasible. Generous care of our veterans is a Federal obligation. Certain activities such as highways and the development of interstate streams have been policies and programs of our Federal Government for many years. Such activities were neglected during the war. Following hostilities, it was expected that these projects would call for great sums for construction and repair. In addition, a sound conservation program is necessary to prevent deterioration of our productive facilities.

However, realizing that our postwar economy would be weighted with established obligations for the Federal Government, I concluded that I would not cast my vote in Congress to add to the overburdened Federal Government and that my influence would not be used to put that Government into new fields of endeavor.

Consider the financial condition of most State governments. The aggregate debt for all 48 States totals some seventeen billions as compared with two hundred and fifty-two billions of national indebtedness. The majority of State governmental subdivisions are also in sound financial condition. If, then, there were to be expanded government in postwar years, that expansion should have been borne by divisions other than the Federal Government. For these reasons, at times I have voted against proposals that were desired by certain of the people I represent.

The important votes in Congress are usually votes on authorization bills. The vote on a measure which, if enacted, would call for annual appropriations to carry out a program year after year has a far greater effect on our economy than efforts to cut annual appropriations 5 or 10 percent. However, I would not minimize the importance of these percentage reductions.

Today, thoughtful citizens over the country are looking with hope to the efforts of the senior Senator from Virginia, the Honorable HARRY BYRD, in his drive toward economy. He should have the cooperation of everyone.

There has been condemnation of some of us who voted against such legislation as the British loan and the Marshall plan. My vote on these issues coincided with Senator BYRD'S. And certainly he is neither an isolationist nor a pacifist. Of course, I would not want to give aid and comfort to pro-Communists or to those who contend we have no world-wide responsibilities. But bankrupting our Government on which the free world depends would be the surest method of aiding Communist forces in the world. Because of the strain of giant spending programs on our fiscal structure, I determined to oppose such measures.

Attention should be focused on the effect of these tremendous foreign aid programs upon the United States' citizens. One of the most difficult problems is that expenditures of many billions by our Federal Government in foreign lands destroys all restraint on spending here at home. It is not unusual nor rare for a group in this country to demand Federal funds for this or that on the grounds that "we are spending billions abroad and we should meet demands at home as well." These groups usually get their money.

The full employment bill, Public Law 304 of the Seventy-ninth Congress, when originally introduced embodied the philosophy that the Federal Government would see to it that everybody had a job. There were those in the House and the Senate who, like myself, could not accept any such philosophy. We real-

ized that this commitment to the people could and, indeed, might bankrupt the Federal Government. Some, who should have opposed it to the end, supported the measure when it was altered and "watered down." I could not accept their views because the whole notion was bad.

It was this bill that placed on the shoulders of the taxpayers the President's Council of Economic Advisers and created the Joint Committee on the Economic Report. This legislation not only costs money from year to year, but is a vehicle for promoting huge expenditures, boondoggling and selling to the American people the idea that the Federal Treasury is inexhaustible. I do not regret my opposition to this measure.

The country needs hospitals. The State of Nebraska needs hospitals. The territory that I serve needs hospitals. The need cannot be disputed. Who should build these hospitals? Should local units of government—the State, private or fraternal organizations—or the Federal Government? The Seventy-ninth Congress by the passage of Public Law 725 placed the burden on Uncle Sam—the most overburdened fellow in the world. It was a new field of activity for the Federal Government and it is a new program that will go on for years. It was needed. Yes. People wanted it. Yes. But without regard to the Treasury of the United States they demanded these hospitals from the wrong division of our Government.

That same Seventy-ninth Congress in the passage of Public Law 377 decided that we ought to have more airports and that civil aviation should be given a boost. I agreed with both contentions. I could not agree, however, that it was the responsibility of the Federal Government to build airports for municipalities, and I voted against the program. I am an enthusiastic follower of civil aviation and many of my friends are the leaders in that movement. Passage of the bill would raise this question in the minds of many citizens: "If the Federal Government is to build a Federal airport in everyone else's town, why should they not build one in ours?"

Perhaps, in politics, many times we get the wrong idea of what the people believe. But I do not think that I lost the friendship and respect of my friends who were aviation enthusiasts and who wanted airports, when I voted against the program. Certainly, I would like to see their community get an airport, but I would also like to see the finest, the greatest and the best government in the world survive.

Speaking in the Seventy-ninth Congress of those who oppose Federal expansion, the gentleman from Missouri, Hon. CLARENCE CANNON, chairman of the Appropriations Committee, referred to 82 of us who voted against the Federal construction of municipal airports and declared:

> It is a notable list of notable men. They not only preach economy, but, extraordinary as it may seem they actually vote for economy. * * * That list of names ought to be printed in every newspaper in the country. * * * You will recognize a brother of the (economy) bloc when he gives the password. The password is the word "No," spoken clearly and distinctly when the Member's name is called on a vote to appropriate borrowed money for something we can get along without.

I do not think this country can face bankruptcy and, at the same time, continue as a first-rate Nation and a land of liberty and opportunity. For my children, I want first, the land of freedom and liberty.

One of my pet peeves as a Member of the Congress has been the school-lunch program. I have often spoken against it. I voted against the appropriations and when it was authorized by law, I voted against it. I have been accused by some of favoring starvation. Remarks have been hurled at me that I did not want little children well fed. My answer to that is that the children who have lived under the Constitution of the United States and under our economic system of private enterprise have been the best fed children in the entire world.

It was not uncommon in considering school-lunch legislation for a Member of Congress to receive letters and postal cards from little school children saying, "Dear Congressman: Please vote for the school-lunch program." I make no charge against the others, but as for myself, I could not subscribe to a program that would teach the school children of America to look to the Federal Government for something to eat. I could not be guilty of teaching little children to pray, "Our politicians who art in Washington, give us this day our daily bread." Statism and Christianity are wholly incompatible.

It was back in the Seventy-ninth Congress that the Truman administration insisted that there would be widespread unemployment by reason of the termination of war contracts and they asked the Federal Government to underwrite the States' unemployment program. The Federal Government was to raise unemployment compensation to $25 a week and continue it for 26 weeks. If, for instance, a certain State now pays $15 a week for 10 weeks, the Federal Government would add $10 for each of the 10 weeks and then pay the full amount of $25 for the remaining 16 weeks. Mr. Truman demanded its passage. The Ways and Means Committee by a vote of 14 to 10—4 Democrats joined us 10 Republicans—defeated the proposal. There is little doubt that its adoption would have brought about the ultimate federalization of our unemployment compensation systems and there is little doubt that these Federal payments added to State systems would have ever been discontinued. That committee action saved the taxpayers millions and possibly billions of dollars.

Now, it is not only proposed, but demanded that the Federal Government go into the direct building of houses. When will it end? Shall we build a house for everyone? Shall be cease to be a Nation of homeowners?

The drive is on to put the Federal Government in the business of educating our children. It is not a mere suggestion. These programs are demands on the part of the Truman administration. Political pressure, purges, and all the threats in the book will be used. Do the American people want the Federal Government enlarged? Do they want the Government in Washington to control the education of their children? To have Federal support of education without Federal control is comparable to swimming without getting wet.

The drive is also on to turn regulation of employment over to the Federal Government. It is under the guise of noble objectives called the fair employment practice act and civil-rights legislation. The fact is there are millions of people demanding that the policing of employment in every village and hamlet in the country be done by the Federal Government. These people are asking for more and bigger Federal Government. They are asking for more Government services, more Government regulations, more expenditures, and more taxes.

I am totally unimpressed by politicians and others who now are paying lip service to economy, who view with alarm the desperate financial plight in which we find ourselves, who never once opposed a measure that called for the expansion of our Federal Government, who are now insisting that the Federal Government build houses for citizens, educate their children, pay their doctor bills, supplement their wages when they do not work and take care of their wants.

This Nation was founded by hardy people who firmly believed that the citizens should support the Government and not the Government the citizens. That is the way the great State of Nebraska was built despite many adversities. The people who built my home county and my home city were people who accepted the idea that the citizen should support the Government.

A tremendous expansion of the Federal Government resulting in more offices, more bureaus, and more employees is threatened in the offer to citizens of security. There is no security in any unsound financial proposition. There can be no security sponsored by government if that government is on an uneconomical financial basis. Social security for our aged has been accepted by the American people. Some basic changes in that system are greatly needed. Many improvements are necessary. The Truman administration is, however, not only failing to better the program for our people who are now aged but they are attempting to commit our Government in many new fields of so-called security which would in a few years cost as much as $30,000,000,000 a year. I favor an adequate program for our aged. I am firmly convinced, however, that the Federal Government cannot take care of the individual and underwrite him against all hazards from the cradle to the grave. and remain solvent.

It has been truthfully said there has been much blundering going on in Washington. While many individuals in Government have been blundering, there has been strategically planted in too many places architects of destruction who have known what they are doing.

They have known that they are planting the seeds of destruction for this Government and they have skillfully misled the blunderers. The actions taken in the early years of the New Deal, which tampered with the validity of contracts and placed the country on a managed fiat currency, will yet lead to trouble if those actions are not reversed. If disaster comes to us, and I pray that it will not, many men of wealth will foresee it and will protect themselves. The real injury will come to the rank and file of everyday citizens of all ages and in all walks of life.

The struggle for solvency is the people's fight.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include copy of a letter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. BARING asked and was given permission to extend his remarks in the RECORD.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a resolution from the General Assembly of the State of Connecticut.

SPECIAL ORDER GRANTED

Mr. BIEMILLER asked and was given permission to address the House for 15 minutes on tomorrow, following any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. BIEMILLER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. JONES of North Carolina asked and was given permission to extend his remarks in the RECORD and include a statement made by him before the Committee on Post Office and Civil Service in reference to the proposed increase in postal rates on second-class mail.

Mr. CAVALCANTE asked and was given permission to extend his remarks in the RECORD and include an article by Arnett G. Lindsay.

Mr. BURNSIDE asked and was given permission to extend his remarks in the RECORD and include a letter to the editor of the Evening Star, which appeared Monday, May 23.

Mr. COOLEY asked and was given permission to extend his remarks in the RECORD and include a speech recently delivered at a conference in the city of Washington.

Mr. WHITTINGTON asked and was given permission to extend his remarks in the RECORD and include an address made by him before the National Rivers and Harbors Congress at its recent meeting in Washington.

Mr. HAND asked and was given permission to extend his own remarks in the Appendix of the RECORD.

VICTOR REUTHER

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I, too, wish to speak about Victor Reuther and the dastardly attempt made on his life Tuesday night. Victor Reuther is the brother of Walter Reuther. Both of these men are looked up to as outstanding labor leaders in the country. A year ago Walter Reuther was shot in his home. Those responsible for this crime have not as yet been apprehended. Now the same identical pattern has been followed in an attempt on the life of his brother, Victor Reuther, who was shot through a window in his home Tuesday night just as Walter Reuther was shot a year ago.

I hope the Federal Government will at once investigate this matter in view of the fact that the Governor of the State of Michigan and the mayor of the city of Detroit and the city council have asked the Federal Government to intervene. The FBI should at once be sent to Detroit to investigate this crime before all clues are lost.

The SPEAKER. The time of the gentlewoman from California has expired.

Mr. BURKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include a statement.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BURKE. Mr. Speaker, yesterday the Nation was shocked by a cowardly attempt to assassinate Victor G. Reuther, brother of Walter P. Reuther, the president of the UAW-CIO and, in his own right and on a record of intelligence and courage, an outstanding leader of American labor.

The attempt made on the life of Victor was similar in many respects to the attempt made on the life of his brother. A shotgun blast of heavy slugs was fired through the window of the home under cover of darkness.

Yesterday the Detroit Common Council adopted a resolution urging President Truman, Gov. G. Mennen Williams, of Michigan, and J. Edgar Hoover to order the Federal Bureau of Investigation and the Michigan State Police to join with the Detroit Police Department in solving this assassination attempt, which, in its characteristics, is so similar to the earlier attempt upon the life of Walter Reuther as to suggest a cold-blooded, implacable conspiracy. I insert in the RECORD an excerpt from the minutes of the Detroit Common Council meeting, signed by Thomas D. Leadbetter, city clerk, and also a telegram from Gov. G. Mennen Williams to President Truman:

The Detroit Common Council, by resolution urges the President of the United States, Gov. G. Mennen Williams, of Michigan, and J. Edgar Hoover, to order the FBI and the Michigan State police, respectively, to join with the Detroit police department in making a thorough investigation of the brutal shooting of Victor Reuther on Tuesday night. Council President George Edwards suggested international motives might be behind the shooting.

THOMAS D. LEADBETTER,
City Clerk.

The people of Michigan are profoundly shocked and angered by the brutal shooting of Victor G. Reuther under the same circumstances as surrounded the attempted assassination of his brother, Walter Reuther, president, UAW-CIO. There are indications that shooting may transcend local interest, and I have already ordered all police agencies in the State of Michigan to devote their best efforts to the case. I join with the Common Council and mayor of Detroit to urge you, Mr. President, to put all facilities of the Federal Bureau of Investigation and other appropriate Federal agencies on this case, that the perpetrators against decency and law may be swiftly caught and public order and confidence restored.

G. MENNEN WILLIAMS,
Governor of Michigan.

I quote the last sentence of the council's minutes:

Council President George Edwards suggested international motives might be behind the shooting.

I also quote this sentence from Governor Williams' telegram:

There are indications that shooting may transcend local interest, and I have already ordered all police agencies in the State of Michigan to devote their best efforts to the case.

Mr. Speaker, it is high time that this attempt to institute a reign of terror in the city of Detroit and against the Reuthers, who have made major contributions to the entire labor movement in the past 15 years, be exposed and broken, and that those responsible be brought to justice, tried, and given appropriate punishment.

It should be pointed out, it seems to me, that Detroit Council President George Edwards was not speaking idly when he suggested that there might be international motives back of the shooting. Victor G. Reuther is one of the four labor members of the Anglo-American Council on Productivity and is chairman of the labor group. That committee was appointed by Paul Hoffman, ECA Administrator. Its purpose was to work with ECA to give technological assistance in the great recovery effort now being made in the United Kingdom. He attended meetings in London and elsewhere in Britain designed to promote the success of the Marshall plan through ECA, meeting with labor and other groups to discuss the hard, practical questions of production under the many handicaps that face British industry, workers and employers alike.

Earlier, he was a member of a CIO delegation at a meeting of a trade union advisory committee consisting of labor

representatives from nations participating in the ERP program.

Both Walter and Victor Reuther know the score on both Fascist and Communist totalitarianism. They saw both in action while they were employed as workers in Germany and in Russia during a trip which they made around the world during the last depression.

No man has surpassed Walter Reuther in his fight against Communist totalitarianism in all its many fronts and disguises, within and without the great union of which he is the democratically elected president. No man has been more successful in that fight. And Victor G. Reuther, as has been true since the days when the great union which they helped to build was in its beginnings, has been his blood brother and his union brother, his loyal coworker and associate, working on the great UAW-CIO team to make secure genuine democracy within that union, to win some measure of industrial democracy in relations with management, and to strengthen and make more secure our political democracy.

Mr. Speaker, I ask President Truman that he instruct J. Edgar Hoover, director of the Federal Bureau of Investigation, to comply immediately with the request for assistance made by the Detroit Common Council and Gov. G. Mennen Williams, of Michigan. I believe that the outraged conscience of America demands concerted local, State, and Federal action to bring the perpetrators of these crimes, and the coconspirators behind them, if any there be, to speedy justice and punishment.

HON. PETE JARMAN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the most valuable Members of the House I ever served with is our former colleague from Alabama, Pete Jarman. I was particularly pleased to note yesterday that the President nominated Pete Jarman for the responsible diplomatic post of Ambassador to Australia. Those of us who served with Pete Jarman know that he will render outstanding service. His many years of service on the Committee on Foreign Affairs equips him, and gives him the background to act as a valuable member of our diplomatic service and to ably perform the duties of his important post in Australia.

We of the House, without regard to party, are pleased with the nomination of Pete Jarman. We congratulate Pete and his good wife, who is such a close helpmate of his, and we particularly congratulate President Truman in his wisdom in making such an excellent suggestion.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. VORYS. I am delighted at the news the gentleman has given the House, and I want to join with the gentleman in everything he has said. We thought a great deal of Pete Jarman, on our committee. With his charming, courtly manners, and his fine mind he should make a good addition to our diplomatic staff; and we also congratulate the President upon his nomination.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. FEIGHAN. Mr. Speaker, like my distinguished colleagues, Mr. McCORMACK and Mr. VORYS, I should like to take this opportunity to voice my sentiments with reference to the President's nomination to the office of Ambassador to Australia of my esteemed friend—Pete Jarman. I am confident that the warmth of Pete Jarman's genial personality and the graciousness of his charming wife will endear them to the people of Australia. Pete Jarman has been an able student of foreign affairs for many years. His avid application to economic subjects and foreign affairs has fortified him with vast knowledge so necessary in the important task to which he has been nominated. This Nation and Australia are fortunate to have representing the United States a man of such sterling character, breadth of vision and understanding. With Pete Jarman as our Ambassador in Australia we may be assured that the bonds of friendship existing between these two great countries will continue and we may look forward to even more favorable, prosperous and cordial relations.

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD and include a clipping from the Richmond Times-Dispatch on diseases in tobacco.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a letter and a resolution.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include an article on Guam.

Mr. JENISON asked and was given permission to extend his remarks in the RECORD in two instances and in each to include extraneous matter.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include certain newspaper material.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include certain tables.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include a resolution on China that he introduced at the beginning of this Congress.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Atlantic News-Telegraph entitled "Up to You."

Mr. SMITH of Kansas asked and was given permission to extend his own remarks in the RECORD.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a radio address by former Senator Capper, of Kansas.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the RECORD on the subject of aid to the blind.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and to include extraneous matter.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include certain comments made regarding the McKenzie report which criticizes certain functions of the Customs Service in the Treasury Department, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $937.50.

VOTE AGAINST ECA BILL

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I desire the RECORD to show at this point that I voted against the ECA appropriation bill just passed.

CHAIRMAN OF THE ATOMIC ENERGY COMMISSION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the Atomic Energy Commission, being one of the most important and delicate organs of our Government, I think all Americans should be deeply gratified by the high-minded spirit of public service being shown under great stress by the Chairman of that Commission, who on two successive days now has done two things every American should admire and applaud in a Government servant: First, taken the burden of the mistake of one of his subordinates on his own shoulders in saying that it was his responsibility; and, second, inviting, because of the critical importance of the task of AEC, the most widespread inquiry into all his own actions as Chairman, and the operations of the Commission. I think it augurs very well for the result to the Nation that this investigation is to be undertaken by the Joint Congressional Committee on Atomic Energy, particularly charged with the responsibility for this Commission. This committee should—and I am sure will—proceed with justice, and, in view of the demonstrated talent for public service and fine public spirit shown by this great public servant, the Chairman of the AEC, and by his distinguished colleagues on the Commission, with care.

There is appended hereto the text of the plea for an investigation referred to above:

Hon. BRIEN MCMAHON,
Chairman, Joint Congressional Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR MCMAHON: A full, complete and speedy report on the charges that the United States atomic energy program is virtually a failure is a matter urgently necessary; the investigation initiated by the McMahon committee and to be carried out by it is welcomed.

The charges by Senator HICKENLOOPER of incredible mismanagement, misplaced emphasis, and maladministration involve nothing less than the security of this Nation and the peace in the world.

If it is true that the atomic-energy program is in an almost bankrupt condition, then this Nation, far from being the custodian and trustee of a substantial stock pile of atomic weapons, and in a favorable production situation, is in a sadly weakened condition. If this were true it is difficult to imagine any single fact more disturbing to the peace of mind of the people of the country or to the security of the world's democracies.

The facts on this crucial test of our stewardship can be readily established.

That in an enterprise requiring the services of some 60,000 human beings there have been mistakes and errors goes without saying; this has been freely admitted. Working with the atom does not make human beings perfect and beyond error. For these errors and mistakes the Commission has and will continue to accept full responsibility. The failure to follow explicit Commission regulations in the matter of the uranium oxide at the Argonne laboratory in Chicago is such an instance. In the handling of many of thousands of tons of crucial materials, in various forms, the Commission and its contractor-employees have sought and will continue to seek to improve on methods of accountability, that will keep the element of human fallibility at a minimum; no system can eliminate the human factor entirely.

Among the hundreds of decisions of policy thus far made by the commission, and those that will be made in the future, there are many the soundness of which is and will be subject to differences of judgment among equally sensible men. Such a case is that concerning scholarships for nonsecret study, awarded by the National Research Council of the National Academy of Sciences as contractor for the Commission. The policy of the council and the Commission has in the last 10 days been changed to meet the objections, on public policy grounds, strongly expressed by Members of the Congress. But the difference was one of judgment on which equally patriotic and reasonable men could have and do entertain differing views. The export to scientists abroad, of isotopes, announced by the President in September 1947, is another instance. This was done upon the unanimous recommendation of distinguished advisers of the Commission. There are bound to be cases of underestimating of construction costs by contractors of the Commission in connection with urgently needed facilities of a wholly new kind. These are properly subject to criticism. But they were common experience during the war and today in industry generally.

The Joint Committee on Atomic Energy of the House and Senate was established by the McMahon Act to review and consider, among other things, differences of judgment on policy, and to receive and consider and appraise the rate of progress, or lack of progress in the substantial work of this project—one of the largest enterprises and most complex in history. Numerous reports, largely secret or top-secret, and frequent hearings, conferences, and staff liaison have made your committee essentially—and rightly so—a continuous congressional investigating committee.

The test of whether there has been and is incredible mismanagement and a grave situation in this country's atomic energy program can be made a quite specific test, or series of tests. The country, I suggest, is entitled to and will want to know the answers to such specific questions as the following, among others, and we welcome the decision of your committee to proceed to the making of such analysis of report.

(1) Has the Commission failed in its stewardship at a time of great tension in its obligation paramount to all others; i. e., the production and improvement of these complex scientific weapons? What is the state of our atomic weapons—the order of magnitude of the stockpile; the improvements made in the last 2½ years in new weapon design. What has been the progress in the last 2½ years of our stewardship? What is the progress today in still further improvements, and the quality of personnel and the morale of those engaged in this work?

(2) How about production of fissionable materials—the essential ingredients of atomic weapons? Is it on a secure basis? What situation did the project face concerning disruption of production and how successful were the steps taken to overcome them? We assert, and our reports to you have made clear, that production is now at the highest level in history, with the same facilities; that new facilities are approaching the production state.

(3) How has basic and applied research progressed since the Commission took responsibility—and where was it when the Commission took over?

(4) How about security?

What was the state of physical protection of plants when the Commission took over? Has this improved, and in what ways?

What about security of secret documents—what was the situation when the Commission began, and what is it today?

What about accountability for source and fissionable materials? What was the situation in 1947? What is it today?

(5) What about the investigation and clearance of personnel—what was the situation, and what is it today?

There are many other areas of inquiry that your committee will engage upon, in addition to those carried on by it continuously as a regular practice in the past.

But the chief question I believe is this: Is this country weak today in atomic weapons and materials, and in their production and improvements, as implied by the broad and grave charges leveled against the Commission?

It can be stated categorically that the record in this respect is a proud one. It is one to give great reassurance to the peoples of the world who as one of this hour rely upon the strength of the United States of America.

In order that the fears and misapprehensions on this score may be settled beyond peradventure and as promptly as it is possible. It is urged that the joint committee call before it immediately not only the Commission, its staff, its principal industrial and university contractors, but also other citizens of the highest renown and technical standing, including the distinguished members of the general advisory committee and other advisory groups for their testimony and appraisal. In this way the dangerous cloud of uneasiness resulting from these charges will be dispelled.

Sincerely yours,
DAVID E. LILIENTHAL,
Chairman, United States Atomic Energy Commission.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. MULTER] is recognized for 10 minutes.

RISE OF ANTI-SEMITISM IN VARIOUS PARTS OF EUROPE

Mr. MULTER. Mr. Speaker, in recent months leaders of interfaith movements throughout the world have become increasingly concerned over the rise of anti-Semitism again in various parts of Europe and more particularly in Russia and its satelite states. The attempt is again being made to use Jews as the scapegoat of totalitarian dictatorships. History tells us that such attacks are always the forerunner of similar attacks upon all religious and freedom-loving peoples.

With the horrors of Buchenwald and Dachau still fresh in the minds of people everywhere, the Soviet Union seems to have adopted the Hitler-like policy of singling out Jews in a campaign of vituperation which would have put Herr Goebbels to shame.

The American Jewish Committee, that stanch patriotic national Jewish group, which has such leaders as former Governor Herbert Lehman, as honorory vice president, and former Supreme Court Justice Joseph M. Proskauer, as honorary president, has already termed the campaign against Soviet Jews both violent and official.

Complete documentation of the incredible Soviet campagn to smear the Jewish people of Russia, a campaign obviously directed by the Kremlin, is currently appearing in the New York World-Telegram in a series of articles by Frederick Woltman, the noted authority on communism and a Pulitzer prize winner.

I understand that my colleague from New York [Mr. DOLLINGER] intends to place the entire series of articles in the CONGRESSIONAL RECORD. I hope all our colleagues will read them with care.

On May 19 I wrote a letter to Mrs. Eleanor Roosevelt as a member of the United Nations Commission on Human Rights, which reads as follows:

DEAR MRS. ROOSEVELT: Your attention no doubt has been directed to the series of articles that have been appearing in the Scripps-Howard newspapers throughout the country and in the World-Telegram locally, indicating that the Soviet government has apparently opened up a drive against Jews living within the confines of its borders.

This matter, I am sure, could not have escaped the attention of one who has been so vigilant in the cause of human freedom. While you and your colleagues on the Human Rights Commission are striving so strenuously to raise the standards of human dignity, we are here confronted with what may easily spread into another Hitlerian conflagration. As you have said so often, totalitarianism whether under the name of fascism, nazism or communism is always a threat to all freedom-loving peoples. These renewed Soviet attacks upon a minority group is but one of the many bad things that such a philosophy of government breeds.

I respectfully suggest that you and your colleagues make inquiry as to the truth of the charges made in these articles and then attempt to devise ways and means of correcting this very grievous situation.

With kindest personal regards, I am
Sincerely yours,
ABRAHAM J. MULTER.

Further proof of the justification of the charges I have made will be found in articles which appeared in the New York press.

On May 19 the New York Herald Tribune carried a news item as follows:

RUSSIA ACCUSED OF ASEMITISM POLICY ON JEWS—LEAGUE'S STUDY DESCRIBES TREND AGAINST JUDAISM AS NONAGGRESSIVE TYPE

The American Jewish League Against Communism, Inc., made public yesterday a study of conditions of Jews in Russia in which the Soviet Government is accused of asemitism or a nonaggressive anti-Jewish attitude as contrasted with anti-Semitism which is aggressively anti-Jewish.

The study was prepared for the league, which has offices at 220 West Forty-second Street, by Gregor Aronson, a former member of the Moscow Soviet and now a member of the editorial staff of Novoye Russkoe Slovo, a Russian-language daily published in New York.

Mr. Aronson's conclusion is that Jews in Russia have been left completely defenseless against Soviet tyranny. "Their past has been stripped from them and their future is bleak," he said. He argued that Russia is trying to stamp out all manifestations of Judaism.

Describing the Soviet Government's attitude as asemitism, Mr. Aronson wrote:

"Asemitism differs from anti-Semitism in that it is not aggressive. It is not Jew hatred in the usual sense of the word. It is more complicated and completely psychological. It seems to be characterized by indifference to the Jews and any matter in which they, as Jews, are involved."

Mr. Aronson accused Russia of bringing asemitism into the open during the period of the Nazi-Soviet pact.

"During this period," he wrote, "the policy of ignoring the Jewish question in general and the Nazi plans for the destruction of the Jews in particular, became a conscious one."

The National Advisory Council of the American Jewish League Against Communism includes Benjamin Gitlow, former Communist official; Councilman Walter R. Hart, Democrat, of Brooklyn; Isaac Don Levine, writer and editor; Eugene Lyons, writer; Representative Abraham J. Multer, Democrat, of Brooklyn; Morrie Ryskind; and George E. Sokolsky, writer.

On May 22 Rodney Gilbert wrote in the New York Herald Tribune as follows:

FEATHERS FROM THE LEFT WING—COMMENT OF SOVIET ANTI-SEMITISM, SOCIALISM, AND SUNDRY MATTERS

(By Rodney Gilbert)

I have been meaning for a long time to remark that the leftist papers from which I quote much stormy rhetoric are not always gritting their teeth and hurling invectives. Many of them regale their readers with excellent cartoons, caricatures, light verse and quips. There is no space here for such material; but I shall make space for two sample quips on the same theme—Russian inventive genius. This one appeared in a recent number of the U. E. News, organ of the embattled left-wing electrical workers: "Did you see where a Russian claims to have invented movies that smell? Couldn't be. We've been seeing such for years." Then this is from the New Leader (social democratic): "Russia's extravagant claims of having pioneered all inventions do not go far enough. To be consistent she should claim credit for the original chaos at the dawn of creation." In its Ted Tinsley, the Daily Worker has a real grade A satirist, but to me its angry extravagances are always highly diverting. The Daily Worker has vied with other leftists in the invention of such descriptions of the unsubsidized daily papers as "the commercial press," "the dollar press" and "the kept press." But, being exceptionally angry about the publicity given to renegade Communists, a Daily Worker editorial of May 11 sought and found a new name for us. We are now the prostitute press.

That new independent socialist publication, the Monthly Review, which the Socialist Call hailed unfraternally a few weeks ago as another Communist front paper, is off the press. Having no knowledge whatever of the inspiration behind it, I cannot endorse the Call's description of it; but, in an introductory statement, the editors, Messrs. Leo Huberman and Paul M. Sweezy, frankly announce that their attitude toward Stalinism is by no means hostile. They define the objectives of socialism as they see them, and then say: "The possibility and workability of such a system of society are no longer open to doubt.

"Socialism became a reality with the introduction of the first 5-year plan in Soviet Russia in 1928. * * * We find completely unrealistic the view of those who call themselves Socialists, yet imagine that socialism can be built on an international scale by fighting it where it already exists."

SIX KINDS OF SOCIALISM

Now, besides the Communist Party, there are at least six groups in this country propagating what each thinks is socialism. Each finds most of the others at fault in some way—to put it mildly; but all agree informally on one thing, and that is that Stalinism is not socialism or communism of any kind, living or dead. I am sure that these editors are going to hear that from most if not all of these sects. If they could only be brought to say it in chorus, no one but the Kremlin's own fifth columnists would have the temerity to allege that socialism has been a reality in Russia since 1928. Elsewhere, in their introductory statement, these editors tell of the decline of socialism in America's esteem since the days of Eugene Debs, until now, "for the great majority of Americans socialism is little more than a dirty word." They are going to hear from many sources the obvious explanation of that. Because the various schools of socialism do not get together and denounce the Muscovite use of the word socialism, and because the American people have acquired a better understanding of the enslavement of the Russian people and other victim peoples, from year to year, socialism is to the majority a "dirty" Russian institution.

I have already given space several times to the leftist reaction to Soviet anti-Semitism. Now that this has boiled up out of the obscure publications of the cultists into "the prostitute press," the anger and alarm of the Communist Party is vociferously expressed. I have a little stack of clippings from the Daily Worker—editorials, special articles, and advertisements on the subject. An exhibition to show how the lot of the Jews in Poland has been improved has been hastily arranged. The pro-Stalinist Jewish Labor Congress has been thrown into action against the anti-Stalinist Jewish Labor Committee. The cartoonist Gropper has been called upon to wire back from Moscow to tell how Stalin esteems and honors Jewish cultural leaders. To our local fifth columnists this charge of anti-Semitism seems to be far more disturbing, indeed, than the international resentment of Cardinal Mindszenty's treatment. Why the Kremlin should risk the hostility of world Jewry at this point and the loss of Zionist esteem, gained through support of Israel in the United Nations, must be a baffling question to many observers. I think that the answer is to be found in an article written last November by one Valentin Toma on the brutal liquidation of the Greek Catholic or Uniate Church in Rumania, forced into "coordination" with the orthodox church after the latter had been geared to Stalinism. This is reproduced in the New International (junior Trotskyist) for March. Read this paragraph:

SOVIET ANTI-SEMITISM

"Stalin's puppet popular democracies, like all other totalitarian dictatorships, are driving hard toward the integration of every section of social life into their regimes. Nothing—absolutely nothing—is permitted to escape this drive. Sooner or later the ruling Stalinist party gets around to the "gleichschaltung" (as the Nazis used to call it) of the smallest youth organization, the most timid women's movement, the most insignificant sport association, the most distant reading circle, and finally, even the humblest parish. Willy-nilly, all of them are laced into the strait jacket." That was written to explain why the Uniate Church had to be extinguished. Old Bolshevism fought Russian Orthodoxy and propagated atheism, because the church in Russia was geared to czarism. During the war there was a resurgence of religious feeling in Russia which the Kremlin dared not try to suppress. Instead it found religious leaders who were ready to gear it to Stalinism and to declare blasphemously that "the voice of Stalin is the voice of God." So the Russian Orthodox Church, now as completely subservient to Stalinism as it once was to czarism, and as much an instrument of policy, is the one church to which all Christian organizations in the captive nations must be geared or perish. The Uniate Church looked to the Vatican and not to Uncle Joe, professed atheist, for intermediation with God. So, like the little Protestant bodies in Bulgaria, it just had to be extinguished.

REASONS BEHIND THE CAMPAIGN

But what has this to do with the Jews, and with the Kremlin's dissemination of ill will against them—as rootless cosmopolites—in Russia and among the victim peoples? It is simply that they have dared to turn their backs on the Kremlin and look at Israel with lively interest. The small fry, whose anxiety to get there suited the Kremlin while it worried the British, are now having a very evil influence upon the millions of others who would like to be anywhere but in the Red Elysium. Then, the interest of the intellectuals in Israel diverts their attention from that glorious light in the sky over the Kremlin to all kinds of world doings and stimulates a hunger for knowledge of them which would, in itself, be a menace to the security of the grand Red khanate. The little Jews who are setting everyone else such a rotten example by abandoning all they own to scramble up a gangplank onto anything outward bound, have got to be slapped down. Their bunds, their Mapams, their educational farm colonies, must be wiped out at once. And so it has been most vigorously done. And the warning to the highly placed Jewish intellectuals in Russia is: "Attention. Or else."

So I have used nothing out of a great mass of clippings on the lifting of the Berlin blockade, the show-down fight between the CIO and the Stalin-dominated unions, and the flight of Gerhart Eisler—whose rearrest in a British port is, of course, a disgrace to humanity in the Daily Worker. But since I found the New Republic's last special supplement on the Fair Deal, a bundle of twaddle, I must add here that that paper's most recent supplement (May 16) is a swell job. It is a report on a symposium. The question put to a number of real and alleged authorities was: "How strong is Soviet Russia?" The meek mumblings of fellow travelers, who usually yelp like coyotes, will be most depressing to the cognoscenti just off Union Square.

The only answer, and that is not official, that I have seen with reference to

these charges is that Soviet Russia and her satellite states are not attempting to throttle Judaism but are attempting to stamp out Zionism. Such an answer is merely an evasion of the charge.

Only yesterday our distinguished Secretary of State Dean Acheson pointed out in Paris, France, that Russia and its satellite states consistently refused to permit the outside world to know what goes on behind the iron curtain.

I join Secretary Acheson in challenging the Soviet authorities to permit the representatives of the United Nations to enter Soviet Russia in order to freely determine the true state of affairs.

Mr. DOLLINGER. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. DOLLINGER. Mr. Speaker, Soviet Russia has long pretended to the world that it was a model of racial equality, in its campaign for world dominance. It sought the support of the smaller powers and brought them into a federation controlled by the Kremlin on the strength of promises of equality.

It was, therefore, all the more startling to read a series of articles recently written for the New York World-Telegram by Frederick Woltman, a writer of integrity and ability—a former Pulitzer prize winner—wherein the true picture was pointed out. We find that Russia is waging a fierce campaign against leading Jewish intellectuals of Russia to purge them from the cultural life of the country. This incredible development in a nation where discrimination is supposed to be a state crime was definitely established recently from very authoritative sources.

It has been shown that Russian Jews are being persecuted, that the Kremlin is following Hitler's pattern and that the Russian Jews are the 1949 victims of Stalin's mounting cold war on the western democracies. The same old tricks are being used—a special vocabulary has emerged—the Jews being called rootless cosmopolitans, lowly cringers; the Soviet press now adds, in parentheses, the Jewish family names of artists, writers, and professional people, whose Russian-sounding names fail to disclose their Jewish ancestry.

Hitler, in his rise to power screamed out the accusations that the German Jews were under-cover allies of the Anglo-American warmongers, betrayers of German destiny—the very same attack which Russia is now using.

We are told that the Soviet Union has ruthlessly suppressed Zionism for the last 30 years. Many thousands have been exiled to Siberia. Hebrew, the religious language of the Jews is banned, and Judaism has virtually been obliterated in the Soviet Union. We see the pattern repeated—the persecution of the Jews being the first step in a program of world conquest.

I believe that this campaign in Russia against the Jews is one which should have the attention of this House and our Nation, and that we should take necessary steps to call these acts of the Kremlin to the attention of people the world over. Russia—the motherland of communism—which has profited greatly by her pretended belief in equality for all should be exposed. The spotlight should be focused directly upon her. In her cruel and ruthless purge of the Jews, she certainly does not practice what she preaches—and those to whom she would sell her ideology should know of her deceit.

Six million Jews have already perished because of similar tactics under Hitler. Likewise, many millions of others in minority groups have been annihilated in such programs of terror. Let us not keep silent until it is too late and more millions suffer a similar fate. It is possible for all human beings, regardless of their religion, color, creed, or nationality to live together as one. It is America's duty to lead the way. This House should focus the spotlight upon Russia and also request Eleanor Roosevelt, who heads the Commission on Human Rights in the United Nations, to lay the facts before that body for such action as would be appropriate and effective.

Under unanimous consent, I insert in the RECORD the articles referred to, written by Mr. Woltman, which deal with this vital question, and in which he so succinctly discusses the problem. In my opinion, the articles should be read by all people who are interested in equality for all.

MOSCOW HATE BARRAGE BLASTS JEWS—NAZI-LIKE ANTI-SEMITISM PERILS INTELLECTUALS, DENOUNCES ISRAEL

(By Frederick Woltman)

Nazilike attacks against Jews have become government policy in Soviet Russia.

The U. S. S. R., long held forth to the world as a model of racial equality, is waging a fierce campaign against leading Jewish intellectuals of Russia to purge them from the cultural life of the country.

Since January, the Soviet press and Communist Party apparatus have been pouring out tirades reminiscent of Hitler's unceasing and self-serving crusades against "the international Jew."

Such a barrage, loosed by the government and press of America, would be regarded here as the worst kind of anti-Semitism.

CAMPAIGN CALLED VIOLENT

Coupled with it, the Kremlin has launched a parallel onslaught on Zionism and on the leaders of Israel who, the Kremlin spokesmen charge, would sell out their own people "for the sake of the dollar."

This incredible development—in a nation where discrimination is supposed to be a state crime—was established in a survey by the World-Telegram, based chiefly on Jewish sources. One of them, the American Jewish Committee, terms the campaign against Soviet Jews both violent and official.

Thus far, only fragmentary reports have come through the world's tightest censorship from Moscow.

But they are sufficient to arouse grave concern among the leaders of American Jewry, who wonder if the Jews once again are to be made the scapegoats of a totalitarian regime.

Meanwhile, the American Communists are running true to form. On the issues of Zionism and the new State of Israel, they have faithfully echoed the Moscow line. Zionist leaders, inside Israel and out, according to the Freiheit, official Yiddish organ of the Communist Party, are trying to transform Israel into a bastion of Jewish reaction and a prop of Anglo-American imperialism.

CULTURAL FIELD HIT

Recently, greatly embarrassed, the party here has sought to explain away dispatches which reported Soviet denunciations of Jews.

The campaign against the Jewish intellectuals, the survey showed, encompasses the entire field. It includes the theater, literature, music, the cinema, poetry, philosophy, science, even the sports.

Their crime, as charged, is cosmopolitanism, an expression exhumed from the anti-Semitic writers of Czarist Russia. Because of their ties outside Russia, their kinship through a common language with the Jews in the rest of the world, Jewish writers, artists and scientists in the U. S. S. R. suddenly became cosmopolitans.

Master mind of the crusade was Alexander Fadayev, head of the Soviet writers' union and chief Russian delegate to the Waldorf-Astoria cultural conference here last March. Pravda, central organ of the Russian Communist Party, touched off the fuse on January 29. The entire Soviet press responded promptly with extraordinary venom.

TARGET BECOMES CLEAR

That their target was the Jews became clear almost at once—by resort to the concept of the wandering Jew.

Thus, today's internal enemies of the U. S. S. R. are not only cosmopolitans, they're the homeless cosmopolitans.

Love of Country; Hatred of Cosmopolitans was the title of an editorial in the Literary Gazette, authoritative organ of the Soviet writers' union on February 12. "It is our patriotic duty to eliminate these passportless vagrants, these stowaways, these people with no kin, no country," screamed the Gazette.

SPECIAL VOCABULARY

A special vocabulary emerged to fit the new crime. Its perpetrators, according to the Soviet press, are:

"Rootless cosmopolitans, lowly cringers, double-facers, shameless aesthetes, salesmen, hooligan-like, antipatriots, double-dealers with traitors' souls, no tribe—no fatherland—no country."

Also "Jewish bourgeois nationalists."

Part of the pattern is somehow to identify the Jewish intellectuals under fire with the western democracies which, in the Communists' dictionary, are synonymous with reactionary and imperialist.

"In whatever clothes it is arrayed," declared the Literary Gazette in March 2, "whatever its pseudonym, whether the guise be pan-Americanism, Catholicism, Zionism, or any other name, cosmopolitanism actively serves the interests of the imperial reaction."

CRIME DEFINED

Since neither pan-Americanism nor Catholicism carry much weight in the U. S. S. R., Zionism would appear to be the principal offender.

Konstantin Simonov, the Soviet writer, defined the crime as "the desire to undermine the national roots of national pride because people without roots are easier to push over and sell into slavery to American imperialism."

The Communist Daily Worker simply calls cosmopolitanism the cultural weapon of Wall Street imperialists.

How the drive against cosmopolitanism is further applied to Russian Jews will be developed in detail tomorrow.

MOSCOW ADOPTS CLASSIC TACTICS OF ANTI-SEMITES

(By Frederick Woltman)

The standard device of anti-Semites the world over—subtly reiterating the racial origin of their Jewish targets—has now become standard practice in Soviet Russia. For the past 3 months the official Soviet press has used it on a wholesale scale against leading Jewish intellectuals in the Kremlin's drive to purge all Russian cultural life of homeless cosmopolitans and people without tribe.

Their technique invariably is to add, in parentheses, the Jewish family names of artists, writers, and professional people whose Russian-sounding names fail to disclose their Jewish ancestry.

Thus, when Komsomolskaya Pravda, official organ of Communist youth, on March 6 attacked Jewish sports writers as passportless wanderers, it listed them as G. Yasny (Finkelstein), V. Victoroff (Zlochevsky), and A. Svetoff (Sheidlin).

OTHERS ADOPT TECHNIQUE

Pravda, Izvestia, the Bolshevik, Literary Gazette—foremost mouthpieces of the Stalin state—have adopted the same technique, according to a survey by the World-Telegram which disclosed an incredible frontal attack on Jews in the motherland of communism.

Designations like this appear regularly: J. Chatsazav (Meyerowitz), J. Stebun (Katzenelson), L. Zhadanov (Lipschitz), J. Martish (Finkelstein), and L. Sendof (Schmulson).

Emphasis on Jewish origin, rather than identification, is clearly the purpose. For whenever the Russian name appears more than once in the same diatribe, even if only a few lines apart, the Jewish name is invariably tagged on each time.

USED BY NAZIS

The same device of double naming was used by anti-Semitic Russian White Guardists after the Bolshevik revolution to imply Jewish control of the new Soviet state. Later, the Nazis employed it; and so did native Fascist groups in America.

It's unprecedented, both in the USSR and under the Czar.

In contrast, although many non-Jewish Bolshevik leaders took new names for security reasons, you'll never find a news story in the Soviet press about V. M. Molotov (Skriabin) or Josef Stalin (Djugashvili).

VOICE BROADCASTS STORY

So scandalous has the anti-Jewish drive become, the World-Telegram learned, that the State Department seized upon it for America's war of words with the Soviet propaganda machine.

To date, the State Department has taken no official cognizance of it for American consumption. But in the last few days of April, the Voice of America beamed the story overseas in Bulgarian, Czech, Russian, Hungarian, Polish, German, and English.

The series of broadcasts went unpublicized here. To the listeners behind the iron curtain, however, they bore the imprimatur of the United States Department of State.

"In recent months, the Soviet campaign against cosmopolitanism has assumed a certain racial bias which gives it an even greater significance," the broadcasts said. They told of the insertion of Jewish names.

OFFICIALLY INSPIRED

And they referred to recent Moscow dispatches as agreed that the campaign against Jewish critics is officially inspired and anti-Semitic in tone and * * * that the officially inspired campaign to intimidate Jewish writers in the U. S. S. R. casts a cynical light on Communists' pretensions that they are against all forms of racialism.

This is the first time that anti-Semitism has become official in the U. S. S. R. according to Gregor Aronson, a student of current Russian life, expelled former member of the Moscow Soviet and now a staff writer for the New York Russian daily, Noroye Russkoe Slovo.

Because they're so widespread, the attacks on Soviet Jews as cosmopolitans could only have been ordered by the Moscow Politboro, he writes, in a forthcoming documented pamphlet Soviet Russia and the Jews. Published by the American-Jewish League Against Communism, 200 W. 42d St., the study soon will be on sale there for 50 cents.

QUOTES PRAVDA

To show how deeply the anti-Jewish campaign has penetrated all facets of Russian culture, Mr. Aronson quotes the March 5 Pravda, official organ of the U. S. S. R. Communist Party:

"Homeless cosmopolites who know nothing of creative labor, of truth and honor, have crept into our editorial offices, scientific institutions and universities. They are people who feel no duty toward the nation, the state or the party.

"It is our urgent task, therefore, to smoke these bourgeois cosmopolites out of their holes because these individuals without a people or a country hinder the development of Soviet literature."

Out of one list of 50 homeless cosmopolites excoriated in the Soviet press during February and March, he writes only two or three were non-Jews.

That's the pattern of the U. S. S. R.'s astonishing crusade against its internal enemies of 1949, as the third article on the World-Telegram's survey will show further tomorrow.

RUSSIAN JEWS ARE VICTIMS OF KREMLIN'S COLD WAR

(By Frederick Woltman)

Russian Jews are the 1949 victims of Stalin's mounting cold war on the western democracies.

Hitler, in his rise to power, screamed out the accusation that German Jews were undercover allies of the "Anglo-American warmongers," betrayers of Germany's destiny.

Today, in true totalitarian kinship, the powers in the Kremlin plagiarize the Nazis. "Obsequiously looking to the west" and "groveling before the Anglo-American imperialists" are the standard, trumped-up charges of the Soviet propaganda organs against the Jewish intellectuals due to be stamped out of Soviet culture.

They've borrowed another Nazi weapon, the symbol of the hooked nose.

Krokodil, Moscow's satirical magazine, on March 10 ran two pages of cartoons lampooning "homeless cosmopolitans" accused of besmirching Soviet drama, music, poetry, and movies. The "cosmopolitans," as depicted, were particularly loathsome-looking. Several had worm-like bodies. One of the movie critics waved a banner: "Go to Hollywood."

All were drawn with hooked noses, grossly exaggerated.

"Pitiful and unpleasant," says the caption, "are the quiet skeptics, the abstract persons, the passportless vagabonds of the human race."

In a blast at the "cosmopolitan literary critics," the March 20 issue ran a full-page caricature of one, wearing a dagger in his belt and carrying an enormous poison pen. A name tag pasted on his suitcase read "Andre Zhid." This presumably referred to Andre Gide, the French writer who is unpublished and virtually unknown in Russia.

However, the Andre was shaded and the Zhid caught the eye. Zhid, a favorite expression in pogrom literature of Czarist Russia, is familiar to all Russians. The translation is the viciously slanderous word "kike."

"Stamp out completely the foes of the Soviet drama, theater, cinema and of the entire Soviet art—the anti-patriotic group of homeless cosmopolitans and their hangerson," demanded the March 9 Literary Gazette, official mouthpiece of the Soviet writers union.

"We get no help from these critic-cosmopolitans in unmasking serious manifestations of Jewish bourgeois nationalism, in particular in the Almanach, Der Shtern, which we had to suppress. * * * It encouraged nationalistic trends, smug, small-town psychology. It went even so far as to assume that a Jew living abroad is equal to a Soviet Jew."

The American Jewish Committee, a leading national Jewish organization in the United States, declared recently in a report, "Jews Behind the Iron Curtain": "Since the closing of the Moscow Einikeit (in January, 1949) and the Shtern in the Ukraine, there are no Yiddish periodicals left, except possibly in Birobidjan." Birobidjan is the so-called autonomous Jewish Republic in the U. S. S. R.

ASSAILS JEWISH THEATER

N. J. Gusarov, head of the Byelorussian Communist Party, on February 17 excoriated the one Jewish theater in the White Russian Republic. It "puts on unpatriotic plays in which the patriarchal life of the Jewish petty bourgeoisie was idealized and life in bourgeois America praised. * * * Homeless cosmopolitans, combined with direct obsequiousness to things foreign, have found expression at the Jewish theater."

The theater was closed.

The February 20 issue of Culture and Life, organ of the Communist Party's propaganda department, lambasted "bourgeois cosmopolitan" music critics.

Their offenses: "Groveling before Anglo-American, decadent art" and "depicting a musical paradise in the American land."

Jewish sports writers were excoriated as "passportless wanderers" by Komsomolskaya Pravda, central organ of Communist youth. They were accused of writing that a Soviet wrestler was inspired by Jack London, rather than his love for the motherland, and claiming that football was brought into Russia by employees of the Indo-European Cable Co.

WRITERS SINGLED OUT

Literary Gazette singled out even Jewish writers as "rah-rah cosmopolitans," charging them and the Jewish State Theater in Moscow with "unpatriotic activities."

Because he credited Sir Alexander Fleming with the discovery of penicillin, the well-known Jewish scientist, S. Altschuler, was attacked by Komsomolskaya Pravda as a "homeless cosmopolitan." Everybody knows, said the paper, that the drug was discovered by Russians.

Because it allegedly fell under "American influences," the Soviet Academy of Architecture was completely reorganized last month. The chief offender was Moises Gintsburg. Soviet Art, published in Moscow, accused him of championing western European and American architecture.

"The hostile activities of bourgeois cosmopolitanism," warned Soviet Art, "will be unmasked to the end."

PROFESSOR A SCAPEGOAT

"Unmask the preachers of cosmopolitanism in philosophy," demanded Culture and Life on March 10. This time the scapegoat was the Jewish professor, M. Rosenthal. The offense: His philosophic views of Chernychevsky failed to give enough praise to the patriotism of the Russian philosopher.

"Deliberate neglect of patriotism can only be qualified as bourgeois cosmopolitanism," Culture and Life warned.

ZIONISM OUTLAWED IN RUSSIA

(By Frederick Woltman)

The Soviet Union has ruthlessly suppressed Zionism for the last 30 years.

Since the days of the Bolshevik Revolution, thousands have been exiled to Siberia, never to be heard from again. Hebrew, the religious language of the Jews as well as the tongue of a renascent Palestine, is banned. Jewish religious schools for children are outlawed.

Indeed, the U. S. S. R.'s success in wiping out Zionism is matched only by the extermination of all things Jewish by Hitler's Germany.

And today, the land of the hammer and sickle is the sole power on earth which makes the movement for a Jewish homeland illegal.

KNOWN TO LEADERS

While unknown to the general public, these facts are familiar to key leaders of Jewish groups in this country, such as the World Zionist Organization of America and the American Jewish Congress.

"Since the early twenties, I have never seen any record of Zionist activities in Russia," Carl Alpert, national education director of the World Zionist Organization, told the World-Telegram.

The last open meeting of Zionists took place in Moscow in April 1920. Its backers were arrested, imprisoned and denounced by the new regime as counter-revolutionaries and enemies of the people, charges akin to treason under Communist ideology.

This long-standing hostility to Jewish nationalism now has found a logical outlet. The current wave of intimidation and abuse which the Politburo recently turned on Russian Jews, as revealed by these articles in the World-Telegram.

CAN'T GO TO ISRAEL

Meanwhile, for outside consumption, the U. S. S. R. has been supporting Israel in the UN and the Kremlin and its agents throughout the world make political capital of it.

Yet, emigration of Russian Jews to Palestine was always strictly forbidden.

Finally, 3 weeks ago, the Soviet Union granted its first visa to Israel—to a one-legged war veteran who won the Order of Stalin. It took 2 years and the intercession of Israel's Minister to Moscow. Thousands of other Soviet Jews have not been so lucky.

When the Bolsheviks came to power, the Jews were the first to suffer, according to Gregor Aronson, a student of Soviet life whose 50-page documented pamphlet, Soviet Russia and the Jews, will soon be published by the American-Jewish League Against Communism, 220 West Forty-second Street.

SEMINARIES CLOSED

"With the Bolshevik revolution came the dictatorship of the Jewish Bolsheviks over Jewish communal life, through the 'Jewish Commissariat'," writes Mr. Aronson. "In a short time, it had liquidated the Jewish community organizations, forbidden Jewish religious schools and seminaries, communized or closed all Jewish societies.

"The commissariat then began a bitter struggle against Zionists, Jewish liberals and radicals, the Bund (Jewish trade-union Socialists), rabbis and all other religious officers. All but the official Communist publications were banned, of course."

In the 1930's, it became impossible to publish any books, even purely scientific works, in Yiddish, says Mr. Aronson.

With the 1934 purges, he relates, all Jews participating in Jewish communal life were removed from official posts and exiled or liquidated. The list was "very impressive," including the first Jewish Commissar, an old Bolshevik, Dimanstein, who for 20 years had been considered Stalin's eye in the Jewish group.

CAMPAIGNS SIMILAR

The 1934 purge furnished striking parallels to the current campaign in the official Soviet press and the Communist Party apparatus against homeless cosmopolitan intellectuals. Hundreds of Jewish historians, writers and artists, etc., were denounced as spies, diversionists, Fascists, Trotskyites and counter-revolutionists.

By 1940 Stalin had closed the local offices of the joint distribution committee, largest nongovernmental agency to aid distressed Jews outside America, and of ORT, oldest private Jewish organization devoted to vocational training.

Although JDC and ORT had performed valuable services in the reconstruction of Russian Jewish life after World War I, their responsible Russian representatives were arrested in 1939.

Palestine newspapers were barred from Russia, Rabbi Meyer Berlin, of Jerusalem, president of Mizrachi, religious wing of the World Zionist Organization, told this writer when he visited American in 1947.

BAN BIBLE FROM MAIL

Nor could Hebrew literature, including the Bible, be mailed direct to Soviet citizens. There were no Hebrew calendars in Russia.

The Warsaw papers of February 3, 1939, ran an extraordinary item. It reported the prosecution of a Pole who tried to smuggle Jewish prayer books, shawls, and other religious articles into the U. S. S. R.

How the Kremlin's historic crackdown on Zionism has been extended to the entire realm of Jewish life inside Russia will be told in tomorrow's story.

RUSSIA CRUSHING ALL JEWISH CULTURE

(By Frederick Woltman)

Judaism, in fact the entire communal life of Russia's 2,000,000 Jews, has virtually been strangled in the Soviet Union.

The Communist dictatorship, after obliterating Zionism in the early twenties, set a calculated and relentless course of stamping out all forms of Jewish life—cultural, social, educational, and religious—from one-sixth of the earth's surface.

In consequence of the persistent pressure of totalitarian conformism, U. S. S. R. Jews are now in an advanced stage of religious and cultural disintegration.

This conclusion appeared in the May Reporter, published by the American Jewish Committee, one of the foremost Jewish organizations in America. Among the leading Jewish laymen who serve as its officers are former Gov. Herbert H. Lehman, honorary vice president; and former Supreme Court Justice Joseph M. Proskauer, honorary president.

Thus the motherland of communism—held up to the world as the very model of racial equality, respecting the diverse nationalities within its own borders—has put Russia's Jews beyond the pale.

Probably no better authority could be found attesting to the virtual disappearance of Jewish life itself in the U. S. S. R. than B. Z. Goldberg, columnist on the Day, New York Jewish daily. Himself a Soviet sympathizer, Mr. Goldberg is sponsor of the School of Jewish Studies, designated as "an adjunct of the Communist Party" by the Department of Justice.

Returning after a 6 months' tour of the U. S. S. R., Mr. Goldberg, as far back as August 14, 1946, wrote in the Day:

"There are no Jewish districts in the cities and towns. There are no specifically Jewish occupations; there are no Jewish hospitals; no Jewish old folks' homes; no Jewish clubs; no Jewish parties; no Jewish philanthropies; no Jewish educational institutions."

QUARTER MILLION IN MOSCOW

Earlier, on March 23, 1946, Mr. Goldberg wrote:

"There are a quarter of a million Jews in Moscow, and perhaps more, but it is difficult to reach them.

"The Jews have no special social sphere, special charitable organizations, clubs, or those hundreds of other Jewish community societies which Jews of other countries have. * * * Jewish education has virtually disappeared."

There is "a total absence of any Jewish life in Russia," wrote Jacob Lestchinsky in the New Leader of March 8, 1947. He is an economist for the Institute of Jewish Affairs, World Jewish Congress, and staff writer on the New York Daily Forward, largest Jewish newspaper in the world.

The destruction of Jewish education in Russia, wrote Mr. Lestchinsky, "means that the whole future generation of Jews will have no idea of Judaism, Jewish history, Jewish life in Palestine and in other countries."

RELIGION OR ANATHEMA

The Jewish religion "has come under the same Soviet anathema as all other religions," according to the American Jewish Committee's May Reporter. The AJC's analysis was based on a series of studies by Dr. Nathan Reich, chairman of economics at Hunter College and former research head of the Joint Distribution Committee.

"In substance," declares the AJC, "all Yiddish cultural activities had to conform to the dominant Communist ideology. More recently, however, even this devitalized form of cultural expression has been reduced to the vanishing point."

NO MERE ACCIDENT

"The long-run pattern is disintegration of Jewish life," says the American Jewish Committee. It points out that Jewish "charity organizations are taken over, relief agencies are obstructed, Jewish writers pilloried, communal leaders persecuted."

"This policy is not accidental," continues the report, "Judaism has traditionally fought tyranny, oppression and authoritarianism.

"The voice of the prophets, continually raised in behalf of social justice and enlightenment, expresses the democratic ideal inherent in the Jewish faith. Its classic liberalism and devotion to freedom and human dignity challenge the totalitarian way of life.

"Soviet policy is utterly disastrous to communal Jewish life. Totalitarianism spells its doom."

The deadly effectiveness of the "long-run pattern" was described in the Daily Forward of March 23, 1948, by a Polish Zionist leader, Dr. Julius Margolin, who spent 5 years at hard labor in Soviet "corrective" camps between 1939 and 1946. Telling of the Russian Jewish families he met in these camps, Dr. Margolin wrote:

"I wept inwardly when I looked at the children of those who had once been the advance guard of the Jewish people.

"The children and grandchildren knew nothing about Palestine, did not know the Bible, had no idea of the culture or the names dear to every Jew—just as though they had come from another planet."

RUSSIA ISOLATES ITS JEWS FROM WORLD TO WIPE THEM OUT IN RED MELTING POT

(By Frederick Woltman)

The iron curtain has been clamped down on Russia's 2,000,000 Jews. By isolating them completely from their brethren throughout the world, the Soviet rulers aim, eventually, to force their total assimilation.

This is revealed graphically in the untold story of the Jewish Anti-Fascist Committee of Moscow and in the official Soviet press itself.

Five years ago, in a wartime bid for friendship, Josef Stalin sent two good-will ambassadors to the Jews of America.

They were present, in a 3-month tour, as outstanding Jewish artists of the Soviet Union—representatives of the new Jewish Anti-Fascist Committee, created by the Soviets to strengthen the bonds between the Jews of Russia and Jewish communities in other countries.

In a gesture of unity against the Nazi war machine, nearly 50,000 New Yorkers turned out to welcome them at the Polo Grounds.

As he rose to speak, the crowd cheered Itzik Feffer, poet of the U. S. S. R., loyal Bolshevik, wearer of the honor badge of the

Soviet Union. In turn it acclaimed Solomon Michoels, director of the Moscow Jewish State Theater.

SUDDENLY LIQUIDATED

Leaders of American Jewry—Rabbi Abba Hillel Silver, the late Dr. Stephen S. Wise, Dr. Nahum Goldman, president of the World Jewish Congress, and others—put their blessings on the demonstration.

After the country-wide tour, enthusiastically received, Messrs. Feffer and Michoels returned to Russia and settled down to the business of the committee.

Suddenly 4 months ago, without explanation, the masters in the Kremlin liquidated the Jewish anti-Fascist committee.

They suppressed its newspaper, Einigkeit, the last Jewish-language publication left in the U. S. S. R. (Under the Czar, Yiddish papers were published as far back as 1903.)

And they arrested Itzik Feffer, its editor and outstanding poet of the Soviet Union. Solomon Michoels, meanwhile, had died.

To world Jewry, this crack-down on the one official Jewish movement in the homeland of communism had ominous significance.

It served notice that the Politburo's drive against Jewish intellectuals in the U. S. S. R. has been turned against all things Jewish, that not even loyal groups will be tolerated any longer.

For, ironically, the Jewish anti-Fascist committee, as it turned out, served only as a propaganda vehicle for Russian communism.

STALIN'S LIE

Stalin, with his Feffer-Michoels good-will tour sold a bill of goods to the many prominent Americans who lent their names to it—the late Wendell Willkie, Eddie Cantor, Herbert H. Lehman, and Albert Einstein.

A few months before, the American people had been shocked to learn of the execution by Stalin of the two Polish Jewish labor leaders, Heinrich Erlich and Victor Alter. After its disclosure by the World-Telegram, Stalin hoped to make America, especially the Jewish people, forget his blunder; and to forget how he lied when he assured Wendell Willkie that no harm would come to them—months after they had already been shot.

Now, with the committee dissolved, the Soviet press is out to cut off all contacts of Russia's Jews with the outside world.

Because the editors of the glossary for the new standard Soviet encyclopedia gave too much space to Jewish literature, Literary Gazette, which lays down the law for Soviet writers, accused them of abhorrent cosmopolitanism—in effect, disloyalty to communism.

"The authors," fumed the Gazette, "flout the party spirit and Soviet patriotism. They take the whole of Jewish literature without distinction as to country or state system and play into the hands of the enemies of the fatherland.

"NATIONALIST PALAVER

"They drag out the cosmopolitan, bourgeois, nationalist palaver of a supposedly world-wide Jewish literature. On their list, Soviet writers stand side by side with hardened modern businessmen of America, Palestine, and other countries.

"Their views are nothing else than slavish servility to hostile bourgeois nationalism."

Because he wrote about the Jewish religion, Moscow Evening Paper, official organ of the Communist Party, excoriated a Jewish writer. The headline: Insolent Preachings of a Kinless Cosmopolitan.

"The publishing house, Soviet Writer," began the diatribe, "which, as all well know has been activated by persons who had no kith or kin, by antipatriots Levins and Danins and their ilk, published in 1948 a book by Alexander Isbakh (nom de plume of Isaak Bakhrakh). * * *

"What does the author of this worthless book preach?

"First of all an ardent glorification of the Judaic religion.

"SATURATED WITH CULT

"The whole book is saturated with the religious cult. The first story is called 'God.' Tenderly genuflexing, Izbakh describes the service in the synagogue * * * the smallest details of Judaic ritual * * *.

"Izbakh openly conducts propaganda for Zionism, tells in detail about the Zionist organization which 'enjoyed great influence among the Jews of our city, * * * about 'kind uncles' who shipped Jews to Palestine; and he even reproduces the text of the Zionist hymn."

"Alexander Izbakh," the piece concludes, "wrote a loathsome book. And he was helped in publishing it by the cosmopolitan already exposed, F. Levin, who has no kith or kin."

RUSSIANS LEFT JEWS TO MERCY OF NAZI HORDES—DOUBLE-CROSSING POLICY LED TO WHOLESALE SLAUGHTER

(By Frederick Woltman)

To appease Hitler, the rulers of the U. S. S. R. double-crossed the Jews of Russia.

The Soviet Government during the Hitler-Stalin friendship pact deliberately kept its people in ignorance of the German dictator's campaign to exterminate the Jews.

Mention of the wholesale terror and atrocities perpetrated by the Nazis against the Jews of Germany and the occupied areas was forbidden in the official Soviet press.

The effect of this hush-hush policy was disaster to many thousands of loyal Jewish Soviet citizens.

RETURNED TO PERISH

Unaware of the mortal danger that faced them when the German hordes invaded their land, they remained in their home towns and perished. There were even many cases of Polish Jews who returned to Nazi-occupied Poland in 1940 after having escaped from the German onslaught to Soviet territory. Their fate, too, was death.

In their official reports from Russian areas to Berlin, German occupation authorities themselves expressed amazement to find Jewish captives so blissfully unaware of the Nazi program of extermination.

Some of these original documents, taken by a United States Army paratrooper from the Ministries of Propaganda and Eastern Areas, are now in possession of the Yiddish Scientific Institute, 535 West One Hundred and Twenty-third Street. They confirm the Kremlin's conspiracy of silence about the worst race slaughter in history, according to Dr. Solomon M. Schwarz, who made a study of them.

SUFFERING PLAYED DOWN

Dr. Schwarz, an authority on current economic and social problems in Russia and a researcher for leading Jewish organizations, said today that the Russian people were never told Hitlerism signified the complete extermination of the Jews.

"The Jews of Russia themselves did not know they were his main target," he said.

"Moreover," said Dr. Schwartz, "although the Jews suffered more than the rest of the Russians put together, the Soviet Government has always played down the sufferings of the Jews in the war."

"Opportunism, not anti-Semitism, motivated the Russian rulers," he said.

AFRAID OF PROPAGANDA

"They were afraid of Hitler's propaganda that the Communists were fighting for the Jews," he said, "so, instead of combating it, they kept silent, with terrible consequences to the Jews of Russia."

"Stalin and his officials did not worry about the fate of the Jews," wrote Gregor Aronson, another authority on the U. S. S. R., in his forthcoming documented pamphlet, Soviet Russia and the Jews. "They simply forgot about this problem."

He gave one possible explanation: Fear that the true story of the Nazi atrocities might weaken the popularity of the Hitler-Stalin pact among the Russian people.

With the pact, he wrote, the Soviet press abruptly stopped publishing belligerent articles against nazism and fascism.

A NEW DIRECTION

"Instead there was a gradual attempt to educate Soviet public opinion in a new direction. Yesterday's foes had become today's friends. * * * It became apparent that the Soviet press was absolutely forbidden to tell the truth about nazism, about German bestiality in Poland and about anti-Semitism which the Nazis were fostering everywhere they went."

He disputes the "myth that Stalin saved millions of Jews" which "the Communist propaganda machine has been extremely successful in propagating."

The Jews of Poland, the Baltic states and Bessarabia were saved for only a short time after the Red army moved in.

"Here were the remains of capitalism, of the bourgeoisie," wrote Mr. Aronson. "Here were not only well-dressed people, but people who had the effrontery to be Zionists, to worship in synagogues, to be proud of being Bundists (Socialists). In short, here were people who were free and independent and, therefore, 'enemies of the people' in Soviet Russia."

SUSPECTS LISTED

Lists of suspect Jews were drawn up, according to the author of the pamphlet published by the American-Jewish League Against Communism. Tens of thousands of NKVD (secret police) agents were sent in for the task of reconstructing Polish and Lithuanian Jews.

While no official figures exist, the Polish Government-in-exile estimated 600,000 Polish Jews were deported to the Soviet Union and Siberia.

Mr. Aronson reminds his readers of the historic speech by V. M. Molotov, then chairman of the Council of People's Commissars, on October 31, 1939. Russia's present Deputy Premier then said:

"One may accept or reject the ideology of Hitlerism as well as any other ideological system; that is a matter of political opinion."

REDS BAR JEWS FROM DIPLOMATIC AND PARTY JOBS

(By Frederick Woltman)

A quiet but systematic exclusion of Jews from the foreign office, diplomatic corps and Communist Party of the Soviet Union has been under way in the USSR for 10 years.

Today, as a result, the names of Jewish diplomats and party leaders, once numerous and prominent on the rosters of these all-important agencies of the Communist motherland, have virtually disappeared.

It is a program of freezing Russia's loyal Jews out of many facets of the nation's life, despite the myth created by the Communist propaganda machine that the USSR is the one country in the world which grants complete racial equality.

PROPAGANDA ATTACKS UNITED STATES

As government policy, the Soviet pattern has no parallel in America, which Communist propaganda nevertheless holds up to scorn as a haven of anti-Semitism.

It represents practices which Jewish, as well as many other religious groups in this country, have been gradually eradicating from the American scene as the very essence of anti-Semitism.

Meanwhile, only this week this trend in the USSR brought an expression of alarm from the American Jewish Congress, one of this country's most influential Jewish organizations, of which the late Dr. Stephen S. Wise was the founder and guiding spirit.

In an editorial, "Anti-Semitism and the U. S. S. R.," the current issue of Congress Weekly, official AJC organ, refers to "persistent reports of the purging of Jews from high office" in the Soviet Union.

"DISTURBING REPORTS

"Jewish opinion in this country and overseas," says the AJC publication, "has been disturbed by reports of officially approved anti-Semitic practices in the Soviet Union."

Apart from their elimination from foreign service and party posts, Jews are barred from the principal military academies of Moscow, according to reliable sources; and Jewish candidates are restricted in the law and medical schools of Kiev and Moscow.

The official Soviet press in reporting Red Army activities no longer mentions Jewish generals, although no less than 100 served during the war, say students of Soviet publications.

COLLEGE QUOTA SYSTEM

A quota system for Jewish students has been set up in schools of higher learning, declared the Daily Forward of New York, largest Jewish newspaper in the world, on January 9.

The quota system was ordered in 1939 in a secret directive of the central committee of the Russian Communist Party, said the Forward, citing an unidentified diplomatic source from the USSR.

In the political field, there is only one Jewish member left on the ruling Politburo. He is Lazar M. Kaganovitch, whose sister is said to be the wife of Premier Stalin.

NO JEWISH CANDIDATES

Last February, Moscow Evening Paper, central organ of the Moscow party, ran a list of 370 candidates for Communist regional and city committees in Moscow. Not a single name was Jewish, according to a former Soviet official, now an American citizen. In the 1930's the percentage would have run between 5 and 20.

In the foreign office, Maxim Litvinov and Solomon A. Losovsky, both vice commissars and the two most prominent Jews in the service, have been put into the discard. Ivan M. Maisky, former ambassador to Britain, who is half-Jewish, was retired to a professor's job in 1946.

"There are no Jews left of importance in the foreign office or diplomatic service," Dr. Solomon M. Schwaz, of 4 West One Hundred and Fifth Street, told the World-Telegram. "Except for a few old-time Bolsheviks on the central committee, they have been eliminated from all important party offices."

DOES RUSSIAN RESEARCH

An authority on economic and social problems in the U. S. S. R., Dr. Schwarz does research on Russia today for leading Jewish organizations. In this connection, he follows many current Soviet publications, including four daily newspapers.

"The policy of exclusion started in the late thirties, even before the Hitler-Stalin pact," he stated, "although the latter had a tremendous influence on the psychology of the central group of Russian bureaucrats."

He attributed the policy not so much to anti-Semitism as to "the bureaucratization of the state apparatus, which became more and more exclusive, finally eliminating minority elements."

"Now, for the first time," he added, "the Soviet government, which fought anti-Semitism for political reasons in the twenties, is openly fostering it against Jewish intellectuals.

"So you have a new combination today: Bureaucratic exclusion of Jews from the party and state offices and an anti-Semitic campaign to eliminate them from the ideological life of Russia."

EXTENSION OF REMARKS AT THIS POINT IN THE RECORD

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HELLER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, Mr. Frederick Woltman, a distinguished writer for the New York World Telegram, is to be congratulated on his revealing and informative articles on what is going on behind the iron curtain in Russia. In the danger period through which we are now passing, the warning to which we have been alerted by the former Pulitzer prize winner, Mr. Woltman, is one for which the civilized world should be grateful.

What is going on in Russia is not new. Hitler, it is to be remembered, decreed the extermination of the Jewish people as a prelude to his attack on all Christianity. The Nazi anti-Christ moved with the sure and unerring instinct of a somnambulist when, of all his potential adversaries, he first singled out the Jew for attack.

Attacking the Jew has always been a wedge—military, diplomatic or ideological—driven into the ranks of Hitler's opponents prior to piecemeal subjugation and annihilation. Stalin is simply taking a leaf out of Mr. Hitler's book in his crazy drive for world domination.

Russia, in attacking the liberty of the Jew, simply denies the principle of religious liberty and affirms the right of government to control in the domain of conscience. It follows its pattern of being godless. Thus out of the ashes of a Second World War waged for the liberation of mankind appears again the vicious head of a dictator, Stalin, whose government carries out a worse form of despotism than existed under Hitlerism.

Today it is the Jew who is the particular victim—by tomorrow, when the floodtide arrives and the waves break higher and higher upon the shores, they may engulf all peoples. Establish the right of government to persecute a race, and you concede the right of government to persecute all races and all religions. Fasten this doctrine once upon the world, and we shall again retract the path of history, when the world yielded to government by brute force—when monsters occupied thrones and places of power—you usher in the day when the light of learning shall again be extinguished and the wailing of women and children shall take the place of happy laughter and of joyous song.

Mr. Speaker, I am not discussing today the fate of the Jews alone. I am discussing the dangers to humanity. I ask you this—shall the twin stars of liberty and equality once more be obscured by clouds of prejudice and hate?

At the time when the Nazis came to power and singled out the Jews for their first attacks, the democracies stood aside, invoking the political doctrine that there must be no interference in or notice taken of the purely internal affairs of a foreign state. Moral considerations had to make way for the rules of the imperialist game of blood and guile when great nations like the Czechs and the Austrians were to be handed over to the sadists of the Reich. We distrusted reports about the inhuman treatment meted out to Jews in the murder camps of Dachau and Oranienburg. We shrugged our shoulders as if it were no concern of ours what Streicher and Himmler did to a few thousand German citizens of the Jewish faith.

We were yet to learn, at an immense cost in tears and blood, that humanity is one, even as God is One, and that the martyred Jews were merely the forerunners on the road of sorrows of Poles and Albanians, of Czechs and Norwegians—and of American mothers and fathers.

We were yet to learn that the anti-Semitic justification of the Hitlerite's attitude to the Jews was but a trick to lull the Christian nation to sleep, to divide the democracies, to obscure the issues at stake, to befuddle people's minds in order that they might fall victim the easier to the Nazi plans of world conquest.

Man is one all over the earth. Hurt to one brother is hurt to all.

EXTENSION OF REMARKS

Mr. McCORMACK (at the request of Mr. HUBER) was given permission to extend his remarks in the RECORD and include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. EVINS, from May 25 to May 28, 1949, inclusive, on account of official business.

To Mr. LOVRE (at the request of Mr. CASE of South Dakota), for 10 days, on account of important business.

To Mr. HOEVEN (at the request of Mr. ARENDS), for 3 days, on account of important business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1299. An act for the relief of Frank J. Patzke;

H. R. 3704. An act to provide additional revenue for the District of Columbia; and

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 580. An act for the relief of the Bank of Kodiak, Kodiak, Alaska;

H. R. 603. An act for the relief of Jeptha R. Macfarlane;

H. R. 636. An act for the relief of B. G. Jones;

H. R. 639. An act for the relief of Mark B. Craig and others;

H. R. 681. An act for the relief of the legal guardian of George Generazzo;

H. R. 688. An act for the relief of John P. Reilly;

H. R. 692. An act for the relief of Joseph Thompson;

H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis;

H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;

H. R. 1076. An act for the relief of Jennie Olsen Anderson;

H. R. 1098. An act for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor;

H. R. 1299. An act for the relief of Frank J. Patzke and others;

H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;

H. R. 1471. An act for the relief of E. La Ree Smoot;

H. R. 1597. An act for the relief of Hal W. Cline;

H. R. 2089. An act for the relief of William Price;

H. R. 2261. An act for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 2268. An act for the relief of Forest L. Weatherly;

H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works;

H. R. 2566. An act granting the consent of the Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Naknek to the Russion Orthodox Greek Catholic Church of North America;

H. R. 2906. An act to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers;

H. R. 3258. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose;

H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H. R. 3663. An act for the relief of Lawrence Reves;

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. HUBER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Friday, April 27, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

650. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the Nineteenth and Concluding Report of the Commission on Organization of the Executive Branch of the Government (H. Doc. No. 197); to the Committee on Expenditures in the Executive Departments and ordered to be printed, with illustrations.

651. A letter from the marshal, Supreme Court of the United States, transmitting a draft of a proposed bill entitled "A bill relating to the policing of the building and grounds of the Supreme Court of the United States"; to the Committee on the Judiciary.

652. A letter from the Administrator, Federal Security Agency, transmitting the Annual Report of the Federal Security Agency, for the fiscal year 1948; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REDDEN: Committee on Public Lands. H. R. 4000. A bill to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators; with an amendment (Rept. No. 680). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 2121. A bill to authorize the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials; with an amendment (Rept. No. 681). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 4586. A bill to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; with an amendment (Rept. No. 682). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. House Resolution 174. Resolution requesting the Secretary of State, the Secretary of Commerce, and the Tariff Commission to investigate the domestic fishing industry; with an amendment (Rept. No. 685). Referred to the House Calendar.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 2740. A bill to establish rearing ponds and a fish hatchery at or near Millen, Ga.; with an amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 3046. A bill to authorize the expansion of facilities at the Cape Vincent, N. Y., fish cultural station; with an amendment (Rept. No. 687). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 2501. A bill authorizing and directing the United States Fish and Wildlife Service of the Department of the Interior to undertake a continuing study of the shad, alosa sapidissima, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such Service may recommend to the several States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of this valuable food fish and for increasing the abundance and promoting the wisest utilization thereof; with an amendment (Rept. No. 688). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. House Joint Resolution 202. Joint resolution to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes; without amendment (Rept. No. 689). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 961. A bill to establish rearing ponds and a fish hatchery; with an amendment (Rept. No. 690). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 579. A bill to permit the motor vessel *FLB–5005* to engage in the fisheries; without amendment (Rept. No. 683). Referred to the Committee of the Whole House.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 3751. A bill to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota; without amendment (Rept. No. 684). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 4861. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. KING:

H. R. 4862. A bill to amend title 18, United States Code, section 215, relating to acceptance or solicitation to obtain appointive public office; to the Committee on the Judiciary.

By Mr. MORGAN:

H. R. 4863. A bill to provide for a new Federal building in Carmichaels, Pa.; to the Committee on Public Works.

H. R. 4864. A bill to provide for a new Federal building in West Brownsville, Pa.; to the Committee on Public Works.

H. R. 4865. A bill to provide for a new Federal building in Washington, Pa.; to the Committee on Public Works.

H. R. 4866. A bill to provide for a new Federal building in Fredericktown, Pa.; to the Committee on Public Works.

H. R. 4867. A bill to provide for a new Federal building in Bentleyville, Pa.; to the Committee on Public Works.

By Mr. O'BRIEN of Michigan:

H. R. 4868. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. CHATHAM:

H. R. 4869. A bill to provide funds for cooperation with the public-school authorities of Person County, N. C., in the construction, extension, and improvement of public-school facilities; to the Committee on Public Lands.

By Mr. WALTER:

H. R. 4870. A bill to amend the Immigration Act of October 16, 1918, as amended; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 4871. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAGEN:

H. R. 4872. A bill to equalize the rates of compensation payable for wartime and peacetime service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HARVEY:

H. R. 4873. A bill to provide Federal aid to the States for the construction of public-school facilities; to the Committee on Education and Labor.

By Mr. MILLER of Nebraska:

H. R. 4874. A bill for the establishment of the Medical Care Investigation Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 4875. A bill to amend title 28 of the United States Code relating to travel expense allowances for Government employee witnesses; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 4876. A bill to extend and improve the old-age and survivors insurance system, to add protection against disability, and for other purposes; to the Committee on Ways and Means.

By Mr. MORRIS:

H. R. 4877. A bill to confer jurisdiction upon the United States District Court for the Western District of Oklahoma of proceedings to condemn certain real property owned by the United States in Comanche County, Okla.; to the Committee on Public Lands.

By Mrs. NORTON:

H. R. 4878. A bill to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing; to the Committee on House Administration.

By Mr. POTTER:

H. R. 4879. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. SCUDDER:

H. R. 4880. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture.

By Mr. WOLVERTON:

H. R. 4881. A bill to provide that compensation of a Federal officer or employee shall be subject to State tax only in the State where he is domiciled, and for other purposes; to the Committee on Ways and Means.

By Mr. BOGGS of Delaware:

H. Con. Res. 63. Concurrent resolution to express the sense of the Congress with respect to the coordination and administration of Federal assistance and services to the blind; to the Committee on Expenditures in the Executive Departments.

By Mr. CANNON:

H. Res. 229. Resolution to amend rule XVII of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4882. A bill for the relief of Josip Nacinovic, Miro Nacinovic, and Josip Laconi; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 4883. A bill for the relief of Tony Marchionda; to the Committee on the Judiciary.

By Mr. McGUIRE (by request):

H. R. 4884. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 4885. A bill for the relief of Francis C. Pollard; to the Committee on the Judiciary.

H. R. 4886. A bill for the relief of W. Irving Lincoln; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 4887. A bill for the relief of L. Ferguson; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 4888. A bill for the relief of the lawful heirs of Robert Brown, deceased, Cherokee Roll No. 32752; to the Committee on the Judiciary.

By Mr. THOMPSON:

H. R. 4889. A bill for the relief of Mrs. Jack J. O'Connell; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. R. 4890. A bill for the relief of Emory Arnett, Bonners Ferry, Idaho; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 4891. A bill for the relief of Albert E. Scheflen; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 27, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of grace and glory, we bless Thee for the cleansing ministry of memory and for the rich heritage of noble deeds as our Nation, founded in Thy name, turns to its stirring past and to its warrior dead. Even as bugles are sounding to new struggles for liberty's cause, prepare our hearts and minds for the sacramental journey to quiet cities of the dead where, under their tents of green, sleep those whose lives were offered as freedom's shield. Save us from decorating tombs and at the same time desecrating the costly heritage which it takes graves to guarantee. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 26, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On May 25, 1949:

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations.

On May 26, 1949:

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes; and

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

On May 27, 1949:

S. 326. An act to amend the War Claims Act of 1948; and

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 969. An act to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.; and

H. R. 1057. An act for the relief of John Keith.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Reed
Anderson	Hunt	Robertson
Cain	Ives	Russell
Capehart	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kem	Sparkman
Donnell	Kerr	Stennis
Douglas	Kilgore	Taft
Downey	Knowland	Taylor
Eastland	Langer	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McClellan	Tydings
Frear	McFarland	Vandenberg
Gurney	McKellar	Watkins
Hayden	McMahon	Wherry
Hendrickson	Magnuson	Wiley
Hickenlooper	Martin	Williams
Hill	Millikin	Withers
Holland	Neely	Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from North Carolina [Mr. HOEY] are absent on official business.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. PEPPER] are detained on official business in meetings of committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from Montana [Mr. MURRAY], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Montana [Mr. ECTON] and the Senator from Nevada [Mr. MALONE] are detained on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. The pending business is House bill 2663. The bill is open to amendment.

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators desiring to incorporate routine matters in the RECORD may be permitted to do so without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. MAGNUSON asked and obtained permission to be absent from the session of the Senate this afternoon in order to attend a meeting of the Committee on Public Works, considering the Columbia Valley Authority bill.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. CHAVEZ asked and obtained consent for the Committee on Public Works to meet during the session of the Senate this afternoon.

Mr. HUMPHREY asked and obtained permission for a subcommittee of the Committee on Post Office and Civil Service to meet this afternoon at 2:30 o'clock.

COMMISSION ON RENOVATION OF EXECUTIVE MANSION

The VICE PRESIDENT. The Chair wishes to make a statement in regard to certain appointments to be made.

Congress recently enacted legislation providing for the appointment of a commission in regard to the reconstruction of the White House.

The Chair has consulted with the chairman of the Appropriations Committee and the chairman of the Public Works Committee, from the membership of which committees the Chair believes the appointments on behalf of the Senate to the Commission should be made.

Therefore, the Chair appoints the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] as members of the Commission on Renovation of the Executive Mansion.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, HOUSING EXPEDITER (S. Doc. No. 79)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $26,750,000, for the Housing Expediter, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

POLICING OF BUILDING AND GROUNDS OF SUPREME COURT

A letter from the Marshal of the Supreme Court of the United States, transmitting a draft of proposed legislation relating to the policing of the building and grounds of the Supreme Court of the United States (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, said orders containing a complete and detailed statement of the facts and pertinent provisions of law as to each alien, together with the reason for ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Two letters from the Attorney General, withdrawing the names of Thomas Kun Nimeneh or Thomas Nimeneh or Thomas Nimeneh-Bey or Thomas Kun Nemerea or Keen Nimeneh or Sam Nimeneh or Keen Nimeh, and Hilary Ferdinand Sawicki from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on March 15, 1948, and April 1, 1949, respectively; to the Committee on the Judiciary.

REPORT OF FEDERAL SECURITY AGENCY

A letter from the Administrator of the Federal Security Agency, transmitting, pursuant to law, the annual report of that Agency for the fiscal year 1948 (with an accompanying report); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Florida; to the Committee on Expenditures in the Executive Departments:

"Senate Memorial 614

"Memorial recommending to the Congress of the United States of America the carrying into effect of the administrative recommendations of the Hoover Commission

"To the Honorable Senate and the House of Representatives of the United States of America in Congress Assembled:

"We, your memorialists, the Legislative Assembly of the State of Florida convened in regular session, respectfully represent that:

"Whereas during the last generation the enormous expenses of Federal governmental activities has created a condition of confusion and overlapping in the divisions of the administrative authority which has placed upon the President of these United States an ever increasing burden and has resulted in increased costs and inefficient administration; and

"Whereas pursuant to Public Law 162, enacted by the Eightieth Congress, there was created a commission known as the Hoover Commission on Organization of the Executive Branch of the Government, which public law was on July 7, 1947, approved by the President of the United States, Harry S. Truman; and

"Whereas pursuant to said Public Law 162, there was appointed a bipartisan group of representatives and distinguished citizens of our country who had had experience in governmental affairs, which group made an exhaustive and unbiased examination into the administration of the agencies of the Federal Government; and

"Whereas the said Commission has filed a detailed report of its findings and its conclusions therefrom together with its recommendations covering the matter; and

"Whereas it appears to your memorialists that the said findings, conclusions, and recommendations constitute a cohesive and efficient program which will be of great benefit to the peoples of these United States: Now, therefore, be it

"Resolved by the Senate of the State of Florida (the house of representatives concurring therein), That the Congress of the United States be, and it hereby is, petitioned and requested by your memorialists to give due and favorable consideration to the recommendations of the Hoover Commission to the end that the said recommendations may be adopted by the Congress of these United States and the President of the United States be directed thereby to effectuate the provisions of such recommendations; and be it further

"Resolved, That the secretary of state of the State of Florida be, and he hereby is, directed to transmit copies of this memorial to the President and clerk of the United States Senate, to the Speaker and Chief Clerk of the House of Representatives of the United States, and to each member of the Florida delegation in the Congress of the United States."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 20

"Joint resolution requesting the Congress of the United States of America to enact legislation whereby lands acquired by the United States of America and not being used by said United States be offered for sale or exchange to former owners thereof and others

"Whereas the United States of America has acquired much land for defense purposes within the Territory of Hawaii immediately preceding and during World War II; and

"Whereas much of said acquired land is not being used by the United States of America since the cessation of hostilities; and

"Whereas many former owners of lands which were acquired by the United States Government are desirous of purchasing the same; and

"Whereas there are many other persons interested in the purchase of lands no longer being used by the said United States Government; and

"Whereas the private ownership of said lands would enable taxation thereof and be a source of revenue to the Territory of Hawaii: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it is, hereby respectfully requested to enact legislation whereby privately owned lands acquired by the United States of America in the Territory of Hawaii and not being used by said United States be first offered for sale or exchange to former owners thereof.

"SEC. 2. That if the former owners of such lands acquired by the United States of America are not desirous of reacquiring said lands that other persons in the Territory of Hawaii be given the opportunity to acquire said lands either by purchase or exchange.

"SEC. 3. That duly certified copies of this resolution be transmitted to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of National Defense, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"SEC. 4. This resolution shall take effect upon its approval.

"Approved this 6th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A letter in the nature of a petition from William Osten, of Washington, D. C., relating to votes for residents of the District of Columbia; to the Committee on the District of Columbia.

A telegram in the nature of a memorial from the Minnesota Dental Hygienists Association, of Minneapolis, Minn., signed by Elizabeth McVean, president, and Della Jacobson, secretary, remonstrating against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Rhode Island Dental Hygienists' Association, of Pawtucket, R. I., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the executive board of the American Naturopathic Association, of California, Los Angeles, Calif., relating to the inclusion of the practice of naturopathy on an equal basis with other branches of the healing art in any national health plan; to the Committee on Labor and Public Welfare.

RESOLUTIONS OF MISSISSIPPI BANKERS ASSOCIATION

Mr. STENNIS. Mr. President, the Mississippi Bankers Association, in official convention at Biloxi, Miss., on May 18, adopted three resolutions relating to national legislation worthy of the attention of each Member of this body. I present them for appropriate reference, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution on Senate bill 1775

Whereas this association is firmly of the opinion that the grant of any power of the Federal Reserve Board over nonmember banks of the Federal Reserve System is detrimental to the continuance of the dual banking system; and

Whereas Senate bill 1775, recently introduced in the United States Senate by Senator MAYBANK, would give the Federal Reserve Board the power to compel all FDIC-insured banks to carry additional reserves up to 4 percent of demand deposits and 1½ percent of time deposits with the Federal Reserve bank in their district whenever reserve requirements reach present statutory limits for member banks: Now, therefore, be it

Resolved, That this association is opposed to Senate bill 1775, and that the secretary of this association is instructed to forward a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

Resolution on Senate Joint Resolution 37

Whereas this association is firmly of the opinion that the authority to exercise control over consumer installment credit now held by the Federal Reserve Board as expressed in regulation W is no longer needful to the control of inflationary influences; and

Whereas Senate Joint Resolution 87 recently introduced in the United States Senate would give to the Federal Reserve Board a continuation of the authority and powers to control the terms of installment-consumer credit until June 30, 1951: Now, therefore, be it

Resolved, That this association is opposed to Senate Joint Resolution 87, and the secretary of this association is instructed to send a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

Resolution on reorganization of FDIC

Whereas this association is firmly and unanimously of the opinion that the continuance of the dual banking system is essential to the maintenance of free enterprise in this Nation; and

Whereas the continuance of the dual banking system in large measure depends upon the division of Federal bank supervision and examination among the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System: Now, therefore, be it

Resolved, That this association is firmly opposed to the passage of any legislation by Congress which would authorize or permit in any manner a consolidation of the powers now exercised by the FDIC, Comptroller of the Currency, and Federal Reserve Board, and that this association urges that the FDIC and Comptroller of the Currency be maintained on a parity with the Federal Reserve Board: Be it further

Resolved, That the secretary of this association be instructed to send a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

RESOLUTIONS OF CATHOLIC WAR VETERANS OF WISCONSIN

Mr. WILEY. Mr. President, on May 6 through May 8, the State department of the Catholic War Veterans of the United States met in Racine, Wis. At that time the Wisconsin department adopted certain resolutions which I believe will be of interest to my colleagues. I have selected those resolutions involving Federal jurisdiction, and I ask unanimous consent that the text of the resolutions, as forwarded to me by Henry Woyach, State adjutant of the CWV, be appropriately referred and printed at this point in the RECORD.

The VICE PRESIDENT. Without objection, the resolutions will be received, appropriately referred, and printed in the RECORD.

To the Committee on Armed Services:

"Resolution on universal military training and peacetime conscription

"Whereas pressure groups are still active in espousing an un-American program of universal military training and peacetime conscription, and are using the unsettled world conditions as an immediate means to attain their end; and

"Whereas these pressure groups have caused confusion in the minds of the citizens of the United States by alining the cause of preparedness with their program of universal military training, and have imputed to those who oppose their program a lack of patriotism; and

"Whereas the Catholics of America have always demonstrated their patriotism and willingness to perform their duties as citizens in the protection of the principles of freedom and justice for which their country stands, and have fought valiantly against all inroads by a military caste; and

"Whereas the founders of our Government ordained in our Constitution a program by which the military training of our youths was adequately provided for in the State militia, and history has proven that we have been able, through the instruments of the State militia, to train our youth for the protection of our form of government without incurring the danger of militarism and the subjugation of our peoples to military rule; and

"Whereas the sole exception to the destructive working of the forces of the military caste in Europe has been in Switzerland, where a form of military training based upon a unit of government similar to that of our State exists, in which officers are promoted from the ranks, and which has proven that the military caste can be kept out of the control without sacrificing military preparedness: Now, therefore, be it

"Resolved, That we go on record as opposing legislation providing for universal military training, and ask the repeal of peacetime conscription laws; be it further

"Resolved, That we go on record as favoring a program to revitalize the State militia, and make proper provisions for stay-at-home training for our young men, and that a plan of training in our militia somewhat modeled after the Swiss plan, by which we recognize achievements and develop our officers from the ranks, be immediately adopted."

To the Committee on Post Office and Civil Service:

"Resolution on free mailing privileges for disabled veterans

"Whereas the disabled veterans confined to hospitals are in reality still in the service of their country, and are suffering the price of war; and

"Whereas the privilege of the use of mail without cost to them would encourage correspondence between themselves and their loved ones, and indicate to them that we have not forgotten the price that they paid for their service to our country: Now, therefore, be it

"Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as favoring legislation which would grant to hospitalized veterans the wartime free-mailing privilege."

To the Committee on Labor and Public Welfare:

"Resolution on socialized medicine

"Whereas socialized-medicine legislation is now before the Congress of the United States, which provides for a form of compulsory health insurance and State medical care; and

"Whereas it is an historical fact that where socialized medicine has been put into effect, it has failed to provide the peoples with the high standards of medical care which prevail in the United States under our system of free enterprise; and

"Whereas the enactment of such legislation would give evidence to our following the concepts of totalitarianism, as practiced in Europe, and permit the Government to

make further inroads on the lives and liberties of our peoples: Now, therefore, be it

"Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as opposing the enactment of legislation providing for the socialization of medicine; be it further

"Resolved, That this resolution be presented to the Congressmen of our State and the Members of the United States Senate of the State of Wisconsin."

Ordered to lie on the table:

"Resolution on Federal education

"Whereas the Congress of the United States has legislation pending providing for Federal subsidy and control of education; and

"Whereas the centralization of control of education in the Federal Government has grave potential danger in that it will permit active organized minorities to propagandize our youth without giving to the people the opportunity to have these groups directly responsible to the people either at the ballot box or by local control; and

"Whereas under our Federal system of government, the matter of education is to be left to the sovereign States and be a democratic process over which the citizen and parent should have direct control: Now, therefore, be it

"Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as opposing the enactment into law of legislation now before the Congress providing for Federal aid and control of education."

RESOLUTIONS OF EASTERN COLLEGE YOUNG REPUBLICAN POLICY CONFERENCE

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD resolutions adopted by the Eastern College Young Republican Policy Conference, at Yale University, New Haven, Conn., April 30–May 1, 1949.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

POLICY RESOLUTIONS PASSED BY THE CONFERENCE, EASTERN COLLEGE YOUNG REPUBLICAN POLICY CONFERENCE, YALE UNIVERSITY, NEW HAVEN, CONN., APRIL 30–MAY 1, 1949

I. RESOLUTIONS FROM THE FLOOR

Whereas Ralph E. Becker has achieved a tremendous success in inculcating a sense of political responsibility on American campuses; and

Whereas he has given freely of his time and energy to this end at great personal sacrifice: Now, therefore, be it

Resolved, That this conference accord to Ralph E. Becker the justly merited recognition of a difficult job well done.

II. RESOLUTION FROM THE FLOOR

Whereas Governor Alfred E. Driscoll of the State of New Jersey will participate in the only contested gubernatorial election in the United States during 1949; and

Whereas his extraordinary accomplishments in office represent the finest traditions of Republican statesmanship and administration: Now, therefore, be it

Resolved, That we as Republicans from the various colleges assembled give public recognition to the progressive, liberal leadership that Governor Alfred E. Driscoll has provided to the Republican Party in New Jersey, in full realization that his continuation in office will serve as the initial impetus toward Republican victory in 1950 and 1952.

III. RESOLUTION FROM THE FLOOR

Whereas it is of the greatest importance for the Republican Party in this critical period of self-improvement, that the fullest cooperation of party organizations be achieved, and the closest kind of teamwork be effected; and

Whereas College Young Republicans can find the best expression of their ideas through full participation in local and State Young Republican organizations: Be it

Resolved, That the College Young Republican Clubs shall take every opportunity to integrate themselves with the local and State Young Republican organizations, and shall strive for the highest level of support of all their activities.

IV. RESOLUTION FROM THE FLOOR

Whereas the Communist Party and its numerous front organizations are constantly striving to indoctrinate the youth of our Nation with ideologies violently opposed to the basic principles of our free institutions: Be it so

Resolved, That this conference recommend the following: That the presidents of the various State Young Republican associations, acting through the chairman of the State campus activities, establish local regional committees for the purpose of disseminating information and better organizing a constructive, intelligent, and active resistance to this insidious element in our centers of national learning.

V. EDUCATION

Whereas there is a general inequality in educational opportunities among the several States: Therefore be it

Resolved, That the Federal Government give assistance to equalize educational opportunities by means such as Senate bill 472, particularly the following program as taken from Senate bill 472 and added to it:

A. Federal aid to public elementary and secondary schools to establish a $50-per-pupil minimum in every school district in every State and thereby help States to raise teachers' salaries, get better teachers, and improve existing facilities.

B. Federal aid would be allocated on the basis of need determined by annual income payments to individuals within the States. Any in excess of $50 per pupil will be allocated by the States along with State funds.

C. An acceptance act must be passed by States including:

1. No discrimination in distribution of funds within the State.

2. States may not allocate Federal funds to parochial and sectarian schools in the same proportion as they allocate State funds.

3. A State must be spending 2½ percent of its annual income of over $160 per pupil on education to obtain the full amount of aid.

4. State educational authorities will submit audited reports of expenditures to the Federal Government Educational Commission each year.

5. State educational authorities can appeal to local Federal district courts if there are any complaints against allocation of the funds.

D. That the Federal Government be specifically prohibited from any interference in or control of selection of texts, teachers, buildings, etc.

E. The Federal Government shall assist the several States in providing a hot-lunch program for its schools by supplying to those States at a minimum cost surplus foods available to the Government.

VI. SOCIAL WELFARE

1. Whereas the Republican Party at its 1948 convention adopted a platform in which was contained a promise to combat discrimination, and whereas the Senate Republican leadership has indicated its desire to carry out these proposals: Be it

Resolved, That this conference record itself in favor of quick action for passage of antidiscrimination measures: Be it further

Resolved, That this conference declares itself opposed to discrimination of any kind based upon race, religion or color.

2. *Be it resolved,* That this conference go on record as being in opposition to the Truman plan of compulsory health insurance and in favor of the Taft-Smith-Donnell bill.

VII. LABOR

1. Whereas the public interest in the prohibition of crippling national strikes in critical industries overrides the interest of labor and management; and

Whereas the cooling-off period will serve to crystallize public opinion on the merits of the controversy; and

Whereas Congress, rather than the President, should decide in the last analysis whether compulsory arbitration should be required in the particular case: Be it

Resolved, That this body favors the retention of the 80-day injunction in national emergency strikes after which the matter may be referred to Congress for action if the matter is not solved.

2. Whereas we believe it is contrary to public policy for private labor leaders to decide who may or may not work in a particular industry or plant, or for those already employed to deny the right to work to others: Be it

Resolved, That this body favors the ban on the closed shop.

3. *Be it resolved,* That this body favors the joint congressional committee's recommendations that the mandatory injunction for secondary boycotts and secondary strikes be made discretionary.

4. *Be it resolved,* That this body favors the signing of an affidavit by management as well as by labor in which the signee swears he is not a member of an organization which stands for the forcible overthrow of the United States Government.

VIII. TAXES AND BUSINESS REGULATION

1. We believe that any sound fiscal structure of our Government must depend primarily on efficient administration; therefore, we heartily endorse the recommendation of the Hoover Commission to reduce expenditures by eliminating bureaucratic waste.

2. We believe that the dynamic productivity of our economy is dependent on the free flow of risk capital, and we therefore recommend that double taxation on corporations be eliminated.

3. We recommend giving the Antitrust Division of the Department of Justice all the funds necessary to enforce existing antitrust legislation.

4. We believe that the several States have certain responsibilities to the people, and in order that they may assume those responsibilities, many of them now usurped by the Federal Government, we recommend that the Federal Government relinquish or reduce the following taxes, which are especially suited to collection by the States:

(a) Excise taxes, especially those on local telephone calls, intrastate electric energy, gasoline, and admissions.

(b) Amend inheritance and estate taxes so as to leave more room for the States.

5. We believe that one essential to the raising of the standard of living throughout the world, without a corresponding lowering of our own, is the expansion of trade. We, therefore, recommend that upon completion of the Marshall plan all efforts be made to encourage world trade by a full support and extension of the reciprocal-trade program.

6. We believe that it is the duty of a political party to educate the public, and we, therefore, recommend that the theory of the Federal tax structure and the distribution of its burdens be clearly defined and explained.

IX. PUBLIC POWER AND CONSERVATION

Be it resolved, That each river valley shall be examined separately, but each one to be

taken as a single unit. A river valley development project shall be considered desirable if the total benefits from the installations are great enough to justify the required outlays for construction, operation, and maintenance of the project. Interest on investment, computed at the prevailing rate, shall be included in these cost figures.

If the project is considered desirable under the above provisions, and private capital is not available or not willing to do the job, then the local district, State, or States located in the project area may undertake the project. If the local district and the State or States refuse to assume the responsibility of the project, then the Federal Government may do the job.

Any project sponsored by the local districts, States, or Federal Government shall be set up as a self-amortizing project, to be paid for over a period of years determined prior to construction for each specific project.

2. Whereas the Republican Party has always supported the idea of conservation and flood control; and

Whereas the Government may, as an outgrowth of its powers under the regulation of interstate commerce clause (article I, section 8, clause 3) of the Constitution, undertake projects of this nature; and

Whereas the Government can undercut private producers when selling the incidental byproducts of these projects; and

Whereas governmental competition with private utilities is an encroachment upon their rights: Be it

Resolved, That the Government and the Republican Party, as a portion thereof, insure incorporation of private corporations in the sale of incidental byproducts of such projects, as a protection of their just rights under the Constitution of the United States.

X. HOUSING

The Republican Party, realizing the scarcity of housing and also realizing that private enterprise at this time is incapable of completely handling the housing needs of the people, stresses that a certain amount of Government action is needed to meet the situation.

We therefore favor the principle of temporary rent control—

(a) coupled with the principle of decontrol by local authorities where they have the approval of the governor of their State,

(b) and with due provision made for the allowance of rent increases when the landlord can show just cause.

The balance of the housing panel was not considered by the conference because of a vote to adjourn. The balance of the housing panel's report is printed below, without comment.

The Government has a responsibility to see that adequate housing is provided to the American people. This should be done by encouraging private enterprise where possible, but by direct action where necessary.

A. In order to provide adequate housing, production costs must be decreased and productivity increased. Two of the main barriers to cost reduction and increased production are the multiplicity of antiquated and conflicting local building codes and the restrictive practices of labor unions in the building field. We therefore urge Federal, State, and local governments to use all power in their jurisdiction to do away with these twin restrictions.

We specifically urge the enactment of a law that will enumerate and define as illegal all featherbedding practices in the building field.

B. We feel that the health and security of the Nation demands an adequate program of slum clearance. Since this is one field in which private enterprise cannot function, we feel that Government action is necessary.

However, slums are essentially a community problem, and local authorities are most competent to deal with it. Therefore, we urge that the actual slum-clearance programs be initiated by local communities, who shall have the option of doing the job themselves or hiring private contractors to do the job for them.

Since, however, local communities rarely have the resources to undertake projects of this sort, we urge that the Federal Government issue them loans and grants for this purpose.

In order that the housing projects erected in these slum-clearance programs be used for the purposes for which they were built, we urge that appropriate legal action be taken to insure that first preference for occupancy goes to families that are displaced when the slum dwellings are torn down, and that local authorities be required to set maximum income limits for admission to, and continued occupancy in, these projects, and that initial preference be given to families with the most urgent housing needs.

We further urge that local authorities be required not to discriminate against families whose incomes are derived in whole or in part from public assistance, but who are otherwise eligible for admission.

C. We favor the manipulation of the tax structure to encourage the building of low-cost rental housing.

D. In order to encourage the building of low-cost homes for that middle-income group that neither requires direct Government aid nor is able to pay the high housing prices now prevailing, we further favor the continuation and expansion of the principles of the FHA.

We also feel that FHA loans should be granted for the building of cooperative housing projects and for the manufacturing of prefabricated houses with due provision taken to insure that these latter meet approved housing standards.

E. Since most of these provisions enumerated above are contained in Senate bill 1070, we urge the enactment of this bill into law, and further urge that all provisions enumerated above that are not contained in S. 1070 be enacted into supplementary legislation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

S. 595. A bill relating to the internal security of the United States; with an amendment (Rept. No. 427).

By Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments:

H. R. 1158. A bill to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city; without amendment (Rept. No. 429);

H. R. 1338. A bill authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement; with an amendment (Rept. No. 430); and

H. R. 3005. A bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; with amendments (Rept. No. 428).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 27, 1949, he presented to the President of the United States the enrolled bill (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. ANDERSON (for himself, Mr. CHAVEZ, Mr. HAYDEN, Mr. MCFARLAND, Mr. KNOWLAND, Mr. DOWNEY, Mr. CONNALLY, Mr. EASTLAND, Mr. STENNIS, Mr. MCCLELLAN, Mr. FULBRIGHT, Mr. ELLENDER, Mr. LONG, Mr. SPARKMAN, Mr. HILL, Mr. HOEY, Mr. MAYBANK, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. PEPPER, Mr. KEFAUVER, Mr. CHAPMAN, Mr. WITHERS, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. KERR, Mr. GRAHAM, and Mr. MCCARRAN) introduced Senate bill 1962, to amend the cotton-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. DOUGLAS:

S. 1963. A bill for the relief of Augusto Segre; to the Committee on the Judiciary.

By Mr. HILL:

S. 1964. A bill for the relief of Andrew Calloway, Ira Calloway, and W. F. Steiner; to the Committee on the Judiciary.

(Mr. MALONE introduced Senate bill 1965, to amend the Tariff Act of 1930, and for other purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. O'MAHONEY (by request):

S. 1966. A bill to authorize public improvements in Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MCMAHON:

S. 1967. A bill for the relief of Ella Maria Nyman; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MYERS, Mr. MCGRATH, Mr. HUMPHREY, Mr. BALDWIN, and Mr. IVES):

S. J. Res. 98. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Relations.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO COTTON-MARKETING QUOTAS

Mr. ANDERSON. Mr. President, on behalf of my colleague the senior Senator from New Mexico [Mr. CHAVEZ], the Senators from Arizona [Mr. HAYDEN and Mr. MCFARLAND], the junior Senator from California [Mr. KNOWLAND], the senior Senator from California [Mr. DOWNEY], the Senator from Texas [Mr. CONNALLY], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senators from Arkansas [Mr. MCCLELLAN and Mr. FULBRIGHT], the Senators from Louisiana [Mr. ELLENDER and Mr. LONG], the Senators from Alabama [Mr. SPARKMAN and Mr. HILL], the senior Senator from North Carolina [Mr. HOEY], the Senators from South Carolina [Mr. MAYBANK and Mr. JOHNSTON], the Senators from Florida [Mr. HOLLAND and Mr. PEPPER], the junior Senator from Tennessee [Mr. KEFAUVER], the Senators from Kentucky [Mr. CHAPMAN and Mr. WITHERS], the senior Senator from Tennessee [Mr. MCKELLAR], the Senators from Oklahoma [Mr. THOMAS and Mr. KERR], the junior Senator from North Carolina [Mr. GRAHAM], the Senator from Nevada [Mr. MCCARRAN], and myself, I introduce for appropriate reference a bill relating to cotton-marketing quotas. There is an additional bill from the Secretary of Agriculture covering the whole field.

The bill (S. 1962) to amend the cotton-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended, was read twice by its title, and referred to the Committee on Agriculture and Forestry.

HOME RULE FOR THE DISTRICT OF COLUMBIA—AMENDMENTS

Mr. EASTLAND (for himself and Mr. JOHNSTON of South Carolina) submitted amendments intended to be proposed by them, jointly, to the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SPIRITUAL INTERPRETATION OF PREAMBLE TO NORTH ATLANTIC PACT

Mr. WILEY. Mr. President, our colleague the senior Senator from New Jersey [Mr. SMITH], in conjunction with other Senators, has prepared a resolution. I ask unanimous consent that I may be permitted to submit the resolution and speak on it not to exceed 5 minutes.

Mr. LUCAS. Mr. President, under the agreement just entered into, I will have to object.

The VICE PRESIDENT. Objection is heard.

Mr. WILEY. I ask to submit the resolution and speak on it, at the request of a brother who is sick, and has been sick for some 10 days.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. Will not the Senator wait until other Senators have placed whatever routine matters they wish to place in the RECORD? Then the Senator can secure the floor and speak on the resolution.

Mr. WILEY. I will do so. I am very happy to have the Senator's suggestion.

BRITISH FILM QUOTAS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter dated May 26, 1949, which was received by Mr. Eric Johnston, president, Motion Picture Association, from Acting Secretary of State James E. Webb, relative to the British film quotas, and a letter which my senior colleague [Mr. DOWNEY] and I sent to the Secretary of State last night relative to the British position.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Mr. ERIC JOHNSTON,
President, Motion Picture Association, Washington, D. C.

DEAR MR. JOHNSTON: With your letter of March 31, 1949, you attached a memorandum relating to the British film quota and requesting that the State Department attempt to negotiate a reduction in this quota. As you know the Department took this matter up with British officials in early April. The Department has now received a response from the British Government to the protest made at that time. This response was substantially as follows:

The British Government states that the quota, which was fixed by Parliament, cannot be modified at the present time. It hopes, however, that as a result of the recent meetings in Washington between certain members of the American and British film industries and those scheduled to take place early in June an improvement in the relations between the two groups may be effected.

The British Government states that it feels that the quota in no way contravenes the General Trade Agreement or any other legal commitment, that the British Government had the same right to raise this quota as the United States or any other government would have to raise an import duty with respect to which it had made no commitments. It believes that the quota is consistent with and a necessary part of the British effort to build up production and trade looking toward an improvement in the British balance-of-trade situation. The British Government contends also that the quota is reasonable from the standpoint of British film production possibilities although the quota was not entirely filled with British features during the first year. This fact presumably accounted for the reduction in the quota from 45 percent to 40 percent for the second year. Finally the British Government expresses surprise that the setting up of the film quota should have been necessarily unexpected by the American film industry or interpreted as an act of bad faith as a consequence of any understanding between the industry and the British Government in connection with the film agreement of 1948.

I am sorry to have to transmit an unfavorable reply to you particularly in view of the efforts which have been made toward getting a modification of the quota. The Department is studying the response which the British Government has made in this case.

Sincerely yours,

JAMES E. WEBB,
Acting Secretary.

MAY 26, 1949.

Hon. DEAN ACHESON,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: Following conversations which we have had this week with representatives of the Department of State, we should now like to make clear to you our deep concern with reference to the British Government's action in rejecting the State Department's protest against the highly restrictive quota which the British Government has directed against American motion pictures.

We regard the British reply as most unsatisfactory and clearly revealing the British intention not to abide by the spirit and purpose of solemn obligations under international agreements.

In our opinion, the British attitude has seriously damaged the cause of reciprocal trade to which this Government in the interest of promoting the flow of commerce and trade around the world has been so strongly committed. The very basis of the reciprocal principle is cooperation among nations. The British position on the new 40-percent film quota is singular evidence of a spirit of noncooperation. Reciprocity cannot continue on a one-sided basis.

The Reciprocal Trade Agreement Act is shortly coming before the Senate. We should think that the State Department would want to move immediately and energetically with the British Government to correct the aggravated situation created by the imposition of the film quota.

When the British Government, in its reply, speaks of the discussions between the leaders of the British and American film industries through the Anglo-American Film Advisory Council and suggests that action on the governmental level be held up pending the outcome of these talks, it is evading the issue of the quota.

Private industry can do nothing about the quota. This is a governmental matter. Only the British Government can provide relief from its onerous provisions. The British Government is responsible and no evasive words can shift that responsibility.

As the quota, in our judgment, threatens to undermine our Government's efforts in behalf of reciprocal trade, we request you send a formal protest to the British Government insisting that it negotiate with our Government to reduce or eliminate this quota.

Article IV of the General Agreement on Tariffs and Trade, to which both countries are parties, specifically provides for such negotiations; these should commence without delay. Article IV is further reinforced by article XXII which requires the contracting parties to "accord sympathetic consideration to and shall afford adequate opportunity for consultation" with respect to matters, including quotas, affecting the operation of the agreement.

Inasmuch as we intend to go into the British film quota thoroughly when the Reciprocal Trade Agreement Act is before the Senate, we desire your assurance at the earliest date that the Department of State has formally protested to the British Government requesting the opening of negotiations on the film quota.

Sincerely yours,

SHERIDAN DOWNEY.
WILLIAM F. KNOWLAND.

THE TENNESSEE VALLEY AUTHORITY—STATEMENT BY SENATOR TAYLOR

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a statement by him on the Tennessee Valley Authority, published in the Lewiston (Idaho) Tribune of May 22, 1949, which appears in the Appendix.]

THE COLUMBIA VALLEY AUTHORITY PLAN—ARTICLES BY PETER EDSON

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD two articles on the Columbia Valley Authority plan, written by Peter Edson and published in the Washington Daily News of May 24 and 25, 1949, which appear in the Appendix.]

THE NORTH ATLANTIC PACT IN INTERNATIONAL LAW—ADDRESS BY GEORGE A. FINCH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address entitled "The North Atlantic Pact in International Law," delivered by George A. Finch, vice president of the American Society of International Law, before the annual meeting of the society at Washington, D. C., on April 29, 1949, which appears in the Appendix.]

GRAIN-STORAGE PROGRAM—ADDRESS BY WALTER R. SCOTT

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an address on the subject of the grain-storage program, delivered by Walter R. Scott, executive vice president of the Board of Trade of Kansas City, Mo., at the annual meeting of the Kansas Grain, Feed, and Seed Dealers Association at Wichita, Kans., on May 21, 1949, which appears in the Appendix.]

POPPY-MAKING PROGRAM OF VETERANS—ADDRESS BY DR. RUTH MILLER STEESE

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a radio address delivered by Dr. Ruth Miller Steese,

past State president of the American Legion Auxiliary of Pennsylvania on May 24, 1949, which appears in the Appendix.]

DECARTELIZATION IN GERMANY—ARTICLE BY ARTHUR MASSOLO

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "AMG Firing Saves 'Food Hitler'—Crackdown Is on Foes of Cartels," published in the New York Post on May 22, 1949, which appears in the Appendix.]

SUBSTITUTION OF NATURAL GAS FOR COAL BY ATOMIC ENERGY COMMISSION

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a letter addressed to him by the National Coal Association, together with a statement prepared by the Fuels Research Council, Inc., regarding the proposal of the Atomic Energy Commission to substitute natural gas for coal at Oak Ridge, Tenn., which appears in the Appendix.]

SOCIALIZED MEDICINE—EDITORIAL FROM LEWISTON (MAINE) DAILY SUN

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "The Women Don't Like It," published in the Lewiston (Maine) Daily Sun of April 23, 1949, which appears in the Appendix.]

PROPOSED SINGLE APPROPRIATION BILL—ARTICLE BY ARTHUR KROCK

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Approval of the Single Appropriation Bill," written by Arthur Krock and published in the New York Times of May 27, 1949, which appears in the Appendix.]

WASTE IN CHINA—EDITORIAL AND NEWS COMMENT

[Mr. HENDRICKSON asked and obtained leave to have printed in the RECORD an editorial entitled "Our Wastage in China," published in the Newark Evening News of May 26, 1949; also an article entitled "Chiang Planes Rust, But United States Ships More," written by John O. Davies, Jr., and published in the Newark Evening News of May 23, 1949, which appear in the Appendix.]

TRIBUTES TO THE LATE SAMUEL R. YOUNG

[Mr. STENNIS asked and obtained leave to have printed in the RECORD articles from the National Rural Letter Carrier, the Postmasters Gazette, and the Jackson (Miss.) Daily News, paying tribute to the late Samuel R. Young, formerly executive assistant to the Postmaster General, which appear in the Appendix.]

SPIRITUAL INTERPRETATION OF PREAMBLE TO NORTH ATLANTIC PACT

The VICE PRESIDENT. Without objection, the Senator from Wisconsin [Mr. WILEY] is recognized for 5 minutes.

Mr. WILEY. Mr. President, the future of the world, if it is to be a glorious future, lies in those nations which are spiritually wise. Man's wisdom is inadequate. The knowledge which stems from our Creator is necessary.

Paraphrasing the first Psalm, "Blessed is the nation that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful, but whose delight is in the law of the Lord; and in His law that nation finds guidance and direction."

Mr. President, we in the United States have always prized the religious heritage of our Nation. From the earliest times the founding fathers indicated their faith in divine providence and their reliance upon our Creator in meeting the problems which have confronted our Nation.

There will shortly be submitted to the Senate from the Foreign Relations Committee the North Atlantic Pact for ratification. In this connection, many of my colleagues and myself believe that the Senate, by a specific pronouncement, should indicate its interpretation of certain language in the preamble of the pact. That language reads:

> They are determined to safeguard the freedom, common heritage, and civilization of their peoples.

The interpretation which we should like to give to this language is that our most precious heritage of all is "our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

On this floor we ask the question, "What constitutes a state?" The answer is, Men who their duties know and who do not consider religion as a mere opiate.

We have found that unfortunately too often in the work of the United Nations there has been omitted any religious reference whatsoever. Prayers have been omitted and other spiritual evidences have been intentionally ignored.

At this time, therefore, in order to correct this condition insofar as the North Atlantic Treaty is concerned, I am submitting on behalf of my colleague the senior Senator from New Jersey [Mr. SMITH], who is necessarily absent today, and on behalf of 14 other Senators and myself, a resolution for interpretation of the language of the preamble.

If the Senator from New Jersey were present he would be doing what I am now doing. This resolution is submitted on behalf of the Senator from New Jersey, who is necessarily absent, and he is joined by the following Senators: The Senator from Connecticut [Mr. BALDWIN], the Senator from Missouri [Mr. DONNELL], the Senator from Montana [Mr. ECTON], the Senator from Michigan [Mr. FERGUSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Delaware [Mr. FREAR], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. MORSE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Mississippi [Mr. STENNIS], the Senator from Minnesota [Mr. THYE], the Senator from Delaware [Mr. WILLIAMS], and myself.

The resolution is brief. I shall read it:

> Whereas the history of these United States clearly records the faith of our forefathers in Almighty God from the days of the earliest colonization and during all the crises of their early struggles; and
>
> Whereas these United States and the other nations parties to the North Atlantic Treaty are believers in the guidance of the Creator in the affairs of men: Therefore be it
>
> *Resolved*, That the Senate of the United States interprets the language of the preamble to the North Atlantic Treaty, reading as follows: "They are determined to safeguard the freedom, common heritage and civilization of their peoples," to include this Nation's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations.

The resolution (S. Res. 121) was referred to the Committee on Foreign Relations.

Mr. WILEY. Mr. President, I ask unanimous consent that immediately following these remarks there be printed in the RECORD the text of a splendid statement which our colleague the Senator from New Jersey [Mr. SMITH] has prepared in connection with this important matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICA'S HERITAGE

(Statement by Senator SMITH of New Jersey)

Mr. President, it is a matter of great regret to me that because of my recent operation I cannot be on the floor of the Senate to introduce in person the resolution proposed by myself and other colleagues, which is the subject of this supporting statement.

It is my purpose in the near future, when the North Atlantic Treaty comes before the Senate for ratification, to express at that time my reasons in full for supporting that treaty and my conviction that it is in accord with the traditional foreign policy of the United States. It is a treaty of mutual help, and also a treaty of mutual defense against the dangers of armed aggression. Its purpose is to protect the security of the participants.

THE "COLD WAR"

But, Mr. President, the physical security which we seek to attain by the ratification of the North Atlantic Treaty is not enough of itself to secure to our Nation and to the world that over-all peace which is the aim and purpose of all our steps toward international collaboration. And this is because the big "cold war" that is going on today is not a war of armed aggression, but rather a war to capture men's minds. It is a war of ideas let loose upon the world, the seeds of which find fertile ground where there is division, chaos, and despair, and where the hope and vision of peoples shattered by the war has been lost, and where men and women are groping for light in the darkness. It is all too true today, as it has been through all of our history, that without vision a nation perishes.

AMERICA'S HERITAGE

Our America has emerged in the very recent history of the world as a very high mountain from which the vast promise of human liberty can be seen. Man has striven to attain this mountain top through the centuries. We and our forebears have struggled for a thousand years in order that the individual human personality may be released from the shackles of superimposed, despotic power, and may be free to express his inventive inspirations and the deepest spiritual yearnings of his soul. That struggle has brought America to her true greatness.

This conception of freedom and liberty, of which our America is a symbol to the world, springs fundamentally from our earliest religious conceptions. We owe to the Jewish people the concept of one God, as distinguished from many gods, who cares for His chosen people and guides their destinies. This concept was expanded by the teachings of Christ to include all mankind and to recognize the fatherhood of God, the Great Shepherd. The new Christian interpretation dramatized the priceless value of each individual by the analogy of the importance of each little lamb in the flock. Down

through the Christian era these conceptions were the foundations upon which our principles of human liberty arose.

THE MATERIALISTIC ATHEISM OF COMMUNISM

Mr. President, you and I have accepted these principles as part of our traditional thinking, and seldom have we individually considered it necessary to pay any price for these great birthrights that the blood, sweat, and tears of our forefathers have given to us. But today we find ourselves suddenly confronted with a new idea, a new religion, a new cause that has apparently so gripped the imagination of masses of people throughout the world that it threatens the continuing faith of mankind in these great truths which we have always taken for granted.

Let me high-light briefly this new philosophy which has not only defined religion as an opiate of the people but has gone so far as to deny the sacredness of the individual and his liberties, and has insisted that the state is everything. This new materialistic, atheistic, communistic faith is based on the teachings of Karl Marx. Karl Marx said: "The democratic concept of man is false because it is Christian. The democratic concept holds that each man has a value as a sovereign human being. This is the illusion, dream, and postulate of Christianity."

And we find a similar teaching by Hitler who learned much from Marx, and whose words ring out in the same note: "To the Christian doctrine of the infinite significance of the individual human soul, I oppose with icy clarity the saving doctrine of nothingness and insignificance of the individual human being." And, alas, we know how Hitler carried out this atheistic concept in his ruthless persecution and destruction of the Jewish people in Germany.

It has been argued recently that the Communist high command in Moscow, having found that the Russian people as a whole are inherently religious and have resisted the destruction of their faith, has eased up on its antireligious policy, and is permitting the orthodox church in Russia to continue its activities.

In this connection, I have just had called to my attention a book published recently which recites the experiences of its author with the Communist antireligious philosophy. This book is vouched for by Monsignor Fulton J. Sheen, as is the author, who remains anonymous for obvious reasons. In his foreword, Monsignor Sheen makes this statement:

"This book will disabuse the minds of those who, fed on propaganda, believe that Russia is friendly to religion. True, there has been a recognition of the orthodox church in Moscow, but only at the price of political subservience to the foreign policy of the Communists. This new church, the stooge of communism, has been neatly called by one of the European newspapers a religious cominform in the service of atheistic imperialism. Along with this recognition of a politically dominated church is to be noted an intensification of Soviet antireligious propaganda. On June 29, 1948, Pravda declared that the central committee of the Communist Party favored the intensification of atheistic activity. On June 15, 1948, Bolshevik warned that 'all sorts of prejudices and circumstances have revived among the people as a result of neglect of propaganda.' On June 11, 1948, the Soviet teachers' newspaper, Uchitelskaya Gazeta, contained directions telling the teachers of the U. S. S. R. how atheistic propaganda was to be carried on in the schools. No protest was ever lodged against this decision by the politically dominated Orthodox Church of Russia."

The author of this book, the title of which is "God's Underground," states on page 6 and the following pages that he had kept in close touch with developments inside the Marxist state (meaning Russia) right up to the outbreak of the war in 1939. To quote the author:

"Atheism was the very foundation of that state.

"Shortly after the revolution, one of its leaders, V. Steponov, the translator of Marx, laid down the line that was to be followed for over a quarter of a century of Russian history: 'We need a resolute struggle against the priest, whether he be called the pastor, the abbot, the rabbi, the patriarch, the mullah, or the Pope. At a certain time this struggle must be transformed into the struggle against God, whether he be called Jehovah, Jesus, Buddha, or Allah.'"

The author points out that immediately within Russia today, and within practically all of the so-called satellite countries there is an enormous population of sincere, despairing human beings who firmly believe in their respective religions, and especially, of course, the Greek Orthodox people of Russia and the Slavic countries, and the Roman Catholic populations of such countries as Poland, Czechoslovakia, and Hungary.

AMERICA'S SPIRITUAL HISTORY

Mr. President, I have emphasized the importance of this materialistic atheism to the Communist cause because of the important place it holds in the war of ideas, that struggle to capture men's minds which is the heart of the so-called cold war.

In sharp contrast with this deadly, devastating concept of life, which is nurtured, as I said above, in atmospheres of division, despair, chaos, and disruption, and the promise of better things through the all-powerful state, I desire vividly to portray the history of our own America, and how, from the time of its first discovery, those who have come to our shores in quest of the freedoms they so much yearned for looked to the guidance of Almighty God in what they were trying to do.

Christopher Columbus was clear about the spiritual faith which underlay his voyage, and said his discovery of the New World was made with "thanks to the Eternal God, our Lord, who gives to all those who walk His way victory over things which seem impossible."

The colonists left their homes in Europe because they sought spiritual freedom and wanted to establish a country with faith in God as its foundation.

The Pilgrims dedicated their voyage "to the glory of God and the advancement of the Christian faith."

The closing words of the Declaration of Independence are in this significant and challenging language: "And for the support of this Declaration with a firm reliance on the protection of Divine Providence we mutually pledge to each other our lives, our fortunes, and our sacred honor."

Throughout our history, in times of national crises America through its leaders has turned to God for His answer and His plan. There was a crisis in 1787 when the Constitutional Convention was in session. It had been difficult enough to get the delegates from the various States to come, and when they came it was hard to lift them above their rivalries and dissensions. At the end of July, it still looked as if division might win and union might lose, and that was the moment when Benjamin Franklin made his now famous address to George Washington, the president of the Convention. Franklin was then 81 years of age, and certainly as we read his biography we cannot accuse him of being overwhelmed by any particular brand of piety. Nevertheless, these are the actual words he used on this occasion:

"The small progress we have made, after 4 or 5 weeks' close attendance and continual reasonings with each other, our different sentiments on almost every question, several of the last producing as many noes as ayes, is, methinks, a melancholy proof of the imperfection of the human understanding. We indeed seem to feel our own want of political wisdom, since we have been running all about in search of it. We have gone back to ancient history for models of government, and examining the different forms of those republics, which, having been formed with the seeds of their own dissolution, now no longer exist; and we have viewed modern states all around Europe, but find none of their constitutions suitable to our circumstance.

"In this situation of this assembly, groping as it were in the dark to find political strength, and scarce able to distinguish it when presented to us, how has it happened, sir, that we have not hitherto once thought of humbly applying to the Father of Lights to illuminate our understandings?

"In the beginning of the contests with Britain, when we were sensible of danger, we had daily prayers in this room for divine protection. Our prayers, sir, were heard; and they were graciously answered. * * *

"I have lived, sir, a long time, and the longer I live the more convincing proofs I see of this truth; that God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid? I * * * believe that without His concurring aid we shall succeed in this political building no better than the builders of Babel. We shall be divided by our little partial local interests; our projects will be confounded; and we ourselves shall become a reproach and byword down to future ages. And, what is worse, mankind may hereafter, from this unfortunate instance, despair of establishing governments by human wisdom and leave it to chance, war, and conquest."

History indicates that this was a turning point in the Convention. When the delegates returned after a short recess they gave to the Colonies and to the world the document that is the keystone of America's political survival and greatness.

And let us hear from other great American leaders. George Washington in his farewell address, so familiar to all of us here in the Senate, because of our tradition of reading it annually, used this language: "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. * * * A volume could not trace all their connections with private and public felicity. * * * And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that a national morality can prevail in exclusion of religious principle."

Our coins say: "In God we trust." The Great Seal of the United States shows the pyramid of human society with the eye of God at the top; and beneath that symbol is written, The New Order of the Ages. This symbol and this motto appear today on the reverse side of our $1 bills.

Later in our history we recall Lincoln's words when he said that if this Nation is to have a "rebirth of freedom," it must be "under God."

And again let me quote Lincoln:

"We have been recipients of the choicest bounties of heaven; we have been preserved these many years in peace and prosperity; we have grown in number, wealth, and power as no other nation has ever grown. But we have forgotten God. We have forgotten the gracious hand which preserved us in peace and multiplied and enriched and strengthened us, and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too

self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God who made us."

Let me emphasize again that these were the words of our own beloved Abraham Lincoln.

THE CENTRAL ISSUE IN THE COLD WAR

The liberties and the freedoms, then, for which our America stands are the fine flowering of the deepest spiritual convictions of which the human race has been capable. But we must immediately recognize that if those flowerings are cut off from their roots they might readily be the cause of our swift downfall, and the loss of all these most precious heritages. Liberty without control may become license; and, in the name of freedom, people who are undisciplined may demand for themselves those things which inevitably will come into conflict with the demands of others, and which may well bring about the necessity for harsh laws in order that man may be able to survive.

William Penn put the central problem of government in a nutshell and described the dilemma of us moderns as clearly as if he had been living today, when he said: "Men must either be governed by God or they will be ruled by tyrants." And, following directly after Penn's thought, a French philosopher, Jules Lachelier, said a few years ago that, to him, the only conceivable form of democracy is theocracy, and that of the very kind which Penn had established in the forests of Pennsylvania; adding:

"As soon as men refuse to be ruled directly by God they condemn themselves to be ruled directly by man; and if they decline to receive from God the leading principles of their moral and social conduct they are bound to accept them from the king or from the state or from their race or from their own social class."

We have only to study the events of the most recent years in Germany with the totalitarian state there, and now in Russia, with its totalitarian state, to see the contrast between what has happened, and this simple principle so vividly stated by William Penn. The popular conception of what has happened in the totalitarian countries is that the supremacy of the state has been adopted in place of the freedom of the individual.

But let me add that supremacy of the state could not arise unless the supremacy of God had first declined. We shall have a God, or we shall have a human leader deified by himself or his followers; as witness Hitler and now Stalin. And let me say at this point that there is here a distinct warning to us in the United States today, where some are seeking more and more to curtail individual liberties and to bring the state more and more into the center of the picture to control our activities in the name of the welfare of all of us. America may well be on the way to losing its God unless we keep reminding curselves of those foundations upon which our freedoms are built.

Mr. President, I was profoundly disturbed because it was not possible during the deliberations which led to the creation of the United Nations Charter to make common acknowledgment of the direction of a divine power which guides the destinies of men in their search for peace. One can understand the difficulty of finding a common meeting ground for the expression of religious faith in such a great and diverse body as the UN. But I hope and pray that it may be possible for the new UN structure in New York to have a nonsectarian chapel for the use of all those members of that great body who feel they do have a need for reliance upon a higher power.

But, be that as it may, certainly the nations who are participants in the North Atlantic Treaty are all nations whose history and development have recognized the power of Almighty God in the affairs of men, and it does seem to me and to others to whom I have talked on this vitally important subject that somewhere in the proceedings of the ratification of this important document we should find a place for the recognition of our fundamental faith.

THE RATIFICATION OF THE NORTH ATLANTIC TREATY

In this connection, a few weeks ago I received from the pastor of one of our Washington churches a suggestion which presented this same thought to me. The Reverend L. Ralph Tabor of the Luther Place Memorial Church of Washington wrote to me under date of April 25, as follows:

"I address this letter to you as a member of the Senate Foreign Relations Committee to request that you consider a matter of primary importance relating to the North Atlantic Treaty proposed for ratification by the Senate of the United States of America.

"The statements in the text of the proposed treaty are succinct and clear; but it has seemed to me and others with whom I have discussed the treaty, that there is a notable omission. That omission is any reference to the name of God.

"I am convinced that faith in God is historically implicit in the phrase of the preamble, 'common heritage and civilization of their peoples.' This faith requires explicit statement. It is a component part of the testimony to be borne by the proposed treaty before the nations of the world.

"I respectfully request that, if your conscience and your judgment permit, you seek to provide for an unashamed recognition of divine providence in the affairs of men and nations by an amendment to the preamble of the proposed North Atlantic Treaty.

"Such an objective could be secured by the insertion of two words, 'under God,' following the word 'desire' in the first sentence of the preamble. The sentence would then read: "The parties to this treaty reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire, under God, to live in peace with all peoples and governments.'

"The addition of these two words will bear witness to a religious motive which must be in the minds of the signatory governments. If such a motive is absent the making of a treaty is vain. If this motive is indeed present, let it be stated openly.

"The words 'under God' have an honored place in the heritage of the United States of America and in the heritage of the other signatory nations. However, they are not extracted from an official document and therefore require no political explanation in the association of other governments.

"It is my opinion that by proposing such an amendment you will serve our Nation faithfully. The open recognition of God is wholly consistent with the procedures of the United States Senate.

"I shall appreciate your consideration of this suggestion."

And just a few days ago I had called to my attention that during the debate in the Canadian House of Commons on Friday, April 29, 1949, in Ottawa, when that body approved the North Atlantic Treaty, a member of the Parliament made the following striking statement:

"Finally, sir, I regret that we have not seen fit in either of the resolutions bringing this pact before the house to give expression to our need for divine guidance in finding a way through the rocky shoals of a very difficult world situation.

"I have on several occasions pointed out to the house that Canada is a Christian nation. We have constantly expressed our belief in the Christian way of life. Every day this House of Commons is opened with a fervent prayer to Almighty God to guide us in our deliberations. And yet, in one of the most important documents to be brought before the House of Commons at any session, this Atlantic Pact, we have not seen fit to include in the resolution an expression, in so many words, of our need for divine guidance to help us find our way through a difficult situation."

I took up with some of my colleagues the challenge of Dr. Tabor's letter, and it was agreed by all of us that the point emphasized by the writer was a matter of first importance. But we felt it might be inappropriate at this time actually to seek to amend the treaty itself, as suggested by Dr. Tabor, or to pass a reservation which might be construed to require the formal approval of all the other signatory nations. Our purpose, obviously, should not be to tell the other nations of the world what their position should be in a matter of this kind, but, rather, it seemed to us that the proper course would be to indicate to the other participants our own convictions, based on our own traditions and history.

It is with this point of view that my colleagues and I present to the Senate of the United States at this time of the ratification of the North Atlantic Treaty a resolution of interpretation of what we in the Senate of the United States believe to be our American spiritual heritage.

CONCLUSION—A RESOLUTION OF INTERPRETATION

Mr. President, in developing this sharp cleavage between the materialistic atheism of communism and our American faith in the guiding hand of God in our destiny, it is not my purpose to criticize, in any way, those who participated in the drafting of the United Nations Charter or more recently in the drafting of the North Atlantic Treaty. I can well appreciate what their problems were and we are all grateful for a fine job well executed. Nor do I wish to pose as preaching to my senatorial colleagues on the subject of America's faith. But, Mr. President, I am so firmly convinced that the people of these United States would want someone to say at this critical time what my colleagues and I have tried to say in this simple resolution that I feel it is a privilege to point out this great historical fact in our American history.

The cold war is on, no matter what the outcome of the present Paris talks. And that cold war is presenting a clear-cut issue. Shall the individual man, who throughout history has been seeking to find the reality of God, hereafter be ruthlessly denied that quest? Or should that infinitely precious individual be told in no uncertain terms that our America believes that there is a guiding purpose in this great universe; and that America is confident that the guiding hand of God, which led America through the darkest days of her history, will continue to guide our destiny and the destiny of all mankind?

If we give the right answer, Mr. President, then from America's mountain top of liberty under God, the despairing people of the world may be able to see the long way ahead to the true brotherhood of mankind—"one far-off divine event to which the whole creation moves."

Mr. President, we respectfully submit for appropriate reference our Senate resolution which reads as follows:

"Whereas the history of these United States clearly records the faith of our forefathers in Almighty God from the days of the earliest colonization and during all the crises of their early struggles; and

"Whereas these United States and the other nations parties to the North Atlantic Treaty are believers in the guidance of the Creator in the affairs of men: Therefore be it

"*Resolved*, That the Senate of the United States interprets the language of the preamble to the North Atlantic Treaty, reading as follows: 'They are determined to safeguard the freedom, common heritage and civilization of their peoples,' to include this na-

tion's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

COMMENDATION OF PHILIP MURRAY AND THE CIO FOR OUSTING COMMUNISTS

Mr. MARTIN. Mr. President, I rise to express commendation and my personnel appreciation of the sound action taken by Philip Murray and the executive committee of the CIO in recent days. I refer to the forthright drive to rid that great labor organization of the Communist taint in the leadership of some of its unions.

The CIO has never been on my side. In fact, it has been one of the most active of my political opponents.

For my part, I have found fault with the CIO many times. For years I have demanded that it purge itself of the Communist-card carriers and the fellow travelers who have had such great influence in its activities. And for years, because of this demand, some members of the CIO have called me a wide variety of names—none of them pleasant.

I have also criticized the rule-or-ruin tactics of the CIO, its insistence that public officials take care of it first, ahead of the welfare of the public as a whole. I shall always object to such tactics, whether they come from labor, industry, politics, or from any other source, including the Federal bureaucrats.

But when Philip Murray and his CIO do a fine and courageous thing, even though belatedly, I feel that they should be commended and congratulated.

I hesitated for several days to make this statement on the floor of the Senate. I believed it should and would come from the CIO's friends in the Senate, those who have backed its activities, and who in turn have been the beneficiaries of PAC votes.

But, oddly enough, none of them has come forward on this floor to laud that organization for its increasingly successful fight to get rid of the foul fumes of communism which pervade some sections of the CIO.

Since I believe that public recognition is due Mr. Murray and the CIO, I have decided that I should call attention to their action, rather than let it go unnoted on the floor of the United States Senate.

I want to remind the Senate that Philip Murray, national president of the CIO and of its steelworkers, is a Pennsylvanian. He is a former coal miner of my State; in fact, he worked in the coal mines of Washington County, my own home county. He rose to his present eminence by hard work and full use of his intelligence. He is and always has been strongly anti-Communist.

What is new and important is that finally he has been able to rally enough other leaders of his organization to make the drive which is presently succeeding.

Mr. President, I commend to the United States Senate the action of the CIO board, which met here in Washington the other day and made clear that it will no longer tolerate Communists and Communist sympathizers in high places in that labor organization.

It is appropriate also at this time to suggest similar action by those bureaucrats who, willfully or otherwise, have closed their eyes to the dangers of communism in this country. I recommend that they face this situation with vigor and courage, and take such steps as are necessary to drive out every Communist who holds a place in our Government.

ADMINISTRATION OF CENTRAL INTELLIGENCE AGENCY

The Senate resumed the consideration of the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

Mr. TYDINGS. Mr. President, I should like to make a brief explanation of the pending bill. It is similar to one which was passed unanimously by the Senate at the last session. The bill presently before us is a House bill which passed the House of Representatives, as I recall, by a large favorable vote; I think there were only about four votes in opposition to it. It is called the Central Intelligence Agency bill.

Although this measure may be looked upon by some persons as of little importance, in my opinion, for whatever it may be worth, it is one of the most important pieces of legislation which we shall consider in this Congress. I say that for the reason that it is important that our military authorities be completely advised in regard to what is taking place in the world, so that they may constantly make an estimation of the probable dangers which eventually may confront our country, and of how they may deal with them.

The bill relates entirely to matters external to the United States; it has nothing to do with internal America. It relates to the gathering of facts and information beyond the borders of the United States. It has no application to the domestic scene in any manner, shape, or form.

The work to which the bill relates is dangerous work. In many localities where representatives of our Government may go in quest of information, if they are detected they are likely to pay for their adventuresome spirit with their very lives. I should say it is not improbable—and I am measuring my words—that many men working for our government already have paid the supreme sacrifice in attempting to gather information of a nature vital to our country. Particularly when our soldiers are stationed abroad in such goodly numbers in many countries, and where there are at times the possibilities of conflict, it is important that a variety of useful information be assembled, in case of need—not that we are going to use it to make war, but so that we may use it in the event war is made upon us, so as to save the lives of citizens of our country and even the lives of civilians who are not citizens of our country, but who might be in the path of a conflict in which our own troops might eventually be engaged.

This bill has the approval of the State Department and of the Department of Justice. Its enactment is desired by the military department of the Government. The bill has been referred to the chairman of the Judiciary Committee of this body, the Senator from Nevada [Mr. McCARRAN] who is in charge of certain phases of activity in our domestic scene upon which this measure might impinge slightly; to wit, the admission to this country of an immigrant who would give us valuable information. The Senator from Nevada has read the bill and has given his written approval of it.

I am available now to answer questions, insofar as I can, by Senators who are not members of the committee, who perhaps would like to have some information which I have not covered in this brief summary. I have no desire to take up the time of the Senate in an extensive analysis of the bill, but I think I have indicated enough to show what its general purport is and how important it might be in conceivable circumstances to the safety and the lives of people in and out of uniform in our own country.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Virginia.

Mr. ROBERTSON. I should like to ask the distinguished Senator from Maryland whether the program is to supplant the present counterintelligence work of the Army or is to complement it?

Mr. TYDINGS. I may say the bill changes nothing that is not now in existence insofar as foreign intelligence is concerned It is already provided in the Unification Act that there shall be a central intelligence agency charged with these duties, but unfortunately the provision is couched in a generality, and this bill is to give the agency, inasmuch as we have it anyway, the mechanics so it can be more effective than it could otherwise be.

Mr. ROBERTSON. I may say to my distinguished colleague that I am in full sympathy with the purpose of the bill and shall gladly support it.

Mr. TYDINGS. I say in conclusion, we must always know the size of the armies of other countries, we must know what their air potential is, what inventions they are pursuing, what the people in a possible enemy country are likely to think or are likely to do, or how they are likely to react to a given circumstance. We cannot merely take the word always of the governmental authorities who are for the moment in charge of those countries. We have to know the real truth, and it is in order to do this that we have such an agency as this, that the logistics that flow from this information may be always available in the time of emergency.

Mr. CAIN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Washington?

Mr. TYDINGS. I yield.

Mr. CAIN. May we safely conclude that in the days prior to World War II America did not benefit from what the Senator and his associates have endeavored to work out and are now presenting to us?

Mr. TYDINGS. I should say that prior to our entry into World War II we were babes in the woods to a large extent in this field. If we had had then what we have now it is possible there might have been a different result at Pearl Harbor. The information was there, and we should have had men operating within the group who were adverse and hostile to the United States, working with them, so they could have told us what were the intentions of those people who were under our flag, ostensible citizens, but who were plotting, in liaison perhaps with possible enemies, to destroy the United States of America. I thank the Senator for his interruption.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. As one who followed the bill very closely last year and was in charge of it, there is but one thought on which I think the Senator might enlarge somewhat. This intelligence agency does no work at all within the continental United States, except to assimilate information it receives elsewhere. Is not that correct?

Mr. TYDINGS. The Senator is completely correct. There is not a single agent of this intelligence agency working within the United States in any form of espionage, directly or indirectly. It is purely and completely and wholly and singly in the external or foreign field. It has no connection with the FBI, it is not under the FBI, it does not do the same kind of work as the FBI. Its sole effort is outside the United States.

Mr. SALTONSTALL. Am I correct in saying that it does not interfere with the FBI in any way, shape, or manner?

Mr. TYDINGS. That is correct. It does not interfere with it in the slightest degree. Are there any other questions? If not, I do not desire to hold the floor, but I hope the debate will not be too greatly extended, that we may draw the issue, whatever it is, and have the Senate on record, and I hope, with overwhelming support.

The VICE PRESIDENT. The bill is open to amendment.

Mr. LANGER and Mr. NEELY addressed the Chair.

The VICE PRESIDENT. The Senator from North Dakota.

Mr. LANGER. I yield to the Senator from West Virginia.

Mr. NEELY. I thank the Senator, but I want the floor in my own time.

Mr. LANGER. Mr. President, I have listened with considerable interest to the Senator from Maryland. I agree with him that in general the purposes of the bill are fine. I agree with him that it is one of the most important bills ever to come upon the Senate floor. But I totally disagree with him as to two aspects of the bill. With respect to those aspects of the bill, I propose to offer amendments in the hope that we may be able to make the bill what it ought to be.

First of all, I call attention of the entire Senate to the report of the House committee, which, at page 6 thereof, says:

> The report does not contain a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such information is of a highly confidential nature.

So, Mr. President, we have a situation in America wherein the House of Representatives passed a bill without having full and detailed information of the provisions of the bill, without, as a matter of fact, knowing exactly what the purpose of the bill was, and so far as I know——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield at this time. A little bit later, I shall be glad to yield to the Senator. I say that so far as I know, it is the first time in the history either of the House or of the Senate that any report contained the statement:

> The report does not contain a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such information is of highly confidential nature.

Mr. President, I ask every Senator, if he will, to compare the House report with the Senate report. It will be found that they are almost identical, with the exception of the three or four lines which I have just quoted. In other words, in the House there were a few Representatives who objected to the bill. By reading the proceedings of the House yesterday it became apparent that those Representatives resented the fact that they were asked to vote for a bill which had not been reported to them in its entirety, a bill as to which there was some secret, confidential information they had not obtained. The result was that when the Senate Committee on Armed Services submitted its report those four lines were eliminated.

What did Representative CELLER, chairman of the House Committee on the Judiciary, say about the bill? I read from the debate in the House, on March 7, at page 1985, Mr. CELLER's statement:

> Mr. Speaker, although I do not like the hush-hush business surrounding this bill, I shall not oppose it. Certainly if the members of the Armed Forces Committee can hear the detailed information to support this bill, why cannot our entire membership? Are they the Brahmins and we the untouchables? Secrecy is the answer. What is secret about the membership of an entire committee hearing the lurid reasons? In Washington three men can keep a secret if two men die. It is like the old lady who said, "I can keep a secret but the people I tell it to, cannot."
>
> I must counter the remarks of the previous speaker. We have in the bill this very significant language "for permanent residence without regard to their inadmissibility under the immigration or any other laws or regulations."
>
> In the first place, if there had not been a closed rule, I would have made the point of order to strike out this provision because it is exclusively within the province of the Committee on the Judiciary and is not the business of the Committee on Armed Services. The Committee on Armed Services has nothing to do with immigration.

I may say, Mr. President, that I have here a copy of the La Follette-Monroney Act. That legislation was passed 2 years ago in order to give to each committee jurisdiction of certain specific matters. On page 17 of the La Follette-Monroney Act it is provided that the Committee on the Judiciary shall have exclusive jurisdiction of immigration and naturalization. The distinguished Senator from Maryland knew that, so he talked to the chairman of the Committee on the Judiciary. The distinguished Senator from Maryland is one of the ablest Senators upon the floor. He made a long and extended argument in favor of the La Follette-Monroney bill. He knew that the chairman of the Armed Services Committee had no authority to write any law affecting immigration and had no authority to pass upon such a matter. It was a matter which was entirely and solely, first of all, within the jurisdiction of the Subcommittee on Immigration and Naturalization of the Judiciary Committee. Up to the present time the bill has not been referred to the Judiciary Committee.

I want to make it clear how differently committees function. In the Eightieth Congress the Committee on Post Office and Civil Service unanimously reported a simple bill providing for reduced postage rates to Germany, Austria, Italy, and some other European countries. When we got through with it it was decided that the bill should go to the Committee on Foreign Relations. That committee, in turn, had to pass upon the proposition as to whether there was anything in the matter of lowering postage rates to some of the foreign nations which would be detrimental to our foreign relations.

We have in the pending bill a brand-new section, one which, according to my recollection, was not in the bill of last year. It is exclusively, fully, and completely within the jurisdiction of the Immigration and Naturalization Subcommittee of the Judiciary Committee, and at no time was it ever referred to that committee.

Representative CELLER continued with his speech as follows:

> Now this provision I have read throws out the window, at the discretion of the Director mentioned in this bill and the Attorney General, all the legislative immigration restrictions that we have built up over the years.

Representative CELLER was absolutely correct. He said, further:

> It throws them to the winds, and if the Attorney General and the Director wish to admit Fascists, Communists, Hitler sadists, morons, moral perverts, syphilitics, or lepers, they can do it. I think the House ought to know what it is legislating about, and I think, in a measure, this indicates how the cold war is unhinging the nerves of some of our high military authorities. The secrecy, especially the brand we are treated to, is ridiculous. Secondly these immigration privileges are badly conceived. If you want to give this authority to the military, all right, but I think we should know what we are doing and whither we are going. The military is not infallible. Witness the situation of the charges levied by the military intelligence against one Agnes Smedley recently, that she was a Communist, or a Russian spy, and instead of retracting when they found they were in error, they simply admitted a faux pas. The military is indeed not infallible. On the question of immigation they are given carte blanche, willy-nilly, to admit 100 persons under this particular provision which should be stricken from the bill or, if it is not stricken, certain safeguards should have been added.
>
> I have spoken briefly to advise the Armed Forces Committee to stick to its own knitting.

When immigration is involved, let the proper committee be consulted—the Judiciary Committee.

Mr. President, I wish to invite attention to section 8 of the bill. I may add that I shall offer an amendment to strike out section 8. That section reads as follows:

SEC. 8. Whenever the Director and the Attorney General shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security on essentials to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility: *Provided*, That the number of aliens and members of their immediate families entering the United States under the authority of this section shall in no case exceed 100 persons in any 1 fiscal year.

What is the situation, Mr. President? Two men, the Attorney General and the Director, can set aside the entire immigration laws of the United States. Already there are five or six million aliens in this country. Already the Attorney General and the Director of Immigration have advised our committee that they cannot find them all in order to get rid of them. We have had an example of kings, queens, princes, counts, dukes, and what not, chasing over to England, and of the existence of governments in exile there. Already some have chased over to the United States. King Peter of Yugoslavia was riding in Connecticut, going at the rate of 70 or 80 miles an hour, when he was arrested for speeding and endangering the lives of persons along the highway. He claimed immunity. He said, "I cannot be arrested." The police of the State of Connecticut released him. A few nights later he was in a place in New York called the Stork Club. I discussed this incident with my distinguished friend from Maryland. He said he was thoroughly familiar with the Stork Club. It so happens that I am not familiar with it. I do not know how large a place it is, but it seems they have certain favorite tables in that club. At any event, when the ex-King of Yugoslavia dropped in, he was not given the best table. He was given what he thought was a second-best table. So he started a rumpus, and, as I remember, the police were sent for and the manager of the Stork Club stood firm and said he would not take the table away from the people who occupied it and give it to the so-called King of Yugoslavia.

There is nothing to prevent all the ex-crown princes and persons of so-called blue blood or royal blood, with whose names I am not familiar, but whom my distinguished friend from Maryland knows by heart—he knows some of them by their first names, I found in discussing the matter with him—there is nothing to prevent their coming in at any time. They do not have to enter as other individuals do. All they have to do is to get the Attorney General and the Director to say, "Come on in." They do not have to obey a single law which we have passed in order to protect citizens of the United States.

When this bill was before the House, another Representative had much to say about it. Before I take that up, I repeat what I have already said, I intend to offer an amendment to eliminate section 8. If the proponents of the bill want section 8, if they want to have the power to let a hundred people come into the United States, and if they are people who for national security reasons should come in, I have not any objection to having a separate bill introduced and presented to the proper committee, and with proper safeguards we can see that people who will help the United States can get into our country in 24 hours, as the report made by the Committee on Armed Services says they want the law to be.

Why stick in this section 8? It is stuck into a bill where it has absolutely no right to be. It is stuck into a bill which deals with contracts, into a bill which provides that the Director of the Central Intelligence Agency may make contracts involving up to $1,000, that he can buy things in an emergency, and all that sort of thing. Then out of a clear sky they stick in section 8, providing that 100 people may be admitted without regard to the immigration laws of our country.

Mr. President, both the distinguished Senator from Massachusetts and the distinguished Senator from Maryland a few moments ago stated that this bill had nothing to do with the internal affairs of this country at all, that it dealt only with territory outside the continental United States. Let me read subdivision (B) on page 7:

While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the agency or elsewhere, but the time of such work or duties shall not be counted as leave.

The Senator from Maryland says that what is provided for in the bill is being done now, that the Navy and the Army and other branches of our Government have thousands of these people. I have not the least objection to taking all of them and putting them under the Central Intelligence. I have not any objection at all to that being done, and the cost to our taxpayers being reduced, provided the people do their work outside this country, just as was alleged a few moments ago by the distinguished Senator from Maryland is being done.

Mr. TYDINGS. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Maryland.

Mr. TYDINGS. I share the Senator's concern, and I am glad he wants to be reassured in reference to this matter. But let me correct the Senator. I never said that the Army and the Navy had thousands of men engaged in this service. So far as I know, the Army and Navy have no one engaged in it.

To come down to the point the Senator raises as to paragraph (B) on page 7, that will apply only when the agents are brought back for reorientation, to be told what their new tasks shall be. While they are on leave they may be called to Washington and assigned to a new task, given training in the new task, and then sent out. They do no work in the United States, but they do have to come back to be indoctrinated into all the difficulties which will confront them when they take up a new task. That is the only purpose.

I know the Senator may not agree with me, but he knows I would not deceive him in any sense of the word as to this bill or any other matter, and I can assure him, after thorough investigation, that none of these agents will work at all in the United States. The only time they will do anything here is when they come, either on leave to visit their families, or come back, if they are changing their stations, to be reindoctrinated.

Mr. LANGER. The Senator said that the Army and the Navy had none of these people here, yet he told us not half an hour ago that all the work that is contemplated by the bill is being performed here now by agencies. What are those agencies?

Mr. TYDINGS. It is being performed by the Central Intelligence Agency, which is a branch of the National Security Council. It works under the National Security Council. It advises the President.

Mr. LANGER. The Senator knows that we have a Naval Intelligence, and he knows we have a Military Intelligence.

Mr. TYDINGS. If the Senator will permit me to complete my answer, he has gotten the two things confused, understandably. Army Intelligence deals primarily with logistics. We know how large a certain army is, we know how large a certain navy is, we know how many airplanes another country has, we know how many trucks he has. Naval Intelligence deals primarily with navies, or the logistics of moving or dealing with armaments in the hands of a possible enemy. The organization we are here concerned with is primarily established to find out what the intention of a possible enemy is, what he is doing, what he is concealing, his movements, what the people in the foreign country think and assorted information of tremendous value on a military plane.

There are none of these agents who work in the United States. I hope the Senator will take my word for that. We went into that subject very thoroughly in the committee, and all this work is completely outside the United States, except for the indoctrination which must take place whenever an agent is sent into a new field.

Let us suppose an agent is being sent to Country X. He has to be told what he is to do in Country X, he has to be told what the customs are in Country X, he has to be furnished with a variety of information so that he can work there unobserved and obtain information, and, to tell the truth, so that he will not be killed, as in some cases men have been killed. The reason why there must be secrecy is that we do not want men to lose their lives, and I regret to tell the Senator from North Dakota that some men have already lost their lives in this service. I make that admission

regretfully, and we want to make provision so that others will not lose their lives.

When men undertake this character of work, they take it on the understanding that they may not come back, because in some cases when they are caught they are put to death. We might as well say that on the floor of the Senate. We are dealing with the lives of men who are in this service, and for that reason there has to be a great deal of secrecy thrown around the work.

Mr. LANGER. Mr. President, I repeat what I said at the beginning of my argument, that I agree fully, completely, entirely, absolutely, and wholly with the desire to protect the lives of these people working for our Government. I believe in national security.

Let me read what Mr. SASSCER said about the purposes of the bill in the House of Representatives. I read from his statement:

> Mr. Speaker, H. R. 2663 is a bill to provide for the administration of the Central Intelligence Agency. There have been some misconceptions as to its purposes. For this reason, I would like to make certain broad statements concerning the bill and its purposes before discussing it in detail.
>
> The Central Intelligence Agency was established as a successor to the Central Intelligence Group, under the provisions of section 102 of the National Security Act of 1947.

Now I wish to ask the Senator from Maryland a question.

Mr. TYDINGS. Will the Senator allow me to make an observation before he asks the question?

Mr. LANGER. Certainly.

Mr. TYDINGS. I should like to tell the Senator that the Senator from Maryland was fortunate enough to have a boyhood friend who had charge of some of the most difficult and important work undertaken in this line of activity during the war, and I have perhaps heard more of the ramifications of this service than any other man in Congress, because I had the good fortune to sit at the feet of this particular individual, and I have heard him tell many things that happened, and the difficulties encountered. So I have a little more concern than I would have, had it not been for this personal experience. It is only out of abundant caution, knowing how a little thing disclosed may put an agent in a very difficult place, that the Senator from Maryland has striven to be cautious in what he has said.

Let me say a further word. Suppose a man is a citizen of country A. Suppose he comes to our representative and says, "I am a citizen of country A, but country A does not like your country. I do like your country. I should like to work for your country." Suppose that man is working in some official capacity in country A, and we employ him, and get information we may desire If that man were to be detected he must know in advance that he can come to the United States, that he can escape, and secure asylum here. Otherwise, on his return, he will be confronted with the general laws of the country from which he came, and that means his death. So if we are going to ask people to assume this dangerous work we will have to give them the assurance that we will stand behind them in the event they are threatened with the loss of their lives if they are detected while working for our country.

Mr. LANGER. Mr. President, I agree with every single word the Senator from Maryland has said. I repeat, however, that I agree also with the distinguished chairman of the House Committee on the Judiciary, Representative CELLER, when he said, on the question of immigration:

> On the question of immigration they are given carte blanche, willy-nilly, to admit 100 persons under this particular provision, which should be stricken from the bill, or, if it is not stricken, certain safeguards should have been added.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Let me say to the Senator from North Dakota that no one can come into this country under the bill except with the approval of the Attorney General, who already has supervision over the immigration laws, and of the Secretary of Defense. A person cannot wait to secure a visa when his life is threatened. A man who undertakes this dangerous work wants to know that he can come into the United States on 2 minutes' notice; that he will be identified and given asylum here. He will not undertake such work unless he knows that, if he is detected and wants to flee for his life, there is an open door into this country for which he is risking his life to serve, and that he will not have to go through the red tape of securing a visa. Let me tell the Senator that every government on earth makes provision of this sort for men who work in the secret service.

Mr. LANGER. Mr. President, again I assure and reassure and re-reassure the distinguished Senator from Maryland that he and I are in complete agreement on the matter of allowing entry to whatever number of persons may be necessary; but, nevertheless, I agree with the distinguished chairman of the House Committee on the Judiciary when he says:

> This particular provision * * * should be stricken from the bill, or, if it is not stricken, certain safeguards should have been added.

Section 8 does not protect the people of the United States from having a group of Communists or Fascists, or whatever they may be, come into this country. Section 8, which in a proviso permits the entry of 100 persons a year, provides:

> Whenever the Director and the Attorney General shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility.

Mr. President, I submit there is nothing in the bill which gives us any jurisdiction over these persons after they get into our country. When they come here they are on an absolute par with the distinguished Senator from Maryland. They can go wherever they want to go, they can do what they want to do. There is no provision that they must make reports. There is no provision for following them up. That is why I say that, agreeing as I do with the distinguished Senator from Maryland, I believe we should place some safeguards in section 8, or else keep such aliens out of the country.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. In the first place, I believe the Senator has covered a great deal more territory than the facts in the bill warrant. For example King Peter, and all the princes and dukes and other royalty who visited the United States during the war came in under State Department visas, and they have nothing more to do with this bill than I have to do with the Chinese Communist Government at this moment. They all came to the United States when there was no Central Intelligence Agency in existence. They all came here under State Department visas. We are not in this bill dealing with any such attention. Anything of that nature is as far from this debate as Siam is from North Dakota.

Let us get down to the meat in the coconut. What greater safeguard would the Senator want than to require that the Director of the Central Intelligence Agency, who is charged with the security of the country so far as intelligence is concerned, and is certainly not going to permit anyone to come into the United States who might endeavor to overthrow the Government, and the Attorney General of the United States, who is charged with enforcing the law, shall make the determination? Would the Senator from North Dakota feel more assured if we put the President in it, too?

Mr. LANGER. I might say to my distinguished friend from Maryland that if we had another Attorney General like Harry Daugherty, I would not want him to pass on anything, even a dog, coming into this country. We have had one Attorney General of that kind.

Mr. TYDINGS. We have had Senators and Representatives and even Presidents who have not been all we would hope they should be.

Mr. LANGER. We have immigration laws to take care of the admission of aliens. Under our immigration laws safeguards can be placed around the entry of these 100 people. I want the immigration laws of the country enforced, or, if necessary, so changed as to provide safeguards when these hundred individuals the Senator wants excepted, are admitted into the country.

Mr. TYDINGS. How would the Senator do that?

Mr. LANGER. I would have the section submitted to the Committee on the Judiciary and to the Immigration and Naturalization Service.

Mr. TYDINGS. How would he get the people into the United States immediately and at the same time throw the

safeguards he desires around them and around us?

Mr. LANGER. I would do exactly as the chairman of the House Committee on the Judiciary, Representative CELLER, said we should do. He suggested the way safeguards should be placed around us.

Mr. TYDINGS. What are they?

Mr. LANGER. I would call in the Director of Immigration and Naturalization and ask him what is necessary to be done in order to carry out the committee's recommendations. The Armed Services Committee did not do that. There are no safeguards contained in the bill at present.

Mr. TYDINGS. Oh, yes; the Attorney General and the man who is charged with securing the information to safeguard the United States of America certainly are not going to let come into the country someone who wants to do harm to the United States of America. The trouble is that Mr. CELLER is looking upon this sort of activity practiced by all governments as if it were a regular, open, above-board, orthodox, give-and-take procedure. This is one of the things which ought not to be practiced by any government, but which every government has to practice in self-defense. It is somewhat like war. No country ought to make war. A war is the most outrageous crime human beings have ever put their hands to. But so long as people are threatening to make war on us we have to be ready to protect ourselves. That is the philosophy of the bill. The lives of our men overseas in many cases depend on this bill having enough elasticity to it so it can serve the purposes of the security of the country without any undue delay. It may be the Senator's son or my son or someone else's son who is dependent upon the information which the Central Intelligence Agency will assemble for the protection of our troops.

Mr. LANGER. Mr. President, we are not at war at the present time. Representative CELLER yields to no man in patriotism. I have known "MANNY" CELLER for over 30 years. For 24 years he has been a Member of the House. For 24 years he has been a member of the Committee on the Judiciary of the House. When "MANNY" CELLER says there ought to be safeguards placed in the law before 100 aliens are permitted to come into the country, I take the word of Representative CELLER, the chairman of the House Committee on the Judiciary. He is an outstanding patriot. He is an honest gentleman, with a world of experience.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. I should like to say that I have served with Mr. CELLER in the House of Representatives. I became a Member of the House of Representatives and Mr. CELLER became a Member of the House of Representatives in 1922. My relations with him and affection for him and respect for him are of the very highest order. What I say is said with no reflection on him. But when the bill passed the House, after Mr. CELLER had made his speech, from which the Senator has read in part, the vote was 348 in favor of the bill and only 4 against the bill. Let me say to the Senator that if this had been an immigration matter per se Mr. CELLER would have secured 348 votes in support of his position, and only 4 votes would have been against his position. This is not an immigration matter. It has nothing to do with immigration per se. This is asylum for military agents who are working for the United States, and who are faced with death if they are caught. We simply tell them in advance that if the Director who employs them, and the Attorney General, who is detached from the Director, approves it, if they are detected and their lives are in danger they may come into the United States. After that, they are just the same as anyone else. They have no immunities or privileges.

Mr. LANGER. Mr. President, the argument that this bill has nothing to do with immigration is the sheerest nonsense. Again I quote Mr. CELLER. At the end of his talk he said:

> I have spoken briefly to advise the Armed Services Committee to stick to its own knitting. When immigration is involved, let the proper committee be consulted—the Judiciary Committee.

That is the statement of a man who has been a Member of the House for 24 years.

Mr. President, I invite attention to page 7 of the bill, subparagraph (B), which reads as follows:

> While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the Agency or elsewhere, but the time of such work or duties shall not be counted as leave.

The services of such officer or employee are not to be used in this country. This bill deals with activities outside continental United States.

Mr. TYDINGS. That is correct.

Mr. LANGER. If that be true, would the distinguished Senator be willing to accept an amendment in line 4 on page 7, after the word "shall" to insert the word "not" and strike out lines 6 and 7?

Mr. TYDINGS. Will the Senator read the language as it would then be?

Mr. LANGER. It would read:

> While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

Mr. TYDINGS. I would accept that amendment with one qualification, and that is that they can receive training here. If the Senator will exclude training, if his language is broad enough so that training and indoctrination are not included as work, I shall be delighted to accept the amendment. I do not want to tie up the situation so that when they get to the United States they cannot receive any training or indoctrination. They are working then, but they are not working on espionage in the United States.

Mr. LANGER. Again I agree with the Senator from Maryland 100 percent.

Mr. TYDINGS. Let us adopt language which will accomplish that purpose.

Mr. LANGER. I have the amendment prepared.

Mr. TYDINGS. Work would include work in the department. If the Senator wants to say that they cannot work in the United States or receive pay while they are here for indoctrination and training, his language is most unfortunate. I am with the Senator in theory, but his language goes further than his theory.

Mr. LANGER. I am taking the language in the bill. With my amendment, the language would read:

> While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

Mr. TYDINGS. Let me show the Senator, in good faith, what he would do by his amendment.

Mr. LANGER. I am not through.

Mr. TYDINGS. If the Senator will lay aside his pride of authorship for a moment, and listen to me——

Mr. LANGER. I am delighted to listen to the distinguished Senator as long as he wishes to talk.

Mr. TYDINGS. I do not wish to take long. However, the language would read as follows:

> While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

He could not even go to the central agency and work there. Does the Senator want to say that?

Mr. LANGER. I would not object to his working in the agency, but I do not want him to work elsewhere.

Mr. TYDINGS. I ask the Senator to read his own amendment, and see if it does not exclude work in the agency.

Mr. LANGER. The distinguished Senator just said——

Mr. TYDINGS. I cannot accept an amendment of that kind.

Mr. LANGER. Suppose the distinguished Senator drafts the amendment.

Mr. TYDINGS. I think the language is all right as it is. I am not complaining.

Mr. LANGER. The Senator said he would accept the word "not."

Mr. TYDINGS. I said that I would accept the word "not" assuming that it allowed the man to work in the agency, and allowed him to be trained in the United States.

Mr. LANGER. We can meet that difficulty very simply by adding the word "except."

Mr. TYDINGS. Will the Senator read the language as it would be with the word "except"?

Mr. LANGER. It would then read:

> While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency, and for training.

Mr. TYDINGS. How about orientation schools?

Mr. LANGER. Let us put that in.

Mr. TYDINGS. If the Senator will complete his amendment, I am willing to accept an amendment which is concise and clear, and which does not include the orthodox work of these agents within the continental United States. In my opinion, that is what the present language does.

Mr. LANGER. Let me say to my distinguished friend that no doubt he is familiar with the fact that in the debates

in the House the claim was made that when these men come back they will be used to break up labor unions. I do not believe it.

Mr. TYDINGS. Let me tell the Senator how that foolish idea originated. Let us assume that a laboring man is a part of this organization, and that we want to send him over to Germany, for example. Let us assume that he speaks German. He may never have had any affiliation with a labor union. He is going to associate with men both in and out of labor unions. Obviously he would have to be sent where labor unions meet and discuss questions, and where they act, so that he could get the feel of the situation, and so that he would not be like a sore thumb sticking out when he reached a foreign country. He would need to know the techniques, the lingo, the habits, and so forth, of those who are labor-union men, in order that he might be an efficient, undisclosed officer gathering information, without any idea on the part of those who would give it, that the information was being imparted to our Government.

Mr. LANGER. I fully agree with what the distinguished Senator says.

Mr. TYDINGS. I do not believe that the Senator can improve very much on the bill. The very questions which he has brought up have been thoroughly canvassed and considered by the committee. The exact language which we have accepted has been adopted as safeguarding our internal affairs while giving the widest scope to the agents in the external field.

Mr. LANGER. The Senator may be correct——

Mr. TYDINGS. We have been all over this question in great detail. Witnesses have been interrogated at great length. The hearings have been extensive. We have considered every phase of the problem. The Senator has not heard the testimony. Neither has Mr. CELLER, He did not attend one of the hearings—and properly so, because he was not supposed to attend them.

Mr. LANGER. The Senator's argument sounds very strange to me, after the experiences which I have had on committees. For example, take the pay bill. After more than a month of hearings last year, although the distinguished Senator from Maryland and some of his colleagues were not present at the hearings, they offered amendment after amendment. What is there sacred about this bill, that it cannot be amended? It is the same as any other bill. I think I have a good amendment.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Let me say to my friend from North Dakota that there is a great deal of difference between amending a pay bill and dealing with an extremely sensitive and secretive function of Government which has to do with the lives of men, not in wartime, but in peacetime. When we find that a man who has undertaken this work has not returned, but has been destroyed, we are not very anxious to do something which will result in the destruction of the next man who comes along to carry on the task from that point.

I have already said much more in this debate than should be disclosed. I think this debate is unfortunate. I think it ought to be in executive session. I think there is a great deal of meat in what must be said here in order to get the bill through, which is serving those who are not friends of the United States. This is one time when there ought to be secrecy. The whole atmosphere of the bill is secrecy. I regret that in answer to the Senator's questions I have been forced to disclose as much as I have disclosed. We are not serving the United States or the brave men who are going forth under all kinds of difficulties to help to place the security of our Nation beyond peradventure.

Mr. LANGER. Mr. President, I yield to no man, including the distinguished Senator from Maryland, in patriotism. However, I will never stand on this floor with a report and say, "We are not reporting everything to this body which should be reported. We are keeping some of it back." The time has not yet come, during a period when we are not at war, when we cannot discuss any bill upon the floor of the Senate. So long as I am a Member of this body, whenever any proposal for appropriations is brought before us, or a bill to draft the boys from the farms, or any other kind of bill, I will not stand idly by and say, "We cannot discuss it."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Does the Senator think we ought to tell how many men we have in this service?

Mr. LANGER. I did not ask the Senator any such question.

Mr. TYDINGS. Does the Senator think we ought to tell their names and ages?

Mr. LANGER. The Senator knows very well that I did not ask such a question.

Mr. TYDINGS. It might be pertinent information.

Mr. LANGER. It might be, but I have not asked such foolish questions.

When it comes to creating an agency, I see no harm in seeing to it that the wording of the bill is right. I for one am not going to take any chances without a protest, even though I vote alone, against the establishment of a Gestapo in the United States by which people may be hounded and harassed by a central bureau, or by anyone else.

I know the fine mind of the Senator from Maryland, and I know what a big heart he has. I know how patriotic he is. He is one of the few Members of this body who has received the highest medal that it is possible for a man in the United States to get.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KEFAUVER in the chair.) Does the Senator from North Dakota yield to the Senator from Maryland?

Mr. LANGER. I yield.

Mr. TYDINGS. I wish to say to my good friend, the Senator from North Dakota—and I hope he will forgive me if I appear a bit vain in what I am about to say—that military and scientific developments have reached such wide ramifications today that it is not always possible to give to the Senate the detailed information in regard to many things which we would be delighted to give to the Senate or to have Senators who are not on the committee know if they could come to the hearings where we hear those things.

My reactions were exactly the same as those of the Senator from North Dakota when I first approached this bill. But if my judgment is worth anything—and in making this statement I am carefully measuring my words—I wish Senators to know that in my opinion this bill is carefully worked out. Every safeguard which could possibly be put into it without destroying its purpose has been put into it. Our committee is unanimous about the bill, not because we are in favor of espionage, for we are opposed to it, but because we hope it will not occur.

So I hope the Senator from North Dakota will not suggest the amendments he has indicated, because in my judgment they would do the bill more harm than any good whatsoever which they could possibly do.

Mr. LANGER. If we leave paragraph (B) the way it is, it would do the country a great deal of harm. It now reads:

> (B) While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the agency or elsewhere—

And so forth. Mr. President, my distinguished friend, the Senator from Maryland, has not had the experience I have had with being hounded by Mr. Ickes' men, when he was Secretary of the Interior—when, as Governor of the State of North Dakota, I had men following me all over the United States, and my telephone in the Governor's office was tapped, and my desk in the Governor's office was broken into by men whom Harold Ickes had snooping around trying to "pin" something on me—and when similar things happened to the Republican lieutenant governor of Iowa, for such attempts were likewise made to "pin" something on him.

So I say to the Senator from Maryland that, in my judgment, the bill as now written would enable this agency to send its men inside the United States, into places inside the United States, for nothing in the bill would prohibit that. The only way that could be prohibited would be by inserting the word "not" in the bill at the point I have indicated.

Frankly, Mr. President, I cannot see any objection to such a change in the bill. If we make that change, paragraph (B), on page 7, then will read:

> While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

It seems to me that is an amendment which my friend, the Senator from Maryland, should, in good faith and good

conscience, accept; and I believe it would entirely do away with the charges which were made in the House of Representatives—that these men might possibly be used to break up labor unions or for some similar purposes.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Maryland?

Mr. LANGER. I yield.

Mr. TYDINGS. Of course, the Senator from North Dakota appreciates that I, as chairman of the committee, could not accept the amendment without breaking faith with the other members of the committee, who have not authorized me to do so.

I would say to the Senator from North Dakota that, as he has finally modified the amendment, he has made it a great deal more palatable. I cannot vote for it, but perhaps the Senate will agree with the point of view of the Senator from North Dakota. I hope the Senate will not, because I do not think the amendment is necessary. But I say that the Senator from North Dakota has made the amendment much more palatable now than it formerly was.

Mr. LANGER. Mr. President, I wish the Senator from Maryland would accept the amendment, because it is fundamentally right.

Mr. TYDINGS. Mr. President, I say to the Senator from North Dakota that I should like to have him repeat the amendment.

Mr. LANGER. Certainly. It is as follows:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

Mr. TYDINGS. Mr. President, I will take the amendment to conference. Of course, I do not like to be a party to any deception and I point out now that the amendment is new. It is worthy of thought. The Senator from North Dakota has made a real effort to interweave his philosophy with the exigencies and dangers involved in this whole proposition.

I will not promise that the amendment will come out of conference; but the Senator from Maryland will do his best to see to it that the amendment receives adequate consideration along the lines the Senator from North Dakota has mentioned.

Mr. LANGER. Mr. President, I am very grateful to the Senator from Maryland.

Now let me ask about section 8. What can we do there to meet the objections of Mr. CELLER? I refer now to section 8 on page 12.

I may say to the distinguished Senator from Maryland that I know that provision is not right.

What I shall mention now may have no bearing at all upon this particular piece of proposed legislation, but I wish to call the attention of the distinguished Senator from Maryland to Charlie Chaplin.

The PRESIDING OFFICER. Will the Senator from North Dakota permit the Chair to interrupt long enough to ask whether a vote is to be taken on the amendment which already has been stated.

Mr. TYDINGS. Mr. President, the Senator from North Dakota has not yet offered the amendment. I hope he will offer his first amendment now, so that we may dispose of it.

Mr. LANGER. Mr. President, at this time I offer the following amendment to the pending measure: On page 7, strike out lines 3 to 7, inclusive, and substitute the following:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

Mr. TYDINGS. Mr. President, I accept it, with the understanding that I will take the Senator's amendment to conference, if it is adopted, for further consideration, but that I do not feel bound to insist upon it if in the light of further consideration I feel that we cannot take it; but I accept it in good faith, and will attempt to see that it is given every consideration in line with the Senator's philosophy.

Mr. LANGER. Again, Mr. President, let me say that I am very grateful to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, let me inquire about the other amendment the Senator from North Dakota has in mind.

Mr. LANGER. I have in mind an amendment to section 8, on page 12. I would offer an amendment to it.

Mr. TYDINGS. I am afraid I cannot accede to that.

Mr. LANGER. I was going to suggest that somewhere in that provision we could insert the safeguards which Mr. CELLER requested, perhaps included the words "shall be provided by the Bureau of Immigration."

Mr. TYDINGS. Of course, that comes under the Attorney General. The Bureau of Immigration is under the Attorney General's Office under the new Reorganization Act.

Mr. LANGER. That is correct.

Mr. TYDINGS. If the Senator from North Dakota would like me to add: Whenever the Director and the Attorney General or the head of the Bureau of Immigration.

I would be inclined to go that far, in order that the Immigration authorities might be put directly on notice.

Mr. LANGER. Does the Senator from Maryland mind changing that to read "or under rules and regulations provided by the Bureau of Immigration"?

Mr. TYDINGS. I do not think that could be done, for the considerations involved would be so divergent.

But I think the Bureau of Immigration would not admit a man unless the Director and the Bureau of Intelligence demonstrated that it was rather imperative that he be permitted to come in.

Mr. LANGER. Perhaps so.

Mr. TYDINGS. Mr. President, on behalf of this compromise arrangement, I ask that we consider an amendment, as coming from the Senator from North Dakota, as follows:

"Strike out the first two lines of section 8, on page 12, as they now appear, and insert 'Whenever the Director, the Attorney General, and the Commissioner of the Immigration Service shall determine that the entry of a particular alien into the United States'," and so forth. What the amendment does is simply to add the Commissioner of the Immigration Service. The Senator from North Dakota wants to make sure that the immigration authorities are apprized directly of the action that is proposed to be taken.

Mr. LANGER. And, I may say, would know who the alien is, and would make a record.

Mr. TYDINGS. I would accept that amendment if the Senator will offer it now, and ask for a vote.

Mr. LANGER. I offer the following amendment: On page 12, strike out line 17, and in line 18 strike out the word "General", so as to make it read:

Whenever the Director——

Mr. TYDINGS. "And the Attorney General."

Mr. LANGER. "And the Attorney General"——

Mr. TYDINGS. "Or the Commissioner of Immigration."

Mr. LANGER. "Or the Commissioner of Immigration shall determine."

Mr. TYDINGS. I want the Senator from North Dakota to understand that in accepting the amendment and taking it to conference, he realizes I have not had the chance to give it all the thought that ought to go into any change, but I am accepting it in good faith. We will consider it in conference, but if it does not come back in the bill, I hope the Senator will not charge me with failure to carry out any agreement.

Mr. LANGER. The Senator from Maryland is the last person in the world I would charge with failure to carry out an agreement.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

Mr. JOHNSON of Colorado. Mr. President, just a moment. The Senator from Maryland read the amendment one way, and then it is being changed, and a very serious change is being made.

Mr. TYDINGS. I read it "or."

Mr. JOHNSON of Colorado. Yes. "Or" is a far different word from "and." It will not mean anything if the word "or" is used. There would be no change in it whatever, if it is amended to read "or."

The PRESIDING OFFICER. The clerk will state the amendment again for the information of the Senate.

The LEGISLATIVE CLERK. On page 12, in line 17, it is proposed to strike out the word "and" and insert a comma; and in line 18, after the word "General," it is

proposed to insert the words "or the Commissioner of Immigration."

Mr. TYDINGS. I ask that the word "or" be stricken out preceding "the Commissioner of Immigration," and the word "and" inserted.

The PRESIDING OFFICER. The clerk will restate the amendment, as modified.

The LEGISLATIVE CLERK. On page 12, in line 17, it is proposed to strike out the word "and" and insert a comma; and in line 18, after the word "General," it is proposed to insert the words "and the Commissioner of Immigration."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER], as modified.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I hope we can now have the bill passed.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

Mr. JOHNSON of Colorado. Mr. President——

Mr. TYDINGS. Mr. President, I do not think the Senator from North Dakota desires to bring up any other matters. These are the only two matters he discussed. The Senator has left the floor. I shall keep talking for a minute or two if I have the floor, until the Senator can be contacted and asked whether he has any other matters he wants to bring up.

Mr. JOHNSON of Colorado. If the Senator does not mind, and if he has nothing else he wants to say, I shall be glad to speak for a minute or two, because I have a few thoughts to express.

Mr. TYDINGS. I shall be delighted to yield. I was only making a suggestion, so we would not take advantage of the absence of the Senator from North Dakota, in the event he had not finished.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. JOHNSON of Colorado. I wished to propound a question to the Senator from North Dakota, and I hope the Senator from Maryland will remain.

Mr. TYDINGS. I have not had luncheon yet. If it is going to take long, I think I should like to get a sandwich.

Mr. JOHNSON of Colorado. I am not going to talk very long. I assure the Senator I shall be very brief.

Mr. TYDINGS. I will remain.

Mr. JOHNSON of Colorado. I shall speak briefly, and I hope very much to the point. I trust the Senator will realize my anxiety about this legislation. I do not want to keep him from his luncheon, and I apologize to him for not having been here sooner, as I had intended to be, to hear his explanation and his argument on the bill, but I could not.

Mr. TYDINGS. I have just received word that, with the amendments adopted, the Senator from North Dakota has nothing more to say about the bill.

Mr. JOHNSON of Colorado. That is fine. I do not know whether I can join the Senator from North Dakota in approving the bill with these amendments or not, but I do want to make a brief statement. I regret very much that I have not heard the discussion on the bill, but as I read the measure, it is very radical legislation. I do not know of any legislation passed by Congress which is so sweeping and which goes so far as this legislation does, except the legislation pertaining to atomic energy. I know I should feel a great deal better had the bill been referred to the Committee on the Judiciary and that committee had given attention to the sweeping provisions contained in the bill. Doubtless few Senators on the floor have the same fear of military fascism that I have; I doubt whether they have. I know that very few of us seem greatly concerned that 34 percent of all our taxes, all of our revenues, goes to the Pentagon Building. To me that is a very disturbing thing.

Perhaps I am entirely wrong; perhaps I do not comprehend the significance and effect of the pending legislation, but as I understand we are setting up in this country a military gestapo. I recall very well an argument made in this Chamber by the late Senator Norris, of Nebraska, away back in 1940. It impressed me deeply. He was arguing against the Congress of the United States setting up a gestapo in this country. I do not agree with what the Senator said in his references to the FBI, because I think the FBI has been a splendid organization, which has made a tremendous contribution to check crime and I should not want to do anything to curtail its operation. But I feel very certain that if Senator Norris were on the Senate floor today he would rise in his place to argue against the sweeping powers which are being vested in the military through this piece of legislation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. TYDINGS. I may say to the Senator that I share every thought he has expressed about the inadvisability, the lack of necessity, and the unwarranted institution of any kind of gestapo, military or otherwise, in this country. The pending bill, as I said in my opening statement, has nothing to do with the internal affairs of the United States of America. All these men work outside the United States of America, and the bill so provides. They cannot work in the United States of America. Their functions are exclusively in foreign fields, and they are gathering, by close examination, information which it is deemed necessary for our country to have, as to where this or the other thing is going on, and as to what is taking place, so that we can make our plans accordingly. I am glad to reassure the Senator that our committee had the same thought he has so well expressed, and that there is nothing in the bill to permit internal military espionage in our country by agents constituted in the Military Establishment.

Mr. JOHNSON of Colorado. It is very comforting to have the Senator make that statement. I may say I did not know the bill was coming up today. I knew it was on the calendar, and I promised myself faithfully that when I could get to it I would make a study of it and try to understand what its purposes are and what the effect of its language might be. But I have not had that opportunity. Perhaps it is all my own fault, and I regret it.

Mr. TYDINGS. I know the Senator is busy. I would say to the Senator from Colorado that the members of the Committee on Armed Services approached this proposition impelled by the same philosophy which the Senator from Colorado has expressed. We were perfectly willing to provide the Military Establishment with agents who would help in gathering pertinent military information in foreign fields. We were not willing to provide the military or any other establishment with agencies which would work in the United States in connection with our own people. There is nothing in this bill which touches the United States or is intended to touch the United States, except, of course, the headquarters are located here. The men must be told here what their missions are, and they must be given their instructions here, but the duties they perform are not performed in this country.

Mr. JOHNSON of Colorado. That reassures me completely.

Mr. TYDINGS. I know it does. Without that assurance, let me say that the Senator from Maryland would not be on this floor advocating the passage of the bill.

Mr. JOHNSON of Colorado. I have advocated for a long time that we develop our military information agencies so that we might better know what is going on all over the world. Of course, I would not want to do anything that would handicap in the slightest degree the agencies which we select to discover and to ferret out what is taking place all over the world. I realize the tremendous importance of counterespionage. The Senator's reassurance has completely satisfied me, and I shall vote in favor of his bill.

Mr. TYDINGS. I measured my words in making the statement. It is not our intention and it is not the intent of the language which we have adopted to make possible the things which the Senator has a right to fear in lieu of a closer examination. We have tried by testimony, by interrogation, and by the language of the bill to do exactly what the Senator wants done, and to stop right at the water's edge.

Mr. JOHNSON of Colorado. The reason, then, that the bill has not been sent to the Committee on the Judiciary is because it would not affect in any way justice within the United States. Is that correct?

Mr. TYDINGS. That is correct. It has to do with purely military intelligence, and with no other kind of intelligence at all.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to ask the Senator from Maryland with reference to paragraph (a) of section 6, on page 10 of the bill. I read it:

(a) Transfer to and receive from other Government agencies such sums as may be approved by the Bureau of the Budget, for the performance of any of the functions or

activities authorized under sections 102 and 303 of the National Security Act of 1947 (Public Law 253, 80th Cong.), and any other Government agency is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Agency in accordance with this paragraph may be expended for the purposes and under the authority of this act without regard to limitations of appropriations from which transferred.

Mr. TYDINGS. Would the Senator like to have my explanation of that?

Mr. McKELLAR. I doubt the wisdom of that provision. The Committee on Appropriations appropriates specifically for every department of the Government. It has been found to work extraordinarily well. I am in favor of the bill; I am not opposed to it, but I think it would be safer and better——

Mr. TYDINGS. Would the Senator like me to tell him why that language is written into the bill?

Mr. McKELLAR. Yes, I would.

Mr. TYDINGS. If this were a normal function of the Government, like, for instance, building a bridge, or buying an airplane, or providing for reforestation, or for the construction of a dam, the Senator's observation would be a very good one. But let me tell the Senator that the men who work in this particular field frequently lose their lives. As a matter of fact, to the certain knowledge of the Senator from Maryland, several have already lost their lives, and not under very pretty circumstances, because, quite often, if they are deleted, they are forced to tell why they are there, and the picture is not a pretty one. If there are vouchers containing the names and the circumstances, going through Government channels, it might be possible for foreign-espionage agents to check on who the agents are through every conceivable source of information.

Therefore, if we should employ the same kind of accounting as would be employed in connection with building a bridge, strange as it may seem, expert men, skilled in detecting from little things the probabilities, are quite often able to detect who the agents are, and in that way they are tracked down and lose their lives. This is no ordinary bridge-building proposition. This is a matter of life and death, affecting men who are trying to do something to aid the security of our country and who take an enormous risk. The committee, after thorough consideration, determined that it would be better to have this general procedure followed in order to protect the men, rather than to follow the orthodox procedure, which might result in the loss of their lives. That is the reason why that language is in the bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield as soon as I complete my answer to the Senator from Tennessee.

I appreciate the observation of the Senator from Tennessee. Normally, it would be a most outrageous thing to proceed in this manner, but I think we owe these men every possible protection we can possibly give them. Their work is not child's play; it is very, very serious business. If we are to appropriate the necessary money, we have to do it in such a way as to "bring home the bacon," if we want our country to be secure, if we want to know how atomic energy is progressing in some other country, and what plants there may be.

I hate to discuss these matters on the floor, but there is no other way I can make the Senate have confidence in the bill than by discussing these things which I would rather not mention.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Maryland yield to the Senator from Nebraska?

Mr. WHERRY. Do I have the floor, or does the Senator from Maryland have the floor? I would much rather the Senator from Maryland had it, so I could ask him some questions. I ask unanimous consent that I may ask a question or two regarding section 7 of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TYDINGS. I shall be glad to answer the Senator's questions.

Mr. WHERRY. The section reads as follows:

SEC. 7. In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of section 102 (d) (3) of the National Security Act of 1947 (Public Law 253, 80th Cong., 1st sess.) that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the Agency shall be exempted from the provisions of sections 1 and 2, chapter 795 of the act of August 28, 1935—

Here is the point—

and the provisions of any other law which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency: *Provided*, That in furtherance of this section, the Director of the Bureau of the Budget shall make no reports to the Congress in connection with the Agency under section 607, title VI, chapter 212, of the act of June 30, 1945.

Are we doing this now?

Mr. TYDINGS. Yes.

Mr. WHERRY. Then why is it necessary to have the legislation?

Mr. TYDINGS. I think it is a question whether or not the law is being winked at unless this bill is written into law. It is written now to effect a cure. It is a question as to whether we have the authority to act. In my opinion we have not the authority, but nobody is going to raise the question.

Mr. WHERRY. But we are actually doing what is provided for in the bill?

Mr. TYDINGS. Much of it.

Mr. WHERRY. Are we going to expand what we are now doing if we get additional authority?

Mr. TYDINGS. No.

Mr. WHERRY. The intention really is to implement what we intended to do under the skeleton act?

Mr. TYDINGS. The Senator has stated it exactly; the skeleton act was passed, and this clarifies that act.

Mr. WHERRY. In the committee report which the able chairman of the Armed Services Committee has submitted to the Senate appears a comment on section 7, to be found on page 4, as follows:

Section 7 exempts the Agency from the provisions of 5 United States Code 654, which require publication of personnel data in the Official Register of the United States. Section 7 also exempts the Bureau of the Budget from including in its public report to the Congress the Agency's personnel strength.

Does the section do any more than that?

Mr. TYDINGS. No.

Mr. WHERRY. That is all that is done, if we adopt this section?

Mr. TYDINGS. I am going to say something which the Senator already knows, but for the record. Ours will perhaps be the only Government having a law providing for such an activity. Other governments simply appropriate a disguised sum of money, without any authority of law, to handle the whole matter through some government official. We are writing the whole law out. I regret we cannot proceed in any other way. If the Senate knew about the details, it might be willing to do as other countries do, but we do not do business that way. We are not doing what other countries do. We are throwing every possible democratic safeguard around it as we go along.

Mr. WHERRY. I want to be sure that the assertions made in the committee report state what we are doing when we adopt section 7, and that it is to exempt the agency from the provisions of law I have just mentioned.

Mr. TYDINGS. For national security only.

Mr. WHERRY. That is correct.

Mr. TYDINGS. I thank the Senator from Nebraska for his contribution.

Mr. WHERRY. I was a member of the Committee on Appropriations, with the distinguished Senator from Maryland, when we were asked for a huge appropriation for a purpose with which we were not familiar.

Mr. TYDINGS. A billion dollars.

Mr. WHERRY. Yes. It took much faith on my part, as one charged with a part of the responsibility of making appropriations, to agree to that. A billion dollars is a great deal of money. Yet we were told that it was in the interest of national security, and we asked no questions. Afterward, of course, we discovered that it was for the purpose of developing the atomic bomb.

Mr. TYDINGS. This is in the same category.

Mr. WHERRY. We are now extending the authority, and I wanted to have it made indubitably certain that section 7, which to me is the meat of the bill, is included for the purposes outlined in the committee report, and does not extend beyond that.

Mr. TYDINGS. In measured words, I can answer the Senator in the affirmative.

The PRESIDING OFFICER. The bill is still open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2663) was read the third time and passed.

RECIPROCAL TRADE AGREEMENT POLICY

Mr. MALONE. Mr. President, when the 1934 Trade Agreements Act comes before the Senate for the proposed 3-year extension, I intend to offer the flexible import-fee bill, which I am today placing before this body as a substitute policy. I ask unanimous consent to introduce the flexible import-fee bill, and to have it printed in the body of the RECORD. The flexible import-fee principle establishes a clear-cut American policy which would provide a definite basis for cooperation among the nations of the world and a definite market for foreign goods in this country.

THE THREE-PART "FREE TRADE" PROGRAM

As a result of the administration's three-part "free trade" program, under which we are openly encouraging a large increase in imports from the European countries and urging them to become self-sufficient within and among themselves and to manipulate the price of their currency for trade advantage—many believe that this Nation is heading into a serious depression.

FREE TRADE AND UNEMPLOYMENT

It is reported that there are more than 4,000,000 unemployed at this time and probably in excess of 10,000,000 partially unemployed in this country due principally to actual and threatened imports of products from the low-wage standard of living European and Asiatic nations.

DEFINITE MARKET FOR FOREIGN GOODS

Under the proposal of the flexible import fee adjustment of rates, a definite market basis is established in the United States for the goods of all foreign nations, but they are the judges of their own living standards. However, under such a provision they would be encouraged to raise their wage living standards because they would immediately get credit by a corresponding reduction in the tariff or import fee, and when their standards of living approximated our own, then the objective of free trade would be an almost automatic and immediate result. But in the meantime, our wage standard of living would be protected.

FLEXIBLE IMPORT FEE VERSUS "FREE TRADE"

This principle is in direct contrast to the free trade program of the State Department, and all subterfuge, including a manipulation of their currency values and selling under actual costs by such foreign governments to crowd another nation's products out of the foreign markets, including our own—as evidenced by a New York Times dispatch dated May 21 of this year—will be automatically stopped by the adoption of the flexible import fee principle.

Mr. President, I ask unanimous consent to have the dispatch printed in the body of the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

TRADE LAG STUDIED FROM ECA NATIONS—GOVERNMENT SEEKS TO LEARN WHY FLOW FROM SUCH AREAS IS NOT UP TO EXPECTATIONS—TEN BILLION SEEN POSSIBLE—WOULD MEAN THREE BILLION RISE OVER 1948, REDUCE TRADE GAP AND EASE DOLLAR SHORTAGE

Surveys under Government auspices are being quietly made in trade quarters here to ascertain why the volume of imports from European countries aided by the Economic Cooperation Administration is not larger, it was learned here yesterday.

During the past week, field surveys have been made here by a team of keymen, in which the views and experiences of active importers were sought in a wide variety of lines.

Nothing was divulged as to the information or conclusions reached during the course of the surveys, other than that the data would be of assistance in coordinating the work of official agencies.

SCOPE OF FIELD WORK

The scope of the field work was indicated in scheduled contacts with importers of woolens, linens, laces, rayon and staple fiber, cottons, floor coverings, embroidery, metal products, needles, automobiles, leather goods, chinaware, department store goods, motorcycles, ball bearings, machinery, silverware, and foodstuffs. In all, some 40 different import lines from varied countries were canvassed, it is understood.

While no official statement is likely until the reports based on the surveys are made, if then, it is an open secret that Government agencies are anxious to spur imports by the United States as a major means of strengthening world economic recovery and curbing the dollar shortage and trade deficits abroad.

Import barriers ranging from antiquated customs procedure to excessively high prices abroad in the face of a declining price trend here have been cited as the major obstacles to the larger import volume that is felt necessary to reduce the export "gap," which exceeded $5,000,000,000 last year.

Foreign trade experts have calculated that if business conditions and national income continue favorable here, the United States could absorb $10,000,000,000 in imports from all parts of the world. This optimum figure, buttressed by American investment and tourist spending abroad, it is believed, would support and pay for a high level of American exports.

It compares with about $7,000,000,000 in imports for 1948.

FIRST QUARTER IMPORTS

For the first quarter of 1949, imports were close to the 1948 level for the same period. Doubt appeared to be rising, however, that total imports in 1949 will materially exceed 1948 figures, with much depending on business conditions here.

High prices abroad have been stressed as probably the major factor tending to limit European imports. In the case of British goods, this was highlighted a few days ago by Sir Stafford Cripps, Britain's economic chief, who told a conference of editors in London that prices on export goods must be cut. Emphasizing again his position that no devaluation of sterling is contemplated, Sir Stafford noted consumer resistance on the part of American buyers who were hoping to get British goods at lower prices.

Prior to recent developments, Great Britain had set a goal of $720,000,000 in exports to the United States and Canada for 1949. Sir Graham Cunningham has been named to head the drive, becoming head of a new department representing British industrial interests which will work closely with the Government's export promotion agencies.

1934 TRADE AGREEMENTS ACT

Mr. MALONE. Mr. President, it will be remembered that the Eightieth Congress extended the 1934 Trade Agreements Act for 1 year, timing it to come up at the same time as the second-year extension of the ECA or Marshall-plan appropriation and the proposed adoption of the International Trade Organization.

PERIL POINT

We added the provision to the Trade Agreements Act that the Tariff Commission must furnish the President what we called the peril point—that is, the tariff rate or import fee below which the production of the specific product under consideration would be endangered in this country—and where the floor under wages would be ineffective and would cause unemployment or a definite lowering of our standard of living.

PERIL POINT INEFFECTIVE

I am for the inclusion of the peril point—the danger point to employment and business as determined by the Tariff Commission in each case—at the same time feeling that it will have no practical effect except an opportunity for the President to emphasize his explanation to the Congress and to the public that naturally some sacrifices are necessary if we are to build a great foreign trade structure—the peril-point provision simply requires the President to advise Congress his reasons for disregarding the Tariff Commission's findings—there is nothing of a mandatory nature included in the provision.

UNDER FLEXIBLE IMPORT FEE, PERIL POINT BECOMES THE TARIFF

Under the proposed flexible import fee bill provisions, the peril point, as determined by the Tariff Commission as the danger point to employment and industry, would become the tariff or import fee.

FLEXIBLE IMPORT FEE POLICY NOT NEW

The flexible import fee policy is not new—the Sixty-seventh Congress in 1922 passed such an act which has been carried forward as section 336 of the present Tariff Act. Under the act, however, the President must initiate such changes, and rather than follow such procedure he has elected to proceed under the State Department's free-trade theory based upon the 1934 Trade Agreements Act.

My bill simply transfers the necessary action from the President to the Tariff Commission and simplifies the method of determining the peril point which would then become the tariff or import fee.

"RECIPROCAL TRADE"—A CATCHWORD TO SELL FREE TRADE

There is no such thing as the Reciprocal Trade Act—which the 1934 Trade Agreements Act is commonly called—the words "reciprocal trade" do not occur in the 1934 Trade Agreements Act—it is not reciprocal and that is not the effect produced by the selective free-trade policy which the State Department, under the guise of the act, has pursued based on the act. The Department's theory is that the more we divide our markets with the nations of the world the less their trade-balance deficits will be.

Reciprocal trade is simply a catch phrase to sell free trade to the American public—and they have done a fair job.

MANY CLOSING—TEXTILES BUSINESS FEELING PINCH

As a direct result of the 3-part free-trade program of the State Department and the administration—the mines are closing, the textiles are feeling the pinch, the precision instrument business and hundreds of other industries which have been supporting the employment and taxable property in this country are jittery—potential investors for new capital investment are nonexistent and a bad atmosphere exists generally throughout the business world.

TRADE AGREEMENTS IMPOSSIBLE

It is, of course, impossible to make trade agreements with any foreign nation that manipulates its currency, and they all do—since all they have to do in order to nullify their obligations under the agreement is to lower the price of the pound, franc, or guilder, or whatever they use for money. Such devaluation makes the entire agreement ineffectual.

MOST FAVORED NATION

The administration's policy in such trades also includes the most favored nation clause—multilateral agreements—the effect of which is to extend to every other nation the advantages given any specific nation in the agreement without such other nations making any concessions at all.

FOREIGN TRADE AUTHORITY

The reorganized Tariff Commission to be known as the Foreign Trade Authority, would prescribe import fees on foreign articles, so as to bring their selling price in the American market up to, and within, limits whereby the domestic article could compete. The only objective sought in this bill is to enable the American product to compete on a fair and reasonable basis with the foreign imported item. Under the bill, fair and reasonable competition is found to exist if the price of the imported item is a fair price and not substantially below the price at which the domestic product can be offered to the same class of consumers in the principal American markets.

FAIR AND REASONABLE PRICE

A fair price simply means a determination as to whether the selling price is a true commercial and economic price or an artificial price deliberately set by the foreign country for the purpose of capturing the American market by underselling the domestic product.

Various economic factors, such as devaluation of foreign currencies and sales at uneconomic prices to secure dollar credits are considerations which would be taken into account.

NEITHER HIGH NOR LOW, BUT A DIFFERENTIAL OF COST PRICE

One of the favorite State Department propaganda arguments is that the opponents of the trade-agreements program are high protective tariff advocates, and that they are afraid of competition. Under the flexible-import-fee principle there is no consideration of a high or low tariff or import fee. The adoption of this principle will assure competition; it guarantees fair and reasonable competition between similar products of foreign and domestic origin. What this bill eliminates is permitting products of cheap foreign labor to be dumped into our markets and sell below our high-living standard of living costs of making the same item. Anyone who can advocate lowering tariffs without lowering wages, just does not understand pay rolls. The import fee is the floor under wages.

SUBSIDIES FOR TARIFFS

The administration's long-range program has been to substitute subsidies for the tariff and import fees, so that any product not supported by such subsidy is simply due for a severe cut or is on the way out.

Mr. President, at this point I introduce my bill to amend the Tariff Act of 1930, and for other purposes, and ask that it be printed in the RECORD, and for its appropriate reference.

The bill (S. 1965) to amend the Tariff Act of 1930, and for other purposes, introduced by Mr. MALONE, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supply the needs of the United States economy;

(b) to foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports;

(c) to develop and promote a well-balanced, integrated, and diversified production within the United States so as to maintain a sound and prosperous national economy and a high level of wages and employment in industry and agriculture;

(d) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(e) to assure the accomplishment of these objectives by returning to and maintaining hereafter in the United States the control over American import duties now subject to international agreements.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on June 30, 1949, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise.

FORMATION OF FOREIGN TRADE AUTHORITY

SEC. 3. Title III, part II, section 330, of the Tariff Act of 1930 is hereby amended to read as follows:

"PART II—FOREIGN TRADE AUTHORITY

"SEC. 330. Organization of the Foreign Trade Authority.

"(a) Membership: The United States Tariff Commission shall be reorganized and reconstituted as the Foreign Trade Authority (hereinafter referred to as the 'Authority') to be composed of six directors to be hereafter appointed by the President by and with the advice and consent of the Senate. The original directors of the Authority shall be the same persons now serving as Commissioners of the United States Tariff Commission, each such person to serve as a director of the Authority until the date when his term of office as a Commissioner of the United States Tariff Commission would have expired. Thereafter the term of office of any successor to any such director shall expire 6 years from the date of the expiration of the term for which his predecessor was appointed except that a director appointed to fill a vacancy occurring for any reason other than the expiration of a term as herein provided shall be appointed only for the remainder of the term which his predecessor would otherwise have served. Directors shall be eligible for appointment to succeed themselves if otherwise qualified therefor. No person shall be eligible for appointment as a director unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of this act. Not more than three of the directors shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

"(b) Chairman, Vice Chairman, and salary: The President shall annually designate one of the directors as Chairman and one as Vice Chairman of the Authority. The Vice Chairman shall act as Chairman in case of absence or disability of the Chairman. A majority of the directors in office shall constitute a quorum, but the Authority may function notwithstanding vacancies. Each director shall receive a salary of $12,000 a year. No director shall actively engage in any business, vocation, or employment other than that of serving as a director."

APPOINTMENT OF SECRETARY

SEC. 4. Title III, part II, section 331 (a), of the Tariff Act of 1930 is hereby amended to read as follows:

"(a) Personnel: The Authority shall appoint a secretary who shall receive a salary of $9,000 per year, and the Authority is hereby empowered to employ and fix the compensations of such special experts, examiners, clerks, and other employees of the Authority as it may find necessary for the proper performance of its duties."

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 5. Title III, part II, of the Tariff Act of 1930 is amended by adding at the end of section 331 the following new section:

"SEC. 331A. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of the Tariff Act of 1930 are hereby transferred to, and shall be exercisable by the Authority, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Authority is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of the Tariff Act of 1930;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter

be increased or reduced except in accordance with the Tariff Act of 1930, as amended by this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 6. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties.

"(a) The Authority is authorized and directed, from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Authority finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Authority shall take into consideration, insofar as it finds it practicable—

"(1) The lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) Any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) The policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) The actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) The probable extent and duration of changes in production costs and practices;

"(7) The degree to which normal cost relationships may be affected by grants, subsidies, excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Authority either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however,* That no change in any import duty shall be ordered by the Authority until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Authority, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of the Tariff Act of 1930 or upon the United States value as defined in section 402 (e) of said act.

"(e) In order to carry out the purposes of this act, the Authority is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Authority shall become effective 90 days after such order is announced: *Provided,* That any such order is first submitted to Congress by the Authority and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Authority under this section which increases existing import duties on foreign articles if the Authority finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Authority, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however,* That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Authority is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 7. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the word "Authority."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the authority, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Authority, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Authority has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Authority may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Authority shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

CONTINUANCE OF PERSONNEL, FUNDS, ACTIONS, ETC.

SEC. 8. Section 339 of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 339. Effect of enactment.

"(a) All personnel, property, records, balance of appropriations, allocations, and other funds available (or to be made available) to the United States Tariff Commission shall be transferred to the Authority for use in connection with the exercise of its functions; and such transfer shall not operate to change the status of the officers and employees transferred from the Commission to the Authority. No investigation or other proceeding pending before the Commission at such time shall abate by reason of such transfer but shall continue under the provisions of this act.

"(b) Wherever in the Tariff Act of 1930, or in any other law, the terms 'United States Tariff Commission' or 'Commission' occur, such terms shall be construed to mean the 'Foreign Trade Authority' and the 'Authority', respectively."

REAPPLICATION OF SECTION 516 (B)

SEC. 9. Section 17 subsection (c), of the act of June 25, 1938, chapter 679, is hereby repealed.

STATISTICAL ENUMERATION

SEC. 10. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Foreign Trade Authority is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce, as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 11. The Authority, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930 as amended.

EFFECTIVE DATE

SEC. 12. This act shall take effect as of June 30, 1949.

WORLD ECONOMIC SOCIALISM

Mr. MALONE. The State Department plan—including the three-part free-trade program—adds up to world economic socialism—world economic socialism as evidenced by a statement by an Assistant Secretary of State emphasizing the program.

THORPE—THREE-PART FREE-TRADE STATEMENT

Willard H. Thorpe, Assistant Secretary of State, testified before the Senate Finance Committee for the extension of the 1934 Trade Agreements Act, on January 24 of this year when he said that:

1. The trade agreements program is an integral part of our over-all program for world economic recovery.

2. The European recovery program (Marshall plan) extends immediate assistance on a short-term basis to put the European countries back on their feet.

3. The International Trade Organization upon which Congress will soon be asked to take favorable action provides a long-term mechanism by which all countries' commercial policies, in the broadest sense of the terms, may be tested and guided into conformity with a pattern which will maximize trade and minimize friction arising out of expectations.

Mr. President, if anyone can understand that particular phrase he will have to have a State Department education.

Quoting from Mr. Thorpe again:

Each contributes to an effective and consistent whole.

That is the reason, Mr. President, I have tied the three-part program together several times on the Senate floor. It is only recently that the State Department has admitted it in a statement in so many words.

It is evident from the State Department's spokesman that no one part of this three-part program can be considered separately, but must be viewed together to understand the objectives of the administration which is a division of the markets of this Nation with the nations of the world—and bringing the wage-living standard of American workmen down to the level of the low cost of living standard of European and Asiatic labor.

OLD-WORLD NATIONS OUTTRADE US

The Old World—the European Marshall-plan nations—is more adept at manipulations of the factors affecting international trade than this Nation can possibly be. They have competed with each other and with other parts of the world for such trade for more than a thousand years—starting in the days of the buccaneers and the pirates—our merchant ships were simply captured and confiscated wherever found and towed into port. Later the colonial system was established by the empire-minded nations and the system of empire preferential rates was established.

EMPIRE PREFERENTIAL RATES

Empire preferential rates, Mr. President, simply means that under the colonial system the raw materials come to the mother country through the influence of such rates, and then the same principle as utilized in selling the manufactured product back to the colonial possession.

The first—that is, the buccaneer system—of course, became outlawed in the natural course of events, and the second has begun to wear thin, due to the impossibility of the empire-minded nations protecting and keeping the colonies permanently subdued.

They have now arrived at the three-part free-trade system, which includes, first, the making up of the trade-balance deficits of each of the European nations in cash, where our chief export is cash; second, the 1934 Trade Agreements Act, under which the State Department has adopted a selective free-trade theory on the basis that the more they divide our markets with the nations of the world, the less their trade-balance deficits; and, third, the international trade program—with 58 nations having 58 votes—we would have the same vote as Siam, the smallest nation, to which each nation would assign its tariff and import fee-making power, and they would meet once each year and divide the production in the markets of the world eventually on the basis of population. This is the modern way of gaining trade advantage.

ECONOMIC PITFALLS

To visualize some of the economic pitfalls when we enter the field of economic diplomacy, I asked unanimous consent to have printed in the RECORD at this point an article by Joseph E. Evans, appearing in the Wall Street Journal on May 26, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESSURE ON BRITAIN—IT MOUNTS FROM INSIDE AND OUT; STERLING DEVALUATION WOULD POSTPONE BUT NOT PREVENT AN EXPLOSION

(By Joseph E. Evans)

Something has got to give. That describes Britain's economic situation today.

So much pressure is building from so many directions that an explosion is inevitable. Whether the blow-up will occur in the Labor government's inflated view of the pound, the government's inflated view of the worth of British exports or even in the Labor government itself is a matter of opinion. The plain fact is that Britain cannot go on as it is.

The way it is going is the way to economic collapse. Perhaps not collapse with a bang, but a slow leak can deflate a tire as well as a puncture.

Here is some of the mural handwriting:

Britain's foreign trade has slumped all over. Its trade deficit with dollar countries, spectacularly cut last year, has been increasing all this year. Its general trade deficit more than doubled last month. There is no reason to suppose these conditions will improve.

While Britain grows poorer, its powerful trade unions are demanding to be made richer. They want higher real wages in addition to government health services and subsidies on food and housing. Despite Chancellor of the Exchequer Sir Stafford Cripps' specific assertion to the contrary, they are convinced they can have their cake and eat it too.

The pressure is not only internal; it is also external. International Monetary Fund, Economic Cooperation Administration and United States Treasury officials are believed to favor general readjustment of European exchange rates, including that of the pound.

The expectation of sterling devaluation is becoming so general that a New York distributor of British woolens has already announced he will protect his customers against devaluation up to the end of this year. British officials, of course, refuse to admit the possibility; as recently as last week Cripps said there could be no question of devaluation.

STERLING BALANCES ACCUMULATE

But the heaviest artillery trained on British monetary policy is mounted on the continent. Britain's partners in the Organization for European Economic Cooperation, which was set up to unite the recovery of Marshall plan recipients, complain that overvaluation of the pound prevents them from importing from Britain, while as a result of their exports to the sterling area they accumulate quantities of sterling which they cannot use. When the continent's trade with so large an area as the sterling zone is hit, the continent is in trouble.

The effect of this is further to choke not only trade with Britain but trade all over western Europe. That trade is anyway at such low ebb the OEEC hopes to increase it by the end of the Marshall plan only to the levels of 1938, although there has been a population increase of approximately 9 percent since then.

The OEEC is currently trying to unsnarl the web of exchange controls, import restrictions, tariff and preference barriers and discriminatory practices which is hogtieing trade among member countries. If they do not openly say so, the continental nations strongly imply that British policy is to a large extent responsible for the maintenance of these restrictions.

This is what happens. Italy, which has some $30,000,000 in sterling kicking around, will not buy from Britain because it says it can't get what it wants there; anyway it thinks the pound is priced too high and therefore it won't get its money's worth. Italy could use its idle sterling to buy from other countries but says other countries don't want to sell their goods at the British-fixed rate of 2,317 lire to the pound.

Multiplying that situation a few times produces an inevitable sum; strangulation of trade. Furthermore, the accumulation of sterling balances in other countries makes Britain trade increasingly by means of bilateral arrangements—when neither goods nor money can move freely, trade is reduced to a you-scratch-my-back-and-I'll scratch-yours basis. Trade is thereby still further restricted.

Last year the OEEC set up a so-called intra-European payments plan, which it was hoped would cut away some of the restrictions, help stabilize currencies and thus stimulate trade. A special fund of ECA conditional dollars was established from which nations could draw in proportion as they extended credits, or drawing rights, in their own currencies to other countries.

But the countries didn't draw much. Italy used none of the $27,000,000 allotted her, very probably because $25,000,000 of it was in sterling. The trizone of Germany, entitled to $114,000,000, used less than $25,000,000.

RESORT TO BILATERAL DEALINGS

The payments plan actually encouraged bilateralism, because it fixed the amount of credits each OEEC member should give or receive from every other member. It offered no incentive to reducing dollar needs either by pushing exports to America or by reducing imports from America. And it forced trade into lines of rigid national planning.

This scheme expires the end of next month. The OEEC is frantically trying to devise something better. There is talk, among other ideas, of extending the drawing

rights to achieve a greater degree of multilateralism—that is, normal free trade. But until the British knot is untangled any such efforts are doomed to be palliatives. The continental countries seem determined that the British knot shall be untangled.

With so much emphasis on the overvaluation of the pound, the solution would seem simply to devalue it. And that would be at least a temporary help. But it would not be a cure. It would not be a cure because the labor government probably would not devalue enough. If it devalued the pound to a realistic rate it would be cutting its own political throat.

What would happen? Exports would go up, but what Britain bought for dollars would be costlier. At home, food would be more expensive; if the Government didn't raise prices, it would have to take more out of the taxpayer's pocket to subsidize food. Either way the clamor for wage increases which the Government couldn't grant could well be enough to unseat the Labor Party.

But devaluation would not be a cure for the more important reason that it does not go to the root of the evil. The root is rigid economic control, of which currency overvaluation is a branch. But the British Labor Government will not cut out the root because it would then cease to be a labor—that is, a Socialist—government.

What the labor government, feeling this combination of pressures, may do is order a token devaluation of the pound. The pressure would be somewhat eased thereby, and the whole picture of the European recovery program made clearer, but it would not be a fundamental solution. The labor government might postpone but it would not avert economic crisis.

It is just possible that the forces exerting the present pressure on Britain will, like the pagan gods of old, reject such an inadequate offering. In that case, is difficult to see how the labor government could avoid its fate.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LANGER. I did not quite understand who the man was who wrote this article.

Mr. MALONE. His name is Evans. He is a special writer. It so happens that Mr. Evans, whom I do not know, outlined almost perfectly, and much better than I could have done it, the intricacies and the many factors of international finance and the finagling for trade advantage in the manipulation of the price of the currencies of the various nations of the world, and the matter of certain foreign nations taking a loss in order to capture the market in this or another country, about which the United States representatives seem to be entirely ignorant.

Mr. LANGER. I thank the Senator.

AN AMERICAN POLICY

Mr. MALONE. The alternative to all this finagling through the manipulation of their currencies by foreign nations for trade advantage and financing a part of the cost of a product to take the market in our country, is simply to establish an American policy which will maintain our standard of living while we are assisting to the best of our ability other nations of the world to raise their own. It would then be in their interest to conform and cooperate and would result in raising their own living standards.

FLEXIBLE IMPORT FEE—MEET CHANGING ECONOMICS

In other words, if we have a definite, flexible import fee that would represent at all times the differential in cost as between the foreign product delivered in this country and our own production costs with respect to each specific product. The import fee is flexible and can be adjusted by the foreign trade authority—now the Tariff Commission—to conform to the changes in the economics of nations which are of course in a continued state of flux in the same manner as our own economic system.

Such adjustments can be made by the authority to meet the manipulations of currency or any other factor utilized for trade advantage. Then, as other nations raise their standard of living, they will receive credit through a comparable lowering of the import fee and when their living approximates our own, free trade will be the immediate and automatic result. It will be to their interest to pay higher wages to their own people, rather than come in at our level of costs, and pay the difference into the United States Treasury.

IMPORT FEE DOES NOT PREVENT IMPORTS

Such an import fee does not prevent imports, but would bring the product in on our basis of costs. It would be a floor under wages, and a protection to the workingman of America, as well as to our economy.

Such is the legislative proposal which I have offered—called the flexible import fee—under which other nations would receive immediate credit, through a lowered import fee, for any advance in their standard of living. Of course, when they reach approximately the level of our living standard, free trade, which is the desirable objective, is almost the automatic and immediate result.

SENATOR ARTHUR CAPPER

In that connection I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article written by former Senator Capper and published in the Topeka Daily Capital, of Topeka, Kans., for May 23, 1949.

In this article former Senator Capper very ably explains why such a plan as is proposed by the State Department is impossible of operation. The flexible import fee is simply a floor under wages, and supports our wage and living standards, and is designed to maintain our high living standard while assisting other nations of the world to raise their own. No advantage would be gained by holding wages in the colonial possessions down.

NO ADVANTAGE TO HOLD LIVING STANDARD DOWN

Immediately it would become advantageous to other countries to raise wages to their own people and to raise the level of their economic system. At present it is to their advantage to make a 3-year agreement with the State Department and then lower the price of their currency so as to come below any agreement they may have made up to that time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAPPER QUESTIONS SOUNDNESS OF ALL THREE BIG WORLD ASSISTANCE PLANS

There is nothing reciprocal about the reciprocal trade agreements program, former Senator Arthur Capper said yesterday as he quoted Senator MALONE, an opponent of the plan. The complete text of the weekly Capper message heard over Station WIBW follows:

Sometime ago I received a letter from Senator GEORGE W. MALONE, of Nevada, about which I had intended to talk to you earlier. But other things kept coming up and our discussion of Senator MALONE'S views of the so-called reciprocal trade agreements, the Marshall plan, and the proposed International Trade Organization has been delayed.

GEORGE W. MALONE, the Senator from Nevada, by the way, is a Kansan. He was born on a farm near Fredonia; played twilight baseball in southeast Kansas in the early years of this century. Then he went to the west coast, took an engineering course at the University of Nevada, went into the Army in 1917; has served as department commander and national vice commander of the American Legion. He is recognized as a leading engineer throughout the Mountain States. Kansas-born GEORGE MALONE is serving his first term in the Senate of the United States, is a Republican with considerable independence in his make-up.

Senator MALONE is opposed, strongly opposed to the so-called Reciprocal Trade Agreements Act. He was one of the few who was outspoken against the Marshall plan. And he is preparing to make a last-ditch fight against Senate ratification of the International Trade Organization treaty when that comes up.

Appearing before the Senate Finance Committee recently, Senator MALONE informed that committee of his opposition to all three of these programs.

"The people of this Nation do not realize the deadly serious long-range effect on the workers, farmers, merchants, manufacturers, and industrialists," Senator MALONE declared, "of the permanent free-trade plan of the economic one-worlders included in this three-phase program, of which the 1934 Trade Agreements Act is but one part."

At this point I should explain that the Eightieth Congress renewed the Trade Agreements Act for 1 year, but included a provision requiring a report from the Tariff Commission as to the effect of any proposed reduction in tariff rates before these should go into effect. The administration is now asking a 3-year extension, without the protective tariff commission provision.

Now we'll go back to Senator MALONE. He insists there is nothing reciprocal about the so-called reciprocal trade-agreements program. And I believe he is correct. Under this program the American farmer was sold down the river in the thirties. I called attention to this at the time. The outbreak of World War II created a temporary and highly artificial market for American farm products, or this would have been recognized as a fact years ago.

The question of high- or low-import fees, or tariffs, is not the main issue, according to GEORGE MALONE. Instead, the question is whether the difference in cost of production of an article here and abroad is to be taken into account in fixing import fee, or tariff. I am taking it for granted you know that in the United States a high-wage standard of living prevails. Most of the rest of the world lives, exists on a low-wage standard of living.

"The difference in production costs is mostly due to the difference in wage or labor costs," Senator MALONE explained. "Especially since our up-to-date machinery and technical know-how, including the assembly-line methods, are immediately available to

these low-wage countries." Senator MALONE then made the flat charge, and there is a lot of truth in it as I see the picture.

"The three-part program currently advocated b ythe State Department is designed to undermine the basic economic structure of this country," Senator MALONE charges. "It has the objective of dividing our markets and leveling our living standards to the low-wage living standards of the Asiatic and European nations."

While I would not go quite so far as to say the program is designed to do just that, I will say I thoroughly agree with Senator MALONE that will be the end result.

The three parts of the program, MALONE says, are these:

First, appropriations to make up the trade-balance deficits of the European nations in cash each year, currently labeled the Marshall plan. Our chief export is cash.

Second, extend the selective free trade principle adopted by the State Department through a 3-year extension of the 1934 Trade Agreements Act.

Third, adoption of the International Trade Organization (ITO)—58 nations with 58 votes—each with 1 vote. The ITO will meet each year to distribute among themselves the remaining production and markets of the world.

It is impossible to discuss one of these parts without bringing in the other two, says MALONE, because they belong together.

"The ultimate objective," MALONE charges, "is to level our living standards with the rest of the world. Of course this is done with the announced objective of raising the standard of living of the remainder of the world by dividing our markets with them."

I believe Alf Landon raised the same point in the earliest discussions of the Marshall program. After we have supplied Europe with up-to-date machinery (paid for largely by us) and given them the know-how to operate it, then what will we do when their products start flooding our own markets and displacing our own manufacturers in our own markets?

I do not believe myself, my friends, that we can laugh off the answer to this question. Right now, except for a few lines such as watches and clothespins and such, Europe's industries are not sending us goods that undersell our own production in sufficient quantities to be noticeable. But they still are short in meeting their own needs.

But our British statesmen are making no bones about it. Whenever the Marshall plan aid ceases flowing to Britain they expect our American markets to take enough of their British manufactured goods to more than make up the loss of Marshall plan funds.

"All this reminds me," comments Senator MALONE, "of someone trying to average the level of the water in a water glass and the city reservoir. You could empty the entire contents of the water glass into the city reservoir without much effect on the reservoir, but what it would do to your glass of water.

"I simply want to emphasize at this point," I still am quoting Senator MALONE, "that if this free-trade plan is to continue and the American worker is to be put in direct competition with the low-wage labor of the Asiatic and European nations and the South Sea—

"Then there is nothing that can happen to us except a definite lowering of our high-wage standard of living.

"It simply means that approximately 7 percent of the population of the world (our 150,000,000 people) is trying to raise the standard of living of the 93 percent (more than 2,000,000,000 people) through a direct division of jobs with them."

I think I get Senator MALONE's point. In fact I believe I have expressed myself, not once but many times, the conclusion that 7 percent of the world's population cannot level off standards of living with 93 percent except by greatly lowering our own standard of living without greatly lifting theirs.

Just a homely illustration, which I believe I have used before. Say that our people average a diet that measures out about 3,300 calories. The average of the rest of the world is 2,000 calories. If all were dumped into a common pool—equalized under a one-world arrangement of some sort—here is what would happen. The average would be 2,091 calories. In other words, to give the other peoples of the world an additional 91 calories each, our people would be cut down from 3,300 to 2,091 calories.

Maybe that is what ought to happen. But do you want it to happen to you?

I say there is food for a lot of real thought in the protest of Kansas-born Senator MALONE against the United States swallowing all three of these world-help proposals—trade agreements, Marshall plan, and International Trade Organization control of our foreign trade—without doing some serious thinking whether or not we can digest all three and ever look the same again.

This ITO business, I might add, has me greatly worried. It has been sold to many leaders and organizations, but so far as I can learn, without ever being explained. Except that it has a worthy, do-good objective, and is the best the State Department can suggest to attain that worthy, do-good objective.

As nearly as I can figure, once the Senate approves it as a treaty, the United States gives to some 57 or so other nations the authority to tell the United States how much and to whom it shall export goods; how much and from whom it shall import goods, and, in case our exports are larger than our imports, what steps we shall take in our own country and in our own economy, to balance our exports and imports. The decision of the governing council of ITO, and of the ITO assembly, will be made by majority vote—and we will have just one vote when the rolls are called.

Frankly, I do not have that much faith in human nature. Have you?

Mr. MALONE. Mr. President, if we extend the Reciprocal Trade Agreements Act for 3 years, I predict that within 60 to 90 days following the passage of the bill England, France, the Netherlands, and many other nations will substantially lower the price of their currency and come under any agreement they have made up to that date.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, the unfinished business is known as the reciprocal trade-agreements legislation.

The PRESIDING OFFICER. The Senator is correct.

Mr. WHERRY. May I ask the distinguished majority leader if it is not now the intention to bring up Calendar No. 284, Senate bill 1008, a bill to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight absorption practices. It was my impression several days ago that after the so-called unification bill was disposed of and the central intelligence bill was completed, the Senate might consider this bill.

I have a deep feeling that this is one of the most important pieces of legislation that will come before the Senate. One may classify legislation as major and minor if he so desires. In my opinion, this is one of the most important pieces of legislation, in whichever class one may place it, that will come before the Senate.

As I have told the distinguished majority leader on many occasions, I have received innumerable letters from small-business men all over the country demanding that the confusion which now exists in freight rates because of the Supreme Court decision be clarified. This situation applies to all classes of producers, in addition to cement and steel producers. Literally scores of producers and fabricators need to know where they stand, for at least a period, so that business can again be conducted in an orderly fashion.

I do not wish to make a speech at this time in favor of consideration of the bill. I point out that it is an important piece of legislation. I know that there are two sides to the question. As a rule all questions have two sides, and there will be some debate. I submit to the distinguished majority leader that I feel that if that measure were made the pending business, there is every hope that by Tuesday the bill would be in such shape that with very little debate on the following day we might be able to reach a determination one way or the other.

I would deeply appreciate it if the distinguished majority leader could see his way clear to make the bill to which I refer the pending business, displacing the unfinished business, which is the reciprocal trade-agreements legislation.

Mr. LUCAS. Mr. President, I know how interested the distinguished Senator from Nebraska has been in the so-called basing-point measure.

I also am aware of the interest of the senior Senator from Pennsylvania [Mr. MYERS], who is the author of the moratorium bill. Unfortunately, the distinguished Senator from Pennsylvania was called out of the city today. As a result of that situation, I deemed it not to be in the best interests of the basing-point bill to have it taken up now.

Furthermore, as the distinguished Senator from Nebraska knows, on yesterday at the close of the session we were discussing the basing-point bill, insofar as the future program of the Senate was concerned. It was understood at that time that the Senator from Pennsylvania, and the Senator from Wyoming [Mr. O'MAHONEY], were attempting to compose their differences as to that bill by means of some kind of an amendment to it. The Senator from Pennsylvania left word in my office that because the Senator from Wyoming was unusually busy with the handling of appropriations, it was impossible for them to get together and agree upon any amendments to the bill; and the Senator from Pennsylvania thought it would be best if perhaps we could take up the home-rule bill, and give them an opportunity, perhaps on Tuesday and Wednesday, to work out the difficulties in connection with the basing-point bill.

I can assure the distinguished Senator from Nebraska that, following the action of the Senate on the home-rule bill, we shall take up the basing-point bill; and the only reason I am asking that the home-rule bill be taken up now is in view of what seems to be a slight misunderstanding between the two able Senators

I have previously named, the Senator from Pennsylvania and the Senator from Wyoming.

Mr. WHERRY. Mr. President, in view of the statement of the Senator from Illinois that when the Senate completes its action on the home-rule bill the basing-point bill will be made the unfinished business—and, of course, I understand that, in making that statement, it is the intention of the Senator from Illinois that that be done, subject, of course, to the will of the Senate.

Mr. LUCAS. Yes; that is the intention.

Mr. WHERRY. If that is the situation, I wish to go on record as not desiring to interfere in any way with the program arranged by the majority. But my opinion is that the home-rule bill will take longer to handle than is anticipated. I am quite sure that if either the home-rule bill or the basing-point bill is made the unfinished business at the end of the session today, the Senate's action on it will not be completed before Wednesday.

So, again I submit to the distinguished Senator from Illinois, the majority leader, that the basing-point bill, which I am asking to have taken up now, is of much more importance, country-wide, than the home-rule bill, although in making that statement I am not saying anything in any way disparaging of the home-rule bill.

However, I wish to point out that—no doubt because I formerly was chairman of the Special Committee on Small Business, which since has been terminated—I am still receiving considerable numbers of letters in which action on the moratorium bill, the basing-point bill, is requested. It is clear that in the interest of business, the sooner the Senate takes up that bill, the better it will be.

Of course, if the Senator from Illinois is definitely of the opinion that the course he has suggested is the best way to expedite Senate action on the basing-point bill, I shall not press my request further. However, my opinion is that regardless of which bill is made the unfinished business at this time, we shall still go into Tuesday or Wednesday before action on either bill is completed.

So I hope that nothing which may be done by the Senate will result in causing Senate bill 1008, Calendar No. 284, not to receive the consideration which it must receive. I sincerely hope that the action of the Senate in regard to all other pieces of proposed legislation which I know the majority leader has already announced will be brought up for consideration by the Senate in the very immediate future, will not prevent Senate bill 1008 from receiving the consideration it must receive.

Mr. LUCAS. Mr. President, I am sure the able Senator from Nebraska will not object to having numerous small-business people and numerous large-business people throughout the country continue to write him letters for a few more days. I know that the distinguished Senator from Nebraska has the office personnel and office capacity to answer all such letters, and I am sure it will be good for him to receive a few more letters from such people throughout the United States.

Mr. WHERRY. Does the Senator from Illinois mean that it will be good for me to keep up my contacts with such persons?

Mr. LUCAS. Yes; contacts with the "big fellows."

Mr. WHERRY. No; I have in mind the "little fellows."

Mr. LUCAS. Yes; I know the Senator from Nebraska will "stay with the little fellows," regardless.

But, Mr. President, under the circumstances, I feel that we should proceed to the consideration of the home-rule bill. After that bill is acted upon, I say to the Senator from Nebraska—of course, I cannot guarantee it, but I am almost positive of this—that we shall bring up the basing-point bill.

Mr. WHERRY. Very well. Of course the Senate itself must decide the matter, in the final analysis.

But if the Senator from Illinois says he will attempt to have the basing-point bill brought up, that suits me.

Mr. LANGER. Mr. President, I wish to assure the distinguished majority leader that, inasmuch as I have filed minority views on Senate bill 1008, I hope it will not be brought up in the Senate until the Senator from Wyoming can be present. He has been over the matter with me several times.

Mr. LUCAS. The Senator from North Dakota is referring to the basing-point bill, of course.

Mr. LANGER. Yes. I hope that bill will not be taken up by the Senate until the Senator from Wyoming is present.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. LUCAS. I am very happy to know that the Senator from North Dakota and I are together on this matter, at least this afternoon.

Mr. President, of course the unfinished business is the Reciprocal Trade Act extension bill, House bill 1211. I now ask unanimous consent that the Senate temporarily lay aside House bill 1211, and proceed to the consideration of Senate bill 1527, Calendar No. 250, a bill to provide for home rule and reorganization in the District of Columbia.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. JOHNSTON of South Carolina. I object.

The VICE PRESIDENT. Objection is heard.

Mr. LUCAS. Mr. President, I now move that the Senate proceed to the consideration of Senate bill 1527, Calendar No. 250.

The VICE PRESIDENT. Of course such a motion, if carried, will displace the measure which is now the unfinished business.

Mr. LUCAS. That is correct.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

Mr. RUSSELL. I suggest the absence of a quorum.

Mr. LUCAS. Mr. President, I join the Senator from Georgia in suggesting the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum having been suggested, the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Capehart	Holland	Millikin
Chapman	Ives	Neely
Chavez	Johnson, Colo.	O'Conor
Connally	Johnson, Tex.	Pepper
Cordon	Johnston, S. C.	Robertson
Donnell	Kefauver	Russell
Douglas	Kem	Schoeppel
Downey	Kerr	Smith, Maine
Eastland	Knowland	Sparkman
Ecton	Langer	Stennis
Ellender	Long	Taft
Ferguson	Lucas	Taylor
Flanders	McCarthy	Thomas, Utah
Frear	McClellan	Thye
Gillette	McFarland	Tydings
Gurney	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Withers
Hill	Martin	Young

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of Calendar 250, Senate bill 1527, the District home-rule bill.

Mr. WHERRY. Mr. President, once again, before the motion goes to a vote, I desire to make my position clear. I had already asked the majority leader whether he could not see his way clear to make Calendar 284, Senate bill 1008, the unfinished business. He stated that the Senator in charge of the bill was out of town and would be out of town until Tuesday. My reply to the distinguished majority leader was, "It does not make any difference to me whether one bill is taken up or the other inasmuch as it seems the consideration of either one could not be completed today and would necessarily be carried over until next Tuesday, anyway." The distinguished majority leader said, "If that became the unfinished business, the Senator from Wyoming and the Senator from Pennsylvania might agree on certain amendments that would be offered, which would be acceptable to them." I did not object to the consideration of the home-rule bill, and I know the record will bear me out, but if it comes to a question of whether we should take up the home-rule bill or the basing-point bill, I much prefer to take up the basing-point bill, because I think it is important legislation. I am not going to ask any Senator to support my position in the matter, but I want the Vice President to know that even though I went along with the majority leader, and want to do so now, yet I feel that the basing-point bill should be made the unfinished business, if it comes to a choice between the two bills.

The VICE PRESIDENT. The motion cannot be made to substitute the basing-point bill for the District government bill.

Mr. WHERRY. I understand that. That is the reason I wanted to give my explanation, because, if it comes to a decision as to which of the two bills is to be taken up, I am in favor of taking up the basing-point bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of the so-called District government home-rule bill.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to invite

the attention of the Senate at this time to the fact that the bill is being called up without notice having been given. Several Senators who are now absent are very much interested in the bill. I know my colleague from South Carolina would like to be present when the bill is discussed. I object to having it brought up at this time, without the Senate's having had notice in advance.

Mr. LUCAS. Mr. President, let me say to the able Senator from South Carolina that there will be no vote upon the home rule bill or upon any amendment to it this afternoon. The Senator from Tennessee [Mr. KEFAUVER] is anxious to present his case in behalf of the bill, and perhaps other Senators will speak upon it, and we can make a start on home rule for the District of Columbia. It is nearly 3 o'clock in the afternoon, and the Senator from Illinois does not feel that the Senate should adjourn until Tuesday without starting to consider this bill.

Let me say to the distinguished Senator from Nebraska that we cannot take up the basing point bill in the absence of the Senator from Pennsylvania with whom I have an agreement not to take it up today. I think that bill will be considered following the home rule bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I hope the distinguished majority leader will not give the impression that the basing point bill will not be taken up soon. I understood, when I withdrew my objection to the consideration of the home rule bill—and I am certainly satisfied to go along with the program of the Senator from Illinois this afternoon—that the basing point bill would be the next one the majority leader would suggest be brought up. Of course, the Senate has to approve.

Mr. LUCAS. Obviously, the Senator from Nebraska is correct. I told him definitely, in the colloquy I had with him, that insofar as the Senator from Illinois was concerned, while he could not definitely guarantee it, the hope was that the basing point bill could be brought up in a short time. There are many Senators vitally interested in it. I know the Senator from Nebraska is interested in it. I hope it will be taken up following consideration of the home rule bill.

The VICE PRESIDENT. The question is on agreeing to the motion to proceed to the consideration of the home rule bill.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to state to the Senate that in looking over the calendar it seems to me there are many bills which are not so controversial as is this particular bill, and the Senate could consider some of them and dispose of them, without starting today consideration of the home-rule bill, which is so controversial that I do not think it is proper to start consideration of it on a Friday afternoon.

The VICE PRESIDENT. The question is on agreeing to the motion to consider the District of Columbia home-rule bill.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mr. EASTLAND. Mr. President, I ask unanimous consent to offer an amendment to the bill. I offer it on behalf of myself and the Senator from South Carolina [Mr. JOHNSTON].

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. KEFAUVER. Mr. President, this is a momentous day for the District of Columbia. For the first time in nearly three-quarters of a century, the Senate is taking up for consideration a bill granting home rule to the residents of the District of Columbia.

We who are citizens of the States—citizens of the United States—like to think of Washington, the Nation's Capital, as the center of world democracy. It is the Capital of the democratic world. The free people of the world now look to the United States and to Washington, its Capital City, for moral as well as material support in these trying times.

This city of Washington—the District of Columbia—has now a population of almost 1,000,000 inhabitants. The population of the District of Columbia is approximately as great as the combined populations of Nevada, Wyoming, and Montana. The state of literacy is the highest of any place in the United States, the people of District of Columbia have a broad cultural background, and yet, so far as citizenship is concerned, they exist in a twilight zone.

We are constantly talking about the right of free peoples to have a say in their own affairs, and yet, insofar as I know, this is the only great city in the democratic world where people do not have suffrage.

Senate bill 1527 in providing local self-government for the District of Columbia, restores to District citizens a type of government which the Congress established soon after the District was created, and which prevailed for three-quarters of a century.

It was in 1790, 3 years after the Constitution was agreed upon and signed, that Congress decided to locate on the Potomac the seat of the United States Government, defined in the Constitution only as a district not exceeding 10 miles square, to be secured by Congress by cession from the States. At the same time Congress accepted the cession by Maryland and Virginia of the respective parts of their territories needed to form the Federal District, it decided that the Government should move to such district in 1800, 10 years later, and provided that the laws and governing units of Maryland and Virgina would continue in effect within the District of Columbia until Congress ruled otherwise.

Thus for a 10-year period immediately following the creation of the District of Columbia, Congress delegated to the Legislatures of Maryland and Virginia the authority to legislate for the District, a delegation which was considered by Congress to be entirely consistent with the provision in the Constitution that Congress shall have the power to exercise exclusive legislation over the Federal District. This action by Congress carried out the principles set forth in Madison's Federalist paper, No. XLIII—the only elaboration of this particular article of the Constitution—in which Madison stated that the draftsmen of the Constitution did not intend to deprive the citizens of the Federal District of the right to elect "a municipal legislature for local purposes."

In this connection, it must be remembered that to the framers of the Constitution the term "exclusive legislative authority" meant an authority independent of any of the States, and not necessarily an authority which Congress itself must exercise without delegation. This is traceable to an incident which occurred in 1783 when the Continental Congress was meeting temporarily in Philadelphia. A group of soldiers of the Continental Army mutinied and converged on the Congress to demand back pay. The Continental Congress appealed to the State of Pennsylvania for protection, but the State authorities declined on the ground that the Philadelphia militia would not fight unless some "outrage" occurred. As a result, the soldiers poked their muskets through the windows of the chamber in which Congress was sitting and disrupted its deliberations. Congress immediately adjourned to a safer location, in Princeton, N. J., and it was there, in a debate on the location of a permanent capital, that the first reference was made to granting Congress exclusive authority over the new Capital. By this it was clearly meant that the States should surrender jurisdiction over the Federal site to Congress in order to avoid a repetition of the indignity which Congress suffered in Philadelphia.

When the Government moved to its new Capital in 1800 it was necessary for Congress to make a further decision regarding the government of the District, since the 10-year period during which it was governed by the laws of Maryland and Virginia was about to expire. A bill calling for complete assumption by Congress of the government of the District, acting through executive officers appointed by the President, was rejected chiefly because of the clamor from local residents that such a measure would disenfranchise them. A territorial government, with an elected legislature and an appointed executive, was considered, but in view of the complexity of the problem Congress fell back on what was essentially a continuation of the existing system.

The law of February 27, 1801, whatever its limitations, set the basic pattern for District government for the next seventy-odd years. The District was divided into two counties separated by the Potomac; the laws of Maryland and Virginia, then in existence, were continued in effect, and the further legislative authority of the States within the District was ended; the municipal governments of Georgetown and Alexandria, which included a council and a mayor elected by the voters, were continued; and a Federal court system was established. The city of Washington, the only part of the District without adequate governmental machinery, was granted a corporate charter by Congress the following year, 1802.

This charter provided for a twelve-member elected council and a mayor appointed by the President, who had a veto power over the actions of the council. In 1811, the members of the council were given the right to pick their own mayor, and in 1820 the charter was amended to permit the mayor to be elected by the people. This form of government continued until 1871, without substantial change.

I call the attention of Senators to the fact that in the Congress at the time the law of 1802 was passed sat many, as Members of the House of Representatives and of the Senate, who had been members of the constitutional convention, and they raised no objection to the constitutionality of giving residents of the District the right to vote, or of delegating to the people of the District of Columbia the right of self-government.

Early in the history of the District, Congress realized that fiscal matters played an important part in the relationship between the Federal and District governments. The transfer of the Federal Government to the District of Columbia entailed additional expenses of a national rather than a local character, and local tax rates had steadily increased since the establishment of the Federal Government in Washington.

Congress quickly accepted responsibility for paving for streets fronting public property, but the appropriations seem to have been insufficient for the purpose. In 1822 Senator Eaton, of Tennessee, finding Pennsylvania Avenue impassable for horse or foot, called on Congress to bear the burden of maintaining United States property. In 1836 Congress for the first time appropriated money to be used by the District for a nongovernmental purpose when it assumed certain canal debts incurred by the municipalities of Washington, Georgetown, and Alexandria. Ten years later, when Alexandria again experienced financial difficulties because of the failure of the canal project, Congress quickly acceded to the petition of Virginia to restore Alexandria to that State.

In 1868 the current charter of Washington was due to expire, and Congress was once more required to face the difficult problem of District government. Two alternatives were considered: a territorial form of government with an elected legislature and an appointed governor, and a commission form of government with the three appointed commissioners and no elected officials. The issue was a thorny one, particularly because some of the substantial District residents, dissatisfied with the universal male suffrage which Congress had imposed on the District 3 years before, favored the commission form of government. In the end Congress avoided a decision and extended the existing charter.

By 1871, however, it became essential to give the District a more modern and efficient government, capable of providing overcrowded Washington with adequate streets, sewers, and other public improvements so that it could become a capital city of which no citizen need be ashamed. To do this job, Congress swept away the outdated system of municipalities and established a territorial government for the entire District. The government consisted of a legislative assembly, a 22-member House of Delegates, elected by the people and an 11-member council appointed by the President, a Governor, and a Board of Public Works, both appointed by the President. The District was also granted an elected delegate to Congress. The law establishing the new government also contained increased recognition of the obligation of Congress to appropriate funds for the District, and even provided for a 5-year assessment of the value of property owned by the Federal Government.

The first Governor appointed by President Grant was Henry Cooke; but Alexander Shepherd, a member of the Board of Public Works, actually dominated the new government and succeeded Cooke as Governor in 1873. Within the space of 3 years Shepherd completed much of the public-works program which the Territorial government was expected to achieve. In so doing however, he built up a staggering debt. Congress quickly became dissatisfied with the Territorial government, although realizing that, whatever the change, Congress would in the future have to share financial responsibility for the District.

All of these factors combined to make a difficult problem more difficult, and, as usual, Congress was unable to agree on more than a temporary solution. In 1874, near the end of its session, Congressed passed—and purely as a stopgap—a law which abolished the Territorial government and provided for three appointed Commissioners, to act as receivers of a District threatened with bankruptcy. This measure, which abolished suffrage completely, was intended only as an emergency measure. Nevertheless, in 1878 Congress made permanent the commission form of government as the most available solution to an extremely complex problem. To District residents the only compensating feature of this legislation was that Congress agreed, as a necessary corollary of its complete assumption of the District government, that the United States should contribute one-half of the expenses of the District.

This stopgap measure is still in force today, with the exception of the 50–50 formula for expenses, which was abandoned, despite continued Federal control, in favor of a lump-sum appropriation which has ranged from 12 to 32 percent of total District expenses. Meanwhile, the District of Columbia has grown to such an extent that its population is greater than that of 14 States, and, in spite of the principle of no taxation without representation, for the year ending June 30, 1947, more Federal income taxes were collected in the District of Columbia than in each of 37 States.

The charter of 1878, in the light of present day needs is entirely inadequate. The District Government has grown by leaps and bounds since 1878 without coordination, or any clear plan of departmental organization. From half a dozen units of government it has grown to more than four score governmental units rendering service to the people of the District.

A policy arrived at by the Commissioners can be fully effective only over those agencies over which they have complete control. If Members of the Senate will examine the chart in the back of the report they will find that it presents graphically the present perplexing system of dual control, there being more than 110 or 111 different departments or divisions or agencies in the District of Columbia. On the following page is set forth the organizational chart showing the system that would be put into effect upon the passage of the pending bill.

For example, the Commissioners have full control over only 26 agencies, among which are the Health Department, the Collector of Taxes, the Fire Department, the Police Department, the Office of the Assessor, the Office of the Sanitary Engineer, and the Office of Vehicles and Traffic. They have administrative control over 16 agencies, among which are Public Welfare, Education, Public Utilities, Zoning, and Recreation. They have budgetary control over eight agencies, four of which are controlled by either the Department of Interior, War Department, or the Smithsonian Institution. There are 14 agencies over which the Commissioners have audit control only.

It can readily be seen that the Commissioners have effective control over only a small segment of the local government.

Lines of responsibility and control are obscure and confused. Piecemeal changes have been made often with little consideration for existing services, sound organization, or integration of procedures and methods. From such haphazard development there has inevitably resulted a multiplication and overlapping of services. This has brought about a lack of centralized responsibility and effective administration with unnecessary duplication, conflicts in authority, inconveniences, and injustices to residents and taxpayers.

The division of responsibility within the District Government is marked by the division of local services between District and Federal agencies. This results in maintenance of duplicate facilities and overhead staff, in budgetary confusion, and in decentralized control, especially in the departments administering the police, water supply, road building, recreation, and health facilities.

Great advances have been made in recent decades in local government throughout the United States. However, the form of the District Government has undergone no material change since 1878. Various boards, commissions, and other units have been added or abolished from time to time, but every time there is a snarl, Congress must take the time and make the effort; but more often adds "confoundment to confusion." Until today there has been no major effort to development an integrated plan of government with sharpened lines of executive responsibility and centralized authority.

Senate bill 1527 is an integrated plan to provide a solution to this unhappy state of affairs in the Nation's Capital.

Since 1940 the Democratic platforms have included home rule. In 1948 the Democratic and Republican platforms

included home rule. The Democratic platform in 1948 read: We favor the extension of the right of suffrage to the people of the District of Columbia. The Republican platform read: We favor self-government for the residents of the Nation's Capital.

The form of government in the District of Columbia has been the subject of study for many years and the conclusion reached in most of the studies is that the government of the District is cumbersome, complicated, and confused. The Bureau of Efficiency so reported in its study covering a period of 12 years, 1921 to 1933. The Brookings Institution in 1928 and 1929 conducted a careful survey and published a book under the authorship of Dr. Laurence F. Schmeckebier and W. F. Willoughby with the same conclusions. The Economy Committee in 1934, the Jacobs Committee in 1936, the Citizens' Efficiency Committee in 1937 and the Griffenhagen and Associates Report in 1939, all agreed that the District Government was complicated and should be thoroughly overhauled and revised in the interest of efficiency. Then there was the Auchincloss Committee in the House of Representatives, with a staff headed by Dr. George Galloway, and Mr. Pierce, his assistant, which devoted more than 12 months to an exhaustive study, and arrived at the same conclusion.

We have had the benefit of all these studies and reports, and especially that of the Auchincloss committee, which did a monumental work, and the report of that committee and its hearings have formed the background of the legislation we are presenting today. This bill offers a progressive and thoroughly workable program for administrative reform and local self rule.

I point out that in the House of Representatives, in the last session, because of the crowded condition on the calendar, the Auchincloss bill, to which this bill is quite similar, never got to a final vote, but every vote that was taken was to sustain the bill. In the Senate the bill has had a very thorough consideration by the subcommittee and by the full committee. I am happy to say that the bill has bipartisan support of a number of the members of the District Committee of the Senate. The bill has been improved in a good many respects upon suggestions of the distinguished Senator from Ohio [Mr. TAFT] and by other Members of the Senate who have introduced bills on the subject, and who have been interested in home rule and suffrage for a number of years. Moreover, the Democratic organization, the Republican organization, business and civic organizations in the District of Columbia have been sponsoring and working for home rule over a period of a number of years. They have given the committee many valuable suggestions, many of which have been incorporated in the bill, and I feel that the active support they have given, the zeal with which they are working for home rule, and the widespread demand for suffrage, will certainly insure that, insofar as the people of the District of Columbia are concerned, this city, Washington, will, upon the enactment of the bill, has as efficient, interested, progressive, thoughtful, and economic government as any city in the United States.

There is a general grant of legislative power to the Council from the Congress. We have some charts which I shall ask to have placed on the easel, so Senators may see them. In the bill it is provided, however, that any legislative proposal passed by the Council, other than ordinances and provisions which the Board of Commissioners can now make, shall be deposited with the Congress, and shall remain before the Congress for a period of 45 calendar days of continuous session. During such time any legislative proposal may be vetoed by concurrent resolution of the two Houses. If there is no veto, the proposal is then sent to the President, who may, as in the case of other legislation, disapprove it within 10 days; otherwise it shall become law.

These are the provisions of the bill which raise the question of the power of Congress to grant legislative authority to a governing body for the District. The grant which the bill makes is similar to that which the Congress has made on several occasions to Territories of the United States.

I may say at this point that the Territories have been very successful in operating through their local governments which Congress authorized them to put into effect. They file their legislative proposals with Congress, but I am advised that no legislative proposal filed with the respective committees by the territorial governments has ever been modified or repealed. We have allowed them to go into effect because they know their problems better than we can keep up with them here. Such grants of power to territorial legislatures are no longer open to debate. They have frequently been upheld by the Supreme Court as being proper delegations of authority.

I may say there is no substantial difference between the power Congress retains over the District of Columbia and that which it necessarily retains over the Territories under article 4, section 3, clause 2 of the Constitution.

In connection with sustaining the legislative grant to the Territories I cite the cases of *Sere* v. *Pitot* (6 C. R. 322), *Miners' Bank* v. *Iowa* (12 Iowa 1), *Simms* v. *Simms* (175 U. S. 162), *Christianson* v. *King County* (229 U. S. 356).

Mr. President, the Senator from Michigan [Mr. FERGUSON] desires to make a statement on another matter. If it will not disturb the legislative situation, I ask unanimous consent that I be permitted to yield to him for the purpose of making a statement, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FERGUSON. Mr. President, I ask unanimous consent that my remarks may appear at the conclusion of the speech of the Senator from Tennessee, so as to avoid interrupting its continuity.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. FERGUSON'S remarks appear following Mr. KEFAUVER's speech.)

Mr. KEFAUVER. Mr. President, let us examine the provisions of the bill which the House committee, the Senate committee, and almost all the organizations that have been interested in home rule join in unanimously recommending for passage by the Senate. The bill provides for an 11-member council, 9 of whom are to be elected, with 2 to be appointed by the President; and an elected 7-member Board of Education. These representatives are to be elected in November of odd-numbered years for staggered 4-year terms. Members of the council will receive a salary of $5,000 a year, except the Chairman, who will receive $7,500. He would be the titular head of the District government. It is not contemplated that the work of the council will take all the time of its members. The members of the council are to serve as a sort of board of directors of the District of Columbia.

The council will select from among its membership a Chairman, who will be the presiding officer of the council and the official spokesman for the District of Columbia.

The council will have the power to enact ordinances on local subjects, to enact legislative proposals, to adopt a District budget, and to appoint a District manager.

The School Board will choose its president, formulate educational policies, administer vocational rehabilitation, and appoint a superintendent of schools.

The bill authorizes the District council to appoint, compensate, and remove a District manager. It defines his powers and duties as chief administrative officer of the District government.

First adopted by Staunton, Va., in 1908, the manager plan has now spread to 876 American cities and towns. This, then, is a modern, progressive form of local administration designed to secure the services of a technician to solve the highly complicated problems of present-day local government.

Modeled on the internal structure of the private business corporation, it is recognized as the most progressive form of city government America has produced.

The city manager will be a trained and experienced administrator whose role is that of business manager of the public corporation, in which the governing board is the Council and the electors are the stockholders. He will be appointed by the Council for an indefinite term on the basis of ability and is removable by the Council.

The manager will have authority to appoint all the department heads, supervise and discipline employees, and prepare the annual budget.

He will attend meetings of the Council to make recommendations, give advice, answer questions, and meet criticism. In effect, he will direct the entire city administration under the constant control and supervision of the Council.

Under the manager plan there is unification of powers in the Council, but a separation of functions as between the Council and the manager. The Council formulates local policies and enacts them; the manager and the departments execute these policies.

Senate bill 1527 creates 12 departments of the District Government, each headed

by a director appointed and removable by the manager, at salaries to be fixed by the Council. It consolidates more than 100 scattered local governmental agencies along functional lines into these 12 departments: Health, Welfare, Recreation, Public Safety, Finance, Law, Public Works, Libraries, Labor, Commerce, Corrections, and Occupational and Professional Standards.

The bill authorizes department heads to reorganize their departments internally, with the manager's approval, and to create or abolish offices or positions therein.

The bill provides for a five-member board of elections, appointed by the President, with the consent of the Senate, to conduct permanent registration of voters and nonpartisan elections. The first elections would be held March 7, 1950, and thereafter in November of odd-numbered years.

Qualified electors would be United States citizens, 21 years old, resident or domiciled in the District of Columbia for 1 year, mentally competent and not convicted of felony. It is estimated that 650,000 persons would thus be enabled to vote in the District.

Only District domiciliaries could run for office and should have the same qualifications as qualified electors. Nomination shall be by petition signed by 90 qualified electors. A filing fee will be required of all candidates—$30 for the Council, $25 for School Board.

All elections will be at large and by plurality vote.

Under the bill, qualified electors need not surrender legal domiciles elsewhere. A progressive feature of the bill is that it makes it possible for qualified electors in the District of Columbia who have maintained a voting residence elsewhere, to vote both in the District elections and in their home State elections. No person, however, would be voting twice for the same person for the same office. In the States, he would vote for candidates for State and Federal office. In the District he would vote for candidates for the District Council and the Board of Education.

The purpose of this dual voting plan is to recognize that State domiciliaries resident here have a stake in the District, thus broadening the electorate and improving its quality. It avoids disenfranchisement of one-third of the potential voters.

A survey conducted in 1948 showed that 32 Governors favored the dual voting plan. The State of Maryland permits it. Other State constitutions and election laws do not forbid it.

Since the beginning of the history of the District of Columbia, the Federal Government has made an annual contribution to the cost of the District Government. From 1878, the year in which the present charter was passed by Congress, to 1921, the annual Federal contribution amounted to 50 percent of the cost of the District Government. It was a lump-sum contribution. From 1921 to 1925 the Federal Government contributed 40 percent of the cost of the local Government. Since 1925, the Federal contribution has been on a lump-sum basis and has ranged from five to twelve million dollars a year. At the present time it is $12,000,000 a year.

The bill establishes a simple, clear, fair, and automatic method of determining the Federal payment for general support of the District. Instead of the lump sum which has been contributed each year since 1925, our bill provides a formula by which the Federal Government will contribute an amount equal to 20 cents for each dollar of locally derived District revenues during the preceding year. In other words, it gives an incentive to the people of the District to raise money by local taxation, because, for every dollar they raise under this formula, they will receive 20 cents from the Federal Government.

The appropriation of such amount is authorized in the bill so that the District may anticipate, for budgetary purposes, its revenues from Federal sources.

Do the people want it? This bill provides that the government shall not perform until the people have voted "yes" in an official referendum held for this purpose. In unofficial referenda, of which there have been several, it can be safely stated that the people who voted favored home rule. But I must add that the vote was not specifically on any particular type of government. But that they wanted the right of suffrage and home rule has been indicated in every one of these unofficial referenda. For what it may be worth, in a Gallup poll taken last year, 77 percent of all the people, Democrats and Republicans, in all sections of the country, North and South, approved this measure.

The charter would become effective only after approval by a majority of District voters in the referendum. Of course, this form of self-government can be rejected by the people of the District by referendum if they so desire.

A cursory reading of the hearings over the past two decades clearly indicates that the citizens, of their own free will, organized into groups for the distinct purpose of promoting home rule.

Adequate safeguards of Federal interests are assured by constant supervision of District affairs by the District Committees of both Houses of Congress, by the power of Congress to disapprove District legislation by concurrent legislation, by the power of the President to veto District legislation, and the right of Congress to annul or amend the charter at any time.

Home rule should be established not only as a matter of privilege, in the interest of adequacy and representative government, and not only because our Capital City would be better governed, but—and this is important—it would relieve the Congress of a great burden. Under our present system, committees of Congress act in the capacity of members of the board of aldermen or city council. We all know Members of Congress are so busy wrestling with problems of national and international importance that it seems unfair to impose this responsibility on Members of Congress. Only recently we devoted nearly a full week to discussion and enactment of the revenue bill for the District, which included the sales tax, while legislation of great magnitude was piling up on the calendar. We also considered a bill to provide for disposal of weeds and grass which had grown more than 4 inches in height.

In 1943, appearing before the Subcommitee of the House Judiciary Committee in the Seventy-eighth Congress on House bill 2620, a bill to provide for a Delegate from the District to the House of Representatives, Justice Harold H. Burton of the Supreme Court, then a Member of the United States Senate from Ohio, a former mayor of Cleveland, and a recognized authority in the field of government, had this to say:

> It is obvious that we cannot as a Congress perform adequately and fully the duties of a city council. Congress is just too large to be a good city council. No city council would organize itself with a membership of 531 members. It just would not be conceivable. This is a handicap with which we start.

Even in 1871 the growing complexities attendant upon the District were recognized as being unduly burdensome upon the Congress, in its capacity as the real governing body for the District. The remarks of Senator Hamlin, the Senator from Maine at that time, read as though they had been spoken only yesterday. Let me quote a paragraph from his speech during the discussion of the bill to provide a government for the District of Columbia, which appears in the CONGRESSIONAL GLOBE of January 23, 1871:

> Having been connected with the bill which originally passed the Senate at the last session, I desire to say that I regard the whole thing as an experiment, and it was in that view that the bill was originally passed; but I have great faith that it will prove to be a successful experiment. It is found utterly impossible to have accomplished in Congress the requisite legislation for the District. There are so many public measures pressing upon the attention of Senators and Representatives, demanding their time and investigation, that they have not the time to devote that attention to the affairs of the District of Columbia which the District requires and demands. Such is the practical effect, as every Senator knows.

It does not make sense to have Members of Congress give thought and time to matters of local importance which could be better handled by an elected council.

This bill affords the Congress an opportunity to relieve itself of much of this burden of local legislation and at the same time it restores to the residents of the District the privilege of an elected, representative local government.

GERHART EISLER

(By unanimous consent, the following remarks by Mr. FERGUSON, delivered during the course of Mr. KEFAUVER'S speech, were ordered to be transposed to this point in the RECORD:)

Mr. FERGUSON. Mr. President, a very disturbing news report came from England today. I refer to the reported decision of the Bow Street Court, in London, denying the extradition to the United States of Gerhart Eisler. It is disturbing because of its effect on international relations, which, of course, are political as well as legal relations.

Ordinarily this case would be a simple matter of criminal extradition; but it seems that it has been considered by many to be different from the ordinary extradition. I wish to make a few re-

marks on this subject at this time, because I think it is pertinent to what we were discussing earlier today on the floor of the Senate, namely, the central intelligence bill.

Mr. President, I think we should try to analyze this case and find out what has happened. First, we must analyze the treaty between America and Great Britain under which this extradition could be had. Incidentally we might look at the bail-bond circumstances. When a man flees a bond the common law is very clear that the bondsman is in a position to go anywhere—even across national lines or State lines—to apprehend the fugitive and to return and surrender him in place of the bond, no extradition being necessary.

In this particular case it is very significant that the bond which was put up for Gerhart Eisler's appearance in court consisted of $20,000 worth of Government bonds. It is also significant that the bond was put up by an organization which has been listed by the Attorney General as a subversive agency, that is, a Communist-front organization. It being claimed that Mr. Eisler was the No. 1 Communist in America, it would not be surprising that the organization which put up the bond, having the character which has been stated, would not be interested in bringing him back and surrendering him to save the $20,000. I have heard no claim from the bondsmen that they are interested in bringing Mr. Eisler back. They seem satisfied to forfeit the $20,000.

Another significant point is that Mr. Eisler was in fact at liberty on two bonds, one in connection with alleged contempt of the House of Representatives, when he refused to be sworn or to answer questions, and the other in connection with a perjury case. But the Government bonds which were put up in connection with the contempt charge were the same as those which were put up in connection with the perjury charge, or the charge of false swearing, which I shall discuss later. So, instead of the Government getting $40,000 upon the forfeiture of the bonds, the United States Government gets only $20,000.

Now, let us consider what the decision of the English court means to the people of the United States. Eisler has been released and is a free man at the present time, free to go his way. The treaty provides for extradition in cases of perjury or subornation of perjury. Under the common law perjury is defined to be willful false swearing on a material fact in a judicial proceeding; but, in addition to the common law, many other statutes have been enacted, both in England and in America, dealing with the crime of perjury. The situation is similar to burglary. Under the common-law definition of burglary, a person had to do the breaking and entering at night, with intent to commit a felony. We have enacted burglary statutes to deal with burglary in the daytime. All such crimes are called burglary, without distinction.

In England, as in America, there are such kindred statutes, as they are called.

In the United States we have three laws under which Eisler could have been prosecuted: (1) He could have been prosecuted for false swearing in connection with his exit permit or false swearing in relation to the immigration laws. This was the charge on which he actually was convicted. (2) He could have been charged with perjury under the perjury statute, because the agency before which he has sworn was a quasi judicial agency. (3) He could have been charged with a violation of the immigration law.

Great Britain has similar statutes. For example, there is an English statute covering perjury or false swearing before Government boards in connection with applications for aid or for grants, or for permission to do something. The charge against Eisler was that of false swearing in connection with his emigration or exit permit.

Every element involved in a perjury charge, under the words of the treaty, was alleged and proved against Eisler on the charge of false swearing in connection with his exit permit. A fair construction of the law should then have included it within the treaty provision.

Section 9 of the treaty must be considered in this connection. The treaty makes it necessary to establish two things before a person can be extradited. One of them is the identity of the person. There is no question about the identity. That was clearly proved beyond any doubt.

The second question is, "Is the offense one which falls within the treaty?" The term used in the treaty is "perjury" or "subornation of perjury." I am sure that the word "perjury" was used in the treaty in its generic sense. Therefore, it must include kindred offenses. The offense of false swearing in connection with an exit permit would certainly come under the head of kindred offenses and should be included under a construction of the word "perjury."

In determining the second question, whether the offense is one which falls within the treaty, we must determine whether it was a crime in Great Britain. As I previously stated, the British law, as does our law, includes within the charge of perjury the kindred offenses to which I have referred. Therefore it appears that the offense was clearly covered, because it would come under the head of kindred offenses.

The court ruled—and I shall try to quote as accurately as I can from the press report—that there was no doubt of this man's guilt of the crime with which he was charged, but the court did not believe that the crime was one within the meaning of the treaty. This is a very narrow construction of the word "perjury," because of the failure to include within it similar crimes or kindred crimes. It appears clear that if there had been a will to do so, and considering the whole case, a will to help the cause of justice as the United States represented it, the court could as well have held that the charge against Eisler was clearly within the wording and the meaning of the treaty.

Under British law, the statute being of a criminal nature, once Eisler is freed by the Bow Street Court, there is no appeal. Under either the British law or the United States law, if Eisler had been convicted, he could have appealed; but no right of appeal is given to the prosecution in such cases. Nevertheless, the Senator from Michigan hopes this does not end the Eisler case.

Mr. President, I turn now to a highly significant parallel. It is happening here in the United States in connection with cases in which Communists are involved. I believe it strikes at the very fundamentals of justice, as does the Eisler case. I refer to the picketing of courts of justice. I cannot impress too strongly upon the Senate what is occurring in our Country as well as in Great Britain where the courts are fundamental institutions, when a Communist is involved in a court trial and when there is picketing of the court.

This question, and it must be answered:

Many people will ask, "Is it not true that the picketing and political demonstrations intimidated the British court?" Mr. President, the unfortunate thing is that so far as the public is concerned a court cannot prove that it is not intimidated or influenced by the picketing or by political demonstrations. And, on the other hand, the public either here in the United States or in Great Britain, cannot prove that picketing did intimidate or influence the decision of the court. But obviously such picketing strikes at the very foundations and fundamentals of justice, because it leaves in the minds of many persons a belief or feeling that there was intimidation and the court's decision was not a free decision.

In the press of the United States there appeared pictures of what was occurring outside the Bow Street Court, in London. The pictures showed that the picketers carried banners or signs reading "We want Eisler freed."

Mr. President, did such demonstrations influence the decision of the court, or did they not? I say that the courts of the United States and the courts of Great Britain must be like Caesar's wife—above suspicion. If the day ever comes when the courts of Great Britain or the courts of the United States allow themselves to be placed in such a position that the public will be able to draw a conclusion they have been intimidated, or decide cases because of political pressure, that will be a sad day for justice.

Mr. EASTLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. FERGUSON. I am glad to yield for a question.

Mr. EASTLAND. I agree with what the distinguished Senator from Michigan has said about our courts. Does not the Senator realize that if picketing of the courts were permitted, the very next step would be that Communist elements would be picketing jurors, picketing witnesses, picketing the prosecuting attorney who was conducting such a case, trying to intimidate such persons and keep them from performing their duty?

Mr. FERGUSON. Yes; it would be only a short step to that situation. And, in effect, jurors are being picketed today. When the jury in the New York case

must know that outside the courtroom there is a picket line, and cheering and demonstrations by the picketers, I feel the members of the jury are bound to be affected. Of course, in the case in the British court there was no jury, only the judge.

Nevertheless, I say it will be only a short step before jurors will be picketed in their homes. After all, Mr. President, jurors and judges are human. I say we must remove these pickets and these political demonstrations, so as to prevent any challenge to the jurisdiction of the courts or any attempts at intimidating or influencing the courts. After all, what is the picketing if it is not intended as intimidation of the court, and why should it not be recognized as such?

Mr. EASTLAND. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I yield.

Mr. EASTLAND. Does the Senator from Michigan mean that at this time any Federal court has the power to protect itself by way of contempt proceedings in such cases?

Mr. FERGUSON. I am firmly of the opinion that the fundamental law of the land gives the courts of justice full power to protect themselves. It is an inherent power they possess. They cannot function without this inherent power.

In the United States the point has been reached that it is almost impossible for a case involving the trial of a Communist or involving communism to be brought up in court unless the judge on the bench is continually heckled—so much so that in the Coplon case, here in the District of Columbia, the judge had to find the defense attorney guilty of contempt of court.

Mr. President, I say the time has come when the bar associations will have to call before them the lawyers who participate in such cases if they do not conduct themselves in the proper way. The attorney is after all an officer of the court, and he must conduct himself accordingly.

Mr. EASTLAND. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I am glad to yield.

Mr. EASTLAND. Does not the Senator from Michigan think, for the reason that it is now largely a matter within the discretion of the judge——

Mr. FERGUSON. Yes; it is within the discretion of the judge——

Mr. EASTLAND. Inasmuch as the judge now has the discretion to decide whether he will proceed by way of contempt action, does not the Senator from Michigan believe the Congress should make it mandatory, by way of statute, that the judge proceed to institute contempt proceedings, and that such persons be punished in that way?

Mr. FERGUSON. Mr. President, I have come to the conclusion that such statutory action must be taken. The district attorney should be given power to proceed to protect the courts. Of course, the courts already have the authority to act by way of contempt proceedings; but I think we have now reached the point when the United States Congress must by law provide that it is contempt of court to demonstrate outside a court or to picket a court or to attempt to intimidate a court.

If the courts are to continue to hold their high place in the administration of justice—and they must continue to do so—I think the bar associations must say to counsel who participate in a trial involving communism or a Communist, "You have no more rights in this case than you have in any other case; in this case you must conduct yourself in the same way that you should conduct yourself in any other case." Otherwise, Mr. President, unless great care is taken, both in United States courts and in British courts, a most serious situation will be reached. We shall find that we are becoming collaborators with the Communists in their activities, playing into their hands. Obviously we cannot afford to do that.

The present dangerous situation has arisen only because we do not understand that communism really is here in the United States, and in Great Britain as well, I may add.

I say that if Britain today were arguing for the extradition from the United States of a man who had committed a crime similar to that Gerhart Eisler committed, and had been convicted under their laws, our courts would have granted extradition and returned him to England.

Of course, Mr. President, under a treaty it is of prime importance that reciprocity exist. The crime involved in this case is such that a person accused of it would be indictable, if in Great Britain; and if he were in the United States, he would be extraditable from the United States to Great Britain. But under British construction it appears not to be extraditable from Britain. Therefore the treaty means nothing so far as the United States is concerned. That certainly was not anticipated when the treaty was entered into.

Mr. President, did the pickets intimidate or influence the court decision to set Eisler free? Certainly, their demonstrations were aimed at intimidation. As we know to be the case in New York City where Communists are being tried, the only possible purpose of the pickets and the demonstrations and even the actions of the defense lawyers is to intimidate the court, to make it impossible for the court properly to carry on the administration of justice.

I want to comment on another feature of the Eisler case. It is only 2 weeks tomorrow that Eisler was taken off the ship in England. Under the treaty we should have had 60 days in which to prepare the case for extradition and to present evidence. The treaty so provides. But the case was called 3 days ago, and when application for a continuance of 1 week was made in order to obtain one or more witnesses from America, the court gave only the 3-day adjournment, and the case was brought up this morning.

England is still far away from America when it comes to obtaining evidence and presenting it to the court in London. The treaty allows 60 days. The 3-day adjournment was not sufficient. When the request was made in court this morning for an additional continuance of 3 days, until next Monday, the court denied the application and made its ruling forthwith.

Will it be any wonder if people claim there has been a miscarriage of justice in the case? I do not wish to be too severe upon the court. Before I came to the Senate floor this afternoon, I endeavored to obtain all the facts obtainable, that I might call them to the attention of the Senate. I think matters of this kind are very serious.

There was the hue and cry that this was not a criminal action, that it was purely political. An argument was expected that Eisler was a political fugitive, and therefore not subject to extradition under the treaty. The court of Great Britain today has at least ruled it was not political, that it was the case of a common, ordinary criminal who had jumped his bond. But the court interpreted the nature of the crime very narrowly.

Many people will say "good riddance." They will say it is good riddance to get the No. 1 Communist out of America. I cannot agree. Eisler was convicted of a crime, sentence was imposed, and the proper administration of justice requires that he should serve the term imposed by the sentence. If that were not the rule of justice, any man convicted of a crime could put up a bond, or even be placed at liberty under personal bond, and could then flee the country with the United States powerless to follow him.

I say the United States would follow a man if he were not a Communist; so why should we not follow a man who is a Communist? We believe in the motto carved upon the front of the United States Supreme Court Building, across the lawn from the Capitol, "Equal justice under law." We believe that all should be treated alike. The incident cannot be passed off merely by saying it is good riddance. No; Eisler, like anyone else, should be accorded equal treatment under the law.

I think a thorough investigation is necessary in order to ascertain why Gerhart Eisler was allowed to board the Polish ship on which he left this country. I think it will be well to check upon those who represent that steamship line in America, as to how they came here, as to whether they are Communists, as to whether they have violated our immigration laws. If they have violated them, they should be deported.

The same thing may be said of any Communist doing business in America, in violation of our laws. It has been ruled and we know that Communists do not constitute a political party. They are members of a conspiracy. For that reason, laws have been passed to keep them out of this country. Therefore, I urge the Department of Justice to make a full investigation and take all steps permitted by law, to determine what has been done in the past, and to prevent anything of the kind taking place in the future.

But the American people must go further and they must understand the nature of communism in order that they may properly cope with it. If, in the

face of all that has happened, we are to treat Communism as merely a political party in America, we must expect to have things happen as they have happened in the Eisler case and as they are happening in other cases here in America. I think it is a matter of importance to the Congress. It is important to the people, and it is vital to our way of life.

ACCOMPLISHMENTS OF THE UNITED NATIONS

Mr. THOMAS of Utah. Mr. President, despite the fact that we hear some discouraging reports about world conditions, I feel, although the President of the United States has sent to the Congress a report on the accomplishments of the United Nations, it would be well for the Senate to recognize some of the achievements of that organization, and it is for the purpose of calling attention to them that I rise at this time.

On April 5, 1949, when over 400 delegates from 58 nations met at Flushing Meadows to resume the third session of the United Nations General Assembly, the atmosphere was heavy with pessimism and gloom. Twenty-two undecided questions were listed on the agenda. Incidentally, because questions are undecided and because the world is full of gloom, we should not feel that the United Nations is a failure and is not attempting to settle these questions through discussion and the adoption of methods, instead of letting gloom turn to something worse.

Most of the questions had been debated at earlier meetings without reaching any solution, and the prospects of settling most of them at this session seemed dim. The rivary and tension between east and west had never been greater. The Berlin blockade continued unremittingly, with no apparent prospect of being lifted. The Atlantic Pact had been signed the day before in Washington, and while that event gave occasion for great rejoicing on the part of the peoples of western Europe, the men and women who were assembled at Flushing Meadows were apprehensive of the effect which it would have upon the work which needed to be done. The delegates had been made diffident by some critics who had characterized the Assembly as an important debating society. The prospects were not good.

Mr. President, I wonder why it is, after the one-hundred-and-fifty-odd years of experience of the Congress of the United States, and especially the experience of the Senate, that people make fun of debating societies. A body such as the Senate, where there is the right to unlimited debate, and where Members talk regardless, is in reality a debating society. But how are people ever to settle any of the questions which continually arise except through the method of talk? Therefore, without knowing it, those who criticize congresses, parliaments, and international meetings as debating societies sometimes accidentally put faith in those institutions which are the most stable in the whole world today. We can hope and pray that the meetings of the institutions connected with the United Nations may always remain debating societies, and that freedom of speech and freedom of expression shall be unhampered, not only in one community but in the whole world. That was the aim. Representatives of governments meet in the United Nations. We in our country talk much about freedom of speech. What makes our country great is that freedom of speech is indulged in by the branches of government. When we see courts turning political, it means that freedom of speech has been taken away from them, but so long as a Justice of the Supreme Court can say what he wants to say, it means that Government is functioning properly in the United States. Government by talk is inevitable in any democracy. Therefore characterizing any institution as a debating society in no sense hurts its effectiveness, or mars its purposes, or detracts from its accomplishments.

And yet, last week, when Dr. Evatt brought down his gavel and ended the final meeting, hopes for peace were brighter and faith in the United Nations was stronger than it had been for a long time. The record of accomplishment of the General Assembly during the 6 weeks that had seen the political barometer rise from stormy to variable, with a likelihood of going still higher, was one which indicated to all that, in the words of Dr. Evatt, "the United Nations is a going concern and has come to stay." What was that record?

I am not going to paint a shining picture of something that has not been accomplished. We have only the seeds of international organization planted. The growth has to come. No matter how successful one may be momentarily, that is no guaranty of what may follow. But we should recognize the fact when a forward step has been taken, and that is all I am attempting to do.

The Assembly had, in this most fruitful adjourned session, considered and discussed a large number of knotty problems and taken action upon almost all of them. Possibly the outstanding acomplishment of the United Nations, during this meeting of the Assembly, was the role which it played in settling the controversy over Berlin—a controversy which was not even on its agenda and which has not been finished, the controversy is still existent; but which was constantly in the minds of the delegates, and the presence of which affected, directly or indirectly, every debate and every question which was taken up by representatives of east and west. The part of the United Nations in the lifting of the blockade of Berlin is further evidence, if evidence is still needed, of the great importance and value of having a permanent international forum where not only ideas and facts are continuously being exchanged but where the door is always open for discussion and settlements of disputes. The mechanism exists there for the solution of all international problems, and its flexibility permits governments to approach each other, through their representatives, directly or indirectly, in public or in private.

Mr. President, not all the problems of the world will be solved there, not all of them will be half solved, but there is still an agency where an attempt at solution is being made. This was the case in the discussions leading to the lifting of the blockade.

Note the simplicity of the statements which I am going to make, and see how commonplace everything is; but from those commonplaces great things may come.

On February 15, Mr. Jessup approached Mr. Malik, the Soviet representative, in the delegates' lounge at Lake Success, and asked him whether any significance should be attributed to the omission of the problem of Berlin currency in a recent statement by Premier Stalin. Mr. Malik did not reply immediately, but later stated to Mr. Jessup that this omission was not accidental. Conversations continued at the United Nations between Mr. Malik and Mr. Jessup, and eventually the announcement was made that the blockade would be lifted and the foreign ministers would meet. The opportunity afforded by the United Nations for informed discussion and negotiation between the Governments of the United States and the Soviet Union in reaching a solution to the blockade, and in bringing about a meeting of the Foreign Ministers, is a direct and proximate cause of the settlement of this troublesome question.

Mr. President, I should say that I do not in any sense wish to imply that our State Department and other negotiating agencies were not doing all they could, but probably the straw which helped in bringing about decision came from this first conversation.

The matter of the disposal of the former Italian colonies in Africa was probably the most outstanding one on the agenda of the Assembly. The fact that no final decision was reached should not stigmatize the Assembly on this point. As Dr. Evatt stated in his opening address on April 5, the only reason the Italian colonies are an issue on the agenda is solely because those responsible for the peace settlement with Italy could not agree upon any solution. The responsibility still rests with the governments which hold the key to writing a peace treaty between these nations. It is not the responsibility of the United Nations.

The task was given to the Assembly to reach a just decision. After a great deal of debate, in which it was evident that the United States, the United Kingdom, France, the U. S. S. R., and Italy all had divergent views, it was finally decided to postpone any action until next September. By that time it is to be hoped that the international climate will be better adapted to a settlement. Pending the decision by the Assembly, France will continue to administer the Fezzan and the United Kingdom will continue to administer all the remaining Italian colonies in Africa. Although the uncertain future state of these colonies is painful to all interested parties, it is better to proceed slowly if thereby an equitable and lasting solution may be assured.

One of the outstanding events of the last Assembly was the acceptance of Israel as the fifty-ninth member of the United Nations on May 11, thus fulfilling the hopes of thousands of people everywhere. The Arab bloc continued to oppose admission to the very end, but could

muster only 12 votes to the 37 favorable votes. The overwhelming majority of the members of the United Nations had already granted recognition to this new state and it was only just and fitting that it should take its place in the United Nations.

Admission of Israel is another step along the road to a peaceful solution of the Palestine problem which has been before the United Nations since the Special Assembly, called at the request of the British, in April 1947, and is a fulfillment of the pledge in the partition plan of November 29, 1947, to give sympathetic consideration to the application for membership of either state envisaged in the plan.

Israel's admission at this time will help the conversations now going on in Lausanne between the Arab States and Israel under the auspices of the United Nations Conciliation Committee to work out a permanent peace settlement.

At this point, I want to pay tribute to a great American, Dr. Ralph Bunche, who as acting mediator for Palestine did so much to help bring about peace and stability to that troubled area. I think we should all be proud of him.

Mr. President, the first time I met this gentleman was at a conference dealing with pacific relations, during which, as a student, he showed a background and understanding of colonial questions the like of which few persons attending that conference had. I have watched his growth and development from that day to this, and I say that our people can be very proud that the school system of America is able to produce such a man.

Another important accomplishment of the Assembly was the approval by a vote of 33 to 6, over the usual vociferous opposition of the Soviet Union and her satellites, of a proposed convention that attempts, for the first time, to set forth basic international principles to safeguard the free flow of information. The draft convention, which was painstakingly drawn in one of the Assembly's committees, contains specific protections for correspondents and news agencies. Its chief purposes are to facilitate the entry, residence, and travel of foreign correspondents, and prevent their arbitrary expulsion, and to facilitate access to news for all correspondents as far as possible on the same basis given to domestic correspondents, and accord the right to transmit dispatches at nondiscriminatory rates. The article dealing with censorship makes any kind of censorship, editing, or delay of dispatches, in peacetime unlawful, except for reasons of national defense and outlines strict conditions under which this limited censorship may be undertaken.

Mr. President, I cannot help but digress for a moment at this point, to call attention to the fact that the only two commercial treaties which the Senate has ratified with former enemy states and the treaty with China, a country which never until the ratification of that particular treaty, or at least since 1844, has conducted in her own right negotiations for a treaty, carry the free information provision. I am happy to say that I had much to do with the preliminary work on them, and with their ratification. I am happy also to realize that the United Nations follows the American ideal in respect to freedom of expression and freedom of news.

The articles which cause the most discussion are the ones which establish an international right of correction, whereby governments may submit their own versions of false and distorted reports to other governments of countries where the original news reports were published, who will release the correction to correspondents and agencies customarily used for the release of news. The corrected agency is not required to publish the correction, but is morally obligated to do so. The fact of its adoption is a milestone in the history of freedom of the press, and if the convention is ratified and becomes effective the work of the Assembly will have accelerated the growth of international understanding and forwarded world-wide dissemination of information.

One of the principal questions under study in the General Assembly was the proposal by Secretary General Lie for the creation of an 800-man United Nations guard force. The chief use of such a force would be to assist and protect missions and commissions of the United Nations operating all over the world and frequently in the disturbed areas. If a detachment of this proposed force had been in Palestine it is possible that Count Bernadotte would not have been assassinated. If such a body had been in existence last March 18, it is also possible that unarmed United Nations observers would not have been attacked and wounded in Indonesia. As stated by Mr. Lie, this guard force would not be a striking force. It would be recruited by the Secretary General and placed at the disposal of the United Nations. It would be small, but would command respect because it would be backed up by the United Nations. The guards would help protect United Nations personnel and property in areas where law and order is not regularly maintained. It cannot be disputed that such a need exists.

This might mark the beginning of what was advocated by many, including myself, even before the United Nations was finally established, that the United Nations must have a peace force—not a police force, Mr. President, but a peace force. That force should be very small, but devoted to peace, and responsible for areas for which the United Nations is responsible. For instance, if the United Nations has a mandate or if it has the administration of a free city, the United Nations should have the authority to protect its rights in such a place. With a small peace force war can be stopped in many places, because no world war has ever started on a large scale. They have always been started by someone who was outside the bounds of decent international behavior or the rules of ordinary international law. All that is required is a small force. That is proved by the situation in our own States. Governors carry on the affairs of their own States sometimes for two or three terms without being obliged to resort to calling out the National Guard. In fact, the National Guard is not being called out any more. It has become a federalized institution practically for all purposes. The fact that the force is apparent and can be used in a small way may result in preventing great catastrophes. Everyone now knows that a simple sanction on oil would have stopped Mussolini, because he could not have acted as he did without oil. The nations of the world by sacrificing the right to sell him a little bit of oil could have prevented what later developed into a tremendous and costly war.

A special 14-nation committee was set up to draw up a detailed report on the mechanics of forming such an organization, which will report to the September session. I hope the United Nations peace force does come into existence.

Another controversial matter which was discussed in the Assembly was the question of the trials of Joseph Cardinal Mindszenty and Bulgarian Protestant clergymen—the chief argument centered about whether the subject should be on the agenda at all. The Soviet bloc was uniformly of the opinion that the Assembly had no jurisdiction to discuss the trials. The original sponsors of the investigating move were Bolivia and Australia, who suggested that the Assembly look into the question of observance of human rights in Bulgaria and Hungary. The United States and Britain, on the other hand, preferred to base their complaint on violation by Bulgaria and Hungary of peace-treaty provisions. The Assembly voted, with a large number of abstentions, to conduct a full debate on the Mindszenty case in Hungary and the trials of the Protestant churchmen in Bulgaria. The debate was held, but the Assembly voted to postpone any action in either of the cases until next fall. The resolution did express, however, the Assembly's deep concern at the grave accusations made against the Governments of Bulgaria and Hungary regarding the suppression of human rights and fundamental freedoms of those countries. It also left the issue up to the Americans and the British as signers of the peace treaties with the two accused states, and included the hope that measures will be diligently applied in accordance with the treaties in order to restore respect for human rights and fundamental freedoms of those countries. The resolution reminded both Governments of their treaty obligations and of their duty to cooperate in settling the issue.

Spain also was the subject of considerable discussion during the last session of the Assembly. It will be remembered that in December 1946, the General Assembly passed a resolution censuring the Franco regime, asking United Nations member states to recall their ambassadors and ministers from Madrid, and prohibiting Franco Spain from membership in United Nations organizations. During the closing days of the latest Assembly meeting, a resolution was introduced by the Latin-American bloc which would have, in substance, canceled part of the 1946 resolution and repeated the argument that it was a matter of domestic concern, but the conscience of the world, as expressed through the dele-

gates to the General Assembly, took the position that the abrogation of human rights anywhere was the concern of all. By an overwhelming vote of 47 with only 1 against and 10 abstentions, the Assembly asked the Governments of India, Pakistan, and the Union of South Africa to enter into discussion, too, on the situation, "taking into consideration the purposes and principles of the Charter of the United Nations and the Declaration of Human Rights."

This is one of the first times that the Declaration of Human Rights adopted by the Assembly last December has been cited in an Assembly resolution. This document, developed by the Commission on Human Rights, of which Mrs. Franklin D. Roosevelt is chairman, was a great step forward in the achievement of human rights and will continue to serve as a common standard for the conduct of states.

One of the least noticed but at the same time one of the most important and far-reaching steps taken by the General Assembly was the adoption on April 28 of a series of resolutions looking toward the improvement of the conciliation procedures of the United Nations.

By these resolutions, adopted by the overwhelming majority of the members of the United Nations, the general act of September 26, 1948, was restored to its original effectiveness by gearing it into the United Nations.

The second resolution recommended that the Security Council examine the desirability and utility of adopting a practice whereby, after a dispute has been brought to its attention and before full debate, the President of the Council would appoint a representative of the Council to serve as rapporteur or conciliator to attempt to work out a settlement of the dispute.

In the third resolution the Interim Committee was instructed to give further consideration to the proposed amendments to the rules of procedure of the General Assembly.

Another example of a problem which receives little publicity in the Assembly, but which adds to the difficulties there, is that of languages. The present working languages are English, French, and Spanish. Proposals during the last session to add Russian and Chinese as working languages were deferred for future consideration. Adoption of this proposal would add to the already vast expense of interpreting and translating the languages that are at present spoken and written at the United Nations. Chinese and Russian are already official languages of the organization.

The foregoing have only been a few of the more outstanding questions discussed in the General Assembly during the past 6 weeks. Others may be mentioned briefly.

Settlement of the Indonesian question seemed to have reached an impasse by the time the General Assembly opened on April 5. However, the persistent efforts of the United Nations Commission on Indonesia brought fruit and the General Assembly, after noting the successful outcome of preliminary negotiations between the Dutch and the Indonesians at Batavia on May 7, voted to postpone discussion of the matter until September.

I am sure that my colleague the Senator from North Carolina [Mr. GRAHAM] who assisted in the early efforts at peaceful settlement, is delighted that the United Nations, reinforced by world public opinion, now seems on the way to bringing peace to that troubled area.

The last resolution approved the creation of a panel for inquiry and conciliation. In the resolution the Assembly noted from its experience the desirability of having qualified persons readily available to assist in peaceful settlement of disputes and situations and invited member states to designate one to five persons to serve as members of commissions of inquiry or conciliation. The Secretary General was directed to take charge of the administrative arrangements connected with the composition and use of the panel.

One cannot overemphasize the importance of these resolutions. The successful functioning of the procedures of both the Security Council and the General Assembly for peaceful settlement of disputes will go a long way toward making stronger action under chapter 7 unnecessary.

After this brief review of the major accomplishments of the recent Assembly session, you will have seen that the delegates who departed last week for their homes over the vast surface of the earth could well afford to be more optimistic than they were 6 weeks before. They had worked hard, and well. These problems were not simple and those attempting to solve them were only human. The attempts were generally made in a spirit of constructive effort, and relatively little was done by representatives in the way of express obstruction.

From time to time representatives did use the international forum of the Assembly as a sounding board for propaganda purposes. We will use it upon such occasions as a sounding board for the challenge of such propaganda. Far from being an impotent debating society, the General Assembly is a melting pot of ideas, a meeting place for the meeting of minds, a superembassy where the representatives of 59 countries are gathered together under one roof—and a supreme world parliament. To the extent that they do debate and argue, sometimes bitterly, always with vigor, they are fulfilling one of the purposes of the organization. Representatives to the General Assembly are supposed to debate. And the more they do so the more and the better they will get to know and understand each other and each other's problems, and the closer we will be toward the permanent peace which we all seek.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mrs. SMITH of Maine. Mr. President, I have the privilege of serving on the District of Columbia Committee and the Home Rule Subcommittee with the distinguished and able Senator from Tennessee [Mr. KEFAUVER]. I take this opportunity to commend him for his interest and his untiring efforts and efficient handling of the home-rule bill.

As a member of the committee I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks pertinent inquiries and answers on the question of home rule for the District of Columbia.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

1. Is home rule for the District of Columbia desirable?

Home rule is desirable for three reasons:

(a) It would relieve Congress as much as possible of the burden of District affairs, without surrendering its constitutional powers;

(b) It would create a democratic and representative form of local government for the District chosen by qualified electors;

(c) It would provide an efficient and economical government for the District of Columbia.

2. Why is the District of Columbia without a vote?

From 1800 to 1874 the people of the District exercised the right of suffrage and self-government in one form or another. On June 20, 1874, primarily because of the dissatisfaction with Boss Shepherd and his autonomous leadership, Congress provided that the District of Columbia should be governed by three Commissioners, appointed by the President. This temporary form of government was made permanent in 1878.

3. Is there a constitutional provision which prohibits home rule in the District of Columbia?

Emphatically not.

(a) Home rule was exercised in the District for 75 years.

(b) By analogy home rule is exercised in the Territories.

4. Do the people of the District want home rule?

From all expressions of opinion available, the people of the District genuinely desire home rule. By polls conducted by the Washington Board of Trade and the Washington Post, the latter as late as 1946, the overwhelming majority of the people voted in favor of such a proposal. Moreover, for what it is worth, a Gallup poll of the United States favored home rule for the District of Columbia.

5. Has either of the two major political parties taken a position on the question of home rule for the District?

Yes. Both the Democratic and the Republican Parties have taken the position that they favor home rule for the District.

6. Is the home rule bill (S. 1527) sponsored by members of both the Democratic and the Republican Parties?

Yes. This bill is sponsored jointly by five Democrats and four Republicans, as follows: Democrats, Senators KEFAUVER, HUNT, MCGRATH, MILLER, and NEELY; Republicans, Senators HENDRICKSON, MCCARTHY, SCHOEPPEL, and Mrs. SMITH of Maine.

7. Is congressional control of the District of Columbia retained?

Yes. Congressional control is retained, especially in two provisions:

(a) On matters described as legislative proposals, which before becoming effective, must be submitted to Congress, subject to a concurrent resolution veto, and

(b) Express provisions enabling Congress to change or modify any provisions in the charter or any law enacted by the Council. Moreover, there are numerous other provisions which provide for Federal supervision,

such as post audit by the General Accounting Office, supervision of elections, etc.

8. Does this bill provide for national representation?

No. This bill deals entirely with local home rule. No representation in Congress, either in the form of a Delegate or in the form of elected Senators or Representatives, is provided for in this bill.

9. What is the status of the District of Columbia under this pending bill?

The District is given powers exceeding that of municipal government, but less than that of Territorial legislatures.

10. What form of local government is selected for the District?

A District Council, consisting of 11 members, two of whom are appointed by the President, and 9 elected by the people, form the policy-making body of the government. The District manager is selected by the Council to carry out the executive functions.

11. How are the two members selected by the President?

Two members of the Council are appointed by the President without restrictions, but must be confirmed by the Senate. Their term is a 4-year staggered term.

12. What are the qualifications of the nine elected members of the Council?

(a) Must be qualified electors.

(b) Must reside and be domiciled in the District.

(c) Must hold no other elective public office.

(d) Must hold no appointive office for which compensation is provided out of District funds.

13. What is the compensation of the Council members?

The Council members shall receive compensation at $5,000 a year, except the chairman, who will receive $7,500, plus a $3,000 annual expense account.

14. What powers does the District Council exercise?

(a) All powers presently exercised by the Board of Commissioners.

(b) All powers exercised by the Zoning Commission.

(c) Authority to enact legislative proposals on any subject within the scope of the powers of the Congress presently acting as the legislature for the District.

15. How is the chairman of the Council selected?

The chairman is selected by the full eleven-man Council and may be either an elective or an appointive member. Such chairman holds office for 2 years.

16. What are the duties of the chairman?

(a) He is the presiding officer of the Council.

(b) He is the official spokesman for the District.

(c) He is the head of the District for ceremonial purposes.

17. What are legislative proposals and what are District ordinances?

In general, District ordinances are laws passed which could presently be enacted by the Board of Commissioners. All other matter, which are not subjects of legislation by the Board of Commissioners, but are subjects of legislation falling within the scope of the power of Congress acting in its capacity as legislature for the District, are considered legislative proposals.

18. What is the procedure for legislative proposals being enacted into law?

(a) Must be deposited with Congress.

(b) If Congress does not pass a concurrent resolution disapproving the proposal within 45 calendar days, and

(c) If the President does not veto nor disapprove within 10 additional days, the legislative proposals become law.

(d) Special requirements are made for legislative proposals relating to bonds.

19. How is the District manager appointed, and what determines his compensation?

The District manager is appointed by the Council, with compensation fixed by the Council, and whose term is at the pleasure of the Council.

20. What are the functions of the District manager?

The District manager is the chief executive of the District government, responsible for the carrying out of the policies determined by the District Council. He appoints personnel in the executive departments of the District, and makes recommendations to the Council on matters affecting District affairs.

21. What is the function of the District Council with regard to the budget of the District of Columbia?

(a) Authorizes the preparation and submission of the budget.

(b) Can adopt or reject the budget as submitted.

22. What types of indebtedness does this bill authorize for the District?

(a) Bonded indebtedness.

(b) Short-term borrowing by issuance of notes.

(c) Borrowing through negotiable notes in anticipation of revenues.

23. What is the debt limitations on the District government issuing negotiable bonds to finance capital projects?

Such bonds may be issued in amounts not to exceed 5 percent of the assessed value of the taxable real property in the District.

24. What is the procedure for authorizing a bond issue to finance capital projects?

(a) A legislative proposal must pass the District Council and be submitted to the Congress in due course.

(b) If no disapproval is registered by Congress or the President in the prescribed period of time, the legislative proposal must be submitted to the qualified electors of the District in a referendum.

25. Are provisions included which protect the Government against unsound public finances?

Yes; the bill provides that maximum maturity of bonds shall not exceed 30 years or the period of usefulness of the capital project for which the bonds are issued, whichever is the shorter period. All bonds must be paid off in consecutive annual installments and must be sold at public sale upon sealed proposals. Provision is made for giving notice by publication of the proposed issuance of bonds.

26. Is short-term financing provided for in the bill, and what is its limitations, if any?

(a) This bill authorizes the issuance of short-term notes to meet emergency appropriations.

(b) Stipulates that such notes may not exceed 5 percent of the total appropriations for the current fiscal year.

(c) Such notes shall be paid off not later than the close of the fiscal year following that in which the ordinance authorizing their issuance is enacted.

27. What are the limitations on the District Council borrowing by negotiable notes in anticipation of collection of revenues?

Such borrowing is limited to amounts not exceeding 25 percent of the total anticipated revenues of the budget year, and all such notes must mature and be paid within the budget year in which they are issued.

28. What office of the administration is specifically charged with the financial duties?

The Department of Finance headed by its director, is responsible for the administration of financial affairs of the District.

29. What are some of the principal limitations on the expenditure of funds imposed by this bill?

(a) The bill prohibits any officer of the District from incurring liability in excess of amounts appropriated for any item.

(b) All appropriations lapse at the end of each budget year to the extent that they have not been disbursed or lawfully encumbered.

(c) No contract involving expenditure of appropriations of more than 1 year shall be made for a period of more than 5 years and then only if approved by or made pursuant to an ordinance.

30. What procedure, if any, is established for the payment of Federal agencies performing District functions, and vice versa?

A system has been included whereby estimation and payment are made in advance for such services. Payment of the balance owing to the Federal Government or to the District, as the case may be, for each year will be made on or before July 31 of the fiscal year, reduced or increased by any amount by which estimates of prior years have been in error.

31. Is reorganization of the executive departments necessary and desirable.

Yes. The present form of government developed over a period of years into a maze of some 126 bureaus, departments, commissions, and boards, either wholly or partially performing District functions. Only a handful of such boards are under the full control of the Commissioners, while the rest are subject to varying degrees of control, ranging from administrative control by the Board of Commissioners, to no control. The correction of this governmental hodge-podge will establish a clear line of authority enabling a more economical and efficient administration.

32. What form of reorganization does this bill propose?

Basically, the bill establishes 12 executive departments into which most of the present agencies of the government are consolidated. This plan was the result of intensive research by the Auchincloss home rule committee of last year, and has been adopted in substance.

33. What are the 12 departments?

The 12 departments are: Health, Welfare, Recreation, Public Safety, Finance, Law, Public Works, Libraries, Labor, Commerce, Corrections, and Professional and Occupational Standards.

34. What are the powers of the departmental directors?

With the approval of the district manager, they may—

(a) Reorganize or abolish any agency transferred to his department, and abolish any position (other than a position on a board or commission) transferred to his department.

(b) Fill any vacancy or position transferred to his department.

(c) Remove any member of such board or commission.

35. Who may reorganize or abolish any board or commission transferred to an executive department?

The District Council has this authority.

36. What agencies in the District government do not come under the supervision and management of the District Manager?

(a) Zoning Adjustment Board.

(b) Public Utilities Commission.

(c) Board of Tax Appeals.

(d) Redevelopment Land Agency.

37. How many members are there on the Board of Education and how are they selected?

The Board of Education consists of seven members elected by the qualified electors of the District.

38. What are the powers and duties of the Board of Education?

(a) The functions of the present Board of Education.

(b) Certain functions of the Federal Security Administrator under section 6 of the Vocational Rehabilitation Act relating to vocational rehabilitation in the District.

(c) Appointment of the Superintendent of Schools.

39. What are the qualifications for membership on the Board of Education?

(a) Qualified elector.

(b) Reside and be domiciled in the District.

(c) Hold no other elective public office.

(d) Hold no appointive office for which compensation is provided out of District funds.

40. What is the function of the Board of Elections in the District and how are the members selected?

The Board of Elections supervises and maintains a permanent registry, conducts registrations and elections, determines appeals, counting and distributing ballots, and operates polling places.

Its five members are appointed by the President, without regard to political affiliation, and confirmed by the Senate, for a 6-year term of office.

41. What are the qualifications for a member of the Board of Elections?

(a) Qualified elector.

(b) Reside and be domiciled in the District.

(c) Hold no other office or employment in the District government.

42. How are vacancies in the District Council and the Board of Education filled?

Vacancies on the District Council will be filled by appointment by the President and confirmed by the Senate.

Vacancies on the Board of Education will be filled by appointment by the president of the Board of Education with the approval of the Board.

43. Does this bill provide for election through precincts?

No. All candidates are elected at large by plurality vote.

44. What are the qualifications for voting?

(a) Must have maintained a domicile or place of abode in the District continuously for 1 year prior to the date of election.

(b) Be a citizen of the United States.

(c) Be at least 21 years of age.

(d) Not have been convicted of a felony.

(e) Not be mentally incompetent.

45. Is there any Federal constitutional prohibition against voting in several jurisdictions for local offices?

No. Voting for local offices is determined by the Constitution and laws of the different States; for example, local dual voting is permitted in nearby localities of Cheverly, Md.; Riverdale, Md.; Mount Rainier, Md.; etc.

46. Who are eligible candidates in a District election?

(a) A registered elector is eligible.

(b) Members of Congress and members of the board of elections may not be candidates.

47. How does a candidate become nominated?

(a) On a petition of at least 90 qualified electors.

(b) Filing an affidavit of residence and domicile.

(c) Paying a filing fee.

48. Are elections in the District partisan?

No. Elections are nonpartisan, and ballots and voting machines will not show any party affiliation, emblem, or slogan.

49. What is the procedure for contesting an election?

(a) A review of such election may be obtained in the United States District Court for the District of Columbia after certification of the result by the Board of Elections.

50. On what grounds may an election be voided?

Fraud, mistake, or other defect, serious enough to vitiate the election or part thereof as a fair expression of the will of the registered electorate.

51. What provision is made for the application of the Civil Service Act to District employees?

All offices and positions in the District government will be subject to the act. The classified civil-service status will be given to present officers and employees who successfully qualify in appropriate noncompetitive examinations.

52. What preference, if any, will be given to metropolitan area residents?

In the selection of persons for positions in the District government from civil-service registers, the District Manager will give preference to those persons residing in the metropolitan area, and where a special examination is held, such examinations shall be open only to persons who reside in the metropolitan area.

53. Should this home-rule legislation become law, what procedure is set for the effectuation of the objectives?

(a) Five hundred thousand dollars is authorized to be appropriated to the District of Columbia for the establishment of the Charter Referendum Board and the Board of Elections. This amount is to be reimbursed to the United States by the District during the following fiscal year.

(b) The results of a popular referendum to be held November 15, 1949, must show that a majority of the voters favor enactment of this legislation.

54. What are the effective dates of this act?

With certain exceptions, this act shall take effect on the day following the date on which it is accepted in the charter referendum, but in no case later than November 22, 1949.

55. Why does the Federal Government contribute to revenues in the District government?

The principal reason for the Federal Government contribution to the District is because of its large holdings which are excluded from taxes, and from the various services which are rendered to the Federal Government for which no charge is made.

56. What is the extent of the Federal contribution?

Under the present law the Federal contribution is limited to a lump sum of $12,000,000, of which $1,000,000 is appropriated for the water fund.

57. What is the formula for Federal contribution in this bill?

For every dollar that is derived from local revenues, the Federal Government will contribute an additional 20 cents.

58. What will be the revenue derived from this proposed formula?

General fund for 1949–50	$86,921,000
Highway	9,395,000
Water	5,195,011
	101,511,011
Special account revenue	130,000
	101,641,011

Federal contribution by application of proposed formula, $20,328,202.20.

59. If the District revenue exceeds its expense, what happens to the excess revenues?

Provision is made for surplus revenues to be set aside to be used exclusively for the construction, repair, and improvement of public schools in the District, which is greatly needed.

60. Is the Federal contribution justified?

Yes; the Federal Government owns more than 51 percent of the land area in the District, from which no tax revenue is obtainable. From the other 49 percent of the land, the District obtained $31,500,000 in revenue in 1948.

Roughly, on the basis of land area, the Federal Government in contributing $20,000,000 is not contributing more than its share.

61. What are some of the things the bill does not do?

The bill does not provide for national representation; does not affect the judicial system of the District, and in no way changes the substantive law of the District.

FEDERAL TAX, SPENDING, AND DEBT POLICIES—REFERENDUM AMONG READERS OF OMAHA (NEBR.) WORLD-HERALD

Mr. WHERRY. Mr. President, during the past week thousands of Nebraskans have delivered an overwhelming ultimatum to Nebraska Members of Congress for not only a reduction in current Federal expenditures but also against new spending programs which currently are being urged upon them.

This voluntary referendum has come to Members of the Nebraska congressional delegation in the form of ballots published May 11 in the Omaha World-Herald, which circulates throughout the State of Nebraska and surrounding areas.

The World-Herald ballots invited readers to express themselves for or against a 10-percent cut in all Federal expenditures, subject to adjustment. It also invited its readers to express themselves for or against seven pending governmental programs which would commit the Federal Government to additional expenditures, and on the subject of income and pay-roll taxes.

These ballots were inspired by the warnings, which several of us have been sounding on the Senate floor, that we face the inescapable choice of increasing Federal taxes, resorting again to deficit spending, or reducing Federal expenditures. Particularly was this referendum a response to the stirring speech delivered on this floor on May 6 by the distinguished senior Senator from Virginia, the Honorable HARRY BYRD, on the fiscal situation which presently confronts this country.

In a full page devoted to the Federal fiscal problem, and carrying the ballots to which I refer, the World-Herald stated:

The only way you can influence the amount of Federal taxes you and your children and your grandchildren are going to pay is by telling our Congressman and Senators what you think about tax-consuming proposals. You will pay these proposed taxes directly or indirectly, as the Federal Government hasn't a cent except what it takes from all of us in taxes.

Printed on this page are two ballots. You can vote just how you feel about the administration plans after weighing the cost.

The ballot to the left is for your Congressman. That on the right is for your two Senators.

Vote your opinions and mail one ballot to your Congressman and one to either of your Senators.

Do you believe that you can afford—or that you want—the things listed in the ballots on this page?

Please clip out the ballots, mark them, and mail them today.

Mr. President, as a result of this invitation, my own office has been literally swamped by more than 6,000 marked ballots from persons in every walk of life.

I am advised that the office of my colleague [Mr. BUTLER] has likewise been deluged with an almost equal number of ballots. Heavy response also flowed into the offices of the four Nebraska Members of the House of Representatives. It is my conservative estimate that between ten and twelve thousand readers have expressed themselves to the two Nebraska senatorial offices and an equal number to the offices of the four Nebraska House Members.

Every person participating in the referendum did so on his own initiative. Those people sprang at the opportunity to express their deep concern with Federal spending, Federal tax policies, and Federal debt policies. Each clipped his own ballot, used his own stamp to mail the ballot, and thousands took the further trouble to mail a personal letter expanding their own opinions.

The result of the referendum is so overwhelming in favor of cutting Federal expenditures, and so lopsidedly against increased taxes and against new spending for additional Government programs, that I directed workers in my own office to retabulate the result, for the sake of accuracy.

At this point, I call attention to the exact wording of the ballot and the results of the vote on the eight submitted questions. I am advised that the vote on the ballots I received is in the same ratio as that shown on the ballots received by my colleague, the senior Senator from Nebraska [Mr. BUTLER] and our Nebraska delegation in the House of Representatives.

The ballot and results of the votes cast by the 6,003 persons who mailed their opinions to me are as follows:

How do you feel about—	*For*	*Against*
1. A straight 10-percent cut in all Federal expenditures that can be cut?	5,869	134
2. Secretary of Agriculture Brannan's farm plan, the cost of which Secretary Brannan himself is unable to estimate? (Senator BYRD did not estimate the cost but others have suggested figures up to $10,000,000,000 a year for this subsidy)	102	5,834
3. The so-called national health plan? (This calls for increased pay-roll taxes. Senator BYRD, referring to it as "socialized medicine," estimated a $10,000,000,000 annual cost)	99	5,828
4. The Federal housing program recently enacted by the Senate? (The cost of the low-rent feature alone amounts to a possible $20,000,000,000 over 40 years, according to Senator BYRD, even if it is not later expanded)	214	5,704
5. Federal aid to education, costing $300,000,000 the first year? (Senator BYRD does not believe the cost would ever be that low again)	514	5,320
6. The ECA program costing $5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan)	833	4,927
7. Arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year? (Mr. BYRD thinks that estimate is too low)	980	4,886
8. Increased income and pay-roll taxes that Senator BYRD says will be necessary to carry out the President's many recommendations for more spending?	96	5,876

Replies to question 6 concerning the ECA program were qualified in many cases. Qualifications were tabulated as "for," although a stricter interpretation would reduce the figure considerably. Most qualifications were in the nature of recommendations for reducing the ECA appropriation in amounts ranging from 25 to 50 percent.

Replies to the question about arms for the North Atlantic Pact include a surprising number who favored the pact but opposed the provision of arms assistance to other nations.

In connection with the No. 2 question, in regard to the Brannan farm plan, I should like to call attention to the fact that Nebraska is an agricultural State, and most of our citizens live on farms or in small communities which directly gain their living from the farm.

Mr. President, I urge the closest and most serious attention by the Senate to the overwhelming nature of these votes. In many cases the opinion of more than 6,000 typical Americans is all but unanimous. These ballots came from farmers, from laborers, from housewives, from small-business men, and from professional people. They came from people who pay Federal taxes in nearly every income bracket and from many people who pay nothing at all.

It is not my intention to represent this referendum as a mandate from the American people or as a mandate from the State of Nebraska. But I believe it could be so construed with greater force and with more logic than the claim that a certain recent election with its multitude of overlapping and confused issues was a mandate for any particular legislative action or group of legislative proposals.

It is, I believe, reasonable to assume that the voice of these 6,000 men and women is as fair an expression of Nation-wide thinking as that of any 6,000 persons who might be polled anywhere in the United States.

These ballots prove conclusively that the American people are sorely troubled by the instability of the Federal financial structure. They are saying for themselves what I have been saying for them on the Senate floor, and what the Senator from Virginia [Mr. BYRD] and certain other Senate Members have likewise stated with great force, that we cannot have national security, domestic prosperity, or a peaceful world unless we now take resolute steps to put our national financial house in order.

Lip service will not provide the remedy. We cannot be for reduced total Federal expenditures on the one hand and for new plans which would increase the total Federal spending obligation. We cannot achieve a balanced Federal budget by cutting everyone else's project but our own.

The votes cast in this referendum, I say point the correct way, the only way, in which we can achieve governmental economy and the balanced budget which our national welfare demands.

Let these splendid Nebraska people tell in their own words why they voted as they did. I read a few excerpts from the letters which came by the bagful during this referendum. These are typical commentaries:

Mr. O. Carter, of Silver Creek, Nebr., asks, "If I, as a businessman, was already in debt for more than I was worth, and still tried to get out of debt by going deeper and deeper in debt, you would say that I was a durned fool—and I would be."

Mrs. John Milton Peters, of Bellevue, Nebr., says, "If these bills are passed, we either increase the amount of taxes we are paying now, or our country will be operating on the biggest deficit it has ever known."

Dr. Maurice D. Frazer, of Lincoln, Nebr., says, "I think it is high time that we retrench Government spending to the bone. It would seem, as the Honorable James Byrnes expressed it, that the nearest thing to immortality on this earth is a Federal bureau."

Mr. W. W. Reed, of Rosalie, Nebr., says, "I am opposed to any additional spending at this time and think we should sit tight and take a cooling-off period to determine just where we are at."

Mr. E. F. Lewis, a small-business man of Omaha, Nebr., says, "We are sick to death of hearing about billions more being appropriated for all sorts of fool things, while we are struggling to equip a small business so that it will be profitable and provide employment for at least 10 people. Tell us how we can improve working conditions, enlarge our plant, raise our employees' wages, and lower the price of our product, with pay-roll taxes increasing and taxes piled on us."

Mr. E. L. Balz, of Fremont, Nebr. "Let us get down to common sense and cut the suit according to the cloth. Stop all new wild and woolly ideas like Secretary of Agriculture Brannan's plan and others. Look into the demands of foreign countries."

Mrs. Henrietta B. Edgerly, of Omaha, Nebr., says, "All this fuss in Washington about taking care of everybody with more taxes and more subsidies seems pretty silly. Doesn't President Truman know that $200,000,000,000 is a deficit and not a surplus."

As one Member of the Senate, I am grateful that my people have spoken in so candid and unmistakable language. They have immeasurably fortified me, in the position to which I have worked with all possible consistency. They have renewed my own determination to see this question through to a satisfactory conclusion, and I submit to my fellow Members of the Senate that we have here, in the referendum result which I have just presented, a most valuable example of American thinking. It challenges our ability and demands our utmost attention.

LIQUIDATION OF TRUSTS UNDER TRANSFER AGREEMENTS—MOTION TO RECONSIDER

Mr. JOHNSON of Colorado. Mr. President, on last Monday, May 23, on the call of the calendar of bills to which there was no objection Senate bill 930, Order No. 392, was considered and without objection passed.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

Mr. JOHNSON of Colorado. Unfortunately, I was not present at the time, and I do not know that I would have identified the purpose of the bill from the description of it. I had some knowledge of the proposal prior to last Monday, but I did not know that this legislation was pending. I did not identify the purposes of the legislation with the bill on the calendar. I therefore call attention to the fact that it was passed without objection. Had I known of the bill and its objectives, I certainly would have objected to its passage. As I say, I did not identify the bill, and therefore did not offer an objection.

I ask unanimous consent to reconsider the vote by which Senate bill 930 was passed.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, in view of the fact that probably some of the Members vitally interested in certain phases of the matter might not have the opportunity to present argument, if they desire to do so, in opposition to the request of the distinguished Senator from Colorado, I should like to ask if those who were interested in sponsoring the bill have been notified that the motion to reconsider would be made?

Mr. JOHNSON of Colorado. No, they have not. As I have already stated, the bill passed by unanimous consent, and certainly I would have opposed it had I known it was going to pass. The only recourse I have now is to ask for a reconsideration. That is the only way I can voice my opposition to it, and that is what I am doing.

I realize I must have unanimous consent to make such a motion at the present time, because a period of 3 days has elapsed since the passage of the bill, and the only way I can obtain reconsideration is by requesting unanimous consent for its reconsideration. I hope the Senator will not object to it. I realize the strength of the argument he makes, that perhaps if all the Senators were present some one of them might object to reconsideration of the bill. But I think as a matter of fair play, a bill on the consent calendar ought to be passed only with the unanimous consent of the Senate. That is the spirit in which we pass bills by unanimous consent. For that reason, even though I may be a little late, I still make the request and do what I can at this time to have the bill reconsidered. It may be that I do not fully understand the bill, its purposes, or the effectiveness of its language. It may be that if I had a further explanation from its sponsors I might be convinced the bill should pass, or that perhaps amendments could be perfected which would make it satisfactory to me. Of course, if there is objection to my request there is nothing I can do about it.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I do not want to be so presumptuous as to indicate positively that I shall object, but I think, in fairness to Senators who may not know of the position which the Senator from Colorado is now taking, we should have some indication as to the reason for the position he takes at this time.

Mr. JOHNSON of Colorado. First, I want to say to the Senator that the bill was passed in my absence. If it was passed in the absence of some other Senators, they are at least receiving the same consideration I received and which I should expect to receive when I am not present to object.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Colorado that I shall not object, but I want to know what the basic reasons are which the Senator has in mind.

Mr. JOHNSON of Colorado. My reason is that, as I understand the bill, it proposes to turn over to the States $52,000,000 which really belongs to the United States Government. It may be that the States should have the money. It was turned over to them once, through a technicality, for rehabilitation purposes during the depression, but through some technicality, the money did not go to the States. My purpose is to have a full explanation and a full consideration of the bill. That is what I am seeking. The only way I can do it is to proceed in the way in which I am proceeding.

Mr. SCHOEPPEL. I withdraw any objection I have.

Mr. JOHNSON of Colorado. Mr. President, I renew my request for unanimous consent to enter a motion to reconsider the vote by which Senate bill 930 was passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado? The Chair hears none, and the motion to reconsider will be entered.

Mr. JOHNSON of Colorado. Mr. President, I now move that the House of Representatives be requested to return the bill to the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Colorado.

The motion was agreed to.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mr. HOLLAND. Mr. President, I wish to address myself briefly to the important subject—and I think it is a highly important subject—presented by the pending District home rule bill, the Kefauver bill, which is entitled to a great deal more consideration than it is apparently receiving, when one looks over the Senate Chamber at this time.

Mr. President, this bill involves a highly important question of essential civil rights applicable not only to the approximately 900,000 citizens of the District of Columbia, but applicable to many other persons who will come here in the future and remain for a season and make themselves, to all intents and purposes, a part of this community. Here they find themselves denied the advantages given to citizens in every other American city and community in our Nation, namely, the right of home rule, the right of determining by their own votes who shall serve as the members of their municipal executive body, and as the members of their executive school body, and who, in short, shall be, to them, representatives of a government which is their government, and who will be answerable and responsive to them and their wishes, just as those who reside in other communities of the Nation expect their locally elected municipal and school officials to be responsive and answerable to the will of the citizens of those various communities, embracing every community in the Nation, except the District of Columbia, in which there reside approximately 900,000 American citizens.

In the first place, I wish to invite attention to the fact that the question of civil rights—and that is what it is—does not come up because it was given no attention by the founding fathers, but it comes up, instead, because of the fact that, for purposes which are perfectly clear, if we examine the RECORD of 1873 and 1874, but which are not at all good purposes at this time, the Congress, in the year 1874, saw fit to take away from the then residents of the District of Columbia the local franchise and suffrage which they had enjoyed without interruption since 1802, when the District began to operate under what was then called a charter, which was passed by the Congress 2 years after the District was created and began to function.

Mr. President, there is no doubt about the fact that the Founding Fathers intended the people of the Federal District to have local self-government and all of the rights and duties which pertain to local self-government, because Madison, who knew more about the Constitution than did any other one individual, said so in so many words in the forty-third paper of that collection of papers called The Federalist, which was published during the time that the Constitution was being considered, in 1787, by the Thirteen Original States.

I shall not quote at length from this paper, but I shall quote enough to make perfectly clear what Mr. Madison, speaking with the authority that he alone could have because of his intimate knowledge of what had transpired at the Philadelphia Convention of 1787, said on this subject. He had been talking about the establishment of the District as a whole

and the fact that there should be no trouble in connection with it, that the State ceding it would have agreed to the cession before the District could be established, that the Federal Government could not merely take it, that the local inhabitants would have participated in the election of the legislature and the governor at the time, and that no doubt the State would provide in the compact of cession for the retention of the rights of citizenship by those residents of the area which should become a Federal District, the District of Columbia. Speaking of the democratic nature of the procedure and the reasons why the setting up of the District would be thoroughly satisfactory to the inhabitants he gave these reasons, namely:

As they will have had—

He is speaking of the residents of the District—

As they will have had their voice in the election of the government which is to exercise authority over them—

He is speaking there of the State government which makes the cession—and continuing—

as a municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them.

I shall not continue to quote from the article. I reread that last short quotation:

as a municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them.

Mr. President, without commenting in detail at all I think it is abundantly clear that Mr. Madison stated and that the founding fathers intended beyond any peradventure of doubt that a local legislative body elected by the votes of the people who should be from time to time residents and citizens of this District should continue to exist, and should continue to have the power of passing local government.

In 1874 another system was set up. I think that the mere fact that it was set up, and that it has functioned with varied success from that time, is by no matter of means a sufficient reason for permitting us to continue to neglect what was a primary conception of the founding fathers of our Nation in connection with the rights, privileges and duties of the residents of the Federal district at the time they drafted and submitted the Federal Constitution.

Mr. President, I call attention to the fact that we who come from other areas consider it as entirely essential to having any degree of democracy, any degree of republican government whatever, to have for ourselves the privileges and the rights, as well as the duties and responsibilities, of local citizenship, under which we claim as a first right the matter of choosing for ourselves and from among our own number those who shall make our local laws and regulations, those who shall administer our local public business, and those who shall have to do with the administration of the school system for our local area.

In the case of the District of Columbia there is a peculiar situation, in that the District partakes of the nature of a State, partakes of the nature of a county, partakes of the nature of a school district, and also partakes of the nature of a municipality. As I see it, we cannot continue longer to deprive citizens of this area of the right to exercise over themselves, through citizens of their own selection, the ordinary powers of local government, at all levels, from State government down to municipal government, which are taken for granted in every other place in this Nation. I think we cannot safely do it for a great many reasons, one of which is that I believe that the attitude of the citizens here themselves is getting to be lackadaisical, is getting to be such that they pay little attention to too many of the important aspects of their local government, too little attention to the economy of local government.

Mr. President, I say this without any disagreeable implications, but I have been surprised and somewhat shocked to find that excellent citizens and fine people in this area have apparently no concern whatever in this question, but instead are much more concerned with whether the gasoline tax is to be 3 cents, 4 cents, or 5 cents, or whether one privilege or another which they cherish will be allowed to them. There is too little importance attached in the area itself to this vital question, and the reason is that since 1874 the people here have become more and more accustomed to a government in which they have no say and no responsibility, and are therefore more acquiescent to the continuation of a condition which we know is not a good or sound or wholesome or democratic condition.

Mr. President, there are several aspects of this question which concern me, first, from the standpoint of the citizens of the District themselves. I have touched on this point, but I want to expand on it briefly. It seems to me that the present situation, with its complete absence of responsibility in the individual citizen, necessarily breeds lack of interest, lack of pride, lack of information, as to the details of the local government and too often lack of confidence in and respect for the two local governments which are closest to the residents of the District of Columbia, and have most to do with their daily lives, and with the rendition of those services which mean most to them and to their families.

The services of the city and of the school district include, among other things, police and fire protection, sanitation, public health, public safety, public welfare, and public education. Such a system, to my way of thinking, is very bad for the citizens themselves, and I think I need do no more than state what is known to the Presiding Officer and to each of the small number of Senators present, that too few of the citizens here have any interest whatever in their government, that the condition is drifting from bad to worse, and cannot be expected to do other than to continue to drift to still worse conditions under the present system.

Mr. President, it is common knowledge, it is common talk, that there are committed in the District an exceedingly large number of crimes of certain kinds, a much greater number than occurs, for instance, in the nearby cities of Baltimore and Richmond, where much the same situation exists with reference to the composition of the population of those two fine cities. The answer of course is the lack of interest on the part of the citizens themselves in their local government, knowledge of the fact that that government is too often not responsive to them because it is not answerable to them, in the sense that the members of other local governments have to come periodically, from year to year, or at frequent periods, before their own citizens for approval or disapproval of the performance of their official trust.

Mr. President, from the standpoint of the attitude of the public employees and the public services, this system is a bad system. These employees and services cannot be and they are not responsible to the will and the legitimate requests of citizens of the District as they would be under a system of representative government which would allow the citizens the right and put upon them the responsibility of selecting the key officials who would have direct control and supervision over the District employees and services.

Mr. President, I wonder if there is a single citizen of this District who thinks that he receives the same kind of consideration, and has the same sort of attitude manifested toward him by the public employees in this District, as is manifested toward a Member of the Congress of the United States. Unhappily, it is a fact, as stated to me not once, but many, many times by citizens of the District in both high and low places, that they realize that the essential services of the District and the personnel of the District are not always, but are in many instances, unresponsive to the needs of the average citizen. The reason is that the District employees know that those who are immediately over them are not selected by the average citizen, that the average citizen has nothing at all to do with whether or not they shall continue in the position of membership on the Board of Commissioners or membership on the school board.

Many citizens in the District have told me that they have not permitted their children to attend the District schools, and that the reason for that is the lack of personal interest in the District schools, the lack of personal responsiveness in the District schools, the lack of that degree of interest and responsiveness which would occur and does occur in those American communities where the teachers are selected by officials who in turn are answerable to and selected periodically by the citizens themselves.

Mr. President, from the standpoint of giving to local needs of the District that immediate and careful attention which they deserve and require, this system is a bad one, because every Senator and

every Representative has to give primary attention to the needs of the people of his own State or district, who elect him, as well as to the pressing needs of the Nation as a whole, and the District and its needs are bound to come last, and too often have come at long last. It is only human nature that Senators and Representatives will give first importance to those matters that touch primarily the people whom they represent and who select them to come here.

It is a sad commentary, Mr. President, that the burdens imposed upon every Senator and every Representative are so great, that they make so many demands upon the strength and the energy of every Member of the Congress, that he cannot possibly do everything he would like to do. Senators know perfectly well that every member of the District Committees, at least since I have been here, both in the Senate and in the House, likes to give just as good service to the District Committee as he does to any other cause, but he cannot possibly do it because of the pressure of business, because of the fact that he cannot attend to it all, and the fact that necessarily he has to give primary attention to those matters which come up from his own people or his own State, or those pressing national matters which are now taking and will continue to take a large part of the time of all Members of the Congress.

There is another point I want to make, and that is that from the standpoint of the Senators' own ability to stand up under the problems with which they have to deal, and to do the job they would like to do, they find it impossible—and I am sure this also prevails in the other House—to stand up under the tremendous amount of detail of petty things which under the present system fall upon and require the services of the members of the District Committee.

Mr. President, you know as well as I the large number of inconsequential things, matters which are not substantial, which have come before this body in the time during which we have served here together. You know that they have run through such a list of various matters that we could for 5 minutes recite the kind of things which have been happening and which have taken precious time of those Members who have been assigned to the committees, and also much time on the floor. I am talking about such things as the matter of determining, as we did last session, whether or not mixed boxing bouts should be permitted in the District of Columbia; whether or not it was to the public interest and to be required in the public necessity to remove from one of the streets near the White House a couple of ancient stone columns which had been there for a great many years; the question of what kind of treatment we should accord to the starlings which come here to roost upon the Federal buildings during the cold weather. A good bit of time was given to that very vital question.

Also much time was given to the equally vital question of whether or not those who sell bottled soft drinks within the District of Columbia should be required to furnish straws to their customers; the question of whether or not the members of the barber board should have certain powers, and whether or not barbers serving at their trade within the District of Columbia should be permitted to work a certain number of hours and no longer.

We also gave much time to changing the names of streets, and the question of deciding whether or not a little improvement like a spur line of a railroad should be allowed to come in on a certain alley.

The question came before us last year of deciding how many television towers should be in the District of Columbia, and at what kind of spots they should be located.

A question which has taken many hours of time of a very fine and devoted District Committee in the last week or two is the question of how we shall dispose of the stray dogs from the District pound.

Mr. President, maybe it is sound government to continue to encumber the mind, the time, the energy, the strength of the men and women who comprise the Members of the Congress of the United States with that kind of detail, with that kind of unsubstantial public business, but I think it is very bad democracy, and it is very bad government so to encumber our docket here and to take away our chance, and our opportunity, by that amount of time, to deal with other matters, pressing matters, of vital and of general importance.

Mr. President, I expect to speak at some length, on this matter on Tuesday next. I did want to make these remarks this afternoon and to say this further, that I want to speak with complete approval of the very fine service which has been rendered by the chairman of the subcommittee, the Senator from Tennessee [Mr. KEFAUVER], by the chairman of the full committee, the Senator from Rhode Island [Mr. MCGRATH], by all other members of the District Committee in pressing, in urging, in insisting upon the consideration of this matter, which I think is vital and fundamental. I think that unless we pass it we are going to find ourselves bogged down more and more in the maze of inconsequential public business which here in the District of Columbia comprises the same field as that which would be handled in the city's business, in the school board's business, in the county's business, in the State's business, in any other jurisdiction in this Nation.

I hope that the Congress will pass this measure speedily, and I believe that its passage will result in the doing of very great good in the cause of better and more effective government here in the District, I think and hope we will see a revival of interest in public affairs in the District of Columbia, constituting now 900,000 people, soon to be over a million—a revival of interest in public affairs which in itself will be distinctly worth while.

Mr. TAFT. Mr. President, I want to say a word or two in behalf of the bill which is now before the Senate. Washington is a great city, one of the greatest cities in the United States, a city of 900,000 people, and a city which has the same qualification for local home rule as has any other city in the United States.

I have perhaps a special interest in it because I have lived in the city of Washington for about 20 years altogether, counting the four or five times I have moved in and out of the city of Washington, and I have during all that time regarded the government situation as exceedingly anomalous. Here is a city in which Americans are born and grow up without any right of home rule whatsoever, without any right to participate in the government which controls their daily affairs and has to do with their daily lives. I myself believe that local self-government is almost as important to liberty as is National Government.

I do not believe we can have real freedom in this country without local self government and the right of people to determine the matters which affect them in their daily lives, such as the administration of their schools, the condition of their streets, their various public services, and other things in which every community has a vital interest.

Mr. President, I do not know why the people of Washington were left without the right to vote under the original Constitution. It has often occurred to me that perhaps the experience of mob influence in capital cities such as London and Paris throughout history led our forefathers to believe that the people of Washington should not have the vote which would enable them, by reason of their proximity to the seat of government, to exert a strong influence on the government itself.

Whatever may be the reasons why they were not accorded under the Constitution the right to vote for the Members of Congress and for President, those reasons do not apply to their right to govern themselves in their own local affairs. Certainly the fact that they not only are not governing themselves, but are governed by a body which has no interest in their welfare, or, at least, has no time to take an interest in their welfare, is another reason why the present system is completely unsatisfactory. Congress is simply unable to give its attention to the most vital concerns of the District of Columbia. It is only by happy chance that we are even able to consider this particular bill which affects the entire structure of the Government of the District of Columbia. It is very seldom that any District bill about which there is the slightest controversy can secure attention on the floor of the United States Senate.

The District is governed largely by the District Committee; but the members of that committee are unable to give very much time and attention to District affairs. Such affairs cannot be their first interest or their second interest among the matters which come before them. I see no logical reason why the people of

a city the size of Washington should not govern their own affairs. Therefore I feel very strongly that we should adopt a system of home rule for the District of Columbia. I have always felt so, and tried at every opportunity to promote that idea.

I have taken a particular interest in this bill, because if we are to have a city government, we want to have the best possible city government. The bill provides for a city council of 11 members, 9 of whom are to be elected at large, and for a city manager. I think those who have had to do with municipal governments have felt that the city manager form of government has been successful, that it is sound in principle, and that the principle of a small council elected at large is probably the best method of obtaining the proper treatment of the legislative problem.

There is, of course, a danger in any city government. Our experience throughout the history of the United States has not always been very happy with city governments. A city government is a small group elected from among the people. No great attention is centered on the character of those who are elected. Under the ward system very little attention is paid to the character of a man chosen from a small ward. The fact that members of the council are to be elected at large is an improvement, because at least they must appeal to the entire electorate. Therefore they must be men of some standing in the entire community to be successful. By that method we obtain a better type of men, and we center more public attention on those men and on what they are doing. Still there is danger, and always has been, I think, that a single group or gang may get control of a city and engage in some of the practices which we have seen in times past in various American cities.

Under this proposal I think we do what we can to avoid such a situation. In the first place, the nine men are not elected at one time. Five of them are elected for a 4-year term, and four others are elected 2 years later. Still, they may all be controlled by the same party or by the same organization, although I believe that in an election at large it is likely that at least one dissenter will be elected each time among the total number of those who are elected, no matter how large the majority for the successful group may be.

I suggested—and I think it is a wise provision—that there should be added to the council two men appointed by the President of the United States. The United States Government certainly has a very special and peculiar interest in the District of Columbia, a situation which does not exist in any other city in the United States. The Federal Government has an interest in seeing that the city government is satisfactory. I think the United States Government should have a voice—though not a prevailing voice—in the administration of the city.

In the second place, the two men appointed by the President can act as watch-dogs in case the elective process does not operate satisfactorily. Two men will always be on guard as a minority if the group in control starts in the wrong direction or attempts to do things which it should not do. Those two men can at least direct public attention to what is going on, and present the views of a loyal opposition on municipal problems. So I believe that that addition assures a council which will be safe and upon which public attention will be centered, as well as a council which will not be able to do things in secret or apart from the general knowledge of the people of the community.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Ohio yield to the Senator from Wyoming?

Mr. TAFT. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. In connection with what the Senator from Ohio has said, one of the provisions of the bill which has elicited my approval is title IV, by which every legislative proposal of the council must first be deposited with the Congress of the United States, thus providing what seems to me to be an ample check against the abuses which have sometimes arisen in other communities.

Mr. TAFT. I think the Senator is correct. That is a very useful safeguard, and one which I take it is required by the constitutional provision giving Congress the right to exercise exclusive legislative authority in all cases over the District of Columbia. We cannot divest ourselves entirely of that right. We must exercise some supervision over the District.

Mr. O'MAHONEY. Having served for many years as a member of the District of Columbia Appropriations Subcommittee, I have had many personal experiences with respect to the sad deficiencies which arise from the fact that the people of the District do not have the power to exercise self-governing authority over the normal housekeeping activities of city government. I feel that under the provisions of this bill they will have the opportunity to exercise such authority in a manner which will redound to the benefit of the community, the Capital of the Nation.

Mr. TAFT. Mr. President, I invite attention to one further feature of the bill. I refer to the provision which gives the municipal council the right to borrow money for capital improvements. That right exists in every other city. I was somewhat concerned by the rather broad power given in the first draft. The bill has now been amended so as to provide very definite limitations on the right to borrow. Bonds cannot be sold without submitting them to the public for approval by a majority vote at an election. The bonds which are issued must be issued in installments, so that they will be paid off during the life of the improvement. They cannot be for a longer period than 30 years, nor for a longer period than the life of the particular improvement, which must be certified.

The bonds must be sold at public sale on sealed bids. So we have the usual precautions which are now customary in connection with municipal bonds. It is obvious that when the bonds are issued they will have interest and retirement charges, which will add to the tax rate of the District. I suggested that in the referendum ballot attention might be called to how much the tax rate would be increased by the issue of bonds. However, that suggestion was not adopted.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. In connection with the vital matter of borrowing, which in a sense is encumbering or mortgaging the future of the District and the property in the District, does not the Senator feel that this is something which peculiarly should be entrusted only to officers elected by the citizens who are affected, and that the operation should be surrounded by safeguards so that it can be conducted only after the approving vote of the citizens affected?

Mr. TAFT. I think that is a very wise provision. Yet I believe that the right to borrow for public improvements is a perfectly proper distribution of costs over the generation to come, who will have the full use of such improvements. The danger we wish to avoid in the issuance of bonds is that of having the people still paying for the bonds when there is no longer any improvement. That has happened in a good many American cities in the past. Gradually they came to adopt the kind of provision which is in the bill, which limits the period of the bonds to the life of the improvement, and requires that they be paid off year by year, so that the people will not find, when the improvement is being torn down or replaced by another structure, that they owe a debt which has not been paid off, and which must be refunded.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. KEFAUVER. Before asking my question, I wish to make a statement. In considering this bill the subcommittee found that the distinguished senior Senator from Ohio had been studying the problem for a long time, that he was sympathetic with the idea, and that he had given this particular proposal a great deal of consideration. We are grateful to the Senator from Ohio for coming before the committee and giving us the benefit of several very useful suggestions, which I think have greatly improved the bill.

As the Senator from Ohio has stated, his first suggestion was with respect to two members of the council to be appointed by the President, by and with the consent of the Senate. Another was the provision for the election commission. The provision in the original bill was that the election commission should be named by the council. The Senator

from Ohio pointed out that an additional protection to the city and to the Federal Government would be to have members of the election commission named by the President, by and with the advice and consent of the Senate; and that provision was adopted. All the very helpful and useful suggestions made by the Senator from Ohio in connection with the financial operations of the city—the borrowing of money, and so forth—were considered by the subcommittee and were incorporated in the bill, with the exception of the one the Senator suggested in regard to having on the referendum ballot in the case of proposed bond issues, a statement setting forth the amount of tax increase which would have to be imposed in the event the bonds were issued. We tried to work out some way of handling that matter; but the income of the District of Columbia comes from so many different kinds of taxes and so many different sources that we were unable to determine any way which would give an intelligent picture, as it seemed to us, of the amount of tax increase which a bond issue would require.

Mr. TAFT. Mr. President, I do not at all insist upon that suggestion.

We have to have such an arrangement in Ohio, so I was interested in it; but in Ohio we have a tax limitation, and the effect of placing such a statement on the referendum ballot would be to indicate whether the bond issue would increase the rate beyond the tax limitation. So in Ohio we have a special reason for it. But I see no reason why such a provision should be included in the pending bill.

Mr. President, I have no more to say, except that if we wish to make a real improvement in the government of this city, the Capital City of the United States of America—which should be a model city for the entire Nation, although it has not been—it seems to me that this bill will bring about that result, and is well worked out to accomplish its purpose.

Mr. President, I feel very strongly that the bill should be passed by the Senate and by the House of Representatives.

EXECUTIVE SESSION

Mr. KEFAUVER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LONG in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Finance:

Addington B. Campbell, of Port Norris, N. J., to be collector of internal revenue for the first district of New Jersey, in place of Harry L. Maloney, deceased;

Leo E. Trombly, of Altona, N. Y., to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N. Y.;

Richard W. McSpedon, of Yonkers, N. Y., to be surveyor of customs in customs collection district No. 10, with headquarters at New York, N. Y., to fill an existing vacancy; and

Clara E. Sarvela, of Duluth, Minn., to be collector of customs for customs collection district No. 36, with headquarters at Duluth, Minn.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES MARITIME COMMISSION

The legislative clerk read the nomination of Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1950.

Mr. KEFAUVER. Mr. President, I understand that yesterday a request was made that the nomination be passed over. However, I do not believe there is any present request that it be passed over further.

Mr. WHERRY. Mr. President, yesterday I asked that the nomination of Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the Maritime Commission, be passed over. However, it is perfectly agreeable to have the nomination confirmed at this time. There is no objection.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL POWER COMMISSION—NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1952.

Mr. WHERRY. Mr. President, I ask that this nomination be passed over until the next call of the Executive Calendar.

The PRESIDING OFFICER. Without objection, the nomination will be passed over until the next call of the Executive Calendar.

Mr. KEFAUVER. Mr. President, I believe the Senator from Kansas, and perhaps other Senators, are opposed to the confirmation of the nomination.

Mr. WHERRY. Mr. President, I am quite satisfied that the Senator from Kansas [Mr. SCHOEPPEL], who at that time was acting minority leader, was requested by a colleague to ask that the nomination go over until next Tuesday. My feeling is that by that time, possibly, the situation will be ironed out.

Mr. KEFAUVER. Yes; I think so.

Mr. WHERRY. But until that happens, I respectfully request that the nomination be passed over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

Mr. SCHOEPPEL. Mr. President, in reference to the statement made by the distinguished Senator from Nebraska and the statement made by the distinguished Senator from Tennessee, I merely wish to say that the statement the Senator from Nebraska has made of the situation regarding the nomination is correct.

Mr. WHERRY. Yes; it is correct, I am sure. I wish to make the RECORD unmistakably clear that the Senator from Kansas was, in that connection, acting as minority leader, and that I had asked him to see that the nomination was passed over, but that was at the request of another colleague.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation of the nomination of Maj. Gen. Philip B. Fleming.

That completes the Executive Calendar.

RECESS UNTIL TUESDAY

Mr. KEFAUVER. Mr. President, I now move that the Senate stand in recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until Tuesday, May 31, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 27 (legislative day of May 23), 1949:

DEPARTMENT OF STATE

The following-named persons to be Assistant Secretaries of State:

W. Walton Butterworth, of Louisiana.
John D. Hickerson, of Texas.
George C. McGhee, of Texas.
Edward G. Miller, Jr., of New York.
George W. Perkins, of New York.

George F. Kennan, of Wisconsin, to be Counselor of the Department of State.

Adrian S. Fisher, of Tennessee, to be Legal Adviser of the Department of State.

IN THE MARINE CORPS

The following-named officers for appointment to the permanent grade of brigadier general in the Marine Corps:

William O. Brice — Ivan W. Miller
Vernon E. Megee — Fred S. Robillard

The following-named officers for appointment to the temporary grade of brigadier general in the Marine Corps:

William S. Fellers
Edwin A. Pollack
William J. Whaling

The following-named officer for appointment to the permanent grade of colonel in the Marine Corps:

Frederick L. Wieseman

The following-named officers for appointment to the temporary grade of major in the Marine Corps:

Dorn E. Arnold	James G. Petrie
Roy E. Hagerdon	Evard J. Snell
Albert C. Hartkopf	Harold E. Swain
Raymond H. Leeper	George W. Torbert

The following-named officers for appointment to the temporary grade of captain in the Marine Corps:

Gus C. Daskalakis	Harley L. Grant
Robert H. Fore	George Kross

The following-named officers for appointment to the permanent grade of major for limited duty in the Marine Corps:

George K. Acker	Frederick O'Connor
Harry D. Hargrave	Vernon A. Tuson

The following-named officer for appointment to the permanent grade of captain for limited duty in the Marine Corps:

William G. Reid

The following-named officers for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Edgar S. Hamilton
John C. Hudock
David R. McGrew, Jr.

The following-named officers for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

Harold Bartlett	Richard F. Henderson
Robert E. Boze	Henry S. Jozwicki
Irving F. Buckland	Robert D. Leach
Roger D. Buckley	Harry N. McCutcheon
Herbert G. Cantrell	Calvin C. Miles III
Henry T. Dawes	Derilas A. Moore
William M. Dwiggins	James M. Riley, Jr.
Ewing B. Harvey	

The following-named midshipmen for appointment to the permanent grade of second lieutenant in the Marine Corps:

Samuel P. Gardner
Nick J. Kapetan
Richard S. McCutchen

The following-named citizens (Contract NROTC students) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Robert L. Lockhart, a citizen of Massachusetts.

Theodore R. Wall, a citizen of North Carolina.

The following-named officer (former enlisted man) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Fredric W. Golles, Jr.

CONFIRMATION

Executive nomination confirmed by the Senate May 27 (legislative day of May 23), 1949:

UNITED STATES MARITIME COMMISSION

Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1955.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 27, 1949

The House met at 12 o'clock noon.

Rev. Joseph Joshua Mundell, of Greensboro, N. C., offered the following prayer:

O God, the First Person of the Blessed Trinity, through Thy mercy and justice, descend Thy gifts and graces upon the ladies and gentlemen of this House that they may lead us, the people of the United States of America, in peace through all days. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1057. An act for the relief of John Keith.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1843. An act to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibilitity; and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 714) entitled "An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. HOLLAND, Mr. CHAPMAN, Mr. CAIN, and Mr. MARTIN to be the conferees on the part of the Senate.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 230, Rept. No. 693), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PECOS RIVER COMPACT

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3334) to grant the consent of the United States to the Pecos River compact, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act to grant the consent of Congress to the Pecos River compact."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman from Florida explain the amendment?

Mr. PETERSON. This bill was passed by the House and by the other body. The other body struck out the words "United States" and inserted the word "Congress." The Constitution uses the word "Congress"; therefore the other body is correct.

Mr. ARENDS. In other words, it is a technical improvement.

Mr. PETERSON. A technical improvement; that is correct.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian, July 1, 1949, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ENGLE of California, MURDOCK, REGAN, LEMKE, and BARRETT of Wyoming.

CONSTRUCTION OF FEDERAL PUBLIC BUILDINGS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the Dis-

trict of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, with amendments of the House thereto, insist upon the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTINGTON, BUCKLEY of New York, LARCADE, DONDERO, and ANGELL.

EXTENSION OF REMARKS

Mr. HELLER (at the request of Mr. O'TOOLE) was given permission to extend his remarks in the RECORD in five instances.

Mr. KEOGH (at the request of Mr. O'TOOLE) was given permission to extend his remarks in the RECORD and include an address by Commissioner Carson.

Mr. SIKES asked and was given permission to extend his remarks in the RECORD and include certain editorials.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include certain excerpts and editorials.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. DAVIS of Tennessee asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD and include a speech by Hon. CHASE GOING WOODHOUSE.

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include articles in reference to the TVA and the Columbia Valley Authority, which appeared in the Portland Oregonian. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $1,293.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's table and the conclusion of special orders heretofore granted, I may address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. STEED asked and was given permission to extend his remarks in the RECORD and include an article on flood control.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the RECORD and include an address by Mr. L. J. Richardson, president of the Public Utilities Commission Association.

ALASKA SHIPPING

Mr. JACKSON of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include certain material from the United States Maritime Commission.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON of Washington. Mr. Speaker, in the first session of the Eightieth Congress, I sponsored an Interim Shipping Act known as Public Law 12, which became effective March 7, 1947, and expired on June 30, 1948.

The purpose of this legislation was twofold. First, since the economy of the Territory of Alaska is so largely dependent on the cost of transportation into the territory, the law provided a temporary subsidy by making ships available to operating companies at a dollar a year in order that freight rates might be consistent with a healthy Alaskan economy. Second, because shipping to Alaska had theretofor been largely conducted during abnormal wartime conditions, the act was to provide a period of time in which an accurate study could be made of the costs of operation of shipping companies under the agreement. It was hoped that the study would provide a yardstick for the preparation of permanent legislation.

In furtherance of these two purposes, the Maritime Commission was required, under section 2 of the law, "to report to the Congress at intervals of not greater than 90 days all contracts, charters, and other arrangements entered into pursuant to this act, and the details and source of all operations which have been conducted thereunder."

In my opinion, the Commission did not comply fully with the letter, and certainly not with the spirit of this provision of the law. They failed to report to the Congress regularly and adequately the over-all operating conditions of the companies under the act. Their reports told primarily of the arrivals and departures of their ships, which did not provide adequately, in my opinion, the yardstick which the Congress was looking for.

The operating companies under the act have been the Alaska Transportation Co., the Alaska Steamship Co., the Northland Transportation Co., and the Santa Ana Steamship Co.

For over a year, I have been making repeated requests of the Maritime Commission for a detailed accounting of the business activities of these four companies. Finally, in January of this year, at my urging, the Maritime Commission undertook a complete audit of the books of the four companies. Five months later, the Commission submitted to me a preliminary report, which I am submitting for the record. It includes financial statements which are in part the results of the Commission's audits of the Alaska Steamship Co. and the Northland Transportation Co., and in part the statements submitted by those companies—since the Maritime Commission had not completed its audits of all of the companies concerned—of the finances of the Alaska Terminal & Stevedoring Co., owned jointly by the Alaska Steamship Co., some of its officers and employees, and by the Northland Transportation Co., and also of the finances of the Ketchikan Wharf Co., which is wholly owned by the Alaska Steamship Co.

I am submitting, in addition, a schedule of salaries and fees paid by the four companies, as submitted by the Maritime Commission, and the financial results of operations of these companies, also as submitted by the Commission.

A reading of the report will show that there are some very substantial discrepancies between the statements submitted by the companies and the audit made by the Commission. It will be noted that in the report, the Alaska Steamship Co.'s statement showed a profit of $678,093 before Federal income taxes, and the audit of the Maritime Commission shows a profit of $1,348,716.64—nearly a 100-percent discrepancy.

The Commission states:

> The principal items making up this difference of over $670,000 are the inclusion of a profit of approximately $180,000 from ship repairs made in the company's own yards which had been excluded in the company's presentation; a reduction of approximately $300,000 in the amount of overhead as allocated by the company, and the exclusion by our auditors of approximately $160,000 covering depreciation on the company's owned vessels.

In the case of the Northland Transportation, there is a discrepancy of $8,591.69 between the company's statement and the Commission's audit. This discrepancy is not explained in the Commission's preliminary report.

I would like to invite the attention of the Congress to the fact that, in the case of the Alaska Steamship Co., ship repairs were undertaken on a cost-plus-20-percent basis. For some reason, although adequate ship-repair facilities were available in the area, the company failed to let the work out on the basis of competitive bidding. Instead, they engaged in their own ship-repair business, which netted them a substantial profit.

It will be noted from an examination of the report that the Alaska Steamship Co. and the Northland Transportation Co. did not limit their activites to shipping operations alone, but, through stock and individual ownerships, were engaged in stevedoring and ship-repair work, which netted the companies a very substantial profit on the basis of an unaudited report received by the Commission. I believe this matter should be thoroughly investigated and a complete audit made of the books of all the companies in order that the Congress be fully advised regarding these transactions.

Mr. Speaker, I have requested the chairman of the Merchant Marine and Fisheries Committee to make a thorough and complete investigation of the operations of all of the companies under the act. The chairman has assured me that the matter will be thoroughly investigated at an early date by his committee. I hope that, as a result of these hearings, the public will be fully appraised of the operations under the interim act, and, with that information, I hope that the Congress will have a better understanding of the kind of legislation which will be needed to provide adequate and proper transportation to Alaska. I wish to state that I shall not cease my activities in this matter until both the Congress and the public are satisfied that both the letter and the spirit of Public Law 12 have been complied with.

UNITED STATES MARITIME COMMISSION,
Washington, May 17, 1949.

Subject: Alaska Steamship Co. and Northland Transportation Co. combined operations under agreement for emergency interim operation of water transportation service, to, from, and within the Territory of Alaska.

The Honorable HENRY M. JACKSON,
Member, Appropriations Committee,
House of Representatives.

MY DEAR CONGRESSMAN JACKSON: Pursuant to your requests, there is transmitted herewith a financial statement designated exhibit A reflecting the combined income of the Alaska Steamship Co. and the Northland Transportation Co., together with their affiliated company, the Alaska Steamship Co., Ketchikan Wharf Co., derived from operations under the emergency interim agreement.

Attention is invited to the fact that the operations of the Alaska Steamship Co. under the interim agreement embraced the period from May 1, 1947, to December 31, 1948, while the operations of the Northland Transportation Co. covered the period from June 1, 1947, to August 31, 1948.

Exhibit A, referred to above, reflects combined net profit of $1,858,841.12 from shipping operations under the interim agreement, before Federal income tax, composed of a profit of $1,546,735.53 applicable to operations of the Alaska Steamship Co., those of its affiliate, Alaska Terminal & Stevedoring Co., and its wholly owned subsidiary, Ketchikan Wharf Co., insofar as they relate to operations of Alaska Steamship Co., as shown on supporting schedule A–1, and a profit of $312,105.59 applicable to operation of Northland Transportation Co. and the related portion of its affiliate, Alaska Terminal & Stevedoring Co., as reflected on schedule A–2.

From schedule A–1 it will be noted that net profit from shipping operations before Federal income tax of the Alaska Steamship Co. as computed after our audit is $1,348,-716.64. This compares with a profit of $678,-093 before Federal income taxes computed from statements submitted by the company. The principal items making up this difference of over $670,000 are the inclusion of a profit of approximately $180,000 from ship repairs made in the company's own yards which had been excluded in the company's presentation; a reduction of approximately $300,000 in the amount of overhead as allocated by the company, and the exclusion by our auditors of approximately $160,000 covering depreciation on the company's owned vessels. Attention is directed to the fact that ship repairs were charged to vessel operations at cost, plus a 20-percent profit. In its financial statements, the company had allocated this profit to other than vessel operations. In addition to the items mentioned, profits from operations of the Alaska Terminal & Stevedoring Co. in the amount of $191,754.29 and profits of the Ketchikan Wharf Co. of $6,264.60 are also added to the Alaska Steamship Co. income for the purpose of reflecting the total profit of the affiliated interests. The Ketchikan Wharf Co. is a wholly owned subsidiary, but in the case of the Alaska Terminal & Stevedoring Co., approximately 49 percent of the stock is owned by the Alaska Steamship Co., the remainder being held by officers or employees of Alaska and by Northland.

With respect to Northland, the profits computed from statements submitted by the company were $179,239.39 as compared with $187,831.08 computed by our auditors as shown on schedule A–2. For the purpose of reflecting the total income to the affiliated interests, a profit of $124,274.51 of the Alaska Terminal & Stevedoring Co., representing the portion attributable to services rendered by that company for Northland has also been set forth and shown in the total profit accruing to Northland.

The operating results reflected on exhibit A and supporting schedules as concerns Alaska Steamship Co. and Northland Transportation Co. are the results of audits recently completed by the field staff of this office, pursuant to the terms of the emergency interim agreement, whereas the results reflected with respect to the Alaska Terminal & Stevedoring Co. and the Ketchikan Wharf Co. have not been audited by this office but reflect the results as shown on the books of account of the respective companies.

The Alaska Steamship Co. chartered 15 vessels from the Commission at the rate of $1 per annum, which it operated together with 4 owned vessels under the emergency interim agreement. During the period of the agreement there were 83 voyages completed with chartered vessels and 70 voyages completed with owned vessels.

The Northland Transportation Co. chartered 5 vessels from the Commission at the rate of $1 per annum, which it operated under the emergency interim agreement, together with 1 vessel (S. S. *Alaska*) assigned to it by the Alaska Steamship Co., for which no charter hire was paid to the latter. This operator completed 40 voyages with the 5 vessels chartered from the Commission and 24 voytages with the S. S. *Alaska*.

There is also attached hereto a statement designated exhibit B reflecting salaries paid, during the period of the emergency interim agreement, to officers of the Alaska Steamship Co. and to the partners of Northland Transportation Co., and the portion thereof that is applicable to the operations of such agreement.

In the case of the Alaska operations the emergency interim agreement is the motivating instrument, whereas the ships sales demise 303 bare-boat charter agreement is the activating instrument providing the means whereby the operators were furnished with additional vessels for use in the trade. The emergency interim agreement provides, among other things, that with respect to the determination of profits and capital employed, the terms and conditions set forth in the ships sales demise 303 agreement, which were incorporated by reference in the emergency interim agreement, shall prevail except to the extent where such terms and conditions are expressly in conflict with the emergency interim agreement, in which event the terms of the latter shall prevail. The emergency interim agreement further provides, among other things, that the rights and obligations of each party thereto shall in every respect and at all times be several and not joint.

In this connection, it appears appropriate to point out that paragraph (c) of clause 30 of part II of bare-boat charter agreement ship sales demise 303 provides, among other things, that in the calculation of the cumulative net voyage profit for the purposes of determining the amount of additional charter hire payable to the owner, sums paid or payable to an interested person or related company in connection with the operation of the vessels thereunder during the period with respect to which such calculation is made shall be taken into account only if such agreements or arrangements have been approved by the owner, and then only in such amount as the owner shall deem to be fair and reasonable. In the determination of additional charter hire under that agreement, therefore, the operating results of subsidiary and affiliated companies which render service or furnish stores, supplies, equipment, materials, repairs, or facilities in connection with the operation of the vessels thereunder would normally not be consolidated with those of the operator.

In the instance of the Alaska Terminal & Stevedoring Co. our auditors found that the facilities, other than stevedoring, furnished by that company were at the going port rates. The stevedoring services rendered were in accordance with the terms of existing agreements between the Alaska Steamship Co., Northland Transportation Co., and the Alaska Terminal & Stevedoring Co., each individually. Notwithstanding this, there are several matters pertaining to this operation disclosed by the audit with which I am not satisfied, including the handling by the Alaska Steamship Co. and Northland of the stevedoring and terminal operations and ship repairs. Answers to my questions will require an analysis by our technical staff, and I am, therefore, having this done, and a further report prepared covering the results of our investigation which will be furnished you.

It is to be understood that the exhibits and schedules attached hereto reflect operating results on a combined basis to show income to an affiliation of interests and are not to be construed as representing the final determinations subsequently to be made by the Commission with respect to settlements with either the Alaska Steamship Co. or the Northland Transportation Co. in connection with their respective operations under the terms of the emergency interim agreement.

Sincerely yours,

GRENVILLE MELLEN,
Vice Chairman.

EXHIBIT A

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Combined income sheet, Alaska Steampship Co. and Northland Transportation Co., covering operations during the period of the agreement for the emergency interim operation of water-transportation service to, from, and within the Territory of Alaska (contract No. MCc 60,018)

Description	Combined total	Alaska Steamship Co. (schedule A-1)	Northland Transportation Co. (schedule A-2)
Terminated voyage results	$3,084,101.71	$2,452,743.87	$631,357.84
Inactive vessel expenses	334,082.75	224,429.77	109,652.98
Gross profit from vessel operations	2,750,018.96	2,228,314.10	521,704.86
Other shipping operations	702,543.07	536,438.61	166,104.46
Gross profit from shipping operations before overhead and depreciation	3,452,562.03	2,764,752.71	687,809.32
Overhead	1,581,589.09	1,221,988.82	359,600.27
Gross profit from shipping operations before depreciation	1,870,972.94	1,542,763.89	328,209.05
Depreciation	73,612.73	56,333.87	17,278.86
Gross profit from shipping operations	1,797,360.21	1,486,430.02	310,930.19
Other income, net	61,480.91	60,305.51	1,175.40
Net profit from shipping operations before Federal income tax	1,858,841.12	1,546,735.53	312,105.59

NOTE.—See explanation with respect to above on attached schedules.

SCHEDULE A-1

(Combined income sheet)

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Alaska Steamship Co. with its wholly owned subsidiary, Ketchikan Wharf Co., and applicable portion of its affiliate, Alaska Terminal & Stevedoring Co., covering operations during the period of the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. MCc 60018)

Description	Total	Alaska Steamship Co.	Alaska Terminal & Stevedoring Co.	Ketchikan Wharf Co.
Terminated voyage results	$2,452,743.87	$2,452,743.87		
Inactive vessel expense	224,429.77	224,429.77		
Gross profit from vessel operations	2,228,314.10	2,228,314.10		
Other shipping operations	536,438.61	182,247.20	$289,680.24	$64,511.17
Gross profit from shipping operations before overhead and depreciation	2,764,752.71	2,410,561.30	289,680.24	64,511.17
Overhead	1,221,988.82	1,117,570.28	51,200.49	53,218.05
Gross profit from shipping operations before depreciation	1,542,763.89	1,292,991.02	238,479.75	11,293.12
Depreciation	56,333.87	4,682.79	46,622.56	5,028.52
Gross profit from shipping operations	1,486,430.02	1,288,308.23	191,857.19	6,264.60
Other income, net	60,305.51	60,408.41	−102.90	
Net profit from shipping operations before Federal income tax	1,546,735.53	1,348,716.64	191,754.29	6,264.60

The above reflects the combined results of the audited operations of the Alaska Steamship Co. and the unaudited operations of its affiliate, Alaska Terminal & Stevedoring Co., and its wholly owned subsidiary, Ketchikan Wharf Co. The amounts shown under caption "Alaska Terminal & Stevedoring Co." represent a pro rata portion of this affiliate's operations accruing from services rendered the Alaska Steamship Co. The above reflects only that portion of the charterer's operating results applicable to the emergency interim operation and inasmuch as unaudited results are included herein, this statement should be considered for statistical purposes only.

SCHEDULE A-2

(Combined income sheet)

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Northland Transportation Co. and applicable portion of its affiliate, Alaska Terminal & Stevedoring Co., covering operations during the period of the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. MCc 60,018)

Description	Total	Northland Transportation Co.	Alaska Terminal & Stevedoring Co.
Terminated voyage results	$631,357.84	$631,357.84	
Inactive vessel expense	109,652.98	109,652.98	
Gross profit from vessel operations	521,704.86	521,704.86	
Other shipping operations	166,104.46	8,065.64	$158,038.82
Gross profit from shipping operations before overhead and depreciation	687,809.32	529,770.50	158,038.82
Overhead	359,600.27	341,843.49	17,756.78
Gross profit from shipping operations before depreciation	328,209.05	187,927.01	140,282.04
Depreciation	17,278.86	1,327.47	15,951.39
Gross profit from shipping operations	310,930.19	186,599.54	124,330.65
Other income net	1,175.40	1,231.54	−56.14
Net profit from shipping operations before Federal income tax	312,105.59	187,831.08	124,274.51

The above reflects the combined results of the audited operations of the Northland Transportation Co., and the unaudited operations of its affiliate, Alaska Terminal & Stevedoring Co. The amounts shown under caption "Alaska Terminal & Stevedoring Co." represent a pro rata portion of this affiliate's operations accruing from services rendered the Northland Transportation Co. The above reflects only that portion of the charterer's operating results applicable to the emergency interim operation and inasmuch as unaudited results are included herein, this statement should be considered for statistical purposes only.

EXHIBIT B

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Statement of salaries paid to officers of Alaska Steamship Co. and partners of Northland Transportation Co. during the period of the agreement for the emergency interim operations of water transportation service to, from, and within the Territory of Alaska (contract No. MCc 60018)

	Alaska Steamship Co., total salary		Northland Transportation Co., total salary		Total	Applicable to interim agreement	Applicable to other operations
	May 1 to Dec. 31, 1947	Jan. 1 to Dec. 31, 1948	June 1 to Dec. 31, 1947	Jan. 1 to Aug. 31, 1948			
G. W. Skinner, president and partner	0	$24,000.00	$10,500.00	$12,000.00	$46,500.00	$30,554.58	$15,945.42
R. C. Anderson, vice president and partner	0	24,000.00	10,500.00	12,000.00	46,500.00	27,843.52	18,656.48
D. E. Skinner, partner	0	0	10,500.00	12,000.00	22,500.00	19,710.34	2,789.66
William Semar, general manager	0	0	14,583.31	16,666.64	31,249.95	27,375.42	3,874.53
F. W. Tegtmeyer, secretary and assistant treasurer	0	4,500.00	----------	0	4,500.00	1,016.65	3,483.35
Lawrence Bogle, vice president [1]	$8,000.00	12,000.00	----------	0	20,000.00	13,555.30	6,444.70
J. W. Baker, vice president, general manager	12,000.00	0	----------	0	12,000.00	8,133.18	3,866.82
W. P. McCarthy, assistant treasurer	5,500.00	9,360.00	----------	0	14,860.00	10,071.59	4,788.41

EXECUTIVE SALARIES OF AFFILIATED AND SUBSIDIARY COMPANIES (ANNUAL RATE AT DEC. 31, 1948)

Alaska Terminal & Stevedoring Co.:	
U. W. Killingsworth, president and manager	$8,400
J. P. Pressnall, secretary and office manager	5,520
William Semar, vice president	0
D. E. Skinner, vice president	0
H. M. Stakke, treasurer	0
C. F. Osborn, assistant secretary and assistant treasurer	0
Ketchikan Wharf Co.:	
R. C. Anderson, president	$0
D. E. Skinner, vice president	0
U. W. Killingsworth, vice president	0
W. P. McCarthy, secretary and treasurer	0

[1] Lawrence Bogle is also a member of the law firm of Bogle, Bogle & Gates, which firm received the following fees during the period of the interim agreement:

	Total	Applicable to interim agreement	Applicable to other operations
Alaska Steamship Co	$89,142.58	$60,417.72	$28,724.86
Northland Transportation Co	25,622.32	22,445.54	3,176.78

Financial results of operations under contract No. USMc-C-60018 dated May 15, 1947, between U. S. Maritime Commission and Santa Ana Steamship Co., per report of audit, dated Feb. 21, 1949, prepared by U. S. Maritime Commission

1. Net profit from operations, before Federal income tax, per report of audit, dated Feb. 21, 1949	$84,013.87
2. Allowable profit (10 percent per annum on capital employed)	16,820.66
3. Additional for use of operator's own vessels (not included in item 2 above)	([1])
4. Total allowance (item 2 plus item 3 above)	16,820.66
5. Excess profit (item 1 minus item 4)	67,193.21
6. Insurance claims paid by Commission (latest recorded) reimbursable by operator if excess profits (item 5) are available	4,920.50
7. Excess profit after insurance claims (item 5 minus item 6)	62,272.71
8. U. S. Maritime Commission portion of excess profit (75 percent of item 7)	46,704.53
9. Operator's portion of excess profit (25 percent of item 7)	15,568.18
10. Total profit accruing to operator (item 4 plus item 9)	$32,388.58

[1] Not owned.

Financial results of operations under contract No. USMc-C-60018, dated May 15, 1947, between U. S. Maritime Commission and Alaska Transportation Co., per report of audit, dated Mar. 8, 1949, prepared by U. S. Maritime Commission

1. Net profit from operations, before Federal income tax, per report of audit, dated Mar. 8, 1949 (see footnote A)	$157,750.03
2. Allowable profit (10 percent per annum on capital employed) (deficiency capital)	None
3. Additional for use of operator's own vessels (not included in item 2 above)	10,102.99
4. Total allowance (item 2 plus item 3 above)	10,102.99
5. Excess profit (item 1 minus item 4)	147,647.04
6. Insurance claims paid by Commission (see footnote B) (reimbursable by operator if excess profits, item 5, are available	3,000.00
7. Excess profit after insurance claims (item 5 minus item 6)	$144,647.04
8. U. S. Maritime Commission portion of excess profit (75 percent of item 7)	108,485.28
9. Operator's portion of excess profit (25 percent of item 7)	36,161.76
10. Total profit accruing to operator (item 4 plus item 9)	46,264.75

(A) Legal fees and expenses in the amount of $48,740.75 have been eliminated from the net profit, for the purpose of this statement, subject to review and study by the Commission, regarding the amount thereof applicable to operations under the emergency interim agreement. Therefore, the amount of net profit indicated as item 1 hereon is subject to adjustment to the extent of the amount of legal fees and expenses as determined by the Commission to be applicable to operations under this agreement.

(B) Represents the amount of an advance by the Commission to the insurance syndicate for the payment of claims on casualty of the S. S. *Sword Knot*, Mar. 16, 1948, subject to adjustment upon final settlement of claim.

Salaries and fees, etc., paid by Alaska Steamship Co. during period May 1, 1947, to Dec. 31, 1948, Northland Transportation Co. (partnership) during period June 1, 1947, to Aug. 31, 1948, Alaska Transportation Co. during period June 1, 1947, to Aug. 31, 1948, and Santa Ana Steamship Co. during period May 1, 1947, to Aug. 31, 1948

ALASKA STEAMSHIP CO. OF NEVADA (MAY 1, 1947, TO DEC. 31, 1947) AND ALASKA STEAMSHIP CO. OF WASHINGTON (JAN. 1, 1948, TO DEC. 31, 1948)[1]

Name	Title	Basic annual salary		Total salaries paid during period from May 1, 1947, to Dec. 31, 1947	Total salaries charged to transportation division during period from Jan. 1, 1948, to Dec. 31, 1948	Total May 1, 1947, to Dec. 31, 1948
		May 1, 1947, to Dec. 31, 1947	Jan. 1, 1948, to Dec. 31, 1948			
Executives:						
G. W. Skinner	President[2]		$24,000.00		$16,000.00	$16,000.00
R. C. Anderson	Executive vice president[2]		24,000.00		12,000.00	12,000.00
Lawrence Bogle	Vice president	$12,000.00	12,000.00	$8,000.00	12,000.00	20,000.00
D. E. Skinner	do.[2]		6,000.00			
V. H. Elfendahl	do		6,666.61			
U. W. Killingsworth	Secretary	4,860.00		3,240.00		3,240.00
M. H. Keil	Treasurer		12,000.00			
W. P. McCarthy	Assistant treasurer	7,800.00	9,360.00	5,200.00	9,360.00	14,560.00
R. J. Quinn	Assistant secretary	5,280.00		3,520.00		3,520.00
E. G. Dobrin	do					
C. O. Nelson	do	5,520.00		3,680.00		3,680.00
F. W. Tegtmeyer	Secretary and assistant treasurer		4,500.00		1,500.00	1,500.00
G. F. Kachlein	Assistant secretary					
L. W. Baker	Vice president and general manager	18,000.00		12,000.00		12,000.00
Total executives				35,640.00	50,860.00	86,500.00
Employees (salaries over $10,000):						
F. W. Zeusler	Assistant to president		12,000.00		12,000.00	
Fred Zumdeick	Operating superintendent		10,800.00		10,800.00	
H. M. Peterson	Traffic manager		10,800.00		10,800.00	
Total employees						33,600.00
		Calendar year 1947	Basic monthly rate	Paid during period May 1, 1947, to Dec. 31, 1947		
Management fees, etc.: Skinner & Eddy Corp.[3]		$50,000.00		$33,333.33		33,333.33
Monthly charge covering portion of rent, light, phones, etc.: For executive department:[4]						
Period Jan. 1, 1948, to Aug. 31, 1948			500.00		4,000.00	
Period Sept. 1, 1948, to Dec. 31, 1948			530.00		2,120.00	
Total management fees, etc.				33,333.33	6,120.00	39,453.33
Total salaries and fees paid by Alaska Steamship Co.				68,973.33	90,580.00	159,553.33

NORTHLAND TRANSPORTATION CO. (PARTNERSHIP) (JUNE 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic annual salary during period from June 1, 1947, to Aug. 31, 1948	Total salaries paid during period from June 1, 1947, to Aug. 31, 1948	Total, June 1, 1947, to Aug. 31, 1948
Executive:				
G. W. Skinner	Partner[2]	$18,000.00	$22,500.00	
R. C. Anderson	do[2]	18,000.00	22,500.00	
D. E. Skinner	do[2]	18,000.00	22,500.00	
Total executive				$67,500.00
Employees (salaries over $10,000): W. Semar	General manager	25,000.00	31,250.00	31,250.00
Total salaries paid by Northland Transportation Co. (partnership)			98,750.00	98,750.00
Management fees, etc.: None.				
Total salaries and fees paid by Alaska Steamship Co. and Northland Transportation Co., during periods May 1, 1947, to Dec. 31, 1948, and June 1, 1947, to Aug. 31, 1948, respectively.			68,973.33 189,330.00	258,303.33

[1] Alaska Steamship Co. of Nevada was acquired 100 percent by Skinner & Eddy in 1944. As of Jan. 1, 1948, Skinner & Eddy changed its own name to Alaska Steamship Co. of Washington and merged its wholly owned subsidiary with itself, the shipping company then becoming the transportation division of the new company, which it is stated is engaged in (1) brokerage of canned salmon, (2) production and sale of unrefined petroleum products in the State of Texas, and (3) acquisition and sale of real estate and timber properties and rentals thereof.

[2] Tabulation showing salaries drawn by G. W. Skinner, R. C. Anderson, and D. E. Skinner, during period Jan. 1, 1948, to Dec. 31, 1948, from Alaska Steamship Co. and during period June 1, 1947, to Aug. 31, 1948, from Northland Transportation Co. together:

	G. W. Skinner	R. C. Anderson	D. E. Skinner	Total
Alaska Steamship Co.	$16,000	$12,000		$28,000
Northland Transportation Co.	22,500	22,500	$22,500	67,500
Total	38,500	34,500	22,500	95,500

[3] It is understood that these fees, during the period May 1, 1947, to Dec. 31, 1947, were paid to the parent company in lieu of salaries to G. W. Skinner, president, and R. C. Anderson, executive vice president, and E. G. Dobrin, assistant secretary.

[4] Since Jan. 1, 1948, the executive department of the Alaska Steamship Co. has maintained an uptown office in a Seattle office building. These fees represent the transportation division's proportion of the maintenance of that office.

Salaries and fees, etc., paid by Alaska Steamship Co. during period of May 1, 1947, to Dec. 31, 1948, Northland Transportation Co. (partnership) during period June 1, 1947, to Aug. 31, 1948, Alaska Transportation Co. during period of June 1, 1947, to Aug. 31, 1948, and Santa Ana Steamship Co. during period May 1, 1947, to Aug. 31, 1948—Continued

ALASKA TRANSPORTATION CO. (JUNE 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic salary during period from June 1, 1947, to Aug. 31, 1948	Total salaries paid during period from June 1, 1947, to Aug. 31, 1948	Total, June 1, 1947, to Aug. 31, 1948
Executives:				
Norton Clapp	President			
Period Jan. 1, 1948, to July 31, 1948		[5] $1,000	$7,000.00	
Period Aug. 1, 1948, to Aug. 31, 1948		[5] 500	500.00	
S. J. Swanson	Vice president and general manager.			
Period June 1, 1947, to Dec. 31, 1947		[6] 10,000	5,833.31	
Period Jan. 1, 1948, to Aug. 31, 1948		[6] 12,000	8,000.00	
Bonus			210.00	
A. H. Link: Period Aug. 1, 1948, to Aug. 31, 1948	Treasurer	[5] 500	500.00	
Albert E. Stephan	Secretary			
John H. Murhland	Assistant secretary and treasurer			
Total salaries paid by Alaska Transportation Co				$22,043.31
Employees (salaries over $10,000): None.				
Management fees, etc.: None.				

SANTA ANA STEAMSHIP CO. (MAY 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic annual salary during period from May 1, 1947, to Aug. 31, 1948	Total paid during period from May 1, 1947, to Aug. 31, 1948	Total May 1, 1947, to Aug. 31, 1948
Executives: J. D. Reagh	President	$12,000.00		
Period Mar. 1, 1947, to Sept. 30, 1947 (7 months)			$7,000.00	
Period Oct. 1, 1947, to Dec. 31, 1947 (3 months)			1,000.00	
Period Jan. 1, 1948, to Feb. 29, 1948 (2 months)				
Period Mar. 1, 1948, to Aug. 31, 1948 (5⅙ months)			5,166.66	
Total salaries paid by Santa Ana Steamship Co				$13,166.66
Employees (salaries over $10,000): None.				
Management fees, etc.: None.				

[5] Per month.
[6] Per annum.

EXHIBIT A

U. S. Maritime Commission financial results of operations (partially estimated and subject to audit by the U. S. Maritime Commission) by Alaska Steamship Co., Northland Transportation Co., Alaska Transportation Co., and Santa Ana Steamship Co., individually, under the provisions of contract No. USMC–c–60018, dated May 15, 1947, between the United States of America acting by and through the U. S. Maritime Commission and each of the aforementioned operators, during their respective periods of operation (based on latest available information through Feb. 2, 1947)

Item No.	Description	Total	Alaska Steamship Co., period May 1, 1947, to Dec. 31, 1948	Northland Transportation Co., period June 1, 1947, to Aug. 31, 1948	Alaska Transportation Co., period June 1, 1947, to Aug. 31, 1948	Santa Ana Steamship Co., period May 1, 1947, to Aug. 31, 1948
1	Capital employed under the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. USMC–c–60,018)	$8,497,153.79	$5,658,762.00	$2,248,600.00	$467,701.79	$122,090.00
2	Profit or (loss) from operations under contract No. USMC–c–60,018:					
	Terminated voyage results (schedule A–1)	3,945,335.07	2,701,362.00	716,123.23	398,071.12	129,778.72
	Less inactive vessel expense	753,322.58	483,838.00	193,001.51	62,855.74	13,627.33
	Gross profit or (loss) from shipping operations	3,192,012.49	2,217,524.00	523,121.72	335,215.38	116,151.39
	Add net profit from terminal and other shipping operations	3,549.01		5,435.97		(1,886.96)
	Gross profit or (loss) from shipping operations before overhead and depreciation	3,195,561.50	2,217,524.00	528,557.69	335,215.38	114,264.43
	Deduct overhead:					
	Administrative and general expense	1,775,229.05	1,135,427.00	359,249.95	251,220.96	29,331.14
	Less agency fees and commissions earned	40,591.62			40,591.62	
		1,734,637.43	1,135,427.00	359,249.95	210,629.34	29,331.14
	Management and operating commissions	10,806.00			10,806.00	
	Advertising	90,954.42	57,281.00	12,598.69	20,897.23	177.50
	Taxes other than Federal income tax	244,685.21	229,596.00	7,480.79	3,556.25	4,052.17
		2,081,083.06	1,422,304.00	379,329.43	245,888.82	33,560.81
	Gross profit (or loss) from shipping operations before depreciation	1,114,478.44	795,220.00	149,228.26	89,326.56	80,703.62
	Deduct depreciation	170,987.57	168,142.00		1,757.74	1,087.83
	Gross profit (or loss) from shipping operations	943,490.87	627,078.00	149,228.26	87,568.82	79,615.79
	Add other income	91,898.77	55,591.00	36,307.77		
	Other deductions from income	11,373.33	4,576.00	6,296.64	362.61	138.08
		80,525.44	51,015.00	30,011.13	(362.61)	(138.08)
	Cumulative net voyage profit before Federal income tax	1,024,016.31	678,093.00	179,239.39	87,206.21	79,477.71
3	Allowable return: Based on 10 percent per annum of capital employed during the period of operations under contract No. USMC–c–60,018 (item No. 1 above):					
	Period May 1, 1947, to Dec. 31, 1948, 610/365 of $565,876.20					
	Period June 1, 1947, to Aug. 31, 1948, 457/365 of $224,860	1,302,130.19	945,711.00	281,537.09	58,558.84	16,323.26
	Period June 1, 1947, to Aug. 31, 1948, 457/365 of $46,770.18					
	Period May 1, 1947, to Aug. 31, 1948, 488/365 of $12,209					
4	Cumulative net voyage profit in excess of allowable return (item 2 above, less item 3 above)	[1] 91,801.82	None	None	28,647.37	63,154.45

[1] These figures used for cross-balancing purposes only.

U. S. Maritime Commission financial results of operations—Continued

Item No.	Description	Total	Alaska Steamship Co., period May 1, 1947, to Dec. 31, 1948	Northland Transportation Co., period June 1, 1947, to Aug. 31, 1948	Alaska Transportation Co., period June 1, 1947, to Aug. 31, 1948	Santa Ana Steamship Co., period May 1, 1947, to Aug. 31, 1948
5	Sum to be allowed each operator for use of its privately owned vessels in operations under this contract to the extent that the cumulative net voyage profits exceed such sum together with the allowable return (see art. 5 (a) of the contract)	$507,981.46	$378,934.10	$108,901.07	$20,146.29	
6	Cumulative net voyage profit in excess of allowable return after deducting item 5 above	[1] 71,655.53	None	None	8,501.08	$63,154.45
7	Marine and war risk hull insurance claims reimbursable to the Commission, to the extent that the cumulative net voyage profits exceed the sum of items 3 and 5 above	291,865.41	202,986.69	79,878.72	3,000.00	6,000.00
8	Cumulative net voyage profits after deducting items 3, 5, and 7 above to be distributed between the Commission (75 percent) and the operator (25 percent)	[1] 62,655.53	None	None	5,501.08	57,154.45
9	Proportion of item 8 due the Commission as additional charter hire	46,991.65	None	None	4,125.81	42,865.84
10	Proportion of item 8 to be retained by the operator	15,663.88	None	None	1,375.27	14,288.61
11	Proportion of net voyage profits accruing to the operators:					
	(a) Allowable return to extent earned	932,214.49	678,093.00	179,239.39	58,558.84	16,323.26
	(b) Allowance for use of privately owned vessels to extent earned (item 5 above)	20,146.29	[2]	[2]	20,146.29	None
	(c) Balance of net voyage profits to be retained by operator, if earned (item 10 above)	15,663.88	None	None	1,375.27	14,288.61
	Total (net results to operators)	968,024.66	678,093.00	179,239.39	80,080.40	30,611.87
12	Proportion of net voyage profits accruing to U. S. Maritime Commission:					
	(a) Marine and war risk hull insurance claims reimbursable to the Commission to the extent earned (item 7 above)	9,000.00			3,000.00	6,000.00
	(b) Additional charter hire accruing to the Commission (item 9 above)	46,991.65			4,125.81	42,865.84
	Total	55,991.65	None	None	7,125.81	48,865.84
13	Total cumulative net voyage profit (item 2)	1,024,016.31	678,093.00	179,239.39	87,206.21	79,477.71
14	Net result to Commission under the agreement:					
	(a) Basic charter hire	26.00	15.00	5.00	5.00	1.00
	(b) Additional charter hire (item 12 (b) above)	46,991.65			4,125.81	42,865.84
	(c) Marine and war risk hull insurance claims unreimbursed (not earned)	[3] (282,865.41)	[3] (202,986.69)	[3] (79,878.72)		
	Total	[3] (235,847.76)	[3] (202,971.69)	[3] (79,873.72)	4,130.81	42,866.84

[1] These figures used for cross-balancing purposes only.
[2] Not earned.
[3] Parentheses denote red figures.

SCHEDULE A–1

Alaska Steamship Co. vessel operating statement for the period June 1947 to December 1948

[Service and type of vessel: *Alaska*—combination passenger and dry cargo. Number of voyage terminations: 71. Number of miles traveled: 234,356. Number of voyage days: 1,196. Days at sea: 733. Days in port: 463]

	Outward	Intermediate	Inward	Total
Number of passengers carried:				
First-class	9,726	3,164	6,749	19,639
Third-class	5,704	622	3,152	9,478
Total	15,430	3,786	9,901	29,117
Number of freight payable tons carried	60,477.9	2,781.3	24,540.0	87,799.2
(600) Operating revenues—Terminated voyages:				
Freight	$1,663,437.60	$43,613.79	$350,657.68	$2,057,709.07
Passenger	1,090,594.64	105,986.41	708,033.68	1,904,614.73
United States mail	591,617.96	17,294.65	119,928.34	728,840.95
Other			24,058.43	24,058.43
Total	3,345,650.20	166,894.85	1,202,678.13	4,715,223.18

(700) Operating expense:			
Terminated voyages:			
Vessel expenses:			
Wages		$1,530,639.23	
Subsistence		666,483.60	
Stores, supplies, equipment		231,762.80	
Maintenance		79,432.38	
Fuel		606,282.96	
Repairs		278,637.05	
Insurance, protection and indemnity		90,384.38	
Insurance, other		21,037.13	
Charter hire		2.00	
Other vessel expense		37,029.16	
Total vessel expense			$3,541,690.69
Port expense:			
Wharfage and dockage	$34,366.17		
Other port expense	17,880.92		
		$52,247.09	
Cargo expenses:			
Stevedoring	622,052.88		
Other cargo expense	20,502.62		
		642,555.50	
Brokerage expense:			
Freight	3,905.18		
Passenger	15,907.82		
		19,813.00	
Other voyage expense	6,606.06		
		6,606.06	
Total voyage expense			$721,221.65
Total vessel operating expense			4,262,912.34
Direct profit from vessel operations (carried forward)			452,310.84

Alaska Steamship Co. vessel operating statement for the period June 1947 to December 1948—Continued

[Service and type of vessel: *Alaska*, dry cargo. Number of voyage terminations: 82. Number of miles traveled: 308,423. Number of voyage days: 4,141. Days at sea: 1,269. Days in port, 2,872]

	Outward	Intermediate	Inward	Total
Number of passengers carried, first class	13	32	4	49
Number of freight payable tons of cargo carried	312,323.0	13,904.7	197,185.1	523,412.8
(600) Operating revenues—Terminated voyages:				
Freight	$5,569,893.59	$177,334.13	$2,611,723.86	$8,358,951.58
Passenger	875.25	462.14	330.00	1,667.39
United States mail	25,072.88	1,393.09	2,059.83	28,525.80
Per diem charter	67,903.12			67,903.12
Other			26,964.61	26,964.61
Total	5,663,744.84	179,189.36	2,641,078.30	8,484,012.50

(700) Operating expense:			
Terminated voyages:			
Vessel expense:			
Wages		$1,919,826.18	
Subsistence		446,679.80	
Stores, supplies, and equipment		343,864.90	
Maintenance		51,751.75	
Fuel		346,171.62	
Repairs		421,942.29	
Insurance, protection and indemnity		225,520.08	
Insurance, other		53,504.85	
Charter hire		24.00	
Other vessel expense		26,237.04	
Total vessel expense			$3,835,522.51
Port expense:			
Wharfage and dockage	$110,406.10		
Other port expense	79,537.48		
		$189,943.58	
Cargo expense:			
Stevedoring	2,077,757.32		
Other cargo expense	122,709.50		
		2,200,466.82	
Brokerage expense:			
Freight	3,254.90		
Passenger			
		3,254.90	
Other voyage expense	5,773.66		
		5,773.66	
Total voyage expense			2,399,438.96
Total vessel operating expense			6,234,961.47
Direct profit from vessel operations			2,249,051.03
Brought forward			452,310.84
Total direct profit from vessel operations			2,701,361.87

Northland Transportation Co. vessel operating statement for the period June 6, 1947, to Aug. 18, 1948

[Service and type of vessel: Freight and combination. Number of voyage terminations: 65. Number of nautical miles traveled: No record. Number of voyage days: 1,753. Days at sea: No record. Days in port: No record]

(600) Operating revenue—terminated voyages:			
01 Freight, foreign			0
05 Freight, coastwise and intercoastal			$3,278,193.61
08 Passenger, foreign			0
12 Passenger, coastwise and intercoastal			400,390.86
15 United States mail, foreign			0
16 United States mail, coastwise and intercoastal			75,299.51
17 Foreign mail			0
19 Ad valorem			0
20 Charter revenue			0
24 Other voyage revenue			3,848.71
Total vessel operating revenue			3,757,732.69
(700) Operating expense, terminated voyages:			
Vessel expense:			
01 Wages		$1,176,616.16	
10 Subsistence, purchased domestic		311,950.85	
14 Subsistence, purchased foreign		0	
15 Stores, supplies, and equipment, purchased domestic		167,442.68	
24 Stores, supplies, and equipment, purchased foreign		0	
25 Other maintenance expense		50,441.48	
35 Fuel		283,603.88	
40 Repairs, performed domestic		136,595.27	
49 Repairs, performed foreign		0	
55 Insurance, hull and machinery		0	
57 Insurance, protection and indemnity		54,430.32	
59 Insurance, other		28,431.12	
60 Charter hire		5.00	
64 Other vessel expense		63,456.21	
Total vessel expense			2,272,972.97
Port expense:			
65 Agency fees and commissions	0		
70 Wharfage and dockage	$5,059.23		
79 Other port expenses	34,101.53		
		39,160.76	
Cargo expense:			
80 Stevedoring	647,665.01		
89 Other cargo expense	31,996.43		
		679,661.44	
Brokerage expense:			
90 Freight	0		
93 Passenger	8,312.37		
		8,312.37	
Other voyage expense:			
95 Canal tolls	0		
99 Other voyage expense	41,501.92		
		41,501.92	
Total voyage expense			768,636.49
Total vessel-operating expense			3,041,609.46
Direct profit from vessel operations			716,123.23

Alaska Transportation Co. vessel operating statement for the period June 5, 1947, to Aug. 3, 1948, under contracts U. S. Maritime Commission C-60018 and C-60476

[Service: Southeastern and southwestern Alaska routes, freight and passenger. Number of voyage terminations: 50. Number of nautical miles traveled: 131,274. Number of voyage days: 1,314. Days at sea: 556. Days in port: 758]

	Outward	Intermediate	Inward	Total
Number of passengers carried, first class	718	129	536	1,383
Number of freight payable tons of cargo carried	103,529.0	3,347.8	61,511.7	168,388.5
(600) Operating revenue—terminated voyages:				
05 Freight	$1,547,455.78	$39,933.02	$646,940.64	$2,234,329.44
12 Passenger	51,642.55	2,648.95	39,917.50	94,209.00
16 United States mail	27,647.54	255.06	1,017.09	28,819.69
24 Other voyage revenue	5,454.14			5,454.14
Total vessel operating revenue	1,632,100.01	42,837.03	687,875.23	2,362,812.27
(700) Operating expense, terminated voyages:				
Vessel expense:				
01 Wages			$748,070.31	
10 Subsistence, purchased domestic			156,625.12	
15 Stores, supplies, and equipment, purchased domestic			83,111.29	
25 Other maintenance expense			59,742.70	
35 Fuel			137,831.84	
40 Repairs, performed domestic			43,790.32	
55 Insurance, hull and machinery			1,124.61	
57 Insurance, protection and indemnity			51,940.61	
59 Insurance, other			13,268.40	
60 Charter hire			8.00	
64 Other vessel expense			2,709.95	
Total vessel expense				$1,298,223.15
Port expense:				
65 Agency fees and commissions		$30,005.95		
70 Wharfage and dockage		4,898.12		
79 Other port expenses		31,867.12		
			$66,771.19	
Cargo expense:				
80 Stevedoring		540,693.18		
89 Other cargo expense		50,529.00		
			591,222.18	
Brokerage expense:				
90 Freight				
93 Passenger		2,948.52		
			2,948.52	
Other voyage expense:				
95 Canal tolls		4,263.34		
99 Other voyag. expense		1,312.77		
			5,576.11	
Total voyage expense				666,518.00
Total vessel operating expense				1,964,741.15
Direct profit (or loss) from vessel operations				398,071.12

Santa Ana Steamship Co. vessel operating statement

VESSEL—"COASTAL RIDER"

	Mar. 4 to Dec. 31, 1947	Jan. 1 to Oct. 31, 1948	Total
Voyages (Seattle to Goodnews Bay and Bethel, Alaska, and return):			
Trips	2	1	3
Nautical miles	8,500	4,250	12,750
Voyage days:			
At sea	62	30	92
In port	46	29	75
Payable tons of freight	6,305	3,513	9,818
Operating revenues, terminated voyages	$219,835.08	$115,437.41	$335,272.49
Operating expenses:			
Vessel expenses:			
Wages	48,862.71	29,451.24	78,313.95
Subsistence	10,560.41	5,392.51	15,952.92
Stores, supplies, and equipment	9,089.11	4,875.24	13,964.35
Other maintenance expense	280.90	479.17	760.07
Fuel	17,035.31	(10,166.40)	6,868.91
Repairs	1,993.15	17,686.63	19,679.78
Insurance:			
Hull and machinery	175.00	643.49	818.49
Protection and indemnity	3,174.70	6,072.16	9,246.86
Other	1,160.36	4,906.91	6,067.27
Charter hire (basic only)	1.00	1.00	2.00
Other vessel expense	576.24	548.56	1,124.80
Total	92,908.89	59,890.51	152,799.40
Port expenses:			
Agency fee	500.00	250.00	750.00
Other port expenses	6,126.71	3,140.69	9,267.40
Total	6,626.71	3,390.69	10,017.40
Cargo expenses:			
Stevedoring	20,937.98	11,931.02	32,869.00
Other cargo expenses	3,875.59	3,347.24	7,222.83
Total	24,813.57	15,278.26	40,091.83
Other voyage expenses	1,434.93	1,150.21	2,585.14
Total vessel operating expenses	125,784.10	79,709.67	205,493.77
Direct profit from vessel operations	94,050.98	35,727.74	129,778.72

EXTENSION OF REMARKS

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include the remarks of Hon. Oswald Ryan on the occasion of his third induction as a member of the Civil Aeronautics Board.

"ALL THAT GLITTERS IS NOT GOLD"

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, recently the Senate Banking and Currency Committee became bored when consideration of a bill to provide for a world free market in gold was before it. Shades of William Jennings Bryan and his historic Cross of Gold oratory! The market for gold is far from free in this country. It is illegal to have in one's possession monetary gold.

In the 456 years since Columbus discovered America the value of the gold mined in the world has been $40,000,000,000. Beginning next July 1, the Federal Government plans to spend forty-five billions. The United States has twenty-four billions of the present gold, most of it stored underground at Fort Knox, and it represents only a little more than half of a single year's cash spending by the Federal Government. With the price of gold pegged at $35 an ounce, most gold miners say they cannot dig it for that. As it is, the money supply now totals one hundred and sixty-six billions—four times what it was in 1933, when we went off the gold standard—and the whole economy of this country is set up on a new high scale. That is why the Government feels able to swing a volume of annual spending greater than the whole national income in 1933. Credit must have been one of the greatest inventions of all times.

GERHART EISLER

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, yesterday this House approved a bill appropriating more than $5,000,000,000 to be expended as aid, financial and otherwise, for the benefit of foreign countries. Included in yesterday's House-approved bill was an item of nearly $1,000,000,000 for Great Britain—to support the economy and the government of that nation.

This morning an official of the British Government refused to turn over to the United States authorities a fugitive from American justice—Gerhart Eisler—a known Communist who has been engaged in efforts to overthrow our Government.

What gratitude! What a shining example of international cooperation! What a great demonstration of appreciation by the British Government of the sacrifices we have been making to aid the British people.

Can it be that the British, too, are not interested in catching "red herrings," or in putting them where they belong?

CENTRAL VALLEY, CALIF., POWER DEVELOPMENT

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH of California. Mr. Speaker, the following editorial will be appreciated by all who sincerely believe in the great Central Valley multiple hydroelectric power development well on its way to completion by the Federal Government for the primary benefit of farmers, irrigationists, and water users in the Central Valley project area of California:

[From the San Francisco (Calif.) News of May 21, 1949]

GOVERNOR URGED TO BOOST RECLAMATION

Congressman RICHARD WELCH, of San Francisco, expressly called upon Governor Warren to exert his influence with the California congressional delegation to support the United States Bureau of Reclamation in water and power development in this State.

Such a policy would be in line with the findings of the Hoover Commission which held that the United States Army Engineer Corps withdraw from all projects primarily concerned with conservation, including power development.

Governor Warren, in a recent speech at Los Angeles, declared western power development in the hydroelectric field must be chiefly by public agencies because the necessity of water conservation requires multiple use of water resources. Private capital, he pointed out, cannot undertake the large expenditures involved in such development.

The Bureau of Reclamation is concerned primarily with water, land, and wildlife conservation. In promotion of these aims it seeks to encourage wider use of lands for food production by providing irrigation water for otherwise arid areas. To make irrigation water as cheap as possible for farmers it develops power generation facilities in connection with water storage. Sale of the electric power helps recover the cost of the projects and hence reduces the proportion of cost that must be repaid from sale of irrigation water.

This is essentially the difference between projects built by the reclamation service and those constructed by the United States engineers.

Although the Governor, in his Los Angeles speech, did not specifically link the Bureau of Reclamation with the public power development he recommended, it was clear from his remarks that he had that in mind. The Army engineers, in projecting "flood control" dams high up in the Sierra cannot assure multiple purpose development. Nor can they recover costs of the construction. Therefore, they are incapable of accomplishing the kind of development Governor Warren advocates.

We believe Representative WELCH is justified in asking the Governor to exert his official influence in Washington to secure support for the water and power program of the Bureau of Reclamation. That program is essentially included in the Central Valley project, whose completion is so vital to the future welfare of California.

COMMUNISM AT HOME AND ABROAD—GERHART EISLER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the British courts seem to be becoming as pro-Communist as our Atomic Commission.

On yesterday, while some of the Members of Congress were falling over themselves to appropriate billions of dollars to give Great Britain, out of the American taxpayers' pockets, the courts of that country were releasing Gerhart Eisler, probably the most dangerous Communist who ever plotted the overthrow of this Government.

I was on the Committee on Un-American Activities when Gerhart Eisler was brought before it. He refused to be sworn on the ground that he claimed to be a refugee from persecution. Almost immediately, a Negro by the name of Nowell, an ex-Communist took the stand. He said that the Communists had sent him to Moscow to a school of revolution where they were being taught how to overthrow this Government. It got so bad that Nowell quit the Communist Party, turned state's evidence, and told the whole story to the committee.

We asked him if he had ever seen Gerhart Eisler before. He said, "Oh, yes; he was an instructor in that school of communism in Moscow all the time I was over there."

I realize that the British will probably come back and say that we have no right to criticize them so long as our Atomic Commission educates Communists at Government expense, but I wanted to express my disappointment at this interference on the part of the British courts.

DOG IN THE MANGER

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, most of the Members of the House when going from the Capitol over to the office buildings have noticed the contractor's preparations for repair of this Chamber, and noticed the barriers put down where we used to park our cars. I cannot help but think of two old adages: One was about the dog in the manger, and the other was about the old hog first getting his feet in the trough.

The Capitol faces New Jersey Avenue. The House Office Buildings stand on the south side of B Street, which runs east and west. On our way from the Capitol to our offices and before we reach B Street, we find a curving street running from New Jersey to the west, and off this curving street is another very short street

running to the southwest and ending in B Street.

Over the years it has been customary for reporters, for secretaries, for Congressmen, and those having business at the Capitol or in the House Office Buildings to park their cars on each side of those two curving streets, both being one-way streets.

Many of us have noted the elaborate preparation of the contractor for the construction work he is about to do on the Capitol. For the last week or two he has been trying to monopolize these two streets where so many park their cars. Like the old hog, he has got his feet in the trough; like the dog in the manger, he is preventing the use of space which he cannot and does not himself use. First he had the policemen tell people not to park on portions of these two curving streets.

I talked to Mr. Lynn, the Architect of the Capitol, about the situation; he did not know anything about it; and to Mr. Callahan, the Sergeant at Arms. Mr. Callahan said: "Park your car over there where you and others have always been accustomed to park."

The contractor was not content with having the policeman order folks not to park their cars on these two streets. He or someone in his interest put up barriers which occupy the places where individuals formerly parked. So what have we? We have a contractor hogging space on two public streets which he does not use, which he cannot use, and where the only result is for him to get his feet in the trough when he cannot, as did the old hog, drink the swill therein.

It is seldom that one sees the like of such selfishness, but he probably has a cost-plus contract and perhaps the taxpayers will find him charging for putting out and removing these yellow barriers which accomplish nothing except to prevent people parking their cars in a place which he—I repeat—does not and cannot use.

Will the Custodian of Public Grounds or Joe Callahan kindly get those barriers out of the way so that people having business in the Capitol, in the House Office Buildings, can use the space which no one else is using, but on which whoever put out those yellow barriers, is just squatting? That will give those who have business at the Capitol and with their Congressmen an opportunity to use available space which is not needed by the contractor.

I know it is a popular peacetime sport to kick Congressmen around and see if you can get something on them and interfere with their necessary activities, but why in the world that contractor can put those barriers up there and not use the space, I cannot understand. To me it is just plain "dog in the manger."

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. NIXON asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and include extraneous material.

Mr. SADLAK asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include an editorial.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous material.

Mr. MILLER of Nebraska (at the request of Mr. STEFAN) was given permission to extend his remarks in the RECORD on the subject Establishment of National Medical Care Investigation Commission.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. SADOWSKI asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous material.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include three small articles.

SPECIAL ORDER GRANTED

Mr. KEEFE asked and was given permission to address the House for 30 minutes on Thursday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. BIEMILLER] is recognized for 15 minutes.

(Mr. BIEMILLER asked and was given permission to revise and extend his remarks and include certain statements by J. Donald Kingsley, Acting Federal Security Administrator.)

THE PRESIDENT'S HEALTH PROGRAM

Mr. BIEMILLER. Mr. Speaker, the American Medical Association has been attacking President Truman's program for national health insurance as a proposal for socialized medicine or state medicine.

Some very interesting comments on this viewpoint were made this week before a subcommittee of the Senate Committee on Labor and Public Welfare by J. Donald Kingsley, Acting Federal Security Administrator.

Mr. Kingsley expressed the view that this proposed legislation is the way to avoid state medicine instead of the way to get it. I would like to quote briefly from his statement:

> At the outset, however, I want to stress the conviction that unless a comprehensive system of prepayment such as that provided in S. 1679 is established, it will be impossible to meet the Nation's medical needs without an ever-increasing measure of state medicine.
>
> The extent to which Government already is involved in the direct provision of medical care to individuals is often overlooked, I am afraid, in our zeal to identify our system for the care of the sick with our business system of private enterprise. Perhaps it would be more useful to our purpose if we were to face frankly the fact that medical care does not rest upon the same basis at all. Incidentally, I think it would be far fairer to private enterprise.
>
> By its very nature medical care is uneconomic. In modern times, it has never rested on the rule of the market place, because the public interest has required that illness be treated somehow, whether the individual could afford it or not. But while we never have relied inclusively upon the rule of supply and demand, neither have we worked out a rational and reliable substitute for it which would provide a sound economic basis for our medical system. Instead, medical care has been financed, from the earliest times, in a haphazard way. From the beginning, the economic basis of medicine has been a loosely defined triple standard: First, a rough-and-ready sliding scale of prices for the well-to-do, depending upon how well-to-do and adjusted arbitrarily in individual cases by the physician or the hospital; second, private charity in various forms, both organized and unorganized, for the medically indigent, meaning those who are self-supporting except in emergency; and, third, Government medicine and various forms of public charity for the poor. It is a makeshift system that "just growed."
>
> In spite of these catch-as-catch-can financial arrangements, the medical profession has made remarkable progress. This is not a tribute to the system of payment, however, but to the devotion of the medical profession and to our national readiness to improvise. In this case, we appear to have improvised ourselves into a situation that almost nobody likes.
>
> Without a workable economic base upon which the private practice of medicine and our voluntary hospital system could improve and expand at a pace consistent with the advance of medical knowledge and general social standards, we have turned over to Government a greater and greater share of responsibility. Almost all of our improvisation, in fact, has been in this direction, until today some 24,000,000 citizens are receiving various kinds and degrees of medical care from the Federal Government alone, according to the Hoover Commission.
>
> Today, Government owns and operates three-quarters of all the hospital beds in the United States. Government employs directly thousands of American doctors and pays fees to many more. In Government hospitals and with doctors on the public pay roll in whole or in part, the taxpayers finance full medical care for all members of the armed forces and their dependents and for all veterans with service-connected disabilities; hospital care for all needy veterans and for merchant seamen; and complete care for tubercular, mental and other chronic patients. Government pays the cost of limited medical care for those on public relief rolls. In addition, the taxpayers carry the full load in that vast field of medical service known as public health, and provide large sums to support medical research and education.
>
> If you add all this up, you will find that Government today is providing a large share of the total cost of medical care for a substantial proportion of the people, and that it is doing so in very large measure through state medicine, in the strictest sense of the term. Furthermore, it is evident that the acceleration of this development in recent years has been phenomenal. There is no reason to suppose that it can be halted by any partial or makeshift expedient.
>
> It seems to me that the implications of this are starkly clear. I sincerely believe that we have gone so far along this road, impelled by irresistible circumstance rather

than by any design, that the real issue is already quite different than it is usually presented. The real issue as I see it is not between voluntary, private health insurance and a national system based on our social insurance experience, but rather between national health insurance and state medicine. I say this not because I am opposed to voluntary insurance, for I am not, but because I am firmly and honestly convinced that nothing short of the social insurance method can prevent the further—and eventually the complete—substitution of state for private medicine. On the other hand, I believe that social insurance can prevent it, because it would establish exactly the thing that has always been lacking and which has rendered private medicine incapable of doing the full job. That is, a sound, firm, reliable economic foundation upon which private medicine can expand and flourish.

Mr. Kingsley then gave the reasons why voluntary health insurance cannot provide the kind of medical care the Nation needs and therefore cannot stop the advance of state medicine. He said in part:

One difficulty with voluntary health insurance is that it costs too much for most people to buy, and it cannot pay its own way on lower premiums. Since the AMA's recent conversion, we are told that health insurance has made gigantic strides and now affords protection to 52,000,000 Americans, or one-third of the Nation. This may be true. But the question arises, What are they protected against? And the answer is that less than 2½ percent have anything even approaching the comprehensive protection that is provided for S. 1679. Other voluntary insurance subscribers have protection ranging from next to nothing under policies with a great deal of fine print, to limited protection under several different policies for hospital, surgical, and medical care. The cost is in proportion to protection, and it is not cheap; if it were, far more than a third of the people might be expected to buy such little packages.

Another pertinent question would be, Who is protected under voluntary insurance? As with the distribution of medical personnel and facilities, so it is with voluntary insurance policies; you find them where the money is, not where the need is greatest. Most voluntary insurance policies are issued by Blue Cross hospitalization plans—the AMA says 32,000,000 of them—providing limited insurance for hospital care only. About 60 percent of these policies are held by citizens of six rich industrial States which contain about 36 percent of the total population of the United States. Only about 17 percent of Blue Cross members live in Southern and Western States with 43 percent of the population. Less than 3 percent of the rural population belong.

Even granting the validity of the AMA's own figures, which have not been noted for objectivity in this regard, two-thirds of our people have no protection of any kind under voluntary insurance. And this after 20 years of intensive advertising and selling.

It may be that by helping to defray the administrative costs out of taxes, by subsidizing the coverage of those who cannot or will not pay the premiums, and by appropriating public funds for a high-pressure advertising campaign, it would be possible to bring most of the population eventually into these privately controlled plans. This, of course, would achieve the same result as social insurance, but it would be infinitely more costly and would raise serious questions of public policy. Anything short of this, however, would fail to meet the problem and probably would lead only to greater acceleration of the trend toward state medicine.

On this score, I agree with the conclusion that was reached years ago by the American Medical Association, that, if we are going to adopt any form of health insurance, we should go all the way and embrace compulsory national health insurance. They contended then, as we do now, that experience in other countries had proved that voluntary insurance was totally inadequate and could not be otherwise.

Mr. Kingsley concluded his testimony with a strong affirmative explanation of the way national health insurance would benefit the country. He said:

S. 1679, on the other hand, offers a real and lasting solution to all of the major problems I outlined at the opening of this discussion. First, it takes full cognizance of the shortages which exist today in medical manpower and facilities, the extent and seriousness of which are known, and makes provision for Federal assistance to the States on a scale sufficient to meet them. This will help to wipe out the great accumulated deficit of supply which has resulted inevitably from the inability of our people to buy the medical care they should have.

As I suggested, however, the finest medical service is of little value, no matter where or in what amount, unless it can be maintained economically. Title VII of S. 1679 deals with this problem in the only effective way I know, by applying the method of social insurance which we have tried and tested for more than a dozen years.

By this method, it would establish a firm, dependable economic foundation under the whole structure of private medical practice. It would result in the establishment and the effective maintenance of doctors, hospitals and all other health personnel and facilities wherever they were justified by the number, not the wealth, of prospective patients. For the first time, it would make it worth while for doctors to use their talents where they are most urgently needed. No longer would the doctor be forced to hold a stethoscope upon the patient's heart and pocketbook at the same time, and adjust his fees accordingly. No longer would he feel compelled to reserve the prescription of expensive treatments and drugs, regardless of their effectiveness, to those whose wealth permits their use. Instead, he would be completely free, for the first time, to consider each patient solely on the basis of professional judgment and not with the appraisal of a bill collector.

As for the patient, no longer would he be compelled to consider the cost of illness first and its consequences later. No longer would he feel hesitant, for fear of the cost, about going to the doctor at the first sign of illness, and thereby reaping the incalculable benefits of modern preventive medicine.

It is hardly necessary for me, Mr. Chairman, to picture for you all the endless chain of beneficial results which would flow automatically from the mere fact that, upon the enactment of this bill, almost all of the people in the United States would have the purchasing power with which to buy all the medical care they need.

But still there are those who fear this program, who contend that it would regiment the doctor, interfere with the freedom of the patient, destroy the standards of medical care, and lead to socialism.

I submit that these are fearful phantoms, and that not a single one of them could possibly materialize under the terms of this bill. These terms are explicit and plain. Its administrative provisions guarantee the widest decentralization of authority, with full representation of both doctors and laymen. They assure that the most important decisions affecting doctors and patients will be determined by their own local representatives, in their own communities. And to make the assurance doubly binding, the bill specifically spells out and guarantees all the freedoms which we are told it would take away.

It seems plain to me that only by this method of social insurance can we effectively shore up our voluntary hospitals and our system of private medical practice, and forestall the need for a further extension of state medicine. We are moving fast in that direction, and I sincerely hope that the President's program will not be delayed too long.

Mr. Speaker, I hope those who have been disturbed by the charge that the President is proposing socialized medicine will give thought to Mr. Kingsley's arguments, because it seems to me that they soundly refute such charges. The supporters of this legislation firmly believe it will not only strengthen our medical care, but will strengthen our American system. That is why the gentleman from Michigan, Congressman DINGELL, and I have introduced H. R. 4312 and H. R. 4313—companion bills to S. 1679.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I have asked for time to speak on a certain subject next Thursday, may I say to the distinguished gentleman from Wisconsin, and I shall take that time to bring to the attention of the House and the gentleman from Wisconsin some of the background thinking of Mr. J. Donald Kingsley, who expressed the opinion of the administration on national health insurance, that somehow seems to have escaped the public press and has evidently escaped the attention of the gentleman, because at that time I shall bring his own statements, his own books, his own writings to the Congress to demonstrate clearly by his own statements that he believes in socialized medicine, using the language "socialized medicine" just as I have stated it here, and that he believes there is no possibility of our having a system of proper health service without nationalization of hospitals and free public clinics all over America.

In view of the fact that he has stated his approval, as I understand it, of the statements made by J. Donald Kingsley before the Senate committee, may I ask the gentleman from Wisconsin whether or not he believes in a system of nationalization?

Mr. BIEMILLER. I shall be very happy to answer the question raised by my colleague from Wisconsin. I have repeatedly stated in many instances that I do not believe in the nationalization of hospitals; that I do not believe in the nationalization of medicine; that I do not want a system of socialized medicine, and that is why I am proud to be one of the sponsors of the President's health program.

Mr. KEEFE. Then may I say to the gentleman, I think he will get a great deal of enlightenment out of the statements which I shall present for his edification and the edification of the Congress and the public generally as to the attitude of the man who would most

largely be called upon to handle and supervise and administer the program which the gentleman advocates.

Mr. BIEMILLER. I shall be very happy to listen to the gentleman from Wisconsin next week.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I am happy to yield to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Might I suggest to my friend, the gentleman from Wisconsin [Mr. KEEFE] that it will be also very interesting, and I shall sit here with pleasure listening to him to find out if he breaks down the economic set-up of the families of America, which is the basis of any sound society and sound government, the home life and the family life, and if he will talk about the 12 percent of the families of America whose total income is $1,000 a year or less, and about the 17 percent of the families of America whose total income is between $1,000 and $2,000, and of the 21 percent of the families of America whose total income is between $2,000 and $3,000 a year, the 50 percent of the families of America, embracing over 70,000,000 of our people, the backbone of our country, and what their plight is when they have sickness in the families of their loved ones. Their loved ones are just as near and dear to them as my loved ones are when there is serious illness in my family, or even slight illness. I want the best medical care possible for my loved ones. I have taken no position publicly, because I am sufficiently experienced in legislation, after 21 years in this body to know that legislation, as it should be in a democracy, is a series of compromises. I helped draft the Social Security Act in 1935, and I was called a Socialist, because I favored it. And it originated in the State of the gentleman from Wisconsin, in the mind of the late Senator Robert La Follette, Sr., who, in his day, when I was a youngster in New England, was called the most sinister figure in America. But he was really one of the great progressives of America. The things that he advocated were condemned as vicious radicalism and socialism and everything else, yet they have become law, and are now orthodox conservatism. I hope my friend will discuss that, and also discuss what we should do and what steps we should take in order to try and solve the problem of economic insecurity facing over 70,000,000 fine Americans and 50 percent of the family life of America.

Mr. BIEMILLER. I thank my very good friend, the distinguished gentleman from Massachusetts, for his contribution. The people of Wisconsin will appreciate his tribute to our beloved statesman, the late Senator Robert M. La Follette, Sr. I want to advise the House, as I think most of the Members know, that at the present time a subcommittee of the Committee on Interstate and Foreign Commerce, whose chairman is the distinguished gentleman from Tennessee [Mr. PRIEST], is holding hearings on the President's national health program in an effort to accomplish exactly the process to which the gentleman from Massachusetts referred. It will be our endeavor to get the best advice possible from everyone, and work out the most suitable bill we can.

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. BIEMILLER. I yield.

Mr. KEEFE. I will say in response to the statement made by my friend, the gentleman from Massachusetts [Mr. McCORMACK] that he does not have to tell me anything about the work of the late senior Senator from Wisconsin, the Honorable Robert M. La Follette, and I am very familiar with the fact, as one who learned at his footstool, that my State led the Nation in the field of progressive legislation, and that at that time he and some of us who followed him in our thinking at that time were called dirty names. But I want the gentleman to know that in what I shall say next Thursday I am going to try to advise you of the mental processes and thinking of the gentleman who, it is proposed, is to be put in charge of this program, taking into consideration what he was writing on his own some years ago and not what he is saying today. I am not going to be able to give you the answer as to how we are going to take care of the problem, which I very well know about. Very obviously your party has not had the answer, because, if I read the papers correctly, you have abandoned any effort to enact a health program in this session of the Congress. I want the gentleman to know that so far as I am concerned I am aware of that program, and I have as much solicitude in my heart for the health of this Nation as does the gentleman from Massachusetts, and I think my record in this Congress will indicate that I have implemented that thought along a dozen different lines so as to bring health facilities to the people of this country in a manner which they can afford. I do not want the gentleman to let it appear that I am in opposition to the thinking of those people attempting honestly to bring expanded health services to the people of this country, because I am not, but I do not believe the gentleman has the answer nor do I think the gentleman from Wisconsin [Mr. BIEMILLER] who has just addressed us has the answer. Neither do I think the answer is involved in the proposal you have apparently now abandoned so far as this session of Congress is concerned. But I think we ought to know who the people are that we propose to have administer these programs. Then we can perhaps get some concept of what the motivating influence behind a lot of these programs really is.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the very able gentleman from Massachusetts.

Mr. McCORMACK. As to the proposal the gentleman from Wisconsin [Mr. KEEFE] says we have abandoned, of course the gentleman knows that the message on the state of the Union delivered at the beginning of a Congress covers the entire Congress.

Mr. KEEFE. Yes.

Mr. McCORMACK. This is one session. I agree with the gentleman. The gentleman says that no one has the complete answer. I think that is fair. It is the operation of democratic processes that will bring about the answer, and then, if in the light of experience what we do is shown to be not complete, we start to improve further.

You can compare this to social security legislation. Look at the large groups we had to exclude from it in 1935. We had to exclude the employees of charitable, religious, and educational institutions, because they feared it would be a precedent for the taxation of property then and now exempt from taxation. That did not appeal to me personally, but I recognized the fear, and they were eliminated. The farmers were eliminated. I recognize the administrative difficulty, but people who live on a farm, if they live long enough, get old just the same as persons living anywhere else. Other classes were excluded.

The result is what? The late President Roosevelt, and he is one of the great immortals of all time, was called every name under the sun by those who opposed everything he first proposed. Some of us who fought shoulder to shoulder with him also were called those names. When he recommended social security the charge of socialism was hurled at him, and the same charge was hurled at him in regard to everything else he recommended.

We had hearings in the Committee on Ways and Means. They took many weeks. We heard all sides, and we sat in executive session and compromises were made, as they have to be made on all great progressive steps. Now, 14 years later, we are considering additional coverages under the social security program, and some groups who 14 years ago opposed being included appeared before the Committee on Ways and Means asking that they now be included. Public opinion within that group has changed. I recognize that and, again, that is democracy in action.

The same thing applies to this proposal. It will go through long hearings, there will be careful screening, and an executive session will be held. The committee will act. Then the House will act, and then the other body in committee and on the floor will act. Out of it will come something that will represent progress. It will probably go further than some people want and not as far as others want.

I agree with my friend in the broad statement he has made that "no one has the answer," but there is a problem. The purpose of my observations was this. I have talked with Mr. Kingsley only over the telephone on matters other than this. My talks with him have been very pleasant. I hope to meet him sometime. As I recollect, I have never met him personally. But no matter what Mr. Kingsley might have said in the past, the important thing, after all, is whether or not there are conditions in America requiring something to be done. That is the important thing, after all.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include an article on the preservation of national wildlife.

SOCIALIZED MEDICINE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that upon the conclusion of the address by the gentleman from Wisconsin [Mr. KEEFE] I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEEFE. Mr. Speaker, I could not permit the RECORD to remain as it would appear at the conclusion of the statements of my friend the gentleman from Massachusetts [Mr. MCCORMACK]. He made the usual statement, which we have heard time and time again and endeavors to make it appear that anybody who speaks in opposition falls in the category of obstructing the progress of things in America. I have just simply this to say: I do not believe the gentleman from Massachusetts believes in the socialization of medicine, and when I say socialization of medicine, he knows what I am talking about. I do not believe the gentleman from Massachusetts believes in the nationalization of the hospitals in this country, either, and when I say nationalization of hospitals, I am sure he knows what I am talking about.

I cannot conceive that the gentleman from Massachusetts would ever support the thesis that the Federal Government should take over all the hospitals of this country and operate them. I do not believe the gentleman believes in any such thing. Yet, I want to say to the gentleman that this thing which he terms progress can merely be the entering wedge and the opening of the door to carry out the philosophy which seems to be well rounded and well fixed and which may result in the complete nationalization of all the hospital services in America and the complete socialization of medicine. I think the gentleman will be very interested to learn of the political theories of Mr. J. Donald Kingsley, as he has written them in his own books and in his own public statements. While he may be a great conciliator now in appearing before congressional committees, in an attempt to slide through this national life-insurance program, on the theory that it is not socialization of medicine, in accordance with his own statements, as I will quote them to you, it is just one part of the broad program to ultimately socialize medicine and socialize and nationalize the hospital facilities of America. I am calling attention to this because I think it is important.

Mr. Speaker, does that mean I am not conscious of this problem which confronts us? I have supported, as the gentleman well knows, every effort under the sun to enlarge the teaching staffs of our universities to provide more doctors and to set up nurse-training programs and provide the money to train nurses that will be needed to implement any sort of national health program. I have been a vigorous supporter of the Hill-Burton hospital-construction program, which will provide the hospital facilities which are necessary and without which no health program could possibly succeed. We have implemented the work of the State public-health services and the research facilities of the Nation during the 10 years that I have been a member of that Subcommittee on Appropriations, to the point where it has attracted the attention of the Nation.

The gentleman cannot talk to me and leave the impression in the RECORD of the Congress that I am in opposition to well-directed efforts to improve the health of the Nation or to provide facilities which will give health to the people of this country. I take this time merely to indicate as emphatically as I know how in the RECORD of the Congress that the implications contained in the rather rambling and generalized statements of the gentleman from Massachusetts cannot be construed to indicate that what the gentleman from Wisconsin has said or will say is in opposition to the efforts to provide the people of this country with facilities which I know they need in order that they may enjoy health.

The SPEAKER pro tempore (Mr. MONRONEY). The time of the gentleman from Wisconsin [Mr. KEEFE] has expired.

COMMITTEE ON AGRICULTURE

Mr. WORLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H. R. 3699.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 5 minutes.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

SOCIALISTIC TRENDS

Mr. HOFFMAN of Michigan. Mr. Speaker, no doubt every Member of the House, as well as the overwhelming majority of our citizens, agree with the basic thought expressed by both the gentleman from Wisconsin [Mr. KEEFE] and the gentleman from Massachusetts [Mr. MCCORMACK]. The gentleman from Massachusetts sincerely bemoaned the situation which made it impossible for certain low-income groups, as he calls them, to obtain what he thought was necessary medical aid. He expressed some pride in the fact that he had assisted in the enactment of social-security legislation.

Social security, properly administered and limited, is all right, may I say to the gentleman from Massachusetts, but I go back to the day when some of the so-called reactionaries and conservatives believed in legislation and in a government which would enable and permit the individual to provide for his own old-age security. That day has gone, and I can see the necessity for social security, so-called, may I say to the gentleman; but only because his party has created a condition where it is absolutely impossible today for any man, unless he inherits wealth or has it, to provide for his old-age security. In my boyhood days a man who had two hands and the disposition to work could find a job, and conditions were such that he could provide for his own old-age security and start his children on the road to security.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. In just a minute.

If there are low-income groups today one of the reasons why, basic reasons, why the worker has less, why the businessman has less, why Government help is needed so often, is because the Government here in Washington as well as in some States takes away from him through taxation so much of what he earns. Sure. If I cause an automobile wreck the least I can do is go back and help the fellow I have injured, whose automobile I have destroyed; and the least the Democratc-New Deal Party ought to do is to now provide in some way, if it can, for the security of those who because of its legislation and its policies are unable to provide for themselves.

Yes; I yield to the gentleman from Massachusetts.

Mr. MCCORMACK. Did I understand my friend to say he now favors social security? Never mind the reasons for it.

Mr. HOFFMAN of Michigan. That I what?

Mr. MCCORMACK. That the gentleman now favors social security.

Mr. HOFFMAN of Michigan. Favor it?

Mr. MCCORMACK. Yes.

Mr. HOFFMAN of Michigan. I am in favor of those whom your party has rendered incapable of taking care of themselves getting some help.

Mr. MCCORMACK. Never mind the reason. Now has the gentleman announced himself in favor of that?

Mr. HOFFMAN of Michigan. Social security?

Mr. MCCORMACK. Social security.

Mr. HOFFMAN of Michigan. I answered the gentleman: For those that you or rather your party through its policies put on relief rolls, I say "Yes."

Mr. MCCORMACK. Then the gentleman's answer is "Yes"?

Mr. HOFFMAN of Michigan. I do not believe in socialized medicine—compulsory health insurance; no, I do not.

Mr. MCCORMACK. The gentleman is commencing to show a little liberality of spirit.

Mr. HOFFMAN of Michigan. I am willing to do my part, and my people are prepared to do their part, to take care of those pauperized—through New Deal policies—waste and extravagance.

Mr. McCORMACK. The Hoover depression, of course, had nothing to do with bringing about that lack of economic stability.

Mr. HOFFMAN of Michigan. Hoover depression. You mean the depression caused by World War I? But what did the gentleman's party do with Hoover's reorganization plans? What did your party do to preserve the rights of the House to assert its views in the matter?

Mr. McCORMACK. Why, we saved the country.

Mr. HOFFMAN of Michigan. Saved the country—with a two-hundred-fifty billion debt—with the bond sale last week to get money for current expenses.

Now the gentleman comes along and drags in Mr. Hoover. The body across the Capitol has considered the reorganization plan, but we have no reorganization bill today because the House insists that the other body take the gentleman's plan, because the plan that they have over there, which would give us real organization, is not just suitable to the gentleman. Oh, no; the gentleman will not take that; the gentleman will not stand for a position that reserves to this House its constitutional right to pass upon any plan that the gentleman in the White House wants to send down. Why not?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. McCORMACK. Now the gentleman has jumped from social security to reorganization. We finally got the gentleman to make the first public admission of liberality, but he made it during this little colloquy here.

Mr. HOFFMAN of Michigan. Not so little; quite a lot; and only the professional liberals believe in the wasteful spending of other people's money.

Mr. McCORMACK. We have finally got the gentleman to make an open confession, and it is most refreshing. But now the gentleman jumps from social security to reorganization. That is a pretty rapid shift; I do not quite follow the gentleman.

Now the gentleman said that in the reorganization bill conference we opposed everything——

Mr. HOFFMAN of Michigan. What is that?

Mr. McCORMACK. The gentleman is a member of the conference committee, is he not?

Mr. HOFFMAN of Michigan. I am not talking about that; I would not venture to disclose anything that transpired in the conference.

Mr. McCORMACK. I wanted to protect the gentleman in that respect.

Mr. HOFFMAN of Michigan. I do not need any protection from that side. I have learned how to stand on my own feet pretty well and take care of myself; I get along all right.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for one additional minute.

Mr. HOFFMAN of Michigan. So that I may yield to the gentleman from Nebraska?

Mr. CURTIS. Yes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan may proceed for five additional minutes.

Mr. HOFFMAN of Michigan. So that I may yield to the gentleman from Massachusetts?

Mr. McCORMACK. No; I do not want any more of the gentleman's time.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that the gentleman from Michigan may proceed for five additional minutes?

There was no objection.

The SPEAKER. The gentleman from Michigan is recognized for five additional minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield to the gentleman from Nebraska.

Mr. CURTIS. I was interested in what the gentleman from Massachusetts had to say about social security. I would like for him to state who in the United States is secure in his financial position right now?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Massachusetts for that purpose, although he will have 5 minutes of his own time.

Mr. McCORMACK. The gentleman admits that he feels secure, does he not?

Mr. CURTIS. Oh, no.

Mr. McCORMACK. That makes you and myself.

But the gentleman is not secure? What about the fellow who is getting $25 a week? Is he as well off as the gentleman is?

Mr. CURTIS. The gentleman is evading my question.

Mr. McCORMACK. What about the corporations that made $20,000,000,000 and more last year?

Mr. CURTIS. I want to know who in this country you have made secure?

Mr. McCORMACK. Who we have made secure?

Mr. CURTIS. Yes.

Mr. McCORMACK. Why, the gentleman's question is so based upon—I do not want to use the word "ignorance"——

Mr. CURTIS. Go ahead, that will not bother me at all.

Mr. McCORMACK. On a total lack of economic knowledge during the last 20 years. Why, farmers were selling cotton down South for 4 or 5 cents a pound. What was wheat being sold for in 1930, 1931, and 1932? Were the Democrats in control then? No. The people of the gentleman's district were prostrated.

Mr. CURTIS. Why does not the gentleman answer the question?

Mr. McCORMACK. The gentleman has asked a question and I am answering it.

Give me time to answer it. We saved your people and the people of the gentleman's district in Michigan.

Mr. CURTIS. The gentleman better look to the coming depression and the rising unemployment now.

Mr. McCORMACK. Oh, yes. You gentlemen have always opposed everything.

The gentleman always talks pessimism.

Mr. CURTIS. I want to become optimistic. Who have you made secure?

Mr. HOFFMAN of Michigan. Mr. Speaker, I decline to yield further. I want to take up where the gentleman from Massachusetts, my good friend, Mr. McCORMACK, left off.

Mr. CURTIS. Will he answer the question?

Mr. HOFFMAN of Michigan. The administration tells our people of this regulation and that order and what they mean, so that our folks at home do not know what to do. They, at least, do not feel secure. They get so many orders from Washington, so many contradictory orders, they do not know whether they are going north or south, east or west, backward or forward. They cannot do a thing the old way. Yet you talk about what the Democrats have done. You have raised the prices of all these things, but the difficulty is when you get the larger wage you boast about you will not have as much when you try to buy something as you had before. I could formerly live on $8 a week. I cannot do it now so well. My wife came along one night and she cut an apple in two. She gave me half of it. I asked her, "What is the matter?" She says, "Apples are 8 cents apiece. You are selling them at home for 35 cents a bushel." Yet when I get down to Washington and want one it costs 8 cents. And so it is all along the line. You want to buy something, but the money they give for your work will not do for you what it did in those so-called hard times. As Leo West—a CIO worker in my district, told me: "It is not a question of how much I get in that pay envelope; it is what my wife can get when she goes to the store with her basket." I said, "When did you discover that? My great-grandmother knew that away back in the days when they had to work for everything they got, when they spent their money wisely and well."

Now, I go back to my original thought, I may say to the gentleman from Massachusetts. The gentleman's party has fixed it so it is absolutely impossible for the average man to provide for his old age, or to buy a home. That is why we have social security. That is why we have the housing problem. I started to build a home on $8 a week and finally got it paid for. I live in that same old shack. But you come along up there when we adjourn and you will see it is a fairly decent place, with a good bed to sleep in, plenty on the table to eat, with lakes and rivers nearby where you can catch fish and even shoot ducks once in a while—a typical American way of life, where anyone able and willing to work could, and the average did, provide for his old-age security.

The SPEAKER pro tempore (Mr. MONRONEY). The time of the gentleman from Michigan has again expired.

EXTENSION OF REMARKS

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement he made before the Committee on Education and Labor.

NATIONALIZATION OF HOSPITALS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, without realizing it, my good friend the gentleman from Michigan [Mr. HOFFMAN] made a very able speech in support of the great leadership of the Democratic Party during the last 16 years.

The gentleman from Wisconsin [Mr. KEEFE] spoke about nationalization of hospitals and socialization of medicine. Of course, nobody is advocating that, so far as I know. Those are coined phrases for the purpose of deceiving the people and creating an impression that something sinister, something inimical to the best interests of the people is involved in the recommendations made by President Truman. The same thing was said in 1934 and 1935, when President Roosevelt sent up his recommendations on social security.

No man ought to be a Member of the House if he is very sensitive, or he will lead a life of misery, and particularly as majority leader—if I were sensitive, I would live a very uncomfortable life—but I am not responsible for the sensitiveness of the feelings of my friend from Wisconsin if he construed what I said in his application to him as labeling him or trying to create the impression that he was "a destructionist to progress." If the gentleman has any such feeling, I want the record to show that I have no such thought in mind, because I can very well remember the fine fight made by the gentleman in the last Congress, when he was chairman of the subcommittee, in getting appropriations through in connection with laboratory research work regarding certain diseases and other matters, and I remember the cooperation and the unanimity with which it came out of the subcommittee of which he is a member this year. I want the record to show that if the gentleman assumes that anything I said might create that impression, that there was no such intent on my part.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Does the mind of the gentleman go back to the time when the gentleman from Wisconsin brought to the floor of this House the original concept, and offered the first appropriation implementing it, of the maternity and infant-care program which was denounced by many people as being a Socialist measure, and that the gentleman from Wisconsin developed that program?

Mr. McCORMACK. Yes. And the gentleman from Massachusetts was right in here helping him.

Mr. KEEFE. And the chairman of the Committee on Appropriations stopped it at the first opportunity by raising a point of order against it. But when the people were heard from around the country, and finally we got it through, the gentleman from Massachusetts and every Member of the Congress got behind that program, although some people said that program was a Socialist program. Now, I want the gentleman to understand that I do not stand in the way of progress in bringing aid to the unfortunate, and I recognize the problem that exists and am trying as desperately as the gentleman from Massachusetts to find the answer to it. But I do not think you have the answer in the proposal which you have before you, and I think the gentleman will admit that.

Mr. McCORMACK. When the gentleman takes the floor and says, "I do not think the gentleman from Massachusetts stands for the nationalization of hospitals and the socialization of medicine," I could well say that my friend from Wisconsin is guilty of the very thing that his conscience thought I was guilty of when, as a matter of fact, I was rather complimentary to my friend in trying to make a suggestion of guidance, rather presumptuous on my part, I realize. But I assumed that my friend from Wisconsin would not misconstrue it, and that in addition to what he might have to say about Mr. Kingsley—that is his name, is it not?

Mr. KEEFE. That is right.

Mr. McCORMACK. That he also discuss the situation confronting the people of America, that something must be done regarding the health problems. I agree with the gentleman, I do not think anyone has the answer, just the same as we did not have the answer in 1935 on social security when we started, just the same as we have not got the answer on social security today—in 1949. Times change. They produce new conditions. They create new problems. Government is a living institution. It never dies; it cannot. If it becomes static it commences to decay and disintegrate. Time passes, and problems constantly arise that concern the people and require legislative consideration, either on the part of Congress or on the part of the various State legislatures, so that there is no such thing as an end. Government must work, and in order to work it must serve. Whatever proposal is advanced it must be discussed on its merits. As to those who oppose it, I respect their views, but when they say that those who favor something being done stand for the nationalization of hospitals and the socialization of medicine, I sharply disagree with them and say that they are not intellectually honest. Whenever they present their views as to why they oppose, I thoroughly respect their views. But when they try to impugn the motives of those who honestly are endeavoring to seek a solution, by calling them harsh names, there is no contribution being made to any debate that will bring about a healthy and a constructive solution.

So I hope that when the gentleman addresses the House he will also address it from the angle of the economic necessity confronting our country and the need for some kind of legislation, in view of the fact that 50 percent of the families of America have a total income of $3,000 a year or less.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DAVIS of Tennessee, for the week of May 30, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1843. An act to convert the National Military Establishment into an Executive Department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes; to the Committee on Armed Services.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1057. An act for the relief of John Keith.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 969. An act to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 7 minutes p. m.) the House, under its previous order, adjourned until Tuesday, May 31, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

653. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $56,295 for the legislative branch, House of Representatives (H. Doc. No. 199); to the Committee on Appropriations and ordered to be printed.

654. A letter from the Attorney General, transmitting the case of Thomas Kun Nimeneh or Thomas Nimeneh or Thomas Nimeneh-Bey or Thomas Kun Nemera or Keen Nimeneh or Sam Nimeneh or Keen Nimeh, file No. A-4026037 CR 22433, and requesting that the case be withdrawn from those now pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

655. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved; to the Committee on the Judiciary.

656. A letter from the Secretary of the Interior, transmitting a copy of Joint Resolution 20, from Governor Stainback, of the Legislature of Hawaii, requesting the Congress of the United States to enact legislation whereby lands acquired by the United States

for defense purposes and not now being used by the United States be offered for sale or exchange to former owners thereof and others; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARRETT of Wyoming: Committee on Public Lands. S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming; without amendment (Rept. No. 691). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 4252. A bill to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service; without amendment (Rept. No. 692). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 230. Resolution for consideration of H. R. 4754, a bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; without amendment (Rept. No. 693). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 3699. A bill to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; with an amendment (Rept. 694). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY (by request):

H. R. 4892. A bill to provide for the admission of pay patients to the Home for the Aged and Infirm; to the Committee on the District of Columbia.

By Mr. COLMER:

H. R. 4893. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture.

By Mr. ELLIOTT:

H. R. 4894. A bill providing direct Federal old-age pensions at the rate of $50 per month to needy citizens 60 years of age or over; to the Committee on Ways and Means.

By Mr. MARSHALL:

H. R. 4895. A bill to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes; to the Committee on Public Lands.

By Mr. REES:

H. R. 4896. A bill to provide that the Indian Claims Commission shall hear and determine claims to enrollment on the rolls of the Five Civilized Tribes and of the Osage Indians; to the Committee on Public Lands.

By Mr. RODINO:

H. R. 4897. A bill declaring October 12 to be a legal holiday; to the Committee on the Judiciary.

By Mr. WHEELER:

H. R. 4898. A bill to provide that veterans pursuing courses of training in the building trades at approved public institutions may, as part of such training, construct, improve, and repair public buildings; to the Committee on Veterans' Affairs.

By Mr. MORRISON:

H. R. 4899. A bill to provide Federal funds to assist the States in constructing public schools; to the Committee on Education and Labor.

By Mr. NIXON:

H. R. 4900. A bill to provide for the acquisition of a site and for the construction of a suitable building thereon for the use and accommodation of the United States post office at Pico, Calif.; to the Committee on Public Works.

By Mr. REDDEN:

H. R. 4901. A bill to authorize the Eastern Band of Cherokee Indians, North Carolina, to lease certain lands for a period not exceeding 40 years; to the Committee on Public Lands.

By Mr. CELLER:

H. Res. 231. Resolution to provide for the printing as a House document a report of the proceedings of the National Resettlement Conference for Displaced Persons; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, recommending the carrying into effect of the administrative recommendations of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to restore the former tariff of 21 percent on imported sponges; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JUDD:

H. R. 4902. A bill for the relief of Arthur Neustadt and Mrs. Emma Neustadt; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 4903. A bill for the relief of Krikor G. Guiragossian; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 4904. A bill for the relief of the estate of Conrad L. Steele, deceased; to the Committee on the Judiciary.

By Mr. MORRIS:

H. R. 4905. A bill for the relief of Jack Stuckey; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 4906. A bill for the relief of Manuel Uribe; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4907. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

958. By Mr. HOPE: Petition of Mrs. D. B. Martin and others, of Sterling, Kans., urging the passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce, etc.; to the Committee on Interstate and Foreign Commerce.

959. By Mr. JONAS: Petition bearing the names of 210 residents of Chicago, Ill., objecting to the passage of H. R. 4238 and H. R. 4349, relating to turning over animals in the District of Columbia Dog Pound for vivisection; to the Committee on the District of Columbia.

960. By Mr. NORBLAD: Petition signed by George A. Dennis and 185 other citizens of the State of Oregon, urging enactment of the railroad retirement bills, S. 1379 and H. R. 4282, 2741, 4334, and 2146; to the Committee on Interstate and Foreign Commerce.

961. By Mr. SMATHERS: Petition of Mrs. Irene Burke and others, endorsing passage of the Townsend plan; to the Committee on Ways and Means.

962. By the SPEAKER: Petition of the American Naturopathic Association of California, Inc., Los Angeles, Calif., requesting that the practice of naturopathy be included on an equal basis with other branches of the healing art in any national health plan that the United States Congress may enact into law; to the Committee on Interstate and Foreign Commerce.

963. Also, petition of Rhode Island Dental Hygienists' Association, Pawtucket, R. I., requesting that Congress do not enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

964. Also, petition of American Public Power Association, Washington, D. C., endorsing the extension of Federal social security, on a voluntary basis, to employees of State and local governments; to the Committee on Ways and Means.

965. Also, petitions of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., and Mrs. Flora Humphrey and 80 others for Liberty Club, General Welfare Federation, Buffalo, N. Y., endorsing H. R. 2620, calling for a national old-age pension; to the Committee on Ways and Means.

966. Also, petition of Mrs. Hattie Meyer and others, Fairmont, Minn., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

967. Also, petition of Rev. Burton Fisher and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

968. Also, petition of Mr. and Mrs. Charles H. Nutting and others, Ormond, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

969. Also, petition of Rev. J. A. Logan and others, Geneva, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

970. Also, petition of Mrs. M. B. Claypoole and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

971. Also, petition of Mrs. C. H. Underwood and others, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

972. Also, petition of Henrietta Hall and others, Tampa Townsend Club, No. 8, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 31, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we turn from memorial wreaths, and from the fluttering flags on countless grassy mounds, to face once more the never-ending struggle to maintain and preserve the freedoms which have been bought at so crimson a cost. From sea to sea of the homeland this radiant morning, where the grass has been trodden by reverent feet, and in little sacred patches of alien soil, where is kept the bivouac of our valiant dead, we see the crosses and the flags blending in their mute testimony. Knowing that eternal vigilance is the price of liberty, as we fight democracy's battles in these days against cunning foes at home and abroad, may that cross and that flag speak to us of strength that is increased by its spending, of life that is saved by its losing, and of greatness that is measured by its serving.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 27, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Represenatatives, by Mr. Swanson, one of its reading clerks, announced that the House had insisted upon its amendment to the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing vote of the two Houses thereon, and that Mr. WHITTINGTON, Mr. BUCKLEY of New York, Mr. LARCADE, Mr. DONDERO, and Mr. ANGELL were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the title of the bill (H. R. 3334) to grant the consent of the United States to the Pecos River compact.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE of California, Mr. MURDOCK, Mr. REGAN, Mr. LEMKE, and Mr. BARRETT of Wyoming were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3334) granting the consent of Congress to the Pecos River compact, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Pepper
Brewster	Holland	Robertson
Bricker	Humphrey	Schoeppel
Chapman	Hunt	Sparkman
Donnell	Johnston, S. C.	Stennis
Eastland	Kefauver	Taft
Ecton	Kem	Taylor
Ferguson	Langer	Thye
Flanders	Lucas	Wherry
Frear	Malone	Wiley
Fulbright	Martin	Williams
Green	Neely	Withers
Hendrickson	O'Conor	

The VICE PRESIDENT. A quorum is not present. The Secretary will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. CAIN, Mr. GRAHAM, Mr. MCCLELLAN, and Mr. YOUNG answered to their names when called.

The VICE PRESIDENT. A quorum is not present.

Mr. LUCAS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. JOHNSON of Texas, Mr. MYERS, Mr. REED, Mr. LONG, Mr. BYRD, Mr. VANDENBERG, Mr. KNOWLAND, Mr. MURRAY, Mr. MAYBANK, Mr. GURNEY, Mr. MCKELLAR, and Mr. CORDON entered the Chamber and answered to their names.

Mr. CONNALLY, Mr. ELLENDER, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. LODGE, Mr. MCCARRAN, Mr. MILLIKIN, Mr. O'MAHONEY, Mr. SALTONSTALL, Mr. THOMAS of Oklahoma, and Mr. THOMAS of Utah also entered the Chamber and answered to their names.

Mr. MYERS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from North Carolina [Mr. HOEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Arizona [Mr. MCFARLAND], the Senator from Connecticut [Mr. MCMAHON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Maryland [Mr. TYDINGS] are detained on official business in meetings of committees of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Iowa [Mr. GILLETTE] is absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mrs. SMITH] is absent on official business.

The senior Senator from New Hampshire [Mr. BRIDGES], the junior Senator from New Hampshire [Mr. TOBEY], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Oregon [Mr. MORSE], and the Senator from Utah [Mr. WATKINS] are detained on official business.

The Senator from Indiana [Mr. CAPEHART] and the Senator from New York [Mr. IVES] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators desiring to incorporate matters in the RECORD, report bills, or conduct any other routine business that is usually taken care of in the morning hour, be permitted to do so, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

INVESTIGATION OF OPERATION AND MAINTENANCE COST OF TOWN OF OAK RIDGE, TENN.—PETITION

Mr. KEFAUVER. Mr. President, I present for appropriate reference a petition signed by approximately 6,000 citizens of Oak Ridge, Tenn., in which they request an immediate investigation of the operation and maintenance cost of Oak Ridge, Tenn., particularly the housing cost.

The VICE PRESIDENT. The petition will be received and appropriately referred.

The petition was referred to the Committee on Banking and Currency.

GENERAL PULASKI'S MEMORIAL DAY

Mr. MYERS. Mr. President, I present for appropriate reference resolutions adopted by the City Council of McKeesport, and the Common Council of New Kensington, both in the State of Pennsylvania, favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day.

There being no objection, the resolutions were referred to the Committee on

the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution 5584

Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

Resolved by the city of McKeesport in council assembled, That—

Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died of wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas various States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929; to October 11, 1946, to be General Pulaski's Memorial Day in the United States of America: Now, therefore, be it

Resolved by the Council of the City of McKeesport, Allegheny County, Pa., That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

MARCH 10, 1949.

Hon. FRANCIS MYERS,
United States Senator,
Washington, D. C.

DEAR SENATOR MYERS: I hereby certify that the following resolution was adopted at a regular meeting of city council held March 1, 1949, and that this is a true and correct copy of the resolution as contained in the minute book for the above-mentioned meeting:

"Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

"Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

"Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and other States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

"Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

"Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial Day in United States of America: Now, therefore, be it

"Resolved by the Common Council of the City of New Kensington and State of Pennsylvania:

"SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

"SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, and each of the United States Senators and Representatives from Pennsylvania."

L. G. HEINLE,
City Clerk, City of New Kensington, Pa.

CURTAILMENT OF VETERANS' ALMINISTRATION CONTACT SERVICE—LETTER AND RESOLUTION OF DISABLED AMERICAN VETERANS, DEPARTMENT OF NORTH DAKOTA

Mr. LANGER. Mr. President, I am in receipt of a letter from E. O. Podell, State adjutant, Disabled American Veterans, Department of North Dakota, transmitting a resolution adopted by that organization relating to the curtailment of the Veterans' Administration contact service, and I ask unanimous consent that they may be appropriately referred and printed in the RECORD.

There being no objection, the letter and resolution were referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,
DEPARTMENT OF NORTH DAKOTA,
Minot, N. Dak., May 27, 1949.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed you will please find copy of resolution referred to above, which was passed unanimously at the North Dakota Disabled American Veterans Convention, held in Devils Lake, N. Dak., May 7–9, 1949.

You are urged to strenuously support the wishes of all disabled veterans in our State, as expressed in this resolution.

Elimination or further curtailment of this vital function of service to all veterans is akin to removing the eyes and ears of the people's outpost, upon whom they depend for information as to the progress of the legislation they created for the specific purpose of aiding that segment of our citizenry they feel responsibility and gratitude toward.

E. O. PODELL,
State Adjutant.

Resolution 24

Whereas the recent drastic cut by the Federal Budget Bureau in the Veterans' Administration appropriation for the fiscal year of 1950 has resulted in a decision of Carl Gray, Jr., Administrator, to reduce Contact Division personnel, eliminating a number of contact field offices, and eliminating or at least severely curtailing itinerant contact service which provides direct service to the veteran and his dependents; and

Whereas further curtailment in the contact service of the Veterans' Administration in North Dakota is certain to effect a large number of disabled veterans and their dependents residing in smaller communities and rural areas and since they will not be able to contact the Veterans' Administration except by extensive travel and considerable cost; and

Whereas the Disabled American Veterans of the World Wars, Department of North Dakota, recognizes that benefits granted by Congress to the veteran and his dependents are not automatic and that the veteran and his dependents must be informed of their rights, benefits, and entitlements and assisted in the proper application to obtain them; and

Whereas a most important source of information and assistance to disabled veterans and their dependents has been through field contact offices and contact representatives or itinerant duty; and

Whereas we are of the opinion that the elimination or reduction of the service provided by the Contact Division of the Veterans' Administration will have the effect of withholding from the disabled veteran and his dependents the entitlements which have been granted by Congress. We feel that there are several divisions of the Veterans' Administration which could have been reduced in personnel with far less harmful effect to the veteran and we feel that the reduction in personnel of the Contact Division will result in the veteran and his dependents being unable to obtain entitlements to which they are entitled because of not being informed and being unable to properly present a claim; and

Whereas we feel that the burden of proof is frequently on the veteran by the elimination and reduction of the best source of information and assistance, thousands of prospective beneficiaries will have been disposed of—fewer applications for benefits, fewer claims open for review, fewer instances of required supplemental evidence: Therefore be it

Resolved, That the Disabled American Veterans of the World Wars, Department of North Dakota, assembled in the twenty-ninth annual department convention at Devils Lake, N. Dak., May 7–9, protest emphatically against further reduction in the contact service of the Veterans' Administration in North Dakota; and be it

Resolved, That copies of this resolution be forwarded to the President of the United States, the Administrator of the Veterans' Administration, the manager of the Fargo center of the Veterans' Administration, and to each representative in Congress from North Dakota.

RICHARD V. BOULGER.

Passed at official convention, Department of North Dakota, Disabled American Veterans, Devils Lake, May 7–9.

E. O. PODELL,
State Adjutant.

PROPOSED REPEAL OF TAFT-HARTLEY LABOR LAW—PETITION

Mr. WILEY. Mr. President, I have received this morning from the Wisconsin section of the American Society of Civil Engineers, a petition in opposition to certain changes being proposed in the Taft-Hartley law. The petition prays for maintenance of the separate professional status for professional employees. I believe in the soundness of this idea, and I support the position taken by the American Society of Civil Engineers.

I ask unanimous consent that the text of the petition as conveyed to me by Mr. Willard W. Warzyn, chairman of the legislative committee, be appropriately referred and printed at this point in the body of the RECORD.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, as follows:

WISCONSIN SECTION,
AMERICAN SOCIETY OF CIVIL ENGINEERS,
Milwaukee, Wis., May 27, 1949.

The Honorable ALEXANDER WILEY,
United States Senate Building,
Washington, D. C.

DEAR SENATOR WILEY: We, the undersigned represent the Wisconsin section of the American Society of Civil Engineers, which includes approximately 300 civil engineers in its membership, a list of which is enclosed.

We wish to protest against the bill introduced in the Senate and House pertaining to amendments of the Taft-Hartley Act which affect professional employees. Sections 2 (12) and 9 (b) 1 of the Taft-Hartley Act should be maintained in the act. These sections prohibit the inclusion of professional employees with nonprofessional employees in collective-bargaining units, unless a majority of such professional employees vote for inclusion in such unit.

An act of this nature which segregates the professional employees from the nonprofessional employees in their collective-bargaining units will serve the best interests of the public and the professional employees. Therefore, we sincerely hope that when any further consideration is given this labor legislation you will favor the maintenance of that portion of the act which prohibits the inclusion of professional employees with nonprofessional employees in collective-bargaining units.

Yours very truly,

Wisconsin Section, American Society of Civil Engineers: O. Neil Olson, President; Fred M. Sloane, First Vice President; LeRoy W. Empey, Second Vice President; Charles W. Yoder, Secretary and Treasurer; Willard W. Warzyn, Chairman, Legislative Committee; Legislative Committee Members: Robert C. Johnson, E. H. Schmidtman, Richard A. Smith, Grant M. Hinkamp, Louis J. Larson.

FLORIDA LEGISLATURE RESOLUTIONS

Mr. PEPPER. Mr. President, I present for appropriate reference and printing in the RECORD Senate Memorial 282, relating to a limited world federal government, and Senate Memorial 614, relating to the recommendations of the Hoover Commission, both of the Florida Legislature, sent to me by the secretary of state of Florida, for presentation to the Senate.

The VICE PRESIDENT. The resolutions will be received, appropriately referred, and, under the rule, printed in the RECORD.

To the Committee on the Judiciary:

"Senate Memorial 282

"Memorial to the Congress of the United States to convene a constitutional convention as provided by article V of the Constitution of the United States, for the purpose of determining the adoption of an amendment to the Constitution of the United States whereby the United States can participate in a limited world federal government to be created by amendment to the United Nations Charter, or by a world constitutional convention, with authority to enact, interpret, and enforce laws to prevent wars

"Whereas war is now a threat to the very existence of our civilization, because modern science has produced weapons of war which are overwhelmingly destructive and against which there is no sure defense; and

"Whereas the effective maintenance of world peace is the proper concern and responsibility of every American citizen; and

"Whereas the people of the State of Florida, while now enjoying domestic peace and security under the laws of their local, State, and Federal Government, deeply desire the guarantee of world peace; and

"Whereas all history shows that peace is the product of law and order, and that law and order are the product of government; and

"Whereas the United Nations, as presently constituted, although accomplishing great good in many fields, lacks authority to enact, interpret, or enforce world law, and under its present charter is incapable of restraining any major nations which may foster or foment war; and

"Whereas the Charter of the United Nations expressly provides in articles 108 and 109, a procedure for reviewing and altering the Charter; and

"Whereas the necessity for endowing the United Nations with limited powers rendering it capable of enacting, interpreting, or enforcing world law adequate to prevent war has been recognized by the Florida State Legislature through the passage of House Concurrent Resolution 10, 1945; and

"Whereas many other States have memorialized Congress through resolutions by their State legislatures or in referenda by their voters, to initiate steps toward the creation of a world federal government; and

"Whereas several nations have recently adopted constitutional provisions to facilitate their entry into a world federal government by authorizing a delegation to such a world federal government of a portion of their sovereignty sufficient to endow it with powers adequate to prevent war: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That application is hereby made to the Congress of the United States, pursuant to article V of the Constitution of the United States, to call a convention for the sole purpose of proposing amendment to the Constitution to enable the participation of the United States in a world federal government, open to all nations, with powers which, while defined and limited, shall be adequate to preserve peace, whether the proposed charter or constitution of such world federal government be presented in the form of amendments to the Charter of the United Nations, or by a world constitutional convention.

"Resolved, That the secretary of the State of Florida is hereby directed to transmit copies of this application to the Senate and the House of Representatives of the Congress, to the Members of the said Senate and the House of Representatives from this State, and to the presiding officers of each of the legislatures in the several States, requesting their cooperation; be it further

"Resolved, That certified copies of the foregoing preamble and memorial be immediately forwarded by the secretary of state of the State of Florida, under the great seal, to the President of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

"Approved by the Governor May 16, 1949."

To the Committee on Expenditures in the Executive Departments:

"Senate Memorial 614

"Memorial recommending to the Congress of the United States of America the carrying into effect of the administrative recommendations of the Hoover Commission

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the legislative assembly of the State of Florida convened in regular session, respectfully represent that—

"Whereas during the last generation the enormous expenses of Federal governmental activities has created a condition of confusion and overlapping in the divisions of the administrative authority which has placed upon the President of these United States an ever-increasing burden and has resulted in increased costs and inefficient administration; and

"Whereas pursuant to Public Law 162, enacted by the Eightieth Congress, there was created a commission known as the Hoover Commission on Organization of the Executive Branch of the Government, which Public Law was on July 7, 1947, approved by the President of the United States, Harry S. Truman; and

"Whereas pursuant to said Public Law 162, there was appointed a bipartisan group of representative and distinguished citizens of our country who had had experience in governmental affairs, which group made an exhaustive and unbiased examination into the administration of the agencies of the Federal Government; and

"Whereas the said commission has filed a detailed report of its findings and its conclusions therefrom together with its recommendations covering the matter; and

"Whereas it appears to your memorialists that the said findings, conclusions, and recommendations constitute a cohesive and efficient program which will be of great benefit to the peoples of these United States: Now, therefore, be it

"Resolved by the Senate of the State of Florida (the house of representatives concurring therein), That the Congress of the United States be and it hereby is petitioned and requested by your memorialists to give due and favorable consideration to the recommendations of the Hoover Commission to the end that the said recommendations may be adopted by the Congress of these United States and the President of the United States be directed thereby to effectuate the provisions of such recommendations; and be it further

"Resolved, That the secretary of state of the State of Florida be, and he hereby is directed to transmit copies of this memorial to the President and clerk of the United States Senate, to the Speaker and Chief Clerk of the House of Representatives of the United States, and to each member of the Florida delegation in the Congress of the United States."

GAS AND OIL RESERVES—RESOLUTION OF INTERSTATE OIL COMPACT COMMISSION, JACKSONVILLE, FLA.

Mr. PEPPER. Mr. President, I present for appropriate reference a resolution adopted by the Interstate Oil Compact Commission, in meeting assembled at Jacksonville, Fla., May 11, 1949, pertaining to the subject of gas and oil reserves, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas there is pending in the Congress of the United States H. R. 79 and H. R. 1758 and S. 1498 for the purpose of amending the Natural Gas Act of 1938 to clarify the confusion existing in the Federal Power Commission, the State oil and gas regulatory bodies and the oil and gas industry with respect to the jurisdiction of the Federal Power Commission over the production, gathering, and field sales of gas, and after due consideration the Interstate Oil Compact Commission finds that—

1. It is the objective of each of said measures to make definite and certain that the the jurisdiction of the Federal Power Commission does not extend to the production and gathering of natural gas or the facilities used in connection therewith or the sales of natural gas by a producer or gatherer at arm's length to "a natural gas company."

2. In August 1947 the Federal Power Commission issued its order No. 139 disclaiming regulatory jurisdiction over production and gathering of natural gas or the facilities used in connection therewith or the sales made by a producer or gatherer at arm's length to "a natural gas company."

3. The State oil and gas regulatory bodies having jurisdiction over production and gathering of oil and gas and the enforcement of the oil and gas conservation laws in their

respective States and the oil and gas industry have relied upon order No. 139.

4. It has come to the attention of the Interstate Oil Compact Commission that it is now the firm opinion of a majority of the members of the Federal Power Commission that order No. 139 was issued on a wrong legal premise and is, therefore, void and of no force or effect; but on the contrary, it has regulatory authority to control and fix the price of natural gas sold at arm's length by producers and gatherers to "a natural gas company" which is thereafter moved in interstate commerce.

5. The exercise of such jurisdiction by the Federal Power Commission would supersede and destroy the jurisdiction of the State regulatory bodies.

6. The Interstate Oil Compact Commission deems the exercise of such jurisdiction an invasion of the exclusive and retained right of the States to enact and enforce local regulatory laws with regard to purely intrastate operations.

7. The continued vigorous and effective enforcement of the State oil and gas conservation laws is necessary to the end that in the public interest the irreplaceable natural resources of oil and gas may be produced in such manner as to obtain the greatest ultimate recovery.

8. The regulation of oil and gas producers by the Federal Power Commission on a utility basis would make it impossible for the oil and gas industry to obtain the necessary venture capital to continue its search for new reserves.

9. Any cessation of the continued vigorous exploration for new oil and gas reserves would adversely affect the public interest by reducing the supply of natural gas and petroleum products available for public consumption and increase the price of natural gas and petroleum products to consumers.

10. The competitive price of natural gas in the field is controlled by the factors of supply and demand and has always been such as to produce a plentiful supply of natural gas for public consumption at prices less than the competitive prices of any other fuel.

11. The present known reserves of natural gas are sufficient to supply the public demand for any foreseeable period as the result of the wise enactment and effective enforcement of the State regulatory laws.

12. At the time of the enactment of the Natural Gas Act of 1938 it was the declared legislative intent that the jurisidiction of the Federal Power Commission was limited to the transportation of natural gas in interstate commerce and the subsequent sale thereof for resale for ultimate public consumption and that it did not extend to the production and gathering of natural gas or the facilities used in connection therewith or the arm's length sales thereof by local producers or gatherers. Any extension of the jurisdiction of the Commission in these respects will be contrary to the clear intent of Congress as expressed when the Natural Gas Act of 1938 was enacted: Now, therefore, be it

Resolved, That the Interstate Oil Compact Commission, in meeting assembled at Jacksonville, Fla., on the 11th day of May 1949, request the Congress of the United States to enact legislation carrying out the purpose of H. R. 79, H. R. 1758, and S. 1498, in order that it may be made certain that the jurisdiction of the Federal Power Commission does not extend to or include the production and gathering of natural gas or the facilities used in connection therewith or the arm's length sales of gas made by a producer and gatherer to a natural gas company. Enactment of such legislation is in the public interest. The failure to enact such legislation will adversely affect the public interest in the consuming States as well as the oil and gas producing States; be it further

Resolved, That the chairman of the Interstate Oil Compact Commission is directed to cause a copy of this resolution to be presented to the appropriate legislative committees of the United States Congress.

TELEPHONE AND TELEGRAPH SERVICE AND CLERK HIRE FOR MEMBERS OF HOUSE

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably with amendments the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, and I ask unanimous consent for its immediate consideration. The amendments were suggested by Members of the House of Representatives.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the bill.

The amendments of the Committee on Rules and Administration were, on page 1, line 8, before the word "Charges", to insert "Toll"; and in line 10, before the word "originating" to insert "on toll charges on strictly official business."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BESSIE MAE HILL

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution was read as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Bessie Mae Hill, widow of Edwin H. Hill, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 122) was considered and agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BREWSTER:

S. 1968. A bill to provide for nautical education in the Territories, to facilitate nautical education in the States and Territories, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FLANDERS (for himself and Mr. IVES):

S. 1969. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Finance.

(Mr. FLANDERS (for himself and Mr. IVES) also introduced Senate bill 1970, to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 1971. A bill to stabilize farm income and farm prices of agricultural commodities; to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce; and for other purposes; to the Committee on Agriculture and Forestry.

(Mr. WILEY introduced Senate bill 1972, to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

(Mr. McFARLAND introduced Senate bill 1973, to further amend the Communications Act of 1934, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

(Mr. O'MAHONEY introduced Senate bill 1974, to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

THE NATIONAL HEALTH PROGRAM

Mr. FLANDERS. Mr. President, on behalf of the Senator from New York [Mr. IVES] and myself I introduce for appropriate reference a bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes, and I ask unanimous consent to have printed at this point in the RECORD a résumé and explanation of the bill, together with a statement by Senator IVES and myself.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the résumé and explanation and the statement will be printed in the RECORD.

The bill (S. 1970) to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes, introduced by Mr. FLANDERS (for himself and Mr. IVES), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The résumé and explanation and statement are as follows:

THE NATIONAL HEALTH ACT

RÉSUMÉ AND EXPLANATION

This national health bill has a threefold objective:

1. To make it possible, through voluntary prepayment plans, for everybody in the United States, of whatever income, to obtain adequate health care to the fullest extent that medical resources permit.

2. To see that the quantity of health service is expanded and its quality raised throughout the Nation by progressively eliminating shortages in our medical resources.

3. To do these things in such a way as to foster constructive freedom of action, and the responsibility that goes with it, on the part of both patients and doctors, individuals and associations, communities and States.

MAIN PROVISIONS

Basic in the bill's program will be voluntary prepayment plans. Their subscription charges would be scaled to their subscribers' incomes, rather than flat-rate premiums. Mixed Federal-State funds would make up any difference between the aggregate of subscribers' payments and the cost of furnishing health service benefits.

The bill would also provide: (a) Special Federal help in areas where the shortage of health resources is particularly acute, to attract personnel, and maintain modern facilities; (b) increased Federal aid to communities throughout the country for building hospitals and health centers; (c) Federal grants to medical and nursing schools; and (d) additional Federal aid to the States for expanding their local public health services.

Finally, the bill sets up machinery for constantly appraising the health needs of the Nation and for developing a national health program which would be periodically revised to keep pace with the growth in medical resources.

BASIC PRINCIPLES

This bill does not bring about socialized medicine; on the contrary, it very greatly encourages the development of private efforts, which actually pace the program.

It invokes no means test; on the contrary, it offers to everybody, poor or well-to-do, the right to obtain the same services as everyone else, at a cost scaled to his means.

The bill reflects the belief of its sponsors that great social needs can be met without falling into the errors of state socialism, and that needed services can be given at needed cost to our people without disrupting—but on the contrary, encouraging—the development of private initiative and enterprise.

The sponsors do not consider this bill necessarily the answer for all time to the health problem. For this reason they have provided the means for constant readjustment of the program on a rational basis. But they do consider the bill realistically designed to bring within everybody's reach all the care that the Nation's medical facilities can provide—and to assure the rapid development of enough facilities to include everybody, in every income group, who wants to use them. It thus places itself squarely in the American tradition of more and better services in response to voluntary demand.

HOW IT WORKS

The key to the program is the local, voluntary prepayment health service plan. Many such plans already exist—Blue Cross, Blue Shield, innumerable group health plans, industry plans, labor union plans, welfare funds, cooperatives, and so forth. Over 35,000,000 people are already enrolled in these plans.

The chief advantages of all such plans are: (1) that by spreading the risks among a large number of persons they enable their subscribers to protect themselves, at a moderate cost, against ruinous personal losses, and (2) being organized and operated privately, without governmental management, they can reflect accurately the desires and needs of their members. Their chief disadvantage is that the flat-rate premiums which most of the plans must now carry are beyond the means of millions of otherwise self-supporting people. This is especially the case when doctor's services in the home and office and preventive medical care, as well as hospital services, are included. Premiums for such coverage may run from $100 to $150 per family, far too much for incomes in the lower brackets. As a result, only a few of the voluntary plans at present cover more than hospitalization and surgical care, a fragment of the health services people need.

This legislation contemplates hundreds of such nonprofit voluntary plans, each locally organized and operated. It will use existing plans, enable them to expand, and open the way for new plans throughout the country.

Fundamental to the program is the requirement that these voluntary plans base the rate of payment by subscribers upon a percentage of the subscriber's income (up to $5,000). This provision will necessitate changing the method of charging practiced by most plans at present in existence. It is, however, essential for the purpose of opening voluntary plans to everyone by bringing in public aid for people of limited income without a means test.

In order to participate in the program, a State would set up a State health council. This council would divide the State into several regions, many of which have already been set up under the Federal Hospital Construction Act. Each region would be managed by a health region authority, made up of local people. On this authority and on the State health council there would be no practicing doctors, dentists, or others who provide health services, since they represent groups with a direct financial interest in the public's contributions, but each authority and council would have medical and other advisory committees.

The bill sets up a national yardstick in the form of a comprehensive range of benefits, which it defines in detail and which includes the most vital health services. It further states that the subscription charge for this particular coverage cannot be less than 3 percent of the subscriber's income up to $5,000. The first duty of each health region authority is to estimate the normal cost in that region of supplying the national yardstick coverage.

Any plan operating in that region which provides the yardstick range of benefits will receive from the State (with Federal participation) the difference between its subscribers' payments and the estimated normal cost of the coverage.

A plan may offer a coverage less comprehensive than the national yardstick coverage, in which case it would charge proportionately less to its subscribers, and any public contribution would be based on a proportionately lower allowed cost. Or a plan may provide a still more comprehensive coverage, in which case it must charge proportionately more and would have a proportionately higher allowed cost.

The maximum coverage a plan may offer under the bill's program will be fixed by the State health council. This maximum will be based on how much medical service can be provided in each of the State's regions by existing or reasonably obtainable personnel and facilities. The State may amend the maximum each year in the light of experience and in line with the growth of its medical resources.

HOW IT APPLIES

Let us suppose that a plan provides the yardstick coverage, for which it charges 3 percent of each subscriber's income. This would cover the subscriber and any dependents.

A subscriber with an income of $1,500 would pay $3.75 a month; one with $2,500 would pay $6.25 a month; and one with $3,800 would pay $9.50 a month. They would all get the same services, the deficit created by the lower incomes being made up by the State-Federal aid. Thus, if the annual cost allowed to the plan by the regional authority were $114 per family (which would be about the estimated average for the Nation), and if the average family in the plan paid $75 a year, then the State-Federal aid would contribute $38 per family to cover the deficit to that plan.

On the basis of these figures it is apparent that a $3,800 family would be paying its full cost. Smaller incomes would be subsidized, partly by the higher-income people who join the plan and partly out of public funds. Partial subsidization of the low-income groups by the higher ones is what happens now, in a rough and unsatisfactory way, through the scaling of charges by the doctors and the hospitals.

The minimum that anyone can pay to participate in a plan is $6 a year. In the case of unemployed persons or public wards this may be paid by the State, for whatever plan the individual chooses. On the other hand, the highest income used for figuring subscription rates is $5,000. Persons with larger incomes may join the plans, and will undoubtedly choose to do so; but many plans will probably provide that such people would be paid fixed sums (called "indemnity benefits") rather than being covered for the complete cost of their care (called "service benefits").

FREEDOM IS PRESERVED

Whether a family decides to come into the most complete plan set up under the State's program in its community, or into a cheaper and less complete plan, or stay out of all of them, is left to its own free choice. Whether a subscriber's employer pays all or part or none of the subscription charge, is for the employer and employee to work out together. Whether a subscriber's contribution is deducted from his pay is also subject to free arrangement. In the case of State and Federal employees, the bill provides that this may be done.

Like their patients, the Nation's doctors are free to come into any plan that will accept them, or to stay out of all of them. No more than at present will they be forced to accept any patients. Their inducement to it lies in the fact that the services that they now supply free to those who cannot pay their own way, will be fully paid for by the plans, whose members may be these same persons hitherto dependent on medical charity. They will be free to join any sort of plan, including group-practice plans, which will be fostered by the bill. Doctors may take part in the formation of a plan but may not control it.

Hospitals likewise may contract to supply their services to any plan that needs them, or they may stay out. The same inducements apply to them as to the doctors. In supporting the Blue Cross, the country's hospitals have already demonstrated their willingness to take part in prepayment plans.

The advantages of the program will be inducement enough, and no individual or group, consumer, doctor, or hospital, will be compelled to join. The powers and duties of government, local, State, and Federal, will be held to the minimum. At every level there will be ample freedom for that creative initiative which alone can translate our American aspirations into reality.

FEDERAL AID

The basic formula for Federal aid under this bill follows the lines of the Hospital Construction Act. Federal aid will be granted a State in inverse proportion to its per capita income. States having the lowest per capital income will receive Federal aid at a ratio of three Federal dollars for every State dollar devoted to the program; those with the highest per capita income will get one Federal dollar for two State dollars. The average for the Nation will be a little more than 50 percent Federal aid. The ceiling for Federal aid to any given State will be $15 a year for each person covered.

A State will begin to receive its Federal contribution as soon as it has passed the appropriate legislation and as soon as the machinery is in operation.

In the sometimes difficult matter of raising money to start a qualified nonprofit plan, the Federal Government will also help the States to help the organizers. Whatever amount the sponsors of a plan can raise, either by free contribution or in the form

of non-interest-bearing loans, will be matched by mixed Federal and State money as interest-free loans.

A separate bill is being filed by the sponsors of this legislation which would make subscription charges deductible from taxable income.

The bill further provides for a revolving construction-loan fund of $10,000,000 of Federal money. Without requiring any State participation, this sum will be loaned to cooperating prepayment plans for the special purpose of building and equipping small local medical centers for the group practice of medicine. This sum would provide for the setting up of about 125 new health centers at one time, with no burden on the States.

By these means the establishment of a widespread, diverse system of voluntary plans will be fostered, including those that use group practice. In the long run those plans which supply the best and most extensive medical care for the subscribers, and at the same time obtain the most effective cooperation of the medical professions and the hospitals, will most rapidly spread their influence and increase the number of their subscribers. The mainspring of the program will be competition between the plans in the quality and extent of their services, with free opportunity and incentive to develop evermore effective means of distributing high-quality medical care.

EXPANSION OF MEDICAL RESOURCES

The accelerated development of prepayment plans, and the increased effective demand for medical services which would result from the enactment of this bill, must be matched by a steadily increasing number of well-trained doctors and nurses. The bill therefore provides special help for medical and nursing education, the cost to the Federal Government ranging from about $25,000,000 in the first year to about $40,000,000 in 1953. Federal aid is provided also for the construction and equipping of additional or new medical-school facilities, the Federal funds to match money from other sources.

The development of prepayment plans also makes it necessary to accelerate new construction of diagnostic and personal health service centers as well as hospitals. For this reason the bill offers amendments to the Hospital Construction Act, adding $100,000,000 a year to the present appropriation of $75,000,000 to be mixed State by State with funds from any other source according to the formula already described. Diagnostic and health service centers may share in this Federal aid.

The improvement of personal medical care throughout the country does not diminish the need for improved local public health services. This bill therefore provides for the extension of the established program of Federal aid to the States and local communities for the employment of public health officers and other personnel, and for the extension of basic community health services throughout the Nation. This is universally recognized as an integral part of a sound national health program.

Finally, the bill provides Federal aid (in the same proportion to State aid as in the case of prepayment plans) for programs in areas of special need. Such an area is defined as one in which there are no more than 8 doctors per 10,000 of population. Here it is proposed, with mixed Federal and State funds, to provide immediately the financial incentives and guaranties required to attract to these areas doctors, dentists, and nurses, and to provide the traveling clinics they so sorely need. Such funds will also be used to cover the initial deficits of hospitals, health centers, and diagnostic centers set up in these areas with the help of grants provided for under the Hospital Construction Act, as amended by this bill. This special program is of a largely temporary nature to fill the gap existing before the voluntary prepayment plans can develop so as to take up the burden. At a later stage Federal and State aid will flow into these areas through the normal channels described above.

STUDY AND PLANNING COMMISSION

The sponsors of this bill believe that the program of action described in the preceding paragraphs represents the most that the Federal Government should now undertake in new forms of assistance in the field of health. There remains, however, much more to be done. For the purpose of determining precisely what the Nation's health needs are, and how best to mobilize our resources to meet them, the bill sets in motion immediately a grass-roots inventory of health conditions, health resources, and all aspects of medical research, recruitment, and training of health personnel. For this purpose it establishes a bipartisan commission to be appointed jointly by Congress and the President, to direct, supervise, and coordinate a continuing study conducted locally.

This Commission is to report to Congress within 2 years on their findings with respect to the most pressing problems, such as the financial condition of the country's hospitals, the recruitment and training of health personnel, the provision of care for the chronic diseases (heart disease, cancer, multiple sclerosis, cerebral palsy, poliomyelitis and other crippling diseases of children, etc.), and the provision of dental care.

Within 4 years the Commission is instructed to report its findings and to formulate a 20-year national health program. In formulating this plan the Commission is to take into account the recommendations of the cooperating local and national organizations. Thereafter the Commission will report every 2 years, at each such interval pushing ahead the 20-year plan by 2 years.

The survey is to be financed by the Federal Government at an annual cost of $5,000,000.

COSTS AND GROWTH

In all its parts, this bill assigns the Federal Government the role of assisting local and State undertakings. The bill, in effect, says to the families of America and to their local and State governments, "The National Government offers to back up what you undertake. The scale of Federal aid depends on the scale of your enterprise." Thus, what these programs will mean in terms of Federal appropriations each year will be determined mainly by the scale of the voluntary response the Government's offer gets.

Assuming maximum voluntary response, the bill may be expected to call on Federal revenues for $300,000,000 the first year, and for a possible $850,000,000 4 years hence.

The largest potential expenditure is aid to the prepayment plans. By 1953, the Federal share in that program could reach $500,000,000 a year. This would represent a little more than half of needed public support for these plans. Subscriber's payments should provide between 60 and 85 percent of the plans' costs, depending on the income level of the particular community.

The Federal contribution to the "special need areas" can be expected to rise to a peak of conceivably $150,000,000 by 1952 and therafter level off at between $75,000,000 and $100,000,000 a year until prepayment plans blanket these areas.

The help offered to medical and nursing schools will probably range from $25,000,000 to $40,000,000 a year from fiscal 1949–50 to 1952–53, respectively. Construction grants to the schools over those 4 years may total $120,000,000, or $30,000,000 a year.

Hospital construction is not likely to take less that $175,000,000 a year proposed. This is $100,000,000 a year more than is provided by the existing law, under which a large backlog of much needed hospital facilities has built up.

The local public-health units program will probably rise to $30,000,000 by 1952–53 from $15,000,000 in 1949–50.

Comprehensive health study and planning will take $5,000,000 a year.

This added Federal expenditure will represent growth the length and breadth of this country in effective health services. It will also represent additional expenditures by States and local communities which have to spend their money in order to get the Federal money. Indeed, individuals have to decide to spend their money before the Federal or State governments become committed to provide any funds whatever.

BRIEF COMPARISON WITH HILL, TAFT, AND THOMAS BILLS (S. 1465, S. 1581, AND S. 1679)

In principle this approach to health insurance is similar to that of the Hill bill, but with several important differences. One is that the Hill bill in effect requires those who need help in paying for voluntary prepayment plans to pass an individual means test, while this bill gives everyone the automatic right to join a prepayment plan at a charge that he can afford. On this point, the Taft bill is less explicit but just as clearly contemplates the use of a means test.

Under the Hill bill public aid would go only to prepayment plans offering no more than in-hospital care and the out-patient services of hospitals and diagnostic centers. This bill leaves the scope of services for which public funds may be used solely to the discretion of the States and their health regions. From the beginning people in many communities will secure far broader benefits, such as home care and preventive services of doctors, where the community is equipped to supply them.

Both the Hill and Taft bills fail to provide for the free organization of prepayment plans within the States. At present in 22 States the organization of such plans is effectively restricted to medical societies. In contrast our bill provides positively for State enabling acts which would permit the free organization of prepayment plans.

The Taft bill concentrates all attention on those unable to pay the whole cost of care and requires the States to develop programs that would assure such persons all needed services within a period of 5 years. This requirement, we feel, is totally unrealistic in the light of the proposed maximum appropriation of $300,000,000, which, added to State funds, would provide no more than $600,000,000 a year of public funds for this purpose. In our judgment it would take five times as much money and more than 10 years' time to reach the Taft bill's goal.

On this score, the Thomas bill is equally unrealistic. Starting in July 1951, it would impose a pay-roll tax of 3 percent on the employed and an income tax of 2¼ percent on the self-employed, for which there would be given as broad a range of services as the Federal Government believed could be supplied in the various States. But while theoretically only services that could be provided would be promised, the payment of so substantial a tax would necessarily confer on the taxpayer a right to demand comprehensive care. This insistent demand would force a burden on hospitals, doctors, and auxiliary personnel that they could not possibly carry. The result would be grossly inadequate service and an irresistible demand for direct Federal control. In contrast, this bill links the extension of prepaid services with the local capacity to supply service. There is no element in this bill that will force or encourage public authorities or prepayment plans to issue contracts that cannot in fact be fulfilled.

The Hill, Taft, and Thomas bills all provide for surveys or studies of various elements of the health field. This bill seeks to unite all these partial studies and many others into a single coordinated whole, looking toward the formulation of a national long-range program. There have been too many fragmentary studies and plans. It is time for the health problem to be treated as a single problem, one of the biggest and most basic problems the Nation faces today.

The goal of this bill is the most efficient production and distribution of medical care for the benefit of all the American people. We propose means for moving immediately toward that part of the goal which is realizable with present resources and those that can be developed soon. The survey is intended to amend the means if necessary, to develop further means, to state the further goal of covering all the health needs of the American people, and to work out the means of achieving that ultimate goal.

OUTLINE OF NATIONAL HEALTH ACT, 1949

The proposed National Health Act, 1949, is developed within the framework of the Public Health Service Act (a) adding a new title VII—which provides an immediate health and medical service program, (b) adding a new title VIII—which provides for a long-range survey of national health needs, (c) amending existing provisions of title VI—relating to hospital construction, (d) adding a new provision to title III, regarding local public-health units.

A. The core of the title VII immediate program is part C, providing assistance to voluntary, nonprofit, prepayment health-service plans. These are the salient features:

1. Individuals will obtain medical care for themselves and their families by belonging to and obtaining a kind of health insurance contract through cooperating prepayment health service plans (which are to be nonprofit organizations like the Blue Cross). (721 (b).)

2. These plans must base their subscription charges upon a percentage of the subscriber's net income up to $5,000. The minimum subscription charge is $6 per year. (723 (n).) The health region authority—a public body appointed by the Governor—determines to what extent the plans must accept nongroup applicants. Within those limits individual applications must be accepted on a first-come, first-served basis, except that no more than 25 percent of the beneficiaries may reside outside the State. (721 (c).)

3. The minimum subscription charges will depend upon the benefits provided by the plan. Section 723 (l) sets forth a yardstick of services and benefits, which include home care, diagnostic and preventive services, and hospital treatment. For this yardstick, the minimum charge is 3 percent of the subscriber's income. (723 (n).) If a plan offers greater, or less, benefits than the norm, the minimum subscription charge is adjusted accordingly. (723 (m), (n).) A plan may offer more than one contract.

4. However, it is for the State health council to determine, upon the basis of available personnel and facilities, the maximum range of services and benefits which may be offered by the plans under the program in that State. (723 (i).)

5. The health region authority will calculate an allowed cost, which is its estimate of the normal cost of furnishing the benefits under each approved contract. (723 (m).) The State program will assure each plan that it will recover this allowed cost, and in the event that subscription income is inadequate—whether due to the low income of the subscribers, or their greater health needs—the State will pay the difference. (723 (o).) An adjustment procedure is provided for plans with adverse selection factors—e. g. where a disproportionate number of the subscribers are aged. (723 (o).)

6. The States may make noninterest loans to assist in the initial establishment of the prepayment plans. (723 (y).)

7. The States may make special grants for special-need areas—defined in 721 (i) as regions with not more than 8 doctors per 10,000 population—in order to assure the personnel and facilities needed to furnish the services set forth in 723 (l). (724.)

8. As to all these sums paid by the State, the Federal Government will reimburse the State up to its Federal percentage of the sum paid. The Federal percentage increases as the State's per capita income decreases, but never falls below 33⅓ percent or exceeds 75 percent, subject to the qualification that, as to sums paid by the States to participating health-service plans to meet their costs, in no event can the Federal reimbursement to the State exceed $15 yearly per beneficiary covered by such plans. (725.)

B. Title VII, part D, appropriates $10,000,000, so that the Surgeon General may make 4-percent loans to prepayment health-service plans to cover up to 80 percent of the cost of personal health-service centers to provide health services to the subscribers and beneficiaries as ambulatory patients.

C. Title VII, part E: To alleviate the shortage of doctors and nurses the bill provides:

1. Payments to medical schools of $500 for each enrolled student, plus an additional $1,000 for each enrolled student in excess of average past enrollment. Comparable provisions are provided for nursing schools (sec. 743).

2. The Surgeon General may grant up to 50 percent of the costs of construction and equipment of new medical or nursing schools or expansions (sec. 744).

D. Title VIII: Establishes a bipartisan Federal Health Study and Planning Commission—four members appointed by the President; four by the President pro tempore of the Senate; four by the Speaker—in each case at least two from private life (sec. 802).

This Commission is to conduct continuing studies of health-service needs—obtaining data as to supply and education of qualified personnel; as to health care received within the various regions; as to status of research, health education, hospitals, and health centers, etc. The Commission is directed, so far as practicable, to avoid making its own studies but to develop the basic data through contracts with public bodies established by the States, and with public and private nonprofit organizations (sec. 805).

The Commission is directed to formulate a 20-year health plan to improve the Nation's health services. This plan is to be submitted to the President and the Congress by January 15, 1953, and is to be revised every 2 years. The Commission is also directed to make interim reports on certain urgent problems.

For these purposes, up to $5,000,000 per annum is authorized for appropriation.

E. Title VI of the Public Health Service Act: Hospital-construction program is amended in certain respects:

1. To permit State grants and Federal contributions for construction of diagnostic centers, and personal health-service centers, serving ambulatory patients—as well as hospitals and public-health centers (sec. 631).

2. Increases appropriation from $75,000,000 to $175,000,000 per annum, and increases Federal contribution to construction projects from a flat 33⅓ percent to the State's Federal percentage (which varies from 33⅓ percent to 75 percent) (secs. 621, 624, 625).

3. Provides $2,500,000 per annum for demonstrations to improve the efficiency and utilization of hospitals and health personnel.

F. Title III is added to by inserting section 315, relating to local public-health units. If a State provides a plan for extending the coverage and services of local public-health units, it is entitled to receive a percentage of the cost of the plan, the percentage varying inversely with the State's per capita income but not exceeding 66⅔ percent.

STATEMENT OF SENATOR FLANDERS AND SENATOR IVES

We are sponsoring this National Health Act because we feel it is a broad comprehensive program designed to meet the health needs of our Nation in a manner consistent with our traditions of freedom.

This bill is diametrically different from the compulsory health insurance bill offered by the administration. Unlike the plan of that measure, this program would be a voluntary one.

It would place and preserve primary responsibility for the development of adequate health services in the States and local communities where the needs are most accurately known and best can be met, rather than at the remote Federal level.

Utilizing existing private organizations and providing adequate incentives for additional facilities of this nature as they may be needed, our bill provides an over-all attack on the health problems of the Nation in terms of present services available and anticipates an increasing program as medical facilities are developed.

This pattern of medical service for our people is designed to give the maximum in assistance, without regard to an individual's income, and with the minimum of Government direction, control, and centralization. The financial relationship between the doctor and hospital and patient will be, not through Government as in the administration's proposal, but through local voluntary health plans.

In the light of prevailing economic conditions in our Nation and throughout the world, it may be found that the entire program presented in the bill, cannot, prudently, be adopted immediately. Should this be the case, we especially urge the passage of those portions of the bill which authorize an immediate survey of the Nation's health needs, to the end that steps may be taken to provide medical facilities more nearly adequate in all sections of the country. As economic conditions warrant, the program should be stepped up proportionately.

EXTENSION OF GI READJUSTMENT ALLOWANCES

Mr. WILEY. Mr. President, I introduce for appropriate reference a bill to extend the readjustment allowance provision of the GI bill of rights for an additional 2 years beyond the July 25, 1949 deadline, and

I ask unanimous consent that the text of a statement which I have prepared on the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement presented by the Senator from Wisconsin will be printed in the RECORD.

The bill (S. 1972) to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid, introduced by Mr. WILEY, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY ON INTRODUCTION OF BILL TO EXTEND GI READJUSTMENT ALLOWANCES FOR 2 YEARS

AN ANSWER TO SMEAR CHARGES AGAINST VETERANS

I am introducing today in the Senate a bill for amendment of the provisions of the GI bill of rights. My bill simply amends

the present law by extending title VII's deadline from July 25, 1949, to July 25, 1951. The reason for the extension is obvious. When the Congress enacted the GI bill of rights it inserted the present deadline of allowances (for unemployed and self-employed veterans) on the assumption that the 4 years immediately following the end of hostilities would involve the most serious readjustment problems for our ex-servicemen—problems both economic and psychological.

GREATEST NEED HAS ONLY JUST BEGUN

Those 4 years are passed, but the greatest unemployment crisis has only just begun. To allow the readjustment allowance provision to lapse after July 25, 1949, would be a sham and a farce. Our veterans who are having difficulty in finding jobs now and in keeping their little businesses going would feel betrayed. These allowances must therefore be continued for unemployed veterans and self-employed veterans (earning less than $100 a month). Only a tiny percentage of our veterans has thus far benefited from this provision of the GI law.

WE ARE HOPING ALLOWANCES WILL NOT BE USED

Now, I want it understood that those Members of Congress such as myself who want this title 7 extended are hoping, praying, that it will not, in fact, be utilized to an appreciable extent. We certainly do not want conditions to be such that our veterans will find it necessary to receive Government aid for 52 weeks. We hope that there will be sufficient jobs and sufficient prosperity in self-employed veterans' businesses so that these allowances will not be necessary. However, it is only fair that we take precautions so that, if perhaps, sufficient jobs are not available, our veterans will not be left out in the cold. That does not, of course, mean that we in the Congress are simply going to forget the job matter. On the contrary, we will be working harder than ever before in order to make sure that the Nation's employment and prosperity remains at the highest possible level.

Only a tiny percentage of our ex-servicemen has abused any of the provisions of the GI bill of rights at all. The number of veterans who have misused the readjustment allowance privilege is so small in relation to the total number of ex-servicemen as to be completely insignificant.

SLURS, INSULTS, AND SMEARS OF VETS

But to hear some people talk, one would think that all our 18,000,000 veterans were "loafers" and "leaners" who simply want to receive Government checks. Such talk is an insult, a slur and a miserable smear on the good name of America's veterans—who ask no more than a fair break.

SUPPORT OF EXTENSION IDEA

The American Legion executive committee has endorsed the 2-year extension of this provision, and its action is supported by indications which I have received from other veterans' organizations, from county veterans' service officers, from unions and other groups.

WE DON'T WANT INDEFINITE EXTENSION

The American Legion rightly indicated, and I am glad to indicate, that it is not our intention to extend the readjustment allowance title indefinitely. An indefinite extension would be contrary to the whole principle of this provision. Allowances are designed for readjustment in the postwar period only, and not for perpetual maladjustment.

I hope that the loose talk about our veterans will be ended, because I feel that it is unfair to the men who have indicated by their deeds, not merely their words, that they are our finest citizens—the cream of our youth in every respect. I am hoping that the House Veterans' Affairs Committee, the companion Senate group, and both Chambers will act promptly on this extension legislation, so that there will be no lapse of the benefits.

Our veterans (who lost years from their normal lives and trades) are the first to suffer in a recession, the first to lose jobs because of their comparative lack of experience, the first to lose their businesses. We must afford them reasonable protection. We must not permit discrimination against veterans who will be losing jobs now and who will need the allowances now, and did not utilize the allowance feature before this, whereas some of their buddies did.

PROPOSED REPEAL OF TAFT-HARTLEY LABOR LAW—AMENDMENTS

Mr. THOMAS of Utah submitted amendments intended to be proposed by him to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which were ordered to lie on the table and to be printed.

REDEFINITION OF REQUEST FOR RELIEF RELATING TO WAR CONTRACTORS—AMENDMENTS

Mr. LUCAS and Mr. DOWNEY each submitted amendments intended to be proposed by them, respectively, to the bill (H. R. 3436) to amend section 3 of the Lucas Act with respect to redefinition of request for relief, relating to war contractors, which were referred to the Committee on the Judiciary, and ordered to be printed.

MULTIPLE SCLEROSIS AND RELATED NEUROLOGICAL DISEASES—AMENDMENT

Mr. TOBEY (for himself and Mr. O'MAHONEY) submitted an amendment in the nature of a substitute, intended to be proposed by them, jointly, to the bill (S. 102) to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of multiple sclerosis and related neurological diseases, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and ordered to be printed.

ADDRESS BY SENATOR VANDENBERG BEFORE INTER-AMERICAN BAR ASSOCIATION

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD the address delivered by him before the Inter-American Bar Association, at Ann Arbor, Mich., on May 28, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR MAGNUSON AT CEREMONIES AT GRAND COULEE DAM

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD the address delivered by him at ceremonies at the Grand Coulee Dam, which appears in the Appendix.]

ADDRESS BY SENATOR HUMPHREY BEFORE INDIA LEAGUE OF AMERICA

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD the address delivered by him before the India League of America at a dinner for Madam Pandit, Ambassador of India, at New York City on May 24, 1949, which appears in the Appendix.]

DEMOCRACY'S CHALLENGE—ADDRESSES AT DEDICATION OF MEMORIAL STADIUM, HARRISONBURG, VA.

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD introductory remarks made by him and the address delivered by the Honorable Gordon Gray, Acting Secretary of the Army, at the dedication of the memorial stadium at Harrisonburg, Va., on May 29, 1949, which appears in the Appendix.]

FEDERAL PAY IN KEY POSTS—EDITORIAL FROM WASHINGTON EVENING STAR

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD an editorial entitled "Dr. Bunche and Federal Pay," published in the Washington Evening Star of May 27, 1949, which appears in the Appendix.]

ADMISSION OF DISPLACED PERSONS—LETTER FROM JOHN W. EDELMAN

[Mr. MYERS asked and obtained leave to have printed in the RECORD a letter addressed by John W. Edelman, Washington representative, Textile Workers Union of America, CIO, to the editor of the Washington Evening Star and published in that newspaper on May 23, 1949, under the caption "Textile union official pleads for admission of displaced persons," which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. HENDRICKSON asked and obtained consent to be absent from the sessions of the Senate on June 1, 2, and 3.

On request of Mr. WHERRY, and by unanimous consent, Mr. BUTLER was excused from the sessions of the Senate today and June 1 and 2.

EXTENSION OF TIME FOR COMPLETION OF ANNUAL ASSESSMENT WORK ON MINING CLAIMS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LUCAS. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. O'MAHONEY, Mr. MURRAY, Mr. DOWNEY, Mr. MILLIKIN, and Mr. CORDON conferees on the part of the Senate.

ESTABLISHMENT OF ST. CROIX ISLAND NATIONAL MONUMENT, MAINE

Mr. BREWSTER. Mr. President, I should like to ask unanimous consent that the Senator from Wyoming [Mr. O'MAHONEY], as chairman of the Committee on Interior and Insular Affairs, may be permitted to call up and have action on a House bill. Through inadvertence a Senate bill instead of a House bill was recently passed. It will require only about 30 seconds.

The VICE PRESIDENT. Is there objection to the unanimous-consent request? The Chair hears none.

Mr. O'MAHONEY. Mr. President, on the call of the calendar several weeks ago the Senate passed a bill which was introduced by the Senators from Maine to establish the St. Croix Island National Monument in the State of Maine. The fact was overlooked at that time that

there was a House bill identical with the Senate bill which was before the Senate committee. The most expeditious way to make effective the action of the Senate and the House is to have the Senate now discharge the Committee on Interior and Insular Affairs from the further consideration of House bill 1357 and to pass that bill in lieu of the Senate bill which has already gone to the House. So, Mr. President, I make that unanimous-consent request.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Committee on Interior and Insular Affairs is discharged from the further consideration of House bill 1357.

Mr. O'MAHONEY. I now ask unanimous consent for the present consideration of the House bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 1357) to authorize the establishment of the St. Croix Island National Monument, in the State of Maine, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

Mr. McFARLAND. Mr. President, I introduce for appropriate reference a bill to further amend the Communications Act of 1934.

The bill is the end product of several years of work by myself and other members of the Senate Committee on Interstate and Foreign Commerce. Extensive hearings were held in 1943, 1945, and 1947 on many of the sections included in the bill introduced today. Other sections have been proposed by the Federal Communications Commission from time to time. Some sections were recommended by Senator TOBEY and me, as a subcommittee, in a report to the full committee. These recommendations were adopted unanimously by the full committee in Senate Report No. 49, and the recommended sections were included in a bill introduced by the senior Senator from Colorado [Mr. JOHNSON] a few weeks ago.

I desire to make it clear that my purpose in including all of the sections contained in the bill is to make sure that they will have the careful consideration of the committee, but all of them do not necessarily represent my personal views.

For example, section 5 of the bill provides, among other things, for the division of the Federal Communications Commission into panels. There exists a considerable difference of opinion regarding the worth of panels. I agree with others who have studied the problems of the Commission that a change in the internal structure is extremely desirable. Whether a panel structure will be helpful or will result in even greater confusion is a matter which our committee will consider carefully.

On the other hand, there appears to be almost unanimous agreement for the enactment of a provision which makes mandatory the horizontal reorganization of the Commission along lines of its principal work-load, provides for an independent legal-engineering-accounting review staff divorced from the Commission's prosecutory functions and generally gives the Commission some flexibility in meeting its case-load and rule-making problems. I have drafted such a provision after consultation with Commissioners and my personal opinion is that it must be a part of any bill enacted. Whether panels should be provided for in addition is a question I believe our committee can settle with little delay.

It should be noted that the bill I have introduced today is limited strictly to organizational, administrative, and appellate provisions. I have included no policy sections simply because the most urgent and pressing problem of the Commission today deals with its internal organization. If legislation on substantive matters of policy are found necessary, it is my belief that they must be given careful committee consideration, either in this bill or possibly in other legislation.

There can be little doubt, however, that administrative and procedural amendments to the existing communications law are badly needed. It is my hope that our committee can and will consider this bill rather promptly, even though some hearings may be necessary, in an effort to enact legislation in this session of Congress.

I ask unanimous consent that the bill be printed in full at this point in the RECORD.

There being no objection, the bill (S. 1973) to further amend the Communications Act of 1934, was read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as "Communications Act Amendments, 1949."

SEC. 2. Subsections (o) and (p) of section 3 of the Communications Act of 1934, as amended, are amended to read as follows:

"(o) 'Broadcasting' means the dissemination of radio communications intended to be received directly by the public.

"(p) 'Network broadcasting' or 'chain broadcasting' means the simultaneous or delayed broadcasting on a single broadcast band of identical programs by two or more stations however connected."

SEC. 3. Section 3 of such act is further amended by adding after subsection (aa) the following:

"(bb) The term 'license,' 'station license,' or 'radio station license' means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act, for the use or operation of apparatus for transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

"(cc) The term 'broadcast station,' broadcasting station,' or 'radio broadcast station' means a radio station equipped to engage in broadcasting as herein defined.

"(dd) The term 'construction permit' or 'permit for construction' means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act for the installation of apparatus for the transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

"(ee) The term 'Commission' as used in this act shall be taken to mean the whole Commission or a panel thereof as required by the context and the subject matter dealt with."

SEC. 4. (a) Subsection (b) of section 4 of such act, as amended, is amended by striking out the last two sentences thereof and inserting in lieu thereof the following: "Such Commissioners shall not engage in any other business, vocation, profession, or employment but this shall not apply to the preparation of technical or professional publications. On and after one year from the date of enactment of this act such Commissioners shall not during the term for which they are appointed and qualified, irrespective of their term of actual service, engage in any business, vocation, profession, or employment the compensation for which is derived from or paid by any person, including all persons under common control, subject to the provisions of this act. Not more than four members of the Commission shall be members of the same political party and not more than two members of each panel thereof shall be members of the same political party."

(b) Subsection (d) of section 4 of such act is amended to read as follows:

"(d) Each Commissioner shall receive an annual salary of $15,000 payable in monthly installments."

(c) Subsection (f) (1) of section 4 of such act is amended to read as follows:

"(f) (1) Without regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the Commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer, and not more than three assistants, a chief accountant and not more than three assistants, a general counsel and not more than three assistants, and temporary counsel designated by the Commission for the performance of special services; and (2) each Commissioner may appoint and prescribe the duties of a legal assistant at an annual salary not to exceed $10,000 and a secretary at an annual salary not to exceed $4,000, except the last named salary shall not apply so long as the positions are held by the present incumbents. The chief engineer, the chief accountant, and the general counsel shall each receive an annual salary of not to exceed $12,000; the secretary shall receive an annual salary of not to exceed $10,000, and no assistant shall receive an annual salary in excess of $10,000: *Provided*, That the salaries specified in this subsection shall be maximum gross salaries not subject to increases heretofore or hereafter authorized by law, unless such increases shall specify the salaries in this subsection: *And provided further*, That on and after one year from the date of enactment of this act the secretary of the Commission, the chief engineer, the chief accountant, the general counsel, and the legal assistants to each Commissioner shall not, for the period of one year next following the cessation of their employment with the Commission, represent before the Commission in a professional capacity any person, including all persons under common control, subject to the provisions of this act. The Commission shall have authority, subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended, to appoint such other officers, engineers, accountants, attorneys, inspectors, examiners, and other employees as are necessary in the execution of its functions."

(d) The first sentence of subsection (g) of section 4 of such act, as amended, is amended to read as follows:

"(g) The Commission may make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for office supplies, law books, periodicals, and books of reference, for printing and binding, for land for use as sites for radio monitoring stations and related facilities, including living quarters where necessary in remote areas, for the construction of such stations and facilities, and for the improvement, furnishing, equipping, and

repairing of such stations and facilities and of laboratories and other related facilities (including construction of minor subsidiary buildings and structures not exceeding $25,000 in any one instance) used in connection with technical research activities), as may be necessary for the execution of the functions vested in the Commission and as from time to time may be appropriated for by Congress."

(e) Subsection (h) of section 4 of such act is amended to read as follows:

"(h) Four members of the Commission shall constitute a quorum thereof and two members of each panel shall constitute a quorum of such panel. The Commission shall have an official seal which shall be judicially noted."

(f) Subsection (k) of section 4 of such act is amended to read as follows:

"(k) The Commission shall make an annual report to Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such reports shall contain—

"(1) such information and data collected by the Commission as may be considered of value in the determination of questions connected with the regulation of interstate and foreign wire and radio communication and radio transmission of energy;

"(2) such information and data concerning the functioning of the Commission as will be of value to Congress in appraising the amount and character of the work and accomplishments of the Commission and the adequacy of its staff and equipment: *Provided*, That the first and second annual reports following the date of enactment of Communications Act amendments, 1949, shall set forth in detail the number of pending cases of all types at the beginning and end of the period covered by such reports;

"(3) information with respect to all persons taken into the employment of the Commission during the year covered by the report, including names, pertinent biographical data and experience, Commission positions held and compensation paid, together with the names of those persons who have left the employ of the Commission during such year: *Provided*, That the first annual report following the date of enactment of Communications Act amendments, 1949, shall contain such information with respect to all persons in the employ of the Commission at the close of the year for which the report is made;

"(4) an itemized statement of all funds expended during the preceding year by the Commission, of the sources of such funds, and of the authority in this act or elsewhere under which such expenditures were made; and

"(5) specific recommendations to Congress as to additional legislation which the Commission deems necessary or desirable."

SEC. 5. Section 5 of such act, as amended, is amended to read as follows:

"ORGANIZATION OF THE COMMISSION

"SEC. 5. (a) The member of the Commission designated by the President as chairman shall be the chief executive officer of the Commission. It shall be his duty to preside at all meetings and sessions of the whole Commission, to represent the Commission in all matters relating to legislation and legislative reports, to represent the Commission in all matters requiring conferences or communications with other governmental officers, departments, or agencies and generally to coordinate and organize the work of the Commission and each panel thereof in such manner as to promote prompt and efficient disposition of all matters within the jurisdiction of the Commission.

"(b) Within 60 days after the enactment of this act, the Commission shall organize its staff into three integrated divisions, each of which shall include legal, engineering, and accounting personnel, to function on the basis of the Commission's principal work-load operations: *Provided*, That the Commission may, in its discretion, exempt from such divisional organizations its laboratory, frequency allocation, treaty, field engineering, and monitoring activities and personnel assigned to same. Each such division shall handle and process, under the direction of the Commission, all applications, cases, and proceedings in its assigned field. The Commission may from time to time establish such other integrated functioning divisions as its operations and work load may, in its judgment, make necessary or desirable, or revise or modify the divisions herein provided for. The general counsel, the chief engineer, and the chief accountant, and their respective assistants shall carry out their respective duties under such rules and regulations as the Commission may prescribe. The Commission shall establish a staff, directly responsible to it, which shall include such legal, engineering, and accounting personnel as the Commission deems necessary, whose duty shall be to prepare such drafts of Commission decisions, orders, and other memoranda as the Commission, in the exercise of its quasi-judicial duties, may from time to time direct: *Provided*, That no member of such staff shall participate in a hearing or represent the Commission, directly or indirectly, in any prosecutory or investigatory function or proceeding.

"(c) Within 60 days after the enactment of this act and annually on June 30 thereafter, the Commission shall organize its members, other than the Chairman, into two panel of three members each, select a chairman for such panels, and said panels to be known and designated as the "broadcast panel" and the "communications panel." Except as hereinafter provided, no member designated to serve on one panel shall have or exercise any duty or authority with respect to the work or functions of the other but no member of the Commission shall be designated to serve upon a particular panel for more than 1 year in any consecutive 2-year period.

"(d) The broadcast panel shall have and exercise jurisdiction as provided in subsection (e) hereof over such questions of substance and procedure as may arise under this act or amendments thereto relating to wire and radio communications intended to be received by the public directly, or services exclusively related thereto of a non-common-carrier nature.

"(e) The communications panel shall have and exercise jurisdiction as provided in subsection (e) hereof over such questions of substance and procedure as may arise under this act or amendments thereto relating to wire and radio communications by a common-carrier or carriers or which are intended to be received by a designated addressee or addressees, including among others (1) all signals or communications of an emergency nature, including those by, to, and between ships at sea and those relating to fire control and police activities; (2) all signals and communications by, to, and between aircraft, or for the use or assistance of aircraft; (3) all signals and communications by, to, and between trains, motor vehicles and other manner of land transportation, including vessels engaged in inland waterways or harbor operations; and (4) all signals and communications by, to, and between amateur stations.

"(f) Within its respective jurisdiction, each panel shall, unless otherwise ordered by the whole Commission, (1) make all orders and adjudications involving the interpretation and application of the act or of the Commission's regulations made pursuant to the act, and (2) function as a committee of the whole Commission in the exercise of the Commission's rule-making powers.

"(g) The whole Commission shall have and exercise jurisdiction (1) over the establishment and maintenance of the panels provided for in subsection (b) hereof and of all questions which may arise concerning the jurisdiction of such panels; (2) over the adoption and promulgation of all rules and regulations of general application authorized by this act, including procedural rules and regulations for the Commission and the panels thereof; (3) over the assignment of bands of frequencies to the various radio services; (4) over the selection and appointment of all officers and other employees of the Commission and of the panels thereof; and (5) generally over all other matters with respect to which authority is not otherwise specifically conferred by other provisions of this act, including the assignment, in its discretion, over the qualification and licensing of all radio operators and over industrial heating, electromedical, and other electrical apparatus capable of causing harmful interference to other radio services to panels or designated personnel.

"(h) Each panel of the Commission shall, in conformity with and subject to the provisions of this section, organize the personnel assigned to it in such manner as will best serve the prompt and orderly conduct of its business. Each panel shall have power and authority by a majority thereto to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions over which it has jurisdiction. Any decision, order, report made, or other action taken by either of said panels with respect to any matter within its jurisdiction shall be final and conclusive except as otherwise provided in this act. The secretary and seal of the Commission shall be the secretary and seal of each panel thereof.

"(i) Notwithstanding any other provisions of this section, the Commission may, when necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business (1) order any matter otherwise within the jurisdiction of either panel to be considered and determined by the whole Commission; (2) order any matter otherwise within the jurisdiction of either panel to be considered and determined by the other panel; (3) continue any member in the performance of particular duties undertaken and commenced while serving as Chairman of the Commission or as a member of either panel; (4) assign any member including the Chairman to fill temporarily a vacancy or absence existing on either panel; and (5) assign any member to fill temporarily a vacancy or absence existing in the office of the Chairman of the Commission.

"(j) Special assignments either of members of the Commission or of particular items of business made pursuant to subsection (h) hereof shall not affect the regular organization of the Commission as provided herein and shall not affect the duties and responsibilities conferred upon any Commissioner by virtue thereof. During the temporary service of any Commissioner pursuant to any such assignment, such Commissioner shall continue to exercise the other duties and responsibilities which are conferred upon him by or pursuant to this act.

"(k) Except as provided in section 409 hereof, the Commission or either panel thereof is hereby authorized by its order to assign or refer any portion of its work, business, or functions to an individual Commissioner, or to a board composed of an employee or employees of the Commission, to be designated by such order for action thereon, and by its further order at any time to amend, modify, or rescind any such order or reference: *Provided*, That this authority shall not extend to duties otherwise specifically imposed by this or any other act of Congress. Any order, decision, or report made or other action taken by any such individual Commissioner or board in respect of any matter so assigned or referred shall have the same force and effect and may be

made, evidenced, and enforced as if made by the Commission or the appropriate panel thereof: *Provided, however,* That any person aggrieved by any such order, decision, or report may file a petition for review by the Commission or the appropriate panel thereof and every such petition shall be passed upon by the Commission or that panel.

"(l) Meetings of the whole Commission shall be held at regular intervals, not less frequently than once each calendar month, at which times the assignment of cases to the Commission or to panels under subsection (b) shall be ordered; the functioning of the Commission and the particular panels shall be reviewed; and such orders shall be entered, and other action taken, as may be necessary or appropriate to expedite the prompt and orderly conduct of the business of the Commission and the panels thereof."

SEC. 6. Subsection (d) of section 307 of such act is amended to read as follows:

"(d) No license granted for the operation of a broadcasting station shall be for a longer term than 3 years and no license so granted for any other class of station shall be for a longer term than 5 years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed 3 years in the case of broadcasting licenses and not to exceed 5 years in the case of other licenses."

SEC. 7. So much of subsection (a) of section 308 of such act as precedes the second proviso is amended to read as follows: "The Commission may grant instruments of authorization entitling the holders thereof to construct or operate apparatus for the transmission of energy, or communications, or signals by radio or modifications or renewals thereof, only upon written application therefor received by it: *Provided,* That (1) in cases of emergency found by the Commission involving danger to life or property or due to damage to equipment, or (2) during the continuance of any war in which the United States is engaged and when such action is necessary for the national defense or security or otherwise in furtherance of the war effort, the Commission may grant and issue authority to construct or operate apparatus for the transmission of energy or communications or signals by radio during the emergency so found by the Commission or during the continuance of any such war, in such manner and upon such terms and conditions as the Commission shall by regulation prescribe, and without the filing of a formal application, but no such authority shall be granted for a period beyond the period of the emergency requiring it nor remain effective beyond such period:".

SEC. 8. Section 309 of such act, as amended, is amended to read as follows:

"HEARINGS ON APPLICATIONS FOR LICENSES; FORM OF LICENSES; CONDITIONS ATTACHED TO LICENSES

"SEC. 309. (a) If upon examination of any application provided for in section 308 the Commission shall determine that public interest, convenience, and necessity would be served by the granting thereof, it shall authorize the issuance of the instrument of authorization for which application is made in accordance with said finding.

"(b) If upon examination of any such application the Commission is unable to make the finding specified in subsection (a) of this section, it shall forthwith notify the applicant and other known parties in interest of the grounds and reasons for its inability to make such finding. Such notice, which shall precede formal designation for a hearing, shall advise the applicant and all other known parties in interest of all objections made to the application as well as the source and nature of such objections. The parties in interest shall include, in addition to such others as the Commission may determine, any person whose status as the holder of a construction permit or license would be adversely affected because of the authorization or action proposed and any person then an applicant for facilities whose status as such applicant would be adversely affected. Following such notice, the Commission shall formally designate the application for hearing on the grounds or reasons then obtaining and shall notify the applicant and all other known parties in interest of such action and the grounds and reasons therefor, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally. The parties in interest, if any, who are not notified by the Commission of its action with respect to a particular application may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest at any time not less than 10 days prior to the date of hearing. Any hearing subsequently held upon such application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate but in which both the burden of proceeding with the introduction of evidence upon any issue specified by the Commission, as well as the burden of proof upon all such issues, shall be upon the applicant.

"(c) When any instrument of authorization is granted by the Commission without a hearing as provided in subsection (a) hereof, such grant shall remain subject to protest as hereinafter provided for a period of 30 days. During such 30-day period any party in interest, as defined in subsection (b) hereof, may file a protest directed to such grant and request a hearing on said application so granted. Any protest so filed shall contain such allegations of fact as will show the protestant to be a party in interest and shall specify with particularity the matter and things in issue but shall not include issues or allegations phrased generally. Upon the filing of such protest the application involved shall be set for hearing upon the issues set forth in said protest, together with such further specific issues, if any, as may be prescribed by the Commission. In any hearing subsequently held upon such application all issues specified by the Commission shall be tried in the same manner provided in subsection (b) hereof but with respect of all issues set forth in the protest and not specifically adopted by the Commission, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the protestant. The hearing and determination of cases arising under this subsection shall be expedited by the Commission and pending hearing and decision the effective date of the Commission's action to which protest is made shall be postponed to the date of the Commission's decision after hearing, unless the authorization involved is necessary to the maintenance or conduct of an existing service, in which event the Commission shall authorize the applicant to utilize the facilities or authorization in question pending the Commission's decision after hearing.

"(d) Such station licenses as the Commission may grant shall be in such general form as it may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (1) The station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein; (2) neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of this act; (3) every license issued under this act shall be subject in terms to the right of use or control conferred by section 606 hereof."

SEC. 9. Subsection (b) of section 310 of said act is amended to read as follows:

"(b) No instrument of authorization granted by the Commission entitling the holder thereof to construct or to operate radio apparatus and no rights granted thereunder shall be transferred, assigned, or disposed of in any manner voluntarily or involuntarily, directly, or indirectly, or by transfer of control of any corporation holding such instrument of authorization, to any person except upon application to the Commission and upon finding by the Commission that the proposed transferee or assignee possesses the qualifications required of an original permittee or licensee. The procedure for handling such application shall be that provided in section 309."

SEC. 10. Section 311 of such act, as amended, is amended to read as follows:

"SEC. 311. The Commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313."

SEC. 11. Section 312 of such act, as amended, is amended to read as follows:

"REVOCATION OF LICENSES; CEASE-AND-DESIST ORDERS

"SEC. 312. (a) Any station license may be revoked (1) because of conditions coming to the attention of the Commission since the granting of such license which would have warranted the Commission in refusing to grant such license, or (2) for violation or failure to observe any of the restrictions or provisions of a treaty ratified by the United States, or (3) for violation of or failure to observe the terms and conditions of any cease-and-desist order issued by the Commission pursuant to subsection (b) hereof: *Provided,* That no such order of revocation shall take effect until 30 days' notice in writing thereof, stating the cause for the proposed revocation, has been given to the licensee. Such licensee may make written application to the Commission at any time within said 30 days for a hearing upon such order, and upon the filing of such written application said order of revocation shall stand suspended until the conclusion of the hearing. Upon the conclusion of said hearing the Commission may affirm, modify, or revoke said order of revocation.

"(b) Where a station licensee (1) has failed to operate substantially as set forth in the license, or (2) has failed to observe any of the restrictions and conditions of this act or of a treaty ratified by the United States, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this act, the Commission may institute a proceeding by serving upon the licensee an order to show cause why it should not cease and desist from such action. Said order shall contain a statement of the particulars and matters with respect to which the Commission is inquiring and shall call upon the licensee to appear before the Commission at a time and place therein stated, but in no event less than 30 days after receipt of such notice, and give evidence upon the matter specified in said order. If, after hearing, or a waiver thereof by the licensee, the Commission determines that a cease-and-desist order should issue, it shall make a report in writing stating the findings of the Commission and the grounds and reasons therefor and shall cause the same to be served on said licensee, together with such order."

SEC. 12. Part I of title III of such act is amended by adding the following new section:

"MODIFICATION BY COMMISSION OF CONSTRUCTION PERMITS OR LICENSES

"SEC. 330. (a) Any station license granted under the provisions of this act or the construction permit required thereby may be modified by the Commission either for a limited time or for the duration of the term thereof, if, in the judgment of the Commis-

sion, such action will promote the public interest, convenience, and necessity, or the provisions of this act or of any treaty ratified by the United States will be more fully complied with: *Provided*, That no such order of modification shall become final until the holder of such outstanding license or permit shall have been notified in writing of the proposed action and the grounds and reasons therefor, and shall have been given reasonable opportunity, in no event less than 30 days, to show cause by public hearing, if requested, why such order of modification should not issue.

"(b) In any case where a hearing is conducted pursuant to the provisions of this section or section 312, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission."

SEC. 13. Part I of title III of such act is amended by adding the following new section:

"LIMITATION ON QUASI-JUDICIAL POWERS

"SEC. 331. No license granted and issued under the authority of this act for the operation of any radio station shall be modified by the Commission, except in the manner provided in section 330 (a) hereof, and no such license may be revoked, terminated, or otherwise invalidated by the Commission, except in the manner and for the reasons provided in section 312 (a) hereof. When application is made for renewal of an existing license, which cannot be disposed of by the Commission under the provisions of section 309 (a) hereof, the Commission shall employ the procedure specified in section 309 (b) hereof, except that in any hearing subsequently held upon such application both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission or those who oppose the granting of such renewal, and pending such hearing and final decision pursuant thereto the Commission shall continue such license in effect."

SEC. 14. Part I of title III of such act is amended by adding the following new section:

"LIMITATION ON RULE-MAKING POWERS; DISCRIMINATION PROHIBITED

"SEC. 332. No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the Commission and as authorized by law. The Commission shall make or promulgate no rule or regulation of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon race, religious or political affiliation or kind of lawful occupation or business association."

SEC. 15. The heading of section 401 of such act is amended to read:

"JURISDICTION TO ENFORCE ACT AND ORDERS OF COMMISSION; DECLARATORY ORDERS"

and such section is amended by adding at the end thereof a new subsection (d) as follows:

"(d) The Commission is authorized and directed, in its sound discretion and with like effect as in the case of other orders, to issue a declaratory order to terminate a controversy or remove uncertainty. Notwithstanding the provisions of section 5 (d) of the Administrative Procedure Act (U. S. C., 1946 ed., title 5, sec. 1009) declaratory orders shall be issued only upon the petition of, and after notice to and opportunity for hearing by, persons who are bona fide applicants for, or the holders of, construction permits or licenses, or otherwise subject to the jurisdiction of the Commission, and shall not bind or affect the rights of persons who are not parties to such proceedings. Such orders shall be available to declare rights and other legal relations arising under the provisions of any treaty ratified by the United States, under any provision of this act, or under any order, rule, regulation, term, condition, limitation, or requirement issued, promulgated, or adopted by the Commission, whether or not involving failure to comply therewith."

SEC. 16. Section 402 of such act is amended to read as follows:

"SEC. 402. (a) The provisions of the act of October 22, 1913 (62 Stat. 992), as amended, relating to the enforcing or setting aside of orders of the Interstate Commerce Commission are hereby made applicable to suits to enforce, enjoin, set aside, annul, or suspend any order of the Commission under this act (except those appealable under the provisions of subsection (b) hereof), and such suits are hereby authorized to be brought as provided in that act. In addition to the venues specified in that act, suits to enjoin, set aside, annul, or suspend, but not to enforce, any such order of the Commission may also be brought in the United States District Court for the District of Columbia.

"(b) Appeals may be taken from decisions and orders of the Commission to the United States Court of Appeals for the District of Columbia in any of the following cases:

"(1) By any applicant for any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications, or signals by radio, whose application is denied by the Commission.

"(2) By any applicant for the renewal or modification of any such instrument of authorization whose application is denied by the Commission.

"(3) By any party to an application for authority to assign any such instrument of authorization or to transfer control of any corporation holding such instrument of authorization whose application is denied by the Commission.

"(4) By any applicant for the permit required by section 325 of this act whose application has been denied by the Commission or any permittee under said section whose permit has been revoked by the Commission.

"(5) By the holder of any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications or signals by radio, which instrument has been modified or revoked by the Commission.

"(6) By any other person who is aggrieved or whose interests are adversely affected by any order of the Commission granting or denying any application described in paragraphs (1), (2), (3), and (4) hereof.

"(7) By any person upon whom an order to cease and desist has been served under section 312 (b) of this act.

"(8) By any party to a proceeding under section 401 who is aggrieved or whose interests are adversely affected by a declaratory order entered by the Commission.

"(9) By any radio operator whose license has been suspended by the Commission.

"(c) Such appeal shall be taken by filing a notice of appeal with the court within 30 days after the entry of the order complained of. Such notice of appeal shall contain a concise statement of the nature of the proceedings as to which the appeal is taken; a concise statement of the reasons on which the appellant intends to rely, separately stated and numbered; and proof of service of a true copy of said notice and statement upon the Commission. Upon filing of such notice, the court shall have exclusive jurisdiction of the proceedings and of the questions determined therein and shall have power, by order, directed to the Commission or any other party to the appeal, to grant such temporary relief as it may deem just and proper. Orders granting temporary relief may be either affirmative or negative in their scope and application so as to permit either the maintenance of the status quo in the matter in which the appeal is taken or the restoration of a position or status terminated or adversely affected by the order appealed from and shall, unless otherwise ordered by the court, be effective pending hearing and determination of said appeal and compliance by the Commission with the final judgment of the court rendered in said appeal.

"(d) Upon the filing of any such notice of appeal the Commission shall, not later than 5 days after the date of service upon it, notify each person shown by the records of the Commission to be interested in said appeal of the filing and pendency of the same and shall thereafter permit any such person to inspect and make copies of said notice and statement of reasons therefor at the office of the Commission in the city of Washington. Within 30 days after the filing of an appeal, the Commission shall file with the court a copy of the order complained of, a full statement in writing of the facts and grounds relied upon by it in support of the order involved upon said appeal, and the originals or certified copies of all papers and evidence presented to and considered by it in entering said order.

"(e) Within 30 days after the filing of an appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party, together with proof of service of true copies of said notice and statement, both upon appellant and upon the Commission. Any person who would be aggrieved or whose interest would be adversely affected by a reversal or modification of the order of the Commission complained of shall be considered an interested party.

"(f) The record and briefs upon which any such appeal shall be heard and determined by the court shall contain such information and material, and shall be prepared within such time and in such manner as the court may by rule prescribe.

"(g) At the earliest convenient time the court shall hear and determine the appeal upon the record before it in the manner prescribed by section 10 (e) of the Administrative Procedure Act (U. S. C. 1946 ed., title 5, sec. 1009).

"(h) In the event that the court shall render a decision and enter an order reversing the order of the Commission, it shall remand the case to the Commission to carry out the judgment of the court and it shall be the duty of the Commission, in the absence of the proceedings to review such judgment, to forthwith give effect thereto, and unless otherwise ordered by the court, to do so upon the basis of the proceedings already had and the record upon which said appeal was heard and determined.

"(i) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, or other interested parties intervening in said appeal, but not against the Commission, depending upon the nature of the issues involved upon said appeal and the outcome thereof.

"(j) The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States as hereinafter provided—

"(1) an appeal may be taken direct to the Supreme Court of the United States in any case wherein the jurisdiction of the court is invoked, or sought to be invoked, for the purpose of reviewing any decision or order entered by the Commission in proceedings instituted by the Commission which have as their object and purpose the revocation of an existing license or any decision or order entered by the Commission in proceedings which involve the failure or refusal of the Commission to renew an existing license. Such appeal shall be taken by the filing of an application therefor or notice thereof

within 30 days after the entry of the judgment sought to be reviewed, and in the event such an appeal is taken the record shall be made up and the case docketed in the Supreme Court of the United States within 60 days from the time such an appeal is allowed under such rules as may be prescribed.

"(2) in all other cases, review by the Supreme Court of the United States shall be upon writ of certiorari on petition therefor under section 240 of the Judicial Code, as amended, by the appellant, by the Commission, or by any interested party intervening in the appeal, or by certification by the court pursuant to the provision of section 239 of the Judicial Code, as amended."

SEC. 17. The heading of section 405 of such act is amended to read: "Rehearings before panels or Commission," and such section is amended to read as follows:

"SEC. 405. (a) After a decision, order, or requirement has been made by the Commission or either panel thereof in any proceeding, any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing. When the decision, order, or requirement has been made by the whole Commission, the petition for rehearing shall be directed to the whole Commission; when the decision, order, or requirement is made by a panel of the Commission, petition for rehearing shall be directed to that panel; petitions directed to the whole Commission requesting a rehearing in any matter determined by a panel thereof shall not be permitted or considered. Petitions for rehearing must be filed within 30 days from the entry of any decision, order, or requirement complained of and except for those cases in which the decision, order, or requirement challenged is necessary for the maintenance or conduct of an existing service, the filing of such a petition shall automatically stay the effective date thereof until after decision on said petition. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such decision, order, or requirement, except where the party seeking such review was not a party to the proceedings resulting in such decision, order, or requirement, or where the party seeking such review relies on questions of fact or law upon which the Commission or the appropriate panel has been afforded no opportunity to pass. Rehearings shall be governed by such general rules as the Commission may establish, provided that, except for newly discovered evidence or evidence otherwise available only since the original taking of evidence, no evidence shall be taken on any rehearing. The time within which an appeal must be taken under section 402 (b) hereof shall be computed from the date upon which orders are entered disposing of all petitions for rehearing filed in any case, but any decision, order, or requirement made after such rehearing reversing, changing, or modifying the original determination shall be subject to the same provisions with respect to rehearing as an original order."

SEC. 18. Section 409 (a) of such act is amended to read as follows:

"SEC. 409. (a) Notwithstanding the provisions of section 7 (a) of the Administrative Procedure Act (U. S. C., 1946 ed., title 5, sec. 1006), all cases in which a hearing is required by the provisions of this act or by other applicable provisions of law shall be conducted by the Commission or by the panel thereof having jurisdiction of the subject matter, or by one or more examiners provided for in section 11 of the Administrative Procedure Act, designated by the Commission. The officer or officers presiding at any such hearing shall have the same authority and duties exercised in the same manner and subject to the same conditions specified in section 7 of that act.

"(b) Notwithstanding the provisions of section 8 of the Administrative Procedure Act, the officer or officers conducting a hearing shall prepare and file an intermediate report. In all such cases the Commission, or the panel having jurisdiction thereof, shall permit the filing of exceptions to such intermediate report by any party to the proceeding and shall, upon request, hear oral argument on such exceptions before the entry of any final decision, order, or requirement. All decisions, including the intermediate report, shall become a part of the record and shall include a statement of (1) findings and conclusions, as well as the basis therefor, upon all material issues of fact, law, or discretion, presented on the record; and (2) the appropriate decision, order, or requirement.

"(c) Notwithstanding the provisions of section 5 (c) of the Administrative Procedure Act, no officer conducting a hearing pursuant to (a) and (b) hereof shall, except to the extent required for the disposition of ex parte matters as authorized by law, consult any person or party on any fact or question of law in issue, unless upon notice and opportunity for all parties to participate; nor shall such officer be responsible to or subject to the supervision or direction of any other person engaged in the performance of investigative, prosecuting, or other functions for the Commission or any other agency of the Government. No person or persons engaged in the performance of investigative or prosecuting functions for the Commission or for any other agency of the Government shall participate or advise in the proceedings described in (a) and (b) hereof, except as a witness or counsel in public proceedings. The Commission shall not employ attorneys or other persons for the purpose of reviewing transcripts or preparing intermediate reports or final decisions, except that legal assistants assigned separately to a Commission member may, for such Commission member, review such transcripts and prepare such drafts. No intermediate report shall be reviewed either before or after its publication by any person other than a member of the Commission or his legal assistant, as above provided, and no examiner, who conducts a hearing, shall advise or consult with the Commission with respect to his intermediate report or with respect to exceptions taken to his findings, rulings, or recommendations."

(b) Subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j) of section 409 are amended to read subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

SEC. 19. Section 414 of such act is amended by adding at the end thereof the following: "Except as specifically provided in this act the provisions of the Administrative Procedure Act shall apply in all proceedings under this act."

SEC. 20. Amend chapter 63 of the Criminal Code, title 18, by inserting a new section as follows:

"FRAUD BY RADIO

"SEC. 1343. Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, shall transmit or cause to be transmitted by means of radio communication or interstate wire communication, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, or whoever operating any radio station for which a license is required by any law of the United States, knowingly permits the transmission of any such communication, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

SEC. 21. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances should not be affected thereby.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that Mr. Clarence Pearce, of the Legislative Reference Service, may sit with me during the discussion of the home rule bill.

The VICE PRESIDENT. Without objection, consent is granted.

Mr. EASTLAND. Mr. President, on behalf of myself and the Senator from South Carolina [Mr. JOHNSTON], I offer and send to the desk an amendment for which I request immediate consideration.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, line 11, it is proposed to strike out "(other than a zoning ordinance)" and insert "(other than a zoning ordinance and except as provided in subsection (d))."

On page 11, between lines 14 and 15, it is proposed to insert the following:

(d) An ordinance which changes any law, policy, custom, rule, or regulation, in effect in the District on the effective date of this part, relating to racial segregation (but not including nonsegregation) in the public schools and school playgrounds of the District, in recreational areas under the administration of the Director of the Department of Recreation, or in restaurants, hotels, places of amusement, or other public places in the District shall take effect as law only as provided in section 338.

On page 18, between lines 14 and 15, insert the following new section:

REFERENDUMS ON ORDINANCES AND LAWS CHANGING RACIAL SEGREGATION POLICY

SEC. 338. (a) Before any ordinance or law which changes any law, policy, custom, rule, or regulation, in effect in the District on the effective date of part 2 of this title, relating to racial segregation (but not including nonsegregation) in the public schools or school playgrounds of the District, in recreational areas under the administration of the Director of the Department of Recreation, or in restaurants, hotels, places of amusement, or other public places in the District becomes effective, such ordinance or law shall be submitted by the Board of Elections to the qualified electors for a referendum thereon at the first election which is held not less than 30 days after the date such ordinance is passed or such law is enacted. If an ordinance or law so submitted is approved by a majority of the qualified electors voting thereon, it shall take effect on the day following the day on which the Board of Elections certifies the result of the referendum.

(b) The Board of Elections is authorized to prescribe such regulations as may be necessary or appropriate to carry out the provisions of subsection (a).

On page 20, between lines 11 and 12, insert the following:

(f) A law which changes any law, policy, custom, rule, or regulation, in effect in the District on the effective date of this part, relating to racial segregation (but not including nonsegregation) in the public schools and school playgrounds of the District in recreational areas under the administration of the Director of the Department of Recreation, or in restaurants, hotels, places of amusement, or other public places in the District shall not take effect unless, after

the enactment of such law, it has been approved by the qualified electors in the manner provided in section 338 in which case it shall take effect at the time provided in such section.

On page 22, beginning with line 5, strike out all through line 10, and insert the following:

SEC. 405. Each legislative proposal (except a legislative proposal authorizing the issuance of bonds and a legislative proposal relating to changes in racial segregation) which has become law, and each law authorizing the issuance of bonds which has been approved in a referendum as provided in section 702, and each law relating to changes in racial segregation which has been approved in a referendum as provided in section 338, shall be printed in the United States Statutes at Large in the same volume as the public laws.

On page 76, line 15, after "title", insert "section 338,".

On page 2, after "Sec. 337. Investigations by District Council.", insert "Sec. 338. Referendums on ordinances and laws changing racial segregation policy."

On page 12, line 11, strike out "or 336" and insert "336, or 338".

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Mississippi desire to have the amendments considered singly or en bloc?

Mr. EASTLAND. I should like to have them considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, the amendments will be considered en bloc.

Mr. EASTLAND. Mr. President, this amendment simply provides that in personal matters of segregation, any changes proposed by way of ordinance by the Commissioners must be submitted to the people of the District of Columbia and voted on at the next election.

Today we hear considerable talk about majority rule and about democracy. We hear many Senators on the floor of the Senate state that they believe in letting the people determine their own destiny and their own rules of personal conduct. This amendment would simply provide for that.

Under the bill, if it is enacted, when the Commissioners adopt an ordinance, it is sent to Congress; and if not disapproved by Congress within 45 days, it takes effect. In matters of segregation, then, the amendment before it takes effect, must be submitted to the people to be voted on at the next election.

Mr. President, there has been a great deal of synthetic argument throughout the country about conditions within the District of Columbia; a synthetic clamor has arisen that the segregation rules of the District should be changed. We see many big politicians who state that they desire to abolish segregation within the District. It is peculiar indeed that the men who advocate the abolition of segregation here, the big politicians, the men in the upper income-tax brackets, believe in and practice segregation themselves. They believe in and practice segregation for their families. As a rule their children go to private schools, whose racial policy is for white only. I am fortunate in having three children in a private school in the city of Washington, a school that draws a color line, just as it is drawn in the public schools here. I am amazed at the number of high officials in the Government, men who give statements to the press that they desire to see segregation abolished and insist that we must adopt a progressive course, whose own children nevertheless, beyond the reach of racial mixture, are placed in private schools where it is known the color line will be maintained, even though there should be a mixture in the schools in Washington. For political purposes these persons pressure key people within the District to abolish segregation, and at the same time, while they live segregated lives themselves, they attempt to force it on Government clerks and on people in the low-income brackets who cannot protect themselves. But when it comes to maintaining it for themselves and their families, they draw the color line.

Mr. President, the amendment simply provides that the people of the District, before an ordinance takes effect, shall have the right to vote, and the ordinance shall not take effect until approved by the people of the District in a plebiscite. If the people of the District vote to abolish segregation in the public-school system, if they vote to abolish segregation in hotels, in restaurants, then the rule of the people will prevail. But the amendment gets around the idea of big politicians for political purposes slipping around the back door to pressure key people within the District to break down the customs here without giving the people a chance to make their will known. If this is a democracy, the people of the District of Columbia should determine policies and fix the rules by legislative processes, by democratic processes; and that, Mr. President, is all the amendment seeks to accomplish. How anyone who believes in majority rule and in letting the people decide could oppose the amendment is beyond my comprehension.

Mr. President, I think by all means the amendment should be adopted. It is well known that some influences in this country have tried to secure adoption of the program in the rest of the country and have failed. They tried to force it on the States, and have failed. They have failed because the people in the States have the power of the ballot and can protect themselves. In the State of California an FEPC bill was left to a vote of the people of that great State. Every newspaper in the State was for FEPC. All the big politicians in the State who had been pressured from behind the scenes by left-wing groups were for the FEPC. When it was placed on the ballot the sovereign people of California went into the booths and defeated it by a vote of 3 to 1, carrying every county in the State. There was not even organized opposition in the State of California.

Having failed in the States, a program has now been adopted to use the District of Columbia as a guinea pig, to force the issue on the District, because the people here do not have suffrage, they do not have power to defend and protect themselves. The amendment simply leaves the whole question to a vote of the people of the District, to be determined by them. If they want mixed schools, they can have mixed schools; they can have them by the will of the people of the District. If they want all the segregation customs and rules of the District abolished, they can abolish them by their vote, not by pressure groups pressuring key politicians from behind the scenes. They can abolish them by democratic processes, or they can retain them by democratic processes through the legislative system. I submit the amendment is in line with democracy, it is in line with the very highest concepts of Americanism, and should be adopted.

Mr. JOHNSTON of South Carolina. Mr. President, since I am a cosponsor of the amendment with the senior Senator from Mississippi, I feel that I should say a few words in behalf of the amendment. As has been so well stated by the senior Senator from Mississippi, there has been raised the hue and cry, "Let the people rule." The amendment in my opinion gives the people of the District a right to say what they prefer to have in the District of Columbia, in the schools and on the playgrounds, whether segregation or nonsegregation. Is it believed that we should pass upon that question in the Senate, without giving the people of the District a right to decide the question for themselves? That is the sole question before the Senate at the present time. If we are to turn over to the people of the District the right to rule the District, then let them say whether they want segregation within the District. As I see it at the present time, some people in the District would prefer to have segregation, while others want nonsegregation within the District. I believe it is also true that some of those whom we call the higher-ups within the District, those who are receiving big salaries within the District, do not send their children to the public schools. Do they request that their children be sent to schools attended both by white and colored, where tuition is required to be paid?

The issue involved is whether the people of the District of Columbia should be given the right to say whether they want segregation within the District. If my memory serves me correctly, within the past few days there has been mass meeting after mass meeting within the District on the question of segregation in playgrounds. It is an issue which the people themselves are at this particular time debating. Do Senators listening to me at this time believe it would be for the best interest of the people of the Nation's Capital City to take the matter out of their hands and turn it over to a commission, leaving it entirely with the commission, without giving the people the right to pass upon this vital question?

It so happens that in the District of Columbia it will be found that in certain sections of the city the population surrounding a public school is 90 to 95 percent white. It will be found that another section is inhabited by colored persons, thus indicating that the people of Washington have, so to speak, segregated themselves.

A few weeks ago I was driving in the State of New Jersey and happened to pass a school at recess time. I noticed that on the playground the children had

segregated themselves. The white children were not with the colored children on the playground. There may be no law to demand that situation in New Jersey, but the children segregate themselves. Even after school was out, white children were walking along the street together, and colored children, in a group, were walking along together. This indicates that the people themselves want to be segregated.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HENDRICKSON. Does the Senator from South Carolina know that the State of New Jersey adopted a new constitution in 1947 containing a specific provision against segregation?

Mr. JOHNSTON of South Carolina. Although the State may have passed a law to that effect, the people of the State are now segregating themselves, as can be seen on the playgrounds there. I noticed that under one shade tree white children were playing together and under another shade tree colored children were playing together.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. EASTLAND. The distinguished Senator from New Jersey spoke of the constitution of his State. The matter was approved by the people of New Jersey who voted to insert a section in the constitution which prohibited segregation. All we are suggesting is that Congress give to the people of the District of Columbia the same right which is possessed by the people of New Jersey.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. EASTLAND. The Senator from South Carolina has the floor.

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. HENDRICKSON. Does the Senator understand the bill to be one which gives a republican form of government to the people of the District or a true democracy under which the people will have referendums and vote en masse on any question?

Mr. JOHNSTON of South Carolina. I would answer that question by——

Mr. EASTLAND. Is the Senator asking me that question?

Mr. HENDRICKSON. I should be glad to have an answer from either Senator.

Mr. EASTLAND. Mr. President, will the Senator yield to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Mississippi.

Mr. EASTLAND. In many cities and many States such questions are submitted to a vote of the people. That is especially true when there are pressure groups behind the scenes which would deprive the people of their rights. When it came to a new constitution containing a provision such as the one of which the Senator from New Jersey spoke, the question was submitted to and approved by the people of the State of New Jersey at an election. Am I correct in that statement?

Mr. HENDRICKSON. The Senator is quite correct.

Mr. EASTLAND. I do not desire to see the people of the District deprived of that right. I am certain the Senator from New Jersey would not tell the people of the District they did not have a right to vote on the question. What we seek to do is to give the people of the District the same right possessed by the people of the State of New Jersey, namely, the right which was accorded the people of the State of New Jersey to determine the identical question which we are now discussing. The same question would be determined by the people of the District, under the amendment which we have offered.

Mr. JOHNSTON of South Carolina. Mr. President, what the senior Senator from Mississippi has stated is absolutely correct. In the amendment now being discussed, we ask only that the people of the District of Columbia be given a right to vote upon the question of whether they desire segregation. That is what the amendment amounts to. We contend that the people of the District have a right to pass upon that question before the segregation laws are broken down.

It will be found that there are some people and some newspapers entertaining different ideas on the question even of home rule. Some think there should be home rule. Some believe that the present system would probably be better than home rule within the District.

I hold in my hand an editorial published in the Washington Star of Sunday, July 6, 1947, entitled "Civic Problems, Civic Bodies. An Independence Day Meditation; Representation Essential to Home Rule." It will be noted that this editorial contends that it is not home rule unless the people are given representation in Congress and some representation in the matter of electing a President. We know that if home rule is granted, there will not be an end of discussion of the matter in the House of Representatives and the Senate. This discussion will have just begun. The people will be back next year and the year after and the year after that regarding the matter discussed in this editorial, the matter of giving the people representation in Congress. After all, in the Constitution the Congress is given the duty of checking and controlling the affairs of the District, and if that is to be changed, the Constitution will have to be amended. If there is a desire to change the system of government existing within the District, then probably we should change the Constitution of the United States and let the District in as a State, which would be absolutely at variance with the action and the ideas of the founding fathers who created the District of Columbia.

The status of the District of Columbia is peculiar. The District is not a State; it is not a Territory. We have here within the District the Capital City of United States. It belongs to all the States of the Union. I was about to say that we had spent millions of dollars in the District, building it up, but I will say it has been billions of dollars.

I ofttimes wonder if it would not be best to move the city of Washington and put the Capital somewhere else, nearer the center of the United States. I believe it would be better for the United States as a whole if we did that. One reason that leads me to say that is that we took similar action in my State. At one time the capital of South Carolina was located away off at one side of the State. Finally the people decided to put the capital in the exact center of the State, so the State was surveyed, and it was found that the center was away out in the woods, in the fields, where there was no city, not even a town. But the State bought a tract 2 acres square, laid out the necessary roads, and they built Columbia, S. C., and made it the capital of my State, geographically in the center of the State.

Mr. President, if similar action has been taken in States, why could it not be taken by the Federal Government? Personally, I should like to see that done. Then the Capital would not be so far from Oklahoma, it would not be so far from California, it would not be so far from the States of Washington and Oregon. Some of the States which are in the geographical center of the United States would have a capital close at home. But as it is, Washington is situated in the East, close to the Atlantic Ocean.

Let me give another reason why I should like to see the location of the Capital changed. If we ever had an atomic war, what would happen to Washington, the seat of the Federal Government, the first thing? Think of it. For the reasons I have given I believe that while we are speaking about the Capital City, it might be a good idea for us to think a little of moving the Capital to a location which might be for the best interests of all the United States in the future.

I know the people of Washington would not like that; but if we moved the Capital out of the city, what would happen? What would happen to the employees of the Government if we were to move the Capital out of Washington? I fear that the city would not increase in population in the future, but some other place, where the Capital was located, would build up.

When the Capital City was located, Mr. President, the founding fathers did not want it to be within a State. Have Senators noticed that? Virginia and Maryland gave the land to the Government on condition that the Capital City would be located here. New York was pulling for it, Philadelphia was pulling for it, but the Capital was not located in any State. The founding fathers decided that they would rather have the Capital City here, not in any way connected with any State.

Mr. President, there was a reason for that. Let us see what the reason back of it was. Can there be dual control, and satisfaction? If we do not continue to keep, in the Government itself, control of Washington, D. C., the Capital City, which belongs to all States of the Nation, I predict that there will be many headaches we have never before heard about. Did anyone ever hear of any trouble in States where there was dual control between the city and the State?

What State in the Union does not have trouble in law enforcement, one jurisdiction accusing the other, saying that they did this wrong and the other thing wrong? Have we ever heard of a city being accused of protecting criminals? Have we ever heard of a city accusing the State law-enforcement officials of protecting criminals? Here in Washington the control comes down directly from the Congress, as written in the Constitution of the United States.

Why was the Capital City located here on swamp land and in the woods? The Capital was built here in order to get away from State control, and to assure control by the representatives of all the States. That is the reason for the character of government Washington has. But the minute home rule is granted, think of what will happen. Look at the plat on the wall. A part of the rule comes from the President, a part of it comes from the Board of Commissioners, and there is mixed and dual control. I say here and now that home rule would bring about plenty of headaches. Especially would that be true at this particular time. I am sorry to say that here in Washington there are many Communists walking the streets, some of whom have the audacity to say, "If another war comes, we will fight for Russia instead of the United States."

Referring to the bondsman who had to forfeit the $22,500 he put up as a bond for Gerhart Eisler, personally I wish we could get that much money as a result of about 500 more Communists in the United States jumping their bail, and going back to their own country. I wish we could pick up that much money as a result of Communists jumping their bail and leaving the country. I am in favor of letting everyone who says he would fight for another nation in the event that nation went to war with the United States go back to that nation, or be sent back to it now. I believe Senators can find such persons floating around here in the city of Washington.

We the people of the Nation have control of the city of Washington now. Remember that 2,000,000 organized Communists are in charge of the Government of Russia now. Compare that number with the total population of Russia. Bear in mind what a small percentage that organized number represents when compared to the total population of the country. So long as the representatives of all the States are in control in Washington I believe we are, to a certain extent, protected against any such thing as happened in Russia. If it were not for the situation that now exists here, how easy it would be for a comparatively small number to rush in and take over.

I shall present to the Senate before I get through, though it may be late this evening before I shall be able to do it, the comparative percentages of those who are permanent residents of the District, and those who retain residence in their States. When Senators find the percentage of persons who could take no part in the local government, they will readily see that the voting possibilities within the District will be cut down.

Speaking of voting possibilities in the District, how many members of Senators' staffs desire to keep their voting residence back home? How many of their wives desire to keep their voting privileges back home? How many persons employed in government, for whom Senators have secured jobs, and who are hoping to secure promotions through the Senators who secured the jobs for them, desire to retain their voting rights in their own States? Some may say there is no politics in securing promotions, and no politics in securing jobs, but so long as ours is a democratic form of government it is but natural that individuals will expect favors in return for favors received. That is human nature, and we cannot get away from it.

Persons who have Government jobs hope to secure promotions, and everyone who hopes to secure a promotion is not going to jeopardize the vote he may cast for a Senator at home by accepting the privilege of voting in the District of Columbia. Does any Senator think such a person would exchange his vote in the State of his residence for a vote in the District? Excluding such persons from the total number who would vote in Washington would cause a considerable reduction in the total number who would vote here.

Mr. President, the situation in the District of Columbia is different from that in any State of the Union. The amendment which some of us have submitted would give the people the right of referendum on the question of segregation. The District has not been permitted to exercise the right of referendum on that particular issue. Only Congress can give them that right. When such a vote has been taken, that much will have been decided. I think to a certain extent we are taking a chance in that respect. Then let the Board or council pass upon the question and use its influence to secure passage of a measure dealing with the subject, however it may be determined. Let the people exercise their voting right and say what their wishes are in the matter. As we see it, it would be the democratic way to proceed. It would give the people the right we think they should have. For that reason I want to have a vote on the amendment, so as to see what is going to happen on that issue. If the amendment is adopted, and that right is given the people of the District, we will proceed further in the debate on the bill and determine what to do. But not until the Senate takes action on this particular issue of giving the people the right to decide whether they want segregation, will I care to consider what further action should be taken.

Mr. STENNIS. Mr. President, I shall address myself briefly to the pending amendment to the bill. As I understand the situation, the amendment permits the District Council to pass ordinances and legislative proposals which would change the laws, policies, customs, rules and regulations relating to racial segregation in the District, but requires that each such ordinance, and legislative proposal, would have to be approved by the voters of the District in a referendum before the proposed change would become effective.

Further, with reference to the operation of the bill, I understand that most of these major changes would also have to be submitted to the Congress, but unless the amendment is adopted there would be no referendum by the people on those questions.

Mr. President, I shall address myself primarily to the question of segregation in the public schools as it comes up under the amendment. I think anyone who comes from the area from which I come, where the races are virtually evenly divided, and where, in major part they get along so well together, owes it to the other Members of the Congress to give his opinion on this most serious and far-reaching question.

I do not think any more serious setback could come to the future educational advancement and opportunities of members of the Negro race than to have the policy of nonsegregation forced upon the people of any area without their consent. I shall not so much argue in favor of segregation itself—although there is no doubt in my mind that it is far better for all concerned, where the races exist together in appreciable numbers, that they go their separate ways, particularly with reference to matters of public schools and related social activities. I think that is almost the unanimous opinion of the thinking people of both races in areas where they live together in appreciable numbers. I do not think that will be seriously contradicted by any unbiased mind, or from any unbiased source.

I wish to repeat and emphasize that I do not believe there could be a more serious setback to the future educational opportunities and advancement of members of the Negro race than to have nonsegregation in the public schools forced upon the people of any area without their consent. Under the terms of the proposed law, if the city council of the District should order this change, the question would then be submitted to the Congress; and if the Congress failed to reject the proposal within 45 days, it would become law. With all due deference to Members of Congress, this is one of the questions which, if submitted to Congress, would not receive fair consideration on the merits and apart from political implications. That is true of a few other subjects, but particularly with reference to inflammatory questions like this. I do not believe that it would be possible, under the political circumstances throughout the United States, for that question to receive the fair, impartial, calm, deliberate consideration to which it is entitled from Members of Congress. As a practical matter, I think a great number of outside inflammatory influences would be injected into that question, influences which do not belong there. In the final vote perhaps some Members of the Congress would be influenced by such considerations. So as a practical matter, I do not believe that plan would be a solution for this serious and far-reaching question.

On the other hand, under the provisions of the amendment which has been offered by the senior Senator from Mississippi, there would be the best test for

matters of this kind that we could possibly have. It is true that we have a representative form of government. However, the people cannot vote on every question which arises. But on a question as far-reaching and serious as this, a question so inflammatory and affecting to such a great extent the social lives of the people and their daily activities, their backgrounds, and their thinking, the people should have a voice. I do not know of a more fit subject for a plebiscite. Moreover, I submit that it is absolutely necessary. I believe that if we proceed under a system which fails to provide for a vote of the people on such a far-reaching and serious change, we shall be headed for most serious trouble in the District, a trouble which will perhaps spread to other areas and prejudice the minds of many calm, thinking people against the rights of the colored race to a fair share in the educational opportunities of the times.

I am quick to say that I favor giving the colored race a fair share of the educational opportunities of our time. However, I feel that I would be greatly derelict in my duty if I did not point a warning finger at the precedent which the Congress is asked to set. In the interest of the educational opportunities of the colored race, I plead with Members of this body to consider this question most solemnly and seriously, and invoke a plebiscite, a vote of the people. That is the only procedure by which this most serious question can be adequately dealt with or satisfactorily solved.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND] for himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. HENDRICKSON. Mr. President, I suggest the absence of a quorum.

Mr. HOLLAND. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for a moment? I should like to ask the senior Senator from Mississippi [Mr. EASTLAND] some questions.

Mr. HENDRICKSON. I gladly withhold it.

Mr. HOLLAND. Mr. President, will the senior Senator from Mississippi answer a few questions?

Mr. EASTLAND. Certainly, Mr. President. However, I do not want to have this counted as one of my speeches on the amendment.

The PRESIDING OFFICER. The Senator from Florida [Mr. HOLLAND] has the floor.

Mr. HOLLAND. The first question I should like to address to the senior Senator from Mississippi is this: Is it his understanding that the amendment which he and the Senator from South Carolina [Mr. JOHNSTON] propose makes no change in the handling of legislation to provide for a policy of nonsegregation in the District, as compared with any other legislation, except that after everything else is accomplished to make the legislation effective, a referendum would be required among the people of the District of Columbia for their approval or disapproval?

Mr. EASTLAND. That is correct.

Mr. HOLLAND. Would those who participated in such a referendum be the same persons, qualified in the same way, as those who would participate in the election of members of the city council?

Mr. EASTLAND. That is correct; and the referendum and the election would be held at the same time.

Mr. HOLLAND. Would the referendum come up at the next regular election in the District?

Mr. EASTLAND. That is correct.

Mr. HOLLAND. Is the referendum proposed here identical in type with the referendum which would be required under the proposed act before the charter itself could be accepted?

Mr. EASTLAND. As I understand, it is.

Mr. HOLLAND. Is the referendum proposed in this amendment identical with the referendum which would be required in the case of a proposed bond issue in the District of Columbia?

Mr. EASTLAND. It is identical with that for a bond issue.

Mr. HOLLAND. And no further or additional requirement would be imposed in connection with legislation on this subject, as compared with any other type of general legislation for the District of Columbia?

Mr. EASTLAND. That is correct.

Mr. HOLLAND. Other than the referendum?

Mr. EASTLAND. That is correct.

Mr. HOLLAND. I should like to ask the Senator another question. Is it his understanding that under the amendment there would simply be added to the two matters as to which referenda already are required under the proposed measure—namely, the acceptance of the charter and the approval of any proposed bond election—a third matter, namely, a change from a segregated policy to a policy of nonsegregation?

Mr. EASTLAND. That is absolutely correct. The amendment simply provides that the people themselves shall decide that matter—the matter of the schools for their children; and in the plebiscite, both races will vote.

Mr. HOLLAND. I should like to ask another question. I was impressed by one of the arguments made by one of the distinguished Senators, to the effect that he felt it would be better to have this question decided in the beginning, before the proposed legislation became effective, rather than to have it present as a continuing trouble in every election thereafter.

Is the Senator from Mississippi in accord with that statement?

Mr. EASTLAND. No, I am not in accord with that statement. Conditions are changing from time to time and I think this is a matter for the people of the District of Columbia to handle. If the people of the District 10 years from now or 20 or 25 years from now have a desire to adopt a different policy from that which they desire at this time, they would have a right to do so.

Under the amendment, if the Commissioners decide to change the policy, the people shall vote on that matter at the next election. In other words the amendment simply provides that in such case the people shall have the right by plebiscite to cast their ballot.

Mr. HOLLAND. I thank the Senator from Mississippi.

Mr. KEFAUVER. Mr. President, the committee in considering this bill endeavored not to go into the matter of segregation or nonsegregation. The issue presented here is that of giving the people of the District of Columbia suffrage for a certain purpose, under a home-rule bill. The question of segregation or nonsegregation is not affected in the District of Columbia one way or the other by this bill, as I view it. The junior Senator from Georgia [Mr. RUSSELL] was quite right in stating that this was not a civil-rights measure. The status quo is not disturbed.

At the committee meeting, Clark Foreman and certain others appeared and proposed that in the proposed charter an FEPC amendment be included. They asked that nonsegregation provisions be included. At that time the committee decided to reject any FEPC amendment or any antisegregation provision. I stood with the committee then, I stand with the committee now. The issue on either side of the question has no pertinence in considering this bill.

So far as I am concerned, I do not think the rules about segregation in the schools are going to be changed. They will not be changed because of this bill. The ultimate decision would have to be submitted to Congress just as it is now.

Home rule and reorganization of the District are attempts for better government. To confuse these issues with the one of civil rights can only be done in an effort to create confusion as the civil-rights issue is not involved. In a city charter the council elected by the people will follow the dictates of the people. This is a fundamental principle of representative government. This proposal for a referendum on each issue involved violates that principle and I know of no city charter which singles out a particular issue of this kind. It is not done in the charter of Richmond, New Orleans, Oakland, or Baltimore.

The status quo on segregation is further protected in that if the council should pass a legislative recommendation changing any segregation law it would have to be submitted to the Congress and to the President before it could become effective. That is made clear under the terms of the act so that Congress has the same, if not a greater right in the matter than it does now. And, in addition, the council is not likely to take any action against segregation unless a preponderance of the people approve. My personal opinion is that no council representing the city at large is apt to disturb the present status on so vitriolic an issue.

We have a broad basis for the electorate in the District of Columbia, where only 22 percent of the residents are Negro. About the same percentage of the residents of Baltimore are Negroes, and segregation is in effect in Baltimore. I think a somewhat larger percentage of the population in Richmond, Va., is Negro, and Richmond has the same system of government that now is proposed for the District of Columbia, and there is no

provision in its charter such as being proposed here.

The difficulty about getting into the subject of the pending amendment is that if we do so, we immediately stir up the idea of amendments on the other side of the question. That is, we would have FEPC amendments proposed and also antisegregation proposals would be presented. Accordingly, the bill does not deal with the matter one way or the other, and we cannot afford to go into the issue where it is not properly involved.

Of course, Mr. President, I suppose that, theoretically, in a government every issue should be voted on by the people. But under our system of representative government this cannot be done, and I know of no city charter anywhere in the United States which allows referenda on issues of this kind. The city council will be elected by about 250,000 domiciliary residents, plus the 100,000 residents of the District of Columbia from other parts of the Union and who are domiciled elsewhere. The only requirement is 1 year's residence. In such case they will have a right to participate. Accordingly, we shall have a very broad and intelligent electorate.

In that connection, Mr. President, I think the figures show that the education of the average person in the District of Columbia is somewhat higher than the education of the average person in most of the other cities in the United States.

Speaking for myself personally, I would not have a great deal of personal objection to such referenda, but it violates the principles and basis of this charter. It is contrary to the system of representative government contained in this proposal. I must speak for the committee, and the committee decided not to go into the matter one way or the other. I fear acceptance of this amendment would inspire FEPC amendments and other proposals which would defeat the bill.

There is one question I might ask the Senator from Mississippi: Ordinarily a referendum is held only on the petition of a certain number of voters. This amendment would make it mandatory that such a referendum be held, regardless of whether anyone was interested in the matter.

Mr. EASTLAND. Will the Senator please repeat the question?

Mr. KEFAUVER. I said that ordinarily a referendum is held only on the petition of a certain number of voters. For instance, there might be a small tennis court or some other minor matter in which the people generally were not interested. So I wonder whether the Senator from Mississippi has considered including in his amendment a provision for a petition by a certain number of voters. In all city charters I know of referendum is only granted upon petition of a percentage of voters.

Mr. EASTLAND. No such provision is now contained in the amendment. The amendment provides that when the Commissioners decide to take this step, the question shall be decided by the vote of the people. In other words, affirmative action by the city council will be necessary before the referendum will be held.

Mr. KEFAUVER. The question I was raising is that in the ordinary city charters in which referenda are provided for, a referendum is usually called for upon a petition signed by a certain number of voters. Of course, there conceivably might be considerable expense involved in having a referendum. I wonder whether the Senator from Mississippi has considered a provision which, after the other machinery had worked, would test the sentiment of the voters to see whether sufficient of the voters were interested in the subject to warrant having a referendum; in other words, an amendment to provide that only upon a petition by a certain percentage of the eligible voters in the District of Columbia, the Board of Election should call for an election and referendum.

Mr. EASTLAND. Such a provision might do; but I do not see how we could improve on what the amendment as we have submitted it provides. In other words, if the Commission decided to take such a step and if the people were faced with that condition, then they would determine it themselves.

Mr. President, let us be perfectly frank about this matter. I think most people will concede what is going to happen to the schools in the District of Columbia unless the people have a chance to pass on the question of segregation.

If we believe in democracy and in placing the destiny of the people in the hands of the sovereign people, then we are bound to favor this amendment, because it simply provides that the people shall vote on such a provision before the Commissioners shall place it in effect.

Mr. KEFAUVER. Mr. President, in my honest opinion the rules about segregation will be less likely to be changed, or at least a change in them will be delayed longer, certainly, if the matter is left originally to a council selected by the people of the District of Columbia by the intelligent electorate of the District of Columbia, rather than the way the matter stands at present, for this would require affirmative action by the council and then submission to Congress before any change could be made.

Of course, under this bill Congress has the power—as it inherently has—to do anything about the situation in the District of Columbia that it wishes to do. That is expressly stated in section 404.

Mr. EASTLAND. The amendment certainly puts no stumbling block in the way of the exercise of the will of the people.

Mr. KEFAUVER. I think the Senator is distressed about the way the situation has been going in the District during the past year or the past few months. I believe there would be less likelihood of nonsegregation rules and laws being put into effect under the pending bill than there would be under the present situation. That is my honest judgment.

Mr. EASTLAND. I do not know about that.

Mr. KEFAUVER. Anyway, Mr. President, following the direction of the committee, I am not authorized to accept the amendment. The present position is that we did not want to go into it on one side or the other, that it was not germane, that it was not an issue to be considered. That is the position of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND], for himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. HENDRICKSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Neely
Brewster	Humphrey	O'Conor
Bricker	Hunt	O'Mahoney
Bridges	Jenner	Pepper
Byrd	Johnson, Colo.	Reed
Cain	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Donnell	Kem	Schoeppel
Douglas	Knowland	Sparkman
Downey	Langer	Stennis
Eastland	Lodge	Taft
Ecton	Long	Taylor
Ellender	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McCarthy	Thye
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Martin	Williams
Hendrickson	Maybank	Withers
Hickenlooper	Millikin	Young
Hill	Murray	
Hoey	Myers	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment submitted by the Senator from Mississippi [Mr. EASTLAND] for himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. HOLLAND. Mr. President, there have been two amendments submitted, one Friday to lie on the table, which is not the one we are considering at this time, and an amendment which has been offered today for the first time by the Senator from Mississippi [Mr. EASTLAND] for himself and the Senator from South Carolina [Mr. JOHNSTON]. I want to speak briefly on the question, because it seems to me there is such a fundamental difference between the two amendments that I would have strongly to oppose one amendment but will support the other, the one which is now pending.

In the amendment which was offered by the two Senators last week, and which is on the desk of all Senators this morning, it was proposed, in effect, that whenever there was any suggestion made for a change in the matter of racial segregation in the District of Columbia, the question would first be submitted, by vote of the city council, to the board of elections, to be made the basis of a referendum election in the District; that the referendum should by no means be conclusive, but that the result should be reported to Congress, and any change in the matter should be made only upon the passing of appropriate legislation by the Congress, approved by the President.

Mr. President, I was strongly against that amendment, and I am glad the Senators have not offered it. I was

against it because it took the subject entirely out of the field of home rule. It took it entirely away from the jurisdiction of either the people of the District of Columbia or their representatives, the District council to pass upon this subject matter, which, of course, is a vastly important one to the people of the District.

Mr. President, this morning the two Senators have offered the pending amendment, which is so completely different in form, not departing at all from the sound principle of home rule, that I thing it should be adopted. I think it will help the bill, and I think it will help the cause of clean politics in the District of Columbia after the bill is passed. I am one of those who are strongly in favor of the bill and want to see home rule prevail in the District as quickly as possible.

Under the amendment as it has been offered this morning, Mr. President, this will be the procedure, namely, that legislation which would depart from the traditional custom and law of segregation between the races in the District of Columbia would have to be passed in exactly the same way, through exactly the same machinery, and receive exactly the same consideration as would any other legislation relating to the District of Columbia, other than in the case of bond issues. As to this particular legislation, it would then be classified with bond issues in importance, in that, after having passed through all of the other machinery, it would then be submitted to a referendum vote of the qualified electors of the people in the District of Columbia.

That, in effect, would simply constitute a finding by the Congress of something which I think every Member of Congress knows already, that this is a vital subject matter in the District of Columbia and is entitled to have just as great importance in the consideration of the people of the District as are two other matters which are made the subject of necessary referenda by the bill. The first of those matters is, of course, whether the charter itself should be accepted. I invite the attention of the Presiding Officer and the other Senators to the fact that it is required under the provisions of the charter that before it can become effective, it must be submitted to a referendum vote of the qualified electors in the District of Columbia and must be approved as a result of that referendum vote.

I think that is sound democracy. The committee evidently thought it was sound democracy, because the committee included in the bill the specific provision that a referendum election must be had, and the charter must be approved by the qualified electors who are residents of the District of Columbia, before it can become effective.

The second matter which, in the judgment of the committee, and as shown by the provisions of the bill, was considered of such importance as to require the submission of the matter to referendum elections from time to time, was the question of whether or not the District should be bound by any proposed bond issue. A bond issue, of course, is an encumbrance against the future, an encumbrance against the properties, an encumbrance against the earning power of the residents of the District from that time forth until the bonds are paid, and under the wording of the bill the charter provides that a bond issue from time to time, whenever such issue is suggested, must pass through the ordinary channels of legislation, and then, having passed through those channels, must be submitted to the people themselves in a referendum election before it can be approved and become binding upon the people and the properties of the District of Columbia.

Mr. President, it is of course an arguable question as to whether the question of segregation or nonsegregation is a matter of as much importance as the adoption of the charter itself or as the approval from time to time of any bond issue. But I think it does not require any stultification on the part of any Member of the Senate to find, with his practical knowledge of all the discussion that has gone on, and the feeling that is involved, and considering all the property values involved, and the numerous other questions, that here is another subject matter which may properly be submitted to the people themselves in a referendum election, and that no rule of democracy whatever is violated by so doing, and that certainly no principle of home rule is violated by so doing, because the people themselves in the District of Columbia would be the final judges of the question of whether or not the new proposal would replace the old law, the old custom, of segregation in the District.

Mr. President, I am therefore going to vote for the amendment, and I hope other Senators will vote for it, because I think it will not only expedite the passage of the pending measure in the Senate, important as it is to the people of the District of Columbia and the people of the Nation, and I believe it will expedite its passage in the House of Representatives, but I think it will make simpler and sounder the politics in the District after that time.

I call to the attention of the Members of the Senate the fact that if, under the proposed charter, a situation is left whereby the members of the school board, for instance, can themselves make the rulings from year to year or from time to time as to whether segregation or nonsegregation shall apply in the schools, that issue will become the most important issue and the most violently debated issue in every election for the choice of the members of the school board of the District. I should not like to see that come about. I should like to see a situation under which people would be chosen to be members of the school board—a very important body, as it will be—on the basis of their interest in education, on the basis of their ability to promote a sound and improving school system in the District of Columbia. I should not like to see every issue clouded by the question as to what the attitude of any candidate on this point was.

Then, with reference to the nine members of the Council who will be elected by the qualified electors in the District, again I say that I think they will be better people, and more willingness to run will be found on the part of excellent, upstanding, and high-standing citizens, if that question is not to be a dominant question, to be injected in every race that is to be run, and if people will know from the very beginning that the only way by which a change can be accomplished in this important field is for the people themselves to say that they prefer to go out from under the old system and in under a new system which they themselves will have chosen.

Therefore, Mr. President, I think the adoption of the amendment will be wholesome, and I approve it. I call to the attention of the Members of the Senate the fact that, so far as departing from sound democracy or from home rule is concerned, many of the States and cities where it is claimed most progressive and most down-to-date democratic government prevails do have the referendum provided, under which not just in one or two matters but in all matters, or in many matters, by the simple petition of a small number of electors, a referendum may be required.

It is no departure from sound democracy, it is no departure from home rule. I think the only thing Congress would be concerned about would be if this were an amendment in which home rule itself were being diminished. I think that, to the contrary, this is an amendment which not only preserves home rule, but puts it in a place where home rule is really needed, that is, in a decision by the people themselves, the property owners, the citizens, who are given final power to pass on this troublesome question—and it will always be a troublesome question.

So I hope the amendment will be agreed to, and on behalf of those who are strongly supporting the pending measure, but who believe this amendment should be adopted, it should be clearly understood by all Senators present that the amendment which is now offered, and upon which we are about to vote, is by no means the amendment which was offered a few days ago and printed and laid on the table, but, on the contrary, that this amendment very carefully preserves the true, strict principles of home-rule government.

Mr. HENDRICKSON subsequently said: Mr. President, I had hoped last Friday to speak upon Senate bill 1527. I was deprived of that privilege by a subcommittee meeting which I was obliged to attend. At today's session the final vote on this measure came so suddenly that I withheld my formal remarks.

I therefore ask unanimous consent to have printed in the RECORD, ahead of the vote on the amendment of the distinguished Senator from Mississippi [Mr. EASTLAND], a statement which I have prepared on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I shall not delay the Senate long but the issue before us is so much a part of our way of life past and present, that I cannot resist a sense of duty which tells me that to avoid a positive and vigorous declaration on the question, in the affirmative, would be to shirk my full responsibility. At the outset, Mr. President, I would like to express a word or two of commendation and tribute to our distinguished colleague, the

junior Senator from Tennessee, for his very able generalship and his untiring and unselfish effort in the development of this issue, namely, S. 1527, for our consideration.

To me, his direction and guidance of the measure will always be an outstanding example of the manner in which real statesmen treat with a legislative problem fraught with many political difficulties. I will not attempt to review the long and arduous course which has too long delayed proper action on this basic principle of government under our democratic processes. This would only be to repeat portions of the eloquent presentation of my good friend from Tennessee, but I do want to say, Mr. President, that the present plight in which the people of the District of Columbia find themselves is no credit to the Congress of the United States. In five short months of service here I have witnessed a form of local government which, from my point of view, is not only cumbersome and archaic but also impracticable and unworkable, if not obsolete. To me it is amazing that the District of Columbia under its present structure of government has done as well as it has, but because it has gotten by after a fashion is no good reason to permit it to continue to be a blot upon the escutcheon of decent government.

As has been so well stated, this Capital, Mr. President, is now a world symbol of the democratic processes of government, and certainly if any city in America should be well managed that it might be the sterling example of local government for the rest of the world to follow, it is the city of Washington, D. C.

Why, Mr. President, when at the end of the combat of World War II our Government became a party to a quadripartite management of the great cities of Berlin and Vienna, I was shocked beyond belief, for I knew from my modest experience in local government that such an arrangement at the international level could never work, nor has it worked. Had the planners, Mr. President, of the occupation of these two great cities, used basic common sense, our distinguished generals would never have been confronted with many of the dilemmas which have faced them over the past 4 years.

But I have not arisen, Mr. President, to discuss the mistakes of Yalta, Tehran, and Potsdam; I only mention these fantastic designs for the direction, operation, and rehabilitation of two of the greatest local governments in the world, in contrast with the hodgepodge operations which take place here in our own Nation's Capital—and may I say that the contrast has some very similar aspects insofar as inefficiency and general confusion are concerned.

If we are to have the sort of sane, efficient, responsive local governments that American communities everywhere have been diligently striving for during the past quarter of a century, the effort must be in the direction of autonomy, not in the direction of division and discord—of duplication and overlapping and of waste. Nothing is so important to a well-managed municipality as local pride and, Mr. President, it is utterly impossible to have local pride when the citizen is virtually a foreigner to the local controls with nothing to say about them and without any semblance of power to correct them where they are violated. It may be that here in the District there are a few citizens who are able to get into the inner circle which gives them access to the present disinterested and absentee control, but Mr. President, this is not the type or style of citizenship which helps to build a greater and stronger democracy and it is this thing I call absentee control to which in the main I would address myself. We who are Members of the Congress under the present laws are the persons directly responsible for the fact that Washington, D. C., is not the exemplification of what the world's greatest capital should be and yet we escape that responsibility because the administration of too many of our hastily considered mandates affecting the District is in the hands of Commissioners quite separate and apart from us and our responsibilities. Let us at least be fair—we all know, particularly those of us who have had service on the District Committee, that the demands upon our time from our constituents alone are much too great to permit us to properly and adequately consider the needs of the District, and then to add to this, under our system of seniority, what happens? Well, for the most part, Mr. President, virtually all of the freshmen Members of the Congress, or at least I have found this so in the Senate, are assigned to the District Committee. They know virtually nothing of the District or its needs and, therefore, are at the mercy of local officials whose records may or may not coincide with those standards which the Members of Congress have known back home. But aside from confirmations in the Senate, the Members of Congress have no say over the administrative officials whatsoever.

Mr. President, these remarks are not intended as criticisms of anyone in the local government of the District of Columbia, but they certainly clearly illustrate the fact that the Congress is exercising the power which under present circumstances violates both legally and morally every aspect of the free processes of government as they were transmitted to us by the founding fathers.

Mr. President, the bill under consideration has had long and careful study—its counterpart in the Eightieth Congress under the able sponsorship of my distinguished colleague from New Jersey, JAMES C. AUCHINCLOSS, should have had favorable consideration a year ago so that there is little that I, as a new Member of this great body, can offer in any attempt to purvey its many admirable features and purposes. The distinguished Senator from Tennessee has done this beyond my limited ability to add or detract. This much I do want to say, in conclusion, Mr. President, and that, namely, that the debates of some 2 weeks ago on the sales-tax issue, standing alone, should be sufficient to convince anyone that the business of Congress is too much involved with the great national and international problems to allow for the time to properly regulate the affairs of a strictly local government from a national level. Under our conception of liberty and freedom, under our conception of well-ordered law, the situation which awaits solution at our hands is a shocking contradiction and when we, the Members of the Senate of the United States, stop to think that it has been foisted upon an intelligent population of now over 900,000 free men and women, I have an intuitive feeling that the simple decency and common honesty which is within every Member of this body will prompt us to say with unanimity that the people of the Nation's Capital are entitled to the same privileges and rights which we have enjoyed back in those great sovereign States of whose policies and principles we should be living symbols.

Let us here in the United States Senate show by our action on this measure that the two major parties mean what they say when they promise a common course of action on a specific measure.

The PRESIDING OFFICER (Mr. HUNT in the chair). The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. HENDRICKSON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. EASTLAND. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EASTLAND. Has any business been transacted since the previous quorum call?

The PRESIDING OFFICER. The Senate agreed to the order of the yeas and nays, which constitutes business. The clerk will proceed with the roll call.

Aiken	Holland	Neely
Brewster	Humphrey	O'Conor
Bricker	Hunt	O'Mahoney
Bridges	Jenner	Pepper
Byrd	Johnson, Colo.	Reed
Cain	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Donnell	Kem	Schoeppel
Douglas	Knowland	Sparkman
Downey	Langer	Stennis
Eastland	Lodge	Taft
Ecton	Long	Taylor
Ellender	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McCarthy	Thye
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Martin	Williams
Hendrickson	Maybank	Withers
Hickenlooper	Millikin	Young
Hill	Murray	
Hoey	Myers	

The call of the roll was resumed and concluded.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND], on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON]. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Iowa [Mr. GILLETTE] is absent on official business.

If present and voting, the Senator from New York [Mr. WAGNER] would vote "nay."

I announce further that on this vote the Senator from Georgia [Mr. GEORGE] is paired with the Senator from Rhode Island [Mr. MCGRATH]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Rhode Island would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Nebraska [Mr. BUTLER] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] and the Senator from New York [Mr. IVES] are necessarily absent.

The senior Senator from Oregon [Mr. CORDON], the Senator from Nevada [Mr. MALONE], the junior Senator from Oregon [Mr. MORSE], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business. If present and voting, the junior Senator from Oregon [Mr. MORSE] would vote "nay."

The Senator from South Dakota [Mr. MUNDT], who is absent by leave of the Senate, is paired with the Senator from Maine [Mrs. SMITH], who is absent on official business. If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Maine would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 27, nays 49, as follows:

YEAS—27

Byrd	Hill	O'Conor
Chapman	Hoey	Reed
Connally	Holland	Robertson
Eastland	Johnson, Tex.	Russell
Ellender	Johnston, S. C.	Schoeppel
Frear	Long	Sparkman
Fulbright	McClellan	Stennis
Gurney	McKellar	Tydings
Hayden	Maybank	Withers

NAYS—49

Aiken	Jenner	Neely
Brewster	Johnson, Colo.	O'Mahoney
Bricker	Kefauver	Pepper
Bridges	Kem	Saltonstall
Cain	Knowland	Taft
Donnell	Langer	Taylor
Douglas	Lodge	Thomas, Okla.
Downey	Lucas	Thomas, Utah
Ecton	McCarran	Thye
Ferguson	McCarthy	Vandenberg
Flanders	McFarland	Watkins
Graham	McMahon	Wherry
Green	Magnuson	Wiley
Hendrickson	Martin	Williams
Hickenlooper	Millikin	Young
Humphrey	Murray	
Hunt	Myers	

NOT VOTING—20

Anderson	Gillette	Morse
Baldwin	Ives	Mundt
Butler	Kerr	Smith, Maine
Capehart	Kilgore	Smith, N. J.
Chavez	McGrath	Tobey
Cordon	Malone	Wagner
George	Miller	

So the amendment offered by Mr. EASTLAND for himself and Mr. JOHNSTON of South Carolina was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment——

Mr. LODGE. Mr. President, I should like to ask a question of the Senator in charge of the bill: Am I correct in my understanding that the bill does not in any way touch upon the question of representation for the District of Columbia in the House of Representatives?

Mr. KEFAUVER. It does not in any way affect the representation in the House of Representatives or the attendance of delegates to the House of Representatives.

Mr. LODGE. Am I correct in my belief that the bill does not in any way affect the matter of Senators for the District of Columbia?

Mr. KEFAUVER. It does not.

Mr. LODGE. I thank the Senator.

The VICE PRESIDENT. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1527) was passed.

PRICING PRACTICES—MORATORIUM

Mr. MYERS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1008, Calendar 284.

The VICE PRESIDENT. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems and freight-absorption practices.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The VICE PRESIDENT. The bill is open to amendment. The clerk will state first the committee amendments.

The first amendment of the committee was, on page 1, after line 2, strike out:

That because of widespread uncertainty resulting from recent administrative and judicial constructions of the Federal Trade Commission Act, as amended, and the Clayton Act, as amended, the Congress hereby declares that it is the sound and traditional policy of the United States that contracts, combinations, conspiracies, or monopolistic practices in restraint of trade are inimical to the public interest in maintaining a free, private, competitive enterprise system; but that it has not been the intent of the Congress to deprive individual companies of the right to use delivered price systems or to absorb freight to meet competition in any or all markets, provided such activities are carried on independently and in good faith, and not through any combination or conspiracy in violation of the Sherman Act, as amended.

SEC. 2. Until the expiration of two years after the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 2, line 11, after the amendment just above stated, to insert "That until July 1, 1950"; in line 16, after the word "independently", to strike out "use delivered price systems" and insert "quote and sell at delivered prices"; in line 17, after the word "freight", to strike out "to meet competition" and insert "for the purpose of engaging in competition in good faith"; in line 20, to change the section number from "3" to "2", and in line 22, after the word "on", to strike out "February 1, 1949", and insert "the date of approval of this act. The provisions of this act shall be operative with respect to any activities engaged in between the date of approval of this act and July 1, 1950, but shall not otherwise affect the enforcement of any order which was entered on or before the date of approval of this act."

The amendments were agreed to.

The VICE PRESIDENT. That completes the committee amendments.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. O'MAHONEY. Mr. President, just before the Senator from Pennsylvania [Mr. MYERS] moved that this bill be taken up for consideration, I had had a conference with him and with several other Senators with respect to a substitute which I desire to offer for the entire bill, as presented by the committee. The Senator from Maryland [Mr. O'CONOR], who is in charge of this measure, has been advised of the matter which I have in mind, as have also the Senator from Pennsylvania and the distinguished chairman of the Judiciary Committee, the senior Senator from Nevada [Mr. MCCARRAN].

However, it happens that a special executive meeting of the subcommittee on the independent offices appropriations bill is called for 2 o'clock this afternoon. Probably it will require at least an hour, a witness being there now, waiting for the members of the committee.

It is my understanding from the Senator from Pennsylvania and the Senator from Maryland that the plan now is merely to make an explanatory statement regarding the bill, and that I shall be afforded an opportunity to present the substitute which I have discussed with those Senators.

Of course I am aware of the exigency which exists in this connection. I wonder whether it would be proper for me, with the agreement of the Senator from Pennsylvania, to make a unanimous-consent agreement that after the explanatory speech of the Senator from Maryland has been made, and before final action is taken, a quorum call will be had, so that I may return to the floor of the Senate and discuss the measure.

Mr. MYERS. Mr. President, I had a brief discussion with the Senator from Wyoming not more than half an hour ago, and he presented to me the substitute which he intends to offer.

I told him that I should like some time to study his substitute, together with the explanation thereof. However, I have not yet had that time or that opportunity. I hope we may be able to get together and work out this matter to the satisfaction of all parties concerned.

At the present moment, all I can do is give assurance to the Senator from Wyoming that we certainly will have a quorum call so that he will have sufficient notice, after the remarks of the Senator from Maryland and the remarks of any other Senators who desire to express themselves in regard to the pending proposed legislation, before we reach a vote or any final understanding or agreement, so that the Senator from Wyoming may present his substitute and so that we may have some discussion of it.

Mr. O'MAHONEY. Mr. President, I am very grateful to the Senator from Pennsylvania.

Mr. WHERRY. Mr. President, reserving the right to object——

The VICE PRESIDENT. There is nothing before the Senate to which objection can be made.

Mr. O'MAHONEY. Mr. President, I withdraw my request, since the Senator from Pennsylvania has given me assurance that he will ask for a quorum call.

Mr. WHERRY. Before the final vote on the bill?

Mr. O'MAHONEY. Yes.

Mr. O'CONOR. Mr. President, American business and the buying public have few, if any, more vexing problems than that which is encompassed in the question of basing-point practices with which S. 1008, introduced by the senior Senator from Pennsylvania [Mr. MYERS], and now under discussion, has to do.

Judicial interpretations or administrative rulings have put the stamp of disapproval upon certain business practices which had been adopted and generally regarded as legal and proper. Immediately it was suggested that new substantive legislation should be enacted to clarify permanently the important questions involved, especially with regard to selling-price practices.

But at once it was realized that the emergency requires that until a complete study and extensive hearings can be conducted with regard to all phases of the problem, with its many ramifications, a moratorium should be declared holding in abeyance the preexisting situation, prior to the decisions and rulings to which we have referred.

The sole purpose, therefore, of this problem is to confirm the right of individual companies to use certain pricing practices until July 1, 1950, when there is no conspiracy and when the practices are pursued for the purpose of engaging in competition in good faith.

Definitely, there is no permanent legislation involved in this enactment. Neither is there an attempt to commit the Congress to a certain course of action, or, indeed, to any action at all. I think it is well that there be a general understanding and acceptance before we go into the detailed discussions of the proposals. For that reason, I should like merely to read one sentence from the text of the pertinent paragraph. Reading from page 2 of the amended bill, line 11, the words are as follows:

> That until July 1, 1950, the Federal Trade Commission Act, as amended, and the Clayton Act, as amended, shall not be construed as depriving individual companies, in the absence of conspiracy or combination or other agreement in restraint of trade, of the right to independently quote and sell at delivered prices or to absorb freight for the purpose of engaging in competition in good faith in any and all markets.

At the outset it might be well to give a brief history of the consideration which this measure has received, and which the general subject of pricing practices and policies has been accorded during this session of the Congress and during the Eightieth Congress.

In June of last year, by Senate Resolution 241 of the Eightieth Congress, the Committee on Interstate and Foreign Commerce was authorized and directed to conduct a full and complete inquiry into the existing legislation concerning Government policy affecting the activities of the Federal Trade Commission and the Interstate Commerce Commission, and the impact of these policies as interpreted by the Supreme Court, with particular relation to the basing-point or freight-equalization system of pricing, and the impact upon small and large business and upon the consumers of the United States of the maintenance or discontinuance of said system. The resolution also authorized inquiry into the status of business enterprise in the United States, to determine the extent and character of economic concentration, and the effect of such concentration, as well as the status of free competitive business enterprise as affected by transportation and Federal trade regulations.

A subcommittee composed of the senior Senator from Indiana, Mr. Capehart, chairman, the senior Senator from Maine, Mr. Brewster, the former Senator from New Jersey, Mr. Hawkes, the senior Senator from Colorado, Mr. Johnson, and the senior Senator from Connecticut, Mr. McMahon, conducted lengthy hearings, pursuant to committee action directing that under Senate Resolution 241 the first order of business should be a study of the impact on the national economy of the policies of the Federal Trade Commission, as interpreted by the Supreme Court with respect to delivered prices by industry, freight absorption by sellers, and the practice of sellers of absorbing freight to meet the competition of competitors located closer to the buyer.

The hearings held by this subcommittee of the Committee on Interstate and Foreign Commerce developed a great mass of testimony; and a bill—S. 236 of the Eighty-first Congress—proposing permanent changes in the Robinson-Patman Act and the Clayton Act, was introduced, and went through several drafts. When it became apparent that the problem of drafting permanent legislation would require a substantial period of time, the Myers bill, S. 1008, was introduced. The pending proposal seeks to provide a moratorium period during which the right to use certain pricing practices would be preserved, and within which the Congress might further study the problem to determine what, if any, action it wished to take with regard to permanent legislation.

Senate bill 1008 was referred originally to the Committee on Interstate and Foreign Commerce. However, the chairman of the Senate Committee on the Judiciary, the senior Senator from Nevada [Mr. MCCARRAN], feeling that the subject matter of the bill was a matter within the jurisdiction of the Committee on the Judiciary, expressed that view to the chairman of the Committee on Interstate and Foreign Commerce, the senior Senator from Colorado [Mr. JOHNSON]. The question of jurisdiction was considered by the Committee on Interstate and Foreign Commerce, which decided that both S. 1008 and S. 236 should be turned over to the Committee on the Judiciary; and this was done pursuant to Senate Resolution 76 of the Eighty-first Congress, approved February 28, 1949.

For the information of the Senate, I shall read the text of Senate Resolution 76, which is short. It is as follows:

> *Resolved*, That the Committee on Interstate and Foreign Commerce be discharged from further consideration of the bill (S. 236) to clarify and formulate a consistent and coordinated national policy with respect to transportation costs in interstate commerce; to strengthen the antitrust laws of the United States and to provide for their more effective enforcement; and to promote competition by permitting sellers to have access to distant markets, and the bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered price systems and freight-absorption practices, and that said bills be referred to the Committee on the Judiciary.
>
> SEC. 2. That there shall be transmitted to the Committee on the Judiciary an interim report of the Committee on Interstate and Foreign Commerce on said bills and the same shall be printed as a Senate document.
>
> SEC. 3. It is understood the Committee on the Judiciary will give such prompt attention to the bills as will permit early consideration of the subject matter by the Senate.

In conformity with the wish of the Senate, as expressed in the third section of Senate Resolution 76, which I have just read, the Committee on the Judiciary proceeded very promptly to consideration of S. 1008. Hearings were held on March 30 and 31 and April 1. Witnesses who testified at these hearings included the senior Senator from Pennsylvania, Mr. Myers, author and sponsor of the bill; the senior Senator from Colorado, Mr. Johnson, chairman of the Committee on Interstate and Foreign Commerce; the Honorable Francis E. Walter, Representative in Congress from the State of Pennsylvania; Mr. Robert B. Dawkins, associate general counsel, Federal Trade Commission; Mr. William Simon, former general counsel to the Senate Subcommittee on Trade Policies, which conducted the original hearings under Senate Resolution 241 of the Eightieth Congress; Mr. Angus McDonald, assistant legislative secretary, National Farmers Union; Mr. George J. Burger, vice president in charge, Washington office, National Federation of Small Business; Mr. W. D. Johnson, vice president, national legislative representative, Order of Railway Conductors; Mr. Otis Brubaker, research director of the United Steel Workers of America, CIO, Pittsburgh, Pa., and various representatives of industry.

It was the aim of the Committee on the Judiciary to keep the hearings as short as possible, and to avoid repetition of testimony already given before the subcommittee of the Committee on Interstate and Foreign Commerce. Therefore, a substantial majority of the hearing time was given over to opponents of the bill.

In the Committee on the Judiciary, the subcommittee which conducted the hearings was composed of the senior Senator from Nevada [Mr. MCCARRAN] chairman, the senior Senator from Wisconsin [Mr. WILEY], and the junior Senator from Maryland.

The action of the subcommittee in reporting the bill favorably to the full Committee on the Judiciary was unanimous. The vote by which the full Committee on the Judiciary reported the bill favorably to the Senate was 7 to 2.

Perhaps it would be well at this point to discuss the meaning of some of the terms generally used in describing the problem with which this bill is concerned.

One of these terms is basing-point pricing. There are, generally speaking, two kinds of basing-point pricing—a single-basing-point system and a multiple-basing-point system. In a single-basing-point system, all products of a given nature are priced to all buyers in all markets as though they all originated at a single shipping point, even though shipment may actually be made from that point or from any two or more different points. For some 50 years prior to 1924, a single-basing-point pricing system was employed in the steel industry, and this is the system commonly referred to as Pittsburgh plus. Under this system, steel was sold to buyers in all markets at f. o. b.-mill prices based upon the fiction that the point of origin for all shipments was Pittsburgh. Irrespective of the location of the mill from which he purchased, a buyer paid, under this system, the f. o. b. mill price; plus the rail freight cost from Pittsburgh to the point of delivery.

This practice was held illegal in the case of *Corn Products Co.* v. *Federal Trade Commission* (324 U. S. 726), decided in 1945. Senators should understand that the impropriety of the use of this practice has not been questioned in connection with the deliberations on Senate bill 1008, and the legality of this practice is not involved in any way in this bill. I have described this system simply to aid in a full understanding of the problem.

The difference between the single-basing-point system just described and a multiple-basing-point system is that the latter includes two or more points of origin from which transportation costs are computed, which points may or may not be the actual point of shipment in any particular case. Mills whose locations are used as basing points in determining transportation costs, under a multiple-basing-point system, are known as base mills, and other mills are known as nonbase mills. Customarily, under this system, there are substantially fewer price-basing points than there are points of production. Under this system the buyer pays the f. o. b. mill price plus the cost of rail transportation from the basing point which is closest to the point of delivery, whether the sale is made by a base mill or by a nonbase mill.

Under this system, therefore, the buyer might pay either the actual freight or some figure either more or less than the actual freight, depending on whether he bought a mill closer to the point of delivery or farther away from the point of delivery than the nearest basing point.

It will be seen that if every producing mill is a base mill, the buyer will never have to pay more than the actual freight; that is, he will never have to pay any phantom freight. For this reason, there are many who contend that the basing-point system does not embrace a practice where every mill is a base mill, because in such case only freight absorption is involved.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. O'CONOR. If the Senator will permit me, I should like to complete this one general explanation of terms, after which I shall be delighted to yield to my friend from Louisiana.

This contention is not universally recognized, and the difference of opinion on this point is a good illustration of how disagreements on this subject have resulted from different meanings being given the same words by different people.

As I have pointed out, under the multiple-basing-point system, it is possible for a buyer to make his purchase from a producer whose base mill is located farther from the point of delivery than is the base mill of some other producer; and in such a case the buyer pays the seller the f. o. b. mill price plus the freight from the closest base mill; that is, plus a sum which is less than the actual cost of transporting the commodity to the buyer. In such case the seller is said to absorb a part of the cost of transportation; and this practice is what is generally known as "freight absorption."

I have already given one instance of "phantom freight"; namely, the case in which the base mill is farther from the point of delivery than is the producing mill, so that the buyer pays the seller the f. o. b. mill price plus a sum greater than the actual cost of transportation involved in the transaction. Another instance of "phantom freight" arises under a practice which has sometimes been used of charging a delivered cost based upon all-rail freight rates, even though the commodity might have been shipped by water or truck at a lower rate. In this case also it will be seen that the buyer pays on account of transportation costs a sum greater than the actual transportation costs. This excess also is known as "phantom freight." In point of fact any form of additional charge to the buyer on account of transportation which represents more than the actual cost of transportation in connection with the transaction may properly be referred to as "phantom freight."

The basing-point pricing to which I have just referred has been used primarily in heavy goods industries. A somewhat similar practice used in many industries encompasses the sale of commodities at a delivered price uniform to all buyers, or at a delivered price uniform to all buyers in a given area or zone, without regard to the variation of actual cost of transportation to any individual buyer. When the delivered price is uniform to all buyers throughout the country the practice is generally known as a national uniform delivered price. Such a pricing system is used, for instance, in the sale of candy bars and chewing gum, cigarettes, many nationally advertised products, and many thousands of other products for which the seller charges the same price to buyers in all sections of the country without regard to the point of delivery. The same "pricing practice," if I may use the term in this connection, is used by the Post Office Department in charging for the carriage of mail. In the case of first-class mail the cost of transportation is "averaged" among all users. In the case of third-class mail—parcel post—the cost of transportation is "averaged" among users differentiated by zones. It can be seen that under either kind of "averaging" of transportation costs, whether on a uniform national basis or by zones or areas, in some cases the actual cost of transportation will exceed the imputed average; and in such a case the seller is absorbing freight. In other cases the actual cost of transportation will be less than the imputed average, and in this case the seller can be said to be charging "phantom freight."

Under the zone-pricing system, a seller may have only two zones, or he may have three or four zones, or a much larger number. The theory behind such a pricing system remains one of averaging the cost of transportation to all customers within each zone.

That will, perhaps, suffice as a discussion of terms.

I have referred previously to the Corn Products case. In that case, the Supreme Court held that, when the requisite injury to competition was shown, the charging of phantom freight constituted an illegal price discrimination under the Clayton Act. Let me emphasize that there was no confusion about the Corn Products decision. What the Court held was clear, and it was clear how the Court's holding applied.

Let me say again, at that point, that the decision in the Corn Products case has not been challenged in connection with deliberations on the Myers bill now before the Senate, and is not an issue in any way in connection with this bill.

However, in another case—the so-called Cement Institute case (333 U. S. 683), decided in April 1948—the Supreme Court did hand down a decision which has been the basis of substantial dispute as to its meaning, with resulting widespread confusion in business and industry.

The respondents in the Cement Institute case were charged with conspiring, and were found by the Federal Trade Commission to have conspired, to fix prices by means of the use of a multiple-basing-point system. They were also found to have conspired to discriminate in price, in violation of the Clayton Act, by receiving varying mill net returns. These findings were upheld by the Supreme Court, which thus found their practices illegal. Up to that point, there is no argument whatsoever with the decision; rather, there is universal agreement that all such practices are and must be illegal. The difficulties arose because of the dicta in the Cement case decision.

The doctrine of that case was that the conspired use of any pricing practice is illegal. It is, of course, elementary that any practice, even though legal per se, may become illegal when adopted by conspiracy. Thus, the doctrine in the Cement Institute case, holding that the practice of freight absorption, adopted by conspiracy, was illegal, did not encompass a holding that freight absorption itself was illegal. But the language used by the Supreme Court, by way of dicta, resulted in great confusion as to the right of a seller to absorb freight, when not accompanied by conspiracy. I repeat that last statement, for emphasis. The language used by the Supreme Court, by way of dicta, resulted in great confusion as to the right of a seller to absorb

freight, when not accompanied by conspiracy. The Federal Trade Commission—or at least, certain members of that Commission—have contended that what others regarded as dicta in the Cement Institute case was actually doctrine, and did amount to a judicial holding that the absorption of freight is per se illegal, at least when it results in any price discrimination.

The confusion which thus arose was considerably accelerated, immediately following the Supreme Court's decision in the Cement Institute case, when the circuit court of appeals at Chicago, in the Rigid Steel Conduit case (168 F. 2d 175), used this language:

> In the light of that opinion (referring to the Cement Institute case) we cannot say that the Commission was wrong in concluding that the individual use of the basing point method as here used does not constitute an unfair method of competition.

It is noteworthy that the individual use of the pricing practice involved in the Rigid Steel Conduit case included its use by two sellers, as to whom the Federal Trade Commission had expressly dismissed charges of conspiracy, thus adjudicating that these sellers were not using the practice pursuant to a conspiracy with other sellers.

In the light of the language used by the Federal court the case was appealed, and a few weeks ago by a decision of 4 to 4 the Supreme Court affirmed the decision of the circuit court of appeals in the Rigid Steel Conduit case. Because of the tie vote no opinion was rendered, and no additional light was thrown on the subject. The urgency of congressional action on the subject was thereby increased.

It is obvious, of course, that if sellers may not absorb freight in the sale of commodities, the only alternative is to sell exclusively at f. o. b. mill or f. o. b. factory prices. A very thorough discussion of the effect on the national economy of required f. o. b. mill selling is contained in the interim report of the Committee on Interstate and Foreign Commerce, which is Senate Document No. 27 of the Eighty-first Congress; and I shall not take up the time of the Senate to go into that question here.

The same interim report discusses in great detail the activities of the Federal Trade Commission in connection with this whole question of pricing practices. I think it wise to avoid a discussion of that question also, at this time, since it is primarily involved here, and had best be discussed in connection with proposed permanent legislation in this field.

The bill now before the Senate is a simple moratorium proposal. We are not presently concerned with how confusion arose or who has been responsible, and in what degree. We are concerned with the fact that confusion exists, and our effort here is to take action which will stay the devastating effect of that confusion upon business and industry, upon both buyer and seller, for a sufficient period to permit the Congress to consider the whole question adequately and take such action as, in the sound discretion of the Congress, may be justified, by way of permanent legislation, if any legislation at all is to be enacted.

The committee considered very carefully the question of the constitutionality of the proposed legislation, and concluded that it was constitutional. A memorandum on this point, concurred in by three experts of the Federal Law Section, Legislative Reference Service, Library of Congress, and three members of the professional staff of the Committee on the Judiciary, is printed in the committee report on this bill. The bill is offered as a temporary amendment to existing law. As such an amendment, it should be recognized by the courts as a part of the body of the law to which the judicial branch must give effect.

This is a reasonable construction of the language of the proposed statute, just as reasonable, in every way, as a construction which would make the proposed statute unconstitutional; and it must be obvious that the statute, if enacted, must be given, and can be given, only the construction intended by the Congress, if that intendment is clear. Furthermore, it is a well-recognized axiom of statutory construction that as between two possible interpretations, both reasonable, one of which would render the statute unconstitutional and the other of which would render it constitutional, the constitutional interpretation must be given, because the Congress may be presumed to have intended a constitutional act.

One of the first questions the committee had to decide was whether, in this bill, it was desired to make any permanent change in the law. The committee answered this question in the negative. As I have pointed out before, the enactment of the proposed legislation will be, in effect, an amendment to existing law; but it will be a temporary amendment.

Testimony before the committee made it perfectly clear that the question of interpretation of the language contained in section 1 of the bill, as introduced, was highly controversial. Not only was there considerable divergence of opinion with respect to the effect of the language used but there was also argument, pro and con, over the propriety of an attempt by one Congress to express and clarify the intent of a previous Congress, and over the question of how such an attempt could take legislative effect.

The better view, we believe, is that the only way such an attempt could be effective would be through amending existing legislation. To put it in another way, Congress cannot constitutionally amend a law nunc pro tunc. We do not mean to say that Congress cannot enact a statute which will have some retroactive effect; but Congress cannot overrule the Supreme Court with regard to what a statute means. Congress can only change the statute, so that after Congress has acted, the law means something different from what the Supreme Court had said it meant before.

Both proponents and opponents of the bill, in testifying before the Committee on the Judiciary, stated that the objective in connection with the proposed moratorium was only to permit freedom of action, with respect to pricing practices not arrived at by conspiracy or collusion, during the period of the moratorium; and these witnesses agreed that the question of permanent changes in the law should be deferred until Congress enacted permanent legislation on the subject. In order to achieve this objective, the committee decided to eliminate all of section 1, and the committee amendment accomplishes this.

The expiration date of the moratorium provided in this bill is July 1, 1950. This allows more than a year within which the Congress may consider and act upon the question of permanent legislation in this field.

I should point out that the first use of this date was not in the Senate committee. The House Committee on the Judiciary, in acting on a companion bill, amended it so as to make the expiration date July 1, 1950; and the Senate committee felt this was a wise choice. There was some sentiment in the committee for making the period of the moratorium even shorter; but there was no substantial argument for making it any longer. If the Congress is going to enact permanent legislation on the subject of pricing practices, it can be done before the expiration date of the moratorium provided for in the bill.

I believe it may be well to point out that enactment of the bill does not commit the Congress to any particular future course of action. By passing the bill, Congress does not promise to enact permanent legislation. At the same time, we believe that dealing with the problem in this way certainly amounts to a moral commitment by the Congress to consider the whole problem very carefully, and to reach a definite determination as to whether permanent legislation is needed, and if so, what form it should take. It is the intention of the Committee on the Judiciary to go forward promptly with its consideration of this problem, and I want to assure the Senate that the question will not go by default.

Committee amendments to the bill include substitution of the phrase "quote and sell at delivered prices" for the phrase "use delivered-price systems" which appeared in the bill as introduced. The purpose of this change is to eliminate any possible contention that the Congress intends to legalize, even during the period of the moratorium, the systematic use of basing-point pricing, which proponents of the bill have testified is not an objective. Criticism has been directed at the use of the phrase "quote and sell at delivered prices" on the grounds that the term "delivered prices" is not defined in the legislation. It is equally true that the phrase "delivered-price systems" was not defined in the bill as originally introduced; but the use of the word "systems" did carry some connotation which, at least in the minds of some witnesses, indicated that the bill was intended to legalize pricing systems rather than to permit certain pricing practices. The committee amendments negative any possibility that the bill will be so construed, because all reference to pricing systems has been eliminated, even in the title to the bill, under the committee amendments.

The committee, in its amendments, has also substituted the phrase "for the purpose of engaging in competition in good faith," in place of the phrase "to meet competition." There can be no question that the language used by the committee provides a more flexible standard for independent action, during the moratorium period, than the phrase used in the bill as introduced. In this respect, the committee amendment does change existing law. But, as I have already pointed out, the change is a temporary one. In the opinion of the committee, it is a wise change.

As interpreted in many instances by the Federal Trade Commission, and by the courts, the standard embodied in the phrase "to meet competition" amounts virtually to a floor under prices. But, as it was pointed out to the committee during hearings on the bill, real competition may involve not merely meeting the price of a competitor, but actually selling at a lower price. The established American custom of passing on savings and economies to the consumer by means of price reductions has been a very substantial contributing factor in creating, in this country, the highest standard of living the world has even seen. Since one objective of the bill is to permit, during the period of the moratorium, a sufficient freedom of action so that operations under the moratorium will give the Congress an opportunity to judge the desirability of permanent changes in the law, the committee deemed it desirable to make this change.

There will be no quarrel, we feel, with the committee's decision to fix the beginning of the moratorium period as the date of approval of this act, instead of beginning the moratorium at some arbitrary date. This insures that there will be nothing retroactive in the provisions of the act, and insures also that there will be no period of hiatus between the date of approval of the act and the applicability of its provisions.

One very difficult problem which the committee faced in considering this legislation was to provide for freedom of action, during the period of the moratorium, even for those companies against whom orders have been issued, while at the same time avoiding any possible interpretation of the act as an attempt by the Congress to extend a blanket pardon for any violations of such orders which may have occurred before the date of approval of the act. This has been accomplished by the language of section 2 of the bill, as amended by the committee. Let me read that language, for the information of the Senate:

SEC. 2. Nothing herein contained shall affect any proceeding pending in any Federal court of the United States on the date of approval of this act. The provisions of this act shall be operative with respect to any activities engaged in between the date of approval of this act and July 1, 1950, but shall not otherwise affect the enforcement of any order which was entered on or before the date of approval of this act.

Under that language, any company will have the right to quote and sell at delivered prices, or to absorb freight, while engaging in competition in good faith, during the period of the moratorium. But the language offers no inducement to seek modification of orders already issued, not any basis for petitions to reopen cases which have been already adjudicated. The language which I have just read makes it perfectly clear that the moratorium applies to any activities engaged in after the date of approval of the act and before July 1, 1950, but that the provisions of the act are otherwise inapplicable with respect to enforcement of orders entered before the date of approval of the act.

That point is so important that I want to state it in another way, to be sure there is no possibility of misunderstanding. This language says to business and industry: "What you do during the period of this moratorium, with respect to pricing practices, is governed by the provisions of this act; but this act does not affect anything which you may have done before the date of its approval and it will not affect anything you may do after July 1, 1950."

During the time the bill was in committee, the Rigid Steel Conduit case, to which I have previously referred, was pending in the Supreme Court. As a matter of chronology—and this is a rather interesting coincidence—the Supreme Court decision in the Rigid Steel Conduit case was handed down just 1 hour after the Judiciary Committee voted to report the bill favorably to the Senate. Furthermore, in its decision—which was an affirmance of the circuit court by a split vote of 4 to 4, with Mr. Justice Jackson abstaining—the Supreme Court rendered no opinion to clarify the situation. On the contrary, after the recent action of the Supreme Court confusion still existed.

Thus, the action of the Supreme Court in the Rigid Steel Conduit case appears to lend force to the arguments for congressional consideration of this whole problem and for a congressional determination with respect to permanent legislation. This action of the Supreme Court also, of course, increases the urgency of the need for temporary legislation, such as here proposed, which is intended to safeguard the interests both of industry and consumer until the Congress determines on its future course of action.

In conclusion let me seek to dipsel any idea that may have arisen in the minds of some persons in regard to this proposed moratorium, namely, that it is a proposal solely in the interest of what is known as big business. With all the sincerity I can command I declare that this is not the case. Representatives of many, many smaller industrial and business organizations are just as heartily in favor of it as are the leaders of the large companies and others who have stated their views to the committee. The issue at stake is one that affects vitally our entire economy. The present confusion of thought has resulted in much uncertainty over the entire problem of transportation and transportation charges. I am very strongly of the conviction that S. 1008, in the form in which it is reported from the Committee on the Judiciary, should be promptly enacted by the Congress.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. AIKEN. From a reading of this very short bill, the so-called basing point bill, it seems to me that its purpose is to set aside certain antitrust legislation for another period of 2 years; but I am wondering just what the meaning of the bill is. I have received several communications to the effect that it would lend encouragement to the formation of monopolies and would react against the interests of small business, and so forth.

I find in the statement of the minority views, signed by the Senator from North Dakota [Mr. LANGER], certain proposed amendments to the bill. One in particular reads as follows:

Provided, however, That nothing herein shall legalize any act or practice now unlawful because of bad faith, discrimination, coercion, oppression, or a tendency to injure, suppress, or eliminate competition.

I ask the Senator from Maryland whether this proposed amendment was considered by the committee, and if so, why there was objection to including it in the bill? It seems to me to be a reasonable safeguard which would meet the criticism of the bill as now written.

Mr. O'CONOR. Mr. President, in answer to the question of the Senator from Vermont, I will say that the proposed amendment was not considered by the committee. It was not submitted for consideration. We had no knowledge of the proposal until we saw it in the minority views. I assume that it will be fully discussed by the senior Senator from North Daktoa [Mr. LANGER], the author, but it has not been considered by the subcommittee or by the full committee.

Mr. AIKEN. Would the Senator construe this amendment as being a fair amendment, and one which would quiet the fears of certain groups that the bill might be used to extend monopoly and to squeeze out small business?

Mr. O'CONOR. Let me say in answer to the Senator that we employed as clear language as we could find to prevent any conspiratorial act. We made it a condition that no act would be legalized or approved which might be committed in furtherance of a corrupt combination or collusive action. We made it particularly plain, by amending the bill as originally introduced, that this moratorium would exist with reference to certain practices only when certain conditions obtained: First, that the individual seller would have to act independently; second, that he would have to act in good faith; and, third, that he would have to act in the absence of any conspiracy, and would be required to act only for the purpose of engaging in competition.

Mr. AIKEN. Then, is it the understanding and interpretation of the Senator from Maryland that the language now employed in the bill is intended to accomplish the same purpose as the amendment I have read, and which is incorporated in the minority views of the Senator from North Dakota?

Mr. O'CONOR. I do not want to comment on the proposal, which I have not heard discussed. I shall listen to the

discussion with a great deal of interest. As I previously stated, the amendment was not submitted to the committee.

Mr. AIKEN. Let me read the amendment once more:

Provided, however, That nothing herein shall legalize any act or practice now unlawful because of bad faith, discrimination, coercion, oppression, or a tendency to injure, suppress, or eliminate competition.

Am I correct in understanding that the Senator from Maryland believes that the bill is designed to accomplish the same purpose?

Mr. O'CONOR. Certainly. As I previously stated, it is not the intention by this bill to legalize any conspiracy.

Mr. AIKEN. I thank the Senator from Maryland.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. MYERS. I point out to the Senator from Vermont that the Attorney General addressed a letter to the Judiciary Committee on this particular bill. The letter appears on pages 93 and 94 of the hearings. It was signed by Peter Campbell Brown, Acting Assistant to the Attorney General.

The Department of Justice have this to say in that letter:

In view of the nature of this bill we see no occasion for discussion here on the merits of these cases.

They were speaking of the several cases, the Cement case and the Steel Conduit case.

I read further from the letter:

Section 2 of the bill would provide as follows:

"Until the expiration of 2 years after the enactment of this act, the Federal Trade Commission Act, as amended, and the Clayton Act, as amended, shall not be construed as depriving individual companies, in the absence of conspiracy or combination or other agreement in restraint of trade, of the right to independently use delivered price systems or to absorb freight to meet competition in any and all markets."

It is the view of this Department that this section would be limited strictly to individual pricing practices, the use of a delivered price (i. e. individual setting of a given price without extra charge for cost of transportation), and to the adoption of price variations in conformance to the Robinson-Patman Act for purposes of meeting competition. It would not appear to affect existing law with respect to (1) combinations or conspiracies, express or implied, (2) price or pricing practices involving freight absorption, charges for "phantom freight" or any other pricing practices which have the effect of discriminating between buyers in violation of the Robinson-Patman Act, or (3) the use of a "basing point"—which involves neither the practice of charging a basic price plus transportation, nor a basic price with transportation charges prepaid, but the hybrid practice of imposing an arbitrary charge, in addition to the basic price, not related to actual cost of transportation. Nor would it give a blessing to any pricing practice, whether consisting of a delivered price, f. o. b. price, or any other kind of price which is designed to, or has the effect of, restraining trade or creating a monopoly contrary to the antitrust laws.

This interpretation is borne out by the express exclusion of conspiracies from the protection of the measure, the failure to give approval to discriminatory pricing practices and the failure to mention "basing point" practices as such, despite the fact that this term is a common one which has a well-understood meaning quite different from the more general term "delivered price" used in the bill.

So construed, and without expressing any views as to its necessity or desirability, the Department of Justice would have no serious objection to a reasonable moratorium long enough to give the Supreme Court opportunity to clarify the situation in the Rigid Steel case, and the Congress opportunity to examine the decision in that case. Accordingly, if Congress feels some legislation must be passed, the Department would not oppose a moratorium until July 1, 1950.

Mr. President, I think the Department of Justice have accurately described the purposes of the bill and have accurately described the practices which do not come within the provisions of the bill—either monopolistic practices or pricing practices which this bill does not embrace, and which certainly would not be made legal as a result of the passage of the bill.

Mr. AIKEN. I understand that the Senator from Pennsylvania believes, from a reading of the letter of the Attorney General, that the amendment proposed by the Senator from North Dakota relates to language already in the bill. Does the Senator interpret the language of the bill as being adequate and sufficient to prevent the further extension of monopoly and the placing of small business in a disadvantageous position?

Mr. MYERS. I assure the Senator from Vermont that I do, because I am as firm an advocate of the strengthening of the antitrust laws and the laws to prevent monopoly as is any other Member of this body.

I believe the enactment of the pending measure is vitally necessary for the protection of many of our industries, and to overcome the confusion which has resulted, particularly from the steel-conduit case. I believe the bill, if enacted, will in nowise weaken the antitrust laws or give to the corporations of America any power to expand or bring about greater monopolistic practices.

As the Senator from Maryland [Mr. O'CONOR] has so well said, I believe the bill has the one purpose which has been stated, and that we have written into the bill safeguards so that neither the antitrust laws nor the Clayton Act nor the Federal Trade Commission Act will be weakened in any respect. The only purpose of the bill is to overcome the confusion which everyone realizes has resulted, first, from the cement case, but more particularly from the steel-conduit case.

Mr. AIKEN. I thank the Senator from Pennsylvania for giving his interpretation of the language of the bill.

Mr. LANGER. Mr. President, this bill, introduced by the distinguished Senator from Pennsylvania [Mr. MYERS], is entirely misnamed. It should be entitled "A law to set aside the antitrust statutes of the United States of America" or "A law to add more confusion to the interpretation of the antitrust statutes than presently exists."

Every Senator knows that whenever the big business interests have lost a case in the Supreme Court, attempts are promptly made to have the Congress rush to their defense.

Only 2 or 3 years ago the Supreme Court held that in the southeastern part of the United States there was a monopoly by insurance companies. Then, overnight, before the Senate committee could take action, the big business insurance companies of the United States went to work pleading for a new law to protect them in the profits they were taking out of the pockets of the people of the United States. All of us know what the result was; it was that those companies got what they were after.

One of the first speeches I heard made on this floor was delivered by the distinguished Senator from Iowa [Mr. GILLETTE], when finally the big pipe companies were brought into court, along with 18 other pipe companies or oil companies that were sued a few days later. Two days before Christmas they sneaked into a court here in the city of Washington; and, although only three companies had been sued, a summons and complaints were handed to the other 18 companies at 10 o'clock in the morning; and at 2 o'clock in the afternoon they pled nolo contendere; and the people of America were robbed of over $1,000,000,000 by those oil companies. The distinguished Senator from Iowa tried repeatedly to get remedial legislation enacted by the Congress, but was unable to do so.

Again, Mr. President, I remember one day when the railroads came into this Chamber, so to speak. When the western railroads were built, it was agreed that every odd section of land within 10 miles of the railroad track, on either side of it, should be owned by the railroads, and in exchange they would haul the freight of the United States Government for nothing. The railroads got the land, some of it being worth millions upon millions and even billions of dollars. Some of it the railroads have not put on the market to this day. Some of it is some of the richest mineral land in the West. However, when the Second World War came along, the railroads reneged on their agreement, and finally the Congress provided that the railroads would be paid for hauling Government freight 50 percent of what they charged private persons for hauling freight. They came before the Senate, and although a few of us did all we could to defeat them, they had the law wiped out. They said, "It will result in the railroads having cheaper freight rates." Instead of that, the freight rates have continually gone up, until today they are the highest they have ever been in the history of the country.

Again, Mr. President, the Senate last year witnessed a spectacular succession of events in connection with tidelands oil in the State of California. A group of millionaires went out into the ocean and dug for oil. Finally the Attorney General brought a lawsuit, which became known as the California case. He won the case. The Supreme Court of the United States said, "The oil belongs to all the common people of the United States." Overnight, another measure was presented before the Judiciary Committee. Had it not been for the veto of

the measure by the President, the common people would have been robbed, not of millions of dollars but of billions of dollars. But President Truman vetoed it.

So we see that whenever the people win in the Supreme Court, a bill is introduced almost overnight to do away with the benefits gained by the people as the result of the lawsuit, and the tribute the little fellow pays to the big fellow is not interrupted. The big fellow can go on robbing the common people in every possible way imaginable.

Regardless of whether Democrats or Republicans were in power, the antitrust statutes have not been enforced. The Sherman antitrust law was enacted in 1891, 58 years ago. I challenge any Member of the Senate to name one person ever to have been put in jail within the entire period of 58 years for violating the Sherman antitrust law. Of course, if a veteran comes home to his family, and if the family is hungry and he steals a few loaves of bread, he is promptly put in jail. If he steals enough to constitute grand larceny, he goes to the penitentiary. But conversely, if three or four big corporations conspire to raise the price of milk, or of bread, or of other necessities of life, they are not put in jail. They are even honored. They are placed at the head of departments of the Government. Only 3 days ago I noted a headline in the Fargo Forum, "British leader dies in mill city." The news item was dated Minneapolis, Minn., and read as follows:

MINNEAPOLIS.—Viscount Leverhulme, 61, world industrialist, died in a hospital here last night.

With him were his wife, Lady Leverhulme, their daughter, Jill Lee-Morris, 18, and Charles Luckman, president of Lever Bros. Co.

The viscount was stricken shortly after boarding a train at Banff, Alberta, Monday night. His condition was such that he was taken to St. Mary's Hospital when the train arrived in Minneapolis.

The viscount's Unilever Co. controls 516 firms dealing in soap, oils, and margarines in 40 countries. The empire includes Lever Bros. in the United States.

It will be remembered that in the Eightieth Congress, under the leadership of the distinguished Senator from Arkansas [Mr. FULBRIGHT], an effort was made to repeal the tax on oleomargarine, and to regulate its sale. For a few days it seemed that the bill might pass. What happened? Lever Bros. Co.—the same company as the one named in the news item I just read—together with an investment company and another concern, obtained a corner on oleomargarine. The people of the country had expected to be able to get oleo at a cheap rate in competition with butter. But, within a few days after the cornering of the market, the price of oleo rose 28 cents a pound. The price was 23 cents a pound when the bill was introduced. A few days later it had risen to 51 cents a pound—an increase of 28 cents a pound. But the Charles Luckman named in the news item is the same man whom President Truman appointed as head of the Fats and Oils Division, only a few short months ago. So I repeat, instead of putting the big fellows in jail, they are appointed as the heads of Government departments. The leaders of our country know that. I have before me another article that came from Frankfort, Germany, a few days ago. It says, "Monopolistic sales banned in Germany." In Germany, when the military is concerned, the very practices are wiped out that are permitted here. The article says:

FRANKFORT, GERMANY.—Monopolistic sales contracts were banned in the British and American zones of Germany today.

The order was issued by the joint export-import agency (JEIA), which controls international trade in the bizonal area. John Logan, JEIA director general, said the policy is based on the principles of the Habana charter for an international trade organization, drawn up by the United Nations March 24, and on the bizonal antimonopoly laws.

Logan said there would be no approval for contracts which "tend to restrain fair competition, limit access to markets, foster monopolistic controls, which may have harmful effects on the expansion of trade, or otherwise interfere with the free and normal development of German exports."

Mr. President, we come to what was said in a report to the Senate in relation to independent business. It is entitled "Independent Business—Its Struggle for Survival," and is a report on problems facing American small business, written by the chairman of the special committee to study problems of American small business. Commencing on page 5, the report is in complete disagreement with the pending bill, S. 1008.

Mr. President, I want to show what the effect of this bill would be. First of all, until Tom Clark became the Attorney General, no honest-to-God attempt to enforce either the Clayton Act or the Sherman Antitrust Act had been made. Under the Republicans we heard of the trust buster from St. Paul, Minn.—Frank Kellogg. But he broke up no trust. It was a joke. Then there were some so-called trust busters under Democratic administrations. They were just as bad, if not worse. It was stated that they did not have sufficient money under the appropriation of between two and three million dollars. The Senate appropriated millions of dollars so that the Department of Justice would have sufficient money to hire enough lawyers and investigators to proceed really to enforce the antitrust statutes.

I repeat, it was not until Attorney General Tom Clark took office that we saw for the first time an honest attempt made to put men in jail for violating the antitrust laws. Of course, they could be put in jail for only 1 year. The Sherman Antitrust Act provides that no one can be placed in the penitentiary for such violation, but he can be fined not more than $5,000. But, in any event, we had the refreshing experience in the United States of seeing a man who was honestly trying to put some of those law violators in jail where they belonged.

Referring now to the four cases which I have mentioned, the insurance legislation, oil legislation, tidelands legislation, and railroad legislation, and adding to them the cement case and the conduit case, we have had interpretations by the Supreme Court of the United States which has taken many years to get. I would add one more, namely, the divorcement of the motion-picture producers and the motion-picture theater owners—those who actually produce the pictures and those who own the theaters.

I started that fight, myself, in North Dakota, in 1933. Fifteen years later I got a decision finally divorcing the owners of the theaters from the producers. But, mark you, Mr. President, no one went to jail in that connection. The children and their fathers and mothers who attended the moving-picture theaters continued to be robbed for 15 long years. The case was finally decided after Tom Clark personally argued it before the Supreme Court of the United States. Even then no one went to jail in connection with it. Violators of the law can rob the people of millions of dollars before they can be fined $5,000. That is the limit they have to pay for a violation of the Sherman Antitrust Act.

Whenever such cases have come before the Supreme Court of the United States, immediately bills have been introduced, just as in the instant case, in order to cause greater confusion. In that connection, consider the bill which is now before us. The minority views show that Senate bill 1008 introduces new terms and phrases into the antitrust laws, without providing any definitions or standards for their interpretation, and thus confuses the law instead of clarifying it.

It is the old, old game, Mr. President—speaking in new terms and new phrases so that lawyers all over the country can have another Roman holiday.

The antitrust statutes represent an established body of law which the Congress framed with infinite pains in choosing exact words to convey congressional intent. Through many years of judicial interpretation, these words have come to have definite meanings which are understood by both business and the legal profession. It is like throwing sand into a gear box to force new words and phrases into this carefully developed body of law without giving a clue to their intended meaning. Specifically, the pending bill contains four new undefined phrases; and these four new phrases, Mr. President, mean many millions of dollars for lawyers all over America, who will be hired to appear before the various courts of the Nation, including courts of appeal and, finally, the Supreme Court of the United States, so that 8 or 9 years will go by before we find out the meaning of some of the words and phrases. For example, there is in the bill the term "engaging in competition." That term has never been defined by the United States Supreme Court. What does it mean? Does it mean competition between trucks and trains? Does it means competition between airplanes and trains? Does it mean competition between mixed trains and solid freight trains?

There is another new expression used in the bill, namely, "absorb freight." Another case is "in any and all markets." Another one is "delivered prices."

As I said before, these four terms are worth hundreds of millions of dollars to

the lawyers of the United States of America until they are defined.

None of these phrases has ever been tested in the courts. It is uncertain whether "engaging in competition" will be held to include (a) only the behavior characteristic of businessmen in a competitive industry, (b) also the tactics of enterprises that seek more business by discriminations that destroy their small competitors, or (c) also the limited rivalry for orders that exists under price formulas which produce identical delivered prices. That the latter constitutes "engaging in competition" has been the fundamental and persistent defense of many of the respondents in the Federal Trade Commission's price-fixing cases.

There it is, Mr. President, just in that one term "engaging in competition" there are three different definitions, any one of which is going to delay finding out the meaning of the statute for years and years to come.

I wish to call attention to another fact. When the war came along Congress passed a statute which provided that so long as the war lasted antitrust suits would not be brought. So the movie case which I mentioned, which we started in 1933, was held up all during the war. During the war an antitrust suit could not be brought against an oil company because it was said we needed oil for defense, and the companies were so busy producing oil that it would be unheard of to bring an antitrust suit to harass or annoy them in any way. So we should let them go ahead and gouge the people all they could. It was more important to win the war than it was to recover a few hundred million or a billion dollars. So that they went merrily on their way, Mr. President, happy in gouging the people all during the years of the war.

I repeat, we are going to hear a lot of this one term. It is going to be in the district Federal courts and in the appellate courts and in the Supreme Court.

"Engaging in competition" will be held to include (a) only the behavior characteristic of businessmen in a competitive industry, (b) also the tactics of enterprises that seek more business by discriminations that destroy their small competitors, or (c) also the limited rivalry for orders that exists under price formulas which produce identical delivered prices.

Mr. President, what does "absorb freight" mean? I marveled at the nimbleness of the distinguished Senator from Maryland as he explained Senate bill 1008. Elihu Root could not have done a better job than did the Senator from Maryland in taking this bill up and explaining it. Portions of it he glossed over, simply saying he was not going to refer to the Federal Trade Commission. In another place he said that he stood for freedom of action by the Federal Trade Commission, when, as a matter of fact, the Federal Trade Commission all during the war had been handicapped by the fact that they could not bring any action of any major import. They even held up some of the cases in which we have gotten decisions since, like the cement case, and some of the other cases, because of the fact that during the war they could not prosecute, and now that the war is over they will not get many more lawyers to assist them. We have an economy wave, and it is said they have too much help already. So that for 6 or 7 years cases which should have been tried during all this period have piled up, and we find they have not enough lawyers to go ahead and try them now, with the result, of course, that big business keeps on rooking the little fellow.

In Senate bill 1008 the distinguished Senator from Maryland, my very warm friend, uses the term "absorb freight." It is uncertain. He does not know, and no living man on earth can tell, whether "absorbing freight" will be interpreted as reducing a delivered price by an amount not greater than the freight cost actually incurred upon the particular shipment, or by an amount not greater than the applicable rail freight charge even when goods are shipped more cheaply by water or truck, or by an amount not greater than the freight cost from the seller's plant nearest the point of delivery even if shipment is made from a more remote point, or by an amount not greater than the freight cost from the seller's most remote plant even if shipment is made from a nearer plant.

Mr. President, I make the prophecy that when one of these monopolists goes to a lawyer and says to that lawyer "I am going to hire you. We want you to give us a definition of what the two words 'absorb freight' mean," the lawyer will say, "Well, it means one of four things."

Mr. President, I ask unanimous consent that I may have the floor when the Senate meets tomorrow. I wish at this time to yield to the distinguished junior Senator from Oregon who desires to speak on the identical subject I have been discussing.

Mr. MORSE. Mr. President, I am in a situation where I need to catch a plane, and I should like to make my remarks in support of the position taken by the Senator from North Dakota in opposition to the bill at this time, if it meets with the approval of the distinguished acting majority leader.

Mr. MYERS. I have no objection.

The PRESIDING OFFICER (Mr. WITHERS in the chair). Is there objection? The Chair hears none, and the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, I wish to discuss Senate bill 1008, which proposes a 2-year moratorium on the Supreme Court's decision on the basing-point issue, and in the interest of continuity I shall not yield until I complete my formal remarks. Then I shall be very glad to yield for questions.

I am perfectly aware of the fact that I am speaking for the RECORD this afternoon, but I think it of utmost importance that a record be made in opposition to the majority report on the pending bill.

Mr. President, if I were to give my address this afternoon a title I would headline it "The Attempts to Legalize the Basing-Point System: A Case Study in Propaganda."

Mr. President, this Congress was sent here to represent all the people of the United States. It is exposed to constant pressure from special interests, large and small; but amid these pressures its function is to find the broad public interest, not to lend its power to private groups for the accomplishment of private purposes. For this reason, the more adroit pressure groups frequently try to hide their concern over a public issue and to dissemble the extent to which they stand to gain or lose through our decision. They devise specious arguments, and use Charlie McCarthys to make the arguments. Every Member of the Congress is familiar with these tactics, and I think every Member of the Congress resents them. We need to know the way in which a bill affects the particular interests of particular groups, because that knowledge is necessary before we can make an intelligent determination of where the public interest lies. We welcome the spokesman for a private group if he represents it openly and candidly. In our effort to protect ourselves against those who wear a false face while they offer us advice, we have required that lobbyists be registered. We do not want to decide political questions in the dark.

For nearly a year an effort has been under way to persuade the Congress to change the antimonopoly laws in such a way as to legalize the pricing practice of the steel industry, the cement industry, and various other monopolistic industries. The first goal of those who wanted the change was immediate amendment of the basic statutes. When they found they probably could not succeed in this aim, they decided to ask instead for a broad temporary moratorium on the enforcement of the statutes, apparently in the hope that if the Congress should enact such a moratorium its decision could be regarded as a promissory note to be paid off later by permanent legislation. When a sweeping moratorium ran into difficulties, the aim became still more modest—enactment of a limited moratorium now, but still with an implied promise of more legislation later.

From the beginning, a few powerful interests have been behind the drive for these different types of legislation. The same interests are behind it now. If they had come out openly to say what they wanted and why they wanted it, I might disagree with them, but I would not criticize them. From the beginning, however, they have adopted devious tactics, calculated to entrap the unwary. They have used pressure tactics to intimidate opponents of their program. They have tried to misrepresent the issues; and they have tried, in part successfully, to deceive Members of Congress. They have provided a classic illustration of an objectionable lobby at its worst. It is high time this lobby should be exposed. I propose to expose it.

Even if there were no direct evidence showing who is behind the drive to amend the law, it would be reasonable to suppose that the groups that want the Federal Trade Commission stopped from continuing its proceedings against basing-point systems are the group that use basing-point systems and are subject to those proceedings. The cases that have

created the furor have been the Cement case, the Conduit case, the Glucose cases, and the belated revival of the Pittsburgh-plus case. We all know that there is a serious monopoly problem in the United States, and that the industries which have furnished the respondents in these cases lie near the heart of it. The cement companies have notoriously submitted identical bids to the Federal Government, refusing, on great cement contracts like those for Bonneville Dam, to make the slightest price concession below what they charge in the sale of a few bags to a contractor who is building a driveway or a sidewalk. In spite of the wide distribution of raw materials and producing capacity and of the relatively small size of cement plants, in 1945 the 10 largest cement companies controlled over 60 percent of the industry's capacity; and through mergers they have increased their control since that date. The largest single cement company is a subsidiary of United States Steel Corp.

The principal respondent in the Commission's conduit case was the General Electric Co., and among the other respondents were Republic Steel Corp. and Youngstown Sheet & Tube Co. The respondent in the Pittsburgh-plus case was the United States Steel Corp. This company, together with the other major producers of steel, is also a respondent in the case now pending before the Federal Trade Commission, in which the Commission charges that a basing-point system has been used to fix steel prices. In the glucose cases the principal respondent was Corn Products Refining Co.

In this series of cases the Commission has attacked the citadel of monopolistic power in the United States. Except in the glucose cases, the interests of major steel companies have been involved. It is not surprising—indeed, it accords with all political experience—that these companies should have decided to strike back. It is they who launched, and it is they who have master-minded the campaign to change the American laws against monopoly.

The strategy of the campaign was worked out quickly but not instantaneously; and it has left a clear trail in the trade press. On April 28, 1948, less than 48 hours after the Supreme Court decided the cement case, the New York Journal of Commerce carried an interview with Irving S. Olds, of United States Steel Corp. Mr. Olds said that the United States Steel subsidiary, Universal Atlas Cement Co., would comply with the Court's order. Ignoring the pendency of the case in the Federal Trade Commission, in which it is charged that the steel companies are using the basing-point system to fix prices, he said that the basing-point system as used in steel did not result in any agreement among producers to use it, that any producer was free to use it or drop it, and that it was generally used as the most convenient way to sell steel. He took comfort in the fact that the Congress had not acted favorably upon past proposals to outlaw the multiple basing-point system, an inaction which he interpreted as a refusal; and he said that industry was faced with two alternatives, either to seek remedial legislation or to educate the Supreme Court.

It did not take the steel industry long to decide how to go about trying to recover the lost ground. Some differences of opinion were visible in the trade press in May. Apparently one view favored standing pat until the Supreme Court decided that the steel makers must change their practices. As late as May 27, Iron Age reported that the steel industry would not abandon its existing pricing practices unless forced to do so by a Supreme Court decision, but Steel Trade Press reported on June 6 that many steel officials believed the only solution was legislation supporting the present method of pricing steel. On the same day, the New York Times reported that it was a foregone conclusion in the trade that an attempt would be made to plug for legislation which would make the basing-point-sales method legal. It is evident that about the beginning of June the steel industry decided to seek an amendment to the law, and that its purpose in doing so was to retain the full right to sell on a basing-point system as it had always done and not merely to clarify the law or to be sure of the right to absorb freight.

Although the idea of new legislation was born in the steel industry, the big companies of the industry were careful to avoid acknowledging their brain child. When hearings were held by the Capehart committee, no witnesses appeared from United States Steel Corp.; indeed, the company's only participation in the hearings was a reply by letter to a question addressed to it by the Senator from Indiana. Bethlehem Steel Co. abstained from appearing at the hearing, although it did send a similar letter in reply to a similar question. Republic Steel Corp., which was involved in both the Conduit case and the pending Steel case, did not participate in the hearings, but its chief engineer presented testimony contending that the continuous casting process developed partly by that company would not bring any great reduction in the costs of steel making. National Steel Co. and Jones & Laughlin, which were doing all they could behind the scenes to get the law amended, took no part in the hearings, except that National replied by letter to a question from the Capehart committee. The steel manufacturers were represented only by representatives of Inland Steel, Pittsburgh Steel, Continental Steel, and Sheffield Steel, and by an official of the Concrete Reinforcing Steel Institute, who apparently offered themselves as spokesmen for small business.

This same shyness has also characterized the other large companies against which the Federal Trade Commission has brought basing-point cases. In the cement industry the five companies offered no testimony, and witnesses came only from Marquette, the sixth largest, and from Hercules and Nazareth, two smaller concerns. In the glucose industry, Corn Products Refining Co. kept aloof from the hearings, while Staley Manufacturing Co. and Penick & Ford, smaller concerns, supplied testimony. General Electric Co. and Youngstown Sheet & Tube Co., which were involved in the Conduit case, did not testify.

While the large concerns were avoiding public appearance, the hearings abounded in testimony from small steel fabricators and small users and distributors of cement.

This way of handling the matter reflected a carefully considered policy on the part of the large companies, far removed from indifference or resignation. Behind the scenes, they were vigorously pressing their customers to testify in favor of the legislation they wanted. Reports of such requests have come from enough different quarters to make it clear that a systematic campaign was conducted by the steel companies to drum up witnesses among the users of steel. Most of this effort appears to have been carried on by word of mouth, but nevertheless it has left clear traces. On September 13 the magazine Steel said that salesmen of National Steel Co. were suggesting to customers that they ask the Congress to take definite action to legalize basing-point selling. On September 21 the New York Times said that the president of Youngstown Sheet & Tube Co. had predicted a big drive on Congress to legalize the multiple basing-point system of selling steel, in which he expected thousands of steel consumers affected by the change to bring pressure upon Congress for legislation. In July, Ben Moreell, president of Jones & Laughlin, mailed a letter to every customer. The letter carried the title "The Right to Compete" and, after representing the company's pricing methods as being merely an effort to compete by absorbing freight and representing the Federal Trade Commission's basing-point cases as having made it unlawful to absorb transportation charges in order to meet competition, ended with this passage:

> We urge our customers and all others interested in the welfare of the country to give serious consideration to this matter. We believe that all will conclude, as we have, that prompt action by the Congress is essential if we are to continue to have the vigorous competition in this country which has been so fundamental to our national development.

Mr. Moreell's letter made no reference to the fact that the steel industry's pricing system which he described as competitive is now under attack in a Federal Trade Commission proceeding as a part of a price-fixing conspiracy.

In August, E. T. Weir, of National Steel Co., likewise addressed a letter to all customers. According to the New York Journal of Commerce, he described the effect of the cement decision as one which would localize steel production and fabrication in a few districts. He went on to say:

> There is no time to be lost. The quicker action is taken, the quicker relief can be secured. A great deal of work must be done. Since the type of Congress we had during the 1930's refused to do what the Supreme Court has done, there is every reason to expect that the type of Congress to be elected in November will act to reverse the court.

Under the conditions prevailing in the latter half of 1948, suggestions such as those contained in these letters had the

practical effect of commands. Steel fabricators in most lines were trying desperately to operate their businesses in the face of a severe shortage of their basic raw material, steel. Producers of steel were rationing their customers and refusing to accept new customers. Black market prices were far above open market prices. Under these circumstances, to reduce or delay the supply of steel to any customer had the same effect as fining him the profits upon some portion of his business, and to discontinue his supply of steel might amount to a sentence of business death. It was inevitable that as soon as the steel manufacturers took a strong position with their critically situated customers in favor of basing-point legislation, many of their customers would echo the same sentiments, and customers who disagreed would at least avoid public mention of the fact. To a lesser degree the same situation prevailed in the cement industry.

The intimidating effect of the steel industry's attitudes and activities broke into the public press upon at least one occasion. On October 14 the New York Times reported statements at the National Hardware Show in which hardware manufacturers said that the steel industry's abandonment of the basing-point system had reduced the costs of raw materials and enabled them to pass price reductions on to their customers. According to the news report, hardware makers requested that their names be kept confidential for fear that, if identified, they might be disciplined by their suppliers for daring to speak their minds.

The passage from the news report reads as follows:

> Citing a typical price reduction resulting from f. o. b. mill pricing, a garden-tool maker reported that these savings had enabled him to reduce his prices 1 percent. However, he feared reporting the reduction because of possible loss of steel allocations. In other products, even larger price reductions were named by exhibitors who did not want their companies mentioned because of fear of trade reprisals.

With this background, it is no wonder that the businessmen who appeared before the Capehart committee were almost unanimously in favor of legislation that would draw the teeth of the Federal Trade Commission.

The propagandists for the basing-point system did not neglect labor groups. Their efforts to cajole and frighten their employees were described before a Senate committee on February 18 by Otis Brubaker, director of research, United Steelworkers, CIO, in the following language:

> This propaganda offensive has also extended into the mills and factories, as well as in the public press and radio. Some managements have carried this campaign directly to their employees through their collective-bargaining agencies. A number of our own local unions have received appeals from their employers for support in this controversy. Some few smaller and less experienced locals have acquiesced to these requests either out of respect for their employers or because they have been sold a bill of goods and have joined their companies in fearing the effects of price competition on their particular companies. Most of our locals, however, apprised the union's international officers of these requests and asked for advice in answering them, or asked if the international had investigated the matter and had taken a position. Some of these management statements to the local unions in their plants have threatened plant shut-downs, lay-offs, and curtailment of operations. Is it any wonder that many local union members have been concerned?

Propaganda was not the only means used to persuade the business community. The abandonment of basing-point selling by the steel industry last July was manipulated in such a way as to make the change objectionable to consumers and thereby strengthen the demand for legislation. This point was widely noted in the business press. On July 8, the Wall Street Journal quoted an unnamed executive of a large manufacturing concern as having said:

> The pressure on Congress to pass legislation to make freight absorption a legal business practice probably will be terrific as the result of U. S. Steel's action. For a lot of steel users, it means higher prices. Many toes will be pinched. Apparently steel officials felt that they couldn't win their price case before the courts so they are using this means to take it to the people.

On the same day a signed article in the New York Journal of Commerce pointed out that—

> Ending the basing-point system during a sellers' market, as at present, will have sharply different results from what would be expected if the move were forced during a buyers' market. * * * Congress, it is believed, will consider legalizing the basing-point system when it sees inflationary effects upon prices of the change to an f. o. b. basis.

Three days later the same reporter said that the steel and cement leaders were taking the position that—

> Congress did not pay attention to us, but they will listen to thirty or forty thousand steel or cement consumers when they realize that their votes are at stake.

Talk about intimidation by lobbies! One has only to read the history of this story of propaganda to see at its worst lobbying as practiced on Members of Congress.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. MORSE. For what purpose?

Mr. MYERS. For a question.

Mr. MORSE. I am very sorry, but to catch my plane I must complete my formal remarks expeditiously. If I have any time left, I shall be glad to yield to the Senator from Pennsylvania.

Mr. MYERS. I hope the Senator will have a little time left.

Mr. MORSE. I hope so. If not, I shall be glad to debate with the Senator from Pennsylvania tomorrow.

On August 17 Iron Age remarked:

> The last word on the subject has not yet been heard. A number of steel consumers have already yelped loudly upon feeling the impact of f. o. b. selling. But the loudest squawk of all will come from steel consumers who, after studying the matter, decide that their method of selling their own finished product is illegal. Maybe the steel industry is counting on their protest to bring congressional action to legalize the basing-point method of selling.

The change to f. o. b. sales was made objectionable in several ways. First, although the base prices for steel had been set high enough to allow for the costs of freight absorption, these prices were not adjusted downward when freight absorption was abandoned. Instead, the full amount of the freight formerly absorbed was added to the price. Thus, prices were raised. Shortly after the change, base prices were substantially increased and though the industry did not represent this increase as due to f. o. b. mill selling, many consumers of steel could be counted on to connect the two changes.

Second, the steel companies used the shift to f. o. b. mill selling as an excuse to complete their withdrawal from the territory in which they had formerly absorbed freight. In a sellers' market, with more demand than they could satisfy, they had found it unprofitable to absorb freight to make distant sales when they could sell nearby without absorbing freight, and the cost of the practice had been increased by higher freight rates. For this reason, steel companies had been steadily withdrawing from those markets in which freight was absorbed. A report by the Senate Committee on Small Business last February showed that by 1947, before the industry contemplated selling f. o. b. mill, this withdrawal had gone so far as to reduce the supply of steel to many parts of the country well below what it had been in 1940. The committee's report makes it clear that an effort to avoid absorbing freight was the principal influence in this change. But every such withdrawal brought protests from consumers who, when cut off by their former suppliers, could not persuade other producers to supply them; and in consequence a certain amount of freight absorption still existed in the early part of 1948. The change to f. o. b. mill selling gave the steel industry a chance to kill two birds with one stone. First, it got rid of the rest of its costly freight absorption and shifted the blame to the Federal Trade Commission; and, second, it converted the buyers who suffered from the change into an army of zealous supporters of the modification of the law which the steel industry desired.

Otis Brubaker, of the United Steelworkers, CIO, has forcefully described the character of the steel industry's shift to f. o. b. mill pricing. Testifying before a Senate committee on February 18, he said:

> It must be remembered that the steel industry was not forced to change over to an f. o. b. system last August. There was no order outstanding against it or even pending. The industry was at that time only well started on what may well be long-drawn-out Commission and Court proceedings. At worst, the industry might have eventually been ordered years later by the Commission and the Court to cease and desist from using the basing-point system any longer. Had the industry really believed that the law as it stood and as it was interpreted by the Commission and Court required f. o. b. pricing, it would certainly have agreed to cease its costly case before the Federal Trade Commission. Instead it has kept that case going while it attempted to cut the ground out

from under that "Court" by getting the law changed. * * *

Had the industry been willing to make a fair switch to f. o. b., it would have reduced its former base prices to exclude the average net freight absorption factor (about $1 per ton). This would have meant lower base prices to all consumers, which would have resulted in lower delivered prices to consumers closer to mills and higher delivered prices to those farther away. Some consumers would have gained; others would have lost. Instead, in this instance, the industry simply announced that its old base prices, which included average freight absorption, were now the new f. o. b. prices. This meant that no one would gain and many would lose through higher steel costs. Then as though it wished to make this lesson deeply clear, the industry, within a period of from 1 to 2 weeks, raised steel prices by more than $10 per ton, the largest general increase made effective in many years. All of the consumers paid more, and most blamed it on the Federal Trade Commission. No buyers gained as they should have and so none appeared to champion the FTC. We do not contend that the industry deliberately planned such a result, though this has been asserted. We do say, however, that the industry must have been aware that this would be the result, and, even had it intended this result, it could not have planned a course better designed to alienate support for the Federal Trade Commission's attempts to curb the abuses of basing-point pricing systems generally.

In September of last year, the public-relations firm of Ketchum, Inc., a subsidiary of Ketchum, MacLeod & Grove, of Pittsburgh, was employed by anonymous persons at a compensation of at least $11,000 a month plus expenses to get the law amended. It undertook to organize a so-called National Competitive Committee with chapters in Pittsburgh, Houston, Cincinnati, Dayton, Cleveland, Philadelphia, and Tulsa, and with other chapters contemplated in 17 other cities. At first this organization refrained from registering under the Lobbying Act, but finally did so on November 26. Executives of the public-relations firm replied to newspaper inquiries as to who supplied the money for the campaign by saying that they were not at liberty to give the names. Iron Age subsequently announced that the program was being financed by membership dues which ranged from $100 to $1,000 per member.

In December, eight employees were traveling around the country organizing local chapters. On December 22 the manager of the campaign informed a reporter that his public-relations company was organized to perform such jobs as delivering to a client a ready-made Nation-wide grass-roots organization. The reporter's account of the interview contained this passage:

I asked him if it wasn't true that the new fashion in lobbying was to avoid anything so conspicuous as a Washington office and contact Members of Congress through local figures in their communities. He said it was.

This lobbying effort was one of the best organized, one of the most heavily financed, and one of the most adroitly deceptive that has ever been addressed to the Congress of the United States. It puffed up the desire of a few monopolists so that they seemed to be the voice of American business. It deceived a large part of business and a goodly number of the Members of the Congress as to the nature of the law, the decisions of the courts, and the policy of the Federal Trade Commission. It almost succeeded in modifying the basic monopoly statutes of the United States so that they could no longer assure competition. This is an impressive achievement. The anonymous donors who supplied $11,000 a month plus expenses got their money's worth until the existence of the lobby was disclosed by newspapermen last December. From that time to this moment, excitement about changing the law has been dying away, misrepresentations have been less successful, and many of the advocates of legislation have been in retreat from direct to more roundabout ways of accomplishing their purposes.

The propaganda about the basing-point issue has not been confined to sending stooges before a Senate committee and intimidating the opposition to the steel industry's program. It has included misstatement of the facts and the issues through every channel by which the opinion of the public could be influenced. The Federal Trade Commission's proceedings have been misrepresented. The Federal Trade Commission's policy has been misrepresented. The effect of the proposed legislation upon the pricing practices of the basing-point industries has been misrepresented.

I realize, Mr. President, that these are strong statements. I shall attempt to show that they are true ones.

The Federal Trade Commission's prosecutions and policies have been consistently represented as efforts to prevent businessmen from absorbing freight or from selling at delivered prices, with the objective of forcing all business to adopt a rigid practice of selling products f. o. b. mill. Through these representations, an effort has been made to persuade every producer in the United States, large or small, who is not selling f. o. b. mill already, that the Commission is trying to force him to change his pricing practices. The propaganda has implied that the Commission's attitude does not grow out of an effort to preserve competition, but is dogmatically applied even where the effect would be to reduce competition.

What are the facts? Four of the Commission's basing-point cases have reached the Supreme Court. The Commission has decided a few other cases in which the findings about basing-point systems or zone-price systems were an important part of the decision. In all these cases but two, the Commission has charged and found that the basing-point or zone-pricing system was used as a part of the means by which a price-fixing conspiracy was brought about. In the two remaining cases, it has charged and found that price discriminations not justified by differences in cost have injured competition. In the only case in which the conspiracy issue has reached the Supreme Court, that of the Cement Institute, the Court sustained the decision and complimented the Commission upon the comprehensive and expert nature of its findings. In the two price-discrimination cases that have reached the Supreme Court, the Commission's findings were also sustained. In the basing-point conspiracy cases that have reached the circuit courts, the Commission's findings of conspiracy were sustained.

In some of the conspiracy cases, notably the cement case, there was a second count which charged that the prices which were fixed by conspiracy were also illegally discriminatory; and where this charge reached the courts, it, too, was sustained. In every such case the Commission found, and in every case reviewed the court sustained the finding, that the discrimination in price injured competition, and that it could not be justified by differences in cost, and that it was not made in good faith to meet the prices of a competitor. Discussion of these cases in the propaganda for amendment of the law has been carried on as though the findings of the Commission had never been made and had never been sustained by the courts, or as though they were obviously untrue; but no reasons have been advanced to date that would support an assumption that the Commission and the courts were not right. Such efforts to shake the confidence of the public and the Congress in our machinery for law enforcement are propaganda at its most irresponsible level.

Misrepresentation of the Commission's cases has reached its pinnacle with reference to the conduit case. Here the Commission's complaint had two counts. The first count charged a conspiracy on the part of the Rigid Steel Conduit Association and its members, including such concerns as General Electric Co., Youngstown Sheet and Tube Co., and Republic Steel Corp., to fix the prices of the steel pipe which is used in buildings as a container for electric wiring. This conspiracy was richly proved by many kinds of evidence. For example, the Commission's findings included a letter from a trade association official to a member of the industry who had filed a low price, which read in part:

The filing of price lists, if these lists happen to be uniform, will assure all uniform quotations made on any inquiry, whether from the Government or a private individual, but with the matter of the delivery charges left up in the air as it has been, there is room for differences. I am therefore calling for the filing of these delivery charge schedules.

The importance attached by the members of the industry to the maintenance of uniform delivery charges is indicated by an association rate bulletin which is also quoted in the Commission's findings. The foreword to this bulletin said:

The freight rates listed herein are to be used to ascertain delivery charges in figuring f. o. b. destination prices to all points in the United States and their possessions. Where the freight rates shown are from Pittsburgh, Pa., the Pittsburgh basing prices must be used. If the freight rates shown are from Chicago or Evanston, Ill., the Chicago or Evanston basing prices must be used.

In 1937 the man who prepared the freight-rate bulletins suggested that henceforward the freight schedules be published and distributed by the individual companies. The Commission

found that this change in form did not make any change in fact and that the bulletins were still intended for use as a common factor in pricing conduit. In November 1939, a representative of one of the companies wrote to his associates:

Mark this interesting language:

Please note this memorandum and destroy.

Mr. President, I believe in working out in the open, in public. When we run onto bits of evidence such as this, I believe we have a right thoroughly to consider the motivation behind such attempts as this propaganda represents to have Congress pass legislation of this type, which in my judgment will do serious injury to small business in the United States and will greatly intensify the monopolistic grip of a few businesses on the throat of the American free enterprise system.

Note this language:

Please note this memorandum and destroy. There was a meeting of the various manufacturers of conduit in New York on November 16 at which all major manufacturers were represented except Triangle. * * * the dropping of the Chicago base was briefly discussed but it was decided not to do anything about it for the time being because of the possibility of investigation.

"Nice business," Mr. President—but reprehensible business, and a clear indication of what the monopolies are up to, so far as our competitive system is concerned. Are they attempting to improve or maintain the competitive system? Not at all, Mr. President; they are trying to strangle it. That is the intention of the monopolies, with the result that the small-business men today are being strangled by the monopolies in America.

The Commission's findings also include a summary of the efforts of members of the industry to maintain uniform prices by using uniform consignment contracts which gave the manufacturers control over distributors' prices, by agreeing to discipline distributors who did not observe the approved prices, by fixing discounts, and by investigating the prices at which particular sales were made. Considered as a whole, the Commission's findings are conclusive that the members of the industry were determined to fix prices and that they were trying to carry on their price fixing so that it would appear to be merely individual action.

The second count of the Commission's case was an effort to penetrate the camouflage which the industry had erected about its conspiracy. This count was clearly designed to enable the Commission to order the companies to quit observing the pricing formulas which they had developed to a point at which their conspiracy might be expected to work automatically. It was obviously intended to prevent the companies from continuing to do what they did before on the pretense that what had begun as conspiracy was now merely individual action. Its plain purpose was to let the Commission issue an order which could be enforced without the necessity of bringing a new charge of conspiracy and so, in effect, being required to try the original case all over again. This count charged that each of the members of the industry used the industry's basing-point system knowing that all the others were using it and knowing that the inevitable effect of this concurrent use would be to eliminate price competition and that in fact this industry-wide use of the system did eliminate price competition. Under this second count a conspiracy was not charged, but the facts set forth were enough to justify a charge of conspiracy. Finding that the count was sustained, the Commission used it as a basis for an order which forbade use of the basing-point method of pricing and of pricing practices akin to it by any respondent. As the Commission said:

For the purpose or with the effect of systematically matching delivered-price quotations with other of said respondents or producing the equivalent of such matched delivered prices through systematic discriminations in the mill nets received on sales to different purchasers.

Lawyers may reasonably find it difficult to distinguish between the Commission's charge in count 2 and its conspiracy charge in count 1. They may reasonably wonder whether the Commission really needed count 2 in order to sustain an order which forbids each member of an industry from doing his part in the maintenance of an industry-wide price conspiracy that was automatically maintained by formula. There is no need for us to make up our minds here whether we think the Commission's handling of the case was wise or unwise. What is clear is that the Commission's eye was fixed upon conspiracies and the ways to prevent them and that its order against the systematic matching of delivered price quotations throughout the industry had nothing to do with the practices of the many competitive industries which have not spent a quarter of a century developing a price-fixing formula. Even if this were not clear in the findings and order themselves, it would have become clear in the subsequent statements which the Commission has made public. On October 12 the Commission released a statement of policy which it had addressed to its staff. This statement discusses the Conduit case in the following language:

In the Rigid Steel Conduit case the Commission found, and the circuit court agreed, that adherence to an industry-wide basing point formula, with the knowledge that other concerns are adhering to it also, constitutes in itself a violation of the Federal Trade Commission Act by the individual adhering companies when price competition is thereby eliminated. It would have been possible to describe this state of facts as a price conspiracy on the principle that, when a number of enterprises follow a parallel course of action in the knowledge and contemplation of the fact that all are acting alike, they have, in effect, formed an agreement. Instead of phrasing its charge in this way, the Commission chose to rely on the obvious fact that the economic effect of identical prices achieved through conscious parallel action is the same as that of similar prices achieved through overt collusion, and for this reason the Commission treated the conscious parallelism of action as violation of the Federal Trade Commission Act. Should the Supreme Court sustain the Commission's view, the effect will be to simplify proof in basing-point cases, but to expose to proceedings under the Federal Trade Commission Act only courses of action which might be regarded as collusive or destructive of price competition.

Again, on February 11, 1949, in reply to questions submitted by the Senator from Colorado, Commissioner Davis, with the concurrence of Commissioners Ferguson and Ayres, made clear the Commission's position about the Conduit case in the following language:

Both the Cement Institute and the Rigid Steel Conduit cases were basically conspiracy cases, and the precedents established in those cases are, in my opinion, applicable only in conspiracy situations. * * * In my opinion, the second count of the Conduit case is not susceptible of application except in conspiracy situation. The legal theory of that count charges a practice followed by each of a group of sellers with knowledge by each that the same practice is being followed by all other members of the group, as well as with knowledge of the results of the common use of the practice, and that those results are in fact the restraint and suppression of competition. The facts of record in the Conduit case were such that the Commission might have elected to include Spang-Chalfant and Clifton Conduit in the order under the first count. Both had knowledge (or such knowledge could reasonably be imputed to them) of the origin and purpose of the practices adopted and followed by them. Since I view the second count of the Conduit case as, in practical effect, equivalent to a conspiracy, although the word "conspiracy" is not used, I see nothing inconsistent in dismissing the first count as to these two respondents and including them in the order under the second count. The character of their participation and the proof concerning it conformed more precisely to the second count than to the first count.

To the question "Is the practical effect of the Commission's order in the Rigid Conduit case to require f. o. b. mill selling in that industry?" the Commissioner replied:

No. It was intended, however, to have the practical effect of preventing the respondents in that proceeding from continuing to use the basing-point pricing system which had been established and maintained by conspiracy, or from substituting for it the industry-wide use of any other pricing formula which produced the same result, and thus nullifying the effect of the proceeding.

In the face of this record the propagandists for amendment of the laws against monopoly have persistently attempted to show that count two of the Conduit case is a part of an effort to require everyone in the United States to sell f. o. b. mill, and that it is a threat to every competitive business enterprise that does not already sell f. o. b. mill.

This argument was made, in effect, by counsel for General Electric Co. before the circuit court of appeals. His brief said that the questioned raised was whether it is lawful for the company, acting individually and without collusion, to meet competition in good faith by offering its goods in markets nearer its competitors at the prices prevailing in those markets. He presumed without argument that to follow the same price formula as everyone else in the industry, in the knowledge of the fact that this formula eliminated price competition, constituted merely a meeting of competition in good faith. Assuming that because General Electric Co. could not comply with the order if it continued to

follow the same old basing-point system, it, therefore, could not absorb freight at all, he argued that without freight absorption the company could not do a national business. Starting with this basic misrepresentation of the issue, the brief then eloquently defended the right to quote varying prices to meet competition and eloquently argued against Balkanization of the United States and creation of local monopolies. Mr. President, that is to laugh. It is to laugh, to hear the general counsel of General Electric talking about trying to avoid locol monopoly.

This balderdash was considered and rejected by the court as summarily as it deserved to be. The circuit court's opinion summarizes the contention of the respondents that individual freight absorption is not illegal per se and that a seller finds it necessary to adjust his own price to meet the market price. The opinion then proceeds to describe the practices of the industry in language which makes it clear that the court realized that competitive freight absorption was not at issue. It said—and listen, Mr. President, to this language of the court:

Each conduit seller knows that each of the other sellers is using the basing-point formula; each knows that by using it he will be able to quote identical delivered prices and thus present a condition of matched prices under which purchasers are isolated and deprived of choice among sellers so far as price advantage is concerned. Each seller must systematically increase or decrease his mill net price for customers at numerous destinations in order to match the delivered prices of his competitors. Each seller consciously intends not to attempt the exclusion of any competition from his natural freight advantage territory by reducing the price, and in effect invites others to share the available business at matched prices in his natural market in return for a reciprocal invitation.

That is the court speaking. It is clearly describing what I think is a reprehensible practice on the part of those found guilty of this type of restraint of trade.

The court then sustained the Federal Trade Commission's order. A subsequent tie vote in the Supreme Court confirmed this circuit court opinion.

The propaganda to amend the laws against monopoly has ignored both the Commission's findings and the Court's opinion in this case in order to adopt and popularize the contentions of counsel for the respondents. In the face of the record that I have just recited, this propaganda has asserted over and over that the effect of the Commission's action in the case is to prevent a single seller from reducing his prices to meet the prices of his competitors if the result is that these prices become identical, and that the effect is also to prevent any seller from adopting a pricing practice if he knows that any other seller is using the same practice. The only evidence other than assertion which has been offered to prove these statements consists of passages in the Government briefs, torn from context, and used in disregard of the official, interpretations of the case by the Federal Trade Commission itself. The Commission has said that it intended no such effect as is alleged and that it has not produced it. The circuit court rejected the argument that there was any such effect and made clear that what is at issue is a dogged industry-wide adherence to a formula that originated in conspiracy and that, so long as it persists, eliminates all price competition. Nevertheless, the propagandists continue to pretend that price formulas which eliminate competition are the same thing as price competition itself. They have addressed their propaganda to countless little-business men who, never having used a basing-point system for price-fixing purposes, have only a shadowy notion of what the Commission has been fighting against. The propaganda has alarmed many and in consequence has persuaded honest and sincere businessmen to join the clamor for a change in the law.

The propaganda has misrepresented the policy of the Federal Trade Commission as consistently as it has misrepresented the Commission's cases. A strenuous effort has been made to persuade the Congress that the Commission is trying to stretch the law by interpretation, so that every American business will be required to sell f. o. b. mill.

To use a slang phrase, Mr. President, "It just ain't so."

In trying to prove this point the propagandists have scraped the bottom of the barrel. They have succeeded in showing that in 1936 a Federal Trade Commissioner who is no longer a member of the Commission, acting as spokesman for another Commissioner who is now dead, read a statement before a Senate committee in which he endorsed a bill to outlaw basing-point pricing. They have also shown that the Federal Trade Commission, along with all others who were members of the Temporary National Economic Committee, recommended that the basing-point system be outlawed. The other participants in that recommendation included the Assistant Attorney General in charge of the Antitrust Division; the representatives of the Securities and Exchange Commission; the representatives of the Department of Labor, the Department of Commerce, and the Treasury Department; the senior Senator from Wyoming; James Mead, former Senator from New York; Wallace White, former Senator from Maine; Clyde Williams, former Representative from Missouri; Hatton Sumners, former Representative from Texas; and Carol Reese, former Representative from Tennessee. The unanimous recommendation of these persons from both parties, both Houses of Congress, four Government departments, and two independent commissions has not led the propagandists to admit that there is something questionable about the basing-point system; nor have they made this recommendation the basis for a charge that efforts to smuggle an f. o. b. mill system into the law are being made by the senior Senator from Wyoming or any of the other Members of Congress or any of the other Government agencies that participated in the recommendation. However, the fact that the Federal Trade Commission was a party to the recommendation has been offered as proof that the Commission's basing-point proceedings must have some purpose quite different from that which they profess. The propagandists have also shown that an associate general counsel of the Federal Trade Commission, in his individual capacity, believes that f. o. b. mill pricing would be good for the country, though he does not believe that the present law requires it.

From such thin materials as these, the propagandists have concluded that the Federal Trade Commission is trying to interpret the law so that everyone must price f. o. b. mill. The Commission's official statements have been discounted, disregarded, or represented as a retreat under fire.

But what is the Commission's own policy as set forth by it officially? On June 2, at the very outset of the controversy, Robert Freer, then Chairman of the Commission, testified before a Senate committee as follows:

Certainly, it is unwarranted to assume that the effect of this (the cement) decision is to outlaw all delivered prices or to require only f. o. b. mill prices. The Cement case is simply a reaffirmation of a principle which is a fundamental one in the law and economics of this country that collusion and combination and conspiracy to fix and maintain prices is contrary to the American system of free enterprise. * * * The Commission has no desire to suggest how prices should be quoted in any industry or to advise or participate in any decisions of business management.

On January 12 of this year the Commission made public a reply to questions from the Chamber of Commerce of the State of New York, one of which was whether the Commission favors imposition of f. o. b. mill pricing. The answer was:

The Commission does not advocate the imposition of a requirement that business enterprises price their goods f. o. b. mill or that they use any other form of geographic pricing practice. In the Commission's opinion, one of the principal virtues of the antitrust laws is the fact that they maintain freedom of choice and variety of behavior among businessmen, favoring only the specific practices and conditions which have been condemned by law as destructive of competition.

This statement by the Commission went further to indicate that the basing-point system is not regarded by the Commission as contrary to law in all cases. It said:

It is the Commission's view that the law permits a single enterprise to use any pricing practice it may choose, including the quotation of delivered prices computed from one or more basing points, unless that practice involves price discriminations which injure competition within the meaning of the Clayton Act.

The propaganda has misrepresented the nature of the basing-point system and the bearing of the desired legislation upon it. I have already quoted from the trade press of the steel industry declarations that the industry's purpose is to restore the basing-point system just as they used it before. That is what the monopolists are after, and the Senate of the United States should not let them get by with it. Before the propaganda effort had become fully organized, the trade papers of the steel industry not

only admitted this fact but pointed out that there was nothing in the recent decisions which outlawed freight absorption to meet competition. Thus on May 13, 1948, Iron Age carried an article by John Anthony of its editorial staff, which said:

> The metal industry is of the opinion that the (cement) decision does nothing to outlaw independent producer action to meet competitive prices at any delivery points.

In the same issue, Eugene Hardy wrote that any idea that in the immediate future Congress would legalize any price-fixing system, whether basing point, zone, or other type, should be dispelled and that therefore Congress was being urged to attack the problem from an oblique angle. He suggested that a rule of reason or a trade practice conference procedure be developed applicable to such questions.

During the summer of 1948 the propaganda line was perfected. The offensive phrase "basing-point system" was discarded, and the pricing practices of the steel industry were represented as though they had been no more than merely absorbing freight where it was necessary to do so in order to meet competition. The letter from Ben Moreell, of Jones & Laughlin, which I have already quoted, said that this company would "discontinue pricing its products on a competitive basis through freight absorption." It said that the company took no issue with the Federal Trade Commission and the courts as to enforcement of the laws against price fixing and that—quoting from the letter of the president of Jones & Laughlin:

> We do not seek to perpetuate the basing-point system. We do not seek a rule which would permit the collection of phantom freight. All that we seek is the right to compete. In order to restore this basic principle, we believe it is essential that the Congress amend the applicable laws. There should be no statutory prohibition against charging lower mill prices to some customers than to others, when such low prices are necessary to permit products to be sold in a distant market to compete with another producer more favorably located with respect to that market.

Mr. President, that is a very interesting concept of free competition, that we should now fall for this line being offered in the Senate of the United States, that we should adopt the theory of the president of Jones & Laughlin, and obviously put to great disadvantage a small producer who, under our free competitive system, has placed himself in a position so that he can compete. Jones & Laughlin would take the advantage away from him. Since when has the American system of free competition reached the point that it should rest on the theory of uniformity from coast to coast and north to south so that the monopolists can take advantage of the small fellow who is trying to build his plant and develop his product in a locality or territory where the very location of the plant itself may give him a competitive advantage? Why should it not, if we are to have a free competitive system?

I care not what velvet words the president of Jones & Laughlin uses in his letter. His own language shows his intent, namely, to take advantage of the small producer who, under our competitive system, as the result of the location of his plant, may find himself in a position to compete with Jones & Laughlin.

On October 7 an article by Eugene Hardy, of Iron Age, made the strategy of this campaign in favor of freight absorption quite clear. He wrote that steel leaders were convinced that Congress would not legalize basing-point pricing or any other price system by name and that an effort to do so would require exhaustive definition which the Federal Trade Commission's attorneys might "misconstrue." He then said:

> Accordingly legislation to relieve the Commission of its weapons of attack on delivered pricing is receiving active consideration in steel circles.

He then mentioned three possible ways of accomplishing this result, one of which has subsequently become the basis of the industry's effort to persuade the Congress to legislate. It was to "make a clear legislative statement that any seller is privileged to make a lower price to meet a competitor's equally low price, and to do so as frequently and systematically as he wishes and without regard to whether his competitors may meet his and each other's prices."

As the distinguished Senator from North Dakota [Mr. LANGER] has pointed out in his minority report on S. 1008, the effect of any such blanket authorization to absorb freight for the sake of quoting identical prices would be to legalize the entire mechanism of a basing-point system.

A second suggestion which was contained in the same article in Iron Age was that the Commission be prevented from issuing a cease-and-desist order requiring the discontinuance of any method of pricing which was not inherently unlawful, even when that method of pricing had been the subject of a conspiracy. This proposal makes clear the purpose to permit an industry caught in a conspiracy proceeding to continue the use of its old price formulas on the plea that they are now individual, even after the price fixing has been proved, and thus to make the Commission's order against the conspiracy a nullity. Apparently the organizers of the propaganda decided after further consideration that this proposal was so bare-faced as to be unwise; for it has not been pushed. Instead, the steel industry apparently relies upon the hope that if Congress specifically legislates in favor of industry-wide freight absorption that produces identical prices, the Commission will find it extremely difficult, if not impossible, to prove a conspiracy in the use of such a system or to order the discontinuance of such a system even after the conspiracy is proved.

If there can be any doubt as to the purpose which moves the steel companies in their efforts to get legislation, it should be dispelled by the testimony of Otis Brubaker, director of research of the United Steelworkers, CIO, before Senate committees on February 18 and March 30, 1949. He pointed out that while the steel companies have been arguing that the law now requires them to sell f. o. b. mill, and have been doing so on the products as to which they found it profitable, some of these same companies have been absorbing freight to meet competition in the stainless-steel branch of the industry and that one of them is doing so in forgings. He emphasized the fact that as the buyers' market develops these companies are absorbing freight upon an increasing number of products. He then said:

> Representatives of my union have been approached repeatedly by various companies which we have under contract asking for their support first, for S. 236, now for S. 1008, and H. R. 2222. They will tell us, if not you, that these amendments would permit them to return to their former basing-point systems. And, most importantly, they do plan to return to such a system in the near future. * * * As bluntly as it knows how, the CIO states to you that this pending legislation is the kind of legislation desired by the steel industry and by other price-fixing industries.

These are the broad outlines of the campaign by the steel industry and other monopolistic industries to get the law amended. They have misrepresented the Federal Trade Commission's policy and the results of the Federal Trade Commission's proceedings. They have misrepresented the nature of their pricing practices and have sought to identify maintenance of these practices with maintenance of competition. They have misrepresented the effect which they hope will flow from the proposed amendment of the law. By high-pressure tactics, veiled threats, and adoption of f. o. b. mill selling when it would be most inconvenient to their customers, they have obtained the support of many small-business men and have pretended that their whole campaign is a spontaneous expression of small business.

Mr. President, they have been motivated by monopolistic intentions. They seek to tighten the strangle hold of monopoly upon a free-enterprise system in America.

In closing, I wish most sincerely to thank the distinguished Senator from North Dakota [Mr. LANGER], and the acting majority leader, the Senator from Pennsylvania [Mr. MYERS], for making it possible for me to make these remarks for the RECORD tonight. I very much desired that they be in the RECORD, in the hope that at least some of my colleagues would scan them before the vote tomorrow. This is probably the best opportunity my colleagues in the Senate will have at this session of the Eighty-first Congress to strike a blow against monopolistic practices in America, and a vote against the pending bill is a vote against such practices.

I particularly thank the Senator from Pennsylvania for making it possible for me to catch a 5:35 plane. I shall be back on the floor of the Senate tomorrow, and I look forward to the pleasure of engaging in a discussion with him.

Mr. MYERS. Mr. President, I might say to my friend from Oregon that, of course, I much prefer to ask questions during the course of his speech rather than to wait until the speech is concluded. Certainly, I have always yielded during the course of any remarks I have had to make so that running debate

might occur during the course of the remarks. However, there may be some questions to be asked, in view of the words "propagandist," "reprehensible," and other such words, which were used with such abandon. Because such words were used I believe there is some necessity for clearing the RECORD, particularly so that my friend from Oregon will understand that no steel companies or any others came to the sponsor, the Senator from Pennsylvania, while the bill was being prepared. I really thought temporary legislation was needed, and I feared that the permanent legislation which had been offered to the Senate might cause even more confusion and that we should have more time to study it, particularly in view of the fact that we were awaiting the decision in the steel company case. Since it has been rendered by a vote of 4 to 4, one judge abstaining from participation, I feel there is necessity for clarifying the confusion at least to some extent. But I shall withhold my questions until tomorrow in order that the Senator may catch his plane.

Mr. MORSE. I shall look forward to having a discussion with the Senator later.

Mr. PEPPER. Mr. President, I am very hopeful that the pending measure will not be voted upon tomorrow. I know there are a good many Senators who desire to address themselves to this measure, of whom I am one. Although I am sure the distinguished author of the bill has in mind only the most salutary objectives for it, I feel that this measure is contrary to good sound public policy, as I humbly see it. It certainly adversely affects the South and her expanding industrialism, it seems to me. So I hope that the measure will not be voted upon tomorrow, and that I may have an opportunity to present my views upon the subject before the vote is had. I shall be back in the Senate on the day following tomorrow. If the occasion arises for a vote in my absence, however, I should like the RECORD to show that if present I would have voted "nay" upon the measure.

LEAVE OF ABSENCE

Mr. PEPPER asked and obtained consent to be absent from the session of the Senate tomorrow in order to attend to public business in Florida.

DEMOCRATIC JEFFERSON-JACKSON DAY DINNER

Mr. PEPPER. Mr. President, I regret that I shall have to leave the floor. I wish to offer something for the RECORD, though I do so at a time when the distinguished Senator from Maine [Mr. BREWSTER] is not in the Chamber. What I shall say is a continuation of a discussion I had previously with him when he referred to the Democratic Jefferson-Jackson Day Dinner as the feast of Belshazzar. I pointed out, I thought with perfect propriety, that obviously those who were familiar with the background of the Belshazzar feast understood that Belshazzar was a Republican king, and that his Republican lords were gathered around him at the feast, but I did not remember as well as did Mr. Grover C. Hall, Jr., the distinguished editor of the Montgomery Advertiser of Montgomery, Ala., that I was on solid ground, because the New York World in a front page article in 1884, during the Blaine campaign, pictured a group of the Republican illustrious gathered around the banquet board with the Republican candidate, Mr. Blaine. The names of all these distinguished men of finance are given, and then above are the words "The royal feast of Belshazzar Blaine and the money kings."

In this editorial in the Montgomery Advertiser, commenting upon the debate in the Senate, it was pointed out by Mr. Grover C. Hall that had the Senator from Florida been a little more thoroughly familiar with our political history he would have immediately recalled the distinguished cartoon in the great newspaper, the New York World, to which I have adverted. So I ask unanimous consent that the editorial, and so far as may be possible, the cartoon, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FEAST OF BELSHAZZAR, 1884

The Advertiser exhumed the above front page cartoon of the late and considerably lamented New York World to cast more light on Belshazzar's feast and on whether the Babylonian monarch was a Republican.

The controversy arose out of the $100 a plate Jackson Day dinner in Washington. Republican Senator BREWSTER, bilious with envy, took a look at the pomp and circumstance and the diamond-back terrapin soup menu and y-clept it a perdition passover—feast of Belshazzar.

Democratic Senator CLAUDE PEPPER, an Alabama lend-lense item to Florida, stood full in the combat position and declaimed:

"Obviously, Belshazzar was a Republican king."

We do not question that Senator PEPPER is correctly informed on that monarch's party affiliation; however, the statute of limitations has intervened. In PEPPER's haste to retaliate, he overlooked the devastating precedent of 1884.

That was the year of the campaign between Grover Cleveland and the Republican James G. Blaine, the continental liar from the State of Maine.

Blaine apparently had the election won until one night a group of parsons in politics called on him in New York and assured the Republican candidate that they were no mugwumps.

"We don't," quoth the Rev. Dr. Burchard, "propose to leave the Republican Party and identify ourselves with the party whose antecedents have been rum, Romanism, and rebellion."

Blaine was perhaps too tired and bored with the clerics to repudiate this anti-Catholic slur and he went on to a banquet at Delmonico's with such ones as Jay Gould, William (the public be damned) Vanderbilt, Andrew Carnegie, Russell Sage, John Jacob Astor. That became the Feast of Belshazzar.

The New York World knew what to do with that one. It ground out the above front page with the result that Blaine lost New York and the election to Cleveland.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Harrison Parkman, of Kansas, to be purchasing agent for the Post Office Department; and

Five hundred and eighty-three postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FEDERAL POWER COMMISSION

The legislative clerk read the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member, for the remainder of the term expiring June 22, 1952.

Mr. THYE. Mr. President, I request that this nomination may be passed over to another session.

The PRESIDING OFFICER (Mr. LONG in the chair). Without objection, it is so ordered.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Addington B. Campbell, of Port Norris, N. J., to be collector of internal revenue, first district of New Jersey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Leo E. Trombly, of Altona, N. Y., to be collector of customs, customs collection district No. 7, with headquarters at Ogdensburg, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clara E. Sarvela, of Duluth, Minn., to be collector of customs, customs collection district No. 36, with headquarters at Duluth, Minn.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SURVEYOR OF CUSTOMS

The legislative clerk read the nomination of Richard W. McSpedon, of Yonkers, N. Y., to be surveyor of customs, customs collection district No. 10, with headquarters at New York, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and, without objection, the President will be notified in all cases.

PRICING PRACTICES—MORATORIUM

The Senate, in legislative session, resumed the consideration of the bill (S. 1008) to provide a 2-year moratorium with respect to the application of certtain antitrust laws to individual, good-faith delivered price systems and freight-absorption practices.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. MYERS. I yield.

Mr. O'MAHONEY. Earlier this afternoon I announced that it would be my purpose to present a substitute for the bill which is the unfinished business. I have had a conference with the Senator from Pennsylvania [Mr. MYERS] with respect to it, and I have no doubt that we shall have some future conferences with regard to it, but there is so much interest in the matter that I feel I should introduce the bill and ask that it be printed at length in the RECORD so that all members of the committee and of the Senate, upon receiving the CONGRESSIONAL RECORD in the morning, may have the full text of the proposal which I am about to make.

Mr. President, I had intended and had hoped that I might be able to return to the Senate in time to make an explanatory statement, but in view of the lateness of the hour and the fact that it would be very difficult to obtain a quorum at this time, I shall not attempt to make an explanatory statement here.

Let me say only that my feeling is that a mere moratorium is not sufficient to deal with the very substantial problem which confronts us. I feel that any law of Congress which is so ambiguous that the Supreme Court decides 4 and 4 with respect to its interpretation needs clarification. There is only one agency in the Government, and that is the Congress, which can take the initial legislative steps necessary to clear away the ambiguity.

It seems to me that we have two questions here. One of them is to deal with the question of ambiguity, but the other is to make certain that there shall not be opened any additional doors to violations of the antitrust laws. Conspiracies to restrain trade, agreements to fix prices, combinations which are violative of the intent and spirit of the traditional antimonopoly laws of the United States are so injurious to the public interest as a whole that they should not be invited by ambiguity. I therefore feel that I should invite scrutiny of the measure which I am offering, so that that door to monopolistic practices may be closed, if I have been unsuccessful in closing it in the drafting of this measure. I think I have not. I think I have successfully dealt with that phase of the problem. At the same time, it is a bill which will clear away the confusion which has resulted from the same facts which made the Supreme Court itself divide 4 to 4 as to the amendment of the law.

Mr. President, this should be introduced as a bill and be referred, I think, to the Committee on the Judiciary. Thereafter, during the debate, I shall offer it as a substitute for the pending measure.

I thank the Senator from Pennsylvania.

There being no objection, the bill (S. 1974) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, introduced by Mr. O'MAHONEY, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

SECTION 1. That the Federal Trade Commission Act (38 Stat. 719, as amended; 15 U. S. C. 45) is amended by adding at the end of section 5 (a) the following:

"It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight, provided that this shall not make lawful any combination, conspiracy, or agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice or other practice violative of law, carried out by or involving the use of delivered prices or freight absorption."

SEC. 2. Section 2 (a) of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended by substituting for the period at the end thereof a colon and adding thereto the following:

"*And provided further*, That it shall not be an unlawful discrimination in price for a seller, acting independently

"A. to quote or sell at delivered prices if such prices are identical at different delivery points or if differences between such prices are not such that their effect upon competition may be that prohibited by this section; or

"B. to absorb freight to meet the equally low price of a competitor in good faith, and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

SEC. 3. Section 2 (b) of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended to read as follows:

"(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection, or discrimination in services or facilities furnished, the burden of showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, further*, That a seller may justify a discrimination by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

SEC. 4. As used in this act—

A. The word "price" shall have the meaning which it has under the commercial law applicable to the transaction.

B. The term "delivered price" shall mean a price at which a seller makes or offers to make delivery of a commodity to a buyer at any delivery point other than the seller's own place of business.

C. The term "absorb freight" shall mean to establish for any commodity at any delivery point a delivered price which, although as high as or higher than the seller's price for the same commodity at the point from which such commodity is shipped, is lower than the sum of the seller's price for such commodity at such point of shipment plus the actual cost to the seller for transportation of such commodity from such point of shipment to the delivery point.

D. The term "the effect may be" shall mean that there is a reasonable probability of the specified effect.

Mr. MYERS. Mr. President, I am very happy that the Senator from Wyoming has introduced this bill for permanent legislation, and that he has introduced it tonight so that Senators may have the opportunity to read the contents of the proposed legislation in the morning.

I was extremely happy, too, to hear the Senator, who I believe is probably one of the firmest and greatest advocates in the Senate, if not in the country, of strict enforcement of the antitrust laws, indicate that some permanent legislation is necessary, rather than merely a moratorium.

I share the views which he has expressed today that something must be done by the Congress to overcome the confusion which exists. I share his views as to strict enforcement of the artitrust laws, and his view that nothing must be done by this Congress, or any other Congress, to give to the monopolists any impression that we are attempting to confer upon them greater power.

I am delighted that the Senator from Wyoming has not only introduced his bill, but has indicated that confusion exists and that there is need for the Congress to take action. I am only sorry the Senator from Wyoming was not present earlier in the afternoon, when those of us who have advocated that something be done were told that we were the pawns of the propagandists, the steel companies, and the great monopolists.

I am sure that those who know us well will give no credence to such statements, and will understand that our only purpose is to clear the atmosphere, that in clearing the atmosphere we still endorse and advocate the strict enforcement of the antitrust laws; and that in advocating this legislation we do not intend by any stretch of the imagination to give any comfort to the monopolists.

RECESS

Mr. President, I now move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 1, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 31 (legislative day of May 23), 1949:

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

Milton Katz, of Massachusetts, to be Deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

ECONOMIC COOPERATION ADMINISTRATION

William C. Foster, of New York, to be Deputy Administrator for Economic Cooperation.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 31 (legislative day of May 23), 1949:

COLLECTOR OF INTERNAL REVENUE

Addington B. Campbell to be collector of internal revenue for the first district of New Jersey.

COLLECTORS OF CUSTOMS

Leo E. Trombly to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N. Y.

Clara E. Sarvela, to be collector of customs for customs collection district No. 36, with headquarters at Duluth, Minn.

SURVEYOR OF CUSTOMS

Richard W. McSpedon to be surveyor of customs for customs collection district No. 10, with headquarters at New York, N. Y.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 31, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou Fountain of Courage and Inspiration, increase our faith, and our belief in the eternal goodness of an all-wise God. As we face a new day and a new week, we thank Thee for the blessing and the bounty of work, for the grand essentials of a useful life are something to do, something to love, and something to hope for.

In all our labors, strengthen us with wisdom from above, that we may quit ourselves like men, and Thine shall be the praise. In the name of our Saviour. Amen.

The Journal of the proceedings of Friday, May 27, 1949, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

The message also announced that the Senate had ordered that the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 930) entitled "An act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes."

EXTENSION OF REMARKS

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include a speech.

LET US BUILD

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, we hear much about communism, fascism, and nazism these days—all three the same horse, but in different harness. We pass laws to punish them and others who would deprive us of our cherished freedoms. All this is good, but that alone is not enough to assure our success as a nation.

In our concern about these evils, we often overlook the things which will protect us against them better than anything else. We forget that the success of our great system of government will do more than all else to combat those who would do us injury as a people.

To make our system work:

We must strive with all our might to see to it that we have security on the farm.

We must strive with all our might to see to it that every farm home has all the cheap electricity which it can use and afford.

We must strive with all our might to see to it that everyone who has the ambition to do so can own his own farm.

We must strive with all our might to see to it that we have good roads to serve these farms.

We must strive with all our might to see to it that children born in these farm homes along with all other children in America have plenty of good food, warm clothing, and a chance for a good education.

We must strive with all our might to see to it that anyone who has the ambition and capacity to do so can own his own business and a home.

We must strive with all our might to see to it that all who desire to work shall have a chance to work at a living wage throughout the year and have a chance to own a home.

We must strive with all our might to see to it that the religious freedom earned for us by our forefathers spreads its influence from the teachings at our mother's knee into every nook and cranny of the land.

We must strive with all our might to see to it that one of the greatest sources of good government, the ability to get along with people, is fostered and encouraged.

The lack of understanding is the greatest hindrance to peace today. The Russians apparently have decided that they do not want to get along with the rest of the world; that strife serves them in their purposes better than cooperation with other nations.

Likewise, we must strive with all our might to see to it that the farmer, the laborer, and the small-business man get along together because we know well that if either of these three great groups falls into economic distress it means the distress of the other two. All three are so closely interwoven in a delicately balanced process of living with each other in our democracy that constant care must be exercised by each group to preserve that balance.

Our forefathers worked together. The farmer, the merchant, the laborer, all walked and fought in the cold and on bleeding feet at Valley Forge and a hundred battlegrounds to attain our freedom. We, like them, must get along together today if we are to preserve that freedom.

Let us build homes; let us build churches; let us build schools; let us build roads; let us build hospitals; let us build dams; let us build soil; let us build industry; let us build good will; and finally, let us prayerfully build toward a just and lasting peace.

If we do these things, nothing can stop our progress in northwest Arkansas and throughout the Nation as a whole.

COMMITTEE ON PUBLIC LANDS, SUBCOMMITTEE ON INDIAN AFFAIRS

Mr. MORRIS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Indian Affairs of the Committee on Public Lands may have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include certain statements and excerpts.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Evening Star.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article from the Christian Science Monitor.

Mr. NORRELL asked and was given permission to extend his remarks in the RECORD and include a letter from Dr. Easley.

Mr. JACOBS asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that on Wednesday, June 1, I may address the House for 20 minutes following disposition of business on the Speaker's desk and at the conclusion of special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an editorial from yesterday's Times-Herald entitled "Meet Some More Capitalists," and at the end of the editorial I want to add, as part of it because it helps to bring out the purpose of the editorial better, an item entitled "Some 200 Foremen in a Western New York Company Made Up the Following List of How Profits Are Used."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ARENDS asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Bloomington Pantagraph.

Mr. H. CARL ANDERSEN asked and was granted permission to extend his re-

marks in the Appendix of the RECORD and include certain letters.

Mr. COLE of Kansas asked and was granted permission to extend his remarks in the Appendix of the RECORD by inserting a resolution adopted by the Kansas conference of Congregational Churches.

APPROPRIATION REFORM ACT OF 1949

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and also to extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. BYRNES]?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, the financial condition of the Federal Government is most precarious. Our present fiscal dilemma is the result of the failure of this administration to budget intelligently. We are faced with such crude suggestions as the 5 percent over-all appropriations cut, and the unsound Mills corporation tax proposal, because the Democrat leadership failed to budget before it spent. This will always happen if we do not give serious consideration to the economic conditions of the country and their effect upon income and outgo.

For that reason I have today introduced a bill to revise the appropriations machinery of the Congress. I am inserting a statement describing the details of this bill in the Appendix of the RECORD.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

ARE AMERICAN COMMUNISTS DISLOYAL TO THE UNITED STATES?

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

Mr. DONDERO. Mr. Speaker, an item in the Washington Times-Herald of May 29, 1949, quotes a former president of a State university as saying:

> It has not been proved that American Communists are disloyal to the United States, and that liberal thinkers are not convinced that a Communist is necessarily un-American.

Either complete ignorance of the objective of communisn and the record of disloyalty of Communists already shown by Government agencies or an attempt to hoodwink and lull the American people into false security can be the source of such a statement.

There cannot be a Communist who is a loyal American, and there cannot be a loyal American who is a Communist.

The one object of communism is the destruction of all free governments, including the United States, by force and bloodshed, if necessary. The two ideologies of government are as far apart as the poles. It is freedom or slavery; there can be no compromise or middle ground with communism.

The granting of an Atomic Energy Commission fellowship to Hans Freistadt, an avowed and admitted Communist, to be paid for by loyal American taxpayers, places the issue squarely before the country. This young Communist from the campus of the University of North Carolina definitely points the direction of Communist thinking when he says:

> Our scientists are discriminated against because of their political views. The whole concept of academic freedom is in danger.

He assumes that the Communist Party is a political party. He is 100-percent wrong. It is sheer idiocy and impudent nonsense. It is a brazen fraud. Every Communist is controlled by Russia, and the Communist Party is the fifth column of Russia here and in every other freedom-loving country. It is hostile to our way of life.

Every sensible and loyal American knows that under our philosophy of government the defeat of any one of our political parties in a free election does not mean the end of that party or its political faith. Another day and another chance will come, and their rights are preserved by law.

Is there anyone stupid enough to believe, if the Communist Party should win an election in the United States, that there would ever be another election? All other political faiths would end, their leaders, including all Members of Congress, shot or deported, their property confiscated, and their organizations destroyed.

The American people must be on guard against such rosewater deceit as expressed in the public press a day or two ago, notwithstanding the prominence of its author. That makes his utterance all the more dangerous.

Not $1 should be spent on educating those who seek the wreck and ruin of our people and the substitution of tyranny for freedom. Mr. Lilienthal has betrayed his country and should be removed at once from public office.

COLUMBIA VALLEY AUTHORITY

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ELLSWORTH]?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, the proposal sponsored by the President which would turn the sovereign States of the Pacific Northwest into a rigidly controlled unit called a Columbia Valley Authority is too radical a departure toward dictatorship to be tolerated even by the Socialist Party. I have occasionally referred to the scheme as socialistic. I have to take that statement back now. At its meeting in Seattle, May 13, the Socialist Party issued a statement condemning the pending CVA bills:

> We realize that CVA is a socialistic venture—

Their formal statement says.

> The Socialist Party is alarmed at the present rapid trend toward collectivization without democratic controls.
>
> Upon analysis of H. R. 4286, the Mitchell bill, the Socialist Party finds no adequate safeguards to insure democratic control under this measure. It centralizes power in the President and three of his appointees, thereby in some measure justifying the charge of opponents that CVA will be a step in the direction of the authoritarian state.

I never thought the day would come when I could agree with a Socialist statement but I do agree with their statement which I have just quoted.

The SPEAKER. The time of the gentleman from Oregon has expired.

THE WALTHAM WATCH CO.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a description of the Waltham Watch Co.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, some weeks ago the members of the Massachusetts delegation and others spoke of the plight of the Waltham Watch Co. and the fact that the company had been forced to close down because of foreign competition. It was at the time when the trade agreement bill came up, and we protested allowing over 60 percent of the trade to go to the Swiss companies.

Today, Mr. Speaker, the Waltham Watch Co., thanks to the very cooperative efforts of the Reconstruction Finance Corporation, is again trying to manufacture. On yesterday, Memorial Day, all the papers in Massachusetts, and the Washington Star here in the District of Columbia, carried articles telling of what the Waltham Watch Co. did in the making of timepieces and precision instruments for the Army, Navy, and the Marine Corps during the war. They performed a very patriotic service, and they are dedicating their new watches to the veteran. These watches are made by Americans—for Americans—in an American plant. The following is the story carried in the papers:

DEDICATED TO THE 12,000,000 MEN AND WOMEN WHO CONSTITUTED AMERICA'S FIGHTING FORCES IN WORLD WAR II: THE VETERAN—THE FIRST OF WALTHAM'S NEW NATIONAL DEFENSE SERIES

The Waltham Watch Co. completes a century of service by introducing a new and magnificent timepiece.

On this Memorial Day, Waltham, a century-old American industry—itself a veteran of four wars—salutes every American veteran at home, in hospitals, at final rest.

On this Memorial Day, Waltham dedicates and names the first of its 1950 national-defense series the Veteran, in honor of the 12,000,000 men and women who served our country in World War II.

The Veteran is designed in four handsome models, each dedicated to a branch of the United States armed services—the Army, the Navy, the Marine Corps, and the Air Force. Each is a masterpiece of American precision craftsmanship. Each represents the ultimate in styling and taste.

For 100 years, Waltham's distinguished American timepieces have measured the steady march of American progress. Grave minutes and hours of the Civil War were

weighed by Abraham Lincoln to the solemn ticking of his Waltham watch.

Franklin D. Roosevelt's history-making schedule during World War II was timed by the unfailing accuracy of his American-made Waltham.

During the fateful hours of the war, when skill and dependability were on trial under fire, a vast army of American precision craftsmen at Waltham Watch Co. worked night and day to produce military timepieces, aircraft clocks, compasses, speedometers, fuses, rifle parts. On land, on sea, in the air, America's fighting men depended on Waltham.

Today it is with very real pride, and with a deep sense of gratitude, that the Waltham Watch Co. salutes loyalty and courage at its finest.

The first of Waltham's new national-defense series will honor the man of the century: the veteran.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BARING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

[Mr. BARING addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WILSON of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject Making Child Abandonment a Federal Offense.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include remarks he made on the radio last Thursday evening.

Mrs. BOLTON of Ohio asked and was given permission to extend her remarks in the RECORD and include an editorial.

Mr. HARRIS. Mr. Speaker, on Tuesday, May 10, 1949, the distinguished Governor of our State, Hon. Sid McMath, made an address before the Interstate Oil Compact Commission at Jacksonville, Fla., on the subject How Conservation Has Encouraged Development in Arkansas, containing some very important and significant statements on the oil policy of the United States.

I ask unanimous consent that this statement may be included in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

INVESTIGATING CERTAIN MATTERS PERTAINING TO THE MERCHANT MARINE AND FISHERIES OF THE UNITED STATES

Mr. SABATH. Mr. Speaker, I call up House Resolution 215 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Merchant Marine and Fisheries, acting as a whole or by duly authorized subcommittee or subcommittees, appointed by the chairman of said committee, is authorized and directed to conduct full and complete studies and investigations and to make such inquiries as said Committee on Merchant Marine and Fisheries may consider important or pertinent to the merchant marine and fisheries of the United States or any of the Territories thereof, or to any matter coming within the jurisdiction of said committee.

That the committee shall report to the House of Representatives at the earliest practicable date or dates during the present Congress the results of their studies, investigations, and inquiries, with such recommendations for legislation or otherwise as the committee deems desirable.

The committee or any subcommittee thereof is authorized to sit and act at such times and places within or without the United States whether the Congress is in session, has recessed, or is adjourned; to hold such hearings as it deems necessary; to employ such consultants, specialists, clerks, or other assistants; to travel and authorize its assistants to travel; to utilize such transportation, housing, or other facilities as any governmental agency may make available; to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per one hundred words. The expenses of the committee, which shall not exceed $100,000, shall be paid from the contingent fund of the House upon vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendments:

Page 2, line 12, strike out the word "subpena" and insert the word "subpoena."

Page 2, line 16, after the word "advisable.", strike out the balance of the resolution.

The committee amendments were agreed to.

Mr. SABATH. Mr. Speaker, I yield myself such time as I may desire to use.

Mr. Speaker, the resolution just read gives the Committee on Merchant Marine and Fisheries the power of subpena, in addition to other investigatory powers. These powers have been granted to other legislative committees and I do not know of a committee that is more justified in receiving this additional power than the Committee on Merchant Marine and Fisheries, especially in view of its splendid personnel and its chairman who has served at all times with distinction and in the best interest of our country.

The evidence before the Rules Committee as presented by the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from Virginia [Mr. BLAND], is such that I feel there should not be a single vote cast against the resolution. That committee has introduced evidence showing that in the Seventy-ninth Congress an investigation was started which indicated that some $26,000,000 is owed to the Federal Government through the Maritime Commission and the War Shipping Administration. I feel that this investigation will bring about early action and recovery of that vast sum of money. There are other items and other things also I feel the committee should investigate, namely the overcharges on the part of the oil companies to the Government involving millions of dollars.

Mr. Speaker, in view of these facts the Rules Committee has unanimously reported this resolution. I am satisfied that after the House hears from the chairman of the Committee on Merchant Marine and Fisheries, who will give more background and outline the reasons for this resolution, it will pass without a single vote against it.

Mr. Speaker, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois [Mr. SABATH], chairman of the Rules Committee, has explained, House Resolution 215 gives to the House Committee on Merchant Marine and Fisheries certain powers, either as a full committee or as a subcommittee, to conduct investigations and studies, to subpena witnesses, place them under oath, and to compel the production of records.

The resolution was reported unanimously by the Rules Committee. In my opinion, it is of the utmost importance that we give to the Committee on Merchant Marine and Fisheries the same power and the same authority to conduct investigations which has been given to almost every other standing committee of the House. The committee is made up of exceptionally able Members of the House. It is headed by the distinguished gentleman from Virginia [Mr. BLAND], who has had many years of experience in the work of that committee and has proven himself a very able chairman.

As the gentleman from Illinois explained to you, the authorizing of this investigation is of extreme importance because of the situation which has arisen in connection with many of our merchant-marine problems. It is indicated that if this investigating authority is granted, that the committee will undoubtedly bring about actions which will result in the recovery of huge sums of money into the Treasury of the United States.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Illinois.

Mr. SABATH. I forgot to mention it, but I am satisfied that this investigation will bring about the recovery of millions and millions of dollars.

Mr. BROWN of Ohio. Yes, I am trying to say that the minority agrees fully with the views expressed by the gentleman from Illinois.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Georgia.

Mr. COX. I am glad that the gentlemen referred to the type of people that make up this great committee. The make-up of this committee is insurance enough that the powers we propose to give the committee will not be abused.

Mr. BROWN of Ohio. I fully agree with the gentleman from Georgia, and there is such great confidence in the gentleman from Virginia, Chairman BLAND, and in the membership of the Committee on Merchant Marine and

Fisheries that there is no request for time on this side of the aisle.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Mississippi.

Mr. RANKIN. I also congratulate the gentleman from Ohio for joining in this investigation. From my viewpoint it is 25 years late. I urged the change in policy with reference to Alaska—and that is what this is directed at—when I came back from that Territory in 1923. There are no fish traps in Canada. All along the Canadian coast we saw hundreds of small fishermen out fishing for a living. But, when it got to Alaska we found large concerns had monopolized the mouths of those streams up which the salmon go on their way to the spawning grounds, and had shut the Alaskan out from the fishing grounds. For that reason I am wholeheartedly in favor of this investigation. The value of the fishery products out of the Alaskan waters amount to more in dollars and cents than the wheat crop in Ohio or the cotton crop in Tennessee, and if those people who live there and make it their permanent home have the same privilege of fishing that they have in Canada, it would be a much more desirable place in which to live.

Mr. BROWN of Ohio. I thank the gentleman from Mississippi very much for his contribution.

Mr. Speaker, there seems to be such unanimous approval of this resolution, that I hope it will be adopted by a unanimous vote, as evidence of the great affection for, and our great confidence in, the gentleman from Virginia [Mr. BLAND], the chairman, and in and for the membership of this committee.

Mr. SABATH. Mr. Speaker, I feel gratified that the gentleman from Ohio feels as I do in this matter. Therefore, I shall not take up any more time except to yield to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON. Mr. Speaker, of course, I am very much in favor of the measure before us. I ask unanimous consent to extend my remarks at this point in the RECORD and also that my distinguished chairman the gentleman from Virginia [Mr. BLAND] may be given like permission.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON. Mr. Speaker, it is very gratifying to me and, I am sure, to all of my colleagues on the Committee on Merchant Marine and Fisheries to hear the warm words just spoken concerning our beloved chairman, the gentleman from Virginia [Mr. BLAND]. The affection which we all feel for him is deep and abiding and needs no further words from me at this time.

I would like, however, to take this opportunity to pay a compliment to the Subcommittee on Fisheries and Wildlife Conservation of which it is my honor to be the chairman. Our schedule of hearings during this Congress has been unusually heavy and it has been necessary for me to ask my members to convene frequently and for long hours. They have been faithful and loyal and have attacked each problem with the same painstaking care. We have been able to report out many measures which will, I trust, have a far-reaching effect on the fishing industry and on the conservation of our wildlife. The members of this committee are the gentleman from Alabama [Mr. BOYKIN], the gentleman from Oklahoma [Mr. WICKERSHAM], the gentleman from South Carolina [Mr. HARE], the gentleman from Florida [Mr. BENNETT], the gentleman from Missouri [Mr. WELCH], the gentleman from New York [Mr. MURPHY], the gentleman from Virginia [Mr. FUGATE], the gentleman from Ohio [Mr. WEICHEL], the gentleman from New Jersey [Mr. HAND], the gentleman from Washington [Mr. TOLLEFSON], the gentleman from California [Mr. ALLEN], the gentleman from Maryland [Mr. MILLER], and the gentleman from Michigan [Mr. POTTER].

May I also express my appreciation at this time for the frequent attendance at our hearings of the distinguished chairman of the main committee, the gentleman from Virginia [Mr. BLAND], and of the ranking Republican member, the gentleman from Ohio [Mr. WEICHEL].

Mr. BLAND. Mr. Speaker, I am deeply indebted to the gentleman from Illinois [Mr. SABATH], the chairman of the Committee on Rules, the gentleman from Ohio Mr. CLARENCE BROWN, of the minority, and other members of the committee and the House for their kindly comments on my work. They have been very generous, and more so than I deserve, but I am deeply grateful nevertheless. I am also very much pleased at the commendations of the work of the Committee on Merchant Marine and Fisheries, of which I am chairman. All that was said of these other members is absolutely true, and we are all extremely grateful.

House Resolution 215 would authorize and direct the Merchant Marine and Fisheries Committee, or any duly authorized subcommittee thereof, to conduct full and complete studies and investigations of all matters pertaining to the merchant marine as may be deemed proper.

Although much progress has been made since the termination of hostilities of World War II to the end of returning our American merchant marine to full private ownership and operation in accordance with our national maritime policy, shipping conditions in foreign and domestic commerce are still unsettled and many problems yet remain to be solved before the transition from wartime and emergency status can be completed. This committee has held extensive hearings and reported out proposed legislation relative to the merchant marine and the problems with which it is faced, but the consideration of various legislation during this session with the studies thereon has convinced me that the Congress should take immediate action to study in fullest detail the problems affecting our merchant marine in an earnest effort to aid in the prompt solution of our problems and the correction of all deterrents to our leadership on the seas of the worlds, and the promotion of world trade, which I consider of supreme importance to our national economy.

We must, in the interest of national security, study the composition of our foreign and domestic merchant marine, and shipbuilding and ship-repair facilities; the extent and availability of skilled manpower for ship operation, shipbuilding, and ship repair; the effect and nature of competition from foreign shipping; the possibility of the development of a long-range American tramp shipping fleet; the solution on a long-range basis of the problems of the coastwise and intercoastal shipping, including the shipping requirements of the Territory of Alaska; and the proper relationship of the Army and Navy in the conduct of nonmilitary shipping operations. We should study the suggestions of various surveys and studies on the subject of our merchant marine, including the conclusions of the Hoover Commission regarding proposed changes in the Maritime Commission. We should also inquire into the operations of the Merchant Marine Academy and the Coast Guard Academy, to the end that they shall complete their mission in our world leadership. Our committee is charged with the problems affecting the fisheries of the United States and all of the Territories thereof.

I feel that the authority sought in House Resolution 215 is necessary because, among other things, we have been informed in the past several months of the serious and immediate needs of the fisheries of the United States for rehabilitation and development. The Committee on Merchant Marine and Fisheries is also charged with legislation regarding various problems relative to the Panama Canal, including the very difficult question of a proposed sea-level canal and a terminal-lake canal. The latter proposal involves an estimated cost to the United States of $3,500,000,000. The investigation also involves many matters of like import as those specifically mentioned which may arise in connection with the various activities under the jurisdiction of the Merchant Marine and Fisheries Committee. Consequently, we should have available the flexibility of this resolution.

In order to adequately make the studies and investigations which may be required during the remainder of the Eighty-first Congress, I estimate that we should have available a sufficient fund to meet the expense of the members of the committee and its staff, but which will be appropriated as needed. In the past, investigations by this committee have always returned many times the amount appropriated for its use. One of our primary investigatory activities will be to follow up the large sums of uncollected moneys owed by private companies to the Government through the Maritime Commission and the War Shipping Administration. Some progress was made during the Eightieth Congress, but according to recent inquiries made by the Senate Expenditures Committee and newspaper reports, there has been as much as $26,000,000 uncollected.

It is essential at this time that the Congress review our American merchant marine situation and seek a long-range solution to the many problems which

have presented themselves during the transition period following the war. Today we began hearings to that end and wish to pursue the inquiries deemed necessary. In this the Senate has a similar investigatory resolution and we are working closely with them in order to avoid overlapping investigation. On the other hand, it is necessary that we have the authority hereby requested and necessary funds to perform effectively during the period of our authority. In the past years we have always returned a part of the moneys provided for us. There have been no junketing tours, but industrious studies by day and night, and only such voyages to Alaska and the Panama Canal as were necessary to the proper administration of the responsibilities resting upon the committee.

The matters to be covered in investigations under House Resolution 215 may be summarized briefly as follows:

First. Collection of moneys due the United States Maritime Commission and War Shipping Administration.

Second. Shipbuilding and ship-repair industry.

Third. Manpower, shipbuilding, operation, repair.

Fourth. Foreign competition, ECA, watchdog committee. This involves the maximum use of American ships in foreign trade.

Fifth. Coastwise, intercoastal, and Great Lakes shipping.

Sixth. Alaska shipping problems.

Seventh. Army and Navy in commercial shipping.

Eighth. Reserve fleets.

Ninth. Fisheries resources, rehabilitation, and development.

Tenth. Sea-level Panama Canal.

Eleventh. Merchant Marine and Coast Guard Academies.

Twelfth. Hoover Commission recommendations on Maritime Commission.

Thirteenth. Shipping conferences, their scope and effect.

Fourteenth. Preservation of laid-up fleets for immediate use when needed.

Fifteenth. The maximum use of our merchant marine to promote our trade and to secure, so far as possible, the peace of the world.

Recently, the committee, through the medium of its investigators and a study of other committee records, ascertained that many of the uncollected claims for moneys due the Maritime Commission and the War Shipping Administration had never been billed and additional amounts which had never been analyzed. The amount of these uncollected claims is estimated at about $26,000,000. Early in this session our staff consulted with the Maritime Commission officials and urged that they take steps to reduce this backlog.

As of March 25, 1949, the Commission staff began to take action and by April 30, 1949, had assigned a total of 50 employees to the work of screening all of the Commission's accounts and billing in all cases where moneys remained due. Since the Commission has had no procedure for keeping track of the amounts billed and collected on account of items in the $26,000,000 backlog, there is no way of knowing the extent to which such backlog has been reduced. However, at the instance of the committee's staff, the Commission has agreed to report monthly to the committee staff the state of its progress in collections. Since this procedure was established the Commission as of April 30 issued 241 invoices, amounting to $362,676.81, of which $280,884.63 was billed to Government departments and $81,792.18 was billed to others. As of April 30, $8,700.75 had been collected from debtors other than Government departments. The claims billed to Government departments represented a variety of interdepartmental transfers for which reimbursement should be made. The items owed by other than governmental departments arose out of various wartime claims against vendors furnishing vessels construction materials. While the results shown in the first month of operation under the present procedure are not impressive, we believe that without constant attention to the problem and insistence upon complete and prompt screening and billing of the Commission's accounts very material progress will show within the next several months.

When there was pending before the Congress recently legislation extending the charter powers of the Commission, Representative CASE of South Dakota attached an amendment to protect a situation which had been brought to the attention of the Appropriations Committee. He has furnished a copy of the testimony before the Appropriations Committee and the matter is now being pursued by our committee staff.

In addition, we have written all members of the Rules Committee asking that our committee staff be supplied with all leads or facts of which they may hear that should be followed by our committee staff and we have great confidence that we may get good results.

In addition, we are soliciting from the present and all former members of the Maritime Commission suggestions as to improvements in Commission procedure or legislation.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING CONTRACT SETTLEMENT ACT OF 1944

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 220 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I am pleased to yield 30 minutes of my time to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this resolution makes in order the immediate consideration of the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons who contracted to deliver certain strategic or critical minerals or metals and who failed to recover reasonable costs, and for other purposes.

As far as I know, there is no controversy over this bill, and I see no purpose in an extended discussion under the rule.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Texas has explained, House Resolution 220 makes in order the consideration of the bill H. R. 834. This rule was granted by the Committee on Rules by unanimous vote. The measure was also reported from the Committee on the Judiciary by a unanimous vote. So, seemingly, there is little controversy in connection with the measure. H. R. 834 simply amends the Contract Settlement Act so as to permit the consideration under the provisions of that law, claims against the Government in connection with mining operations to obtain certain strategic materials required by the Government during the war. I believe it was the thought of the Congress when we passed the Contract Settlement Act that it would cover such cases, but seemingly there is some technical question as to whether mining operations and Government contracts therefor are covered. This measure would simply permit such contracts to come under the purview of the original act.

Mr. Speaker, I have no requests for time.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. WALTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 834, with Mr. BURLESON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WALTER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the measure under consideration is similar to one of the series of bills suggested by the Committee on Postwar Economic Policy and Planning as a means of dealing fairly and equitably with that class of contractors who engaged in the war effort. This bill would not be necessary but for the fact that the Contract Settlement Act provides very specifically for the treatment of cases where there has been a formal contract. The type of claimant who will be made whole, if this measure is enacted, is one who did not have a contract, for the most part, and I dare say that 98 percent of the claimants come within the category of being very small operators who were persuaded by the Government to develop mining operations which were of such a nature as not to appeal to such operators unless there was reasonable assurance that the risk would not be too great. These people were persuaded by various Government officials to operate low-producing mines. In many of the cases they were advanced money by the RFC and were given priorities by the War Production Board. As I stated before, it was a very hazardous undertaking which was made necessary because the critical materials they sought were not available due to the stoppage of imports by submarine warfare. These people lost money. The idea underlying this bill is to make them whole, where there has been no speculation and where the losses were not occasioned by mismanagement or negligence. The Committee on the Judiciary feels that it has set up safeguards so that advantage cannot be taken of the United States. In our judgment, it is the only way that equitable relief can be provided for this remaining class of war contractors. Under the Lucas Act, where a contract was terminated, relief was provided for under similar circumstances. It is necessary that this legislation be enacted in order to deal with this class of contractors as we have dealt with every other class of contractors engaged in the war effort.

Mr. Chairman, I reserve the balance of my time.

Mr. MICHENER. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the gentleman from Pennsylvania [Mr. WALTER], chairman of the subcommittee, which held the hearings and gave preliminary consideration to this bill, has stated briefly and concisely the circumstances necessitating this legislation. A similar bill was considered and favorably reported by the Committee on the Judiciary in the Eightieth Congress; however, it was never reached on the calendar. The subcommittee and the full committee in the present Congress unanimously recommend that this bill become law. The observer will note that the bill is technical; yet it is understandable. Possibly I cannot add much to the general explanation; however, I am sure that the committee is prepared to answer all inquiries.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. COLE of New York. Can the gentleman apprise us of the amount of money involved in this?

Mr. MICHENER. I yield to the gentleman from Pennsylvania, chairman of the subcommittee, if he will be good enough to answer the gentleman's inquiry.

Mr. WALTER. Mr. Chairman, it is very difficult to estimate the correct or entire amount involved. We had experience with the same sort of legislation after the last war. I think claims amounting to over $3,000,000 were paid. It is utterly impossible to estimate the amount that will be claimed.

Mr. MICHENER. The Members will find a most comprehensive committee report accompanying the bill, which was filed on March 2, 1949; therefore, ample time has been given for adequate consideration by the entire membership.

Mr. Chairman, at the risk of repetition, may I state that the purpose of the bill is to compensate persons who, without fault or negligence, suffered losses in attempting to supply certain strategic or critical minerals or metals for the war effort.

During the recent war the need of the Government for certain strategic and critical minerals led to the opening and working of a number of mines which would have been deemed submarginal and uneconomical to operate in normal times. These actions were encouraged by the Government in many ways—the assistance of the Bureau of Mines in the Interior Department in locating mines and determining their probable productivity, the assistance of the War Production Board in granting priority assistance for mining equipment and other needs, and the assistance of the Reconstruction Finance Corporation in contracting to buy the product of these mines under announced terms and conditions. There is no doubt in the minds of the committee that most, if not all, of those who would benefit by this bill were induced to engage in the activities resulting in their present losses because of official representations of authorized Government agents.

The committee recognizes that the bill singles out a particular class of war contractors for relief, but feels that such discrimination is well justified. In this thought, the committee is acting not without precedent. Under the Dent Act passed after World War I for the purpose of granting relief to mines, and which contained provisions analogous to, but not as restricted as, the present bill, 1,208 claims were filed as of June 30, 1921. Of these, 1,150 had been acted on by the Government as of that date. Three hundred and seventy-three claims were approved for a total expenditure by the Government of $3,162,040.75; 770 claims were denied; and 58 remained pending. There is no way of computing the number or monetary value of potential claims under the pending bill. Approximately 11,000 mines were listed on the War Production Board mailing list, and 7,000 of these received priority assistance.

The precedent of the Dent Act only partially predicates the action of the committee. We are also impressed with the harsh results of the manner in which the Government abruptly terminated the program for production of critical minerals. The inducements offered by the Government are not contested. Amongst other things, it specified a grade of ore—insofar as manganese was concerned, and the manganese operations are considered to represent the bulk of the losses—that the typical domestic mining property was capable of producing, and offered to accept total production of that or higher grades. Prompted by these inducements, claimants invested heavily in equipping and operating mining sites. Suddenly, about the time the submarine menace in the recent war ended, making accessible the cheaper and higher grade ores in foreign countries, the Government terminated its program by the simple and very effective method of increasing the minimum specification of the ore which they would accept. Automatically, this threw out of business the great majority of manganese miners who found it impossible to meet the increased specifications and who could not afford the expensive and elaborate equipment needed to refine the ore to meet the new specifications. For the most part the men who suffered losses were small, individual operators, who in many cases lost their life savings in their ventures.

There is an essential and fundamental difference between mining operations and operations of other war contractors, such as the manufacturer. The miner cannot be assured of his operation beyond the production of the ore in sight or that which is proven in his mine, plus that doubtful quantity which his experience and judgment leads him to expect. He has all the risks and uncertainties of the manufacturer, such as the fluctuating cost of labor, power, and materials, plus the great risk of exhausting his known ore reserve without being able to find new ones. This risk is even more pronounced in the smaller mines with their more uncertain ore deposits. The exclusion in the bill of so-called speculative ventures must, therefore, be considered in the light of the particular industry, for to some extent all mining ventures are speculative. It is not the intent of this committee that the language in the bill be construed in this restrictive sense.

We further are of the opinion that to deny relief to these claimants would imperil the position of the Government were another emergency to arise requiring immediate supplies of the critical minerals here involved. Niggardly treatment now of their claims would undoubtely persuade them against reengaging in the same activity in the event they were called upon to do so. The potential loss to the Government in such case cannot be predicted, but any degree of shortage of such vital materials when needed could be disastrous to our welfare.

The committee feels that relief should be granted, on the restricted basis provided by the committee amendment, both to claimants who held formal contracts with the Government or with a war contractor or subcontractors and to those who did not hold such contracts but were induced to engage in the activities in question by representations made by authorized Government agents.

Many of those who held formal contracts for the delivery of fixed amounts

of strategic minerals or metals were unable to complete such contracts for a variety of reasons beyond their control, such as the unforeseen exhaustion of ore bodies of required specifications. In other cases, contracts made for limited quantities were not renewed, leaving claimants with no means of recovering the heavy investment which they had made in the justified belief that the Government's requirements would be such as to result in continued purchases over a more extended period.

It would appear that the Contract Settlement Act does not provide for the reimbursement of losses suffered by claimants with formal contracts falling within these two or certain other categories, since their contracts would not have been "terminated" within the meaning of that act. While the Lucas Act might have been availed of in certain of these cases, it would seem clear that it did not cover all of them. For example, situations in which, even though for reasons beyond the claimant's control, no metals or minerals were actually delivered under a contract would not give rise to a claim under that act; furthermore, the time to file claims under the Lucas Act expired on February 7, 1947.

Many of those who had no formal contracts, and who incurred losses, filed claims under section 17 (a) of the Contract Settlement Act. Some of these were able to establish a "request to proceed" pursuant to that section and have been allowed to recover. Others, however, failed to have their claims allowed by virtue of a ruling of the appeal board in the Office of Contract Settlement that a "request to proceed" must be addressed specifically to the claimant, and a published or posted request addressed to the public at large is not sufficient.

This bill is grounded in justice and those patriotic citizens who during the hour of our distress in the midst of the war were willing to hazard their own fortunes in an effort to comply with the request of their Government, must not now be penalized and bankrupted because conditions concerning the availability of strategic war materials unexpectedly and suddenly changed. I hope that this bill will pass unanimously. I have heard of no opposition.

Mr. Chairman, there are no requests for time on the minority side. I, therefore, reserve the remainder of my time.

Mr. WALTER. Mr. Chairman, I yield to the gentleman from California [Mr. ENGLE].

Mr. ENGLE of California. Mr. Chairman, in the Eightieth Congress, the Honorable Henderson H. Carson, of Ohio, introduced and sponsored H. R. 4928, which was referred to the House Judiciary Committee, and after extensive hearings and careful deliberations, this committee reported favorably and, with amendments, recommended that the bill be passed. Unfortunately, the report came out late in the closing session and the bill failed to reach the floor in time for a vote.

On January 5, 1949, I introduced H. R. 834, which bill is exactly as reported out by the House Judiciary Committee last year, and my colleagues, the Honorable A. S. J. CARNAHAN, of Missouri, and WILBUR D. MILLS, of Arkansas, have introduced similar bills. These bills have also been reported favorably by the House Judiciary Committee with recommendation that they do pass. The report accompanying H. R. 834, submitted by the Honorable FRANCIS E. WALTER, clearly and succinctly states the purpose for which the bill is drawn, the precedent for the committee's action, the need for the relief provided, the basis upon which it is predicated, and, with equal clarity, enumerates the safeguards against exploitation. I want to take this opportunity to commend the committee on the thoroughness of the report and the clarity with which it is rendered and earnestly request that it be read by every Member.

This bill is to amend the Contract Settlement Act of 1944 so as to authorize, belatedly, the payment of fair compensation to persons contracting to deliver strategic or critical minerals or metals during the war. The amendment is based upon the repeatedly acknowledged obligation of the American people to provide fair compensation for all who contributed materials, services, or facilities for the prosecution of World War II and is, in substance, a reenactment of similar remedial legislation adopted by the Congress after World War I, expanded to include the minerals and metals designated by the Army and Navy Munitions Board as strategic or critical. The amendment serves to rationalize the payment of fair compensation so that the war contractor who supplied critical minerals and metals is treated the same as any other supplier of materials, services, or facilities used in the prosecution of the war, and to correct presently existing discriminatory practices resulting from technically inconsistent or conflicting provisions of the act itself, whereby the claim of one producer is allowed and that of another is denied.

Commencing with the war-induced emergency, the President of the United States, the Congress, and hundreds of officers and representatives of wartime Government agencies repeatedly importuned the members of the mining fraternity to accelerate exploration, development, and production so that critical minerals and metals used in the manufacture of implements of war might be in maximum supply.

Pursuant to policies formulated by the War Production Board, The Metals Reserve Company, organized in June 1940 to act as a Government purchasing agent, created a special market for critical minerals and metals, and by press, by radio, and by personal appeal, sought to stimulate production by offering all sorts of inducements, such as loans, subsidies, and decentralized special services.

During 1943 and 1944, when the supply of these vital materials became critical, members of the Small Business Committee of the Senate, accompanied by officials or representatives of the MRC, the WPB, and the OPA, visited ore-producing areas practically all over the United States, and at centers like Phoenix, Tucson, and Prescott, Ariz.; Salt Lake City, Utah; Helena and Missoula, Mont.; Spokane and Seattle, Wash.; Las Vegas, Reno, and Procha, Nev.; Deming, N. Mex., and in ore-producing sections of California, and so forth, the Government's program of stimulation was explained and in person urged upon producers in those respective areas. Every aid and assistance was offered to insure greater mining activity, and the members of the industry were promised a market which would insure a fair return on an investment made in reliance upon these representations.

Purchase depots and stock piles were established in ore-producing areas under the direction and control of MRC agents, opening the buying program to anyone on substantially an unqualified basis. The respective agencies provided throughout the period loans, special prices, preferred markets, priorities, and subsidies. I commend for your reading the hearings before the House Judiciary Committee on March 12 and 19, 1948, on this matter which relates the exact statements that were made by the President of the United States and responsible heads of agencies involved to stimulate this program. I want you to note some examples of the stimuli offered, the personal pressure exerted, and promises made, because here, without doubt, a presently undischarged obligation was created.

The miners' good faith response to the Government's intense drive for increased production we cannot gainsay. Many of those loyal producers, especially from among those of small means, failed to recover the actual costs of their patriotic endeavor, due to natural hazards common to mining and over which the miners had no control, and many of them lost every penny they had.

During the war period, the Government contracting agencies acquired these critical metals and minerals, in three ways: First, different types of contracts, some of which contained settlement provisions, and some of which did not; second, subsidy or premium price plans, providing for payment of costs; and, third, by small-lot purchases direct from the miner at Government depots. I call your attention to these facts primarily to show that, in acquiring critical minerals and metals for the war program, the Government maintained exactly the same contractual relationship with the miners as it did with the manufacturers, and that one is just as much a war contractor as the other.

In 1944 or thereabouts, when the so-called cut-backs in the ore-buying program came, the contracts were terminated or canceled. In every instance termination, either by cancellation or otherwise, was attributable to circumstances over which the producer had no control.

In the meantime, Congress recognized the hardships which had been forced on many war contractors, and in an effort to be fair, passed the Contract Settlement Act which was approved July 1, 1944, the objective of which was to assure final and uniform settlement of claims under all terminated war contracts, and was intended specifically to provide all war contractors with speedy and fair compensation for the termination of their war contracts.

That Congress intended to pay fair compensation to the wartime producer

of critical minerals and metals is evidenced by the words of the Honorable James G. Scrugham, former Senator from Nevada, when he said to a group of miners on August 7, 1944, at Phoenix, Ariz., shortly after the adoption of the Contract Settlement Act:

> The Congress had included in the recently passed Contract Settlement Act authority for the Office of Contract Settlement to deal with quasi and informal contracts and make settlements therefor. It was the intent of the Congress under this act to give the agencies and the Office of Contract Settlement such authority that a war minerals relief bill would not be necessary. What the results will be depends upon the administration of the act as set up in the Office of Contract Settlement.
>
> There is no reason, ladies and gentlemen, why you of the mining industry and of other industries who did not wait or quibble about contracts before doing their best for the war effort should not be compensated. I know that I did not intend, and I now know that neither the Senate nor the House intended that we should have to wait 10, 15, or 20 years under some new war minerals relief act before those who may have some unrecovered wartime investment at the end of hostilities should be compensated therefor. This was the case after the last World War.

Unfortunately, history is repeated. Now, nearly 5 years after the passage of the Contract Settlement Act, the record reveals that the miner has been treated with a disregard equal to, or perhaps greater than, that displayed following World War I. Why? Because the contracting agencies upon whom Congress placed the full responsibility for settling terminated war contracts, invoking certain differences between mining and manufacturing operations, necessarily reflected contractually, maintain that the standard mining contract offered by the contracting agencies during the war, and accepted without choice by the miner, is not covered by the language of the Contract Settlement Act. Since the effect of the aforementioned determination by the contracting agencies, upon whose shoulders Congress specifically placed the responsibility for the settlement of termination claims, has, in substance, the force of law, the producer of critical minerals and metals is forced to seek relief through an amendment to Public Law 395.

I have followed rather closely the attitude of the contracting agencies, particularly the RFC, in processing the claims which have been filed. It is clearly evident now that objectives specifically enumerated in the act are being completely nullified by legal technicalities, which cannot be dissolved short of an amendment.

I certainly am not going to engage in an argument involving the legal aspects of controversies relating to the interpretation of certain provisions of the Contract Settlement Act. It is enough for me to know that, when we prepared the act, we intended that the mining contractor, as any other war contractor, was to be paid for loss he might sustain from the withdrawal of markets, or because of representations made to him during the war period, and upon which he in good faith relied. The WPB was designated a contracting agency, due almost entirely to the program of stimulation which that agency devised and broadcast so that it might respond in terms of fair compensation.

Congress realized that controversies might arise as evidenced by the language of subsection (g) of section 6 which specifically provides that any contract which does not provide for, or provides against, such fair compensation shall be reformed or amended so that it does provide for such fair compensation.

In this bill, we do not disturb the main objectives of the Contract Settlement Act, but only attempt to clarify those legal technicalities which have arisen which seems to nullify the objective specifically enumerated in the act.

The proposed amendment serves, as simply as possible, to remove purely technical obstructions in the act itself, which for almost 5 years have prevented the payment of the fair compensation therein specified to producers of strategic or critical minerals and metals, who, because of the withdrawal of war-induced markets or other circumstances equally beyond their control, failed to recover the actual cost of mining operations entered into during the war period in good faith in response to repeated appeals from the President, Congress, and agencies of the Government, particularly the Metals Reserve Company and WPB. No clear, honest distinction can be drawn between our liability to that class of war contractors and those others to whom, under the authority of the provisions of Public Law 395—the Contract Settlement Act—we have already paid more that $7,000,000,000.

The amendment to the Contract Settlement Act consists of two parts:

Section 1 of the bill relates to formal contracts under section 6 of the Contract Settlement Act of 1944, and section 2 provides special treatment of this class of informal contracts under section 17 of the same act.

Section 1 is equipped with protective features selected from and modeled after certain devices employed in the Dent Act, the Lucas Act, and the Contract Settlement Act of 1944 itself. Subsection (h) confines recoveries to actual losses; (h) (1) requires the issuance of regulations within 60 days after enactment; (h) (2) provides that losses should be set off first against any net gains realized by the claimant on his other war contracts with the Government; (h) (3) rules out losses resulting from the negligence or poor management of the claimant, and losses resulting from purely speculative enterprises; (h) (4) requires claims to be filed within 1 year from enactment, and permits recovery of actual losses in excess of any previous settlements of the same claims under the First War Powers Act of 1941, or other provisions of the Contract Settlement Act.

Section 2, relating to informal contracts, contains language protecting the Government from unwarranted elements of recovery similar to those found in section 1, and adds a few additional safeguards designed to meet particular conditions. Subsection (e) (1), in effect, corrects the board of appeals' definition of "request to proceed" by enlarging it to include "any personal, written, or published request, demand, solicitation, or appeal—including a published, posted, or oral offer to purchase—from any contracting agency." It requires a good-faith expenditure of money, and confines recovery to net losses. Subsection (e) (2) authorizes the issuance of regulations within 60 days after enactment; (e) (3) repeats the provision of section 1 of the bill concerning restriction of recoverable losses to net losses from all war contracts with the Government; (e) (4) eliminates speculative losses and losses attributable to claimant's fault, negligence, or mismanagement; (e) (5) requires affirmative showing by claimant that he had reasonable cause to believe the property contained minerals in sufficient quantities to be of importance to the Government's procurement program at the time, and this relates itself to the time in question during the war and not to the present aspect of its importance; (e) (6) provides the priorities assistance from War Production Board, if not based solely upon claimant's uncorroborated representations, will constitute the sufficient reason mentioned in the preceding subsection (e) (5); (e) (7) requires claims to be filed within 1 year from enactment and permits recovery of net losses in excess of previous settlements for the same claims under the First War Powers Act of 1941, or other provisions of the Contract Settlement Act of 1944.

This amendment should be adopted because we owe these producers a debt, the real consideration for which stems from representations and warranties made to them during the war. Again I want to compliment the subcommittee of the House Judiciary Committee, under the able leadership of the Honorable FRANCIS WALTER, which has so clearly and succinctly stated in their report the real purpose for which this bill is drawn. I specifically want to call your attention to the statement on page 3 of the report:

> We further are of the opinion that to deny relief to these claimants would imperil the position of the Government were another emergency to arise requiring immediate supplies of the critical minerals here involved. Niggardly treatment now of their claims would undoubtedly persuade them against reengaging in the same activity in the event they were called upon to do so. The potential loss to the Government in such case cannot be predicted, but any degree of shortage of such vital materials when needed could be disastrous to our welfare.

I am certain that you will agree that the situation which prompted these observations is becoming progressively more acute, and that more and more planners or our armament program have been rendered conscious of what might easily become a national calamity. The past year has witnessed an ever-increasing interest in the demand for the creation and maintenance of Government stock piles of these strategic materials. We must not place our dependency on foreign supply; in the future as never before, that source may be completely foreclosed.

These people should be paid fair compensation for past efforts; we will need their aid and assistance in the future.

Mr. WALTER. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I want to congratulate the chairman of the subcommittee and the members of that committee for bringing this bill before the House. There are many small mine operators in my district who will be bankrupt except for the help they may get from this bill as a reward for their patriotic war efforts. I heartily approve of the bill. It is just and fair and I hope will be adopted without opposition.

Mr. WALTER. Mr. Chairman, I have no further requests for time on this side.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 6 of the Contract Settlement Act of 1944 is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding the provisions of section 8 (d), section 24, and section 25, of this act, any person who, in good faith entered into a formal contract to deliver, or to arrange to deliver, within specified periods of time, to a contracting agency or to a war contractor, specified quantities of a mineral or metal declared by the Army and Navy Munitions Board, during the emergency proclaimed by the President on September 8, 1939, to be strategic or critical, and in completing, or attempting to complete, his contract failed to recover his reasonable costs, including net capital expenditures, shall be paid fair compensation in an amount equal to the net loss so incurred: *Provided*, That—

"(1) the amount of reimbursement under this subsection shall be computed in accordance with regulations to be prescribed by the President within 60 days after enactment of this subsection based upon such recognized commercial accounting practices as are fair and equitable to the claimants hereunder;

"(2) in arriving at a fair and equitable settlement of claims under this subsection, the respective departments and agencies shall not allow any amount in excess of the amount of the net loss (less the amount of any relief granted subsequent to the establishment of such loss) on all contracts and subcontracts held by the claimant under which work, supplies, or services were furnished for the Government between September 8, 1939, and August 14, 1945, and shall consider with respect to such contracts and subcontracts (i) action taken under the Renegotiation Act (50 U. S. C., Supp. IV, app., sec. 1191), under the other provisions of this act, or similar legislation; (ii) relief granted under section 201 of the First War Powers Act, 1941, or otherwise; and (iii) relief proposed to be granted by any other department or agency under this act;

"(3) no compensation shall be paid under this subsection for expenditures attributable to the fault, negligence, or mismanagement of the claimant, or for expenditures made for merely speculative purposes;

"(4) claims for losses shall not be considered unless filed with the department or agency concerned within 1 year after the date of enactment of this subsection. A previous settlement under the First War Powers Act, 1941, or the Contract Settlement Act of 1944 shall not operate to preclude further relief otherwise allowable under this subsection."

SEC. 2. Section 17 of the Contract Settlement Act of 1944 is amended by adding at the end thereof the following new subsection:

"(e) (1) All claimants who, in response to any personal, written, or published request, demand, solicitation, or appeal (including a published, posted, or oral offer to purchase) from any contracting agency, in good faith expended money in producing or preparing to produce any minerals or metals declared by the Army and Navy Munitions Board during the emergency proclaimed by the President on September 8, 1939, to be strategic or critical, shall be paid by the contracting agency fair compensation for such net losses as they may have incurred.

"(2) The amount of reimbursement under this subsection shall be limited to amounts expended between September 16, 1940, and August 14, 1945, and shall be computed in accordance with regulations to be prescribed by the President within 60 days after enactment of this subsection based upon such recognized commercial accounting practices as are fair and equitable to the claimants hereunder.

"(3) In arriving at a fair and equitable settlement of claims under this subsection, the respective departments and agencies shall not allow any amount in excess of the amount of the net loss (less the amount of any relief granted subsequent to the establishment of such loss) on all claims, contracts, and subcontracts, if any, under which work, supplies, or services were furnished for the Government, or moneys were expended by the claimant, between September 8, 1939, and August 14, 1945, and shall consider with respect to such contracts and subcontracts (i) action taken under the Renegotiation Act (50 U. S. C., Supp IV, app., sec. 1191), under the other provisions of this act, or similar legislation; (ii) relief granted under section 201 of the First War Powers Act, 1941, or otherwise; and (iii) relief proposed to be granted by any other department or agency under this act.

"(4) No compensation shall be paid under this subsection for expenditures attributable to the fault, negligence, or mismanagement of the claimant, or for expenditures made for merely speculative purposes.

"(5) No compensation shall be paid under this subsection unless it shall affirmatively appear that the losses so incurred were incurred on property which the claimant had reasonable cause to believe contained strategic or critical minerals or metals in sufficient quantities to be of importance to the procurement program of the Government at the time.

"(6) Authorization by the War Production Board or any of its predecessor agencies for procurement of articles or materials to be used by the claimant in connection with the production of strategic or critical minerals or metals shall constitute sufficient reason for belief on the part of the claimant that the property contained strategic or critical minerals or metals in sufficient quantities to be of importance to the procurement program of the Government at the time, except where the authorization was based solely upon uncorroborated representations of the claimant.

"(7) Claims for losses shall not be considered unless filed with the department or agency concerned within 1 year after the date of approval of this subsection. A previous settlement under the First War Powers Act, 1941, or the Contract Settlement Act of 1944 shall not operate to preclude further relief otherwise allowable under this subsection."

Mr. WALTER (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill may be dispensed with and that the bill be printed at this point in the RECORD and open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

Mr. BARRETT of Wyoming. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BARRETT of Wyoming: Page 6, line 6, after line 6 insert a new subsection (8):

"*Provided*, That nothing in this act shall have any application to any claims now being litigated between Reconstruction Finance Corporation or any Government contracting agency upon the one side and any contractor on the other."

Mr. BARRETT of Wyoming. Mr. Chairman, the purpose of this amendment is merely to provide a saving clause that will preclude any possibility whatsoever of the application of this bill as now written, to litigation now pending between the Reconstruction Finance Corporation or any Government agency and any contractor with such agency.

I am particularly concerned with a claim or dispute between the Monolith Portland Midwest Co. and the Reconstruction Finance Corporation. The facts are about as follows:

Shortly after the entry of the United States in World War II the aluminum-supply situation became critical.

As a result of the insecure position of the United States during the early part of the war in the aluminum field, four experimental plants were authorized by the War Production Board to test the feasibility of producing alumina from domestic sources of aluminum-bearing raw materials other than bauxite. Three of these plants had been completed and short trial runs made of the various processes. However, the fourth one, which is located at Laramie, Wyo., was only about 90 percent completed, with no trial operation thereof being made at the time the Reconstruction Finance Corporation, in 1946, canceled the contract for its completion and operation.

The process developed by the Monolith Portland Midwest Co. uses anorthosite, from which the alumina is extracted and the remainder is a good Portland cement raw material. The deposits in Wyoming near the plant cover hundreds of thousands of acres and would provide a supply of alumina for the world's use for generations. It is believed that the Monolith plant and process at Laramie, Wyo., can economically use all of the raw materials entering therein for the production of alumina and portland cement.

Inasmuch as the United States has less than 5 percent of the known proven supply of bauxite in the world, it is believed to be sound policy to find a substitute for this strategic material.

The Reconstruction Finance Corporation terminated its contract with Monolith on the ground that the experiment was no longer in the public interest. Monolith was forced to bring suit against the RFC in the Federal District Court of California. The court ordered that the status quo of the plant and assets remain unchanged until a determination could be made of the obligations of the RFC, and the plant therefore is intact in every respect and could be placed in operation in a short time.

It is Monolith's position that the provisions of the Contract Settlement Act are optional. That is to say, that an aggrieved contractor may take either course in the adjudication of his rights by either

complying with the Contract Settlement Act regulations or bring action in any court of competent jurisdiction.

I have discussed this amendment with the gentleman from Pennsylvania [Mr. WALTER] and with the gentleman from Pennsylvania [Mr. GRAHAM] and with the author of the bill, the gentleman from California [Mr. ENGLE], and I am certain there is no objection to this amendment which merely preserves the rights of a party in pending litigation.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Pennsylvania.

Mr. WALTER. As I understand the gentleman's amendment, the purpose is to make it certain that no technical objections can be raised in the court in a case that is now in the court. The purpose of the amendment is to make it abundantly plain that it is the intention of Congress to give to those people the same equitable relief that anybody else may have under the provisions of the law.

Mr. BARRETT of Wyoming. That is right.

Mr. ENGLE of California. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my colleague from California.

Mr. ENGLE of California. It is not the intention of this legislation to affect existing litigation. I do not think it would, and I do not think the gentleman's amendment will harm the bill at all, but will make abundantly clear the fact that that is not our intention. As the author of the bill, I have no objection to the amendment.

Mr. BARRETT of Wyoming. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming [Mr. BARRETT].

The amendment was agreed to.

The CHAIRMAN. There being no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BURLESON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, pursuant to House Resolution 220, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on two subjects.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SIMS, through June 8, on account of illness.

To Mr. DAVIS of Tennessee, for the week of May 30, on account of official business.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3334. An act granting the consent of Congress to the Pecos River compact.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 26, 1949, present to the President, for his approval, a bill of the House of the following title:

H. R. 3704. An act to provide additional revenue for the District of Columbia.

ADJOURNMENT

Mr. HEDRICK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 42 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 1, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

657. Under clause 2 of rule XXIV, a letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to stabilize farm income and farm prices of agricultural commodities; to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce; and for other purposes," was taken from the Speaker's table and referred to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 4332. A bill to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes; without amendment (Rept. No. 708). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. H. R. 976. A bill to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes; with an amendment (Rept. No. 709). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 2610. A bill to include in section 3 of the act of June 26, 1936 (49 Stat. 1967), the Midwakanton Sioux Indians of the State of Minnesota; with an amendment (Rept. No. 710). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 2783. A bill to authorize the Secretary of the Interior to convey a certain parcel of land, with improvements, to the city of Alpena, Mich.; without amendment (Rept. No. 711). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.; without amendment (Rept. No. 712). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. H. R. 2634. A bill to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, and between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; with an amendment (Rept. No. 713). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1446. A bill for the relief of Conrad L. Wirth; without amendment (Rept. No. 695). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1505. A bill for the relief of Harry Warren; with an amendment (Rept. No. 696). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 1701. A bill for the relief of Mrs. Vesta Meinn and Mrs. Edna Williams; with an amendment (Rept. No. 697). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 2471. A bill for the relief of Walt W. Rostow; with an amendment (Rept. No. 698). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 4097. A bill for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams; without amendment (Rept. No. 699). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 4792. A bill for the relief of Harry Fuchs; without amendment (Rept. No. 700). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4807. A bill for the relief of Robert A. Atlas; without amendment (Rept. No. 701). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1127. A bill for the relief of Sirkka Siiri Saarelainen; without amendment (Rept. No. 702). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1466. A bill for the relief of Daniel Kim; with an amendment (Rept. No. 703). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1625. A bill for the relief of Christine Kono; with an amendment (Rept. No. 704). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1975. A bill for the relief of Rudolf A. V. Raff; with an amendment (Rept. No. 705). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 2084. A bill for the relief of Teiko Horikawa and Yoshiko Horikawa; with an amendment (Rept. No. 706). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2709. A bill for the relief of Sadae Aoki; without amendment (Rept. No. 707). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCHANAN:

H. R. 4908. A bill making the 14th day of August in each year a legal holiday, and for other purposes; to the Committee on the Judiciary.

By Mr. BYRNES of Wisconsin:

H. R. 4909. A bill to provide Members of Congress with more timely and comprehensive knowledge of the appropriations and expenditures needed for the functional operations of the Government, to promote efficiency in the legislative branch of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. CURTIS:

H. R. 4910. A bill to relieve taxpayers from the payment of interest on deferred payments under section 722 of the Internal Revenue Code; to the Committee on Ways and Means.

H. R. 4911. A bill to provide for review by courts of the United States of determinations under section 722 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. HARRIS (by request):

H. R. 4912. A bill to amend the District of Columbia Redevelopment Act of 1945 to provide an alternative method of financing, and for other purposes; to the Committee on the District of Columbia.

By Mr. HOLMES:

H. R. 4913. A bill to authorize the construction of the Klickitat unit of the Wapato project, Yakima Indian Reservation, Wash., and for other purposes; to the Committee on Public Lands.

By Mr. JACOBS:

H. R. 4914. A bill to repeal the Labor-Management Relations Act, 1947, being Public Law No. 101, Eightieth Congress; to protect the right of parties to labor contracts to organize to bargain collectively; to protect the right of members of such organizations to govern their said organizations; to protect the public health and safety, as distinguished from public convenience; to provide additional facilities for the mediation and conciliation of labor disputes, all in all cases affecting commerce; and for other purposes; to the Committee on Education and Labor.

By Mr. PETERSON:

H. R. 4915. A bill to amend the act of December 24, 1942 (56 Stat. 1086; 43 U. S. C., sec. 36b), entitled "An act to authorize the Secretary of the Interior to acquire lands or interest in lands for the Geological Survey"; to the Committee on Public Lands.

By Mr. REED of New York:

H. R. 4916. A bill to exempt from stock-transfer tax transfers between a corporation and its nominee; to the Committee on Ways and Means.

By Mr. NORBLAD:

H. R. 4917. A bill to provide transportation for certain persons to the Union of Socialist Soviet Republics, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HERTER:

H. R. 4918. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JAVITS:

H. R. 4919. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CASE of New Jersey:

H. R. 4920. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NIXON:

H. R. 4921. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MORTON:

H. R. 4922. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON:

H. R. 4923. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HALE:

H. R. 4924. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HERTER:

H. R. 4925. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. JAVITS:

H. R. 4926. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. CASE of New Jersey:

H. R. 4927. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. NIXON:

H. R. 4928. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. MORTON:

H. R. 4929. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. FULTON:

H. R. 4930. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 4931. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

973. By Mr. HART: Petition of the Jersey City Junior Chamber of Commerce, urging repeal of the transportation tax; to the Committee on Ways and Means.

974. Also, petition of Gen. Joseph Wheeler Post, No. 62, VFW, urging that an investigation of David Lilienthal and the Atomic Energy Commission be undertaken; to the Joint Committee on Atomic Energy.

975. By Mr. WILSON of Oklahoma (for himself and the Oklahoma delegation in Congress): Memorial of the Oklahoma State House of Representatives, memorializing Congress to take all possible necessary action to alleviate the serious hazard to health caused by the prevalence throughout a large part of the United States of ticks; to the Committee on Interstate Foreign Commerce.

976. By the SPEAKER: Petition of Mrs. Robert J. Frazier and others, Walla Walla, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

977. Also, petition of Mrs. M. L. Norton and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

978. Also, petition of P. Marion Kissans and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

979. Also, petition of A. A. MacDonald, clerk, City of Cincinnati Council, Cincinnati, Ohio, urging favorable consideration of H. R. 3824; to the Committee on Public Works.

980. Also, petition of Pearl L. Curry and others, Walla Walla, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

981. Also, petition of Mrs. Willie Miller and others, Mitchell, S. Dak., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

982. Also, petition of Mrs. A. Bruner and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

983. Also, petition of Fred Correll and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

984. Also, petition of Mrs. M. L. Morse and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

985. Also, petition of Mrs. Mabel Norton, St. Petersburg Townsend Club, No. 1, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.